

**PUBLIC SESSION MINUTES**  
**North Carolina State Board of CPA Examiners**  
**February 24, 2014**  
**1101 Oberlin Road**  
**Raleigh, NC 27605**

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**MEMBERS ATTENDING:** Jose R. Rodriguez, CPA, President; Bucky Glover, CPA; Vice President; Tawannah G. Allen, Ed. D (via phone); Barton W. Baldwin, CPA; Wm. Hunter Cook, CPA; Jeffrey J. Truitt, Esq. ; and Michael H. Womble, CPA.

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

**GUESTS:** James T. Ahler, CEO, NCACPA; Josh Goldman, Director of Professional Development, NCACPA; Suzanne Jolicoeur, Senior Manager, State Regulation & Legislation, AICPA; Curt Lee, Legislative Liaison, NCSA; and Maria M. Lynch, Esq.

**CALL TO ORDER:** President Rodriguez called the meeting to order at 10:04 a. m.

**RESOLUTION:** President Rodriguez read and presented a Resolution thanking Maria M. Lynch, Esq., for her service to the Board and the citizens of North Carolina. Messrs. Glover and Cook moved to make the Resolution (Appendix I) a part of the minutes. Motion passed. President Rodriguez also presented Ms. Lynch with a plaque.

**OATH OF OFFICE:** Jeffrey J. Truitt, Esq., was sworn the Oath of Office by President Rodriguez.

**MINUTES:** The minutes of the January 27, 2014, meeting were approved as submitted.

**FINANCIAL AND BUDGETARY ITEMS:** The January 2014 financial statements were accepted as submitted.

**LEGISLATIVE AND RULE-MAKING ITEMS:** The Board members reviewed all rules in 21 NCAC Chapter 08 of the Board prior to the Board meeting and made determinations on the Rules Review Commission (RRC) spreadsheet. Messrs. Cook and Glover moved to approve the determinations on the spreadsheet for submission to the RRC. Motion passed with seven (7) affirmative and zero (0) negative votes.

Mr. Brooks provided an update on the continuing study of occupational licensing boards by the General Assembly as a result of House Bill 74-2013.

**STATE AND LOCAL ORGANIZATION ITEMS:** The evaluation of *Statement of Economic Interest* filed by Wm. Hunter Cook, CPA, is recorded in the minutes (Appendix II) of this meeting as required by NCGS 138A-24(e).

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

Case No. C2013129-1/2 - Crystal K. Hamrick - Approve the signed Consent Order (Appendix III).

Case No. C2013144 - Jane K. Sykes - Approve the signed Consent Order (Appendix IV).

Case No. C2013173-1 and Case No. C2013173-2 - John M. Pentz and John M. Pentz, CPA - Approve the signed Consent Order (Appendix V).

Case No. C2013253 - Close the case without prejudice.

Case No. C2013267 - Close the case without prejudice.

Case No. C2013185 - William J. Norwood - Approve a Notice of Hearing for May 22, 2014, at 10:00 a.m.

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

**Transfer of Grades Applications** - The following were approved:

Yun Gan

Anna Slepova

Darlene O. Ledbetter

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

Jennifer Michelle Gaitsch Aguirre

Brandon Phillip Crawford

Justin Gregory Allen

Matthew Daniel Crocker

Jeremy Wade Berger

Mary Margaret Cunningham

Jordan Elizabeth Boone

Allyson Flynn Dwyer

Michael Tennyson Bowers

Byron Joseph Eways

Allison Nicole Brewer

Claude Colin Felmet

Kathryne Elizabeth Burns

Marco José Flores

Hope Pendergrass Buttitta

Yun Gan

Brent Henry Chaplin

Osbelia Garcia

Davion Leroy Cooper

Brian Edward Harrison

Jeffrey Burgess Cornelison

Jonathan Taylor Jenkins

Garrett Smith Jernigan  
Lori Cline Johnson  
Eric Frederick Kagen  
Marie Noel Kastelic  
Rachel Christine Leaptrot  
Darlene O. Ledbetter  
Sahvanna Locklear  
David Andrew Maryanski  
Graham Kent McLamb  
Aaron Thomas McMillan  
Travis Kyle Miller  
Matthew Aaron Moffitt  
Nhan Chan Nguyen

Patrick Hunter Oglesby  
Winnie Jannett Quick  
Ashlyne Kelly Reid  
Susan Marie Ross  
Dennis Alan St. Martin  
Abdoulie Sissoho  
Anna Slepova  
Deanna Louise Swift  
Tara Allyson Sylvia Tripp  
Jeanne-Claire Alyse White  
John Benjamin Whitley, II  
John William Whitley  
Thomas Edward Whitlock

Staff reviewed and recommended approval of the original application submitted by Chon Régan Shoaf, II. Mr. Shoaf failed to disclose pertinent information with his exam application, but provided it with his certificate application. Staff recommended approval of the application with a one-year probationary period. The Committee approved staff recommendation.

Staff reviewed and recommended approval of the original application submitted by Stephen Dwight Puckett. Mr. Puckett failed to disclose pertinent information with his Exam application, but provided it with his certificate application. Staff recommended approval of the application with a one-year probationary period. The Committee approved staff recommendation.

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

Sandra V. Avery  
Kelly Cramer Cantwell  
Eric Matthew Carr  
Samuel Joel Chimera  
Christina Nicole Fuller  
Robert Bernhardt Gottschalk, III  
Glenny Guzman  
Tatsiana Hliatsevich

Jessica Bullard Lee  
Lowell Michael McFerrin  
Cynthia Ann Miley  
Andrew Jay Russ Pasetsky  
Jeanne Scruggs  
Shaista Shireen  
Henry Lanace Singletary, Jr.

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

Jeffrey Mark Bailey, T7739  
Karen Alexandra Rudroff, T7740  
Matthew Francis Rudroff ,T7741

Shamark Dominique Davis, T7742  
Andrew T. Clark, T7743  
Dwayne Scott Mitchell ,T7744

Karen May Bowling, T7745  
Stacy Lynn Sneed, T7746  
Clain Harmer Anderson, T7747  
Joyce Riggins Schaffer, T7748  
John Thomas Hart, T7749  
Mark John Casella, T7750  
Becky Jo Thomas, T7751  
Lorraine Ming Hayleck, T7752  
Alexander Anthony Yannotti, T7753  
Marija Manojlovic, T7754  
Susan Marie Lounsbury, T7755  
Francis Joseph Farina, T7756  
Jonathan Douglas Frey, T7757  
Renee Lynn Lewis, T7758  
Caroline Standish Arden, T7759

Megan Gabel Perry, T7760  
Robert Laurence Hawley, T7761  
Ashley Michelle Wendel T7762  
Bernard Lawrence Reams III T7818  
Marshall Breece Breland, T7819  
Megan Lynn Pratt, T7820  
Phillip Michael Dunn, T7821  
Pradipsingh Surjeetsingh Bhogal, T7822  
John Francis Giegerich, T7823  
Michael Keith Fahlikman, T7824  
Mark Benjamin Girimonte, T7825  
Benjamin Alain Fulton, T7826  
Annette Rose Leerhoff ,T7827  
Curtis Anderson Nelson, Jr., T7828  
John Wayne Burkett, T7829

**Reinstatements** - The following were approved:

Jennifer Lynn Buller, #30171  
Vivian Schmidt Houchens, #26538  
Theresa King, #17521  
Steven Allen Krpata, #25869  
Paul Daniel MacDonald, #24360

Monica Barbara Magnuson, #33969  
Louise Marie Martinez, #26028  
Lisa Absher Neal, #17743  
Gary Wade Shelnett, #32375  
Tricia Lynn Smith, #21577

**Reissuance of New Certificate** - Applications for reissuance of new certificate submitted by the following were approved:

Scott Michael Arnold, #22547  
Nathan Taylor Garrett, Jr., #21965

Jawnza D. Jackson, #32037

**Firm Registrations** - The professional corporation George H. Sperry, Jr., Esq., CPA, P.C. was approved by the Executive Director and ratified by the Board.

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

Evan Addison  
Akosi Agbila Dogbe  
Kodjo Akakpovi  
George Atiee  
Kathleen Austin  
William Baldwin  
Stephanie Baubie

Cassandra Belov  
Ryan Berger  
Alexander Bishop  
Gabrielle Biskaduros  
Andrew Blackburn  
Jamila Bolden  
Joshua Bolick

Laurel Bostick  
Alexandra Bottolfson  
Cameron Bottolfson  
John Brumbaugh  
Joseph Buckland  
Christopher Burke  
Emily Bush  
Matthew Bustamante  
Ryan Campbell  
Jennifer Cantey  
Michele Capel  
Danielle Carty  
Ryan Chapman  
Margaret Cherry  
Shiuh-Min Chiang  
Hannah Childress  
Tyler Cima  
Kimberly Clark  
Andrea Clopton  
Scott Colston  
Kenneth Cooper  
Ryan Cote  
Koren Cranford  
Hannah Crump  
Corey Dalton  
Joni Davis  
Larisa Demling  
Jamie Deveney  
Juliana Dixon  
Matthew Doherty  
William Dula  
Nicholas Dunbar  
Elena Dusenbury  
Katlyn Easley  
Megan Ely  
Laura English  
Olena Fedchenko  
Brannon Ferguson  
Mary Fischer  
Rebecca Fleming  
Evelyn Forbes  
DeAnna Ford  
Jonathan Frazier

Melissa Fuls  
Rafaela Gaines  
Christine Galyan  
Kristopher Garton  
Laura Gennings  
Michael Gerew  
Bria Gilchrist  
Brittney Godwin  
Benjamin Goodwin  
Jessica Gregory  
Benjamin Gupton  
Bryan Hall  
Rebecca Hall  
Anne Hampshire  
Arben Hankollari  
Ashley Hare Massey  
Darian Harris  
Elizabeth Hasz  
Ashley Hawkins  
Robert Heidel  
Dana Heinicke  
Margaret Helton  
Eric High  
Dan Hoang  
Thomas Hollingsworth  
Frances Holt  
Hillary Holt  
Nathaniel Hookman  
Chun Huang  
Wenxi Huang  
Jessica Hubard  
Jordan Hudson  
Stuart Huller  
Cabot Hunt  
Lucinda Hunt  
Mary Hunter  
John Irvin  
Michael Irvin  
Brittany Jackson  
Melony Jackson  
Jeremy Jacobs  
Matthew James  
Tanya Jenkins

Ankit Jivan  
Jessica Johnson  
Ashleigh Joines  
Brandon Jones  
Ryland Jones  
Nicole Kehl  
Jamie Kennedy  
Stephanie Knight  
Larry Knop, Jr.  
Elizaveta Koneva  
Jacquelyn Kremer  
Andrea Lambert  
Joseph Lanser  
Robert Larison  
Brian Lee  
Kwoklin Lee  
Corey LeMoine  
Adam Leonard  
Edward Lich  
Darren Lindsay  
Nadine Lloyd  
Natalie Lloyd  
Stuart Long  
Zachary Lose  
Bryan Lowke  
Jeffrey Lucas  
Theodore Luckman  
Erin Lyon  
Michael MacDermott  
Austin Mansfield  
Brittany Marshall  
Jeremy Martin  
Irina Martinson  
Corey Marum  
John Massey  
Andrew McMillan  
Ashley Middleton  
Benjamin Miley  
Jennifer Miller  
Michael Mills  
Yue Min  
Alexander Moore  
Jacquelyn Moore

Elizabeth Moraites  
Katherine Moran  
Joshua Morgan  
Joseph Morrow  
Michael Neve  
Austin Newlin  
Kevin Neyland  
Timothy Nicodemus  
James Nobles  
Terence O'Brien  
Brian O'Dell  
Edith O'Neil  
Todd Oldenburg  
Anthony Pappalardo  
Meagan Parrott  
Emily Payne  
Jessica Pemberton  
Thanh Pham  
Olivia Pope  
Erin Precythe  
Matthew Pugh  
Amparo Quispe-Velas Quez  
Theresa Rabbass  
Myranda Riggsbee  
Summer Rippy  
Matthew Robbins  
Ryan Rogers  
Tracey Rogers  
Rebecca Rothrock  
Sarah Rouse  
Joseph Rudolph  
Shay Sellati  
Alyssa Servie  
Julia Setzer  
Mehul Shah  
Garrett Shaver  
Kelsey Shuster-Dutcher  
Montana Singer  
Richard Slate  
Indira Smith  
Neil Spence  
Robert Spencer, III  
Karyn Spillers

Tony Spirakis  
Heather Stanley  
Kent Stanton  
Brian Sternecker  
Mary Stonecypher  
Bennett Strickland  
Laurie Strumski  
Yongjin Sun  
Nathan Tate  
Lucson Thomas  
Jonathan Thornton  
Trisha Toler  
Evan Tollison  
Andrew Topping

Rebecca Urquhart  
Vernon Utley  
Daniel Vandekar  
Jennifer Wade  
William Walters  
Hanna Wemhoener  
Binbin Weng  
Donald Weymer  
Elizabeth Whitaker  
Christopher Wicks  
Alan Wise  
Reida Woodward  
Rhonda Young

Staff reviewed and requested Committee guidance regarding the initial Uniform CPA Examination application submitted by Brent William May. The Committee recommended disapproval of his application. Messrs. Cook and Truitt moved to deny his application and allow Mr. May to request a hearing before the Board. Motion passed with seven (7) affirmative votes and zero (0) negative votes.

**Letters of Warning** - Staff reviewed and recommended approval of the request to rescind the letter of warning awarded to James Hoyt Evans (#15919). The Committee approved staff recommendation.

**Miscellaneous** - The Committee reviewed the proposed language for moral character sections on initial and re-exam applications, original and reciprocal certificate applications, and on-line certificate and firm renewals and recommended no change in the language. Mr. Cook and Dr. Allen moved not to change the moral character language on initial and re-exam applications, original and reciprocal certificate applications, and on-line certificate and firm renewals. Motion passed with seven (7) affirmative votes and zero (0) negative votes.

The review and consideration of the AICPA CPE Direct CPE course to determine compliance with 21 NCAC 08G .0404(e) and whether it would be acceptable for CPE credit for NC licensees was deferred to the March Committee meeting.

**CLOSED SESSION:** Messrs. Cook and Glover moved to enter Closed Session with Executive Staff, Staff Attorney, and Legal Counsel to discuss personnel issues and receive legal advice regarding the interpretation of a North Carolina General Statute. Motion passed.

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

Messrs. Baldwin and Truitt moved to nominate and elect Mr. Cook as Secretary-Treasurer to replace Ms. Lynch. Motion passed.

President Rodriguez appointed Mr. Cook to replace Ms. Lynch as chair of the Professional Education & Applications Committee and the Personnel Committee.

**ADJOURNMENT:** Messrs. Glover and Cook moved to adjourn the meeting at 11:25 a.m. Motion passed.

Respectfully submitted:

Attested to by:



Robert N. Brooks  
Executive Director



Jose R. Rodriguez, CPA  
President

**NORTH CAROLINA STATE BOARD OF  
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS**



**RESOLUTION**

*WHEREAS, Maria M. Lynch, Esq., has served as a member of the North Carolina State Board of Certified Public Accountant Examiners since 2007;*

*WHEREAS, during her tenure she served as Secretary-Treasurer of the Board and as a member of the Executive Committee;*

*WHEREAS, during her tenure she served as Chair of the Professional Education and Applications Committee;*

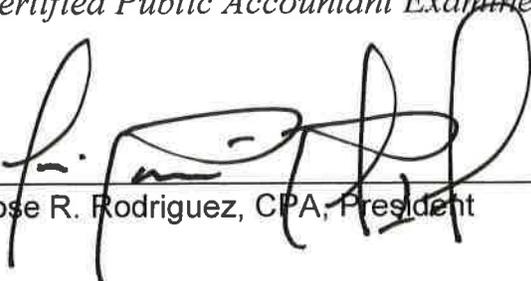
*WHEREAS, during her tenure she served as Chair of the Personnel Committee;*

*WHEREAS, during her tenure she has faithfully and tirelessly served as a leader in the profession and is an eloquent spokesman for the best interests of the public and the profession;*

**BE IT THEREFORE RESOLVED** that the members of the North Carolina State Board of Certified Public Accountant Examiners thank Maria M. Lynch, Esq., for her dedicated service, her personal sacrifice to serve the public interest, and her leadership to the Board.

*This the 24th day of February 2014.*

North Carolina State Board of  
Certified Public Accountant Examiners

  
\_\_\_\_\_  
Jose R. Rodriguez, CPA, President





## STATE ETHICS COMMISSION

1324 MAIL SERVICE CENTER  
RALEIGH, NC 27699-1324  
WWW.ETHICSCOMMISSION.NC.GOV

ROBERT L. FARMER  
CHAIRMAN

PERRY Y. NEWSON  
EXECUTIVE DIRECTOR

November 22, 2013

The Honorable Patrick L. McCrory  
Governor of North Carolina  
20301 Mail Service Center  
Raleigh, NC 27699-0301

*Via email*

**Re: Evaluation of Statement of Economic Interest Filed By Mr. William H. Cook  
Prospective Appointee - North Carolina Certified Public Accountant Examiners**

Dear Governor McCrory:

Our office is in receipt of **Mr. William H. Cook's** 2013 Statement of Economic Interest as a prospective appointee to the **North Carolina Certified Public Accountant Examiners ("Board")**. We have reviewed it for actual and potential conflicts of interest pursuant to Chapter 138A of the North Carolina General Statutes ("N.C.G.S."), also known as the State Government Ethics Act.

**We did not find an actual conflict of interest, but found the potential for a conflict of interest. The potential conflict identified does not prohibit service on this entity.**

The North Carolina State Board of Certified Public Accountant Examiners is responsible for the certification of persons engaged as public accountants in North Carolina. The Board has authority to administer certification examinations, issue, renew and revoke certifications, and otherwise regulate certified public accountants.

The State Government Ethics Act establishes ethical standards for certain public servants, including conflict of interest standards. N.C.G.S. §138A-31 prohibits public servants from using their positions for their financial benefit or for the benefit of a member of their extended family or a business with which they are associated. N.C.G.S. §138A-36(a) prohibits public servants from participating in certain official actions from which the public servant, his or her client(s), a member of the public servant's extended family, or a business or non-profit with which the public servant or a member of the public servant's immediate family is associated may receive a reasonably foreseeable financial benefit.

Mr. Cook will fill the role of a certified public accountant on the Board. He is a partner emeritus with Dixon Hughes Goodman LLP, an accounting firm. Because he will be serving on the licensing board for members of his own profession, he has the potential for a conflict of interest. Mr. Cook should exercise appropriate caution in the performance of his public duties should his license or the licenses of his coworkers come before the Board for official action.

The Honorable Patrick L. McCrory

November 22, 2013

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In addition to the conflicts standards noted above, N.C.G.S. §138A-32 prohibits public servants from accepting gifts, directly or indirectly (1) from anyone in return for being influenced in the discharge of their official responsibilities, (2) from a lobbyist or lobbyist principal, or (3) from a person or entity which is doing or seeking to do business with the public servant's agency, is regulated or controlled by the public servant's agency, or has particular financial interests that may be affected by the public servant's official actions. Exceptions to the gifts restrictions are set out in N.C.G.S. §138A-32(e).

Pursuant to N.C.G.S. 138A-15(c), when an actual or potential conflict of interest is cited by the Commission under N.C.G.S. 138A-24(e) with regard to a public servant sitting on a board, the conflict shall be recorded in the minutes of the applicable board and duly brought to the attention of the membership by the board's chair as often as necessary to remind all members of the conflict and to help ensure compliance with the State Government Ethics Act.

Finally, the State Government Ethics Act mandates that all public servants attend an ethics and lobbying education presentation. Please review the attached document for additional information concerning this requirement.

Please contact our office if you have any questions concerning our evaluation or the ethical standards governing public servants under the State Government Ethics Act.

Sincerely,



Beth Carpenter  
SEI Unit

cc: Mr. William H. Cook

Attachment: Ethics Education Flyer

NORTH CAROLINA  
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF  
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS  
CASE #: C2013129-2

IN THE MATTER OF:  
Crystal K. Hamrick, CPA  
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 N. C. Gen. Stat. § 150B-41, the Board and Respondent firm stipulate to the following:

1. Respondent Crystal K. Hamrick, CPA (hereinafter "Respondent firm"), is a registered certified public accounting individual practitioner firm in North Carolina.
2. Respondent firm received a "pass with deficiencies" on its most recent system peer review, with an acceptance letter date of June 24, 2013.
3. Respondent firm issued an unqualified opinion for a non-profit entity that contained a material misstatement and was not in accordance with Generally Accepted Accounting Principles ("GAAP").
4. Respondent firm 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 firm 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 firm is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina

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Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondent firm's failure to comply with GAAP is a violation of 21 NCAC 08N .0209 and .0212.
3. By virtue of Respondent firm's consent to this order, Respondent firm is subject to the discipline set forth below.

BASED on the foregoing and in lieu of further proceedings, the Board and Respondent firm agree to the following Order:

1. Respondent firm is censured.
2. Respondent firm shall provide a written statement to the Board that it will no longer be participating in, performing, or reviewing any audit engagements requiring peer review. ✓
3. Respondent firm's professional staff participating in non-audit engagements subject to peer review shall take at least eight (8) hours of group study Accounting and Auditing CPE coursework as part of their annual CPE requirement until such time as the Respondent firm receives a pass on a system peer review, or a pass on an engagement peer review.
4. Respondent firm shall provide the Board with copies of the Peer Review Report, Letter of Response, and Final Letter of Acceptance for Respondent firm's next peer review.
5. Prior to Respondent firm participating in, performing, or reviewing any audit engagements, Respondent firm shall be subject to the following:
  - a. Provide written notification to the AICPA Peer Review Committee ("AICPA Committee"), at the time of the engagement acceptance, of Respondent firm's intention to enter into audit engagements. Respondent firm shall comply with corrective actions as assigned by the AICPA Committee; and
  - b. Provide the Board, for the purposes of monitoring, with copies of all correspondence to and from the AICPA Committee related to

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Consent Order - 3  
Crystal K. Hamrick, CPA

Respondent firm's intention to enter into audit engagements and corrective actions as assigned by the AICPA Committee.

CONSENTED TO THIS THE 5<sup>th</sup> DAY OF February, 2014.  
(Day) (Month) (Year)

Crystal K. Hamrick  
Individual authorized to sign on behalf of Respondent Firm

APPROVED BY THE BOARD THIS THE 24 DAY OF FEBRUARY,  
2014.  
(Day) (Month) (Year)

NORTH CAROLINA STATE BOARD OF CERTIFIED  
PUBLIC ACCOUNTANT EXAMINERS



BY: [Signature]  
President

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NORTH CAROLINA  
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF  
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS  
CASE #: C2013144

IN THE MATTER OF:  
Jane K. Sykes, #21284  
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 N.C. Gen. Stat. § 150B-41, the Board and Respondent stipulate to the following Findings:

1. Respondent is the holder of North Carolina certificate number 21284 as a Certified Public Accountant.
2. Respondent informed the Board on her 2012-2013 individual certificate Renewal ("Renewal") that between January 1, 2011, and June 30, 2012, she had obtained the requisite 40 hours of continuing professional education ("CPE") to meet the 2011 CPE requirements.
3. Based on Respondent's representation, the Board accepted her Renewal.
4. Board staff requested that Respondent provide certificates of completion for the CPE reported to meet her 2011 and 2012 requirements.
5. Respondent provided the CPE certificates of completion to the Board as requested. Respondent was only able to provide documentation for thirty-four (34.0) hours of continuing professional education ("CPE") taken to meet the 2012 CPE requirement.
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:

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CPA EXAMINERS

Consent Order -2  
Jane K. Sykes

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted herein by the Board.
2. Respondent's actions as set out above constitute violations of 21 NCAC 08N .0202(a), .0202(b)(3), and .0202(b)(4).
3. Per N.C. Gen. Stat. § 93-12(9) and also by virtue of Respondent's consent to this Order, Respondent is subject to the discipline set forth below.

BASED on the foregoing and in lieu of further proceedings, the Board and Respondent agree to the following Consent Order:

1. Respondent's failure to provide adequate documentation of CPE renders the Renewal insufficient and untimely. Respondent's failure to adequately renew her certificate results in an automatic forfeiture pursuant to N.C. Gen. Stat. § 93-12(15).
2. Respondent must return her certificate to the Board within fifteen (15) days of Respondent's receipt of the Board's notification of its approval of this Consent Order.
3. Respondent may apply for the reissuance of her certificate after one (1) year from the date the Board approves this Consent Order and if Respondent's certificate and the civil penalty required in number five (5) of this Order have been timely received by the Board.
4. Respondent may apply to return her certificate to active status by submission and approval of a reissuance application which includes:
  - a. Application form,
  - b. Payment of the application fee,
  - c. Three (3) moral character affidavits, and
  - d. Forty-six (46.0) hours of CPE in the twelve (12) months preceding the application 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 one thousand dollar (\$1,000.00) civil penalty to be remitted to the Board prior to submitting a reissuance application.

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Consent Order -3  
Jane K. Sykes

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 her certificate.

CONSENTED TO THIS THE 24 DAY OF JANUARY, ~~2013.~~ 2014  
Jane K. Sykes  
Respondent

APPROVED BY THE BOARD THIS THE 24 DAY OF FEBRUARY, ~~2013.~~ 2014

NORTH CAROLINA STATE BOARD OF CERTIFIED  
PUBLIC ACCOUNTANT EXAMINERS



BY: [Signature]  
President

NC BOARD OF  
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NORTH CAROLINA  
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF  
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS  
CASE #s: C2013173-1 and C2013173-2

IN THE MATTER OF:  
John Michael Pentz, #22669  
John M. Pentz, CPA  
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 N. C. Gen. Stat. § 150B-41, the Board and Respondent stipulate to the following:

1. John Michael Pentz (hereinafter "Respondent Pentz") is the holder of North Carolina certificate number 22669 as a Certified Public Accountant.
2. John M. Pentz, CPA (hereinafter "Respondent Firm") is a duly registered individual practitioner CPA firm.
3. Respondent Pentz was, at all times applicable, responsible for the conduct of Respondent Firm.
4. The Respondent Firm received a rating of "fail" on its most recent completed and in progress peer reviews.
5. Respondent Pentz, on behalf of Respondent Firm, failed to provide the peer reviewer for the most recent completed peer review with an all-inclusive list of audit engagements performed during the year under review. The peer reviewer had to select additional engagements for review to address the scope limitation.
6. In addition, Respondent Firm failed to comply with 21 NCAC 08M .0106(a)(4) that states a CPA firm registered for peer review shall provide to the Board the following: A package to include the Peer Review Report, Letter of Response and Final Letter of Acceptance for all failed and second passed with deficiencies reports issued by a peer review program within 60 days of the date of the Final Letter of Acceptance. This omission was voluntarily reported by the Respondent.

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CPA EXAMINERS

Consent Order - 2  
John Michael Pentz  
John M. Pentz, CPA

7. Respondent Firm has informed the AICPA peer review program that it is discontinuing its performance of attest and assurance engagements.
8. 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. Respondents 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. Respondents are subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. Respondents' failure to provide the peer reviewer with an all-inclusive list of audit engagements constitutes a violation of 21 NCAC .08N.0203.
3. Respondent Firm's failure to comply with applicable auditing standards is a violation of 21 NCAC 08N .0403 and .0212.
4. Respondent Firm's failure to submit to the Board copies of its Peer Review Report, Letter of Response, and Final Letter of Acceptance constitutes a failure to adhere to the disclosure requirements of 21 NCAC 08M .0106(a)(4), resulting in disciplinary action by virtue of 21 NCAC 08N .0213.
5. Per N.C. Gen. Stat. § 93-12(9), and also by virtue of Respondent's consent to this order, Respondent is subject to the discipline set forth below.

BASED on the foregoing and in lieu of further proceedings, the Board and Respondent agree to the following Order:

1. Respondent Pentz' CPA certificate shall be suspended for three (3) years.

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2. The registration for Respondent Firm is suspended until such time as Respondent Pentz' CPA certificate is reinstated and a firm registration for Respondent Firm is approved by the Board.
3. Neither Respondent Pentz nor Respondent Firm shall offer or render services as a CPA or CPA firm, or otherwise trade upon or use the CPA title in this state either through CPA mobility provisions or substantial equivalency practice privileges or in any other manner, nor shall Respondent Pentz or Respondent Firm claim or attempt to use any practice privileges in any other state based upon Respondent Pentz' suspended North Carolina certificate or Respondent Firm's suspended CPA firm registration until such time as Respondent Pentz' CPA certificate is reinstated and a firm registration for Respondent Firm is approved by the Board.
4. Respondent Firm shall pay a one thousand dollar (\$1,000.00) civil penalty to be remitted with this signed Consent Order.

CONSENTED TO THIS THE 6<sup>TH</sup> DAY OF FEBRUARY, 2014  
(Day) (Month) (Year)

*John Michael Pentz*

Respondent

APPROVED BY THE BOARD THIS THE 24 DAY OF FEBRUARY,  
2014  
(Day) (Month) (Year)

NORTH CAROLINA STATE BOARD OF CERTIFIED  
PUBLIC ACCOUNTANT EXAMINERS



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

*[Signature]*

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