

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

Minutes
March 12, 2021

Draft Minutes. Minutes are not approved until the next Board meeting on May 21, 2021.

Friday, March 12, 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, March 12, 2021 with Chair Tom Purcell presiding. The meeting was held via WebEx video conferencing, which was authorized by Governor Ricketts' Executive Order #21-02. The roll was called with the following members present: Tom Purcell, Marcy Luth, Melissa Ruff, Glen Waltemath, Ken Brauer, Jeff Kanger, and Christi Olsen. Member Mark Manning was absent. Also, present were Executive Director Dan Sweetwood and staff member Kristen VanWinkle. Staff member Heather Myers was absent. Chair Purcell stated the location of the notebook containing the Public Open Meeting Act was the Board office, 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, Kelly Ebert, Nebraska Society of CPAs Vice President, Shannon Myer, CPA, Moore & Hawks, PC, and Jim Titus, Board Attorney.
- B. Approval of Meeting Agenda for March 12, 2021.** Moved by Kanger, seconded by Luth, to approve the agenda for the March 12, 2021 meeting. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, Kanger, and Olsen voted aye. Member Manning was absent. Motion #1 carried.
- C. Approval of Minutes from January 8, 2021.** Moved by Kanger, seconded by Olsen, to approve the September 18, 2020 Board minutes. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, Kanger, and Olsen voted aye. Member Manning was absent. Motion #2 carried.

2. Public Comment Period (15-minute period)

Shannon Meyer, CPA – Moore & Hawks, PC – Mr. Meyer provided further comments on their firm name request, Aspyr Professional Group, PC, which was not approved at the January Board meeting. The firm would like to get away from using partners' names so they don't have to change the firm name each time they add a partner or one leaves. He asked that the Board review their Firm Name Guidelines to see if any updates could be made and to reconsider their firm name request.

Joni Sundquist, President of Nebraska Society of CPAs – Society's Annual Fall Conference will be in-person. The Society will testify at the March 16th hearing for LB181 – Property Tax Incentive Act Credit. They are monitoring LB422 – Sales Tax on Services. The Society and State Board submitted a joint letter in regards to LB263 – a universal Occupational Licensing Bill that, if approved, could cause confusion regarding reciprocity and other current requirements within the Public Accountancy Act (PAA) and Board regulations. Both the Society and the Board provided reasons for opposition and stressed current Mobility provisions for cross border practice within the PAA. The Bill remains within the Government and Military Affairs Committee. AICPA

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

Minutes
March 12, 2021

and State Societies are trying to get the April 15th tax filing and payment deadlines extended to June 15th. The Society's new website will go live March 18th.

3. Consent Agenda

- A. **Published Notice of Meeting.** The published notice of meeting was provided.
- B. **Approval of Disbursements for January and February 2021.** Secretary Ruff overviewed the disbursements for the Board. Moved by Kanger, seconded by Luth to approve disbursements for January and February 2021. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, Kanger, and Olsen voted aye. Member Manning was absent. Motion #3 carried.
- 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. Moved by Waltemath, seconded by Kanger to approve the Budget Status report. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, Kanger, and Olsen voted aye. Member Manning was absent. Motion #4 carried.

4. Report of the Chair

- A. **Task Force Updates**
 - 1. **Chapter 5 Rules of Professional Conduct** - Chair Purcell overviewed the creation of a Task Force in 2021 with Nebraska Society of CPA leadership to review regulations under Chapter 5/ Rules of Professional Conduct to determine if they need to be modernized, which has been discussed the last several years. The task force's first meeting will be late May/early June.
 - 2. **Small Firm Ownership/ NE Society of CPAs** – The Task Force will be led by the Society with the assistance of the Board. Staff has received responses from other State Boards answering the questions sent out in an initial quick poll. This data will be used to aide in discussions at the task force's first meeting scheduled for May 5th.
 - 3. **NASBA/AICPA Exam Content Update** – Chair Purcell updated the committee regarding the work being completed by various NASBA/AICPA Committees regarding the new exam. He and past member Shelly Stromp are serving on their respective committees.
- B. **Attendance at NASBA ED and Staff Conference, April 12-14, 2021, Virtual Meeting.** Emails with instructions on how to register for the conference were sent. ED Sweetwood stressed the importance of attending these meetings, especially when they return to in-person meetings. Board Attorney Titus will attend and speak at the Legal Conference and ED Sweetwood, including staff members VanWinkle and Myers, will attend the ED/Staff Conference. There is no cost to attend the virtual conferences.

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

Minutes
March 12, 2021

- C. **Attendance at NASBA Regional Meeting, June 22-23, 2021 – Virtual Meeting.** Both regional meetings were combined into one virtual meeting.
- D. **Review Board Calendar.** Planning for an in-person Board meeting in May unless the Governor issues another Executive Order allowing for a virtual meeting.

Closed Session

Closed Session. Moved by Ruff, seconded by Luth, that the Board go into closed session with the Board Attorney at 9:32 a.m., on Friday, March 12, 2021, for the purpose of discussing 7 enforcement cases to protect the public interest and/or prevention of needless injury to individuals and personnel matters. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, Kanger, and Olsen voted aye. Member Manning was absent. Motion #5 carried.

Prior to going into closed session, Chair Purcell restated the limitation of the closed session which was to discuss 7 enforcement cases 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 10:11 a.m., on Friday, March 12, 2021. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, Kanger, and Olsen voted aye. Member Manning was absent. Motion #6 carried.

5. Report of Enforcement of Professional Conduct Committee

- A. **Open Case/LMCO Update.** Committee Chair Ruff gave the report.
- B. **Case #20-06/ Discuss Consent Order Offer** – The Board discussed case #20-06 regarding a firm that failed to comply with auditing standards for government audit work papers. A consent order was drafted by the Board Attorney to state the firm cannot perform audits and/or reviews without a pre-issuance review completed. No other restrictions on the firm were made. Motion out of committee to authorize the Board Chair to sign the Consent Order for Beau Redowl, CPA to limit the firm’s practice. On a roll call vote, Members Purcell, Ruff, Waltemath, Brauer, Kanger, and

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

Minutes
March 12, 2021

Olsen voted aye. Member Luth abstained. Member Manning was absent. Motion #7 carried.

BEFORE THE STATE BOARD OF
PUBLIC ACCOUNTANCY OF THE STATE OF NEBRASKA

IN THE MATTER OF:)	
)	
STATE OF NEBRASKA, ex. rel.,)	
STATE BOARD OF PUBLIC)	
ACCOUNTANCY OF THE STATE OF)	CONSENT ORDER / AGREEMENT
NEBRASKA,)	
)	
Plaintiff,)	
)	
vs.)	
)	
BEAU REDOWL, CPA)	
)	
Defendant.)	

This matter came before the Nebraska State Board of Public Accountancy of the State of Nebraska ("Board") upon the Consent Order/Agreement of Beau Redowl ("Redowl").

1. Redowl has been issued Nebraska Certificate No. 8634 and has an active permit, currently No. 55405, to practice as a Certified Public Accountant in the State of Nebraska. Redowl has failed to comply with auditing standards for governmental audit workpapers.
2. In lieu of a hearing in this matter and in lieu of further Board action at the present time, the Board and Redowl have agreed as follows:
 - A. Redowl agrees that he will not perform any audits and/or reviews without a pre-issuance review pursuant to Nebraska law and that any future renewal applications will also be subject to the same restriction.
 - B. Redowl will not request a hearing at the present time for the purpose of obtaining an unrestricted permit to practice public accountancy.
 - C. If Redowl requests a hearing in the future, for the purpose of obtaining an unrestricted permit to practice public accountancy, he understands and agrees that the Board's Rules and Regulations remain applicable to it in all respects and that a permit without restrictions will not be issued by the Board without a hearing and determination by the Board.
 - D. Redowl shall within 10 days of signing this Consent Order/Agreement submit to the Board his current physical and mailing addresses and phone number for his practice of public accountancy and shall promptly keep the Board apprised of changes to such contact information.

WHEREFORE, it is ordered pursuant to Redowl's Consent Order/Agreement:

- A. Redowl agrees that he will not perform any audits and/or reviews without a pre-issuance review pursuant to Nebraska law and that any future renewal applications will also be subject to the same restriction.
- B. The Board is not waiving any of its Rules and Regulations or any provisions of the Public Accountancy Act other than as set forth herein.
- C. If Redowl requests a hearing in the future for the purpose of obtaining an unrestricted permit to practice public accountancy, the Board's Rules and Regulations remain applicable to it in all respects and that a permit to practice without restriction will not be issued by the Board without a hearing and determination by the Board.

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

Minutes
March 12, 2021

- D. Redowl shall within 10 days of signing this Consent Order/Agreement submit to the Board his current physical and mailing addresses and phone number for his practice of public accountancy and shall promptly keep the Board apprised of changes to such contact information.

IT IS SO ORDERED.

Dated this ____ day of _____ 2021.

STATE OF NEBRASKA, ex. rel., STATE BOARD
OF PUBLIC ACCOUNTANCY OF THE STATE
OF NEBRASKA

BY: _____
Dr. Thomas Purcell, III, CPA-Chair

CONSENT AGREEMENT

I, Beau Redowl, CPA, hereby waive a hearing at the present time and agree and consent to the above Consent Order/Agreement. I have reviewed the above Consent Order/Agreement, and I understand the terms and conditions of the Consent Order/Agreement.

Dated this ____ day of _____ 2021.

BY: _____
Beau Redowl, CPA

- C. **Ratification of LMCOs, if any** – There were none.
D. **Recommended Cases to Close** – There were none.

6. Report of Continuing Professional Education (CPE) Committee

- A. **Report of the Committee.** Committee Chair Purcell gave the report. Ms. Jessica Luttrull from NASBA attended the meeting and presented on the National Registry and NASBA CPE Standards. The committee reviewed 2 reinstatements determined they be forwarded to the Licensing Committee.
- B. **Ratification of Staff Program Qualification Evaluations.** The committee reviewed a total of 95 courses from January 1, 2021 – February 28, 2021 with 95 courses recommended for Board approval and none denied. Motion out of committee to ratify Board approval of 95 courses. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, Kanger, and Olsen voted aye. Member Manning was absent. Motion #8 carried.
- C. **Ratification of CPE Sponsor.** The committee reviewed sponsorship requests from ACCPE – American Center for Continuing Professional Education and Nebraska Society of CPAs. Motion out of committee to approve CPE Sponsorships to ACCPE – American Center for Continuing Professional Education and Nebraska Society of CPAs. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, Kanger, and Olsen voted aye. Member Manning was absent. Motion #9 carried.

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

Minutes
March 12, 2021

The committee reviewed quarterly courses provided by Sponsor Lutz & Company. Motion out of committee to approve quarterly courses provided by Sponsor Lutz & Company. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, Kanger, and Olsen voted aye. Member Manning was absent. Motion #10 carried. The committee discussed what percentage of individuals will be audited for 2019 and 2020 CPE. The Board continues to not experience non-compliance issues with CPE reporting and the current percentage is manageable by staff. Motion out of committee to continue to audit 2% of the Active Permit Holders' 2019 and 2020 CPE. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, Kanger, and Olsen voted aye. Member Manning was absent. Motion #11 carried.

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

- A. Report of the Committee.** Committee Chair Luth gave the report. The committee discussed what is typically covered in an Actuarial Science course and determined that these courses are acceptable to count toward the 30 hours of general business requirement. The committee reviewed a request regarding the UNO Executive MBA program and determined the courses would be acceptable to count toward the 30 hours of general business requirement, however not toward the 30 hours of upper-level accounting. The committee was updated regarding the increase of State Boards extending exam credit into 2021 due to COVID. Additional information was requested by the committee to continue this discussion at the Board meeting. During discussion with the full Board, it was commented that the Board should remain flexible as we continue through the COVID pandemic by extending exam credit into 2021. Moved by Luth, seconded by Brauer, to extend all exam credit expiring from April 1, 2020 (beginning of the Pandemic) through September 29, 2021 to September 30, 2021. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, Kanger, and Olsen voted aye. Member Manning was absent. Motion #13 carried. After the committee meeting, staff received information that the Omaha Prometric testing site was closed and moving to another location. A temporary site had been identified, however NASBA has not approved temporary sites for the CPA exam. Staff will continue to monitor the issue and schedule a site visit once a permanent site has been chosen. Staff invited the Board members to attend the visit if they want to.
- B. Approval of Exam Scores from October 1 – December 31, 2020, if available –** Chair Luth reviewed the exam scores. Scores appear to remain consistent. We had 14 people retake an exam section with 10 of those being successful. This is the first time one candidate took a section 3 times in one exam window. Average scores were down this quarter, as well as overall exam sections. Motion out of committee to accept the October 1 – December 31, 2020 exam scores. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, Kanger, and Olsen voted aye. Member Manning was absent. Motion #12 carried.
- C. Discussion and approval of Committee Recommendation on Pilot – Remote Testing project.** The committee continued its discussion with the Board. The candidate pool was questioned. It is the staffs' understanding that the candidate pool will be broad to include rural candidates and will not include first time candidates. It was also

NEBRASKA BOARD OF PUBLIC ACCOUNTANCY

1526 K Street, Suite 410, Lincoln, NE

Minutes

March 12, 2021

questioned if NASBA will share the results of the Pilot program good or bad. It is staffs' understanding that NASBA will continue to be transparent in regards to this program and share the results. Moved by Luth, seconded by Kanger to allow Nebraska candidate participation and accept the scores earned during the Remote Testing Pilot program. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, Kanger, and Olsen voted aye. Member Manning was absent. Motion #14 carried. The Board wants to make clear that the decision to allow Nebraska candidate participation and accept the scores from the Pilot program in no way means that the Board will approve the use of Remote Testing in the future. It should also be noted NASBA Chief Operating Officer Ms. Colleen Conrad overviewed the pilot project for the Board at their January meeting.

8. Report of the Legislative Committee

- A. **Report on Proposed Legislation:** ED Sweetwood gave the report. He updated the Board on a bill introduced that would require state agencies to respond in a neutral position on any bills that affect them. See additional comments on other bills under the Public Comment Period.
- B. **Compliance with LB867 (Index Updates/Policy Changes).** No updates at this time.

9. Report of the Peer Review Committee

- A. **Report of the Committee.** Chair Waltemath gave the report. Jim Brackens from the AICPA, Anna Durst and Kary Arnold from the Nevada Society, and Dan Dustin from NASBA attended the meeting. He reported Peer Review continues to go fairly smoothly in Nebraska and complimented the work of staff, the Nevada Society of CPAs Peer Review Program and the AICPA Peer Review Board (PR Board) during the pandemic. Mr. Brackens reported that the PR Board last year granted automatic extensions due to the pandemic and those extensions have expired. The PR Board is recommending Administrative Entities (AE's) be reasonably lenient depending on each firm's situation based on the pandemic. New extensions are being given on a case-by-case basis. Dan Dustin indicated that he is now coordinating Peer Review initiatives for NASBA. Ms. Durst and Ms. Arnold reported on and updated the committee on recent oversight reports from the PR Board and the current number **s** of Nebraska firms participating within their program. They are in the process of working with firms requesting additional time to complete their Peer Reviews. Staff Myers reported she will be mailing out the 2021 class letters soon and that Nebraska continues to have high compliance with firms complying with peer review requirements.

10. Report of the Licensing Committee

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

NEBRASKA BOARD OF PUBLIC ACCOUNTANCY

1526 K Street, Suite 410, Lincoln, NE

Minutes

March 12, 2021

Motion out of committee to recommend approval of Ellen Brickner's application. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, and Olsen voted aye. Members Kanger and Manning were absent. Motion #15 carried.

The committee discussed one Reciprocal Certificate application (#NL020821) with a bankruptcy disclosure. Staff reviewed the bankruptcy documents to ensure fraud/dishonesty/malfeasance was not involved. Motion out of committee to recommend approval of application #NL020821. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, Kanger, and Olsen voted aye. Member Manning was absent. Motion #16 carried.

The committee reviewed a billing clerk job description to determine if the job would satisfy the experience requirement. Staff will provide some initial feedback to the candidate.

The committee continued to discuss CPA firm name requests. Staff updated the Board on the quick poll submitted for feedback from other State Boards. From the answers received, it appears this issue continues to have many different responses by State Boards along with frustration on how best to handle the firm name issue. The committee discussed firm name request Premier Tax Advisory, LLC. It was recommended to staff to provide feedback to the firm that it appears the name conflicts with "implying quality of services, expectations of outcomes or favorable results".

The committee discussed firm name request Loyal T Accounting Services, LLC. It was recommended to staff to provide feedback to CPA that it appears the name conflicts with "implying expectations of outcomes or favorable results".

The committee discussed firm name request Heyen Business Services, LLC. "Business Services" is not already an approved phrase for a firm name which is why staff brought it to the committee for review. Motion out of committee to recommend Board approval of the firm name Heyen Business Services, LLC. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, and Olsen voted aye. Members Manning and Kanger were absent. Motion #17 carried.

Following Shannon Meyer's comments during the Public Comment Period regarding firm name request Asypr Professional Group, PC, the Board re-opened the issue for discussion. Moved by Olsen, seconded by Purcell to approve Aspyr Professional Group, PC. On a roll call vote, Members Purcell, Waltemath, Brauer, and Olsen voted aye. Members Luth and Ruff voted nay. Members Manning and Kanger were absent. Motion #18 carried.

Chair Brauer commented that further review and updating might be needed of the Board's current Guidelines regarding firm names based on the recent names brought to the committee for review. ED Sweetwood commented that current Board Attorney Jim Titus, while a Board member, assisted in the drafting of the Guidelines in 2010 and would be valuable asset in assisting in the review. Board Chair Purcell agreed and recommended the committee commence a review of the Guidelines on firm names.

***Member Kanger left at 12:37 pm.*

NEBRASKA BOARD OF PUBLIC ACCOUNTANCY

1526 K Street, Suite 410, Lincoln, NE

Minutes

March 12, 2021

- B. Ratification of initial permits to practice issued, certificates issued, firm permits.**
Moved by Brauer, seconded by Waltemath to approve initial permits to practice issued, certificates issued, firm permits issued from January 8 – March 11, 2021. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, and Brauer voted aye. Member Olsen abstained. Members Manning and Kanger were absent. Motion #19 carried.
- C. Reinstatements to Active Permit, Inactive Retired Affidavits, Surrendered Certificates.**
Moved by Brauer, seconded by Luth to approve Reinstatements to Active Permit, Inactive Retired Affidavits, and Surrendered Certificates from January 8 – March 11, 2021. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, and Olsen voted aye. Members Manning and Kanger were absent. Motion #20 carried.

Reinstatements:

- Patricia Nelson – Mesa, AZ
- Tyler Carlson – Boynton Beach, FL
- Julie Rogers – Potter, NE

Inactive - Retired affidavits:

- Donald Ham – Lincoln, NE
- Roger Levering – Aurora, NE
- Donald Peterson – Omaha, NE
- Bonnie Schulte – Omaha, NE
- Catherine Faurot – Council Bluffs, IA
- Thomas Larsen – Scottsdale, AZ

Surrendered Certificates:

- James Kaiser – Philadelphia, PA
- Zachariah Thies – Sioux Falls, SD

11. Report of the Executive Director

- A. Budget Status** – ED Sweetwood commented that the proposed budget of the Board is drafted within the overall State Budget Bill approved by Governor Ricketts and submitted to the Legislature's Appropriation Committee for review. A letter was sent to the Appropriations Committee on behalf of the budget recommendation with no comment. It appears the budget is in good shape and will go forward.
- B. Staffing & General Office Issues, including COVID update**
ED Sweetwood indicated staff remains in their partial contingency plan with the goal to review this status June 1, 2021 with the hope all staff members have received the vaccination by then.

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

Minutes
March 12, 2021

12. New Business

A. NASBA Items:

- 1. ARPL – Valuing Professional Licensure in US** - ED Sweetwood commented that ARPL has provided guidance and information targeted at LB 263 along with the Engineers & Architects Board.
- 2. Journal of Accountancy - Value of licensure reaffirmed by new research report**
- 3. Central Region Director position – 2021**
- 4. NASBA Committee interest forms** - ED Sweetwood commented that any members interested in NASBA Committees can reach out to him with any questions. He recommended members, if it works for them, to participate within NASBA.

B. Other Miscellaneous Items: FYI articles

13. Adjournment

Moved by Luth, seconded by Olsen to adjourn the meeting at 1:32 p.m. on March 12, 2021. On a roll call vote, Members Purcell, Luth, Ruff, Waltemath, Brauer, and Olsen voted aye. Members Manning and Kanger were absent. Motion #21 carried.

Respectfully submitted by,

Board Secretary
Melissa Ruff