

NEVADA STATE BOARD OF ACCOUNTANCY  
Minutes  
July 18, 2018

An open meeting of the Nevada State Board of Accountancy was called to order at 8:00 A.M. by President, Brian Wallace, July 18, 2018 at the offices of First Independent Bank, 5335 Kietzke Lane, 2<sup>nd</sup> Floor, Reno, Nevada.

Board Members Present:

Brian Wallace, President	Candace Johnson, Secretary/Treasurer	
Steven Brockovich	Michael E. Davis	Kerry Eaton
Nicola Neilon	L. Ralph Piercy	

Board Staff Present:

Karen Peterson, Counsel  
Viki A. Windfeldt, Executive Director  
Leslie C. Walsh, Deputy Director

- A. Call to Order, Roll Call and Establish a Quorum
- B. **Public Comment Section:** In accordance with NRS 241.020 Public Comment will be taken prior to the beginning of the meeting.  
Anna Durst, Nevada Society of CPAs, updated the Board on the Teacher Training Sponsorship that was jointly funded.

◆ ◆ ◆ ◆ 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 Board Meeting Minutes (*For Possible Action*)  
A. May 16, 2018 – Board Meeting Minutes
- \*2. Approval of Applications for Certified Public Accountant – Non-Appearance (*For Possible Action*):
- |                  |                 |                  |                  |
|------------------|-----------------|------------------|------------------|
| Rachel Armijo    | Vincent Arrighi | Carl Artinger    | Nicole Baker     |
| Docho Dochev     | Ryan Huff       | Janette Jensen   | Christine Jorah  |
| Cash Jordan      | Thaaron Kalt    | Leslie Kidd      | Caleb Lopez      |
| Dalina Matsumoto | Spencer Miller  | Sean Patrick     | Maureen Pechacek |
| Heekyung Ryoh    | Samuel Schwartz | Carolina Stevens | Marnie Taba      |
| Eimy Zhangzheng  |                 |                  |                  |
- \*3. Approval of Change to License Status (*For Possible Action*):
- |                 |                |                 |              |
|-----------------|----------------|-----------------|--------------|
| Retired Status: | Kam Chan       | John Mitchell   | Parley Shupe |
|                 | Craig Wyosnick |                 |              |
| Return Active:  | Shelly Kulesza | Narendra Shukla |              |

July 18, 2018 Board Meeting Minutes

- \*4. Approval of Finances (*For Possible Action*)
  - A. Monthly Income & Expense
- \*5. Approval of CPA Examination Scores: April – June 2018 Window (*For Possible Action*)
- \*6. Board Approval of the 2018 CPE Documentation Audit Report
- \*7. Board Approval of Fictitious Name Use: (*For Possible Action*)
  - A. My CPA-Attorney
  - B. CPA Financial Architects

The consent agenda and supporting documents were reviewed by the Board, subject to receipt of additional information on items 7. Motion was made, seconded and carried to approve the consent agenda items. Board Member Nicola Neilon abstained from voting on applications for Thaaroon Kalt and Leslie Kidd, Board Member Ralph Piercy abstained from voting on the application for Sean Patrick.

◆ ◆ ◆ ◆ 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 or disciplinary action considered by the board.

A. Review of Grievance Report (*For Possible Action*)

Motion was made, seconded and carried to close complaint matter I2018.006 based on lack of evidence to support further Board action.

Motion was made, seconded and carried to close complaint matter I2018.007 based on lack of evidence to support further Board action.

Motion was made, seconded and carried to approve the Stipulated Findings of Fact, Conclusions of Law, Disciplinary Order & Decision for Philip Adams and Bardier & Adams, Ltd with the following provisions:

1. Respondents ADAMS and BARDIER are placed on probation for a period of three (3) years from the date of approval of this Stipulation by the Board at which time said probation will terminate provided that Respondents comply with paragraphs 2-11 below.
2. Respondents shall obtain the outstanding Peer Reviews for the years 2014 and 2017 as required by the Peer Review Administering Entity.
3. Respondents shall provide the Board with the Enrollment Letter from the Peer Review Administering Entity indicating they are properly enrolled for Peer Review thirty (30) days of the date of this Decision.

July 18, 2018 Board Meeting Minutes

4. Respondents shall obtain their 2014 Peer Review within 90 days of the date of the Enrollment Letter.
5. The 2017 Peer Review must be completed within 90 days of the 2014 Peer Review so that the Respondents are not behind in their Peer Reviews.
6. Respondents shall comply with all timelines as outlined by the Peer Review Administering Entity. Respondents shall not request or obtain any extensions of time for deadlines imposed by the Peer Review Administering Entity in obtaining their 2014 and 2017 Peer Reviews.
7. Respondents by their signatures below on this Stipulation provide the Peer Review Administering Entity with authorization to notify the Board when the following occurs: (a) The Peer Review Information has been completed, (b) when the scheduling has been completed, (c) when the review has been received from the reviewer and submitted to technical review, and (d) when the review is placed on the Peer Review Administering Entity's Review Appraisal Board's ("RAB") agenda.
8. Respondents shall provide the final Peer Review Report and Letter of Acceptance to the Board upon receipt from the Peer Review Administering Entity.
9. Pursuant to NRS 628.390(3), Respondents shall pay a civil penalty of \$5,000.00 within thirty (30) days of the date of this Decision.
10. Respondents shall pay the Board's attorneys' fees of \$550.00 incurred in this matter within thirty (30) days of the date of this Decision.
11. Respondents shall timely respond, within ten (10) days, to the Nevada Society of Certified Public Accountants, the Peer Review Administering Entity and to the Board in all future related matters during the probation period.
12. Respondents' failure to comply with any of the terms and conditions of these Stipulated Findings of Fact, Conclusions of Law, Disciplinary Order and Decision shall result in the automatic revocation of Respondents' certificate and registration without any further action by or proceeding before the Board.
13. This Decision will be published in accordance with NAC 628.450

Note: Board Member Candace Johnson abstained from voting on the above motions.

B. Full Board Disciplinary Hearing (*For Possible Action*):

Peter Magee, CPA

:

**Appearance 1:00 PM**

This matter was continued to the September 19, 2018 Board meeting.

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

- A. Update on Supreme Court's Opinion in Ethics Commission vs. Ira Hansen

Legal Counsel provided the Board with an update regarding the Supreme Court decision in the above noted matter.

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

- A. Board Update & Discussion of Sunset Review Committee.

Executive Director and Board Counsel provided the Board with information relating to the final approval of the Sunset Review Committee. The only recommendation was the approval of the Boards Reserve Policy.

## July 18, 2018 Board Meeting Minutes

### Agenda Item 10 (Cont.)

- B. Board Update & Discussion of Governor's Finance Office (GFO) Audit of Boards and Approval of Formal Response by the Board.

Executive Director and Board Counsel provided the Board with information relating to the Governor's Finance Office Audit of Boards. The Board was provided with the final audit report along with the Board's response letter. The Board was advised that the Contractors Board had made a formal request for an Attorney General Opinion in connection with the legal interpretation of NRS 281.123. The Governor's office is in the process of making a similar request for an AG opinion. The Board is not required to submit any additional response to the audit at this time, however the GFO will be following up within 6 months. The GFO has also started the second portion of their audit of Boards and will be reviewing the areas of Governance/Board Structure, Regulatory Practices, Record Retention.

- C. Board Review & Approval of Proposed Reserve Policy

Executive Director provided the Board with the Proposed Reserve Policy based on the recommended changes from the past Board meeting. Motion was made, seconded and carried to approve the Reserve Policy as provided.

- D. Board Ratification/Approval of Nevada Society of CPAs High School Teacher Training Program Sponsorship in the amount of \$3,000

Motion was made, seconded and carried to ratify the payment to the Nevada Society of CPAs for the High School Teacher Training Program sponsorship of \$3,000.

- E. Board Direction & Approval of Society Event Sponsorships of Recognition Dinners and Scholarships.

Executive Director provided the Board with information on the upcoming Nevada Society of CPAs Recognition Dinners information. The Board reviewed the information and directed staff to pay for half the net cost of the recognition dinners, not to exceed \$10,000. In addition, staff will work with NASBAs communication committee to develop literature to include in the packets to the new licensees.

- F. Beta Alpha Psi Zeta UNR Chapter Request for Speaker Tuesday September 25, 2018.

Executive Director provided the Board with information where a request for a speaker on the above noted date has been made. The Board discussed the speaking engagement and determined that Board member Nicola Neilon, along with Board staff will attend.

- G. Board Public Member Position Update

Executive Director informed the Board that Public Member Steven Brockovich would not be seeking re-appointment when his term expires on October 31, 2018. Board staff reached out to the Universities to identify if they had anyone they would recommend for the public member position. The Board discussed the responses received from the University of Nevada.

July 18, 2018 Board Meeting Minutes

Agenda Item 10 (Cont.)

H. Board Discussion of 2019 Legislative Session

Executive Director discussed the timing of the upcoming legislative session in 2019. The Society has asked if the Board would be submitting any bills for the session and their position on firm mobility. The Board discussed the session, and decided to form a committee with Board members Michael Davis, Nicola Neilon and Brian Wallace which will make a recommendation to the Board on whether to introduce any bills during the upcoming session.

I. NASBA Western Regional Conference Follow Up

Executive Director provided the Board with a brief summary of the NASBA Regional Conference which included current topics of the New Pathway to Licensure and the AICPA Re-Organization Impact. Board Members provided additional information from the conference.

J. Nevada Financial Security Task Force Follow Up

Executive Director provided the Board with an update following the testimony that was provided at the Nevada Financial Security Task Force hearing. Information was provided on what is required to maintain an enrolled agents license.

K. Email Policy Update Information

Executive Director provided the Board with information pertaining to other Boards policies regarding email and the personal devices of members.

L. Update by Lobbyist Michael Hillerby

**Appearance 9:30 AM**

Board Lobbyist Michael Hillerby came forward to provide the Board with an update in connection with the interim session action and the Governor's Finance Office report.

Agenda Item 11: Board Approval of Independent Contractor Contracts:  
*(For Possible Action)*

- A. Kohn & Company – Financial Statement Audit
- B. Allison Mackenzie Ltd. – Legal Services

Motion was made, seconded and carried to renew the contracts for the above Independent Contractors for an additional 3 years.

Agenda Item 12: Board Discussion & Direction of New Experience Requirement Implementation *(For Possible Action)*

Executive Director provided the Board with a summary of the new experience requirement based on the regulation approval effective May 16, 2018. The Board discussed the new changes and the development of a new form.

July 18, 2018 Board Meeting Minutes

Agenda Item 13: Board Determination of Application for CPA Certification  
(For Possible Action):

- A. Diane Pelletier

Motion was made, seconded and carried to defer the Application for CPA Certification for Diane Pelletier based on receipt of additional information.

Agenda Item 14: Board Determination of Courses toward the 150 Hour Education Requirement (For Possible Action):

The Board reviewed the information provided in connection with the course work toward the education required for licensure. Motion was made, seconded and carried to approve the courses provided toward the required education for licensure.

Agenda Item 15: Board Staff Personnel Performance Review (For Possible Action)

Motion was made, seconded and carried to go into closed session to conduct the personnel session of Board staff.

Upon resumption of the open session the Board reviewed the information provided by members Brian Wallace and Nicola Neilon in connection with the review process of Board staff. Board staff was provided with a review and evaluation.

Agenda Item 16: President's Report (For Possible Action)

Nothing discussed under this agenda item.

Agenda Item 17: Next Board Meeting: September 19, 2018 Reno, Nevada

- C. **Public Comment Section:** In accordance with NRS 241.020 Public Comment will be taken prior to the adjournment of the meeting.

Anna Durst, Nevada Society of CPAs, asked for an update on Board member Kerry Eaton's reappointment. The Nevada Society of CPAs will send their letter of support for her reappointment.

- D. Adjournment