

MISSISSIPPI STATE BOARD OF PUBLIC ACCOUNTANCY
MINUTES
January 27, 2012

The Mississippi State Board of Public Accountancy met at the Board office at 5 Old River Place, Suite 104, Jackson, Mississippi, on January 27, 2012, beginning at 8:30 a.m. The following record of that meeting was maintained.

Board Members Present

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

Board Staff Present

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

Legal Counsel Present

Maudine Eckford, Special Assistant Attorney General
Gloria Green, Special Assistant Attorney General

Others Present

Shanna May, Brooks Court Reporting
Tom Byrne, CPA

I. General

1. The Board opened the meeting with an invocation from Willie Sims.
2. The Board elected the following officers to serve for calendar year 2012:

Chair -	Shelly Ford
Vice Chair -	Willie Sims
Secretary -	Jim Burkes
3. The Board members approved the minutes from the December 16, 2011, meeting.

I. General (Continued)

4. The Board members signed the CPA certificates of licensure from the December 16, 2011, meeting.
5. The Board members noted their committee and task force assignments for 2012 assigned by incoming Chair Shelly Ford, as follows:

National Regulatory Concerns

Jim Burkes, Chair
David Clarke
David Miller

Administration

Shelly Ford, Chair
Willie Sims, Vice Chair
Jim Burkes, Secretary

CPA Examination, Licensing and Firms

Rick Elam, Chair
David Clarke
Angela Pannell

Continuing Professional Education

Angela Pannell, Chair
Rick Elam
Willie Sims

Rules and Regulations

Willie Sims, Chair
Jim Burkes
David Miller

Regulatory matters are discussed by all members and investigative matters are handled by members on a rotating basis. The Trial Board President is served by the Board Chair and the Trial Board Clerk is served by the Board Secretary.

I. General (Continued)

6. The Board set the time for next meeting and reviewed the tentative meeting dates and activities for the first part of 2012:

March 23	8:30 a.m.	Meeting
April 20		Meeting
April 21		Ceremony
May 18		Meeting
June 13-15		NASBA E. Regional
June 27-29		NASBA W. Regional
June 21-24		MSCPA Annual

II. National Regulatory Concerns

1. The Board reviewed and discussed topics in the December 2011 NASBA *State Board Report*.
2. The Board reviewed Public Accounting Oversight Board (PCAOB) recent releases entitled:
 - *PCAOB Reproposes Auditing Standard on Communications with Audit Committees, Amendments to Other PCAOB Standards, and*
 - *PCAOB Internal Oversight and Performance Assurance Performance Review of PCAOB Enforcement and Investigations Program.*
3. The Board members discussed possible NASBA Vice Chair nominees, but took no action.

III. Administration

1. The Board members reviewed the SAAS Summary Trial Balances as of December 31, 2011, for Treasury Funds 3845 and 3850, and the Treasury Fund 3845 SAAS Appropriation/Actual Expenditures for the six months ended December 31, 2011.
2. The Board members discussed the legislative budget hearings and process to be scheduled in February
3. The Board reviewed January 3, 2012, letter from the Office of the State Auditor, Department of Property, reporting positive results of the Board's property audit.

III. Administration (Continued)

4. The Board heard a report from the Executive Director concerning various administrative matters including:
 - IT update - Board is in the que for MS interactive, first to receive web site work and updates. The data base update is to begin the Summer 2012, after the Engineering and Nursing Boards.
 - Lease renewal- Landlord has renewed building lease with no increase for an addition three years March 2012 - February 2015. The Department of Finance & Administration, Real Property Management, will approve the renewal at is February 1, 2012, meeting. The Board will therefore occupy the office space for 12 years without a rent increase.
 - Meeting with State Personnel Board personnel concerning staff positions, procedures and processes.

IV. CPA Examination, Licensing and Firms

1. The Board members unanimously ratified the Window 4 - October - November 2011 CPA examination scores for 205 candidates, 267 examination sections. Twenty candidates completed all four examination sections.
2. The Board members present unanimously accepted the listing of 96 candidate applications for the computerized examination (21 initial, 75 reexam) received since the December 2011 meeting.

The Board reviewed and discussed one special consideration, file 13234 wherein the candidate requested ADA accommodations. The Board unanimously approved 1½ time allowed for the examination based on the documented disability.

The Board also reviewed and discussed three special candidate situations related to good moral character - initial applicant numbers 13219, 13222, and reexamination applicant 12793. Based on its careful evaluation of criminal misdemeanor convictions and all other requirements being met, the Board members unanimously approved these three applicants to sit for the examination as Mississippi candidates.

IV. CPA Examination, Licensing and Firms (Continued)

3. 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 Number	Name	Number	Date	Approved
12841	Robert Lee Harrison III	6191	1/27/12	Yes
12889	Robert Andrew Jones	6192	1/27/12	Yes
12859	Pamela Nicole Martin	6193	1/27/12	Yes
13094	Henry Steven McDevitt	6194	1/27/12	Yes
12725	Jennifer M. Nahlik	6195	1/27/12	Yes
12904	William Ryan Pllum	6196	1/27/12	Yes
12909	Nicholas Ethan Reiber	6197	1/27/12	Yes
12954	Quinn Alexander Rigby	6198	1/27/12	Yes
12268	Danny Howard Sheffield	6199	1/27/12	Yes
12857	Trenika N. Speights-Durr	6200	1/27/12	Yes
09309	Kimberly D. Strong	6201	1/27/12	Yes

Applications for Reciprocal CPA Licenses

File Number	Name	Number	Date	Approved
13208	Vicki Colleen Dickinson	R3576	1/27/12	Yes
13148	Gregg Alfred Hollon	R3577	1/27/12	Yes
13214	William H. Ishee	R3578	1/27/12	Yes
13191	Justin Tedford Phillips	R3579	1/27/12	Yes

Applications for Reinstatement of CPA Licenses

File Number	Name	Number	Approved
11750	Patrick James Brandau	R3149	Yes

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IV. CPA Examination, Licensing and Firms (Continued)

3. Applications (Continued)

Applications for CPA Firm Permit to Practice

<u>Name</u>	<u>Number</u>	<u>Approved</u>
Elizabeth Banks, CPA Brandon, MS	F1489	Yes
Joan Mary Bartick, CPA Meridian, MS	F1490	Yes
Berry & Caccamisis, PC Memphis, TN	F1491	Yes
Billy H. Breland, CPA Tupelo, MS	F1492	Yes
D. Michael Crowder, CPA Columbus, MS	F1493	Yes
Roberta O. Davidson, PLLC Gulfport, MS	F1494	Yes
William M. Graves, CPA Biloxi, MS	F1495	Yes
Sharon C. Grissom, CPA Baldwyn, MS	F1496	Yes
Gregg A. Hollon, CPA Prattville, AL	F1497	Yes
Ken Holmes, CPA Kosciusko, MS	F1498	Yes
Paul Huffman, CPA PC Vina, AL	F1499	Yes
Sue W. Hunt, CPA Clinton, MS	F1500	Yes
Jackson, Howell & Assoc, PLLC Cordova, TN	F1501	Yes
Judy Walker Lee, CPA Indianola, MS	F1502	Yes
Barbara G. Levy, CPA Poplarville, MS	F1503	Yes
A. B. McIlwan & Co. Inc Southaven, MS	F1504	Yes
Andrew Montgomery CPA, PLLC Brookhaven, MS	F1505	Yes
Necaise & Company, PLLC Kiln, MS	F1506	Yes

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IV. CPA Examination, Licensing and Firms (Continued)

3. Applications (Continued)

Applications for CPA Firm Permit (Continued)

<u>Name</u>	<u>Number</u>	<u>Approved</u>
Nicholson & Company Columbia, MS	F1507	Yes
PHBV Partners, LLP Jackson, MS	F1508	Yes
Angela Lockhart Pannell, CPA Starkville, MS	F1509	Yes
David Parsons, CPA Sumrall, MS	F1510	Yes
Vivian Partain, CPA Union, MS	F1511	Yes
Houston M. Powers, Jr., CPA Madison, MS	F1512	Yes
Donna Ragland, CPA Collinsville, MS	F1513	Yes
Wanda C. Reaves, CPA Co. Albany, MS	F1514	Yes
Nancy Jewel Swanson, CPA Valdosta, GA	F1515	Yes
D. L. Young, CPA Meridian, MS	F1516	Yes

Application for Reinstatement of a CPA Firm Permit to Practice

<u>Name</u>	<u>Number</u>	<u>Approved</u>
H. Lynn Berch CPA PA Brookhaven, MS	F0155	Yes

Applications for Retired CPA Licenses

<u>File Number</u>	<u>Name</u>	<u>Number</u>	<u>Approved</u>
14	Robert K. Autry, Jr	1815	Yes
6630	Alice Jones Brown	3751	Yes

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IV. CPA Examination, Licensing and Firms (Continued)

3. Applications (Continued)

Applications for Retired CPA Licenses (Continued)

<u>File</u> <u>Number</u>	<u>Name</u>	<u>Number</u>	<u>Approved</u>
1695	David A. Buttross	1647	Yes
1750	Eugene Singleton Clarke	764	Yes
1842	James W. Davis	950	Yes
3374	Albert F. Dribben	3340	Yes
1936	Tom Sledge Floyd	1954	Yes
1958	Louis Guy Fuller	1805	Yes
5562	William G. Gragson	1449	Yes
708	Michael C. Green	2318	Yes
8014	Billie Dee Henson	4516	Yes
2099	William Reed Hill	1599	Yes
4629	Jane E. House	2889	Yes
10378	Sally M. Johnson	5419	Yes
177	George D. Jones	2320	Yes
3514	Delorise A. Larsen	2623	Yes
2420	D. Neil Magruder, Jr.	1807	Yes
12401	Jo Ann Mann-Beattie	R3451	Yes
6390	Gabriel A. Mbomeh	4310	Yes
2585	H. Ronald Northington	R1115	Yes
2588	Janie T. Norwood	R1638	Yes
6013	Rose Mary Ogilvie	3679	Yes
2594	William C. Oliver	1781	Yes
2596	Joseph L. Ott	1660	Yes
872	Thomas L. Skinner	2264	Yes
3890	Norman Smith	3501	Yes
741	Walter L. Smitherman	3183	Yes
9463	Karen S. Somerville	R2544	Yes

4. The Board members reviewed the listing of amendments to CPA firms addresses and names as submitted during annual registration and noted the firm changes.
5. The Board reviewed the listing of CPA licensees, CPA (retired)s and CPA firms that have not registered for 2012. Final notices will be mailed with cancellation effective after ten days from that notice in accordance with Miss. Code 73-33-7.
6. The Board reviewed the listing of licensees who have requested voluntary cancellation during the 2012 annual registration.
7. The Board reviewed requests from five individual CPAs for refunds of the \$150 late fee assessed due to late 2012 annual registration. The Board members present unanimously denied four of the refunds and approved one refund for good cause.
8. The Board members discussed plans for the upcoming April 21, 2012, CPA presentation ceremony and possible keynote speakers.
9. The Board reviewed a request from candidate 11066 for an nine month extension of two expired examination credits. After careful consideration, the Board members unanimously denied the extension of the credits.
10. The Board reviewed and discussed information related to the CPA examination including:
 - CBT Steering Group, January 5 letter concerning fees and
 - November 2012 IQEX transition information.

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.	Mississippi Bankers Association			
	1. FDIC Directors College	11/15/11	6	Yes
B.	Mississippi Hospital Association			
	1. Value Based Purchasing	2/16/12	5.75	Yes
C.	Mississippi Society of CPAs			
	1. Practical Tips & Techniques for dealing with the IRS	1/12/12	4	Yes
	2. Estates and Trusts: Mastering Complex Income Tax Issues	1/12/12	4	Yes
	3. See Exhibit 1 of these minutes for other courses			
D.	Office of the State Auditor			
	1. Accounting Update/County Audit Section	11/7/11	6	Yes
	2. Government Accounting and Auditing Update	11/8-9/11	16	Yes
	3. Improving the Performance Audit Process	11/28-30/11	24	Yes
E.	Silas Simmons			
	1. AICPA's Annual Federal Tax Update	12/19/11	8	Yes

2. The Board members present unanimously authorized the following actions concerning CPE request from individuals.

	<u>Sponsor/Program Title</u>	<u>Dates</u>	<u>Hours</u>	<u>Approved</u>
A.	Donna M. Ingram, CPA			
	1. Ethics and Professional Conduct	Various	4	Yes

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VI. Regulatory Matters

1. The Board heard a report from Investigator Ransom Jones and approved the regulatory activities from December 16, 2011, to January 27, 2012:

<u>Activity</u>	<u>Number</u>
Cases Opened	0
Cases Closed	1
Cases referred to Members	1
Total Cases Open	18

2. The Investigator reviewed and discussed closed cases, as follows:

Case 2011.04 - opened June 13, 2011. Investigation into the activities of a CPA firm as related to the Hamilton case. The Rick Elam Investigative Committee closed the case without probable cause to continue the investigation further.

3. The Investigator reviewed the open case log by general description and reported on the investigative activities.
4. The Board members heard a report from Investigator Ransom Jones concerning CPE extension compliance and the June 30, 2010, CPE compliance audits.

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. Shelly Ford, Trial Board President, was the presiding officer. Maudine Eckford, Special Assistant Attorney General, was the hearing officer. Gloria Green, Special Assistant Attorney General, was the prosecuting officer.
2. The Board continued as Trial Board for the purpose of hearing complaint 2011.11 concerning licensee 4127 and CPA firm F0205 related to noncompliance with the peer review requirements and related actions and statements.

Within the Trial Board the Board heard evidence from witness Ransom C. Jones, CPA Investigator and respondent Thomas A. Byrne, Jr. David Miller was recused. The respondent allegedly failed to comply with the Chapter 5 peer review requirement. In addition, the respondent allegedly misrepresented through his statements and communications the type engagements of his firm.

VII. Trial Board (Continued)

2. (Continued)

Following discussion and the administrative Trial Board hearing related to Thomas Byrne, and upon motion by Rick Elam with second from Willie Sims 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 Rick Elam with second from Willie Sims, the Board determined that the respondent, Thomas A. Byrne, Jr., had indeed misrepresented the facts that his firm had not performed audits of financial statements when the firm had performed audits requiring a system peer review. The Board also determined that the respondent had indeed violated the laws, rules and regulations as outlined in the Notice of Hearing and Complaint. The Board determined to require the respondent to obtain a systems peer review for the period ending January 2012 to include the December 2008 and December 2009 audits. The Board directed the respondent to supply a copy of the systems peer review to the Board within thirty days of its issue. The Board assessed the respondent with 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: Shelly Ford, Willie Sims, Jim Burkes, David Clarke, Rick Elam, Angela Pannell; Against: None; Absent: None; and Recused: David Miller.

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.

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

APPROVED:

Chair

Board Member

Vice Chair

Board Member

Secretary

Board Member

Board Member