

NEVADA STATE BOARD OF ACCOUNTANCY

Minutes
July 13, 2007

An open meeting of the Nevada State Board of Accountancy was called to order at 9:00 A.M. by President, Charles Morrison, on Friday, July 13, 2007 at First Independent Bank, 5335 Kietzke Lane, Second Floor, Reno, Nevada.

Board Members Present:

Charles A. Morrison, President	Patrick M. Thorne, Secretary/Treasurer	
Bonnie M. Houldsworth	Harry O. Parsons	Karen Wilkes
Kathy L. Zeller		

Board Members Absent: Sharon J. McNair

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 May 18, 2007 Board Meeting Minutes
- *2. Approval of Applications for Certified Public Accountant – Non Appearance

Karen Andrews	Joseph Eve	Miguel Ferreira	Jonathan Haugeberg
Lindsay Hendricks	Nathan Jarrell	Thomas Johnson	Thomas Laplaca
Dana Minagil	Nicole Okami	Julie Patton	Anthony Petrin
Scott Roberts	R. Rosenberger	James Schaefer	John Schwartz
Guerin Senter	Guy Wanger		
- *3. Approval of Temporary Licensing Permits – Non Appearance

Thomas Hanson	Donald Ham	Kelly Moorehead	Aubrey Holder
Timothy Good	Scott Donaldson	Joseph Patrick	Nicholas Ross
Nancy McAuley	Daniel Frein	Matthew Beeler	Richard Shell
Petrus Theron	Robert Bavetta	David Kaufman	Jeffrey Ira
Daniel Johnson	Nazfar Afshar	Gary Krausz	Scott Price
Jong Lee	Zachary Sahar	Clement Horne	Michael Genetti
Edmond Sahn	Leonard Esmond		
- *4. Approval of Change to License Status:
 - A. Robert Silva Retired Status

July 13, 2007 Board Meeting Minutes

- *5. Approval of Finances:
 - A. Treasurer's Report
 - B. Preliminary Draft Budget for fiscal year 2007-2008
- *6. Approval of CPA Examination Scores – April/May 2007
- *7. Approval of Fictitious Name: Certified Accountant Inc.

The consent agenda and supporting documents were reviewed by the Board. Motion was made, seconded and carried to approve consent items 1- 6. Agenda item 7 was moved to the regular agenda.

◆ ◆ ◆ ◆ REGULAR AGENDA ◆ ◆ ◆ ◆

Agenda Item 7 Application for Fictitious Name Use: Certified Accountant Inc.

Motion was made, seconded and carried to deny the Application for Fictitious Name Use by Certified Accountant Inc. The Board determined that the term "Certified" was misleading to the public and the term "Accountants" under the dba was misleading because it referred to more than one licensed CPA. Board staff was directed to send Ms. Bulgatz a cease and desist letter to inform her that her firm is operating with an unregistered firm name.

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 S-07-1, Louis Musso, based on the revocation of Mr. Musso's CPA Certificate.

Motion was made, seconded and carried to close complaint matter S-07-3, J. Glen Sanford, based on compliance with the hearing decision provisions.

Motion was made, seconded and carried to close complaint matter N-07-4 based on compliance.

Motion was made, seconded and carried to close complaint mater S-07-4 based on lack of cause to proceed.

Agenda Item 8 (Cont.)

Motion was made, seconded and carried to close complaint matter N-07-5 based on resolution between the parties.

Motion was made, seconded and carried to close complaint matter S-07-5 based on compliance.

Motion was made, seconded and carried to close non-licensee complaint matter NN-06-3, Dennis Rogers. The closure is based on lack of additional information to proceed with formal disciplinary complaint with the District Attorney's office.

Motion was made, seconded and carried to close non-licensee complaint matter SS-07-4, Geni Monroe, based on compliance.

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. Ms. Zeller discussed the current process of reviewing the reports and if the report review holds any value to the Board. Motion was made, seconded and carried to direct Board staff to send a letter to the PCAOB rescinding the agreement to receive reports and highlighting the Board's frustration with the process. A copy of the letter should be sent to NASBA.

Agenda Item 10: Report of Counsel

No items were discussed under this agenda item.

Agenda Item 11: Report of Executive Director

A. Copy/Paste Examination Issue – New Update

Executive Director provided the Board with information from the AICPA and NASBA concerning the Copy/Paste issue. One candidate was affected by the copy/paste issue with a change in score from fail to pass. The Board was advised that NASBA will be contacting the candidate concerning the change in score and the refund process. In addition, NASBA is requesting Board determination if they would like to receive re-reported scores but whose pass or fail status did not change. The Board directed staff to inform NASBA that the Board would like to receive re-reported scores on all candidates even those whose status did not change.

Agenda Item 11 (Cont.)

B. Discussion of Individual Review Procedures and modification to the Certificate of Attest Experience Form.

Executive Director summarized the Boards request to revise the experience and individual review forms. Bonnie Houldsworth advised the board of the current issues and determined that the forms do not need revision at this time.

C. Board Member Appointment – Update

Executive Director provided the Board with a list of individuals that are interested in the Board Member positions. It was noted that some individuals may have contacted the Society directly. The list only contains those individuals that contacted the Board office. The Board discussed the appointment process.

D. Peer Review Implementation 2008 –

Coordinator to Review Peer Review information submitted

Executive Director summarized the final PEP program and some of the administration changes that will take place with the implementation of the peer review program in 2008. Discussion was held whether a coordinator should review the peer review reports that are submitted and specifically if there is interest in having John Rhodes continue reviewing information for the Board. The Board discussed Mr. Rhodes qualifications and determined that he should review reports submitted next year while transitioning and training Board Member Bonnie Houldsworth in the process.

E. Contractor's Board New Requirements

Executive Director advised the Board of the Nevada State Board of Contractor's request for help from the Board of Accountancy in connection with their requirements for form submission from the profession. Patrick Thorne summarized his meeting with the Contractor's Board and will work with them on updating their forms.

F. Guidelines for client files

Executive Director asked the Board if Client File Guidelines should be established for situations when a licensee passes away or is unable to communicate with the clients to notify them of their files and pending engagement status. The Board determined that these situations are rare and that further language would not be required at this time.

G. Peer Review Transparency

Executive Director provided the Board with correspondence from the AICPA in connection with their program for better transparency. The Board reviewed the information provided and directed staff to monitor the program through its implementation.

Agenda Item 12: NASBA Regional Meeting Conference Follow Up:

A. Mobility

The Board discussed the mobility issue in connection with the information received from the NASBA regional meeting. The Board indicated that Mobility was definitely on the horizon and that the Board should be prepared for it. The Board discussed other agencies use of our temporary permit for their approval processes. The Board directed staff to add this topic to this list of possible statute and code changes.

B. President Breakfast – CPE Fines

Board member Kathy Zeller discussed the fines given out by the New Jersey Board of Accountancy in connection with deficient CPE Audits. Board staff was directed to write a newsletter article concerning other state's fines.

C. HOLPA – Regulatory Agencies

Board member Kathy Zeller discussed a new trend where independent agencies are attempting to get regulatory designation authority to regulate the profession of public accounting. The Board discussed the conflict of interest this concept has in connection with the already established Board of Accountancy.

D. Acts Discreditable – outside of the public accounting definition

Executive Director discussed the limit of our law and possible changes to broaden the language to include discreditable acts committed outside the scope of accounting.

E. Harry Parsons – Mountain Region Director Appointment

Executive Director discussed Board member Harry Parsons appointment to Mountain Region Director. Discussion was held regarding travel expenses incurred in this role and whether the Board would pay for it.

F. Wyoming Board of Accountancy Lawsuit

Board member Kathy Zeller discussed the Wyoming Board of Accountancy lawsuit. Specifically the lawsuit nearly bankrupted the Wyoming Board of Accountancy. The Board discussed learning from this situation by having designated funds available for legal costs associated with disciplinary actions.

Agenda Item 13: Application for CPA Certification – Board Determination

A. Jacob Burt **10:00 AM Appearance**

Jacob Burt came forward to discuss his application for CPA Certification. Mr. Burt discussed his qualifications and requested Board determination to bridge time between public accounting and internal audit. The Board asked Mr. Burt a variety of questions concerning his experience. Motion was made, seconded and carried to defer the application of Mr. Burt until their next meeting so that additional information could be provided to the Board.

July 13, 2007 Board Meeting Minutes

Agenda Item 13 (Cont.)

B. Jeffrey Albach Non-Appearance

The Board reviewed the CPA application for Jeffrey Albach. Motion was made, seconded and carried to deny the application of Mr. Albach based on not meeting the experience requirements in Nevada.

C. Marybeth Manaligod Non-Appearance

The Board reviewed the CPA application for Marybeth Manaligod. Motion was made, seconded and carried to approve the application of Ms. Manaligod based on meeting the experience requirements in Nevada.

Agenda Item 14: Application for CPA Examination – Board Determination –
Appearance Angelique Crawford **10:30 AM Appearance**

Note: This item was deferred to the September 2007 Board Meeting.

Agenda Item 15: Board Approval of 2007 Review of Attest Experience Report

The Board reviewed the 2007 Report of Attest Experience Review and submitted by John Rhodes. Motion was made, seconded and carried to approve the report as submitted.

Agenda Item 16: Request Board Approval for Extension of Time for Conditioned Status: Christine Tonn

The Board reviewed the request of Christine Tonn for an Extension of Time for Conditioned Status based on personal hardship. Motion was made, seconded and carried to approve the request of Ms. Tonn based on reasonable cause.

Agenda Item 17: Request Board Approval for use of the term Accounting:
A. WCI Accounting Ltd.
B. DMS Accounting Ltd

The Board reviewed the request to use the term accounting in a business name. Motion was made, seconded and carried to deny the requests of WCI Accounting Ltd., and DMS Accounting Ltd., based on the business function being too closely related to public accounting.

Agenda Item 18: Board Approval of 2008 License Renewal Fees

The Board discussed the current license renewal fee of \$140 with a \$20 discount for those that renew on-line. Motion was made, seconded and carried to approve the 2008 license renewal fee of \$140 with a continued on-line discount of \$20.

July 13, 2007 Board Meeting Minutes

Agenda Item 19: Report of President

No items were discussed under this agenda item.

Agenda Item 20: Public Comment **11:30 AM**

No items were discussed under this agenda item.

Agenda Item 21: Next Board Meeting: September 21, 2007 – Las Vegas