

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

Minutes
September 20, 2024

**Draft Minutes. Minutes are not approved until the next Board meeting on
November 21, 2024.**

Friday, September 20, 2024

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, September 20, 2024, with Chair Melissa Ruff presiding. The roll was called with the following members present: Melissa Ruff, Jeff Kanger, Sarah Borchers, Drew Blossom, Amy Holzworth, and Donald Neal. Members Christi Olsen and Mark Manning were absent. Also present were Executive Director Dan Sweetwood and staff members Heather Myers and Kristen VanWinkle. The meeting was held at the Board Office, 1526 K Street, in the Red Willow Room, Lincoln, Nebraska. 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 September 20, 2024.** Moved by Borchers, seconded by Kanger, approve the agenda for the September 20, 2024 meeting. On a roll call vote, Members Ruff, Kanger, Borchers, Blossom, Holzworth, and Neal voted aye. Members Olsen and Manning were absent. Motion #1 carried.
- C. Approval of Minutes from July 12, 2024.** Moved by Blossom, seconded by Borchers, to approve the July 12, 2024 Board minutes. On a roll call vote, Members Ruff, Kanger, Borchers, Blossom, Holzworth, and Neal voted aye. Members Olsen and Manning were absent. Motion #2 carried.

2. Public Comment Period (15-minute period)

- A. 8:45 a.m. – Ms. Joni Sundquist, NE Society of CPAs President – Ms. Sundquist updated the Board on the following items:**

CPE Report:

- Women in Accounting Summit held Aug. 28 at the Crete Carrier Riverview Lodge in Mahoney State Park. About 140 attendees. Excellent reviews. Of people responding to the survey, 40% were in their 30s and 23% were under 30! Jennifer Wilson, leader of the AICPA's National Pipeline Advisory Group, said she is not seeing this strong of turnout in younger CPAs anywhere else in the country. THANK YOU to sponsors who are on the State Board: Deloitte, KPMG, and Circle CPA.
- Fall Conference & Annual Meeting will be Oct. 29-30 at the Riverview Lodge at Mahoney State Park. Should have received an email invitation.
- Two-Day Federal Tax Update will be Dec. 9-10 at Round the Bend Ballroom in Ashland.

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- In-person CPE – 7 events remaining this year.
- Society-sponsored webcasts – 115 remaining this year.
- On-Demand CPE on our website is off to a good start -- there are 145 on-demand courses now listed.

Board Retreat & Meeting Report:

- A big thank you to ED Sweetwood and staff VanWinkle for their presentation during the Society's Board Retreat which was held Aug. 21.
- In addition, the Society Board directed staff to write a letter to the Governor recommending Mark Manning and Christi Olsen for a 2nd term on the State Board.
- Performance Benchmarks were presented to the board
- Another important effort they are working on is a digital marketing campaign to help get high school students excited about a career in accounting.
- Foundation is giving away more scholarships than ever!! 97 scholarships / 14 colleges / \$128,950. The Pipeline Scholarships continue to increase each year. This year we have almost 30 Pipeline Scholarships, which is an additional \$30K in scholarship dollars .
- New Board Nominees – Derrick Blum, Iron Horse CPAs, Norfolk; Lauren Bond, Deloitte, Omaha; Nicole Cooper, Project Harmony, Omaha, and Jill Trucke, UNL, Lincoln.

LEGISLATIVE EFFORTS

- LB 34 – They have been in several newspapers throughout the state and on KETV regarding the “gap year” created by LB 34 during the Special Session. Korby Gilbertson and Joni have been working together on this issue. Korby is drafting a “white paper” that they are partnering with the Nebraska Farm Bureau on. They will look to other organizations to sign on as well. This will be used in their talks with State Senators and additional conversations with the media. Joni will be sharing it with the membership as soon as they have it finalized.

3. Consent Agenda

- Published Notice of Meeting.** Moved by Kanger, seconded by Holzworth, to approve the consent agenda. On a roll call vote, Members Ruff, Kanger, Borchers, Blossom, Holzworth, and Neal voted aye. Members Olsen and Manning were absent. Motion #3 carried.
- Approval of Disbursements for July and August 2024.** ED Sweetwood overviewed the disbursements for the Board reporting no unusual activity for the period.
- Review of Board Budget Status Report.** ED Sweetwood and Staff Myers reported on several items.
- Ratification of Staff Program Qualification Evaluations.** 50 courses from July – August 2024 and additional course list from Lutz & Company PC.
- Ratification of CPE Sponsor.** MY-CPA LLC

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F. Reinstatements to Active Permit, Inactive Retired Affidavits, Surrendered Certificates.

Reinstatements:

- Timothy Roddy – Omaha, NE

Inactive - Retired affidavits:

- Joanne Bialas – Lincoln, NE
- Patricia Elliott – Omaha, NE
- Joy Ferrington – Blair, NE
- Verlyne Grasz – Elkhorn, NE
- Dale Thomas – Lincoln, NE
- Deborah Zabrocki – Greer, SC

Surrenders: none

4. Report of the Chair

- A. Executive Committee Meeting Report.** Chair Ruff gave the report. She noted the committee reviewed the proposed budget for the next FY. They discussed potential changes to the Chapter 9 education requirements. Staff provided an update on the database project.
- 1. Board Budget FY 26-27.** The budget has been submitted to the Budget Office.
- B. Report of the Chair.** Chair Ruff gave the report.
- 1. 2024-2025 Committee Appointments.** Chair Ruff provided her committee assignments. She noted there were no changes in effort to build on the continuity of members learning and contributing to committee activities.
- 2. Set Future Board Meeting Dates.** The Board reviewed the proposed meeting dates for 2025.
- C. Review and Approve Payment of NASBA Dues.** The Board received and reviewed the bill from NASBA for annual dues. Moved by Kanger, seconded by Neal, to approve payment of the NASBA annual dues. On a roll call vote, Members Ruff, Kanger, Borchers, Blossom, Holzworth, and Neal voted aye. Members Olsen and Manning were absent. Motion #4 carried.
- D. NASBA's Pipeline Task Force Discussion.** Chair Ruff overviewed the proposal from the last webinar held in August. Exposure draft has been released with multiple questions NASBA/AICPA is requesting responses to by December 6th.
- E. Attendance at NASBA Annual Meeting, October 27-30, 2024, Orlando, FL.** Attendance was approved at the last Board meeting for three Board members and ED Sweetwood.
- F. Review Board Calendar.** No changes, however, may need to call a special meeting for review of proposed regulations.

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Closed Session

Closed Session. Moved by Blossom, seconded by Borchers, that the Board go into closed session at 9:35 a.m., on September 20, 2024, for the purpose of discussing 11 enforcement cases to protect the public interest and/or prevention of needless injury to individuals. On a roll call vote, Members Ruff, Kanger, Borchers, Blossom, Holzworth, and Neal voted aye. Members Olsen and Manning were absent. Motion #5 carried.

Prior to going into closed session, Chair Ruff restated the limitation of the closed session, which was to discuss 11 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.”

Return to Open Session. Moved by Blossom, seconded by Borchers, that the Board return to open session at 9:55 a.m., on Friday, September 20, 2024. On a roll call vote, Members Ruff, Kanger, Borchers, Blossom, Holzworth, and Neal voted aye. Members Olsen and Manning were absent. Motion #6 carried.

5. Report of Enforcement of Professional Conduct Committee

A. Open Case/LMCO Update.

24-01 - After discussion, motion out of committee to recommend that the Board Attorney prepare and send a Petition in the matter to the CPA firm due to failure to complete Peer Review program while issuing attest reports and failure to communicate with Board staff. On a roll call vote, Members Ruff, Kanger, Borchers, Blossom, Holzworth, and Neal voted aye. Members Olsen and Manning were absent. Motion #7 carried.

24-08 - After discussion, motion out of committee to recommend that the Board Attorney prepare and send a Petition in the matter to the CPA firm due to failure to properly license the firm while performing professional services for two years. On a

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roll call vote, Members Ruff, Kanger, Borchers, Blossom, Holzworth, and Neal voted aye. Members Olsen and Manning were absent. Motion #9 carried.

B. Ratification of LMCOs, if any –

24-06 - Motion out of committee to authorize Chair Ruff to sign LMCO for case #24-06. On a roll call vote, Members Ruff, Kanger, Borchers, Blossom, Holzworth, and Neal voted aye. Members Olsen and Manning were absent. Motion #8 carried.

C. Recommended Cases to Close – There were no cases closed.

6. Report of the Licensing Committee

A. Report of the Committee. Committee Chair Holzworth gave the report. The committee discussed one Business, Governmental & Academia (BGA) experience application. Motion out of committee to recommend approval of April Coufal's application. On a roll call vote, Members Ruff, Kanger, Borchers, Blossom, Holzworth, and Neal voted aye. Members Olsen and Manning were absent. Motion #10 carried.

The committee discussed on firm name request. Motion out of committee to recommend approval of the firm name Ten Aught Accounting, LLC. On a roll call vote, Members Ruff, Kanger, Borchers, Blossom, Holzworth, and Neal voted aye. Members Olsen and Manning were absent. Motion #11 carried.

B. Ratification of initial permits to practice issued, certificates issued, firm permits. Moved by Blossom, seconded by Borchers, to approve initial permits to practice issued, certificates issued, firm permits issued from July 12 – September 19, 2024. On a roll call vote, Members Ruff, Kanger, Borchers, Blossom, Holzworth, and Neal voted aye. Members Olsen and Manning were absent. Motion #12 carried.

7. Report of Continuing Professional Education (CPE) Committee

A. Report of the Committee. Member Borchers gave the report in Committee Chair Olsen's absence.

B. CPE Credit for Attending NASBA Conferences for Current/Past Board Members. The Board discussed the request and asked staff go back to the requestor to have them provide additional information on which part(s) of the agenda they think should count toward CPE credit.

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

A. Report of the Committee. Committee Chair Borchers gave the report. The committee discussed if there was another "donut hole" of impacted candidates due to the timing of the 30-month exam window rule change. The committee agreed that since the 30-month rule wasn't approved and made effective until May 5, 2024, that candidates who earned credit from 1/10/24 – 5/4/24 should have their credit extended 12 months. Motion out of committee, per Title 288-Chapter 6.005.03C, due to reasons

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beyond the candidate's control, any candidate with credit earned from January 10 – May 4, 2024 will have the expiration date of such credit extended 12 months to ensure candidates are not being put at a disadvantage and are treated fairly. On a roll call vote, Members Ruff, Kanger, Borchers, Blossom, Holzworth, and Neal voted aye. Members Olsen and Manning were absent. Motion #13 carried.

9. Report of the Legislative Committee

- A. **Report on Legislation:** ED Sweetwood gave the report.
- B. **Compliance with LB867 (Index Updates/Policy Changes).**
- C. **2024 Rule Project Status.**
 - 1. **Review Proposed Amendments to Chapter 9.** The Board reviewed the proposed amendments and had additional questions regarding the number of upper-level accounting hours proposed for the exam vs. licensure. It was requested that staff reach out to the Education Advisory Committee to see if additional information could be gathered to determine the reason(s) why and if there was anything from the educators' perspective that the Board was missing/not understanding. The Board will wait to receive this feedback and will review the proposal again at a later Board meeting. It was recommended to staff to figure out the timeline needed to have a public rules hearing at the November Board meeting.

10. Report of the Peer Review Committee

- A. **Report of the Committee** – ED Sweetwood gave the report in Committee Chair Manning's absence.

11. Report of the Executive Director

- A. **Attendance and Report from NE Society of CPAs Leadership meeting on August 21, 2024.** ED Sweetwood and staff VanWinkle overviewed the current Board and the several changes that have been implemented in 2024 (new exam, 30-month window, 120 hours to sit for exam). The proposed changes to the Chapter 9 education requirements were also discussed.
- B. **Budget Status.** ED Sweetwood updated the Board on the status of the Budget under 3.C.
- C. **Database Update/ ED Sweetwood & Staff Myers** – ED Sweetwood updated the Board on the status of the database project. All things appear to be moving in a positive direction.
- D. **Staffing & General Office Issues** – ED Sweetwood commented that staff's Hybrid work environment has ended and their primary work location will be the Board office.
 - 1. **Hybrid work environment/Computers/ Chairs.** Staff computers were replaced due to warranties ending and new chairs for the office and Board room are being considered to replace the current ones that are over 20 years old.

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12. New Business

- A. NASBA Items:**
- B. Other Miscellaneous Items: FYI articles**

13. Adjournment

Moved by Kanger, seconded by Holzworth, to adjourn the meeting at 11:57 a.m. on September 20, 2024. On a roll call vote, Members Ruff, Kanger, Borchers, Blossom, Holzworth, and Neal voted aye. Members Olsen and Manning were absent. Motion #14 carried.

Respectfully submitted by,

Board Secretary
Christi Olsen