

**PUBLIC SESSION AGENDA
NORTH CAROLINA STATE BOARD OF CPA EXAMINERS
NOVEMBER 21, 2016
10:00 A.M.
1101 OBERLIN ROAD
RALEIGH, NC**

I. Administrative Items

A. Call to Order

In accordance with the State Government Ethics Act, it is the duty of every Board member to avoid both conflicts of interest and appearances of conflict. Does any Board member have any known conflict of interest or appearance of conflict with respect to any matters coming before the Board today? If so, please identify the conflict or appearance of conflict and refrain from any undue participation in the particular matter involved.

B. Welcome and Introduction of Guests

C. Approval of Agenda (**ACTION**)

D. Minutes (**ACTION**)

E. Financial/Budgetary Items

1. Financial Statements for October 2016 (**ACTION**)

II. Legislative & Rule-Making Items

III. National Organization Items

A. NASBA Annual Meeting Held October 30-November 2, 2016, in Austin, TX (**FYI**)

IV. State & Local Organization Items

V. Request for Declaratory Ruling

VI. Committee Reports

A. Professional Standards (**ACTION**)

B. Professional Education and Applications (**ACTION**)

VII. Public Comments

VIII. Closed Session

IX. Executive Staff and Legal Counsel Report

A. Strategic Plan Update (**DISCUSSION**)

X. Adjournment

PUBLIC SESSION MINUTES
North Carolina State Board of CPA Examiners
October 27, 2016
1101 Oberlin Road
Raleigh, NC 27605

MEMBERS ATTENDING: Michael H. Womble, CPA, President; Wm. Hunter Cook, CPA, Vice President; Jeffrey J. Truitt, Esq., Secretary-Treasurer; Murchison (“Bo”) Biggs, CPA; Cynthia B. Brown, CPA; Justin C. Burgess; and L. Samuel Williams, Jr., CPA.

STAFF ATTENDING: Robert N. Brooks, Executive Director; David R. Nance, CPA, Deputy Director; Frank Trainor, Esq., Staff Attorney; Lisa R. Hearne, Communications Manager; Jean Marie Small, Professional Standards Specialist; Buck Winslow; Licensing Manager; Cristen Alberts, Intern; and Nathan Standley, Esq., Legal Counsel.

GUESTS: Sharon Bryson, CEO, NCACPA; Mark Sotichack, CPA, COO, NCACPA; Kristen Hoyle, CPA, NCACPA; Officer J.A. Stokes, Raleigh Police Department.

CALL TO ORDER: President Womble called the meeting to order at 10:00 a.m.

MINUTES: The minutes of the September 19, 2016, meeting were approved as submitted.

FINANCIAL AND BUDGETARY ITEMS: The September 2016 financial statements were accepted as submitted.

LEGISLATIVE AND RULE-MAKING ITEMS: Messrs. Biggs and Cook moved to approve the following rules to be filed with the Rules Review Commission for rule-making: 21 NCAC 08A .0301; 08I .0101; 08N .0203, .0208, and .0305. Motion passed with seven (7) affirmative and zero (0) negative votes.

NATIONAL ORGANIZATION ITEMS: Messrs. Williams and Cook moved and the Board approved the response to the AICPA Discussion paper *Proposed Evolution of Peer Review Administration*. Motion passed.

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

Case No. C2014285-1/2 - Crystal K. Hamrick, CPA - Approve the signed Consent Order (Appendix I).

Case No. C2015105 - Jerry L. Price, CPA - Approve the signed Consent Order (Appendix II).

Case No. C2016129 - Scott L. Frazier - Approve the signed Consent Order (Appendix III)

Case Nos. C2015335, C2016032, C2016035, C2016219 -1/2, and C2016126 - Approve the Notice of Hearing for Ernest K. Leonard, CPA, and Leonard, CPA, PLLC for December 19, 2016, at 10:00 a.m.

Case No. C2016112 - Close the case without prejudice.

Case No. C2016188 - 1/2 - Close the case without prejudice with a Letter of Warning.

Case No. C2016197 - 1/2 - Close the case without prejudice with a Letter of Warning.

Case No. C2016199 - 1/2 - Close the case without prejudice with a Letter of Warning.

Case No. C2016201 - 1/2 - Close the case without prejudice with a Letter of Warning.

Case No. C2016205- 1/2 - Close the case without prejudice with a Letter of Warning.

Case No. C2013213 - Close the case without prejudice.

Case No. C2013098 - Close the case without prejudice.

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

Transfer of Grades Applications - The Committee recommended that the Board approve the following:

Brittney Diane Barbosa
Zachary Taylor Beucher
Sarah Hannah Cox

Katherine Frances Friedman
Kathleen Barry Herron

Original Certificate Applications - The Committee recommended that the Board approve the following:

Suzanne Michael Adams
Kyle Thomas Addenbrook
Brittney Diane Barbosa
Richard Patterson Berlin
Zachary Taylor Beucher
Laurel Oody Bostick
Sarah Hannah Cox
Emmanuel Kwame Darko

Mengyuan Fang Farley
Katherine Frances Friedman
Alyxandra Rose Gant
Taylor James Gleason
Kyle Lorne Grella
Trish Danielle Hagar
Hector Q. Hernandez
Kathleen Barry Herron

Andrew Harrison Hood
Nathaniel David Hookman
Malorie Elizabeth Irwin
Daniel James Keef
Morgan Mae Kirby
Ruth Cochran Klein
Ryan Katherine Kline
Kevin Paul Lanzikos
Nadine Lillie Lloyd
Natalie Olivia Lloyd
Johnathan Richard Love
Christopher Scott Lovitt
Jacob Glenn Mattern
Samuel Thomas McCraw
Marianne Grannan McKnight
Bryce Taylor Mendes
Edward Joseph Monks, III
Cory Samuel Morin
Eric Brendan Murphy

Robert Gray Nelson
Munachimso Nnebe-Agumadu
Deborah Titilope Ogunleye
Diani Popoca
Cori Leanne Pruner
Jeremy Kyle Roberts
Jeremiah Lee Satterfield
Katherine Angel Skinner
Kent L. Stanton
Rebekah Ann Teelucksingh
Deana Nicole Thorps
Erin Elizabeth-Marie Tucker
Christopher Richard Vetterl
Andrew Benedict Votipka
John Henry Vynalek
Mark Patrick Williams
Megan Alice Wright
Brett Nathan Wyatt
Li-Wen Yen

Staff reviewed and recommended approval of the original application submitted by Elton Laroy Shoemaker, III. Mr. Shoemaker failed to disclose pertinent information with his exam application but provided it with his certificate application. Staff recommended approval of the application with a one-year probationary period. The Committee recommended that the Board approve staff recommendation.

Staff reviewed and recommended approval of the original application submitted by Kaitlin Elizabeth Pace. Ms. Pace failed to disclose pertinent information with her exam application but provided it with her certificate application. Staff recommended approval of the application with a one-year probationary period. The Committee recommended that the Board approve staff recommendation.

Reciprocal Certificate Applications - The Committee recommended that the Board approve the following:

Jessica Marie Alfonzo
Natasa T. Anderson
Seth Joseph Beaver
Beatrice Lynn Bible
Christopher B. Boggs
Viktorija Borisova
Lotte Dodson Bostick
Clayton George Brinker
Kelly Elizabeth Brittan
Catherine Therese Cairns

Jenna Louise Cameron
Lisabeth Ann Carr
Wendy Lee Cisowski
Marquel A. Clark
Warren Jackson Cottingham
Christopher John Crowe
Kathleen Ann Damm
MaryKay Hagner Davis
James Matthew Day
Adriano DePina Jr.

Nicholas Anthony DiBattista
Thomas Bryant Disney
Jeffrey Michael Downing
Jayme Lee Edin
Michael Robert Elder
Shana Catherine Ernst
Philip Brian Fairchild
Craig Harvey Donovan Field
Sarah L. Flynn
Rebecca Chinnis Freeland
Shahen Naval Gandevia
Leidy Grace Gonzalez
William Michael Goodeill
Monica Hite Graham
Edmund Alexander Hawes, Jr.
Michelle Renee Hearne
McKenna Elise Hennelly
Monica Lucille Holderman
Bruce Clayton Hopkins
Katherine Jakubowski
James Mabry Johnson
William Alan Johnson
Stephen Robert Kimmel
Larry Gene Kirk
Robin A. Levy
Jenny Marie Linton
Taylor Wells Longacre
Elena Lotten
Hunter Alcana Mason
Jean Marie Mastalski
Elizabeth Ann McCravy

Mary Kathryn McGuire
John Buckley McLean
Tyler Austin Whitsel Medley
Godswill Mhlanga
Harry Ward Miley, III
Alan Russell Moldof
Laura Rae Morgan
Cibele Rocha da Motta
Michael Joseph Murdy
Cheryl Lynn Nelson
Ping Ning
Gregory Joseph Peterson
Elizabeth Smith Pitt
Rachel Lauren Radcliffe
Paige Nielsen Ridout
Vincent John Rodda
William Mark Rudolph
Catherine Marie Rybarczyk
John Joseph Saccardi
Timothy John Schneider
Sherryl Ann Seigfreid
Jonathan A. Shaw, Jr.
Seth Michael Sherer
Kevin Peter Shimkus
Kelsey Nicole Smith
Jovonda Mae Tipton
Joseph Alan Vano
Ellen Riley Watson
Lindsey Paige Weintraub
Ellen Marie Williams
Phyllis F. J. Yokley

Temporary Permits - The Committee recommended that the Board approve the following temporary permits that were approved by the Executive Director:

James Mabry Johnson, T9367
Kelsey Nicole Smith, T9368
Elizabeth Smith Pitt, T9369
Lindsey Paige Weintraub, T9370
Shana Catherine Ernst, T9371
Timothy John Schneider, T9372
Seth Joseph Beaver, T9373
Andrew Michael Silverman, T9374
Leidy Grace Gonzalez, T9375
McKenna Elise Hennelly, T9376

Gregory Joseph Peterson, T9377
Casper Eldredge Wiggins, Jr., T9378
Kathleen Ann Damm, T9379
Wendy Lee Cisowski, T9380
Viktorija Borisova, T9381
Ping Ning, T9382
Cheryl Lynn Nelson, T9387
Jovonda Mae Tipton, T9388
Jeffrey Michael Downing, T9389
Laura Rae Morgan, T9390

Bruce Clayton Hopkins, T9391
Michelle Renee Hearne, T9392
Larry Gene Kirk, T9393
Nicholas Anthony DiBattista, T9394
Beatrice Lynn Bible, T9395
Karyn Leigh Heimes, T9396
Jenny Marie Linton, T9397

Marquel A. Clark, T9398
Catherine Therese Cairns, T9399
Monica Lucille Holderman, T9400
Jean Marie Mastalski, T9401
Michael Paul Ohrnstein, T9402
George Alan Yearwood, T9403
Stephanie Jalill Parrish-Chester, T9404

Reinstatements - The Committee recommended that the Board approve the following:

Cynthia Combs Allen, #27433
Heba Kamel Botros, #27953
Megan Lutz Chesser, #19248
Mark Alan Cox, #19129
Faye Summey Creech, #17395
Naomi South Faw, #24691

Jon Eric Grant, #21401
Toni Lea Kirby, #27365
Jenna Renee Norris, #36326
Paula Renee Koontz Paquin, #30903
Kathryn Tucker Perry, #37616
Jason Bradley Whitlatch, #25727

Reissuance of New Certificate - The Committee recommended that the Board approve the application for reissuance of new certificate submitted by Terri Spears Carey, #27114.

Reissuance of New Certificate and Consent Agreement - The Committee recommended that the Board approve the following applications for reissuance of new certificate and consent agreement:

Antoine Darnell Beck, #27664
Phillip Leopold Cadolino, #30919

Karlin Lester Diniaco, #23938

Firm Registrations - The Committee recommended that the Board approve the following professional corporations and professional limited liability companies that were approved by the Executive Director:

Blackmor, CPA, PLLC
Lisa Blinson, CPA, PLLC

D&D CPAs, PC
Jaclyn H Patterson CPA PLLC

Letters of Warning - Staff received renewals from the following individuals, which list 2015 CPE taken between January 1 and June 30, 2016, without an approved extension. Staff recommended a Letter of Warning for a first offense pursuant to 21 NCAC 08G .0406(b)(1). The Committee recommended that the Board approve staff recommendation:

Sanjay Roshanlal Agarwal, #37355
Edmundo Javier Aja, #39235
Lewis Daniel Akers Jr., #30735
Ross Edward Alberghini, #38367
Russell Glenn Allen, #32084
Roy Farmer Alley III, #30078

Denise P. Altman, #29850
Adam Michael Angstadt, #37511
Michael Wade Apple, #11267
Tracy Elaine Arnold, #29172
George Clarence Austin III, #19652
Ferrazanah Tsarina Azeez, #39067

Bruce Anthony Baden, #14657
Lori Lynne Bailey, #21456
Christina Marie Baker, #34023
Andrew Daniel Barnobi, #38363
Elham Yousefpour Barrineau, #33729
Pearl Wilson Bassard, #31573
Kelli A. Batianis, #33629
Elizabeth Colvin Berry, #20458
James Alex Beurle, #24402
Mathew Lee Bork #36222
George Henry Bourgeois, Jr., #26795
Tammy Kay Bolz Bridges, #22848
Douglas Allen Brown, #39293
Mark Buchheim, #37695
John Martin Buckley, #39042
Mark Christopher Burgin, #26576
Dorothy Sue Burns, #24408
Christopher Adam Capone, #37946
Benjamin Smith Causey, #20019
May Chu Cheung, #37984
Jonathan Thomas Clardy, #36402
Shelly Marie Clark, #34813
John Marc Cleveland, #30368
Charles Hubert Cole, Jr., #24137
Colleen Anne Colgan, #34594
Patricia Costello, #22825
Ashley Gwaltney Covington, #36664
Stacy Ann Cowan, #39379
Tyler Clifton Crosby, #38357
G. Joy Dally, #30064
Herbert Owen Davis, Jr., #23514
Melissa Hines Davis, #17954
Natalie Lynne Davis, #21010
John Stuart Dawson, #22377
Paul Arthur Dayer, #37146
Clay Patrick De Wan, #38796
Daniel Jay DeLaCruz, #38121
Adam Charles DeMattia, #38652
Janet P. Dengler, #24685
Valerie Lujana Denning, #18581
Lorraine Lea Kelly Denton Brann,
#16719
Robert Matthew Doran, #38265
Frank Howard Driscoll, #39382
Stephanie Michelle Duknoski, #39283

Donna Jean Earp, #19135
Todd Everett Edwards, #33794
Billy Joe Emory, #35969
Enajevwe Eruotor, #38569
Patrick Clayton Evans, #36923
Anne Marie Farrar, #32747
Nancy Catoe Finch, #20993
Christopher Michael Fraley, #26582
Michael John Fryt, #22527
Lisa Gaetano, #39425
Laura Garrett, #15698
Timothy Brian Gavigan, #20095
Fredrick Martin Gipson, #29859
Walter Rodger Glover, #10954
Charles Otis Goad, #26224
Eugenia Luz Gordon, #36518
Salvatore Albert Gough, #35759
Kenyatta Evans Green, #30667
Allison Ann Hammer, #31377
Molly Beth Hansen, #32393
George Ervin Harris, #13975
Kathryn Kusenberg Hatfield, #4041
Kevin James Hawkins, #24535
John Lyle Heffernan, #35472
William McKay Henderson, #14738
Rosemary Soisson Herhold, #33222
Caroline Wythe Hodge, #35930
Lindsey Dawn Hodges, #37388
Kristen Marie Hogan, #39891
Andrea Holder, #23531
Jo Gaskins Holloman, #13706
Katherine Lamb Homiller, #25422
Erik Vonn Horstmann, #23290
Tiffany Michelle Howard, #38463
Jon Eric Hudson, #39770
Robert Paul Hureau, #39122
Stephanie Lee Jarvis, #38741
Brady Albert Johnson, #30107
Joan E. Jones, #39329
Megan Cie Jones, #36074
Lloyd Harold Jordan, III, #39625
Shruti Sandeep Juneja, #38639
Preston Leland Kafka, #38191
Kevin Matthew Kaval, #39108
Ralph Griffin Kennedy, #39228

Jonathan Shaun Kuker, #37022
John Mark Kunst, Sr., #37162
Jon Wesley Lancaster, #32954
Jessica Harrell Lang, #31794
Robert Anthony LaTourette, #36251
Yohanna Meatta Chavis Leak, #25469
Jason Russell Lewis, #30936
Victor Kenneth Lewis, #23445
Yan Ling, #36962
Kiri Gabrielle Longa, #37720
William Theodore Lovette, III, #30505
Katrina Sheets Lowe, #16599
Weixuan Luo, #39714
Ruth Ditlevson Lyle, #15350
Stanley Wayne Mandel, #37974
Ranu Uday Manik, #39408
Christopher Thomas Mardany, #26951
Mary Michael Martin, #31305
Steven Merrel Martin, #36191
Satyasomeswar Maruvada, #34811
Brian Kudzanai Masunda, #39303
Brenda Walker Maxie, #23450
Robert Tony McCollum, #12567
William Michael McCullough, III,
#38003
Corey Alexandra McFadden, #38644
Margaret Olive McFarland, #26128
Christopher Douglas McKenzie, #36294
Lucas Moore McKeon, #35029
Neil Bernard McLean, #33148
Frank Pleasants Meadows, Jr., #922
Mackenzie Alexandra Meier, #38684
Rachel Diane Meinecke, #36734
Matthew Dwaine Menscer, #26130
David Charles Miller, #13156
Erica Elizabeth Miller, #37442
Jada Watkins Miller, #31824
Melissa Elizabeth Miller, #38212
Terrymore Garcia Miller, #39641
Lisa Johnson Morgan, #35533
Jarrett Lee Morris, #28584
Carver Anne Morrow, #39189
Arnold Grayson Nance, #38231
Mark Stephen Nantz, #18236
Sarah Kristen Neaves, #39058

Brooks E. Nelson, #19981
John Dashiell Nelson, #35114
Michael David Nolan, #35083
Shelly Adams Norris, #27312
Dare Wicker O'Connor, #21500
Sean Patrick O'Leary, #34191
Jennifer Boykin Orbock, #31220
Justin Jeremiah Orbock, #30549
Jeffery Eric Owen, #35980
William Farrel Owens, Jr., #20450
Jennifer Renea Pacheco, #34711
Lori Kindsvatter Parro, #22757
Esha Patel, #35602
Laura Anne Pearson, #39075
Shavonn Raquel Pegram, #39268
Matthew Scott Perry, #33267
Kimberly Loraine Pittard, #37811
Kelly Richmond Pope, #31391
Joseph Briggs Price, #23762
Rachel Raiford Spinarski, #23695
Frances Michelle Randall, #26494
Bernard Lawrence Reams, III, #38428
Tonia H. Reed, #31650
Brooke Corcoran Regensburg, #38907
Dale Rife, #24295
Sonya Yvette Rorie, #26681
Joseph Benjamin Rudolph, #39300
Robert Lawrence Rusch, Jr., #36656
Justin Daniel Sandlin, #39256
Nicholas John Joseph Savarino, #39240
Edith Ragin Saxton, #17554
William Howard Schieffer, #39497
Anthony Michael Sclafani, #38387
Kaumil Kiritkumar Shah, #35140
Gabrielle Oriana Shahid, #38119
Jonathan E. Sharp, #31141
Stephanie Michelle Sheaffer, #36134
Cheterra Lenae Sheff, #39486
Sandra Shelton, #17082
Jin Shi, #35217
Shaista Shireen, #38338
Amanda Marie Shumaker, #32670
Kelsey Anne Shuster-Dutcher, #39867
Christie Ann Silvestri, #26282
Jennifer Lynn Simon, #37079

Gary Gene Smalley, #14343
Charles Shane Smith, #28813
Jennifer Kahrau Smith, #39576
Terry Douglas Smith, #7415
Matthew Robert Socha, #35267
Ali Marguerite Springer, #39261
Thomas Ramey Stewart, #37395
Kristin Payne Stroud, #39155
Deborah Schimsa Suggs, #19592
Ziyi Sun, #39681
Alice Marie Swann, #25615
Angela Marie Taylor, #26466
Charles Benjamin Taylor, #38753
Toni Mari Thereault, #35658
Chrissey Michelle Thomas, #39900
Robert William Thorburn, VI, #16561
George Leland Timmons, IV, #36313
Stanley Tyler Treece, #25507
Samuel Miles Upton, #38151
Rebecca Judy Vandevander, #32970
Nicole Longa Vieira, #38123
Karen J. Vis, #15606

James Randall Vroom, #13301
Patricia T. Wagner, #30251
Bobby Dale Walker, #23865
George Baskette Walker, #10394
Theodore William Walls, #37965
Lon David Walters, #24504
Leigh Morgan Weatherly, #37362
Charles Randolph Wells, #38993
Mark Stephen White, #39103
Robert Lowell Whited, #35329
Dorothy Ellen Whiteman, #19498
James Banner Whitney, #10188
Jamie Lovelace Wiley, #16670
Alison Gray Wille, #35716
Randall Adam Wilson, #33306
Karen Mescher Wisniewski, #31206
Yuanyuan Xiao, #38579
Kimberly Renee Young, #37979
Eric William Gilbert Zetterholm, #25458
Yan Zhou, #39306
Mingjun Zhu, #39056
Terrence Anthony Zielinski, #39539

Staff recommended approval of the request to rescind the Letter of Warning awarded to Scott M. Taylor, #31512. The Committee recommended that the Board approve staff recommendation.

Examinations -The Committee recommended that the Board approve the following staff-approved applicants to sit for the Uniform CPA Examination:

Ashley Adams
Elizabeth Adams
Erin Alexander
Anthony Allen
Brandon Allen
Matthew Allen
Seth Anderson
Carissa Antoniou-Davis
Nicholas Atz
Katelyn Barbee
Nicholas Barnas
William Barnes
Kristen Barr
Lucas Bayless
James Baynard

Timothy Baynes
Troy Beaver
Christopher Befus
Stephen Belcher
Michelle Bennett
Sarah Benton
Shannon Berry
Ghazala Bibi
Christie Biddick
Christopher Biddle
Gagandeep Bindra
Anitra Black
Jarryd Blaetz
Andrew Blalock
William Bloder

Lynn Bodine
Joshua Bollinger
Joseph Boyle
James Brace
Wesley Brewer
K'La Brewington
Cindy Broccolo
Meredith Brogden
John Brothers
Emily Brown
Kathryn Brown
Randolph Brown
Sarah Brown
Tiffany Brown
Rosalind Brownback
Andrew Bryson
Caitlin Bunzey
Meghan Burke
William Burke
Sarah Cacciabaudo
Krsitin Cain
Alejandra Canning
Alan Cardoso
Kenneth Cargain
Matthew Carpenter
Clay Carroll
Kimberly Carson
Katrina Carter
Richard Cassady
Stephen Cates
Brendan Cei
Marina Chaconas
Tyler Chambers
Felix Chang
Henry Chao
Maitland Chase
Abraham Chen
Wing-Wah Chu
Cameron Clavin
Rashaad Clavon
Adam Clayton
Tracey Clements
Jarret Cline
Erich Cloninger
Melanie Clyburn

Mia Coelho
Jonthan Coffman
Evelyn Cone
Chelsya Cook
Kenneth Cooper
Justin Corwin
Cameron Crawford
Lindsay Cregger
Lewis Curtis
Timothy Daly
Daniel Dapkiewicz
Colin Davis
Richard Dawson
Christianne De La Cruz
Michelle Denning
Heather Deyarmin
Allison Diaz
Cyprian Dickson
Nicole Dickson
Wesley Doble
Jeremy Donabedian
James Donald
Brian Donaldson
Christina Drake
Alicia Driver
Carolyn Drost
Jonathan DuBose
Doina Duca
William Dudley
Stewart Dula
Stephen Duncan
Drew Dunn
Jared Dyson
Logan Dziedzic
Kellie Earnhardt
Susan Eisenhardt
Laura El-Baytam
Kelsey Elggren
Jefferson Ellington
Kenneth Elliott
Sydney Ellis
Kasie Elmore
David Emery
Andrew Fairchild
Melanie Falk

Alison Faustyn
Matthew Fearnow
Sean Feeley
Dewey Fender
Brian Ferguson
Andy Ferrell
Juliana Filippini
Matthew Finney
Holly Fisher
Ryan Fletcher
Morgan Foody
Jeffrey Foster
Katlyn Foster
Nathan Francis
Leanne Fredericks
Derek Gallelo
Wenyu Gao
Trevor Gardner
Nicholas Georges
Nicholas Gittin
Patricia Glidewell
Kristen Goggins
Tiffany Goodman
Christian Goodwin
Daniel Graham
Trevanti Grant
Taylor Gray
Turiya Gray
Logan Green
Samantha Greenberg
Benjamin Gregory
Emily Griffin
John Gudauskas
Laura Guild
Yufei Guo
Mark Gurley
Monica Gutierrez
Chelsi Haefele
Moniquea Haffner
Gregory Hales
Renee Halifax
Cara Hall
Taylor Hamilton
Mallory Hammett
Allison Harden

Zachary Harner
Austin Harris
Kara Harris
Cherie Harrison
Elissa Harvey
Shernelia Hawkins
Elisabeth Henderson
Jinwon Hensley
Courtney Hickland
Maura Hickson
James High V
Joshua Hinchler
Jacqueline Hobbs
Joshua Holbrooks
Summer Holt
Donna Horne
Taylor Horney
Mark Horsch
Emilie Houston
Zakiyyah Howell
Ryan Hoyle
Staci Huffman
Trevor Huggins
Ryan Hull
Sarah Humphries
Zana Ismail
Joseph Jacobs
Hamilton James
Kellie Janes
Lisa Johansen
Amber Johnson
Kristen Jones
Zachery Jones
Gregory Journigan
Jacob Joyner
Manveer Kaur
Keith Keller
Carinda Kerr
Soonam Kim
Samuel Kimber
Brandon Knez
Kathryn Kosick
Jeremy Krider
Jeremy Kryn
Eleonora Kuncheva

Victoria Lacivita
Katherine Lang
Steven Lappin
Ho Lau
Aaron Lee
Edwin Lee
Steven Leerberg
Melissa Leney
Mary Lennon
Amy Leopold
Shontrail Lewis
Krystal Lim
Brooke Lisson
Marcus Lockamy
Justin Locklear
Matthew Loerop
Jordan Loman
Ernest Lookabill
Xueer Lu
Keith Lumbert
Casey Maciej
Ryan Mack
Anna Martin
Susanne Matthews
Nathaniel Maxwell
Peter Maxwell
Kevin May
Karen McCall
Charles McCarthy
Cody McKinney
Raymond McKinney
John Metcalf
Erin Meyer
Kara Meyer
Allison Michaud
Vadim Mikhaylyants
Desnee Miles
Jeremy Miller
Alina Misiunas
Mollie Mitchell
Alexander Moore
April Morris
Allison Murphy
Megan Murphy
John Myers

Rebecca Nance
Morgan Nash
Abigail Nelson
Marina Nestic
Dustin Never
Sarah Nicholls
Ashley Nichols
Chun Nip
Evariste Ntirenganya
Jeanny O'Masta
Ryan O'Neal
Mofopofoluwa Obadina
Peter Ovendorf
William Pace
Elizabeth Paluso
Sara Parkerson
Connor Parkes
Mark Parsells
Emerald Parsley
Demetrice Patterson
Alexander Payne
Morgan Pegram
Cecilia Peters
Jasmine Pettaway
Ljiljana Pilipovic
Irina Poroshina
Ian Pratt
Tyler Pratt
Kristi Propst
Emily Prutzman
Terria Punturo
Sheetal Puri
Melissa Ratcliff
Mary Rawn
Joshua Reed
Natalie Reed
Ashley Reynolds
Stefanee Richardson
Nedra Riddick
John Riehl
Jazmin Rios
Amber Roberts
Hillary Roberts
Christen Robertson
Mary Roche

Samuel Roebuck
Natasha Roman
Elizabeth Ross
Jessica Ross
Drew Saia
Nicole Salmon
Raj Saroha
Jason Sauder
Michael Saulnier
Landon Savino
Karina Schneider
Cristy Scholler
Adam Schwartz
Justin Schweizer
Amanda Scott
Matthew Scott
Melanie Seidman
Vanessa Seiglie
Hogan Sellers
Daniel Serratos Prudencio
Julia Setzer
Dhruvit Sheth
Meiling Shih
Amber Shively
Jeffrey Sicinski-Sendek
Joshua Simmons
Jay Singer
Travis Sirois
Torian Sitton
Beth Smith
Caitlin Smith
Dylan Smith
Jonathan Smith
Krista Smith
William Smith
Susan Smitherman
Tyesha Smoot
Charita Snow
Eric Sommermann
Victoria Sorkin
Seun Soth
Travis Spatola
Caroline Speer
Stephen Spivey
Stacey Stafford

Charles Steffenella
Jordan Stephney
Elias Stergiou
Sarah Stoenner
Courtney Stoker
Martha Strickland
Courtney Struble
Ryan Struble
Allison Sullivan
Matthew Sullivan
Sabrina Summers
Kayla Sykes
Lindsay Tabbi
Christopher Tate
Jordan Thomas
Ronald Thornhill
Kavonda Thrasher
Taylor Tibbs
Tamara Todi
Heath Towson
Joshua Tulledge
Jeffrey Turner
Susan Tyler
Petra Tyndall
Onur Uman
Michael Vazquez
Ashley Verhein
Matthew Vogler
Richard Wagner
Michael Walsh
Patrick Walsh
Stephanie Walsh
Monica Warner
Trevor Warren
Joshua Waters
Travis Weaver
Jared Weber
David Weekley
Karl Weickgenannt
Taylor Westerhof
Brian White
Christopher Wicks
Shannon Wiggins
Kayla Willett
Aviance Williams

Katherine Williams
Ashley Willis
George Wise
Jeffrey Witt
Adam Woeller

Ruoyu Wu
Darya Yakauleva
Jonathan Yavorsky
Liudmila Zill

EXECUTIVE STAFF AND LEGAL COUNSEL REPORT: Messrs. Truitt and Biggs moved to approve the Board meeting dates for 2017. Motion passed.

ADJOURNMENT: Messrs. Womble and Biggs moved to adjourn the meeting at 10:35 a.m. Motion passed.

Respectfully submitted:

Attested to by:

Robert N. Brooks
Executive Director

Michael H. Womble, CPA
President

NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #s: C2014285-1 and C2014285-2

IN THE MATTER OF:
Crystal K. Hamrick, CPA, #23120
Crystal K. Hamrick, CPA,
Respondents

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 the Respondent stipulate to the following:

1. Crystal K. Hamrick, CPA, (hereinafter "Respondent"), is the holder of North Carolina certificate number 23120 as a Certified Public Accountant.
2. Crystal K. Hamrick, CPA (hereinafter "Respondent firm"), is a registered certified public accounting firm in North Carolina.
3. At all relevant times, the Respondent was the supervising CPA of the Respondent firm and, as such, was the CPA responsible for ensuring that the Board's peer review requirements were satisfied.
4. The Respondent firm had received a system peer review for the year ended May 31, 2012. However, it was later discovered that the Respondent firm had conducted an audit of an employee benefit plan. That audit had not been identified by the Respondents to the peer reviewer.
5. Per the peer review rules, if a firm performs an audit of an employee benefit plan during the relevant time period, at least one such plan must be subjected to peer review.
6. At the beginning of the peer review process, firms must complete a questionnaire. The questionnaire specifically requires the firm to review a list of audit engagements, including employee benefit plan audits, and identify whether the firm has performed any of those engagements.

NC BOARD OF

SEP 13 2016

CPA EXAMINERS

Consent Order - 2

Crystal K. Hamrick, CPA

Crystal K. Hamrick, CPA

7. As a result of the failure to identify its employee benefit plan audit engagement(s), the Respondent firm's peer review was recalled. The Respondent firm received a "pass with deficiencies" on its ensuing system peer review report.
8. The peer review report identified deficiencies by the Respondent firm for performing an ERISA engagement without the proper experience and training in such a specialized industry.
9. The Respondents wish to resolve this matter by consent and agree 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. The Respondents understand and agree 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. The Respondents are 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. The Respondent should have known that the Respondent firm conducted an employee benefit plan audit during the relevant peer review period, and further should have known that the audit was required to be disclosed to the peer reviewer. The failure to disclose the employee benefit plan audit to the peer reviewer constitutes a violation of 21 NCAC 08N .0202(a).
3. Per N.C. Gen. Stat. § 93-12(9) and also by virtue of the Respondent's consent to this order, the Respondents are subject to the discipline set forth below.

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

1. The Respondent's CPA certificate shall be revoked for one (1) year. However, the revocation is stayed if all requirements of this Consent Order are met and the Respondent is not found to have violated the peer review rules during that period.

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CPA EXAMINERS

Consent Order - 3
Crystal K. Hamrick, CPA
Crystal K. Hamrick, CPA

2. The Respondent firm's registration shall be cancelled for one (1) year. However, the cancellation is stayed if all requirements of this Consent Order are met and the Respondent firm is not found to have violated the peer review rules during that period.
3. The Respondent firm shall pay a one thousand dollar (\$1,000) civil penalty to be remitted with this signed Consent Order.
4. The Respondent firm shall pay a five hundred dollar (\$500) administrative cost to be remitted with this signed Consent Order.
5. Prior to the Respondent firm's next peer review, the Respondent must take four (4) hours of group-study CPE, specifically covering the peer review process and/or getting ready for peer review.
6. The Respondents agree that failure to comply with any terms of this agreement shall be deemed sufficient grounds to lift the stays set forth above.

CONSENTED TO THIS THE 12th DAY OF September, 2016.

Crystal K. Hamrick, CPA
Individual authorized to sign on behalf of Respondent Firm

Crystal K. Hamrick, CPA
Respondent

APPROVED BY THE BOARD THIS THE 27 DAY OF October,

2016, NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS



BY: [Signature]
President

NC BOARD OF
SEP 13 2016
CPA EXAMINERS

NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #: C2015105

IN THE MATTER OF:
Jerry L. Price, CPA, #4275
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. Jerry L. Price (hereinafter "Respondent") is the holder of North Carolina certificate number 4275 as a Certified Public Accountant.
2. The Board received a complaint against the Respondent in which the Complainants alleged that the Respondent made mistakes in preparing their business' income tax returns. Specifically, the Complainants alleged that the Respondent failed to file taxes in states where the company had commercial properties and enterprises located. The Complainants have retained a different CPA to prepare their tax returns, including amendments to their prior returns.
3. The Respondent asserted that he had allocated all income as North Carolina income because that was the way the income had previously been allocated by the prior owners ("founders") of the company and the company's prior accountants. Neither of those founders was a CPA. After the Respondent started doing the company's taxes, he continued to allocate the income in the same way.
4. The Respondent states that had he been made aware of the situation, he would have taken the steps necessary to amend the returns.
5. The 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. The 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.

NC BOARD OF
SEP 16 2016
CPA EXAMINERS

Consent Order - 2
Jerry L. Price

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

1. The 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. Per the Board's rules, at 21 NCAC 08N .0301, "A CPA shall not subordinate the CPA's professional judgment to non-CPAs."
3. By allowing the founders of the business to dictate the allocation of the company's tax returns, the Respondent violated rule 21 NCAC 08N .0301.
4. Per N.C. Gen. Stat. § 93-12(9), 93-10(b) and also by virtue of the Respondent's consent to this order, the Respondent is subject to the discipline set forth below.

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

1. The Respondent, Jerry L. Price, is censured.

CONSENTED TO THIS THE 14th DAY OF September, 2016.
(Day) (Month) (Year)



Respondent

APPROVED BY THE BOARD THIS THE 27 DAY OF October, 2016.
(Day) (Month) (Year)

NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS



BY: 

President

NC BOARD OF

SEP 16 2016

CPA EXAMINERS

NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #C2016129

IN THE MATTER OF:
Scott Lee Frazier, #32604
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. The Respondent was the holder of North Carolina certificate number 32604 as a Certified Public Accountant.
2. The Respondent informed the Board on his 2015-2016 individual certificate Renewal ("Renewal") that between January 1, 2014, and June 30, 2015, he had obtained the requisite forty (40) hours of continuing professional education ("CPE") to meet the 2014 CPE requirements.
3. Based on the Respondent's representation, the Board accepted his Renewal.
4. The Board staff requested that the Respondent provide certificates of completion for the CPE reported to meet his 2014 requirements.
5. The Respondent was unable to locate any documentation for forty (40) hours of the 2014 CPE hours that he claimed on his 2015-2016 annual renewal. In addition, the Respondent was unable to locate documentation to substantiate completion of at least two (2) hours of ethics from a sponsor registered with NASBA that he earned between January 1, 2014, and June 30, 2015.
6. The 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. The 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.

NC BOARD OF

SEP 14 2016

CPA EXAMINERS

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

1. The 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. The 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), 93-10(b) and also by virtue of the Respondent's consent to this order, the Respondent is subject to the discipline set forth below.

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

1. The Respondent's failure to provide adequate documentation of CPE renders the Renewal insufficient and untimely. The Respondent's failure to adequately renew his certificate results in an automatic forfeiture pursuant to N.C. Gen. Stat. § 93-12(15).
2. The Respondent must return his certificate to the Board within fifteen (15) days of his receipt of the Board's notification of its approval of this Consent Order.
3. The Respondent may apply for the reissuance of his certificate after one (1) year from the date the Board approves this Consent Order as long as the civil penalty required in number five (5) of this Order has been timely received by the Board.
4. The Respondent may apply to return his 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. Eighty (80) 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.

NC BOARD OF

SEP 14 2016

CPA EXAMINERS

- 5. The Respondent shall pay a one thousand dollar (\$1,000) civil penalty, to be remitted to the Board prior to submitting a reissuance application.
- 6. The Respondent agrees that failure to timely comply with any terms of this agreement and Consent Order shall be deemed sufficient grounds for revocation of his certificate.

CONSENTED TO THIS THE 9th DAY OF September, 2016.
(Day) (Month) (Year)

Scott Lee Frazier
Respondent

APPROVED BY THE BOARD THIS THE 27 DAY OF October, 2016.
(Day) (Month) (Year)

NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS



BY: [Signature]
President

NC BOARD OF
SEP 14 2016
CPA EXAMINERS

Financial Highlights
For the Seven Month Period Ended October 31, 2016
Compared to the Seven Month Period Ended October 31, 2015

	Budget Var.	Oct-16	Oct-15	Inc. (Dec.)
Total Revenue	\$ 18,385.73	\$ 2,281,966.28	\$ 2,153,632.13	\$ 128,334.15
■ Total Operating Revenue	\$ 18,666.75	\$ 2,244,276.61	\$ 2,113,273.72	\$ 131,002.89
❖ Total Net Non Operating Revenue	\$ (281.02)	\$ 37,689.67	\$ 40,358.41	\$ (2,668.74)
○ Total Expenses	\$ (77,743.73)	\$ 1,678,219.30	\$ 1,561,237.86	\$ 116,981.44
Increase(Dec.) Net Assets for Period		\$ 603,746.98	\$ 592,394.27	\$ 11,352.71
Total Checking and Savings		\$ 1,848,262.06	\$ 999,968.87	\$ 848,293.19
Total Assets		\$ 4,098,130.30	\$ 3,665,767.21	\$ 432,363.09
Full-Time/Part-time Employees		14/1	13/1	0/0

Budget:

- Operating revenue was \$19,000 over budget. The primarily area of increased revenue was exam fee revenue (\$22,000).
- ❖ Non-Operating revenue was \$300 under budget primarily due to the leasing cost expense.
- Expenses were \$78,000 under budget. Key variances individually were fringe benefit costs (-\$36k), board travel/per diem (-\$18k), exam costs (+\$10k), office expense (+\$11k), and postage and printing costs (-\$20k), and salary costs (-\$20k).

Actual:

- Total operating revenue increased from prior year by \$131,000. Increase related to higher intake of certificate renewal fees (\$30,000) and expected exam fee revenue (\$105,000).
- ❖ Total net non-operating revenue decreased this period compared to prior by \$2,700 primarily due the Board not redeeming gift cards equal to prior year to offset expenses at this time.
- Total expenses increased from prior period by \$117,000. Exam costs are up \$80,000, and the investigation and hearing costs has a net change of \$32,000 (civil penalty collections).

11/07/16

NC Board of CPA Examiners
Statement of Net Position
As of October 31, 2016

	<u>Oct 31, 16</u>	<u>Oct 31, 15</u>
ASSETS		
Current Assets		
Checking/Savings		
1077 · Fidelity Bank - MMA	249,149.44	0.00
1076 · Bank of North Carolina - MMA	503,088.45	250,651.52
1075 · Union - Money Market	249,094.26	245,980.61
1074 · First Tennessee Bank - MMA	245,782.92	245,128.70
1023 · BB&T Disciplinary Clearing Acct	2,000.00	12,000.00
1020 · BB&T Checking Acct	88,726.28	85,579.88
1021 · BB&T Savings Account	510,320.71	160,229.16
1030 · BB&T Payroll Acct	100.00	99.00
Total Checking/Savings	<u>1,848,262.06</u>	<u>999,668.87</u>
Other Current Assets		
1110 · Accrued CD Interest	7,824.32	7,749.74
1050 · CD Investments - Current	500,991.47	1,237,150.47
1165 · Deferred Lease Commissions	4,358.12	0.00
1125 · Accts Rec Civil Penalties	4,000.00	0.00
1120 · Accounts Receivable	308.60	1,580.00
Total Other Current Assets	<u>517,482.51</u>	<u>1,246,480.21</u>
Total Current Assets	2,365,744.57	2,246,149.08
Fixed Assets		
1330 · Land Improvement	14,640.90	14,640.90
1300 · Building	1,022,767.10	917,143.10
1305 · Land	300,000.00	300,000.00
1310 · Furniture	112,387.24	113,918.90
1320 · Equipment	176,764.86	208,343.47
1325 · Data Base Software	180,336.18	180,336.18
1390 · Accumulated Depreciation	-815,010.72	-807,493.22
Total Fixed Assets	<u>991,885.56</u>	<u>926,889.33</u>
Other Assets		
1250 · CD Investments Non-Current	740,500.17	492,728.80
Total Other Assets	<u>740,500.17</u>	<u>492,728.80</u>
TOTAL ASSETS	<u>4,098,130.30</u>	<u>3,665,767.21</u>
LIABILITIES & NET ASSETS		
Liabilities		
Current Liabilities		
Other Current Liabilities		
2040 · Accounts Payable Civil Penalty	3,600.00	0.00
2005 · Due to Exam Vendors	683,814.81	457,229.17
2011 · Accounts Payable Other	2,500.00	2,500.00
2015 · Accrued Vacation Current	7,332.18	4,571.00
Total Other Current Liabilities	<u>697,246.99</u>	<u>464,300.17</u>
Total Current Liabilities	697,246.99	464,300.17

11/07/16

NC Board of CPA Examiners
Statement of Net Position
As of October 31, 2016

	<u>Oct 31, 16</u>	<u>Oct 31, 15</u>
Long Term Liabilities		
2020 · Accrued Vacation	72,106.36	73,432.34
Total Long Term Liabilities	<u>72,106.36</u>	<u>73,432.34</u>
Total Liabilities	769,353.35	537,732.51
Net Assets		
3010 · Net Assets Invest in Cap Assets	991,885.56	926,889.33
3020 · Designated for Capital Assets	100,000.00	100,000.00
3031 · Designated-Operating Expenses	300,000.00	300,000.00
3040 · Designated for Litigation	1,000,000.00	750,000.00
3900 · Net Assets Undesignated	333,144.41	458,751.10
Change in Net Assets	603,746.98	592,394.27
Total Net Assets	<u>3,328,776.95</u>	<u>3,128,034.70</u>
TOTAL LIABILITIES & NET ASSETS	<u>4,098,130.30</u>	<u>3,665,767.21</u>

11/07/16

NC Board of CPA Examiners
Statement of Revenues & Expense - Budget v. Actual
 April through October 2016

	Apr - Oct 16	Budget	\$ Over B...
Ordinary Income/Expense			
Income			
Certificate Fees			
4110 · Certificates - Initial	33,400.00	40,833.31	-7,433.31
4120 · Certificates - Reciprocal	19,100.00	18,666.69	433.31
4121 · Certificates - Recip/Temp	0.00	0.00	0.00
4130 · Certificates - Temporary	0.00	0.00	0.00
4131 · Certificates - Temp Renewal	0.00	0.00	0.00
4140 · Certificates - Renewal Fees	1,234,140.00	1,230,000.00	4,140.00
4150 · Certificates - Reinst/Revoked	1,300.00	0.00	1,300.00
4151 · Certificates - Reinst/Surr	4,500.00	6,416.69	-1,916.69
4152 · Certificates - Reinst/Retired	0.00	0.00	0.00
4160 · Certificates - Notification	0.00	0.00	0.00
4161 · Certificate - Notification Rnw	0.00	0.00	0.00
Total Certificate Fees	1,292,440.00	1,295,916.69	-3,476.69
Exam Fee Revenue			
4001 · Initial Adm Fees	136,160.00	140,875.00	-4,715.00
4002 · Re-Exam Adm Fees	117,675.00	109,375.00	8,300.00
4004 · Exam Fees Revenue	713,893.14	700,000.00	13,893.14
4060 · Equivalency Exam Fees	0.00	0.00	0.00
4070 · Transfer Exam Grade Credit	0.00	0.00	0.00
4071 · Exam Review Fees	0.00	0.00	0.00
4072 · Exam Scholarship Coupon	-19,315.20	-24,056.83	4,741.63
Total Exam Fee Revenue	948,412.94	926,193.17	22,219.77
Misc			
4993 · Revenue Suspense	0.00	0.00	0.00
4999 · Board Training	0.00	0.00	0.00
4910 · Educational Program Fees	0.00	0.00	0.00
4970 · Duplicate Certificates	500.00	0.00	500.00
4980 · Copies	0.00	0.00	0.00
4990 · Miscellaneous	828.67	875.00	-46.33
Total Misc	1,328.67	875.00	453.67
Partnership Fees			
4260 · Partnership Registration Fees	60.00	0.00	60.00
4261 · Partnership Renewal Fees	0.00	0.00	0.00
Total Partnership Fees	60.00	0.00	60.00
Professional Corporation Fees			
4250 · PC Registration Fees	2,000.00	2,625.00	-625.00
4251 · PC Renewal Fees	10.00	0.00	10.00
4252 · PC Renewal Fees W/Penalties	25.00	0.00	25.00
Total Professional Corporation Fees	2,035.00	2,625.00	-590.00
Total Income	2,244,276.61	2,225,609.86	18,666.75
Expense			
6900 · Bad Debit Expense	0.00	0.00	0.00
6690 · Over & Short	0.60	0.00	0.60

11/07/16

NC Board of CPA Examiners
Statement of Revenues & Expense - Budget v. Actual
 April through October 2016

	Apr - Oct 16	Budget	\$ Over B...
Fringe Benefits			
5031 · Retirement - NCLB Contribution	31,730.85	32,659.69	-928.84
5033 · Retirement - NCLB Administr	2,498.81	2,500.00	-1.19
5035 · Health Ins. Premiums	61,673.42	86,333.31	-24,659.89
5036 · Medical Reim Plan	11,800.13	22,750.00	-10,949.87
5038 · Unemployment Claims	0.00	0.00	0.00
Total Fringe Benefits	107,703.21	144,243.00	-36,539.79
Board Travel			
5120 · Board Travel - Board Meetings	12,016.97	14,168.00	-2,151.03
5121 · Board Travel - Prof Meetings	14.00	0.00	14.00
5122 · Board Travel - NASBA Annual	6,630.92	17,080.00	-10,449.08
5123 · Board Travel - NASBA Regional	8,134.03	9,360.00	-1,225.97
5124 · Board Travel - NASBA Committees	0.00	0.00	0.00
5125 · Board Travel - AICPA/NASBA	0.00	0.00	0.00
5126 · Board Travel - NCACPA Annual	0.00	0.00	0.00
5127 · Board Travel - NCACPA/Board	2,981.53	2,800.00	181.53
5128 · Board Travel - AICPA Committees	0.00	0.00	0.00
5129 · Miscellaneous Board Costs	332.42	0.00	332.42
5133 · Board Travel - NASBA CPE	0.00	0.00	0.00
Total Board Travel	30,109.87	43,408.00	-13,298.13
Building Expenses			
5800 · Building Maintenance	2,772.17	2,500.00	272.17
5801 · Electricity	6,720.59	7,000.00	-279.41
5802 · Grounds Maintenance	1,020.00	2,916.69	-1,896.69
5803 · Heat & Air Maintenance	1,212.00	3,000.00	-1,788.00
5804 · Improvements	0.00	0.00	0.00
5805 · Insurance	4,704.00	0.00	4,704.00
5807 · Janitorial Maintenance	3,375.66	3,500.00	-124.34
5808 · Pest Control Service	0.00	200.00	-200.00
5809 · Security & Fire Alarm	2,448.00	2,500.00	-52.00
5810 · Trash Collection	-456.02	583.31	-1,039.33
5811 · Water & Sewer	721.79	641.69	80.10
Total Building Expenses	22,518.19	22,841.69	-323.50
Continuing Education -Staff			
5050 · Continuing Education - Staff	394.85	2,916.69	-2,521.84
5051 · Continuing Education - RNB	102.60	0.00	102.60
5052 · Continuing Education - Computer	0.00	0.00	0.00
Total Continuing Education -Staff	497.45	2,916.69	-2,419.24
Exam Postage			
5531 · Exam Postage	600.00	1,050.00	-450.00
Total Exam Postage	600.00	1,050.00	-450.00
Exam Printing			
5533 · Exam Printing	0.00	0.00	0.00
Total Exam Printing	0.00	0.00	0.00

11/07/16

NC Board of CPA Examiners
Statement of Revenues & Expense - Budget v. Actual
 April through October 2016

	Apr - Oct 16	Budget	\$ Over B...
Exam Sitting and Grading			
5538 · Exam Vendor Expense	651,827.68	641,666.69	10,160.99
Total Exam Sitting and Grading	651,827.68	641,666.69	10,160.99
Exam Supplies			
5532 · Exam Supplies	0.00	0.00	0.00
Total Exam Supplies	0.00	0.00	0.00
Exam Temporary Staff			
5530-10 · Temp Employees - May	0.00	0.00	0.00
5530-20 · Temp Employees - Nov	0.00	0.00	0.00
Total Exam Temporary Staff	0.00	0.00	0.00
Investigation & Hearing Costs			
5220 · Investigator Fees	0.00	0.00	0.00
5221 · Staff Investigation Costs	16.50	0.00	16.50
5222 · Investigation Materials	3,945.74	6,708.31	-2,762.57
5230 · Hearing Costs	7,191.84	2,916.69	4,275.15
5231 · Rule-Making Hearing Costs	0.00	0.00	0.00
5232 · Legal Advertising	0.00	0.00	0.00
5250 · Administrative Cost Assessed	-3,600.00	-1,458.31	-2,141.69
5260 · Civil Penalties Assessed	-10,200.00	-4,375.00	-5,825.00
5261 · Civil Penalties Remitted	9,450.13	0.00	9,450.13
Total Investigation & Hearing Costs	6,804.21	3,791.69	3,012.52
Legal Expense			
5140 · Legal Counsel - Administrative	18,506.00	21,000.00	-2,494.00
5141 · Legal Counsel - Spec Projects	0.00	0.00	0.00
5210 · Legal Counsel - Prof Standards	0.00	0.00	0.00
5211 · Legal Counsel - Litigation	19,852.61	10,000.00	9,852.61
Total Legal Expense	38,358.61	31,000.00	7,358.61
Misc Personnel			
5034 · Misc. Payroll Deduction	0.00	875.00	-875.00
5037 · HSA Deduction	125.60	0.00	125.60
5090 · Flowers, Gifts, Etc.	302.58	0.00	302.58
5091 · Staff Recruiting	299.00	0.00	299.00
5092 · Misc. Personnel Costs	487.49	1,750.00	-1,262.51
Total Misc Personnel	1,214.67	2,625.00	-1,410.33
Office Expense			
5436 · Contracted Copy Service	1,235.16	0.00	1,235.16
5301 · Equipment Rent	312.00	600.00	-288.00
5310 · Decorations	0.00	0.00	0.00
5320 · Payroll Service	1,027.49	1,166.69	-139.20
5360 · Telephone	3,099.14	4,083.31	-984.17
5361 · Internet & Website	3,226.35	2,916.69	309.66
5390 · Clipping Service	1,851.08	2,333.31	-482.23
5400 · Computer Prog/Assistance	3,555.92	2,916.69	639.23
5405 · Computer Software Maintenance	33,630.19	32,083.31	1,546.88
5410 · Dues	7,730.00	8,200.00	-470.00
5420 · Insurance	12,557.00	16,800.00	-4,243.00
5430 · Audit Fees	8,990.00	8,990.00	0.00

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NC Board of CPA Examiners
Statement of Revenues & Expense - Budget v. Actual
 April through October 2016

	Apr - Oct 16	Budget	\$ Over B...
5435 · Consulting Services	0.00	583.31	-583.31
5440 · Misc Office Expense	810.00	2,000.00	-1,190.00
5445 · Banking Fees	3,123.16	2,041.69	1,081.47
5450 · Credit Card Fees	44,536.78	30,333.31	14,203.47
Total Office Expense	125,684.27	115,048.31	10,635.96
Per Diem - Board			
5110 · Per Diem - Board Meetings	7,700.00	8,400.00	-700.00
5111 · Per Diem - Prof Meetings	250.00	2,333.31	-2,083.31
5112 · Per Diem - NASBA Annual	0.00	0.00	0.00
5113 · Per Diem - NASBA Regional	2,100.00	2,800.00	-700.00
5114 · Per Diem - NASBA Committees	250.00	0.00	250.00
5115 · Per Diem - AICPA/NASBA	0.00	0.00	0.00
5116 · Per Diem - NCACPA Annual	0.00	800.00	-800.00
5117 · Per Diem - NCACPA/Board	100.00	500.00	-400.00
5118 · Per Diem - AICPA Committees	0.00	0.00	0.00
5119 · Per Diem - Miscellaneous	0.00	500.00	-500.00
5130 · Clerical Reimbursement	0.00	0.00	0.00
5135 · Per Diem - NASBA CPE	0.00	0.00	0.00
Total Per Diem - Board	10,400.00	15,333.31	-4,933.31
Postage			
5345 · Postage - UPS	7,000.00	6,000.00	1,000.00
5340 · Postage - Other	2,751.88	11,375.00	-8,623.12
5341 · Postage - Newsletter	38,400.00	41,416.69	-3,016.69
5342 · Postage - Business Reply	750.00	1,458.31	-708.31
5343 · Postage - Renewal	900.00	1,166.69	-266.69
5344 · Postage - Rulebook	0.00	0.00	0.00
Total Postage	49,801.88	61,416.69	-11,614.81
Printing			
5330 · Printing - Other	1,985.64	4,083.31	-2,097.67
5331 · Printing - Newsletter	31,069.12	37,916.69	-6,847.57
5332 · Printing - Certificates	756.00	0.00	756.00
5333 · Printing - Renewal	0.00	0.00	0.00
5334 · Printing - Rulebook	0.00	0.00	0.00
5335 · Mailing Label Printing	0.00	0.00	0.00
Total Printing	33,810.76	42,000.00	-8,189.24
Repairs & Maintenance			
5380 · Repairs - Misc.	0.00	0.00	0.00
5381 · Maintenance - Copiers	875.47	1,458.31	-582.84
5382 · Maintenance - Computer	766.64	875.00	-108.36
5383 · Maintenance - Postage	490.00	583.31	-93.31
Total Repairs & Maintenance	2,132.11	2,916.62	-784.51

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NC Board of CPA Examiners
Statement of Revenues & Expense - Budget v. Actual
 April through October 2016

	<u>Apr - Oct 16</u>	<u>Budget</u>	<u>\$ Over B...</u>
Salaries & Payroll Taxes			
5040 · State Unemployment Tax	0.00	0.00	0.00
5010 · Staff Salaries	531,760.11	547,334.55	-15,574.44
5020 · Part-Time Staff Salaries	6,912.82	10,233.08	-3,320.26
5021 · Temporary Contractors	0.00	0.00	0.00
5030 · FICA Taxes	39,344.92	42,690.33	-3,345.41
Total Salaries & Payroll Taxes	578,017.85	600,257.96	-22,240.11
Scholarships			
5535 · Scholarship	0.00	0.00	0.00
Total Scholarships	0.00	0.00	0.00
Staff Travel			
5060 · Staff Travel - Local	290.16	1,487.50	-1,197.34
5061 · Staff Travel - Prof Mtgs	2,198.85	2,304.19	-105.34
5062 · Staff Travel - NASBA CPE	0.00	0.00	0.00
5063 · Staff Travel - NASBA Ethics	0.00	0.00	0.00
5070 · Staff Travel - NASBA Annual	3,620.54	7,320.00	-3,699.46
5071 · Staff Travel - NASBA Regional	3,383.64	3,544.00	-160.36
5072 · Staff Travel - NASBA ED/Legal	-635.96	0.00	-635.96
5073 · Staff Travel - NASBA Committee	0.00	0.00	0.00
5074 · Staff Travel - AICPA	0.00	0.00	0.00
5075 · Staff Travel - NCACPA Meetings	0.00	1,166.69	-1,166.69
5076 · Staff Travel - NCACPA/Board	983.94	875.00	108.94
5077 · Staff Travel - Clear Conference	1,350.55	0.00	1,350.55
5078 · Staff Travel - Vehicle	0.00	0.00	0.00
5080 · Staff Travel - Univ Dialogue	0.00	0.00	0.00
Total Staff Travel	11,191.72	16,697.38	-5,505.66
Subscriptions/References			
5370 · Subscriptions/References	345.07	1,750.00	-1,404.93
Total Subscriptions/References	345.07	1,750.00	-1,404.93
Supplies			
5350 · Supplies - Office	4,275.01	2,625.00	1,650.01
5351 · Supplies - Copier	1,902.20	2,479.19	-576.99
5352 · Supplies - Computer	1,023.94	1,895.81	-871.87
5353 · Supplies - Special Projects	0.00	0.00	0.00
Total Supplies	7,201.15	7,000.00	201.15
5920 · Funded Depreciation	0.00	0.00	0.00
6999 · Uncategorized Expenses	0.00	0.00	0.00
9999 · Suspense	0.00	0.00	0.00
Total Expense	1,678,219.30	1,755,963.03	-77,743.73
Net Ordinary Income	566,057.31	469,646.83	96,410.48
Other Income/Expense			
Other Income			
8250 · Gift Card Revenue	6,500.00	6,000.00	500.00

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Statement of Revenues & Expense - Budget v. Actual

April through October 2016

	<u>Apr - Oct 16</u>	<u>Budget</u>	<u>\$ Over B...</u>
Interest Income			
8500 · Interest Income - MMAs	2,680.49	0.00	2,680.49
8505 · Interest Income - BB&T BUS IDA	0.00	0.00	0.00
8510 · Interest Income - CDs	9,583.35	11,666.69	-2,083.34
8520 · Interest Income - Prudential TB	0.00	0.00	0.00
8530 · Interest Income - Wachovia MM	0.00	0.00	0.00
Total Interest Income	<u>12,263.84</u>	<u>11,666.69</u>	<u>597.15</u>
8200 · Rental Income	20,303.76	20,304.00	-0.24
8920 · Gain on Sale of Fixed Assets	514.55	0.00	514.55
8921 · Loss on Sale of Fixed Assets	0.00	0.00	0.00
Total Other Income	<u>39,582.15</u>	<u>37,970.69</u>	<u>1,611.46</u>
Other Expense			
7000 · Leasing Commission	1,892.48	0.00	1,892.48
Total Other Expense	<u>1,892.48</u>	<u>0.00</u>	<u>1,892.48</u>
Net Other Income	<u>37,689.67</u>	<u>37,970.69</u>	<u>-281.02</u>
Change in Net Assets	<u><u>603,746.98</u></u>	<u><u>507,617.52</u></u>	<u><u>96,129.46</u></u>

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NC Board of CPA Examiners
Statement of Revenues & Expenses
 Year-to-Date Comparison

	<u>Apr - Oct 16</u>	<u>Apr - Oct 15</u>
Ordinary Income/Expense		
Income		
Certificate Fees		
4110 · Certificates - Initial	33,400.00	36,600.00
4120 · Certificates - Reciprocal	19,100.00	17,700.00
4140 · Certificates - Renewal Fees	1,234,140.00	1,203,060.00
4150 · Certificates - Reinst/Revoked	1,300.00	1,500.00
4151 · Certificates - Reinst/Surr	4,500.00	3,800.00
Total Certificate Fees	<u>1,292,440.00</u>	<u>1,262,660.00</u>
Exam Fee Revenue		
4001 · Initial Adm Fees	136,160.00	111,780.00
4002 · Re-Exam Adm Fees	117,675.00	106,800.00
4004 · Exam Fees Revenue	713,893.14	631,271.53
4070 · Transfer Exam Grade Credit	0.00	75.00
4071 · Exam Review Fees	0.00	200.00
4072 · Exam Scholarship Coupon	-19,315.20	-6,713.56
Total Exam Fee Revenue	<u>948,412.94</u>	<u>843,412.97</u>
Misc		
4993 · Revenue Suspense	0.00	3,781.25
4999 · Board Training	0.00	0.00
4970 · Duplicate Certificates	500.00	550.00
4990 · Miscellaneous	828.67	319.50
Total Misc	<u>1,328.67</u>	<u>4,650.75</u>
Partnership Fees		
4260 · Partnership Registration Fees	60.00	0.00
Total Partnership Fees	<u>60.00</u>	<u>0.00</u>
Professional Corporation Fees		
4250 · PC Registration Fees	2,000.00	2,550.00
4251 · PC Renewal Fees	10.00	0.00
4252 · PC Renewal Fees W/Penalties	25.00	0.00
Total Professional Corporation Fees	<u>2,035.00</u>	<u>2,550.00</u>
Total Income	<u>2,244,276.61</u>	<u>2,113,273.72</u>
Expense		
6690 · Over & Short	0.60	0.00
Fringe Benefits		
5031 · Retirement - NCLB Contribution	31,730.85	30,130.14
5033 · Retirement - NCLB Administr	2,498.81	1,131.18
5035 · Health Ins. Premiums	61,673.42	66,636.58
5036 · Medical Reim Plan	11,800.13	12,640.50
Total Fringe Benefits	<u>107,703.21</u>	<u>110,538.40</u>

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NC Board of CPA Examiners
Statement of Revenues & Expenses
 Year-to-Date Comparison

	<u>Apr - Oct 16</u>	<u>Apr - Oct 15</u>
Board Travel		
5120 · Board Travel - Board Meetings	12,016.97	10,212.49
5121 · Board Travel - Prof Meetings	14.00	41.00
5122 · Board Travel - NASBA Annual	6,630.92	7,521.92
5123 · Board Travel - NASBA Regional	8,134.03	4,084.04
5127 · Board Travel - NCACPA/Board	2,981.53	1,548.55
5129 · Miscellaneous Board Costs	332.42	1,077.32
Total Board Travel	<u>30,109.87</u>	<u>24,485.32</u>
Building Expenses		
5800 · Building Maintenance	2,772.17	212.32
5801 · Electricity	6,720.59	6,687.28
5802 · Grounds Maintenance	1,020.00	2,080.00
5803 · Heat & Air Maintenance	1,212.00	4,356.93
5805 · Insurance	4,704.00	4,459.00
5807 · Janitorial Maintenance	3,375.66	3,325.00
5808 · Pest Control Service	0.00	150.00
5809 · Security & Fire Alarm	2,448.00	2,320.38
5810 · Trash Collection	-456.02	807.70
5811 · Water & Sewer	721.79	522.33
Total Building Expenses	<u>22,518.19</u>	<u>24,920.94</u>
Continuing Education -Staff		
5050 · Continuing Education - Staff	394.85	2,613.15
5051 · Continuing Education - RNB	102.60	0.00
Total Continuing Education -Staff	<u>497.45</u>	<u>2,613.15</u>
Exam Postage		
5531 · Exam Postage	600.00	600.00
Total Exam Postage	<u>600.00</u>	<u>600.00</u>
Exam Sitting and Grading		
5538 · Exam Vendor Expense	651,827.68	571,357.17
Total Exam Sitting and Grading	<u>651,827.68</u>	<u>571,357.17</u>
Investigation & Hearing Costs		
5221 · Staff Investigation Costs	16.50	124.20
5222 · Investigation Materials	3,945.74	7,806.48
5230 · Hearing Costs	7,191.84	882.18
5231 · Rule-Making Hearing Costs	0.00	398.80
5250 · Administrative Cost Assessed	-3,600.00	-21,100.00
5260 · Civil Penalties Assessed	-10,200.00	-64,100.00
5261 · Civil Penalties Remitted	9,450.13	50,784.90
Total Investigation & Hearing Costs	<u>6,804.21</u>	<u>-25,203.44</u>
Legal Expense		
5140 · Legal Counsel - Administrative	18,506.00	21,000.00
5211 · Legal Counsel - Litigation	19,852.61	20,528.15
Total Legal Expense	<u>38,358.61</u>	<u>41,528.15</u>

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NC Board of CPA Examiners
Statement of Revenues & Expenses
 Year-to-Date Comparison

	<u>Apr - Oct 16</u>	<u>Apr - Oct 15</u>
Misc Personnel		
5034 · Misc. Payroll Deduction	0.00	0.00
5037 · HSA Deduction	125.60	0.00
5090 · Flowers, Gifts, Etc.	302.58	80.06
5091 · Staff Recruiting	299.00	0.00
5092 · Misc. Personnel Costs	487.49	501.03
Total Misc Personnel	<u>1,214.67</u>	<u>581.09</u>
Office Expense		
5436 · Contracted Copy Service	1,235.16	8,529.56
5301 · Equipment Rent	312.00	468.00
5320 · Payroll Service	1,027.49	984.10
5360 · Telephone	3,099.14	3,553.98
5361 · Internet & Website	3,226.35	2,540.23
5390 · Clipping Service	1,851.08	1,530.53
5400 · Computer Prog/Assistance	3,555.92	1,110.00
5405 · Computer Software Maintenance	33,630.19	28,401.82
5410 · Dues	7,730.00	7,665.00
5420 · Insurance	12,557.00	12,161.00
5430 · Audit Fees	8,990.00	8,730.00
5440 · Misc Office Expense	810.00	735.00
5445 · Banking Fees	3,123.16	1,423.73
5450 · Credit Card Fees	44,536.78	39,522.72
Total Office Expense	<u>125,684.27</u>	<u>117,355.67</u>
Per Diem - Board		
5110 · Per Diem - Board Meetings	7,700.00	6,300.00
5111 · Per Diem - Prof Meetings	250.00	0.00
5112 · Per Diem - NASBA Annual	0.00	500.00
5113 · Per Diem - NASBA Regional	2,100.00	400.00
5114 · Per Diem - NASBA Committees	250.00	450.00
5117 · Per Diem - NCACPA/Board	100.00	500.00
Total Per Diem - Board	<u>10,400.00</u>	<u>8,150.00</u>
Postage		
5345 · Postage - UPS	7,000.00	11,900.00
5340 · Postage - Other	2,751.88	2,720.09
5341 · Postage - Newsletter	38,400.00	39,800.00
5342 · Postage - Business Reply	750.00	1,250.00
5343 · Postage - Renewal	900.00	900.00
Total Postage	<u>49,801.88</u>	<u>56,570.09</u>
Printing		
5330 · Printing - Other	1,985.64	3,584.13
5331 · Printing - Newsletter	31,069.12	35,232.85
5332 · Printing - Certificates	756.00	0.00
Total Printing	<u>33,810.76</u>	<u>38,816.98</u>

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NC Board of CPA Examiners
Statement of Revenues & Expenses
 Year-to-Date Comparison

	<u>Apr - Oct 16</u>	<u>Apr - Oct 15</u>
Repairs & Maintenance		
5381 · Maintenance - Copiers	875.47	829.16
5382 · Maintenance - Computer	766.64	0.00
5383 · Maintenance - Postage	490.00	0.00
Total Repairs & Maintenance	<u>2,132.11</u>	<u>829.16</u>
Salaries & Payroll Taxes		
5040 · State Unemployment Tax	0.00	1,116.65
5010 · Staff Salaries	531,760.11	516,598.12
5020 · Part-Time Staff Salaries	6,912.82	8,544.65
5021 · Temporary Contractors	0.00	290.00
5030 · FICA Taxes	39,344.92	38,529.52
Total Salaries & Payroll Taxes	<u>578,017.85</u>	<u>565,078.94</u>
Scholarships		
5535 · Scholarship	0.00	6,000.00
Total Scholarships	<u>0.00</u>	<u>6,000.00</u>
Staff Travel		
5060 · Staff Travel - Local	290.16	349.37
5061 · Staff Travel - Prof Mtgs	2,198.85	1,216.03
5070 · Staff Travel - NASBA Annual	3,620.54	3,665.00
5071 · Staff Travel - NASBA Regional	3,383.64	5,347.45
5072 · Staff Travel - NASBA ED/Legal	-635.96	-239.20
5075 · Staff Travel - NCACPA Meetings	0.00	93.70
5076 · Staff Travel - NCACPA/Board	983.94	0.00
5077 · Staff Travel - Clear Conference	1,350.55	0.00
5078 · Staff Travel - Vehicle	0.00	488.00
Total Staff Travel	<u>11,191.72</u>	<u>10,920.35</u>
Subscriptions/References		
5370 · Subscriptions/References	345.07	852.80
Total Subscriptions/References	<u>345.07</u>	<u>852.80</u>
Supplies		
5350 · Supplies - Office	4,275.01	3,145.42
5351 · Supplies - Copier	1,902.20	597.60
5352 · Supplies - Computer	1,023.94	1,500.07
Total Supplies	<u>7,201.15</u>	<u>5,243.09</u>
9999 · Suspense	0.00	0.00
Total Expense	<u>1,678,219.30</u>	<u>1,561,237.86</u>
Net Ordinary Income	566,057.31	552,035.86
Other Income/Expense		
Other Income		
8250 · Gift Card Revenue	6,500.00	10,300.00
Interest Income		
8500 · Interest Income - MMAs	2,680.49	1,834.62
8510 · Interest Income - CDs	9,583.35	9,100.14
Total Interest Income	<u>12,263.84</u>	<u>10,934.76</u>

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NC Board of CPA Examiners
Statement of Revenues & Expenses
Year-to-Date Comparison

	<u>Apr - Oct 16</u>	<u>Apr - Oct 15</u>
8200 · Rental Income	20,303.76	19,123.65
8920 · Gain on Sale of Fixed Assets	514.55	0.00
Total Other Income	<u>39,582.15</u>	<u>40,358.41</u>
Other Expense		
7000 · Leasing Commission	1,892.48	0.00
Total Other Expense	<u>1,892.48</u>	<u>0.00</u>
Net Other Income	<u>37,689.67</u>	<u>40,358.41</u>
Change in Net Assets	<u><u>603,746.98</u></u>	<u><u>592,394.27</u></u>

North Carolina State Board of CPA Examiners Working Strategic Plan

Executive Summary:

The North Carolina State Board of CPA Examiners qualifies, monitors, and regulates Certified Public Accountants (CPAs) in the practice of public accountancy, business, industry, government, and education in North Carolina.

The Board's mission is to protect the citizens of the State through licensure and oversight of the CPA profession in the State.

The Board assists CPAs in their performance of the public practice of accountancy and provides assurance to the public and users of financial information that those services are performed to the highest standards.

The Board functions using a value system similar to the CPAs that it regulates; designed to meet the needs of the licensees that it serves as well as protect the interests of the public in the financial marketplace.

The Board is cognizant of changes to the accounting profession that must be constantly weighed in its decision-making processes to ensure that it continues to be efficient and effective in the performance of its regulatory duties.

The Board's critical goals are to:

- Provide timely, quality customer service to all customers of the North Carolina State Board of CPA Examiners.
- Ensure the effective and timely processing of exam applications for candidates desiring to sit for the North Carolina Uniform CPA exam.
- Ensure the effective and timely processing of CPA licensure applications for persons wishing to be North Carolina certified public accountants.
- Ensure the effective and timely processing of regulatory compliance activities for CPAs and CPA firms to ensure public protection of North Carolina consumers.

The Board continues to review its communication methodologies to ensure that Board operations and results are transparent and readily available to CPAs and the interested public.

The Board is created as an agency of the State of North Carolina and consists of seven members appointed by the Governor, five certified public accountants and two persons who are not certified public accountants who shall represent the interest of the public at large.

The Board's major products and services include processing exam applications for the CPA candidates, processing licensure applications for individuals and firms, and protecting the

North Carolina State Board of CPA Examiners

Working Strategic Plan

interest of the public by performing regulatory compliance duties to ensure that professional accounting services are performed to the highest standards.

The Board's operations are overseen by Executive staff, as directed by the Board members, and is organized into five sections designed to address the goals of the Board. Those sections include:

- Administrative Services – internal operations of Board and customer service
- Communications – maintains Board newsletter, website, social media
- Examinations – processes exam candidate applications
- Licensing – processes certificate applications and oversees CPE activities
- Professional Standards – processes regulatory compliance actions

The Board adopts an annual budget for operations, reviews financial activity on a monthly basis, has an annual audit conducted, and provides numerous operational reports to State government oversight bodies in the normal course of business.

The Board has identified appropriate staffing levels and assigned duties in accordance with the functional expectations of the Board. The Board continues to identify areas of technology that will assist it in performing its duties to allow Board staff to continue to oversee its increasing number of licensees.

Authority and Responsibilities:

The Board was created by and is charged with administering the provisions identified in Chapter 93 of the *North Carolina General Statutes*. Those functions include, but are not limited to:

- To employ staff, legal counsel, and clerical and technical assistance and to incur such other expenses as may be deemed necessary in the performance of its duties and the enforcement of the provisions related to the oversight of the practice of public accountancy in North Carolina.
- To hold written, oral, and computer-based examinations of applicants for certificates of qualification at least once a year, or more often, as may be deemed necessary by the Board.
- To issue certificates of qualification admitting to practice as certified public accountants, each applicant who, having the qualifications herein specified, has passed an examination to the satisfaction of the Board, in "accounting," "auditing," "business law," and other related subjects.

North Carolina State Board of CPA Examiners

Working Strategic Plan

- To formulate rules for the government of the Board and for the examination of applicants for certificates of qualification admitting such applicants to practice as certified public accountants.
- To have the power to adopt rules of professional ethics and conduct to be observed by certified public accountants in this State and persons exercising the practice privilege authorized by this Chapter.

Board Mission Statement:

The mission of the North Carolina State Board of CPA Examiners is to protect the public by ensuring that persons issued licenses as certified public accountants possess the necessary education, skills, and capabilities, and that they perform competently in the accounting profession.

In doing so, the Board strives to accomplish:

- 1) *Promote the reliability of financial and other information used by decision-makers in the conduct of business in the State.*
- 2) *Protect public interests by:*
 - a) *Licensing only those persons that meet initial qualifying levels of education, examination, and experience as well as good moral character for the practice of public accountancy*
 - b) *Ensuring CPA firms meet established criteria before offering or performing professional public accounting services*
 - c) *Ensuring that CPAs and CPA firms continue to demonstrate professionalism, competence, and adherence to ethical behavior in performing professional public accounting services*

Board's Vision:

The Board seeks to:

- Faithfully meet our mandate of public protection
- Be visible and available to the public and our licensees
- Be diverse in gender and ethnicity

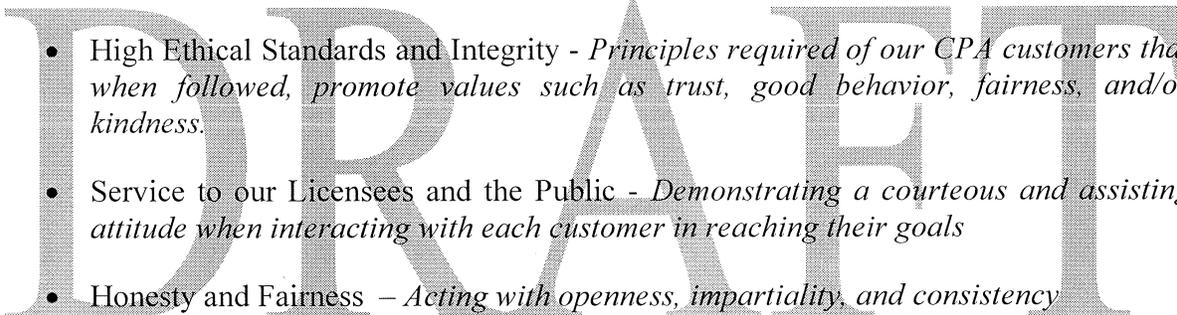
North Carolina State Board of CPA Examiners

Working Strategic Plan

- Be good stewards of our resources
- Provide excellent customer service to our licensees and the public
- Maintain a vigorous and effective enforcement program
- Maintain a CPE program focused on enhancing licensee competence
- Use technology to effectively and efficiently provide services to our licensees and the public

Board Values:

The Board's values define how we will go about the work of fulfilling our mission and achieving our vision. The Board commitment to excellence is demonstrated by the following key values:

- 
- High Ethical Standards and Integrity - *Principles required of our CPA customers that when followed, promote values such as trust, good behavior, fairness, and/or kindness.*
 - Service to our Licensees and the Public - *Demonstrating a courteous and assisting attitude when interacting with each customer in reaching their goals*
 - Honesty and Fairness – *Acting with openness, impartiality, and consistency*
 - Competence – *Knowledge and experience to get the job done*
 - Open Transparent Communication – *Achieving an understanding of the Board's regulatory role and performance activities through effective communication means including newsletters, website, social media, etc.*
 - Teamwork – *Working effectively with licensees, citizens, oversight agencies, national, state, and local organizations to obtain shared goals*
 - Continuous Improvement – *Being able to innovate and change as needed to address the needs of the profession*
 - Financial Stewardship – *Effective management of Board resources to accomplish its mission and goals independent of state funding*

North Carolina State Board of CPA Examiners

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Significant Influential Factors:

- ❖ There is increasing complexity in the accounting profession, with ever-changing professional standards for most practice areas, but particularly with audit, tax, and firm peer review. The constant change impacts individual CPAs as well as CPA firms as they seek to stay current with professional standards and competitive within the current market structures.
- ❖ There are numerous national and state level organizations that have oversight authority over various niches of the professional practice that contribute to the complexity of the regulatory environment. Federal oversight agencies, state oversight agencies, and national trade organizations compete, as well as conflict, with each other in provide guidance within the accounting profession.
- ❖ There are threats to the strength of the CPA certification as uniformly recognized in the United States due to increasing interest to expand the reach of the CPA licensure process to foreign nationals to serve clients in international settings.
- ❖ The CPA population, due to the “Baby Boomer” era, is aging which leads to an uptick in those persons eligible for retirement/transitioning from CPA firms.
- ❖ Possible declining interest by accounting students in wanting to become CPAs, possibly related to perceived barriers for obtaining licensure such as costs, time commitment, additional educational requirements, etc.
- ❖ Impact on disciplinary actions possibly required due to increased CPA mobility and the varying degrees of regulatory oversight provided by other Boards of Accountancy.
- ❖ Inability to obtain timely and relevant communication of matters of significance impacting the Board’s enforcement activities from oversight entities.
- ❖ Potential threat to Board independent structure based on current ongoing studies by the North Carolina legislature, as well as the editorial climate relative to occupational licensing boards at this time
- ❖ Need to maintain Board importance with newer generation of CPAs through newer technology and social methodologies

North Carolina State Board of CPA Examiners

Working Strategic Plan

Board Objectives:

Excellent Customer Service:

To provide excellent customer service to the public and licensees

Customers Defined: CPAs licensed by the Board
CPA firms
Candidates applying to sit for the NC CPA exam
CPAs practicing mobility in the State
Third Party Complainants on Disciplinary Actions
General Public as a whole outside of the CPA population
Professional Associations such as NASBA, NCACPA, and AICPA
Oversight organizations such as IRS, Federal Agencies, State agencies
National standard setters such as FASB and GASB

1) The Board assists customers through automated and direct contact methods; therefore, Board staff will continually evaluate and identify methods to enhance overall customer service.

❖ The Board website is a primary source of information for licensees and the public. Board staff will ensure that website has current information and addresses the needs of its customers.

- Board staff will measure website traffic on a quarterly basis to determine most searched items to determine adequacy of information presented as well as the proper placement of those items within website design.
 - Communication Director to utilize measurement tools for Board website on a quarterly basis (March 31, June 30, September 30, and December 31) to obtain website traffic reports. Communication Director will provide Senior Staff with summary report identifying high traffic areas and proposed website changes to ensure customers can easily find those topics.
- Board staff will ensure that customers are able to conduct necessary business in the most direct manner as possible, utilizing online methods where possible.
 - Licensing Manager to update the CPA individual licensure renewal and CPA firm renewal website links and instructions on an annual basis. CPA individual renewal link will be made available by the last week of March. CPA firm renewal link will be made available by December 1st.

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- Licensing Manager to annually review the CPA examination forms (application and related forms) for necessary changes/enhancements. Any language/formatting changes will be provided to the Communication Director for updates such that all updates will be effective by July 1st of each year.
 - Licensing Manager to annually review the CPA individual licensing forms (application and related forms) for necessary changes/enhancements. Any language/formatting changes will be provided to the Communication Director for updates such that all updates will be effective by July 1st of each year.
 - Licensing Manager to annually review the CPA firm licensing forms (application and related forms) for necessary changes/enhancements. Any language/formatting changes will be provided to the Communication Director for updates such that all updates will be effective by July 1st of each year.
 - Staff Attorney to annually review the Consumer complaint form to ensure that it complies with statutory requirements and provides adequate means for the general public to file a complaint with the Board. Any language/formatting changes will be provided to the Communication Director such that all updates will be effective by January 1st of each year.
- ❖ Provide customer base with web-based tools to allow for more efficient automated methods for conducting Board business.
- Executive staff, in cooperation with Board staff, to review current operational processes to determine possible areas for enhancement.
 - Board staff is currently working with its systems processor to provide customer base with an online re-examination application. Licensing Manager to work with systems processor to have online re-examination application functioning and available to website users by September 30, 2016.
 - Board staff is currently working with its systems processor to provide customer base with an online reciprocal licensure application. Licensing Manager to work with systems processor to have online reciprocal licensure application functioning and available to website users by September 30, 2016.
 - Board third party complaint process is currently a manual process. Board staff is currently reviewing the third party complaint process to provide for an online format. Executive staff and Communication Director to work with third party contractor on language/formatting changes necessary for online format. Third party contractor to be engaged to assist with necessary website changes and implementations for online format to be available by October 31, 2016. Deadline

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contingent upon any necessary implementation issues that might arise that would require involvement with Board system processor.

- Executive staff and Licensing Manager to review other areas for automated enhancement including such items as initial exam application; automated submission of college transcripts; interstate exchange forms, and CPA licensure application. Initial reviews for possible online applications will take place by June 30, 2017.
- ❖ Communicate the activities of the Board with its customer base throughout the year.
- Communications Director to prepare, for both email and print distribution, a monthly newsletter of Board activities.
 - Communication Director, with assistance from Executive staff, will prepare and distribute a monthly newsletter communicating Board activities and other relevant information. Distribution to be by email, postal mail, and posting to Board website. Current ongoing activity.
 - Communications Director to prepare email communications throughout the year to communicate Board points of emphasis to licensees.
 - Communication Director, with assistance from Executive staff, will prepare and have distributed email blasts that communicate critical Board information throughout the year. Board to produce a minimum of four email blasts per year. Current ongoing activity.
 - Communications Director and Executive staff to assist in the development and posting of informational videos on Board website to assist customer base in completing or performing various tasks.
 - Communication Director, with assistance from Executive staff, will work with NASBA to develop Board informational videos to assist customer base in completing various regulatory tasks such as applying for the CPA examination or licensure or to provide Board specific information. Goal to add minimum of one informational video per fiscal year. Current ongoing activity.

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- ❖ Provide customer base with access to knowledgeable staff persons to ensure consistent and accurate answers to inquiries.
 - Executive staff to establish a subject matter expert listing that identifies primary and backup subject matter expert for direct customer inquiries and to provide customer assistance.
 - Executive and Deputy Director to establish subject matter expert listing by August 31, 2016. Listing will be shared with Customer Service Representative to ensure customer inquiries directed to most appropriate staff members for response.
 - Deputy Director to work with subject matter experts to identify primary areas of inquiry and to develop Frequently Asked Questions (FAQ) formats that may be clearly displayed on Board website.
 - Deputy Director to work with Communications Director to populate website with well-thought-out FAQ section to provide for additional means for customer base to find access to Board information. Board staff to work to implement website FAQs by July 1, 2017.

2) **Board staff will establish measureable goals for performance of specific process tasks related to providing timely and efficient customer services.**

- ❖ Exam Measurements – Processing goals for processing initial and re-exam exam apps
 - Process 1
 - Details and measurements
- ❖ Licensure Measurements – Processing goals for processing initial and reciprocal license applications
 - Process 1
 - Details and measurements
- ❖ CPE Audit Measurements – Goals for performing review of licensee CPE compliance
 - Process 1
 - Details and measurements

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3) Continue to review Board processes to improve the ease of access to information by licensees and the public related to Board operations, processes, and actions.

- ❖ Provide client base with most effective and efficient access to Board data sources that are available as public records.
 - Ensure that Board information is updated and sufficiently populated to allow for technological upgrades that might provide information in a more user-friendly format.
 - Review information requests and try to develop data routines that might provide customers with more effective means for gathering or accessing information. Current ongoing activity.

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North Carolina State Board of CPA Examiners

Working Strategic Plan

Improved Visibility of the Board:

Enhanced public awareness of the Board and its mission

Enhanced understanding of the purpose and operation of the Board among its candidates and licensees

1) The Board serves in a role of public protection as it performs its regulatory functions of licensing individual CPAs and CPA firms, as well as overseeing the professional conduct of those practicing in public accounting.

❖ Executive staff and Communication Director to work to devise methods for enhancing the public awareness of the Board and its mission

➤ Board staff to work with NASBA to assist in the production of a series of website videos that speak to the Board's mission and goals

▪ Communication Director will work with NASBA Communications group to develop a base video that speaks to the generics of the Board such as its origins, purpose, and Board oversight. Board staff to work with NASBA to have initial video created by March 31, 2017.

▪ Communication Director to work with Executive staff to plan for additional videos that may be helpful in increasing Board visibility. Potential video ideas to be developed by March 31, 2017.

➤ Board staff to vet additional opportunities to enhance Board visibility using internet and social media opportunities.

▪ Executive staff to work with Communication Director to design addition website methods for increased visibility of Board and its mission. Ideas may include Chairman blog; Board member bios with description as to what Board service means to them; Creation of website location for real-time summary of Board actions; Staff member bios that allow for customer base to put a face to the person with whom they communicate; etc. Potential enhancements to be presented to Board members for review at the December 31, 2016 meeting.

▪ Communication Director to research creation of LinkedIn presence for social media. Consideration to be given to possible increased usage of current social media sites Facebook and Twitter as communication means for customer base.

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2) The Board's regulatory duties are sometimes misconstrued by the public and those in the profession to be advocacy-based.

- ❖ Board staff to look to expand opportunities for communicating the mission and goals of the Board.
 - Board Executive staff will continue to engage with CPA exam candidates and licensees to communicate the goals of the Board.
 - Executive staff will continue to be involved in the Board required Ethics training process. This includes presentations to governmental-only groups as requested and as fits within the Executive staff schedules. This is an ongoing task.
 - Executive staff will continue to present to college campus accounting groups that request specific information related to the Board, and specifically to the CPA examination process. This is an ongoing task.
 - Board Executive staff and Communications Director will research and entertain opportunities for Board members to engage with licensees and the public.
 - Board staff receives various requests for speaking opportunities through the year. Executive staff will look for opportunities for Board members to speak at various events such as NCACPA presentations, NASBA meetings, other accounting organizations, as well as educational events such as college/high school career days. This will be an ongoing task with events targeted to either specialty areas or home location of the Board members.

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Working Strategic Plan

Effective Enforcement:

Convenient access for the public and profession to report complaints

Timely processing of legitimate complaints to final resolution

Consistent application of statutes and rules

Appropriate discipline for violations

1) A key role of the Board is to ensure that CPAs and CPA firms continue to demonstrate professionalism, competence, and adherence to ethical behavior in performing professional public accounting services.

❖ The Board's public protection oversight is enhanced by providing convenient access to the public for reporting ethical violations by its licensees.

➤ The Board will enhance its current third-party complaint process by providing the public and other professionals with the ability to report possible ethical violations through an online means.

- Executive staff will review current third-party complaint reporting processes for areas of improvement and simplification. This task was completed in April 2016 with the internal recommendation to discontinue requiring a notary certification of filed complaints and to begin the process of establishing an online complaint format.
- Executive staff will design an online complaint format that can be easily accessed by the public. The Board website will be configured such that the complaint format is readily found. Board staff will work with website designer to have online complaint format operational by October 31, 2016.
- Professional standards staff will begin tracking data related to monthly reported complaints, opened cases, closed cases, etc. Data will be presented for Board members in the format of semi-annual updates of Professional Standards activities. Format to be developed by Staff Attorney and implement for first quarter of 2017.

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- ❖ The Board's oversight of disciplinary measures must be consistent, timely, and performed in a professional manner.
 - Staff attorney and Executive staff will develop internal policies and procedures to ensure fair, consistent, and timely disciplinary actions by the Board.
 - Staff attorney and Executive staff will develop staffing recommendations for standard disciplinary guidelines related to peer review matters, CPE audit failures, and fiduciary responsibilities for consistency purposes. While not bound by the recommendations, the guidelines will provide baseline disciplinary results for review by the Professional Standards Committee. These guidelines have been developed and are currently in use by Board staff in preparation of monthly agendas for the Committee.

2) The Board will be proactive in its enforcement processes to provide value and support to the CPA profession in North Carolina.

- ❖ The Board's public protection oversight is enhanced by providing convenient access to the public for reporting ethical violations by its licensees.
 - The Board will enhance its current third-party complaint process by providing the public and other professionals with the ability to report possible ethical violations through an online means.
 - Executive staff will review current third-party complaint reporting processes for areas of improvement and simplification. This task was completed in April 2016 with the internal recommendation to discontinue requiring a notary certification of filed complaints and to begin the process of establishing an online complaint format.

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Working Strategic Plan

Sustainable Staffing:

Ensure continuity of Board operations through proper staffing levels and effective retention efforts

Maintain effective succession planning at all levels

1) The Board desires to maintain continuity in its operations through proper staffing that is knowledgeable, professional, and technically competent.

❖ Board desires knowledgeable staff to ensure it maintains the ability to provide services critical to the mission and goals of the Board.

➤ A succession plan will be developed to address the Executive Director position and ensure continuity and stability of Board staff operations.

▪ Board approved succession plan developed by Executive Director at its November 2015 meeting. Plan identifies procedures for Board to identify and select eventual successor for Executive Director. Board's Personnel Committee will communicate with Executive Director as part of the annual performance evaluation process to determine timing for implementation of the plan.

▪ Deputy Director is positioned to provide leadership skills and manage operations on an interim basis until Board approval of successor Executive Director. This is an ongoing task.

➤ Executive staff will identify mission critical staffing positions to assess succession planning risk.

▪ Executive staff had identified key staffing positions and performs succession planning risk and needs assessment as part of its performance evaluation process. This is performed on an annual basis in March.

▪ Job descriptions, as well as position specific procedures, will be reviewed for agreement with current position functions. Information will be updated as part of the next performance evaluation cycle in March 2017 to ensure written documentation exists to support Board operations.

▪ Executive staff has implemented cross-training procedures for specific job functions to ensure business continuity.

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- Board staff will be given opportunities to identify areas for improvement for technical competence and seek training opportunities.
 - Deputy Director will work with managers and staff employees to identify needed areas for training opportunities and take appropriate steps to ensure training occurs. This is an ongoing task that occurs as part of the annual staff evaluation process in March.

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North Carolina State Board of CPA Examiners

Working Strategic Plan

Strategically Aligned Operational Planning:

Operational activities and goals aligned with the strategic objectives of the Board

- ❖ The Board will identify operational goals directed at ensuring effectiveness and efficiencies in performing its regulatory functions.
 - The Board will establish a strategic plan to provide Board staff with goals and objectives for Board operations.
 - Board, with the assistance of an outside moderator, crafted the guidelines for a Board strategic plan in January 2016.
 - Executive staff, with guidance and assistance from the Board, will further develop the strategic plan with the directive of establishing operating goals and appropriate measurements. Updates to the strategic plan will be provided at least quarterly at a regular monthly meeting of the Board. This is an ongoing task.
 - Board members will provide input, feedback, and approval for finalizing the strategic plan as various components of the plan are completed. This is an ongoing task.
- ❖ Board Executive staff will implement Board strategic plan and design appropriate methods to measure the effectiveness of the objectives identified by the strategic plan.
 - Executive staff, working with Board staff members, will identify critical operational processes that fall within the regulatory mission of the Board.
 - Measurement criteria will be established for key data elements for such processes as exam applications, licensure applications, CPE audits, and disciplinary actions so that operational measurement data can be provided to Board members on a monthly basis. Deputy Director to work with various operational units to identify key measurement criteria by March 31, 2017.
 - Executive staff, with assistance of Communications Manager, will design Board reports that provide measurement data in a format understandable by Board members. This would correlate with the March 31, 2017 date.
- ❖ The Board will review operational measurements against established operational goals to provide guidance to Executive staff on Board operational goals.

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- Executive staff will provide the Board, or appropriate Board Committees (Executive, Personnel, Audit, etc.), with operational results for comparison with the Board strategic plan.
 - As measurement criteria are approved by the Board, Executive staff will implement operational procedures to ensure reporting procedures are implemented to obtain information on a monthly basis. This is an ongoing task that will align with the Board's approval of various sections of the strategic plan.

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North Carolina State Board of CPA Examiners
Working Strategic Plan

Integrated Technology:

Integrated licensing, compliance (including CPE tracking and auditing), and enforcement systems

Adopting best practices in the use of technology across the activities of the Board to enhance board effectiveness and efficiency

- ❖ The Board's information technology (IT) infrastructure should be supportive of the goals and objectives of the Board.
 - A global assessment of the Board's current IT infrastructure will be completed to analyze strengths, weaknesses, and opportunities for improvement.
 - Deputy Director will prepare RFP for overall assessment of Board's IT infrastructure. RFP to be completed by September 30, 2016.
 - Executive staff, with Board approval, to contract for assessment of Board's IT infrastructure. Assessment to focus on such areas as need for IT policy development; IT security; Sustainability of current IT systems; data hosting options; maximizing efficiencies of current application products; strategizing for future applications for mobile users; etc. Target date for assessment report is March 31, 2017.
 - Executive staff, with contractor assistance, to develop future strategic plan items based on Board approval of assessment report recommendations. This will be an ongoing task based on complexity of recommendations and feasibility of implementation.

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Improved Audit Quality:

Improvements in identifying and remediating audit failures

- ❖ As part of its regulatory authority, the Board will emphasize audit quality through its educational and disciplinary activities.
 - Executive staff will participate in various training activities that are inclusive of discussions on audit quality.
 - Executive staff will emphasize issues related to audit quality in its various presentations including Ethics trainings, State of the Profession discussions, and prepared training opportunities. This is an ongoing task and opportunities vary throughout the year.
 - Deputy Director is a member of the NCACPA Governmental Accounting & Auditing Committee, which provides assistance to largest group of auditors of governmental units in North Carolina. Emphasis will be placed on audit quality through directives and educational opportunities sponsored by this group. This is an ongoing task with regular meetings throughout the year as well as one planned educational conference.
 - Executive staff will monitor audit quality issues through regular oversight meetings with the AICPA Peer Review Committee and provide input through meeting discussions and responses to applicable Exposure drafts. This is an ongoing task.
 - Board will monitor audit quality and impact systemic change through its disciplinary processes.
 - Board staff will monitor CPA firm peer review results for deficiencies noted with audit quality. Disciplinary actions will include continuing professional education, pre-issuance and post-issuance reviews, limitation of services, individual license or firm suspensions, etc. Disciplinary actions will be communicated to the profession through the Board's monthly newsletter. This is an ongoing task by Board's Professional Standards staff as well as Executive staff. Results are provided to the Board's Professional Standards Committee on a monthly basis.

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Competency-Based Continuing Professional Education (CPE):

Relevant CPE requirements that result in enhanced competence for licensees

- ❖ The Board will continue to monitor continuing professional education requirements necessary for professionals to maintain their competence as well as the appropriate mechanisms for CPE delivery and measurement.
 - The Board staff will monitor ongoing discussions with educators and state, local, and national CPE providers to ensure that CPE required to maintain licensure is adequate.
 - Executive Director will continue to provide Board with updates in regard to changing landscape of CPE.

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Working Strategic Plan

Board Components:

State Board of Certified Public Accountant Examiners is created as an agency of the State of North Carolina and shall consist of seven members to be appointed by the Governor, five persons to be holders of valid and unrevoked certificates as certified public accountants issued under the provisions of this Chapter and two persons who are not certified public accountants who shall represent the interest of the public at large. Members of the Board shall hold office for the term of three years and until their successors is appointed. Appointments to the Board shall be made under the provisions of this Chapter expiring on the thirtieth day of June.

CPA Members: Michael H. Womble, CPA
Wm. Hunter Cook, CPA
L. Samuel Williams, Jr., CPA
Bo Biggs, CPA
Cynthia B. Brown, CPA

Public Members: Jeffrey J. Truitt, Esquire
Justin C. Burgess

Operations Plan:

The Board's staff includes an Executive Director, a Deputy Director, a Staff Attorney, 10 full-time staff members, and one part-time staff member. The Board's major products and services include:

- CPA Exam candidate application processing
- CPA Licensee individual and firm application processing
- CPA Licensee individual and firm annual renewal processing
- CPA Continuing Professional Education (CPE) monitoring
- CPA Firm Peer Review monitoring
- Regulatory Compliance/Investigative/Enforcement processing

The Executive Director and Deputy Director are responsible for the overall management of the Board staff and the management of the Board's activities as directed by the Board members. The Board operations are broken down into five sections:

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- Administrative Services
- Communications
- Examinations
- Licensing
- Professional Standards

The Administrative Services Section is responsible for the internal operation of the office for functions such as accounting and purchasing.

The Communications Section is responsible for designing, writing, and editing Board publications such as the Activity Review and press releases as well as maintaining the Board's website.

The Examinations Section is responsible for processing applications for the Uniform CPA Examination, exam score notices, and notifications to successful exam candidates.

The Licensing Section is responsible for processing applications for CPA certificates and CPA firm registrations as well as the annual renewal of each. In addition, the Licensing Section is responsible for administering the CPE and peer review compliance programs.

The Professional Standards Section is responsible for all inquiries, complaints, and administrative hearings pertaining to the rules of professional ethics and conduct of CPAs. The Professional Standards Section is also responsible for investigating the unauthorized use of the CPA title. The Professional Standards section is overseen by the Staff Attorney.

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Operational Data: (Licensee data as of August 17, 2015)

Licensees by License Type:		Licensees by Occupation:	
Original	15,741	Industry:	
Reciprocal	4,370	Accounting	7,970
Total	20,111	Non-Accounting	1,425
			9,395
Licensees by Residency:		Public Practice:	
North Carolina	16,532	CPA Firm Staff	3,801
Out-of-State	3,579	CPA Firm Partner	1,301
Total	20,111	CPA Firm PC Shareholder	877
		CPA Firm PLLC Member	398
Licensees by Gender:		Individual Practitioner	1,503
Male	9,289		7,880
Female	20,111	Government:	
Total		Accounting	1,078
		Non-Accounting	94
Licensees by Concentration:			1,172
Auditing	2,864	Other	684
Administration	830	Educator	293
Advisory Services	669	Unemployed	285
Financial Planning	501	Legal	193
General Accountancy	9,175	Retired	174
Law	151	Student	35
Non-Accounting	598		
Other	740		
Taxation	4,529	Total	20,111
No Designation	54		
Total	20,111		

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Board Cases for 2015:	
Open	
Closed	
Total	0
Board Cases by Type:	
Type	
Total	0

Exam Applicants:	
Initial	
Re-Exam	
Total	0
License Applicants:	
Original	
Reciprocal	
Total	0

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North Carolina State Board of CPA Examiners
Working Strategic Plan

Financial Overview:

The North Carolina State Board of CPA Examiners is 100% receipt-supported, deriving all of its fees from business-type operations. No funds are provided by the State of North Carolina. Fines are transferred to the General Fund of the State of North Carolina. The licensing fees charged by the Board have been stable for a significant number of years and the \$60 annual renewal fee by individual CPAs is one of the lower renewal fees in the United States.

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The Board adopts an annual budget based on prior year historical trends and anticipated changes for the upcoming year. The budget for the current fiscal year is presented as follows.

		<i>Approved Budget</i>
<u>Operating Budget</u>		2015-2016
OPERATING REVENUES		
Examination Fees	\$	1,390,510
Licensing Fees		1,359,500
Miscellaneous		9,500
Total Operating Revenues		2,759,510
OPERATING EXPENSES		
Salaries and Employee Benefits		1,233,071
Examination		1,000,000
Office		102,680
Postage and Printing		161,400
Travel		126,827
Maintenance and Computer Support		57,620
Legal and Investigative costs		57,000
Insurance		20,100
Dues and Subscriptions		12,600
Scholarship		11,000
Building		35,000
Total Operating Expenses		2,817,298
Operating Income (Loss)		(57,788)
NON-OPERATING REVENUES (EXPENSES)		
Rental Income		21,854
Interest Income		16,000
Gain on Sale of Assets		0
Leasing Commission		0
Miscellaneous		(35,000)
Total Non-Operating Revenues		2,854
Estimated Change in Net Assets	\$	(54,934)

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Following is a presentation of expected full-time equivalencies (FTEs) identified for the overall operations of the Board:

Program Services:	Staff FTE
Administrative Services	
Board Operations	1.80
Customer Service	1.25
Communications	1.10
Examinations	1.10
Licensing	
Applications	1.75
Compliance Activities	1.45
Professional Standards	4.55
	13.00

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