Letters of Demand Mailed

The Board mailed Letters of Demand to 642 North Carolina CPAs who failed to renew their certificate or request inactive status before July 1, 2020.

Failure of an individual to complete the certificate renewal or to request inactive status within 30 days of the Letter of Demand automatically results in forfeiture of the CPA's certificate, as required by NCGS 93-12(15). Upon forfeiture of a certificate, the individual cannot use the CPA title in any way, and he or she must return his or her CPA certificate to the Board within 15 days of the notice of forfeiture.

The certificate renewal link and inactive status request link are in the "How Do I" box on the homepage of the Board’s website, nccpaboard.gov.

The online certificate renewal link will be available through July 31, 2020.

Exam Fee Increase Effective August 1, 2020

Effective August 1, 2020, the Uniform CPA Examination fees charged by NASBA and the AICPA will increase. The Board’s administrative fees are not changing.

Applications postmarked on or before July 31, 2020, will be processed using the current fee schedule. Applications postmarked on or after August 1, 2020, will be processed using the new fee schedule.

Please contact Phyllis Elliott, the Board’s Exam Specialist, by email at phyllise@nccpaboard.gov with questions about applying for the Exam.

<table>
<thead>
<tr>
<th>Administrative Fees</th>
<th>Applications Post-marked On or Before July 31, 2020</th>
<th>Applications Post-marked On or After August 1, 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial Exam Application</td>
<td>$230.00</td>
<td>$230.00</td>
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<tr>
<td>Re-Exam Application</td>
<td>$75.00</td>
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</table>

<table>
<thead>
<tr>
<th>Per-Section Fees</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>AUD</td>
<td>$209.99</td>
<td>$224.99</td>
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<tr>
<td>BEC</td>
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<td>$224.99</td>
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<tr>
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<td>$224.99</td>
</tr>
<tr>
<td>REG</td>
<td>$209.99</td>
<td>$224.99</td>
</tr>
</tbody>
</table>

Do We Have Your Email Address?

When you provide the Board with your email address, it allows us to provide you with better, more timely communication.

Your email address is not public record, and the Board does not share it with other organizations.

CPAs can update their email address using the Address Change link on the Board’s website, nccpaboard.gov.

Exam candidates can update their email address by sending an email to phyllise@nccpaboard.gov.
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:


2. Leon Little Rives, II (hereinafter “Respondent”), is the holder of North Carolina certificate number 29505. The Respondent and Respondent Firm shall hereinafter be collectively referred to as the “Respondents.”

3. In 2010, the Respondent Firm entered into a consulting agreement with the Yadkin County Board of Education to perform an efficiency study ("Consulting Agreement"). Per that agreement, the fee paid by the Yadkin County Board of Education was based upon a percentage of revenue increases and/or operating cost decreases recognized as a result of the consulting agreement.

4. During the same period of time as the Consulting Agreement, the Respondent Firm also performed the audit for the same client.

5. Per 21 NCAC 08N.0303(1)(A), a CPA shall not be prohibited from receiving a contingent fee, except for the rendering of:

   professional services for any person for whom the CPA also performs attest services, during the period of the attest services engagement, and the period covered by any historical financial statements involved in such attest services.

6. Subsequently, in August 2011, the Respondents formed School Efficiency Consultants (“SEC”). SEC performed substantially the same functions as previously performed by the Respondent Firm pursuant to the Consulting Agreement.

7. At the time that SEC was created, the Respondent Firm held a controlling interest in SEC. Further, many of SEC’s administrative functions were performed at the Respondent Firm’s Lexington office. The Respondent was the Organizer and Manager of SEC.

8. Since that time, SEC has performed consulting services for several of the Respondent Firm’s audit clients. The time periods of those consulting services overlapped with the periods for which the Respondent Firm performed audits.

### 2020 Board Meetings

<table>
<thead>
<tr>
<th>AUGUST</th>
<th>SEPTEMBER</th>
<th>OCTOBER</th>
<th>NOVEMBER</th>
<th>DECEMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monday</td>
<td>Monday</td>
<td>Monday</td>
<td>Monday</td>
<td>Monday</td>
</tr>
<tr>
<td>Aug. 17</td>
<td>Sept. 21</td>
<td>Oct. 19</td>
<td>Nov. 23</td>
<td>Dec. 14</td>
</tr>
<tr>
<td>10:00 a.m.</td>
<td>10:00 a.m.</td>
<td>10:00 a.m.</td>
<td>10:00 a.m.</td>
<td>10:00 a.m.</td>
</tr>
<tr>
<td>Raleigh</td>
<td>Raleigh</td>
<td>Raleigh</td>
<td>Raleigh</td>
<td>Raleigh</td>
</tr>
</tbody>
</table>

Under NC Gen. Stat. §143-318.10, all official Board meetings are open to the public, and any person is entitled to attend such a meeting. However, the public may be excluded from certain portions of the meeting as allowed by NC Gen. Stat. §143-318.11, Closed Sessions.

The Board may conduct some meetings by teleconference or videoconference. To participate in those meetings, please send your name, email address, telephone number, and employer/firm name to communications@nccpaboard.gov at least three (3) business days before the scheduled meeting.
9. SEC is not a CPA or a CPA firm and, therefore, is not strictly prohibited from receiving a contingent fee from the Respondent Firm’s audit clients. Nevertheless, the Respondents’ professional responsibilities may be imputed to SEC per 21 NCAC 08N.0103:

A CPA and CPA firm shall be responsible for assuring compliance with the rules in this Subchapter by anyone who is the CPA’s partner, fellow shareholder, member, officer, director, licensed employee, unlicensed employee or agent or unlicensed principal, or by anyone whom the CPA supervises. A CPA or CPA firm shall not permit others (including affiliated entities) to carry out on the CPA’s behalf, with or without compensation, acts that if carried out by the CPA would be a violation of these Rules.

10. Over time, the Respondent Firm’s ownership, and resulting control in SEC, was diluted. SEC has also ceased receiving a contingent fee for its services.

11. The Respondents requested an opinion from the AICPA regarding whether the contingency fee arrangement violated the AICPA independence rules, before the Respondent Firm undertook the 2010 Consulting Agreement, and received an opinion that there was not a violation of independence standards because the Consulting Agreement fee was set by a public authority.

12. Later, a former partner of the Respondent, who was at the time in litigation with the Respondent, and who was the engagement partner for the Yadkin County Board of Education audit, reported the Yadkin County Board of Education Audit Engagement as a potential independence violation. Upon Respondent receiving the indication of a potential independence violation, Respondent Firm contacted the Board, met with Board staff in order to obtain an additional opinion regarding independence. Following that consultation, and based upon the representations made by the Respondents, a staff member sent an email to Respondents dated October 3, 2012, at 11:34 a.m. saying: “The board staff does not think your firm has an independence problem.”

13. 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.

14. There remain other outstanding issues before the Board against the Respondents, this Consent Order does not constitute a resolution of those issues, and they will be addressed separately.

**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. By entering into the Consulting Agreement with the Yadkin County Board of Education for the same time period that the Respondent Firm performed the audit for that same client, the Respondents have violated 21 NCAC 08N.0303.

3. The subsequent consulting services rendered by SEC for clients that had their audits performed by the Respondent Firm created the appearance of a lack of independence in violation of 21 NCAC 08N.0402(a).

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 Respondents agree to the following Order:

1. The Respondents are censured.

2. For the violation of 21 NCAC 08N.0303, the Respondent Firm must pay a $1,000 civil monetary penalty. The penalty is due at the time of the execution of this Consent Order.

Approved by the Board on July 20, 2020.

**Disciplinary Actions** continued on page 4

**Did You Know?**

Five staff members have more than 30 years of service to the Board.

Felecia Ashe, Accounting Specialist 35 years
Phyllis Elliott, Exam Specialist 34 years
Robert Brooks, Executive Director 34 years
Alice Grigsby, Licensing Specialist 34 years
Buck Winslow, Licensing Manager 33 years
Disciplinary Actions

N.C. Gen. Stat. §93-10(c)(3) requires a firm whose principal place of business is outside of North Carolina and does not have a North Carolina office to provide the Board with a Notification of Intent to Practice in North Carolina (“Notice”) before performing financial statement audits or other engagements performed in accordance with the Statements on Auditing Standards.

Each firm listed below performed an audit of a retirement plan (“ERISA audit”) sponsored in North Carolina without submitting a Notice to the Board. In doing so, the firms violated N.C. Gen. Stat. §93-10(c)(3) and 21 NCAC 08N .0213 and are subject to discipline by the Board.

Each firm signed a Consent Order in which the firm agreed to pay a $1000.00 civil penalty. The Board approved the Orders at its June 18, 2020, meeting. Each firm now has submitted a Notification of Intent to Practice in North Carolina to the Board.

To view the full text of a Consent Order, search for the firm using the “Find CPA/CPA Firm” link on the Board’s website, nccpaboard.gov. In the firm’s record, click on the “Details” link and select “View” under the Public Documents heading.

BMC CPAs, Inc.
New Smyrna Beach, FL
Britt & Company, CPA, LLC
Dedham, MA

Neikirk, Mahoney & Co., PLLC
Louisville, KY
Waldron H. Rand & Company, P.C.
Dedham, MA

Reclassifications

At its June 18, 2020, meeting, the Board approved the applications for reclassification submitted by the following individuals:

Reinstatement
Jonathan Rhett Esser, #34425 High Point, NC
Sarah Marie Windt, #36144 Charlotte, NC

Reissuance
Thomas Beverly Alvis, III, #33582 Charlotte, NC
Barry Tyrone Leonard, #31241 Winston-Salem, NC

Do You Follow the Board on Social Media?

Social media is an excellent way for the Board to keep applicants, licensees, and the public up-to-date on statute and rule changes, upcoming deadlines, Board meetings, issues affecting the profession, and much more.

Facebook
www.fb.com/NCCPABoard

Twitter
@NCCPABOARD

LinkedIn
North Carolina State Board of CPA Examiners

And don’t forget to bookmark the Board’s website nccpaboard.gov.
Continuous Exam Testing Launched

With more than 75 additional testing days, CPA Exam candidates now have more scheduling flexibility and convenience, thanks to the Continuous Testing model that launched July 1, 2020.

Under the Continuous Testing model, candidates are no longer limited to taking the Exam during designated time frames each calendar quarter.

Instead, a candidate who does not pass an Exam section may apply to retake that section after receiving the official score notification from the Board.

Although there are no planned blackout periods, if there are significant changes to the Exam, testing may be impacted.


Board Extends Notice to Schedule and Section Credit Expiration Dates

Recently, the Board extended the expiration date for specific Notices to Schedule (NTS) and Exam section credits.

Notices to Schedule and Exam section credits expiring between April 1, 2020, and June 30, 2020, now expire on December 31, 2020.

Please email questions about the NTS and section credit extensions to Phyllis Elliott, the Board’s Exam Specialist, at phyllise@nccpaboard.gov.

2020 Exam Score Release Dates

<table>
<thead>
<tr>
<th>If you take your exam on/before:</th>
<th>Your target score release date is:</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 23</td>
<td>August 7</td>
</tr>
<tr>
<td>August 16</td>
<td>August 25</td>
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<tr>
<td>September 8</td>
<td>September 16</td>
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<td>September 30</td>
<td>October 9</td>
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<td>October 23</td>
<td>November 10</td>
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<td>November 16</td>
<td>November 24</td>
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<td>December 8</td>
<td>December 16</td>
</tr>
<tr>
<td>December 31</td>
<td>January 12</td>
</tr>
</tbody>
</table>

Source: AICPA

CPE Audit Order

The following matter is an excerpt from a Consent Order issued by the Board in response to the findings of the Continuing Professional Education (CPE) audit. To view the full text of the Consent Order, use the “Find CPA/CPA Firm” link on 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.

Mary Ann Helms Armstrong, #30676 | Huntersville, NC

The Board opened a case against Mary Ann Helms Armstrong (Respondent Armstrong) for failure to complete the CPE required for renewal of her North Carolina CPA license.

Respondent Armstrong 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 Armstrong may apply to return her CPA certificate to active status by submitting a reissuance application that includes payment of the application fee; three (3) moral character affidavits; payment of a $1,000 civil penalty; and proof of completion of at least 40 hours of CPE including an eight-hour accountancy law course 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 Armstrong’s CPA license.

Approved by the Board on June 18, 2020.
Inactive Status

Between June 16, 2020, and June 30, 2020, the Board approved the individuals listed below 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.”

Sylvia Karen Bullock, #23409 Tarboro, NC  John Louis Ruggiero, Sr., #23799 Winston-Salem, NC
Henry Donald Pickett, #6820 Beulaville, NC  Elaine M. Runner, #33125 Glen Allen, VA
Melisa Howard Hardy, #20199 Mocksville, NC  Gerilyn O’Dell Sheriff, #15007 Raleigh, NC
Barbara Hochuli Poe, #12713 Raleigh, NC  Carolyn Mercer Shields, #18968 Reston, VA
Alexander Todd Schwarz, #19953 Asheboro, NC  Lori Finch Sirotek, #34246 Washington, NC
David Francis Seymou, #17430 Charlotte, NC  Barry Eugene Snipes, #14394 Beaufort, NC
Herbert Steven Stone, #14705 Granite Falls, NC  Matthew Brent Starkey, #36903 Rockville, MD
Pearce Robert Vogler, #41402 Mt. Pleasant, SC  David Gray Walker, Jr., #36816 Atlanta, GA
Allison Flowers Baker, #36342 Nashville, NC  Matthew Jake Wolfe, #32209 Jamestown, NC
John Manning Barnes, II, #27225 Saint Augustine, FL  Ashlyn Lane Congdon, #40020 Wilmington, NC
Eddie Harold Brailsford, #16067 Greensboro, NC  Gary Winford Walters, #19096 Moselle, MS
Susan E. Lieberum, #33548 Dover, DE  Sharon G. Auriene, #27435 Zebulon, NC
Alison M. Merkabah, #40878 Raleigh, NC  Alana Nichole Ayala, #43054 Hillsboro, OR
John Kennedy Pittman, #16891 Summerfield, NC  Molly McCaa Barber, #16338 Mt. Gilead, NC
William Fred Blue, #10378 High Point, NC  Benjamin Charles Barnes, #13402 Clayton, NY
Kenneth Paul Breaux, Sr., #33227 Young Harris, GA  Erin Michelle Bowley, #41101 Charlotte, NC
Jennifer Lynn Bulter, #30171 Black Creek, NC  William James Dulin, #14799 Laurel Hill, NC
Kathleen Ann Canty, #23587 Huntersville, NC  James Richard Gill, #28538 Moon Township, PA
Mark John Casella, #38582 Waccabuc, NY  Lindsey Michelle McIver, #33426 Durham, NC
Matthew Vaughn Church, #31893 Charlotte, NC  David Benjamin Therit, #32444 Apex, NC
Wesley Robert Combs, #42451 Holly Springs, NC  Scotty Ray Tribble, #33636 Lexington, SC
Kimberly Michele Crouch, #35588 Southern Shores, NC  Nancy McGinnis Walker, #24976 Cary, NC
Minh Duc Do, #24325 Raleigh, NC  Amanda Elizabeth Wooten, #34342 Jupiter, FL
John Francis Giegerich, #38430 Woodbridge, NJ  Barbara Jackson Aldridge, #13836 Greensboro, NC
Carolyn J. B. Hill, #24279 Scio, OH  Heather Dawn Boucher, #29305 Huntersville, NC
Nathaniel Ryan Hill, #42546 Durham, NC  Richard L. Braman, Jr., #42620 Swan Quarter, NC
Tatsiana Hlatsevich, #38337 Charlotte, NC  Sally Sater Brame, #39487 New York, NY
Daniel Wade Hoehn, #39541 Hudson, OH  Jean Dixon, #24273 Merritt, NC
Kyle Lindsay Hooks, #38995 Charlotte, NC  Avis Thornton Edmundson, #14854 Clayton, NC
Jamasp Darius Jhabvala, #18605 Broomfield, CO  David James Fitzgerald, #20187 Danvers, MA
Philip Charles Levi, #28861 Canada  Patrick Brennan Gilbert, #31720 Carmel, IN
Katrina Sheets Lowe, #16599 Moravian Falls, NC  Marta Bullard Jacobus, #14435 Wilmington, NC
Anthony Marable, #21613 Mauldin, SC  David Lee Joyner, #38013 Raleigh, NC
Michael Dean McFarland, #10105 Statesville, NC  David J. Manifold, #32179 Long Beach, MS
Lucy Wong Otteni, #13276 Raleigh, NC  Heike Rosenbusch Massengale, #37625 Simpsonville, SC
Akihla Yvette Pitt, #37346 Concord, NC  Jason Samuel Porter, #34283 Cornelius, NC
Kyra Craig Poff, #26274 Cramerton, NC  William Eldon Russ, #11669 Louisville, KY
William Wayne Rogers, #22767 Wake Forest, NC  Kent Allen Thomas, #30201 Blairsville, GA
Notice of Address Change

Please Print Legibly

Full Name: ____________________________ 
Certificate No.: ____________________________ 
Last 4 Digits of SSN: ____________________________

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.