

**MISSISSIPPI STATE BOARD OF PUBLIC ACCOUNTANCY
MINUTES
March 5, 2020**

The Mississippi State Board of Public Accountancy met at the Board office at 5 Old River Place, Suite 104, Jackson, Mississippi on March 5, 2020, beginning at 10:00 a.m. The following record of that meeting was maintained.

Board Members Present

David Bridgers, Vice Chair
William Kelly, Secretary
Angela Pannell
Mark Peach
Charles Prince

Board Members Absent

Rick Elam, Chair
Willie Sims, Jr.

Board Staff Present

Andy Wright, Executive Director
Sharee Brewer, Associate Director, Investigations
Lane McNeal, Administrative Assistant

Legal Counsel Present

Ken Walley, Special Assistant Attorney General

Others Present

Karen Moody, MSCPA President
Tom Wiygul, Harper, Rains, Knight & Company

I. General

1. The Board opened the meeting with an invocation from Charles Prince.
2. The Board heard from Tom Wiygul regarding Peer Review Oversight Committee (PROC) report for June 30, 2019.
3. The minutes from the January, 2020 meeting were approved.
4. The CPA certificates of licensure from the January 2020, meeting were signed by the Board members.
5. The Board noted the statement of Economic Interest is due by May 1st.

I. General (Continued)

6. The Board reviewed and approved tentative meeting/activity dates for 2020:

May 8	10:00 a.m. Board Meeting
May 9	New CPA Ceremony
June 2-4	NASBA West Regional
June 9-11	NASBA East Regional
June 18	10:00 a.m. Board Meeting
June 25-28	MSCPA Annual Convention
August 7 (Friday)	10:00 a.m. Board Meeting
September 17	10:00 a.m. Board Meeting
October 16	10:00 a.m. Board Meeting
October 17	New CPA Ceremony
November 1-4	NASBA Annual Meeting
December 17	10:00 a.m. Board Meeting

II. National Regulatory Concerns

1. The NASBA *State Board Reports* for January and February 2020 were discussed.
2. The NASBA Legislative E-news was discussed.
3. The NASBA, AICPA, Prometric Exam fee increases were discussed.
4. The NASBA Regional Directors' Focus Questions were noted.
5. The AICPA's Exam "Practice Analysis" report and drafting of possible comments was discussed.

III. Administration

1. The MSBPA Cash in Treasury balances, Funds 3845 and 3850, as of January 31, 2020 were reviewed.
2. The FY 2020 Budget to Actual Comparison – Fund 3845, for the seven months ended January 31, 2020 was reviewed.
3. Additional per diem days were approved.
4. New Board Legal Counsel was introduced.

IV. CPA Examination, Licensing & Firms

1. The Board noted staff approval of 114 candidate applications (31 initial, 83 reexam) for 182 Sections of the computerized CPA examination received since the January 16, 2020 meeting.
2. The following actions on applications for CPA licenses, reciprocals, reinstatements, and CPA firm permits were unanimously approved by the Board unless otherwise noted:

Applications for Original CPA License

Name	Number	Action
Barbara Lynn Arnold	7908	Approved
Daniel Hollinbach Bryde	7909	Approved
Robert Arrington Coffin	7910	Approved
Leslie Claire Decoteau	7911	Approved
Kassidy Fern Freeman	7912	Approved
Andrew N. Fowler	7913	Approved
Joanna Lynn Miller	7914	Approved
Julia Katherine Niemeyer	7915	Approved
Christopher James Pace	7916	Approved
Hank Dylan Thomas	7917	Approved

Applications for Reciprocal CPA License

Name	Number	Action
Cynthia A. Breaux	R7918	Approved
Angela R. Carr	R7919	Approved
Stephen W. Materne	R7920	Approved
James Julian Milucky	R7921	Approved
Frances Virginia Ransom-Gonzales	R7922	Approved
Gary Winford Walters	R7923	Approved

IV. CPA Examination, Licensing & Firms (continued)

4. Applications (continued)

Applications for Reinstatement of CPA License

Name	Number	Action
Laura L. Clifton	4822	Approved
Marlene G. Murphy	R2267	Approved

Applications for CPA Firm Permit to Practice

Name	City, State	Number	Action
David J. Manifold, CPA	Long Beach, MS	7901	Approved
Stephen W. Materne, CPA, APAC	New Orleans, LA	7902	Approved
James J. Milucky, CPA	Amory, MS	7903	Approved
Adam B. Moore, CPA	Cleveland, MS	7904	Approved
Myers and Associates, PLLC	Ocean Springs, MS	7905	Approved
MK Nabulsi CPA, Inc.	Madison, MS	7906	Approved
Ginny Ransom-Gonzales	Natchez, MS	7907	Approved

Amendments to Registered Firms

No.	Name	City, State	Change
F1180	Cummings CPA, PLLC	Hattiesburg, MS	Name Change from Cummings & Cummings
F1022	Henderson & Pilleteri, LLC	Bluff Park, AL	Name Change from Henderson & DeJohn
7036	Lindsay CPA Firm, LLC	Kosciusko, MS	Address Change
F0132	Miller & Company CPAs Inc.	Brookhaven, MS	Name Change from Miller & White
F0483	Woodard & Associates PC	Monroe, LA	Name Change from Huffman & Soignier

Application for Reinstatement of a CPA Firm Permit to Practice

Number	Name	City, State	Action
F0171	Ned P. Boston, CPA	Iuka, MS	Approved
F1446	Cooper Travis & Company PLLC	Nashville, TN	Approved
F1495	William M. Graves, CPA	Biloxi, MS	Approved
F1334	Melissa Tarver, CPA	Southaven, MS	Approved

V. Continuing Professional Education

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

Sponsor/Title	Dates	Hours	Action
Auburn University 1. Tax Professional Seminar (Ethics portion)	Various	2 General Ethics	Approved
Community Development Foundation 1. Ignite Leadership Conference	1/16/2020	6 Personal Development	Approved
Horne LLP 1. Presenting Data and Information	1/30/2020	8	Approved
Patterson School of Accountancy 1. Accountancy Weekend 2020	4/24/2020	2 General Ethics	Approved
Petroleum Accountants Society of MS 1. Introduction to Well Completions	1/13/2020	1	Approved
Southern Pine Electric Cooperative 1. Write It So They Read It + Grammar-for-Grownups Quick Course	Various	5 Personal Development	Approved
Western CPE 1. Ethics for Mississippi	Online Self Study	4 Ethics (3 General 1 Rules)	Approved
JonesWalker 1. Opportunity Zone Program <i>Presented by Robert Box</i>	2/7/2020	2	Approved

VI. Rules and Regulations

1. MS Legislature – 2020 Session Bills of Interest to MSBPA were discussed.

VII. Regulatory Matters

1. The Board heard a report from Associate Director Sharee Brewer regarding the regulatory activities from January 17, 2020 to March 5, 2020:

Activity	Number
Cases Opened Beginning of Period	29
Cases Opened	3
Cases Closed ①	4
Cases Open End of Period	28
Open Cases Referred to Members	4

① Cases Closed:

Case **2019.39** involved a firm that received a fail rating for compilations on their peer review report. Case was resolved with the firm agreeing to a Stipulation and Consent Order with no financial penalty. Order was approved at the January 16, 2020 Board meeting. The matter was then closed.

Case **2019.51** involved a non-CPA Firm who issued a review report for the Board of Contractors. The report was signed by the non-CPA firm owner claiming to be a CPA. Business entity owner stated in writing they would not do this again as they did not understand their actions to be illegal. It was discussed with AG legal counsel at the time who advised that an injunction would not get the Board any more action than the acknowledgement of illegality by the business owner or their stated promise to not repeat said action. Legal counsel advised closure of the matter.

Case **2019.92** involved an individual who made a potential false statement on their CPE reporting form. Licensee claimed exemption because of licensure and employment in another state. When reviewed by Board staff, license in the other state was expired. Informal settlement reached with a \$1,000 financial penalty paid by January 1, 2020 and 80 hours of CPE reported to the Board by January 15, 2020. After determining the licensee had complied with the informal settlement noted on an Stipulation and Consent Order, the matter was closed.

Case **2019.225** involved a firm who was required by Board to obtain an accelerated peer review. Follow-up determined the firm complied and obtained a pass peer review rating on that accelerated peer review requirement. Matter was closed.

2. Ms. Brewer then discussed the open cases presented on the active case log.

VIII. Trial Board**Trial Board Hearings:**

A Continuance Order was requested on **Case 2019.217** and approved with all Board members voting in the affirmative except for Mr. Kelly who recused himself.
(Kelly Investigative Committee)

Consent Orders:

A Consent Order was presented on **Case 2019.36** involving an individual licensee and firm permit holder who completed six review engagements, two compilation engagements and multiple preparation engagements which were not disclosed on renewal applications filed for the 2017-2018 and 2018-2019 periods. The firm did complete their peer review and received a pass rating. Consent Order calls for a \$2,000 financial penalty. Consent Order was approved with all Board members voting in the affirmative except for Mr. Prince who recused himself.
(Prince Investigative Committee)

A Consent Order was presented on **Case 2019.32** involving an individual licensee and firm permit holder who completed one review engagement which was not disclosed on a renewal application. This false statement also resulted in noncompliance with the peer review program. Consent Order calls for a \$500 financial penalty. Past handling of similar cases with one engagement has been on a Stipulation and Consent Order and therefore not reported as discipline. Investigative Committee wishes to move to a Consent Order for such cases in the future so the matter will be reported as discipline against an individual as well as firm permit licenses. Consent Order was approved with all Board members voting in the affirmative except for Mr. Bridgers who recused himself even though serving in the capacity of Board Chair for the day's meeting and wouldn't therefore be voting anyway.
(Bridgers Investigative Committee)

A Consent Order was presented on **Case 2019.26** involving an individual licensee and firm permit holder who received a fail rating on the firm's peer review. This is an out of state firm licensed in Mississippi to perform audit work. The peer review report contained such substantial deficiencies on audits purportedly performed under *Government Auditing Standards*, that it is not possible for those audits to have complied with professional standards. Consent Order calls for a \$1,000 financial penalty and a restriction on the firm's practice as follows: The firm will not issue audits, reviews, or compilations not subjected to pre-issuance reviews until the firm receives a pass rating on their peer review. The Board shall approve the pre-issuance reviewer. A motion was made by Pannell and seconded by Kelly to enter a closed session for further discussion of this matter. The Board unanimously voted to enter closed session to discuss the need to enter executive session. A motion was made by Peach and seconded by Pannell to enter executive session. The Board

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unanimously voted to enter executive session to discuss the Board's investigative proceedings at 11:45am. The Board requested the Executive Director and Associate Director to stay for the executive session. After discussion to Board's satisfaction, a motion was made by Pannell and seconded by Peach to approve the Consent Order as presented. The Board voted unanimously in the affirmative except for Mr. Prince who recused himself. A motion was then made by Peach and seconded by Pannell to leave the closed session. The Board unanimously voted to leave closed session at 12:22pm.
(Prince Investigative Committee)

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APPROVED:

Chair

Board Member

Vice Chair

Board Member

Secretary

Board Member

Board Member