

STATE OF MINNESOTA  
BOARD OF ACCOUNTANCY

In the Matter of the Certified Public  
Accountant Firm Permit of Marc van Zandt

**FINDINGS OF FACT,  
CONCLUSIONS OF LAW,  
AND ORDER**

The above-entitled matter came before the Minnesota Board of Accountancy on March 6, 2024.

On December 28, 2023, Administrative Law Judge Suzanne Todnem recommended that the Board impose discipline against Respondent Marc van Zandt after he defaulted by failing to appear at a prehearing conference. On January 3, 2024, the Board notified the parties of their right to file arguments and exceptions pursuant to Minn. Stat. § 14.61, subd. 1 (2022). On February 7, the Board's Complaint Committee filed its arguments and exceptions. Respondent did not submit any arguments or exceptions to the Board. The record closed on February 7.

Based on all the facts, records, and proceedings herein, the Board makes the following:

**FINDINGS OF FACT**

1. The Board adopts and incorporates as its own the Findings of Fact in the ALJ's recommendation.
2. Respondent's position was not substantially justified.
3. Any conclusions of law from the ALJ's recommendation that should properly be termed findings of fact are hereby adopted as such.

**CONCLUSIONS OF LAW**

Based on the foregoing findings of fact, the Board makes the following conclusions of law:

1. The Board adopts and incorporates as its own the Conclusions of Law in the ALJ's recommendation.

2. Any findings of fact from the ALJ's recommendation that should properly be termed conclusions of law are hereby adopted as such.

3. This order is in the public interest.

**ORDER**

Pursuant to Minn. Stat. § 326A.08, subd. 5(a) (2022), Respondent's firm permit is revoked.

Pursuant to Minn. Stat. § 326A.08, subd. 7(a) (2022), Respondent shall pay a \$23,000 civil penalty to the State of Minnesota.

Pursuant to Minn. Stat. § 326A.08, subd. 7(b) (2022), Respondent shall reimburse the Board for the cost of all services provided by the Office of Administrative Hearings.

Pursuant to Minn. Stat. § 16D.17(1) (2022), Respondent is notified that this shall become a final civil penalty unless he requests a hearing from the Board on the civil penalty within thirty days. Pursuant to Minn. Stat. § 16D.17(2) (2022), Respondent is notified that when the civil penalty becomes final, the Board may file and enforce the civil penalty in the same manner as a district court judgment against him without further notice or additional proceedings. Respondent is notified that simple interest computed in accordance with Minn. Stat. § 16D.13 (2022), shall begin to accrue on the civil penalty thirty days after the date of this order.

Dated: 03/06/2024

MINNESOTA  
BOARD OF ACCOUNTANCY



\_\_\_\_\_  
Godson Sowah, Secretary/Treasurer

## MEMORANDUM

The Board takes very seriously Respondent's violations, particularly committing twenty-six separate instances of providing attest services with an expired firm permit. The Board agrees with the complaint committee that Respondent's violations were blatant and willful.

Under these circumstances, the Board believes that revocation is necessary to deter future misconduct by Respondent and others and to protect the public interest. Permit holders and other licensees must manage their peer review and licensure to ensure the public trust. Firms must be managed in an ethical and compliant manner.

The Board also believes that a \$23,000 penalty, plus the costs of the administrative proceeding, is appropriate. While the committee requested a lesser amount, this penalty is necessary and justified based on the number of violations committed, the willfulness of the misconduct, and the economic benefit gained by Respondent.

**STATE OF MINNESOTA  
OFFICE OF ADMINISTRATIVE HEARINGS  
FOR THE BOARD OF ACCOUNTANCY**

In the Matter of the Certified Public  
Accountant Firm Permit of Marc van Zandt

**FINDINGS OF FACT,  
CONCLUSIONS OF LAW,  
AND RECOMMENDATION  
UPON DEFAULT**

This matter came on for a prehearing conference before Administrative Law Judge Suzanne Todnem on October 3, 2023.

Allen C. Barr, Assistant Attorney General, appeared on behalf of the Minnesota Board of Accountancy (Board). There was no appearance by, or on behalf of, Respondent Marc van Zandt (Respondent). The Administrative Law Judge issued an Order to Show cause to Respondent, setting a deadline of October 19, 2023, to explain the failure to appear. No response has been received to date.

**STATEMENT OF THE ISSUES**

1. Did Respondent provide attest services without a firm permit? In violation of Minn. Stat. §§ 326A.05, subd. 1(a)(1), 326A.10(d) (2022) and Minn. R. 1105.4200(B)(1) and 1105.5600, subp. 1(C)(1) (2021)?
2. Did Respondent fail to submit peer review documentation for his 2019 peer review, in violation of Minn. Stat. §§ 326A.05, subd. 8, 326A.08, subd. 5(a)(8) and (10) (2022), and Minn. R. 1105.5600, subp. 1(C)(7), and 1105.7800(C) and (D) (2021)?
3. Did Respondent fail to submit a firm permit renewal application in violation of Minn. Stat. § 326A.08, subd. 5(a)(8) (2022)?

**SUMMARY OF RECOMMENDATION**

The Administrative Law Judge concludes that Respondent is in default and recommends that the allegations in the Notice and Order for Prehearing Conference be accepted as true and deemed proven.

Based on the evidence in the hearing record, the Administrative Law Judge makes the following:

### FINDINGS OF FACT

1. On August 10, 2023, a Notice and Order for Prehearing Conference in this matter was mailed to Respondent at his last known address.<sup>1</sup>

2. The Notice and Order for Prehearing Conference indicated that a prehearing conference would be held in this matter on September 13, 2023, by telephone conference.

3. A prehearing conference was held on September 13, 2023. Respondent requested a continuance to pursue informal resolution. The parties requested a second prehearing conference be held on October 3, 2023, at 1:00 p.m. by telephone and the undersigned issued a First Prehearing Order scheduling the same.<sup>2</sup>

4. In conformity with Minn. R. 1400.5700 (2023), the Notice and Order for Prehearing Conference requires that any party intending to “appear at the prehearing conference and hearing must file a Notice of Appearance form and return it to the Administrative Law Judge within 20 days of the date of service” of the Notice and Order for Hearing.<sup>3</sup>

5. In conformity with Minn. R. 1400.6000 (2023), the Notice and Order for Hearing in this matter also includes the following statement:

Respondent’s failure to appear at the prehearing conference, settlement conference, or the hearing, or failure to comply with any order of the Administrative Law Judge, may result in a finding that Respondent is in default, that the Committee’s allegations contained in the Statement of Charges may be accepted as true, and that Respondent may be subject to discipline by the Board, including revocation, suspension, censure, or the imposition of civil penalties.

6. Respondent did not file a Notice of Appearance with the undersigned.

7. No one appeared at the October 3, 2023, prehearing conference on behalf of Respondent. No request was made for a continuance, nor was any communication received by the undersigned from Respondent prior to the October 3, 2023, prehearing conference.

---

<sup>1</sup> See Attachment A at Affidavit of Service dated August 10, 2023.

<sup>2</sup> First Prehearing Order (September 15, 2023).

<sup>3</sup> Attachment A at 4.

8. Respondent's failure to appear at the prehearing conference was without consent of the Administrative Law Judge.

9. Because Respondent failed to appear at the prehearing conference, Respondent is in default.

10. Pursuant to Minn. R. 1400.6000, the allegations contained in the Notice and Order for Hearing, a copy of which is attached as Attachment A, are taken as true, deemed proven without further evidence, and incorporated by reference into these Findings of Fact.

Based on the Findings of Fact, the Administrative Law Judge makes the following:

### **CONCLUSIONS OF LAW**

1. The Board and the Administrative Law Judge have jurisdiction in this matter pursuant to Minn. Stat. §§ 14.50, 214.10 and 326A.08 (2022).

2. Respondent received timely and proper notice of the Prehearing Conference in this matter when the Committee sent the Notice and Order for Prehearing Conference and the Administrative Law Judge issued the First Prehearing Order to his last known address.

3. The Committee has complied with all relevant procedural requirements of statute and rule.

4. Under Minn. R. 1400.6000, Respondent is in default as a result of his failure to appear at the scheduled prehearing conference.

5. Under Minn. R. 1400.6000, when a party defaults by failing to appear at a prehearing conference without the prior consent of the judge, the allegations and the issues set out in the Notice and Order for Prehearing Conference may be taken as true and deemed proved. The Administrative Law Judge therefore deems the allegations to be true.

6. Minn. Stat. §§ 214.10 and 326A.08 provide that the Board may discipline a licensee who engages in conduct that violates the rules or law applicable to a licensee.

7. The Board has grounds to take disciplinary action against Respondent's license based upon the allegations set forth in the Notice and Order for Prehearing Conference.

8. An order by the Board taking disciplinary action against Respondent's license is in the public interest.

Based upon the foregoing Conclusions of Law, the Administrative Law Judge makes the following:

### RECOMMENDATION

The Board should take reasonable and appropriate disciplinary action against Marc van Zandt.

Dated: December 28, 2023



---

SUZANNE TODNEM  
Administrative Law Judge

Reported: Default

### NOTICE

This Report is a recommendation, not a final decision. The Board of Accountancy will make the final decision after a review of the record. The Board may adopt, reject, or modify the Findings of Fact, Conclusions, and Recommendations. Under Minn. Stat. § 14.61 (2022), the Board shall not make a final decision until this Report has been made available to the parties to the proceeding for at least ten calendar days. The parties may file exceptions to this Report and the Board must consider the exceptions in making a final decision. Parties should contact the Executive Director of the Minnesota Board of Accountancy, Suite 125, 85 East Seventh Place, St. Paul, MN 55101, telephone 651- 296-7938, to learn the procedure for filing exceptions or presenting argument.

The record closes upon the filing of exceptions to the Report and the presentation of argument to the Board, or upon the expiration of the deadline for doing so. The Board must notify the parties and Administrative Law Judge of the date the record closes. If the Board fails to issue a final decision within 90 days of the close of the record, this Report will constitute the final agency decision under Minn. Stat. § 14.62, subd. 2a (2022). In order to comply with this statute, the Board must then return the record to the Administrative Law Judge within ten working days to allow the Judge to determine the discipline to be imposed.

Under Minn. Stat. § 14.62, subd. 1 (2022), the Board is required to serve its final decision upon each party and the Administrative Law Judge by first class mail or as otherwise provided by law.