

NEBRASKA BOARD OF PUBLIC ACCOUNTANCY  
1526 K Street, Suite 410, Lincoln, NE

Minutes  
**January 12, 2024**

**Draft Minutes. Minutes are not approved until the next Board meeting on March 15, 2024.**

**Friday, January 12, 2024**

**1. General**

- A. Call to Order and Roll Call.** The Nebraska Board of Public Accountancy (Board) was called to order at 8:40 a.m. on Friday, January 12, 2024 with Chair Melissa Ruff presiding. The roll was called with the following members present: Melissa Ruff, Christi Olsen (arrived at 8:45 a.m.), Ken Brauer, Mark Manning, Sarah Borchers, Drew Blossom, and Amy Holzworth. Member Jeff Kanger was absent. Also present were Executive Director Dan Sweetwood, and staff members Kristen VanWinkle and Heather Myers. The meeting was conducted virtually and recorded as allowed per Neb. Rev. Stat. § 84-1411(2). Staff was available at the Board Office, 1526 K Street, Ste. 410, Lincoln, Nebraska for anyone who wanted to participate in person. Chair Ruff noted the location of the notebook containing the Public Open Meeting Act and asked if anyone present needed an agenda or had any questions regarding the law. Also present was Joni Sundquist, Nebraska Society of CPAs President.
- B. Approval of Meeting Agenda for January 12, 2024.** Moved by Holzworth, seconded by Borchers, approve the agenda for the January 12, 2024 meeting. On a roll call vote, Members Ruff, Brauer, Manning, Borchers, Blossom, and Holzworth voted aye. Members Kanger and Olsen were absent. Motion #1 carried.
- C. Approval of Minutes from November 17, 2023.** Moved by Borchers, seconded by Brauer, to approve the November 17, 2023 Board minutes. On a roll call vote, Members Ruff, Brauer, Manning, Borchers, Blossom, and Holzworth voted aye. Members Kanger and Olsen were absent. Motion #2 carried.

\*\*Member Olsen arrived at 8:40 a.m.

**2. Public Comment Period (15-minute period)**

- A. 8:45 a.m. – Ms. Joni Sundquist, NE Society of CPAs President – Ms. Sundquist noted the Society’s annual State Senators’ Reception and Dinner was held on January 2<sup>nd</sup> and attendance was good. She thanked Member Brauer for attending. She stated the 108<sup>th</sup> Legislature started on January 3<sup>rd</sup> and is a short 60-day session. The Society is monitoring several bills, including LB1059, LB16, LG 79 and LR 7CA, LB 173, as well as any bills that could result in the taxation of accounting services. The Society’s bill known as LB 854 to allow candidates to sit for the CPA exam with 120 semester hours of qualifying academic credit and a bachelor’s degree will be heard the first day by the Banking, Commerce & Insurance Committee. NE Society Chairman Kelly Martinson of Lutz will be testifying in support and so will Chair Melissa Ruff from the State Board.**

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Registrations for 2023 CPE were up 15% this year from last. They will be adding OnDemand courses to their website in April. This coming year, they will again offer 10-15 in-person courses and our 4 conferences.

- B&I Conference is April 24 at the Champions Club in Lincoln, followed by a tour of Memorial Stadium.
- Not-for-Profit & Governmental Accounting Conference will be at the Innovation Campus Conference Center again this year on June 17-18.
- Women in Accounting Summit – Aug. 28 at Riverview Lodge in Ashland.
- Fall Conference – Oct. 29-30, also at Riverview Lodge again this year.

Lastly, the AICPA has released an Interstate Practice Compliance Checklist for members. In the event state CPA licensure requirements should change (i.e., if the Minnesota bill passes), the document will help CPAs understand the compliance implications of those changes with respect to practicing in other states.

### **3. Consent Agenda**

- A. Published Notice of Meeting.** Moved by Olsen, seconded by Holzworth, to approve the consent agenda with the request for notice of public meeting. On a roll call vote, Members Ruff, Olsen, Brauer, Manning, Borchers, Blossom, and Holzworth voted aye. Member Kanger was absent. Motion #3 carried.
- B. Approval of Disbursements for November and December 2023.** Secretary Olsen overviewed the disbursements for the Board reporting no unusual activity for the period.
- C. Review of Board Budget Status Report.** Secretary Olsen reported on several items. It is the middle on the fiscal year with no significant items were noted.
- D. Ratification of Staff Program Qualification Evaluations.** 129 courses from November - December 2023 and additional course list from Lutz & Company PC.
- E. Ratification of CPE Sponsor.** Lutz & Company and American Center for Continuing Professional Education.
- F. Reinstatements to Active Permit, Inactive Retired Affidavits, Surrendered Certificates.**

Reinstatements:

- Philip Crosland – Bennington, NE
- Shane Stava – Grand Island, NE

Inactive - Retired affidavits:

- Terrence Delaney – Fargo, ND
- Mark Ellsworth – Bennington, NE
- Deann Haeffner – Lincoln, NE

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- Manoj Kashyap – Pleasanton, CA
- Tamara Shaner – Lincoln, NE
- William Startzer – Omaha, NE

Surrenders:

- Jadin Bragg – Prior Lake, MN
- James Erickson – Shawnee, KS
- Richard Lehman – Brooklyn Park, MN
- Mario McKenzie – Waxhaw, NC

**4. Report of the Chair**

**A. Report of the Chair.** Chair Ruff gave the report.

**B. Executive Committee:**

**1. Set 2024 Licensing Fees.** Motion out of committee to keep licensing fees the same for 2024 with the exception of changing the Reciprocal Certificate fee to \$200 from \$400. The decrease was attributed to staff concerns and review of neighboring states fees. Overall, the projected budgeted return of fees to 2014 levels were on target and eliminated the need to decrease the Board's cash fund. Going forward it appears the budget will come close to projections. ED Sweetwood acknowledged the work of the committee on the budget. On a roll call vote, Members Ruff, Olsen, Brauer, Manning, Borchers, Blossom, and Holzworth voted aye. Member Kanger was absent. Motion #4 carried.

**2. Set 2024 Administrative Fees.** Motion out of committee to keep administrative fees the same for 2024. On a roll call vote, Members Ruff, Olsen, Brauer, Manning, Borchers, Blossom, and Holzworth voted aye. Member Kanger was absent. Motion #5 carried.

**C. NASBA Professional Licensure Task Force Update and Discussion.** After discussion of the task force update, the Board is not opposed to moving forward however recommends caution be taken. Moved by Olsen, seconded by Borchers, to draft a letter per the request for feedback from the NASBA Professional Licensure Task Force. On a roll call vote, Members Ruff, Olsen, Brauer, Manning, Borchers, Blossom, and Holzworth voted aye. Member Kanger was absent. Motion #6 carried.

**D. Attendance at NASBA ED and Staff Conference – March 25-27, 2024 – Nashville, TN.** Due to being deemed essential travel, moved by Blossom, seconded by Borchers, to approve Executive Director and both staff members attend the NASBA ED and Staff Conference. It was also noted, the meeting is being held at NASBA Headquarters and will offer the ability for staff to directly interact with NASBA staff that usually does not travel to NASBA events. This was deemed very important for all staff to attend this meeting. On a roll call vote, Members Ruff, Olsen, Brauer, Manning, Borchers, Blossom, and Holzworth voted aye. Member Kanger was absent. Motion #7 carried.

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- E. **Review Board Calendar.** Staff is working with member Borchers to have the May 2024 Board meeting on campus at UNK.

**Closed Session**

**Closed Session.** Moved by Blossom, seconded by Olsen, that the Board go into closed session at 10:23 a.m., on Friday, January 12, 2024, for the purpose of discussing 10 enforcement cases to protect the public interest and/or prevention of needless injury to individuals. On a roll call vote, Members Ruff, Olsen, Brauer, Manning, Borchers, Blossom, and Holzworth voted aye. Member Kanger was absent. Motion #8 carried.

Prior to going into closed session, Chair Ruff restated the limitation of the closed session, which was to discuss 10 enforcement cases, read the following statement:

*“The Board may go into closed session for the purpose of discussion (no action) on matters involving litigation, personnel, disciplinary matters/enforcement, or matters regarding which the subject matter is otherwise protected under statutory law.*

*The Board may go into closed session on its own motion; however, it must approve a motion to go into closed session and another one to return to open session. The time in which the Board goes into and comes out of closed session is to be noted in the minutes, and the motion must be passed by a majority vote. The motion to go into closed session must contain the subject matter and reason requiring the closed session.*

*Prior to closed session, the Board Chair will restate the limitation of the subject matter that may be discussed in closed session and such restatement shall be noted in the minutes. No action items will be voted upon in closed session.”*

**\*\*Recording stopped.**

**Return to Open Session.** Moved by Blossom, seconded by Holzworth, that the Board return to open session at 10:38 a.m., on Friday, January 12, 2024. On a roll call vote, Members Ruff, Olsen, Brauer, Manning, Borchers, Blossom, and Holzworth voted aye. Member Kanger was absent. Motion #9 carried.

**\*\*Recording resumed.**

**5. Report of Enforcement of Professional Conduct Committee**

- A. **Open Case/LMCO Update.**  
B. **Ratification of LMCOs, if any** – No update.  
C. **Recommended Cases to Close** –

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**23-07** - *Staff discovered the CPA was recently disciplined by the AICPA/ South Dakota CPA Society for various alleged violations of the AICPA/SDS Codes of Professional Conduct related to audits issued.*

The Board discussed case #23-07. Due to CPA complying with order issued by South Dakota Board, it is recommended to close this case. Motion out of committee to close case #23-07. On a roll call vote, Members Ruff, Olsen, Brauer, Manning, Borchers, Blossom, and Holzworth voted aye. Member Kanger was absent. Motion #10 carried.

**23-09** - *Complainant indicates that their company is a longtime client of CPA firm and while working with a CPA within the firm they were frustrated with delays and excuses by the CPA not to file complete IRS employment taxes and ultimately the company had to pay an IRS penalty. The Complaint centers around the CPA competence in the matter.*

The Board discussed case #23-09. Due to being unable to make determination on the professional work provided, it is recommended to close this case. Motion out of committee to close case #23-09. On a roll call vote, Members Ruff, Olsen, Brauer, Manning, Borchers, Blossom, and Holzworth voted aye. Member Kanger was absent. Motion #11 carried.

**23-10** - *The national firm was sanctioned by the PCAOB for failing to maintain proper communications with an audit committee. The firm was fined, censured, and ordered to comply with requirements.*

The Board discussed case #23-10. Due to response from firm that no Nebraska CPAs or clients were involved in the matter, it is recommended to close this case. Motion out of committee to close case #23-10. On a roll call vote, Members Ruff, Olsen, Brauer, Manning, Borchers, Blossom, and Holzworth voted aye. Member Kanger was absent. Motion #12 carried.

## **6. Report of the Licensing Committee**

- A. Report of the Committee.** Committee Chair Holzworth gave the report. The committee discussed two Business, Governmental & Academia (BGA) experience applications. Moved by Holzworth, seconded by Borchers, approve Theresa Eickmann's application. On a roll call vote, Members Ruff, Olsen, Brauer, Manning, Borchers, Blossom, and Holzworth voted aye. Member Kanger was absent. Motion #13 carried.
- Motion out of committee to recommend approval of Shannon Fenster's application. On a roll call vote, Members Ruff, Olsen, Brauer, Manning, Borchers, Blossom, and Holzworth voted aye. Member Kanger was absent. Motion #14 carried.
- B. Ratification of initial permits to practice issued, certificates issued, firm permits.** Moved by Borchers, seconded by Blossom, to approve initial permits to practice issued, certificates issued, firm permits issued from November 17, 2023 – January 4,

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2024. On a roll call vote, Members Ruff, Olsen, Brauer, Manning, Borchers, Blossom, and Holzworth voted aye. Member Kanger was absent. Motion #15 carried.

**7. Report of Continuing Professional Education (CPE) Committee**

- A. **Report of the Committee.** Committee Chair Olsen gave the report. The committee discussed the CPE audit and determined that 2% of active permit holders will be randomly chosen for audit of their 2022/2023 CPE.

**8. Report of Education & Exam (E&E) Committee**

- A. **Report of the Committee.** Committee Chair Borchers gave the report.
- B. **Credit Relief Initiative Discussion.** The Board was provided a summary document of the candidates who applied for Credit Relief. After discussion, Moved by Holzworth, seconded by Borchers, to grant exam credit relief for the 12 candidates who submitted a request through the Credit Relief Initiative. On a roll call vote, Members Ruff, Olsen, Brauer, Manning, Borchers, Blossom, and Holzworth voted aye. Member Kanger was absent. Motion #16 carried. Staff will inform NASBA of the Board's decision and request the extensions be processed and the candidates notified.

**9. Report of the Legislative Committee**

- A. **Report on Proposed Legislation:** ED Sweetwood gave the report.
1. **Public Accountancy Act Draft – Amendments regarding hours to sit for the CPA Exam.** LB854 has been introduced and a hearing is scheduled for January 22, 2024.
- B. **Compliance with LB867 (Index Updates/Policy Changes).**
- C. **2022-2023 Rule Project Status.** ED Sweetwood updated the Board noting approval has been received by the Attorney Generals' Office and the Rules have been sent back to the Governor's Policy Research Office (GPRO) for review. Pending approval/comments from GPRO.
- D. **Opening of 108<sup>th</sup> Legislature.** See public comment period.

**10. Report of the Peer Review Committee**

- A. **Report of the Committee –** Chair Manning gave the report. The committee discussed the proposed changes to the Uniform Accountancy Act regarding Peer Review and agreed the changes should be considered for inclusion with the next rules project. Staff will continue to monitor the UAA recommendations. The committee will meet again in February.

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**11. Report of the Executive Director**

- A. **Budget Status.** ED Sweetwood updated the Board on the status of the Budget under 3.C.
- B. **Thentia Database Update** – ED Sweetwood updated the Board on the status of the Thentia project including concern the project is not progressing as planned. A letter will be sent to Thentia, as requested by the Executive Committee, regarding these concerns.
- C. **Staffing & General Office Issues** – New chairs for the office are being considered to replace the current, older ones.
  - 1. **Meeting & Hearing Room Update.**

**12. New Business**

- A. **NASBA Items:**
  - 1. **2024 NASBA Regional Meeting – Omaha, NE**
- B. **Other Miscellaneous Items: FYI articles**

**13. Adjournment**

Moved by Olsen, seconded by Brauer, to adjourn the meeting at 11:30 a.m. on January 12, 2024. On a roll call vote, Members Ruff, Olsen, Brauer, Manning, Borchers, Blossom, and Holzworth voted aye. Member Kanger was absent. Motion #17 carried.

Respectfully submitted by,

Board Secretary  
**Christi Olsen**