

NEVADA STATE BOARD OF ACCOUNTANCY

Minutes

May 5, 2009

An open meeting of the Nevada State Board of Accountancy was called to order at 9:30 A.M. by President, Patrick M. Thorne, on Tuesday, May 5, 2009 at the offices of Kafoury Armstrong & Co., 8329 W Sunset, Suite 210, Las Vegas Nevada.

Board Members Present:

Patrick M. Thorne, President	Glenn D. Bougie, Secretary/Treasurer	
Colleen M. Bacchus	Harry O. Parsons	Felicia O'Carroll
Karen Wilkes	Kathy L. Zeller	

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 March 23, 2009 Board Meeting Minutes
- *2. Approval of Applications for Certified Public Accountant – Non Appearance

Rebecca Aretos	David Clark	Daniel Coleman	John Crawford
Lisa Cross	Zareh Davidian	Jared Draney	David Free
Ying Gao	Aaron Groff	Teela Hammond	Ryan Jefferson
Jason Jones	Nirmal Kantebet	Rhodora McMillan	Roger Mills
Corey Moody	Gretchen Nystrom	Joseph Osisek	James Pitrat
Rachel Rico	Nicole Vanderslice	Lorne Walker	Brad Winston
Charles Wright	Elberta Yee	Elizabeth Yu	
- *3. Approval of Temporary Licensing Permits – Non Appearance

Kevin McBride	Anita Baker	Kristine Obrecht	Michael Abel
Scott Brown	Joseph Davi	Beverly Winstead	Donald Bender
Duane Metcalf	Leonard Esmond	Joseph Weworski	Sean Nicholas
Glenn Gelman	Charles Orth	Kent Fisher	
- *4. Approval of Change to License Status:

Inactive Status:	James Moore
Retired Status:	Dale Hornback
Return Active:	Michael Murphy

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- *5. Approval of Finances:
 - A. Treasurer's Report
- *6. Approval of Fictitious Name Registration
 - A. Bookkeeping Express
 - B. Eastern Sierra Professional Group LLC
- *7. Approval of CPA Exam Scores – January/February 2009 Window

The consent agenda and supporting documents were reviewed by the Board. Motion was made, seconded and carried to approve consent items 1 – 6a & 7. Agenda Item 6b was deferred for additional information. Board Members Patrick Thorne and Felicia O'Carroll abstained from voting on approval of Applications for Certified Public Accountant for Ryan Jefferson. Board Member Colleen Bacchus abstained from voting on approval of Applications for Certified Public Accountant for Aaron Groff, Brad Winston, Charles Wright and Elizabeth Yu.

◆ ◆ ◆ ◆ 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-09-2 based on lack of cause.

Motion was made, seconded and carried to close complaint matter N-09-3 based on lack of cause.

Motion was made, seconded and carried to close complaint matter S-09-4 based on lack of cause.

Motion was made, seconded and carried to close complaint matter F-08-6 based on compliance.

Board Member Glenn Bougie was assigned as liaison to complaint matter S-09-3.

Agenda Item 9: Report of Counsel

Legal Counsel advised the Board of the legislative bills that have required the Board's involvement. The bills discussed included home owners associations, agency use of outside counsel, and the status of the Board's bill.

Legal Counsel provided the Board with information relating to the definition of a State Employee. The information provided indicates that the Board does not have to offer or provide Mr. Schmitt with employee benefits as a designated employee of the State. Based on the information provided, the Board continued with its previous approval of Mr. Schmitt's employment contract.

Agenda Item 10: Report of Executive Director

A. Legislative Update

This item was discussed under agenda item 9.

B. Approval of Employee Contract Jay K. Schmitt - additional information of employee status.

This item was discussed under agenda item 9.

C. Board review of Nevada Administrative Code (NAC) Chapter 628 – List of sections for proposed revision or amendment.

Executive Director provided the Board with a list of citations within Nevada Administrative Code for proposed language amendment. The Board reviewed the list and directed staff to proceed with language modification for review at the next Board meeting.

D. NASBA Forum of International Accountancy Regulators

Executive Director provided the Board with information concerning NASBA's Forum of International Accountancy Regulators. Board Member Harry Parsons and Executive Director Viki Windfeldt are currently planning on attending this conference.

E. Review of Certificate of Attest Experience Form with Proposed Amendments.

Executive Director provided the Board with a modified Certificate of Attest Experience Form as proposed by past Board Member, Bonnie Houldsworth, CPA, at the direction of the Board. The Board reviewed and discussed the proposed modifications to the experience form. Based on the discussion, board staff was directed to make the modifications and bring back for further review.

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Agenda Item 11: Board Approval of Amendments to Board Finance Policy

Executive Director provided the Board with proposed amendments to the Finance Policy. The amendments include the addition of processing checks and credit cards, Board Member Compensation and Board Vendor Reporting. Motion was made, seconded and carried to approve the amended finance policy.

Agenda Item 12: Recommendation of Hearing Officer for revocation of the CPA Certificates for the following individuals based on Non-Payment of 2009 License Renewal Fee and Non Compliance of the 2008 CPE requirement with attorneys fees and costs:

Arthur Baker	William Conlon	Allison Johnston	Lawrence LaFleur
Randy Lund	Robert Mohler	Thomas Norris	Jennifer Wagner

Motion was made, seconded and carried to revoke the CPA Certificates of the above named individuals based on non-payment of the 2009 licensure fees and non-compliance with the CPE requirements. In the event the above individuals seek re-licensure payment of attorneys fees of \$400 and licensure/late fees of \$240 will be assessed. Hearing Officer 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:

Glenn Carew	Terry Cypher	Edward Halstead	William Layman
Elizabeth Mercier	Mark Murphy	Craig Robinson	Charles Sandefur
Douglas Smith	Nigel Shepherd	Kelly Tate	Brandon Tran

Motion was made, seconded and carried to dismiss the formal complaints for the above named individuals based on compliance and payment of all fees due, including attorney's fees. Hearing Officer Felicia O'Carroll abstained from the vote.

Request Dismissal of Formal Complaint based on compliance:

Timothy Koch	Eugene Laughton
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Motion was made, seconded and carried to dismiss the formal complaints for the above named individuals based on compliance. Hearing Officer Felicia O'Carroll abstained from the vote.

Request Dismissal of Formal Complaint based on the passing of licensee
Barbara Burrer

Motion was made, seconded and carried to dismiss the formal complaint for the above named individual based notification that Ms. Burrer has passed away. Hearing Officer Felicia O'Carroll abstained from the vote.

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

Julio DeLeon	Robert Fink	Jerry Lehman	Michael Litchfield
Christopher Pizzo	Ruth Prato	James Scheifly	

Motion was made, seconded and carried to dismiss the formal complaints for the above named individuals based on Voluntary Surrender of the CPA Certificates. Hearing Officer Felicia O'Carroll abstained from the vote.

Agenda Item 13: Request Board Determination of IRS Quality Control Review
Eric Lacher, CPA **Appearance 9:30 AM**

Mr. Lacher of the Internal Revenue Service came forward to discuss the required Quality Control Review in connection with NAC 628.066 – 628.068. The Board discussed the requirement with Mr. Lacher who requested board consideration of placing the IRS on inactive status until a time in which they have an employee in the program. This would then preclude them from the requirement of obtaining a quality control review. Mr. Lacher explained the cost issues as well as the employment issues affecting the IRS based on the economy and other factors. Motion was made, seconded and carried to approve the request for inactive status. The approval is based on the condition that the IRS will not submit candidates for certification until notification has been submitted to the Board requesting the program be reinstated to Active status and meet all the requirements outlined in NAC 628.067(1).

Agenda Item 14: Request Board consideration to Rescind prior Board Revocation:
Patrick Colebank **Appearance via Telephone 10:30 AM**

Patrick Colebank attended the Board Meeting via telephone to discuss his request for the Board to rescind its prior revocation. Mr. Colebank explained the difficulties he was having in reaching quality employment based on the information that is provided from the Board's website. The Board discussed the issue with Mr. Colebank.

Motion was made, seconded and carried to deny the request of Mr. Colebank. The original Board decision to revoke the license based on failure to obtain an annual permit, payment of dues and submission of the required CPE will still apply.

Agenda Item 15: Request approval of Individual Review report for Heath Rude

Bonnie Houldsworth, CPA conducted an Individual Review for Heath Rude through his employment with the Internal Audit Department of First American Title. The Board reviewed the report as provided by Ms. Houldsworth. Based on the information provided, motion was made, seconded and carried to approve the Individual Review report for Heath Rude. Upon completion of the required continuing education, Mr. Rude's application for licensure will be brought to the Board for final approval.

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Agenda Item 16: Review of Board Staff Personnel Performance and Salary

The Board reviewed the information provided by Patrick Thorne and Glenn Bougie in connection with the review process of Board staff. Motion was made, seconded and carried to approve the following bonuses to be issued upon approval.

Executive Director, Viki Windfeldt	\$2,000
Board Coordinator, Leslie Walsh	\$1,000

It is noted that the Board decided not to raise the base salaries of the staff while taking into consideration the economic issues facing the State.

Agenda Item 17: Election of Board Officers

The Board was provided information regarding the responsibilities of the officer positions for President and Secretary/Treasurer. In addition a list of past officers was provided to the Board showing the terms. In the recent past the officer positions were limited to one year to provide everyone the opportunity to serve as President if desired. However, historic past terms indicate a two year term was also common providing better continuity with Board leadership.

Election of Officers for the Nevada State Board of Accountancy was held. Nominations were opened for President. Glenn Bougie was nominated. There being no other nominations, a motion was made, seconded and carried that the nominations be closed. The record reflects Glenn Bougie as President of the Board for a one-year term effective July 1, 2009 – June 30, 2010.

Nominations were opened for Secretary/Treasurer. Felicia O'Carroll was nominated. There being no other nominations, a motion was made, seconded and carried that the nominations be closed. The record reflects Felicia O'Carroll as Secretary/Treasurer of the Board for a one-year term effective July 1, 2009 – June 30, 2010.

Agenda Item 18: Report of President

Patrick Thorne thanked the Board members, staff and counsel for their support during his time as President. The Board briefly discussed the Internationalization of the CPA Exam and related issues.

Agenda Item 19: Public Comment 1:00 PM

No items were discussed under this agenda item.

Agenda Item 20: Next Board Meeting: July 27, 2009 Reno