

**NEBRASKA BOARD OF PUBLIC ACCOUNTANCY
MEETING MINUTES OF
VIDEO CONFERENCE
JULY 31, 1998**

1. General

A. Call to Order and Roll Call. The Board of Public Accountancy was called to order at 9:07 a.m. on July 31, 1998, with Chairman Richard Hoiekvam presiding. The meeting was arranged to be held by video conference in the following locations: 1) Atrium Building, 1200 N Street, Third Floor Conference Room, Lincoln; 2) State Office Building, 1313 Farnam on the Mall, 3rd Floor, Omaha; 3) Northeast Community College, MaClay Bldg., Room 122, Norfolk; 4) McKinley Education Center, 301 West F Street, Room 1, North Platte; 5) Kearney Public Library, 2020 1st Avenue, Media Center Room, 2nd Floor, Kearney; and 6) Chadron State College, Burkheser Hall, Room 013, Chadron.

The roll was called with the following Board members present: Richard Hoiekvam, Nina Kavich, George Klein, William Gaines, and Bob McChesney. Member Kathleen Smith arrived at 9:20 a.m. Member David Hunter was present by telephone to the Lincoln location from 9:15 to 9:25 a.m. in closed session. Member Luke Aldy was absent. Also present was Annette Harmon, Executive Director.

B. Approval of meeting agenda for July 31, 1998. Moved by Gaines, seconded by McChesney, to approve the agenda as published. On roll call vote, all members present voted aye. Motion number 1 carried.

CLOSED MEETING

Closed Session. Moved by Kavich, seconded by Gaines, that the Board go into closed session at 9:08 a.m. on July 31, 1998 to discuss enforcement. On roll call vote, all members present voted aye. Motion number 2 carried.

Return to Open Session. Moved by McChesney, seconded by Smith, that the Board return to open session at 10:35 a.m. On roll call vote, all members present voted aye. Motion number 3 carried.

2. Motions to Consolidate/Bifurcate Hearings

Moved by McChesney, seconded by Smith, to consolidate the hearings on August 17, August 18, and August 19, 1998 and find that the objections to the motion for consolidation should be denied in all respects. On roll call vote, all members present voted aye. Motion number 4 carried.

**NEBRASKA BOARD OF PUBLIC ACCOUNTANCY
MEETING MINUTES OF
VIDEO CONFERENCE
JULY 31, 1998**

3. Settlement Proposals

Moved by McChesney, seconded by Smith, to enter into a Consent Order with **Bruce A Hocking** (Respondent) as a final resolution of formal Complaint #95-07 with the following conditions:

- a) finding of violation of Title 288, Chapter 5-003 "Integrity and Objectivity" and Chapter 5-007.01 "Acts discreditable;"
- b) probation for a term of one year, with the Respondent complying in all respects with all provisions of the Nebraska Accountancy laws and all Rules and Regulations of the Board, timely responding to all inquiries from the Board or the Board's representative and timely filing all required documents with the Board;
- c) a public reprimand;
- d) cooperation with the Board with regard to the further investigation or hearing of matters occurring during the Respondent's employment with Coopers & Lybrand, L.L.P. with respect to the matters alleged in the Complaint therein;
- e) payment of reimbursement of attorney's fees and other expenses.

On roll call vote, all members present voted aye. Member Kavich abstained. Motion number 5 carried.

Moved by McChesney, seconded by Smith, to enter into a Consent Order with **Melvyn A. Wittmaack** (Respondent) as a final resolution of formal Complaint #95-07 with the following conditions:

- a) finding of violation of Title 288, Chapter 5-007.01 "Acts discreditable;"
- b) probation for a term of one year, with the Respondent complying in all respects with all provisions of the Nebraska Accountancy laws and all Rules and Regulations of the Board, timely responding to all inquiries from the Board or the Board's representative and timely filing all required documents with the Board;
- c) a public reprimand;
- d) cooperation with the Board with regard to the further investigation or hearing of matters occurring during the Respondent's employment with Coopers & Lybrand, L.L.P. with respect to the matters alleged in the Complaint therein;
- e) payment of reimbursement of attorney's fees and other expenses.

On roll call vote, all members present voted aye. Motion number 6 carried.

Moved by McChesney, seconded by Smith, to enter into a Consent Order with **Glenn P. Oorlog** (Respondent) as a final resolution of formal Complaint #95-07 with the following conditions:

- a) finding of violation of Title 288, Chapter 5-003 "Integrity and Objectivity" and Chapter 5-007.01 "Acts discreditable;"

**NEBRASKA BOARD OF PUBLIC ACCOUNTANCY
MEETING MINUTES OF
VIDEO CONFERENCE
JULY 31, 1998**

b) probation for a term of one year, with the Respondent complying in all respects with all provisions of the Nebraska Accountancy laws and all Rules and Regulations of the Board, timely responding to all inquiries from the Board or the Board's representative and timely filing all required documents with the Board;

c) a public reprimand;

d) cooperation with the Board with regard to the further investigation or hearing of matters occurring during the Respondent's employment with Coopers & Lybrand, L.L.P. with respect to the matters alleged in the Complaint therein;

e) payment of reimbursement of attorney's fees and other expenses.

On roll call vote, all members present voted aye. Motion number 7 carried.

Moved by McChesney, seconded by Klein, to enter into a Consent Order with **Coopers & Lybrand, L.L.P.** (Respondent) as a final resolution of formal Complaints #95-07 and #97-04 with the following conditions:

a) acknowledgement of Coopers & Lybrand, L.L.P.'s responsibility for the conduct of its partners and employees alleged in the above complaint pursuant to Section 1-138 of the Nebraska Public Accountancy Act;

b) performance of a Special Peer Review of audits conducted by its Omaha and Lincoln, Nebraska offices for financial statements reported on during the period July 1, 1997 through June 30, 1998, with a separate report to be filed with the Board on or before December 31, 1998;

c) all partners and managers in the Omaha and Lincoln offices of Coopers & Lybrand, L.L.P. (now known as PricewaterhouseCoopers LLP) who provide audit services to clients will receive five hours of training in addition to the normal continuing education requirements for Nebraska;

d) all partners and managers in the Omaha and Lincoln offices of Coopers & Lybrand, L.L.P. (now known as PricewaterhouseCoopers LLP) who provide tax services to clients will receive three hours of additional training in (i) proper billing procedures, (ii) independence issues and (iii) responsibilities of tax return preparers; and

e) payment of \$15,000 for reimbursement of attorney's fees and other expenses, and an additional \$10,000 fine.

On roll call vote, Members Gaines, Klein, McChesney, and Hoiekvam voted aye. Members Kavich and Smith voted nay. Motion number 8 carried.

**NEBRASKA BOARD OF PUBLIC ACCOUNTANCY
MEETING MINUTES OF
VIDEO CONFERENCE
JULY 31, 1998**

4. Adjournment

It was moved by Smith, seconded by Kavich, that the Board adjourn at 10:52 a.m. On roll call vote, all members present voted aye. Motion number 9 carried.

Submitted by,

Nina B. Kavich, CPA
Secretary