

MISSISSIPPI STATE BOARD OF PUBLIC ACCOUNTANCY
MINUTES
February 15, 2024

The Mississippi State Board of Public Accountancy met on February 15, 2024, beginning at 10:00 a.m. at the Board office. The following record of that meeting was maintained. (In Person X; Video Conf. T)

Board Members Present

X Annette Pridgen, Chair
X Gary Walker, Vice-chair
T Willie Sims, Jr., Secretary
X Rick Elam
T William Kelly

Board Members Absent

David Bridgers
Charles Prince

Board Staff and Others Present

X Sharee Brewer, Executive Director
T Vicki Snowden, Licensing Administrator
T Lane McNeal, Compliance Administrator
X Kim Turner, Board Legal Counsel from Attorney General's Office
X Kristen Love, Hearing Officer, Legal Counsel from Attorney General's Office
T Shanna Cumberland, Court Reporter, Brown Court Reporting
T Karen Moody, MSCPA President/CEO
T Ed Jones, MSCPA Liaison
T Josh Norris, MSCPA Liaison

I. General

1. The Board called the meeting to order.
2. The Board opened the meeting with an invocation from Gary Walker.
3. The Board held a Roll-Call to establish a quorum: 5 Board Members Present and 2 Absent.
4. After motion by G. Walker, seconded by R. Elam, the Board adopted the agenda for the day's meeting by unanimous vote.
5. The Board approved the minutes of the Board meeting held on January 26, 2024.
6. The Board noted the availability of certificates which were prepared for previously issued licenses and requested members to sign them before leaving the meeting.
7. The Board noted the date, place, and time of the next Board meeting as March 21, 2024 on the campus of USM at 10:00 a.m.

8. The Board noted the dates, places, and times for future meetings/conferences.

March 21	10:00 a.m. Board Meeting at USM
March 25-27	Exec. Directors and Staff Conference, Nashville, TN
May 3	10:00 a.m. Board Meeting
May 4	New CPA Ceremony
June 4-6	NASBA East Regional Meeting, Louisville, KY
June 13	10:00 a.m. Board Meeting
June 20-23	MSCPA Convention, Destin, FL
June 25-27	NASBA West Regional Meeting, Omaha, NE
August 8	10:00 a.m. Board Meeting
September 19	10:00 a.m. Board Meeting, MSU Starkville
October 27-30	NASBA Annual Meeting, Orlando, FL
November 14	10:00 a.m. Board Meeting
December 12	10:00 a.m. Board Meeting

II. National Regulatory Concerns

1. The NASBA Professional Licensure Task Force Concept Exposure – Equivalent Licensure Model was discussed. Comments and recommendations of the Board members were given to the Executive Director to incorporate into a Letter of Response to be discussed and approved at the next Board meeting on March 21, 2024.

III. Administration

1. Cash in Treasury - Funds 3845 and 3850, as of December 31, 2023 was presented.
2. FY2024 Revenues and Expenses for December, 2023, Fund 3845 was presented.
3. FY2024 YTD Revenues through December, 2023, Fund 3845 was presented.
4. FY2024 YTD Expenses to Budget Authority, December, 2023, Fund 3845 was presented.
5. After motion by R. Elam, seconded by B. Kelly, approval was given to the Executive Director to reimburse per diem to any Board member for participation on a NASBA Committee or a NASBA Board as their participation is considered by the Board to be part of the official discharge of the Board's duties. The vote was 4 FOR and 1 AGAINST.

6. After motion by G. Walker, seconded by R. Elam, additional per diem days for the Board members were unanimously approved.
7. The Chair asked for a head count for those who planned to attend the Board meeting at USM.

IV. CPA Examination, Licensing & Firms

1. Following a motion by B. Kelly, seconded by G. Walker, the Board voted unanimously to accept staff approval of 43 candidate applications (7 initial, 36 reexam) for 73 sections of the computerized CPA examination received since the January 26, 2024 Board meeting.
2. The Board noted there were no exam grades for the 1st quarter to date for acceptance.
3. The following actions related to individual licenses and firm permits were approved or ratified by the Board as follows:

Applications for Original CPA Licenses

Motion made by B. Kelly, seconded by R. Elam

Name	Number	Action
Eric R Jenkins	8515	Unanimously Approved
Baker Eden Martin	8516	Unanimously Approved

Applications for Reciprocal CPA Licenses Issued Since Last Board Meeting

Motion made by B. Kelly, seconded by R. Elam

Name	Number	Action
Andrea S. Glaude	R8510	Approval Unanimously Ratified

Applications for Initial CPA Firm Permits

Motion made by B. Kelly, seconded by R. Elam

Name	Number	Action
Assurance Dimensions, Inc	8511	Unanimously Approved
Kcoe Isom LLP	8512	Unanimously Approved
Chris Jones CPA & Associates PLLC	8513	Unanimously Approved
Tull CPA Firm LLC	8514	Unanimously Approved

Applications for Amendments to CPA Firm Permit Registration*A motion was made by B. Kelly, seconded by R. Elam*

No.	Name	City, State	Action
F1129	Ernst & Young LLC	Memphis, TN	Unanimously Approved Address Change
F0881	Ernst & Young LLC	New Orleans, LA	Unanimously Approved Address Change
7884	Harris CPAs PC	Meridian, ID	Unanimously Approved Name Change from Harris CPAs

V. Continuing Professional Education**Application for Continuing Professional Education Credit***Motion made by B. Kelly, seconded by R. Elam*

Sponsor/Title	Dates	Hours	Action
Harper Rains Knight & Co. 1. MS Tax Update 2024	1/23/2024	8	Unanimously Approved

VI. Rules and Regulations

1. Following motion by G. Walker, seconded by B. Kelly, the Board voted unanimously to approve the new marked-up version of the recently adopted Rule 2.2.1 after an error was noted with a previously filed marked-up version filed in August, 2016.
2. Legal Counsel advised that the information presented on House Bill 872 would delete and strike the language of “good moral character” from §73-33-1 of our Public Accountancy Statutes. This would leave the Board limited to only the crimes provided within the Fresh Start Act to determine licensure.

VII. Enforcement Matters

1. After motion by W. Sims, seconded by B. Kelly, the following report of regulatory activities between January 27, 2024 and February 15, 2024 was unanimously ratified by the Board:

Activity:	Number:
Cases Open Beginning of Period	31
Cases Opened	0
Cases Closed ①	9
Cases Open End of Period	22
New Case Referrals to Board Members	0

① Cases Closed:

Case 2022.113 involved an out of state former licensee and firm permit holder who was disciplined by the Tennessee Board of Accountancy (TBOA). At the time of this discipline, the individual license issued by the MSBPA was canceled and the firm permit was closed for non-renewal. The TBOA revoked the firm permit but allowed him to keep his individual license as some public accounting is allowed in that state without a firm permit. This former licensee and firm permit holder reported that he had closed his practice and agreed by consent order to not apply for reinstatement of his license or firm permit in Mississippi. The consent order was approved at the January 26, 2024 Board meeting and did not call for a financial penalty. Matter was closed.

Case 2023.004 involved a former licensee of the Board whose license was closed for non-renewal in 1995. This former licensee was charged with holding out as a CPA in Virginia when unlicensed which was a violation of their state law. The Virginia Board of Accountancy charged this former licensee with violating their state law and assessed a \$1,500 financial penalty. Because this former licensee is not in the licensing system of Virginia, the investigative committee wanted the discipline to be reflected in the Mississippi database so it would upload to ALD for public protection purposes. The former licensee agreed to not seek reinstatement of her license in Mississippi. The consent order was approved at the January 26, 2024 Board meeting and did not call for a financial penalty as the fine had been paid in Virginia. Matter was closed.

Case 2023.009 involved an out of state firm permit holder who received a 2nd consecutive pass with deficiencies rating on their peer review where the firm stated their intention to no longer perform the highest level of reviewed work, which was audits. Such cases do not result in a rule violation. A strongly worded letter was issued advising that if the highest level of reviewed work resumes, the Board is to be notified to potentially implement a pre-issuance review or an accelerated peer review. The highest level of engagement performed in Mississippi was a review. Matter was closed.

Case 2023.012 involved an individual licensee and firm permit holder on whom the Board received a complaint from the public. The allegation was the licensee at question lacked competence on a tax matter. The investigation determined that there was no documentation to support the allegations contained in the complaint. Matter was closed.

Case 2023.034 involved an individual licensee who 1) did not report their Continuing Professional Education (CPE) for the 2022-2023 year, 2) had obtained the required 40 hours, and 3) requested informal settlement of their case. The Stipulation and Consent Order (which is not discipline) required the licensee to report and document all CPE to the Board. Order called for a \$250 financial penalty for failing to report the required hours by August 1, 2023. All hours have been documented and financial penalty paid. Matter was closed.

Case 2023.127 involved an individual licensee who 1) did not report their Continuing Professional Education (CPE) for the 2022-2023 year, 2) had not obtained the required 40 hours by June 30, 2023, and 3) requested informal settlement of their case. The Stipulation and Consent Order (which is not discipline) required the licensee to obtain deficient CPE hours, an assessment of 50% penalty hours on the deficiency, and to document all to the Board. Order called for a \$500 financial penalty for failing to obtain the required 40 hours by June 30, 2023 as well as failing to report the hours they did obtain even if the hours were zero by August 1, 2023. All hours have been documented and financial penalty paid. Order was approved at the January 26, 2024 Board meeting. Matter was closed.

Case 2023.132 involved an individual licensee who received a Notice of Hearing and Complaint for the February 15, 2024 Board meeting to address their Continuing Professional Education deficiency and requested cancellation of their license in writing in lieu of appearing at the hearing. Matter was closed.

Case 2023.153 involved a firm permit holder on whom the Board received an anonymous complaint from the public. The complaint lacked much of the specificity required to determine the validity. A letter of inquiry was sent to the firm at question nonetheless and an answer was obtained from them. The firm's answer to the inquiry was reviewed with legal counsel as part of the due diligence of the investigative committee. Matter was closed.

Case 2024.003 involved a vague answer provided on a firm permit renewal application. A letter of inquiry was sent to the firm to determine a more detailed response which actually answered the question. The firm responded with a more detailed answer which didn't yield further questions. Matter was closed.

2. An excerpt of the currently active cases was presented from the Board's licensing system.

VII. Trial Board Hearing

Trial Board Hearing:

Case 2021.020 was heard following issuance of a Notice of Hearing and Complaint (NOHC) sent by certified mail and email to the addresses on file with the Board. The NOHC was for a Trial Board Hearing to be held February 15, 2024 to address various violations of state law and Board rules. The licensee and firm permit holder for this case made no response to the NOHC and was not in attendance.

The Board heard evidence from Sharee Brewer, Executive Director, concerning the respondent's alleged violations mentioned in the above-referenced NOHC. Ms. Brewer testified that legal and proper notice was sent to the respondent at their address of record on file with the Board. After hearing testimony and closing arguments, the Board unanimously voted to close the meeting for a preliminary determination of the necessity to enter executive session to discuss a potential enforcement matter. Motion made by B. Kelly, seconded by G. Walker, followed by unanimous vote to close the meeting.

Motion to enter executive session to discuss a potential enforcement matter under Miss. Code Ann. §25-41-7(d) investigative proceedings by any public body regarding allegations of misconduct or violation of law. Motion made by G. Walker, seconded by R. Elam, followed by unanimous vote to enter executive session.

Following discussion and advisement of legal counsel, motion made to exit executive session and to reopen meeting. Motion made by B. Kelly, seconded by R. Elam, followed by unanimous vote to exit executive session and to reopen meeting. Disclosure then made in the open meeting of the decisions made in executive session. Within the executive session, the Board determined, based upon clear and convincing evidence, to accept as findings of fact the charges presented in the NOHC with the exception of the violation of Board Rule 6.14 on which the licensee and firm permit holder was found not guilty. The Board found the respondent guilty of the remaining charges of violation of state law and violations of other Board Rules. Motion made and voted unanimously (Sims recused) to revoke the respondent's CPA license, the respondent's CPA firm permit, and assess a civil penalty of \$5,000.

Cases 2023.046, 2023.049, 2023.062, 2023.074, 2023.110, 2023.112, and 2023.119 were dismissed following recommendation of legal counsel.

These minutes were adopted by unanimous vote of the Board Members present at the March 21, 2024 Regular Board Meeting.

For the Board:

Willie Sims, Jr.
Board Secretary