

NEVADA STATE BOARD OF ACCOUNTANCY

Minutes

May 16, 2018

An open meeting of the Nevada State Board of Accountancy was called to order at 8:15 A.M. by President, Nicola Neilon, May 16, 2018 at the offices of Snell & Wilmer, 3883 Howard Hughes Pkwy, Suite 1100, Las Vegas Nevada.

Board Members Present:

Nicola Neilon, President
Kerry Eaton
Candace Johnson

Brian Wallace, Secretary/Treasurer
Michael E. Davis
L. Ralph Piercy

Board Members Absent:

Steven Brockovich

Board Staff Present:

Karen Peterson, Counsel
Louis Ling, 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.
Note: No one was present for this section of the public comment agenda item.

◆ ◆ ◆ ◆ 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*)
March 21, 2018 – Board Meeting Minutes
- *2. Approval of Applications for Certified Public Accountant – Non-Appearance (*For Possible Action*):
- | | | | |
|------------------|--------------------|-------------------|-----------------|
| Trent Arlint | Alan Bourassa | Dalyce Franz | Audrey Grossman |
| Matthew Hiller | Gregory Hinkle | Jessica Holmes | Kayla Jimenez |
| Melanie Jimenez | Melanie Jubenville | Sumeet Kumar | Thomas Lettero |
| Jefferey Newbold | Tanner Oates | Maria Ong | Matthew Paglia |
| Matthew Preston | Eduardo Rivera | Hildegard Schunke | Riley Stubbs |
| Robert Wargo | Jamie Williams | | |
- *3. Approval of Change to License Status (*For Possible Action*):
- | | | | |
|------------------|---------------|-------------|---------------|
| Retired Status: | Benjamin Mehr | James Starr | Richard White |
| Inactive Status: | Lisa Moses | | |

- *4. Approval of Finances (*For Possible Action*)
 - A. Monthly Income & Expense
- *5. Approval of Fictitious Name Use (*For Possible Action*)
 - A. Tentax & Accounting LLC
- *6. Approval of CPA Examination Scores: January – March 2018 Window (*For Possible Action*)
- *7. Approval of Board Members & Staff to attend the NASBA Western Regional Conference, June 25 – June 28, 2018. (*For Possible Action*)

The consent agenda and supporting documents were reviewed by the Board. Motion was made, seconded and carried to approve the consent agenda items. Board Member L. Ralph Piercy abstained from voting on Applications for CPA Certification for Matthew Hiller.

◆ ◆ ◆ ◆ 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 I2017.015 and F2017.004 based on the licensee and firm both surrendering their license and registration in lieu of disciplinary action.

Motion was made, seconded and carried to close complaint matter I2016.009 based on licensee surrendering the license in lieu of disciplinary action.

Motion was made, seconded and carried to close complaint matter I2018.005 based on lack of evidence and a complainant to support the allegations.

Motion was made, seconded and carried to issue formal complaints for individuals that had not complied with peer review.

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

Agenda Item 8 Continued:

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

Mark Dicus, CPA

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Appearance 10:00 AM

The Board conducted a full board disciplinary hearing against Mark Dicus, CPA who was present before the Board. The Board made its decision and a motion was made, seconded and carried with the following provisions:

1. Respondent's Certified Public Accountant's Certificate No. 4476 be **REVOKED** for a period of two (2) years from the date of this Decision. Respondent shall immediately cease and desist from holding himself out as a Certified Public Accountant licensed by the State of Nevada. Respondent is to return his Certified Public Accountant's Certificate No. 4476 to the Board immediately. Respondent shall remove all references to Certified Public Accountant in his name and on all signage, advertising, answering machine and/or answering service, email, letterhead, business cards and yellow page listing and website if any.
2. After two (2) years from the date of this Decision, Respondent may reapply for licensure. For re-licensure, Respondent must comply with NAC 628.110 and any other statutory or regulatory requirements of the Board for re-licensure, including a showing that he has complied with this Decision and that he is qualified to practice as a Certified Public Accountant in the State of Nevada.
3. Pursuant to NRS 628.390(3), Respondent shall pay a civil penalty of \$5,000.00 for violations of NRS 628.390(1)(b) and (j).
4. Respondent shall pay the Board's investigative fees of \$2,270.50, attorney's fees of \$3,726.25 and pay the Board's Court Reporter fees of \$630.00.
5. The Decision of the Board shall be published in accordance with NAC 628.450.

Board Member Candance Johnson abstained from the vote.

C. Recommendation of Hearing Officer based on hearings held May 10, 2018 for Non-Payment of 2018 License Renewal Fee and Non-Compliance of the 2017 CPE Requirement for the following individuals: (*For Possible Approval*)

Mark Borgen

Robert Eves

J. Frank Fisher

Noah Green

Michael Humbarger

Danelle Poon

Steven Price

Richards Schwartz

Integrated Accounting Professionals

Motion was made, seconded and carried to approve the Hearing Officer Recommendation to revoke the above individuals. Hearing Officer Michael Davis and Board member Candace Johnson abstained from the vote.

D. Recommendation to Dismiss Formal Complaints Based on Compliance:
(For Possible Approval)

Bryan Coy	Carlton Gadinsky	Andrew Grey	Eric Johnson
Curtis Ohlhauser	David Thompson	James Starr	Steven Spooner

Motion was made, seconded and carried to approve the recommendation to dismiss the above listed formal complaints based on compliance. Hearing Officer Michael Davis and Board member Candace Johnson abstained from the vote.

E. Recommendation to Dismiss Formal Complaints Based on Voluntary Surrender (For Possible Approval):

Dirk Florence	Margaret Knott	Alaina Lewis	Nester Romero
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Motion was made, seconded and carried to approve the recommendation to dismiss the above listed formal complaints based on voluntary surrender of the license. Hearing Officer Michael Davis and Board member Candace Johnson abstained from the vote.

Motion was made, seconded and carried to close non-licensee complaint matter NL2017.005, Christopher Provenzano based on staff's monitoring of DA referral.

Motion was made, seconded and carried to close non-licensee complaint matter NL2018.001, James Kim/Songhyun Tax Service CPA EA and NL 2018.003, Jamie Smith/Reno Accounting Solutions based on assurances provided.

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

A. Update on recent Nevada Supreme Court Decision involving Open Meeting Law

Legal Counsel provided an update to the Board in connection with the Nevada Supreme Court Decision involving Open Meeting Law. Legal counsel Karen Peterson informed the Board of the decision and specifically how public documents requests affect items kept on personal devices.

B. Update on Board's Regulation R068-17

Legal Counsel provided an update to the Board in connection with the Board's proposed regulations that are being reviewed at the Legislative Committee during a hearing today. The Board's Lobbyist and Counsel Ryan Russell will be available during the hearing in the event questions arise regarding the proposed changes.

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

A. Board Discussion of Sunset Review Committee Proceedings.

Legal Counsel Karen Peterson discussed two issues that have resulted from the Sunset Review committee proceedings. 1) Reserves policy: Executive Director provided the Board with a draft copy of the Reserves policy. The Board discussed this policy and directed staff to make changes as discussed and place it on the agenda for approval at the July 18, 2018 Board meeting. 2) Civil Penalties: Civil penalties paid to the State General Fund should be budgeted in the FY 2018-2019 budget and discussed with the Board's auditor.

Agenda Item 10 Continued:

B. Board Update on Appointments to Committees or Panels
Executive Director provided an update from the prior meeting regarding the appointments made to committees and panel members.

C. Board Discussion of Society Event Sponsorships & Participation
Executive Director provided information to the Board regarding possible participation in providing sponsorship or scholarships to the Nevada Society of CPAs.

D. Board Nomination of Harry Parsons for the NASBA Distinguished Service Award
Executive Director provided information to the Board regarding nomination of Harry Parsons, CPA for the NASBA Distinguished Service Award.

Agenda Item 11: Board Approval of Employment Contracts and Independent Contractor Contracts for the following (*For Possible Action*):

- A. Glenn Bougie, CPA – Board Investigator – Employment Contract
- B. Harry Parsons, CPA – Board Investigator – Employment Contract
- C. Patrick Thorne, CPA – Board Investigator – Employment Contract
- D. Jay Schmitt – Board Staff – Employment Contract

Motion was made, seconded and carried to approve the contracts for the above listed individuals as proposed.

Agenda Item 12: Board Discussion & Approval of Board Officers, Staff & Lobbyist to Respond to Draft Report from the Governor's Finance Office/Division of Internal Audits (*For Possible Action*)

Motion was made, seconded and carried to authorize Board Officers, Staff and Lobbyist to respond to Draft Report from the Governor's Finance Office/Division of Internal Audits.

Agenda Item 13: Election of Board Officers (*For Possible Action*)

Election of Officers for the Nevada State Board of Accountancy was held. Nominations were opened for President. Brian Wallace was nominated. There being no other nominations, a motion was made, seconded and carried that the nominations be closed. Brian Wallace will be elected by acclamation. The record reflects Brian Wallace as President of the Board for a one-year term effective July 1, 2018 – June 30, 2019.

Nominations were opened for Secretary/Treasurer. Candace Johnson was nominated. There being no other nominations, a motion was made, seconded and carried that the nominations be closed. Candace Johnson will be elected by acclamation. The record reflects Candace Johnson as Secretary/Treasurer of the Board for a one-year term effective July 1, 2018 – June 30, 2019.

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

President Nicola Neilon presented a plaque to retiring Board Member Robert C. Anderson, CPA, in recognition for his outstanding service to the Board over the past six years. Mr. Anderson held officer positions of Secretary/Treasurer and President during his tenure with the Board. The Board appreciates all of Mr. Anderson's time and commitment to the regulation of the profession.

Agenda Item 15: Next Board Meeting: July 18, 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, informed that Board that Peer Review for Montana is now being administered by the Nevada Society of CPAs. Ms. Durst also informed the Board of the Societies new office location.

D. Adjournment