

# Texas State Board of Public Accountancy

## March 13, 2025

The Texas State Board of Public Accountancy met by video conference and in-person from 10:08 a.m. until 12:10 p.m. on March 13, 2025. A notice of this meeting containing all items on the agenda, in accordance with *Section 551* of the *Texas Government Code* was filed with the Office of the Secretary of State at 10:19 a.m. on March 5, 2025. (TRD #2025-001313) (**ATTACHMENT 1**)

### Board Members Present

Susan I. Adams, CPA  
Christopher "Grant" Coates  
Kimberly D. "Kim" Crawford, CPA  
Olivia Espinoza-Riley, CPA  
*Treasurer*  
Renee D. Foshee, Esq., CPA  
*Secretary*  
Ray R. Garcia, CPA  
*Executive Committee*  
*Member-at-Large*  
Jill A. Holup  
Sherri B. Merket  
Thomas M. Neuhoﬀ, CPA  
Debra D. Seefeld, CPA  
*Presiding Officer*  
Jeannette P. Smith, CPA  
*Assistant Presiding Officer*  
James M. "Jim" Trippon, CPA  
Susan M. Warren, CPA

### Members Absent

Jamie Grant  
Sheila M. Vallés-Pankratz  
*Excused*

### Others Present

J. Coalter Baker, CPA  
Kenneth Besserman, Esq.  
Carol Mahler  
Sharon Polansky  
LaTresha Smith  
Larry Stephens

### Staff Present

Paul Arredondo  
Paulette Beiter, Esq.  
Marissa Brooks  
Nicole Duran, CPA  
Rhonda Fellner  
J. Franco  
Ann Hallam, PMP  
J. Randel Hill, Esq.  
Donna Hiller  
John Moore, Esq.  
Brian O'Neal  
Julie Prien  
Marisa Rios  
Lorna Schwimmer-Staggs, CPA  
William Treacy

- I. Ms. Seefeld, Presiding Officer, called the meeting to order at 10:08 a.m. Mr. Treacy called roll and declared a quorum.  
  
Mr. Garcia moved to excuse the absence of Sheila M. Vallés-Pankratz from the Board meeting. Ms. Warren seconded the motion and it passed unanimously.
- II. Mr. Garcia moved to approve the January 16, 2025 Board meeting minutes as presented. Ms. Merket seconded the motion and it passed unanimously.
- III. After a call for public comments, there were no comments from the public.
- IV. Ms. Seefeld, Presiding Officer, reported on the March 12, 2025 (video conference and in-person) Joint Executive and Rules Committee meeting.

### Members Present

Christopher "Grant" Coates  
Olivia Espinoza-Riley, CPA  
Renee D. Foshee, Esq., CPA  
(In-person)  
Ray R. Garcia, CPA  
Jamie D. Grant  
Debra D. Seefeld, CPA  
*Presiding Officer*  
(In-person)  
Jeannette P. Smith, CPA  
(In-person)  
Susan M. Warren, CPA  
(In-Person)  
*Rules Committee Chair*

### Member Absent

Jamie D. Grant  
*Excused*

### Others Present

Kenneth Besserman, Esq.  
Thomas M. Neuhoﬀ, CPA  
Dallas Richard

### Staff Present

Paulette Beiter, Esq.  
Marissa Brooks  
Nicole Duran, CPA  
Rhonda Fellner  
J. Randel Hill, Esq.  
Donna Hiller  
John Moore, Esq.  
Brian O'Neal  
Marisa Rios  
Lorna Schwimmer-Staggs, CPA  
Lori Shaw  
William Treacy

- A. Discussion, consideration, and possible action concerning Board *Rules*.

1. Mr. Trippon moved to re-adopt *Chapter 519 (Practice and Procedure)* rules that are not proposed to be revised pursuant to *Section 2001.039 of the Texas Government Code* and to authorize the

executive director to publish proposed amendments to *Rules 519.2, 519.7, 519.9, 519.20, 519.21, 519.23, 519.24, and 519.25* in the *Texas Register* for public comment. Ms. Crawford seconded the motion and it passed unanimously. (ATTACHMENT 2)

- B. Mr. Garcia reported on the Peer Review Oversight Board 2024 Annual Report that was approved by the Executive Committee and recommended for the Board's approval. Mr. Neuhoﬀ moved to accept the 2024 Annual Report as reported. Mr. Coates seconded the motion and it passed unanimously.
- C. Ms. Espinoza-Riley, Treasurer, presented the Board's financial statements. Ms. Smith moved to approve the Board's financial statements as presented. Ms. Crawford seconded the motion and it passed unanimously.
- D. Ms. Espinoza-Riley presented the first draft of the Board's Budget Plan for 2026. Questions were addressed during the meeting. No action was required.
- E. Ms. Seefeld and Mr. Treacy presented the Delivery of Government Efficiency report. After discussion, Mr. Neuhoﬀ moved to approve the submission of the report. Ms. Adams seconded the motion and it passed unanimously.
- F. Mr. Hill, General Counsel, reported on the following proposed legislation:
  - **SB 262**, which has passed in the Senate, would create the alternative pathway for certification with a baccalaureate degree and two years of experience. It would have an effective date of August 1, 2026.
  - **SB 522** provides for mobility with other state licensing programs that are substantially equivalent to this state and provides "safe harbor" language for those licensees determined to be substantially equivalent in another state prior to January 1, 2025.
  - **SB 716** would require this agency to issue a license to an out of state licensee if the licensee has been licensed in the other state for at least one year in good standing, does not have a disqualifying criminal history, passed an exam and meets other Board standards including an exam on this agency's Rules of Professional Conduct.
  - **HB 710** is virtually the same as SB 716.
  - **HB 11** would maximize occupational licensing reciprocity agreements between the states. It would require this agency to adopt rules to implement the process and report to the Governor and the Legislative Budget Board the analysis of the agency's examination and to recommend any legislative action needed to promote recognition of out of state licensees.
  - **HB 794** a person may sue a state agency if the agency's rule "burdens the entry into a profession or occupation and may award attorney fees and costs".
  - **HB 2690** assures that a rule is necessary to protect the public health, safety and welfare and is the least restrictive means. It is a defense to a rule violation if the rule burdens the person's right to earn a living.
  - **HB 3838** requires a rule to be carefully tailored to fulfil its purpose and a person may obtain an injunction against a rule that "burdens the entry into the profession."
  - **SB 1080** would require the state agency to issue a provisional license good for 6 months to a person who is qualified upon their release from prison.
  - **SB 14** eliminates the "Chevron Deference" and creates a new office in the Governor's Office to review agency rules and identify efficiencies in the process for the adoption of rules, the manner in which contested cases are conducted, identify unnecessary and ineffective rules, the cost to the state for the rules, eliminate unnecessary rules, reducing required training hours for the license, reducing forms, reducing or eliminating fees and reducing the number of activities covered by the rules.
- G. Marisa Rios and Ann Hallam, Board staff, updated the Board on the Legacy System Modernization Project, emphasizing the need for a project manager to oversee the procurement of a new licensing system, which is currently managed by one person. The procurement process is expected to take around

two years, with the new system anticipated to be implemented by FY 2029. The Board also discussed the potential for learning from other states' experiences with similar system modernization projects. No action was required.

- H. Ms. Warren moved to approve the request of Monayi T. Jacob, CPA, P.C. to continue operating under *Section 513.16 (Death or Incapacitation of Firm Owner)*. Ms. Merket seconded the motion and it passed unanimously.

- I. Ms. Seefeld reported on the following NASBA/AICPA matters:

1. NASBA dates of interest

- a. 30<sup>th</sup> Annual Conference for Board of Accountancy Legal Counsel, March 25 - 27, 2025, Clearwater Beach, FL.
- b. 43<sup>rd</sup> Annual Conference for Executive Directors and Board Staff, March 25 - 27, 2025, Clearwater Beach, FL.
- c. Western Regional Meeting, June 17 - 19, 2025, New Orleans, LA.
- d. 118th Annual Meeting, October 26 - 29, 2025, Chicago, IL.

2. Ms. Seefeld presented the Joint AICPA/NASBA UAA Committee exposure draft on supporting an additional path to CPA licensure. Ms. Seefeld requested that the Agency staff draft a letter of approval supporting the additional path to CPA licensure for the Board to submit to AICPA/NASBA, as recommended by the Executive Committee. Ms. Crawford made a motion to submit the drafted letter to the AICPA/NASBA UAA, and Ms. Adams seconded the motion, which passed unanimously.

Ms. Seefeld then called on Mr. Baker who outlined his experience and qualifications to become the next NASBA Vice-Chair and sought the support and recommendation of the Board for the position. Ms. Seefeld requested a motion to issue a letter of recommendation for Mr. Baker's nomination to the position of NASBA Vice-Chair. Mr. Trippon moved to send a letter to NASBA supporting Mr. Baker's nomination and Ms. Smith seconded the motion and it passed unanimously.

- J. Ms. Seefeld reported on general correspondence coming to the Board's attention.

- V. Ms. Foshee, Qualifications Committee Chair, reported on the March 12, 2025 (video conference and in-person) Qualifications Committee meeting.

**Members Present**

Renee D. Foshee, Esq, CPA  
*Committee Chair*  
Caroline Hartmann, CPA  
Marshall Pitman, Ph.D., CPA  
Jeannette P. Smith, CPA  
James M. "Jim" Trippon, CPA  
Veronda Willis, Ph.D., CPA  
Kathy Zolton, CPA

**Member Absent**

Sheila Vallés-Pankratz  
*Excused*

**Others Present**

Kenneth Besserman, Esq.  
Thomas Neuhoﬀ, CPA  
Sharon Polansky

**Staff Present**

Paul Arredondo  
Paulette Beiter, Esq.  
Marissa Brooks  
Telisa Harwell  
J. Randel Hill, Esq.  
Donna Hiller  
Brian O'Neal  
Marisa Rios  
Lori Shaw  
William Treacy

- A. Ms. Foshee reported that the status of SB 262 had been discussed under Agenda Item IV, (F), by Mr. Hill.
- B. Ms. Foshee reported on the Examination Fee Financial Aid Program. The program received eight applications for CPA Exam fee reimbursement with seven approved and processed for a total of \$1,838.48 in reimbursements. One application did not meet the criteria. The committee clarified that the EFFA program is only for accounting students meeting CPA certification education requirements. The committee also recommended updating the EFFA application and FAQs to include eligibility details and restrictions on third-party reimbursements.
- C. Ms. Foshee reported that the committee discussed the Applicant Reassessment Program (ARP),

which involves outreach to various educational and professional resources to assist applicants with one to three CPA Exam credits. They reviewed Board *Rule 511.80* but took no action. The committee proposed that email notices to applicants at risk of losing CPA Exam credits should include information on requesting credit extensions for extenuating circumstances, to be considered on a case-by-case basis by the Executive Director. Further discussion on assisting applicants was tabled for additional information.

- D. Ms. Foshee reported that the committee discussed outreach efforts to colleges, universities, study groups, professional organizations, and other resources to assist applicants with one to three CPA Exam credits. They decided to table the discussion until a future meeting.
  - E. Ms. Foshee reported that the committee tabled action on amendments to Board *Rule 511.80* until additional information covered in Agenda Items V, (C) and (D) could be obtained.
  - F. Ms. Foshee reported that the committee reviewed Board *Rule 511.164* and the Ethics Matrix used to develop Board-approved ethics courses. They also considered a recent Enforcement Report on common rule violations by Texas CPAs. The committee concluded that the current Ethics Matrix and recognized ethics courses meet the requirements. They recommended using the Enforcement Report to identify any changes needed for the CPE ethics course required for Texas licensees.
  - G. Ms. Foshee reported that the committee reviewed the NASBA Exposure Draft changes to the Uniform Accountancy Act, Eighth Edition – January 2018, and had no comments.
- VI. Ms. Smith, Behavioral Enforcement Committee chair, reported on the February 11, 2025 (video conference and in-person) Behavioral Enforcement Committee meeting.

**Members Present**

Susan I. Adams, CPA  
C. Bennett Allison, CPA  
Patrick L. Durio, CPA  
Jill A. Holup  
Phillip D. Johnson, CPA  
Robert Ogle, CPA  
Jeannette P. Smith, CPA  
*Committee Chair*  
James M. "Jim" Trippon, CPA

**Staff Present**

Paulette Beiter, Esq.  
J. Randel Hill, Esq.

A. Dismissals – Insufficient Evidence

Mr. Garcia moved to dismiss the following investigations based on insufficient evidence. Mr. Neuhoff seconded the motion and it passed. The above listed Board members on the BEC committee did not participate in any discussion or the vote.

- 1. Investigation Nos. 24-12-01L<sup>1</sup>, & 24-12-02L<sup>1</sup>
- 2. Investigation Nos. 24-11-01L<sup>1</sup>, & 24-11-02L<sup>1</sup>
- 3. Investigation Nos. 24-11-03L<sup>1</sup>, & 24-11-04L<sup>1</sup>

- B. Other - The committee considered several other matters during its meeting; however, no action was required by the Board.

- VII. Mr. Garcia, Technical Standards Review Committee Chair, reported on the January 29, 2025 (video conference) Technical Standards Review Committee meeting. The report required no Board action.

**Members Present**

Kimberly "Kim" Crawford, CPA  
Ray R. Garcia, CPA  
*Committee Chair*  
Douglas Koval, CPA  
Sheila Vallés-Pankratz  
Susan Warren, CPA  
Juliet Williams, CPA

**Member Absent**

Dilliana Stewart, CPA

**Staff Present**

J. Randel Hill, Esq.  
John Moore, Esq.

- Other - The committee considered other matters during its meeting; however, no action was required by the Board.

VIII. The Board took the following actions on agreed consent orders (ACOs), and administrative disciplinary actions.

A. **Agreed Consent Orders:**

Ms. Warren moved to approve the following ACOs as presented. Ms. Crawford seconded the motion and it passed unanimously.

**Behavioral Enforcement Committee**

<b>1. Investigation No.:</b>	<b>24-11-05L<sup>1</sup></b>	<b>Hometown:</b>	<b>Bedford, TX</b>
<b>Respondent:</b>	<b>Frank Walter Bonn</b>	<b>Certificate No.:</b>	<b>068163</b>
<b>Rule Violations:</b>	<b>501.90(4), 501.90(5)</b>		
<b>Act Violations:</b>	<b>901.502(6), 901.502(10), 901.502(11)</b>		

Respondent entered into an ACO with the Board whereby Respondent's certificate and license were revoked, however, the revocation would be stayed and Respondent put on probation for 10 years. In addition, Respondent would pay \$754.46 in administrative costs to be paid within 30 days of the date of the Board Order and would participate in ACAN.

Respondent received 10 years deferred adjudication for the third-degree felony offense of evading arrest with a vehicle.

<b>2. Investigation No.:</b>	<b>24-05-06L<sup>1</sup></b>	<b>Hometown:</b>	<b>Plano, TX</b>
<b>Respondent:</b>	<b>Mark Alan Brittain</b>	<b>Certificate No.:</b>	<b>109425</b>
<b>Rule Violations:</b>	<b>501.90(4), 501.90(5)</b>		
<b>Act Violations:</b>	<b>901.502(6), 901.502(10), 901.502(11)</b>		

Respondent entered into an ACO with the Board whereby Respondent's certificate and license were revoked, however, the revocation would be stayed and Respondent put on probation for 10 years and Respondent would participate in ACAN.

Respondent received 10 years of deferred adjudication for two third-degree felony offenses, assault of a family member impeding breath or circulation and violation of a protective order more than two times within 12 months. Respondent received two years of deferred adjudication for two counts of the misdemeanor offense of trespass of a habitation.

<b>3. Investigation No.:</b>	<b>24-09-03L<sup>1</sup></b>	<b>Hometown:</b>	<b>Selma, TX</b>
<b>Respondent:</b>	<b>Christopher Allen Johnson</b>	<b>Certificate No.:</b>	<b>101944</b>
<b>Rule Violations:</b>	<b>501.90(4), 501.90(5)</b>		
<b>Act Violations:</b>	<b>901.502(6), 901.502(10), 901.502(11)</b>		

Respondent entered into an ACO with the Board whereby Respondent's certificate and license were revoked, however, the revocation was stayed and Respondent was placed probation for three years. In addition, Respondent was ordered to pay \$754.46 in administrative costs within 30 days of the date of the Board Order and required to participate in ACAN.

Respondent received three years of deferred adjudication for the second-degree felony offense of possession of a controlled substance.

<b>4. Investigation Nos.:</b>	<b>24-10-01L<sup>1</sup> &amp; 24-10-02L<sup>1</sup></b>	<b>Hometown:</b>	<b>Houston, TX</b>
<b>Respondents:</b>	<b>Daniel Robert Potter &amp; Potter &amp; Golden, P.C.</b>	<b>Certificate No.:</b>	<b>091908</b>
		<b>Firm License No.:</b>	<b>C06272</b>
<b>Rule Violation:</b>	<b>501.90(4)</b>		
<b>Act Violation:</b>	<b>901.502(6)</b>		

Respondents entered into an ACO with the Board whereby Respondents were reprimanded. In addition, Respondents are required to reimburse Complainant \$12,607.87 for penalties assessed by the IRS within 60 days of the date of the Board Order and pay \$500 in administrative penalties and \$802.83 in administrative costs. Respondent shall complete eight hours of continuing professional education (CPE) in the area of practice management as part of the annual CPE requirement.

Respondents failed to file a client's 2021 and 2022 income tax returns in a timely manner and failed to correspond with a client regarding the status of her income tax returns despite having received tax documents.

Mr. Garcia moved to approve the following ACO as presented. Ms. Crawford seconded the motion and it passed unanimously. No Committee considered this matter.

<b>5. Investigation No.:</b>	<b>25-01-05L<sup>1</sup></b>	<b>Hometown:</b>	<b>Benicia, CA</b>
<b>Respondent:</b>	<b>Barjinderjit Singh</b>	<b>Certificate No.:</b>	<b>111959</b>
<b>Rule Violations:</b>	<b>501.90(4), 501.90(5)</b>		
<b>Act Violations:</b>	<b>901.502(6), 901.502(10), 901.502(11)</b>		

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Respondent entered into an ACO with the Board whereby Respondent's certificate and license were revoked.

Respondent was convicted of the felony offense of Injuring a Spouse, Cohabitant, Fiancé, Girlfriend or Child's Parent and sentenced to two years' incarceration.

Ms. Crawford moved to approve the Committee's recommendation to reinstate applicant's certification in accordance with the ACO. Ms. Merket seconded the motion and it passed unanimously.

<b>6. Investigation Nos.:</b>	<b>14-10-19L; 14-10-20L; 14-12-11L; 14-12-12L; 14-12-19L; 14-12-20L; 15-01-11L; 15-01-12L; 15-01-13L; 15-01-14L; 21-03-08T</b>	<b>Hometown:</b>	<b>Liberal, KS</b>
<b>Respondent:</b>	<b>Carol Lea Mahler</b>	<b>Certificate No.:</b>	<b>064255</b>
<b>Rule Violations:</b>	<b>501.90(4), 501.90(5)</b>		
<b>Act Violations:</b>	<b>901.502(6), 901.502(10), 901.502(11)</b>		

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Respondent entered into an ACO with the Board whereby Respondent's certificate was reinstated, however, for a period of one year from the date of reinstatement, Respondent was placed on probation revocation. In addition, Respondent must complete all required CPE as well as eight hours of CPE in the area of practice management as part of her annual requirement and provide samples of documents to be used in her practice.

Respondent agreed to the suspension of her certificate for a period of at least six months by Board Order of the Kansas Board of Accountancy. The Texas Board suspended her Texas Certificate by Board Order dated May 21, 2015. Because of the limitations of suspension, Respondent requested to surrender her certificate. Respondent's certificate was surrendered by Board Order dated November 19, 2015.

#### **B. Administrative Disciplinary Actions:**

Mr. Neuhoft moved to approve the following Administrative Disciplinary Actions as presented. Mr. Garcia seconded the motion and it passed unanimously.

##### **1. Respondents: In the Matter of Disciplinary Action Against Certain Licensees for Nonpayment of Licensing and Late Fees for Three Consecutive License Periods**

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The Respondents failed to pay their licensing fees for three consecutive license periods. Respondents, although properly notified of the proposed disciplinary action and their right to a hearing on the matter, failed to request a hearing. Staff recommends that the certificate of each Respondent still not in compliance be revoked without prejudice. Each Respondent may regain his or her certificate by paying all license fees and late fees and by otherwise coming into compliance with the Act. Respondents violated *Act Section 901.502(4) (failure to pay license fees for three consecutive years)*. **(ATTACHMENT 3)**

No Board committee considered these actions.

##### Investigation Numbers

1. 24-10-10001 - 24-10-10100
2. 24-11-10001 - 24-11-10082

**2. Respondents: In the Matter of Disciplinary Action Against Certain License Holders for CPE Delinquencies**

The Respondents failed to comply with CPE reporting requirements found in Chapter 523 of the *Rules* and *Act Section 901.411 (Continuing Professional Education)*. The Respondents, although provided with a preliminary report and having been notified of the proposed disciplinary action and their right to a hearing on the matter, failed to request a hearing. Staff recommends that the license of each Respondent still not in compliance be suspended for a period of three years, or until he or she complies with the licensing requirements of the *Act*, whichever is sooner. Additionally, staff recommends a \$100 penalty be imposed for each year a Respondent is not in compliance with the Board's CPE requirements. Respondents violated Board *Rules 501.94 (Mandatory CPE)* and *523.111 (Required CPE Reporting)*, and *Act Section 901.411. (ATTACHMENT 4)*

No Board committee considered these actions.

Investigation Numbers

3. 24-10-10101 - 24-10-10263

4. 24-11-10083 - 24-11-10238

**3. Respondents: In the Matter of Disciplinary Action Against Certain Certificate Holders for Failure to Complete License Notice**

The Respondents failed to complete their license renewal notices in accordance with Board *Rule 515.3 (License Renewals for Individuals and Firm Offices)*. Respondents, although properly notified of the proposed disciplinary action and their right to a hearing on the matter, failed to request a hearing. Staff recommends the certificate of each Respondent not in compliance be revoked without prejudice until such time as the Respondent complies with the requirements of the *Rules* and the *Act*. Respondents violated *Act Section 901.502(12) (Violations of Board Rules)*. **(ATTACHMENT 5)**

No Board committee considered these actions.

Investigation Numbers

5. 24-10-10264 - 24-10-10282

6. 24-11-10239 - 24-11-10254

IX. Ms. Smith moved to adopt the following Board *Rules* as presented. Mr. Trippon seconded the motion and passed unanimously.

1. *Section 501.52 (Definitions) (ATTACHMENT 6)*
2. *Section 501.53 (Applicability of Rules of Professional Conduct) (ATTACHMENT 7)*
3. *Section 501.55 (Definition of Acronyms) (ATTACHMENT 8)*
4. *Section 501.60 (Auditing Standards) (ATTACHMENT 9)*
5. *Section 501.63 (Reporting Standards) (ATTACHMENT 10)*
6. *Section 501.79 (Transfer or Return of Files Resulting from the Sale, Transfer, Discontinuation or Acquisition of Practice) (New Rule) (ATTACHMENT 11)*
7. *Section 501.81 (Firm Licensing) (ATTACHMENT 12)*
8. *Section 501.90 (Discreditable Acts) (ATTACHMENT 13)*
9. *Section 501.93 (Responses) (ATTACHMENT 14)*
10. *Section 507.4 (Confidentiality) (ATTACHMENT 15)*

X. Ms. Seefeld reviewed the meeting schedule for the year.

XI. Ms. Seefeld moved to adjourn. Mr. Garcia seconded the motion, and the meeting adjourned at 12:10 p.m.

**ATTEST:**

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Jeannette P. Smith, CPA, Presiding Officer

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Renee Foshee, Esq., CPA, Secretary

<sup>1</sup>Ms. Adams, Ms. Holup, and Ms. Smith recused themselves from participating in this matter.

<sup>2</sup>Ms. Crawford, Mr. Garcia, and Ms. Warren recused themselves from participating in this matter.