PUBLIC SESSION MINUTES
North Carolina State Board of CPA Examiners
August 20, 2018
1101 Oberlin Road
Raleigh, NC 27605

MEMBERS ATTENDING: L. Samuel Williams, Jr., CPA; President; Jeffrey J. Truitt, Esq., Vice President; Arthur M. Winstead, Jr., CPA, Secretary-Treasurer; Cynthia B. Brown, CPA; Justin C. Burgess; Wm. Hunter Cook, 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, NCACP A; Mark Soticheck, CPA, COO, NCACPA; Amelia Hodges, Director of Professional Development, NCACPA; Amin Ainolhayat, CPA, NCACPA; Michael S. Massey, CPA; Gary R. Massey; CPA; Rachel Massey; Amy Womble; and Sgt. J.A. Stokes, Raleigh Police Department.

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

MINUTES: The minutes of the July 23, 2018, meeting were approved as submitted.

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

NATIONAL ORGANIZATION ITEMS: Mr. Brooks provided an update on the CPA Pathways as reported from the NASBA Board of Directors meeting in July 2018.

Messrs. Cook and Winstead moved to approve the draft NASBA Focus Questions as presented and reviewed. Motion approved.

STATE AND LOCAL ORGANIZATION ITEMS: President Williams appointed Messrs. Cook, Winstead, and M. Massey to serve on the Board/NCACPA Joint Task Force on Continuing Professional Education rules. The members to serve from the NCACPA are Joan Pharr, Jonathan Kraftchick, and Robin Thomas.

Messrs. Cook and Winstead moved to approve the 2018 Record Retention and Disposition Schedule from the Division of Archives and Records. Motion passed.
REPORT OF THE PROFESSIONAL STANDARDS COMMITTEE: Ms. Brown moved and the Board approved the following recommendations of the Committee:

Case No. C2018019 - Barton W. Baldwin - Ms. Brown and Mr. Winstead moved to approve the signed Consent Order. Motion passed with seven (7) affirmative votes and zero (0) negative votes (Appendix I).

Case No. C2018030 - Karen Elizabeth Palczuk - Approve the signed Consent Order (Appendix II).

Case No. C2017261 - Close the case without prejudice with a Letter of Warning and pay a five-hundred dollar ($500.00) administrative cost.

Case Nos. C2018028 and C2018041 - Close the cases without prejudice.

Case No. C2018042 - Close the case without prejudice.

Case No. C2018120 - Close the case without prejudice.

Case No. C2018211 - Close the case without prejudice.

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

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

Christopher Jacob Okrasinski

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

Daniel Duncan Ambrose
Timothy Michael Baynes
Brandon Windsor David Blackerby
Rosalind Brandt Brownback
Julie Ward Byrum
Xiaoyun Q. Casella
Michael Dana Cento
Adam Harris Dailey
Daniel Edward Dapkiewicz
Charles Joseph DelPapa
Taylor Michelle Edge
John Simmons Fallaw

Caroline Hill Ficklen
Garrett Alan Gidlow
Kelly Ann Gooderham
Nathaniel Richard Harnden
Kelly Louise Vander Heide
Autumn Leigh Hester
Courtney Beth Hickland
Ethan Robert Howell
Alex Hunt
Emily Corinne Jones
Michael Joseph Kentfield
Charles Harris Lehrman
Reciprocal Certificate Applications - The Committee recommended that the Board approve the following:

<table>
<thead>
<tr>
<th>Applicants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Daniel Joseph Harris</td>
</tr>
<tr>
<td>Sarah Jane Krasneeky</td>
</tr>
<tr>
<td>Vineet Vijay Naik</td>
</tr>
<tr>
<td>Michele Marie Pratt</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Applicants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shaina Katherine Spears, T10548</td>
</tr>
<tr>
<td>Caryn B. Giblin, T10549</td>
</tr>
<tr>
<td>Christopher Brian Haile, T10550</td>
</tr>
<tr>
<td>David Ryan Anderson, T10551</td>
</tr>
<tr>
<td>Karl H. Graf, T10552</td>
</tr>
<tr>
<td>Jeffrey Alan Crawford, T10553</td>
</tr>
<tr>
<td>Derek Allen Bungard, T10554</td>
</tr>
<tr>
<td>Megan Jane Clayton, T10555</td>
</tr>
<tr>
<td>Catherine Lucille Daubek, T10556</td>
</tr>
<tr>
<td>Sharlemagne B. Cook, T10557</td>
</tr>
<tr>
<td>Misch Freystaetter, T10558</td>
</tr>
<tr>
<td>Lauren Elizabeth Plowman, T10559</td>
</tr>
<tr>
<td>Vinamra Sawhney, T10560</td>
</tr>
<tr>
<td>Tathiha Anayanci Jones, T10620</td>
</tr>
<tr>
<td>Shawaunna O’Kara Middleton, T10621</td>
</tr>
<tr>
<td>Darius Shawn Edwards, T10622</td>
</tr>
<tr>
<td>Christopher Donald Callahan, T10623</td>
</tr>
<tr>
<td>Tyrone Sherard Williamson, T10624</td>
</tr>
<tr>
<td>Dennis Lee Anderson, T10625</td>
</tr>
<tr>
<td>Andrew James Bosserman, T10626</td>
</tr>
<tr>
<td>Kimberly Ann Maples, T10627</td>
</tr>
<tr>
<td>David Edward Wilson, T10628</td>
</tr>
<tr>
<td>Anthony T. Fragnito, T10629</td>
</tr>
<tr>
<td>Celina Sasha Haver, T10630</td>
</tr>
<tr>
<td>Daniel Aaron Johnston, T10631</td>
</tr>
<tr>
<td>Krystina Lynn Rusch, T10632</td>
</tr>
<tr>
<td>Chad Alan Barba, T10633</td>
</tr>
<tr>
<td>Julie Boyd Barba, T10634</td>
</tr>
<tr>
<td>Matthew Reid Getzoff, T10635</td>
</tr>
<tr>
<td>Siobain Caitlyn McIvain, T10636</td>
</tr>
<tr>
<td>Rebecca Nicole Acevedo, T10637</td>
</tr>
<tr>
<td>Alexander Baldwin Ivancic, T10638</td>
</tr>
<tr>
<td>William Leo O’Mara, T10639</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Applicants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Margaret Haleen Conerly, #28545</td>
</tr>
<tr>
<td>David William Fisher, #32014</td>
</tr>
<tr>
<td>Anna Katherine Kinast, #39565</td>
</tr>
<tr>
<td>Drew Parson Phillips, #39740</td>
</tr>
<tr>
<td>Peter James Wilkinson, #27709</td>
</tr>
</tbody>
</table>
Reissuance of New Certificate - The Committee recommended that the Board approve the following applications for reissuance of new certificate:

Amy Ruth Moore Benjamin, #27387

Christina Louise Washburn, #23701

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 Michael Charles Azzarita, #26192.

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

Stone Alexander
William Alexander
Timothy Alford
Matthew Andrade
William Austin
Margaret Baird
Richard Baird
Ina Balentine
Jessica Barton
Jonathan Barwick
Beth Baumunk
Emily Bedsole
Josie Below
David Belsinger
Leslie Blazevich
Christie Bonacci
Julianna Bond
Jennine Brazell
Alexandra Briggs
Christine Buchanan
Penny Buckner
Connor Bunker
Leigh Bulluck
Carlton Bunn
Nathaniel Bush
Spencer Caldwell
Thomas Camp
Veaceslav Capatina
Alan Cardoso
Trevor Carr
Henry Chao
Knakia Cole
Lenvil Coltrane

Alexandra Consiglio
Rose Cossuto
Carliza Crawmer
Jennifer Crocco
Lindsay Crook
Ivory Cunningham
Steven Davidson
Charles Davis
Eliza Davis
Morgan Deans
Matthew Deas
Dwayne Dowden
Danielle Doyle
Julie Drahushuk
Allison Ducote
Kerrie Dunstan
Shannon Earp
William Ellis
Nikeya Elmore
Sean Fitzgerald
Marcela Florez
Joanne Foster
Kristin Franklin
Toni Frizzelle
Heather Fullagar
James Gaffney
Rafaela Gaines
Gregory Gehsmann
Janeane Gibson
Josue Gomez-Magana
Jenna Goodall
Valerie Greene
Ashley Hackett
Firm Renewal and Peer Review Matters - The firms listed below have not submitted a renewal or termination notice more than 120 days after the firm registration renewal deadline. Staff recommended referral to the Professional Standards Committee. The Committee recommended that the Board approve staff recommendation:

Mickey W. Conner, CPA, #18898
Laura W. DuBose, CPA, #29898
Faircloth, Chestnutt & Company, LLP
  William Marshall Faircloth, #7216
Field, CPA
  William Howard Field, #16422
FLACKMAN, GOODMAN & POTTER, PROFESSIONAL ASSOCIATION
  Domenick C. Saglimbeni
Fredrick M. Gipson, PC
  Fredrick Martin Gipson, #29859

McCarty CPA PLLC
  Jonathan Michael McCarty, #29917
McDermott, CPA, PLLC
  James McDermott, #38103
Megan Schuler CPA, #40408
John F Stevens CPA PLLC
  John Francis Stevens, #22209
MW Varga, CPA, PLLC
  Matyas Varga, #41464
Wiebel, Hennells & Carufe, P.A.
  Scott David Hennells

Miscellaneous - Staff requested guidance regarding Exam and license applicant background checks. Staff recommended that the moral character wording on applications be changed to remove an exclusion for non-criminal traffic infractions. The Committee recommended that the Board approve staff recommendation.
RESOLUTIONS: President Williams read and presented Resolutions thanking Cynthia B. Brown, CPA (Appendix III); Justin C. Burgess (Appendix IV); and Michael H. Womble, CPA (Appendix V); for their service to the Board and the citizens of North Carolina. President Williams also presented Ms. Brown, Mr. Burgess, and Mr. Womble each with a plaque from the Board for their service.

OATHS OF OFFICE: Gary R. Massey, CPA; and Michael S. Massey, CPA; were sworn the Oath of Office by President Williams.

EXECUTIVE STAFF AND LEGAL COUNSEL REPORT: The monthly operational metrics and the Executive Staff report were provided.

ADJOURNMENT: Messrs. Cook and Winstead moved to adjourn the meeting at 10:42 a.m. Motion passed.

Respectfully submitted:

Robert N. Brooks
Executive Director

Attested to by:

L. Samuel Williams, Jr., CPA
President
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. Barton W. Baldwin, (hereinafter “Respondent”) is the holder of North Carolina certificate number 10804 as a certified public accountant. Respondent was first issued a certificate in North Carolina on April 28, 1978 and has no prior discipline.

2. The Board received a third-party complaint (herinafter “Complaint”) alleging that Respondent had not timely returned client-provided records during a peer review engagement.

3. The Complainant had engaged Respondent to perform a peer review of her firm.

4. Respondent came to Complainant’s firm on November 14 and November 15, 2017, to conduct a peer review of her firm.

5. Respondent took physical possession of one of Complainant’s audit files to complete the peer review.

6. The written peer review was completed, signed, and dated by Respondent on November 29, 2017.


8. Complainant and Respondent exchanged e-mail communications on January 29 and 30, 2018 about the return of the audit file.

9. The Board received a Complaint on or about January 31, 2018.
Consent Order - 2  
Barton W. Baldwin, CPA

10. On or about February 1, 2018, Respondent returned the audit file to Complainant via expedited mail, prior to the Board issuing any notice of the complaint to Respondent.

11. Complainant received the audit file from Respondent on February 3, 2018, 54 days after her initial request to return the audit file.

12. The Complaint is governed by the Board's Rules of Professional Standards and Conduct, specifically 21 NCAC 08N .0305 (hereinafter "Client Records Rule") regarding the retention of client records. Subsection (a) of the Client Records Rule provides as follows:

   A CPA shall return client-provided records in the CPA's custody or control to the client at the client's request. Client-provided records are accounting or other records, including hardcopy and electronic reproductions of such records, belonging to the client that were provided to the CPA by, or on behalf of, the client.

13. The Client Records Rule further provides, in subsection (h), that:

   A CPA who is required to return or provide records to the client shall comply with the client's request as soon as practicable, but no later than 45 days after the request is made.

14. 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. 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. Respondent failure to provide Complainant's audit file upon request as soon as practical and more than 45 days after her initial request constitutes a violation of 21 NCAC 08N .0305.

3. Per N.C. Gen. Stat. 93-12(9) and with Respondent's consent, Respondent is subject to discipline set forth below.
Consent Order - 3
Barton W. Baldwin, CPA

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

1. Respondent is censured.

CONSENTED TO THIS THE __ day of __, 2018.

[Signature]
Respondent, Barton W. Baldwin, CPA

APPROVED BY THE BOARD THIS THE __ day of __, 2018.

[Signature]
President

The undersigned presided at a mediated settlement conference held in his matter, 18 CPA 03916, pending before the Office of Administrative Hearings, pursuant to a notice issued on July 5, 2018, and recommends the approval of the proposed consent order to the North Carolina State Board of Certified Public Accountant Examiners.

This the 24th day of July, 2018

[Signature]
Fred G. Morrison, Jr.
Senior Administrative Law Judge
IN THE MATTER OF:
Karen Elizabeth Palczuk, #15882
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. Karen Elizabeth Palczuk (hereinafter "The Respondent"), was the holder of North Carolina certificate number 15882 as a Certified Public Accountant.

2. The Respondent informed the Board on her 2016-2017 individual certificate Renewal ("Renewal") that between January 1, 2015, and June 30, 2016, she had obtained the requisite forty (40) hours of continuing professional education ("CPE") to meet the 2015 CPE requirements.

3. Based on the Respondent's representation, the Board accepted her Renewal.

4. The Board staff requested that the Respondent provide certificates of completion for the CPE reported to meet her 2015 requirements.

5. The Respondent was unable to provide any documentation in support of the forty (40) hours of the 2015 CPE hours, including ethics, that she claimed on her 2016-2017 annual renewal.

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.
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 her certificate results in a forfeiture pursuant to N.C. Gen. Stat. § 93-12(16).

2. The Respondent must return her certificate to the Board within fifteen (15) days of her receipt of the Board's notification of its approval of this Consent Order.

3. The Respondent may apply for the reissuance of her 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 her 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.
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 her certificate.

CONSENTED TO THIS THE 15th DAY OF AUGUST, 2018.

[Signature]
Respondent

APPROVED BY THE BOARD THIS THE 20th DAY OF AUGUST, 2018

[Signature]
President

NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
Resolution

Whereas, Cynthia B. Brown, CPA, has served as a member of the North Carolina State Board of Certified Public Accountant Examiners since 2015;

Whereas, during her tenure, she served as Vice President of the Board;

Whereas, during her tenure, she served as a member of the Executive Committee;

Whereas, during her tenure, she served as a member of the Professional Standards Committee;

Whereas, during her tenure, she served as Chair of the Professional Standards Committee;

Whereas, during her tenure she has faithfully and tirelessly served as a leader in the profession and is an eloquent spokesperson for the best interests of the public and the profession;

Be It Therefore Resolved that the members of the North Carolina State Board of Certified Public Accountant Examiners thank Cynthia B. Brown, CPA, for her dedicated service, her personal sacrifice to serve the public interest, and her leadership to the Board.

This the 20th day of August 2018.

North Carolina State Board of
Certified Public Accountant Examiners

L. Samuel Williams, Jr., CPA, President
North Carolina State Board of
Certified Public Accountant Examiners

Resolution

Whereas, Justin C. Burgess, has served as a member of the North Carolina State Board of Certified Public Accountant Examiners since 2015;

Whereas, during his tenure, he served as a member of the Professional Education and Application Committee;

Whereas, during his tenure he has faithfully and tirelessly served as a leader in the profession and is an eloquent spokesperson for the best interests of the public and the profession;

Be It Therefore Resolved that the members of the North Carolina State Board of Certified Public Accountant Examiners thank Justin C. Burgess, for his dedicated service, his personal sacrifice to serve the public interest, and his leadership to the Board.

This the 20th day of August 2018.

North Carolina State Board of
Certified Public Accountant Examiners

L. Samuel Williams, Jr., CPA, President
North Carolina State Board of
Certified Public Accountant Examiners

Resolution

Whereas, Michael H. Womble, CPA, has served as a member of the North Carolina State Board of Certified Public Accountant Examiners since 2012;

Whereas, during his tenure, he served as President and Vice President of the Board;

Whereas, during his tenure, he served as a member and Chair of the Executive Committee;

Whereas, during his tenure, he served as a member and Chair of the Professional Standards Committee;

Whereas, during his tenure he served as Chair the Personnel Committee;

Whereas, during his tenure, he served as Chair of the Communications Committee;

Whereas, during his tenure he has faithfully and tirelessly served as a leader in the profession and is an eloquent spokesperson for the best interests of the public and the profession;

Be It Therefore Resolved that the members of the North Carolina State Board of Certified Public Accountant Examiners thank Michael H. Womble, CPA, for his dedicated service, his personal sacrifice to serve the public interest, and his leadership to the Board.

This the 20th day of August 2018.

North Carolina State Board of
Certified Public Accountant Examiners

L. Samuel Williams, Jr., CPA, President