

**MINUTES OF THE KANSAS BOARD OF ACCOUNTANCY  
JANUARY 19, 2018  
LANDON STATE OFFICE BUILDING, ROOM 509  
TOPEKA, KS**

**1. ADMINISTRATIVE MATTERS:**

**A. CALL TO ORDER:**

John R. Helms, CPA, Chair, called the meeting to order. Board members in attendance were Mr. Helms; Kathryn J. Mitchell, CPA; T. C. Anderson, Public Member; Denise Denning, CPA; Corlene Lange, CPA; Michael L. Marsh, CPA; and Meredith Richey, Public Member. Also in attendance was Susan Somers, Executive Director; Randy Forbes, Disciplinary Counsel to the Board; Darin Conklin, General Counsel to the Board; Natasha Schamberger, Chad Allen, Danielle Hologram, and Rita Barnard, members of the KSCPA's 20 up to 40 Leadership Program, on behalf of the Kansas Society of CPAs; and Joyce Schartz, on behalf of the Public Accountants Association.

**B. CONSENT CALENDAR:**

1-4. The Board reviewed the minutes of the December 8, 2017 meeting; reciprocity certificates/permits to practice; firm registrations; the December 31, 2017 financials; and the Governor's Budget Recommendation. Ms. Denning moved, and Ms. Richey seconded to approve the Consent Calendar. Upon a vote, the motion carried.

C. Mr. Helms welcomed Chad Allen, Chair, Natasha Schamberger, and the members of the KSCPA 20 up to 40 Leadership Class for 2018. Mr. Helms provided a brief explanation as to the role of the Board and the Board members took turns introducing themselves.

**2. CPA EXAM:**

A. The Board reviewed the exam scores for the October/November/December 2017 exam window. After review, Ms. Mitchell moved, and Mr. Marsh seconded to ratify the grades. Upon a vote, the motion carried.

B. The Board reviewed the CPA exam statistics. No action was required to be taken.

C. The Board reviewed a request from NASBA for permission to use the email addresses of Kansas exam candidates contained in the National Candidate Database to participate in an online survey by NASBA and the AICPA. The purpose of which is for a research study to investigate when students attend two-year schools and the types of courses they take, to create more awareness of the CPA profession and how that relates to the students' exam taking experience. No personally identifiable candidate information will be provided to the AICPA or the survey vendor. After discussion, Ms. Richey moved, and Mr. Marsh seconded to approve the request. Upon a vote, the motion carried.

D. The Board reviewed a request from Adrienne Heppler to accept a Communications for Accountants course in order to sit for the CPA exam. Ms. Denning moved, and Mr. Marsh seconded to waive the 2 hours of the communications requirement that Ms. Heppler was lacking, based upon her work experience, pursuant to K.A.R. 74-2-7(g). Upon a vote, the motion carried.

E. The Board reviewed a request from Daniel Buxie, pursuant to K.A.R. 74-2-7(g) for a waiver of 2 semester hours of communications and an Accounting Information Systems beyond an introductory course. After review and discussion, Ms. Denning moved, and Ms. Lange seconded to approve the request, based upon his work experience. Upon a vote, the motion carried.

F. The Board reviewed the Q4 candidate care report. No action was required to be taken.

G. The Board reviewed a letter from Bradley McGlachlin, wherein he was requesting that the 18-month rolling window for expiration of the CPA exam scores be extended by another six months. After discussion, no action was taken by the Board to change the current 18-month window requirement.

### **3. CPE/PERMIT TO PRACTICE/PEER REVIEW/FIRM REGISTRATIONS:**

A. Ms. Somers presented to the Board the list of firms with peer reviews either due or in process. No action was required to be taken.

B. The Board reviewed the list of firms who had not renewed as of the Board meeting date. Ms. Somers indicated that a letter would be sent to the in-state firms where evidence existed to suggest that the firm was still practicing certified public accountancy.

C. The Board reviewed the list of firms that had notified the Board that they would not be renewing. No action was required to be taken.

D. The Board reviewed the Peer Review Oversight Report prepared by James Gillespie, the Board's Peer Review Liaison, summarizing the procedures performed during his oversight of the KSCPA's Peer Review Program. No action was required to be taken.

### **4. HEARINGS AND OTHER DISCIPLINARY MATTERS**

**A. ARTHETTA F. LONG, CPA STIPULATION AND CONSENT ORDER:** Ms. Mitchell, the investigator in this matter, recused herself. Ms. Long appeared in person, and with counsel, Jeffrey Wietharn. This matter was before the Board for approval of a Stipulation and Consent Order arising from an audit of continuing education credits for her 2017 and 2015 permit renewals. An investigation and subsequent determination was made that Ms. Long had committed fraud, dishonesty or deceit in obtaining a permit to practice (K.S.A. 1-311(a)(1)); failed to maintain the requirements to renew her permit

(K.S.A. 1-311(a)(3)); and engaged in conduct reflecting adversely on her fitness to practice certified public accountancy (K.S.A. 1-311(a)(14)). The terms of the Stipulation and Consent Order required Ms. Long to appear before the Board; to pay a fine in the amount of \$2,000.00; to pay costs pursuant to K.S.A. 1-206, to include attorney's fees and court reporter fees incurred in the matter; to provide proof of completion of 134.5 hours of acceptable CPE, to include 2 hours of acceptable professional ethics; and to complete the AICPA Comprehensive Ethics exam with a score of 90% or higher, with corresponding proof of completion to the Board on or before January 31, 2018. After hearing testimony, Mr. Marsh moved, and Ms. Denning seconded to go into closed session to deliberate the matter. Upon a vote, the motion carried.

When the Board reconvened, Ms. Lange moved, and Ms. Richey seconded to accept the Stipulation and Consent Order with an acknowledged change to paragraph 5(d). Upon a vote, the motion carried, with Ms. Mitchell not participating.

**B. JOHN W. MEARA, CPA STIPULATION AND CONSENT ORDER:** Mr. Marsh, the investigator in this matter, recused himself. Mr. Meara appeared by telephone and with counsel, Mark E. McFarland, of Wallace Saunders. This matter was before the Board for approval of a Stipulation and Consent Order arising from an investigation and subsequent determination that Mr. Meara had engaged in the practice of certified public accountancy without holding a valid permit. The terms of the Stipulation and Consent Order required Mr. Meara to appear before the Board; to pay a fine in the amount of \$500.00; and to pay costs pursuant to K.S.A. 1-206, to include attorney's fees and court reporter fees incurred in the matter. Mr. Meara's application for permit renewal was approved without condition. After hearing testimony, Ms. Denning moved, and Ms. Lange seconded to accept the Stipulation and Consent Order. Upon a vote, the motion carried, with Mr. Marsh not participating.

**C. LE COMPTE, PC STIPULATION REGARDING AMOUNT OF COSTS:** This matter was before the Board for approval of a stipulation regarding the amount of costs to be assessed to Respondent relative to a matter heard previously by the Board. After review, Ms. Lange moved, and Ms. Richey seconded, to accept the Stipulation Regarding Amount of Costs. Upon a vote, the motion carried.

**D. LARSON PATRICK CARTER HEARING ON APPLICATION FOR CPA CERTIFICATE:** Mr. Carter appeared in person, along with Counsel, John Duma. This matter was before the Board for consideration of an application for Kansas certified public accountancy certificate by reciprocity submitted by Mr. Carter. After hearing testimony and giving consideration to the merits of the testimony, Ms. Richey moved, and Ms. Denning seconded for the Board to go into closed session to deliberate the matter.

When the Board reconvened, Mr. Anderson moved, and Ms. Lange seconded, to approve the application for Kansas certified public accountancy certificate by reciprocity. Upon a vote, the motion carried.

**E. NICHOLAS J. NOVELLY, CPA APPLICATION FOR RENEWAL OF PERMIT TO PRACTICE AS A CPA IN KANSAS:** Mr. Marsh and Ms. Lange, the investigators in

this matter, recused themselves. Mr. Novelty appeared in person and with counsel, Joel Krieger. This matter was before the Board for consideration of Respondent's application for renewal of his permit to practice as a CPA in Kansas. The matter first convened on December 8, 2017 and reconvened on January 19, 2018. After hearing testimony, Ms. Mitchell moved, and Mr. Anderson seconded to approve Respondent's application for renewal of his permit. Upon a vote, the motion carried, with Mr. Marsh and Ms. Lange not participating.

**F. BRADLEY R. THIES, CPA AND BARR ASSURANCE AND ADVISORY, INC. PETITION FOR DISCIPLINARY ACTION:** Mr. Helms, the investigator in this matter, recused himself with Ms. Mitchell assuming the Chair for purposes of this hearing. Mr. Thies appeared in person, and with counsel, Kate Gasper, of Lathrop Gage. This matter was before the Board for consideration of a Petition for Disciplinary Action arising from an audit of the CPE claimed by Mr. Thies in support of his application for permit renewal. After hearing testimony, the hearing was recessed due to time limitations to be reconvened on January 31, 2018 at 10:00 a.m..

**5. OTHER:**

**A. JENICA CHARTIER REQUEST FOR RELIEF FROM INJUNCTION:**

Jenica Chartier appeared before the Board through counsel Joel Krieger to inquire as to whether the Board had objection to Ms. Chartier's attempt to dissolve an injunction issued by the District Court of Johnson County, Kansas in 2014 in favor of the Board, prohibiting Ms. Chartier from engaging in the practice of certified public accountancy without a valid CPA certificate and permit. In January of 2015, Ms. Chartier was issued a CPA certificate and permit by the Board. After discussion, upon motion of T. C. Anderson, seconded by Ms. Richey, the Board authorized Darin Conklin, general counsel to the Board, to sign an order stating that the Board had no objection to dissolution of the injunction. Upon a vote, the motion carried.

**6. ADJOURN**

Upon motion of Mr. Anderson, seconded by Ms. Lange, the meeting was recessed until January 31, 2018 at 10:00 AM.

/s/ Susan L. Somers  
Susan L. Somers, Executive Director