

ARKANSAS STATE BOARD OF PUBLIC ACCOUNTANCY

Gene Cogbill, CPA, President  
Dr. Mike Moore, CPA, Secretary  
Karen Garrett, CPA, Treasurer  
Wade Turner, CPA



Jeremy Watson, CPA  
Lloyd Franklin, CFE  
W. R. "Bill" Millager, MBA

Jimmy Corley, CPA  
Executive Director

**MEETING MINUTES**

**BOARD MEETING**

**September 28, 2012**

A regular meeting of the Arkansas State Board of Public Accountancy (Board) was held in Suite 450 of the Main Street Mall on September 28, 2012 with Gene Cogbill, President, presiding. Other members of the Board in attendance were Karen Garrett, Mike Moore, Wade Turner, Jeremy Watson and William "Bill" Millager. Members of the staff in attendance were Jimmy Corley, Executive Director; Ann Jessup, Fiscal Officer/CPE Coordinator, Dale Edge, Investigator, Joshua Jacobs, Investigator and Alan Fortney, IT Manager. Other attendees were Barbara Angel\*, Ron Myers\* and Marsha Moffitt\*, Arkansas Society of Certified Public Accountants; Mark Ohrenberger and H.D. Nations, Attorney General's office; Jim Brackens\*, AICPA; Janice Gray\*, NASBA; and Brian Thompson, Arkansas Society of Accountants.

**CALL TO ORDER**

Mr. Cogbill officially called the meeting to order at 9:00 a.m. A quorum was present. Mr. Cogbill turned the floor over to Jim Brackens and Janice Gray for a presentation of the Peer Review Oversight Program and the NASBA Southwest Region Update.

\* Barbara Angel, Ron Myers, Marsha Moffitt, Jim Brackens and Janice Gray left the meeting at the conclusion of the presentations.

**APPROVAL OF MINUTES**

A motion was made and seconded to approve the minutes of the August 24, 2012 board meeting as presented. The motion carried.

A motion was made and seconded to approve the minutes of the September 7, 2012 teleconference meeting as presented. The motion carried.

**TREASURER'S REPORT**

A motion was made and seconded to approve the Treasurer's Report for August 2012, as presented. The motion passed.

## COMMITTEE REPORTS

### Compliance

The Compliance Committee has met one time since the last board meeting.

#### I. **Eleven new complaints:**

- One complaint alleging failure to follow Accounting Standards.
- One complaint regarding holding tax records.
- Four unregistered firms.
- One complaint regarding 2011 QR issues.
- One complaint regarding an Act Discreditable to the Profession.
- Two CAFA complaints.
- One complaint regarding QR response.

#### II. **Requesting closure of 16 complaints – 4 by Consent Order:**

- 1) **C10-016 – (Cert #0441)** – Resolved via hearing H11-021. Licensee's individual registration was revoked. Requesting closure.
- 2) **C11-003 – (Cert #4270)** – Holding records, records have been released. Requesting closure with no further action.
- 3) **C11-005 – (Cert #0427C)** – Resolved via hearing H11-021. Licensee's Firm registration was revoked. Requesting closure.
- 4) **C12-017 – (Cert #2362)** – Alleged unprofessional conduct. No violation of Accountancy Law or Board Rules found. Requesting closure with no finding.
- 5) **C12-022 – (Cert #7857)** – Failed to pay child support. Child Support has been paid, requesting closure.
- 6) **C12-023** – Use of CPA in email address. Based on August Board meeting discussion requesting closure.
- 7) **C12-053 – (Cert #3331)** – Inactive CPA working in public accounting. Resolved via compliance statement paid \$200 penalty and upgraded to LTP. Requesting closure.
- 8) **C12-058 – (Cert #4954)** – Alleged unprofessional conduct. No violation of Accountancy Law or Board Rules found. Requesting closure with no finding.
- 9) **C12-059 – (Cert #0417)** – Licensee failed 2011 CPE audit. Licensee has requested to surrender license in lieu of further disciplinary action. Requesting closure.
- 10) **C12-065 – (Cert #7610)** – Alleged unprofessional conduct. No violation of Accountancy Law or Board Rules found. Requesting closure with no finding.
- 11) **C12-066 – (Cert #2LP)** – Licensee involved in lawsuit involving allegations of failure to follow professional standards. Complaint was settled out of court. Close with no further action.

- 12) **C12-067 – (Cert#1LP)** – Licensee involved in lawsuit involving allegations of failure to follow professional standards. Complaint was settled out of court. Close with no further action.

Motion made and seconded to close C10-016, C11-003, C11-005, C12-017, C12-022, C12-023, C12-053, C12-058, C12-059, C12-065, C12-066 and C12-067. The motion passed.

### **CONSENT ORDERS**

- 1) **C11-086 (Cert # 1556R) - Consent Order**

Licensee received substandard 2011 Quality Review. Licensee has entered into Consent Order and agreed to no longer perform attestation and compilation services. Requesting closure by Consent Order.

Motion made and seconded to close C11-086 by Consent Order. The motion passed.

- 2) **C12-015 (Cert # 7011) - Consent Order**

Applicant's CPA certificate became void January 1, 2010 for failure to renew. Applicant has requested inactive status pursuant to A.C.A. § 17-12-301. Applicant has agreed to a consent order, completed background check and paid 2007-2009, 2012 inactive fees and applicable late fees totaling \$580.00. Requesting closure by Consent Order.

Motion made and seconded to close C12-015 by Consent Order. The motion passed.

- 3) **C12-016 (Cert # 7483) - Consent Order**

Applicant's CPA certificate was voided by Board action August 2011 for failure to renew. Applicant requested inactive status pursuant to A.C.A. § 17-12-301. Applicant stated she was dealing with aftermath of flooding in Mississippi as reason for failure to respond. Applicant has agreed to a consent order, completed background check and paid 2011-2012 inactive fees and applicable late fees totaling \$190.00. Requesting closure by Consent Order.

Motion made and seconded to close C12-016 by Consent Order. The motion passed.

- 4) **C12-055 (Cert # 4421) - Consent Order**

Licensee in his position as a volunteer was to handle the accounting and compliance needs of a nonprofit organization. Licensee failed to file the organizations Form 990 returns for calendar years 2008-2010. Subsequently the organizations tax exempt status was revoked in February 2012. Licensee has signed a consent order and paid \$500.00 penalty. Requesting closure by Consent Order.

Motion made and seconded to close C12-055 by Consent Order. The motion passed.

### **III. Requesting permission to issue Notice of Hearing for complaint:**

C12-061 – Failure to follow Professional Standards

Motion made and seconded to issue Notice of Hearing for C12-061. The motion passed.

## **NEW BUSINESS**

### Experience Request

Kevin White – Mr. White submitted a request to have his experience requirement extended to include the years 2007 – 2008. Mr. White explained he was out of the country during 2010 - 2012 due to his service in the Peace Corp. A motion was made and seconded to include the experience Mr. White received in 2007 and 2008 to meet his experience requirement. The motion passed.

Nicholas Bertin – Mr. Bertin requested to have his experience verified by the Sherry Kopp with Engelkes & Felts Ltd. Ms. Kopp is the CPA who reviewed the financials he prepared for the company in which he is employed. A motion was made and seconded to accept the verification to meet the experience requirements. The motion passed.

Angela Hoover – Ms. Hoover submitted a request to have Jacob Wells of JPMS Cox, PLLC to verify her experience. Mr. Wells has audited the financial statements of the company where Ms. Hoover is employed. A motion was made and seconded to accept the verification to meet the experience requirements. The motion passed.

### CPE Waiver Request

Natalie Hall – Ms. Hall requested a CPE Waiver for the group study requirements for the 2013 license renewal. After review of the documentation submitted, a motion was made and seconded to approve the waiver request pending receipt of medical documentation. The motion passed.

### Adjourned and reconvened

Mr. Cogbill adjourned for lunch at 11:52 a.m. and reconvened at 12:25 pm.

## **OTHER BUSINESS**

### IT Report

A motion was made and seconded for the purchase of 10 Microsoft Office 2010 licenses and 5 QuickBooks 2010 licenses. The motion passed.

## **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 LICENSE

9022	Laura Allison Akin	9023	John Barrett Belew
9024	Nicholas G. Bertin	9025	Andrew Lee Graves
9026	Shannon Nicole Grise	9027	James Anthony Grotjohn
9028	Angela Marie Hoover	9029	Tyler D. Kennon
9030	Sidney Alise Stewart	9031	Kevin William White
9032R	Mark Robert Draughon		

•”R” DENOTES A RECIPROCAL LICENSE

NEW FIRM LICENSES

845C Pearson Accounting Inc.                      81LP Dana F. Cole & Company, LLP  
177LC Plante & Moran, PLLC

INDIVIDUAL AND ENTITY SURRENDERS

4147 Thomas B. Yancey                      63LC Dixon Hughes PLLC  
66LC Mark S. Pearson, CPA, LLC

NAME CHANGE

8760 Danial Morris Marino                      778C Ken W. Kibler, CPA PA  
349C McFall, Ltd.                              39LC Taylor, Rodgers, Turner, Manning PLLC

DECEASED

4272 Thomas G. Morris, Jr.

**ADJOURNMENT**

A motion was made and seconded to adjourn. The motion passed. The meeting adjourned at 1:20 p.m.