

**MISSISSIPPI STATE BOARD OF PUBLIC ACCOUNTANCY**  
**MINUTES**  
**August 5, 2011**

The Mississippi State Board of Public Accountancy met at the Board office at 5 Old River Place, Suite 104, Jackson, Mississippi, on August 5, 2011, beginning at 8:30 a.m. The following record of that meeting was maintained.

Board Members Present

David L. Miller, Chair  
Shelly B. Boone, Vice Chair  
Jim E. Burkes  
David E. Clarke  
Angela L. Pannell

Board Members Absent

Willie B. Sims, Jr., Secretary  
Rick Elam

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  
Drew Levanway, Mississippi Interactive, LLC  
John McManus, MS Information Technology Services  
Dana Rowzee, Mississippi Interactive, LLC  
Gary Walker, MSCPA  
Shanna May, Brooks Court Reporting

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**I. General**

1. The Board opened the meeting with an invocation from Gary Walker.
2. The Board members present recognized the Governor's appointment of Angela Pannell for the period May 31, 2011 - December 31, 2016 and unanimously accepted her oath of office.
3. The Board members approved the minutes from the May 25, 2011, meeting; Angela Pannell abstained.

I. General (Continued)

4. The Board members present signed the CPA certificates of licensure from the May 25, 2011, meeting.
5. The Board members present set the time for next meeting and reviewed the tentative meeting dates and activities for the remainder of 2011:

Sep 23	8:30 a.m.	Meeting
Oct 23 - 26		NASBA Annual Meeting, Nashville
November 18	Noon	Meeting
November 19	9:30 a.m.	CPA Presentation Ceremony
December 16		Meeting
6. The Board members present had a general discussion related to meetings and conferences attended including the:
  - NASBA Regional Meetings, June 2011, and
  - MSCPA Annual Meeting, June 24, 2011.
7. The Board members present reviewed and approved attendance of Susan Harris, David Miller, and Jim Burkes at the NASBA Peer Review Oversight Committee Meeting in Charleston, SC, August 15-17, 2011.

II. National Regulatory Concerns

1. The Board members present reviewed together the June 2011 NASBA *State Board Report*.
2. The Board discussed the June 17, 2011, NASBA Release: *NASBA Sells Professional Credential Services, Inc. To a Management and Private Investment Firm*.
3. The Board members present reviewed together the NASBA Center for the Public Trust - *Ethics Matters*, June 2011.
4. The Board noted the July 27, 2011 release: CPAmobility.org launch.
5. The Board reviewed the AICPA *State Regulatory Update*, Summer 2011.
6. Each member received a copy of the AICPA Journal of Accountancy article entitled *Improving the Code of Professional Conduct*.

## II. National Regulatory Concerns (continued)

7. The Board members present noted and discussed the following Public Accounting Oversight Board (PCAOB) releases:
  - *PCAOB Adopts Interim Inspection Program for Broker-Dealer Audits and Broker and Dealer Funding Rules,*
  - *PCAOB Issues Concept Release on Auditor's Reporting model*
  - *Statement on Delegation to China,*
  - *PCAOB Proposes Standards for Broker-Dealer Audits and Auditing Supplemental Information,* and
  - June 2, 2011, James R. Doty, Speaker, *Rethinking the Relevance, Credibility and Transparency of Audits.*

## III. Administration

1. The Board members present reviewed the SAAS Summary Trial Balances as of June 30, 2011, for Treasury Funds 3845 and 3850, and the Treasury Fund 3845 SAAS Appropriation/Actual Expenditures for the twelve months ended June 30, 2011 (before lapse period closure).
2. The Board members present reviewed and unanimously ratified the draft budget request for the fiscal year ended June 30, 2013, submitted to the Legislature and the Governor August 1, 2011. The Board also reviewed and approved the draft *5-Year Strategic Plan for the Fiscal Years 2013 - 2017*. The plan is due to the Legislature and the Governor's Office August 15.
3. The Board welcomed John McManus, ITS, and Dana Rowzee, Director of Portal Operations, and Drew Levanway, Project Manager, both with Mississippi Interactive, LLC. The Board heard a report from these individuals concerning the contract with Mississippi and the tentative schedules for data base and on-line portal services.

## IV. CPA Examination, Licensing and Firms

1. The Board members present unanimously ratified the Window 2 - April - May 2011 CPA examination scores for 151 candidates, 196 examination sections. Sixteen (16) candidates completed all four examination sections.

## IV. CPA Examination, Licensing and Firms (Continued)

2. The Board members present unanimously accepted the listing of 131 candidate applications for the computerized examination (34 initial, 97 reexam) received since the May 2011 meeting.
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>File</u> <u>Number</u>	<u>Name</u>	<u>Number</u>	<u>Date</u>	<u>Approved</u>
12797	John Charles Chapoton	6144	8/5/11	Yes
12465	Jinnie Lynn Coleman	6145	8/5/11	Yes
12922	Nancy Colleen Davis	6146	8/5/11	Yes
12895	Yanxia Gao	6147	8/5/11	Yes
12766	Neil Alan Godfrey	6148	8/5/11	Yes
12870	Breanne Elizabeth Hancock	6149	8/5/11	Yes
07737	Thomas M. Harris, Jr.			No (1)
12609	Laura Paige Hough	6150	8/5/11	Yes
12932	Joshua Kurth McBride	6151	8/5/11	Yes
12638	Amy Lynn McKinney			No (1)
11212	Christopher Ryan Nance	6152	8/5/11	Yes
12337	Rachel Kristen Pitzrick	6153	8/5/11	Yes
12770	Amanda Hope Langdon Sharp	6154	8/5/11	Yes
12844	Stuart Lee Southwell			No (1)
12805	Jason Ruben Smith	6155	8/5/11	Yes
12706	Brandon Hill Vance	6156	8/5/11	Yes
12881	Davis Cooper Watts	6157	8/5/11	Yes

- (1) Pending additional information related to completion and satisfaction of experience requirement.

## IV. CPA Examination, Licensing and Firms (Continued)

Applications for Reciprocal CPA Licenses

File Number	Name	Number	Date	Approved
13090	Jeremy Bofman	R3552	8/5/11	Yes
13039	Denise Ann Cutrone	R3553	8/5/11	Yes
13109	Valerie Christina Epling	R3554	8/5/11	Yes
13007	Joseph Paine Hammond	R3555	8/5/11	Yes
09435	Cheryl Marie Hopkins	R3556	8/5/11	Yes
13118	Toni L. Ladnier	R3557	8/5/11	Yes
13083	Dorin Lavric	R3558	8/5/11	Yes
13108	May K. Thomas	R3559	8/5/11	Yes

Applications for Reinstatement of CPA Licenses

File Number	Name	Number	Approved
00109	Keith Eugene Gaddis	1883	Yes
06448	Charles Guy Lowe, III	4231	Yes
08848	Floyd Edward Penton, Jr.	4790	Yes
10433	Christy M. Roberts	5448	Yes
08466	Catherine L. Strong	4795	Yes

Applications for CPA Firm Permit to Practice

Name	Number	Approved
Edward A. Buckner III CPA Vicksburg, MS	F1445	Yes
Cooper, Travis & Company, PLLC Nashville, TN	F1446	Yes
Ellis, Tucker & Aldridge, LLP Little Rock, AR	F1447	Yes
Valerie Epling, CPA Natchez, MS	F1448	Yes
Cecil L. Hill, CPA Jackson, MS	F1449	Yes

## IV. CPA Examination, Licensing and Firms (Continued)

## 3. Applications (Continued)

Applications for CPA Firm Permit to Practice (continued)

<u>Name</u>	<u>Number</u>	<u>Approved</u>
Cheryl Hopkins, CPA Ridgeland, MS	F1450	Yes
Toni L. Ladnier, CPA St. Francisville, LA	F1451	Yes
Monteneze L. Miller, CPA Ridgeland, MS	F1452	Yes
Moss Adams, LLP Seattle, WA	F1453	Yes

Application for Reinstatement of a CPA Firm Permit to Practice

<u>Name</u>	<u>Number</u>	<u>Approved</u>
F. Ed Penton, Jr. PC Pascagoula, MS	F0585	Yes

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

<u>Name</u>	<u>Number</u>	<u>Description</u>
DeVoe Carr, PLLC Oxford, MS	F0268	Name Change from Church Devoe & Associates, PLLC
Hales CPA Firm, PLLC Pearl, MS	F1364	Name Change from Brandy Hales, CPA
Halphen-McKay, PLLC Gulfport, MS	F1435	Name Change from Stephanie Halphen-McKay, CPA
Hylander CPA Firm, PLLC Collierville, TN	F1301	Address Change
James R. Peters, CPA Tupelo, MS	F1000	Address Change
The McIngvale CPA Firm Southaven, MS	F1176	Name Change from Skinner & McIngvale, PLLC
Watkins, Ward and Stafford, PLLC Amory, MS	F1006	Name Change from Ron Aldridge, CPA

#### IV. CPA Examination, Licensing and Firms (Continued)

5. The Board members present discussed the November 19, 2011, ceremony and potential key speaker.
6. The Board members present unanimously took the following actions related to requests for amendments to the 2011 CPE compliance requirements:

<u>Name</u>	<u>Number</u>	<u>Board Action</u>
Jake M. Bellipanni	1766	Extension to 10/31/11 - 7 CPE hours
Deborah D. Clifton	2061	Waiver
William D. Coleman	R3216	Extension to 10/31/11 - 12 CPE hours
Sara J. Cotton	5415	Extension to 10/31/11 - 18.5 CPE hours
John W. Gill	1936	Extension to 10/31/11 - 6 CPE hours
Melinda M. Gratwick	R2866	Waiver
Steven W. Gray	2317	Extension to 10/31/11 - 18.7 CPE hours
Hal Lyn Green	1961	Waiver
John B. Guitreau	5907	Extension to 10/31/11 - 2 CPE hours
Quandice J. Green	5501	Extension to 10/31/11 - 27 CPE hours
Mark E. Hamlin	3269	Extension to 10/31/11 - 6 CPE hours
John F. Hill	3693	Extension to 10/31/11 - 36.2 CPE hours
Brandon D. Kim	R3537	Extension to 10/31/11 - 15.5 CPE hours
David S. Kimbrough	4090	Waiver
Melissa O. Miller	5243	Extension to 10/31/11 - 6.5 CPE hours
Kayla M. Norris	5897	Extension to 10/31/11 - 1.5 CPE hours
Donna H. Perry	3270	Extension to 10/31/11 - 9 CPE hours
Gregory L. Phillips	4706	Extension to 10/31/11 - 6 CPE hours
Julie H. Selleck	3853	Extension to 10/31/11 - 55 CPE hours
Stephanie B. Smith	3657	Extension to 10/31/11 - 16 CPE hours
James W. Stringer	1427	Extension to 10/31/11 - 8 CPE hours
Louis E. Traylor	R2816	Waiver

7. The Board members present unanimously approved requests from CPAs for waivers of the 2011 CPE compliance requirements based on affidavits of current retirement and intention to apply for CPA (retired) for 2012 as follows:

<u>Name</u>	<u>Number</u>
David A. Buttross	1647
Eugene Singleton Clarke	0764
William George Gragson, Jr.	1449
Michael C. Green	2318
Sally M. Johnson	5419
Thomas L. Skinner	2264

**IV. CPA Examination, Licensing and Firms (Continued)**

8. The Board reviewed a listing of voluntary cancellations made by CPAs requested during the 2011 CPE reporting period:

<u>Name</u>	<u>Number</u>
David Wendell Carter	R3467
Donna M. Gilbert	2964
David R. Harper	5148
Johnny K. Hudson	R2274 (CPE compliant)
Jay Adam Lurie	R3450
Joe T. Lyons	R2857 (CPE compliant)
Patrick T. Pruitt	R3262 (CPE compliant)
Robert C. Rea	R2890 (CPE compliant)
Thomas N. Walker	R3370 (CPE compliant)

9. The Board members present reviewed and unanimously approved three requests for refunds of exam fees.
10. The Board reviewed and discussed a July 15, 2011, letter from NASBA regarding an upcoming change in the Prometric portion of the examination fees related to hourly seat time.

**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.	Association of Government Accountants			
	1. MAGIC System Update	9/8/2010	1	Yes
	2. Combating Fraud	6/8/2011	4	Yes
	3. IFRS & International Accounting	6/8/2011	1	Yes
B.	Beacon Hill Fin. Educators (QAS)			
	1. Ethics for Accountants: Mississippi	Online Self Study	4 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>
C.	Beta Alpha Psi, School of Accountancy			
	1. Accounting and Auditing Update	6/8/11	8	Yes
D.	Central Chapter of MSCPA			
	1. Overview of the New Health Reform Bill, Disability and Professional Liability	7/15/10	1	Yes
	2. Tax Crimes and Prosecutions	8/19/10	1	Yes
	3. Challenges Facing Accounting Professionals . . . the Past, the Present and the Future	9/16/10	1	Yes
	4. Update from the Mississippi Board of Public Accountancy	10/21/10	1	Yes
	5. An Update from the State Treasurer	11/18/10	1	Yes
	6. An Update from the State Auditor's Office	1/20/11	1	Yes
	7. Economic Update	2/17/11	1	Yes
	8. Five Information Technology Risks You Should Worry About	3/17/11	1	Yes
	9. 2011 Legislative Update	4/21/11	1	Yes
	10. Distress or Insolvency in a Company and Maximizing Value Through the Bankruptcy Process	5/19/11	1	Yes
E.	Eaton, Babb & Smith P.A.			
	1. Federal and State Laws Applicable to Mississippi Public School Districts	5/18/2011	8	Yes
F.	Haddox, Reid, Burkes & Calhoun PLLC			
	1. Mid-Year Accounting & Tax Update	6/2/11	5	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>
G.	May & Company, LLP			
	1. Estate Tax Planning in 2011 and Beyond	5/19/11	2	Yes
H.	Mississippi Association of Public Accountants			
	1. MAPA/TAA Joint Convention	6/21-24/11	12	Yes
I.	Mississippi Department of Revenue			
	1. Agency Overview	3/1/11	1	Yes
	2. MARS Overview	3/1/11	.5	Yes
	3. Sales & Use Tax - Structure, Law, Regulations	3/2/11	8	Yes
	4. Overview of the Audit Process	3/3/11	4	Yes
	5. Password Management	3/3/11	.25	Yes
	6. ARS (Activity Entries & Expenses, Uploads)	3/3/11	.75	Yes
	7. Audit Work Papers	3/3/11	2	Yes
	8. Sales Tax Law Application & Discussion	3/4/11	1	Yes
	9. Overview of Division Missions	3/4/11	2	Yes
	10. Audit Methods & Techniques	3/4/11	3	Yes
	11. Tax Management Systems- Overview	3/7/11	4	Yes
	12. Methods & Techniques- Comparison Overview	3/7/11	3	Yes
	13. Account & Entity Relationships	3/8/11	5	Yes
	14. Methods & Techniques: Source & Applications- Snapshot View	3/8/11	3	Yes
	15. Food Stamps-Internal Website	3/9/11	.75	Yes
	16. Audit Plan-Scheduling	3/9/11	1	Yes
	17. Use Tax Law with Practice	3/9/11	5	Yes
	18. EXCEL-Text to Data Technique	3/9/11	.75	Yes
	19. Statute of Limitations	3/10/11	1	Yes
	20. Audit Research	3/10/11	5	Yes
	21. Law Applications-Food Stamps, Service Type Sales	3/14/11	1	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>
I.	Mississippi Department of Revenue (Continued)			
	22. Interest and Penalty Calculations	3/14/11	1	Yes
	23. Audit Research	3/14/11	3	Yes
	24. Exempt Sales and Credits	3/15/11	2	Yes
	25. Practice Sets-Small Grocery	3/15/11	12	Yes
	26. Audit Report Package-Audit History, (Intro) Auditor Comments, Package Layout	3/21/11	6.5	Yes
	27. Audit Report Package-Auditor Comments	3/21/11	1.5	Yes
	28. Grocery Store Procedures	3/22/11	8	Yes
	29. 2007 Microsoft Access	3/23/11	2	Yes
	30. Ethics	3/23/11	2 Gen Ethics	Yes
	31. Tax Credit Applications	3/23/11	1	Yes
	32. Audit Difficulty Factors	3/23/11	1	Yes
	33. Industry Issues Discussion- Restaurants and Department Stores	3/28/11	1	Yes
	34. Audit Approach with Role Play	3/28/11	3	Yes
	35. General Tax Law Application Problems	3/28/11	1	Yes
	36. Income Tax Law	3/29/11	1	Yes
	37. Income Tax Audit Perspective	3/29/11	3	Yes
	38. Analysis and Compilation of an Audit	3/29/11	4	Yes
	39. Special Tax Levies	3/30/11	.75	Yes
	40. City Diversion	3/30/11	.75	Yes
	41. Special Tax and City Diversion Applications	3/30/11	2	Yes
	42. Exempt Sales	3/30/11	2	Yes
J.	Mississippi Society of CPAs			
	1. Oil and Gas Taxation	10/27-28/10	16	Yes
	2. Mississippi Technology Conference	5/9-10/11	16	Yes
	3. Accounting and Auditing Conference	5/13/11	8	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>
J.	Mississippi Society of CPAs			
	4. Program for Management Development	5/18-19/11	16	Yes
	5. Nuts and Bolts of Estate Planning	5/26/11	8	Yes
	6. Federal Taxation of Timber Growers	6/16/11	8	Yes
	7. Ethics Update and Accounting Update	6/23/11	8 4 Ethics (3 general 1 rules)	Yes
	8. MSCPA BV/Lit Services Committee & MS Chapter of NACVA-Valuation Litigation Services Seminar	7/18/11	8	Yes
K.	Mississippi Young CPAs			
	1. 2011 Annual Mississippi Young CPA Conference	5/6/11	6	Yes
L.	Morgan Keegan			
	1. 2011 CPE Seminar	6/14/11	4	Yes
M.	Office of the State Auditor			
	1. Government Accounting and Auditing Update	4/27-28/11	16	Yes
	2. State Agency Division Training	6/8/11	6	Yes
N.	Pearl River Community College			
	1. DISC Workplace Profile	5/18/11	4	Yes
O.	Petroleum Accounting Society of MS			
	1. Oil & Gas Partnerships	10/25/11	8	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>
P.	Porter Keadle Moore and Georgia Southern			
	1. Fraud and Forensic Accounting Education Conference	6/2-4/11	3 General Ethics	Yes
Q.	TechKnolutions, LLC			
	1. Digital Disaster Recovery Preparedness	TBD	8	Yes
	2. Computer Policies and Practices	TBD	8	Yes
	3. Security Vulnerability Auditing	TBD	8	Yes
	4. Information Systems Auditing	TBD	8	Yes
R.	The University of Alabama			
	1. 65 <sup>th</sup> Annual Federal Tax Clinic	11/17-18/11	17 (1 Gen Ethics)	Yes
S.	Watkins Ward and Stafford PLLC			
	1. Accounting Update	6/3/11	8	Yes

2. The Board members present unanimously authorized the following actions concerning CPE request from individuals.

	<u>Sponsor/Program Title</u>	<u>Dates</u>	<u>Hours</u>	<u>Approved</u>
A.	American Journal of Business Research			
	1. CPAs' Moral Reasoning and Support for Expanding Sarbanes-Oxley to Nonpublic Entities	Published Article co-author	40	Yes
	<i>Requested by Paul Allen</i>			

## V. Continuing Professional Education (Continued)

## I. CPE Individual Applications (Continued)

	<u>Sponsor/Program Title</u>	<u>Dates</u>	<u>Hours</u>	<u>Approved</u>
B.	Internal Auditing			
	1. Real Value For Real-Time Accounting and Reporting	Published Article co-author	10	Yes
	Oil, Gas & Energy			
	1. Economic and Natural Damages Caused By The British Petroleum Oil Spill	Published Article	15	Yes
	The CPA Journal			
	1. Growth Potential in a Difficult Economy: Strategies For Expanding Client Services	Published Article	25	Yes
	<i>Requested by Paul Ashcroft</i>			
C.	LexisNexis Publishing			
	1. Bender's 2011 Payroll Tax Guide (Chapters 5, 6 and 9)	Published Book co-author	18	Yes
	<i>Requested by Bob Kilpatrick</i>			
D.	Mississippi Technology Alliance			
	1. Tenth Annual Southern BioProducts and Renewable Energy Conference	5/10-11/11	12	Yes
	<i>Requested by Tonya Klauser</i>			
E.	Journal of Accountancy			
	1. New Life Charitable Lids	Published Article co-author	16	Yes
	<i>Requested by Wayne E. Nix</i>			

**VI. Regulatory Matters**

1. The Board heard a report from Investigator Ransom Jones and approved the regulatory activities from May 25 to August 5, 2011:

Activity	Number
Cases Opened	4
Cases Closed	4
Cases referred to Members	3
Total Cases Open	21

2. The Investigator reviewed and discussed the closed cases, as follows:

2008.18; 2008.21; 2008.23; 2008.25 - opened in 2008. Complaints against a licensee in connection with her work performed related to a Housing and Urban Development housing unit located in north Mississippi. David Miller's investigative committee and a fraud examination expert conducted an extensive investigation which included the issuance of a subpoena for the fraud engagement working papers. Two informal conferences were held with the respondent, her attorneys and the investigative committee at the Board office.

Offers to settle the matter with a consent order were rejected so the matters went to Trial Board which was to be held in May 2011. After lengthy negotiations, the respondent agreed to sign the Stipulation and Consent Order signed by the Board on May 25, 2011.

3. The Board members received a listing from the Mississippi Society of CPAs of CPA firms that are enrolled in the AICPA peer review program at June 30, 2011. The Board noted the Peer Review Oversight Committee is due to provide its annual report to the Board concerning the MSCPA peer review program after 90 days of June 30, 2011.
4. The Board members present discussed current Peer Oversight Members and expiration of the term for the Central Mississippi member, Cecil Harper. The Board provided the names of qualified individuals from Central Mississippi for the staff to contact concerning possible service on the Peer Review Oversight Committee (PROC). Other members on the PROC are: Wib Wright 2009-2012 (South) and Si Thomas 2010-2013 (North).

**VI. Regulatory Matters (Continued)**

5. The Board heard a report from Investigator Ransom Jones concerning the CPE audit. Mr. Jones also discussed the proposed procedures as approved the Shelly Boone CPE investigative committee related to the 2011 CPE reports not yet received and other procedures.
6. The staff also discussed the current oversight of the peer review program including the listings and reports received annually from the Mississippi Society of CPAs.
7. The Investigator reviewed the open case log by general description and provided a generalized report on the investigative activities.

**VII. 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. David Miller, Trial Board President, was the presiding officer. Onetta Whitley, Deputy Attorney General, was the presenting attorney. Bridgette Wiggins, Special Assistant Attorney General, was the hearing officer.
2. The Board continued as Trial Board for the purpose of hearing complaint 2011.03 concerning Gary Hamilton, CPA 2397. On or about August 26, 2010, an indictment was filed against the respondent in the United States District Court for the Northern District of Mississippi, Eastern Division. He was found guilty of the charges on or about May 11, 2011, including violations of Title 18, United States Code Section 371(a) and Title 26, United States Code, Section 7201. Therefore, the respondent allegedly violated the Rules and Regulations related to unprofessional, discreditable and/or prohibited conduct as follows:

Section 6.3.2. which provides that a licensee or CPA shall not knowingly misrepresent facts;

Section 6.14.1. which requires a licensee or CPA to conduct himself in a manner which will contribute to the honor and dignity of the State and the profession and to not at any time commit an act or engage in any conduct discreditable to the accounting profession;

**VII. Trial Board (Continued)**

2. Administrative Hearing (Continued)

Section 6.14.2. which prohibits a CPA from engaging in any discreditable act including “acts that reflect adversely on the CPA's honesty, integrity, trustworthiness, good moral character, or fitness as a CPA in other respects”;

Section 6.17.1. which prohibits a CPA or firm permit holder from making “misleading deceptive, untrue, or fraudulent representations in the practice of public accounting”;

Section 6.17.2. which makes the CPA’s conviction of a felony a prohibited act and cause for discipline;

Section 6.17.10. which subjects the CPA or firm permit holder to discipline upon being “convicted or found guilty, regardless of adjudication, or pleads no contest to a crime in any jurisdiction which directly related to the practice of public accounting or the ability to practice public accounting”;

Section 6.17.14. which provides cause for discipline when a “CPA or firm permit holder has performed a fraudulent act while holding a license to practice public accounting”; and

Section 73-33-11 of the Mississippi Code of 1972, as amended, which subjects a licensee to discipline for any unprofessional conduct or other sufficient cause.

3. Within the Trial Board the Board heard evidence from Ransom C. Jones, CPA Investigator, concerning the complaint. Legal and proper notice was delivered to the respondent Gary Hamilton, but he did not appear at the Trial Board hearing.
4. The Board then upon motion by Jim Burkes with second by Shelly Boone, 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.

In the closed meeting the Board upon motion by Jim Burkes with second from Angela Pannell, the Board unanimously voted that they did indeed have a proper subject matter before it to entitle it to go into Executive Session, namely discussion and debate of a disciplinary matter. Accordingly, the Board reopened the closed meeting and upon motion by Jim Burkes with second from Angela Pannell voted

VII. Trial Board (Continued)

4. Administrative Hearing (Continued)

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 Board found, based upon clear and convincing evidence, that the respondent Gary Hamilton is guilty of the violations as charged; therefore, CPA license 2397 held by Mr. Hamilton is revoked. The Board determined to assess the respondent a civil penalty of \$5,000 for each violation, totaling \$10,000. In addition the respondent is assessed all investigative, legal, and hearing costs and of this matter to be paid by check or money order within thirty days of the Trial Board order. Gary Hamilton is ordered to return the CPA certificate of licensure to the Board office. Votes were - For: David Miller, Shelly Boone, David Clarke Jim Burkes, Angela Pannell, Against: None; Absent: Rick Elam, Willie Sims and Recused: None.

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.

5. The Board continued as Trial Board for the purpose of reviewing for release from a consent order the following for complete satisfaction of the ordered requirements as issued by the Shelly Boone Investigative Committee related to 2010 CPE. Upon motion by Jim Burkes with second from David Clarke, the Trial Board approved release of the following licensee from the consent order. Votes were - For: David Miller, David Clarke Jim Burkes, Angela Pannell, Against: None; Absent: Rick Elam, Willie Sims and Recused: Shelly Boone.

<u>Complaint No.</u>	<u>Name</u>	<u>License No.</u>
2010.15-63	Clayton E. Johnson	1874

6. 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