

Accountancy Board of Ohio
Minutes of Board Meeting April 27, 2018

The Accountancy Board met on April 27, 2018 in Rooms West B & C, 31st floor of the Riffe Center, Columbus, with the following members present: James Gottfried, CPA (Chair), James Gero, CPA (Immediate Past Chair), Michael Guinigundo, CPA (Vice-Chair), Margaret Gilmore, CPA (Secretary), Kenya Watts, CPA (Member), James Redmond, CPA (Member), John Soucie, CPA (Member), and Scott Blake (Public Member).

Representing the Board staff was John E. Patterson, Executive Director; Tracey F. Fithen, Assistant Executive Director; and Donna M. Oklok, Investigations Supervisor. Board counsel present was Keith O’Korn, Esq., representing the office of the Ohio Attorney General.

Present in the audience was Laura Hay, Executive Vice President, Barbara Benton, Vice President of Governmental Affairs, and Lisa Brown, Director of Technical Services of the Ohio Society of Certified Public Accountants (OSCPA). David Dennis, CPA was also present.

Mr. Gottfried called the meeting to order at 10:02 a.m., and opened the meeting with the Pledge of Allegiance. Mr. Gottfried also welcomed the guests in the audience, and invited Mr. O’Korn to introduce himself to the Board.

REINSTATEMENT HEARING: ROBERT D. HESSELGESSER

Mr. Gottfried opened a reinstatement hearing at 10:06 a.m. pursuant to section 4701.17 of the Revised Code. Mr. Hesselgesser was in attendance and was represented by counsel, Andrew Fuchs and Michael Scudder, attorneys.

Mr. O’Korn called Mr. Hesselgesser as a witness and introduced State’s Exhibits A, 1 through 12; and B, 1 through 7. Mr. Hesselgesser then spoke and was questioned by the Board.

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

FORMAL HEARING: GENE T. CUMMINGS/GENE T. CUMMINGS, CPA

Mr. Gottfried opened a disciplinary hearing at 10:17 a.m. pursuant to Chapter 119 of the Revised Code. The Board charged Mr. Cummings with a violation of 4701.16(A)(8), concerning suspension or revocation of the right to practice before any state or federal agency. Mr. Cummings was in attendance and represented by counsel, Brandon Smith, attorney.

Mr. O’Korn gave an opening statement, then called Mr. John Patterson, Executive Director, to testify to the accuracy of the records of the Board, and introduced State’s Exhibit(s) A, 1 through 19; B, 1 through 25; and C, 1 through 9. Mr. Smith, counsel for Mr. Cummings, gave an opening statement and introduced Respondent’s Exhibits 1, (1); 2, 1 through 14; and 3, 1 through 5. Mr. Cummings was questioned by the Board.

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

FORMAL HEARING: HARRY E. JACKSON (GOLDMAN)

Mr. Gottfried opened a disciplinary hearing at 10:48 a.m. pursuant to Chapter 119 of the Revised Code. The Board charged Mr. Jackson with a violation of section 4701.16(A)(5) of the Revised Code,

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concerning conviction of a felony under the laws of any state or of the United States. Mr. Jackson was not in attendance.

Mr. O’Korn called Mr. John Patterson, Executive Director, to testify to the accuracy of the records of the Board, and introduced State’s Exhibit A, 1 through 12.

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

PRESENTATIONS – PEER REVIEW OVERSIGHT COMMITTEE/OSCPA

Mr. Gottfried opened the Peer Review Oversight Committee meeting at 11:02 a.m., with Mr. Gero, Mr. Redmond, and Mr. Soucie representing the Committee, The OSCPAs Laura Hay, CPA/CAE, Executive Vice President, and Lisa Brown, Director of Technical Services, presented the OSCPA’s oversight report from the AICPA, the OSCPA’s annual report on oversight, the future of peer review administration, and peer review budget and fee structure. Upon the motion by Mr. Redmond, and seconded by Mr. Soucie, the Committee voted to accept the OSCPA’s current proposed fee structure. Mr. Patterson spoke about potential disciplinary action regarding firms which have been disciplined by the AICPA for failing to meet professional standards. The Peer Review Oversight Committee meeting adjourned at 11:42 a.m.

REQUEST FOR WAIVER OF LATE FEES

GREGORY M. CINGLE

Mr. Cingle requested a waiver of the \$100 late fee due to non-renewal of his Ohio permit.

LARRY E. LANN

Mr. Lann requested a waiver of the \$150 late fee due to non-renewal of his Ohio registration.

DAVID P. BAKER

Mr. Baker requested a waiver of the \$150 late fee due to non-renewal of his Ohio registration.

KIMBERLEE M. MANLEY

Ms. Manley requested a waiver of the \$200 fee due to her late CPE compliance.

DANIEL B. VANCE

Mr. Vance requested a waiver of the \$150 late fee due to non-renewal of his Ohio permit.

JOSEPH R. MATSON

Mr. Matson requested a waiver of the \$150 late fee due to non-renewal of his Ohio registration.

AMBER E. TAMULEWICZ

Ms. Tamulewicz requested a waiver of the \$150 late fee due to non-renewal of her Ohio registration.

HANFORD S. JORDAN

Mr. Jordan requested a waiver of the \$150 late fee due to non-renewal of his Ohio registration.

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GERRY A. BARONE, CPA

Mr. Barone requested a waiver of the \$300 late fee due to the non-renewal of his attest firm registration.

QUASI-JUDICIAL DELIBERATIONS

Upon Mr. Gottfried's direction, the Board went into quasi-judicial deliberations to discuss the formal hearings and requests for waivers of late fees. After discussion, the Board returned to general session.

BOARD DECISIONS

Harry E. Jackson (Case #2017-76)

Upon the motion by Ms. Gilmore, and seconded by Mr. Gero, the Board voted to revoke the CPA certificate of Mr. Jackson. He may not request reinstatement until all terms and conditions of the Summit County Court of Common Pleas have been completed.

Motion carried 8-0 on a roll call vote.

Gene T. Cummings (Case #2017-75)

Upon the motion by Ms. Gilmore, and seconded by Ms. Watts, the Board voted to revoke the CPA certificate and firm registration of Mr. Cummings. He may not apply for reinstatement of his CPA certificate and firm registration prior to reinstatement of his ability to practice before the IRS, or December 31, 2019, whichever is earlier.

Motion carried 8-0 on a roll call vote.

Robert D. Hesselgesser (Case #2018-74)

Upon the motion by Ms. Gilmore, and seconded by Mr. Blake, the Board voted to reinstate the CPA certificate of Mr. Hesselgesser.

Motion carried 8-0 on a roll call vote.

LATE FEE WAIVER REQUESTS

Upon the motion by Mr. Guinigundo and seconded by Mr. Gero, the Board voted to deny the request for waiver for Kimberlee Manley.

Motion carried 7-0, with one abstention, on a roll call vote.

Upon the motion by Ms. Gilmore and seconded by Mr. Gero, the Board voted to approve the request for waiver for Hanford Jordan.

Motion carried 8-0 on a roll call vote.

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Upon the motion by Ms. Gilmore and seconded by Mr. Gero, the Board voted to deny the requests for waiver for Gregory Cingle, Larry Lann, David Baker, Daniel Vance, Joseph Matson, Amber Tamulewicz, and Gerry Barone, CPA.

Motion carried 8-0 on a roll call vote.

REQUEST FOR RECONSIDERATION

Mr. Patterson discussed the closed case review of Michael A. Balestra, CPA, submitted by Andrew Smith, CPA. The Board voted 8-0 to take no action.

EXECUTIVE DIRECTOR'S REPORT

Mr. Patterson addressed the revenue and expense report, and the operating budget is in good shape. The new eLicense system is up and running, Mr. Patterson stated, with the goal of being paperless. The Board requested a second email communication be sent out to reassure licensees of the legitimacy of the system implementation. Mr. Patterson spoke regarding the proposed rule changes to 4701-15-02 and 4701-15-09, and recommended these rules be pulled pending revision. Upon motion by Mr. Redmond and seconded by Mr. Blake, the Board voted 8-0 to pull the proposed rule revisions. Mr. Patterson also spoke to notifying suspended licensees and the potential for disciplinary action against those who fail to obtain the proper license. NASBA signed a mutual recognition agreement with ICAS (Scotland), and Mr. Patterson reported that while few people apply for a CPA certificate via mutual recognition agreement, they are permitted to do so. Mr. Patterson reported on the NASBA legal conference, and the discussion on a new pathway to obtaining a CPA certificate, based in information technology as well as accounting competency. Mr. Patterson also discussed examination extensions, and affirmed the Board's position of granting extensions based on medical need and military deployment. Finally, Mr. Patterson presented the request of Mr. O'Donnell for a waiver to apply as an Ohio CPA candidate; the Board declined to reconsider Mr. Patterson's decision to deny this request.

INFORMATION REPORTS AND UPDATES

Budget/Financial Update/Annual Report

Education Assistance Report

Investigations Report

Rules Update

Ms. Oklok reported that rule 4701-11-07, Board communications needs to be revised prior to the next renewal notification cycle in October.

Approval of February 9, 2018 Board Meeting Minutes

Upon motion by Mr. Blake and seconded by Mr. Redmond, the Board voted 8-0 to approve the minutes of the February 9, 2018 Board meeting.

OLD BUSINESS

Status of Past Hearings

EXECUTIVE SESSION

Rachel Huston, Assistant Attorney General, was in attendance to discuss impending legal issues in the Fidler appeal. Mr. Gottfried called for a roll call vote to go into Executive Session regarding pending legal action with the Board pursuant to Ohio Revised Code 121.22(G). Ms. Gilmore moved, and Mr. Gero seconded. Roll call vote was Mr. Blake, yes; Mr. Gero, yes; Mr. Gilmore, yes; Mr. Guinigundo, yes; Mr. Redmond, yes; Mr. Soucie, yes; Ms. Watts, yes; Mr. Gottfried, yes.

After returning from executive session, Mr. Gottfried asked for a vote on the offer made by Mr. Fidler. Upon motion of Mr. Guinigundo and seconded by Ms. Watts, the Board voted 8-0 to decline the offer.

NEW BUSINESS

Mr. Gottfried that Ohio candidate Morgan Dye was honored with the Elijah Watt Sells award, for the highest score in the country on the CPA Examination. The Board will send a letter of commendation and congratulations.

CHAIR'S REPORT/EXECUTIVE COMMITTEE MEETING

Mr. Gottfried opened a meeting of the Executive Committee at 1:39 p.m. for the purpose of approving expenditures for the 2018 NASBA conference, with committee members Mr. Guinigundo and Ms. Gilmore also in attendance. Upon motion by Ms. Gilmore and seconded by Mr. Guinigundo, the expenditures were approved 8-0. Mr. Gero reported on the peer review oversight committee which made a motion to approve the OSCPA peer review fees for 2018. The committee meeting concluded at 1:43 p.m.

The September Board meeting will be held at the University of Akron.

SUMMARY OF BOARD REQUESTS

The Board requested another email blast be sent to licensees to notify them of the new eLicense system and its security.

ADJOURNMENT

Upon motion by Ms. Gilmore and seconded by Mr. Blake, the Board voted to adjourn.

Motion carried 8-0.

JAMES D. GOTTFRIED, CHAIR

MARGARET A. GILMORE, SECRETARY