

MISSISSIPPI STATE BOARD OF PUBLIC ACCOUNTANCY
MINUTES
July 29, 2005

The Mississippi State Board of Public Accountancy met at the Board office at 5 Old River Place, Suite 104, Jackson, Mississippi, on July 29, 2005. The following record of that meeting was maintained.

Board Members Present

John P. Quon, Chairman
Jim E. Burkes, Vice Chairman
Willie B. Sims, Jr., Secretary
Rick Elam
Angela L. Pannell (a.m.)
Jean T. Shepherd

Board Members Absent

Diane S. Day

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 (a.m.)
Jimmy Boyd, MAPA

I. General

1. The Board opened the meeting with the invocation by Jean Shepherd.
2. The Board members present unanimously approved the minutes from the June 1, 2005, meeting.
3. The Board members signed the certificates of licensure from the June 1, 2005, meeting.

I. General (Continued)

4. The Board members present reviewed the remaining 2005 meeting and activity dates. Due to conflicts, the Board members present approved cancellation of the August 26, 2005, meeting. The 2005 meeting and activity dates are as follows:

September 30	8:30 a.m.	Meeting
Oct. 30 - Nov. 2		NASBA Annual
November 18		Meeting
November 19		Ceremony
December 16		Meeting
5. The Board discussed the NASBA regional meeting and the Mississippi Society of CPAs annual meeting.
6. The Board acknowledged the upcoming NASBA meetings and approved attendance of Board member Angela Pannell and Executive Director Susan Harris:

September 14	CPA Examination Symposium
September 15	NASBA Center for the Public Trust - Revitalizing Public Trust
7. The Board members present approved attendance of members and Executive Director to the NASBA Annual Meeting to be held October 30 - November 2, 2005, in Tucson, Arizona. Meeting registration is due by September 19, 2005.

II. National Regulatory Concerns

1. The Board accepted the Mississippi response as submitted for the July 2005 NASBA focus questions.
2. The Board reviewed a July 7, 2005, memorandum from David Vaudt announcing the Nominations Committee's selections for Directors-at-Large and Regional Directors positions.
3. The Board reviewed and discussed responses from the California, Oregon, and Texas boards of accountancy concerning the Uniform Accountancy Act Rules 5-1 and 5-2 Exposure Draft.
4. The Board reviewed a June 10, 2005, NASBA email concerning requested assistance with and information for the NASBA Accountancy Licensee Database.

II. National Regulatory Concerns (Continued)

5. The Board reviewed a June 17, 2005, AICPA email concerning the *Omnibus Proposal of Professional Ethics Division Interpretations and Rulings* and noted that comments will be accepted through August 16, 2005.
6. The Board members present received a copy of the June 2005, *Ethically Speaking*, published by the AICPA Professional Ethics Executive Committee.
7. The Board reviewed and discussed various documents from the Public Company Accounting Oversight Board (PCAOB) including:
 - July 11, 1005, PCAOB email addressing the Forums on Auditing Small Business Environment; next forum - Orlando, August 4 - 5, 2005;
 - July 21, 1005, PCAOB release announcing open meeting to consider (1) auditing standard on remediation of material weaknesses, and (2) rules concerning auditor independence and tax services;
 - June 6, 2005, NASBA email concerning PCAOB study; and
 - June 14, 2005, PCAOB Office of Government Relations announcing its study of board of accountancies.

III. Administration

1. The Board reviewed and discussed the SAAS Summary Trial Balances as of June 30, 2005, for Treasury Funds 3845 and 3850, and the Treasury Fund 3845 SAAS Appropriation/Actual Expenditures for the twelve months (before lapse) ended June 30, 2005.
2. The Board reviewed the FY2006 *Approval of Fiscal Year Budget*, DFA Z-1 form, setting the spending authority/allotments for July 1, 2005 - June 30, 2006 and Senate Bill 2020, Chapter 27, as approved by the Governor.
3. The Board discussed the July 1, 2005, Department of Finance and Administration (DFA) - State Fiscal Officer memorandum establishing the payment due date of October 1, 2005, for the \$18,791 due to the Budget Contingency Fund (BCF). The Legislature provided additional expenditure authority in Senate Bill 2020 under major object of expenditure category of Contractual Services.
4. The Board also noted the July 1, 2005, DFA State Fiscal Officer memorandum concerning other agencies' FY 2006 special fund transfers to the Budget Contingency Fund as mandated by Senate Bill 2066.

III. Administration (Continued)

5. The Board members present unanimously approved the draft budget request for the fiscal year ended June 30, 2007, for submittal to the Legislature and the Governor by August 1, 2005.
6. The Board heard a report from the Executive Director concerning the *5-Year Strategic Plan for the Fiscal Years 2007 - 2011*, to be completed and submitted to the Legislature and the Governor's Office August 15, 2005.
7. The Board reviewed and discussed the actual performance measures for the twelve months ended June 30, 2005, as follows:

CPA examination applications	446
CPA licenses, retired issuance and reinstatements	168
CPA license and retired registration	4,157
CPA firm permit issuance and registration	750
CPE report monitoring	3,734
CPE detailed audits	60
Complaints received	142
Investigations	286
Trial Board actions on disciplinary cases	198
8. The Board noted the updated FY 2006 travel contracts as released by the Department of Finance and Administration.
9. Upon motion by Willie Sims with second from Jean Shepherd, the Board unanimously voted to close the meeting for the limited purpose of considering whether or not they had a proper subject matter to go into Executive Session. In the closed meeting the Board members present voted that they did indeed have a proper subject matter before it to entitle it to go into Executive Session, namely discussion of personnel matters. Accordingly, the Board reopened the closed meeting and upon motion by Willie Sims with second from Jean Shepherd unanimously voted to go into Executive Session for the purpose set forth above. Having announced this stated purpose the Board then entered into Executive Session for this specific purpose. Within the Executive Session, the Board took the following action: Upon motion by Jean Shepherd with second from Willie Sims, the Board members present voted to submit Executive Director Susan Harris' new credential to the State Personnel Board for a determination as to whether it qualifies for an educational benchmark. Votes were - For: John Quon, Jim Burkes, Willie Sims, Rick Elam, Angela Pannell, Jean Shepherd; Against: None; Absent: Diane Day; and Recused: None.

IV. CPA Examination, Licensing and Firms

1. The Board members present unanimously ratified the listing of candidate applications for the computerized examination (20 initial, 71 reexam) received since the June meeting.
2. The Board members present unanimously approved the Window 2 - April-May 2005 CPA examination grades for 147 candidates, 196 examination sections. Seventeen candidates from this window have completed all four examination sections.
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>
10883	Crystal Lewis Chesney	5721	7/29/05	Yes
11467	Amy S. Janovsky	5722	7/29/05	Yes
10675	Joseph H. Stewart	5723	7/29/05	Yes
10628	Amy E. Turnipseed	5724	7/29/05	Yes

Applications for Reciprocal CPA License

File				
<u>Number</u>	<u>Name</u>	<u>Number</u>	<u>Date</u>	<u>Approved</u>
11645	Melissa Monnerjahn Bosch	R3101	7/29/05	Yes
11646	Susan Cottongim Brueaux	R3102	7/29/05	Yes
11647	Preston Vernon Calcote	R3103	7/29/05	Yes
11665	Mortina Lee Castillo	R3104	7/29/05	Yes
11674	Sandra D. Clifton	R3105	7/29/05	Yes
11648	Edmond R. Eberle, Jr.	R3106	7/29/05	Yes
11649	Jeffrey M. Favret	R3107	7/29/05	Yes
11650	Charles A. Giraud, III	R3108	7/29/05	Yes
11673	Todd L. Griesbeck	R3109	7/29/05	Yes
11651	Jeremy Thomas Head	R3110	7/29/05	Yes
11652	John Philip Hoffman	R3111	7/29/05	Yes

IV. CPA Examination, Licensing and Firms (Continued)

3. Applications (Continued)

Applications for Reciprocal CPA License (Continued)

<u>File</u>				
<u>Number</u>	<u>Name</u>	<u>Number</u>	<u>Date</u>	<u>Approved</u>
11561	Cranson Paul Horst	R3112	7/29/05	Yes
11657	Melanie M. Housey	R3113	7/29/05	Yes
11653	Dawn M. Johansen	R3114	7/29/05	Yes
11666	Robert P. Johnson	R3115	7/29/05	Yes
11654	Christopher G. Kaupp	R3116	7/29/05	Yes
11655	Bonnie M. Kolb	R3117	7/29/05	Yes
11656	Shelley Martin Mayer	R3118	7/29/05	Yes
11658	John A. Parker	R3119	7/29/05	Yes
11659	James P. Roth	R3120	7/29/05	Yes
11660	Brian J. Rotolo	R3121	7/29/05	Yes
11672	Justin J. Scanlan	R3122	7/29/05	Yes
11682	Troy Marvin Shackelford	R3123	7/29/05	Yes
11661	Angela I Taylor			No (1)
11662	Nauman Scott Thomas	R3124	7/29/05	Yes
11663	Lauren Elizabeth Wascom	R3125	7/29/05	Yes
11667	Trenton D. Watrous	R3126	7/29/05	Yes
11667	Laura A. Weinstein	R3127	7/29/05	Yes

(1) Cannot reciprocate from foreign license - Canadian Chartered Accountant; pending documentation to satisfy MS requirements.

Applications for CPA Firm Permit to Practice

<u>Name</u>	<u>Number</u>	<u>Approved</u>
Troy M. Shackelford, CPA Cave Creek, AZ	F1033	Yes
Justin J. Scanlan, CPA New Orleans, LA	F1034	Yes

IV. CPA Examination, Licensing and Firms (Continued)

3. Applications (Continued)

Applications for Reinstatement of CPA Firm Permit to Practice

<u>Name</u>	<u>Number</u>	<u>Approved</u>
Martha C. Moss, CPA Pascagoula, MS	F0546	Yes

Amendments to Registered CPA Firms

<u>Name</u>	<u>Number</u>	<u>Description</u>
Chellie K. Evanson CPA, PLLC Hattiesburg, MS	F0998	Name change from Eavenson & Associates
Lyles and Sinclair, PLLC Jackson, MS	F0487	Names change from Lyles & Sinclair, CPAs, and formerly a partnership
The Wofford Company, PA Ridgeland, MS	F0778	Address change from I-55 Jackson to 602 Crescent Place, #100 , Ridgeland.

4. The Board discussed and made suggestions for a potential key speaker for the November 19, 2005, ceremony.
5. The Board reviewed a July 7, 2005, letter from AICPA concerning planned examination score releases. After discussions the Board members present unanimously approved the release of grades as received during the window with disclaimer statements. The Board staff will continue to compile, analyze, audit and report scores for each complete examination window.
6. The Board reviewed and discussed a June 28, 2005, NASBA email and letter concerning an implementation plan for any future CBT candidate fee changes.
7. The Board reviewed a June 6, 2005, California Board of Accountancy letter requesting that a RFI (request for information) be issued to consider an alternate examination in addition to responses from NASBA, AICPA, and Prometric.
8. The Board reviewed a July 20, 2005, AICPA email forwarding examination information including the CBT volume task force report; updated cost comparisons; new score reporting schedule; candidate bulletin and description of Sells Award.

IV. CPA Examination, Licensing and Firms (Continued)

9. The Board reviewed a June 20, 2005, NASBA letter to the West Virginia Board of Accountancy addressing its concerns about examination related issues.
10. The Board members present unanimously approved requests from CPAs for amendments to the 2005 CPE compliance requirements, as follows:

<u>Name</u>	<u>Number</u>	<u>Board Action</u>
Lisa Andrews	3145	Extension to 9/30/05 - 8 CPE hours
Ronnie G. Ashby	R2389	Extension to 9/30/05 - 2.25 CPE hours
Tonya Barker	5300	Extension to 9/30/05 - 9 A&A hours
Pamela W. Bourne	4722	Extension to 9/30/05 - 7.5 CPE hours
Samuel A. Bray	1640	Extension to 9/30/05 - 3 CPE hours
Margaret F. Butler	1093	Waiver - medical reasons
Catherine C. Cauthen	4147	Extension to 9/30/05 - 11 CPE hours
Charles Champion III	5476	Extension to 9/30/05 - 12 CPE hours
Ruth N. Daniel	3823	Extension to 9/30/05 - 20 CPE hours
John B. Dongieux	3448	Extension to 9/30/05 - 4.5 A&A hours
David R. Hardy	1993	Extension to 9/30/05 - 12 CPE hours
Kirk D. Hardy	3741	Extension to 9/30/05 - 18 CPE hours
Erma S. Hensarling	2123	Waiver - medical reasons
Billie D. Henson	4516	Waiver - medical reasons
Jason B. Herring	4929	Extension to 9/30/05 - 40 w/8 A&A hours
Jonathan S. Huff	R2774	Extension to 9/30/05 - 12 A&A hours
Clyde Johnston	2955	Extension to 9/30/05 - 16 CPE hours
Thomas R. Lindsay	2655	Waiver - medical reasons
T. E. Lott, Jr.	782	Extension to 9/30/05 - 9 CPE hours
Donna S. McGinnis	R2632	Extension to 9/30/05 - 1.5 CPE hours
Jonathan S. Huff	R2774	Extension to 9/30/05 - 8 A&A hours
Sherry M. Mosley	3133	Extension to 9/30/05 - 6 CPE hours
Oliver L. Phillips	1229	Extension to 9/30/05 - 12 CPE hours
John F. Prince	1692	Extension to 9/30/05 - 5 CPE hours
George R. Rea, Sr.	273	Waiver - medical reasons
Ada C. Rodrigue	990	Extension to 9/30/05 - 4 CPE hours
Alfred E. Smith II	5025	Extension to 9/30/05 - 45 w/8 A&A hours
Karen S. Somerville	R2544	Extension to 9/30/05 - 8 A&A hours
Gilbert Spencer III	4575	Extension to 9/30/05 - 12 CPE hours
Tracy L. Tacker	4961	Extension to 9/30/05 - 12 A&A hours
Frank M. Taylor	4406	Extension to 9/30/05 - 1.5 CPE hours
Gregory Ton	1904	Extension to 9/30/05 - 39 CPE hours

IV. CPA Examination, Licensing and Firms (Continued)

10. CPE amendment requests (Continued)

<u>Name</u>	<u>Number</u>	<u>Board Action</u>
Mark C. Wright	5271	Extension to 9/30/05 - 55.8 w/8 A&A hours
Samuel H. White	924	Waiver - medical reasons

11. The Board members present unanimously deferred action pending additional information for the following CPE amendment requests:

<u>Name</u>	<u>Number</u>	<u>Request</u>
Cecil Brown	1173	Extension - AICPA CPE Direct disapproval
George M. Conwill	2552	Waiver
Michael H. Plunkett	1866	Waiver or extension
Sherry L. Vance	3596	Extension - AICPA CPE Direct disapproval

12. The Board members reviewed a listing of voluntary cancellations made by CPAs with CPE deficits and requested during the 2005 CPE reporting period:

<u>Name</u>	<u>Number</u>
Brenda S. Adams	R2508
Jessica B. Bader	R3047
Kellene D Butler	R2785
E. Scott Elphingstone	R2765
James E. Goodwin, Jr.	R2161
Glen M. Laborde	R2979
Andrew W. McDill	R2742
Andrew B. Mercier	3388
Monroe J. Moody, Jr.	1572
James F. Morton	R3018
Elena G. Nunez	R2641/F0569
J. Denton Pearson, Jr.	2152
Benny D. Watts	787
Sharon C. Weber	3645

IV. CPA Examination, Licensing and Firms (Continued)

13. The Board members unanimously approved requests from CPAs for waivers of the 2005 CPE compliance requirements based on affidavits of current retirement and intention to apply for CPA (retired) for 2006, as follows:

<u>Name</u>	<u>Number</u>
Gentry H. Brandon	1330
James O. Carpenter	1609
Atlee O. Harmon, Jr.	1217
Thomas W. Holloman	1221
Robert M. Kuttbauer	1756
Howard L. Melin	4436
Carol D. Monroe	2852
Charles H. Reece	1163
Royce E. Strickland	961

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>Subject Dates</u>	<u>Subject</u>	<u>Hours</u>	<u>Approved</u>
A.	Alexander, Van Loon, Sloan, Levens & Favre, PLLC				
	1. Special Topics in Small Business Engagements	6/21/05	A&A	8	Yes
	2. A&A Update	6/20/05	A&A	8	Yes
B.	Amsouth Bank				
	1. 2005 Estate Planning & Taxation Seminar	8/24/05 8/25/05	Tax	8	Yes
C.	Bedford Capital Consulting				
	1. Cost Segregation	TBD	Other	2	Pending Timeline
D.	CCH Incorporated				
	1. 10 th Annual Back to Basics Partnership, LLC & S Corporation Seminars	9/26-27/05 10/24-25/05 10/31- 11/1/05	Tax	16	Yes

V. Continuing Professional Education (Continued)

1. CPE Sponsor Applications (Continued)

	<u>Sponsor/Program Title</u>	<u>Subject Dates</u>	<u>Subject</u>	<u>Hours</u>	<u>Approved</u>
D.	CCH Incorporated (Continued)				
	2. 19 th Annual Partnership, LLC & S Corporation Tax Planning Forums	9/19-20/05 9/29-30/05 10/20-21/05 10/27-28/05 11/3-4/05 11/17-18/05 1/4-5/06	Tax	16	Yes
E.	Gleim Publications, Inc.				
	1. AICPA Professional Ethics	Self-study	Ethics - General	4	Yes
F.	Harper, Rains, Knight & Co., PA				
	1. A Review of RIA's Complete Analysis of the Working Families Tax Relief Act	6/28/05	Tax	4	Yes
	2. A Review of RIA's Complete Analysis of the American Jobs Creation Act	6/29/05	Tax	4	Yes
G.	Institute of Internal Auditors - Central Chapter				
	1. Enterprise Risk Management	6/28-29/05	A&A	15	Yes
	2. CIA Formal Program				
	Part I	4/30/05	A&A	8	Yes
	Part II	5/1/05	A&A	8	Yes
	Part III	5/2/05	A&A	6	Yes
			Other	2	
H.	MAPA				
	1. 58 th Annual Convention	6/27-29/05	Ethics - General A&A	2 10	Yes
	2. Gear Up Technology Seminar	8/2-3/05	Other	16	Yes
	3. Gear Up Business Entities Seminar	9/29-30/05	Tax	16	Yes

V. Continuing Professional Education (Continued)

1. CPE Sponsor Applications (Continued)

	<u>Sponsor/Program Title</u>	<u>Subject Dates</u>	<u>Subject</u>	<u>Hours</u>	<u>Approved</u>
I.	MS Chapter HFMA 1. 2005 Summer Workshop	8/18-19/05	Other	10	Yes
J.	Mississippi Power Company 1. Account Reconciliation Training	6/20/05 6/24/05 6/27/05 6/29/05	Other	3	Pending Timeline
K.	MS Society of CPAs 1. Governmental A&A Conference	8/25-26/05	A&A	16	Yes
	2. Not-For-Profit Conference	9/16/05	A&A	8	Yes
L.	MSU - Division of Business Services College of Business & Industry 1. 2005 Tax Update Seminars	11/10-11/05 11/21-22/05 12/6-7/05 12/12-23/05 1/5-6/05	Tax	16	Yes
M.	Nail McKinney Professional Assn 1. Accounting and Auditing Update/ Special Topics in Small Business Engagements	8/25-26/05	A&A	16	Yes
N.	Office of the State Auditor 1. Education Audit Section - SAS99, Documentation, Purchase Law	5/3/05	A&A	8	Yes
	2. Agency Audit Section - Audit Training	6/3/05	A&A	8	Yes
	3. Education Audit Section - GASB34 Training	5/2/05	A&A	8	Yes
	4. County Audit Section - Regional Staff CPE Training	5/17/05	Other	8	Yes
	5. 2005 Governmental A&A Update	4/20/05	A&A Ethics - General	5 3	Yes

V. Continuing Professional Education (Continued)

1. CPE Sponsor Applications (Continued)

	<u>Sponsor/Program Title</u>	<u>Subject Dates</u>	<u>Subject</u>	<u>Hours</u>	<u>Approved</u>
O.	Professional Education Services, LP				
	1. Ethics and Professional Conduct for CPAs	Self-study	Ethics - General	None listed	No (1)
	2. Ethics and the Tax Professional	Self-study	Ethics - General	None listed	No (1)
P.	Professional Education Systems, LLC				
	1. The Complete Trust Course	10/6&7/05	Tax	8	Yes
	2. The Ultimate Compilation and Review Engagement PRECONFERENCE	7/27/05	A&A	2	Yes
Q.	SEMPAC				
	1. Producing Efficiencies & Better Work-papers in Governmental & Non-Profit Engagements	9/7/05	A&A	8	Yes
	2. Avoiding Peer Review & Regulatory Exceptions in Governmental Financial Statements	9/8/05	A&A	8	Yes
	3. Annual Governmental & Non Accounting & Auditing Update	9/9/05	A&A	8	Yes
	4. Current Issues in Construction Contractor Taxation, Accounting and Auditing	9/22/05	A&A	8	Yes
R.	Silas Simmons				
	1. Annual A&A Seminar	9/19/05	A&A	8	Yes
S.	Stickler Learning				
	1. Leader Effectiveness Training	5/24-26/05	Other	17.5	No (2)

(1) Need additional information.

(2) Personal development programs are not allowed.

V. Continuing Professional Education (Continued)

1. CPE Sponsor Applications (Continued)

	<u>Sponsor/Program Title</u>	<u>Subject Dates</u>	<u>Subject</u>	<u>Hours</u>	<u>Approved</u>
T.	T. E. Lott 1. Independence & Ethics Training	6/28/05	Ethics - General	1	Yes
U.	Watkins, Ward and Stafford PLLC 1. 2005 Governmental A&A Update	7/20-21/05	A&A	16	Yes
V.	WiseGuides 1. CPA Ethics for Mississippi	Self-study	Ethics - General	4	No (1)

(1) Need additional information.

2. The Board members present unanimously authorized the following actions on CPE requests from individuals.

	<u>Sponsor/Program Title</u>	<u>Subject Dates</u>	<u>Subject</u>	<u>Hours</u>	<u>Approved</u>
A.	The Journal of Accounting and Finance Research 1. Corporate Management Should Voluntarily Establish Audit Firm Rotation as an Internal Control <i>Requested by Paul W. Allen</i>	Published Article	A&A	30	Yes
B.	Jones County Bar Association 1. Ethics Issues <i>Requested by Deidra J. Bassi</i>	6/23/05	Ethics - General	1	Yes
C.	Georgia Society of CPAs 1. Ethics/Professionalism, Revisions to Circular 230 <i>Requested by B.M. Brown.</i>	6/8-9/05	Tax	1	Yes
D.	Practitioners Publishing Company 1. Current Developments - Accounting and Financial Reporting <i>Requested by Nannette W. Clark</i>	Self-study	A&A	10	Yes

V. Continuing Professional Education (Continued)

2. The Board members present unanimously authorized the following actions on CPE requests from individuals.

	<u>Sponsor/Program Title</u>	<u>Subject Dates</u>	<u>Subject</u>	<u>Hours</u>	<u>Approved</u>
E.	University of Alabama in Huntsville 1. BLS 500 - Law, Ethics & Business <i>Requested by Jeanette M. Colvert</i>	Spring 2005 Semester	Ethics - General Other	2 43	Yes Yes
F.	AICPA Info Bytes 1. Selected Topics in Professional Ethics <i>Requested by Allen Godfrey</i>	Online Self-study	Ethics - General	2	Yes
G.	NASACT 1. Ethics and Governance (part of NASACT Annual Convention) <i>Requested by William Morehead</i>	11/15/04	Ethics - General	1.5	Yes
H.	AICPA Info Bytes 1. Ethics: Forensic Review Services - You are the Forensic Auditor <i>Requested by Sandi Munden</i>	Online Self-study	Ethics - General	1	Yes
I.	Juran Institute 1. Six Sigma Black Belt <i>Requested by Emily Riemann</i>	12/13-16/04 1/10-14/05 2/21-24/05 4/11-14/05	Other	84	Yes

3. The Board received the compiled results from its quick poll to other Boards concerning their CPE definitions related to accounting & auditing and ethics, but deferred review and discussion of the results until the next meeting.
4. The Board reviewed a July 7, 2005, email from Yordanos Dumez, NASBA Director, CPE Compliance Services, forwarding information concerning reorganization of NASBA's seven fields of CPE study.

VI. Rules and Regulations

1. The Board received a June 24, 2005, letter from the Mississippi Secretary of State discussing the new Administrative Procedures Law and regulations.

VII. Regulatory Matters

1. The Board heard a report from Investigator Ransom Jones and approved the regulatory activities that have occurred from June 1 to July 29, 2005:

<u>Activity</u>	<u>Number</u>
Cases Opened	None
Cases Closed	3
Cases referred to Members	None
Total Cases Open	11

2. Cases closed:

Case 2004.13 - opened April 28, 2004. Investigation involving WorldCom, Inc.'s independent auditors related to possible violation of Board *Rules and Regulations* Section 6.9. - Auditing Standards and related rules. The case was transferred from previous member David Pippin to Jim Burkes in March 2005. The Jim Burkes Investigative Committee closed the case after determining no probable cause to investigate further at this time and remanded the matter to the file for continued evaluation as necessary.

Case 2004.16 - opened July 22, 2004. A Mississippi resident filed a complaint accusing his former CPA of incompetence in preparing his individual tax return and caused him to receive an IRS notice. The licensee responded to the Board letter stating that the client received the IRS notice because he did not pay the June 2003 estimated tax payment; as recommended by her firm. The Willie Sims Investigative Committee closed the case after reviewing supporting documentation from the CPA and determined no probable cause to investigate further.

Case 2005.07 - opened March 9, 2005. A licensee did not comply with a Board granted extension to obtain 24 CPE hours for the 2004 compliance period. The Board received a letter requesting the Board to cancel his CPA license because he is in private industry, does not practice public accountancy or hold-out as a CPA.

VII. Regulatory Matters (Continued)

3. The Investigator reviewed the open case log by general description and reported on the investigative activities.
4. The Board members unanimously approved and accepted the three year appointment of Cecil Harper, CPA, Ridgeland, to serve on the Board Oversight Committee July 1, 2005 - June 30, 2008, representing the central section of the State.
5. The Board received the listing from the Mississippi Society of CPAs of CPA firms in the peer review program as of June 30, 2005. The Board Oversight Committee is scheduled to provide its annual report to the Board at the September 30 meeting.
6. The Board reviewed a July 18, 2005, letter from Jack Galloway with the Dave Ramsey Show Organization. Mr. Galloway requested the Board's review of a program wherein CPAs from Mississippi must sign a contract as an "Endorsed Local Provider" for the show. After reviewing and discussing the letter and contract the Board determined that a CPA or CPA firm should not participate in the program as designed. The terms of the contract would require a licensee or permit holder to violate requirements set by *Rules and Regulations* Section 6.5., *Solicitation, Advertising, and Public Communication*, and Section 6.4., *Objectivity*, and possibly Section 6.14., *Discreditable Conduct*. The Board directed Deputy Attorney General Onetta Whitley to draft a letter responding to Mr. Galloway's request.

APPROVED:

Chairman

Board Member

Vice Chairman

Board Member

Secretary

Board Member

Board Member