In mid-August, the IRS alerted tax professionals to an emerging phishing email scam that pretends to be from tax software providers and tries to trick recipients into clicking on a bogus link [IR-2016-103].

The email scheme is the latest in a series of attempts by fraudsters to use the IRS or other tax issues as a cover to trick people into giving up sensitive information such as passwords, Social Security numbers, or credit card numbers or to make unnecessary payments.

The file has a naming convention that uses the actual name of their software followed by an ".exe extension."

Upon completion, tax professionals believe they have downloaded a software update when in fact they have loaded a program designed to track the tax professional’s key strokes, which is a common tactic used by cyber thieves to steal login information, passwords and other sensitive data.

Although the IRS knows of only a handful of cases to date, tax professionals are encouraged to be on the lookout for these scams and never to click on unexpected links in emails.

Similar email schemes using tax software names have targeted individual taxpayers. The IRS recently launched a new campaign to raise awareness among tax professionals.

In This Issue
Disciplinary Actions ..................2, 6
Exam Performance Stats .............4
Certificates Issued ..................4
NCDOR Email Addresses .............4
Resolution: George W. Rohe, CPA ....5
Reclassifications .....................6
Board Meetings ......................7
Inactive Status .....................7

L. Samuel Williams, Jr., CPA, Appointed to Board

Governor Pat McCrory has appointed L. Samuel (Sammy) Williams, Jr., CPA, of Hickory to the North Carolina State Board of CPA Examiners.

Williams, whose term will expire June 30, 2019, took the Oath of Office at the July 25, 2016, Board meeting. He replaced George W. Rohe, CPA (Resolution page 5).

A 1974 graduate of UNC-Chapel Hill with a Bachelor of Science in Business Administration, Williams was licensed as a North Carolina CPA in 1977.

He is self-employed as the owner of the firm, L. Samuel Williams, CPA.

As a member of the NCACPA, Williams is active in the Catawba Valley Chapter. He is a former member of the NCACPA Board of Directors and is a past chair of the Symposium Committee.

Williams is also a member of the AICPA and the National Association of Certified Valuators and Analysts (NACVA).
Disciplinary Actions
Pursuant to NCGS 93-12(9), civil penalties are remitted to the North Carolina Civil Penalty and Forfeiture Fund (“Fund”) in accordance with NCGS 115C-457.2. NCGS 115C-457.1(b) states, “The Fund shall be administered by the Office of State Budget and Management. The Fund and all interest accruing to the Fund shall be faithfully used exclusively for maintaining free public schools.”

MICHAEL A. NADER, #30449
Raleigh, NC 08/22/2016

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

1. Respondent Michael A. Nader (hereinafter “Respondent”) is the holder of North Carolina certificate number 30449 as a Certified Public Accountant.

2. Respondent has confirmed that on or about March 26, 2014, he was charged with a criminal offense. However, on July 29, 2014, when renewing his CPA certificate, Respondent checked “no” in response to the following question:

   Have you been charged, arrested, convicted, found guilty of, received a prayer for judgment continued, or pleaded nolo contendere to any criminal offense, excluding non-criminal traffic infractions, since filing your last renewal?

3. The charges arose from allegations that Respondent had misappropriated funds from a bookkeeping client.

4. Ultimately, Respondent pleaded nolo contendere to a misdemeanor or count. He was sentenced to forty-five (45) days of probation, and paid full restitution to the client.

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 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 failure to report his criminal charges on his June 29, 2014, CPA certificate renewal constitutes a violation of 21 NCAC 08N .0202.

3. Respondent’s nolo contendere plea constitutes a “conviction of any crime, an essential element of which is dishonesty, deceit or fraud” in violation of N.C. Gen. Stat. §93-12(9)(b)

4. Per N.C. Gen. Stat. §93-12(9), 93-10(b), and also by virtue of Respondent’s consent to this order, Respondent is subject to the discipline set forth below.

BASED ON THE FOREGOING and in lieu of further proceedings, the Board and Respondent agree to the following Order:

1. The Certified Public Accountant certificate issued to Respondent, Michael A. Nader, is hereby permanently revoked.

2. Respondent shall not offer or render services as a CPA or otherwise trade upon or use the CPA title in this State either through CPA mobility provisions or substantial equivalency practice privileges or in any other manner, nor shall Respondent claim or attempt to use any practice privileges in any other state based upon his permanently revoked North Carolina certificate.

KI-HYUN CHUN, #14075
KI-HYUN CHUN, CPA
Charlotte, NC 08/22/2016

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

1. Respondent Ki-Hyun Chun (“Respondent”) is the holder of North Carolina certificate number 14075 as a Certified Public Accountant.


3. The Board received a document which, on its face, purported to be an audit report (“Report”) for
sions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. The Report, assuming that it was a compilation report as asserted by the Respondent, failed to conform to Statements on Standards for Accounting and Review Services, in violation of 21 NCAC 08N .0404.

3. By issuing the report under the name Chun Group, Inc., Respondent and Respondent Firm have also violated 21 NCAC 08N .0306(c), which requires a CPA firm to issue all professional service reports under the exact firm name as registered with the Board.

4. Per N.C. Gen. Stat. §93-12(9), 93-10(b) and also by virtue of Respondent’s and Respondent Firm’s consent to this order, Respondent and Respondent Firm are subject to the discipline set forth below.

BASED ON THE FOREGOING and in lieu of further proceedings, the Board and Respondent and Respondent Firm agree to the following Order:

1. Respondent shall complete eight (8) hours of SSARS CPE annually until Respondent Firm has received a Pass on its next scheduled peer review.

2. Respondent Firm shall pay a civil penalty in the amount of one thousand dollars ($1,000) for failure to issue an engagement letter as required by the SSARS.

3. Respondent shall sign an affidavit agreeing not to perform any audits, reviews, or agreed-upon procedures unless his firm first obtains a pre-issuance review.

The review must be performed by a CPA mutually agreed upon by Respondent and the Board. The pre-issuance review requirement shall be in effect until the Board is satisfied with his compliance with standards for those attest engagements.

BAUKNIGHT PIETRAS & STORMER, P.A.
Columbia, SC   08/22/2016

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:


2. Respondent Firm failed to timely renew or cancel its annual firm registration 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(1), because Respondent Firm’s infraction was for a period of more than one hundred twenty (120) days, the appropriate penalty is five hundred dollars ($500).

4. Respondent Firm has paid its 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 Bauknight Pietras & Stormer, P.A.’s payment as full resolution of the aforementioned rules violation.

Disciplinary Actions continued on page 6
## Summary of 2016 Q-2 Exam Performance for NC Candidates

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<th>Metric</th>
<th>Value</th>
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<td>Unique Candidates</td>
<td>1,079</td>
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<tr>
<td>New Candidates</td>
<td>420</td>
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<tr>
<td>Total Sections</td>
<td>1,498</td>
</tr>
<tr>
<td>Passing 4th Section</td>
<td>126</td>
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<tr>
<td>Sections/Candidate</td>
<td>1.39</td>
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<tr>
<td>Pass Rate</td>
<td>58.7%</td>
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<tr>
<td>Average Score</td>
<td>74.8</td>
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### Jurisdiction Rankings (1 to 53)

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<th>Sections</th>
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<td>15</td>
<td>13</td>
</tr>
<tr>
<td>4</td>
<td>4</td>
</tr>
</tbody>
</table>

### Exam Type by Percent

- **First-Time**: 68%
- **Re-Exam**: 32%

### Certificates Issued

On August 22, 2016, the Board approved the following applicants for certification as North Carolina CPAs:

- Kristen Brooke Adams
- Thomas Robert Arland
- Tyler Edwards Carson
- Devin Mark Cass
- Scott Richard Crews
- Chelsea Elizabeth Cunningham
- Monica Batts Davis
- Evan James Dupe
- Michael Edward Ellis
- Erica Whitney Fink
- Austin Lloyd Flynn
- Jennifer Buckner Fox
- Matthew Scott Fussell
- Kellyn Rose Gombert
- Benjamin Maxcey Kenneth Gupton
- Robert William Hales
- Caroline Elizabeth Henry
- Stuart Preston Huller
- Jeremy Marc Jacobs
- Andrew Michael Jarrett
- Nicole Rene King
- Kugapiiya Kuganendran
- Poonam Kulkarni
- Cameron English Landreth
- Gerald Broden Littley
- Diania Lee McRae
- Scott Allen Millikan
- Jose Alexander Pena
- Alexander Ptytyskach
- Zoya Khalid Qureshi
- Holden Tyler Rudd
- Adam Michael Sawchak
- Alex Gray Speight
- Traci Leigh Spooner
- Seth Edwin Starner
- Peter L. Tomkie
- Kaleb Edward Tucker
- Kaeli Paige Weaver
- Richard Edward Westbay
- Amber Dawn Williams
- Lindsey Harper Willis
- Nellie Annabelle Wilson
- Rachel Edwards Wright
- Ting Zheng

### New Email Addresses Introduced for NC Department of Revenue Employees

Effective August 2, 2016, the domain name for email addresses for NC Department of Revenue (NCDOR) employees changed from dornc.com to ncdor.gov. The first part of the email addresses has not changed.

To make the transition easier for taxpayers and others outside the agency, the old email addresses will continue to work for one year.

In addition to the email change, NCDOR employees who have agency mobile phones will be issued new phone numbers.

Tax preparers and other constituents are encouraged to update contact information for NCDOR employees.
NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

RESOLUTION

WHEREAS, George W. Rohe, CPA, has served as a member of the North Carolina State Board of Certified Public Accountant Examiners since 2014;

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

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

WHEREAS, during his tenure he served as a member the Audit Committee;

WHEREAS, during his tenure he has 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 George W. Rohe, CPA, for his dedicated service, his personal sacrifice to serve the public interest, and his leadership to the Board.

This the 22d day of August 2016.

North Carolina State Board of
Certified Public Accountant Examiners

Michael H. Womble, CPA, President
CALLAHAN CPA  
Wendell, NC  08/22/2016

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. Callahan CPA (hereinafter “Respondent Firm”) was a registered certified public accounting firm in North Carolina.

2. Respondent Firm failed to timely renew or cancel its annual firm registration 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(1), because Respondent Firm’s infraction was for a period of more than one hundred twenty (120) days, the appropriate penalty is five hundred dollars ($500).

4. Respondent Firm has paid its 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 Callahan CPA’s payment as full resolution of the aforementioned rules violation.

GREIG DAVIS CPA, P.C.  
Farmington Hills, MI  08/22/2016

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. Greig Davis CPA, P.C. (hereinafter “Respondent Firm”) was a registered certified public accounting firm in North Carolina.

2. Respondent Firm failed to timely renew or cancel its annual firm registration 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(1), because Respondent Firm’s infraction was for a period of more than one hundred twenty (120) days, the appropriate penalty is five hundred dollars ($500).

4. Respondent Firm has paid its 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 Greig Davis CPA, P.C.’s payment as full resolution of the aforementioned rules violation.

Reclassification

On August 22, 2016, the Board approved the reclassification applications of the following individuals:

**Reinstatement**
- George Laurence Baer  #25854 Summerfeld, NC
- Tiffany Dern Foster  #25041 Raleigh, NC
- Emily Drescher Hansen  #33679 Kirkland, WA
- Christi Thompson Piner  #24174 New Braunfels, TX
- Mark Owen Smith  #37443 Chapel Hill, NC

**Reissuance**
- James Daniel McClelland, Jr.  #34182 Chapel Hill, NC

NORTH CAROLINA
DARE COUNTY
IN THE OFFICE OF
ADMINISTRATIVE HEARINGS
15 CPA 04488

N.C. STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS,
Petitioner

v.

LINDA R. SHARP,
Respondent

FINAL AGENCY DECISION
BY THE N.C. STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT
EXAMINERS

FINAL DECISION

Based on Findings of Fact and Conclusions of Law, the Board adopted the Administrative Law Judge’s proposed decision regarding Linda R. Sharp, CPA. The final decision may be viewed on the Board’s searchable database on the Board’s website in the file of Linda R. Sharp, NC CPA Certificate #11285.
inactive status through August 24, 2016, the following individuals were approved for inactive status by the Board. “Inactive,” when used to refer to the status of a person, describes a person who has requested inactive status and been approved by the Board and who does not use the title “Certified Public Accountant” nor does he or she allow anyone to refer to him or her as a “certified public accountant,” and neither he nor she nor anyone else refers to him or her in any representation as described in Rule .0308(b) of this Section [21 NCAC 08A .0301(b)(20)].

Walter Bost, Jr., #14283, Hickory, NC
Reshma Naresh Mulchandani, #38984, Saratoga Springs, NY
Thu Thuy Tran, #30820, Alexandria, VA
William Charles Green, #33815, Streetsboro, OH
Elizabeth Anne Peterson, #32157, Cary, NC
Douglas Albert Hollowell, #19371, Tyner, NC
Adam David Kipen, #39834, Hudsonville, MI
Suzanne Mary Martin, #25527, Atlanta, GA
James A. Oakley, #29993, Concord, NC
Nathan Victor Burton Siehr, #33180, Santa Monica, CA
Patricia Diane Gaunt, #31278, Matthews, NC
Donna Musgrave Gordin, #15356, Lewisville, NC
Ervin Timothy Johnson, #9524, Mooresville, NC
Valerie Mitchell Snyder, #34915, Bel Air, MD
Robert Leon Watson, Jr., #13005, Advance, NC
Susan Ruth Eisenman, #24817, High Point, NC
Kesval Govender, #37304, Centerville, OH
Dustin Andrew Houdyshell, #38821, Charlotte, NC
Joseph Weston Norton, #28442, Charlotte, NC
Tricia O. Clement, #30813, Charlotte, NC
Michael Dane DeVaughn, #13052, Louisville, NC
Dwaine Edward Eastham, II, #30376, Winter Garden, FL
Susan Lambert Hart, #28700, Franklin, TN
Timothy Edward Mullis, #18432, Milton, GA
Bruce Thornton Nash, II, #15103, Clemmons, NC
Michael Todd Orlando, #29221, Austin, TX
Donald Overby, #15106, Wilmington, NC
Robert Allan Watling, #39369, Prosper, TX
John Elliott Barnhardt, #10844, Raleigh, NC
Scott Lee Frazier, #32604, Concord, NC
Albert Jack Jacobson, #934, Greensboro, NC
Kaitlin Wilkes Jones, #37264, Charleston, SC
Joseph S. Lane, Jr., #21266, Asheville, NC
Nhan Chan Nguyen, #38288, Pineville, NC
Cynthia Colleen Perry, #15695, Burlington, NC
Michael Sean Ryan, #37502, Baltimore, MD
Joseph Daniel Simms, #24296, Chocowinity, NC
Bereket Ezra Baissa, #37794, Atlanta, GA
Jeanna King Blinson, #19152, Oakland, CA
Kevin Matthew Fusick, #35673, Raleigh, NC

New Phishing Scheme
continued from page 1

tax professionals about security
thefts posed by identity theft issues
targeting their industry.
The “Protect Your Clients; Protect
Yourself” campaign features an on-
go ing effort to urge tax professionals
to step up their security protections
and be aware they increasingly are
targets of cyber criminals.
The IRS urges all tax preparers to
take the following steps:
• Be alert for phishing scams: do
not click on links or open attach-
ments contained in emails and
always utilize a software provid-
er’s main webpage for connect-
ting to them.
• Run a security “deep scan” to
search for viruses and malware;
• Strengthen passwords for both
computer access and software ac-
cess; make sure your password is
a minimum of 8 digits long (more
is better) with a mix of numbers,
letters, and special characters;
• Educate all staff members about
the dangers of phishing scams in
the form of emails, texts, and calls;
• Review any software that your em-
nployees use to remotely access
your network and/or your IT sup-
port vendor uses to remotely trou-
bleshoot technical problems and
support your systems. Remote ac-
cess software is a potential target
for bad actors to gain entry and
take control of a machine.
Tax professionals should review
Publication 4557, “Safeguarding Tax-
payer Data, A Guide for Your Busi-
ness,” which provides a checklist to
help safeguard taxpayer information
and enhance office security.

Board Meetings
October 27
November 21
December 19
Notice of Address Change

Please Print Legibly

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Mail form to: PO Box 12827, Raleigh, NC 27605
Fax form to: (919) 733-4209

Pursuant to 21 NCAC 08J .0107, all certificate holders & CPA firms shall notify the Board in writing within 30 days of any change in home address & phone number; CPA firm address & phone number; business location & phone number; & email address.