

Accountancy Board of Ohio
Minutes of Board Meeting October 19, 2018

The Accountancy Board met on October 19, 2018 in Rooms West B & C, 31st Floor of the Riffe Center, Columbus, with the following members present: James Gottfried, CPA (Chair), James Gero, CPA (Immediate Past Chair), Kenya Watts, CPA (Member), James Redmond, CPA (Member), John Soucie, CPA (Member), Gerald Weinstein, CPA (Member), and 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 Patricia Hartman, Director of Client Services, National Association of State Boards of Accounting (NASBA); along with Laura Hay, Executive Vice President, Barbara Benton, Vice President of Governmental Affairs, and Ohio Society of CPAs (OSCPA); Cynthia Turner, Senior Lecturer of Accounting & Management Information Systems, and Dr. David Harrison, Senior Director of Diversity and Inclusion, The Ohio State University (OSU); Greta Russell, former Board Chair; Brian Day and Stephen Osborne, Instructors of Accounting, Otterbein University; Kimberly Fatten, Assistant Professor, Capital University; and sixty-nine students from OSU, Capital University, Otterbein University, and Wright State University.

Mr. Gottfried called the meeting to order at 9:59 a.m., and opened the meeting with the Pledge of Allegiance. Mr. Gottfried also welcomed the guests in the audience.

PRESENTATIONS – STUDENT SESSION

Ms. Hartman spoke to the assembled students and meeting attendees regarding preparing for the CPA Exam. She provided advice about what to expect at an Exam testing site, and answered questions from the audience about reciprocity and transfer of grades for licensure. She also spoke about the AICPA’s Exam Blueprint, the services offered by NASBA for transcript evaluation, and course and review topics.

Ms. Hay spoke about the benefits of becoming a CPA, membership in the OSCPAs and the outreach programs available via OSCPAs student ambassadors.

Mr. Patterson called on three former attendees of the Accounting Careers Awareness Program (ACAP): Sparkle Parter, Virginia Field, and Dierre Blash. All three spoke briefly on the impact of ACAP on their decision to pursue education in accounting. Mr. Patterson then invited the board members and staff to introduce themselves and their role with the Board. Mr. Gottfried invited board members James Redmond and Kenya Watts to speak about their experiences as a CPA in public accounting and industry, respectively.

EXECUTIVE DIRECTOR’S REPORT

Mr. Patterson shared a thank you letter from the OSCPAs regarding the board’s donation to the ACAP program. He also stated that Ohio Jobs and Family Services has released an elder abuse pamphlet and are working on training for financial professionals. Mr. Patterson spoke about the Auditor of State’s recent audit report, and that the findings raised are DAS enterprise issues which were outside of board control. He reported DAS is aware and reportedly working on a solution. Thank you letters were also received from University of Akron, related to the September meeting, and Franklin University, regarding Ms. Fithen’s help with the educational assistance fund.

INFORMATION REPORTS AND UPDATES

Budget/Financial Update/Annual Report

Ms. Fithen reported that the budget requests for 2020 and 2021 have been submitted.

Education Assistance Report

Ms. Fithen reported that 78 awards were given out in the prior biennium.

Rules Update

Ms. Oklok reported that board rule 4701-11-07 will be effective in December. The 2019 five year rule review has begun, and the rules will be requested from the Register of Ohio on December 1. Ms. Oklok explained the rule revision process to those assembled, and invited them to participate. Mr. Patterson and Mr. Gottfried noted that the rule revision discussion would officially begin at the December Board retreat.

Investigations Report

Ms. Oklok noted that the public lookup does not contain sufficient information to verify CPA licensure, but that an update is forthcoming. She asked that all verification lookups be referred to CPA Verify.

Approval of September 7, 2018 Board Meeting Minutes

Upon motion by Ms. Watts and seconded by Mr. Weinstein, the Board voted 7-0 to approve the minutes of the September 7, 2018 Board meeting.

OLD BUSINESS

Status of Past Hearings

NEW BUSINESS

Ms. Oklok reported the annual report will be completed upon receipt of information from NASBA. Mr. Patterson requested the college day visit in September 2019 happen on a Monday to attract the most student participation. The Board voted to move the 2019 annual meeting date to October, with Mr. Weinstein making the motion and Mr. Blake seconding. Motion passed 7-0.

COMMITTEE MEETINGS

Mr. Gottfried opened a meeting of the Nominating Committee at 11:29 a.m. for the purpose of electing officers for the 2019-2020 Board. Nominated for Chair was Michael Guinigundo; for Vice-Chair, Margaret Gilmore; and for Secretary, Kenya Watts. Upon motion by Mr. Gottfried and seconded by Mr.

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Soucie, the members were formally nominated for these offices. Motion carried 3-0 and the committee meeting concluded at 11:31 a.m.

Mr. Gottfried opened a meeting of the Office Oversight Committee at 11:31 a.m. Hearing no business before the committee, the meeting closed immediately at 11:31 a.m.

Mr. Gottfried stated that because there was no quorum of members, a meeting of the Executive Committee would not be held.

CHAIR'S REPORT

Mr. Gottfried stated that the NASBA annual meeting will be next week, and there is a by-laws change vote, and Mr. Gero is Ohio's designated voter. A dinner will be held following the board retreat, and Ms. Fithen will communicate those details to those wishing to attend. Mr. Gottfried noted the December board retreat meeting will start on December 3 at 1pm, with a dinner following with past chairs and NASBA representatives. The Board meeting will begin at 9am Tuesday, December 4. Those needing accommodations can reach out to Ms. Fithen.

REQUESTS FOR RECONSIDERATION

Nikkol Harper: Ms. Harper requested a waiver of the residency requirement to become an Ohio CPA. The Board voted 7-0 to deny the request.

Gabriel Van Dyke: Mr. Van Dyke requested accounting credit for a course evaluated as a business course. The Board declined to take additional action.

Heather Husted: Ms. Husted requested an extension of the CPA exam testing window. The Board requested additional information be asked of Ms. Husted to establish whether her request could be considered medically necessary.

Lawrence Schromofsky: Mr. Schromofsky requested an extension of the CPA exam testing window. The Board declined to take action.

Aaron Schmitmeyer: Mr. Schmitmeyer requested permission to apply for an Ohio CPA certificate by transfer of grades. The Board declined to take action.

Brandon Corbin: Mr. Corbin made a second request for reconsideration of the Board's denial of an extension of the CPA exam testing window. The Board declined to take action.

REINSTATEMENT HEARING: MICHELLE L. KNAPP

Mr. Gottfried opened a reinstatement hearing at 12:30 p.m. pursuant to section 4701.17 of the Revised Code. Ms. Knapp was in attendance and was represented by attorneys Richard R. Parsons and Paula Brown.

Mr. O'Korn introduced State's Exhibit A, 1 through 12; and Respondent Exhibits A, 1 through 18; B, 1 through 31; C, 1; D, 1; and E, 1. Ms. Knapp then spoke and was questioned by the Board.

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

FORMAL HEARING: ANNE CONNELLY-HILL/HILL, LLOYD AND WELSH, LLC (Goldman)

Mr. Gottfried opened a disciplinary hearing at 12:51 p.m. pursuant to Chapter 119 of the Revised Code. Upon petition from Mr. O’Korn, the Board agreed to hear the case in a full hearing format, as Ms. Connelly-Hill was in attendance with her attorney, Mr. James J. Leo. The Board charged Ms. Connelly-Hill with violations of 4701.16(A)(4), (A)(9) & (A)(11), concerning a violation of a rule of professional conduct promulgated by the Board, specifically rule 4701-11-07, board communications; 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. O’Korn made an opening statement and introduced State’s Exhibit(s) A, 1 through 17; and B, 1 through 15. Mr. Leo made an opening statement. Ms. Charlene Nortey, Board Investigator was called as a witness and testified to the Board’s investigation. Ms. Connelly-Hill also was called as a witness, and was then questioned by Mr. Leo and the Board. Respondent’s Exhibits A, 1 through 18; B, 1 through 31; C, 1; D, 1; E, 1; and F, 1 were introduced and entered into the record.

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

REINSTATEMENT HEARING: STEPHANIE G. MILLARD

Mr. Gottfried opened a reinstatement hearing at 1:27 p.m. pursuant to section 4701.17 of the Revised Code. Ms. Millard was in attendance and was not represented by counsel.

Mr. O’Korn called Ms. Millard as a witness and introduced State’s Exhibits A, 1 through 8; and B, 1 through 10. Ms. Millard then spoke and was questioned by the Board.

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

FORMAL HEARING: WILLIAM J. SCHROECK (Goldman)

Mr. Gottfried opened a disciplinary hearing at 1:39 p.m. pursuant to Chapter 119 of the Revised Code. Upon petition from Mr. O’Korn, the Board agreed to hear the case in a full hearing format, as Mr. Schroeck was in attendance with his attorney, Mr. Walter J. McNamara IV. The Board charged Mr. Schroeck with a violation of section 4701.16(A)(1) and (A)(4) of the Revised Code, concerning fraud and deceit in obtaining an Ohio permit; and violation of a rule of professional conduct, specifically 4701-15-12, continuing education verification.

Mr. O’Korn made an opening statement and introduced State’s Exhibit(s) A, 1 through 16; and B, 1 through 12. Mr. McNamara made an opening statement and called Mr. Schroeck as a witness. Mr. Schroeck then spoke and was questioned by the Board. Mr. McNamara made a closing statement.

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

FORMAL HEARING: GERALD D. MYERS / GERALD D. MYERS & ASSOCIATES, INC. (Goldman)

Mr. Gottfried opened a disciplinary hearing at 2:01 p.m. pursuant to Chapter 119 of the Revised Code. The Board charged Mr. Myers with a violation of 4701.16(A)(4), (A)(9) & (A)(11), concerning a violation of a rule of professional conduct promulgated by the Board, specifically rule 4701-11-07, board communications; 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. Brown was not in attendance and was not represented by counsel.

Mr. O’Korn gave an opening statement, and introduced State’s Exhibit A, 1 through 25, and B, 1 through 6. Mr. O’Korn then called Ms. Charlene Nortey, Board investigator, as a witness.

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

REQUEST FOR WAIVER OF LATE FEES

PAUL RAHE / FINANCIAL SUCCESS OF TOLEDO

Mr. Rahe requested a waiver of the \$150 fee due to late renewal of his tax/consulting firm registration.

PAUL PAHORESKY / JLPCPAs

Mr. Pahoresky requested a waiver of the \$150 fee due to late renewal of his tax/consulting firm registration.

CHAMESE JARRETT / CRL TAX PREPARATION

Ms. Jarrett requested a waiver of the \$150 fee due to late renewal of her tax/consulting firm registration.

MICHAEL KLAPFISH, CPA

Mr. Klapfish requested a waiver of the \$150 fee due to late renewal of his tax/consulting firm registration.

NORMAN MALEK

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

RYAN CALTRIDER

Mr. Caltrider requested a waiver of the \$300 fee due to late renewal of his Ohio firm 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

Michelle L. Knapp (2011-89)

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

- (1) Documentation of discharge from post-release control;
- (2) Verification of completion of 120 credits of continuing professional education, to include three (3) credits of Board approved professional standards and responsibilities training, specific to Ohio laws and rules;
- (3) Payment of a reinstatement fee of \$500.

Motion carried 6-0, with one abstention on a roll call vote.

Anne Connelly-Hill / Hill, Lloyd and Welsh, LLC (2018-26 & 2018-27)

Upon the motion by Mr. Gero and seconded by Mr. Soucie, the Board voted to revoke the CPA certificate of Ms. Hill, and the firm registration of Hill, Lloyd and Welsh, LLC, but to stay the revocations subject to the completion of the following conditions by December 31, 2018:

- (1) Payment of a fine of \$1,500;
- (2) Completion and verification of completion of 120 credits of continuing professional education, to include three (3) credits of Board approved professional standards and responsibilities training, specific to Ohio laws and rules;
- (3) Submission of \$10 per hour for each CPE credit earned in 2018;
- (4) Completion of all peer review requirements;
- (5) Compliance with all firm registration requirements.

Motion carried 7-0 on a roll call vote.

Stephanie G. Millard (2013-16)

Upon the motion by Mr. Gero, and seconded by Ms. Watts, the Board voted to reinstate the CPA certificate of Ms. Millard, pending completion of the following conditions by December 31, 2018:

- (1) Completion of three (3) credits of Board approved professional standards and responsibilities training, specific to Ohio laws and rules;
- (2) Payment of a reinstatement fee of \$2,000.

Motion carried 6-1, on a roll call vote.

William J. Schroeck (2018-67)

Upon the motion by Mr. Gero, and seconded by Mr. Soucie, the Board voted to revoke the CPA certificate of Mr. Schroeck, but to stay the revocation subject to completion of the following conditions by December 31, 2018:

- (1) Payment of a fine of \$1,500;
- (2) Completion and verification of completion of 120 credits of continuing professional education, to include three (3) credits of Board approved professional standards and responsibilities training, specific to Ohio laws and rules;
- (3) Submission of \$10 per hour for each CPE credit earned in 2018.

Motion carried 7-0 on a roll call vote.

Gerald D. Myers / Gerald D. Myers & Associates, Inc. (2018-53 / 2018-54)

Upon the motion by Mr. Gero, and seconded by Ms. Watts, the Board voted to revoke the CPA certificate of Gerald D. Myers and the Firm registration of Gerald D. Myers & Associates, Inc.

Motion carried 7-0 on a roll call vote.

LATE FEE WAIVER REQUESTS

Upon the motion by Mr. Gero and seconded by Mr. Soucie, the Board voted to deny the requests for waiver for Paul Rahe, Paul Pahoresky, Chamese Jarrett, Michael Klapfish, Norman Malek, and Ryan Caltrider.

Motion carried 7-0 on a roll call vote.

SUMMARY OF BOARD REQUESTS

None.

Upon motion by Ms. Watts and seconded by Mr. Redmond, the Board voted to adjourn.

Motion carried 7-0.

JAMES D. GOTTFRIED, CHAIR

JAMES P. GERO, ACTING SECRETARY