

MISSISSIPPI STATE BOARD OF PUBLIC ACCOUNTANCY
MINUTES
September 21, 2012

The Mississippi State Board of Public Accountancy met at the Board office at 5 Old River Place, Suite 104, Jackson, Mississippi on September 21, 2012, beginning at 8:30 a.m. The following record of that meeting was maintained.

Board Members Present

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

Board Members Absent

Shelly B. Ford, Chair

Board Staff Present

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

Legal Counsel Present

Onetta Whitley, Deputy Attorney General

Others Present

Gary Walker, MSCPA
Wib Wright, PROC

I. General

1. The Board opened the meeting with an invocation from Willie Sims.
2. The Board members present unanimously approved the minutes from the August 10, 2012, meeting.
3. The Board members present signed the CPA certificates of licensure from the August 10, 2012, meeting.

I. General (Continued)

4. The Board set the time for next meeting and reviewed the tentative meeting dates and activities for the remainder of 2012

Oct. 28-31	NASBA Annual Meeting
Oct. 31-Nov 1	NASBA International Accounting Forum
November 16	10:00 Meeting
November 17	CPA Presentation Ceremony
December 18	Meeting

5. The Board members present set tentative meeting/activity dates for 2013:

January 18	Meeting	June 20-23	MSCPA Annual
February 15	Meeting	July 19	Meeting
March 22	Meeting	August 23	Meeting
April 19	Meeting	September 20	Meeting
April 20	Ceremony	October 27-30	NASBA Annual
May 17	Meeting	November 15	Meeting
June 5-7	NASBA W. Regional	November 16	Ceremony
June 26-28	NASBA E. Regional	December 13	Meeting

II. National Regulatory Concerns

1. The Board reviewed and discussed topics in the August and September 2012 *NASBA State Board Reports*.
2. The Board members present discussed two American Institute of CPAs (AICPA) June 29, 2012, exposure drafts and reviewed a draft response by David Miller concerning:
 - Omnibus Proposal, AICPA Professional Ethics Executive Committee, Proposed Revised and New Interpretations and Proposed Deletions of Ethics Rulings, *Proposed Revised Interpretation No. 101-3 Under Rule 101*; and
 - Proposed Statements on Standards for Accounting and Review Services, AICPA Accounting and Review Services Committee, *Association with Unaudited Financial Statements; Compilation of Financial Statements; and Compilation of Financial Statements - Special Considerations*.

The comment period deadline is November 30, 2012. The Board members will review Board member David Miller's draft for final approval at the November 16 Board meeting.

II. National Regulatory Concerns (continued)

3. The Board reviewed the following Public Accounting Oversight Board (PCAOB) recent releases:
 - *PCAOB Adopts Auditing Standard No. 16, Communications with Audit Committees and Amendments to other PCAOB Standards*, and
 - *PCAOB Issues Report on the Interim Inspection Program for Broker and Dealer Auditors*.

III. Administration

1. The Board members present reviewed the SAAS Summary Trial Balances as of August 31, 2012, for Treasury Funds 3845 and 3850, and the Treasury Fund 3845 SAAS Appropriation/Actual Expenditures for the two months ended August 31, 2012.
2. The Board heard a report from Executive Director Susan Harris concerning the status of the IT project. The on-line registration continues to be on-target for November (preparation by MS Interactive). A new website is in development by MS Interactive and the format has been approved.
3. The Board members present approved two extra per diem days for David Miller, August 23-24 related to his attendance at the NASBA Compliance Assurance Committee meeting.

IV. CPA Examination, Licensing and Firms

1. The Board members present unanimously accepted the listing of 76 candidate applications for the computerized examination (12 initial, 64 reexam) received since the August meeting.

The Board also reviewed and discussed three special candidate situations related to good moral character - initial applicant numbers 13335, 13336, and reexamination applicant 12060. Based on its careful evaluation of criminal misdemeanor convictions and all other requirements being met, the Board members present unanimously approved these three applicants to sit for the examination as Mississippi candidates.

IV. CPA Examination, Licensing and Firms

2. 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

File Number	Name	Number	Approved
12999	Moses Caswell Ard, III	6241	Yes
13134	Joseph Thomas Cieglo	6242	Yes
13001	Virginia Lois Gordon	6243	Yes
13139	Ashley Nicole Henley	6244	Yes
13326	Elizabeth Foley Holditch		No (1)
12643	Lucia Nall	6245	Yes
12284	Joseph Benjamin Newton, III	6246	Yes
13064	Angela K. Pesnell	6247	Yes
13218	Adam Keith Smith	6248	Yes

(1) Pending satisfaction of the CPE requirement.

Applications for Reciprocal CPA Licenses

File Number	Name	Number	Approved
13339	Caitlin Brooke Huffines	R3600	Yes
13329	Nathan Lane Tindall	R3601	Yes

Applications for Reinstatement of CPA Licenses

File Number	Name	Number	Approved
07238	Kenneth M. Avery	4282	Yes
06066	Mary Ann Borden	3719	Yes
09814	Jennifer Wilburn Johnson	5292	Yes
00206	Emil L. Loyd	2058	Yes

IV. CPA Examination, Licensing and Firms (Continued)

2. Applications (Continued)

Applications for CPA Firm Permit to Practice

<u>Name</u>	<u>Number</u>	<u>Approved</u>
C. S. Buckalew, CPA Meridian, MS	F1559	Yes
Dyer Usrey & Associates Starkville, MS	F1560	Yes
Lucia Nall, CPA Brandon, MS	F1561	Yes
Piercy Bowler Taylor & Kern Certified Public Accountants Las Vegas, NV	F1562	Yes
Rankin & Associates, PLLC Pascagoula, MS	F1563	Yes

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

<u>Name</u>	<u>Number</u>	<u>Description</u>
Harold D. Cooper, CPA Amory, MS	F1210	Address Change

4. The Board members present discussed the November 17, 2012, CPA ceremony and a potential key speaker.

5. The Board members present unanimously took the following actions related to requests for amendments to the 2012 CPE compliance requirements:

<u>Name</u>	<u>Number</u>	<u>Board Action</u>
Hayward Anderson	0777	Waiver
Michael N. Bailey	5679	Extension to 11/30/12 - 6 CPE hours
Jessica P. Barnes	R3048	Extension to 11/30/12 - 6 CPE hours
Barbara J. Donald	5165	Extension to 11/30/12 - 40 CPE hours
Sheila Franklin-Buie	6067	Extension to 11/30/12 - 6 CPE hours
Flora J. Goss	5812	Waiver

IV. CPA Examination, Licensing and Firms (Continued)

5. CPE Amendments: (Continued)

<u>Name</u>	<u>Number</u>	<u>Board Action</u>
Charles H. Hester, Jr.	3349	Extension to 11/30/12 - 54 CPE hours
Billy C. Holifield	3019	Extension to 11/30/12 - 20 CPE hours
Robert C. Holman	1774	Extension to 12/31/12 - 34 CPE hours
Dan S. Hyde	2653	Extension to 11/30/12 - 18 CPE hours
Laura R. Miller	R3570	Extension to 11/30/12 - 43 CPE hours
Stacy L. Orman	5395	Extension to 11/30/12 - 57 CPE hours
Sherman L. Pounds	4428	Extension to 11/30/12 - 57 CPE hours
Carolyn A. Rossignol	R3546	Extension to 11/30/12 - 32 CPE hours
Alan L. Schott	4676	Extension to 11/30/12 - 18 CPE hours
Sarita Wheeler-Daniels	5892	Extension to 11/30/12 - 6 CPE hours

6. The Board members present unanimously approved requests from CPAs for waivers of the 2012 CPE compliance requirements based on affidavits of current retirement and intention to apply for CPA (retired) for 2013 as follows:

<u>Name</u>	<u>Number</u>
Ruby B. Graves	2110
Mary A. Kirklin	4642
Thomas R. Sanderson	1401

7. The Board reviewed a listing of voluntary cancellations made by CPAs requested during the 2012 CPE reporting period:

<u>Name</u>	<u>Number</u>
Paul R. Avery	5467 (CPE noncompliant)
Lynne D. Butler	R3441
Kevin W. Ferguson	R2789
Karla Marie Harris	5237 (CPE noncompliant)
Mary N. Keen	2115 (CPE noncompliant)
Larry E. Krause	R2662 (CPE noncompliant)
Steve R. Maki	4671 (CPE noncompliant)
Donna R. Mallery	3487
John D. Shirley	R3155
Nelson W. Tackett	3121 (CPE noncompliant)
Donna P. Taylor	5996
Jeffrey E. Tinnon	4677 (CPE noncompliant)
Robert M. Whitehead	4742 (CPE noncompliant)

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.	MidSouth Institute of Accountancy (Dr. Quinton Booker)			
	1. Ethics Program Topics "B" (New program covering MS Rules, AICPA Statements on Standards for Tax Services & Interpretations; Government Auditing Standards - Ethics/ Independence)	Various	4 Ethics (3 General 1 Rules)	Yes
B.	Mississippi Association of Public Accountants			
	1. IRS - Information on Taxpayer Advocate Program	7/12/12	1	Yes
	2. MDES Issues	8/9/12	1	Yes
C.	Mississippi Society of CPAs			
	1. Health Care Reform Act: Critical Tax and Insurance Ramifications for You, Your Business and Your Clients	Various Jul - Oct 12	4	Yes
	2. Governmental Accounting and Auditing Conference	8/16-17/12	16	Yes
D.	Mississippi Hospital Association			
	1. Taking Charge of the Revenue Cycle	9/25-26/12	9	Yes
E.	National Association of Tax Professionals (NATP)/ National Association of Enrolled Agents (NAEA), MS/TN Chapters			
	1. 2012 Fall Conference	10/1-2/12	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>
F.	Petroleum Accounting Society of MS			
	1. Joint Venture Auditing 101	7/24/12	1	Yes
G.	Silas Simmons, LLP			
	1. A&A Update/Risk Assessment	10/17/12	8	Yes
H.	University of Alabama			
	1. Alabama Insurance Day 2012	10/10/12	8	Yes (7)
			w/1	No
			Ethics	1 Ethics
				Deferred

VI. Rules and Regulations

- The Board heard a report from the Committee Chair Willie Sims concerning the timeline for review and amendments to the rules and regulations including renumbering in accordance with the Secretary of State Administrative Code (Assignment = Title 30, Parts 1-100).

The tentative schedule is discussion at the November 16 meeting for possible release approval and possible final approval at December 18 Board meeting.

VII. Regulatory Matters

- The Board heard a report from Investigator Ransom Jones and approved the regulatory activities from August 10, 2012, to September 21, 2012:

<u>Activity</u>	<u>Number</u>
Cases Opened	123
Cases Closed	147
Cases referred to Members	14
Total Cases Open	30

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VII. Regulatory Matters (Continued)

2. The Investigator reviewed and discussed the closed cases which primarily included noncompliance issues with 2012 CPE requirements.
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, 2012. The committee reported that the peer review program is operating appropriately with no significant problems.
5. The Board members present heard a report concerning procedures in process related to peer review program versus Board records.
6. The Board members present discussed the BP Oil Spill (Deep Horizon) Settlement Agreement including questions from Mississippi CPAs and including:
 - Excerpts from current MSBPA Rules and Regulations;
 - Excerpts from US District Court Settlement Agreement;
 - AICPA Staff Position on Fee Arrangements;
 - AICPA Rule 302 - Contingent Fees; and
 - discussion of Other State Boards' (LA, FL, AL, TX) status and positions.

APPROVED:

Chair

Board Member

Vice Chair

Board Member

Secretary

Board Member

Board Member