



ARKANSAS STATE BOARD of PUBLIC ACCOUNTANCY

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Sarah Huckabee Sanders

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Hot Springs, AR

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Little Rock, AR

Richard Bell CPA, JD
North Little Rock, AR

Don Curdie JD
Little Rock, AR

Marty Gunaca
Little Rock, AR

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Tim Montgomery CPA
Executive Director

Dale Edge CPA
Investigator

Mary Roberts
Exam Specialist

Kathrine Stone
Licensing Coordinator

Nikita Montgomery
CPE Coordinator

Antony Wanjala
Investigator

Board Meeting Minutes

August 16, 2024

A regular meeting of the Arkansas State Board of Public Accountancy was held with Christina Ellis, President, presiding. Other members of the Board in attendance were Richard Bell, Barrett Belew – Secretary, Megan Turner – Treasurer, and Shane Warrick. Marty Gunaca and Don Curdie attended via Zoom. Members of the staff in attendance were Tim Montgomery - Executive Director, Dale Edge - Investigator, Antony Wanjala – Investigator, and Kathrine Stone - Licensing Coordinator. Others in attendance included Marsha Moffitt with the ARCPA, Michael Bynum – Legal Counsel, Faith Grigsby – Court Reporter, Brian Nichols – Hearing Officer, John Johnson and Kent Absec – NASBA representatives, and Michael Williams.

CALL TO ORDER

Ms. Ellis officially called the meeting to order at 9:06 a.m. A quorum was found to be present.

July Board Meeting Minutes correction: The officer titles of the Board Members as stated in the previous Board Meeting minutes were outdated and needed to be updated. A motion was made to approve the minutes with the noted corrections. The motion was seconded and passed.

TREASURER'S REPORT

The unapproved Treasurer's Report was presented so the Board members could review the new report formatting since the information is now being gathered through AASIS. These minutes will be finalized and given to the Treasurer for approval and presented to the Board members at the November Board meeting.



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COMMITTEE REPORTS

COMPLIANCE

The Compliance Committee has met once since June.

Four (4) New Complaints:

Complaint regarding deceased CPA's practice.

Anonymous complaint regarding unnamed CPA.

Two Firms sanctioned by a regulatory agency.

Requesting closure of Thirty (30) complaints.

1. **C22-096 – (Cert. #2405)** Licensee failed CPE Audit for 2022 (CPE completed in 2021 or earlier). Licensee completed CPE in 2022 that should have been completed in 2021. Licensee requested a wavier and Board granted it at the January 2023 meeting. Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings and close with no further action.
2. **C23-011 – (Cert. #7103)** Inactive Licensee began working for public accounting firm in August 2022 and requested to upgrade to an LTP in September 2022. Additional review found licensee to be working under licensed CPA. The Compliance Committee is requesting closure with no further action.
3. **C23-012 – (Cert. #8570R)** – Inactive Licensee began working for public accounting firm in August 2021 and requested to upgrade to an LTP in December 2021. Additional review found licensee to be working under licensed CPA. The Compliance Committee is requesting closure with no further action.
4. **C24-055 – (Cert. #5838)** Licensee has requested to withdraw from Peer Review. Sole Proprietor will no longer perform attest work. Last PEER Review was accepted March 2024. Peer Review was for a May 31, 2022 year-end and received a pass with deficiencies. No attestation performed since August 1, 2023. Compliance Committee recommends closure with no further action.
5. **C24-061 – (Cert. # 1347 Deceased)** Lawyer representing former client, sent a letter stating that the person (non-CPA) who assumed control of deceased CPA's firm records is not responding to records request and is not of good moral character. There are no accounting laws or Board Rules applicable to this situation. Compliance Committee recommends closure with no further action.



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6. **C24-062 – (unnamed CPA)** – Email from an ‘aumkp2’ email address stating they wanted to make a complaint and that the Board would not respond to their phone calls. Follow up email was sent but no response was received. The Compliance Committee recommends closure.

Complaints 7 and 8 – Licensees self-reporting sanctions or other issues

7. **C24-060 – (Firm Cert. #2LP)** Licensee firm sanctioned by NY Board of Accountancy. Sanction based on a 2022 PCAOB action. The AR Board has already reviewed the PCAOB action at a prior meeting. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure with no further action.
8. **C24-063 – (Firm Cert. #2LP)** Licensee firm sanctioned by CT Board of Accountancy. Sanction based on a 2022 PCAOB action. The AR Board has already reviewed the PCAOB action at a prior meeting. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure with no further action.

Complaints 9 and 10– Licensees requesting to retire.

9. **C24-029 – (Cert. #6084)** Licensee failed to renew for 2024. Licensee has requested to take retired status. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure with no further action.
10. **C24-033 – (Cert. #7315)** Licensee failed to renew for 2024. Licensee has requested to take retired status. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure with no further action.

Complaints 11 through 24 – Lapsed Licensees that failed to respond and a hearing was held.

11. **C24-017 – (Cert. #8127)** Licensee failed to renew individual Arkansas CPA certificate for 2024. Hearing 24-001 was held June 21, 2024. AR CPA certificate was revoked. Requesting closure.
12. **C23-018 – (Cert. #2518)** Licensee failed to renew individual Arkansas CPA certificate for 2024. Hearing 24-002 was held June 21, 2024. AR CPA certificate was revoked. Requesting closure.



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13. **C24-021 – (Cert. #5374R)** Licensee failed to renew individual Arkansas CPA certificate for 2024. Hearing 24-005 was held June 21, 2024. AR CPA certificate was revoked. Requesting closure.
14. **C24-023 – (Cert. #2795)** Licensee failed to renew individual Arkansas CPA certificate for 2023. Hearing 24-007 was held June 21, 2024. AR CPA certificate was revoked. Requesting closure.
15. **C24-025 – (Cert. #2318)** Licensee failed to renew individual Arkansas CPA certificate for 2024. Hearing 24-009 was held June 21, 2024. AR CPA certificate was revoked. Requesting closure.
16. **C24-027 – (Cert. #4562)** Licensee failed to renew individual Arkansas CPA certificate for 2024. Hearing 24-011 was held June 21, 2024. AR CPA certificate was revoked. Requesting closure.
17. **C24-028 – (Cert. #10149)** Licensee failed to renew individual Arkansas CPA certificate for 2024. Hearing 24-012 was held June 21, 2024. AR CPA certificate was revoked. Requesting closure.
18. **C24-034 – (Cert. #6895)** Licensee failed to renew individual Arkansas CPA certificate for 2024. Hearing 24-018 was held June 21, 2024. AR CPA certificate was revoked. Requesting closure.
19. **C24-038 – (Cert. #7100)** Licensee failed to renew individual Arkansas CPA certificate for 2024. Hearing 24-022 was held June 21, 2024. AR CPA certificate was revoked. Requesting closure.
20. **C24-043 – (Cert. #3109)** Licensee failed to renew individual Arkansas CPA certificate for 2024. Hearing 24-026 was held June 21, 2024. AR CPA certificate was revoked. Requesting closure.
21. **C24-045 – (Cert. #1179)** Licensee failed to renew individual Arkansas CPA certificate for 2024. Hearing 24-028 was held June 21, 2024. AR CPA certificate was revoked. Requesting closure.
22. **C24-046 – (Cert. #3631)** Licensee failed to renew individual Arkansas CPA certificate for 2024. Hearing 24-029 was held June 21, 2024. AR CPA certificate was revoked. Requesting closure.
23. **C24-048 – (Firm Cert. #215LC)** Licensee failed to renew firm’s Arkansas CPA certificate for 2024. Hearing 24-030 was held June 21, 2024. AR CPA certificate was revoked. Requesting closure.



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24. **C24-052 – (Firm Cert. #982C)** Licensee failed to renew firm’s Arkansas CPA certificate for 2024. Hearing 24-034 was held June 21, 2024. AR CPA certificate was revoked. Requesting closure.

Complaints 25 through 28 – Licensees with complaints who are now revoked.

25. **C21-098 – (Cert. #5374R)** Licensee failed to respond to Practice Review. License was revoked in June 2024. The Compliance Committee recommends closure.
26. **C23-088 – (Cert. #9027)** Licensee failed to respond to Practice Review. License was revoked in June 2024. The Compliance Committee recommends closure.
27. **C23-091 - (Cert. #8127)** Licensee failed to respond to Practice Review. License was revoked in June 2024. The Compliance Committee recommends closure.
28. **C23-102 – (Firm Cert. #215LC)** Licensee failed to respond to Practice Review. Firm license was revoked in June 2024. The Compliance Committee recommends closure.

Complaint 29 and 30 – Resolved by Compliance Statement.

29. **C24-050 – (Firm Cert. #907C)** Licensee Firm failed to timely renew for 2024 licensure year and became lapsed. Licensee has since contacted the Board and requested to reinstate. Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings and closure via the proposed compliance statement. A Compliance Statement requiring licensing firm to pay \$760.00 (\$110 2024 firm licensure fee, \$150 late fees and \$500 penalty) has been signed and monies collected.
30. **C24-050 – (Firm applicant)** Applicant was slow in providing required information in licensing process. Compliance Committee recommends closure via the proposed compliance statement. A Compliance Statement requiring licensing firm to pay an additional \$135 (2023 firm licensure and branch fee) has been signed and monies collected.

A Motion was made and seconded to accept the Compliance Committee’s recommended findings and proposed resolutions to items 1 through 30 as listed above. The Motion carried.

QUALITY REVIEW

The 2024 Quality Review will be held on the 2nd week of September.



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PERSONNEL CHANGES

Nikita Montgomery will begin work on Monday, August 19, as the new CPE Coordinator.

The Board broke from the meeting at 10:02 a.m. for a scheduled hearing.

HEARING H24-036

A hearing was held in the matter of Michael Williams, license number 7448, regarding licensee's issuance of thirty-six Review reports without obtaining an acceptable Peer Review and his failure to:

- renew or surrender his license by December 31, 2024,
- obtain twenty-four hours of additional CPE or submit additional documentation in regard to his 2018 Quality Review
- submit his 2021 Practice Review
- respond to a certified letter within 30 days
- enroll in a Board-approved Peer Review program by January 1, 2019

After the hearing, the Board made the following motion: Allegations of Fact A-1 through A-29 are found to be true, and Charges C-1 through C-7 have been proven. The CPA's license will be suspended for three years, whereby the licensee may not perform any attestation services. Additionally, the licensee is assessed a \$9,000 penalty to be paid over a 3-year period at \$3,000 per year, must complete a total of 150 hours of CPE over a 3-year period at 50 CPE hours per year, and must respond in a timely manner to all Board communications. At the end of this suspension, the Board will re-evaluate the prohibition against performing attestation services. If any of the stated provisions are unmet, the CPA's license will be revoked. This motion was seconded and passed by unanimous vote.

The Hearing ended at 12:25 pm. Brian Nichols, Michael Bynum, Marty Gunaca, and Michael Williams left the meeting.

The Board took a break for lunch at 12:25 p.m. Don Curdie left the meeting at 12:30 p.m.

The Board resumed the meeting at 12:32 p.m.



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OTHER BUSINESS

2024 Q1 CPE Exam Pass Rates: The Board briefly discussed the CPA Exam pass rates for Arkansas. The Board may consider incentives to retain examinees in Arkansas.

NASBA representative report: John Johnson and Kent Absec gave an update on the work of NASBA's Professional Licensure Task Force (PLTF) regarding an additional pathway to licensure, currently called the 120 + 1 +1 pathway. The representatives were hopeful that this pathway recommended by the PLTF would satisfy the Board's desire for a 120 + 2 pathway so that mobility was preserved.

Mr. Johnson and Mr. Absec left the meeting after their presentation.

Texas exam reimbursement program: The Texas State Board of Accountancy is beginning its own Exam Reimbursement program similar to the Arkansas Board's ARIES program. To qualify for the Texas program, the examinee is required to first pass the exam for which they are requesting reimbursement.

Texas alternative pathway survey: According to the survey, 9 State Boards are considering a shift to only requiring 120 college credit hours for CPA licensure, 8 are not considering this option, and 18 are undecided.

Automatic Mobility: The Board opted to table the matter of automatic mobility until the September regular Board Meeting.

Alternate Pathway status: Mr. Montgomery's updated the Board on his view of where each state lies regarding an additional pathway to licensure. There has been a great deal of activity in the last three months of states pursuing or addressing adding an additional pathway.

CPE granted for NASBA Meeting attendance: The Board discussed whether to grant CPE for attending official NASBA meetings. A motion was made to allow the granting of CPE credit for all NASBA Meetings for which attendees receive a certificate of attendance. Up to 4 CPE hours per day of attendance may be granted as determined by the Executive Director. The Motion was seconded and passed.

2025 Swearing-in Ceremony: The Board would like to hold the Swearing-in Ceremony for 2025 on September 13th, 2025 and will contact the State Capitol to approve this date.

ADJOURNMENT

A motion was made and seconded to adjourn the August 16th Board Meeting. The motion passed. The meeting adjourned at 2:00 pm.