

**MISSISSIPPI STATE BOARD OF PUBLIC ACCOUNTANCY
MINUTES
November 15, 2007**

The Mississippi State Board of Public Accountancy met at the Board office at 5 Old River Place, Suite 104, Jackson, Mississippi, on November 15, 2007, beginning at 1:30 p.m. The following record of that meeting was maintained.

Board Members Present

Jim E. Burkes, Chair
Willie B. Sims, Jr., Vice Chair
Diane S. Day, Secretary
David Clarke
Rick Elam
Angela L. Pannell

Board Members Absent

Jean T. Shepherd

Board Staff Present

Susan M. Harris, Executive Director
Ransom C. Jones, Investigator

Legal Counsel Present

Onetta Whitley, Deputy Attorney General
Bridgette Wiggins, Special Assistant Attorney General

Others Present

Julie Brown, Brooks Court Reporting
Frank "Kim" Breese III, Attorney
Donald Brent Grafton, CPA
Donald Grafton, Sr.

I. General

1. The Board opened the meeting with the invocation by Willie Sims.

II. Trial Board

1. The Board members present unanimously voted to convene as the Trial Board for the purpose of considering matters related to disciplinary cases.
2. The Board did convene as Trial Board for the purpose of hearing complaints related to alleged noncompliance with Board Rules and Regulations. Jim E. Burkes, Trial Board President, was the presiding officer. Bridgette Wiggins, Special Assistant Attorney General, represented the Board, and Onetta Whitley, Deputy Attorney General, was the presenting attorney. Julie Brown, Brooks Court Reporting, recorded the discussions. Jean T. Shepherd was absent.

The Trial Board first heard a report from Attorney Onetta Whitley providing recommendations based on documentation and evidence received. Her recommendations included the following:

<u>Complaint</u>	<u>Name</u>	<u>License</u>	<u>Recommendation</u>
2007.35-73	Robert F. Jay	4726	Cancel
2007.35-77	Ernest Jones, Jr.	R1857	Continue to Dec. 14
2007.35-159	Raymon M. Wintrone	4229	Continue to Dec. 14

3. The Board continued as Trial Board for the purpose of hearing complaint 2005.01, concerning Donald Brent Grafton, CPA license 5126 and CPA Firm Permit Number F0921. The hearing was continued from the August 10, 2007, meeting. Within the Trial Board the Board heard evidence from witnesses Ransom C. Jones, CPA Investigator, respondent Donald Brent Grafton, Frank "Kim" Breese III, and Donald Grafton Sr., respondent's Father. The respondent and the firm allegedly violated Chapter 5 of the Board's Rules and Regulations which requires that in order to register a license and firm permit, every practice unit not exempt must complete a peer review, procure and submit to the Board a statement from the review program that peer review was completed.

Following discussion and the administrative Trial Board hearing related to Donald Brent Grafton and upon motion by Willie Sims with second from Rick Elam, the Board unanimously voted to close the meeting for the limited purpose of considering whether or not they had a proper subject matter to go into Executive Session. Diane Day was recused.

In the closed meeting the Board upon motion by Willie Sims with second from Rick Elam voted that they did indeed have a proper subject matter before it to

II. Trial Board (Continued)

3. (Continued)

entitle it to go into Executive Session, namely discussion of a Trial Board order that could be appealed. Accordingly, the Board reopened the closed meeting and upon motion by Willie Sims with second from Rick Elam unanimously voted to go into Executive Session for the purpose set forth above. Having announced this stated purpose the Board then entered into Executive Session for this specific purpose. Within the Executive Session, the Board took the following actions:

Upon motion by Angela Pannell with second from Willie Sims , the Board unanimously accepted the recommendation of Attorney Onetta Whitley to cancel the license of Robert F. Jay, complaint 2007.35-73, and approved the “Order of Remand to the File” for execution by the Trial Board President Jim E. Burkes. These Trial Board orders will be placed in the individual’s file noting the noncompliance and remanded for future action if he applies to the Board for reinstatement. Votes were - For: Jim Burkes, Willie Sims, Rick Elam, Angela Pannell; Against: None; Absent: Jean Shepherd; Abstained: David Clarke; and Recused: Diane Day.

Upon motion by Angela Pannell with second from Willie Sims , the Board unanimously accepted the recommendation of Attorney Onetta Whitley to continue the hearing to December 14, 2007, for Ernest Jones, Jr., complaint 2007.35-77. Votes were - For: Jim Burkes, Willie Sims, Rick Elam, Angela Pannell; Against: None; Absent: Jean Shepherd; Abstained: David Clarke; and Recused: Diane Day.

Upon motion by Angela Pannell with second from Willie Sims , the Board unanimously accepted the recommendation of Attorney Onetta Whitley to continue the hearing to December 14, 2007, for Raymon Mark Wintrone, complaint 2007.35-159. Votes were - For: Jim Burkes, Willie Sims, Rick Elam, Angela Pannell; Against: None; Absent: Jean Shepherd; Abstained: David Clarke; and Recused: Diane Day.

Upon motion by Rick Elam with second from Willie Sims, the Board unanimously determined that the respondent Donald Brent Grafton, complaint 2005-01, had indeed violated Chapter 5 of the Board Rules and Regulations as charged. The respondent is ordered to provide a peer review report within twelve months of his first peer reviewable engagement. The respondent is also assessed all investigative, legal, and hearing costs of this matter totaling one thousand and five hundred ninety-six dollars (\$1,596.00). Votes were - For: Jim Burkes, Willie Sims, David Clarke, Rick Elam, Angela Pannell; Against: None; Absent: Jean Shepherd; and Recused: Diane Day.

II. Trial Board (Continued)

3. (Continued)

Upon the conclusion of this business, the Board upon motion by Willie Sims and second from Angela Pannell unanimously voted to come out of Executive Session and resumed the open meeting. The Board came out of Executive Session and resumed the open meeting by announcing the actions and votes it had taken in Executive Session.

4. The Board continued as Trial Board to hear complaint 2007.35-101, concerning Wade Rodney Moran, CPA license 4728. Within the Trial Board the Board heard evidence from witness Ransom C. Jones, CPA Investigator. The respondent allegedly failed to comply with the Chapter 4 CPE requirements for the compliance period ended June 30, 2007, through late reporting. The Board received the reporting form October 26, 2007. The respondent did not attend the administrative hearing. Legal and proper notice were delivered to the respondent. In addition, Mr. Moran has two other prior and related disciplinary actions including consent orders for 2001 CPE deficit and 2006 late reporting.
5. The Board continued as Trial Board to hear complaint 2007.35-128, concerning Kimberly Cassidy Shearer, CPA license 5498. Within the Trial Board the Board heard evidence from witness Ransom C. Jones, CPA Investigator and respondent Kimberly Shearer. The respondent allegedly failed to comply with the Chapter 4 CPE requirements for the compliance period ended June 30, 2007, through not obtaining the required CPE hours. Ms. Shearer has a CPE deficit of 15 hours including the three hour ethics. In addition, Ms. Shearer has two other prior and related disciplinary actions including 2002 and 2006 consent orders for late CPE reporting.
6. The Board continued as Trial Board to hear complaint 2007.35-102, concerning Michelle A. Morris, CPA license 4630. Within the Trial Board the Board heard evidence from witness Ransom C. Jones, CPA Investigator and respondent Michelle Morris. The respondent allegedly failed to comply with the Chapter 4 CPE requirements for the compliance period ended June 30, 2007, through not obtaining the required CPE hours. Ms. Morris has a 2007 CPE deficit of 35.5 credit hours. In addition, Ms. Morris has two other prior and related disciplinary actions including 2004 and 2005 consent orders for CPE deficits. Ms. Morris was also granted CPE extensions for the 1996 and 2002 compliance periods.

II. Trial Board (Continued)

7. Following discussion and the administrative Trial Board hearings related to Wade Rodney Moran, Kimberly Cassidy Shearer, and Michelle A. Morris, and upon motion by Angela Pannell with second from Willie Sims, the Board unanimously voted to close the meeting for the limited purpose of considering whether or not they had a proper subject matter to go into Executive Session. David Clarke was recused.

In the closed meeting the Board upon motion by Angela Pannell with second from Willie Sims voted that they did indeed have a proper subject matter before it to entitle it to go into Executive Session, namely discussion of Trial Board orders that could be appealed. Accordingly, the Board reopened the closed meeting and upon motion by Angela Pannell with second from Willie Sims unanimously voted to go into Executive Session for the purpose set forth above. Having announced this stated purpose the Board then entered into Executive Session for this specific purpose. Within the Executive Session, the Board took the following actions:

Upon motion by Angela Pannell with second from Willie Sims the Board unanimously determined that the respondent Wade Rodney Moran, complaint 2007.35-101, had indeed violated Chapter 4 of the Board Rules and Regulations as charged. The Board unanimously determined to assess the respondent all investigative, legal, and hearing costs of this matter totaling two hundred and fifty dollars (\$250.00). In addition the Board imposed a civil penalty (fine) in the amount of five hundred dollars (\$500.00). All of the aforementioned amounts, totaling seventy hundred and fifty dollars (\$750.00) are to be paid by check or money order within thirty days of the Trial Board order. Votes were - For: Jim Burkes, Willie Sims, Diane Day, Rick Elam, Angela Pannell; Against: None; Absent: Jean Shepherd; and Recused: David Clarke.

Upon motion by Willie Sims with second from Angela Pannell the Board unanimously determined that the respondent Kimberly Cassidy Shearer, complaint 2007.35-128, had indeed violated Chapter 4 of the Board Rules and Regulations as charged. The Board unanimously determined that Ms. Shearer must make-up the twelve (12) CPE credit hour deficit along with a 50% penalty of 6 CPE credit hours. The total eighteen (18) CPE hours required must include a minimum three (3) CPE credit hours in ethics CPE including one hour in Mississippi Public Accountancy Law, Rules and Regulations. The CPE credit hours should be completed by December 31, 2007. The Board unanimously determined to assess the respondent all investigative, legal, and hearing costs of

II. Trial Board (Continued)

7. (Continued)

this matter totaling two hundred and fifty dollars (\$250.00). In addition the Board imposed a civil penalty (fine) in the amount of five hundred dollars (\$500.00). All of the aforementioned amounts, totaling seventy hundred and fifty dollars (\$750.00) are to be paid by check or money order within thirty days of the Trial Board order. Votes were - For: Jim Burkes, Willie Sims, Diane Day, Rick Elam, Angela Pannell; Against: None; Absent: Jean Shepherd; and Recused: David Clarke.

Upon motion by Angela Pannell with second from Willie Sims the Board unanimously determined that the respondent Michelle A. Morris, complaint 2007.35-102, had indeed violated Chapter 4 of the Board Rules and Regulations as charged. The Board unanimously determined that Ms. Morris must make-up the thirty-five and one-half (35.5) CPE credit hour deficit along with a 50% penalty of 17.75 CPE credit hours. The total fifty-three and quarter (53.25) CPE hours required must include a minimum eight (8) A&A hours and three (3) CPE credit hours in ethics CPE including one hour in Mississippi Public Accountancy Law, Rules and Regulations. The CPE credit hours should be completed by December 31, 2007. The Board unanimously determined to assess the respondent all investigative, legal, and hearing costs of this matter totaling two hundred and fifty dollars (\$250.00). In addition the Board imposed a civil penalty (fine) in the amount of five hundred dollars (\$500.00). All of the aforementioned amounts, totaling seventy hundred and fifty dollars (\$750.00) are to be paid by check or money order within thirty days of the Trial Board order. Votes were - For: Jim Burkes, Willie Sims, Diane Day, Rick Elam, Angela Pannell; Against: None; Absent: Jean Shepherd; and Recused: David Clarke.

Upon the conclusion of this business, the Board upon motion by Willie Sims and second from Rick Elam unanimously voted to come out of Executive Session and resumed the open meeting. The Board came out of Executive Session and resumed the open meeting by announcing the actions and votes it had taken in Executive Session.

8. The Board continued as Trial Board for the purpose of holding formal administrative hearings related to CPAs' noncompliance with continuing professional education requirements and that also failed to respond to the Board's Notices of Hearing and Complaints. Jim E. Burkes continued as Trial Board President and presiding officer. Bridgette Wiggins, Special Assistant Attorney

II. Trial Board (Continued)

8. General, represented the Board, and Onetta Whitley, Deputy Attorney General, was the presenting attorney. Julie Brown, Brooks Court Reporting, recorded the discussions. Jean T. Shepherd was absent.

The Trial Board heard a report from Attorney Onetta Whitley providing recommendations based on related documentation. Her recommendations included the following:

<u>Complaint</u>	<u>Name</u>	<u>License</u>	<u>Recommendation</u>
2007.35-105	Rodney K. Murphy	4209	Continue
2007.35-107	Sharyl C. Newman	3201	Continue
2007.35-135	Kenneth L. Steckler	R3231	Continue
2007.35-164	Andrew Wells	2193	Continue

9. The Board continued as Trial Board for the purpose of holding formal administrative hearings related to thirteen (13) CPAs' noncompliance with continuing professional education requirements and that also failed to respond to the Board's Notices of Hearing and Complaints. Upon motion by Angela Pannell with second from Willie Sims, the Board members present voted to consolidate these complaints for hearing purposes. Votes to consolidate cases were - For: Jim Burkes, Willie Sims, Diane Day, Rick Elam, Angela Pannell; Against: None; Absent: Jean Shepherd; and Recused: David Clarke. The following complaints were consolidated for hearing purposes:

<u>Complaint No.</u>	<u>Name</u>	<u>License No.</u>
2007.35-28	Ronald M. Cofield	R2648
2007.35-31	Michael G. Crosby	R1676
2007.35-32	James B. Cross	R2601
2007.35-35	Sheryl Diann Davenport	5346
2007.35-41	Rodney L. Dyke	4466
2007.35-43	Ellyson F. Dyson, Jr.	R2090
2007.35-51	Chad Keith Fooshee	R2796
2007.35-82	Thomas Matthew Knight	R2969
2007.35-88	William Lynn Loden	2139
2007.35-123	Doyle Allen Robbins	5471
2007.35-125	J. Vincent Robinson	R2525
2007.35-133	Amy Durham Smith	R2932
2007.35-158	Lucretia Day Winter	4584

II. Trial Board (Continued)

9. (Continued)

Within the Trial Board the Board heard evidence from Ransom C. Jones, CPA Investigator, concerning the respondents' failure to comply with the CPE requirements for the fiscal year ended June 30, 2007, and failure to respond to Board written communications related thereto. Legal and proper notice were delivered to the above respondents. None attended the hearing.

Following the administrative Trial Board hearing and upon motion by Angela Pannell with second from Willie Sims, the Board unanimously voted to close the meeting for the limited purpose of considering whether or not they had a proper subject matter to go into Executive Session. David Clarke was recused.

In the closed meeting the Board upon motion by Angela Pannell with second from Willie Sims voted that they did indeed have a proper subject matter before it to entitle it to go into Executive Session, namely discussion of Trial Board orders that could be appealed. Accordingly, the Board reopened the closed meeting and upon motion by Angela Pannell with second from Willie Sims unanimously voted to go into Executive Session for the purpose set forth above. Having announced this stated purpose the Board then entered into Executive Session for this specific purpose.

Upon motion by Angela Pannell with second from Willie Sims, the Board unanimously accepted the recommendation of Attorney Onetta Whitley to continue the hearings for Rodney K. Murphy, Sharyl C. Newman, Kenneth L. Steckler, and Andrew Wells. Votes were - For: Jim Burkes, Willie Sims, Diane Day, Rick Elam, Angela Pannell; Against: None; Absent: Jean Shepherd; and Recused: David Clarke.

Also, within the Executive Session, the Board took the following actions: Upon motion by Angela Pannell with second from Willie Sims, the Board unanimously determined that the thirteen respondents had indeed violated Chapter 4 of the Rules and Regulations as charged and voted to revoke the respondents' CPA licenses. The Board unanimously determined to assess each respondent all investigative, legal, and hearing costs of this matter totaling two hundred and fifty dollars (\$250.00) each. In addition the Board imposed a civil penalty (fine) on each in the amount of five hundred dollars (\$500.00). Votes were - For: Jim Burkes, Willie Sims, Diane Day, Rick Elam, Angela Pannell; Against: None; Absent: Jean Shepherd; and Recused: David Clarke.

II. Trial Board (Continued)

10. Upon the conclusion of this business, the Board upon motion of Angela Pannell and second from Rick Elam unanimously voted to come out of Executive Session and resumed the open meeting. The Board came out of Executive Session and resumed the open meeting by announcing the actions and votes it had taken in Executive Session.

11. Upon conclusion of Trial Board business, the Board adjourned as Trial Board.

APPROVED:

Chair

Board Member

Vice Chair

Board Member

Secretary

Board Member

Board Member