

COMPLAINT PROCEDURE

The purpose of this document is to set forth the general procedures for the handling of complaints filed by third parties against CPAs licensed by the North Carolina State Board of CPA Examiners. These general procedures assist the Board staff in efficiently processing complaints from the public. However, specific circumstances may dictate a deviation from these procedures in individual cases, and no procedural rights are conferred to any party by virtue of these procedures.

I. RECORD OF COMPLAINT

All persons wishing to file a complaint with the Board (“Complainants”) must complete the Board’s *Record of Complaint* form. The form can be submitted online or via hard copy. The complaint must center on a violation of North Carolina General Statute 93-12(9) or the Rules of Professional Ethics and Conduct as listed in the North Carolina Administrative Code, Subchapter 08N. The *Record of Complaint* should provide a specific and detailed summary of the complaint, including all evidence in support of the allegations. Once Complainants file a complaint with the Board, they may not later withdraw the complaint. At that point, the Board will retain the authority and discretion to determine whether the matter may proceed. The Board does not intervene in private disputes regarding the amount of a fee charged by a CPA. If the complaint does not center on a violation that is within the Board’s jurisdiction, the Board may close the case without taking further action. In matters where there is a criminal or civil proceeding regarding the same issues, the Board will generally wait until the criminal or civil matter has been resolved before making a final determination regarding the complaint.

II. REVIEW BY BOARD STAFF

Upon receipt, the complaint and evidence are reviewed by the Staff Attorney and the Professional Standards staff to make an initial determination of whether the complaint allegations fall within the Board’s jurisdiction. If the allegations contain issues that are arguably within the Board’s jurisdiction, an initial letter, along with a copy of the complaint in its entirety, is sent to the Respondent (the licensee against whom the complaint is filed) requesting a response to the allegations.

III. CONTACT WITH BOARD MEMBERS

The parties should not attempt to discuss the case with any member of the Board, either directly or in hypothetical terms. Improper communications with Board members could disqualify them from hearing the case.

IV. CONTACT WITH LICENSEE

The parties may communicate with each other after a complaint has been filed in order to attempt to resolve the issues in the complaint. Otherwise, the Board discourages contact between the Complainant and Respondent once a complaint has been filed. If contact occurs and a settlement is reached, be aware that the Board’s investigation will

continue until the Board determines that its disciplinary interests have been resolved regarding the alleged violations of the Board's statutes and rules.

V. INVESTIGATION

Once the reply from the Respondent is received and reviewed, it may be sent back to the Complainant for a response. This investigative process may require additional information and/or evidence from the Complainant, the Respondent, and any related parties.

VI. PROFESSIONAL STANDARDS COMMITTEE

After the Staff Attorney and the Professional Standards staff have gathered information, the matter is referred to the Professional Standards Committee of the Board. The Professional Standards Committee--three members of the Board--reviews the complaint and may recommend that additional information be gathered, recommend to the full Board that the case be closed, or recommend that the case continue forward. The Committee does not determine guilt or innocence; it simply reviews the complaint to determine whether the allegations, if supported by competent evidence, would warrant a contested case proceeding.

VII. SETTLEMENT

After receiving guidance from the Committee, the Staff Attorney and the Professional Standards staff may approach the Respondent to negotiate a Consent Order for settlement prior to a Hearing. The majority of disciplinary actions are achieved by Consent Order because this allows the Board more options in achieving a balanced resolution.

VIII. HEARING

If settlement cannot be reached, a Public Hearing will be held. The Complainant and other related parties may be requested to appear and testify at the Hearing. Mileage expense will be paid by the Board to witnesses upon their request for reimbursement.

IX. CONCLUSION

After the Hearing, the Board may issue an Order. The Respondent has the option of appealing the Board's Order to Superior Court.