



STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
TENNESSEE STATE BOARD OF ACCOUNTANCY
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Davy Crockett Tower
Nashville, TN 37243-1141
615-741-2550 or 888-453-6150

Program Website: <https://www.tn.gov/commerce/section/accountancy>

A meeting of the Tennessee State Board of Accountancy was held on
Tuesday, January 26, 2021 via WebEx

MEMBERS PRESENT

Kevin Monroe, Chair
Andy Bonner, Vice-Chair
Larry Elmore, Secretary
Gay Moon
Janet Booker-Davis
Pamela Church
Greg Gilbert
John Griesbeck
Todd Skelton
Judy Wetherbee

MEMBERS ABSENT

Stephen Eldridge

LEGAL COUNSEL

Maria Bush, Assistant General Counsel, Regulatory
Boards
Stuart Huffman, Assistant General Counsel,
Regulatory Boards

STAFF

Alex Martin, Assistant Commissioner, Regulatory
Boards
Wendy Garvin, Executive Director
Shari Waugh, Investigator
Karen Condon, Board Staff

OTHERS PRESENT

Kara Fitzgerald, TSCPA
Brad Floyd, TSCPA
Mark Fontenot, Applicant

CALL TO ORDER

Chairman Monroe called the meeting to order at 8:30am.

PUBLIC DISCLAIMER AND ROLL-CALL

Members made their presence known through roll call and a quorum was established. Mr. Eldridge was not able to attend, and Mr. Skelton had a conflicting meeting which will cause him to join late.

STATEMENT OF NECESSITY (T.C.A § 8-44-102) – MARIA BUSH, LEGAL COUNSEL

Ms. Bush read the statement into the record, confirming the necessity for a remote meeting.

INTRODUCTION – ALEX MARTIN, ASSISTANT COMMISSIONER

Mr. Martin addressed the Board and thanked them for their service to public. He commended Director Garvin for her leadership and welcomed the opportunity to work with the Board.

ANNOUNCEMENTS

Members were reminded to complete the required Conflict of Interest statement.

Members were asked to mute themselves when not speaking and to use the chat function to alert the Chair for questions or comments.

A recording of the meeting will be available online

ADOPT ROBERT'S RULES OF ORDER

Motion and second to adopt Robert's Rules of Order. Motion unanimously passed by roll call vote.

REVIEW AND ADOPT AGENDA

Motion and second to approve the agenda. Motion unanimously passed by roll call vote.

APPROVAL OF MEETING MINUTES

October 20, 2020 Regular Meeting

Motion and second to approve the October 20, 2020 meeting minutes. Motion unanimously passed by roll call vote.

EXECUTIVE DIRECTOR'S REPORT –WENDY GARVIN, EXECUTIVE DIRECTOR

Motion and second to approve the proposed meeting date Tuesday May 3, 2022. Motion unanimously passed by roll call vote.

REINSTATEMENT APPLICATION– INFORMAL APPEARANCE

REVOKED LICENSE FOR MARK FONTENOT – MARIA BUSH, LEGAL COUNSEL

Mr. Fontenot applied for reinstatement of his revoked CPA license. He addressed the Board and answered their questions.

Motion and second to approve the reinstatement subject to Mr. Fontenot's completion of 80 hours of CPE to include 40 hours of technical CPE and two hours of state ethics.

The 80 hours are not considered penalty hours and may be applied to renewal requirements.

Motion amended to require the CPE to be completed before June 30, 2021. Motion unanimously passed by roll call vote.

Mr. Skelton joined the meeting at 9:30am.

BOARD COMMITTEE REPORTS

LICENSING – GAY MOON

Conditional Credit Extension Requests

Motion and second to extend CPA exam grades expiring 12/31/2020-9/29/2021 to 9/30/2021. Motion unanimously passed by roll call vote.

Director Garvin will notify NASBA of the Board's decision. She will work with NASBA to communicate the decision to applicants and will notify individuals who had requested consideration from the Board at today's meeting.

Sara Alghamdi is an international candidate who is subject to a travel ban in her home country. She requests an extension of exam credits.

Motion and second to extend the exam scores to 12/31/2021. Motion unanimously passed by roll call vote.

FINRA Series 52 – Request approval for CPE Credit

Motion and second to approve the exam for technical CPE credit. Motion unanimously passed by roll call vote.

Firm Name Request – National Dental Accounting

Motion to deny the firm name request as a violation of rule 0020.03-.15 3b. Motion unanimously passed by roll call vote.

Southern Indiana Ethics course ACCT 465– Accounting Ethics and Compliance

Motion and second to approve the course as an accounting course in qualifying for the CPA Exam. Motion unanimously passed by roll call vote.

ENFORCEMENT – ANDY BONNER

Mr. Bonner referred to a summary of Items 1-7 on the Consent Agenda, with a recommendation to close the complaints with no discipline. The Committee had changed the recommendation for item 7 to require a Letter of instruction.

Motion and second to approve the recommendations for items 1-7 as revised. Motion unanimously passed by roll call vote.

Mr. Bonner provided a summary of each case on the Proposed Discipline section of report, items 8-11. The Committee had revised the recommendation for number 11 to increase the amount of civil penalty.

Motion and second to approve the recommendations for items 8-11 as revised.

Mr. Elmore noted that the report listed the recent date of issuance of the Respondent's CPA license as a mitigating factor in item 11 of the report. Mr. Elmore suggested that the Respondent should be required to complete an ethics course or SAARs course.

Motion and second to amend the recommendation to include a requirement for the Respondent to complete a four-hour SAARs 21 course before June 30, 2021. Motion unanimously passed by roll call vote.

Members voted on amended motion to include the SAARS course requirement. Motion unanimously passed by roll call vote.

Motion and second to approve items 8-10 as presented. Motion unanimously passed by roll call vote.

Items 12 and 13 were re-presentations of cases with new information provided. Mr. Bonner suggested that legal should review the website related to item 13 to ensure that CPA references are removed from the website. Ms. Bush clarified that a consent order would not be accepted unless those references have been removed.

Motion and second to approve items 12 and 13 as revised by the committee. Motion unanimously passed by roll call vote.

LAW AND RULES – LARRY ELMORE

Update on rule change 0020-05-.03

Ms. Bush informed the Board that the process of adding State Ethics Course to the reinstatement and reactivation applications, and for renewal of initial license requirements is underway. She provided an overview of the rule-making hearing procedures.

EXECUTIVE – KEVIN MONROE

FY21 YTD Financial Results

Ms. Garvin had provided the Committee an overview of the Board's operating results.

REMOTE TESTING

AICPA and NASBA are exploring the feasibility of providing the CPA exam remotely. The COVID pandemic caused closures of testing centers and prompted a review of alternate delivery methods. New technology is available and could be implemented into exam procedures. Ms. Garvin outlined the requirements, restrictions, and procedures for remote testing.

State Boards of Accountancy are asked to undergo a pilot of the remote testing procedures, though a date for the testing has not yet been determined. Boards will receive reports after the pilot testing. Ms. Garvin invited the Board to discuss to determine if Tennessee wishes to be part of the pilot testing. Mr. Bonner noted that NASBA will not go forward with remote testing until all concerns of State Boards are addressed. The Board was amenable to accepting test scores from those candidates taking part in the pilot testing program.

NASBA UPDATES

NASBA BOARD OF DIRECTORS – J. ANDY BONNER

NASBA COMMITTEE UPDATES

Audit Committee - Judy Wetherbee

CBT (Computer-Based Test) Examination Administration Committee - Pamela Church

Nominating Committee - Janet Booker-Davis

Examination Review Board - Janet Booker-Davis

OLD/NEW BUSINESS

Mr. Monroe and members of the Board recognized Brad Floyd upon his retirement for his many years of service to the profession and congratulated Kara Fitzgerald on new role as President/CEO of TSCPA.

Mr. Gilbert commented on review reports issued to the Board for Licensed Contractors by CPAs who do not hold a firm permit and/or are not enrolled in peer review. He suggested researching a procedure that would help ensure compliance. Ms. Garvin has reviewed that Board's applications and suggested revisions to the applications to better clarify the requirements.

ADJOURN

The meeting adjourned at 11:46am.



Chair



Secretary