

STATE OF MINNESOTA
BOARD OF ACCOUNTANCY

In the Matters of
Bruce D. Keller, Unlicensed
and
Bruce D. Keller, PC, Unlicensed

SETTLEMENT AGREEMENT
AND
CEASE AND DESIST ORDER
Board Files 2014-007 and 2014-008

TO: Bruce D. Keller, PC
Bruce D. Keller
319 LaBree Avenue North
Post Office Box 436
Thief River Falls, Minnesota 56701

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, and section 326A.08, subdivision 1 (2012) to review complaints concerning the unauthorized practice of public accounting and the unauthorized use of the terms "CPA" or "certified public accountant," and to take action pursuant to those statutes whenever appropriate.

The Executive Director of the Board initiated complaints regarding Bruce D. Keller ("Respondent Keller") and Bruce D. Keller, PC ("Respondent Firm"). The Board's Complaint Committee ("Committee") reviewed the information. Respondent Keller and Respondent Firm (collectively, "Respondents") and the Committee have agreed that the matter may now be resolved by this Settlement Agreement and Cease and Desist Order.

SETTLEMENT AGREEMENT

IT IS HEREBY AGREED by and between Respondents and the Committee as follows:

1. Jurisdiction. Pursuant to Minnesota Statutes section 326A.08, subdivision 4 and Minnesota Statutes section 326A.10 (a), (c), and (d) (2012), the Board is authorized

to issue an order requiring an unlicensed person and an unlicensed firm to cease and desist from holding himself or itself out as a certified public accountant, CPA, or CPA firm and from offering to perform services that only certified public accountants and CPA firms are authorized to perform in Minnesota. Respondent Keller and Respondent Firm are subject to the jurisdiction of the Board with respect to the matters referred to in this Settlement Agreement and Cease and Desist Order.

2. Facts. This Settlement Agreement is based upon the following facts:

a. The Board issued a Certified Public Accountant Certificate ("CPA Certificate") to Respondent Keller on June 13, 1991. Respondent Keller's CPA Certificate expired on December 31, 2011. Respondent Keller's CPA Certificate number 13972 was revoked on January 17, 2014, for failure to renew the certificate for more than two years after its expiration, pursuant to Minnesota Statutes 326A.04, subdivision 11 (2012).

b. The Board issued a Certified Public Accountant Firm Permit ("CPA Firm Permit") to Respondent Firm on November 15, 2000. Respondent Firm's CPA Firm Permit expired on December 31, 2010.

c. On April 10, 2014, the Board received a copy of an Engagement Review Report for Respondent Firm issued by Lewis, Kisch & Associates, Ltd. on September 19, 2013 (the "Peer Review Report"). The Peer Review Report was addressed as follows: "To the Shareholder Bruce D. Keller, P.C." The Peer Review Report indicates that Respondent Firm had engagements during the calendar year 2012 for which compilations, reviews and/or financial statements were performed. Both Respondent Keller's CPA Certificate and Respondent Firm's CPA Firm Permit expired before January 1, 2012 and were not renewed during 2012. Therefore, Respondents were unlicensed at the time they performed these engagements.

d. On January 21, 2014, the Committee received a copy of an acceptance letter, dated December 18, 2013, and addressed to Respondent Keller and Respondent Firm, from the Minnesota Society of Certified Public Accountants

("MNCPA") Peer Review Program Committee regarding the most recent engagement peer review of Respondent Firm's accounting practice (the "Acceptance Letter").

e. The Acceptance Letter listed the following conditions that Respondent Firm must meet and verify to the MNCPA by May 31, 2014 in order to complete the peer review process.

1. Ensure that all professional staff in Respondent Firm who work on accounting engagements participate in at least eight (8) hours of continuing professional education ("CPE") in compilation and review by May 31, 2014, with proof of attendance to be submitted to the MNCPA Peer Review Committee within thirty (30) days.

2. Agree to hire, at Respondent Firm's expense, an outside party to perform a post-issuance review of the report, financial statements and working papers of a compilation and review engagement issued subsequent to Respondent Firm's most recent peer review. Within thirty (30) days, but no later than May 31, 2014, the review captain should submit a report describing the findings, conclusion and recommendations to the MNCPA Peer Review Committee for its review.

f. It is alleged, based on information contained in the Peer Review Report, that during 2012, Respondent Keller and Respondent Firm prepared financial statements and/or performed compilation and review services in the State of Minnesota without a valid CPA Certificate or a valid CPA Firm Permit, respectively.

g. It is alleged, based on information available on the internet, that after the expiration of Respondent Firm's CPA Firm Permit, Respondent Firm was operating a website entitled "Bruce D Keller PC CPA," which referred to Respondent Firm by name using the "CPA" designation directly following its firm name. It is further alleged, based on information available on the internet, that Respondent Firm continues to operate this website which still uses the "CPA" designation in conjunction with its firm name. The website uses a business address in Thief River Falls, Minnesota.

Respondents claim that they are not operating this website and that an unknown third party is doing so.

h. It is alleged that after expiration of its CPA Firm Permit, Respondent Firm held itself out as a CPA firm in the State of Minnesota by using the designation "CPA" in connection with its name and its business website, using a Thief River Falls, Minnesota business address.

i. On April 10, 2014, the Committee received information that the Peer Review Report concerning Respondent's accounting engagements for the year ending on December 31, 2012 resulted in a peer review rating of "fail."

j. The Board sent allegation letters to Respondent Keller and Respondent Firm via U.S. Mail on February 11, 2014, requesting a response to Board correspondence within thirty days. Respondent Keller and Respondent Firm failed to respond.

k. Respondent met with the Committee to discuss the above-referenced matters on November 17, 2014.

3. Violations. Respondents admit that the facts specified above constitute violations of Minnesota Statutes section 326A.05, subdivisions 1 (a)(1), 1(a)(2), and 1(a)(3); and section 326A.10 (a), (c) and (d) (2012); and Minnesota Rules 1105.4200 B. (1), B. (2) and B. (3) (2013) and are sufficient grounds for the action specified below.

4. Enforcement Action. Respondents and the Committee agree that the Board may issue an Order in accordance with the following term(s):

- a. Cease and Desist Order. Respondent Keller shall cease and desist from holding out as a certified public accountant and/or CPA and from practicing public accounting in the State of Minnesota until such time as Respondent Keller's CPA Certificate is reinstated by the Minnesota Board of Accountancy. Respondent Firm shall cease and desist from holding out as a CPA firm, and from practicing public accounting in the State of

Minnesota until such time as Respondent Firm's CPA Firm Permit is reinstated by the Minnesota Board of Accountancy.

- b. Until such time as Respondent Keller's CPA Certificate and Respondent Firm's CPA Firm Permit are reinstated by the Minnesota Board of Accountancy, Respondents shall not offer to perform or perform services required by law to be performed by a Certified Public Accountant and/or CPA firm as set forth in Minnesota Statutes Chapter 326A (2012) and Minnesota Rules Chapter 1105 (2013);
- c. Until such time as Respondent Keller's CPA Certificate and Respondent Firm's CPA Firm Permit are reinstated by the Minnesota Board of Accountancy, Respondent Keller shall not use the designations "Certified Public Accountant" nor "CPA" in connection with Respondent Keller's name, nor shall Respondent Firm hold itself out as a Certified Public Accountant or CPA, nor use the "CPA" designation in conjunction with Respondent Firm's name, in any manner in the State of Minnesota.
- d. Respondent Firm agrees that upon reinstatement of its CPA Firm permit, Respondent Firm will promptly take all necessary steps to bring its peer review into compliance, including full compliance with the previous peer review findings and corrective action requirements set forth in section 2 above, and compliance with all applicable Board statutes and rules.
- e. Respondent Keller shall take immediate steps to contact the webmaster of <http://brucekellercpa.com> to request removal of the "Bruce D Keller PC CPA" website.
- f. Respondent Keller shall take immediate action to clarify, on business cards, letterhead, advertising, door signs and other forms of communication to the public and to anyone doing business with

Respondent Keller or Respondent Firm, that Respondent Keller is licensed only in North Dakota. This clarifying wording must continue to be used by Respondents until such time as Respondent Keller's CPA certificate and Respondent Firm's Minnesota CPA firm permit are reinstated by the Minnesota Board of Accountancy.

- g. Respondent(s) shall pay to the Board a total CIVIL PENALTY of Two Thousand Dollars (\$2,000.00). Respondent(s) shall submit a Civil Penalty of Two Thousand Dollars (\$2,000.00) by check, payable to the Board. The Two Thousand Dollar (\$2,000) Civil Penalty payment is due and payable at the time Respondent Keller and/or Respondent Firm make application to reinstate Respondent Keller's individual CPA Certificate and/or Respondent Firm's CPA Firm Permit.
- h. Respondents shall not violate any statute, rule or order that the Board has issued or is empowered to enforce.

5. Waiver of Respondents' Rights. For the purpose of this Settlement Agreement, Respondent Keller and Respondent Firm waive all procedures and proceedings before the Board to which Respondents may be entitled under the Minnesota and United States constitutions, statutes, or the rules of the Board, including the right to dispute the allegations against Respondents and to dispute the appropriateness of discipline in a contested case proceeding pursuant to Minnesota Statutes Chapter 14 (2012). Respondents agree that upon the application of the Committee without notice to or an appearance by Respondents, the Board may issue an Order requiring the action specified in paragraph 4 herein. Respondent Keller and Respondent Firm waive the right to any judicial review of this Settlement Agreement and Cease and Desist Order or the attached Board Order by appeal, writ of certiorari, or otherwise.

6. Board Rejection of Settlement Agreement and Cease and Desist Order. In the event the Board in its discretion does not approve this Settlement Agreement and Cease and Desist Order, this Settlement Agreement shall be null and void and shall not be used for any purpose by either party hereto. If this Settlement Agreement is not approved and a contested case proceeding is initiated pursuant to Minnesota Statutes Chapter 14 (2012), Respondent Keller and Respondent Firm agree not to object to the Board's initiation of the proceeding and hearing the case on the basis that the Board has become disqualified due to its review and consideration of this Settlement Agreement and the record.

7. Record. The Settlement Agreement, related investigative reports and other documents shall constitute the entire record of the proceedings herein upon which the Order is based. The investigative reports, other documents, or summaries thereof may be filed with the Board with this Settlement Agreement.

8. Data Classification. Under the Minnesota Government Data Practices Act, this Settlement Agreement is classified as public data upon its issuance by the Board. (Minnesota Statutes Section 13.41, subdivision 5 (2012)). All documents in the record 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. A summary of this Order will appear in the Board's newsletter. A summary will also be sent to the national discipline data bank pertaining to the practice of public accounting.

9. Unrelated Violations. This settlement shall not in any way or manner limit or affect the authority of the Board to proceed against Respondent Keller and Respondent Firm by initiating a contested case hearing or by other appropriate means on the basis of any act, conduct, or admission of Respondents justifying disciplinary

action which occurred before or after the date of this Settlement Agreement and which is not directly related to the specific facts and circumstances set forth herein.

10. Entire Agreement. Respondent Keller and the undersigned representative of Respondent Firm, whose signatures appear below, hereby acknowledge that the undersigned representative has been duly authorized by Respondent Firm to sign this Settlement Agreement and Cease and Desist Order on its behalf, and that they have read, understand, and agree to this Settlement Agreement and Cease and Desist Order and are freely and voluntarily signing it. The Settlement Agreement and Cease and Desist Order contains the entire agreement between the parties. Respondents are not relying on any other agreement or representations of any kind, verbal or otherwise.

11. Counsel. Respondent Keller and Respondent Firm are aware that they may choose to be represented by legal counsel in this matter. Respondents knowingly waived legal representation.

12. Service. If approved by the Board, a copy of this Settlement Agreement and Cease and Desist Order shall be served personally or by first class mail on Respondents. The Settlement Agreement shall be effective and deemed issued when it is signed by the Chair of the Board.

RESPONDENTS

Bruce D Keller
BRUCE D. KELLER

Bruce D Keller
BRUCE D. KELLER, PC

By: Bruce D Keller

Its: President

Dated: 1-29-15, 2015

SUBSCRIBED and sworn to before me on
this the 29 day of January, 2015.

Manssa Lund
(Notary Public)

My Commission Expires:

1-31-20

COMPLAINT COMMITTEE

Michael M. Vekich
Michael M. Vekich, CPA
Chair

Dated: 2/27, 2015

ORDER

Upon consideration of the foregoing Settlement Agreement and based upon all the files, records and proceedings herein, all terms of the Settlement Agreement are approved and hereby issued as an Order of this Board on this the 27 day of February, 2015.

STATE OF MINNESOTA
BOARD OF ACCOUNTANCY

Gregory S. Steiner
Gregory S. Steiner, CPA
Chair

AFFIDAVIT OF SERVICE BY MAIL

RE: Bruce D. Keller PC; Unlicensed, and Bruce D. Keller, Unlicensed

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 27th day of February, 2015, she served the attached Settlement Agreement and Cease and Desist 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:

Bruce D. Keller PC
Bruce D. Keller
319 LaBree Avenue North
Post Office Box 436
Thief River Falls, Minnesota 56701

Bev Carey

Bev Carey

Subscribed and sworn to before me on
this the 27th day of February, 2015

Victoria E. Dehrlein

(Notary Public)

