

STATE OF MINNESOTA
BOARD OF ACCOUNTANCY

In the Matter of
Robert Nello Rampi
CPA Certificate No. 21747
AND

STIPULATION AND
CONSENT ORDER
Board File Nos. 2014-276 and 2015-092

In the Matter of
Robert Rampi, Ltd.
CPA Firm Permit No. 00919

The Minnesota Board of Accountancy ("Board") is authorized pursuant to Minnesota Statutes section 214.10 (2014); Minnesota Statutes section 326A.02, subdivisions 4 and 6 (2014); and Minnesota Statutes section 326A.08, subdivision 1 (2014) to review complaints against certified public accountants and CPA firms and to take disciplinary action whenever appropriate.

The Board received information concerning Robert Nello Rampi ("Respondent Rampi") and Robert Rampi, Ltd. ("Respondent Firm"), 5012 66th Avenue, Minneapolis, Minnesota, 55429. The Board's Complaint Committee ("Committee") reviewed that information.

It is hereby stipulated and agreed by Respondent and the Committee that without trial or adjudication of any issue of fact or law and without any evidence or admission by any party with respect to any such issue:

1. For the purpose of this Stipulation, Respondent Rampi and Respondent Firm waive all procedures and proceedings before the Board to which Respondent Rampi and Respondent Firm may be entitled under the United States and Minnesota constitutions, statutes, or the rules of the Board, including the right to dispute the allegations against Respondent Rampi and Respondent Firm and to dispute the appropriateness of discipline in a contested case hearing pursuant to Minnesota Statutes

Chapter 14 (2014), and to dispute any civil penalty imposed by this Stipulation. Respondent Rampi and Respondent Firm agree that upon the *ex parte* application of the Committee, without notice to or appearance by Respondent Rampi and Respondent Firm, the Board may order the remedy specified in paragraph 7 below. Respondent Rampi and Respondent Firm waive the right to any judicial review of the order by appeal, by writ of certiorari, petition for review, or otherwise.

2. This Stipulation shall constitute the entire record of the proceedings herein upon which the Consent Order is based. All documents in the Board's files shall maintain the data classification to which they are entitled under the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13 (2014). They shall not, to the extent they are not already public documents, become public merely because they are referenced herein.

3. In the event the Board in its discretion does not approve this Stipulation or a lesser remedy than specified herein, this Stipulation and Consent Order shall be null and void and shall not be used for any purpose by either party. If this Stipulation is not approved and a contested case hearing is initiated by the Committee pursuant to Minnesota Statutes Chapter 14 (2014), Respondent Rampi and Respondent Firm agree not to object to the Board's initiation of the hearing and it hearing the case on the basis that the Board has become disqualified because of its review and consideration of this Stipulation or of any records relating hereto.

FACTS

4. This Stipulation is based upon the following facts. Respondent Rampi and Respondent Firm admit the facts referred to below and grant that the Board may, for the purpose of reviewing the record in paragraph 2 above, consider the following as true without prejudice to Respondent Rampi and Respondent Firm in any current or future proceeding of the Board with regard to these or other allegations:

a. The Board issued a Certified Public Accountant certificate ("CPA Certificate") to Respondent Rampi on July 1, 1980; Respondent Rampi currently holds an Active CPA Certificate from the Board. Respondent Rampi is subject to the jurisdiction of the Board with respect to the matters referred to in this Stipulation and Consent Order.

b. The Board issued a Certified Public Accountant firm permit ("CPA Firm Permit") to Respondent Firm on October 19, 1994; Respondent Firm currently holds an Active CPA Firm Permit from the Board. Respondent Firm is subject to the jurisdiction of the Board with respect to the matters referred to in this Stipulation and Consent Order.

c. Respondent Rampi self-reported that he understated K-1 earnings on his income tax returns for the tax years 1996 through 2008.

d. Respondent Firm self-reported that it failed to file 1120S corporate tax returns for the tax years 1996 through 2008.

e. Respondent Rampi states that he filed individual income tax returns with Internal Revenue Service and the Minnesota Department of Revenue for the tax years of 1996 to 2012, and that he filed amended individual income tax returns with the Internal Revenue Service and the Minnesota Department of Revenue for the tax years of 1996, 1997, and 1999 to 2008.

f. Respondent Rampi states that he has not filed his 1998 amended individual income tax returns with the Internal Revenue Service or with the Minnesota Department of Revenue.

g. Respondent Rampi states that he has now paid in full all outstanding debts to the Minnesota Department of Revenue.

h. Respondent Rampi states that he has been making payments to the Internal Revenue Service on his outstanding debts but he has not yet entered into a formal payment agreement with the Internal Revenue Service.

i. It is alleged that Respondent Rampi and Respondent Firm may have engaged in conduct reflecting adversely upon their fitness to perform services by failing to file a report or record required by state or federal law.

j. Respondent Firm failed to complete a Peer Review for the year under review ended December 31, 2013.

k. It is alleged that Respondent Firm failed to comply with the applicable quality review requirements as set out in Minnesota statutes and rules, Minnesota Statutes ch. 326A and Minnesota Rules ch. 1105.

5. Respondent Rampi and Respondent Firm admit that the facts and conduct specified in paragraph 4 above constitute violations of Minnesota Statutes Section 326A.08, subdivisions 5 (a) (1), 5 (a) (2), 5 (a) (3), 5 (a) (8), and 5 (a) (10) (2014) and Minnesota Rules 1105.4000 A. and G., 1105.4800 A., 1105.5400 A., 1105.5600, subpart 1 C. (7) and 1 D. (5), and 1105.7800 A. (2013), are sufficient grounds for the remedy specified in paragraphs 7 and 8 below, and that proof at hearing of any one or more of the allegations set forth would empower the Board to take disciplinary action pursuant to Minnesota Statutes section 326A.08 (2014).

6. This Stipulation shall not in any way or manner limit or affect the authority of the Board to proceed against Respondent Rampi or Respondent Firm by initiating a contested case hearing or by other appropriate means on the basis of any act, conduct, or admission of Respondent Rampi or Respondent Firm justifying disciplinary action which occurred before or after the date of this Stipulation and that is not directly related to the specific facts and circumstances set forth herein.

REMEDY

7. Upon this Stipulation and record, as set forth in paragraphs 2 and 4 above, and without any further notice of proceedings, the Committee and Respondent Rampi and Respondent Firm agree that the Board may, in its discretion, issue an order to Respondent Rampi and Respondent Firm requiring compliance with the following:

a. Respondent Rampi's CPA Certificate is **CENSURED** and **REPRIMANDED**.

b. Respondent Firm's CPA Firm Permit is **CENSURED** and **REPRIMANDED**.

c. **Respondent Rampi's CPA Certificate and Respondent Firm's CPA Firm Permit are SUSPENDED** effective upon issuance of this Stipulation and Consent Order. The suspension of Respondent Rampi's CPA Certificate and Respondent Firm's CPA Firm Permit are hereby **STAYED, PROVIDED THAT Respondent Rampi and Respondent Firm comply with ALL of the following terms and conditions:**

1. Respondent Rampi and Respondent Firm shall pay to the Board a total **CIVIL PENALTY** of Two Thousand, Five Hundred Dollars (\$2,500.00). Respondent Rampi and Respondent Firm shall submit a Civil Penalty of Two Thousand, Five Hundred Dollars (\$2,500.00) by check to the Board within ninety (90) days of the date below when the Board Chair signs this Stipulation and Consent Order.

2. Within thirty (30) days of the date below when the Board Chair signs this Stipulation and Consent Order, Respondent Rampi shall provide to the Board, documentation from the Internal Revenue Service and the Minnesota Department of Revenue, respectively, proving his filing of his Individual Income Tax Returns with the Internal Revenue Service and the Minnesota Department of Revenue for the tax years of 1996 through 2014, inclusive. This documentation shall include documentation of the filing of all amended federal and state individual income tax returns.

3. Within thirty (30) days of the date below when the Board Chair signs this Stipulation and Consent Order, Respondent Firm shall provide to the Board, documentation from the Internal Revenue Service and the

Minnesota Department of Revenue, respectively, proving Respondent Firm's filing of its Corporate Income Tax Returns with the Internal Revenue Service and the Minnesota Department of Revenue for the tax years of 1996 through 2014, inclusive. This documentation shall include documentation of the filing of all amended federal and state corporate income tax returns.

4. Within thirty (30) days of the date below when the Board Chair signs this Stipulation and Consent Order, Respondent Rampi and Respondent Firm shall provide to the Board, documentation from an authorized representative of the Minnesota Department of Revenue proving payment in full of all balances Respondent Rampi and Respondent Firm owed to the Minnesota Department of Revenue for the tax years of 1996 through 2014, inclusive.

5. Within thirty (30) days of the date below when the Board Chair signs this Stipulation and Consent Order, Respondent Rampi and Respondent Firm shall provide to the Board, (a) a copy of all formal payment agreement(s) with the Internal Revenue Service or other documentation from an authorized representative of the Internal Revenue Service proving that Respondent Rampi and Respondent Firm and the Internal Revenue Service have, respectively, mutually agreed to a formal payment agreement; and (b) documentation from an authorized representative of the Internal Revenue Service proving that Respondent Rampi and Respondent Firm are, respectively, in compliance with each of their Internal Revenue Service formal payment agreement(s).

6. Respondent Rampi and Respondent Firm shall report to the Board in writing each's respective progress on making payments pursuant to the formal payment agreement(s) with the Internal Revenue Service on a semi-annual basis. Respondent Rampi and Respondent Firm shall make

such a report to the Board by February 1 and August 1 of each year until the balance due for each Respondent has been paid in full. When the balance due for each Respondent has been paid in full, Respondent Rampi and Respondent Firm shall provide to the Board, documentation from an authorized representative of the Internal Revenue Service proving full payment and satisfaction of any amounts owed to the Internal Revenue Service by each Respondent for the tax years listed above.

7. Respondent Firm shall engage a firm to perform a peer review for the year under review ended December 31, 2013. Respondent shall provide the Board with a copy of the peer review engagement letter within thirty (30) days of date below when the Board Chair signs this Stipulation and Consent Order.

8. Respondent Firm shall provide the Board with a copy of the completed peer review including the acceptance letter within ninety (90) days of the date below when the Board Chair signs this Stipulation and Consent Order.

d. Respondent Rampi and Respondent Firm agree that if Respondent Rampi and Respondent Firm fail to comply with all of the aforementioned conditions, the Board will issue an Order Lifting the Stay on the Suspension and Respondent Rampi's CPA Certificate and Respondent Firm's CPA Firm Permit will be **SUSPENDED** according to paragraph 7.c. above **UNTIL SUCH TIME** as Respondent Rampi and Respondent Firm provide documentation satisfactory to the Board, that they are both in compliance with all of the conditions in paragraphs 7.c.1 to 7.c.8, inclusive, above. Respondent Rampi and Respondent Firm agree that if the Board issues an Order Lifting the Stay on the Suspension, the Board will provide notice of the Order by mailing a copy of the Order to Respondent Rampi and Respondent Firms' last known addresses on file with the Board, by U.S. Mail.

e. If the Stay on the Suspension of Respondent's CPA Certificate and Respondent Firm's CPA Firm Permit are lifted pursuant to section 7.d. above, during the suspension of Respondent Rampi's CPA Certificate and Respondent Firm's CPA Firm Permit:

1. Respondent Rampi shall not offer to perform or perform services required by law to be performed by a Certified Public Accountant as set forth in Minnesota Statutes Chapter 326A (2014) and Minnesota Rules Chapter 1105 (2013); **and**

2. Respondent Rampi shall not use the designations "Certified Public Accountant" nor "CPA" in connection with his name, nor shall Respondent Rampi hold himself out as a Certified Public Accountant or CPA in any manner in the State of Minnesota; **and**

3. Respondent Firm shall not offer to perform or perform services required by law to be performed by a CPA Firm as set forth in Minnesota Statutes Chapter 326A (2014) and Minnesota Rules Chapter 1105 (2013); **and**

4. Respondent Firm shall not use the designations "Certified Public Accountant" nor "CPA" in connection with its name, nor shall Respondent Firm hold itself out as a Certified Public Accountant Firm or CPA Firm in any manner in the State of Minnesota.

8. Respondent Rampi and an authorized representative of Respondent Firm identified below, hereby acknowledge that they have read, understand, and agree to this Stipulation and Consent Order and are freely and voluntarily signing the stipulation without threat or promise by the Board or any of its members, employees, or agents. When signing the stipulation, Respondent Rampi and Respondent Firm acknowledge that they are fully aware that the Stipulation and Consent Order must be approved by the Board. The Board may approve the Stipulation and Consent Order as proposed, approve the order subject to specified change, or reject it. If the changes are

unacceptable to Respondent Rampi and Respondent Firm or the Board rejects the stipulation, it will be of no effect except as specified herein.

9. Under the Minnesota Government Data Practices Act, this Stipulation is classified as public data upon its issuance by the Board. (Minnesota Statutes Section 13.41, subdivision 5 (2014)). All documents in the record shall maintain the data classification to which they are entitled under the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13 (2014). They shall not, to the extent they are not already public documents, become public merely because they are referenced herein. A summary of this Order will appear in the Board's newsletter. A summary will also be sent to the national discipline data bank pertaining to the practice of public accounting.

10. This Stipulation contains the entire agreement between the parties. Respondent Rampi and Respondent Firm are not relying on any other agreement or representation of any kind, verbal or otherwise.

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

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

13. Pursuant to Minnesota Statutes Section 16D.17 (2014), after ninety (90) days of the Board's approval of this Stipulation and Order, the Board may file and enforce any unpaid portion of the civil penalty imposed by this Order as a judgment against Respondent Rampi and Respondent Firm in district court without further notice or additional proceedings.

CONSENT:

RESPONDENTS

Robert Rampi
ROBERT RAMPI, LTD.
By: Robert Rampi
Its: President
Dated: 11-3-15, 2015

Robert Nello Rampi
ROBERT NELLO RAMPI
Dated: Nov 3rd, 2015

SUBSCRIBED and sworn to before me on
this the 3rd day of November, 2015.

Victoria E Oehrlein
(Notary Public)



My Commission Expires: 1/31/20

COMPLAINT COMMITTEE

Michael M. Vekich
MICHAEL M. VEKICH, CPA
Chair

Dated: 12/30, 2015

ORDER:

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

1. **IT IS HEREBY ORDERED** that all other terms of this Stipulation and Consent
Order are adopted and implemented this 30th day of December, 2015.

STATE OF MINNESOTA
BOARD OF ACCOUNTANCY

Gregory S. Steiner
GREGORY S. STEINER, CPA
Chair

