

MAINE BOARD OF ACCOUNTANCY
Minutes of January 14, 2025

Call to Order

Board Chair Todd Desjardins called the meeting of the Board of Accountancy to order at 9:00 a.m.

MEMBERS PRESENT

Todd Desjardins, Chair
Robert Brown, Jr.
Thomas Cyr
Alison Lorenz
Yolanda “Lannie” Moffatt, Public Member

STAFF PRESENT

Penny Vaillancourt, Board Manager
Teneale Johnson, Executive Secretary
John Belisle, Assistant Attorney General

Introduction and Explanation of Meeting

As authorized by Title 1 section 403-B(1) of the Maine Revised Statutes and the Board member Remote Participation Policy adopted by the Board on May 9, 2023. The agenda for this meeting consists of various items for the Board.

AGENDA MODIFICATIONS AND APPROVAL:

- A motion was made by Ms. Moffatt to approve the agenda as written. Mr. Cyr seconded the motion. Vote 5-0 in favor.

MINUTES REVIEW AND APPROVAL:

- *November 26, 2024:* Following a review of the draft minutes, Ms. Lorenz made a motion to approve the minutes. Mr. Cyr seconded the motion. Vote 4-0 in favor. (Ms. Moffatt abstained)

CHAIR REPORT:

- No Report

INITIAL COMPLAINT PRESENTATION(S):

- *2024-ACC-20305:* A consumer complaint was filed against a firm claiming that they used the wrong method when determining the valuation of a departing member pursuant to an operating agreement of an LLC resulting in the dissociation being “severely damaged”. The complainant also asserts that before the report was finalized, despite their

efforts to work with the firm to resolve the disagreement on the valuation approaches and methods used. After a review and discussion of the complaint materials, Ms. Lorenz made a motion to dismiss the complaint. Mr. Brown seconded the motion. Vote 4-0 in favor. (Mr. Cyr, complaint officer, abstained)

- *2024-ACC-20280*: A consumer complaint was filed against a licensee alleging that the they were unresponsive to current CPA's request for documentation (depreciation schedules) needed to complete 2023 tax return, and further states that the licensee has not made information available to the individual or accountant.
- *2024-ACC-20281*: A consumer complaint was filed against a licensee alleging that in February 2024, they engaged with a CPA at the licensee's firm for tax preparation for FY23. They attempted to contact the firm numerous times to obtain documentation to complete 2023 returns and received no response. The complainant further reports that the licensee is unresponsive to current accounting firms requests for documentation.
- *2024-ACC-20282*: A consumer complaint was filed against a licensee alleging that they received notice that the firm was ceasing operations effective March 6, 2024, and claims that they have been unable to access the portal or talk with anyone; and they have been unable to get documents to their new accountant.
- *2024-ACC-20283*: A complaint was filed on behalf of 30+ clients who have been unable to obtain documents needed to file 2023 returns and claims the licensee and team have been unresponsive to client requests. The complainant sent a list to the licensee noting that the deadline to file (September 15th) was approaching and received no response from the licensee. The complainant also writes that the licensee should be reviewed for competency and that his behavior is "unacceptable as a trusted advisory and disgraces the designation".
- *2024-ACC-20284*: A complaint was filed on behalf of several clients who claim they did not receive notice of the firm closure in March 2024, and since then have not been able to obtain documents after several email and phone call attempts to the licensee's practice. The complainant sent a list to the licensee requesting information needed to prepare their clients' 2023 returns and received no response from the licensee. The complainant is seeking assistance from the Board to obtain the documents to complete their clients 2023 tax returns timely.
- *2024-ACC-20338*: A consumer complaint was filed against a licensee alleging that in the Spring of 2023, the complainant called the licensee's firm repeatedly and emailed the licensee to obtain copies of both personal and business tax returns so the new accountant could complete the 2023 returns. The complainant reports that the licensee has been unresponsive and is filing the complaint in an attempt to obtain his multi-year tax records.

- **2024-ACC-20339:** A consumer complaint was filed against a licensee alleging that they began working with a new CPA in June of 2024 and attempted to obtain documents from the licensee's firm without success. They reached out to former CPA's of the firm on LinkedIn to see if they could help get the records and they informed them that they too were unable to access documents, and that their systems were shut off with little notice. They are filing the complaint in hopes that the new accountant can gain access to the documents.
 - After a review and discussion of the above complaint materials (20280, 20281, 20282, 20283, 20284, 20338, and 20339), Ms. Moffatt made a motion to dismiss the complaint and issue a letter of guidance which would remain on file for ten years. The purpose of the letter would be to educate the licensee on the principle of due care and the codes of professional conduct which licensees must adhere. Ms. Lorenz seconded the motion. Vote 4-0 in favor. (Mr. Cyr, complaint officer, abstained)

APPLICATION REVIEWS:

Initial:

- **Daeho Chu, CP10593:** An application was filed on August 1, 2024 and included a Verification of Work Experience form which requires board review to determine if it meets the requirements. Following their review of the application materials, Ms. Moffatt made a motion to preliminarily deny the application based on the work experience setting, and to afford the individual an opportunity to withdraw their application. Ms. Lorenz seconded the motion. Vote 4-0 in favor. (Mr. Cyr abstained)

The Board discussed allowing board staff to inform an applicant for licensure that their application is incomplete and that they do not appear to meet the requirements for licensure as it relates to whether their employing firm is licensed in the U.S. and to have board staff afford the applicant an opportunity to withdraw their application.

- **Irene Myunghee Han, CP10399:** An application was filed on August 27, 2024 and included a Verification of Work Experience form which requires board review to determine if it meets the requirements. Following their review of the application materials, Mr. Cyr made a motion to preliminarily deny the application based on the work experience setting, and to afford the individual an opportunity to withdraw their application. Ms. Lorenz seconded the motion. Vote 5-0 in favor.
- **Ashar Nafis, CP5248:** An application was filed on July 6, 2023 and since June of 2024 board staff has requested additional information to complete the application review. At this time, the application materials do not substantiate meeting the educational or work experience requirements and requires board review. Following their review of the application materials, Ms. Moffatt made a motion to preliminarily deny the application

based on the applicant's failure to meet the educational requirements of Board Rule, Chapter 5, Section 3, and failure to meet the work experience requirements of Board Rule, Chapter 5, Section 4, and to afford the individual an opportunity to withdraw their application. Mr. Cyr seconded the motion. Vote 5-0 in favor.

- Lucy Younan, CP12013: An application was filed on November 15, 2024 and included a Verification of Work Experience form which requires board review to determine if it meets the requirements. Following their review of the application materials, Ms. Moffatt made a motion to preliminarily deny the application based on the work experience setting, and to afford the individual an opportunity to withdraw their application. Mr. Cyr seconded the motion. Vote 5-0 in favor.

Renewal:

- Peter B. Ventre, CP1887: An online application was filed on October 8, 2024 and the licensee answered "no" to meeting the continuing education requirements. The Board tabled the application at its November 26, 2024 meeting and voted to provide the licensee additional time to complete and submit their CE activities. On January 3, 2025 the licensee submitted a CE log and documentation supporting completion of 40 hours. Following their review, Ms. Moffatt made a motion to approve the renewal application and to remind the licensee that the credits used for this renewal cannot be reused. Mr. Cyr seconded the motion. Vote 5-0 in favor.
- Bruce R. Nadeau, CPA LLC, FM10001385: An online application was filed on September 28, 2024 with a "yes" response to the question "Does your firm continue to provide a defined service other than compilations?" A review of the boards' records show that a peer review report was due December 30, 2023. Board staff spoke with the licensee on November 22, 2024 and the licensee indicated that he would submit documentation showing efforts to enroll/participate in a peer review in time for the board's January 14th meeting. On January 7, 2025, the licensee submitted a request for an extension of time to provide a peer review report. Following their review of the application materials, Ms. Moffatt made a motion to table its review of the renewal application until the May 2025 meeting. Mr. Cyr seconded the motion. Vote 5-0 in favor.
- Smith & Associates, CPAs, FM10000533: An online application was filed on September 30, 2024 with a "yes" response to the question "Does your firm continue to provide a defined service other than compilations?" A review of the boards' records show that a peer review report was due September 30, 2024. On December 26, 2024, the firm submitted a request for an extension of one year to complete the report. Following their review of the application materials, Ms. Moffatt made a motion to table its review of the renewal application until the May 2025 meeting. Mr. Cyr seconded the motion. Vote 5-0 in favor.

REPORTING NOTIFICATIONS:

- No notifications received

CREDIT RELIEF INITIATIVE:

- Ratification of Board Staff Approved Requests: Following a review and discussion of the approved requests for extensions under the Credit Relief Initiative, Ms. Moffatt made a motion to ratify the approvals. Mr. Cyr seconded the motion. Vote 5-0 in favor.

BOARD MANAGER'S REPORT: Ms. Vaillancourt reported the following information to the Board:

- Legislative Update: Legislative bills are being printed, and Ms. Vaillancourt will work with the OPOR Director and Commissioner on matters relating to the profession and consult with the Board Chair when needed. Updates will be provided to board members periodically. The Legislative Committee of Jurisdiction for Accountancy will likely be the Housing and Economic Development Committee.
- Proposed Rulemaking Update: There is an agenda item for review which is a proposed amendment to Board Rule, Chapter 5, in order to clarify an inactive status for licensure. A proposed strategic plan will be presented to the Board in May which will outline a list of possible rule changes.
- Other: Ms. Vaillancourt reported that the Board of Accountancy recently launched online licensing for individuals outside of the United States who do not have a social security number.

LICENSING REPORTS: The reports were reviewed and accepted as an FYI.

- Active, Inactive, and Issued licenses (*Members requested that board staff provide a historical report of licensing numbers at a future meeting.*)

DRAFT PROPOSED RULES:

- Chapter 5 RE: Inactive status language: Following their review, Mr. Cyr made a motion to initiate rulemaking pursuant to Title 5 and to accept the draft rule as amended. Ms. Moffatt seconded the motion. Vote 5-0 in favor.

OTHER ITEMS: *The following agenda items were accepted as an FYI:*

- November 6, 2024 letter from Novogradac RE: California matter
- November 25, 2024 letter from BerryDunn RE: New attest and advisory structure
- December 20, 2024 letter from Class Action Fairness Act RE: Proposed settlement

- Preliminary Agenda for Future Meetings (*The Board agreed to hold an additional meeting on March 19th to discuss proposed rulemaking and any pending applications.*)
- Case Management Reports

PUBLIC OPPORTUNITY TO COMMENT:

- No comments received.

ADJOURNMENT: Ms. Moffatt made a motion to adjourn the meeting at 11:13 a.m. Mr. Cyr seconded the motion. Vote 5-0 in favor.