

**MISSISSIPPI STATE BOARD OF PUBLIC ACCOUNTANCY
MINUTES
January 27, 2023**

The Mississippi State Board of Public Accountancy met on January 27, 2023, beginning at 10:00 a.m. The following record of that meeting was maintained.

Board Members and Staff Present
by Video Conference

William Kelly, Chair
David Bridgers
Willie Sims, Jr.
Rick Elam (Present for Trial Board)
Vicki Snowden, Licensing Administrator
Angela Goodman, Admin Assistant (Partial)

Board Members and Staff Absent
Sharee Brewer

Board Members and Staff Present at Board Office

Charles Prince, Vice Chair
Annette Pridgen, Secretary
Gary Walker
Andy Wright, Executive Director

Others Present at Board Office

Ed Wiggins, Attorney General's Office
Sarah Mann, Attorney General's Office

Others Present by Video Conference or Telephone

Karen Moody, MSCPA
Ed Jones, MSCPA Liaison

I. General

1. The Board opened the meeting with an invocation from Willie Sims, Jr.
2. The minutes from the December 9, 2022 meeting were approved.
3. Previously approved licenses are available for signature at the Board Office.
4. Date, place and time for next meeting approved for March 24, 2023; Board Room (or tele- or video- conference) at MSBPA; 10:00 a.m. Board Meeting.

I. General (Continued)

5. Reviewed proposed dates and times for future meetings/conferences:

2023 Proposed Dates:

Feb. 27 - March 2	Exec. Directors and Staff Conference, Tucson, AZ
March 24	10:00 a.m. Board Meeting
May 5	10:00 a.m. Board Meeting
May 6	New CPA Ceremony
May 31-June 2	NASBA Regional Meeting, Savannah, GA
June 15 (Thurs.)	10:00 a.m. Board Meeting
June 22-25	MSCPA Convention, Destin, FL
June 27-29	NASBA West Regional Meeting, Kansas City, MO
August 10 (Thurs.)	10:00 a.m. Board Meeting
September 21 (Thurs.) JSU?	10:00 a.m. Board Meeting
Oct 29-Nov 1	NASBA Annual Meeting, New York, NY
November 9	10:00 a.m. Board Meeting
December 15	10:00 a.m. Board Meeting

6. **Election of New Officers:** Charles Prince, Chair
Annette Pridgen, Vice Chair & Gary Walker, Secretary

The names of the New Committee Assignments are listed beneath the Committee on which they serve.

II. National Regulatory Concerns

Willie Sims, Chair, Rick Elam and William Kelly
(New Committee Assignments)

1. The NASBA State Board Report, Fall 2022, was discussed.
2. NASBA, AICPA Proposed Revisions to CPE Provider Standards were discussed.
3. NASBA, AICPA Memo Regarding Risk of Reducing 150-hour Requirement was discussed.
4. Discussed AICPA Blueprint for Redesigned CPA Exam.
5. Discussed NASBA-ALD as a Focal Point
6. Discussed Cover Memo and AICPA 8 Point Plan for the Pipeline.

III. Administration

Charles Prince, Chair, Annette Pridgen and Gary Walker
(New Committee Assignments)

1. Balance Sheets, Funds 3845 and 3850, December 31, 2022 were reviewed.
2. The FY2023 Budget to Actual Comparison – Fund 3845, for the six months ended December 31, 2022 was reviewed.
3. The Statement of Revenues and Expenditures – Fund 3845 For the Six Months ended December 31, 2022 was reviewed.
4. Discussion of Other business:
 - Additional per diem days:
 - New per diem requests were approved:
 - Willie Sims, Jr. (3) and Charles Prince (2)
5. Invited board to have birthday cake after meeting for the January birthday, Angela Goodman, Admin. Assistant

IV. CPA Examination, Licensing & Firms

William Kelly, Chair, Annette Pridgen, and Willie Sims
(New Committee Assignments)

- The Board noted staff approval of 115 candidate applications (30 initial, 85 reexam) for 177 Sections of the computerized CPA examination received since the December 9, 2022 meeting.
- Quarter 4 (Oct.-Dec., 2022) examination scores were accepted by the Board.

The following actions on applications for CPA licenses, reciprocals, reinstatements, and CPA firm permits were unanimously approved/ratified by the Board unless otherwise noted:

Applications for Original CPA License

Name	Number	Action
Nicholas Bernard Conley	8371	Approved
Mary Hanley Jones	8372	Approved
Patricia A Kollath	8373	Approved

IV. CPA Examination, Licensing & Firms (continued)**Applications for Original CPA License (continued)**

Name	Number	Action
Holly Caroline Ladner	8374	Approved
Marie Elaine Laptas	8375	Approved
Bailey Nicole Matthews	8376	Approved
Jane Graham Nance	8377	Approved
Stuart P. Smith	7378	Approved
Emma Catherine Wiygul	8379	Approved
Jessie Marie Wright	8380	Approved

Applications for Reciprocal CPA License Approved & Issued by Staff

Name	Number	Action
Brooks David Krouse	R8358	Approved

Applications for Reinstatement of CPA License

Name	Number	Action
NA		

Applications for CPA Firm Permit to Practice

Name	City, State	Number	Action
Corban & Associates, PLLC	Starkville, MS	8359	Approved
Jessica Arender Engle, CPA PLLC	Magee, MS	8360	Approved
Harman CPA LLC	Ocean Springs, MS	8361	Approved
Henderson and Associates PLLC	Laurel, MS	8362	Approved
Lindley CPA PLLC	Brookhaven, MS	8363	Approved
Kimberly Majure, CPA	Madison, MS	8364	Approved
MHM Certified Public Accountant LLC	Bogue Chitto, MS	8365	Approved
Hong Nguyen CPA LLC	Madison, MS	8366	Approved
Meghan Ozburn CPA	Natchez, MS	8367	Approved
Tanya M.L. Porter dba Porter Tax Solutions	Nesbit, MS	8368	Approved
Spence LLC	Madison, MS	8369	Approved
Warren Averett, LLC	Atlanta, GA	8370	Approved

IV. CPA Examination, Licensing & Firms (continued)**Applications for CPA Firm Permit Reinstatement**

Name	Number	Action
Black & Associates, PA	F0159	Approved
Dana M Fleming, LLC	7982	Approved
Garner CPA Firm, LLC	F7053	Approved
Matheny CPA LLC	F1481	Approved
Christy Pickering, CPA	F0672	Approved

Amendments to Registered Firms

No.	Name	City, State	Change
F1613	Bauknight Pietras & Stormer PA	Columbia, SC	Address Change
F1462	BDOUSA,LLP	Las Vegas, NV	Address Change
F7051	BDOUSA,LLP	Nashville, TN	Address Change
7417	BDOUSA,LLP	Boston, MA	Address Change
7248	Bright CPA Firm PLLC	Olive Branch, MS	Address Change
F1541	C Mabelle Brown CPA	Hattiesburg, MS	Address Change
F1035	Bruno & Tervalon LLP	Jackson, MS	Address Change
F1364	Hales CPA Firm PLLC	Morton, MS	Address Change
F1004	Lowery Payn & Leggett, CPAS	Brookhaven ,MS	Name Change
8190	malonebailey llp	Houston, TX	Address Change
F0510	McFadden CPA Firm PLLC	Hattiesburg, MS	Address Change
7293	Rodl Langford de Kock LLP	Atlanta, GA	Address Change
F1668	Smith Marion & Co	Franklin, TN	Address Change

V. Continuing Professional Education

David Bridgers, Chair, Rick Elam and William Kelly
(New Committee Assignments)

1. The Board members unanimously authorized the following actions on CPE Sponsor programs applications submitted for approval.

Sponsor/Title	Dates	Hours	Action
Watkins Ward and Stafford 1. Ethical Considerations for Accounting Profession and MS Rules and Regulations <i>Speaker - William F. Taylor</i>	05/06/2022	3 General 1 MS Rules	Approved

V. Continuing Professional Education (continued)

Sponsor/Title	Dates	Hours	Action
Western CPE 1. Ethics for Mississippi	Online Self-Study	3 General 1 MS Rules	Approved
Matthews Cutrer & Lindsay, PA Estates and Trusts Basics 1. Estates and Trusts Basics	12/09/2022	1	Approved
2. S Corporation Basis, Passive Activity and At-Risk Rules	01/10/2023	2	Approved
Petroleum Accountants Society of MS 1. Es cheat Reporting for Oil & Gas Companies	01/11/2023	2	Approved
2. Geological Sequestration of CO2	01/11/2023	2	Approved
The Estate Planning Council of MS 1. Estate Tax Benefits of Pre- Transaction Planning	09/13/2022	1	Approved
2. Pre-Election Political Update	10/11/2022	1	Approved
3. Life Settlements and Policy Valuations	11/08/2022	1	
4. The Cancer Society - Charitable Update	12/13/2022	1	Approved

VI. Rules and Regulations

Annette Pridgen, Chair, Willie Sims and Gary Walker
(New Committee Assignments)

1. Rules Committee's Final Recommendation for Potential Rules Revisions/Reductions (all except Chapter 5 and below) were discussed.
2. For Special Consideration - Proposed New & Existing Rule 2.2.1.
3. Rules Committee Recommendation for Chapter 5 discussed.
4. There was no Pending Legislation of Interest to discuss.

VII. Regulatory Matters

All Members

1. The Board heard a report from Associate Director Sharee Brewer regarding the regulatory activities from December 10, 2022 to January 27, 2023:

Activity	Number
Cases Opened Beginning of Period	55
Cases Opened	0
Cases Closed ①	23
Cases Open End of Period	32
Open Cases Referred to Members	0

① *Cases Closed:*

Case 2021.023 involved an individual licensee and firm permit holder who completed multiple review engagements which were not disclosed on the individual license and firm permit renewal applications filed for the 2019-2020 and 2020-2021 periods. The investigative committee required firm to complete a peer review and the firm subsequently received a fail rating. Firm stated their intention to no longer perform work subject to peer review. Order called for a \$2,000 financial penalty for the multiple false statements which was paid. Matter was closed.

Case 2021.027 involved a firm permit holder who received a fail rating on their peer review where the firm stated their intention to no longer perform the highest level of reviewed work. Investigative Committees in the past have closed similar cases with orders which were not considered discipline against the firm. A decision was made, in light of the Board's desire for the peer review program to not be punitive, to close this case, and future similar such cases which don't involve rule violations, with a strongly worded letter advising that if the highest level of reviewed work resumes, the Board is to be notified to implement a pre-issuance review or an accelerated peer review. Matter was closed.

Cases 2022.125, 2022.138*, 2022.145*, 2022.304, and 2022.306 all involved licensees who requested extensions to their reporting of CPE for the 2022 compliance period and complied with all requirements thereof. Cases identified with an asterisk were assessed \$100 financial penalties for having multiple requests for extensions granted in the previous 5 reporting periods. Matters were closed.

Cases 2022.151, 2022.185, 2022.228, 2022.242, 2022.249, 2022.265, 2022.266, 2022.272, 2022.273, and 2022.283 all involved licensees who failed to report 40 hours of CPE for the 2022 compliance period and requested cancellation or retirement of their license, or it was determined the licensee was deceased. Matters were closed.

VII. Regulatory Matters (Cont.)

Cases 2022.227, and 2022.230 involved licensees who requested medical waivers of financial penalties for failing to report 40 hours of CPE for the 2022 compliance period and complied with all other requirements thereof. Matters were closed.

Cases 2022.177, 2022.194, 2022.201, and 2022.238 all involved licensees who requested informal settlement after the issuance of final notice letters by regular mail and email. All notices were sent to the addresses of record in the licensure file. All these cases were settled with stipulation and consent orders at the December Board meeting. Matters were closed.

VII. Trial Board Hearing

Charles Prince, President; Gary Walker, Clerk
(New Committee Assignments)

Cases 2022.163, 2022.189, 2022.190, 2022.221, 2022.241, and 2022.290 were all heard after being sent Notices of Hearing and Complaint for a Trial Board Hearing to be held January 27, 2023 to address CPE deficiencies for the 2022 compliance period. The licensees for these cases have made no response to any correspondence or other attempts made by Board staff to reach the licensees to obtain necessary information from which an offer of an informal settlement could be made.

No respondents for these cases attended the hearing. Legal Counsel Wiggins requested since no respondents showed for the hearing, and all cases were facing the same charge, the cases be consolidated as to be deliberated at one Executive Session. The Board, acting as a Trial Board, decided to hear the cases together to potentially deliberate all cases during one Executive Session.

Within the Trial Board, the Board heard evidence from Andy Wright, Executive Director, concerning the respondents' alleged violations mentioned above. Mr. Wright testified that legal and proper notice was sent to the respondents at their address of record on file with the Board. After hearing testimony and closing arguments, the Board unanimously voted as necessary to close the meeting and enter Executive Session.

Within the Executive Session, the Board took the following actions: The Board determined, based upon clear and convincing evidence, to accept the findings of fact presented to the Board that the respondents had indeed violated the Board Rules and Regulations as charged. Motion made and voted unanimously (Elam recused) to revoke the respondents' CPA licenses and assess civil penalties at \$1,000 plus administrative costs of \$200.00 each.

Upon conclusion of this business, the Board 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.

VII. Trial Board Hearing (Continued)

A **Continuation Order 2022.199** was approved for this case.
(Elam recused)

Consent Order approved by the Board:

A Consent Order in **Case 2022.119** was approved for this case which involved an individual licensee who was selected at random as part of the annual audit of CPE documentation. Request was made of the Licensee to submit documentation of the CPE reported for the 2021 compliance period. Investigation determined that licensee had falsified some of the documentation presented as support for the courses reported in their 2021 CPE Reporting Form when those courses were not taken. Licensee has agreed to 1) a financial penalty of \$7,500, 2) making up the CPE courses plus a 100% penalty on those hours, 3) enrollment in NASBA ethics training, and 4) presentation of CPE documentation for the subsequent five reporting periods commencing 2023 (2022 was reviewed as part of the investigation).
(Elam recused)

Stipulation and Consent Orders approved by the Board:

Stipulation and Consent Orders for **Cases 2022.162, 2022.254, and 2022.270** were approved for these cases involving individual licensees who 1) did not report Continuing Professional Education for the 2021-2022 year, 2) were licensed and primarily employed in another state and in compliance with that other state's CPE rules thereby qualifying for an exemption, 3) failed to report that exemption, and 4) requested informal settlement of their case. Orders have the same language requiring documentation to the Board of active licensure in the other state and calling for a \$100 financial penalty for failing to report the exemption claimed. All licenses verified through ALD as actively licensed in the applicable state and all financial penalties have been paid.
(Elam recused)

Stipulation and Consent Orders for **Cases 2022.184, 2022.211, and 2022.280** were approved for these cases involving individual licensees who 1) did not report Continuing Professional Education for the 2021-2022 year, 2) had not obtained the required 40 hours by June 30, 2022, and 3) requested informal settlement of their case. Orders have the same language requiring the licensee to obtain deficient CPE hours, an assessment of 50% penalty hours on the deficiency, and to document all to the Board. Orders call for a \$500 financial penalty for failing to obtain the required 40 hours by June 30, 2022 as well as failing to report the hours a licensee did obtain even if the hours were zero by August 1. All hours have been documented and financial penalties paid.
(Elam recused)

These minutes were adopted by unanimous vote of the Board Members present at the March 24, 2023 Board Meeting.

For the Board:

Gary Walker
Board Secretary