

North Carolina State Board of Certified Public Accountant Examiners

PUBLIC SESSION MINUTES September 26, 2022

MEMBERS ATTENDING: Gary R. Massey, CPA, President; Bernita W. Demery, CPA, Vice President; Maria M. Lynch, Esq, Secretary-Treasurer; Jodi K. Kruse, CPA; D. Michael (Mickey) Payseur, CPA; and Jennifer Van Zant, Esq.

STAFF ATTENDING: David R. Nance, CPA, Executive Director; S. Lynne Sanders, CPA, Deputy Director; Frank Trainor, Esq., Staff Attorney; Lisa Hearne-Bogle, Communications Officer; and Noel L. Allen, Esq., Legal Counsel.

GUESTS: Patricia Hartman, Director of Client Services, NASBA; Sharon Bryson, CEO, NCACPA; Robert Broome, Director of Advocacy, NCACPA; Scott Showalter, Director, Jenkins Master of Accounting Program, NCSU; Dr. Roby Sawyers, Director of Undergraduate Programs, Department of Accounting, NCSU; Kelly Hardy, Associate Director, Career Services and Student Programs, Jenkins Master of Accounting Program, NCSU; Jay Arrington, Director of Admissions, Jenkins Master of Accounting Program; Jessica Moran, Assistant Director of Academic Programs, Poole College of Management, NCSU; Master of Accountancy and Bachelor of Science in Accounting students; and David Rattelade, Raleigh Police Department.

CALL TO ORDER: Mr. Massey called the meeting to order at 10:01 a.m. in Room 3220, Nelson Hall, 2801 Founders Drive, Raleigh, NC.

CONFLICTS OF INTEREST: Ms. Van Zant recused herself from two items on the Professional Standards Committee agenda; the recusals are indicated in the Committee report. Ms. Demery recused herself from an item on the Professional Education and Applications agenda; the Committee report notes the recusal.

AGENDA: Mr. Massey added Item VI-D, Updates from Board President, to the agenda. Ms. Kruse moved, and Ms. Lynch seconded the motion to approve the agenda as amended. The motion passed with six (6) affirmative votes and zero (0) negative votes.

MINUTES: Ms. Demery moved, and Ms. Kruse seconded the motion to approve the August 29, 2022, meeting minutes as submitted. The motion passed with six (6) affirmative votes and zero (0) negative votes.

FINANCIAL AND BUDGETARY ITEMS: Ms. Demery moved, and Mr. Payseur seconded the motion to approve the July 2022 financial statements as submitted. The motion passed with six (6) affirmative votes and zero (0) negative votes.

LEGISLATIVE AND RULEMAKING ITEMS: Ms. Kruse moved, and Ms. Demery seconded the motion authorizing the Executive Staff to proceed with rulemaking. Motion passed with six (6) affirmative votes and zero (0) negative votes.

NATIONAL ORGANIZATION ITEMS: Ms. Van Zant moved, and Ms. Demery seconded the motion to approve the response to the AICPA Exposure Draft, *Maintaining the Relevance of the Uniform CPA Examination: Aligning the Exam with the CPA Evolution Licensure Model* (Appendix I). The motion passed with six (6) affirmative votes and zero (0) negative votes.

Mr. Massey stated that he, Mr. Nance, and Ms. Sanders participated in the NASBA Middle-Atlantic Region conference call on September 20, 2022

STATE AND LOCAL ORGANIZATION ITEMS: Mr. Massey stated that the NCACPA invited the Board to participate in its 83rd Annual Symposium on November 14-16, 2022, in Greensboro. Mr. Massey stated that he would be available to participate. Ms. Demery, Ms. Van Zant, and Mr. Payseur volunteered to serve as panelists representing the Board.

PROFESSIONAL STANDARDS COMMITTEE REPORT: The Board approved with six (6) affirmative votes and zero (0) negative votes the following recommendations of the Committee as presented by Ms. Van Zant.

Case No. C2022077 - Catherine Michelle Kelly - Approve the signed Consent Order (Appendix II).

<u>Case No. C2022084 - Joy M. Coleman Brannen</u> - Approve the signed Consent Order (Appendix III).

<u>Case No. C2022149</u> - Close the case without prejudice with a Letter of Warning and an \$11,000 administrative penalty. Ms. Van Zant recused herself from this matter.

<u>Case No. C2022186</u> - Close the case without prejudice. Ms. Van Zant recused herself from this matter.

<u>Case Nos. C2021212-1, C2021212-2, C2021212-3, and C2021212-4</u> - Close the cases without prejudice with a Letter of Warning to the Respondent Firm.

<u>Case Nos. C2022213-1 and C2022213-2</u> - Close the cases without prejudice with a Letter of Warning.

Case No. C2022138 - Close the case without prejudice.

Case No. C2022144 - Close the case without prejudice.

<u>Case No. C2022164</u> - Close the case without prejudice.

Case No. C2022192 - Close the case without prejudice.

<u>Case No. C2022193</u> - Close the case without prejudice with a Letter of Warning.

Ms. Van Zant reported that the Committee provided guidance on one (1) case.

PROFESSIONAL EDUCATION AND APPLICATIONS COMMITTEE REPORT: The Board approved with six (6) affirmative votes and zero (0) negative votes the following recommendations of the Committee as presented by Ms. Demery.

Transfer of Uniform CPA Exam Grades - Approve the following applications for the transfer of Uniform CPA Exam grades:

Jacob Richard Eno Maria Lou Lindstrom Kathryn Rose Ferraguti Miles Kenner Weiss

Original CPA Certificate Applications - Approve the following applications for original CPA certification:

Stephanie Antonette Alsay
Alec Joseph Altman
Madison Couch Bencini
Christopher David Buckner
Allyson Neeley Davis
Brianne Marie Lockee
Jessica Nicole MacConnie
Jonathan Labi Malote
Henson Haivuong Nguyen
Jana Jenson Reeve

Bridget Elaine Demery

Donald Kent DeWoody III

Jacob Richard Eno

Kathryn Rose Ferraguti

Casey Elizabeth Snodgrass

Monica Dalston Sorensen

Hudson Lawson Sowders

Andrew Conner Takes

Samantha Brook Frink Christopher MacNeal Thomas

Hope Alexis Gibson

Monica Elizabeth Glaescher

Jacquelynn Marie Huckert

Mekeia D. Jenkins

Maria Lou Lindstrom

Caleb Webel Wagner

Katelyn Grace Ellen Weiss

Miles Kenner Weiss

Jacob Coleman Wemyss

Tadeusz James Zmarzly

Ms. Demery recused herself from the vote on approving the original certificate application submitted by Bridget Demery.

Reciprocal CPA Certificate Applications - Approve the following application for reciprocal CPA certification:

Neekis Don Hammond

Temporary Permits - Approve the following temporary permits approved by the Executive Director:

Samuel Joseph Howard, T13384

Erin Lynn Peden, T13385

Nicholas Sampson Peden, T13386 Lea Elizabeth Fegley, T13387 Colleen Clare McDermott, T13388 Michael Andrew Shamblin, T13389

Jared Jay Mills, T13390 Ebenezer Sampene, T13391

Joseph David Kane, T13392 Susan Marie Kinsey, T13393

Bryan David Adams, T13394 Logan James Hundley, T13395

Samantha June Layo, T13396

Marc Anthony Conrad Jackson, T13397

Kevin Bradford Harriott, T13398

Peter R. Colasanti, T13400

Teresa Elaine Leyh, T13401 Scott L. Meredith, T13426

Jacqueline Ann Benzino, T13427 Jonah Gray Gurley, T13428 Roel Antonius Swinkels, T13429 Jordan Matthew Barsanti, T13430

Katie Marie Schea, T13431

Steven Robert Amoroso, T13432

Laura Ann Walker, T13433 Taylor Ann Pelusi, T13434

Scott Kenneth Wierschem, T13435

Richard Trang, T13436

Charles James Kolenik, T13437

Mariia Zubach, T13438

Xin Gu, T13439

David Lauren Scouten, T13440

Reinstatements - Approve the applications for reinstatement of their CPA certificate submitted by the following individuals:

Rebecca Jane Beilstein, #28200

Justin Holt Cribb, #37334

Litsa Nicole McKinnon, #29432

Reissuance of New Certificate - Approve the applications for reissuance of their CPA certificate submitted by the following individuals:

William Henry Bunch, #14555

Amanda Nicole Fontana, #41126

Kenan A. Patel, #41928

Rescind CPE Letters of Warning - Approve rescinding the CPE Letters of Warning issued to the following individuals:

David William Gora, #35284

Gary Wize, #37466

Marcus Spencer Hulbert, #45325

Uniform CPA Exam Applications - Approve the applications for the Uniform CPA Exam submitted by the following individuals:

Erika Alandt Daniel Allwurden Julio Alvarez Jazmine Anderson Gardner Atkinson Nicholas Aycock Eva Azmoudeh Brian Baccaglini James Badgett Kellie Baker

Kellie Baker
Kathleen Baryenbruch
John Batten
Hannah Bayliff
Clara Blackstock
Bethany Blanke
Madison Bonello
Sarah Botts
Christian Brill

Anna Byrd
William Byron
Anna Caldwell
Michele Calloway
Alyssa Carey
Sara Cauthen

George Brown

Darby Cayson
Lacy Chesnutt
Karen Chilcott
Breelyn Clark
Shawna Clausen
Drew Coble
Spenser Collins
Nicole Colmenares

Kylie Conlon Ceara Corbett Patricia Costagliola John Cox John Craig

Eva Cruz Rivera
Turner Cunningham
Gabriel Davis
Nicholas DeMarco
Manan Desai
Benjamin Doby
Isabelle Dotlich
Kearsten Dozier
Alicia Driver
Drew Dubauskas

James Eldridge

Aaron Eller

Karlee Evancho
Rachel Evatt
Madison Ferguson
Cory Fidurko
Anna-Kelly Fink
Matthew Finney
Codey Flickinger
John Folck

Jared Foshee
Sarah Freeman
Kaitlyn Frey
John Gibson
Kelly Greene
Emily Greer

Nicholas Hagopian

Andrew Hall
Mohamed Hamed
Reese Hanshaw
Derick Hart
Syun Hasebe
William Hensley
Anna Hergenrader
Pablo Hernandez
Delaney Hodnett
Stuart Holmes

Kathryn Ivancevich

Connor Hunt

Stacy James Shanette Jenkins Meghan Job Juliana Jordan Keyana Jordan Barbara Joyner Leigh Kagan Jacob Kauffman Jonathan Keller Keri Kenkel Ruth Kinyua Ashlyn Kirby William Knabe Abraham Koroma **Brittney Kudla** Claire Kunkel

Edward Laiewski

Yasmine Lansari

Debbie Lee

Jacob Richburg

Anna Lockamy

Emily Loehrke

Shannon Lombardo

Michael Madigan

Braden Magee

Taylor Reynolds

Jacob Richburg

Amanda Ringler

Zoe Rumberg

Stephen Sackey

Arianna Shahin

Eric Shea

Janelle Shipotofsky Gavin Mahony Michael Malley **Keith Shockley** Mark Mantey Deveron Smith **Anna Marion** Asma Sohail Jayce McDaniel Nicholas Spera Diamond McKoy Hannah Stamey Rebecca Miller Mitchell Stanek **Daniel Millick** Nathan Steger Roypim Strait Laura Miranda Akeem Moore Andrew Strickland Charles Strickland Jaleesa Murphy Zaynab Nasif Rodney Strickland Nyeemah Nelson **Amy Thornburg** Dylan Nguyen Mackenzi Thornburg

Dylan Nguyen
Loren Nichols
Dianna Norville
Faith Odutola
Zachary Oxendine
Nicholas Palmer

Mackenzi Thornbu
Charles Tompkins
Leah Traumuller
Angie Tucker
Dylan Tuttle
Dominick Vaccaro

Nicole Pape
Savannah Parker
Athena Wang
Dristi Patel
Ceclan Payne
John Pearce
Anna Vincent
Athena Wang
Kara Ward
Lewis Williams
Jamila Wilson-Davis

Tyson Petermann Khendra Witt
Emerson Porter Carly Wright
Grayson Prickett Jessica Wyant
Zane Purcell Austin Young
Viviann Quintanilla Samuel Young
Timber Ralston Ling Zhu

Shakila Reid Meghan Zuzolo

Rafaela Respass

Miscellaneous - Approve a Uniform CPA Exam score extension request due to medical circumstances.

CPA Firm Registration - Approve the CPA firm registration application submitted by the following firm:

PYA, P.C.

EXECUTIVE STAFF AND LEGAL COUNSEL REPORT: The Board reviewed the July 2022 operational metrics and the August Executive Staff Report. Ms. Sanders told the Board the licensee survey concluded on September 21, 2022, and the Board would receive a summary at the October 24, 2022, meeting.

Ms. Demery moved, and Ms. Kruse seconded the motion to approve the proposed 2023 meeting dates (Appendix IV). Motion passed with six affirmative votes and zero (0) negative votes.

Mr. Massey thanked the faculty and staff of the Jenkins Master of Accounting Program and Poole College of Management for hosting the Board meeting and allowing the Board members to interact with students interested in the CPA profession.

PUBLIC COMMENTS: Ms. Bryson spoke on various topics, including the CPA pipeline, the proposed Joint Task Force on Retired Status, CPA Evolution, and the NCACPA's Accounting Educators' Conference.

Mr. Trainor responded to Dr. Sawyers' questions about the Board's disciplinary process, the origin of cases, and the distribution of civil penalties paid by respondents.

ADJOURNMENT: Ms. Demery moved, and Ms. Lynch seconded the motion to adjourn the meeting at 11:31 a.m. The motion passed with six (6) affirmative votes and zero (0) negative votes.

Respectfully submitted:

Attested to by:

David R. Nance, CPA

Executive Director



North Carolina State Board of Certified Public Accountant Examiners

September 26, 2022

American Institute of Certified Public Accountants 220 Leigh Farm Road Durham, North Carolina 27707-8110

The North Carolina State Board of CPA Examiners (Board) has reviewed the Exposure Draft, *Maintaining the Relevance of the Uniform CPA Examination – Aligning the Exam with the CPA Evolution Licensure Model* prepared by the American Institute of Certified Public Accountants (AICPA). The draft outlines proposed changes to the 2024 CPA Exam, aligning the CPA Exam to the CPA Evolution licensure model. The core elements of the draft include the transition policy from the current CPA Exam to the new version of the CPA Exam and the Uniform CPA Examination Blueprints (Blueprints). The Board offers the following comments:

The Board was part of the deliberations related to the CPA Exam transition policy and agrees with the policy directives outlined in the draft. The policy identifies the alignment of the current core sections of AUD, FAR, and REG with the updated version of the CPA Exam and notes that three Discipline sections will replace the current BEC section on the new CPA Exam. While the transition policy is relatively straightforward, it is a significant change to the administration of the CPA Exam. This policy and its ramifications must be widely communicated to the candidate population to ensure their understanding of the upcoming changes and the impact on the candidate's testing requirements. The AICPA, the National Association of State Boards of Accountancy (NASBA), State Boards of Accountancy, and other stakeholders will need to coordinate efforts to ensure the communications reach the candidates.

The updated Blueprints result from the recently completed practice analysis performed by the AICPA. The Blueprints realign the existing content of the current CPA Exam into the three Core Exam sections and the three Discipline sections as outlined in the CPA Evolution licensure model. The Core Exam sections appear to be more targeted testing of the content currently on the CPA Exam. In contrast, the Discipline sections are higher-level content specific to the chosen Discipline track. This distinction correlates with the areas of "specialization" currently seen in the profession. It also appears to connect with choices being made by candidates within the educational system now – choosing to focus on a financial reporting, tax, or information system track.

The Board notes that the Core Exam Blueprints appear to have the content necessary for the knowledge and skills required of a newly licensed CPA to protect the public interest. Technology and data analytics seem to have been integrated into the Core Exam sections, reflecting the increased role each plays in decision-making in today's business world. The Board did note that on page $\Lambda 10$ (Λ udit), the content allocation for "Forming Conclusions and Reporting" is weighted at 10-20%. The representative task is identified as determining the appropriate form and content

of various reporting formats (audit, agreed-upon procedures, etc.). As newly licensed CPAs generally would not be expected to perform engagement finalization processes, the weighting of this category could be considered high.

The Board notes that the Discipline Exam Blueprints appear to have the content necessary for the knowledge and skills required of a newly licensed CPA to protect the public interest. The Discipline tracks of Business Analysis and Reporting (BAR), Information Systems and Controls (ISC), and Tax Compliance and Planning (TCP) provide for testing higher-level skills more specific to a candidate's knowledge area. This focus should allow candidates to better focus on their career track and focus their studies for the CPA Exam in that particular skill area.

Finally, the Board agrees that the draft Blueprints mirror the expectations established under the CPA Evolution model. The skillset of CPAs has always included data analysis, interpretation, and reporting. The updated Blueprints further incorporate the technology skills expected in the profession today.

The Board appreciates the opportunity to provide comments on the proposed Exposure Draft.

Sincerely,

Gary R.∕Massey, CPA∠

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NORTH CAROLINA WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS CASE #C2022077

IN THE MATTER OF: Catherine Michelle Kelly, CPA, #38197 Respondent

CONSENT ORDER

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:

- 1. Catherine Michelle Kelly, CPA (hereinafter "Respondent"), is the holder of North Carolina certificate number 38197 as a Certified Public Accountant.
- 2. The Respondent informed the Board on her 2020-2021 certificate renewal that she had obtained the required CPE for calendar year 2019. She also informed the Board on her 2021-2022 certificate renewal that she had obtained the required CPE for calendar year 2020.
- 3. Based on the Respondent's representation, the Board accepted her renewals.
- 4. The Respondent was subjected to an audit of her 2019 and 2020 CPE.
- 5. In response to the audit, the Respondent was only able to document thirty-seven and one-half (37.5) hours of CPE for 2019 and thirty (30) hours of CPE for 2020.
- 5. Per Section 3.20 of Session Law 2020-97, the North Carolina General Assembly has authorized State agencies to exercise regulatory flexibility during the Coronavirus emergency in order to protect the economic well-being of the citizens and businesses of North Carolina. The Board finds that allowing the Respondent to retain an active CPA certificate, under the facts set forth above, furthers that goal.
- 6. 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. The Respondent's actions as set out above constitute violations of 21 NCAC 08N .0202(a), .0202(b)(3), and .0202(b)(4).
- 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's CPA certificate is suspended for one year.
- 2. In light of the aforementioned State policy to exercise regulatory flexibility, the Respondent's suspension is stayed. The stay shall be lifted if the Board finds that the Respondent has engaged in further violations of the Board's Rules of Professional Ethics and Conduct.
- 3. The Respondent shall pay a one thousand dollar (\$1,000) civil penalty, to be remitted to the Board with this Consent Order.

NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

OCERTIFED OUT

BY: Jary K Massey
President

NG DEATED OF

AUG 3 1 2022

CPA EXAMINERS

NORTH CAROLINA WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS CASE #C2022084

IN THE MATTER OF:
Joy M. Coleman Brannen, CPA, #37912
Respondent

CONSENT ORDER

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:

- 1. Joy M. Coleman Brannen, CPA (hereinafter "Respondent"), is the holder of North Carolina certificate number 37912 as a Certified Public Accountant.
- 2. The Respondent informed the Board on her 2020-2021 CPA certificate renewal that she had obtained the required CPE for calendar year 2019.
- 3. Based on the Respondent's representation, the Board accepted her renewal.
- 4. The Respondent was subject to an audit of her 2019 and 2020 CPE.
- 5. In response to the Board's audit of her 2019 CPE, the Respondent provided documentation for two (2) courses that, per the sponsor, are ineligible for CPE credit. The Respondent asserts that the sponsor was not clear in its advertisement of those courses.
- 6. The Respondent was required to complete forty (40) hours of CPE for 2019. She completed forty-one (41) hours of CPE; however, two of those hours were deemed ineligible by the Board.
- 7. Per Section 3.20 of Session Law 2020-97, the North Carolina General Assembly has authorized State agencies to exercise regulatory flexibility during the Coronavirus emergency in order to protect the economic well-being of the citizens and businesses of North Carolina. The Board finds that allowing the Respondent to retain an active CPA certificate, under the facts set forth above, furthers that goal.
- 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:

Consent Order - 2 Joy M. Coleman Brennan, CPA

- 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. The Respondent's actions as set out above constitute violations of 21 NCAC 08N .0202(a), .0202(b)(3), and .0202(b)(4).
- 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's CPA certificate is suspended for one year.
- 2. In light of the aforementioned State policy to exercise regulatory flexibility, the Respondent's suspension is stayed. The stay shall be lifted if the Board finds that the Respondent has engaged in further violations of the Board's Rules of Professional Ethics and Conduct.
- 3. The Respondent shall pay a one thousand dollar (\$1,000) civil penalty, to be remitted to the Board with this Consent Order.

CONSENTED TO THIS THE	DAY OF Septemer (Month)	(Year)
	Respondent	147
APPROVED BY THE BOARD THIS THE	DAY OF September (Month)	, AONA (Year)

NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

THON 1925 - SOME

BY:

President

SEP 16 2022

CRATIXALES



North Carolina State Board of Certified Public Accountant Examiners

2023 Board Meeting Dates

Monday	January 23	10:00 a.m.	Raleigh
Monday	February 20	10:00 a.m.	Raleigh
Wednesday	March 15	10:00 a.m.	Raleigh
Thursday	April 20	10:00 a.m.	Raleigh
Monday	May 22	10:00 a.m.	Raleigh
Tuesday	June 20	10:00 a.m.	Raleigh
Monday	July 24	10:00 a.m.	Raleigh
Monday	August 21	10:00 a.m.	Raleigh
Monday	September 25	10:00 a.m.	Raleigh
Monday	October 23	10:00 a.m.	Raleigh
Monday	November 20	10:00 a.m.	Raleigh
Monday	December 18	10:00 a.m.	Raleigh

Dates, times, and locations are subject to change.

Approved 09/26/2022