

MISSISSIPPI STATE BOARD OF PUBLIC ACCOUNTANCY
MINUTES
June 1, 2018

The Mississippi State Board of Public Accountancy met at the Board office at 5 Old River Place, Suite 104, Jackson, Mississippi on June 1, 2018, beginning at 8:30 a.m. The following record of that meeting was maintained.

Board Members Present

Mark P. Peach, Chair
Willie B. Sims, Jr., Vice Chair
Rick Elam, Secretary
Angela L. Pannell
David Bridgers
William Kelly
Charles Prince

Board Staff Present

Andy Wright, Executive Director
Sharee Brewer, Associate Director, Investigations
Lane McNeal, Administrative Assistant

Legal Counsel Present

Gloria Green, Deputy Attorney General

Others Present

Ed Jones, MSCPA Representative
Dan Dustin, NASBA, VP State Board Relations
Casey Stuart, NASBA, Southeast Regional Director

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 April, 2018 meeting.
3. The Board members present signed the CPA certificates of licensure from the April, 2018 meeting.

I. General (Continued)

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

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
November 9, 2018	10:30 a.m. Board Meeting
November 10, 2018	New CPA Ceremony
October 28-31, 2018	NASBA Annual Meeting, Scottsdale, AZ
December 7, 2018	8:30 a.m. Board Meeting

5. The Board discussed travel authorization forms. Travel to June events was pre-approved by the Board at the April 27, 2018 meeting.

II. National Regulatory Concerns

1. The Board members discussed the NASBA *State Board Report* for May, 2018.
2. The Board discussed the NASBA Board of Directors meeting highlights, April 27, 2018.
3. The Executive Director discussed the Mississippi State Board highlights for NASBA Regional agendas.
4. The Board did not propose nominations for NASBA awards.
5. The Board reviewed the TX State Board Data Analytics Survey, “What is Blockchain”.
6. The Board members heard an update on various topics from Dan Dustin, NASBA V.P. of State Board Relations, and Casey Stuart, NASBA Southeast Regional Director.
7. The Board discussed the AICPA announcement that ABV Credentials is open to non-CPAs.

III. Administration

1. The Board members present reviewed the MSBPA Balance Sheets, Funds 3845 and 3850, as of April 30, 2018.
2. The Board reviewed the FY 2018 Budget to Actual Comparison – Fund 3845, for the ten months ended April 30, 2018.
3. The Board reviewed the Statement of Revenues and Expenditures, Fund 3845 for the ten months ended April 30, 2018.
4. The Board discussed the draft of the Annual report to MSCPA at Convention.
5. In other business:
 - The Board members approved additional per diem days.

IV. CPA Examination, Licensing & Firms

1. The Board members noted staff approval of 68 candidate applications (22 initial, 46 reexam) for 102 Sections of the computerized CPA examination received since the April 27, 2018 meeting.
2. The Board members 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
14168	Sarah E. Glaze	7570	Approved
14032	Ashley Elizabeth Stauter	7571	Approved
14082	Michael Lee Walker	7572	Approved

Applications for Reciprocal CPA License

File	Name	Number	Action
14225	Tennille B. Ayers	R7573	Approved
14545	Londa McClure LeBrun	R7574	Approved
13297	Ann Marie Logan	R7575	Approved
14536	Samantha Abel Weatherford	R7576	Approved

IV. CPA Examination, Licensing & Firms (Continued)**Applications for Reinstatement of CPA License**

File	Name	Number	Action
04087	Max P. Bowman	3329	Approved
12668	Charles Lance Hill	6271	Approved
11048	Julie M. Melvin	5673	Approved
04947	Pamela K. Patano	3229	Approved

Applications for CPA Firm Permit to Practice

Name	City, State	Number	Action
Woodard & Associates, PLLC	Canton, MS	7569	Approved

Amendments to Registered Firms

No.	Name	City, State	Change
7029	W.F. Baird, Jr., PLLC	Madison, MS	Address Change
F1192	Crowe LLP	Oak Brook, IL	Name Change from Crowe Horwath, LLP
F0456	Crowe LLP	Franklin, TN	Name Change from Crowe Horwath, LLP
F1127	Crowe LLP	Columbus, OH	Name Change from Crowe Horwath, LLP
F1258	Crowe LLP	Atlanta, GA	Name Change from Crowe Horwath, LLP
F1259	Crowe LLP	Indianapolis, IN	Name Change from Crowe Horwath, LLP
F1260	Crowe LLP	South Bend, IN	Name Change from Crowe Horwath, LLP
F1351	Crowe LLP	Lexington, KY	Name Change from Crowe Horwath, LLP

Application for Reinstatement of a CPA Firm Permit to Practice

Number	Name	City, State	Action
F1418	Wm Daniel McCaskill, CPA	Mandeville, LA	Yes

V. Continuing Professional Education

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

Sponsor/Title	Dates	Hours	Action
AFWA – Jackson Chapter 1. Managing Distractions in the Workplace	5/3/2018	8	Approved
Checkpoint Learning (QAS) 1. Ethics for Mississippi	Online Self Study	4 Ethics (3 Gen; 1 Rules)	Approved
Delta Chapter of CPAs 1.2018 Accounting and Auditing Update	5/8/2018	8	Approved
Electric Cooperatives of Mississippi 1. Accounting and Finance Section Meeting	4/26/2018	3	Approved
Estate Planning Council of MS 1. 2017 Developments in Estate Planning 2. Charitable Giving Strategies in 2018 3. Guide to Financial Independence With Market Update 4. Special Needs Planning	1/9/2018 2/13/2018 4/10/2018 5/8/2018	1 1 1 1	Approved Approved Approved Approved
Forrest General Healthcare Foundation 1.Getting Your House In Order	6/14/2018	7 inc. 1 Gen. Ethics	Approved
GenCast 1. Ethics Hacks 2. Ethics for Accountants	Various Various	2 Gen Ethics 2 Gen Ethics	Approved Approved
Harper Rains Knight & Company PA 1.Oil & Gas Taxation Update 2. Compliance and Risk Management 2018 Update	6/19/2018 6/14-15/18	4 16	Approved Approved
Karl Steinberger 1. Fundamentals of Worker’s Compensation and Employment Law	5/24/2018	4	Approved
Nail McKinney Professional Association 1. 2018 Tax Planning Opportunities	5/9/2018	4	Approved
Watkins Ward and Stafford PLLC 1. Ethics and Professional Conduct	5/4/2018	4 Ethics (3 Gen; 1 Rules)	Approved

2. The Board members discussed tentative plans for changes to CPE reporting deadlines and processes.

VI. RULES AND REGULATIONS

1. By unanimous vote of the Board members, proposed changes of each of the following rules were approved:

- Rule 2.1.10*
- Rule 2.3.1*
- Rule 2.4.3*
- Rule 2.4.4*
- Rule 2.5.1*
- Rule 2.6.6*
- Rule 3.1.3*
- Rule 4.1.1*
- Rule 4.2.4,*
- Rule 4.4.4*
- Rule 4.4.6*
- Appendix; Schedule of Fees*

VII. Regulatory Matters

The Board heard a report from Associate Director Sharee Brewer regarding the regulatory activities from April 28, 2018 to June 1, 2018:

Activity	Number
Cases Opened Beginning of Period	24
Cases Opened	0
Cases Closed ①	4
Cases Open End of Period	20
Open Cases Referred to Members	5

① Cases Closed:

Case 2017.16 Case opened August 15, 2017 after firm received a fail rating on review engagements in the peer review program. Firm complied with all follow-up requirements of the program. Firm agreed to a Stipulation and Consent order. The order was presented to the full Board on April 27, 2018. Matter was closed.

Case 2017.216 Case opened December 20, 2017 after firm received a fail rating on compilation engagements in the peer review program. Firm complied with all follow-up requirements of the program. Firm agreed to a Stipulation and Consent order. The order was presented to the full Board on April 27, 2018. Matter was closed.

VII. Regulatory Matters(continued)

Case 2018.13 Case opened March 2, 2018 after learning Board staff had been having a continued problem obtaining this licensee's supplemental CPE form and had not reported it. Licensee cooperated after a phone call made to her by Investigator. Licensee did have her CPE but had failed to report it. Licensee even had enough CPE to cover the penalty hours which had been assessed. Licensee agreed to a Stipulation and Consent order containing a \$250 civil penalty for failure to report and a \$250 cost recovery for failure to cooperate. The order was presented to the full Board on April 27, 2018. Matter was closed.

Case 2018.19 Case opened April 17, 2018 after receiving a complaint from a firm client claiming licensee had not returned their tax documentation. Licensee responded immediately with documentation that the client had picked up their tax documentation. Matter was closed.

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

The Board discussed tentative plans to address firms not enrolling in Peer Review Program.

VII. Trial Board

Trial Board Hearing Continuance:

Order granting motion for Continuance in **Case 2017.75** was approved.
(Kelly Investigative Committee)

Petition for Waiver for Board Approval:

A Petition for Waiver in **Case 2017.76** was approved referencing Board Rule 5.5.2.3, involving a firm with an outstanding consent order in **Case 2014.49**. Outstanding consent order required an accelerated peer review and said review was completed with a pass with deficiencies rating. Consequently, per referenced rule, firm is subject to pre-issuance review monitoring. Investigative committee reviewed the circumstances and felt another path was more appropriate under the circumstances since this requirement would be so burdensome on this particular firm given the workload they produce, the requirement could potentially close operations. Investigative committee concluded protection of the public could still be well served with another consent order (which follows below) but that cannot be addressed without waiver approval first.
(Bridgers Investigative Committee)

VII. Trial Board (continued)

Consent Orders for Board Approval:

A Consent Order in **Case 2017.76** was approved involving a firm which received a pass with deficiencies rating on an accelerated peer review. This firm will be required to submit to post issuance review monitoring in compliance with AICPA peer review standards. The firm will be subject to said post issuance review monitoring until it obtains a pass rating on peer review.

(Bridgers Investigative Committee)

A Consent Order in **Case 2018.02** was approved involving a firm which issued two review reports to the State Board of Contractors. This firm and licensee/owner of firm stated in both their annual license and firm renewal applications that such work was not performed resulting in two false statements to the Board. The licensee admitted the statements were made to avoid peer review. Licensee agreed to voluntarily surrender their license and firm permit. Board does not offer such status so effective with order, the license and firm permit will be cancelled.

(Prince Investigative Committee)

Stipulation and Consent Orders for Board Approval:

A Stipulation and Consent Order in **Case 2017.182** was approved involving a firm with a fail rating on compilation engagements in a peer review report. The firm fully cooperated with the investigation and peer review program. The order requires the firm to schedule an accelerated peer review with a date acceptable to the board if they become engaged to perform reviews or audits of financial statements in the future.

(Sims Investigative Committee)

A Stipulation and Consent Order in **Case 2018.05** was approved involving a licensee who issued a review report for the State Board of Contractors without a firm permit. The review report did not meet appropriate standards. Licensee does not wish to continue with such engagements nor obtain a firm permit. The licensee fully cooperated with the investigation. The order includes a \$500 civil penalty for practicing public accounting without a firm permit and issuing a substandard report.

(Prince Investigative Committee)

APPROVED:

Chair

Board Member

Vice Chair

Board Member

Secretary

Board Member

Board Member