

**MISSISSIPPI STATE BOARD OF PUBLIC ACCOUNTANCY  
MINUTES  
May 26, 2010**

The Mississippi State Board of Public Accountancy met at the Board office at 5 Old River Place, Suite 104, Jackson, Mississippi, on May 26, 2010, beginning at 8:30 a.m. The following record of that meeting was maintained.

Board Members Present

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

Board Members Absent

David Clarke, Chair

Board Staff Present

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

Legal Counsel Present

Gloria Green, Special Assistant Attorney General  
Amber Barlow, Intern Attorney General

---

**I. General**

1. The Board opened the meeting with an invocation from Jim Burkes.
2. The Board members present unanimously approved the minutes from the April 23, 2010, meeting.
3. The Board members present signed the CPA certificates of licensure from the April 23, 2010, meeting.
4. The Board set the start time for the next meeting and reviewed the tentative meeting dates and activities for 2010:

June 9-11		NASBA Eastern Regional Meeting
June 24-27		MSCPA Annual Meeting
July 23	8:30	Meeting
September 24		Meeting
October 24-27		NASBA Annual Meeting
November 12		Meeting
November 13		CPA Presentation Ceremony
December 10		Meeting

**MSBPA Minutes**

**May 26, 2010**

**I. General (Continued)**

5. The Board members discussed planned Board reports for the National Association of State Boards of Accountancy (NASBA) Regional Meeting roll call and the Mississippi Society of CPAs (MSCPA) Annual Business Meeting.
6. The Board members reviewed and approved attendance at the NASBA Annual Meeting, October 24-27, 2010, in San Antonio, Texas, for all Board members and appropriate staff. The Board also reviewed information but took no action related to the Council on Licensure, Enforcement and Regulation (CLEAR) Annual Education Conference, September 23-25, 2010.

## **II. National Regulatory Concerns**

1. The Board reviewed and discussed the NASBA *State Board Report* for April 2010.
2. The Board discussed the NASBA May 3, 2010, memorandum from David Costello regarding quarterly communications including:
  - Highlights of the NASBA Board Meeting, April 23, 2010,
  - Executive Summary - Focus Responses, and the
  - NASBA Regional Directors' Report.
3. The Board members noted but took no action concerning the NASBA Awards Committee - request for nominations are due June 7 for: William Van Rensselaer Award, Distinguished Service Award, and the Lorraine P. Sachs Standard of Excellence Award.
4. The Board members reviewed the Spring 2010 *Ethics Matters* from the NASBA Center for the Public Trust.
5. The Board members noted a May 14, 2010, AICPA email regarding its Professional Ethics Executive Committee (PEEC) project - Ethics Codification.
6. The Board members reviewed Public Accounting Oversight Board (PCAOB) recent release including:
  - *PCAOB Publishes List of Issuer Audit Clients of Non-US Registered Firms in Jurisdictions Where the PCAOB is Denied Access to Conduct Inspections.*

**MSBPA Minutes**

**May 26, 2010**

## **III. Administration**

1. The Board members reviewed and discussed the SAAS Summary Trial Balances as of April 30, 2010, for Treasury Funds 3845 and 3850, and the Treasury Fund 3845 SAAS Appropriation/Actual Expenditures for the ten months ended April 30, 2010.
2. The Board members discussed the final fiscal year 2011 budget, Senate Bill 3157. The bill includes reclassification of PIN 2 to an Administrative Assistant IV with an estimated total

cost of \$2,750. After discussion and consideration, the Board members present unanimously accepted a plan to allocate the necessary portion of the salaries budget for the reclassification and apportioning the balance of the salaries budget to per diem evenly among Board members for the fiscal year ending June 30, 2011.

3. The Board members present unanimously approved extra per diem days as follows:

Jim Burkes	May 12	NASBA Regulatory Response Committee
	May 14	NASBA Selection Advisory Committee
Rick Elam	May 25	Board Investigative Committee
Willie Sims	May 24-25	NASBA CPE Advisory Committee

**IV. CPA Examination, Licensing and Firms**

- The Board members unanimously accepted the listing of candidate applications for the computerized examination (23 initial, 50 reexam) received since the April 23, 2010, meeting. The Board reviewed and discussed two special candidate situations related to good moral character - initial applicant numbers 12844 and 12840. Based on its careful evaluation of criminal misdemeanor convictions and all other requirements being met, the Board members unanimously approved the applicants to sit for the examination as Mississippi candidates.
- 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 Number	Name	Number	Date	Approved
12836	Matthew Richard Bailey	6056	5/26/10	Yes
12097	John Douglas Hegi	6057	5/26/10	Yes

**MSBPA Minutes**

**May 26, 2010**

**IV. CPA Examination, Licensing and Firms (Continued)**

2. Applications (Continued)

**Applications for Original CPA License** (Continued)

File Number	Name	Number	Date	Approved
12549	Jason Lamar Hutton	6058	5/26/10	Yes
12361	Diana Elizabeth Russell	6059	5/26/10	Yes

**Applications for Reciprocal CPA Licenses**

File Number	Name	Number	Date	Approved
12833	Deidra Starr Bell	R3513	5/26/10	Yes

12838	Paul Baron Berryhill	R3514	5/26/10	Yes
12839	Jennifer Ann Frierson	R3515	5/26/10	Yes
12814	Diana Renee Moore	R3516	5/26/10	Yes
12823	Jerry A. Thomas II	R3517	5/26/10	Yes

**Applications for CPA Firm Permit to Practice**

<u>Name</u>	<u>Number</u>	<u>Approved</u>
Bonnie Pope Granger, CPA, PLLC Ocean Springs, MS	F1280	Yes
Grant Thornton, LLP Atlanta, GA	F1281	Yes
KPMG, LLP Orlando, FL	F1282	Yes
Rhodus CPA, PA Madison, MS	F1283	Yes

3. The Board reviewed amendments to registered CPA firms, as follows:

<u>Name</u>	<u>Number</u>	<u>Description</u>
Laura J. East, CPA Mandeville, LA	F0409	Name change from Investigative Auditors, Inc.

**MSBPA Minutes**

**May 26, 2010**

**IV. CPA Examination, Licensing and Firms (Continued)**

4. The Board heard a report from Executive Director Susan Harris concerning the mailing of the continuing professional education reporting forms on May 20, 2010, with an August 2, 2010, due date.
5. The Board reviewed, discussed, and took no action related to various information concerning to the CPA examination:
- May 17, 2010 email, invitation - June 1 and 7 conference calls,
  - May 17, 2010 email, regarding sample test beta version, and
  - May 19, 2010 email requesting the Board staff's analysis - candidates testing sections at least seven times.

**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.	American Society of Women Accountants			
	1. How to Survive and Thrive After the Market Meltdown	4/27/10	1	Yes
B.	Bisk Education CPE Easy (QAS)			
	1. Ethics Standards for Mississippi CPAs	Self Study Online	4 Ethics (3 General 1 Rules)	Yes
C.	Mississippi Association of Public Accountants			
	1. MAPA Annual Forum	5/24/10	8 3 Ethics (2 General 1 Rules)	Yes
D.	Mississippi Department of Education			
	1. Fraud, Internal Controls and Risk Assessment Training	6/8/10 6/9/10	5 (1 Ethics General)	Yes

**MSBPA Minutes**

**May 26, 2010**

**V. Continuing Professional Education (Continued)**

1. CPE Sponsor Applications (Continued)

	<u>Sponsor/Program Title</u>	<u>Dates</u>	<u>Hours</u>	<u>Approved</u>
E.	Mississippi Institutions of Higher Learning			
	1. A Spectrum of Pertinent Institutional Financial Issues	6/9/10	7.2	Yes
F.	Mississippi Society of CPAs - Central Chapter			
	1. Sales Use Tax	5/13/10	4	Yes
	2. Annual Mississippi Young CPE Conference	5/14/10	5.5	Yes
	3. Long Term Care Insurance	TBD	2	Yes
G.	Office of the State Auditor			
	1. Government Auditing and Accounting Update	4/6&7/10	16	Yes
	2. Mississippi Office of the State Auditor Ethics Forum	4/30/10	4 Ethics (3 General 1 Rules)	Yes

H.	T. E. Lott			
	1. Accounting and Auditing Update	4/29/10	8	Yes
I.	Watkins Ward and Stafford PLLC			
	1. Select Accounting & Auditing Issues for 2010	5/21/10	8	No (1)
	2. 2010 Government A&A Update; Conducting Government Audits (A Risk-based Approach)	5/27&28/10	16	No (1)
J.	Haddox Reid Burkes & Calhoun, PLLC			
	1. Ethics, MS Rules and Regulations (Dr. Stan Clark)	5/20/10 (2 sessions)	4 Ethics (3 General 1 Rules)	Yes

(1) Lacks supporting program content and documentation.

## MSBPA Minutes

May 26, 2010

### V. Continuing Professional Education (Continued)

2. The Board members present unanimously authorized the following action concerning CPE request from an individual.

	<u>Sponsor/Program Title</u>	<u>Dates</u>	<u>Hours</u>	<u>Approved</u>
A.	Itawamba Community College			
	1. Understanding Quickbooks Pro	Instructor	16	Yes
	Requested by Vicki Gann, CPA			

### VI. Rules and Regulations

1. The Board members heard a report from Executive Director Susan Harris and discussed the sections of the Rules and Regulations affected by the 2010 legislative amendments to the Public Accountancy Act. The rule amendments will be drafted for future presentation to coordinate with the statutes.

### VII. Regulatory Matters

1. The Board heard a report from Investigator Ransom Jones and approved the regulatory activities from April 23, 2010, to May 26, 2010:

<u>Activity</u>	<u>Number</u>
<hr/>	

Cases Opened	1
Cases Closed	3
Cases referred to Members	1
Total Cases Open	12

2. Cases closed:

Case 2008.19 - opened July 16, 2008. The AICPA referred one of its disciplined member to the Board. The licensee allegedly had violated auditing standards on certain engagements from 1991 to 1995. The AICPA required the respondent to obtain 45 additional CPE hours on auditing topics and he was admonished. David Clarke's investigative committee closed the case with no probable cause to investigate further after evaluating the details and evidence of the case.

**MSBPA Minutes**

**May 26, 2010**

**VII. Regulatory Matters (Continued)**

2. Cases Closed (Continued)

Case 2010.01 - opened February 24, 2010. An employee alleged that small errors on his W-2 forms were caused by his employer's CPA (alleged violation - Rule 6.8. Competence). Shelly Boone's investigative committee closed the case with no probable cause to investigate further after reviewing evidentiary matter and determining that the errors were attributable to the employer and not to the licensee.

Case 2010.06 - opened May 3, 2010. An Oxford attorney filed the complaint on behalf of his water association client because the respondent allegedly was paid for work that was not delivered (alleged violations - Rule 6.8. Competence and 6.13. Client Records). The client has been unable to contact the respondent to receive either the completed work, or their original documents and their money returned. As the respondent is no longer a registered CPA in the State of Mississippi, the Investigator will put another note (same as Case 2009.18) in respondent's CPA file that she must have a "Show Cause" hearing if she applies for reinstatement.

3. The Board heard a report from the Investigator concerning 2010 CPE monitoring and the CPE compliance audit for the period ending June 30, 2009.
4. The Investigator reviewed the open case log by general description and reported on the investigative activities.

**MSBPA Minutes**

**May 26, 2010**

---

APPROVED:

\_\_\_\_\_  
Chair

\_\_\_\_\_  
Board Member

\_\_\_\_\_  
Vice Chair

\_\_\_\_\_  
Board Member

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Board Member