

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

Minutes  
July 9, 2021

**Draft Minutes. Minutes are not approved until the next Board meeting on September 10, 2021.**

**Friday, July 9, 2021**

**1. General**

- A. Call to Order and Roll Call.** The Nebraska Board of Public Accountancy (Board) was called to order at 8:30 a.m. on Friday, July 9, 2021 with Chair Tom Purcell presiding. The roll was called with the following members present: Tom Purcell, Marcy Luth, Melissa Ruff, Glen Waltemath, Ken Brauer, Mark Manning, and Christi Olsen. Member Jeff Kanger was absent for roll call, but arrived at 9:11 a.m. Also, present were Executive Director Dan Sweetwood and staff members Kristen VanWinkle and Heather Myers. The meeting was held at the Board Office, 1526 K Street, in Suite 4D, Lincoln, Nebraska. Chair Purcell 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 were Kelly Ebert, Nebraska Society of CPAs Vice President, and Lynn Melson, Nebraska Assistant Attorney General.
- B. Approval of Meeting Agenda for July 9, 2021.** Moved by Waltemath, seconded by Luth, to approve the agenda for the July 9, 2021 meeting. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, Manning, and Olsen voted aye. Member Kanger was absent. Motion #1 carried.
- C. Approval of Minutes from May 21, 2021.** Moved by Luth, seconded by Manning, to approve the May 21, 2021 Board minutes. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, Manning, and Olsen voted aye. Member Kanger was absent. Motion #2 carried.

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

**Kelly Ebert, Vice President of Nebraska Society of CPAs** – Ms. Ebert stated the Society has sent their recommendation letter for the two open Board member positions to the Governor's office. ED Sweetwood mentioned that Members Purcell and Waltemath would continue to serve until the Governor makes the two new appointments. The Society will begin in-person CPE courses in late August. The Annual Fall Conference will be in-person. ED Sweetwood noted the Board has the opportunity to submit articles for publication in the Society's magazine and he might ask a Board member to submit an article in the future.

**3. Consent Agenda**

- A. Published Notice of Meeting.** Moved by Olsen, seconded by Waltemath, to approve the consent agenda. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, Manning, and Olsen voted aye. Member Kanger was absent. Motion #3 carried.
- B. Approval of Disbursements for May and June 2021.** Secretary Ruff overviewed the disbursements for the Board.

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- C. **Review of Board Budget Status Report.** It was noted that per diems were lower due to the cancellation of the March and November 2020 Board meetings. Conference registration and all travel expenses are down due to no travel in 2020. Other Contractual Services is lower due to letting the intern go due to COVID. Income in the prior year is up due to more late active renewals in July. Data processing and equipment is higher than in the prior year due to the purchase of the three laptops and work completed from the OCIO's office. The Executive Committee will continue to focus on Board revenue streams at their August meeting, including the impact of demographics and other factors on future revenue.

**4. Report of the Chair**

- A. **9:00 a.m. – Ms. Lynn Melson, Nebraska Assistant Attorney General – Introduction and Discussion of the role of the Office of the Attorney General.**  
AAG Melson introduced herself to the Board and described her role/relationship with the Board. She discussed her office's role in drafting formal and informal opinions and the difference between the two. She discussed the Open Meetings Act and the amendments made this year due to COVID. She discussed when her office would get involved if litigation were initiated against any Board members. She noted that Board Attorneys Gruit and Titus are considered Special Assistant Attorneys General. Member Purcell asked AAG Melson her thoughts about the "holding out" issue and the Board contacting those people. AAG Melson provided her initial thoughts on that issue. ED Sweetwood commented that since Mr. Titus was engaged as the new Board Attorney, he will review current Board practices on addressing "holding out" issues and provide new recommendations, if warranted, after consulting with AAG Melson.
- B. **Election of 2021-2022 Board Officers.**  
Moved by Waltemath, seconded by Kanger to elect member Luth as the 2021-2022 Board Chair. Motion #4 carried by acclamation.  
Moved by Luth, seconded by Purcell to elect member Ruff as the 2021-2022 Board Vice Chair. Motion #5 carried by acclamation.  
Moved by Kanger, seconded by Luth to elect member Olsen as the 2021-2022 Board Secretary. Motion #6 carried by acclamation.  
Board members requested staff prepare additional information on the responsibilities of each officer position.
- C. **Small Firm Ownership Task Force Update/ Nebraska Society of CPAs – ED**  
Sweetwood gave the update on the task force. He stated that he and Society President, Joni Sundquist, have met with Legislative Counsel Bill Marineau to discuss potential changes to the Public Accountancy Act (PAA) and Title 288. Any changes made to the PAA would need to wait to be introduced in the next Legislative Session in 2022.
- D. **Rules of Professional Conduct Task Force Update – Chair Purcell** gave the update as the Chair of the Task Force. The task force will meet next on August 6, 2021.
- E. **NASBA Regional Meeting Report – Will be covered during the Committee and Executive Director reports.**
- F. **Attendance at NASBA Annual Meeting, Oct. 31 – Nov. 3, 2021, San Diego, CA – ED Sweetwood** reiterated the importance of Board members attending NASBA

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meetings. NASBA has said only those who are fully vaccinated against COVID will be allowed to attend the in-person meeting. It is anticipated this meeting will be well-attended and members were encouraged to consider attending. Chair Purcell noted that since he and Member Waltemath are rolling off the Board they would not attend. Members asked about additional staff members attending, whereas ED Sweetwood indicated staff normally attend the NASBA ED/Staff Conference in March of each year.

- G. Review Board Calendar.** Staff will add Juneteenth as a State Holiday. Member Ruff stated she may be absent for the November meeting. Member Olsen stated she will need to leave the November meeting early. With the addition of LB83, as overviewed by AAG Melson, it is anticipated the January 2022 meeting will be virtual. Board members suggested to staff that a rolling 12-month calendar would be beneficial going forward.
- H. Review of Executive Director Performance and Salary Consideration.** The Board reviewed ED Sweetwood's performance and salary during closed session. Chair Purcell indicated the Board continues to be pleased with his and the staffs' performance. Moved by Purcell, seconded by Waltemath, to approve a 2.5% salary increase for ED Sweetwood commencing on July 1, 2021. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, Kanger, Manning, and Olsen voted aye. Motion #13 carried. Chair Purcell expressed his gratitude to the staff for their hard work during the COVID pandemic. Moved by Purcell, seconded by Kanger, to award a \$500 bonus each to ED Sweetwood, Staff Myers and Staff VanWinkle due to their response to COVID and continuing their high level of service to the Board, CPAs and the public as allowed within the Board's Performance Recognition Policy. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, Kanger, Manning, and Olsen voted aye. Motion #12 carried. Furthermore, moved by Purcell, seconded by Brauer, to adopt the following resolution. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, Kanger, Manning, and Olsen voted aye. Motion #11 carried.

***WHEREAS, Dan Sweetwood, Heather Myers, and Kristen VanWinkle, responded to the COVID-19 pandemic by demonstrating careful planning as staff members of the Nebraska State Board of Public Accountancy.***

***WHEREAS, Dan Sweetwood, Heather Myers, and Kristen VanWinkle, starting in March 2020, responded to the pandemic by reviewing the Board's contingency plan and moving to remote working while ensuring inquiries from Board members, the public, and CPAs were responded to in a proper manner. Additionally, they kept CPA candidates who were significantly impacted by the pandemic with the limited ability to sit for the CPA Examination continuously informed by setting up a COVID-19 News page on the Board's website. Staff also ensured the biennial renewal process for CPAs went smoothly while working in a remote status. Staff also took on the additional responsibility of printing and mailing 1200 active permits, 500 inactive registrations, and 500 firm permits and put in additional time to ensure all permits and registrations were mailed in a timely manner while keeping up with their normal responsibilities. Due to their diligence, they were awarded the 2020 Excellence in Leadership Award from the State of Nebraska Department of Administrative Services.***

***THEREFORE, THE MEMBERS OF THE NEBRASKA STATE BOARD OF PUBLIC ACCOUNTANCY*** gratefully record their recognition of service of **Dan Sweetwood, Heather Myers, and Kristen VanWinkle** adopting the following Resolution:

***BE IT RESOLVED,*** that the Members of the Nebraska State Board of Public Accountancy extend their sincere appreciation to **Dan Sweetwood, Heather Myers, and Kristen VanWinkle** for their service as staff members of the Nebraska State Board of Public Accountancy during the COVID-19 pandemic.

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***BE IT FURTHER RESOLVED***, that a copy of this Resolution be incorporated into the minutes of the Board.

Signed this 9<sup>th</sup> day of July 2021

By Board Chair Thomas Purcell, III, CPA

**Closed Session**

**Closed Session.** Moved by Ruff, seconded by Waltemath, that the Board go into closed session at 10:28 a.m., on Friday, July 9, 2021, for the purpose of discussing 8 enforcement cases and to review the Executive Director's performance to protect the public interest and/or prevention of needless injury to individuals. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, Kanger, Manning, and Olsen voted aye. Motion #7 carried. Members Purcell, Luth, and Waltemath recused themselves from the discussion regarding case #'s 20-02 A, B, C, D, E, and F.

Prior to going into closed session, Chair Purcell restated the limitation of the closed session which was to discuss 8 enforcement cases and to review the Executive Director's performance and 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."*

**Return to Open Session.** Moved by Ruff, seconded by Luth, that the Board return to open session at 11:07 a.m., on Friday, July 9, 2021. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, Kanger, Manning, and Olsen voted aye. Motion #8 carried.

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

- A. Overview of Cases #20-02 A-F.** The Board received an update at the May Board meeting from the Special Counsel who reviewed the cases. No action was taken at that meeting due to lack of a quorum. The cases were discussed again at this meeting. After discussion, including the recommendations as outlined within the Special Counsel's report, it was determined there was no probable cause to take further action. Motion out of committee to dismiss case #'s 20-02 A, B, C, D, E, and F due to lack of probable

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cause. On a roll call vote, Members Ruff, Brauer, Kanger, Manning, and Olsen voted aye. Members Purcell, Luth, and Waltemath abstained. Motion #9 carried.

**B. Open Case/LMCO Update.** Committee Chair Ruff gave the report.

**C. Ratification of LMCOs, if any** – There were none.

**D. Recommended Cases to Close –**

**#19-08** - *The firm reported on their annual registration civil litigation filed against the firm and one of the partners over a tax issue by not listing the correct tax amount on the plaintiffs State Tax Returns.*

The Board discussed case #19-08. The response provided by the CPA was satisfactory to the Enforcement Committee, therefore it was determined no further action was needed and the matter should be closed. Motion out of committee to close case #19-08. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, Kanger, Manning, and Olsen voted aye. Motion #10 carried.

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

**A. Report of the Committee.** Committee Chair Purcell gave the report. The committee reviewed 3 reinstatements and determined they be forwarded to the Licensing Committee. Staff Myers reported that the random CPE audit is complete and the pass rate was 100%.

**B. Ratification of Staff Program Qualification Evaluations.** The committee reviewed a total of 41 courses from May 1 – June 30, 2021 with 41 courses recommended for Board approval and none denied. Motion out of committee to ratify Board approval of 41 courses. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, Kanger, Manning, and Olsen voted aye. Motion #14 carried.

**C. Ratification of CPE Sponsor.** The committee reviewed an additional course list from Lutz & Company PC. Motion out of committee to approve the additional course list from Lutz & Company PC. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, Kanger, Manning, and Olsen voted aye. Motion #15 carried.

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

**A. Report of the Committee.** Committee Chair Luth gave the report. Mr. Dan Dustin, CPA, NASBA Vice President of State Board Relations attended the call to discuss the Accounting Program Curriculum Gap Analysis Report. Ms. Pat Hartman, NASBA Director of Client Services attended the call to give an update on her team's staffing and application turnaround times coming out of the pandemic. ED Sweetwood reminded the committee that NASBA/CPAES is contracted by the Board to review applications to sit for the Uniform CPA Examination and it is the responsibility of this committee and the Board to ensure they are responsive to any Board concerns and/or questions. He stressed that for many years they have done an excellent job on behalf of the board, including attending these committee meetings and EAC meetings.

The Omaha Prometric temporary test site was discussed. Currently, NASBA doesn't allow for the CPA Exam to be taken at a temporary site. Due to the candidate

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population in the area, Board staff will visit the site to determine if the site meets the requirements and if the CPA Exam can be approved to be administered there. Moved by Purcell, seconded by Luth, to request NASBA make an exception to the policy regarding temporary testing sites and approve the Omaha temporary test site pending Board staff inspection. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, Kanger, Manning, and Olsen voted aye. Motion #17 carried.

The Remote Testing Pilot has been put on hold. Nebraska has been chosen to participate in the Pilot once it kicks off.

- B. **Approval of Exam Scores from January 1 – March 31, 2021, if available** – Chair Luth noted the low number of sections taken, which continues to be an issue. She also noted that FAR had an extremely low pass rate in both Q1 of 2020 and 2021. Staff is looking into if other states have experienced this. Motion out of committee to approve the exam scores from January 1 – March 31, 2021. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, Kanger, Manning, and Olsen voted aye. Motion #16 carried.
- C. **CPA Exam Transition Policy** – The policy was provided to the Board. There were no questions. The opinion was that it sounded very reasonable.
- D. **CPA Evolution: Next Steps – NASBA Video** – The video was shown for information purposes.

## 8. Report of the Legislative Committee

- A. **Report on Proposed Legislation:** ED Sweetwood gave the report.
- B. **LR116 – Legislative Committee Review of Public Accountancy Act.** This review is generated from LB299 enacted in 2017 and is to be completed once every 5 years. This is the Board's first review. Could result in a hearing this Summer to explain the Board's licensure requirements and why the Board exists. An initial meeting was held with the counsel for the Banking, Commerce & Insurance Committee of the Legislature who will conduct the review.
- C. **Compliance with LB867 (Index Updates/Policy Changes).** No updates at this time.

## 9. Report of the Peer Review Committee

- A. **Update from NASBA Regional Meeting** – Jim Brackens and Beth Thorson updated the Boards regarding important deadline changes.
- B. **Update from Staff Myers** – The 2021 class letters were sent in May. There were approx. 220 firms. There were 2-3 failures reported. Letters will be sent out to the firms we have not received a response from after renewals season.

## 10. Report of the Licensing Committee

- A. **Report of the Committee.** Committee Chair Brauer gave the report. The committee discussed three Business, Governmental & Academia (BGA) experience applications.

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Motion out of committee to recommend approval of Brandon Checchi's application. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, Kanger, Manning, and Olsen voted aye. Motion #18 carried.

Motion out of committee to recommend approval of Kelly Scheid's application. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, Kanger, Manning, and Olsen voted aye. Motion #19 carried.

Motion out of committee to recommend approval of Carrie Ball's application. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, Kanger, Manning, and Olsen voted aye. Motion #20 carried.

The committee reviewed a "4 in 10" Reciprocal Certificate application where the applicant did not have a CPA Supervisor to sign off on the experience. Motion out of committee to recommend approval of Gabriel Hahn's application. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, Kanger, Manning, and Olsen voted aye. Motion #21 carried.

Staff updated the committee regarding a letter sent to the office expressing frustration with the CPE policy for newly licensed CPAs. The committee discussed if any changes to the current policy should be made and what a change would look like. Ultimately, it was determined that additional time be taken to consider if any changes should be made. If any changes are proposed, it will need to follow the LB867 process for amendments to guidance documents.

Staff provided the requested two lists of firm names to the committee and full Board (one for approved names and one for non-approved names). Staff will provide at the next meeting the specific statute(s) and rule(s) applicable to firm names.

The committee was updated on the CPA Ownership Task Force (see update under agenda item 4C).

Staff also updated the committee on the status of 2021 renewals, which went very well. Non-renewal letters will be mailed to active permit holders and firm permit holders in the next couple of weeks.

*\*\*Member Kanger left at 1:33 p.m.*

**B. Ratification of initial permits to practice issued, certificates issued, firm permits.**

Motion out of committee to recommend approval of the initial permits to practice issued, certificates issued, firm permits issued from May 21 – July 1, 2021. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, Manning, and Olsen voted aye. Member Kanger was absent. Motion #22 carried.

**C. Reinstatements to Active Permit, Inactive Retired Affidavits, Surrendered Certificates.**

Moved by Luth, seconded by Ruff to approve Reinstatements to Active Permit, Inactive Retired Affidavits, and Surrendered Certificates from May 21 – July 8, 2021. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, Manning, and Olsen voted aye. Member Kanger was absent. Motion #23 carried.

**Reinstatements:**

- Igor Aksyonov – Elkhorn, NE

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- Julie Murdoch – Murdock, NE
- Diane Sousley – Omaha, NE

Inactive - Retired affidavits:

- Jo Ann Biszak – Omaha, NE
- Sue Bradley – Manhattan, KS
- Scott Beasley – Lincoln, NE
- Carla Casper – Gretna, NE
- Jane Colesar – Kalaheo, HI
- Albert Faesser – Ogallala, NE
- Vernon Dolleck – Omaha, NE
- Jay Heins – Eagle, NE
- Julie Ann Johnson – Marietta, GA
- Kenneth Kluck – Omaha, NE
- Douglas Kucera – Martell, NE
- Thomas Larsen – Scottsdale, AZ
- Veldon Magnuson – Omaha, NE
- Jeffrey Modica – Omaha, NE
- Brian Malone – Missouri City, TX
- Jeanette Peters – McCook, NE
- Daniel Pleiss – Omaha, NE
- Mary Rutford – Lincoln, NE
- Michael Schaefer – Lakewood, CO

Surrendered Certificates:

- Yvonne Bardwell – Stilwell, KS
- Ronald Overson – Eden Prairie, MN

## 11. Report of the Executive Director

- A. Budget Status** – ED Sweetwood overviewed the Board budget. He also updated the Board on topics covered during the NASBA Regional meeting, including Firm Mobility and CPE Reciprocity.
- B. Staffing & General Office Issues** – Staff will look at hiring an intern in August/September.

## 12. New Business

- A. NASBA Items:** Prior Board Chair, Lori Druse, has been named to the NASBA Nominating Committee.
- B. Other Miscellaneous Items:** FYI articles

## 13. Adjournment



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Moved by Waltemath, seconded by Brauer to adjourn the meeting at 1:58 p.m. on July 9, 2021. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, Manning, and Olsen voted aye. Member Kanger was absent. Motion #24 carried.

Respectfully submitted by,

Board Secretary  
**Melissa Ruff**