

ARKANSAS STATE BOARD OF PUBLIC ACCOUNTANCY

Karen Garrett, CPA, President
Wade Turner, CPA, Secretary
Jeremy Watson, CPA, Treasurer
Dr. Mike Moore, CPA



Robert Redfern, CPA
Lloyd Franklin, CFE
Jim Gately, EdM

Jimmy Corley, CPA
Executive Director

MEETING MINUTES

BOARD MEETING

June 27, 2014

A regular meeting of the Arkansas State Board of Public Accountancy (Board) was held in Suite 450 of the Main Street Mall on June 27, 2014 with Dr. Mike Moore, President, presiding. Other members of the Board in attendance were: Karen Garrett, Wade Turner, Robert Redfern and Jeremy Watson. Members of the staff in attendance were: Jimmy Corley, Executive Director; Ann Jessup, Fiscal Officer/CPE Coordinator, Dale Edge, Investigator, Tim Montgomery, Investigator and Alan Fortney, IT Manager. Other attendees were: Mark Ohrenberger, Attorney General's Office, Cris Brasuell, Court Reporter, Greg Kirkpatrick, Hearing Official, Bruce Alt, Arkansas Society of Certified Public Accountants, Brian Thompson, Arkansas Society of Accountants and Dennis Ford.

CALL TO ORDER

Dr. Moore officially called the meeting to order at 9:05 a.m. A quorum was found to be present.

PUBLIC HEARINGS

The board moved immediately to the public hearings for H14-012, H14-019, H14-025, H14-027, H14-030, H14-036, H14-037, H14-040, H14-046 and H14-020.

H14-012, H14-019, H14-025, H14-027, H14-030, H14-036, H14-037, H14-040 and H14-046 involved the presentation of evidence and testimony regarding allegations of respondents' failure to pay an annual license fee, failure to notify the Board of the intent not to renew or surrender the license and failure to respond within thirty days to Board communication. All allegations were found to be true and charges proven. The Board revoked the licensees' CPA certificates.

H14-020 involved the presentation of evidence and testimony regarding allegations of respondent's failure to pay an annual license fee, failure to notify the Board of the intent not to renew or surrender the license, failure to respond to the Quality Review survey and failure to respond within thirty days to Board communication. All allegations were found to be true and charges proven. The Board revoked the licensee's CPA certificate.

*Greg Kirkpatrick and Cris Brasuell left at the close of the hearings.

APPROVAL OF MINUTES

A motion was made and seconded to approve the minutes, as presented, of the April 25, 2014 board meeting. The motion passed.

TREASURER'S REPORT

A motion was made and seconded to approve the Treasurer's Report for April 2014 and May 2014, as presented. The motion passed.

COMMITTEE REPORTS

The Compliance Committee has met one time.

Fifty-six new complaints:

- CPA charged with a felony.
- CPA who failed QR.
- Out of State CPA Firm with a fictitious name.
- Three non-licensees.
- Six unregistered Firms.
- Forty-four lapsed licensees.

Requesting closure of 41 complaints – 6 by Consent Order:

1. **C13-135** – Non-licensee has ceased holding out as CPA. Has requested reciprocal license. Requesting closure.
2. **C13-136** – Out of state licensee has ceased holding out as CPA. Requesting closure.
3. **C13-146** – Non-licensee listed under CPA heading in YP. Has complied with Board request pertaining to removal. Requesting closure with no further action.
4. **C14-021** - Out of state licensee requested reciprocal license. Misinterpretation of response on application. Requesting closure.
5. **C14-023 – (Cert #7233)** – Failure to respond to 2013 QR and failure to renew license for 2014. Licensee deceased. Requesting closure with no further action.
6. **C14-030 – (Cert #0216C)** – Licensed firm holding out unlicensed individual. Firm has corrected advertisement. Requesting closure with no further action.
7. **C14-031 – (Cert #1272)** – Licensee lapsed and has now reinstated. Assigned compliant number in error. Requesting closure with no further action.
8. **C14-034 – (Cert #0311)** – Failure to renew license. Licensee deceased. Requesting closure with no further action.
9. **C14-035 – (Cert #6155)** – Licensee initiated contact with the Board but did not follow through as directed. Licensee has since renewed. Requesting closure with no further action.
10. **C14-036 – (Cert #8723)** – Licensee initiated contact with the Board but did not follow through as directed. Licensee has renewed. Requesting closure with no further action.
11. **C14-037 - (Cert #9114)** – Failure to renew license. Licensee has surrendered

- certificate. Requesting closure with no further action.
12. **C14-042 – (Cert #1032)** – Lapsed reinstatement applicant, initiated contact with Board before issuance of notice of hearing issued. Licensee has reinstated. Requesting closure with no further action.
 13. **C14-043 – (Cert #7739R)** – Failure to renew license. Licensee has surrendered certificate. Requesting closure with no further action.
 14. **C14-044 – (Cert #2850)** – Failure to renew license. Licensee has requested retired status. Requesting closure with no further action.
 15. **C14-046 – (Cert #3629)** – Failure to renew license. Licensee has surrendered certificate. Requesting closure with no further action.
 16. **C14-048 – (Cert #8019)** – Failure to renew license. Licensee has surrendered certificate. Requesting closure with no further action.
 17. **C14-049 – (Cert #4864)** – Failure to renew license. Licensee has surrendered certificate. Requesting closure with no further action.
 18. **C14-050 – (Cert #0355)** – Failure to renew license. Licensee has surrendered certificate. Requesting closure with no further action.
 19. **C14-051 – (Cert #2853)** – Lapsed reinstatement applicant, initiated contact with Board before notice of hearing issued. Licensee has reinstated. Requesting closure with no further action.
 20. **C14-052 – (Cert #1328)** – Failure to renew license. Licensee has requested retired status. Requesting closure with no further action.
 21. **C14-056 – (Cert #3580R)** – Failure to renew license. Licensee has requested retired status. Requesting closure with no further action.
 22. **C14-057 - (Cert #4682)** – Failure to renew license. Licensee has surrendered certificate. Requesting closure with no further action.
 23. **C14-058 – (Cert #7261)** – Failure to renew license. Licensee has requested retired status. Requesting closure with no further action.
 24. **C14-060 – (Cert #2167)** – Failure to renew license. Licensee has requested retired status. Requesting closure with no further action. Requesting closure.
 25. **C14-061 – (Cert #3341)** – Failure to renew license. Licensee has requested retired status. Requesting closure with no further action. Requesting closure.
 26. **C14-062 - (Cert #4156)** – Failure to renew license. Licensee has surrendered certificate. Requesting closure with no further action.
 27. **C14-063 – (Cert #7212)** – Lapsed reinstatement applicant, initiated contact with Board before notice of hearing issued. Licensee has reinstated. Requesting closure with no further action.
 28. **C14-064 - (Cert #4278)** – Failure to renew license. Licensee has requested retired status. Requesting closure with no further action. Requesting closure.
 29. **C14-066 - (Cert #7488)** – Failure to renew license. Licensee has surrendered certificate. Requesting closure with no further action.
 30. **C14-067 - (Cert #8163R)** – Failure to renew license. Licensee has surrendered certificate. Requesting closure with no further action.
 31. **C14-068 - (Cert #43002)** – Failure to renew license. Licensee has surrendered certificate. Requesting closure with no further action.
 32. **C14-069 - (Cert #2710)** – Failure to renew license. Licensee has requested retired status. Requesting closure with no further action. Requesting closure.
 33. **C14-070 – (Cert #7281)** – Lapsed reinstatement applicant, initiated contact with Board before notice of hearing issued. Licensee has reinstated. Requesting closure with no further action.

34. **C14-072 - (Cert #794C)** – Failure to renew license. Licensee has surrendered certificate. Requesting closure with no further action.
35. **C14-074 - (Cert #86LP)** – Out of state firm requesting name change to fictitious name. Requesting closure with no further action.

A motion was made and seconded to close C13-135, C13-136, C13-146, C14-021, C14-023, C14-030, C14-031, C14-034, C14-035, C14-036, C14-037, C14-042, C14-043, C14-044, C14-046, C14-048, C14-049, C14-050, C14-051, C14-052, C14-056, C14-057, C14-058, C14-060, C14-061, C14-062, C14-063, C14-064, C14-066, C14-067, C14-068, C14-069, C14-070, C14-072 and C14-074. The motion passed.

CONSENT ORDERS

36. **C14-008 - Consent Order (Cert # 6222)** - Applicant's CPA certificate became void on or about August 12, 2006 for failure to renew. Applicant requesting re-licensure to inactive status pursuant to A.C.A. § 17-12-301. Applicant has agreed to a consent order, completed background check and agreed to pay prior year fees and late fees for 2005-2006 and 2014 inactive registration fee totaling \$365.00 and to respond timely the next 3 years. Applicant has paid current and prior year fees. Requesting closure by Consent Order. A motion was made and seconded to close C14-008 by Consent Order. The motion passed.
37. **C14-022 - Consent Order (Cert # 87LC)** – Licensee issued an audit report and failed to report issued audit report for the 2005 Quality Review cycle. Licensee has paid a \$1,000 penalty and agreed to respond timely for the next 3 years regarding Board Communication and license renewal. Requesting closure by Consent Order. A motion was made and seconded to close C14-022 by Consent Order. The motion passed.
38. **C14-039 – Consent Order (Cert # 4673)** - Lapsed Licensee failed to renew for 2014, was notified by certified letter to reinstate or surrender license. Licensee did not respond to Board letter. Notice of Hearing was issued. Licensee has paid inactive licensing fees, \$500 penalty and agreed to respond timely next 3 years. Requesting closure by consent Order. A motion was made and seconded to close C14-008 by Consent Order. The motion passed.
39. **C14-053 – Consent Order (Cert # 3865)** - Lapsed Licensee failed to renew for 2014, was notified by certified letter to reinstate or surrender license. Licensee did not respond to Board letter. Notice of Hearing was issued. Licensee has paid inactive licensing fees, \$500 penalty and agreed to respond timely next 3 years. Requesting closure by consent Order. A motion was made and seconded to close C14-053 by Consent Order. The motion passed.
40. **C14-071 – Consent Order (Cert # 302C)** Lapsed firm failed to renew for 2014, was notified by certified letter to reinstate or surrender license. Licensee did not respond to Board letter. Notice of Hearing was issued. Licensee has paid licensing fees and \$750 penalty and agreed to respond timely next 3 years. Requesting closure by consent Order. A motion was made and seconded to close C14-071 by Consent Order. The motion passed.
41. **C14-010 – Consent Order (Cert # 5609)** Applicant surrendered CPA certificate as of April 2013. Applicant requesting 2014 LTP pursuant to A.C.A. § 17-12-301, has completed 84 hours of CPE. Licensee has paid 2014 licensing fee and agreed to respond timely next 3 years. Requesting closure by Consent Order. A motion was made and seconded to close C14-010 by Consent Order. The motion passed.

Other Compliance Business

Requesting permission to issue three (3) notices of hearings, if needed.

H14-055 – Revoked licensee requesting reinstatement.

H14-056 and H14-057 – Failure to respond to a Board Finding of Fact as ordered.

A motion was made and seconded to issue, if needed, three notices of hearings. The motion passed.

OLD BUSINESS

CPE Vendor

Mr. Corley submitted quotes from three testing vendors for the online ethics course testing the knowledge of the Board Laws and Rules. A motion was made and seconded to select ScholarLab for the Board's Ethics CPE course. The motion passed.

NEW BUSINESS

Administration

A motion was made and seconded to recognize the new licensees in an ad for the full state Sunday distribution. The purchase is not to exceed \$5,000.00. The motion passed.

OTHER BUSINESS

Strategic Planning Meeting

A motion was made and seconded to approve the reservations for the strategic planning meeting to be held at Mount Magazine. The motion passed.

ELECTION OF OFFICERS

The election of new officers was held and the results are as follows: Karen Garrett, President; Wade Turner, Secretary; Jeremy Watson, Treasurer.

APPLICATIONS AND SURRENDERS

A motion was made and seconded to approve the applications and surrenders subject to review by a board member. The motion carried.

NEW ACTIVE LICENSE

9230	David Lee Alexander	9231	Oluwafunmilola O. Awopetu
9232	Christy Lee Bishop	9233	Lindsay Beth Bryan
9234	Craig Alexander Collins	9235	Mallory Leigh Davis
9236	W. Aaron Davis	9237	Carolyn Reid Floyd
9238	Mollie E. Long	9239	Erin Irene Looney
9240	William Josef Marley	9241	Megan A. McClain
9242	Luke Carroll Mitchell	9243	Ricky D. Montgomery
9244	Marcus Ray Parsons	9245	Kimberly Dawn Ruff

9246 Eric Louis Sessions
9248 Jesse A. Tolleson
9250R Mark P. Barnett, Jr.
9252R Lindsey Anne Harpestad
9254R Steven E. Tomasko

9247 Clayton John Rogers Smith
9249 Breana L. Zaborowski
9251R R. Dennis Ford
9253R Christy R. Malahy

•"R" DENOTES A RECIPROCAL LICENSE

NEW FIRM LICENSES

880C Hoskins & Company, P.C.
203LC Kevin D. White CPA LLC
204LC Petra Bailey CPA, PLLC

202LC Jiyeon Han CPA LLC
205LC Smith Accounting Service, LLC

FIRM NAME CHANGE

87LC Brandon Accounting & Tax Service, LLC 86LP TJS Deemer Dana LLP

INDIVIDUAL AND ENTITY SURRENDERS

9114 Adeline Bonde
7739r James Davis, Jr.
8019 Jeremy Goss
0355 Willard Hunt
4682 Timothy Mcdougle
7488 Michael Swift
2437 Billie Welch
707C Deborah Bays, C.P.A., P.A.
771C Heath White CPA Inc.

5856 James L. Crumpton
3629 Jeffery M. Fruechting
4864 Kent Gray
0192 F.H. Kuykendall
4156 Paul Porter
8163R Jeffrey Ward
3002 Thomas L. White
51LC Duvall & Ford, PLLC
794C Philip Courtney Hogan P.C.

RETIRED

2850 Judy Duffel
3580R William MaGee
2167 John O'Donnell
4278 Richard Pratt
2710 Kim Woosley

1328 Tracy Jones
7261 Amber McNutt
3341 David Pipkin
5922 Anita Weber

RETIRED IN LIEU OF DISCIPLINARY ACTION

6096R Nina Fisher

INACTIVE STATUS

8082R Kyle Kasner

DECEASED

3601 Don W. Adams
1583 Rodney S. Lewis
6963 Shannon R. Nelke

311 Charles Bancroft
7751 Nancy E. Mitchell

ADJOURNMENT

A motion was made and seconded to adjourn. The motion passed. The meeting adjourned at 12:14 p.m.