PUBLIC SESSION MINUTES
North Carolina State Board of CPA Examiners
October 21, 2013
1101 Oberlin Road
Raleigh, NC 27605

MEMBERS ATTENDING: Jose R. Rodriguez, CPA, President; Bucky Glover, CPA, Vice President; Maria M. Lynch, Esq., Secretary-Treasurer; Tawannah G. Allen, Ed.D.; Barton W. Baldwin, CPA; John M. Kledis, CPA; and Michael H. Womble, CPA.

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

GUESTS: Josh Goldman, Director of Professional Development, NCACPA; Jared Plummer, CPA, NCACPA; and Curt Lee, Legislative Liaison, NCSA.

CALL TO ORDER: President Rodriguez called the meeting to order at 10:03 a.m.

MINUTES: The minutes of the September 23, 2013, meeting were approved as submitted.

FINANCIAL AND BUDGETARY ITEMS: The September 2013 financial statements were accepted as submitted.

NATIONAL ORGANIZATION ITEMS: Messrs. Glover and Baldwin moved to approve the response to the Uniform Accountancy Act – Revised Definitions. Motion passed.

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

Case No. C2013067 – Melissa H. Israel, CPA – Approve the signed Consent Order (Appendix I).
Case No. C2013103 – William T. Lovette, CPA – Approve the signed Consent Order (Appendix II).
Case No. C2013148 – Elizabeth W. McMellon, CPA – Approve the signed Consent Order (Appendix III).
Case No. C20171199 – Close the case without prejudice.
Case No. C2012365 - Eugene E. Nicholas, Jr. - Approve a Notice of Hearing for February 24, 2014, at 10:00 a.m.
Case No. 2013157 - Sheila M. Edmonds, CPA - The Board approved the Order (Appendix IV) as consented to by Ms. Edmonds.

REPORT OF THE PROFESSIONAL EDUCATION AND APPLICATIONS COMMITTEE: Ms. Lynch moved and the Board approved the following recommendations of the Committee:

Transfer of Grades Applications - The following were approved:

Matthew Robert Favicchio
Pinar Uman

Original Certificate Applications - The following were approved:

Amber Joy Ogle Anderson
Hannah North Armsby
John Joseph Bernat
Kathryn Pepin Birkett
Lorenzo Augusto Bravo
Katherine Jones Breeding
Robert Joshua Brown
Tiffany Lowery Buff
Charles Hardee Cadwell, II
Christopher Adam Capone
Christina Maria Caropreso
Lauren Marie Casey
Simion Cherchez
Melissa Chandler Clark
Joy M. Coleman
William Neil Faircloth
Matthew Robert Favicchio
Bobby Dewayne Fitzjohn
Joseph Ryan Fleming
Amber Lund Gaffney
Brittany Marie Garka
Joseph Patrick Haney
Caché Racquel Heidel
George Talmage Hendrix, IV
Ryan Evan Hill
Lindsey Hayne Hoch
Rebecca Smith Hoke
Alyssa Marlene Jaklitsch
Ronnie Lee Johnson, II
Jason Tyler King
Jared Brannan Korver
Lyndsey Paige Lamb
Braelinn Connor Mackey
Kevin Michael Maxwell
Holley Anne Nelson
Mary Talbert Newman
Rebecca Adams Parks
Ian Crawford Parry
Sweta Mahesh Patel
Molly Anne Pfeiffer
Marla Lynn Pressley
Raenada Arshylle Sanders
Andrew Mark Scercy
Erica Nicole Sloan
Swayze Sloan Smartt
Nicole Marie Teibel
Pinar Uman
William Stephen Varnedoe, Jr.
Wen Wen
Elizabeth Dale Wicker
Laura Elizabeth Wilson
Jeshua Wright
Reciprocal Certificate Applications - The following were approved:

Muhammad Affan Akram
Anne T. M. Anderson
Aleksandra Marie Azar
Magdalyn Young Bell
Michael John Bellairs
Matthew Allen Boyer
Andrea Terrell Bradley
Drew Patrick Bryan
Jeffrey Alan Call
Robert Joseph Campbell
May Chu Cheung
Andrea Laimun Chong
Shawn Eugene Churchill
Kay Diane Comstock
Melanie Allen Connellee
Claire Elizabeth Cousins
Brian Stephen Demeter
Tracy Allen Dyer
Mary Katherine Esleeck
Heath Bradford Gorby
Heather Concoby Gray
Rashad Ibrahim
Robert John Jones
Sara Nicole Kollien
Jason Michael Lester
Stanley Wayne Mandel
William Michael McCullough
Patrick Ryan McKenney
Taborah Montia Miley
Megan DeHority Miller
Steven Lyle Nashland
James Harrison Nichols
Holly Berry Norvell
Olakunle Oluwafemi Ola
John Edgar Peterson, III
Howard Wakefield Pettengill, III
Bruce Gerard Pounder
Michael Edward Ramos
Susan Alice Rickert
Shemaine Latoya Rose
Susan Diana Sabo
Lori Ann Sexton
Kirti H. Shah
Louis George Spitzer
Michael Curran Taylor
John Paul Thomas
Mark Joseph Todd
Andrea Veneziano Trembath
John Joseph Tronolone
James Nicholas Wade
Theodore William Walls
Cristina Arrieta Wolfe
Kimberly Renee Young

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

Matthew Allen Boyer T7529
Andrea Terrell Bradley T7530
Debra Michelle DeFelice T7531
Sara Renee Shelp T7532
May Chu Cheung T7533
Robert Joseph Campbell T7534
Robert John Jones T7535
Richard Daren Yan T7541
Margaret Lankford Winn T7542
Simon Ho-On Wu T7543
Jonathan Chapman Riley T7544
Michael David Wilson T7545
David Frank Kame T7546
Jacqueline Marie Bardet T7547
Martin William O'Neill T7548
Leah Marie Oleski T7549
James Leland Spangler T7550
Joseph Coco T7551
Thomas North Howard T7552
Nicole Denise Jones T7553
Reinstatements - The following were approved:

Jennifer Helms Brigman #21262
Walter Keith Davis #28971
Teresa Karen Howard #19904
Timothy Scott Nash #28718
Mark Kepner Nelson #19066

Ronald E. Odom #19431
Carl Theobold Schultz IV #32419
Elizabeth Raver Wagner #18540
Bradley Steven Wombaugh #24642

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

Preston Scott Edmondson #18693
Darrell Artus Sayles #8464

Reissuance of New Certificate and Consent Agreement - An application for reissuance of new certificate and consent agreement submitted by Jeremy Wayne Maxwell (#35704) was approved.

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:

Larry Powers CPA, PLLC
Alicia Sisk-Morris, 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:

Daniel James Donovan #13415
William Edward Urbanczyk #13737
Donald Gray Walser #3003

CPE Matters - Staff reviewed the AICPA's CPE Direct self-study course offering and recommended disapproval of CPE Direct for CPE purposes for North Carolina CPAs. The course material does not comply with 21 NCAC 08G .0404(e). The Committee approved staff recommendation. Ms. Lynch presented the Committee recommendation
to the Board and with six (6) affirmative votes and one (1) negative vote, disapproved accepting CPE Direct for CPE purposes in North Carolina.

**Examinations** - The Committee reviewed a hypothetical CPA Exam application regarding the determination by staff of some of the accounting hours to be principles of accounting coursework which has a limitation of six hours. Ms. Lynch presented the hypothetical CPA Exam application information to the Board and with four (4) affirmative votes and three (3) negative votes, affirmed the accounting coursework to be principles of accounting and limited to six hours of credit.

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

- Freddie Acevedo
- Jennifer Aguirre
- Kodjo Akakpovi
- Nicholas Alexander
- Mikhail Alexoudis
- Octavia Allen
- Luke Allman
- Evan Andert
- Kevin Archer
- James Badgett
- LeAnn Bagasala
- Catherine Baker
- Norma Barnes
- Jacob Battle
- Kara Baughman
- Seth Bishop
- Brittany Blackwell
- Ellen Blankenship
- Stephanie Blonchek
- Arvel Bowers
- Madeline Bray
- Bethany Breeden
- Kimberly Brown
- Michael Bruce
- Susan Brumbaugh
- Christine Buchanan
- Abigail Buddo
- Mark Bumper
- Emily Bush
- Na-im Butler
- Latesha Byrd
- Joshua Capps
- Jenna Caprara
- Michael Carnicelli
- Kelley Carter
- Saad Chaudhary
- Abraham Chen
- Huan Chen
- Hannah Childress
- Ashley Chisolm
- Philip Clark
- Christina Clarke
- Janet Cochrane
- Bryan Collins
- Sarah Collins
- Oneisha Conley
- Charlene Cook Controne
- Michael Cosolito
- Brittany Cowan
- Elizabeth Coy
- Matthew Crocker
- Jessica Curry
- Mark Davis
- Katherine Dowdy
- Rosquan Duncan
- Amber Dunn
- Michael Dunn
- Kathleen Durham
- Antoinyce Eaton
- Peter Ekenstierna
Rebecca Urquhart
Joshua VanNamee
Nicki Vaughn
Akiiah Waldron
Erin Wallen
Caroline Walling
William Walters
Junyi Wang
Liping Wang
Richard Warner
Katherine Wester
Donald Weymer

Shauna Whitener
Blake Wilcox
David Williams
John Willis
Krystine Wilson
Dianne Winegarden
Amy Wood
Bradley Yacenda
Juanjuan Yan
Gayle Young
Donna Zavesky

RULE-MAKING HEARING: President Rodriguez called the Rule-Making Hearing to order to take oral and written comments for the public on 21 NCAC 08A .0301; 08F .0103; 08F .0502; 08G .0401; 08G .0403; 08G .0409; 08G .0410; 08I .0104; 08J .0105; 08J .0106; 08J .0107; 08M .0105; 08N .0202; 08N .0203; 08N .0208; and 08N .0302 as filed with the Office of Administrative Hearings and as published in the September 3, 2013, issue of the North Carolina Register. No person present, other than member of the Board and Board staff, made oral comments on the rules and written comments received were entered into the public record. President Rodriguez closed the Hearing. The entire Hearing is a matter of public record.

EXECUTIVE STAFF AND LEGAL COUNSEL REPORT: The Executive Staff was asked to place the proposed 2014 Board meeting schedule on the agenda for the November 18, 2013, meeting.

ADJOURNMENT: Messrs. Baldwin and Glover moved to adjourn the meeting at 10:47 a.m. Motion passed.

Respectfully submitted:

Attested to by:

Robert N. Brooks
Executive Director

Jose R. Rodriguez, GPA
President
NORTH CAROLINA          BEFORE THE NORTH CAROLINA STATE BOARD OF
WAKE COUNTY            CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

CASE #: C2013067

IN THE MATTER OF:
Melissa H. Israel, #29125
Respondent

CONSENT ORDER

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

1. Respondent is the holder of North Carolina certificate number 29125 as a Certified Public Accountant.

2. Respondent informed the Board on her 2012-2013 individual certificate Renewal (“Renewal”) that between January 1, 2011, and June 30, 2012, she had obtained forty (40) hours of continuing professional education (“CPE”), including at least two (2) hours of ethics from an approved sponsor.

3. Based on Respondent’s representation, the Board accepted her Renewal.

4. Board staff requested that Respondent provide certificates of completion for the CPE reported to meet her 2011 and 2012 requirements.

5. Respondent provided CPE certificates of completion to the Board as requested. However, Respondent was only able to provide certificates of completion to document thirty-nine (39) hours of the required forty (40) CPE hours earned between January 1, 2011, and June 30, 2012.

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

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

...
1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted herein by the Board.

2. Respondent’s actions as set out above constitute violations of 21 NCAC 08N .0202(a), .0202(b)(3), and .0202(b)(4).

3. Per N.C. Gen. Stat. § 93-12(9) and also by virtue of Respondent’s consent to this Order, Respondent is subject to the discipline set forth below.

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

1. Respondent’s failure to provide adequate documentation of CPE renders the Renewal insufficient and untimely. Respondent’s failure to adequately renew her certificate results in an automatic forfeiture pursuant to N.C. Gen. Stat. § 93-12(15).

2. Respondent must return her certificate to the Board within fifteen (15) days of Respondent’s receipt of the Board’s notification of its approval of this Consent Order.

3. Respondent may apply for the reissuance of her certificate after one (1) year from the date the Board approves this Consent Order and if Respondent’s certificate and the civil penalty required in number five (5) of this Order have been timely received by the Board.

4. Respondent may apply to return her certificate to active status by submission and approval of a reissuance application which includes:
   a. Application form,
   b. Payment of the application fee,
   c. Three (3) moral character affidavits, and
   d. Forty-one (41.0) hours of CPE in the twelve (12) months preceding the application including an eight (8) hour accountancy law course as offered by the North Carolina Association of CPAs in a group-study format.

5. Respondent shall pay a one thousand dollar ($1,000.00) civil penalty to be remitted to the Board prior to submitting a reissuance application.
6. Respondent agrees that failure to timely comply with any terms of this agreement and Consent Order shall be deemed sufficient grounds for revocation of her certificate.

CONSENTED TO THIS THE 11th DAY OF September, 2013.

Melissa Israel
Respondent

APPROVED BY THE BOARD THIS THE 21st DAY OF October, 2013.

NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

BY: [Signature]
President
IN THE MATTER OF:
William T. Lovette, III, #30505
Respondent

CONSENT ORDER

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N. C. Gen. Stat. § 150B-41, the Board and Respondent stipulate to the following:

1. William T. Lovette, III (hereinafter "Respondent"), is the holder of North Carolina certificate number 30505 as a Certified Public Accountant.

2. Prior to submitting his initial exam application on August 1, 2000, Respondent had been charged and convicted on a number of misdemeanor charges. He failed to disclose any of those charges or convictions on his initial exam application.


4. On his application for licensure submitted to the Board on September 12, 2003, Respondent failed to report those charges and convictions, and additional charges.

5. Subsequent to licensure, Respondent was charged and convicted of four (4) additional misdemeanors. He did not make any disclosures of these four (4) additional misdemeanors in his renewals for 2007, 2010, and 2013.

6. Many of the charges and convictions arose from the Respondent’s repeated drinking and driving.

7. Respondent has admitted that he suffers from the disease of alcoholism and is currently seeking treatment.
Consent Order - 2
William T. Lovette, III

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

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

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondent’s actions as set out above constitute violations of 21 NCAC 08N .0201 (a), .0202(a), .0202(b)(3), .0203 and .0208.

3. Per N.C. Gen. Stat. § 93-12(9), and also by virtue of Respondent’s consent to this order, Respondent is subject to the discipline set forth below.

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

1. The Certified Public Accountant certificate issued to Respondent, William T. Lovette, III, is suspended for five years. That suspension is stayed. The stay will be lifted in the event that Respondent violates any provision of this Order, subject to the Respondent’s opportunity to show cause why the stay should not be lifted.

2. Respondent shall remit, with this signed Order, a one thousand dollar ($1,000.00) civil penalty.

3. Respondent shall actively participate in a substance abuse rehabilitation program, such as Alcoholics Anonymous, and provide the Board, on a quarterly basis, with proof from the drug rehabilitation program of Respondent’s active attendance or participation in that program.

4. Respondent shall obtain and provide proof, on a quarterly basis, from a substance testing provider that Respondent has received a clean report from the provider. The testing must be for drugs and alcohol. The provider must
Consent Order - 3
William T. Lovette, III

be pre-approved by Board staff and the Board staff will randomly request a
drug test from the Respondent during the term of the stayed suspension. The
Respondent must comply by providing clean report from the provider within
seven (7) days of the request. All testing is at the Respondent’s cost.

CONSENTED TO THIS THE ______ DAY OF ______, 2013.

[Signature]
Respondent

APPROVED BY THE BOARD THIS THE ______ DAY OF ______, 2013.

NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS

[Signature]
President
NORTH CAROLINA  
BEFORE THE NORTH CAROLINA STATE BOARD OF  
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS  
CASE #: C2013148

IN THE MATTER OF:  
Elizabeth W. McMellon, #30710  
Respondent

CONSENT ORDER

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

1. Respondent is the holder of North Carolina certificate number 30710 as a Certified Public Accountant.

2. Respondent informed the Board on her 2012-2013 individual certificate Renewal ("Renewal") that between January 1, 2011, and June 30, 2012, she had obtained forty (40) hours of continuing professional education ("CPE"), had completed the annual approved ethics CPE course, and had completed at least eight (8) hours of non-self-study CPE to meet the 2011 CPE requirements.

3. Based on Respondent’s representation, the Board accepted her Renewal.

4. Board staff requested that Respondent provide certificates of completion for the CPE reported to meet her 2011 requirements.

5. Respondent provided the CPE certificates of completion to the Board as requested. Respondent was only able to provide documentation for thirteen and one-half (13.5) hours of continuing professional education ("CPE") taken between January 1, 2011, and June 30, 2012, to meet the 2011 CPE requirement.

6. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board ex parte, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board meeting.
BASED upon the foregoing, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted herein by the Board.

2. Respondent’s actions as set out above constitute violations of 21 NCAC 08N .0202(a), .0202(b)(3), and .0202(b)(4).

3. Per N.C. Gen. Stat. § 93-12(9) and also by virtue of Respondent’s consent to this Order, Respondent is subject to the discipline set forth below.

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

1. Respondent’s failure to provide adequate documentation of ethics CPE renders the Renewal insufficient and untimely. Respondent’s failure to adequately renew her certificate results in an automatic forfeiture pursuant to N.C. Gen. Stat. § 93-12(15).

2. Respondent must return her certificate to the Board within fifteen (15) days of Respondent’s receipt of the Board’s notification of its approval of this Consent Order.

3. Respondent may apply for the reissuance of her certificate after one (1) year from the date the Board approves this Consent Order and if Respondent’s certificate and the civil penalty required in number five (5) of this Order have been timely received by the Board.

4. Respondent may apply to return her certificate to active status by submission and approval of a reissuance application which includes:

   a. Application form,
   b. Payment of the application fee,
   c. Three (3) moral character affidavits, and
   d. Sixty-six and one-half (66.5) hours of CPE in the twelve (12) months preceding the application including an eight (8) hour accountancy law course as offered by the North Carolina Association of CPAs in a group-study format.
5. Respondent shall pay a one thousand dollar ($1,000.00) civil penalty to be remitted to the Board prior to submitting a reissuance application.

6. Respondent agrees that failure to timely comply with any terms of this agreement and Consent Order shall be deemed sufficient grounds for revocation of her certificate.

CONSENTED TO THIS THE 27 DAY OF September, 2013.

[Signature]
Respondent

APPROVED BY THE BOARD THIS THE 21 DAY OF October, 2013.

NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

[Signature]
President
IN THE MATTER OF:
Sheila Edmonds, #28100
Respondent

ORDER

THIS MATTER having come before the Board with a quorum present, and having been consented to by the Respondent, the Board finds and orders as follows:

1. Sheila Edmonds (hereinafter “Ms. Edmonds”) is the holder of a certificate as a Certified Public Accountant in North Carolina.

2. Ms. Edmonds failed to timely renew or cancel the annual firm registration for Sheila Edmonds, CPA, in accordance with provisions as required by N. C. Gen. Stat. § 93-12 (7b) and 21 NCAC 08J .0108 (b) and (g), and 08N .0213.

3. Pursuant to 21 NCAC 08J .0111(3), because Ms. Edmond’s infraction was for a period of more than 120 days, the appropriate penalty is $500.00.

4. Ms. Edmonds has paid her civil penalty and consents to the entry of this Order and has waived any right to a hearing.

5. The Board members present, representing a quorum of the Board, have unanimously decided to accept Ms. Edmond’s payment as full resolution of the aforementioned rules violation.

This the 21 day of OCTOBER, 2013.

NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

BY: President