

NEVADA STATE BOARD OF ACCOUNTANCY

Minutes

September 19, 2008

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 Friday, September 19, 2008 at the offices of McGladrey & Pullen LLP, 300 South Fourth Street, Suite 600, Las Vegas, Nevada.

Board Members Present:

Patrick M. Thorne, President	Glenn D. Bougie, Secretary/Treasurer	
Sharon J. McNair	Charles A. Morrison	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 July 11, 2008 Board Meeting Minutes
  
- \*2. Approval of Applications for Certified Public Accountant – Non Appearance

Bradley Anderson	Mark Belfance	Christopher Berk	Kelli Blount
Anthony Cardinalli	Robyn Caspersen	Neetra Childs	Peggy Chung
Lizett Corral	Bryan Coy	Alyson Crisman	Matthew Daggett
E. Demosthenes	Slava Dimitrova	C. Dominguez-Garcia	
Scott Donaldson	Thomas Eldredge	Linda Green	Jungah Han
Gregory Headlee	Donna Heffner	Jay Hoffman	Matthew Jackson
Christopher Joh	Eric Johnson	John Krusick	John Kubiak
Kathleen Labrake	Tyler Langford	Dennis Lavin	Kawika Lawther
Weimin Liao	Elizabeth Mason	Belinda Melton	Robert Morgan
Ji Young Park	Kimberly Plummer	Marvin Prescott	Jordan Ray
Kimberlee Ricci	Christy Setiady	Amber Smith	Loran Stensland
Frank Whelan	Daniel Williams		
  
- \*3. Approval of Temporary Licensing Permits – Non Appearance

Daniel Frein	Dean Rohne	Glenn Gelman	Sandra Carlos
Sean Nicholas	Kristine Obrecht	E McSweeney	Malcolm Johnson
Joseph Silvestri	Forrest Holcomb	Mike Thielman	Michael Barrows
Richard Shell	Abraham Weiss	Tullus Miller	Robin Shores
Douglas Rotman	William Fava	Christian Ritter	Raymond Ware
Richard Watson	Nicholas Ross	Matthew Beeler	

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- \*4. Approval of Change to License Status:  
Retired Edward Cupit  
Return Active Rhonda Kilty Voker Zipprich
- \*5. Approval of Finances:  
A. Treasurer's Report  
B. FY 2008/2009 Board Budget
- \*6. Approval of Board Member and Staff Attendance at NASBA Annual meeting in Boston MA, October 27 – 29, 2008.
- \*7. Approval of Laptop Equipment Purchase

The consent agenda and supporting documents were reviewed by the Board. Motion was made, seconded and carried to approve consent items 1-7. The following Board Members abstained from voting on approval of Applications for Certified Public Accountant for the following individuals: Board Member Glenn Bougie for Jay Hoffman, Christopher Joh, Dennis Lavin, Kimberlee Ricci, Christy Setiady, Daniel Williams; Board Members Patrick Thorne and Felicia O'Carroll for Kimberley Plummer. Board Member Felicia O'Carroll abstained from voting on Approval of Retired Status for Edward Cupit.

◆ ◆ ◆ ◆ 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 S-07-8, Richard Sellers, based on compliance with the hearing decision provisions.

Motion was made, seconded and carried to close complaint matter S-07-9, Daniel Forbush, based on compliance with the stipulated agreement provisions.

Motion was made, seconded and carried to dismiss complaint matter S-08-1, based on lack of cause. Liaison Glenn Bougie abstained from the vote.

Motion was made, seconded and carried to dismiss complaint matter N-08-6 based on lack of cause and matter considered a fee dispute.

Motion was made, seconded and carried to close complaint matter S-08-5, Jennifer Rhodes, based on compliance with CPE Complaint provisions.

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Agenda Item 8 (Cont.)

Motion was made, seconded and carried to dismiss complaint matter S-08-6 based on lack of cause and complainant withdrawal of the complaint.

Motion was made, seconded and carried to dismiss complaint matter S-08-7 based on lack of cause and complainant withdrawal of the complaint.

Motion was made, seconded and carried to dismiss complaint matter N-08-8 based on lack of cause and matter considered a fee dispute.

Motion was made, seconded and carried to dismiss complaint matter N-08-9 based on lack of cause.

Motion was made, seconded and carried to close complaint matter S-08-8 based on resolution of the matter. Liaison Sharon McNair abstained from the vote.

Motion was made, seconded and carried in Complaint matter S-0810, Jane Kato, to approve the following stipulated agreement provisions (1) payment of \$200 within 30 days for CPE penalty for obtaining hours outside the required year; (2) payment of \$580 within 30 days for attorney fees incurred with the matter; (3) written letter of reprimand; and (4) decision shall be published.

Board Member Glenn Bougie was assigned as Liaison in complaint matter S-08-9.

Motion was made, seconded and carried to close the following firm complaint matters: F-08-1, F-08-2, F-08-3, F-08-5 based on sufficient firm response and lack of cause.

Motion was made, seconded and carried to close non-license complaint matter NN-08-3, Mary Anne Rogers based on compliance.

Agenda Item 9: Report of Counsel

No items were discussed under this agenda item.

Agenda Item 10: Report of Executive Director

A. NASBA Regional Director Focus Questions

The Board reviewed the NASBA Regional Director Focus questions and provided appropriate responses to NASBA.

B. Board Discussion of Internal Audit Agencies

Executive Director provided the Board with information relating to Internal Audit Agencies and the process for approval and compliance. The Board reviewed the information and determined the following: (1) Develop a subcommittee to establish a standard policy for internal audit departments; (2) Notify each agency regarding the policy; (3) Add internal audit departments to the Annual Experience review process. The subcommittee will be headed by Board member Kathy Zeller and include Bonnie Houldsworth and the newly appointed Board Member.

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Agenda Item 10 (Cont.)

C. Board Discussion of Certificate of Experience Form  
Executive Director provided the Board with an amended Certificate of Attest Experience Form. The amendments would breakdown information between internal audit and public accounting. The Board reviewed the information and directed the new subcommittee developed in agenda item 10B. to amend the form.

D. Information on Board programs  
Executive Director provided the Board with a summary of the different types of review programs the Board has in place. The Board reviewed the information provided.

E. Mobility Language Comments  
Executive Director provided additional comments on the proposed mobility language. Legal Counsel summarized the comments and board discussed the issues surrounding the definition of attest. Board reviewed the comment letter provided by the University Nevada, Reno in connection with the 120/150 Educational Requirements. The Board directed staff to contact both Universities and invite them to participate in further discussions at the next scheduled meeting in November.

Motion was made, seconded and carried to approve the travel expenses for a representative from UNLV to attend the November meeting in Reno.

Agenda Item 11: Board Approval and Determination of Policies:

A. Amendment to Board Policy on Travel Reimbursement  
The Board was provided amendments to the travel reimbursement policy that include adjustments to the daily salary for board members as well as meal per diem amounts as approved by the Nevada legislature for Board members and staff. Additional amendments were also made that include language that requires all travel reimbursements in excess of \$500 to be approved by the Board Treasurer or President.

B. New Board Policy for Peer Review Administration  
The Board was provided with a new policy for administration of the Peer Review Program. The Board reviewed the proposed policy and directed staff to make the discussed changes to the policy.

Agenda item 12: Board Approval and Determination of Application for CPA Certification:

A. Renee Wood  
The Board reviewed the application provided for Ms. Wood. Motion was made, seconded and carried to approve the application for CPA Certification of Ms. Wood based on the experience provided meeting the requirements for licensure.

Agenda Item 12 Cont

B. Daniel Scarberry                      **Appearance**                      **10:00 AM**

Mr. Scarberry came forward to discuss his application for CPA Certification. The Board was provided summary information from the last board meeting where Mr. Scarberry's application was previously denied. The Board asked a variety of questions of Mr. Scarberry in connection with his application. Motion was made, seconded and carried to approve the application of Mr. Scarberry based on evidence that Mr. Scarberry had removed all references to the CPA designation and his ability to demonstrate that he can provide the corrected articles of incorporation with the Secretary of State's Office. The motion included two years probation and attorney's fees and costs in connection with the hearing.

Agenda Item 13:      Request Board Approval to Waive the CPE and or Penalties based on Medical Hardship:      A.      Jean Hall

The Board was provided with information pertaining Ms. Hall's request for waiver of the CPE requirement based on medical hardship. Motion was made, seconded and carried to approve the request for Ms. Hall based on medical hardship. The motion included a pre-release review requirement for any attest functions.

Agenda Item 14:      Board Approval of Reports from the Certificate of Attest Experience Form Review as provided by John Rhodes and Bonnie Houldsworth.

The Board reviewed the reports as provided for the Certificate of Attest Experience reviews conducted by Ms. Houldsworth for the Southern portion of the state and Mr. Rhodes for the Northern portion of the state. Motion was made, seconded and carried to approve the reports as provided.

Agenda Item 15:      Board Review and Approval 2008 Practice Monitoring Program (Peer Review) Report

The Board reviewed the report of the 2008 Practice Monitoring Program Report as provided. Executive Director provided amendments for some individuals that provided responses. Motion was made, seconded and carried to approve the program report with amendments.

Recommendation of Formal Complaints for Non-Response to the 2008 Practice Monitoring (Peer Review) Program for the following individuals:

Sara Griggers              Mark Springer              Linda Taylor              Connie Thompson

Motion was made, seconded and carried to issue a Formal Complaint to the above listed individuals based on non-response to the 2008 Practice Monitoring Program. Board Member Felicia O'Carroll assigned as Hearing Officer

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Agenda Item 16: Request Approval of Formal Complaint for Non-Response to the CPE Administrative Complaint Procedure:

Duane Ellis	Rafael Herrera	Ronald Serota	Nanette Miller
Paul Palmer	Brian Sorensen	David Williams	

Motion was made, seconded and carried to issue a Formal Complaint to the above listed individuals based on non-response to the CPE Administrative Complaint. Board Member Felicia O'Carroll assigned as Hearing Officer.

Agenda Item 17: Board approval of 2009 Board Meeting Schedule

Motion was made, seconded and carried to approve the following 2009 Board Meeting dates and locations:

January 16, 2009	Las Vegas	March 23, 2009	Reno
May 15, 2009	Las Vegas	July 17, 2009	Reno
September 18, 2009	Las Vegas	November 20, 2009	Reno

Agenda Item 18: Report of President

Presentation of Retirement Plaque to Board Members  
Sharon McNair and Charles Morrison

The Nevada State Board of Accountancy presented plaques to Board Members Sharon McNair and Charles Morrison in recognition for their outstanding service to the Board over the past six years.

Agenda Item 19: Public Comment 10:00 AM

No items were discussed under this agenda item

Agenda Item 20: Next Board Meeting: November 14, 2008 Reno