

**MISSISSIPPI STATE BOARD OF PUBLIC ACCOUNTANCY
MINUTES
December 11, 2009**

The Mississippi State Board of Public Accountancy met at the Board office at 5 Old River Place, Suite 104, Jackson, Mississippi, on December 11, 2009, beginning at 8:30 a.m. The following record of that meeting was maintained.

Board Members Present

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

Board Members Absent

Shelly B. Boone

Board Staff Present

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

Legal Counsel Present

Onetta Whitley, Deputy Attorney General
Bridgette Wiggins, Special Assistant Attorney General

Others Present

Jimmy Boyd, MAPA
Linda Wilson, Court Reporter

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 November 13, 2009, meeting.
3. The Board members present signed the CPA certificates of licensure from the November 13, 2009, meeting.

I. General (Continued)

4. The Board members present set tentative meeting/activity dates for 2010:
- | | | | |
|------------------------|---------------------|---------------|--------------|
| January 22 | 8:30 Meeting | June 24-27 | MSCPA Annual |
| February 19 | Canceled | July 23 | Meeting |
| March 24 | Meeting | August 20 | Meeting |
| April 23 | Meeting | September 24 | Meeting |
| April 24 | Ceremony | October 24-27 | NASBA Annual |
| May 26 | Meeting | November 12 | Meeting |
| June 9-11 | NASBA E. Regional | November 13 | Ceremony |
| June 23-25 | NASBA W. Regional | December 10 | Meeting |
5. The Board approved attendance for NASBA conferences: 28th Annual Conference for Executive Directors & State Board staff held March 21-24 and the 15th Annual Conference for State Board Legal Counsel held March 21-23, 2010.

II. National Regulatory Concerns

1. The Board members present discussed NASBA Quarterly Communications including:
- Highlights - October 30, 2009, Board of Directors Meeting,
 - Executive Summary - July 2009 Focus Questions Responses,
 - NASBA Regional Directors' Report, and
 - NASBA October 23 meeting of NASBA/AICPA IQAB
2. The Board reviewed and answered the quarterly focus questions as sent by November 16, 2009, NASBA memorandum from Don Burkett.
3. The Board reviewed information and correspondence related to the NASBA CPE Expo including :
- NASBA November 30 letter to Tennessee Board of Accountancy, and
 - Tennessee Board of Accountancy's November 10 letter to NASBA.

III. Administration

1. The Board members present reviewed and discussed the SAAS Summary Trial Balances as of November 30, 2009, for Treasury Funds 3845 and 3850, and the Treasury Fund 3845 SAAS Appropriation/Actual Expenditures for the five months ended November 30, 2009.

III. Administration (Continued)

2. The Board discussed the January 2010 legislative budget hearings and process.
3. The Board members present unanimously approved extra per diem days for:

| | | |
|--------------|----------------|--------------------------------------|
| Rick Elam | October 19 | Office of the State Auditor |
| David Clarke | October 19 | Office of the State Auditor |
| | December 4 | Investigative Cases |
| | December 7 | Investigative Cases |
| Jim Burkes | October 5 | NASBA Compliance Assurance Committee |
| | October 16 | NASBA Regulatory Response Committee |
| | October 27 | NASBA Regulatory Response Committee |
| Shelly Boone | December 14-15 | NASBA Global Strategies Committee |
4. The Board members present unanimously approved the Executive Director's attendance to an assigned committee meeting:

| | | |
|--------------|----------------|---------------------------------------|
| Susan Harris | December 16-17 | NASBA Enforcement Practices Committee |
|--------------|----------------|---------------------------------------|

V. CPA Examination, Licensing and Firms

1. The Board members present unanimously accepted the listing of candidate applications for the computerized examination (2 initial, 24 reexam) received since the November 13, 2009, meeting.
2. 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> |
| 12440 | Catherine Flanagan Feibelman | 6013 | 12/11/09 | Yes |

Applications for Reciprocal CPA Licenses

| File | | | | |
|---------------|------------------------|---------------|-------------|-----------------|
| <u>Number</u> | <u>Name</u> | <u>Number</u> | <u>Date</u> | <u>Approved</u> |
| 12745 | Amelia Graham Cole | R3490 | 12/11/09 | Yes |
| 12669 | Douglas T. Ingram, Jr. | R3491 | 12/11/09 | Yes |
| 12739 | Robin Courtney Jones | R3492 | 12/11/09 | Yes |
| 12747 | Carol Anne Marion | R3493 | 12/11/09 | Yes |

IV. CPA Examination, Licensing and Firms (Continued)

2. Applications (Continued)

Applications for Reinstatement of CPA Licenses

| <u>File</u> | <u>Number</u> | <u>Name</u> | <u>Number</u> | <u>Approved</u> |
|-------------|---------------|--------------------|---------------|-----------------|
| 07120 | | Gregory J. Bosarge | 3937 | Yes |

Applications for CPA Firm Permit to Practice

| <u>Name</u> | <u>Number</u> | <u>Approved</u> |
|--|---------------|-----------------|
| Brimmer, Burek & Keelan LLP Tampa, FL | F1251 | Yes |
| Jimmy Childres CPA PC Terry, MS | F1252 | Yes |
| Douglas T. Ingram, Jr. CPA Destin, FL | F1253 | Yes |
| Donald S. Kinney, CPA PC Wiston-Salem, NC | F1254 | Yes |
| Rowan CPA Firm Jackson, MS | F1255 | Yes |

3. The Board members present unanimously approved a request for waiver of the 2009 CPE compliance requirements based on affidavit of current retirement and intention to apply for CPA (retired) for 2010, as follows:

| <u>Name</u> | <u>Number</u> |
|--------------------|---------------|
| Elizabeth W. Watts | 4773 |

4. The Board reviewed and approved a request from candidate #12389 for an NTS extension (BEC) from December 27, 2009 to January 31, 2010.
5. The Board reviewed information related to the CPA examination including:
- November 25, 2009, AICPA Board of Examiners (BOE) letter, concerning the CBT-e transition issue,
 - November 30, 2009, AICPA BOE letter, concerning 2011 changes to the CPA examination,
 - NASBA Candidate Care - Candidate Concerns 09Q3, and

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. | Advances Equities Pension Services | | | |
| | 1. After the Storm: Case Studies in Rebuilding Retirement Plan | TBD | 1 | Yes |
| B. | May & Company | | | |
| | 1. 2009 Tax Update | 11/9/09 | 8 | Yes |
| C. | Millsaps College | | | |
| | 1. Accounting and Auditing Update Fall 2009 | 12/12/09 | 8 | Yes |
| D. | Silas Simmons, LLP | | | |
| | 1. AICPA's Annual Federal Tax Update | 12/29/09 | 8 | Yes |

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

| | <u>Sponsor/Program Title</u> | <u>Dates</u> | <u>Hours</u> | <u>Approved</u> |
|----|---|---|--------------|-----------------|
| A. | Axia College of the University of Phoenix | | | |
| | 1. ACC/250 Accounting Information Systems Requested by Ellen A. Bevon | August 09-October 09 Online Instructor | 40 | No (1) |
| B. | McGraw-Hill | | | |
| | 1. 12 th Edition College Accounting (Chapters 1-6 and 17-20) Requested by John Ellis Price | Published Textbook co-author | 40 | Yes |

(1) Does not satisfy CPE regulatory requirements.

VI. Legislation Task Force

1. The Board members present heard a report from Board Vice Chair David Clarke and discussed the process and communications concerning the amendments to the Public Accountancy Act concerning mobility provisions.

VII. Regulatory Matters

1. The Board heard a report from Investigator Ransom Jones and approved the regulatory activities from November 13, 2009 to December 11, 2009:

| <u>Activity</u> | <u>Number</u> |
|---------------------------|---------------|
| Cases Opened | 1 |
| Cases Closed | 16 |
| Cases referred to Members | 1 |
| Total Cases Open | 36 |

2. The Investigator discussed the closed cases listing all related to continuing professional education (Exhibit 1).
3. The Investigator reviewed the open case log by general description and reported on the investigative activities.

VIII. Trial Board

1. The Board members present unanimously voted to convene as the Trial Board for the purpose of considering matters related to disciplinary cases. Rick Elam, Trial Board President, was the presiding officer. Onetta Whitley, Deputy Attorney General, was the presenting attorney. Bridgette Wiggins, Special Assistant Attorney General, was the hearing officer.
2. The Board did convene as Trial Board for the purpose of hearing complaints related numbers 2008.18, 2008.21, 2008.23, and 2008.25, concerning CPA licensee 4405. David Miller was recused. Based on a request from the respondent's attorney and upon motion by Jim Burkes with second from David Clarke, the Trial Board hearing was continued until further notice. Votes were - For: Rick Elam, David Clarke, Jim Burkes, Willie Sims, Against: None; Absent: Shelly Boone; and Recused: David Miller.
3. The Board continued as Trial Board for the purpose of hearing complaint 2009.15 related to CPA 3776, Seth D. Twum and CPE noncompliance. David Clarke was recused. Based on information now received and upon motion by Jim Burkes with second from Willie Sims, the Trial Board grants dismissal of case 2009.15. Votes were - For: Rick Elam, David Miller, Jim Burkes, Willie Sims, Against: None; Absent: Shelly Boone; and Recused: David Clarke.

VIII. Trial Board (Continued)

4. The Board continued as Trial Board for the purpose of hearing complaint 2009. 14-29, concerning David Lee Gladden, CPA license 1685. David Clarke was recused.

Within the Trial Board the Board heard evidence from witness Ransom C. Jones, CPA Investigator and respondent David Lee Gladden. The respondent allegedly failed to comply with the Chapter 4 CPE requirements for the compliance period ended June 30, 2009, through not reporting and not obtaining the required CPE credit hours.

Following discussion and the administrative Trial Board hearing related to David Gladden, and upon motion by Willie Sims with second from Jim Burkes 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 upon motion by Jim Burkes with second from Willie Sims voted that they did indeed have a proper subject matter before it to entitle it to go into Executive Session, namely discussion of Trial Board orders that could be appealed. Accordingly, the Board reopened the closed meeting and upon motion by Jim Burkes with second from Willie Sims 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 actions:

Upon motion by Willie Sims with second from Jim Burkes the Board determined that the respondent David Lee Gladden had indeed violated Chapter 4 of the Board Rules and Regulations as charged. The Board determined to assess the respondent a civil penalty of \$500 in addition to all investigative, legal, and hearing costs and of this matter to be paid by check or money order within thirty days of the Trial Board order. In addition, Mr. Gladden is ordered to obtain the 11.5 CPE hour deficit in addition to a 6 hour penalty by June 30, 2010. These hours are required in addition to the normal 40 CPE hour and Ethics CPE requirement. Votes were - For: Rick Elam, David Miller, Jim Burkes, Willie Sims, Against: None; Absent: Shelly Boone; and Recused: David Clarke.

VIII. Trial Board (Continued)

4. (Continued) Upon the conclusion of this business, the Board upon motion by Jim Burkes with second from Willie Sims unanimously voted to come out of Executive Session and resumed the open meeting. The Board came out of Executive Session and resumed the open meeting by announcing the actions and votes it had taken in Executive Session.
5. The Board continued as Trial Board for the purpose of hearing complaint 2009.14-73 related to CPA R2097, Marian Thetford, and CPE noncompliance. David Clarke was recused. The Board reviewed information received concerning Ms. Thetford's case. Based on information now received and upon motion by Jim Burkes with second from Willie Sims, the Trial Board agreed to remand the case for dismissal contingent upon and pending the receiving of a medical affidavit from the respondent's doctor no later than December 31, 2009. Votes were - For: Rick Elam, David Miller, Jim Burkes, Willie Sims, Against: None; Absent: Shelly Boone; and Recused: David Clarke.
6. The Board continued as Trial Board for the purpose of holding formal administrative hearings related to seven (7) CPAs' noncompliance with continuing professional education requirements and that also failed to respond to the Board's Notices of Hearing and Complaints. David Clarke was recused. Upon motion by Willie Sims with second from Jim Burkes, the Board members present voted to consolidate these complaints for hearing purposes. Votes were - For: Rick Elam, David Miller, Jim Burkes, Willie Sims, Against: None; Absent: Shelly Boone; and Recused: David Clarke. The following complaints were consolidated for hearing purposes:

| <u>Complaint No.</u> | <u>Name</u> | <u>License No.</u> |
|----------------------|--------------------------|--------------------|
| 2009.14-08 | Joshua D. Bogart | R3385 |
| 2009.14-17 | Nancy L. Cockrell | 2825 |
| 2009.14-42 | George E. Klenovick | R3208 |
| 2009.14-48 | John S. McElroy | 3491 |
| 2009.14-69 | Kenneth L. Steckler | R3231 |
| 2009.14-72 | Robert B. Sullivant, Jr. | R3369 |
| 2009.14-82 | Michael G. Vaughn | 5160 |

Within the Trial Board the Board heard evidence from Ransom C. Jones, CPA Investigator, concerning the respondents' failure to comply with the CPE requirements for the fiscal year ended June 30, 2009, and failure to respond to Board written communications related thereto. Legal and proper notice were delivered to the above respondents. None attended the hearing.

VIII. Trial Board (Continued)

6. (Continued) After proper deliberation and upon motion by David Miller with second from Willie Sims, the Board determined that the seven respondents had indeed violated Chapter 4 of the Rules and Regulations as charged and voted to revoke the respondents' CPA licenses. The Board determined to assess each respondent all investigative, legal, and hearing costs of this matter. The Board determined to impose a civil penalty on each in the amount of two-hundred and fifty dollars (\$250.00). Votes were - For: Rick Elam, David Miller, Jim Burkes, Willie Sims, Against: None; Absent: Shelly Boone; and Recused: David Clarke.
7. The Board continued as Trial Board for the purpose of hearing complaints related to three (3) CPAs sent consent orders related to noncompliance with continuing professional education requirements and that have failed to return the order:

| <u>Complaint No.</u> | <u>Name</u> | <u>License No.</u> |
|----------------------|-----------------|--------------------|
| 2009.14-07 | John Blaylock | 3621 |
| 2009.14-10 | Robert Britt | 3397 |
| 2009.14-86 | Sheldon Webster | R1624 |

After deliberations and upon motion by Jim Burkes with second from Willie Sims the Trial Board hearings were continued for complaints 2009.14-07 and 2009.14-10 until the January 22, 2010, meeting. Votes were - For: Rick Elam, David Miller, Jim Burkes, Willie Sims, Against: None; Absent: Shelly Boone; and Recused: David Clarke.

As the Board has had no response from respondent to complaint 2009.14.86, after deliberation and upon motion by Willie Sims with second from David Miller the Board determined to assess the respondent all investigative, legal, and hearing costs of this matter. The Board determined to impose a civil penalty in the amount of two-hundred and fifty dollars (\$250.00). Votes were - For: Rick Elam, David Miller, Jim Burkes, Willie Sims, Against: None; Absent: Shelly Boone; and Recused: David Clarke.

8. The Board continued as Trial Board for the purpose of reviewing and discussing individuals who have not complied with the 2009 CPE requirements, have open investigative cases/complaints, and who have requested voluntary cancellation of their licenses. Upon motion by David Miller with second from Jim Burkes, the Trial Board unanimously approved the "Orders of Remand to the File" for execution by the Board President Rick Elam. Votes were - For: Rick Elam, David Miller, Jim Burkes, Willie Sims, Against: None; Absent: Shelly Boone; and Recused: David Clarke.

VIII. Trial Board (Continued)

8. (Continued) These Trial Board remand orders will be placed in individual files noting the noncompliance and remanded for future action if the individuals apply to the Board for reinstatement. Copies of the orders will be sent to the individuals:

| <u>Complaint No.</u> | <u>Name</u> | <u>License No.</u> |
|----------------------|------------------|--------------------|
| 2009.14-27 | John A. Frank | R2813 |
| 2009.14-79 | Laxmi V. Tummala | R2599 |

9. The Board continued as Trial Board for the purpose of reviewing for approval consent orders issued by the David Clarke Investigative Committee related to CPE noncompliance. Upon motion by Jim Burkes with second from David Miller, the Trial Board approved the consent orders for the following individuals as issued by the investigative committee and previously agreed to by the respondent. Votes were - For: Rick Elam, David Miller, Jim Burkes, Willie Sims, Against: None; Absent: Shelly Boone; and Recused: David Clarke.

| <u>Complaint No.</u> | <u>Name</u> | <u>License No.</u> |
|----------------------|------------------------|--------------------|
| 2009.13-01 | Barrett Bond Daly | R2709 |
| 2009.14-09 | Sandra Faye Boldin | 3648 |
| 2009.14-18 | Charles Douglas Damico | 5365 |
| 2009.14-21 | Anita Craven Dingus | R2666 |
| 2009.14-32 | Philip J. Gunn | R2827 |
| 2009.14-36 | Julie Shivers Hining | 4480 |
| 2009.14-49 | Bernell T. McGehee | 1876 |
| 2009.14-63 | Richard L. Rollins | R3189 |
| 2009.14-68 | Dennis W. Singleterry | R2594 |
| 2009.14-92 | Hansell N. York , III | R2514 |

10. The Board continued as Trial Board for the purpose of reviewing for release from consent orders the following for complete satisfaction of the ordered requirements as issued by the David Clarke Investigative Committee related to CPE. Upon motion by Jim Burkes with second from Willie Sims, the Trial Board approved release of the aforementioned licenses from the consent orders. . Votes were - For: Rick Elam, David Miller, Jim Burkes, Willie Sims, Against: None; Absent: Shelly Boone; and Recused: David Clarke.

VIII. Trial Board (Continued)

10. Releases from Consent Orders: (Continued)

| <u>Complaint No.</u> | <u>Name</u> | <u>License No.</u> |
|----------------------|------------------------|--------------------|
| 2009.13-01 | Barrett Bond Daly | R2709 |
| 2009.14-09 | Sandra Faye Boldin | 3648 |
| 2009.14-18 | Charles Douglas Damico | 5365 |
| 2009.14-32 | Philip J. Gunn | R2827 |
| 2009.14-49 | Bernell T. McGehee | 1876 |
| 2009.14-63 | Richard L. Rollins | R3189 |
| 2009.14-68 | Dennis W. Singleterry | R2594 |
| 2009.14-92 | Hansell N. York , III | R2514 |

11. Upon conclusion of Trial Board business, the Board adjourned as Trial Board and adjourned the meeting.

APPROVED:

Chair

Board Member

Vice Chair

Board Member

Secretary

Board Member