

**STATE OF MINNESOTA  
BOARD OF ACCOUNTANCY**

In the Matter of the CPA Certificate of

O. Charles Brown  
CPA Certificate No. 05201

**STIPULATION AND  
CONSENT ORDER**

Board File 2021-492

**STIPULATION**

O. Charles Brown ("Respondent") and the Minnesota Board of Accountancy's Complaint Committee stipulate that, subject to Board's review and discretionary approval, the Board may issue a consent order that imposes the following sanctions:

A. Respondent's CPA certificate, No. 05201, is CENSURED and REPRIMANDED pursuant to Minn. Stat. § 326A.08 (2020).

B. Respondent shall pay to the Board a CIVIL PENALTY of Nine Thousand Dollars (\$9,000). Respondent shall submit a civil penalty of \$9,000 by check to the Board within sixty (60) days of the Board's approval of this Stipulation and Consent Order.

C. Respondent shall 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 have his continuing professional education submitted for audit as part of his 2023 CPA certificate renewal.

E. Respondent shall remain law abiding and comply with all statutes and rules within the Board's jurisdiction. See Minn. Stat. ch. 326A (2020) and Minn. R. ch. 1105 (2021).

F. Respondent shall report in writing within ten days any and all violations of this stipulation and consent order to the Board's Executive Director.

Respondent and the Committee enter into this stipulation based on the following findings of fact, conclusions of law, and other stipulated provisions:

**Findings of Fact**

1. Respondent was issued a Certified Public Accountant ("CPA") certificate on April 21, 1980, which currently expires on December 31, 2022.
2. Respondent was selected for audit of his continuing education ("CPE") records for the three-year period ending June 30, 2020.
3. Respondent was short 12 hours for the three years ended June 30, 2018.
4. Respondent was short 12.5 hours for the three years ended June 30, 2019.
5. Respondent originally reported 40.5 hours for FY20 but did not earn any CPE hours for FY20.
6. Respondent carried back 62 hours as part of his audit to Fiscal Years 2018 and 2020 and paid the CPE noncompliance fees.
7. Respondent is the president of Caldwell, Taylor & Brown, Ltd., a tax and accounting services business.
8. Caldwell, Taylor & Brown, Ltd. has been the subject of four Board orders:
  - a. On April 17, 2015, the Board issued a Stipulation and Consent Order. The firm had failed to complete a peer review for the year ended June 30, 2012. The firm then had a peer review for the year under review ended September 30,

2013. The peer review for the firm's accounting and auditing practice resulted a failed peer review.

- b. On June 13, 2017, the Board issued a Stipulation and Consent Order. During the peer review for the year ended June 30, 2015, the firm received a second failed peer review.
- c. On January 20, 2021, the Board issued a Stipulation and Consent Order and a Cease and Desist Order. The firm's firm permit expired on December 31, 2019. The firm held out and practiced as a CPA firm while its firm permit was lapsed. The firm also received a third failed peer review and was terminated from the Association of International Certificate Professional Accountants ("AICPA") for three consecutive failed peer reviews and failing to design a system of quality control or sufficiently complying with such a system.
- d. On September 15, 2021, the Board issued a Stipulation and Consent Order. The firm held out and practiced without a firm permit between January 20, 2021 and July 2, 2021, notwithstanding the Board's January 20, 2021 Cease and Desist order.

#### **Conclusion of Law**

1. The Board has authority to license and regulate certified public accountants and to take disciplinary action as appropriate. Minn. Stat. ch. 326A (2020).
2. Respondent violated Minnesota Statutes § 326A.08, subd. 5(a)(1), (8) (2020) and Minn. R. 1105.3000(E), 1105.3200(B), 1105.5600, subp. 1(C)(5), and 1105.7800(B) (2021).
3. This stipulation and consent order is in the public interest.

### Other Stipulated Provisions

1. This stipulation and consent order must be approved by the Board to become effective.

2. Respondent agrees that the Committee may move the Board *ex parte*, with or without advance notice to the Respondent, to approve this stipulation and consent order. Respondent understands that the Board may either approve the stipulation and consent order or not approve it. This stipulation and the files, records, and proceedings associated with this matter may be reviewed by the Board in its consideration of the Committee's motion.

3. If approved by the Board, this stipulation and consent order shall be classified as public data. Minn. Stat. § 13.41, subd. 5 (2020).

4. If the Board does not approve this stipulation and consent order, then the matter remains unresolved and the Committee may either seek to negotiate a revised stipulation and consent order with Respondent to present to the Board or issue an order commencing a contested-case hearing before an Administrative Law Judge at the Office of Administrative Hearings. See Minn. Stat. §§ 14.57–.62, 214.10, subd. 2 (2020) (describing administrative hearing process).

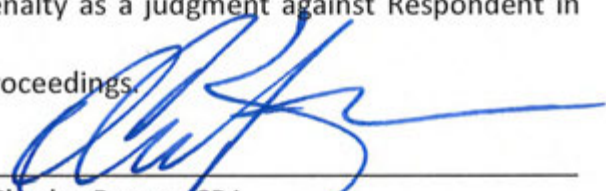
5. Respondent agrees that if this case comes before the Board again after it reviews and discusses this stipulation and consent order, Respondent waives any claim that the Board was prejudiced by its review and discussion of this stipulation and consent order and any records relating to it.

6. Respondent acknowledges that they were advised by the Committee of their right to a contested-case hearing in this matter before an Administrative Law Judge, to file exceptions

and make argument to the Board after the hearing, and to seek judicial review from any adverse decision rendered by the Board. Respondent hereby expressly waives those rights. Respondent was further advised by the Committee of their right to be represented by counsel and that they knowingly waive that right.

7. Respondent has read, understands, and agrees to this stipulation and has voluntarily signed it. It is expressly understood that this stipulation contains the entire agreement between the parties, there being no other agreement of any kind, verbal or otherwise. If approved by the Board, a copy of the final stipulation and consent order shall be served personally or by first class mail on Respondent. The Board's order shall be effective when it is signed by the Chair of the Board or the Chair's designee.

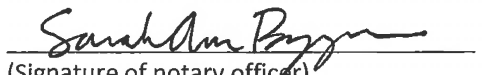
8. Pursuant to Minn. Stat. § 16D.13 (2020), any civil penalty imposed by this stipulation and consent order shall begin to accrue simple interest in accordance with that section thirty days after the civil penalty is due. Pursuant to Minn. Stat. § 16D.17 (2020), thirty days after any civil penalty imposed by this stipulation and consent order is due, the Board may file and enforce any unpaid portion of the civil penalty as a judgment against Respondent in district court without further notice or additional proceedings.

  
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O. Charles Brown, CPA

STATE OF Minnesota  
COUNTY OF Hennepin

This instrument was acknowledged before me on 8/17/22 by O. Charles Brown.



  
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(Signature of notary officer)  
My commission expires: 1/31/2023

COMPLAINT COMMITTEE

Charles J. McElroy

GREGORY S. STEINER, CPA Charles J. McElroy, CPA

Vice-Chair

Dated: September 20, 2022

CONSENT ORDER

Upon consideration of this stipulation and consent order, and based upon all the files, records, and proceedings herein, all terms of the stipulation and consent order are approved.

Accordingly, the Board orders as follows:

- A. Respondent's CPA certificate, No. 05201, is CENSURED and REPRIMANDED pursuant to Minn. Stat. § 326A.08 (2020).
- B. Respondent shall pay to the Board a CIVIL PENALTY of Nine Thousand Dollars (\$9,000). Respondent shall submit a civil penalty of \$9,000 by check to the Board within sixty (60) days of the Board's approval of this Stipulation and Consent Order.
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- D. Respondent shall have his continuing professional education submitted for audit as part of his 2023 CPA certificate renewal.
- E. Respondent shall remain law abiding and comply with all statutes and rules within the Board's jurisdiction. See Minn. Stat. ch. 326A (2020) and Minn. R. ch. 1105 (2021).

F. Respondent shall report in writing within ten days any and all violations of this stipulation and consent order to the Board's Executive Director.

STATE OF MINNESOTA  
BOARD OF ACCOUNTANCY

*Small Gossen Senath*  
For:

Dated: 9/20/, 2022

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~~CHARLES SELCER, CPA~~  
Board Chair