

**MISSISSIPPI STATE BOARD OF PUBLIC ACCOUNTANCY
MINUTES
November 16, 2007**

The Mississippi State Board of Public Accountancy met at the Board office at 5 Old River Place, Suite 104, Jackson, Mississippi, on November 16, 2007, beginning at 8:30 a.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 (a.m.)
Rick Elam
Angela L. Pannell
Jean T. Shepherd

Board Members Absent

David Clarke

Board Staff Present

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

Legal Counsel Present

Onetta Whitley, Deputy Attorney General

Others Present

Jimmy Boyd, MAPA

I. General

1. The Board opened the meeting with the invocation by Diane Day.
2. The Board unanimously approved the minutes from the September 14, 2007, meeting.
3. The Board members signed the CPA certificates of licensure from the September 14, 2007, meeting.

I. General (Continued)

4. The Board members present set the start time for the next meeting:
December 14 8:30 a.m.
5. The Board members present reviewed the tentative meeting and activity dates for 2008, as follows:

January 25	Meeting	June 26-29	MSCPA Annual
February 22	Meeting	July 25	Meeting
March 21	Meeting	August 22	Meeting
April 25	Meeting	September 26	Meeting
April 26	Ceremony	October 26-29	NASBA Annual
May 30	Meeting	November 14	Meeting
June 11-13	NASBA E. Regional	November 15	Ceremony
June 18-20	NASBA W. Regional	December 12	Meeting

II. National Regulatory Concerns

1. The Board members present recognized visitors: Diane Rubin, NASBA Past Chair and Mike Skinner, NASBA SE Regional Director. The Board heard a discussion from both individuals concerning items of regulatory interest. In addition the members discussed the NASBA Annual Meeting that was held October 28 - 31, 2007.
2. The Board members present noted its responses submitted to NASBA related to the October 2007 Focus Questions.
3. The Board members present also noted and discussed various other items from the National Association of State Boards of Accountancy including:
 - September and October 2007 NASBA *State Board Reports*,
 - November 8, 2007, email regarding: centralized a CPA Licensing Information - *Accountancy Licensing Library (ALL)*, and
 - Center for the Public Trust Upcoming Conference: *Ensuring Integrity: The Second Annual Auditing Conference*, December 6, 2007, New York City.
4. The Board members present reviewed the Fall 2007, AICPA *State Regulatory Update*.

II. National Regulatory Concerns (continued)

5. The Board member present reviewed the Public Company Accounting Oversight Board Releases as follows:
 - PCAOB Releases Report on Issues Identified in Inspections of U.S. Firms that Audited 100 or Fewer Public Companies,
 - PCAOB Issues Staff Guidance on Auditing Internal Control in Smaller Public Companies, and
 - Board Approves Amendments Regarding Inspection Frequency for Firms that Do Not Regularly Issue Audit Reports.

III. Administration

1. The Board members present reviewed and discussed the SAAS Summary Trial Balances as of October 31, 2007, for Treasury Funds 3845 and 3850, and the Treasury Fund 3845 SAAS Appropriation/Actual Expenditures for the four months ended October 31, 2007.
2. The Board members present noted the New State of Mississippi Travel manual issued September 2007.
3. The Board heard a report from Executive Director Susan Harris and reviewed analysis concerning actual revenues and expenditures for the past twelve years and fee amounts from 1990 to date. Following significant discussion and all factors, the Board unanimously voted to increase fees. The following fees were changed and are effective December 1, 2007:

CPA license annual registration	\$100
Late fee	150
Processing fees (Miss. and reciprocal)	100
Reinstatement of license	200
Replacement Certificate	100
Lists for CPAs or candidates	100
Labels for CPAs or candidates	200
Public Information § 25-61-1 et. seq.	
Copy of Board Rules and Regulations	\$25
Other copies: per copy if self-copied	.35
per copy if copied by Board staff	1.00

The Board also removed the registration fee for a CPA (Retired) status. Other fees including examination application fees were not changed.

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IV. CPA Examination, Licensing and Firms

1. The Board unanimously ratified the Window 3 - July - August 2007 CPA examination grades for 161 candidates, 233 examination sections. Fifteen candidates from this window have completed all four examination sections.

2. The Board discussed two special initial candidate circumstances related to satisfaction of the education requirement as follows:
 - File 12156 Delta State University policy to permit high scores on American College Test (ACT) to count as course credit; needed toward 150 hour requirement.
 - File 12170 Hours obtained during CPA review programs, needed toward 150 hour requirement.

After reviewing the candidates' applications and discussing the related circumstances, the Board members unanimously approved the candidates' applications to sit for the CPA examination.

The Board unanimously further adopted the policy that the acceptance of the ACT credit by a college or university will only be accepted by the Board for non-business and non-accounting related courses.

The Board also unanimously accepted the listing of candidate applications for the computerized examination (22 initial, 68 reexam) received since the September meeting.

3. The Board unanimously acted upon the applications for CPA licenses, reciprocals, reinstatements, and CPA firm permits as presented herein:

Applications for Original CPA License

<u>File</u>	<u>Number</u>	<u>Name</u>	<u>Number</u>	<u>Date</u>	<u>Approved</u>
	11792	William S. Caldwell IV	5875	11/16/07	Yes
	11732	David Lee Flaherty	5876	11/16/07	Yes
	11873	Joseph Crisler Fletcher	5877	11/16/07	Yes
	11723	Jennifer Marie Hill	5878	11/16/07	Yes
	12018	Wade Carlyle Howk, Jr.	5879	11/16/07	Yes
	11838	Emily Jo Jones	5880	11/16/07	Yes
	11896	Michele Barras Little	5881	11/16/07	Yes
	11860	Oliver Russell Strange	5882	11/16/07	Yes
	11826	Daniel Alan White	5883	11/16/07	Yes

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IV. CPA Examination, Licensing and Firms (Continued)

3. Applications (Continued)

Applications for Reciprocal CPA Licenses

File				
<u>Number</u>	<u>Name</u>	<u>Number</u>	<u>Date</u>	<u>Approved</u>
12150	Rocio De Lourdes Castillo	R3323	11/16/07	Yes
12151	Whitney Laine Craig	R3324	11/16/07	Yes
12123	Jane Griffin Dussouy	R3325	11/16/07	Yes
12173	Ernest G. Gelpi	R3326	11/16/07	Yes
12128	Bradley D. Holsworth	R3327	11/16/07	Yes
12174	Susan Kelly-Kliebert	R3328	11/16/07	Yes
12197	Jeffrey Andrew Krogsgard	R3329	11/16/07	Yes
12130	Brian David Lanks			No (1)
12196	Michael Lindsey Lockey	R3330	11/16/07	Yes
12154	Bradley Wilson Poole	R3331	11/16/07	Yes
12113	Rickey V. Swafford	R3332	11/16/07	Yes

(1) Pending addition information related to qualifications.

Applications for Reinstatement of CPA Licenses

File			
<u>Number</u>	<u>Name</u>	<u>Number</u>	<u>Approved</u>
05267	John Douglas Blaylock	3621	Yes
09947	Avery Edmonson	5296	Yes
05686	Karin L. Schimpf	3631	Yes
10436	Kathleen S. Stringer	R2745	Yes

Applications for CPA Firm Permit to Practice

<u>Name</u>	<u>Number</u>	<u>Approved</u>
Kushner LaGraize, LLC Metairie, LA	F1149	Yes
Warren P. Ladner, CPA, PLLC Gulfport, MS	F1150	Yes
Rodefer Moss & Co., PLLC Knoxville, TN	F1151	Yes
Karin Schimpf & Co., PLLC Madison, MS	F1152	Yes

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IV. CPA Examination, Licensing and Firms (Continued)

4. The Board reviewed submitted amendments to registered CPA firms, as follows:

<u>Name</u>	<u>Number</u>	<u>Description</u>
APH CPAs, PLLC Franklin, TN	F1126	Name change from Akerslout, Patterson & Associates, PLLC
Deloitte & Touche, LLP Las Vegas, NV	F0956	Address change
Osborn, Sutphen and O'Neal, PA Greenwood, MS	F0571	Name change from Osborn & Sutphen LTD
Stephen Smith & Co., PC CPAs Jackson, MS	F0857	Name change from Shelton & Smith, PC CPAs
Alan D. Westheimer CPA Houston, TX	F1138	Name change from Westheimer Shumberg, LLP

5. The Board members present discussed the November 17, 2007, CPA Presentation Ceremony and approved the program. Past NASBA Chair Diane Rubin will provide the keynote speech as introduced by David Costello, NASBA President and CEO.
6. The Board unanimously took action related to CPAs' requests for amendments to the 2007 CPE compliance requirements (Exhibit 1).
7. The Board members present reviewed a listing of voluntary cancellations made by CPAs with CPE deficits and requested during the 2007 CPE reporting period:

<u>Name</u>	<u>Number</u>
Dennis Papadeas	R2521
Rose Lynn Smith	5359

8. The Board unanimously approved requests from CPAs for waivers of the 2007 CPE compliance requirements based on affidavits of current retirement and intention to apply for CPA (retired) for 2008, as follows:

<u>Name</u>	<u>Number</u>
Ida B. McBride	2085

9. The Board members present unanimously approved a request from candidate 12043 for an extension for all four section's NTSs from November 8, 2007, to May 8, 2008, due to documented health reasons.

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IV. CPA Examination, Licensing and Firms (Continued)

10. The Board reviewed and discussed various information concerning the CPA examination including:

- CPA Examination Review Board 2006 Management Letter,
- AICPA October 17, 2007, letter regarding: Updating of Diagnostic Reports,
- NASBA Candidate Care Department - Candidate concerns 07Q3, July 01 - August 31, 2007,
- October 24, 2007, NASBA email forwarding AICPA instructions using the Authoritative Literature Databases,
- The Uniform CPA Examination Alert, Fall 2007, and
- Invitation to Comment on Proposed CPA Examination Improvements, comments due December 31, 2007.

The Board deferred review and comments on the proposed CPA examination improvements to the December 14, 2007, meeting.

V. Continuing Professional Education

1. The Board members present unanimously authorized the following actions on CPE sponsor programs submitted for approval.

	<u>Sponsor/Program Title</u>	<u>Subject Dates</u>	<u>Subject</u>	<u>Hours</u>	<u>Approved</u>
A.	Alexander, Van Loon, Sloan, Levens & Favre				
	1. Eighth Annual Tax Update 2007	11/26/07	Tax	8	Yes
	2. Special Topics-Morning Session	11/27/07	Other	4	Yes
	3. Special Topics-Afternoon Session	11/27/07	Other	4	Yes
B.	American Society of Women Accountants				
	1. Gift and Estate Tax, Estate Planning Basics	7/24/07	Tax	1	Yes
	2. Indirect Auditing Methods	8/28/07	Other	1	Yes
	3. Fraud From a Realistic Perspective	9/25/07	Other	1	Yes
C.	Association of Government Accts.				
	1. Transition from Auditor to County Administrator	3/21/07	Other	1	Yes
	2. Are You Ready to Retire?	5/16/07	Other	1	Yes
	3. FASB's Proposed Changes in Fin. Statements: Why and How?	6/20/07	A&A	1	Yes

V. Continuing Professional Education (Continued)

I. CPE Sponsor Applications (Continued)

	<u>Sponsor/Program Title</u>	<u>Subject Dates</u>	<u>Subject</u>	<u>Hours</u>	<u>Approved</u>
D.	Central Chapter - MSCPA 1. Accounting and Auditing Update	12/11/07	A&A	8	Yes
E.	CPE Inc. 1. Regulatory Ethics	11/15/07	Ethics - General Ethics Rules	3 1	Yes
	2. Regulatory Ethics (Previously approved for 4 general ethics)	2006	Ethics - General Ethics - Rules	3 1	Yes
F.	Delta Chapter - MSCPA 1. MS Accountancy Act, Rules & Regulations (Susan Harris)	9/20/07	Ethics - Rules	1	Yes
G.	Division of Business Services-MSU 1. 2007 Tax Update Seminars	11/15-16/07 11/29-30/07 12/6-7/07 12/13-14/07 12/17-18/07	Tax	16	Yes
H.	Edward Jones 1. Tax & Admin Update - Accounting, Ethics/MS Accountancy Act, Rules of Professional Conduct (Dr. Steve Wells)	10/24/07	Ethics - General Ethics - Rules Other	3 1 3.5	Yes
I.	Midsouth Institute of Accountants 1. Fall 2007 CPE Seminar for Accts	12/3/07	A&A	8	Yes
J.	MAPA 1. Gear Up Business Entities Seminar	9/20-21/07	Tax	16	Yes
	2. Annual Seminar	10/31/07	A&A	8	Yes
	3. Gear Up 1040 Ind Inc. Tax Sem.	11/27-28/07	Tax	16	Yes

V. Continuing Professional Education (Continued)

I. CPE Sponsor Applications (Continued)

	<u>Sponsor/Program Title</u>	<u>Subject Dates</u>	<u>Subject</u>	<u>Hours</u>	<u>Approved</u>
K.	MSCPA				
	1. Governmental Accounting & Auditing Update (<i>resubmitted</i>)	8/16&17/07	A&A Ethics - Rules A&A Ethics - General Ethics - Rules	16 1 OR 14.5 1.5 1	Yes
	2. Healthcare Services Seminar	9/21/07	Other	8	Yes
	3. Industry Conference	10/18/07	Other	8	Yes
	4. Accounting Education Symposium	10/26/07	Other	8	Yes
	5. MS State Board Accountancy Ethics - Laws & Regulations. (Susan Harris - MS Tax Inst.)	11/8/07	Ethics - Rules	1	Yes
L.	Mississippi Hospital Association				
	1. The In's and Out's of Medicare PPS for 2008	9/25/07	Other	5.1	Yes
M.	Nail McKinney Professional Association				
	1. Basis Workshop	9/27/07	Tax	6	Yes
	2. Review of Basic Fiduciary Taxation/Nuts and Bolts of Estate Planning	11/29/07	Tax	8	Yes
N.	NE Chapter - MSCP				
	1. 2007 Federal Tax Update & Corporate Income Tax Workshop	11/6/07 11/7/07	Tax	8	Yes
O.	Office of the State Auditor				
	1. Education Division Section - Regional Staff CPE Training	9/17/07 9/19/07	A&A	8	Yes
	2. County Audit Section - Regional Staff CPE Training	10/4/07 10/17/07	A&A	8	Yes
	3. Education Division Training Program	10/24/07	A&A	6	Yes

V. Continuing Professional Education (Continued)

1. CPE Sponsor Applications (Continued)

	<u>Sponsor/Program Title</u>	<u>Subject Dates</u>	<u>Subject</u>	<u>Hours</u>	<u>Approved</u>
P.	Silas Simmons, LLP 1. Accounting & Audit Update	9/21/07	A&A	8	Yes
Q.	The Excellence Group 1. Public School Activity Fund Accounting, State Legal and Payroll Compliance 2. Public School District Payroll Accounting and Deduction Accounting	9/20/07 9/21/07 10/18/07	Other Other	4 5	Yes Yes
R.	Yocona Area Council, Boy Scouts of America 1. Strategies in Charitable Giving	12/11/07	Other	3.3	Yes

2. The Board members present unanimously authorized the following actions on CPE requests from individuals.

	<u>Sponsor/Program Title</u>	<u>Subject Dates</u>	<u>Subject</u>	<u>Hours</u>	<u>Approved</u>
A.	Nail McKinney 1. Basis Workshop Requested by Leslie Groome	9/27/07 Speaker	Tax	12	Yes
B.	University of Kentucky 1. 2005 Bowling Green UK Income Tax Seminar(<i>resubmitted for ethics</i>) Requested by Warren Irons	11/30- 12/1/05	Tax Ethics - General	13 1	Yes
C.	Southern Federal Tax Institute 1. 40 th Annual Southern Federal Tax Institute Requested by Jan Lewis	9/26-28/05	Ethics - General	3.25	Yes
D.	Association of Government Accountants 1. Ethical Challenges in Today's Environment Requested by Cindy Ogletree	5/6/07	Ethics - General	2	Yes

VI. Rules and Regulations

1. The Board amended a proposed notice concerning Chapter 4 as amended effective July 1, 2007, and approved it for release to the Mississippi Society of CPAs newsletter. Executive Director Harris will submit the complete draft for release to the Board members containing other Chapter 4 clarifications.
2. The Board also discussed upcoming concerns from some concerning the current 150 semester hour requirement as set by law at Miss. Code § 73-33-5. The Board will request Dr. Quinton Booker to attend the December 14, 2007, meeting to address his concerns.
3. The Board also discussed possible draft legislation to be placed before the Legislature by the Mississippi Society of CPAs Legislative Committee (Paul Breazeale) related to the mobility of licensees among State jurisdictions. After discussion, the Board determined to invite Ken Bishop, NASBA representative to visit the Board and explain all aspects of the mobility proposal.

VII. Regulatory Matters

1. The Board heard a report from Investigator Ransom Jones and approved the regulatory activities that have occurred from September 14 to November 15, 2007:

<u>Activity</u>	<u>Number</u>
Cases Opened	1
Cases Closed	21
Cases referred to Members	none
Total Cases Open	166

2. The Investigator reviewed the open case log by general description and reported on the investigative activities.
3. The Board unanimously approved a request from Darrell Galey, Chair, Board Peer Review Oversight Committee, requesting an extension of time in order to present the Committee's annual report. The Committee will presents its report at the December 14, 2007, Board meeting.

APPROVED:

Chair

Board Member

Vice Chair

Board Member

Secretary

Board Member

Board Member