



NEVADA STATE BOARD OF ACCOUNTANCY

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DATE: May 2, 2006
TO: Lorne J. Malkiewich, Director
Legislative Counsel Bureau
FROM: Viki Windfeldt, Executive Director
SUBJECT: Occupational Licensing Board –
Quarterly Report of Disciplinary Actions (NRS 622.100)

**PLEASE BE ADVISED THE FOLLOWING REPORT REPRESENTS DISCIPLINARY ACTION
TAKEN DURING THE FOLLOWING QUARTERS:
OCTOBER 2005 – DECEMBER 2005
JANUARY 2006 - MARCH 2006**

Debra D. Schmitt, CPA 3129

Board Action November 18, 2005

Violation: NRS 628.385, 628.386, 628.390(1)(a)(c)(d)
NAC 628.210 and 628.250

Disciplinary action initiated based on evidence indicating Ms. Schmitt falsified her Annual License Renewal by claiming continuing education that had not been taken.

Disciplinary Hearing held November 18, 2005. Board decision was made to revoke the CPA Certificate of Ms. Schmitt.

Arthur DeJoya, CPA 3188R

Board Action November 18, 2005

Violation: NRS 628.385, 628.386, 628.390(1)(a)(c)(d)
NAC 628.210 and 628.250

Disciplinary action initiated based on evidence indicating Mr. DeJoya falsified his Annual License Renewal by claiming continuing education that had not been taken.

Disciplinary Hearing held November 18, 2005. Board decision was made to place Mr. DeJoya on probation for one year. The Board required Mr. DeJoya to obtain the yearly required CPE with all backup documentation provided to the Board. Mr. DeJoya must pay a fine of \$2500 and compensate the Board for its attorney's fees and costs of \$800 within 30 days of the decision.

Violation NRS 628.390(1)(d) and (j)
 NAC 628.500
 Rules 201(a) and 501 of the Code of Professional Conduct.

January 28, 2005 Hearing Decision: Ms. Eisenberg was formally reprimanded under a Board decision that revoked the CPA Certificate, stayed the revocation and placed Ms. Eisenberg on 3 years probation. The Findings of Fact, Conclusions of Law and Decision entered by the board on 1/28/2005 was based on evidence provided that Ms. Eisenberg failed to properly communicate with clients, failed to complete engagements, and improperly handled a corporate filing to the detriment of the client. Under the provisions of the board's decision Ms. Eisenberg is required to obtain 16 hours of CPE in 2005 in the area of practice management through a course offered by the AICPA, or an equivalent course to be approved by the board and shall be a live course rather than self study. The 16 hours is in addition to the 2-year requirement of 80 hours. Ms. Eisenberg must pay a fine of \$2500 and compensate the Board for its attorney's fees and costs of \$1000 within 30 days of the decision.

July 15, 2005 Complaint and Order to Show Cause sent to Ms. Eisenberg based on information received that Ms. Eisenberg continues to engage in improper conduct by failing to communicate with clients, retention of client records and failure to complete engagement work. Ms. Eisenberg's conduct is a direct violation of the terms of her probation.

Disciplinary Hearing held September 16, 2005. Hearing decision provisions (1) require Ms. Eisenberg to provide evidence of registration for the required continuing education courses (2) Board member visitation of Ms. Eisenberg's office to identify if engagement letters are used for each client as well as a procedure established for those clients picking up their documents, (3) payment of attorney's fees and costs associated with the hearing.

Disciplinary Hearing held November 18, 2005. Hearing decision made to revoke the license of Ms Eisenberg for failure to comply with the hearing provisions of January 28, 2005 and September 16, 2005 hearings.

Disciplinary Hearing held January 18, 2006. Board decision was made to reinstate Ms. Eisenberg's CPA Certificate based on the information provided by Ms. Eisenberg indicating compliance with the above provisions. The reinstatement includes the three year probationary terms within the Decision of the January 28, 2005 decision.

Louis Musso, CPA 408

Board Action January 18, 2006

**Violation: NRS 628.390(1)(c)(d) and (i)
NAC 628.210 and 628.250**

Disciplinary action initiated based on Mr. Musso's failure to respond to the Board's request for evidence of completion for continuing education hours claimed for 2004. Further contact with Mr. Musso indicates that he has failed to complete the required number of CPE for 2004 and therefore falsified his license renewal.

Disciplinary Hearing held September 16, 2005. Board decision to revoke the CPA Certificate of Mr. Musso.

Disciplinary Hearing held January 18, 2006. Board decision to reinstate the CPA Certificate of Mr. Musso's CPA Certificate along with the following provisions: (1) payment of attorney's fees in connection with the hearing held September 16, 2005 in the amount of \$800; (2) provide documentation for the 2005 CPE requirement by July 1, 2006; and (3) Provide a letter from a physician documenting medical treatment over the last two years.

James Slayton CPA 3534R

Board Action January 11, 2006

Disciplinary action initiated based on information received that Mr. Slayton failed to disclose a Securities and Exchange Commission (SEC) order that sanctioned and permanently denied the privilege of practicing before the SEC.

Board Action: January 11, 2006 Mr. Slayton surrendered his Nevada license based on threat of disciplinary action in connection with the above.

Russell Charlebois, CPA 595R

Board Action March 1, 2006

**Violation NRS 628.390(1)(c)(d)(j)
NAC 628.500
Rule 501 Code of Professional Conduct**

Disciplinary action initiated based on information received alleging that Mr. Charlebois took client funds for his own personal use, improperly handled clients' funds and improperly invested clients' funds. In addition, complaint alleges that Mr. Charlebois made fraudulent misrepresentations to his clients in respect to the investment of funds.

Disciplinary hearing scheduled for July 15, 2005, November 18, 2005, and January 18, 2006.

Board Action: March 1, 2006 Mr. Charlebois surrendered his Nevada license based on threat of disciplinary action in connection with the complaint allegations.

Jack Marcarelli, CPA 1438R

Board Action March 24, 2006

Violation NRS 628.390(b)(j)
 NAC 628.500
 Rule of Professional Conduct

Disciplinary action initiated based on information received alleging that Mr. Marcarelli failed to communicate appropriately with his clients in such a manner as to be discreditable to the profession. Further information was received by the Board at their November 18, 2005 meeting. The Board approved the withdrawal of their previous decision in order to review the matter at another hearing.

The Board at their March 24, 2006 meeting approved a Stipulated Agreement with Mr. Marcarelli that includes the following provisions: (1) Mr. Marcarelli must complete two continuing education courses in the area of client communication and courses in the area of client communication and relationships; and (2) Mr. Marcarelli's previous payment of \$1000 attorney's fees in connection with the July 15, 2005 hearing shall be retained by the Board.