



BOARD MEMORANDUM

May 2, 2024

TO: All Board Members
Christopher Kaisershot, Assistant Attorney General

FROM: Charles Selcer, CPA, Board Chair

SUBJECT: **MAY 2, 2024, BOARD MEETING MINUTES**
GOLDEN RULE BUILDING, Suite 295
9:05 AM

The Board will hold its regularly scheduled meeting on the above-mentioned date, time and location.

- 1) CALL TO ORDER
Charles Selcer, CPA, Chair
Chas McElroy, CPA, Vice Chair
Godson Sowah, CPA, Secretary/Treasurer (ABSENT)
Ann Etter, CPA
Amanda Guanzini, CPA
Todd Lifson, CPA
Douglas Moore
Lance Radziej, CPA
Diane Rosenwald

OTHERS IN ATTENDANCE:

Doreen Johnson, Executive Director
Nathan Hartshorn, Assistant Attorney General
Kay Weiss, Assistant Executive Director
Holly Salmela, Investigator
Joshua Bramley, Complaint Specialist
J'Nell Nordin, CPE and Firms Specialist
Colleen Pacheco, OAS-I

GUESTS:

Troy Olson, Minnesota Association of Public Accountants (MAPA)
Geno Fragnito, Minnesota Society of Certified Public Accountants (MNCPA)

- 2) INTRODUCTIONS
- 3) APPROVAL OF THE MEETING MINUTES
MSP: To approve the March 6, 2024, meeting minutes
- 4) COMPLAINT COMMITTEE REPORT (Ann Etter, CPA, Committee Chair)
The Complaint Committee requests a closed session to deal with enforcement matters.
 - A) In the matter of Rong Yang, the Board issued a Stipulation and Consent Order.
 - B) In the matter of Rong Yang CPA PC, the Board issued a Stipulation and Consent Order.
 - C) In the matter of Richard Tollefson, the Board issued a Stipulation and Consent Order.
 - D) In the matter of Chriselle Bowler, the Board issued a Stipulation and Consent Order.
 - E) In the matter of Charles Amevo, the Board issued a Consent Order.
 - F) In the matter of CPA Global Portfolio Consulting C.A., LLC, the Board issued a Consent Order.**MSP: To accept the Complaint Committee report**
- 5) INVESTIGATOR'S REPORT (Holly Salmela, Investigator)
 - A) 183 cases are currently open.**MSP: To accept the Investigator's report**
- 6) EXECUTIVE COMMITTEE REPORT (Charles Selcer, CPA, Board Chair)
 - A) Internal Controls – Discussed. The annual risk assessment report is due in August.
 - B) CPE Audit – Discussed.
 - C) Technology Modernization Fund Request – The Board is working with MNIT on a proposal to seek funding through the legislature to update the Board's Licensing and Compliance System.**MSP: To approve the Executive Committee report**
- 7) EXECUTIVE DIRECTOR'S REPORT (Kay Weiss, Assistant Executive Director, reporting)
 - A) Budget and Revenue reports FY24 – Discussed.**MSP: To approve the Executive Director's report**

- 8) LAWS AND RULES COMMITTEE MEETING REPORT
(Amanda Guanzini, CPA, Committee Chair)
No committee meeting held.
- 9) CONTINUING PROFESSIONAL EDUCATION MEETING REPORT
(Godson Sowah, CPA, Committee Chair)
No committee meeting held.
- 10) FIRM CREDENTIALING and PEER REVIEW COMMITTEE REPORT
(Lance Radziej, CPA, Committee Chair)
No committee meeting held.
- 11) UNFINISHED BUSINESS
 - A) Rules Update (Kay Weiss, Assistant Executive Director) – Discussed. The comment period ends May 22.
- 12) NEW BUSINESS
 - A) Applications for Reinstatement:
 - (1) Eric Thomas Evensen
MSP: To approve
 - (2) QiJie Dolan Sadlo
MSP: To approve
 - B) Requests for Exception:
 - (1) Applicants:
 - a. Applicant A
MSP: To deny
 - (2) Licensees:
“The board may in particular cases make exceptions to the requirements in parts 1105.3000, item A, and 1105.3100, subpart 1 [CPE requirements], for reasons of individual hardship including health, military service, foreign residence, or other good cause.”
– Minnesota Rules, part 1105.3300, item B (2023)
 - a. None

- C) Applications for Firm Permit:
- (1) Minnesota Firm Permits
 - a. HK Premier Financial CPA, LLC (**ATTACH 12C1a**)
MSP: To deny
 - b. Carter CPA, LLC (**ATTACH 12C1b**)
MSP: To approve
 - (2) Foreign Firm Permits
 - a. Sikich CPA LLC
MSP: To approve
- D) Firm Name Change Requests:
None
- E) Firm Name Change for Doing Business As (DBA) Requests:
None
- F) In Compliance with Minnesota Rules, part 1105.4600-1105.5500 (2023) the following firms submitted a report with a finding of “pass” and pursuant to the Delegation of Authority, the Executive Director accepted the reports:
- (1) UHY, LLP
 - (2) Arrow Advisors SLP, PLLC
 - (3) Serakos, Ltd.
 - (4) PKF O'Connor Davies, LLP
 - (5) Bennett & Company, PC
 - (6) Hacker, Nelson & Co., PC
 - (7) Ranjeet Koirala CPA PC
 - (8) BGM CPA LLC
 - (9) Mischke & Associates Ltd
 - (10) Linzmeier Business Solutions, LLC
 - (11) Novogradac & Company LLP
 - (12) KirkpatrickPrice, Inc.
 - (13) Eide Bailly LLP
 - (14) Drealan Kvilhaug Hoefker & Co., P.A.
 - (15) Emmerich & McKnight LLC
- MSP: To accept the Peer Review reports**

- G) Peer Review with Other Rating:
 - (1) Schoeppner & Associates PA (**ATTACH 12G1**)
MSP: To accept, pending firm's planned dissolution
 - (2) Ramsay & Associates Ltd – Referred to staff.
 - (3) Jonathan M. Thiel, CPA, PLLC
MSP: To accept

- H) Peer Review extension requests:
None

- I) Minnesota Society of Certified Public Accountants (MNCPA) Report Acceptance Body (RAB) 2024 filing
MSP: To accept the report

- J) Department of Revenue Audit Findings and Conclusions – Discussed.

- K) ARPL on the Role of the Boards – FYI only.

- L) Amendment to MN Statute 326A.04, subdivision 4 (**ATTACH 12L**) – Discussed.

- M) New Licensee Report
MSP: To accept

- N) Compliance with Name Change Requirements – Discussed.

- 13) PUBLIC COMMENT – Comment from the MNCPA representative concerning name change requirements and Board actions.

- 14) ADJOURN
MSP: To adjourn at 11:50am

Next Meeting: August 1, 2024

cc: Professional Societies and Interested Parties



85 East 7th Place, Suite 125, St. Paul, MN 55101-2143
 Ph: 651-296-7938 • Email: boa@state.mn.us • boa.state.mn.us

**APPLICATION FOR MINNESOTA
 CPA FIRM PERMIT**

Permit Fee: \$100

NOTE: Incomplete applications (not all required materials submitted) expire six months from receipt by the Board.

1. Firm Contact Information

Proposed Firm Name HK PREMIER FINANCIAL CPA LLC

Firm Address 8030 Old Cedar Ave S Ste. 125
(Provide street address)

City Bloomington Main Phone 651-800-6193

State MN Zip 55425 FEIN # or MN Taxpayer ID # [REDACTED]

Name of Manager / Partner In Charge HARUN KOFIRO MN Certificate # 29411
(Legal First) (Last) (if applicable)

2. Does your firm have more than one office in Minnesota? No Yes
 If yes, attach a sheet listing the addresses for all offices and the person in charge at each.

3. Provide the date the firm was formed 04/22/2024 and select the firm type below:
(MM/DD/YYYY)

- CPA Corporation CPA Limited Liability Partnership
 CPA Partnership CPA Limited Liability Company

4. Does your firm have more than one active status CPA? No Yes

5. List all CPA and RAP Partners, Members, Managers, Shareholders, Directors, and Officers ("Owners") at your firm and provide the requested detail. Attach list, if necessary.

CPA (or RAP) Owner Name	Minnesota CPA Certificate or RAP Registration # (if applicable)	If no MN license, list a state where owner has current active license	Practicing in Minnesota?	
			Yes	No
HARUN A KOFIRO	29411		<input checked="" type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>

Note: MN Statute 326A.05, Subd. 6 requires you to notify the Board of any change in ownership or number or location of offices within Minnesota within 30 days of its occurrence.

6. List of Minnesota resident non-CPA/non-RAP owners:*

Provide the names of all non-CPA/non-RAP partners, members, shareholders, directors, or officers ("owners") of the firm who reside in Minnesota. Attach list, if necessary.

* Be sure to complete a Non-CPA/Non-RAP Owner of Firm Statement (page 5) and enclose the \$45.00 fee for each individual listed.

_____	_____
_____	_____
_____	_____

7. Non-CPA/non-RAP owners—resident and nonresident combined—hold, in total, what percentage of:

Voting interest in the firm? _____ % Financial interest in the firm? _____ %

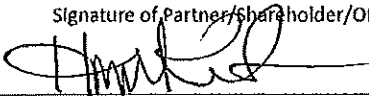
8. Does your firm hold or has it applied for a permit in any state other than Minnesota? No—Skip to Question 9. Yes—List all states below or, if necessary, attach a list.

9. If you answered "yes" to Question 7, was your permit/permit application in any of these states revoked, suspended, or denied? No Yes—Attach a statement of explanation.

10. DESIGNATION AFFIDAVIT FOR FIRM PERMIT APPLICATION

Read all statements and sign the affidavit below.

- The firm has verified that all CPA owners, partners, shareholders, members, managers, directors and officers of the firm who have their principal place of business located in Minnesota have an active certificate.
- All attest and compilation services rendered by the firm in this state are under the charge of a person holding a valid certificate with an active status or a person who has been granted practice privileges under Minnesota Statute §326A.14 (2022).
- The firm has an audit documentation retention and destruction policy that complies with Minnesota Rules 1105.7850.G (2023).
- The firm has verified that—if applicable—all Minnesota non-CPA/non-RAP owners have completed a Minnesota Non-CPA/Non-RAP Owner of Firm Statement and registered with the Board.
- All individual employees of the firm who have been granted practice privileges under Minnesota Statute §326A.14 (2022), or who hold certificates and reside or practice in this state and those persons specified in part 1105.4000.E (2023), who are responsible for supervising attest or compilation services or who sign or authorize someone to sign an accountant's report on financial statements have met the competency requirements set out in professional standards.

Affidavit: I swear or affirm that I have read the foregoing application and that the statements are true and complete.		
Printed Name of Partner/Shareholder/Officer HARUN KOFIRO	Signature of Partner/Shareholder/Officer 	Date 04/22/2024

FIRM PEER REVIEW STATEMENT

1. Did/will your firm do work under the following standards?	Current Year		Next Year	
Statements on Auditing Standards (SAS)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Statements on Standards for Accounting and Review Services (SSARS)*	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Statements on Standards for Attestation Engagements (SSAE)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Generally Accepted Government Auditing Standards (the Yellow Book)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
PCAOB Auditing Standards	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

* Excludes engagements done under SSARS No. 21, AR-C section 70

If you answered "No" to all items in question 1, sign the affidavit below, then skip to the next page.

I swear or affirm that during the past year my firm did not perform attest or compilation services and does not plan to do so in the coming year. If the firm does engage in such practice, I will notify the Minnesota Board of Accountancy within 30 days. Therefore my firm is exempt from peer review requirements. I further certify that this information is correct and understand that my deliberate misrepresentation may result in disciplinary action against my certificate and/or the firm permit.

Signature

HARUN KOFIRO

Printed Name

04/22/2024

Date

If you answered "Yes" to any item in question 1 above, complete questions 2-5 below.

Note: Under MN Statute 326A.05 Subd. 8 and MN Rule 1105.4600-5400, your firm is required to undergo a peer review with respect to the nonpublic company practice. If your firm is not currently participating in a peer review program, please see MN Rule 1105.5100.

2. Is your firm registered with the Public Company Accounting Oversight Board (PCAOB)? Yes No

If yes: A. What year was it registered? _____
 B. When was the last review report on your public practice released by the PCAOB? _____
 (If none released, write "none released.")

3. Indicate the Report Acceptance Body (RAB) you are/will be working with:

AICPA MAPA MNCPA Other (specify): _____

4. What 12-month period will be reviewed during your initial required peer review?

_____ / _____ to _____ / _____
 (Beginning Month) (Beginning Year) (Ending Month) (Ending Year)

5. Affidavit: I certify that the information provided above is complete and accurate.

Signature

Printed Name

Date

**WORKERS' COMPENSATION LIABILITY
CERTIFICATE OF COMPLIANCE**

1. Firm Information

Firm Name HK PREMIER FINANCIAL CPA
Contact Name HARUN KOFIRO
Address 8030 OLD CEDAR AVE S STE 125
City BLOOMINGTON
State MN Zip 55425

2. Mark the applicable option (A or B) and provide the requested details.

A. I have workers' compensation liability coverage, and below is information regarding it:

Insurance Company: _____

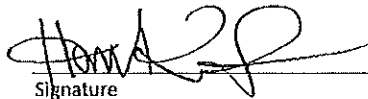
Policy Number: _____ Dates of Coverage: _____

B. I am not required to have workers' compensation liability coverage because:

- The firm has no employees.
- I have no employees who are covered by the workers' compensation law. (Employed spouses, parents, and children are exceptions to coverage requirements.)
- I am self-insured and am including a copy of my permit to self-insure with this form.

3. Affidavit:

I certify that the information provided above is complete and accurate.


Signature

04/22/2024

Date

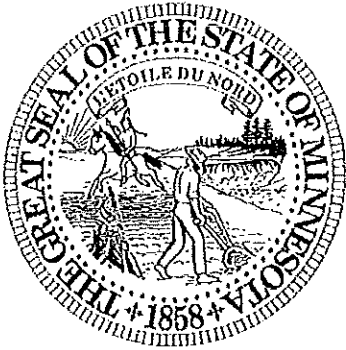
Note: Minnesota Statute 176.182 requires every state and local agency to withhold the issuance or renewal of a license or permit to operate a business or engage in an activity in Minnesota until the applicant presents acceptable evidence of compliance with workers' compensation insurance coverage. If this information is not provided or is falsely stated, it may result in a penalty assessed against the applicant by the Commissioner of the Department of Labor and Industry. This information will be collected by the licensing agency and retained in their files.

**Office of the Minnesota Secretary of State
Certificate of Good Standing**

I, Steve Simon, Secretary of State of Minnesota, do certify that: The business entity listed below was filed pursuant to the Minnesota Chapter listed below with the Office of the Secretary of State on the date listed below and that this business entity is registered to do business and is in good standing at the time this certificate is issued.

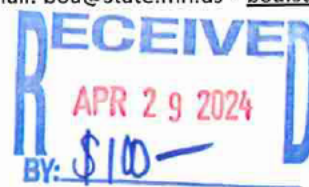
Name: HK PREMIER FINANCIAL CPA LLC
Date Filed: 04/22/2024
File Number: 1470784400026
Minnesota Statutes, Chapter: 322C
Home Jurisdiction: Minnesota

This certificate has been issued on: 04/25/2024



Steve Simon

Steve Simon
Secretary of State
State of Minnesota



**APPLICATION FOR MINNESOTA
CPA FIRM PERMIT**

Permit Fee: \$100

NOTE: Incomplete applications (not all required materials submitted) expire six months from receipt by the Board.

1. Firm Contact Information

Proposed Firm Name Carter CPA LLC

Firm Address 53878 194th Ln
(Provide street address)

City Mankato Main Phone 507-351-8222

State MN Zip 56001 FEIN # or MN Taxpayer ID # [REDACTED]

Name of Manager / Partner in Charge Phillip Carter MN Certificate # 31294
(Legal First) (Last) (if applicable)

2. Does your firm have more than one office in Minnesota? No Yes
If yes, attach a sheet listing the addresses for all offices and the person in charge at each.

3. Provide the date the firm was formed 11-06-2023 **and select the firm type below:**
(MM/DD/YYYY)

CPA Corporation CPA Limited Liability Partnership
 CPA Partnership CPA Limited Liability Company

4. Does your firm have more than one active status CPA? No Yes

5. List all CPA and RAP Partners, Members, Managers, Shareholders, Directors, and Officers ("Owners") at your firm and provide the requested detail. Attach list, if necessary.

CPA (or RAP) Owner Name	Minnesota CPA Certificate or RAP Registration # (if applicable)	If no MN license, list a state where owner has current active license	Practicing in Minnesota?	
			Yes	No
Phillip Carter	31294		<input checked="" type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>

Note: MN Statute 326A.05, Subd. 6 requires you to notify the Board of any change in ownership or number or location of offices within Minnesota within 30 days of its occurrence.

6. List of Minnesota resident non-CPA/non-RAP owners:*

Provide the names of all non-CPA/non-RAP partners, members, shareholders, directors, or officers (“owners”) of the firm who reside in Minnesota. Attach list, if necessary.

* Be sure to complete a Non-CPA/Non-RAP Owner of Firm Statement (page 5) and enclose the \$45.00 fee for each individual listed.

_____	_____
_____	_____
_____	_____

7. Non-CPA/non-RAP owners—resident and nonresident combined—hold, in total, what percentage of:

Voting interest in the firm? _____ % Financial interest in the firm? _____ %

8. Does your firm hold or has it applied for a permit in any state other than Minnesota? No—Skip to Question 9. Yes—List all states below or, if necessary, attach a list.


--

9. If you answered “yes” to Question 7, was your permit/permit application in any of these states revoked, suspended, or denied? No Yes—Attach a statement of explanation.

10. DESIGNATION AFFIDAVIT FOR FIRM PERMIT APPLICATION

Read all statements and sign the affidavit below.

1. The firm has verified that all CPA owners, partners, shareholders, members, managers, directors and officers of the firm who have their principal place of business located in Minnesota have an active certificate.
2. All attest and compilation services rendered by the firm in this state are under the charge of a person holding a valid certificate with an active status or a person who has been granted practice privileges under Minnesota Statute §326A.14 (2022).
3. The firm has an audit documentation retention and destruction policy that complies with Minnesota Rules 1105.7850.G (2023).
4. The firm has verified that—if applicable—all Minnesota non-CPA/non-RAP owners have completed a Minnesota Non-CPA/Non-RAP Owner of Firm Statement and registered with the Board.
5. All individual employees of the firm who have been granted practice privileges under Minnesota Statute §326A.14 (2022), or who hold certificates and reside or practice in this state and those persons specified in part 1105.4000.E (2023), who are responsible for supervising attest or compilation services or who sign or authorize someone to sign an accountant’s report on financial statements have met the competency requirements set out in professional standards.

Affidavit: I swear or affirm that I have read the foregoing application and that the statements are true and complete.		
Printed Name of Partner/Shareholder/Officer Phillip Carter	Signature of Partner/Shareholder/Officer 	Date 4/24/2024

FIRM PEER REVIEW STATEMENT

1. Did/will your firm do work under the following standards?	Current Year		Next Year	
Statements on Auditing Standards (SAS)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Statements on Standards for Accounting and Review Services (SSARS)*	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Statements on Standards for Attestation Engagements (SSAE)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Generally Accepted Government Auditing Standards (the Yellow Book)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
PCAOB Auditing Standards	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

* Excludes engagements done under SSARS No. 21, AR-C section 70

If you answered "No" to all items in question 1, sign the affidavit below, then skip to the next page.

I swear or affirm that during the past year my firm did not perform attest or compilation services and does not plan to do so in the coming year. If the firm does engage in such practice, I will notify the Minnesota Board of Accountancy within 30 days. Therefore my firm is exempt from peer review requirements. I further certify that this information is correct and understand that my deliberate misrepresentation may result in disciplinary action against my certificate and/or the firm permit.

Signature

Phillip Carter

Printed Name

4/24/2024

Date

If you answered "Yes" to any item in question 1 above, complete questions 2-5 below.

Note: Under [MN Statute 326A.05 Subd. 8](#) and [MN Rule 1105.4600-5400](#), your firm is required to undergo a peer review with respect to the nonpublic company practice. If your firm is not currently participating in a peer review program, please see [MN Rule 1105.5100](#).

2. Is your firm registered with the Public Company Accounting Oversight Board (PCAOB)? Yes No

If yes: A. What year was it registered? _____

B. When was the last review report on your public practice released by the PCAOB? _____
(If none released, write "none released.")

3. Indicate the Report Acceptance Body (RAB) you are/will be working with:

AICPA MAPA MNCPA Other (specify): _____

4. What 12-month period will be reviewed during your initial required peer review?

_____/_____/_____ to ____/____/_____
(Beginning Month) (Beginning Year) (Ending Month) (Ending Year)

5. Affidavit: I certify that the information provided above is complete and accurate.

Signature

Printed Name

Date

**WORKERS' COMPENSATION LIABILITY
CERTIFICATE OF COMPLIANCE**

1. Firm Information

Firm Name Carter CPA LLC
Contact Name Phillip Carter
Address 53878 194th Ln
City Mankato
State MN Zip 56001

2. Mark the applicable option (A or B) and provide the requested details.

A. I have workers' compensation liability coverage, and below is information regarding it:

Insurance Company: _____

Policy Number: _____ Dates of Coverage: _____

B. I am not required to have workers' compensation liability coverage because:

The firm has no employees.

I have no employees who are covered by the workers' compensation law.
(Employed spouses, parents, and children are exceptions to coverage requirements.)

I am self-insured and am including a copy of my permit to self-insure with this form.

3. Affidavit:

I certify that the information provided above is complete and accurate.



Signature

4/24/2024

Date

Note: Minnesota Statute 176.182 requires every state and local agency to withhold the issuance or renewal of a license or permit to operate a business or engage in an activity in Minnesota until the applicant presents acceptable evidence of compliance with workers' compensation insurance coverage. If this information is not provided or is falsely stated, it may result in a penalty assessed against the applicant by the Commissioner of the Department of Labor and Industry. This information will be collected by the licensing agency and retained in their files.

Office of the Minnesota Secretary of State Certificate of Organization

I, Steve Simon, Secretary of State of Minnesota, do certify that: The following business entity has duly complied with the relevant provisions of Minnesota Statutes listed below, and is formed or authorized to do business in Minnesota on and after this date with all the powers, rights and privileges, and subject to the limitations, duties and restrictions, set forth in that chapter.

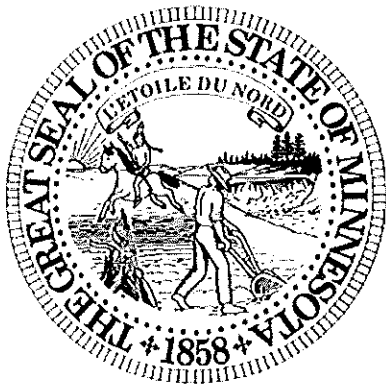
The business entity is now legally registered under the laws of Minnesota.

Name: Carter CPAs LLC

File Number: 1425729600027

Minnesota Statutes, Chapter: 322C

This certificate has been issued on: 11/06/2023



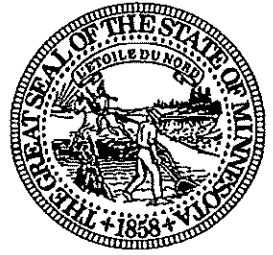
A handwritten signature in black ink that reads "Steve Simon".

Steve Simon
Secretary of State
State of Minnesota

Office of the Minnesota Secretary of State

Minnesota Limited Liability Company | Amendment to Articles of Organization

Minnesota Statutes, Chapter 322C



Read the instructions before completing this form.

Filing Fee: \$55 for expedited service in-person and online filings, \$35 if submitted by mail

Note: Information provided when filing a business entity is public data and may be viewable online. This includes but is not limited to all individual names and addresses.

1. List the name of this company currently on file with the Office of the Minnesota Secretary of State: (Required)

Carter CPAs LLC

2. The articles of organization for this Limited Liability Company are amended pursuant to Chapter 322C.

AMENDMENT OPTIONS: Complete as many amendment options as apply. Complete an option only if you are changing the information related to that option.

3. The company name is changed to:

Carter CPA LLC

4. The registered office address is changed to:

Street Address (A post office box by itself is not acceptable) City MN State Zip Code

5. The registered agent is changed to:

6. The business mailing address has changed to:

Address City State Zip Code

7. The articles of organization are otherwise amended as follows:

8. I, the undersigned, certify that I am signing this document as the person whose signature is required, or as agent of the person(s) whose signature would be required who has authorized me to sign this document on his/her behalf, or in both capacities. I further certify that I have completed all required fields, and that the information in this document is true and correct and in compliance with the applicable chapter of Minnesota Statutes. I understand that by signing this document I am subject to the penalties of perjury as set forth in Section 609.48 as if I had signed this document under oath.

Signature of Authorized Person or Authorized Agent

4-22-2024

Date



Engel & Associates, Ltd.

Certified Public Accountants and Consultants

3317 Mormon Coulee Road • P.O. Box 785, La Crosse, WI 54602-0785

(608) 788-2181 • Fax: (608) 788-3162

www.cpas-4biz.com

William J. Sherry, CPA
Bradley J. Peterson, CPA

Ronald O. Helstad, CPA

Earl E. Engelson, CPA
(Inactive)

Report on Firm's System of Quality Control

November 1, 2022

To the Shareholder of Schoeppner & Associates, P.A.
and the Minnesota Society of CPAs Peer Review Report Acceptance Committee

We have reviewed the system of quality control for the accounting and auditing practice of Schoeppner & Associates, P.A. (the firm) in effect for the year ended April 30, 2022. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*.

Members

American Institute of Certified Public Accountants
PCPS - Division of Firms

Government & Employee Benefit Plan Audit Quality Centers

Wisconsin Institute and Minnesota Society of Certified Public Accountants

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Significant Deficiencies Identified in the Firm's System of Quality Control

We noted the following significant deficiencies during our review:

1. The firm requires the engagement owner to perform a detailed review of engagement documentation, the related report and financial statements. However, we noted several instances the engagement owner's review was not sufficiently performed including:
 - Preparation engagement letters included references to a compilation engagement and did not document that all disclosures would be omitted. In addition, the financial statement pages did not state that all disclosures required by the tax basis of accounting were omitted.
 - An agreed upon procedure report for a nonprofit organization subject to *Government Auditing Standards* was not updated to conform with current professional standards and did not include an attachment describing the procedures performed. In addition, the firm failed to obtain management representations for the engagement.
 - Instances where audit documentation for HUD/Rural Development funded housing projects subject to *Government Auditing Standards* did not include management representations for prior year financial statements presented and representations when an attorney was not used; tests of journal entries and matters noted as a result of engagement quality control reviews performed.

In our opinion, the deficiencies described above contributed to nonprofit organization agreed upon procedure and audit engagement subject to *Government Auditing Standards*; a for-profit Rural Development funded housing project subject to *Government Auditing Standards*; and a preparation engagement to not conform to professional standards in all material respects. A similar finding was included in the firm's previous review.

2. The firm's quality control policies and procedures require firm personnel to meet continuing education requirements required by the AICPA and regulatory agencies. We noted that although professional staff met these requirements, the courses taken did not provide the professional staff with a clear understanding of the professional standards related to audit documentation, presentation and reporting matters. As a result, we noted:
 - Instances where the firm did not identify applicable risks, assess risk on all applicable assertions, properly assess inherent and control risk, and properly link the audit approach to risk assessment on audit engagements.
 - An instance on a nonprofit organization audit engagement subject to *Government Auditing Standards*, the firm's audit reports included references to Rural Development and uniform guidance rather than HUD's Consolidated Audit Guide; net assets were not identified as without donor restrictions; administrative expenses were not presented or disclosed on a functional basis; and net asset categories and liquidity were not disclosed.
 - Instances where cash for the statement of cash flow did not include restricted cash.

In our opinion, the deficiencies described above contributed to nonprofit organization audit engagement subject to *Government Auditing Standards* and a for-profit Rural Development funded housing project subject to *Government Auditing Standards* engagement to not conform to professional standards in all material respects. A similar finding was included in the firm's previous review.

3. The firm's quality control policies and procedures require inspection procedures to be performed in accordance with the professional standards. Our review disclosed that although inspections had been performed, the procedures were not performed in a manner that would enable the firm to identify the findings noted in this review. If inspection procedures emphasized a fresh look at engagements reviewed, the findings noted in this review may have been identified and corrected.
4. The firm's quality control policies and procedures emphasize a culture of quality and the importance of performing work that complies with professional standards. However, based on the pervasiveness of matters noted in our review of the firm's engagements, firm leadership did not demonstrate compliance with the firm's quality control policies and procedures in these areas. In our opinion, this contributed to engagements performed that did not conform to professional standards in all material respects, as described above.

Opinion

In our opinion, as a result of the significant deficiencies previously described, the system of quality control for the accounting and auditing practice of Schoeppner & Associates, P.A. in effect for the year ended April 30, 2022, was not suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*; *pass with deficiency(ies)*; or *fail*. Schoeppner & Associates, P.A. has received a peer review rating of *fail*.

Engelson and Associates, Ltd.

Engelson and Associates, Ltd

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Le Sueur, MN 56058
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(507) 665-6333
(507) 665-2747 Fax



Schoeppner & Associates
Certified Public Accountants

100 East Main Street
Suite 110
Belle Plaine, MN 56011
952-873-3366
952-873-3682 Fax

Peter T. Schoeppner, CPA

November 1, 2022

To the Minnesota Society of CPAs Peer Review Committee:

This letter represents our response to the report issued in connection with the peer review of the firm's system of quality control for the accounting and auditing practice in effect for the year ended April 30, 2022. The deficiencies will be discussed with all applicable professional staff. In addition, the remedial actions discussed in this letter will be monitored to ensure that they are effectively implemented as part of our system of quality control.

#1 Owners Review of Engagements

The engagement owner will use greater care in reviewing engagement reports and related documentation.

- a. The preparation engagement reviewed is no longer being relied upon. Future engagement letters will be carefully reviewed to ensure that they refer to preparation engagements in all areas and that they document that all disclosures will be omitted. In addition, each page of the financial statements will include a reference that all disclosures required by the tax basis of accounting are omitted.
- b. The agreed upon procedure engagement was for June 30, 2021 is no longer being relied upon. We will review the June 30, 2022 engagement to ensure that the report is updated to conform to professional standards and includes an attachment that describes the procedures performed. In addition, we will verify that we have obtained a management representation letter.
- c. The engagement quality control review notes were not retained. The other documentation matters were not of such significance to cause the audit to be nonconforming. For any audits that are still in process, we will be sure to obtain representations for all years presented, modify representations for when an attorney wasn't used, document journal entry tests, and retain engagement quality review notes.

#2 Education & Training

All personnel involved in audit planning and financial statement preparation will participate in continuing professional education related to risk assessment and the preparation of financial statements for nonprofit organizations.

- a. For the engagements that were nonconforming for risk assessment documentation, we will revise documentation to conform with professional standards.
- b. The nonprofit organization audit engagement was for June 30, 2021 is no longer being relied upon. We will review the June 30, 2022 engagement to ensure that the financial statements and related disclosures are in accordance with professional standards.
- c. We will also review any current year audits to ensure that statement of cash flow cash includes restricted cash.

#3 Monitoring/Inspections

All future inspections will emphasize a fresh look at the engagements so that any potential issues are properly identified and corrected. In addition, the remedial actions noted in this letter will be emphasized in our monitoring and inspection procedures.

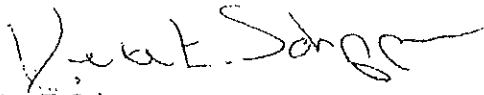
#4 Culture of Quality

We have always prided ourselves on providing quality audit and accounting services. We have been in this profession for over 40 years and have been in the Peer Review system since the beginning and have passed all previous reviews. The results of this review are unacceptable to us and performing audit and accounting engagements in accordance with professional standards will be emphasized from the top down going forward.

With that being said, the firm will no longer be performing any future audits. I will be selling the assets of Schoeppner & Associates to two of our employees who have been in contact with the society for their requirements. They have indicated that they have no interest in performing audit engagements.

The management company that we performed most of the audits for have sold the majority of the projects in 2022 so there will be no audit requirements this year. I have committed to the company to assist them in closing out these projects but will be doing them on a personal level.

Sincerely,



Peter T. Schoeppner, CPA, CFP



Peer Review Program



Peer Review
Program

Administered in Minnesota and North Dakota
by the Minnesota Society of Certified Public Accountants

December 18, 2023

Peter Schoeppner
Schoeppner & Associates, P. A.
228 S Main St
Le Sueur, MN 56058-1911

Dear Peter Schoeppner:

On December 15, 2023, the Minnesota Peer Review Committee considered the document(s) submitted related to the Committee's consideration of your firm's April 30, 2022 review. This letter provides important information about required next steps for your firm in two broad categories: corrective actions and cooperation.

Corrective Actions

Based on its review and discussion of that information, the Committee agreed to accept the document (s) with the understanding that the firm will

- Agree to have an outside party, approved by the Committee, perform a pre-issuance review of the reports, financial statements, and working papers for the next two audit engagements engagement and provide the outside party's report on the results of the review to the Committee by June 30, 2024. This action will be performed at the firm's expense.

When considering your peer reviewer or another outside party (or either individual's firm) to perform actions required by a peer review committee or other quality control, consulting, monitoring, or engagement level services for your firm, please remember that such services may impair independence precluding that individual from performing your firm's next peer review. If you plan to engage your peer reviewer or another outside party (or either individual's firm) to perform these services and your firm's next peer review, please discuss potential independence implications with that individual. You need to consider engagement fiscal year-ends and the timing of the services following your firm's peer review year-end. Peer reviewers who are willing to perform these services have completed resumes that may be searched at https://peerreview.aicpa.org/reviewer_search.html.

Firm's Responsibilities and Cooperation

The documentation for your corrective action(s) should be submitted through the Peer Review Integrated Management Application (PRIMA) system by the due date.

Peer review seeks improved quality in the performance of accounting and auditing engagements through education and remedial corrective actions. In addition to completion of these required corrective actions, it is your firm's responsibility to assess and implement any additional measures necessary to fully remediate the deficiencies or significant deficiencies noted in your firm's peer review.

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aicpaglobal.com | cimaglobal.com | aicpa.org | cgma.org

If your firm:

- fails to agree to or complete the corrective actions; or
- fails to correct deficiencies or significant deficiencies after consecutive remedial or corrective actions required by the Committee on the same peer review; or
- receives a pass with deficiencies or fail peer review report on its next peer review,

the Committee may refer the matter to the AICPA Peer Review Board (PRB) to consider whether a hearing should be held for the firm's failure to cooperate with the administering entity. If the PRB determines that your firm has not cooperated, it may terminate your firm's enrollment in the AICPA Peer Review Program. The PRB has adopted the resolution at the following link: <http://www.aicpa.org/forthepublic/prfirmterm/pages/default.aspx> regarding a firm's cooperation with the administering entity and the PRB.

We encourage you to ensure that your firm maintains an appropriately designed system of quality control and that you and the members of your firm comply with that system to provide reasonable assurance of conforming to professional standards.

Your firm's agreement to take this action voluntarily demonstrates its commitment to the objectives of the AICPA Peer Review Program.

Please acknowledge your agreement within PRIMA system. Upon receipt of the acknowledgement and satisfactory completion of any outstanding corrective actions within PRIMA, you will receive notification that your firm's peer review has been completed.

Sincerely,



Faye Hayhurst
Director of Finance and Administration
fhayhurst@mncpa.org
952-885-5540

cc: William Sherry

Firm Number: 900010127596

Review Number: 593685

Digitally signed for the firm by Peter Schoeppner on 12/27/2023.

1.1 moves to amend H.F. No. 3431, the delete everything amendment
1.2 (H3431DE4), as follows:

1.3 Page 43, after line 5, insert:

1.4 "Sec. Minnesota Statutes 2022, section 326A.04, subdivision 4, is amended to read:

1.5 Subd. 4. **Program of learning.** Each licensee shall participate in a program of learning
1.6 designed to maintain professional competency. The program of learning must comply with
1.7 rules adopted by the board. The board may by rule create an exception to this requirement
1.8 for licensees who do not perform or offer to perform for the public one or more kinds of
1.9 services involving the use of auditing skills, including issuance of reports on: attest or
1.10 compilation engagements, management advisory services, financial advisory services, or
1.11 consulting services. A licensee granted such an exception by the board must place the word
1.12 "inactive" or "retired," if applicable, adjacent to the CPA title on any business card, letterhead,
1.13 or any other document or device, with the exception of the licensee's certificate on which
1.14 the CPA title appears. The board must not conduct an audit of a licensee's compliance with
1.15 these requirements during the 60 days prior to the deadline for filing an individual income
1.16 tax return under section 289A.18, subdivision 1."

1.17 Renumber the sections in sequence and correct the internal references

BOARD MEMORANDUM**May 2, 2024**

TO: Executive Committee
Charles Selcer, CPA, Board Chair
Chas McElroy, CPA, Vice Chair
Godson Sowah, CPA, Secretary/Treasurer

FROM: Charles Selcer, CPA, Board Chair

SUBJECT: MAY 2, 2024, EXECUTIVE COMMITTEE MINUTES
GOLDEN RULE BUILDING, Suite 295
8:37 AM

The Committee met on the above-mentioned date, time and location.

CALL TO ORDER:
Charles Selcer, CPA
Chas McElroy, CPA
Godson Sowah, CPA (ABSENT)

OTHERS IN ATTENDANCE:
Kay Weiss, Assistant Executive Director

GUESTS:
Troy Olson, Minnesota Association of Public Accountants (MAPA)
Geno Fragnito, Minnesota Society of Certified Public Accountants (MNCPA)

- 1) **APPROVAL OF THE MARCH 6, 2024, EXECUTIVE COMMITTEE MEETING MINUTES**
MSP: To approve the March 6, 2024, meeting minutes
- 2) **UNFINISHED BUSINESS**
 - A) Internal Controls – Discussed. The annual risk assessment report is due in August.
 - B) CPE Audits – Discussed.

3) NEW BUSINESS

- A) Technology Modernization Funding Request– The Board is working with MNIT on a proposal to seek funding through the legislature to update the Board’s Licensing and Compliance System.

4) ADJOURN

MSP: To adjourn at 8:45 AM

Next Meeting: August 1, 2024