

MISSISSIPPI STATE BOARD OF PUBLIC ACCOUNTANCY
MINUTES
September 26, 2008

The Mississippi State Board of Public Accountancy met at the Board office at 5 Old River Place, Suite 104, Jackson, Mississippi, on September 26, 2008, beginning at 8:30 a.m. The following record of that meeting was maintained.

Board Members Present

Willie B. Sims, Jr., Chair
Rick Elam, Vice Chair
Jim E. Burkes
Diane S. Day
Angela L. Pannell
Jean T. Shepherd

Board Members Absent

David E. Clarke, Secretary

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

Jimmy Boyd, MAPA
Gary Walker, MSCPA
Shanna May, Court Reporter

I. General

1. The Board opened the meeting with an invocation from Willie Sims.
2. The Board members present approved the minutes from the July 25, 2008, meeting.

I. General (Continued)

3. The Board members present signed the CPA certificates of licensure from the July 25, 2008, meeting.
4. The Board members set the start time for the next meeting and reviewed the remaining meeting dates and activities for 2008.

October 26-29		NASBA Annual Meeting
November 14	10:00	Board Meeting
November 15	9:00	CPA Presentation Ceremony
December 12	8:30	Meeting
5. The Board members present set tentative meeting/activity dates for 2008:

January 23	Meeting	June 25-28	MSCPA Annual
February 20	Meeting	July 24	Meeting
March 20	Meeting	August 21	Meeting
April 24	Meeting	September 25	Meeting
April 25	Ceremony	November 1-4	NASBA Annual
May 29	Meeting	November 13	Meeting
June 3-5	NASBA W. Regional	November 14	Ceremony
June 17-19	NASBA E. Regional	December 11	Meeting
6. The Board members noted a September 4, 2008, letter from Dr. Charles Taylor concerning the Board's nomination for the William Van Rensselaer award.
7. The Board members had a general discussion on the outcome of the Mobility Task Force meeting and the next steps related to Public Accountancy legislation.

II. National Regulatory Concerns

1. The Board discussed the July 31, 2008, NASBA memorandum from David Costello regarding Quarterly Communications:
 - Highlights of the NASBA Board Meeting, July 25, 2008
 - Minutes of NASBA Board Meeting April 18, 2008
2. The Board members reviewed the memorandum from NASBA Regional Director Mike Skinner and answered the Focus Questions for submittal by the October 1, 2008, due date.

II. National Regulatory Concerns (Continued)

3. The Board reviewed and discussed the NASBA *State Board Reports* for July - September 2008.
4. The Board noted a September 17, 2008, NASBA announcement: *Announcing Three New ALD Participating States* [Accountancy Licensee Data Base].
5. The Board members present discussed an August 25, 2008, NASBA memorandum addressing controlling committee and other costs.
6. The Board discussed the Summer 2008 publication - *Ethically Speaking*, submitted by the AICPA Professional Ethics Division.
7. The Board noted the August 20, 2008, Council on Licensure, Enforcement and Regulation newsletter sent via email.
8. The Board discussed the Public Accounting Oversight Board (PCAOB) Releases entitled:
 - *PCAOB Statement on Favorable Decision in Free Enterprise Fund v. PCAOB*,
 - *PCAOB Announces Agenda for Forums For Directors and Financial Executives of Smaller Public Companies*, and
 - *Board Adopts Rules for Succeeding to Registration Status of Predecessor Firm*.
9. Board Member Jim Burkes discussed NASBA Peer Review Oversight Committee (PROC) conference held September 22, 2008, wherein he and Executive Director Susan Harris made a presentation.

III. Administration

1. The Board reviewed and discussed the SAAS Summary Trial Balances as of August 31, 2008, for Treasury Funds 3845 and 3850, and the Treasury Fund 3845 SAAS Appropriation/Actual Expenditures for the two months ended August 31, 2008.
2. The Board noted the August 28, 2008, State Auditor's Report regarding its Property Audit. No exceptions or problems were found.

IV. CPA Examination, Licensing and Firms

1. The Board members present unanimously accepted the listing of candidate applications for the computerized examination (36 initial, 79 reexam) received since the July 25, 2008, meeting. The Board reviewed and discussed a special candidate situation related to good moral character, candidate 12384. Based on its evaluation of criminal convictions, the Board members present unanimously denied the application to sit for the examination as a Mississippi candidate. However, the Board will offer the individual an opportunity to appear during a hearing to show cause why he should be allowed as a candidate.
2. 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>
12075	Dana Olevia Daigre	5921	09/26/08	Yes
11463	Koffi Dodor	5922	09/26/08	Yes
12080	Joshua Drew Edwards	5923	09/26/08	Yes
11823	Matthew M. Elkins	5924	09/26/08	Yes
11508	Anjela Kirilova Filipova	5925	09/26/08	Yes
12083	Eleanor Hightower James	5926	09/26/08	Yes
12129	Shannon Lacey Johnson	5927	09/26/08	Yes
12105	Adam Edward Milner	5928	09/26/08	Yes
12100	Carlin Williams Milner	5929	09/26/08	Yes
10996	Louisa Lucas Russell Morrow	5930	09/26/08	Yes
11681	Mary Cathy Slocum	5931	09/26/08	Yes
12183	Elliott Colby Vines	5932	09/26/08	Yes
12168	Jessica L. Williams	5933	09/26/08	Yes

IV. CPA Examination, Licensing and Firms (Continued)

2. Applications (Continued)

Applications for Reciprocal CPA Licenses

File Number	Name	Number	Date	Approved
12315	Julian Lester Alexander, III	R3384	09/26/08	Yes
12266	Joshua Daniel Bogart	R3385	09/26/08	Yes
12379	Kathryn G. Burkhalter	R3386	09/26/08	Yes
12386	Jeffrey James Burleson	R3387	09/26/08	Yes
12391	Ansley Sonnier Carruth	R3388	09/26/08	Yes
12378	Stacey Fountain-Ferrara	R3389	09/26/08	Yes
12392	James Andrew Galloway	R3390	09/26/08	Yes
12326	Lawrence J. Kovach	R3391	09/26/08	Yes
12380	Kevin Edward Mann	R3392	09/26/08	Yes
12393	Gamey Pate Morrison	R3393	09/26/08	Yes
12316	Emily Parrish	R3394	09/26/08	Yes
12400	George Alfred Rutherford	R3395	09/26/08	Yes

Applications for Reinstatement of CPA Licenses

File Number	Name	Number	Approved
07479	Nathan D. Benn	4230	Yes
11449	Kevin Jerome Kelly	R3023	Yes
10177	Elizabeth Warren Mehrle	5508	Yes
11743	Matthew Stephen Sasser	R3154	Yes

Applications for CPA Firm Permit to Practice

Name	Number	Approved
Tracie B. Dupuy, CPA PLLC Madison, MS	F1188	Yes
Ernst & Young, LLP Austin, TX	F1189	Yes

IV. CPA Examination, Licensing and Firms (Continued)

2. Applications (Continued)

Applications for CPA Firm Permit to Practice (Continued)

<u>Name</u>	<u>Number</u>	<u>Approved</u>
Fountain CPA Group & Company D'Iberville, MS		No (1)
M.C. Princy Harrison, CPA Bay St. Louis, MS	F1190	Yes
Bruce A. Moore, CPA, LLC Prattville, AL	F1191	Yes
Crowe Horwath LLP Oak Brook, IL	F1192	Yes

(1) Firm name not acceptable.

Application for Reinstatement of a CPA Firm Permit to Practice

<u>Name</u>	<u>Number</u>	<u>Approved</u>
Terry P. Hudson, CPA Ridgeland, MS	F0922	Yes

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

<u>Name</u>	<u>Number</u>	<u>Description</u>
Barnett L. Davis, III, CPA Madison, MS	F0258	Cancel Permit
Robert R. Cummings, CPA Hattiesburg, MS	F0248	Cancel Permit
MPK Group, PC Birmingham, AL	F0543	Name Change from Mann, Poarch, Miller, Key & Morrison
Penton, Hooker & Associates PLLC Ocean Springs, MS	F1094	Name change from Penton, Hooker & McElroy
Skinner & McIngvale, PLLC Southaven, MS	F0875	Name change from Skinner & Company, PLLC
The Sparks CPA Firm, PC Red Bay, AL	F0682	Name change from Dicky H. Sparks, CPA

IV. CPA Examination, Licensing and Firms (Continued)

3. CPA firm amendments (Continued)

<u>Name</u>	<u>Number</u>	<u>Description</u>
Crowe Horwath, LLP Brentwood, TN	F0456	Name change from Crowe, Chizek and Company LLC and form to LLP
Crowe Horwath, LLP Tampa, FL	F1092	Name change from Crowe, Chizek and Company LLC and form to LLP
Crowe Horwath, LLP Ft. Lauderdale, FL	F1111	Name change from Crowe, Chizek and Company LLC and form to LLP
Crowe Horwath, LLP Columbus, OH	F1127	Name change from Crowe, Chizek and Company LLC and form to LLP

4. The Board discussed the November 15, 2008, CPA Ceremony and noted Honorable Stacey Pickering has agreed to be the keynote speaker.
5. The Board members present unanimously took the following actions related to requests for amendments to the 2008 CPE compliance requirements:

<u>Name</u>	<u>Number</u>	<u>Board Action</u>
Christian A. Akponwei	R2474	Extension to 10/31/08 - 15 CPE hours
Joyce Berry Auster	4974	Extension to 10/31/08 - 39 CPE hours
Barbara E. Beasley	3685	Extension to 10/31/08 - 46 CPE hours
Michele Beigel	5344	Extension to 10/31/08 - 4 CPE hours
Mary Jo Billiot	4042	Extension to 10/31/08 - 1.5 CPE hours
George M. Conwill	2552	Waiver - Medical
Richard L. Devoe	3547	Extension to 10/31/08 - 16 CPE hours
Diana M. Gabrich	5598	Extension to 10/31/08 - 1.5 CPE hours
John B. Garrard	4491	Extension to 10/31/08 - 8 CPE hours
Hal L. Green	1961	Extension to 10/31/08 - 1.5 CPE hours
Molly F. Hodge	5562	Extension to 10/31/08 - 6 CPE hours
Robert C. Holman	1774	Extension to 10/31/08 - 30 CPE hours
Donald D. Jones	1169	Extension to 10/31/08 - 10 CPE hours
Anthony C. Knotts	5862	Extension to 10/31/08 - 14 CPE hours
Lynn B. Lister	4937	Extension to 10/31/08 - 26 CPE hours
Gary W. Patterson	1466	Waiver - Medical

IV. CPA Examination, Licensing and Firms (Continued)

5. CPE compliance amendments (Continued)

<u>Name</u>	<u>Number</u>	<u>Board Action</u>
Gerald L. Price	1197	Waiver - Medical
Julie H. Selleck	3853	Extension to 10/31/08 - 9 CPE hours
John Serafin	3771	Waiver - Medical
Sopin Tunhikorn	4799	Extension to 10/31/08 - 36 CPE hours
Seth Twum	3776	Extension to 10/31/08 - 22 CPE hours
James S. Wimberley	4889	Extension to 10/31/08 - 6 CPE hours

- 6 The Board members present unanimously approved requests from CPAs for waivers of the 2008 CPE compliance requirements based on affidavits of current retirement and intention to apply for CPA (retired) for 2009, as follows:

<u>Name</u>	<u>Number</u>
Walter Bernard Barlow, Jr.	1048
Lou Ann Bush	3507
Jerry M. Jeffress	2471
Rebecca D. Parker	2421
Robert G. Pilgrim	1162

7. The Board reviewed a listing of voluntary cancellations made by CPAs with CPE deficits and requested during the 2008 CPE reporting period:

<u>Name</u>	<u>Number</u>
Avneesh Ayyar	R3159 (compliant)
Robin Nelson Charpentier	R2935
Julie K. Hiblovic	R3207 (compliant)
James A. Lenahan, III	R3001 (compliant)
W. Edward Schenkein	R3179 (compliant)
James B. Wade	4064 (compliant)
Reed G. Wood	R2920

8. The Board members discussed a special request for clarification from Harris Barnes related to providing CPA supervision for a passing candidate that is an employee of his firm. The Board provided a preliminary approval of the request provided the experience meets all applicable requirements.

IV. CPA Examination, Licensing and Firms (Continued)

9. The Board reviewed and discussed various information related to the CPA examination including:
- Current 120/150 Semester Hour Status,
 - NASBA Candidate Concerns 08Q2, April-May 2008,
 - August 1, 2008, NASBA letter to AICPA Board of Examiners, re: *Exposure Draft - Proposed Content and Skills Specifications For the Uniform CPA Examination*,
 - August 27, 2008, AICPA letter, concerning examination test-taking patterns and behaviors,
 - Biometric report from Prometric, August 2008, and
 - August 25, 2008, letter from ChoicePoint in response to candidate's allegations of the sale of fingerprints.

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>Dates</u>	<u>Hours</u>	<u>Approved</u>
A.	Accounting Economics & Appraisal 1. Ethics for Mississippi	October 08	Ethics: General 3 Rules 1	No (1)
B.	Alexander, Van Loon, Sloan, Levens & Favre 1. 9 th Annual Tax Update 2008	10/31/08	6	Yes
C.	Auburn University Outreach Program Office 1. Auburn University Tax Practitioner Seminar	11/4-5/08 11/6-7/08 11/13-14/08 11/17-18/08 11/19-20/08 11/24-25/08 12/2-3/08 12/4-5/08 12/16-17/08	16	Yes

(1) Deferred for additional information

V. Continuing Professional Education (Continued)

I. CPE Sponsor Applications (Continued)

	<u>Sponsor/Program Title</u>	<u>Dates</u>	<u>Hours</u>	<u>Approved</u>
D.	CCH Incorporated			
	1. 13 th Annual Fundamentals of Flow-through Partnerships, LLC & S Corporation Tax Seminar	9/22-23/08 10/20-21/08 11/3-4/08	16	Yes
	2. 22 nd Annual Partnership, LLC & S Corporation Tax Planning Seminar	9/18-19/08 9/25-26/08 10/16-17/08 10/23-24/08 11/6-7/08 11/13-14/08 11/20-21/08	16	Yes
E.	Community Foundation of Northwest Mississippi			
	1. Charitable Estate Planning with Retirement Plans and Real Estate	10/28/08	3.5	Yes
F.	Diamond Software			
	1. Microsoft Business Solutions-FRx 6.7 Report Design Essentials II	1/30/08	6	Yes
G.	Division of Business Services Mississippi State University			
	1. 2008 Tax Update Seminar	11/13-14/08 11/24-25/08 12/1-2/08 12/11-12/08 12/15-16/08	Ethics Rules 1	Yes
H.	Frances Rushton Memorial Scholarship Trust			
	1. 2008 Accounting Update	10/24/08	8	Yes
I.	MACJC Business Managers			
	1. MACJC Business Managers' Summer Meeting	8/4-5/08	3	Yes
J.	Mississippi Association of Public Accountants			
	1. Gear Up Business Entities Seminar	9/22-23/08	16	Yes
	2. Gear Up 1040 Seminar	11/3-4/08	16	Yes

V. Continuing Professional Education (Continued)

I. CPE Sponsor Applications (Continued)

	<u>Sponsor/Program Title</u>	<u>Dates</u>	<u>Hours</u>	<u>Approved</u>
K.	Mississippi Bankers Association			
	1. How to Avoid Common Lending Violations	4/22/08 4/23/08 4/24/08	6	Yes
	2. Bank Secrecy Act	7/9/08	6	Yes
	3. Mississippi Deposit School	7/29-31/08	15	Yes
L.	MS Society of CPAs			
	1. Ethics, Rules and Regulations (Dr. Stan Clark)	3/7/08	Ethics: 3 General 1 Rules	Yes
	2. The AICPA Business Solutions Workshop: Delivering on You Trusted Advisor Status	8/14/08	8	Yes
	3. Governmental Accounting and Auditing Conference	8/21&22/08	16	Yes
M.	Mississippi State Tax Commission			
	1. Tax Information Security Training & Confidentiality/Ethics	6/12-13/08 6/18-19/08 6/23/08 6/25-27/08 Various	1 Ethics General	Yes
	2. 2008 Legislative Update	7/31/08 8/1/08 8/4/08 8/12/08 8/13/08 8/25/08	1	Yes
N.	Nail McKinney Professional Association			
	1. 2008 Auditing Update	7/18/08	8	Yes
O.	Northeast Chapter of MSCPA			
	1. 2008 Accounting and Auditing Annual Update	10/21/08	8	Yes
	2. 2008 Tax Update	10/28&29/08	16	Yes
P.	Pass Online			
	1. Ethics for Mississippi	QAS Self Study	Ethics: 3 General 1 Rules	Yes

V. Continuing Professional Education (Continued)

1. CPE Sponsor Applications (Continued)

	<u>Sponsor/Program Title</u>	<u>Dates</u>	<u>Hours</u>	<u>Approved</u>
Q.	State Bank & Trust Company 1. Accounting & Auditing Update	11/7/08	8	Yes
R.	The University of Alabama- Continuing Studies 1. 62 nd Annual Federal Tax Clinic	11/20-21/08	17	Yes
S.	Wright CPA Group 1. Conducting Government Audits Under GAAS, GAGAS and Single Audit	8/7/08	8	Yes

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

	<u>Sponsor/Program Title</u>	<u>Dates</u>	<u>Hours</u>	<u>Approved</u>
A.	The Southern Business Economic Journal 1. Do CPAs With a Higher Financial Stake on Public Accounting Exhibit Lower Levels of Moral Reasoning? Requested by Paul Allen	Published Article	40	Yes
B.	The Journal of Academic Administration in Higher Education 1. Assurance of Learning: A Theoretical Approach with Balanced Scorecarding Requested by Keith Atkinson	Published Article	8	Yes
C.	American Society of Business and Behavioral Science 1. Small Business Owners: Steps They Can Take to Enhance the Ethical Environment With-in Their Organizations Requested by Dorothy Davis	Published Article	10	Yes

V. Continuing Professional Education (Continued)

2. CPE Individual Applications (Continued)

	<u>Sponsor/Program Title</u>	<u>Dates</u>	<u>Hours</u>	<u>Approved</u>
D.	The Southern Business Economic Journal			
	1. Do CPAs With a Higher Financial Stake on Public Accounting Exhibit Lower Levels of Moral Reasoning? Requested by Kevin Ennis	Published Article	40	Yes
E.	Journal of College Teaching & Learning			
	1. AACSB Accreditation: Symbol of Excellence or March Toward Mediocrity? Requested by William Francisco	Published Article	20	Yes
F.	LexisNexis Publishing			
	1. Bender's 2008 Payroll Tax Guide (Chapters 5, 6 and 9) CCH Incorporated	Published Document	18	Yes
	1. 2008 U.S. Master Compensation Tax Guide (Chapters 6, 7, 8, 11, 12, 13 and 15) Requested by Bob Kilpatrick	Published Document	20	Yes
G.	The Journal of Academic Administration in Higher Education			
	1. Assurance of Learning: A Theoretical Approach with Balanced Scorecarding CPA Journal	Published Article	10	Yes
	1. Can a Video Poker Player Qualify as a Professional Gambler for Tax Purposes? Requested by Patricia Mounce	Published Article	5	Yes
H.	The National Accounting Journal			
	1. An Exploratory Study of Learning Style Differences Between Accounting and Other Business Majors Requested by Anthony Varnon	Published Article	20	Yes

V. Continuing Professional Education (Continued)

2. CPE Individual Applications (Continued)

	<u>Sponsor/Program Title</u>	<u>Dates</u>	<u>Hours</u>	<u>Approved</u>
I.	CFMA			
	1. Construction Tax Panel: A Mixed Message for Construction Taxation Requested by Robin Word	Published Article	1	Yes

VI. Rules and Regulations

- The Board members present discussed Section 3.1.11.(c) related to CPA firm names. After significant discussion the Board members present unanimously determined to bring forth a proposed amendment at adoption at its next regular meeting, December 12, 2008. The proposed amendment reads:

No firm will be permitted to register with the Board as a certified public accounting firm unless the firm name contains the personal name/names, initials and names, or initials of one or more individuals who are present or previous CPA owners of the firm. However, a firm name may contain the name or pertinent part thereof which identifies membership of that firm in an association or alliance of certified public accounting firms.

VII. Regulatory Matters

- The Board heard a report from Investigator Ransom Jones and approved the regulatory activities that have occurred from May 30 to September 26, 2008:

<u>Activity</u>	<u>Number</u>
Cases Opened	4
Cases Closed	1
Cases referred to Members	0
Total Cases Open	31

VII. Regulatory Matters (Continued)

2. Cases closed:

Case 2008.13 - opened May 16, 2008. A company without a CPA firm permit was listed as a CPA firm on an internet yellow pages site. The owner responded to the Board letter that her grandmother had been a CPA and she was using that name without the CPA designation. The investigator closed the case and will continue to monitor the clipping service and internet listings for this firm.

3. Investigator Jones reported on the monitoring of CPE reporting forms for the compliance period ended June 30, 2008. Board staff have received and reviewed 3,890 of 4,029 CPE Reporting Forms by September 19, 2008. 139 CPE reporting forms have not been received. Fourteen of the CPE reports received were postmarked after August 31, 2008..
4. The Board reviewed the open case log by general description.

VIII. Trial Board

1. The Board members 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 holding a 10:00 a.m. administrative hearing related to complaint number 2008.07-B, concerning Melvin Dick and License Number R2811. Willie Sims, 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. Shanna May, Brooks Court Reporting, recorded the discussions. David Clarke was absent and Jim Burkes was recused. Within the Trial Board the Board heard evidence from witness Ransom C. Jones, CPA Investigator. The respondent did not appear at the hearing. Legal and proper notice were delivered to the respondent.

Evidence heard: Mr. Dick while serving as lead engagement partner for Arthur Anderson LLP in connection with the audit of financial statements of WorldCom, Inc. for the fiscal year ending December 31, 2001, failed to comply with Generally Accepted Auditing Standards and the audit report falsely stated that WorldCom financial statements were presented in conformity with Generally Accepted Accounting Principles. The audit failed to detect the perpetration of a

VIII. Trial Board (Continued)

2. Complaint 2008.07-B (Continued)

securities fraud by certain WorldCom employees who made approximately \$3 billion of inappropriate reductions of line costs by means of manual journal entries. Mr. Dick was suspended from appearing or practicing as an accountant before the Securities Exchange Commission (SEC) for a period of four years by the SEC April 14, 2008.

That a result of the SEC action, and the supporting documentation of the Respondent's participation in the audit, which did not detect improperly reduced line costs, the Respondent is charged with violating State Board Rules and Regulations: Chapter 6, Section 9 - Auditing Standards - Rule 6.9.1 which states that a licensee or firm permit holder shall not permit his name to be associated with financial statements in such a manner as to imply that he is acting as an independent public accountant unless he has complied with the applicable generally accepted auditing standards; Chapter 6, Section 15 - Discipline by Federal Authorities - Rule 6.15.1 which states that a licensee shall conduct himself in a manner which will not cause him to be disciplined by federal or state agencies or boards for violations of laws or rules on ethics. A licensee or firm permit holder who engages in activities regulated by other federal or state authorities (including but not limited to the following agencies - IRS, Department of Revenue, SEC, State Bar, Mississippi Secretary of State, State Auditor, State Treasurer, Department of Insurance, GAO, HUD) must comply with all such authorities' ethics laws and rules; Rule 6.15.2 which states that a licensee or firm permit holder shall not perform actions in ways that would cause suspension or disbarment from practice before the Treasury Department or other federal agency or have his CPA certificate/license issued by any other state or territory revoked or suspended for reasons other than non-payment of fees, failure to register, failure to meet educational requirements, or other similar technical administrative reasons; and Section 17 - Prohibited Acts - Rule 6.17.13 prohibits a licensee from having his right to practice accounting before any state or federal agency suspended or revoked.

Following the administrative Trial Board hearing and upon motion by Rick Elam with second from Angela Pannell, 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.

VIII. Trial Board (Continued)

2. Complaint 2008.07-B (Continued)

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

The Trial Board finds that the Respondent has violated the following State Board Rules and Regulations: Rule 6.9.1 (Auditing Standards); Rule 6.10 (Accounting Principles); Rule 6.15.1 and Rule 6.15.2 (Discipline by Federal Authorities) and; Rule 6.17.13 (Prohibited Acts).

The Board further finds that although the Respondent surrendered his license and such has been cancelled, the afore-mentioned violations occurred at the time the Respondent was a licensee of this Board. Therefore, the Board hereby orders that the violations found herein shall be included as part of the circumstances surrounding the cancellation of the Respondent's license and such shall be considered as part of any application to be filed by the Respondent for reinstatement pursuant to Rule 2.4.

Votes were for: Willie Sims, Rick Elam, Diane Day, Angela Pannell, Jean Shepherd; Recused: Jim Burkes; and Absent: David Clarke.

Upon the conclusion of this business, the Board 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.

3. 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