North Carolina General Statutes §93-2 and §93-12(5) provide that to be eligible to take the Uniform CPA Examination (Exam) and/or be licensed as a CPA in this State, individuals must be of good moral character.

Good moral character speaks to an individual’s honesty, integrity, trustworthiness, and fitness to be identified as a CPA.

The initial Exam application asks if the applicant has “ever been charged, arrested, convicted, found guilty of, received a prayer for judgment continued, or pleaded nolo contendere to any criminal offense, excluding non-criminal traffic infractions.”

The application also includes an affidavit section whereby the applicant authorizes the Board to “verify any of the representations and information. . .by any means including a criminal records check or other background check.”

Similar statements as to good moral character and authorization for the Board to make investigative inquiries are part of the application documents for CPA licensure.

It is incumbent upon each Exam and licensure applicant to carefully review the information presented on his or her application and to provide the proper responses to the questions pertaining to moral character.

Pursuant to 21 NCAC 08F .0103 and .0502, the Board performs criminal background checks on all initial Exam applicants, original CPA license applicants, and reciprocal CPA license applicants—approximately 1,700 applicants annually.

The background check is performed upon receipt of the application. If the background check is clean, the application moves forward for processing and approval.

If a positive result is identified through the background check, the application is held until the applicant provides the Board with sufficient information.

Background Checks continued on page 7

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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. Pursuant to N.C. Gen. Stat. §150B-41, the Board and Respondent stipulate to the following:

1. Joseph S. Atwell, (hereinafter “Respondent”) is the holder of North Carolina certificate number 12973 as a certified public accountant.
2. The Respondent informed the Board that he had received a censure from the North Carolina State Bar (“Bar”).
3. The Bar found probable cause that the Respondent had violated the rules of conduct regarding his handling of an estate matter.
4. By virtue of the Bar censure, there is prima facie evidence that the Respondent violated 21 NCAC 08N .0204 (Discipline by Federal and State Authorities) and other Board rules.
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.

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 aforementioned facts are prima facie evidence that, if proven at hearing, would establish a violation of 21 NCAC 08N .0204.
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 Respondent agree to the following Order:

1. The Respondent, Joseph S. Atwell, is censured.
2. The Respondent’s certificate is suspended for one (1) year. That suspension is stayed.
3. The Respondent shall remit with this signed Consent Order a two thousand dollar ($2,000) civil penalty.

Approved by the Board April 23, 2018.

Request for Inactive Status

NC CPAs may request inactive status through the Board’s website, nccpaboard.gov. To access the online form, click on the “Request Inactive Status” link in the “How Do I?” box on the homepage.

After completing and submitting the form, you will receive an email from the Board that summarizes the information you entered and notifies you that your request for inactive status has been approved.

2018 Board Meetings

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<th>MAY</th>
<th>JUNE</th>
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<td>Raleigh, NC</td>
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<td>Thurs., May 24</td>
<td>Fri., June 22</td>
<td>Mon., July 23</td>
<td>Mon., Aug. 20</td>
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Board meetings are open to the public and licensees and candidates are encouraged to attend. Raleigh meetings are held at the Board office.

The June 22, 2018, Board meeting will be held at the Marriott, 425 N. Cherry Street, Winston-Salem.

If you plan to attend the meeting, please contact Robert N. Brooks at rbrooks@nccpaboard.gov no later than June 13 so seating arrangements can be made.
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. Darren Brady, (hereinafter “Respondent”) is the holder of North Carolina certificate number 31712 as a certified public accountant.
2. The Board received a complaint from one of the Respondent’s non-attest clients.
3. At the Respondent’s request, the client provided the Respondent a loan of $150,000. The loan was reflected in a promissory note (“Note”) dated August 28, 2008. The Respondent was to pay off the Note through monthly installment payments.
4. The client made the loan based upon the Respondent’s representation that he intended to use the money to purchase the portfolio of another CPA firm and open a new location.
5. The client asserts that rather than using the money to expand his practice, the Respondent made other investments that were unsuccessful.
6. The Respondent has confirmed that the loan proceeds were not utilized to purchase the CPA firm as originally intended.
7. The Respondent has subsequently failed to make timely payments and has defaulted on the loan.
8. 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. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. 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 has obtained a loan from a client and did not apply the proceeds in the way which was represented.
3. The aforementioned conduct constitutes a violation of 21 NCAC 08N .0202 and .0203.
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 Respondent agree to the following Order:

1. The Respondent, Darren Brady, is censured.

Approved by the Board April 23, 2018.
Certificates Issued
On April 23, 2018, the Board issued North Carolina CPA certificates to the following individuals:

Ashley Anderson Adams
Anthony Warner Allen
Larry Daniel Allen
Philip Emmanuel Bazikian
Amanda Leigh Bergantino
Bridget Jennifer Bergin
Dennis Keith Berry, Jr.
Lakshminarayana Bhaskar
Steven Howard Brown
Georgette Liana Chastang
Brian Russell Crutchfield
Juan Carlos Cruz
Michelle Gail D’Amico
Lyman Douglas Dehner
Andrew Joseph Farris
Karl Francis Fisher
Victoria Garnett Ford
Laura Beth Frazier
Trevor Clay Gardner
Keith Thomas Gearity
Jacob Lawrence Green
William Joseph Gruspier
Brandon David Hall
Lisa Kimberly Hall
Kelly Ann Hanlon
Allison Joyce Harden
Carolyn Ann Harvey
Rachel Suzanne Hebden
Robert Alan Henry
Paul Edward Huckle
Russell Lowell Hunter
Lindsay Marie Johnson
Shaun Farhad Kazemian
Jonathan Nicholas Keller
Marissa Ann Kenn
Brittany Lynne King
Evan Eugene Kropp
Justin Michael Locklear
Svitlana Mykolyivna Loomis
Patricia Elizabeth Mann
Jeanne Louise Martin
Laurel Provitola McAtee
Terrance Mark McCaffery
Sarah Frances McKinney
Tyler Wilson Miles
Jeffrey Brian Moore
Iryna V. Moysova
Terry Wayne Mullins
Mary Therese Murphy
Patricia Ann Nass
Jessica Sarah Neal
Tri Nhu Nguyen
Alexander Hall Niblock
Christopher Neal Parker
Amelia Carrie Minna May Patel
Ricci Lee Pelland
Bradley James Peterson
Larry Matthew Pritchett
Marie Alexandra Quintana
Samantha Shafiqa Rabi
Tory Jay Raether
AnnMarie Renze
Dennis Christopher Rippey
Carter Thomas Roberts
Helene Roth
Philip Ross Santner
Zoe Alexis Scheller
Josepha Segbefia
Joanne Marie Seward
Kshitija Prashant Shah
Andrew Alexander Steel
Robert Stockel
Joseph Strawinski
Steven Braxton Sumner
Ryan Christopher Sutton
David Thomas Tunstall
Aimee Lynne Turner
Alan Erik Turovlin
Theresa L. Walner
Michelle Marie Wells
Kara Lynn White
Lisa Allen White
Kristin Vernelle Wilkerson
Yuhui Zeng

Do You Follow the Board on Social Media?
You use Facebook, Twitter, and LinkedIn to keep up with your colleagues, friends, and relatives, so why not use social media to keep up with the Board, too?

For the Board, social media is a great tool for keeping applicants, licensees, and the public up-to-date on statute and rule changes, upcoming deadlines, Board meetings, issues affecting the profession, and much more.

Tweet Us, Like Us, Share Us, Join Us
Facebook: https://www.fb.com/NCCPABOARD
Twitter: @NCCPABOARD
LinkedIn: search for “North Carolina State Board of CPA Examiners”

Don’t forget to bookmark the Board’s website, nccpaboard.gov.

MONDAY, MAY 28
MEMORIAL DAY
BOARD OFFICES CLOSED

WEDNESDAY, JULY 4
INDEPENDENCE DAY
BOARD OFFICES CLOSED
CPE Audit Consent Orders

The following matters are excerpted from Consent Orders issued by the Board in response to the findings of the Continuing Professional Education (CPE) audit. To view the full text of a Consent Order, use the Licensee Search function of the Board’s website, nccpaboard.gov, to look up the licensee’s record. In the record, click on the “Details” link and select “View” under the Public Documents heading.

Pursuant to NCGS 93-12(9), civil penalties are remitted to the North Carolina Civil Penalty and Forfeiture Fund (“Fund”) in accordance with NCGS 115C-457.2. NCGS 115C-457.1(b) states, “The Fund shall be administered by the Office of State Budget and Management. The Fund and all interest accruing to the Fund shall be faithfully used exclusively for maintaining free public schools.”

TERESA ANN JONES, #29813 | CHARLOTTE, NC

The Board opened a case against Teresa Ann Jones (Respondent Jones) for failure to complete sufficient CPE, including the mandated ethics course, as required for renewal of her North Carolina CPA license.

Respondent Jones signed a Consent Order in which she accepted the denial of the renewal of her CPA license; the forfeiture for at least one year of her CPA license; and the return of her CPA certificate to the Board within 15 days of her receipt of the Board’s notification of its approval of the Consent Order.

Respondent Jones may apply to return her certificate to active status by submitting a reissuance application that includes payment of the application fee; three moral character affidavits; payment of a $1,000 civil penalty; and proof of completion of at least 55 hours of CPE including an eight-hour accountancy law course as offered by the North Carolina Association of CPAs.

Failure to timely comply with any terms of the Consent Order will be sufficient grounds to revoke Respondent Jones’ CPA license.

Approved by the Board March 21, 2018.

PATRICK J. COLEMAN, #32852 | CHARLOTTE, NC

The Board opened a case against Patrick J. Coleman (Respondent Coleman) for failure to complete sufficient CPE, including the mandated ethics course, as required for renewal of his North Carolina CPA license.

Respondent Coleman signed a Consent Order in which he accepted the denial of the renewal of his CPA license; the forfeiture for at least one year of his CPA license; and the return of his CPA certificate to the Board within 15 days of his receipt of the Board’s notification of its approval of the Consent Order.

Respondent Coleman may apply to return his certificate to active status by submitting a reissuance application that includes payment of the application fee; three moral character affidavits; payment of a $1,000 civil penalty; and proof of completion of at least 72 hours of CPE including an eight-hour accountancy law course as offered by the North Carolina Association of CPAs.

Failure to timely comply with any terms of the Consent Order will be sufficient grounds to revoke Respondent Coleman’s CPA license.

Approved by the Board April 23, 2018.

NEIL BERNARD MCLEAN, #33148 | HUNTERSVILLE, NC

The Board opened a case against Neil Bernard McLean (Respondent McLean) for failure to complete sufficient CPE as required for renewal of his North Carolina CPA license.

Respondent McLean signed a Consent Order in which he accepted the denial of the renewal of his CPA license; the forfeiture for at least one year of his CPA license; and the return of his CPA certificate to the Board within 15 days of his receipt of the Board’s notification of its approval of the Consent Order.

Respondent McLean may apply to return his certificate to active status by submitting a reissuance application that includes payment of the application fee; three moral character affidavits; payment of a $1,000 civil penalty; and proof of completion of at least 44 hours of CPE including an eight-hour accountancy law course as offered by the North Carolina Association of CPAs.

Failure to timely comply with any terms of the Consent Order will be sufficient grounds to revoke Respondent McLean’s CPA license.

Approved by the Board April 23, 2018.
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 March 21, 2018, that:

FINDINGS OF FACT

1. Edward P. Cooper (hereinafter “Respondent”) is the holder of North Carolina certificate number 14723 as a Certified Public Accountant.

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 present at the Hearing and was represented by counsel.

7. The Board received a third-party complaint against the Respondent regarding audits performed. Among other things, the Complainant stated that the audit reports prepared by the Respondent for the years ended December 31, 2014, and 2015, respectively, were dated prior to the signing of the management representation letters for each of those years.

8. For the 2014 audit, the audit report and management representation letter were dated July 17, 2015. However, the management representation letter was not signed until November 14, 2016. The audit was issued on that date.

9. Similarly, for the 2015 audit, both the audit report and management representation letter were dated December 1, 2016. However, the management representation letter was not signed until January 30, 2017, and the audit report was not issued until February 10, 2017.

10. At 21 NCAC 08N .0403, the Board has adopted the AICPA Statements on Auditing Standards as generally accepted auditing standards applicable to its licensees.

11. Statement on Audit Standards No. 122 became effective for audits of financial statements for periods ending on or after December 15, 2012. Part of that Statement is codified by the AICPA as AU-C §580 and AU-C 700.

12. Per AU-C §700.41, “[t]he auditor’s report should be dated no earlier than the date on which the auditor has obtained sufficient appropriate evidence on which to base the auditor’s opinion on the financial statements, including evidence that . . . management has asserted that they have taken responsibility for those financial statements.”

13. Per AU-C §580.03, written representations from management are necessary information that the auditor requires in connection with the audit of the client’s financial statements.

14. Because he had not yet obtained signed written representations from management as of the date of the audit report, the Respondent had not obtained sufficient appropriate evidence upon which to base an opinion on that date in violation of AU-C §700.

15. 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.

CONCLUSIONS OF LAW


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

3. The aforementioned Findings of Fact constitute violations of 21 NCAC 08N .0403.

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

1. Respondent, Edward P. Cooper, CPA, shall pay a civil monetary penalty in the amount of five hundred dollars ($500.00).

Approved by the Board March 21, 2018.
Background Checks continued from page 1

information that permits processing of the application to proceed.

Please note that the Board’s background check software often categorizes traffic offenses as criminal offenses.

The Board’s initial inquiry asks the applicant to confirm that the criminal charge is truly the applicant’s charge and if it is, to submit a written statement and documentation, such as court documents, to explain the charge.

If the charge is not the applicant’s, he or she must provide documentation that confirms an error was made in the source document.

If a positive result is returned from the background check and the applicant did not declare the charge on his or her application, the applicant must explain why he or she failed to disclose the charge.

After receiving the applicant’s response to the Board’s inquiry, the Board staff summarizes the information and provides it to the Board’s Education and Applications Committee for review.

The Committee then instructs the Board staff as to how to handle the matter.

Applicants come from a variety of backgrounds and circumstances, and a blemished record does not automatically disqualify an applicant from sitting for the Exam or becoming licensed as a CPA.

The Board considers each situation on a case-by-case basis, and rarely do the offenses result in an applicant being denied the opportunity to move forward.

Please contact David R. Nance, CPA, Deputy Director, at dnance@nccpaboard.gov, or Frank Trainor, Esq., Staff Attorney, at ftrainor@nccpaboard.gov with questions about the Board’s background checks on Exam and licensure applicants.

Inactive Status

Between April 10, 2018, and April 30, 2018, the individuals listed below were approved for inactive status. 21 NCAC 08A .0301(b)(20) states: “Inactive,” when used to refer to the status of a person, describes a person who has requested inactive status and been approved by the Board and who does not use the title “certified public accountant” nor does he or she allow anyone to refer to him or her as a “certified public accountant,” and neither he nor she nor anyone else refers to him or her in any representation as described in Rule .0308(b) of this Section.

John Wesley Holcomb, #12931 Jonesville, NC
Michael Paul Gerica, II, #39679 Humble, TX
Danny Ray Hughes, #5157 Raleigh, NC
William Logan Lewis, #38918 Glen Allen, VA
Karen Elizabeth Palczuk, #15882 Raleigh, NC
Kirby Ashley Tyndall, #14626 Biltmore Lake, NC
James Norman Berry, Jr., #15160 Kernersville, NC
Jamison Allen Carson, #29229 Fort Mill, SC
David G. Templeman, #20658 Charlotte, NC
Kevin Thomas Manning, #35703 Holmdel, NJ
Elizabeth McCarter Robinson, #17076 Washington, NC
John Wesley Redding, #21508 Mooresville, NC
Kathy Ann Stanley, #13330 Switzerland
Margaret Mann Davis, #14850 Raleigh, NC
Kenneth Michael Deroche, #22801 Thibodaux, LA
David W. Dewar, #8775 Raleigh, NC
Michael Frank Whitehead, Sr., #14354 Cary, NC
Stephen Gerald Farrar, #4178 Cary, NC
Robert D. Keeny, #15636 Chapel Hill, NC
Justin David Morgan, #35230 Stamford, CT
Anne Alden Reed, #15385 Hilton Head Island, SC
Debra Baker White, #19012 Rocky Mount, NC
Joseph Lee Wood, #19997 Elon, NC
James Richard Huddle, #11955 Charlotte, NC
Joseph Lipman, #14475 Nashville, TN
Michael Eugene Powers, #6623 Hickory, NC
Richard Kyle Sykes, #29007 Raleigh, NC
Michael J. Borka, #21664 Raleigh, NC
Thaddeus Lynn Coward, #17152 Greenville, C
Judie Young Davidson, #14227 Gainesville, FL
Rebecca Anne Frahm, #34233 New York, NY
David Charles Radford Hare, #13302 Charlotte, NC
Cantrell Camp Minges, #16009 Rocky Mount, NC
Barbara Jean Raiford, #14647 Kernersville, NC
Patti Moss Blaylock, #21119 China Grove, NC
Charlotte Briggs Chappell, #30195 Chanhassen, MN
Christopher Warren Deitz, #38522 Houston, TX
Steven Gerard Demboski, #19462 Marietta, GA
Joseph Charles Lefebvre, #24287 Supply, NC
Charles Madison Pace, #8794 New Bern, NC
Samuel Miles Upton, #38151 Charlotte, NC
Notice of Address Change

Please Print Legibly

Full Name: ____________________________ Last 4 Digits of SSN: ____________
Certificate No.: ________________________
Home Address: _________________________
City/State/Zip: _________________________
Home Phone No: _________________________ Home Fax: _________________________
Personal Email: _________________________
Firm/Business Name: _________________________
Business Address: _________________________
City/State/Zip: _________________________
Business Phone No: _________________________ Business Fax: _________________________
Business Email: _________________________
Signature: ______________________________
Date: ____________ Send mail to: [ ] Home [ ] Business

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

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