

**ACCOUNTANCY BOARD OF OHIO  
MINUTES OF FEBRUARY 05, 2016 MEETING**

The Accountancy Board met on February 5, 2016 at 10:00 a.m. in Room West B and C on the 31st floor of the Vern Riffe Center for Government and the Arts, 77 South High Street, Columbus, Ohio with the following members present: James Carroll, CPA (Chair), James Gero, CPA (Vice-Chair), Adriana Sfalcin (Secretary - Public Member), Michael Comer, CPA (Immediate Past Chair), James Gottfried, CPA (Member), Michael Guinigundo, CPA (Member), Maggie Gilmore, CPA (Member) and Kenya Watts, CPA (Member). James Redmond, CPA (Member) was absent.

Representing the Board staff were John Patterson, Executive Director, Tracey Fithen, Assistant Executive Director and Donna Oklok, Investigation Supervisor. Board counsel present was Rachel Huston, representing the office of the Attorney General.

Mr. Carroll opened the meeting with the Pledge of Allegiance at 10:01 a.m.

Present in the audience were Scott D. Wiley, CEO, Barbara Benton, Vice President for Governmental Affairs and Laura Hay, Vice President of the Ohio Society of Certified Public Accountants (OSCPA).

Ms. Kenya Watts, one of the Board's new members introduced herself and gave a brief background.

***BOARD HEARINGS***

**REINSTATEMENT HEARING: ANTHONY PIZZA, CPA/PIZZA & PIZZA, CPA**

Mr. Carroll opened a reinstatement hearing at 10:03 a.m., pursuant to section 4701.17 of the Ohio Revised Code. Mr. Pizza was in attendance.

Ms. Huston called Mr. Pizza as a witness and introduced State's Exhibit A, 1 through 10.

The Board admitted into evidence all exhibits. Mr. Carroll concluded the hearing.

**DISCIPLINARY HEARING: STEPHEN DALE BURCHAM, CPA**

Mr. Carroll opened a disciplinary hearing at 10:16 a.m. pursuant to Chapter 119 of the Ohio Revised Code. The Board charged Stephen Burcham with 4701.16(A)(9) and (11), concerning failure to obtain an Ohio firm registration and failure to comply with section 4701.04 of the Ohio Revised Code. Mr. Burcham was in attendance.

Ms. Huston called Mr. Burcham as a witness and introduced State's Exhibit A, 1 through 17 and Exhibit B, 1 through 15.

The Board admitted into evidence all exhibits. Mr. Carroll concluded the hearing.

**REQUEST FOR WAIVER OF LATE FILING FEES**

**MAX DORFMEISTER & COMPANY, LLP**

Mr. Dorfmeister requested a waiver of the \$150 late fee due to failure to inform of the accepted Peer Review.

**YANMEI XU**

Ms. Xu requested a waiver of the \$50 late fee due to missing the deadline of December 31, 2015 because of family illness.

**JANICE SHANNON**

Ms. Shannon requested a waiver of the \$100 late fee due to missing the deadline of December 31, 2015 because of family illness.

**CAMILLE HO-A-LIM**

Ms. Ho-A-Lim requested a waiver of the \$100 late fee due to missing the deadline of December 31, 2015.

**CRAIG R. SMITH, CPA & ASSOCIATES**

The CPA firm of Craig R. Smith, CPA & Associates, requested a waiver of the \$150 late fee due to missing the deadline of October 31, 2015 because of personal illness.

**BRENDA WOOMER**

Ms. Woomer requested a waiver of the \$100 late fee due to missing the deadline of December 31, 2015 because of late mailing.

**RONALD CHESTNUT**

Mr. Chestnut requested a second waiver of the \$300 late fee due to missing the deadline of December 31, 2012 because of family issues.

**TERRENCE O'DRISCOLL**

Mr. O'Driscoll requested a waiver of the \$100 late fee due to missing the deadline of December 31, 2011 because of personal illness.

**BRET A. HOWARD**

Mr. Howard requested a waiver of the \$50 late fee due to missing the deadline of December 31, 2015 because of late mailing.

## ***QUASI-JUDICIAL DELIBERATIONS***

Upon motion by Mr. Comer, seconded by Ms. Sfalcin, the Board voted to enter into quasi-judicial deliberations with a roll call vote. Motion carried 8-0 on a roll call vote. After discussion, the Board returned to general session.

## ***BOARD DECISIONS***

### **REINSTATEMENT HEARING: ANTHONY PIZZA, CPA/PIZZA & PIZZA, CPA**

Upon motion by Ms. Sfalcin, seconded by Mr. Comer, the Board voted to reinstate the CPA certificate of Anthony Pizza following payment of a \$250 fee.

Motion carried 8-0 on a roll call vote.

### **DISCIPLINARY HEARING: STEPHEN DALE BURCHAM, CPA**

Upon motion by Ms. Sfalcin, seconded by Mr. Comer, the Board voted to revoke the CPA certificate and firm registration of Stephen Burcham, but stay the revocation subject to the completion of the following requirements by March 31, 2016:

- Payment of a fine of \$5,000 for failure to obtain an Ohio firm registration.
- Payment of any applicable late and penalty fees.
- Completion of a Board-approved professional standards and responsibilities course.

Motion carried 8-0 on a roll call vote.

## ***REQUEST FOR REVIEW OF CLOSED CASES***

Mr. Patterson reviewed the summaries of two cases for which the complainants requested Board review. In the case of Brian P. Young, CPA and Albert Moore, the issue of lack of professionalism regarding the timing of a meeting between the two to file Mr. Moore's taxes as well as payment checks to the IRS not being posted. Mr. Young offered to credit the amount of the penalties from Mr. Moore's next filing. There does not appear to be any overt violation of accountancy law. In the case of Brian Russell, CPA and Dr. Thomas McEldowney, Mr. Russell performed a valuation of Dr. McEldowney's physician practice. Dr. McEldowney felt Mr. Russell did not properly value his practice, and did not perform the valuation using the proper accounting instruments. Mr. Russell asserted that his work was correct based on the information provided from Dr. McEldowney's staff. The issue of competency in Mr. Russell's valuation, which was presented in civil court, should have been challenged at that time. Mr. Patterson asked that the Board leave these two cases closed. Mr. Comer moved to accept Mr. Patterson's recommendation and it was seconded by Mr. Gottfried. Motion carried 8-0.

## ***LATE FEE WAIVER APPEALS***

Upon motion by Ms. Sfalcin, seconded by Mr. Gottfried, the Board voted to deny the appeals of the following licensees for waiver of late filing fees as follows:

Max Dorfmeister & Company, LLP	Brenda Woomer
Yanmei Xu	Ronald Chestnut
Janice Shannon	Terrence O'Driscoll
Camille Ho-A-Lim	Bret A. Howard
Craig R. Smith, CPA & Associates	

Motion carried 8-0 on a roll call vote.

### **APPROVAL OF THE DECEMBER 2016 BOARD MEETING MINUTES**

Upon motion by Mr. Comer, seconded by Ms. Sfalcin, the Board voted to approve the minutes of the December 7-8, 2015 Board meeting. Motion carried 7-0 with one abstention.

### **INFORMATION REPORTS AND UPDATES**

#### ***FINANCIAL UPDATE***

Ms. Fithen reported the Office of Budget and Management included the Exempt Employee Parity funds into the Board's Fiscal 2016 and 2017 appropriations. The Board will be able to operate with 10 full-time staff, travel for the board members and maintain operations for both upcoming fiscal years.

#### ***RULES UPDATE***

Mr. Patterson reported that there were currently no rules up for review at this time.

#### ***INVESTIGATIONS REPORT***

Ms. Oklok reported that nine cases are currently open. In addition, there are two cases pending in the Delaware and Lucas County courts. For the most recent CPE audit cycle for November and December 2015, there were 1,554 selected for audit, with a response rate of 66.5%, or 1,034 respondents. Of those, 663 have been fully verified. A total of 308 have yet to respond, as the December audit response date is March 15, 2016. Three selections were removed due to this being their third consecutive inclusion in the audit.

#### ***EDUCATION ASSISTANCE PROGRAM REPORT***

Ms. Fithen reported that the Education Assistance fund is at approximately \$33,000 remaining through the end of the Fiscal Year 2016 which ends June 30th. A transfer of 4K90 funds from the licensing fees was transferred this week from the 2<sup>nd</sup> quarter licensing fees to the 4J80 fund (scholarship) in the amount of \$256,490.

#### **OLD BUSINESS**

### **STATUS OF PAST HEARINGS**

Ms. Huston noted that the Wiltz appeal process is ongoing, with one appeal remaining. A Board case on appeal for Stephanie Millard is also ongoing, with her brief due February 29, and the Board's response due April 18. Mr. Gottfried inquired as to the status of adjudication orders recently expired and field calls for revoked firms holding out.

### **EXECUTIVE DIRECTOR'S REPORT**

Mr. Patterson requested travel approval for the upcoming NASBA Executive Director's meeting in Tucson, Arizona where he will continue on to California for personal business.

Mr. Patterson discussed his meeting as a member of NASBA's UAA committee which was held in Fort Lauderdale, Florida on January 31, through February 2, 2016.

Mr. Patterson also discussed concerns of preparing tax as an Inactive (registration) CPA vs. an Active CPA (permit).

Mr. Patterson informed the Board that our Email Blasts are very effective and reach more licensees than the Board's Newsletter. He'd like to continue sending at least 3 – 4 a year. The upcoming email blast will remind licensees of checking their cpe for the upcoming renewal and checking on their license status.

### **CHAIR'S REPORT**

Mr. Carroll presented the nomination letter of W. Michael Fritz, CPA as an At-Large Director of NASBA as he is completing his third year as the Great Lakes Regional Director and asked the board to endorse him. The Board voted 8-0 to endorse Mr. Fritz.

Mr. Carroll also requested the board members notify Ms. Fithen of any committees they would like to serve on this calendar year.

Upon motion by Mr. Carroll, seconded by Ms. Sfalcin, the Board voted to adjourn. Motion carried 8-0.

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**JAMES J. CARROLL, CHAIR**

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**ADRIANA SFALCIN, SECRETARY**