



Activity Review

North Carolina State Board of Certified Public Accountant Examiners



1101 Oberlin Rd., Ste. 104 • PO Box 12827 • Raleigh, NC 27605 • 919-733-4222 • nccpaboard.gov • No. 2-2020

Joint Task Force on Succession Planning Will Help Firms Plan for the Future

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 full Board will review the Joint Task Force’s work and any recommendations before taking any action on succession planning.

If you have questions about the Succession Planning Joint Task Force or would like to suggest issues for the Task Force to explore, send an email to David R. Nance, CPA, the Board’s Deputy Director, at dnance@nccpaboard.gov.

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?

Joint Task Force on Succession Planning

Board Representatives	NCACPA Representatives
Gary R. Massey, CPA, Co-Chair	Michael R. Gillis, CPA, Co-Chair
Bernita W. Demery, CPA	Kenneth D. Gibbs, CPA
Jennifer Van Zant, Esq.	Benjamin C. Hamrick, CPA
L. Samuel Williams, Jr., CPA	Kelly D. Puryear, CPA

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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."

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 Ad-

ministrative 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 & A: Amended CPE Rules

Q. When did the new CPE rules go in effect, and how do I get a copy of the rules?

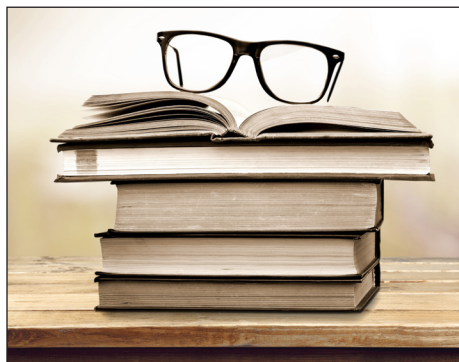
A. The amended CPE rules were effective January 1, 2020. The January *Activity Review* included the text of the revised rules, and the rules are available from the Resources page of the Board's website, nccpaboard.gov.

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 an-



nual 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. Un-

der 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 convert 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.

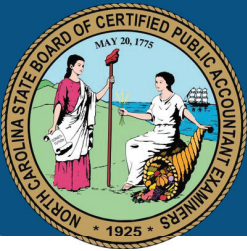
Licensees may submit specific questions about the amended CPE rules to the Board using the email address communications@nccpaboard.gov with the subject line "Amended CPE Rules."

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

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

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



Original NC Certificates

Total: 16,808

77%

Reciprocal Certificates

Total: 5,158

23%

93

Oldest Person
with an Active
CPA License
in North Carolina

22

Youngest Person
with an Active
CPA License
in North Carolina

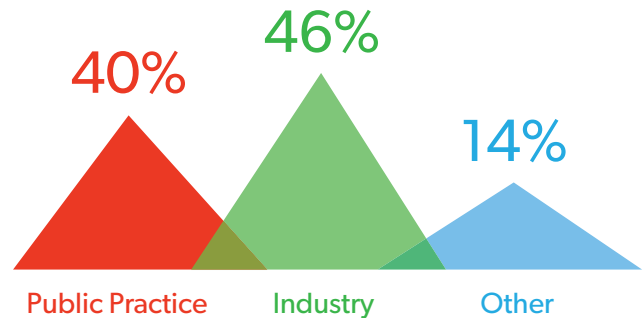


Longest Standing
Certificate Issued

1955

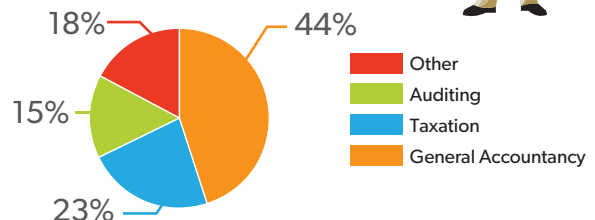
Where do the CPAs in NC work?

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	1,660
Legal	185
None/Other	741
PC Shareholder	783
Retired	326
Student	18
Unemployed	289



What type of jobs do CPAs in NC focus on?

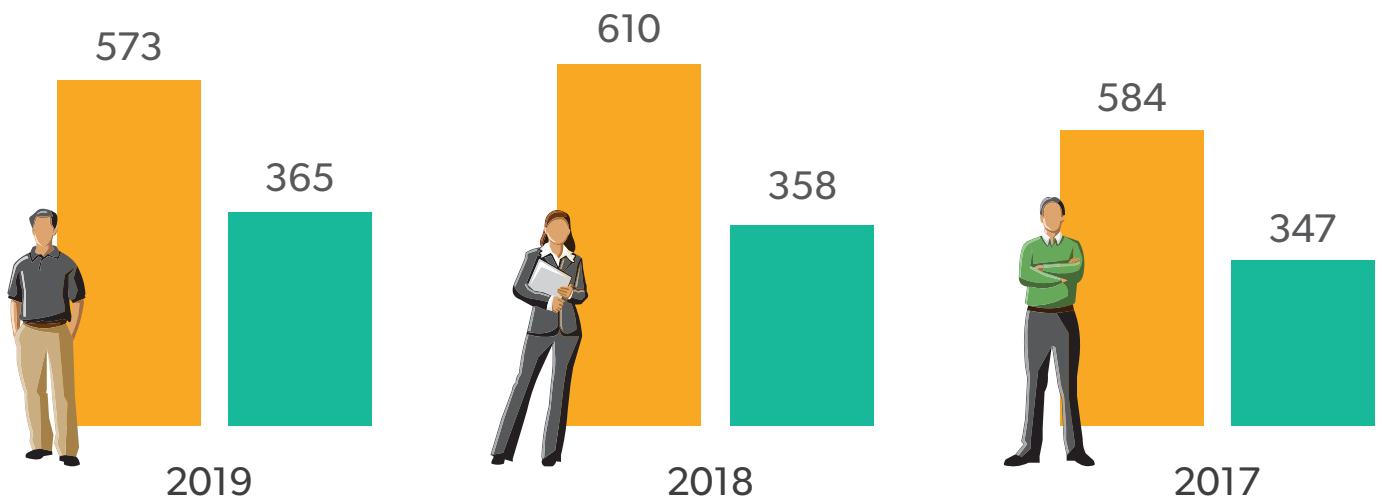
Administration	753
Advisory Services	853
Auditing	3,267
Financial Planning	560
General Accountancy	9,655
Law	150
Non-Accounting	694
None/Other	930
Taxation	5,104



Where do the NC licensed CPAs live?



CPA License Applications Approved



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
Jennah Zaher Brothers
Brandy Elizabeth Buxton
Crystal Anne Carpenter
Justin Morgan Casey
Brendan Timothy Cei
Cara Jayne Chabreck
Jonathan Huston Clark
Connor Emmett Cleary
James Austin Congleton
Hayden Grey Cooper
Anthony Matthew Crisera
Justin Matthew Crute
Jonathon Thomas Darling
Christopher Curtis Davidson
Abbey Menz Davis
Alexandra Juliet Davis
Shelby Elizabeth Davis
Christianne Elyse de la Cruz
Matthew William Deas
Kelsey Erin Dickerson
Bradford McCain Dunnagan
Tyler Ralph D'Urso
Brooke Marie English
Delaney Leigh Ferguson
Jonathan Taylor Fountain
Steven Donald Franklin
Henry Barrett Frantz
Diana North Fu
Tanvi Ujjawal Gandhi
Cameron Thor Gorsline
Paolo Joseph Guma
Trevor Daniel Haga
Justin Keith Hall
Michael Patrick Hamilton
Benjamin Long Harrison
Mark Daniel Hendricks
Robert Frazer Hinman, Jr.
John Austin Hobson
Katherine Lee Holbrook
Nicholas Joseph Howarth

Cory Thomas Hurd
Meganne Louise Hurt
Mary Ann Sink Hutchings
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. Lotts
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 Szafranec
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

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

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	High Point, NC	Robert Ronald Labenski, #42646	Ponte Vedra Beach, FL
Larry Daniel, #34028	Roanoke Rapids, NC	Kris Edward Phillips, #22201	Charlotte, NC
James Walter Lawrence, #36788	Charlotte, NC	Henry Ray Sturkie, III, #17346	Mouth of Wilson, VA
Viony G. Medlin, #35747	New Hill, NC	Matthew Walker Arnold, #32678	Raleigh, NC
Paul Harold Mozingo, #14509	Charlotte, NC	Kenneth Allen Howard, #8815	Durham, NC
Tracey Lynne Pordon, #35810	Honesdale, PA	Michael James Lotterhos, #37450	Raleigh, NC
Emily Gilbert Ransom, #35429	Raleigh, NC	J. Andrew Brightwell, #31098	Charlotte, NC
William Francis Retallick, #7984	Faith, NC	Tamara Jo Hart, #38825	Cary, NC
JoAnn Dust Vaughan, #15140	Fuquay-Varina, NC	Mary Bissette Weidner, #19797	Selma, NC
Mark Anthony Brooks, #36907	Harrisburg, NC	Elizabeth Hunt Alford, #15030	Durham, NC
Anthony Eric Dent, #39706	New York, NY	Karyl P. Gabriel, #13517	High Point, NC
Michael Joseph Dudan, #26921	Huntersville, NC	Donald Nicholas Grimes, II, #38742	Charlotte, NC
Amanda Marie Fannin, #36126	Charlotte, NC	Elaine Long Lindsey, #13845	Charlotte, NC
Ella Nancy Lamar Gibson, #13136	Concord, NC	Ann Blackburn Hardy, #18074	Bolivia, NC
Sean Ryan Quillen, #38572	Austin, TX	Robert Craig Harrell, #15859	Hillsborough, NC
Andrew A. Weniger, #20903	Apex, NC	Cecelia Morrison Meade, #21014	Kings Mountain, NC
Cassandra Marie Brooks, #36870	Harrisburg, NC	David Michael Woodworth, #33961	Raleigh, NC
Katherine Leigh Bryan, #34994	Atlanta, GA	Karissa Jo Cost, #32454	Morgantown, WV
William Jessen Dale, #21366	Charlotte, NC	Thomas Fassett, #16726	Seneca, SC
Ellen Marie Daniels, #27026	Charlotte, NC	Ralph Edward Lowrance, #18520	Charlotte, NC
Troy Edward Dolan, #39099	Cary, NC	William Joseph Bonney, III, #13118	Myrtle Beach, SC
Susan Yates Gressel, #15453	Raleigh, NC	Sharon Adair Conley, #20463	Charlotte, NC
John Morrell Hinkle, #11803	Pinehurst, NC	Diana Reynolds Mahaffey, #34146	Frederick, MD
John R. Ludenia, #25870	Cary, NC	Robert Eugene Terry, #3410	Cornelius, NC
Brian Thomas Marley, #14695	Charlotte, NC	Ford S. Worthy, #34247	Chapel Hill, NC
Douglas Alan Schrift, #27168	Charlotte, NC	Bruce Daniel Bell, #13585	Hendersonville, NC
Rachel Kristen Williams, #37491	Riviera Beach, FL	Bruce Edward Lindsey, Jr., #16881	Charlotte, NC
Phillip Dale Denny, #5142	Winston-Salem, NC	Sharon Gail Millard, #15949	Columbus, NC
Heather Lynn Harjes, #31057	Charlotte, NC	Claudia A. Straw, #31749	St. Petersburg, FL
Claire Estelle Blanton, #42569	Ponte Vedra Beach, FL		



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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:	
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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.