A regular meeting of the Arkansas State Board of Public Accountancy was held in Suite 450 of the Main Street Mall Building on June 1, 2018 with Robert Redfern, President, presiding. Other members of the Board in attendance were: Jim Gately, Sherry Chesser, David Vaden, and Denton Woods. Members of the staff in attendance were: Jimmy Corley, Executive Director, Dale Edge, Investigator; Tim Montgomery, Investigator; Mark Ohrenberger, Legal Counsel; Alan Fortney, April Murphy, Melissa Hamric, and Hanna Windley. Also in attendance were Brian Thompson of the Arkansas Society of Accountants, Marsha Moffitt and Mike Carroll of the Arkansas Society of CPAs, Susan Whitson, Court Reporter,* and Rebecca Kane, Hearing Officer. * Board members Mike Watts and Deana Infield were absent.

**CALL TO ORDER**

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

**PUBLIC HEARINGS**

The Board moved immediately to Public Hearings concerning the following cases:

- **H18-001** Stephanie Farewell (Cert, #7959) – Respondent did not appear at hearing. Board found that Respondent failed to follow a Board order. Respondent’s CPA certificate was revoked by Board order.

- **H18-003** (Lic. #2239 Albert Hammons) and (Lic. #260C Albert Hammons, PA) – Respondent did not appear at hearing. Board found that Respondent failed to follow a Board order, failed to respond to a certified mailing from the Board, and violated Ark. Code Ann. §17-12-401(c)(1). Respondent’s CPA license and firm license were revoked by Board order.

- **Omnibus Hearing** – Respondents did not appear at hearing. Board found that Respondents failed to respond to a certified mailing from the Board and to renew their license for 2018. Respondents’ licenses were revoked by Board order.

The Omnibus Hearing Finding above is applicable to the following individuals:
Hearing H18-005  Christine Davis  4895
Hearing H18-006  Shannon Klang  8430
Hearing H18-007  Jolie Williams  7811
Hearing H18-010  Anthony Bryant  8159R
Hearing H18-011  Brian Laird  9624
Hearing H18-012  Larry Meeks  4145
Hearing H18-016  Otis Stewart  0373
Hearing H18-017  Otis Stewart,  824C
Public Accountant, LTD

*Susan Whitson, Court Reporter; and Rebecca Kane, Hearing Officer, left at the close of the hearings.

APPROVAL OF MINUTES

A motion was made and seconded to approve the minutes of the April 20, 2018, Board meeting. The motion passed unanimously.

TREASURER’S REPORT

A motion was made and seconded to approve the April 2018 Treasurer’s Report, as presented. The motion passed unanimously.

COMMITTEE REPORTS

COMPLIANCE

The Compliance Committee has met once.

Nineteen new complaints:

Inactive CPA working for the public.
Firm allegedly failed to adequately plan, supervise, and exercise due professional care.
Firm failed to respond to a certified letter and has not licensed for 2018.
Three re-licensure requests.
Thirteen licensees failed to respond to a certified letter and have not licensed for 2018.

Requesting closure of 10 complaints, one by consent order:

1) C18-004 – (Non-Licensee) – Non-Licensee holding out on website. Individual has made Board recommended changes and agreed to cease holding out. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings and closure with no further action.

2) C18-009 – (Cert. # 4954) – Licensee allegedly holding records. The matter has been resolved. The Compliance Committee recommends a finding of no probable cause to proceed with disciplinary proceedings and closure with no further action.
3) **C18-010** – (Non-Licensee) – Non-Licensee holding out on website. Individual has made Board recommended changes and agreed to cease holding out. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings and closure with no further action.

4) **C18-011** - (Non-Licensee) – Non-Licensee holding out on website. Individual has made Board recommended changes and agreed to cease holding out. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings and closure with no further action.

5) **C18-026** – (Cert. # 3681) – Licensee failed to renew license and became lapsed April 1, 2018. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure based on the licensee’s request to surrender AR CPA certificate 3681.

6) **C18-027** – (Cert. # 7398) – Licensee failed to renew license and became lapsed April 1, 2018. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure based on the licensee’s request to surrender AR CPA certificate 7398.

7) **C18-031** – (Cert. # 1643) – Licensee failed to renew license and became lapsed April 1, 2018. Licensee is deceased. The Compliance Committee recommends a finding of no probable cause to proceed with disciplinary proceedings and closure with no further action.

8) **C18-032** - (Cert. # 4042) – Licensee failed to renew license and became lapsed April 1, 2018. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure based on the licensee’s request to surrender AR CPA certificate 4042.

9) **C18-033** - (Cert. # 2340) – Licensee failed to renew license and became lapsed April 1, 2018. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure based on the licensee’s request to surrender AR CPA certificate 2340.

A motion was made and seconded to accept the Compliance Committee’s recommended findings and proposed resolutions as to items 1 through 9, listed above. The motion passed unanimously.

**CONSENT ORDERS**

1) **C18-041 - Consent Order (Cert. # 7281)** – Applicant surrendered license in March 2018. Respondent has requested to re-license to active status. Applicant has completed 45 hours of CPE signed consent order and agreed to pay current year renewal fees of $110.00. Requesting closure by Consent Order contingent on receipt of $110.00.

A motion was made and seconded to accept the Compliance Committee’s recommended finding and proposed resolution and to close C18-041. The motion passed unanimously.
PERSONNEL

Mr. Corley announced to the Board that Hanna Windley would be leaving the Board’s staff at the end of July.

NEW BUSINESS

Act 781 Rules Analysis
Mr. Corley presented a report to the Board concerning the Board Rules and Laws. This report will be given to the Arkansas Legislative Audit per Act 781. Discussion was made upon this report. A motion was made and seconded to repeal Rule 4 and Rule 410 of the Code of Professional Conduct. The motion passed unanimously.

Upper vs. Lower Level Coursework Discussion
Mr. Corley led a discussion regarding the request from Ms. Donnita Jeffery to allow her lower level courses to be accepted for the CPA Exam requirements. A motion was made and seconded to deny the request of Ms. Jeffrey, because the information presented did not meet the requirements of Rule 3.2. The motion passed unanimously.

OTHER BUSINESS

Swearing-In Ceremony
Mr. Corley reminded the Board of the annual Swearing-In Ceremony, June 2, 2018 at the Arkansas Capitol Building.

Crowe, LLP Issue
A discussion was led by Mr. Corley to explain the Crowe, LLP’s unique firm name situation and their request to register as Crowe Chizek, LLP, but to do business as Crowe, LLP. A motion was made and seconded to accept the request to register as Crowe Chizek, LLP dba Crowe, LLP.

Election of Officers for 2018 – 2019 Term
President: Mike Watts
Secretary: Sherry Chesser
Treasurer: David Vaden

Discussion about the ASCPA
Mr. Carroll answered questions and led a discussion on the current undertakings of the Arkansas Society of CPAs.

Michael Jones Case
Mr. Ohrenberger notified the Board that both parties have agreed to have the judge make a ruling on the filed briefs instead of going to oral hearings.
ADJOURNMENT

A motion was made and seconded to adjourn. The motion passed. The meeting adjourned at 11:39 a.m.