



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 January 31, 2023,  
at Davy Crockett Tower, 500 James Robertson Parkway in Conference Room 1A

**MEMBERS PRESENT**

Andy Bonner, Chair  
Larry Elmore, Vice-Chair  
Greg Gilbert, Secretary  
Dr. Pamela Church  
David Crenshaw  
Kevin Monroe  
Gay Moon  
Robert Vance  
Judy Wetherbee

**MEMBERS PRESENT REMOTELY**

Janet Booker-Davis  
John Griesbeck

**LEGAL COUNSEL**

Tsveta Todorova-Kelly, Associate General Counsel  
Taylor Hilton, Associate General Counsel

**STAFF**

Wendy Garvin, Executive Director  
Karen Condon, Board Staff  
Duke Speed, Board Investigator

**OTHERS ATTENDING**

Kara Fitzgerald, President/CEO, TSCPA  
Katie Cheek, COO, TSCPA  
Todd Culpepper, Applicant with attorney Garrett Asher

## CALL TO ORDER

Meeting called to order to 9:30 am

## Public Disclaimer and Roll-call

- The meeting date, time, and location were properly noticed on the Board's website
- The meeting was delayed for one hour due to weather concerns
- Members made their presence known via roll call and a quorum was established
- Two members were present remotely

## Announcements and Introductions

- The Board welcomed new investigator Duke Speed, who introduced himself to the Board.
- Members were reminded to speak into their microphone for proper recording; guests were instructed to approach the podium when speaking.
- The Board was reminded of the recent passing of former investigator Donald “Don” Mills, CPA. The Board observed a moment of silence in memory of Mr. Mills.

## 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 adopt the agenda as presented. Motion unanimously passed by roll call vote.

## APPROVAL OF MEETING MINUTES

October 25, 2022 - Regular Meeting

**Motion** and second to approve the minutes as revised to clarify a statement made by Ms. Booker-Davis. Motion unanimously passed by roll call vote.

## EXECUTIVE DIRECTOR’S REPORT

The meeting scheduled for May 1<sup>st</sup> and 2<sup>nd</sup> conflicts with the remodeling of the Davy Crocket Tower conference room. The Board has the option to reschedule the meeting or use an alternate meeting location. It was determined that the date would remain the same and an alternate location established.

Director Garvin presented her report on Board activities and other matters about the profession.

**Motion** and second to approve the proposed meeting date Tuesday, April 30, 2024. Motion unanimously passed by roll call vote.

## REINSTATEMENT APPLICATION - APPEARANCE – Todd Culpepper

Mr. Culpepper applied to reinstate his suspended CPA license. Mr. Culpepper was present with his attorney, Garrett Asher.

Ms. Todorova-Kelly provided an overview of the application process. Mr. Culpepper’s application was presented to the Board at the previous meeting for a review for completeness. The application was found to be incomplete, and the Board allowed Mr. Culpepper to complete the application for consideration for approval at this meeting. The incomplete application was presented in accordance with the instructions given to Mr. Culpepper by his attorney. According to Board rules, the Board may consider this to be the second presentation of this application.

**Motion** and second to consider this meeting as the second meeting as required by Board Rules. Motion unanimously passed by roll call vote with Mr. Monroe and Mr. Vance recused.

Mr. Culpepper and Mr. Asher addressed the Board and answered their questions.

**Motion** and second to approve the application for reinstatement. Motion unanimously passed by roll call vote with Mr. Monroe and Mr. Vance recused.

## SETTLEMENT AGREEMENT, CASE #2021014631 – Legal Counsel

Case # 2021014631 was originally presented to the Board at the July 2021 meeting. Despite efforts to settle, the case was set for a formal hearing, which was to be conducted on January 31<sup>st</sup> and February 1<sup>st</sup>, 2023. Subsequently, Counsel for the State made a final settlement offer to Respondent and their attorney, which Respondent has agreed to and is now being presented for the Board's approval. The settlement offer includes disciplinary action consisting of a \$2250 civil penalty and completion of the 3-part NASBA Ethics Course.

Mr. Bonner is recused from discussion of this matter. Mr. Elmore will assume the duties as Chair for this discussion and vote.

**Motion** and second to approve the final settlement offer. Motion unanimously passed by roll call vote with Mr. Bonner recused.

This is Ms. Todorova-Kelly's last meeting, and the Board commended her efforts and the work she has done for the Board, wishing her all the best in her future endeavors.

## BOARD COMMITTEE REPORTS

Committees meet the day prior to each meeting to review matters before them in depth and to develop recommendations for the full Board.

### Licensing

#### Credit Extension Requests

##### *T Lawson*

Candidate requests a 6-month extension for BEC until 9/30/2023 due to a divorce and mental health issues.

**Motion** and second to approve the Committee's recommendation to grant a 6-month extension of BEC to 9/30/23. Motion unanimously passed by roll call vote with Mr. Elmore recused. Mr. Griesbeck, while able to hear the meeting, was unable to record a voice vote from this point forward.

##### *N Nelson*

Candidate requests an extension for AUD until 12/3/2022 (19 days) because of a publishing error regarding the credit release date. The Committee requests that NASBA clarify that the date published is clearly shown to be an estimate and that the candidate should plan accordingly. The Committee's recommendation is to grant a 19-day extension of AUD to 12/3/2022.

### *K Nijhawan*

Candidate requests a 6-month extension for FAR to 10/8/2023 due to medical issues following an accident which led to a broken arm, nerve paralysis, and prolonged recovery time. The Committee's recommendation is to grant a 6-month extension for FAR to 10/8/2023.

### *J Zhou*

Candidate requests an additional extension for BEC and REG until 6/30/23 due to continued travel difficulties in China. The Committee's recommendation is to grant an extension for BEC and REG to 6/30/2023.

**Motion** and second to approve the Committee's recommendation for candidates Nelson, Nijhawan, and Zhou. Motion unanimously passed by roll call vote.

### Extension of Exam Scores – Bei Fan

Candidate completed the CPA exam in 2005 and the scores expired in 2013. Candidate requests an extension to her exam scores to allow her to apply for a CPA license, which was not needed for her previous career. An educational evaluation will be required to ensure those requirements have been met.

The Committee's recommendation is to grant the request for an extension of the exam scores through 1/31/2025 provided 80 hours of technical CPE, including two hours of Board-approved state-specific ethics, is submitted with the license application.

**Motion** and second to approve the Committee's recommendation. Motion unanimously passed by roll call vote.

The Committee had discussed the ten-year expiration rule:

- Many states do not have rules allowing expiration of exam scores.
- The Board has approved a few requests for extension in the last few years.
- The rule was originally implemented due to the destruction of files following the 2010 flood but does not seem to be as relevant with electronic records that are currently used.
- Director Garvin will explore options for amending or repealing the rule and will present findings to the board at the next meeting.

### Enforcement – Kevin Monroe

#### Legal Report

#### *Consent Agenda*

Items 1-4 have no proposed discipline and are recommended for closure with no action for items 1, 3, and 4, and with the issuance of a Letter of Warning for item #2.

#1 2022045861

#2 2022042631

#3 2022037601

#4 2022046941

**Motion** and second to approve the Committee’s recommendation for approval of Legal’s recommendation for items 1-4. Motion unanimously passed by roll call vote.

### *Proposed Discipline*

Legal has recommended disciplinary action for items 5-7. The Committee amended the recommendation for item #6 to include “in lieu of formal hearing with authority to settle via consent order, the respondent is granted four months to provide evidence of compliance with the rule regarding use of the term accounting and accountant in title or designation.”

#5 2022034181

#6 2022043601

#7 2022045301

**Motion** and second to approve the Committee’s recommendation for approval of Legal’s recommendation for item 5 and 7 as presented, and item 6 as amended. Motion unanimously passed by roll call vote.

### *Re-presentations*

#8 2022027311

The respondent’s attorney submitted a counter settlement offer in item #8.

**Motion** and second to approve the Committee’s recommendation to reaffirm the Board’s original decision in the matter. Motion unanimously passed by roll call vote.

### *Executive – Chairman Bonner*

Mr. Bonner reported that Director Garvin presented travel and financial updates to the Committee.

## **NASBA UPDATES**

NASBA Board of Directors – Andy Bonner

NASBA Committee Updates

Legislative Support Committee--Andy Bonner

Regulatory Response Committee—Kevin Monroe and John Griesbeck

Communications Committee—Judy Wetherbee

Computer-Based Testing Committee and Transaction Task Force—Pamela Church

Uniform Accountancy Act Committee—Larry Elmore

Ethics Committee—Greg Gilbert

### **LEGISLATIVE UPDATE – Legal Counsel**

Senate Bill 0027 and House Bill 0023 would require government agencies such as the Board to publish the agendas and some other supplemental documents prior to the meeting at no cost to the public. It

will also require the Board to have a reasonable number of copies available at the public meeting. The Board currently has all such material available on request.

## OLD/NEW BUSINESS

### AICPA Draft Plan to Address the CPA Pipeline – Wendy Garvin

The Board discussed the potential impact of the enactment of proposed legislation in Minnesota to lower the number of education hours required for a license from 150 to 120. Discussions also included information received from South Carolina indicating potential similar action.

Discussion included:

- The designation of substantial equivalency in those states would be questioned if such a change was made.
- A CPA licensed under those circumstances would no longer be able to practice in another jurisdiction under mobility and would instead first need to obtain a CPA license or temporary practice permit to practice in another state.
- Lowering the education requirement is not aligned with UAA standards
- A South Carolina or Minnesota CPA would not be able to apply for license under reciprocity without first undergoing a review of his or her college transcript to verify the CPA has met the 150-hour education requirement in that state.
- Accounting firms licensed in South Carolina and Minnesota would no longer be able to use the firm mobility provisions to practice in jurisdictions that have adopted the mobility provisions because their CPAs would no longer be eligible to practice in another jurisdiction under substantial equivalency.

## ADJOURN

The meeting was adjourned at 12:20pm.



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Chair



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Secretary

**Tennessee State Board of Accountancy  
EXECUTIVE DIRECTOR'S REPORT  
January 31, 2023**

**FUTURE MEETING DATES**

Tuesday May 2, 2023  
Tuesday July 25, 2023  
Friday Oct 20, 2023  
Tuesday Jan 30, 2024  
[Tuesday April 30, 2024 - Proposed](#)

**NASBA 2023 MEETINGS**

Annual Conference for Executive Directors, Staff & Legal Counsel – Feb 27 – Mar 1, 2023 – Tucson, AZ  
Eastern Regional Meeting – May 31 – Jun 2, 2023, Savannah, GA  
Western Regional Meeting – Jun 27 – 29, 2023, Kansas City, MO  
116<sup>th</sup> Annual Meeting – Oct 29 – Nov 1, 2023, New York, NY

**CPE STANDARDS EXPOSURE DRAFT**

NASBA and the AICPA issued [proposed revisions](#) to the Statement on Standards for Continuing Professional Education (CPA) Programs (*Standards*). Public comment is sought on the exposure draft through March 31, 2023. The *Standards* provide a framework for the development, presentation, measurement, and reporting of CPE programs. Most of the proposed revisions represent clarifications within the *Standards*, which were last revised in 2019.

**CPA EXAM**

CPA Exam Performance 22Q4 – Attachment 1

**COMMUNICATIONS**

Newsletter - The Fall/Winter newsletter was distributed via email on Nov 30, 2022.  
Access to all newsletters is available on our [website](#).

**STATE SPECIFIC ETHICS COURSE**

Per the MOU between TSCPA and the TN State Board of Accountancy, TSCPA is required to give 60 days' notice to the State Board prior to a change in the licensees' cost for the TSCPA online ethics course. Effective April 1, 2023, TSCPA will increase the licensee cost from \$40 to \$45.

## OUTREACH

The following outreach events have occurred since the July meeting.

- 11/11/2022 – TSCPA Interim Council Meeting – Board Update
- 12/8/2022 – Lipscomb CPE Event – Kevin and I presented a 2-hr session
- 12/20/2022 – TSCPA Knoxville Chapter – Board Update
- 1/13/2023 – TSCPA Future CPA Leadership Summit – CPA Evolution
- 1/17/2023 – TSCPA Memphis Chapter – Board Update
- 1/17/2023 – Met with Christian Brothers University Dean and faculty
- 1/18/2023 – TSCPA West TN Chapter – Board Update

## RENEWALS

Even numbered licensees received a renewal postcard via US mail in early-November. Renewal notices/reminders were also sent via email on Nov 16, Dec 19, and Jan 18.

On Jan 31, 2023, all licenses in Expired-Grace status will incur a \$100 late fee. Renewal statistics are as follows.

	As of January 23, 2023								
CPAs	2023	2022	2021	2020	Firms	2023	2022	2021	2020
Renewed Licenses	7452	7218	7139	6695	Renewed Licenses	1659	1686	1625	1709
Expired Grace	848	1026	965	1329	Expired Grace	120	143	222	135

## PERFORMANCE METRICS

Numbers are taken from Oct, Nov, and Dec 2022 Customer Focused Government (CFG) Report

	Oct 2022	Nov 2022	Dec 2022
Average Number of Days to License (Goal is 8 days)	6.4	12.9	3.1
Case & Complaint Performance (Goal is 90% of cases resolved within 180 days)	100%	100%	100%
Online Adoption Rate (Goal is 80% across division)	99%	96%	91%



## NEW LICENSES ISSUED

	Q1 2019	Q2 2019	Q3 2019	Q4 2019	2019 Total
Individual Licenses	125	163	178	198	664
Firm Permits	16	16	11	13	56

	Q1 2020	Q2 2020	Q3 2020	Q4 2020	2020 Total
Individual Licenses	145	103	179	168	595
Firm Permits	30	15	19	19	83

	Q1 2021	Q2 2021	Q3 2021	Q4 2021	2021 Total
Individual Licenses	184	137	173	195	689
Firm Permits	22	18	13	16	69

	Q1 2022	Q2 2022	Q3 2022	Q4 2022	2022 Total
Individual Licenses	147	133	183	148	611
Firm Permits	15	10	20	21	66

New Candidates – CPA Exam	
2022	558
2021	568
2020	610
2019	725
2018	730
2017	870

## LICENSING – OVERALL POPULATION

	Individual CPAs				
	Dec 2021	Mar 2022	June 2022	Sept 2022	Dec 2022
Active	10833	11636	11838	12014	10979
Closed	4015	4058	4076	4081	4167
Expired License	3428	3418	3737	3722	3708
Inactive	4060	4323	4384	4395	4086
Retired 65	1038	1038	1037	1036	1036
Expired Grace	1434	471	0	0	1432
Revoked	69	69	69	69	69
Retired	98	98	98	98	87
Disabled	37	38	39	39	34
Suspended	5	5	4	4	3
Active Military	4	4	4	4	3
Probation	2	2	2	2	2

	Firms				
	Dec 2021	Mar 2022	June 2022	Sept 2022	Dec 2022
Active	1565	1804	1815	1826	1521
Closed	2537	2552	2563	2574	2620
Expired Grace	287	46	0	0	285
Expired License	339	338	372	367	365
Revoked	24	24	24	27	27
Probation	0	3	3	3	0

# CPA Exam Performance Summary: 2022 Q-4 Tennessee

## Overall Performance

Unique Candidates	576
New Candidates	123
Total Sections	750
Passing 4th Section	89
Sections / Candidates	1.3
Pass Rate	48.27%
Average Score	70.98

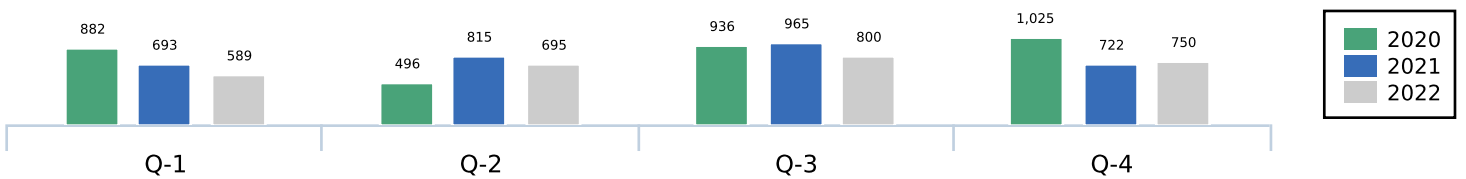
## Section Performance

	Sections	Score	% Pass
First-Time	158	69.15	53.8%
Re-Exam	590	71.52	46.78%
AUD	210	71.91	48.57%
BEC	184	75.15	55.98%
FAR	203	67.43	39.9%
REG	153	69.39	49.67%

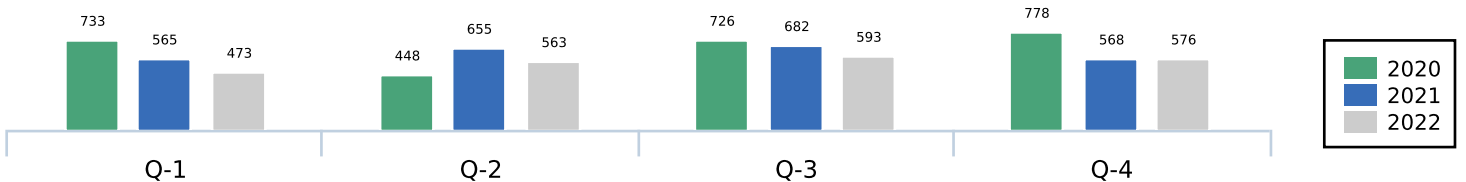
## Jurisdiction Ranking

Candidates	Sections
17	17
33	27
Pass Rate	Avg Score

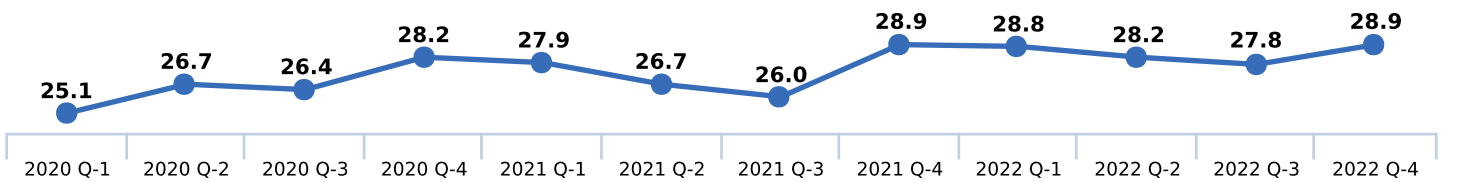
### Sections



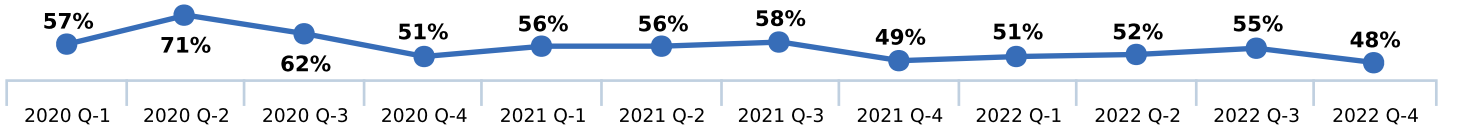
### Candidates



### Average Age



### % Pass



# CPA Exam Performance Summary: 2022 Q-4 Tennessee

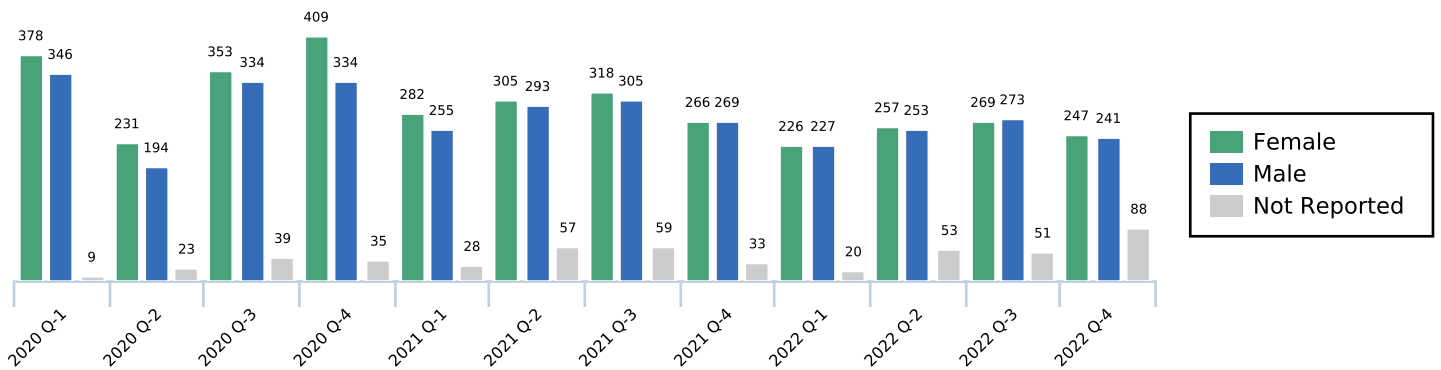
## Degree Type

	Candidates	% Total
Bachelor's Degree	446	77.4%
Advanced Degree	129	22.4%
Enrolled / Other	1	0.2%

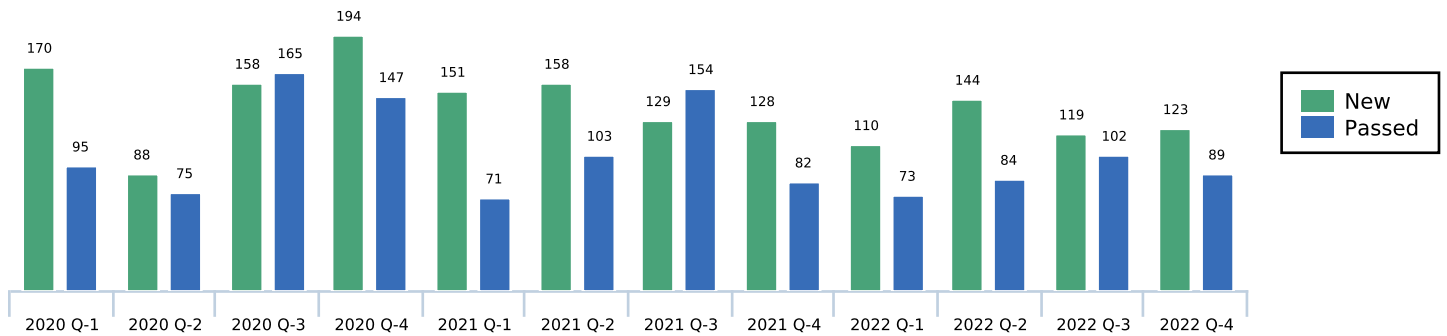
## Residency

	Candidates	% Total
In-State Address	472	81.94%
Out-of-State Address	93	16.15%
Foreign Address	11	1.91%

## Gender



## New Candidates vs Candidates Passing 4th Section



**Notes:**

1. The data used to develop this report was pulled from NASBA's Gateway System, which houses the Uniform CPA Examination's Application and Performance information for all 55 jurisdictions.
  2. The demographic data related to age, gender, and degree type is provided by the individual candidates and may not be 100% accurate.
  3. Some jurisdictions do not require candidates to report certain demographic data nor complete surveys gathering such data on a voluntary basis.
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# CPA Exam Performance Summary: 2022 Q-4

## Overall

### Overall Performance

Unique Candidates	32,891
New Candidates	7,816
Total Sections	42,936
Passing 4th Section	5,246
Sections / Candidates	1.31
Pass Rate	49.93%
Average Score	71.00

### Section Performance

	Sections	Score	% Pass
First-Time	10,135	68.07	48.08%
Re-Exam	32,668	71.93	50.51%
AUD	11,523	70.83	47.21%
BEC	9,184	75.82	60.30%
FAR	13,180	66.73	40.68%
REG	9,049	72.55	56.33%

### Most Candidates

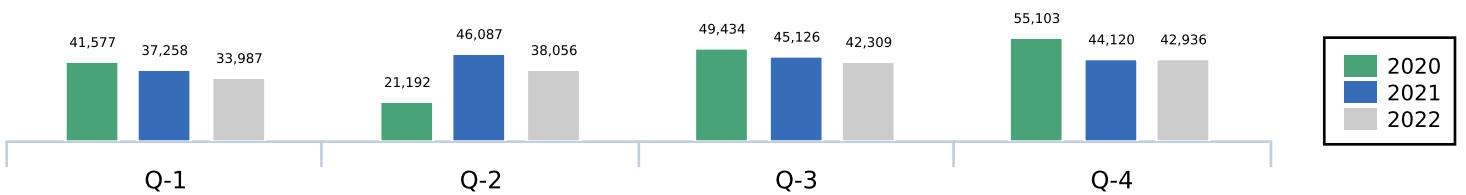
1. California	4,215
2. New York	3,662
3. Texas	2,177

### Top 3 Jurisdictions

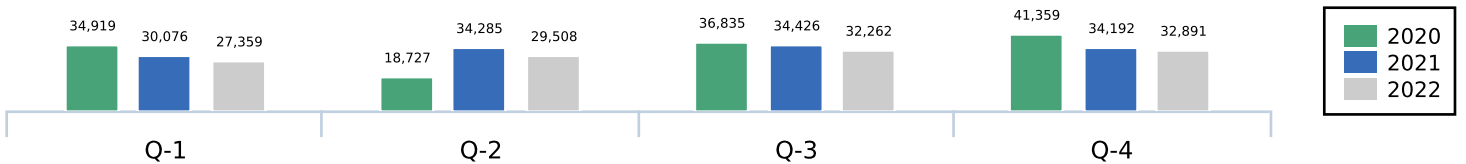
### Highest Pass Rate

1. Utah	62.96%
2. Nebraska	58.70%
3. Wyoming	57.58%

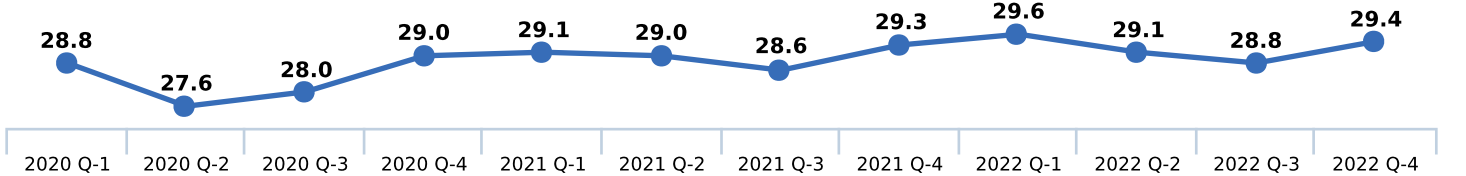
### Sections



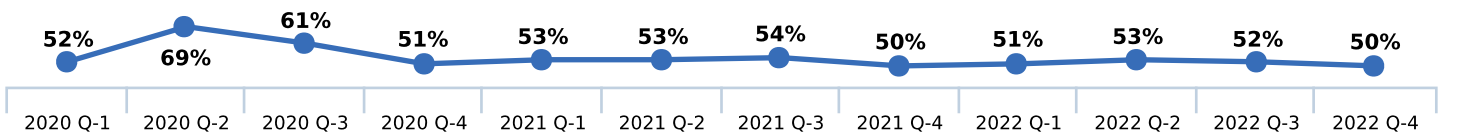
### Candidates



### Average Age



### % Pass



# CPA Exam Performance Summary: 2022 Q-4

## Overall

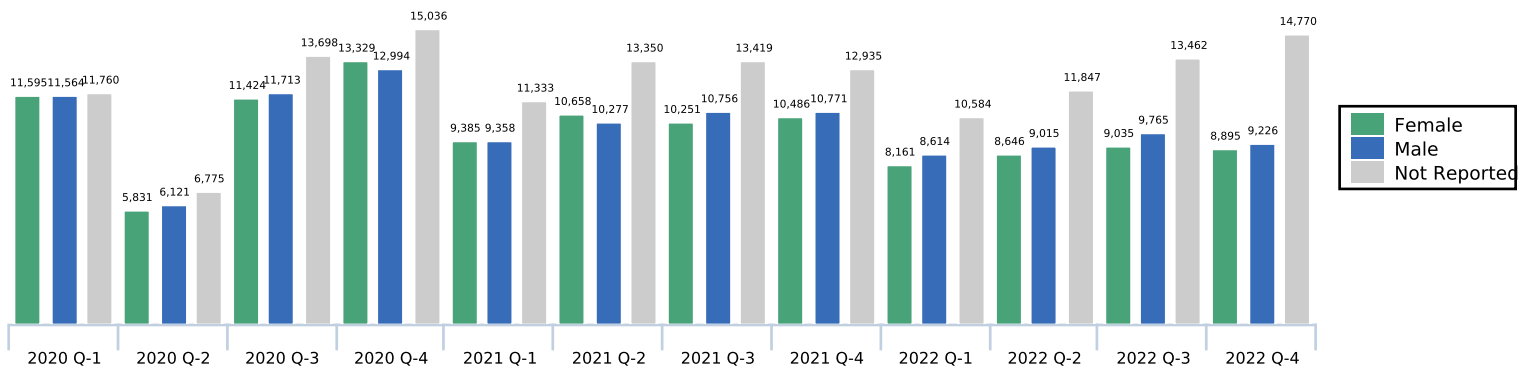
### Degree Type

	Candidates	% Total
Bachelor's Degree	22,591	68.7%
Advanced Degree	7,647	23.2%
Enrolled / Other	2,653	8.1%

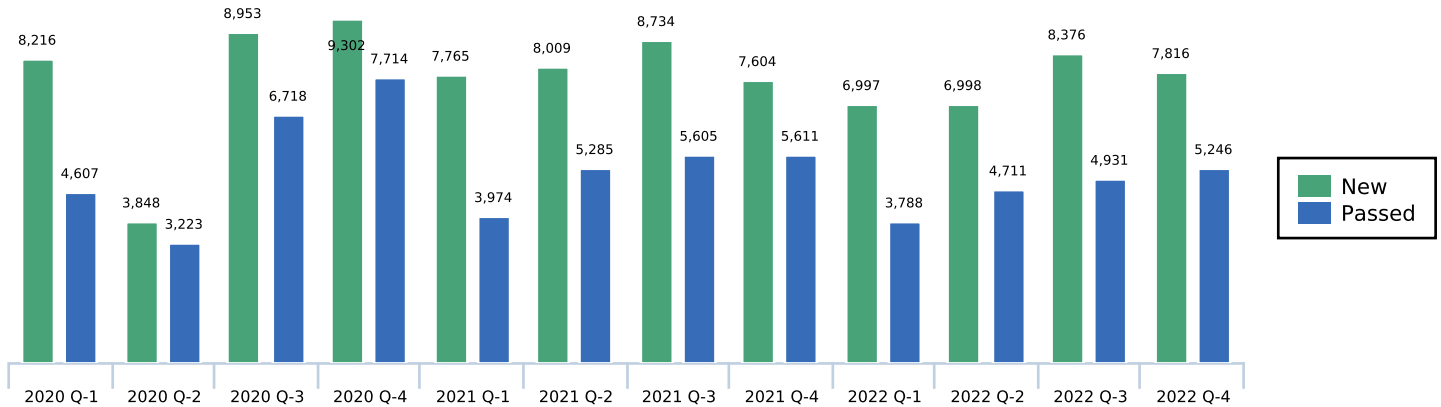
### Residency

	Candidates	% Total
In-State Address	23,334	70.94%
Out-of-State Address	4,357	13.25%
Foreign Address	5,200	15.81%

### Gender



### New Candidates vs Candidates Passing 4th Section



#### Notes:

1. The data used to develop this report was pulled from NASBA's Gateway System, which houses the Uniform CPA Examination's Application and Performance information for all 55 jurisdictions.
  2. The demographic data related to age, gender, and degree type is provided by the individual candidates and may not be 100% accurate.
  3. Some jurisdictions do not require candidates to report certain demographic data nor complete surveys gathering such data on a voluntary basis.
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## Overall Statistics for Testing Window 2022 Q-4

Jurisdiction	Count Candidate	Count Sections	FT Sections	RE Sections	Average Pass Rate	Average Score	Average Age
Alabama	276	348	73	275	54.60%	71.37	27.03
Alaska	1,220	1,569	351	1,213	49.71%	71.32	31.58
Arizona	438	568	162	405	47.54%	70.52	29.71
Arkansas	221	274	76	196	48.91%	71.09	29.10
California	4,215	5,420	1,464	3,934	50.00%	70.65	30.22
Colorado	516	659	136	518	50.68%	71.90	29.78
Connecticut	357	466	94	371	44.42%	69.09	27.84
Delaware	79	94	20	73	41.49%	67.83	33.30
District of Columbia	74	91	29	61	52.75%	69.53	28.12
Florida	1,214	1,580	340	1,232	52.47%	71.94	30.21
Georgia	875	1,168	278	885	47.43%	70.66	29.58
Guam	1,249	1,577	435	1,140	50.35%	70.75	30.30
Hawaii	92	119	24	95	50.42%	69.50	31.14
Idaho	143	200	58	142	44.50%	71.74	30.27
Illinois	1,448	1,918	435	1,481	51.20%	71.21	27.85
Indiana	430	584	153	427	50.34%	70.97	28.57
Iowa	271	362	100	259	51.10%	71.73	26.33
Kansas	111	147	34	112	55.78%	73.63	28.84
Kentucky	281	340	79	260	55.00%	71.84	28.79

Jurisdiction	Count Candidate	Count Sections	FT Sections	RE Sections	Average Pass Rate	Average Score	Average Age
Louisiana	286	362	71	291	42.27%	68.86	29.50
Maine	368	539	129	409	47.68%	70.37	32.91
Maryland	397	526	90	436	45.63%	70.17	30.64
Massachusetts	887	1,160	290	868	54.14%	72.07	26.54
Michigan	743	951	221	729	52.05%	72.48	27.56
Minnesota	510	665	187	477	54.59%	71.74	26.88
Mississippi	137	176	50	126	35.80%	66.16	30.28
Missouri	473	625	158	467	50.08%	71.69	27.70
Montana	562	732	246	484	55.87%	73.42	30.44
Nebraska	133	184	34	149	58.70%	75.29	26.82
Nevada	189	258	56	199	46.51%	70.21	29.07
New Hampshire	325	425	59	366	42.59%	69.44	32.74
New Jersey	818	1,075	204	865	44.09%	68.82	28.78
New Mexico	84	106	15	90	46.23%	68.73	34.91
New York	3,662	4,830	1,017	3,800	47.81%	70.37	28.38
North Carolina	713	947	330	613	51.85%	71.62	27.92
North Dakota	222	268	84	184	47.76%	69.76	29.38
Ohio	892	1,195	325	869	47.95%	70.35	27.70
Oklahoma	235	325	63	260	49.23%	71.12	30.33
Oregon	246	319	118	200	54.23%	71.71	30.36



Jurisdiction	Count Candidate	Count Sections	FT Sections	RE Sections	Average Pass Rate	Average Score	Average Age
Pennsylvania	1,171	1,521	371	1,146	46.15%	69.71	28.26
Puerto Rico	233	314	64	250	34.39%	64.19	29.18
Rhode Island	71	92	15	77	42.39%	70.60	28.33
South Carolina	197	242	67	174	48.35%	70.88	29.72
South Dakota	58	72	15	57	54.17%	71.86	26.83
Tennessee	576	750	158	590	48.27%	70.98	28.86
Texas	2,177	2,916	319	2,590	50.51%	71.49	30.51
Utah	330	432	154	278	62.96%	74.92	28.90
Vermont	67	93	22	70	54.84%	69.35	29.68
Virginia	881	1,153	284	866	53.17%	72.21	30.27
Washington	1,225	1,546	431	1,105	54.40%	72.39	32.01
West Virginia	71	82	24	58	45.12%	66.80	28.33
Wisconsin	414	538	117	419	57.25%	73.19	26.97
Wyoming	28	33	6	27	57.58%	72.91	31.99



**STATE OF TENNESSEE  
DEPARTMENT OF COMMERCE AND INSURANCE  
OFFICE OF LEGAL COUNSEL  
500 JAMES ROBERTSON PARKWAY  
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PHONE: (615) 741-3072  
FAX: (615) 532-4750**

**TO: TENNESSEE STATE BOARD OF ACCOUNTANCY**

**FROM: Tsveta Todorova-Kelly**

**SUBJECT: January 2023 Legal Report**

**DATE: January 31, 2023**

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**CONSENT AGENDA**

- 1. 2022045861 (TTK)**  
**First Licensed: 05/13/1992**  
**Expiration: 12/31/2022**  
**Type of License: Certified Public Accountant**  
**History: None.**

Complaint alleges they retained Respondent for tax-related services. Compliant states they paid Respondent a retainer and signed a power of attorney so Respondent can speak to the IRS on their behalf. Complainant alleges they reached out to Respondent for an update on multiple occasions, but Respondent has been unreachable.

In their response, Respondent explained they had been in a serious accident and suffered head and leg injuries, which prevented them from being able to get in touch with clients for a couple of weeks. Respondent states they contacted Complainant to explain the situation as well offer a full refund. Responded stated Complainant was understanding of their situation and requested Respondent continue to work with the IRS on their behalf.

Counsel spoke with both parties and received confirmation that they are on the same page and Respondent has resumed work for Complainant per Complainant's wishes. As such Counsel is recommending closure.

**Recommendation: Closure.**

**Committee Recommendation: Concur.**

**Board Decision: Concur.**

2. **2022042631 (TTK)**  
**First Licensed: 01/29/2007**  
**Expiration: 12/31/2022**  
**Type of License: Certified Public Accountant**  
**History: None.**

Complainant alleges Respondent fraudulently and intentionally diverted funds from their former employer's account. Shortly after filing the complaint, Complainant filed a follow-up inquiry indicating they wish to withdraw the complaint as they were informed Respondent did have permission to transfer the funds to their account. Counsel spoke with Complainant and received confirmation that Respondent did have permission to transfer the funds.

Respondent has not responded to the complaint despite multiple letters being sent out and Counsel's calls.

**Recommendation: Issue a Letter of Warning outlining Respondent's duty to answer requests from the Board within fourteen (14) days per Board Rule 0020-03-.16.**

**Committee Recommendation: Concur.**

**Board Decision: Concur.**

3. **2022037601 (TTK)**  
**First Licensed: N/A (Unlicensed)**  
**Expiration: N/A**  
**Type of License: Certified Public Accountant**  
**History: None.**

The complaint was opened by the Board regarding Respondent's use of the term "accounting" in their firm name and business effects without being properly licensed per T.C.A. § 62-1-113.

Respondent indicated they did not intend to deceive, but rather registered the company under the wrong category. Respondent alleges they do not hold themselves out to be a CPA and their firm is not a CPA firm. Respondent indicated they are willing to take the necessary steps to rectify the issue.

After Counsel spoke with Respondent, they immediately took steps to change their firm name with the Secretary of State. In addition, Respondent changed the firm name on their website and email in compliance with the relevant statute. As such Counsel is recommending closure.

**Recommendation: Closure**

**Committee Recommendation: Concur.**

**Board Decision: Concur.**

4. **2022046941 (TTK)**  
**First Licensed: N/A (Unlicensed)**  
**Expiration: N/A**  
**Type of License: Certified Public Accountant**  
**History: None.**

Complainant alleges Respondent has been running their deceased father's CPA firm without being licensed as a CPA. The Complainant also states the website associated with Respondent's deceased father's CPA firm is still up and the physical signage outside their office is still up. Complainant further alleges Respondent has been holding themselves out to be a CPA.

Respondent stated their father passed in May, 2022. Respondent stated that upon their father's passing, they were in touch with Board's staff who closed the firm license. Respondent states that they operated their father's business until forming their own business in June, 2022. Respondent indicated that during the time of operating their father's business, they had informal agreements with other CPA firms in case their clients needed attest work performed.

Regarding the signage and website allegations, Respondent indicated that due to supply issue, it had taken them a while to change out the signage, but that has been fixed now. In addition, Respondent indicated the website has remained up because their domain is attached to the servers. Respondent states they will have the website issue fixed within 30 days.

Respondent further states they have never held out to be a CPA but are hoping to pass their CPA exam in the next year.

In addition, Respondent provided information confirming they filed for their new business. A member of the investigation team completed a drive by, confirming all signage of Respondent's father's CPA firm has been removed and replaced with Respondent's new firm name. Further, Respondent has confirmed they are in the process of removing their father's business' website. As such Counsel is recommending closure.

**Recommendation: Closure.**

**Committee Recommendation: Concur.**

**Board Decision: Concur.**

## PROPOSED DISCIPLINE

5.     **2022034181 (TTK)**  
      **First Licensed: N/A (Unlicensed)**  
      **Expiration: N/A**  
      **Type of License: Registered Accounting Firm**  
      **History: None.**

The complaint was filed by a member of the public. Complainant alleges Respondent's firm name and website contain the term "accounting" without them being properly licensed with the Board. The complaint provided a reference to Respondent's website and LinkedIn page, which confirmed Respondent's use of term "accounting."

Respondent has not responded to the complaint despite of the letters they were sent and the numerous times Counsel attempted to get in contact with them.

Based on review of the Respondent's firm name, website, and LinkedIn profile the firm is using the "accounting" designation in violation of T.C.A. § 62-1-113.

**Recommendation: Authorize a formal hearing with the authority to settle via a Consent Order requiring Respondent to remove the term Accountant or Accounting from their firm name, website, and all other sites per T.C.A. § 62-1-113 (h) (2) as it pertains to a title or designation.**

**Committee Recommendation: Concur.**

**Board Decision: Concur.**

6.     **2022043601 (TTK)**  
      **First Licensed: N/A (Unlicensed)**  
      **Expiration: N/A**  
      **Type of License: Registered Accounting Firm**  
      **History: None.**

Complaint alleges Respondent is using the terms "accountants" and "accounting" without being properly licensed with the Board.

Respondent's attorney stated Respondent is not a public accounting firm and does not hold itself to be one. In addition, Respondent stated they provide various business consulting services. As such, Respondent is of the opinion that there's no violation of an applicable law or regulation.

Based on review of the Respondent's firm name, website, and LinkedIn site, the firm is using the "accounting" designation in violation of T.C.A. § 62-1-113. Counsel spoke with Respondent's attorney and shared why the use of the terms "accounting" and "accountant" without being properly licensed would be a violation of Board rules. Respondent's attorney was also advised that their client could change their firm name in order to resolve the issue more effectively. Counsel has followed up with Respondent's attorney a couple times as to whether Respondent would voluntarily change their firm name, but there has been no answer.

**Recommendation: Authorize a formal hearing with the authority to settle via a Consent Order requiring Respondent to remove the term Accountant or Accounting from their firm name, website, and all other sites per T.C.A. § 62-1-113 (h) (2) as it pertains to a title or designation.**

**Committee Recommendation: Authorize a formal hearing with the authority to settle via a Consent Order requiring Respondent to remove the term Accountant or Accounting from their firm name, website, and all other sites per T.C.A. § 62-1-113 (h) (2) as it pertains to a title or designation. In lieu of a formal hearing with the authority to settle via a consent order, the Respondent will be given 4 months to provide evidence of compliance with the rule to use the term "Accountant" per T.C.A. § 62-1-113 (h) (2) as it pertains to a title or designation.**

**Board Decision: Concur.**

7.     **2022045301 (TTK)**  
       **First Licensed: 02/29/2000**  
       **Expiration: 12/31/2024**  
       **Type of License: Certified Public Accountant**  
       **History: None.**

The complaint was opened by the Board after receiving notification that the Department of Justice had indicted Respondent on charges of conspiracy to commit bank fraud as well as charges related to a multi- million- dollar scheme to defraud financial institutions.

Counsel has been in touch with Respondent's attorney who has agreed to provide updates as the case progresses. Given the complexities of the pending case, Counsel is recommending the matter be placed in litigation monitoring.

**Recommendation: Litigation Monitoring.**

**Committee Recommendation: Concur.**

**Board Decision: Concur.**

## RE-PRESENTATIONS

8. **2022027311 (TTK)**  
**First Licensed: 10/21/2013**  
**Expiration: 12/31/2022**  
**Type of License: Certified Public Accountant**  
**History: None.**

The complaint was filed by the TN Comptroller of the Treasury's office. The complaint states Respondent, while acting as the budget director for a specific County, used the County's purchasing card in 44 unauthorized transactions to fraudulently transfer \$17,606.22 into Respondent's public accounting business account. The complaint provided exhibits and information confirming Respondent was the custodian of the county credit card. Respondent allegedly completed the fraudulent transactions between February 1, 2020 through May 31, 2021. Complainant provided exhibits confirming the fraudulent transactions to Respondent's public accounting business account. The complaint further states Respondent altered and falsified the county purchasing statements prior to submitting them to the county trustee. The complaint states Respondent resigned in May 2021 after county officials discovered the fraudulent activity. The complaint also states Respondent reimbursed the County the full amount in June 2021.

Respondent states they have learned from the errors in judgment they made while working for the County. Respondent states their errors do not reflect on their wide work in the field of accounting. Respondent recognizes they did not report some of the funds they oversaw properly. Respondent also notes they contacted the County's attorneys in May 2021 and immediately made arrangements to pay the County back. Respondent states the events in this complaint have greatly impacted their conduct and ethics. Respondent has refamiliarized themselves with Board Rule 0020-03 relating to professional conduct. They also submitted a letter of support by a client affirming Respondent is a person of integrity.

Counsel is recommending suspension of Respondent's license as well as assessing a \$1,000 civil penalty.

**Recommendation: Authorize a formal hearing with the authority to settle via a Consent Order for voluntary suspension of Respondent's license for 12 months from signing the Consent Order and require Respondent to appear before the Board if reinstatement is pursued. Additionally, Counsel recommends assessing a \$1,000 civil penalty in violation of Board Rule 0020-04-.03 (2)(b) pertaining to acts of fiscal dishonesty.**

**Committee Recommendation:** Authorize a formal hearing with the authority to settle via a Consent Order for voluntary suspension of Respondent's license for 24 months from signing the Consent Order, require Respondent to appear before the Board if reinstatement is pursued, and require completion of 3-Part NASBA Ethics Course. Additionally, Counsel recommends assessing a \$5,000 civil penalty in violation of Board Rule 0020-04-.03 (2)(b) pertaining to acts of fiscal dishonesty.

**Board Decision:** Concur.

**New Information:** Respondent's attorney submitted a counter settlement offer with the following terms: Voluntary suspension of Respondent's CPA license for six (6) months, an increased civil penalty of six thousand dollars (\$6,000.00), and the three (3) part NASBA ethics course. Respondent's attorney subsequently indicated they are open to any revision of the time period for voluntary suspension.

Respondent's attorney also shared that during the time of the transactions, Respondent developed an alcohol problem due to the stress of trying to manage their own practice while serving as the County's budget director. I was informed Respondent had taken proper action in addressing their alcohol issue.

In addition, the date range for the transactions was previously indicated to have occurred between February 2020 and May 2021, but this was the range of dates records were selected for the investigation. The actual fraudulent transactions occurred between September 2020 through February 2021.

**New Recommendation:** No new recommendation.

**New Committee Recommendation:** Concur.

**New Board Decision:** **Concur.**