

**MINUTES OF THE KANSAS BOARD OF ACCOUNTANCY**  
**APRIL 29, 2016**  
**LANDON STATE OFFICE BUILDING, ROOM 556A**  
**TOPEKA, KS**

**1. ADMINISTRATIVE MATTERS:**

**A. CALL TO ORDER:**

Rodney Van Norden, CPA, Chair, called the meeting to order. Board members in attendance were Mr. Van Norden; Denise Denning, CPA, Vice-Chair; T. C. Anderson, Public Member; John R. Helms, CPA; Michael L. Marsh, CPA; Kathryn J. Mitchell, CPA; and Patricia A. O'Sullivan, public member. Also in attendance was Susan Somers, Executive Director; Randy Forbes, Disciplinary Counsel to the Board; Darin Conklin, General Counsel to the Board; Aron Dunn and Rita Barnard, Kansas Society of CPAs, and Joyce Schartz, Public Accountants Association.

**B. CONSENT CALENDAR:**

1. The Board reviewed the minutes of the January 15, 2016, January 21, 2016 and February 3, 2016 meetings; reciprocity certificates/permits to practice; firm registration; and the March, 2016 financials. Mr. Helms moved and Ms. Denning seconded to approve the Consent Calendar. Upon a vote, the motion carried.

**2. CPA EXAM:**

A. The Board reviewed the exam scores for the January/February 2016 exam window.

B. The Board reviewed the CPA exam statistics for first quarter 2016, along with the CPA Exam Performance Summary for the 1<sup>st</sup> quarter of 2016. There was no action required to be taken.

C. The Board reviewed requests for waivers of courses required for the CPA exam as follows pursuant to K.A.R. 74-2-7(g):

1. Matthew McAnarney: The Board reviewed a request from Matthew McAnarney for a waiver pursuant to K.A.R. 74-2-7(g) of 2 hours of communications. After discussion, and based upon the information provided, Mr. Anderson moved and Ms. Mitchell seconded to approve Mr. McAnarney's request based upon his work experience obtained through his employment at Bever Dye. Upon a vote, the motion carried.

2. Marcus Gibbens: The Board reviewed a request from Marcus Gibbens for a waiver pursuant to K.A.R. 74-2-7(g) of a college algebra course and 2 hours of accounting electives for the issuance of a CPA certificate for a transfer of exam scores

from Oregon. After discussion, and based upon his work experience, Ms. O'Sullivan moved and Ms. Denning seconded to approve Mr. Gibbens request for a waiver of the college algebra course, but did not approve his request for a waiver of 2 hours of accounting. Upon a vote, the motion carried, with Mr. Helms voting against the motion.

### **3. CPE/PERMIT TO PRACTICE/PEER REVIEW/FIRM REGISTRATIONS:**

A. Ms. Somers presented to the Board the list of firms with peer reviews either due or in process. No action was required to be taken.

B. The Board reviewed outlines of two courses presented by Jeff Lanza entitled "Ethical Leadership" and "How to Prevent the Extinction of the Ethical Business Leader" to determine if they qualified for ethics in Kansas. After discussion, Mr. Anderson moved and Ms. O'Sullivan seconded that the courses would not qualify for the ethics requirement in Kansas. Upon a vote, the motion carried.

### **4. HEARINGS AND DISCIPLINARY ACTION:**

**BENJAMIN GILES MOTION FOR COSTS:** Ed Gaschler, from the Office of Administrative Hearings, facilitated the hearing on this matter. Ms. O'Sullivan, the investigative Board member, recused herself from this matter. Neither Mr. Giles, nor his attorney, Scott Gunderson appeared for this matter. This matter was before the Board for consideration of the Board's Motion for Determination of Costs arising from a disciplinary proceeding and subsequent issuance of a Final Order. On October 23, 2015, the Board entered a Final Order imposing discipline against Mr. Giles. The Final Order directed that the costs of the proceeding be assessed to Mr. Giles pursuant to K.S.A. 1-206, the amount of which to be determined upon motion and hearing before the Board. A stipulation was then proposed by the investigation member and Mr. Giles requiring Mr. Giles to pay the fine in the amount of \$5,000 on or before May 1, 2016 and costs in the amount of \$15,750.00. Ms. Denning moved and Ms. Mitchell seconded, to approve the Final Order Regarding Determination and Payment of Costs. Upon a vote, the motion carried with Ms. O'Sullivan not participating.

**KRISTEN CILLESSEN CONSENT AGREEMENT AND FINAL ORDER:** Ms. O'Sullivan, the investigative Board member, recused herself from this matter. Ms. Cillessen appeared in person and with counsel, Joel Krieger. This matter was before the Board for consideration of a Consent Agreement and Final Order arising from an investigation wherein it was determined that Ms. Cillessen had practiced under the firm "Cillessen Financial, LLC" that had not been registered with the Board. The terms of the Consent Agreement and Final Order required Ms. Cillessen to pay a fine in the amount of \$500.00; and payment of costs, pursuant to K.S.A. 1-206, to include attorney's fees and court reporter fees. After hearing testimony, Mr. Marsh moved and Ms. Mitchell seconded to accept the Consent Agreement and Final Order as presented. Upon a vote, the motion carried, with Ms. O'Sullivan not participating.

**JEFFREY ELLIOTT; J.A. ELLIOTT, LLC; NINJA CPA REVIEW, LLC CONSENT AGREEMENTS AND FINAL ORDERS:** Ms. O'Sullivan, the investigative Board member, recused herself from this matter. Mr. Elliott appeared in person and on

behalf of his wholly owned business organizations, Ninja CPA Review, LLC and J.A. Elliott, LLC. This matter was before the Board for consideration of a Consent Agreement and Final Order arising from Mr. Elliott's practice of certified public accountancy without valid firm registrations. The terms of the Consent Agreement and Final Order required Mr. Elliott on behalf of himself, and his two firms, to appear before the Board; pay a fine in the amount of \$250.00 each; and payment of costs pursuant to K.S.A. 1-206, to include attorney's fees and court reporter fees. After hearing testimony, Ms. Denning moved and Mr. Helms seconded for the Board to go into closed session to deliberate the matter. Upon a vote, the motion carried.

When the Board reconvened, Mr. Anderson moved and Mr. Marsh seconded to approve the Consent Agreement and Final Orders for J.A. Elliott, LLC and Ninja CPA Review, LLC. Upon a vote, the motion carried with Ms. O'Sullivan not participating.

Mr. Helms then moved, and Mr. Marsh seconded, to amend the Consent Agreement and Final Order for Jeffrey Elliott, to strike the fine, and to censure Mr. Elliott for the violations outlined in the Consent Agreement and Final Order, with all other provisions of the Consent Agreement and Final Order to remain intact. Upon a vote, the motion carried, with Ms. O'Sullivan not participating.

Mr. Helms then moved and Mr. Marsh seconded, to approve the Consent Agreement and Final Order as amended. Upon a vote, the motion carried, with Ms. O'Sullivan not participating.

**BENJAMIN HADEL CONSENT AGREEMENT AND FINAL ORDER:** Ms. O'Sullivan, the investigative Board member, recused herself from this matter. Mr. Hadel appeared in person. This matter was before the Board for consideration of a Consent Agreement and Final Order arising out of Mr. Hadel practicing as a certified public accountant without a valid permit to practice. The terms of the Consent Agreement and Final Order required Mr. Hadel to appear before the Board; pay a fine in the amount of \$250.00; and payment of costs pursuant to K.S.A. 1-206, to include attorney's fees and court reporter fees. After hearing testimony, Mr. Anderson moved and Mr. Helms seconded to approve the Consent Agreement and Final Order. Upon a vote, the motion carried, with Ms. O'Sullivan not participating.

**DOROTHY MUKANJIRI CONSENT AGREEMENT AND FINAL ORDER:** Ms. Denning, the investigative Board member, recused herself from this matter. Ms. Mukanjiri appeared in person. This matter was before the Board for consideration of a Consent Agreement and Final Order arising from an investigation of respondent's compliance with applicable professional standards. After investigation and discussion, the Board determined that respondent had failed to comply with applicable professional standards in the performance of attest services, and was therefore subject to sanction pursuant to Kansas law. The terms of the Consent Agreement and Final Order required without limitation, Ms. Mukanjiri to appear before the Board; notification to the Board within ten days of her acceptance of an engagement to perform attest services; pre-issuance review of attest services rendered either by herself as a sole proprietor or on behalf of an entity in which she holds an ownership interest; limitations on Respondent's ability to serve as an engagement partner and to sign accountant's report on an attest

service, and payment of costs pursuant to K.S.A. 1-206, to include attorney's fees and court reporter fees. After hearing testimony, Ms. Mitchell moved and Ms. O'Sullivan seconded, to approve the Consent Agreement and Final Order. Upon a vote, the motion carried, with Ms. Denning not participating.

**MATTHEW MYERS AND MYERS CPA, LLC CONSENT AGREEMENT AND FINAL ORDER:** Ms. O'Sullivan, the investigative Board member, recused herself from this matter. Mr. Myers appeared in person and on behalf of Myers CPA, LLC. This matter was before the Board for consideration of a Consent Agreement and Final Order arising from an investigation of the practice of certified public accountancy without a valid firm registration. The terms of the Consent Agreement and Final Order required Mr. Myers to appear in person and on behalf of Myers CPA, LLC; payment of costs pursuant to K.S.A. 1-206, to include attorney's fees and court reporter fees. After hearing testimony, Mr. Anderson moved and Mr. Marsh seconded, to approve the Consent Agreement and Final Order. Upon a vote, the motion carried, with Ms. O'Sullivan not participating.

**ANEITA REMUS CONSENT AGREEMENT AND FINAL ORDER:** Ms. O'Sullivan, the investigative Board member, recused herself from this matter. Ms. Remus appeared in person. This matter was before the Board for consideration of a Consent Agreement and Final Order from an investigation of respondent's practice of certified public accountancy without a valid Kansas permit to practice. The terms of the Consent Agreement and Final Order required Ms. Remus to appear in person before the Board; pay a fine in the amount of \$500.00; and payment of costs, pursuant to K.S.A. 1-206, to include attorney's fees and court reporter fees. After hearing testimony, Mr. Anderson moved and Ms. Denning seconded to approve the Consent Agreement and Final Order. Upon a vote, the motion carried, with Ms. O'Sullivan not participating.

**JOE WALSH AND NORD AND WALSH, P.A. CONSENT AGREEMENT AND FINAL ORDER:** Ms. Denning, the investigative Board member, recused herself from this matter. Mr. Walsh appeared in person and on behalf of Nord and Walsh, P.A. This matter was before the board for consideration of a Consent Agreement and Final Order arising from an investigation of respondents' compliance with applicable professional standards. After investigation and discussion, the Board determined that respondents had failed to comply with applicable professional standards in the performance of attest services, and were therefore subject to sanction pursuant to Kansas law. The terms of the Consent Agreement required Mr. Walsh to appear in person, and on behalf of the firm; respondents shall not perform attest services without the prior written approval of the Board; and payment of costs, pursuant to K.S.A. 1-206, to include attorney's fees and court reporter fees. The Board went into closed session, pursuant to K.S.A. 1-501 to discuss the results of Peer Review. When the Board reconvened in open session, Mr. Helms moved and Ms. O'Sullivan seconded, to approve the Consent Agreement and Final Order. Upon a vote, the motion carried, with Ms. Denning not participating.

**JEFFREY LUCKE AND LUCKE & ASSOCIATES CPAS, LC SECOND AMENDED STIPULATION AND CONSENT ORDER:** Ms. Denning, the investigative Board member, recused herself from this matter. Mr. Lucke was not required to appear in person. This matter was before the Board for consideration of an amendment to a prior Amended Stipulation and Consent Order issued regarding the timing of pre and post issuance reviews of certain attest work issued by Jeffrey Lucke and Lucke & Associates, CPAs, LC. The Board went into closed session to discuss the results of Peer Review. When the Board reconvened in open session, Mr. Anderson moved and Ms. O'Sullivan seconded to approve the Seconded Amended Stipulation and Consent Order. Upon a vote, the motion carried, with Ms. Denning not participating.

**DAVID LUNDGREN, LUNDGREN & COMPANY, CPAS, CHARTERED STIPULATION REGARDING AMOUNT OF COSTS:** Ms. Lundgren was not required to appear. This matter was before the Board for determination of costs resulting from a Final Order issued by the Board in February of 2016, requiring Respondents to pay costs, to include attorney's fees and court reporter fees associated with the underlying proceeding. The parties propose by stipulation the payment of \$515.60 in costs. Ms. Denning moved and Ms. O'Sullivan seconded to accept the Stipulation Regarding Amount of Costs. Upon a vote, the motion carried.

**DISCUSSION OF PUBLICATION OF SUSPENSION AND REVOCATION ORDERS.** Ms. Somers requested that the Board develop a policy whereby in matters that result in either suspension or revocation of certificates, permits and/or firm registrations, that press releases be issued to the newspapers in the locale of a respondent(s) practice to notify the public of the Board's actions. After discussion, Mr. Anderson moved and Mr. Helms seconded to approve the policy. Upon a vote, the motion carried.

## **5. OTHER**

The Board considered the continuation of the contracts with disciplinary counsel, general counsel, and court reporter services. Ms. Somers reported that none of the contractors had raised their fees. Ms. O'Sullivan moved and Mr. Marsh seconded to approve the continuation of the contracts for the ensuing fiscal year. Upon a vote, the motion carried.

## **6. ADJOURN**

There being no further business to come before the Board, Mr. Helms moved and Ms. O Sullivan moved to adjourn. Upon a vote, the motion passed.

/s/ Susan L. Somers  
Susan L. Somers, Executive Director