A regular meeting of the Arkansas State Board of Public Accountancy was held in Suite 450 of the Main Street Mall Building with Michael Watts, President, presiding. Other members of the Board in attendance were: Sherry Chesser, Kevin Canfield, David Vaden, Richard Bell, Deana Infield and Denton Woods. Members of the staff in attendance were: Jimmy Corley, Executive Director, Dale Edge, Investigator; Tim Montgomery, Investigator; Mark Ohrenberger, Legal Counsel; Alan Fortney, April Murphy, and Tiffany Vano. Also in attendance were Susan Whitson, Court Reporter, * Rebecca Kane, Hearing Officer *, Brian Thompson of the ASA, and George Foster of the ASCPA.

**CALL TO ORDER**

Mr. Watts officially called the meeting to order at 9:05 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 2019 (or firm registration in the case of H.M.S.W. CPA PLLC.) Respondents’ CPA certificates (or firm registration, as applicable) were revoked by Board order.

<table>
<thead>
<tr>
<th>Case Number</th>
<th>Name</th>
<th>License Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>H19-011</td>
<td>Leila Hutton</td>
<td>0173</td>
</tr>
<tr>
<td>H19-012</td>
<td>Mary Bittick</td>
<td>2987</td>
</tr>
<tr>
<td>H19-013</td>
<td>Pamela Langston</td>
<td>4919</td>
</tr>
<tr>
<td>H19-015</td>
<td>Charles Walbert</td>
<td>2955</td>
</tr>
<tr>
<td>H19-017</td>
<td>Rollo Ingram</td>
<td>1700</td>
</tr>
<tr>
<td>H19-020</td>
<td>Wendell Parish</td>
<td>3873</td>
</tr>
<tr>
<td>H19-029</td>
<td>H.M.S.W. CPA PLLC</td>
<td>226LC</td>
</tr>
</tbody>
</table>

*Susan Whitson and Rebecca Kane left the meeting at the close of the hearings.*
APPROVAL OF MINUTES

A motion was made and seconded to approve the minutes of the April 19, 2019 Board meeting subject to the changes regarding attendance. The motion passed unanimously.

TREASURER’S REPORT

A motion was made and seconded to approve the April 2019 Treasurer’s Reports, as presented. The motion passed unanimously.

COMMITTEE REPORTS

COMPLIANCE

The Compliance Committee has met one (1) time.

Forty-nine (49) New Complaints:

Two licensees with Peer Review Issues.
Two licensees with Quality Review Issues.
Two licensees with external tax complaints.
Six non-licensees holding out.
Ten unlicensed firms.
27 individuals with lapsed licenses.

Requesting closure of thirteen (13) complaints; Two (2) by consent order

1) **C18-091** – (Cert. # 755) – Inactive licensee held himself out as a CPA on social media accounts without including the word "inactive" adjacent to the CPA title. Social media accounts have been corrected. The Compliance Committee recommends a finding of probable cause to proceed and closure with no further action.

2) **C18-107** – (Firm Cert. # 6LP) – Firm answered yes on 2019 renewal regarding other disciplinary issues. Firm has been censured by SEC. Censure was based on action of partner during an audit. Partner was not an AR licensee and audit client was not based in AR. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings and closure with no further action.

3) **C19-001**– (Cert. # 1310) – Licensee failed to comply with the CPE requirements of Board Rule 13.2(a)(3) by not obtaining one hour of AR ethics CPE before December 31, 2018. Failure was due to a mis-classification of CPE reported on 2019 license renewal. Licensee self-reported CPE error and immediately took AR ethics course. The Compliance Committee recommends a finding of probable cause to proceed and closure via the proposed compliance statement. Compliance Statement has been signed and $100.00 penalty collected.
4) **C19-011 – (VA Licensee)** – Virginia licensee living in Arkansas used the CPA title on a social media site without indicating his state of licensure. The Compliance Committee recommends a finding of probable cause to proceed and closure with no further action.

5) **C19-019 – (Firm Cert. # 161LC)** – External complaint with regard to tax preparation engagement. After review of the complaint and licensee response, the Committee found no violation of Accountancy law or Board Rules. The Compliance Committee recommends a finding of no probable cause to proceed and closure with no further action.

6) **C19-020– (Firm Cert. #256C)** – Firm was dropped from the AICPA Peer Review program. Reason for cancellation was due to user error in the initial application process. Firm is now enrolled in Peer Review program. The Compliance Committee recommends a finding of no probable cause to proceed and closure with no further action.

7) **C19-029 – (Cert. # 3936)** – Licensee failed to renew license and became lapsed April 1, 2019. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure based on the licensee’s request to surrender AR CPA certificate 3936.

8) **C19-031 – (Cert. # 4798)** – Licensee failed to renew license and became lapsed April 1, 2019. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure based on the licensee’s request to take retired status.

9) **C19-037 – (Cert. # 9458)** – Licensee failed to renew license and became lapsed April 1, 2019. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure based on the licensee’s request to surrender AR CPA certificate 9458.

10) **C19-043 – (Cert. # 6881R)** – Licensee failed to renew license and became lapsed April 1, 2019. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure based on the licensee’s request to surrender AR CPA certificate 6881R.

11) **C19-045 – (Cert. # 6086)** – Licensee failed to renew license and became lapsed April 1, 2019. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure based on the licensee’s request to surrender AR CPA certificate 6086.

A motion was made and seconded to accept the Compliance Committee’s recommended findings and proposed resolutions as to items 1 through 11, listed above. The motion passed unanimously.
CONSENT ORDERS

1) **C18-012 – Consent Order (Cert. # 5059)** – Inactive licensee held himself out as a CPA on a resume and a social media profile without including the word "inactive" adjacent to the CPA title and offered to perform professional services to the public on his website. Respondent has signed a consent order, paid a two hundred fifty ($250.00) dollar penalty and corrected his website, resume and social media account. Requesting closure by Consent Order.

A motion was made and seconded to accept the Compliance Committee’s recommended finding and proposed resolution as to C18-012. The motion passed unanimously.

2) **C19-014 – Consent Order (Cert. # 8518)** Applicant surrendered her certificate as a CPA September 2017. Applicant has requested to re-license to a license to practice. Applicant has completed 182 hours of CPE, 87 hours A&A, 6 hours of ethics, 69 hours of tax and 20 hours of Other. The study type consists of 81 hours of group and 101 hours self-study. Applicant has signed consent order and paid current year renewal fee of $110.00 for a total of $110.00. Requesting closure by Consent Order contingent upon receipt of acceptable background check.

A motion was made and seconded to accept the Compliance Committee’s recommended finding and proposed resolution as to C19-014. The motion passed unanimously.

**Miscellaneous Discussion Item:**

The Board held a discussion on penalty amounts for violation of Board Conduct Rule 201(c). The Board decided to defer to the Compliance Committee for further review.

A motion was made and seconded to allow the Board staff to issue a Notice of Hearing in the case C18-046. The motion passed unanimously.

**OLD BUSINESS**

**Update on Disciplinary Search Project for Website**
Mr. Fortney presented a proposal to add disciplinary action information to the online roster search. The Board decided to move forward with the project and instruct Mr. Fortney to request for the names in the roster search results to be listed alphabetically.

**CPE Task Force Report/Recommendations**
The Board discussed and approved the changes recommended by the CPE Task Force.

**NEW BUSINESS**

**Experience Verification Request**
A motion was made and seconded to grant a hardship waiver regarding work experience for a license applicant. The motion passed.
2019 Legislative Session Update/Action Items
Mr. Ohrenberger reviewed changes made during the 2019 Legislative Session that could have an impact on the Board’s law and rules.

Recording of Future Board Meetings Discussion
Mr. Fortney presented options for purchasing equipment to be used in recording future Board meetings. The Board chose to record audio only and instructed the staff to purchase the equipment.

OTHER BUSINESS

Swearing-In Ceremony
The Swearing-In Ceremony will be held Saturday, June 8th, 2019, at the State Capitol Building in Little Rock.

Election of Officers
President – Sherry Chesser
Secretary – David Vaden
Treasurer – Deana Infield

LICENSURE ACTIVITY REPORT

Mr. Corley presented to the Board the Licensing Activity Report.

ADJOURNMENT

A motion was made and seconded to adjourn. The motion passed. The meeting adjourned at 1:20 p.m.