



THE MINNESOTA BOARD OF ACCOUNTANCY

BOARD MEMORANDUM

February 27, 2015

TO: All Board Members
Christopher Kaisershot, Assistant Attorney General

FROM: Greg Steiner, CPA, Board Chair

SUBJECT: **FEBRUARY 27, 2015, BOARD MEETING MINUTES**
9:15 AM
GOLDEN RULE BUILDING, Suite 295 (2nd floor)

The Board held its regularly scheduled monthly meeting on the above-mentioned date, time and location.

1) **CALL TO ORDER**

Attendance:

Gregory Steiner, CPA, Board Chair
Kristine S. Eustice, Public Member
Sharon Jensen, CPA
Thomas Lydon, CPA
Kathleen Mooney, CPA (**Absent**)
Robert Saunders, CPA (**Absent**)
Mark Sellner, CPA (**Absent**)
Scott Van Binsbergen, Public Member (**Absent**)
Michael M. Vekich, CPA

OTHERS:

Doreen Frost, Executive Director
Christopher Kaisershot, Assistant Attorney General
Bev Carey, Investigator
Laurie Nistl, Board Staff
Kay Weiss, Communications Specialist
Andrea Barker, Rules Coordinator

GUESTS:

Geno Fragnito, Minnesota Society of Certified Public Accountants
Betsy Adrian, Minnesota Society of Certified Public Accountants
Nick de Julio, Minnesota Association of Public Accountants
Becca Rogers, Minnesota Association of Public Accountants

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- 2) APPROVAL OF THE JANUARY 16, 2015 BOARD MEETING MINUTES
 - A) **MSP: to approve the January 16, 2015 meeting minutes.**

- 3) COMPLAINT COMMITTEE REPORT (Michael M. Vekich, Committee Chair)

The Complaint Committee requests a closed session to deal with disciplinary matters.

 - A) **MSP: To close session to address enforcement actions under Minnesota Statutes 214 (2014).**
 - B) **MSP: To reopen the meeting.** The Board issued the following Orders:
 - 1) In the Matters of Bruce D. Keller and Bruce D. Keller, PC, the Board issued a Settlement Agreement and Cease and Desist Order.
 - 2) In the Matter of FGMK, LLC, the Board issued a Settlement Agreement and Cease and Desist Order.
 - 3) In the Matter of Hancock & Dana, PC, the Board issued a Stipulation and Consent Order.
 - 4) In the Matter of Woodward & Associates, Inc., the Board issued a Stipulation and Consent Order
 - 5) In the Matters of Clarence W. Maday (formerly known as Professional Tax Advisors, Inc.); and Clarence Willard Maday, the Board issued a Stipulation and Consent Order.
 - 6) In the Matter of Patrick John Tokarski, the Board issued a Stipulation and Consent Order and Order to Reinstate.
 - 7) In the Matter of Stephen Eric Kozlicki, the Board issued a Stipulation and Consent Order and Order to Reinstate.
 - 8) In the Matter of Lorelee Christine Farah, the Board issued a Stipulation and Consent Order.
 - 9) In the Matter of Robert Francis Foley, the Board issued an Order to Rescind Revocation of CPA Certificate.

- 4) STRATEGIC PLANNING INITIATIVE - Rescheduled

- 5) EXECUTIVE COMMITTEE REPORT (Gregory S. Steiner, Board Chair)
 - A) No meeting held.

- 6) EXECUTIVE DIRECTOR'S REPORT (Doreen Frost, Executive Director)
 - A) Budget and Revenue Reports – Discussed.
 - B) Legislative Session – Presented budget to the Senate State Departments and Veterans Budget Division.
 - C) Staffing Update:
 - Kay Weiss has been hired as Communications Specialist for the Boards.
 - In the hiring process for a complaints specialist. Interviews were completed this week.
 - D) Open appointments will soon be announced. On-line Board member training will be available for new and current Board members.
 - E) The licensing surcharge will expire June 30, 2015.

- 7) EXAMINATION & CREDENTIALING COMMITTEE MEETING REPORT
(Tom Lydon reported)
- A) Approved the applications of 65 Minnesota candidates, eleven transfer candidates, and four reciprocal candidates. One petition for waiver from Board of Accountancy rules was granted. One petition for waiver was forwarded for review.
- MP: To Approve and Adopt Committee recommendations.**
- 8) CONTINUING PROFESSIONAL EDUCATION COMMITTEE REPORT
(Kristine Eustice reported)
- A) Approved one petition for waiver from Board of Accountancy Rules
 - B) Denied three petitions for waiver from Board of Accountancy Rules.
 - C) Discussion held on one person's CPE – CPE credits were granted.
 - D) CPE Audits are complete.
- MP: To Approve and Adopt Committee recommendations.**
- 9) LEGISLATIVE AND RULES COMMITTEE REPORT
(Michael M. Vekich, Committee Chair)
- A) Bill Summaries – Senate File 802/House File 744 – Discussed.
 - B) Proposed changes to Minnesota Rules 1105.4000 application for Firm Permit - discussed
- MSP: To Approve and move the proposed Rule changes forward.**
- C) Firm - Individual Licensing Legislation – Discussed.
- 10) FIRM CREDENTIALING COMMITTEE REPORT
(Kristine S. Eustice, Committee Chair)
- A) Approved seven Minnesota firm permits.
 - B) Approved three foreign firm permits.
 - C) Approved seven firm name change requests.
 - D) Accepted 88 quality review reports with a pass rating.
 - E) Accepted five quality review reports with other ratings.
 - F) Accepted five quality review reports that were previously monitored and have completed requirements.
 - G) Discussion items: Firms that fail to renew and Brightline CPAs & Associates, Inc. request.
- MP: To Approve and Adopt Committee recommendations.**
- 11) QUALITY REVIEW OVERSIGHT COMMITTEE REPORT
(Mark A. Sellner, CPA, Committee Chair)
- A) No report.
- 12) UNFINISHED BUSINESS
- A) None.

13) NEW BUSINESS

- A) New Licenses Report. (FYI) - Discussed
- B) Uniform CPA Examination Candidate Fees - Discussed.
- C) Rule Draft for Temporary Military License or Certificate.
MSP: To approve and move the Rule draft forward.
- D) Peer Review Oversight Committee Summit, July 10, 2015. Any Board member interested in attending should contact the Chair and Executive Director.
- E) NASBA Regional Directors' Focus Questions.
- F) Fiscal Note for 2015-16 legislation (FYI) – Discussed.
- G) Bill Summaries – Senate File 802/House File 744 – Previously discussed, see Legislative and Rules Committee report.
- H) Firm - Individual Licensing Legislation – Previously discussed, see Legislative and Rules Committee report.
- I) House File 495 - Counties permitted to have audits performed by certified public accountant firms. (FYI Only) – Discussed.
- J) Medical Marijuana questions for CPAs – Discussed. **(ATTACH. 13J)**

14) PUBLIC COMMENT

- A) None.

15) ADJOURNED: 10:52 a.m. Next meeting is Friday, April 17, 2015.


