

ASBPA Update



NEW ETHICS COURSE AVAILABLE ONLINE

Beginning this year, one of the four ethics hours that is required to be taken every three years must be from a course about Board statutes and rules. Everyone renewing their license for 2016 will need to take such a course approved by the Board during 2015. One option is to take a self-study course via the Board's website (<http://www.arkansas.gov/asbpa/ASBPAEthicsClass.html>). This course is free for all Arkansas active license holders. To take the course you will need to register by entering your License #, first and last name, and date of birth. Anyone who has problems registering for the course should contact the Board to make sure the information you are entering matches what we have on file.

Before taking this course, please review the following instructions:

- Each module must be completed before the quiz can be completed. Click on the module and then click the "play" button in the bottom left hand corner. Read the slides and allow the slide deck to play until you see a green check mark in the bottom right hand corner. You can skip ahead and go backwards in the module, but the module will not be considered complete until the green check mark appears.
- Once you have completed all of the modules, you will see a "take exam" button at the bottom of your last completed module, or on the overview screen within your last completed module.



- To pass the exam, you will need to answer 22 of 30 questions correctly. Once you pass the exam, please print or save the certificate of completion.

If you still have problems with the course after reviewing these instructions, please use the online help feature before contacting the Board. There is a "live help" button in the top right corner of the screen. If your inquiry is made between the hours of 7:00 a.m. and 7:00 p.m., immediate help via live chat is available by clicking on the "chat with us" button at the bottom of the window. After hours requests can be emailed to the course provider.

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BOARD UPDATE

BOARD WELCOMES MARK OHRENBERGER

The Board welcomes Mark Ohrenberger as our part time legal counsel. Mark served the Board in the past as our legal liaison from the Attorney General's office. Prior to joining the Attorney General's office, Mark worked in Little Rock for the Wright, Lindsey and Jennings firm. Mark lives in North Little Rock with his wife Natalie and son Garrett.



MARK OHRENBERGER

2015 BOARD MEETING SCHEDULE

June 5
August 14
September 18
November 20

Meetings of the Board are open to the public, except under state law some portions may be closed to the public.



ASBPA OFFICE CLOSED

In accordance with the holiday schedule adopted by the State of Arkansas, the Board office will be closed on the following dates:

May 25th – Memorial Day
July 3rd – Independence Day
September 7th – Labor Day

A MEMBER OF
NASBA

CONDOLENCES FROM THE BOARD



Former Board member Bill Millager passed away on March 19, 2015 at the age of 83. Mr. Millager served as a public member of the Arkansas State Board of Public Accountancy from 2008 through 2014. The Board would like to express its deepest sympathy to his friends and family.

THE BOARD THANKS SHEILA MAGLOTHIN

The Board would like to thank Sheila Maglothin for her five years of service to the Board and wish her the best in her retirement. Sheila has worked as our Credentialing Coordinator since March 2010.



SWEARING IN CEREMONY JUNE 6TH



On Saturday, June 6th, we will hold our annual swearing in ceremony for new CPAs at the Capitol Rotunda. The ceremony will begin at 10:00 am.

Invitations will go out in early May to those individuals who have passed the CPA exam and become licensed since our 2014 ceremony. Please let us know how many guests you plan to bring so that we can be sure to have enough chairs for everyone.



CPA EXAM PERFORMANCE

Arkansas

CPA Exam Performance Summary: 2015 Q-1

	SECTIONS	SCORE	% PASS
FIRST TIME	116	68.4	39.7%
RE-EXAM	106	71.1	41.5%
AUD	70	70.5	41.4%
BEC	45	69.9	37.8%
FAR	53	67.3	35.9%
REG	54	70.6	46.3%

CPA Exam Performance Summary: 2014 Total

	SECTIONS	SCORE	% PASS
FIRST TIME	643	69.4	46.8%
RE-EXAM	516	69.4	38.8%
AUD	294	69.8	49.8%
BEC	278	70.2	45.7%
FAR	281	68.5	43.8%
REG	306	69.2	43.8%

CPA Exam Performance Summary: 2013 Total

	SECTIONS	SCORE	% PASS
FIRST TIME	549	70.0	44.6%
RE-EXAM	572	70.7	43.2%
AUD	293	71.9	45.1%
BEC	274	71.8	46.7%
FAR	276	68.8	43.8%
REG	278	68.9	39.9%

Quality Review Surveys On the Way Soon!

During the month of June, the Board staff will be sending out survey forms for the 2015 Quality Review program. Every licensee (except retired CPAs) are surveyed once every three years.

Licenses who have not issued any reports since their last QR survey can respond quickly and easily – just go to our website and enter “no reports” (there will be a link on the home page).

Those who have issued reports will need to print the appropriate forms from our website and mail the forms in along with the actual reports to be reviewed. These forms can also be found on the home page of our website, www.arkansas.gov/asbpa.

Please take the time to respond to the survey. Fines may be assessed to those who miss the deadline. If you have changed addresses recently, please update your information via the following link:

https://www.ark.org/asbpa_olr/app/loginaddr.html

CPA EXAM - SUCCESSFUL CANDIDATES

JANUARY - FEBRUARY 2015

Ruth Chelagat	Little Rock, AR	Amy Houston	Conway, AR	Alyssa Pipho	Little Rock, AR
Taylor Crow	Little Rock, AR	Callie Hoyt	Little Rock, AR	Mary Pritchard	Texarkana, AR
Levi Daniels	Little Rock, AR	John Jordan	Centerton, AR	Justin Smith	De Queen, AR
Clark Dillard	Wynne, AR	Peter Long	Oden, AR	Allen Stanley	North Little Rock, AR
Kathryn Gandy	Fayetteville, AR	Christopher Mayland	Maumelle, AR	Samuel Taylor	Fayetteville, AR
Ryan Gattin	Little Rock, AR	Bonita Norwood	Little Rock, AR	Elizabeth Vinsant	Van Buren, AR
Morgan Headley	Austin, AR	Christine Overton	Hot Springs, AR	Julie Wilson	Fayetteville, AR
Micahel Hoskyn	Little Rock, AR	Kimberly Pierson	Rogers, AR		

NEW FIRMS

The following firms were approved for licensure in the first quarter of 2015:

Coy Firm, PLLC	Paragould, AR
Montgomery Coscia Greulich LLP	Austin, TX
NT Tuttle, CPA	Houston, TX
BrightLine & Associates CPAs Inc	Tampa, FL
David A. Winkler, CPA, INC.	Forest City, AR

RETIRED CPAS

The following licensees were approved for retired status in the first quarter of 2015. There is no age minimum for retired status, but licensees must sign an affidavit indicating that they are no longer working in any position / capacity.

Rose Mary Akins	Fort Smith, AR	Grace Hobbs	North Little Rock, AR
Thomas Baltz	Hot Springs, AR	James Ingram	Little Rock, AR
James C. Bourne, Jr.	Sherwood, AR	Ardis Lawrence	Russellville, AR
Charles Cagle	Chidester, AR	John Stephen Muiers	Conway, AR
William Carter	Little Rock, AR	Sherman Owens	Mt. Vernon, AR
Larry Cooper	Whitsett, NC	William Rankin	Houston, TX
Donald Denton	Fayetteville, AR	Raul Saenz	Clanton, AL
Kenneth Hankins	Kent, OH	Joe L. Saia, Jr.	Sheridan, AR
Nena Hankins	Kent, OH	Wilma Woodard	Plumerville, AR

BOARD DISCIPLINARY ACTIONS

The following cases were closed at the January 9, 2015 board meeting:

1. C09-065 – A firm notified the Board about its involvement in a civil litigation case. After investigation it was determined that no violation of the Board's laws or rules had occurred.
2. C12-078 – An inactive CPA prepared tax returns. After a Board hearing found the licensee in violation of Arkansas Accountancy law, the licensee surrendered his license in lieu of disciplinary action.
3. C13-147 – A licensee failed to respond timely to the 2013 CPE audit. The licensee has signed a compliance statement, paid \$500 penalty and requested inactive status for 2015.
4. C14-027 – A licensee was found operating an unlicensed firm. The licensee has ceased holding out, signed a compliance statement, and paid a \$250 penalty.
5. C14-077 – A licensee had a 2013 substandard QR classification. Rather than take the required 16 hours of additional CPE, the licensee has agreed not to issue reports and has taken retired status.
6. C14-127 – An inactive CPA obtained a PTIN and prepared tax returns. The licensee has signed a Compliance Statement, paid a \$250 penalty and agreed to cease offering tax services while on inactive status.
7. C14-130 – An inactive CPA obtained a PTIN and prepared tax returns. The licensee has signed a Compliance Statement, paid a \$250 penalty and agreed to cease offering tax services while on inactive status.
8. C14-144 – An inactive CPA obtained PTIN and prepared tax returns. The licensee has signed a Compliance Statement, paid a \$250 penalty and agreed to cease offering tax services while on inactive status.
9. C14-146 – An inactive CPA obtained a PTIN and prepared tax returns. The licensee has surrendered their CPA certificate.
10. C14-148 – A licensee had an unregistered firm holding out as an accounting firm in AR. The firm has been incorporated since 1993. The licensee has agreed to license the firm and paid a penalty of \$1,390.
11. C14-155 – A firm responded 'No Reports' on its 2014 QR Survey. After contact was made, the licensee has revised the response and submitted an acceptable peer review report.
12. C14-159 – A licensee held out under an unregistered firm. The licensee has made requested name changes and the case was closed.
13. C14-161- An unregistered out of state firm was holding out. The firm has ceased to practice in AR and the case was closed.
14. C14-165- A licensee failed to respond timely to the 2014 QR survey. The licensee has signed a Compliance Statement, paid a \$100 penalty and agreed to respond timely to future Board requests.
15. C14-169 – The Board received an external complaint regarding holding of client records. The complainant has received the requested information and the case was closed.
16. C14-176 – A licensee had an unregistered firm holding out as an accounting firm in Arkansas. The firm has been incorporated since 2007. The licensee has agreed to license the firm and paid a penalty of \$770.
17. C12-007 – A licensee received a second substandard classification for a compilations during the 2014 Quality Review. The licensee has entered into a consent order agreeing to no longer issue audit or compilations reports.
18. C13-032 - A licensee violated a pre-issuance review agreement in 2011 and 2012. The pre-issuance Reviewer has recommended the licensee's release from pre-issuance review. Licensee has signed a consent order and paid a \$3,000 penalty.
19. C13-132 - A licensee received a substandard classification for 2013 Quality Review. The licensee has entered into a consent order agreeing to no longer perform audits and to go under pre-issuance for review for all other types of attestation reports.
20. C14-079 - An external complaint was received alleging a licensee failed to comply with applicable professional standards in the performance of services involving a tax practice. The licensee signed a consent order and paid a \$4,000 penalty.
21. C14-168 - A reinstatement applicant's license became void in 2006 for failure to renew. The applicant requested re-licensure to license to practice pursuant to A.C.A. § 17-12-301. The applicant has completed the required CPE, signed a consent order, completed a background check and agreed to pay prior year fees, late fees for 2002-2006, and 2015 license to practice fee totaling \$675.
22. C14-170 - A reinstatement applicant's license was revoked in 1999 for failure to renew. The applicant requested reinstatement to license to practice pursuant to A.C.A. § 17-12-604. The applicant has completed the required CPE, signed a consent order, completed a background check, and agreed to pay prior year fees and 2015 license to practice fee totaling \$250.

INACTIVE STATUS

The following licensees were approved for inactive status in the first quarter of 2015:

Adele Atha	Fayetteville, AR	Matthew Hegi	Lowell, AR	Jeffrey Neisler	Rogers, AR
Douglas Ball	Phoenix, AZ	Zachary Hemmer	Santa Rosa, CA	Lona Skelton Noonan	Holiday Island, AR
Kelly Barnes	Dallas, TX	Terry Hill	Heath, TX	Bonita Raley	Lead Hill, AR
Otis Blackwood	North Richland Hills, TX	Dwight Hulse	Gainesville, FL	Leveta Ray	Bryant, AR
Jennifer Bryant	Nashville, TN	Vanessa Johnson	Katy, TX	Julie Risinger	Winderemere, FL
Theresa Clark	Conway, AR	Neil Kappler	Little Rock, AR	Yang Sang	Fort Lee, NJ
Brenda Daniel	Fordyce, AR	Mitzi Kimbrough	Fort Smith, AR	Robert Theodore	Greer, SC
Colin Dean	Arvada, CO	Deborah Krusekopf	College Station, TX	Judith Vale	Rogers, AR
Chad Dickinson	Fayetteville, AR	James Lee	Sherwood, AR	Julia Vandiver	Batesville, AR
David Ferguson	Fayetteville, AR	Jerold Lee	Little Rock, AR	David Waddle	Texarkana, TX
Bonnie Fish	El Dorado, AR	Ellen Lester	Memphis, TN	Benny Watkins	Memphis, TN
Shana French	Jonesboro, AR	Robert Madsen	South Jordan, UT	Michael Watson	Columbia, MO
Mitchell Frey	Jonesboro, AR	Laura McClanahan	Little Rock, AR	Christina Whately	Hot Springs, AR
James Grotjohn	North Little Rock, AR	Daniel McCormick	Fayetteville, AR	William Wheeler	Freemont, IA
Nancy Halbrook	Jonesboro, AR	Cory Miser	Olathe, KS	Brandon Wright	Austin, TX

LAPSED LICENSES

Individuals or firms that did not renew their CPA / PA license for 2015 are now lapsed and should not be practicing public accounting or holding out as an Arkansas CPA or PA. See below for a list of firms and individuals whose license has lapsed as of April 1, 2015:

FIRMS

HUBERT REED CPA PLLC

SHERWOOD, AR

CAMBRIDGE ACCOUNTING SERVICES, LLC

FORT SMITH, AR

RICE & WELCH, PLC

FORT SMITH, AR

GUARDIAN ACCOUNTING & FINANCIAL

SOLUTIONS LLC

LOWELL, AR

DON J. HELMS CPA P.A.

RUSSELLVILLE, AR

RAMONA G. STEIN, CPA, P.A.

LOWELL, AR

JAMES H. EVANS, CPA INC

RUSSELLVILLE, AR

BRUNBERG BLATT AND COMPANY, INC.

ST. LOUIS PARK, MN

INDIVIDUALS

KAREN BRADFORD

SHERWOOD, AR

JOHN CLAYTON

MIDLOTHIAN, VA

WENDY COCKERHAM

HOPE, ID

KAREN COOPER

SOUTHAVEN, MS

JOE EDWARDS

LITTLE ROCK, AR

TRENT FULMER

CONWAY, AR

JANET GARRETT

LITTLE ROCK, AR

CINDY GEORGE

BERRYVILLE, AR

REGINA GILFILLAN

ROCKLIN, CA

BELINDA GRIGSBY

LITTLE ROCK, AR

KEITH HILTON

FLOWER MOUND, TX

JOHN HORNER

HOT SPRINGS, AR

ELLEN JOHNSON

LITTLE ROCK, AR

MELISSA MATTHEWS

HALLSVILLE, TX

JOHN MCCULLOUGH

SILOAM SPRINGS, AR

RONALD MCMASTER

FAYETTEVILLE, AR

HUGH MOBLEY

HOUSTON, TX

KIM MOSS

BARTLETT, TN

CHAD NECESSARY

NORTH LITTLE ROCK, AR

BEN RAGSDALE

KINGWOOD, TX

LOUIS RAPTOPOULOS

ST. CHARLES, MO

A. ROBERTSON

SHREVEPORT, LA

CHARLES ROSS

LOUISVILLE, KY

JERRY SHELTON

HOT SPRINGS, AR

BRIAN SHORES

FAYETTEVILLE, AR

STEVE SIMS

HOUSTON, TX

LAWRENCE SIVIA

LITTLE ROCK, AR

RAMONA STEIN

LOWELL, AR

JOHN SWILLING

HOUSTON, TX

DEAN VOHS

SILOAM SPRINGS, AR

DAVID WARDEN

LITTLE ROCK, AR

GARY WELLS

SPRINGFIELD, MO

ROBERT WHELAN

POPLAR BLUFF, MO

ELLIS WRIGHT

MESQUITE, TX

BUSINESS CASE FOR DIVERSITY

Bringing more minority group members into the CPA ranks has been a goal of the AICPA since 1969, but it is now clear that this goal has a strong business case based on demographics, the business imperative and human capital, Ralph A. Thomas, CEO of the New Jersey Society of CPAs, explained to the NASBA Executive Directors Conference. While good representation of both genders has been achieved in the profession, diversity in color has not happened. Mr. Thomas pointed out that the buying power of minority groups is growing faster than the buying power of Caucasians, and firms are being challenged to diversify their staffs, particularly if they do government work.

Mr. Thomas observed that the needle has moved slowly on increasing diversity, with minority group members only representing 2.5 percent of the profession. To increase diversity in the profession, the AICPA established its National Commission on Diversity and Inclusion (NCDI) that has released the "Recruitment and Retention Toolkit: A Journey Toward A More Inclusive Workforce," a guide for CPA firms and companies. In addition, they are producing a monthly newsletter *Inclusion Solutions*, which is free of charge to everyone. The NCDI has established a "Pipeline Project" to increase the number of underrepresented minorities entering the accounting profession.

NASBA has set as one of its objectives to: "Increase diversity of NASBA's leadership and volunteer base," Ed Barnicott, NASBA Vice President – Strategic Planning and Program Management, told the Conference. He reported NASBA's Diversity Committee, chaired by Tyrone E. Dickerson (VA), is preparing letters to be sent to the State Governors encouraging them to mix skills and ethnic and gender diversity when making their appointments to the State Accountancy Boards. The letters will first be sent to the Boards' executive directors to ensure they will not be problematic in their states. Mr. Barnicott called on the executive directors to: Educate their CPAs on the benefits of State Board service; Advocate for diversity and inclusion on the State Board to bring different thinking into the Boards' deliberations; Encourage Board members to serve on NASBA committees. He urged the executive directors to become engaged in this effort.

IN THE NEWS

EDUCATION PATHWAYS PROGRESSING

"There is a need to bring accounting practice and accounting education better together," said William F. Ezzell, Co-Chair of the American Accounting Association/AICPA Pathways Commission. A huge shortage of accounting faculty exists, he noted, and transitioning retired CPAs into the academic community has been one of the projects the Commission's task forces have undertaken. Recent steps the Commission has completed include:

- Compiled best practices from professionally-oriented faculty surveys;
- Developed professionally-oriented faculty integration principles; Encouraged periodicals, including the *Journal of Accountancy*, to publish more practice-oriented research summaries;
- Developed and planned faculty "boot camps" process for three sections of the AAA; Listed activities provided to academics;
- Explored opportunities for externships/internships.

Mr. Ezzell said the AAA is setting up a Center for Excellence in Accounting Education and will be giving awards focusing on the elements of teaching. The Commission is also exploring requiring alternative terminal degrees, rather than the Ph.D., to provide additional faculty.

An advanced placement accounting course for high school students has been developed and awaits approval by the College Board. Over 450 schools want to offer the course, Mr. Ezzell reported. The goal is to improve accounting's ability to attract high-potential, diverse entrants into the profession. Five schools in Kentucky have already shown the program works.

A straw man educational model for the common body of knowledge for someone who graduates from accounting has been developed. The employers of accounting graduates have indicated the need for graduates to have foundational/soft skills because their staff can obtain the content needed, but have to be able to apply professional judgment.

"We have to scramble to find data" on how many are taking accounting, how many are teaching accounting, etc., in order to put together a platform so that everyone gets included in the classroom what they need to influence future generations. "Saying there is only one curriculum will not work," Mr. Ezzell stated.

Information about the Pathways Commission can be found at pathwayscommission.org.

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State Board of Accountancy Board Members



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 Term: 2011 – 2016



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 Term: 2012 – 2017



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Little Rock, AR 72201

Moving? Please Notify the Board Office of Your New Address

The rules and regulations require all licensees to notify the ASBPA of all such changes by sending a change of address form to the office. Please include a street address to facilitate any express mail deliveries. Click [here](#) to change your address, or complete the form below:



Name: _____

Employer: _____ License#: _____

Old Address: _____ New Address: _____

Phone: _____ Email: _____

Signature: _____ Date: _____

Please Mail to: Arkansas State Board of Public Accountancy
101 East Capitol, Suite 450, Little Rock, AR 72201