

Accountancy Board of Ohio
Minutes of Board Meeting October 18, 2019

The Accountancy Board met on October 18, 2019 in the North Room, 31st Floor of the Riffe Center, Columbus, with the following members present: Michael Guinigundo, CPA (Chair), Kenya Watts, CPA (Secretary), James Gottfried, CPA (Immediate Past Chair), John Soucie, CPA (Member), Gerald Weinstein, CPA (Member), Scott Blake (Public Member) and Brendan Fitzgerald, CPA (Member). Margaret Gilmore, CPA (Vice-Chair) and James Redmond, CPA (Member) were absent.

Representing the Board staff was John E. Patterson, Executive Director; Tracey F. Fithen, Assistant Executive Director; and Donna M. Oklok, Investigations Supervisor; in addition to Board Investigators Charlene Nortey and Faith Ottavi. Board counsel present was Jahan S. Karamali, 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, of the Ohio Society of CPAs (OSCPA); David Dennis, CPA; Dr. David Williams, Associate Professor of Accounting & Information Management Systems, The Ohio State University (OSU); Greta Russell, former Board Chair; Brian Day and Stephen Osborne, Instructors of Accounting, Otterbein University; Michaela Santalucia, a former participant in the Accounting Careers Awareness Program (ACAP); and thirty-two students from OSU, Capital University, and Otterbein University.

Mr. Guinigundo called the meeting to order at 10:10 a.m., and opened the meeting with the Pledge of Allegiance. Mr. Guinigundo also welcomed the guests in the audience and spoke briefly on the purpose of the Board and its responsibilities.

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.

Ms. Russell spoke to the audience about the Accounting Careers Awareness Program (ACAP), and asked that the Board approve moneys to support ACAP's continued success.

Mr. Guinigundo invited Ms. Santalucia to speak regarding her experience in ACAP; and board members to speak about their backgrounds and experiences.

FORMAL HEARING: RENEE L. HALLBANK

Mr. Guinigundo opened a disciplinary hearing at 11:54 a.m. pursuant to Chapter 119 of the Revised Code. Ms. Hallbank was in attendance and was represented by Mr. Walter J. McNamara IV, attorney. The Board charged Ms. Hallbank with a violation of section 4701.16(A)(1) of the Revised Code, concerning fraud and deceit in obtaining an Ohio permit.

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Ms. Karamali made an opening statement and introduced State's Exhibit(s) A, 1 through 10; B, 1 through 6; and C, 1 through 6, also noted as Respondent's exhibit R-1. Mr. McNamara made an opening statement. Ms. Charlene Northey, Board Investigator was called as a witness and testified to the Board's investigation. Ms. Hallbank was called as a witness, and was questioned by Mr. McNamara and by the Board. Ms. Karamali and Mr. McNamara made closing statements.

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

FORMAL HEARING: BRIAN M. NARTKER / THE ROBERT HALLIDAY COMPANY (Goldman)

Mr. Guinigundo opened a disciplinary hearing at 12:14 p.m. pursuant to Chapter 119 of the Revised Code. Mr. Nartker was in attendance. The Board charged Mr. Nartker with violations of 4701.16(A)(9) & (A)(11), 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. Karamali made an opening statement and introduced State's Exhibit(s) A, 1 through 8; and B, 1 through 10. Ms. Faith Ottavi, Board Investigator was called as a witness and testified to the Board's investigation.

The Board admitted into evidence all exhibits. Mr. Guinigundo concluded the hearing. The Board then agreed to hear from Mr. Nartker following the conclusion of the hearing. Mr. Nartker then spoke and was questioned by the Board.

REINSTATEMENT HEARING: BRADLEY A. SACKELLA

Mr. Guinigundo opened a reinstatement hearing at 12:27 p.m. pursuant to section 4701.17 of the Revised Code. Mr. Sackella was in attendance and was not represented by counsel.

Ms. Karamali made an opening statement and introduced State's Exhibit A, 1 through 17; B, 1 through 10; and C, 1 through 7. Mr. Sackella then spoke and was questioned by Ms. Karamali and the Board.

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

DISCUSSION OF SETTLEMENT: CLEMENT J. KISSLING, EUGENE JASKO / KISSLING, JASKO, BONDS & COMPANY

Mr. Patterson opened a discussion regarding the disposition of the Board's investigation and proposed settlement agreement between it and Messrs. Kissling and Jasko. Ms. Karamali explained the issues involved and the discussions between her and Mr. James J. Leo, counsel for Kissling and Jasko. The proposed settlement offer is that the Accountancy Board would agree to withdraw without prejudice, its notice of May 9, 2019 and then the revised notice of June 28, 2019 and take no further action related to the allegations of the notices against Mr. Jasko and Mr. Kissling; this agreement would take the place of any disciplinary action that would arise out of a disciplinary hearing. In return, Mr. Jasko and Mr. Kissling

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would each agree that they will not engage in the performance of or offering to perform any engagement that will result in the issuance of any report in accordance with the professional standards defined in rule 4701-9-03, 4701-9-04, 4701-9-05, or 4701-9-06 of the Ohio Administrative Code.

However, Mr. Jasko and Mr. Kissling may engage in the performance of or offering to perform services in accordance with applicable professional standards defined in Chapter 4701-9 of the Administrative Code, other than those described in paragraph (A)(1) of rule 4701-7-04. Examples of such tasks which Jasko and Kissling may continue to perform would include: consulting services, personal financial planning services, or the preparation of tax returns or the furnishing of advice on tax matters by a proprietorship, partnership, limited liability company, professional association, corporation or other business organization, that advertises to the public as a "certified public accountant," "CPA," "public accountant," or "PA."

REQUEST FOR WAIVER OF LATE FEES

CLETRIOUS FERNANDO

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

KRISTINA T. RAYBOURNE

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

PATRICK T. NILAND, CPA

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

BRADLEY J. MAZAN

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

STEVEN A. HOLTMEIER

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

MATTHEW J. FULLER

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

REQUESTS FOR RECONSIDERATION

Mr. Patterson discussed the closed case review of Paul Gaffney, CPA, submitted by Phyllis Brown. The Board voted 7-0 on a roll call vote to take no action.

Mr. Patterson discussed the CPA Exam credit extension request made by Brandon Wright. The Board voted 7-0 on a roll call vote to take no action.

EXECUTIVE DIRECTOR'S REPORT

Mr. Patterson noted that the fiscal year 2019 annual report and 2020 Board meeting schedule were given to Board members, and the letter to be sent to recipients of the education assistance scholarship who failed to sit for the exam will be sent. Mr. Patterson requested a vote on approval of a \$50,000 donation to the ACAP fund. Upon motion by Ms. Watts and seconded by Mr. Gottfried, the Board voted 7-0 on a roll call vote to make the donation.

INFORMATION REPORTS AND UPDATES

Budget/Financial Update/Annual Report

Education Assistance Report

Rules Update

Ms. Oklok reported that the 2019 five year rule review has begun for Chapters 4701-2, 4701-13, and 4701-17, with a request that Board members carefully review 4701-13, as it has been substantially revised. The Board discussed the potential of creating via rule a hearing process for firms which receive consecutive non-pass peer reviews. Mr. Gottfried asked that the members review the proposed revisions to the rules and contact Ms. Oklok with comments or suggestions.

Investigations Report

OLD BUSINESS

Status of Past Hearings

Ms. Karamali noted that no legal actions have been taken based on the Board's decisions, and Ms. Oklok noted that Mr. Holthues was unable to meet the conditions of the Board's Order, and his CPA certificate and firm registration are now revoked.

NEW BUSINESS

Ms. Oklok requested the Board approve training provided by the Ohio Ethics Commission as meeting requirements for general professional standards and responsibilities credits. The Board approved the request 7-0 on a roll call vote.

Mr. Patterson discussed the request by a licensee to earn more than 40 CPE credits for completing the CFA certification. He stated about half the states do not offer any credit for passing this exam, while several others award 30 credits or less. The Board declined to award additional CPE credit for this exam.

Approval of September 9, 2019 Board Meeting Minutes

Upon motion by Mr. Weinstein and seconded by Mr. Fitzgerald, the Board voted 7-0 to approve the minutes of the September 9, 2019 Board meeting.

CHAIR'S REPORT

Mr. Guinigundo stated that the Nominating Committee, made of present members Mr. Weinstein and Mr. Soucie, put forward the following names for the 2020 Board officers: Margaret Gilmore, Chair, Kenya Watts, Vice-Chair, and James Redmond, Secretary. The Board voted 7-0 to accept the committee's recommendation. Mr. Guinigundo confirmed attendees for NASBA's upcoming 112th Annual Meeting.

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

Renee L. Hallbank (2019-5183)

Upon the motion by Ms. Watts and seconded by Mr. Fitzgerald, the Board voted to revoke the CPA certificate of Ms. Hallbank, but to stay the revocation subject to the completion of the following conditions by December 31, 2019:

- (1) Payment of a fine of \$250;
- (2) Submission of \$10 per hour for each CPE credit earned in 2019 that is applied to the previous reporting period.

Motion carried 7-0 on a roll call vote.

Brian M. Nartker / The Robert Halliday Company (2019-4482)

Upon the motion by Ms. Watts, and seconded by Mr. Gottfried, the Board voted to revoke the firm registration of The Robert Halliday Company.

Motion carried 7-0 on a roll call vote.

Upon motion by Ms. Watts and seconded by Mr. Gottfried, the Board voted to revoke the CPA certificate of Mr. Nartker.

Motion failed 5-2 on a roll call vote.

Bradley A. Sackella (2012-36)

Upon the motion by Ms. Watts, and seconded by Mr. Blake, the Board voted to reinstate the CPA certificate of Mr. Sackella, pending payment of a \$500 reinstatement fee by December 31, 2019.

Motion carried 7-0 on a roll call vote.

Clement J. Kissling / Eugene Jasko / Kissling, Jasko, Bonds & Co. (2018-9747)

Upon the motion by Ms. Watts, and seconded by Mr. Weinstein, the Board voted to settle this case per the agreement language specified by Assistant Attorney General Ms. Karamali.

Motion carried 7-0 on a roll call vote.

LATE FEE WAIVER REQUESTS

Upon the motion by Ms. Watts and seconded by Mr. Soucie, the Board voted to approve the request for waiver for Bradley J. Mazan.

Motion carried on a 7-0 roll call vote.

Upon the motion by Ms. Watts and seconded by Mr. Gottfried, the Board voted to deny the requests for waiver for Cletrious Fernando, Kristina T. Raybourne, Patrick T. Niland, CPA, Stephen A. Holtmeier, CPA, and Matthew J. Fuller.

Motion carried 7-0 on a roll call vote.

SUMMARY OF BOARD REQUESTS

Mr. Patterson stated that letters will be sent out to those education assistance fund recipients who have yet to sit for the exam as soon as possible. He also stated that Mr. Kissling and Mr. Jasko's new firm will be notified of the Board's Order regarding their performance of attest engagements.

Upon motion by Mr. Guinigundo and seconded by Mr. Blake, the Board voted to adjourn.

Motion carried 7-0.

MICHAEL M. GUINIGUNDO, CHAIR

KENYA Y. WATTS, SECRETARY