Succession planning means different things to different people. Larger CPA firms may view succession planning as “replacement planning,” a way to identify and develop new leaders who can replace current leaders when those leaders leave the firm through resignation, dismissal, retirement, or death.

Smaller firms, especially individual practitioners, may think of succession planning as “practice continuation planning,” a way to ensure existing clients will receive services from another CPA firm in case of a triggering event such as sickness, disability, retirement, or death.

Although the definitions of succession planning vary, one thing they have in common is the need to ensure that a firm is prepared for the future.

At its December 16, 2019, meeting, the Board and NCACPA formed a joint task force to explore the challenges CPAs face with succession planning. The goal of the Joint Task Force on Succession Planning is to educate CPA firms and licensees on the need for succession planning and to provide the resources needed for proactive succession planning.

It is crucial that the Board, in its oversight role, and the NCACPA, in its representative role, work together on issues like succession planning that impact North Carolina licensees.

The Joint Task Force on Succession Planning will help firms plan for the future by exploring issues such as how other jurisdictions handle succession planning, how other licensed professions deal with succession planning, whether regulatory action on succession planning is necessary, the barriers to challenges of succession planning, whether education efforts should target multi-owner CPA firms only, individual practitioners and sole proprietors only, or all licensees in the public practice of accounting, and how succession planning should address password-protected data files.

Joint Task Force on Succession Planning

<table>
<thead>
<tr>
<th>Board Representatives</th>
<th>NCACPA Representatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gary R. Massey, CPA, Co-Chair</td>
<td>Michael R. Gillis, CPA, Co-Chair</td>
</tr>
<tr>
<td>Bernita W. Demery, CPA</td>
<td>Kenneth D. Gibbs, CPA</td>
</tr>
<tr>
<td>Jennifer Van Zant, Esq.</td>
<td>Benjamin C. Hamrick, CPA</td>
</tr>
<tr>
<td>L. Samuel Williams, Jr., CPA</td>
<td>Kelly D. Puryear, CPA</td>
</tr>
</tbody>
</table>

Joint Task Force Issues to Study

- How other jurisdictions handle succession planning;
- How other licensed professions deal with succession planning;
- Is regulatory action on succession planning necessary;
- What are the barriers to challenges of succession planning;
- Should education efforts target multi-owner CPA firms only, individual practitioners and sole proprietors only, or all licensees in the public practice of accounting; and
- How should succession planning address password-protected data files?
Disciplinary Action

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."

ANGELA W. MATTHEWS, #25847 | ANGELA WOKATSCH MATTHEWS CPA, P.C. | STATESVILLE, NC

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. Angela W. Matthews, CPA (hereinafter “Respondent”), is the holder of North Carolina certificate number 25847 as a Certified Public Accountant.

2. Angela Wokatsch Matthews CPA, P.C. (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. On its most recent system peer review for the period ended March 31, 2016, the Respondent Firm initially received a “pass with deficiencies” from the firm’s peer reviewer. Over the peer reviewer’s objection, in August 2017, the peer review committee chose to amend the report to a “fail.”

4. The peer review report noted that the Respondent Firm failed to use third-party practice aids as part of the audit process, resulting in a lack of documentation to support audit planning, risk assessment procedures, preliminary analytical procedures, materiality, and general audit procedures.

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. The Respondent, Angela W. Matthews, CPA, acknowledges the peer review committee’s decision to change the initial peer review report.

2. The Respondents’ failure to perform audit services in accordance with generally accepted auditing standards constitutes a violation of 21 NCAC 08N .0403, and .0212.

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.

BASED ON THE FOREGOING and in lieu of further proceedings, the Board and the Respondents agree to the following Order:

1. The Respondent Angela W. Matthews, CPA, is censured.

2. The Respondent has acknowledged that the Respondent Firm is not currently participating in, performing, or reviewing any audit engagements.

3. Prior to the Respondent Firm participating in, performing, or reviewing any audits, the Respondent Firm shall be required to complete the following:
   a. Each staff member participating in engagements must take at least eight (8) hours of group-study CPE related to Audit Documentation annually until the Respondent Firm receives a pass on a system peer review or a pass or pass with deficiencies on an engagement peer review.
   b. The Respondent Firm must undergo a review of any audit prior to issuance of the audit report, pursuant to the Board’s Pre-issuance Review Procedures.

Approved by the Board December 16, 2019.
Q. When did the new CPE rules go in effect, and how do I get a copy of the rules?
A. The amended CPE rules were effective January 1, 2020. The January Activity Review included the text of the revised rules, and the rules are available from the Resources page of the Board’s website, nccpaboard.gov.

Q. Do the revised rules apply to the certificate renewal that is due by July 1, 2020, or the certificate renewal that is due by July 1, 2021?
A. The CPE year is January 1 through December 31. CPE completed in 2019 (or 2018, if used as carry-forward credit) is for the certificate renewal due by July 1, 2020 (the 2020-2021 license year).
CPE completed in 2020 (or 2019, if used as carry-forward credit) is for the certificate renewal due by July 1, 2021 (the 2021-2022 license year).

Q. Under the old rules, the annual CPE requirement was 40 hours, but under the new rules, the annual CPE requirement is 2,000 minutes. What’s the difference?
A. A CPE hour was, and is, defined as 50 minutes of learning/participation time. Forty hours of CPE is 2,000 minutes of CPE (40 hours x 50 minutes = 2,000 minutes).

Q. If the overall requirement hasn’t changed, then why did the Board change from hours to minutes?
A. Calculating CPE in minutes instead of hours allows licensees to claim credit for all CPE minutes completed instead of losing time by rounding down credits.
New learning methods such as nano learning and blended learning award CPE credit in 10 to 20-minute increments. Under the amended rules, you will be eligible for credit for each nano-learning and blended learning activity you complete.

Q. My CPE certificates of completion are in hours. Do I need to request new certificates of completion?
A. The Board is aware that CPE sponsors will continue to issue credit in hours instead of minutes. You may covert the hours to minutes by multiplying the number of hours by 50 minutes (10 hours x 50 minutes = 500 minutes). The Board will incorporate a tool into the online renewal that will convert hours to minutes for you.

Q. Do the new CPE rules require me to complete an ethics course each year?
A. Yes, an ethics course (learning activity) is required for certificate renewal. Effective January 1, 2020, the requirement was reduced from 100 minutes (2 hours) to 50 minutes (1 hour).

Q. I didn’t have time to take an ethics course in 2019, so I’m going to take a class in March so I can renew in June. Do I need to take a two-hour (100 minute) course or a one-hour (50 minute) course?
A. Since the ethics course (learning activity) you plan to complete in March is for the 2020-2021 license year, you must complete a two-hour (100 minute) course.
The 50-minute ethics requirement applies to CPE completed for the 2021-2022 license year.

Licensees may submit specific questions about the amended CPE rules to the Board using the email address communications@nccpaboard.gov with the subject line “Amended CPE Rules.”
The Board will publish answers to the most frequently asked questions in future issues of the Activity Review.

### 2020 Uniform CPA Exam Score Release Dates

<p>| Testing Window: January 1 – March 10 (20Q1) |</p>
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<tr>
<th>If you take your Exam on/before:</th>
<th>...and the AICPA receives your Exam data files from Prometric by 11:59 p.m. (EST) on:</th>
<th>Your target score release date is:</th>
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</thead>
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<tr>
<td>Feb. 28</td>
<td>Feb. 28</td>
<td>Mar. 8</td>
</tr>
<tr>
<td>Mar. 10</td>
<td>Mar. 11</td>
<td>Mar. 19</td>
</tr>
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<p>| Testing Window: April 1 – June 10 (20Q2) |</p>
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<th>If you take your Exam on/before:</th>
<th>...and the AICPA receives your Exam data files from Prometric by 11:59 p.m. (EST) on:</th>
<th>Your target score release date is:</th>
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<td>May 7</td>
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<td>May 15</td>
<td>May 15</td>
<td>May 28</td>
</tr>
<tr>
<td>May 31</td>
<td>May 31</td>
<td>June 11</td>
</tr>
<tr>
<td>June 10</td>
<td>June 11</td>
<td>June 19</td>
</tr>
</tbody>
</table>

Source: AICPA
BY THE NUMBERS
A look at CPAs in North Carolina
(as of January 3, 2020)

Female CPAs
Total: 10,247
47%

Male CPAs
Total: 11,719
53%

Total CPAs: 21,966

Where do the CPAs in NC work?

<table>
<thead>
<tr>
<th>Role</th>
<th>2019</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>CPA Firm Partner</td>
<td>1,417</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CPA Firm PLLC Member</td>
<td>440</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CPA Firm Staff</td>
<td>4,565</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Educator</td>
<td>311</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Govt.: Accounting</td>
<td>1,028</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Govt.: Non-Accounting</td>
<td>114</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Individual Practitioner</td>
<td>1,584</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Industry: Accounting</td>
<td>8,505</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Industry: Non-Accounting</td>
<td>1,660</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Legal</td>
<td>185</td>
<td></td>
<td></td>
</tr>
<tr>
<td>None/Other</td>
<td>741</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PC Shareholder</td>
<td>783</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retired</td>
<td>326</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Student</td>
<td>18</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unemployed</td>
<td>289</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

What type of jobs do CPAs in NC focus on?

<table>
<thead>
<tr>
<th>Category</th>
<th>2019</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>753</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advisory Services</td>
<td>853</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Auditing</td>
<td>3,267</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial Planning</td>
<td>560</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Accountancy</td>
<td>9,655</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Law</td>
<td>150</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-Accounting</td>
<td>694</td>
<td></td>
<td></td>
</tr>
<tr>
<td>None/Other</td>
<td>930</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxation</td>
<td>5,104</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Oldest Person with an Active CPA License in North Carolina
93 years old

Youngest Person with an Active CPA License in North Carolina
22 years old

Longest Standing Certificate Issued
1955
Where do the NC licensed CPAs live?

- U.S. Residents: 21,903
- International Residents: 63

82% of active licensees live in NC.

CPA License Applications Approved

- 2019: 573
- 2018: 610
- 2017: 584

NC CPA Licenses Issued Since 1913

- Original: 43,738
- Reciprocal: 93

Where do the NC licensed CPAs work?

- CPA Firm Partner: 1,417
- CPA Firm PLLC Member: 440
- CPA Firm Staff: 4,565
- Educator: 311
- Govt.: Accounting: 1,028
- Govt.: Non-Accounting: 114
- Individual Practitioner: 1,584
- Industry: Accounting: 8,505
- Industry: Non-Accounting: 185
- Legal: 741
- None/Other: 783
- PC Shareholder: 326
- Retired: 18
- Student: 289
- Unemployed: 46%
- Public Practice Industry Other: 40%
- Other: 14%

What type of jobs do CPAs in NC focus on?

- Administration: 753
- Advisory Services: 853
- Auditing: 3,267
- Financial Planning: 560
- General Accountancy: 150
- Law: 694
- Non-Accounting: 930
- Taxation: 5,104
- None/Other: 23%
Certificates Issued

On January 28, 2020, the Board approved the following individuals for licensure as North Carolina CPAs:

- Robert Bryan Agatstein
- Dimple Tansen Ajmera
- Margaret Blythe Baresh
- Christopher McCord Bonavita
- Julianna Wilson Bond
- Jordan Pollard Bowles
- David Brodie
- Brittany Lynne Brodnick
- Jordan Pollard Bowles
- David Brodie
- Shari Lynne Bunch
- Laura Kathryn Inclan
- Samantha Lynn Ivey
- Ashton Marie James
- Leslie Bunch Jefferson
- Laura Elizabeth Wright Johnson
- Keith Alan Kennedy
- Milan Khadka
- Thomas Alan Klein, III
- Kevin Zachary Koons
- Randy George Kreider
- Michael George Krueger
- Tara Hawes Larach
- Kristen Helaine Lee
- Olivia Grace Lee
- Donna Moore Lemons
- David Ryan Lesser
- Sara M. Lots
- Luke Harrison Lowry
- Michael Christopher Luff
- Michelle White Marley
- Diana Alejandra Martinez
- Elizabeth Joy McQuaig
- Zachary Michael Merritt
- Samuel Jacob Miller
- Summer Skye Miller
- Jordan Daniel Milo
- Tyree Odell Minner, II
- Allison J. Mitchell
- Drayton Wade Mixson
- Paul Xavier Modzelewski
- Thomas Andrew Mole
- Christopher Jude Mooney
- Melody Paige Morgan
- Allison Elisabeth Murphy
- John Hartwell Murray, Jr.
- Benjamin Alan Myers
- Eric Scot Osborne
- Cynthia Anne Pena
- Holly Denise Perry
- Andrew Richard Perryman
- Andrea Pop
- La’Nita Alivia Lee Powell
- Courtney Mariah Privette
- Claudia Frances Richey
- John Charles Rishel, Jr.
- Evan Thomas Rodwell
- Thomas Edward Saintsing
- Briana Chantel Salter
- Kara Rose Schell
- Krystal Michelle Seidel
- Alexander Larkin Sewell
- Kristen Michelle Shiring
- Christopher John Sigmann
- Jessica Melinda Simmons
- Charlie Wayne Sipe
- Clinton Kevin Smith
- Talmage Tolly Spence, IV
- Spencer Vance Stamey
- MaKayla Renee Stiffler
- Edward Healy Summersill
- Michael Joseph Szafraniec
- Christina Renee Taylor
- Casey Grey Wentworth Thomasson
- Kenton Eugene Thompson
- Gillian Leigh Tosatto
- Walter Ray Trobaugh, IV
- Sarah Catherine Turpin
- Brandon Adam Tutty
- Joshua Jared Tyree
- Jacob Cole Walker
- Stephanie Brianne Watts
- Daniel W. Webster, III
- Madeleine Claire Weierbach
- Cara Alexander White
- William Jess Whittington
- Tarika Najia Williams
- Taylor Ann Witkiewicz
- Raven Drew Yount

Go to https://bit.ly/2S4EMlz and enter your last name, birth date, and the last four digits of your social security number to verify which documents have been received and processed by the Board. This is faster than contacting the Board staff and allows applicants to manage the process more efficiently.
Reclassifications

At its January 28, 2020, meeting, the Board approved the applications for reclassification submitted by the following individuals:

Reinstatement

Caroline Lea Auten, #41166 Chapel Hill, NC
Janice Toothaker Gore, #20921 Lakewood Ranch, FL
Tamara Beth Kastler, #15531 Fort Lauderdale, FL
Janette Irma Perez, #24089 Raleigh, NC
Eric William Gilbert Zetterholm, #25458 Asheville, NC

Reissuance

Lucile Abbitt Bond, #19302 Hickory, NC
Patrick James Coleman, #32852 Charlotte, NC
Matthew Cameron Creech, #41240 Cambridge, MA
James Will Vannoy, #31258 Jefferson, NC
Russell Edward White, #22930 Charlotte, NC

Inactive Status

Between December 27, 2019, and January 31, 2020, the individuals listed below were approved for inactive status. “Inactive,” when used to refer to the status of a person, describes a person who has requested inactive status and has 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 [21 NCAC 08A .0301(b)(20)].

John Clifford Baker, #23154
Larry Daniel, #34028
James Walter Lawrence, #36788
Viony G. Medlin, #35747
Paul Harold Mozingo, #14509
Tracey Lynne Pordon, #35810
Emily Gilbert Ransom, #35429
William Francis Retallick, #7984
JoAnn Dust Vaughan, #15140
Mark Anthony Brooks, #36907
Anthony Eric Dent, #39706
Michael Joseph Dudan, #26921
Amanda Marie Fannin, #36126
Ella Nancy Lamar Gibson, #13136
Sean Ryan Quillen, #38572
Andrew A. Weniger, #20903
Cassandra Marie Brooks, #36870
Katherine Leigh Bryan, #34994
William Jessen Dale, #21366
Ellen Marie Daniels, #27026
Troy Edward Dolan, #39099
Susan Yates Gressel, #15453
John Morrell Hinkle, #11803
John R. Ludenia, #25870
Brian Thomas Marley, #14695
Douglass Alan Schrift, #27168
Rachel Kristen Williams, #37491
Phillip Dale Denny, #5142
Heather Lynn Harjes, #31057
Claire Estelle Blanton, #42569

High Point, NC
Roanoke Rapids, NC
Charlotte, NC
New Hill, NC
Charlotte, NC
Honesdale, PA
Raleigh, NC
Faith, NC
Fuquay-Varina, NC
Harrissburg, NC
New York, NY
Huntersville, NC
Charlotte, NC
Concord, NC
Austin, TX
Apex, NC
Harrissburg, NC
Atlanta, GA
Charlotte, NC
Charlotte, NC
Cary, NC
Charlotte, NC
Cary, NC
Charlotte, NC
Charlotte, NC
Riviera Beach, FL
Charlotte, NC
Winston-Salem, NC
Charlotte, NC
Ponte Vedra Beach, FL

Robert Ronald Labenski, #42646 Ponte Vedra Beach, FL
Kris Edward Phillips, #22201 Charlotte, NC
Henry Ray Sturkie, III, #17346 Mouth of Wilson, VA
Matthew Walker Arnold, #32678 Raleigh, NC
Kenneth Allen Howard, #8815 Durham, NC
Michael James Lotterhos, #37450 Raleigh, NC
J. Andrew Brightwell, #31098 Charlotte, NC
Tamara Jo Hart, #38825 Cary, NC
Mary Bissette Weidner, #19797 Selma, NC
Elizabeth Hunt Alford, #15030 Durham, NC
Karyl P. Gabriel, #15317 High Point, NC
Donald Nicholas Grimes, II, #38742 Charlotte, NC
Elaine Long Lindsey, #13845 Charlotte, NC
Ann Blackburn Hardy, #18074 Bolivia, NC
Robert Craig Harrell, #15859 Hillisborough, NC
Cecelia Morrison Meade, #21014 Kings Mountain, NC
David Michael Woodworth, #33961 Raleigh, NC
Karissa Jo Cost, #32454 Morgantown, WV
Thomas Fassett, #16726 Seneca, SC
Robert Edward Lowrance, #18520 Charlotte, NC
William Joseph Bonney, III, #13118 Myrtle Beach, SC
Sharon Adair Conley, #20463 Chapel Hill, NC
Diana Reynolds Mahaffey, #34146 Hendersonville, NC
Bruce Daniel Bell, #13585 Charlotte, NC
Bruce Edward Lindsey, Jr., #16881 Charlotte, NC
Sharon Gail Millard, #15949 Columbus, NC
Claudia A. Straw, #31749 St. Petersburg, FL

Mark Your Calendar

March 17 Board Meeting
1 p.m., Raleigh
April 10 Office Closed
Good Friday
April 16 Certificate
Renewal Starts
April 20 Board Meeting
10 a.m., Raleigh
May 18 Board Meeting
10 a.m., Raleigh
May 25 Office Closed
Memorial Day
June 18 Board Meeting
2 p.m., Winston-Salem
Notice of Address Change

Please Print Legibly

Full Name: 
Certificate No.: Last 4 Digits of SSN: 
Home Address: 
City/State/Zip: 
Home Phone: Home Fax: 
Home Email: 
Firm/Business Name: 
Business Address: 
City/State/Zip: 
Business Phone: 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.