

Accountancy Board of Ohio  
Minutes of Board Meeting July 10, 2020

The Accountancy Board met virtually on July 10th, 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), Gerald Weinstein, CPA (Member), Scott Blake (Public Member), Brendan Fitzgerald, CPA (Member) and Louise Jackson, CPA (Member). Board member John Soucie, CPA, was not in attendance.

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 Trista Turley-Martin, Esq., representing the office of the Ohio Attorney General. Also, in attendance were Board investigators Charlene A. Nortey and Sarah J. Sarnowski.

Present in the audience were W. Michael Fritz, CPA; Laura Hay, Executive Vice President of the (OSCPA); Lynette Angeloni of Western Governor's University; and Shane Berry of Ernst and Young.

The meeting was called to order by Board Chair Margaret Gilmore at 9:06 am. Ms. Gilmore opened the meeting with the Pledge of Allegiance.

**EXECUTIVE DIRECTOR'S REPORT**

Mr. Patterson stated there has been an increase of CPE waivers during this time. He also noted CPA exam deadlines have been extended to December, nationwide. Mr. Patterson discussed the possibility that Prometric testing centers could be closed next year, and whether the exam could be given online. However, there are unresolved issues. Board office operations are still running efficiently.

**INFORMATION REPORTS AND UPDATES**

**Budget/Financial (Year End Update)**

Ms. Fithen reviewed fiscal year end and budget provisions going forward into fiscal year 2021. Encumbrance of funds were done on most payment requests for the upcoming fiscal year to avoid continually requesting payment approvals from the Board's budget analyst. Travel has been prohibited indefinitely.

**Education Assistance**

Due to the COVID-19 pandemic, scholarships were at a low for the last quarter of the 2020 fiscal year. \$59,783 remains for the year. Fiscal year 2021 was allotted the full \$525,000 for distribution.

## **Rules Update**

Ms. Oklok stated the JCARR rules hearing was held on Thursday, July 9, 2020. Ms. Oklok will file rules to be effective September 1, 2020.

## **Investigations**

Ms. Oklok reported that the logging of investigations is normal for this time of year.

## **OLD BUSINESS**

### **Status of Past Hearings**

None pending. Ms. Turley-Martin reviewed the docket of past hearings and at this time, no appeals have been filed. The Ohio Supreme Court currently has an order which has suspended court deadlines, but this may not be applicable to administrative appeals, since they are statutory.

## **CHAIR'S REPORT**

### **Finance and Audit Committee**

In lieu of meeting, Ms. Fithen provided a report. She stated the Secretary of State's biennial audit is almost complete, and the expenditure audit has been completed. Modifications which were done for the 2019 revenue have to be completed, as the auditor is attempting to understand how the process was completed.

### **Education Assistance Committee**

Committee will schedule a meeting prior to September. Ms. Watts, chair of the Education Assistance Committee, will schedule the meeting.

## **APPROVAL OF JUNE 5, 2020 BOARD MINUTES**

Ms. Gilmore proposed acceptance and approval of the June 5, 2020 Board minutes, after incorporating Ms. Watts' two suggested amendments regarding a vote and information given during the ACAP presentation.

Upon motion by Mr. Weinstein and seconded Mr. Fitzgerald, the Board voted 8-0 to approve the minutes of the June 5, 2020 Board meeting as amended.

The motion passed 8-0.

## **FORMAL HEARINGS**

### **FORMAL HEARING: NICHOLAS J. WOLF, CPA / NICHOLAS J. WOLF & CO. (GOLDMAN)**

Ms. Gilmore opened a disciplinary hearing at 9:35 a.m. pursuant to Chapter 119 of the Revised Code. The Board charged Nicholas J. Wolf/Nicholas J. Wolf & Co. 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. Mr. Wolf was not in attendance.

Ms. Turley-Martin called Ms. Charlene Nortey, Board Investigator, to testify to the accuracy of the records of the Board, and introduced State's Exhibit A, 1 through 14; and Exhibit B, 1 through 3.

Donna Oklok, Investigations Supervisor, testified pertaining to a question asked by a Board member.

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

### **FORMAL HEARING: PETER STANSBERY, CPA**

Ms. Gilmore opened a disciplinary hearing at 9:58 a.m. pursuant to Chapter 119 of the Revised Code. The Board charged Peter Stansbery with a violation of sections 4701.16(A)(1) and (A)(4) of the Revised Code, concerning fraud or deceit in obtaining a firm registration or in obtaining a CPA certificate, a PA registration, an Ohio permit, or an Ohio registration; and violation of a rule of professional conduct promulgated by the board under the authority granted by this chapter, specifically Ohio Administrative Code (OAC) 4701-15-03, Continuing Education Reporting and OAC 4701-15-12, Continuing Education Verification. Mr. Stansbery was in attendance and addressed the board. He was then questioned by Ms. Turley-Martin and the board.

Ms. Turley-Martin called Charlene Nortey, Board Investigator, to testify to the accuracy of the records of the Board, and introduced State's Exhibit A, 1 through 10; and Exhibit B, 1 through 11.

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

### **FORMAL HEARING: MICHAEL P. SPOLAR, CPA**

Ms. Gilmore opened a disciplinary hearing at 10:31 a.m. pursuant to Chapter 119 of the Revised Code. The Board charged Michael P. Spolar with a violation of sections 4701.16(A)(4), (A)(8) and (A)(10) of the Revised Code, concerning violation of a rule of professional conduct

promulgated by the board under the authority granted by this chapter, specifically OAC 4701-11-09, Acts Discreditable; suspension of the right to practice before any state or federal agency; and conduct discreditable to the public accounting profession or to the holder of an Ohio permit, Ohio registration, or foreign certificate. Mr. Spolar was in attendance and represented by James J. Leo, attorney.

Mr. Leo and Ms. Turley-Martin agreed to the following stipulations:

1. The Board met all notice requirements.
2. Mr. Spolar timely requested a hearing.
3. Authenticity of all documents.

Ms. Turley-Martin provided an opening statement and introduced State's Exhibits A, 1 through 12; Exhibit B, 1 through 65; and Exhibit C, 1 through 4.

Mr. Leo provided an opening statement and introduced Respondent's Exhibit A, 1 through 2; Exhibit B, 1 through 3; Exhibit C, 1; Exhibit D, 1; Exhibit E, 1 through 3; Exhibit F, 1 through 2; and Exhibit G, 1 through 9.

Mr. Spolar was sworn in and was questioned as if on cross-examination by Ms. Turley-Martin.

Mr. Leo presented Mr. Spolar's case to the Board and questioned Mr. Spolar.

Mr. Spolar was questioned by the Board.

Ms. Turley-Martin provided closing arguments.

Mr. Leo provided closing arguments.

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

#### **FORMAL HEARING: JOHN J. VRANA, CPA/HUDAK VRANA CPAS (GOLDMAN)**

Ms. Gilmore opened a disciplinary hearing at 12:03 p.m. pursuant to Chapter 119 of the Revised Code. The Board charged John Vrana/Hudak Vrana, CPAs 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.

Ms. Turley-Martin called Sarah Sarnowski, Board Investigator, to testify to the accuracy of the records of the Board, and introduced State's Exhibit A, 1 through 30.

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

### **REQUEST FOR WAIVER OF LATE FEES**

#### **LORALYN SCOTT**

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

#### **MARK PREPUTNIK**

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

### **SUMMARY OF BOARD REQUESTS**

Mr. Patterson requested an education assistance meeting take place. Ms. Watts recommended the meeting occur before September 14, 2020. This meeting will be scheduled and include an invitation to Laura Hay. All Board members are welcome to participate.

### **QUASI-JUDICIAL DELIBERATIONS**

Upon Ms. Gilmore's direction, Mr. Fitzgerald proposed a motion to enter quasi-judicial deliberations which was seconded by Ms. Watts. A roll call vote occurred, in the following order: Ms. Watts, Mr. Redmond, Mr. Guinigundo, Mr. Weinstein, Mr. Blake, Mr. Fitzgerald, Ms. Jackson—these individuals voted yes, and Ms. Gilmore voted yes. 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**

#### **LATE FEE WAIVER REQUESTS**

Upon the motion by Mr. Redmond and seconded by Mr. Fitzgerald, the Board voted to deny the request for waiver for Loralyn Scott.

Motion carried 8-0 on a roll call vote.

Upon the motion by Mr. Redmond and seconded by Ms. Watts, the Board voted to deny the request for waiver for Mark Preputnik.

Motion carried 7-0, with one abstention, on a roll call vote.

**Nicholas J. Wolf / Nicholas J. Wolf & Company (Case #2020-1172)**

Upon the motion by Mr. Redmond and seconded by Mr. Blake, the Board voted to revoke the CPA certificate of Nicholas J. Wolf and firm registration of Nicholas J. Wolf & Company.

Motion carried 8-0 on a roll call vote.

**Peter D. Stansbery (Case #2020-3030)**

Upon the motion by Mr. Redmond, and seconded by Mr. Weinstein, the Board voted to revoke the CPA certificate of Mr. Stansbery, but to stay the revocation, pending completion of the following conditions on or before January 1, 2021:

1. Submission of a fine of \$500;
2. Submission of a penalty fee of \$10 per hour for any deficient CPE credits earned in 2020;
3. Completion and submission of 120 CPE credits of continuing professional education, including three hours of a Board-approved professional standards and responsibilities/ethics course specific to Ohio laws and rules.

Motion carried 8-0 on a roll call vote.

**Michael P. Spolar (Case #2020-1198)**

Upon the motion by Mr. Redmond and seconded by Ms. Watts, the Board voted to revoke the CPA certificate of Mr. Spolar. Additionally, Mr. Spolar cannot apply for reinstatement prior the expiration of Mr. Spolar's FINRA suspension.

Motion carried 8-0 on a roll call vote.

**John J. Vrana / Hudak Vrana CPAs (Case #2020-1261)**

Upon the motion by Mr. Redmond, and seconded by Mr. Blake, the Board voted to revoke the CPA certificate and firm registration of Mr. Vrana and Hudak Vrana CPAs, but to stay the revocation, pending completion of the following conditions, on or before September 30, 2020:

1. Submission of a fine of \$1,500
2. Completion of three credits of Board-approved, Ohio professional standards and responsibilities/ethics course specific to Ohio laws and rules
3. Payment of all firm registration and late fees

Motion carried 8-0 on a roll call vote.

**NEW BUSINESS**

None.

**ADJOURNMENT**

Upon motion by Mr. Guinigundo and seconded by Mr. Weinstein, the Board voted 8-0 to adjourn at 1:18 p.m.

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**Margaret A. Gilmore, Chair**

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**James B. Redmond, Secretary**