

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

BOARD MEETING MINUTES September 26, 2014

A regular meeting of the Arkansas State Board of Public Accountancy (Board) was held in Suite 350 of The Reynolds Business Center at the University of Arkansas at Little Rock on September 26, 2014 with Karen Garret, President, presiding. Other members of the Board in attendance were: Wade Turner, Robert Redfern, Lloyd Franklin, Michael Watts and Jim Gately. Members of the staff in attendance were: Jimmy Corley, Executive Director; Dale Edge, Board Investigator; Tim Montgomery, Board Investigator; Alan Fortney, IT Manager; April Murphy, Lacy Ward and Meagan Montgomery. Other attendees were: Mark Ohrenberger, Assistant Attorney General and Brian Thompson of the ASA.

CALL TO ORDER

Karen Garett officially called the meeting to order at 10:02 a.m. A quorum was found to be present.

APPROVAL OF MINUTES

A motion was made and seconded to approve the minutes, as presented, of the August 15, 2014 Board meeting. The motion carried.

TREASURER'S REPORT

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

COMMITTEE REPORTS

The Compliance Committee has met one time.

Thirty-eight new complaints:

- Twenty inactive CPAs performing tax preparation, have a PTIN numbers, or both.
- Seven unregistered Firms.
- Five complaints with regard to QR issues.
- Two non-licensees holding out.
- Inactive CPA failed to use inactive disclaimer.
- Licensee with 2013 CPE Audit issue.
- Applicant failed to acknowledge background check issues.
- Non licensee performing attest work.

Requesting closure of 30 complaints – none by Consent Order:

- 1) **C12-020** – Void licensee requested reinstate. Failed to complete renewal process. Requesting closure.
- 2) **C12-070** – (**Cert #5038**) Name of voided partnership still appearing in Yellow page listing. Licensee has provided documentation listing has been corrected. Requesting closure with no further action.
- 3) **C13-094** – Unregistered firm; firm has since licensed. After further review no violation found. Requesting closure with no further action.
- 4) **C13-119**– Revoked CPA requesting reinstatement of license. Resolved via hearing H14-055. Applicant reinstatement in process. Requesting closure.
- 5) **C13-127** - (**Cert #8167**) – CPA falsified CPE on 2011 and 2012 renewals. Resolved via hearing H14-056. Licensee’s CPA certificate was revoked. Requesting closure.
- 6) **C13-149** – (**Cert #7448**) – CPA failed to respond timely to 2013 CPE Audit. Resolved via hearing H14-025. Licensee has paid \$2,800 penalty. Requesting closure.
- 7) **C13-152** – (**Cert #5646**) - CPA failed to respond timely to 2013 CPE Audit. Resolved via hearing H14-025. Licensee’s CPA certificate was revoked. Requesting closure.
- 8) **C13-153** – (**Cert #8030**) - CPA failed to respond timely to 2013 CPE Audit. Licensee has responded, 10 days late, signed a Compliance Statement paid a \$250 penalty and agreed to renew timely for next three years. Requesting closure by compliance statement.
- 9) **C14-054** – (**Regist #067**) – PA failed to renew timely for 2014. Resolved via hearing H14-035. Licensee’s PA registration was revoked. Requesting closure.
- 10) **C14-085** – Unregistered firm performed Employee Benefit Plan audit while not licensed in AR. Audited firm was in purchase transition and no longer an AR firm. Requesting closure with no further action.
- 11) **C14-089** – Unregistered firm performed Employee Benefit Plan Audit for AR Company. Firm has requested to register with Board, signed a Compliance Statement, paid a \$500 penalty and agreed to renew timely for next three years. Requesting closure by compliance statement.
- 12) **C14-090** – Unregistered firm performed Employee Benefit Plan Audit for AR Company. Firm has requested to register with Board, signed a Compliance Statement, paid a \$500 penalty and agreed to renew timely for next three years. Requesting closure by compliance statement.

- 13) **C14-091** – Unregistered firm performed Employee Benefit Plan Audit for AR Company. Firm has requested to register with Board, signed a Compliance Statement, paid a \$500 penalty and agreed to renew timely for next three years. Requesting closure by compliance statement.
- 14) **C14-093** – Unregistered firm performed Employee Benefit Plan Audit for AR Company. Firm has requested to register with Board, signed a Compliance Statement, paid a \$500 penalty and agreed to renew timely for next three years. Requesting closure by compliance statement.
- 15) **C14-098** – Unregistered firm performed Employee Benefit Plan Audit for AR Company. Firm has requested to register with Board, signed a Compliance Statement, paid a \$500 penalty and agreed to renew timely for next three years. Requesting closure by compliance statement.
- 16) **C14-102**– Unregistered firm performed Employee Benefit Plan Audit for AR Company. Firm has requested to register with Board, signed a Compliance Statement, paid a \$500 penalty and agreed to renew timely for next three years. Requesting closure by compliance statement.
- 17) **C14-117– (Firm #464C)** – Firm responded ‘No Reports’ on 2014 QR Survey. Licensee has submitted peer review. Requesting closure with no further action.
- 18) **C14-122- (Firm #681C)** – Firm responded ‘No Reports’ on 2014 QR Survey. Licensee has revised response and submitted compilation. Requesting closure with no further action.
- 19) **C14-126– (Firm #161LC)** – External complaint, act discreditable. Complainant has ceased communications with the Board. Requesting closure with no further action.
- 20) **C14-129 (Cert # 3932)** – Licensee failed to note inactive on website. Website has been corrected. Requesting closure with no further action.
- 21) **C14-132 – (Cert # 1037)** – Inactive licensee with PTIN. 2013 PTIN has expired and did not renew for 2014. Licensee has stated he did not perform tax work. Requesting closure with no further action.
- 22) **C14-134 – (Cert # 5864)** - Inactive licensee with PTIN. PTIN has expired, was obtained in regard to employment as VP of Finance to file non-profit tax return. Requesting closure with no further action.
- 23) **C14-135 – (Cert # 3480)** - Inactive licensee with PTIN. PTIN has expired, was obtained in regard to employment as bookkeeper for private company. Requesting closure with no further action.
- 24) **C14-138** – Non-licensee mistakenly identified as an inactive licensee with PTIN. Requesting closure.

- 25) **C14-147** - Unregistered firm; firm has since licensed. After further review no violation found. Requesting closure with no further action.
- 26) **C14-149** – Reciprocal Applicant working in private accounting living in AR using CPA in email signature. Applicant has removed CPA from email signature. Requesting closure with no further action.
- 27) **C14-151** - (**Firm # 870C**) Firm responded No Reports on 2014 QR Survey. Licensee confirmed response was correct. Requesting closure with no further action.
- 28) **C14-152** - (**Firm #770C**) Firm responded No Reports on 2014 QR Survey. Licensee has submitted peer review. Requesting closure with no further action.
- 29) **C14-153** - (**Firm # 782C**) Firm responded No Reports on 2014 QR Survey. Licensee has submitted peer review. Requesting closure with no further action.
- 30) **C14-154** - (**Firm # 314C**) Firm responded No Reports on 2014 QR Survey. Licensee confirmed response was correct. Requesting closure with no further action.

A motion was made and seconded to close C12-020, C12-070, C13-094, C13-119, C13-127, C13-149, C13-152, C13-153, C14-054, C14-085, C14-090, C14-091, C14-093, C14-098, C14-102, C14-117, C14-122, C14-126, C14-129, C14-132, C14-134, C14-135, C14-138, C14-147, C14-149, C14-151, C14-152, C14-153, C14-154. The motion carried.

Other Compliance Business

Requesting permission to issue six (6) notices of hearing, if needed.

- C12-014** - Void licensee requesting reinstatement.
C12-060 - Failure to respond, QR Issues, Failure to follow general standards.
C13-032 - Violation of pre-issuance review order.
C13-147 - Failure to respond timely the 2013 CPE audit.
C14-125 - Failure to renew timely 2014 license renewal.
C14-127 - Failure to respond timely to a Board communication, Inactive doing tax returns.

A motion was made and seconded to issue six (6) notices of hearing, if needed. The motion carried.

OLD BUSINESS

2015 Meeting Dates

The Board will meet on the following days in 2015: January 9, April 24, June 5, August 14, September 18, and November 20. The annual Swearing-In Ceremony will be held June 6, 2015.

NEW BUSINESS

Fictitious Names

Jimmy Corley, Director, requested guidance from the Board concerning the use of fictitious names.

OTHER BUSINESS

Strategic Planning Meeting

Strategic Planning Meeting held at Mount Magazine following the Board Meeting.

Annual NASBA Meeting

A total of six (6) Board members/staff plan to attend the meeting November 2nd through the 5th of 2014.

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 LICENSES

9273 Jeremy Colton Abbott
9274 Kaci Burrow
9275 Tien Huynh
9276 W. Michael Kennedy
9277 Brock Allen McCorkle

9278 David Wesley Myers
9279 Joseph K. Patrico
9280 Wessel Zwiegers
9281R Michelle Eillen Nuzum

*"R" denotes Reciprocal License

NEW FIRM LICENSES

210LC Guardian Accounting & Financial Solutions, LLC
211LC J.Downs CPA, LLC
212LC The Marston Group, PLC
884C Coulter & Justus, PC
366P Melnyk & Melnyk, CPA
89LP Hancock, Askew & Co., LLP
90LP Pickett, Chaney & McMullen, LLP
91LP Reinsel Kuntz Leshner LLP
92LP Turlington and Company LLP

FIRM NAME CHANGE / REPLACEMENT CERTIFICATE

869C Jordan C. Woolbright, CPA, PA
321C Robert Redfern CPA, P.A. dba: Robert R. Redfern and Company, P.A.

RETIRED

1233 Rodney Clark
1652R Tommy Nuckols
1670 Victor Redditt
1934 Hubert Reed

8102R Roger Schmidt
4292 David Terrell
1776 Frank Ward

ACTIVE TO INACTIVE

3169R Thomas Gibbons

3388 Terry Kenyon

ADJOURNMENT

A motion was made and seconded to adjourn. The motion carried. The meeting adjourned at 11:55 pm.