

NEVADA STATE BOARD OF ACCOUNTANCY

Minutes

January 18, 2006

An open meeting of the Nevada State Board of Accountancy was called to order at 9:00 A.M. by President Sharon McNair, on Wednesday, January 18, 2006 at First Republic Bank, 8310 W Sahara, Las Vegas, Nevada.

Board Members Present:

Sharon J. McNair, President

Kathy L. Zeller, Secretary/Treasurer

Bonnie M. Houldsworth

Charles A. Morrison

Raja Mourey

Harry O. Parsons

Patrick M. Thorne

Board Staff Present:

Todd Russell, Counsel

Viki A. Windfeldt, Executive Director

Leslie C. Walsh, Board Coordinator

◆ ◆ ◆ ◆ CONSENT AGENDA ◆ ◆ ◆ ◆

The Consent Agenda contains matters of routine acceptance. The Board Members may approve the consent agenda items as written or, at their discretion, may address individual items for discussion or change.

*1. Approval of November 18, 2005 Board Meeting Minutes

*2. Approval of Applications for Certified Public Accountant – Non Appearance

Rachel Austin	Gregory Beams	Julie Booth	Peggy Cheung
Kathleen Devalk	Clifford Foster	Roberta Harris	B. Houldsworth
Kedar Joshi	Aaron Jackson	Viktor Prodanov	Jonathan Pugmire
Jeremy Ranz	Garrett Shitanishi	Mindy Smith	Christopher Stead
Gail Webb	Jennifer Yates	Sara Jenkins	

*3. Approval of Temporary Licensing Permits – Non Appearance

Nicholas Ross	Thomas Woods	John Fisher	Jeff Hoekstra
Kelly Snow	Joseph Patrick	Stephen Hood	April Brown
Joseph Barr	David Ovesen	Michael Laughter	Dexter Sasaki
Donald Mikeska	William Crim	John Luby	Thomas South
James Hearne	James Johnston	Michael Mileski	Susan Cimbalk

*4. Request for Change of CPA Status

Retired Status

James Bailie	William Estes	S Lee Hanson	Patricia Johnson
Daniel Murphy	Doug Mickelson	Dun Rudkin	G. Tsacoyeanes
Betty Vogler	Samuel Cratis	Thomas Keegan	

January 18, 2006 Board Meeting Minutes

Inactive Status

Robert Beers	Gary Boyd	Shanann Bragg	Cheryl Cox
Steven Dicino	Roger Farquhar	Shelly Figueredo	Robert Goldberg
Sophie Hinchliff	Leslie Martin	Sue Nichols	Philip Peckman
Lorelei Reid	Louise Curo	Robert Teasdale	Nancy Cinciarelli

Reinstatement to Active Status: Paula Wallin

- *5. Approval of Finances
 - A. Review of income & expense
 - B. Bills paid since last board meeting
- *6. Approval of CPA Examination Scores:
 - July/August 2005 Window
 - October/November 2005 Window
- *7. Approval of Fictitious Name: Padgett Business Systems

The consent agenda information and supporting documents were reviewed by the Board. Motion was made, seconded and carried to approve the minutes of the November 18, 2005 Board meeting, applications for CPA certification, temporary licensing permits, inactive/retired/return active status, Board finances, CPA examination scores and fictitious name use.

◆ ◆ ◆ ◆ REGULAR AGENDA ◆ ◆ ◆ ◆

Agenda Item 8: Grievance Report and Grievance Matters.

Note: Pursuant to NRS 241.030 the Board may convene in closed session to consider the character, alleged misconduct, professional competence or physical or mental health for any of the grievances filed with the board.

Motion was made, seconded and carried to go into closed session to discuss grievance matters.

Upon resumption of the open session, motion was made, seconded and carried to close complaint matter S-05-8, Debra Schmitt based on the revocation of her CPA Certificate.

Motion was made, seconded and carried to close complaint matter S-05-9, Arthur DeJoya, subject to staff monitoring of hearing decision provisions.

Motion was made, seconded and carried to close complaint matter S-05-10, James Slayton based on Mr. Slayton's Voluntary Surrender of his CPA Certificate in lieu of disciplinary action.

Motion was made, seconded and carried to dismiss formal complaint matter S-05-14, Jaime Velez based on compliance.

January 18, 2006 Board Meeting Minutes

Motion was made, seconded and carried to close complaint matter S-05-15 based on lack of cause to proceed.

Motion was made, seconded and carried to close complaint matter N-05-16 based on the matter being a fee dispute.

Motion was made, seconded and carried to close complaint matter S-05-16 based on information provided that the matter has been resolved between the parties.

Motion was made, seconded and carried to assign Board Member Bonnie Houldsworth as liaison to complaint matter S-06-1.

Motion was made, seconded and carried to close the following non-licensee grievance matters based on compliance:

SS-05-5	Glen Glasshagel
SS-05-16	Thomas Schalk
SS-05-17	Raymond Chan
SS-05-18	Del Acosta
NN-05-6	Rosa Whisenand
SS-05-19	Suesen Gordon

The Board reviewed the PCAOB Inspection Summary Report as provided by member Kathy Zeller. The Board addressed specific issues with firms that have received negative report findings. Further discussion was held regarding the Board's administrative procedures in connection with the reports. Board directed staff to draft a letter that would be sent by certified mail to the firms that have received negative inspection reports. The letter would address monitoring the firm's compliance while waiting for the second follow up report to be provided by the PCAOB.

Agenda Item 8A: Recess into closed session for a Full Board Disciplinary Hearing against the following individuals:

A. James Slayton 10:00 AM

This item was removed from the agenda based on Mr. Slayton's voluntary surrender of his CPA certificate in lieu of disciplinary action.

Agenda Item 8B: Reconvene into Open Session for Board Determination of the matters concerning the above named individual.

This item was removed from the agenda.

Agenda Item 9: Report of Counsel

No report was provided by Legal Counsel.

January 18, 2006 Board Meeting Minutes

Agenda Item 10: Report of Executive Director

A. Computer Conversion Update

Executive Director provided the Board with an update to the computer conversion of GL Suite Software and hardware upgrades.

B. License Renewal Update

Executive Director provided the Board with an update to the license renewal process. In addition, some recommendations were made for improvement to next year's renewal process.

C. Discussion CPE Requirement

Executive Director provided the Board with a summary of the issues surrounding the current CPE requirement, particularly the "rolling" two year period. Recommendation was made to changing the current requirement to a 40 hour per year requirement. Ms. Windfeldt indicated that this concept had been proposed in the past and was not passed based on 6 individuals that sent in letters of opposition. The Board discussed the advantages and disadvantages to the proposed change but did not change the current CPE requirement.

D. NASBA Vice-Chair Recommendations

Executive Director provided the Board with the NASBA Vice-Chair Recommendations. The Board discussed the information provided and agreed to support Gaylen Hansen of Colorado.

E. Board Meeting Follow-Up Summary

Executive Director provided the Board with the Board Meeting follow-up summary.

Agenda Item 11: Request to Rescind Revocation Decision:

A. Louis Musso 11:00 AM

Louis Musso came forward to discuss the Boards prior revocation of his CPA license based on his failure to comply with the CPE requirements. Mr. Musso provided the Board with explanation for not obtaining the CPE requirement by summarizing his health issues over the past few years. Based on the Boards discussion with Mr. Musso, motion was made, seconded and carried to rescind the prior revocation along with the following provisions: (1) waive the 2004 CPE hours and penalties based on medical evidence provided, (2) require completion of the 2005 CPE requirement of 40 hours by July 31, 2006, (3) payment of the attorney fees incurred with the September 16, 2005 hearing; (4) provide letter from physician referencing medical difficulties.

B. Susan Eisenberg

Susan Eisenberg came forward to discuss the Boards prior revocation of her CPA license based on her failure to comply with the Board's previous hearing decision provisions. The Board discussed various issues with Ms. Eisenberg and encouraged her to seriously work on her client communication, follow up skills and overall practice

January 18, 2006 Board Meeting Minutes

management. Motion was made, seconded and carried to rescind the prior revocation and resume the probationary terms of the Boards hearing decisions of January 28, 2005 and September 16, 2005. In addition Ms. Eisenberg shall allow subsequent site visits by the Board to ensure that better practice management is being followed.

Agenda Item 12: Board request for special consideration for use of the term Accounting in business name.

Executive Director summarized the request of Dwight Harris to use the term “accounting” within the business name of Accounting and Tax Referral Services. Mr. Harris indicates in a letter of request to the Board that the business is used strictly for referral services and not that of any financial functions. The Board reviewed the information provided and determined that Mr. Harris could continue to use the term “accounting” within the business name as long as the business holds out to their clients and CPAs that they are a referral service and not an accounting firm.

Agenda Item 13: Board request for extension of time to complete CPE without penalty based on personal hardship.

The Board reviewed the letters of request for special consideration in connection with the CPE requirements and penalties imposed.

Motion was made, seconded and carried to approve the request of Felice Cavallera for waiver of the CPE penalties and an extension of time to complete the required CPE by July 30, 2006. The motion was based on evidence provided indicating reasonable cause.

Motion was made, seconded and carried to approve the request of Kathleen Potter for waiver of the CPE penalties and an extension of time to complete the required CPE by July 30, 2006. The motion was based on evidence provided indicating reasonable cause.

Motion was made, seconded and carried to approve the request of Shauna Anton for waiver of the CPE penalties and an extension of time to complete the required CPE by July 30, 2006. The motion was based on evidence provided indicating reasonable cause.

Motion was made, seconded and carried to deny the request of Renee Reed for waiver of the CPE penalties. The denial was based on lack of reasonable cause to waive the penalties. Board staff was directed to accept a payment plan not to exceed August 31, 2006.

Agenda Item 14: Report of President

The board discussed the new board meeting facilities at First Republic Bank.

January 18, 2006 Board Meeting Minutes

January 18, 2006 Board Meeting Minutes

Agenda Item 15: Public Comment 1:00 PM

No items were discussed under New Business/Public Comment.

Agenda Item 16: Next Board Meeting: March 24, 2006 Reno