PUBLIC SESSION MINUTES
North Carolina State Board of CPA Examiners
August 21, 2017
1101 Oberlin Road
Raleigh, NC 27605

MEMBERS ATTENDING:  Wm. Hunter Cook, CPA, President; Cynthia B. Brown, CPA, Vice President; Jeffrey J. Truitt, Esq., Secretary-Treasurer; Justin C. Burgess; L. Samuel Williams, Jr., CPA; Arthur M. Winstead, Jr., CPA; and Michael H. Womble, CPA

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


CALL TO ORDER:  President Cook called the meeting to order at 10:00 a.m. and read the notice as required by NCGS 138A-15(e) and reminded the Board members that they have a duty to avoid conflicts of interest and the appearance of conflicts of interest.

PUBLIC HEARING:  President Cook called the Public Hearing to order to hear Case No. C2016150 – Normand J. Travis, NC CPA No. 26980. Mr. Travis was present at the Hearing and was represented by E. Hardy Lewis, Esq. David R. Nance, CPA, and Normand J. Travis, CPA, were sworn in and presented testimony. Messrs. Williams and Winstead moved to enter Closed Session to discuss the case without Executive Staff or Staff Attorney present, but with Noel L. Allen, Esq., Legal Counsel present. Motion passed. Messrs. Womble and Winstead moved to dismiss the case with prejudice. Motion failed with three (3) affirmative votes and four (4) negative votes. Messrs. Williams and Burgess moved to dismiss the case with a Letter of Warning. Motion passed with six (6) affirmative votes and one (1) negative vote (Appendix I). The entire Public Hearing is a matter of public record.

PUBLIC HEARING:  President Cook called the Public Hearing to order to hear Case Nos. C2016255 and C2017024 – Tara Dye Peebles, NC CPA No. 31647 and Peebles CPA, PLLC. Ms. Peebles was not present at this Hearing nor was she represented by counsel at the Hearing. Messrs. Womble and Williams moved to enter Closed Session to discuss the case without Executive Staff or Staff Attorney present, but with Noel L. Allen, Esq., Legal Counsel present. Motion passed. Messrs. Williams and Womble moved to permanently revoke NC CPA Certificate No. 31647 issued to Tara Dye
Peebles and suspend the CPA firm registration of Peebles CPA, PLLC (Appendix II). Motion passed with seven (7) affirmative and zero (0) negative votes. The entire Public Hearing is a matter of public record.

MINUTES: The minutes of the July 24, 2017, meeting were approved as submitted.

FINANCIAL AND BUDGETARY ITEMS: The July 2017 financial statements were accepted as submitted.

Messrs. Williams and Burgess moved to approve the opening of a Certificate of Deposit account with First Capital Bank in Raleigh, NC. Motion passed.

LEGISLATIVE AND RULE-MAKING ITEMS: The Executive Staff presented the draft of two rules proposed to be amended along with a schedule for rule-making. The Board reviewed, discussed, and instructed the Executive Staff to place the draft rules on the agenda for the September 2017 Board meeting.

Mr. Brooks provided copies of passed and pending legislation of interest to occupational licensing boards for the Board members’ review.

NATIONAL ORGANIZATION ITEMS: Messrs. Williams and Burgess moved to approve the draft response to the Uniform Accountancy Act – Use of Title exposure draft. Motion passed with seven (7) affirmative and zero (0) negative votes.

STATE AND LOCAL ORGANIZATION ITEMS: The valuation of the Statement of Economic Interest filed by Arthur M. Winstead, Jr., is recorded (Appendix III) in the Minutes of this meeting as required by NCGS 138A-15(c).

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


Case Nos. C2016277-1 and C2016277-2 – Steve Wesley Shelton and Wesley Shelton, PLLC – Approve the signed Consent Order (Appendix V).

Case No. 2016176 - Charles G. Porter – Approved a Notice of Hearing for November 20, 2017, at 10:00 a.m.

Case No. C2016365 – Close the case without prejudice.

Case No. C2017098 – Close the case without prejudice.

Case No. C2017102 – Close the case without prejudice.
Case No. C2017118 - Close the case without prejudice.

Case No. C201738 - Close the case without prejudice.

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

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

Jayson Craig Bales
Liqiu Wang

Devin Brianne Whale

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

Megan Elizabeth Aleshire
Jayson Craig Bales
Isaac Logan Bell
Aleksander Joseph Bevensee
Grace Marie Bishop
Matthew Franklin Boyer
Kathryn Jane Brown
Seth Alan Collie
Justin Ray D’Eredita
Amy Claire DeSalvo
Jeremy Leo Donabedian
Nancy Ann Elliott
Daniel Ronald Fisher
Wenyu Gao
Philip Wayne Garner
Zachary Adam Gasper
Spencer Allen Goheen
Taylor Ashlyn Gray
Hannah Christine Huff
Laura Jacqueline Klem
Aleiah Shunae Miller
Devin Avery Munnings
Connor William Weik Murdock
Katherine Marie Murphy
Chad Everette Peters
Alzebeth Monchi Roman
Steven Collin Scott
Barbora Silovska
Brent Russell Smith
D’Andre Terrence Sylvester Starnes
Catherine Ann Stone
Kelly Elizabeth Sweeney
John Adam Tassitino
Lindsay Nicole Tippett
Liqiu Wang
Devin Brianne Whale
Jay Kendall Wilson
Maris Danielle Winters

Staff reviewed and recommended approval of the original application submitted by Ben Alexander Ulin. Mr. Ulin 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.
Reciprocal Certificate Applications - The Committee recommended that the Board approve the following:

Bridget Marie Dolinar  
Charles Haywood Fry Hardy  

John Charles Siebert  
Xinchen Tian

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

John Richard Brown, T9906  
Lisa Paige Fitzgerald, T9907  
Michael Paul Krol, T9908  
John Michael Hill, III, T9909  
Nicole Leigh Eisenoff, T9910  
Jeffrey Andrew Kuchar, T9911  
David Christopher Loomis, T9912  
Mary Hanna Francis, T9913  
Adam Frederick Harshman, T9914  
Jay Donald Hanson, T9915  
Peter Joseph Malize, T9916  
John Benoit Menasce, T9917  
Travis James Bracken, T9918  
Haley Elizabeth Wynn, T9919  
Kelley Queen Manders, T9920  
Lisa Moss Strickland, T9921  
Robert Catapano, Jr., T9980  

Amy Elizabeth Winkler, T9981  
Celeste Ann Midkiff, T9982  
Lauren Alyssa Hines, T9983  
Anthony Philip Elsass, T9984  
Manuel Evelio Villate, T9985  
Jamie Lynn Struijf-Pehowski, T9986  
Benjamin Richard Lahue, T9987  
Cassandra Marie Dominicis, T9988  
Christopher Lyle Mattke, T9989  
George Wiese Beckwith, T9990  
Kimberly Diane Simmons, T9991  
Caitlin Erin Diebold, T9992  
Michelle Kathleen Jenkins, T9993  
Jacob Dalton McCormick, T9994  
Kathryn Taylor Lester, T9995  
Erin Kathleen Coffey, T9996

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

Scott Howard Brammer, #35205  
Glen Edward Broadstreet, #15045  
J. Thomas Knight, #37632  
Christian Michael Kurtz, #30602  

Beth Ann Sartori, #21394  
Valerie Evelyn Wagner, #28829  
Lisa Worley Wilson, #21100

Reissuance of New Certificate - The Committee recommended that the Board approve the following applications for reissuance of new certificate:

James Alexander Colee, #36660  

Donnie Ray Smith, #12579

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

Walter Edmund Leamy, III, #21606  

Debra Ann Tallon, #31888
**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:

- Cauley & Hill, CPAs, PLLC
- DB FERRELL, PLLC
- Joshua W Harmening CPA PLLC
- C. Allen Hooks, CPA, PLLC
- Celeste Ann Midkiff CPA PC
- Rachel Sutton, CPA, PLLC

**Letters of Warning**

Staff reviewed the random CPE audit submitted by the individuals listed below which listed 2015 CPE taken between January 1 and June 30, 2016, without an approved extension. Staff recommended Letters of Warning for a first offense pursuant to 21 NCAC 08G .0406(b)(1). The Committee recommended that the Board approve staff recommendation.

- J. Nicole Brantley, #33892
- Linhan Quy Nguyen, #25849

The Committee recommended that the Board approve the request to rescind the Letter of Warning awarded to Lindsey Dawn Hodges, #37388.

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

- Deedee Agu
- Carolyn Albright
- Brent Allison
- Luke Allman
- Pakita Ames
- Christopher Ange
- John Armstrong
- Michael Armstrong
- Alana Ayala
- Bernice Badu
- Amber Banks
- Thomas Barker
- Jessica Barton
- Stephanie Baubie
- Lucas Bayless
- Laura Becker
- Alexander Bishop
- Jovana Bjelica
- Brandon Blackerby
- Andrew Blalock
- William Boney
- Earl Boone
- Stefenie Brinson
- Allie Brooks
- Stephanie Burgess
- John Burnett
- Nathaniel Bush
- Julie Byrum
- George Carter
- Mary Casey
- Rashida Chang
- Anna Chapman
- Kathryn Chatman
- Dustin Choate
- Nathaniel Clark
- Rashaad Clavon
- Drew Coble
- Christopher Cox
- Kristen Cox
- Rebecca Currie
- Gina Daniels
- Daniel Dapkiewicz
Joseph Darsey
Taylor Davis
Richard Dawson
Caroline DelBello
Carolyn Dignan
Alicia Driver
Allison Ducote
Abigail Durham
Brandon Dylewski
Mollie Eckert
Anna Elzey
Travis Evans
Audrey Everett
Kristine Faxlanger
Delaney Ferguson
Elizabeth Ferguson
Andy Ferrell
Michael Finney
John Fisher
Laura Frazier
Jordan Gantt
Ruben Garratt
Anna Gates
Christine Glennon
Kristen Goggins
Jennifer Gordon
Connor Green Malatesta
Ronnie Griffith
Michael Hardy
Nathaniel Harnden
Mary Harper
Stephen Hathcock
Robert Hawley
Susan Hicks
Elyse Hiraoka
Jacqueline Hobbs
Robert Hogan
Haley Horton
Jeffery Houston
Ryan Hucks
Andrew Hutchings
Carla Jacobs
David Joslin
Keith Keller
Patrizia Kepinski
Arjumand Khan
Preston Kidd
William King
Erin Kissling
Ian Klemons
Larissa Korniychuk
Robin Krcelic
Jeremy Krider
Ho Lau
Adam Lazovik
Steven Leerberg
Charles Lehrman
Blake Lessard
Jiefang Liang
Reid Livingston
Alexander Macdonald
Elizabeth MacLachlan
Sean McGrath
Alexander McLarnon
Richard McLawhorn
Tiffany McPherson
Breanna McShea
Jack Melhorn
Andrew Miller
Corry Molter
April Morris
Trenton Mosley
David Mullinax
Mary Murwin
Jordan Norris
Charlene Pacheco
Richard Parrish
Antonio Perez Lara
Bradley Peterson
Clemson Player
Kaitlyn Porter
Brittany Powell
Zachary Quickel
Caroline Raper
Joshua Reed
Christopher Rezac
Charles Rich
Clarice Richardson
Megan Ring
Andrew Riordan
Firm Renewal and Peer Review Matters – The firms listed below have not submitted a renewal or termination notice more than 120 days after the deadline. Staff recommended referral to the Professional Standards Committee. The Committee recommended that the Board approve staff recommendation:

Amundson & McBrayer, CPAs, LLP
   Dana Rivenbark McBrayer, #15195
Mohammed Ghanayam, CPA, PC
   Mohammed Subhi Ghanayam, #33296
Jenny Hassler CPA, #34894

Reisinger & Company, PLLC
   Craig Daniel Reisinger, #31678
Switzer, McGaughey & Company, PC
   Charles Dee McGaughey, #29613

Rescind Form of Practice Statement – Danielle C. James, #25466 signed a Form of Practice Statement due to her employment. However, due to recent rule changes staff recommended that the statement be rescinded. The Committee recommended that the Board approve the status change:

EXECUTIVE STAFF AND LEGAL COUNSEL REPORT: Mr. Nance provided a report updating the implementation of the IT project and the monthly Operational Metrics report with the monthly Executive Staff report.

Mr. Brooks provided an update on the status of the 1099 v W2 issue facing the occupational licensing boards. Mr. Brooks recognized State Auditor Beth Wood to report on her progress on this issue. Ms. Wood has a meeting scheduled this day with
Dr. Linda Combs, State Controller of NC, to discuss the memos issued from her office regarding this issue. Ms. Wood will inform Mr. Brooks on the results of their meeting.

**ADJOURNMENT:** Messrs. Williams and Womble moved to adjourn the meeting at 12:35 p.m. Motion passed.

Respectfully submitted:  

[Signature]

Robert N. Brooks  
Executive Director

Attested to by:  

[Signature]

Wm. Hunter Cook, CPA  
President
IN THE MATTER OF:
Normand J. Travis, CPA, #26980
Respondent

BOARD ORDER

THIS CAUSE coming before the North Carolina State Board of Certified Public Accountant Examiners (the "Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, at public hearing ("Hearing"), with a quorum present, the Board finds, based on the evidence presented at the Hearing on August 21, 2017, that:

FINDINGS OF FACT

1. Normand J. Travis, (hereinafter "Respondent") is the holder of North Carolina certificate number 26980 as a certified public accountant.

2. The Board has jurisdiction over the Respondent and the subject matter of this action.

3. The Respondent received at least fifteen (15) days written notice of the Hearing. The notice was achieved by serving a Notice of Hearing by personal service, certified mail, or other method of delivery authorized by N. C. Gen. Stat. § 150B-38(c).

4. Venue is proper and the Hearing was properly held at 1101 Oberlin Road, Raleigh, North Carolina.

5. The Respondent did not object to any Board Member’s participation in the Hearing of this matter.

6. The Respondent was present at the Hearing and was represented by counsel.

7. The Respondent self-disclosed to the Board that he had a dispute with a client regarding a tax engagement.
8. The Board heard evidence related to the tax engagement, and it was stipulated that the taxes were not filed properly due to the client’s failure to make an S-Corporation election.

9. The Respondent provided evidence that he had reasonably relied upon representations made to him by his client in the preparation of the client’s taxes, including the client’s assurances that it would have another party make the S-Corporation election.

CONCLUSIONS OF LAW


2. 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. Pursuant to N. C. Gen. Stat. § 93-12(9), the Board has the authority to impose discipline upon the Respondent and the Respondent’s certificate and to impose civil monetary penalties.

3. Per 21 NCAC 08N .0211, the Respondent is subject to the Statement on Standards for Tax Services.

4. Statement on Standards for Tax Services No. 3 provides, in part:

   In preparing or signing a return, a member may in good faith rely, without verification, on information furnished by the taxpayer or by third parties. However, a member should not ignore the implications of information furnished and should make reasonable inquiries if the information furnished appears to be incorrect, incomplete, or inconsistent either on its face or on the basis of other facts known to the member. Further, a member should refer to the taxpayer’s returns for one or more prior years whenever feasible.

5. It was not unreasonable for the Respondent to rely upon the representations made to him by his client, and therefore, he has not violated 21 NCAC 08N .0211.
Board Order - 3
Normand J. Travis, CPA

BASED ON THE FOREGOING, the Board orders in a vote of 6 to 1 that:

1. The matter is dismissed without any disciplinary action taken. A letter of warning will be issued to the Respondent.

This the 21st day of August, 2017.

NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

BY: [Signature]
President
IN THE MATTER OF:
Peebles CPA, PC
Tara Dye Peebles, #31647
Respondents

BOARD ORDER

THIS CAUSE coming before the North Carolina State Board of Certified Public Accountant Examiners (the “Board”) at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, at public hearing (“Hearing”), with a quorum present, the Board finds, based on the evidence presented at the Hearing on August 21, 2017, that:

FINDINGS OF FACT

1. Tara Dye Peebles, (hereinafter “Respondent”) was the holder of North Carolina certificate number 31647 as a certified public accountant.

2. Peebles CPA, PC (hereinafter “Firm”), was a registered certified public accounting firm in North Carolina. At all relevant times, the Respondent was listed with the Board as the supervisor of the Firm. The Respondent and the Firm are hereinafter collectively referred to as the “Respondents.”

3. The Board has jurisdiction over the Respondents and the subject matter of this action.

4. The Respondents received at least fifteen (15) days written notice of the Hearing. The notice was achieved by serving a Notice of Hearing by personal service, certified mail, or other method of delivery authorized by N.C. Gen. Stat. § 150B-38(c).

5. Venue is proper and the Hearing was properly held at 1101 Oberlin Road, Raleigh, North Carolina.

6. The Respondents did not object to any Board Member’s participation in the Hearing of this matter.

7. The Respondents were not present at the Hearing and were not represented by counsel.
8. The Respondent was the sole owner and CPA employee of the Firm.

9. The Board received a complaint against the Firm, in which the complainant alleged that he had provided the Firm with his 1099s and tax records to prepare his 2015 tax returns, with the understanding that the Respondents would file an extension before preparing the tax returns.

10. Per the complaint allegations, after having no communication from the Respondents, the client attempted to contact the Respondents by telephone, email, and certified mail, with no success. The client stated that the Respondents never completed the tax returns and did not return the documentation he had provided.

11. The Board staff attempted to contact the Firm but did not receive a timely response. Therefore, a complaint was filed against the Respondent.

12. Additionally, the Respondent failed to renew her individual CPA certificate, and she failed to renew the Firm’s registration and did not timely respond to correspondence from the Board’s Licensing section regarding that failure to renew the Firm.

CONCLUSIONS OF LAW


2. The Respondents are subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 8 of the North Carolina Administrative Code. Pursuant to N.C. Gen. Stat. § 93-12(9), the Board has the authority to impose discipline upon the Respondent and the Respondent’s certificate and to impose civil monetary penalties. It also has the authority to suspend the Firm’s registration.

3. The Respondent failed to timely cooperate with inquiries from the Board in violation of 21 NCAC 08N .0206.

4. The unrefuted allegations in the complaint indicate that the Respondent did not exercise due professional care in the performance of a tax engagement in violation of 21 NCAC 08N .0212(2).
Board Order - 3  
Peebles CPA, PC  
Tara Dye Peebles  

5. Additionally, because there are no licensed CPAs to own or operate the Firm, the Firm’s registration is suspended and may not be renewed.

6. 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, the Board orders in a vote of 7 to 0 that:

1. The Certified Public Accountant certificate issued to the Respondent, Tara Dye Peebles, is hereby permanently revoked.

2. Neither Respondent Tara Dye Peebles nor the Firm shall offer or render services as a CPA or CPA firm, or otherwise trade upon or use the CPA title in this state either through CPA mobility provisions or substantial equivalency practice privileges or in any other manner, nor shall Respondent Peebles or the Firm claim or attempt to use any practice privileges in any other state based upon Respondent Peebles’ permanently revoked North Carolina certificate or the Firm’s suspended CPA firm registration.

This the 21st day of August, 2017.

NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

BY: [Signature]  
President
July 18, 2017

Appendix III

The Honorable Roy A. Cooper, III
Governor of North Carolina
20301 Mail Service Center
Raleigh, NC 27699-0301

Via Email

Re: Evaluation of Statement of Economic Interest Filed By Mr. Arthur M. Winstead, Jr.
Prospective Appointee - North Carolina Certified Public Accountant Examiners

Dear Governor Cooper:

Our office is in receipt of Mr. Arthur M. Winstead, Jr.’s 2017 Statement of Economic Interest as a prospective appointee to the North Carolina Certified Public Accountant Examiners (“Board”). We have reviewed it for actual and potential conflicts of interest pursuant to Chapter 138A of the North Carolina General Statutes (“N.C.G.S.”), also known as the State Government Ethics Act.

We did not find an actual conflict of interest, but found the potential for a conflict of interest. The potential conflict identified does not prohibit service on this entity.

The North Carolina State Board of Certified Public Accountant Examiners is responsible for the certification of persons engaged as public accountants in North Carolina. The Board has authority to administer certification examinations, issue, renew and revoke certifications, and otherwise regulate certified public accountants.

The State Government Ethics Act establishes ethical standards for certain public servants, including conflict of interest standards. N.C.G.S. §138A-31 prohibits public servants from using their positions for their financial benefit or for the benefit of a member of their extended family or a business with which they are associated. N.C.G.S. §138A-36(a) prohibits public servants from participating in certain official actions from which the public servant, his or her client(s), a member of the public servant’s extended family, or a business or non-profit with which the public servant or a member of the public servant’s immediate family is associated may receive a reasonably foreseeable financial benefit.

Mr. Winstead will fill the role of a certified public accountant on the Board. He is a Partner in DMJ & Co., PLLC, a CPA firm and is certified by the Board. As such, he has the potential for a conflict of interest and should exercise appropriate caution in the performance of his public duties should his certification or the certifications of his coworkers come before the Board for official action.

In addition to the conflicts standards noted above, N.C.G.S. §138A-32 prohibits public servants from accepting gifts, directly or indirectly (1) from anyone in return for being influenced in the discharge of their official responsibilities, (2) from a lobbyist or lobbyist principal, or (3) from a person or entity which is doing or seeking to do business with the public servant’s agency, is regulated or controlled by the public servant’s agency, or has particular financial interests that may be affected by the public servant’s official actions. Exceptions to the gifts restrictions are set out in N.C.G.S. §138A-32(e).
Pursuant to N.C.G.S. 138A-15(c), when an actual or potential conflict of interest is cited by the Commission under N.C.G.S. 138A-24(e) with regard to a public servant sitting on a board, the conflict shall be recorded in the minutes of the applicable board and duly brought to the attention of the membership by the board’s chair as often as necessary to remind all members of the conflict and to help ensure compliance with the State Government Ethics Act.

Finally, the State Government Ethics Act mandates that all public servants attend an ethics and lobbying education presentation. Please review the attached document for additional information concerning this requirement.

Please contact our office if you have any questions concerning our evaluation or the ethical standards governing public servants under the State Government Ethics Act.

Sincerely,

Beth Carpenter
SEI Unit

cc: Mr. Arthur M. Winstead, Jr.

Attachment: Ethics Education Flyer
IN THE MATTER OF:
Jammie L. Eubanks, CPA, #26925
JAMMIE L. EUBANKS, CPA, P.A.
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 Respondent stipulate to the following:

1. Jammie L. Eubanks, CPA (hereinafter “Respondent”), is the holder of North Carolina certificate number 26925 as a Certified Public Accountant.


3. The Respondent Firm received a “fail” on its most recent system peer review, for the year ended September 30, 2014. In addition, the Respondent Firm failed its 2009 peer review, and received a “pass with deficiencies” on its 2012 peer review.

4. The Respondent Firm was terminated from the peer review program per the AICPA's determination that the Respondent Firm was non-cooperative due to three (3) consecutive peer reviews without a “pass.”

5. The Respondent Firm self-disclosed to the Board, on its 2017 firm registration, that the Firm had been terminated from the peer review program.

6. Per 21 NCAC 08N .0212, and .0403, the Respondent Firm was required to perform audit services in accordance with generally accepted auditing standards.

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CPA EXAMINERS
7. The peer review report revealed that the system of quality control for the Respondent Firm, in effect for the year ended September 30, 2014, was not suitably designed and complied with to provide the Respondent Firm with reasonable assurance of reporting and performing in conformity with applicable professional standards in all material aspects.

8. The Respondent Firm 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 Firm understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

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

1. The Respondent Firm 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 Firm’s failure to perform attest and assurance services in accordance with standards constitutes a violation of the Statements on Auditing Standards in violation of 21 NCAC 08N .0403 and .0212.

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

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

1. The Respondent Firm is censured.

2. The Respondent shall obtain four (4) hours of SSARS CPE as part of his 40-hour annual CPE requirement for the next three (3) years.

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CPA EXAMINERS
3. The Respondent and the Respondent Firm shall provide a written statement to the Board that they will no longer be participating in, performing, or reviewing any engagements subject to peer review. In the future, if the Respondent or the Respondent Firm should choose to engage in those activities, the Respondent must first obtain a pre-issuance review of that engagement and provide the pre-issuance review report to the Board. Pre-issuance review shall continue until the Board determines that it is not necessary. The pre-issuance review shall be conducted by a mutually agreed-upon reviewer.

CONSENTED TO THIS THE 1st DAY OF August, 2017.
(Day) (Month) (Year)

Jammie L. Eubanks
Individual authorized to sign on behalf of Respondent Firm

APPROVED BY THE BOARD THIS THE 21st DAY OF August, 2017
(Day) (Month) (Year)

NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

BY: President

NC BOARD OF CPA EXAMINERS
AUG - 4 2017
IN THE MATTER OF:
Steve Wesley Shelton, CPA, # 34836
Wesley Shelton, PLLC
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. Steve Wesley Shelton, CPA (hereinafter "Respondent"), is the holder of North Carolina certificate number 34836 as a Certified Public Accountant.

2. Wesley Shelton, PLLC (hereinafter "Firm"), is a registered certified public accounting firm in North Carolina.

3. At all relevant times, the Respondent was the supervising CPA of the Firm and, as such, was the CPA responsible for ensuring that the Board's peer review requirements were satisfied.

4. Per 21 NCAC 08M .0105(a):
A CPA or CPA firm providing any of the following services to the public shall participate in a peer review program:
(1) audits;
(2) reviews of financial statements;
(3) compilations of financial statements; or
(4) any engagement to be performed in accordance with the Statements on Standards for Attestation Engagements.

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5. The Respondent disclosed on the Firm’s annual firm renewal that the Firm had performed one audit in 2011. The Respondent subsequently informed the Board that the engagement involved the audit of a client’s balance sheet.

6. By performing an audit, the Firm was required to undergo a peer review.

7. The Respondent has not engaged in any other engagements subject to peer review and has indicated to the Board that he does not presently desire to engage in those services.

8. 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 by performing an audit, his Firm was required to participate in a peer review program. The subsequent failure to participate in a peer review program constitutes a violation of 21 NCAC 08N .0213.

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 is censured.
2. The Respondent shall pay a five hundred dollar ($500) administrative cost to be remitted with this signed Consent Order.

3. Prior to the Respondent or the Firm participating in, performing, or reviewing any future engagements subject to peer review, the engagement shall be subject to a pre-issuance review. The pre-issuance review(s) shall be performed by a pre-issuance reviewer submitted by the Respondent and approved by the Board. The pre-issuance reviewer shall submit a report directly to the Board until such time that the Board determines that reviews are no longer necessary. If the Respondent is employed by another firm, and he does not participate in engagements that are subject to peer review, then that firm will not be subject to the pre-issuance review requirements set forth herein.

CONSENTED TO THIS THE 15 DAY OF July, 2017
(Day) (Month) (Year)

Individual authorized to sign on behalf of Respondent Firm

Respondent

APPROVED BY THE BOARD THIS THE 21 DAY OF August, 2017
(Day) (Month) (Year)

NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

President

NC BOARD OF
JUL 19 2017