

**PUBLIC SESSION MINUTES**  
**North Carolina State Board of CPA Examiners**  
**June 20, 2011**  
**1101 Oberlin Road**  
**Raleigh, NC 27605**

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**MEMBERS ATTENDING:** Jose R. Rodriguez, CPA, President; Wm. Hunter Cook, CPA, Vice President; Maria M. Lynch, Esq., Secretary-Treasurer; Barton W. Baldwin, CPA; Bucky Glover, CPA; Jordan C. Harris, Jr.; and Michael C. Jordan, CPA.

**STAFF ATTENDING:** Robert N. Brooks, Executive Director; J. Michael Barham, CPA, Deputy Director; Frank Trainor, Esq., Staff Attorney; Lisa R. Hearne, Manager-Communications; Ann J. Hinkle, Manager-Professional Standards; and Noel L. Allen, Legal Counsel.

**GUESTS:** James T. Ahler, CEO, NCACPA; Sharon Bryson, COO, NCACPA; Jay Lesemann, CPA, NCACPA; and Curt Lee, Legislative Liaison, NCSA.

**CALL TO ORDER:** President Rodriguez called the meeting to order at 10:00 a.m.

**MINUTES:** The minutes of the May 26, 2011, meeting were approved as submitted.

**FINANCIAL AND BUDGETARY ITEMS:** The May 2011 financial statements were accepted as submitted.

**NATIONAL ORGANIZATION ITEMS:** Mr. Glover provided information to the Board regarding the sale by NASBA of Professional Credential Services, Inc. (PCS), a for-profit subsidiary of NASBA.

**STATE AND LOCAL ORGANIZATION ITEMS:** Mr. Brooks reported on his attendance at the NCSA Annual Convention held June 17-18, 2011, in Greensboro, NC.

**REPORT OF THE PROFESSIONAL STANDARDS COMMITTEE:** Mr. Baldwin moved and the Board approved the following recommendations of the Committee:

- Case No. C201061 - Rander H. Harris - Approve the signed Consent Order (Appendix I).
- Case No. C2010245 - Gelman, Rosenberg, & Freedman, CPAs; Michael Freedman; and Robert Albrecht - Approve the signed Consent Order (Appendix II).
- Case No. C2010030 - Stephen M. Strader - Approve the signed Consent Order (Appendix III).
- Case No. C2001061 - Close the case without prejudice.
- Case No. C2009244 - William P. Seagroves - Accept the signed Notice of Apparent Violation and Demand to Cease and Desist (Appendix IV).

**REPORT OF THE PROFESSIONAL EDUCATION AND APPLICATIONS COMMITTEE:**  
Ms. Lynch moved and the Board approved the following recommendations of the Committee:

**Reciprocal Certificate Applications** - The following were approved:

Theresa Jeszka Drew  
Thomas Paul Gawarecki

Margaret Ann McGaw Switzer

**Temporary Permits** - The following temporary permits were approved by the Executive Director and ratified by the Board:

Janet Marie Campbell T6372  
Jeffrey Adam Williams T6373  
Bronwynne Elizabeth Henry T6374  
Patrick Joseph Abbott T6375  
James A. Mosrie T6376  
Mary Elizabeth Cowx T6377  
Katherine Ann Moore T6378  
Leslie S. Alston T6379

Robert Emmett Leonard T6380  
Brandon Thomas Powell T6381  
Elizabeth Ann Eisenhardt T6382  
Tarin Louise DeVitto T6383  
Michael Anthony Tomlinson T6396  
Rui Jin T6397  
Carrie Halford Neal T6398

**Firm Registrations** - The following professional corporations and professional limited liability companies were approved by the Executive Director and ratified by the Board:

J. Davis Blount, III, CPA PA  
Jong G. Choi CPA, PC.  
Fameree, PLLC

Mark S. Kennedy, CPA, PLLC  
Erika D. Lipkin, CPA, PLLC  
MSL CPA, PLLC

**Retired Status Applications** - The Committee approved the following requests for retired status because the individuals are completely retired and do not receive any earned compensation for current personal services in any job whatsoever:

Judith Fries Addison #17348  
Oreste Vincent Baffi #18495

John DeBerry Lambert #12444

**Extension Requests** - The Committee approved Bonya Banerjia (#14071) for extension for completion of CPE until June 30, 2011. A request submitted by Ruth Ann Mahoney (#34443) was disapproved.

**Letters of Warning** - Staff received a renewal from Nathan Edgerly (#33516) which listed 2009 CPE taken between January 1 and June 30, 2010, without an approved extension. Staff recommended a letter of warning for a first offense pursuant to 21 NCAC 08G .0406(b)(1). The Committee approved staff recommendation.

**Examinations** - The Committee reviewed and approved the following staff approved applicants to sit for the Uniform CPA Examination:

Luke Allman	Andrew Davis
Joshua Anderson	Shannon DeEsch
Adam Angstadt	Jamie Deveney
Bryan Aust	Priscilla Dobson
Caroline Ballance	Simona Dobson
Irina Basarabeanu	Michael Dooling
Jameson Best	Rochelle Dotzel
Mary Blackmon	Joshua Eberle
Susan Blanco	Melissa Ebili
Nicholas Bornhoft	Lauren Eichinger
Julie Brasfield	Susan Eisenhardt
Tony Brewer	Laura Ellison
Arianna Brisley	Kristen Fabian
Jessica Broadway	Scott Farkas
Kevin Brodie	Jacob Figg
Colin Broom	Rachel Filip
Mischael Buffkin	Laura Fisher
Sarah Burney	Christopher Flanagan
Kathryne Burns	Olivia Fong
Carlton Cammon	Sheryl France
Stephen Campbell	Lydia Frazee
Laura Canady	Shannon Freeman
Kelley Carter	Joseph Gaines
Matthew Cauley	Siyu Ge
Zhen Chen	Courtney Gleason
Alison Chilton	Laura Griffiee
Kathleen Cioni	Kevin Guo
Lindsay Clark	Carson Guy
Erica Clark	Victoria Hammer
Crystal Climer	Travis Hammer
Stephanie Collins	Elizabeth Hannah
Susan Collins-Roberts	Constance Hanshew
Clark Colosimo	Diana Hardy
Christopher Connell	Jontae Harvey
Chad Cook	Tiara Hawthorne
Andrea Corn	Renata Heineman
Stephen Craig	Nicole Helman
Kristi Culler	Chandler Henry
Thomas Cunningham	Martha Hensley
Cedric Davis	Samuel Hess

Christian Hester  
Charles Hickman  
David Highfill  
Andy Hoang  
William Holland  
Dana Howard  
Brittani Howe  
Claire Hudson  
Davis Hunt  
Emily Hunter  
Jarred Hunter  
Brandon Ingram  
Ashley Ivey  
Jennifer Jackson  
Michael Johansen  
Anna Johansson Steele  
Mark Johnson  
Amy Johnson  
Karen Jordan  
Minal Karamchandani  
Samuel Kimball  
Eunah Kim-Therrell  
Elaina King  
Erin Koewing  
Jared Korver  
Jonathan Kuker  
Timothy Laframboise  
Stephen Lashower  
James Lawson  
Justin Layton  
Jessica Lea  
Andrea Leffingwell  
Kelly Lew  
Edward Lewis  
Jennifer Lischer  
Marcus Lockamy  
Christena Loman  
Michael Lotterhos  
Kendal Lowman  
Molly Luzader  
Benjamin Lyon  
William MacMinn  
Gurband Mann

Robby Manning  
Michael Martens  
Anna Mayo  
Marcus McAllister  
Brad McKeiver  
Kellie McKinnon  
Adam McLamb  
Brittany Meeks  
Katherine Merrick  
Steven Miller  
Brooke Molineux  
Luke Morrow  
Elizabeth Moy  
David Mulvihill  
Frederick Nelson  
Nhan Nguyen  
Jacob Nygaard  
Garrett Oakley  
Michael Parisi  
Stephen Parker  
Julia Pattan  
Kyle Peterson  
Erik Peterson  
Natalie Pratt  
Robert Putterman  
Brittany Rainville  
Stephanie Rebnord  
Jacqueline Reed  
Michelle Regnery  
Virginia Reynolds  
Kevin Roach  
Jeremy Roberts  
Mary Rochecharlie  
Brianna Roundtree  
Abraham Rubio  
Ashley Rutledge  
Daniel Ryan  
Courtney Scruggs  
Arthur Sheppard  
Lucas Shook  
Michael Shusko  
Erin Sloop  
Kimberly Smith

Kimberly Smith  
Justin Smith  
Scott Snyder  
Sam Springer  
David Steele  
Laura Stephenson  
Brian Sternecker  
Indre Stunzenas  
Han Sun  
Lu Tang  
Tomika Thomas  
Brian Tonner  
Jennifer Trahan  
Jeffrey Trinh  
Emily Trozzo  
Taresa Turner  
James Upton  
Alexandra Valier

Michael Walker  
Beibei Wang  
Fuyao Wang  
Huimin Wang  
YuanYuan Wang  
Zhenhua Wang  
Amanda Webb  
Zeno Weidenthaler  
David Wenciker  
Daniel Wendelborn  
Christopher Wicks  
Daniel Wieland  
Robert Williams  
Stephen Williams  
Carly Wilson  
Ashley Woody  
Heping Yao  
Chaoqun Zhou

**PUBLIC HEARING:** President Rodriguez called the Public Hearing to order to hear Case No. C2011049 – Amos Johnson Chestnutt. Mr. Chestnutt was present at the hearing and was represented by legal counsel. Mr. Chestnutt, Robert G. Ray, Michael R. Green, William M. Faircloth, John W. Coker, and Tim J. Teasley were sworn and presented testimony. Ms. Lynch and Mr. Cook moved to enter Closed Session without the Executive Director, Deputy Director, Staff Attorney, or Legal Counsel present, but with Valerie Bateman, Esq., present. The Board re-entered the Public Hearing and Messrs. Baldwin and Cook moved to approve a Board Order (Appendix V) approving Mr. Chestnutt’s application for Modification of Discipline. Pursuant to the Order, Mr. Chestnutt may submit an application for reissuance of his CPA certificate. Motion passed with seven (7) affirmative and zero (0) negative votes. The entire public hearing is a matter of public record.

**CLOSED SESSION:** Messrs. Jordan and Cook moved to enter Closed Session to discuss a personnel matter without the Executive Director present. Motion passed.

**PUBLIC SESSION:** Messrs. Rodriguez and Cook moved to re-enter the Public Session to continue with the Agenda. Motion passed.

**PERSONNEL COMMITTEE:** Ms. Lynch and Mr. Harris moved to approve a “Complaint and Whistleblower” (Appendix VI) policy to be added to the Board’s personnel manual. Motion passed.

**EXECUTIVE STAFF AND LEGAL COUNSEL REPORT:** Mr. Brooks reported on tentative plans by the Executive Staff for a renovation of the building and grounds.

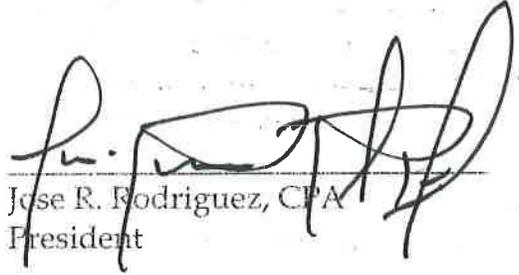
**ADJOURNMENT:** Messrs. Glover and Cook moved to adjourn the meeting at 11:43 a.m.  
Motion passed.

Respectfully submitted:

Attested to by:



Robert N. Brooks  
Executive Director



Jose R. Rodriguez, CPA  
President

NORTH CAROLINA  
WAKECOUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF  
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS  
CASE #: C2010161

IN THE MATTER OF:  
Rander H. Harris, #24802  
Respondent

CONSENT ORDER

THIS CAUSE, coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to NCGS 150B-41, the Board and Respondent stipulate the following Findings:

1. Respondent is the holder of North Carolina certificate number 24802 as a Certified Public Accountant.
2. Respondent informed the Board on his 2006-2007, 2007-2008, 2008-2009, and 2009-2010 individual certificate renewals (renewal) that he had obtained forty (40) hours of continuing professional education (CPE), had completed the annual ethics CPE course, and had completed at least eight (8) hours of non-self-study CPE to meet the 2005, 2006, 2007, and 2008 years CPE requirements.
3. Based on Respondent's representation, the Board accepted his renewal.
4. Board staff requested that Respondent provide certificates of completion for the CPE reported to meet his 2005, 2006, 2007, and 2008 CPE requirement.
5. Respondent provided the CPE certificates of completion to the Board as requested. However, Respondent failed to provide the certificate or certificates of completion needed to document: a Board approved NC ethics CPE course and eight (8) hours of non-self-study CPE for 2005; a Board approved NC ethics CPE course and eight (8) hours of non-self-study CPE for 2006; any ethics CPE course, eight (8) hours of non-self-study CPE, and only certificates of completion for fourteen (14) hours CPE of the forty (40) hours claimed for 2007; and, no certificates of completion for any of the thirty-six (36) hours of CPE claimed for 2008 that Respondent claimed he earned as was reported on his renewals. If, at the time of renewal, Respondent had accurately disclosed that he had less than the required CPE, his certificate would have been automatically forfeited.



6. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED upon the foregoing, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes (NCGS) and Title 21, Chapter 8 of the North Carolina Administrative Code (NCAC), including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. Respondent's actions as set out above constitute violations of NCGS 93-12(8b)a, 93-12(9)c and 93-12(9)e and 21 NCAC 08J.0101(b), 08N .0202(a), .0202(b)(3), .0202(b)(4), and .0203(b)(1).

BASED on the foregoing and in lieu of further proceedings under 21 NCAC Chapter 8C, the Board and Respondent agree to the following Order:

1. Respondent's application for renewal is deemed insufficient and untimely under NCGS 150-B-3(a). Hence, his certificate is automatically forfeited pursuant to NCGS 93-12(8b).
2. Respondent must return his certificate to the Board with this signed Consent Order.
3. Respondent may apply for the reissuance of his certificate after two (2) years from the date the Board approves the Consent Order if Respondent's certificate and the civil penalty required in number five (5) of this Order have been received by the Board.
4. Respondent may apply to return his certificate to active status by submission and approval of a reissuance application which includes:
  - a. Application form,
  - b. Payment of the application fee,
  - c. 3 moral character affidavits, and
  - d. Eighty (80) hours of CPE in 12 months preceding the application of which at least forty (40) hours must be in a group-study format,



Consent Order - 3  
Rander H. Harris

including an eight (8) hour accountancy law course as offered by the North Carolina Association of CPAs in a group-study format.

5. Respondent shall pay a two thousand dollar (\$2,000.00) civil penalty to be remitted to the Board within six (6) months of the date this signed Order is accepted by the Board.
6. Respondent agrees that failure to timely comply with any terms of this agreement and consent order shall be deemed sufficient grounds for revocation of his license.

CONSENTED TO THIS THE 11 DAY OF May, 2010.

Rander H. Harris  
Respondent

APPROVED BY THE BOARD THIS THE 20 DAY OF June, 2010.

NORTH CAROLINA STATE BOARD OF CERTIFIED  
PUBLIC ACCOUNTANT EXAMINERS



BY: [Signature]  
President



NORTH CAROLINA  
WAKE COUNTY

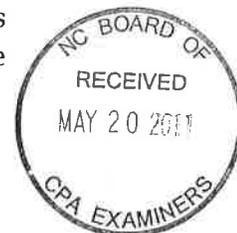
BEFORE THE NORTH CAROLINA STATE BOARD OF  
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS  
CASE #: C2010245

IN THE MATTER OF:  
Gelman, Rosenberg & Freedman, CPAs;  
Michael Freedman; and Robert Albrecht  
Respondents

CONSENT ORDER

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners (Board) at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to North Carolina General Statute (N.C. Gen. Stat.) § 150B-41, the Board and Respondents stipulate the following Findings:

1. Gelman, Rosenberg & Freedman, CPAs ("Respondent Firm") is a CPA Corporation registered with the Maryland Department of Labor, Licensing and Regulation. Respondent Michael Freedman ("Respondent Freedman") and Respondent Robert Albrecht ("Respondent Albrecht") each hold valid and unrevoked certificates as certified public accountants issued by a State other than the State of North Carolina.
2. Respondent Firm is a CPA firm with its principal place of business outside of the State of North Carolina and has performed services in North Carolina since at least 2004.
3. On July 27, 2009, the North Carolina General Assembly enacted Senate Bill 647, which amended the laws pertaining to certified public accountants in the State of North Carolina (hereinafter "Mobility Legislation"). The passage of that legislation allowed for a greater ability of out-of-state CPAs and firms to exercise practice privileges within this State.
4. The Mobility Legislation was made effective on July 27, 2009, and was not applied retroactively.
5. Prior to the passage of the Mobility Legislation, it was unlawful for an out-of-state firm or corporation to perform attestation services in this State without first registering with the Board.
6. Likewise, prior to the Mobility Legislation, it was unlawful for an out-of-state person to perform services as a certified public accountant in this State unless that person first notified the Board of his or her intention to perform those services. See N.C. Gen. Stat. § 93-10 (2001) (pre-mobility).

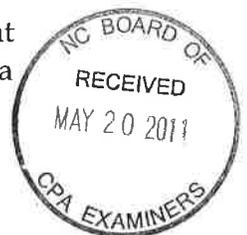


Consent Order - 2  
Gelman, Rosenberg & Freedman, CPAs

7. Respondent Firm issued a total of twenty (20) audit reports for North Carolina companies prior to July 27, 2009.
8. Respondent Firm had not registered with the Board as a CPA firm at the time those reports were issued.
9. At least eight (8) employees of Respondent Firm performed, as CPAs, the audit services for the North Carolina companies while not licensed by this Board and without notifying the Board of their intent to perform services as CPAs in this State. Respondent Freedman and Respondent Albrecht were two of the Respondent Firm's employees performing those services.
10. Respondent Freedman was the partner in charge of all audits conducted prior to the audit report for June 2009.
11. Respondent Albrecht was the certified public accountant in charge for the audit report for June 2009.
12. The Respondent Firm also conducted one (1) audit of a North Carolina company for June 2010, but did not provide the Board with the required notice as required by N. C. Gen. Stat. § 93-10(c).
13. Respondent Albrecht was the certified public accountant in charge for the audit report for June 2010.
14. Respondents wish to resolve this matter by consent and agree that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. They understand and agree that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED upon the foregoing, the Board makes the following Conclusions of Law:

1. Per N.C. Gen. Stat. § 93(10)(c)(1), Respondent Firm is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 8 of the North Carolina Administrative Code (NCAC), including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. Per N.C. Gen. Stat. § 93(10)(b)(1), Respondent Freedman and Respondent Albrecht are subject to the provisions of Chapter 93 of the North Carolina



Consent Order - 3  
Gelman, Rosenberg & Freedman, CPAs

General Statutes and Title 21, Chapter 8 of the North Carolina Administrative Code (NCAC), including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

3. Respondent Firm's actions as set out above constitute violations of N.C. Gen. Stat. §§ 93-4, 93-5, and 93-10.
4. As set forth in paragraph 9 above, Respondent Firm's employees, including Respondent Freedman and Respondent Albrecht, have violated N.C. Gen. Stat. §§ 93-3, 93-10 (2001) (pre-mobility), 93-12(9), 93-12(9)(e), and 21 NCAC 08N .0302(c).
5. Per 21 NCAC 08N .0103, Respondent Firm, Respondent Freedman, and Respondent Albrecht were responsible for assuring that employees and agents of Respondent Firm were in compliance with the Board's Rules.

BASED on the foregoing and in lieu of further proceedings under N.C. Gen. Stat. §§ 150B-38 *et seq.*, and 21 NCAC Chapter 8C, the Board and Respondent agree to the following Order:

1. Respondent Firm is censured.
2. Respondent Freedman is censured.
3. Respondent Albrecht is censured.
4. Respondent Firm shall remit, with this signed Consent Order, a twenty-nine thousand dollar (\$29,000.00) civil penalty.

CONSENTED TO THIS THE 16 TH DAY OF MAY, 2011.

GELMAN, ROSENBERG & FREEDMAN

Respondent Firm

By:

David F. Gentry

Its Managing Partner

Michael Freedman  
Respondent Michael Freedman, individually

Robert Albrecht  
Respondent Robert Albrecht, individually



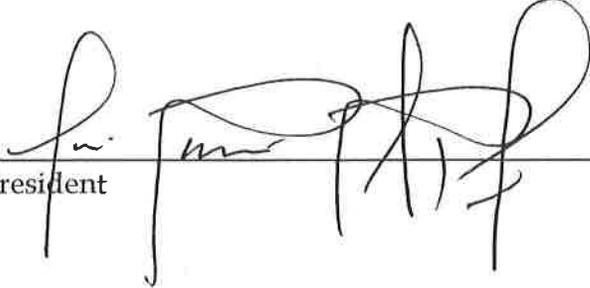
Consent Order - 4  
Gelman, Rosenberg & Freedman, CPAs

APPROVED BY THE BOARD THIS THE 20 DAY OF June  
2011.



NORTH CAROLINA STATE BOARD OF CERTIFIED  
PUBLIC ACCOUNTANT EXAMINERS



BY:   
President



NORTH CAROLINA  
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF  
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS  
CASE #: C2010030

IN THE MATTER OF:  
Stephen M. Strader, #29477  
Respondent

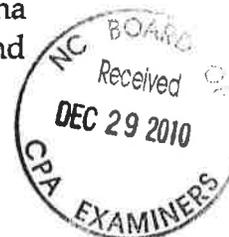
CONSENT ORDER

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners (Board) at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to NCGS 150B-41, the Board and Respondent stipulate the following Findings:

1. Stephen M. Strader (hereinafter "Respondent") is the holder of North Carolina certificate number 29477 as a Certified Public Accountant.
2. Respondent was engaged to prepare the clients' 2008 federal and state joint tax returns.
3. Respondent failed to prepare said tax returns in a timely manner.
4. Respondent failed to respond to Board staff's inquiries in a timely manner.
5. Respondent represents that, prior to signing this Consent Order, Respondent caused the clients' 2008 federal and state joint tax returns to be filed.
6. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED upon the foregoing, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes (NCGS) and Title 21, Chapter 8 of the North Carolina Administrative Code (NCAC), including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.



Consent Order - 2  
Stephen M. Strader

2. Respondent's actions as set out above constitute violations of NCGS 93-12 (9)e and 21 NCAC 08N .0211 and .0212.

BASED on the foregoing and in lieu of further proceedings under 21 NCAC Chapter 8C, the Board and Respondent agree to the following Order:

1. Respondent is censured.
2. Respondent shall remit, with this signed Order, a one thousand dollar (\$1,000.00) civil penalty

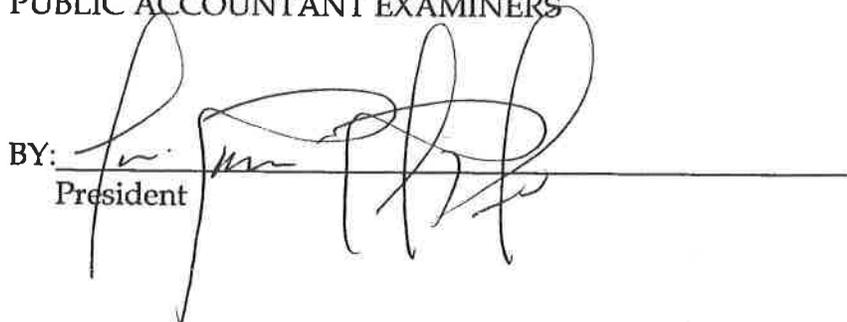
CONSENTED TO THIS THE 28<sup>th</sup> DAY OF December, 2010.

  
\_\_\_\_\_  
Respondent

APPROVED BY THE BOARD THIS THE 20 DAY OF June 2010.

NORTH CAROLINA STATE BOARD OF CERTIFIED  
PUBLIC ACCOUNTANT EXAMINERS



BY:   
\_\_\_\_\_  
President



THE NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

IN THE MATTER OF:
William P. Seagroves
Respondent, Case #C2009244

NOTICE OF APPARENT VIOLATION AND DEMAND TO CEASE AND DESIST

TO THE ABOVE NAMED RESPONDENT:

WHEREAS, the North Carolina State Board of Certified Public Accountant Examiners (Board) is authorized by NC Gen. Stat. § 93-12 (16) to enforce the provisions of the North Carolina Certified Public Accountant Act (Act) through actions for injunctive relief regarding "a single violation" of this Chapter; and,

WHEREAS, pursuant to NC Gen. Stat. § 93-1, "A 'certified public accountant' is a person who holds a certificate as a certified public accountant issued to him under the provisions of this Chapter."

WHEREAS, pursuant to NC Gen. Stat. § 93-3, "It shall be unlawful for any person who has not received a certificate of qualification or not been granted a practice privilege under N.C.G.S. § 93-10 admitting the person to practice as a certified public accountant to assume or use such a title, or to use any words, letters, abbreviations, symbols or other means of identification to indicate that the person using same has been admitted to practice as a certified public accountant."

WHEREAS, Respondent William P. Seagroves (hereinafter "Respondent Seagroves") is not now nor has he ever been licensed as a certified public accountant in North Carolina or otherwise authorized by the Board to use the CPA title in this state; and

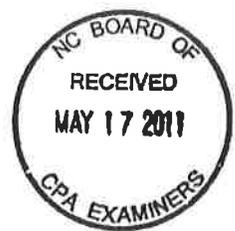
WHEREAS, Respondent Seagroves, while working in North Carolina, identified himself as a CPA and presented a fraudulent certificate stating that he was licensed in this state. Respondent Seagroves' use of the title "CPA" or "Certified Public Accountant" is misleading and contrary to N.C. Gen. Stat. §§ 93-1 & 93-3.

THEREFORE, Respondent Seagroves is hereby notified and the North Carolina State Board of Certified Public Accountant Examiners demands that he immediately cease and desist from offering or using in any manner the title "CPA" or "Certified Public Accountant" in North Carolina unless and until Respondent Seagroves has been licensed as a CPA by the North Carolina State Board of Certified Public Accountant Examiners.

North Carolina State Board of Certified Public Accountant Examiners

BY: [Signature]
Frank X. Trainor, III, Board Staff Attorney

DATE: 5/12/11



William P. Seagroves - 2

In lieu of instituting civil proceedings authorized by NC Gen. Stat. § 93-12(16) or filing criminal charges as authorized by N.C. Gen. Stat. § 93-13, the Board will accept Respondent's consent to this Demand.

Consented to:

BY: William P Seagroves DATE: 5/16/11  
William P. Seagroves

North Carolina State

Robeson County

Sworn to (or affirmed) and subscribed before me this day by William P Seagroves.

[I have personal knowledge of the identity of the principal(s)] [I have seen satisfactory evidence of the principal's identity, by a current state or federal identification with the principal's photograph in the form of a North Carolina Driver's License] [a credible witness has sworn to the identity of the principals \_\_\_\_\_.]



Rose M Clark-Hunt  
Notary Public Signature

Rose M Clark-Hunt  
Notary Public Printed Name

05/16/2011  
Date

November 25, 2012  
My Commission Expires



NORTH CAROLINA  
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF  
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS  
CASE #: C2011049

IN THE MATTER OF:

Amos Johnson Chestnutt, #11768  
Applicant

BOARD ORDER

THIS CAUSE coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, at public hearing, with a quorum present, the Board finds, based on the evidence presented at the hearing on June 20, 2011, that:

FINDINGS OF FACT

1. The parties have been properly identified.
2. The Board has jurisdiction over Applicant and this matter.
3. Applicant received at least fifteen (15) days written Notice of Hearing of this Matter by personal service, certified mail, or other approved personal delivery; or otherwise has no objection to the Notice of Hearing.
4. Venue is proper and the Noticed Hearing was properly held at 1101 Oberlin Road, Raleigh, Wake County, North Carolina.
5. Applicant had no objection to any Board Member's participation in the Hearing of this Matter.
6. Applicant was present at the Hearing and was represented by counsel.
7. Applicant was the holder of a certificate as a Certified Public Accountant in North Carolina and is therefore subject to the provisions of Chapter 93 of the North Carolina General Statutes (N. C. Gen. Stat.) and Title 21, Chapter 8 of the North Carolina Administrative Code (NCAC), including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
8. On August 22, 2005, Applicant entered into a Consent Order with the Board permanently revoking his certificate due to his failure to file his North Carolina State Income Tax returns and his subsequent conviction in Wake County District Court for failure to file those returns (the "2005 Consent Order").

9. Pursuant to 21 NCAC 08I .0104, Applicant has petitioned the Board for a modification of the discipline imposed in the 2005 Consent Order.
10. Applicant has provided supporting recommendations, made under oath, from at least three (3) North Carolina certified public accountants who have personal knowledge of the activities of the Applicant since the 2005 Consent Order was entered.
11. At hearing, Applicant provided testimony and other documentation in support of his request to modify the discipline imposed by the 2005 Consent Order.

CONCLUSIONS OF LAW

1. The Hearing was duly noticed pursuant to N. C. Gen. Stat. §§ 150B-38 (b) and (c) and 21 NCAC 08C .0103 and conducted with a quorum of Board members and all necessary parties present.
2. Upon review of all evidence presented at hearing, and following due deliberations, the Board has concluded that Applicant has demonstrated good cause for the relief sought.

BASED ON THE FOREGOING, the Board orders in a vote of 7 to 0 that:

1. Amos Johnson Chestnutt's application for modification of discipline is approved and Amos Johnson Chestnutt may now submit his application for reissuance of his North Carolina certified public accountant certificate.

This the 20<sup>th</sup> day of June 2011.



NORTH CAROLINA STATE BOARD OF CERTIFIED  
PUBLIC ACCOUNTANT EXAMINERS

BY: \_\_\_\_\_  
President

## **Complaint and Whistleblower Policy**

### **General**

The Board requires employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. Employees must practice honesty and integrity in fulfilling their responsibilities and comply with all applicable laws and regulations.

The objectives of the Board's "Complaint and Whistleblower Policy" (Policy) are to establish policies and procedures for:

- The submission of concerns regarding questionable practices in the operation of the Board on a confidential and anonymous basis.
- The receipt, retention, and treatment of internal and external complaints received by the Board.
- The protection of employees reporting concerns from retaliatory actions.

### **Reporting Responsibility**

Each employee of the Board has an obligation to report in accordance with this Policy (a) questionable or improper practices.

### **Authority of Personnel Committee**

All reported concerns will be forwarded to the Personnel Committee in accordance with the procedures set forth herein. The Personnel Committee shall be responsible for investigating and making appropriate recommendations to the board of directors with respect to all reported concerns.

### **No Retaliation**

This Policy is intended to encourage all employees to raise concerns within the Board for investigation and appropriate action. With this goal in mind, no employee who, in good faith, reports a concern shall be subject to retaliation or adverse employment consequences. Moreover, an employee who retaliates against someone who has reported a concern in good faith is subject to discipline up to and including termination of employment.

### **Reporting Concerns**

Employees should first discuss their concerns with their immediate supervisor. If, after speaking with his or her supervisor, the individual continues to have reasonable grounds to believe the concern is valid, the individual should report the concern to the Executive Director (ED) or the Deputy Director (DD). In addition, if the individual is uncomfortable speaking with his or her supervisor, or the supervisor is a subject of the concern, the individual should report his or her concern directly to the ED, DD or to the Chair of the Personnel Committee.

If the concern was reported verbally to the ED or DD, the reporting individual, with assistance from the ED or DD, shall put the concern in writing. The ED or DD is required to promptly report the concern to the chair of the Personnel Committee, which has specific and exclusive responsibility to investigate all concerns. If the ED or DD, for any reason, does not promptly forward the concern to the chair of the Personnel Committee, the reporting individual should directly report the concern to the chair of the Personnel Committee.

## **Handling of Reported Violations**

The Personnel Committee shall address all reported concerns. The chair of the Personnel Committee shall immediately notify the Executive Committee, the ED, and the DD of any such reported concern. The chair of the Personnel Committee will notify the sender and acknowledge receipt of the concern within five business days, if possible.

All reports will be promptly investigated by the Personnel Committee, and appropriate corrective action will be recommended to the board of directors, if warranted by the investigation. In addition, action taken must include a conclusion and/or follow-up with the complainant for complete closure of the concern.

The Personnel Committee has the authority to consult outside legal counsel, CPAs, private investigators, or any other resource deemed necessary to conduct a full and complete investigation of the allegations. The Personnel Committee shall refer all reported concerns or complaints regarding accounting practices, internal controls or auditing to the Audit Committee of the Board for investigation.

## **Acting in Good Faith**

Anyone reporting a concern must act in good faith and have reasonable grounds for believing the information disclosed indicates an improper practice, or a violation of the North Carolina General Statutes or the North Carolina Administrative Code of the Board. The act of making allegations that prove to be unsubstantiated, and that prove to have been made maliciously, recklessly, or with the foreknowledge that the allegations are false, will be viewed as a serious disciplinary offense and may result in discipline, up to and including termination of employment. Such conduct may also give rise to other actions, including civil lawsuits.

## **Confidentiality**

Reports of concerns, and investigations pertaining thereto, shall be kept confidential to the extent allowed by law, consistent with the need to conduct an adequate investigation.

Disclosure of reports of concerns to individuals not involved in the investigation will be viewed as a serious disciplinary offense and may result in discipline, up to and including termination of employment. Such conduct may also give rise to other actions, including civil lawsuits.