

NEVADA STATE BOARD OF ACCOUNTANCY

Minutes

January 19, 2007

An open meeting of the Nevada State Board of Accountancy was called to order at 9:00 A.M. by President, Kathy Zeller, on Friday, January 19, 2007 at McCarran International Airport, Room 6B, 5757 Wayne Newton Blvd, Las Vegas, NV 89119.

Board Members Present:

Kathy L. Zeller, President
Bonnie M. Houldsworth
Patrick M. Thorne

Charles A. Morrison, Secretary/Treasurer
Sharon J. McNair Harry O. Parsons

Board Members Absent:

Karen E. Wilkes

Board Staff Present:

Karen Peterson, 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 17, 2006 Board Meeting Minutes

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

Gary Benson	Randolph Boles	Sharon Cowburn	Steven Decea
Michele Ellington	Mark Faas	Kallie Goff	Martin Jones
Shervin Khorramian	Garry Kohorst	Michael Lax	Maria Moats
Lisa Mortensen	Jeffrey Orton	Nicholas Schiller	Denes Tobie
Sanford Weintraub	Ryan Whitman	Donna Wilder	Joy Layton
Julie Leavitt			

*3. Approval of Temporary Licensing Permits – Non Appearance

Stephen Wysong	Anthony Coble	Paul Regan	Donald Mikeska
Patrick Reilly	David Ovesen	Mark Eitelgeorge	Nicholas Ross
David Wilson	Leslie Thorne	Karen Linn	Michael
Cummins			
Paul Murphy	Douglas Jones	Ira Zorn	Joseph Patrick
Colin Spreier	Dale Rector	Harry Maroni	Melinda Lawrence
Gregory Kuykendall			

*4. Request for Change of CPA Status

Inactive Status:

James Brattoli	Jason Cleary	Gerda Coetzee	Matha Giles
Frances Huchmala	Clifton Low	Clinton Lowder	John Medunic
Fred Oats	Kim Saibini	Janine Shapiro	

Retired Status

James Batchelor	James Barrington	David Cleveland	David Ebner
Jack Fidelman	Marvin Gilbert	Pamela Koehler	Gary Stewart

Reinstatement to Active Status:

Nita Wracker	Patricia Barber-Johnson
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*5. Approval of Finances

- A. Review of income & expense
- B. Bills paid since last board meeting

*6. Approval of CPA Examination Scores as provided by the AICPA.

*7. This item was removed from the consent agenda.

*7A. Approval of Board Staff & Legal Counsel Attendance at the NASBA Executive Director and Legal Counsel Conference – March 12- 14, Las Vegas NV.

The consent agenda and supporting documents were reviewed by the Board. Motion was made, seconded and carried to approve consent items 1 – 7 including 7A.

◆ ◆ ◆ ◆ REGULAR AGENDA ◆ ◆ ◆ ◆

4. **Inactive Status:**

Motion was made, seconded and carried to defer the inactive status request of Christopher Stead to the next board meeting in order to obtain additional information on his employment activities at Countrywide Bank.

Motion was made, seconded and carried to defer the inactive status request of Lynette Vinson to the next board meeting in order to obtain additional information regarding her volunteer roles.

Retired Status:

Motion was made, seconded and carried to defer the retired status request of Randy Venturacci to the next board meeting. It was determined that he did not meet the requirements of retired status. An application for inactive status would be considered instead.

Reinstatement to Active Status:

Motion was made, seconded and carried to request an appearance of John Sanford at the next board meeting to discuss his reinstatement to active status.

Agenda Item 4 (Cont.)

Reconsideration of Retired Status Request:

Motion was made, seconded and carried to deny the request of James Murphy for retired status, based on the additional information provided.

Motion was made, seconded and carried to deny the request of Robert Smeath for retired status, based on the additional information provided.

7. Application for Fictitious Name Use: Certified Accounting, Inc.

Motion was made, seconded and carried to deny the Application for Fictitious Name Use by Certified Accounting, Inc. The Board determined that the name Certified Accounting, Inc. was too generic and misleading to the public.

Agenda Item 8: Grievance Report and Grievance Matters.

Note: NRS 241.020 requires the Board to list individuals that may have administrative action taken against them in connection with the Board's disciplinary grievance report. 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.

A. Grievance Report

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 N-06-13 based on lack of cause to proceed with formal disciplinary action. Liaison Harry Parsons abstained from the vote.

Motion was made, seconded and carried to close complaint matter S-06-22 based on compliance.

Motion was made, seconded and carried to dismiss complaint matter S-06-23 based on lack of cause to proceed with formal disciplinary action.

Motion was made, seconded and carried to close complaint matter S-06-24 based on lack of cause to proceed with formal disciplinary action.

Agenda Item 9: PCAOB Report Summary

Note: Pursuant to NRS 241.030 the Board may convene into closed session to consider the content, character, and alleged misconduct as provided within the reports as provided by the PCAOB.

A. Summary Report

Kathy Zeller provided the Board with a summary of the inspection reports provided to the Board from the PCAOB.

Agenda Item 10: Report of Counsel

Legal Counsel provided a brief summary of the legislative bill tracking process. Motion was made, seconded and carried to authorize the Board President and Executive Director to take appropriate action on pending legislation.

Agenda Item 11: Report of Executive Director

A. NASBA Nominations for Vice Chair Position

Executive Director provided information from NASBA requesting nominations for the Vice Chair position. The Board reviewed the list of qualified nominees. Staff was directed to write a letter in support of Gaylen R. Hansen and Kathleen Smith, for the Vice Chair position.

B. Board Member Interest in Serving on Mobility Committee

Executive Director wanted to know if there were any Board Members that were interested in serving on NASBA's Mobility Task Force. If any Board Member is interested in serving on this committee they should contact Thomas Kenny.

C. Discuss firm ownership and resident managing CPA.

Executive Director provided information to the Board in connection with a Nevada registered CPA firm. The Board discussed the ownership of CPA firms and the responsibility of the firm to have a resident CPA in charge of the Nevada location.

D. Discuss Board Member Compensation

Executive Director provided the Board with a copy of the current travel policy. The travel policy indicates that each Board member will be compensated the \$80 per diem for each day meetings are held in connection with NASBA Regional and Annual meetings. The Board reviewed the policy and discussed whether members should be compensated for the days of travel in addition to the meeting dates. The Board determined that the policy should be changed to include travel days at the per diem rate.

E. Computer/Renewal Update

Executive Director provided a brief summary of the 2007 renewal processes. The Board was informed that the \$20 reduction in license fee has been a great success in encouraging licensees to use the website. Last year the total amount of on-line renewal submission was 505 that included both firms and individuals. To date, the Board has received 1,585 individual renewals and 176 firm renewals which represents 56% of renewals have been submitted on-line.

F. Discuss Personnel for Document Scanning Project

Executive Director summarized the document scanning project and indicated that the functionality is now in place within the Board's software to begin capturing document images directly into licensee files. Executive Director requested Board determination for hiring an individual to do the actual scanning. The Board discussed the qualifications and salary for the scanning position.

G. Discuss changing the July Board Meeting Date

Executive Director asked the Board to consider a change in the July Board meeting date. The Board directed staff to change the date to July 13, 2007.

Agenda Item 12: Request Board Approval to waive CPE requirement based on medical hardship

A. Eugene Brown

The Board reviewed the letter of request for waiver of the 2006 CPE requirement from Eugene Brown based on medical hardship. Motion was made, seconded and carried to approve the request of Mr. Brown for waiver of 2006 CPE.

Agenda Item 12 (Cont.)

B. Edward Cupit

The Board reviewed the letter of request for waiver of the 2006 CPE requirement from Edward Cupit based on medical hardship. Motion was made, seconded and carried to approve the request of Mr. Cupit for waiver of 2006 CPE.

Agenda Item 13: Request Board Determination of Board Requirements:

A. Derek Collotta 9:30 AM

Derek Collotta came forward to discuss his experience for certification with the Board. Mr. Collotta indicated that he has worked for the Internal Revenue Service and was raised to the position of a GS11 during his time with the IRS. However Mr. Collotta is unable to get anyone to sign off on the experience. Mr. Collotta would like Board consideration to use the IRS experience toward Nevada licensure. The Board discussed the experience of Mr. Collotta and determined that he would meet Nevada's experience requirements based on his public accounting experience in connection with the provision of the CPE Bridge as outlined in NAC 628.061.

B. Ben Bishop

The Board was provided licensing documents for CPA Certification of Ben Bishop. After review of the information provided it was the Boards determination to deny the application of Mr. Bishop. The denial was based on information received from the New Mexico Board of Accountancy.

Agenda Item 14: Report of President

President Kathy Zeller expressed her appreciation for the members of the Board.

Agenda Item 15: Public Comment 12:00 PM

The Nevada State Board of Accountancy presented Past Public Member Raja Mourey a plaque in recognition for his service on the Board for the past six years.

Agenda Item 16: Next Board Meeting: March 23, 2007 Reno

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Russell Musselman N-06-13: Liaison Harry Parsons recommended the matter be closed based on lack of cause to proceed with formal disciplinary action.

David Chavez S-06-22: Executive Director recommended the matter be closed based on compliance.

Leland L. Williams S-06-23: Executive Director recommended the matter be closed based on lack of cause to proceed with formal disciplinary action.

Jason Payan S-06-24: Executive Director recommended the matter be closed based on lack of cause to proceed with formal disciplinary action.