FAQs: Returning Client Records

The information in this article is general guidance about the return of client records. It is not legal advice and is not binding on the Board. CPAs are encouraged to review 21 NCAC 08N 0305, “Retention of Client Records,” as well as other applicable resources such as Treasury Circular 230 or the AICPA Code of Professional Conduct before returning any client records.

Client records are the subject of many calls and emails to the Board. Below are the Board staff’s answers to several of the most frequently asked client record questions.

Q. How do I know if I should give a person or company a copy of client records?
A. You are required only to provide the records to the client (current or former) or, in some instances, to a successor CPA or an entity (e.g., partner or shareholder) associated with the client.

If the client is a business entity, you can provide the records to an individual designated or held out as the business entity’s representative. That designation should be made in your engagement letter or other written document to avoid confusion.

The Board will address extensions beyond March 31, 2021, on a case-by-case basis.

To request an Exam section credit extension beyond March 31, 2021, contact Phyllis Elliott, the Board’s Examination Specialist, at phyllise@nccpaboard.gov.

Your request must include:
- the reason an extension is needed;
- the requested extension date (e.g., May 31, 2021);
- your Exam history (application dates, pass/fail history, etc.); and
- documents that support your request (letters from doctors, cancelation notices from Prometric, etc.).

The Board will address Notice to Schedule (NTS) extensions on a case-by-case basis. Submit your NTS extension request to phyllise@nccpaboard.gov; the request must include the items listed above.

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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.”

BRYANT DANE BYERS, #22276 | B. DANE BYERS, CPA, PLLC | DURHAM, 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. Bryant Dane Byers, CPA (hereinafter “Respondent”), is the holder of North Carolina certificate number 22276 as a Certified Public Accountant.

2. B. Dane Byers, CPA, 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. The Respondent Firm received a “fail” on its most recent system peer review, with an acceptance letter date of November 14, 2019.

4. The peer review report noted that the Respondent Firm did not have sufficient documentation and quality control policies in place to ensure that engagements would be prepared in accordance with generally accepted auditing standards.

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 perform audit services in accordance with generally accepted auditing standards by failing to have sufficient documentation and quality control policies in place as set forth above 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 Bryant Dane Byers CPA, is censured.

2. Prior to the Respondent Firm participating in, performing, or otherwise undertaking any work in connection with any audit engagement(s), the Respondent Firm shall be required to complete the following:
   a. Each staff member participating in engagements subject to peer review must take a minimum of four (4) hours of A&A CPE annually. This requirement shall continue in effect until the firm receives a pass on a system review or a pass or pass with deficiencies on an engagement review.

Approved by the Board on January 25, 2021.

Congratulations!
50 Years of North Carolina CPA Licensure

Congratulations to the following individuals who have been licensed as North Carolina CPAs since February 1971:

- Thomas John Daniel
- Arthur Coburn Farley, III
- Thomas Eugene Hastings
- Robert McRoy Parsons
- Thomas Roy Styers, III
- Gerald Denver Walston
CPA Certificates Issued

On January 25, 2021, the Board approved the following individuals for licensure as North Carolina CPAs:

- Suzanne P. Ahearn
- Shoai Ahmed
- John Randall Aldridge
- Benjamin Allen Badgley
- Aric Michael Bane
- Christopher Stone Bauguess
- Abigail Anne Belcher
- Christopher Joseph Bernardon
- Natalie Rae Bolick
- Ashley Evelynn Brightbill
- Rachael Victoria Broom
- Katherine Nena Cahill
- Miranda Victoria Carrick
- Charles Bryan Carroll
- Jane Taylor Chiavelli
- Tabitha Marie Clement
- Erin Elizabeth Conway
- Austin Lee Crabtree
- Danielle Sarah Crane
- Paige Nicole Domhoff
- Craig Allen Ellis
- Langdon Bratton Fennell
- Tara Joe-Ann Fenner
- Alexander Hamilton Fisher
- Dennis Wesley Fleming
- Kirsten Clark Fowler
- Aaron Ray Galliher
- Maria Gabrielle Grant
- Alexander Francis Green
- Michael Wayne Griffin
- Brittany Braun Guy
- Megan Leigh Hammond
- Christina Louise Hanko
- Haylee Nicole Harrison
- Arsalaan Hashmi
- James Leonard Hayne
- Terry Jarrett Hood
- Austin Wayne Humphries
- Jordan Nicole Hunter
- Naima Naomi Hunter
- Kellie E. Janes
- Victoria Elizabeth Jansen
- Roger Dale Jeter
- Angela Jo Johnson
- Desrae Chantal Johnson
- Jonathan Kamagara
- Carly Nicole Kauffman
- Colton John Keller
- Kyle Michael Kennedy
- William Elliot Koernig
- Justin Alan LaDuke
- Austin Taylor Langston
- Alicia Renee Loucks
- Robin Collins Mangum
- Nicholas Philip Mannon
- Stephen Anthony Marek
- Katelynn Ann Mayes
- Robert J. McCarthy
- John Robert McGarty
- Mary Ann McGraw
- Jessica Lauren McMullin
- Ryan Christopher Miller
- Charles Emerson Mullens
- Parker Christopher Nash
- Reema Nayyar
- James Parla
- Emily Victoria Prutzman
- Kristen Pearson Pugliese
- Caitlin Ann Raube
- Ross Oakley Robison
- Diego A. Rodriguez
- John Carl Rogers
- Penny Crispell Rose
- Jody Marie Rowland
- Erin Patricia Ryan
- Asadollah Saghafi
- Steven Michael Sferrazza
- Julie Lane Sherrill
- Allison Paige Shikorsky
- Maxton Scott Smith
- Zachary Shelton Smith
- Joseph Augustus Sojka
- Rebecca Welch Stevens
- Natalie Delane Stewart
- Erin Elisabeth Sweet
- Janina Cherie Thomas
- Samuel Jonas Trawick
- Natalee Katherine Wallace
- Matthew David Warren
- Kristin Lee Webster
- Nathan Jeffery Williams
- Sarah Anne Jenson Williams
- Justin Bradley Wolf
- William Ivan Yttre

Did You Miss the CPE Completion Deadline?

Each year, hundreds of North Carolina CPAs request inactive status because they didn’t meet the December 31 CPE deadline. Many of those individuals could remain on active status and be eligible for renewal by complying with 21 NCAC 08G .0406(b)(1):

If a CPA fails to complete the CPE requirements prior to the end of the previous calendar year but the CPA has completed them by June 30 (emphasis added), the Board may:

1. issue a letter of warning for the first such failure within a five-calendar year period.

For example, if a CPA completed 31 hours of CPE before December 31, 2020, and completed the remaining nine hours in February 2021, the CPA can renew their CPA license for the 2021-2022 license year but will receive a Letter of Warning.

Although the CPA completed the CPE in 2021, it does not count toward the 2021 calendar year requirement; the CPA must complete at least 40 CPE hours before December 31, 2021.

It is important to remember that if a CPA fails to complete the CPE requirement a second time within five calendar years, 21 NCAC 08G .0406(b)(2) allows the Board to deny the renewal of the CPA’s certificate for a period of not less than 30 days and until the CPA meets the reinstatement requirements set forth in 21 NCAC 08J .0106.
A. To answer that, we need to discuss what you must return to a client. You should return client-provided records (any records provided by or on the client’s behalf).

Unless you and the client have agreed to the contrary, you should provide the client with a copy of your CPA-prepared records and work products if they are related to a completed and issued work product.

CPA-prepared records include those that you were not explicitly engaged to prepare and are not in the client’s records or are otherwise not available to the client.

Examples include adjusting, closing, combining, or consolidating journal entries (including computations supporting such entries) and supporting schedules and documents that you proposed or prepared as part of an engagement (for example, an audit).

If the client has not paid for that specific work product, you can withhold those records.

You can withhold those records if the work product is incomplete, if the records are needed to comply with professional standards (for example, withholding an audit report due to outstanding audit issues), or if there is threatened or outstanding litigation concerning the engagement or your work.

Q. If I have given a copy of a joint tax return to one spouse, do I also have to provide a copy to the other spouse if requested?

A. No. The spouse receiving the original copy of the tax return would be considered the tax matters representative.

Q. Do I need to provide records in an electronic format?

A. In general, if the client requests and can use an electronic copy of the record, you should provide the record in that format. For example, clients are generally entitled to a QuickBooks file of their books. However, the Board has consistently held that files from various software providers are part of the CPA’s work product, and you are not required to provide those files in an electronic format.

Q. Can I charge the client for my time as well as the expense of copying their records?

A. Yes, you may charge the client a fee for the time and expense incurred to retrieve and copy the documents. You can require the client to pay the fee before providing the records.

The Board rules do not specify the amount you can charge, but you should not inflate the costs.

Q. How quickly do I need to provide the records to the client after they request them?

A. If you are required to return or provide records to a client, you should comply with the request as soon as practicable, but no later than 45 days after the request is made.

Prometric has created a page dedicated to COVID-19-related FAQs for candidates.

The new page can be found by clicking the "COVID-19 Update" tab on prometric.com and selecting "COVID-19 FAQ."

More test taker FAQs are under the "Test Takers" tab on prometric.com.

As of mid-February, 99% of Prometric’s North and South American test center network is operating and continuing to test.

Prometric updates the “Site Status” and “Site Closures” lists daily on prometric.com.

The lists show changes in program availability or occupancy restrictions and temporary closures due to inclement weather or other unforeseen circumstances.

For last-minute displacements, candidates will receive immediate notification via email to ensure they do not show up to their appointment.

Candidates who need reimbursement for canceling or rescheduling an appointment due to COVID-19 illness/impact or displacement should follow Prometric’s standard escalation procedure by utilizing the “Test Taker Contact Us” form on prometric.com, which offers a specific option to “Request a Refund.”

It takes Prometric 7-14 business days to process a reimbursement request.
Coastal Peer Review, Inc., is a collaboration between the NC Association of CPAs (NCACPA) and the Maryland Association of CPAs (MACPA) to provide peer review administration for North Carolina and Maryland CPA firms.

The NCACPA notified North Carolina CPA firms about the formation of Coastal Peer Review, Inc., in a September 2020 email.

Peer reviews conducted by Coastal Peer Review, Inc., will be in accordance with the AICPA Standards for Performing and Reporting on Peer Reviews and will satisfy the peer review criteria in NCGS 93-12(8c) and 21 NCAC 08M .0105(d).

According to the NCACPA, there is no change in the peer reviewer selection process; a firm will select from a list of qualified reviewers to perform its peer review.

Please direct questions about Coastal Peer Review, Inc., to Mary Kelly, the NCACPA’s long-time peer review coordinator, at mary@coastalpeerreview.org.

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**2020 Q-4 CPA Exam Performance Summary: NC Only**

**Overall Performance**
- Unique Candidates: 832
- New Candidates: 164
- Total Sections: 1,110
- Passing 4th Section: 175
- Sections / Candidates: 1.33
- Pass Rate: 55.32%
- Average Score: 72.67

**Section Performance**

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<tr>
<th>Sections</th>
<th>Score</th>
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<tbody>
<tr>
<td>First-Time</td>
<td>372</td>
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<tr>
<td>Re-Exam</td>
<td>732</td>
<td>73.22%</td>
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<tr>
<td>AUD</td>
<td>263</td>
<td>71.83%</td>
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<tr>
<td>BEC</td>
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<td>77.74%</td>
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<tr>
<td>FAR</td>
<td>300</td>
<td>68.61%</td>
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<tr>
<td>REG</td>
<td>273</td>
<td>72.86%</td>
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<tr>
<th>Jurisdiction Ranking*</th>
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<td>Candidates</td>
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<td>14</td>
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</table>

*out of 55

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**NC CPA Firms**
(as of February 4, 2021)

- Individual Practitioner (IP) 1,345
- Limited Liability Partnership (LLP) 163
- Out-of-State Firm Notification 508
- Professional Corporation (PC) 941
- Professional Limited Liability Company (PLLC) 856
- Partnership (PR) 26

Total 3,839
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<tr>
<th>If you take your Exam on or before</th>
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<tr>
<td>March 10, 2021</td>
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<td>June 18, 2021</td>
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<td>June 30, 2021</td>
<td>July 13, 2021</td>
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Follow NASBA on Twitter (@NASBA) for score release updates.

### Successful Uniform CPA Exam Candidates

The Board is pleased to announce that the following North Carolina Uniform CPA Exam candidates passed the Exam between December 1, 2020, and December 31, 2020.

- Thomas Michael Abele
- Benjamin Bradshaw Adams
- Januarius M Anyanwu
- Jack Harrison Archibald
- Virginia Ingram Bernardi
- Tiffany Pugh Brooks
- Akhari Khalinda Brown
- Kayla Tamar Brown
- Melanie Marie Burke
- Cameron Marcus Burns
- Brandi King Cawthorn
- Patrick Carroll Combs
- Phillip Douglas Cordeiro
- Rose Michelle Cossuto
- Lynn Mary Couturier
- Kaycee Boyd Davis
- John Frederick Deans, Jr.
- David Allen Dennis, III
- Charles Alexander Dorcelien
- WeiWei Dai Doucette
- Kate Allison Downes
- Christopher Wallace Erwin
- Jamie Harrison Fox
- Andrew Thomas Freeman
- Karli Payton Fulp
- Johnathon Wade Garwood
- Nathaniel Caleb Goodman
- Matthew Joseph Griffith
- Thomas Parker Hanshaw
- Daniel Thomas Haskell
- William Daniel Hauser
- Tyler Rockwell Hinnant
- Jessica Ashlyn Hoff
- Daniel John Hogan
- Austin Wade Holland
- Matthew Tyler Holland
- Tristan Dean Holleman
- Harold Luke Holloman
- Marcus Spencer Hulbert
- Kaleb Hunter Iocco
- Adriane Michelle Jones Wilson
- Amande Lee Kilduff
- Ruby Brady Lansdell
- Jeffrey Allan Larsen
- Stephanie Rae Lemons
- Destin Todd Lett
- Nicholas Adam B Masinsin
- Mary Bowman McCarthy
- Jorge Antonio McGriff
- Ariel Brooke Mittleman
- Corinne Laura Monahan
- Lauren Miller Moore
- John David Morton
- Natasha Daniela Murillo-Gill
- Connor David Noonan
- Christian Bryce North
- Deforest Calvert O'Brien
- Jon Tolga Oner
- Bailey Thomas Ormond
- Sarah Anne Parker
- Charles Wood Parrish
- Anderson Lee Potter
- Katelyn Rose Prichard
- Stephen David Puckett
- Dustin Michael Ramos
- Jocelyn Angelina Rosario
- Kristina Nicole Salvagin
- Paige Elyn Schurter
- Hunter James Shaffer
- Nicholas Evan Shives
- Gary Matthew Sigafaos
- Alyssa Ayn Smith
- Tyler Patrick Smith
- Hudson Lawson Sowders
- Zachary Hall Theodore Stevens
- Matthew Ryan Sullivan
- Savannah Kristen Sutton
- Cole Elliott Taylor
- Colin Austin Taylor
- Carson Lee Tomlinson
- Joshua Franklin Tripp
- Caleb Joel Welborn
- Harrison Parks Welch
- Morgan Elyse Willow
- Lawson Rogers Wimmer
- Jessica Kylea Womack
- Alexander Craig Wooten

Source: NASBA 01/29/2021
License Reclassifications

At its January 25, 2021, meeting, the Board approved the applications for license reclassification submitted by the following individuals:

**Reinstatement**
- Larry Daniel Allen, #42118, Kings Mountain, NC
- Jonathan Adoneran Hill, Jr., #18416, Charlotte, NC
- Jennifer Deans Lewis, #27531, Southport, NC
- Ginger Shelton Missert, #21638, Mooresville, NC
- Jessica Mae Robinson, #37425, Greensboro, NC
- Susan Lynn Wozena, #22369, Hickory, NC

**Reissuance**
- Paul Lawrence Erickson, #23991, Skyland, NC

**Inactive Status**

Between January 5, 2021, and January 31, 2021, the Board approved the individuals listed below 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 08 .0301(b)(20)].

- Katherine Coltrane Anthony, #20609, Reidsville, NC
- James Francis Major, Jr., #23670, Raleigh, NC
- Thomas Lagonigro, #24077, Greensboro, NC
- Christopher Burleson Woolley, #36747, Raleigh, NC
- June Woody Forbis, #16195, Burlington, NC
- James Wilbur Greyard, #13356, Fort Mill, SC
- M. Marie Lewis, #22317, Kernersville, NC
- James David Laverty, #19058, Cary, NC
- Kerry Shannon, #11823, Houston, TX
- Laura Gaebe Kennerly, #17035, Madison, NC
- Ralph Jones Atkinson, #1354, Winston-Salem, NC
- Samuel Raymond Rose, #12550, Wilmington, NC
- Jane Holmes Hartsell, #28788, Salisbury, NC

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### 2020 CPA Exam Pass Rates - All Candidates

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<td>46.37%</td>
<td>62.86%</td>
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<td>REG</td>
<td>55.42%</td>
<td>75.97%</td>
<td>66.12%</td>
<td>58.00%</td>
<td>62.29%</td>
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### 2021 Board Meetings

- **March 17**
  - 1:00 p.m.
  - Webex

- **April 19**
  - 10:00 a.m.
  - Raleigh/Webex*

- **May 24**
  - 10:00 a.m.
  - Raleigh/Webex*

- **June 28**
  - 10:00 a.m.
  - Raleigh/Webex*

- **July 26**
  - 10:00 a.m.
  - Raleigh/Webex*

- **August 23**
  - 10:00 a.m.
  - Raleigh/Webex*

- **September 20**
  - 10:00 a.m.
  - Raleigh/Webex*

- **October 18**
  - 10:00 a.m.
  - Raleigh/Webex*

- **November 22**
  - 10:00 a.m.
  - Raleigh/Webex*

- **December 13**
  - 10:00 a.m.
  - Raleigh/Webex*

*The location of this meeting will be based on the COVID-19 restrictions in place at the time of the meeting.*

For more information on Board meetings, visit [ncpaboard.gov/about](http://ncpaboard.gov/about).
Notice of Address Change

Please Print Legibly

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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.