

NEBRASKA BOARD OF PUBLIC ACCOUNTANCY

1526 K Street, Suite 4D, Lincoln, Nebraska

Minutes

September 8, 2017

Draft Minutes. Minutes are not approved until the next Board meeting on 11-9-2017.

Friday, September 8, 2017

1. General

- A. Call to Order and Roll Call.** The Nebraska Board of Public Accountancy (Board) was called to order at 8:28 a.m. on Friday, September 8, 2017 with Chair Lori Druse presiding. The roll was called with the following members present: Lori Druse, Tom Purcell, Marcy Luth, Michele Stromp, Michael McClure, Bernie Gutschewski, Glen Waltemath and Ken Brauer. Also present were Executive Director Dan Sweetwood and staff members Kristen VanWinkle and Heather Myers. Board Intern Sydney Sackmaster was not available. The meeting was held at the Board Office, 1526 K Street, in Suite 4D, Lincoln, Nebraska. Chair Druse 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 Dan Vodvarka, Nebraska Society of CPAs President.
- B. Approval of Meeting Agenda for Friday, September 8, 2017.** Moved by Waltemath, seconded by McClure to approve the agenda for the Friday, September 8, 2017 meeting. On a roll call vote, Members Druse, Purcell, Luth, Stromp, McClure, Gutschewski, Waltemath, and Brauer voted aye. Motion #1 carried.
- C. Approval of Minutes from July 14, 2017.** Moved by McClure, seconded by Brauer, to approve the July 14, 2017 Board minutes. On a roll call vote, Members Druse, Purcell, Luth, Stromp, McClure, Gutschewski, Waltemath, and Brauer voted aye. Motion #2 carried.

2. Public Comment Period (15-minute period)

Dan Vodvarka, Nebraska Society of CPAs President – Mr. Vodvarka noted September Board appointments will be done by the Governor after his return from Japan this month. The Society's Annual Conference is October 23-24, 2017 in La Vista. New Nebraska Certificate Holders will be recognized during lunch on the 23rd. Vice Chair Purcell was invited to present the new certificate holders and he agreed. Mr. Vodvarka invited the Board to attend a tailgate to raise funds for the Foundation on September 23rd before the Nebraska football game. Vice Chair Purcell inquired how much money was given to students previously. Last month, the Foundation awarded \$125,000 to several accounting students which is the most given to date. ED Sweetwood noted he attended the Society's annual leadership retreat at Mahoney State Park and provided an overview of Board activities and answered questions. He also attended the Society's annual leadership conference at Mahoney State Park to overview Board activities and answer any questions. He also attended a Society sponsored Ethics CPE Conference in Norfolk and thought it went very well. He stated he tries to attend/monitor these conferences due to concern of repetition, however he has not found any issues. When asked about requests for Nano learning, Mr. Vodvarka stated the Society has not received any requests.

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3. Consent Agenda

- A. Published Notice of Meeting.** Moved by Stromp, seconded by McClure, to approve the consent agenda. On a roll call vote, Members Druse, Purcell, Luth, Stromp, McClure, Gutschewski, Waltemath, and Brauer voted aye. Motion #3 carried.
- B. Review of Disbursements for July and August 2017.** Board Secretary Luth overviewed the disbursements for the Board. Last year's salaries were \$15,000 higher than current salaries due to payout of a former employee who retired. Intern and travel expenses are lower than last year.
- C. Review of Board Budget Status Report.** The current budget status report was provided and reviewed by Board Secretary Luth. Administrative Fees from Stipulation & Consent Orders have increased Revenue this year. ED Sweetwood noted we are tracking under a new biennium. Amount available for budget is lower now compared to this time last year due to it's the start of a new biennium so there was no roll-over of appropriation funds. He also stated there is no guarantee left over appropriations from this year will roll over to next year.

4. Report of the Chair

- A. Bernie Gutschewski Recognition of 4 years as Board Chair –** Former Chair Gutschewski was recognized and presented an award for serving 4 years as the Board's Chair, which makes him the longest-serving Chair. Chair Druse and ED Sweetwood thanked him for his service, great leadership and steady-hand when working through issues. Member Gutschewski thanked the Board for the opportunity to serve. It was an enjoyable time for him and he will remember the people the most. He provided advice when making a decision that will impact someone's life - "Take the time to make sure the right decision is made."
- B. Executive Committee Meeting –**
 - 1. Update and Draft Review of Governor's Executive Order #17-04 –** A few suggestions were made with Member Gutschewski suggesting adding an Executive Summary to the beginning of the report since it is getting long. The response is due November 15th. Staff will have final draft prepared for review at the November 9th Board Meeting.
- C. Report of the Chair –**
 - 1. 2017-2018 Committee Appointments –** Chair Druse handed out Committee Assignments. She stated very few changes were made due to Committees functioning so well.
 - 2. Set Future Board Meeting Dates –** Board dates were set for 2018.
- D. NASBA Annual Meeting – Oct. 29 – Nov. 1, 2017 – New York City, NY –** ED Sweetwood noted there has been no update to the Governor's essential travel policy. Member Stromp will attend on behalf of the Nominating Committee which will be paid for by NASBA. After discussion and the decision to restrict the number of members attending, it was moved by Luth, seconded by Brauer to approve Members Druse, Waltemath and ED Sweetwood to attend the NASBA Annual Meeting as

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attendance is essential travel for Board Members and ED Sweetwood to bring pressing national issues back to the Board, as well as to interact with peers from other Boards.

On a roll call vote, Members Druse, Purcell, Luth, Stromp, McClure, Gutschewski, Waltemath, and Brauer voted aye. Motion #4 carried.

- E. Review Board Calendar** – For the November 9th meeting, Member Stromp has another meeting at 1:00 so she will need to leave early and Member Purcell will be late due to his travel schedule. Vice Chair Purcell will present new certificate holders at the Society's Annual Conference on October 23rd.

Closed Session

Closed Session. Moved by Stromp, seconded by Luth, that the Board go into closed session at 9:38 a.m., on Friday, September 8, 2017, for the purpose of discussing enforcement matters.

On a roll call vote, Members Druse, Purcell, Luth, Stromp, McClure, Gutschewski, Waltemath, and Brauer voted aye. Motion #5 carried.

Return to Open Session. Moved by Stromp, seconded by Gutschewski, that the Board return to open session at 10:13 a.m., on Friday, September 8, 2017. On a roll call vote, Members Druse, Purcell, Luth, Stromp, McClure, Gutschewski, Waltemath, and Brauer voted aye. Motion #6 carried.

5. Report of Enforcement of Professional Conduct Committee

- A. Open Case/LMCO Update.** Committee Chair Stromp gave the report. Motion out of committee to authorize Board Attorney to file a petition for acts discreditable and a misdemeanor theft conviction under PAA 1-137(4) and 1-137(6) for case #17-04. On a roll call vote, Members Druse, Purcell, Luth, Stromp, McClure, Gutschewski, Waltemath, and Brauer voted aye. Motion #9 carried.
- B. Case #14-05/Petition Review** – Motion out of committee to enter into Stipulation & Consent Order for case #14-05 and to authorize Board Chair Druse to sign the order. On a roll call vote, Members Druse, Purcell, Luth, Stromp, McClure, Gutschewski, Waltemath, and Brauer voted aye. Motion #7 carried.

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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)	STIPULATION AND
NEBRASKA,)	CONSENT ORDER
Complainant,)	
)	
vs.)	
)	
DENNIS CARLSON, C.P.A.,)	
)	
Respondent.)	

COMES NOW the Nebraska State Board of Public Accountancy Board (the "Board") and, with the Consent and Stipulation of the above-named Respondent, Dennis Carlson, C.P.A., hereby enter this Stipulation and Consent Order as follows:

1. That the Nebraska State Board of Public Accountancy (Board) is charged, by law, with the responsibility to enforce the provisions of the Public Accountancy Act and the Board's Rules and Regulations.

2. That the Board has the authority by statute to issue a petition alleging non-compliance with the statutes and rules and regulations, and may, after hearing, take appropriate disciplinary action against individuals or firms found to be in violation of said statutes and Board regulations.

3. At all times relevant to matters set forth herein, the Respondent has been issued Nebraska Certificate No. 2392 and has held an active permit, currently No. 45340, to practice as a Certified Public Accountant in the State of Nebraska.

4. Respondent recognizes his right to a hearing on this matter pursuant to law, acknowledges that he knowingly and voluntarily waives his right to said hearing, and acknowledges that he waives his right to any appeal from this Stipulation and Consent Order of the Board.

5. In consideration for the Respondent's agreement to this Stipulation and Consent Order and his agreement to comply with all of its provisions, the Board agrees that it will not issue a Petition nor conduct a hearing as permitted under the Public Accountancy Act, nor will the Board take further disciplinary action as long as the terms of this Stipulation and Consent Order are complied with by the Respondent. In the event the Respondent violates the terms of this Stipulation and Consent Order, the Board shall be entitled to pursue such other remedies as Nebraska law and the Board's rules and regulations allow. The Board shall have the right in such event to take such further action against Respondent, as the Board in its discretion deems appropriate.

6. That this Stipulation and Consent Order relates and is binding only in regard to Respondent's actions as alleged in the Complaints filed in cases CI 13-134 and CI 13-136 in the District Court of Washington County, Nebraska, including the actions set forth in the findings of

fact by the Board as stated below, and this Stipulation and Consent Order is a matter of public record.

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FINDINGS OF FACT

7. Respondent was a co-trustee of the Lawrence T Olsen Revocable Trust ("Trust") and the director of the Olsen Land Company ("OLC"), which is owned by the Trust, from on or about February 15, 2008 until some date in 2016.

8. The respondent has breached his fiduciary responsibility to the beneficiaries of the Trust and violated the Board's rules of professional conduct by the following actions:

a. Failure to provide annual accountings or information to qualified beneficiaries of the Trust, even after a request therefore, for about 4 to 5 years after his appointment.

b. Failure to provide accountings to show net income, as defined under the Nebraska Uniform Principal and Income Act, to which Darlene Olsen (Darlene), the trustor's surviving wife, was entitled and to which she was restricted under the terms of the Trust.

c. Payment of Darlene's health insurance, cell phone expenses and automobile expenses, plus \$5000 cash per month and purchase of a lawnmower for her use, all without proper accounting as an expense or dividend of OLC or any determination of and limitation to net income is defined under the Nebraska Uniform Principal and Income Act, as well as no proper accounting or corporate or Trust authorization documentation to substantiate the expense.

d. Purchasing a riding lawnmower for the use only on the personal residence of Darlene, yet depreciating it as a business expense of OLC.

e. Leasing a residence on 5 acres to Lonnie Olsen at below fair market value of \$10 per year for life and without provision for real estate taxes or insurance, all without authority in the Trust instrument.

f. Allowing the tenant of OLC's farm, who was a grandson of the trustor, to use OLC farm equipment without payment of rent, which equipment the tenant used to farm land he cash rented from OLC and on land he rented from unrelated third parties.

g. Failure to report all values of assets for inheritance tax purposes for the estate of Lawrence Olsen and reporting equipment values at book value rather than fair market value for such tax purposes, and failure to account for and protect the equipment of OLC.

h. Allowing or not preventing the trade-in of OLC equipment by the tenant for newer equipment, purchased in just the tenant's name, including a combine which tenant and respondent assert was half owned by the tenant by gift from Lawrence Olson, yet without any evidence of the gift on the records of the owner of the combine, OLC, or in the Trust records.

i. Trading in OLC's grain cart together with \$13,500 of OLC cash for a newer grain cart, and then selling the new grain cart to the tenant approximately four months later for \$8500.

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j. Selling land and equipment to tenant at 80% of its value without authority in the Trust instruments to do so and thereby also creating tax issues for the beneficiaries which would not have occurred if the Trust terms had be followed.

9. By reason of the conduct alleged above, respondent Carlson has violated the provisions of the Public Accountancy Act and has subjected himself to disciplinary action by the Board under the provisions of §1-137 of the Public Accountancy Act which state that the Board may suspend, revoke, censure or otherwise discipline a licensee for cause, which Act defines cause within §1-137(4) as including the violation of a rule of professional conduct adopted and promulgated by the Board. The rule which have been violated is Title 288 Chapter 5-007.01 involving acts which reflect adversely on his fitness to engage in the practice of public accountancy.

CONCLUSIONS OF LAW

10. The Respondent has subjected himself to disciplinary action by the Board under the provisions of §1-137 of the Public Accountancy Act, which provisions state that the Board may take disciplinary action for cause. Such section of §1-137(4) of the Act defines cause as including:

* * *

(4) Violation of a rule of professional conduct adopted and promulgated by the Board under the authority granted by the act.

11. By reason of said conduct alleged above, Respondent has violated the following Board rules and regulations:

Title 288, Chapter 5-007.01

Acts discreditable. A licensee shall not commit an act that reflects adversely on his fitness to engage in the practice of public accountancy.

12. The facts establish that the Respondent has violated the above Board statutes and Rules and Regulations. Specifically, facts demonstrate that the Respondent breached his fiduciary responsibility to the beneficiaries of the Trust as set forth above in the findings.

13. The Board has authority under § 1-148 of the Public Accountancy Act to discipline the Respondent.

DECISION AND ORDER

The Board finds that the Respondent did violate the provisions of the Public Accountancy Act, and further violated the Board's Rules and Regulations as set forth in the Findings of Fact and Conclusions of Law set forth above. The Board finds and the Respondent has agreed the appropriate sanctions are as follows: Respondent shall pay a \$5,000 civil penalty, successfully complete eight (8) hours of Board-approved courses in "Ethics" and thirty-two (32) hours of

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Board-approved courses in trust accounting in addition to any other professional continuing education requirements of an active permit holder, shall be assessed the amount of \$6,762 of the Board's attorney's fees and expenses of investigation, and be placed on probation until the successful completion of Respondent's probation as set forth below.

WHEREFORE, IT IS THEREFORE ORDERED, ADJUDGED AND DECREED that the Respondent shall be placed on probation subject to the Board's Rules and Regulations and subject to the Public Accountancy Act until the successful completion of Respondent's probation as set forth below.

The terms and conditions of probation shall be as follows:

- a. The Respondent shall be placed on probation for 180 days from the date of this Order.
- b. The Respondent shall pay the Board within 60 days of the date of this Order the sum of \$6,762 to reimburse the Board for its attorney fees and costs of investigation.
- c. Respondent shall:
 - (1) Successfully complete within 180 days of the date of this Order eight (8) hours of Board-approved courses in "Ethics" and thirty-two (32) hours of Board-approved courses in trust accounting in addition to any other professional continuing education requirements of an active permit holder.
 - (2) Submit documentary proof to the Board that he has successfully completed the required courses. Respondent understands that these required continuing education classes are in addition to the normal continuing education required of Nebraska active CPA permit holders.
- d. The Respondent shall pay a \$5,000 civil penalty to the Board office within 60 days of this Order
- e. The Respondent shall comply in all respects with all provisions of the Nebraska accountancy laws and all Rules and Regulations of the Board.
- f. The Respondent shall timely respond to all inquiries from the Board or the Board's representatives and shall timely file all required applications and documents with the Board.
- g. In the event the Respondent does not timely complete the above terms of probation, the Respondent shall not thereafter serve as a trustee of any trust, other than one of which he is a grantor, until the Board approves otherwise.

WHEREFORE, IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the Respondent is placed on probation for his conduct as set forth in this Decision and Order. In the event the Respondent violates the terms and conditions of the probation, the Board shall be entitled to pursue such other remedies as Nebraska law and the Board's rules and regulations allow. The Board shall have the right in such event to take such further action against Respondent as the Board in its discretion deems appropriate.

IT IS SO ORDERED.

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DATED this 8th day of September, 2017.

STATE BOARD OF PUBLIC
ACCOUNTANCY OF THE STATE OF
NEBRASKA, Complainant,

BY:

Lori J. Druse
Lori J. Druse, CPA, Chair of the Board

STIPULATION AND CONSENT

I, Dennis Carlson, individually state that I have read and understand the foregoing Stipulation and Consent Order and that if it is approved by the Board, I agree to be bound by the terms of the Stipulation and Consent Order. I am aware of my right to adjudication in this matter and hereby waive the same. I waive all my rights to challenge the foregoing Stipulation and Consent Order on appeal or otherwise. I understand that this Stipulation and Consent Order is a matter of public record and by my signature, I verify that I have read and understand everything contained in the foregoing Stipulation and Consent Order and consent to the entry of the Stipulation and Consent Order by the State Board of Public Accountancy of the State of Nebraska.

DATED this 7th day of September, 2017.

Dennis L. Carlson
Dennis Carlson

Approved as to Form:

Richard J. Gilloon

Richard J. Gilloon
Erickson Sederstrom PC, LLO
10330 Regency Pkwy Dr. #100
Omaha, NE 68114-3761

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- C. **Publication of Penalties Discussion** – Enforcement Committee discussed and recommends taking down enforcement publications from Board’s website home page after 6 months. The publication can still be viewed under the archives and the enforcement action can be searched on the website’s Disciplinary Search. Moved by Stromp, seconded by Brauer for creation of policy to archive enforcement action publications on the Board’s website 6 months from the date of publication. On a roll call vote, Members Druse, Purcell, Luth, Stromp, McClure, Gutschewski, Waltemath, and Brauer voted aye. Motion #10 carried.
- D. **Ratification of LMCOs, if any** - There were no LMCO’s.
- E. **Recommended Cases to Close** –
#16-06 - A letter was received from the AICPA detailing the CPA was the subject of discipline from the AICPA Ethics Division regarding Compliance with Audit Standards.
Motion out of committee to close case #16-06 based on the previous enforcement actions of another State Board. On a roll call vote, Members Druse, Purcell, Luth, Stromp, McClure, Gutschewski, Waltemath, and Brauer voted aye. Motion #8 carried.

6. Report of Continuing Professional Education (CPE) Committee

- A. **Report of the Committee.** Committee Chair Purcell gave the report. Motion out of committee to forward 1 reinstatement application to the Licensing Committee for approval. On a roll call vote, Members Druse, Purcell, Luth, Stromp, McClure, Gutschewski, Waltemath, and Brauer voted aye. Motion #12 carried. The Committee discussed a request for medical waiver but deferred it until later in the year to see if the CPA can complete the required hours. It also decided there was no need at this time to hold a face to face meeting to overview CPE requirements and regulations.
- B. **Ratification of Staff Program Qualification Evaluations.** The Committee reviewed a total of 100 courses from July 7 – August 30, 2017 with 100 courses recommended for Board approval and none denied. Motion out of committee to ratify Board approval of 100 courses. On a roll call vote, Members Druse, Purcell, Luth, Stromp, McClure, Gutschewski, Waltemath, and Brauer voted aye. Motion #11 carried.
- C. **Ratification of CPE Sponsor.** There were no CPE Sponsor applications to approve at this time.

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

- A. **Report of the Committee.** Committee Chair Luth gave the report. Committee reviewed and approved one course questioned by candidate to be used to cover the Business Communications requirement. Committee approved moving forward with electronic residency affidavit for exam applications. Chair Luth overviewed the purpose of the task force created to review the Board’s subject area requirements. Also discussed was the 120 v. 150 task force. It was determined that this review should be placed on hold due to recent regulatory developments on the national level.
- B. **Approval of Exam Scores from April – May 2017, if available** – Chair Luth overviewed the score report with the Board. She mentioned the total number of

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candidates was down likely due to candidates rushing to take the exam before the April relaunch. Moved by Luth, seconded by Stomp to accept April – May 2017 exam scores. On a roll call vote, Members Druse, Purcell, Luth, Stomp, McClure, Gutschewski, Waltemath, and Brauer voted aye. Motion #13 carried.

- C. **Report on Q2-2017 Score Delay** – Chair Luth reported on the impact of the score release delay. Staff was notified that there was a potential of four candidates that could be impacted by the delay. Three of those candidates passed the exam and were not impacted. One candidate did not pass and, due to a conflict on Chair Luth's side, member Brauer reviewed the situation and recommended granting an extra test window to re-take the final section.

8. Report of the Legislative Committee

- A. **Report on Legislation:** ED Sweetwood gave the report. He noted LB56 amending the experience requirement was made law effective August 24, 2017. A press release on the Board's website was released. Updated copies of the PAA are available.
- B. **Status of 2017 Rule Package:** ED Sweetwood mentioned the rule change package has passed through the AG's office and are now in the Governor's Policy Research Office pending the Governor's review/approval. No timeframe has been given on the Governor's review with several other agencies waiting for final approval of proposed regulations. ED Sweetwood will continue to monitor the progress.

9. Report of the Peer Review Committee

- A. **Report of the Committee.** Committee Chair McClure gave the report.
1. **Overview of Nevada Society of CPAs Peer Review Program and Response to the AICPA Oversight Program Report.** Chair McClure indicated a meeting of the new committee was held to overview an AICPA Peer Review Program oversight report of the Nevada Society of CPAs Peer Review Program. Since most Nebraska firms participate within the Nevada program, the new leaders of the Nevada program were requested to address the committee regarding the oversight report. After the meeting the committee was pleased with the progress of the Nevada program. Chair McClure also noted Montana is a newly added state Nevada administers. The AICPA also released their final version of the *Evolution of Peer Review Report* that was provided to the Board. Chair McClure noted the concerns of most State Boards including the transparency of reports and the cost of future peer reviews. The Committee is also awaiting a Task Force Report on the use of State Peer Review Oversight Committee (PROC) before deciding on creating a PROC.

10. Report of the Licensing Committee

- A. **Report of the Committee.** Committee Chair Druse gave the report.
Committee discussed four Business, Governmental, Academia (BGA) experience applications.

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Motion out of Committee to recommend approval of Raeann Snyder's application. On a roll call vote, Members Druse, Purcell, Luth, Stromp, McClure, Gutschewski, Waltemath, and Brauer voted aye. Motion #14 carried.

Motion out of Committee to recommend approval of Michael Albert's application. On a roll call vote, Members Druse, Purcell, Luth, Stromp, McClure, Gutschewski, Waltemath, and Brauer voted aye. Motion #15 carried.

Motion out of Committee to recommend approval of Matthew Glasnapp's application. On a roll call vote, Members Druse, Purcell, Luth, Stromp, McClure, Gutschewski, Waltemath, and Brauer voted aye. Motion #16 carried.

The Committee discussed one other BGA application and requested staff go back to clarify dates of supervision from signing supervisor.

Committee discussed four applications with unusual circumstances.

The Board discussed Steven Painter's application and letter from Supervisor. Motion out of Committee to recommend approval of Steven Painter's initial permit application. On a roll call vote, Members Druse, Purcell, Luth, Stromp, McClure, Waltemath, and Brauer voted aye. Member Gutschewski abstained. Motion #18 carried.

The Board discussed the "4 in 10" rule interpretation and agreed if a reciprocal candidate was currently and actively licensed in another state and has at least 4 years/8,000 hours of experience, they qualify for reciprocity under "4 in 10". Staff will monitor how many applications are received and notify the Licensing Committee.

Motion out of Committee to approve Evan Fullmer's "4 in 10" application. On a roll call vote, Members Druse, Purcell, Luth, Stromp, McClure, Gutschewski, Waltemath, and Brauer voted aye. Motion #19 carried.

Motion out of Committee to approve Todd Thornock's "4 in 10" application. On a roll call vote, Members Druse, Purcell, Luth, Stromp, McClure, Gutschewski, Waltemath, and Brauer voted aye. Motion #20 carried.

Motion out of committee to approve Sandra Popescu's "4 in 10" application. On a roll call vote, Members Druse, Purcell, Luth, Stromp, McClure, Gutschewski, Waltemath, and Brauer voted aye. Motion #21 carried.

Committee discussed two firm name requests.

The Board continued to discuss the name "PAS, LLC". The Board thought the initials in the new firm were too similar to the owner's original company "Professional Accounting Solutions". They also felt it would be too difficult to keep the two entities separate. This firm name was not approved.

Motion out of committee to approve the firm name "CyberGuard Compliance, LLP". On a roll call vote, Members Druse, Purcell, Luth, Stromp, McClure, Gutschewski, Waltemath, and Brauer voted aye. Motion #22 carried.

Committee discussed one request to return certificate to good standing and subsequently surrender the certificate. Moved by Brauer, seconded by Luth to return certificate to good standing if she agrees to enter into a Stipulation & Consent Order. On a roll call vote, Members Druse, Purcell, Luth, Stromp, McClure, Gutschewski, Waltemath, and Brauer voted aye. Motion #23 carried.

ED Sweetwood noted the long LC Agenda and thanked the members for their diligence in their review and decisions.

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- B. Use of Titles Issue – Review Board’s Response due Sept. 30, 2017** – The Board’s response was provided to the Board for input. Small changes were suggested due to the high number of State Boards who have already responded. Staff will make changes and provide letter for final review. Motion out of committee to approve letter after small changes made. On a roll call vote, Members Druse, Purcell, Luth, Stomp, McClure, Gutschewski, Waltemath, and Brauer voted aye. Motion #17 carried.
- C. Ratification of initial permits to practice issued, certificates issued, firm permits.** Moved by Luth, seconded by Brauer, to approve initial permits to practice issued, certificates issued, firm permits issued from July 14 – September 7, 2017. On a roll call vote, Members Druse, Purcell, Luth, Stomp, McClure, Gutschewski, Waltemath, and Brauer voted aye. Motion #24 carried.
- D. Reinstatements to Active Permit, Inactive Retired Affidavits, Surrendered Certificates.** Moved by Purcell, seconded by Luth, to approve Reinstatements to Active Permit, Inactive Retired Affidavits, Surrendered Certificates from July 14 – September 7, 2017. On a roll call vote, Members Druse, Purcell, Luth, Stomp, McClure, Gutschewski, Waltemath, and Brauer voted aye. Motion #25 carried.

Reinstatements:

- Amy Barth – Kearney, NE

Inactive - Retired affidavits:

- Mary Anderson – Osborne, KS
- Harold Hall – Omaha, NE
- David Hannasch – Atlantic, IA
- Donald Herz – Lincoln, NE
- James Jankowski – Waterloo, NE
- Donald Kluge – Gretna, NE
- Frank Rizzuto – Omaha, NE
- Linda Verner – Fremont, NE
- Daniel Kruse – Columbus, NE

Surrendered Certificates:

- Sanford Alper – Deerfield, IL
- Dennis Bixenman – Sioux City, IA
- Janice Brejwo – Sanbornville, NH
- Jerry Byrd – Conroe, TX
- Robin Demel – Austin, TX
- Paul Goehring – Elkhorn, NE
- Russell Hissom – Madison, WI
- Christopher Hoffman – Hinsdale, IL
- Richard Hoiekvam – Omaha, NE
- James Kozal – Scottsbluff, NE

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- Michael Kozlik – Omaha, NE
- Richard Reed – Jackson, MN
- Stephen Rosno – Lincoln, NE
- Tricia Rosno – Lincoln, NE
- John Wicks – Lincoln, NE
- Richard Yant – Pebble Beach, CA
- Henry German – Omaha, NE
- Allen Pozehl – Lincoln, NE

11. Report of the Executive Director

- A. Update on Nebraska State Auditors Attestation of the Board Office/FY17 –**
ED Sweetwood overviewed the Auditor’s visit. Chair Druse is attending meetings on behalf of the Board. The purpose was to review every transaction from the last fiscal year. He overviewed the issues identified by the Auditor’s Office and the exit interview will be held in a couple weeks for which, again, Chair Druse will attend. The Auditor’s Office is scheduled to attend the November meeting to overview their findings and answer any questions.
- B. Staffing & General Office Issues.**
- 1. Review of 2017 Online Survey Results –** The survey results were provided to the Board and common responses were reviewed. ED Sweetwood noted the very positive responses including interaction with staff members Myers and VanWinkle.

12. New Business

- A. NASBA Items:**
- B. Other Miscellaneous Items: FYI articles**
- 1. Forbes article – “Howe AI is Reshaping the Accounting Industry”**

13. Adjournment

Moved by Stomp, seconded by McClure, to adjourn the meeting at 1:40 p.m. on September 8, 2017. On a roll call vote, Members Druse, Purcell, Luth, Stomp, McClure, Gutschewski, Waltemath, and Brauer voted aye. Motion #26 carried.

Respectfully submitted by,

Board Secretary
Marcy Luth