



ARKANSAS STATE BOARD of PUBLIC ACCOUNTANCY

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Sarah Huckabee Sanders

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Magnolia, AR

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Little Rock, AR

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North Little Rock, AR

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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

Board Meeting Minutes

May 1, 2024

A regular meeting of the Arkansas State Board of Public Accountancy was held with Shane Warrick, President, presiding. Other members of the Board in attendance were Barrett Belew – Treasurer, Christina Ellis – Secretary, Megan Turner, Richard Bell, Marty Gunaca, and Don Curdie (via Zoom). Members of the staff in attendance were Tim Montgomery - Executive Director, Dale Edge - Investigator, and Kathrine Stone - Licensing Coordinator. Attending via Zoom were Marsha Moffitt – Executive Director of the ARCPA and Gary Beckwith – Incoming Board CHAIR of the ARCPA.

CALL TO ORDER

Mr. Warrick officially called the meeting to order at 9:09 am. A quorum was found to be present.

Shane Warrick requested to change the January 19, 2024 Board Meeting minutes to specify that the 18 semester credit hours must be in upper-level Accounting courses. A Motion was made to approve the January 19, 2024 Board Meeting minutes with the requested change. The Motion was seconded and passed.

A Motion was made to approve the March 6th Board Meeting minutes. The Motion was seconded and passed.

TREASURER'S REPORT

There was no Treasurer's Report on the agenda.

COMMITTEE REPORTS

REVIEW:

A Motion was made to allow Rascoe Winter Thomas Group to perform the Fiscal Year 2023 Financial Statement Review pending approval of the fee by the Executive Director and Secretary. The Motion was seconded and carried.



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PERSONNEL:

Terica Bonds has been hired to fill in the vacant CPE Coordinator position.

Five potential candidates will be interviewed to fill the vacant Investigator position.

COMPLIANCE:

The Compliance Committee has met twice since January.

Fifty-five (55) New Complaints:

License requesting to withdraw from Peer Review.

Licensee suspended by order of Child Support Enforcement due to child support arrearages.

Licensee self-reporting conviction for something other than a speeding ticket.

Two non-licensees holding out.

Two external complaints one regarding an audit the other a tax issue.

Three firms self-reporting being sanctioned by either Federal or State regulatory agency.

Eight firm with have lapsed and failed ot respond to a 30-day letter.

Thirty-seven individuals have lapsed and failed to respond to a 30-day letter.

Requesting closure of nineteen (19) complaints.

1. **C19-012 – (Firm Cert. # 224LC)** – Licensee Firm has had two (2) failed Peer Reviews, 2017 and 2020. Licensee Firm has completed the corrective actions required and both Peer Reviews have been accepted. Licensee Firm’s next Peer Review is due June 30, 2024. Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings and close with no further action.
2. **C22-068 – (Cert. #1163)** Licensee had taken retired status, but it was noted his former firm’s website continued to list him under litigation support. Licensee is now deceased. The Compliance Committee recommends closure with no further action.
3. **C24-001 – (Firm Cert. #220LC)** External Complaint with regard to tax preparation performed by Licensee Firm. After reviewing the information provided, no violation of



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Accountancy Law or Board Rules was found. Compliance Committee recommends a finding of no probable cause to proceed and close with no further action.

4. **C24-002 – (Cert. #10441R)** Licensee provided timely notification of misdemeanor conviction (other than a speeding ticket). After reviewing the information provided, no violation of Accountancy Law or Board Rules was found. Compliance Committee recommends a finding of no probable cause to proceed and close with no further action.
5. **C24-003 – (Cert. #8849R)** Board received notification from Child Support Enforcement that a Licensee who had surrendered license was now suspended due to failure to pay child support. Licensee's status has been changed to suspended. Compliance Committee recommends closure with no further action.

Complaints 6 through 7 – Licensees with Practice Review Issues.

6. **C23-089 – (Cert. #2773)** – Licensee failed to timely respond to the 2023 Practice Review Survey. Licensee has now requested retired status. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure with no further action.
7. **C23-095 – (Cert. #1450R)** Licensee failed to timely respond to the 2023 Practice Review Survey. Licensee has surrendered license. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure with no further action.

Complaints 8 through 13 – Licensees requesting to withdraw from Peer Review

8. **C23-075 – (Cert. #8187R)** Licensee has requested to withdraw from Peer Review. Sole Proprietor will no longer perform attest work. Last PEER Review was December 31, 2020. Peer Review was for a December 31, 2019-year end and received a Pass. No attest performed since January 1, 2021. Compliance Committee recommends closure with no further action.
9. **C23-077 – (Firm Cert. #188C)** Licensee Firm has requested to withdraw from Peer Review. Firm has merged with another firm in Sept 2022 and now performs attest under new firm name. Last PEER Review was December 03, 2020. Peer Review was for an April 30, 2020-year end and received a Pass. Compliance Committee recommends closure with no further action.
10. **C23-078 – (Firm Cert. #655C)** Licensee Firm has requested to withdraw from Peer Review. Firm will no longer perform attest work. PEER Review was completed November 30, 2021. Peer Review was for a December 31, 2019-year end and received a



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Fail. Last report issued was for a 2020-year end and issued September 30, 2021, no attest has been performed since. Compliance Committee recommends closure with no further action.

11. **C23-080 – (Firm Cert. #417C)** Licensee Firm has requested to withdraw from Peer Review. Firm will no longer perform attest work. PEER Review was completed Sept 01, 2020. Peer Review was for a May 31, 2020, year end and received a Pass. No attest performed after December 31, 2020. Compliance Committee recommends closure with no further action.
12. **C23-087 – (Firm Cert. #132P)** Licensee Partnership has requested to withdraw from Peer Review. Partnership was dissolved as of 12/31/2022 and partners had have moved to different firms. Last PEER Review was August 31, 2022. Peer Review was for a July 31, 2021, and received a Pass. Compliance Committee recommends closure with no further action.
13. **C24-005 – (Firm Cert. #179LC)** Licensee Firm has requested to withdraw from Peer Review. Firm will no longer perform attest work. Engagement Review was completed May 28, 2021. Engagement Review was for a December 31, 2020, year end and received a Pass. Last compilation was performed in December 2022. Compliance Committee recommends closure with no further action.

Complaints 14 through 19 –Licensees self-reporting sanctions or other issues

14. **C23-084 – (Firm Cert. #114C)** – Licensee firm reached a settlement agreement with AICPA with regard to issues pertaining to a 2017 HUD Audit. After reviewing the settlement agreement entered into by the licensee firm and AICPA, the Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure with no further action.
15. **C23-085 – (Cert. #5411)** – Licensee reached a settlement agreement with AICPA with regard to issues pertaining to a 2017 HUD Audit. After reviewing the settlement agreement entered into by the licensee and AICPA, the Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure with no further action.
16. **C23-086– (Cert. #8539)** – Licensee reached a settlement agreement with AICPA with regard to issues pertaining to a 2017 HUD Audit. After reviewing the settlement agreement entered into by the licensee and AICPA, the Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure with no further action.
17. **C24-007 – (Firm Cert. #5LP)** – Licensee firm sanctioned by Hawaii Board of Accountancy. Sanction based on a 2019 SEC sanction regarding the firm’s efforts to



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obtain confidential PCAOB information and in-firm CPE cheating. The AR Board has already reviewed the SEC matter 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.

18. **C24-008 – (Firm Cert. #82LP)** – Licensee firm is self-reporting SEC/PCAOB sanctions. Firm sanctioned for failure to follow PCAOB Standards regarding communications with audit committees and documentation of those communications. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure with no further action.

19. **C24-009 – (Cert. #112LP)** – Licensee firm is self-reporting SEC/PCAOB sanctions. Firm sanctioned for failure to follow PCAOB Standards regarding communications with audit committees. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but 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 19 as listed above. The Motion carried.

The Compliance Committee requested permission to issue forty-two (42) Notice of hearings to the following lapsed individuals and firms:

8127	Lapsed	12/31/2023	SAM	LESSLEY	AUSTIN
2518	Lapsed	12/31/2023	DOUGLAS	W.	COY
8525	Lapsed	12/31/2023	MATTHEW	LANDON	CROUCH
5705	Lapsed	12/31/2023	DON	C.	DESOTO
7813R	Lapsed	12/31/2023	STEPHEN	WILLIAM	GUENTHER
5374R	Lapsed	12/31/2023	JAMES	M.	LAVENDER
1825	Lapsed	12/31/2023	THOMAS	R.	MEURER
2795	Lapsed	12/31/2023	HAROLD	E.	MITCHELL
1823	Lapsed	12/31/2023	DON	W.	MYERS
2318	Lapsed	12/31/2023	STEVEN	S.	POLLACK
9696R	Lapsed	12/31/2023	Gary	Douglas	Purdy
4562	Lapsed	12/31/2023	MARK	A.	SAMUELSON
5607	Lapsed	12/31/2023	RICHARD	WILLIAM	SHUTT
10149	Lapsed	12/31/2023	Adam		Stidman
6084	Lapsed	12/31/2023	TYLER	NOLAN	TREAT
1548	Lapsed	12/31/2023	EVERETT		TUCKER
1373	Lapsed	12/31/2023	WILLIAM	L.	WESSELS
6012	Lapsed	12/31/2023	BARBARA	O.	ALDRIDGE
7315	Lapsed	12/31/2023	CHIH	CHUN	CHANG
6895	Lapsed	12/31/2023	SUSAN	E.	CROSSLEY



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5872	Lapsed	12/31/2023	KAY	L.	HENDERSON
9872	Lapsed	12/31/2023	Sarah	Jean	Lind
7195	Lapsed	12/31/2023	NATASHA	EARNHEART	PITTMAN
7100	Lapsed	12/31/2023	DEE	ANN	PORTER
8067	Lapsed	12/31/2023	JAMEA		PRESTON
10224R	Lapsed	12/31/2023	Hannah	Elizabeth	Puthoff
6451	Lapsed	12/31/2023	KIMBERLY	MEREDITH	SERA
9097R	Lapsed	12/31/2023	Cherie	Bardwell	Smith
3109	Lapsed	12/31/2023	CAROL		SNAY
4517	Lapsed	12/31/2023	KIMBERLY	ELLIS	SPELLINS
1179	Lapsed	12/31/2023	MARY	PEARCE	STOCKLAND
3631	Lapsed	12/31/2023	LISA	L.	WEDEL
6208	Lapsed	12/31/2023	JULIA	SMITH	WRIGHT
7448	Lapsed		MICHAEL	C.	WILLIAMS
1563	Lapsed		STEVE		MITCHELL
215LC	Lapsed	12/31/2023	COY FIRM PLLC		
879C	Lapsed	12/31/2023	KEN MULLINAX CPA PA		
907C	Lapsed	12/31/2023	Prince & Tuohey, CPA LTD		
699C	Lapsed	12/31/2023	TIM STARNER, CPA, INC.		
982C	Lapsed	12/31/2023	Tracy L Lemon, CPA, PA		
114LP	Lapsed	12/31/2023	Von - Jacobs & Associates CPAs LLP		
950C	Lapsed	12/31/2023	Watler Accounting CPA's PC		

A Motion was made and seconded to grant permission to issue Notice of Hearings to the individuals and firms named above. The Motion carried.

NEW BUSINESS

Late Fee waiver request: Licensee requested a waiver of the fees associated with a late license renewal due to medical issues. The Licensee has provided a note from their doctor. A Motion was made to grant the waiver. It was seconded and carried.

Late Fee and CPE waiver request: Lapsed Licensee requested a waiver of 28.5 CPE hours and Reinstatement fee due to medical issues. A Motion was made to grant a waiver for the Reinstatement fee and for 20.5 CPE hours. The licensee will be required to obtain 8 hours of content CPE hours to renew their license. The Motion was seconded and carried. Shane Warrick abstained from voting.

Request to reconsider Inactive Designation Requirement with CPA title: Inactive Licensee requested that they may be permitted to use the CPA designation without being required to indicate that their license is Inactive. A Motion was made to deny the license's request. The Motion was seconded and passed unanimously.



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ARCPA Board Member recommendation to the ASBPA: A letter from the ARCPA was presented to the Board recommending two names to be considered for appointment to the Board for the position that will expire in August 2024. The individuals, who were approved by the ARCPA Board of Directors, are Dr. Shane Warrick (for reappointment) and Dr. Barry Bryan. A Motion was made for the Executive Director to submit a letter to the Secretary of the Department of Labor and Licensing in support of the presented candidates, to then be presented to the Governor for consideration. The Motion was seconded and carried.

ARIES Program Announcement and Reimbursement Form: The Board requested the Director to write a PR piece for Arkansas Business to announce the program. The word "reimbursement" will be used instead of "refund" going forward.

Credit Relief Program Statistics: Of the 94 Exam applicants eligible, 26 applied for the program. The Board will send a notification email to the remaining eligible applicants to inform them about the program.

PLTF Update from Executive Directors' Conference: The Executive Director gave an update from the Professional Licensure Task Force that was presented at NASBA's Executive Director's Conference.

Substantial Equivalency Update from the Executive Directors' Conference: The Board discussed changes to Board Rule 3 previously approved regarding the creation of an additional pathway to licensure. A Motion was made to incorporate into the proposed rule change a more stringent experience verification process and an effective date equal to the date that the proposed rule change is approved by the Legislative Rules Committee. Experience verification will now include two types of experience verification forms, one completed by all of the applicant's direct supervisors during the experience period and one by a CPA. All verification forms are to be properly notarized. The Motion was seconded and carried.

NASBA Letter Received by the Minnesota Society: The letter was reviewed and briefly discussed.

Minnesota Bill: A Bill sponsored by the MN Society of CPAs was briefly discussed.

RIPE Report: The Executive Director presented the RIPE (Responsiveness, Informed, Participation, Engagement) report that was presented at NASBA's Executive Director's Conference.

Rule 3 Summary: The Board briefly discussed a summary of Rule 3 prepared by the Executive Director.

NASBA Offer to Attend Board Meeting: The Board briefly discussed a proposal by the NASBA Director to attend the June Board Meeting.

Ohio Experience Verification Forms: The Board reviewed the two experience verification forms used by the Ohio Board of Accountancy that was discussed during the Substantial Equivalency discussion and expressed interest in using similar forms for Arkansas.



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PROPOSED RULE AND LAW CHANGES

The following proposed statute and rule changes were discussed.

Changes to Rule 12: A Motion was made to accept the proposed rule changes as presented. The Motion was seconded and carried.

Changes to Rule 14: A Motion was made to accept the proposed rule changes as presented. The Motion was seconded and carried.

Changes to Rule 19: A Motion was made to accept the proposed rule changes as presented. The Motion was seconded and carried.

Changes to Rule 6: A Motion was made to accept the proposed rule changes as presented, with the exception of the change proposed to 6.1(b)(2). The Motion was seconded and carried.

The Board took a break for lunch at 12:00 p.m.

The Board returned from lunch and continued the meeting at 12:20 p.m.

17-12-306: A Motion was made to accept the proposed law change as presented with the addition of the phrase “waived or” before the word ‘assumed’ in the verbiage. The Motion was seconded and carried.

17-12-309: A Motion was made to accept the proposed law change as presented in the agenda. The Motion was seconded and carried.

17-12-311: A Motion was made to accept the proposed law change as presented with the addition of adding the phrase “as determined by the Board” to 17-12-311(c)(2). The Motion was seconded and carried. A second Motion was made to amend Rule 6 to include the language added to 17-12-311(c)(2). The Motion was seconded and carried.

17-12-507: A Motion was made to accept the proposed law change as presented with the addition of adding the phrase “For those licensees selected for a practice review” to 17-12-507(d). The Motion was seconded and carried.

17-12-504: A Motion was made to accept the proposed changes as presented in the agenda. The Motion was seconded and carried.

2024 NEW CPAs SWEARING-IN CEREMONY

The Swearing-In Ceremony for new CPAs will be held as scheduled at 10:00 a.m. on June 22 in the Capitol Rotunda.

A Motion was made to adjourn the meeting at 1:21 p.m.