

**MISSISSIPPI STATE BOARD OF PUBLIC ACCOUNTANCY  
MINUTES  
November 18, 2011**

The Mississippi State Board of Public Accountancy met at the Board office at 5 Old River Place, Suite 104, Jackson, Mississippi, on November 18, 2011, beginning at 11:00 a.m. The following record of that meeting was maintained.

Board Members Present

David L. Miller, Chair  
Shelly B. Ford, Vice Chair  
Willie B. Sims, Jr., Secretary  
Jim E. Burkes  
David E. Clarke  
Angela L. Pannell

Board Members Absent

Rick Elam

Board Staff Present

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

Legal Counsel Present

Patrick Beasley, Special Assistant Attorney General  
Bridgette Wiggins, Special Assistant Attorney General

Others Present

Edward Jones, CPA  
Wib Wright, Peer Review Oversight Committee  
Shanna May, Brooks Court Reporting

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**I. General**

1. The Board opened the meeting with an invocation from David Miller.
2. The Board members approved the minutes from the September 23, 2011, meeting.
3. The Board members present signed the CPA certificates of licensure from the September 23, 2011, meeting.

## I. General (Continued)

4. The Board members present set the start time for final meeting of 2011 year:  
December 16          8:30 a.m.          Meeting
5. The Board reviewed the tentative meeting dates and activities for 2012. The Board members present unanimously canceled the February meeting and changed the January 2012 meeting date.
 

Jan <del>20</del> 27	Meeting	June 21-24	MSCPA Annual
<del>February 17</del>	<del>Meeting</del> (canceled)	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 present heard a general report from members that attended the National Association of State Boards of Accountancy (NASBA) Annual Meeting, October 23-26, 2011.
2. The Board reviewed the October 2011 NASBA *State Board Report*.
3. The Board discussed the October 31, 2011, NASBA memorandum from David Costello, regarding Quarterly Communications including:
  - Executive Summary-Regional Directors Focus Question Responses,
  - NASBA Regional Directors' Report, and
  - Highlights of the NASBA Board Meeting, October 21, 2011.
4. The Board discussed the November 2, 2011, NASBA memorandum regarding focus questions, due January 5, 2012. The Board members present reviewed and unanimously approved the draft responses for submittal to NASBA.
5. The Board reviewed NASBA's November 3, 2011, letter to the Financial Accounting Foundation (FAF) responding to its draft proposal en: *Plan to Establish the Private Company Standards Improvement Council*. The Board members present unanimously approved the submittal of a letter from this Board to the FAF accepting the concepts in the proposal with a comment concerning FASB approval.

## II. National Regulatory Concerns (Continued)

6. The Board noted the NASBA release: *NASBA Launches CPAverify.org*, October 24.
7. The Board reviewed the AICPA Fall 2011 *State Regulatory Update*.
8. The Board members present reviewed the NASBA Center for the Public Trust - *Ethics Matters*, October 2011.
9. The Board members present noted and discussed the following recent Public Accounting Oversight Board (PCAOB) releases:
  - *PCAOB Publishes Staff Audit Practice Alert on Audit Risks in Certain Emerging Markets*,
  - *PCAOB Proposes Amendment to Improve Transparency Through Disclosure of Engagement Partner and Certain Other Participants in Audits*, and
  - *Board Statement Regarding Publication of Inspection Report Quality Control Criticisms*.

## III. Administration

1. The Board members present reviewed the SAAS Summary Trial Balances as of October 31, 2011, for Treasury Funds 3845 and 3850, and the Treasury Fund 3845 SAAS Appropriation/Actual Expenditures for the four months ended October 31, 2011.
2. The Board members present heard a report from the Executive Director concerning the current status of the ITS plan to update the Board/Commissions back-end data bases and the status of MS Interactive's work.
3. The Board members present unanimously approved the following additional per diem days:

Jim E. Burkes	October 19 - 22	NASBA Board Meeting
Shelly B. Ford	November 28 - 29	NASBA Global Strategies Committee

## IV. CPA Examination, Licensing and Firms

1. The Board members present unanimously ratified the Window 3 - July - August 2011 CPA examination scores for 192 candidates, 257 examination sections. Twenty (20) candidates completed all four examination sections.

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

2. The Board members present unanimously accepted the listing of 130 candidate applications for the computerized examination (27 initial, 103 reexam) received since the September 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>
12093	Jamie Marie Alford	6174	11/18/11	Yes
12297	Sarah Fulton Bellipanni	6175	11/18/11	Yes
12958	Robert W. Carleton III	6176	11/18/11	Yes
12772	Katherine Marie Cliburn	6177	11/18/11	Yes
12847	Whitney Gill Denham	6178	11/18/11	Yes
12338	Zachary Kyle Erwin	6179	11/18/11	Yes
12631	Mark Christopher Gibbs	6180	11/18/11	Yes
12869	Lindsay Elizabeth Jones	6181	11/18/11	Yes
12938	Maegan Marie McKinney	6182	11/18/11	Yes
13164	Jonathan Bradley Penick	6183	11/18/11	Yes
12855	Bailey Christine Stewart	6184	11/18/11	Yes
11364	Nancy Kathryn Stuart	6185	11/18/11	Yes
12840	Michael Stephen Torres, Jr.	6186	11/18/11	Yes
12875	Lee Inman White III	6187	11/18/11	Yes
12603	Ambriel Letres Woods	6188	11/18/11	Yes

**Applications for Reciprocal CPA Licenses**

<u>File</u> <u>Number</u>	<u>Name</u>	<u>Number</u>	<u>Date</u>	<u>Approved</u>
13076	Matthew Samuel Glover	R3566	11/18/11	Yes
13190	Holly Nicole Greer	R3567	11/18/11	Yes
13161	Rebecca P. Hammond	R3568	11/18/11	Yes

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

## 3. Applications (Continued)

Applications for Reciprocal CPA Licenses (Continued)

File				
<u>Number</u>	<u>Name</u>	<u>Number</u>	<u>Date</u>	<u>Approved</u>
13173	Stribling Whites Hargett	R3569	11/18/11	Yes
10015	Laura Rea Miller	R3570	11/18/11	Yes
13162	Brent A. Silva	R3571	11/18/11	Yes
13150	Anna Johnson Whittenbarger	R3572	11/18/11	Yes

Applications for Reinstatement of CPA Licenses

File			
<u>Number</u>	<u>Name</u>	<u>Number</u>	<u>Approved</u>
1154	Charles D. Wells	2602	See below

The Board convened at 1:20 p.m. to hold a hearing related to reinstatement applicant license 2602, Charles D. Wells, wherein the applicant was given an opportunity to show cause why his CPA license should be reinstated with the Mississippi Board of Public Accountancy. The matter came before the Board pursuant to this notice to Charles D. Wells to show cause why his reinstatement application for his CPA license should be approved. During the hearing, the Board heard evidence from Mr. Ransom Jones and the applicant Charles D. Wells.

After the Board had received testimony and documentary evidence in this matter, a motion was made by Shelly Ford, seconded by Willie Sims, that the Board enter into a closed determination session for the purpose of discussing whether it had cause to go into Executive Session. The motion to go into a closed determination session was passed by the remaining Board members.

In the closed determination session, a motion was made by Jim Burkes with second by Shelly Ford that the Board enter into Executive Session for the purpose of discussion and deliberations regarding whether the facts revealed at the Wells' show cause hearing constituted a violation of any law, rule and/or regulation governing the licensure of CPA and CPA firm permit and/or grounds for denial of

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

##### 3. Applications (Continued)

##### Applications for Reinstatement of CPA Licenses (Continued)

a CPA license, which deliberations could also lead to an appeal of the Board's order or litigation against the Board. This motion was passed by the remaining Board members. Votes were - For: David Miller, Shelly Ford, Willie Sims, David Clarke, Angela Pannell; Against: None; Absent: Rick Elam; and Recused: None.

Upon motion by Angela Pannell seconded by Shelly Ford, the Board determined that Mr. Wells' applications for reinstatement of his CPA would be denied. The following action was taken on said motion: For: David Miller, Shelly Ford, Willie Sims, Jim Burkes David Clarke, Angela Pannell; Against: None; Absent: Rick Elm; and Recused: None.

##### Applications for CPA Firm Permit to Practice

<u>Name</u>	<u>Number</u>	<u>Approved</u>
BDO USA, LLP Las Vegas, NV	F1462	Yes
Troy Browning, CPA Ridgeland, MS	F1463	Yes
Duplantier, Hrapmann, Hogan & Maher, LLP New Orleans, LA	F1464	Yes
Grant Thornton, LLP Dallas, TX	F1465	Yes
Holly N. Greer, CPA LLC Horn Lake, MS	F1466	Yes
Lott Fuller & Associates, PLLC Madison, MS	F1467	Yes
James N. Peneguy, CPA Jackson, MS	F1468	Yes
Turner & Associates Jackson, MS	F1469	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>
Tom Vincent, CPA Summit, MS	F1470	Yes
Charles Wells, CPA Jackson, MS		No
Denise Willis, CPA Southaven, MS	F1471	Yes
Hansell N. York, III CPA PLLC Ridgeland, MS	F1472	Yes

###### Application for Reinstatement of a CPA Firm Permit to Practice

<u>Name</u>	<u>Number</u>	<u>Approved</u>
Huth Thompson LLP Lafayette, IN	F0716	Yes

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

<u>Name</u>	<u>Number</u>	<u>Description</u>
Durlak & Perkins, LLC Gulfport, MS	F1100	Name Change from MJD & Associates LLC
Killebrew & Moss, LTD Greenwood, MS	F0443	Closed - Merged with Fred T. Neely & Company PLLC
Fred T Neely & Company, PLLC Greenwood, MS	F0556	Merged with Killebrew & Moss LTD. and reorganized to PLLC
The Mironov Group, LLC Edison, NY	F1270	Name Change from Mironov, Sloan & Parziale, LLC

5. The Board members discussed and set plans for the November 19, 2011, CPA presentation ceremony and approved the program. Dr. Hugh Parker is the keynote speaker for the ceremony. Stacy Thomas and Melanie Eubanks will speak for the Mississippi Society of CPAs.

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

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>
Gus Dulaney	4368	Extension to 12/31/11 - 21 CPE hours
Michael Lockey	R3330	Extension to 12/31/11 - 15 CPE hours
D. Neil McGruder	1807	Waiver - Retired
Doretta Ocampo	5174	Extension to 12/31/11 - 4.5 CPE hours
John Serafin	3771	Waiver - Medical

7. The Board members present reviewed and unanimously took the following actions related to refund requests:

<u>Name</u>	<u>File</u>	<u>Board Action</u>
Buddy J. Clements	13113	Deferred - request reciprocal license fee.
Teresa D. Hodges	13181	Approved refund - did not meet education requirement.

8. The Board reviewed and discussed information related to the CPA examination concerning the new score release timeline.

#### 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.	Alexander, Van Loon, Sloan, Levens & Favre 1. 12 <sup>th</sup> Annual Tax Update	11/14/11	8	Yes
B.	ASWA - Jackson Chapter 1. Update on the Mortgage Industry	10/25/11	1	Yes
C.	Delta Chapter of CPAs 1. Analysis of Patient and Affordability Act	9/20/11	1	Yes

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#### V. Continuing Professional Education (Continued)

1. CPE Sponsor Applications (Continued)

	<u>Sponsor/Program Title</u>	<u>Dates</u>	<u>Hours</u>	<u>Approved</u>
D.	Division of Business Services, College of Business, MSU	12/5-6/11		
	1. 2011 Annual Income Tax Course	12/6-7/11 12/7-8/11 12/8-9/11	16 with 1 general ethics	Deferred for infor- mation.
E.	Midsouth Institute of Accountants			
	1. Fall 2011 CPE Seminar for Accountants	12/5/11 12/16/11	8 8 w/ 4 ethics (3 general 1 rules)	Yes Yes
F.	Mississippi Association of Public Accountants			
	1. Gear Up Business Entities	9/22/2011	8	Yes
G.	Mississippi Society of CPAs			
	1. Healthcare Services Seminar	9/16/11	8	Yes
H.	Silas Simmons			
	1. Accounting and Auditing Update	10/7/11	8	Yes
I.	Stewart Title Guaranty Company			
	1. 2011 Stewart Title Mississippi TIP Seminar	10/17/11	7	Yes
J.	The University of Mississippi of Business Administration			
	1. 2011 Banking & Finance Symposium	9/23/11	4	Yes

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VI. Regulatory Matters

1. The Board heard a report from Investigator Ransom Jones and approved the regulatory activities from September 23 to November 18, 2011:

<u>Activity</u>	<u>Number</u>
Cases Opened	19
Cases Closed	8
Cases referred to Members	16
Total Cases Open	29

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

Case 2010.10 - opened May 2010. A licensee was practicing without a firm permit and her firm name included a specialty. The Investigator closed the case with no probable cause to investigate further after the licensee changed the firm name and was issued a firm permit at the September meeting.

Case 2011.08 - opened in September 2011. The Board received a copy of a newspaper clipping describing a public accountant as a CPA. The Investigator closed the case with no probable cause to investigate further after sending a cease and desist and determining that a newspaper reporter erroneously assumed she was a CPA.

Case 2011.09 - opened September 29, 2011. A CPA firm was using a radio advertisement which contained an endorsement. The Investigator closed the case with no probable cause to investigate further after receiving a letter from the CPA firm where the advertisements were canceled.

3. The Investigator reviewed the open case log by general description and reported on the investigative activities.
4. The Board heard the report from the Peer Review Oversight Committee (PROC) member Willoughby (Wib) Wright concerning the AICPA Peer Review Program administered by the Mississippi Society of CPAs. The Board received a written copy and heard a report for the year ended June 30, 2011. The committee reported that the peer review program is operating appropriately with no significant problems.

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. Patrick Beasley, Special Assistant 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 2010.17-05 concerning Susan Renee Walker, CPA license 3969. Shelly Ford was recused from deliberations.

Within the Trial Board the Board heard evidence from witness Ransom C. Jones, CPA Investigator and respondent Susan Walker. The respondent allegedly failed to comply with the Chapter 4 CPE requirements for the compliance period ended June 30, 2011, through not obtaining the required CPE credit hours.

Following discussion and the administrative Trial Board hearing related to Susan Walker, and upon motion by David Clark with second from Shelly Ford 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 Shelly Ford 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 Trial Board orders that could be appealed. Accordingly, the Board reopened the closed meeting and upon motion by Shelly Ford with second from Angela Pannell 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:

Upon motion by Angela Pannell with second from Jim Burkes the Board determined that the respondent Susan Walker had indeed violated Chapter 4 of the Board Rules and Regulations as charged. The Board also noted that Ms. Walker had two prior violations and consent orders in 2007 and 2008. The Board determined that the respondent should makeup all deficit CPE hours in addition to a 50% penalty (60 CPE hours) to be completed by February 28, 2012. The Board also determined to assess to the respondent 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. Votes were - For: David Miller, Willie Sims, Jim Burkes, David Clarke, Angela Pannell; Against: None; Absent: Rick Elam; and Recused: Shelly Ford.

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**VII. Trial Board (Continued)**

## 2. Administrative Hearing (Continued)

Upon the conclusion of this business and upon motion by Willie Sims with second by David Clarke, the Board members present 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. The Board continued as Trial Board reviewing a listing of complaints in-process wherein the Investigative Committee has received return communication from eight respondents. The Board took the actions listed in the following paragraphs. Shelly Ford was recused as the Investigative Officer.

Upon motion by Angela Pannell with second from Jim Burkes, the Trial Board determined to continue two complaints related to alleged noncompliance with Board Rules and Regulations concerning CPE requirements for the period ended June 30, 2011: Complaints 2001.12-07 - License 5746, and 2011.12-13 - License 1401. Votes were - For: David Miller, Willie Sims, Jim Burkes, David Clarke, Angela Pannell; Against: None; Absent: Rick Elam; and Recused: Shelly Ford.

Upon further motion by Willie Sims with second from Angela Pannell, the Trial Board determined that these two continuances would be to the December 16, 2011, meeting. Votes were - For: David Miller, Willie Sims, Jim Burkes, David Clarke, Angela Pannell; Against: None; Absent: Rick Elam; and Recused: Shelly Ford.

4. Of these eight respondents and upon motion by Willie Sims with second from Jim Burkes, the Trial Board determined to accept the Shelly Ford Investigative Committee recommendation to close these five cases without probable cause to investigate further: Complaints 2011.12-01 - License R3475, 2001-12.02 - License 1988, 2011.12-04 - License R3418, 2011-12.09 - License 4958, and 2011-12.11 - License 1807. Votes were - For: David Miller, Willie Sims, Jim Burkes, David Clarke, Angela Pannell; Against: None; Absent: Rick Elam; and Recused: Shelly Ford.
5. Of these eight respondents and upon motion by Jim Burkes with second from Willie Sims, the Trial Board determined to remand the complaint to the file through a remand order: Complaint 2011.12-06 - License 5348. Votes were - For: David Miller, Willie Sims, Jim Burkes, David Clarke, Angela Pannell; Against: None; Absent: Rick Elam; and Recused: Shelly Ford.

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## VII. Trial Board (Continued)

6. The Board continued as Trial Board for the purpose of holding formal

administrative hearings related to six CPA licensees' noncompliance with continuing professional education requirements and that also failed to respond to the Board's Notices of Hearing and Complaints. Shelly Ford was recused as the Investigative Officer. Upon motion by Jim Burkes with second from Angela Pannell, the Board members present voted to consolidate these complaints for hearing purposes. Votes were - For: David Miller, Willie Sims, Jim Burkes, David Clarke, Angela Pannell; Against: None; Absent: Rick Elam; and Recused: Shelly Ford.

The following six complaints were consolidated for hearing purposes:

<u>Complaint No.</u>	<u>Name</u>	<u>License No.</u>
2011.12-03	James R. Bunting, Jr.	2549
2011.12-05	Kelly Diane Galambus	5090
2011.12-08	Heather Wood Kellum	5168
2011.12-10	David Maatallah	R2517
2011.12-12	Juliette Irene Mays	R2755
2011.12-14	James Frederick Tapscott	R3232

Within the Trial Board the Board heard evidence from Ransom C. Jones, CPA Investigator, concerning the respondents' failure to comply with the CPE requirements for the fiscal year ended June 30, 2011, and failure to respond to Board written communications related thereto. Legal and proper notice were delivered to the above respondents. None attended the hearing.

Following discussion and the administrative Trial Board hearing and upon motion by Willie Sims with second from David Clarke 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 Willie Sims with second from Jim Burkes voted that they did indeed have a proper subject matter before it to entitle it to go into Executive Session, namely discussion of Trial Board orders that could be appealed. Accordingly, the Board reopened the closed meeting and upon motion by Willie Sims with second from Jim Burkes 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:

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## **VII. Trial Board (Continued)**

### **6. Administrative Hearing (Continued)**

Upon motion by Jim Burkes with second from Angela Pannell the Board determined that the six respondents had indeed violated Chapter 4 of the Board Rules and Regulations as charged and voted to revoke the respondents CPA licenses. The Board determined to assess the respondents a civil penalty of \$500 in addition to 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. Votes were - For: David Miller, Willie Sims, Jim Burkes, David Clarke, Angela Pannell; Against: None; Absent: Rick Elam; and Recused: Shelly Ford.

Upon the conclusion of this business and upon motion by Willie Sims with second by Jim Burkes, the Board members present 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.

7. Upon conclusion of Trial Board business, the Board adjourned as Trial Board.

APPROVED:

\_\_\_\_\_  
Chair

\_\_\_\_\_  
Board Member

\_\_\_\_\_  
Vice Chair

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Board Member

\_\_\_\_\_  
Secretary

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Board Member

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Board Member