

NEVADA STATE BOARD OF ACCOUNTANCY
Minutes
September 11, 2019

An open meeting of the Nevada State Board of Accountancy was called to order at 9:15 A.M. by President, Candace Johnson at the offices of Snell & Wilmer, 3883 Howard Hughes Pkwy, Suite 1100, Las Vegas Nevada.

Board Members Present:

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

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.
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 July 2, 2019 Board Meeting Minutes (*For Possible Action*)
- *2. Approval of Applications for Certified Public Accountant – Non-Appearance (*For Possible Action*):
- | | | | |
|----------------------|--------------------|---------------------|-------------------|
| Seth Altamirano | Thomas Borja | Karen Bougie | Victoria Brink |
| Alexander Byrd | John Calanog | Daniel Chappell | Kam Wai Cheung |
| Patrick Coffey | Jaron Christiansen | Joseph Cudia | Matthew Curra |
| Victoria Dali | Upasna Dewan | Scott Ernst | Reana Ferencik |
| Annegenelle Figueroa | | Jon-Vincent Florida | Roberto Hernandez |
| Paul Huether | Min Jang | Robert Kennedy | Daniel Kim |
| Hannah Kim | Michel Knott | Carey Means | Lyndsey Morgan |
| Yousif Muradian | Rathna Namburi | Quan Pan-Long | Michael Pelfini |
| Johnson Phou | Rebecca Pillus | Ruth Ramirez | Robert Sewall |
| Muhammad Tarar | Curtis Udall | Zhiheng Xue | Bryce Waite |
| Mengni Weis | Allison Wiese | Brian Woolard | Richard Wylie |
| David Zeleniak | | | |

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- *3. Approval of Change to License Status *(For Possible Action)*:
Retired Status: Caroline Rich
Inactive Status: Michael Paglia Matthew Paglia Dianna Russo
- *4. Approval of Finances *(For Possible Action)*
 A. Monthly Income & Expense
 B. Proposed FY 19/20 Budget
- *5. Board Approval of Fictitious Name Use: *(For Possible Action)*
 A. Bighorn Tax & Accounting Services LLC
 B. PCE Advisors, LLP
- *6. Board Approval of Board Member and Staff attendance at the NASBA Annual Meeting Conference *(For Possible Action)*
- *7. No Items Scheduled for this Agenda Item.

The consent agenda and supporting documents were reviewed by the Board. Motion was made, seconded and carried to approve the consent agenda items. Board Members abstained from voting on applications for CPA Certification for the following: Nicola Neilon for Seth Altamirano; Brian Wallace for Scott Ernst; and L. Ralph Piercy for Min Jang, Muhammad Tarar, and Allison Wiese.

◆ ◆ ◆ ◆ 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 I2019.011 based on lack of cause.

Motion was made, seconded and carried to close complaint matter F2019.008 based on assurances provided.

Motion was made, seconded and carried to close the following non-licensee complaint matters based on compliance:

NL2018.002	Paramount Tax & Accounting
NL2018.005	Richard Prinzi
NL2019.003	Hezhong CPA Co.

Note: Board Member Brian Wallace abstained from voting on grievance matters.

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

A. Richard Peters civil action for unlawful practice update

Legal Counsel Karen Peterson provided an update regarding the issuance of the civil action for unlawful practice against Richard Peters.

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

Administrative Projects:

A. Review of Monthly Board Statistics

Executive Director provided the Board with a report of Monthly Statistics. It is considered a good practice to advise the Board of the administrative details in between the Board meetings. This information will be included in the minutes as well.

B. Nevada State Required Reporting Update

Executive Director provided the Board with an updated listing for all the areas that the Boards are required to report information to the State of Nevada. The Board was provided with both the detailed reporting information and the monitoring report.

C. Board Review & Approval of Draft Strategic Plan

Executive Director provided the Board with a draft strategic plan. The Board reviewed the strategic plan document and provided suggested amendments. Motion was made, seconded and carried to approve the Mission Statement with amendments to be included on the Board's website and minutes. The strategic plan will be brought back to the Board at their next meeting for final approval.

D. Board Review & Approval of Draft Response to SCR6 Interim Legislation

Executive Director provided the Board with a document that outlines the areas that were addressed in the 2019 Legislative Session Senate Resolution (SCR6). The various professional licensing Boards are meeting on a regular basis in an effort to be prepared for the upcoming Interim Session of the Legislative Sunset Committee. The Sunset Committee will be requesting Boards to respond to the areas outlined in SCR6. The draft document was reviewed by the Board and modifications were made. Board staff will update the document and the Board will review at the next Board meeting.

E. Board Review & Approval of Sexual Harassment Policy

Executive Director provided the Board with the revised Sexual Harassment & Discrimination Policy for review. Motion was made, seconded and carried to approve the policy as provided.

Agenda Item 10 Continued:

- F. Board Review & Approval Proposed Additional Policies:
- Board Communication Policy
 - IT Acceptable Use Agreement Policy
 - Ethics in Government & Conflicts of Interest

Executive Director provided the Board with the following proposed new policies. The Board was advised that it is good practice to have these policies adopted by the Board. Motion was made, seconded and carried to approve the policies as provided.

- Personnel Policy Amendment

Executive Director provided the Board with an amended Personnel Policy. Motion was made, seconded and carried to approve the policy amendments.

- G. Board Newsletter Update

Executive Director provided the Board with the most recent Newsletter for review. Information from NASBA indicates the Board's newsletter score was a 10 which is considered a good rating based on the number of individuals that opened and reviewed the document.

Miscellaneous Items:

- H. NASBA Regional Directors' Focus Questions

Executive Director provided the Board with the NASBA Regional Director Focus Questions. The Board reviewed the information and provided responses for submission to NASBA.

- I. Newly licensed CPAs Recognition Dinner

Executive Director provided the Board with the dates of the joint sponsored Newly Licensed CPAs Recognition Dinner with the Nevada Society of CPAs. Board Members were encouraged to attend the dinners to support and recognize those who have received CPA licensure.

- J. Beta Alpha Psi Sponsorship Information

Executive Director provided the Board with information received from Beta Alpha Psi requesting Board support of their Meet the Firms event to be held on October 4, 2019. The Board reviewed the information and motion was made, seconded and carried to approve the purchase of the Bronze level package. Board member Jannet Vreeland abstained from the vote.

- K. Nevada Society List of Recommendations for Board Member Positions

Executive Director provided the Board with the list of recommendations for Board Member Positions as submitted to the Governor's office by the Nevada Society of CPAs. The Governor will be making his appointments for the upcoming positions on the Board effective November 1, 2019.

Agenda Item 10 Continued

L. Board determination on the issuance of CPA Certificates

Executive Director provided the Board with information regarding the policy of having staff issue licenses upon the receipt of a completed application. The application approvals would only be for those that would normally be considered on the consent agenda. The staff would be able to improve its efficiency by expediting the licensure process by more than 60 days. Staff would then bring the list to the Board at its next meeting for ratification. This is considered a good practice and the majority of Boards currently issue their licenses by staff with the exception of those applicants that have legal issues or require Board determination. The Board discussed the proposed policy and determined that it would best be addressed through regulation changes. Staff was directed to propose regulation changes at the next board meeting.

M. CPE Documentation Audit Update

Executive Director provided the Board with an update as to the number of licensees that should be selected during the Boards CPE Documentation Audit. The audit should include 10% of the active licensed CPAs. The 2019 audit was approximately 100 less than it should have been. Staff tested the process in the software testing environment and the information provided the correct number of selected individuals. Board staff will monitor the process in the live environment for the 2020 CPE Audit program for compliance. Staff also obtained a report of individuals that have never been selected to report CPE information. These individuals will also be added to the upcoming years CPE audit.

N. State Executive Branch Audit Committee – Phase I Audit Report Board Response Update

Executive Director provided the Board with an update to the Phase I Audit Report to the Executive Branch Audit Committee. The update was based on a request for compliance with NRS 281.123. Board staff was informed that the Auditors were still using PERS salary schedules in order to determine compliance with the statute. Staff does not agree with the auditor’s position, however made the determination that a salary reduction was in order to obtain compliance with the auditor’s reporting. The Board reviewed the response information and discussed the matter.

Agenda Item 11: Board Approval of 2020 Board Meeting Schedule
(For Possible Action)

Motion was made, seconded and carried to approve the 2020 Board Meeting Schedule as follows:

January 15, 2020	Las Vegas	March 4, 2020	Reno
May 13, 2020	Las Vegas	July 15, 2020	Reno
September 16, 2020	Las Vegas	November 18, 2020	Reno

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Agenda Item 12: Board review and approval of new signers for Bank Accounts
(For Possible Action)

Executive Director updated the Board that new signers for the Board's bank accounts would be needed based on the change in Board Members.

The Board discussed the signers and motion was made, seconded and carried to approve the following individuals as signers for the Board's accounts:

Michael Davis, CPA
Kerry Eaton, CPA
Viki Windfeldt, Executive Director

Agenda Item 13: Board approval of license renewal fee for individuals and firms for the 2020 renewal period (For Possible Action)

Motion was made, seconded and carried to approve the license renewal fee for firms is \$125 and individuals to be \$140 if paid by check and \$120 if paid online.

Agenda Item 14: Board Approval of Application for CPA Certification
(For Possible Action)
A. Daryle Chang

The Board reviewed the information for applicant Daryle Chang. Motion was made, seconded and carried to approve the license application based on the experience review conducted by Patrick Thorne, CPA.

Agenda Item 15: Board consideration and approval of attendance at seminars:
(For Possible Action)

- A. Federation of Association of Regulatory Boards (FARB)
Colorado Springs CO January 23 – 26, 2020
- B. Rise Conference, San Diego June 11 – 13, 2020

Executive Director provided information to the Board with a request for attendance at the above noted conferences. The Board discussed the conferences and the benefit of sending staff or board members. Motion was made, seconded and carried to approve the conference attendance.

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Agenda Item 16: Board consideration to use consultant Peter Delvechia to research and propose information for a Regional Peer Review Oversight Committee (*For Possible Action*)

Executive Director discussed the concept of developing a Regional Peer Review Oversight Committee (PROC) for the six states that use the Nevada Society of CPAs as their administering entity for peer review. The concept of hiring a consultant to review, research and recommend a proposal to the State Boards would benefit staff to have someone independent research this process. The Board discussed the concept of using a consultant and possibly that of Mr. Delvechia who was previously an AICPA employee and has an understanding of what the Boards are hoping to accomplish. The Board requested more information for consideration to be brought back at their next meeting.

Agenda Item 17: President's Report (*For Possible Action*)

President Candace Johnson presented plaques to retiring Board Members
Nicola Neilon, CPA and
L. Ralph Piercy, CPA

In recognition for their outstanding service to the Board over the past six years. The Board appreciates all of Ms. Neilon's and Mr. Piercy's time and commitment to the regulation of the profession.

Agenda Item 18: Next Board Meeting: November 13, 2019 Reno

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

Anna Durst, COO of the Nevada Society of CPAs provided an update on matters of interest to the Board.

D. Adjournment

**NEVADA STATE BOARD OF ACCOUNTANCY
STATISTICS INFORMATION**

	Board Statistics	January 2019 to July 31, 2019	August 2019	September 2019	October 2019	November 2019 as of 11/6/19
Administration						
	Phone Calls	513 June - July	341	Unavailable	Unavailable	Unavailable
	Website Hits	209, 408 (July)	313,390	196,017	404,491	48,783
Examination						
	Initial Applications	119	27	31	14	6
	Re-Exam Applications	294	52	53	40	11
Licensing						
	Original Certification Applications	44	18	3	10	3
	Reciprocal Applications	47	7	6	3	2
	Licenses Issued	89	0	45	0	23
	Individual Experience Reviews	2	1	0	1	0
	Return Active Status	3	0	1	0	1
	Retired Status	24	1	1	0	2
	Inactive Status	13	2	3	0	2
	Voluntary Surrender	50	1	5	0	1
	Practice Privilege Applications	28	2	2	0	0
	In State Firm Applications	19	1	3	2	2
	Fictitious Name Applications	6	2	2	0	1
Enforcement						
	Complaints - Licensee	15	1	4	5	0
	Complaints - Non-Licensee	10	1	0	0	0
	Complaints - Firms	8	1	1	6	0
	CPE Shortage Complaints	111	4	0	0	0
	Stipulated Agreements	1	0	1	1	0
	Disciplinary Hearings	4	0	0	0	2
	Peer Review Compliance Monitoring	39	62	58	50	50
	Pending Litigation Monitoring	26	1	1	1	0
	Fingerprint/Background Processing	88	26	9	8	
Peer Review						
	Submissions				225	
	Exemptions				923	
CPE Audit						
	Submissions	172				
	Exemptions	19				
	Out of State	47				
Renewals						
	Individual CPA Renewal	3321				
	Firm Renewal	695				
Meetings/ Training						
	FARB Executive Director Training	1				
	FARB Board Member Training	1				
	Combined Nevada Boards Meetings	7				
	Board of Accountancy Mtgs	5				
	Certified Contract Manager Course	1				