

STATE OF MINNESOTA
BOARD OF ACCOUNTANCY

In the Matter of
Wendy Lee Harden
CPA Certificate No. 19646

STIPULATION AND
CONSENT ORDER
Board File 2019-412

The Minnesota Board of Accountancy ("Board") is authorized pursuant to Minn. Stat. §§ 214.10, 326A.02, subds. 4, 6, and 326A.08, subd. 1 (2018) to review complaints against certified public accountants and to take disciplinary action whenever appropriate.

The Board received information concerning Wendy Lee Harden, 100 Washington Ave. S. #1600, Minneapolis, MN 55401 ("Respondent"). The Board's Complaint Committee ("Committee") reviewed that information.

It is hereby stipulated and agreed by Respondent and the Committee that without trial or adjudication:

1. For the purpose of this stipulation and consent order, Respondent waives all procedures and proceedings before the Board to which Respondent may be entitled under the United States and Minnesota constitutions, statutes, or the rules of the Board, including the right to dispute the allegations against Respondent and to dispute the appropriateness of discipline in a contested-case hearing pursuant to Minn. Stat. ch. 14 (2018), and to dispute any civil penalty imposed by this stipulation and consent order. Respondent agrees that upon the *ex parte* application of the Committee, without notice to or appearance by Respondent, the Board may order the remedy specified in paragraph 7 below. Respondent waives the right to any judicial review of the order by appeal, by writ of certiorari, petition for review, or otherwise.

2. This stipulation shall constitute the entire record of the proceedings herein upon which the consent order is based.

3. In the event the Board in its discretion does not approve this stipulation and consent order or propose a lesser remedy than specified herein, this stipulation and consent order shall be null and void and shall not be used for any purpose by either party. If this stipulation and consent order is not approved and the Committee initiates a contested-case hearing pursuant to Minn. Stat. ch. 14 (2018), Respondent agrees not to object to the Board hearing the case on the basis that the Board has become disqualified because of its review and consideration of this stipulation and consent order or of any records relating hereto.

FACTS

4. This stipulation and consent order is based upon the following facts. Respondent admits the facts referred to below and grants that the Board may, for the purpose of reviewing the record in paragraph 2 above, consider the following as true:

- a. The Board issued a certified public accountant certificate to Respondent on June 4, 1999; Respondent currently holds an active certified public accountant certificate from the Board. Respondent is subject to the jurisdiction of the Board with respect to the matters referred to in this stipulation and consent order.
- b. Respondent was disciplined by the American Institute of Certified Public Accountants ("AICPA") on April 3, 2019, for failing to comply with professional standards on an audit of the financial statements of a government entity as of and for the year ended September 30, 2013. Specifically, the AICPA found prima facie evidence of violations of the rules of the AICPA Code of Professional Conduct Rule 202 - Compliance with Standards and Rule 203 - Accounting Principles.

- c. Respondent did not sufficiently document procedures performed over the amount of the capital asset impairment recorded, which is a violation of the AICPA's Code of Professional Conduct Rule 202.
- d. Respondent was also in violation of the AICPA Code of Professional Conduct Rule 203 – Accounting Principles as follows:
 - i. Current expenditures are not categorized by function on the Statement of Revenues, Expenditures, and Changes in Fund Balance, Governmental Funds.
 - ii. The amounts reported as intradepartmental due to and due from in the Balance Sheet for governmental funds are misstated and inconsistent with the amounts reported in the notes to the financial statements.
 - iii. The financial statements failed to disclose the types of transactions included in program revenues in the statement of activities.
 - iv. The financial statements failed to adequately disclose transactions with related parties.

5. Respondent admits that the facts and conduct specified in paragraph 4 above constitute violations of Minn. Stat. §§ 326A.08, subs. 5(a)(1) and 5(a)(10), 326A.10 (2018), Minn. R. 1105.7800(A) (2019) (adopting AICPA Code of Professional Conduct by reference) (2019), and AICPA Code of Professional Conduct Rules 202 and 203 (2013), and are sufficient grounds under Minn. R. 1105.5600, subp. 1(C)(5) (2019) for the remedy specified in paragraph 7 below, and that proof at hearing of any one or more of the allegations set forth would empower the Board to take disciplinary action pursuant to Minn. Stat. § 326A.08 (2018).

6. This stipulation and consent order shall not limit the authority of the Board to proceed against Respondent by appropriate means on the basis of any conduct

justifying disciplinary action which occurred before or after the date of this stipulation and that is not directly related to the specific facts and circumstances set forth herein.

REMEDY

7. Upon this stipulation and record, as set forth in paragraphs 2 and 4 above, and without any further notice of proceedings, the Committee and Respondent agree that the Board may, in its discretion, issue an order to Respondent requiring compliance with the following:

- a. Respondent is **CENSURED** and **REPRIMANDED**.
- b. Respondent shall pay to the Board a **CIVIL PENALTY** of five hundred dollars (\$500). Respondent shall submit to the Board payment of the civil penalty by check payable to the Board of Accountancy within sixty days of the Board's approval of this stipulation and consent order.
- c. Respondent **SHALL**, at Respondent's expense, complete the National Association of State Boards of Accountancy Center for Public Trust Ethics Training, with a required passing score of no less than 80%. Respondent shall submit documentation of course completion to the Board within sixty days of the Board's approval of this stipulation and consent order.

8. Respondent hereby acknowledges that she has read, understands, and agrees to this stipulation and consent order and is voluntarily signing the stipulation without threat or promise by the Board or any of its members, employees, or agents. Respondent further acknowledges that she is aware that the stipulation and consent order must be approved by the Board. The Board may approve the stipulation and consent order as proposed, propose changes, or reject it. If the changes are unacceptable

to Respondent or the Board rejects the stipulation, it will be of no effect except as specified herein.

9. Under the Minnesota Government Data Practices Act, this stipulation will be classified as public data upon its issuance by the Board. Minn. Stat. § 13.41, subd. 5 (2018). All documents in the record shall maintain the data classification to which they are entitled under the Minnesota Government Data Practices Act, Minn. Stat. ch. 13 (2018). They shall not, to the extent they are not already public documents, become public merely because they are referenced herein. A summary of this stipulation and consent order will appear in the Board's newsletter. A summary will also be sent to the national discipline data bank pertaining to the practice of public accounting.

10. This Stipulation contains the entire agreement between the parties. Respondent is not relying on any other agreement or representation of any kind, verbal or otherwise.

11. Respondent is aware that she may choose to be represented by legal counsel in this matter. Respondent knowingly waived legal representation.

12. If approved by the Board, a copy of this Stipulation and Consent Order shall be served personally or by first class mail on Respondent. The Order shall be effective and deemed issued when it is signed by the Board Chair or designee of the Chair.

13. Pursuant to Minnesota Statutes Section 16D.17 (2018), ninety days after the Board's approval of this Stipulation and Order, the Board may file and enforce any unpaid portion of the civil penalty imposed by this Order as a judgment against the Respondent in district court without further notice or additional proceedings.

14. Pursuant to Minn. Stat. § 16D.13 (2018), thirty days after the civil penalty imposed by paragraph 7(c) is due, simple interest computed in accordance with that section shall begin to accrue on the civil penalty.

CONSENT:

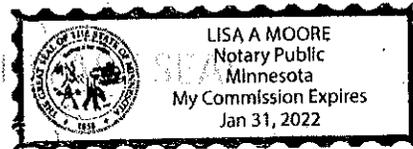
RESPONDENT

Wendy Lee Harden
WENDY LEE HARDEN, CPA

Dated: July 9, 2020.

SUBSCRIBED and sworn to before me on
this the 9th day of July, 2020.

Lisa A Moore
(Notary Public)



My Commission Expires: 1-31-2022

COMPLAINT COMMITTEE

GREGORY S. STEINER, CPA
Chair

Dated: _____, 2020.

COMPLAINT COMMITTEE

Greg Steiner by Sharon Jensen
GREGORY S. STEINER, CPA

Chair

Dated: July 29, 2020.

ORDER:

Upon consideration of the foregoing Stipulation and based upon all the files, records and proceedings, herein,

1. The Board hereby **ADOPTS** terms of this Stipulation and Consent Order and **ORDERS** the remedy described in paragraph 7 therein, this 29 day of July, 2020.

STATE OF MINNESOTA
BOARD OF ACCOUNTANCY

Sharon A Jensen
SHARON A. JENSEN, CPA
Chair

STATE OF MINNESOTA
MINNESOTA BOARD OF ACCOUNTANCY
85 East 7th Place, Suite 125
St. Paul, MN 55101

CERTIFICATE OF SERVICE BY U.S. MAIL

Case Title: Wendy Lee Harden
File #2019-412

I, Jamie Eschbach, verify by oath or affirmation that on the 30th day of July, 2020, at the City of Saint Paul, in the county of Ramsey, in the State of Minnesota, served the Stipulation and Consent Order by depositing a true and correct copy in the United States mail, properly enveloped, with first class postage prepaid and addressed to the following named individual(s) or entities at the address indicated below.

Wendy Lee Harden
Schechter Dokken Kanter Andrews & Selcer
100 Washington Ave S #1600
Minneapolis, MN 55401



Jamie Eschbach