

**ACCOUNTANCY BOARD OF OHIO
MINUTES OF SEPTEMBER 6, 2013 MEETING**

The Accountancy Board met on September 6, 2013 in Rooms West B and C on the 31st floor of the Vern Riffe Center for Government and the Arts, 77 South High Street, Columbus, Ohio with the following members present: W. Michael Fritz, CPA (Chair), Robert Fay, CPA (Vice-Chair), Michael Comer, CPA (Secretary), Margaret Houston, CPA (Immediate Past Chair), Greta Russell, CPA (Past Chair), James Carroll, CPA (Member), Adriana Sfalcin (Public Member), James Gero, CPA (Member), and James Gottfried, CPA (Member).

Representing the Board staff was John E. Patterson, Executive Director and Tracey F. Fithen, Assistant Executive Director. Board counsel present was Rachel Huston, Esq., representing the office of the Attorney General. The meeting was opened with the Pledge of Allegiance.

Present in the audience were Scott D. Wiley, CAE, President and Chief Executive Officer, Laura Hay, CPA, Chief Operating Officer of the Ohio Society of Certified Public Accountants (OSCPA) and Joseph Skoda, CPA, representing the National Society of Accountants.

Mr. Fritz called the meeting to order at 10:04 a.m., and welcomed the guests in the audience.

APPROVAL OF THE JUNE 2013 BOARD MEETING MINUTES

Upon motion by Ms. Sfalcin, seconded by Mr. Comer, the Board voted to approve the minutes of the July 12, 2013 Board meeting. Motion carried 9-0.

INFORMATION REPORTS AND UPDATES

RENEWAL UPDATE

Ms. Fithen reported the renewal of the peer review attest firms were currently being mailed out that day, with a total of 498 attest firms due to renew. Ms. Fithen also state that almost half the firms renewing were in the AICPA peer review program as compared to last year's one-third of the renewal.

INVESTIGATIONS REPORT

Jenny Kochensparger, Board investigator, noted that there were 7 cases opened since the last Board meeting, 5 closed and a total of 58 opened during 2013. She added that the investigators are preparing for field calls to the 22 expired tax firms that were to renew on July 31, 2013.

REVIEW OF RULES

Ms. Kochensparger noted that The Common Sense Initiative (CSI) review came back with no recommendations to the rule package filed. The Board is now able to proceed with the final filing of rules.

EDUCATION ASSISTANCE PROGRAM REPORT

Elisabeth Newell, Education Assistance Secretary, reported a total of \$126,362.88 spent for education assistance for fiscal year 2014. Fifty thousand of that amount was paid to the Ohio Society of CPA's Accounting Careers Awareness Program (ACAP-Ohio) in support of students from underrepresented backgrounds. The allotted amount for this fiscal year is \$325,000.

OLD BUSINESS

STATUS OF PAST HEARINGS

Ms. Kochensparger noted, per the July 13, 2013 Board meeting, the status of the hearings were processed and remedies were ordered.

NEW BUSINESS

Mr. Patterson presented the Board with an amended resolution to have the Board Chair approve all future travel for board members. Upon motion by James Gero, seconded by Adriana Sfalcin, the Board voted to approve the resolution. Motion carried 8-1.

REQUESTS FOR WAIVER OF LATE FILING FEES

DANA MARIE JENKINS

Ms. Jenkins requested a waiver of the \$300 late fee applicable to the late renewal of her Ohio permit because she was originally quoted a lesser late fee and then had it returned for the additional \$300.

EDWARD T. NITKIEWICZ

Mr. Nitkiewicz requested a waiver of the \$350 late fee applicable to the late renewal of his Ohio permit as he was not aware of being charged late fees for an expired license.

EXECUTIVE DIRECTOR'S REPORT

Mr. Patterson addressed the travel policy administration and asked the Board to accept the resolution that the Executive Committee approves all board travel. He also noted that a peer review subcommittee will be meeting following the November Accountancy Board meeting to discuss all peer review rules. The Office Oversight committee will meet prior to the November Board meeting as well.

Mr. Patterson also reminded the Board that Ms. Fithen and he would be attending the NASBA University training in Nashville from September 17th through September 19th and would like to become a member of the Uniform Accountancy Act (UAA) in order to assist making suggestions to rule changes. Mr. Patterson also mentioned that beginning in January, he'd like to have a Board newsletter up on our website.

CLOSE COMPLAINT APPEAL: RICHARD L. DECKER, II

Mr. Patterson recommended that the Board close the case of a complaint on Richard L. Decker, II, noting that it's a family issue. A complaint should be based on legal issues not personal complaints. No action will be taken.

FORMAL HEARING: ALI MOHAMMADPOUR

Mr. Fritz opened a disciplinary hearing at 10:25 a.m. pursuant to Chapter 119 of the Revised Code. The Board charged Mr. Mohammadpour with 4701.16(A)(4), failure to comply with continuing education verification requirements, as well as 4701.16(A)(1), fraud or deceit in obtaining a license. Representing Mr. Mohammadpour, was counsel, Ivan Haggins.

Ms. Huston called Mr. Patterson as a witness and introduced State's Exhibit(s) A, 1 through 5 and B, 1 through 7. Mr. Haggins addressed the board and was asked questions by the Board.

The Board admitted into evidence all exhibits. Mr. Fritz concluded the hearing.

FORMAL HEARING: GARY B. WACHS

Mr. Fritz opened a disciplinary hearing at 10:56 a.m. pursuant to Chapter 119 of the Ohio Revised Code. The Board charged Gary B. Wachs with 4701.16(A)(4), failure to comply with continuing education verification requirements, as well as 4701.16(A)(1), fraud or deceit in obtaining a license. Representing Mr. Wachs, was counsel, Richard S. Koblentz.

Ms. Huston called Mr. Patterson as a witness and introduced State's Exhibits 1 through 14. Mr. Koblentz then spoke to the Board and was asked questions by the Board.

The Board admitted into evidence all exhibits. Mr. Fritz concluded the hearing.

FORMAL HEARING: HARRY JONES

Mr. Fritz opened a disciplinary hearing at 11:21 a.m. pursuant to Chapter 119 of the Ohio Revised Code. The Board charged Harry Jones with 4701.16(A)(5), of the Revised Code concerning conviction of a felony under the laws of any state or of the United States by subscribing to a false income tax return.

Ms. Huston called Mr. Patterson as a witness and introduced State's Exhibit(s) A, 1 through 12 and B, 1 through 16. Mr. Jones was not in attendance.

The Board admitted into evidence all exhibits. Mr. Fritz concluded the hearing.

REINSTATEMENT HEARING: APRIL L. SCOPETTI

Mr. Fritz opened a reinstatement hearing at 11:32 a.m. Present at the hearing was April L. Scopetti, whose CPA certificate was revoked by the Board on July 13, 2012 pursuant to OAC 4701.16(A)(4), failure to comply with continuing education verification requirements, as well as 4701.16(A)(1), fraud or deceit in obtaining an Ohio permit.

Ms. Huston called Mr. Patterson as a witness and introduced State's Exhibit(s) A, 1 through 4

and B, 1 through 25. Ms. Scopetti then spoke to the Board and was asked questions by the Board.

The Board admitted into evidence all exhibits. Mr. Fritz concluded the hearing.

FORMAL HEARING: DANIEL J. HARCAR

Mr. Fritz opened a disciplinary hearing at 11:41 a.m. pursuant to Chapter 119 of the Revised Code. The Board charged Daniel J. Harcar with 4701.16(A)(4), failure to comply with continuing education verification requirements, as well as 4701.16(A)(1), fraud or deceit in obtaining a license.

Ms. Huston called Mr. Patterson as a witness and introduced State's Exhibit(s) A, 1 through 35 and B, 1 through 37. Mr. Harcar was not in attendance.

The Board admitted into evidence all exhibits. Mr. Fritz concluded the hearing.

FORMAL HEARING: RANDOLPH RHODE

Mr. Fritz opened a disciplinary hearing at 11:50 a.m. pursuant to Chapter 119 of the Ohio Revised Code. The Board charged Randolph Rhode, with 4701.16(A)(5), of the Revised Code concerning conviction of a felony under the laws of any state or of the United States.

Ms. Huston called Mr. Patterson as a witness and introduced State's Exhibit(s) A, 1 through 2 and B, 1 through 3. Mr. Rhode was not in attendance.

The Board admitted into evidence all exhibits. Mr. Fritz concluded the hearing.

FORMAL HEARING: VINSON T. SHELLS

Mr. Fritz opened a disciplinary hearing at 11:54 a.m. pursuant to Chapter 119 of the Revised Code. The Board charged Vinson T. Shells with 4701.16(A)(7), concerning conviction cancellation, revocation, suspension, or refusal to renew authority to practice as a certified public accountant, or a public accounting firm by any other state, for any cause other than failure to pay registration fees in that other state.

Ms. Huston called Mr. Patterson as a witness and introduced State's Exhibit(s) A, 1 through 23 and B, 1 through 29. Mr. Shells was not in attendance.

The Board admitted into evidence all exhibits. Mr. Fritz concluded the hearing.

FORMAL HEARING: WILLIAM F. MORGAN

Mr. Fritz opened a disciplinary hearing at 12:04 p.m. pursuant to Chapter 119 of the Ohio Revised Code. The Board charged William F. Morgan, with 4701.16(A)(5), of the Revised Code concerning conviction of a felony under the laws of any state or of the United States.

Ms. Huston called Mr. Patterson as a witness and introduced State's Exhibit(s) A, 1 through 2 and B, 1 through 25. Mr. Morgan was not in attendance.

The Board admitted into evidence all exhibits. Mr. Fritz concluded the hearing.

EXECUTIVE SESSION

Upon motion by Mr. Fritz, seconded by Mr. Comer, the Board voted to recess into executive session pursuant to Ohio Revised Code section 121.22(G)(1) to discuss the requests for waiver of late fees and formal hearings. Motion carried 9-0 on a roll call vote. After discussion, the Board returned to general session.

BOARD DECISIONS

LATE FEE WAIVER APPEALS

Upon motion by Mr. Comer, seconded by Mr. Fay, the Board voted to approve the appeal for refund of Dana Marie Jenkins of the late filing fee.

Motion carried 9-0 on a roll call vote.

Upon motion by Mr. Comer, seconded by Mr. Fay, the Board voted to deny the appeal of Edward T. Nitkiewicz for waiver of the late filing fee.

Motion carried 9-0 on a roll call vote.

DISCIPLINARY HEARING: ALI MOHAMMADPOUR

Upon motion by Mr. Comer, seconded by Mr. Fay, the Board voted to revoke the CPA certificate of Ali Mohammadpour but stay the revocation subject to the completion of the following requirements by November 30, 2013:

- Payment of a fine of \$2,000.
- Payment of any applicable late and penalty fees.
- Completion of a Board-approved professional standards and responsibilities course.

Motion carried 9-0 on a roll call vote.

DISCIPLINARY HEARING: GARY B. WACHS

Upon motion by Mr. Comer, seconded by Mr. Fay, the Board voted to revoke the CPA certificate of Gary B. Wachs but stay the revocation subject to the completion of the following requirements by November 30, 2013:

- Payment of a fine of \$2,000.
- Payment of any applicable late and penalty fees.
- Completion of 120 hours of continuing education.
- Completion of a Board-approved professional standards and responsibilities course.

Motion carried 9-0 on a roll call vote.

DISCIPLINARY HEARING: HARRY JONES

Upon motion by Mr. Comer, seconded by Mr. Fay, the Board voted to revoke the CPA certificate of Harry Jones pending all terms and condition of the court order.

Motion carried 9-0 on a roll call vote.

REINSTATEMENT HEARING: APRIL L. SCOPETTI

Upon motion by Mr. Comer, seconded by Mr. Fay, the Board voted to reinstate the CPA certificate of April L. Scopetti, subject to the completion of the following requirements by November 30, 2013:

- Payment of a fine of \$2,000.
- Payment of any applicable late and penalty fees.
- Completion of 120 hours of continuing education.
- Completion of a Board-approved professional standards and responsibilities course.

Motion carried 8-1 on a roll call vote.

DISCIPLINARY HEARING: DANIEL J. HARCAR

Upon motion by Mr. Comer, seconded by Mr. Fay, the Board voted to reinstate the CPA certificate of Daniel J. Harcar, subject to the completion of the following requirements by November 30, 2013:

- Payment of a fine of \$2,000.
- Payment of any applicable late and penalty fees.
- Completion of 120 hours of continuing education.
- Completion of a Board-approved professional standards and responsibilities course.

Motion carried 9-0 on a roll call vote.

DISCIPLINARY HEARING: RANDOLPH RHODE

Upon motion by Mr. Comer, seconded by Mr. Fay, the Board voted to revoke the CPA certificate of Randolph Rhode pending all terms and condition of the court order.

Motion carried 9-0 on a roll call vote.

DISCIPLINARY HEARING: VINSON T. SHELLS

Upon motion by Mr. Comer, seconded by Mr. Fay, the Board voted to revoke the CPA certificate of Vinson T. Shells, but stay the revocation subject to the completion of the following requirements by December 31, 2013:

- Payment of a fine of \$1,000.
- Payment of any applicable late and penalty fees.
- Completion of a Board-approved professional standards and responsibilities course.

- Completion of the AICPA Ethics course.

Motion carried 9-0 on a roll call vote

DISCIPLINARY HEARING: WILLIAM F. MORGAN

Upon motion by Mr. Comer, seconded by Ms. Sfalcin, the Board voted to revoke the CPA certificate of William F. Morgan pending all terms and condition of the court order.

Motion carried 9-0 on a roll call vote.

Upon motion by Ms. Sfalcin, seconded by Mr. Fritz, the Board voted to adjourn. Motion carried 9-0.

W. MICHAEL FRITZ, CHAIR

MICHAEL S. COMER, SECRETARY