STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND
INSURANCE TENNESSEE STATE BOARD OF
ACCOUNTANCY

500 James Robertson Parkway
Davy Crockett Tower
Nashville, TN 37243-1141
615-741-2550
Program Website:
https://www.tn.gov/commerce/section/accountancy

A meeting of the Tennessee State Board of Accountancy was held on Tuesday, May 5, 2026, at Davy Crockett Tower, 500 James Robertson Parkway in Conference Room 1A

MEMBERS PRESENT
Greg Gilbert, Chair
John Griesbeck, Vice-Chair
Robert Vance, Secretary
Sam Bennett
Brad Buchanan
Michael Bryant
Brad Floyd
Amelia Hart
Daniel Moore

MEMBERS ABSENT
Andy Bonner
David Crenshaw

LEGAL COUNSEL
Kyle Johnson, Associate General Counsel, Regulatory Boards
Lee Lott, Associate General Counsel, Regulatory Boards
Chris Russell, Legal Assistant

STAFF
Gin Binkley, Executive Director
Duke Speed, Board Investigator
Karen Condon, Board staff

OTHERS ATTENDING
Kara Fitzgerald, TSCPA President/CEO

CALL TO ORDER – Greg Gilbert, Chairman

Public Disclaimer and Roll Call

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

Notice of this meeting including date, time and location has been posted on our website. The agenda for this meeting was posted to our website on April 27, 2026.

Members made their presence known via roll call and a quorum was established.

Announcements

Individuals who wish to make a public comment on an item listed on the posted agenda during the scheduled public comment period will need to sign in on the provided sign-in sheet or by placing their name in the chat box online. It is requested that comments be limited to three minutes out of respect for other speakers.

Visitors were welcomed to the meeting. This is the last meeting of Mr. Bonner's term. He will be at the August meeting unless a new appointment has been made. Chairman Gilbert notified the Board of his and board staff's attendance at a self-sufficiency hearing earlier in the year with the Government Operations Committee.

Review and Adopt Agenda

Motion and second to adopt the agenda. The motion passed unanimously via roll call vote.

Approval Of Meeting Minutes

February 3, 2026—Regular Meeting

Motion and second to approve the minutes as presented. The motion passed unanimously via roll call vote.

Rulemaking Hearing

The Board held a rulemaking hearing conducted in the manner prescribed by the Uniform Administrative Procedures Act, T.C.A. § 4-5-204 to review proposed changes to the following sections of Accountancy Rules:

- 0020-01 Licensing and Registration Requirements
- 0020-02 Educational and Experience Requirements
- 0020-03 Rules of Professional Conduct
- 0020-04 Disciplinary Action and Civil Penalties
- 0020-05 Continuing Education

A board vote was taken via roll call and all of the rules as amended were adopted. As required by Regulatory Flexibility Addendum, the impact to small businesses was read into the record. A transcript of the entire hearing was made which can be reviewed upon request.

TSCPA Update—Kara Fitzgerald, TSCPA CEO

Ms. Fitzgerald presented an overview of the TSCPA's recently ended fiscal year, including TSCPA accomplishments and activities.

Executive Director's Report—Gin Binkley, Executive Director

Director Binkley presented her report on Board activities, financial information, a report from the March 2026 NASBA Executive Director and Board Staff conference, and license statistics. Considering the Board's desire to move to one-day meetings, dates for the remainder of 2026 were updated as follows:

- Monday, August 3, 2026
- Monday, November 2, 2026

Meeting dates for 2027 were proposed:

- Monday, February 1, 2027
- Monday, May 3, 2027
- Monday, August 2, 2027
- Monday, November 1, 2027

Motion and second to approve the proposed meeting dates. The motion passed unanimously via roll call vote.

Reinstatement Application

James Parrish

The Board was presented with a request for reinstatement of a CPA license for James Parrish, license no. 24545. The request was presented to the Board in accordance with the terms of Mr. Parrish's consent order, dated July 31, 2023.

Motion and second to approve the reinstatement. The motion passed unanimously via roll call vote.

Licensing Matters

Credit Extension Requests

- A TN CPA candidate has requested that the Board consider a two-month extension request of his FAR score, from an expiration date of 4/9/2026 to 7/31/2026.
- A TN CPA candidate has requested that the Board consider an extension request of his REG score, from an expiration date of 3/16/2026 to 6/26/2026.
- A TN CPA candidate has requested that the Board consider a nine-month extension request of her FAR score, from an expiration date of March 31, 2026, to December 31, 2026.
- A TN CPA candidate has requested that the Board consider an extension of his BEC and AUD scores, from an expiration date of 6/26/2026 and 4/30/2027, respectively, to 6/30/2027 for both sections.

Motion and second to approve the extension requests. The motion passed unanimously via roll call vote.

Legal Report—Lee Lott, Associate General Counsel

Associate General Counsels Lee Lott and Kyle Johnson presented a summary of the cases listed below, along with recommendations, to the Board.

Consent Agenda

This agenda lists cases in which no discipline is recommended. The case numbers are as follows:

1. 2025066091
2. 2025075081
3. 2026008731
4. 2026012641
5. 2026005701
6. 2026010731
7. 2026028521
8. 2026004191
9. 2025060571
10. 2025076051
11. 2025075951
12. 2026006041
13. 2026004461
14. 2026007861
15. 2026009731
16. 2026023981

Motion and second to approve legal's recommendations as presented for items 1-13 and 15-16 of the legal report. The motion passed unanimously via roll call vote.

The Board had additional discussion regarding item 14, case 2026007861, at the request of Associate General Counsel Johnson.

Motion and second to approve legal's recommendation on item 14 of the legal report, which is to issue a Letter of Warning and refer the matter to the state board with which the CPA is licensed. The motion passed unanimously via roll call vote.

Proposed Discipline

This agenda lists cases in which counsel is recommending commencement of formal proceedings with settlement authority, as approved by the Board. The case numbers are as follows:

17. 2025076511
18. 2026005551
19. 2026011251

Motion and second to approve legal's recommendations as presented for items 17-19 of the legal report. The motion passed unanimously via roll call vote.

Re-presentation

This agenda lists cases for which there was a prior Board decision, but for which we now have new information. The case numbers are as follows:

20. 2022033111
21. 2025045771
22. 2024061341

Motion and second to approve legal's recommendations as presented for items 20-22 of the legal report. The motion passed unanimously via roll call vote.

Update on agreed citation process

Legal will utilize the agreed citation process when a case fitting the parameters is received.

Legislative Update—Lee Lott, Associate General Counsel

SB 1542/HB 1599 was signed by the Governor on March 6, 2026, extending the sunset date for the Board of Accountancy to June 30, 2030.

NASBA/AICPA Updates

Director Binkley shared an update on the activities of the NASBA ALD Committee; the committee is currently reviewing a 2030 Vision document for the committee. Board Member Griesbeck shared that the NASBA Communications Committee is planning to host a breakfast meeting at the NASBA Regional Meetings.

Old Business

AICPA PEEC Request for Comment

NASBA has encouraged all state boards to respond to the exposure draft. Director Binkley drafted a response based on NASBA feedback and member comments.

Motion and second to approve the response as proposed. The motion passed unanimously via roll call vote.

New Business

No new business was reported.

Public Comment

No members of the public indicated a wish to comment.

Adjourn

Meeting was adjourned at 12:16 pm.

G Gregory Gilbert
Chair

W. Robert Vance Jr.
Secretary

STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
OFFICE OF LEGAL COUNSEL
500 JAMES ROBERTSON PARKWAY
DAVY CROCKETT TOWER, 12TH FLOOR
NASHVILLE, TENNESSEE 37243
TELEPHONE (615) 741-3072 FACSIMILE (615) 532-4750

MEMORANDUM

TO: Tennessee State Board of Accountancy

FROM: Lee Lott, Associate General Counsel
Kyle Johnson, Associate General Counsel

DATE: May 5, 2026

SUBJECT: Legal Report

CONSENT AGENDA

1. **2025066091 (LL)**
First Licensed: 08/16/2012
Expiration: 12/31/2026
License Type: Registered Accounting Firm
History (5 yrs.): None.

Complainant alleged that she and her husband paid Respondent $600 in advance for 2025 tax return preparation services, and Respondent never performed those services. In response to the complaint, Respondent refunded the $600 payment. In a rebuttal, Complainant acknowledged, “My issue with him has been resolved.” However, she maintained that Respondent’s conduct was possibly fraudulent. The Board assigned the matter for investigation, and the assigned investigator did not identify any fraudulent conduct.

Recommendation: Close.

Board Decision: Concur.

2. **2025075081 (LL)**
First Licensed: 07/22/1997
Expiration: 12/31/2027
License Type: Certified Public Accountant
History (5 yrs.): None.

Complainant alleges that he provided building contractor services for Respondent, a licensed CPA, and Respondent never paid him. Complainant also alleges that Respondent has demanded that Complainant hire an attorney before Respondent will pay him. The Board investigated the matter to evaluate whether Respondent's conduct constituted a violation of the Tennessee Accountancy Act or Board rules, including Board Rule, 0020-03-.12 (1) ("A licensee shall not commit any act that reflects adversely on the profession."). The assigned investigator determined that the parties settled their financial dispute and that Respondent's conduct did not rise to the level of acts discreditable to the profession. In conclusion, there was no evidence of a violation by Respondent.

Recommendation: Close.

Board Decision: Concur.

3. **2026008731 (LL)**
First Licensed: N/A (Unlicensed)
Expiration: N/A
License Type: Certified Public Accountant
History (5 yrs.): None.

Complainant, who resides in Tennessee, changed tax practitioners. The new practitioner ("Respondent") paid the old practitioner a referral fee of approximately $300.00. After payment, Complainant decided to use an entirely different practitioner. Frustrated, Respondent asked Complainant in a text message to compensate him for the now-wasted referral fee. Respondent admits making this request but alleges he did so in jest.

Respondent resides in Kentucky, and he is licensed as a CPA in Kentucky, not Tennessee. Therefore, it appears he was attempting to practice with a Tennessee client under the privilege of mobility. According to Tennessee Code Annotated § 62-1-117, CPAs practicing in Tennessee under mobility are bound by the Tennessee Accountancy Act and the rules promulgated thereunder.

This case presents two issues: the referral fee and the request for compensation. As to the referral fee, Board Rule 0020-03-.05-(2) provides, "A licensee shall neither pay any consideration or commission to obtain a client nor accept any consideration or commission when the licensee or the licensee's firm also performs for that client the services listed in T.C.A. § 62-1-122(a)(1) through (a)(3). . . ." The engagement in question was a tax engagement, which does not fall under this rule.

As to the request for compensation, Respondent explains that he made the request in jest. There is no evidence that Respondent sought payment after making the request once in a text message. The assigned investigator asked Complainant to provide a statement, but Complainant did not respond to the investigator. Considering the evidence available to the Board, it appears that Respondent's request was indeed made in jest. Nevertheless, the nature of this statement falls within the scope of Board Rule 0020-03-.12.

Under Board Rule 0020-03-.12(1), "A licensee shall not commit any act that reflects adversely on the profession." Joking with a new client in a text message about a demand for a referral fee does not reflect well on the profession. Therefore, Respondent violated Board Rule 0020-03-.12(1). That said, there are three mitigating factors. First, Respondent was notably apologetic during the investigation of this case. Second, Respondent alleges that he attempted to explain himself to the client, but Complainant would not listen. (Again, Complainant did not respond to our investigator's request for a statement.) Third, Complainant filed a similar complaint with the Kentucky Board of Accountancy, and the Kentucky Board decided to issue a Letter of Reprimand. So, Complainant has already faced discipline in this matter. Considering these factors and the evidence available in this case, counsel recommends closure with a letter of warning.

Recommendation: Close with a letter of warning.

Board Decision: Concur.

4. **2026012641 (LL)**
   First Licensed: N/A (Unlicensed)
   Expiration: N/A
   License Type: Certified Public Accountant
   History (5 yrs.): None.

Complainant, a Tennessee CPA, alleges that an unknown person signed her name on an attest report. Complainant alleges that she had no knowledge of the report, much less the forgery.

This matter was assigned for investigation to determine the identity of the alleged forger. Unfortunately, the forger's identity remains unknown. Therefore, this matter should be closed for lack of evidence.

Recommendation: Close.

Board Decision: Concur.

5. **2026005701 (LL)**
   First Licensed: 06/24/1981
   Expiration: 12/31/2026
   License Type: Certified Public Accountant
   History (5 yrs.): None.

This matter is the subject of three cases: 2026005701, 2026010731 and 2026028521. These cases concern identical facts, which are as follows:

Three Complainants make numerous allegations against two CPAs and a CPA firm (collectively "Respondents"). According to Complainants, the allegations fall into 15 subject areas. Stated broadly, Complainants allege Respondents have provided false or misleading information to the Internal Revenue Service, the U.S. Department of Housing and Urban Development, and various financial institutions. A notable example of Complainant's allegations is as follows:

In 2022, two Complainants and a Respondent purchased an LLC. The LLC was a qualified opportunity zone business that owned real property in Tennessee. According to Complainants, "The purpose of the acquisition was to develop apartments on the vacant land." Three years later, one of the Respondents filed a K-1 showing a distribution of $1,910,636 from the LLC. Complainants allege there was no such distribution, and the K-1 was false. Complainants further allege that the Respondent made entries in the LLC's general ledger on April 9, 2025, "in a clear attempt to mislead financial reviewers and cover [Respondent's] tracks . . . ." Complainants provided a copy of the general ledger, which shows a debit in the amount of $1,910,635.62 on December 31, 2024, and a credit in the same amount two days later on January 2, 2025. It should also be noted that Complainant's allegations regarding the LLC – as with the other allegations in the complaint – are much more complicated. This example is only provided to give the Board a general sense of the allegations in this case.

Importantly, many of Complainants' allegations have already been presented in civil actions in Tennessee state courts. Also, Complainants have presented allegations to the United States Department of Justice, the U.S. Department of Housing and Urban Development, and the Tennessee Department of Revenue. At present, none of these courts or agencies have reached a conclusion.

Replying to the complaint in this administrative action, Respondents have not answered any specific allegation. Respondents state that they "take the allegations in the Complaint very seriously and are prepared to contest them when the time is right." For now, however, Respondents request that the Board place this matter on hold – which the Board typically labels "litigation monitoring" – in light of the ongoing civil actions referenced above.

Rebutting Respondents' request to place this matter on hold, Complainants argue that the matter requires emergency action. Complainants argue that "[o]nly the Tennessee State Board of Accountancy can hold Tennessee CPA licensees accountable for the rules outlined in TN Administrative Code Chapter 0020-03, and I urge the Board to do so."

While the Tennessee Code authorizes the Board to enforce the Tennessee Accountancy Act and Board Rules, the Board is not the only governmental entity with authority to address the allegations in this case. Indeed, state courts possess considerable authority, including the powers to compel discovery, award damages, and issue declaratory and injunctive relief. The civil actions referenced above (some of which have been consolidated) involve many of the same parties and issues in this administrative case, so court rulings in these civil actions would necessarily address allegations in this administrative case. The overlap between the civil actions and the administrative case may weigh in favor of litigation monitoring, but it is not dispositive.

Considering the evidence and arguments presented to date, counsel suggests that placing this administrative case in litigation monitoring would be premature at this juncture. Again, Respondents have thus far declined to provide substantive responses to the allegations. To fairly address the allegations and determine the best course of action, the Board should hear from both sides. This is consistent with Board Rule 0020-03-.16(3), which requires all respondents to provide a “written answer to the complaint.”

Accordingly, counsel recommends that Respondents be required to submit a written answer to each allegation in this case, after which the Board’s investigator may request witness interviews and material documents as appropriate. Once Board staff has obtained sufficient information regarding this case, the case should be re-presented to the Board for further consideration at a future Board meeting. Upon re-presentation, the Board will be able to take further action, which may include placing the case in litigation monitoring, closing the case entirely, commencing formal proceedings against Respondents, or taking any other action authorized by law, in particular the Tennessee Accountancy Act and the Uniform Administrative Procedures Act.

Also, while this matter remains open, the parties should inform Board staff immediately in writing if (1) any court reaches a conclusion in the civil actions referenced above or in any related civil action, or (2) any governmental entity, including but not limited to DOJ, IRS, HUD and DOR, commences an investigation or proceeding with regard to any of the allegations in this administrative case.

Recommendation: Instruct Respondents to provide substantive responses to Complainants’ allegations, so that Board staff may continue the investigation of this matter in preparation for re-presentation at a future meeting of the Board.

Board Decision: Concur.

6. **2026010731 (LL)**
First Licensed: 07/07/1993
Expiration: 12/31/2026
License Type: Certified Public Accountant
History (5 yrs.): None.

This matter is the subject of three cases: 2026005701, 2026010731, and 2026028521. These cases concern identical facts. For a statement of the facts, please see case 2026005701.

Recommendation: Instruct Respondents to provide substantive responses to Complainants’ allegations, so that Board staff may continue the investigation of this matter in preparation for re-presentation at a future meeting of the Board.

Board Decision: Concur.

7. **2026028521 (LL)**
First Licensed: 01/01/1993
Expiration: 12/31/2026
License Type: Registered Accounting Firm
History (5 yrs.): None.

This matter is the subject of three cases: 2026005701, 2026010731, and 2026028521. These cases concern identical facts. For a statement of the facts, please see case 2026005701.

Recommendation: Instruct Respondents to provide substantive responses to Complainants' allegations, so that Board staff may continue the investigation of this matter in preparation for re-presentation at a future meeting of the Board.

Board Decision: Concur.

8. **2026004191 (LL)**
First Licensed: 05/07/2020
Expiration: 12/31/2025 (Expired Grace)
License Type: Certified Public Accountant
History (5 yrs.): 2025 – One complaint closed with a $1,000 civil penalty for failure to comply with CPE requirements.

Complainant makes numerous allegations of negligence against Respondent, a Tennessee-licensed CPA, regarding a tax return engagement. In reply, Respondent denies wrongdoing and makes numerous counter-allegations, including that Complainant failed to follow advice regarding payment of estimated taxes and failed to inform Respondent of the sale of a dental practice. This matter is already the subject of civil litigation in Monroe County, Indiana. Based of the facts of the case, it should be placed in litigation monitoring.

Recommendation: Litigation Monitoring.

Board Decision: Concur.

9. **2025060571 (KJ)**
First Licensed: N/A (Unlicensed)
Expiration: N/A
License Type: Certified Public Accountant
History (5 yrs.): None.

Complainant stated that Respondent was hired to file their tax return in February 2025. Complainant alleged that Respondent stopped communicating with him in April of 2025 and his taxes were never filed. Respondent was paid by Complainant for the services. The Respondent is not licensed by the Board and tax services do not require a license. During research on Respondent, the business name previously had the word “accounting” in the company name; however, Respondent changed the company name and removed “accounting” and replacing it with “bookkeeping” in 2023 based on information from the Secretary of State website. Additionally, Respondent’s website does not have the term “accounting” anywhere. Overall, considering the allegations involve tax services, the fact Respondent is not required to have a license for tax services, and there are no issues with the company name being in violation of statute, this matter should be closed as not within the Board’s jurisdiction.

Recommendation: Close.

Board Decision: Concur.

10. 2025076051 (KJ)
First Licensed: 05/18/2021
Expiration: 12/31/2026
License Type: Certified Public Accountant
History (5 yrs.): None.

The Complainant is the former employer of Respondent. The Complainant alleged that while the Respondent was employed at his firm, the Respondent engaged in communications with firm clients encouraging and soliciting the firm’s client to transition their business to a separate firm operated by Respondent. Complainant stated it was discovered that the Respondent had linked an external email address associated with his competing firm to the Complainant’s firm’s shared email platform. Additionally, the Complainant stated he identified evidence indicating that the Respondent accessed, copied, and retained firm-owned intellectual property, including internal documents containing proprietary procedures, workflows, and operational materials created and owned by Complainant’s firm. The Complainant stated that the Respondent was terminated from employment at his firm on December 22, 2025.

In response to the complaint, the Respondent stated he obtained his license in 2021 and that during the negotiation process of his employment with Complainant’s firm, it was agreed that Respondent could take his clients with him when he left the firm if he paid the Complainant’s firm a 15% fee. The Respondent stated the employment agreement that was enclosed by the Complainant is not the correct employment agreement. The Respondent attached what he claims is the correct employment agreement, which superseded the previous one. The Respondent stated he did not discuss his own firm with the clients he was working with until this new agreement was in place. The Respondent stated the new agreement did not contain a non-compete agreement and allowed the Respondent to buy out clients he had developed. Respondent states that he and other employees of Complainant’s firm had their own businesses through which they provided tax preparation services. The Respondent states he did offer his services through his separate business on ten (10) occasions and admits to engaging with the three (3) clients through his separate firm while employed by the Respondent. The Respondent states that in hindsight he should have reserved his own business for his own personal clients, and he justified his actions by telling himself he would buy out the clients pursuant to the agreement once he left.

This matter was investigated. The investigator interviewed both the Complainant and the Respondent. Regarding the use of propriety documents, the Complainant stated the Respondent and other(s) took firm original files and reformatted them for a new firm the Respondent had created. Based on the investigation and emails acquired, another firm employee was the one that took documents and modified them for Respondent's new firm. Respondent denied directing the employee to do this. In addition, regarding the different versions of the employment agreement attached, the Complainant was not able to confirm or deny whether the revised agreement that removed the non-compete provisions was the correct agreement.

Board Rule, 0020-03-.02 "(2) A licensee shall comply with the AICPA Code of Professional Conduct when these rules are silent on any matter." A review of the code reveals there are prohibitions on the use of confidential information for personal gain as a result of prior employment without the specific consent or authority of the employer. There is a lack of evidence that Respondent himself used propriety documents of the firm for his own personal gain, as the evidence indicates another firm employee was the one that took firm documents and modified them. Regarding the allegations of improperly soliciting firm clients, the new employment agreement that Respondent provided (which Complainant could not confirm or deny was the correct one) appeared to authorize the use of firm clients for personal business matters in some capacity if the firm was properly paid pursuant to the agreement. Counsel does not believe disciplinary action would prevail over improper use of firm clients considering the revised version of the employment agreement.

Recommendation: Close.

Board Decision: Concur.

11. **2025075951 (KJ)**
First Licensed: N/A (Unlicensed)
Expiration: N/A
License Type: Certified Public Accountant
History (5 yrs.): None.

This complaint was opened internally. The Board of Licensing Contractors ("BLC") received a review report that appeared to be issued by Respondent on October 10, 2025. The Respondent holds an active certified public accountant license out of state but there is no record of a firm permit or enrollment in peer review associated with Respondent. In response to the complaint, Respondent states the document was not prepared by their firm, and their CPA license has been used fraudulently. This matter was investigated and the Board's investigator interviewed both the contractor applicant and the Respondent. Based on the investigation, Respondent was not involved in preparing the subject review report. Furthermore, the contractor applicant obtained the services through a website where it appears Respondent's information and license number were used fraudulently by an unknown individual.

Recommendation: Close.

<u>Board Decision</u>: Concur.

12. 2026006041 (KJ)
First Licensed: N/A (Unlicensed)
Expiration: N/A
License Type: Registered Accounting Firm
History (5 yrs.): None.

Complainant alleged that Respondent was advertising tax, financial reporting, and audit services and it not a licensed certified public accountant. Additionally, Complainant alleged that the business name of Respondent has "accounting" in the title, which is not allowed without being a registered firm. In response to the complaint, Respondent denies offering services that would require a certified public accountant license. Respondent stated that it was unaware it could not use the title accounting and apologized for its misunderstanding. Respondent attached proof of its filing with the secretary of state's showing it has official removed the term "accounting" from its title and replaced it with "bookkeeping." This matter was investigated and the Board's investigator interviewed Respondent. The investigator confirmed the name of the business has been changed officially with the secretary of state and on the website. Respondent made other attempts to revise her website language. However, a review of the website still shows the Respondent is offering services under the services tab such as "financial statement analysis" and "auditing."

Respondent has become compliant with T.C.A. 62-6-113(h)(2) regarding the prohibition of using the firm title "accounting." T.C.A. 62-6-113(a) states "Only licensees may issue a report on financial statements of any other person, firm, organization or governmental unit or otherwise offer to render or render any attest service." Here, there is no evidence that Respondent has issued a report on financial statements for a client. The evidence indicates respondent is offering "financial statement analysis" and "auditing" on its website but there is no mention that the financial statement analysis or audit would be performed under the applicable standards that would deem it to be an "attest service" by definition. Ultimately, counsel recommends a letter of instruction in this case to instruct Respondent of the prohibition of offering to render attest services without a license and instructing Respondent on the definition of "attest services."

<u>Recommendation</u>: Close with a Letter of Instruction.

<u>Board Decision</u>: Concur.

13. 2026004461 (KJ)
First Licensed: N/A (Unlicensed)
Expiration: N/A
License Type: Certified Public Accountant
History (5 yrs.): None.

The Complainant alleges that Respondent has exhibited conduct involving elder financial exploitation, conflicts of interest, misuse of professional authority, and actions inconsistent with applicable ethical standards. In response to the complaint, Respondent provided a response and information negating the allegations. In fact, these claims from Complainant were the subject of an emergency conservatorship action in state court filed by Complainant. The state court appointed a Guardian Ad Litem and Attorney Ad Litem in the conservatorship action. The court appointed Guardian Ad Litem investigated the allegations and determined the Complainant's allegations lacked evidence. The emergency conservatorship action was dismissed. Most importantly, Respondent is not licensed as a certified public accountant with the Board, and the allegations do not involve any alleged unlicensed activity in performing attest services that would require a license. Therefore, this matter, even on its face, is not within the Board's jurisdiction.

Recommendation: Close.

Board Decision: Concur.

14. 2026007861 (KJ)
First Licensed: N/A (Unlicensed)
Expiration: N/A
License Type: Certified Public Accountant
History (5 yrs.): None.

This complaint was opened internally. The Board of Licensing Contractors ("BLC") received what appeared to be a review report issued by Respondent on January 30, 2026, for the financial statements of a contractor license applicant. Respondent holds an active certified public accountant license out of state but there is no record of a firm permit or enrollment in peer review associated with Respondent. In response to the complaint, Respondent denies providing an "audited" report for her client. Respondent states he told the client he was not authorized, and the client went to another accountant to get that done.

This matter was investigated. The Respondent did admit to issuing the subject report. Respondent stated that when she learned that report was rejected, she did advise her client she would need to obtain another licensed accountant because she was not enrolled in peer review. However, Respondent denied that the report she issued was an "attest service" requiring enrollment in peer review and is relying on that as a defense to the subject allegations. The report in question does not mention any applicable attest standards. The report makes reference to general accepted accounting principles (GAAP) but does not identify any attest standards from the AICPA used to support the conclusions in the report. The report specifically states the following pertinent language: "I am providing this letter in connection with review of the financial statements of [contractor] as of December 31, 2025 and for the year then ended for the purpose of expressing limited assurance that there are no material modifications that should be made to the statements for them to be in conformity with generally accepted accounting principles. I confirm that I am responsible for the fair presentation in the financial statements of financial position, changes in net assets, and cash flows of the organization in conformity with generally accepted accounting principles", and "I confirm, to the best of my knowledge and belief, the following representations made during review." The investigator noted that there appeared to be some confusion between what was requested and what was provided by

Respondent, but Respondent is adamant that she did not provide an attest report and she is not registered for peer review. Respondent believes the report was a third-party verification rather than an attest report. Respondent did assist the client with obtaining a properly credentialed accountant after the report was rejected.

Under T.C.A. 62-6-103, an "attest service" is specifically defined as follows:

(1) "Attest" means providing the following services:

(A) Any audit or other engagement to be performed in accordance with the Statements on Auditing Standards (SAS);
(B) Any review to be performed in accordance with the Statements on Standards for Accounting and Review Services (SSARS);
(C) Any examination to be performed in accordance with the Statements on Standards for Attestation Engagements (SSAE);
(D) The issuance of any report, including compilation reports, prescribed by the SASs, the SSARSs or the SSAEs on any services to which those statements on standards apply, indicating that the service was performed in accordance with standards established by the American Institute of Certified Public Accountants (AICPA); . .

In this case, the Respondent states it is a review but makes no reference to statutory applicable standards for an attest service in the subject report. The report only referenced GAAP. The primary question is whether Respondent performed an "attest service" without a firm permit or being enrolled in peer review. This case is ripe for a discussion on the subject report and the applicable statutory definitions of "attest service."

Recommendation: Discussion

Board Decision: Issue a letter of warning and refer this matter to the State Board of Accountancy where the Respondent is licensed.

15. 2026009731 (KJ)
First Licensed: N/A (Unlicensed)
Expiration: N/A
License Type: Certified Public Accountant
History (5 yrs.): None.

This complaint was opened internally. The Board of Licensing Contractors ("BLC") received an audit report that appeared to be issued by Respondent on January 25, 2026, for the financial statements of a contractor license applicant. Respondent holds an active certified public accountant license out of state but there is no record of a firm permit or enrollment in peer review associated with Respondent. In response to the complaint, Respondent stated that she only serves in an internal role and does not perform public accounting services. Respondent denied issuing the subject review report. Respondent states in defense that she is the victim of identity theft and appears to state this is not the first time something like this has happened.

This matter was investigated and the Board's investigator interviewed both the contractor applicant and the Respondent. Based on the investigation, the Respondent was not involved in preparing the subject audit report. Furthermore, the contractor applicant obtained the services through a website where it appears Respondent's information and license number were used fraudulently by an unknown individual.

<u>Recommendation</u>: Close.

<u>Board Decision</u>: Concur.

16. 2026023981 (KJ)
First Licensed: 10/11/2000
Expiration: 12/31/2026
License Type: Certified Public Accountant
History (5 yrs.): None.

Complainant alleged that Respondent provided misleading, inconsistent, and unreasonable advice following the completion of her 2024 tax returns. Complainant stated their farm had sustained losses for two consecutive years and Respondent provided improper advice. Specifically, Complainant stated that Respondent recommended they make substantial capital investments to demonstrate business intent and prevent an audit. Complainant stated that Respondent further advised that if no profits were made in the following year, they could convert their farm into a hobby farm and dissolve the LLC and discontinue reporting farm income. Complainant states they took this advice and invested in improvements to the farm and livestock. Despite these investments, Complainant stated their 2025 tax return resulted in a $6,981 tax liability. Complainant stated this outcome was unexpected and inconsistent with Respondent's advice. Complainant detailed having trouble promptly communicating with Respondent to answer questions over the issue. Complainant stated they contacted Respondent's business partner, who did provide a general response but did not address the substantive issues. Complainant stated that shortly thereafter, she provided the remaining information to complete their tax filing and was notified by the office manager that the taxes were ready for pickup – still without a response to their outstanding questions. Complainant stated that eventually her husband emailed Respondent with additional questions at which point Respondent stated he was unwilling to file a third consecutive year as a loss. Complainant claims this directly contradicts the advice they were given by Respondent.

In response to the complaint, Respondent stated that in March 2025 he advised Complainant that he was not comfortable deducting substantial farm losses over multiple years under Complainant's circumstances. When delivering their 2024 personal income tax return, Respondent provided a 2025 federal tax projection showing no deduction for farm losses. He also provided 2025 estimated tax payment vouchers totaling $7,200. When they penciled in their 2025 personal return, the tax due was $6,981. Respondent stated Complainant did not pay their estimates, and if they had, they would have been overpaid by $244. Respondent stated he did not file their 2025 personal return. He stated he filed an extension, and Complainants are free to file their 2025 return and take any deductions they wish to take. Regarding the allegations over advice on investments, Respondent stated he did not advise Complainant to make specific capital investments in their farm. Rather, he advised them to have a business plan that included a profit motive. Respondent stated he was not involved in any of their farm investment decisions and was not aware of any of their farm investments until they brought their 2025 taxes for preparation. Respondent did verbally advise Complainant if the farm did not have a profit motive, Complainant would be able to deduct expenses up to their reportable farm income. Lastly, Respondent stated he did request correspondence via email because he wanted the communication documented. Respondent claimed Complainant was very abusive to his staff over the phone, and he wanted to minimize the exposure to this abuse. Respondent attached emails supporting the statements made in his response.

Based on Respondent's response the allegations in the complaint, there does not appear to be enough of evidence of conduct that would amount to a violation of the Board's statutes or rules. Respondents' response to the allegations appear to support the position that he did not misrepresent any facts, give incompetent advice, or otherwise engage in any conduct that would rise to a discreditable act.

Recommendation: Close.

Board Decision: Concur.

PROPOSED DISCIPLINE

17. 2025076511 (LL)
First Licensed: 04/02/1997
Expiration: 12/31/2026
License Type: Certified Public Accountant
History (5 yrs.): None.

Respondent, a Tennessee-licensed CPA, provided tax and accounting services to a client (the "Client") and her associated entities for an extended period of time. In 2025, Respondent advised the Client that he could no longer provide these services. Accordingly, the Client retained a new CPA, and the new CPA ("Complainant") requested certain tax-related documents belonging to the Client.

Complainant, acting on the Client's behalf, requested the tax-related documents via email on July 14, 2025, July 17, 2025, July 21, 2025, and July 28, 2025. During this two-week timeframe, Respondent did not respond to the requests. On or about August 18, 2025, an attorney for the Client also requested the documents, and Respondent informed the attorney that he would provide them. Respondent provided some of the requested documents by August 21, 2025, but not all of them. On August 25, 2025, Complainant notified Respondent that he still needed additional documents. Respondent did not make a complete production until approximately six months after the original request.

Respondent acknowledges that he received multiple requests for tax-related documents, but he alleges that he was never made aware that Complainant was engaged to provide tax services. This allegation is immaterial because Complainant requested the documents on the Client's behalf, and the Client was copied on one or more request emails. Respondent also alleges that he made most of the requested documents available via Dropbox, but he admits that some documents were not provided when requested.

Board Rule 0020-03-.11 requires licensees to furnish a client's documents to the client upon request. A licensee's obligation to furnish requested documents to the client is clear under the rule, which provides, "A licensee shall, upon request made within a reasonable time, furnish [the client's documents] to his or her client or former client."

By failing to provide the requested documents within a reasonable time, Respondent violated Board Rule 0020-03-.11.

<u>Recommendation</u>: Authority to commence formal proceedings and to settle the same via consent order requiring payment of $1,130.00, consisting of a civil penalty of $1,000.00 and costs of $130.00.

<u>Board Decision</u>: Concur.

18. 2026005551 (LL)
First Licensed: N/A (Unlicensed)
Expiration: N/A
License Type: Certified Public Accountant
History (5 yrs.): None.

Complainant hired Respondent in May 2025 to perform bookkeeping and tax preparation services. Complainant alleges that Respondent accepted payment but failed to perform the services as agreed. Respondent admits that she agreed to provide bookkeeping and tax preparation services, but she alleges that she terminated the engagement because Complainant failed to provide requested documents and because Complainant frequently used "profanity and verbal abuse."

To the extent Complainant alleges a fee dispute in this case, the Board lacks jurisdiction. See Board Rule 0020-04-.03(3) ("The Board has no jurisdiction over fee disputes between a licensee and a client."). To the extent Complainant alleges professional misconduct by a licensee, the allegation fails because Respondent is not a licensee. Respondent is not a CPA in any state, and the Tennessee Accountancy Act provides no authority for discipline as to a non-licensee for bookkeeping and tax preparation services.

In the course of this investigation, however, the assigned investigator discovered that Respondent has violated the Act in one respect. Respondent uses the term "accounting" in her business title, logo, and email address. This is a violation of Tennessee Code Annotated 62-1-113 (h)(2), which provides, "No person or firm not holding a valid license issued . . . shall assume or use any title or designation that includes the words 'accountant' or 'accounting' . . . ." Since Respondent is not licensed under the Act, she may not use the term “accounting” in her business title, logo, and email address.

In a determination of the appropriate discipline, there is a mitigating factor. Respondent’s business was based in Florida for most of her career, and she only moved to Tennessee two years ago to care for an ill relative. Respondent’s use of the term “accounting” did not originate in this jurisdiction. Nevertheless, her current use of the term in Tennessee is a violation of the Act, so discipline is warranted.

Recommendation: Authority to commence formal proceedings and to settle the same with a consent order requiring payment of $565.00 (consisting of a civil penalty of $500 and costs of $65), said amount reduced to zero dollars if Respondent removes the use of the term “accounting” from her business name, logo, and email address within 30 days of execution of the consent order.

Board Decision: Concur.

19. 2026011251 (KJ)
First Licensed: 08/17/2010
Expiration: 12/31/2026
License Type: Certified Public Accountant
History (5 yrs.): None.

This complaint was internally generated. Respondent was selected for an audit of her 2023-2024 continuing education requirements. Based on what has been provided, Respondent did not complete the required continuing education, which included deficiency and penalty hours. Respondent only provided 27 of the 102 hours being owed. In response to the complaint, Respondent admitted to failing the continuing education audit and not completing the penalty hours. In defense, Respondent stated that she completed 21 hours that she thought were NASBA certified but ultimately were not. Respondent also stated she started a new job in 2024 with the IRS which entailed a lot of travel and training, which she believed to warrant CPE credit. Respondent stated she requested the IRS provide the necessary information to substantiate those hours, but they never did when she left in April of 2025. Respondent stated that after this audit from the Board, she was given numerous penalty hours to make up, which she began fulfilling. However, Respondent stated that due to working a full-time job and having a significant medical event related to her 8-year-old son over the past 8 months, she was unable to complete the entire amount of penalty hours in the timeframe given. Respondent stated she plans to continue to pursue and make up these hours, but it will likely take enrolling in a weeklong course to accomplish, which she has not yet had the time at work or personally to set aside.

This matter was investigated. The investigator confirmed that Respondent was not compliant with her 2023-24 CPE requirements. In addition, the investigator confirmed that Respondent has yet to complete her CPE requirements even though she was provided with a six-month extension. The investigator interviewed the Respondent, and she stated that she believes she has completed approximately 4 CPE credits since her notification to the Board in February. In addition, Respondent has an event scheduled in late April where she anticipates earning an additional 8 CPE credits.

Respondent voluntarily placed her license to inactive status on November 24, 2025, and she currently cannot practice public accountancy. If Respondent wanted to reactivate her license in the future, she would, in the normal course of business, be required to submit an application that includes 80 hours of technical CPE earned in the 24-month period leading up to her reactivation application. Given these circumstances, instead of a monetary penalty, the Board may want to consider conditions as part of her reinstatement application if she chooses to reinstate. If Respondent does not agree to settlement involving conditions on her reinstatement, this matter can be represented to authorize formal charges for lack of CPE compliance and monetary penalties.

Recommendation: Authorize a Consent Order where Respondent agrees to appear before the Board as a part of her application to reactive her license and complete the NASBA 3-part ethics course as part of the application to reactivate her license.

Board Decision: Concur.

RE-PRESENTATIONS

20. 2022033111 (LL)
First Licensed: 07/31/2002
Expiration: 12/31/2022
Type of License: Certified Public Accountant
History: None.

Original Fact Summary from October 2022: The Complainant alleges Respondent, as their CPA and attorney, abused their trust for their own financial gain. Complainant states Respondent proposed they be hired as an employee of Complainant's business at a very high salary and a 25% equity in the business. Complainant alleges Respondent negotiated the sale of their business to an investor and encouraged Complainant to sign a Restrictive Covenant stating that Complainant will be prevented from working for five years in nine states. Complainant also alleges Respondent, in negotiating the deal, secured an employment position for themselves with the buyer as well as obtain ownership interest in the new company.

Complainant further alleges Respondent has refused to return Complainant's tax documents. Complainant has also filed a suit with the Davidson County Chancery Court.

Respondent states they performed CPA services for a company which Complainant was employed by but was not an owner of. Respondent states they closed their CPA firm in 2020 and gave notice to their clients when Complainant's employer offered Respondent a salaried position. Respondent states the owner of the business (not Complainant) incentivized them to become a salaried employee by promising a percentage of the net cash profit if the company is to sell.

Respondent refutes the claim that Complainant was an owner of the business mentioned by Complainant. As such Respondent contends they did not act as Complainant's counsel, CPA or representative in the business sale transaction of the company. Respondent does note Complainant contributed to the growth of the company and even received a $4,750,000 bonus as a result of the subsequent sale of the business. Respondent further alleges Complainant took great interest in signing the non- compete agreement. Respondent states they prepared personal taxes for Complainant for the 2015-2020 tax seasons. Respondent states they did not charge Complainant for the 2020 tax returns. Respondent also states they provided Complainant's attorney with all original paper documents and other materials related to Complainant's tax returns. Respondent further notes they are aware Complainant receives K-1s from their partial ownership of other businesses, which are usually completed in August or September.

Complainant also submitted a rebuttal stating Respondent met with them and the other owner on a monthly basis to discuss finances and strategies for the various businesses they owned together. Complainant states that during these meetings they sought Respondent's advice as both their CPA and attorney. In addition, Complainant alleges Respondent formed companies for their businesses and drafted business and personal documents for them. Complainant also provided an exhibit from the company's website showing they are listed as an owner.

There is a current suit filed by Complainant in Chancery court involving some of the underlying facts outlined in this complaint. As such, Counsel is recommending case be placed in litigation monitoring.

<u>Original Recommendation</u>: Place the matter in Litigation Monitoring status until the Davidson County Chancery court issues a ruling.

<u>Original Committee Recommendation</u>: Concur.

<u>Original Board Decision</u>: Concur.

<u>New Information</u>: To summarize this matter, Complainant alleges Respondent "was my personal and business CPA and attorney for many years. He abused my trust and confidence for his own financial gain, and I have been harmed as a result of this abuse." Complainant alleges that this abuse of trust and confidence occurred during the sale of two erosion-control companies in 2021. Complainant alleges that he and Respondent partially owned the two companies (an allegation which is disputed) and that Respondent persuaded Complainant to sell his ownership under terms that were against Complainant's best interest.

In 2022, Complainant filed a civil action asserting fraud-based claims against Respondent and other parties in Davidson County Chancery Court. Ultimately the Chancery Court dismissed Complainant's civil action because Complainant had released his claims in a contract executed in conjunction with the sale of the companies. Complainant appealed the dismissal to the Court of Appeals of Tennessee, and the Court of Appeals affirmed dismissal in 2025. Here is the Court of Appeals' summary of its ruling against Complainant:

“To facilitate the sale of two closely held companies, an employee [Complainant] signed a restrictive covenant agreement containing a release provision. After the sale, the employee filed suit against the buyer, the seller, and others [including Respondent] involved in the sale, alleging that he had been defrauded out of his ownership interest in the companies. Later, the employee dismissed the corporate defendants and filed an amended complaint reasserting claims against his alleged former co-owners for intentional misrepresentation, fraudulent concealment, and breach of fiduciary duty in connection with the sale. The defendants moved to dismiss the complaint based on the release provision. Concluding that the language of the release was broad enough to encompass the claims in the amended complaint, the court granted the motion to dismiss. We affirm.” (emphasis added)

Now that Complainant’s civil action has concluded, it is time for the Board to address this matter. To repeat, Complainant has filed a complaint with the Board alleging abuse of trust and confidence against Respondent, who is both a CPA and an attorney in Tennessee. While the release described above may prevent Complainant’s claims in a civil action, it does not prevent this administrative action. This administrative action is a disciplinary matter between Respondent and the Board, and the Board is not a party to the release. Accordingly, the Board shall review this matter for any potential violations of the Tennessee Accountancy Act or Board Rules.

One of the rules to consider in this matter is Board Rule 0020-03-.04, which provides as follows: “In the performance of any professional service, a licensee shall maintain objectivity and integrity, shall be free of any undisclosed conflicts of interest, and shall not knowingly misrepresent facts or subordinate his or her judgment to others.” Accordingly, the Board shall review this matter for any potential “undisclosed conflicts of interest” or factual misrepresentation by Respondent “[i]n the performance of any professional service.”

Again, Complainant alleges that Respondent served as his “personal and business CPA and attorney for many years.” However, Complainant also admits that Respondent closed his accounting practice and joined one of the two erosion-control companies full-time in 2020. Complainant described these facts in his civil action as follows:

“In 2008, [Respondent] formed [a consulting company], through which he performed accounting services for clients. According to its website, [the consulting company] provides outsourced accounting, business advisory services, and tax compliance and planning. . . . After forming [the consulting company] and continuing through November 2021, [Respondent] continued to serve as advisor, attorney, and CPA for [both erosion-control companies]. [Respondent] also provided legal and accounting services and advice to [Complainant] individually . . . . [Complainant] relied upon [Respondent] to prepare his personal tax filings and to guide [Complainant] in his financial decisions. . . . [In 2020, Respondent] proposed that he close [the consulting company] and begin working for [one of the erosion-control companies] full-time, in exchange for a salary of $350,000.00, plus 25% ownership of [the company]. [Complainant] trusted [Respondent] and had relied upon his guidance as his lawyer and accountant for many years. As a result of this trust, [Complainant] agreed to [Respondent’s] proposal. Before the end of 2020, [Respondent] had closed [his consulting company] and had moved into an office at [the erosion-control company].”

Considering this timeline, Complainant’s admission stands out. While Complainant alleges that Respondent served as his CPA “for many years,” he admits that Respondent closed his accounting practice in 2020 and joined one of the erosion companies “full-time.” The transaction at issue in this administrative action did not occur until late 2021. Complainant does not allege that Respondent performed accounting services individually for Complainant in relation to the transaction. Instead, Complainant alleges that Respondent served as "advisor, attorney, and CPA" for the companies through November 2021.

Again, Board Rule 0020-03-.04 requires the Board to examine whether Respondent had any "undisclosed conflicts of interest" or misrepresented facts "[i]n the performance of any professional service." In this case, however, Complainant knew that Respondent was performing CPA services for the erosion-control companies during the time of the transaction, so there were no "undisclosed conflicts of interest." As for misrepresentations, Complainant has alleged that Respondent misrepresented facts related to the transaction, such as the sales price. Even if Complainant was never provided the true sales price (which is inconceivable if Complainant was a partial owner of the companies, as he alleges), Complainant has failed to present evidence that Respondent made any misrepresentation to Complainant in the performance of professional services.

In sum, Complainant's complaint lies with Respondent's conduct as a party in the sale of two companies, not with Respondent's performance of CPA services. Respondent's conduct in the transaction is a matter of contract and tort law over which the Board has no jurisdiction. Complainant's contract and tort claims were resolved separately in the above-referenced civil action. Therefore, this matter should be closed.

New Recommendation: Close.

New Board Decision: Concur.

21. 2025045771 (LL)
First Licensed: 10/03/2019
Expiration: 12/31/2026
License Type: Certified Public Accountant
History (5 yrs.): None.

Original Fact Summary: In 2025, Respondent was selected for a CPE Audit for the 2023-2024 reporting period. The Board notified Respondent of the audit in May, June, and July 2025, but Respondent did not reply to the Board until July, when she sent two emails stating "I've submitted my information and received my renewal" and "I believe I have completed your request at this time."

Respondent did not explain what she meant by the word "information," but it is possible she was referring to her prior renewal application dated January 7, 2025, in which Respondent reported that she completed all CPE requirements for the 2023-2024 reporting period, and she provided a list of 12 CPE courses totaling 82 hours of CPE credit. In any event, Respondent never submitted any certificates of attendance, which were requested in the CPE audit. Therefore, on July 29. 2025, the Board informed Respondent that further information was required in the audit. Respondent never replied further.

Due to Respondent's failure to provide all information required by the CPE audit, the Board filed the present disciplinary action, and the Board's complaint was sent to Respondent by email dated August 12, 2025. Respondent never responded to the complaint or to the assigned investigator's subsequent attempts to reach Respondent with telephone calls, text messages, and emails.

Based on these facts, Respondent has violated two rules. First, Respondent's failure to provide certificates of completion as requested is a violation of Board Rule 0020-01-.08(5) ("The Board may request additional evidence from licensees for continuing professional education requirements including continuing professional education audits (which require CPE course completion documentation)."). Second, Respondent's failure to answer the complaint is a violation of Board Rule 0020-03-.16(3) ("Such licensee shall, within fourteen (14) days of receipt, file a written answer to the complaint with the Board, unless otherwise granted an extension of time.").

As to the appropriate discipline for these violations, counsel recommends commencement of formal disciplinary proceedings with settlement authority of $1,000 (plus costs). However, this amount should be reduced to $500 (plus costs) if Respondent submits all requested certificates of completion with her signed consent order.

Original Recommendation: Authority to commence formal proceedings with further authority to settle via consent order requiring (1) payment of $1,130 (consisting of a civil penalty of $1,000 and costs of $130) or (2) if Respondent submits all requested certificates of completion with her signed consent order, payment of $630 (consisting of a civil penalty of $500 and costs of $130).

Original Committee Decision: Concur.

Original Board Decision: Concur.

New Information: Respondent is suffering from a terminal illness, and she is no longer working. Therefore, this matter should be closed.

New Recommendation: Close.

New Board Decision: Concur.

22. 2024061341 (LL)
First Licensed: 09/17/1996
Expiration: 12/31/2027
Type of License: Certified Public Accountant
History: 2024 – Three complaints closed with a $1,500 civil penalty for inappropriate disclosure of client information.

This case and two prior cases (which were closed at the October 2024 Board meeting) arise from the same business separation. To summarize the separation, Complainant used to work for Respondent, but now Complainant has formed a competing business engaged in bookkeeping and tax services.

The prior cases were filed by Respondent's former clients. The current case, on the other hand, was filed by the former employee. In this current case, Complainant alleges that Respondent mishandled client information and that Respondent instructed Complainant to attend online CPE courses for Respondent.

In addition to the current case, Respondent has sued Complainant in the Circuit Court for Blount County, Tennessee. The subject of the Blount County lawsuit is the same business separation, and the lawsuit is still pending. Since the Blount County lawsuit between these parties is still pending, the current case should be placed in Litigation Monitoring.

Recommendation: Litigation Monitoring

Committee Recommendation: Concur

Board Decision: Concur

New Information: Respondent voluntarily dismissed her lawsuit against her former employees, including Complainant. The parties did not announce whether dismissal was based on a settlement agreement, so it is possible that some or all of the parties settled this matter amicably. In any event, the matter is ripe for consideration by the Board.

To review, Complainant alleges that Respondent mishandled client information and that Respondent instructed Complainant to attend online CPE courses for Respondent. The matter was assigned for investigation, and the Board's investigator concluded that there is insufficient evidence of the CPE allegation.

As to the allegation that Respondent mishandled client information, Complainant provided evidence that Respondent transmitted copies of two W-2's via text message (and possibly other client documents, although the copies provided were unclear).

Considering this limited evidence, as well as the resolution of the litigation between the same parties, counsel recommends closing this matter with a letter of instruction regarding the importance of safeguarding confidential client information under AICPA Code of Conduct 1.700.001 and subparts thereof.

New Recommendation: Close with a letter of instruction.

New Board Decision: Concur.