

**STATE OF MINNESOTA
BOARD OF ACCOUNTANCY**

In the Matter of the CPA Firm Permit of

EisnerAmper LLP
CPA Firm Permit No. F1934

**STIPULATION AND
CONSENT ORDER**

Board File No. 2024-040

STIPULATION

EisnerAmper LLP ("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 Firm Permit, No. F1934 is CENSURED and REPRIMANDED pursuant to Minn. Stat. § 326A.08 (2022).

B. Respondent shall pay to the Board a CIVIL PENALTY of Fifteen Thousand dollars (\$15,000). Respondent shall submit the civil penalty by check to the Board within sixty (60) days of the Board's approval of this Stipulation and Consent Order.

C. To the extent it has not already done so, Respondent shall reissue all reports that were completed during Respondent's lapse in licensure.

D. Respondent shall comply with all statutes and rules within the Board's jurisdiction. See Minn. Stat. ch. 326A (2022) and Minn. R. ch. 1105 (2023).

D. Respondent shall report in writing within ten days any 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. The Board issued Respondent a CPA firm permit on April 19, 2013.
2. Respondent was a foreign firm licensed in Minnesota with no office locations in Minnesota until September 2022.
3. Respondent's 2024 firm permit renewal application was returned on November 29, 2023, due to two-thirds majority of the firm's partners, members, managers, shareholders, directors, and officers not having renewed their certificates with an active status.
4. Respondent did not respond to the returned firm permit renewal form.
5. Respondent's firm permit expired on December 31, 2023.
6. The Board mailed Respondent a reminder that its CPA firm permit had expired on January 16, 2024.
7. Respondent's incomplete firm permit renewal form was received on January 19, 2024.
8. Respondent's firm permit renewal form was resubmitted, and the firm permit was renewed on January 22, 2024.
9. Respondent's staff in an email to the Board on January 22, 2024, inquired: "When the renewal is processed/complete, is our license effective retroactively to 1/1/2024?" They were informed that it is not retroactive.
10. During its lapse in licensure, Respondent held out and practiced as a CPA firm in Minnesota without a valid firm permit by offering and completing attest services.
11. Respondent self-reported in a letter to the Board that the firm had been holding out and practicing on February 5, 2024.

12. In its response to the Board, Respondent's attorney provided evidence that the Respondent had worked on 22 attest services during its lapse in licensure. These 22 attest services included:

- a. Issuing 15 engagement letters.
- b. Starting 3 reviews.
- c. Completing 4 reports during Respondent's lapse of licensure. These reports included an audit, a review, and two SOC 2 Type 2 reports.

13. Respondent billed its clients for attest services during the time of lapse and made a significant economic benefit by doing so.

14. The firm took corrective action by reviewing its control practices to determine whether changes were necessary to ensure such situation does not reoccur.

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 (2022).

2. Respondent violated Minn. Stat. §§ 326A.05, subd. 1(a)(1) and (2) and 326A.10(d) (2022) and Minn. R. 1105.4200(B)(1) and (3), 1105.5600, subp. 1(C)(1) and 1105.7800(A) and (D) (2023).

3. Respondent is subject to discipline pursuant to Minn. Stat. §§ 326A.08, subd. 5(a)(1), (3), and (8) (2023).

4. 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 (2022).

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 (2022) (describing administrative hearing process).

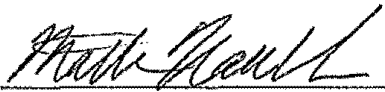
5. Respondent agrees that if this case comes before the Board again after it reviews and discusses this stipulation and consent order, Respondent waives any claim that the Board was prejudiced by its review and discussion of this stipulation and consent order and any records relating to it.

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 are represented by counsel.

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 (2022), 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 (2022), 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.



EisnerAmper LLP
By: MATTHEW MAULBECK
Its: MANAGING PARTNER

STATE OF New Jersey
COUNTY OF Middlesex

This instrument was acknowledged before me on 9/24/24 by personal reference

(stamp)


(Signature of notary officer)

My commission expires: _____

DelMarle Velazquez
Commission #2451198
Notary Public, State of NJ
Expires: December 17, 2024

COMPLAINT COMMITTEE



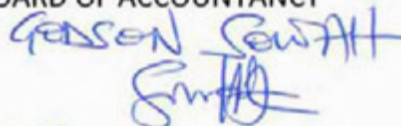
ANN ETTER, CPA
Chair

Dated: Oct 2, 2024

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 hereby ADOPTS the stipulation and issues the ORDER described above.

STATE OF MINNESOTA
BOARD OF ACCOUNTANCY



FOR:

CHARLES SELCER, CPA
Board Chair

Dated: 10/02/, 2024