PUBLIC SESSION MINUTES
North Carolina State Board of CPA Examiners
October 24, 2019
1101 Oberlin Road
Raleigh, NC 27605

MEMBERS ATTENDING: Arthur M. Winstead, Jr., CPA, President; Michael S. Massey, CPA, Vice President; Gary R. Massey, CPA, Secretary-Treasurer; Barton W. Baldwin, CPA; Bernita W. Demery, CPA; Wanda B. Taylor, Esq.; and Jennifer Van Zant, Esq.

STAFF ATTENDING: Robert N. Brooks, Executive Director; David R. Nance, CPA, Deputy Director; Frank Trainor, Esq., Staff Attorney; Lisa R. Hearne, Communications Officer; Julia Mayo, Professional Standards Assistant; Buck Winslow, Licensing Manager; and Noel L. Allen, Esq., Legal Counsel (by telephone).

GUESTS: Sharon Bryson, CEO, NCACPA; Mark Sotich, CPA, COO, NCACPA; Rob Rowan, CPA, NCACPA; Jeffrey J. Truitt, Esq.; Sgt. J.A. Stokes, Raleigh Police Department.

CALL TO ORDER: President Winstead called the meeting to order at 10:02 a.m.

MINUTES: The minutes of the September 23, 2019, meeting were approved as submitted.

FINANCIAL AND BUDGETARY ITEMS: The September 2019 financial statements were accepted as submitted.

LEGISLATIVE AND RULE-MAKING ITEMS: Messrs. Gary R. Massey and Michael S. Massey moved to submit amended rules 21 NCAC .0401, .0403, .0404, .0406, and repealed rules 21 NCAC .00405 and .0410 for hearing before the Rules Review Commission. Motion passed with seven (7) affirmative and zero (0) negative votes.

NATIONAL ORGANIZATION ITEMS: Several Board members commented on their attendance at the NASBA Annual Meeting in Boston, MA, on October 27-30, 2019.

Ms. Bryson commented on her attendance at the AICPA Fall Council meeting in Seattle, WA.

REPORT OF THE PROFESSIONAL STANDARDS COMMITTEE: Mr. M. Massey moved, and the Board approved the following recommendations of the Committee:

Case No. C2014280 – Paul Edward Lloyd – Approve the signed Consent Order (Appendix I).

Case Nos. C2019146-1 and C2019146-2 – Janice C. Spangler and Spangler Inc., P.A. – Approve the signed Consent Order Mr. Baldwin did not participate in the discussion of this matter, nor did he vote on this matter. (Appendix II).

Case Nos. C2019185-1 and C2019185-2 – David G. Kostmayer and GBK/Peabody, PLLC – Approve the signed Consent Order (Appendix IV)

Case No. C2019171 – Close the case without prejudice.

Case No. C2019191 – Close the case without prejudice.

Case No. C2019188 – Close the case without prejudice with a Letter of Warning.

Case No. C2019208 – Close the case without prejudice.

Case Nos. C2019216-1 and C2019216-2 – Close the case without prejudice.

Case Nos. C2019243-1 and C2019243-2 – Close the cases without prejudice with a Letter of Warning. Mr. Baldwin did not participate in the discussion of this matter, nor did he vote on this matter.

Case Nos. C2019249-1 and C2019249-2 – Close the cases without prejudice with a Letter of Warning.

Case No. C2019272 – Close the case without prejudice with an administrative forfeiture.

Case No. UT2019115 – Jay William Glasser – Accept the Order for Default Judgment and Injunction (Appendix V).

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

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

Michael Anthony Forrest
Jamin Mi
Brendan Willmann

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

Drew Anson Alley
Christopher John Aronis
Lauren Jean Aten
Mary Elizabeth Brandt
James Franklin Cattino, Jr.

Eliza Lucille Davis
Taylor Nicole Dill
Sean Michael Feeley
Susan Jacob Fenwick
Michael Anthony Forrest
Staff reviewed and recommended approval of the original application submitted by Gabriella Nicole Bellezza. Ms. Bellezza failed to disclose pertinent information with her Exam application but provided it with her certificate application. Staff recommended approval of the application with a one-year probationary period. The Committee recommended that the Board approve staff recommendation.

Staff reviewed and recommended approval of the original application submitted by Michelle Theron. Ms. Theron failed to disclose pertinent information with her Exam application but provided it with her certificate application. Staff recommended approval of the application with a one-year probationary period. The Committee recommended that the Board approve staff recommendation.

Staff reviewed and recommended approval of the original application submitted by Jonathan Michael Troutman. Mr. Troutman 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:

Deepthi Lakshmi Arumalla
Thomas Benedetti
Martina Claudia Bingham
Kimberly M. Black
David Lewis Blythe
Travis Britton Byrum
Christopher James Campeggio
Stephen Chen
William Harold Cochran
Danielle Nicole Cox
Betty J. Crouch
Lei Dai

Eliza Savage Durfee
Rebecca Sanderson Fisher
Hope Michelle Foote
Amie Hannah Fox
Andrew George Giles
Amanda Kathryn Grivnovics
Daisy Hao
Leila Nichole Hare
Laura Katherine Hensler
Alan S. Hickey
Russell Owen Hightower
Stephen Paul House
Temporary Permits - The Committee recommended that the Board approve the following temporary permits that were approved by the Executive Director:

Ashley Cristina Suarez, T11493
Stephanie M. Fenner, T11494
Lauren Steedly Mathis, T11495
Bonita Louise Crosser, T11496
Sean Thomas Hagan, T11497
Kevin D. Johnson, T11498
Adriana Michelle Rahrig, T11499
Ashley Tucker, T11500
Michael RJ Meryhew, T11501
Jonathan M. Kearney, T11502
Amirh Efuru Collis, T11503
Garland Arnett Wells, Jr., T11506

Brooke Alyse McMahan, T11507
Ryan Ronald Rominiecki, T11508
Paige Marie Koenig, T11509
Donna Marie Holm, T11510
Minu Ramani, T11511
Christopher Brian Kelly, T11512
Laura Elizabeth Wright Johnson, T11513
Laura Jean Reynolds, T11514
Max Nathan Schulman, T11515
Luisa Claudia Pino, T11516
Randy George Kreider, T11517

Reinstatements - The Committee recommended that the Board approve the reinstatement application submitted by Seth Joseph Beaver, #40742.

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

Brittany Laurel Johnston, #37245
Megan Ann Murphy, #42184
Tommy Bailey Payne, Jr., #17342

The Committee recommended that the Board disapprove the reissuance application submitted by David Bruce Post, #7508. Mr. Post is using the CPA title on his LinkedIn account, although he is on forfeited status.
Firm Registrations - The Committee recommended that the Board approve the following professional limited liability company and limited liability partnership that were approved by the Executive Director:

Baker Tilly Virchow Krause, LLP
Harris and Sparrow CPAs, PLLC

Letters of Warning - Staff received renewals from the following individuals, which list 2018 CPE taken between January 1 and June 30, 2019, without an approved extension. Staff recommended a letter of warning for a first offense pursuant to 21 NCAC 08G .0406(b)(1). The Committee recommended that the Board approve staff recommendation:

Kevin Starrett Agnew, #32191
Edmundo Javier Aja, #39235
Charles A. Akpom, #35383
Naida Aliyeva, #42203
Jonathan David Allen, #39370
Severino Michael Alvarez, #40650
Dennis Lee Anderso, #42608
Denny Franklin Ard, #39337
Angela Diane Arnold, #17606
Stephen James Awald, #23502
Numa Reid Baker III, #13675
Peter Anthony Baquero, #42096
Jefferson Lee Barefoot, #18277
Lisa Bright Barnette, #31615
William Foy Beal, III, #16368
Diane Salyer Beasley, #13948
Lisa Worley Beddia, #21100
Michael Paul Beland, #36371
Bruce Daniel Bell, #13585
Stephen Clayton Beloin, #42310
Kevin C. Bennett, #32633
Dennis Keith Berry, Jr., #42134
Katherine Marie Bierman, #42337
Grace Marie Bishop, #41524
David Scott Black, #35610
Aaron Louis Blackmor, #37587
Bryce Staliper Blair, #39086
William Stuart Bost IV # 39943
Ryan Christopher Bourg #40988
Jennifer Sloan Bovender #27108
Marcus Faulcon Bowen, #35709
Robert Franklin Breining, #41480
James Boyce Brooks, III, #37200
Larissa Redden Broom, #33765
Barry Alexander Brown, #42019
Vera R. Brown, #21056
Daniel Paul Bryant #35227
Rutherford Calvin Bryson, III, #22561
Tamia Jennings Buckingham, #35498
Renee Amos Bumgarner, #36090
Richard Paul Burchill, Jr., #33610
James Angelo Burkhardt, #14829
Paul Arnold Burks, #39390
Zachary Craig Burns, #40924
Deborah Shuters Butt, #37577
Robert Bond Byrd II, #12481
Courtney Marks Callihan, #27019
Francis Martin Cancro, #25556
Steven Thomas Caponi, #42658
Lisabeth Ann Carr, #40720
Lisa Cleary Cartner, #19704
Pauline K. Chan, #30536
Sydnee Lynn Chavis, #39639
Jonathan Thomas Clardy, #36402
Megan Jane Clayton, #42578
Brittany Lynne Coggins, #42120
Catherine Leigh Collins, #38580
Michael Edward Collins, #17394
Stephanie Riddle Collins, #36908
Donald Ralph Compton, #18471
K. Maurice Coreil, Jr., #15974
Keith Darin Covington, #28684
Megan Michelle Creed, #38206
Courtney Monae Crenshaw, #40971
Richard Dean Cunningham, Jr., #23022
Michael Larry Curtis, #38246
Vincent Sean Cusack, #18393
Lana Blackburn Davidson, #17218
Zachary Leigh McCorkle, #35410
Woodrow Scott McDonald, #31643
Peter Edward McElhinney, #41492
John Knox McGill, #13656
Karen A. McKay, #18079
Holli Lyn McKinney, #25057
Scott Browning McKinney, #42083
David William McNeish, #14005
David Lee McPherson, #32046
Lonnie Jay McRoy, #7746
Windi H. Measimer, #28287
Addis Melesse, #42704
Grayson Patrick Miller, #35733
Holly Renea Mitchell, #32030
Maggie Laine Mitchell, #36514
Laura Carter Monzon, #41909
Azita Movahed, #35967
Mary Therese Murphy, #42139
April Edmiston Murray, #26955
Melville Monroe Murray, Jr., #3673
David Powell Nanney, Jr., #13446
Mikhail Nazareth, #42536
Jessica Sarah Neal, #42144
Sally Rebecca Neal, #17262
Tiffany Dionne Neely-Jean, #37221
Teresa Trebel Newsom, #17820
Ping Ning, #40761
John Stevens Norris, III, #40903
Russell Arie Norris, #33624
Stephanie Wilson Norris, #18193
Rosario Ochoa, #38476
Virginia Balsley Odom, #25029
Olabisi Ayodele Ofunniyi, #35090
Patrick Joseph O'Hagan, #29720
Jordan Clell Orlandi, #40813
James Luther Ott, #24752
Veronica Snodgrass Overman, #35585
Craven Blaylock Page, #2144
Adam Rafael Pakledinaz, #36834
William Winship Parks, III, #39286
Stephanie Jalill Parrish-Chester, #41017
Jennifer Lynn Pasion, #41641
Komal Deep Patel, #37340
Joel Thomas Patterson, #41498
Ryan Merrell Perry, #33903
Debbie Elizabeth Pezzulo, #36714
Gwendolyn Waddell Pfeifer, #18764
Alan Louis Polivick, #39545
James Clifford Post, #42396
Stephen Joseph Potter, #35052
Tyler James Pratt, #42490
Mack Daniel Pridgen, III, #10722
Mary Thompson Prillaman, #40897
Daniel James Prorock, #34595
James Cochran Pulifer, #5531
Jeffrey Ryan Rabinovich, #39795
Keith Shepherd Rainwater, #16400
Lora Elaine Ramsey, #24571
Catharina Francina Ray, #37357
Carey McIlwaine Read, #15712
Richard Gilmore Reaves, #15769
William Shannon Reid, Jr., #40852
Douglas Michael Richter, #41807
Angela Lynn Risk, #29439
Randall E. Roycroft, #23852
Jorge Ezra Rubi, #34891
John Arthur Russell, #38455
Maitri Sagarsaraiya, #42547
Michael Joseph Savino, #23801
Kristopher Allen Sayresmith, #36569
John Peter Schefke, #36886
Sarah Deanne Schroeder, #36290
Elizabeth Marjorie Senczy, #42090
Mary Jo Sheerin, #29585
Chen-Kun Shih, #34801
John Charles Siebert, #41539
Hal Thompson Siler, Jr., #12904
Wilson Huxford Simmons, #37167
Jared Anson Sink, #39410
Gary Franklin Slabach, #19082
Emily Hayes Smith, #33400
Mark Edgar Smith, #20581
Dale Thomas Snider, #16555
Michelle Lynn Sosnowski, #29474
Gerald Gray Spaugh, #10847
Kira Kanika Staggars, #38179
Ginger Borrador Stallings, #29841
Pamela Susan Stearns, #34145
Sara Katherine Ramage Stewart, #34576
David Neal Stoessel, #12468
Steven Hatfield Stull, #39146
Lee-Jane W. Sun, #33835
Staff received renewals from the following individuals, which list 2018 CPE taken between January 1 and June 30, 2019, without an approved extension. Staff recommended administrative forfeiture for a second offense pursuant to 21 NCAC 08G .0406(b)(1). The Committee recommended that the Board approve staff recommendation:

Sarika Agarwal, #37503
Alexandra Duhon, #36481
Robert Edward Mallernee, #15095
Timothy Dale Saunders, #26615
Anne Marie Farrar, #32747
Michael Laurent Audet, #40545
Matthew Cameron Creech, #41240
Seungwon (Andrew) Hong, #35719

Tabatha O'Neil Johnson, #41278
Sara Halperin Karaszkwiecz, #32545
Allison Watkins Lee, #34403
Alexandra Patricia Morrison, #41084
Maria Lauritano Murphy, #39350
Stuart Douglas Smith, #40261
Chrissey Michelle Thomas, #39900
Thomas Clinton Shuford, #20791

The Committee recommended that the Board approve the requests to rescind the Letters of Warning issued to the individuals listed below:

Ved Vrat Gupta, #39929
Matthew Everett Lee, #39707

Samantha C. Lepionka, #40325
Renee C. Reed, #39913
Examinations — The Committee recommended that the Board approve the following staff-approved applicants to sit for the Uniform CPA Examination:

Kyle Albertelli
Solomon Ambaye
Georgianna Anderson
Stephen Anderson
Jack Archibald
Richard Baird
Phillip Baker
Eric Barnett
Michelle Barnett
Amy Bayley
Lily Beck
Ryan Beckman
Adam Beebe
Christopher Biddle
Brandon Bishop
Emily Black
Nella Black
Madalina Body
Donald Brown
Laura Bryant
Christine Buchanan
Riley Buchanan
Christopher Buckner
Brigitte Butler
Brenda Bzdak
Tyler Campbell
Alan Cardoso
Jonathan Cauble
Marina Chaconas
JingYuan Chen
Kathleen Chewning
Quincey Clark
Caroline Clayton
Tabitha Clement
Kody Clontz
Drew Coble
Robert Cochran
Tyler Coffey
Rodrigo Cohen
Derek Conlon
Alexandra Consiglio
Calista Corwyn
Michelle Council
Lynn Couturier
Caroline Cox
Julia Crawford
Tanesha Crewes
Camille Cross
Sara Crow
Ty Cruz
Kevin Cruz-Garcia
Zeynep Cukro
Maya Cuthberton
Jonathon Darling
Bridget Demery
Ryan Denney
Alexander DeVane
George Dilger
Thanh Doan
Heather Dockrill
Riley Dolan
Ryan Donahue
Katherine Doyle
Julie Estes
Audrey Everett
Nicole Ferren
Alex Fisher
Elizabeth Fisher
Sean Fitzgerald
Mack Flanagan
Tashauna Fontana
Alexander Fregenal
Brett Fuller
Rafaela Gaines
Logan Galbreath
Summer Gaskins
David Gatenby
Anna Gates
Sascha Gibson
Mary Gillentine
The Committee recommended that the Board approve the Exam application submitted by Myisha Sierra Hoyle.

RESOLUTIONS: President Winstead read and presented a Resolution and a plaque thanking Jeffrey J. Truitt, Esq., for his service to the Board and the citizens of North Carolina.

President Winstead read and presented a Resolution honoring Mary Beth Britt for her fourteen years of employment and service to the Board and the citizens of North Carolina (Appendix VI).

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

ADJOURNMENT: Mr. Winstead and Ms. Taylor moved to adjourn the meeting at 11:09 a.m. Motion passed.

Respectfully submitted: Attested to by:

Robert N. Brooks Arthur M. Winstead, Jr., CPA
Executive Director

[Signatures]
IN THE MATTER OF: Paul Edward Lloyd, CPA, #18800
    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. Paul Edward Lloyd (hereinafter "Respondent") is the holder of North Carolina certificate number 18800 as a certified public accountant.

2. In 2014, the Respondent disclosed on his annual renewal that he was under investigation by the Securities and Exchange Commission ("SEC"). The SEC action related to tax advisory services provided by the Respondent which utilized lawful conservation easements.

3. In order to effectuate the tax benefits of the conservation easements, the Respondent created LLCs and engaged a broker dealer known as Strategic Financial Alliance ("SFA").

4. The Respondent and the SEC entered into an Order, in which the SEC found that the Respondent had violated Section 206(4) of the Investment Advisers Act of 1940 ("Order"). The Respondent, in that Order, agreed to be barred from association with, or employment by, any investment adviser or similar entity.

5. The Order recited the Respondent's failure to accurately disclose all investors to SFA.

6. The Respondent has admitted that the failure to disclose all of the investors to SFA was a clerical mistake. The SEC alleged that the existence and identity of the additional investors was "clearly material."

7. As part of his tax engagement, the Respondent was responsible for informing SFA about the identities of the investors in the LLCs and the amount of their investment.
8. The Respondent also undertook the responsibility to create Operating Agreements for the LLCs and to record the investors' relative ownership interests in the LLCs through schedules attached to those Operating Agreements.

9. On at least one occasion, the Respondent provided SFA with inaccurate information regarding the number of investors in the LLCs, their identities, and their respective investments.

10. The Respondent also prepared at least one inaccurate Operating Agreement and transmitted it to SFA.

11. 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 number of investors, and identity of those investors, was a fundamental fact related to the Respondent's tax advisory engagement. The Respondent's prolonged failure to provide the correct number and identity of investors to the broker reflects a failure to exercise due professional care in the performance of that engagement in violation of 21 NCAC 08N .0212.

3. The Respondent's failure to provide the correct number and identity of investors to the SEC resulted in disciplinary action being taken by the SEC in violation of 21 NCAC 08N .0204.

4. Per N.C. Gen. Stat. § 93-12(9), and also by virtue of the Respondent's consent to this order, the Respondent is subject to the discipline set forth below.
Consent Order - 3
Paul Edward Lloyd, CPA

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

1. The Respondent must pay a one thousand dollar ($1,000) civil penalty, to be remitted with this signed Order.

CONSENTED TO THIS THE 24th DAY OF September, 2019.

[Signature]
Respondent

APPROVED BY THE BOARD THIS THE 24TH DAY OF October, 2019.

[Signature]
President

NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

[Seal]
IN THE MATTER OF:
Janice C. Spangler, CPA, #11565
Spangler Inc., 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, the Respondent and the Respondent Firm stipulate to the following:

1. Janice C. Spangler, CPA (hereinafter “Respondent”), is the holder of North Carolina certificate number 11565 as a Certified Public Accountant.

2. Spangler Inc., P.A. (hereinafter “Respondent Firm”), is a registered certified public accounting firm in North Carolina. Hereinafter, the Respondent and the Respondent Firm shall collectively be referred to as the “Respondents.”

3. The Respondent Firm has received a Fail on its most recent engagement peer review for the period ended June 30, 2017. For that peer review, it was noted that the Respondent Firm’s compilation report failed to make all disclosures required by the Statements on Standards for Accounting and Review Services.

4. The Respondent Firm had received a Pass with Deficiencies on its two (2) prior engagement peer reviews for the periods ending June 30, 2011, and June 30, 2014. For each of those peer reviews, it was noted that the Respondent Firm had not utilized proper compilation report language.

5. The Respondents have now ceased performing engagements that require a peer review.
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.

BAS ED 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 failure of the Respondent Firm to make all required disclosures and utilize proper report language is a violation of Board rule 21 NCAC 08N .0404 (Accounting and Review Services Standards).

3. Per N.C. Gen. Stat. § 93-12(9), and also by virtue of the Respondents' consent to this order, the Respondents are subject to the discipline set forth below.

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

1. The Respondent Firm shall not perform, or participate in, any services subject to peer review.

2. Should the Respondent Firm choose to perform any future services that would be subject to peer review, prior to acceptance of such engagement, it must:
   - Take appropriate actions to be reinstated to the AICPA Peer Review Program;
   - Take four (4) hours of group-study CPE, specifically covering the peer review process and/or getting ready for peer review;
   - Take at least twelve (12) hours of group-study CPE related to the service that the Respondent Firm wishes to engage in; and
Consent Order - 3
Janice C. Spangler, CPA
Spangler Inc., P.A.

- Subject those engagements to a pre-issuance review pursuant to the pre-issuance review procedures adopted by the Board until such time that the Board releases the Respondent Firm from this requirement.

CONSENTED TO THIS THE 24th DAY OF September 2019

(Day) (Month) (Year)

[Signature]
Janice C. Spangler
Individual authorized to sign on behalf of Respondent Firm

Respondent

APPROVED BY THE BOARD THIS THE 24th DAY OF October 2019

(Day) (Month) (Year)

NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

[Seal]

BY: [Signature]
President

[Seal]
SEP 25 2019
CPA EXAMINERS
IN THE MATTER OF:
David A. Kingman, CPA, #16754
Kingman, White and Company, CPAs
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, the Respondent and the Respondent Firm stipulate to the following:

1. David A. Kingman, CPA (hereinafter "Respondent"), is the holder of North Carolina certificate number 16754 as a Certified Public Accountant.

2. Kingman, White and Company, CPAs (hereinafter "Respondent Firm"), is a registered certified public accounting firm in North Carolina. Hereinafter, the Respondent and the Respondent Firm shall collectively be referred to as the "Respondents."

3. The Respondents issued multiple audits, reviews, and compilation reports over the past two (2) years. The Respondents enrolled in the peer review program; however, they never completed the entire peer review process.

4. The Respondents failed to furnish to the peer review program selected financial statements, corresponding work papers, and any additional information or documentation required for the peer review program within eighteen (18) months of the issuance of the first report provided to a client.

5. 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 Respondents’ failure to complete the peer review process constitutes a violation of 21 NCAC 08N .0203(b)(7).

3. The Respondents’ failure to furnish to the peer review program selected financial statements, corresponding work papers, and any additional information or documentation required for the peer review program within eighteen (18) months of the issuance of the first report provided to a client constitutes a violation of 21 NCAC 08M .0105.

4. Per N.C. Gen. Stat. § 93-12(9), 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 the Respondents agree to the following Order:

1. The Respondent, David A. Kingman, CPA, is censured.

2. The Respondent’s CPA certificate is suspended for one year. However, the suspension is stayed as long as the Respondent remains compliant with the Board’s peer review regulations.

3. The Respondent Firm may not perform any of the services listed in 21 NCAC 08M .0105(a) until it provides evidence of its re-enrollment in peer review.

4. Upon completion of its peer review, the Respondent Firm shall provide the Board with a complete copy of its Peer Review Report, Letter of Response, and Final Letter of Acceptance for further review and evaluation by the Board.
5. The Respondent Firm shall pay a one thousand dollar ($1,000) civil penalty to be remitted with this signed Consent Order.

CONSENTED TO THIS THE _____ DAY OF _____ OCTOBER _____ 2019
(Day) (Month) (Year)

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

David A. Kingman
Respondent

APPROVED BY THE BOARD THIS THE _____ DAY OF _____ OCTOBER _____ 2019
(Day) (Month) (Year)

NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS

[Signature]
President

NC BOARD OF
OCT - 7 2019
CPA EXAMINERS
IN THE MATTER OF:
David G. Kostmayer, CPA, #31421
GBK/Peabody, 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, the Respondent and the Respondent Firm stipulate to the following:

1. David G. Kostmayer, CPA (hereinafter "Respondent"), is the holder of North Carolina certificate number 31421 as a Certified Public Accountant.

2. GBK/Peabody, PLLC (hereinafter "Respondent Firm"), is a registered certified public accounting firm in North Carolina. Hereinafter, the Respondent and the Respondent Firm shall collectively be referred to as the "Respondents."

3. Over the past two (2) years, the Respondents have been performing services that should have been subjected to peer review. A peer review was due from the Respondent Firm for the period ending November 30, 2018. The Respondents attempted to enroll in the peer review program; however, they never completed the entire peer review process.

4. The Respondents failed to furnish to the peer review program selected financial statements, corresponding work papers, and any additional information or documentation required for the peer review program within eighteen (18) months of the issuance of the first report provided to a client.
5. 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.

BASSED 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 Respondents' failure to complete the peer review process constitutes a violation of 21 NCAC 08N .0203(b)(7).

3. The Respondents' failure to furnish to the peer review program selected financial statements, corresponding work papers, and any additional information or documentation required for the peer review program within eighteen (18) months of the issuance of the first report provided to a client fails to comply with 21 NCAC 08M .0105. As such, the Respondents are subject to discipline per 21 NCAC 08N .0213.

4. Per N.C. Gen. Stat. § 93-12(9), 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 the Respondents agree to the following Order:

1. The Respondent David G. Kostmayer, CPA, is censured.

2. The Respondent Firm may not perform any of the services listed in 21 NCAC 08M .0105(a) until it provides evidence of its re-enrollment in peer review and the Board receives the results of the completed peer review as noted in #3, at which time the suspension will be stayed.
3. Upon completion of its peer review, the Respondent Firm shall provide the Board with a complete copy of its Peer Review Report, Letter of Response, and Final Letter of Acceptance for further review and evaluation by the Board.

4. The Respondent Firm shall pay a one thousand dollar ($1,000) civil penalty to be remitted with this signed Consent Order.

CONSENTED TO THIS THE 27 DAY OF September, 2019
(Day) (Month) (Year)

David G. Kostmayer
Individual authorized to sign on behalf of Respondent Firm

Respondent

APPROVED BY THE BOARD THIS THE 24th DAY OF October, 2019
(Day) (Month) (Year)

NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

By: Archbishop Whistledown
President
STATE OF NORTH CAROLINA
COUNTY OF WAKE

North Carolina State Board of Certified
Public Accountant Examiners,

Plaintiff,

v.

Jay William Glasser,

Defendant.

THIS MATTER came on to be heard by Motion of the Plaintiff, pursuant to Rules 55 and 65 of the North Carolina Rules of Civil Procedure, before the undersigned Superior Court Judge Presiding in Wake County Superior Court on September 23, 2019.

The record before the Court shows that the Defendant was served with a Verified Complaint and Application for Injunctive Relief ("Complaint") in this matter on June 17, 2019, and that the Defendant did not file an Answer or otherwise respond to the Complaint. Entry of Default was entered by the Wake County Clerk of Court on August 2, 2019.

Due to Defendant’s failure to timely respond to the Complaint, all allegations contained therein are deemed to be true.
WHEREFORE, the Court makes the following FINDINGS OF FACT based upon the allegations contained in Plaintiff’s Complaint and other competent information:

1. Pursuant to Chapter 93 of the North Carolina General Statutes (the “Accountancy Act”), the Plaintiff, the North Carolina State Board of Certified Public Accountant Examiners (“Board”), was created to, among other things, regulate the use of the title “certified public accountant” in the State and also to regulate the “public practice of accountancy.”

2. As part of its powers, the Board has the authority to grant certificates of qualification admitting qualified applicants to practice as certified public accountants in North Carolina (hereinafter “licensees”).

3. The Defendant, Jay William Glasser (“Glasser” or “Defendant”) has never been a licensee of the Board or other board of accountancy. As such, he is not permitted to utilize the CPA title or hold himself out as a CPA.

4. In November of 2000, the Board and Glasser entered into a Notice of Apparent Violation and Demand to Cease and Desist (hereinafter “Cease and Desist Agreement”). Per the Cease and Desist Agreement, Glasser consented to the Board’s demand that he “cease and desist from use of the designation ‘CPA’ and identify himself only as an ‘accountant.’”

5. The Board was subsequently informed by the South Carolina Board of Accountancy that Glasser audited the balance sheet of HKS Quality Remodeling LLC (hereinafter “2018 Opinion”). Upon information and belief, Glasser signed the audit opinion as “Jay W. Glasser, CPA.” The letterhead of the 2018 Opinion states “Jay W. Glasser, CPA Certified Public Accountants.”
6. HKS Quality Remodeling LLC provided the Board with another audit opinion which was signed by Glasser in November of 2015 (hereinafter “2015 Opinion”).

7. Glasser’s use of the titles “certified public accountant” or “CPA” violates N.C. Gen. Stat. § 93-3, which provides as follows:

   93-3. Unlawful use of title “certified public accountant” by individual.

   It shall be unlawful for any person who has not received a certificate of qualification or not been granted a practice privilege under G.S. 93-10 admitting the person to practice as a certified public accountant to assume or use such a title, or to use any words, letter, abbreviations, symbols or other means of identification to indicate that the person using same has been admitted to practice as a certified public accountant.

8. By issuing audits in the public practice of accounting as a CPA, Glasser has also violated N.C. Gen. Stat. § 93-6, which provides:

   § 93-6. Practice as accountants permitted; use of misleading titles prohibited.

   It shall be unlawful for any person to engage in the public practice of accountancy in this State who is not a holder of a certificate as a certified public accountant issued by the Board, unless such person uses the term "accountant" and only the term "accountant" in connection with his name on all reports, letters of transmittal, or advice, and on all stationery and documents used in connection with his services as an accountant, and refrains from the use in any manner of any other title or designation in such practice.

9. Pursuant to N.C. Gen. Stat. § 93-12(16), the Board has the power and authority, “[t]o apply to the courts, in its own name, for injunctive relief to prevent violations of this Chapter or violations of any rules adopted pursuant to this Chapter...”
10. Glasser's repeated uses of the title "CPA" or "certified public accountant" constitute serious ongoing violations of the Accountancy Act.

Based upon the foregoing Findings of Fact, the Court makes the following CONCLUSIONS OF LAW:

1. The Accountancy Act created the Board to, among other things, safeguard life, health and property, and to regulate the use of the title "Certified Public Accountant" or "CPA" in North Carolina.

2. The Court has jurisdiction and venue over the parties and this matter.

3. This Court may award injunctive relief to the Board pursuant to N.C. Gen. Stat. § 93-12(16).

4. The Defendant, by repeatedly holding himself out as a certified public accountant and by continuing to use the title certified public accountant or CPA, has violated N.C. Gen. Stat. § 93-3.

5. The Defendant, by engaging in the public practice of accountancy without a license and without limiting himself to the term "accountant" and only "accountant," has violated N.C. Gen. Stat. § 93-6.

IT IS THEREFORE ORDERED that:

1. The Defendant is enjoined from using the terms "certified public accountant", "CPA" or any other words, letters, abbreviations, symbols or other means of identification to indicate that he has been admitted to practice as a certified public accountant, unless the Defendant, at some time in the future, becomes a duly licensed certified public accountant. This
Order shall not prohibit the Defendant from using the term "accountant" or from practicing as an "accountant."

2. The Superior Court of Wake County, North Carolina, shall retain jurisdiction for the purpose of enforcing this order.

3. Any violation of this order shall be deemed contempt of court and may be punishable by the Court’s contempt powers granted pursuant to Chapter 5A of the North Carolina General Statutes.

This the 23 day of September, 2019

[Signature]

The Honorable Vinston M. Rozier, Jr.
Superior Court Judge Presiding
Wake County Superior Court
North Carolina State Board of
Certified Public Accountant Examiners

Resolution

Whereas, Mary Beth Britt was hired as a Professional Standards Assistant for the North Carolina State Board of Certified Public Accountant Examiners on August 1, 2005;

Whereas, her title was changed to Professional Standards Specialist on April 11, 2011;

Whereas, during her tenure with the North Carolina State Board of Certified Public Accountant Examiners, she has faithfully and tirelessly served as a valuable employee of the Board; as a mentor to other Board employees; and as an advocate for the protection of the public and the best interest of the profession;

Be It Therefore Resolved that the members of the North Carolina State Board of Certified Public Accountant Examiners extend their thanks to Mary Beth Britt for her service to the Board and offer their best wishes to her on her upcoming retirement on October 31, 2019.

This the 24th day of October 2019.

North Carolina State Board of
Certified Public Accountant Examiners

[Signature]
Arthur M. Winstead, Jr., CPA, President