

Richard Bell CPA, JD, President  
Shane Warrick CPA, PhD, Secretary  
Christina Ellis CPA, Treasurer



Deana Infield CPA  
Denny Woods JD  
Ron Pitts CPA - Inactive

Jimmy Corley CPA  
Executive Director

## **Board Meeting Minutes**

**November 18, 2022**

A regular meeting of the Arkansas State Board of Public Accountancy was held with Richard Bell; President, presiding. Other members of the Board in attendance were Christina Ellis, Denton Woods, Deana Infield, Ron Pitts, 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, Julie Chavis with the Attorney General's office, and Brian Thompson of the Arkansas Society of Accountants.

### **CALL TO ORDER**

Mr. Bell officially called the meeting to order at 11:03 a.m. A quorum was found to be present.

### **APPROVAL OF MINUTES**

A motion was made and seconded to approve the minutes of the September 2022 Board meeting. The motion passed unanimously.

### **TREASURER'S REPORT**

A motion was made and seconded to approve the September 2022 Treasurer's Reports, as presented. The motion passed unanimously.

### **COMMITTEE REPORTS**

The Compliance Committee has met once since the September Board meeting.

#### **Twenty-eight (28) New Complaints:**

Retired licensee still listed on firm website.  
Non-licensee holding out as CPA.  
Licensee with Peer Review issues.

Licensee accused of conversion of funds.

Licensee offering services for a contingent fee.

Two licensees requesting withdrawal from Practice Review.

Three licensees who have been sanctioned/disciplined by a federal/state agency that regulates public accounting.

Six licensees with CPE Audit issues.

Twelve licensees who failed to respond to the Practice Review Survey.

### **Requesting closure of Eight (8) complaint; one by consent order.**

1. **C22-071 – (Cert. #6252R)** – Licensee failed to respond to the 2021 Practice Review. Discovered that licensee completed their on-line Practice Review before certified letter was delivered. Licensee responded, “no reports.” The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure with no further action.

### ***Complaints 2 and 3 – Non-licensees holding out as a CPA.***

2. **C22-054 – (Non-Licensee)** – A person with an expired out-of-state CPA certificate used the CPA designation on their LinkedIn website account and was referenced as a CPA in a magazine article. Person has now made corrections to their LinkedIn account. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure with no further action.
3. **C22-065 – (Non-Licensee)** – Out-of-state licensee using CPA and advertising firm located in AR. Person has agreed to cease the use of CPA title until reciprocal license is obtained. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure with no further action.

### ***Complaints 4 and 5 –Licensees with Peer Review issues.***

4. **C22-080 – (Cert. #1347)** – Licensee’s original Peer Review due date was September 2021. Licensee has been granted three extensions and had requested a fourth. Licensee has now completed Peer Review and received a pass. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure with no further action.
5. **C22-082 – (Firm Cert. #110LC)** – Firm Peer Review due date was September 2022. Firm entered into merger agreement October 2022. Firm has requested to withdraw from Peer Review. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings, granting a waiver from firm’s next scheduled peer review, and closure with no further action.

### ***Complaints 6 and 7 –Licensees sanctioned by Federal or State Agency***

6. **C22-083 – (Firm Cert. #6LP)** – Licensee firm is self-reporting SEC sanctions. SEC sanctioned firm for audit failure related to accounting for bill and hold sales. The firm has said that no AR CPAs or firms were involved. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure with no further action.

7. **C22-086 – (Firm Cert. #108LP)** – Licensee firm sanctioned by OR Accountancy Bd for failure to renew 2020 license and issuing audits. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but 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 7 as listed above. The motion carried.

### CONSENT ORDERS

8. **C21-020- Consent Order (Cert. #380C)** – Respondent firm had a failed 2019 Peer Review. Respondent failed to timely respond to a 30-day certified letter from the Board regarding the failed Peer Review. Licensee has signed a consent order agreeing to pay a \$500 penalty, provide to the Board all future correspondence relating to Respondent's 2019 Peer Review, notify the Board when its 2019 Peer Review is accepted by the Peer Review Committee and provide to the Board a copy of the Peer Review Committee's acceptance/completion letter within 30 days of the 2019 Peer Review's acceptance date, and provide a timely response to all Board Correspondence for licensing years 2022 -2026. Respondent has paid \$500 penalty. Requesting closure by Consent Order.

A motion was made and seconded to accept the Compliance Committee's recommended findings and proposed resolution to C21-020. The motion carried.

## Requesting Permission to Issue 3 Notice of Hearings to the following Licensees

**C22-022 Webb, Smith & Hickey – Preparing tax returns for a contingent fee**

**C22-046 William Leonard – External tax complaint**

**C22-085 Allegations of conversion of funds**

A motion was made and seconded to approve the requests to issue a Notice of Hearing to the above. The Motion carried.

### CPE

CPE Courses incorrectly marked as AR Ethics: Due to some confusion regarding a number of Ethics CPE courses being incorrectly categorized as the required Arkansas Board Ethics credit, a motion was made to waive the penalty, but the licensees will still be required to sign a compliance statement and make up the missing CPE. The motion passed.

2023 Board Meeting Dates: The dates for the 2023 Board Meeting will be as follows:

Thursday, January 12, 2023

Friday, April 21, 2023

Friday, June 16, 2023

Friday, August 11, 2023  
Friday, September 22, 2023  
Friday, November 17, 2023

## **NEW BUSINESS**

CPE Courses taken through AACUBO: A licensee used courses taken through AACUBO (Arkansas Association of College and University Business Officers) for their CPE, but AACUBO is not a registered NASBA sponsor, nor is it Exempt. AACUBO does plan on registering with NASBA, but at the time they were unregistered. A motion was made and seconded to accept the courses taken by the licensee that Tim Montgomery determined to be Accounting related. The motion was seconded and carried.

Lost CPE Certificates: A licensee (Christine Larry) lost access to their CPE certificates due to a loss of access to the computer where they were stored as a result of changing employment. The licensee is requesting a waiver of 8 hours. A motion was made that, in the event that the licensee is unable to obtain the certificates, they would be fined a penalty of \$200 and must make up the missing CPE. The motion was seconded and carried.

CPE Waiver due to Deployment: A licensee (Michael Brooks) requested a 20-hour CPE waiver due to military deployment. A motion was made and seconded to accept the request. The motion passed.

## **ADJOURNMENT**

A motion was made and seconded to adjourn the November 18, 2022 Board Meeting. The motion passed. The meeting adjourned at 12:12 pm.