



# ARKANSAS STATE BOARD of PUBLIC ACCOUNTANCY

## Board Meeting Minutes

May 1, 2025

900 West Capitol  
Suite 400  
Little Rock, AR 72201  
Tel: 501-682-1520

Email: [asbpa@arkansas.gov](mailto:asbpa@arkansas.gov)

[www.arkansas.gov/asbpa](http://www.arkansas.gov/asbpa)

### GOVERNOR

Sarah Huckabee Sanders

### SECRETARY OF LABOR AND LICENSING

Daryl Bassett

### BOARD MEMBERS

Christina Ellis CPA  
*President*  
Hot Springs, AR

Barrett Belew CPA  
*Secretary*  
Little Rock, AR

Megan Turner CPA  
*Treasurer*  
Little Rock, AR

Shane Warrick CPA, PhD  
Magnolia, AR

Richard Bell CPA, JD  
North Little Rock, AR

Don Curdie JD  
Little Rock, AR

Marty Gunaca  
Little Rock, AR

### BOARD STAFF

Tim Montgomery CPA  
*Executive Director*

Dale Edge CPA  
*Investigator*

Mary Roberts  
*Exam Specialist*

Kathrine Stone  
*Licensing Coordinator*

Nikita Montgomery  
*CPE Coordinator*

A regular meeting of the Arkansas State Board of Public Accountancy was held at the Board's offices of 900 West Capitol Avenue with Christina Ellis, President, presiding. Other members of the Board in attendance were Barrett Belew – Secretary, Megan Turner – Treasurer, Richard Bell, and Shane Warrick, CPA. Members of the staff in attendance were Tim Montgomery - Executive Director and Dale Edge – Investigator, with Kathrine Stone – Licensing Coordinator attending via Zoom. Others in attendance included Marsha Moffitt with the ARCPA, Deana Infield with the ARCPA (via Zoom), Mason Morgan with Rascoe Winter Thomas Group, and Jessica Kloss and Sarah Debusk – Attorney General Liaisons.

### CALL TO ORDER

Ms. Ellis officially called the meeting to order at 9:02 a.m. A quorum was found to be present.

Florida Bill Update: Director Montgomery gave the board members an update on Florida bill eliminating all licensing boards and CPE requirements. The bill was finally defeated in the Florida senate.

Board Member Resignation: Director Montgomery read an email from board member Marty Gunaca officially resigning from the board. Mr. Montgomery will send the email to the ADLL Chief of Staff so that it can be forwarded to the governor's office.

Permanent AG Liaison: Director Montgomery introduced Jessica Kloss as the Attorney General liaison permanently assigned to the board.

Review Committee Report: Mr. Morgan presented the Independent Accountants' Review report for the financial statements ended June 30, 2023 and 2022. A motion was made and seconded to accept the report. The motion passed.

A motion was made and seconded to engage Rascoe Winter Thomas Group to do a review of the financial statements for fiscal years ending June 30, 2024 and June 30, 2025.

Board Meeting Minutes: A motion was made and seconded to approve the January 17, 2025 minutes as written. The motion carried.

Treasurer's Report: A motion was made and seconded to approve the Treasurer's Report. The motion carried.



# ARKANSAS STATE BOARD of PUBLIC ACCOUNTANCY

## COMMITTEE REPORTS

### COMPLIANCE

The Compliance Committee has met three times since January.

#### **Twenty-three (23) New Complaints:**

Licensee with CPE issues.

Holding Records.

Failure to File.

Firm sanctioned by another State Board.

Two External complaints regarding non-licensees

Two external complaints regarding audit due care.

Two unlicensed firms.

Two re-licensure requests.

Four licensees self-reporting and or answered yes regarding disciplinary action on 2024 renewal.

Seven failures to respond to 2024 Practice Review Survey.

#### **Requesting closure of twenty-one (21) complaints, one (1) by consent order:**

- 1. C20-013 – (Cert. 3965)** –Lawsuit involving two CPAs. The case ended up in arbitration. In reviewing the arbitrator’s findings, it appears the were no violations of Accountancy Law or Board Rules. The Compliance Committee recommends closure.
- 2. C21-009 – (Cert. #5915)** – Inactive licensee worked in public accounting for less than a year. Licensee has since left public accounting. The Compliance Committee recommends closure.
- 3. C22-017 – (Cert. #7299)** - Inactive licensee worked in public accounting for less than a year. Licensee has since left public accounting. The Compliance Committee recommends closure.
- 4. C22-088 – (Cert. #8871)** – Licensee failed to respond to the 2022 CPE audit and subsequently failed to renew for 2023. Licensee was revoked for failure to renew. The Compliance Committee recommends closure.
- 5. C22-090– (Cert. #5063)** – Licensee was short ethics hours but has since made up the hours. The Compliance Committee recommends closure.

*Complaints 6 through 11 –Licensees self-reporting sanctions or other issues*



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6. **C24-086 – (Firm Cert. #1004LC)** - Licensee firm self-reported 2024 compliance issues on 2025 renewal. In a follow-up response, licensee firm stated that no AR CPAs had been sanctioned. The Compliance Committee recommends closure with no further action.
7. **C25-005 – (Cert. #3425)** - Licensee self-reported 2024 compliance issues on 2025 renewal. Licensee was sanctioned by the LA. Board regarding a CPE issue. The issue noted by the LA. Board is not applicable to AR licensure. The Compliance Committee recommends closure with no further action.
8. **C25-006 – (Cert. #9285)** - Licensee self-reported 2024 compliance issues on 2025 renewal by mistake. The licensee did not have any compliance issues in 2024. The Compliance Committee recommends closure with no further action.
9. **C25-016 – (Cert. #7747)** – Licensee timely self-reported misdemeanor conviction. The Compliance Committee recommends closure with no further action.
10. **C25-022– (Firm Cert. #2LP)** - Licensee firm sanctioned by the MN 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 the finding of probable cause to proceed with disciplinary proceedings but recommends closure with no further action.

### *Complaints 11 through 16 –Licensees failed to respond to 2024 Practice Review.*

11. **C25-009 (Firm Cert. #408LC)** – Licensee failed to respond to the 2024 Practice Review. After receipt of a certified letter, the licensee responded no reports. The Compliance Committee recommends closure with no further action.
12. **C25-010– (Cert. #0401)** - Licensee failed to respond to the 2024 Practice Review. After receipt of a certified letter, the licensee responded no reports. The Compliance Committee recommends closure with no further action.
13. **C25-011– (Cert. #1032)** - Licensee failed to respond to the 2024 Practice Review. After receipt of a certified letter, the licensee responded no reports. The Compliance Committee recommends closure with no further action.
14. **C25-012– (Cert. #4410)** - Licensee failed to respond to the 2024 Practice Review. After receipt of a certified letter, the licensee responded no reports. The Compliance Committee recommends closure with no further action.
15. **C25-013– (Cert. #2617)** - Licensee failed to respond to the 2024 Practice Review. After receipt of a certified letter, the licensee responded no reports. The Compliance Committee recommends closure with no further action.



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**16.C25-014– (Cert. #9336)** - Licensee failed to respond to the 2024 Practice Review. After receipt of a certified letter, the licensee responded no reports. The Compliance Committee recommends closure with no further action.

### *Complaints 17 through 20 – External complaints.*

**17.C25-002– (Cert. #6566)** - External complaint regarding lack of independence and professional misconduct while performing a legislative audit. The Compliance Committee found no violations of accountancy law and recommends closure with no further action.

**18.C25-003– (Cert. #9661)** - External complaint regarding lack of independence and professional misconduct while performing a legislative audit. The Compliance Committee found no violations of accountancy law and recommends closure with no further action.

**19.C25-004– (Non-Licensee)** – External complaint regarding an individual holding out as a CPA. The individual, who is not a CPA, was performing accounting duties for a private entity. The investigation did not find where the individual has ever held out as a CPA. The Compliance Committee recommends closure with no further action.

**20.C25-023– (Non-Licensee - Entity)** – External complaint alleging that a company was negligent in its tax preparation services. The company is not licensed with the Board and the owners are not licensed CPAs. The Compliance Committee recommends closure with no further action.

A motion was made and seconded to accept the Compliance Committee’s recommended findings and proposed resolutions to items 1 through 20 as listed above. The motion carried

### **CONSENT ORDER**

1. **C23-119 – (Cert. #4585R)** – External Complaint received alleging that the licensee directed multiple tax payments incurred by an unrelated entity to be withdrawn from the client’s bank account and failed to timely deposit the client’s 941 employment tax payments. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings and closure via the proposed consent order. The respondent has signed a consent order and paid a three thousand, five hundred (\$3,500.00) dollar penalty. Requesting closure by Consent Order.

A motion was made and seconded to accept the Compliance Committee’s recommended findings and proposed resolution for Consent Order C23-119. The motion carried.



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## Requesting Permission to Issue 5 Notice of Hearings regarding the following Complaints

- 1. C22-059- (Cert. #5701) Elizabeth Davenport** - Licensee failed her 2021 Practice Review and did not complete additional CPE. The License also failed her 2024 Quality Review. Licensee has ceased communications with the Board.

A motion was made and seconded to issue a Notice of Hearing to the Licensee in question. The motion carried.

- 2. C23-073- (Cert. #508C) Timothy Bunch** - Licensee requested to withdraw from Peer Review. Licensee has ceased communication with the Board.

A motion was made and seconded to issue a Notice of Hearing to the Licensee in question. The motion carried.

- 3. C24-064- (Cert. #7318) Pamela Magness** – External complaint regarding late tax filing. The licensee has ceased communication with the Board.

A motion was made and seconded to issue a Notice of Hearing to the Licensee in question. The motion carried.

- 4. C25-007- (Cert. #9666) Thomas Herrell** – Licensee self-reported unknown violation. The licensee has ceased communication with the Board.

A motion was made and seconded to issue a Notice of Hearing to the Licensee in question. The motion carried.

- 5. C25-020- (Cert. #7661) Robert Reid**- External complaint regarding holding of records. The licensee has ceased communication with the Board.

A motion was made and seconded to issue a Notice of Hearing to the Licensee in question. The motion carried.

## Requesting Permission to Issue 38 Notice of Hearings to the following Lapsed Individuals and Firms

<b>10123</b>	<b>Lapsed</b>	<b>Mallory</b>	<b>E</b>	<b>Coffey</b>
<b>5552</b>	<b>Lapsed</b>	<b>PHILLIP</b>	<b>DEAN</b>	<b>COLLINS</b>
<b>6276</b>	<b>Lapsed</b>	<b>CYNTHIA</b>	<b>LEE</b>	<b>DYE</b>
<b>2237R</b>	<b>Lapsed</b>	<b>ANDREW</b>	<b>J.</b>	<b>GENTRY</b>



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5108	Lapsed	MARIA	C.	HENRY
5158	Lapsed	STACIE	R.	HOLLOWAY
792	Lapsed	WILLIAM	D.	KELLY
8491R	Lapsed	MICHAEL	THOMAS	MOORE
9959	Lapsed	Kevin	R	Nembhard
9244	Lapsed	MARCUS	RAY	PARSONS
4226	Lapsed	LORANNE	MYRNA	ROBINSON
848	Lapsed	DONALD	K.	WEIR
6224	Lapsed	RHONDA	NELLAMS	CURRAN
5235R	Lapsed	MICHAEL	ANTON	HUG
4390	Lapsed	TERRY		KING
7360	Lapsed	DONALD	C.	MYERS
6350	Lapsed	JASON	DOUGLAS	WILSON
3465	Lapsed	CINDIA	COOK	COLE
10510R	Lapsed	Jennifer		Bouchillon
5795	Lapsed	MICHAEL	J.	BINZ
10559	Lapsed	Joaquin		Garza
3180	Lapsed	KIM	V.	KNAPP
3496	Lapsed	BETTY		HALE
5793R	Lapsed	DAPHNE	WILLIFORD	JOHNSON
4007	Lapsed	KAREN	H.	ROBERTSON
4503	Lapsed	KEITH	EDWARD	BRAZILE
5974R	Lapsed	VICKIE	FLETCHER	CARR
5422	Lapsed	TIMOTHY	AUSTIN	HILL
9717	Lapsed	Keshianna		Hodges
2699	Lapsed	DORVIN	D.	LIVELY
6521R	Lapsed	JAMES	DAVID	RAY
8981	Lapsed	PAUL	CAMPBELL	SPIKES
7167	Lapsed	GEORGE	M.	WANSTRATH
323LC	Lapsed	G & G Accounting Services, PLLC		
414LC	Lapsed	Kelsey Stroud CPA Inc		
998C	Lapsed	Nembhard CPA and Advisory Services, Inc.		
358LC	Lapsed	Touchstone Tax & Accounting, PLLC		
1013C	Lapsed	Gelman Rosenberg & Freedman, A Professional Corp		



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A Motion was made and seconded to issue a Notice of Hearing to the above Licensees. The Motion carried and a Notice of Hearing will be issued to each Licensee.

## PERSONNEL

Director Montgomery notified the board members that the new pay plan for State of Arkansas employees has been approved by the legislature and will go into effect July 1, 2025. Pay scales (minimum and maximum) for all board staff positions were increased, most importantly the Board CPA position (formerly board investigator). Two board staff members will see an increase in salary.

## OTHER BUSINESS

Elijah Watt Sells Award: A licensee received the Elijah Watt Sells Award. He will be invited to the 2025 Swearing-In Ceremony and will be given recognition during the ceremony for his accomplishment.

Exam Credit Extension: Exam applicant is requesting an extension of her FAR and REG credits. The Board determined that she should attempt to sit for her final exam before June 30<sup>th</sup>, then request an extension if she fails to pass it.

Exam Credit Extension: Exam applicant is requesting an exam credit extension. The Board determined that he should attempt to sit for the remaining sections before June 30<sup>th</sup>, then request an extension if he fails to pass both sections.

Policy Inquiry: An Exam applicant requested the board to consider a global exam credit extension for exam credits expiring June 30<sup>th</sup> similar to the action of the DC Board of Accountancy. The Board is not inclined to change its policy of reviewing credit extension requests on a case-by-case basis.

September 2025 Board Meeting: The September board meeting will be held on September 25<sup>th</sup> on the UCA campus beginning around 12:00 noon.

August 2025 Board Meeting: The August board meeting was moved to August 29, 2025 beginning at 9:00 a.m. at the board's offices.

Newsletter: Director Montgomery informed the board members that he provided a board update to be included in the Society's monthly newsletter and plans to do so as needed until he is able to create a board newsletter.



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CPA Oath Discussion: A discussion was held regarding the fact that the CPA Oath is only administered to new licensees attending the CPA Swearing-In Ceremony and not to all new licensees. The Board considered making acceptance of the oath mandatory for all new licensees. Director Montgomery is going to rewrite the Arkansas CPA oath and present his changes to the Board.

NASBA Exposure Draft: A discussion was held on the NASBA exposure draft regarding changes to the UAA.

NV and FL Board Consolidation and CPE Reduction Bills: A discussion was held on the actions of the Nevada and Florida state legislatures filing legislation that would consolidate or remove state licensing boards and reduce or eliminate CPE requirements.

Alternative Practice Structure: A discussion was held on alternative practice structures being utilized by a few large CPA firms, especially those with private equity investment. Through an APS, CPA firms are separating audit services from non-audit services, creating separate yet related entities, whereby the non-audit services entity does not have to register with the Board as a CPA Firm, thus avoiding any ASBPA oversight.

Quick Poll Results: The Board discussed the results of the quick poll that was responded to by several state board directors regarding educational requirements for sitting for the exam and for licensure. The board decided to propose rule changes that would reduce the number of upper-level accounting required for licensure from 30 hours to 27 hours.

4<sup>th</sup> Quarter 2024 CPA Exam Results: A brief discussion was held in regard to the 4<sup>th</sup> quarter 2024 CPA Exam results.

The Board Meeting took a break for lunch at 11:59 am. The Meeting resumed at 12:36 pm.

## **RULE CHANGES**

After much discussion and debate, a few revisions were made to the rule changes. That the board will be proposing.

## **ADJOURNMENT**

A motion was made and seconded to adjourn the meeting. The motion passed and the meeting adjourned at 2:22 pm.