

NEVADA STATE BOARD OF ACCOUNTANCY

Minutes

May 3, 2010

An open meeting of the Nevada State Board of Accountancy was called to order at 8:30 A.M. by President, Glenn D. Bougie, on Monday, May 3, 2010 at the offices of Deloitte & Touche, 3883 Howard Hughes Pkwy, Suite 400, Las Vegas, Nevada.

Board Members Present:

Glenn D. Bougie, President	Felicia O'Carroll, Secretary/Treasurer	
Colleen M. Bacchus	Lynda Hartzell	Lisa L. Milke
Harry O. Parsons	Patrick M. Thorne	

Board Staff Present:

Karen Peterson, Counsel
Viki A. Windfeldt, Executive Director
Leslie C. Walsh, Board Coordinator
Bonnie Houldsworth, CPA Board Investigator

◆ ◆ ◆ ◆ 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 March 1, 2010 Board Meeting Minutes
- *2. Approval of Applications for Certified Public Accountant – Non Appearance

Erika Ayala	Robert Beveridge	Jason Franklin	David Gertsch
Matthew Gillespie	Jessica Helderman	Jay Manning	John Oliver
Nicholas Pannucci	Marika Ponton	Amy St. Clair	Amy Stechman
Jeffrey Stieber	Zhenzhao Yang		
- *3. Approval of Change to License Status: Retired Status
 - A. Gary Johnson
- *4. Approval of Finances:
 - A. Treasurer's Report
- *5. Approval of CPA Examination Scores – January/February 2010
- *6. Approval of Board Member and Staff attendance at NASBA Western Regional Conference – June 23-25, Seattle, Washington.
7. No Items Scheduled

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The consent agenda and supporting documents were reviewed by the Board. Motion was made, seconded and carried to approve consent items 1-6. The following Board Members abstained from voting on Approval of Applications of Certified Public Accountant: Colleen Bacchus for David Gertsch, Matthew Gillespie and Jessica Helderman; Lynda Hartzell for Jessica Helderman; Patrick Thorne and Felicia O'Carroll for Amy Stechman.

◆ ◆ ◆ ◆ REGULAR AGENDA ◆ ◆ ◆ ◆

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.
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 N-09-7, Tanya McCaffery, Daniel Allen and The CFO Group. The closure is based on all provisions being satisfied within the stipulated agreements.

Motion was made, seconded and carried to file a formal complaint for failure to respond to the Board's practice monitoring program in complaint matter S-10-15.

Motion was, made, seconded and carried in complaint matter N-09-10, Kenneth Baldwin, to approve the proposed stipulated agreement with the following provisions: (1) Baldwin and McMullen McPhee & Co's Ely office shall not perform any audit engagements without preauthorization from the Board; (2) Baldwin agrees to remit a fine of \$5,000 which shall be paid within 60 days of the date of the decision; (3) Baldwin agrees to pay within 60 days of the date of decision investigative and attorney's fees incurred by the Board in the amount of \$5,000; (4) the matter will be published in accordance with NAC 628.450.

Motion was made, seconded and carried in complaint matter S-10-1, Julie Clifford, to approve the proposed stipulated agreement with the following provisions: (1) Clifford shall take Staff Training Level III CPE class during the calendar year 2010; (2) Clifford shall notify the Board within 30 days of entering into any attest engagement, including any audit, full disclosure compilation, review, or attestation services and/or agreed upon procedure engagements; (3) Clifford shall obtain from the Board a pre-release review of any attestation reports issues; (4) Clifford may petition the Board to modify or remove the restrictions and conditions regarding attest engagements upon an adequate showing to the Board that such modification is warranted or upon completion of five (5)

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Agenda Item 8 Con't

compilations (at least two (2) of which must be with full disclosures), one (1) review and one (1) audit with no significant issues on pre-release review.

Motion was made, seconded and carried to close complaint matter S-09-18, Ronald Serota, based on previous revocation of Mr. Serota's CPA Certificate.

Motion was made, seconded and carried to close complaint matter N-10-3 based on lack of reasonable cause to proceed with formal action.

Motion was made, seconded and carried to close complaint matter S-10-6 based on lack of cause and matter considered to be a trustee issue.

Motion was made, seconded and carried to approve Kathy Zeller as investigator in complaint matter S-10-7.

Motion was made, seconded and carried to close complaint matter S-10-10 based on resolution between the parties.

Motion was made, seconded and carried to close complaint matter F-08-4 based on the firm's response and assurances made.

Motion was made, seconded and carried to close complaint matter F-10-2 based on the firm's response and assurances made.

Motion was made, seconded and carried to close complaint matter F-10-4 based on the firm's response and assurances made.

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

NN-09-4	Jeffrey Wagner	Compliance
SS-09-4	Robin McQuown	Compliance
SS-09-7	AccuPro Outsourcing	Compliance
SS-09-8	Work Wise Inc.	Compliance
NN-09-3	Megan Reese	Compliance
NN-09-5	LeRay Reese	Compliance

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

- A. Ronald Harris **Appearance 10:00 AM**
- B. David J. Emry **Appearance 1:00 PM**

Motion was made, seconded and carried to go into closed session to conduct a full board disciplinary hearing against the above named individuals.

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Agenda Item 8B. Reconvene into open session for Board Determination of the matters concerning the above.

A. Ronald Harris

Upon resumption of the open session, motion was made, seconded and carried to approve the following: (1) Amend the prior revocation to a revocation with a stay for 2 years; (2) pre-release review with a Board approved reviewer for any audits; (3) all fines paid within 60 days plus the additional costs for this hearing; and (4) all other conditions of the prior hearing remain the same.

B. David J. Emry

Upon resumption of the open session, motion was made, seconded and carried to dismiss the complaint. Board member Patrick Thorne did not participate in any of the deliberations and abstained from the vote:

Agenda Item 9: Report of Legal Counsel

No items were discussed under this agenda item.

Agenda Item 10: Report of Executive Director:

A. NASBA Proposal for Newsletter Services

Executive Director provided information to utilize the services of NASBA for the Board's newsletter. Based on the information provided, motion was made, seconded and carried to approve staff to work with NASBA on the newsletter.

B. NASBA Proposal for Wall Certificate Services

Executive Director provided information to utilize the services of NASBA for the Board's wall certificate issued to new licensees. Board was directed to pursue the wall certificate service of NASBA.

C. NASBA Nominating Committee Recommendations

No action was taken on this agenda item.

D. NASBA Executive Director Conference Follow-Up

Executive Director summarized the Executive Director Conference. In addition, Board Legal Counsel and Investigator attended the conference and obtained good information from their attendance.

E. Board Review Letter Regarding June 30, 2009 Financial Statements

Board Treasurer, Felicia O'Carroll, summarized the letter received in connection with the Board's 2009 Financial Statements. The Board discussed different aspects of the Board's operations and financial policies.

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Agenda Item 10 Continued

F. Board Review of Technical Question Re: NRS 271A.080(3)
The Board reviewed the information provided and determined that this particular section of Statute does not fall within the jurisdiction of the Board of Accountancy.

G. Accounting Today Firm Recognition
The Board reviewed the information regarding Nevada CPA firms recognized in Accounting Today.

Agenda Item 11: Board Determination of Briefing on Limited Impairment to CPA Independence:

A. Don Spano, CPA Mortgage Lending Division

Appearance 9:30 AM Conf Call

Don Spano, CPA of the Mortgage Lending Division joined the Board meeting via telephone conference. Mr. Spano provided a summary of the issue of limited impairment to CPA independence. The Board asked a variety of questions of Mr. Spano in connection with the topic. The Board discussed the matter and determined that no action was required.

Agenda Item 12: Board Discussion & Determination of Certificate of Attest Experience Form:

A. Jason Griffith, DeJoya, Griffith & Co.

Appearance 2:00 PM

B. Gretchen Nystrom, Dejoya Griffith & Co

Appearance 2:30 PM

Jason Griffith and Gretchen Nystrom from DeJoya Griffith & Company came forward to discuss the Certificate of Attest Experience form as signed by Mr. Griffith for Ms. Nystrom. The Board discussed the matter and motion was made, seconded and carried to accept the experience form based on the additional information provided supporting the experience obtained. The matter is now considered closed.

Agenda Item 13: Request for extension of NTS – Renuka Nalabolu

Motion was made seconded and carried to approve an NTS extension for FAR through August 31, 2010 based on evidence of medical hardship.

Agenda Item 14: Board Approval of Application for CPA Certification based on Individual Review of Experience:

A. Alzina Cua

The Board reviewed the Individual Review of Experience Report as provided by Bonnie Houldsworth. Based on the information provided, Motion was made, seconded and carried to approve the Individual Review for Alzina Cua.

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Agenda Item 14 (Cont.)

Motion was made, seconded and carried to approve the Application for CPA Certification for Alzina Cua based on the experience review.

Agenda Item 15: Recommendation of Hearing Officer for revocation of the CPA Certificates for the following individuals based on Non-Payment of 2010 License Renewal Fee and Non Compliance of the 2009 CPE requirement with attorneys fees and costs:

Katherine Allanson	Joseph Dwyer	Vincent Lam	Scott Roberts
Carlos Soler	Brandon Tran	Raymi Vontz	Daniel Williams
Bookkeeping Express		Finley Accounting	

Motion was made, seconded and carried to revoke the license and firm registrations of the above listed individuals for failure to obtain the required CPE and obtain a permit to practice. Felicia O'Carroll abstained from the vote.

Request Dismissal of Formal Complaint based on compliance with CPE and payment of all fees due including attorneys fees:

Flint Richardson	Bunning Bowman & Ridley	Dave Schick, LLP
Martin & Wall PC		

Motion was made, seconded and carried to dismiss the formal complaint for the above listed based on payment of all fees due and compliance with the CPE requirement. Felicia O'Carroll abstained from the vote.

Request Board Determination of CPE Exemption based on Personal Hardship
Timothy McCown

Motion was made, seconded and carried to approve the request of Mr. McCown for waiver of the CPE required for 2009. The approval was based on evidence provided indicating medical difficulties. Felicia O'Carroll abstained from the vote.

Request Dismissal of Formal Complaint based on the passing of licensee:
Raymond Regan

Motion was made, seconded and carried to approve the dismissal of the formal complaint against Raymond Regan, based on the passing of Mr. Regan. Felicia O'Carroll abstained from the vote.

Request Dismissal of Formal Complaint based on Voluntary Surrender of the CPA Certificate for the following individuals and assess attorneys fees and costs:

David Baxter	Gerald Buckner	B. Scott Glover	Steven Good
Maria Moats	John Prezno	Sean Boyd	

Agenda Item 15 (Cont.)

Motion was made, seconded and carried to dismiss the formal complaints of the individuals listed above based on voluntary surrender of the CPA Certificates. The Board assessed attorney's fees and cost upon the request for active licensure. Felicia O'Carroll abstained from the vote.

Agenda Item 16: Board approval of Employment Agreement for Investigative Services:

- A. Kathy Zeller, CPA

Motion was made, seconded and carried to approve the Employment Agreement for Investigative Services for Kathy Zeller, CPA.

Agenda Item 17: Board approval of University course toward the accounting elective education requirement

Motion was made, seconded and carried to approve the request of the University of Nevada Reno for use of FIN 307 Investments and FIN 410/610 Financial Derivatives as approved courses toward the Accounting Election requirement.

Agenda Item 18: Board approval of waiver of CPE and Late Penalties Fees:

- A. Troy Saccal

Motion was made, seconded and carried to deny the request of Troy Saccal for waiver of the \$100 late penalty incurred for failure to renew the license by the deadline date of January 31, 2010.

- B. C. Dean Homayouni

Motion was made, seconded and carried to deny the request of C. Dean Homayouni for waiver of the \$850 CPE penalty for failure to obtain the required CPE within the calendar year 2009.

Agenda Item 19: Board review and approval of Proposal to perform Board's Financial Statement Audit.

The Board reviewed the proposals received in connection with the Board's Financial Statement Audit for calendar year end 2010, 2011 and 2012. After careful consideration of the information provided, motion was made, seconded and carried to approve the proposal for audit services from Kohn Colodny LLP.

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Agenda Item 20: Review of Board Staff Personnel Performance and Salary

The Board reviewed the information provided by Glenn Bougie and Felicia O'Carroll in connection with the review process of Board staff. Motion was made, seconded and carried to approve the following:

Executive Director, Viki Windfeldt	\$95,000
Board Coordinator, Leslie Walsh	\$60,000

Agenda Item 21: Election of Board Officers

Election of Officers for the Nevada State Board of Accountancy was held. Nominations were opened for President. Felicia O'Carroll was nominated. There being no other nominations, a motion was made, seconded and carried that the nominations be closed. Ms. O'Carroll will be elected by acclamation. The record reflects Felicia O'Carroll as President of the Board for a one-year term effective July 1, 2010 – June 30, 2011.

Nominations were opened for Secretary/Treasurer. Harry Parsons was nominated. There being no other nominations, a motion was made, seconded and carried that the nominations be closed. Mr. Parsons will be elected by acclamation. The record reflects Harry Parsons as Secretary/Treasurer of the Board for a one-year term effective July 1, 2010 – June 30, 2011.

Agenda Item 22: Report of President

No items were discussed under this agenda item.

Agenda Item 23: Public Comment 3:30 PM

No items were discussed under this agenda item.

Agenda Item 24: Next Board Meeting: July 8, 2010 Reno