

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



Ron Pitts CPA - Inactive  
Denny Woods JD  
Kevin Canfield

Jimmy Corley CPA  
Executive Director

## **Board Meeting Minutes September 24, 2021**

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 Kevin Canfield, Richard Bell, Denton Woods, Christina Ellis, Ron Pitts, and Shane Warrick. Members of the staff in attendance were Jimmy Corley, Executive Director, Dale Edge, Investigator; Tim Montgomery, Investigator; Alan Fortney, and Kathrine Stone, Licensing Coordinator. In attendance via Zoom were Sara Farris, Legal Counsel; Gina Moran with the Arkansas Society of CPAs, and Brian Thompson of the Arkansas Society of Accountants. From the public, Michael Couture was also present in person.

### **CALL TO ORDER**

Ms. Infield officially called the meeting to order at 10:05 a.m. A quorum was found to be present.

### **APPROVAL OF MINUTES**

A motion was made and seconded to approve the minutes of the August 2021 Board meeting. The motion passed unanimously.

### **TREASURER'S REPORT**

A motion was made and seconded to approve the August 2021 Treasurer's Reports, as presented. The motion passed unanimously.

### **COMMITTEE REPORTS**

#### **COMPLIANCE**

The Compliance Committee has met once since August.

#### **Eighteen (18) New Complaints:**

- Inactive providing services for the public.
- Three licensees requesting to withdrawal from Peer Review.
- Six complaints regarding licensees who have been sanctioned/disciplined by a federal or state agency that regulate public accounting.
- Eight licensees with Practice Review issues.

**Requesting closure of sixteen (16) complaints; two by Consent Order**

***Complaints 1 through 5 – External complaints received regarding a Licensee.***

1. **C21-015 – (6949)** – External complaint alleging that licensee was holding client records/information. The matter now appears to be resolved. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure with no further action.
2. **C21-068 – (Cert. #2301)** – External complaint regarding licensee’s tax preparation work. Upon further review, no violations were found. The Compliance Committee recommends a finding of no probable cause to proceed and recommends closure.
3. **C21-070 – (MO Licensee)** – MO Licensee working in private accounting held out as a CPA in a news article regarding licensee’s promotion. Further review did not find any other places MO licensee was holding out to the public. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure with no further action.
4. **C21-071 – (Cert. #2036)** – External complaint alleging that CPA’s role as a trustee violated trust laws and/or rules. Board has no oversight over applicable trust laws and/or rules. After further review, no violations were found. CPA has since turned trustee responsibility over to a bank. The Compliance Committee recommends a finding of no probable cause to proceed and recommends closure.
5. **C21-072 – (Cert. #1163)** – External complaint regarding expert witness testimony licensee provided. The Compliance Chairperson recused herself on this case. Upon further review, no violations were found. The Compliance Committee recommends a finding of no probable cause to proceed and recommends closure.

Ms. Infield recused herself from discussion on item 5., above. Michael Couture, the complainant in this case, was present for today’s meeting and presented his argument against the Board’s decision. The Board determined that his complaint is a legal matter, and that the Board had no jurisdiction in the matter discussed.

***Complaints 6 through 11 – Licensees have been sanctioned/disciplined by a federal or state agency that regulate public accounting.***

6. **C21-086 – (Firm Cert. #108LP)** – Licensee is self-reporting sanctioning by KS Board of Accountancy for failure to renew timely and failure to timely notify Board of an ongoing investigation with regard to the practice of accountancy. The cases cited in the KS order have previously been disclosed to the AR Board. No AR CPAs or clients were involved. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure with no further action.
7. **C21-087 – (Firm Cert. #2LP)** - Licensee is self-reporting SEC sanction regarding involvement of 3 partners of obtaining insider information pertaining to a Request for Proposal (RFP) in the pursuit of an international audit client. The information was provided by the audit client's controller, without the knowledge of the client’s audit committee. The Audit client is not based in AR and the 3 partners are not licensed by the AR Board. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure with no further action.
8. **C21-088 – (Firm Cert. #2LP)** – Licensee is self-reporting sanctioning by PA Board of Accountancy. Consent Order was based on 2016 SEC action regarding an audit failure of an international oil company based in TX, and a CA consent order regarding the same audit failure. The cases cited in the PA order have previously been disclosed to the AR Board. No AR CPAs or clients were involved. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure with no further action.
9. **C21-089 – (Firm Cert. #2LP)** – Licensee is self-reporting sanctioning by VT Board of Accountancy. Consent Order was based on licensee’s failure to timely renew for almost 3 years. Licensee is now licensed in VT. The

Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure with no further action.

10. **C21-090 - (Firm Cert. #5LP)** – Licensee is self-reporting sanctioning by OR Board of Accountancy. Consent Order was based on two of the licensees in-state staff being delinquent for a year or more in obtaining reciprocal licensure. The Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings but recommends closure with no further action.
11. **C21-091 – (Cert. #5LP)** – Licensee is self-reporting sanction by FL Board of Accountancy. Consent Order was based on two SEC sanctions of licensee. Sanction for improperly obtaining and using PCAOB confidential information and sanction for firm wide cheating with regard to internally administered CPE training course. The cases cited in the FL order have 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 12 through 14 – Resolved by Compliance Statement.***

12. **C20-026 – (Cert. #7540)** – Licensee failed to timely register firm. Firm is now registered. Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings and closure via the proposed compliance statement. A Compliance Statement requiring licensee to pay \$110 for prior year fees has been signed and monies collected
13. **C21-043 – (Cert. #7357)** – Licensee failed to timely renew for 2021 licensure year and became lapsed. Licensee has since contacted the Board and requested to reinstate license. Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings and closure via the proposed compliance statement. A Compliance Statement requiring licensee to pay \$115 (\$55 for 2021 inactive licensure fee and \$60 in late fees) has been signed and monies collected.
14. **C21-060 – (Cert. #8255)** – Licensee failed to timely renew for 2021 licensure year and became lapsed. Licensee has since contacted the Board and requested to reinstate license. Compliance Committee recommends a finding of probable cause to proceed with disciplinary proceedings and closure via the proposed compliance statement. A Compliance Statement requiring licensee to pay \$115 (\$55 for 2021 inactive licensure fee and \$60 in late fees) has been signed and monies collected.

A motion was made and seconded to accept the Compliance Committee's recommended findings and proposed resolutions as to items 1 through 14, listed above. The motion passed.

**CONSENT ORDERS**

- 1) **C21-026- Consent Order (Firm Cert. #655C)** – Licensee Firm performed attest work without being enrolled in Peer Review. Licensee is now enrolled, and Peer Review has been scheduled. Licensee has signed a consent order affirming that Peer Review will be completed by the due date and has paid a \$1,000.00 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 C21-026. The motion passed

- 2) **C21-073- Consent Order (Cert. #5941)** – Applicant's certificate became void January 1, 2011. Applicant has requested to reinstate to a license to practice. Applicant has completed 142 hours of CPE: 36 hours A&A, 15 hours of Ethics, 81.50 hours of Tax and 9.50 hours of Other. The study type consists of 47.5 hours of group and 94.5 hours self-study. Applicant has one plus years of experience. Applicant has signed consent order and paid 2021 licensure year fee of \$110.00, prior year fees of \$165.00 (for 2008, 2009 and 2010), and late fees of \$360.00 (for 36 months). Requesting closure by Consent Order.

A motion was made and seconded to accept the Compliance Committee's recommended finding and proposed resolution as to C21-073. The motion passed

## **Requesting Permission to Issue a Notice of Hearing to the following Licensees**

1. **C21-075 – (Cert. #7448/141LC)** – Licensee has failed to respond to the 2021 Practice Review. Requesting permission to issue a notice of hearing in this matter.
2. **C21-078 – (Cert. #7526)** – Licensee responded incorrectly to 2021 Practice Review and is performing attest without being enrolled in Peer Review. Requesting permission to issue a notice of hearing in this matter.
3. **C21-084 – (Cert. #2076R)** – Licensee has failed to respond to the 2021 Practice Review. Requesting permission to issue a notice of hearing in this matter.

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

The Board took a 5-minute break at this point and reconvened at 11:30.

## **NEW BUSINESS**

### Exam Requirements Waiver Request

A prospective examinee requests to sit for the exam, but will not have their degree until May 2022, which would require a rule change. The Board determined there was no wiggle room and it would not grant this request.

### Fictitious Firm Name Requests

Well Tax and Accounting and Bundl are both considered acceptable as they are not misleading. A motion was made and seconded to approve the names. The motion passed.

Symphona Consulting and CPA was considered acceptable as it is not misleading. A motion was made and seconded to approve the name. Though Richard Bell was opposed, the motion passed.

The Borough Tax & Accounting, LLC was considered acceptable as it is not misleading. A motion was made and seconded to approve the name. Though Richard Bell was opposed, the motion passed.

## **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 12:30 PM.