

STATE OF MINNESOTA
BOARD OF ACCOUNTANCY

In the Matter of
Robert James Reinhart
Certified Public Accountant Certificate
No. 21557

STIPULATION AND
CONSENT ORDER
Board File 2012-240

The Minnesota Board of Accountancy ("Board") is authorized pursuant to Minnesota Statutes Section 214.10 (2012); Minnesota Statutes Section 326A.02, subdivisions 4 and 6 (2012); and Minnesota Statutes Section 326A.08 (2012) to review complaints against certified public accountants and to take disciplinary action whenever appropriate.

The Board received information concerning Robert James Reinhart, CPA, 419 South Broadway, New Ulm, Minnesota 56073-3120 ("Respondent"). The Board's Complaint Committee ("Committee") reviewed that information.

On February 7, 2013, the Board's Complaint Committee, composed of Board members Robert P. Saunders, CPA, Michael M. Vekich, CPA, and Gregory S. Steiner, CPA, met to discuss allegations made in reference to this matter.

It is hereby stipulated and agreed by Respondent and the Committee that without trial or adjudication of any issue of fact or law and without any evidence or admission by any party with respect to any such issue:

1. For the purpose of this Stipulation, Respondent waives all procedures and proceedings before the Board to which Respondent may be entitled under the United States and Minnesota constitutions, statutes, or the rules of the Board, including the right to dispute the allegations against Respondent and to dispute the appropriateness of discipline in a contested case hearing pursuant to Minnesota Statutes Chapter 14 (2012). Respondent agrees that upon the *ex parte* application of the Committee, without notice to or appearance by Respondent, the Board may order the remedy specified in

paragraph 7 below. Respondent waives the right to any judicial review of the order by appeal, by writ of certiorari, petition for review, or otherwise.

2. This Stipulation shall constitute the entire record of the proceedings herein upon which the Consent Order is based. All documents in the Board's files shall maintain the data classification to which they are entitled under the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13 (2012). They shall not, to the extent they are not already public documents, become public merely because they are referenced herein.

3. In the event the Board in its discretion does not approve this Stipulation or a lesser remedy than specified in this Consent Order, this Stipulation and Consent Order shall be null and void and shall not be used for any purpose by either party. If this Stipulation is not approved and a contested case hearing is initiated by the Committee pursuant to Minnesota Statutes Chapter 14 (2012), Respondent agrees not to object to the Board's initiation of the hearing and its hearing the case on the basis that the Board has become disqualified because of its review and consideration of this Stipulation or of any records relating hereto.

FACTS

4. This Stipulation is based upon the following facts. Respondent admits the facts referred to below and grants that the Board may, for the purpose of reviewing the record in paragraph 2 above, consider the following as true without prejudice to the Respondent in any current or future proceeding of the Board with regard to these or other allegations:

a. The Board initially issued a Certified Public Accountant license to Respondent on January 1, 2003. Respondent currently holds an active Certified Public

Accountant Certificate Number 21557, issued by the Board. Respondent is subject to the jurisdiction of the Board with respect to the matters referred to in this Stipulation.

b. During the years 2009 to 2012, Respondent diverted funds of the Brown County Agricultural Society (BCAS) and the New Ulm Baseball Association (NUBA) for Respondent's personal use without the approval or authorization of the boards of directors of BCAS or NUBA.

c. On December 31, 2012, pursuant to a guilty plea, Respondent was convicted of two felony counts of violation of M.S. § 609.52, Subd. 2 (15), theft with intent to defraud, diversion of corporate property other than in accordance with general business purposes or for purposes other than those specified in the corporation's articles of incorporation. Respondent was sentenced to serve 60 days incarceration, with a stay of imposition pursuant to Minn. Stat. § 609.135, and followed by supervised probation for twenty (20) years, with a fine of Six Thousand Dollars (\$6,000). Respondent was also ordered to pay restitution to BCAS in the amount of \$74,503.59 and to NUBA in the amount of \$5,607.26. The sentencing order provided that successful completion of probation will result in a misdemeanor conviction.

5. Respondent admits that the facts and conduct specified in paragraph 4 above constitute violations of Minnesota Statutes Section 326A.08, Subdivisions 5(a) (1), 5(a) (2), 5(a) (4), and 5(a) (10) (2012) and Minnesota Rule 1105.5600, subpart 1 D (2) (2011) and are sufficient grounds for the remedy specified in paragraph 7 below, and that proof at hearing of any one or more of the allegations set forth would empower the Board to take disciplinary action against Respondent's certificate.

6. This Stipulation shall not in any way or manner limit or affect the authority of the Board to proceed against Respondent by initiating a contested case hearing or by other appropriate means on the basis of any act, conduct, or admission of Respondent justifying disciplinary action which occurred before or after the date of this

Stipulation and that is not directly related to the specific facts and circumstances set forth herein.

REMEDY

7. Upon this Stipulation and record, as set forth in paragraph 4 above, and without any further notice of proceedings, the Committee and Respondent agree that the Board may, in its discretion, issue an order to Respondent as follows:

a. Respondent's Certified Public Accountant Certificate is **REVOKED** effective upon Respondent's receipt of this Stipulation and Order signed by the Chair of the Board or her designee.

b. Respondent shall not offer to perform or perform services required by law to be performed by a Certified Public Accountant as set forth in Minnesota Statutes Chapter 326A (2012) and Minnesota Rules Chapter 1105 (2011); and

c. Respondent shall not use the designations "Certified Public Accountant" nor "CPA" in connection with his name, nor shall Respondent hold himself out as a Certified Public Accountant or CPA in any manner in the State of Minnesota.

d. Respondent shall pay to the Board a **CIVIL PENALTY** of Five Thousand Dollars (\$5,000.00). Respondent shall submit Civil Penalty of Five Thousand Dollars (\$5,000.00) by cashier's check or money order to the Board within sixty (60) days of the Board's approval of this Stipulation and Order.

8. Respondent agrees that he will not petition the Board for reinstatement of his CPA certificate until at least five (5) years after the date the Board Chair signs this Stipulation and Order. Any future petition for reinstatement of his revoked CPA certificate submitted to the Board by Respondent will be reviewed and considered by the Board pursuant to Minnesota Statutes Section 326A.09 and other applicable Board statutes and rules in effect at the time the petition it is submitted. Respondent expressly acknowledges and agrees that this Stipulation and Order does not, and shall not be

construed to, assure that any petition for reinstatement of his revoked CPA certificate would be granted or approved.

9. Any appropriate court may, upon application of the Board, enter its decree enforcing the order of the Board.

10. Respondent hereby acknowledges that he has read, understands, and agrees to this Stipulation and Consent Order and is freely and voluntarily signing the stipulation without threat or promise by the Board or any of its members, employees, or agents. When signing the stipulation, Respondent acknowledges that he is fully aware that the Stipulation and Consent Order must be approved by the Board. The Board may approve the Stipulation and Consent Order as proposed, approve the order subject to specified change, or reject it. If the changes are unacceptable to Respondent or the Board rejects the stipulation, it will be of no effect except as specified herein.

11. Upon approval by the Board and execution by the Board Chair or her designee, this Stipulation and Consent Order is public data pursuant to Minnesota Statutes Section 13.41, subdivision 5 (2012).

12. This Stipulation contains the entire agreement between the parties. Respondent is not relying on any other agreement or representation of any kind, verbal or otherwise.

13. Respondent is aware that Respondent may choose to be represented by legal counsel in this matter. Respondent is represented by Allen P. Eskens, Esq.

14. If approved by the Board, a copy of this Stipulation and Consent Order shall be served personally or by first class mail on Respondent to his last known address on file with the Board. The Order shall be effective and deemed issued when it is signed by the Board Chair or designee of the chair.

CONSENT:

RESPONDENT

Robert James Reinhart
ROBERT JAMES REINHART

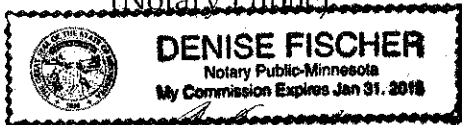
Dated: 4-19-13, 2013

SUBSCRIBED and sworn to before me on
this the 19 day of April, 2013.

Denise Fischer
(Notary Public)

My Commission Expires:

1-31-2015



COMPLAINT COMMITTEE

Robert P. Saunders
ROBERT P. SAUNDERS, CPA
Chair

Dated: 5-13, 2013

ORDER:

Upon consideration of the foregoing Stipulation and based upon all the files, records and proceedings, herein,

1. IT IS HEREBY ORDERED THAT Respondent Robert James Reinhart's CPA Certificate is REVOKED.
2. IT IS HEREBY ORDERED that all other terms of this Stipulation and Consent Order are adopted and implemented this 13 day of May, 2013.

STATE OF MINNESOTA
BOARD OF ACCOUNTANCY

Kathleen K. Mooney
KATHLEEN K. MOONEY, CPA
Chair

AFFIDAVIT OF SERVICE BY MAIL

RE: Robert James Reinhart, CPA Certificate Number 21557

STATE OF MINNESOTA)
) ss.
COUNTY OF RAMSEY)


Bev Carey, being first duly sworn, deposes and says:

That at the City of St. Paul, County of Ramsey and State of Minnesota, on this the 13th day of May, 2013, she served the attached **Stipulation and Consent Order**, by depositing in the United States mail at said city and state, a true and correct copy thereof, properly enveloped, with prepaid first class postage, and addressed to:

Allen P. Eskens, Attorney
Eskens Peterson Law Firm, Chtd.
151 St. Andrews Court, Suite 610
Post Office Box 3003
Mankato, Minnesota 56002-3003


Bev Carey

Subscribed and sworn to before me on
this the 13th day of May, 2013.


(Notary Public)

