

**MISSISSIPPI STATE BOARD OF PUBLIC ACCOUNTANCY
MINUTES
December 8, 2017**

The Mississippi State Board of Public Accountancy met at the Board office at 5 Old River Place, Suite 104, Jackson, Mississippi on December 8, 2017, beginning at 8:55 a.m. The following record of that meeting was maintained.

Board Members Present

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

Board Staff Present

Andy Wright, Executive Director
Sharee Brewer, Associate Director, Investigations

Legal Counsel Present

Others Present

I. General

1. The Board opened the meeting with an invocation from David Miller.
2. The Board members present unanimously approved the minutes from the November 17, 2017 meeting.
3. The Board members present signed the CPA certificates of licensure from the November 17, 2017 meeting.

I. General (continued)

4. The Board reviewed tentative meeting/activity dates for 2018:

January 26, 2018	8:30 a.m. Board Meeting
March 23, 2018*	8:30 a.m. Board Meeting
April 27, 2018*	10:00 a.m. Board Meeting
April 28, 2018*	New CPA Ceremony
June 1, 2018*	8:30 a.m. Board Meeting
June 5-7, 2018	NASBA Eastern Regional, Orlando, FL*
June 21-24, 2018	MSCPA Annual Convention, Destin, FL
June 27-29, 2018	NASBA Western Regional, Olympic Valley, CA
August 3, 2018*	8:30 a.m. Board Meeting
September 7, 2018*	8:30 a.m. Board Meeting
October 19, 2018*	10:30 a.m. Board Meeting
October 20, 2018*	New CPA Ceremony
October 28-31, 2018*	NASBA Annual Meeting
December 7, 2018*	8:30 a.m. Board Meeting

*Tentative dates and locations

II. National Regulatory Concerns

1. The Board members discussed the NASBA *State Board Report* for November 2017.
2. The Board members discussed the AICPA reorganization, the NASBA task force announcement, and proposed answers to a NASBA Quick Poll.

III. Administration

1. The Board members present reviewed the MSBPA Balance Sheets, Funds 3845 and 3850, as of November 30, 2017.
2. The Board reviewed the FY 2017 Budget to Actual Comparison – Fund 3845, for the Five months ended November 30, 2017 and five months ended November 30, 2016.
3. The Board reviewed the Statement of Revenues and Expenditures, Fund 3845 for the five months ended November 30, 2017.
4. In other business:
 - The Board members present approved any additional per diem days.
5. The Executive Director discussed the meeting with the Office of the State Auditor commencing a project to identify all Municipal Auditors.

IV. CPA Examination, Licensing & Firms

1. The Board members considered and approved two special requests for Initial Candidate numbers 14438 and 14345 for additional time to sit for the CPA Examination.
2. The Board members noted staff approval of 26 candidate applications (4 initial, 22 reexam) for 36 Sections of the computerized CPA examination received since the November 17, 2017 meeting.
3. The Board members unanimously acted upon the applications for CPA licenses, reciprocals, reinstatements, and CPA firm permits as presented herein:

Applications for Reciprocal CPA License

File	Name	Number	Action
14432	Joseph Sam Iupe	R7499	Approved
14430	Matthew Cooper McKnight	R7500	Approved
14440	Jenna Lea Presley-Iupe	R7501	Approved

Applications for CPA Firm Permit to Practice

Name	City, State	Number	Action
EisnerAmper LLP	New York, NY	7496	Approved
Nathan I Prager CPA	West Point, MS	7497	Approved
Walker & Associates, CPA LLC	Philadelphia, MS	7498	Approved

Amendments to Registered Firms

No.	Name	City, State	Change
F1290	Chadwick R. Miller, CPA	Madison, MS	Name Change from Miller CPA
F0752	Lavelle A. Watts, CPA	Covington, LA	Address Change

4. The Board members unanimously acted upon the applications for Initial Retired status as presented herein:

Applications for Retired CPA Licenses

Number	Name	Action
1971	Danny Hart	Yes
5037	Stanley Patrick	Yes
4675	Wallace Russell	Yes
R1773	William Shepherd	Yes

IV. CPA Examination, Licensing & Firms (Continued)

5. The Board members took the following actions related to requests for amendments to the 2017 CPE compliance requirements and granted a waiver to the following due to medical issues:

<u>Name</u>	<u>Number</u>	<u>Total Hours</u>	<u>Extension Date</u>
Cecil Woods	3189		Medical Waiver

6. The Board members noted a listing of voluntary cancellations made by CPAs and Firms:

<u>Name</u>	<u>Number</u>
Mary Cleary	3224
Robert Hicks	R2613
Wood, Singleton, Hicks & Haisten, CPAs	F0782

V. Continuing Professional Education

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

<u>Sponsor/Title</u>	<u>Dates</u>	<u>Hours</u>	<u>Action</u>
Frances Rushton Memorial Scholarship Fund 1. 23 rd Annual CPE Seminar	10/27/2017	8	Approved
Wealth Partners 1. 18 th Annual Tax Update	12/5/2017 12/7/2017	1	Approved

VI. RULES AND REGULATIONS

1. The Board members heard the Executive Director’s reply to Maryland Board CPE requirement and compliance inquiry.
2. The Board members discussed possible future rules changes to be submitted to Commission.
3. The Board members discussed “CPE Fields of Study that Qualify for Continuing Professional Education” from NASBA’s National Registry of CPE Sponsors.
4. The Board members discussed Board Policy as regards to Exam Candidate Foreign University Credit Hours (Lower Level Courses) accepted as Transfer Credits by an Accredited U.S. Institution, and agreed with Executive Director’s interpretation of policy (allowing the lower level hours accepted by U.S. Institution.)

VII. Regulatory Matters

The Board heard a report from Associate Director Sharee Brewer regarding the regulatory activities from November 18, 2017 to December 8, 2017:

Activity	Number
Cases Opened Beginning of Period	47
Cases Opened	0
Cases Closed ①	24
Cases Open End of Period	23
Open Cases Referred to Members	1

① Cases Closed:

Case 2017.13 Case opened September 7, 2017 when quarterly report received from the State Board of Contractors noted a review report issued by a Firm which was not enrolled in peer review program. Investigation determined there was a second review report issued that Board was yet to be notified of. Firm contacted and told to get enrolled in the peer review program and verify to Board said enrollment within one week. Firm complied with instructions. Matter was closed.

VII. Regulatory Matters (continued)

Case 2017.85 and 2016.276 Subject of Trial Board hearing held at November 17, 2017 Board Meeting. Cases combined because they involved a 100% owner and that owner's firm. The 2017 case involves licensee who did not report Continuing Professional Education for the 2016-2017 year and did not respond to attempts made by Board staff to reach him to pursue getting him to come into compliance. The 2016 case involves licensee's out of state firm permitted which had outstanding Consent Order requirements from a 2014 case. Requests of the firm and firm owner to address Board concerns went unanswered. Firm was subsequently terminated from the AICPA Peer Review Program. Individual license and firm permit were revoked at trial, subject to \$5,250 in penalties and \$1,015 in cost recovery, considered as discipline, and reported through ALD.

Case 2017.03 Case opened April 18, 2017 when it was learned that a Firm permitted with the Board was dropped from the AICPA Peer Review Program. Investigation determined a false statement had been given to the Board in the firm permit renewal process as well as insufficient "yellow book" CPE obtained for firm staff conducting government audits. Firm agreed to Consent Order charging three violations of Board Rules and Regulations, subject to \$3,000 in penalties plus \$790 in cost recovery. This Consent Order was approved by the Board at the November 17, 2017 Board Meeting, considered as discipline, and reported through ALD.

Case 2017.09 and 2017.15 Cases opened on July 19, 2017 and July 24, 2017, respectively. Both cases involved individual licensees who stated on their renewals that they performed public accounting but neither was associated with a firm permitted by this Board. After discussion with both, they applied for firm permits and were both approved at the November 17, 2017 Board meeting. Both matters were closed.

Case 2017.70 Case opened August 16, 2017 for a Fail rating on peer review. Firm agreed to a Stipulation and Consent that was approved at the November 17, 2017 Board Meeting. Matter was closed.

Case 2017.72 Case opened August 17, 2017 for a 2nd Pass with Deficiencies rating on peer review. This is an out of state Firm. Firm agreed to a Stipulation and Consent that was approved at the November 17, 2017 Board Meeting. Matter was closed.

Case 2017.83 and 2017.112 Subject of Trial Board hearing held at November 17, 2017 Board Meeting. Cases subject to same charges and outcome but were heard individually. Both cases were for individual licensees who did not report Continuing Professional Education for the 2016-2017 year and did not respond to attempts made by Board staff to reach them to pursue getting them to come into compliance. Individual licenses were revoked at trial, subject to \$250 in penalties and \$450 in cost recovery, considered as discipline, and reported through ALD.

VII. Regulatory Matters (continued)

Case 2017.79; 2017.91; 2017.93; 2017.113; 2017.120; 2017.134; 2017.162; 2017.172; 2017.179; 2017.209; 2017.210; 2017.211; 2017.212; and 2017.214 These cases were either Voluntary Cancellations, Retirements, Extensions granted by the Board, corrections of online information posted by the licensee to the CPE module, or settlement of CPE violations through Stipulations & Consent signed at November 17, 2017 Board Meeting.

1. Sharee Brewer then discussed the active cases as presented on the *Open Case Log*.

APPROVED:

Chair

Board Member

Vice Chair

Board Member

Secretary

Board Member

Board Member