PUBLIC SESSION MINUTES
North Carolina State Board of CPA Examiners
February 19, 2018
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 (via telephone); 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.

GUESTS: Sharon Bryson, CEO, NCACPA; Mark Sotichek, CPA, COO, NCACPA; Scott Showalter, CPA, NCACPA; Nathan Standley, Esq., Allen and Pinnix, P.A.; and Sgt. J.A. Stokes, Raleigh Police Department.

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

PUBLIC HEARING: President Cook called the Public Hearing to order to hear Case No. 2017103 – Matthew J. Rice, NC CPA No. 30694. Mr. Rice was not present at the Hearing nor was he represented by legal counsel at the Hearing. David R. Nance, CPA, was sworn in and presented testimony. Messrs. Winstead 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. Upon re-entering the Hearing, Messrs. Womble and Winstead moved to dismiss the case without prejudice. Motion passed with seven (7) affirmative votes and zero (0) negative votes (Appendix I). The entire Public Hearing is a matter of public record.

MINUTES: The minutes of the January 22, 2018, meeting were approved as submitted.

FINANCIAL AND BUDGETARY ITEMS: The January 2018 financial statements were accepted as submitted.

NATIONAL ORGANIZATION ITEMS: Messrs. Winstead and Williams moved to approve the draft response to the NASBA Regional Director Focus Questions. Motion passed.
REPORT OF THE PROFESSIONAL STANDARDS COMMITTEE: Ms. Brown moved and the Board approved the following recommendations of the Committee:

Case Nos. C2017130-1 and C2017130-2 - Claude M. Bogues, CPA, and Claude M. Bogues, CPA, PLLC - Approve the signed Consent Order (Appendix II). Ms. Brown and Mr. Winstead did not participate in the discussion of this matter nor did they vote on this matter.

Case No. C2017208-2 - Glenn E. Turner, PA - Approve the signed Consent Order (Appendix III).

Case Nos. C2016329, C2017151, C2017272, C2017304, C2017305, and C2017307 - Perry A. James, CPA and Perry A. James, CPA, PC - Approve the signed Consent Order (Appendix IV).

Case No. C2017055 - Close the case without prejudice.

Case Nos. C2017212-1 and C2017212-2 - Close the cases without prejudice.

Case Nos. C2017214-1 and C2017214-2 - Close the cases 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:

Samuel Francis Eno
Jeremy Michael Giambrone
Anne Katherine Quetsch

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

Lincoln Scott Anderson
Seth Alexander Beane
Ryan Christopher Beckner
Christopher Michael Befus
Tristan Scott Biller
Kevin Michael Blankenship
Caley Ann Boggs
Ashley June Boulanger

Barry Alexander Brown
Lindsay Elizabeth Carlisle
Maitland Conrad Chase
Cody Wayne Chrismon
Charles Frederick Cornett
Kristen Maria Barr Denny
Cyprian Clay Dickson
Sarah Jane Dietz
Reciprocal Certificate Applications - The Committee recommended that the Board approve the following:

Adwowa Afenyi-Annan  
Christine Juliette Benkendorf  
Matthew John Born  
Julie Beth Dillon  
Amanda Jean Hauser  
Jacob Allen Joyner  
Frank Daniel Logano  
Paul G. Marquez  
Colleen Mary Middleton  
Christopher Joseph Negrelli  
Christopher Jason Palmateer  
Surya Balasubramani Pethi  
Laura Stokes Pritchard  
Michelle Marie Riley  
Stephen Calvin Saferight  
Gunveen Sagggu  
Michael Thomas Schilde  
Cindy Rose Stoltz  
Srinidhi Tuppul  
Michael Edward Walchonski
Temporary Permits - The Committee recommended that the Board approve the following temporary permits that were approved by the Executive Director:

Karl Francis Fisher, T10290
Jeffrey Brian Moore, T10291
Joseph Strawinski, T10292
Jeanne Louise Martin, T10293
Michelle Gail D’Amico, T10294
Terrance Mark McCaffery, T10296
Robert Stockel, T10297
Jessica Sarah Neal, T10298
Samantha Shafiqa Rabi, T10299
Iryna V. Moysova, T10300
Kshitija Prashant Shah, T10301
Juan Carlos Cruz, T10315
Larry Matthew Pritchett, T10316
Philip Ross Santner, T10317
Philip Emmanuel Bazikian, T10318
Russell Lowell Hunter, T10319
Marie Alexandra Quintana, T10320
Bridget Jennifer Bergin, T10321
Georgette Liana Chastang, T10322
Robert Alan Henry, T10323
Laurel Provitola McAtee, T10324
Christopher Neal Parker, T10325
Tylor J. Edison, T10326
Matthew Weaver Miche,l T10327
Dennis Keith Berry, Jr., T10328
Jennifer Danielle Walton, T10329
Shaun Farhad Kazemian, T10330
Keith Thomas Gearity, T10331
Michelle Marie Wells, T10332

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

Pearl Wilson Bassard, #31573
Dawn Alycia Bornitz, #28526
Robert Maxwell Clyburn, #23640
Lisa Byrd Fitchett, #20615
James D. Hiza, #27254
Emily Poythress Howard, #20071

Reissuance of New Certificate - The Committee recommended that the Board approve the application for reissuance of new certificate submitted by John Allen Williams, Jr., #19363.

Reissuance of New Certificate and Consent Agreement - The Committee recommended that the Board approve the application for reissuance of new certificate and consent agreement submitted by Edmundo Javier Aja. #39235.

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

Rebecca Keefe Kwasnick CPA, PLLC
Amelia C. Patel, CPA, PLLC
Keturah J. Sanders CPA, PLLC
Letter of Warning - The Committee recommended that the Board approve the request to rescind the Letter of Warning issued to Gina Eastridge Reynolds, #32540.

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

Tara Alderman
Christine Allen
Evan Andert
Christopher Angiolino
Danny Anson
Januarius Anyanwu
Elizabeth Baccala
Bernice Badu
Austin Baker
Jessica Barton
William Bauer
Beth Baumunk
Laura Beam
Scarlett Beamon
Adam Beebe
Charles Beech
Michael Bennett-Chew
Shannon Berry
Robert Bett
Anitra Black
Anna Blake
Lauren Bolusky
Katie Bond
Taylor Booze
Stephen Boyd
Robert Bright
Jessica Brinkmann
John Brothers
Stephen Brown
Anthony Bui
Nathaniel Bush
Julie Byrum
Joshua Capps
Peter Cataldi
Sang Ryoul Choi
Marlon Clair Sharp
Rashaad Clavon
Casey Cleffi
Andrew Clukey
Lindsay Crook
Charles Davis
Morgan Deans
Matthew Deas
Charles DelPapa
Christopher Dickson
Nikola Dimov
Charles Dorcelien
Stefan Dosa
Brandon Dylewski
Gabrielle Eagle
Dylan Edwards
William Ellis
Mekenzie Enloe
Kristen Ernest
Kate Etheridge
Audrey Everett
Sean Feeley
Adam Filipponi
Matthew Finney
Sean Fitzgerald
Miguel Flores
Brandon Forsythe
Diana Fu
Abigail Getz
Matthew Gilmartin
Isabel Golecruz
Zinayida Golovin
Josue Gomez-Magana
Christina Gonzalez
Michael Gore
Cynthia Grose
Brittany Hagerty
William Hall
Lindsay Hancock
Staff recommended that the Committee determine and accept the grades received for the July – August 2017 exams. Twenty-five files with grade reports were haphazardly selected and available at the meeting for review by a Board member. The Committee recommended that the Board approve staff recommendation.

REPORT OF THE PERSONNEL COMMITTEE: Mr. Womble, Chair of the Personnel Committee, explained that the Committee would be meeting on March 5, 2018, by telephone to discuss the MAPS Group Personnel Report. He asked that all Board members review the report and forward any comments regarding the report to him for the Committee to study and formulate recommendations for the Board to consider at the March 21, 2018, Board meeting.

EXECUTIVE STAFF AND LEGAL COUNSEL REPORT: Mr. Nance provided a brief update on the Board’s strategic plan. The monthly operational metrics and the executive staff report were also provided.

ADJOURNMENT: Messrs. Womble and Williams moved to adjourn the meeting at 11:25 a.m. Motion passed.

Respectfully submitted:

[Signature]
Robert N. Brooks
Executive Director

Attested to by:

[Signature]
Wm. Hunter Cook, CPA
President
IN THE MATTER OF:
Matthew J. Rice, CPA, #30694
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 February 19, 2018, that:

FINDINGS OF FACT

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

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

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

6. Respondent was not present at the Hearing but was allowed to present his testimony via stipulations signed by the Respondent.

7. The Board received a complaint against the Respondent regarding his failure to respond to a client’s request for copies of the client’s 2014 business tax returns (“Tax Returns”).

8. The Respondent had previously provided the client with the Tax Returns in October of 2015.
9. The client requested an additional copy of the Tax Returns on April 17, 2015, via voicemail and email. Subsequent requests were made for the Tax Returns prior to May 1, 2017.

10. The Respondent has asserted that he did not receive the client’s records request until he returned from vacation subsequent to May 1, 2017.

CONCLUSIONS OF LAW


2. Respondent is 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 Respondent’s certificate and to impose civil monetary penalties.

3. Per 21 NCAC 08N .0305(b) as it exists subsequent to May 1, 2017:

   Unless a CPA and the client have agreed to the contrary, when a client makes a request for CPA prepared records or a CPA’s work products that are in the CPA’s custody or control that have not previously been provided to the client, the CPA shall respond to the client’s request ...

4. The Respondent provided proof that he had already provided the Tax Returns to the client and has, therefore, not violated 21 NCAC 08N .0305.

BASED ON THE FOREGOING, the Board orders in a vote of 7 to 0 that:

1. The case is dismissed without prejudice.

This the 19th day of February, 2018.

NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

BY: [Signature]
President
IN THE MATTER OF:
Claude M. Bogues, CPA, #16704
Claude M. Bogues, CPA, PLLC
Respondents

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #: C2017130-1 and C2017130-2

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. Claude M. Bogues, CPA (hereinafter "Respondent"), is the holder of North Carolina certificate number 16704 as a certified public accountant.

2. Claude M. Bogues, CPA, PLLC (hereinafter "Respondent Firm"), is a registered certified public accounting firm in North Carolina. The Respondent and Respondent Firm shall hereinafter collectively be referred to as the "Respondents."

3. The Respondent disclosed to the Board that he and the Respondent Firm had failed a Quality Control Review by the federal Office of Inspector General ("OIG"). The OIG identified audit deficiencies in the audit of a client.

4. The OIG requested that the Respondent perform additional audit procedures in order to remedy the deficiencies. However, the client declared bankruptcy, and the Respondent was unable to complete the procedures specified by the OIG. The Respondent withdrew his audit report.

5. The Respondent Firm received Fails on its last two (2) system peer review reports.

6. The Respondent has chosen to cease performing services that would subject the Respondent Firm to peer review.

7. 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.
3. Per N.C. Gen. Stat. § 93-12(9), 93-10(b) and also by virtue of the Respondents' 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 Respondents agree to the following Order:

1. The Respondent is censured.

2. The Respondents shall not engage in audits, reviews, compilations, or agreed-upon procedures for a period of three (3) years.

3. Should the Respondents desire to conduct audits, reviews, compilations, or agreed-upon procedures after the three (3) year period has expired, they shall obtain pre-issuance reviews until such time that the Board determines pre-issuance review is no longer necessary. The pre-issuance reviewer shall be approved by the Board. The Respondents shall authorize and cause the pre-issuance reviewer to provide the Board with a copy of each pre-issuance review report upon its issuance.

4. The Respondent shall remit with this signed Consent Order a one thousand dollar ($1,000) civil penalty.

CONSENTED TO THIS THE 11th DAY OF January, 2018

Claude M. Bogues, CPA
Respondent

Claude M. Bogues, CPA
Individual authorized to sign on behalf of the Firm

APPROVED BY THE BOARD THIS THE 19th DAY OF February, 2018

NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

President
NORTH CAROLINA
WAKE COUNTY
BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
Case #C2017208-2

IN THE MATTER OF:
Glenn E. Turner, PA,
Certified Public Accountant
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 Firm stipulate to the following:

1. Glenn E. Turner, PA, Certified Public Accountant (hereinafter "Respondent Firm"), is a registered certified public accounting corporation in North Carolina.

2. The Board received a referral from the North Carolina Licensing Board for General Contractors alleging that the Respondent Firm had submitted an audit report that did not meet applicable financial reporting requirements.

3. The Board reviewed the Respondent Firm’s audit report and audit documentation.

4. The Respondent Firm’s audit report did not include all required elements and contained internal inconsistencies related to the accounting framework being applied.

5. The audit documentation was inadequate and did not conform with generally accepted auditing standards.

6. 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 audit services in accordance with generally accepted auditing standards constitutes a violation of 21 NCAC 08N .0403.

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 the Respondent Firm agree to the following Order:

1. The Respondent Firm is censured.

2. All members of the Respondent Firm shall complete four (4) hours of CPE related to special purpose frameworks.

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 provide the Board with certification, on the Respondent Firm letterhead, that the Respondent Firm does not currently plan to perform any audit services.
5. If the Respondent Firm chooses to engage in the performance of any audit services:

   a. all members of the Respondent Firm performing such services shall complete sixteen (16) hours of group-study CPE related to audit planning, risk-based audit procedures, and audit documentation; and

   b. the Respondent Firm shall obtain pre-issuance review as set forth in the Board’s pre-issuance review procedures, until such time that the Board releases the Respondent Firm from the pre-issuance review requirement.

CONSENTED TO THIS THE 9th DAY OF December, 2017
(Day) (Month) (Year)

[Signature]
Individual authorized to sign on behalf of Respondent Firm

APPROVED BY THE BOARD THIS THE 19th DAY OF February, 2018
(Day) (Month) (Year)

NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

[Seal]

BY: [Signature]
President
NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #s: C2016329, C2017151, C2017272, C2017304
C2017305, C2017307

IN THE MATTER OF:
Perry A. James, CPA, #22459
and
Perry A. James, CPA, PC
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 Respondents stipulate to the
following:

1. Perry A. James (hereinafter "Respondent") is the holder of North Carolina
certificate number 22459 as a Certified Public Accountant.

2. Perry A. James, CPA, PC ("Respondent Firm"), is a CPA firm registered with the
Board. At all relevant times, Respondent was the supervising CPA and owner of
Respondent Firm. The Respondent and Respondent Firm are hereinafter
collectively referred to as "Respondents."

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

4. In 2016, the Board received a complaint against the Respondent regarding the
preparation of a client's tax returns. The Respondent was slow to respond to that
complaint. The issues related to whether those tax services were competently
provided by the Respondent remains unresolved.

5. Beginning in October of 2017, the Board has received nine (9) additional complaints
from the Respondents' clients asserting, in general, that the Respondent and
Respondent Firm had been uncommunicative and had not competently provided
accounting services.

6. The Board issued a Notice of Hearing in this matter on December 18, 2017. The
Hearing was set for February 19, 2018.

7. A process server delivered a copy of a Notice of Hearing to the Respondent
personally on January 10, 2018.
8. On January 22, 2018, the Respondent requested a continuance of the hearing. On that same day, the request for a continuance was denied by the Board.

9. The Respondent subsequently contacted the Board staff and informed them that he was hospitalized and could not attend the February 19, 2018, Hearing.

10. The Respondents wish to temporarily resolve this matter by consent and postpone their hearing until a future date. The Respondents 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.

CONCLUSIONS OF LAW

11. 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.

12. If proven at a hearing pursuant to the North Carolina Administrative Procedure Act, the Respondents’ failures to competently handle the tax engagements as set out above could constitute violations of 21 NCAC 08N .0201, .0211, and .0212.

13. If proven at a hearing pursuant to the North Carolina Administrative Procedure Act, the Respondents’ failures to communicate with their clients could constitute violations of 21 NCAC 08N .0201 and .0212.

14. If proven at a hearing pursuant to the North Carolina Administrative Procedure Act, the Respondents’ failures to cooperate with Board inquiries could constitute violations of 21 NCAC 08N .0206.

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

1. The Certified Public Accountant certificate for the Respondent, Perry A. James, is hereby suspended until such time that the Board holds a hearing on the complaints against the Respondents or until the matters are otherwise resolved.

2. If, as a result of Respondent’s failure or refusal to cooperate, a new hearing is not held or the matter is not otherwise resolved within one year from the date of this Consent Order, Respondent agrees that the allegations contained in the complaints described in Findings 4 and 5 above shall be deemed admitted by Respondent, and the Board in its discretion may impose discipline upon the Respondents at a duly
noticed hearing based upon said complaints. For purposes of this provision only, Respondents waive their rights to contest, confront and cross examine the complainants at said hearing.

3. The Respondent Firm’s registration is suspended until such time that the Board holds a hearing on the complaints against the Respondents or until the matters are otherwise resolved.

4. Neither Respondent Perry A. James nor Respondent 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 James or Respondent Firm claim or attempt to use any practice privileges in any other state based upon Respondent James’ suspended North Carolina certificate or Respondent Firm’s suspended CPA firm registration.

CONSENTED TO THIS THE 17 DAY OF FEBRUARY, 2018

[Signature]
Respondent, Individually

[Signature]
Respondent, in behalf of Respondent Firm

APPROVED BY THE BOARD THIS THE 19 DAY OF FEBRUARY, 2018

NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

[Signature]
President