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## New Mexico Regulation and Licensing Department

BOARDS AND COMMISSIONS DIVISION

### New Mexico Public Accountancy Board

5500 San Antonio Drive, NE ▪ Suite A ▪ Albuquerque, New Mexico 87109  
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### Regular Board Meeting

New Mexico Public Accountancy Board

Cisco Webex Teleconferencing Meeting

August 25, 2020

9:39 a.m.

**To join the meeting online by Cisco Webex Meeting,  
please use the following link:**

<https://nmrld.webex.com/nmrld/onstage/g.php?MTID=ea41e521c22b2b002494f8f1a72696893>

**To join the meeting by phone:** 1-415-655-0002 United States Toll

**Meeting number (access code):** 146 966 1174

**The rule hearing began at 9:02 a.m. and concluded at 9:30 a.m. After the rule hearing, the regular scheduled board meeting followed.**

### MINUTES

#### I. CONVENE AND ROLL CALL

Chair C. Jack Emmons called the New Mexico Public Accountancy Board Regular meeting to order at 9:39 a.m. Board Executive Director, Jeanette Contreras, took roll call and it was determined a quorum was present.

#### MEMBERS PRESENT:

C. Jack Emmons, CPA, Chairman  
Patrick Stewart, Vice Chair, Public Member  
Dennis Houston, CMA, Secretary, Public Member  
Maria Cassimus, CPA, Treasurer  
Farley Vener, CPA

#### MEMBERS ABSENT:

William R. Golden, CPA

#### STAFF PRESENT:

Jeanette Contreras, Executive Director  
Ernest Santucci, Investigator  
Noel Davis, Licensing Manager  
Alexa Martinez, Licensing and Financial Administrator  
Delilah Tenorio, AAG, Board Counsel  
Valerie Joe, AAG, Board Counsel

**OTHERS PRESENT:**

Robert Widmann, CPA  
Audrey Jaramillo, CPA  
Deborah Kapp, CPA  
Myra Lai, CPA  
Jieru Yu, CPA  
Gary Thompson, CPA  
Kelcy Flanagan, NMSCPA

**II. APPROVAL OF AGENDA**

Vice-Chair Stewart made a **MOTION** to approve the agenda as written. Member Vener **SECONDED** the motion. Motion **PASSED** by **UNANIMOUS APPROVAL** through roll call vote.

**III. APPROVAL OF MINUTES**

**June 30, 2020, Meeting**

Vice-Chair Stewart made a **MOTION** to approve the June 30, 2020, Board Meeting Minutes as written. Member Vener **SECONDED** the motion. Motion **PASSED** by **UNANIMOUS APPROVAL** through roll call vote.

**IV. CHAIRMAN REPORT**

Chairman Emmons extended his thanks to the New Mexico Public Accountancy Board staff for maintaining continuous operation under the current conditions. The Peer Review Board is in operation at this time. In addition, Prometrics are moving forward. Chairman Emmons requested consideration for a new Board rule package.

**V. EXECUTIVE DIRECTOR REPORT**

Jeanette Contreras commended Chairman Emmons for his dedication to the Board and also thanked Board Staff for continuous operations.

**VI. NEW BUSINESS**

a) Approved Covid-19 related CPE Extensions (90 days) – *Chairman Emmons & Jeanette Contreras*

1. Trudy McGregor

Vice-Chair Stewart made a **MOTION** to ratify a 90-day CPE extension for Trudy McGregor that was previously approved by the Chairman during the Covid-19 pandemic. Member Vener **SECONDED** the motion. Motion **PASSED** by **UNANIMOUS APPROVAL** through roll call vote.

b) Request for a CPE Extended Extension by Deborah Kapp – *Noel Davis*

Vice-Chair Stewart made a **MOTION** to ratify an Extended Extension for Deborah Kapp for a total extension of 142 days to December 21, 2020, due to unforeseen circumstances during the Covid-19 pandemic. Member Vener **SECONDED** the motion. Motion **PASSED** by **UNANIMOUS APPROVAL** through roll call vote.

c) Request for reinstatement of CPA License by Tarek Nassef (Cancelled 5/12/2012) – *Noel Davis*

Member Vener made a **MOTION** to approve the request for reinstatement of CPA License by Tarek Nassef under the current Rules. Member Houston **SECONDED** the Motion. Motion **PASSED** by **UNANIMOUS APPROVAL** through roll call vote.

d) Swearing in Ceremony – *Jeanette Contreras & Noel Davis*

The in-person November 2020 Swearing in Ceremony most likely will be cancelled. Plans of a Virtual Swearing in Ceremony are being explored, and details are currently being coordinated.

Vice-Chair Stewart made a **MOTION** to continue with plans of hosting a Virtual Swearing in Ceremony. Member Vener **SECONDED** the motion. Motion **PASSED** by **UNANIMOUS APPROVAL** through roll call vote.

e) NASBA Updates – *C. Jack Emmons*

NASBA and AICPA will now be involved with a task force to reach agreement regarding compliance with laws and regulations. Mr. Emmons' term with NASBA as Southwest Regional Director expires in November 2020, and he has recently been appointed to the Examination Review Board, AICPA.

f) Update from the New Mexico Society of CPAs – *Kelcy Flanagan*

The Society is currently working primarily via virtual operations and programs. The New Mexico Society of Public Accountants (NMSPA), not to be confused with the New Mexico Society of CPAs (NMSCPA), has discontinued their operations. Ms. Flanagan extended an invitation to attend a free CPE virtual working event, How to Work in the Digital Age. All are welcome and encouraged to attend. Programs are continuing to be developed and researched to encourage the CPA growth path with the collaboration of multiple organizations.

Member Vener opened discussion regarding scholarships and internships. Ms. Flanagan added that the NMSCPA awards scholarships. Funding legalities, options, and processes were briefly discussed.

**VII. ADOPTION OF PROPOSED RULE AMMENDMENTS – *C. Jack Emmons & Jeanette Contreras***

- 16.60.1.7 NMAC – Definitions;
- 16.60.1.9 NMAC – Board Operation;
- 16.60.1.10 NMAC – Fees and Obligations;

Chairman Emmons made a **MOTION** to adopt the proposed rules changes as written for Part 1, General Provisions, under Sections 16.60.1.7, 16.60.1.9, and 16.60.1.10 NMAC. Member Houston **SECONDED** the motion. Motion **PASSED** by **UNANIMOUS APPROVAL** through roll call vote.

- 16.60.2.10 NMAC – Examination Administration;

Chairman Emmons made a **MOTION** to adopt the proposed rule change as written for Part 2, Certified Public Accountant (CPA) Examination Requirements, under Section 16.60.2.10 NMAC. Member Houston **SECONDED** the motion. Motion **PASSED** by **UNANIMOUS APPROVAL** through roll call vote.

- 16.60.3.8 NMAC – Application Requirements;
- 16.60.3.9 NMAC – Initial Certificate/License Requirements
- 16.60.3.12 NMAC – Reinstatement Requirements
- 16.60.3.15 NMAC – Continuing Professional Education (CPE) Required to Obtain or Maintain an “Active” CPA License;

Chairman Emmons made a **MOTION** to adopt the proposed rules changes as written for Part 3, Licensure and Professional Education Requirements, under Sections 16.60.3.8 and 16.60.3.12 NMAC, and to adopt the proposed rules changes with revisions based on public comment under Sections 16.60.3.9 and 16.60.3.12 NMAC. See Exhibit A for full copy of Public Comment recommendations. Member Houston **SECONDED** the motion. Motion **PASSED** by **UNANIMOUS APPROVAL** through roll call vote.

- 16.60.4.8 NMAC – Firm Permit Application, Renewal, Reinstatement and Notification Requirements;

Chairman Emmons made a **MOTION** to adopt the proposed rule change with revisions as based on public comment for for Part 4, FirmPermit, Peer Review Requirements, and Business Name Prohibitions, Section 16.60.4.8 NMAC. See Exhibit A for full copy of Public Comment recommendations. Member Houston **SECONDED** the motion. Motion **PASSED** by **UNANIMOUS APPROVAL** through roll call vote.

- 16.60.5.11 NMAC – Rules of Conduct; and
- 16.60.5.13 NMAC – Unauthorized Use of the CPA Title.

Chairman Emmons made a **MOTION** to accept the proposed rule change as written for Part 5, Code of Professional Conduct, Section 16.60.2.10 NMAC. Member Houston **SECONDED** the motion. Motion **PASSED** by **UNANIMOUS APPROVAL** through roll call vote.

**VIII. PUBLIC COMMENT**

Open Floor

Audrey Jaramillo commented on the need to stick to non-profit sources issuing scholarships, and stated “As soon as money hits RLD/PAB it is public money. Best to keep it through non-profits or individual donations.” She also commented “If it is an exchange transaction (student providing labor for the intern stipend), it would not violate the Anti-Donation Clause.”

**IX. EXECUTIVE SESSION**

Chairman Emmons made a **MOTION** that the New Mexico Public Accountancy Board enter into Executive Session to discuss the items listed on the agenda, pursuant to Section 10-15-1-H(1) of the Open Meetings Act authorizing closed session for matters related to issuance, suspension, renewal, or revocation of a license. Vice-Chair Stewart **SECONDED** the Motion.

The Board Executive Director, Jeanette Contreras, took a roll call vote to enter into Executive Session.

<b><u>BOARD MEMBERS</u></b>	<b><u>VOTE</u></b>
C. Jack Emmons, Chairman	YES
Patrick Stewart, Vice-Chair	YES
Dennis Houston, Secretary	YES
Maria Cassimus, Treasurer	YES
Farley Vener, Member	YES

The Motion **PASSED** by **UNANIMOUS APPROVAL** through roll call vote. The Board entered into Executive Session at 10:32 a.m., and the recorder was turned off.

**Back in Open Session**

The Board returned to open session at 11:24 a.m. with the exception of Member Cassimus, and it was determined a quorum was present. The matters discussed in the closed meeting were limited only to the items listed on the agenda. Member Cassimus reentered the meeting at 11:25 a.m.

a) Complaints

1. Case No. 2019-41 Issue default order revoking CPA license.
2. Case No. 2020-11 Issue NCA; but defer issuance pending the acceptance of a Pre-NCA Stipulated Agreement: and the payment of a \$450.00 fine (\$250.00 for CPE shortage, \$100.00 for the CPE Ethic hours violation, \$100.00 for the minimum 120 CPE hours per reporting cycle violation); and, the completion of 4.5 CPE hours of coursework which must include 4 CPE Ethic hours by September 25, 2020.
3. Case No. 2020-12 Issue NCA; but defer issuance pending acceptance of a Pre-NCA Stipulated Agreement: and the payment of a \$700.00 fine (\$500.00 for CPE shortage, \$100.00 for the minimum 120 CPE hours per reporting cycle violation, \$100.00 for the minimum 20 CPE hours per year violation); and, the completion of 20.5 CPE hours of coursework by October 2, 2020.

4. Case No. 2020-13 Issue NCA; but defer issuance pending acceptance of a Pre-NCA Stipulated Agreement: and the payment of a \$1,200.00 fine (\$900.00 for CPE shortage, \$100.00 for the CPE Technical hours violation, \$100.00 for the minimum 20 CPE hours per year violation, \$100.00 for the minimum 120 CPE hours per reporting cycle violation); and, the completion of 39 CPE hours of coursework which must include 15 CPE Technical hours of coursework by October 2, 2020.
5. Case No. 2020-14 Issue NCA; but defer issuance pending acceptance of a Pre-NCA Stipulated Agreement: and the payment of a \$100.00 fine for the minimum 20 CPE hours per year violation by September 25, 2020.
6. Case No. 2020-15 Issue NCA; but defer issuance pending acceptance of a Pre-NCA Stipulated Agreement: and the payment of a \$950.00 fine (\$750.00 for CPE shortage, \$100.00 for the CPE Technical hours violation, \$100.00 for the minimum 120 CPE hours per year violation, \$100.00 for the minimum 120 CPE hours per reporting cycle violation); and, the completion of 31 CPE hours of coursework which must include 9 CPE Technical hours of coursework by October 2, 2020.
7. Case No. 2020-16 Issue NCA; but defer issuance pending acceptance of a Pre-NCA Stipulated Agreement: and the payment of a \$700.00 fine (\$500.00 for CPE shortage, \$100.00 for the minimum 120 CPE hours per reporting cycle violation, \$100.00 for the minimum 20 CPE hours per year violation); and, the completion of 22 CPE hours of coursework by October 2, 2020.

b) Case Closures

1. Case No. 2020-02 Close Case
2. Case No. 2020-06 Close Case
3. Case No. 2020-07 Close Case
4. Case No. 2020-09 Close Case
5. Case No. 2020-10 Close Case

Vice-Chair Stewart made a **MOTION** to approve the Complaint Committee's recommendations for the cases listed, Case No. 2019-41, 2020-11 through 2020-16, 2020-02, 2020-06, 2020-07, 2020-09, and 2020-10. Member Houston **SECONDED** the motion. Motion **PASSED** by **UNANIMOUS APPROVAL** through roll call vote.

**X. NEXT MEETING DATE AND LOCATION**


Regular Board Meeting and Rule Hearing is scheduled for October 27, 2020. The meeting will be held via Cisco Webex Meeting.



**XI. ADJOURNMENT**

Vice-Chair Stewart made a **MOTION** to adjourn the New Mexico Public Accountancy Board meeting. Member Houston **SECONDED** the motion. Motion **PASSED** by **UNANIMOUS APPROVAL** through roll call vote.

There being no further Board business, the meeting was adjourned at 11:29 a.m.

  
C. Jack Emmons, CPA, Chairman

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Dennis Houston, CMA, Secretary

# Exhibit A

**New Mexico Public Accountancy Board  
August 25, 2020, Board Meeting Minutes**





Michelle Lujan Grisham  
GOVERNOR

Marguerite Salazar  
SUPERINTENDENT

Linda Trujillo  
DEPUTY  
SUPERINTENDENT

John Blair  
DIRECTOR

Kathy Ortiz  
DEPUTY DIRECTOR

Gloria Regensberg  
DIVISION COUNSEL

Alcoholic Beverage Control  
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Boards and Commissions Division  
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Construction Industries Division  
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Financial Institutions Division  
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Manufactured Housing Division  
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Securities Division  
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Administrative Services Division  
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August 19, 2020

RE: Public Comment for August 25, 2020 Rule Hearing

Chair and members of the Public Accountancy Board,

Upon review of the proposed rule changes, RLD staff recommends the following non-substantive changes.

In sections 16.60.3.9 and 16.60.4.8 the word "mail" will be replaced with the word "send". This will ensure that all forms of delivery methods will be covered in the rules.

In section 16.60.3.15 the word "not" will be removed. This will allow the licensee to continue operating with an active license while the Board reviews the referral for possible disciplinary action.

In section 16.60.3.9 (H) "a notarized affidavit" to be replaced with "a signed statement". The Board is planning to go fully electronic with the future database. This recommendation will eliminate the trouble of uploading a notarized document.

Please see the attached redline changes for reference.

Best Regards,

*Jeanette Contreras*

Jeanette Contreras  
Executive Director  
New Mexico Public Accountancy Board  
[Jeanette.Contreras@state.nm.us](mailto:Jeanette.Contreras@state.nm.us)

16.60.3.9 INITIAL CERTIFICATE/LICENSE REQUIREMENTS:

H. Replacement wall certificates and licenses to practice: Replacement wall certificates and licenses to practice may be issued by the board in appropriate cases and upon payment by the CPA or RPA of the fee as set by the board. A certificate/license holder is specifically prohibited from possessing more than one wall certificate and more than one license to practice as a CPA or RPA. When a replacement wall certificate or license to practice is requested, the certificate/license holder must return the original certificate/license or submit ~~a notarized affidavit~~ a signed statement describing the occurrence that necessitated the replacement certificate or license.

I. Renewal requirements: Certificates/licenses for individuals will have staggered expiration dates based on the individual's birth month. Deadline for receipt of certificate/license renewal applications and supporting continuing professional education affidavits or reports is no later than the last day of the CPA or RPA certificate/license holder's birth month or the next business day if the deadline date falls on a weekend or holiday.

(1) The board may accept a sworn affidavit as evidence of certificate/license holder compliance with CPE requirements in support of renewal applications.

(2) Renewal applications and CPE reports received after prescribed deadlines shall include prescribed delinquency fees.

(3) Applications will not be considered complete without satisfactory evidence to the board that the applicant has complied with the continuing professional education requirements of Sections 9E and 12A of the act and of these rules.

(4) The board shall ~~mail~~ send renewal application notices no less than 30 days prior to the renewal deadline.

16.60.4.8 FIRM PERMIT APPLICATION, RENEWAL, REINSTATEMENT AND NOTIFICATION REQUIREMENTS:

B. Renewal requirements: Deadline for receipt of firm permit renewal applications is no later than 30 calendar days prior to the expiration date printed on the firm permit. Renewal applications shall be postmarked or hand-delivered no later than the last day of the month preceding the month of expiration or the next business day if the deadline falls on a weekend or holiday. The board shall ~~mail~~ send firm permit renewal application forms to firm permit holders no less than 30 days prior to the renewal deadline date.

16.60.3.15 CONTINUING PROFESSIONAL EDUCATION (CPE) REQUIRED TO OBTAIN OR MAINTAIN AN "ACTIVE" CPA LICENSE:

(5) In the event that a renewal applicant has not completed the requisite CPE by the renewal deadline, he shall provide a written explanation for failure to complete CPE and shall also submit a written request for an extension for completion of the required CPE.

(a) The approval of an extension request is not automatic. The board has the discretion to grant or deny a request.

(b) The request for extension shall include documentation of the extenuating circumstances that prevented him from completing the CPE. A written plan of action to remediate the deficiency must accompany the renewal application and extension request.

(c) If a request for extension is received in the board office after the expiration date of the license, the license shall ~~not~~ be renewed, and the file shall be referred to the board for possible disciplinary action.