

PUBLIC SESSION MINUTES
North Carolina State Board of CPA Examiners
January 22, 2007
1101 Oberlin Road
Raleigh, NC 27605

MEMBERS ATTENDING: Leonard W. Jones, CPA, President; Arthur M. Winstead, Jr., CPA, Vice President; Norwood G. Clark, Jr., CPA; Tyrone Y. Cox, CPA; Thurman L. Gause; and Michael C. Jordan, CPA.

STAFF ATTENDING: Robert N. Brooks, Executive Director; J. Michael Barham, CPA, Deputy Director; Lisa R. Hearne, Manager-Communications; Ann J. Hinkle, Manager-Professional Standards; Buck Winslow, Manager-Licensing; and Noel L. Allen, Legal Counsel.

GUESTS: James T. Ahler, CEO, NCACPA; Sharon Bryson, COO, NCACPA; Curt Lee, Past President, NCSA; and Frederick D. Niswander, Ph.D., CPA, Chair, NCACPA.

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

MINUTES: The minutes of the December 18, 2006, meeting were approved as submitted.

FINANCIAL AND BUDGETARY ITEMS: The December 2006 financial statements were accepted as submitted.

NATIONAL ORGANIZATION ITEMS: Messrs. Jordan and Winstead moved to approve the response to the FASB Exposure Draft on *Proposed Statement of Financial Accounting Standards for Not-for-Profit Organizations: Mergers and Acquisitions*. Motion passed.

Messrs. Winstead and Jordan moved to approve the response to the GASB invitation to comment on *Fund Balance Reporting and Government Fund Type Definitions*.

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

200203-011 - Kendall L. Davis - Approve the signed Consent Order (Appendix I).

200608-064 - Faye F. Ward - Approve the signed Consent Order (Appendix II).

200601-008 - Close the case without prejudice. Mr. Jordan abstained from the vote on this matter.

200606-047 - Close the case without prejudice and with a Letter of Warning.

200619-076 - Close the case without prejudice.

REPORT OF THE PROFESSIONAL EDUCATION AND APPLICATIONS COMMITTEE:

Mr. Cox moved and the Board approved the following recommendations of the Committee:

Transfer of Grades Applications - The following were approved:

Hans Timothy Blake
YingLi Chen
Bradley Alan Kucharo

Michael Phillips
Qing Shi

Original Certificate Applications - The following were approved:

Hans Timothy Blake
Alissa Elizabeth Bray
YingLi Chen
Seth Winslow Davis
Guido Mauricio de Chazal
Laura Hope Demski
Lieselotte Bouknight Faircloth
Haiti Feng
Andrew Gregory Ferguson
Scott Lee Frazier
Timothy J. Gribble
Michael Andrew Grissom
Andi L. Guess
Joseph Eugene Heatherly
Jonathan Stuart Henry
Dallas Clinton Johnson
Brandon Craig Kimball
Bradley Alan Kucharo
Courtney Russell LaLone
Henry (Hank) Glenn Lewis Jr.
Thomas Erskine Martyn

Lauren Brooke McSwain
Margaret Ann Mitchell
Amy Nicole Nobs
Jin Oak Park
Sang Min Park
Michael Phillips
Roxianne Riggs Register
Anthony William Thomas Riva
Teresa Ann Sayers
Chetan Y. Shankar
Qing Shi
Michael Douglas Sieman
Dara Lane Southard
Amy Beth Sullivan
Lindsey Ellen Thorsen
Gregory Steven Todd
Brian L. Truesdale
April Michelle Vereyken
Yen Chan Wu
Julia Katherine Wyatt

The Committee reviewed the original application submitted by Jerry Lewis Wilson, II. Mr. Wilson failed to disclose misdemeanor charges with his exam application but provided pertinent information with his certificate application. Staff recommended approval of the application with a one-year probationary period. The Committee approved the application.

Reciprocal Certificate Applications - The following were approved:

Mark Davison Belote
Kevin C. Bennett
Dawn M. Cecil

Joseph M. Devine
Alec Fahey
Kathryn Jolene Fojtik

Thomas Richard Gasper
Anthony J. Georges
Edward Anthony Golden
Catherine Ann Hayes
Cynthia Jeffery
Jeffry L. Karr
Jennifer Nadine Kelly
Erin N. LeClair
David G. McIntee
Kendra Christine McLaughlin
Anthony T. Pandiscia
Elaine Michele Perry
Deborah Kuldell Parks

Edward Stone Riley
George Simms
Joseph J. Skovira IV
Patrick Charles Sliter
Charles William Smith
Christopher C. Statham
Aline Theriot Ventura
Richard A. Vera II
Meredith Giles Waldrop
Haijin Wang
Patti M. Weaver
Steven F. Yackira

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

Joseph Ryder Cobbe T3979
Marisa Samoyedny T3980
John Thomas Reisch T3981
Eleanor C. Haymond T3982
Lisa D. Carroll T3983
Michael A. Seelig T3984
Michael François Cavanagh T3985
John Jeffrey Mathewson T3986
Angela Dawn Anthos T3987
Irvin Harris Bisnov T3988
Erica Nicole Glenn T3991
Lewis Blake Smyth T3992
Matthew B. Gozycki T3993
Irene Alycia DeZwaan T3994
Hong Zhang T3995
Jaman L. Kim T3996

James Schlossberg T3997
Paul Joseph Monaghan T3998
Minde Whitaker King T3999
Lewis J. King T4000
Ann Graham Broad T4003
Kevin Ross Carn T4004
Lesa Blackbourne Barnobi T4005
Charles H. Brandon T4006
Philip H. Friedland T4007
Christa Marie Dunn T4008
Angela Robbs Williams T4009
Alan Lemkin T4010
Gregory Lyle McDowell T4011
Scott Barnum Jackson T4012
Joseph R. Babcock T4013
Clyde Landon Cobb Jr. T4014

Reinstatements - The following were approved:

Stephan Michael Kearney #12576
Lisa Starling Randel #19545

Georgette R. Vann #19907
Marjorie Faye Vesey #28735

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

David Frederick Gillespie #16511

Michael Wayne Sledge #18338

Reissuance of New Certificate - An application for reissuance of new certificate and consent agreement submitted by Willie T. Closs (#12702) was approved.

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

Christopher K. Abbott, CPA, PA
Adams & Bryan, Certified Public
Accountants, P.A.
Hekmat M. Barahmeh, CPA, PC.
Beane Swaringen & Company, PLLC
Debra Hill Bedford, CPA, P.A.
Patricia P. Belcourt, CPA, P.A.
Carolyn T. Dalby CPA PC
Dennis Duke, PA, CPA

Dale Gillmore CPA PLLC
Huband & Brown CPA's PLLC
Craig E. Idol CPA, P.C.
Joel I. Levy, CPA, P.A.
Theresa L. Matthews, CPA, PC.
Terri A. Simmons CPA, PLLC
Mig Murphy Sstrom, CPA, PC
Ashton Trevethan & Company
Jeannette Woodruff, CPA, PC

Extension Requests - The Committee approved the following individuals for extension for completion of CPE until the dates noted:

Juan D. Alloway #31887 - January 31, 2007
Denise R. Appleyard #17469 - June 30, 2007
Alison Gets Bailey #15801 - March 31, 2007

Extension requests submitted by the following individuals were disapproved:

Barry W. Jenkins #7399
Joe Andrew Scales #8573

Conditional Licenses - Staff has recommended approval of the requests to rescind the conditional licenses awarded to the individuals listed below. The Committee approved staff recommendation:

Susan G. Shepard #8801
Edwin Harold Shuford III #25218
Timothy Reddin Winstead #17190

The rule regarding conditional status [21 NCAC 8G .0406(b)] was amended effective January 1, 2007. Staff recommended allowing licensees to start with a clean record. The Committee approved staff recommendation.

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

| | |
|---------------------|----------------------|
| Olusola Abisuga | Henry Day |
| Robert Aldrich | Jagruti Desai |
| LaToya Allen | Huy Dinh |
| Jennifer Anderson | Paulette Doroshenko |
| John Banks | Dashaun Dorsey |
| Eileen Barbara | William Dowis |
| Adam Barbrey | Nicole Driver |
| Erica Bartilucci | Lynne Duncan |
| Jessica Bastedo | James Eanes |
| LaTanya Bennett | Monique Earle |
| Jason Benoit | Catherine Eastwood |
| Matthew Bouldin | Maximillian Eckemoff |
| Tara Brewer | Christopher Edge |
| Lindsay Bricolo | Nathan Edgerly |
| Ashley Britton | Michael Fanelli |
| Jing Brooks | Anneliese Ferry |
| Debra Brower | Kellie Fisher |
| Craig Bullins | Matthew Fort |
| Cory Bunger | Barbara Fuller |
| Amy Butler | Charles Gallop |
| Sarah Butler | John Gard |
| Nina Butts | Amy Gerring Riddick |
| Jason Byrd | Melissa Gibbons |
| Kimberly Byrd | Joel Gillie |
| Kelly Cantwell | Valerie Goodwill |
| Kristen Chamberlain | Lauren Graf |
| Angel Chapman | Peter Greve |
| Daniel Cheek | Donald Hall |
| Mary Chilton | Lindsay Harrell |
| Melissa Cipriano | Avery Harrison |
| Erik Cobb | Deirdre Hart |
| Corinne Cole | Bradley Hauss |
| Joyce Comer | Travis Hedgepeth |
| Roger Cox | Sheena Hogue |
| Elizabeth Creech | Katherine Hoskins |
| Linda Cress | Turkessa Houck |
| Callie Cribb | Kathleen Howard |
| Skipp Crider | William Howie |
| Marina Daniel | Anna Hunter |
| Ian Davies | Carol Iacovelli |

Anthony Infantino
Artanzia Jackson Yates
Kathryn Jargowsky
George Johnson
Jacquelyn Johnson
Lori Johnson
Myra Johnson
Brett Jones
Jessica Jones
Mary Juza
Stephanie Kirby
Teresa Krieg
Rahila Kuhn
Hunter Lane
Nichole Lapointe
William Larkin
Anna Lavelle
Danna Layne
Ke Liu
Yongmei Liu
Howard Lucas
Brooke Magee
Anne Martin
David Marty
Ashley Matthews
Tiffany Mayers
Apryl McCraw
Abigail McDuffie
Melissa McLamb
Allison McMasters
Jason McMillin
Cassie Melton
Shelby Michael
Courtney Michelle
Emily Mills
Kaila Mitchell
Carrie Moon
Shanna Morales
Adam Morris
Eric Murphy
Amanda Musgrove
Sheila Nemitz
Nga Nguyen

Caleb Nicholson
Angel Nolen
Audrea Norris
Allison Odom
Osasere Oluoba
Anastasios Omiridis
Sabrina Parris
Jennifer Pasion
Zachary Pearsall
Amy Peters
Richard Pfeffer
Misti Phillips
Elissa Picornell
Jennifer Pittman
Tiffany Randall
Joanne Rausch
Denise Reagan
Gary Rice
Rachel Richards
Sue Robinson
Katherine Rogers
Lois Rogers
Susi Rojas
Jennifer Ross
Ashley Royall
Nancy Sadler
Christopher Safadi
Louis Scheibla
Michelle Schiller
Andrea Schoch-Miller
David Schrenker
Heather Scoggins
Kimberly Shabosky
Megan Shealy
Steven Sherck
Angela Shrock
Celeste Smith
Katherine Smith
Thomas Smith
Daniel Staniszewski
Jennifer Stevens
Charles Straman
James Stroud

Joseph Szaloky
Rebecca Tapp
Carolyn Taylor
Michael Tolley
Robert Troxler
Megan Turlington
Deron Vaughn
Justin Waller
Weihua Wang
Paul Wapner
Kristin Washam
Matthew Watts
Krista Waugh

Mary Wetzel
Sonya White
Shannon Willert
Tracy Williams
Stephen Wilson
Heather Wyant
Wenshi Ye
Tiffany Yokeley
Tina Young
Harry Younger
Qingying Zha
Wei Zhou
Zi Zhuang

Information Items - The Committee reviewed the Independent Assessment Report on the NCACPA's course, "Hilites of Bankruptcy."

Individuals listed below have been removed from the list of second conditionals because they provided documentation that they did comply with the 2005 CPE requirement on time:

Brenda Chae #30482

William O. Green #15074

PUBLIC HEARING: President Jones moved to convene the Public Hearing scheduled to hear Case No. 200508-046, Henry F. Specht. Mr. Brooks was sworn and presented testimony. Messrs. Jordan and Jones moved to approve a Board Order permanently revoking Mr. Sprecht's North Carolina CPA certificate. The motion passed with six (6) affirmative votes and zero (0) negative votes. The entire Public Hearing is a matter of public record (Appendix III).

President Jones moved to convene the Public Hearing scheduled to hear Case No. 200606-045, Case No. 200607-057, and Case No. 200609-068, Thomas P. King. Mr. Brooks was sworn and presented testimony. Messrs. Cox and Clark moved to approve a Board Order permanently revoking Mr. King's North Carolina CPA certificate. The motion passed with six (6) affirmative votes and zero (0) negative votes. The entire Public Hearing is a matter of public record (Appendix IV).

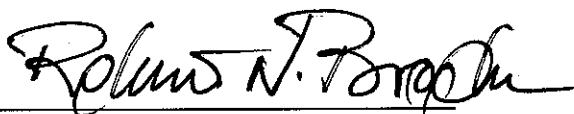
President Jones moved to convene the Public Hearing scheduled to hear Case No. 200410-039, and Case No. 200501-009, Donald L.F. McAvoy. Mr. Brooks was sworn and presented testimony. Messrs. Winstead and Jordan moved to approve a Board Order permanently revoking Mr. McAvoy's North Carolina CPA certificate. The motion passed with six (6) affirmative votes and zero (0) negative votes. The entire Public Hearing is a matter of public record (Appendix V).

PUBLIC COMMENTS: President Jones recognized Frederick D. Niswander, Ph.D., CPA, Chair of the NCACPA, who presented comments and a resolution of the NCACPA Board of Directors regarding mobility of CPAs (Appendix VI).

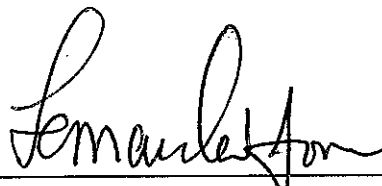
ADJOURNMENT: Messrs. Cox and Clark moved to adjourn the meeting at 11:50 a.m. Motion passed.

Respectfully submitted:

Attested to by:



Robert N. Brooks
Executive Director



Leonard W. Jones, CPA
President

NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

CASE #: 200203-011

IN THE MATTER OF:
Kendall L. Davis, #22118
Kendall L. Davis, P. C.
Respondents

CONSENT ORDER

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

1. Respondent Kendall L. Davis (hereafter "Respondent Davis") is the holder of North Carolina certificate number 22118 as a Certified Public Accountant.
2. Respondent Kendall L. Davis, P. C. (hereafter "Respondent firm") is a licensed certified public accounting firm in North Carolina.
3. On August 25, 2003, the North Carolina State Board of CPA Examiners (Board) approved a Consent Order with Respondents in which Respondents agreed to obtain pre-issuance reviews of all North Carolina housing authority audits by a reviewer approved by the Board.
4. Notwithstanding the forgoing, Respondent Davis has informed the Board of his decision to cease offering or rendering professional services in North Carolina and shall allow his North Carolina CPA certificate to forfeit, through non-renewal, on July 31, 2007, and Respondent firm shall return its firm registration to the Board no later than July 31, 2007.
5. Respondents wish to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Order with the Board *ex parte*, whether or not the Board accepts this 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:

Consent Order - 2
Kendall L. Davis
Kendall L. Davis, P.C.

1. Respondents are subject to the provisions of Chapter 93 of the North Carolina General Statutes (NCGS) and Title 21, Chapter 8 of the North Carolina Administrative Code (NCAC), including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board, in particular, Rule 21 NCAC 8N .0206.

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

1. Respondent shall not request reinstatement or reissuance of his North Carolina CPA Certificate and Respondent firm shall not request reinstatement or reissuance of its North Carolina firm registration.
2. This Consent Order shall not constitute discipline.

CONSENTED TO THIS THE 21st DAY OF December, 2006.

Kendall L. Davis, CPA
Respondent Davis

Kendall L. Davis, P.C.
Respondent Firm

APPROVED BY THE BOARD THIS THE 22nd DAY OF January
~~2006.~~
2007

BOARD
SEAL

NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS

BY: [Signature]
President

NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #: 200608-064

IN THE MATTER OF:
Faye F. Ward, CPA, #14124
Respondent

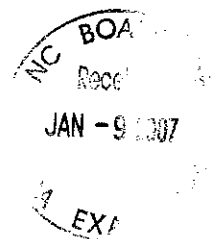
CONSENT ORDER

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

1. Respondent is the holder of North Carolina certificate number 14124 as a Certified Public Accountant.
2. Respondent failed to file her federal and state personal income tax returns for 1999, 2000, 2001, 2002, and 2003. She owed no taxes for the delinquent tax returns. The state's late filing penalty was waived by the NCDOR. Respondent was assessed penalties for the delinquent federal personal income tax returns.
3. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

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

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes (NCGS) and Title 21, Chapter 8 of the North Carolina Administrative Code (NCAC), including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. Respondent's actions as set out above constitute violations of NCGS 93-9(e), 21 NCAC 8N .0201, .0203(a) and (b)(1), and .0207.



Consent Order - 2
Faye F. Ward

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

1. Respondent's North Carolina CPA certificate is suspended for the specified period of time of two (2) years; however, said suspension is stayed upon the conditions that:
 - (a) Respondent shall surrender and shall return her North Carolina CPA certificate to the Board effective upon approval by the Board of this Consent Order; and
 - (b) Respondent shall not petition the Board for the reinstatement of her North Carolina CPA certificate for at least five (5) years from the effective date of this Order.

CONSENTED TO THIS THE 8 DAY OF January, 2007.

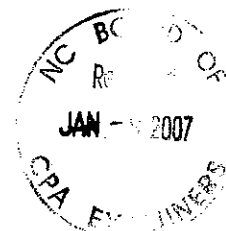
Faye F. Ward
Respondent

APPROVED BY THE BOARD THIS THE 22nd DAY OF January, 2007.

NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS



BY: [Signature]
President



NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #: 200508-046

IN THE MATTER OF:
Henry F. Specht, Jr., #27097
Respondent

BOARD ORDER

THIS CAUSE coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, at public hearing, with a quorum present, the Board finds, based on the evidence presented at the hearing on January 22, 2007, that:

FINDINGS OF FACT

1. The parties have been properly identified.
2. The Board has jurisdiction over the Respondent and this matter.
3. Respondent received at least fifteen (15) days written Notice of Hearing of this Matter by personal service, certified mail, or other approved personal delivery.
4. Venue is proper and the Noticed Hearing was properly held at 1101 Oberlin Road, Raleigh, North Carolina.
5. Respondent had no objection to any Board Member's participation in the Hearing of this Matter.
6. Respondent was not present at the Hearing and was not represented by counsel.
7. Respondent was the holder of a certificate as a Certified Public Accountant in North Carolina and is therefore subject to the provisions of Chapter 93 of the North Carolina General Statutes (NCGS) and Title 21, Chapter 8 of the North Carolina Administrative Code (NCAC), including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

Board Order - 2
Henry F. Specht, Jr

8. Respondent failed to file and pay his federal corporate and personal income tax returns for 1997, 1998, and 1999. Respondent's tax liability for 1997, 1998, and 1999 was \$35,929.00.
9. During the investigation of Respondent by the Internal Revenue Service (IRS), Respondent made false statements to the IRS and then provided copies of purportedly filed tax returns to the agent in charge of the investigation.
10. Respondent subsequently pled guilty to the felony of willful failure to file federal personal income tax returns for 1997, 1998, and 1999 and was sentenced on July 14, 2004, to three (3) months in prison and one (1) year of supervised release with home confinement and electronic monitoring for the first six (6) months. As part of the guilty plea, Respondent also agreed that a civil penalty for fraud applied to the tax periods in question.

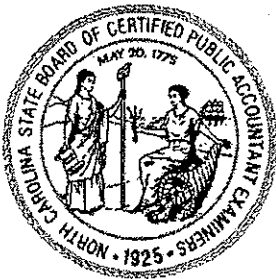
CONCLUSIONS OF LAW

1. Respondent's actions as set out above constitute violation of NCGS 93-12 (9)a, (9)b, and (9)e and 21 NCAC 8N .0201, .0202 (a), .0203 (b)(1), .0204(a), and .0207.

BASED ON THE FOREGOING, the Board orders in a vote of 6 to 0 that:

1. The Certified Public Accountant certificate issued to Respondent, Henry F. Specht, Jr, is hereby permanently revoked.

This the 22nd day of January 2007.



NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS

BY: *Samuel James*
President

NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #s: 200606-045, 200607-057, and 200609-068

IN THE MATTER OF:
Thomas Patrick King, #25338
Respondent

BOARD ORDER

THIS CAUSE coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, at public hearing, with a quorum present, the Board finds, based on the evidence presented at the hearing on January 22, 2007, that:

FINDINGS OF FACT

1. The parties have been properly identified.
2. The Board has jurisdiction over the Respondent and this matter.
3. Respondent received at least fifteen (15) days written Notice of Hearing of this Matter by personal service, certified mail, or other approved personal delivery.
4. Venue is proper and the Noticed Hearing was properly held at 1101 Oberlin Road, Raleigh, North Carolina.
5. Respondent had no objection to any Board Member's participation in the Hearing of this Matter.
6. Respondent was not present at the Hearing and was not represented by counsel.
7. Respondent was the holder of a certificate as a Certified Public Accountant in North Carolina and is therefore subject to the provisions of Chapter 93 of the North Carolina General Statutes (NCGS) and Title 21, Chapter 8 of the North Carolina Administrative Code (NCAC), including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board. Respondent's CPA certificate was forfeited for failure to renew as of June 30, 2006.

Count I - Weisberg Complaint

8. Burton P. Weisberg (Mr. Weisberg) engaged Respondent to prepare 2005 state tax returns for Illinois and North Carolina, and a 2005 federal tax return.
9. On April 17, 2006, Respondent informed Mr. Weisberg that Respondent was requesting a filing extension for the 2005 tax return.
10. Mr. Weisberg left several telephone messages for Respondent but Respondent failed to contact Mr. Weisberg. Mr. Weisberg states that on at least two (2) occasions, he went to Respondent's office but no one was in the office, and the office was dark and locked.
11. In May of 2006, Mr. Weisberg sent a certified letter to Respondent demanding the return of his client records.
12. In May of 2006, Mr. Weisberg filed a notarized complaint with the Board. Subsequently, Mr. Weisberg has informed the Board staff that Respondent had filed the extensions, and that, in the intervening time, Respondent completed all of the returns, provided the returns to the Mr. Weisberg, and had billed Mr. Weisberg for the services provided. According to Mr. Weisberg, Respondent is still using the same business address that on file at the Board.
13. On June 6, 2006, Board staff sent, by first class mail to Respondent's last known business address, Mr. Weisberg's complaint and a letter instructing Respondent to reply by June 20, 2006, to the allegations contained in the complaint. Respondent failed to timely respond to this Board inquiry.
14. On June 26, 2006, Board staff sent letters, by certified/return receipt mail to both Respondent's last known business and home address, again instructing Respondent to reply by July 10, 2006, to the complaint allegations. Both letters were returned by the United States Postal Service marked as "Unclaimed."
15. To date, Respondent has not responded to the Board's letters regarding this complaint.

Count II - Brigman Complaint

16. Craig and Rosa Brigman (the Brigmans) engaged Respondent to prepare a 2005 state tax return for North Carolina, and a 2005 federal tax return.
17. The Brigmans signed the returns, and gave the returns and the checks for payment of taxes to Respondent for mailing. The Brigmans' checks never cleared the bank and that the Brigmans subsequently issued stop payment orders on the checks.
18. The Respondent did not file the Brigmans' returns with either the North Carolina Department of Revenue or the Internal Revenue Service.
19. Despite repeated requests, Respondent has not returned the Brigmans' client records nor provided the Brigmans with any explanation regarding Respondent's failure to forward their tax returns and tax payments.
20. In June of 2006, the Brigmans filed a notarized complaint against Respondent with the Board.
21. On July 12, 2006, Board staff sent letters, by certified/return receipt mail to both Respondent's last known business and home address, instructing Respondent to reply by July 10, 2006, to the complaint allegations. The letter sent to Respondent's last known home address was received and signed for on July 14, 2006, by Noah Erwin.
22. To date, Respondent has not responded to the Board's letters regarding this complaint.
23. Respondent has failed to timely respond to the Brigmans and, despite a demand, has failed to timely return the Brigmans' client records.

Count III - Bruns Complaint

24. Valerie L. Bruns (Ms. Bruns), who had been Respondent's client since 2002, provided tax information to Respondent to prepare Ms. Bruns' 2005 state and federal tax on April 10, 2006.
25. Since the tax information had not been provided until April 10, 2006, and since Respondent had previously filed tax extension requests on behalf of Ms. Bruns, Ms. Bruns states that she was not particularly concerned when

she had not heard from Respondent by April 15, 2006, regarding the status of her tax returns.

26. Ms. Bruns, having heard nothing from Respondent by mid-May 2006, made numerous attempts to contact Respondent by telephone but Respondent never answered and Ms. Bruns was unable to leave a message on Respondent's voice mail because the mailbox was always full.
27. Ms. Bruns drove past Respondent's office on several occasions but the office was never open even though office furniture remained in the office and Respondent's name was still on the door.
28. On June 19, 2006, Ms. Bruns sent Respondent a letter by certified mail regarding the status of the tax returns, but the letter was returned marked as "Return to sender-unclaimed."
29. On July 15, 2006, Ms. Bruns drove by Respondent's office and found a piece of paper taped to the door with Respondent's name and a telephone number. Since this was a different telephone number from the office telephone number, Ms. Bruns called that number and was able to leave a message requesting the return of her client records.
30. Ms. Bruns obtained duplicate W-2s from her employer, and duplicate 1099s from her bank and investment broker. Even though Ms. Bruns did not have the original sales receipt from her personal business which had been given to Respondent, Ms. Bruns had another CPA prepare the tax returns.
31. In mid-August Respondent contacted Ms. Bruns about picking up her records. Ms. Bruns informed the Respondent that she could not come by Respondent's office on August 15, 2006, so Respondent agreed to deliver her records to her employment location.
32. Respondent had not returned Ms. Bruns' client records as of August 28, 2006, when she completed and had notarized her complaint.

CONCLUSIONS OF LAW

1. Respondent's failures to timely return client records upon demand are violations of NCGS 93-12 (9)e and 21 NCAC 8N .0305.

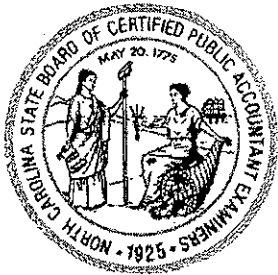
Board Order - 5
Thomas Patrick King

2. Respondent's failures to timely respond to Board inquiries and to claim Board correspondence from the U.S. Postal Service are violations of NCGS 93-12 (9)e and 21 NCAC 8N .0206.
3. Respondent's failures to timely complete and file The Brigmans' and Ms. Bruns' tax returns are violations of NCGS 93-12 (9)e and 21 NCAC 8N .0212 (1).

BASED ON THE FOREGOING, the Board orders in a vote of 6 to 0 that:

1. The Certified Public Accountant certificate issued to Respondent, Thomas Patrick King, is hereby permanently revoked.

This the 22nd day of January 2007.



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 #s: 200410-039 and 200501-009

IN THE MATTER OF:
Donald Leo Fruehauf McAvoy, #12820
Respondent

BOARD ORDER

THIS CAUSE coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, at public hearing, with a quorum present, the Board finds, based on the evidence presented at the hearing on January 22, 2007, that:

FINDINGS OF FACT

1. The parties have been properly identified.
2. The Board has jurisdiction over the Respondent and this matter.
3. Respondent received at least fifteen (15) days written Notice of Hearing of this Matter by personal service, certified mail, or other approved personal delivery.
4. Venue is proper and the Noticed Hearing was properly held at 1101 Oberlin Road, Raleigh, North Carolina.
5. Respondent had no objection to any Board Member's participation in the Hearing of this Matter.
6. Respondent was not present at the Hearing and was not represented by counsel.
7. Respondent was the holder of a certificate as a Certified Public Accountant in North Carolina and is therefore subject to the provisions of Chapter 93 of the North Carolina General Statutes (NCGS) and Title 21, Chapter 8 of the North Carolina Administrative Code (NCAC), including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board. In July of 2006, Respondent requested that his North Carolina CPA certificate be placed on inactive status which was temporarily granted without prejudice to the Board's prerogatives in this matter and pending any action by the Board regarding Respondent's

failure to comply with the terms of his Consent Order. Respondent therefore remains subject to the Board's jurisdiction.

8. On August 12, 2005, Respondent signed and consented to a Consent Order which required that Respondent send, by certified/return receipt mail, a Board-approved letter to all former clients regarding the return of client records; that Respondent provide the Board with the names, addresses, and telephone numbers of the former clients who were written; and that Respondent advise the Board as to the status of the return of client records and provide copies of return receipt cards or mailings returned by the US Postal Service. The Consent Order was approved by the Board on August 22, 2005.
9. Despite several requests from Board staff, Respondent has failed to provide the Board with the information described in paragraph two (2) above as required by the Consent Order.

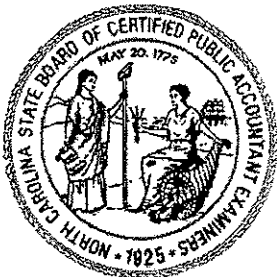
CONCLUSIONS OF LAW

1. Respondent's failures to comply with the terms of his Consent Order and to cooperate with Board inquiries represent violations of NCGS 93-12 (9)e and 21 NCAC 8N .0201, .0203 (b)(3), and .0206.

BASED ON THE FOREGOING, the Board orders in a vote of 6 to 0 that:

1. The Certified Public Accountant certificate issued to Respondent, Donald Leo Fruehauf McAvoy, is hereby permanently revoked.

This the 22nd day of January 2007.



NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS

BY: *Donald Leo Fruehauf McAvoy*
President

A Resolution of the NCACPA Board of Directors regarding mobility of CPAs

Whereas, the unencumbered movement of licensed CPAs from state to state is an essential part of the free flow of commerce and business activity in this country and is an essential issue for the public accounting profession in service to clients;

Whereas, the protection of the public by state boards of accountancy must be preserved;

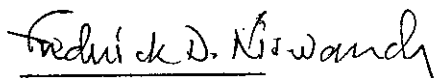
Whereas, the issue of the mobility of licensed CPAs across state borders has been discussed in this profession and in regulatory bodies for decades, and North Carolina has been a leader in those discussions;

Whereas, the national organizations (AICPA & NASBA) have agreed the current state board barriers to licensee mobility are not necessary for the adequate protection of the public and that state boards can enact sufficient protection into their statutes in the form of the "consent to jurisdiction" language;

Therefore be it resolved, the NCACPA Board of Directors urges the NC State Board of CPA Examiners to adopt the language outlined in the Exposure Draft entitled, "Proposed Revisions to AICPA/NASBA Uniform Accountancy Act - Section 23" issued December 2006.

Therefore be it further resolved, the NCACPA Board of Directors requests the members of the NC State Board of CPA Examiners enter into rule-making, as expeditiously as possible, for the purpose of amending North Carolina Administrative Code, Title 21, Chapter 8 to eliminate the formal notice requirement, the fee requirement and any additional requirements imposed upon licensed CPAs from other states and add, if necessary, language to Chapter 93 of the NC Statutes to implement the "consent to jurisdiction" concept described in the Exposure Draft entitled, "Proposed Revisions to AICPA/NASBA Uniform Accountancy Act - Section 23" issued December 2006.

Adopted January 20, 2007 on a unanimous vote by the Board of Directors of the North Carolina Association of CPAs.


Frederick D. Niswander, Ph.D., CPA
Chair