

**MINUTES OF THE KANSAS BOARD OF ACCOUNTANCY  
JUNE 17, 2011  
LONDON STATE OFFICE BUILDING  
TOPEKA, KS**

**1. ADMINISTRATIVE MATTERS:**

**A. CALL TO ORDER:**

Virginia A. Powell, CPA, Chair, called the meeting to order. Board members in attendance were Ms. Powell; Paul Allen, CPA; Jeffrey Bottenberg, Public Member; Jeffrey Leiserowitz, CPA; Kent Smoll, CPA; and Rodney Van Norden, CPA. Patricia O'Sullivan, public member, was not present. Also in attendance were Susan Somers, Executive Director; Darin Conklin, General Counsel to the Board; Marty Snyder, Assistant Attorney General, Disciplinary Counsel to the Board; Diane Minear, Assistant Attorney General; and Joyce Schartz, Public Accountants Association.

**B. CONSENT CALENDAR:**

The Board reviewed the minutes of the April 28, 2011 meeting; reciprocity certificates/permit to practice/firm registrations; and the May 31, 2011 financials. Mr. Smoll moved and Mr. Leiserowitz seconded to approve. Upon a vote, the motion carried.

**2. CPA EXAM:**

The Board reviewed requests for waivers of courses from exam candidates, and based upon the information provided, ruled as follows:

Jessica Brown: Mr. Leiserowitz moved and Mr. Smoll seconded to approve the request for waiver of 2 hours of written and oral communications. Upon a vote, the motion carried.

Stephanie Wheelock: Mr. Leiserowitz moved and Mr. Bottenberg seconded to approve the request for waiver of the upper division economics course, but denied the request to waive the managerial accounting beyond an introductory course and further, that she is not to take the online managerial accounting course offered by Louisiana State University. Upon a vote, the motion carried.

Danny McKinzie: Mr. Allen moved and Mr. Smoll seconded to approve the request for waiver of 2 hours of written and oral communications. Upon a vote, the motion carried.

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

A. The Board reviewed the list of Peer Reviews due and in process. Mr. Leiserowitz moved, and Mr. Van Norden seconded that in the case of firms not timely complying with Peer Review, unless otherwise warranted, a “warning” letter would be sent notifying them that if they did not provide the Peer Review letter of completion or “in process” letter within thirty days from the date of the letter, a Summary Order of Suspension and imposition of a fine would be issued. If the firm complied within the thirty days, no disciplinary action would be taken. If the firm did not comply within the thirty days, the Summary Order of Suspension and Fine would be issued. For those firms who have received a second “warning” letter, should the firm fail to comply again, a Summary Order would be issued without a warning letter. Upon a vote, the motion carried. The Board also set the next due date for Peer Review letters of completion or additional “in process” letters to be August 12, 2011, unless otherwise warranted. Upon a vote, the motion carried.

B. The Board reviewed a list of CPAs who could not be located, or had indicated that they were not renewing their permits. No action was required to be taken.

C. Mr. Leiserowitz addressed the Board about CPE and, based upon what is being claimed for permit renewal purposes, the possible need to restrict or limit certain types of CPE. After discussion the Board determined that at this time no changes would be made, but that perhaps the Rules and Regulations could be made clearer.

D. The Board reviewed a request from Michael P. O’Keefe on behalf of H & R Block for approval of their basic income tax course, which in the past, had not been accepted by the Board. After review and discussion, and based upon the information and materials presented by Mr. O’Keefe, Mr. Leiserowitz moved and Mr. Allen seconded to approve the course, provided that participants only get credit for classes they actually attend and if they miss a class, the total number of CPE credits must be adjusted downward to reflect their actual attendance, and that CPE credits are awarded on a 50 minute hour, less breaks and does not include question and answer time.

### **4. OTHER:**

A. The Board discussed renewing the contracts for legal, consulting and court reporter services. Mr. Bottenberg moved and Mr. Leiserowitz seconded to renew the contracts for FY 2012. Upon a vote, the motion carried.

B. The Board continued the discussion of mobility/practice privilege postponed from the April meeting. After discussion, it was determined that Mr. Leiserowitz would contact the Chair of the Nebraska Board of Public Accountancy to discuss the Board's concerns about Nebraska's onerous mobility requirements.

C. The Board discussed NASBA nominations and upon motion of Mr. Smoll and seconded by Mr. Leiserowitz, the Board will nominate Telford Lodden as Central Regional Director if it wasn't too late to make the nomination. Upon a vote, the motion carried.

## **5. HEARINGS AND EXECUTIVE SESSION:**

A. 9:30 AM **APRIL SELFRIDGE APPLICATION FOR CPA CERTIFICATE:** Ms. Selfridge appeared in person at the meeting to discuss her application for a CPA certificate and whether or not her application should be denied pursuant to K.S.A. 1-302(b) and K.S.A. 1-311. After discussion, Mr. Leiserowitz moved and Mr. Van Norden seconded for the Board to go into closed session for twenty minutes to deliberate the matter. When the Board reconvened, Mr. Bottenberg moved and Mr. Leiserowitz seconded to deny the application for CPA certificate on the basis of K.S. A. 1-302(b) and K.S.A. 1-311(a)(14). Upon a vote, the motion carried.

B. 10:00 AM **BRYCE MUELLER CONSENT ORDER:** Mr. Mueller appeared in person and with counsel, Christopher Joseph, of Joseph & Hollander for revocation of his CPA certificate due to a felony conviction. Mr. Leiserowitz moved and Mr. Van Norden seconded to approve the Consent Order. Upon a vote, the motion carried.

C. 10:30 AM **MARC FOUNTAIN, FOUNTAIN AND ASSOCIATES CEASE & DESIST ORDER AND SUMMARY PROCEEDING ORDER:** Mr. Fountain appeared in person and with counsel, David Bell of Wyrsh Hobbs & Mirakian, P.C. for failure to register as a firm, use of a misleading firm name, and revocation of Mr. Fountain's CPA certificate and permit in Kansas. After discussion, Mr. Leiserowitz moved and Mr. Allen seconded for the Board to go into closed session to deliberate the matter. Upon a vote, the motion carried.

When the Board reconvened, Mr. Bottenberg moved and Mr. Smoll seconded to dismiss the Cease and Desist Order and the Summary Proceeding Order. Mr. Fountain was advised of his obligation to properly register the firm prior to practicing certified public accountancy in Kansas and that the firm name shall comply with K.A.R. 74-5-406. Upon a vote, the motion carried.

D. **EXECUTIVE SESSION:** Mr. Smoll moved and Mr. Van Norden seconded, for the Board to go into executive session to discuss matters relating to attorney/client privilege. Upon a vote, the motion carried.

When the Board reconvened, Mr. Bottenberg moved and Mr. Allen seconded to adjourn the meeting. Upon a vote, the motion carried.

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