PUBLIC SESSION MINUTES
North Carolina State Board of CPA Examiners
December 17, 2008
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; 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: James T. Ahler, CEO, NCACPA; John Morgan, CPA, Esq.; Debbie Lambert, CPA,
NCACPA; David Horne, Esq., Legal Counsel-NCACPA; and Curt Lee, Legislative Liaison,
NCSA.

CALL TO ORDER: President Winstead called the meeting to order at 10:07 a.m.

MINUTES: The minutes of the November 17, 2008, meeting were approved as submitted.

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

LEGISLATIVE AND RULE-MAKING ITEMS: The Board reviewed and discussed the drafts
of mobility legislation presented by the Board’s Mobility Committee and the NCACPA. Messrs.
Jordan and Harris moved to approve a draft with the changes as discussed during the
meeting. Motion passed with six (6) affirmative and zero (0) negative votes.

NATIONAL ORGANIZATION ITEMS: Mr. Barber and Mr. Brooks reported on their
attendance at the Southeastern Board of Examiners Exam Forum which was held on
December 8, 2008, in Atlanta, GA.

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

C20085091 – Approve a Notice of Hearing for Keith A. Shipman for April 21, 2009, at 10:00 a.m.
C20085169 – Approve a Notice of Hearing for Hana Ickes for April 21, 2009, at 10:00 a.m.
C2008932 – Close the case without prejudice.
C2008939 - Close the case without prejudice.
C20085846 - Close the case without prejudice and with a Letter of Warning.
REPORT OF THE PROFESSIONAL EDUCATION AND APPLICATIONS COMMITTEE:
Ms. Lynch moved and the Board approved the following recommendations of the Committee:

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

Frank Carollo  Adrienne L. Crutch

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

David Charles Schwartz T5216  Janis Wong T5231
Jacqueline Anne O'Connell T5217  Richard Gary Gilbert Jr. T5256
Lindsey Kay Angus T5218  Amy E. Smith T5257
Maria Anna Newell T5219  Kelly Kathleen Wilcox T5258
Lori Lyn Snodgrass T5220  Vicky Barrow Gupton T5259
Russell Aaron Savage T5221  Lisa Anne Wright T5260
Sukhwa Song T5222  Lauren Elizabeth Joyce T5261
Michael Auguston Jewell T5223  Liqing Gong T5262
Andrew Pickering Harris T5224  Elizabeth Michelle McEuen T5263
Deborah Prentice T5225  Kirk Arthur Broadbooks T5264
Ashraf S. Mehdii T5226  Mark Smith Longley T5265
Peta-Gaye Shaw T5227  Mark Richard Trever T5266
Nicole Linh Ton T5228  Stephanie Lynn Wasilewski T5267
Mark Harry Strausbaugh T5229  Ronald Edward Donnelly T5268
Cathy Elizabeth McKinley T5230  Douglas Brian Hanson T5269

**Reinstatements** - The following were approved:

Steven Michael Chiuchiolo #20896  Karen Downey Lightfoot #20101
Kimberly Ann Cossaart #22899  Michael Alizadeh Nader #30449
Rebecca D. Ganzhorn #16097  LeClerc Gabriel Noneman #13910
Marcia A. Griffin #31053  Benjamin Ira Rogers #28809
James Dawson Hudson #11726  Dorothy Ellen Whiteman #19498
Michelle Sigmon Jones #22312

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

Angela Clemmer Bailey #19387  Michael James Lambert #21011
Ted Allen Burris Jr. #20017  Nadia Maria LoVerde #19802
Barbara Rush Cheek #16162
Firm Registrations - The following professional corporations and professional limited liability companies were approved by the Executive Director and ratified by the Board:

Champion and Barbee, CPAs, P.C.
The Dole Group Certified Public Accountants, Inc.
Donald S. Kinney, CPA, P.C.
Lippman CPA PLLC
Guy D. Sperduto, C.P.A., P.A.

CPE Matters - The Committee approved the following ethics courses. Mr. Winstead abstained from voting on this matter.

- Personal and Professional Ethics Update for North Carolina CPAs (Update) PASSOnline (Board-Approved CPE Sponsor)
- Ethics Principles and Professional Responsibilities (Update) NCACPA (Board-Approved CPE Sponsor)
- 2009 Professional Ethics and Conduct (Update) NCACPA (Board-Approved CPE Sponsor)
- 2009 Professional Ethics and Conduct (Update) Rockness Education Services (Board-Approved CPE Sponsor)
- Ethics and Professional Conduct for North Carolina CPAs (Update) Professional Education Services, LP (NASBA-Approved CPE Sponsor)
- North Carolina Ethics (Update) Accountants Education Group (NASBA-Approved CPE Sponsor)
- Professional Ethics and Conduct (Update) Scharf Pera & Co., PLLC (Board-Approved CPE Sponsor)
- Ethics & Professional Conduct for North Carolina CPAs (Update) Western CPE (NASBA-Approved CPE Sponsor)
- Ethics for North Carolina CPAs: The Keys to Integrity (Update) Professional Accounting Seminars Inc. (NASBA-Approved CPE Sponsor)
- North Carolina Accountancy Law Course - Ethics, Principles and Professional Responsibilities for North Carolina License Applicants (Update) PASS Online (Board-Approved CPE Sponsor)
- Professional Ethics and Conduct for North Carolina CPAs (Update) Pittard Perry & Crone Inc. (Board-Approved CPE Sponsor)
- Ethics 101 (Update) Martin Starnes & Associates, CPAs, P.A. (Board-Approved CPE Sponsor)
- Ethics for North Carolina CPA (Update) Haynes Strand and Company, PLLC (Board-Approved CPE Sponsor)
- Ethics for North Carolina CPAs (Update) SmartPros Ltd. (NASBA-Approved CPE Sponsor)
- Professional Ethics and North Carolina CPA Laws and Rules (Update) Davenport, Marvin, Joyce & Co. LLP (Board-Approved CPE Sponsor)
Staff requested Committee guidance on the acceptability of webcast replays as non-self study CPE required by 21 NCAC 08G .0409(c). Staff’s opinion has been that live webcasts should be considered non-self study because of the interactive nature of a virtual classroom. Recently, staff was asked whether a replay of a webcast would be considered non-self study. After reviewing a replay, staff believes that a replay of a webcast should also be considered non-self study as long as the interactive nature of the original is maintained. The Committee approved staff recommendation.

**Letters of Warning** - Staff reviewed and recommended approval of the requests to rescind the letters of warning awarded to the individuals listed below. The Committee approved staff recommendation:

Dana T. Letchworth #23197  
Daniel M. Stewart #31819

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

| Jenny Addison | Edward Conklin |
| Stephanie Aldridge | George Consolvo |
| Russell Allen | Charlene Cook Contron |
| Sheila Ammons | Melissa Craig |
| Rebeka Arrants | William Craig |
| Jibolu Ayodele | Jason Crawford |
| Stacey Barber | Jesse Crawford |
| Kelly Barnes | Callie Cribb |
| Hirut Benalfew | Amy Crowder |
| Nicole Benford | Paul Cruess |
| James Berenson | Allison Currier |
| Ginny Blalock | Amanda Cuthbertson |
| Paul Blaylock | Melissa Dodson |
| Bonnie Bond | Rene Dorton |
| Mark Bondo | Aaron Duffie |
| Jennilee Botts | Andrew Eaker |
| Susan Bryan | Erica Elliott |
| Cory Bunger | Enajevwe Eruotor |
| Karen Byrd | Patrika Evence |
| Kimberly Byrd | Heather Farrell |
| John Cashmere | Melissa Fish |
| Eric Cheek | Evelyn Forbes |
| Nannetta Christiani | Thomas Forbes, Jr. |
| Dora Clay | Felicia Gadson |
| Alicia Coates | Lewis Garber |
| Shante’ Coleman | Kathleen Gardner |
| Mark Comerford | Alexandra Gatti |
Caroline Geiger
David Gora
Andrew Harmon
Katharine Hendrick
David Herrick
Stefanie Holmes
Justin Hsu
Sherry Inman
Kathy Jackson
Garrett Jernigan
Amy Johnson
Brittany Ann Johnson
Jan Johnson
Ronnie Johnson
LaShaun King
Jody Krueger
Kelly Laderer
Karin Langbehn-Pecaut
Barbara Lathrop
Michael Leclerc
Brian Lee
Alexandra Lewis
Justin Lewis
Amber Maddox
Sean Maloney
Elizabeth Malott
Layla Manning
David Marchand, Jr
Brandon Massie
Zachary McCorkle
Janel McMillan
Michael Means
Melissa Mikita
Cynthia Miller
Justin Miller
Thomas Monte
Eric Murphy
Joseph Murphy
Sarah Noone
Monica Odom
Erin Orsini
Joseph Pancamo
Krystal Parker
Justin Parks
Tara Parks
Lloyd Patillo
Kimberly Patterson
William Perrault
Brian Philbeck
Paul Price, III
Adam Quattlebaum
Michelle Rawls
Matthew Rector
Ian Reifkind
Ashley Reynolds
Mary Roberson
James Rountree
Daniel Ruocco Gonzalez
Karen Russell
Frederick Sam
Jo Anna Sherman
Steven Shook
Angela Shrock
Shantell Shuford
Christy Sigmon
Megan Simpson
Carolyn Smith
Tracey Spruill
Amie Stewart
Willie Tate
Lamyia Thompson
Anthony Traylor
Geordie Ulmer
John Vann
Chaojun Wang
Bridget Wangelin
Michelle Watkins
Courtney Wells
Clare Wesley
Donald Weymer
Carrie Whitley
Gervonia Williams
Laverne Wimbush
Jan Winneke
Mei Xie
Li-Wen Yen
Staff reviewed and recommended approval of a CPA exam application from Laurence Seth Ratnofsky. The Committee approved staff recommendation.

Request for Committee Guidance - Staff reviewed and requested guidance regarding a hypothetical situation. The Committee recommended that the Board proceed to rule-making to allow the use of the word “firm” in a CPA firm name.

PUBLIC HEARING: President Winstead called the Public Hearing to order to hear Case No. 200604-038 – Jennifer Anne Moulton. Ms. Moulton was not present at the Hearing nor was she represented by counsel at the Hearing. Mr. Brooks was sworn and presented testimony. Ms. Lynch and Mr. Clark moved to approve a Board Order (Appendix I) permanently revoking the North Carolina CPA certificate issued to Jennifer Anne Moulton by the Board. Motion passed with six (6) affirmative votes and zero (0) negative votes. The entire Public Hearing is a matter of public record.

CLOSED SESSION: Messrs. Winstead and Jordan moved to enter Closed Session to discuss personnel issues and legal matters with the Executive Staff and Legal Counsel. Motion passed.

PUBLIC SESSION: Messrs. Winstead and Jordan moved to re-enter Public Session to continue with the Agenda.

RESOLUTION: President Winstead read a Resolution (Appendix II) thanking Tyrone Y. Cox, CPA, for his service to the Board. President Winstead instructed the Executive Director to make the Resolution a part of the Minutes

EXECUTIVE STAFF AND LEGAL COUNSEL REPORT: Messrs. Winstead and Jordan moved to approve the hardship distribution for the excess employee contributions amendment and to disapprove the pre-retirement distribution of the retirement account at age 59½ amendment. Motion passed with six (6) affirmative votes and zero (0) negative votes.

ADJOURNMENT: Ms. Lynch and Mr. Barber moved to adjourn the meeting at 1:00 p.m. Motion passed.

Respectfully submitted: ____________________________ Attested to by: ____________________________

Robert N. Brooks
Executive Director

Arthur M. Winstead, Jr., CPA
President
IN THE MATTER OF:
Jennifer Anne Moulton, #25771
   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 December 17, 2008, 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  
Jennifer Anne Moulton

8. Beginning sometime in 2004, while Respondent was still holding an active North Carolina CPA license, she was employed initially as a temporary contract employee and eventually as full time employee of a British company’s U.S. subsidiary located in North Carolina. Respondent became the company’s Director of Finance and Administration and was to oversee accounting, financial reporting, and certain administrative operations. The company authorized Respondent to sign checks for up to $5000. Later, during 2005, the company became concerned that Respondent was untimely in maintaining the company’s books and, in particular, had failed to timely reconcile bank accounts. The company terminated Respondent’s employment in late 2005.

9. Soon thereafter the company conducted an internal review of its books. That internal review revealed substantial evidence that Respondent had made unauthorized personal use of company funds, including: (a) numerous checks (including checks to Respondent) written and presented out of sequence; (b) use of the company’s debit card for Respondent’s personal items including, for example, cosmetic services. The unauthorized expenditures exceeded $20,000. The internal review also uncovered Respondent’s attempts on at least two occasions to return some of the misappropriated funds.

10. Respondent was charged on April 7, 2006, in Wake County with embezzlement and corporate malfeasance, both felonies, on a complaint filed by her former employer. As of the date of this Board’s Hearing on this matter, those charges were still pending.

11. Prior to the forfeiture of Respondent’s certificate, Board staff sent three letters, one by regular mail (returned) and two by certified mail(delivery confirmed), to Respondent at her last known mailing address requesting her response to these charges. To date, Respondent has failed to respond to these Board inquiries.

CONCLUSIONS OF LAW

1. Respondent’s misappropriation of employer funds is a violation of NCGS 93-12(9) and 21 NCAC 08N .0201, .0202(a) and .0203.

2. Respondent’s failure to respond to Board inquiries is a violation of NCGS 93-12(9) and 21 NCAC 08N .0206.
Board Order - 3
Jennifer Anne Moulton

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

1. The Certified Public Accountant certificate issued to Respondent, Jennifer Anne Moulton, is hereby permanently revoked.

This the 17th day of December 2008.

NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

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

RESOLUTION

WHEREAS, Tyrone Y. Cox, CPA, has served as a member of the North Carolina State Board of Certified Public Accountant Examiners since 2005;

WHEREAS, during his tenure he served as Chair of the Professional Education & Applications Committee;

WHEREAS, during his tenure he served as a member of the Audit Committee and the Mobility Task Force;

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

BE IT THEREFORE RESOLVED that the members of the North Carolina State Board of Certified Public Accountant Examiners thank Tyrone Y. Cox, CPA, for his dedicated service, his personal sacrifice to serve the public interest, and his leadership to the Board.

This the 17th day of December 2008.

North Carolina State Board of
Certified Public Accountant Examiners

[Signature]
Arthur M. Winstead, Jr., CPA, President