

NEBRASKA BOARD OF PUBLIC ACCOUNTANCY

140 N. 8th Street, Suite 290, Lincoln, Nebraska

Minutes

January 4, 2012

Draft Minutes. Minutes are not approved until the next Board meeting.

Wednesday, January 4, 2012

1. General

- A. Call to Order and Roll Call.** The Nebraska Board of Public Accountancy (Board) was called to order at 8:38 a.m. on Wednesday, January 4, 2012 with Chair Doug Skiles, presiding. The roll was called with the following members present: Doug Skiles, Michael Wassinger, Jim Rieker, Bernie Gutschewski, Tom Obrist, Richard Zacharia, and Lori Druse. Member Kate King Wu was absent. Also present were Executive Director Dan Sweetwood via telephone, Staff members Kelly Ebert and Jo Lowe. The meeting was held at the Board Office, 140 N. 8th Street, Suite 290, Lincoln, Nebraska. Skiles noted the location of the notebook containing the Public Open Meeting Act, the statutes were posted on the wall, and asked if anyone present needed an agenda or had any questions regarding the law. Visitors present were Ken Brauer, Nebraska Society of Independent Accountants, and Dan Vodvarka, Nebraska Society of CPAs.
- B. Approval of Meeting Agenda for January 4, 2012.** Moved by Gutschewski, seconded by Druse to approve the agenda for the January 4, 2012 meeting. On a roll call vote, Members Skiles, Wassinger, Rieker, Obrist, Gutschewski, Zacharia, and Druse voted aye. Member King Wu was absent. Motion #1 carried.
- C. Approval of Minutes from November 17, 2011.** Moved by Rieker, seconded by Zacharia, to approve the Board minutes from the November 17, 2011 meeting. On a roll call vote, Members Skiles, Wassinger, Rieker, Obrist, Gutschewski, Zacharia, and Druse voted aye. Member King Wu was absent. Motion #3 carried.

2. Public Comment Period (15 minute period)

Dan Vodvarka, President, Nebraska Society of CPAs was present to update the Board on several items. He reported that the Society Senator's reception, January 3, 2012, was a success. He acknowledged Chair Skiles for attending the reception and indicated there was a good turnout of senators in attendance. He also indicated that the draft of potential statute changes for the 2013 legislative session, as presented by the Experience Work Group (EWG), was circulated to the Society Board.

9:00 Agenda item 5 B. Public Hearing regarding Kevin Wiederin. Chair Doug Skiles, opened the hearing at 9:14 am. Kevin Wiederin was present and not represented by Counsel. The Board was represented by Board attorney Robert Gruit. The hearing concluded at 9:46 am.

Closed Session

Closed Session. Moved by Gutschewski, seconded by Druse, that the Board go into closed session at 10:00 a.m., on Wednesday, January 12, 2012, for the purpose of discussing

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enforcement matters and to discuss the Wiederin hearing. On a roll call vote, Members Skiles, Wassinger, Rieker, Obrist, Gutschewski, Zacharia, and Druse voted aye. Member King Wu was absent. Motion #6 carried. Chair Skiles restated that the purpose for the closed session was to discuss enforcement matters and to discuss the Wiederin hearing.

Return to Open Session. Moved by Zacharia, seconded by Gutschewski, that the Board return to open session at 10:45 a.m., on Wednesday, January 12, 2012. On a roll call vote, Members Skiles, Wassinger, Rieker, Obrist, Gutschewski, Zacharia, and Druse voted aye. Member King Wu was absent. Motion #7 carried.

Agenda Item 5C: Public Hearing to return Keith Helms certificate to Good Standing.

Chair Doug Skiles, opened the hearing at 11:00 am. Keith Helms was not present not represented by Counsel, but was available by phone if Board members had questions. Evidence was accepted into the record. The hearing concluded at 11:05 am.

Closed Session

Closed Session. Moved by Zacharia, seconded by Gutschewski, that the Board go into closed session 11:05 a.m., on Wednesday, January 12, 2012, for the purpose of discussing enforcement matters and to discuss the Wiederin and Helms hearings. On a roll call vote, Members Skiles, Wassinger, Rieker, Obrist, Gutschewski, Zacharia, and Druse voted aye. Member King Wu was absent. Motion #8 carried. Chair Skiles restated that the purpose for the closed session was to discuss enforcement matters and to discuss the Wiederin and Helms hearings.

Return to Open Session. Moved by Zacharia, seconded by Gutschewski, that the Board return to open session at 11:22 a.m., on Wednesday, January 12, 2012. On a roll call vote, Members Skiles, Wassinger, Rieker, Obrist, Gutschewski, Zacharia, and Druse voted aye. Member King Wu was absent. Motion #9 carried.

3. Consent Agenda

- A. Published Notice of Meeting.** Moved by Zacharia, seconded by Gutschewski, to approve the consent agenda. On a roll call vote, Members Skiles, Wassinger, Rieker, Obrist, Gutschewski, Zacharia, and Druse voted aye. Member King Wu was absent. Motion #2 carried.
- B. Approval of Disbursements for November 2011.** Disbursements were reviewed by Member Rieker who provided explanations for atypical expenses. He pointed out that expense reimbursements must be submitted to the Board office within 60 days according to state statute.
- C. Review of Board Budget Status Report.** The current budget status report was provided for review.

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- D. Office Licensing Report.** The Office Licensing Report was provided. Inactive registration numbers were reported accurately as requested from the last Board meeting.

4. Report of the Chair

- A. Report of the Chair.** Chair Skiles gave the report.
- B. Executive Committee Report.** The Executive Committee met on December 19, 2011. The Committee reviewed information related to fees and the Board budget. Staff provided the Committee information regarding past and projected revenue, expenses, and the Board's cash fund. The Information was offered for review by the Board members. Motion out of Committee to retain the current 2011 fee structure for 2012. On a roll call vote, Members Skiles, Wassinger, Rieker, Obrist, Gutschewski, Zacharia, and Druse voted aye. Member King Wu was absent. Motion #5 carried. The Committee also discussed staff education and training. Motion out of Committee to provide 100% of staff Lowe's MPA tuition, and ED Sweetwood and staff Ebert to attend a Committee approved training session that compliments their duties in 2012. On a roll call vote, Members Skiles, Wassinger, Rieker, Obrist, Gutschewski, Zacharia, and Druse voted aye. Member King Wu was absent. Motion #14 carried.
- C. Attendance at NASBA ED and Legal Council Conference, March 11-14, 2012, San Antonio, TX.** The Executive Committee reviewed the agenda for NASBA ED and Legal Conference. Motion out of Committee to recommend the ED and one staff member attend the NASBA ED and Legal Council Conference, March 11-14, 2012, San Antonio, TX. On a roll call vote, Members Skiles, Wassinger, Rieker, Obrist, Gutschewski, Zacharia, and Druse voted aye. Member King Wu was absent. Motion #13 carried.
- D. Review Board Calendar.** No changes were made to the Board calendar at this time.
- E. Report on To Do List.** There was no report at this time.

5. Report of Enforcement of Professional Conduct Committee

- A. Open Case/LMCO Update.** Committee Chair Zacharia reviewed the open cases. The Committee agreed to inactive status for Case 07-07 - Michael Wilcox after review of the Order for probation issued in 2009. Mr. Wilcox can later submit the required CPE to go from inactive status to active permit status.
- B. Public Hearing for Kevin Wiederin at 9:00am.** See Agenda Item 2. Public Comment Period. Moved by Gutschewski, seconded by Zacharia, to enter an Order of Continuance of the Wiederin matter deferring the entry of a final order until successful completion of state probation ending on October 19, 2013. Upon successful completion of probation the matter will be dismissed. In the event of unsuccessful state probation, the Board reserves the right for further hearing and additional evidence. On a roll call

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vote, Members Skiles, Wassinger, Rieker, Obrist, Gutschewski, Zacharia, and Druse voted aye. Member King Wu was absent. Motion #12 carried.

- C. Public Hearing regarding Keith Helms at 11:00 am.** See Agenda Item 2. Public Comment Period. Moved by Zacharia, seconded by Rieker, to return Keith Helm's certificate to good standing. On a roll call vote, Members Skiles, Wassinger, Rieker, Obrist, Gutschewski, Zacharia, and Druse voted aye. Member King Wu was absent. Motion #10 carried.

- D. Recommended Closure of Enforcement Cases.** Motion out of Committee to close cases:

07-07: After a three suspension imposed in the Board Order issued in 2009, the person has inactive status until 120 hours of CPE is submitted to reinstate to active status, and remains on probation for the additional two years as required by the Order. The matter is closed.

08-02: After learning the Kansas Board of Accountancy suspended the credentials of the person based on the prior actions of the United States Department of Justice/ Tax Division and that he has no status (inactive/expired) before the Board, the matter is closed.

11-02: The complaint involved allegations of a business owner the CPA firm had gained information during an agreed review of the companies financial information for a third party client that ultimately ended the relationship with the client. The Board, after extensive review, concluded the matter is better suited for resolution in civil court if necessary at this time.

11-09: After conducting a hearing on the matter at their November Board meeting and issuing an Order, the matter is closed.

On a roll call vote, Members Skiles, Wassinger, Rieker, Obrist, Gutschewski, Zacharia, and Druse voted aye. Member King Wu was absent. Motion #11 carried.

- E. Report on To Do List.** There was no report at this time.

6. Report of Continuing Professional Education (CPE) Committee

- 1. A. Report of the Committee.** Committee Chair Zacharia gave the report. The Committee reviewed a total of 108 courses from November 17, 2011 to December 29, 2011 with 107 approved and 1 denied. The Committee forwarded nine reinstatements to the Licensing Committee for approval. Dan Sweetwood, Executive Director attended Dr. Jeremy Wortman's Ethics course that was held by the Nebraska Society of CPAs at Mahoney State Park on December 14, 2011. This course was the fourth in a series provided by Dr. Wortman for the Society over six years. A majority of Nebraska CPAs attend these courses required by the Board (Chapter 8) since 2004. Always of concern is whether required ethics courses remain on target, fresh, and meaningful for CPAs. Sweetwood indicated he has been impressed with Dr. Wortman's presentations over the years and Chair Zacharia concurred. Sweetwood indicated it appears the Society will utilize a new

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ethics course next year. Overall the Committee concluded the ethics requirement remains important and well presented within Nebraska. No further action required.

- B. Ratification/Denial of Staff Program Qualification Evaluations.** Motion out of Committee to recommend Board approval of 107 courses and to deny 1 course from November 17, 2011 to December 29, 2011. On a roll call vote, Members Skiles, Wassinger, Rieker, Obrist, Gutschewski, Zacharia, and Druse voted aye. Member King Wu was absent. Motion #15 carried.
- C. Ratification of CPE Sponsor.** There were no CPE sponsors requesting approval at this time.
- D. Report on To Do list.** The To Dos are listed in the Committee Report.

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

- A. Report of the Committee.** ED Sweetwood indicated the Committee will begin review of the Board's score review process that has been in place since the Computer Based Test (CBT) began. Staff will meet with Committee Chair King Wu to begin the review.
- B. Approval of CPA Exam Scores.** The exam scores were not available at this time.
- C. Report on To Do List.** There was no report at this time.

8. Report of the Legislative Committee

- A. Report on Legislation.** Chair Skiles reported a smaller group was formed to draft language for the proposed experience changes, had met and had reviewed a draft of the proposed legislation. The Committee expects to have a full Board discussion for the March meeting. ED Sweetwood will send, via email, a draft of the proposed statutory changes. He reported that the bill drafters expect and encourage Board input.
- B. Report on To Do List.** There was no report at this time.

9. Report of Quality Enhancement Program (QEP) Committee

- A. Report of the Committee.** Committee Chair Wassinger gave the QEP Committee report. The Peer Review process rules are being drafted.
- B. Report on To Do List.** There was no report at this time.

10. Report of the Licensing Committee

- A. Report of the Committee.** Chair Obrist reported that the Committee did not meet. Staff Lowe noted that the inactive certificate revocation process would be started with Petition and Notice of Hearing sent to those not renewed from 2001-2007 for the March Board meeting.

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- B. Ratification of initial permits to practice, initial firm permits, and certificates issued between November 17, 2011 and January 3, 2012.** Motion out of Committee to recommend Board approval of initial permits to practice, initial firm permits, and certificates issued between November 17, 2011 and January 3, 2012. On a roll call vote, Members Skiles, Wassinger, Rieker, Obrist, Gutschewski, Zacharia, and Druse voted aye. Member King Wu was absent. Motion #16 carried.
- C. Reinstatements to Active Permits, Inactive Retired Affidavits, Surrendered Certificates.** Motion out of Committee to approve the Reinstatements, Inactive Retired Affidavits, and Surrendered Certificates received between November 17, 2011 and January 3, 2012.

Reinstatements:	Bonnie Schulte	Omaha NE
	Harry Sorensen	South Sioux City NE
	Ted O. Batchelder	Aurora CO
	Reg L. Lindholm	Oldsmar FL
	Bryan D. Murray	Omaha NE
	Kevin R. Nelson	Lincoln NE
	Jay R. Perry	Omaha NE
	Phillip J. Morgan	Lincoln NE
	Amanda Braasch	Omaha NE
Inactive - Retired affidavits:	Kathy Delzeit	Plainville KS
	Roger Pannier	Fremont NE
	Cheryl Richter	Lincoln NE
	Paul Stave	Spencer IA
	+ 44 Inactive Registrants 2002-2007	
Surrendered Certificates:	Kuester, David	Littleton CO
	McGill, Timothy	Gardner KS
	Ricke, Christina	Wichita KS
	Michael R. Korsakas	Lincoln NE
	Robert Olander	
	Jerry Trainer	
	Kelly Schoen	
	Kristi Schoen	
	H.G. Frost, Jr.	
	Kenneth Bauer	
	Natalie Lacy	
	Blair Johnson	
	David Kuester	
	Timothy McGill	
	Christina Ricke	
	Carlene Frenzel	
	Kathryn Connor	
	Janet Ptacek	

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Jodie Collins

Thomas Hammar

Curtis McConnell

On a roll call vote, Members Skiles, Wassinger, Rieker, Obrist, Gutschewski, Zacharia, and Druse voted aye. Member King Wu was absent. Motion #17 carried.

- D. Report on To Do List.** There was no report at this time.

11. Report of Executive Director

- A. Budget Update.** See agenda item 3C.
B. Staffing & General Office Issues. There was no report at this time.
C. Report on To Do List. There was no report at this time.

12. New Business

- A. NASBA Items:**
A. NASBA Items: ED Sweetwood reported Dan Dustin, previously NY ED, had accepted the newly created position of NASBA President of State Board Relations, as an advocate and liaison with NASBA for state boards. Articles of interest were provided to the Board.
B. Other Miscellaneous Items: Articles of interest were provided to the Board.

13. Adjournment

Moved by Rieker, seconded by Zacharia, to adjourn the meeting at 12:01 pm on January 4, 2012. On a roll call vote, Members Skiles, Wassinger, Rieker, Obrist, Gutschewski, Zacharia, and Druse voted aye. Member King Wu was absent. Motion #18 carried.

Respectfully submitted by,

James K. Rieker
Board Secretary