

MISSISSIPPI STATE BOARD OF PUBLIC ACCOUNTANCY
MINUTES
June 14, 2013

The Mississippi State Board of Public Accountancy met at the Board office at 5 Old River Place, Suite 104, Jackson, Mississippi on June 14, 2013, beginning at 8:30 a.m. The following record of that meeting was maintained.

Board Members Present

Willie B. Sims, Jr., Chair
Jim E. Burkes, Vice Chair
Rick Elam, Secretary
David E. Clarke
David L. Miller
Angela L. Pannell
Mark P. Peach

Board Staff Present

Ransom C. Jones, Acting Executive Director

Legal Counsel Present

Gloria Green, Special Assistant Attorney General

Others Present

Gary Walker, MSCPA

I. General

1. The Board opened the meeting with an invocation from, Gary Walker.
2. The Board members unanimously approved the minutes from the April 26, 2013, and the May 3, 2013 meetings.
3. The Board members signed the CPA certificates of licensure from the April 26, 2013, meetings.

I. General (Continued)

4. The Board set the time for next meeting and reviewed the tentative meeting dates and activities for the first part of 2013:
June 20-23 MSCPA Annual Meeting
June 26-28 NASBA E. Regional
~~July 19~~ Meeting (Canceled)
August 23 Meeting
September 20 Meeting
5. The Board discussed reports for the NASBA Eastern Regional Meeting and the MSCPA Annual Meeting.

II. National Regulatory Concerns

1. The Board reviewed various topics from the May 2013 NASBA *State Board Report*.
2. The Board discussed the individual NASBA named for the Vice President of Information and Research .
3. The Board discussed the April 30, 2013, NASBA memorandum regarding Quarterly Communications:
 - Highlights of the April 2013 Board of Directors' Meeting
 - Minutes of the January 2013 Board of Directors' Meeting
 - Executive Summary of the Regional Directors' Focus Questions
 - Complete report of responses to the Regional Directors' Focus Questions
4. The Board discussed PCAOB Board Member Keynote Address to American Accounting Association 2013 Annual Ohio Region Meeting.
5. The Board noted and discussed the following recent Public Accounting Oversight Board (PCAOB) release entitled *Agreement With Chinese Regulators*.
6. The Board reviewed and discussed the NASBA email: NASBA Stands Behind GAAP for Private Companies.

III. Administration

1. The Board reviewed the SAAS Summary Trial Balances as of May 31, 2013, for Treasury Funds 3845 and 3850, and the Treasury Fund 3845 SAAS Appropriation/Actual Expenditures for the eleven months ended May 31, 2013.
2. The Board members discussed the advertisement for the Executive Director position. The Executive Committee will serve as the Search Committee for filling the position.
3. The Board members discussed the May 28, 2013, newspaper article regarding Board mergers.
4. The Board members discussed the status of the Board's IT project, and additional per diem days as follows:

David Clarke and Rick Elam	May 4-6	Legal and Advertising Issues
All Board Members	May 3	Special Meeting
All Board Members	June 14	Meeting
Legal Counsel	June 26-28	NASBA Eastern Meeting

IV. CPA Examination, Licensing and Firms

1. The Board members present unanimously accepted the listing of 83 candidate applications for the computerized examination (15 initial, 68 reexam) received since the April meeting.
2. The Board also reviewed and discussed a special candidate situations related to good moral character - initial applicant numbers 13429, 13468 and 13453. Based on its careful evaluation of criminal misdemeanor convictions and all other requirements being met, the Board members present unanimously approved applicants 13468 and 13453 to sit for the examination as Mississippi candidates. Candidate 13429 is under further investigation.

IV. CPA Examination, Licensing and Firms (Continued)

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

Applications for Original CPA License

<u>FileNo</u>	<u>Name</u>	<u>Number</u>	<u>Approved</u>
13137	Camden Elizabeth Baird	6296	Yes
13159	Molly E. Bass	6297	Yes
13363	Amber Taylor Cole	6298	Yes
12791	Emilio Garma-Fernandez	6299	Yes
11637	Charles Weil Goldberg, Jr.	6300	Yes
12243	Anisa Drane Hardin	6301	Yes
13230	Siming Li	6302	Yes
13155	Amy Jolene Smith	6303	Yes
12844	Stuart Lee Southwell	6304	Yes
12742	Amanda L. TalbertIvester	6305	Yes
13010	Kathryn Schwartz Taylor	6306	Yes
12199	Jody Derek Thornton	6307	Yes
13022	Thomas Michael Wirt	6308	Yes

Applications for Reciprocal CPA Licenses

<u>FileNo</u>	<u>Name</u>	<u>Number</u>	<u>Approved</u>
13451	Gregory S. Curro	R3622	Yes
13452	Tawanda Dismuke Johnikin	R3623	Yes
13451	Jacob Brandon Jones	R3624	Yes
13463	Clark Clifton Luke		No(1)
13445	Thomas Zachary Webb	R3625	Yes

(1) Deferred for more information.

Applications for Reinstatement of CPA Licenses

<u>FileNo</u>	<u>Name</u>	<u>Number</u>	<u>Approved</u>
12635	Christina W. Adams	R3501	Yes
10056	Leslie A. (Hill) Barbor	R2636	Yes

IV. CPA Examination, Licensing and Firms (Continued)

3. Applications (Continued)

Applications for Reinstatement of CPA Licenses(Continued)

<u>File</u> <u>Number</u>	<u>Name</u>	<u>Number</u>	<u>Approved</u>
09915	Deborah P. Cox	5327	Yes
02023	Dexter Eugene Gullede	1379	Yes
06912	D. Kelly Love	3972	Yes
07857	Karen M. Lyles	5127	Yes
12224	Joshua Larry Simpson	5999	Yes

Applications for CPA Firm Permit to Practice

<u>Name</u>	<u>Number</u>	<u>Approved</u>
John M. Acklen, CPA Quitman, MS	F1615	Yes
Donna Hall Cain, CPA Taylorsville, MS	F1616	Yes
Andrew Copeland, CPA Madison, MS	F1617	Yes
Draffin & Tucker, LLP Albany, GA	F1618	Yes
Hodges, Pilgrim and Company, PLLC Tupelo, MS	F1619	Yes
McCarthy, CPA Hattiesburg, MS	F1620	Yes
Rodney D, Zeagler, CPA Heidelberg, MS	F1621	Yes

- The Board members discussed the AICPA, Spring 2013 Uniform CPA Examination Alert.
- The Board members present discussed information related to the CPA examination including MS Multi-Tester Report.

IV. CPA Examination, Licensing and Firms (Continued)

6. The Board members considered and approved a waiver request for Stanley M. Carpenter, Certificate number 0752, from the June 30, 2013 compliance requirements due to illness.

V. Continuing Professional Education

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

	<u>Sponsor/Program Title</u>	<u>Dates</u>	<u>Hours</u>	<u>Approved</u>
A.	Accounting Tools LLC (QAS)			
	1. Ethics for Mississippi	Self Study Online	4 Ethics (3 General 1 Rules)	Yes
B.	Alexander, Van Loon, Sloan, Levens & Favre, PLLC			
	1. 15 th Annual Accounting and Auditing Update (Ethics)	5/24/13	4 Ethics (3 General 1 Rules)	Yes
C.	American Institute on Federal Taxation			
	1. Thirty-Seventh Annual American Institute on Federal Taxation	6/19- 21/2013	21	Yes
D.	Beta Alpha Psi, School of Accountancy			
	1. Accounting and Auditing Update and Valuation Reports	6/5/2013	8	Yes
E.	Central Chapter of MSCPA			
	1. Social Media: The Conversation About You Goes On With or Without You and Buy Sell Agreements	10/18/12	1	Yes
	2. New Department of Labor Regulations & Effects on Retirement Plan Industry and AICPA Update	1/17/13	1	Yes
	3. Fraud Flags & Social Security Planning	5/16/13	1	Yes

V. Continuing Professional Education

1. CPE Sponsors Applications (Continued)

	<u>Sponsor/Program Title</u>	<u>Dates</u>	<u>Hours</u>	<u>Approved</u>
F.	Continuing Academics CPE Tutor (QAS)			
	1. Mississippi Ethics	Self Study Online	4 Ethics (3 General 1 Rules)	Yes
G.	Ergon, Inc.			
	1. Asset Accounting for New IRS Repair Regulations	9/26/12	4.5	Yes
	2. Accountant Update	3/18/13	3.5	Yes
H.	Estate Planning Council of MS			
	1. The 31 Flavors of Social Security Benefits (and Their Impact on Your Clients' Financial Future)	2/12/13	1	Yes
	2. Red Zone Financial Planning	3/12/13	1	Yes
	3. Anatomy of an IRS Estate Tax Controversy: Audit to Litigation	4/9/13	1	Yes
	4. Recent Developments from the Secretary of State's Office	5/14/13	1	Yes
I.	Harper, Rains, Knight & Company			
	1. Annual Longshore Conference	4/4-5/13	13.5	Yes
J.	Hattiesburg Medical Park Management Corporation			
	1. OSHA: Keeping Our Employees Safe	5/9/13 5/30/13	6	Yes
K.	Horne LLP			
	1. Ethics Update including MS Rules & Regulations (Dr. Quinton Booker)	5/21/13	4 Ethics (3 General 1 Rules)	Yes
L.	Mississippi Association of Public Accountants			
	1. Financial Planning	5/9/13	1	Yes
	2. MAPA Annual Accounting Forum	6/20/13	8 inc.3 Ethics (2 General 1 Rules)	Yes
	3. Utilization of Risk to Perform More Efficient and Effective Audits	6/27-29/13	12	Yes

V. Continuing Professional Education

1. CPE Sponsors Applications (Continued)

	<u>Sponsor/Program Title</u>	<u>Dates</u>	<u>Hours</u>	<u>Approved</u>
M.	Mississippi Department of Revenue 1. Corporate Income & Franchise Tax - Apportionment	5/29-30/13	13	Yes
N.	Mississippi Hospital Association 1. 82 nd MHA Annual Leadership Conference: The Big Picture: Mission. Vision. Values	6/6-7/13	9	Yes
O.	Mississippi Medical Group Management Association 1. MGMA Mississippi Summer Conference	6/26-28/13	6.5	Yes
P.	Mississippi Power Company See Exhibit 1 (Page 104)			
Q.	Mississippi Society of CPAs 1. Selected Estate Tax Issues - Finally! Temporary Permanence	2/28/2013	2	Yes
	2. The Young CPA Conference	4/26/2013	8	Yes
	3. Ethics Rules and Regulations (James Crockett)	6/18/2013 6/27/2013	4 Ethics (3 General 1 Rules)	Yes
	4. Why You Need to Know Something About Fraud and Internal Controls	5/5/2013 5/29/2013 6/3/2013	4	Yes
	5. MS Sales and Use Tax	5/6/2013	4	Yes
	6. Accounting and Auditing Conference	5/10/2013	8	Yes
	7. Cases in Corporate Ethics	5/13/13	4 Ethics (3 General 1 Rules)	Yes
	8. Ethics Rules and Regulations (Donna Ingram)	5/18/13	4 Ethics (3 General 1 Rules)	Yes
	9. Program for Management Development	5/15-16/13	16	Yes
	10. Fraud Happened...What Now?	5/29/13 6/3/13 12/9/13	4	Yes

V. Continuing Professional Education

1. CPE Sponsors Applications (Continued)

	<u>Sponsor/Program Title</u>	<u>Dates</u>	<u>Hours</u>	<u>Approved</u>
Q.	Mississippi Society of CPAs (Cont.)			
	11. Ethics Rules and Regulations (Bill Taylor)	5/31/13 6/7/13	4 Ethics (3 General 1 Rules)	Yes
	12. What Accountants Should Know About Fraud	6/19/13		Deferred
	13. Ethics Rules and Regulations (Dr. Quinton Booker)	6/28/13	4 Ethics (3 General 1 Rules)	Yes
R.	Office of the State Auditor			
	1. Governmental Accounting and Auditing Update & Performing Effective and Efficient Audit Testing	4/17-18/13	16	Yes
	2. Ethics, Rules and Regulations (Dr. Quinton Booker)	4/16/13	4 Ethics (3 General 1 Rules)	Yes
S.	Surgent McCoy CPE LLC (QAS)			
	1. Ethics for Mississippi	Self Study Online	4 Ethics (3 General 1 Rules)	Yes
T.	T.E. Lott & Company, PA			
	1. 2013 Accounting & Auditing Update for the Real World	5/16/13	8	Yes
U.	Western CPE (QAS)			
	1. Ethics & Professional Conduct for Mississippi CPAs	Self Study Online	4 Ethics (3 General 1 Rules)	Yes

VII. Regulatory Matters

1. The Board heard a report from Investigator Ransom Jones and approved the regulatory activities from April 26, 2013, to June 14, 2013:

<u>Activity</u>	<u>Number</u>
Cases Opened	3
Cases Closed	5
Cases referred to Members	0
Total Cases Open	15

2. The Investigator reviewed the open case log by general description and reported on the investigative activities.

Case 2010.13 was opened June 29, 2010, because a license allegedly did not disclose actions against his license on a Board reinstatement application. The Investigative Committee closed the case because of the following: the passage of time; the Indiana Board's finding that the deficiency that required disciplinary action has been resolved; and that no other violations have occurred. The Committee sent an Advisory Letter to respondent warning him to report all actions against his license in the future.

Case 2012.08 was opened July 16, 2012, because a licensee performed several audits but never completed a system peer review. The licensee was also dropped from enrollment from the AICPA Peer Review Program in 2012 due to his lack of cooperation. The Board held a Trial Board Hearing on March 22, 2013, and issued an Order which required the firm to make up two skipped system peer reviews, pay a \$1,000 fine and a \$1,595 administrative cost recovery fee. The case was closed and the Board Investigator will monitor the licensee's compliance with the Order.

Case 2013.03 was opened February 22, 2013, because the Board Investigator became aware that the licensee had been convicted of felony embezzlement. The Board held a Trial Board Hearing on March 22, 2013, and issued a Revocation Order which revoked both the license and the firm permit.

VII. Regulatory Matters (Continued)

2. Investigative Activities (Continued)

Case 2013.06 was opened April 30, 2013, because the Board Compliance Administrator found a newspaper clipping advertising a Hattiesburg CPA Firm office which included a staff accountant who was listed as a North Carolina CPA. The Board Investigator found that the individual was a Mississippi exam candidate who never completed the CPA exam although she passed all four parts at various times. A Cease and Desist letter was sent to the individual and copied to the CPA firm. The respondent had apparently lied on her employment application at the CPA firm. The firm fired the lady upon finding that she was not a licensed CPA as she had pretended. The Jim Burkes Investigative Committee decided to send a strong close letter to the respondent containing the Cease and Desist language. The Board Investigator will place a copy of the close letter in the exam candidate file and monitor her for future instances of holding out without a license.

Case 2013.07 was opened April 30, 2013, because a Medical Doctor filed a complaint against an individual whom he said was holding out as a certified public accountant. The Board Investigator examined a large volume of documents sent by the Doctor, which appeared to be from a civil lawsuit, and determined that the public accountant had never used the CPA designation. The only reference to the CPA designation was by the Doctor when ever he mentioned the accountant. The Investigator searched other sources (internet, phone directories, etc..) but found that every listing for the individual showed no use of the CPA designation. The Board Investigator closed the case and sent a "close" letter to the Doctor.

② *Cases Referred to Members:* None

VIII. Trial Board

1. The Board reviewed the Board Revocation Order for Chair's signature as ordered at the April 26, 2013, Administrative Trial Board Hearing on Case Number 2012.01, concerning license number R2877 and firm permit Number F1326.

APPROVED:

Chair

Board Member

Vice Chair

Board Member

Secretary

Board Member

Board Member

Mississippi State Board of Public Accountancy
Mississippi Power Company - CPE Schedule
June 14, 2013
Exhibit 1

A		B		C		D	
	Program Title	Program Date	Hours	Approved		Approved	
1	Mississippi Power Financial Comptroller's Overview for Engineering Relationships Team	4/2/2013	1.5	Yes		Yes	
3	CFO Update	4/30/2013	2	Yes		Yes	
4	Comptroller Update/Roundtable of Managers	5/16/2013	2	Yes		Yes	
5	Overview of Financial Planning Software	6/11/2013	4	Yes		Yes	
6	Account Reconciliations/Variance Explanation	6/18/2013	2	Yes		Yes	
7	Review of Environmental Rules and Regulations	6/20/2013	2	Yes		Yes	
8	Contract Manual Overview	8/13/2013	3	Yes		Yes	
9	AFUDC Taxable vs. Non Taxable - Impacts on ROE	8/15/2013	2	Yes		Yes	
10	IT Overview (In Conjunction with AFT Finance Department Meeting)	8/20/2013	1	Yes		Yes	
11	Daniel Scrubber Project Overview	8/20/2013	1	Yes		Yes	
12	Overview of Marketing Jobbing	8/27/2013	4	Yes		Yes	
13	APR Training/Accounting Research	8/28/2013	2	Yes		Yes	
14	Kemper Cost Recovery - Alternative Recovery	9/17/2013	4	Yes		Yes	
15	Compliance Training	9/18/2013	2	Yes		Yes	
16	Taxable Awards and Prizes	9/24/2013	2	Yes		Yes	
17	Budget - Generation	9/26/2013	2	Yes		Yes	
18	Liberty Fuels Overview	11/18/2013	3	Yes		Yes	
19	Overview of Rates - Filing to Approval	11/21/2013	4	Yes		Yes	
20	Cost of Service	12/17/2013	2	Yes		Yes	