

NEVADA STATE BOARD OF ACCOUNTANCY
Minutes
January 20, 2016

An open meeting of the Nevada State Board of Accountancy was called to order at 9:00 A.M. by President, Robert C. Anderson, January 20, 2016 at the offices of Snell & Wilmer, 3883 Howard Hughes Pkwy, Suite 1100, Las Vegas, Nevada.

Board Members Present:

Robert C. Anderson, President	L. Ralph Piercy, Secretary/Treasurer	
Steven Brockovich	Candace Johnson	Nicola Neilon
Brian Wallace		

Board Members Absent:

Benjamin C. Steele

Board Staff Present:

Karen Peterson, Counsel
Louis Ling, Counsel
Viki A. Windfeldt, Executive Director
Leslie C. Walsh, Board Coordinator

- A. Call to Order, Roll Call and Establish a Quorum
- B. **Public Comment Section:** In accordance with NRS 241.020 Public Comment will be taken prior to the beginning of the meeting.
Note: No one was present for this section of the public comment agenda item.

◆ ◆ ◆ ◆ 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 16, 2015 Board Meeting Minutes *(For Possible Action):*

*2. Approval of Applications for Certified Public Accountant – Non Appearance *(For Possible Action):*

Michael Arciniega	Ani Baghdasaryan	Terri Kuchulis	Joyce Benson
Stephen Bodine	Paul Bresnahan	Tonya Brock	Nickolas Dillon
Gabriela Dineva	John Dock	Thomas Donahue	Joel Elliott
Elizabeth Erickson	Martin Galinak	Rex Hamlett	John Hansen
Melissa Jones	Alena Kadirov	Jenny Lau	Jonathan Lyon
Lee Marcus	Vance Matheson	Michael Peck	William Quinn
Tyler Sanders	Maiya Scheffler	Karen Stewart-Carrico	Irene Stambaugh
Robert Stoddard	Deborah Stratton	Crystal Sunbury	Robert Sweifach
Donovan Thiessen	Russell Thomas	Brian Webb	

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*3. Approval of Change to License Status (*For Possible Action*):

Retired Status:

Evelyn Brunner	William Burks	Brandon Burrows	Michael Cox
Clark Dickinson	Romaine Gilliland	Ralph Goldfarb	Dennis Klenczar
Shirley LeGoy	Larry Mace	Linda Prosch	Jeffrey Quinn
Darrell Rexwinkel	Judith Sturmer	Lewis Watson	John Wilson
Robert Pohl			

Inactive Status:

Lucy Citta	BoRam Cho	Pierre Hascheff	Jessica Longhurst
Julie Menist	John Pfeiffer	Bernetta Stebritz	Frances Huchmala

*4. Approval of Finances (*For Possible Action*):

A. Treasurer's Report

*5. Approval of CPA Examination Scores – October/November 2015 Window

*6. Approval of Board Staff, Legal Counsel and Investigator attendance at the NASBA Executive Director/Legal Counsel Conference.

*7. Nothing scheduled for this agenda item

The consent agenda and supporting documents were reviewed by the Board. Motion was made, seconded and carried to approve the consent agenda items. The following Board Members abstained from voting on the applications for CPA Certification: Candace Johnson for Donovan Thiessen, L. Ralph Piercy for Brian Webb; Brian Wallace for Michael Peck and Nicola Neilon for Jenny Lau.

◆ ◆ ◆ ◆ REGULAR AGENDA ◆ ◆ ◆ ◆

Agenda Item 8: Grievance Report and Grievance Matters (*For Possible Action*)

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 or disciplinary action considered by the board.

A. Review of Grievance Report (*For Possible Action*)

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 I-2015.020 based lack of Board jurisdiction.

Motion was made seconded and carried to close complaint matter I-2015.021 based on lack of cause to proceed with further Board action.

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Agenda Item 8 (Cont.)

Motion was made, seconded and carried to close the recommended formal complaint against Jeffrey Noorda for failure to comply with the Board's practice monitoring program. The closure is based on compliance.

Motion was made, seconded and carried to close the recommended formal complaint against Steven Staehr for failure to comply with the Board's practice monitoring program. The closure is based on compliance and subject to receipt of attorney's fees and costs.

Motion was made, seconded and carried to close complaint matter F-2015.011 based on assurances provided by the Firm. Board member Brian Wallace abstained from the vote.

B. Board Disciplinary Hearing (*For Possible Action*)

Mark A. May

Appearance 10:00 AM

The disciplinary hearing was held with testimony provided in complaint matter I-2015.012, concerning Mark A. May. Motion was made, seconded and carried to revoke the license of Mark A. May, impose a \$5,000 civil penalty and assess attorney's fees and costs.

Agenda Item 9: Report of Legal Counsel (*For Possible Action*)

Legal counsel advised that the Board should convene an attorney/client gathering to receive information regarding potential or existing litigation involving a matter over which the Board has supervision, control, jurisdiction or advisory power. As such, the Board interrupted its open meeting and excluded the public for purpose of having an attorney-client discussion as outlined above. At the conclusion of that gathering the Board reconvened its open meeting. No action was taken on Item 9.

Agenda Item 10: Report of Executive Director (*For Possible Action*):

A. Board discussion of experience form and verification procedures. Executive Director provided the Board with a copy of the experience form currently being used to report experience for licensure as a CPA. The Board discussed the form and identified areas that should be modified and updated.

B. Board discussion of proposed 2017 legislative statute changes. Executive Director provided the Board for consideration a list of areas that the statutes might need to be changed in the 2017 legislative session. The Board discussed the list and provided feedback on the items that would need to be amended. The Board discussed the legislative session with representatives from the Nevada Society of CPAs. A subcommittee from both agencies will meet to discuss the proposed amendments further.

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Agenda Item 11: Board Review and Consideration of Application of Certified Public Accountant (*For Possible Action*):

A. Lowell Black

Motion was made, seconded and carried to approve the Application of Certified Public Accountant for Lowell Black. The approval is subject to Black's license being placed on probation to continue monitoring of the previous stipulated agreement provisions.

B. Bryan Goslin

Motion was made, seconded and carried to approve the Application of Certified Public Accountant for Bryan Goslin.

C. Xiaojin Huang

Motion was made, seconded and carried to approve the Application of Certified Public Accountant for Xiaojin Huang. The approval is based on meeting the experience requirement in Nevada.

Agenda Item 12: Recommendation of Hearing Officer based on the hearings held and/or proposed stipulated agreements for disciplinary action for the following individuals (*For Possible Action*):

A. Steven Staehr

This item was considered under #8.

B. Fred England

Motion was made, seconded and carried to approve Mr. England's request for a new hearing in connection with the Board's previous hearing decision.

C. John "Jack" Dolan / Dolan & Associates

Motion was made, seconded and carried in complaint matter I-2015.001, John Dolan and Dolan & Associates to approve the following Stipulated Agreement provisions:

- (1) The revocation of John Dolan and Dolan & Associates are now stayed and respondents are placed on 3 years' probation.
- (2) Within 10 days from the date of the decision, Dolan shall provide information to the Board concerning the complaint matter.
- (3) Shall complete 8 hours of CPE in the area of client relations, communication with clients, completion of engagements by June 30, 2016 and documentation of the completed CPE shall be provided to the Board by June 30, 2016.
- (4) There shall be no other complaints involving violations of Rule 201(a)(b)(c) and (d) filed with the Board during the probationary period.
- (5) Shall pay a civil penalty of \$1,000 assessed with the revocation.
- (6) Shall pay the Board's attorney fees and costs of \$997.30 incurred for the hearing and revocation.
- (7) Shall pay the Board's attorney fees of \$600 incurred for the Stipulated Findings of Fact, Conclusions of Law, Disciplinary Order and Decision upon the re-opened proceedings.
- (8) The total due of \$2,597.30 shall be paid prior to the Board's January 20, 2016 meeting unless monthly installment arrangements are requested prior to the meeting and agreed to by the Board.

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Agenda Item 12C (Cont)

- (9) Failure to comply with any of the terms and conditions of these provisions will result in the immediate revocation of the both the individual and firm licenses.
- (10) The Decision will be published in accordance with NAC 628.450.

Board member Robert Anderson was not present and therefore abstained from the vote.

Agenda Item 13: Board Determination of Accounting Elective Courses
(For Possible Action)

Motion was made, seconded and carried to approve MATH 461 as an accounting elective toward the required education requirement.

Agenda Item 14: Presentation and Discussion of AICPA Major Profession Initiatives
Steve McConnell, AICPA State Regulatory Outreach & Nevada Society of CPAs
(For Possible Action) **Appearance 11:00 AM**

Steve McConnell, AICPA State Regulatory Outreach and Members of the Nevada Society of CPAs attended a presentation to the Board from Mr. McConnell. Mr. McConnell discussed various AICPA initiatives with emphasis on the definition of attest and firm mobility.

Agenda Item 15: President's Report (For Possible Action)

No items were discussed under this agenda item.

Agenda Item 16: Next Board Meeting: March 23, 2016 Las Vegas, Nevada

◆ ◆ ◆ ◆ PUBLIC HEARING - 2:00 PM ◆ ◆ ◆ ◆

- *17. **Public Hearing Regarding Proposed Regulation (LCB No. R117-15)** – The purpose of the hearing is to solicit comments from interested persons on the following general topics that may be addressed in the proposed regulations and to determine thereafter whether the regulation should be adopted by the Board.
(For Possible Action)
 - A. Amendment of Nevada Administrative Code Chapter 628 includes: (1) defining certain terms used in NRS or NAC; (2) creation of and duties for new standing committee to review grievances; (3) clarification that a voluntary surrender of a license while under investigation or charges shall be deemed to be a revocation of that license; (4) removal of language related to retesting requirements; (5) removal of language relating to the handling of records upon the death or other permanent absence of an accountant; (6) modification of language relating to when an accountant must obtain certain continuing education; (7) modification of language

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Agenda Item 17 (Cont.)

regarding how continuing education hours will be counted; (8) updating certain references to the Code of Professional Conduct; (9) modification regarding record keeping related to practice-monitoring program; and (10) modification and addition of new language related to comprehensive set of rules and procedures for the conduct of disciplinary matters.

The Board of Accountancy conducted a public hearing to consider the proposed regulations to Nevada Administrative Code (NAC) Chapter 628.

Louis Ling, Board Legal Counsel, summarized the proposed language changes.

Dennis Meservy, CPA appeared but did not provide any comments. No one else appeared to provide input and discuss the intent of the proposed regulation changes with the Board:

Motion was made, seconded and carried to adopt the regulations with the proposed amendments.

C. **Public Comment Section:** In accordance with NRS 241.020 Public Comment will be taken prior to the adjournment of the meeting.

Note: No one was present for this section of the public comment agenda item.

D. Adjournment