



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. 3-2022



Succession Planning from the Young CPA Perspective

The article below is an updated version of the December 18, 2019, NCACPA blog post written by Stacey Rash, CPA, and is published at the request of the NCACPA. Ms. Rash is a past member of the NCACPA Young CPA Cabinet.

While the world has changed dramatically since this blog post debuted in December 2019, one thing is still certain—the young CPA perspective should still be included in your succession plan.

Retiring partners are not the only CPAs with succession planning on their minds these days. Young CPAs are equally concerned about the future of the firm. While we seem to stand on opposite sides of our careers—one entering, one exiting—now is the time to work together more than ever.

From the young CPA perspective, future partners are seeking retiring partners to: identify, answer, provide, and include.

Our profession has been at its busiest grappling with automation, tax reform, client expectations, time constraints, and now in the COVID era, extremes of staffing shortages, inflation, and regulatory changes.

Simply put—our profession stands at the threshold of a dramatic pivot into the future. As you make the changes required for the future, what better time to formulate, update, or finalize your succession plan.

Retiring partners are thinking about the future of their firms and current partner groups are charged with identifying future partners from their young CPA pool.

Once identified, young CPAs want clear communication about their future potential sooner than later. **Do your future partners know who they are?**

Young CPAs are looking for partners to answer questions about future partnership opportunities.

Do your future partners know the answers to these questions?

Succession Planning
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NCDOR Introduces Online POA Form

The NC Department of Revenue (NCDOR) has launched an online Form GEN-58, Power of Attorney (POA) Form.

A POA is required by law for a tax preparer or other representative to discuss a taxpayer's information with NCDOR personnel or represent a taxpayer when interacting with the department.

According to the NCDOR, use of the online POA is not required but is highly encouraged because it is processed more quickly and is more secure than forms submitted through the USPS.

The online POA is available from www.ncdor.gov/POA.

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Disciplinary Action

Pursuant to NCGS 93-12(9), "any disciplinary action taken [by the Board] shall be in accordance with the provisions of Chapter 150B of the General Statutes. The clear proceeds of any civil penalty assessed under this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 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."

JULIE BOYD BARBA, #42759 | RALEIGH, 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 and the Respondent stipulate to the following:

1. Julie Boyd Barba, CPA (hereinafter "Respondent"), is the holder of North Carolina certificate number 42759 as a Certified Public Accountant.
2. At all times relevant to this Order, Respondent was a partner at KPMG LLP ("KPMG").
3. On or about June 17, 2019, KPMG and the Securities and Exchange Commission ("SEC") entered into an Order imposing disciplinary action against KPMG ("SEC Order").
4. The SEC Order was partially premised upon the following:

KPMG audit professionals--at all levels of seniority--engaged in misconduct in connection with examinations on internally administered training courses that were intended to test whether they understood a variety of accounting principles and other topics of importance.
5. KPMG has identified the Respondent as one of those individuals who received exam answers in connection with internally-administered training requirements.
6. More specifically, the Respondent has confirmed that, in late September or early October 2018, while a partner at KPMG, she received an unsolicited email containing examination answers in connection with certain internal training requirements. The Respondent did not take timely action to report her receipt of these examination answers. The Respondent self-reported the incident to KPMG in December 2018.
7. The Respondent did not use the examination answers she received, and her completion of the aforementioned internal training requirements was not used to satisfy her annual CPE requirement mandated by the Board.
8. 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. By virtue of the facts set forth above, the Respondent violated 21 NCAC 08N .0203.
3. 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.

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

1. The Respondent, Julie Boyd Barba, CPA, is hereby censured.

Approved by the Board on January 24, 2022.

Succession Planning

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- What is my timeline for achieving partner?
- What are the metrics I need to produce to be a candidate?
- How do I compare to other partner candidates?
- If the firm has different types or levels of partners, can you explain the differences and which do you see in my future?
- What are the buy-in requirements and how will they be funded—personal savings, grossed up earnings, loan program, etc.?
- What agreements will I sign?
- How will my progress toward partner be evaluated?

Working together over the years, it is easy to assume a young CPA already knows what being a partner is all about. You did, after all, set a great example, right?!

To help ensure success, future partners need to be provided additional opportunities. While you did provide that great example of a partner, do not underestimate the power of your mentorship to a young CPA.

Be open, honest, candid, and transparent when answering their questions. We are striving to fill your big shoes. Give future partners the opportunity to assess requirements, demands, and expectations of the roles ahead of them. Invest in additional leadership training.

Young CPAs of today will be shaping the young CPAs of tomorrow. Plan new partner trainings to include topics such as key documents, compensation systems, profitability factors, key responsibilities, etc. Start by asking yourself, ***what are you providing for your future partners right now?***

Lastly, young CPAs are seeking something that may not have happened many years ago—we want to be included.

Young CPAs are empowered by making a difference so grant them the

opportunities to make a difference in your firm. Give young CPAs the chance to have a voice, whether it be in a group or one-on-one setting.

From leading a technology initiative to leading a workplace program for retention, young CPAs are willing to drive change for the better. ***Are you including your future partners now in the decisions that will be a part of their future?***

What we can learn is that succession planning can be a joint effort on the part of current and future firm leaders. A significant part of the future success of our profession will be the unified transition of firms to the next generation.



**Need More Information
about Succession
Planning?**

Visit www.nacpa.org/succession-planning-tools-resources for additional articles, complimentary CPE, and other educational resources.

CPA Certificates Issued

On February 21, 2022, the Board approved the following individuals for North Carolina CPA licensure:

Thomas Michael Abele
Katherine Elizabeth Austin
Camille Patrice Bailey
Heather McDougal Becker
Lynda S. Bertoia
Jacob Tim Bishop
Daniela Nicole Boateng
Mical Willson Bovee
Kristen Suzanne Castle
Katherine Doyle Cerotzke
Bryan Albert Ching
Gabrielle Rodriguez Conner
Caroline McGowan Cox
Thomas Herman Dehnel
Andrea Lee Dobbie
Ginisa McCarthy Ebert
Allison Kay Edmonds
William Tyler Ellis
Joseph John Fragomeni
Rohsaan Rohan Francis
Logan Reid Galbreath
Mario Gabriel Santiago Gandini
John Ivan Gavrilov
John Richard Guemple
Aaron Thomas Gulibon
Morgan Rose Halo
Erin Stone Hetrick
Jessica Ashlyn Hoff
Tasha Jolynn Hogue

Kevin Thomas Jette
Hutton Alexander Johnston
George Ernest Karnazes
Reid Benson Kelly
Rebecca Leigh Krizner
Joshua Ryan Lane
Kevin S. May
Matthew Todd Mitchell
Aaron Matthew Montgomery
Steven Maxwell Moon
Andrew Lynn Moore
Jeffrey Allen Moore Jr.
Christopher E. Newman-Clifford
Ji Seok Oh
Brett Nathaniel Parlier
Joseph Woodson Pollard
Matthew Miller Purcell
Kristina Nicole Salvagin
Autumn Diana See
Hunter James Shaffer
Robert Saint Chase Short
Gary Matthew Sigafos
John Raymond Strack
Matthew David Sullivan
Hailey Nicole Thomas
Mitchell Austin Touchton
Sarah King Tutor
Andrew Gwyn Williams
Carly Elizabeth Wolk

Notice of Apparent Violation and Agreement to Cease the Use of the CPA Title

JAMES E. AVENT, JR. | GREENSBORO, NC

TO THE ABOVE NAMED RECIPIENT:

WHEREAS, the North Carolina State Board of Certified Public Accountant Examiners (“Board”) is authorized by N.C. Gen. Stat. §93-12(16) to enforce the provisions of the North Carolina Certified Public Accountant Act (“Accountancy Act”) through actions for injunctive relief regarding “a single violation” of this Chapter; and,

WHEREAS, pursuant to N.C. Gen. Stat. §93-1, “A ‘certified public accountant’ is a person who holds a certificate as a certified public accountant issued to him under the provisions of this Chapter.”

WHEREAS, pursuant to N.C. Gen. Stat. §93-3, “It shall be unlawful for any person who has not received a certificate of qualification or not been granted a practice privilege under GS 93-10 admitting the person to practice as a certified public accountant to assume or use such a title, or to use any words, letters, abbreviations, symbols or other means of identification to indicate that the person using same has been admitted to practice as a certified public accountant.”

WHEREAS, pursuant to N.C. Gen. Stat. §93-6, “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.”

WHEREAS, pursuant to N.C. Gen. Stat. §93-13, “A violation of G.S. 93-3, 93-4, 93-5, 93-6, or 93-8 shall be a Class 1 misdemeanor.”

WHEREAS, James E. Avent, Jr. (hereinafter “Respondent”) has not been licensed as a CPA in North Carolina since September 23, 2013.

WHEREAS, Respondent signed a Consent Order agreeing to voluntarily surrender his CPA license permanently and to “not offer or render services as a CPA or otherwise trade upon or use the CPA title in this State whether

through CPA mobility provisions or substantial equivalency practice privileges or in any other manner.”

WHEREAS, Respondent is the subject of a third-party complaint alleging that Respondent represented himself as a CPA to the complainant’s father, resulting in his being identified as a CPA in the complainant’s father’s will, which was executed on May 27, 2020.

WHEREAS, Respondent has continued to use the CPA title and has allowed himself to be referenced as a CPA on multiple websites including LinkedIn and Facebook. Respondent’s use of the title “CPA” or “Certified Public Accountant” conveys the false impression that he is authorized to use a title other than ‘accountant’ when, in fact, he is not lawfully authorized to use the title “certified public accountant” or “CPA” in this State. Such a representation is misleading and contrary to N.C.G.S. §93-1, §93-3, and §93-6.

WHEREAS, the Board believes that the aforementioned action is contrary to the Accountancy Act and gives notice of the same.

IT IS THEREFORE AGREED THAT:

Respondent recognizes that he is in violation of the Accountancy Act and agrees to refrain from using in any manner the title “CPA” or “Certified Public Accountant” in the State of North Carolina and will refrain from engaging in the public practice of accountancy in the State of North Carolina as a “CPA” or “Certified Public Accountant.”

The Board agrees that as long as Respondent abides by the terms of this Agreement, it will not pursue civil relief pursuant to N.C. Gen. Stat. §93-12(16) or criminal charges pursuant to N.C. Gen. Stat. §93-13.

By: James E. Avent, Jr.

Date: February 17, 2022

By: David R. Nance, CPA, Executive Director

Date: February 18, 2022

By: North Carolina State Board of Certified Public Accountant Examiners

Date: February 21, 2022

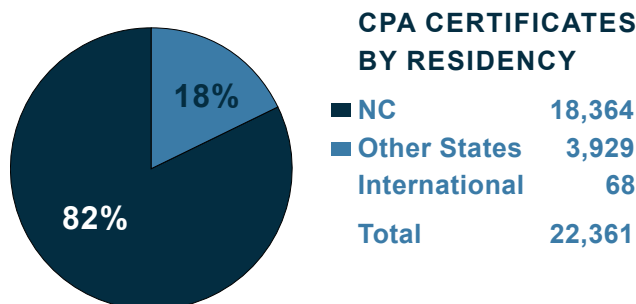
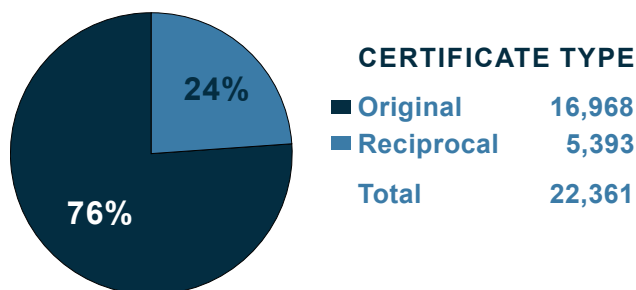
Exam Score Release Dates

If you take your exam on or before:	Your target score release date is:
March 31, 2022	April 12, 2022
April 23, 2022	May 10, 2022
May 16, 2022	May 24, 2022
June 8, 2022	June 16, 2022
June 30, 2022	July 12, 2022

- All dates and times are based on the Eastern Standard Time (EST) zone.
- For most candidates, Prometric sends Exam data files to the AICPA within 24 hours after you complete testing.
- Exam data files received after the AICPA cutoff dates will result in subsequent scheduled target score release dates.
- Follow NASBA on Twitter (@NASBA) for score release updates.

By the Numbers: CPA Certificates

As of March 1, 2022, North Carolina had 22,361 active CPA certificates. The following charts show the certificates by type and by residency.



CPA Exam Performance Summary: 2021 Q-4 North Carolina

OVERALL PERFORMANCE

Unique Candidates	661
New Candidates	153
Total Sections	838
Passing 4th Section	119
Sections/Candidates	1.27
Pass Rate	50.72%
Average Score	71.80

SECTION PERFORMANCE

	Sections	Score	%Pass
First-Time	274	70.99	47.08%
Re-Exam	563	72.17	52.40%
AUD	213	69.69	44.13%
BEC	193	77.85	63.21%
FAR	239	67.2	42.26%
REG	193	73.23	55.96%

JURISDICTION RANKING

Candidates: 16

Sections: 16

Pass Rate: 24

Average Score: 16

CPE Audit Orders

The following matters are excerpted from Consent Orders issued by the Board in response to the findings of the Continuing Professional Education (CPE) audit. Under NCGS 93-12(9), civil penalties are remitted to the North Carolina Civil Penalty and Forfeiture Fund (“Fund”) per NCGS 115C-457.2

Timothy K. McDaniel, #14589 | Huntersville, NC

The Board opened a case against Timothy K. McDaniel (“Respondent”) for failure to complete the CPE required to renew his North Carolina CPA license.

When completing the 2020-2021 individual certificate renewal, Respondent stated he had completed the CPE required for certificate renewal.

As part of the CPE audit, the Board staff asked Respondent to provide certificates of completion for the CPE reported to meet the 2019 and 2020 requirements.

Although Respondent was able to document his 2020 CPE hours, he was unable to substantiate completion of six CPE hours to meet the 2019 requirement.

The Respondent’s actions as set out above constitute violations of 21 NCAC 08N .0202(a), .0202(b)(3), and .0202(b)(4).

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

1. Respondent’s CPA certificate is suspended for one (1) year; however, the suspension is stayed. The Board will lift the stay if Respondent engages in further violations of the Board’s Rules of Professional Ethics and Conduct.
2. Respondent shall pay a one thousand dollar (\$1,000) civil penalty with this Consent Order.

Anthony Craig Stephenson, #16804 | Cary, NC

The Board opened a case against Anthony Craig Stephenson (“Respondent”) for failure to complete the CPE required to renew his North Carolina CPA license.

When completing the 2020-2021 individual certificate renewal, Respondent stated he had completed the CPE required for certificate renewal.

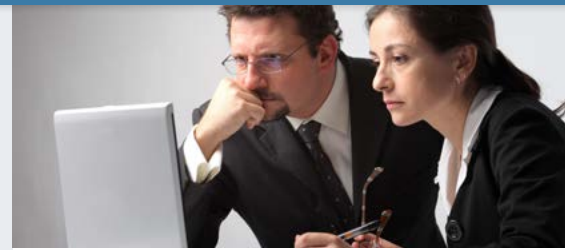
As part of the CPE audit, the Board staff asked Respondent to provide certificates of completion for the CPE reported to meet the 2019 and 2020 requirements.

Although Respondent was able to document his 2020 CPE hours, he was unable to substantiate completion of the ethics CPE course to meet the 2019 requirement.

The Respondent’s actions as set out above constitute violations of 21 NCAC 08N .0202(a), .0202(b)(3), and .0202(b)(4).

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

1. Respondent’s CPA certificate is suspended for one (1) year; however, the suspension is stayed. The Board will lift the stay if Respondent engages in further violations of the Board’s Rules of Professional Ethics and Conduct.
2. Respondent shall pay a one thousand dollar (\$1,000) civil penalty with this Consent Order.



Get Ready for CPA License Renewal

It’s almost time to renew your individual CPA license for 2022-2023.

While you are waiting for the Board to launch the online renewal, there are things you can do to prepare for license renewal.

- Use the “Address Change” link on the Board’s website (nccpaboard.gov) to update your email address, telephone number, mailing address, and employment information.
- Locate and organize your 2021 CPE Certificates of Completion. Make sure you have a certificate for each course completed (including carry-forward credits) to meet the annual requirement.

If you are an NCACPA member, you can download a transcript of your NCACPA courses from your member account.

- Add up the 2021 CPE credits you completed before December 31, 2021. Don’t forget to include carry-forward hours/minutes.

If you were licensed as a North Carolina CPA before March 31, 2022, the requirement is 40 hours (2,000 minutes), including at least one hour (50 minutes) of professional or regulatory ethics from a sponsor on the National CPE Sponsor Registry.

50 Years of NC CPA Licensure

Congratulations to the following individuals who have been licensed as North Carolina CPAs for 50 years:

January 1972

William Blaine Hawkins

February 1972

Robert Douglas Barry
Hilton Wayne Comstock
William Hall Formy-Duval

March 1972

John Francis Camp
Gerald Wayne Dodd
Claud Lee Dunn Jr.
Larry Wayne Lassister
Thomas Albert Nichols
Kenneth Donald Smith
Milton Lee West

Successful Uniform CPA Exam Candidates

The Board is pleased to announce that the following North Carolina Uniform CPA Exam candidates passed the Exam between January 1, 2022, and January 31, 2022:

Simon Belokowsky
Rebecca Marie Crumpler
Allyson Neeley Davis
Carlyn Appleton Flake
Bradley Austin Fye-Duell
Stephanie Joy Harris
Marsha Veil Hughes
Hannah Murphy Jabusch
Timothy Blake Jackson
Abby Leann Joyner
Benin G Lester
Henry Clyde McDonald
Dennis Jon Munise
Cynthia Nunez
Heather Nicole Shamblin
Brandon James Taylor
Malorie Mendoza Virovets
Austin Patterson Williams
Avery Suzanne Younis

CPA License Reclassifications

At its February 21, 2022, meeting, the Board approved the applications for CPA license reclassification submitted by the following individuals:

Reinstatement

Lauren Follmer Ball, #24509	Charlotte, NC
Karen Hopper Chiuchiolo, #23381	Tega Cay, SC
Karen Elaine Jolley, #40304	Ozark, MO
Kara Shan Kessinger, #20853	Burlington, NC
Jennifer Marie Woods, #33418	Chapel Hill, NC

Reissuance

Kimberly Patrice Berezna, #39304	Chicago, IL
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Inactive Status

Between February 11, 2022, and March 10, 2022, 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 08A .0301(b)(20)].

Tracey Whitley Hilker, #14989	Huntersville, NC
Phillip Roy Huffman, #14189	Greensboro, NC
Carol Ann Wahula, #27180	Lancaster, SC
Richard Lee Smiley, #14761	Apex, NC
Matthew Soren Christensen, #22570	Raleigh, NC
Beverly A. Kelly, #28568	Gastonia, NC
George Wiese Beckwith, #41709	Hillsboro, TX
Mary Hill, #17508	Christiansburg, VA
Clarence Richard Jordan Jr., #15995	Matthews, NC
Ashley Elizabeth Milne, #35046	Apex, NC
Kathy Lynn Morris, #16211	Raleigh, NC
Lindsay Marie Johnson Cook, #42108	Charlotte, NC
Bruce William MacEwen, #8216	Atlanta, GA
Jack Eugene Fisher, #9442	Alpharetta, GA
Carlene Ann Kamradt, #27044	Fayetteville, NC
Laurie Clements LeGrand, #14055	Belmont, NC
Rebecca M. Wolf, #34577	Huntersville, NC
Brian Davis Hollingsworth, #25693	Caldwell, ID
Richard Lee McRae, #10383	Fort Mill, SC
Paul Arthur Verhaeghe, #13547	Charlotte, NC
Patricia Ann Sutherland, #34163	Apex, NC



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2022 Dates to Remember

Dates, times, and locations are subject to change.

April 15 - Office Closed - Good Friday

April 21 - Board Meeting - Raleigh, 10:00 a.m.

May 16 - CPA License Renewal Begins

May 23 - Board Meeting - Raleigh, 10:00 a.m.

May 30 - Office Closed - Memorial Day

June 20 - Office Closed - Juneteenth

June 23 - Board Meeting - Raleigh, 10:00 a.m.

June 30 - CPA License Renewal Deadline

July 4 - Office Closed - Independence Day

July 25 - Board Meeting - Raleigh

July 30 - Final Deadline for CPA License Renewal