ARIZONA STATE BOARD OF ACCOUNTANCY

OPEN SESSION MINUTES

March 28, 2016

Members of the Arizona State Board of Accountancy ("Board") held a meeting at 8:15 a.m. on Monday, March 28, 2016, at the Accountancy Board Office in Suite 165, 100 N. 15th Avenue, Phoenix, Arizona 85007. Executive Sessions were held from 10:28 a.m. to 10:35 a.m.; from 11:33 a.m. to 11:47 a.m.; from 2:11 p.m. to 2:23 p.m. and from 3:18 p.m. to 3:22 p.m.

BOARD MEMBERS:

- Alan R. Augenstein, CPA ................................................................. President
- Douglas N. Kimball ................................................................. Secretary
- Layne Reid Simmons, CPA ............................................................... Treasurer
- Gary L. Freed ................................................................................... Member
- LeRoy M. Gaintner, CPA .............................................................. Member
- William C. Heimerdinger, CPA ....................................................... Member
- Julie S. Klewer, CPA ........................................................................ Member

Participated telephonically

STAFF PRESENT:

- Monica L. Petersen .......................................................... Executive Director
- Jacki Hancock .................................................................................. Assistant Director, Registration and Operations
- Sophia Varma Van Langen .................................................. Assistant Director, Regulation and Compliance
- Christopher Rasmussen ...................................................... Program Project Specialist II
- Jaime Shapiro .................................................................................. Program Project Specialist II

ASSISTANT ATTORNEY GENERAL:

- Sarah A. Asta, Esq. .................................................. Assistant Attorney General
- Marc Harris, Esq. .......................................................... Assistant Attorney General

GUESTS PRESENT AND/OR PARTICIPATING:

- Christopher A. Lutes, CPA .................................................. Accounting and Auditing Advisory Committee Member
- Barry Dill ...................................................................................... First Strategic
- Brenda Seligman ................................................................................ Guest
- Charles B. Foley, CPA ............................................................. Registrant
- Cheryl A. Becker, CPA ............................................................. Registrant
- Cindie Hubiak ................................................................. President and CEO, ACPA
- Daniel C. Mueller .............................................................................. Guest
- David Freeland .................................................. Arizona Association of Accounting and Tax Professionals
- Donna Marie Benjamin, CPA ........................................................ Registrant
- Gevan Craig Rudd, CPA .............................................................. Registrant

The Americans with Disabilities Act: Persons with disabilities may request reasonable accommodations, such as sign language interpreters. Requests should be made as early as possible to allow time to arrange the accommodation. This document is available in alternative format upon request.
The meeting was called to order at 8:15 a.m. by Alan R. Augenstein. The following order of business was then considered:

OPEN SESSION

CALL TO THE PUBLIC
Cindie Hubiak, President and CEO of the Arizona Society of Certified Public Accountants (ASCPA), was present and invited the Board members to the ASCPA’s Annual Meeting on May 19, 2016.

David Freedland of the Arizona Association of Accounting and Tax Professionals (AAATP) was present and thanked the Board for allowing him to participate.

Daniel C. Mueller was present and stated that he was able to answer questions and make a statement regarding File No. 2016.064.

Ryan P. Giolitto was present and stated that he was able to answer any questions that the Board may have.

DISCUSS, AMEND AND APPROVE MINUTES
After discussion and amendments, a motion was made by Gary L. Freed, seconded by William C. Heimerdinger and passed unanimously to accept the February 8, 2016 Open Session minutes, as amended.

After discussion and amendments, a motion was made by Douglas N. Kimball, seconded by Gary L. Freed and passed unanimously to accept the February 8, 2016 Executive Session minutes, as amended.

After discussion, a motion was made by Douglas N. Kimball, seconded by Gary L. Freed and passed 5 – 0 to accept the March 9, 2016 Law Review Committee/Board Joint Meeting Open Session minutes, as drafted. LeRoy M. Gaintner and Layne R. Simmons abstained from the vote.
DECLARATION OF CONFLICTS OF INTEREST
Gary L. Freed declared a conflict of interest with agenda item XVII.Y – Aaron Blau 15710-E.

William C. Heimerdinger declared a conflict of interest with agenda item XVII.Q.12 – Jonathan R. Pike 16606-R.

Alan R. Augenstein declared a conflict of interest with agenda item XVII.Q.29 – Roger A. Derse 4300-E.

CONSENT AGENDA
Gary L. Freed declared a conflict with the following consent agenda items:

C. Request for Firm Cancellation – Do Not Wish to Renew:
   11. JKM Accounting & Consulting Services, LLC 3424-L

E. Recommended for Reissuance of Certificate because of Name Change:
   4. Issued as: Sahar Theresium Clancy 13960-E ; New Name: Sahar T. Clancy

A motion was made by LeRoy M. Gaintner, seconded by William C. Heimerdinger and passed 6 – 0 to approve consent agenda items V.C.11 and V.E.4.

**Gary L. Freed declared a conflict of interest and recused himself from the vote.**

William C. Heimerdinger declared a conflict with the following consent agenda item:

H. Recommendation of the Certification Committee for Approval of Certification by Reciprocity based on Substantial Equivalency – A.R.S. § 32-721(C)(1):
   7. Curry, Regina

A motion was made by LeRoy M. Gaintner, seconded by Douglas N. Kimball and passed 6 – 0 to approve consent agenda item V.H.7.

**William C. Heimerdinger declared a conflict of interest and recused himself from the vote.**

Layne R. Simmons declared a conflict with the following consent agenda item:

J. Recommendation of the Certification Committee for Approval of Examination Candidates for the Uniform CPA Examination – A.R.S. § 32-723:
   117. Reeb, David Michael

A motion was made by LeRoy M. Gaintner, seconded by Douglas N. Kimball and passed 6 – 0 to approve consent agenda item V.J.117.

**Layne R. Simmons declared a conflict of interest and recused himself from the vote.**
Alan R. Augenstein declared a conflict with the following consent agenda items:

C. Request for Firm Cancellation – Do Not Wish to Renew:
   6. Derse, Roger A., CPA 5587-S

D. Recommended for Cancellation of Certificate per Registrant’s Request Not to Renew:
   1. Adam M. Hughes 15539-E
   9. Marc P. Kestly 15945-E

F. Recommendation of the Certification Committee for Approval of Certification by Examination – A.R.S. § 32-721(B):
   18. Kupper, Austin P.

K. Recommendation of the CPE Advisory Committee for Compliance of the Following Registrants Regarding Random Audit (A.A.C. R4-1-453):
   1. Brent Hagerman 14373-E
   5. Ellen J. Perkins 12763-E

A motion was made by LeRoy M. Gaintner, seconded by Douglas N. Kimall and passed 6 – 0 to approve consent agenda items V.C.6; V.D.1; V.D.9; V.F.18; V.K.1 and V.K.5.

Alan R. Augenstein declared a conflict of interest and recused himself from the vote.

A motion was made by Douglas N. Kimball, seconded by Gary L. Freed and passed unanimously to approve the following consent agenda items:

A. Recommended for Registration of Firms for the Following Applicants (Meet the requirements of A.R.S. § 32-731):
   1. CPA of Arizona PLLC
      Partner: Andres V. Ibarra 17247-E
   2. David J. Pock, CPA
      Partner: David John Pock 18000-E
   3. Debra R Merrill CPA
      Partner: Debra R Merrill 6392-E
   4. Embark CPA Services, LLC
      Partner: Gary Milkwick 17920-R
   5. Goldstick Tax Services, L.L.C.
      Partner: Mark Goldstick 18014-R
   6. Jeffrey Later, CPA
      Partner: Jeffrey D. Later 17692-R
   7. JL Smith, CPA, LLC
      Partner: Jan L. Smith 11612-E
   8. Joel Wasserman, CPA
      Partner: Joel Wasserman 16837-R
   9. Joshua J. Sherko, CPA
10. JSG Consulting LLC  
   Partner: Jayashree Ganesan 14371-E  

11. Judy Kelloff, CPA  
    Partner: Judy Kelloff 18022-R  

12. Kristin Skevington  
    Partner: Kristin Skevington 11788-E  

13. Loren Yunk, CPA  
    Partner: Loren Michael Yunk 11179-E  

14. Marla Hampton, CPA  
    Partner: Marla C. Hampton 14478-E  

15. O3 Environmental, LLC  
    Partner: Daniel Hutto 17883-R  

16. On Point CPA, PLLC  
    Partner: Dale Eske 13967-E  

17. Organized Piggy  
    Partner: Erin Engelbrecht 13944-E  

18. Point West Business Services, LLC  
    Partner: Lynda E. Zeman 14157-R  

19. Shaun M. Light, CPA, PC  
    Partner: Shaun M. Light 17997-E  

20. Smith & Lloyd CPAs LLC  
    Partner: Jonathan Ryan Smith 15988-E  

21. Stacie Witten  
    Partner: Stacie L. Witten 18007-E  

22. Sterling Group LLC  
    Partner: David R. Perry 10883-E  

23. Tanya Luken CPA PC  
    Partner: Tanya Luken 13714-E  

B. Recommended for Firm Name Change:  
   1. Innovative CPA Solutions LLC  
      From: Account Organizer LLC  
      Partner: Christine Blankenship 16795-E  

C. Request for Firm Cancellation – Do Not Wish to Renew:  
   1. Boone CPA 4788-S  
   2. Brinkman Consulting Services, LLC 3420-L  
   3. Browning, Denise Dodge, CPA, PC 1338-C  
   4. Crandall, C. Stephen, CPA 4155-S  
   5. Davis, Jeffrey, CPA 4236-S  
   6. Voted on separately  
   7. Donohue, Roger B., CPA, PLC 3066-L  
   8. Foumberg, Juneja & Co PC 2740-C  
   9. Gikling, Grant, CPA 4768-S  
   10. Ham, J. Alexander, CPA, PLLC 2936-L
11. **Voted on separately**
12. Johnson, D. Ernest, CPA 4156-S
13. Levendusky, Martin, CPA PLLC 6147-L
14. Miller, Laura B., CPA 4132-S
15. Peterson, Glenn, CPA, P.C. 2261-C
16. Puchaty, Don, CPA 4565-S
17. Waite, Kennedy B., CPA 5602-S

D. Recommended for Cancellation of Certificate per Registrant’s Request Not to Renew:
   1. **Voted on separately**
   2. Amy Barron Etzkorn 3292-R
   3. Candice L. Bartle 14402-R
   4. Jason T. Brodmerkel 15962-R
   5. Katharine M. Richards 10463-E
   6. Kennedy Boyd Waite 1510-E
   7. Kenneth Allan Hildebrandt 5703-E
   8. Linda A. DiFrancesco 8633-E
   9. **Voted on separately**
   10. Matthew Berardini 16271-E
   11. Matthew Donohue 17515-E
   12. Richard M. Gilsdorf 10971-E
   13. Stephen Grimaud 16648-R
   14. Susan E. Bobbe 12793-E
   15. Vladislav D. Baytchev 16481-R

E. Recommended for Reissuance of Certificate because of Name Change:
   1. Issued as: Bobette Sylvester 10934-E ; New Name: Bobette Sylvester-McCarroll
   2. Issued as: Lyz Kann 17523-E ; New Name: Lyz White
   3. Issued as: Mary J. Jordan 9479-E ; New Name: Mary J. Solorzano
   4. **Voted on separately**
   5. Issued as: Sarah E. Corley 17663-E ; New Name: Sarah E. Kosterow

F. Recommendation of the Certification Committee for Approval of Certification by Examination – A.R.S. § 32-721(B):
   1. Anderson, Eric
   2. Anthony, Andrew J.
   3. Arnold, Cailee J.
   4. Brown, Mitchell Paul
   5. Decker, Ross E.
   6. Egita, Kim Ann
   7. Falca, Diana
   8. Fleck, Joshua
   9. Frang, Andrew
   10. Glass, Steven
   11. Huang, Fei
   12. Jenks, Erika L.
   13. Johnson, Mark A.
   14. Jones, Melissa
   15. Kane, Stephen Anthony
   16. Knutson, Mikaela J.
   17. Kroese, Elizabeth M.
   18. **Voted on separately**
   19. Larson, Tran M.
   20. Lilly, Amanda Rae
21. Lyon, Julie 28. Rodriguez, Steven
22. Ortiz, Richard 29. Ross, James R.
23. Park, Isaac Ji Soo 30. Short, Cheryl L.
24. Pastell, Karin A. 31. Thomas, Jodi Kay
25. Raviol, Perri 32. Wang, Tzu-Yu
26. Read, Teresa Janene 33. White, Julie A.
27. Reeter, Mark R.

G. Recommendation of the Certification Committee for Approval of Certification by Examination by Grade Transfer – A.R.S. § 32-721(B):
1. Vali, Joshua

H. Recommendation of the Certification Committee for Approval of Certification by Reciprocity based on Substantial Equivalency – A.R.S. § 32-721(C)(1):
1. Akoury, Amanda 13. Hardison, Christopher J.
2. Bandeali, Adam 14. Kim, Soung Hoon
5. Casey, Joan 17. Moore, Ronald L.
6. Chio, Ivy 18. Mount, Carol M.
8. Degnan, Pat 20. Perlich, Amy E.
10. George, Phillip V. 22. Stoerner, Corey L.
11. Green, Christopher 23. Vokt, Jeremy C.
12. Hales, Adam 24. Weekes, Tyson J.

I. Recommendation of the Certification Committee for Approval of Certification by Reciprocity – A.R.S. § 32-721(C)(2):
1. Kraus, Erika
2. Quarante, Dino

J. Recommendation of the Certification Committee for Approval of Examination Candidates for the Uniform CPA Examination – A.R.S. § 32-723:
1. Abraham, Anju 11. Bierl, Samantha M.
3. Arora, Saurabh 13. Birkley, Maria Teresa
5. Bangalore Gopalarao, Vasanth Kumar 15. Brown, Brian Ray Terrell
7. Bateman, Victoria Lynn 17. Carkey, Steven Tyler
8. Batson, Mariano Lee 18. Castagna, Zachary Andrew
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107. Owsley, Yizhen Lei  
108. Palomarez, George Estrada  
109. Parker, Destini JDAnn  
110. Phelps, Mackenzie Kathryn  
111. Puri, Sandeep  
112. Qu, Bo  
113. Radinsky, Richard Neil  
114. Rai, Siddharth  
115. Raman, Smruthi  
116. Ramaswamy, Anand  
117. Voted on separately  
118. Rice, Jessica  
119. Rodriguez, Miguel Angel  
120. Rodriguez, Rodolfo, Jr.  
121. Romacker, Kevin Daniel  
122. Salazar, Cesar Jahaziel  
123. Sanaei-Sharifi, Nadia  
124. Scherrer, Tara Aisha  
125. Schumann, Jordan Durie  
126. Scorso, Robert Simon  
127. Sela, Juxhin  
128. Senum, Chad Darwin  
129. Shaikh, Noman Abdulrehman  
130. Sharma, Anurag Siddhu, Manreet Kaur  
131. Shill, Stephen Phillips Sigala, Omar  
132. Smith, Waylon Ray  
133. Symonds, Jennifer J. Tanner, Tyler Mccall  
134. Tanwar, Lata  
135. Travisano, Lindsey Haws  
136. Treger, Brandon Chase  
137. Tripathi, Yogesh  
138. Un, Iris Hio Kuan  
139. Viparti, Subba Laxmi  
140. Tanwar, Lata  
141. Warner, Shannon Marie  
142. Wilson, Leslie Ann  
143. Yao, Shuxin  
144. Yee, Henry  
145. You, Yanxiang  
146. Zavras, Ashley Elizabeth  
147. Zhang, Qiuhe

K. Recommendation of the CPE Advisory Committee for Compliance of the Following Registrants Regarding Random Audit (A.A.C. R4-1-453):  
1. Voted on separately  
2. David P. Phillips 14821-R  
3. Deborah S. Smith 5072-E  
4. Donald W. Gallien 6650-E  
5. Voted on separately  
6. George Henry Courson 4778-E  
7. Joyce Madonia 11360-E  
8. Kevin Max Dodson 12494-E  
9. Lisa H. Cox 12699-E  
10. Martin G. Demarzo 13962-E  
11. Tracie Lynn Colby 13629-E  
12. Tracy L. Perregaux 13803-E

L. Request for Reinstatement from Expired Status – A.R.S. § 32-730.03  
1. Mary J. Jordan 9479-E (change of last name from Jordan to Solorzano)

M. Recommendation of the Peer Review Oversight Advisory Committee for Approval of the Following Firms in Compliance with A.A.C. R4-1-454:  
1. Bee, Linda P., CPA, P.C. 906-C
2. Calvert & Ivester, PLLC 2160-L
3. Dekraker & Winkler, CPA, P.C. 2221-C
4. Donis, Paul A., CPA, PC 1268-C
5. Espinosa, Maria Esther, CPA, P.C. 2117-C
6. Grant Thornton LLP 2410-L
7. House Kaplan CPA'S, P.C. 2080-C
8. Koivisto & Koivisto, P.C. 2413-C
9. Kretschmar, Donald M., CPA, PLLC 3123-L
10. Mueller, K.W., P.C. 917-C
11. Mukai, Greenlee & Company, P.C. 792-C
13. Pinto & Stewart, PC 2415-C
14. Schneider & Associate, CPAS, PC 1144-C

N. Recommended Approval of Retired Status for the Following Registrants –
A.R.S. § 32-730.04:
1. Andrew D. Bailey Jr. 14401-R
2. Arturo Fraga 2163-E
3. Barbara J. Hanson 9592-E
4. Carleen L. Lashbrook 5304-E
5. Chris M. Freitag 15855-E
6. Dan A. Gray 1727-R
7. Danny Gain Gin 2381-E
8. David Price Allen 2436-E
9. Debra J. Davies 3211-R
10. Denise J. Finell 3610-E
11. Donna June Miller 3421-E
12. Douglas P. Schoenoff 5093-R
13. Elvia Roche 5000-E
14. Gerald Michael Gulick 3481-R
15. Hector Rene Baca 5521-E
16. Henry F. Santostefano 3808-R
17. James F. Cavender 2511-R
18. Karen Gresham 12818-E
19. Katherine S. Hall 7833-E
20. Kim Ellerston 2689-E
22. Lance Harold Cypert 2653-R
23. Larry A. Urban 11429-R
24. Larry Ross Park 1189-E
25. Lenore Platt Lancaster 2531-R
26. Leslie C. Clark Jr. 3383-R
27. Nancy M. Dugan 3750-E
28. Ramez Michel Hakim 1505-E
29. Richard Glen Wolf 1989-E
30. Robert Wade Bacon 4769-E
31. Ronald Hernandez 2356-E
32. Ronnie L. Boyle 6785-R
33. Shu-Yuan Wu 5255-E
34. Stuart Craig Wolff 6554-E
35. Terry F. Oakes 4003-E
36. Theresa Helen Nordhagen 5550-E
37. Tony M. Astorga 1835-E
38. Vicki Ann Allison 2671-E
39. Walter A. Martinez 463-E
40. William E. O'Brien 7443-E

O. Termination of Decision and Order
1. File No. 2015.057; Kretschmar, Donald M., CPA, PLLC
2. File No. 2015.090; Thompson, Mary K.
3. File No. 2014.028 and 2014.051; Jeffrey, Edward
4. File No. 2016.025; Buttke, Charles
P. Recommended for Reactivation of Certificate from Inactive Status - A.R.S. § 32-731.01(C):
   1. Laura C. Leggett 11500-E
   2. Laura E. Johnson 12725-E
   3. Shari R. Richards 10296-E

ITEMS FOR BOARD REVIEW, DISCUSSION AND POSSIBLE ACTION
Recommendations from the Tax Advisory Committee to Open Investigation Files on the Individual and/or Firm and to Move for Revocation Under the Existing Complaint and Notice of Hearing
File No. 2015.099; White, Tiffany
File No. 2015.100; White, Tiffany
File No. 2016.042; White, Tiffany
File No. 2016.043; White, Tiffany
File No. 2016.075
File No. 2016.076
File No. 2016.077
File No. 2016.105

Alan R. Augenstein informed his fellow Board members that because of Sarah A. Asta’s prosecutorial role in these cases, she would no longer be able to advise the Board on these matters. Mr. Augenstein stated that Marc Harris was therefore assigned to these cases to provide legal advice if needed.

Alan R. Augenstein provided a brief history on the aforementioned files.

A motion was made by LeRoy M. Gaintner, seconded by Gary L. Freed and passed unanimously to open investigation files on file numbers 2016.075, 2016.076, and 2016.077 and to open an investigation file on the consolidation file number 2016.105, as it relates to the firm of the Registrant.

A motion was made by Douglas N. Kimball, seconded by Gary L. Freed and passed unanimously to direct the Assistant Attorney General to proceed with an administrative hearing for revocation against the Registrant’s CPA Certificate and the firm’s registration in the aforementioned files, and to incorporate file numbers 2016.075, 2016.076, 2016.077 and 2016.105 into the existing Complaint and Notice of Hearing.

Marc Harris clarified with the Board that file numbers 2015.099, 2015.100, 2016.042, and 2016.043 were already open and were incorporated into the existing Complaint and Notice of Hearing. Mr. Augenstein and Board staff affirmed that that was correct.

LEGISLATIVE UPDATE
Barry Dill and Marcus Dell'Artino, Board lobbyists, provided a summary of this legislative session and answered questions of clarification for the Board members.

SB 1282 – Public Records; unduly burdensome requests
Marcus Dell’Artino stated that the bill failed in the House of Representatives and that he does not expect it to come back.

HB 2014 – Electronic documents; state agencies
Marcus Dell’Artino stated that the bill is dead.

HB 2100 – State agency reports; electronic submission
Marcus Dell’Artino noted that the bill is still moving through the legislative process and clarified that the budget season may force the bill, along with other bills, to move fast.

HB 2337 – Regulation; deficiencies; opportunity to correct
Marcus Dell’Artino stated that the bill is still moving through the legislative process.

HB 2353 – Regulatory boards; sunrise; draft legislation
Marcus Dell’Artino stated that the bill is dead.

HB 2448 – Audits; accountants; reciprocity privilege
Marcus Dell’Artino noted that this bill has been signed by the Governor.

HB 2450 – Expedited rulemaking; outdated rules
Marcus Dell’Artino noted that the bill is still moving through the legislative process.

HB 2487 – State agencies; pre-application authorization; limitations
Marcus Dell’Artino noted that the bill is still moving through the legislative process.

HB 2501 – Health regulatory boards; transfer; DHS
Marcus Dell’Artino stated that the bill got held up in the Appropriations Committee and noted that because the Appropriations Committee can meet at any time during the legislative session, the bill still has a chance of being passed and signed. Mr. Dell’Artino stated he was not optimistic about the bill passing the finish line, but would monitor the bill, nevertheless.

HB 2517 – Businesses; professions; regulation restrictions
Marcus Dell’Artino noted that the bill is still moving through the legislative process, but is going through an amendment process. Mr. Dell’Artino estimated that the bill has a 50% chance of passing.

HB 2613 – Regulatory boards; licensing; revisions
Marcus Dell’Artino noted that the bill continues to move through the legislative process, but has the possibility of dying due to the budget season. Alan R. Augenstein informed his fellow Board members that this is the bill that would require the Arizona Department of Administration to conduct a study on non-health regulatory boards being consolidated. Mr. Augenstein mentioned his concern on the study and its effectiveness with the specified timeframe. Mr. Augenstein asked for Cindi Hubiak and the ASCPA’s thoughts on the matter. Ms. Hubiak shared that they are following the bill closely and share the concern of Mr. Augenstein. Ms. Hubiak stated that the study may be able to be done without the legislation and is, therefore, ready to act next session if a proposal to consolidate the Board is made.
Mr. Augenstein clarified that he did not have an issue with the study itself, but the timeline and effectiveness of the proposed study.

Gary L. Freed questioned Board lobbyists on a bill that would have required video-archiving of public meetings and its likelihood of returning the next legislative session. Marcus Dell'Artino stated that it is likely that the bill would not return as the sponsor of the bill will not be present in the next legislative session.

ITEMS FOR BOARD REVIEW, DISCUSSION AND POSSIBLE ACTION

Notice of Operation of an Unregistered Firm and a Firm Application with a Misleading Firm Name – A.A.C. R4-1-455.03(D)(2)
Firm: Foley & Giolitto, CPA, PLLC
Partner: Ryan P. Giolitto (18013-R)
File No. 2016.096; Giolitto, Ryan P.
Ryan P. Giolitto and Charles B. Foley were present and Board members and staff introduced themselves. Mr. Giolitto provided a brief summary of the issue to the Board. Jacki Hancock provided a background to the discussion with regard to the successor firm statute and the Board’s rule regarding misleading firm names.

An extensive discussion ensued among Board members, Ryan P. Giolitto and Charles B. Foley regarding the intention of the firm name, the form of the firm name, and whether the firm name can be misleading or not. At question was whether the successor firm statute is intended to apply to a firm name based on a partnership that was formed for one day, so as to retain the proposed firm name. Mr. Augenstein suggested that the successor firm statute applies in this matter, despite the firm partnership being formed and dissolved on the same day. Mr. Giolitto noted that Mr. Foley had been retained as an employee of the firm for one year.

A motion was made Gary L. Freed, seconded by Douglas N. Kimball and passed unanimously to approve the firm registration with the title of the firm “Foley & Giolitto, CPA, PLLC”.

A motion was made by William C. Heimerdinger, seconded by Gary L. Freed and passed unanimously to accept the Registrant’s response and close file number 2016.096.

COMMITTEE REECCOMENDATIONS – INVESTIGATION FILES

Tax Advisory Committee
File No. 2015.083; Morrison, Scott
File No. 2015.112; Morrison, Clark & Conover, CPAs, PLLC
File No. 2016.034; Conover, Glenn
Glenn C. Conover, Registrant, and Rob Justman, Attorney for the Registrant, were present. Board members and staff introduced themselves to Mr. Conover and Mr. Justman.

Rob Justman provided a brief history on the files and requested that the Board approve the Administrative Letter of Concern. Board members and staff proceeded to discuss possible modifications to the Administrative Letter of Concern.
A motion was made by Layne R. Simmons, seconded by Douglas N. Kimball and passed unanimously to accept the recommendation of the Tax Advisory Committee and to issue the Administrative Letter of Concern to the Registrants, as drafted.

ITEMS FOR BOARD REVIEW, DISCUSSION AND POSSIBLE ACTION

Application for Certification by Reciprocity based on Substantial Equivalency, Deferral by Certification Committee – A.R.S. § 32-721(C)(1) – and Application for Firm Registration
Lawrence J. Evans
Firm: LJ Evans, LLC
Partner: Lawrence J. Evans

Lawrence J. Evans was present and introduced himself to the Board. Alan R. Augenstein provided a brief summary of the issue to his fellow Board members. Mr. Evans provided a summary of his background to the Board members. A discussion ensued among Mr. Evans, Board members, and staff regarding licenses held by Mr. Evans in other jurisdictions, omissions from the application, and Mr. Evans’ intent to practice in the state of Arizona.

A motion was made by LeRoy M. Gaintner, seconded by William C. Heimerdinger and passed unanimously to approve the application for certification of the individual.

A motion was made by LeRoy M. Gaintner, seconded by William C. Heimerdinger and passed unanimously to approve the firm registration.

Termination of Decision and Order
File No. 2013.108; Rudd, Gevan C., CPA, P.C.

Gevan C. Rudd, Registrant, and Scott Gibson, Attorney of the Registrant, were present and introduced themselves to the Board. Mr. Gibson provided a brief statement regarding the Decision & Order (By Consent) and his client’s completion of the order. A discussion ensued among Board members, Mr. Rudd, and Mr. Gibson regarding the potentiality of Mr. Rudd returning to provide attestation services. Layne R. Simmons asked Mr. Rudd to describe his practice, and Mr. Rudd provided a brief background.

A motion was made by LeRoy M. Gaintner, seconded by Layne R. Simmons and passed 6 – 1 to terminate the Decision & Order (By Consent).

Gary L. Freed opposed the motion.

Request for Peer Review Extension – A.A.C. R4-1-454(A)(2)
Lawrence R. Seligman, CPA (4598-S)

Brenda Seligman, wife of Lawrence R. Seligman, was present to speak on behalf of her husband. Mrs. Seligman passed around a copy of her power of attorney to be viewed by the Board members and staff. Mrs. Seligman requested that the Board approve her husband’s request for a peer review extension.
Discussion ensued among Board members as to whether an extension of peer review was permissible under the Board’s statutes and rules.
Mrs. Seligman revealed that Mr. Seligman had completed a number of financial statement services, other than the one in which a peer review extension was requested. Board members then requested a comparison of answers on renewal forms. Board staff noted that on Mr. Seligman’s January 2016-2018 registration renewal form, Mr. Seligman responded “yes” to the questions of providing attestation, tax, or consulting services, as well as that of reviewing or compiling financial statements. In the January 2014-2016 registration renewal form, however, he answered “no” to those same questions.

Board members proceeded to briefly discuss the financial review performed by Mr. Seligman and submitted on Mrs. Seligman’s non-CPA firm’s letterhead and the possibility of foregoing a peer review and offering a permanent practice restriction through a Decision & Order (By Consent). Alan R. Augenstein requested that Board staff reach out to Mr. Seligman to explain that option, in lieu of a peer review.

Alan R. Augenstein then refocused the Board on the original request to grant a peer review extension.

A motion was made by Alan R. Augenstein and seconded by LeRoy M. Gaintner to grant an extension for peer review through December 31, 2018. Discussion ensued among Board members and staff regarding the time period in which the extension should be granted, following which, Mr. Augenstein modified his motion to grant the extension for peer review through March 31, 2017, and required Mr. Seligman to offer all attest services up to the selected reviewer for consideration. LeRoy M. Gaintner seconded the modified motion. Mr. Augenstein called for a final vote and the motion passed unanimously.

The Board took a break from 10:15 a.m. to 10:22 a.m.

COMMITTEE RECOMMENDATIONS – COMPLAINT/INITIAL ANALYSIS FILES
Accounting and Auditing Advisory Committee
File No. 2016.121
After a brief discussion, a motion was made by Gary L. Freed, seconded by Douglas N. Kimball and passed unanimously to open the investigation file on file number 2016.121.

COMMITTEE RECOMMENDATIONS – INVESTIGATION FILES
Accounting and Auditing Advisory Committee
File No. 2015.085; Rhue, Steven
File No. 2016.121
Christopher A. Lutes was teleconferenced into the meeting.

A brief discussion ensued among Board members and Christopher A. Lutes regarding the mechanics of the proposed Decision & Order (By Consent). Sarah A. Asta advised that the Board should consider going into executive session to discuss confidential information.

EXECUTIVE SESSION
A motion was made by Alan R. Augenstein, seconded by Gary L. Freed and passed
unanimously to go into executive session at 10:28 a.m. to discuss confidential information with Christopher A. Lutes, pursuant to A.R.S. § 38-431.03(A)(2).

After consideration in executive session, the Board reconvened in open session at 10:35 a.m.

OPEN SESSION

Accounting and Auditing Advisory Committee
File No. 2015.085; Rhue, Steven
File No. 2016.121
A motion was made by Douglas N. Kimball, seconded by LeRoy M. Gaintner and passed unanimously to offer the Decision & Order (By Consent) as amended with thirty (30) days to respond.

Christopher A. Lutes was disconnected from the teleconference.

COMMITTEE RECOMMENDATIONS – COMPLAINT/INITIAL ANALYSIS FILES

Tax Advisory Committee
File No. 2016.064
Daniel C. Mueller was present and introduced himself to the Board. Alan R. Augenstein described the Tax Advisory Committee’s recommendation to the Board to close the file due to no violations of professional standards. Sarah A. Asta advised the Board and Mr. Mueller of the file’s initial analysis status and any details pertaining to confidential information must be discussed in executive session. Mr. Mueller described his professional background and reiterated the mission of the Arizona State Board of Accountancy. Mr. Mueller shared his opposition to the recommendation.

A discussion ensued among Board members and Mr. Mueller regarding the complaint file, how Mr. Mueller may have been harmed by the actions of the Registrant, and whether any violations of professional standards or Board rules were identified. Alan R. Augenstein noted that the recommendation of the Tax Advisory Committee was unanimous.

A motion was made by Gary L. Freed, seconded by Layne R. Simmons and passed unanimously to close the file due to no violations of professional standards.

ITEMS FOR BOARD REVIEW, DISCUSSION AND POSSIBLE ACTION

Application for Certification by Reciprocity, Recommended Denial by Certification Committee – A.R.S. § 32-721(C)(1)
Knese, William F.
William F. Knese was present and introduced himself to the Board. Alan R. Augenstein provided a brief summary of the issue to his fellow Board members. Mr. Knese provided a background of his licenses in other jurisdictions and career. Mr. Knese noted that he misinterpreted one of the questions on his application.

A motion was made by LeRoy M. Gaintner, seconded by William C. Heimerdinger and
passed unanimously to accept the Committee’s recommendation to approve the application by reciprocity.

**Application for Reinstatement from Expired Status, Recommended Denial by Continuing Professional Education Committee – A.R.S. § 32-730.03**

**Michael W. Swayda 10859-E**

Michael W. Swayda was present and introduced himself to the Board. Mr. Swayda provided a background wherein he took an executive finance course at Harvard University for CPE credit. Gary L. Freed inquired as to whether Mr. Swayda came back from the course with a binder of material. Mr. Swayda confirmed that he did and that the material is digitized. Mr. Swayda also affirmed that he possessed a certificate of completion from the course.

A motion was made by LeRoy M. Gaintner, seconded by William C. Heimerdinger to accept Mr. Swayda’s application for reinstatement. Board staff cautioned the Board from accepting the application without the credits being substantiated by the Committee. Gary L. Freed noted that it would not be a hindrance that a digital file be provided to the Committee for review. Alan R. Augenstein called for a final vote. The motion failed 2 – 5.

Alan R. Augenstein, Layne R. Simmons, Julie S. Klewer, Douglas N. Kimball, and Gary L. Freed opposed the motion.

A motion was made by Gary L. Freed, seconded by Douglas N. Kimball and passed 5 – 2 to defer action on this matter and to send it back to the CPE Advisory Committee and ask them to receive material from Mr. Swayda, to see if the additional information will change their recommendation.

LeRoy M. Gaintner and William C. Heimerdinger opposed the motion.

A brief discussion ensued among Board members, staff, and Mr. Swayda wherein it was described how credit hours from university classes were translated over to CPE credit hours.

**Letter of Appeal Requesting Reconsideration of the Board’s February 8, 2016 Decision to “Strike the Paragraph Containing Restitution to the Complainant” from the Draft Decision and Order**

File No. 2015.097; Becker Accounting, LLC and 2016.068; Becker, Cheryl

Cheryl A. Becker, Registrant, was present and was welcomed by the Board. Alan R. Augenstein provided a brief background on the issue to his fellow Board members.

**EXECUTIVE SESSION**

A motion was made by LeRoy M. Gaintner, seconded by Gary L. Freed and passed unanimously to go into executive session at 11:33 a.m. to obtain legal advice pursuant to A.R.S. § 38-431.03(A)(3).

After consideration in executive session, the Board reconvened in open session at 11:47 a.m.
OPEN SESSION

Letter of Appeal Requesting Reconsideration of the Board’s February 8, 2016 Decision to “Strike the Paragraph Containing Restitution to the Complainant” from the Draft Decision and Order
File No. 2015.097; Becker Accounting, LLC and 2016.068; Becker, Cheryl
A motion was made by LeRoy M. Gaintner, seconded by Douglas N. Kimball and passed unanimously to take no action due to a lack of authority to consider the matter as an appeal.

Cheryl A. Becker requested if she could obtain a copy of the complainant’s letter that was sent to the Board. Board staff responded that the letter is confidential and therefore cannot be disclosed.

COMMITTEE RECOMMENDATIONS – COMPLAINT/INITIAL ANALYSIS FILES
Tax Advisory Committee
File No. 2016.013
Donna Marie Benjamin, Registrant, was present with her attorney, Shelton Freeman. Alan R. Augenstein provided a brief summary of the file.

A motion was made by Gary L. Freed, seconded by Layne R. Simmons and passed unanimously to close the file due to no violations of professional standards.

LEADERSHIP REPORT
Executive Director Update
Monica L. Petersen stated that she was available for any questions that the Board may have. A brief discussion occurred between Ms. Petersen and Alan R. Augenstein regarding retroactive revenue and credit card deposits. Ms. Petersen noted that more hiccups have occurred in services with Central Services Bureau due to a new accounting system and new business processes.

Monica L. Petersen noted Sophia V. Van Langen’s resignation and the ongoing recruitment process for the Assistant Director of Regulation and Compliance position. Ms. Petersen shared her appreciation to Ms. Van Langen’s contributions and willingness to serve an extended resignation, so as to guarantee a smooth transition. Alan R. Augenstein thanked Ms. Van Langen for her service to the Board.

Monica L. Petersen mentioned that Board staff has not heard anything from the Governor’s Office with regard to the outstanding rule package, despite continuous inquiries by Ms. Petersen. Alan R. Augenstein offered to assist in the process of moving the rules package forward.

Assistant Director – Registration and Operations Update
Jacki Hancock discussed the collection of late fees for sole practitioner firm renewals and Gary L. Freed questioned the role of sole practitioner firms as a legal fiction.
Jacki Hancock noted processes, such as the printing of firm renewals and the construction of committee cover sheets, which have been made more efficient through the utilization of tools such as mail merge.

Jacki Hancock discussed the utilization of administrative intervention as a preemptive strategy before initiating the hearing process to suspend/revoke firms, due to the fact that, pursuant to A.R.S. § 32-742, Board staff are unable to administratively suspend a firm for causes (that are enumerated elsewhere in statute) without notice and opportunity for a hearing.

Lastly, Jacki Hancock made mention of the Technical Infrastructure Standards Assessment (TISA) that was requested on February 26, 2016 and is due by April 1, 2016. Ms. Hancock noted that Board staff is in the process of obtaining consulting services to become fundamentally-compliant with security standards.

Systems Manager Update
Monica L. Petersen provided an update to the Board on the collection of firm registration late fees from sole practitioners and the status of the Accountancy Regulatory Management System (ARMS).

On the topic of meeting management, Douglas N. Kimball noted a matrix for items such as inactive status requests would be helpful in reviewing the requests. A discussion ensued among Board members and staff regarding concerns about the addition of meeting management items such as matrices.

The Board took a break from 12:29 p.m. to 12:48 p.m.

ITEMS FOR BOARD REVIEW, DISCUSSION AND POSSIBLE ACTION
Notice of Operation of an Unregistered Firm and a Firm Application with a Misleading Firm Name – A.A.C. R4-1-455.03(D)(2)
Firm: Guill, Blankenbaker & Lawson
Partner: Thomas L. Willis (15565-R)
File No. 2016.098; Willis, Thomas L.
Thomas L. Willis was teleconferenced into the meeting. Board members and staff introduced themselves.

Alan R. Augenstien provided a brief summary on the matter before the Board and invited Thomas L. Willis to make a statement. Mr. Willis stated that he became certified in California in 2009 and that he has always identified his firm as Guill, Blankenbaker & Lawson. A discussion ensued between Mr. Willis, Board members, and staff regarding the background of this issue, the name of the firm, and how the firm is registered with the California State Board of Accountancy.

A motion was made by Alan R. Augustenstien, seconded by Douglas N. Kimball and passed unanimously to deny the firm registration application of Guill, Blankenbaker & Lawson; and, it was suggested that Mr. Willis refile a firm application with the exact same successor firm
name from California, and that it be considered at the next Board meeting.

Thomas L. Willis was disconnected from the teleconference.

**STRATEGIC INITIATIVES UPDATE**

Alan R. Augenstein noted that he wanted to defer this agenda item to the next Board meeting.

**PUBLIC COMPANY ACCOUNTING OVERSIGHT BOARD (PCAOB)**

A discussion ensued among Board members regarding the nature of the PCAOB report. Gary L. Freed asked if it was possible to open a complaint file on the matter and Alan R. Augenstein affirmed that that action could be taken. Board staff provided a background on past PCAOB reports. Mr. Freed noted the severity of the PCAOB report before the Board. A brief discussion ensued among Board members regarding the role of the Securities and Exchange Commission in the PCAOB reports.

A motion was made by Gary L. Freed to open a complaint file regarding the PCAOB report and to assign the complaint file to the Accounting and Auditing Advisory Committee. The motion died for a lack of a second.

A motion was made by Gary L. Freed to never put the PCAOB reports on Board agendas again. The motion died for a lack of a second.

A motion was made by Layne R. Simmons, seconded by LeRoy M. Gaintner and passed 6 – 1 to take no action.

*Gary L. Freed opposed the motion.*

**INITIAL ANALYSIS**

*File No. 2016.112*

Sophia V. Van Langen provided a brief summary of the file and the current status of the Registrant in the state of Arizona. A discussion ensued among Board members and staff regarding the necessity of revoking the Registrant’s certificate in contrast to allowing the certificate expire on April 1, 2016.

A motion was made by Alan R. Augenstein, seconded by Gary L. Freed and passed unanimously to take no action on the matter.

**COMMITTEE RECOMMENDATIONS – COMPLAINT/INITIAL ANALYSIS FILES**

*Tax Advisory Committee*

*File No. 2016.057*
*File No. 2016.072*
*File No. 2016.082*

A motion was made by LeRoy M. Gaintner, seconded by Layne R. Simmons and passed unanimously to accept the Committee’s recommendation to close the aforementioned files due to no violation of professional standards.

*File No. 2016.065*
Gary L. Freed questioned the findings of the investigator’s report and the recommendation of the Tax Advisory Committee.

A motion was made by LeRoy M. Gaintner, seconded by Layne R. Simmons and passed 6 – 1 to accept the Committee’s recommendation close the file due to no violations of professional standards.

Gary L. Freed opposed the motion.

Accounting and Auditing Advisory Committee
File No. 2015.109
File No. 2016.093
A motion was made by Alan R. Augenstein, seconded by William C. Heimerdinger and passed unanimously to accept the Committee’s recommendation to open investigation files on the aforementioned files.

File No. 2016.054
A motion was made by LeRoy M. Gaintner, seconded by Alan R. Augenstei

Tax Advisory Committee
File No. 2016.039
File No. 2016.107
A motion was made by Layne R. Simmons, seconded by Gary L. Freed and passed unanimously to accept the Committee’s recommendation to open investigation files on the individual and the firm.

COMMITTEE RECOMMENDATIONS – INVESTIGATION FILES
Accounting and Auditing Advisory Committee
File No. 2015.111; Claw, Ryan
Alan R. Augenstein noted that he had a discussion with Board staff regarding an amendment to the draft Decision & Order (By Consent).

A motion was made by Alan R. Augenstein, seconded by Gary L. Freed and passed unanimously to offer the Decision & Order (By Consent) to the Registrant, as amended.

COMMITTEE RECOMMENDATIONS – PEER REVIEW
Peer Review Advisory Committee
File No. 2016.087
File No. 2016.088
File No. 2016.089
File No. 2016.090
File No. 2016.091
File No. 2016.092
After a brief discussion, a motion was made by Gary L. Freed, seconded by Douglas N.
Kimball and passed unanimously to issue the aforementioned Administrative Letters of Concerns, as drafted.

ASSISTANT ATTORNEY GENERAL’S REPORT

NOTICES OF UNLAWFUL USE OF THE CPA DESIGNATION
File No. 2016.094; Stoltzfus, Larry D.
Christopher Rasmussen provided a brief summary of the file.

A motion was made by Gary L. Freed, seconded by William C. Heimerdinger and passed unanimously to accept the Mr. Stoltzfus’ response and to close the file.

REVIEW COMPLAINT AGING REPORT
The Board reviewed the complaint aging report and no further action was taken.

ITEMS FOR BOARD REVIEW, DISCUSSION AND POSSIBLE ACTION
Consideration to Amend and/or Adopt White Paper Proposal Regarding Arizona CPAs Providing Services to Medical Marijuana Companies as Substantive Policy Statement
Alan R. Augenstein provided a background to the matter. Discussion ensued among Board members regarding appropriate language in the White Paper. Monica L. Petersen noted that her preference would be to provide something concise for registrants from which to refer. Gary L. Freed stated that he would prefer to maintain the list of references in the White Paper to provide context for the Board’s position. Further discussion ensued among Board members regarding potential modifications to the White Paper.

A motion was made by Alan R. Augenstein, seconded by Gary L. Freed and passed unanimously to add the two references to the documents as discussed, to omit the section in the White Paper regarding previous discussion, to insert today’s current date, and to approve the White Paper as amended.

Review of Non-Compliance with Decision and Order (By Consent)
Jaime Shapiro provided a brief summary of the file. Board members briefly discussed the amount of the administrative penalty that should be offered and past history of the Registrant.

After discussion, a motion was made by Gary L. Freed to offer a Decision & Order (By Consent) with a $500 administrative penalty for untimely response, to be responded to within 30-days and for the administrative penalty to be paid 30-days after responded to. The motion died for a lack of a second.

After discussion, a motion was made by Layne R. Simmons, seconded by Douglas N. Kimball and passed 6 – 1 to offer a Decision & Order (By Consent) with a $200 administrative penalty for untimely response, to be responded to within 30 days, and for the administrative penalty
to be paid within 30 days following the response.

Gary L. Freed opposed the motion.

Settlement Offer
File No. 2016.014; Daniel Bruce Jacobson and Daniel B. Jacobson, CPA
A motion was made by Alan R. Augenstein, seconded by Douglas N. Kimball and passed unanimously to approve the Decision & Order (By Consent).

Clarification of November 2, 2015 Board Motion regarding Ed Contreras’s Application for Reinstatement from Revocation
A brief discussion ensued among Board members and staff wherein Gary L. Freed disputed the perspective of the Registrant’s attorney. Monica L. Petersen provided a brief summary and Board members discussed the background of the issue.

EXECUTIVE SESSION
A motion was made by Gary L. Freed, seconded by LeRoy M. Gaintner and passed unanimously to go into executive session at 2:11 p.m. to obtain legal advice pursuant to A.R.S. § 38-431.03(A)(3).

After consideration in executive session, the Board reconvened in open session at 2:23 p.m.

OPEN SESSION
Clarification of November 2, 2015 Board Motion regarding Ed Contreras’s Application for Reinstatement from Revocation
A motion was made by Alan R. Augenstein, seconded by Douglas N. Kimball and passed unanimously to make it clear on the record that the Board denied the Applicant’s request for reinstatement, to refund the Applicant’s payment of $100, and to invite the Applicant to reapply when ready and pay the $100 fee at that point.

Rescind Motion to Approve Request for Firm Cancellation from February 8, 2016 Board Meeting
Jacki Hancock provided a brief summary of the issue and requested the Board to rescind the February 8, 2016 motion.

A motion was made by Gary L. Freed, seconded by Alan R. Augenstein and passed unanimously to rescind the firm cancellation motion of February 8, 2016.

Notice of Operation of an Unregistered Firm(s) and Failure to Respond – A.A.C. R4-1-455.03(F)
File No. 2016.086; Fakoya, Oluwatofunmi
Firm: Simplified Financial Solutions
Christopher Rasmussen provided a brief summary and asked the Board to table the matter.
A motion was made by Gary L. Freed, seconded by Alan R. Augenstei
and passed unanimously to table the matter.

File No. 2016.078; Henkhaus, Richard
Firm: Accounting & Tax Professional(s)
Christopher Rasmussen provided a brief summary of the file and made mention of the e-mail that was received by Board staff on March 23, 2016 from the Registrant. Jacki Hancock provided additional background on the matter to the Board. Discussion ensued among Board members on what action should be taken against the Registrant.

A motion was made by Alan R. Augenstein, seconded by LeRoy M. Gaintner and passed unanimously to offer a Decision & Order (By Consent) to the Registrant, disciplining the Registrant for operating an unregistered firm, giving him 30 days to apply for the firm, and offering an administrative penalty of $1,000 to be paid within 30 days of the response.

Brief discussion ensued among Board members and staff on what would happen if a response to the D&O is not received by the Registrant. Alan R. Augenstein stated that if the Registrant does not respond to the offered D&O, the Board would move to hearing for revocation, which would be determined at a future Board meeting.

Firm: Heritage Tax, LLC
Partner: Ralph Erwin Nelson III (15561-R)
File No. 2016.081
A motion was made by Alan R. Augenstein, seconded by Gary L. Freed and passed unanimously to accept the application for registration of firm and to close the compliance file.

Application for Uniform CPA Examination, Recommended Denial by Certification Committee – A.R.S. § 32-723
Pratt, Marcel Anthony, Jr.
Alan R. Augenstein provided a brief summary of the matter.

A motion was made by Gary L. Freed, seconded by Layne R. Simmons and passed unanimously to deny the application for uniform CPA examination.

Application for Certification by Exam/Grade Transfer, Recommended Denial by Certification Committee – A.R.S. § 32-721
Akinyemi, Alfred O.
Boudreau, Nicole
Farber, Julie
A motion was made by Gary L. Freed, seconded by Layne R. Simmons and passed unanimously to deny the aforementioned applications for certification by exam due to insufficient accounting courses and to allow the Executive Director and/or the Assistant Director of Regulation and Operations to represent the Board in an informal settlement conference, if requested by the candidate.
Application for Certificate by Reciprocity, Recommended Denial by Certification Committee
– A.R.S. § 32-721(C)(2)
Fitzpatrick, Pamela A.
A motion was made by Gary L. Freed, seconded by Layne R. Simmons and passed unanimously to accept the Committee’s recommendation to deny the applicant’s application for certification by reciprocity.

Request for Inactive Status – A.R.S. § 32-730.01
Jonathan R. Pike 16606-R
A motion was made by Layne R. Simmons, seconded by Gary L. Freed and passed 6 – 0 to approve the request for inactive status.

William C. Heimerdinger declared a conflict of interest and recused himself from the vote.

Roger A. Derse 4300-E
A motion was made by Layne R. Simmons, seconded by Gary L. Freed and passed 6 – 0 to approve the request for inactive status.

Alan R. Augenstein declared a conflict of interest and recused himself from the vote.

Anne Margaret Winter 8442-E
Diane Lauterbach 11834-E
Douglas Dixon 3457-E
Gong Cheng 17026-E
Jason P. Conley 12125-E
Jennifer Elaine Gridley 13141-E
John T. Griffo 13510-E
Joseph D. Mosier 15732-E
Julie A. Ghetti 11444-E
Karen Gresham 12818-E
Kristen S. Im 15348-E
Laura Ann Zoratti 9254-E
Leah Meredith 16462-E
Margaret E. Peat 12829-E
Michael J. Marohnic 16878-E
Michael W. Derington 16352-R
Monica A. Osborne 12785-R
Nicole S. Cancelli 15941-E
Patrick A. Finn 17021-E
Tara Lynn Danforth 6257-E
Vickie L. Martinez 10215-E
William H. Kading 12388-E
A motion was made by Alan R. Augenstein, seconded by William C. Heimerdinger and passed unanimously to approve the requests for inactive status.
Craig Raymond Robb 2945-E
After a brief discussion, a motion was made by Gary L. Freed, seconded by William C. Heimerdinger and passed unanimously to approve the request for inactive status.

David A. Radcliffe 4266-E
Board members reviewed the file and clarified with Board staff that this was the Registrant’s first time in requesting inactive status. Board staff affirmed that that was correct.

A motion was made by LeRoy M. Gaintner, seconded by William C. Heimerdinger and passed 5 – 2 to approve the request for inactive status.

*Alan R. Augenstein and Gary L. Freed opposed the motion.*

David G. Hebert 9544-R
After a brief discussion, a motion was made by LeRoy M. Gaintner, seconded by Gary L. Freed and passed unanimously to approve the request for inactive status.

Hugh Maroney 12148-E
A discussion ensued among Board members and staff regarding the Registrant’s profession.

A motion was made by LeRoy M. Gaintner, seconded by Gary L. Freed and passed unanimously to defer the matter to next meeting and to have Board staff go back and talk to the Registrant to clarify the Registrant’s employment information.

Katha A. Jacoby 8323-E
After a brief discussion, a motion was made by Gary L. Freed, seconded by Douglas N. Kimball and passed unanimously to deny the request for inactive status and to give the Registrant 60 days to complete her CPE.

Margo L. Nord 15695-R
Discussion ensued among Board members and staff regarding the explanation that the Registrant provided.

After discussion, a motion was made by LeRoy M. Gaintner, seconded by Douglas N. Kimball and passed 6 – 1 to approve the request for inactive status.

*Gary L. Freed opposed the motion.*

Matthew A. Lernor 6755-E
After a brief discussion, a motion was made by Douglas N. Kimball, seconded by Alan R. Augenstein and passed 6 – 1 to deny the request for inactive status and to give the Registrant 60 days to complete his CPE.

*LeRoy M. Gaintner opposed the motion.*

Maureen G. Shaffer 12532-R
Gary L. Freed stated that he has the same concerns with this item as he did with Agenda Item XVII.O.21.

After a brief discussion, a motion was made by LeRoy M. Gaintner, seconded by William C. Heimerdinger and passed 6 – 1 to approve the request for inactive status.

Gary L. Freed opposed the motion.

Tammy Pfeifer 15437-R
After a brief discussion, a motion was made by Gary L. Freed, seconded by LeRoy M. Gaintner and passed unanimously to approve the request for inactive status.

Request for Fee Waiver – A.R.S. § 32-730(B)
John Winston Douglas, Jr. 6507-E
Gary L. Freed inquired to Board staff as to whether Board staff obtained supporting documentation. Jacki Hancock affirmed that they did obtain supporting documentation. A discussion ensued among Board members and staff regarding A.R.S. § 32-730(B), how this situation would apply to the specific statute, and the differentiation between inactive status and retired status.

A motion was made by Douglas N. Kimball and seconded by Julie S. Klewer to approve the request for a fee waiver. Monica L. Petersen clarified the Board’s intent in approving the request for a fee waiver. Alan. R. Augenstein called for a final vote. The motion passed 6 – 1.

Layne R. Simmons opposed the motion.

Request for a CPE Waiver/Extension/Exemption and/or Fee Waiver – A.R.S. § 32-730(B) & (C)
Chris M. Freitag 15855-E
Jason M. Munk 17406-R
Joseph O’Brien 1984-E
Laura B. Jenkins 10503-E
Laurence Victor Wexler 1023-E
Melanie Spitalny 13746-R
After a brief discussion, a motion was made by LeRoy M. Gaintner, seconded by Layne R. Simmons and passed unanimously to approve the requests for CPE extension.

James Lee Barnett 3398-E
A motion was made by Layne R. Simmons and seconded by Gary L. Freed to deny the request for a CPE extension and to give the Registrant 60-days to complete their CPE.

Board staff clarified with Board members on the feedback of Board staff. Layne R. Simmons withdrew his previous motion.

A motion was made by Layne R. Simmons, seconded by Douglas N. Kimball and passed
unanimously to offer the Registrant a Decision & Order (By Consent) for suspension with early termination upon completion of CPE.

Robert T. Hass 7746-R
A motion was made by Gary L. Freed to deny the request for CPE extension, to offer a Decision & Order (By Consent) for suspension until the Registrant completes 80 hours of CPE, and to include an administrative penalty of $500. Discussion ensued among Board members wherein Layne R. Simmons inquired as to whether the administrative penalty was necessary. The motion died for a lack of a second.

A motion was made by Layne R. Simmons, seconded by Douglas N. Kimball and passed 6 – 1 to deny the request for CPE extension and to offer the Registrant a Decision & Order (By Consent) for suspension with early termination upon completion of CPE.

Gary L. Freed opposed the motion.

Request for Retired Status (A.R.S. § 32-730.04) and/or Fee Waiver (A.R.S. § 32-730)
Dominick M. Angiulo 3090-R
After brief discussion, a motion was made by Layne R. Simmons, seconded by Gary L. Freed and passed unanimously to grant the request for retired status and to deny the request for a fee waiver.

Request for Reinstatement from Expired Status – A.R.S. § 32-730.03
Martin Jacy Montes 17487-E
Jacki Hancock provided a brief summary of the matter to the Board.

A motion was made by LeRoy M. Gaintner, seconded by William C. Heimerdinger and passed unanimously to approve the request for reinstatement.

Review of Compliance/Non-Compliance with Random CPE Audit Requirements – A.A.C. R4-1-453
Corrine R. Werner 14564-E
Jacki Hancock provided a brief summary of the matter to the Board.

A motion was made by Douglas N. Kimball, seconded by William C. Heimerdinger and passed unanimously to accept the revised submission and determined that the Registrant was compliant with CPE requirements.

Dean S. Briggs 8237-E
Monica L. Petersen noted that the Registrant has requested that his information be kept confidential. LeRoy M. Gaintner inquired with Sarah A. Asta as to if discussion should be held in executive session for confidential information. Ms. Asta affirmed that they could as the matter had been properly noted on the agenda for a potential executive session.

EXECUTIVE SESSION
A motion was made by LeRoy M. Gaintner, seconded by Alan R. Augensteiand passed unanimously to go into executive session at 3:18 p.m. to discuss confidential information.
pursuant to A.R.S. § 38-431.03(A)(2).

After consideration in executive session, the Board reconvened in open session at 3:22 p.m.

OPEN SESSION

Dean S. Briggs 8237-E
After a discussion regarding disciplinary measures, a motion was made by Alan R. Augenstein, seconded by Douglas N. Kimball and passed unanimously to offer a Decision & Order (By Consent) for suspension of the Registrant’s certificate for one year or until such time as the CPE is cured.

Review of Compliance/Non-Compliance with CPE Requirements and Non-responsiveness – A.A.C. R4-1-453 and R4-1-455.03 and A.R.S. 32-741(A)(9)
Aaron Blau 15710-E
Gary L. Freed declared a conflict of interest and stepped away from the table while the matter was discussed.

After a brief discussion, a motion was made by LeRoy M. Gaintner, seconded by Layne R. Simmons and passed 6 – 0 to find the Registrant compliant with CPE requirements and to offer the Registrant a Decision & Order (By Consent) with an administrative penalty of $100 for failure to respond.

Gary L. Freed declared a conflict of interest and recused himself from the vote.

Monica L. Petersen clarified with LeRoy M. Gaintner the contents of the motion.

Certification Advisory Committee Member Term Expiration
B.J. Morley, CPA
Jacki Hancock asked Board members to network with colleagues regarding the upcoming Certification Committee vacancy and stated that the Committee would like to review applications by May 19, 2016. Discussion briefly ensued regarding the possibility of advertising the vacancy on the Board’s website.

Annual Meeting Topics
Monica L. Petersen noted that the Board may be interested in having a presentation regarding accreditation as many jurisdictions have similar statutes that require applicants to have a Bachelor degree or greater. Ms. Petersen noted that it may be an interesting conversation as the Board may be able to examine what is being missed in the evaluation of transcripts. Discussion ensued regarding the possibility of such a presentation and about how the Board’s appropriations and/or funding works. Doug Kimball and Monica L. Petersen opted to discuss outside a board meeting, Mr. Kimball’s questions regarding budget matters.

Alan R. Augenstein stated that he would like Ed Jolicoeur invited to the annual meeting. Monica L. Petersen noted that Mr. Jolicoeur is on the list of persons to be invited. Discussion ensued regarding a presentation from the National Association of State Boards of
Accountancy (NASBA) about the consolidation of agencies across the nation.

Gary L. Freed asked if a presentation regarding changes to the CPA examination would be of interest. Monica L. Petersen affirmed and cited a movement away from multiple-choice questions to simulation questions.

Additionally, Monica L. Petersen noted that there is a shift within the AICPA with regard to the peer review program and the reduction of administering entities.

LeRoy M. Gaintner requested Cindie Hubiak's thoughts on annual meeting topics. Ms. Hubiak noted that those ideas already mentioned were sufficient.

Issues from and regarding the National Association of State Boards of Accountancy (NASBA)
NASBA’s 34th Annual Conference for Executive Director’s and Board staff, March 15 – 17, Tucson, AZ - Board to receive a verbal report from Executive Director regarding the conference. 
Monica L. Petersen noted the concerns of Executive Directors across the nation regarding the Chartered Global Management Accountant (CGMA) designation and how it may affect the regulatory responsibilities of State Boards of Accountancy.

NASBA’s 21st Annual Conference for Board of Accountancy Legal Counsel, March 15 – 17, Tucson, AZ – Board to receive a verbal report from Assistant Attorney General regarding issues from and regarding the conference.
Sarah A. Asta provided a recount of her experience at the conference and made note of the state of Florida’s “Sunshine” Laws allowing Boards to remain out of executive sessions for years.

In reference to the Annual Conference for Executive Director’s, Monica L. Petersen also made brief mention of the regulatory oversight of other State Boards of Accountancy in contrast to the Arizona State Board of Accountancy and their experiences with contracted information technology services.

NASBA’s Committee Interest Form – Discussion regarding NASBA 2016-17 Committee Membership opportunities and deadline for applications.
Alan R. Augenstein informed his fellow Board members that NASBA is soliciting Committee membership for next fiscal year and provided a background of his history on NASBA committees.

NASBA’s 2016 Western Regional Meeting – June 22 – 24, Denver, Colorado – Consideration for the approval of Executive Director and Board Member attendance.
Alan R. Augenstein inquired as to whether any Board members would like to attend the regional meeting. Julie S. Klewer stated that she could attend this year.

A motion was made by Alan R. Augenstein, seconded by Gary L. Freed and passed unanimously to approve the attendance of two Board members and the Executive Director to NASBA’s 2016 Western Regional Meeting.
Executive Director Performance Evaluation
Alan R. Augenstein requested that this matter be deferred to the next Board meeting.

SUMMARY OF CURRENT EVENTS
Gary L. Freed questioned if it was necessary to put the ASCPA annual meeting on the agenda to approve attendance. Monica L. Petersen stated that it was not necessary.

IDENTIFICATION OF FUTURE MEETING AGENDA ITEMS
Alan R. Augenstein asked if an agenda item regarding Board-contracted investigators can be placed on the next available meeting and Monica Petersen shared that it was pulled from this month's agenda based on legal advice from Sarah Asta, the Board's Assistant Attorney General.

ADJOURNMENT
A motion was made by William C. Heimerdinger, seconded by Alan R. Augenstein and passed unanimously to adjourn at 3:54 p.m.