

**STATE OF MINNESOTA
BOARD OF ACCOUNTANCY**

In the Matter of the CPA Certificate of

Kathleen Rae Schulz
CPA Certificate No. 31250

**STIPULATION AND
CONSENT ORDER**

Board File No. 2024-104

STIPULATION

Kathleen Schulz ("Respondent") and the Minnesota Board of Accountancy's Complaint Committee stipulate that, subject to Board's review and discretionary approval, the Board may issue a consent order that imposes the following sanctions:

A. Respondent's CPA Certificate, No. 31250, is CENSURED and REPRIMANDED pursuant to Minn. Stat. § 326A.08 (2024).

B. Respondent shall pay to the Board a CIVIL PENALTY of One Thousand Dollars (\$1,000). Respondent shall submit the civil penalty by check to the Board within sixty (60) days of the Board's approval of this Stipulation and Consent Order.

C. Respondent shall comply with all statutes and rules within the Board's jurisdiction. See Minn. Stat. ch. 326A (2024) and Minn. R. ch. 1105 (2023).

D. Respondent shall report in writing within ten days any violations of this stipulation and consent order to the Board's Executive Director.

Respondent and the Committee enter into this stipulation based on the following findings of fact, conclusions of law, and other stipulated provisions:

Findings of Fact

1. The Board issued Respondent a CPA certificate on January 10, 2019.
2. Respondent was selected for audit of her continuing professional education ("CPE") for the three-years ended June 30, 2023.
3. Respondent was sent the CPE audit documentation request letter on February 26, 2024. Respondent did not respond to the request for information and claims that she did not receive it.
4. Due to her failure to respond to the request for CPE documentation, Respondent was sent an allegation letter on April 17, 2024.
5. Respondent submitted the CPE audit form and documentation on May 6, 2024.
6. During review of the documentation, it was found that Respondent previously reported 60, including 10 group non-approved, hours for the CPE reporting year ended June 30, 2023; however, Respondent was only able to verify 50, with 0 group or blended, hours. As a result, Respondent was short 10 group or blended learning hours for the three-year period ended June 30, 2023.
 - a. With her audit documentation, Respondent submitted 10 group learning hours to be carried back but did not provide the CPE noncompliance fee.
 - b. Respondent paid the CPE noncompliance fee on July 1, 2024.
7. Respondent was sent a second allegation letter on July 3, 2024.
8. Respondent also submitted false information for her CPE for the CPE reporting year ended June 30, 2023, with her 2024 renewal by affirming on that renewal that she had completed the CPE hours and such hours complied with the 1-year and rolling 3-year CPE requirements.

9. Respondent works in private industry.

Conclusion of Law

1. The Board has authority to license and regulate certified public accountants and to take disciplinary action as appropriate. Minn. Stat. ch. 326A (2024).
2. Respondent violated Minn. R. 1105.1200, 1105.3100, subp. 4(D), 1105.5600, subps. 1(A) and (C)(5) and 1105.7800(A) and (B) (2023).
3. Respondent is subject to discipline pursuant to Minn. Stat. § 326A.08, subd. 5(a)(1) (2024).
4. This stipulation and consent order is in the public interest.

Other Stipulated Provisions

1. This stipulation and consent order must be approved by the Board to become effective.
2. Respondent agrees that the Committee may move the Board *ex parte*, with or without advance notice to the Respondent, to approve this stipulation and consent order. Respondent understands that the Board may either approve the stipulation and consent order or not approve it. This stipulation and the files, records, and proceedings associated with this matter may be reviewed by the Board in its consideration of the Committee's motion.
3. If approved by the Board, this stipulation and consent order shall be classified as public data. Minn. Stat. § 13.41, subd. 5 (2024).
4. If the Board does not approve this stipulation and consent order, then the matter remains unresolved and the Committee may either seek to negotiate a revised stipulation and

consent order with Respondent to present to the Board or issue an order commencing a contested-case hearing before an Administrative Law Judge at the Office of Administrative Hearings. *See* Minn. Stat. §§ 14.57–.62, 214.10, subd. 2 (2024) (describing administrative hearing process).

5. Respondent agrees that if this case comes before the Board again after it reviews and discusses this stipulation and consent order, Respondent waives any claim that the Board was prejudiced by its review and discussion of this stipulation and consent order and any records relating to it.

6. Respondent acknowledges that they were advised by the Committee of their right to a contested-case hearing in this matter before an Administrative Law Judge, to file exceptions and make argument to the Board after the hearing, and to seek judicial review from any adverse decision rendered by the Board. Respondent hereby expressly waives those rights. Respondent was further advised by the Committee of their right to be represented by counsel and that they knowingly waive that right.

7. Respondent has read, understands, and agrees to this stipulation and has voluntarily signed it. It is expressly understood that this stipulation contains the entire agreement between the parties, there being no other agreement of any kind, verbal or otherwise. If approved by the Board, a copy of the final stipulation and consent order shall be served personally or by first class mail on Respondent. The Board's order shall be effective when it is signed by the Chair of the Board or the Chair's designee.

8. Pursuant to Minn. Stat. § 16D.13 (2024), any civil penalty imposed by this stipulation and consent order shall begin to accrue simple interest in accordance with that section thirty days after the civil penalty is due. Pursuant to Minn. Stat. § 16D.17 (2024), thirty

days after any civil penalty imposed by this stipulation and consent order is due, the Board may file and enforce any unpaid portion of the civil penalty as a judgment against Respondent in district court without further notice or additional proceedings.

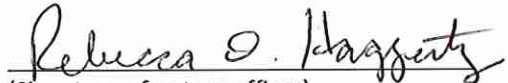

Kathleen Rae Schulz, CPA

STATE OF Colorado

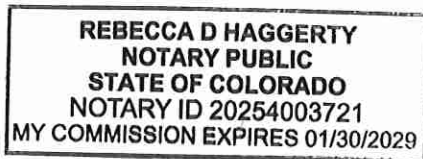
COUNTY OF El Paso

This instrument was acknowledged before me on 3/24/25 by Kathleen Schulz.


(stamp)


(Signature of notary officer)

My commission expires: 01/30/2029



COMPLAINT COMMITTEE


Lance Radziej

For: ANNETTER, CPA
Chair

Dated: April 17, 2025

CONSENT ORDER

Upon consideration of this stipulation and consent order, and based upon all the files, records, and proceedings herein, all terms of the stipulation and consent order are approved. Accordingly, the Board hereby ADOPTS the stipulation and issues the ORDER described above.

STATE OF MINNESOTA
BOARD OF ACCOUNTANCY


GORDON SOWATH, VICE CHAIR
FOR:

Dated: 4-17-, 2025


CHARLES SELCER, CPA
Board Chair