

# Nevada State Board of Accountancy NEWSLETTER

FALL / WINTER 2002

## FIRST FEMALE CPA IN NEVADA RETIRES

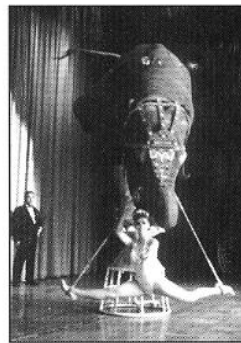
JANET MACDONALD KENDALL, CPA

The Nevada State Board of Accountancy formally approved the retirement of CPA Certificate Number 263 on January 23, 2002. Certificate 263, issued to Janet MacDonald Sanford on February 17, 1968, was the first in Nevada to be issued to a woman.

Born Janet Sylvia MacDonald in Glenwood Springs, Colorado, she moved to Nevada in 1959. As a single mother with a young son, she attended the University of Nevada-Reno during the day, taking an evening job to support her family. At night she danced and performed with Bertha the elephant in the main showroom at John Ascuaga's Nugget.



*Janet MacDonald Kendall performing on stage at John Ascuaga's Nugget. At right, with Bertha the elephant.*




She graduated from UNR in 1965 with a Bachelor of Science in business administration majoring in accounting and completed the CPA Exam in November of 1967. She obtained her public accounting experience with sole proprietor, Carlos Brown, CPA and was certified on February 17, 1968.

In 1975 Ms. Kendall entered law school in California but returned to Nevada at the request of Governor O'Callahan to serve as Nevada's Public Service Commissioner, a post she held until 1981. Having practiced in areas of both public and governmental accounting, Ms. Kendall specialized in internal audit, developing and administrating the first internal audit department at the University of Nevada-Reno for the Board of Regents under the first chancellor - Neil Humphrey.

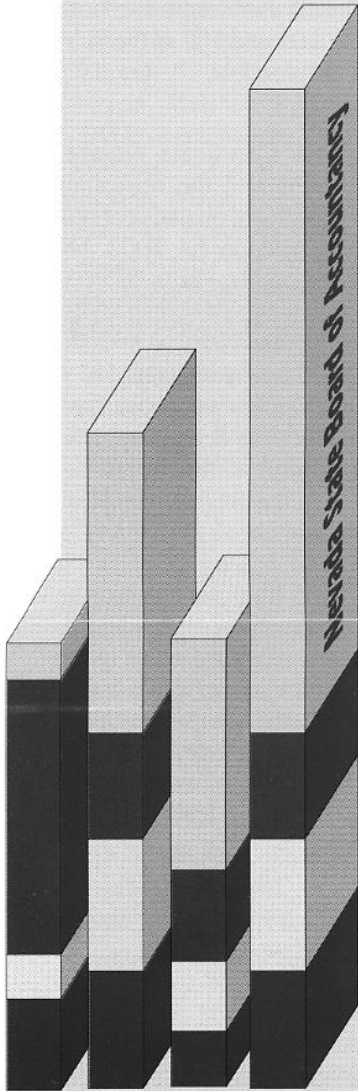
She doesn't think of herself as a trail-blazer but is pleased that so many women have since chosen to enter the profession. During the time Ms. Kendall attended UNR there were no other women in the accounting program. She also remembers being the only woman taking the CPA Exam. After graduation she applied to the then "Big 8" firms for employment and could not get an interview. Her Nevada CPA Certificate said "... having been examined as to his knowledge ..." Now over half of the candidates taking the CPA Exam are women and women certified are fast approaching the 50% mark.

Ms. Kendall recognizes many changes in the profession since she began her career over 30 years ago and views them with mixed feelings. She sees CPA firms trading off of their accounting practices while selling other services such as investments or insurance and believes that this is a conflict of interest. She believes receiving commissions can cloud professional judgment. She also believes in the fast paced financial world of today, audits lose their usefulness when finalized six months after the year-end. She questions whether or not "accounting principles" are departing from common sense. "They don't know what revenue is anymore!"

While Janet MacDonald Kendall plans to enjoy retirement, her interest in the profession that she has dedicated so many years to does not waiver. "I am sure she will be a credit to your profession" were words in a letter of reference submitted on behalf of Ms. Kendall in 1965. The truth of those words is evidenced by a long and productive career as a Certified Public Accountant. The Nevada State Board of Accountancy wishes to thank Ms. Kendall for being a credit to the profession and extends their gratitude and appreciation upon her retirement for a job well done. 

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# Nevada State Board of Accountancy

## Board Elects 2002-2003 Officers

Election of officers was held by the Nevada State Board of Accountancy at its meeting on May 15, 2002 in Las Vegas. Bruce W. Gamett, CPA of Las Vegas was elected as President. Mr. Gamett, an owner in the firm Gamett & King APC, has served as a member of the Board since November 2001. Bonnie M. Houldsworth, CPA of Las Vegas was elected as Secretary-Treasurer. Ms. Houldsworth, a senior shareholder of Houldsworth, Russo & Company has also served as a member of the Board since November 2001. ☞



Bruce Gamett



Bonnie Houldsworth

## Disciplinary Report

Following is a status report on actions taken by the Nevada State Board of Accountancy since the last Newsletter. In accordance with the policy of the board, disciplinary actions that are a matter of public record are reported in the Newsletter for the information of licensees. Questions regarding these matters should be directed to Johanna Bravo, Executive Director.

### REVOCATION

Based on a hearing held May 13, 2002, certificates of 14 licensees were revoked for failure to renew their annual permit to practice and for failure to obtain the required continuing education hours for the years 2000 and 2001, in violation of Nevada Revised Statutes (NRS) 628.390 - 1(c) and (d) and Nevada Administrative Code (NAC) 628.210 and 628.250. Those individuals are:

Kenneth Delyser	CPA 2790
Lynn E. Garza	CPA 2042R
Sheri R. Green	CPA 3023R
Karl E. Gunther, Jr.	CPA 1940
Den E. Hood	CPA 3169R
Deborah L. Liston	CPA 2997
Cecelia MacVittie	CPA 3325R
Angela A. Mancuso	CPA 2235
Douglas L. Rex	CPA 2159R

Ezzie B. Rooks	CPA 2727
Robert E. Stovak	CPA 638
Rudolph Van Daalen Wetters	CPA 3509R
Kevin P. Wallace	CPA 2568R
Todd B. Wittman	CPA 2436

Donald P. Biddle, CPA Certificate Number 2885R was revoked by the board in a hearing decision entered April 15, 2002. The decision was based on Mr. Biddle's failure to comply with the board's Program to Review Quality of Financial Reports (PEP). Mr. Biddle's conduct violated Nevada Revised Statute (NRS) 628.390 - 1(c) and (d) and Nevada Administrative Code (NAC) 628.261 through 628.420 which sets forth the requirements of the Program to Review the Quality of Financial Reports, adopted pursuant to NRS 628.386.

Daniel Scarberry, CPA Certificate Number 3080R was revoked by the board in a hearing decision entered May 28, 2002. The decision was based on Mr. Scarberry's failure to communicate with his client, retention of client records and failure to prepare and file Form 990 for the client after representing he would do so. Mr. Scarberry's conduct violated Nevada Revised Statute (NRS) 628.390 - 1(d) and (j) and Nevada Administrative Code (NAC) 628.500 with respect to Rule 501 of the Rules of Professional Conduct.

### VOLUNTARY SURRENDER

Christopher M. Bowersox, CPA 3349R, Kenneth E. Kenevan, CPA 1257R, Leann Schneider Hundley, CPA 1232, Deborah L. Rogers, CPA 3079R, David T. Smith, CPA 2050, Eric V. Strong, CPA 3437 and Deborah L. Stubben, CPA 2880R voluntarily surrendered their Nevada CPA Certificates under pending disciplinary action for failure to renew their annual permit to practice and failure to obtain the required continuing education hours.

### LETTER OF REPRIMAND

Edward F. Halstead, CPA Certificate Number 1967R was reprimanded by the board in a hearing decision entered May 28, 2002. The decision was based on Mr. Halstead's failure to review and insure billings for services rendered were correct, and that Mr. Halstead practiced under an unregistered firm name. Under the board's

decision Mr. Halstead received a formal letter of reprimand, was required to pay a \$100.00 fine and attorney's fees and hearing costs in the amount of \$1,171.25. Mr. Halstead's conduct represents a violation of Nevada Revised Statute (NRS) 628.390 - 1 (c) (d) and (j) and Nevada Administrative Code (NAC) 628.500, 501 and 502 of the Rules of Professional Conduct.

### PROBATION

Gala J. Fort, CPA Certificate Number 1882R was revoked with the revocation stayed and Ms. Fort placed on one-year probation in a hearing held July 17, 2002. The decision was based on Ms. Fort's failure to obtain an annual permit to practice for 2002 and failure to pay attorney's fees in the amount of \$400.00 assessed against her as a condition to dismissal of a previous complaint matter. The hearing decision requires Ms. Fort to reimburse the board for attorney's fees from the previous complaint action with the additional assessment of attorney's fees and hearing costs in the amount of \$375.00 from the July hearing. The probationary period will expire if all outstanding amounts are satisfied within twelve months. Ms. Fort's conduct represents a violation of Nevada Revised Statute (NRS) 628.390-1(c)(d) and (j). ☞

## CPA Certificates Issued


50 CPA certificates were issued during the period April 30, 2002 through July 31, 2002. 30 certificates were issued by reciprocity and 20 by examination.

### CERTIFICATES ISSUED BY RECIPROCITY WERE:

CARSON CITY: Rochelle K. Evans, Marla Weitzman; GARDNERVILLE: Carol L. Tabrizi; HENDERSON: Laurence C. Raskin; LAS VEGAS: Colleen M. Bacchus, Jason William Gamett, Jason F. Griffith, Donald B. Kuhr, Mark Foster Labay, Gloria Ling Hsieh Liu, Adelina Elizabeth A. Paule, Mark A. Wyckoff; OUT OF STATE: Tonia Jean Bloom, John D. Boekweg, Richard Wayne Dallas, William H. Fordney, Jr., Barbara Alice Gillespie, Fred A. Gomes, Steven M. Hoslett, Steven R. Olmsted, Samuel Reynal, Gregory Paul Romig, Wallace E. Rowe, Evan Greg Stevens, Anthony Bruno Terreri, Mary C. Tsang, Dean Clayton T. Woo, Miles Sueo Yamamoto, Bryan A. Zall; RENO: Kathleen Payne. ☞

# Nevada State Board of Accountancy

## CERTIFICATES ISSUED BY EXAMINATION WERE:

CARSON CITY: Vicki B. Moore; ELKO: Jeffrey Garcia Manuel; LAS VEGAS: Michael Gregg Benson, Eric S. Bullinger, Terri Anne DeZoete, Jennifer Lea Dilley, Daniel de Haas, Peter Christopher Gubler, Joyce Suk-Ling Lee, Randy R. Lund, Deborah A. McLoughlin, Melissa Ann Morgan, Matthew R. Towns; OUT OF STATE: Lisa Morse Cooper, Luciana Williams; RENO: Nissa JaneMarie Atherton, William Flage Layman, Biao Rao, Renee M. Reed; SPRING CREEK: Lisa Gralian Reed. 

*"The happiest mortal on the earth is he who ends his day by leaving better than he found to bloom along the way."* Excerpt from: Improvement - Just Folks, Edgar A. Guest (1917)

## May 2002 CPA Exam Statistical Breakdown

	AUD	LPR	FARE	ARE
Total Examinees by Subject	60	63	78	80
Examinees Passing by Subject	<u>29</u>	<u>23</u>	<u>29</u>	<u>33</u>
Percent Passing to Total	48.3	36.5	37.2	41.2

	Number	Percentage
Passed in one sitting	7	7%
Completed Examination	18	19%
New Condition	19	20%
Additional Condition	6	6%
Failed	<u>44</u>	<u>48%</u>
Total Sitting	94	100%

## Computerization of the CPA Exam

The American Institute of Certified Public Accountants (AICPA), the National Association of Certified Public Accountants (NASBA) and Prometric have finalized and signed the Computer-based Uniform CPA Examination Agreement. Implementation of the computer-based exam is scheduled for early 2004 with the final pencil and paper exam given November 2003.

The computerized exam will incorporate the assessment of critical skills, such as research and communication with increased emphasis on information technology and general business knowledge. A broadened scope of the audit and attest area will also be included.

The AICPA will continue to create and grade the computerized CPA exam with NASBA and the State Boards of Accountancy responsible for the overall administration. Prometric, a technology-based testing company, will deliver the exam to candidates through their testing centers. In Nevada, Prometric has testing centers located in Las Vegas and Reno where candidates will be able to schedule exam sittings up to four times a year as opposed to the current two times per year.

Nevada is currently finalizing statutory language to provide for administration of the computer-based CPA Exam for submission to the legislature in the 2003 session. Regulation language is also being written in support of the statutory changes. The computer-based CPA Exam will be comprised of the following four sections.


Auditing & Attestation will cover knowledge of auditing procedures, generally accepted auditing standards and other standards related to attest engagements, and the skills needed to apply that knowledge in those engagements. The Auditing & Attestation section will correlate to the Auditing section of the pencil and paper exam. The time allotted to this section will be 4.5 hours.

Financial Accounting & Reporting covers knowledge of generally accepted accounting principles for business enterprises, not-for-profit organizations, and governmental entities and the skills needed to apply that knowledge. This section correlates with the Financial Accounting & Reporting (FARE) portion of the pencil and paper exam. The time allotted to this section will be 4 hours.

Regulation section will cover knowledge of federal taxation, ethics, professional and legal responsibilities, business law, and the skills needed to apply that knowledge. This section correlates with Accounting & Reporting (ARE) on the pencil and paper exam. The time allotted to this section will be 3 hours.

Business Environment & Concepts covers knowledge of general business environment and business concepts necessary to understand the underlying business reasons for and accounting implications of business transactions, and the skills needed to apply that knowledge. This section correlates to the Business Law & Professional Responsibilities (LPR) section of the pencil and paper exam. The time allotted to complete this section is 2.5 hours.

Currently decisions are being made regarding standards for granting of credits, conditioning, and transitioning of candidates who have received conditional credit on the paper and pencil examination. No final figures are available with regard to candidate cost to take the computerized exam. It is expected, however, that it will be in the approximate area of \$500.


The AICPA continues to seek licensee volunteers to serve on exam related committees and workgroups. Any interested parties may obtain information and applications from a new AICPA Web site <http://volunteers.aicpa.org/apply/>. 

## Top Scoring Candidates from the May 2002 Uniform CPA Exam

The Nevada State Board of Accountancy would like to congratulate the following Nevada exam candidates who achieved the highest scores statewide on the May 2002 CPA Exam.

Brigit Finkbeiner	Sandra Harvey
Mark Little	Par Sandqvist
Brian Reyburn	Gino Mauriello
Laura Petersen	

**Question:** If I provide a change of mailing address or other information to the Nevada Society of CPAs will it automatically be shared with the Nevada State Board of Accountancy?

**Answer:** No. The Nevada Society of CPAs is a professional membership association of Nevada CPAs and a provider of continuing professional education. The Nevada State Board of Accountancy is the licensing and regulatory authority for the State of Nevada. They are totally separate entities and are not linked for automatic sharing of information. 

**HAVE YOU MOVED?**

Regulation 628.100 requires all permit holders to notify the Board within 30 days of a change in mailing address. Please use this form to report any changes to the Board.

**Change of Mailing Address:**

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

Home Phone: \_\_\_\_\_

**Change of Employment:**

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

Business Phone: \_\_\_\_\_

CPA/PA Certificate #: \_\_\_\_\_

Date of Change: \_\_\_\_\_

Do you wish this change to be reflected in your Roster listing?  Yes  No

**Mail to:** Nevada State Board of Accountancy  
200 South Virginia Street, Suite 670  
Reno, Nevada 89501

The Nevada State Board of Accountancy Newsletter is the official publication of the Nevada State Board of Accountancy.

**Members of the Board:**

- Bruce W. Gamett, CPA, Las Vegas, President
- Bonnie M. Houldsworth, CPA, Las Vegas, Sec/Treas.
- Raja Mourey, MBA, Las Vegas
- Harry O. Parsons, CPA, Reno
- Michael J. Small, CPA, Las Vegas
- David W. Turner, CPA, Reno
- Sydney H. Wickliffe, CPA, Las Vegas

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- Johanna Bravo, Executive Director
- Viki Windfeldt, Assistant Director
- Kimberli Talcott, Secretary

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[www.nvaccountancy.com](http://www.nvaccountancy.com)

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**2002 Calendar of Important Dates**

- Sept.** 2 Labor Day (office closed)
- Oct.** 6-9 NASBA Annual Meeting
- 25 Nevada Day (office closed)
- Nov.** 6 & 7 CPA Exam
- 11 Veteran's Day (office closed)
- 13 Board Meeting-Reno
- 21-22 Thanksgiving (office closed)
- Dec.** 25 Christmas Day (office closed)