

**MINUTES OF THE KANSAS BOARD OF ACCOUNTANCY
AUGUST 23, 2024
9:00 AM
HYBRID MEETING**

1. ADMINISTRATIVE MATTERS:

A. CALL TO ORDER:

Aron Dunn, CPA, Chair, called the meeting to order. Other Board members in attendance were James Gillespie, CPA; Trina Harmon, CPA; Steve Herron, Public Member; and Julie Wondra, CPA. Also in attendance was Susan L. Somers, Executive Director; Tim Resner, Disciplinary Counsel to the Board; Darin M. Conklin, General Counsel to the Board; Danielle Hologram and Rita Barnard, on behalf of the Kansas Society of CPAs.

B. CONSENT CALENDAR:

1-3. The Board reviewed the minutes of the July 19, 2024 meeting; certificates/permits to practice; and firm registrations. Ms. Wondra moved, and Mr. Gillespie seconded to approve the Consent Calendar. Upon a vote, the motion unanimously carried.

2. CPA EXAM:

A. RATIFY 2024 CORE SECTIONS CPA EXAM PASS SCORE: After review, Mr. Gillespie moved, and Ms. Wondra seconded to ratify the core exam scores from April 1, 2024 to May 25, 2024. Upon a vote, the motion carried.

B. Q2 2024 CANDIDATE CARE REPORT: The Board reviewed the Candidate Care Report for Q2 2024. No action was required to be taken.

C. CALEB DYKES REQUEST FOR WAIVER OF BUSINESS LAW COURSE: Mr. Dykes appeared virtually to request a waiver of the second business law course, pursuant to K.A.R. 74-2-7(h). Following the presentation of evidence and argument, Ms. Wondra moved, and Ms. Harmon seconded to approve the request for waiver, based upon his work experience, and his completion of a high-level business law course related to accounting. Upon a vote, the motion carried.

3. CPE/CERTIFICATES/PERMITS TO PRACTICE/PEER REVIEW/FIRM REGISTRATIONS:

A. The Board reviewed the Peer Reviews Due and In Process report. No action was required to be taken.

B. MELEA BANMAN REQUEST FOR WAIVER OF PEER REVIEW: Ms. Banman appeared virtually before the Board to request a waiver of her firm's Peer Review which is due March 31, 2025. Her request is based upon her assertion that she would complete her attest work by October 1, 2024; close out her firm by the end of this year; and would cease to practice as a CPA. After discussion, Ms. Harmon moved, and Mr. Gillespie seconded for the Board to go into closed session to deliberate the matter. Upon a vote, the motion carried.

When the Board reconvened, Mr. Gillespie moved, and Ms. Harmon seconded to approve the request conditioned upon Ms. Banman's clients being given notice and acceptance of discontinuation of client attest services by Ms. Banman, with proof back to the Board by October 20, 2024, to be presented to the Board at its meeting to be held October 25, 2024. Upon a vote, the motion carried.

C. PERMITS NOT RENEWING WITH NOTICE: The Board reviewed a listing of CPAS who had notified the Board that they were not renewing their permits for 2024. No action was required to be taken.

D. PERMITS NOT RENEWED WITHOUT NOTICE: The Board reviewed a listing of CPAs who had not notified the Board that they were not renewing their permits for 2024, who were in an expired status. No action was required to be taken at this time; however, letters will be sent out to those who have not renewed in September where evidence is found that they are continuing to practice without a permit.

4. HEARING/DISCIPLINARY ACTIONS:

A. TIFFANY MARIE GENRICH, CPA; TMG FINANCIAL SERVICES, LLC, F/K/A TMG ADVISORS, LLC STIPULATION AND CONSENT ORDER: Ms. Harmon, the investigator in this matter, recused herself from this matter. Ms. Genrich and the firm appeared virtually before the Board. This matter was before the Board for approval of a Stipulation and Consent Order arising from an investigation and subsequent determination that Respondent Firm engaged in the practice of certified public accountancy without a valid firm registration and Respondent had engaged in conduct reflecting adversely on her fitness to practice certified public accountancy. The terms of the Stipulation and Consent Order required Respondents to appear before the Board; Respondent to pay a fine in the amount of \$500.00; Respondents to pay costs, pursuant to K.S.A. 1-206, to include attorney's fees and court reporter fees; approval of the firm registration; and censure of both parties. Ms. Wondra moved, and Mr. Gillespie seconded, to approve the Stipulation and Consent Order. Upon a vote, the motion carried, with Ms. Harmon not participating.

B. TERESA F. LODES, CPA STIPULATION AND CONSENT ORDER: Ms. Wondra, the investigator in this matter, recused herself from this matter. Ms. Lodes appeared virtually before the Board. This matter was before the Board for approval of a Stipulation and Consent Order arising from an investigation and subsequent determination that Respondent had failed to maintain the requirements to renew a permit.

The terms of the Stipulation and Consent Order required Respondent to appear before the Board; payment of a fine in the amount of \$500.00; reimbursement of costs, pursuant to K.S.A. 1-206, to include attorney's fees and court reporter fees; completion of 36.5 hours of continuing education; and censure. Mr. Gillespie moved, and Mr. Dunn seconded to approve the Stipulation and Consent Order. Upon a vote, the motion carried, with Ms. Wondra not participating.

C. MENDUS & ASSOCIATES, P.C. STIPULATION AND CONSENT ORDER:

Mr. Dunn, the investigator in this matter, recused himself. Peggy Smith appeared virtually on behalf of the firm. This matter was before the Board for approval of a Stipulation and Consent Order arising from an investigation and subsequent determination that Respondent had failed to timely comply with Peer Review. The terms of the Stipulation and Consent Order required Respondent to appear before the Board; payment of a fine in the amount of \$1,000.00; reimbursement of costs, pursuant to K.S.A. 1-206, to include attorney's fees and court reporter fees; censure; and to provide the Board access to the firm's Peer Review documents contained in PRIMA while holding a Kansas firm registration. Ms. Harmon moved, and Ms. Wondra seconded, to approve the Stipulation and Consent Order, with Mr. Dunn not participating. Upon a vote, the motion carried, with Mr. Dunn not participating.

D. DIANA L. MILLER, CPA STIPULATION AND CONSENT ORDER:

Ms. Harmon, the investigator in this matter, and Ms. Wondra, recused themselves. Diana Miller appeared virtually before the Board. This matter was before the Board for approval of a Stipulation and Consent Order arising from an investigation and subsequent determination that Respondent had failed to register a fictitious professional name, resulting in a willful violation of a rule of professional conduct and engaged in conduct reflecting adversely on her fitness to practice certified public accountancy. The terms of the Stipulation and Consent Order required Respondent to appear before the Board; payment of a fine in the amount of \$3,500.00; reimbursement of costs, pursuant to K.S.A. 1-206, to include attorney's fees and court reporter fees; approval of the fictitious name application for registration; and censure. Mr. Gillespie moved, and Mr. Dunn seconded, to approve the Stipulation and Consent Order. Upon a vote, the motion carried, with Ms. Harmon and Ms. Wondra not participating.

E. NOVOGRADAC & COMPANY, LLP STIPULATION AND CONSENT ORDER:

Mr. Dunn, the investigator in this matter, recused himself. Stefanie Singer, general counsel to the firm, appeared virtually on behalf of the firm, along with the firm's legal counsel, Joel Krieger. This matter was before the Board for approval of a Stipulation and Consent Order arising from an investigation and subsequent determination that Respondent was practicing without a valid firm registration. The terms of the Stipulation and Consent Order required Respondent to appear before the Board; payment of a fine in the amount of \$50,000.00; reimbursement of costs, pursuant to K.S.A. 1-206, to include attorney's fees and court reporter fees; approval of a firm registration; and censure. Ms. Harmon moved, and Ms. Wondra seconded, to approve the Stipulation and Consent Order. Upon a vote, the motion carried, with Mr. Dunn not participating.

F. MARCUS J. JAMISON AND METACCOUNT, LLC SUMMARY ORDER OF SURRENDER, REVOCATION & DENIAL: No action required to be taken. Voluntary surrender of CPA certificate and permit due to failure/declining to cooperate in an investigation regarding whether the firm engaged in the unlawful practice of certified public accountancy. Surrender in lieu of disciplinary action is treated as revocation of Respondent Jamison's certificate and permit for all purposes. Respondent Jamison was ordered to pay an administrative fine of \$750.00. Denial of the application for firm registration for Metaccount, LLC. Respondents were censured and jointly ordered to pay costs pursuant to K.S.A. 1-206.

5. OTHER:

Mr. Dunn informed the Board of the Pipeline Advisory Group that had been created to lay out 3 pathways to licensure for CPA exam candidates, that would be outlined in a proposed Exposure Draft which would be coming out soon. He also advised the Board that there is considerable discussion among the other State Boards, NASBA and the AICPA relating to alternative practice structure ownership in CPA firms by private equity groups and ESOPS and that various committees were assigned the task of reviewing the information to craft language and safeguards for these type of ownership structures. More to come on this topic.

6. ADJOURN:

There being no further business to come before the meeting Mr. Herron moved, and Mr. Gillespie seconded, to adjourn the meeting. Upon a vote, the motion carried.

/s/ Susan L. Somers

Susan L. Somers, Executive Director