

NEVADA STATE BOARD OF ACCOUNTANCY
Minutes
March 19, 2014

A. Call to Order, Roll Call and Establish a Quorum

An open meeting of the Nevada State Board of Accountancy was called to order at 8:00 A.M. by President, Lisa Milke, on Wednesday March 19, 2014 at First Independent Bank, 5335 Kietzke Lane, 2nd Floor, Reno, Nevada.

Board Members Present:

Lisa L. Milke, President	Benjamin C. Steele, Secretary/Treasurer	
Robert C. Anderson	Colleen Bacchus	Nicola Neilon
Harry O. Parsons	L. Ralph Piercy	

Board Staff Present:

Karen Peterson, Counsel
Viki A. Windfeldt, Executive Director
Leslie C. Walsh, Board Coordinator
Henna Rasul, Senior Deputy Attorney General - *Present during Agenda Item 11 Only*

Agenda Item 1: **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.

*2. Approval of January 24, 2014 Board Meeting Minutes (*For Possible Action*):

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

Timothy Altman	William Anstett	David Bedke	Timothy Bremer
K. Dominguez-Atkins	Marc Dupras	Luis Halal	Kelly Hansen
Christopher Healey	Jessica Longhurst	James McCarthy	Robert McConnell
Ryan Michaelis	Erica Nelson	Crystal Pulido	Dale Rector
Stephanie Sampson	Sylvia Sannia	David Stratton	Shamar Tobias
Lawrence Tomsic	Michael Tretina	Johnnie Triplett	Lisa Troe
Ricadonna Uy	Dale Victor		

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

Inactive Status:	Scott London	Susan Nuckles	
Retired Status:	Jerry Buechler	Christine Kirch	Marvin Prescott

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

A. Treasurer's Report

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- *6. Approval of Fictitious Name Use (*For Possible Action*):
 - A. High Rock Accounting
- *7. Approval of CPA Examination Scores – January / February 2014 Window (*For Possible Action*):

The consent agenda and supporting documents were reviewed by the Board. Motion was made, seconded and carried to approve consent agenda items. The following Board Members abstained from voting on Approval of Applications for Certified Public Accountant: Colleen Bacchus for Timothy Bremer, Kelly Hansen, David Stratton, Lawrence Tomsic, Michael Tretina, and Lisa Troe.

◆ ◆ ◆ ◆ 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 the board.

A. Review of 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 S-12-6, Gregory Stamberger based on compliance with consent order provisions.

Motion was made, seconded and carried to close complaint matter S-13-5, Russell Garrett, based on compliance with stipulated agreement provisions.

Motion was made, seconded and carried to close complaint matter S-13-9, Robert Seabrook, based on the Voluntary Surrender status of Mr. Seabrook's license in lieu of disciplinary action.

Motion was made, seconded and carried to close complaint matter N-13-11 based on Investigator recommendation and lack of cause to proceed with further Board action.

Motion was made, seconded and carried to close complaint matter N-13-12 based on Investigator recommendation and lack of cause to proceed with further Board action.

Motion was made, seconded and carried to close complaint matter N-14-1 based on Investigator recommendation and lack of cause to proceed with further Board action.

Motion was made, seconded and carried to close complaint matter S-13-16 based on Liaison recommendation and resolution of the complaint matter.

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Agenda Item 8 (Cont.)

Motion was made, seconded and carried to close complaint matter S-14-1 based on lack of cause to proceed with further Board action.

Motion was made, seconded and carried to close complaint matter N-14-4 based on Liaison recommendation and resolution of the complaint matter.

Motion was made, seconded and carried to close complaint matter F-13-11 based on response provided and assurances made.

Motion was made, seconded and carried to close complaint matter F-14-1 based on response provided and assurances made.

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

NN-13-2	Sidley & Associates	Compliance
SS-13-1	Jonas Stolzfus	Compliance/License Application
SS-13-3	Jerry Reed	Compliance
NN-14-1	Pro Balanced Bookkeeping	Compliance
SS-14-4	Paul Weinberg	Compliance/License Application

- B. Board Disciplinary Hearing: Alan Houldsworth, CPA
(For Possible Action in open session)

This item was continued until the May Board Meeting

- C. Board Review and Approval of Stipulated Findings of Fact, Conclusions of Law, Disciplinary Decision and Consent Order: Yaniv Jerassy-Etzion, CPA
(For Possible Action in open session)

This item was continued until the May Board Meeting

Agenda Item 9: Report of Legal Counsel *(Discussion Only)*:

Legal Counsel, Karen Peterson, provided the Board with an update on the NASBA Legal Counsel Conference.

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

- A. AICPA Code of Conduct Rule 501 Acts Discreditable Review.

Executive Director provided the Board with information on Rule 501 and specifically requested a determination on QuickBooks files prepared for clients. Board members Niki Neilon, Harry Parsons and Ben Steele formed a committee that will meet at a later date to discuss Rule 501 where they will draft a recommendation and present it to the Board.

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Agenda Item 10 (Cont.)

- B. Board discussion of newly amended NAC 628.160
- Safeguarding Client Files.

Executive Director discussed NAC 628.160 and received direction to include this new information in a future newsletter article.

C. NASBA Regional Director Focus Questions.
The Board was provided with the NASBA Regional Director Focus Questions. The Board reviewed the questions and provided the applicable feedback for response.

D. NASBA Executive Director Conference Follow Up.
Executive Director provided the Board with information regarding the NASBA Executive Directors Meeting.

E. Marijuana Dispensaries
Executive Director informed the Board that multiple requests for information have been made in connection with providing services to legalized marijuana dispensaries within the State of Nevada. The Board was provided with the recent AICPA white paper regarding the issue.

F. Board discussion of change to May and July Board Meeting dates.
Executive Director provided the Board with the current calendar of Board meeting dates. The Board directed staff to change the May Board meeting to May 15, 2014 and the July Board meeting to July 23, 2014

Agenda Item 11: Board Determination of Motion to Dismiss (*For Possible Action*): Nevada State Board of Accountancy (Complainant) vs. Kafoury, Armstrong, Ferguson and Gardner (Respondent) a professional corporation, doing business as Kafoury Armstrong & Co., a Nevada corporation of Certified Public Accountants.

In addition to the Board Members present, the following individuals were also in attendance for this matter:
John Frankovich, Counsel for Kafoury, Armstrong & Co., Todd Ferguson, CPA, and Kirk Gardner, CPA, for Kafoury, Armstrong & Co.
Henna Rasul, Senior Deputy Attorney General, as counsel for the Board.

The Board held oral argument on the Motion to Dismiss seeking to dismiss the Board's Complaint and Order to Show Cause issued against Kafoury, Armstrong & Co. John Frankovich provided arguments in support of Kafoury, Armstrong & Co.'s motion to dismiss, Karen Peterson provided arguments in opposition to the motion to dismiss on behalf of the Board Staff and John Frankovich provided arguments in reply. The Board members asked Counsel questions. Henna Rasul, Senior Deputy Attorney General, advised the Board in the Motion to Dismiss matter.

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Following the oral argument and Board deliberation, motion was made, seconded and carried to deny the motion to dismiss. Board member Robert Anderson opposed the vote. Board members Lisa Milke and Harry Parsons abstained from the vote.

Agenda Item 12: Request approval of Formal Complaint for Non-payment of 2014 License Renewal Fee and Non-Compliance of the 2013 CPE requirement for the following individuals (*For Possible Action*):

Kimberly Dornberger	Linda Elias	Gabrielle Houston	Jonathan Mears
Nikki-Reed Ziehr	Norman Richardson	James Snodgrass	Roger Stadtmueller
Charles Wright			

Motion was made, seconded and carried to issue formal complaints for the individuals listed based on non-payment of 2014 License Renewal Fee and non-compliance with the 2013 CPE requirements.

Agenda Item 13: Board Determination of Required Education (*For Possible Action*):
A. Dan Nixon

The Board considered the request of Mr. Nixon in connection with the required accounting electives. Based on the information provided, motion was made, seconded and carried to deny the request of Mr. Nixon. The denial was based on the course information not meeting Nevada's accounting elective criteria.

B. Mike Brock

The Board considered the request of Mr. Brock in connection with a waiver of required courses within the 150 hour educational requirement. Based on the information provided, motion was made, seconded and carried to deny the request of Mr. Brock.

Agenda Item 14: Board Determination of requests for waiver of late filing penalties and/or CPE penalty fees associated with the 2014 license renewal (*For Possible Action*): A. Steven Myones

The Board considered the request of Mr. Myones for waiver of the late filing penalties associated with the 2014 license renewal. Motion was made, seconded and carried to deny the request based on lack of cause.

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

No items were discussed under this agenda item.

Agenda Item 16: Next Board Meeting: May 14, 2014 Las Vegas NV

Agenda Item 17: **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

Agenda Item 18: Adjournment