

NEVADA STATE BOARD OF ACCOUNTANCY
Minutes
January 12, 2022

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 8:30 A.M. by President, Kerry Eaton, January 12, 2022 by Teleconference, 1-877-873-8018, Access ID 2972156#.

Board Members Present:

Kerry Eaton, President,
Rick Arpin
Charles Russell

Jannet Vreeland, Secretary/Treasurer
Michael E. Davis
Nikki Etherington

Board Members Absent:

Rachael Thomsen

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 November 17, 2021 Board Meeting Minutes *(For Possible Action)*
- *2. Ratification of Applications for Certified Public Accountant – Non-Appearance *(For Possible Action):*
- | | | | |
|------------------|------------------|-----------------|-----------------|
| Michael Anderson | Kanika Bayanwala | Joshua Bramlett | Ching-Ghing Chu |
| Sergio Castro | Hannah Keena | Nicole Lankford | Ruisong Lin |
| Zara Linares | Muzi Liu | Daniel Manimbo | Jonathon Nhan |
| Gregory Nowling | Alina Omenitsch | Tracy Paglia | Ashley Smith |
| Geeyung Sohn | Naomi Tekabe | Henry Thai | Allen Tsan |
| Diane Wallace | Felicia Wong | Michael Wright | Stefanie Wright |

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- *3. Approval of Change to License Status *(For Possible Action)*:

<u>Inactive Status:</u>	Scott Bulloch	Leah Chapman	Rhonda Dunaway
Wendy Kaplan	Natalie Keller	Michiaki Koyama	Cynthia Milton
Anthony Osendorf	Ryan Rappleye	Gregory Spackman	Randy Taylor
<u>Retired Status:</u>	K. Ellen Anthony	Patricia Brioady	Rex Bosier
Janell Cassell	Thomas Ciesynski	Brent Duncan	James Dudzinski
Ross Eardley	Harvey Eisner	David Ellison	William Hicks
Gary Lambrix	Ronald Milligan	David Morgan	Donald Natenstedt
Donald Pfluger	Bruce Robins	David Turner	Brian Wallace
Mark Winebarger	John Zaroni		

- *4. Review and Approval of Finances *(For Possible Action)*
 - A. Monthly Income & Expense in compliance with NRS 622.234

- *5. Board Approval of CPA Exam Scores: October – November 2021
(For Possible Action)

- *6. Board Approval of Fictitious Name Use:
 - A. Silverstone Tax Consulting LLC
 - B. Forensic Solutions LLC

- *7. Board Approval for staff attendance at the NASBA Executive Director and Legal Counsel Conference, April 25 – 27, 2022, Clearwater Beach, Florida.

The consent agenda and supporting documents were reviewed by the Board. Motion was made, seconded and carried to approve the consent agenda items. Board Members abstained from voting on Applications for Certification as follows: Nikki Etherington for Kanika Bayanwala, Hannah Keena, Ruisong Lin, Diane Wallace; Charles Russell for Sergio Castro, Muzi Liu.

◆ ◆ ◆ ◆ 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 I2021.008 based on lack of cause.

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Agenda Item 8. (Cont.)

- B. Board request for removal from probationary status
Steven Coffey, CPA, John Rader, CPA & Coffey & Rader, CPAs,
(*For Possible Action*)

Motion was made, seconded and carried to approve the request that the probationary status be removed and updated to Active status. The individuals and firm will be subject to the remaining provisions of the disciplinary order.

- C. Board Approval of Consent Order for Charles Morrison, CPA
(*For Possible Action*)

Motion was made, seconded and carried to approve the consent order and provisions:

1. CHARLES A. MORRISON's Certified Public Accountant's Certificate No. 1661 shall be placed on probation until MORRISON is readmitted to the AICPA Peer Review Program and MORRISON completes a Peer Review with a pass with no deficiencies. Probation will terminate provided MORRISON complies with paragraphs 2 – 11 below.
2. Within ten (10) days of the date of this Consent Order, MORRISON shall provide a list of attest clients and work performed for each client to the Board. The list will be maintained as confidential by the Board.
3. MORRISON, within ten (10) days of the Consent Order, shall provide evidence and documentation of enrollment with the Peer Review program through the Nevada Society of Certified Public Accountants ("Society").
4. MORRISON shall notify the Board within ten (10) days of entering into any attest engagements during the probationary period, including any existing attest engagements being performed prior to date of the Consent Order. If performing attest engagements during the probation period, MORRISON agrees to pre-release reviews by a Nevada licensed certified public accountant in good standing for any attest work as defined in NRS 628.005 from the date of this Consent Order until a Peer Review with a pass with no deficiencies is obtained. MORRISON shall pay all costs associated with all pre-release reviews. The Nevada certified public accountant preparing the pre-release reviews for MORRISON shall be approved in writing by the Board. MORRISON shall submit engagement quality review reports to the Board within 10 days of the issuance of each report.
5. MORRISON shall comply with the Board's Peer Review requirements. MORRISON shall provide copies of all peer review correspondence, results, etc. to the Board within 10 days of the date of correspondence.
6. MORRISON shall not request or obtain any extensions of time for deadlines imposed by the Peer Review Administering Entity in obtaining his Peer Review.
7. MORRISON shall provide the Peer Review Administering Entity with authorization to notify the Board when the following occurs: (a) the peer review information has been completed; (b) when the scheduling has been completed; (c) when the review has been received from the reviewer and submitted to technical review; and (d) when the review is placed on the Peer Review Administering Entity's Review Acceptance Body's ("RAB") agenda.
8. MORRISON shall promptly respond to all communications from the Society and the Board during the probationary period.
9. MORRISON's failure to comply with any of the terms and conditions of this Consent Order shall result in the automatic revocation of MORRISON's certificate without any further action by or proceeding before the Board.

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Agenda Item 8. (Cont.)

10. The discipline imposed on MORRISON shall be binding upon and apply to any firm MORRISON may form during the probation period if MORRISON is an owner, member, manager, principal or person who has supervisory authority over accounting or attest matters. This provision shall also be binding upon the successors or assigns of any such firm formed by MORRISON during the probation period.
11. MORRISON shall pay the Board's costs incurred and attorney's fees for the drafting of the Consent Order in the amount of \$290.00.
12. This Decision will be published in accordance with NAC 628.450.

Note: Board Member Jannet Vreeland abstained from voting on all enforcement matters under Agenda Item 8 based on her position with the Enforcement Committee.

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

Legal Counsel Karen Peterson updated the Board on the Interim Legislative Session meetings of the Sunset Review Committee and Commerce & Labor Committee.

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 update report for the Nevada State Required Reporting documents.

Miscellaneous Items:

C. Society & Board Recognition Dinner Follow Up

Executive Director provided the Board with updated information regarding the sponsorship of the Recognition Dinners.

D. Board review of request for Accountant's Lien Program

Executive Director provided the Board with a request from a licensee to develop an Accountants program. The Board reviewed the recommendation and determined it was not within their purview.

E. Amended Pre-Release Review Guidance

Executive Director provided the Board with the amended Pre-Release Review Guidance. Motion was made, seconded and carried to approve the amended language with additional amendments as provided.

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Agenda Item 10. (Cont.)

F. Amended Board Interpretation Client Records

Executive Director provided the Board with the amended Board Interpretation of Client Records. The Board directed staff to bring this item back to the March meeting with additional clarification information.

G. Board review of proposed regulation amendments

Executive Director provided the Board with proposed regulation language. The Board discussed the language. Motion was made, seconded and carried to approve the proposed amendments to the regulations. The first workshop will be held during the next Board meeting on March 23, 2022.

Agenda Item 11: Board determination of extensions for CPA Exam Credit & Notice to Schedule *(For Possible Action)*

The Board reviewed the information provided in connection with additional extension requests for the CPA Exam Credit and Notice of Schedule. Motion was made, seconded and carried to approve the requests of Sulyman Alkhanbashi, Sanaz Goravanchi and Peter Prince. Motion was made, seconded and carried to deny the requests of Trupti Jadav, Jackeline Villasenor, and Jennifer Yu.

Agenda Item 12: Board Determination of Applications for CPA Certification *(For Possible Action)*

A. Wayne Reeves

The Board reviewed the application and supporting documents for Application for Certification for Wayne Reeves. Motion was made, seconded and carried to approve the license of Mr. Reeves, subject to receipt of the signed consent order with the following provisions:

1. REEVES' Certificate is placed on probation for a period of three (3) years from the date of this Consent Order.
2. REEVES agrees to keep the Board informed of his employment status and provide the name and contact information of any employer within two (2) business days of obtaining employment during probation. REEVES agrees he will not be performing any attest work or federal tax work in his potential employment.
3. REEVES represented to the Board and agrees to pay his monthly child support obligation current as required by NRS 628.0345 effective with the date of this Consent Order. Within seven (7) days of the date of this Consent Order, REEVES shall provide the Board with a schedule for repayment of child support arrearages in full within twenty-four (24) months. REEVES shall certify to the Board under oath every two (2) months commencing April 1, 2022 that he is current in his monthly child support payments and repayment of child support arrearages. Failure to keep his monthly child support obligation current or repayment of child support arrearages pursuant to the schedule provided to the Board shall result in immediate revocation of REEVES' certificate to comply with NRS 628.0345.
4. REEVES agrees to keep the Board informed with any updates relating to the United States District Court's Order of Permanent Injunction and shall provide a status report to the Board every two (2) months commencing April 1, 2022. REEVES agrees and understands he shall comply with the terms of the United States District Court's Order of Permanent Injunction until modified by the United States District Court.

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Agenda Item 12. (Cont.)

5. REEVES agrees he will not perform any attest engagements. Should REEVES desire to perform any attest engagements or functions in the future, REEVES must notify the Board prior to accepting the engagement.
6. REEVES shall enroll in a Peer Review program upon acceptance of the attest engagement or function.
7. All attest engagements or functions performed by REEVES must be pre-release reviewed until compliance with the Peer Review Program has been completed. REEVES agrees to pre-release reviews by a licensed certified public accountant for any attest work as defined in NRS 628.005 and the cost of the pre-issuance reviews shall be borne by REEVES. This pre-release review requirement will be in effect from the date of issuance of the Board's Consent Order until REEVES completes a Peer Review and receives a pass with no deficiencies. The certified public accountant preparing the pre-issuance reviews for REEVES shall be approved by the Board. REEVES shall submit engagement quality review reports to the Board within thirty (30) days of the issuance of each report.
8. REEVES shall comply with all state laws and regulations pertaining to the practice of public accounting, including but not limited to timely annual renewals, timely completion of continuing professional education and timely peer reviews.
9. A violation of any of the terms and conditions of this Consent Order shall be grounds to terminate and revoke the certificate and any license issued to WAYNE N. REEVES.

Agenda Item 13: President's Report (*For Possible Action*)

Nothing was discussed under this agenda item.

Agenda Item 14: Next Board Meeting: March 23, 2022 Reno, Nevada

- 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

NEVADA STATE BOARD OF ACCOUNTANCY
STATISTICS INFORMATION

Board Statistics	November December 2020	January February 2021	March April 2021	May June 2021	July August 2021	September October 2021	November December 2021
Administration							
Website Hits	233,187 658,983	Pending 234,990	834,833 287,138	289,920 225,820	269,681 774,032	299,145 321,772	331,847 640,783
Examination							
Initial Applications	26	34	26	46	38	31	27
Re-Exam Applications	95	116	83	122	94	88	101
Licensing							
Original Certification Applications	21	16	18	22	18	24	19
Reciprocal Applications	9	14	10	7	12	7	7
Licenses Issued	31	32	29	34	31	31	24
Individual Experience Reviews	0	0	1	0	2	0	0
Return Active Status	0	0	0	1	0	0	0
Retired Status	22	29	12	2	4	7	19
Inactive Status	6	6	4	0	0	4	11
Voluntary Surrender	16	16	4	0	0	0	12
Practice Privilege Applications	9	7	6	7	6	6	6
In State Firm Applications	5	3	9	2	3	6	4
Fictitious Name Applications	5	1	1	1	1	2	3
Criminal History Petitions (AB319)	0	0	0	0	0	0	0
Enforcement							
Complaints - Licensee	4	1	3	5	2	3	0
Complaints - Non-Licensee	1	2	2	2	3	1	0
Complaints - Firms	1	0	0	0	3	0	0
CPE Shortage Complaints	4	42	31	29	0	0	4
Stipulated Agreements/Formal Complaints	1	0	25	2	1	1	3
Disciplinary Hearings	1	0	0	0	1	3	3
Peer Review Compliance Monitoring	30	30	18	18	18	37	37
Pending Litigation Monitoring	18	18	18	18	17	20	19
Fingerprint/Background Processing	25	39	29	32	18	27	33
Peer Review							
Submissions							164
Exemptions							996
CPE Audit							
Submissions					269		
Exemptions					7		
Out of State					58		
Renewals							
Individual CPA Renewal	2161	3382	4100				2102
Firm Renewal	485	708	708				489
Meetings/ Training							
Board of Accountancy Mtgs	1	1	1	1	1	1	1