

**NEBRASKA BOARD OF PUBLIC ACCOUNTANCY**  
**140 N. 8<sup>th</sup> Street, Suite 290, Lincoln, Nebraska**  
**MINUTES**

**September 26-27, 2001**

**1. General**

**A. Call to Order and Roll Call.** The Board of Public Accountancy was called to order at 8:45 a.m. on Wednesday, September 26, 2001 with Chair H. Dean Graf presiding. The roll was called with the following members present: Dean Graf, William Nuckolls, Nina Kavich, Terry Ellinger, Michelle Thornburg, and William Gaines. Also present was Executive Director, Annette Harmon. Members Kathleen Smith and Roger Thompson were absent. The meeting was held at the Board's office, 140 N. 8<sup>th</sup> Street, Suite 290, Lincoln, Nebraska.

**B. Approval of meeting agenda for September 26-27, 2001.** Moved by Gaines, seconded by Nuckolls, to approve the agenda for the September 26-27, 2001 meeting as amended. On roll call vote, all members present voted aye. Members Smith and Thompson were absent. Motion number 1 carried.

**C. Approval of the minutes of the August 9-10, 2001 Board meeting.** Moved by Gaines, seconded by Thornburg, to approve the minutes as written. On roll call vote, all members present voted aye, except Member Ellinger who abstained. Members Smith and Thompson were absent. Motion number 2 carried.

**2. Public Comment Period**

Since there were no members of the public present at this time, the Board moved on with the amended agenda.

**5. Consent Agenda**

**Approval of Consent Agenda by Roll Call Vote.** Moved by Nuckolls, seconded by Kavich, to approve the Consent Agenda. On roll call vote, all members present voted aye. Members Smith and Thompson were absent. Motion number 3 carried.

**A. Published Notice of Meeting.** Pursuant to call and published notice, the notice of meeting is herewith attached.

**B. Approval of June, July and August 2001 disbursements.** The Board reviewed and approved the June, July and August 2001 disbursements.

**C. Review of Board Budget Status Report.** The Board reviewed the August 31, 2001 Budget Status Report.

**D. Requests for Acceptance of Surrendered Certificates and Approval of Inactive-Retired Classification.** The Board accepted the voluntary surrender of CPA certificates for Elizabeth L.B. Franzen (6094), Daniel Loveland (4475), Glenn P. Oorlog (2518), and Jerry A. Topp (5533); and the classification of Inactive-Retired for Martin N. Colton (417), and Harry J. Hill (1131).

**E. Office Management Report.** The Board reviewed a report on permits and registrations issued as of September 7, 2001. Prior year's statistics were also reviewed for comparison.

**NEBRASKA BOARD OF PUBLIC ACCOUNTANCY**  
**140 N. 8<sup>th</sup> Street, Suite 290, Lincoln, Nebraska**  
**MINUTES**

**September 26-27, 2001**

**F. Annual Fixed Assets Report.** The Board reviewed and approved an annual listing of changes in fixed assets as of June 30, 2001.

**6. Report of the Chair**

**A. Budget Report.** The Board reviewed a series of budget documents and received a report from Chair Dean Graf on a meeting held with Members Kavich and Gaines. Based on the discussion and report from that meeting, it was moved by Kavich, seconded by Nuckolls, that the Board amend the current fee schedule to include a firm permit fee for sole practitioners of \$100, similar to all other firms. This will make all firm entity types consistent in obtaining a firm permit to practice. On roll call vote, all members present voted aye. Members Smith and Thompson were absent. Motion number 4 carried.

**B. Survey Results.** Chair Graf reported on the results from the "Performance Card Survey" sent with the active permit renewal applications in April/May. 84% overall rated office personnel service grades of "Strongly Agree" or "Agree." It was noted that a category of "do not have contact with Board office" could have been added to further clarify. Staff was commended for their service to licensees and challenged to continue to provide excellent service.

**7. Report of Continuing Education Committee**

**A. Ratification of staff program evaluations since last meeting.** Moved by Gaines, with the Committee's recommendation, to approve courses that have been evaluated and approved by the staff since the last meeting, and to disqualify courses #00-2034, #00-2035, #00-2039, #00-2040, #01-259, #01-269, #01-303, #01-304, #01-407, #01-408, #01-436, #01-437, #01-438 and #01-453. On roll call vote, all members present voted aye. Members Smith and Thompson were absent. Motion number 5 carried.

Member Gaines, as current Chair of the CPE Committee, reported on the process of pre-approval of courses for CPE credit.

**B. Revised CPE Reporting Form.** Moved by Gaines, with the Committee's recommendation, to approve the revised CPE Reporting forms. On roll call vote, all members present voted aye. Members Smith and Thompson were absent. Motion number 6 carried.

Member Gaines also reviewed the reporting requirements and deadlines.

Moved by Gaines, with the Committee's recommendation, subject to final review by the Executive Director to approve the revised cover letter to send to Active Permit holders. On roll call vote, all members present voted aye. Members Smith and Thompson were absent. Motion number 7 carried.

**NEBRASKA BOARD OF PUBLIC ACCOUNTANCY**  
**140 N. 8<sup>th</sup> Street, Suite 290, Lincoln, Nebraska**  
**MINUTES**

**September 26-27, 2001**

**9. Report of Examination & Licensing Committee**

**A. Ratification of initial permits to practice issued; certificates issued.** Moved by Nuckolls, with the Committee's recommendation, to ratify the initial permits to practice and certificates issued by examination and reciprocity. On roll call vote, all members present voted aye. Members Smith and Thompson were absent. Motion number 8 carried.

**B. Application(s) for Reinstatement to Active Permit.** There were no applications for reinstatement for the Board to consider at this time.

**C. Application for Certificate and Application for Initial Permit with Misdemeanor Convictions.** Moved by Nuckolls, with the Committee's recommendation, to approve the applications. On roll call vote, all members present voted aye. Members Smith and Thompson were absent. Motion number 9 carried.

**D. Exam Contract Issues.** Moved by Kavich, seconded by Ellinger, that the Executive Director prepare a letter to be sent to NASBA concerning exam contract issues, with the following items: 1) criticism concerning the lack of time to fully discuss the issues presented to state boards, 2) request that the vote be delayed to the Regional meeting, and that it be done on a state-by-state basis, and 3) request a full analysis be done and allow state board members sufficient time to discuss and then vote. On roll call vote, all members present voted aye. Members Smith and Thompson were absent. Motion number 10 carried.

**10. Report of the Quality Enhancement Program (QEP) Chair**

**A. Report of the Committee / Recommendations.** Moved by Thornburg, seconded by Gaines, to accept and approve the report of the QEP Committee for the 2001 QEP year. On roll call vote, all members present voted aye. Members Smith and Thompson were absent. Motion number 11 carried.

**Member Smith joined the meeting at 2:00 p.m.**

**11. New Business**

- B. NASBA. 1. Annual Meeting – Dues Increase.** No action necessary at this time.  
**2. Bylaws Changes.** The Board briefly discussed the proposed bylaws changes for NASBA.

**NEBRASKA BOARD OF PUBLIC ACCOUNTANCY**  
**140 N. 8<sup>th</sup> Street, Suite 290, Lincoln, Nebraska**  
**MINUTES**

**September 26-27, 2001**

**4. Formal Hearing – Lanette Green**

Pursuant to the Board's Notice of Complaint and Formal Hearing, a hearing was held September 26, 2001 at 2:20 p.m. Robert T. Gruit represented the Board. William R. Johnson represented the Respondent, Lanette R. Green, who was also present. R. Kent Radke was the hearing officer. Participating in the hearing were Board members: Dean Graf, William Gaines, William Nuckolls, Nina Kavich, Terry Ellinger, Michelle Thornburg and Kathleen Smith. The hearing concluded at 4:37 p.m.

**CLOSED MEETING**

**Closed Meeting.** Moved by Smith, seconded by Thornburg, that the Board go into closed session at 4:48 p.m. for the purpose of enforcement and litigation issues. On roll call vote, all members present voted aye. Member Thompson was absent. Motion number 12 carried.

**Return to Open Meeting.** Moved by Smith, seconded by Gaines, that the Board return to open session at 5:48 p.m. On roll call vote, all members present voted aye. Member Thompson was absent. Motion number 13 carried.

**The Board recessed for the day at 5:55 p.m.**

**The Board reconvened on Thursday, September 27 at 8:34 a.m. with all Members and the Executive Director present.**

**CLOSED MEETING**

**Closed Meeting.** Moved by Smith, seconded by Thornburg, that the Board go into closed session at 8:35 a.m. for the purpose of enforcement and litigation issues. On roll call vote, all members present voted aye. Motion number 14 carried.

**Return to Open Meeting.** Moved by Smith, seconded by Gaines, that the Board return to open session at 12:41 p.m. On roll call vote, all members present voted aye. Motion number 15 carried.

**8. Report of Enforcement of Professional Conduct Committee**

**A. Review of Enforcement Procedures.** No action necessary at this time.

**NEBRASKA BOARD OF PUBLIC ACCOUNTANCY**  
**140 N. 8<sup>th</sup> Street, Suite 290, Lincoln, Nebraska**  
**MINUTES**

**September 26-27, 2001**

**B. Determination of Probable Cause or Lack of Probable Cause.** Moved by Smith, with the Committee's recommendation, to find probable cause exists and to file a formal complaint and Notice of Hearing for the next meeting against Nancy J. Alexander, alleging violations of the Public Accountancy Act, Sections 1-112 and 1-137 (4) Violation of a rule of professional conduct adopted and promulgated by the board under the authority granted by the act, and 1-137 (5) Conviction of a felony under the laws of any state or of the United States; and Chapter 5 of Title 288 of the Revised & Substituted Rules of the Board: Section 007.01 Acts Discreditable. On roll call vote, all members present voted aye. Motion number 16 carried.

Moved by Smith, with the Committee's recommendation, to close the following complaints: #0001-002, #9798-011, and #9899-008. On roll call vote, all members present voted aye. Motion number carried 17.

**C. Interpretation of Form of Practice Rules.** Moved by Smith, with the Committee's recommendation, to adopt the interpretation of the form of practice rules and to send each permit holder a copy and to publish it in the newsletter. On roll call vote, all members present voted aye. Motion number 18 carried.

**11. New Business**

**D. Election of Officers.** Moved by Smith, seconded by Thompson, to nominate Nina Kavich for the position of Chair. On roll call vote, all members present voted aye, except Member Kavich who abstained. Motion number 19 carried.

Moved by Smith, seconded by Thompson, to nominate Bill Gaines for the position of Vice Chair. On roll call vote, all members present voted aye, except Member Gaines who abstained. Motion number 20 carried.

Moved by Smith, seconded by Thompson, to nominate Michelle Thornburg for the position of Secretary. On roll call vote, all members present voted aye, except Member Thornburg who abstained. Motion number 21 carried.

It was agreed that Kavich, Gaines and Thornburg would assume the duties of the offices upon completion of this meeting.

**A. Future Meeting Dates.** The Board will next meet on December 4-5, 2001; January 17-18, 2002; March 24-25, 2002; May 3, 2002; July 7-8, 2002 and September 8-9, 2002.

**B. NASBA.**

**1. Annual Meeting – Dues Increase.** No action necessary at this time.

**2. Bylaws Changes.** Proposed changes to NASBA's bylaws were again discussed.

**NEBRASKA BOARD OF PUBLIC ACCOUNTANCY**  
**140 N. 8<sup>th</sup> Street, Suite 290, Lincoln, Nebraska**  
**MINUTES**

**September 26-27, 2001**

**C. Record Retention.** Moved by Smith, seconded by Gaines, to adopt the proposed addition to the Records Retention schedule concerning Examination Candidate Files, and to forward the addition to the Records Board for final approval. On roll call vote, all members present voted aye. Motion number 22 carried.

**3. Proposed Legislative Draft**

The Board continued its discussion of the proposed legislative drafts.

Member Kavich left the meeting at 3:00 p.m.

Moved by Ellinger, seconded by Nuckolls, that the Budget Committee draft the actual language for a bill changing statutory maximum fees, using the proposed changes discussed by the Board. On roll call vote, all members present voted aye. Member Kavich was absent. Motion number 23 carried.

**12. Adjournment**

It was moved by Smith, seconded by Ellinger, that the Board adjourn at 5:35 p.m. on Thursday, September 27, 2001. On roll call vote, all members present voted aye. Motion number 24 carried.

Submitted by,

William Nuckolls  
Secretary