

**INDIANA BOARD OF ACCOUNTANCY
MINUTES
July 19, 2013**

I. CALL TO ORDER AND ESTABLISHMENT OF A QUORUM

Ms. Shelley Johnson, member of the Indiana Board of Accountancy, called the meeting to order at 10:14 a.m. in Conference Room CC5 of the Indiana Government Center South, 302 West Washington Street, Indianapolis, Indiana 46204 and declared a quorum in accordance with IC § 25-2.1-2-8.

Board Members Present:

Mr. James O'Brien, CPA, Esq., Vice-Chair
Ms. Shelley Johnson, CPA, CGMA
Mr. Timothy Deisher, CPA
Mr. John Kane, CPA
Mr. Randolph Holt, Esq.

Board Members Absent:

Mr. Gregory Coy, CPA, Chair

State Officials Present:

Ms. Kate Lowhorn, Board Director
Ms. Jacque Retter, Assistant Board Director
Ms. N. Beth Line, Project Administrator
Mr. James Schmidt, DAG, Office of the Attorney General

II. ADOPTION OF THE AGENDA

A motion was made and seconded to adopt the amended agenda.

KANE/HOLT
Motion carried 5-0-0

III. ADOPTION OF THE MINUTES FROM THE MAY 17, 2013 MEETING OF THE BOARD

A motion was made and seconded to adopt the amended minutes from the May 17, 2013 Board meeting.

HOLT/KANE
Motion carried 5-0-0

IV. PRESENTATION:

Maria Caldwell, Esq. & Elizabeth Stanton with the National Association of State Boards of Accountancy (NASBA) on the Accountancy Licensing Database (ALD) and CPA Verify

Attachment 1- Presentation

V. ADMINISTRATIVE HEARINGS

A. In the Matter of the License of William Boeykens
Re: Objection to Final Order 2012 CE Audit

Cause No.: 13-22
License No.: CP18601797

Respondent, William Boeykens, is present and not represented by counsel.

Brandy Bradley is the designated court reporter.

Participating Board Members:

Ms. Johnson (Hearing Officer)
Mr. Deisher
Mr. Kane
Mr. O'Brien
Mr. Holt

Mr.Boeykens was present for the oral argument to show evidence of his claims against the Administrative Law Judge order he was issued. Mr. Boeykens explained that a letter was sent to IPLA on May 7th detailing the terms of the misunderstanding. He was a licensed Michigan CPA prior to 2010 when he became licensed in Indiana. At that time he was told that his previously obtained Michigan CPE hours could be counted towards Indiana CPE requirements. When he was audited he immediately sent these certificates and was surprised to receive a Notice of Non-Compliance in response.

During his ALJ hearing the civil penalty was reduced as the judge felt that Mr. Boeykens did not knowingly or intentionally made a false or misleading statement.

A motion was made and seconded to remove the civil penalty of nine hundred dollars (\$900) with Mr. Boyekens license placed on conditional status pending the completion of sixty (60) hours of CPE with no more than forty (40) hours in self study of which eight (8) hours are in the subject matter of accounting and auditing.

HOLT/DEISHER

Motion carried 5-0-0

Mr. O'Brien abstained

B. In the Matter of the License of L. Craig Keoun

Re: Objection to Final Order 2012 CE Audit

Cause No.: 13-40

License No.: CP19200204

Respondent, L. Craig Keoun is present and not represented by counsel.

Brandy Bradley is the designated court reporter.

Participating Board Members:

Ms. Johnson (Hearing Officer)
Mr. Deisher
Mr. Kane
Mr. O'Brien
Mr. Holt

Mr. Keoun was present for the oral argument to show evidence of his claims against the Administrative Law Judge order he was issued. Mr. Keoun explained that he made an honest mistake and believed that after age 65 he no longer had to obtain any CPE. He is now seventy-three (73) and has not practiced as a CPA since 1971. Mr. Keoun urged the Board to recognize that he acknowledges his mistake and only wants to keep his record clean of this blemish. Mr. Keoun notified the Board that he does not plan to practice as a CPA in the future.

Attachment 2 – “Proposed Solution”

**Please acknowledge that in paragraph four (4) when Mr. Keoun writes “revoked” he intended to mean “surrendered”*

A motion was made and seconded to issue a final order modifying the Administrative Law Judge’s Order by eliminating the civil penalty and by allowing the petitioner to submit a letter requesting inactive status within six (6) months of the final order in which case completion of one hundred and eighty (180) hours of CPE hours would no longer be required.

HOLT/DEISHER

Motion carried 4-0-0

Mr. O’Brien abstained

C. In the Matter of the License of Charles A. Spillman

Re: Disciplinary Complaint

Cause No.: IBA 13-63

License No.: CP198581171

A continuance was granted regarding this matter.

VI. APPLICATION REVIEW

A. Applications for Certification as a Certified Public Accountant with Positive Response:

A motion was made and seconded to approve the following applications for certification as a Certified Public Accountant.

- i. Burkhardt, Christopher John
- ii. Gates, Jeremy Justin
- iii. James, Derek M.

HOLT/O’BRIEN

Motion carried 5-0-0

B. Applications for Certification as a Certified Public Accountant via Transfer of Grades:

A motion was made and seconded to approve the following applications for certification via transfer of grades.

- i. Coursey, Robert Joseph
- ii. He, Wei
- iii. LeChien, Shawn Scott
- iv. Liu, Xin
- v. Mogavero, Angelo James
- vi. Sutton, Eric M.
- vii. Valek, Michael Emery

HOLT/O’BRIEN

Motion carried 5-0-0

C. Application for Renewal of Lapsed Certificate:

A motion was made and seconded to approve the following applications for active reinstatement of an expired license.

- a. Candler, Tamara M. (CP19700045)

Cause No.: IBA 13-42

A motion was made and seconded to affirm the Administrative Law Judge Order for Kristine Kuhn.

HOLT/DEISHER

Motion carried 5-0-0

Mr. O'Brien abstained

Prall, Fred

Cause No.: IBA 13-5

A motion was made and seconded to affirm the Administrative Law Judge Order for Fred Prall.

HOLT/DEISHER

Motion carried 5-0-0

Mr. O'Brien abstained

XV. 2012 AUDIT – RECOMMENDATIONS AND DISCUSSIONS

A. RECOMMENDATION: Rescind

Rutherford, Dan

A motion was made and seconded to rescind the notice of noncompliance and find the petition for review moot for Dan Rutherford. His license shall be placed at active status.

HOLT/KANE

Motion carried 5-0-0

Longstreth, Paul J.

A motion was made and seconded to rescind the notice of noncompliance for Paul J. Longstreth and issue a new notice of noncompliance placing the license on conditional status pending the completion of twenty-seven (27) hours of general CPE and payment of a two hundred and seventy (\$270) dollar civil penalty.

HOLT/KANE

Motion carried 5-0-0

B. RECOMMENDATION: Civil Penalty \$5,000

Rohs, Joseph H.

A motion was made and seconded to find Joseph H. Rohs in noncompliance. His license shall be placed on conditional status pending the completion of one hundred and eighty (180) hours of CPE with no more than sixty (60) hours in self study of which four (4) hours are in the subject matter of ethics and twelve (12) hours are in the subject matter of accounting and auditing and payment of a five thousand dollar (\$5,000) civil penalty.

HOLT/KANE

Motion carried 5-0-0

Kaiser, Douglas Hall

A motion was made and seconded to find Douglas Hall Kaiser in noncompliance. His license shall be placed on conditional status pending the completion of one hundred and eighty (180) hours of CPE with no more than sixty (60) hours in self study of which four (4) hours are in the subject matter of ethics and twelve (12) hours are in the subject matter of accounting and auditing and payment of a five thousand dollar (\$5,000) civil penalty.

HOLT/O'BRIEN
Motion carried 5-0-0

C. RECOMMENDATION: Suspension

Cates, Michael David
CP19300350

A motion was made and seconded to suspend the license of Michael David Caes for failure to pay the civil penalty within twenty-one (21) days.

HOLT/JOHNSON
Motion carried 5-0-0

Khan, Shahiryar I.
CP19400343

A motion was made and seconded to suspend the license of Shahiryar I.Khan for failure to pay the civil penalty within twenty-one (21) days.

HOLT/DEISHER
Motion carried 5-0-0

Krupinski, Kenneth V.
CP18559489

A motion was made and seconded to suspend the license of Kenneth V. Krupinski for failure to pay the civil penalty within twenty-one (21) days and failure to complete the CPE hours required by the notice of non-compliance.

HOLT/O'BRIEN
Motion carried 5-0-0

Lawrence, Christopher L.
CP19500253

A motion was made and seconded to suspend the license of Christopher L. Lawrence for failure to pay the civil penalty within twenty-one (21) days and failure to complete the CPE hours required by the notice of non-compliance.

HOLT/KANE
Motion carried 5-0-0

Schuttler, Lisa Ann
CP19200348

A motion was made and seconded to suspend the license of Lisa Ann Schuttler for failure to pay the civil penalty within twenty-one (21) days.

HOLT/O'BRIEN
Motion carried 5-0-0

Secor, Mark E.
CP19700245

A motion was made and seconded to suspend the license of Mark E. Secor for failure to pay the civil penalty within twenty-one (21) days and failure to complete the CPE hours required by the notice of non-compliance.

HOLT/KANE
Motion carried 5-0-0

Stevens, Richard K.
CP18560608

A motion was made and seconded to suspend the license of Richard K. Stevens for failure to pay the civil penalty within twenty-one (21) days and failure to complete the CPE hours required by the notice of non-compliance.

HOLT/O'BRIEN
Motion carried 5-0-0

White, Michelle Lea
CP18900379

A motion was made and seconded to suspend the license of Michelle Lea White for failure to pay the civil penalty within twenty-one (21) days and failure to complete the CPE hours required by the notice of non-compliance.

HOLT/O'BRIEN
Motion carried 5-0-0

Young, Marilyn Louise
CP19600245

A motion was made and seconded to suspend the license of Marilyn Louise Young for failure to pay the civil penalty within twenty-one (21) days.

HOLT/O'BRIEN
Motion carried 5-0-0

D. RECOMMENDATION: Withdrawal of Suspension

Gemmecke, Judith

A motion was made and seconded to withdrawal suspension and return the license of Judith Gemmecke to active status.

HOLT/DEISHER
Motion carried 5-0-0

E. DISCUSSION

Ashby, Christopher Thomas

The Board discussed the late submission of CPE documents after Mr. Ashby claimed he never received any notice due to a disgruntled employee. Proper notice was sent and Mr. Asby claims that this notice was intercepted before he received it. There was also a question of falsified certificates. The Board has requested that agency staff further investigate these certificates. At this time no changes will be made to the Notice of NonCompliance issued.

Johnson, Debra J

The Notice of NonCompliance was sent through email which is not deemed as proper notice. Therefore because proper notice was not given agency staff were instructed to send the notice using first class and certified mail. The time to petition for review will begin upon service of the notice.

XVI. OLD/NEW BUSINESS

A. CPE Audit – 2009 Audit - Suspension

McCammack, Carolla Jane
CP19100354

A motion was made and seconded to suspend the license of Carolla Jane McCammack for failure to comply with the notice of non-compliance.

HOLT/O'BRIEN
Motion carried 5-0-0

XVII. DISCUSSION

A. Transfer of Grades Letter – Cynthia Lagacy

The Board discussed the issue and decided to allow Ms.Lagacy to meet requirements with only 120 credit hours since she was a previous exam candidate.

VIII. STANDING REPORTS

A. Board Liaison to the Attorney General's Office – John Kane

Mr. Kane asked for the Board's view on misdemeanors and failure to report these offenses on a renewal form. The Board decided that as long as the offense was not impacting the licensee's ability to perform their profession then they would not warrant discipline. In the case of the Board referrals viewed by Mr. Kane a warning letter would be sent to licensees for their failure to disclose this information on a renewal.

B. Indiana Professional Licensing Agency –Kate Lowhorn

Mrs. Lowhorn informed the Board that she would be leaving her position as Director. IPLA has decided not to fill her position but rather to distribute the Board's she oversees to other director's. Crystal Heard will be the new director for the Board of Accountancy and will begin with the August meeting.

Mrs.Lowhorn also discussed her trip to Chicago for the NASBA Regional Meeting. Some items that were discussed were that of a new definition for attest functions and developing more user friendly public and private sector ethics courses standards.

C. Project Administrator – N. Beth Line

Mrs. Line presented the final audit summary
[Attachment 3](#)

D. Advisory Counsel – Jim Schmidt

No comments.

E. Office of the Attorney General

Mr.Basile presented the consumer complaint report.
[Attachment 4](#)

F. Jamie O'Brien, Vice Chair and Administrative Law Judge

A motion was made and seconded to re-notice to all those attending hearings on August 16, 2013 to inform them of the change in Administrative Law Judge to Shelley Johnson.

HOLT/KANE
Motion carried 5-0-0

XV. ADJOURNMENT

There being no further business and having completed its duties, a motion was made and seconded to adjourn the meeting of the Indiana Board of Accountancy.

The meeting adjourned at 1:10 p.m.

Next Scheduled Meeting:
August 16, 2013
Indiana Government Center South
402 W. Washington St., Room W064
Indianapolis, IN 46204

Accountancy Licensee Database (ALD) and CPAVerify.org

Elizabeth Stanton

ALD Manager

Maria Caldwell

Chief Legal Officer &

Director of Compliance Services



Momentum

- Central Database of CPA Licensee Data
-  **ALD**
US Accountancy Licensee Database (Internal) EDs & Authorized Board Staff
-  **CPAverify** (Public) Free Open Access
- 44 Boards now on ALD
- 40 Boards now on CPAverify.org



US Accountancy Licensee Database

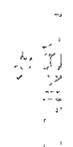


CPAverify
CPAverify
tracking
Empower your CPA



Top Benefits for the Indiana Board

1. Enforcement
2. Protection of the public
3. Save staff time
4. Contingency plan for the unexpected
5. PR and promotion

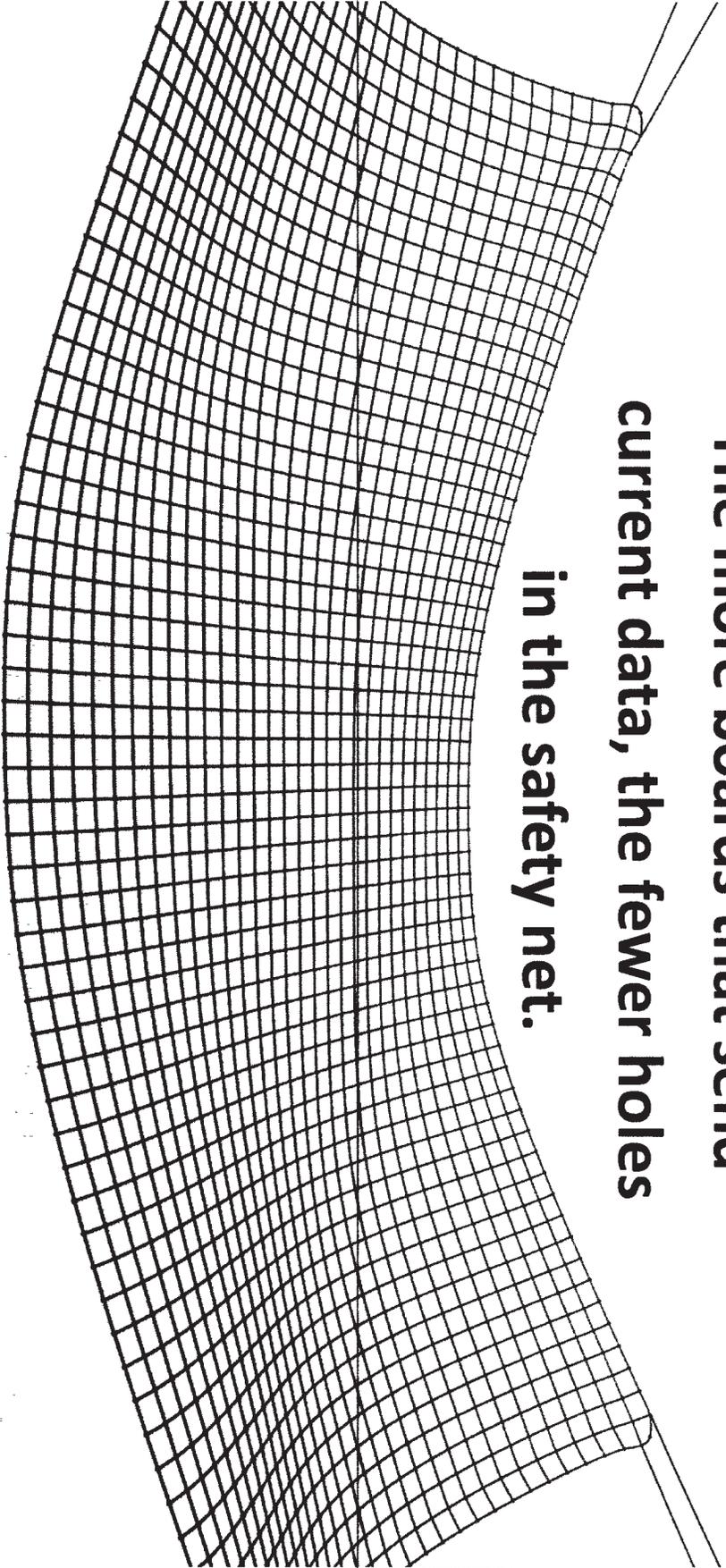


Enforcement & Protection of the public



- The ALD houses disciplinary data for licensees.
- Licensee records are linked across state lines
- Disciplinary email alerts are sent when a licensee has been disciplined by another Board of Accountancy
- Some Boards may choose to send warning letters to the disciplined individuals to let them know a case has been opened.



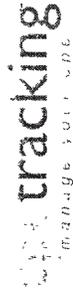


**The more boards that send
current data, the fewer holes
in the safety net.**



Save time for staff

- Fewer calls to validate licensure or status (from other Boards and the public)
- Generate PDF of ALD records to serve as interstate exchange of information for license verification
- First stop for background research when starting an investigation



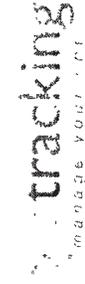
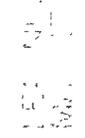
Contingency plan for the unexpected

- Hurricane Katrina debilitated the LA Board office for weeks
- Because of ALD records, NASBA staff could verify the good standing of LA's registrants to other boards and prospective employers for CPAs who were forced to flee the area



PR and Promotion

- Participation in CPAverify.org is a proactive step to protecting the public. Your constituents need to hear about it!
- NASBA has a ready-made press release that you can download, edit to include your own Board's details, and send to your state society and local and state media outlets.

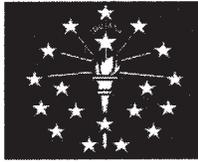


Suggested Resolution of the Matter of L. Craig Keoun, Jr.,
License No.: CP19200204, Cause No.: IBA 13-40,
Before the Indiana Board of Accountancy
July 19, 2013

L. Craig Keoun, Jr., who is now 73 years old and has not practiced as a CPA since 1971, erroneously indicated in his 2012 CPA License Renewal Application that he had completed the required Continuing Education (CE) requirement. The application is an on-line one, and there is no place on the application for the applicant to make comments. He was then randomly selected to present evidence. Upon receipt of this e-mail notice, he immediately responded that he was over 65 years old and was not required to continue with CE and was not able to state that in the on-line application. Mr. Keoun then learned that his understanding that CE was not required after age 65 was incorrect. Since the summer of 2012, with continuing investigation of this issue, Mr. Keoun has submitted a number of written explanations of his error and has previously attended a hearing before an Administrative Law Judge for the Board. Mr. Keoun has consistently stated that he honestly thought that CE was not required after age 65 but that he now acknowledges that he was incorrect; he has further indicated that he has no interest in practicing as a CPA or in continuation of his CPA certificate. Mr. Keoun presently does some limited business consulting and has removed from his business card and promotional material that he is a CPA.

Mr. Keoun's immediate response to the request for support of his CE actions supports Mr. Keoun's claim that he thought the CE requirement ended at age 65. Mr. Keoun has lived in Fort Wayne since 1976. He initially was Vice President and General Manager of a Fort Wayne division of a NYSE manufacturing company and then operated his own manufacturing business for 25 years. He has been actively involved in his church and the community for these over 35 years and has no blemishes on his record. The Board has received very positive letters of character reference for Mr. Keoun from the Publisher of the Fort Wayne Journal Gazette, the Dean of the Business School of Indiana Purdue Fort Wayne, the President of the Indiana State Senate, the long time Executive Director of the Fort Wayne Metropolitan YMCA, the Executive Director of the Fort Wayne Economic Development organization, two well-known CPA's leading Fort Wayne CPA firms and a Senior Partner of the largest Fort Wayne law firm. The Administrative Law Judge found that Mr. Keoun "...did not knowingly or intentionally make a false or misleading statement to the Board concerning compliance with continuing education requirements."

The Board now determines that this issue has been resolved in view of the ALJ's decision, which is now accepted by the Board, that Mr. Keoun's incorrect action was not knowingly or intentionally done and that, therefore, no punishment is warranted. In view of this, the Board determines that Mr. Keoun's CPA certificate be revoked and that this matter be discontinued without prejudice.



**Indiana
Professional
Licensing
Agency**

Michael R. Pence, Governor

Indiana Board of Accountancy
402 West Washington Street, Room W072
Indianapolis, Indiana 46204
Phone: (317) 234-3040
Website: PLA.IN.gov

Nicholas W. Rhoad, Executive Director

2012 CPE Audit Summary – July 19, 2013

Compliant

Compliant	713		
Compliant (No Basis)	7		
Compliant (Rescinded)	31		
		751	78.6%

Non-Compliant

Order Completed	139		
Holding for CPE Hours &/or Civil Penalty	14		
Working (holding for orders, hearings, etc)	10		
For 7/19/2013 Meeting	23		
Suspensions	18		
		204	21.4%

2012 Audited Total

955

Projected

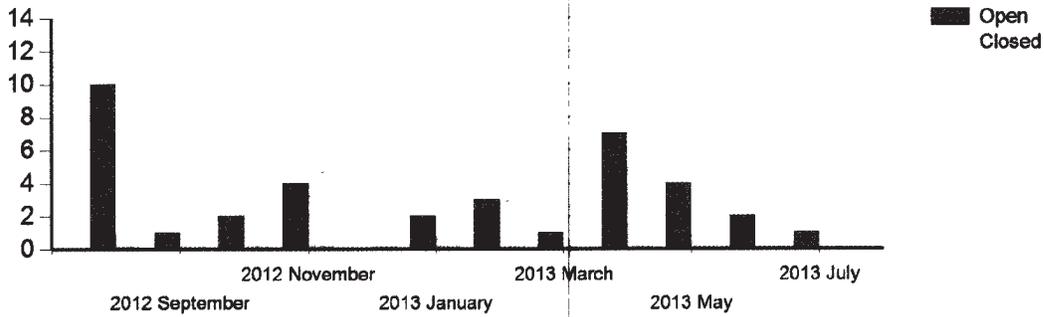
Suspensions	31	3.2%
Notice of Non Compliance Order - Completed	172	18.0%
Compliant	753	78.8%

This report is compiled by the Attorney General's Office per IC 25-1-7-13 for the
Indiana Board of Accountancy
 Data as of Thursday, July 18, 2013

Consumer Complaints

Year	Consumer Complaints Open @ Beg of Year	Consumer Complaints Opened During Year	Consumer Complaints Closed During Year
	17	36	46
	7	20	10
Complaints Currently Open @ Date of Report:			17

Consumer Complaints



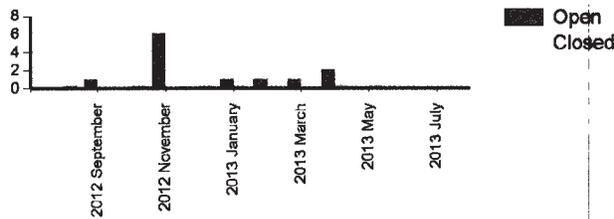
Average Age of Open Complaints: 3.12 months

Open Date of Oldest Open: 11/27/2012

Litigation Cases

Year	Consumer Complaints Open @ Beg of Year	Consumer Complaints Opened During Year	Consumer Complaints Closed During Year
	9	17	10
	16	5	8
Complaints Currently Open @ Date if Report:			13

Litigation Cases



Average Age of Open Complaints: 7.89 months

Action Taken	2012	2013
Admin Complaints Filed	5	4
Cease & Desist Order Filed	2	4
Summary Suspensions Filed	1	0
Involuntary Order	0	0
Civil Litigation	0	0
Judicial Review	0	0