

Accountancy Board of Ohio
Minutes of Board Meeting April 26, 2019

The Accountancy Board met on April 26, 2019 in Rooms West B & C, 31st floor of the Riffe Center, Columbus, with the following members present: Michael Guinigundo, CPA (Chair), Margaret Gilmore, CPA (Vice-Chair), Kenya Watts, CPA (Secretary), James Gottfried, CPA (Immediate Past Chair), James Redmond, CPA (Member), John Soucie, CPA (Member), Gerald Weinstein (Member), Scott Blake (Public Member), and Brendan Fitzgerald, CPA (Member).

Representing the Board staff was John E. Patterson, Executive Director; Tracey F. Fithen, Assistant Executive Director; and Donna M. Oklok, Investigations Supervisor. Board counsel present was Jahan S. Karamali, Esq., representing the office of the Ohio Attorney General.

Present in the audience was Barbara Benton, Vice President of Governmental Affairs, Lisa Brown, Director of Technical Services, and Glenn Roberts, CPA, Senior Technical Reviewer of the Ohio Society of Certified Public Accountants (OSCPA). Also present was James Gero, ex-officio member of the Board's peer review oversight committee, as well as David Dennis, CPA.

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

REINSTATEMENT HEARING: JEFFREY S. HAMMEL

Mr. Guinigundo opened a reinstatement hearing at 10:01 a.m. pursuant to section 4701.17 of the Revised Code. Mr. Hammel was in attendance and was represented by counsel, Brandon Smith, attorney.

Ms. Karamali called Mr. Hammel as a witness and introduced State's Exhibits A, 1 through 21. Mr. Hammel then spoke and was questioned by the Board.

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

FORMAL HEARING: DONN R. BLANK (GOLDMAN)

Mr. Guinigundo opened a disciplinary hearing at 10:10 a.m. pursuant to Chapter 119 of the Revised Code. The Board charged Mr. Blank with a violation of section 4701.16(A)(7) of the Revised Code, concerning cancellation, revocation, suspension, or refusal to renew authority to practice as a certified public accountant, a public accountant, or public accounting firm by any other state, for any cause other than failure to pay registration fees in that other state. Mr. Blank was not in attendance.

Ms. Karamali called Ms. Charlene Nortey, Board Investigator to testify to the accuracy of the records of the Board, and introduced State's Exhibits A, 1 through 8; and B, 1 through 6.

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

REINSTATEMENT HEARING: ROBERT A. HERKING

Mr. Guinigundo opened a reinstatement hearing at 10:24 a.m. pursuant to section 4701.17 of the Revised Code. Mr. Herking was in attendance and was not represented by counsel.

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Ms. Karamali called Mr. Herking as a witness and introduced State's Exhibits A, 1 through 3; B, 1; and C, 1. Mr. Herking then spoke and was questioned by the Board.

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

PRESENTATIONS – OSCPA

The OSCPA's Barbara Benton, Vice President for Government Affairs, and Lisa Brown, Director of Technical Services, presented the OSCPA's peer review administration update. Ms. Brown updated the Board on the progress and issues with the American Institute of Certified Public Accountants (AICPA) PRIMA website. She also stated that the OSCPA is in compliance with all aspects of the AICPA's administering entity benchmarks pilot program. Ms. Brown spoke about the hearing process for recalled reviews and non-pass reviews. Mr. Patterson spoke about potential disciplinary action regarding firms which have been disciplined by the AICPA for failing to meet professional standards and asked that the Board receive better notification of AICPA hearing outcomes. Ms. Brown stated that the OSCPA would be able to add language to their correspondence specifying actions firms should take to notify the Board in these instances.

PEER REVIEW OVERSIGHT COMMITTEE

Mr. Weinstein, chair of the Peer Review Oversight Committee, opened a meeting at 10:57 a.m., with Mr. Redmond, Mr. Soucie, and Mr. Gero representing the Committee. Upon the motion by Mr. Weinstein and seconded by Mr. Redmond, the Committee recommended the Board approve the OSCPA's status as the Board's administering entity. The motion passed on a 9-0 roll call vote of the Board. The Peer Review Oversight Committee meeting adjourned at 11:03 a.m.

REQUEST FOR WAIVER OF LATE FEES

LAURENCE A. BARTELL

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

JOHN T. KEARNEY

Mr. Kearney requested a return of the \$85 Ohio registration fee paid prior to obtaining an Ohio permit.

LEONARD Y. NATH

Mr. Nath requested a waiver of the \$485 late/back fees due to non-renewal of his Ohio registration.

WEBER CLARK CPAs

The firm requested a waiver of the \$900 late fee due to non-renewal of the firm's peer review registration.

MICHELLE A. VOELKL

Ms. Voelkl requested a waiver of the \$580 late/back fees due to non-renewal of her Ohio permit.

C. THOMAS SMITH

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

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MCDANIEL CPA

The firm requested a waiver of the \$300 late fee due to non-renewal of the firm's peer review registration.

REYNOLDS & CO CPAs

The firm requested a waiver of the \$300 late fee due to non-renewal of the firm's peer review registration.

RICHARD R. POTTER

Mr. Potter requested a waiver of the \$150 late fee due to non-renewal of his Ohio registration.

PATRICIA R. BREEDING

Ms. Breeding requested a waiver of the \$676 late/back fees due to non-renewal of her Ohio registration.

QUASI-JUDICIAL DELIBERATIONS

Upon Mr. Guinigundo'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

Jeffrey S. Hammel (Case #2017-36)

Upon the motion by Ms. Watts, and seconded by Mr. Gottfried, the Board voted to reinstate the CPA certificate of Mr. Hammel, pending completion of the following conditions:

- 1) Payment of a reinstatement fee of \$250, and the license fee due
- 2) Submission of appropriate documentation of completion of 120 CPE credits, including three (3) credits of Board approved, Ohio-based professional standards and responsibilities

Motion carried 9-0 on a roll call vote.

Robert A. Herking (Case #2019-2000)

Upon the motion by Ms. Watts, and seconded by Mr. Redmond, the Board voted to reinstate the CPA certificate of Mr. Herking, pending completion of the following conditions:

- 1) Payment of a reinstatement fee of \$250, and the license fee due
- 2) Verification of completion of 120 CPE credits, including three (3) credits of Board approved, Ohio-based professional standards and responsibilities

Motion carried 9-0 on a roll call vote.

Donn R. Blank (Case #2019-2140)

Upon the motion by Ms. Watts, and seconded by Ms. Gilmore, the Board voted to revoke the CPA certificate and firm registration of Mr. Blank.

Motion carried 9-0 on a roll call vote.

LATE FEE WAIVER REQUESTS

Upon the motion by Ms. Watts and seconded by Mr. Gottfried, the Board voted to approve the request for waiver for Laurence Bartell.

Motion carried 8-0, with one abstention, on a roll call vote.

Upon the motion by Ms. Watts and seconded by Mr. Soucie, the Board voted to reduce the late and back fees to \$250 for Michelle Voelkl.

Motion carried 6-3 on a roll call vote.

Upon the motion by Ms. Watts and seconded by Mr. Gottfried, the Board voted to approve the request for waiver for Weber Clark CPAs.

Motion carried 9-0 on a roll call vote.

Upon the motion by Ms. Watts and seconded by Ms. Gilmore, the Board voted to deny the requests for waiver for John Kearney, Leonard Nath, C. Thomas Smith, McDaniel CPAs, Richard Potter, and Patricia Breeding.

Motion carried 9-0 on a roll call vote.

Upon the motion by Ms. Watts and seconded by Mr. Redmond, the Board voted to reconsider the request for waiver of late fees for Reynolds & Co. CPAs, pending the receipt of additional information from the firm relating to the request.

Motion carried 9-0 on a roll call vote.

REQUEST FOR RECONSIDERATION

Mr. Patterson discussed the closed case review of Donald Jacobson, CPA in response to a complaint filed by Vivian Schilla. The Board voted 9-0 to take no action.

Mr. Patterson also addressed the situation of Anne Connelly-Hill and Hill, Lloyd, & Welsh. Ms. Hill's CPA certificate and her firm registration were revoked on January 1, 2019 due to failure to complete the online registration process. Mr. Patterson asked if the Board wished to modify their Order. The Board voted 9-0 to modify their previous Order deadline to May 31, 2019.

EXECUTIVE DIRECTOR'S REPORT

Mr. Patterson spoke about the recent Executive Director's meeting in San Antonio, Texas, and that Ms. Fithen has presented a module during the event. He also spoke about the discussion regarding the 18-month window for completion of the CPA Examination. Mr. Patterson reported on the AICPA proposed peer review process, specifically the process surrounding recalled peer reviews, disciplinary process, and the administration of the PROC. Mr. Patterson informed the Board on the trial of John Carrigan in Tiffin, Ohio, related to unlawful practice charges filed by the Board. He also updated the Board on the latest budget committee meeting, and that the Board will need to consider how to budget for the increased demand on the education assistance fund as well as the increase in costs for the eLicense system. Mr. Patterson spoke to the handling of the 20 hour rule for CPE and that additional information will be communicated via email blast July 1 to licensees yet again this year. Mr. Paterson stated that hotel accommodations near Miami University are limited, and a block of rooms would be reserved for those who would like to stay before the September 9 meeting. Mr. Patterson also asked that the Board approve his waiver of late fees for a licensee who did not receive a renewal notification due to an eLicense error. The Board voted 9-0 to approve this waiver.

INFORMATION REPORTS AND UPDATES

Budget/Financial Update/Annual Report

Education Assistance Report

Investigations Report

Rules Update

Ms. Oklok reported that the most recent comment period has passed and the proposed rule revisions currently are under review by the Governor's Common Sense Initiative (CSI) office.

Approval of February 8, 2019 Board Meeting Minutes

Upon motion by Mr. Gottfried and seconded by Ms. Watts, the Board voted 9-0 to approve the minutes of the February 8, 2019 Board meeting.

OLD BUSINESS

Status of Past Hearings

Ms. Karamali reported that the matter of MK Jeffers has been resolved, with Franklin County Common Pleas Court as Mr. Jeffers filed an appeal after the deadline. The Board's Order stands.

NEW BUSINESS

Ms. Fithen reported that the new CPE Audit Service website is ready to go, but Ohio is waiting for OSCPA's system to be available, since many Ohio CPAs take CPE from OSCPA.

CHAIR'S REPORT/EXECUTIVE COMMITTEE MEETING

Mr. Guinigundo opened a meeting of the Executive Committee at 12:36 p.m. for the purpose of approving expenditures for the 2019 NASBA conference in Washington DC, with committee members Ms. Gilmore and Ms. Watts also in attendance. Mr. Weinstein, Mr. Redmond, Mr. Gottfried, Mr. Fitzgerald, Ms. Watts, Ms. Gilmore, and Mr. Guinigundo all plan to attend. Upon motion by Ms. Gilmore and seconded by Mr. Guinigundo, the expenditures were approved 9-0.

SUMMARY OF BOARD REQUESTS

Mr. Patterson listed the Board requests: for staff to provide additional language to OSCPA regarding the requirement to notify the Board with regard to actions involving peer review. The Reynolds & Co., CPA waiver request will be moved to June, and the firm will be asked to provide a more detailed timeline of events to support this request, and PRIMA/tech reviewer contact. Six hotel rooms will be reserved for the Miami University meeting.

ADJOURNMENT

Upon motion by Ms. Gilmore and seconded by Mr. Gottfried, the Board voted 9-0 to adjourn.

MICHAEL M. GUINIGUNDO, CHAIR

KENYA Y. WATTS, SECRETARY