

**MISSISSIPPI STATE BOARD OF PUBLIC ACCOUNTANCY
MINUTES
July 23, 2010**

The Mississippi State Board of Public Accountancy met at the Board office at 5 Old River Place, Suite 104, Jackson, Mississippi, on July 23, 2010, beginning at 8:30 a.m. The following record of that meeting was maintained.

Board Members Present

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

Board Members Absent

Rick Elam

Board Staff Present

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

Legal Counsel Present

Gloria Green, Special Assistant Attorney General

Others Present

Gary Walker, MSCPA

I. General

1. The Board opened the meeting with an invocation from Jim Burkes.
2. The Board members present unanimously approved the minutes from the May 26, 2010, meeting.
3. The Board members present signed the CPA certificates of licensure from the May 26, 2010, meeting.
4. The Board set the start time for the next meeting and reviewed the tentative meeting dates and activities for 2010:

September 24	Meeting
October 24-27	NASBA Annual Meeting
November 12	Meeting
November 13	CPA Presentation Ceremony
December 10	Meeting

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I. General (Continued)

5. The Board members present had a general discussion related to meetings and conferences attended including the:
 - NASBA Regional Meeting, June 2010, and
 - MSCPA Annual Meeting, June 2010.

II. National Regulatory Concerns

1. The Board reviewed and discussed the NASBA *State Board Reports* for May and June 2010.
2. The Board reviewed and discussed the NASBA June 29, 2010, Release regarding NASBA Response to Supreme Court Ruling in *Free Enterprise v. PCAOB*.
3. The Board members noted a June 29, 2010, NASBA email regarding a CPE Task Force created to explore options for modifying and clarifying the *Statement on Standards for Continuing Professional Education*.
4. The Board members reviewed and discussed the June 2010 publication, *Ethically Speaking*, from the AICPA Professional Ethics Division.
5. The Board members reviewed the June 1, 2010, AICPA letter regarding the Exposure Draft - *Proposed Revisions to the AICPA Standards for Performing and Reporting on Peer Reviews: Performing and Reporting on Peer Reviews of Quality Control Materials (QCM) and Continuing Professional Education (CPE) Programs*, but took no action.
6. The Board members noted the announcements in the *ALD News* (US Accountancy Licensee Data Base), Issue 6.
7. The Board reviewed Public Accounting Oversight Board (PCAOB) recent releases including:
 - *PCAOB Publishes Updated Staff Guidance Related to Registration Process for Applicants from Certain Non-U.S. Jurisdictions*
 - *PCAOB Issues Staff Q&As on Firm Annual Reporting*
 - *Decision in Free Enterprise Fund v. PCAOB*
 - *PCAOB Issues Staff Audit Practice Alert Regarding Requirements When Using Work of Other Auditors or Engaging Outside Assistants*
 - *PCAOB Proposes New Auditing Standard on Confirmation*

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III. Administration

1. The Board members present reviewed and discussed the SAAS Summary Trial Balances as of June 30, 2010, for Treasury Funds 3845 and 3850, and the Treasury Fund 3845 SAAS Appropriation/Actual Expenditures for the twelve months ended June 30, 2010 (before lapse period closure).
2. The Board members present reviewed and unanimously approved the draft budget request

for the fiscal year ended June 30, 2012, for submittal to the Legislature and the Governor by August 2, 2010. The Board also reviewed and approved the draft *5-Year Strategic Plan for the Fiscal Years 2012 - 2016*. The plan is due to the Legislature and the Governor's Office August 16.

IV. CPA Examination, Licensing and Firms

1. The Board members present unanimously ratified the Window 2 - April - May 2010 CPA examination scores for 120 candidates, 226 examination sections. Twelve (12) candidates completed all four examination sections.
2. The Board members unanimously accepted the listing of candidate applications for the computerized examination (44 initial, 104 reexam) received since the May 26, 2010, meeting. The Board reviewed and discussed two special candidate situations related to good moral character - initial applicant numbers 12887 and 12852. Based on its careful evaluation of criminal misdemeanor conviction and all other requirements being met, the Board members unanimously approved applicant 12887 to sit for the examination as Mississippi candidate. The Board members present determined to notice candidate 12852 for a show cause hearing at the next meeting to provide the applicant an opportunity to present evidence why entrance to the CPA examination should be permitted considering the prior offenses.
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

File				
<u>Number</u>	<u>Name</u>	<u>Number</u>	<u>Date</u>	<u>Approved</u>
12526	Jonathan Stephen Adcock	6060	7/23/10	Yes
12740	Grant William Gardner	6061	7/23/10	Yes

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IV. CPA Examination, Licensing and Firms (Continued)

3. Applications (Continued)

Applications for Original CPA License (Continued)

File				
<u>Number</u>	<u>Name</u>	<u>Number</u>	<u>Date</u>	<u>Approved</u>
12908	Ginger Todd Gorman	6062	7/23/10	Yes
12627	Robert David King, Jr.	6063	7/23/10	Yes
12303	Erin Keely Miller	6064	7/23/10	Yes
12041	Travis C. Mitchell	6065	7/23/10	Yes
12467	Candice Paige Murphy	6066	7/23/10	Yes

12906	Sam John Portera	6067	7/23/10	Yes
12532	Ashley Lauren Verrette	6068	7/23/10	Yes

Applications for Reciprocal CPA Licenses

File Number	Name	Number	Date	Approved
12851	Timothy John Adler	R3518	7/23/10	Yes
12871	Stacey Fountain Allman	R3519	7/23/10	Yes
12754	Jill Marie Bergin	R3520	7/23/10	Yes
12892	Sharon Senger Estess	R3521	7/23/10	Yes
12897	Deborah L. Hylander	R3522	7/23/10	Yes

Applications for Reinstatement of CPA Licenses

File Number	Name	Number	Approved
01066	Robert Earl Cordle, Jr.	2701	Yes
09851	James Eustis Corrigan, Jr.	R2606	Yes
05752	Sharon McMullan Parker	3587	Yes

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IV. CPA Examination, Licensing and Firms (Continued)

3. Applications (Continued)

Applications for CPA Firm Permit to Practice

Name	Number	Approved
Bellenfant & Miles, PLLC Brentwood, TN	F1284	Yes
John A. Brown, CPA Pass Christian, MS	F1285	Yes
Crow Shields & Bailey, PC Mobile, AL	F1286	Yes
Sarita W. Daniels, CPA Belzoni, MS	F1287	Yes
Michael Owen Keeling, CPA Brandon, MS	F1288	Yes
Jennifer Mathews, CPA Ridgeland, MS	F1289	Yes

Miller CPA Florence, MS	F1290	Yes
Larry K. Morrison, CPA Ridgeland, MS	F1291	Yes
Mollie A. Murphey Madison, MS	F1292	Yes
Pace and Associates Company Certified Public Accountant Ridgeland, MS	F1293	Yes
Jeannie Pyeatt, CPA Bogue Chitto, MS	F1294	Yes
Suzanne E. Smith, CPA PLLC Meridian, MS	F1295	Yes
Kim Tullos, CPA PLLC Ridgeland, MS	F1296	Yes
John F. Woods, CPA PC Brandon, MS	F1297	Yes

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IV. CPA Examination, Licensing and Firms (Continued)

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

<u>Name</u>	<u>Number</u>	<u>Description</u>
Thomas E. Clayton Jr., PLLC Marks, MS	F0737	Name change from Veazey & Clayton, PLLC
Cunningham CPAs PLLC Belzoni, MS	F0249	Name change from Joel B. Cunningham, CPA
Frazer Frost, LLP Little Rock, AR	F0941	Name and organization change from Frost, PLLC
Wilkins Miller Hieronymus, LLC Mobile, AL	F0889	Name change from Hieronymus, Gaillard & Jones, LLC

5. The Board members discussed the November 13, 2010 ceremony and the potential key speaker.
6. The Board members present unanimously took the following actions related to requests for amendments to the 2010 CPE compliance requirements:

<u>Name</u>	<u>Number</u>	<u>Board Action</u>
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Ronnie G. Ashby	R2389	Waiver - Medical
M. Scott Blassingame	4163	Extension to 9/30/10 - 6 w/4 ethics w/rules
Randall Dale Cooley	2875	Extension to 9/30/10 - 1.1 CPE hours
Robert C. Crigler	1534	Extension to 9/30/10 - 3 w/2 ethics general
Amber M. Earles	5542	Extension to 9/30/10 - 40 CPE hours
Albert Ellison Jr.	R2518	Extension to 9/30/10 - 1.5 w/ 1 ethics rules
Michele R. Harris	4732	Extension to 9/30/10 - 4.5 w/3 ethics general
Mark H. Hooker	40128	Extension to 9/30/10 - 6 w/4 ethics w/rules
Natalie S. Hutto	5804	Extension to 9/30/10 - 3 w/2 ethics w/rules
Charles A. Jordan III	R2653	Extension to 9/30/10 - 1.5 w/ 1 ethics rules
Jerry G. King	1320	Waiver - Medical
Roger L. King	2322	Extension to 9/30/10 - 24 w/4 ethics w/rules
James K. Lackey	4596	Extension to 9/30/10 - 1.5 w/ 1 ethics rules
Felecia J. Littleton	4545	Extension to 9/30/10 - 29.25 CPE hours
Scotty K. Perkins	R2522	Extension to 9/30/10 - 6 w/4 ethics w/rules
Thomas M. Peyton, Jr.	R3399	Waiver - Medical
Michael E. Porter	3033	Waiver - Medical
James Richard Rollins	1501	Extension to 9/30/10 - 3 w/2 ethics general
Leigh B. Sandlin	R2993	Extension to 9/30/10 - 6 w/4 ethics w/rules
James Elliot Sims	R2518	Extension to 9/30/10 - 6 w/4 ethics w/rules
John R. Weatherford	5665	Extension to 9/30/10 - 6 w/4 ethics w/rules

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IV. CPA Examination, Licensing and Firms (Continued)

7. The Board members present unanimously approved requests from CPAs for waivers of the 2010 CPE compliance requirements based on affidavits of current retirement and intention to apply for CPA (retired) for 2011, as follows:

<u>Name</u>	<u>Number</u>
Mary Constance Barfield	2341
Lawrence Beshell Benton	2844
David R. Black	2310
Homer B. Dyer	3622
Susan Jane Fuelling	2555
Ronnie G. Fulton	2679
James Earl Harris	2092
Herbert Wynne Jacobs	1584
Calvert Estes Shideler	2492
Gerald Dennis Wages	1200
Albert Esten Yow	2823

8. The Board members disapproved requests from CPAs for waivers of the 2010 CPE compliance requirements based on investigations that the individuals do not satisfy the regulatory retirement requirements:

<u>Name</u>	<u>Number</u>
Hirschel Theron Abbott, Jr	1117
Lynda Jane Gautier	1216
John G. Vaughan	2070

9. The Board reviewed a listing of voluntary cancellations made by CPAs requested during the 2010 CPE reporting period:

<u>Name</u>	<u>Number</u>
Melba Gandy Clark	3903
David Holly Kloess	R3469
Julie A. Powell	5903 (CPE compliant)

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IV. CPA Examination, Licensing and Firms (Continued)

10. The Board reviewed a letter along with supporting documentation from deceased CPA sole practitioner Anita Craven Dingus' sister and administrator of her estate. The letter discussed his May 14, 2010, sudden death and requested continuation of the firm for twelve months and authority for Bob Robinson, CPA, to manage the firm while attempts are made to sell the firm/clients.

The Board approved the request for the firm to continue operation as Anita Dingus, CPA, for one year or until an appropriate sale is complete. The firm should report to the Board all significant activity and/or when the sale is completed and the office is closed.

11. The Board reviewed but denied a request from candidate 12809 for a refund of examination fees for FAR and REG in the amount of \$411.50, due to insufficient explanation or justification.
12. The Board reviewed, discussed, but took no action related to various information concerning to the CPA examination:
- June 15, 2010, AICPA Board of Examiners letter, discussing January 2011 changes to CPA examination,
 - CBT Steering Group - Quarterly Summary Report to the State Boards, First Quarter 2010, and
 - NASBA Candidate Care Dept. - Candidate Concerns 10Q1, January - February 2010.

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.	Beta Alpha Psi, School of Accountancy USM			
	1. Accounting and Auditing Update	6/15/10	8	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>
B.	Delta Chapter of CPAs			
	1. 2010 Accounting and Auditing Update	5/13/10	8	Yes
	2. Ethics Update Including Mississippi Rules and Regulations (Dr. Q. Booker)	5/14/10	4 Ethics (3 General 1 Rules)	Yes
C.	Estate Planning Council of MS			
	1. Outlook 2010	2/9/10	1	Yes
	2. Reverse Mortgages and Medicaid Update for Estate Planners	3/9/10	1	Yes
	3. Who Are Fiduciaries and What Are Their Duties and Liabilities?	4/13/10	1	Yes
	4. The Family Conversation	5/11/10	1	Yes
D.	KPMG LLP			
	1. Jackson Ethics CPE Seminar (Dr. Stan Clark)	6/22/10	4 Ethics (3 General 1 Rules)	Yes
E.	Mississippi Association of Public Accountants			
	1. TAA/MAPA Joint Convention	6/24-26/10	12 (2 general ethics)	Yes
F.	MS Department of Education			
	1. Brustein & Manasevit Federal Grant Management Training	6/28/10	8	Yes

G.	Mississippi State Port Authority at Gulfport			
	1. CDBG Basics Training	6/16-17/10	16	Yes
H.	Mississippi Society of CPAs			
	1. Program for Management Development	5/19-20/10	16	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>
H.	Mississippi Society of CPAs (Continued)			
	2. 2010 Annual Convention - Ethics, Rules and Regulations Accounting and Auditing Update (Dr. Q. Booker & Dr. S. Clark)	6/24/10	8 (4 Ethics: 3 General 1 Rules)	Yes
	3. 2010 Annual Convention - Professional Issues Update and Financial Fraud Issues	6/25/10	2	Yes
	4. Disability Income and Business Overhead Expense	7/15/10	1	Yes
I.	Mississippi Society of CPAs - Central Chapter			
	1. EPAct and Asset Retirement Studies	4/22/10	1	Yes
	2. Audits of Employee Benefits Plans - Current Developments	5/20/10	1	Yes
J.	MS Chapter of HFMA			
	1. 2010 Ethics, Accounting and Auditing and PFS Workshop (Dr. Stan Clark)	6/10-11/10	12 (4 Ethics: 3 General 1 Rules)	Yes

K.	Mississippi State Tax Commission			
	1. Tax Information Security and Confidentiality/Ethics Training	Various 4/20- 5/25/10	1	Yes
	2. 2010 Auditing with Access	Various 4/29- 5/18/10	3	Yes
	3. Mississippi State Tax Commission Update	5/25/10	1.5	Yes
	4. 2010 Legislative Update	Various 5/24- 6/24/10	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>
K.	Mississippi State Tax Commission (Continued)			
	5. What Employees Want: Seven Essentials	6/8/10	1	Yes
	6. Mississippi Sales and Use Tax	6/10/10	4	Yes
L.	Mississippi State University Extension Service			
	1. Center for Governmental Training and Technology - Cert. Training Program for Municipal Clerks - Tax Collectors	8/6-7/09 10/29-30/09	16	Yes
M.	Morgan Keegan			
	1. Morgan Keegan 2010 CPE Seminar	6/14/10	3	Yes
N.	Nail McKinney Professional Association			
	1. 2010 Accounting and Auditing Update	9/23/10	8	Yes
	2. Obtaining and Evaluating Evidence	9/24/10	8	Yes

O.	Petroleum Accounting Society of MS 1. Current Geological Trends and Modernization of Oil and Gas Reporting	6/17/10	8	Yes
P.	Professional Education Services (QAS) 1. Ethics and Professional Conduct for Mississippi CPAs	Self Study Online	4 Ethics (3 General 1 Rules)	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>
Q.	SmartPros, Ltd (QAS) 1. Ethics for Mississippi	Self Study Online	4 Ethics (3 General 1 Rules)	Yes
R.	T. E. Lott & Company, PA 1. Ethics, Rules and Regulations	5/25/10	4 Ethics (3 General 1 Rules)	Yes

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

	<u>Sponsor/Program Title</u>	<u>Dates</u>	<u>Hours</u>	<u>Approved</u>
A.	Academy of Accounting and Financial Studies Journal, Vol 14 1. Financial Stake and CPA Support For Expanding Sarbanes-Oxley To Nonpublic Entities	Published Article co-author	40	Yes

Requested by Paul W. Allen

B.	Journal of Education For Business			
1.	African American Accounting Majors and the 150-hr Requirement	Published Article co-author	20	Yes
	Research in Accounting Regulation			
2.	The Effects of a Cooling-Off Period On Perceived Independence of External Auditors: A Study in the Nonpublic Regulatory Environment	Published Article co-author	20	Yes
	Requested by Quinton Booker			

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V. Continuing Professional Education (Continued)

2. CPE Individual Requests (Continued)

	<u>Sponsor/Program Title</u>	<u>Dates</u>	<u>Hours</u>	<u>Approved</u>
C.	American Accounting Association			
1.	Ethics Session	8/3-5/09	1.8 ethics general	Yes
	Requested by Rick Elam			
D.	Internal Auditing, Volume 24			
1.	Enhancing Control Over Excel Workbooks	Published Article co-author	30	Yes
	Requested by Gerry G. Grant			
E.	Lexis Nexis Publishing			
1.	Bender's 2010 Payroll Tax Guide, Chapters 5, 6, and 9.	Published Document co-author	18	Yes
	Advances in Accounting Education Teaching and Curriculum Innovations			
1.	Establishing an eMentor Program: Increasing the Interaction Between Accounting Majors and Professionals	Published Article co-author	6	Yes
	Requested by Bob G. Kilpatrick			
F.	Mississippi Technology Alliance			
1.	The Tenth Annual Conference on High Technology	11/18-19/09	9	Yes
	Requested by Tonya Klauser			

G.	Pass Online			
	1. Personal & Professional Ethics for Certified Financial Planner™ Certificants	Self Study Online	1 ethics general	Yes
	Requested by Scott T. Marshall			
H.	The CPA			
	1. Home-sale Gain Exclusion	Published Article co-author	26	Yes
	Requested by Richard L. Russell			

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VI. Rules and Regulations

1. The Board members present unanimously approved for exposure the proposed changes to the *Rules and Regulations* drafted in order to conform with the changes in Senate Bill 2128 enacted during the 2010 Regular Legislative session:
 - Definitions
 - Chapter 3 CPA Firm Permits

The Board will submit the Notice of Proposed Amendments to the Secretary of State and notices to licensees for adoption at its September 24, 2010, Board meeting.

VII. Regulatory Matters

1. The Board heard a report from Investigator Ransom Jones and approved the regulatory activities from May 26, 2010, to July 23, 2010:

<u>Activity</u>	<u>Number</u>
Cases Opened	8
Cases Closed	0
Cases referred to Members	1
Total Cases Open	20

2. 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, 2010.
3. The Board discussed current Peer Oversight Members and expiration of term for North Mississippi member. The North Mississippi representative - Lee Murphy's term expires this year. The Board provided the names of three qualified individuals from North Mississippi for the staff to contact concerning possible service on the Peer Review Oversight Committee (PROC). Other members on the PROC are: Cecil Harper 2009-2011 (Central) and Wib

Wright 2010-2012 (South).

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APPROVED:

Chair

Board Member

Vice Chair

Board Member

Secretary

Board Member