

Accountancy Board of Ohio  
Minutes of Board Meeting September 9, 2016

The Accountancy Board met on September 9, 2016 in the conference room of the Russell C. Myers Alumni Center, 2906 Woodside Drive, Cincinnati, 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), and James Redmond, CPA (Member). Board members Maggie Gilmore, CPA and Kenya Watts, CPA were not present.

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 Rachel Huston, Esq., representing the office of the Attorney General.

Present in the audience was Laura Hay, Executive Vice President and Barbara Benton, Vice President for Governmental Affairs of the Ohio Society of Certified Public Accountants (OSCPA); Colleen Conrad, Executive Vice President and Chief Operating Officer, National Association of State Boards of Accounting (NASBA); and W. Michael Fritz, Great Lakes Regional Director, NASBA.

Mr. Carroll called the meeting to order at 10:00 a.m., and welcomed the guests in the audience. Mr. Carroll opened the meeting with the Pledge of Allegiance.

**FORMAL HEARING: ROBERT D. HESSELGESSER, CPA**

Mr. Carroll opened a disciplinary hearing at 10:03 a.m. pursuant to Chapter 119 of the Revised Code. The Board charged Mr. Hesselgesser with a violation of section 4701.16(A)(8), concerning suspension or revocation of the right to practice before any state or federal agency. Mr. Hesselgesser was in attendance and represented by counsel, Michael Scudder and Andrew Fuchs, Attorneys.

Ms. Huston introduced State's exhibits A, 1 through 6 and B, 1 through 9. Mr. Carter made an opening statement and introduced Respondent's exhibit 1, 1. Mr. Hesselgesser then spoke and was questioned by the Board.

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

**FORMAL HEARING: LARRY L. LANDIS, CPA**

Mr. Carroll opened a disciplinary hearing at 10:28 a.m. pursuant to Chapter 119 of the Revised Code. The Board charged Mr. Landis with a violation of section 4701.16(A)(1) of the Revised Code, concerning fraud and deceit in obtaining an Ohio permit; specifically 4701-15-03 Continuing education reporting. Mr. Landis was in attendance and was represented by counsel, James Leo, Attorney.

Ms. Huston called Ms. Faith Ottavi as a witness and introduced State's Exhibit(s) A, 1 through 7, and B, 1 through 12. Mr. Leo introduced Respondent's exhibits B through L, consisting of one page each; and exhibit A, 1. Ms. Huston called Mr. Landis as a witness. Mr. Landis then spoke and was questioned by the Board.

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

**FORMAL HEARING: BRADFORD H. SPIERS, CPA**

Mr. Carroll opened a disciplinary hearing at 10:59 a.m. pursuant to Chapter 119 of the Revised Code. The Board charged Mr. Spiers with a violation of section 4701.16(A)(1) and (A)(4) of the Revised Code, concerning fraud and deceit in obtaining an Ohio permit, specifically 4701-15-12 Continuing education verification. Mr. Spiers was not in attendance.

Ms. Huston called Ms. Ottavi as a witness and introduced State's Exhibit(s) A, 1 through 8; B, 1 through 53; C, 1 through 72; D, 1 through 15; and E, 1.

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

**EDUCATION ASSISTANCE COMMITTEE MEETING – UNIVERSITY OF CINCINNATI STUDENTS**

Ms. Colleen Conrad, Executive Vice President and Chief Operating Officer, NASBA, spoke to the assembled students and meeting attendees regarding upcoming changes to the CPA exam, the expanded requirements, and statistics of note specific to those who sit for the Ohio CPA exam. She also spoke about the services offered by NASBA for transcript evaluation and course and review topics.

Ms. Amy Bonacuse, Vice President, Communications and Marketing, OSCPA, spoke about the benefits of membership in the OSCPA. Ms. Mandy Hohler, Manager of Student Engagement, OSCPA, spoke about student membership with the OSCPA and the outreach programs available via OSCPA student ambassadors.

**FORMAL HEARING: DAVID J. BUFFENBARGER, CPA**

Mr. Carroll opened a disciplinary hearing at 12:16 p.m. pursuant to Chapter 119 of the Revised Code. The Board charged Mr. Buffenbarger with a violation of section 4701.16(A)(1) of the Revised Code, concerning fraud and deceit in obtaining an Ohio permit; specifically 4701-15-03 Continuing education reporting. Mr. Buffenbarger was in attendance and was not represented by counsel.

Ms. Huston called Ms. Charlene Nortey as a witness and introduced State's Exhibit(s) A, 1 through 8; B, 1 through 7; and C, 1 through 4. Ms. Huston called Mr. Buffenbarger as a witness. Mr. Buffenbarger then spoke and was questioned by the Board.

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

**FORMAL HEARING: TAMMY L. BEARD**

Mr. Carroll opened a disciplinary hearing at 12:35 p.m. pursuant to Chapter 119 of the Revised Code. The Board charged Ms. Kaufman with a violation of section 4701.16(A)(5), concerning conviction of a felony under the laws of any state or of the United States. Ms. Beard was in attendance and was not represented by counsel.

Ms. Huston introduced State's exhibits A, 1 through 6 and B, 1 through 7. Ms. Beard then spoke and was questioned by the Board.

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

**FORMAL HEARING: DAVID P. JACOBS, CPA**

Mr. Carroll opened a disciplinary hearing at 12:47 p.m. pursuant to Chapter 119 of the Revised Code. The Board charged Mr. Jacobs with a violation of sections 4701.16(A)(1) and (A)(4) of the Revised Code, concerning fraud and deceit in obtaining an Ohio permit, specifically 4701-15-03 Continuing education reporting; 4701-11-07 Board communications. Mr. Jacobs was in attendance and was not represented by counsel.

Ms. Huston called Ms. Charlene Nortey as a witness and introduced State's Exhibit(s) A, 1 through 11; B, 1 through 3; and C, 1. Ms. Huston called Mr. Jacobs as a witness. Mr. Jacobs then spoke and was questioned by the Board.

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

**REQUEST FOR WAIVER OF LATE FEES**

Kevin Myeroff requested a waiver of the \$800 late CPE fee received by the Board on August 8, 2016.

David Askew requested a waiver of the \$800 late fee submitted with his late renewal application received by the Board on August 29, 2016.

**QUASI-JUDICIAL DELIBERATIONS**

The Board moved into quasi-judicial deliberations to discuss the requests for waiver of late fees and formal hearings. The Board returned to general session.

**BOARD DECISIONS**

**Robert D. Hesselgesser, CPA (Case #2016-47)**

Upon the motion by Board Secretary Ms. Sfalcin, and seconded by Immediate Past Chair Mr. Comer, the Board voted to revoke the CPA certificate of Mr. Hesselgesser. He cannot apply for reinstatement before April 1, 2018.

Motion carried 7-0 on a roll call vote.

**Larry L. Landis, CPA (Case #2016-37)**

Upon the motion by Board Secretary Ms. Sfalcin, and seconded by Immediate Past Chair Mr. Comer, the Board voted to revoke the CPA certificate of Mr. Landis. He cannot apply for reinstatement before July 1, 2017.

Motion carried 7-0 on a roll call vote.

**Bradford H. Spiers, CPA (Case #2016-32)**

Upon the motion by Board Secretary Ms. Sfalcin, and seconded by Immediate Past Chair Mr. Comer, the Board voted to revoke the CPA certificate of Mr. Spiers. He cannot apply for reinstatement before October 1, 2017.

Motion carried 7-0 on a roll call vote.

**David J. Buffenbarger, CPA (Case #2016-47)**

Upon the motion by Board Secretary Ms. Sfalcin, and seconded by Immediate Past Chair Mr. Comer, the Board voted to revoke the CPA certificate of Mr. Buffenbarger, but to stay the revocation subject to the completion of the following conditions by November 30, 2016:

- (1) A fine of \$2,500;
- (2) Completion of 3 hours of a Board-approved professional standards and responsibilities course, specific to Ohio laws and rules;
- (3) Submission of \$10 per hour for each hour of CPE earned in 2016.

Motion carried 7-0 on a roll call vote.

**Tammy L. Beard (Case #2016-43)**

Upon the motion by Board Secretary Ms. Sfalcin, and seconded by Immediate Past Chair Mr. Comer, the Board voted to revoke the CPA certificate of Ms. Beard. She cannot apply for reinstatement before May 31, 2019 and until all court ordered conditions have been met, including restitution.

Motion carried 7-0 on a roll call vote.

**David P. Jacobs, CPA (#2016-44)**

Upon the motion by Board Secretary Ms. Sfalcin, and seconded by Board Member Michael Guinigundo, the Board voted to revoke the CPA certificate of Mr. Jacobs, but to stay the revocation subject to the completion of the following conditions by November 30, 2016:

- (1) A fine of \$2,500;
- (2) A fine of \$1,000;
- (3) Completion of 3 hours of a Board-approved professional standards and responsibilities course, specific to Ohio laws and rules;
- (4) Submission of \$10 per hour for each hour of CPE earned in 2016.

Motion carried 7-0 on a roll call vote.

### **Late Fee or Renewal Fee Waivers**

Upon the motion by Adriana Sfalcin, Board Secretary, and seconded by Board Member James Gottfried, the Board voted to deny the requests for waiver of the late filing fees for Kevin Myeroff and David Askew.

Motion carried 7-0 on a roll call vote.

### **Executive Director's Report**

Mr. John E. Patterson, Executive Director for the Accountancy Board gave his report. Mr. Bob Fay has requested additional funds for the ACAP program, but the Board does not have the additional funds, and the Board will likely need to increase licensing fees in 2018 due to increases in rent, IT services and database upgrades. The Ohio CPA Foundation has requested use of the Board's logo, and the request has been referred to Assistant Attorney General Rachel Houston for an opinion. A letter was received from Mr. William Gordon, thanking Board staff for their help with the CPE/compliance process.

### **Approval of the July 15, 2016 Board Meeting Minutes**

Upon motion by Mr. Sfalcin, seconded by Mr. Gottfried, the Board voted unanimously to approve the minutes of the July 15, 2016 Board Meeting. Motion carried 7-0.

## **INFORMATION REPORTS AND UPDATES**

### **Budget and Financial Report**

Donna Oklok, Investigations Supervisor for the Accountancy Board, reported that the Board is currently in the final month of the first quarter of expenses for fiscal year 2017. Spending is on track and there are no concerns or outstanding activity. The budget for fiscal years 2018 and 2019 is almost finalized for submission on September 14, 2016.

### **Education Assistance Report**

Ms. Oklok informed the Board that the fund had total expenditures of \$316,601.29 in fiscal year 2016, and total expenditures so far in fiscal year 2017 of \$151,524.79.

### **Rules Update – Approval of Chapter 4701-09, -11, and -19**

Donna Oklok, Investigations Supervisor, updated the Board regarding input from other agencies regarding rules 4701-09, -11 and -19, with additional changes suggested by the Ohio Society of CPAs subsequent to the July 15, 2016 Board meeting. These changes were communicated to stakeholders via email on August 24, 2016. This final comment period ended August 31, 2016, and the process to complete recommendation memos has begun.

### **Investigative Update**

Ms. Oklok noted that there were seven disciplinary cases opened since the last Board meeting, two pending legal action and one case referred to prosecutor. The 2013-2015 CPE verification is complete, with one hearing scheduled for the November 2016 Board meeting related to the 2015 audit.

### **OLD BUSINESS**

#### **Status of Past Hearings**

Rachel Huston, Assistant Ohio Attorney General, reported that there are no appeals that have been filed since the July 15, 2016 Board meeting. No decision has been made regarding Millard, Wolfe or Wiltz.

### **NEW BUSINESS**

The AICPA has released a paper for the proposed evolution of peer review administration. Mr. Patterson and Mr. Gero will work on a response, with comments from the Board.

### **CHAIR'S REPORT**

Mr. Carroll discussed items covered by the Executive Committee meeting held prior to the Board meeting. Travel costs have been approved for the NASBA annual meeting. He also thanked the University of Cincinnati and Toshia Watkins for her work coordinating the meeting. Finally, he announced that next Board meeting would be held November 4 in Columbus.

### **SUMMARY OF BOARD REQUESTS**

No requests from Board members.

Upon motion by Board Member Adriana Sfalcin and seconded by Board Member James Gottfried, the Board voted to adjourn.

Motion carried 7-0.

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**James J. Carroll, Chair**

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**Adriana Sfalcin, Secretary**