

**STATE OF MINNESOTA
BOARD OF ACCOUNTANCY**

In the Matter of the CPA Firm Permit of

Wilson Tibor & Maves, Ltd
CPA Firm Permit No. 00722

**STIPULATION AND
CONSENT ORDER**

Board File No. 2024-045

STIPULATION

Wilson Tibor & Maves, Ltd ("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 is CENSURED and REPRIMANDED pursuant to Minn. Stat. § 326A.08 (2024).
- B. Respondent shall pay to the Board a CIVIL PENALTY of \$5,000. 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, at Respondent's expense, hire an outside party to perform a pre-issuance review of the reports, financial statements, and working papers for the next two audit engagements. These shall be submitted to the Board within thirty (30) days of receipt of each of the pre-issuance reviews.
- D. Respondent shall comply with all statutes and rules within the Board's jurisdiction. See Minn. Stat. ch. 326A (2022) and Minn. R. ch. 1105 (2023).
- E. 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 firm permit on January 30, 1992.
2. Respondent's peer review documentation for the year ended December 31, 2021, was due to the Board no later than March 31, 2023. Respondents did not provide the documentation by this deadline.
3. Respondent's 2024 CPA firm permit renewal was returned for failure to submit the required peer review documentation on December 20, 2023.
4. Respondent's firm permit expired on December 31, 2023.
5. Respondent was sent an expired firm permit notification letter on January 16, 2024.
6. Respondent's 2024 CPA firm permit renewal was returned again for failure to submit the required peer review documentation on January 29, 2024, and February 14, 2024.
7. Respondent requested renewal of its firm permit without completing the required peer review documentation.
8. Respondent's request to renew its firm permit without completing its peer review requirement was denied at the March 6, 2024 Board meeting.
9. Respondent's 2024 CPA firm permit renewal was returned again for failure to submit the required peer review documentation on March 11, 2024, and July 11, 2024.
10. Respondent's peer review documentation was received on July 18, 2024, one year and three months after it was due to the Board.

11. Respondent's CPA firm permit was renewed on July 18, 2024.
12. Respondent held out and practiced as a licensed CPA firm from January 1, 2024, until July 18, 2024, while its CPA firm permit was expired.
13. Respondent worked on or completed 4 audits and 28 compilations during the lapse in licensure.
14. Respondent received a peer review rating of "fail" on January 17, 2024, for the period under review ended December 31, 2021.
15. The Reviewer found four significant deficiencies that resulted in all the firm's audits and review engagements to be considered nonconforming:
 - a. Due to the Respondent's partners who handled the peer review quality control not performing their duties or needing to increase their understanding of the quality control responsibilities and requirements, there were missing and incomplete audit files, missing and deficient continuing professional education (CPE), independence was missing and not tracked at a firm-wide level or evaluation to ensure the firm promotes a culture of quality.
 - i. It was found by the Reviewer that a "nonprofit audit had an unmarked preliminary balance sheet print out and a page of scribble notes but no other workpapers..."
 - ii. For the issued financial statements with disclosures, the Reviewer was unable to determine the specific related standards the statements were prepared under and was also unable to determine how the Respondent's staff prepared the statements.

- b. The Respondent's system of quality control policies and procedures on ethical considerations requires all professional staff be familiar with and follow relevant ethical requirements for engagements subject to Government Auditing Standards. During the review, the Reviewers noted that an audit subject to the Government Auditing Standards had financial statements that did not identify a significant threat to independence nor were safeguards applied to overcome the significant threat. As a result, Respondent's one Yellow Book audit did not conform to ethical standards as required.
- c. The Respondent's policy, and a requirement of engagements performed in accordance with Government Auditing Standards, required that the quality control system be monitored on an ongoing basis. In addition, an annual monitoring documentation is to be provided to each professional staff member. The Reviewers noted that there was no monitoring documentation and no report issued in the current or prior three years. By not performing annual monitoring procedures, the Respondent's staff could not evaluate and correct to prevent functional area noncompliance or engagement issues.
- d. Respondent's system of quality control policies and procedures addressing the human resources component had not been complied with to provide reasonable assurance that the Respondent's staff had the necessary knowledge to perform engagements in compliance with professional standards. The Reviewers noted the following:
 - i. The partner who performed YellowBook audits did not have the required number of hours of CPE in YellowBook.

- ii. While the Respondent's other professional staff met general CPE requirements, the CPE taken was insufficient for current generally accepted accounting principles and review and audit performance, reporting, and documentation requirements. This resulted in all audit and review engagements being nonconforming to professional standards in multiple areas.

16. Respondent was required by its Report Acceptance Body to have its professional staff complete 32 hours of CPE, including in non-profit, HUD, risk assessment, and compilation and review for those working on that type of audits and engagements, and four hours of quality control CPE for the quality control partner.

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. Stat. §§ 326A.05, subds. 1(a)(1), (2), (3) and 8(a), and 326A.10(a), (d) (2024) and Minn. R. 1105.4200(B)(1), (2), and (3), 1105.5400(A), 1105.5600, subp. 1(C)(1), (6), (7) and (D), and 1105.7800(A), (C), and (F) (2023).
3. Respondent is subject to discipline pursuant to Minn. Stat. § 326A.08, subd. 5(a)(1), (3), (8) and (10) (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.



Wilson Tibor & Maves, Ltd

By: ERIK GODPARD

Its: SHAREHOLDER

STATE OF _____

COUNTY OF _____

This instrument was acknowledged before me on _____ by _____.

(stamp)

(Signature of notary officer)

My commission expires: _____

COMPLAINT COMMITTEE



ANN ETTER, CPA

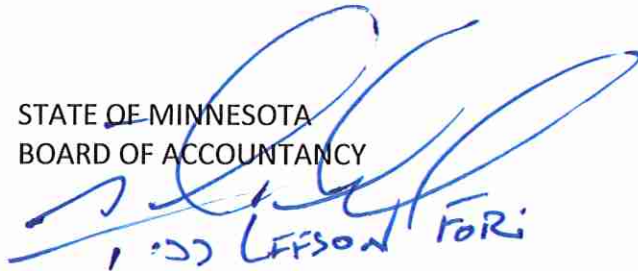
Chair

Dated: May 1, 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



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Dated: October 8, 2025

CHARLES SELCER, CPA

Board Chair