

Accountancy Board of Ohio
Minutes of Board Meeting April 28, 2017

The Accountancy Board met on April 28, 2017 in Room West B & 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: James Gero, CPA (Chair), James Gottfried, CPA (Vice-Chair), Adriana Sfalcin (Public Member), Michael Guinigundo, CPA (Secretary), Margaret Gilmore, CPA (Member), Kenya Watts, CPA (Member) and James Redmond, CPA (Member).

Representing the Board staff was John E. Patterson, Executive Director, and Donna M. Oklok, Investigations Supervisor. Board counsel present was Rachel Huston, Esq., representing the office of the Attorney General.

Present in the audience was Laura Hay, Executive Vice President; Barbara Benton, Vice President for Governmental Affairs; and Lisa Brown, Director of Technical Services of the Ohio Society of Certified Public Accountants (OSCPA).

Mr. Gero called the meeting to order at 10:00 a.m., and opened the meeting with the Pledge of Allegiance. Mr. Gero also welcomed the guests in the audience.

REINSTATEMENT HEARING: STEVEN K. HAGER

Mr. Gero opened a reinstatement hearing at 10:00 a.m. pursuant to section 4701.17 of the Revised Code. Mr. Hager was in attendance and was not represented by counsel.

Ms. Huston introduced State's Exhibits A, 1 through 11; and B, 1 through 27. Mr. Hager then spoke and was questioned by the Board.

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

PEER REVIEW COMMITTEE/OSCPA PRESENTATION

Mr. Gero opened the Peer Review Oversight Committee meeting at 10:27am, along with the OSCPAs Laura Hay, CPA/CAE, Executive Vice President, and Lisa Brown, Director of Technical Services, to discuss the OSCPAs oversight report from the AICPA, the OSCPAs annual report on oversight, the future of peer review administration, and peer review budget and fee structure.

REINSTATEMENT HEARING: BETTY J. MESSER

Mr. Gero opened a reinstatement hearing at 10:42 a.m. pursuant to section 4701.17 of the Revised Code. Ms. Messer was in attendance and was not represented by counsel.

Ms. Huston introduced State's Exhibit A, 1 through 9. Ms. Huston then called Faith Ottavi, board investigator as a witness. Ms. Messer then spoke and was questioned by the Board.

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

REQUEST FOR WAIVER OF LATE FEES

HONGMEI MA

Ms. Ma requested a waiver of the \$100 late fee due to non-renewal of her Ohio permit.

WILBERT WILLIAMS

Mr. Williams requested a waiver of the \$50 late fee due to non-renewal of his Ohio registration.

MICHAEL WOLF

Mr. Wolf requested a waiver of the \$100 late fee due to non-renewal of his Ohio registration.

ZHONGFANG ZHENG

Ms. Zheng requested a waiver of the \$200 late fee due to non-renewal of her Ohio permit.

WILLIAM SPOMER

Mr. Spomer requested a waiver of the \$100 late fee due to non-renewal of his Ohio permit.

CHRISTOPHER KAZOR

Mr. Kazor requested a waiver of the \$300 late fee due to non-renewal of his Ohio registration.

RYAN OVERY

Mr. Overy requested a waiver of the \$300 late fee due to non-renewal of his Ohio permit.

JESSICA JONES

Ms. Jones requested a waiver of the \$150 late fee due to non-renewal of her Ohio permit.

MISTY ASCHENBACH

Ms. Aschenbach requested a waiver of the \$300 late fee due to non-renewal of her Ohio permit.

KAREN DELAUBENFELS

Ms. deLaubenfels requested a refund of the \$150 permit fee due to the retirement of her CPA certificate prior to December 31, 2016.

QUASI-JUDICIAL DELIBERATIONS

Upon Mr. Gero's direction, the Board went into quasi-judicial deliberations to discuss the formal hearings and requests for waivers of late fees. After discussion, the Board returned to general session.

BOARD DECISIONS

Steven K. Hager (Case #2017-7)

Upon the motion by Board Secretary Mr. Guinigundo, and seconded by Vice-Chair Mr. Gottfried, the Board voted to reinstate the CPA certificate of Mr. Hager subject to completion of the following conditions by July 31, 2017:

- (1) A reinstatement fee of \$1,000.

Motion carried 7-0 on a roll call vote.

Betty J. Messer (Case #2017-3)

Upon the motion by Board Secretary Mr. Guinigundo, and seconded by Vice-Chair Mr. Gottfried, the Board voted to reinstate the CPA certificate of Ms. Messer subject to completion of the following conditions by July 31, 2017:

- (1) A reinstatement fee of \$1,000.

Motion carried 7-0 on a roll call vote.

LATE FEE WAIVER REQUESTS

Upon the motion by Mr. Guinigundo and seconded by Mr. Gottfried, the Board voted to deny the requests for waiver of the late filing fee for Hongmei Ma; Wilbert Williams; Michael Wolf; Zhongfang Zheng; William Spomer; Christopher Kazor; Ryan Overy; Jessica Jones; and Misty Aschenbach.

Motion carried 7-0 on a roll call vote.

Upon the motion by Mr. Guinigundo and seconded by Mr. Gottfried, the Board voted to grant the request for refund of the permit fee for Karen deLaubenfels.

Motion carried 7-0 on a roll call vote.

EXECUTIVE DIRECTOR'S REPORT

Mr. Patterson requested the Board modify the its policy to allow the Executive Director to round up credits to sit for the CPA exam from 149 to 150, and to extend the CPA exam testing window due to the delay in score releases from NASBA. Motion carried 7-0.

The CGMA designation will continue to be monitored as to its enforceability.

The Board, with assistance from NASBA, will start a social media presence via Facebook and/or Twitter.

Mr. Gero and Mr. Patterson will meet with staff at Case Western Reserve University on May 11 to discuss the September 8, 2017 Board meeting. An invitation to attend the October 20, 2017 Board meeting will be extended to several small colleges, as Dan Dustin from NASBA will be in attendance and can give a short presentation on the CPA examination process. Mr. Patterson will speak to the incoming class at the University of Akron on August 22.

Mr. Mike Fritz requested an endorsement letter from the Board regarding his nomination as a NASBA at-Large Director. Motion carried 7-0.

Mr. Patterson discussed his planned tenure with the Board going forward.

INFORMATION REPORTS AND UPDATES

Budget and Financial Report

Education Assistance Report

Upon motion by Mr. Guinigundo, chair of the Education Assistance Committee, and seconded by Ms. Gilmore, the committee voted to approve an increase in education assistance funds.

Rules Update – Requirements to Return to Practice

The return to practice rule was discussed and approved. Motion carried 7-0.

Investigative Update

Approval of the February 10, 2017 Board Meeting Minutes

Upon motion by Ms. Sfalcin, seconded by Mr. Gottfried, the Board voted to approve the minutes of the February 10, 2017 meeting. Motion carried 7-0.

OLD BUSINESS

Status of Past Hearings

Rachel Huston, Assistant Ohio Attorney General, reported that there is one appeal filed with the Ohio Supreme Court. All briefs are in for the Millard case.

NEW BUSINESS

Mr. Gero recommended that the Board approve the OSCP's submitted fee structure. A motion was made by Mr. Gottfried and seconded by Ms. Watts. Motion carried 7-0.

Travel to NASBA's Eastern Regional Conference was discussed, with travel approved for Ms. Gilmore, Mr. Guinigundo, Mr. Gottfried and Mr. Gero. Scholarships from NASBA are available for Mr. Redmond & Ms. Watts.

CHAIR'S REPORT

Mr. Gero invited the board members to submit requests by June 15, 2017 to sit on NASBA committees. Mr. Gero currently serves as the alternate nominating committee member for the Great Lakes Region of NASBA. He stated he intends to submit his name for the upcoming open role of nominating committee member for the Great Lakes Region.

SUMMARY OF BOARD REQUESTS

Communicate with non-AICPA member firms regarding the fee for all non-members who perform attest services.

Respond to AICPA quality assurance program proposal by June 30, 2017.

Post on web page regarding extensions to CPA exam test windows.

Upon motion by Ms. Sfalcin and seconded by Mr. Gottfried, the Board voted to adjourn.

Motion carried 7-0.

JAMES P. GERO, CHAIR

MICHAEL M. GUINIGUNDO, SECRETARY