NEVADA STATE BOARD OF ACCOUNTANCY Minutes November 16, 2011

An open meeting of the Nevada State Board of Accountancy was called to order at 9:00 A.M. by President, Harry O. Parsons, on Wednesday, November 16, 2011 at First Independent Bank, 5335 Kietzke Lane, 2nd Floor, Reno, Nevada

Board Members Present:

Harry O. Parsons, President Lisa L. Milke, Secretary/Treasurer

Colleen M. Bacchus Glenn D. Bougie Lynda Hartzell

Felicia R. O'Carroll Benjamin C. Steele

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.

<u>Public Comment Section</u>: 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 September 21, 2011 Board Meeting Minutes (For Possible Approval)
- *2. Approval of Applications for Certified Public Accountant Non Appearance (For Possible Approval)

Jack Banka Valery Baudin Cari Bradley Jack Brumley Evelyn Brunner Ashlee Carter Genevieve Farnady Bryan Goslin Charles Grigsby Mary Huffman Milas Howe Beau Johnson Tamsila Khan **Dustin Jones** Rusty Leblanc Jordan Lietz Peter Mandell Elizabeth Londot Jacqueline Matthew Stephen Matthew Michelle Orlina Thomas Rich Kristen Oliver Larry Piparo Colleen Woolley

*3. Approval of Change to License Status (For Possible Approval).

Inactive Status: Gary Kulikowski

Retired Status: Barbara Wells Felice Cavallera

Return Active: Patrick McMullen

- *4. Approval of Finances (For Possible Approval):
 - A. Treasurer's Report
 - B. Approval of FY 2011 Financial Statements
- *5. Approval of Fictitious Name (For Possible Approval):
 - A. Ascend CPAs and Business Advisors LLC
 - B. CPA Tax CPA
 - C. Hardcore Tax Professionals
 - D. Tricor Tax & Accounting
- *6. Approval of CPA Examination Scores for July August 2011
- *7. No Items Scheduled for this Agenda Number.

The consent agenda and supporting documents were reviewed by the Board. Motion was made, seconded and carried to approve consent agenda items 1-6. The following Board Members abstained from voting on Approval of Applications for Certified Public Accountant: Colleen Bacchus for Valery Baudin, Ashlee Carter, Dustin Jones, Stephen Matthew, and Kristen Oliver; Lynda Hartzell for Cari Bradley, Rusty Leblanc, and Colleen Woolley.

♦ ♦ ♦ 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 to close complaint matter N-11-1 based on lack of cause.

Motion was made, seconded and carried to close complaint matter S-11-9 based on compliance.

Motion was made, seconded and carried to close complaint matter S-11-10 based on the matter being a fee dispute.

Motion was made, seconded and carried to close complaint matter S-11-12 based on lack of cause.

Agenda Item 8 Continued

Motion was made, seconded and carried to issue formal complaint against Timothy Koch in complaint matter S-10-22 for failure to comply with the provisions of the Stipulated Agreement. Board members Glenn Bougie and Lynda Hartzell abstained from the vote.

The Board noted that Samantha Rudder's CPA License was automatically revoked based on her failure to comply with the provisions of a Stipulated Agreement.

Motion was made, seconded and carried to dismiss the following formal complaints based on compliance with the filing of their annual CPE requirement:

Luciana Williams Steven Staehr Russell Steele

Motion was made, seconded and carried to close complaint matter F-11-4 based on the Firm's response and assurances made.

Motion was made, seconded and carried to close Non-Licensee complaint matter SS-11-4, Ann Petty based on staff not able to contact.

Agenda Item 8B(1): Recess into a closed session Full Board Disciplinary Hearing

against the following: (For Possible Approval):

James Bowen 10:00 AM Charles Sandefur 11:00 AM

Motion was made, seconded and carried to go into closed session to conduct a full board disciplinary hearing against the above named individuals.

Agenda Item 8B(2): Reconvene into open session for Board Determination of the matters concerning the above (For Possible Approval):

James Bowen 10:00 AM

The scheduled disciplinary hearing was cancelled based on a Stipulated Agreement to resolve the Formal Complaint against James Bowen, CPA.

Upon resumption of the open session, motion was made, seconded and carried to approve a Stipulated Agreement in complaint matter S-11-13 James Bowen for failure to comply with the CPE requirements. The provisions include the following: (1) Licensee agrees to complete the 2010 CPE requirement of 15 hours by December 31, 2011 with no further extensions of time granted; (2) Licensee agrees to complete the 2011 CPE requirements of 56 hours by December 31, 2011 with no further extensions of time granted; (3) Licensee agrees to remit the CPE penalty of \$1600 associated with the CPE Shortage Extension; attorney's fees of \$250; Fine of \$1000 with a total due of \$2,850 payable within 30 days of the date of the stipulation; (4) Licensee shall complete the required CPE by December 31st of each year and provide backup documentation for the CPE claimed for the next two years.

Board member Colleen Bacchus abstained from the vote.

Agenda Item 8 Continued

Charles Sandefur

11:00 AM

Upon resumption of the open session, motion was made, seconded and carried to revoke the CPA certificate of Charles Sandefur for failure to comply with the 2009/2010 CPE documentation audit.

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

A. Changes in open meeting law effective January 1, 2012. Board Counsel informed the board of information received during the training course at the Attorney General's office on November 3, 2011.

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

- A. Board review and response of NASBAs Regional Directors Focus Questions Executive Director provided the Board with the Regional Directors Focus Questions. The Board reviewed the questions and provided their responses for NASBA.
 - B. Board review and discussion of Financial Accounting Foundation (FAF) Private Company Plan.

Executive Director provided the Board with information relating to NASBAs position regarding the Financial Accounting Foundation (FAF) Private Company Plan. Harry Parsons, Board President discussed the issue and provided additional information from NASBA's annual meeting.

- C. NASBA Annual Meeting Follow Up Executive Director provided the Board with information regarding the NASBA Annual Meeting for those unable to attend.
- D. Board determination of Independent Study Hours for CPE Executive Director provided the Board with a letter requesting determination of Independent Study Hours for CPE. The Board reviewed the request and determined the hours would not qualify as there isn't a third party to measure the content and/or hours.

Agenda Item 11: Board review and determination for extension of time to complete CPA exam (For Possible Approval):

Motion was made, seconded and carried to approve the request for an extension of time for the following individuals. The approval was based on evidence provided indicating reasonable cause.

- A. Oran Amornwattana
- B. Jason Bradley

Agenda Item 12: Board discussion and determination of Stipulated Findings of Fact, Conclusions of Law, Disciplinary Order and Decision –

A. Michael D. Bayliss; Bayliss & Associates, LLC Appearance 1:00pm

Mr. Puzey, Esq. appeared before the Board on behalf of Mr. Bayliss and Bayliss & Associates, LLC. Mr. Puzey provided information to the Board regarding a possible issue with Ms. Dale involving the stipulated disciplinary agreement. The Board members discussed the issue with Mr. Puzey and thanked him for bringing the matter to their attention.

Agenda Item 13: President's Report (For Possible Approval):

No items were discussed under this agenda item

Agenda Item 14: Next Board Meeting: January 17, 2012 Las Vegas

<u>Public Comment Section</u>: In accordance with NRS 241.020 Public Comment will be taken prior to the adjournment of the meeting.