

MEETING MINUTES
North Dakota State Board of Accountancy
October 22, 2020, 11:00 AM
Via Conference Call

The meeting was called to order by President Michael Schmitz at 11:02 am.

BOARD MEMBERS AND ADMINISTRATIVE STAFF ATTENDANCE

Mike Schmitz, President	Mandy Harlow, Executive Director
Patrick Kautzman, Secretary	Pene DeMaster, Board Staff
Laura Adair, Board Member	Tara B. Brandner, Assistant Attorney General
Sheri Erickson, Board Member	
David Holt, Board Member	

1. **New Board Member** - President Michael Schmitz welcomed David Holt to the board. Board Members Patrick Kautzman, Laura Adair, and Sheri Erickson introduced themselves to David.
2. **Minutes** - Motion to approve July 28, 2020 minutes [Motion: Kautzman; 2nd Adair; unanimous]. [Roll call: Schmitz (y), Holt (abstained), Kautzman (y), Adair (y), Erickson (y)]
3. **Financial Report** – Approve disbursements: (July 1 – September 30) [Motion: Erickson; 2nd Adair; unanimous]. [Roll call: Schmitz (y), Holt (y), Kautzman (y), Adair (y), Erickson (y)]
Financial oversight update. Patrick Kautzman reported no discrepancies with the financial statements provided by office staff. He also reported on a payroll tax issue with IRS. He is helping staff through the issue and does not expect any fees or penalties on the issue. Mandy Harlow reported North Dakota State Board of Accountancy moved accounts to Affinipay from Heartland credit card processing.
4. **2019 Audit** – Widmer Roel, PC was the only firm to submit a proposal. There was discussion on fairness of price quoted and qualifications to perform the audit. All members agreed the prices was fair and the firm had the qualifications to perform the audit. Motion to approve Widmer Roel, PC as the new audit firm for the North Dakota State Board of Accountancy. [Motion: Kautzman; 2nd Erickson; unanimous]. [Roll call: Schmitz (y), Holt (y), Kautzman (y), Adair (y), Erickson (y)]
5. **Service Awards** AG Brandner presented the HRMS Administrative rules for service awards to the board members. AG Brandner suggested the North Dakota State Board of Accountancy could adopt HRMS Administrative rules for service awards or create their own policy. Motion to adopt HRMS Administrative rules for service awards [Motion: Kautzman; 2nd Holt; unanimous]. [Roll call: Schmitz (y), Holt (y), Kautzman (y), Adair (y), Erickson (y)]
6. **Peer Review** – Mandy Harlow reported on firms that had a pass with deficiency or fail on their recent peer review reports. Typically, letters are sent this time of year to firms awarded a pass with deficiency or fail on their peer review report to let them know the board is aware of their report grade. Letters will go out early November to such firms. No further action needed.
7. **OTHER BUSINESS**
 - a. **Reinstatements and Ratify Firm Reinstatements-** Motion to reinstate the following pending their background checks clear and to ratify firm reinstatements Rick Darvis, Vi Mai, Shailandra Kumar, Luann Kramer, Thomas Alvarez, Michael DeWall, Jeffrey G. Johnson Saad Sultan, Ryan Messer, Stephanie Mathews, Cheng Xiao and Account Tally – Michelle Bredell [Motion: Kautzman; 2nd Erickson; unanimous]. [Roll call: Schmitz (y), Holt (y), Kautzman (y), Adair (y), Erickson (y)]
 - b. **Special application issues** - None
 - c. **Exam Applications** - Ratify: Motion to approve exam applications July 28, 2020 to October 19, 2020. [Motion: Adair; 2nd Kautzman; unanimous]. [Roll call: Schmitz (y), Holt (y), Kautzman (y), Adair (y), Erickson (y)]

- d. **New Licensees** - Ratify: Motion to approve new licensees July 28, 2020 to October 19, 2020 [Motion: Erickson; 2nd Kautzman; unanimous]. [Roll call: Schmitz (y), Holt (y), Kautzman (y), Adair (y), Erickson (y)]
- e. **Miscellaneous** –
CPE Reporting: motion to allow the submission CPE up to October 21, 2020 [Motion: Adair; 2nd Erickson; unanimous]. [Roll call: Schmitz (y), Holt (y), Kautzman (y), Adair (y), Erickson (y)]
Motion to administer a fine of \$500 and deadline of November 30, 2020 to complete their CPE requirements for those who did not report CPE by October 21, 2020.

Providing Services to the Marijuana Industry: Tabled until next meeting. Mandy will send a letter letting the CPA know the board is preparing a response.

8. **2021 Meeting Dates** – January 28 9:00 am, April 22 9:00 am, July 22 9:00 am, October 28 9:00 am

9. COMPLAINTS

Investigations – Executive Session N.D.C.C. 43-02.2-10 INVESTIGATIONS: EXECUTIVE SESSION PURSUANT TO N.D.C.C. 43-02.2-10, the Board recessed at 12:25 PM to Executive Session to discuss complaints. Public members were asked to leave the call. Motion to move to executive session [Motion: Kautzman; 2nd Erickson; unanimous]. [Roll call: Schmitz (y), Holt (y), Kautzman (y), Adair (y), Erickson (y)] The Board reconvened to regular session at 12:55 PM.

Disciplinary Cases – Potential Executive Session N.D.C.C. 44-04-19.1

Existing

2017-10: Motion to send letter the CPA to issue a 2019-2020 license pending the outcome of the supreme court case. [Motion: Kautzman; 2nd Erickson; unanimous]. [Roll call: Schmitz (y), Holt (y), Kautzman (y), Adair (y), Erickson (y)]

2020-3: AG Brandner reported a letter was sent last week and there was no response as of today.

2020-4: AG Brandner reported a letter was sent last week and there was no response as of today.

2020-6: tabled

2020-7: tabled

10. **ADJOURN** 12:58

Secretary

Date