

**BOARD RETREAT
DECEMBER 3, 2018**

The Accountancy Board of Ohio (Board) held its Retreat on December 3, 2018 in Rooms West B & C on the 31st floor of the Vern Riffe Center for Government and the Arts, 77 South High Street, Columbus, Ohio with the following members present: James Gottfried, CPA (Chair), James Gero, CPA (Past Chair), Michael Guinigundo, CPA (Vice-Chair), Margaret Gilmore, CPA (Secretary), Kenya Watts, CPA (Member), James Redmond, 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 Jahan S. Karamali, Esq., representing the office of the Attorney General.

Present in the audience was Laura Hay, Executive Vice President, and Barbara Benton, Vice President of Government Affairs of the Ohio Society of Certified Public Accountants (OSCPA); Robert Fay, CPA, past Chair of the Board and Trustee of The Ohio CPA Foundation; and Lori Brown, Director of Development for The Ohio CPA Foundation.

Mr. Gottfried called the meeting to order at 1:06 p.m., and welcomed the guests in the audience.

ISSUES UNDER DISCUSSION FOR 2019

The Accounting Careers Awareness Program (ACAP), represented by Robert Fay and Lori Brown, presented history and information on the program. Ms. Brown presented an overview of student representation and the impact of the program on those interested in accounting as a career. ACAP reviewed survey results of its alumni, and their outreach to those alumni as well as other students interested in accounting. ACAP continues to expand the Accounting Careers Leadership Program (ACLP), a three-day immersion program for diverse accounting majors or those interested in pursuing an accounting degree. In summer 2018, ACAP held a CPA Camp at Cleveland State University for those students unable to attend ACAP in Columbus. The Board asked questions about outcomes for ACAP participants and their current status in relation to the CPA profession.

A vote was taken to approve the 2019 meeting dates and move the annual meeting from November 2019 to October 2019. Mr. Redmond moved to approve the 2019 board meeting dates and change the annual meeting date to October 18, 2019, Ms. Watts seconded, and the motion carried 8-0.

The board members reviewed and discussed the five-year rule review and revisions due in 2019, with attention given to granting the ability of students who are in their final semester of study the opportunity to sit for the CPA Exam with more than 120 credits but less than 150 credits, provided the student meets the 150 credit requirement prior to the release of test scores. Laura Hay of the OSCPAA provided additional input from the society membership on the Exam sitting issue.

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Ms. Hay discussed with the Board a letter sent to staff and Board members by the OSCP A regarding its recommendation for a change to continuing professional education requirements. The Board discussed various issues with Ms. Hay. Mr. Gottfried asked the Board members to think about the recommendation and to consider the proposal as well as potential alternatives for discussion at a future Board meeting.

Mr. Patterson mentioned that the office has been short-staffed recently, and a new staff member has been hired.

The Board adjourned at 3:00pm.

**DECEMBER 4, 2018
BOARD MEETING**

The Accountancy Board of Ohio (Board) reconvened December 4, 2019 in Room West B & C on the 31st floor of the Vern Riffe Center for Government and the Arts, 77 South High Street, Columbus, Ohio with the following members present: James Gottfried, CPA (Chair), James Gero, CPA (Past Chair), Michael Guinigundo, CPA (Vice-Chair), Margaret Gilmore, CPA (Secretary), Kenya Watts, 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 Jahan S. Karamali, Esq., representing the office of the Attorney General.

Present in the audience was Ken Bishop, President and CEO of the National Association of State Boards of Accountancy (NASBA); Janice Gray, NASBA's Chair for 2018-19; Tom Kenny, Director of Communications, NASBA; W. Michael Fritz, Director at Large and Secretary, NASBA; David Dennis, CPA; and Laura Hay, Executive Vice President of the Ohio Society of CPAs (OSCPA).

Mr. Gottfried called the meeting to order at 9:10 a.m., and welcomed the guests in the audience.

**PRESENTATION BY NASBA'S
KEN BISHOP AND JANICE GRAY**

Mr. Gottfried introduced Ken Bishop, President and CEO; and Janice Gray, current Chair of NASBA. Mr. Bishop and Ms. Gray thanked the Board for their hospitality and for the leadership of the Board.

Ms. Gray spoke to the Board about peer review administration and the various issues being addressed by other state boards, including discussions on peer review oversight by the AICPA. Addressing Non-Compliance with Laws and Regulations (NOCLAR), Ms. Gray stated there has been a lot of activity and discussion, and there is more to come on this topic.

Mr. Bishop also addressed NOCLAR, stating that there needs to be more transparency in the process, and NASBA and AICPA have partnered to find opportunities to expand oversight and reporting in a way that protects both clients and firms. Mr. Bishop also reported that in the last year, anomalies in the CPA exam impacted testing candidate behavior over the past year, and NASBA reprioritized their resources to deal with the problem successfully. Internationally, the past year has been a busy one and NASBA has been able come to agreements with Scotland and Ireland and maintain relations with Mexico. On October 1, NASBA began administering the CPA exam in the UK, and are negotiating with South Africa. Lobbying has been focused on anti-regulatory legislation in the past year, and NASBA monitors every change in legislation and reads the minutes of every board meeting across the United States.

Mr. Bishop and Ms. Gray then responded to questions from the Board. Mr. Bishop stated that NASBA follows closely the issue of other state Boards allowing candidates to sit for the CPA Exam with only 120 semester credits. He stated the Uniform Accountancy Act still states a candidate should have 150 semester credits before sitting for the Exam. He also stated NASBA's unwavering position that a candidate must receive a minimum of 150 total semester credits for licensure. For mutual recognition agreements, many other countries' standards are higher than the US, and NASBA opposes any legislation or changes that would weaken the CPA credential in any way. Mr. Bishop stated the things state boards need to be

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most aware of are changes in state legislation, and looking at the actual “pipeline” to becoming a CPA, the data analytics aspect of the profession as well as brand-new technologies like cryptocurrencies. These changes will greatly impact tax practitioners and the way taxation work is being performed.

Mr. Gottfried thanked the NASBA visitors for their great communication and assistance to the boards, and Mr. Bishop thanked the Board for its participation in these discussions. Ms. Gray thanked the Board for their hospitality.

PASSING OF THE GAVEL

Mr. Gottfried thanked the Board and staff, and passed the gavel to incoming Board Chairman, Michael Guinigundo.

Mr. Guinigundo thanked Mr. Gottfried for his leadership over the past year and that he looks forward to working with him in his role at past chair. Mr. Guinigundo recognized outgoing Past Chair James Gero and presented him with the Past Chair Award.

REQUESTS FOR WAIVER

JONATHAN AUGUSTINE

Mr. Augustine’s letter requesting waiver of the \$300 late fees due to non-renewal of his Ohio registration was read into the record.

BRADY WARE & SCHOENFELD INC

Steven Stanforth’s letter requesting waiver of the \$900 late fee due to non-renewal of Brady Ware & Schoenfeld Inc.’s firm registration was read into the record.

HEATHER HUSTED

Ms. Husted’s letter requesting an extension of the Exam completion window due to personal illness was read into the record.

MARC S. GREENWALD & CO. CPA INC

Mr. Greenwald’s letter requesting waiver of the \$150 late fee due to non-renewal of his firm registration was read into the record.

JOANNE M. SADAR, CPA

Ms. Sadar’s letter requesting waiver of the \$150 late fee due to non-renewal of her firm registration was read into the record.

EMANUEL CIMILLUCA

Mr. Cimilluca’s letter requesting waiver of the \$470 late fees due to non-renewal of his Ohio registration was read into the record.

FORMAL HEARING: KEVIN M. JEFFERS, CPA / MK JEFFERS & COMPANY

Mr. Guinigundo opened a disciplinary hearing at 10:54 a.m. pursuant to Chapter 119 of the Revised Code. The Board charged Mr. Jeffers with a violation of sections 4701.16(A)(9) and (A)(11), concerning failure of a CPA certificate obtain firm registration; and failure of a public accounting firm to comply with section 4701.04 of the Revised Code. Mr. Jeffers was in attendance and represented himself *pro se*. Mr. Jeffers also indicated he has an active license to practice law in the State of Ohio and that he would be representing the firm MK Jeffers & Company as counsel.

Ms. Karamali introduced State's exhibits A, 1 through 11; B, 1 through 33; C, 1 through 6; and D, 1 and 2. Ms. Karamali made an opening statement. Ms. Karamali called Ms. Faith Ottavi, investigator, as a witness. Mr. Jeffers then cross-examined Ms. Ottavi. Mr. Jeffers spoke and was questioned by the Board.

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

**FORMAL HEARING: EDWARD J. RICHARDSON, CPA
(Goldman)**

Mr. Guinigundo opened a disciplinary hearing at 10:39 a.m. pursuant to Chapter 119 of the Revised Code. The Board charged Mr. Richardson with a violation of section 4701.16(A)(8), concerning suspension or revocation of the right to practice before any state or federal agency. Mr. Richardson was not in attendance.

Ms. Karamali introduced State's exhibits A, 1 through 15 and B, 1 through 28. She then called Ms. Charlene Nortey, investigator, as a witness.

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

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

LATE FEE WAIVER REQUESTS

Upon the motion by Ms. Watts, and seconded by Mr. Gero, the Board voted to grant the Exam extension request of Heather Husted.

Motion carried 7-0 on a roll call vote.

Upon the motion by Ms. Watts, and seconded by Mr. Gottfried, the Board voted to deny the requests for waiver of late filing fees and/or back fees for Jonathan Augustine; Brady Ware & Schoenfeld, Inc.; Marc S. Greenwald, CPA; Joanne M. Sadar, CPA; and Emanuel Cimilluca.

Motion carried 7-0 on a roll call vote.

Edward J. Richardson, CPA (Case 2017-93)

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

Motion carried 7-0 on a roll call vote.

Michael Kevin Jeffers, CPA / MK Jeffers & Company, Inc. (Case #2016-23)

Upon the motion by Ms. Watts, and seconded by Mr. Gottfried, the Board voted to revoke the CPA certificate of Mr. Jeffers and firm registration of MK Jeffers & Company, Inc. until the following conditions have completed:

- 1) Submission of a fine of \$5,000
- 2) Payment of all other fines, penalties, surcharges, and fees
- 3) Completion of at least three (3) credits of Board-approved, Ohio-specific professional standards and responsibilities
- 4) Compliance with firm registration requirements, including submission of appropriate documentation indicating the completion, approval, and appropriate sign-offs of a firm peer review, for the year ended 2017, which must be a system review
- 5) Confirmation of written notification to all affected parties.

Motion carried 7-0 on a roll call vote.

Executive Director's Report

Mr. Patterson stated that the graphic design on the Board's annual report will be done by NASBA on the request of Tom Kenny. Mr. Patterson also asked the Board to approve Mr. Gero's appointment to the peer review committee as an ex-officio member. Upon motion by Mr. Gottfried and seconded by Mr. Weinstein, the Board voted 6-0 with Mr. Gero abstaining, to approve the appointment. By request of Mr. Patterson, Laura Hay of the OSCPA spoke regarding Senate Bill 255, which addresses licensing boards and their registration. Because of the extent of CPA substantial equivalency between states, the Board's registration will be a simpler process, pending the Bill passing as presented. Mr. Patterson stated that he, Ms. Fithen, and Ms. Oklok are here to help the incoming chair and board members accomplish what the Board seeks.

INFORMATION REPORTS AND UPDATES

Budget and Financial Report

Education Assistance Report

Rules Update

Investigative Update

OLD BUSINESS

Status of Past Hearings

Donna Oklok, Investigations Supervisor, stated that the Fidler case has been resolved, as November 28, 2018 was the appeal deadline. The original Board determination was deemed valid by the Court and Mr. Fidler did not file an appeal by the required deadline. Mr. Fidler's CPA certificate and firm registration are revoked, and he may only request reinstatement once he has met the requirements as stated in the original Board order.

Approval of the October 19, 2018 Board Meeting Minutes

Upon motion by Mr. Gottfried, seconded by Mr. Weinstein, the Board voted to approve the minutes of the October 19, 2018 Board Meeting. Motion carried 7-0.

EXECUTIVE SESSION

Mr. Guinigundo called for a roll call vote to go into Executive Session regarding the employment of a public employee pursuant to Ohio Revised Code 121.22(G)(1). Mr. Gottfried moved, and Mr. Weinstein seconded. Roll call vote was Mr. Gottfried, yes; Mr. Gero, yes; Ms. Gilmore, yes; Ms. Watts, yes; Mr. Blake, yes; Mr. Weinstein, yes; Mr. Guinigundo, yes.

After returning from Executive Session, Mr. Guinigundo stated no action was necessitated by the Executive Session.

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

Motion carried 7-0.

Michael M. Guinigundo, Chair

Kenya A. Watts, Secretary