PUBLIC SESSION MINUTES
North Carolina State Board of CPA Examiners
July 21, 2009
1101 Oberlin Road
Raleigh, NC 27605

MEMBERS ATTENDING: Arthur M. Winstead, Jr., CPA, President; Michael C. Jordan, CPA, Vice President; Jordan C. Harris, Jr., Secretary-Treasurer; Jeffrey T. Barber, CPA; Norwood G. Clark, Jr., CPA; Tyrone Y. Cox, CPA; and Maria M. Lynch, Esq.

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: John Morgan, CPA, Esq., Chair, NCACPA; Maximo Mukelabai, CPA, NCACPA Board Member, Sharon Bryson, COO, NCACPA; Robert Yoakum; Stewart Butler, Esq.; John Griffin; Alan Schneider, Esq.; Carl R. Williford, CPA; Scott L. Edwards, CPA; Michael Weisel, Esq.; David Coats, Esq.; Stanley Parzen, Esq.; Fred Bautters, CPA; Charles Grant, Esq.; Mailian Moore; and Curt Lee, Legislative Liaison, NCSA.

CALL TO ORDER: President Winstead called the meeting to order at 10:02 a.m.

MINUTES: The minutes of the June 11, 2008, meeting were approved as submitted.

FINANCIAL AND BUDGETARY ITEMS: The June 2008 financial statements were accepted as submitted.

Messrs. Harris and Jordan moved to approve the Board audit for the year ending March 31, 2008. Motion passed. (Appendix I)

NATIONAL ORGANIZATION ITEMS: Messrs. Barber and Jordan moved to approve the response to the FAASB Exposure Draft, Disclosure of Certain Loss Contingencies: An Amendment for FASB Statements No. 5 and 14(R). Motion passed.

Messrs. Barber and Jordan moved to approve the response to the FASB Exposure Draft, Accounting for Hedging Activities: An Amendment of FASB Statement No. 133. Motion passed.

Messrs. Barber and Jordan moved to approve the response to the Uniform CPA Examination Exposure Draft, Content and Skill Specifications. Motion passed.

Board members commented on the NASBA Eastern Regional Meeting held in Asheville on June 11-13, 2008, and complimented the staff on the gift bags that were prepared by Board staff for the meeting participants.
STATE AND LOCAL ORGANIZATION ITEMS: Board members commented on the NCACPA’s New CPA Inauguration held in Greensboro on June 25, 2008.

REQUEST FOR DECLARATORY RULING: President Winstead convened the hearing to hear the Request for Declaratory Ruling as submitted by Crowe Chizek & Company LLC (“Crowe”). Mr. Winstead withdrew from participation in the matter and Vice President Jordan assumed the role of chair of the hearing. Michael Weisel, Esq.; David Coats, Esq.; and Stanley Parzen, Esq.; attorneys representing Crowe, made a presentation to the Board. The presentation included the sworn testimony of Charles Grant, Esq., Mailian Moore, and Fred Bautters, CPA. Board members were presented with a binder of information which included new information for the Request for Declaratory Ruling. However, this information was not admitted into the public record. In light of the additional information presented by Crowe, the Board requested, and was granted by Crowe, an extension to September 22, 2008, to respond to the Request for Declaratory Ruling. The entire Hearing is a matter of public record.

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

C2007641 – Barbara R. Cheek – Approve the signed Consent Order. (Appendix II)
200509-049-1 and 2 – Approve a Notice of Hearing for Claude E. Barger and Brittain, Dean & Barger, P.A., for December 17, 2008, at 10:00 a.m.
C2007541 and C20085646 - Approve a Notice of Hearing for Hilda G. Watson for November 17, 2008, at 10:00 a.m.
C2007643 – Approve a Notice of Hearing for Benjamin T. Maltby for October 20, 2008, at 10:00 a.m.
C20072860 and C20085431 – Approve a Notice of Hearing for Walter Jeffrey Daniel and W. Jeffrey Daniel, CPA, PA, for September 22, 2008, at 10:00 a.m.
UT20083510 – Gloria Kimbrough Hicks – Accept a signed Notice of Apparent Violation and Demand to Cease and Desist. (Appendix III)
UT20083649 – John L. Swaine – Accept a signed Notice of Apparent Violation and Demand to Cease and Desist. (Appendix IV)
C2007598 – Close the case without prejudice and with a Letter of Caution.
C20072482 - Close the case without prejudice.
C2008068 - Close the case without prejudice.
C2007918 - Close the case without prejudice.
C2008961 – Close the case without prejudice.
C20083548 – James O. McLamb – Messrs Barber and Jordan moved to approve the Consent Order for permanent revocation of the certificate issued to James O. McLamb. Motion passed with six (6) affirmative and zero (0) negative votes. (Appendix V)

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:

Taynia Aarnink
Shellie Nicole Daniels
Dania Gonzalez
Jennifer Lynn White

Original Certificate Applications - The following were approved:

Taynia Aarnink
Nicholas Timothy Arnold
Elham Yousefpour Barrineau
Lei Shen Baumgartner
Jacob Clark Beck
Jay Matthew Bohannon
Elizabeth P. Bolick
David Alan Bridges
Ashley Lane Brown Britton
Grady Sherdale Carpenter III
Phillip Duane Carriker
Edric Reynolds Carrington
Yuliya Chayun
Jonathan Maurice Craig
Rebecca Deanne Crider
Shellie Nicole Daniels
James Allen Fair
Dania Gonzalez
Erica Gayle Gonzalez
James Kalips Harmon
Matthew Neal Howell
Pavel V. Katsiak
Jill Elizabeth Key
Andrew John Kilby
Patrick Ryan Kinley
William Paul Krogseng
Siddhartha Maheshwari
Jeffrey Michael Manning
James Bryant Markham
Jason Reid McMillin
Robby D. Messick
Courtney Scot Michelle
Harvey Thomas Ogden III
Cassie M. Owens
Zachary Henry Pearsall
Simona Chira Pleasant
Eric Christian Pusey
Sue M. Robinson
Stephanie Ryals
William Blakely Sagar
Steven Michael Sherck
Elizabeth Eakins St.Clair
Teresa Anne Sterling
Rebecca Lynn Stone
Rebecca Nicole Tart
Emily Garner Taylor
Joseph Edward Wellborn
Jennifer Lynn White
Charles Michael Willett
Elizabeth Volpe Williams
Andrew S. Wright
Carson Allen Wright
Lei Zhi

Staff reviewed and recommended approval of the original application submitted by Robert Kader Crawford. Mr. Crawford failed to disclose a PJC for reckless driving 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 staff recommendation.

Staff reviewed and recommended approval of the original application submitted by Brianne Owen Williams. Ms. Williams failed to disclose an underage possession of alcohol charge with her exam application but provided pertinent information with her certificate
application. Staff recommended approval of the application with a one-year probationary period. The Committee approved staff recommendation.

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

Jennifer Lynn Acton  
Justin D. Alexander  
Steven Douglas Balzer  
Ryan Earle Barbour  
Janice Judy Bourne  
James Williams Brackens Jr.  
Tony Warren Bruns  
James Howard Caldwell  
Patrick Irving Camblin  
Slade Randy Chelbian Sr.  
Jarrod C. Clayton  
Nancy Adele Cohen  
Gina Marie Devine  
Amy Suzanne Diebler  
Donna Jean Dragon  
Brian Nicholas Durkin  
Todd Everett Edwards  
Kelley Leann Ely-Poulk  
D. Yvonne Faircloth  
Brandon Allen Gardner  
Dean Richard Gearhart  
Brian Kelly Gordon  
William Charles Green  
Calvin Leslie Hackeman  
Grant Randall Haines  
Marlene Kay Huneycutt  
Ronald Garland Huneycutt  
Craig Philip Jackson  
Shannon Leslie Kendrick  
Carrie Anna Kostelec  
Jenny Lynn Lanzillotta  
Joan Elaine LaRuffa  
Matthew Ryan Logsdon  
Clairette Bacallao Lopes  
Thomas Patrick Lynch  
John N. Martin  
Mario J. Martinez  
Matthew Alan McCleary  
Jon David McKee  
Todd Alan McPherson  
Diana Lynn Roberts Miles  
Deirdre Clare Morrison  
Meghan Marie Oldis  
Diana Lyn Page  
Andrew George Parker  
Breonna Lee Paulsen  
Angela Carol Perkins  
Thomas Crawford Pounds  
Jeffrey Alan Pratt  
Janice A. Ratica  
Larissa Nicole Redden  
Ryan Patrick Root  
Janet Matthies Rupert  
Andy Ward Sagona  
Marilyn Rossetti Saunders  
Virginia Irene Sebra  
Charles Howard Seeman  
Mark Alan Siemek  
Pamela Stoller  
Meghan Kennedy Sullivan  
Vanessa B. Thorne  
Peter Anthony Torrente Jr.  
Vicki Lanier Vermeer  
Robert Anderson Weißenberger  
Wayne J. Wichern  
Yanfen Wu  
Abebe Zeru
**Temporary Permits** - The following temporary permits were approved by the Executive Director and ratified by the Board:

Jeffrey Alan Pratt T4898  
William Charles Green T4899  
Todd Everett Edwards T4900  
Clairette Bacallao Lopes T4901  
Craig Philip Jackson T4902  
Dean Richard Gearhart T4903  
Mark Alan Siemek T4904  
Janet Matthis Rupert T4905  
Larissa Nicole Redden T4906  
Jennifer Lynn Acton T4907  
Patrick Irving Camblin T4908  
Breonna Lee Paulsen T4909  
Matthew Ryan Logsdon T4910  
Justin D. Alexander T4911  
Carrie Anna Kostelec T4912  
Thomas Fletcher Poulik T4913  
Janice Judy Bourne T4921  
Virginia Irene Sebra T4922  
Donna Jean Dragon T4923  
Abebe Zeru T4924  
Christopher Smyth Wilde T4925  
Matthew Alan McCleary T4926  
Jamesine M. Killorin T4927  
Slade Randy Chelbian Sr. T4928  
Ryan Earle Barbour T4929  
Scott Alan Cottrill Sr. T4930  
Yanfen Wu T4931  
Joan Elaine LaRuffa T4932  
Brian Nicholas Durkin T4933  
Christopher James Famereee T4934  
Diana Lynn Roberts Miles T4935  
Amy Suzanne Diebler T4936  
John N. Martin T4937  
Pamela Stoller T4938  
Margaret Elizabeth Lowe T4939  
Thomas Patrick Lynch T4940  
Daniel Paul Knapke T4941  
James Howard Caldwell T4942  
Matthew Joseph Blickley T4943  
Domingos Dias Henriques T4944  
John Andrew Brobst T4945  
Amanda Irene Springer Nicholson T4946  
Vicki Lanier Vermeer T4947  
Benjamin Louis Kirchhoff T4948  
Valerie Cathey Lamar T4949  
Martin James Bonifer T4950  
Paul Stephen Mills T4951  
April Shannon Gauger T4952  
Joshua John Morgan T4953  
David Andrew Motsinger T4954  
David Charles Remmells T4955  
Adah Marie Roberts T4956  
Matthew T. Illuzzi T4957  
Andrew Micah Largen T4958  
Yuxin Liu T4959  
Hilary Dana Moszynski T4960  
Frank Nolan Kissel T4961  
Stephen Michael Vanscoy T4962  
Dong Yang T4964  
Jon M. Billington T4965  
Cary Greenberg T4966

**Reinstatements** - The following were approved:

Steven Allen Clincy #31895  
Heather Joy Drudge #26231  
Suzanne Zerrirp Harrington #23925  
Jamin Russell Jenkins #31589  
Steven Allen Krpata #25869  
Donna Kirk Pelham #22185  
David Vernon Ray #30453  
Judith Louise Ruhlig #15892  
Keli Decker Rytter #29969  
Janie Geiger Schaeffer #18666
Reissuance of New Certificate - Applications for reissuance of new certificate submitted by the following were approved.

Wanda Storey Baldwin #23627
Francis Anthony Carchedi #13486
Victor Robert Clark #20911

Melinda Ann Howard Hager #27785
Melissa Gail Rossi #29029
Reed Spangler #10727

Reissuance of New Certificate and Consent Agreement - Applications for reissuance of new certificate and consent agreement submitted by the following were approved.

Thomas Elvin Hinton Sr. #23037
Clyde Alfred Parker Jr. #20132

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

Liana Baldessari Johnson, CPA, PA
Camblin CPA, PLLC

Bret N. Pacheco, CPA, PLLC

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

Al Douglas Bateman #9222
Karen L. Bruskin #33391
Karen Bruton #11543
Charles Edward Daniels #22661
Leslie Ann Elza #15063
Jeanne Godfrey Fowler #13203
C. Cheryl Fries #16462
John Callanan Frye #3119
Henry Clay Hockaday #3305
Marjorie R. Holmes #26346
Polly Antoinette Hudson #16745
Alice A. Johnston #26766

Charles Kaufman #26767
Patricia D. LaBarbera #13567
Walter E. Lamb #6107
Joseph Ernest Lowe #18802
Larry Edwin McLamb #11580
Loveyann Gilchrist Romm #10368
Jean Carol Smith #20942
William R. Stirmart #13806
Carolyn Whitmire #14174
M. Barry Williams #11993
Dale Martin Witt #11237
Erdeen Grissett Zimmerman #17297

CPE Matters – Messrs. Cox and Barber moved to approve a moratorium on the approval of any new ethics course sponsors, new courses and non-current courses while the staff reviews the currently approved sponsors, courses and requirements. Motion passed.
Mr. Cox and Ms. Lynch moved to approve the allowance of the Accountancy Law and Rules course for a licensee to meet the ethics requirements for two CPE reporting periods. Motion passed.

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

The following extension requests were disapproved:

David L. Fouts #12856 Peter S. Wilson Jr. #32082

Firm Renewal and Peer Review Matters - The firms listed below submitted a renewal or termination notice more than 60 days but less than 120 days after the deadline. Staff recommended referral to the Professional Standards Committee. The Committee approved staff recommendation:

W. Douglas Karriker CPA #27626
Aaron E. Kennedy, CPA, PA
Aaron Emsley Kennedy # 20209

The firms listed below submitted a renewal notice more than 120 days after the deadline. Staff recommended referral to the Professional Standards Committee. The Committee approved staff recommendation:

Richard Clemmons CPA # 29696 Barry Lindenman CPA #15424
Karen R. D’Eredita CPA # 18543 Bradley B. Warren, CPA, P.A.
Shellie L. Garay CPA # 29241 Bradley Bissette Warren # 13700

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

Nadia Abed-Rabo Ashley Allen
Benjamin Abood Michael Allen
Christy Adams Russell Allen
Holly Adams William Allison
Lindsay Adams Donna Alston
Mohamed Younus Ahmed Frank Ambrosio
Shilpa Ahuja Sheila Ammons
Jason Ainsley Oyebukunola Ande
Andrea Alexander Jonathan Anders
Frederick Alexius Jerry Anderson
Joshua Anderson
Snjezana Andrews
Michael Apple
Cynthia Armentrout-Pearce
Anne Asplin
Heather Atkins
Jeanette Atkins
Maurice Atkinson
Bryan Aust
Shahin Bahadori
Andrew Bailey
Awaaz Baksh
Diane Baldwin
Autumn Baptiste
Jennifer Barbee
Kelly Barnes
Kelly Barr
Adam Barth
Shannon Basquez
Jessica Bastedo
Elisabeth Baumann
Benjamin Baumer
Brenda Bean
Elizabeth Bean
Ryan Beauchamp
Jason Benoit
James Berenson
Lisa Bergemann
Lonnie Bewernitz
Sarah Bisson
Robert Bittner
Drew Blaha
Andrew Blair
Heather Blake
Ginny Blalock
David Bolick
Eric Bolyard
Bonnie Bond
Elizabeth Boone
Jennifer Bosley
Daniel Braboy
Melissa Brady
Ruby Brady
Sarah Brady
Kenji Brantley
Jacklyn Braschler
Amy Broderick
Jaime Brown
Jennifer Brown
Kathleen Brown
Kourtni Brown
Meagan Brown
Brian Brownwell
Ana Brugh
David Bruno
Daniel Bryant
Bevan Buchanan
Craig Bullins
Cory Bunger
Nicole Burnap
Chevonne Burns
Lindsay Burton
Heather Bush
Tiffany Byrd
Edward Byron
Jonathan Cadwell
John Cali
Jenna Caprara
Melanie Caprara
Bret Caron
Richard Carothers
Meredith Carroll
Rita Carroll
Travis Carswell
Amy Carter
Kelley Carter
Robert Cartisano
Billie Case
Hong Chai
Mao Chen
Galina Chichlova
Audra Chilton
Ruth Christian
Daniel Chun
Charles Clardy
Scott Clifton
Zannoth Coffee
Elizabeth Cogswell
Brett Cohen
Alonzo Cole
Stephanie Collins
Joyce Comer
Evgeniya Comfort
Charlene Cook Controne
Jeffrey Cooper
Kenneth Cooper
Jo Corum
Leah Colveleski
Bradley Cox
Christopher Cox
Roger Cox
Brittainy Crawford
Jesse Crawford
Jason Creel
Jill Crook
Karen Crozier
Natalie Crumpler
Frank Crutchfield
Emily Currin
Calvin Dalrymple
Catherine Davenport
Andrew Davis
Bradley Davis
Carolyn Davis
Catherine Davis
Cedric Davis
Michelle Davis
Robert Davis
Stephanie Davis
Yolanda Davis
Patrick Decareaux
Margaret Dempsey
Tejbir Dhillon
Adrienne Dillard
Britney Dimmick
Michael DiNunzio
Chalette Doctor
John Donaldson
Rene Dorton
Ryan Downing
Christopher Downs
Jennifer Duchene
Carolyn Duke
Kathryn Duncan
John Dunn
Andrew Eaker
Sarah Eaker
Carole Earwood
Andrew Easton
Catherine Eastwood
Trisha Edwards
Wenola Edwards
Arthur Eisenstadt
Amanda Elder
Jason Emanuel
Patrick Eudy
Amanda Evans
Rachel Failing
Laronda Farland
Amy Fergus
Leslie Finch
Nicole Fincher
Keith Fisher
Kellie Fisher
Megan Flint
James Floyd
Mark Fogle
Sammy Fong
Anthony Forrest
Kristen Freeman
Mark Furlong
Nancy Furman
Kayla Futch
Ginger Gaines
Kathleen Gardner
Michael Garner
Alexandra Gatti
Nancy Gemma
Matthew Gill
Aaron Glick
Lindsay Gosnell
Jamie Gouard
Daniel Gray
Brandon Green
Jonathan Grice
Kevin Griffin
Amber Groesser
Anna Grofic
Edward Grofic
Camille Gruesbeck
Robert Guenther
Kimberly Gunn
Jeremy Gutkowski
Lucy Hagan
Duane Hall
Ricki Hall
Andrew Hallam
Siobhan Halloran
Benjamin Hamilton
Joy Hanner
Eric Harbert
Lisa Hardin
Angela Harris
Kimberly Hawkins
Joshua Haymond
Christopher Haynes
Mary Hedgepeth
John Heffernan
Stuart Heffner
Mara Henderson
Thomas Henrikson
Anna Hergenrader
Judith Hernandez
Elizabeth Herndon
Moneque Heyward
Anderson High
Daniel Hill
Susan Hilliard
Jeng Suk Hinkle
Toni Hodge
Michelle Hodges
Tanya Hoffa
Aaron Holcomb
Christopher Holland
Stefanie Holmes
Susan Honeycutt
Carmen Houston
David Hoxie
Jamie Hoyle
Kelly Hudson
Anton Hummer
Kimberly Hunter
Tawnya Hurtt
Lawrence Hussey
Timothy Ils
Artanzia Jackson Yates
Paragi Jariwala
Joseph Jarman
Amy Johnson
Bradford Johnson
Lori Johnson
Robyn Jones
Allison Jordan
Nansi Josey
Alan Kelly
Christal Kelly
Maria Kemp
Robert Kilgore
LaShaun King
Shannia King
Nancy Kissane
Christinia Kmetz
Adrienne Kralick
Melissa Lacey
Philip Lachapelle
Michael Lail
Mark Lake-Nestor
Ching Ha Lam
Allen Landel
Rachel Landen
Karin Langbehn-Pecaut
Gina Lankford
Jeffrey Larotonda
Mandy Larson
Jared Lashley
Joshua Lassiter
Allison Lee
Dawn Lee
Elizabeth Lee
Jennifer Lee
Larry Lee
Erin Lentz
Alvin Lewis
Daniel Lewis
Chuan-Chuan Lien
Edward Linton
Paige Littlejohn
Yuan Liu
Jamie Lloyd
Stefan Locklair
Ryan Love
Taylor Lowe
Howard Lucas
Leo Lucisano
Van Ly
Jie Ma
Eric Madara
Mark Madara
Kristen Maier
Wendy Malone
Kirk Mangum
Layla Manning
Shyna Manoharan
Joselyne Manzila
Jessica Mapes
Janice Marie
Ana Marquez
Alicia Marshall
Brandon Martin
Denys Marunko
Jeffery Mason
Jennifer Massengill
Brandon Massie
Alan Mattes
Lea Matthis
Sean McCallen
Alison Mccomb
Megan McCormack
Kathryn McKenzie
Kristen McMichael
Brian McNeil
Natalie McPeters
Ian Meade
Scott Mears
Eugenia Medynskaya
Alap Mehta
Christopher Meidenbauer
Erica Melton
Adriana Mendez
Christopher Meredith
Brian Messer
Melissa Mikita
Cynthia Miller
Deidra Miller
Kent Miller
Allison Mills
Jennifer Mills
William Mims
Allison Mitchell
Ericka Mitchell
Valerie Mitchell
Virgil Mitchell
Paweenin Mongkolsirikiet
Danielle Moody
Gloria Moore
Lisa Moore
Sarah Moore
Venus Moore
Jennifer Morgan
Leslie Morgan
Monica Morgan
William Morgan
Jason Moss
Azita Movahed
Elizabeth Mower
Matthew Mullen
Sandra Wolfe  Heather Wyant
Ernest Wood  Ping Kuen Yeung
Amanda Wooten  Kevin Yoder
Kenneth Wooten  Brent Young
Sarah Work  Brian Young
Lauren Worley  Margaret Young
Patrick Wozniak  Amy Yuen
Megan Wright  Yiping Zhu
Melissa Wright  Zheng Zhuang
Dakun Wu  Samantha Zigmont

PUBLIC HEARING: President Winstead called the Public Hearing to order to hear Case No. C20071255, Robert F. Yoakum, Jr. Mr. Yoakum, Carl R. Williford, CPA, and Scott L. Edwards, CPA, were sworn in and testified. The Board went into Closed Session to consider this matter. Messrs. Winstead and Jordan moved to deny the certificate application of Robert F. Yoakum, Jr. Motion passed with seven (7) affirmative votes and zero (0) negative votes. The entire Public Hearing is a matter of public record. (Appendix VI)

PUBLIC HEARING: President Winstead called the Public Hearing to order to hear Case No. C20071257, John W. Griffin. Mr. Griffin was sworn in and testified. The Board went into Closed Session to discuss this matter. Messrs. Barber and Harris moved to approve the certificate application of John W. Griffin. Motion passed with seven (7) affirmative and zero (0) negative votes. The entire Public Hearing is a matter of public record. (Appendix VII)

CLOSED SESSION: The Board entered Closed Session without Executive Staff or Legal Counsel to discuss Public Hearing matters.

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

ADJOURNMENT: Mr. Barber and Ms. Lynch moved to adjourn the meeting at 5:49 p.m. Motion passed.

Respectfully submitted:  

Attested to by:

Robert N. Brooks  
Executive Director

Arthur M. Winstead, Jr., CPA  
President
NORTH CAROLINA STATE BOARD
OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

FINANCIAL STATEMENTS

FOR THE FISCAL YEARS ENDED
MARCH 31, 2008 AND 2007
NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEARS ENDED MARCH 31, 2008 AND 2007

BOARD MEMBERS
Arthur M. Winstead, Jr., CPA, President
Michael C. Jordan, CPA, Vice-President
Jordan C. Harris, Jr., Secretary-Treasurer
    Jeffrey T. Barber, CPA
    Norwood G. Clark, Jr., CPA
    Tyrone Y. Cox, CPA
    Maria M. Lynch, Esquire

EXECUTIVE DIRECTOR
    Robert N. Brooks
DEPUTY DIRECTOR
    J. Michael Barham, CPA
LEGAL COUNSEL
    Noel L. Allen, Esq.
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**NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS**

FOR THE FISCAL YEARS ENDED MARCH 31, 2008 AND 2007

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The following is a discussion and analysis of the Board’s financial performance for the fiscal year ended March 31, 2008. Please read it in conjunction with the financial statements which follow this section.

Financial Highlights

The operating revenues of the Board increased $308,290, or 15.68%, due primarily to an increase in the examination fee revenue due to an increase in the hourly testing fees and the number of candidates sitting for the Uniform CPA Examination.

The net non-operating revenues of the Board increased $3,928, or 3.91%, due primarily to an increase in interest income.

The operating expenses of the Board increased by $185,277, or 8.41%, due primarily to an increase in examination fees and employee salaries and benefits. Examination fee expense increased due to more candidates sitting for the Uniform CPA Examination and increases in exam sitting and grading fees effective August 1, 2007.

Overview of the Financial Statements

This discussion and analysis is an introduction to the Board’s basic financial statements which are composed of two components: 1) financial statements, and 2) notes to financial statements. This report also contains required supplementary information in addition to the basic financial statements.

Basic Financial Statements

The financial statements of the Board report information about the Board using accounting methods similar to those used by private sector companies. These statements offer short and long-term financial information about the activities of the Board.

The Statements of Net Assets (page 4) present the current and non-current portions of assets and liabilities separately.

The Statements of Revenues, Expenses, and Changes in Net Assets (page 5) present information on how the Board’s assets changed as a result of the year’s operations.

The Statements of Cash Flows (page 6) present information on how the Board’s cash changed as a result of the year’s activity.
Basic Financial Statements – continued

The following presents condensed financial information on the operations of the Board:

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<th>As of and for the fiscal year ended March 31, 2008</th>
<th>As of and for the fiscal year ended March 31, 2007</th>
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<tr>
<td>Current assets</td>
<td>$ 1,834,466</td>
<td>$ 1,750,164</td>
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<tr>
<td>Noncurrent assets</td>
<td>20,116</td>
<td>-</td>
</tr>
<tr>
<td>Capital assets - net of depreciation</td>
<td>1,036,847</td>
<td>1,068,103</td>
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<tr>
<td>Total assets</td>
<td>2,891,429</td>
<td>2,818,267</td>
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<tr>
<td>Current liabilities</td>
<td>507,331</td>
<td>434,861</td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td>59,310</td>
<td>49,221</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>566,641</td>
<td>484,082</td>
</tr>
<tr>
<td>Invested in capital assets</td>
<td>1,036,847</td>
<td>1,068,103</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>1,287,941</td>
<td>1,266,082</td>
</tr>
<tr>
<td>Total net assets</td>
<td>$ 2,324,788</td>
<td>$ 2,334,185</td>
</tr>
</tbody>
</table>

Operating revenues             $ 2,273,906                                     $ 1,965,616
Operating expenses             2,387,497                                       2,202,220
Operating loss                 (113,591)                                       (236,604)
Non-operating revenues         104,194                                         100,266
Change in net assets           $ (9,397)                                       $ (136,338)

Events Affecting Future Operations

Increase in Examination Vendor Fees - Effective August 1, 2008, the American Institute of Certified Public Accountants will increase the per-section examination fee from $80 to $95; Prometric, the business entity responsible for providing the testing sites and hardware for the exam, will increase the per-section fee from $4.00 to $5.95. The Board will increase the examination vendor fees charged to examination candidates by the same amounts, resulting in an increase in examination fee revenues and expenses. The Board’s administrative fee for initial examination applicants and re-examination applicants will not increase.

Contacting the Board’s Management

This financial report is designed to provide a general overview of the Board’s finances and to demonstrate the Board’s accountability for the money it receives and expends. If you have any questions about this report or need additional information, contact: North Carolina State Board of Certified Public Accountant Examiners, PO Box 12827, Raleigh, NC 27605-2827.
Governor Michael Easley
The General Assembly of North Carolina
North Carolina State Board of Certified Public Accountant Examiners

We have audited the statements of net assets of the North Carolina State Board of Certified Public Accountant Examiners as of March 31, 2008 and 2007, and the related statements of revenues, expenses, and changes in net assets, and cash flows for the fiscal years then ended. These financial statements are the responsibility of the Board's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the North Carolina State Board of Certified Public Accountant Examiners as of March 31, 2008 and 2007, and the changes in financial position and cash flows for the fiscal years then ended in conformity with accounting principles generally accepted in the United States of America.

Management’s Discussion and Analysis is not a required part of the financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit this information and express no opinion on it.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary schedules listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in our audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

July 8, 2008
## ASSETS

### Current assets
- Cash and cash equivalents: $258,632, $383,885
- Certificates of deposit: 1,522,082, 1,338,339
- Accrued interest receivable: 16,361, 20,900
- Accounts receivable: 37,391, 7,040
- **Total current assets**: 1,834,466, 1,750,164

### Noncurrent assets
- Administrative costs receivable: 20,116, -
- **Total noncurrent assets**: 20,116, -

### Capital Assets
- Land: 300,000, 300,000
- Building: 583,451, 608,857
- Furniture: 1,811, 2,051
- Equipment: 55,600, 54,391
- Software: 83,629, 86,440
- Vehicle: 12,356, 16,364
- **Total capital assets-net of depreciation**: 1,036,847, 1,068,103

**TOTAL ASSETS**: 2,891,429, 2,818,267

## LIABILITIES

### Current liabilities
- Accounts payable: 35,251, 41,808
- Due to examination vendors: 424,480, 332,953
- Unearned revenue: 47,600, 60,100
- **Total current liabilities**: 507,331, 434,861

### Noncurrent liabilities
- Accrued vacation: 59,310, 49,221
- **Total noncurrent liabilities**: 59,310, 49,221

**TOTAL LIABILITIES**: 566,641, 484,082

## NET ASSETS

- Invested in capital assets: 1,036,847, 1,068,103
- Unrestricted net assets: 1,287,941, 1,266,082

**TOTAL NET ASSETS**: $2,324,788, $2,334,185

The accompanying notes are an integral part of these financial statements.
NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS  
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS  
FOR THE FISCAL YEARS ENDED MARCH 31

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OPERATING REVENUES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Examination fees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Examination candidates</td>
<td>$1,250,795</td>
<td>$973,044</td>
</tr>
<tr>
<td>Other</td>
<td>2,450</td>
<td>1,950</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,253,245</td>
<td>974,994</td>
</tr>
<tr>
<td>Licensing fees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Certificate fees</td>
<td>942,985</td>
<td>916,025</td>
</tr>
<tr>
<td>Professional corporation fees</td>
<td>38,560</td>
<td>35,585</td>
</tr>
<tr>
<td>Partnership registration fees</td>
<td>37,169</td>
<td>33,220</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,018,714</td>
<td>984,830</td>
</tr>
<tr>
<td>Sale of labels and lists</td>
<td></td>
<td>4,289</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>1,947</td>
<td>1,503</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,947</td>
<td>5,792</td>
</tr>
<tr>
<td><strong>TOTAL OPERATING REVENUES</strong></td>
<td>2,273,906</td>
<td>1,965,616</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OPERATING EXPENSES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administrative (page 14)</td>
<td>1,480,618</td>
<td>1,505,132</td>
</tr>
<tr>
<td>Examination (page 15)</td>
<td>866,365</td>
<td>654,712</td>
</tr>
<tr>
<td>Building (page 16)</td>
<td>40,514</td>
<td>42,376</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,387,497</td>
<td>2,202,220</td>
</tr>
<tr>
<td><strong>OPERATING LOSS</strong></td>
<td>(113,591)</td>
<td>(236,604)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NON-OPERATING REVENUES (EXPENSES)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rental income</td>
<td>36,544</td>
<td>36,544</td>
</tr>
<tr>
<td>Interest income</td>
<td>81,155</td>
<td>77,778</td>
</tr>
<tr>
<td>Gain on sale/disposition of equipment</td>
<td>-</td>
<td>255</td>
</tr>
<tr>
<td>Building expenses (page 16)</td>
<td>(13,505)</td>
<td>(14,311)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>104,194</td>
<td>100,266</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CHANGE IN NET ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(9,397)</td>
<td>(136,338)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NET ASSETS - BEGINNING OF YEAR</strong></td>
<td>2,334,185</td>
<td>2,470,523</td>
</tr>
<tr>
<td><strong>NET ASSETS - ENDING OF YEAR</strong></td>
<td>2,324,788</td>
<td>2,334,185</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these financial statements.
NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
STATEMENTS OF CASH FLOWS
FOR THE FISCAL YEARS ENDED MARCH 31

<table>
<thead>
<tr>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flows provided from (used for) operating activities</td>
<td></td>
</tr>
<tr>
<td>Cash received from fees</td>
<td>$ 2,259,460</td>
</tr>
<tr>
<td>Other cash received</td>
<td>1,947</td>
</tr>
<tr>
<td>Cash payments to employees for services</td>
<td>(696,877)</td>
</tr>
<tr>
<td>Cash payments for administrative, examination, and building expenses</td>
<td>(1,578,491)</td>
</tr>
<tr>
<td><strong>Net cash used for operating activities</strong></td>
<td><strong>(13,961)</strong></td>
</tr>
<tr>
<td>Cash flows provided from (used for) capital and related financing activities</td>
<td></td>
</tr>
<tr>
<td>Acquisition of capital assets</td>
<td>(42,634)</td>
</tr>
<tr>
<td>Proceeds from the sale of assets</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net cash used for capital and related financing activities</strong></td>
<td><strong>(42,634)</strong></td>
</tr>
<tr>
<td>Cash flows provided from (used for) investing activities</td>
<td></td>
</tr>
<tr>
<td>Proceeds from maturing certificate of deposit</td>
<td>1,626,057</td>
</tr>
<tr>
<td>Purchases of certificates of deposit</td>
<td>(1,786,000)</td>
</tr>
<tr>
<td>Interest on investments</td>
<td>61,894</td>
</tr>
<tr>
<td>Rental income</td>
<td>36,544</td>
</tr>
<tr>
<td>Rental building expense</td>
<td>(7,153)</td>
</tr>
<tr>
<td><strong>Net cash provided from (used for) investing activities</strong></td>
<td><strong>(68,658)</strong></td>
</tr>
<tr>
<td><strong>Net decrease in cash</strong></td>
<td><strong>(125,253)</strong></td>
</tr>
<tr>
<td>Cash - beginning of year</td>
<td>383,885</td>
</tr>
<tr>
<td><strong>Cash - end of year</strong></td>
<td><strong>$ 258,632</strong></td>
</tr>
<tr>
<td>Reconciliation of operating loss</td>
<td></td>
</tr>
<tr>
<td>to net cash provided used for operating activities</td>
<td></td>
</tr>
<tr>
<td>Operating loss</td>
<td>$ (113,591)</td>
</tr>
<tr>
<td>Adjustments to reconcile operating loss to net cash used for operating activities:</td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>67,538</td>
</tr>
<tr>
<td>Changes in assets and liabilities</td>
<td></td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>(50,467)</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>(6,557)</td>
</tr>
<tr>
<td>Due to examination vendors</td>
<td>91,527</td>
</tr>
<tr>
<td>Unearned revenue</td>
<td>(12,500)</td>
</tr>
<tr>
<td>Accrued vacation</td>
<td>10,089</td>
</tr>
<tr>
<td><strong>Total adjustments</strong></td>
<td><strong>99,630</strong></td>
</tr>
<tr>
<td><strong>Net cash used for operating activities</strong></td>
<td><strong>$ (13,961)</strong></td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these financial statements.
Note 1 - Nature of Activities and Significant Accounting Policies

Description of Organization and Reporting Entity

The North Carolina State Board of Certified Public Accountant Examiners is an independent State agency. It is an occupational licensing board authorized by Chapters 93 and 93B of the North Carolina General Statutes (NCGS). The Board is composed of seven members: five persons who are holders of valid and unrevoked certified public accountant certificates issued under the provisions of NCGS 93, and two persons who are not certified public accountants and represent the public at large. All members are appointed by the Governor.

The Board's primary responsibilities are to administer the Uniform CPA Examination, to grant certificates of qualification as certified public accountants to qualified persons, to register certified public accounting firms, and to enforce all statutes and rules of NCGS Chapter 93, and the North Carolina Administrative Code, Title 21, Chapter 08.

The Board's operations are financed with self-generated revenues from fees charged to examinees and licensees. As of March 31, 2008 and 2007, the Board had approximately 17,475 and 17,191 licensees, respectively.

GASB Codification Section 2100 has defined the governmental reporting entity to be the State of North Carolina because the State exercises oversight responsibility in that the Governor appoints the Board members and public service is rendered within the State's boundaries. The accompanying financial statements present only the activity of the North Carolina State Board of Certified Public Accountant Examiners. Annually, the State of North Carolina issues basic financial statements which include the activity of occupational licensing boards.

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting principles and reporting standards. The Board applied all applicable Financial Accounting Standards Board (FASB) pronouncements issued after November 30, 1989.

All activities of the Board are accounted for within a single proprietary (enterprise) fund. Proprietary funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.
Note 1 - Nature of Activities and Significant Accounting Policies - continued

Basis of Accounting

In accordance with current GASB statements, the Board presents Statements of Net Assets; Statements of Revenues, Expenses, and Changes in Net Assets; and Statements of Cash Flows. These statements reflect entity-wide operations of the Board. The Board has no fiduciary funds or component units.

The Statements of Revenues, Expenses, and Changes in Net Assets demonstrate the degree to which the direct expenses of the Board are offset by examination and license fees.

The financial statements report all activities of the North Carolina State Board of Certified Public Accountant Examiners using the current financial resource measurement focus and the full accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and become measurable. Expenses are recognized when incurred, if measurable.

Operating revenues and expenses consist of those revenues and expenses that result from the ongoing principal operations of the Board. Operating revenues consist primarily of examination and license fees. Non-operating revenues and expenses consist of those revenues and expenses that are related to rental and investing types of activities and are classified as non-operating in the financial statements. Building expenses are allocated to operating and non-operating activities based on square footage.

Budget Practices

A budget for fiscal year ended March 31, 2008, was adopted by the Board and is prepared and reported on the accrual basis of accounting. Although budgeted amounts lapse at year-end, the Board retains its unexpended net assets to fund expenses of the succeeding year.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Board considers all investments with a maturity of three months or less when purchased to be cash.
Note 1 - Nature of Activities and Significant Accounting Policies - continued

Certificates of Deposit

As of March 31, 2008, the Board owned the following certificates of deposit at local financial institutions:

<table>
<thead>
<tr>
<th>Maturity Date</th>
<th>Rate</th>
<th>Fair Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>06/19/08</td>
<td>4.650%</td>
<td>$97,036</td>
</tr>
<tr>
<td>06/21/08</td>
<td>4.250%</td>
<td>326,104</td>
</tr>
<tr>
<td>06/27/08</td>
<td>4.750%</td>
<td>303,684</td>
</tr>
<tr>
<td>06/27/08</td>
<td>4.750%</td>
<td>303,490</td>
</tr>
<tr>
<td>06/30/08</td>
<td>5.000%</td>
<td>97,000</td>
</tr>
<tr>
<td>07/28/08</td>
<td>3.900%</td>
<td>97,685</td>
</tr>
<tr>
<td>12/29/08</td>
<td>4.750%</td>
<td>95,727</td>
</tr>
<tr>
<td>01/29/09</td>
<td>4.200%</td>
<td>201,356</td>
</tr>
</tbody>
</table>

Total certificates of deposit $1,522,082

Noncurrent Assets

Administrative costs receivable represents the amount of administrative costs reimbursement negotiated in Consent Orders and Consent Judgments that is required to be paid in the fiscal year ended March 31, 2010. The amount of administrative costs required to be paid in the fiscal year ended March 31, 2009 is reflected in accounts receivable. The amount has been discounted (4%) to account for the present value of money. No allowance for bad debts is provided for since management believes all administrative costs are collectible.
Note 1 - Nature of Activities and Significant Accounting Policies - continued

Property and Equipment

Property and equipment are stated at cost and are being depreciated over their useful lives on a straight-line basis. The Board's policy is to capitalize property and equipment when acquired at a cost of $500 or more. A summary follows:

<table>
<thead>
<tr>
<th></th>
<th>Beginning Balance</th>
<th>Additions</th>
<th>Retirements</th>
<th>Ending Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>$300,000</td>
<td>$</td>
<td>$</td>
<td>$300,000</td>
</tr>
<tr>
<td>Building</td>
<td>782,127</td>
<td>$</td>
<td>$</td>
<td>782,127</td>
</tr>
<tr>
<td>Furniture</td>
<td>117,471</td>
<td>$</td>
<td>$</td>
<td>117,471</td>
</tr>
<tr>
<td>Equipment</td>
<td>159,459</td>
<td>22,973</td>
<td>$</td>
<td>182,432</td>
</tr>
<tr>
<td>Software</td>
<td>110,633</td>
<td>19,661</td>
<td>$</td>
<td>130,294</td>
</tr>
<tr>
<td>Vehicle</td>
<td>20,038</td>
<td>$</td>
<td>$</td>
<td>20,038</td>
</tr>
<tr>
<td><strong>Totals at historical cost</strong></td>
<td><strong>1,489,728</strong></td>
<td><strong>42,634</strong></td>
<td><strong>$</strong></td>
<td><strong>1,532,362</strong></td>
</tr>
</tbody>
</table>

Less accumulated depreciation for:

<table>
<thead>
<tr>
<th></th>
<th>Beginning</th>
<th>Additions</th>
<th>Retirements</th>
<th>Ending</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building</td>
<td>(173,270)</td>
<td>(25,406)</td>
<td>$</td>
<td>(198,676)</td>
</tr>
<tr>
<td>Furniture</td>
<td>(115,420)</td>
<td>(240)</td>
<td>$</td>
<td>(115,660)</td>
</tr>
<tr>
<td>Equipment</td>
<td>(105,068)</td>
<td>(21,764)</td>
<td>$</td>
<td>(126,832)</td>
</tr>
<tr>
<td>Software</td>
<td>(24,193)</td>
<td>(22,472)</td>
<td>$</td>
<td>(46,665)</td>
</tr>
<tr>
<td>Vehicle</td>
<td>(3,674)</td>
<td>(4,008)</td>
<td>$</td>
<td>(7,682)</td>
</tr>
<tr>
<td><strong>Total accumulated depreciation</strong></td>
<td><strong>(421,625)</strong></td>
<td><strong>(73,890)</strong></td>
<td><strong>$</strong></td>
<td><strong>(495,515)</strong></td>
</tr>
</tbody>
</table>

Capital assets, net

|               | $1,068,103 | $(31,256) | $        | $1,036,847 |

When an asset is disposed of, the cost of the asset and the related accumulated depreciation are removed from the financial records. Any gain or loss on disposition is reflected in the earnings for the period.

Vacation and Sick Leave

Board employees may accumulate up to 30 days earned vacation and such leave is fully vested when earned. The executive director may accumulate up to 45 days earned vacation. On March 31, accrued vacation in excess of the limits is transferred and added to sick leave balances.

The Board's sick leave policy provides for an unlimited accumulation of earned sick leave. Since the Board has no obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been recognized.
Note 1 - Nature of Activities and Significant Accounting Policies - continued

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates, resulting in adjustments in future periods.

Note 2 - Deposits and Investments

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates and to protect principal, the Board’s investment policy limits its investments to maturities that coincide with required cash flows and to accounts and financial instruments of the highest quality as follows:

(1) Obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States.

(2) Obligations of the State of North Carolina.

(3) Time deposits of financial institutions with a physical presence in North Carolina.

Custodial Credit Risk. The Board maintains accounts consisting of cash, certificates of deposit, and money market funds with four banks in which the Federal Depository Insurance Corporation (FDIC) insurance of $100,000 per depositor was exceeded by a combined total of $734,634 on March 31, 2008. Management believes there is minimum credit risk relative to its cash investments. Throughout the fiscal year the Board’s deposits exceeded the amounts insured by the Federal Deposit Insurance Corporation.

Note 3 – Unearned Revenue

For both 2008 and 2007 certificate renewal fees collected in advance are recorded as unearned revenue at year-end and recognized as revenue when the license period begins in the next fiscal year.

Note 4 - Net Assets

Invested in capital assets - This component of net assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any borrowings that are attributable to the acquisition, construction, or improvement of those assets.
Note 4 - Net Assets - continued

Unrestricted net assets - This component of net assets consists of net assets that do not meet the definition of restricted or invested in capital assets.

The Board has designated a portion of the unrestricted net assets to cover future activities. The Board may change such designated amounts based on perceived operating conditions and situations. Designated amounts at March 31, 2008 were as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Litigation</td>
<td>$600,000</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>$300,000</td>
</tr>
<tr>
<td>Capital asset acquisitions and/or improvements</td>
<td>$300,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$1,200,000</strong></td>
</tr>
</tbody>
</table>

Note 5 - Operating Leases

The Board relocated staff to a portion of the previously leased space and signed a three-year lease agreement with the North Carolina Cleanwater Management Trust Fund effective April 1, 2006, for the remaining space. The Board has agreed to allow the North Carolina Cleanwater Management Trust Fund to vacate the premises effective September 30, 2008 without penalty. Future minimum lease income for the fiscal year ended March 31, 2009 will be $18,272.

Note 6 - Pension Plan

The Board participates in the North Carolina Licensing Board Retirement Savings Plan, a defined contribution plan. A 6% contribution, based on eligible employee compensation, is made monthly by both employer and employee. Employees are eligible to participate in the plan immediately upon employment. Employees are vested 20% for each year of service and may make voluntary contributions to the plan over their 6% contribution. The 401(k) plan is administered by Prudential Insurance Company of America. Pension costs, including administrative fees, totaled $36,223 and $38,936 for 2008 and 2007, respectively. Employee contributions totaled $49,255 and $53,118 for 2008 and 2007, respectively.

Note 7 - Risk Management

The Board is exposed to various risks of loss related to torts; theft of, damage to, and the destruction of assets; errors and omissions; injuries to employees; and natural disasters. Tort claims of Board members up to $1,000,000 are self-insured by the State under the authority of the State Tort Claims Act. Additional coverage is provided to the Board under
Note 7 - Risk Management - continued

the State's public officers' and employees' liability insurance contract with a private insurance company. The amount of coverage per person is $5,000,000, increasing to $10,000,000 effective July 1, 2008. The Board also protects itself from exposures to loss through the purchase of commercial insurance, of which coverage includes Board members, building and contents, commercial liability, workers compensation and employers' liability, and vehicle.

Note 8 – Scholarship Award Programs

Effective April 1, 2006, the Board approved a Uniform CPA Examination “coupon” program and graduate-level scholarship award program. The cost of the “coupon” program totaled $19,719 and $18,584 for 2008 and 2007, respectively and is netted against examination revenues. The graduate-level scholarships totaled $15,000 and $8,000 for 2008 and 2007, respectively and are reported in administrative expenses.
NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

SUPPLEMENTARY SCHEDULES
# NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
## SUPPLEMENTARY SCHEDULES OF ADMINISTRATIVE EXPENSES
FOR THE FISCAL YEARS ENDED MARCH 31

<table>
<thead>
<tr>
<th>Administrative Expenses</th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and employee benefits</td>
<td>$ 893,900</td>
<td>$ 867,671</td>
</tr>
<tr>
<td>Legal counsel and hearing expense</td>
<td>162,215</td>
<td>216,692</td>
</tr>
<tr>
<td>Travel and <em>per diem</em> - Board members</td>
<td>67,156</td>
<td>85,991</td>
</tr>
<tr>
<td>Postage</td>
<td>83,501</td>
<td>84,502</td>
</tr>
<tr>
<td>Depreciation</td>
<td>48,484</td>
<td>38,619</td>
</tr>
<tr>
<td>Printing</td>
<td>40,745</td>
<td>37,857</td>
</tr>
<tr>
<td>Credit card fees for license renewals</td>
<td>35,455</td>
<td>33,612</td>
</tr>
<tr>
<td>Staff travel</td>
<td>24,953</td>
<td>28,512</td>
</tr>
<tr>
<td>Internet website</td>
<td>14,151</td>
<td>26,136</td>
</tr>
<tr>
<td>Computer programming and assistance</td>
<td>19,879</td>
<td>19,617</td>
</tr>
<tr>
<td>Office supplies</td>
<td>12,164</td>
<td>12,623</td>
</tr>
<tr>
<td>Insurance</td>
<td>9,037</td>
<td>9,190</td>
</tr>
<tr>
<td>Scholarships</td>
<td>15,000</td>
<td>8,000</td>
</tr>
<tr>
<td>Telephone</td>
<td>6,583</td>
<td>7,414</td>
</tr>
<tr>
<td>Dues</td>
<td>7,250</td>
<td>7,245</td>
</tr>
<tr>
<td>Audit fees</td>
<td>5,900</td>
<td>5,630</td>
</tr>
<tr>
<td>Clipping service</td>
<td>2,687</td>
<td>3,239</td>
</tr>
<tr>
<td>Continuing education</td>
<td>2,047</td>
<td>3,235</td>
</tr>
<tr>
<td>Subscriptions</td>
<td>6,269</td>
<td>2,364</td>
</tr>
<tr>
<td>Repairs and maintenance on equipment</td>
<td>4,668</td>
<td>2,133</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>2,125</td>
<td>1,656</td>
</tr>
<tr>
<td>Payroll service</td>
<td>1,497</td>
<td>1,430</td>
</tr>
<tr>
<td>Clerical expense - Board members</td>
<td>750</td>
<td>1,000</td>
</tr>
<tr>
<td>Computer software</td>
<td>13,312</td>
<td>420</td>
</tr>
<tr>
<td>Equipment rental</td>
<td>540</td>
<td>270</td>
</tr>
<tr>
<td>Banking fees</td>
<td>350</td>
<td>74</td>
</tr>
<tr>
<td><strong>Total Administrative Expenses</strong></td>
<td><strong>$ 1,480,618</strong></td>
<td><strong>$ 1,505,132</strong></td>
</tr>
</tbody>
</table>
NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
SUPPLEMENTARY SCHEDULES OF EXAMINATION EXPENSES
FOR THE FISCAL YEARS ENDED MARCH 31

<table>
<thead>
<tr>
<th>EXAMINATION EXPENSES</th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Examinations and grading</td>
<td>$ 865,765</td>
<td>$ 653,536</td>
</tr>
<tr>
<td>Postage</td>
<td>600</td>
<td>1,000</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>-</td>
<td>176</td>
</tr>
<tr>
<td><strong>TOTAL EXAMINATION EXPENSES</strong></td>
<td><strong>$ 866,365</strong></td>
<td><strong>$ 654,712</strong></td>
</tr>
</tbody>
</table>
NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
SUPPLEMENTARY SCHEDULES OF BUILDING EXPENSES
FOR THE FISCAL YEARS ENDED MARCH 31

<table>
<thead>
<tr>
<th>OPERATING BUILDING EXPENSES</th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation</td>
<td>$19,054</td>
<td>$19,186</td>
</tr>
<tr>
<td>Improvements</td>
<td>-</td>
<td>869</td>
</tr>
<tr>
<td>Utilities</td>
<td>9,766</td>
<td>9,536</td>
</tr>
<tr>
<td>Maintenance</td>
<td>9,799</td>
<td>11,020</td>
</tr>
<tr>
<td>Insurance</td>
<td>1,895</td>
<td>1,765</td>
</tr>
<tr>
<td><strong>TOTAL OPERATING BUILDING EXPENSES</strong></td>
<td><strong>$40,514</strong></td>
<td><strong>$42,376</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>NON-OPERATING BUILDING EXPENSES</th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation</td>
<td>$6,352</td>
<td>$6,059</td>
</tr>
<tr>
<td>Improvements</td>
<td>-</td>
<td>1,202</td>
</tr>
<tr>
<td>Utilities</td>
<td>3,256</td>
<td>3,012</td>
</tr>
<tr>
<td>Maintenance</td>
<td>3,266</td>
<td>3,480</td>
</tr>
<tr>
<td>Insurance</td>
<td>631</td>
<td>558</td>
</tr>
<tr>
<td><strong>TOTAL NON-OPERATING BUILDING EXPENSES</strong></td>
<td><strong>$13,505</strong></td>
<td><strong>$14,311</strong></td>
</tr>
</tbody>
</table>
## Revenues, Expenses, and Changes in Net Assets

### For the Fiscal Year Ended March 31, 2008

<table>
<thead>
<tr>
<th></th>
<th>Budget</th>
<th>Actual</th>
<th>Over (Under)</th>
<th>Budget</th>
<th>Actual</th>
<th>Over (Under)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Examination fees</td>
<td>$ 959,335</td>
<td>$ 1,253,245</td>
<td>$ 293,910</td>
<td>$ 812,050</td>
<td>$ 974,994</td>
<td>$ 162,944</td>
</tr>
<tr>
<td>Licensing fees</td>
<td>1,064,700</td>
<td>1,018,714</td>
<td>(45,986)</td>
<td>1,036,250</td>
<td>984,830</td>
<td>(51,420)</td>
</tr>
<tr>
<td>Other</td>
<td>113,544</td>
<td>119,646</td>
<td>6,102</td>
<td>117,689</td>
<td>120,369</td>
<td>2,680</td>
</tr>
<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td>2,137,579</td>
<td>2,391,605</td>
<td>254,026</td>
<td>1,965,989</td>
<td>2,080,193</td>
<td>114,204</td>
</tr>
</tbody>
</table>

### For the Fiscal Year Ended March 31, 2007

<table>
<thead>
<tr>
<th></th>
<th>Budget</th>
<th>Actual</th>
<th>Over (Under)</th>
<th>Budget</th>
<th>Actual</th>
<th>Over (Under)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EXPENSES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personnel</td>
<td>949,248</td>
<td>922,159</td>
<td>(27,089)</td>
<td>902,086</td>
<td>899,418</td>
<td>(2,668)</td>
</tr>
<tr>
<td>Examination</td>
<td>646,900</td>
<td>866,365</td>
<td>219,465</td>
<td>503,223</td>
<td>654,712</td>
<td>151,489</td>
</tr>
<tr>
<td>Office</td>
<td>273,331</td>
<td>279,853</td>
<td>6,522</td>
<td>263,604</td>
<td>263,412</td>
<td>(192)</td>
</tr>
<tr>
<td>Board and legal</td>
<td>257,756</td>
<td>230,121</td>
<td>(27,635)</td>
<td>265,385</td>
<td>303,683</td>
<td>38,298</td>
</tr>
<tr>
<td>Building</td>
<td>33,700</td>
<td>28,613</td>
<td>(5,087)</td>
<td>41,618</td>
<td>31,442</td>
<td>(10,176)</td>
</tr>
<tr>
<td>Depreciation</td>
<td>-</td>
<td>73,891</td>
<td>73,891</td>
<td>-</td>
<td>63,864</td>
<td>63,864</td>
</tr>
<tr>
<td><strong>TOTAL EXPENSES</strong></td>
<td>2,160,935</td>
<td>2,401,002</td>
<td>240,067</td>
<td>1,975,916</td>
<td>2,216,531</td>
<td>240,615</td>
</tr>
</tbody>
</table>

### CHANGE IN NET ASSETS

- 2008: (23,356)  
- 2007: (9,927)  

### NET ASSETS - BEGINNING OF YEAR

- 2008: 2,334,185  
- 2007: 2,470,523  

### NET ASSETS - END OF YEAR

- 2008: $ 2,310,829  
- 2007: $ 2,460,596  

- (126,411)
NORTH CAROLINA  
WAKE COUNTY  
BEFORE THE NORTH CAROLINA STATE BOARD OF  
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS  
CASE #: C2007641

IN THE MATTER OF:  
Barbara R. Cheek #16162  
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 16162 as a Certified Public Accountant.

2. Respondent informed the Board on her 2006 Report of Continuing Professional Education for CPE Audit Purposes that she had failed to obtain the required North Carolina ethics course before December 30, 2006.

3. Upon further inquiry by Board staff regarding the North Carolina ethics course, Respondent stated she had not completed a North Carolina ethics course for the 2005 CPE year and the 2006 CPE year as she thought the ethics requirement was only for new CPAs.

4. Based on Respondent’s representations on her renewals for 2005 and 2006, that she had completed a North Carolina ethics course for the 2005 CPE year and the 2006 CPE year, the Board accepted her renewal.

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

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

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

2. Respondent’s actions as set out above constitute violations of NCGS 93-12(8b)a, 93-12(9)c and 93-12(9)e and 21 NCAC 08J .0101(b), 08N .0202(a), .0202(b)3, .0202(b)4, and .0203(b)(1).

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

1. Respondent’s application for renewal is insufficient and untimely under NCGS 150-B-3(a). Hence, her certificate is automatically forfeited pursuant to NCGS 93-12(8b).

2. Respondent must return her certificate to the Board with this signed Consent Order.

3. Respondent may not apply for the reinstatement of her certificate for at least ninety (90) days from the date the Board receives Respondent’s forfeited certificate and until the civil penalty required in number five (5) of this Order has been paid by Respondent.

4. Respondent may apply to return her certificate to active status by submission and approval of a reinstatement application which includes:
   a. Application form,
   b. Payment of the application fee,
   c. 3 moral character affidavits, and
   d. 40 hours of CPE in 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.

5. Respondent shall pay a one thousand dollar ($1,000.00) civil penalty to be remitted within six months of the date this signed Order is accepted by the Board.

5. 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 license.
CONSENTED TO THIS THE 13th DAY OF June, 2007.

[Signature]
Barbara Cheek
Respondent


NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

[Signature]
President
THE NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

IN THE MATTER OF:  
Gloria Kimbrough-Hicks  
Respondent

NOTICE OF APPARENT VIOLATION AND DEMAND TO CEASE AND DESIST

TO THE ABOVE NAMED RESPONDENT:

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

WHEREAS, pursuant to N.C.G.S. §93-1, a “certified public accountant” is defined as “a person who holds a certificate as a certified public accountant issued to him under the provisions of this chapter;” and,

WHEREAS, pursuant to N.C.G.S. §93-6, “It shall be unlawful for any person to engage in the public practice of accountancy in this State who is not a holder of a certificate as a certified public accountant issued by the Board, unless such person uses the term ‘accountant’ and only the term ‘accountant’ in connection with his name on all reports, letters of transmittal, or advice, and on all stationery and documents used in connection with his services as an accountant, and refrains from the use in any manner of any other title or designation in such practice;” and,

WHEREAS, pursuant to N.C.G.S. §93-13, the Board may institute proceedings in an appropriate court seeking civil penalties of $1,000.00 for each violation of the Act; and,

WHEREAS, Respondent Gloria Kimbrough-Hicks (hereinafter “Respondent Kimbrough-Hicks”) is not licensed by the Board as a certified public accountant; and,

WHEREAS, Respondent Kimbrough-Hicks allowed her name to appear as a CPA in an on-line press release, and as a “licensed accountant” on a website for KBS Accounting Firm, LLC, Respondent Kimbrough-Hicks thereby conveyed the false impression that she is authorized to engage in the public practice of accountancy, using a title other than ‘accountant’ when, in fact, she is not lawfully authorized to use the titles “licensed accountant,” “certified public accountant,” or “CPA” in this State. Such representations are misleading and contrary to N.C.G.S. §93-6.

THEREFORE, Respondent Kimbrough-Hicks is hereby notified and the North Carolina State Board of Certified Public Accountant Examiners demands that she immediately cease and desist from use of the titles “licensed accountant,” “certified public accountant,” or “CPA” and identify herself only as “accountant.”

North Carolina State Board of Certified Public Accountant Examiners

BY:  
Robert N. Brooks, Executive Director

DATE:  
Aug 29, 2008

Jun 16 2008
In lieu of civil proceedings authorized by N.C.G.S. §93-12(16), the Board will accept Respondent’s consent to this Demand.

Consented to:

BY:  

DATE:  6/11/08

North Carolina  State

Wake  County

Sworn to (or affirmed) and subscribed before me this day by Gloria Kinbrough-Hicks

[If I have personal knowledge of the identity of the principal(s)] [I have seen satisfactory evidence of the principal’s identity, by a current state or federal identification with the principal’s photograph in the form of a NCOL 25040031] [a credible witness has sworn to the identity of the principal(s)]

J. Ezra Rubi
Notary Public
Wake County
State of North Carolina
My Commission Expires Nov 1, 2010

Date  06/12/08

*ATTENTION NOTARY: NCGS 10B-24(a) states, “Near the notary's official signature on the notarial certificate of a paper record, the notary shall place a sharp, legible, permanent, and photographically reproducible image of the official seal.”
THE NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

IN THE MATTER OF:
John L. Swaine
Respondent

NOTICE OF APPARENT VIOLATION
AND DEMAND TO CEASE AND DESIST

TO THE ABOVE NAMED RESPONDENT:

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

WHEREAS, pursuant to N.C.G.S. §93-1, a “certified public accountant” is defined as “a person who holds a certificate as a certified public accountant issued to him under the provisions of this chapter;” and,

WHEREAS, pursuant to N.C.G.S. §93-3, “it shall be unlawful for any person who has not received a certificate of qualification admitting him to practice as a certified public accountant to assume or use such a title, or to use any words, letters, abbreviations, symbols or other means of identification to indicate that the person using same has been admitted to practice as a certified public accountant;” and,

WHEREAS, pursuant to N.C.G.S. §93-13, the Board may institute proceedings in an appropriate court seeking civil penalties of $1,000.00 for each violation of the Act; and,

WHEREAS, Respondent John L. Swaine (hereinafter “Respondent Swaine”) is not licensed by the Board as a certified public accountant; and,

WHEREAS, Respondent Swaine allowed his name to appear as a CPA on financial documents for Industries of the Blind, Inc., Respondent Swaine thereby conveyed the false impression that he is authorized to use the titles “certified public accountant” or “CPA” in this State. Such representations are misleading and contrary to N.C.G.S. §93-6.

THEREFORE, Respondent Swaine is hereby notified and the North Carolina State Board of Certified Public Accountant Examiners demands that he immediately cease and desist from use of the titles “certified public accountant” or “CPA.”

North Carolina State Board of Certified Public Accountant Examiners

BY:  
Robert N. Brooks, Executive Director

DATE:  
May 17, 2008

In lieu of civil proceedings authorized by N.C.G.S. §93-12(16), the Board will accept Respondent’s consent to this Demand.
Consented to:

BY: John L. Swaine
Date: 5/28/2008

State

County

Sworn to (or affirmed) and subscribed before me this day by John L. Swaine
[I have personal knowledge of the identity of the principal(s)] [I have seen satisfactory evidence of the principal's identity, by a current state or federal identification with the principal's photograph in the form of a Virginia Drivers License #768-77-0036] [a credible witness has sworn to the identity of the principal(s) John L. Swaine]

Sandra Cagle Taylor
Notary Public Signature

Sandra Cagle Taylor
Notary Public Printed Name

May 28, 2008
Date

June 19, 2010
My Commission Expires

*ATTENTION NOTARY: NCGS 10B-24(a) states, "Near the notary's official signature on the notarial certificate of a paper record, the notary shall place a sharp, legible, permanent, and photographically reproducible image of the official seal."
CONSENT ORDER

IN THE MATTER OF:
James O. McLamb, #19680
Respondent

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #: C20083548

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 19680 as a Certified Public Accountant.

2. Respondent was charged by the United States Attorney’s office with tax conspiracy. (Exhibit 1)

3. On June 2, 2008, Respondent waived prosecution by indictment (Exhibit 2) and plead guilty to tax conspiracy. (Exhibit 3)

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

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

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

2. Respondent’s actions as set out above constitute violations of NCGS 93-12 (9) a, b, d, and e and 21 NCAC 8N .0103, .0201, .0202, .0203, .0204, and .0207.
Consent Order - 2
James O. McLamb

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. The Certified Public Accountant certificate issued to Respondent, James O. McLamb, is hereby permanently revoked.


[Signature]
Respondent


NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

[Signature]
President
NORTH CAROLINA  BEFORE THE NORTH CAROLINA STATE BOARD OF
WAKE COUNTY  CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

Case #: C20071255

IN THE MATTER OF:
Robert F. Yoakum, Jr.
Petitioner

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 July 21, 2008, that:

FINDINGS OF FACT

1. The Parties have been properly identified.

2. The Board has jurisdiction over this matter.

3. Petitioner received at least fifteen (15) days written Notice of the Hearing of this Matter either by personal service or certified mail or otherwise has no objection to the Notice of Hearing.

4. Venue is proper and the Noticed Hearing was properly held at 1101 Oberlin Road, Raleigh, North Carolina.

5. Petitioner had no objection to any Board Member's participation in the Hearing of this Matter.

6. Petitioner was present at the hearing and was represented by counsel.

7. Petitioner has applied for licensure as a North Carolina Certified Public Accountant. In September 2005, Board staff received a statement from a former employer of Petitioner. The former employer, a CPA firm registered in this state, recounted dishonest conduct including fraudulent billing practices that Petitioner allegedly committed while employed at the CPA firm. The statement also contained information which contradicted Petitioner’s August 5, 2004, application for the Uniform CPA Examination.
8. Board staff immediately forwarded the statement from the former employer to Petitioner, requesting that Petitioner respond to the statement. Petitioner claims that he responded to Board staff's inquiry; however, the Board's records reflect that the Board staff did not receive a timely response to that inquiry.

9. Board staff thus denied Petitioner's application for licensure as a North Carolina Certified Public Accountant on the grounds that Petitioner has failed to meet his burden of proving good moral character in light of the undisputed statement from the former employer.

10. Petitioner has contested the denial of his application for licensure as a North Carolina Certified Public Accountant.

11. Pursuant to adequate Notice, the Board conducted a hearing in this matter at which Petitioner testified that the allegations in the former employer's statement were generally incorrect. Petitioner's evidence was directly contradicted by substantial evidence including the testimony and corroborating documents provided by witnesses on behalf of the former employer.

CONCLUSIONS OF LAW

1. Petitioner failed to comply with NCGS 93-12(5) and (9)(c),(d), and (e) and 21 NCAC 08F .0111(a) and 08N .0201.

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

1. Petitioner's application for licensure in North Carolina is denied.

This the **21st** day of **July 2008**.

NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

BY: [Signature]
President
IN THE MATTER OF:
John W. Griffin
Petitioner

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 July 21, 2008, that:

FINDINGS OF FACT

1. The Parties have been properly identified.

2. The Board has jurisdiction over this matter.

3. Petitioner received at least fifteen (15) days written Notice of the Hearing of this Matter either by personal service or certified mail or otherwise has no objection to the Notice of Hearing.

4. Venue is proper and the Noticed Hearing was properly held at 1101 Oberlin Road, Raleigh, North Carolina.

5. Petitioner had no objection to any Board Member’s participation in the Hearing of this Matter.

6. Petitioner was present at the hearing and was represented by counsel.

7. Petitioner has applied for licensure as a North Carolina Certified Public Accountant. Board staff determined that Petitioner had his real estate appraiser license revoked by the North Carolina Appraisal Board for false representation of appraisal experience to procure certification and willful misrepresentation of a fact by altering appraisal files to support his false claims of experience.

8. Board staff denied Petitioner’s application for licensure as a North Carolina Certified Public Accountant.
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John W. Griffin

9. Petitioner has contested the denial of his application for licensure as a North Carolina Certified Public Accountant.

10. Petitioner contends and has offered some evidence that, despite the serious nature of the facts regarding the revocation of his real estate appraiser license, Petitioner has set his life in order and has exhibited good moral character in all phases of his personal life and professional career.

CONCLUSIONS OF LAW

1. In light of the findings above, Petitioner has met the burden of proof of showing good moral character in compliance with NCGS 93-12(5) ..

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

1. Petitioner's application for licensure in North Carolina is approved subject to the filing of a true, correct and complete application for an original certificate.

This the ___21st___ day of ___July 2008__

NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

BY: ________________________________
President