

**PUBLIC SESSION AGENDA  
NORTH CAROLINA STATE BOARD OF CPA EXAMINERS  
MARCH 23, 2016  
1:00 P.M.  
1101 OBERLIN ROAD  
RALEIGH, NC**

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**I. Administrative Items**

A. Call to Order

*In accordance with the State Government Ethics Act, it is the duty of every Board member to avoid both conflicts of interest and appearances of conflict. Does any Board member have any known conflict of interest or appearance of conflict with respect to any matters coming before the Board today? If so, please identify the conflict or appearance of conflict and refrain from any undue participation in the particular matter involved.*

B. Welcome and Introduction of Guests

C. Approval of Agenda (**ACTION**)

D. Minutes (**ACTION**)

E. Financial/Budgetary Items

1. Financial Statements for February 2016 (**ACTION**)

F. Proposed Draft of the Board Strategic Plan (**ACTION**)

G. Election of Officers for 2016-2017 (**ACTION**)

**II. Legislative & Rule-Making Items**

A. Rule-Making for 2016-2017 (**DISCUSSION**)

B. Report on the March 1, 2016, Meeting of the Joint Legislative Administrative Procedure Oversight Committee and Sub-Committee (**FYI**)

**III. National Organization Items**

A. NASBA ED and Legal Counsel Conference Tucson, AZ, March 15-17, 2016 (**FYI**)

B. Uniform CPA Examination Fees for 2016, 2017, and 2018 (**FYI**)

**IV. State & Local Organization Items**

A. Joint Dinner and "Issues & Eggs" Breakfast with the NCACPA (**FYI**)

**V. Request for Declaratory Ruling**

**VI. Committee Reports**

A. Professional Standards (**ACTION**)

B. Professional Education and Applications (**ACTION**)

C. Personnel (**ACTION**)

**VII. Public Comments**

**VIII. Closed Session**

**IX. Executive Staff and Legal Counsel Report**

A. Executive Staff Report (**FYI**)

**X. Adjournment**

**PUBLIC SESSION MINUTES**  
**North Carolina State Board of CPA Examiners**  
**February 22, 2016**  
**1101 Oberlin Road**  
**Raleigh, NC 27605**

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**MEMBERS ATTENDING:** Michael H. Womble, CPA, President; Wm. Hunter Cook, CPA, Vice President; Jeffrey J. Truitt, Esq., Secretary-Treasurer; Murchison (Bo) Biggs, CPA; Cynthia B. Brown, CPA; Justin C. Burgess; and George W. Rohe, CPA.

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

**GUESTS:** James T. Ahler, CEO, NCACPA; Sharon Bryson, COO, NCACPA; Susan Barrett, CPA, NCACPA; Amanda Davis, Director of Learning and Development, NCACPA; Nathan Standley, Esq., Allen & Pinnix, P.A.; Suzanne Jolicoeur, Senior Manager, State Regulation & Legislation, AICPA; Curt Lee, Legislative Liaison, NCSA; Joel Wilson; and Officer James Stokes, Raleigh Police Department.

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

**PUBLIC HEARING:** President Womble called the Public Hearing to order to hear Case No. C2015190 – Joel Moran Wilson. Mr. Wilson was present at the Hearing and was not represented by counsel at the Hearing. Mr. Wilson was sworn and presented testimony. Messrs. Biggs and Cook moved to enter Closed Session to discuss the case without Executive Staff or Staff Attorney present, but with Noel L. Allen, Esq., Legal Counsel, present. Motion passed. The Board re-entered the Hearing and Mr. Rohe and Ms. Brown moved to deny Mr. Wilson’s application for modification of discipline. Motion passed with five affirmative and two negative votes. Messrs. Cook and Truitt moved to recess the Hearing until the Staff Attorney and Legal Counsel could insert language into the Board Order as proposed by the Board. Motion passed. Upon re-entering the Hearing from the recess, Mr. Biggs and Ms. Brown moved to approve the Board Order (Appendix I) denying Mr. Wilson’s application for modification of discipline. Motion passed with five affirmative votes and two negative votes. The entire Public Hearing is a matter of public record.

**MINUTES:** The minutes of the January 25, 2016, meeting were approved as submitted.

**FINANCIAL AND BUDGETARY ITEMS:** The January 2016 financial statements were accepted as submitted.

**STRATEGIC PLANNING SESSION:** President Womble discussed the draft plan and asked the Board members to review it for discussion and adoption at the March 23, 2016, meeting.

**LEGISLATIVE AND RULE-MAKING ITEMS:** Mr. Brooks provided the draft rule-making schedule for 2016 and several rules that could be considered for rule-making.

Mr. Brooks provided an update on the February 2, 2016, meeting of the Joint Legislative Administrative Procedures Oversight Committee and its two subcommittees.

**NATIONAL ORGANIZATION ITEMS:** President Womble discussed the NASBA Middle Atlantic Region conference call that he and Mr. Brooks participated in on February 8, 2016.

The Board reviewed the draft responses to the quarterly NASBA Focus Questions as prepared by President Womble and Mr. Brooks. Messrs. Biggs and Truitt moved the responses be approved. Motion passed.

**STATE AND LOCAL ORGANIZATION ITEMS:** Mr. Brooks reviewed the plans for the March 23, 2016, joint dinner with the NCACPA board and the "Issues and Eggs" breakfast on March 24, 2016. Mr. Brooks asked for discussion ideas and requested that any ideas should be forwarded to either President Womble or him. Mr. Ahler informed President Womble that Dan Purvine, Chair of the NCACPA, would contact him regarding the topics for discussion.

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

Case No. C2013188 - Charles L. Earney - Approve the signed Consent Order (Appendix II).

Case No. C2015205 - Rhonda B. Cianchetti - Approve the signed Consent Order (Appendix III).

Case No. C2015271 - Constance R. Hurst - Approve the signed Consent Order (Appendix IV).

Case No. C2015323 - Whitley Penn LLP - Approve the signed Consent Order (Appendix V).

Case No. C2015146 - Close the case without prejudice.

Case No. C2015327 - Close the case without prejudice.

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

**Transfer of Grades Applications** - The Committee recommended that the Board approve the following:

Alyssa S. Carlson  
Maryellen Rose Dunkle  
Justin Eugene Mace  
Thomas William Mills  
Shelton Tyler Sowards

Joshua C. Stokes  
Albert Edward White  
Benjamin David Wilson  
Tyler Adam Wilson  
Beibei Zhou

**Original Certificate Applications** - The Committee recommended that the Board approve the following:

James Kerry Aaron  
Mason Wayne Barringer  
Shane Walker Basen  
Anna Taylor Beam  
Tawana Bowman Berrier  
Christine Marie Black  
Walter Westin Bordeaux  
Ashley Marie Canady  
Jennifer Nicolle Allery Cantey  
Alyssa S. Carlson  
Kristy Lynn Cole  
Elizabeth Kaden Coy  
Bryan John DaCanal  
Brian Leighton Doud  
Maryellen Rose Dunkle  
Emily Elizabeth Edwards  
Bria Ashia Gatewood  
Victoria Ashley Hammer  
John Walter Hartman  
Aubrey Lynn Hollen  
Evelyn Marie Kelley  
Kyle Clanton Kirby  
Janey Kellyn Kuyath  
Jacob Robert Lawler  
Corey Alexander LeMoine  
Christian Rhodes Lincoln  
Alison Danielle Long

Callie Elizabeth Luckadoo  
Amanda Laurie Lynch  
Justin Eugene Mace  
Jennifer McGhee  
Joshua Shane McLaughlin  
Thomas William Mills  
Kevin Alan Moore  
Samuel Adam Moore  
Melinda Bower Mueller  
Jennifer Gosnell Mull  
Nicholas Pagano  
Richard Brian Pieringer, Jr.  
Bradley Scott Porter  
Thomas Andrew Ransdell  
Lindsey Danielle Reynolds  
Kelsey Mitchell Smith  
Abby Carleton Scott  
Shelton Tyler Sowards  
Neil Hansen Spence  
Sara Elizabeth Spires  
Andrew Michael Stevens  
Joshua C. Stokes  
Kelly Brannon Stokes  
Rachael Huntley Strickland  
Lee Chandler Thaxton  
Thomas Joseph Timoney  
Sahil Vahewala

Akilah Sameerah Waldron  
Albert Edward White  
David Michael Wieand  
Kasey Joy Wiggins  
Tyler Kirk Wikse  
Blake Miller Wilcox

Benjamin David Wilson  
Tyler Adam Wilson  
Paul David Wright  
Alec Marshall Yale  
Beibei Zhou

Staff reviewed and recommended approval of the original application submitted by Jordan Neal Eatman. Mr. Eatman 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 recommended that the Board approve staff recommendation.

Staff reviewed and recommended approval of the original application submitted by Brandon Tyler Parks. Mr. Parks 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 recommended that the Board approve staff recommendation.

Staff reviewed and recommended approval of the original application submitted by Sean Patrick Eames. Mr. Eames 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 recommended that the Board approve staff recommendation.

**Reciprocal Certificate Applications** - The Committee recommended that the Board approve the following:

Heather Jones Barsallo  
Erin Walker Bigham  
Khristopher Brock Conner  
Nancy Lynn Crates  
Ashley Michelle Gardner  
Joshua Blaine Jackson

Marco Lam  
Kristin Cathleen Roland  
William George Sanborn  
Gabrielle Elizabeth Webb  
Charlene Brookins Weston  
Jacob Thompson Wubbenhorst

**Temporary Permits** - The Committee recommended that the Board approve the following temporary permits that were approved by the Executive Director:

Keara Jane Attamante, T8965  
Jennifer Marie Neville, T8966  
Kevin Michael Roberts, T8967  
Harry Albert Blume, Jr., T8968  
Peter H. Cook, II, T8969

Tyler Jerome Cameron, T8970  
Michelle Marie O'Keefe, T8971  
Kathryn Hull Porterfield, T8972  
Stephanie Nicole Herbert, T8973  
Sherry L. States, T9010

Jeremy Paul Colombik, T9011  
Richard M. Freiberg, T9012  
Stephen Douglas Walker, T9013  
Koen Gerard Long, T9014  
Eric Douglas Griggs, T9015  
Dali Zhang, T9016  
David Silvio D'Annunzio Sr. T9017  
Karen Elaine Jolley, T9019  
Alexander Mason McGowin, T9020  
Ha Thu Phan, T9021  
Jordan Leonhardt Daniel, T9022  
Steven Karl Evjen, T9023

Toni Thore Lee-Andrews, T9024  
William Owen Charles Fitzpatrick,  
T9025  
Eric Thomas Panian, T9026  
Theodore Allen Unruh, T9027  
Alan Paul Vercio, T9029  
Sean Edward Etchells, T9030  
Morris Edward Levy, T9031  
Scott Alan King, T9032  
Astrid Ingrid Valentin, T9033  
Abdullah Ayid Saleh, T9034

**Reinstatements** - The Committee recommended that the Board approve the following:

Janice Judy Bourne, #33764  
Benny Joseph Buras, Jr., #34719  
Barry Dale Church, #18848  
Sarah Jordan Ilderton, #33922

Magda Jezovicova, #37854  
Rebecca Talley Keith, #17034  
Robert Wade Rogers, #33206

**Reissuance of New Certificate** - The Committee recommended that the Board approve the application for reissuance of new certificate submitted by Brittni Jade Jenkins, #37377.

**Reissuance of New Certificate and Consent Agreement** - The Committee recommended that the Board approve the application for reissuance of new certificate and consent agreement submitted by Marion Holloway Simmons, #29652.

**Firm Registrations** - The Committee recommended that the Board approve the professional limited liability company Alan J. Asbury CPA, PLLC, that was approved by the Executive Director.

**Extension Requests** - The Committee recommended that the Board approve the Kimberly Hensley, #30754, for extension for completion of CPE until June 30, 2016.

**Letter of Warning** - Staff has received an email from Jeanne Scruggs, #38332, stating that she completed the 2014 CPE requirement between January 1 and June 30, 2015, without an approved extension. Staff recommended a Letter of Warning for a first offense pursuant to 21 NCAC 08G .0406(b)(1). The Committee recommended that the Board approve staff recommendation.

**Examinations** -The Committee recommended that the Board approve the following staff-approved applicants to sit for the Uniform CPA Examination:

Mariam Abebe	Tyler Chambers
Ylora Acosta	Ri Chan
Caroline Adams	Rachel Chaney
William Adams	Tyler Chapman
Kyle Addenbrook	Hau Ping Cheng
William Alexander	Sarah Chin
Seth Amott	Garard Clark
Ashley Anderson	Kathy Clark
Kathrynne Anna	Rodney Clark
Matthew Ashman	Ciera Combs
Tracy Ayers	Grayson Compton
Pommy Aynu	Ryan Conley
David Badger	Jacob Cooper
Sahr Bangai	Keleigh Coppenger
Christine Barnes	Daniel Cornelison
Heather Barnes	Charles Cornett
William Barnes	Michell Covey
Channing Bass	Colin Craigie
James Baynard	Jonathan Cucarola
Clarissa Beaty	Sharon Cullipher
Ryan Beckner	Lauren Daughtry
Stacey Bell	Michael Deas
Christopher Berube	Michelle Denning
Jessica Bickett	Nicole Dickson
Alexandra Billhardt	Sarah Dietz
Christopher Bleakley	Patrick Donahue
Daniel Blevins	Quinesha Downtin
Hayden Boles	Evan Dupe
Kathleen Bowen	Taylor Edge
Elizabeth Bowman	Miranda Edwards
Jennifer Broenner	David Emery
Kathryn Brown	Scott Essick
Caitlin Bunzey	Michael Falcone
Meghan Burke	Andrew Fanning
Loretta Burleson	Dewey Fender
Donald Button	Xuezhi Feng
John Capasso	Caroline Ficklen
Elizabeth Carey	Erica Fink
Lindsay Carlisle	Gerald Floyd
Kelley Carter	David Friberg

Hannah Fullwood  
Karlie Gale  
Derek Gallelo  
Dylan Gardner  
Nicole Gardner  
Tarynn Garrett  
Philip Garrigan  
Douglas Gilbet  
Spencer Goheen  
Danielle Goldstein  
Erica Graves  
Dana Gray  
Katie Gray  
Logan Green  
Kyle Grella  
John Gudauskas  
Rebecca Gurganus  
Kaitlyn Haake  
Robert Hales  
Tariq Hamed  
Leslie Hamilton  
Joshua Harrington-Smith  
Jordan Harris  
Tyler Hartman  
John Haslup  
Matthew Hazel  
Hayley Henson  
Taylor Hescocock  
Autumn Hester  
Ann Hobson  
Shannon Hogan  
Nicolas Holch  
Tyler Holland  
Olivia Holm  
David Holmes  
William Howard  
Alan Hu  
Heather Iannucci  
Alexander Jackson  
LaShawn Jarrell  
Andrew Jarrett  
Tanya Jenkins  
Jessica Johnson

Ashleigh Joines  
Matthew Jones  
Jennifer Jordan  
Gregory Journigan  
Sandra Joyner  
Derrick Kaul  
Thomas Keaveny  
Lance Kenewell  
Katherine Kent  
Amanda King  
Christopher Kishbaugh  
Laura Klem  
Messavi Komlavi  
Ryan Kose  
Jeremy Kryn  
Casey Lammando  
Kelly Larouche  
Nicholas Lavid  
Jimmy Lee  
Charles Lehrman  
William Leland  
Norman Lindsey  
Robert Linklater  
Marcus Lockamy  
Matthew Long  
Robert Lyerly  
Keisha Lyons  
Zachary Marco  
Jonathan Markham  
Rosa Martinez  
Jennifer Massengill  
Zachary Matthews  
Margaret May  
Meredith Mayer-Salman  
Karen McCall  
Lee McCollum  
Kristen McLamb  
David McNamara  
Angela McNeill  
Anna Meerovich  
Bryce Mendes  
Courtney Miller  
Pedro Monroig Perez

Alexander Moore  
Jacquelyn Moore  
Shirley Morton  
Amiee Moser  
Trenton Mosley  
Landon Moxley  
Erin Mulhern  
Jennifer Musso  
Baseemah Nance  
Abigail Nelson  
Zachary Nichols  
Jason Nottingham  
David Nussman  
Edith Onabanjo  
Cody Owenby  
Camilla Paramore  
Tara Parks  
Rachel Parrish  
John Patronis  
Neal Pawsat  
Meghan Peddycord  
Mark Perlberg  
Amanda Perry  
Cecilia Peters  
Jasmine Pettaway  
Thanh Pham  
Kristie Ploetzke  
Stephanie Potter  
Tara Potter  
Hannah Pressley  
Erin Priddy  
Emily Prutzman  
Sarah Putnam  
Theresa Rabbass  
Angela Rackley  
Brian Renegar  
Emily Reynolds  
Alzabeth Roman  
Jeremy Rosenkrans  
Amanda Ross  
Kendra Ross  
Liselotte Ross  
Liliya Sabaleuskaya

Edwin Sasser  
Zoe Scheller  
Lindsay Schilleman  
Jessica Schisler  
Karina Schneider  
Anthony Serricchio  
Olivia Sessoms  
Payal Shah  
Yash Shah  
Nusrat Sharmin  
Daniel Shulman  
Aaron Simmons  
Jay Singer  
Torian Sitton  
Brent Smith  
Caitlin Smith  
Indira Smith  
Jennifer Smith  
Natalie Smith  
Grady Smyth Gilbert  
Aaron Sparrow  
Casey Stallard  
Amanda Stillinger  
Abbey Strickland  
Dana Sumter  
Jordan Taunton  
Evgeniya Taylor  
Meredith Terrell  
William Thompson  
Kavonda Thrasher  
Tamara Todi  
Katherine Travan  
Brittany Treble  
Joshua Troxell  
William True  
Thomas Turlington  
Shakira Vance  
Kelly Vander Heide  
Corrie VanDyke  
Tessa Vinson  
Brandon Waggener  
Shuo Wang  
Evan Wardrop

William Weeks  
Catherine Weidman  
Taylor Westerhof  
Leigh White  
Taylor White  
Iris Wigodsky  
Taylor Wilk  
Kristin Wilkerson  
Allison Williams  
Brent Williams  
Katherine Williams

Ashley Willis  
Boom Wilson  
Cassandra Wilson  
Jessica Wilson  
Wesley Wright  
Garrett Wydysh  
John Yelton  
Lindsey Yingling  
Byung Heum Yun  
Liudmila Zill  
Lisa Zimmerschied

**CLOSED SESSION:** Mr. Cook and Ms. Brown moved to enter Closed Session to discuss the contract for legal counsel representation for the Board. Motion passed.

**PUBLIC SESSION:** The Board re-entered Public Session to continue with the agenda.

**ADJOURNMENT:** Messrs. Burgess and Truitt moved to adjourn the meeting at 12: 41 p.m. Motion passed.

Respectfully submitted:

Attested to by:

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Robert N. Brooks  
Executive Director

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Michael H. Womble, CPA  
President

NORTH CAROLINA  
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF  
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS  
CASE #: C2015190

IN THE MATTER OF:  
Joel Moran Wilson, #24462  
Applicant

BOARD ORDER

THIS CAUSE coming before the North Carolina State Board of Certified Public Accountant Examiners (the "Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, at public hearing ("Hearing"), with a quorum present, the Board finds, based on the evidence presented at the Hearing on February 22, 2016, that:

FINDINGS OF FACT

1. The Applicant was the holder of a certificate as a Certified Public Accountant in North Carolina until that certificate was revoked on April 19, 2004.
2. Twelve (12) years have elapsed since the Applicant's revocation, and he has requested a Modification of Discipline pursuant to 21 NCAC 08I .0104.
3. The disciplinary action that the Applicant seeks to modify was a Consent Order revoking his certificate ("Consent Order"). The effective date of the Consent Order was April 19, 2004.
4. The Consent Order revoking the Applicant's certificate was premised upon the Applicant's indictment of willfully conspiring to defraud the United States for the purpose of impeding, impairing, obstructing, and defeating the ascertainment, computation, assessment, and collection of income taxes.
5. Subsequent to the entry of the Consent Order, the Applicant pled guilty to the aforementioned charge.
6. The Board has jurisdiction over the Applicant and the subject matter of this action.
7. The Applicant received at least fifteen (15) days written notice of the Hearing. The notice was achieved by serving a Notice of Hearing by

personal service, certified mail, or other method of delivery authorized by N.C. Gen. Stat. § 150B-42(a).

8. Venue is proper and the Hearing was properly held at 1101 Oberlin Road, Raleigh, North Carolina.
9. The Applicant did not object to any Board Member's participation in the Hearing of this matter.
10. The Applicant was present at the Hearing and was not represented by counsel.
11. This matter is before the Board upon application by the Applicant for Modification of Discipline pursuant to 21 NCAC 08I .0104.

#### CONCLUSIONS OF LAW

1. The Hearing was duly noticed pursuant to N. C. Gen. Stat. § 150B-38(b)(c) and NCAC 08C .0103 and was conducted with a quorum of Board members and all necessary parties present.
2. The Applicant satisfied all conditions necessary to be able to present his Petition for Modification of Discipline to the Board. Per 21 NCAC 08I .0104, the burden of establishing a justification for modifying the earlier discipline is upon the Applicant.
3. Per 21 NCAC 08I .0104, in order to modify the Applicant's discipline, the Board must find that the Applicant has shown good cause that his prior discipline should be modified.
4. In this matter, the basis of the Consent Order was tax fraud. The burden to modify a discipline based upon tax fraud is high because the commission of fraud undermines the core principle of CPAs in this State, namely the ability of consumers to place trust in the financial statements and other financial information that have been prepared or audited by CPAs.
5. The Board concludes that the Applicant has not shown good cause to modify his prior discipline.

Board Order - 3  
Joel Moran Wilson

6. Per 21 NCAC 08I .0104, in order to modify the Applicant's discipline, the Board must also find that the Applicant is rehabilitated with respect to the conduct that was the basis of the Consent Order.
7. The Board concludes that the Applicant did not provide satisfactory evidence to demonstrate rehabilitation with respect to the conduct that was the basis of the Consent Order. The Applicant testified that he was "mostly unaware" of the tax fraud that led to his conviction. That testimony contradicts his plea that he "willfully and knowingly" conspired to commit tax fraud, evincing a lack of rehabilitation as is required by Rule 08I .0104.

BASED ON THE FOREGOING, the Board orders in a vote of 5 to 2 that:

1. Joel Moran Wilson's Application for Modification of Discipline is denied.

This the 22nd day of February, 2016.



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 #: C2013188

IN THE MATTER OF:  
Charles Laverne Earney, #13563  
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. Charles Laverne Earney (hereinafter "Respondent") is the holder of North Carolina certificate number 13563 as a Certified Public Accountant.
2. On his 2013 annual certificate renewal, Respondent disclosed to the Board that the AICPA was in the process of investigating a governmental audit for fiscal year May 31, 2010 performed by Earney & Company, LLP ("Firm"). The Respondent is the majority owner of the Firm and was the engagement partner on the governmental audit in question, spending 11 hours on the engagement. A former partner in the Firm with extensive governmental audit experience spent the majority of the 200+ hours on the engagement.
3. The Board staff opened a case file and held the matter in abeyance pending the resolution of the AICPA matter.
4. By correspondence dated April 14, 2015, the AICPA advised Respondent that there appeared to be *prima facie* evidence of deficiencies in the presentation of the audit report for the governmental audit for fiscal year May 31, 2010, the most serious being the failure to identify and test all major federal programs and failing to opine on each major federal program. In order to resolve the matter proactively, Respondent waived his rights to a full investigation in accordance with the JEEP Manual of Procedures and agreed to the terms of a letter of corrective action dated April 14, 2015 ("Corrective Action Letter").
5. After reviewing the AICPA actions, Board staff requested Respondent to provide the Board with the Firm's audit workpapers for the audited governmental entity. Based on review of investigatory materials and a summary review of those

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workpapers, the Board's Professional Standards Committee has recommended this Consent Order.

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 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. The *prima facie* evidence of workpaper deficiencies identified by the AICPA and the Board appear to constitute a violation of 21 NCAC 08N .0212 and .0409.
3. Per N.C. Gen. Stat. § 93-12(9), 93-10(b) 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 shall provide the Board with evidence of compliance with all requirements in his Corrective Action Letter, including:
  - a. Provide the Board with certificates of completion of twenty-nine (29) hours of Single Audit and Audit Documentation CPE; and
  - b. Provide the Board with copies of the two (2) pre-issuance reports prepared in the next twelve (12) months and the one (1) post-issuance report in accordance with the terms prescribed in the Corrective Action Letter.

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Consent Order - 3  
Charles Laverne Earney

2. At the time of his annual certificate renewal, Respondent shall disclose that he is in compliance with the requirements of his Corrective Action Letter as long as those requirements remain applicable.

CONSENTED TO THIS THE 12<sup>th</sup> DAY OF JANUARY, 2016.  
(Day) (Month) (Year)

Charles Laverne Earney  
Respondent

APPROVED BY THE BOARD THIS THE 22 DAY OF FEBRUARY, 2016.  
(Day) (Month) (Year)

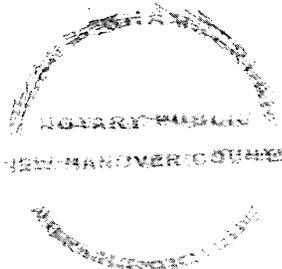
NORTH CAROLINA STATE BOARD OF CERTIFIED  
PUBLIC ACCOUNTANT EXAMINERS



BY: [Signature]  
President

State of: North Carolina  
County of: New Hanover

The foregoing instrument was acknowledged before me  
this 12<sup>th</sup> day of January, 2016 by Charles Laverne Earney  
↳ Personally known by me.



[Signature]  
Suzan B. Chamberlain

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NORTH CAROLINA  
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF  
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS  
CASE #C2015205

IN THE MATTER OF:  
Rhonda Bilbee Cianchetti, #18211  
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. Respondent is the holder of North Carolina certificate number 18211 as a Certified Public Accountant.
2. Respondent informed the Board on her 2014-2015 individual certificate Renewal ("Renewal") that between January 1, 2013, and June 30, 2014, she had obtained the requisite forty (40) hours of continuing professional education ("CPE") to meet the 2013 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 2013 requirements.
5. The Respondent was unable to provide any documentation for forty (40) hours of the 2013 CPE hours that she claimed on her 2014-2015 annual renewal.
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.

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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 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. 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), 93-10(b) 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'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 as long as the civil penalty required in number five (5) of this Order has 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. Eighty (80) 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 or self-study format.

NC BOARD OF

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CPA EXAMINERS

5. Respondent shall pay a one thousand dollar (\$1,000) civil penalty, to be remitted to the Board prior to submitting a reissuance application.
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 15 DAY OF January, 2016.  
(Day) (Month) (Year)

Rhonda Bilbee Cianchetti  
Respondent

APPROVED BY THE BOARD THIS THE 22 DAY OF FEBRUARY, 2016.  
(Day) (Month) (Year)

NORTH CAROLINA STATE BOARD OF CERTIFIED  
PUBLIC ACCOUNTANT EXAMINERS



BY: [Signature]  
President

NC BOARD OF  
JAN 19 2016  
CPA EXAMINERS

NORTH CAROLINA  
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF  
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS  
CASE #C2015271

IN THE MATTER OF:  
Constance Rae Hurst, CPA, #24164  
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. Respondent is the holder of North Carolina certificate number 24164 as a Certified Public Accountant.
2. Respondent informed the Board on her 2014-2015 individual certificate Renewal ("Renewal") that between January 1, 2013, and June 30, 2014, she had obtained the requisite forty (40) hours of continuing professional education ("CPE") to meet the 2013 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 2013 requirements.
5. Respondent was unable to provide documentation for three and one-half (3.5) hours of the 2013 CPE hours that she would need to meet the forty (40) hour requirement that she claimed on her 2014-2015 annual renewal. In addition, the Respondent did not provide documentation to substantiate completion of at least two (2) hours of ethics from a sponsor registered with either NASBA or the Board that she earned between January 1, 2013, and June 30, 2014.
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.

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CPA EXAMINERS

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 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. 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), 93-10(b) 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'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 as long as the civil penalty required in number five (5) of this Order has 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-three and one-half (43.5) 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 or self-study format.

NC BOARD OF

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CPA EXAMINERS

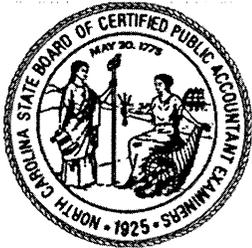
- 5. Respondent shall pay a one thousand dollar (\$1,000) civil penalty, to be remitted to the Board prior to submitting a reissuance application.
- 6. Respondent agrees that failure to timely comply with any terms of this agreement and Consent Order shall be deemed sufficient grounds for revocation of her certificate.

CONSENTED TO THIS THE 9 DAY OF February, 2016.  
(Day) (Month) (Year)

Constance R. Hurst  
Respondent

APPROVED BY THE BOARD THIS THE 22 DAY OF FEBRUARY, 2016.  
(Day) (Month) (Year)

NORTH CAROLINA STATE BOARD OF CERTIFIED  
PUBLIC ACCOUNTANT EXAMINERS



BY: [Signature]  
President

NC BOARD OF  
FEB 10 2016  
CPA EXAMINERS

NORTH CAROLINA  
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF  
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS  
CASE #: C2015323

IN THE MATTER OF:

Whitley Penn,

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. Whitley Penn (hereinafter "Respondent Firm"), has a principal place of business outside of North Carolina and has no office in North Carolina. Respondent Firm is not a registered certified public accounting firm in North Carolina.
2. Respondent Firm performed multiple audits of a retirement plan sponsored in North Carolina ("ERISA audits").
3. The North Carolina Accountancy Act, at N.C. Gen. Stat. § 93-10(c)(3), requires firms to provide notice without a fee to the Board prior to performing financial statement audits or other engagements performed in accordance with the Statements on Auditing Standards. The members or partners of Respondent Firm were unaware of the notice requirement.
4. Respondent Firm did not provide the Board with a Notification of Intent to Practice ("Notice") prior to performing the ERISA audits.
5. Respondent Firm subsequently provided a Notice to the Board.
6. 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 Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

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2. By exercising the practice privilege afforded by N.C. Gen. Stat. § 93-10(c) of the Accountancy Act, Respondent Firm consented to comply with the laws of this State and to be subject to the jurisdiction and disciplinary authority of the Board.
3. Respondent Firm's failure to comply with N.C. Gen. Stat. § 93-10(c) of the Accountancy Act as set out above constitutes a violation of 21 NCAC 08N .0213.
4. Per N.C. Gen. Stat. § 93-12(9), 93-10(b) and also 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 shall remit, with this signed Order, a one thousand dollar (\$1,000) civil penalty.
2. Respondent Firm shall remit, with this signed Order, a five hundred dollar (\$500) payment for administrative costs.

CONSENTED TO THIS THE 4 DAY OF FEBRUARY, 2016.  
(Day) (Month) (Year)

[Signature], Partner, Director of Audit  
Individual authorized to sign on behalf of Respondent Firm

APPROVED BY THE BOARD THIS THE 22 DAY OF FEBRUARY 2016  
(Day) (Month) (Year)

NORTH CAROLINA STATE BOARD OF CERTIFIED  
PUBLIC ACCOUNTANT EXAMINERS



BY: [Signature]  
President

NC BOARD OF  
FEB - 9 2016  
CPA EXAMINERS

**Financial Highlights**  
**For the Eleven Month Period Ended February 29, 2016**  
**Compared to the Eleven Month Period Ended February 28, 2015**

	Budget Var.	Feb-16	Feb-15	Inc. (Dec.)
Total Revenue	\$103,146.16	\$ 2,770,646.20	\$ 2,693,428.51	\$ 77,217.69
■ Total Operating Revenue	\$93,753.14	\$ 2,720,553.68	\$ 2,638,937.01	\$ 81,616.67
❖ Total Net Non Operating Revenue	\$9,393.02	\$ 50,092.52	\$ 54,491.50	\$ (4,398.98)
○ Total Expenses	-\$174,851.35	\$ 2,435,943.74	\$ 2,448,108.38	\$ (12,164.64)
Increase(Dec.) Net Assets for Period		\$ 334,702.46	\$ 245,320.13	\$ 89,382.33
Total Checking and Savings		\$ 934,486.10	\$ 584,810.58	\$ 349,675.52
Total Assets		\$ 3,357,676.89	\$ 3,231,871.47	\$ 125,805.42
Full-Time/Part-time Employees		13/1	13/1	0/0

**Budget:**

- Operating revenue was \$94,000 over budget primarily due to increased certificate fees (\$28,000) and exam fee revenue (\$60,000).
- ❖ Non-Operating revenue was \$9,000 over budget due to higher than expected interest income (\$3,000), rental income (\$1,800), and gift card usage (\$4,300).
- Expenses were \$174,000 under budget, primarily due to reduced salary/benefit costs (\$67,000), administrative costs assessed (\$21,000), postage/travel costs (\$34,000) and exam fees (\$32,000).

**Actual:**

- Total operating revenue increased from prior year by \$82,000. Increase related to increased certificate renewal fees (\$31,000) and expected exam fee revenue (\$50,000).
- ❖ Total net non-operating revenue decreased this period compared to prior by \$4,000 primarily due to the Board no longer having a tenant paying rental income
- Total expenses decreased from prior period by \$12,000. Reduced salary costs explain the majority of that amount.

03/04/16

NC Board of CPA Examiners  
**Statement of Net Position**  
As of February 29, 2016

	<u>Feb 29, 16</u>	<u>Feb 28, 15</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
<b>Checking/Savings</b>		
1076 · Bank of North Carolina - MMA	251,284.09	0.00
1075 · Union - Money Market	246,347.33	245,238.74
1074 · First Tennessee Bank - MMA	245,494.08	144,536.69
1023 · BB&T Disciplinary Clearing Acct	8,500.00	16,000.00
1020 · BB&T Checking Acct	172,519.67	174,288.60
1021 · BB&T Savings Account	10,240.93	4,588.45
1030 · BB&T Payroll Acct	100.00	158.10
<b>Total Checking/Savings</b>	<u>934,486.10</u>	<u>584,810.58</u>
<b>Other Current Assets</b>		
1110 · Accrued CD Interest	10,810.84	7,614.81
1050 · CD Investments - Current	741,726.47	984,492.68
1165 · Deferred Lease Commissions	0.00	1,236.24
1125 · Accts Rec Civil Penalties	4,500.00	1,000.00
1120 · Accounts Receivable	-31.43	0.00
<b>Total Other Current Assets</b>	<u>757,005.88</u>	<u>994,343.73</u>
<b>Total Current Assets</b>	<u>1,691,491.98</u>	<u>1,579,154.31</u>
<b>Fixed Assets</b>		
1330 · Land Improvement	14,640.90	9,240.90
1300 · Building	917,143.10	922,543.10
1305 · Land	300,000.00	300,000.00
1310 · Furniture	113,918.90	113,918.90
1320 · Equipment	209,909.92	196,510.75
1325 · Data Base Software	180,336.18	180,336.18
1390 · Accumulated Depreciation	-807,493.22	-765,484.47
<b>Total Fixed Assets</b>	<u>928,455.78</u>	<u>957,065.36</u>
<b>Other Assets</b>		
1250 · CD Investments Non-Current	737,728.80	695,651.80
<b>Total Other Assets</b>	<u>737,728.80</u>	<u>695,651.80</u>
<b>TOTAL ASSETS</b>	<u><b>3,357,676.56</b></u>	<u><b>3,231,871.47</b></u>
<b>LIABILITIES &amp; NET ASSETS</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
<b>Accounts Payable</b>		
2000 · Accounts Payable	0.00	1,248.79
<b>Total Accounts Payable</b>	<u>0.00</u>	<u>1,248.79</u>

03/04/16

NC Board of CPA Examiners  
**Statement of Net Position**  
 As of February 29, 2016

	<u>Feb 29, 16</u>	<u>Feb 28, 15</u>
<b>Other Current Liabilities</b>		
2040 · Accounts Payable Civil Penalty	4,050.00	900.00
2005 · Due to Exam Vendors	405,400.33	472,799.92
2011 · Accounts Payable Other	0.00	2,500.00
2015 · Accrued Vacation Current	4,571.00	6,444.67
<b>Total Other Current Liabilities</b>	<u>414,021.33</u>	<u>482,644.59</u>
<b>Total Current Liabilities</b>	414,021.33	483,893.38
<b>Long Term Liabilities</b>		
2020 · Accrued Vacation	73,432.34	72,148.92
<b>Total Long Term Liabilities</b>	<u>73,432.34</u>	<u>72,148.92</u>
<b>Total Liabilities</b>	487,453.67	556,042.30
<b>Net Assets</b>		
3010 · Net Assets Invest in Cap Assets	928,455.78	957,065.36
3020 · Designated for Capital Assets	100,000.00	100,000.00
3031 · Designated-Operating Expenses	300,000.00	300,000.00
3040 · Designated for Litigation	750,000.00	750,000.00
3900 · Net Assets Undesignated	457,064.65	323,443.68
Change in Net Assets	334,702.46	245,320.13
<b>Total Net Assets</b>	<u>2,870,222.89</u>	<u>2,675,829.17</u>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<u><b>3,357,676.56</b></u>	<u><b>3,231,871.47</b></u>

03/04/16

NC Board of CPA Examiners  
**Statement of Revenues & Expense - Budget v. Actual**  
 April 2015 through February 2016

	Apr '15 - Fe...	Budget	\$ Over Bud...
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
<b>Certificate Fees</b>			
4110 · Certificates - Initial	59,900.00	55,000.00	4,900.00
4120 · Certificates - Reciprocal	30,200.00	27,500.00	2,700.00
4121 · Certificates - Recip/Temp	0.00	0.00	0.00
4130 · Certificates - Temporary	0.00	0.00	0.00
4131 · Certificates - Temp Renewal	0.00	0.00	0.00
4140 · Certificates - Renewal Fees	1,202,700.00	1,183,500.00	19,200.00
4150 · Certificates - Reinst/Revoked	2,900.00	0.00	2,900.00
4151 · Certificates - Reinst/Surr	6,800.00	9,166.63	-2,366.63
4152 · Certificates - Reinst/Retired	600.00	0.00	600.00
4160 · Certificates - Notification	0.00	0.00	0.00
4161 · Certificate - Notification Rnw	0.00	0.00	0.00
<b>Total Certificate Fees</b>	1,303,100.00	1,275,166.63	27,933.37
<b>Exam Fee Revenue</b>			
4001 · Initial Adm Fees	209,070.00	205,562.50	3,507.50
4002 · Re-Exam Adm Fees	156,525.00	144,375.00	12,150.00
4004 · Exam Fees Revenue	983,816.64	962,500.00	21,316.64
4060 · Equivalency Exam Fees	0.00	0.00	0.00
4070 · Transfer Exam Grade Credit	75.00	0.00	75.00
4071 · Exam Review Fees	200.00	0.00	200.00
4072 · Exam Scholarship Coupon	-15,390.46	-37,803.59	22,413.13
<b>Total Exam Fee Revenue</b>	1,334,296.18	1,274,633.91	59,662.27
<b>Misc</b>			
4993 · Revenue Suspense	0.00		
4999 · Board Training	0.00	0.00	0.00
4910 · Educational Program Fees	0.00	0.00	0.00
4970 · Duplicate Certificates	900.00	0.00	900.00
4980 · Copies	0.00	0.00	0.00
4990 · Miscellaneous	322.50	1,375.00	-1,052.50
<b>Total Misc</b>	1,222.50	1,375.00	-152.50
<b>Partnership Fees</b>			
4260 · Partnership Registration Fees	0.00	0.00	0.00
4261 · Partnership Renewal Fees	39,170.00	36,500.00	2,670.00
<b>Total Partnership Fees</b>	39,170.00	36,500.00	2,670.00
<b>Professional Corporation Fees</b>			
4250 · PC Registration Fees	4,900.00	4,125.00	775.00
4251 · PC Renewal Fees	37,865.00	35,000.00	2,865.00
4252 · PC Renewal Fees W/Penalties	0.00	0.00	0.00
<b>Total Professional Corporation Fees</b>	42,765.00	39,125.00	3,640.00
<b>Total Income</b>	2,720,553.68	2,626,800.54	93,753.14
<b>Expense</b>			
6900 · Bad Debit Expense	0.00	0.00	0.00
6690 · Over & Short	0.05	0.00	0.05

03/04/16

NC Board of CPA Examiners  
**Statement of Revenues & Expense - Budget v. Actual**  
 April 2015 through February 2016

	Apr '15 - Fe...	Budget	\$ Over Bud...
<b>Fringe Benefits</b>			
5031 · Retirement - NCLB Contribution	48,213.59	49,930.87	-1,717.28
5033 · Retirement - NCLB Administr	1,733.45	1,333.34	400.11
5035 · Health Ins. Premiums	101,258.22	126,500.00	-25,241.78
5036 · Medical Reim Plan	33,936.02	35,750.00	-1,813.98
5038 · Unemployment Claims	0.00	0.00	0.00
<b>Total Fringe Benefits</b>	<b>185,141.28</b>	<b>213,514.21</b>	<b>-28,372.93</b>
<b>Board Travel</b>			
5120 · Board Travel - Board Meetings	19,708.82	21,120.00	-1,411.18
5121 · Board Travel - Prof Meetings	113.49	0.00	113.49
5122 · Board Travel - NASBA Annual	16,381.04	18,907.00	-2,525.96
5123 · Board Travel - NASBA Regional	4,084.04	8,775.00	-4,690.96
5124 · Board Travel - NASBA Committees	238.20	0.00	238.20
5125 · Board Travel - AICPA/NASBA	0.00	0.00	0.00
5126 · Board Travel - NCACPA Annual	0.00	0.00	0.00
5127 · Board Travel - NCACPA/Board	1,548.55	0.00	1,548.55
5128 · Board Travel - AICPA Committees	0.00	0.00	0.00
5129 · Miscellaneous Board Costs	1,438.42	0.00	1,438.42
5133 · Board Travel - NASBA CPE	0.00	0.00	0.00
<b>Total Board Travel</b>	<b>43,512.56</b>	<b>48,802.00</b>	<b>-5,289.44</b>
<b>Building Expenses</b>			
5800 · Building Maintenance	248.57	1,000.00	-751.43
5801 · Electricity	10,560.92	11,000.00	-439.08
5802 · Grounds Maintenance	2,550.00	2,750.00	-200.00
5803 · Heat & Air Maintenance	4,950.93	5,250.00	-299.07
5804 · Improvements	0.00	0.00	0.00
5805 · Insurance	4,459.00	4,500.00	-41.00
5807 · Janitorial Maintenance	5,255.00	5,500.00	-245.00
5808 · Pest Control Service	150.00	200.00	-50.00
5809 · Security & Fire Alarm	2,320.38	2,500.00	-179.62
5810 · Trash Collection	1,010.69	200.00	810.69
5811 · Water & Sewer	840.15	1,008.37	-168.22
<b>Total Building Expenses</b>	<b>32,345.64</b>	<b>33,908.37</b>	<b>-1,562.73</b>
<b>Continuing Education -Staff</b>			
5050 · Continuing Education - Staff	3,058.15	3,666.63	-608.48
5051 · Continuing Education - RNB	0.00	0.00	0.00
5052 · Continuing Education - Computer	0.00	0.00	0.00
<b>Total Continuing Education -Staff</b>	<b>3,058.15</b>	<b>3,666.63</b>	<b>-608.48</b>
<b>Exam Postage</b>			
5531 · Exam Postage	1,440.00	1,283.37	156.63
<b>Total Exam Postage</b>	<b>1,440.00</b>	<b>1,283.37</b>	<b>156.63</b>
<b>Exam Printing</b>			
5533 · Exam Printing	0.00	0.00	0.00
<b>Total Exam Printing</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

03/04/16

NC Board of CPA Examiners  
**Statement of Revenues & Expense - Budget v. Actual**  
 April 2015 through February 2016

	Apr '15 - Fe...	Budget	\$ Over Bud...
<b>Exam Sitting and Grading</b>			
5538 · Exam Vendor Expense	884,767.66	916,666.63	-31,898.97
<b>Total Exam Sitting and Grading</b>	884,767.66	916,666.63	-31,898.97
<b>Exam Supplies</b>			
5532 · Exam Supplies	0.00	0.00	0.00
<b>Total Exam Supplies</b>	0.00	0.00	0.00
<b>Exam Temporary Staff</b>			
5530-10 · Temp Employees - May	0.00	0.00	0.00
5530-20 · Temp Employees - Nov	0.00	0.00	0.00
<b>Total Exam Temporary Staff</b>	0.00	0.00	0.00
<b>Investigation &amp; Hearing Costs</b>			
5220 · Investigator Fees	0.00	0.00	0.00
5221 · Staff Investigation Costs	170.30	0.00	170.30
5222 · Investigation Materials	10,804.44	9,166.63	1,637.81
5230 · Hearing Costs	2,885.88	4,583.37	-1,697.49
5231 · Rule-Making Hearing Costs	398.80	0.00	398.80
5232 · Legal Advertising	0.00	0.00	0.00
5250 · Administrative Cost Assessed	-22,960.65	-2,291.63	-20,669.02
5260 · Civil Penalties Assessed	-83,200.00	-6,875.00	-76,325.00
5261 · Civil Penalties Remitted	67,492.33	0.00	67,492.33
<b>Total Investigation &amp; Hearing Costs</b>	-24,408.90	4,583.37	-28,992.27
<b>Legal Expense</b>			
5140 · Legal Counsel - Administrative	35,094.30	27,500.00	7,594.30
5141 · Legal Counsel - Spec Projects	0.00	0.00	0.00
5210 · Legal Counsel - Prof Standards	0.00	11,000.00	-11,000.00
5211 · Legal Counsel - Litigation	28,949.39	10,000.00	18,949.39
<b>Total Legal Expense</b>	64,043.69	48,500.00	15,543.69
<b>Misc Personnel</b>			
5034 · Misc. Payroll Deduction	0.00	1,375.00	-1,375.00
5037 · HSA Deduction	0.00	0.00	0.00
5090 · Flowers, Gifts, Etc.	159.16	0.00	159.16
5091 · Staff Recruiting	0.00	0.00	0.00
5092 · Misc. Personnel Costs	4,352.08	2,750.00	1,602.08
<b>Total Misc Personnel</b>	4,511.24	4,125.00	386.24
<b>Office Expense</b>			
5436 · Contracted Copy Service	19,325.79	25,000.00	-5,674.21
5301 · Equipment Rent	780.00	1,000.00	-220.00
5310 · Decorations	238.42	250.00	-11.58
5320 · Payroll Service	1,713.60	1,833.37	-119.77
5360 · Telephone	5,030.06	6,875.00	-1,844.94
5361 · Internet & Website	4,741.79	6,985.00	-2,243.21
5390 · Clipping Service	2,757.25	3,666.63	-909.38
5400 · Computer Prog/Assistance	1,740.00	4,583.37	-2,843.37
5405 · Computer Software Maintenance	43,389.50	41,250.00	2,139.50
5410 · Dues	7,740.00	8,200.00	-460.00
5420 · Insurance	16,101.00	15,600.00	501.00
5430 · Audit Fees	8,730.00	8,730.00	0.00

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NC Board of CPA Examiners  
**Statement of Revenues & Expense - Budget v. Actual**  
 April 2015 through February 2016

	Apr '15 - Fe...	Budget	\$ Over Bud...
5435 · Consulting Services	0.00	916.63	-916.63
5440 · Misc Office Expense	1,050.00	3,500.00	-2,450.00
5445 · Banking Fees	2,482.48	2,933.37	-450.89
5450 · Credit Card Fees	47,760.09	41,250.00	6,510.09
<b>Total Office Expense</b>	<b>163,579.98</b>	<b>172,573.37</b>	<b>-8,993.39</b>
<b>Per Diem - Board</b>			
5110 · Per Diem - Board Meetings	11,500.00	13,500.00	-2,000.00
5111 · Per Diem - Prof Meetings	0.00	3,666.63	-3,666.63
5112 · Per Diem - NASBA Annual	1,900.00	3,500.00	-1,600.00
5113 · Per Diem - NASBA Regional	400.00	2,000.00	-1,600.00
5114 · Per Diem - NASBA Committees	611.80	0.00	611.80
5115 · Per Diem - AICPA/NASBA	0.00	0.00	0.00
5116 · Per Diem - NCACPA Annual	0.00	800.00	-800.00
5117 · Per Diem - NCACPA/Board	500.00	500.00	0.00
5118 · Per Diem - AICPA Committees	0.00	0.00	0.00
5119 · Per Diem - Miscellaneous	0.00	500.00	-500.00
5130 · Clerical Reimbursement	0.00	0.00	0.00
5135 · Per Diem - NASBA CPE	0.00	0.00	0.00
<b>Total Per Diem - Board</b>	<b>14,911.80</b>	<b>24,466.63</b>	<b>-9,554.83</b>
<b>Postage</b>			
5345 · Postage - UPS	14,900.00	10,000.00	4,900.00
5340 · Postage - Other	7,040.81	17,875.00	-10,834.19
5341 · Postage - Newsletter	62,350.00	60,500.00	1,850.00
5342 · Postage - Business Reply	3,225.00	2,291.63	933.37
5343 · Postage - Renewal	2,385.00	1,833.37	551.63
5344 · Postage - Rulebook	0.00	0.00	0.00
<b>Total Postage</b>	<b>89,900.81</b>	<b>92,500.00</b>	<b>-2,599.19</b>
<b>Printing</b>			
5330 · Printing - Other	8,698.97	6,416.63	2,282.34
5331 · Printing - Newsletter	50,495.72	48,583.37	1,912.35
5332 · Printing - Special Projects	0.00	0.00	0.00
5333 · Printing - Renewal	0.00	0.00	0.00
5334 · Printing - Rulebook	0.00	0.00	0.00
5335 · Mailing Label Printing	0.00	0.00	0.00
<b>Total Printing</b>	<b>59,194.69</b>	<b>55,000.00</b>	<b>4,194.69</b>
<b>Repairs &amp; Maintenance</b>			
5380 · Repairs - Misc.	0.00	0.00	0.00
5381 · Maintenance - Copiers	1,219.43	3,208.37	-1,988.94
5382 · Maintenance - Computer	1,075.92	1,375.00	-299.08
5383 · Maintenance - Postage	0.00	916.63	-916.63
<b>Total Repairs &amp; Maintenance</b>	<b>2,295.35</b>	<b>5,500.00</b>	<b>-3,204.65</b>

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NC Board of CPA Examiners  
**Statement of Revenues & Expense - Budget v. Actual**  
 April 2015 through February 2016

	Apr '15 - Fe...	Budget	\$ Over Bud...
<b>Salaries &amp; Payroll Taxes</b>			
5040 · State Unemployment Tax	1,148.54	2,566.63	-1,418.09
5010 · Staff Salaries	803,817.20	832,435.02	-28,617.82
5020 · Part-Time Staff Salaries	12,955.41	16,565.75	-3,610.34
5021 · Temporary Contractors	290.00	0.00	290.00
5030 · FICA Taxes	59,506.32	64,933.00	-5,426.68
<b>Total Salaries &amp; Payroll Taxes</b>	<b>877,717.47</b>	<b>916,500.40</b>	<b>-38,782.93</b>
<b>Scholarships</b>			
5535 · Scholarship	5,500.00	11,000.00	-5,500.00
<b>Total Scholarships</b>	<b>5,500.00</b>	<b>11,000.00</b>	<b>-5,500.00</b>
<b>Staff Travel</b>			
5060 · Staff Travel - Local	725.09	2,337.50	-1,612.41
5061 · Staff Travel - Prof Mtgs	2,695.59	3,620.87	-925.28
5062 · Staff Travel - NASBA CPE	0.00	0.00	0.00
5063 · Staff Travel - NASBA Ethics	0.00	0.00	0.00
5070 · Staff Travel - NASBA Annual	7,537.53	8,103.00	-565.47
5071 · Staff Travel - NASBA Regional	5,347.45	5,265.00	82.45
5072 · Staff Travel - NASBA ED/Legal	298.00	20,637.00	-20,339.00
5073 · Staff Travel - NASBA Committee	0.00	0.00	0.00
5074 · Staff Travel - AICPA	0.00	0.00	0.00
5075 · Staff Travel - NCACPA Meetings	93.70	1,833.37	-1,739.67
5076 · Staff Travel - NCACPA/Board	0.00	1,375.00	-1,375.00
5077 · Staff Travel - Clear Conference	0.00	0.00	0.00
5078 · Staff Travel - Vehicle	488.00	0.00	488.00
5080 · Staff Travel - Univ Dialogue	0.00	0.00	0.00
<b>Total Staff Travel</b>	<b>17,185.36</b>	<b>43,171.74</b>	<b>-25,986.38</b>
<b>Subscriptions/References</b>			
5370 · Subscriptions/References	1,091.30	4,033.37	-2,942.07
<b>Total Subscriptions/References</b>	<b>1,091.30</b>	<b>4,033.37</b>	<b>-2,942.07</b>
<b>Supplies</b>			
5350 · Supplies - Office	5,692.34	4,125.00	1,567.34
5351 · Supplies - Copier	1,195.20	3,895.87	-2,700.67
5352 · Supplies - Computer	3,268.07	2,979.13	288.94
5353 · Supplies - Special Projects	0.00	0.00	0.00
Supplies - Other	0.00	0.00	0.00
<b>Total Supplies</b>	<b>10,155.61</b>	<b>11,000.00</b>	<b>-844.39</b>
5920 · Funded Depreciation	0.00	0.00	0.00
6999 · Uncategorized Expenses	0.00	0.00	0.00
9999 · Suspense	0.00	0.00	0.00
<b>Total Expense</b>	<b>2,435,943.74</b>	<b>2,610,795.09</b>	<b>-174,851.35</b>
<b>Net Ordinary Income</b>	<b>284,609.94</b>	<b>16,005.45</b>	<b>268,604.49</b>
<b>Other Income/Expense</b>			
<b>Other Income</b>			
8250 · Gift Card Revenue	10,300.00	6,000.00	4,300.00

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NC Board of CPA Examiners  
**Statement of Revenues & Expense - Budget v. Actual**  
 April 2015 through February 2016

	Apr '15 - Fe...	Budget	\$ Over Bud...
<b>Interest Income</b>			
8500 · Interest Income - MMAs	3,199.29	0.00	3,199.29
8505 · Interest Income - BB&T BUS IDA	0.00	0.00	0.00
8510 · Interest Income - CDs	14,737.63	14,666.63	71.00
8520 · Interest Income - Prudential TB	0.00	0.00	0.00
8530 · Interest Income - Wachovia MM	0.00	0.00	0.00
<b>Total Interest Income</b>	17,936.92	14,666.63	3,270.29
<b>8200 · Rental Income</b>	21,855.60	20,032.87	1,822.73
8920 · Gain on Sale of Fixed Assets	0.00	0.00	0.00
8921 · Loss on Sale of Fixed Assets	0.00	0.00	0.00
<b>Total Other Income</b>	50,092.52	40,699.50	9,393.02
<b>Other Expense</b>			
7000 · Leasing Commission	0.00	0.00	0.00
<b>Total Other Expense</b>	0.00	0.00	0.00
<b>Net Other Income</b>	50,092.52	40,699.50	9,393.02
<b>Change in Net Assets</b>	<b>334,702.46</b>	<b>56,704.95</b>	<b>277,997.51</b>

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NC Board of CPA Examiners  
**Statement of Revenues & Expenses**  
 Year-to-Date Comparison

	<u>Apr '15 - Fe...</u>	<u>Apr '14 - Fe...</u>
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
<b>Certificate Fees</b>		
4110 · Certificates - Initial	59,900.00	56,825.00
4120 · Certificates - Reciprocal	30,200.00	28,700.00
4140 · Certificates - Renewal Fees	1,202,700.00	1,178,520.00
4150 · Certificates - Reinst/Revoked	2,900.00	2,600.00
4151 · Certificates - Reinst/Surr	6,800.00	5,400.00
4152 · Certificates - Reinst/Retired	600.00	0.00
<b>Total Certificate Fees</b>	<u>1,303,100.00</u>	<u>1,272,045.00</u>
<b>Exam Fee Revenue</b>		
4001 · Initial Adm Fees	209,070.00	209,300.00
4002 · Re-Exam Adm Fees	156,525.00	140,925.00
4004 · Exam Fees Revenue	983,816.64	959,198.17
4070 · Transfer Exam Grade Credit	75.00	150.00
4071 · Exam Review Fees	200.00	900.00
4072 · Exam Scholarship Coupon	-15,390.46	-25,895.16
<b>Total Exam Fee Revenue</b>	<u>1,334,296.18</u>	<u>1,284,578.01</u>
<b>Misc</b>		
4993 · Revenue Suspense	0.00	0.00
4999 · Board Training	0.00	0.00
4910 · Educational Program Fees	0.00	24.00
4970 · Duplicate Certificates	900.00	825.00
4990 · Miscellaneous	322.50	820.00
<b>Total Misc</b>	<u>1,222.50</u>	<u>1,669.00</u>
<b>Partnership Fees</b>		
4260 · Partnership Registration Fees	0.00	90.00
4261 · Partnership Renewal Fees	39,170.00	38,660.00
<b>Total Partnership Fees</b>	<u>39,170.00</u>	<u>38,750.00</u>
<b>Professional Corporation Fees</b>		
4250 · PC Registration Fees	4,900.00	4,450.00
4251 · PC Renewal Fees	37,865.00	37,425.00
4252 · PC Renewal Fees W/Penalties	0.00	20.00
<b>Total Professional Corporation Fees</b>	<u>42,765.00</u>	<u>41,895.00</u>
<b>Total Income</b>	<u>2,720,553.68</u>	<u>2,638,937.01</u>
<b>Expense</b>		
6690 · Over & Short	0.05	-0.99
<b>Fringe Benefits</b>		
5031 · Retirement - NCLB Contribution	48,213.59	50,528.09
5033 · Retirement - NCLB Administr	1,733.45	1,232.96
5035 · Health Ins. Premiums	101,258.22	102,652.59
5036 · Medical Reim Plan	33,936.02	32,054.72
5038 · Unemployment Claims	0.00	277.13
<b>Total Fringe Benefits</b>	<u>185,141.28</u>	<u>186,745.49</u>

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NC Board of CPA Examiners  
**Statement of Revenues & Expenses**  
 Year-to-Date Comparison

	<u>Apr '15 - Fe...</u>	<u>Apr '14 - Fe...</u>
<b>Board Travel</b>		
5120 · Board Travel - Board Meetings	19,708.82	14,189.45
5121 · Board Travel - Prof Meetings	113.49	156.80
5122 · Board Travel - NASBA Annual	16,381.04	10,681.29
5123 · Board Travel - NASBA Regional	4,084.04	7,096.96
5124 · Board Travel - NASBA Committees	238.20	0.00
5127 · Board Travel - NCACPA/Board	1,548.55	824.95
5129 · Miscellaneous Board Costs	1,438.42	5,293.30
<b>Total Board Travel</b>	<u>43,512.56</u>	<u>38,242.75</u>
<b>Building Expenses</b>		
5800 · Building Maintenance	248.57	8,495.75
5801 · Electricity	10,560.92	9,921.29
5802 · Grounds Maintenance	2,550.00	1,690.51
5803 · Heat & Air Maintenance	4,950.93	5,026.97
5804 · Improvements	0.00	514.50
5805 · Insurance	4,459.00	3,983.00
5807 · Janitorial Maintenance	5,255.00	5,252.46
5808 · Pest Control Service	150.00	125.00
5809 · Security & Fire Alarm	2,320.38	2,199.41
5810 · Trash Collection	1,010.69	779.66
5811 · Water & Sewer	840.15	825.98
<b>Total Building Expenses</b>	<u>32,345.64</u>	<u>38,814.53</u>
<b>Continuing Education -Staff</b>		
5050 · Continuing Education - Staff	3,058.15	2,707.00
5051 · Continuing Education - RNB	0.00	60.00
<b>Total Continuing Education -Staff</b>	<u>3,058.15</u>	<u>2,767.00</u>
<b>Exam Postage</b>		
5531 · Exam Postage	1,440.00	1,308.00
<b>Total Exam Postage</b>	<u>1,440.00</u>	<u>1,308.00</u>
<b>Exam Sitting and Grading</b>		
5538 · Exam Vendor Expense	884,767.66	879,903.99
<b>Total Exam Sitting and Grading</b>	<u>884,767.66</u>	<u>879,903.99</u>
<b>Investigation &amp; Hearing Costs</b>		
5221 · Staff Investigation Costs	170.30	200.00
5222 · Investigation Materials	10,804.44	12,182.26
5230 · Hearing Costs	2,885.88	2,871.83
5231 · Rule-Making Hearing Costs	398.80	978.75
5250 · Administrative Cost Assessed	-22,960.65	-9,238.60
5260 · Civil Penalties Assessed	-83,200.00	-67,400.00
5261 · Civil Penalties Remitted	67,492.33	41,135.98
<b>Total Investigation &amp; Hearing Costs</b>	<u>-24,408.90</u>	<u>-19,269.78</u>
<b>Legal Expense</b>		
5140 · Legal Counsel - Administrative	35,094.30	24,065.42
5211 · Legal Counsel - Litigation	28,949.39	11,773.95
<b>Total Legal Expense</b>	<u>64,043.69</u>	<u>35,839.37</u>

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NC Board of CPA Examiners  
**Statement of Revenues & Expenses**  
 Year-to-Date Comparison

	<u>Apr '15 - Fe...</u>	<u>Apr '14 - Fe...</u>
<b>Misc Personnel</b>		
5034 · Misc. Payroll Deduction	0.00	0.00
5037 · HSA Deduction	0.00	0.00
5090 · Flowers, Gifts, Etc.	159.16	72.48
5091 · Staff Recruiting	0.00	299.00
5092 · Misc. Personnel Costs	4,352.08	2,450.32
<b>Total Misc Personnel</b>	<u>4,511.24</u>	<u>2,821.80</u>
<b>Office Expense</b>		
5436 · Contracted Copy Service	19,325.79	0.00
5301 · Equipment Rent	780.00	467.15
5310 · Decorations	238.42	252.52
5320 · Payroll Service	1,713.60	1,838.51
5360 · Telephone	5,030.06	6,932.26
5361 · Internet & Website	4,741.79	3,628.90
5390 · Clipping Service	2,757.25	2,786.22
5400 · Computer Prog/Assistance	1,740.00	3,040.00
5405 · Computer Software Maintenance	43,389.50	35,414.77
5410 · Dues	7,740.00	8,050.00
5420 · Insurance	16,101.00	14,773.00
5430 · Audit Fees	8,730.00	8,475.00
5440 · Misc Office Expense	1,050.00	824.00
5445 · Banking Fees	2,482.48	2,704.21
5450 · Credit Card Fees	47,760.09	44,157.94
<b>Total Office Expense</b>	<u>163,579.98</u>	<u>133,344.48</u>
<b>Per Diem - Board</b>		
5110 · Per Diem - Board Meetings	11,500.00	7,650.00
5111 · Per Diem - Prof Meetings	0.00	200.00
5112 · Per Diem - NASBA Annual	1,900.00	1,800.00
5113 · Per Diem - NASBA Regional	400.00	1,350.00
5114 · Per Diem - NASBA Committees	611.80	750.00
5117 · Per Diem - NCACPA/Board	500.00	800.00
5118 · Per Diem - AICPA Committees	0.00	400.00
5119 · Per Diem - Miscellaneous	0.00	100.00
<b>Total Per Diem - Board</b>	<u>14,911.80</u>	<u>13,050.00</u>
<b>Postage</b>		
5345 · Postage - UPS	14,900.00	11,300.00
5340 · Postage - Other	7,040.81	6,745.02
5341 · Postage - Newsletter	62,350.00	67,250.00
5342 · Postage - Business Reply	3,225.00	1,635.00
5343 · Postage - Renewal	2,385.00	1,962.00
<b>Total Postage</b>	<u>89,900.81</u>	<u>88,892.02</u>
<b>Printing</b>		
5330 · Printing - Other	8,698.97	7,290.31
5331 · Printing - Newsletter	50,495.72	49,616.69
<b>Total Printing</b>	<u>59,194.69</u>	<u>56,907.00</u>

NC Board of CPA Examiners  
**Statement of Revenues & Expenses**  
 Year-to-Date Comparison

	<u>Apr '15 - Fe...</u>	<u>Apr '14 - Fe...</u>
<b>Repairs &amp; Maintenance</b>		
5381 · Maintenance - Copiers	1,219.43	3,027.64
5382 · Maintenance - Computer	1,075.92	333.99
5383 · Maintenance - Postage	0.00	518.00
<b>Total Repairs &amp; Maintenance</b>	<u>2,295.35</u>	<u>3,879.63</u>
<b>Salaries &amp; Payroll Taxes</b>		
5040 · State Unemployment Tax	1,148.54	2,562.90
5010 · Staff Salaries	803,817.20	849,676.18
5020 · Part-Time Staff Salaries	12,955.41	12,514.63
5021 · Temporary Contractors	290.00	0.00
5030 · FICA Taxes	59,506.32	62,751.73
<b>Total Salaries &amp; Payroll Taxes</b>	<u>877,717.47</u>	<u>927,505.44</u>
<b>Scholarships</b>		
5535 · Scholarship	5,500.00	9,000.00
<b>Total Scholarships</b>	<u>5,500.00</u>	<u>9,000.00</u>
<b>Staff Travel</b>		
5060 · Staff Travel - Local	725.09	833.55
5061 · Staff Travel - Prof Mtgs	2,695.59	1,982.94
5070 · Staff Travel - NASBA Annual	7,537.53	6,081.92
5071 · Staff Travel - NASBA Regional	5,347.45	4,795.37
5072 · Staff Travel - NASBA ED/Legal	298.00	8,360.80
5073 · Staff Travel - NASBA Committee	0.00	-24.96
5075 · Staff Travel - NCACPA Meetings	93.70	30.72
5076 · Staff Travel - NCACPA/Board	0.00	159.50
5077 · Staff Travel - Clear Conference	0.00	1,186.57
5078 · Staff Travel - Vehicle	488.00	5,234.51
<b>Total Staff Travel</b>	<u>17,185.36</u>	<u>28,640.92</u>
<b>Subscriptions/References</b>		
5370 · Subscriptions/References	1,091.30	4,349.15
<b>Total Subscriptions/References</b>	<u>1,091.30</u>	<u>4,349.15</u>
<b>Supplies</b>		
5350 · Supplies - Office	5,692.34	8,738.99
5351 · Supplies - Copier	1,195.20	1,576.20
5352 · Supplies - Computer	3,268.07	1,059.00
<b>Total Supplies</b>	<u>10,155.61</u>	<u>11,374.19</u>
5920 · Funded Depreciation	0.00	3,993.39
9999 · Suspense	0.00	0.00
<b>Total Expense</b>	<u>2,435,943.74</u>	<u>2,448,108.38</u>
<b>Net Ordinary Income</b>	284,609.94	190,828.63
<b>Other Income/Expense</b>		
<b>Other Income</b>		
8250 · Gift Card Revenue	10,300.00	10,641.95

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NC Board of CPA Examiners  
**Statement of Revenues & Expenses**  
Year-to-Date Comparison

	<u>Apr '15 - Fe...</u>	<u>Apr '14 - Fe...</u>
<b>Interest Income</b>		
8500 · Interest Income - MMAs	3,199.29	1,752.34
8510 · Interest Income - CDs	14,737.63	12,633.56
<b>Total Interest Income</b>	<u>17,936.92</u>	<u>14,385.90</u>
8200 · Rental Income	21,855.60	29,413.65
8920 · Gain on Sale of Fixed Assets	0.00	50.00
<b>Total Other Income</b>	<u>50,092.52</u>	<u>54,491.50</u>
<b>Net Other Income</b>	<u>50,092.52</u>	<u>54,491.50</u>
<b>Change in Net Assets</b>	<u><u>334,702.46</u></u>	<u><u>245,320.13</u></u>

## North Carolina State Board of CPA Examiners

### 2016 Strategic Mission, Vision, Values and Objectives

#### **Our Mission**

The mission of the North Carolina State Board of CPA Examiners is to protect the public by ensuring that persons issued licenses as certified public accountants possess the necessary education, skills, and capabilities, and that they perform competently in the accounting profession.

#### **Our Vision**

The Board seeks to;

- Faithfully meet our mandate of public protection
- Be visible and available to the public and our licensees
- Be diverse in gender and ethnicity
- Be good stewards of our resources
- Provide world class customer service to our licensees and the public
- Maintain a vigorous and effective enforcement program
- Maintain a CPE program focused on enhancing licensee competence
- Use technology to effectively and efficiently provide services to our licensees and the public

#### **Our Values**

The Board's values define how we will go about the work of fulfilling our mission and achieving our vision. The Board commitment to excellence is demonstrated by the following key values:

- High Ethical Standards and Integrity
- Service to our licensees and the public
- Honesty and Fairness
- Competence
- Open Transparent Communication
- Teamwork
- Continuous Improvement
- Financial Stewardship

#### **Our Objectives**

Exceptional Customer Service

- Recognized as providing the highest quality service to the public and licensees.

Competency Focused CPE

- Relevant CPE requirements that result in enhanced competence for licensees.

#### Improved Audit Quality

- **Improvements in identifying and remediating audit failures.**

#### Effective Enforcement

- **Easy access for the public and profession to file complaints.**
- **Timely processing of legitimate complaints to final resolution.**
- **Consistent application of statutes and rules.**
- **Appropriate punishment for offenders.**

#### Integrated Technology

- **Integrated licensing, compliance (including CPE tracking and auditing), and enforcement systems.**
- **Adopting best practices in the use of technology across the activities of the Board to enhance board effectiveness and efficiency.**

#### Improved Visibility of the Board

- **Enhanced public awareness of the Board and its mission.**
- **Enhanced understanding of the purpose and operation of the Board among its candidates and licensees.**

#### Strategically Aligned Operational Planning

- **Operational activities and goals aligned with the strategic objectives of the Board.**

#### Sustainable Staffing

- **Ensure continuity of Board operations through proper staffing levels and effective retention efforts.**
- **Maintain effective succession planning at all levels.**

- January 25, 2016 – discussion of rules and draft rule-making schedule
- February 22, 2016 – continued discussion of rules
- March 23, 2016 – continued discussion of rules
- April 25, 2016 – draft rules presented and discussed
- May 19, 2016 - continued discussion of draft rules
- June 23, 2016 –continued discussion of draft rules
- July 22, 2016 - continued discussion of draft rules
- August 22, 2016 - proposed rules presented and voted on to send to the Rules Review Commission (RRC) for publication in the NC Register
- September 12, 2016 – filing deadline for publication in the NC Register
- October 3, 2016 – published in the NC Register
- October 27, 2016 – public rule-making hearing
- December 2, 2016 – public comment period ends
- December 19, 2016 – final action by the Board on the proposed rules
- December 20, 2016 – file rules with the RRC
- January 2017 – review by the RRC at its meeting
- February 1, 2017 – effective date of rules

## 21 NCAC 08A .0301 DEFINITIONS

(a) The definitions set out in G.S. 93-1(a) apply when those defined terms are used in this Chapter.

(b) In addition to the definitions set out in G.S. 93-1(a), the following definitions apply when these terms are used in this Chapter:

- (1) "Active," when used to refer to the status of a person, describes a person who possesses a North Carolina certificate of qualification and who has not otherwise been granted "Inactive" status;
- (2) "Agreed-upon procedures" means a professional service whereby a CPA is engaged to issue a report of findings based on specific procedures performed on identified subject matter;
- (3) "AICPA" means the American Institute of Certified Public Accountants;
- (4) "Applicant" means a person who has applied to take the CPA examination or applied for a certificate of qualification;
- (5) "Attest service" means a professional service whereby a CPA in the practice of public accounting is engaged to issue or does issue:
  - (A) any audit or engagement to be performed in accordance with the Statements on Auditing Standards, Statements on Generally Accepted Governmental Auditing Standards, Public Company Accounting Oversight Board Auditing Standards, and International Standards on Auditing;
  - (B) any review or engagement to be performed in accordance with the Statements on Standards for Accounting and Review Services;
  - (C) any compilation or engagement to be performed in accordance with the Statements on Standards for Accounting and Review Services; or
  - (D) any engagement to be performed in accordance with the Statements on Standards for Attestation Engagements;
- (6) "Audit" means a professional service whereby a CPA is engaged to examine financial statements, items, accounts, or elements of a financial statement prepared by management, in order to express an opinion on whether the financial statements, items, accounts, or elements of a financial statement are presented in conformity with an applicable reporting framework, that enhances the degree of confidence that intended users can place on the financial statements, items, accounts, or elements of a financial statement;
- (7) "Calendar year" means the 12 months beginning January 1 and ending December 31;
- (8) "Candidate" means a person whose application to take the CPA examination has been accepted by the Board and who may sit for the CPA examination;
- (9) "Client" means a person or an entity who orally or in writing agrees with a licensee to receive any professional services performed or delivered;
- (10) "Commission" means compensation, except a referral fee, for recommending or referring any product or service to be supplied by another person;
- (11) "Compilation" means a professional service whereby a CPA is engaged to present, in the form of financial statements, information that is the representation of management without undertaking to express any assurance on the statements;
- (12) "Contingent fee" means a fee established for the performance of any service pursuant to an arrangement in which no fee will be charged unless a specified finding or result is attained, or in which the amount of the fee is otherwise dependent upon the finding or result of such service;
- (13) "CPA" means certified public accountant;
- (14) "CPA firm" means a sole proprietorship, a partnership, a professional corporation, a professional limited liability company, or a registered limited liability partnership that uses "certified public accountant(s)" or "CPA(s)" in or with its name or offers to or renders any attest services in the public practice of accountancy;
- (15) "CPE" means continuing professional education;
- (16) "Disciplinary action" means revocation or suspension of, or refusal to grant a certificate, or the imposition of a reprimand, probation, constructive comment, or any other penalty or condition;
- (17) "FASB" means the Financial Accounting Standards Board;
- (18) "Firm network" means an association of entities that includes one or more firms that cooperate for the purpose of enhancing the firms' capabilities to provide professional services and share one or more of the following characteristics:

- (A) the use of a common brand name, including initials, as part of the firm name;
  - (B) common control among the firms through ownership, management, or other means;
  - (C) profits or costs, excluding costs of operating the association; costs of developing audit methodologies, manuals, and training courses; and other costs that are immaterial to the firm;
  - (D) common business strategy that involves ongoing collaboration amongst the firms whereby the firms are responsible for implementing the association's strategy and are accountable for performance pursuant to that strategy;
  - (E) significant part of professional resources; or
  - (F) common quality control policies and procedures that firms are required to implement and that are monitored by the association;
- (19) "GASB" means the Governmental Accounting Standards Board;
  - (20) "Inactive," when used to refer to the status of a person, describes a person who has requested inactive status and has been approved by the Board and who does not use the title "certified public accountant," nor does he or she allow anyone to refer to him or her as a "certified public accountant," and neither he nor she nor anyone else refers to him or her in any representation as described in Rule .0308(b) of this Section;
  - (21) "IRS" means the Internal Revenue Service;
  - (22) "Jurisdiction" means any state or territory of the United States or the District of Columbia;
  - (23) "License year" means the 12 months beginning July 1 and ending June 30;
  - (24) "Member of a CPA firm" means any CPA who has an equity ownership interest in a CPA firm;
  - (25) "NASBA" means the National Association of State Boards of Accountancy;
  - (26) "NCACPA" means the North Carolina Association of Certified Public Accountants;
  - (27) "North Carolina office" means any office physically located in North Carolina;
  - (28) "Person" means any natural person, corporation, partnership, professional limited liability company, registered limited liability partnership, unincorporated association, or other entity;
  - (29) "Professional" means arising out of or related to the particular knowledge or skills associated with CPAs;
  - (30) "Referral fee" means compensation for recommending or referring any service of a CPA to any person;
  - (31) "Revenue Department" means the North Carolina Department of Revenue;
  - (32) "Review" means a professional service whereby a CPA is engaged to perform procedures, limited to analytical procedures and inquiries, to obtain a reasonable basis for expressing limited assurance on whether any material modifications should be made to the financial statements for them to be in conformity with generally accepted accounting principles or other comprehensive basis of accounting;
  - (33) "Reviewer" means a member of a review team including the review team captain;
  - (34) "Suspension" means a revocation of a certificate for a specified period of time. A CPA may be reinstated after a specific period of time if the CPA has met all conditions imposed by the Board at the time of suspension;
  - (35) "Trade name" means a name used to designate a business enterprise;
  - (36) "Work papers" mean the CPA's records of the procedures applied, the tests performed, the information obtained, and the conclusions reached in attest services, tax services, consulting services, special report services, or other engagements. Work papers include programs used to perform professional services, analyses, memoranda, letters of confirmation and representation, checklists, copies or abstracts of company documents, and schedules of commentaries prepared or obtained by the CPA. The forms include handwritten, typed, printed, word processed, photocopied, photographed, and computerized data, or in any other form of letters, words, pictures, sounds or symbols; and
  - (37) "Work product" means the end result of the engagement for the client that may include a tax return, attest or assurance report, consulting report, and financial plan. The forms include handwritten, typed, printed, word processed, photocopied, photographed, and computerized data, or in any other form of letters, words, pictures, sounds, or symbols.

(c) Any requirement to comply by a specific date to the Board that falls on a weekend or federal holiday shall be received as in compliance if postmarked by U.S. Postal Service cancellation by that date, if received by a private delivery service by that date, or received in the Board office on the next business day.

*History Note: Authority G.S. 93-1; 93-12; 93-12(3);  
Eff. February 1, 1976;  
Readopted Eff. September 26, 1977;  
Amended Eff. January 1, 2014; February 1, 2011; January 1, 2006; January 1, 2004; April 1,  
1999; August 1, 1998; February 1, 1996; April 1, 1994; September 1, 1992;  
Readoped Eff. February 1, 2016.*

## **21 NCAC 08N .0305 RETENTION OF CLIENT RECORDS**

(a) Return Upon Demand. A CPA shall return client records in his or her possession to the client after a demand is made for their return. The records shall be returned upon demand unless circumstances make some delay reasonable in order to retrieve a closed file or to extract the CPA's work papers described in Paragraph (f) of this Rule. If the records cannot be returned upon demand, the CPA shall immediately notify the client of the date the records will be returned. Nothing in this Rule shall be interpreted to require a CPA to pay delivery costs when the records are returned to the client.

(b) Who May Demand Client Records. If the client is a partnership, records shall be returned upon request to any of its general partners. If the client is a limited partnership or a registered limited liability partnership, records shall be returned upon request to its general partner(s) and the managing partner, or his or her designated individual respectively. If the client is a corporation, records shall be returned upon request to its president. If the client is a limited liability company, records shall be returned upon request to the manager. Joint records shall be returned upon request to any party to the record.

(c) Return of Original Records. If the engagement is terminated prior to completion or the CPA's work product has neither been received nor paid for by the client, the CPA shall be required to return only those records originally given to the CPA by the client.

(d) Retention to Force Payment. A CPA shall not retain a client's records in order to force payment of any kind.

(e) Work Papers Included in Client Records. Work papers are usually the CPA's property and need not be surrendered to the client. However, in some instances work papers may contain data that should be reflected in the client's books and records but for convenience have not been duplicated therein with the result that the client's records are incomplete. In such instances, the portion of the work papers containing such data constitutes part of the client's records, and copies shall be given to the client along with the rest of the client's records. Work papers considered part of the client's records include but are not limited to:

- (1) worksheets in lieu of original entry (such as listings and distributions of cash receipts or cash disbursements on columnar work paper);
- (2) worksheets in lieu of general ledger or subsidiary ledgers, such as accounts receivable, job cost and equipment ledgers, or similar types of depreciation records;
- (3) all adjusting and closing journal entries and supporting details not fully set forth in the journal entry; and
- (4) consolidating or combining journal entries and worksheets and supporting detail used in arriving at final figures incorporated in an end product such as financial statements or tax returns.

(f) Work Papers Belonging to the CPA. Work papers developed by the CPA incident to the performance of an engagement that do not result in changes to the client's records, or are not in themselves part of the records ordinarily maintained by such clients, are the CPA's work papers and are not the property of the client. For example, the CPA may make extensive analyses of inventory or other accounts as part of the selective audit procedures. These analyses are considered to be a part of the CPA's work papers, even if the analyses have been prepared by client personnel at the request of the CPA. Only to the extent these analyses result in changes to the client's records would the CPA be required to furnish the details from the work papers in support of the journal entries recording the changes, unless the journal entries themselves contain all necessary details.

(g) Reasonable fees for Copies. Nothing in this Rule shall be construed to require the CPA to furnish a client with copies of the client's records already in the client's possession. However, if the client asserts that such records have been lost, or are otherwise not in the client's possession, the CPA shall furnish copies of the records and may charge a reasonable fee.

(h) Retention of Work Product and Work Papers. A CPA shall ensure that the work product and the work papers created in the performance of an engagement for a client are retained for at least of five years after the date of issuance of the work product unless the CPA is required by law to retain such records for a longer period.

*History Note: Authority G.S. 55B-12; 57D-2-02; 93-12(9);  
Eff. April 1, 1994;  
Amended Eff. January 1, 2006; April 1, 2003;  
Readopted Eff. February 1, 2016.*

**21 NCAC 08N .0402 INDEPENDENCE**

(a) A CPA, or the CPA's firm, who is performing an engagement in which the CPA, or the CPA's firm, will issue a report on financial statements of any client (other than a report in which lack of independence is disclosed) shall be independent with respect to the client in fact and appearance.

(b) Independence is impaired if, during the period of the professional engagement, a covered person:

- (1) had or was committed to acquire any direct or material indirect financial interest in the client;
- (2) was a trustee of any trust or executor or administrator of any estate if such trust or estate had or was committed to acquire any direct or material indirect financial interest in the client; and
  - (A) the covered person (individually or with others) had the authority to make investment decisions for the trust or estate;
  - (B) the trust or estate owned or was committed to acquire more than 10 percent of the client's outstanding equity securities or other ownership interests; or
  - (C) the value of the trust's or estate's holdings in the client exceeded 10 percent of the total assets of the trust or estate;
- (3) had a joint closely held investment that was material to the covered person; or
- (4) except as permitted in the AICPA Professional Standards Code of Professional Conduct and Bylaws, had any loan to or from the client or any officer or director of the client, or any individual owning 10 percent or more of the client's outstanding equity securities or other ownership interests.

(c) Independence is impaired if during the period of the professional engagement, a shareholder, a member, a partner or professional employee of the firm, his or her immediate family and close relatives, (as defined in the AICPA Code of Professional Conduct and Bylaws) or any group of such persons acting together owned more than five percent of a client's outstanding equity securities or other ownership interests.

(d) Independence is impaired if, during the period covered by the financial statements, or during the period of the professional engagement, a shareholder, a member, a partner, or professional employee of the firm was simultaneously associated with the client as a:

- (1) director, officer, employee, or in any capacity equivalent to that of a member of management;
- (2) promoter, underwriter, or voting trustee; or
- (3) trustee for any pension or profit-sharing trust of the client.

(e) For the purposes of this Rule "covered person" is

- (1) an individual on the attest engagement team;
- (2) an individual in a position to influence the attest engagement;
- (3) a partner or manager who provides non-attest services to the attest client beginning once he or she provides 10 hours of non-attest services to the client within any fiscal year and ending on the later of the date:
  - (A) the firm signs the report on the financial statements for the fiscal year during which those services were provided; or
  - (B) he or she no longer expects to provide 10 or more hours of non-attest services to the attest client on a recurring basis;
- (4) a partner in the office in which the lead attest engagement partner primarily practices in connection with the attest engagement;
- (5) the firm, including the firm's employee benefit plans; or
- (6) an entity whose operating, financial, or accounting policies can be controlled (as defined by generally accepted accounting principles (GAAP) for consolidation purposes) by any of the individuals or entities described in Subparagraphs (1) through (5) of this Paragraph or by two or more such individuals or entities if they act together;

(f) The impairments of independence listed in this Rule shall not be interpreted to be an all inclusive list.

*History Note: Authority G.S. 55B-12; 57D-2-02; 93-12(9);  
Eff. April 1, 1994;  
Amended Eff. February 1, 2011; April 1, 2003;  
Readopted Eff. February 1, 2016.*

# General Assembly of North Carolina

## Joint Legislative Administrative Procedure

### Oversight Committee

#### State Legislative Office Building

#### Raleigh, North Carolina

COMMITTEE COCHAIRS  
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REPRESENTATIVE JONATHAN JORDAN

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545 LEGISLATIVE OFFICE BUILDING  
300 NORTH SALISBURY STREET  
RALEIGH, NORTH CAROLINA 27603  
(919) 733-2578

COMMITTEE CLERKS  
GERRY JOHNSON  
KEVIN KING



## AGENDA

9:30 a.m. Tuesday, March 1, 2016

Room 544 Legislative Office Building

Raleigh, North Carolina

1. Call to order  
Representative Jonathan Jordan, presiding
2. Introductory remarks by Cochairs  
Representative Jonathan Jordan  
Senator Fletcher Hartsell
3. Report on the work of the Subcommittee on Oversight of Occupational Licensing Boards  
Senator Andy Wells
4. Discussion of the opinion of the United States Supreme Court in *North Carolina State Board of Dental Examiners v. Federal Trade Commission*  
Representative Sarah Stevens

Lawrence C. Moore, III  
Practicing Antitrust Attorney, Robinson, Bradshaw & Hinson, P.A.

Judith W. Wegner  
Burton Craige Professor of Law, UNC School of Law

Bobby D. White  
Chief Operations Officer, North Carolina Dental Board

Jack Nichols, Attorney for N.C. Board of Architecture, N.C. Social Work  
Certification & Licensure Board & N.C. Board of Opticians  
Nichols, Choi & Lee, PLLC

John M. Silverstein  
Vice-President, North Carolina State Bar  
Satsky & Silverstein, LLP.

John N. (Nick) Fountain  
Attorney for N. C. Board of Examiners of Plumbing, Heating and Fire Sprinkler  
Contractors, and N.C. board of Examiners of Electrical Contractors  
Young Moore & Henderson, PA.

Janet B. Thoren  
Legal Counsel, North Carolina Real Estate Commission

5. Commission discussion and announcements
6. Adjourn

**FUTURE MEETINGS:**

The Joint Legislative Administrative Procedure Oversight Committee will meet on the following dates at 9:30 a.m. in Room 544 of the Legislative Office Building, Raleigh, North Carolina.

Tuesday, April 5, 2016

**ADDITIONAL INFORMATION:**

Persons having questions about the Committee meeting or other matters related to the Committee may contact Karen Cochrane-Brown, Jeff Hudson, or Chris Saunders at (919) 733-2578 or may visit the Committee's website at:

[http://www.ncleg.net/gascripts/Committees/committees.asp?sAction=ViewCommittee&sActionDetails=Non-Standing\\_472](http://www.ncleg.net/gascripts/Committees/committees.asp?sAction=ViewCommittee&sActionDetails=Non-Standing_472)

# AGENDA

ITEM III - A

**TUESDAY, MARCH 15, 2016**

9:00 am - 1:00 pm	<b>Executive Directors Committee Meeting</b> <i>(Committee Members Only)</i>	Boardroom 2
9:00 am - 1:00 pm	<b>State Society Relations Committee Meeting</b> <i>(Committee Members Only)</i>	Boardroom 1
<hr/>		
1:00 - 2:00 pm	<b>Registration</b>	Tucson Grand Foyer
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2:00 - 2:15 pm	<b>Welcome</b> <i>(with Legal Counsel and State Society CEOs)</i> Presiding: James Corley, CPA Executive Director, Arkansas State Board of Public Accountancy Ralph A. Thomas, CGMA CEO and Executive Director, New Jersey Society of CPAs	Tucson Salon E
2:15 - 3:00 pm	<b>NASBA Report</b> <i>(with Legal Counsel and State Society CEOs)</i> Moderator: James Corley, CPA Executive Director, Arkansas State Board of Public Accountancy Speakers: Donald H. Burkett, CPA Chair, NASBA Ken L. Bishop President and Chief Executive Officer, NASBA	Tucson Salon E
3:00 - 4:00 pm	<b>Legal Cases and Other Developments</b> <b>Impacting the Profession</b> <i>(with Legal Counsel and State Society CEOs)</i> Moderator: James Corley, CPA Executive Director, Arkansas State Board of Public Accountancy Speakers: Noel L. Allen, Esq. NASBA Legal Counsel, Allen & Pinnix, P.A. Nathan Standley, Esq. Allen & Pinnix, P.A. Brenner Allen, Esq. Allen & Pinnix, P.A.	Tucson Salon E
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4:00 - 4:15 pm	<b>Break</b>	Tucson Foyer

# AGENDA

4:15 - 4:45 pm      **Diversity – Building the Profession**      Tucson Salon E  
*(with State Society CEOs)*  
Moderator: Richard C. Carroll, Esq.  
Executive Director, Kentucky State Board of Accountancy  
Speakers: Boyd E. Search, MBA, CAE  
Chief Executive Officer, Georgia Society of CPAs  
Alfonzo Alexander  
Chief Relationship Officer, NASBA; President, NASBA Center for the Public Trust

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4:45 pm      **Recess**

6:00 - 8:00 pm      **Welcome Reception**      Tash Lawn  
*Special Thanks to AICPA*

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## WEDNESDAY, MARCH 16, 2016

8:00 - 9:00 am      **Breakfast**      Tucson Salon D  
*(with State Society CEOs)*

9:00 - 9:45 am      **Legislative Strategies (with State Society CEOs)**      Tucson Salon E  
Moderator: Richard C. Carroll, Esq.  
Executive Director, Kentucky State Board of Accountancy  
Speakers: John W. Johnson  
Director, Legislative & Governmental Affairs, NASBA  
Mat Young  
Vice President, State Regulatory and Legislative Affairs, AICPA

9:45 - 10:45 am      **Uniform CPA Examination Update – Practice Analysis Results**      Tucson Salon E  
*(with State Society CEOs)*  
Moderator: Russ Friedewald  
Executive Director, Illinois Board of Examiners  
Speakers: Colleen K. Conrad, CPA  
Executive Vice President and Chief Operating Officer, NASBA  
Michael A. Decker  
Vice President, Examinations, AICPA

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10:45 - 11:00 am      **Break**      Tucson Foyer

### AGENDA

11:00 - 11:30 am	<b>Peer Review – Improvements in Practice Monitoring (with State Society CEOs)</b> Moderator: Pamela Ivey Executive Director, Wyoming Board of Accountancy  Speakers: Todd Shapiro Peer Review Board, President & Chief Executive Officer, Illinois CPA Society Stephanie Peters, CAE Chief Executive Officer, Virginia Society of CPAs Beth Thoresen Operations Director, AICPA	Tucson Salon E
11:30 am - 12:00 pm	<b>Recommendations for Pass with Deficiencies and Fail Peer Review Reports (with State Society CEOs)</b> Moderator: Pamela Ivey Executive Director, Wyoming Board of Accountancy  Speakers: Randall A. Ross, MBA, CPA Executive Director, Oklahoma Accountancy Board Wendy S. Garvin Executive Director, Tennessee State Board of Accountancy	Tucson Salon E
12:00 - 1:30 pm	<b>Lunch</b>	Ania Terrace
1:30 pm	<b>Adjourn Joint Sessions with State Society CEOs</b>	
1:30 - 2:20 pm	<b>Breakout Sessions</b> <b>Leveraging Data for More Effective Enforcement</b> Moderator: Ofelia Duran Executive Director, Colorado State Board of Accountancy  Speakers: Grace Berger Executive Director, Montana Board of Public Accountants Viki A. Windfeldt Executive Director, Nevada State Board of Accountancy Elizabeth Stanton Manager, Accountancy Licensee Database, NASBA	Tucson Salon B
	<b>Leadership Training – Engaging Your Board</b> Moderator: Wade Jewell Executive Director, Virginia Board of Accountancy  Speakers: Alfonzo Alexander Chief Relationship Officer, NASBA; President, NASBA Center for the Public Trust Stephanie S. Saunders, CPA Chair, Virginia Board of Accountancy	Tucson Salon D

### AGENDA

2:30 - 3:20 pm

#### Breakout Sessions

Leveraging Data for More Effective Enforcement

Tucson Salon B

Moderator: Ofelia Duran  
Executive Director, Colorado State Board of Accountancy

Speakers: Grace Berger  
Executive Director, Montana Board of Public Accountants  
Viki A. Windfeldt  
Executive Director, Nevada State Board of Accountancy  
Elizabeth Stanton  
Manager, Accountancy Licensee Database, NASBA

Leadership Training - Engaging Your Board

Tucson Salon D

Moderator: Wade Jewell  
Executive Director, Virginia Board of Accountancy

Speakers: Alfonzo Alexander  
Chief Relationship Officer, NASBA; President, NASBA Center for the Public Trust  
Stephanie S. Saunders, CPA  
Chair, Virginia Board of Accountancy

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3:30 - 3:45 pm

#### Break

Tucson Foyer

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3:45 - 5:00 pm

#### Regional Breakouts

Region 1

San Xavier

Region 2

Tucson Salon B

Region 3

Tucson Salon D

Region 4

San Louis 2

5:00 pm

#### Recess

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### THURSDAY, MARCH 17, 2016

8:00 - 9:00 am

#### Breakfast

Tucson Salon D

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9:00 - 10:00 am

#### Education and Accreditation

Tucson Salon E

Moderator: Russ Friedewald  
Executive Director, Illinois Board of Examiners

Speaker: Brentni Henderson  
Associate Director, Business Development & Research, NASBA

# AGENDA

10:00 - 10:15 am	<b>State Board Relations Update</b> Moderator: Thomas DeGroot, CPA Executive Director, Missouri Board of Accountancy Speakers: Daniel J. Dustin, CPA Vice President, State Board Relations, NASBA	Tucson Salon E
10:15 - 10:30 am	<b>Q &amp; A Session from Roll Call Materials/ New EDs</b> Moderator: James Corley, CPA Executive Director, Arkansas State Board of Public Accountancy	Tucson Salon E
10:30 - 10:45 am	<b>CPE Standards Exposure Draft Update</b> Moderator: David N. Sanford, CPA Executive Director, Guam Board of Accountancy Speakers: Jessica Luttrull, CPA Associate Director, National Registry, NASBA	Tucson Salon E
10:45 - 11:00 am	<b>Break</b>	Tucson Foyer
11:00 - 12:00 pm	<b>AICPA CGMA Initiative</b> Moderator: David N. Sanford, CPA Executive Director, Guam Board of Accountancy Speakers: Robert N. Brooks Executive Director, North Carolina State Board of CPA Examiners Susan Coffey, CPA, CGMA Senior Vice President, Public Practice and Global Alliances, AICPA Colleen K. Conrad, CPA Executive Vice President and Chief Operating Officer, NASBA	Tucson Salon E
12:00 - 1:15 pm	<b>Recognition Lunch</b> Presiding: Wade Jewell Executive Director, Virginia Board of Accountancy Kent Absec Executive Director, Idaho State Board of Accountancy	Tucson Salon D
1:15 - 1:30 pm	<b>Report from Legal Counsel</b> Moderator: James Corley, CPA Executive Director, Arkansas State Board of Public Accountancy Speaker: Stacey L. Grooms, Esq. Manager, Regulatory Affairs, NASBA	Tucson Salon E

### AGENDA

1:45 - 2:30 pm      **Breakout Sessions (*Closed Session*)**      San Luis 1-2  
Executive Directors Only  
Moderator: James Corley, CPA  
Executive Director, Arkansas State Board of Public Accountancy  
  
Board Staff Only  
Moderator: Tim Montgomery, CPA  
Investigator, Arkansas State Board of Public Accountancy

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2:30 - 2:45 pm      **Break**      Tucson Foyer

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2:45 - 4:30 pm      **Breakout Sessions (*Closed Sessions*)**      San Luis 1-2  
Executive Directors Only  
Moderator: James Corley, CPA  
Executive Director, Arkansas State Board of Public Accountancy  
  
Board Staff Only  
Moderator: Tim Montgomery, CPA  
Investigator, Arkansas State Board of Public Accountancy

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4:30 - 5:00 pm      **Q & A Session with NASBA Leadership**      Tucson Salon E  
*(Closed Session)*  
Presiding: James Corley, CPA  
Executive Director, Arkansas State Board of Public Accountancy

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5:00 pm      **Adjourn**

6:30 pm      **Closing Celebration**      Tucson Salon D  
*Special Thanks to Prometric*

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### FRIDAY, MARCH 18, 2016

8:00 am - 12:00 pm      **Executive Directors Committee Meeting**      San Luis 1  
*(Committee Members Only)*

# AGENDA

**TUESDAY, MARCH 15, 2016**

1:00 – 2:00 pm                      **Registration**    Tucson Grand Foyer

2:00 – 2:15 pm                      **Welcome**    Tucson Salon E  
*(Joint session with Executive Directors Conference and State Society CEOs)*  
**Presiding:**     James Corley, CPA  
                          Executive Director, Arkansas State Board of Public Accountancy  
                          Ralph Thomas, CGMA  
                          CEO and Executive Director, New Jersey Society of CPAs

2:15 – 3:00 pm                      **NASBA Report**    Tucson Salon E  
*(Joint session with Executive Directors Conference and State Society CEOs)*  
**Moderator:**     James Corley, CPA  
                          Executive Director, Arkansas State Board of Public Accountancy  
**Speakers:**     Donald H. Burkett, CPA  
                          Chair, NASBA  
                          Ken L. Bishop  
                          President & Chief Executive Officer, NASBA

3:00 – 4:00 pm                      **Pending Legal Cases Impacting the Profession**    Tucson Salon E  
*(Joint session with Executive Directors Conference and State Society CEOs)*  
**Moderator:**     James Corley, CPA  
                          Executive Director, Arkansas State Board of Public Accountancy  
**Speakers:**     Noel L. Allen, Esq.  
                          Allen & Pinnix, P.A.  
                          Nathan Standley, Esq.  
                          Allen & Pinnix, P.A.  
                          Brenner Allen, Esq.  
                          Allen & Pinnix, P.A.

4:00 pm                                      **Recess**

6:00 – 8:00 pm                      **Welcome Reception**    Tash Lawn  
*Special Thanks to AICPA*



## AGENDA

3:00 - 3:30 pm	<b>Enforcement: Focusing on the Nuts &amp; Bolts</b> <i>(Discussion of Results of Enforcement Review &amp; Guiding Principles)</i> Speaker: Stacey L. Grooms, Esq. Manager, Regulatory Affairs, NASBA	Tucson Salon J
3:30 - 3:45 pm	<b>Break</b>	Tucson Foyer
3:45 - 4:45 pm	<b>Ethics for Attorneys</b> Speakers: Sarah Asta, Esq. Assistant Attorney General, Arizona Attorney General's Office Robert M. Charles, Jr., Esq. Lewis Roca Rothgerber LLP	Tucson Salon J
4:45 - 5:15 pm	<b>Legislative Update</b> Speaker: John W. Johnson Director, Legislative & Governmental Affairs, NASBA	Tucson Salon J
5:15 pm	<b>Recess</b>	

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### THURSDAY, MARCH 17, 2016

8:00 - 9:30 am	<b>Roll Call (continued from Wednesday)</b> <i>(Breakfast in room)</i>	Tucson Salon J
9:30 - 10:45 am	<b>Guidance for Handling PCAOB &amp; SEC Referrals</b> Speakers: Wade Jewell Executive Director, Virginia Board of Accountancy Rebekah Allen Enforcement Director, Virginia Board of Accountancy	Tucson Salon J
10:45 - 11:00 am	<b>Break</b>	Tucson Foyer
11:00 am - 12:00 pm	<b>FTC Guidance re NC Dental Board Decision: Next Steps</b> Moderator: Maria L. Caldwell, Esq. Chief Legal Officer & Director of Compliance Services, NASBA	Tucson Salon J



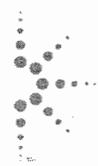
*21st Annual Conference for Board of Accountancy Legal Counsel*

## AGENDA

12:00 - 1:15 pm	<b>Recognition Lunch</b> Presiding: Wade Jewell Executive Director, Virginia Board of Accountancy Kent Absec Executive Director, Idaho State Board of Accountancy	Tucson Salon D
1:15 pm	<b>Adjourn</b>	
6:30 pm	<b>Closing Celebration</b> <i>Special Thanks to Prometric</i>	Tucson Salon D



PROMETRIC

**NASBA**  
National Association of State Boards of Accountancy

January 28, 2016

Dear State Board Chair/President and Executive Director:

This letter will officially communicate information regarding candidate fees for the Uniform CPA Examination during 2016, 2017, and 2018.

Prometric Fees

In line with the COLA adjustment requirements of the Agreement and as announced in last January's fee letter, the Prometric hourly fee has been increased from \$19.52 to \$19.85 beginning January 1, 2016. The Prometric security fee per exam section also increased to \$6.05 from \$5.95 beginning January 1, 2016.

NASBA and AICPA Fees

The NASBA and AICPA fees per examination section are \$18.00 and \$90.00, respectively, for 2016 and will remain at that level for 2017.

Consistent with our contractual obligation to use our best efforts to provide two years' advance notice of NASBA and AICPA fee changes, we are now announcing that the NASBA per section fee will remain at the current rate of \$18.00 through 2018. The AICPA per section fee will increase January 1, 2018, however, since the actual amount of the increase will not be known until the end of the current practice analysis, that increase will not be announced until early April, 2016.

Fee Increase Due to Extended Testing Time

As a result of the practice analysis and the likely design of the Next Version of the Exam, the time of the FAR and BEC sections of the examination are expected to increase by one (1) hour each, for a total of two (2) additional hours, effective with the launch of the Next Version of the Exam, currently targeted for April 3, 2017.

Implementation Schedule

The following tables summarize the 2016-2018 fees.

Fee Schedule	NASBA Section Fee	AICPA Section Fee	Prometric Hourly Fee	Prometric Security Fee
2016	\$18.00	\$90.00	\$19.85	\$6.05
2017	\$18.00	\$90.00	\$19.85	\$6.05
2018	\$18.00	TBD	TBD	TBD

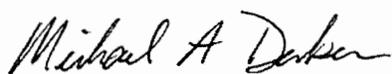
Candidate Cost by Section*	AUD	REG	FAR	BEC
2016	\$193.45	\$173.60	\$193.45	\$173.60
2017	\$193.45	\$193.45**	\$193.45	\$193.45**

\* Costs are for standard seat time.

\*\* Increase is due to additional hour of testing time.

Pat Hartman, Director, Client Services will provide information on the implementation of the new fee schedule in May of this year.

Sincerely,



Michael Decker  
AICPA Vice President,  
Examinations



Mark Muth  
Prometric Vice President,  
Market Segments



Colleen K. Conrad  
NASBA Executive Vice  
President & Chief Operating  
Officer

## Executive Staff Report December 2015-February 2016

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**Service to the Board** - December marked 30 years of service to the Board for Phyllis. Thank you.

**NC A&T State University CPE Conference** - On December 4, 2015, Bob and David presented, "Professional Issues Update" as part of a CPE conference at A&T attended by 45 CPAs.

**NC Occupational Licensing Board (OLB) Committee** - Bob and other members of the Committee met on December 18 to OLB issues, drafting a rewrite of NCGS 93B, and the upcoming Joint Legislative Administrative Procedures Oversight (JLAPO) Committee meetings scheduled for January 2016.

**NC OLB Holiday Networking Luncheon** - Bob organized the luncheon for OLB executive directors and attorneys attended by Bob, Frank, and 28 other OLB representatives.

**NCACPA Ethics Course Meeting** - On January 7, Bob and David met with NCACPA ethics course instructors Jonathan Kraftchick, Cal Christian, and Melissa Critcher to discuss the ethics course and ethical issues facing CPAs in North Carolina.

**Service to the Board** - January marked 8 years of service to the Board for Cammie and 5 years of service for Frank. Thank you.

**NC OLB Committee** - Bob and other members of the Committee met on January 8 to discuss the continuing issues of OLBs.

**Strategic Planning Session** - Bob, David, and Frank participated in the strategic planning activities on January 8-9 in Greensboro that included dinner on January 8 and the planning session on January 9.

**Breakfast with the NCACPA**. On January 12, Bob and David had their monthly breakfast meeting with Jim Ahler and Sharon Bryson.

**Rules Review Commission (RRC) Roundtable** - During the January 19 monthly RRC roundtable meeting, Bob presented a discussion and review of the Board's re-adoption of rules process to 35 rule-making coordinators from various State agencies.

**NCACPA Board Meeting** - Bob attended the winter NCACPA Board meeting held January 21 in Greenville.

**Occupational Licensing Agency Seminar Meeting** - Bob and other members of the OLB Committee met on January 26 to discuss ideas for this year's seminar and to set a date. The seminar will be held April 12 at the State Bar. The agenda will follow shortly.

**NCACPA Ethics Course Meeting** -Bob met again with NCACPA ethics course instructors Jonathan Kraftchick, Cal Christian, and Melissa Critcher to continue the discussion of ethical issues.

**JLAPO Committee Meeting** - Bob attended the February 2 meeting of the Committee which focused on OLBs.

**NC OLB Committee** - Bob and other members of the Committee met on February 5 to finalize the draft of NCGS 93B bill and to decide who should speak for the OLBs at the next JLAPO Committee meeting.

**NASBA Mid-Atlantic Region Conference Call Meeting** - President Womble and Bob participated in this conference call with all boards in our region and NASBA leadership.

**Breakfast with the NCACPA** - On February 11, Bob and David had their monthly breakfast meeting over lunch with Jim Ahler and Sharon Bryson.

**RRC Roundtable** - Bob presented a discussion and review of the Board's re-adoption of rules process to another 35 rule-making coordinators from various State agencies.

**NCACPA Membership Staff Field Trip** - On February 4, 4 NCACPA staff members-- Jennifer Rowell, Tammy Dixon, Marie Little, and Sandra Taylor--visited the Board office to meet with Bob, David, Buck, Alice, and Cammie and discuss each organization's function. Following a question and answer session, the NCACPA toured our offices and met the Board's staff.