

Accountancy Board of Ohio  
Minutes of Board Meeting September 7, 2018

The Accountancy Board met on September 7, 2018 at the University of Akron College of Business Administration, 259 South Broadway Street, Akron, with the following members present: James Gottfried, CPA (Chair), James Gero, CPA (Immediate Past Chair), Michael Guinigundo, CPA (Vice-Chair), Margaret Gilmore, CPA (Secretary), Kenya Watts, CPA (Member), James Redmond, CPA (Member), John Soucie, CPA (Member), Gerald Weinstein, CPA (Member), and R. Scott Blake (Public 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 Keith O’Korn, representing the office of the Ohio Attorney General.

Present in the audience was Colleen Conrad, Executive Vice President and Chief Operating Officer, NASBA, Theodore W. Long, Jr., Past Board Chair and current NASBA Chair, W. Michael Fritz, Past Board Chair and current NASBA Board Director and Secretary, Laura Hay, Executive Vice President, and Barbara Benton, Vice President of Government Affairs, of the Ohio Society of Certified Public Accountants (OSCPA), and Kayla Keys, OSCPAs University of Akron college ambassador. Dr. Thomas G. Calderon, Professor of Accounting at the GW Daverio School of Accountancy was also present, along with students from University of Akron, Kent State, and Cleveland State University.

Mr. Gottfried called the meeting to order at 10:11 a.m., and opened the meeting. Mr. Gottfried also welcomed the guests in the audience, and permitted the Board members and Board staff to introduce themselves.

Ms. Colleen Conrad, Executive Vice President and Chief Operating Officer, NASBA, spoke to the assembled students and meeting attendees regarding preparing for the CPA exam, the expanded requirements, CPA Exam Blueprint, and statistics of note specific to those who sit for the Ohio CPA exam. She also spoke about the services offered by NASBA for transcript evaluation and course and review topics.

**FORMAL HEARING: CULKAR STACHOWICZ, CPAs**

Mr. Gottfried opened a disciplinary hearing at 11:10 a.m. pursuant to Chapter 119 of the Revised Code. The Board charged Culkar Stachowicz, CPAs, an Ohio public accounting firm, 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. Both Mr. Culkar and Mr. Stachowicz were in attendance, and the firm was represented by Mr. Brian Green, attorney.

Mr. O’Korn gave an opening statement, and called Ms. Faith Ottavi, Board Investigator as a witness. Mr. O’Korn introduced State’s Exhibit(s) A, 1 through 13; B, 1; and C, 1 through 12. Mr. Green, counsel for the firm, gave an opening statement and introduced Respondent’s Exhibit 1, pages 1 through 31. Mr. Frank Culkar was questioned by the Board, on behalf of the firm.

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

**FORMAL HEARING: ROGEN YOUNG CPAs**

Mr. Gottfried opened a disciplinary hearing at 11:50 a.m. pursuant to Chapter 119 of the Revised Code. The Board charged Rogen Young CPAs, an Ohio public accounting firm, 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. William Young was in attendance, and the firm was represented by Mr. James Leo, attorney.

Mr. O’Korn gave an opening statement, and called Ms. Faith Ottavi, Board Investigator as a witness. Mr. O’Korn introduced State’s Exhibits A, 1 through 20; and B, 1-2. Mr. Leo, counsel for the firm, gave an opening statement and introduced Respondent’s Exhibits 1, (1); 2, (1); 3, (1-2), and 4, 1 through 3. Mr. Young was questioned by the Board, on behalf of the firm.

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

**FORMAL HEARING: VICTOR MELES (2018-5010)**

Mr. Gottfried opened a disciplinary hearing at 12:30 p.m. pursuant to Chapter 119 of the Revised Code. The Board charged Mr. Meles with a violation of section 4701.16 (A) (1), concerning fraud and deceit in obtaining a CPA certificate, a PA registration, an Ohio permit, or an Ohio registration.

Mr. O’Korn called Ms. Faith Ottavi, Board Investigator as a witness. Mr. O’Korn introduced State’s Exhibit(s) A, 1 through 13; and B, 1 through 6. Mr. Meles spoke and was questioned by the Board.

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

**REQUESTS FOR RECONSIDERATION**

Mr. Kenneth Ross submitted a letter to explain his answers on the CPA examination application, and subsequently for application to obtain a CPA certificate. The Board voted 9-0 to accept Mr. Ross’ application to become an Ohio CPA.

Mr. Al Fricano submitted documentation and requested the Board reconsider granting continuing professional education credits related to a pamphlet he put together for his clients. The Board voted 9-0 to not grant credit.

**COMMENT ON BEHALF OF EDUCATION ASSISTANCE FUND**

Ms. Katelyn Henthorn, a student at the University of Akron and a recipient of the Board’s education assistance grant, addressed the Board. She thanked the Board for the program and the opportunity to receive financial assistance with her fifth year of education.

**REQUEST FOR WAIVER OF LATE FEES**

MICHAEL J. GHEEN

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

RANDAL GADDIS

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

SUSAN E. CRABILL

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

LISA A. HINTON

Ms. Hinton requested a waiver of the \$800 late fee due to non-renewal of her Ohio permit.

FRANCIS L. DUFFY

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

JAMES N. PARR

Mr. Parr requested a waiver of the \$800 late fee due to non-renewal of his Ohio permit.

STEPHEN E. MCAFEE

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

DAN YU

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

**QUASI-JUDICIAL DELIBERATIONS**

Upon Mr. Gottfried'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**

**Culkar Stachowicz, CPAs (Case #2018-39)**

Upon the motion by Board Secretary Ms. Gilmore, and seconded by Mr. Guinigundo, the Board voted to revoke the firm registration of Culkar Stachowicz, CPAs., but to stay the revocation subject to completion of the following conditions by November 30, 2018:

- (1) Submission of a fine of \$1,500
- (2) Completion of three (3) credits in board-approved, Ohio-based professional standards and responsibilities by Mr. Culkar and Mr. Stachowicz
- (3) Compliance with any outstanding firm registration issues or peer review requirements

Motion carried 9-0 on a roll call vote.

**Rogen Young, CPAs (Case 2018-38)**

Upon the motion by Ms. Gilmore, and seconded by Ms. Watts, the Board voted to revoke the firm registration of Rogen Young CPAs and the CPA certificate of Mr. Young, but to stay the revocation subject to the completion of the following conditions by December 31, 2018:

- (1) Submission of a fine of \$1,500
- (2) Completion of three (3) credits in board-approved, Ohio-based professional standards and responsibilities
- (3) Compliance with firm registration requirements

Motion carried 9-0 on a roll call vote.

**Victor Meles (Case 2018-5010)**

Upon the motion by Ms. Gilmore, and seconded by Mr. Gero, the Board voted to grant Mr. Meles a non-practicing registration, effective as of January 1, 2018.

Motion carried 9-0 on a roll call vote.

**LATE FEE WAIVER REQUESTS**

Upon the motion by Ms. Gilmore and seconded by Ms. Watts, the Board voted to deny the requests for waiver for Michael Gheen, Randal Gaddis, Susan Crabill, Lisa Hinton, Frank Duffy, James Parr, Steve McAfee, and Dan Yu.

Motion carried 9-0 on a roll call vote.

**EXECUTIVE DIRECTOR'S REPORT**

Mr. Patterson reported he would be attending the AAA meeting in early October at OSCPA. He also asked that the Board consider a location for next year's college meeting. Mr. Patterson requested to have the hearing start time for October moved to 12:30 p.m., to account for NASBA presentations and to address other Board business. The Board agreed to the change. The budget has been finished for the next biennium, Mr. Patterson said. Mr. Patterson addressed the students in the audience, and spoke regarding the October 19 meeting inviting students from small colleges to attend. Mr. Patterson also discussed having the September 2019 meeting on a Monday rather than Friday, to have more students available.

**INFORMATION REPORTS AND UPDATES**

**Budget/Financial Report**

Ms. Fithen reported the biennial budget will be submitted next Tuesday.

**Education Assistance Report**

### **Rules Update**

Ms. Oklok reported that the Board's communications rule 4701-11-07, will be up for approval at the November 2018 JCARR meeting, and will go into effect as soon as possible following that hearing. Ms. Oklok also noted that there are 47 rules up for review in 2019, and that the peer review rule, 4701-13-11, is being looked at for revision, as eLicense was built to capture data from attest firms and the form specified in the rule may no longer be needed. She stated she would request all rules on December 1.

### **Investigations Report**

Ms. Oklok reported that investigators have been notifying expired licensees to renew, and will follow up as needed to ensure compliance.

### **Approval of July 20, 2018 Board Meeting Minutes**

Upon motion by Mr. Blake and seconded by Ms. Watts, the Board voted 9-0 to approve the minutes of the July 20, 2018 Board meeting.

### **OLD BUSINESS**

#### **Status of Past Hearings**

Ms. Oklok reported that no decision has been issued in the Fidler appeal. She also reported that Mr. John Carrigan, a former CPA whose certificate was revoked by the Board in early 2018, has been charged in Tiffin with unlawful practice.

Ms. Oklok updated the Board on tax firm renewal, and the upcoming attest firm and individual license renewal. Ms. Laura Hay of the OSCP requested information on the renewal dates to share with their members, and Ms. Oklok agreed to provide the information. Ms. Oklok shared updates and information on eLicense

### **NEW BUSINESS**

Mr. Patterson spoke briefly about licensees previously in "out of country" status

### **CHAIR'S REPORT**

#### **Executive Committee**

Mr. Gottfried called to order a meeting of the Executive Committee at 2:38 p.m. to approve those attending the NASBA annual meeting and NASBA dinner. The committee voted unanimously to approve, and the meeting adjourned at 2:42 p.m.

Upcoming committee meetings for October 19 are licensing and office oversight committees, Mr. Gottfried stated. Mr. Gottfried also requested the board members communicate any topics for the October annual meeting.

**SUMMARY OF BOARD REQUESTS**

None.

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

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**JAMES D. GOTTFRIED, CHAIR**

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**MARGARET A. GILMORE, SECRETARY**