

MINUTES
UTAH BOARD OF ACCOUNTANCY
June 04, 2025
Hybrid Meeting with anchor location in Room 474

CONVENED: 1:31 p.m.

ADJOURNED: 3:21p.m.

Bureau Manager:
Board Secretary:

Tracy Taylor
Katie Corak

Board Members Present:

Robert Anderson, Chairperson
Peter Mann, Vice Chair
Brian Deppe
Geri Douglas
David Young

Guests:

Susan Speirs, UACPA
Clinton Armstrong, UACPA
Heber Maughan
Natalie Murphy

DOPL Staff Present:

Pamela Bennett, Investigator
Bernice Palama, Compliance Specialist
Kirsten Shumway, Legal Analyst

TOPICS FOR DISCUSSION

ADMINISTRATIVE BUSINESS:

Approve Minutes:

Mr. Deppe made a motion to approve the minutes from the April 02, 2025, meeting. Ms. Douglas seconded the motion. The motion passed unanimously.

Elect/Re-Elect Board
Chairperson and
Vice Chairperson:

Ms. Douglas made a motion to re-elect Mr. Anderson as board chairperson. Mr. Mann seconded the motion. The motion passed unanimously. Mr. Deppe made a motion to re-elect Mr. Mann as vice chairperson. Ms. Douglas seconded the motion. The motion passed unanimously.

Compliance Update
And Natalie Murphy Probation
Interview:

Ms. Palama provided the Board with a Compliance update. Then Ms. Natalie Murphy met with the Board for an initial probation meeting. Ms. Murphy was placed on probation in April 2025. Ms. Murphy is working on finding employment, and has completed a portion of the additional ethics CPE required by her probation stipulation. Ms. Murphy is currently compliant with the PCAOB stipulation and her DOPL probation stipulation.

The Board stated Ms. Murphy is only required to meet with the Board on an as needed basis.

Investigations Update:

Ms. Bennett stated there was nothing to report at this time. Item noted with no action taken.

Licensing and Exam Statistics:

The Board reviewed CPA exam statistics for national and Utah exam candidates from the 1st quarter of 2025. Item noted with no action taken.

APPOINTMENTS:

Heber Maughan:

Mr. Maughan met with the Board because he was sanctioned and entered into a settlement with the PCAOB. As part of the PCAOB sanction, Mr. Maughan was barred from being associated with a registered public accounting firm and a \$10,000 civil money penalty was imposed upon him. Mr. Maughan asked how the PCAOB order could affect his CPA license and what exactly would take place during this board meeting. Ms. Bennett explained that since Mr. Maughan refused to voluntarily surrender his license due to the PCAOB sanctions, he could attend today's meeting and make a request to the Board to keep his license. The Board would then make a recommendation to the Division regarding the license. Mr. Anderson added that anytime there is action taken by a governing body that deals with CPAs, such as the PCAOB, it comes to the state licensing regulatory body where the CPA is licensed, because that is where the CPA license originates and usually the sanctions taken by the PCAOB are mirrored by the state licensing regulatory body. Therefore, this is a chance for the Board to assess the situation, hear Mr. Maughan's side of the story, and determine if disciplinary action needs to be taken against Mr. Maughan's license in order to protect the public. Mr. Maughan then explained the events that lead to the PCAOB sanctions. In short, work papers related to audits his firm performed were stored electronically on Dropbox and access to that account was lost. When the PCAOB asked for those papers as part of an inspection, Mr. Maughan recreated those electronic papers that supported audit opinions his firm issued from files stored elsewhere. Mr. Maughan did not disclose that these papers were recreated. The PCAOB discovered the papers were not originals, but rather recreations through

the use of meta data which indicated the papers were created more recently than the audit. Mr. Anderson then asked Mr. Maughan what his plans for the future are, as well as the work he would like to have the CPA license for. Mr. Maughan explained he is self-employed and works on a contract basis, doing mostly fractional CFO work, tax returns, as well as forecasting and budgeting for a variety of clients. None of the work he is doing requires the CPA license, but businesses seeking these services generally want the person they hire to be a licensed CPA. The Board then discussed their options; including disciplinary action in the form of revocation, probation, or a public reprimand. The Board could also choose to not take disciplinary action, and, instead issue a non-public letter of concern. The Board could also choose to not take any action. The Board members all expressed the belief that taking no action would go against precedent the Board has set related to licensees sanctioned by the PCAOB. As discussion continued, the Board settled on continuing their precedent of placing licensees sanctioned by the PCAOB on probation for the same length of time as their prohibition from associating with a public accountancy firm included in the PCAOB sanctions. However, the Board agreed that they would not require tolling of time on probation because Mr. Maughan does not engage in the practice of public accountancy for more than 8 hours per week (the minimum number of hours per week needed to avoid tolling time on probation for not practicing in the profession) and if they were to require tolling it would take Mr. Maughan possibly 15 years to complete probation. The Board then discussed the terms of probation they would put into the stipulation and order. Once the Board determined the terms of probation, Mr. Deppe made a motion to place Mr. Maughan's license on probation for five years, mirroring the time in the PCAOB sanction (without tolling), require Mr. Maughan to complete an additional 3 hours of ethics specific CPE due by December 31, 2026 (the end of the current renewal cycle), and also require Mr. Maughan to notify the Board of any changes related to type of work being performed, such as shifting from fractional CFO work to compilations and audits, as well changes in employment from being self-employed to a full time W-2 employee of a company (therefore triggering quarterly employer reports instead of quarterly self-reports). Mr.

Young seconded the motion. The motion passed unanimously.

DISCUSSION and ACTION ITEMS:

Update from UACPA:

Susan Speirs, CEO of UACPA, provided an update to the Board on the outreach work in which the UACPA has been engaged. Item noted with no action taken.

CPA Education Advisory Update:

Ms. Taylor provided the Board with a brief update on the CPA Education Advisory Committee. The Committee met on May 28th, and will meet again on June 10th. The Committee intends to move quickly and hopes to have a draft ready very soon. The Board requested the chairperson of the CPA Education Advisory Committee come to the next meeting on August 6th to present a draft; or, at the very least a report on what they have so far.

ADJOURN:

Adjourned at 3:21 p.m.

Note: These minutes are not intended to be a verbatim transcript but are intended to record the significant features of the business conducted in this meeting. Discussed items are not necessarily shown in the chronological order they occurred.

Date: 8/6/2025

X: 
Chairperson, Utah Board of Accountancy

Date: 8/6/2025

X: 
Bureau Manager, Division of Professional Licensing