

ARKANSAS STATE BOARD OF PUBLIC ACCOUNTANCY

Gene Cogbill, CPA, President
Dr. Mike Moore, CPA, Secretary
Karen Garrett, CPA, Treasurer
Dale Coy, CPA



Wade Turner, CPA
Lloyd Franklin, CFE
W. R. "Bill" Millager, MBA

Jimmy Corley, CPA
Executive Director

**MINUTES DRAFT
BOARD MEETING
August 24, 2012**

The regular meeting of the Arkansas State Board of Public Accountancy (Board) was held in Suite 450 of the Main Street Mall on August 24, 2012 with Gene Cogbill, President, presiding. Other members of the Board in attendance were: Dale Coy, Karen Garrett, Lloyd Franklin, Mike Moore, Wade Turner and William "Bill" Millager. Members of the staff in attendance were: Jimmy Corley, Executive Director; Ann Jessup, Fiscal Officer/CPE Coordinator, Dale Edge, Investigator, and Joshua Jacobs, Investigator. Other attendees were: Barbara Angel, Arkansas Society of Certified Public Accountants, Mark Ohrenberger, Assistant Attorney General, John Peace, Mike Decker, AICPA and Kim Farace, Prometrics.

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 Mike Decker and Kim Farace for a presentation regarding the Uniform Certified Public Accountants Exam.

APPROVAL OF MINUTES

A motion was made and seconded to approve the minutes of the June 22, 2012 board meeting as presented. The motion carried.

A motion was made and seconded to approve the minutes of the July 21, 2012 board meeting as amended. The motion carried.

TREASURER'S REPORT

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

COMMITTEE REPORTS

Compliance

The Compliance Committee has met one time.

Six new complaints:

- Two complaints alleging conduct discreditable.
- One complaint regarding failure to file a tax return.
- One complaint regarding audit issues.

One complaint regarding failed 2011 CPE audit
One complaint regarding failure to respond to CPE audit and QR response.

I. Requesting closure of 27 complaints – 12 by Consent Order:

- 1) **C11-082 – (Cert # 5510R)** – 2011 Substandard QR. Licensee has completed 16 additional hours of CPE. Requesting closure, no further action.
- 2) **C12-002 – (Cert # 8189R)** – 2011 Substandard QR. Licensee has completed 16 additional hours of CPE. Requesting closure, no further action.
- 3) **C12-003 – (Cert #1695)** – 2011 Substandard QR. Licensee surrendered license in April 2012. Requesting closure, no further action.
- 4) **C12-004 – (Cert #7102)** – 2011 Substandard QR. Licensee has completed 16 additional hours of CPE. Requesting closure, no further action.
- 5) **C12-025 – (Cert #1635)** – Resolved via hearing H12-002. Licensee's CPA certificate was revoked. Requesting closure.
- 6) **C12-028 – (Cert #625C)** – Resolved via hearing H12-005. Licensee's Firm registration was revoked. Requesting closure.
- 7) **C12-030 – (Cert #8197R)** – Resolved via hearing H12-007. Licensee's CPA certificate was revoked. Requesting closure.
- 8) **C12-034 – (Cert #3142)** – Resolved via hearing H12-012. Licensee's CPA certificate was revoked. Requesting closure.
- 9) **C12-035 – (Cert #3134R)** – Resolved via hearing H12-013. Licensee's CPA certificate was revoked. Requesting closure.
- 10) **C12-045 – (Cert #8682R)** – Resolved via hearing H12-023. Licensee's CPA certificate was revoked. Requesting closure.
- 11) **C12-047 – (Cert #4413)** – Resolved via hearing H12-025. Licensee's CPA certificate was revoked. Requesting closure.
- 12) **C12-049 – (Cert #6143)** – 2012 lapsed licensee requesting surrender returned CPA certificate. Requesting closure.
- 13) **C12-050 – (Cert #2232)** – Resolved via hearing H12-028 Licensee's CPA certificate was revoked. Requesting closure.
- 14) **C12-051 – (Cert #1229/215C)** – Resolved via hearing H12-029. Licensee's CPA certificate and Firm Registration were revoked. Requesting closure.
- 15) **C12-052 – (Cert #254P)** – Complaint regarding failure to return records. Licensee responded that records were returned. No follow response has been received from

complainant. Requesting closure with no further action.

A motion was made and seconded to close C11-082, C12-002, C12-003, C12-004, C12-025, C12-028, C12-030, C12-034, C12-035, C12-045, C12-047, C12-049, C12-050, C12-051 C12-052, per request. The motion passed.

CONSENT ORDERS

1) **C09-030 (Cert # 2582) - Consent Order**

Licensee failed to file personal tax return for years 2001-2005 and was sanctioned by IRS, A.C.A. §17-12-601(a) (4) and Board Code of Professional Conduct Rule 411 and 412. Licensee has agreed to consent order and paid \$5,000.00 penalty. Requesting closure by Consent Order.

A motion was made and seconded to close C09-030 by Consent Order. The motion passed.

2) **C12-001 (Cert # 7145) - Consent Order**

Applicant's CPA certificate became void January 1, 2009 for failure to renew. Applicant requesting License to Practice pursuant to A.C.A. § 17-12-301. Applicant pled guilty/ nolo contendere to 2 misdemeanors. Applicant has agreed to a consent order, completed 120 hours of CPE, background check and agreed to pay 2006-2008 inactive fees and 2012 LTP fee plus late fees totaling \$635.00. Requesting closure by Consent Order, contingent of receipt of fees.

A motion was made and seconded to close C12-001 by Consent Order, contingent of receipt of fees. The motion passed.

3) **C12-013(Cert # 1220) - Consent Order**

Applicant's CPA certificate became void August 6, 2006 for failure to renew. Applicant requesting inactive status pursuant to A.C.A. § 17-12-301. Applicant has agreed to a consent order, completed background check and paid 2005-2006, 2012 inactive fees and applicable late fees totaling \$365.00. Requesting closure by Consent Order.

A motion was made and seconded to close C12-013 by Consent Order. The motion passed.

4) **C12-024 (Cert # 5083) - Consent Order**

Lapsed Licensee failed to renew for 2012 and was notified by certified letter to reinstate or surrender license. Licensee did not respond to Board letter. Notice of Hearing was issued. Licensee has paid inactive licensing fees, \$500 penalty and agreed to respond timely next 3 years. Requesting closure by consent Order.

A motion was made and seconded to close C12-024 by Consent Order. The motion passed.

5) **C12-026 (Cert # 2889) - Consent Order**

Lapsed Licensee failed to renew for 2012, was notified by certified letter to reinstate or surrender license. Licensee did not respond to Board letter. Notice of Hearing was issued. Licensee has paid inactive licensing fees, \$500 penalty and agreed to respond timely next 3 years. Requesting closure by consent Order.

A motion was made and seconded to close C12-026 by Consent Order. The motion passed.

6) **C12-027 (Cert # 7342) - Consent Order**

Lapsed Licensee failed to renew for 2012 and was notified by certified letter to reinstate or surrender license. Licensee did not respond to Board letter. Notice of

Hearing was issued. Licensee has agreed to pay inactive licensing fees, \$500 penalty and agreed to respond timely next 3 years. Requesting closure by Consent Order, contingent of receipt of fees.

A motion was made and seconded to close C12-027 by Consent Order, contingent of receipt of fees. The motion passed.

7) **C12-031 (Cert # 4812) - Consent Order**

Lapsed Licensee failed to renew for 2012 and was notified by certified letter to reinstate or surrender license. Licensee did not respond to Board letter. Notice of Hearing was issued. Licensee has paid inactive licensing fees, \$500 penalty and agreed to respond timely next 3 years. Requesting closure by consent Order.

A motion was made and seconded to close C12-031 by Consent Order. The motion passed.

8) **C12-033(Cert # 1435) - Consent Order**

Lapsed Licensee failed to renew for 2012 and was notified by certified letter to reinstate or surrender license. Licensee did not respond to Board letter. Notice of Hearing was issued. Licensee has paid LTP licensing fees, \$500 penalty, provided documentation of completion of 121 hours CPE, and agreed to respond timely next 3 years. Requesting closure by consent Order.

A motion was made and seconded to close C12-033 by Consent Order. The motion passed.

9) **C12-038 (Cert # 4861) - Consent Order**

Lapsed Licensee failed to renew for 2012 and was notified by certified letter to reinstate or surrender license. Licensee did not respond to Board letter. Notice of Hearing was issued. Licensee has paid inactive licensing fees, \$500 penalty, and agreed to respond timely next 3 years. Requesting closure by consent Order.

A motion was made and seconded to close C12-038 by Consent Order. The motion passed.

10) **C12-042 (Cert # 5132) - Consent Order**

Lapsed Licensee failed to renew for 2012 and was notified by certified letter to reinstate or surrender license. Licensee did not respond to Board letter. Notice of Hearing was issued. Licensee has paid inactive licensing fees, \$500 penalty and agreed to respond timely next 3 years. Requesting closure by consent Order.

A motion was made and seconded to close C12-042 by Consent Order. The motion passed.

11) **C12-043 (Cert # 3616) - Consent Order**

Lapsed Licensee failed to renew for 2012 and was notified by certified letter to reinstate or surrender license. Licensee did not respond to Board letter. Notice of Hearing was issued. Licensee has paid inactive licensing fees, \$500 penalty and agreed to respond timely next 3 years. Requesting closure by consent Order.

A motion was made and seconded to close C12-043 by Consent Order. The motion passed.

12) **C12-054(Cert # 5778R) - Consent Order**

Applicant's surrendered CPA certificate as of 5/20/2011. Applicant is requesting 2012 LTP pursuant to A.C.A. § 17-12-301 and has completed 168 hours of CPE. Licensee has paid 2012 licensing fee and agreed to respond timely next 3 years. Requesting closure by Consent Order.

A motion was made and seconded to close C12-054 by Consent Order. The motion passed.

II. Requesting permission to issue Notice of Hearing for complaint:

C12-056 – Tax preparation issues

Motion made and seconded to issue Notice of Hearing for the above case. The motion passed.

NEW BUSINESS

Annual Report

A motion was made and seconded to approve the Annual Report as presented. The motion passed.

CPE Waiver Request

Carl S. Kincaid, III – Mr. Kincaid requested a CPE Waiver for the group study requirements for the 2013 license renewal. After review of the submitted medical documentation, a motion was made and seconded to approve the waiver request. The motion passed.

Jerry D. Ellis, Jr. – Mr. Ellis requested a CPE Waiver for the 2013 and 2014 renewals. Mr. Ellis submitted his military orders. A motion was made and seconded to grant a waiver of group CPE for the 2013 and 2014 renewals. The motion passed.

Experience Request

James Grotjohn – Mr. Grotjohn submitted an Experience Affidavit from a co-worker, verifying Mr. Grotjohn's experience. The Board directed the staff to accept Mr. Grotjohn's application upon receipt of documentation from his direct supervisor.

Exam Extension Request

Joseph K. Patrico – Mr. Patrico requested an extension of the Notice to Schedule (NTS) for the CPA Exam. After review of documentation, a motion was made and seconded to approve a one-month extension of the NTS. The motion passed.

Firm License Request

Audit Solutions, LLC – The firm Audit Solutions, LLC submitted a firm license application. The Board reviewed the documentation and a motion was made and seconded to deny the firm's name, Audit Solutions, LLC because the name violated the Board's Rule because the name was misleading. The motion passed.

Adjourned and reconvened

Mr. Cogbill adjourned for lunch at 12:00 p.m. and reconvened at 12:37 pm.

OTHER BUSINESS

Annual NASBA Meeting

The 2012 NASBA Annual Meeting will be held October 28 – 31, 2012 at Walt Disney World in Orlando, FL. A motion was made and seconded to approve the expenditure for the Board members and the Executive Director to attend. The motion passed.

Audit of the 2012 License Renewals

A motion was made and seconded to perform an audit of the 2012 License renewals using a sample of 10% of the active LTP population. 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

9000	Mark Randal Alder	9001	Kristi Michelle Anderson
9002	Kari Gaynell Eaton	9003	Ru Ann Elliott
9004	Steven C. Etchison	9005	Jaye Paul Gasaway
9006	Christopher William Martin James	9007	Derek Martin Keathley
9008	Kristy Klais Lamb	9009	Leslie M. Letsch
9010	Holly L. Longing	9011	Georgia Mcnabb
9012	Meredith Morgan Moser	9013	Drew Barrett Ritchey
9014	James Alan Rogers	9015	Benjamin David Russ
9016	Aaron Kyle Shaneyfelt	9017	Austin Blake Smith
9018R	Allison Blakeley Chaumont	9019R	Bradley Forsberg
9020R	Christina L. McClenning	9021R	David Andrew Winkler

•"R" DENOTES A RECIPROCAL LICENSE

NEW FIRM LICENSES

843C	Hinkle & Company, PC	844C	Vicky L. Ross, CPA, P.A.
176LC	Long CPA & Consulting, PLLC	6SP	Jack Moore, CPA

INDIVIDUAL AND ENTITY SURRENDERS

7766R	Sibyl Kingston Galbraith	6143	DIANE D. HARTSFIELD
717C	Lee Reams, C.P.A., P.A.	832C	Linda S. Woodruff, CPA, P.C.

NAME CHANGE

2072 Arlena Watson Kelley Jackson

REPLACEMENT CERTIFICATE

8322 Franklin J. Douglas

DECEASED

1668 Rex Alan Bouldin

8012 James Cleburne Youngblood

ADJOURNMENT

A motion was made and seconded to adjourn. The motion passed. The meeting adjourned at 1:45 p.m.