

NEVADA STATE BOARD OF ACCOUNTANCY

Minutes  
July 18, 2013

An open meeting of the Nevada State Board of Accountancy was called to order at 8:00 A.M. by President, Lisa Milke, on Thursday, July 18, 2013 at First Independent Bank, 5335 Kietzke Lane, Reno, Nevada.

Board Members Present:

|                          |   |                      |
|--------------------------|---|----------------------|
| Lisa L. Milke, President | Benjamin C. Steele, Secretary/Treasurer |                      |
| Robert C. Anderson       | Glenn D. Bougie                         | Felicia R. O'Carroll |
| Harry O. Parsons         |   |                      |

Board Members Asent:

Colleen Bacchus

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.

**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*

- \*1. Approval of May 16, 2013, May 24, 2013 and June 12, 2013 Board Meeting Minutes *(For Possible Approval):*
- \*2. Approval of Applications for Certified Public Accountant – Non Appearance *(For Possible Approval):*

|                  |                  |                  |                |
|------------------|------------------|------------------|----------------|
| Heather Barjas   | Darby Bryant     | Vittoria Catania | Christine Cook |
| M. Cleveland     | Christine Cook   | Stefanie Covert  | Sarah Fury     |
| Carlton Gadinsky | Justina Gibson   | Laura Griswold   | C. Haggard     |
| Travis Jacks     | Benjamin Joslin  | Maty Keita       | M. Lipkowitz   |
| Frank Meese      | Lezlie Mimno     | Gregory Morgan   | Frank Paneno   |
| Nicholas Parises | Debra Romboletti | John Saccamano   | Kay See        |
| Bruce Smith      | Tyrel Wilcox     | Heather Williams |                |
- \*3. Approval of Change to License Status *(For Possible Approval):*

|                  |                |                 |                  |
|------------------|----------------|-----------------|------------------|
| Inactive Status: | Angela Crouch  | Valerie Dunn    |                  |
| Retired Status:  | Timothy Henkes | Joseph Schifano | Irving Steinberg |

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- \*4. Approval of Finances *(For Possible Approval)*:
  - A. Treasurer's Report
- \*5. Approval of CPA Examination Scores – April / May 2013 Window  
*(For Possible Approval)*:
- \*6. Approval of Board Member and Staff Travel to NASBA Annual Conference  
October 27 – 30, 2013 *(For Possible Approval)*:
- \*7. Approval of 2014 License Renewal Fee *(For Possible Approval)*:

The consent agenda and supporting documents were reviewed by the Board. Motion was made, seconded and carried to approve consent agenda items 1-7. The following Board Members abstained from voting on Approval of Applications for Certified Public Accountant: Harry Parsons for Christine Cook, and Felicia O'Carroll for Stefanie Covert.

### ◆ ◆ ◆ ◆ REGULAR AGENDA ◆ ◆ ◆ ◆

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

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 in complaint matter R-12-8, Bruce Hendrix to revoke for failure to comply with the stipulated agreement provisions.

Motion was made, seconded and carried to close complaint matter N-12-8 based on lack of cause. Board liaison Harry Parsons abstained from the vote.

Motion was made, seconded and carried to file a formal complaint in matter S-13-1. Board liaison Robert Anderson abstained from the vote.

Motion was made, seconded and carried to file a formal complaint in matter S-13-5. Investigator directed to enter into a Stipulated Agreement with provisions in lieu of a disciplinary hearing.

Motion was made, seconded and carried to enter into a tolling agreement in complaint matter N-13-2.

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### Agenda Item 8 (Cont.)

Motion was made, seconded and carried to close complaint matter N-13-5 based on lack of cause. Board liaison Harry Parsons abstained from the vote.

Motion was made, seconded and carried to close complaint matter S-13-8 based on resolution between the parties.

Motion was made, seconded and carried to file a formal complaint in matter R-13-1, for failure to comply with Peer Review requirements.

Motion was made, seconded and carried to close complaint matter S-13-10 based on resolution between the parties.

Motion was made, seconded and carried to close complaint matter S-13-11 based on lack of cause. Board liaison Glenn Bougie abstained from the vote.

Motion was made, seconded and carried to close complaint matter F-13-4 based on the Firm's response and assurances made.

Motion was made, seconded and carried to close complaint matter F-13-5 based on the Firm's response and assurances made.

Board Member Robert Anderson was assigned as liaison in complaint matter S-13-12. Investigator Patrick Thorne was assigned to investigate complaint matter S-13-9.

Motion was, made, seconded and carried to close complaint matter SS-13-1, Winkler & Forner based on receipt of the Firm's out of state registration.

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

- A. 2013 Legislative Update - Board Discussion and Approval of action related to pending legislation

Board Legal Counsel provided an update in connection with the 2013 legislative session that included open meeting law and administrative procedures act updates. Board member Robert Anderson discussed several bills that referenced accounting services and accounting firms.

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

- A. CPA Exam Performance - Information Only
- Executive Director provided the Board with information regarding the CPA Exam performance of Nevada candidates.

Agenda Item 10 (Cont.)

B. NASBA Regional Meeting Follow Up

Executive Director provided the Board with information from the NASBA Regional Conference. The Board discussed various topics addressed during the conference. Board member Harry Parsons specifically addressed the definition of attest and the new financial framework issues. It was also noted that Harry Parsons will serve another term as NASBA Director at Large.

C. Board Member Terms

Executive Director provided information regarding the upcoming open positions of the Board. The Society will be reviewing the list of names at their August meeting for submission to the Governor for consideration and appointment.

Agenda Item 11: Board Amendment of Nevada Administrative Code Chapter 628

A. Board review and approval of draft language to Chapter 628 of the administrative code in connection with clean up language from prior legislative session. *(For Possible Approval):*

The Board reviewed the proposed amendments to Chapter 628 in connection with clean up language. Discussion was held regarding the language as provided. Motion was made, seconded and carried to approve the language with additional amendments.

B. Summary of procedure for adoption of administrative regulations and setting schedule for notice to licensees and public for comment, workshop and hearing on proposed amendment to administrative regulations clean up language and permanent adoption of temporary regulations *(For Possible Approval):*

The Board was provided with the timeline needed to conduct workshops and public hearings for the clean-up language and the temporary regulations for permanent adoption. The Board scheduled the Workshop for September 17, 2013 in Las Vegas and the Public Hearing for September 25, 2013 in Reno.

Agenda Item 12: Board Approval of Contracts for the following *(For Possible Approval):*

A. Jay Schmitt – Employment Agreement

Motion was made, seconded and carried to approve the Employment Agreement for Jay Schmitt with amendments.

B. David Morgan – Independent Contractor

Motion was made, seconded and carried to approve the contract for Independent Contractor for David Morgan.

C. Patrick Thorne, CPA – Independent Contractor

Motion was made, seconded and carried to approve the contract for Independent Contractor for Patrick Thorne.

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Agenda Item 13: Board Review and Approval of 2013 CPE Documentation Audit Report *(For Possible Approval)*.

Motion was made, seconded and carried to approve the 2013 CPE Documentation Audit Report.

Agenda Item 14: President's Report *(For Possible Approval)*:

Board member Harry Parsons informed the Board that the NASBA Student Center for Public Trust (CPT) paid for two University of Nevada students to attend the Student CPT conference and that a Nevada campus chapter has been started.

Agenda Item 15: Next Board Meeting: September 17, 2013 Las Vegas, NV

**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*