

NEVADA STATE BOARD OF ACCOUNTANCY
Minutes
September 16, 2020

MISSION STATEMENT

The mission of the Nevada State Board of Accountancy is to protect the welfare of the citizens of the State of Nevada by assuring the competency of persons licensed as Certified Public Accountants (CPAs) and compliance with professional standards by the registered CPA firms.

An open meeting of the Nevada State Board of Accountancy was called to order at 9:00 A.M. by President, Michael Davis, on September 16, 2020 at the offices of the Nevada Society of CPAs, 5422 Longley Lane, Suite A, Reno Nevada and by Teleconference, 1-877-873-8018, Access ID 2972156#

Board Members Present:

Michael E. Davis, President,	Kerry Eaton, Secretary/Treasurer
Candace Johnson	Jeffery Pero
Jannet Vreeland	Rachael Thomsen

Board Members Absent:

Brian Wallace

Board Staff Present:

Karen Peterson, Counsel
Viki A. Windfeldt, Executive Director
Leslie C. Walsh, Deputy Director

- A. Call to Order, Roll Call and Establish a Quorum
- B. **Public Comment Section:** In accordance with NRS 241.020 Public Comment will be taken prior to the beginning of the meeting.
Note: No one was present for this section of the public comment agenda item.

◆ ◆ ◆ ◆ CONSENT AGENDA ◆ ◆ ◆ ◆

The Consent Agenda contains matters of routine acceptance. The Board Members may approve the consent agenda items as written or, at their discretion, may address individual items for discussion or change.

- *1. Approval of July 21, 2020 Board Meeting Minutes (*For Possible Action*)
- *2. Ratification of Applications for Certified Public Accountant – Non-Appearance (*For Possible Action*):
- | | | | |
|-------------------|-----------------|-----------------|-------------------|
| Ashley Brambila | Lee Cohen | Jessica Farran | Katarina Faulkner |
| Matthew Folgers | Daniel Jimenez | Dean Larocque | Cornelius Nzume |
| Teodora Stoyanova | Frederick Thull | Vipul Tikmany | Lauren Tripp |
| Norell Viray | Jonathan Walker | Donovan Wiseman | |

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- *3. Approval of Change to License Status *(For Possible Action)*:
Retired Status: Paul Townsend
Inactive Status: Sharilyn Bainter
Return Active: Courtney Lantto
- *4. Review and Approval of Finances *(For Possible Action)*
 - A. Monthly Income & Expense in compliance with NRS 622.234
 - B. Proposed FY 20/21 Budget
- *5. Board Approval of Fictitious Name Use: *(For Possible Action)*
 - A. Chrome Accounting LLC
 - B. Graystone Business Advisors LLC
 - C. SBCS LLC dba Equity Group Consulting
- *6. Board Approval of CPA Exam Scores April – July 2020 *(For Possible Action)*
- *7. No items scheduled under this agenda item

The consent agenda and supporting documents were reviewed by the Board. Motion was made, seconded and carried to approve the consent agenda items. Board Member Rachael Thomsen abstained from voting on Applications for Certification for Jessica Farran and Cornelius Nzume. Board Member Jeffery Pero abstained from voting on Application for Certification for Donovan Wiseman.

◆ ◆ ◆ ◆ REGULAR AGENDA ◆ ◆ ◆ ◆

Agenda Item 8: Grievance Report and Grievance Matters *(For Possible Action)*

Note: NRS 241.020 requires the Board to list individuals that may have administrative action taken against them in connection with the Board's disciplinary grievance report. The Board may convene in closed session to consider the character, alleged misconduct, professional competence or physical or mental health for any of the grievances filed with or disciplinary action considered by the board.

A. Review of Grievance Report *(For Possible Action)*

Motion was made, seconded and carried to close complaint matter I2020.012 based on lack of jurisdiction.

Motion was made, seconded and carried to close complaint matter I2020.013 based on the withdrawal of the complaint.

Motion was made, seconded and carried to close complaint matter F2020.006 based on assurances provided by the firm.

Agenda Item 8 (Cont.)

- B. Board request to rescind prior revocation of CPA Certificate Judy Moore
(For Possible Action)

Ms. Moore has requested Board approval to rescind the prior revocation of her license. Ms. Moore indicated that all documents were sent to her office at the IRS and that she had retired from the agency prior to COVID19. Once employees were allowed back into the offices, she was made aware of the Boards complaint. Ms. Moore has further requested Retired status in connection with the request.

Motion was made, seconded and carried to approve the request to rescind the prior revocation of Ms. Moore, and approve her request for retired status. Board Member Michael Davis as hearing officer abstained from the vote.

Note: Board Member Jannet Vreeland has abstained from all matters under agenda item 8 based on her position with the Enforcement Committee.

Agenda Item 9: Report of Legal Counsel (For Possible Action)

No items were discussed under this agenda item.

Agenda Item 10: Report of Executive Director (For Possible Action):

Administrative Items:

- A. Review of Monthly Board Statistics

Executive Director provided the Board with a report of the monthly board office administrative detail statistics since the last Board meeting.

- B. Nevada State Required Reporting Monitoring Update

Executive Director provided the Board with an updated report for the Nevada State Required Reporting documents.

Miscellaneous Items:

- C. NASBA Regional Director Focus Questions

Executive Director provided the Board with the latest NASBA Regional Director Focus Questions. The Board provided input for response to the questions.

- D. Board review and approval of amendments to the Finance Policy and Personnel Salary & Benefits Policy

Executive Director provided the Board with amendments to the Finance and Personnel policies. Board reviewed the amendments and motion was made, seconded and carried to approve the amended policies as provided.

- E. AICPA Exposure Draft – Code of Conduct revision to Records Requests.

Executive Director provided the Board with the AICPA Exposure Draft revision to the Records Request section of the Code of Conduct. The Board reviewed the information provided and did not have any additional feedback relating to the exposure draft.

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Agenda Item 10 (Cont.)

F. Legislative Sunset Committee Follow Up
Executive Director provided the Board with an update from the Legislative Sunset Committee meeting that was held on August 31, 2020.

G. Multi state peer review meeting update
Executive Director provided the Board with an update following a multi-state peer review meeting that was held virtually by the Nevada Society of CPAs and the six jurisdictions that have peer review administration performed by the Nevada Society's administering entity - Idaho, Nevada, Nebraska, Montana, Utah and Wyoming. Staff from both the AICPA and NASBA were also in attendance.

H. 2021 Legislative Session – Bill Submission
Executive Director indicated that the upcoming 2021 Legislative Session will be starting January 2021. Request was made to identify if the Board should request a legislative bill to amend sections of the Nevada Revised Statutes chapter 628. The Board discussed and determined that they will not introduce any Bills in the 2021 Legislative Session.

I. Board Financials – Revenue Recognition under GASB
Executive Director provided the Board with information relating to upcoming changes to GASB that might affect how the Board's revenue is recognized in the financial statements. The Board reviewed the information provided in the exposure draft but determined no changes will be made at this time in how the Board's revenue is recognized in the current financial statements.

J. Peer Review Administering Entity Report – Informational Only
Executive Director provided the Board with the Peer Review Administering Entity Report for the Nevada Society of CPAs. The information was informational only showing the Society is in compliance in their role as an administering entity for peer review.

K. Nevada Society of CPAs – Recommendation of Board Members
Executive Director provided the Board with the letter that was sent to the Governor's office by the Nevada Society of CPAs with the list of recommendations for the upcoming Board Member Positions.

L. Local Government Finance Committee – Open Position
Executive Director updated the Board that Beth Kohn, CPA who was appointed by the Board to the Local Government Finance Committee has resigned from the position based on her retirement. The Board will need to make a new appointment. Several suggestions were made regarding individuals with the proper expertise to fill this position. The Board directed staff to provide a list at their next Board meeting of qualified and interested individuals.

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Agenda Item 11: Approval of Application for Certified Public Accountant – Board Determination *(For Possible Action)*:

A. William Broadfoot **Appearance by Conference Call 10:00 AM**

The Board reviewed the information provided in connection with Mr. Broadfoot's application for licensure. Legal counsel summarized the proposed consent order and the Board reviewed Mr. Broadfoot's closing argument. Motion was made, seconded and carried to approve the license of Mr. Broadfoot which includes the consent order with the following provisions:

IT IS THE ORDER of the Board that WILLIAM BROADFOOT shall be eligible for a Certificate in the State of Nevada on meeting the requirements for a Certificate set forth in NRS 628.190, and that WILLIAM BROADFOOT's Nevada Certificate, once issued, shall be subject to the following terms and conditions:

1. BROADFOOT's Certificate is placed on probation for a period of three (3) years from the date of this Consent Order.
2. BROADFOOT shall not perform any attest functions or engagements within the State of Nevada until this preclusion is removed by the Board. BROADFOOT shall not sign the current compilation engagement he is working on for his employer.
3. BROADFOOT shall comply with the terms of the Decision of the California Board of Accountancy effective January 6, 2020.
4. BROADFOOT shall provide copies of all compliance items submitted to the California Board of Accountancy required by its Decision effective January 6, 2020 and all correspondence involving the California Board of Accountancy within ten (10) days of the date of the compliance item or correspondence.
5. BROADFOOT shall complete twenty (20) hours of Continuing Professional Education ("CPE") by a third-party provider in administration, performance and completion of attestation engagements by December 31, 2020 and provide documentation showing completion of the 20 hours of CPE with his 2021 license renewal. The twenty (20) hours of CPE is in addition to the Board's regular annual CPE requirements mandated by Nevada Administrative Code ("NAC") 628.210.
6. During the probationary period, BROADFOOT shall provide quarterly reports to the Board listing the names of new clients in Nevada and the nature of the services provided.
7. BROADFOOT agrees to promptly respond to any communications from the Board.
8. BROADFOOT shall comply with all state laws and regulations and federal laws pertaining to the practice of public accounting including but not limited to timely annual renewals and timely completion of CPE.
9. A violation of any of the terms and conditions of this Consent Order or the Decision of the California Board of Accountancy shall immediately and automatically terminate and revoke the probationary certificate and any probationary license issued to BROADFOOT without any further action by the Board.

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Agenda Item 12: No items scheduled under this agenda item

Agenda Item 13: Board request approval of accounting electives toward education requirements (*For Possible Action*)

The Board reviewed the request of Aaron Cross for use of certain courses toward the accounting elective requirement. After review of the information provided, motion was made, seconded and carried to approve the following courses toward the accounting elective requirement:

Database Systems Concepts and Design
Machine Learning for Trading
Financial Modeling
Bayesian Statistics
Regression Analysis

Agenda Item 14: Board request for CPA Examination Credit Extension (*For Possible Action*)

Kayla Hay has requested Board consideration to extend the CPA Examination Credit by 6 months for the FAR section of the exam. After review of the information provided motion was, made, seconded and carried to approve the exam credit extension request until December 31, 2021.

Board Member Rachael Thomsen abstained from the vote.

Agenda Item 15: Board approval of employment agreements for the following (*For Possible Action*):

- A. Glenn Bougie, CPA – Board Investigator
- B. Harry Parsons, CPA – Board Investigator
- C. Patrick Thorne, CPA – Board Investigator

Motion was made, seconded and carried to approve the Employment Agreements for Board Investigators for the above individuals as provided.

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Agenda Item 16: Approval of Fiscal Year End 2020 Financial Statements as Prepared by Houldsworth Russo & Company PC
(For Possible Action)

The Board reviewed the draft Fiscal year end 2020 Financial Statements as provided and prepared by Houldsworth Russo & Co. Motion was made, seconded and carried to approve the financials with amendments as noted.

Agenda Item 17: Board Approval of 2021 Board Meeting Schedule
(For Possible Action)

Motion was made, seconded and carried to approve the 2021 Board Meeting Schedule as follows:

January 13, 2021	Las Vegas	March 17, 2021	Reno
May 12, 2021	Las Vegas	July 21, 2021	Reno
September 16, 2021	Las Vegas	November 17, 2021	Reno

Agenda Item 18: Board approval of license renewal fee for individuals and firms for the 2021 renewal period (For Possible Action)

Motion was made, seconded and carried to approve the license renewal fee for firms is \$125 and individuals to be \$140 if paid by check and \$120 if paid online.

Agenda Item 19: Board Staff Personnel Performance Review (For Possible Action)

Motion was made, seconded and carried to go into closed session to conduct the personnel session of Board staff.

Upon resumption of the open session, Board staff was provided with a review and evaluation. Motion was made, seconded and carried to approve the recommended salary structure.

Agenda Item 20: President's Report (For Possible Action)

- A. President Michael Davis, CPA presentation of plaques to Retiring Board Members Candace Johnson, CPA and Brian Wallace, CPA.

President Michael Davis will present plaques at a future Board meeting, but thanked retiring Board Members Candace Johnson and Brian Wallace for their outstanding service to the Board over the past six years. The Board appreciates all of Ms. Johnson's and Mr. Wallace's time and commitment to the regulation of the profession.

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Agenda Item 21: Next Board Meeting: November 18, 2020 Reno NV

C. **Public Comment Section:** In accordance with NRS 241.020 Public Comment will be taken prior to the adjournment of the meeting.

Note: No one was present for this section of the public comment agenda item.

D. Adjournment

