

**MISSISSIPPI STATE BOARD OF PUBLIC ACCOUNTANCY
MINUTES
November 12, 2010**

The Mississippi State Board of Public Accountancy met at the Board office at 5 Old River Place, Suite 104, Jackson, Mississippi, on November 12, 2010, beginning at 10:00 a.m. The following record of that meeting was maintained.

Board Members Present

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

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

Cecil Harper, Peer Review Oversight Committee
Gary Walker, MSCPA
Julie Brown, Brooks Court Reporting
Dennis Singleterry, CPA

I. General

1. The Board opened the meeting with an invocation from Jim Burkes.
2. The Board members unanimously approved the minutes from the September 24, 2010, meeting.
3. The Board members present signed the CPA certificates of licensure from the September 24, 2010, meeting.
4. The Board set the start time for the final meeting of 2009:
December 10 10:00 a.m. Meeting

I. General (Continued)

5. The Board members reviewed tentative meeting/activity dates for 2011:

January 21	Meeting	June 23-26	MSCPA Annual
February 18	Meeting	July 22	Meeting
March 25	Meeting	August 19	Meeting
April 29	Meeting	September 23	Meeting
April 30	Ceremony	October 23-26	NASBA Annual
May 25	Meeting	November 18	Meeting
June 8-10	NASBA W. Regional	November 19	Ceremony
June 22-24	NASBA E. Regional	December 16	Meeting

6. The Board noted the letter from the Governor reappointing member Willie B. Sims, Jr. and recognized his reappointment.

II. National Regulatory Concerns

1. The Board heard a general report from the members who attended the National Association of State Boards of Accountancy (NASBA) annual meeting, October 24 - 27, 2010.
2. The Board reviewed and discussed the NASBA *State Board Reports* for September and October 2010.
3. The Board discussed the NASBA October 2010 memorandum from David Costello regarding Quarterly Communications including:
 - Highlights of the NASBA Board Meeting, October 22, 2010,
 - Executive Summary-Regional Directors Focus Question Responses, and
 - NASBA Regional Directors' Report.
4. The Board members discussed the November 4, 2010, NASBA memorandum from Ken Odom regarding focus questions due December 23, 2010. The Board reviewed the draft responses, but deferred finalization until the December 10, 2010, meeting.
5. The Board members reviewed and discussed the October 1, 2010, NASBA letter regarding the Blue Ribbon Panel on Standard Setting for Private Companies.

II. National Regulatory Concerns (Continued)

6. The Board members reviewed the NASBA Center for the Public Trust, Fall 2010 - *Ethics Matters*.
7. The Board members reviewed and discussed the Fall 2010 publication, *State Regulatory Update*, and October 2010 publication, *Ethically Speaking*, from the American Institute of CPAs (AICPA).
8. The Board reviewed Public Accounting Oversight Board (PCAOB) recent releases including:
 - *PCAOB Issues Report on Inspection Observations of Auditing During the Economic Crisis*, and
 - *PCAOB Issues Release on Consideration of Registration Applications from Firms in Non-US Jurisdictions Where There are Unresolved Obstacles to Inspections*.

III. Administration

1. The Board members present reviewed and discussed the SAAS Summary Trial Balances as of October 31, 2010, for Treasury Funds 3845 and 3850, and the Treasury Fund 3845 SAAS Appropriation/Actual Expenditures for the four months ended October 31, 2010.
2. The Board members discussed and approved the proposed agreement between the Board and NASBA for participation in Accountancy Licensee Database (Data Sharing Agreement).

IV. CPA Examination, Licensing and Firms

1. The Board members present unanimously ratified the Window 3 - July - August 2010 CPA examination scores for 239 candidates, 349 examination sections. Twenty seven (27) candidates completed all four examination sections.
2. The Board members unanimously accepted the listing of candidate applications for the computerized examination (17 initial, 125 reexam) received since the September 24, 2010, meeting. The Board reviewed and discussed two special candidate situations related to good moral character - initial applicant numbers 12975 and 10614. Based on its careful evaluation of criminal misdemeanor

IV. CPA Examination, Licensing and Firms (Continued)

2. (Continued)

convictions and all other requirements being met, the Board members unanimously approved applicants 12975 and 10614 to sit for the examination as Mississippi candidates.

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

<u>File</u> <u>Number</u>	<u>Name</u>	<u>Number</u>	<u>Date</u>	<u>Approved</u>
12713	Kayla Denise Booker			No (1)
10917	Selena Nicole Davis	6080	11/12/10	Yes
12664	Ryan William Farlow	6081	11/12/10	Yes
12743	Paul Edward Foster	6082	11/12/10	Yes
11700	Gordon Joseph Geter	6083	11/12/10	Yes
12619	Nathan Lance Holladay	6084	11/12/10	Yes
12452	Lawanda Michelle Howard	6085	11/12/10	Yes
12663	Clair Brewer Jenkins	6086	11/12/10	Yes
12487	Jason Bennett Mauffray	6087	11/12/10	Yes
12464	Adrian LaTarus Mayse	6088	11/12/10	Yes
12470	Cary Westbrook McCormick	6089	11/12/10	Yes
11947	Todd Louis Rhodus	6090	11/12/10	Yes
12508	Caitlyn Leigh Shehan	6091	11/12/10	Yes
12475	Keyuan Zhang	6092	11/12/10	Yes

(1) Deferred for additional documentation and information.

Applications for Reciprocal CPA Licenses

<u>File</u> <u>Number</u>	<u>Name</u>	<u>Number</u>	<u>Date</u>	<u>Approved</u>
12971	Daniel Duke Daughtery	R3527	11/12/10	Yes
12928	Megan Leigh Hughes	R3528	11/12/10	Yes
12827	John Edgar Outland	R3529	11/12/10	Yes

IV. CPA Examination, Licensing and Firms (Continued)

3. Applications (Continued)

Applications for Reciprocal CPA Licenses (Continued)

File Number	Name	Number	Date	Approved
12976	Keith R. Seeloff	R3530	11/12/10	Yes
12980	John Justin Stroud	R3531	11/12/10	Yes
12961	Blair E. Johnson Waggoner	R3532	11/12/10	Yes
12962	Alexandra Elizabeth Williams	R3533	11/12/10	Yes

Applications for Reinstatement of CPA Licenses

File Number	Name	Number	Approved
12148	Ashley M. Leggett	5936	Yes
06924	Danial Wayne Smith	3856	Yes
05211	Stuart H. Yarbrough, Jr.	3965	No (1)

(1) Held pending additional information through hearing.

Applications for CPA Firm Permit to Practice

Name	Number	Approved
Clifton Gunderson, LLP Richmond, VA	F1303	Yes
Linda S. Davis, CPA Ridgeland, MS	F1304	Yes
Dixon Hughes, PLLC Atlanta, GA	F1305	Yes
Clyde Johnston, CPA Brandon, MS	F1306	Yes
Peter A. Koury, CPA Jackson, MS	F1307	Yes

IV. CPA Examination, Licensing and Firms (Continued)

3. Applications (Continued)

Application for Reinstatement of a CPA Firm Permit to Practice

<u>Name</u>	<u>Number</u>	<u>Approved</u>
James R. Peters, CPA Tupelo, MS	F1000	Yes

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

<u>Name</u>	<u>Number</u>	<u>Description</u>
Robert E. Donnell III, CPA, P.C. Hattiesburg, MS	F0278	Additional Office Location

5. The Board members discussed and set plans for the November 13, 2010, CPA presentation ceremony and approved the draft program. Dr. Stan Clark is the keynote speaker for the ceremony.

6. The Board members present unanimously took the following actions related to requests for amendments to the 2010 CPE compliance requirements:

<u>Name</u>	<u>Number</u>	<u>Board Action</u>
Martha G. Chamblis	4840	Waiver - Medical
Debi W. Cox	4853	Extension to 12/31/10 - 6 CPE hours
Donna L. Kook	3920	Extension to 12/31/10 - 25 w/4 ethics hours
Brenda Jo Mullen	4405	Extension to 12/31/10 - 16 CPE hours
Huey L. Townsend	1630	Extension to 12/31/10 - 15.4 w/4 ethics hours

7. The Board members present unanimously approved requests from CPAs for waivers of the 2010 CPE compliance requirements based on affidavits of current retirement and intention to apply for CPA (retired) for 2011, as follows:

<u>Name</u>	<u>Number</u>	<u>Board Action</u>
David R. Black	2310	No
Bill Claud Breazeale	3909	Yes
Lynda J. Gautier	1216	Yes

IV. CPA Examination, Licensing and Firms (Continued)

8. The Board noted the voluntary cancellation made by Susan C. Blaine, CPA 4284 requested during the 2010 CPE reporting period and in noncompliance with the requirements.
9. The Board reviewed and approved a request from candidate 12264 for an extension of NTS due to medical reasons. The Board also approved a refund request for candidate 12920 related to her not satisfying the education requirements for taking the CPA examination.
10. The Board reviewed, discussed various information concerning to the CPA examination including:
 - Fee changes effective December 2010 related to the January CBT-e changes,
 - CPA exam site capacity,
 - October 21 AICPA letter, Re: CBT-e,
 - October 22 AICPA letter, Re: Standard Setting,
 - International Testing FAQ, from AICPA, and
 - November 5 AICPA letter to New York concerning IFRS on the exam.

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.	Association of Government Accountants			
	1. Fraud and Public Purchasing Law Update	10/13/10	2	Yes
	2. Was It Fraud or Just Poor Audit Quality	10/20/10	2	Yes
B.	Division of Business Services College of Business, MSU			
	1. 2010 Annual Income Tax Course	11/29&30 12/1&2/10	8 (1 Gen. ethics)	Yes

V. Continuing Professional Education (Continued)

1. CPE Sponsor Applications: (Continued)

	<u>Sponsor/Program Title</u>	<u>Dates</u>	<u>Hours</u>	<u>Approved</u>
C.	Horne LLP			
	1. Horne Bankers' Forum	9/22/10 9/29/10	6	Yes
	2. Not-For-Profit & Government	11/3/10	7	Yes
	3. Capstone: The Pinnacle Path	5/18-19/10 12/1-2/10	14	Yes
D.	May & Company			
	1. Financial Reporting and Disclosures for Small Businesses	10/28/10	8	Yes
E.	Midsouth Institute of Accountants			
	1. Fall 2010 CPE Seminars for Accountants - Ethics	12/8/10	8 ethics (7 gen. 1 rules)	Yes
	2. Fall 2010 CPE Seminars for Accountants	12/13/10	8	Yes
F.	Mississippi Association of Public Accountants			
	1. Gear Up Business Entities Seminar	9/21/10	8	Yes
	2. Gear Up Technology Seminar	9/22/10	8	Yes
G.	MS Bankers Association			
	1. 2010 MS Bankers Trust Conference	11/4-5/10	10	Yes
	2. MBA Deposit Documentation Seminar	2/5/10 2/7/10	6	Yes
H.	Mississippi Society of CPAs			
	1. Governmental Accounting and Auditing Conference	8/19-20/10	16	Yes
	2. Health Care Services Seminar	9/16/10	8	Yes
	3. Ethics - Update - Including Mississippi Rules and Regulations	9/20/10	4 ethics (3 gen. 1 rules)	Yes
	4. 2010 Health Care Reform Act: Critical Tax and Insurance Ramifications for You, Your Business and Your Clients	9/20/10 9/28/10 11/11/10	4	Yes

V. Continuing Professional Education (Continued)

1. CPE Sponsor Applications: (Continued)

	<u>Sponsor/Program Title</u>	<u>Dates</u>	<u>Hours</u>	<u>Approved</u>
I.	Nicholson & Company			
	1. Health Care Reform Seminar	9/21/10 9/22/10	1	Yes
J.	Petroleum Accounting Society of MS/MSCPA			
	1. Oil and Gas Taxation	10/27- 28/10	16	Yes
K.	Silas Simmons, LLP			
	1. Accounting and Auditing Update	10/22/10	8	Yes
L.	Watkins Ward and Stafford			
	1. Partner and CPA Fall Conference	9/20/10	4	Yes

VI. Regulatory Matters

1. The Board heard a report from Investigator Ransom Jones and approved the regulatory activities from September 24 to November 12, 2010:

<u>Activity</u>	<u>Number</u>
Cases Opened	1
Cases Closed	92
Cases referred to Members	0
Total Cases Open	75

2. The Investigator reviewed the open case log by general description and reported on the investigative activities.
3. The Investigator reviewed and discussed the closed cases listing provided as a handout to the agenda.

VI. Regulatory Matters (Continued)

4. The Board heard the report from the Peer Review Oversight Committee (PROC) member Cecil Harper concerning the AICPA Peer Review Program administered by the Mississippi Society of CPAs. The Board received a written copy and heard a report for the year ended June 30, 2010. The committee reported that the peer review program is operating appropriately with no significant problems.

VII. 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. David Clarke, Trial Board President, was the presiding officer. Onetta Whitley, Deputy Attorney General, was the presenting attorney. Bridgette Wiggins, Special Assistant Attorney General, was hearing officer.
2. The Board continued as Trial Board for the purpose of hearing complaint 2010.16-04. The Board received a Request for Continuance from the respondent. After consideration and upon motion by Rick Elam with second from Jim Burkes, the Board unanimously voted to permit continuance of the hearing related to the complaint until the meeting to be held at the Board office, January 21, 2011. Votes were - For: David Clarke, David Miller, Jim Burkes, Rick Elam, Willie Sims, Against: None; Absent: None; and Recused: Shelly Boone.
3. The Board continued as Trial Board for the purpose of hearing complaints 2008.18, 2008.21, 2008.23, and 2008.25. The Board received a Request for Continuance from the respondent. After consideration and upon motion by Willie Sims with second from Rick Elam, the Board unanimously voted to permit continuance of the hearing related to the complaints until the next meeting or the meeting to be held at the Board office, January 21, 2011. Votes were - For: David Clarke, Shelly Boone, Jim Burkes, Rick Elam, Willie Sims, Against: None; Absent: None; and Recused: David Miller.
4. The Board continued as Trial Board for the purpose of hearing complaint 2010.17-05 concerning Dennis W. Singleterry, CPA license R2594. Shelly Boone was recused.

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VII. Trial Board (Continued)

4. (Continued)

Within the Trial Board the Board heard evidence from witness Ransom C. Jones, CPA Investigator and respondent Dennis Singleterry. The respondent allegedly failed to comply with the Chapter 4 CPE requirements for the compliance period ended June 30, 2010, through not obtaining the required CPE credit hours.

Following discussion and the administrative Trial Board hearing related to Dennis Singleterry, and upon motion by Willie Sims with second from Rick Elam 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 Willie Sims with second from Jim Burkes 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 Willie Sims with second from Jim Burkes 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 Dennis Singleterry had indeed violated Chapter 4 of the Board Rules and Regulations as charged. The Board also noted that Mr. Singleterry had two prior violations in 2007 and 2009. The Board received evidence that Mr. Singleterry had, subsequent to June 30, 2010, made-up the deficit CPE hours. The Board determined to assess the respondent a civil penalty of \$750 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. Votes were - For: David Clarke, David Miller, Jim Burkes, Rick Elam, Willie Sims, Against: None; Absent: None; and Recused: Shelly Boone.

Upon the conclusion of this business, the Board upon motion by Rick Elam 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 reviewing a listing of complaints in-process wherein the Investigative Committee has received return communication from the twenty-four (24) respondents. Upon motion by Willie Sims with second from Rick Elam, the Trial Board determined to continue these complaints related to alleged noncompliance with Board Rules and Regulations concerning CPE requirements for the period ended June 30, 2010. The complaints will be continued until the next regular Board meeting December 10, 2010. Votes were - For: David Clarke, David Miller, Jim Burkes, Rick Elam, Willie Sims, Against: None; Absent: None; and Recused: Shelly Boone.

6. The Board continued as Trial Board for the purpose of holding formal administrative hearings related to twenty-four (24) CPAs' noncompliance with continuing professional education requirements and that also failed to respond to the Board's Notices of Hearing and Complaints. Shelly Boone was recused. Upon motion by Rick Elam with second from Willie Sims, the Board members present voted to consolidate these complaints for hearing purposes. Votes were - For: David Clarke, David Miller, Jim Burkes, Rick Elam, Willie Sims, Against: None; Absent: None; and Recused: Shelly Boone.

Upon motion by Jim Burkes with second from Willie Sims, the Board members approved the removal of one complaint, 2010.15-108, from the listing continuing the complaint to the next regular Board meeting, December 10, 2010. Votes were - For: David Clarke, David Miller, Jim Burkes, Rick Elam, Willie Sims, Against: None; Absent: None; and Recused: Shelly Boone.

The following twenty-three (23) complaints were consolidated for hearing purposes:

<u>Complaint No.</u>	<u>Name</u>	<u>License No.</u>
2010.15-08	Ricky E. Arpin	R2834
2010.15-13	Henry E. Barber	2112
2010.15-14	Daniel D. Barber	1577
2010.15-15	John R. Barr, III	3441
2010.15-19	Jeffery L. Blankenship	R3333
2010.15-20	Angela C. Blasberg	R3440
2010.15-21	Gregory J. Bosarge	3937
2010.15-23	Robert s. Brennan	3003
2010.15-24	Sheila N. Britt	3906
2010.15-51	Jan C. Hale	3786

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VII. Trial Board (Continued)

6. (Continued)

<u>Complaint No.</u>	<u>Name</u>	<u>License No.</u>
2010.15-62	Gary O. Jensen	R2923
2010.15-64	Kurtis W. Johnson	4785
2010.15-69	Andrew J. Knight	R3449
2010.15-76	Glenda G. Leduc	R2447
2010.15-83	Keturah T. Maraska	5255
2010.15-88	Elizabeth W. Mehrle	5508
2010.15-90	Mona R. Mills	3847
2010.15-91	Ryan C. Moore	R3209
2010.15-99	Keith N. Polk	1927
2010.15-103	James E. Rutledge, Jr.	4865
2010.15-122	Mark A. Vines	5737
2010.15-125	Bryan N. White	5699
2010.15-127	Courtney N. Williams	5412

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, 2010, and failure to respond to Board written communications related thereto. Legal and proper notice were delivered to the above respondents. None attended the hearing.

Following discussion and the administrative Trial Board hearing and upon motion by Willie Sims with second from Rick Elam 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 Willie Sims with second from Rick Elam 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 Willie Sims with second from Rick Elam 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 Jim Burkes with second from Willie Sims the Board determined that the twenty-three respondents had indeed violated Chapter 4 of the Board Rules and Regulations as charged and voted to revoke the respondents CPA

VII. Trial Board (Continued)

6. (Continued)

licenses. 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. Votes were - For: David Clarke, David Miller, Jim Burkes, Rick Elam, Willie Sims, Against: None; Absent: None; and Recused: Shelly Boone.

Upon the conclusion of this business, the Board upon motion by Willie Sims with second from Rick Elam 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.

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

<u>Complaint No.</u>	<u>Name</u>	<u>License No.</u>
2010.16-09	Willie Mae Robinson	4524
2010.15-129	Christopher B. Wood	4305

8. 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 Shelly Boone Investigative Committee related to CPE. Upon motion by Rick Elam with second from Willie Sims, the Trial Board approved release of the following licensee from the consent order. Votes were - For: David Clarke, David Miller, Jim Burkes, Rick Elam, Willie Sims, Against: None; Absent: None; and Recused: Shelly Boone.

<u>Complaint No.</u>	<u>Name</u>	<u>License No.</u>
2010.15-129	Christopher B. Wood	4305

VII. Trial Board (Continued)

9. The Board continued as Trial Board for the purpose of reviewing and discussing

individuals who have not complied with the 2010 CPE requirements, have open investigative cases/complaints, and who have requested voluntary cancellation of their licenses. Upon motion by Rick Elam with second from Willie Sims, the Trial Board unanimously approved the “Orders of Remand to the File” for execution by the Board President David Clarke. Votes were - For: David Clarke, David Miller, Jim Burkes, Rick Elam, Willie Sims, Against: None; Absent: None; and Recused: Shelly Boone.

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>
2010.15-04	Gene Scott Allen	4157
2010.15-77	Edward K. Lozano, Jr.	R3185
2010.15-100	Mark E. Prewitt	5977

10. Upon conclusion of Trial Board business, the Board adjourned as Trial Board.

APPROVED:

Chair

Board Member

Vice Chair

Board Member

Secretary

Board Member