

STATE OF MINNESOTA
BOARD OF ACCOUNTANCY

In the Matter of
Bradley Paul Mickelson
CPA Certificate No. 12700; and
CPA Firm Permit No. 12700

STIPULATION AND
CONSENT ORDER
Board Files 2020-441
2021-431

The Minnesota Board of Accountancy is authorized pursuant to Minn. Stat. §§ 214.10, 326A.02, subds. 4, 6, and 326A.08, subd. 1 (2020) to review complaints against certified public accountants and to take disciplinary action whenever appropriate.

The Board received information concerning Bradley P. Mickelson CPA, 6466 Old Taft Rd, Duluth, MN 55803 (“Respondent”). The Board’s Complaint Committee reviewed that information.

It is hereby stipulated and agreed by Respondent and the Committee that without trial or adjudication:

1. For the purpose of this stipulation and consent order, 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 Minn. Stat. ch. 14 (2020), and to dispute any civil penalty imposed by this Stipulation. 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.

3. In the event the Board in its discretion does not approve this stipulation and consent order or propose a lesser remedy than specified herein, this stipulation and consent order shall be null and void and shall not be used for any purpose by either party. If this stipulation and consent order is not approved and the Committee initiates a contested-case hearing pursuant to Minn. Stat. ch. 14 (2020), Respondent agrees not to object to the Board hearing the case on the basis that the Board has become disqualified because of its review and consideration of this stipulation and consent order or of any records relating hereto.

FACTS

4. This stipulation and consent order 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:

a. The Board issued a Certified Public Accountant ("CPA") license to Respondent on April 21, 1995; Respondent currently holds an active CPA certificate from the Board;

b. The Board issued a Sole Proprietor CPA Firm Permit to Bradley P. Mickelson, CPA, on January 1, 2003; Respondent currently holds a Sole Proprietor CPA Firm Permit from the Board;

c. Respondent is subject to the jurisdiction of the Board with respect to the matters referred to in this stipulation and consent order;

d. Respondent began working as a consultant for a business in 1999;

e. Respondent performed monthly duties for the business including: accounting, bookkeeping, payment of payroll liabilities, creating invoices, financial statements, bank reconciliation, data entry for payroll, including entries for healthcare, dental, retirement, long term disability, life insurance, and other data entry;

f. Respondent performed periodic duties for the business including: bi-weekly payroll, preparing quarterly payroll tax returns, preparing W2s, and preparing corporate tax returns;

g. In 2007, Respondent requested, and was granted, access to the company dental plan but did not disclose that it would require he be added to the payroll, which he prepared along with payroll benefit entries;

h. Respondent billed the business with invoices as a consultant, then converted the reimbursement of the invoices to payroll entries;

i. Respondent gained access, without authorization, to unemployment benefits, Medicare benefits, long-term disability insurance, 401K retirement benefits and social security benefits, as an unauthorized employee from 2007 until 2019 when the relationship was terminated by the business;

j. Respondent classified the business's employee payroll benefit entries as taxable when the benefits should have been listed on payroll as pre-tax while performing professional services for the business;

k. Respondent has since repaid the business the amount of 401k match benefits that he received, as well as accounting fees incurred by the business to remedy the work Respondent did with respect to the classification of benefits;

1. Respondent used the name "Duluth CPA" for his sole proprietorship, from 2007 until present, a misleading and fictitious firm name.

5. Respondent admits that the facts and conduct specified in paragraph 4 above constitute violations of Minn. Stat. § 326A.08, subd. 5 (a)(1), (2), (3), and (10) (2020), and Minn. R. 1105.6300, 1105.6400(A) and 1105.7800(A) (2019) in reference to American Institute of Certified Public Accountants ("AICPA") Code of Conduct section 1.400.001 (2014), 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 pursuant to Minn. Stat. § 326A.08 (2020) and Minn. R. 1105.5600, subp. 1(B) and (D) (2019).

6. This stipulation and consent order shall not limit the authority of the Board to proceed against Respondent by appropriate means on the basis of any conduct justifying disciplinary action which occurred before or after the date of this stipulation and consent order 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 paragraphs 2 and 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 requiring compliance with the following:

- a. Respondent is **CENSURED** and **REPRIMANDED**.

b. Respondent SHALL pay to the Board a **CIVIL PENALTY** of twelve thousand dollars (\$12,000). Respondent shall submit a civil penalty of \$4,000 by check to the Board within 60 days of the Board's approval of this Stipulation and Consent Order, a second civil penalty of \$4,000 by check to the Board within 90 days of the Board's approval of this Stipulation and Consent Order, and a third civil penalty of \$4,000 by check to the Board within 120 days of the Board's approval of this Stipulation and Consent Order.

c. Respondent SHALL, at Respondent's expense, complete the National Association of State Boards of Accountancy Center for Public Trust Ethics Training, with a required passing score of no less than 80%. Respondent shall submit documentation of course completion to the Board within sixty days of the Board's approval of this stipulation and consent order.

d. Respondent SHALL **CEASE AND DESIST** the use of "Duluth CPA" in conjunction with his firm.

8. Respondent's representative hereby acknowledges that they have read, understand, and agree to this stipulation and consent order and is freely and voluntarily signing the stipulation on behalf of Respondent 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 proposed changes are unacceptable to Respondent or the Board rejects the stipulation, it will be of no effect except as specified herein.

9. Upon issuance by the Board, this Stipulation is classified as public data. Minn. Stat. § 13.41, subd. 5 (2020). All other documents in the record shall maintain the data classification to which they are entitled under Minn. Stat. ch. 13 and § 326A.08, subd. 2 (2020). Documents shall not become public merely because they are referenced herein. The Board will post a copy of this order on its website and send a summary to the national discipline data bank pertaining to the practice of public accounting.

10. 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.

11. Respondent is aware that they may choose to be represented by legal counsel in this matter. Respondent knowingly waived legal representation.

12. If approved by the Board, a copy of this stipulation and consent order shall be served personally or by first class mail on Respondent. The order shall be effective and deemed issued when it is signed by the Board Chair or designee of the Chair.

13. Pursuant to Minn. Stat. § 16D.17 (2020), thirty days after the civil penalty imposed by paragraph 7 is due, the Board may file and enforce any unpaid portion of the civil penalty imposed by this order as a judgment against the Respondent in district court without further notice or additional proceedings.

14. Pursuant to Minn. Stat. § 16D.13 (2020), thirty days after the civil penalty imposed by paragraph 7 is due, simple interest computed in accordance with that section shall begin to accrue on the civil penalty.

CONSENT:

RESPONDENT

Bradley Paul Mickelson

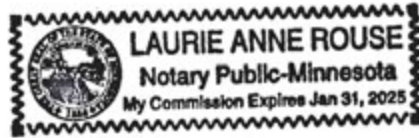
BRADLEY PAUL MICKELSON, CPA

Dated: 10/20/21, 2021

SUBSCRIBED and sworn to before me on
this the 20th day of October, 2021.

Laurie A. Rouse

(Notary Public)



My Commission Expires: 01/31/2025

COMPLAINT COMMITTEE

Gregory S. Steiner

GREGORY S. STEINER, CPA

Chair

Dated: 11/9/, 2021

ORDER:

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

1. The Board, In the Matter of Bradley Paul Mickelson, CPA, and his sole proprietor firm, hereby **ADOPTS** the Stipulation and **ORDERS** the remedy described in paragraph 7 therein, this 16 day of November, 2021.

STATE OF MINNESOTA
BOARD OF ACCOUNTANCY

Sharon A. Jensen

SHARON A. JENSEN, CPA

Chair

STATE OF MINNESOTA
MINNESOTA BOARD OF ACCOUNTANCY
85 East 7th Place, Suite 125
St. Paul, MN 55101

CERTIFICATE OF SERVICE BY U.S. MAIL

Case Title: Bradley Paul Mickelson
Files #2020-441 and 2021-431

I, Holly Salmela, verify by oath or affirmation that on the 30th day of November, 2021, at the City of Saint Paul, in the county of Ramsey, in the State of Minnesota, served the Stipulation and Consent Order by depositing a true and correct copy in the United States mail, properly enveloped, with first class postage prepaid and addressed to the following named individual(s) or entities at the address indicated below.

Bradley P. Mickelson CPA
Bradley Mickelson
5286 Twin Pines St
Duluth, MN 55811



Holly Salmela