

**MINUTES OF THE KANSAS BOARD OF ACCOUNTANCY
OCTOBER 28, 2016
LANDON STATE OFFICE BUILDING, ROOM 556A
TOPEKA, KS**

1. ADMINISTRATIVE MATTERS:

A. CALL TO ORDER:

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

B. CONSENT CALENDAR:

1. The Board reviewed the minutes of the August 26, 2016 meeting; reciprocity certificates/permits to practice; firm registrations; and the September 2016 financials. Mr. Helms moved and Mr. Van Norden seconded to approve the Consent Calendar. Upon a vote, the motion carried.

2. CPA EXAM:

A. The Board reviewed the scores from the April May June testing window. Mr. Helms moved and Mr. Marsh seconded to ratify the scores. Upon a vote, the motion carried.

B. The Board reviewed the 3rd Quarter Exam pass rate statistics. No action was required to be taken.

C. The Board reviewed a request from Shanielle Wenzl submitted pursuant to K.A.R. 74-2-7, for a waiver of 2 hours of communications relative to Ms. Wenzl's eligibility to sit for the CPA exam. Upon review of the information provided, Ms. O'Sullivan moved and Mr. Helms seconded to deny the request for waiver. Upon a vote, the motion carried.

D. The Board reviewed the 3rd Quarter Candidate Concerns report. No action was required to be taken.

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 a request for a waiver of Peer Review from the firm Motsinger & Huddin, LLC. Based upon the information provided, Mr. Anderson moved and Mr. Helms seconded to approve the request. Upon a vote, the motion carried.

C. Ms. Somers reported that the Board's current Peer Review Oversight Liaison, Mark Dick, who oversees the administration of the Peer Review program by the KSCPA, was retiring at the end of the year. She further reported that Jim Gillespie had agreed to fill that role. Mr. Gillespie is a former member of the Report Acceptance Body of the KSCPA and has performed peer reviews in the past.

4. HEARINGS AND OTHER DISCIPLINARY MATTERS:

A. HINRICHSZENK+PESAVENTO, LLC; JAMES L. ZENK, CPA; AND ANDREW J. HINRICHS, CPA, STIPULATION AND CONSENT ORDERS: Ms. Mitchell, the investigative Board member, recused herself from this matter. HinrichsZenk+Pesavento, LLC, appeared in person by and through James L. Zenk and Andrew J. Hinrichs. Mr. Zenk and Mr. Hinrichs also appeared in their individual capacities. This matter was before the Board for consideration of Stipulation and Consent Orders relative to each of the named Respondents arising from an investigation wherein it was determined that the firm of HinrichsZenk+Pesavento, LLC and the individual respondents failed to disclose a change in firm ownership otherwise contrary to K.S.A. 1-308; and further, that the firm engaged in the practice of certified public accountancy without a valid firm registration. The terms of the Stipulation and Consent Orders required each respondent to appear before the Board; to pay a fine in the amount of \$1,000, and costs, pursuant to K.S.A. 1-206, to include attorney's fees and court reporter fees. Respondent firm's application for firm registration was granted. After hearing testimony, Mr. Anderson 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. Helms moved and Mr. Van Norden seconded to accept the Stipulation and Consent Orders as presented. Upon a vote, the motion carried, with Ms. Mitchell not participating.

B. ALLEN H. JOY, CPA and JOY & COMPANY CONSENT AGREEMENT AND FINAL ORDER: Ms. O'Sullivan, the investigative Board member, and T. C. Anderson, recused themselves from this matter. Mr. Joy appeared in person and on behalf of his firm. This matter was before the Board for consideration of a Consent Agreement and Final Order arising from an investigation wherein it was determined that Mr. Joy failed to register his firm with the Board from 2002 to the present, and the firm engaged in the practice of certified public accountancy without a valid firm registration. The terms of the Consent Agreement and Final Order required Respondents to appear before the Board; and Mr. Joy to pay a fine in the amount of 500.00 and costs, pursuant to K.S.A. 1-206, to include attorney's fees and court reporter fees. After hearing testimony, Mr. Van Norden 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. Marsh moved and Ms. Mitchell seconded to accept the Consent Agreement and Final Order as presented. Ms. Denning called for a roll call vote:

Mr. Marsh: Aye
Mr. Helms: Aye
Mr. Van Norden: Aye
Mr. Denning: Aye
Ms. Mitchell: Aye

The motion passed with Mr. Anderson and Ms. O'Sullivan not participating.

D. BECKY L. REGIER, CPA CONSENT AGREEMENT AND FINAL ORDER:

Ms. O'Sullivan, the investigative Board member, recused herself from the hearing. Ms. Regier appeared in person. This matter was before the Board for consideration of a Consent Agreement and Final Order arising from an audit of Ms. Regier's CPE claimed in support of her most recent permit renewal. The Board determined that Ms. Regier failed to maintain compliance with the requirements for renewal of a permit. The terms of the Consent Agreement and Final Order required Ms. Regier to appear before the Board; pay a fine in the amount of \$250.00 plus costs, pursuant to K.S.A. 1-206, to include attorney's fees and court reporter fees; and to complete and provide proof of completion of 48.5 hours of CPE to the Board on or before October 15, 2016. After hearing testimony, Mr. Anderson moved and Mr. Marsh seconded to accept the Consent Agreement and Final Order as presented. Upon a vote, the motion carried with Ms. O'Sullivan not participating.

D. MARNI L. HOWARD PAGE, CPA AND HOWARD PAGE, LLC STIPULATION AND CONSENT ORDER:

Ms. Mitchell, the investigative Board member, recused herself from this matter. Ms. Page appeared in person and on behalf of her firm. This matter was before the Board for consideration of a Stipulation and Consent Order arising from an investigation wherein it was determined that Ms. Page had failed to cooperate in a timely manner for the Board in its investigation of a potential violation of the law, and the firm had engaged in the practice of certified public accountancy without being properly registered with the Board. The terms of the Stipulation and Consent Order required the Respondents to appear in person; to each pay a fine in the amount of \$250.00; and to pay costs pursuant to K.S.A. 1-206, to include attorney's fees and court reports fees incurred in this matter. After hearing testimony, Ms. O'Sullivan 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, Ms. O'Sullivan moved and Mr. Anderson seconded to accept the Stipulation and Final Order as presented. Upon a vote, the motion carried, with Ms. Mitchell not participating.

The Board then reviewed the following Summary Orders issued, which required no further action by the Board:

IRENE MARIE BROONER, CPA SUMMARY ORDER REVOKING KANSAS CERTIFICATE

RAYMOND F. DECHANT, SUMMARY ORDER OF REVOCATION OF CERTIFICATE

RBSM, LLP, SUMMARY ORDER OF SUSPENSION OF FIRM REGISTRATION FOR FAILURE TO COMPLY WITH PEER REVIEW (FIRM COMPLIED WITH THE TERMS OF THE SUMMARY ORDER, THEREFORE SUSPENSION DID NOT OCCUR)

ROGER A. SCHMIDT, CPA, & SCHMIDT & COMPANY, LLC SUMMARY ORDER REVOKING KANSAS CERTIFICATE AND FIRM REGISTRATION

UNGER & ASSOCIATES, PC SUMMARY ORDER OF SUSPENSION OF FIRM REGISTRATION FOR FAILURE TO COMPLY WITH PEER REVIEW (FIRM COMPLIED WITH THE TERMS OF THE SUMMARY ORDER, THEREFORE SUSPENSION DID NOT OCCUR).

5. OTHER:

A. Ms. O’Sullivan expressed her concern over the amount of CPE credits awarded for college courses. Currently there are 45 CPE credits awarded for 3 semester credits of a college course. Given that there is no longer an attendance requirement to obtain college credits, she thought that perhaps it was time to look at and possibly revise the number of CPE credits awarded for college courses. No formal action was taken.

B. Ms. O’Sullivan moved and Mr. Van Norden seconded for the Board to go into executive session for a period of 20 minutes for the discussion of personnel issues involving office staff changes. Upon a vote, the motion carried. When the Board reconvened, Ms. O’Sullivan moved and Mr. Van Norden seconded for the Board to go back into executive session for an additional thirty minutes to discuss personnel issues relative to office staff changes. When the Board reconvened, Mr. Van Norden moved and Ms. O’Sullivan seconded for the Board to go back into executive session for an additional thirty minutes to discuss personnel issues relative to office staff changes. Upon a vote, the motion carried.

6. ADJOURN:

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

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