

NEVADA STATE BOARD OF ACCOUNTANCY

Minutes  
July 21, 2006

An open meeting of the Nevada State Board of Accountancy was called to order at 9:00 A.M. by Secretary Treasurer Charles Morrison, on Friday, July 21, 2006 at First Independent Bank, 5335 Kietzke Lane, 2<sup>nd</sup> Floor, Reno, Nevada.

Board Members Present:

Charles A. Morrison, Secretary-Treasurer  
Bonnie M. Houldsworth                      Sharon J. McNair                      Patrick M. Thorne

Board Members Absent:

Harry O. Parsons                      Raja Mourey                      Kathy L. Zeller

Board Staff Present:

Todd Russell, 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 17, 2006 Board Meeting Minutes
  
- \*2. Approval of Applications for Certified Public Accountant – Non Appearance  
Robert Bledsoe      Trena Bristol      Richard Brookbush      Rebecca Daniels  
Dennis Danville      Sanford Fiebusch      Justin Finkelstein      Richard Howard  
Terri Jupin      Monte Kane      Jay King      Vicki Lan  
Bryan Mogensen      Mizanur Patwary      Nancy Rose      Kelly Snow  
Matt Thebeau      Joseph Wakem      Kevin Dueck      Nestor Romero  
Joshua Savage
  
- \*3. Approval of Temporary Licensing Permits – Non Appearance  
Ryan Widmayer      Raymond Ware      Abigail Gilbert      Thomas Schulte  
Cecilia Cayetano      Mark Sheffield      Katherine Meester      Lance Crappell  
Dan Sernett      Rolla Van Meter      Chek Tan      Stephan Hook  
Jeffrey Ira      James Petray      Richard Watson      Kenneth Smith  
David Widerman      Bud Mine      Susan Cimbaluk      Michael Mileski  
Edmond Sahm      Weldon Wulstein      Zachary Sahar      Nathan Matthews  
Mary O'Brien      Bruce Kartchner      A. Kaminski      Elisabeth Lippuner

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- \*4. Request for Change of CPA Status
- |  |                          |                 |
|--|--------------------------|-----------------|
| <u>Inactive Status:</u>                | Andrew Cox<br>James Park | Nicholas Parino |
| <u>Retired Status:</u>                 | Martin Greene            | Jarold Pepple   |
| <u>Reinstatement to Active Status:</u> | Robert Jirovec           |                 |
- \*5. Approval of Finances
- Review of income & expense
  - Bills paid since last board meeting
- \*6. Approval of CPA Examination Scores for the April-May 2006 testing window.
- \*7. Approval of Board Member & Staff attendance at the NASBA Annual Conference, Atlanta GA, October 29 – November 1<sup>st</sup>, 2006.

The consent agenda information and supporting documents were reviewed by the Board. Motion was made, seconded and carried to approve the minutes of the May 17, 2006 Board meeting, applications for CPA certifications, temporary permits, CPA status change, Board finances, CPA examination scores and NASBA Annual meeting attendance.

### ◆ ◆ ◆ ◆ 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.

- Grievance Report
- Disciplinary Action taken by the Office of Inspector General (HUD).
- Los Angeles Times Article – Board Discussion

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-03-1, W. Dale McGhie based on information received that Mr. McGhie passed away in May 2006.

Motion was made, seconded and carried to close complaint matter N-04-12, Robert Foster based on compliance with the Board's payment provisions.

Motion was made, seconded and carried to file a formal complaint against Loren Goldtooth in connection with complaint matter S-06-1, based on complaint action by

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the Arizona Board of Accountancy and Mr. Goldtooth's subsequent failure to report the

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Agenda Item 8 (Cont.)

action on his license renewal form. In addition, Mr. Goldtooth has failed to respond to the CPE Administrative Complaint and the Practice Enhancement Program.

Motion was made, seconded and carried to file formal complaint against Mary Regan in connection with complaint matter N-06-3, based on failure to respond to complaint allegations.

Motion was made, seconded and carried to close complaint matter S-06-4 based on resolution between parties.

Motion was made, seconded and carried to close complaint matter N-06-2 based on resolution between parties.

Motion was made, seconded and carried to proceed with formal complaint action against Susan Eisenberg in connection with complaint matter S-06-5, based on violation of her probation provisions and failure to respond to the Practice Enhancement Program. Liaison Patrick Thorne abstained from the vote.

Motion was made, seconded and carried to proceed with formal complaint action against Pierce Clifton in connection with complaint matter S-06-7, for failure to pay the required CPE Penalty.

Motion was made, seconded and carried to close complaint matter S-06-8 based on compliance.

Motion was made, seconded and carried to close complaint matter S-06-9 based on compliance.

Motion was made, seconded and carried in complaint matter S-06-10, Steven Veroff to file formal complaint for failure to pay the required pro-rated licensure fees.

Motion was made, seconded and carried in complaint matter S-06-11, Jennifer Mosher to file formal complaint for failure to pay the required pro-rated licensure fees.

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

SS-03-21	Nelson Vazquez	Based on:
SS-03-38	Cedric Nelson	DA Referral
SS-04-8	Ronald Hoagland	DA Referral
SS-06-2	Robert Gentry/Tasha Larsen	Unable to Locate
SS-06-4	Jon Montijo/ Red Rock Corporate Solutions	Unable to Locate

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### Agenda Item 8 (Cont.)

YP-06-4	AA Next Day Tax Cash	Unable to Locate
YP-06-15	Contractors Accounting Solutions	Unable to Locate
YP-06-20	Jack & Associates	Unable to Locate
YP-06-24	Liberty Income Tax Service	Unable to Locate
YP-06-26	Meridan Accounting	Unable to Locate
YP-06-27	Mike Hoch	Unable to Locate
YP-06-32	Spring Mountain Accounting Service	Unable to Locate

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

- A. Bruce Hendrix **10:00 AM**
- B. Michael Masegian **10:00 AM**

This item was removed from the agenda based on a continuance of the Masegian matter to the November 17, 2006 Board meeting. The Hendrix matter has been continued to the September 20, 2006 Board meeting.

### Agenda Item 8B: Reconvene into Open Session for Board Determination of the matters concerning the above named individuals.

This item was removed from the agenda.

### 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

The Board reviewed the PCAOB Report Summary as provided by Kathy Zeller.

### Agenda Item 10 Report of Counsel

Todd Russell updated the Board members on the lawsuit against the Board and Executive Director.

### Agenda Item 11: Report of Executive Director

A. AICPA Board Examiners new committee recommendations  
Executive Director provided the Board with information from the AICPA in connection with the new Structure Task Force and the recommendations made regarding their review of the BOE.

B. Discussion of Private Company GAAP  
The Executive Director provided a request to comment from the FASB and AICPA joint proposal entitled, "Enhancing the Financial Accounting and Reporting Standard-Setting Process for Private Companies. The Board discussed the information provided and

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determined that there should not be two sets of standards for public and private companies.

C. Contractors Board Form

The Executive Director provided information to the Board regarding changes that have been made to the Contractors Board reporting forms. The Board reviewed and discussed the information provided.

Agenda Item 12: Approval of Clark County Internal Audit Department quality review in accordance with the requirements of NAC 628.0626.

Board member Bonnie Houldsworth summarized the exit conference. Motion was made, seconded and carried to approve the quality review for the Clark County Internal Audit Department as conducted by the National Association of Local Government Auditors. The Review indicated that Clark County is in compliance with the requirements as set forth in NAC 628.0626.

Agenda Item 13: Approval of 2006 Review of Certificate Attest Experience Report as provided by John Rhodes.

Board Members were provided with the findings of John Rhodes review of the 2006 Certificate of Attest Experience Forms. Motion was made, seconded and carried to approve the report as provided.

Agenda Item 14: Request Board Consideration of use of Firm Name  
A. Speidel Chapman **9:30 AM**

Beth Speidel Chapman along with her Attorney Pat Lundvall came forward to discuss the use of Speidel Chapman as an approved firm name.

Legal Counsel Todd Russell summarized the Board's previous position. The Board discussed the issue of the firm name being misleading in that it represents to the public that there is more than one CPA owner. Ms. Lundvall explained the use of Ms. Chapman's name and their position that it is not misleading. In addition, the board recommended that the word "accountant" be removed from a staff member's business card.

The matter was deferred until the September 20, 2006 Board meeting for further discussion with full board attendance.

Agenda Item 15: Board consideration of proposals for the following services:  
A. Document Scanning  
B. Disaster Recovery Plan/Business Continuity Plan

The Board discussed the projects of Document Scanning and development of a Board Disaster Recovery Plan. Additional information is still needed on the Document

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Scanning project, however proposals have been received in connection with the Disaster Recovery Plan. The Board reviewed and discussed the proposals provided and decided to place the disaster recovery project on hold for approximately one year. Staff was directed to proceed with the document scanning conversion process.

Agenda Item 16: Recommendation of Hearing Officer for Revocation of the CPA Certificates for the following individuals due to non-payment of the 2006 licensure fees and non-compliance with CPE requirements:

Todd Russell summarized for the Board the recommendation of the Hearing Officer, Charles Morrison, regarding the revocations for violation of the 2005 CPE requirements and non-payment of 2006 license fees.

Motion was made, seconded and carried to approve the Hearing Officer's recommendation to revoke the CPA Certificates of the following individuals:

Susan Baughman	John Chartier	Anthony Foster	Nicholas Schiller
Carol Tabrizi	Kelly Vickers	James Young	

Motion was made, seconded and carried to dismiss the formal complaint issued against the following individuals based on Voluntary Surrender of the CPA Certificate:

Barmak Azadi	Mark Bagaason	Kevin Healy	Darren VanDover
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Motion was made, seconded and carried to dismiss the formal complaint issued against the following individuals based on compliance and payment of all fees due:

Aaron Ezgar	Joseph Leauanae	Warren Michaels	Robert Mohler
Kathy Senef	Robert Sims	Mark Thomas	Courtney Wenleder

Agenda Item 17: Report of President

No items were discussed under this agenda item.

Agenda Item 18: Public Comment 1:00 PM

No items were discussed under this agenda item.

Agenda Item 19: Next Board Meeting

The next board meeting will be held September 20, 2006 in Las Vegas.

