

Accountancy Board of Ohio
Minutes of Board Meeting June 5, 2020

The Accountancy Board met virtually on June 5, 2020, via Microsoft Teams, with the following members present: Margaret Gilmore, CPA (Chair), Kenya Watts, CPA (Vice-Chair), James Redmond, CPA (Secretary), Michael Guinigundo, CPA (Immediate Past Chair), John Soucie, CPA (Member), Gerald Weinstein, CPA (Member), Scott Blake (Public Member), Brendan Fitzgerald, CPA (Member), and Louise Jackson, CPA (Member).

Representing the Board staff was John E. Patterson, Executive Director; Tracey F. Fithen, Assistant Executive Director; and Donna M. Oklok, Investigations Supervisor; Charlene A. Nortey, Investigator and Sarah J. Sarnowski, Investigator. Board counsel present was Trista Turley-Martin, Esq., representing the office of the Ohio Attorney General.

Present in the audience was Scott Wiley, Chief Executive Officer, Laura Hay, Executive Vice President and Lisa Brown, Director of Technical Services of the Ohio Society of Certified Public Accountants (OSCPA); John Izzo, Esq., and Levi Tkach, Esq.

Ms. Gilmore called the meeting to order at 9:05 a.m. and opened the meeting with the Pledge of Allegiance. Ms. Gilmore also welcomed the guests in the audience.

PRESENTATIONS – OSCP A

The OSCP A's Laura Hay, Executive Vice President, presented the OSCP A's peer review administration update. Ms. Lisa Brown, OSCP A Director of Technical Services updated the Board on the progress and issues with the American Institute of Certified Public Accountants (AICPA) PRIMA website. She stated that the OSCP A is following 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 OSCP A would be able to add language to their correspondence specifying actions firms should take to notify the Board in these instances.

REQUEST FOR WAIVER OF LATE FEES

DEBBIE C. STICKEL

Ms. Stickel requested a waiver of the \$50 late fee due to non-renewal of her Ohio permit.

LORALYN SCOTT

Ms. Scott requested a return of the \$240 CPE fine due to not meeting the annual CPE requirement.

GERALD A. ROUSE

Mr. Rouse requested a waiver of the \$160 CPE fine due to not meeting the annual CPE requirement.

CATRINA L. LATTEN

Ms. Latten requested a waiver of the \$160 CPE fine due to not meeting the annual CPE requirement.

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DAVID J. CEPEK

Mr. Cepek requested a waiver of the \$1,200 late/back fees due to non-renewal of his Ohio permit.

GLORIA A. SCHUMAN

Ms. Schuman requested a return of permit fees in the amount of \$180, due to retirement of her Ohio permit.

SUSAN E. KROHN

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

RITA N. SINGH

Ms. Singh requested a waiver of the \$400 CPE fine due to not meeting the annual CPE requirement.

INFORMATION REPORTS AND UPDATES

Budget/Financial Update/Annual Report

Education Assistance Report

Investigations Report

Rules Update

Ms. Oklok reported that a public meeting has been held regarding rules under five-year review and their approval is pending a hearing before the Joint Committee on Agency Rule Review (JCARR).

Approval of May 1, 2020 Board Meeting Minutes

Upon motion by Mr. Weinstein and seconded by Mr. Fitzgerald, the Board voted 9-0 to approve the minutes of the May 1, 2020 Board meeting.

REINSTATEMENT HEARING: GEOFFREY W. NEHRENZ

Ms. Gilmore opened a reinstatement hearing at 10:12 a.m. pursuant to section 4701.17 of the Revised Code. Mr. Nehrenz was in attendance.

Ms. Turley-Martin called Mr. Nehrenz as a witness and introduced State's Exhibits A, 1 through 12; B, 1 through 24; and C, 1 through 8. Mr. Nehrenz then spoke and was questioned by the Board.

Ms. Turley-Martin called Ms. Donna Oklok, Investigations Supervisor, to testify to the accuracy of the records of the Board.

The Board admitted into evidence all exhibits. Ms. Gilmore concluded the reinstatement hearing.

FORMAL HEARING: JANICE HANZAK / J C HANZAK & COMPANY (GOLDMAN)

Ms. Gilmore opened a disciplinary hearing at 11:13 a.m. pursuant to Chapter 119 of the Revised Code. The Board charged Ms. Hanzak/Hanzak & Company with a violation of sections 4701.16(A)(3), (A)(9) and (A)(11) of the Revised Code, concerning violation of any of the provisions of section 4701.14 of the Revised Code; failure of a holder of a CPA certificate or PA registration to obtain an Ohio permit or an Ohio registration, or the failure of a public accounting firm to obtain a firm registration; and failure of a public accounting firm to comply with section 4701.04 of the Revised Code. Ms. Hanzak was not in attendance.

Ms. Turley-Martin called Ms. Oklok to testify to the accuracy of the records of the Board, and introduced State's Exhibit A, 1 through 25.

The Board admitted into evidence all exhibits. Ms. Gilmore concluded the hearing.

FORMAL HEARING: VERNON YODER / YODER ACCOUNTING SERVICE (GOLDMAN)

Ms. Gilmore opened a formal hearing at 11:38 a.m. pursuant to section 4701.17 of the Revised Code. The Board charged Mr. Yoder/Yoder Accounting Service with a violation of sections 4701.16(A)(9) and (A)(11) of the Revised Code, concerning failure of a holder of a CPA certificate or PA registration to obtain an Ohio permit or an Ohio registration, or the failure of a public accounting firm to obtain a firm registration; and failure of a public accounting firm to comply with section 4701.04 of the Revised Code. Mr. Yoder was not in attendance.

Ms. Turley-Martin called Ms. Oklok to testify to the accuracy of the records of the Board, and introduced State's Exhibits A, 1 through 14; and B, 1 through 2.

The Board admitted into evidence all exhibits. Ms. Gilmore concluded the hearing.

FORMAL HEARING: WILLIAM T. UNIACK

Ms. Gilmore opened a disciplinary hearing at 11:54 a.m. pursuant to Chapter 119 of the Revised Code. The Board charged Mr. Uniack with a violation of sections 4701.16 (A)(4), (A)(7) and (A) (8) of the Revised Code, concerning violation of a rule of professional conduct promulgated by the board under the authority granted by this chapter; specifically, 4701-9-03 (B), generally accepted auditing standards and 4701-11-09 (8), failing to follow specialized professional engagement requirements of governmental bodies, commissions, or regulatory agencies; 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; and suspension of the right to practice before any state or federal agency. Mr. Uniack was not in attendance.

Ms. Turley-Martin called Ms. Oklok to testify to the accuracy of the records of the Board, and introduced State's Exhibits A, 1 through 24; B, 1 through 8; and C, 1 through 10.

The Board admitted into evidence all exhibits. Ms. Gilmore concluded the hearing.

QUASI-JUDICIAL DELIBERATIONS

Upon Ms. Gilmore'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

Geoffrey W. Nehrenz (Case #2019-11094)

Upon the motion by Mr. Redmond, and seconded by Mr. Guinigundo, the Board voted to take no action regarding the request to reinstate the CPA certificate of Mr. Nehrenz. He cannot reapply until his post-release supervision is complete and he can provide documentation of compliance with court-ordered restitution.

Motion carried 9-0 on a roll call vote.

Janice C. Hanzak / J C Hanzak & Company (Case #2019-12650)

Upon the motion by Mr. Redmond, and seconded by Mr. Weinstein, the Board voted to revoke the CPA certificate and firm registration of Janice Hanzak and J C Hanzak & Company.

Motion carried 9-0 on a roll call vote.

Vernon R. Yoder/Yoder Accounting Service (Case #2020-1399)

Upon the motion by Mr. Redmond and seconded by Mr. Soucie, the Board voted to revoke the CPA certificate and firm registration of Vernon Yoder and Yoder Accounting Service.

Motion carried 9-0 on a roll call vote.

William T. Uniack (Case #2019-9962)

Upon the motion by Mr. Redmond and seconded by Mr. Guinigundo, the Board voted to revoke the CPA certificate of William T. Uniack.

Motion carried 9-0 on a roll call vote.

LATE FEE WAIVER REQUESTS

Upon the motion by Mr. Redmond and seconded by Mr. Blake, the Board voted to deny the requests for waiver for Debbie C. Stickel, Gerald A. Rouse, David J. Cepek, Gloria A. Schuman, Susan E. Krohn and Rita N. Singh.

Motion carried 9-0 on a roll call vote.

Upon the motion by Mr. Redmond and seconded by Mr. Soucie, the Board voted to approve the request for waiver for Catrina L. Latten.

Motion carried 8-1 on a roll call vote.

Upon the motion by Mr. Redmond and seconded by Mr. Soucie, the waiver decision for Loralyn Scott was deferred, pending Board review of the response to her request.

Motion carried 9-0 on a roll call vote.

REQUEST FOR RECONSIDERATION

Mr. Patterson discussed the closed case review of Todd Franz, CPA/T. Franz & Associates, CPA in response to a complaint filed by William Zimmer. The Board voted 9-0 to take no action.

Mr. Patterson also addressed the situation of Evan Hays, who requested a waiver of the accounting education required to sit for the CPA Exam. The Board voted 9-0 to take no action.

EXECUTIVE DIRECTOR'S REPORT

Mr. Patterson spoke regarding the future of the Board's meetings and office logistics. The office has been able to complete all its functions with most staff working from home. He stated he anticipates work from home and virtual meetings will be the norm going forward. Mr. Patterson discussed exam extensions, which are being granted in line with other states and NASBA recommendations, and the re-opening of test centers with social distancing measures in place. He also stated that there are no changes to the Board's continuing professional education rules, as there are no limits to the credits earned online.

Mr. Patterson also stated that an emergency measure was enacted to move attest/peer review firm license renewal dates to December 1, 2020 or 90 days following the end of the current state of emergency, whichever is earlier. The peer review firms due to renew by October 31, 2020 have had their licenses moved to the December 1 expiration date. Mr. Patterson asked that, due to the delay in the peer review process, that the Board approve December 1, 2020 as the official renewal date regardless of the end of the state of emergency. The Board granted its approval in a 9-0 vote.

Ms. Hay spoke on Mr. Patterson's request regarding the accounting careers awareness program (ACAP). She shared OSU's wish that OSCPA return to funding the tuition for the executive director that oversees the ACAP program; an intern has been hired the last few years to coordinate the program as a better use of those funds. Ms. Hay asked if the Board supported the OSCPA's current method of using the funds or consider switching back to OSU's request to cover tuition for the executive director. The Board, after brief discussion, the Board felt the OSCPA's current method was an acceptable use of funds.

Mr. Patterson concluded his report with a brief update of pending House Bill 442 and the governor's office recommendation that the board take no stance regarding its content.

OLD BUSINESS

Status of Past Hearings

No appeals have been filed, and no court action is pending.

NEW BUSINESS

CHAIR'S REPORT

After a short discussion, Ms. Gilmore waived the scheduled committee meetings until a later date.

SUMMARY OF BOARD REQUESTS

Late fee waiver request for Loralyn Scott along with additional information will be placed for reconsideration on the July 10th meeting agenda.

ADJOURNMENT

The meeting was adjourned by Ms. Gilmore.

MARGARET A. GILMORE, CHAIR

JAMES B. REDMOND, SECRETARY