

OFFICIAL PUBLICATION OF THE MINNESOTA BOARD OF ACCOUNTANCY

THE BOARD REPORT

Fall/Winter 2011



*Message from the
Board Chair*

*Michael M. Vekich,
CPA*

Mr. Vekich is the chief executive officer of Vekich Associates in Minneapolis.

INSIDE:

IRS OFFICE OF PROF. RESPONSIBILITY ..P2
DISCIPLINARY ACTIONP3
ELIJAH WATT SELLS AWARDP15
2012 BOARD CALENDARP15
NEW BOARD MEMBERSP16
BOARD MEMBER ACHIEVEMENTSP16
CPA EXAM CHANGESP17
CPA VERIFYP17

Board Contact Information

Phone: 651-296-7938
Fax: 651-282-2644
TTY: 800-627-3529

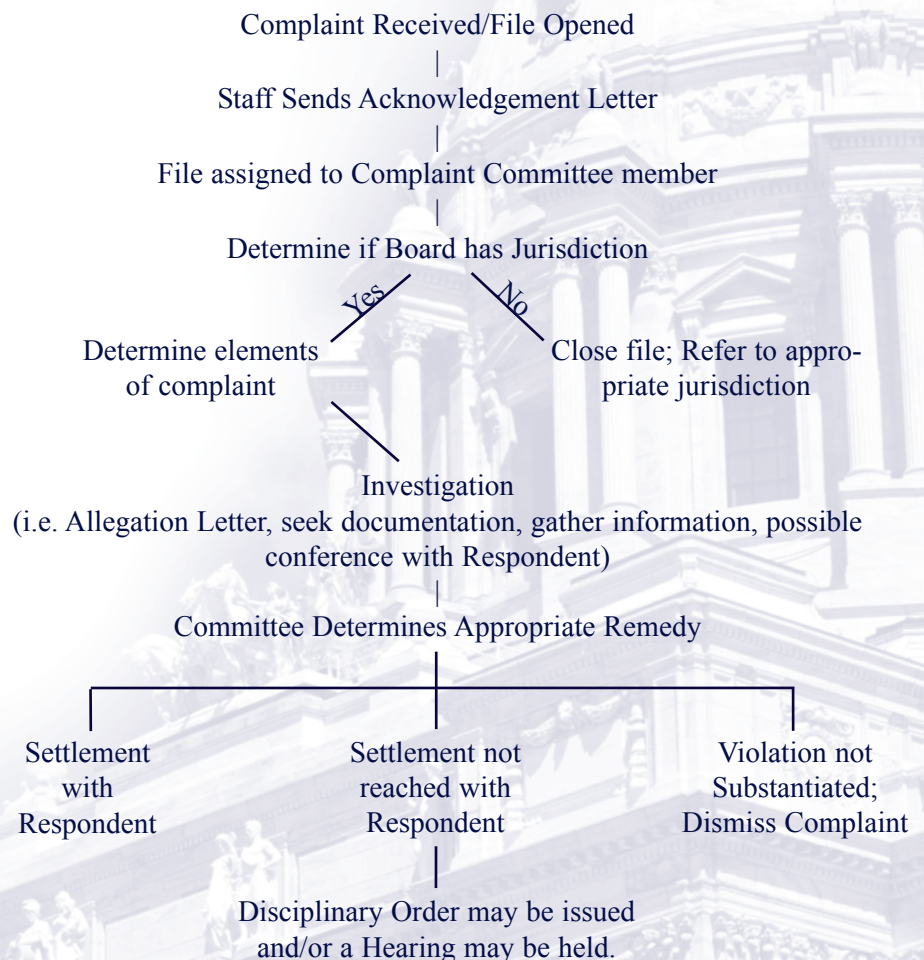
www.boa.state.mn.us

Filing a Complaint

In order to fulfill its mission to protect the health, safety and welfare of the public, the Board actively enforces the statutes and rules governing the Board. The Board strives to resolve complaints in a fair, expeditious and consistent manner.

The Board relies on licensees and the public to file complaints with the Board. To initiate the investigation process, the Board must receive a signed, written complaint. A complaint form is available on the Board's website at www.boa.state.mn.us/licensing/forms.aspx.

Overview of the Complaint Process



** This is an overview of the complaint process. It does not include every step of a disciplinary case. Procedures and processes vary depending on each case.

Happy Holidays!

IRS Office of Professional Responsibility

By Carole Smith, Stakeholder Liaison, IRS

Notice 2011-6: Supervised Preparers and Non-1040 Preparers

BOARD MEMBERS

Term Expiration

Michael M. Vekich, CPA <i>Board Chair</i>	January 2013
Kate Mooney, CPA <i>Vice Chair</i>	January 2012
Robert P. Saunders, CPA <i>Secretary/Treasurer</i>	January 2015
Kristine Eustice <i>Public Member</i>	January 2015
Sharon Jensen, CPA	January 2014
Rebecca Keran, CPA	January 2012
Neil Lapidus, CPA	January 2012
Gregory Steiner, CPA	January 2015
Scott Van Binsbergen <i>Public Member</i>	January 2015

BOARD STAFF

Doreen Frost 651-757-1517	<i>Executive Director</i> doreen.frost@state.mn.us
Bev Carey 651-757-1514	<i>State Program Administrator</i> bev.carey@state.mn.us
Vicky Oehrlein 651-757-1521 <i>Intermediate</i>	<i>Office and Administrative Specialist</i> vicky.oehrlein@state.mn.us
Steve Renville 651-757-1513	<i>Complaint Specialist</i> steve.renville@state.mn.us
Kris Zierman-Linnell 651-296-7938	<i>Receptionist</i> kris.zierman-linnell@state.mn.us

All tax preparers must have a PTIN. Additionally, some preparers must pass a competency examination and take continuing education courses annually. These individuals become Registered Tax Return Preparers.

Attorneys, certified public accountants, enrolled agents, enrolled retirement plan agents, enrolled actuaries, “supervised preparers,” and individuals who do not prepare Form 1040 series tax returns are exempt from competency testing and continuing education requirements.

Who is a Supervised Preparer?

Supervised preparers are individuals who do not sign, and are not required to sign, tax returns as a paid return preparer but are:

- Employed by attorney or CPA firms; **OR**
- Employed by other recognized firms that are at least 80 percent owned by attorneys, CPAs, or enrolled agents;

AND

- Who are supervised by an attorney, certified public accountant, enrolled agent, enrolled retirement plan agent, or enrolled actuary who signs the returns prepared by the supervised preparer as the paid tax return preparer.

When applying for or renewing a PTIN, supervised preparers must provide the PTIN of their supervisor. The supervisor’s PTIN must be a valid and active PTIN.

Supervised preparers may **NOT**:

- Sign any tax return they prepare or assist in preparing;
- Represent taxpayers before the IRS in any capacity; or
- Identify themselves as a registered tax return preparer or a Circular 230 practitioner.

Who is a non-Form 1040 series Preparer?

Non-Form 1040 series preparers are individuals who do not prepare, or assist in the preparation of, any Form 1040 series tax return or claim for refund, except a Form 1040-PR or Form 1040-SS, for compensation.

When applying for or renewing a PTIN, non-Form 1040 series preparers must certify that they do not prepare, or assist in the preparation of, any Form 1040 series tax return or claim for refund, except a Form 1040-PR or Form 1040-SS, for compensation.

Non-Form 1040 series preparers may:

- Sign any tax return they prepare or assist in preparing; or
- Represent taxpayers before revenue agents, customer service representatives, or similar officers and employees of the IRS (including the Taxpayer Advocate Service) during an examination if the individual signed the tax return or claim for refund for the taxable year under examination.

Non-Form 1040 series preparers may **NOT**:

- Prepare or assist in preparing any Form 1040 series tax return or claim for refund, except a Form 1040-PR or Form 1040-SS, for compensation; or
- Identify themselves as a registered tax return preparer or a Circular 230 practitioner.

For additional information, see: www.irs.gov.

Disciplinary Actions

Disclaimer: Every effort has been made to ensure that the following enforcement information is correct; however, this information should not be relied upon without verification from the Board office. It should be noted that the names of companies and individuals listed may be similar to the names of parties who have not had enforcement actions taken against them. Disciplinary orders are public data and copies may be obtained by contacting the Board office.

On April 19, 2011, the Board issued the following orders:

In the Matter of Anthony Paul Copa, CPA Certificate #07187

The Board issued a Stipulation and Consent Order.

Facts:

- The Board issued a Certified Public Accountant license to Respondent on December 16, 1983.
- Respondent currently holds an active CPA certificate from the Board.
- Respondent failed to complete 120 hours of mandatory continuing professional education during the years ended June 30, 2007, 2008, and 2009.
- Respondent submitted carry back CPE hours for the year ending June 30, 2009 and paid the non-compliance fee.
- Respondent violated Minn. Stat. §326A.04, subd. 4 (2010) and Minn. R. 1105.3000, paragraph A; 1105.5600 subp. 1 item C subitem 5; 1105.7800 item B (2009).

Remedy:

- Respondent's certificate is CENSURED and REPRI-MANDED.
- Respondent shall pay a CIVIL PENALTY of \$500.
- Respondent agrees that he will not violate in the future any statute, rule or order that the Board has issued or is empowered to enforce.

In the Matter of Linda Marie Oberg Certificate #09834

The Board issued a Stipulation and Consent Order.

Facts:

- The Board issued a CPA license to Respondent on February 7, 1989.
- Respondent currently holds an active CPA license from the Board.
- Respondent failed to comply with the Board's Continuing Professional Education rules for the years ended June 30: 2007, 2008, and 2009.
- On December 30, 2010, Respondent submitted CPE documentation that carried back 24 hours from Fiscal Year 2010 to Fiscal Year 2009.
- Respondent violated MN Stat. §326A.04 (2010) and Minn. R. 1105.3000, 1105.5600, 1105.7800 (2011).

Remedy:

- Respondent certificate is CENSURED and REPRI-MANDED.
- Respondent shall pay a CIVIL PENALTY of \$500.
- Respondent shall pay a CPE non-compliance fee of \$475.
- Respondent agrees to not violate in the future any

statute, rule or order that the Board has issued or is empowered to enforce.

In the Matter of Joseph Nicholas Perfetti Certificate #10261

The Board issued a Stipulation and Consent Order.

Facts:

- The Board issued a CPA license to Respondent on July 1, 1980.
- Respondent currently holds an active CPA license from the Board.
- Respondent failed to comply with the Board's Continuing Professional Education rules for the years ended June 30: 2007, 2008 and 2009.
- On December 30, 2010, Respondent submitted CPE documents that carried back 32 hours from Fiscal Year 2011 to Fiscal Year 2009.
- Respondent violated Minn. Stat. §326A.04 (2010) and Minn. R. 1105.3000, 1105.5600, 1105.7800 (2011).

Remedy:

- Respondent's certificate is CENSURED and REPRI-MANDED.
- Respondent shall pay a CIVIL PENALTY of \$500.
- Respondent shall pay a CPE non-compliance fee of \$475.
- Respondent agrees to not violate in the future any statute, rule or order that the Board has issued or is empowered to enforce.

In the Matter of Amanda Reese

The Board issued a Stipulation and Consent Order.

Facts:

- Respondent does not hold a Minnesota CPA certificate.
- Respondent improperly used the CPA title.
- Respondent violated MN Stat. §326A.10 (c) (2010).

Remedy:

- Respondent is prohibited from holding out as a CPA or engaging in activities requiring an active CPA certificate in this state without obtaining an active certificate.
- Respondent shall pay a CIVIL PENALTY of \$250.

In the Matter of David R. Tillou Revoked Certificate #09551

The Board issued a Stipulation and Consent Order.

Facts:

- Respondent was issued a CPA certificate on October 18, 1985.
- Respondent's CPA certificate expired on December 31, 1988 and was revoked on October 16, 1998.
- The Board has not issued another CPA firm permit to Respondent since the revocation of his initial license.
- The Board's Complaint Committee has received information that Respondent used the CPA designation on Tillou Financial Group marketing material, a violation of MN Stat. §326A.10 (c) (2010).

Remedy:

- Respondent shall pay a CIVIL PENALTY of \$750.

Continued on page 4

Disciplinary Actions (continued from page 3)

		Facts			Remedy					
		Respondent's certificate expired and Respondent failed to renew the certificate or notify the Board that the Respondent was electing exemption from renewal under MN Stat. § 326A.04, subp 2 (b)(2010). Respondent has not engaged in activities requiring an active certificate since the date of expiration. Respondent violated MN Stat. §326A.10 (2010) and MR 1105.2500, 1105.7800, 1105.5600 (2011).			Respondent's certificate is CENSURED and REPRIMANDED . Respondent shall pay the fees listed below. Respondent shall apply for an inactive certificate. Respondent shall not engage in activities requiring an active certificate in this state, including but not limited to the performance of attest services, nor shall Respondent hold out to the public in any manner so as to suggest that the Respondent holds an active certificate. Respondent shall comply with MN Stat. §326A.04, subd. 4 (2010). Respondent agrees to not violate in the future any statute, rule or order that the Board has issued or is empowered to enforce.					
Date Order Issued	In the Matter of	Certificate Expired on:	Failed to Renew Certificate for Years:	Date Revoked	Civil Penalty	Inactive Certificate Renewal Fee (\$10 per year)	Annual Delinquency Fee (\$50 per year)	License Surcharge Fee (\$5 per year after 2009)	Reinstatement Application Fee	
On April 19, 2011, the Board issued a Stipulation and Order	William Derham Eginton Cert. # 12464	12/31/05	2006-2011	4/14/08	\$750.00	\$70.00	\$300.00	\$15.00	\$20.00	
	Terry L. Golling Cert. #22636	12/31/05	2006-2011	4/14/08	\$750.00	\$70.00	\$300.00	\$15.00	\$20.00	
	John Porter Harmon Cert. #07616	12/31/87	1988-2011	10/16/98	\$750.00	\$250.00	\$1,200.00	\$15.00	\$20.00	
	Lori Ann Keehn Erickson Cert. #12924	12/31/91	1992-2010	10/16/98	\$750.00	\$210.00	\$1,000.00	\$15.00	\$20.00	
	Gregory D. Paulson Cert. #06961	12/31/85	1986-2011	10/16/98	\$750.00	\$280.00	\$1,300.00	\$15.00	\$20.00	
	Brenda E. Vaughn Cert. #18528	12/31/07	2008-2010	4/5/10	\$750.00	\$60.00	\$150.00	\$15.00	\$20.00	
On August 12, 2011, the Board issued a Stipulation and Order	David John Hawkins Cert. #05314	12/31/08	2009-2011	5/13/11	\$750.00	\$40.00	\$150.00	\$15.00	\$20.00	
	Matthew Richard Stein Cert. #17752	12/31/07	2008-2011	4/5/10	\$750.00	\$60.00 (through 2013)	\$200.00	\$15.00	\$20.00	
On October 18, 2011, the Board issued a Stipulation and Order	Lisa Kjentvet Anderson Cert. #14896	12/31/06	2007-2011	4/21/09	\$750.00	\$60.00 (through 2012)	\$250.00	\$15.00	\$20.00	
	James Anthony Harper Cert. #16847	12/31/08	2009-2011	5/13/11	\$750.00	\$40.00	\$150.00	\$15.00	\$20.00	
	Teresa Marie Mitrani Cert. #18522	12/31/01	2002-2011	3/23/04	\$750.00	\$100.00	\$500.00	\$15.00	\$20.00	

		Facts			Remedy				
		<p>- Respondent's certificate expired and Respondent failed to renew the certificate or notify the Board that the Respondent was electing exemption from renewal under MN Stat. § 326A.04, subp 2 (b)(2010).</p> <p>- Respondent has not engaged in activities requiring an active certificate since the date of expiration.</p> <p>- Respondent violated MN Stat. §326A.10 (2010) and MR 1105.2500, 1105.7800, 1105.5600 (2011).</p>			<p>- Respondent's certificate is CENSURED and REPRIMANDED.</p> <p>- Respondent shall pay the fees listed below.</p> <p>- Respondent shall apply for an inactive certificate.</p> <p>- Respondent shall not engage in activities requiring an active certificate in this state, including but not limited to the performance of attest services, nor shall Respondent hold out to the public in any manner so as to suggest that the Respondent holds an active certificate.</p> <p>- Respondent shall comply with MN Stat. §326A.04, subd. 4 (2010).</p> <p>- Respondent agrees to not violate in the future any statute, rule or order that the Board has issued or is empowered to enforce.</p>				
Date Order Issued	In the Matter of	Certificate Expired on:	Failed to Renew Certificate for Years:	Date Revoked	Civil Penalty	Inactive Certificate Renewal Fee (\$10 per year)	Annual Delinquency Fee (\$50 per year)	License Surcharge Fee (\$5 per year after 2009)	Reinstatement Application Fee
On Nov. 1, 2011, the Board issued a Stipulation and Order	Renee Michele Barrett Cert. #15601	12/31/95	1996-2011	10/16/96	\$750.00	\$170.00 (through 2012)	\$800.00	\$10.00	\$20.00
	Jason Edward Max Cert. #17788	12/31/05	2006-2011	4/14/08	\$750.00	\$60.00	\$300.00	\$15.00	\$20.00

**In the Matter of Kottke & Associates, LLC
Certificate #01680**

The Board issued a Stipulation and Consent Order.

Facts:

- Respondent engaged in conduct or acts that are in violation of standards established by Board rule and such conduct or acts relate to the providing of professional services.
- Respondent engaged in substandard tax work.
- Respondent violated MN Stat. §326A.08 Subp. 5 (a) (3) (2010) and Minn. R. 1105.7800 (2009).

Remedy:

- Respondent's permit is **CENSURED** and **REPRIMANDED**.
- Respondent shall pay a **CIVIL PENALTY** of \$250.
- Respondent agrees to not violate in the future any statute, rule or order that the Board has issued or is empowered to enforce.

**In the Matter of Wendy Rychley Chartered
Permit #01019**

The Board issued a Stipulation and Consent Order.

Facts:

- Respondent failed to obtain a valid Firm permit during the years 2006 through 2011 and during that period Respondent's firm engaged in activities which required such a permit.
- Respondent failed to comply with the applicable quality review requirements set out in Minnesota Statutes.
- Respondent violated MN Stat. §§326A.05, 326A.10 (2010) and Minn. R. 1105.2500, 1105.5600, 1105.7800 (2009).

Remedy:

- Respondent's permit is **CENSURED** and **REPRIMANDED**.
- Respondent shall pay a **CIVIL PENALTY** of \$2,000.
- Respondent shall apply for a firm permit.
- Respondent shall not engage in activities requiring a firm permit or hold the firm out as a CPA firm without obtaining an annual firm permit.
- Respondent shall provide a copy of a signed engagement letter with a reviewer to conduct a quality review of the Respondent's practice. By September 1, 2011, Respondent shall provide the Board with a copy of the report issued as a result of that review.
- Respondent agrees to not violate in the future any statute, rule or order that the Board has issued or is empowered to enforce.

**In the Matter of Wendy Kay Rychley
Certificate #09605**

The Board issued a Stipulation and Consent Order.

Facts:

- The Board issued a CPA license to Respondent on January 29, 1986.
- Respondent's active certificate expired on December 31, 2006 and was revoked on April 21, 2009.
- Respondent engaged in activities requiring an active certificate and held out to the public as a certified public accountant.
- Respondent failed to comply with the Board's continuing professional education rules by failing to complete 120 hours of mandatory Continuing Professional Education during the years ended June 30: 2008, 2009 and 2010.

Continued on page 6

- Respondent violated MN Stat. §§326A.04, 326A.10 (2010) and Minn. R. 1105.2500, 1105.3000, 1105.7800 (2009).

Remedy:

- Respondent's certificate is CENSURED and REPRI-MANDED.
- Respondent shall pay:
 1. A \$315 Active Certificate Renewal Fee for the years 2007 through 2013 (\$45/year).
 2. A \$250 Annual Delinquency Fee for the years 2007 through 2011 (\$50/year).
 3. A \$15 Licensing Surcharge Fee for the years 2009, 2010 and 2011 (\$5/year).
 4. A \$20 Reinstatement Application Fee.
 5. A \$1,400 Continuing Professional Education non-compliance fee.
- Respondent shall apply for an active certificate.
- Respondent shall not engage in activities requiring an active certificate in this state, including but not limited to the performance of attest service, nor shall Respondent hold out to the public in any manner so as to suggest that the Respondent holds an active certificate.
- Respondent shall comply with MN Stat. §326A.04, subd. 4 (2010).
- Respondent agrees to not violate in the future any statute, rule or order that the Board has issued or is empowered to enforce.

On May 20, 2011, the Board issued the following orders:

In the Matter of Angela Rae Freeman Certificate #26429

The Board issued a Stipulation and Consent Order.

Facts:

- The Board issued an active CPA certificate to Respondent on February 14, 2011.
- Respondent passed the Uniform CPA Examination on January 4, 2010, and was notified by the MN Board of Accountancy of passing on April 27, 2010.
- An experience verification confirmed employment from November 2006 through the present.
- Respondent was required to apply no later than June 27, 2010, sixty days after receiving the Board's notification of passing the exam.
- Respondent failed to apply for an active certificate when required to do so.
- Respondent violated Minn. R. Part 1105.2500 item D; 1105.7800, item D (2009).

Remedy:

- Respondent's certificate is CENSURED and REPRI-MANDED.
- Respondent shall pay a CIVIL PENALTY of \$250.
- Respondent agrees to not violate in the future any statute, rule or order that the Board has issued or is empowered to enforce.

In the Matter of Derek Lonnie Meyer, CPA Certificate #26390

The Board issued a Stipulation and Consent Order.

Facts:

- Respondent's Initial Application for an Active CPA Certificate was received in the Board of Accountancy office later than sixty days after meeting the experience requirement.
- Respondent failed to apply for an active certificate when required to do so.
- Respondent failed to comply with the applicable requirements set out in Minn. R. 1105.2500 D (2009).

Remedy:

- Respondent's certificate is CENSURED and REPRI-MANDED.
- Respondent shall pay a CIVIL PENALTY of \$250.
- Respondent agrees to not violate in the future any statute, rule or order that the Board has issued or is empowered to enforce.

Order for Automatic Revocation of CPA Certificate May 13, 2011

Respondent failed to renew Respondent's CPA Certificate for more than two years after its expiration. IT IS HEREBY ORDERED that Respondent's CPA certificate in the State of Minnesota is automatically revoked pursuant to MN Stat. §326A.09 (2008). Respondent shall not in any manner practice or hold himself/herself out as a certified public accountant in this state. The revocation shall take effect immediately. If Respondent wishes to seek reinstatement of Respondent's CPA certificate, Respondent shall petition the Board pursuant to MN Stat. §326A.09 (2008). The Board's consideration of an action upon any petition for reinstatement will be governed by MN Stat. §326A.09 (2008) and applicable Board rules.

Adelman, Sara Elizabeth #24470
Aeschlimann, Kristine Kay #22358
Ahrenholz, Mark D. #23915
Allerson, John Edmund #03592
Apple, Alvin #C0776
Armprister, Darlena J. #22667
Asche, Kathryn Sue #13770
Bachynski, Myron L. #21576
Baik, Monica Rose #24896
Bakke, Ryan E. #24871
Baltes, Diane Marie #13901
Banzhaf, Irvin Kent #09582
Barth, Carmen M. #24969
Bartholet, David Henry #12777
Bechtold, Steven I. #02507
Becker, Terrence L. #03475
Bergstrom, Gary P. #18169
Blegen, Edward L. #02877
Blesi, Gregory Stewart #14410
Borem, Janet Lynn #23105
Breault, Michelle Marie #20252
Brown, Thomas L. #20757
Brunberg, W. Thomas #C1998
Brustad, Roger William #08267

Burns, Mary Kathryn #08666
Buske, John Michael #14037
Butchert, Michael Joe #C1957
Bynum, Jeffrey S. #06765
Bzdok, Donna Marie #10456
Castner, Stephen Carl #21735
Chiu, Wai-Chun Simon #18513
Cieszinski, Thomas Patrick #18993
Clem, Larry Allen #03349
Cole, Lauren R. #24809
Corrigan, Timothy David #07555
Cox, Lisa Ellen #09346
Crawford, Richard A. #08281
Dean, Dillon Ramon #22961
Diracles, David H. #23156
Ditman, Stephen M. #22896
Doherty, Julie Ann #16812
Dur, John Jack #23491
Durkin, Kerry Ellen #10543
Dysthe, Michael Howard #12460
Epp, Nicole R. #22037
Erbstoesser, Carl Gunther #21793
Erickson, Leroy Lydeen #03605
Evans, Lawrence J. #05340
Fahler, Jennifer Jean #20850
Felderman, Chris Michael #22294
Fick, Barry W. #08315
Findell, Rhonda Kay #20275
Fisher, Brian P. #23943
Franz, Timothy James #10565
Frost, Tina Marie #16486
Fulton, James David #18457
Gallagher, Eugene Patrick #09615
Gallant, Stanley David #11324
Gerczak, Richard G. #14461
Goettig Ruddy, Gwyn Marie #21487
Gough, Jeffrey E. #14466
Greeman, Rosalie #04205
Greenstein, Bradley Alan #20428
Guy, David A. #22568
Hageman, Jared Peter #23190
Hamelin, Joseph Lawrence #C1679
Harper, James Anthony #16847
Harvey, Robert Charles #11738
Hawkins, David John #05314
Hayes, Norman Austin #C1788
Hellenbrand, Vicki Vogel #21959
Helmer, Jo Ellen #17469
Henkel, Kathryn Ann #24154
Hertrich, Carl E. #22695
Hibbard, Rebeca Patricia #24300
Hicks, Angela Grace #22407
Hill, Dennis Allen #12713
Ho, Nga T. #23457
Hoffman, John Roger #C1939
Holtegaard, Krista Marie #22942
Howe, Derek John #24839
Hubmer, Donald E. #21724
Hutton, Mark Andrew #22083
Jandrt, Gregory Allan #08006
Janssen, Debra Ann #13328
Jaquith, James John #20534
Jensen, Brian Christopher #19994
Kane, Christine Jane #18950
Katzenberger, Susan Ann #16367

Kaufhold, Thomas Charles #06058
Keeler, Jennifer Ann #12128
Kelly, Daniel Gordon #12926
Klutch, Jennifer Marie #18107
Knutson, Erik Robert #13354
Koors, Daniel W. #22171
Kopriva, Earl Robert #04558
Korsh, H. Richard #C1856
Kuang, Tao #24266
Landgraf, Luanne Marie #07440
Larsen, David Christopher #06885
Ledin, Jeff Martin #13369
Leiter, Brian Robert #20997
Levey, Steven I. #23163
Lewis, Kevin R. #23653
Lindberg, Katherine Jeanne #15523
Malo, Angela Carrie #21154
Matsumoto, Kiyoshi #21891
Mattek, Timothy John #09261
McCall, Dean Walter #05806
McCartan, Timothy L. #17073
McKee, David John #16934
McKinley, Erin Leigh #22921
McLaughlin, Rory Alan #03370
Melquist, Michelle Rae #08056
Melrose, Margaret Elizabeth #22173
Mitsch, Peter John #07715
Morris, Christopher Justin #22495
Mortenson, Gregory Jerald #12990
Muehlbauer, James Lloyd #09824
Myers, Matthew Michael #19276
Neeser, Douglas Edward #12997
Nelson, Richard Russell #06247
Newstrom, James Scott #14342
Nielsen, Ryan Joseph #22645
Noel, Bradley Charles #24316
Nogosek, Christopher Lee #23527
Noreen Maene, Rebecca L. #18323
Olson, Carmen Karen #15795
Omann, Joseph R. #08458
Peterson, Carla Diane #05275
Peterson, Michael Clair #02807
Pierson, David Alan #03374
Probst, Peter Robert #22051
Pryse, Richard Glen #08949
Quinn, Phillip James #24093
Quitmeyer, Gordon Kent #03640
Raghavan, Vipin #22889
Rebensdorf, Connie Marie #14057
Rieckhoff, Scott Jerome #12248
Reierson, Timothy J. #23038
Ringblom, Jeffrey R. #25068
Rothstein, Kathleen Susan #12006
Rowe, Charles Eldon #04288
Russell, John D. #20483
Ryan, Christina Marie #13128
Sandberg, Mary Frances #11848
Scharf, Daniel D. #19922
Schauer, Scott D. #05501
Schilling, Christopher T. #22719
Schmidt, Darrell Dean #05870
Schneewind, Orville F. #C1369
Schultz, Deborah Lynn #04087
Schulzetenberg, John M. #02284
Schwanke, Pamela Jean #06992

Shapiro, Marvin J. #21779
Shea, Beth Ann #16359
Shimota, Richard William #09895
Skoyen, Lisa Marie #14697
Smith, Brian Scott #11498
Smith, Kevin Lloyd #06296
Smith, Natalie Sue #12109
Solsten, Susanne Marie #09197
Starr, Priscilla Ruth #20155
Sterling, Scott Lee #21212
Sterzinger, Corrie Suzanne #18450
Stowman, Amber Gail #22369
Sukovich, Randall James #03542
Thompson, Brian Robert #20187
Toomey, Michael Terrance #20397
Turnbull, Scott Owen #11578
Van Beck, Nathan M. #24682
Vaney, Karen Ann #11902
Vanslingerlandt, Erin E. #22752
Vezina, Stacy Lynn #14674
Von Feldt, Charles Albert #03169
Wacek, Douglas J. #04610
Wagstaff, Robert Burton #15869
Warner, David L. #07832
Watland, Melissa A. #23728
Wayman, Mark Joseph #22589
Weber, Jaime Larina #20951
Welle, Thomas W. #02931
Winter, Ronald Herman #21656
Wright, Bradley J. #08172
Wulff, Elisha Linn #20738
Yoon, Sung Wook #23614
Ziemer, Darin M. #25052
Zona, Richard Alfred #05010
Zorr, Thomas R. #03849

On August 12, 2011, the Board issued the following orders:

**In the Matter of Stephen G. Burke
Certificate #19049**

The Board issued a Stipulation and Consent Order.

Facts:

- Respondent currently holds an inactive CPA certificate from the Board.
- Respondent admits that the United States Securities and Exchange Commission (SEC) issued an Order Instituting Public Administrative and Cease and Desist Order to Stephen G. Burke, under which Respondent's right to appear or practice before the SEC was suspended.
- Such suspension is a valid basis under which the Board may censure or reprimand Respondent under Minn. Stat. §326A.08, subp. 5(a)(7) (2010).

Continued on page 8

Remedy:

- Respondent agrees to SURRENDER his certificate to practice as a certified public accountant in Minnesota.
- Respondent agrees not to reapply for a certificate to practice as a certified public accountant in Minnesota.
- Respondent shall surrender his CPA Certificate by sending it to the Board office via U.S. Mail or private delivery service.
- Respondent shall not hold himself out to the public as a certified public accountant in Minnesota.
- Respondent shall remove the designation of being a certified public accountant from all advertisements, business forms, listings, signage, and other places in which the designation is used, whether electronically, in print, or by any other medium.
- Respondent shall not perform any public accountant services.
- Respondent agrees that he will not in the future violate any statute, rule or order that the Board has issued or is empowered to enforce.

**In the Matter of Steven August Hirsch
Certificate #12508**

The Board issued a Stipulation and Consent Order.

Facts:

- Respondent's certificate expired on December 31, 2005, and the Respondent failed to renew his certificate for 2006 through 2011, or notify the Board that the Respondent was electing exemption from renewal under Minn. Stat. §326A.04, subp. 2(b) (2010).
- Respondent's certificate was revoked on April 14, 2008.
- The Board of Accountancy received copy of a Globe University, MSB business card with 'Steve Hirsch, CPA Accounting Program Chair' anonymously.
- Respondent held out to the public as a Certified Public Accountant.
- Respondent violated Minn. Stat. §326A.10(c) (2010) and Minn. R. 1105.2500, 1105.5600, 1105.7800 (2009).

Remedy:

- Respondent's certificate is CENSURED and REPRI-MANDED.
- Respondent shall pay:
 1. A CIVIL PENALTY of \$1,000.
 2. A \$70 Inactive Certificate Renewal Fee for the years 2006 through 2012 (\$10/year).
 3. A \$300 Annual Delinquency Fee for the years 2006 through 2011 (\$50/year).
 4. A \$15 Licensing Surcharge Fee for the years 2009, 2010 and 2011 (\$5/year).
 5. A \$20 Reinstatement Application Fee.
- Respondent shall report to the Board 120 continuing professional education hours required by Minn. R. 1105.3000, item E(1) (2007).
- Respondent shall not hold out to the public in any manner so as to suggest that the Respondent holds an active certificate. Respondent shall comply with Minn. Stat. §326A.04, subd. 4 (2010).
- Respondent agrees that he will not violate in the future any statute, rule or order that the Board has issued or is empowered to enforce.

**In the Matter of Ramaniklal Premchand Shah
CPA Certificate #09193**

A hearing for this matter came before Administrative Law Judge Richard C. Luis on April 20, 2011. On May 18, 2011, the Administrative Law Judge issued Findings of Fact, Conclusions and Recommendation ("Report") in this matter. A copy of the Report is on file in the Board office.

Statement of the Issues:

The issues in this contested case proceeding were whether the Board should discipline Respondent because:

1. Respondent failed to timely comply with the Board's Continuing Professional Education (CPE) requirements, pursuant to Minn. Stat. §326A.04 (2010), and Minn. R. 1105-3000 and 1105.3100 (2009).
2. Respondent failed to pay the CPE noncompliance fee to the Board until January 2011, pursuant to Minn. Stat. §326A.08, subd. 7 (2010), and Minn. R. 1105.3000 (2009).

On August 12, 2011, the matter was heard, considered and decided by the full Board of Accountancy. The Board made the following Findings of Fact, Conclusions of Law and Order:

Findings of Fact

Findings of Fact 1 through 18 of the Report are adopted and incorporated herein.

1. The Respondent is and has been for many years a certified public accountant. The Respondent has also been a Member of the Board of Accountancy for many years. From 2004 to 2007, the Respondent was on the Board's Executive Committee. He was on the CPE Committee from 2004 through 2008 and served as chair of the CPE Committee since 2008. The Respondent has also served on the CPE Committee of the National Association of State Boards of Accountancy (NASBA) since 2008.
2. Under the Board's rules, licensed accountants must complete 120 hours of CPE on a rolling basis every three years, earning a minimum of 20 hours in each year. At least eight of the 120 hours must be in accounting ethics or business ethics. The rules allow credit for seminars and lectures approved by NASBA and for seminars and lectures that are not approved by NASBA, but at least 72 of the 120 hours must be from courses approved by NASBA. Programs of self-study (as opposed to seminar or lecture programs) are allowed only if the sponsors are members of NASBA's Quality Assurance Service (QAS) Program.
3. There are different documentation rules for approved and unapproved courses. For approved courses, the licensee must have a certificate of attendance that contains the registry number of the program sponsor. For courses that are not approved, the licensee must have (1) a certificate of attendance containing the name and contact information of the sponsor, the title and description of the content of the program, the date of the program, the location of the program, and the number of CPE hours for which the licensee attended; (2) a copy of the detailed timed agenda for the program; (3) a biography of the program developer and program presenter; and (4) a statement by the licensee describing how the program contributed to the licensee's pro-

essional knowledge and competence.

4. Licensed accountants must provide evidence of compliance with CPE requirements when they apply for renewal of their certificates each year.
5. The rules containing these requirements were changed twice between 2004 and 2007. The disallowance of unapproved self-study courses became effective on June 30, 2007. To address widespread misunderstanding of the rules reflected in a 2007 CPE audit, Board staff sent out a letter to all licensed accountants clarifying the rule requirements.
6. On May 29, 2009, the Board advised the Respondent that he had been selected to participate in the annual CPE audit for the three years ending June 30, 2006, 2007 and 2008. Board staff requested that he submit copies of certificates of completion to substantiate the CPE hours reported on his 2009 certificate renewal form.
7. On June 29, 2009, the Respondent filed a CPE compliance form for the three years ended June 30, 2008. The Respondent indicated that he had completed 176 hours of CPE over that period of time. He also submitted materials to support his claimed CPE hours.
8. Board staff audited the materials and made a variety of adjustments to the claimed hours. Some self-study courses were disallowed because the sponsors were not members of the NASBA QAS program; in addition, some claimed hours for attendance at NASBA annual meetings were disallowed. Some of the approved courses taught by the Respondent were missing documentation of credit by the program sponsor. Finally, none of the claimed courses covered accounting or business ethics.
9. On July 13, 2009, Board staff attempted to send an email to the Respondent advising him of the audit results and asking him to submit additional documentation or to call with any questions. The Respondent either did not receive the email or he overlooked it.
10. On October 1, 2009, the Board's executive director wrote to the Respondent asking him to submit additional documentation and/or late fees by October 19, 2009. The letter also advised the Respondent that failure to provide all supporting documentation by that date might result in referral to the Board's disciplinary committee.
11. The Respondent met with Board staff on October 19, 2009 about the audit results. He was upset that, given the total number of hours of CPE he had taken, the Board staff was questioning his compliance with the requirements. The staff member also became upset and felt that the Respondent was improperly pressuring her to accept the credits without requiring further documentation.
12. The Respondent thereafter requested that the CPE Committee accept the credits that lacked supporting documentation; the Committee denied this request on December 9, 2009.
13. On December 1 and December 16, 2009, the Respondent submitted additional materials to support his CPE filing. The final result of the audit was that the Respondent lacked four approved ethics hours for fiscal year 2008.
14. The Respondent was allowed to satisfy this deficiency by "carrying back" four CPE ethics hours earned in May 2010.

15. Because the Respondent was out of compliance from July 2008 to May 2010, he was required to pay a late processing fee calculated as \$50 for the first month and \$25 per month thereafter until compliance was achieved. In the Respondent's case, the late processing fee amounted to \$575.
16. The Respondent disputed the fee and continued to assert that he had complied with the CPE requirements.
17. On September 15, 2010, the Board of Accountancy issued the Notice and Order for Hearing in this matter.
18. On January 14, 2011, the Respondent paid the \$575 fee under protest when he filed to renew his CPA certificate. The Respondent believed it was unfair to require payment of a disputed fee in order to renew his CPA certificate.

Conclusions of Law

Conclusions 1 through 10 of the Report are adopted and incorporated herein.

1. The Administrative Law Judge and the Board of Accountancy have jurisdiction in this matter pursuant to Minn. Stat. §§14.50, 214.10 and 326A.08.
2. The Board has given proper notice in this matter and has fulfilled all procedural requirements.
3. Licensed accountants are required to participate in a program of learning designed to maintain professional competency, and the program must comply with rules adopted by the Board.
4. A program of CPE satisfies the Board's requirements if it meets the requirements of Minn. R. 1105.3100 and 1105.3200.
5. The failure to comply with a statute or rule the Board is empowered to enforce is a basis for disciplinary action.
6. A licensee who is not in compliance with CPE requirements on June 30 of each year is assessed a late processing fee for each month of noncompliance.
7. The Board may impose a civil penalty upon a person or firm that violates a statute or rule the Board is empowered to enforce.
8. The Respondent failed to timely comply with CPE requirements for fiscal year 2008, and he failed to pay the required late processing fee until January 2011.
9. The Respondent is subject to discipline for failing to comply with Minn. Stat. §§326A.04, subd. 4 and 326A.08, subs. 5(a)(1) and 7(a), and Minn. R. 1105.3000G.
10. The imposition of disciplinary action against the Respondent is in the public interest within the meaning of Minn. Stat. §326A.08, subd. 5.

New Conclusions

11. The Board adopts the Memorandum of Administrative Law Judge Richard C. Luis.
12. The discipline ordered herein is warranted and in the public interest for the reasons stated in the Memorandum of Administrative Law Judge Richard C. Luis.

Order

1. Respondent's certified public accountant certificate is CENSURED and REPRIMANDED.

Continued on page 10

2. Respondent shall pay to the Board a CIVIL PENALTY of \$500 and a \$575 CPE non-compliance fee. The Board acknowledges that Respondent has already paid the \$575 CEPE non-compliance fee.

Revocations Rescinded

On August 12, 2011, the Board issued Orders to Rescind Revocation of CPA Certificate for the following individuals:

Asche, Kathryn Sue #13770
Chiu, Wai-Chun Simon #18513
Howe, Derek John #24839

Facts: On May 13, 2011, the Board revoked the CPA certificates for individuals who had not renewed their license for two years after expiration. Since the revocations, the Board has received applications for renewal with appropriate fees and has ordered that the Order[s] for Automatic Revocation of CPA Certificate[s] for the above-listed individuals are hereby VACATED and RESCINDED in their entirety and shall have no further force and effect.

On September 12, 2011, the Board issued the following orders:

In the Matter of Michael Allen Paradee Certificate #16410

The Board issued a Stipulation and Consent Order.

Facts:

- The Board issued a Certified Public Accountant license to Respondent on July 21, 1994.
- Respondent currently holds an expired Certified Public Accountant certificate from the Board.
- Respondent is subject to the jurisdiction of the Board with respect to the matters referred to in this Stipulation.
- Respondent failed to comply with the Board's continuing professional education rules by failing to complete 120 hours of mandatory continuing professional education during the years ended June 30: 2005, 2006 and 2007. Respondent thereby violated Minn. Stat. §§326A.04, subd. 2 (2010), 326A.08, subd. 5(a)(8) (2010) and Minn. R. 1105.2500B, 1105.3000, and 1105.7800 (2009).
- Respondent's active certificate expired on December 31, 2008, and the Respondent failed to renew his CPA certificate in violation of Minn. Stat. §326A.04 (2010).
- Respondent failed to respond to communications from the Board, in violation of Minn. R. 1105.1200 (2009).
- Respondent failed to cooperate with an investigation of the Board in violation of Minn. R. 1105.1300 (2009).
- Respondent has continued to hold himself out as a Certified Public Accountant despite the fact that he does not hold an active certificate in good standing, in violation of Minn. Stat. §326A.10 (c) (2010) and Minn. R. 1105.5600 Subp. 1 C. (1) (2009).

Remedy:

- Respondent's certificate is CENSURED and REPRI-MANDED.
- Respondent shall pay to the Board:
 1. A CIVIL PENALTY of \$1,000.
 2. A CPE noncompliance fee of \$1,700.

- Respondent shall apply for and maintain an active certificate and shall maintain such active certificate so long as the Respondent engages in activities requiring an active certificate.
- Respondent is prohibited from engaging in activities requiring an active certificate in this state without obtaining an active certificate.
- Respondent agrees that he will not violate in the future any statute, rule or order that the Board has issued or is empowered to enforce.

In the Matter of Michael Wade Schauer, CPA Certificate #20166

The Board issued a Stipulation and Consent Order.

Facts:

- The Board issued a Certified Public Accountant license to Respondent on October 11, 2002.
- Respondent currently holds an active license from the Board.
- Respondent is subject to the jurisdiction of the Board with respect to the matters referred to in this Stipulation.
- Respondent did not comply with the Board's continuing professional education rules by failing to complete 120 hours of mandatory continuing professional education during the years ended June 30: 2007, 2008 and 2009.
- On February 9, 2011, Respondent submitted documentation of completion of 166 continuing professional education hours to meet the requirement for years ending June 30, 2007, 2008, 2009 and 2010.
- Respondent paid a \$1,125 continuing professional education non-compliance fee.
- Respondent violated Minn. Stat. §§326A.04, subd. 4 and 326A.08, subd. 5(a) (1) and (8) (2010) and Minn. R. 1105.1200, 1105.3000, 1105.5600, and 1105.7800 (2009).

Remedy:

- Respondent's Certificate is CENSURED and REPRI-MANDED.

In the Matter of Ronak R. Shah, CPA Certificate and License #17738

This matter came on for hearing before Administrative Law Judge Richard C. Luis on May 3, 2011. On June 29, 2011, the Administrative Law Judge issued his Findings of Fact, Conclusions and Recommendation ("Report") in this matter. A copy of the Report is on file in the Board office.

Statement of the Issue:

The issue in this contested case proceeding is whether it is appropriate to discipline Respondent, pursuant to Minn. Stat. §326A.08, subd. 5(a)(2) and (10) (2010) and Minn. R. 1105.5600(D) (2009), for "fiscal dishonesty of any kind," on the grounds that Respondent

- (1) made two unauthorized withdrawals totaling \$7,000 from a bank account belonging to the Minnesota Society of Certificate Public Accountants Political Action Committee ("MnCPA-PAC" and "the PAC"); and
- (2) failed to repay the money to the PAC for more than two months after the withdrawals.

On September 12, 2011, the matter was heard, considered and decided by the full Board of Accountancy. The Board made the following Findings of Fact, Conclusions of Law and Order:

Findings of Fact

The Board adopts and incorporates herein all of the Findings of Fact in the Report.

1. On June 14, 1996, the Board issued Shah CPA certificate number 17738. Respondent currently holds an active CPA license from the Board.
2. In 2009, Shah was a member of the Minnesota Society of Certified Public Accountants Political Action Committee (MnCPA-PAC and PAC). Shah was the Chairman of the PAC and was an authorized signatory on a checking account owned by the PAC. Shah owed fiduciary duties to the PAC.
3. On September 26, 2009, Shah withdrew \$1,000 from the PAC's account and deposited the funds to his personal account. The withdrawal was not authorized by the PAC.
4. On September 30, 2009, Shah withdrew an additional \$6,000 from the PAC's account and deposited the funds to his personal account. The withdrawal was not authorized by the PAC.
5. The PAC learned of the missing \$7,000 in early October 2009 and attempted to recover the money from Shah.
6. During the week of October 12, 2009, Shah admitted that he had withdrawn the money from the PAC's account. The PAC demanded that Shah return the money, and on at least two occasions, he promised to do so.
7. At some point in October 2009, Shah decided not to return immediately to the PAC the \$7,000 he had withdrawn from its account.
8. On or about November 6, 2009, the PAC served Shah with a Complaint initiating a civil lawsuit against him. The Complaint alleges breach of fiduciary duty, civil theft, and conversion. The PAC did not file the suit in district court.
9. On or about December 2, 2009, Shah served the PAC with his Answer to its Complaint. The Answer admits the allegations in the Complaint setting out the "history of the event." It further admits the Complaint's allegations of conversion and breach of fiduciary duty.
10. Shortly after Shah served the PAC with his Answer, the PAC threatened to file the lawsuit against Shah in court. In response, on December 7, 2009, Shah wrote a check to the PAC for the \$7,000 he had withdrawn.
11. The PAC spent approximately \$5,900 on legal fees to collect the funds taken by Shah.
12. On or about September 14, 2010, the Committee served Shah with its Notice and Order for Hearing and Prehearing Conference, initiating this disciplinary proceeding.
13. On or about December 7, 2010, the Committee served Shah with Requests for Admissions in the instant case by mailing them to his business address. Among the Requests for Admissions were requests that Shah admit that he "violated his fiduciary duty to MnCPA-PAC" and that his "conduct constitutes grounds justifying the Board's taking disciplinary action against (his) Certificate.
14. Shah did not respond to the Requests for Admissions

- within ten days, and still has not responded to them.
15. At no point in this proceeding has Shah provided a reason why he did not respond to the Requests for Admissions.
16. In correspondence to the PAC and the Committee, Shah asserted that he withdrew the \$7,000 from the PAC's account inadvertently. Shah maintained this position in testimony at the May 3 Hearing.

As noted in the Memorandum included within the Report, Respondent disclosed new information at the May 3 hearing that he had not previously provided to the Committee or the Board. Among these new disclosures were the following representations by Respondent:

- a. Respondent testified at the hearing that before making the withdrawals in question, he identified himself to the Wells Fargo teller by running a debit card through the bank's card reader. Respondent initially testified at the hearing that when he made the withdrawals, he believed this card was connected to only three accounts: his own personal checking account, personal savings account, and business account. Later in his testimony, he admitted that this initial statement was not true, and that he had recognized that the card was connected to at least one other bank account - his brother's.
- b. Respondent testified at the hearing that while making one or both of the withdrawals at issue, he never attempted to communicate with the Wells Fargo teller to convey which account Respondent intended to withdraw money from. Respondent further testified that the teller, in one or both instances, also did not attempt to communicate with Respondent in order to identify which account Respondent intended to withdraw money from.
- c. Respondent testified at the hearing that he had not seen the withdrawal slips between the time the tellers in question filled them out and the time he left the bank.

Respondent did not disclose any of this information in his February 2010 written submission to the Committee or his April 2010 in-person meeting with the Committee.

Any Finding of Fact more properly termed a Conclusion of Law is adopted as such.

Conclusions of Law

The Board adopts and incorporates herein all of the Conclusions of Law in the Report.

1. The Administrative Law Judge and the Board have jurisdiction in this proceeding pursuant to Minn. Stat. §§ 14.50, 214.10, 214.103 and 326A.01-.14 (2010).
2. The Committee gave proper notice of the violations to Shah and fulfilled all procedural requirements.
3. Because he failed to (1) respond to the Committee's Requests for Admissions within ten days and (2) provide any evidence or argument "show[ing] that there was a justifiable excuse for failing to respond" to these Requests, the Committee's Requests are deemed admitted by Shah.
4. One of these Requests is an admission that Shah's "conduct constitutes ground justifying the Board's

Continued on page 12

taking disciplinary action against [his] Certificate.” As a result, Shah is deemed to have admitted that disciplinary action from the Board against him is justified.

5. The preponderance of the evidence presented by the parties shows that Shah intentionally withdrew \$7,000 from the PAC’s account without authorization.
6. The preponderance of evidence also shows that Shah intentionally decided not to return the PAC’s money immediately, despite his concession that the money belonged to the PAC, the PAC’s demands that he return it, and his own promises to do so.
7. Under Minn. Stat. § 326A.08, subds. 5(a)(2) and (10):

The [B]oard may, by order, deny, refuse to renew, suspend, temporarily suspend, or revoke the application, or practice privileges, registration or certificate of a person or firm; censure or reprimand the person or firm; prohibit the person or firm from preparing tax returns or reporting on financial statements; [or] limit the scope of practice of any licensee...if the [B]oard finds that the order is in the public interest and that, based on a preponderance of the evidence presented, the person or firm:

[...]

(2) has engaged in conduct or acts that are fraudulent, deceptive, or dishonest whether or not the conduct or acts relate to performing or offering to perform professional services, providing that the fraudulent, deceptive, or dishonest conduct or acts reflect adversely on the person’s or firms’ ability or fitness to provide professional services; [or]

[...]

(10) has engaged in any conduct reflecting adversely upon the person’s or firm’s fitness to perform services while a licensee...

8. Clauses (2) and (10) of the above statute are further defined in Minnesota Rule 1105.5600(D), which states, in pertinent part, that “conduct reflecting adversely upon the licensee’s fitness to perform services, within the meaning of Minnesota Statutes, section 326A.08, subdivision 5, paragraph (a), clauses (2) and (10), includes,” *inter alia*, “fiscal dishonesty of any kind...”
9. As a result, in order to demonstrate that discipline is warranted in this proceeding, the Committee must show that Shah engaged in “fiscal dishonesty of any kind.”
10. The Committee bears the burden of making that showing by a preponderance of the evidence.
11. The Committee established, by a preponderance of the evidence, that Shah withdrew \$7,000 from a PAC account without authorization, that his withdrawal was intentional, and that it constituted “fiscal dishonesty” as that term is used in Minn. R. 1105.5600(D)(2).
12. The Committee established, by the preponderance of the evidence, that Shah’s decision to retain the \$7,000 until December 2009 constituted a further instance of “fiscal dishonesty” as that term is used in Minn. R. 1105.5600(D)(2).
13. Because of the dishonesty he has engaged in, disciplinary action against Shah’s license is in the public

interest. *See* Minn. Stat. § 326A.08, subd. 5(a)(2) and (10) and Minn. R. 1105.5600(D)(2).

14. For these reasons, even if Shah had responded to the Committee’s Requests for Admissions and was not deemed to have admitted that disciplinary action against him from the Board is warranted, disciplinary action against Shah is warranted based on the merits of the case.

The Board adopts and incorporates herein the Memorandum included within the Report. The Memorandum is on file in the Board office.

The Board’s Conclusions regarding discipline are based on the Findings, Conclusions, and Memorandum detailed and/or incorporated above. As previously noted, some of the facts that are relevant to the Board’s Conclusions were not available to the Committee prior to the May 3, 2011, hearing in this matter.

In light of (a) the severity of the multiple instances of fiscal dishonesty that have been proved by a preponderance of the evidence in this matter, (b) the lack of credibility that Respondent’s explanations of the withdrawals suffer from, and (c) the unprofessional and irresponsible nature of Respondent’s excuses for failing to return the PAC’s money immediately after it was demanded, the disciplinary action detailed in the Order is in the public interest.

Any Conclusions of Law more properly termed a Findings of Facts is adopted as such.

Order

1. Respondent shall pay to the Board a CIVIL PENALTY of \$4,000.
2. Respondent’s certified public accountant certificate is SUSPENDED for five (5) years, effective on the date of this Order.
3. Respondent may petition the Board, pursuant to Minn. Stat. § 326A.09, for reinstatement of his certificate no earlier than two-and-one-half (2 1/2) years after the date of this Order. Such reinstatement shall not be granted until and unless Respondent meets the following conditions:
 - a. Respondent timely pays the civil penalty ordered above;
 - b. Respondent completes and provides the Board with proof of having completed 120 hours of Board-approved continuing professional education, in compliance with the Board’s continuing education rules;
 - c. In addition to the continuing professional education requirements cited above, Respondent completes and provides the Board with proof of having completed 24 hours of Board-approved continuing education in ethics; and
 - d. Respondent agrees that he will not, in the future, violate any statute, rule, or order that the Board has issued or is empowered to enforce.

On October 18, 2011, the Board issued the following orders:

**In the Matter of David Baker, CPA
Certificate #17869**

The Board issued a Stipulation and Consent Order.

Facts:

- The Board issued a Certified Public Accountant license to Respondent on March 20, 1998.
- Respondent's CPA certificate from the Board is currently Active.
- Respondent is subject to the jurisdiction of the Board with respect to the matters referred to in this Stipulation.
- Respondent failed to obtain a valid Firm permit during 2011 and engaged in activities which required a permit.
- Respondent violated Minn. Stat. §§326A.05 subd. 4(a)(7) and 326A.10(d)(2010) and Minn. R. 1105.4000 item A, 1105.5600, subpart 1C(1), 1105.7800 (2009).

Remedy:

- Respondent's certificate is CENSURED and REPRI-MANDED.
- Respondent shall pay to the Board a CIVIL PENALTY of \$500.
- Respondent agrees to not violate in the future any statute, rule or order that the Board has issued or is empowered to enforce.

**In the Matter of Steven A. Olson, CPA
Certificate #05066**

The Board issued a Stipulation and Consent Order.

Facts:

- The Board issued a Certified Public Accountant license to Respondent on December 3, 1979.
- Respondent currently holds an active CPA certificate from the Board.
- Respondent is subject to the jurisdiction of the Board with respect to the matter referred to in this Stipulation.
- Respondent did not comply with the Board's continuing professional education rules by failing to complete 120 hours of mandatory continuing professional education during the years ended June 30: 2007, 2008 and 2009.
- On March 25, 2011, Respondent submitted documentation of completion of continuing professional education hours to meet the requirement for years ending June 30, 2007, 2008 and 2009.
- Respondent violated Minn. Stat. §§326A.04, subdivision 4 and 326A.08, subdivision 5(a)(1) and (8)(2010) and Minn. R. 1105.1200, 1105.3000, 1105.5600, and 1105.7800 (2009).

Remedy:

- Respondent's certificate is CENSURED and REPRI-MANDED.
- Based upon United States Bankruptcy Court, District of Minnesota, Case No. 11-33067-GFK, Respondent is granted a discharge of financial penalty under section 727 of title 11, United States Code.

**In the Matter of Brandon Michael Pitzer
Certificate #26575**

The Board issued a Stipulation and Consent Order.

Facts:

- The Board issued a Certified Public Accountant license to Respondent on May 13, 2011.
- Respondent is subject to the jurisdiction of the Board with respect to the matters referred to in this Stipulation.
- Respondent failed to apply for an active certificate when required to do so.
- Respondent violated Minn. Stat. §326A.08 (2010) and Minn. R. 1105.2500 (e)(2009).

Remedy:

- Respondent's certificate is CENSURED and REPRI-MANDED.
- Respondent shall pay to the Board a CIVIL PENALTY of \$250.
- Respondent agrees to not violate in the future any statute, rule or order that the Board has issued or is empowered to enforce.

**In the Matter of Neil Francis Roers
Certificate #22524**

The Board issued a Stipulation and Consent Order.

Facts:

- The Board issued a Certified Public Accountant certificate to Respondent on September 17, 2004.
- Respondent currently holds an expired CPA certificate from the Board.
- Respondent is subject to the jurisdiction of the Board with respect to the matters referred to in this Stipulation.
- Respondent did not comply with the Board's continuing professional education rules by failing to complete 120 hours of mandatory continuing professional education during the years ended June 30, 2007, 2008 and 2009.
- Respondent failed to reply to communications from the Board.
- Respondent violated Minn. Stat. §§326A.04, subdivision 4 and 326A.08, subdivision 5(a)(1) and (8)(2010) and Minn. R. 1105.1200, 1105.3000, 1105.5600, and 1105.7800 (2009).

Remedy:

- Respondent's certificate is CENSURED and REPRI-MANDED.
- Respondent shall pay to the Board the following:
 1. A CIVIL PENALTY of \$2,000.
 2. A Continuing Professional Education Noncompliance Fee that will be adjusted by the Board based upon the CPE education information that Respondent reports to the Board pursuant to [the] paragraph below.
- Respondent shall successfully complete and report to the Board 120 hours of continuing professional education by December 31, 2011. Failure to successfully complete and report to the Board the required hours by the date specified shall be a violation of the Board's order and shall result in the automatic suspension of

Continued on page 14

the Respondent's certificate until the hours are reported to the Board and the Board acknowledges receipt of the hours.

In the Matter of Sara Louise Sadecki, CPA Certificate #26676

The Board issued a Stipulation and Consent Order.

Facts:

- The Board issued a Certified Public Accountant license to Respondent on August 12, 2011.
- Respondent is subject to the jurisdiction of the Board with respect to the matters referred to in this Stipulation.
- Respondent passed the Uniform Certified Public Accountant's Examination on July 21, 2009, and was notified by the Minnesota Board of Accountancy of passing on December 9, 2009.
- Respondent's Initial Application for an Active Certified Public Accountant Certificate was received on July 21, 2011.
- The experience verification submitted confirms part-time employment from January 9, 2009 through July 21, 2011 as 3,952 hours.
- Respondent was required to apply no later than February 9, 2010, sixty days after receiving the Board's notification of passing the exam.
- Respondent failed to apply for an active certificate when required to do so.
- It is alleged that Respondent violated Minn. Stat. §326A.08 (2010) and Minn. R. 1105.2500 (2009).

Remedy:

- Respondent's certificate is CENSURED and REPRI-MANDED.
- Respondent shall pay to the Board a CIVIL PENALTY of \$250.
- Respondent agrees to not violate in the future any statute, rule or order that the Board has issued or is empowered to enforce.

In the Matter of Ronak R. Shah, CPA Certificate and License #17738

The Board issued an Order Modifying Findings of Fact, Conclusions of Law and Order Issued on 9/12/11.

Findings of Fact

1. On September 12, 2011, the Board issued Findings of Fact, Conclusions of Law and Order ("Order") in the above-entitled matter. The Order imposed a \$4,000 civil penalty against Respondent, suspended his certified public accountant certificate for five years, and imposed conditions upon the reinstatement of his certificate.
2. On September 22, 2011, Respondent petitioned the Board to reconsider the discipline imposed by the Order. Specifically, requested that "the Board grant reconsideration, rescind the five year suspension, and impose a lesser discipline."
3. Any Finding of Fact herein, which should more properly be deemed a Conclusion of Law, is hereby adopted as such.

Conclusions of Law

1. The Board has reviewed the entire evidentiary record in this matter and has agreed to reconsider the discipline imposed against Respondent.
2. The assessment of penalties and sanctions by an administrative agency is not a factual finding, but the exercise of discretionary grant of power. *See In re Haugen, 278 N.W.2d 75, 81 n.10 (Minn. 1979).*
3. The purpose of any administrative agency proceeding concerning the revocation or suspension of a license or certificate is not to punish the individual; "[T]he purpose is to protect the public from dishonest, immoral, disreputable or incompetent practitioners. The function of the Board is, therefore, not only to consider [Respondent's] acts, but also the harm to the public if such acts remain unpunished and the deterrent effect upon others of a severe penalty." *Padilla v. Minn. State Bd. of Med. Exam'rs, 382 N.W.2d 876, 877-78 (Minn. Ct. App. 1986), rev. denied (Minn. Apr. 24, 1986).*
4. Any Conclusion of Law herein, which should more properly be deemed a Finding of Fact, is hereby adopted as such.

Order Modifying Sanctions

- A. The Findings of Fact and Conclusions of Law set forth in the Order are AFFIRMED in their entirety;
- B. The penalties and sanctions set forth in the Order are MODIFIED as follows:
 1. IT IS HEREBY ORDERED that Respondent shall pay a CIVIL PENALTY of four thousand dollars (\$4,000) to the Board within sixty (60) days of the date of this order.
 2. IT IS FURTHER ORDERED that Respondent's certified public accountant certificate is SUSPENDED FOR ~~FIVE (5)~~ THREE (3) YEARS, effective on the date of this Order.
 3. IT IS FURTHER ORDERED that Respondent may petition the Board, pursuant to Minn. Stat. §326A.09, for reinstatement of his certificate no earlier than ~~TWO AND ONE HALF (2 1/2)~~ ONE AND ONE HALF (1 1/2) YEARS after the date of this Order. Such reinstatement shall not be granted until and unless Respondent meets the following conditions:
 - a. Respondent timely pays the civil penalty ordered above;
 - b. Respondent completes and provides the Board with proof of having completed 120 hours of Board-approved continuing professional education, in compliance with the Board's continuing education rules;
 - c. In addition to the continuing professional education requirements cited above, Respondent completes and provides the Board with proof of having completed 24 hours of Board-approved continuing education in ethics; and
 - d. Respondent agrees that he will not, in the future, violate any statute, rule, or order that the Board has issued or is empowered to enforce.

On November 1, 2011, the Board issued the following order:

**In the Matter of Larry E. Hahn, CPA
Permit #21718**

The Board issued a Stipulation and Consent Order.

Facts:

- The Board issued a Certified Public Accountant firm permit to Respondent on January 1, 2004.
- Respondent's CPA firm permit is Active and Not Current.
- Respondent is subject to the jurisdiction of the Board with respect to the matters referred to in this Stipulation.
- Respondent failed to submit the required quality review documentation for the year ending December 31, 2008. It was to be submitted to the Board no later than March 31, 2010.
- Respondent failed to obtain a valid Firm permit during the years 2010 and 2011, and during that period the firm engaged in activities which required such a permit.
- Respondent violated Minn. Stat. §§ 326A.05, subdivision 8 and 326A.10 (2010); and Minn. R. 1105.4300, 1105.4800, 1105.5000, 1105.5100, 1105.5400, 1105.5600 (c)(7) and 1105.7800 (2009).

Remedy:

- Respondent's permit is CENSURED and REPRIMANDED.
- Respondent shall pay to the Board a CIVIL PENALTY of \$750.
- Respondent shall provide a copy of a signed engagement letter with a reviewer to conduct a quality review of the Respondent's practice. By December 31, 2011, Respondent shall provide the Board with a copy of the report issued as a result of that review.
- Respondent shall apply for a firm permit.
- Respondent shall not engage in activities requiring a firm permit or hold the firm out as a CPA firm without obtaining an annual firm permit.
- Respondent agrees to not violate in the future any statute, rule or order that the Board has issued or is empowered to enforce.

**HAVE YOU RECENTLY MOVED
OR CHANGED JOBS??**

All certificate holders/registrants are required to notify the Board in writing **within 30 days** of any change of address or change in employment per Minnesota Rule 1105.1100.

Elijah Watt Sells Award Winner



Kristen Brands of St. Louis Park, Minnesota, received the American Institute of Certified Public Accountants (AICPA) Elijah Watt Sells Award. This award is presented to the three CPA candidates who attain the highest combined grades when taking all four sections of the Uniform Certified Public Accountant Examination at one administration.

The Award was created in 1923 to honor Elijah Watt Sells, a founding partner of Haskins & Sells, which was a predecessor to the international firm Deloitte & Touche. In 1896, Mr. Sells became one of the first CPAs under the provisions of a New York State law enacted that year. He was active in the creation of the AICPA and served at different times as an officer and member of its governing council.

Ms. Brands is a 2010 graduate of Dordt College in Sioux Center, Iowa with a Bachelor of Arts degree in Accounting and Business Administration with a minor in Spanish. She began full-time employment with Ernst & Young in Minneapolis in the fall of 2010 working in audit practice. Previous to that, she interned with Ernst & Young and was an accounting intern at iBusiness Solutions in Edina, Minnesota.

Congratulations to Ms. Brands on achieving this award!

2 0 1 2 B O A R D C A L E N D A R

January 13	Board Meeting
January 20	Complaint Committee Meeting
February 13	Board Meeting
February (TBD)	Complaint Committee Meeting
March - No Board Meeting will be held.	
March 23	Complaint Committee Meeting
April 20	Board Meeting
April 27	Complaint Committee Meeting
May 14	Board Meeting
May 25	Complaint Committee Meeting
June - No Board meeting will be held.	
June 22	Complaint Committee Meeting
July 16	Board Meeting
July 23	Complaint Committee Meeting
August 10	Board Meeting
August 17	Complaint Committee Meeting
September 17	Board Meeting
September 21	Complaint Committee Meeting
October 15	Board Meeting
October 19	Complaint Committee Meeting
November 13	Board Meeting
November 26	Complaint Committee Meeting
December 10	Board Meeting
December 21	Complaint Committee Meeting

*All Board meetings are subject to time change.
Contact the Board office for specific meeting times.*

Meet the New Board Members



Kristine Eustice was appointed by Governor Dayton on June 1, 2011 to the Board of Accountancy to serve as a public member.

Ms. Eustice is a graduate of Minnesota State University in Mankato with a Bachelor of Arts degree in accounting. She was formerly a Financial Consultant for AgStar Financial Services and the CFO at MTU-Onsite Energy. She is currently the District Business Manager of Janesville-Waldorf-Pemberton Independent School District #2835 in Janesville, MN. Ms. Eustice is currently active with several other affiliates including serving as a Foundation Board Member and Mechatronics Advisory Board Member for South Central College, serving as a Board of Directors Member for Jones Metal Products in Mankato, MN, and serving as Board Member and 50% owner of JEC, Inc. in Janesville, MN.

Gregory Steiner, CPA was appointed by Governor Dayton on June 1, 2011 to the Board of Accountancy to serve a four-year term.



Mr. Steiner received his Bachelor of Science degree from the University of Wisconsin - River Falls and his Masters of Business Administration degree from the University of Wisconsin - Eau Claire. He is a Certified Managerial Accountant and is currently the Audit Practice Leader for the Minneapolis office of Grant Thornton and a seasoned practitioner with more than 25 years of accounting and auditing experience. His primary responsibility in the audit practice is to manage the services provided to his clients and the operations of the Minneapolis audit practice. Mr. Steiner is currently a member of the American Institute of Certified Public Accountants and the Minnesota Society of Certified Public Accountants.

Board Member Achievements

Kate Mooney, Ph.D., CPA, along with Kerry Marrer, MBA, CPA, are recipients of a \$4,000 NASBA Accounting Education Research Grant. This grant will be used to investigate what coursework students are using to fulfill the requirement of 150 hours of education for licensure in many states.

Legislators and regulators are reluctant to require a Master's degree; however, there is speculation that without content specification for education requirements, students may choose easy, irrelevant coursework to complete the 150 hour requirement. This project will provide information on actual student coursework taken to meet the 150 hour requirement. Fact-based information will help regulators to decide if more content specification is necessary. Ms. Mooney has served on the Minnesota Board since 2006 and is currently serving as Vice Chair.

Philip W. Gleason, CPA is the recipient of the NASBA Distinguished Service Award. This award recognizes individuals who have demonstrated unswerving commitment and dedication to enhancing the mission of NASBA.

Mr. Gleason is currently the sole shareholder of Philip W. Gleason, Ltd., a CPA Firm based in Bloomington, MN. He has held membership in both the American Institute of Certified Public Accountants and the Minnesota Society of CPAs since 1968. Additionally, Mr. Gleason served 12 years on the Minnesota Board of Accountancy, two years as Board Chair.

Mr. Gleason's involvement with NASBA began in 1992, where he served as a Delegate until 2004. He is a former member of the NASBA Board of Directors and Past Chair of the Relations with Member Boards and CPE Advisory Committees. He has served on many committees and, of particular note, participated in the Task Force that drafted the Statement on Standards for CPE, and on the Examination Review Board during the time the Uniform CPA Examination transitioned from a paper and pencil format to a computer-based format. Mr. Gleason served on the Minnesota Board from 1992-2004.

CPA Exam Changes

*Reprinted, in part, from MNCPA "Footnote"
Feb/Mar 2011*

On January 1, 2011, significant changes were made to the content, format and process of the CPA examination. The examination is still organized in four parts; however, specific topics and their relative weightings within each section have changed.

The Auditing & Attestation (AUD) portion focuses on the candidate's understanding of generally accepted auditing standards and procedures and the ability to apply them in performing auditing and attestation engagements. The subject areas now include: engagement acceptance and understanding the assignment; understanding the entity and its environment; performing audit procedures and evaluating evidence; evaluating audit findings, communications and reporting; accounting and review service engagements; and professional responsibilities.

The Business Environment & Concepts (BEC) section tests the candidate's knowledge of the general concepts underlying the business reasons for accounting implications of various transactions, and the skills needed to apply that knowledge in performing other functions normally performed by CPAs. Subject areas include: corporate governance; economic concepts and analysis; financial management; information systems and communications; strategic planning; and operations management.

The Financial Accounting & Reporting (FAR) portion has the most significant content changes related to International Standards. These questions will be gradually integrated over the next few years. Questions on U.S. Standards will continue to be the major focus of the examination. Subject areas include: conceptual framework, standards, standard setting and presentation of financial statements; financial statement accounts: recognition, measurement, valuation, calculation, presentation and disclosures; specific transactions, events and disclosures; governmental accounting and reporting; and not-for-profit accounting and reporting.

The Regulation (REG) section tests candidates' knowledge of federal taxation, ethics, professional and legal responsibilities, business law and the skills needed to apply that knowledge. Subject areas include: ethics, professional and legal responsibilities; business law; federal tax process, procedures accounting and planning; federal taxation of property transactions; federal taxation of individuals; and federal taxation of entities.

Changes to the exam format were also made, including: the removal of essay questions from the AUD, FAR and REG sections; the reduction from two long-form case

studies to six or seven shorter task-based simulations; the incorporation of three written communications tasks in the BEC section to replace some of the multiple choice questions; and the modification of the time allocation of the AUD and BEC sections.

Finally, process changes have been made, including: a new online calculator for the CPA Examination; a new release of authoritative literature, with FASB Accounting Standards Codification, now available to prepare candidates for the examination; and a new candidate performance report providing information about the strengths and weaknesses of their examination performance.

Additional information regarding the CPA exam changes can be found at www.aicpa.org/BecomeACPA/CPAExam.

NASBA Launches CPAverify.org

Free National Database Offers the Public Single-Source Access to U.S. CPA Licensee Data

On October 24, 2011, the National Association of State Boards of Accountancy (NASBA) announced the launch of CPAverify.org - a website featuring a central database of state licensee information about Certified Public Accountants (CPAs) practicing across the nation. Populated by official state regulatory data received from State Boards of Accountancy, the website is free and open to the public. In its initial launch, the CPAverify.org website will include licensee data for 22 states with additional states being added regularly until all 55 U.S. CPA licensing jurisdictions are included. **Minnesota will participate beginning in February 2012.**

A national database of this kind has been in high demand for some time now as corporations, individuals, CPA firms and organizations such as the IRS and PCAOB have expressed a need for up-to-date access to CPA records across multiple jurisdictions. To address this growing need in the marketplace, CPAverify was designed as an outward-facing version of an internal CPA database that has been in operation by NASBA for several years and only available for use by authorized state board personnel.

Whether sourcing talent to fill open positions or searching for the ideal CPA to assist with an income tax return, CPAverify.org will provide individuals and organizations alike a convenient and credible way to research whether a CPA is officially licensed in a particular state without having to search each state board website individually. The tool also goes one step further by providing general license history for CPAs. To learn more about CPAverify.org or to conduct your own search, visit www.CPAverify.org.