

MISSISSIPPI STATE BOARD OF PUBLIC ACCOUNTANCY
MINUTES
January 27, 2017

The Mississippi State Board of Public Accountancy met at the Board office at 5 Old River Place, Suite 104, Jackson, Mississippi on January 27, 2017, beginning at 8:30 a.m. The following record of that meeting was maintained.

Board Members Present

David L. Miller, Chair
Angela L. Pannell, Vice Chair
Mark P. Peach, Secretary
Willie B. Sims, Jr.
Jim E. Burkes

Board Members Absent

Rick Elam

Board Staff Present

Ransom C. Jones, Executive Director
Andy Wright, Associate Director - Investigations

Legal Counsel Present

Gloria Green, Deputy Attorney General

Others Present

Karen Moody, MSCPA, President
Charles Prince, MSCPA, Chairman
Ed Jones, MSCPA Representative

I. General

1. The Board opened the meeting with an invocation from Willie Sims.
2. The Board elected the following officers to serve for calendar year 2017:
Chair – Angela Pannell
Vice Chair – Mark Peach
Secretary – Willie Sims

The Board members noted their committee and task force assignments for 2017:

National Regulatory Concerns

Jim Burkes, Chair
Mark Peach
Rick Elam

I. General (Continued)

2. Committees (Continued)

Administration

Angela Pannell, Chair
Mark Peach
Willie Sims

CPA Examination, Licensing and Firms

Rick Elam, Chair
Angela Pannell
New Member

Continuing Education

Willie Sims, Chair
Jim Burkes
New Member

Rules and Regulations

Mark Peach, Chair
Jim Burkes
David Miller

3. The Board members discussed the Governor's appointment to the Board for the 2nd Congressional District. The Board noted that the Governor had not appointed a replacement yet.
4. The Board members present unanimously approved the minutes from the December 9, 2016 meeting.
5. The Board members signed the CPA certificates of licensure from the November 2016 meeting.
6. The Board reviewed tentative meeting/activity dates for 2017:

March 14 -16, 2017	NASBA E.D. and Legal Conference, New Orleans, LA
March 24, 2017	8:30 a.m. Board Meeting
April 28, 2017	10:00 a.m. Board Meeting
April 29, 2017	New CPA Ceremony
June 2, 2017	8:30 a.m. Board Meeting
June 6-8, 2017	NASBA Western Regional – Couer d'Alene, ID
June 22-25, 2017	MSCPA Annual Convention, Destin, FL

I. General (Continued)

6. Tentative meeting/activity dates for 2017 (Continued):

June 27-29, 2017	NASBA Eastern Regional – Newport, RI
August 11, 2017	8:30 a.m. Board Meeting
September 22, 2017	8:30 a.m. Board Meeting – possibly held in Starkville
October 29 –Nov 1	NASBA Annual Meeting – New York, NY
November 17, 2017	10:00 a.m. Board Meeting
November 18, 2017	New CPA Ceremony
December 8, 2017	8:30 a.m. Board Meeting

II. National Regulatory Concerns

1. The Board reviewed the NASBA *State Board Reports*, December 2016 and January 2017.
2. The Board members present discussed highlights of the NASBA January Board of Directors Meeting.
3. The Board members present noted the NASBA Regional Directors focus question responses, November/December 2016.
4. The Board members present discussed new NASBA Regional Directors focus questions.
5. The Board members present discussed the use of confusing titles.
6. The Board members noted NASBA Legislative E-News & selected links.
7. The Board members present approved Andy Wright, as the incoming Executive Director, to serve on NASBA ALD Committee.
8. The Board heard from Charles Prince, Chairman of the MSCPA Board and Karen Moody, President/CEO of MSCPA on the proposed evolution of the Peer Review Administration, Peer Review, and pending legislation.

III. Administration

1. The Board reviewed the MSBPA Balance Sheets, Funds 3845 and 3850, as of January 11, 2017.

III. Administration - continued

2. The Board reviewed the FY2017 Budget to Actual Comparison – Fund 3845, for the Six Month and Eleven days ended January 11, 2017 and the Six Month period ended December 31, 2015.
3. The Board reviewed the Statement of Revenues and Expenditures, Fund 3845 for the Six Months and Eleven days ended January 11, 2017.
4. The Board approved additional per diem days for Jim Burkes.
5. The Board entered into an Executive Session for purpose of discussion of the recruitment of the new Associate Director, Investigations. The Board came out of Executive Session and resumed the open meeting by announcing no action was taken in Executive Session.

IV. CPA Examination, Licensing & Firms

1. The Board considered a special request by initial candidate number 14219 related to good moral character. Based on its careful review, the Board approved initial candidate number 14219 to sit for the examination. Also, file number 14191 requested refund for exam sections and was approved.
2. The Board members unanimously approved the listing of 163 candidate applications for the computerized CPA examination (48 initial, 115 reexam) received since the December 2016 meeting.
3. The Board members unanimously ratified the Window 4 – October – December 2016 CPA examination scores for 228 candidates, 300 examination sections. Twenty candidates completed the last of four examination sections.
4. 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	Name	Number	Action
13562	Eddie Casey Bell	7348	Yes
13866	Jacob Maurice Daniel	7349	Yes
13938	Monica M. Dean	7350	Yes
14060	Bradley S. Floore	7351	Yes
13244	James W. Henley Jr.	7352	Yes

IV. CPA Examination, Licensing & Firms (Continued)**4. Applications (Continued)****Applications for Original CPA License**

File	Name	Number	Action
13721	John Carpenter Ingram	7353	Yes
13838	Kylie Rowell Joiner	7354	Yes
13231	Ryan Nathaniel King	7355	Yes
13884	Lori Ann Kraus	7356	Yes
13978	Stephen Bennett Massey	7357	Yes
13819	Hong Banh Nguyen	7358	Yes
13377	Byron Claude Porter Jr.	7359	Yes
13495	Linden Potts	7350	Yes
13394	Ty Michael Pulliam	7361	Yes
12885	Ryan Rex Robertson*	7362	Yes
13852	Jonathan Matthew Tingle	7363	Yes
13548	Nataliya P. Winters*	7364	Yes

Applications for Reciprocal CPA License

File	Name	Number	Action
14188	Barbi McDonald Bassham	R7365	Yes
14248	Pamela Joyce Belk	R7366	Yes
14173	Joseph Sidney Bost	R7367	Yes
14196	Steve Dobbins	R7368	Yes
14176	Leah Duhon Ladner	R7369	Yes
13307	Mavis Jernell Robinson	R7370	Yes

Applications for Reinstatement of CPA License

File	Name	Number	Action
04520	Tina P. James*	2971	Yes
*Subject to satisfactory background check			

Applications for CPA Firm Permit to Practice

Name	City, State	Number	Action
Leigh Agnew, CPA LLC	Hattiesburg, MS	7336	Yes
Ahmad Associates LTD	Vienna, VA	7337	Yes
Emily Baughman, CPA LLC	Gulfport, MS	7338	Yes
BDO USA, LLP	Atlanta, GA	7339	Yes
Cain & David PC	Marietta, GA	7340	Yes
Linda J. Faver, CPA	Sturgis, MS	7341	Yes

IV. CPA Examination, Licensing & Firms (Continued)

4. Applications (Continued)

Applications for CPA Firm Permit to Practice (Continued)

Name	City, State	Number	Action
Garrety & Associates, CPAs LLC	Mandeville, LA	7342	Yes
Larry Horn CPA	Grenada, MS	7343	Yes
Houston, CPA	Madison, MS	7344	Yes
Moore Reichl & Baker PC	Houston, TX	7345	Yes
Sinclair CPA PLLC	Columbia, MS	7346	Yes
Vickie W. Wilson, CPA	Madison, MS	7347	Yes

Amendments to Registered Firms

No.	Name	City, State	Change
F0228	Alexander Thompson Arnold PLLC	Memphis, TN	Name Change from Collins Thomas & Associates, PC
F0113	Conrad Anderson, Jr., CPA	Natchez, MS	Address Change
F0822	Daniel J. Barfield, CPA	Oxford, MS	Address Change
7083	BDO USA, LLP	Norfolk, VA	Name Change from McPhillips, Roberts & Dean
F1614	BDO USA, LPL	Houston, TX	
F0437	Keene, Bourne, Haigler & Sanderson, PA	Hattiesburg, MS	Name Change from Keene, Bourne, Sanderson, Haigler & Eavenson, PA
7140	KHA Accountants PLLC	Flower Mound, TX	Name Change from KHA Certified Public Accountants
F7054	LBMC, PC	Brentwood, TN	Name Change from Latimore Black Morgan & Cain, PC & Address Change
7109	Milling PLLC	Madison, MS	Address Change
F0775	Wilson & Biggs, PLLC	Ridgeland, MS	Address Change

Application for Reinstatement of a CPA Firm Permit to Practice

Number	Name	City, State	Action
F1578	RT Mallard, CPA Firm	McComb, MS	Yes
F0618	L Reeves CPA	Brandon, MS	Yes

IV. CPA Examination, Licensing & Firms (Continued)

4. Applications: (Continued)

Applications for Retired CPA Licenses

Number	Name	Action
R1520	Henry Bell	Yes
1766	Jake Bellipanni	Yes
2224	William Black	Yes
2312	Charlie Blank	Yes
3818	George Booker	Yes
4839	Barbara Brooks	Yes
1990	Stanley Brooks	Yes
2456	Andy Brown	Yes
2547	Frederick Broyles	Yes
2458	Jeffrie Bruton	Yes
4432	Cathy Burkett	Yes
2638	Faye Cleveland	Yes
1666	William Coleman	Yes
1641	Linda Crawford	Yes
2034	Robert Crawford	Yes
1534	Robert Crigler	Yes
3756	Donald Dees	Yes
R1974	Samuel Devore	Yes
1716	Randall Dillon	Yes
2114	Richard Donnell	Yes
4489	Elizabeth Dossett	Yes
3232	Ann Duke	Yes
3211	Tony Dunaway	Yes
2394	Laurence Favreau	Yes
1883	Keith Gaddis	Yes
3830	Richard Garrett	Yes
1936	John Gill	Yes
4844	Gerry Grant	Yes
3266	Karen Griffis	Yes
1600	Richard Halbert	Yes
1289	Larry Hardy	Yes
3070	Susan Harris	Yes
3347	Linda Hinton	Yes
2319	Aubrey Holder	Yes
1874	Clayton Johnson	Yes
3021	John Johnson	Yes
4044	Marion Johnson	Yes

IV. CPA Examination, Licensing & Firms (Continued)4. Applications: **(Continued)****Applications for Retired CPA Licenses**

Number	Name	Action
4593	Gerald Joyner	Yes
2322	Roger King	Yes
5319	Susan Kinton	Yes
2850	Hugh Langley	Yes
2990	William Leach	Yes
4293	Charles Lewis	Yes
3845	Michael Magee	Yes
R2927	M. McGruder	Yes
0666	Joe Montgomery	Yes
1305	Joe Morgan	Yes
4097	Evelyn Moss	Yes
2103	Daniel O'Neal	Yes
3030	Amy Owen	Yes
1264	Sandra Parks	Yes
R2831	Claytus Plaisance	Yes
3894	Sarah Prewitt	Yes
R3273	Ruthann Ray	Yes
3682	Carla Reeves	Yes
3884	Janet Rhodes	Yes
1471	Wylie Richards	Yes
2435	Becky Roberson	Yes
1893	Charles Schloemer	Yes
2094	John Smith	Yes
2911	Mary Sykes	Yes
3595	Tracy Taylor	Yes
5380	Carol Temple	Yes
3277	Evelyn Thompson	Yes
3642	John Thompson	Yes
1630	Huey Townsend	Yes
4498	Cathy Walker	Yes
1552	Gary White	Yes
4448	Wendy Whittington	Yes
4271	Vicki Williams	Yes
3646	Warren Williams	Yes
3000	Randy Winford	Yes
1698	David Wood	Yes
1932	Ruth Wylie	Yes
3307	Edgar Yarborough	Yes

IV. CPA Examination, Licensing & Firms (Continued)

5. The Board reviewed a listing of voluntary cancellations made by CPAs and Firms requested during the 2017 registration period:

<u>Name</u>	<u>Number</u>
Adam Bunch	5556
Arla Davidson	R2243
Anjela Filipova	5925
Kevin Horton	R7154
Karen Massey	5387
Mark McBryde	R3287
Cheyenne McNeer	R3659
Justin Pelot	R7258
Tommy Rowland	R1807
Arla Davidson, CPA	F1353
Tonya Barker, CPA	F1308
Barton, Gonzalez & Myers, PA	F1401
Busey & Busey, CPAs, LLC	F1257
Geoffrey M. Cooper, CPA	F0234
Grant Thornton, LLP	F1637
Grant Thornton, LLP	F1182
Kimberly Harper, CPA	F1623
Lloyd B. Marshall, Jr., CPA	F0933
Martha C. Cross, CPA	F0546
Na'Son White CPA	7268
SMH CPA	F1628

6. The Board members took the following actions related to requests for amendments to the 2016 CPE compliance requirements and granted extensions to the following:

<u>Name</u>	<u>Number</u>	<u>Total Hours</u>	<u>Extension Date</u>
Hugh Cooper	5640	6 (4 Ethics)	3/31/17
Karen Ford	5097	50.5	3/31/17
Jane Moss	4232	3.3	3/31/17

7. The Board discussed a special request from licensee regarding payment for the 2017 Annual Registration. Board entered executive session to discuss the matter due to possible litigation. After returning to open session, the Board approved accepting a paper renewal form and payment of 2017 license fee by check from license #2559.

V. Continuing Professional Education

1. The Board members present unanimously authorized the following actions on CPE sponsor programs applications submitted for approval.

Sponsor/Title	Dates	Hours	Action
Estate Planning Council of MS 1. Legislative Update	9/13/16	1	Yes
2. Pre-Election Point/Counterpoint	10/11/16	1	Yes
3. Common Estate Tax Audit Triggers and How to Avoid Them	11/8/16	1	Yes
4. Tax and Related Issues Concerning Not For Profit Clients	12/13/16	1	Yes
MAPA (Sanford Warren) 1. Ethics – Including MS Law	12/4/16	4 Ethics (3 General 1 Rules)	Yes
MidSouth Institutes of Accountancy MSIA Spring 2017 Seminars 1. Ethics Rules & Regulations/ Property Transaction	5/5/17	8 including 4Ethics (3 General 1 Rules)	Yes
2. FASB/PCAOB Updates & Revenue Recognition Workshop	5/19/17	8	Yes
Mississippi Department of Revenue 1. 2016 Advanced Auditing	12/14-15/16	9.5	Yes
SmartPros (QAS) 1. Ethics for Mississippi	Online Self Study	4 Ethics (3 General 1 Rules)	Yes
The Growth Partnership, Inc. 1. Leading Effectively Through Change; Ethics: The Role of You; Program Conclusion	11/2-4/16	4 General Ethics	Yes
The University of Mississippi School of Business 1. Banking & Finance Symposium	9/23/16	3	Yes

2. The Board members present reviewed and discussed the Exposure draft concerning UAA Model Rules for CPE.

VI. RULES AND REGULATIONS

1. The Board discussed a cover email transmitting NASBA position paper.
2. The Board reviewed final version of MSBPA response to Senator Clarke’s survey regarding structures for Boards.
3. The Board noted and discussed proposed legislation – MS Senate Bill N. 2348.
4. The Board noted and discussed proposed legislation – MS Senate Bill N. 2489.

VII. Regulatory Matters

The Board heard a report from Associate Director - Investigations Andy Wright and approved the regulatory activities from December 9, 2016 to January 27, 2017:

Activity	Number
Cases Opened	2
Cases Closed ①	5
Cases referred to Members ②	1
Total Cases Open- End of Period	23

① Cases Closed:

Case 2016.30 was opened July 29, 2016 based on Board Staff discovery of an apparent audit of a Mississippi based employee benefit plan by an unlicensed out-of-state firm. After communication with the firm, the Investigate Committee recommended a Stipulation and Consent for closure, with the firm agreeing to \$500.00 administrative costs and \$500.00 civil penalty. After Board acceptance of the Stipulation and Consent on December 9, 2016, the case was closed without discipline.

Case 2016.128 was opened on August 24, 2016 based on non-receipt of a CPE reporting form for CPE year ended June 30, 2016. The case was closed without discipline based on licensee’s request for retired status with a CPE waiver, and receipt of a retired affidavit.

Case 2016.240 was opened on August 24, 2016 based on non-receipt of a CPE reporting form for CPE year ended June 30, 2016. The case was closed without discipline upon determination that CPE requirements had been met timely and representations from licensee’s family as to his severe illness. The licensee is now deceased.

VII. Regulatory Matters (continued)

Case 2016.267 was opened September 8, 2016 based on Board Staff discovery of government audits performed by a CPA firm and not properly included in its previous peer review. After verification that the firm informed its peer reviewer of the audits, and additional procedures performed in conjunction with the current peer review, the case was closed without discipline.

Case 2016.290 was opened December 15, 2016 based on Board Staff discovery of a formerly licensed person being represented in a local newspaper news article as a CPA. After corresponding with the person represented as a CPA, and receiving a satisfactory response, the case was closed without discipline. The former licensee is not practicing public accounting, but employed in industry in Mississippi.

② **Cases Referred to Members:** **Case 2014.25** was (re-)assigned to Jim Burkes.

Andy Wright then discussed the active cases as presented on the *Open Case Log*.

Mr. Wright then discussed AICPA Rules violations resolved by AICPA without discipline. The violations were noted by AICPA in a letter from the U.S. Department of Labor reporting findings.

VIII. Trial Board

1. The Board reviewed the status of the *Appeal of Order of Revocation* filed August 18, 2015, by Respondent's lawyer in the Circuit Court of Hinds County, MS, with regard to CPA License #5356, and Firm Permit #F1207. The Board attorney discussed the status of court filings.

2. The Board approved Stipulation and Consent Orders in two Cases.
2016.12 is for a firm with a fail peer review and that failed to respond timely to Board inquiries. The firm otherwise cooperated fully with Board and peer review program. Firm has agreed to notify Board if resuming any work requiring peer review and has paid \$300.00 cost recovery. (Rick Elam Investigative Committee)

2016.33 is for an out of state CPA firm performing an audit of a Mississippi based entity without a firm permit. Firm has applied for permit and paid \$500.00 civil penalty and \$500.00 cost recovery. (Willie Sims Investigative Committee)

VIII. Trial Board (Continued)

3. The Board approved a Consent Order in Case # 2014.25. Respondent had failed to timely complete a peer review in 2012, and then received a fail peer review rating. The result was an agreement to not perform additional audit work unless notifying MSCPA and re-enrolling in peer review program. Respondent performed additional audit work and did not notify nor re-enroll in peer review. Additionally, Respondent stated that it (firm) was not performing work requiring peer review on firm permit renewal applications for 2016, 2017 when it was performing audits. Firm is agreeing to pay \$3,000.00 civil penalty and \$1,340.00 cost recovery and to obtain immediate peer review if performing any work requiring peer review in the future. (Jim Burkes Investigative Committee)

APPROVED:

Chair

Board Member

Vice Chair

Board Member

Secretary

Board Member