A regular meeting of the Arkansas State Board of Public Accountancy was held remotely with Deana Infield; President, presiding. Other members of the Board in attendance were Richard Bell, Denton Woods, Christina Ellis, Ron Pitts, Kevin Canfield, and Shane Warrick. Members of the staff in attendance were Jimmy Corley; Executive Director, Dale Edge; Investigator, Tim Montgomery; Investigator, and Kathrine Stone; Licensing Coordinator. Also in attendance were Sara Farris; Legal Counsel, Brian Thompson of the Arkansas Society of Accountants, John Johnson; NASBA Legislative Affairs Director, and James Cox of the AICPA.

**CALL TO ORDER**

Ms. Infield officially called the meeting to order at 9:04 a.m. A quorum was found to be present.

**APPROVAL OF MINUTES**

A motion was made and seconded to approve the minutes of the November 19, 2021 Board meeting. The motion passed unanimously.

**TREASURER’S REPORT**

A motion was made and seconded to approve the November 2021 Treasurer’s Report, as presented. The motion passed unanimously.

**COMMITTEE REPORTS**

The Compliance Committee has met once since November.

**Thirteen (13) New Complaints:**

- External complaint alleging failure to file a tax return.
- External complaint alleging CPA acting an attorney.
- Two void licensees requesting to reinstate.
- Three licensees with Peer Review issues.
Six licensees who answered yes regarding disciplinary action on 2022 renewal.

Requesting closure of eleven (11) complaints; six (6) by Consent Order

1. **C21-011 – (8575)** – Inactive CPA working for a CPA firm. Licensee has now upgraded to license to practice. After further review it appears licensee applied for upgrade timely. The Compliance Committee recommends a finding of no violation and closure.

2. **C21-113 – (Cert. #2258)** – Licensee submitted latest peer review (issued 2017) with 2021 Practice Review response. Peer Review received a rating of fail. Licensee’s 2020 Peer Review has now been issued and received a rating of Pass. Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure with no further action.

3. **C21-114 – (Cert. #6945)** – Licensee’s 2020 Peer Review received a rating of fail. AICPA Peer Review Committee required licensee to be subject to pre-issuance review. Licensee has now been released from pre-issuance review. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure with no further action.

4. **C21-119 – (Cert. #396C)** – Licensee firm’s Peer Review was due in 2020. Peer Review is still incomplete. CPA firm owner is now deceased. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure with no further action.

5. **C21-120 – (Cert. #2037)** – External complaint regarding licensee’s efforts with regard to a sales tax audit also alleged that licensee failed to file client’s tax return. Licensee has since surrendered CPA certificate in lieu of further Board action. 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 as to items 1 through 5, listed above. The motion passed.

**CONSENT ORDERS**

1. **C21-024 - Consent Order (Firm Cert. #352P)** – Licensee firm performed attest work without being enrolled in Peer Review. Licensee has now enrolled in Peer Review. Licensee has signed a consent order assessing a $1,000.00 penalty and requiring completion of its Peer Review by November 30, 2021. Requesting closure by Consent Order, contingent upon receipt of money.

A motion was made and seconded to accept the Compliance Committee’s recommended finding and proposed resolution as to C21-024. The motion passed
2. **C21-027 - Consent Order (Firm Cert. #522C)** – Licensee firm performed attest work without being enrolled in Peer Review. Licensee has now enrolled in Peer Review. Licensee has signed a consent order assessing a $1,000.00 penalty and requiring completion of its Peer Review by November 30, 2021. Requesting closure by Consent Order, contingent upon receipt of money.

A motion was made and seconded to accept the Compliance Committee’s recommended finding and proposed resolution as to C21-027. The motion passed.

3. **C21-078 - Consent Order (Cert. #7526)** – Licensee performed attest work without being enrolled in Peer Review. Licensee also failed to disclose issued reports on the 2015 Practice Review survey. Licensee has signed a consent order, paid a $2,000.00 penalty, agreed to enroll in a Peer Review program by January 31, 2022, obtain an acceptable Peer Review by December 31, 2022, and obtain 16 hours of additional CPE in the subject areas of attestation and compilations. Requesting closure by Consent Order.

A motion was made and seconded to accept the Compliance Committee’s recommended finding and proposed resolution as to C21-078. The motion passed.

4. **C21-094 - Consent Order (Cert. #7661/Firm Cert. #760C)** – Licensee Firm’s 2018 Peer Review received a rating of Pass. Licensee Firm’s subsequent Peer Review was due in 2021. Licensee Firm has now requested to withdraw from Peer Review. Licensee and Licensee Firm have signed a consent order agreeing to cease performing attest work. If Licensee and/or Licensee Firm wish to commence attest work in the future, they must enroll in Peer Review, submit reports for pre-issuance review, and obtain an acceptable System Peer Review before consideration will be given to lifting the Pre-Issuance requirement. Requesting closure by Consent Order.

A motion was made and seconded to accept the Compliance Committee’s recommended finding and proposed resolution as to C21-094. The motion passed.

5. **C21-118 - Consent Order (Cert. # 1925/Firm Cert. #479C)** – Licensee Firm’s 2020 Peer Review received a rating of Fail. Licensee Firm has now requested to withdraw from Peer Review. Licensee and Licensee Firm have signed a consent order agreeing to cease performing attest work. If Licensee and/or Licensee Firm wish to commence attest work in the future, they must enroll in Peer Review, submit reports for pre-issuance review, and obtain an acceptable System Peer Review before consideration will be given to lifting the Pre-Issuance requirement. Requesting closure by Consent Order.

A motion was made and seconded to accept the Compliance Committee’s recommended finding and proposed resolution as to C21-022. The motion passed.
6. **C21-129- Consent Order (Cert. #4946)** – Applicant’s certificate became void January 1, 2009. Applicant has requested to reinstate to a license to practice. Applicant has completed 122 hours of CPE: 49.5 hours A&A, 4 hours of Ethics, 30 hours of Tax and 38.50 hours of Other. The study type consists of 71 hours of group and 51 hours self-study. Applicant has two years of experience. Applicant has signed consent order and paid 2022 licensure year fee of $110.00, prior year fees of $165.00 (for 2006, 2007 and 2008), and late fees of $360.00 (for 36 months). Requesting closure by Consent Order contingent on receipt of acceptable background check and monies.

A motion was made and seconded to accept the Compliance Committee’s recommended finding and proposed resolution as to C21-022. The motion passed

**RULE CHANGES**

**Proposed Rule Changes:** A status update on proposed rule changes was given. A legal ad will be posted in the newspaper regarding proposed rule changes. Additionally, a section on the ASBPA website will detail the proposed rule changes. From January 7th through February 11th, the Board will accept comments on the proposed changes from CPAs, and other interested parties. If approved by the Legislative Rules Committee in March, then the proposed rule changes will go into effect in April.

**NEW BUSINESS**

**Expense Reimbursement Authorization:** The Board held a vote for board member expense reimbursement for the year of 2022 per ACA 25-16-902. The Vote passed unanimously.

**Single Resident Manager for multiple locations:** The issue of having multiple branch locations under a single Resident Manager was discussed. The Board will continue to gather information from other states’ Boards before making a decision on whether modify our laws or rules.

**Medical Exemption CPE extension requests:**

1. A licensee is requesting an extension of CPE due to caring for a family member who underwent hip replacement surgery. A motion was made and seconded to grant a one-month extension. The motion passed.

2. A licensee who underwent an Aortic Valve replacement surgery in October and experienced complications resulting in a necessary secondary procedure is requesting a Medical Exemption and extension on CPE requirements. A motion was made and seconded to grant a 3-month extension. The motion passed. The Board will require more information to grant further exemption.
3. A licensee diagnosed with cancer requested a CPE waiver for 2021. A motion was made and seconded to grant the request to allow a 32-hour waiver. The motion passed.

4. An examinee who contracted COVID-19 requested an extension of exam scores through 12/31/2022. Deana recused herself from discussion on this case. A motion to grant an extension was granted through 8/31/2022 was made and seconded. The motion passed.

Fictitious Name Request: “Hack Your Tax LLC” was determined to be misleading and therefore unacceptable. A motion was made and seconded to deny the use of the fictitious name. The motion passed.

**ADJOURNMENT**

A motion was made and seconded to adjourn. The motion passed. The meeting adjourned at 11:15 am.