A regular meeting of the Arkansas State Board of Public Accountancy was held with Deana Infield; President, presiding. Other members of the Board in attendance were Richard Bell, Christina Ellis, 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, Marsha Moffitt and Gina Moran of the Arkansas Society of Accountants, Amy Waid, Court Reporter, and Jake Jones, Hearing Officer.

CALL TO ORDER

Ms. Infield officially called the meeting to order at 9:50 a.m. A quorum was found to be present.

PUBLIC HEARINGS

The Board moved immediately to Public Hearings concerning the following cases:

**Omnibus Hearing** – Respondents did not appear at hearing. Board found that Respondents failed to respond to a certified mailing from the Board and to renew their CPA certificates for 2022. Respondents' CPA certificates (or firm registration, as applicable) were revoked by Board order.

<table>
<thead>
<tr>
<th>Case</th>
<th>Name</th>
<th>License Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>H22-005</td>
<td>Darryl Spencer</td>
<td>4982R</td>
</tr>
<tr>
<td>H22-006</td>
<td>Marilyn Bradshaw</td>
<td>3951</td>
</tr>
<tr>
<td>H22-006</td>
<td>April Gage</td>
<td>6601</td>
</tr>
<tr>
<td>H22-011</td>
<td>Mary Phillips</td>
<td>9558</td>
</tr>
<tr>
<td>H22-013</td>
<td>Minseong Son</td>
<td>9768</td>
</tr>
</tbody>
</table>

Amy Waid and Jake Jones left at the close of the hearings.
APPROVAL OF MINUTES

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

TREASURER’S REPORT

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

COMMITTEE REPORTS

Audit

A Motion was made to transition from an Audit of the Board financials to a Review for Fiscal Year 2021/2022. The Motion was seconded and passed.

Compliance

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

Twenty (20) New Complaints:

- Licensee has settled a Class Action Lawsuit.
- Complaint regarding licensee who has been sanctioned/disciplined by a state agency that regulate public accounting.
- Licensee offering services for a contingent fee.
- Two licensees with Peer Review issues.
- Fifteen Lapsed licensees.

Requesting closure of Eighteen (18) complaints; Two (2) by Consent Order

1. C17-089 – (Non-Licensee) – Non-Licensee was offering attest services. Board was able to get a Court Order for Permanent Injunctive Relief. Non-Licensee has been permanently enjoined from rendering and or offering to render attest services. In addition, non-licensee cannot hold or suggest they are a Public Accountant or a Public Accounting Firm.

2. C21-093 – (Cert. #7145) – External complaint alleging licensee had committed discreditable acts. The Compliance Committee recommends a finding of no violation and closure.
3. **C22-019 – (Cert. #5LP)** – Firm has notified Board they have settled a Class Action Fairness Act (CAFA) lawsuit. The Compliance Committee recommends closure.

4. **C22-039 – (Cert. #2LP)** – Licensee is self-reporting sanction by NC Board of Accountancy. Consent Order was based on SEC sanctions regarding the firm’s use of insider information with regard to a specific bid for audit work. The case cited in the NC order has previously been disclosed to the AR Board. No AR CPAs were involved. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure with no further action.

**Complaints 5 and 6 Licensees with a Criminal Conviction**

5. **C22-002 – (Cert. #10191R)** – Licensee has timely notified Board of a misdemeanor DUI conviction. The Compliance Committee recommends a finding of no probable cause to proceed with disciplinary proceedings and closure with no further action.

6. **C22-015 – (Cert. #9350R)** – Licensee has timely notified Board of a misdemeanor DUI conviction. The Compliance Committee recommends a finding of no probable cause to proceed with disciplinary proceedings and closure with no further action.

**Complaints 7 through 10- Lapsed Licensees who have requested to surrender their license.**

7. **C22-024 – (Cert. #10227)** – Licensee failed to timely renew for 2022 licensure year and became lapsed. Licensee has since contacted the Board and requested to surrender. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure with no further action.

8. **C22-025 – (Cert. #3659)** – Licensee failed to timely renew for 2022 licensure year and became lapsed. Licensee has since contacted the Board and requested to surrender. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure with no further action.

9. **C22-027 – (Cert. # 2635)** – Licensee failed to timely renew for 2022 licensure year and became lapsed. Licensee has since contacted the Board and requested to surrender. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure with no further action.

10. **C22-037 – (Firm Cert. #866C)** – Licensee failed to timely renew for 2022 licensure year and became lapsed. Licensee has since contacted the Board and requested to surrender. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure with no further action.

11. **C22-026 – (Cert. #4685)** – Licensee failed to timely renew for 2022 licensure year and became lapsed. Licensee has since contacted the Board and requested to take retired status. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure with no further action.

12. **C22-030 – (Cert. #3616)** – Licensee failed to timely renew for 2022 licensure year and became lapsed. Licensee has since contacted the Board and requested to take retired status. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure with no further action.

13. **C22-035 – (Cert. #2944)** – Licensee failed to timely renew for 2021 licensure year and became lapsed. It has since been noted that licensee is deceased. The Compliance Committee recommends
a finding of no probable cause to proceed with disciplinary proceedings and closure with no further action.

14. C22-018 – (Cert. #35LC) – Licensee firm is requesting withdrawal from the Peer Review program. Last report was issued 3/31/2019 and last peer review report was dated 07/03/2019. The Compliance Committee recommends a finding of no probable cause to proceed with disciplinary proceedings, granting a waiver from the firm’s next scheduled peer review, and closure with no further action.

15. C22-021 – (Cert. # 4080) – Licensee is requesting withdrawal from the Peer Review program. Last report was issued 12/28/2021 and last peer review report was dated 06/18/2019. Licensee has requested Retired status. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings, granting a waiver from licensee’s next scheduled peer review, and closure with no further action.

16. C22-038 – (Cert. #5906) – Licensee is requesting withdrawal from the Peer Review program. Last report was issued 01/08/2021 and last peer review report was dated 06/30/2021. The Compliance Committee recommends a finding of no probable cause to proceed with disciplinary proceedings, granting a waiver from licensee’s next scheduled peer review, and 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 16, listed above. The motion passed.

CONSENT ORDERS

1. C21-077- Consent Order (Firm Cert. #896C) – Licensee Firm performed an audit in 2019. Licensee Firm had an Engagement Peer Review performed for its 2019 Peer Review when a System Peer Review was required. Licensee Firm is no longer performing attest work. Licensee has signed a consent order assessing a $1,500.00 penalty. Requesting closure by Consent Order.

A motion was made and seconded to accept the Compliance Committee’s recommended finding and proposed resolution as to C21-077. The motion passed.

2. C22-010- Consent Order (Cert. #9167) – Applicant’s CPA certificate was revoked September 10, 2019. Applicant has requested to reinstate to a license to practice. Applicant has completed 120 hours of CPE: 61 hours A&A, 8 hours of ethics, 22 hours of Tax and 29.5 hours of Other. The study type consists of 55.5 hours of group and 65 hours self-study. Applicant has one year of experience. Applicant has completed an acceptable background check. Applicant has signed consent order and paid 2022 licensure year fee of $110.00. Requesting closure by Consent Order.

A motion was made and seconded to accept the Compliance Committee’s recommended finding and proposed resolution as to C22-010. The motion passed.

Requested Permission to Issue 1 Notice of Hearing to the following Licensee Firm

380C Doug Dobbs CPA PA
A motion was made and seconded to issue the above Notices of Hearing. The motion passed.

**QUALITY REVIEW**

Quality Review is scheduled for late August.

**NEW BUSINESS**

*Exam Credit Extension Request:* In 2021, Teddy Sexton requested an 18-month extension of their exam scores due to medical hardship. The extension was denied but the candidate would be allowed to request the extension again if they completed all 4 sections of the Exam by June 2022. The Examinee has since passed all 4 sections and resubmitted the request.

A motion to approve the extension request was made and seconded. The motion passed and the request will be granted.

*Exam Credit Extension Request:* Jason Porter requested a 17-day extension of their exam credits due to medical hardship. Examinee has since passed all 4 sections of the Exam.

A motion was made and seconded to approve the extension request. The motion passed.

*18-Month Exam Credit Extension Policy:* A proposal to extend the exam scores of all examinees who have Exam credit as of end of 2023 by 18 months was presented. This is necessary because of anticipated score delays caused by CPA Evolution. A motion was made and seconded to approve the proposal. The motion passed.

**PROC:** The 2021 Peer Review Oversight Committee report was presented.

*CPE Reciprocity:* A proposal was presented to streamline the renewal process for licensees who hold a CPA license in multiple states by accepting CPE presented in the licensee’s home state, with the caveat that required Arkansas Board Rules and Laws Ethics course would still be required, and the impacted licensees would still be subject to a CPE audit. This will be an amendment to Board Rule 13.3(i).

A motion was made and seconded to move forward with the rule change.

*Swearing-in Ceremony:* The ASBPA Swearing-In Ceremony for new CPAs will be held August 13th at 9am at the Capitol Rotunda.

*NASBA:* The Board discussed the possibility of changing the 150 college Credit Hour requirement for CPA licensure. The Board will reach out to NASBA and other parties to discuss the potential change.
Sarah Farris left the meeting at 12:09 pm.

Election of Officers: The Board held its annual Officer Election, and the results are as follows:

- President: Richard Bell
- Secretary: Shane Warrick
- Treasurer: Christina Ellis

ADJOURNMENT

A motion was made and seconded to adjourn the June 17, 2022 Board Meeting. The motion passed. The meeting adjourned at 12:58 pm.