

MISSISSIPPI STATE BOARD OF PUBLIC ACCOUNTANCY
MINUTES
September 23, 2011

The Mississippi State Board of Public Accountancy met at the Board office at 5 Old River Place, Suite 104, Jackson, Mississippi, on September 23, 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
Willie B. Sims, Jr., Secretary
Jim E. Burkes
David E. Clarke
Rick Elam
Angela L. Pannell

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
Gary Walker, MSCPA

I. General

1. The Board opened the meeting with an invocation from Willie Sims.
2. The Board members approved the minutes from the August 5, 2011, meeting.
3. The Board members signed the CPA certificates of licensure from the August 5, 2011, meeting.

I. General (Continued)

4. The Board members set the time for next meeting and reviewed the tentative meeting dates and activities for the remainder of 2011:

Oct 23 - 26		NASBA Annual Meeting, Nashville
November 18	11:00 a.m.	Meeting
November 19	9:30 a.m.	CPA Presentation Ceremony
December 16		Meeting

5. The Board members set tentative meeting/activity dates for 2012:

January 20	Meeting	June 21-24	MSCPA Annual
February 17	Meeting	July 20	Meeting
March 23	Meeting	August 24	Meeting
April 20	Meeting	September 21	Meeting
April 21	Ceremony	October 28-31	NASBA Annual
May 18	Meeting	November 16	Meeting
June 13-15	NASBA E. Regional	November 17	Ceremony
June 27-29	NASBA W. Regional	December 14	Meeting

II. National Regulatory Concerns

1. The Board members reviewed and discussed the July, August and September 2011 NASBA *State Board Reports*.
2. The Board discussed the August 25, 2011, NASBA email: State Board Alert-delay comments related to standard setting for non-public entities.
3. The Board reviewed the NASBA August 9, 2011, memorandum from David Costello regarding Quarterly Communications and answered the focus questions due October 5, 2011.
4. The Board noted the August 15, 2011, NASBA email addressing the impact of the National Registry Exposure Draft on State Law and Executive Summary.
5. The Board reviewed the NASBA & AICPA August 15, 2011 release: *NASBA and AICPA Issue Proposed Revisions to Continuing Professional Education (CPE) Provider Standards*.

II. National Regulatory Concerns (continued)

6. The Board noted the August 16, 2011, AICPA email: White Paper on Final Changes to the Peer Review Standards.
7. The Board members reviewed the August 22, 2011, AICPA email: AICPA Peer Review Board Releases New Exposure Draft on Administering and Performing QCM Reviews.
8. The Board noted the September 14, 2011, AICPA email announcing the webcast September 28, 1:00p.m. CDT from the State Regulation and Legislation Team.
9. The Board members reviewed the following Public Accounting Oversight Board (PCAOB) releases:
 - *PCAOB Issues Concept Release on Auditor Independence and Audit Firm Rotation*,
 - *PCAOB Enters Into Cooperative Agreement with Norway*, and
 - *PCAOB Standard-Setting Agenda*, September 2011.

III. Administration

1. The Board members reviewed the SAAS Summary Trial Balances as of August 31, 2011, for Treasury Funds 3845 and 3850, and the Treasury Fund 3845 SAAS Appropriation/Actual Expenditures for the two months ended August 31, 2011.
2. By motion from Willie Sims with second from Rick Elam the Board voted to go into executive session to discuss a personnel matter related to employee evaluation. During the executive session, the Board members discussed and agreed on the evaluation. After such discussion, the Board unanimously agreed to come out of executive session and resume the regular meeting.

IV. CPA Examination, Licensing and Firms

1. The Board members unanimously accepted the listing of 72 candidate applications for the computerized examination (26 initial, 46 reexam) received since the August 2011 meeting.

IV. CPA Examination, Licensing and Firms (Continued)

2. The Board members 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>
12723	Amanda Blair Branch	6158	9/23/11	Yes
10871	Lesley Camille B. Gilliam	6159	9/23/11	Yes
12767	Matthew D. Gregory	6160	9/23/11	Yes
07737	Thomas M. Harris, Jr.	6161	9/23/11	Yes
12373	Harrell Edwin Holloway, III	6162	9/23/11	Yes
12792	Lee Henry King	6163	9/23/11	Yes
12773	Laurin Kaye Lauderdale	6164	9/23/11	Yes
12848	Edward Allen Maxwell, III	6165	9/23/11	Yes
12632	Jessica Marie McCarthy	6166	9/23/11	Yes
10576	Mauri Estess McKay	6167	9/23/11	Yes
12638	Amy Lynn McKinney	6168	9/23/11	Yes
07393	Pamela Ruth Mitchell	6169	9/23/11	Yes
12318	Frances Virginia Moore	6170	9/23/11	Yes
11931	Edward L. Poole	6171	9/23/11	Yes
12429	Amy Wilson Smith	6172	9/23/11	Yes
12756	Jessica Sanford Tackett	6173	9/23/11	Yes

Applications for Reciprocal CPA Licenses

<u>File</u> <u>Number</u>	<u>Name</u>	<u>Number</u>	<u>Date</u>	<u>Approved</u>
13146	Lewis Russell Loeb	R3560	9/23/11	Yes
13136	Tatiana Stephana Markov	R3561	9/23/11	Yes
13126	John Bert North	R3562	9/23/11	Yes
13092	Erin Kleuser Owen	R3563	9/23/11	Yes
13100	Matthew Christopher Thiel	R3564	9/23/11	Yes
12837	Alfred L. Worthy	R3565	9/23/11	Yes

IV. CPA Examination, Licensing and Firms (Continued)

2. Applications (Continued)

Applications for Reinstatement of CPA Licenses

<u>File</u> <u>Number</u>	<u>Name</u>	<u>Number</u>	<u>Approved</u>
07823	Michael Todd Kern	4761	Yes
08766	Carol Ann Sallis	4959	Yes

Applications for CPA Firm Permit to Practice

<u>Name</u>	<u>Number</u>	<u>Approved</u>
Ellen A. Bevon, CPA, PLLC Hattiesburg, MS	F1454	Yes
E. Tate Ervin, CPA Jackson, MS	F1455	Yes
Shelly B. Ford, CPA Biloxi, MS	F1456	Yes
Garrett, Stephens, Thomas & Fazio, P.C. Carrollton, GA	F1457	Yes
A. J. Groscost, CPA, PLLC Olive Branch, MS	F1458	Yes
David M. Howell, CPA PA Carthage, MS	F1459	Yes
Donna C. Parmegiani, CPA, PLLC Canton, MS	F1460	Yes
Alfred L. Worthy, CPA Olive Branch, MS	F1461	Yes

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

<u>Name</u>	<u>Number</u>	<u>Description</u>
APH CPAs, PLLC Franklin, TN	F1126	Address Change
Daniel J. Barfield, CPA Oxford, MS	F0822	Name Change from Barfield & Associates, PC
Pyeatt & Adams, PLLC, Certified Public Accountants Brookhaven, MS	F1294	Name Change from Jeanne Pyeatt, CPA

IV. CPA Examination, Licensing and Firms (Continued)

4. The Board members present discussed the November 19, 2011, ceremony and potential key speaker.
5. 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>
George M. Conwill	2552	Deferred for information
Roberta O. Davidson	R3021	Extension to 11/30/11 - 5 CPE hours
Willis L. Frazier	1792	Extension to 11/30/11 - 45 CPE hours
Brenda J. Haralson	5147	Extension to 11/30/11 - 6 CPE hours
J. Erik Hearon	1367	Extension to 11/30/11 - 46 CPE hours
David King	5318	Extension to 11/30/11 - 16 CPE hours
Mary L. McNair	4639	Waiver
John Serafin	3771	Deferred for information
Walter L. Smitherman	3183	Extension to 11/30/11 - 18 CPE hours

6. 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>
Alice Jones Brown	3751
Albert Ferdinand Dribben	3340
William Reed Hill	1599
Janie Thompson Norwood	R1638

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

<u>Name</u>	<u>Number</u>
James Kenneth Burns	5124
Mark Edward Erath	R3218
Rebecca A. Harmon	R2504
John F. Hill	3693
Phillip Stone Hodges	R3356
William D. Nesbit	R1174
Maurie C. Thomas	R2029 (CPE compliant)
Robert W. Wadsworth	4849
Stephanie Wallace Walton	5181

IV. CPA Examination, Licensing and Firms (Continued)

8. The Board members present reviewed and unanimously approved a request from a candidate for a refund of exam fees.
9. The Board reviewed, discussed various information concerning to the CPA examination including:
 - NASBA August 9, 2011, Release: *NASBA, AICPA and Prometric Announce Successful Launch of US CPA Exam at International Test Sites.*
10. The Board reviewed and unanimously approved an NTS extension request for candidate 12260, Kimberly Tamika Houston, extending the FAR NTS until November 30, 2011, due to a personal catastrophic event.

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.	American Institute on Federal Taxation			
	1. Thirty Fifth Annual American Institute on Federal Taxation	6/15-17/11	23	Yes
B.	Balch & Bingham LLP			
	1. 2011 Biloxi Labor & Employment Seminar	10/13-14/11	8	Yes
C.	Continuing Academics CPE Tutor (QAS)			
	1. Mississippi Ethics	Self Study Online	4 Ethics (3 general 1 rules)	Yes
D.	Gulf Coast Chapter of the MSCPA			
	1. Accounting Ethics	10/27/11	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>
E.	MACJC Business Managers			
	1. Status of Student Receivables	8/29/11	1	Yes
	2. Criminals at the Gate: Protecting Confidential data in an Electronic World	8/30/11	1.5	Yes
	3. Achieving Cost Savings and Enhanced Cash Flow in a Parched Economic Environment	8/30/11	1	Yes
F.	MS Gulf Coast Chapter of the IIA			
	1. Conflict Management and Negotiation Skills	10/7/11	7	Yes
G.	Silas Simmons, LLP			
	1. Compilation and Review Update	9/7/11	7	Yes
H.	Watkins Ward and Stafford PLLC			
	1. Auditing with Pro System fx Engagement	7/20/11	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 Dr. Kevin Ennis</i>			

VI. Regulatory Matters

1. The Board heard a report from Investigator Ransom Jones and approved the regulatory activities from August 5 to September 23, 2011:

<u>Activity</u>	<u>Number</u>
Cases Opened	1
Cases Closed	4
Cases referred to Members	none
Total Cases Open	18

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

Case 2010.05 - opened April 2010. The Board staff became aware that a Tennessee CPA had opened an office in Mississippi and was practicing as a CPA without a Mississippi CPA license. No probable cause to pursue further - the respondent applied for the reciprocal and firm permit applications approved herein.

Case 2010.12 - opened June 2010. The Board staff was noticed of a civil suit against a national CPA firm associated with audit opinions on financial statements of a public company that allegedly contained materially false and misleading information. No Mississippi clients were documented in the suit. With no probable cause to investigate further, the case was closed. Further monitoring will occur through the Federal Courts.

Case 2010.21 - opened December 2010. The Board staff became aware that a former Maryland CPA holding-out as a CPA on a web page for the Mississippi university where he works as Director of Internal Audit. The case was closed after noting that the respondent removed the CPA designation from the website.

Case 2011.03 - opened May 2011. The license was convicted found guilty of two felonies in Federal District Court. The respondent's license was revoked at the August 5, 2011, Trial Board hearing.

3. The Board heard an update from Investigator Jones concerning noncompliance issues related to 2011 CPE requirements and cases opened.
4. The staff also reported on the current oversight of the peer review compliance including comparisons with reports received annually from the Mississippi Society.
5. The Investigator reviewed the open case log by general description and reported on investigative activities.

APPROVED:

Chair

Board Member

Vice Chair

Board Member

Secretary

Board Member

Board Member