

**OREGON BOARD OF ACCOUNTANCY  
PHONE CONFERENCE  
Minutes, March 6, 2006**

**3218 Pringle Road SE #110**

**Salem OR 97302**

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*The Board of Accountancy protects the public by regulating  
the practice and performance of all services  
provided by licensed accountants.*

**Board Members Present**

James Gaffney, CPA, *Chair*  
Lynn Klimowicz, CPA, *Vice-Chair*  
Kent Bailey, CPA, *Treasurer*  
Jens Andersen, CPA  
Ray Johnson, CPA  
Anastasia Meisner, *Public Member*  
Stuart Morris, PA

**Staff Members**

Carol Rives, *Administrator*  
Noela Kitterman, *Investigator*  
Joyce Everts, *Committee Coordinator*

**Guests Attending**

Christine Chute, *Asst. Attorney General*  
David Allen, *Asst. Attorney General*  
Jim Aldrich, PA, *OAIA Representative*  
Cheryl Langley, *OSCPA*

**1. CALL TO ORDER**

Chair Gaffney called the meeting to order at 4:50 P.M.

**2. LEGAL**

A. Report of Legal Items

1. Proposed Consent Orders

a. Lance Brant

**Board Discussion:** Andersen recused himself from the discussion.

Bailey stated that Brant stipulates to the finding of facts alleged in the Notice of Proposed License Suspension and Civil Penalty. Brant requested that the consent order reflect that Brant repaid COHIS \$49,800 when they notified Brant that he was overpaid for 40 shares of stock. Brant stipulates that the violations alleged in the Notice are based on misrepresentation and professional misconduct; his CPA certificate is suspended for eight (8) months, beginning March 7, 2006; his work must be reviewed by a CPA; he may not review the work of others; and he is assessed a \$15,000 civil penalty.

The Board can request information from Department of Revenue to verify that Brant complies with the consent order in terms of signing tax returns. If Brant does not comply, the Board may impose additional discipline in addition to the current consent order. Morris suggested that the Administrator be authorized to sign the consent order when it is received.

**BOARD ACTION:** Moved by Bailey and carried to approve the Consent Agreement, Stipulation and Order and to authorize Rives to sign the consent order.

VOTE: Chair Gaffney did not vote; 5 ayes, 1 abstained (Andersen)

b. Theodore J. Petersen

**Board Discussion:** Andersen recused himself from the discussion.

Bailey stated that Petersen stipulates to the findings of fact alleged in the Notice of Proposed Civil Penalty, with the exception of "testifying under oath that he is a Certified Public Accountant".

*The Consent Agreement, Stipulation and Order provides that Petersen will clearly state in his curriculum vitae or similar document or in testimony he provides in any legal proceedings that his CPA permit is in lapsed status; Petersen waives all rights to a contested case proceeding, judicial review, and any appeal in this matter; and stipulates that the Board may impose discipline for violations of this consent agreement. The proposed agreement does not impose civil penalties for the violations alleged in the Notice.*

*Johnson pointed out that the taped record of Petersen's testimony is not clear whether he was speaking in the past or present tense regarding his designation as a CPA, although subsequent statements may support the position that he implied that he is a CPA. However, without incontrovertible evidence of his statement, the proposed consent order addresses the Board's concern that in the future Petersen will not use the CPA designation in a misleading way.*

*Petersen is ill and has not yet signed the consent order, however, David Allen, AAG, read a letter from Goff, Attorney for Petersen, indicating that Petersen will sign the consent agreement.*

**BOARD ACTION:** Moved by Bailey and carried to approve the Consent Agreement, Stipulation and Order and authorize Rives to sign the Consent Order upon receipt.

**VOTE:** Chair Gaffney did not vote; 5 ayes, 1 abstained (Andersen)

### 3. OTHER

#### A. Personnel

##### 1. Administrator Vacation Payout

The Board reviewed the Administrator's request to receive salary in lieu of 40 hours of earned vacation time. Rives is in danger of losing vacation time and the current workload will not allow time away from the office.

**BOARD ACTION:** Moved by Johnson and carried to approve Rives' request for vacation payout.

**VOTE:** Chair Gaffney did not vote; 6 ayes

### 4. NEXT MEETING

Date: May 20, 2006 Special Board Meeting (*Complaint catch-up*)  
May 21, 2006 Work Session  
May 22, 2006 Regular Board Meeting

Location: Mt. Bachelor Village Resort  
19717 Mt. Bachelor Drive  
Bend, Oregon

Time: May 20, 2006, 1:00 P.M. Special Board Meeting  
May 21, 2006, 8:30 a.m. Work Session  
May 22, 2006, 8:00 a.m. Executive Session  
May 22, 2006, 9:00 a.m. Regular Board Meeting

### 5. Meeting adjourned at 5:20 P.M.