



North Carolina State Board of Certified Public Accountant Examiners

Public Session Agenda

June 23, 2025

10:00 a.m.

I. Administrative Items

- A. Call to Order
 - 1. Conflict of Interest

Under North Carolina General Statute 138A-15(e), every Board member must avoid conflicts of interest and appearances of conflict. Does any Board member have a known conflict of interest or appearance of conflict with respect to any matter coming before the Board today? If so, please identify the conflict or appearance of conflict and refrain from participating in that matter.
- B. Welcome and Introduction of Guests
- C. Approval of Agenda **(ACTION)**
- D. Minutes **(ACTION)**
- E. Financial/Budgetary Items
 - 1. May 2025 Financial Statements **(ACTION)**

II. Legislative & Rulemaking Items

- A. Update on Periodic Rules Review Process **(FYI)**

III. National Organization Items

- A. NASBA Committee Updates **(FYI)**
- B. NASBA Eastern Regional Meeting **(FYI)**

IV. State & Local Organization Items

- A. Update on Exam Credit Relief Initiative **(FYI)**

V. Committee Reports

- A. Professional Standards Committee **(ACTION)**
- B. Professional Education and Applications Committee **(ACTION)**

VI. Executive Staff and Legal Counsel Report

- A. Operational Metrics **(FYI)**
- B. Executive Staff Report **(FYI)**

VII. Recognition of Milestone CPAs (FYI)

VIII. Public Comments

IX. Closed Session

X. Adjournment



North Carolina State Board of Certified Public Accountant Examiners

PUBLIC SESSION MINUTES

May 19, 2025

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

BOARD STAFF IN ATTENDANCE: David R. Nance, CPA, Executive Director; S. Lynne Sanders, CPA, Deputy Director; Frank Trainor, Esq., Staff Attorney; and Lisa Hearne-Bogle, Communications Officer.

OTHERS IN ATTENDANCE: Diane Scobie Aldridge, CPA; Noel L. Allen, Esq., Allen & Pinnix, PA; Robert Broome, Vice President of Advocacy and Outreach, NCACPA; Sandi Massey; Susan Nance; David Everett Scobie, CPA-retired; Mark Soticheck, CPA, CEO, NCACPA; and Lt. J.A. Stokes, Raleigh Police Department.

CALL TO ORDER: Ms. Demery called the meeting to order at 10:00 a.m.

CONFLICT OF INTEREST: Ms. Van Zant stated she recused herself from three items on the Professional Standards Committee agenda.

APPROVAL OF AGENDA: Mr. Massey moved, and Ms. Kruse seconded the motion to approve the agenda. The motion passed with seven affirmative votes and zero negative votes.

MINUTES: Ms. Kruse moved, and Dr. Smith seconded the motion to approve the minutes of the April 21, 2025, meeting as presented. The motion passed with seven affirmative votes and zero negative votes.

FINANCIAL AND BUDGETARY ITEMS: Mr. Payseur moved, and Mr. Kruse seconded the motion to approve the April 2025 financial statements as presented. The motion passed with seven affirmative votes and zero negative votes.

Mr. Massey moved, and Ms. Lynch seconded the motion to approve the proposed 2025-2026 budget. (Appendix I) The motion passed with seven affirmative votes and zero negative votes.

LEGISLATIVE AND RULEMAKING ITEMS: Mr. Massey moved, and Ms. Van Zant seconded the motion to approve the proposed draft rules (Appendix II). The motion passed with seven affirmative votes and zero negative votes.

Mr. Broome provided an update on several pieces of North Carolina legislation of interest to the Board.

NATIONAL ORGANIZATION ITEMS: Mr. Massey moved, and Dr. Smith seconded the motion to approve the revised response to the AICPA PEEC Alternative Practice Structures Task Force's *Invitation to Comment on Potential Revisions to the AICPA Code of Professional Conduct and Guidance Related to Independence in Alternative Practice Structures*. (Appendix III) The motion passed with seven affirmative votes and zero negative votes.

Ms. Demery, Mr. Massey, and Mr. Payseur updated the Board on the recent and upcoming meetings of their respective NASBA committees. Mr. Massey stated that he had resigned from the Inclusion Committee.

Mr. Nance reported that he continues to serve on NASBA's Examination Administration Committee and has been appointed to the Private Equity Task Force. Additionally, Ms. Sanders has joined the NASBA CPE Standards Working Group and the NASBA Licensing Focus Group.

STATE AND LOCAL ORGANIZATION ITEMS: The Board reviewed the State Ethics Commission's findings on the Statement of Economic Interest filed by Ulysses Taylor, CPA, Esq. (Appendix IV) and acknowledged the potential conflict of interest. Mr. Massey moved, and Ms. Kruse seconded the motion to approve Mr. Taylor's Statement of Economic Interest. The motion passed with seven affirmative votes and zero negative votes. Ms. Demery instructed the staff to include the letter in the meeting minutes.

PROFESSIONAL STANDARDS COMMITTEE REPORT: The Board approved with seven affirmative and zero negative votes the following recommendations of the Committee as presented by Ms. Kruse:

Case No. C2025053 – Zachary Montgomery Nichols - Approve the signed Order (Appendix V).

Case No. C2024185-1 and C2024185-2 - Robert Harold Collis and Collis and Associates CPAs, P.C.
- Approve the signed Consent Order (Appendix VI)

Case No. C2024242 – Jammie Lynn Eubanks – Approve the Notice of Hearing for July 21, 2025, at 10:00 a.m. (Appendix VII)

Ms. Kruse reported that the Committee provided guidance to the staff on four items.

PROFESSIONAL EDUCATION AND APPLICATIONS COMMITTEE REPORT: The Board approved with seven affirmative and zero negative votes the following recommendations of the Committee as presented by Ms. Lynch:

Transfer of CPA Exam Scores - Approve the following request for the transfer of CPA Exam scores from another jurisdiction:

Ryan James Pigula

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

Miranda Chambers Arrington
Luke Bozard Bradley
Owen Armstrong Burden
Hallie Jo Burris
Munish Kumar Chadha
Audrey Anna Chen
Anthony Thomas DeMarco
Michael Fallon Drambel
Annie Valentine Edmonston
Michael Thomas Hannah
Milana Sue Kirby Harwick
Connor Graham Hunt
Shanley Lourentia Koekemoer
Eli John Sebastian Kovacs
Kaitlyn Marie McGoldrick

Christopher James Minneci
Mathias Steven Nasisse
Nelly Njambi Njau
Lyndsay Michelle Orwig
Connor Lawrence Parkes
Tiana Nicole Patillo
Ryan James Pigula
David Michael Post
Christine Cameron Riley
Anthony Weston Rucki
Anna Mackenzie Thomas
Sonya Uppliappan
Kaylah Brook Wigglesworth
Helena Gertrud Aiesha Wilkerson
Meredith Norris Womble

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

Paul John Herron III T15029
Kelsey Rose Hagan T15030
Brielle Marie Marcoux T15031
Jonah Adam Langburt T15100
Tiffany Ann Blaase T15101
Kacie Lynn Dellecave T15102
Jayshree Choudhary T15103

Jenney Delorse Ainsworth T15104
Noel Sandria Bowers T15105
Ryan Patrick Schutz T15106
Jordan Michael Kowalski T15107
Brian Patrick Williams T15108
Daniel Richard Kalata II T15109
Nicholas Peter Gruidl T15110

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

Erica Lynn Bjorndahl
Gerald Patrick Campbell
Gilles Depre
Justin A. Kemmerer
Isaac Larson

Rosemary K. Meyer
Fadekemi Temilade Ohakim
Francis Gerard Parisi
Gayle M. Schutte
Casey Kirch Tyree

Reinstatement of CPA Certificate - Approve the following CPA certificate reinstatement applications:

Mark Barry Freedman #29751

Janice Lorine #27362

Reissuance of CPA Certificate - Approve the following CPA certificate reissuance application:

Dale Rife #24295

CPE Extension Requests - Approve one request to complete the 2024 CPE requirement after December 31, 2024.

CPE Audit Letters of Warning - The Committee recommended that the Board approve the requests to rescind the Letter of Warning issued to the following individuals:

Witcliff Anthony Cammock, #46647
Emory Ellsworth Harshman IV, #45653
Edward Graham McGoogan, #10757

Theresa Miller Rouse, #43382
Eric Leigh Syfrett, #46585
Patricia Simmons Welfare, #23870

Uniform CPA Exam Applications - Approve the following applications for the Uniform CPA Exam:

Gavin Allen
Marquis Archibald
Auma Asiyo
Yann-Cooper Atchole
Isadora Bailer
Richard Baird
Carson Baker
Mazin Basher
Patrick Beasley
Qamora Bennett
Gene Beuker
Amanda Bodden
Matthew Braley
Francesco Brassesco
William Brewer
Robert Brown
Arianne Brown-Stephenson
Ethan Brunelli
Benjamin Buben
Tanner Buff
Gilley Bunting
Ardena Burris
Adam Burroughs
Mylena Cairrikier
Adam Calhoun
Cameron Callahan
LaTerria Carmon
Bernard Carothers
Nathan Castle
Caroline Cates
Kaitlyn Cherniss
Noah Chervenka
Moses Chung
Joseph Coffey

Amber Collins
Audrie Collins
Jillian Connolly
Ryan Conrad
Amanda Cook
Manuel Cordi
Gabriella Corritore
Sheridan Crissman
Kevin Cudahy
Justin Cunningham
Ryan D'Costa
Delaney Darrow
Alida Dayton
Luke DeFranco
Ashley Delle Fave
Sean DeMarco
William DeMore
Alyssa Dendle
Peter DePonte
Cole DeVido
Benjamin Doby
Jacob Donald
Isley Duggins
Peyton Eckersley
Amber Elgin
Olivia Elgin
Aaron Eller
Maxwell Ephron
Matthew Faircloth
Catherine Farinella
Jered Ferguson
Sandra Ferrara
Ashley Fleming
Zachary Floss

John Folck
Kannon Frady
John Franklin
Keristen Franklin
Hailey Frick
Carolyn Fulwider
Peter Fumero
Evan Gassman
Peyton Gilbert
Preston Giles
Levi Gillespie
Rodney Gillis
Lakshmi Gopalraj
Trevor Grant
Emily Gray
Alexandria Green
Carley Greet
Melissa Gresham
Caitlin Guzik
Edward Hagigh
Olivia Harvey
Cameron Heath
Ryan Hendricks
Adam Herdrich
Giovanny Hernandez
Bryce Herring
Faith Hicks
Kelci High
Gabrielle Hoang
Jillian Holt
Diana Hong
Moirra Houston
Benjamin Howard
Mason Hudnall
Samuel Humble
Jason Iannicelli
Nina Irons
Chariti Jackson
Bryan Jarvis
Brandon Jaynes
Ayesha Johnson
Lily Johnson
Charles Johnston
Matthew Kalaf
Wilson Kalinoski
Arshdeep Kaur

Abigail Kennedy
David Kennedy
Ryan Kennedy
Amelie Kenney
Noah King
Weldon King
Ruth Kinyua
Yasmin Kirkwood
Elaine Kluttz
Daniel Knott
Robin Krcelic
Riley Lagenor
Edward Laiewski
Katherine Lam
Alexander LaMothe Toland
Aaron Lee
John Lewis
Joshua Liggett
Nichole Lindgren
Megan Loussaert
Xiaofeng Lu
Jackson Madonia
Kendall Martin
Kenia Martinez Soto
Reuben Maxwell
Adam Mayes
Georgia McArdle
Christian McCaffrey
Joshua McCown
Ciara McFadden
Julianna McGuinness
Caroline McMullan
Allen Meese
Ryan Metts
Ryan Midkiff
Matthew Miller
Ryan Monk
Jonathan Moore
Richard Moore
James Morrison
Samantha Nelson
Nhan Nguyen
Kristin Nix
Samuel Nolan
Anne Nutter
Eli O'Brien

Nicholas Oberle
Samuel Oglesby
Maryna Onyshchenko
John Parker
Chrissie Parsons
Dristi Patel
Maliyah Paynter
Clare Peitzman
William Perrault
Allison Petro
Emilie Philyaw
Stacey Poteat
Katherine Potter
Taylor Pulyer
Amy Ray
Macy Reynolds
Abby Riddle
Jesse Riehm
Yadira Rincon Reyes
Jorgen Robertson
Clare Roti
Angela Rousseau
Meagan Rowley
Sylvia Ruff
Shaurnetta Russell
Cristina Sanchez
Halle Schmidt
Patrick Schumacher
Jason-Thomas Segarra
Sarah Severini
Shivani Shah
Emily Shih
Allison Silvernale
Joshua Simmons
Kortney Simpson
Natisha Sloley-Hamilton
Celina Smith
Diedre Smith
Dylan Smith

Eric Spaugh
Michael Sredl
Lori Stahlberg
Lacey Steele
Michael Steinginga
Andrew Strickland
Faires Stutts
Zachary Styons
Zachary Suelflow
Deborah Sweeney
Shayista Syed
Steven Testa
Cole Thompson
William Tierney
Laura Tosti
Scarlett Trainor
Jared Triplett
Justin Tuckmantel
Robert Tyson
Michelle Van
Jennifer Vargas
Luis Villarreal Cantu
Callum Walker
Angela Wallis
Jonathan Walsh
Kayla Walter
Caroline Ward
Lanett Washington
Abigail White
Jerry White
Joshua Whitsett
Ashlyn Williams
Darielle Wilson
Derek Winslow
Alison Wood
Anna Wuensch
McKinley Wyrick
Bryant Yang
Bailee Zakashefski

EXECUTIVE STAFF AND LEGAL COUNSEL REPORT: The Board reviewed the April 2025 operational metrics and the May 2025 Executive Staff Report.

RESOLUTION: Ms. Demery read a Resolution honoring Mr. Massey for his years of service to the Board and the CPA profession. (Appendix VIII) She presented him with a framed copy of the

Resolution and a reproduction of the US Postal Service's CPA stamp. Ms. Demery instructed the staff to include a copy of the Resolution in the meeting minutes.

OATH OF OFFICE: Mr. Taylor was sworn in by Ms. Demery.

RECOGNITION OF LICENSURE MILESTONES: Ms. Demery congratulated Mr. Scobie for achieving 60 years of NC CPA licensure. She presented him with a Certificate of Recognition and thanked him for his commitment to the CPA profession.

Ms. Demery instructed the staff to send Certificates of Recognition to the following individuals who achieved 50 years of NC CPA licensure in May 2025:

Donald Bryson Biggerstaff, #8563
Terry Clinton Cline, #8514

Evan Howard Webster, #8568

Ms. Demery instructed the staff to send Certificates of Recognition to the following individuals who achieved 60 or more years of NC CPA licensure in 2025:

Jesse Moya Harrington III, #2486
William Myrick Harward, #2496
James Erwin Lowdermilk, #2549

John Thomas Pearson, #2793
Stanley Clair Weidman, #2474

PUBLIC COMMENTS: Mr. Sotichack provided the Board with a summary of the recent actions of the NCACPA.

ADJOURNMENT: Dr. Smith moved, and Ms. Lynch seconded the motion to adjourn the meeting at 11:28 a.m. The motion passed with seven affirmative votes and zero negative votes.

Respectfully submitted:

Attested to by:

David R. Nance, CPA
Executive Director,

Bernita W. Demery, CPA
President

North Carolina State Board of Certified Public Accountant Examiners
2025-2026 Approved Budget

<u>Operating Budget</u>	<u>Prior Year Budget 2024-2025</u>	<u>Prior Year Actual 2024-2025</u>	<u>Approved Budget 2025-2026</u>	<u>Ref</u>
OPERATING REVENUES				
Examination Fees	1,317,875	1,487,384	1,421,125	
Licensing Fees	1,523,200	1,512,661	1,519,500	
Miscellaneous	11,000	14,311	11,000	
Total Operating Revenues	<u>\$ 2,852,075</u>	<u>\$ 3,014,356</u>	<u>\$ 2,951,625</u>	A
OPERATING EXPENSES				
Salaries and Employee Benefits	1,366,800	1,290,571	1,368,800	B
Examination	925,000	953,468	1,025,000	C
Office	129,950	127,611	132,450	D
Postage and Printing	45,500	28,457	34,600	E
Travel	110,955	101,203	112,930	F
Maintenance and Computer Support	66,000	76,572	51,300	G
Depreciation and SBITA Amortization	165,000	149,503 1	187,300	
Legal and Investigative Costs	77,500	68,284	75,500	H
Insurance	27,000	23,735 1	27,000	I
Dues and Subscriptions	20,000	22,040	23,000	I
Building	55,200	40,389 1	60,000	J
Total Operating Expenses	<u>\$ 2,988,905</u>	<u>\$ 2,881,832</u>	<u>\$ 3,097,880</u>	
Operating Income (Loss)	<u>\$ (136,830)</u>	<u>\$ 132,524</u>	<u>\$ (146,255)</u>	
NON-OPERATING REVENUES (EXPENSES)				
Rental Income	51,440	50,362	50,350	
Unrealized Gain (Loss) on Investments	15,000	60,722	0	
Interest Income	75,000	99,765	85,000	
Loss on Sale of Assets	0	(453)	0	
Nonoperating Building Expenses	(22,000)	(23,587) 1	(22,000)	
Miscellaneous	0	0	0	
Total Non-Operating Revenues	<u>\$ 119,440</u>	<u>\$ 186,809</u>	<u>\$ 113,350</u>	A
Estimated Change in Net Assets	<u>\$ (17,390)</u>	<u>\$ 319,333</u>	<u>\$ (32,905)</u>	
<u>Capital Budget</u>				
Equipment	\$ 10,000	11,585	\$ 10,000 2	
Building Improvements	0	0	0	
Software	0	0	90,000	
Total	<u>\$ 10,000</u>	<u>\$ 11,585</u>	<u>\$ 100,000</u>	

1 Actual expenditures are allocated between operating and non-operating for presentation

2 Computer replacements for staff - regular rotation

Approved May 19, 2025

North Carolina State Board of Certified Public Accountant Examiners
Approved Revenue Budget

	<i>Prior Year Budget 2024-2025</i>		<i>Prior Year Actual 2024-2025</i>		<i>Approved Budget 2025-2026</i>	
Examination Fees						
Initial Admin Fees	\$	189,750 (825*230)	\$	185,610 (807*230)	\$	186,300 (810*230)
Re-Exam Admin Fees		165,000 (2200*75)		173,175 (2309*75)		172,500 (2300*75)
Exam Fees Revenue		1,000,000		1,165,423		1,100,000
Exam Coupon		(36,875)		(36,898)		(37,675)
Exam Review Fees		0		0		0
Equivalency Exam Fees		0		0		0
Grade Transfer Fees		0		75		0
Total Exam Fees		<u>1,317,875</u>		<u>1,487,384</u>		<u>1,421,125</u>
Certificate Fees						
Initial		52,000 (520*100)		44,600 (446*100)		50,000 (500*100)
Reciprocal		32,000 (320*100)		33,101 (331*100)		32,000 (320*100)
Renewals		1,344,000 (22400*60)		1,339,440 (22324*60)		1,344,000 (22400*60)
Reinstatements		7,000 (70*100)		6,000 (60*100)		6,000 (60*100)
Total Certificate Fees		<u>1,435,000</u>		<u>1,423,141</u>		<u>1,432,000</u>
Firm Registrations						
Partnership Renewal		40,000		41,140		40,000
PC Initial		4,200		5,650		5,000
PC Renewal		42,000		42,630		42,000
Partnership Registration		2,000		100		500
Total Firm Registrations		<u>88,200</u>		<u>89,520</u>		<u>87,500</u>
Miscellaneous Income		1,000		3,311		1,000
Rental Income		51,440		50,362		50,350
Gain on Fixed Assets		0		(453)		0
Interest		75,000		99,765		85,000
Gift Cards		10,000		11,000		10,000
Other		0		0		0
Total Revenues	\$	<u><u>2,978,515</u></u>	\$	<u><u>3,164,031</u></u>	\$	<u><u>3,086,975</u></u>

North Carolina State Board of Certified Public Accountant Examiners
Approved Salaries and Employees Benefits Budget

	<i>Prior Year Budget</i>	<i>Prior Year Actual</i>	<i>Approved Budget</i>	
	<u>2024-2025</u>	<u>2024-2025</u>	<u>2025-2026</u>	<u>Ref</u>
Full Time Staff	\$ 1,042,800	\$ 990,493	\$ 1,053,000	
Part Time Staff	0	0	0	
Taxes - FICA	79,800	75,566	80,600	
Taxes - State Unemployment	0	0	0	
Retirement Contributions	62,600	59,509	63,200	
Retirement - NCLB Admin Fee	4,000	3,724	4,000	
Insurance - Health	166,000	161,278	168,000	
Total Salaries and Employees Benefits	<u>\$ 1,355,200</u>	<u>\$ 1,290,571</u>	<u>\$ 1,368,800</u>	

***North Carolina State Board of Certified Public Accountant Examiners
Approved Examination Budget***

	<i>Prior Year Budget 2024-2025</i>	<i>Prior Year Actual 2024-2025</i>	<i>Approved Budget 2025-2026</i>
Exam Sitting & Grading	<u>\$ 925,000</u>	<u>\$ 953,468</u>	<u>\$ 1,025,000</u>
Total Examination	<u><u>\$ 925,000</u></u>	<u><u>\$ 953,468</u></u>	<u><u>\$ 1,025,000</u></u>

North Carolina State Board of Certified Public Accountant Examiners
Approved Office Budget

	<i>Prior Year Budget 2024-2025</i>	<i>Prior Year Actual 2024-2025</i>	<i>Approved Budget 2025-2026</i>
Office Decorations	\$ 200	\$ 0	\$ 200
Equipment Rental	150	0	150
Supplies	9,000	8,467	9,000
Telephone	8,000	10,582	8,000
Repairs & Maintenance	4,000	5,815	5,000
Clipping Service	1,500	389	0
Miscellaneous Personnel	4,000	5,327	5,000
Audit Fees	16,000	16,000	17,000
Credit Card Fees	72,000	73,097	74,000
Banking Fees	4,000	2,437	3,000
Payroll Service	2,100	2,037	2,100
Continuing Education	3,000	2,783	3,000
Bad Debt Expense	0	0	0
Expendable Equipment	3,500	677	5,000
Consulting Fees	2,500	0	1,000
Total Office	<u>\$ 129,950</u>	<u>\$ 127,611</u>	<u>\$ 132,450</u>

North Carolina State Board of Certified Public Accountant Examiners
Approved Postage and Printing Budget

	<i>Prior Year Budget</i>	<i>Prior Year Actual</i>	<i>Approved Budget</i>
	<i>2024-2025</i>	<i>2024-2025</i>	<i>2025-2026</i>
Exam Postage	\$ 1,000	\$ 600	\$ 1,000
Postage - UPS	28,000	16,000	20,000
Postage - Other	3,000	2,722	3,000
Postage - Newsletter	1,000	0	0
Postage - Business Reply	1,500	1,548	1,600
Postage - Renewal	2,000	900	1,000
Printing - Other	4,500	3,563	4,500
Printing - Newsletter	1,000	0	0
Printing - Certificates	3,500	3,124	3,500
Total Postage and Printing	<u>\$ 45,500</u>	<u>\$ 28,457</u>	<u>\$ 34,600</u>

North Carolina State Board of Certified Public Accountant Examiners
Approved Travel Budget

	<i>Prior Year Budget 2024-2025</i>	<i>Prior Year Actual 2024-2025</i>	<i>Approved Budget 2025-2026</i>	Ref
Staff Travel	\$ 33,725	\$ 28,119	\$ 32,700	F1
Board Travel	55,330	54,534	57,930	F2
Per Diem	21,900	18,550	22,300	F2
Total Travel	<u>\$ 110,955</u>	<u>\$ 101,203</u>	<u>\$ 112,930</u>	

North Carolina State Board of Certified Public Accountant Examiners
Approved Staff Travel Budget

								<i>Approved Budget</i>	
								2025-2026	Ref
	<u>Mtgs</u>	<u>Staff</u>	<u>Days</u>	<u>Rate</u>					
				<u>Air/Miles</u>	<u>Reg</u>	<u>Hotel</u>	<u>Meal</u>		
NASBA Meetings									
Annual	1	3	3	400	850	350	50	\$	7,350
Regional	1	3	3	500	850	350	50		7,650
Executive Director/Legal	1	6	3	400	850	350	50		14,700
Other Meetings									
Educational Events									3,000
Total Staff Travel Expense								<u>\$</u>	<u>32,700</u> F

North Carolina State Board of Certified Public Accountant Examiners
Approved Board Travel & Per Diem Expense Budget

					<i>Approved Budget</i>	
<u>Board Travel</u>					2025-2026	Ref
	<u>Mtgs</u>	<u>Members</u>	<u>Days</u>	<u>Rate</u>		
Regular Board Meetings						
Hotel	12	4	1	300	\$ 14,400	
Meals	12	4	1	35	1,680	
Travel	12	4	1	150	7,200	
					<u>23,280</u>	
NASBA Annual Meeting						
Hotel	1	6	3	350	6,300	
Meals	1	6	3	50	900	
Travel	1	6	1	400	2,400	
Registration	1	6	1	850	5,100	
					<u>14,700</u>	
NASBA Regional Meeting						
Hotel	1	5	3	350	5,250	
Meals	1	5	3	50	750	
Travel	1	5	1	500	2,500	
Registration	1	5	1	850	4,250	
					<u>12,750</u>	
AICPA Council Meetings						
Hotel	1	1	3	350	1,050	
Meals	1	1	3	50	150	
Travel	1	1	1	500	500	
					<u>1,700</u>	
Outside Legal Costs for Travel					4,000	
Educational Events					<u>1,500</u>	
Total Board Meeting Expense					<u>\$ 57,930</u>	F
<u>Board Per Diem</u>						
Regular Meeting	12	6	2	100	\$ 14,400	
Professional Meetings	35	1	1	100	3,500	
NASBA						
Annual Meeting	1	6	4	100	2,400	
Regional Meeting	1	5	4	100	2,000	
Total Board Per Diem Expense					<u>\$ 22,300</u>	F

North Carolina State Board of Certified Public Accountant Examiners
Approved Maintenance and Computer Support Budget

	<i>Prior Year Budget 2024-2025</i>	<i>Prior Year Actual 2024-2025</i>	<i>Approved Budget 2025-2026</i>
Internet & Website	\$ 4,000	\$ 3,920	\$ 4,000
Computer Program/Assistance	1,000	400	1,000
Interest Expense - GL Software	7,000	6,930	5,100
Computer Software Maintenance	159,000	154,566	163,700
Total Maintenance and Computer Support	\$ 171,000	\$ 165,817	\$ 173,800

North Carolina State Board of Certified Public Accountant Examiners
Approved Board Legal Budget

	<i>Prior Year Budget 2024-2025</i>	<i>Prior Year Actual 2024-2025</i>	<i>Approved Budget 2025-2026</i>
Legal Counsel Fees - Admin/Prof Stds	\$ 64,000	\$ 63,971	\$ 66,000
Legal Counsel Fees - Litigation	15,000	0	10,000
Investigation Cost	3,500	4,112	4,500
Hearing Cost	5,000	4,126	5,000
Reimbursements - Net	<u>(10,000)</u>	<u>(3,925)</u>	<u>(10,000)</u>
Total Board Legal	<u><u>\$ 77,500</u></u>	<u><u>\$ 68,284</u></u>	<u><u>\$ 75,500</u></u>

North Carolina State Board of Certified Public Accountant Examiners
Approved Other Budget

	<i>Prior Year Budget 2024-2025</i>	<i>Prior Year Actual 2024-2025</i>	<i>Approved Budget 2025-2026</i>
Insurance	\$ 27,000	\$ 25,808	\$ 27,000
Dues and Subscriptions	20,000	22,040	23,000
Total Other	<u>\$ 47,000</u>	<u>\$ 47,849</u>	<u>\$ 50,000</u>

North Carolina State Board of Certified Public Accountant Examiners
Approved Building Budget

	<i>Prior Year Budget</i>	<i>Prior Year Actual</i>	<i>Approved Budget</i>
	<u>2024-2025</u>	<u>2024-2025</u>	<u>2025-2026</u>
Building Maintenance	\$ 1,500	\$ 5,846	\$ 8,000
Electricity	14,000	14,738	15,000
Grounds Maintenance	12,000	6,099	8,000
Heat & Air Maintenance	3,500	3,056	3,500
Improvements	1,500	0	500
Janitorial Maintenance	16,000	15,420	16,000
Trash Collection	2,000	3,876	4,000
Water & Sewer	1,600	1,707	1,800
Security	2,500	2,510	2,600
Pest Control	600	600	600
	<hr/>	<hr/>	<hr/>
Total Building	<u>\$ 55,200</u>	<u>\$ 53,852</u>	<u>\$ 60,000</u>

North Carolina State Board of Certified Public Accountant Examiners
Operating Budget History

Operating Budget	Approved Budget 2025-2026	Approved Budget 2024-2025	Approved Budget 2023-2024	Approved Budget 2022-2023	Approved Budget 2021-2022	Approved Budget 2020-2021	Approved Budget 2019-2020	Approved Budget 2018-2019	Approved Budget 2017-2018	Approved Budget 2016-2017
Revenues	\$ 2,951,625	\$ 2,852,075	\$ 2,706,825	\$ 2,679,725	\$ 2,684,875	\$ 2,540,375	\$ 2,822,525	\$ 2,784,075	\$ 3,021,840	\$ 3,021,760
Expenses:										
Salaries and Employee Benefits	1,368,800	1,366,800	1,292,581	1,232,278	1,211,855	1,216,943	1,240,026	1,244,201	1,277,711	1,270,514
Examination	1,025,000	925,000	800,000	800,000	850,000	775,000	1,000,000	910,000	1,145,000	1,100,000
Office	132,450	129,950	128,250	134,850	107,550	110,050	110,450	114,125	118,900	109,740
Postage and Printing	34,600	45,500	81,400	73,200	70,000	73,000	75,600	74,100	164,100	178,800
Travel	112,930	110,955	117,655	98,790	72,688	76,754	108,139	107,747	131,441	120,627
Maintenance and Computer Support	51,300	66,000	53,000	142,200	100,000	74,000	74,400	89,200	87,500	65,000
Depreciation and SBITA Amortization	187,300	165,000	148,000	45,000	45,000	45,000	45,000	45,000	165,000	0
Legal and Investigative Costs	75,500	77,500	75,500	72,000	112,500	63,000	63,000	67,000	55,000	52,500
Insurance	27,000	27,000	27,000	26,000	24,500	23,500	23,500	22,500	24,000	21,300
Dues and Subscriptions	23,000	20,000	18,000	17,000	14,500	14,500	11,500	11,000	10,000	11,200
Building	60,000	55,200	52,200	89,400	45,300	48,800	48,382	38,800	40,300	38,300
Total	3,097,880	2,988,905	2,793,586	2,730,718	2,653,893	2,520,547	2,799,997	2,723,673	3,218,952	2,967,981
Operating Income	\$ (146,255)	\$ (136,830)	\$ (86,761)	\$ (50,993)	\$ 30,982	\$ 19,828	\$ 22,528	\$ 60,402	\$ (197,112)	\$ 53,779
Total Non-Operating Revenues	113,350	119,440	12,821	(32,630)	34,961	56,593	98,265	70,976	60,625	55,225
Estimated Change in Net Assets	\$ (32,905)	\$ (17,390)	\$ (73,940)	\$ (83,623)	\$ 65,943	\$ 76,421	\$ 120,793	\$ 131,378	\$ (136,487)	\$ 109,004

Operating Budget	Draft Budget 2025-2026	Approved Budget 2024-2025	Approved Budget 2023-2024	Approved Budget 2022-2023	Approved Budget 2021-2022	Approved Budget 2020-2021	Approved Budget 2019-2020	Approved Budget 2018-2019	Approved Budget 2017-2018	Approved Budget 2016-2017	2025-2026 \$ Change
Revenues	\$ 2,951,625 9.04%	\$ 2,852,075 5.37%	\$ 2,706,825 1.01%	\$ 2,679,725 -0.19%	\$ 2,684,875 5.69%	\$ 2,540,375 -10.00%	\$ 2,822,525 -6.60%	\$ 2,784,075 -7.87%	\$ 3,021,840 0.00%	\$ 3,021,760	99,550
Expenses:											
Salaries and Employee Benefits	1,368,800 0.15%	1,366,800 5.74%	1,292,581 4.89%	1,232,278 1.69%	1,211,855 -0.42%	1,216,943 -1.86%	1,240,026 -2.95%	1,244,201 -2.62%	1,277,711 0.57%	1,270,514	2,000
Examination	1,025,000 10.81%	925,000 15.63%	800,000 0.00%	800,000 -5.88%	850,000 9.68%	775,000 -22.50%	1,000,000 -12.66%	910,000 -20.52%	1,145,000 4.09%	1,100,000	100,000
Office	132,450 1.92%	129,950 1.33%	128,250 -4.89%	134,850 25.38%	107,550 -2.27%	110,050 -0.36%	110,450 -7.11%	114,125 -4.02%	118,900 8.35%	109,740	2,500
Postage and Printing	34,600 -23.96%	45,500 -44.10%	81,400 11.20%	73,200 4.57%	70,000 -4.11%	73,000 -3.44%	75,600 -53.93%	74,100 -54.84%	164,100 -8.22%	178,800	(10,900)
Travel	112,930 1.78%	110,955 -5.69%	117,655 19.10%	98,790 35.91%	72,688 -5.30%	76,754 -29.02%	108,139 -17.73%	107,747 -18.03%	131,441 8.96%	120,627	1,975
Maintenance and Computer Support	51,300 -22.27%	66,000 24.53%	53,000 -62.73%	142,200 42.20%	100,000 35.14%	74,000 -0.54%	74,400 -14.97%	89,200 1.94%	87,500 34.62%	65,000	(14,700)
Depreciation	187,300 13.52%	165,000 11.49%	148,000 228.89%	45,000 0.00%	45,000 0.00%	45,000 0.00%	45,000 -72.73%	45,000 0.00%	165,000 100.00%	0	22,300
Legal and Investigative Costs	75,500 -2.58%	77,500 2.65%	75,500 4.86%	72,000 -36.00%	112,500 78.57%	63,000 0.00%	63,000 14.55%	67,000 21.82%	55,000 4.76%	52,500	(2,000)
Insurance	27,000 0.00%	27,000 0.00%	27,000 3.85%	26,000 6.12%	24,500 4.26%	23,500 0.00%	23,500 -2.08%	22,500 -6.25%	24,000 12.68%	21,300	0
Dues and Subscriptions	23,000 15.00%	20,000 11.11%	18,000 5.88%	17,000 17.24%	14,500 0.00%	14,500 26.09%	11,500 15.00%	11,000 10.00%	10,000 -10.71%	11,200	3,000
Building	60,000 8.70%	55,200 5.75%	52,200 -41.61%	89,400 97.35%	45,300 -7.17%	48,800 0.86%	48,382 20.05%	38,800 -3.72%	40,300 5.22%	38,300	4,800
Total	3,097,880 3.65%	2,988,905 6.99%	2,793,586 2.30%	2,730,718 2.89%	2,653,893 5.29%	2,520,547 -9.98%	2,799,997 -13.02%	2,723,673 -15.39%	3,218,952 8.46%	2,967,981	108,975
Operating Income (Loss)	\$ (146,255) 6.89%	\$ (136,830) 57.71%	\$ (86,761) 70.14%	\$ (50,993) -264.59%	\$ 30,982 56.25%	\$ 19,828 -11.99%	\$ 22,528 -111.43%	\$ 60,402 130.64%	\$ (197,112) -466.52%	\$ 53,779	(9,425)
Total Non-Operating Revenues	113,350 -5.10%	119,440 831.60%	12,821 139.29%	(32,630) -193.33%	34,961 -38.22%	56,593 -42.41%	98,265 62.09%	70,976 17.07%	60,625 9.78%	55,225	(6,090)
Estimated Change in Net Assets	\$ (32,905)	\$ (17,390)	\$ (73,940)	\$ (83,623)	\$ 65,943	\$ 76,421	\$ 120,793	\$ 131,378	\$ (136,487)	\$ 109,004	(15,515)

21 NCAC 08A .0102 is proposed for readoption with substantive changes as follows:

**21 NCAC 08A .0102 ~~ADDRESS AND PHONE NUMBER~~ ADDRESS, PHONE NUMBER, AND
WEBSITE**

The Board's physical address is Suite 104, 1101 Oberlin Road, Raleigh, North Carolina 27605. The mailing address is Post Office Box 12827, Raleigh, North Carolina 27605-2827. The telephone number is (919) 733-4222. The Board's website is <https://nccpaboard.gov>.

*History Note: Authority G.S. 93-12(3);
Eff. February 1, 1976;
Readopted Eff. September 26, 1977;
Amended Eff. May 1, 1989; April 1, 1987; October 1, 1984; April 1, 1982;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28,
~~2014.~~ 2014;
Readopted Eff. May 1, 2026.*

21 NCAC 08A .0103 is proposed for readoption with substantive changes as follows:

21 NCAC 08A .0103 OFFICE HOURS

The office hours are 8:00 a.m. to 5:00 p.m., Monday through Friday. The office is closed on recognized state holidays.

*History Note: Authority G.S. 93-12(3); ~~150B-11(1)~~;
Eff. February 1, 1976;
Readopted Eff. September 26, 1977;
Amended Eff. May 1, 1989; October 1, 1984;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28,
~~2014.~~ 2014;
Readopted Eff. May 1, 2026.*

1 21 NCAC 08A .0103 is proposed for readoption with substantive changes as follows:

2
3 **21 NCAC 08A .0201 ELECTION OF OFFICERS**

4 The Board shall annually, prior to March 31 of each year, elect a President, Vice-President and Secretary-Treasurer.

5
6 *History Note: Authority ~~G.S. 93-12~~; G.S. 93-12(1);*

7 *Eff. February 1, 1976;*

8 *Readopted Eff. September 26, 1977;*

9 *Amended Eff. April 1, 2003; May 1, 1989; June 1, 1985; October 1, 1984;*

10 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28,*
11 *~~2014~~. 2014;*

12 *Readopted Eff. May 1, 2026.*

21 NCAC 08A .0301 is proposed for readoption with substantive changes as follows:

21 NCAC 08A .0301 DEFINITIONS

(a) The definitions set out in G.S. 93-1(a) apply when those defined terms are used in this Chapter.

(b) In addition to the definitions set out in G.S. 93-1(a), the following definitions apply when these terms are used in this Chapter:

- (1) "Active," when used to refer to the status of a person, describes a person who possesses a North Carolina certificate of qualification and who has not otherwise been granted inactive or CPA-retired status;
- (2) "Agreed-upon procedures" means a professional service whereby a CPA is engaged to issue a report of findings based on specific procedures performed on identified subject matter;
- (3) "AICPA" means the American Institute of Certified Public Accountants;
- (4) "Applicant" means a person who has applied to take the CPA examination or applied for a certificate of qualification;
- (5) "Attest service" means a professional service whereby a CPA in the practice of public accounting is engaged to issue or does issue:
 - (A) any audit or engagement to be performed in accordance with the Statements on Auditing Standards, Statements on Generally Accepted Governmental Auditing Standards, Public Company Accounting Oversight Board Auditing Standards, and International Standards on Auditing;
 - (B) any review engagement to be performed in accordance with the Statements on Standards for Accounting and Review Services;
 - (C) any compilation engagement to be performed in accordance with the Statements on Standards for Accounting and Review Services; or
 - (D) any engagement to be performed in accordance with the Statements on Standards for Attestation Engagements;
- (6) "Audit" means a professional service whereby a CPA is engaged to examine financial statements, items, accounts, or elements of a financial statement prepared by management, in order to express an opinion on whether the financial statements, items, accounts, or elements of a financial statement are presented in conformity with an applicable reporting framework, that enhances the degree of confidence that intended users can place on the financial statements, items, accounts, or elements of a financial statement;
- (7) "Calendar year" means the 12 months beginning January 1 and ending December 31;
- (8) "Candidate" means a person whose application to take the CPA examination has been accepted by the Board and who may sit for the CPA examination;
- (9) "Client" means a person or an entity who orally or in writing agrees with a licensee to receive any professional services performed or delivered;

- 1 (10) "Commission" means compensation, except a referral fee, for recommending or referring any
2 product or service to be supplied by another person;
- 3 (11) "Compilation" means a professional service whereby a CPA is engaged to present, in the form of
4 financial statements, information that is the representation of management without ~~undertaking to~~
5 ~~express~~ expressing any assurance on the statements;
- 6 (12) "Contingent fee" means a fee established for the performance of any service pursuant to an
7 arrangement in which no fee will be charged unless a specified finding or result is attained, or in
8 which the amount of the fee is otherwise dependent upon the finding or result of such service;
- 9 (13) "CPA" means certified public accountant;
- 10 (14) "CPA firm" means ~~a sole proprietorship, a partnership, a professional corporation, a professional~~
11 ~~limited liability company, or a registered limited liability partnership that uses certified public~~
12 ~~accountant(s) or CPA(s) in or with its name or offers to or renders any attest services in the public~~
13 ~~practice of accountancy; an entity that is registered with the Board pursuant to Rule 08J .0108 of~~
14 ~~this Chapter or practices in the State by exercising the practice privilege as set forth by G.S. 93-10;~~
- 15 (15) "CPE" means continuing professional education;
- 16 (16) "Disciplinary action" means revocation, suspension of, or refusal to grant a certificate, or the
17 imposition of a reprimand, probation, constructive comment, or any other penalty or condition;
- 18 (17) "FASB" means the Financial Accounting Standards Board;
- 19 (18) "Firm network" means an association of entities that includes one or more firms that cooperate for
20 the purpose of enhancing the firms' capabilities to provide professional services and share one or
21 more of the following characteristics:
- 22 (A) the use of a common brand name, including initials, as part of the firm name;
- 23 (B) common control among the firms through ownership, management, or other means;
- 24 (C) profits or costs, excluding costs of operating the association; costs of developing audit
25 methodologies, manuals, and training courses; and other costs that are immaterial to the
26 firm;
- 27 (D) common business strategy that involves ongoing collaboration amongst the firms whereby
28 the firms are responsible for implementing the association's strategy and are accountable
29 for performance pursuant to that strategy;
- 30 (E) significant part of professional resources; or
- 31 (F) common quality control policies and procedures that firms are required to implement and
32 that are monitored by the association;
- 33 (19) "GASB" means the Governmental Accounting Standards Board;
- 34 (20) "Inactive," when used to refer to the status of a person, describes a person who has requested inactive
35 status and has been approved by the Board and who does not use the title certified public accountant,
36 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) "IRS" means the Internal Revenue Service;
- (22) "Jurisdiction" means any state or territory of the United States or the District of Columbia;
- (23) "License year" means the 12 months beginning July 1 and ending June 30;
- (24) "Member of a CPA firm" means any CPA who has an equity ownership interest in a CPA firm;
- (25) "NASBA" means the National Association of State Boards of Accountancy;
- (26) "NCACPA" means the North Carolina Association of Certified Public Accountants;
- (27) "North Carolina office" means any office physically located in North Carolina;
- (28) "Person" means any natural person, corporation, partnership, professional limited liability company, registered limited liability partnership, unincorporated association, or other entity;
- (29) "Professional" means arising out of or related to the particular knowledge or skills associated with CPAs;
- (30) "Referral fee" means compensation for recommending or referring any service of a CPA to any person;
- (31) "Revenue Department" means the North Carolina Department of Revenue;
- (32) "Review" means a professional service whereby a CPA is engaged to perform procedures, limited to analytical procedures and inquiries, to obtain a reasonable basis for expressing limited assurance on whether any material modifications should be made to the financial statements for them to be in conformity with generally accepted accounting principles or other comprehensive basis of accounting;
- (33) "Reviewer" means a member of a review team including the review team captain;
- (34) "Suspension" means a revocation of a certificate for a specified period of time. A CPA may be reinstated after a specific period of time if the CPA has met all conditions imposed by the Board at the time of suspension;
- ~~(35) "Trade name" means a name used to designate a business enterprise;~~
- (35) "Work papers" mean the CPA's records of the procedures applied, the tests performed, the information obtained, and the conclusions reached in attest services, tax services, consulting services, special report services, or other engagements. Work papers include programs used to perform professional services, analyses, memoranda, letters of confirmation and representation, checklists, copies or abstracts of company documents, and schedules of commentaries prepared or obtained by the CPA. The forms include handwritten, typed, printed, word processed, photocopied, photographed, and computerized data, or in any other form of letters, words, pictures, sounds, or symbols; and
- ~~(37) "Work product" means the end result of the engagement for the client that may include a tax return, attest or assurance report, consulting report, or financial plan. The forms include handwritten, typed,~~

1 ~~printed, word processed, photocopied, photographed, and computerized data, or in any other form~~
2 ~~of letters, words, pictures, sounds, or symbols.~~

3 (c) Any requirement to comply by a specific date to the Board that falls on a weekend or federal holiday shall be
4 received as in compliance if postmarked by U.S. Postal Service cancellation by that date, if received by a private
5 delivery service by that date, or received in the Board office on the next business day.

6
7 *History Note: Authority G.S. 93-1; 93-12; 93-12(3);*

8 *Eff. February 1, 1976;*

9 *Readopted Eff. September 26, 1977;*

10 *Amended Eff. January 1, 2014; February 1, 2011; January 1, 2006; January 1, 2004; April 1, 1999;*

11 *August 1, 1998; February 1, 1996; April 1, 1994; September 1, 1992;*

12 *Readopted Eff. February 1, 2016;*

13 *Amended Eff. May 1, ~~2017~~ 2017;*

14 *Readopted Eff. May 1, 2026.*

21 NCAC 08A .0307 is proposed for readoption with substantive changes as follows:

21 NCAC 08A .0307 PUBLIC PRACTICE OF ACCOUNTANCY OR ACCOUNTING

(a) A person is engaged in the "public practice of accountancy" who:

- (1) holds ~~himself or herself~~ out to the public as a certified public accountant or an accountant; and
- (2) in consideration of compensation received or to be received, offers to perform or does perform for other persons services that involve:
 - (A) preparing, auditing, or verifying financial transactions, books, accounts, or records;
 - (B) preparing, verifying or certifying financial, accounting, and related statements intended for publication, including preparing tax returns;
 - (C) rendering professional services or assistance in or about any and all matters of principle or detail relating to accounting procedure and systems; or
 - (D) recording, presenting or certifying, and interpreting such service (including tax, consulting or management advisory services) through statements and reports.

(b) Services, as described in Subparagraph (a)(2) of this Rule, may be performed on a full-time, part-time or temporary basis in the various accounting fields, including public accounting, governmental or other not-for-profit accounting, industrial, commercial or financial accounting, taxation and tax-related ~~matters, or accounting education.~~ matters.

*History Note: Authority ~~G.S. 93-1~~; G.S. 93-1(a)(5); 93-12;
Eff. October 1, 1984;
Amended Eff. April 1, 1994; March 1, 1990;
Readopted Eff. February 1, ~~2016~~ 2016;
Readopted Eff. May 1, 2026.*

1 21 NCAC 08B .0101 is proposed for readoption with substantive changes as follows:

2
3 **21 NCAC 08B .0101 PETITIONS**

4 Any person wishing to submit a petition requesting the adoption, amendment or repeal of a rule by the Board shall
5 address a petition to the Board's Executive Director, ~~as~~ at the address as set forth in ~~21 NCAC 8A .0102.~~ 21 NCAC
6 08A .0102.

7
8 *History Note: Authority G.S. 93-12; ~~150B-11(1); 150B-16; 150B-20;~~*
9 *Eff. February 1, 1976;*
10 *Readopted Eff. September 26, 1977;*
11 *Amended Eff. May 1, 1989; July 1, 1987; October 1, 1984; April 1, 1982;*
12 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28,*
13 *~~2014.~~ 2014;*
14 *Readopted Eff. May 1, 2026.*

21 NCAC 08B .0102 is proposed for readoption with substantive changes as follows:

21 NCAC 08B .0102 CONTENTS OF PETITION FOR NEW RULE

A petition requesting the adoption of a rule should contain the following information:

- (1) either a draft of the proposed rule or a summary of the contents of the proposed rule;
- (2) reason for the proposal;
- (3) effect of the new rule on existing rules;
- (4) data supporting the rule proposal;
- (5) effects of the rule on existing practices in the area involved; and
- (6) name, address and phone number of each petitioner.

History Note: Authority G.S. 93-12; ~~150B-11(1); 150B-16; 150B-20;~~
Eff. February 1, 1976;
Readopted Eff. September 26, 1977;
Amended Eff. May 1, 1989;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28,
~~2014.~~ 2014;
Readopted Eff. May 1, 2026.

21 NCAC 08B .0104 is proposed for readoption with substantive changes as follows:

21 NCAC 08B .0104 CONTENTS OF PETITIONS FOR RULE AMENDMENT OR REPEAL

A petition requesting the amendment or repeal of a rule should contain the following information:

- (1) rule affected;
- (2) reasons for change;
- (3) either a draft of the proposed amendment or a summary of the proposed amendment, if the petition is to amend the rule;
- (4) data supporting the rule proposal;
- (5) effect of the proposed change on existing practices in the area involved; and
- (6) ~~name and address of each petitioner.~~ name, address and phone number of each petitioner.

*History Note: Authority G.S. 93-12; ~~150B-11(1); 150B-16; 150B-20;~~
Eff. February 1, 1976;
Readopted Eff. September 26, 1977;
Amended Eff. May 1, 1989;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28,
~~2014.~~ 2014;
Readopted Eff. May 1, 2026.*

1 21 NCAC 08B .0105 is proposed for readoption with substantive changes as follows:

2
3 **21 NCAC 08B .0105 GRANTING OR DENYING PETITIONS**

4 The Executive Director of the Board shall make a recommendation to a committee of the Board and the committee
5 shall recommend to the full Board, based on a study of the facts stated in the petition, whether the public interest will
6 be better served by granting or denying the petition. The Board will consider all the contents of the submitted petition
7 plus any additional information deemed relevant.

8
9 *History Note: Authority G.S. 93-12; ~~150B-11(1); 150B-16; 150B-20;~~*

10 *Eff. February 1, 1976;*

11 *Readopted Eff. September 26, 1977;*

12 *Amended Eff. May 1, 1989; July 1, 1987; June 1, 1985;*

13 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28,*

14 *~~2014.~~ 2014;*

15 *Readopted Eff. May 1, 2026.*

1 21 NCAC 08B .0202 is proposed for readoption with substantive changes as follows:

2
3 **21 NCAC 08B .0202 MAILING LIST**

4 (a) Persons or agencies desiring to be placed on the mailing list for the Board's rule-making notices issued pursuant
5 to G.S. 150B-21.2 may file a request in writing, furnishing their name and mailing address to the Executive Director
6 of the Board, at the address set forth in ~~21 NCAC 8A .0102.~~ 21 NCAC 08A. 0102.

7 (b) The request shall state the subject areas within the authority of the agency for which notice is requested.
8

9 *History Note: Authority G.S. 93-12; 150B-21.2;*

10 *Eff. February 1, 1976;*

11 *Readopted Eff. September 26, 1977;*

12 *Amended Eff. April 1, 1994; May 1, 1989; April 1, 1987; October 1, 1984;*

13 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28,*

14 ~~2014.~~ 2014;

15 Readopted Eff. May 1, 2026.

1 21 NCAC 08B .0304 is proposed for readoption with substantive changes as follows:

2
3 **21 NCAC 08B .0304 ORAL PRESENTATION**

4 Upon receipt of a request to make an oral presentation at a rule-making hearing, the Executive Director will
5 acknowledge receipt of the request and inform the person making the request of any limitations deemed necessary to
6 achieve a full and effective public hearing on the proposed rule.

7
8 *History Note: Authority G.S. 93-12; ~~150B-11(1); 150B-12(e); 150B-16; 150B-21.2;~~*

9 *Eff. February 1, 1976;*

10 *Readopted Eff. September 26, 1977;*

11 *Amended Eff. May 1, 1989; June 1, 1985;*

12 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28,*
13 *~~2014.~~ 2014.*

14 *Readopted Eff. May 1, 2026.*

21 NCAC 08B .0307 is proposed for readoption with substantive changes as follows:

21 NCAC 08B .0307 CONTROL OF RULE-MAKING HEARINGS

(a) The presiding officer of a rule-making hearing shall have complete control of the proceedings including the following:

- (1) extension of any deadlines,
- (2) rescheduling a hearing time, as announced at the published hearing, and continuation of any hearing,
- (3) limitations for individual presentations,
- (4) recognition of speakers, and
- (5) direction of the flow of discussion and the management of the hearing.

(b) The presiding officer at all times shall take care that each person participating in the hearing is given a fair opportunity to present views, data and comments.

History Note: Authority G.S. 93-12; ~~150B-11(1); 150B-12(d); 150B-21.2;~~

Eff. February 1, 1976;

Readopted Eff. September 26, 1977;

Amended Eff. May 1, 1989;

Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28, 2014. 2014.

Readopted Eff. May 1, 2026.

1 21 NCAC 08B .0501 is proposed for readoption with substantive changes as follows:

2
3 **21 NCAC 08B .0501 REQUEST FOR DECLARATORY RULING**

4 Any person aggrieved, as defined in G.S. 150B-2(6), by a statute administered or rule promulgated by the Board may
5 request a declaratory ruling as to how the statute or rule applies to a given factual situation or whether a particular
6 Board rule is valid. All requests for declaratory rulings shall be in writing and mailed to the Board ~~at its address, as~~
7 at the address as set forth in ~~21 NCAC 8A .0102~~, 21 NCAC 08A .0102.

8
9 *History Note: Authority G.S. 93-12; ~~150B-17~~; 150B-4;*

10 *Eff. February 1, 1976;*

11 *Readopted Eff. September 26, 1977;*

12 *Amended Eff. May 1, 1989; October 1, 1984; April 1, 1982;*

13 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28,*

14 ~~2014~~, 2014;

15 Readopted Eff. May 1, 2026.

21 NCAC 08B .0502 is proposed for readoption with substantive changes as follows:

21 NCAC 08B .0502 CONTENTS OF REQUEST

All requests for a declaratory ruling must include the following information:

- (1) ~~name and address of petitioner;~~ name, address, and phone number of each petitioner;
- (2) statute or rule to which the petition relates;
- (3) concise statement of the manner in which the petitioner is aggrieved, as defined in G.S. 150B-2(6), or thinks that he or she may be injured by the rule or statute and its application to him or her; and
- (4) statement of whether an oral hearing is desired and if so the reasons for such an oral hearing.

History Note: Authority G.S. 93-12; 150B-4;

Eff. February 1, 1976;

Readopted Eff. September 26, 1977;

Amended Eff. April 1, 1994; June 1, 1985;

Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28,
~~*2014. 2014;*~~

Readopted Eff. May 1, 2026.

1 21 NCAC 08B .0503 is proposed for readoption with substantive changes as follows:

2
3 **21 NCAC 08B .0503 REFUSAL TO ISSUE DECLARATORY RULING**

4 Whenever the Board believes for good reason that issuing a declaratory ruling is undesirable, it may refuse to do so.
5 The Board will notify the petitioner in writing of its reasons for refusing to issue a declaratory ruling.

6
7 *History Note: Authority G.S. 93-12; ~~150B-11(1); 150B-17; 150B-4;~~*

8 *Eff. February 1, 1976;*

9 *Readopted Eff. September 26, 1977;*

10 *Amended Eff. May 1, 1989;*

11 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28,*
12 *~~2014; 2014;~~*

13 *Readopted Eff. May 1, 2026.*

21 NCAC 08B .0507 is proposed for readoption with substantive changes as follows:

21 NCAC 08B .0507 CIRCUMSTANCES

As a general rule the Board will issue a declaratory ruling except:

- (1) when the subject of a requested declaratory ruling is also the subject of a lawsuit pending in a court of this state or a federal court;
- (2) when the facts presented in the request were considered at a rule-making hearing; or
- (3) in other special circumstances.

History Note: Authority G.S. 93-12; ~~150B-17~~; 150B-4;

Eff. February 1, 1976;

Readopted Eff. September 26, 1977;

Amended Eff. May 1, 1989;

Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28, ~~2014~~, 2014;

Readopted Eff. May 1, 2026.

1 21 NCAC 08C .0104 is proposed for readoption with substantive changes as follows:

2
3 **21 NCAC 08C .0104 WRITTEN PETITION FOR INTERVENTION**

4 A person desiring to intervene in a contested case must file a written petition with the Board ~~at its address set at the~~
5 address as set forth in ~~21 NCAC 8A .0102~~, 21 NCAC 08A .0102. A petition to intervene shall be filed in accordance
6 with G.S. 1A-1, Rule 24.

7
8 *History Note: Authority G.S. 93-12; 150B-38;*

9 *Eff. May 1, 1989;*

10 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28,*

11 ~~2014~~. 2014;

12 Readopted Eff. May 1, 2026.

1 21 NCAC 08C .0116 is proposed for readoption with substantive changes as follows:

2
3 **21 NCAC 08C .0116 NOTICE OF PRE-HEARING CONFERENCE**

4 Notice of a pre-hearing conference in a contested case will be given in the notice of hearing for the case or, if the
5 decision to hold a pre-hearing conference is made after the notice of hearing has been sent, in a subsequent notice.

6
7 *History Note: Authority G.S. 93-12; ~~150B-11(1)~~; 150B-38;*

8 *Eff. May 1, 1989;*

9 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28,*

10 *~~2014.~~ 2014;*

11 *Readopted Eff. May 1, 2026.*

21 NCAC 08C .0118 is proposed for readoption with substantive changes as follows:

21 NCAC 08C .0118 CONTINUANCES

A continuance of a pre-hearing conference will be granted to a party only under compelling circumstances, especially when a continuance has been previously requested by and granted to the party. Under no circumstances is the Board required to grant continuances.

History Note: Authority G.S. 93-12; ~~150B-11(1)~~; 150B-38;

Eff. May 1, 1989;

Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28, ~~2014~~. 2014;

Readopted Eff. May 1, 2026.

21 NCAC 08C .0126 is proposed for readoption with substantive changes as follows:

21 NCAC 08C .0126 HEARING EXHIBITS

(a) The Board staff shall serve upon the Respondent copies of documents it plans to offer as evidence at a contested case hearing at least ~~44~~ 10 business days prior to the scheduled hearing.

(b) Respondent shall likewise serve upon the Board staff copies of documents Respondent plans to offer as evidence at the hearing at least ~~44~~ 10 business days prior to the scheduled hearing.

~~(c) Additional exhibits may be introduced by the Board staff or Respondent and admitted into evidence at the hearing if the presiding officer determines that the document(s) were not otherwise available to the party 14 business days prior to the hearing or the documents(s) are offered in response to documents served by the other party. A party may object to the admission of evidence that was not timely served in accordance with this Rule. The objecting party must show that it was prejudiced by a violation of this Rule. Upon a valid objection, the presiding officer may refuse to admit the evidence, continue the hearing to a future date, or take other action within the presiding officer's discretion.~~

(d) Respondents shall supply at the hearing 16 copies of any document(s) that ~~is of this Rule~~ was not served upon the Board staff in advance as prescribed in Paragraph (b) of this Rule.

History Note: Authority G.S. 93-12; 150B-41;

Eff. February 1, 2011;

Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28, 2014; 2014;

Readopted Eff. May 1, 2026.

21 NCAC 08F .0101 is proposed for readoption with substantive changes as follows:

21 NCAC 08F .0101 TIME AND PLACE OF CPA EXAMINATIONS

(a) The Board shall offer the CPA examination through the examination vendors(s), who have contracted with NASBA, ~~at least eight months in a~~ through out the calendar year.

(b) The months the CPA Examination is administered are determined by the examination vendor(s).

(c) The examination vendor(s) shall provide examination applicants with computer access ~~to~~ at the testing centers for the CPA examination.

History Note: Authority G.S. 93-12(3); 93-12(4);

Eff. February 1, 1976;

Readopted Eff. September 26, 1977;

Amended Eff. February 1, 2011; January 1, 2004; May 1, 1989;

Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28,
~~2014.~~ 2014.

Readopted Eff. May 1, 2026.

21 NCAC 08F .0103 is proposed for readoption with substantive changes as follows:

21 NCAC 08F .0103 FILING OF EXAMINATION APPLICATIONS AND FEES

(a) All applications for CPA examinations shall be filed with the Board and accompanied by the examination ~~fee~~ fees. The Board sets the ~~fee~~ fees for each examination at the amount that enables the Board to recover its actual costs of examination services. If a check or credit card authorization fails to clear the bank, the application shall be deemed incomplete and returned. CPA examination applications and fee information are on the Board's website at nccpaboard.gov and may be requested from the Board.

(b) The initial application filed to take the examination shall include supporting documentation demonstrating that all legal requirements have been met, including:

- (1) minimum legal age;
- (2) education; and
- (3) good moral character.

(c) In addition, any person born outside the United States shall furnish to the Board office:

- (1) evidence of citizenship; or
- (2) evidence of resident alien status; or
- (3) other bona fide evidence that the applicant is legally allowed to remain in the United States; or
- (4) a notarized affidavit of intention to become a U.S. citizen; or
- (5) evidence that the applicant is a citizen of a foreign jurisdiction that extends to citizens of this State like or similar privileges to be examined.

(d) Education and satisfaction of degree requirements shall be proven by submission of either original official transcripts, not photocopies, signed by the college registrar and bearing the college seal or by electronic delivery of official transcripts directly from the college registrar or through the institution's chosen provider. Official transcripts shall show the grades the applicant received on courses completed and shall also show degree(s) awarded. A letter from the college registrar of the school may be filed as documentation that the applicant has met the graduation requirements if the degree has not been awarded and posted to the transcript. No examination grades shall be released until an official transcript is filed with the Board confirming the education requirement as stated in the college registrar's letter.

(e) Applicants for re-examination shall not ~~re-submit~~ be required to resubmit official transcripts, additional statements, or affidavits regarding education.

(f) To document good moral character as required by G.S. 93-12(5), three persons not related by blood or marriage to the applicant shall sign the application certifying the good moral character of the applicant and the Board shall conduct a background check of the applicant including a check of criminal records.

(g) An applicant shall include as part of any application for the CPA examination a statement of explanation and a certified copy of the final disposition if the applicant has been arrested, charged, convicted or found guilty of, received a prayer for judgment continued, or pleaded nolo contendere to any criminal offense. An applicant shall not be required to disclose any arrest, charge, or conviction that has been expunged by a court.

1 (h) If an applicant has been denied any license by any state or federal agency, the applicant shall include as part of
2 the application for the CPA examination a statement explaining such denial. An applicant shall include a statement of
3 explanation and a certified copy of applicable license records if the applicant has been registered with or licensed by
4 a state or federal agency and has been disciplined by that agency.

5 (i) An applicant shall submit one photograph or digital image as part of the application for the CPA examination. The
6 photograph or digital image shall be of the applicant alone, front view, full face, taken in normal street attire without
7 a hat or dark glasses, with a plain light background, and taken within the last six months. The photograph or digital
8 image may be in black and white or in color. Retouched photographs or digital images shall not be accepted. If
9 submitting a photograph, applicants shall write their names on the back of their photograph, with the photograph two
10 by two inches in size.

11 (j) If an applicant's name has legally changed and is different from the name on any transcript or other document
12 supplied to the Board, the applicant shall furnish copies of the documents legally authorizing the name change.

13 (k) Candidates shall file initial and re-exam applications to sit for the CPA examination on forms provided by the
14 Board.

15 (l) Examination fees are valid for a six-month period from the date of the applicant's notice to schedule for the
16 examination from the examination vendor.

17 (m) No application for examination shall be considered while the applicant is serving a sentence for any criminal
18 offense. Serving a sentence includes incarceration, ~~probation (supervised or unsupervised)~~, supervised probation,
19 parole, or conditionally suspended sentence, any of which are imposed as a result of having been convicted or having
20 pled to a criminal charge.

21
22 *History Note: Authority G.S. 93-2; ~~93-10~~; 93-12(3); 93-12(4); 93-12(5); 93-12(7);*

23 *Eff. February 1, 1976;*

24 *Readopted Eff. September 26, 1977;*

25 *Amended Eff. January 1, 2014; February 1, 2011; January 1, 2006; January 1, 2004; August 1,*
26 *1998; February 1, 1996; April 1, 1994; March 1, 1990; May 1, 1989;*

27 *Readopted Eff. February 1, 2016;*

28 *Amended Eff. September 1, 2023; February 1, ~~2018~~; 2018;*

29 *Readopted Eff. May 1, 2026.*

21 NCAC 08F .0107 is proposed for readoption with substantive changes as follows:

21 NCAC 08F .0107 COMMUNICATION OF RESULTS OF CPA EXAMINATIONS

~~(a) The Board shall communicate to candidates in writing the result achieved in each of their examinations. NASBA~~
~~notifies candidates once their score(s) are finalized and the results are available for review. Grades awarded to~~
~~candidates shall not be released to third parties except by written consent of the candidate.~~

~~(b) In no event shall any information concerning answers of candidates be given to anyone other than the candidate.~~

~~(c) Examination grades shall be mailed to the candidates upon receipt by the Board.~~

History Note: Authority G.S. 93-12(2); 93-12(3);

Eff. February 1, 1976;

Readopted Eff. September 26, 1977;

Amended Eff. January 1, 2006; April 1, 1999; April 1, 1994; May 1, 1989; December 1, 1987; June
1, 1985;

Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28,
~~2014.~~ 2014.

Readopted Eff. May 1, 2026.

21 NCAC 08F .0113 is proposed for readoption with substantive changes as follows:

21 NCAC 08F .0113 CANDIDATE'S REQUEST TO REVIEW CPA EXAMINATION

The Board ~~may~~ shall allow a North Carolina ~~candidate~~ candidates pursuant to ~~G.S. 93B-8~~ G.S. 93B-8 to have the privilege to review his or her their CPA Examination within 60 days after the release of the grades in question.
examination. The candidate must make the request for the review within 60 days after the release of the grades in question.

History Note: Authority G.S. 93-12(3);

Eff. August 1, 1995;

Amended Eff. January 1, 2004;

Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28, 2014. 2014.

Readopted Eff. May 1, 2026.

21 NCAC 08F .0302 is proposed for readoption with substantive changes as follows:

21 NCAC 08F .0302 EDUCATION ~~AND WORK EXPERIENCE~~ REQUIRED PRIOR TO CPA EXAM

(a) Applicants who intend to demonstrate their possession of sufficient education to become a CPA by showing that they possess a bachelor's degree shall submit official transcripts with their application to take the CPA examination. Official transcripts shall show the grades the applicant received on courses completed and shall also show degrees awarded. ~~An official transcript bears the seal of the school and the signature of the registrar or assistant registrar.~~

(b) The Board may approve an application to take the CPA examination prior to the applicant's obtaining the concentration of accounting or the receipt of a bachelor's degree, if:

- (1) the concentration in accounting that shall be included in or supplement the bachelor's degree is already complete or is reasonably expected to be completed by the end of the school term within which the examination falls; and
- (2) an applicant reasonably expects to receive the bachelor's degree within 120 days after the application is ~~received~~ approved by the Board. However, if the applicant fails to receive the degree within the specified time, the CPA examination grades shall not be released and if the applicant wishes to retake the examination, the applicant shall reapply.

History Note: Authority G.S. 93-12(3); 93-12(5);

Eff. February 1, 1976;

Readopted Eff. September 26, 1977;

Amended Eff. February 1, 2011; August 1, 1998; April 1, 1994; May 1, 1989; September 1, 1988; April 1, 1987;

Readopted Eff. February 1, ~~2016~~ 2016;

Readopted Eff. May 1, 2026.

21 NCAC 08F .0409 is proposed for readoption with substantive changes as follows:

21 NCAC 08F .0409 SATISFACTION OF EXPERIENCE REQUIREMENT BY TEACHING

(a) Teaching Experience. The requirement of "four years experience teaching accounting," G.S. 93-12(5), means teaching accounting full-time for four years.

(1) Full-time teaching as described by the rules of the educational institution where the applicant taught will be accepted by the Board to be full-time teaching. However, in no case will less than 12 semester hours, or the equivalent, be accepted by the Board as full-time teaching.

(2) If the applicant has not taught accounting full-time for four years, credit will be allowed by the Board for teaching accounting less than full-time on a pro rata basis based upon the number of semester hours required for full-time teaching at the educational institution where the applicant taught. However, in no case can an applicant receive credit for a full-time teaching year for teaching done in less than one academic year or more credit than one full-time teaching year for teaching done within one calendar year.

(3) Courses outside the field of accounting will not be counted toward full-time teaching. Such courses include, but are not limited to: business law, finance, computer applications, personnel management, economics and statistics.

(4) Of the four years of full-time teaching experience, teaching accounting principles (below intermediate accounting) cannot be counted toward the educational requirement for more than the equivalent of two full-time years. The remaining two full-time teaching years must be taught in at least two different areas of advanced accounting such as auditing, income tax, intermediate financial accounting or advanced managerial accounting, and the applicant must have taught at least nine semester hours, or the equivalent, in at least two of the different areas.

~~The purpose of this Subparagraph is to render unacceptable as meaningful experience both the continuous teaching of the elementary accounting course and the continuous teaching of the advanced courses in only one area of accounting.~~

(b) Required Information. Applicants must submit with their application a letter from each institution where they taught, certified by the applicant's dean or department head at that institution. The letter must state:

(1) the number of credit hours which the applicant taught each year;

(2) the names and academic level of the courses taught; and

(3) the number of hours set by the rules of the institution as full-time teaching for each relevant year.

(c) Burden of Proof. An applicant having taught in an accredited ~~community college or technical institute~~ institution other than a four-year accredited college or university has the burden of proving that the credits earned by students taking those courses which the applicant taught would transfer to a four-year accredited college or university.

History Note: Authority G.S. 93-12(5);

Eff. December 1, 1983;

Amended Eff. January 1, 2006; April 1, 1994; May 1, 1989; January 1, 1988; July 1, 1985;

1 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28,*
2 ~~2014.~~ 2014;
3 Readopted Eff. May 1, 2026.

21 NCAC 08F .0502 is proposed for readoption with substantive changes as follows:

21 NCAC 08F .0502 APPLICATION FOR CPA CERTIFICATE

(a) A person applying for a certificate of qualification shall file with the Board an application and an experience affidavit on forms provided by the Board and supporting documentation to determine that the applicant has met the statutory and rule requirements. CPA certificate applications and fee information are on the Board's website at ~~www.nccpaboard.gov~~ as set forth in 21 NCAC 08A .0102 or may be requested from the Board.

(b) The application for a CPA certificate shall include three certificates of good moral character on forms provided by the Board and shall be completed by CPAs and the CPAs. The Board shall conduct a background check of the applicant including a check of criminal records.

(c) An applicant shall include as part of any application for a CPA certificate a statement of explanation and a certified copy of final disposition if the applicant has been arrested, charged, convicted or found guilty of, received a prayer for judgment continued, or pleaded nolo contendere to any criminal offense. An applicant shall not be required to disclose any arrest, charge, or conviction that has been expunged by the court.

(d) If an applicant has been denied any license by any state or federal agency, the applicant shall also include as part of the application for the CPA certificate a statement explaining such denial. An applicant shall include a statement of explanation and a certified copy of applicable license records if the applicant has been registered with or licensed by a state or federal agency and has been disciplined by that agency.

(e) No application for a certificate shall be considered while the applicant is serving a sentence for any criminal offense. Serving a sentence includes incarceration, probation (supervised or unsupervised), parole, or conditionally suspended sentence, any of which are imposed as a result of having been convicted or having pled to a criminal charge.

History Note: Authority G.S. 93-2; ~~93-10~~; 93-12(3); 93-12(5);

Eff. December 1, 1982;

Amended Eff. January 1, 2014; March 1, 1990; May 1, 1989; October 1, 1984;

Readopted Eff. February 1, 2016;

Amended Eff. February 1, ~~2018~~ 2018;

Readopted Eff. May 1, 2026.

21 NCAC 08F .0504 is proposed for readoption with substantive changes as follows:

21 NCAC 08F .0504 CANDIDATES' ACCOUNTANCY LAW COURSE REQUIREMENT

~~(a)~~ Within one year prior to applying for certification, all candidates for original or reciprocal certification must ~~pass an open book examination~~ complete an eight-hour course on the North Carolina Accountancy Statutes and Rules, including the Rules of Professional Ethics and Conduct contained therein.

~~(b) In lieu of taking the examination, a candidate may complete an eight hour CPE course on the subject of the examination within one year prior to applying for the CPA certificate. Such course or examination must meet the requirements of 21 NCAC 08G .0404(a). This course may count toward the candidate's annual CPE requirement.~~

History Note: Authority G.S. 93-12(8a);

Eff. October 1, 1987;

Amended Eff. April 1, 2003; April 1, 1999; May 1, 1989;

Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28, 2014. 2014;

Readopted Eff. May 1, 2026.

21 NCAC 08G .0401 is proposed for readoption with substantive changes as follows:

21 NCAC 08G .0401 CPE REQUIREMENTS FOR CPAS

(a) In order for a CPA to receive credit for CPE activities:

- (1) the CPA shall attend or complete the activity and receive a certificate of completion as set forth in the Standards for CPE Program Sponsors in the NASBA/AICPA Statement on Standards for Continuing Professional Education (CPE) Programs, including subsequent amendments and editions, that are hereby incorporated by reference. Copies of the Standards for CPE Program Sponsors can be found at no cost on the NASBA website at www.nasbaregistry.org/the-standards;
- (2) the activity shall meet the requirements set out in Rule .0404 of this Section; and
- (3) the activity shall increase the professional competency of the CPA.

(b) An activity that increases the professional competency of a CPA shall be an activity in an area of the profession in which the CPA practices or is planning to practice, or in the area of professional ethics.

(c) Because of differences in the education and experience of CPAs, an activity may contribute to the professional competence of one CPA but not another. Each CPA shall therefore exercise judgment in selecting activities for which CPE credit is claimed and choose only those that contribute to that CPA's professional competence. Courses that cover substantially the same content, learning objectives, and materials as a course the CPA has already completed and received credit for within the certification cycle, regardless of the format or provider, are considered duplicate courses and do not qualify for additional CPE credit.

(d) Active CPAs shall complete 2,000 CPE minutes computed in accordance with Rule .0409 of this Section by December 31 of each year, except as follows:

- (1) CPAs having certificate applications approved by the Board in April to June shall complete 1,500 CPE minutes during the same calendar year;
- (2) CPAs having certificate applications approved by the Board in July to September shall complete 1,000 CPE minutes during the same calendar year; or
- (3) CPAs having certificate applications approved by the Board in October to December shall complete 500 CPE minutes during the same calendar year; and

Any CPE minutes completed during the calendar year in which the certificate application is approved may be used for that year's requirement even if the minutes were completed before the certificate was granted.

(e) A CPA shall complete a minimum of 50 CPE minutes annually in activities on regulatory or behavioral professional ethics and conduct. Ethics CPE shall be offered by a CPE sponsor registered with NASBA pursuant to Rule .0403(c) of this Section.

(f) There shall be no CPE requirements for inactive or CPA-retired CPAs.

(g) When a CPA has completed more than the required number of minutes of CPE in any one calendar year, up to 1,000 minutes shall be carried forward and treated as minutes earned in the following year. Ethics CPE minutes may not be included in any carry forward minutes to meet the requirement of Paragraph (e) of this Rule. A CPA shall not claim CPE credit for activities taken in any year prior to the year of certification.

1 (h) Any CPE minutes used to satisfy the requirements for change of status as set forth in 21 NCAC 08J .0105, for
2 reissuance as set forth in 21 NCAC 08J .0106, or for application for a new certificate as set forth in Rule 08I .0104 of
3 this Chapter may be used to satisfy the annual CPE requirement set forth in Paragraph (d) of this Rule.

4 (i) It shall be the CPA's responsibility to maintain records substantiating the CPE credits claimed for the current year
5 and for each of the four calendar years prior to the current year.

6 (j) A non-resident licensee may satisfy the annual CPE requirements in the jurisdiction where the CPA is licensed
7 and currently works or resides. If there is no annual CPE requirement in the jurisdiction where the CPA is licensed
8 and currently works or resides, the CPA shall comply with Paragraph (d) of this Rule. A non-resident licensee whose
9 office is in North Carolina shall comply with Paragraph (e) of this Rule. All other non-resident licensees may satisfy
10 Paragraph (e) of this Rule by completing the ethics requirements in the jurisdiction in which the non-resident licensee
11 is licensed as a CPA and works or resides. If there is no ethics CPE requirement in the jurisdiction where the non-
12 resident licensee is licensed and currently works or resides, the non-resident licensee shall comply with Paragraph (e)
13 of this Rule.
14

15 *History Note: Authority G.S. 93-12(3); 93-12(8b);*

16 *Eff. May 1, 1981;*

17 *Amended Eff. January 1, 2014; January 1, 2007; January 1, 2004; August 1, 1995; April 1, 1994;*

18 *May 1, 1989; September 1, 1988;*

19 *Readopted Eff. February 1, 2016;*

20 *Amended Eff. January 1, ~~2020~~ 2020;*

21 *Readopted Eff. May 1, 2026.*

21 NCAC 08G .0403 is proposed for readoption with substantive changes as follows:

21 NCAC 08G .0403 QUALIFICATION OF CPE SPONSORS

(a) The Board shall not register CPE ~~activities nor sponsors~~ activities, sponsors, or providers of CPE activities.

(b) CPE providers not ~~in good standing~~ listed on the NASBA National Registry of CPE Sponsors shall comply with the Standards for CPE Program Sponsors in the NASBA/AICPA Statement on Standards for Continuing Professional Education (CPE) Programs found on the NASBA website at www.nasbaregistry.org.

(c) Sponsors of continuing education activities that are listed ~~in good standing~~ on the NASBA National Registry of CPE Sponsors shall be considered by the Board as compliant with the Standards for CPE Program Sponsors in the NASBA/AICPA Statement on Standards for Continuing Profession Education (CPE) Programs found on the NASBA website at www.nasbaregistry.org.

~~(d) Failure of a~~ If a sponsor listed on the National Registry of CPE Sponsor fails to comply with Paragraph (c) of this Rule ~~Rule~~, it shall be grounds for the Board to disqualify the sponsor as a CPE sponsor with this Board and to notify NASBA and the public of this action.

History Note: Authority G.S. 93-12(3); 93-12(8b);

Eff. May 1, 1981;

Amended Eff. January 1, 2014; January 1, 2007; January 1, 2004; March 1, 1990; May 1, 1989;

August 1, 1988; February 1, 1983;

Readopted Eff. February 1, 2016;

Amended Eff. January 1, ~~2020~~, 2020;

Readopted Eff. May 1, 2026.

21 NCAC 08G .0406 is proposed for readoption with substantive changes as follows:

21 NCAC 08G .0406 COMPLIANCE WITH CPE REQUIREMENTS

(a) All active CPAs shall file a reporting of CPE minutes by the July 1 renewal date of each year. The Board may ~~audit~~ verify the information submitted by licensees who apply for a renewal license.

(b) 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, the Board may:

- (1) issue a letter of warning for the first such failure within a five-calendar year period; and
- (2) deny the renewal of the CPA's certificate for a period of not less than 30 days and until the CPA meets the ~~reinstatement~~ reissuance requirements set forth in 21 NCAC 08J .0106 for the second such failure within a five-calendar year period.

History Note: Authority G.S. 93-12(8b); 93-12(9)(e);

Eff. May 1, 1981;

Amended Eff. January 1, 2007; January 1, 2004; April 1, 1994; March 1, 1990; May 1, 1989; October 1, 1988;

Readopted Eff. February 1, 2016;

Amended Eff. January 1, ~~2020~~, 2020;

Readopted Eff. May 1, 2026.

21 NCAC 08G .0409 is proposed for readoption with substantive changes as follows:

21 NCAC 08G .0409 COMPUTATION OF CPE CREDITS

(a) Group Activity. CPE credit for a group activity shall be given based on contact minutes.

(b) Completing a College Course. CPE credit for completing a college course in the college curriculum shall be granted based on converting the number of credit hours the college gives the CPA for completing the course into minutes. One semester hour of college credit shall be 750 CPE minutes. No CPE credit shall be given to a CPA who audits a college course. No more than 50 percent of the CPE credits required for a year shall be credits for completing a college course.

(c) Self Study Activity. CPE credit for a self-study activity shall be given based on the number of minutes needed to complete the activity as determined by the sponsor.

(d) Preparing or Presenting a CPE Activity. CPE credit for preparing or presenting a CPE activity for CPAs shall be given based on the number of minutes spent in preparing or presenting the activity. Preparing includes activities such as authoring or conducting a technical review. No more than 50 percent of the CPE credits required for a year shall be credits for preparing for or presenting CPE activities. CPE credit for preparing or presenting an activity shall be allowed only once a year for an activity prepared or presented more than once in the same year by the same CPA.

(e) Authoring a Publication. CPE credit for published articles and books shall be given based on the number of minutes the CPA spent writing the article or book. No more than 25 percent of a CPA's required CPE credits for a year shall be credits for published articles or books. An article written for a CPA's client or business newsletter shall not receive CPE credit.

(f) Instructing a College Course. CPE credit for instructing a college course above the level of accounting principles shall be given based on the number of credit hours the college gives a student for completing the course, using the calculation set forth in Paragraph (b) of this Rule. No more than 50 percent of the CPE credits required for a year shall be credits for instructing a college course.

(g) Nano Learning Activity. CPE credit for Nano Learning, a tutorial activity without interaction with a real-time instructor that is designed to permit a participant to learn a given subject through electronic media including technology applications/processes, computer-based or web-based technology, shall be based on the number of contact minutes. Nano Learning is not a group program. This CPE activity shall be offered by a CPE sponsor registered with NASBA pursuant to Rule .0403(c) of this Section.

(h) Blended Learning Activity. A Blended Learning program offers participants learning in multiple formats or delivery methods. Activities can include lectures, discussion, guided practice, games, case studies, and simulation. The varied delivery methods include Group Live, Group Internet Based, Self Study, or Nano Learning. The primary component of the program may be concurrent (a group program) or nonconcurrent, allowing the participant to control a portion of the time and place of the learning. CPE credit for Blended Learning shall be based on the number of contact minutes incorporated in all the learning formats in the Blended Learning activity. This CPE activity shall be offered by a CPE sponsor registered with NASBA pursuant to Rule .0403(c) of this Section.

1 (i) No more than 50 percent of the CPE credits required for a year in the aggregate shall be credits claimed under
2 Paragraphs (b), (d), and (f) of this Rule.

3
4 *History Note: Authority G.S. 93-12(8b);*

5 *Eff. May 1, 1989;*

6 *Amended Eff. July 1, 2015; January 1, 2014; February 1, 2012; January 1, 2007; January 1, 2004;*

7 *February 1, 1996; April 1, 1994; March 1, 1990;*

8 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28,*
9 *2014;*

10 *Amended Eff. January 1, ~~2020~~, 2020;*

11 *Readopted Eff. May 1, 2026.*

21 NCAC 08H .0101 is proposed for readoption with substantive changes as follows:

21 NCAC 08H .0101 RECIPROCAL CERTIFICATES

(a) Unless utilizing a practice privilege per G.S. 93-10(a), a person having a CPA certificate from another jurisdiction who desires to utilize the CPA title in this State or offer or render professional services as a CPA to his or her employer or a client in this State shall obtain a reciprocal North Carolina CPA certificate.

(b) The fee for a reciprocal certificate shall be ~~the maximum amount allowed by~~ as set forth in G.S. 93-12(7a).

(c) An applicant for a reciprocal certificate shall meet the following requirements:

- (1) The applicant has the legal authority to use the CPA title and to practice public accountancy in a United States jurisdiction; and
- (2) The applicant has received a passing score on each section of the Uniform CPA Examination.

History Note: Authority G.S. 93-12(6); 93-12(7a);

Eff. February 1, 1976;

Readopted Eff. September 26, 1977;

Amended Eff. February 1, 2011; January 1, 2006; April 1, 2003; April 1, 1999; August 1, 1998; September 1, 1992; March 1, 1990; May 1, 1989; June 1, 1988;

Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28, 2014;

Amended Eff. September 1, ~~2023~~ 2023;

Readopted Eff. May 1, 2026.

21 NCAC 08H .0102 is proposed for readoption with substantive changes as follows:

21 NCAC 08H .0102 TEMPORARY PERMIT

(a) The Board may grant temporary permits only to applicants for reciprocal certificates pending their qualification under ~~21 NCAC 8H .0101~~ 21 NCAC 08H .0101 and application to the Board on forms provided by the Board.

(b) Upon approval of a temporary permit, the Board will issue the applicant a statement confirming that the CPA is in good standing in the state issuing the CPA's certificate and is entitled temporarily to use the CPA title and engage in the public practice of accountancy in North Carolina for a stated period. The stated period shall expire 120 days after issue or upon issuance of the individual's reciprocal certificate, whichever comes first.

History Note: Authority G.S. 93-12(6); 93-12(7a);

Eff. February 1, 1976;

Readopted Eff. September 1, 1977;

Amended Eff. April 1, 1999; April 1, 1994; May 1, 1989; December 1, 1982;

Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28, ~~2014.~~ 2014.

Readopted Eff. May 1, 2026.

1 21 NCAC 08H .0104 is proposed for readoption with substantive changes as follows:

2
3 **21 NCAC 08H .0104 NOTICE TO BOARD OF DISCIPLINE ~~BY OTHER AGENCY~~**

4 Any applicant for or holder of a temporary permit or reciprocal certificate issued by this Board shall also comply with
5 the reporting requirements listed in ~~21 NCAC 8N .0208.~~ 21 NCAC 08N .0208.

6
7 *History Note: Authority G.S. 93-12(3);*

8 *Eff. December 1, 1987;*

9 *Amended Eff. April 1, 1994; March 1, 1990; May 1, 1989;*

10 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28,*
11 *~~2014.~~ 2014.*

12 *Readopted Eff. May 1, 2026.*

21 NCAC 08I .0101 is proposed for readoption with substantive changes as follows:

21 NCAC 08I .0101 DISCIPLINARY ACTION

(a) Any person may file a complaint with the Board against a CPA, pursuant to G.S. 150B, Article 3A for disciplinary action against a CPA for violations of G.S. 93 and this Chapter on forms provided by the Board that are on the Board's website at ~~www.nccpa-board.gov~~ as set forth in 21 NCAC 08A .0102 and may be requested from the Board.

(b) The complaint shall set forth the facts upon which the complaint is based. The complainant shall confirm that he or she believes the facts stated in the complaint are true and that he or she is prepared to prove them at a hearing.

(c) The complaint shall be filed in the office of the Board. The Board's professional standards staff shall open a case file, notify the complainant of receipt of the complaint, notify and provide a copy of the complaint to the respondent named in the complaint, and conduct an investigation of the allegations in the complaint. Based upon the investigation and the recommendation of the Professional Standards Committee of the Board appointed by the Board President, and with the approval of the Board, the professional standards staff may do any of the following:

- (1) close the case without prejudice;
- (2) close the case with prejudice;
- (3) prepare a Consent Order;
- (4) apply to the courts for injunctive relief; or
- (5) prepare a proposed Hearing Notice.

The Professional Standards Committee shall determine whether the allegations in a case warrant applying to the courts for injunctive relief and whether the allegations in the proposed Hearing Notice, if proven, warrant a contested case proceeding pursuant to ~~G.S. 150B-38—150B-42~~, G.S. 150B-38 through G.S. 150B-42. A copy of any Hearing Notice filed and application for injunctive relief applied for shall be provided to the complainant in that matter.

(d) The Board shall notify the complainant and the respondent in any complaint filed with the Board of the disposition of the case and shall publish or announce the disciplinary action against a CPA.

History Note: Authority G.S. 55B-12; 93-12(9); 57D-2-02;

Eff. February 1, 1976;

Readopted Eff. September 26, 1977;

Amended Eff. April 1, 1994; May 1, 1989; June 1, 1985; October 1, 1984;

Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28, 2014;

Amended Eff. May 1, ~~2017~~, 2017;

Readopted Eff. May 1, 2026.

21 NCAC 08I .0102 is proposed for readoption with substantive changes as follows:

21 NCAC 08I .0102 PROCEDURE WHEN PETITION AGAINST BOARD MEMBER OR EMPLOYEE

If the person against whom a petition for disciplinary action is filed is a Board member or a Board employee, the Secretary-Treasurer or Executive Director shall immediately notify that person and every member of the Board of the petition. The person against whom the petition was filed shall not participate in considering or acting on the petition.

History Note: Authority G.S. 55B-12; 93-12(9); 57D-2-02;

Eff. February 1, 1976;

Readopted Eff. September 26, 1977;

Amended Eff. May 1, 1989; June 1, 1985; October 1, 1984;

Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28, ~~2014~~. 2014;

Readopted Eff. May 1, 2026.

21 NCAC 08I .0105 is proposed for readoption with substantive changes as follows:

21 NCAC 08I .0105 REVOCATION OF CERTIFICATES

(a) When a certificate is revoked either for a specific period of time or permanently, the certificate holder shall return the certificate to the Board office within 15 days of receipt of notice of revocation.

(b) Pursuant to the provisions of ~~21 NCAC 8I .0004~~, 21 NCAC 08I .0104, the Board may issue a new certificate ~~under~~
~~a new number~~ bearing the previously issued number to anyone whose certificate has been revoked.

History Note: Authority ~~G.S. 55B-12; 93-12(8);~~ G.S. 93-12(8); 93-12(9); 93-12(15);

Eff. September 1, 1982;

Amended Eff. August 1, 1998; July 1, 1987; October 1, 1984;

Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28,
~~2014.~~ 2014.

Readopted Eff. May 1, 2026.

21 NCAC 08J .0101 is proposed for readoption with substantive changes as follows:

**21 NCAC 08J .0101 ANNUAL RENEWAL OF CERTIFICATE, FORFEITURE, AND
REAPPLICATION**

(a) All active CPAs shall renew their certificates annually by the first day of July. ~~The fee for such renewal is the maximum amount allowed by G.S. 93-12(8).~~

(b) To renew a certificate a CPA shall submit to the Board:

- (1) a completed certificate renewal application form;
- (2) a completed CPE report, as required by 21 NCAC 08G .0406(a); and
- (3) the annual renewal fee ~~set~~ as set forth in G.S. 93-12(8).

(c) Upon failure of a CPA to comply with any applicable part of Paragraph (b) of this Rule by July 1, the Board shall send notice of such failure in the form of a demand letter to the CPA at the most recent mailing address the Board has on file. Completed renewal application packages shall be postmarked with proper postage not later than 30 days after the mailing date of the demand letter, unless that date falls on a weekend, in which case the renewal package shall be postmarked or received in the Board office on the next business day. For renewal packages sent via the U.S. Postal Service, only a U.S. Postal Service cancellation shall be considered as the postmark. If the renewal package is sent to the Board office via a private delivery service, the date the package is received by the delivery service shall be considered as the postmark. Subsequent failure of the CPA to comply with any applicable part of Paragraph (b) of this Rule within 30 days after such notice is mailed by the Board automatically results in forfeiture of the CPA's certificate, as required by G.S. 93-12(15).

(d) Upon forfeiture of a certificate, the certificate holder is no longer a CPA and the Board shall send notice of such forfeiture to the certificate holder by certified mail to the most recent mailing address the Board has on file. The certificate holder shall return the certificate to the Board office within 15 days after receipt of notice of forfeiture or, if the certificate has been destroyed or lost, shall submit an affidavit, on a form supplied by the Board, within 15 days of receipt of such notice that the certificate has been destroyed or has been lost and shall be returned to the Board if found.

(e) A person who has forfeited a certificate pursuant to G.S. 93-12(15) for failure to renew his or her certificate may apply for reissuance under Rule .0106 of this Section.

(f) If a check or credit card authorization for the annual renewal fee fails to clear the bank, the annual renewal shall be deemed incomplete and returned.

(g) Any active CPA serving in the armed forces of the United States and to whom an extension of time to file a tax return is granted pursuant to G.S. 105-249.2, shall be granted the same extension of time to comply with the requirements of Paragraphs (a) and (b) of this Rule.

History Note: Authority G.S. 93-12(7a); 93-12(8); ~~93-12(8a)~~; 93-12(8b); 93-12(15); 93B-15;

Eff. February 1, 1976;

Readopted Eff. September 26, 1977;

1 *Legislative Objection Lodged Eff. July 20, 1982;*
2 *Amended Eff. August 1, 1982;*
3 *Curative Amended Eff. August 1, 1982;*
4 *Temporary Amendment Eff. May 13, 1983 for a period of 111 days to expire on September 1, 1983;*
5 *Amended Eff. February 1, 2011; August 1, 1998; February 1, 1996; April 1, 1994; March 1, 1990;*
6 *May 1, 1989;*
7 *Readopted Eff. February 1, ~~2016~~ 2016;*
8 *Readopted Eff. May 1, 2026.*

21 NCAC 08J .0105 is proposed for readoption with substantive changes as follows:

21 NCAC 08J .0105 INACTIVE STATUS: CHANGE OF STATUS

(a) A CPA may apply to the Board for change of status to inactive status provided the CPA meets the description of inactive status as defined in 21 NCAC 08A .0301. Application for any status change shall be made on the form provided by the Board.

(b) A CPA who does not meet the definition of inactive may not remain on inactive status.

(c) A CPA on inactive status may change to active status by:

- (1) paying the certificate ~~renewal~~ fee as set forth in G.S. 93-12(7a) for the license year in which the application for change of status is received;
- (2) furnishing the Board with evidence of satisfactory completion of ~~40 hours~~ 2,000 minutes of CPE courses during the 12-month period immediately preceding the application for change of status. Eight of the required hours shall be credits derived from a course or examination in North Carolina accountancy statutes and rules (including the Code of Professional Ethics and Conduct as set forth in 21 NCAC 08N contained therein) as set forth in 21 NCAC 08F .0504; and
- (3) ~~submitting three certificates of good moral character and completed by CPAs.~~ submitting a reinstatement application in accordance with the requirements as set forth in 21 NCAC 08F .0502(b) through (e).

*History Note: Authority G.S. 93-12(3); 93-12(7a); ~~93-12(8); 93-12(8b)~~;
Eff. December 1, 1982;
Curative Adopted Eff. January 25, 1983;
Legislative Objection Lodged Eff. January 31, 1983;
Amended Eff. January 1, 2014; February 1, 2012; February 1, 2011; August 1, 1998; August 1, 1995; April 1, 1994; March 1, 1990; May 1, 1989;
Readopted Eff. February 1, ~~2016~~ 2016;
Readopted Eff. May 1, 2026.*

21 NCAC 08J .0106 is proposed for readoption with substantive changes as follows:

21 NCAC 08J .0106 FORFEITURE OF CERTIFICATE AND REISSUANCE

(a) A person who has forfeited a certificate is no longer a CPA and thus is not subject to the renewal fee or CPE requirements contained in these Rules.

(b) A person who requests reissuance of a forfeited certificate shall make application and provide the following to the Board:

- (1) payment of the current certificate ~~application fee; fee as set forth in G.S. 93-12(7a);~~
- (2) ~~three certificates of moral character provided by the Board and completed by CPAs; and submitting a reissuance application in accordance with the requirements as set forth in 21 NCAC 08F .0502(b) through (e); and~~
- (3) evidence of satisfactory completion of the CPE requirement described in Rule .0105(c)(2) of this Section.

(c) The certificate may be reissued if determined by the Board that the person meets the requirements as listed in Paragraph (b) of this Rule.

*History Note: Authority G.S. 93-12(3); 93-12(5); 93-12(7a); ~~93-12(8a)~~; 93-12(8b);
Eff. October 1, 1984;
Amended Eff. January 1, 2014; July 1, 2010; August 1, 1998; February 1, 1996; April 1, 1994; May 1, 1989;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28, ~~2014~~ 2014;
Readopted Eff. May 1, 2026.*

21 NCAC 08J .0107 is proposed for readoption with substantive changes as follows:

21 NCAC 08J .0107 MAILING ADDRESSES OF CERTIFICATE HOLDERS AND CPA FIRMS

All certificate holders and CPA firms shall notify the Board electronically or in writing within 30 days of any change in ~~home address and phone number;~~ home address, phone number, and email address; CPA firm address and phone number; business location and phone ~~number; and email address.~~ number.

History Note: Authority G.S. 55B-12; 57D-2-02; 93-12(3); 93-12(7b)(5);

Eff. October 1, 1984;

Amended Eff. January 1, 2014; April 1, 1999; April 1, 1991; August 1, 1986;

Readopted Eff. February 1, ~~2016.~~ 2016.

Readopted Eff. May 1, 2026.

21 NCAC 08J .0108 is proposed for readoption with substantive changes as follows:

21 NCAC 08J .0108 CPA FIRM REGISTRATION AND ONGOING REQUIREMENTS

(a) All CPA firms shall register with the Board within 30 days after opening a North Carolina office or beginning a new CPA firm unless they are a professional corporation, professional limited liability company, or registered limited liability partnership, in which case they shall register prior to formation pursuant to 21 NCAC 08K .0104 and .0301.

(b) In addition to the registration required by Paragraph (a) of this Rule, all CPA firms shall renew annually by January 31 with the Board upon forms provided by the Board.

(c) The information provided by the registration shall include:

(1) Either an application for exemption from peer review, a request to be deemed in compliance with peer review or registration for peer review, pursuant to 21 NCAC 08M .0105;

(2) For all CPA firms not exempt from the peer review program, with the registration immediately following its review, the information required by 21 NCAC 08M .0106(a);

(3) For all North Carolina offices, an office registration form indicating the name of the office supervisor, the location of the office and its telephone number;

(4) For all partnerships or registered limited liability partnerships, a list of all resident and nonresident partners of the partnership;

(5) For all professional limited liability companies, the information set forth in 21 NCAC 08K .0104(d);

(6) For all incorporated CPA firms, the information set forth in 21 NCAC 08K .0104(d);

(7) For all CPA firms, the appropriate registration fees as set forth in 21 NCAC 08J .0110; and

(8) For all new CPA firms, the percentage of ownership held ~~individually by each non-CPA owner who has five percent or more of ownership:~~ by CPAs;

(A) ~~in the new CPA firm; and~~

(B) ~~at the year end in each CPA firm in which that owner was an owner during the preceding two years.~~

(9) ~~For all changes in ownership of a CPA firm, the percentage of ownership held individually by each owner who has five percent or more of ownership.~~

(d) All information provided for ~~registration~~ renewal with the Board shall pertain to events of and action taken ~~during the year preceding the year of registration. The last day of the preceding calendar year is the "year end."~~ since the CPA firm's last registration or renewal.

(e) With regard to Paragraph (c)(3) of this Rule, one representative of a CPA firm may file all documents with the Board on behalf of the CPA firm's offices in North Carolina. However, responsibility for compliance with this Rule remains with each office supervisor.

(f) With regard to Paragraph (c)(4) or (c)(5) of this Rule, one annual listing by a representative of the partnership, registered limited liability partnership, or professional limited liability company shall satisfy the requirement for all owners of the CPA firm. However, each owner remains responsible for compliance with this Rule. The absence of a

1 filing under Paragraph (c)(4) or (c)(5) of this Rule shall be construed to mean that no partnership, registered limited
2 liability partnership, or professional limited liability company exists.

3 (g) Notice that a CPA firm has dissolved or any change in the information required by Paragraph (c)(3) of this Rule
4 shall be delivered to the Board's office within 30 days after the change or dissolution occurs. A professional
5 corporation or professional limited liability company which is dissolving shall deliver the Articles of Dissolution to
6 the Board's office within 30 days of filing with the Office of the Secretary of State.

7 ~~(h) Upon written petition by a CPA firm, the Board shall grant the CPA firm a conditional registration for a period of~~
8 ~~60 days or less, if the CPA firm shows that circumstances beyond its control prohibited it from registering with the~~
9 ~~Board, completing a peer review or notifying the Board of change or dissolution pursuant to Paragraphs (a), (b), (c),~~
10 ~~and (g) of this Rule. The Board may grant a second extension under continued extenuating circumstances.~~

11 ~~(i) A complete registration, renewal, as required by Paragraphs (b) and (c) of this Rule, shall be postmarked with~~
12 ~~proper postage or received in the Board office not later than the last day of January unless that date falls on a weekend~~
13 ~~or federal holiday, in which case that day shall be the next business day. Only a U.S. Postal Service cancellation is~~
14 ~~considered as the postmark. If a registration is sent to the Board office via a private delivery service, the date the~~
15 ~~package is received by the delivery service is considered as the postmark. (h) a complete renewal, as required by~~
16 ~~Paragraphs (b) and (c) of this Rule, if delivered on a paper form, shall be postmarked with proper postage and received~~
17 ~~in the Board office not later than the last day of January unless that date falls on a weekend or federal holiday, in~~
18 ~~which case that day shall be the next business day. Only a U.S. Postal Service cancellation is considered as the~~
19 ~~postmark. If a renewal is sent to the Board office via a private delivery service, the date the package is received by~~
20 ~~the delivery service is considered as the postmark. If the renewal is delivered by electronic means, it shall be sent not~~
21 ~~later than midnight on the last day of January unless that date falls on a weekend or federal holiday, in which case that~~
22 ~~day shall be the next business day.~~

23
24 *History Note: Authority ~~G.S. 55B-10; G.S. 55B-6; 55B-10; 55B-12; 57D-1; 57D-2; 59-84.2; 93-12(8a); 93-~~*
25 *12(8c);*
26 *Eff. June 1, 1985;*
27 *Amended Eff. February 1, 2011; January 1, 2004; April 1, 1999; August 1, 1998; August 1, 1995;*
28 *April 1, 1994; April 1, 1991; May 1, 1989;*
29 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28,*
30 *2014. 2014;*
31 *Readopted Eff. May 1, 2026.*

21 NCAC 08J .0110 is proposed for readoption with substantive changes as follows:

21 NCAC 08J .0110 REGISTRATION FEES

The annual registration fees shall be as follows:

- (1) For all professional corporations or professional limited liability companies, twenty-five dollars (\$25.00); and
- (2) For all non-incorporated CPA firms which have offices both within and outside the state of North Carolina, whether sole proprietorships, partnerships, or registered limited liability partnerships, an amount equal to two thousand five hundred dollars ~~(\$2,500.00)~~ (\$2,500) or the number of CPA members of the CPA firm multiplied by ten dollars (\$10.00), whichever is less.

*History Note: Authority G.S. 55B-11; 55B-12; 57D-1; 57D-2; 59-84.2; 93-12(7b); 93-12(8a); 93-12(8c);
Eff. April 1, 1991;
Amended Eff. January 1, 2004; April 1, 1999; August 1, 1998; April 1, 1994;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28,
~~2014.~~ 2014;
Readopted Eff. May 1, 2026.*

21 NCAC 08J .0112 is proposed for readoption with substantive changes as follows:

21 NCAC 08J .0112 RETIRED STATUS - CHANGE OF STATUS

(a) A CPA on active or inactive status may apply to the Board for a change to CPA-retired status if that CPA completes an application provided by the Board confirming the following:

(1) they will not perform any of the services listed in ~~21 NCAC 08A .0307(2)~~ 21 NCAC 08A .0307(a)(2) except that:

(A) they may prepare tax returns for themselves and their immediate family members without compensation. Immediate family is defined as spouse, domestic partner, parent, child, sibling, stepparent, parent-in-law, stepchild, child-in-law, grandparent, grandchild, sibling-in-law, or legal dependent; and

(B) they may prepare tax returns through public service programs without compensation, such as the Volunteer Income Tax Assistance program.

(2) they will not hold themselves out to the public as a certified public accountant while they remain on CPA-retired status except that they may use the designation "CPA-retired".

(3) they consent to the continued regulatory authority of the Board.

(b) Individuals on CPA-retired status may receive compensation for any services that are not listed in ~~21 NCAC 08A .0307(2)~~ 21 NCAC 08A .0307(a)(2).

(c) Individuals on CPA-retired status must renew their certificate annually as set forth in 21 NCAC 08J .0101. However, individuals on CPA-retired status are exempt from the Board's annual CPE requirements.

(d) Individuals on CPA-retired status may not have an ownership interest in a CPA firm.

~~(d)~~ (e) In addition to the requirements in Paragraph (a) of this Rule, the application to move from inactive status to CPA-retired status will also contain the requirements set forth in 21 NCAC 08F .0502. However, the application will not require an experience affidavit or three certificates of good moral character.

~~(e)~~ (f) An individual on CPA-retired status may change to active status by:

(1) furnishing the Board with evidence of satisfactory completion of ~~40 hours~~ 2,000 minutes of CPE courses during the 12-month period immediately preceding the application for change of status. Eight of the required hours shall be credits derived from a course or examination in North Carolina accountancy statutes and rules (including the Code of Professional Ethics and Conduct as set forth in 21 NCAC 08N contained therein) as set forth in 21 NCAC 08F .0504; and

(2) ~~submitting three certificates of good moral character completed by CPAs on active status.~~
submitting a reinstatement application in accordance with the requirements as set forth in 21 NCAC 08F .0502(b) through (e).

History Note: Authority G.S. 93-12(3); 93-12(8); 93-12(8b);

Eff. September 1, 2023- 2023;

Readopted Eff. May 1, 2026.

21 NCAC 08K .0104 is proposed for readoption with substantive changes as follows:

21 NCAC 08K .0104 REGISTRATION AND RENEWAL

(a) Domestic CPA professional corporations or professional limited liability companies must be formed and all CPA professional corporations or professional limited liability companies must be operated in accordance with the requirements set out in G.S. 55B and 57D. Before any CPA professional corporation or professional limited liability company can offer to perform or perform any professional services in this state, it must register with the Board.

(b) Initial registration.

(1) Domestic CPA Corporation or Professional Limited Liability Company. In order to register initially with this Board, the incorporators of a domestic CPA corporation or professional limited liability company, prior to incorporation of the CPA firm, must:

(A) prepare and file with the Board the articles of incorporation along with any supporting documents and appropriate checks for fees payable to the Secretary of State;

(B) complete and file with the Board the application for professional corporation or professional limited liability company registration form along with any supporting documents; and

(C) pay to the Board an initial registration fee ~~of fifty dollars (\$50.00)~~ as set forth in G.S. 93-12(7b).

(2) Foreign CPA Corporation or Foreign Limited Liability Company. To register initially with the Board, the officers of a foreign corporation or foreign limited liability company, prior to performing services or offering to perform services in North Carolina, must submit to the Board:

(A) on an application for registration form provided by the Board, a list of its present shareholders or members and the state or territory issuing the CPA certificate, or the equivalent, of each shareholder or member and the number of each certificate or equivalent; and

(B) the documents required by G.S. 55-15-01(a) and 57D-7.

(C) pay to the Board an initial registration fee as set forth in G.S. 93-12(7b).

(c) In addition to its initial registration, every CPA corporation or professional limited liability company, whether domestic or foreign, must ~~register~~ renew annually pursuant to 21 NCAC 08J .0108.

(d) The application for registration by a CPA corporation or professional limited liability company shall provide the following information:

(1) ~~the name and address~~ name, address, phone number, and email address of the professional corporation or professional limited liability company;

(2) the address of each office operated or maintained by the corporation or professional limited liability company;

(3) the names and addresses of all the officers, directors, shareholders, or members; and

1 (4) the names and addresses of all the employees and managers of the corporation or professional
2 limited liability company licensed by the Board under the provisions of G.S. 93.

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4 *History Note:* *Authority G.S. 55B-11; 57D-1; 57D-2; 59-84.2; 93-8; 93-12(7b); 93-12(8c);*
5 *Eff. February 1, 1976;*
6 *Readopted Eff. September 26, 1977;*
7 *Amended Eff. July 1, 2010; April 1, 1999; April 1, 1994; April 1, 1991; May 1, 1989; August 1,*
8 *1988;*
9 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28,*
10 *2014;*
11 *Amended Eff. March 1, ~~2020~~ 2020;*
12 *Readopted Eff. May 1, 2026.*

21 NCAC 08K .0201 is proposed for readoption with substantive changes as follows:

**21 NCAC 08K .0201 CORPORATE AND PROFESSIONAL LIMITED LIABILITY COMPANY
NAMES**

(a) The corporate name of a professional corporation registered under these Rules shall contain the wording "corporation," "incorporated," "limited," "company," "professional corporation," or "professional association," or an abbreviation of one of the foregoing: "Corp.," "Inc.," "Ltd.," "Co.," "P.C.," or "P.A."

(b) The corporate name of a professional limited liability company registered under these Rules shall contain the wording "professional limited liability company," "professional ltd. liability co.," "professional limited liability co.," or "professional ltd. liability company," or an abbreviation of one of the foregoing: "P.L.L.C." or "PLLC."

(c) The use of "CPA" or "Certified Public Accountant(s)" in the corporate name is encouraged, but not required. Any name shall also meet the requirements in ~~21 NCAC 08N .0302 and .0307.~~ 21 NCAC 08N .0302 and .0307.

History Note: Authority G.S. 55B-5; 55B-12; 57C-1; 57C-2;

Eff. February 1, 1976;

Readopted Eff. September 26, 1977;

Amended Eff. April 1, 1994; May 1, 1989; December 1, 1988; April 1, 1988;

Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28, 2014. 2014.

Readopted Eff. May 1, 2026.

21 NCAC 08K .0301 is proposed for readoption with substantive changes as follows:

21 NCAC 08K .0301 REGISTERED LIMITED LIABILITY PARTNERSHIPS

(a) Any ~~Registered Limited Liability Partnership~~ CPA registered limited liability partnership created pursuant to and in compliance with G.S. 59 shall also comply with all accountancy laws and rules pertaining to partnerships.

(b) Before any CPA registered limited liability partnership may perform or offer to perform any professional services in this state, it shall file with the Board the certificate of registration of the Secretary of State and appropriate fees payable to the Secretary of State.

*History Note: Authority G.S. 59-84.2; 59-84.3; 93-12;
Temporary Adoption Eff. October 1, 1993 for a period of 180 days or until the permanent rule becomes effective, whichever is sooner;
Eff. April 1, 1994;
Amended Eff. August 1, 1998;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28, 2014. 2014;
Readopted Eff. May 1, 2026.*

21 NCAC 08M .0105 is proposed for readoption with substantive changes as follows:

SUBCHAPTER 08M - ~~STATE QUALITY~~ REPORT AND PEER REVIEW PROGRAM

SECTION .0100 - GENERAL ~~SQR~~ REQUIREMENTS

21 NCAC 08M .0105 PEER REVIEW REQUIREMENTS

(a) A CPA or CPA firm providing any of the following services to the public shall participate in a peer review program:

- (1) audits;
- (2) reviews of financial statements;
- (3) compilations of financial statements; or
- (4) any engagement to be performed in accordance with the Statements on Standards for Attestation Engagements.

(b) A CPA or CPA firm not providing any of the services listed in Paragraph (a) of this Rule is exempt from peer review until the issuance of the first report provided to a client. A CPA or CPA firm shall register with the peer review program as listed in Paragraph (d) of this Rule within 30 days of the issuance of the first report provided to a client.

(c) A CPA, a new CPA firm, or a CPA firm exempt from peer review that starts providing any of the services in Paragraph (a) of this Rule shall furnish to the peer review program selected financial statements, corresponding work papers, and any additional information or documentation required for the peer review program within 18 months of the issuance of the first report provided to a client.

(d) ~~Participation~~ Enrollment in and completion of the AICPA Peer Review Program, or a program that substantially complies with the AICPA Standards for Performing and Reporting on Peer Reviews, shall be required. The AICPA Standards for Performing and Reporting on Peer Reviews are incorporated by reference, including subsequent amendments and editions. This document may be accessed at <https://us.aicpa.org/research/standards/peerreview> at no cost.

(e) CPA firms shall not rearrange their structure or act in any manner with the intent to avoid ~~participation~~ enrollment in peer review.

(f) A CPA firm that does not have offices in North Carolina and that has provided any services as listed in G.S. 93-10(c)(3) to North Carolina clients shall ~~participate~~ enroll in a peer review program.

(g) Subsequent peer reviews of a CPA firm are due three years and six months from the year end of the 12-month period of the first peer review, unless granted an extension by the peer review program.

(h) All CPA firms enrolled in the AICPA Peer Review Program registered with this Board shall also participate in the AICPA Facilitated State Board Access ~~process~~. process and shall not opt out of any part of the process.

(i) The firm shall allow the administrating entity to provide the Board access to the documents and peer review information via a secure website process such as the AICPA Facilitated State Board Access (FSBA).

1 *History Note:* *Authority G.S. 93-10(c); 93-12(8c);*
2 *Eff. January 1, 2004;*
3 *Amended Eff. January 1, 2014; February 1, 2011; January 1, 2006;*
4 *Readopted Eff. February 1, 2016;*
5 *Amended Eff. September 1, ~~2023~~ 2023;*
6 *Readopted Eff. May 1, 2026.*

21 NCAC 08M .0106 is proposed for readoption with substantive changes as follows:

21 NCAC 08M .0106 COMPLIANCE

(a) A CPA firm registered for peer review shall provide to the Board the following:

- (1) peer review due date;
- (2) year end date;
- (3) ~~final Letter of Acceptance~~ the acceptance letter from the administering entity from the peer review program within 60 days of the date of the letter; and
- (4) ~~a package to include the Peer Review Report, Letter of Response, and Final Letter of Acceptance~~ for all failed and second passed with deficiencies reports reports, a package to include the following items issued by a peer review program within 60 days of the date of the Final Letter of Acceptance completion letter:
 - (a) peer review report accepted by the administering entity;
 - (b) the firm's letter of response to the peer review report;
 - (c) the acceptance letter from the administering entity; and
 - (d) letter signed by the administering entity notifying the firm that the required actions have been appropriately completed, if applicable.

(b) A peer review shall not be complete until the ~~Final Letter of Acceptance~~ completion letter is issued by the peer review program with the new due date.

(c) If a CPA firm fails to comply with Rule .0105(c), (d), or (g) of this Section, and continues to offer or render services, the Board may take disciplinary action against the CPA firm's members that may include a suspension of each members' CPA certificate for a period of not less than 30 days and a civil penalty up to one thousand dollars (\$1,000) as set forth in ~~G.S. 93-12(b)(9)~~ G.S. 93-12(9).

*History Note: Authority G.S. 93-12(7b); 93-12(8c);
Eff. January 1, 2004;
Amended Eff. February 1, 2011; January 1, 2006;
Readopted Eff. February 1, 2016; 2016;
Readopted Eff. May 1, 2026.*

21 NCAC 08N .0203 is proposed for readoption with substantive changes as follows:

21 NCAC 08N .0203 DISCREDITABLE CONDUCT PROHIBITED

(a) A CPA shall not engage in conduct discreditable to the accounting profession.

(b) Prohibited discreditable conduct includes:

- (1) acts that reflect adversely on the CPA's honesty, integrity, trustworthiness, good moral character, or fitness as a CPA;
- (2) stating or implying an ability to improperly influence a governmental agency or official;
- (3) failing to comply with any order issued by the Board;
- (4) failing to fulfill the terms of a peer review engagement contract;
- (5) misrepresentation in reporting CPE credits;
- (6) entering into any settlement or other resolution of a dispute that purports to keep its contents confidential from the ~~Board~~ or Board;
- (7) failing to participate in a peer review program pursuant to ~~21 NCAC 08M .0105~~ 21 NCAC 08M .0105; or
- ~~(8) failing to execute an experience affidavit as set forth in 21 NCAC 08A .0310(5) following a determination by the Board that the license applicant meets the Board's criteria to execute that affidavit.~~

*History Note: Authority G.S. 55B-12; 57D-2-02; 93-12(3); 93-12(9);
Eff. April 1, 1994;
Amended Eff. January 1, 2014; January 1, 2004; August 1, 1995;
Readopted Eff. February 1, 2016;
Amended Eff. May 1, ~~2017~~ 2017;
Readopted Eff. May 1, 2026.*

21 NCAC 08N .0216 is proposed for adoption as follows:

21 NCAC 08N .0216 PROFESSIONAL JUDGMENT

A CPA shall not subordinate the CPA's professional judgment to non-CPAs.

History Note: Authority G.S. 55B-12; 57D-2-02; 93-12(9);

Eff. April 1, 1994;

Readopted Eff. February 1, 2016;

Proposed for adoption Eff. May 1, 2026.

1 21 NCAC 08N .0301 is proposed for repeal through readoption as follows:

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3 **21 NCAC 08N .0301 PROFESSIONAL JUDGMENT**

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5 *History Note: Authority G.S. 55B-12; 57D-2-02; 93-12(9);*

6 *Eff. April 1, 1994;*

7 *Readopted Eff. February 1, ~~2016~~ 2016;*

8 *Repealed Eff. May 1, 2026.*

21 NCAC 08N .0302 is proposed for readoption with substantive changes as follows:

21 NCAC 08N .0302 FORMS OF PRACTICE

(a) Authorized Forms of Practice. A CPA who uses CPA in or with the name of the business or offers or renders audits, reviews, compilations, agreed-upon procedure or engagement services performed in accordance with the standards in 21 NCAC 08A .0301(b)(5) in the public practice of accountancy to clients shall do so only through a registered sole proprietorship, partnership, Professional Corporation, Professional Limited Liability Company, or Registered Limited Liability Partnership.

(b) Authorized Ownership. A CPA firm may have an ownership of up to 49 percent by non-CPAs. A CPA firm shall have ownership of at least 51 percent and be controlled in law and fact by holders of valid CPA certificates who have the unrestricted privilege to use the CPA title and to practice public accountancy in a jurisdiction and at least one of whom shall be licensed by this Board.

(c) CPA Firm Registration Required. A CPA shall not offer or render professional services through a CPA firm that is in violation of the registration requirements of 21 NCAC 08J .0108, 08J .0110, or 08M .0105.

(d) Supervision of CPA Firms. Every North Carolina office of a CPA firm registered in North Carolina shall be actively and locally supervised by a designated actively licensed North Carolina CPA whose primary responsibility and a corresponding amount of time shall be work performed in that office.

(e) CPA Firm Requirements for CPA Ownership. A CPA firm and its designated supervising CPA shall be accountable for the following in regard to a CPA owner:

(1) a CPA owner shall be a natural person or a general partnership or a limited liability partnership directly owned by natural persons;

(2) a CPA owner shall actively participate in the business of the CPA firm; and

(3) a CPA owner who, prior to January 1, 2006, is not actively participating in the CPA firm may continue as an owner until such time as his or her ownership is terminated.

(f) CPA Firm Requirements for Non-CPA Ownership. A CPA firm and its designated supervising CPA owner shall be accountable for the following in regard to a non-CPA owner:

(1) a non-CPA owner shall be a natural person or a general partnership or limited liability partnership directly owned by natural persons;

(2) a non-CPA owner shall actively participate in the business of the firm or an affiliated entity as his or her principal occupation;

(3) a non-CPA owner shall comply with all applicable accountancy statutes and the rules as set forth in G.S. 93 and all rules in this Chapter.

(4) a non-CPA owner shall be of good moral character and shall be dismissed and disqualified from ownership for any conduct that, if committed by a licensee, would result in a discipline pursuant to G.S. 93-12(9); and

(5) a non-CPA owner shall report his or her name, home address, phone number, social security number, and Federal Tax ID number (if any) on the CPA firm's registration.

1 (g) ESOP Ownership. Notwithstanding the restrictions set forth in subparagraph (f) of this section, up to 49 percent
2 of the ownership in a CPA firm may be held in an employee stock ownership plan (“ESOP”) that meets the
3 requirements of Section 409 of the Internal Revenue Code. All trustees of the ESOP must be licensed CPAs in a
4 United States jurisdiction. Further, the beneficial ownership in an ESOP may not be held by persons who are not
5 active participants in the CPA firm.

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7 *History Note: Authority G.S. 55B-12; 57D-2-02; 93-12(9);*

8 *Eff. April 1, 1994;*

9 *Amended Eff. February 1, 2011; January 1, 2006; April 1, 2003; April 1, 1999; August 1, 1995;*

10 *Readopted Eff. February 1, ~~2016~~ 2016;*

11 *Readopted Eff. May 1, 2026.*

21 NCAC 08N .0305 is proposed for readoption with substantive changes as follows:

21 NCAC 08N .0305 RETENTION OF CLIENT RECORDS

(a) A CPA shall return client-provided records in the CPA's custody or control to the client at the client's request. Client-provided records are accounting or other records, including hardcopy and electronic reproductions of such records, belonging to the client that were provided to the CPA by, or on behalf of, the client.

(b) Unless a CPA and the client have agreed to the contrary, when a client makes a request for CPA prepared records or a CPA's work products that are in the CPA's custody or control that have not previously been provided to the client, the CPA shall respond to the client's request as follows:

(1) The CPA shall provide CPA prepared records relating to a completed and issued work product to the client, except that such records may be withheld if fees are due to the CPA for that specific work product; and

(2) The CPA's work products shall be provided to the client, except that such work products may be withheld:

(A) if fees are due to the CPA for the specific work product;

(B) if the work product is incomplete;

(C) if for the purpose of complying with professional standards. For example, withholding an audit report due to outstanding audit issues; or

(D) if threatened or outstanding litigation exists concerning the engagement or CPA's work.

(c) CPA prepared records are accounting or other records that the CPA was not specifically engaged to prepare and that are not in the client's books and records or are otherwise not available to the client, thus rendering the client's financial information incomplete. Examples include adjusting, closing, combining, or consolidating journal entries including computations supporting such entries and supporting schedules and documents that the CPA proposed or prepared as part of an engagement, an audit being an example. CPA's work products are deliverables set forth in the terms of the ~~engagement, such as tax returns.~~ engagement.

(d) Once a CPA has complied with the requirements described in Paragraphs (a) and (b) of this Rule, he or she shall not be under any further ethical obligation to:

(1) comply with any subsequent requests to again provide records or copies of records described in Paragraphs (a) and (b) of this Rule. If subsequent to complying with a request, a client experiences a loss of records due to a natural disaster, the CPA shall comply with an additional request to provide such records that are in possession of the CPA; and

(2) retain records for periods that exceed applicable professional standards, state and federal statutes and regulations, and contractual agreements relating to the service performed.

(e) A CPA who has provided records to an individual designated or held out as the client's representative, such as the general partner, or majority shareholder, shall not be obligated to provide such records to other individuals associated with the client. However, in the case of joint individual tax returns, each named taxpayer on that return shall be entitled to a copy of the tax returns and supporting schedules from the CPA.

(f) Work papers shall be the CPA's property, and the CPA is not required to provide such information to the client. However, state and federal statutes and regulations and contractual agreements may impose additional requirements on the CPA.

(g) In fulfilling a request for client provided records, CPA prepared records, or a CPA's work products, the CPA may:

(1) charge the client a fee for the time and expense incurred to retrieve and copy such records and require that the client pay the fee before the CPA provides the records to the client;

(2) provide the requested records in any format usable by the client. The CPA is not required to convert records that are not in electronic format to electronic format. If the client requests records in a specific format and the records are available in such format within the CPA's custody and control, the client's request shall be honored. In addition, the CPA is not required to provide the client with formulas, unless the formulas support the client's underlying accounting or other records or the CPA was engaged to provide such formulas as part of a completed work product. The CPA is not required to provide electronic data files to a client if they were created with tax preparation software owned or licensed by the CPA; and

(3) make and retain copies of any records that the CPA returned or provided to the client.

(h) A CPA who is required to return or provide records to the client shall comply with the client's request as soon as practicable, but no later than 45 days after the request is made.

*History Note: Authority G.S. 55B-12; 57D-2-02; 93-12(9);
Eff. April 1, 1994;
Amended Eff. January 1, 2006; April 1, 2003;
Readopted Eff. February 1, 2016;
Amended Eff. September 1, 2023; May 1, ~~2017~~, 2017;
Readopted Eff. May 1, 2026.*

21 NCAC 08N .0306 is proposed for readoption with substantive changes as follows:

21 NCAC 08N .0306 ADVERTISING OR OTHER FORMS OF SOLICITATION

(a) Deceptive Advertising. A CPA shall not seek to obtain clients by advertising or using other forms of solicitation in a manner that is deceptive.

(b) Specialty Designations. A CPA may advertise the nature of services provided to clients, but the CPA shall not advertise or indicate a specialty designation or other title unless the CPA has met the requirements of the granting organization for the separate title or specialty designation and the individual is currently on active status and in good standing with the granting organization for the separate title or specialty designation.

(c) The CPA firm shall offer to perform or perform professional services only in the exact name of the CPA firm as registered with the Board. The exact CPA firm name as registered with the Board shall be used on the following documents:

~~(1) letterhead;~~

~~(2) (1) contracts;~~

~~(3) (2) engagement letters;~~

~~(4) (3) tax returns; and~~

~~(5) (4) all professional services reports.~~

(d) The CPA firm may advertise professional services using the exact name of the CPA firm, a portion of the CPA firm name, or initials or acronyms derived from the exact CPA firm name as registered with the Board.

(e) Any CPA or CPA firm offering to or performing professional services via the Internet shall include the following information on the Internet:

(1) CPA business or CPA firm name as registered with the Board;

~~(2) principal place of business;~~

~~(3) (2) business phone number; and~~

~~(4) (3) North Carolina certificate number and North Carolina as jurisdiction of certification.~~

(f) The use of the phrase "certified public accountant(s)" or "CPA(s)" in the name of any business entity on letterhead, professional services reports, business cards, brochures, building signage, office signs, telephone directories, contracts, engagement letters, tax returns, Internet directories, or any other advertisements or forms or solicitation shall be prohibited except for registered CPA firms.

History Note: Authority G.S. 55B-12; 57D-2-02; 93-12(9);

Eff. April 1, 1994;

Amended Eff. February 1, 2011; April 1, 1999; February 1, 1996;

Readopted Eff. February 1, ~~2016~~ 2016;

Readopted Eff. May 1, 2026.

21 NCAC 08N .0307 is proposed for readoption with substantive changes as follows:

21 NCAC 08N .0307 CPA FIRM NAMES

(a) Registration of Firm Names. A business may not use a CPA firm name unless that name has been registered with the Board.

(b) Misleading Names Prohibited. A CPA firm shall not trade upon the CPA title through use of any name that is misleading. A misleading CPA firm name ~~is one which~~ includes, but are not limited to, the following:

- (1) Implies the existence of a partnership or registered limited liability partnership or a professional corporation or professional limited liability company if the firm is not, in fact, one of those entities;
- (2) Includes the name of an individual who is not a CPA if the words "certified public accountants" or "CPAs" are included in the firm name;
- (3) Includes information about or indicates an association with persons who are not current or former members of the firm, unless the name is that of a firm network;
- (4) Includes the terms "& Company", "& Associates", or "Group", but the firm does not include, in addition to the named partner, shareholder, owner, or member, at least one other unnamed partner, shareholder, owner, member, or staff employee;
- (5) Contains any representation that would be likely to cause a reasonable person to have a false or unjustified expectation of favorable results or capabilities, including names indicating qualitative superiority or pricing differences;
- (6) Claims or implies the ability to influence a regulatory body or official; or
- (7) Includes the name of an owner whose license has been revoked for disciplinary reasons by the Board, whereby the licensee has been prohibited from practicing public accountancy or prohibited from using the title CPA or holding themselves out as a Certified Public Accountant.

(c) Permissible Firm Names: The following is a non-exhaustive list of types of CPA firm names that are not in and of themselves misleading and are permissible so long as they do not violate other firm name provisions:

- (1) A firm name that includes the names or initials of one or more former or current owners;
- (2) A firm name that excludes the names of one or more former or current owners;
- (3) A firm name that uses the "CPA" title as part of the firm name when all named individuals are owners of the firm who hold the CPA title or are former owners who held the CPA title at the time they ceased to be owners of the firm; or
- (4) A firm name that includes the name of a non-CPA owner if the words "certified public accountant" or "CPA" title are not a part of the firm name.

(d) Any CPA firm registered in another jurisdiction that provides notification of intent to practice pursuant to G.S. 93-10(c)(3) may practice under the name as registered with that jurisdiction.

*History Note: Authority G.S. 55B-5; 55B-12; 57D-2-02; 93-12(9);
Eff. April 1, 1994;*

1 *Amended Eff. February 1, 2011; January 1, 2006; April 1, 1999; August 1, 1995;*
2 *Readopted Eff. February 1, 2016;*
3 *Amended Eff. September 1, ~~2023~~, 2023;*
4 *Readopted Eff. May 1, 2026.*

21 NCAC 08N .0310 is proposed for adoption as follows:

21 NCAC 08N .0310 FORENSIC SERVICES

(a) Statement on Standards for Forensic Services. A CPA shall not render forensic services unless the CPA has complied with the Statement on Standards for Forensic Services.

(b) Statement on Standards for Forensic Services. The Statement for Forensic Services, including the definition of such services, issued by the AICPA are incorporated by reference, including subsequent amendments and editions. This document may be accessed at <https://www.aicpa.org/resources/download/statement-on-standards-for-forensic-services> at no cost.

History Note: Authority G.S. 55B-12; 57-D-02); 93-12(9);

Eff. September 1, 2023.

Proposed for adoption Eff. May 1, 2026.

1 21 NCAC 08N .0401 is proposed for readoption with substantive changes as follows:

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3 **21 NCAC 08N .0401 PUBLIC RELIANCE**

4 The rules in this Section apply to any CPA who engages in attest services as defined in ~~21 NCAC 08A .0301(b)~~. 21
5 NCAC 08A .0301(b)(5).

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7 *History Note: Authority G.S. 55B-12; 57D-2-02; 93-12(9);*

8 *Eff. April 1, 1994;*

9 *Amended Eff. January 1, 2006;*

10 *Readopted Eff. February 1, ~~2016~~ 2016;*

11 *Readopted Eff. May 1, 2026.*

21 NCAC 08N .0402 is proposed for readoption with substantive changes as follows:

21 NCAC 08N .0402 INDEPENDENCE

~~(a) A CPA, or the CPA's firm, who is performing an engagement in which the CPA, or the CPA's firm, will issue a report on financial statements of any client (other than a report in which lack of independence is disclosed) shall be independent with respect to the client in fact and appearance.~~ shall conform in fact and in appearance to the independence standards established by the AICPA and this Board, and, where applicable, the SEC, the U.S. GAO, the PCAOB and other national or international regulatory or professional standard setting bodies.

~~(b) Independence is impaired if, during the period of the professional engagement, a covered person:~~

~~(1) had or was committed to acquire any direct or material indirect financial interest in the client;~~

~~(2) was a trustee of any trust or executor or administrator of any estate if such trust or estate had or was committed to acquire any direct or material indirect financial interest in the client; and~~

~~(A) the covered person (individually or with others) had the authority to make investment decisions for the trust or estate;~~

~~(B) the trust or estate owned or was committed to acquire more than 10 percent of the client's outstanding equity securities or other ownership interests; or~~

~~(C) the value of the trust's or estate's holdings in the client exceeded 10 percent of the total assets of the trust or estate;~~

~~(3) had a joint closely held investment that was material to the covered person; or~~

~~(4) except as permitted in the AICPA Professional Standards Code of Professional Conduct and Bylaws, had any loan to or from the client or any officer or director of the client, or any individual owning 10 percent or more of the client's outstanding equity securities or other ownership interests.~~

~~(c) Independence is impaired if during the period of the professional engagement, a shareholder, a member, a partner or professional employee of the firm, his or her immediate family and close relatives, (as defined in the AICPA Code of Professional Conduct and Bylaws) or any group of such persons acting together owned more than five percent of a client's outstanding equity securities or other ownership interests.~~

~~(d) Independence is impaired if, during the period covered by the financial statements, or during the period of the professional engagement, a shareholder, a member, a partner, or professional employee of the firm was simultaneously associated with the client as a:~~

~~(1) director, officer, employee, or in any capacity equivalent to that of a member of management;~~

~~(2) promoter, underwriter, or voting trustee; or~~

~~(3) trustee for any pension or profit sharing trust of the client.~~

~~(e) For the purposes of this Rule "covered person" is~~

~~(1) an individual on the attest engagement team;~~

~~(2) an individual in a position to influence the attest engagement;~~

- 1 ~~(3) — a partner or manager who provides non attest services to the attest client beginning once he or she~~
2 ~~provides 10 hours of non attest services to the client within any fiscal year and ending on the later~~
3 ~~of the date;~~
4 ~~(A) — the firm signs the report on the financial statements for the fiscal year during which those~~
5 ~~services were provided; or~~
6 ~~(B) — he or she no longer expects to provide 10 or more hours of non attest services to the attest~~
7 ~~client on a recurring basis;~~
8 ~~(4) — a partner in the office in which the lead attest engagement partner primarily practices in connection~~
9 ~~with the attest engagement;~~
10 ~~(5) — the firm, including the firm's employee benefit plans; or~~
11 ~~(6) — an entity whose operating, financial, or accounting policies can be controlled (as defined by~~
12 ~~generally accepted accounting principles (GAAP) for consolidation purposes) by any of the~~
13 ~~individuals or entities described in Subparagraphs (1) through (5) of this Paragraph or by two or~~
14 ~~more such individuals or entities if they act together;~~
15 ~~(f) The impairments of independence listed in this Rule shall not be interpreted to be an all inclusive list.~~

16
17 *History Note: Authority G.S. 55B-12; 57D-2-02; 93-12(9);*
18 *Eff. April 1, 1994;*
19 *Amended Eff. February 1, 2011; April 1, 2003;*
20 *Readopted Eff. February 1, ~~2016.~~ 2016.*
21 *Readopted Eff. May 1, 2026.*

1 21 NCAC 08N .0412 is proposed for repeal through readoption as follows:

2

3 **21 NCAC 08N .0412 FORENSIC SERVICES**

4

5 *History Note: Authority G.S. 55B-12; 57-D-02); 93-12(9);*

6 *Eff. September 1, ~~2023~~ 2023;*

7 *Repealed Eff. May 1, 2026.*



North Carolina State Board of Certified Public Accountant Examiners

May 19, 2025

AICPA Professional Ethics Executive Committee (PEEC)
Alternative Practice Structures Task Force
1345 Avenue of the Americas
New York, NY 10105

RE: March 10, 2025, Invitation to Comment on Potential Revisions to the AICPA Code of Professional Conduct and Guidance Related to Independence in Alternative Practice Structures

Dear Committee Members:

The North Carolina State Board of CPA Examiners ("Board") appreciates the opportunity to comment on the potential revisions to the AICPA Code of Professional Conduct and guidance related to independence in Alternative Practice Structures ("APS").

In general, this Board supports the reconsideration of APS guidance, particularly considering the increased involvement of outside investors, primarily private equity, acquiring stakes in CPAs' nonattest practice. Preliminarily, the Board notes that the proposed revisions do not address how the APS structure should be communicated to consumers and regulators. Some form of guidance in this area would be helpful; however, the Board recognizes that such guidance may be more appropriately issued through other avenues and need not be included in this proposal.

The Board further notes that all states generally limit the ownership of CPA firms to no more than 49% non-CPA ownership. Additionally, most states require that any non-CPA ownership be held by natural persons who are active participants in the CPA firm. Those restrictions make it clear that passive ownership in CPA firms is generally disallowed and viewed as incompatible with the goals and purposes of a CPA firm providing independent, professional services. Consequently, any APS structures that are intended to circumvent those restrictions should be avoided.

While existing rules primarily focus on preserving auditor independence, the PEEC should also consider whether licensed CPAs are being placed in a position that allows their professional judgment to be subordinated to that of non-CPAs. The issue of non-subordination of judgment extends beyond attest or assurance services and applies to all professional decisions made by CPAs.

The invitation to comment poses several questions, and the Board requests commentary on those questions. Below, the Board offers responses to some of them. For any questions not addressed, it is assumed that the Board has no comment at this time.

Question #1: Does the diagram (included within the invitation to comment) present a clear and understandable representation of an APS? Are you familiar with any other forms of APS?

The Board is not aware of other forms of APS. The diagram included in the invitation to comment appears to present the basic structure of an APS.

Questions #4 and #5: Are the new terms and their definitions clear? Are they broad enough to allow application across various forms of an APS? Are there other terms that should be defined in any resulting guidance?

The Board finds some inconsistencies in paragraph 6 of the proposal. Specifically, in the sixth bullet of that paragraph appropriately states that the attest firm shall retain its own board of directors. However, the following bullet indicates that the board for the nonattest firm has the “authority to approve the budget, including compensation of the attest firm partners either on a pooled or individual basis ...” Those statements appear to be in conflict.

Allowing outside investors to determine compensation of attest firm partners may place those partners at risk of having their professional judgment subordinated to non-CPAs. These types of compensation determinations should remain with licensed professionals who are accountable for providing professional services to clients. This Board effectuated its own APS guidelines in 2000. These types of compensation determinations would not comport with those guidelines.

The Board also supports replacing the term “PE investor” with the more neutral term “investor.” The Board does not believe it is appropriate or productive to determine what constitutes “private equity,” nor does it wish to be influenced by the connotations, positive or negative, associated with this term. The focus should remain on the threats to the CPAs’ independence and judgment that are posed by outside investment in general.

Question #8: Do you agree with the task force’s preliminary conclusion in paragraph 38?

Yes. Paragraph 38 appropriately acknowledges that independence threats may arise not only directly from investors but also from stakeholders and others associated with these investors. The Board agrees with this observation.

Question #9: Do you agree with the task force’s preliminary conclusion in paragraph 39?

Paragraph 39 lists several entities that the attest firm may not audit. For example, the paragraph states that the attest firm should not provide attest services to co-investors in the nonattest firm if the investors have a “significant influence or controlling interest in the nonattest entity.” The Board questions whether these qualifiers are appropriate or whether the prohibitions should apply to investors who fall below those thresholds.

Because the nonattest entity is not publicly traded, **any** outside investment is likely to be a deliberate and intentional significant action. Therefore, the Board thinks that consideration should be given to removing the qualifiers that the investors have a “significant influence or controlling interest in the nonattest entity.” Removing those qualifiers would have the added benefit of reducing some of the complexity and ambiguity in the rules.

Questions #10-#17:

The Board reasserts its comments to Question #9 as they relate to paragraphs 40-48.

Questions #18-#20:

The remainder of the invitation to comment presents two options that provide frameworks for analyzing potential violations of the rules. As explained, “[t]he principal difference between option 1 and option 2 is in what material is presented as authoritative versus nonauthoritative guidance.”

As a regulatory body, the Board can only enforce clearly defined rules. Therefore, the Board prefers the authoritative version presented as option 1. The Board would likely be unable to enforce anything labeled as “nonauthoritative,” as such language would likely be deemed “aspirational.” The North Carolina Rules Review Commission routinely rejects aspirational rules. Furthermore, reviewing courts generally dismiss actions that are premised upon merely aspirational rules.

The Board appreciates the opportunity to provide comments at this early stage of the rule development process. The Board recognizes that numerous frameworks exist for firms to implement APS arrangements, and it commends the Committee for its thoughtful efforts to address current and emerging structures.

Sincerely,



[Bernita Demery \(May 21, 2025 22:02 EDT\)](#)

Bernita Demery, CPA, MBA
Board President



STATE ETHICS COMMISSION

POST OFFICE BOX 27685

RALEIGH, NC 27611

PHONE: 919-814-3600

Via Email

March 25, 2025

The Honorable Joshua H. Stein
Governor of North Carolina
20301 Mail Service Center
Raleigh, North Carolina 27699-0301

**Re: Evaluation of Statement of Economic Interest Filed by Dean Ulysses Taylor
Prospective Appointee to the State Board of Certified Public Accountant Examiners**

Dear Governor Stein:

Our office has received **Dean Ulysses Taylor's** 2025 Statement of Economic Interest as a prospective appointee to the **State Board of Certified Public Accountant Examiners (the "Board")**. We have reviewed it for actual and potential conflicts of interest pursuant to Chapter 138A of the North Carolina General Statutes ("N.C.G.S."), also known as the State Government Ethics Act (the "Act").

Compliance with the Act and avoidance of conflicts of interest in the performance of public duties are the responsibilities of every covered person, regardless of this letter's contents. This letter, meanwhile, is not meant to impugn the integrity of the covered person in any way. This letter is required by N.C.G.S. § 138A-28(a) and is designed to educate the covered person as to potential issues that could merit particular attention. Advice on compliance with the Act is available to certain public servants and legislative employees under N.C.G.S. § 138A-13.

We did not find an actual conflict of interest but found the potential for a conflict of interest. The potential conflict identified does not prohibit service on this entity.

The North Carolina State Board of Certified Public Accountant Examiners is responsible for the certification of persons engaged as public accountants in North Carolina. The Board has authority to administer certification examinations, issue, renew and revoke certifications, and otherwise regulate certified public accountants.

The Act establishes ethical standards for certain public servants and prohibits public servants from: (1) using their positions for their financial benefit or for the benefit of their extended family or business, N.C.G.S. § 138A-31; and (2) participating in official actions from which they or certain associated persons might receive a reasonably foreseeable financial benefit, N.C.G.S. § 138A-36(a). The Act also requires public servants to take appropriate steps to remove themselves from proceedings in which their impartiality might reasonably be questioned due to a familial, personal, or financial relationship with a participant in those proceedings. N.C.G.S. § 138A-36(c).

Dean Taylor would fill the role of a certified public accountant on the board. He is the Dean of the College of Business and Economics at Fayetteville State University. Because he is licensed by the Board he has the potential for a conflict of interest. Accordingly, Dean Taylor should exercise appropriate caution in the performance of his public duties should issues involving his certification or the certification of any of his colleagues come before the Board for official action.

In addition to the conflicts standards noted above, the Act prohibits public servants from accepting gifts from (1) a lobbyist or lobbyist principal, (2) a person or entity that is seeking to do business with the public servant's agency, is regulated or controlled by that agency, or has financial interests that might be affected by their official actions, or (3) anyone in return for being influenced in the discharge of their official responsibilities. N.C.G.S. § 138A-32. Exceptions to the gifts restrictions are set out in N.C.G.S. § 138A-32(e).

When this letter cites an actual or potential conflict of interest under N.C.G.S. § 138A-24(e), the conflict must be recorded in the minutes of the applicable board and brought to the membership's attention by the board's chair as often as necessary to remind all members of the conflict and to help ensure compliance with the Act. N.C.G.S. § 138A-15(c).

Finally, the Act mandates that all public servants attend an ethics and lobbying education presentation. N.C.G.S. § 138A-14. Please review the attached document for additional information concerning this requirement.

Please contact our office if you have any questions concerning our evaluation or the ethical standards governing public servants under the Act.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Jane Steffens', with a long horizontal flourish extending to the right.

Jane Steffens, SEI Unit
State Ethics Commission

cc: Ulysses Taylor
Attachment: Ethics Education Guide

NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #C2025053

IN THE MATTER OF:
Zachary Montgomery Nichols, CPA
Respondent

ORDER

THIS MATTER having come before the Board with a quorum present, and having been consented to by the Respondent, the Board finds and orders as follows:

1. Zachary Montgomery Nichols, CPA (hereinafter "Mr. Nichols") is the holder of a certificate as a Certified Public Accountant in North Carolina.
2. Mr. Nichols failed to timely file the annual firm registration for Zach Nichols, CPA, PLLC, in accordance with provisions as required by N. C. Gen. Stat. §93-12 (7b) and 21 NCAC 08J .0108 (b) and (g), and 08N .0213.
3. Pursuant to 21 NCAC 08J .0111(1), because Mr. Nichols' infraction was for a period of less than sixty (60) days, the appropriate penalty is one hundred dollars (\$100).
4. Mr. Nichols has paid the civil penalty and consents to the entry of this Order and has waived any right to a hearing.
5. The Board members present, representing a quorum of the Board, have unanimously decided to accept Mr. Nichols' payment as full resolution of the aforementioned rules violation.

This the 19th day of May, 2025.
(Day) (Month) (Year)

NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS



BY: Bernita Demery
President

NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #s C2024185-1/2

IN THE MATTER OF:
Robert Harold Collis, CPA, Certificate #14921
Collis and Associates, CPAs, P.C.
Respondents

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 the Respondents stipulate to the following:

1. Robert Harold Collis, CPA (hereinafter “Respondent”), is the holder of North Carolina certificate number 14921 as a Certified Public Accountant.
2. Collis and Associates, CPAs, P.C. (hereinafter “Respondent Firm”), is a registered certified public accounting firm in North Carolina. Hereinafter, the Respondent and the Respondent Firm are collectively referred to as the “Respondents.”
3. Following a search of the lien filings on the North Carolina Secretary of State’s website, the Board staff discovered that a lien had been placed against the Respondent Firm. The lien was for nonpayment of withholding taxes for five quarters beginning with the last quarter of 2022.
4. The Board staff opened a case against the Respondents and requested further information. The Respondent provided a response, citing a decline in business and inadequate tax flow as the reasons for his inability to meet his payroll tax obligations. The Respondent stated that he did not want to reduce his staff and had not taken regular pay for quite some time.
5. Once withheld from employee paychecks, the withheld payroll taxes are funds held in trust for the government. Utilizing those funds for any purpose other than paying them to the government constitutes a violation of that trust. As the supervising CPA for the Respondent Firm, the Respondent is responsible for the timely payment of the Respondent Firm’s withholding taxes.
6. The Respondents wish 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 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.

Consent Order - 2
Robert Harold Collis, CPA
Collis and Associates CPAs, P.C.

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 Respondents violated Rules 21 NCAC 08N .0201 (Integrity), .0203 (Discreditable Conduct), and .0207 (Violation of Tax Laws).
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, Robert Harold Collis, hereby voluntarily surrenders his Certified Public Accountant certificate permanently.

CONSENTED TO THIS THE 14 DAY OF May, 2025
(Day) (Month) (Year)

Robert H. Collis
Respondent

Robert H. Collis
Individual authorized to sign on behalf of Respondent Firm

APPROVED BY THE BOARD THIS THE 19TH DAY OF MAY, 2025
(Day) (Month) (Year)

NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS



BY: Bernita Demery
President

NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #: C2024242

IN THE MATTER OF:
Jammie Lynn Eubanks, CPA, #26925
Respondent

NOTICE OF HEARING

The North Carolina State Board of Certified Public Accountant Examiners ("Board") has received evidence which if admitted at hearing would show that:

1. Jammie Lynn Eubanks, CPA (hereinafter "Respondent") is the holder of North Carolina certificate number 26925 as a Certified Public Accountant.
2. 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.
3. On December 11, 2024, the Board received a complaint against the Respondent from one of his tax clients ("Complainant").
4. The Complainant alleges that the Respondent has failed to return tax return documentation. The Complainant further alleges that the Respondent has become unresponsive to requests to return the documentation.
5. Upon receipt of the complaint, the Board staff mailed a communication to the Respondent at the address provided by the Respondent on his CPA certificate renewals. The communication was sent on December 12, 2024, with a response deadline of December 27, 2024. The Respondent did not respond.
6. The Board staff followed up with an email communication to the Respondent on January 3, 2025. The email was sent to the email address provided by the Respondent on his CPA certificate renewals. The response deadline was January 17, 2025. The Respondent did not respond.
7. On January 23, 2025, the Board staff sent a certified mail communication to the Respondent with a response deadline of February 12, 2025. The certified mail was left with an individual at the Respondent's business address on February 10, 2025. The Respondent did not respond.

Notice of Hearing - 2
Jammie Lynn Eubanks, CPA

8. On March 6, 2025, the Board staff called the phone number provided by the Respondent on his CPA certificate renewals. The Board staff left a voicemail requesting a call back.
9. On March 14, 2025, the Respondent sent an email to the Board staff promising a response the next week. However, the Respondent never provided a response.
10. If proven at a hearing pursuant to the North Carolina Administrative Procedure Act, Respondent's actions as set out above constitute violations of 21 NCAC 08N .0203, 21 NCAC 08N .0206, 21 NCAC 08N .0212, and 21 NCAC 08N .0305.

The discipline which the Board may impose on the Respondent for violation of the aforementioned statutes and rules includes censure, revocation of license for a period of time, or permanent revocation. In addition, the Board may impose civil penalties of up to \$1,000 per infraction.

Pursuant to N. C. Gen. Stat. § 150B-38, the Respondent is entitled to a public hearing on this matter. This notice is to advise Respondent that, unless this matter is resolved by consent, the Board will hear this matter in the Board offices at 1101 Oberlin Road in Raleigh on July 21, 2025.

If the Respondent is not present, a decision may be reached in his absence, and the Respondent may be deemed to have waived his right to a hearing.

Pursuant to N. C. Gen. Stat. § 150B-40(d), the Respondent may not communicate regarding this matter, directly or indirectly, with any individual member of the Board.

This notice is issued the 19th day of May, 2025.

NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS



BY: Jodi K. Kruse
Chairman, Professional Standards Committee

North Carolina State Board of Certified Public Accountant Examiners



Resolution Honoring Gary R. Massey, CPA

WHEREAS Gary R. Massey, CPA, has faithfully served as a distinguished member of the North Carolina State Board of Certified Public Accountant Examiners since 2018;

WHEREAS during his tenure, he has held key leadership roles on the Board, including serving as President and Secretary-Treasurer;

WHEREAS he has contributed his expertise and leadership as a member of the Executive Committee, Audit Committee, Investment Committee, Personnel Committee, Professional Education and Applications Committee, and the Professional Standards Committee;


WHEREAS he further extended his service to the profession on a national level through his involvement with the National Association of State Boards of Accountancy (NASBA), serving on its Inclusion Committee;

WHEREAS throughout his years of service, Mr. Massey has exemplified unwavering dedication, professionalism, and integrity, acting as a tireless advocate for both the public interest and the accounting profession;

NOW, THEREFORE, BE IT RESOLVED that the members of the North Carolina State Board of Certified Public Accountant Examiners do hereby formally recognize and express their profound appreciation to Gary R. Massey, CPA, for his outstanding service and steadfast commitment to the regulation and advancement of the CPA profession in North Carolina;

BE IT FURTHER RESOLVED that this Resolution be entered into the official minutes of the North Carolina State Board of Certified Public Accountant Examiners, and that a copy be presented to Gary R. Massey, CPA, in grateful acknowledgment of his exemplary contributions.

As adopted on the 19th day of May 2025 by the North Carolina State Board of Certified Public Accountant Examiners.


Bernita W. Demery, CPA
President

Financial Highlights
For the Two Month Period Ended May 31, 2025
Compared to the Two Month Period Ended May 31, 2024

	Budget Var.	May-25	May-24	Inc. (Dec.)
Total Revenue	\$ 91,078.63	\$ 914,037.82	\$ 896,389.91	\$ 17,647.91
■ Total Operating Revenue	\$ 100,979.27	\$ 901,380.12	\$ 879,850.20	\$ 21,529.92
❖ Total Net Non Operating Revenue	\$ (9,900.64)	\$ 12,657.70	\$ 16,539.71	\$ (3,882.01)
○ Total Expenses	\$ 57,125.45	\$ 586,235.36	\$ 526,944.92	\$ 59,290.44
Increase(Dec.) Net Assets for Period		\$ 327,802.46	\$ 369,444.99	\$ (41,642.53)
Total Checking and Savings		\$ 1,996,172.13	\$ 1,969,928.14	\$ 26,243.99
Total Assets		\$ 5,617,211.84	\$ 5,167,519.02	\$ 449,692.82
Full-Time/Part-time Employees		11/0	11/0	

Budget:

- Operating revenue was \$101,000 over budget. Certificate fee revenue decreased (-\$20k) along with an increase of (+\$121k) related to exam fee revenue
- ❖ Non-Operating revenue was \$10,000 under budget related to interest earnings. This is a result of reversal entries posted related to Board investment accounts for year-end presentation.
- Expenses were over budget by \$57,000. Exam costs were over by \$70k and office expense was over by \$13k (reversal of prepaids); offset by building expenses (-\$7k - insurance proceeds), legal expenses (-\$7k - timing), and payroll costs (-10k)

Actual:

- Total operating revenue increased from prior year by \$21,500. Certificate fees down by (-\$68k - due to timing) whereas exam fee revenue is up by (+90k - graduation)
- ❖ Total net non-operating revenue decreased this period compared to prior by \$4,000 primarily due the effects of reversal AJEs related to investment presentations for year-end
- Total expenses increased from prior period by \$59,000. The increases can be attributed to exam expenses (+\$71k) offset by reduced salary and benefit expenses (-\$17k)

North Carolina State Board of CPA Examiners

Statement of Net Position

As of May 31, 2025

	TOTAL	
	AS OF MAY 31, 2025	AS OF MAY 31, 2024 (PY)
ASSETS		
Current Assets		
Checking/Savings		
1020 Truist Checking Acct	267,379.10	215,776.36
1021 Truist Savings Account	5,080.68	5,080.20
1030 Truist Payroll Acct	100.00	100.00
1076 Pinnacle - MMA	1,306,120.18	1,246,397.13
1078 Pinnacle - ICS	417,492.17	502,574.45
Total Checking/Savings	\$1,996,172.13	\$1,969,928.14
Other Current Assets		
1050 CD Investments - Current	354,651.00	251,510.00
1110 Accrued CD Interest	2,590.19	1,880.14
1120 Accounts Receivable	723.86	350.00
1130 Lease Receivable - Current	50,350.00	50,362.00
Total Other Current Assets	\$408,315.05	\$304,102.14
Total Current Assets	\$2,404,487.18	\$2,274,030.28
Fixed Assets		
1300 Building	985,976.03	985,976.03
1305 Land	300,000.00	300,000.00
1310 Furniture	61,443.00	61,443.00
1320 Equipment	138,723.38	139,295.50
1325 Data Base Software	180,336.18	180,336.18
1330 Capital Improvements	163,679.96	163,679.96
1335 GL Software Subscription	122,513.00	279,684.00
1390 Accumulated Depreciation	-974,138.63	-921,811.67
1395 Amortization of GL Software	0.00	-197,369.00
Total Fixed Assets	\$978,532.92	\$991,234.00
Other Assets		
1080 Wells Fargo Advisors Investment	1,692,109.00	1,582,978.00
1081 Raymond James Investment	432,214.74	314,984.74
1180 Lease Receivable - LT	109,868.00	4,292.00
Total Other Assets	\$2,234,191.74	\$1,902,254.74
TOTAL ASSETS	\$5,617,211.84	\$5,167,519.02

North Carolina State Board of CPA Examiners

Statement of Net Position

As of May 31, 2025

	TOTAL	
	AS OF MAY 31, 2025	AS OF MAY 31, 2024 (PY)
LIABILITIES & NET ASSETS		
Liabilities		
Current Liabilities		
Other Current Liabilities		
2005 Due to Exam Vendors	336,969.45	314,106.94
2011 Accounts Payable Other	2,500.00	2,500.00
2013 GL Software Subscription Payable	122,513.00	82,315.00
2015 Compensated Absences - Current	48,461.17	42,115.17
Total Other Current Liabilities	\$510,443.62	\$441,037.11
Total Current Liabilities	\$510,443.62	\$441,037.11
Long-Term Liabilities		
2020 Compensated Absences - LT	93,478.27	95,939.27
2310 Deferred Inflow of Resources	160,218.00	54,654.00
Total Long-Term Liabilities	\$253,696.27	\$150,593.27
Total Liabilities	\$764,139.89	\$591,630.38
Net Assets		
3010 Net Assets Invest in Cap Assets	978,532.92	991,234.00
3020 Designated for Capital Assets	100,000.00	100,000.00
3031 Designated-Operating Expenses	300,000.00	300,000.00
3040 Designated for Litigation	1,000,000.00	1,000,000.00
3900 Net Assets Undesignated	2,146,736.57	1,815,209.65
Change in Net Assets	327,802.46	369,444.99
Total Net Assets	\$4,853,071.95	\$4,575,888.64
TOTAL LIABILITIES & NET ASSETS	\$5,617,211.84	\$5,167,519.02

North Carolina State Board of CPA Examiners

Statement of Revenues and Expenses - Year-To-Date Comparison

April - May, 2025

	TOTAL	
	APR - MAY, 2025	APR - MAY, 2024 (PY)
Income		
Certificate Fees		
4110 Certificates - Initial	7,500.00	4,800.00
4120 Certificates - Reciprocal	3,800.00	6,200.00
4140 Certificates - Renewal Fees	530,760.00	598,320.00
4150 Certificates - Reinst/Revoked	100.00	200.00
4151 Certificates - Reinst/Surr	400.00	800.00
Total Certificate Fees	542,560.00	610,320.00
Exam Fee Revenue		
4001 Initial Adm Fees	37,490.00	28,750.00
4002 Re-Exam Adm Fees	42,525.00	30,450.00
4004 Exam Fees Revenue	283,674.72	212,503.20
4072 Exam Scholarship Coupon	-5,764.60	-3,298.00
Total Exam Fee Revenue	357,925.12	268,405.20
Misc		
4970 Duplicate Certificates	150.00	125.00
4990 Miscellaneous	75.00	300.00
Total Misc	225.00	425.00
Partnership Fees		
4260 Partnership Registration Fees		50.00
Total Partnership Fees		50.00
Professional Corporation Fees		
4250 PC Registration Fees	600.00	650.00
4251 PC Renewal Fees	50.00	
4252 PC Renewal Fees W/Penalties	20.00	
Total Professional Corporation Fees	670.00	650.00
Total Income	\$901,380.12	\$879,850.20
Expenses		
5920 Funded Depreciation	10,800.00	9,500.00
6690 Over & Short	23.82	0.40
Board Travel		
5120 Board Travel - Board Meetings	3,569.16	3,379.60
5123 Board Travel - NASBA Regional	5,436.94	4,976.32
5129 Miscellaneous Board Costs	257.52	
5131 Board Travel - Outside Legal	795.00	795.00
Total Board Travel	10,058.62	9,150.92

North Carolina State Board of CPA Examiners

Statement of Revenues and Expenses - Year-To-Date Comparison

April - May, 2025

	TOTAL	
	APR - MAY, 2025	APR - MAY, 2024 (PY)
Building Expenses		
5800 Building Maintenance	-2,791.95	
5801 Electricity	1,059.06	1,024.50
5802 Grounds Maintenance	4,170.72	870.72
5807 Janitorial Maintenance	1,710.00	2,570.00
5808 Pest Control Service		150.00
5809 Security & Fire Alarm		139.32
5810 Trash Collection	403.33	-496.05
5811 Water & Sewer	0.00	248.86
Total Building Expenses	4,551.16	4,507.35
Continuing Education -Staff		
5050 Continuing Education - Staff	30.00	71.62
Total Continuing Education -Staff	30.00	71.62
Exam Postage		
5531 Exam Postage		120.00
Total Exam Postage		120.00
Exam Sitting and Grading		
5538 Exam Vendor Expense	264,802.96	194,090.64
5539 Exam Vendor Accommodations	495.00	396.00
Total Exam Sitting and Grading	265,297.96	194,486.64
Fringe Benefits		
5031 Retirement - NCLB Contribution	9,845.65	10,709.75
5033 Retirement - NCLB Administr	68.49	157.76
5035 Health Ins. Premiums	22,872.49	22,249.16
5036 Medical Reim Plan	7,177.55	5,292.55
Total Fringe Benefits	39,964.18	38,409.22
Investigation & Hearing Costs		
5222 Investigation Materials	368.00	334.25
5230 Hearing Costs	270.00	
Total Investigation & Hearing Costs	638.00	334.25
Legal Expense		
5140 Legal Counsel - Administrative	5,480.17	5,330.91
Total Legal Expense	5,480.17	5,330.91
Misc Personnel		
5092 Misc. Personnel Costs	81.57	117.11
Total Misc Personnel	81.57	117.11
Office Expense		
5320 Payroll Service	319.58	435.44
5360 Telephone	1,030.05	598.97
5361 Internet & Website	653.40	653.40

North Carolina State Board of CPA Examiners

Statement of Revenues and Expenses - Year-To-Date Comparison

April - May, 2025

	TOTAL	
	APR - MAY, 2025	APR - MAY, 2024 (PY)
5390 Clipping Service		116.56
5400 Computer Prog/Assistance	150.00	150.00
5405 Computer Software Maintenance	45,074.44	46,719.86
5410 Dues	910.00	996.00
5420 Insurance	282.00	282.00
5440 Misc Office Expense	270.00	210.00
5445 Banking Fees	202.83	186.70
5450 Credit Card Fees	9,896.73	4,762.15
Total Office Expense	58,789.03	55,111.08
Per Diem - Board		
5110 Per Diem - Board Meetings	2,200.00	2,450.00
5114 Per Diem - NASBA Committees	300.00	300.00
Total Per Diem - Board	2,500.00	2,750.00
Postage		
5340 Postage - Other		541.83
5342 Postage - Business Reply	350.00	470.00
5343 Postage - Renewal		180.00
5345 Postage - UPS	3,500.00	
Total Postage	3,850.00	1,191.83
Printing		
5330 Printing - Other	1,066.27	546.88
5332 Printing - Certificates	392.00	357.00
Total Printing	1,458.27	903.88
Repairs & Maintenance		
5381 Maintenance - Copiers	605.03	207.18
5383 Maintenance - Postage	1,969.31	1,817.00
Total Repairs & Maintenance	2,574.34	2,024.18
Salaries & Payroll Taxes		
5010 Staff Salaries	164,095.26	179,837.73
5030 FICA Taxes	12,553.23	13,757.63
Total Salaries & Payroll Taxes	176,648.49	193,595.36
Staff Travel		
5061 Staff Travel - Prof Mtgs	130.20	92.46
5071 Staff Travel - NASBA Regional	1,998.97	3,933.21
5072 Staff Travel - NASBA ED/Legal	106.00	
5075 Staff Travel - NCACPA Meetings		13.40
Total Staff Travel	2,235.17	4,039.07
Subscriptions/References		
5370 Subscriptions/References	65.00	3,822.88
Total Subscriptions/References	65.00	3,822.88

North Carolina State Board of CPA Examiners
Statement of Revenues and Expenses - Year-To-Date Comparison
April - May, 2025

	TOTAL	
	APR - MAY, 2025	APR - MAY, 2024 (PY)
Supplies		
5350 Supplies - Office	846.58	1,184.22
5352 Supplies - Computer	343.00	294.00
Total Supplies	1,189.58	1,478.22
Total Expenses	\$586,235.36	\$526,944.92
NET ORDINARY INCOME	\$315,144.76	\$352,905.28
Other Income		
8200 Rental Income	8,702.00	8,448.55
Interest Income		
8500 Interest Income - MMAs	3,679.21	6,718.58
8510 Interest Income - CDs	276.49	1,372.58
Total Interest Income	3,955.70	8,091.16
Total Other Income	\$12,657.70	\$16,539.71
NET OTHER INCOME	\$12,657.70	\$16,539.71
CHANGE IN NET ASSETS	\$327,802.46	\$369,444.99

North Carolina State Board of CPA Examiners

Statement of Revenues & Expenses - Budget vs Actual

April - May, 2025

	TOTAL		
	ACTUAL	BUDGET	OVER BUDGET
Income			
Certificate Fees			
4110 Certificates - Initial	7,500.00	8,333.34	-833.34
4120 Certificates - Reciprocal	3,800.00	5,333.34	-1,533.34
4140 Certificates - Renewal Fees	530,760.00	547,880.00	-17,120.00
4150 Certificates - Reinst/Revoked	100.00	291.66	-191.66
4151 Certificates - Reinst/Surr	400.00	708.34	-308.34
Total Certificate Fees	542,560.00	562,546.68	-19,986.68
Exam Fee Revenue			
4001 Initial Adm Fees	37,490.00	31,050.00	6,440.00
4002 Re-Exam Adm Fees	42,525.00	28,750.00	13,775.00
4004 Exam Fees Revenue	283,674.72	183,333.34	100,341.38
4072 Exam Scholarship Coupon	-5,764.60	-6,279.17	514.57
Total Exam Fee Revenue	357,925.12	236,854.17	121,070.95
Misc			
4970 Duplicate Certificates	150.00	0.00	150.00
4990 Miscellaneous	75.00	166.66	-91.66
Total Misc	225.00	166.66	58.34
Professional Corporation Fees			
4250 PC Registration Fees	600.00	833.34	-233.34
4251 PC Renewal Fees	50.00	0.00	50.00
4252 PC Renewal Fees W/Penalties	20.00	0.00	20.00
Total Professional Corporation Fees	670.00	833.34	-163.34
Total Income	\$901,380.12	\$800,400.85	\$100,979.27
Expenses			
5920 Funded Depreciation	10,800.00	10,800.00	0.00
6690 Over & Short	23.82	0.00	23.82
Board Travel			
5120 Board Travel - Board Meetings	3,569.16	3,880.00	-310.84
5123 Board Travel - NASBA Regional	5,436.94	6,375.00	-938.06
5125 Board Travel - AICPA Council		850.00	-850.00
5129 Miscellaneous Board Costs	257.52	0.00	257.52
5131 Board Travel - Outside Legal	795.00	0.00	795.00
Total Board Travel	10,058.62	11,105.00	-1,046.38
Building Expenses			
5800 Building Maintenance	-2,791.95	4,000.00	-6,791.95
5801 Electricity	1,059.06	2,500.00	-1,440.94
5802 Grounds Maintenance	4,170.72	1,333.34	2,837.38
5807 Janitorial Maintenance	1,710.00	2,666.66	-956.66
5809 Security & Fire Alarm		433.34	-433.34
5810 Trash Collection	403.33	666.66	-263.33

North Carolina State Board of CPA Examiners

Statement of Revenues & Expenses - Budget vs Actual

April - May, 2025

	TOTAL		
	ACTUAL	BUDGET	OVER BUDGET
5811 Water & Sewer	0.00	300.00	-300.00
Total Building Expenses	4,551.16	11,900.00	-7,348.84
Continuing Education -Staff			
5050 Continuing Education - Staff	30.00	500.00	-470.00
Total Continuing Education -Staff	30.00	500.00	-470.00
Exam Postage			
5531 Exam Postage		166.66	-166.66
Total Exam Postage		166.66	-166.66
Exam Sitting and Grading			
5538 Exam Vendor Expense	264,802.96	195,417.60	69,385.36
5539 Exam Vendor Accommodations	495.00	0.00	495.00
Total Exam Sitting and Grading	265,297.96	195,417.60	69,880.36
Fringe Benefits			
5031 Retirement - NCLB Contribution	9,845.65	10,385.63	-539.98
5033 Retirement - NCLB Administr	68.49	547.50	-479.01
5035 Health Ins. Premiums	22,872.49	22,650.74	221.75
5036 Medical Reim Plan	7,177.55	5,824.27	1,353.28
Total Fringe Benefits	39,964.18	39,408.14	556.04
Investigation & Hearing Costs			
5222 Investigation Materials	368.00	750.00	-382.00
5230 Hearing Costs	270.00	833.34	-563.34
5250 Administrative Cost Assessed		-416.66	416.66
5260 Civil Penalties Assessed	0.00	-1,250.00	1,250.00
Total Investigation & Hearing Costs	638.00	-83.32	721.32
Legal Expense			
5140 Legal Counsel - Administrative	5,480.17	11,000.00	-5,519.83
5211 Legal Counsel - Litigation		1,666.66	-1,666.66
Total Legal Expense	5,480.17	12,666.66	-7,186.49
Misc Personnel			
5092 Misc. Personnel Costs	81.57	833.34	-751.77
Total Misc Personnel	81.57	833.34	-751.77
Office Expense			
5301 Equipment Rent		30.00	-30.00
5320 Payroll Service	319.58	350.00	-30.42
5360 Telephone	1,030.05	1,333.34	-303.29
5361 Internet & Website	653.40	666.66	-13.26
5400 Computer Prog/Assistance	150.00	166.66	-16.66
5405 Computer Software Maintenance	45,074.44	27,283.34	17,791.10
5410 Dues	910.00	2,041.66	-1,131.66
5420 Insurance	282.00	0.00	282.00
5435 Consulting Services		166.66	-166.66
5440 Misc Office Expense	270.00	0.00	270.00

North Carolina State Board of CPA Examiners

Statement of Revenues & Expenses - Budget vs Actual

April - May, 2025

	TOTAL		
	ACTUAL	BUDGET	OVER BUDGET
5445 Banking Fees	202.83	500.00	-297.17
5448 Interest Expense - GL Software		850.00	-850.00
5450 Credit Card Fees	9,896.73	12,333.34	-2,436.61
Total Office Expense	58,789.03	45,721.66	13,067.37
Per Diem - Board			
5110 Per Diem - Board Meetings	2,200.00	2,125.00	75.00
5111 Per Diem - Prof Meetings		583.34	-583.34
5114 Per Diem - NASBA Committees	300.00	0.00	300.00
5116 Per Diem - NCACPA Annual		158.34	-158.34
5117 Per Diem - NCACPA/Board		116.67	-116.67
5119 Per Diem - Miscellaneous		116.67	-116.67
Total Per Diem - Board	2,500.00	3,100.02	-600.02
Postage			
5340 Postage - Other		500.00	-500.00
5342 Postage - Business Reply	350.00	266.66	83.34
5343 Postage - Renewal		166.66	-166.66
5345 Postage - UPS	3,500.00	3,333.34	166.66
Total Postage	3,850.00	4,266.66	-416.66
Printing			
5330 Printing - Other	1,066.27	750.00	316.27
5332 Printing - Certificates	392.00	583.27	-191.27
Total Printing	1,458.27	1,333.27	125.00
Repairs & Maintenance			
5381 Maintenance - Copiers	605.03	416.66	188.37
5383 Maintenance - Postage	1,969.31	416.66	1,552.65
Total Repairs & Maintenance	2,574.34	833.32	1,741.02
Salaries & Payroll Taxes			
5010 Staff Salaries	164,095.26	173,064.03	-8,968.77
5030 FICA Taxes	12,553.23	13,243.51	-690.28
Total Salaries & Payroll Taxes	176,648.49	186,307.54	-9,659.05
Staff Travel			
5061 Staff Travel - Prof Mtgs	130.20	0.00	130.20
5071 Staff Travel - NASBA Regional	1,998.97	0.00	1,998.97
5072 Staff Travel - NASBA ED/Legal	106.00	0.00	106.00
Total Staff Travel	2,235.17	0.00	2,235.17
Subscriptions/References			
5370 Subscriptions/References	65.00	2,500.00	-2,435.00
Total Subscriptions/References	65.00	2,500.00	-2,435.00
Supplies			
5350 Supplies - Office	846.58	1,183.34	-336.76
5351 Supplies - Copier		158.34	-158.34
5352 Supplies - Computer	343.00	158.34	184.66

North Carolina State Board of CPA Examiners

Statement of Revenues & Expenses - Budget vs Actual

April - May, 2025

	TOTAL		
	ACTUAL	BUDGET	OVER BUDGET
5355 Expendable Equipment		833.34	-833.34
Total Supplies	1,189.58	2,333.36	-1,143.78
Total Expenses	\$586,235.36	\$529,109.91	\$57,125.45
NET OPERATING INCOME	\$315,144.76	\$271,290.94	\$43,853.82
Other Income			
8200 Rental Income	8,702.00	8,391.66	310.34
Interest Income			
8500 Interest Income - MMAs	3,679.21	7,083.34	-3,404.13
8510 Interest Income - CDs	276.49	7,083.34	-6,806.85
Total Interest Income	3,955.70	14,166.68	-10,210.98
Total Other Income	\$12,657.70	\$22,558.34	\$ -9,900.64
NET OTHER INCOME	\$12,657.70	\$22,558.34	\$ -9,900.64
CHANGE IN NET ASSETS	\$327,802.46	\$293,849.28	\$33,953.18

LEGISLATIVE & RULEMAKING ITEMS

- A. Update on Periodic Rules Review Process (discussion only, no handout)

NATIONAL ORGANIZATION ITEMS

- A. NASBA Committee Updates (discussion only, no handout)
- B. NASBA Eastern Regional Meeting (discussion only, no handout)

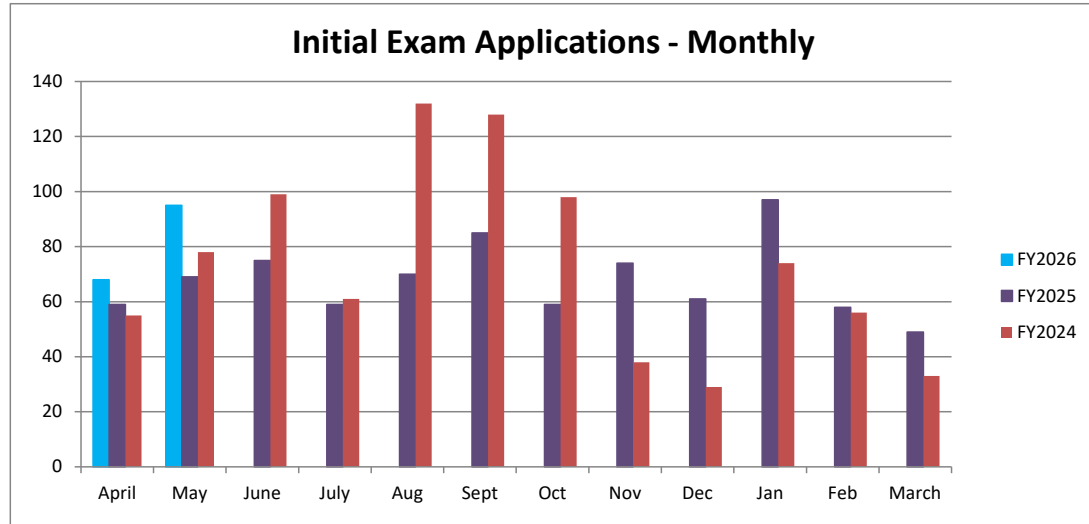
STATE & LOCAL ORGANIZATION ITEMS

A. Update on Credit Relief Initiative (discussion only, no handout)

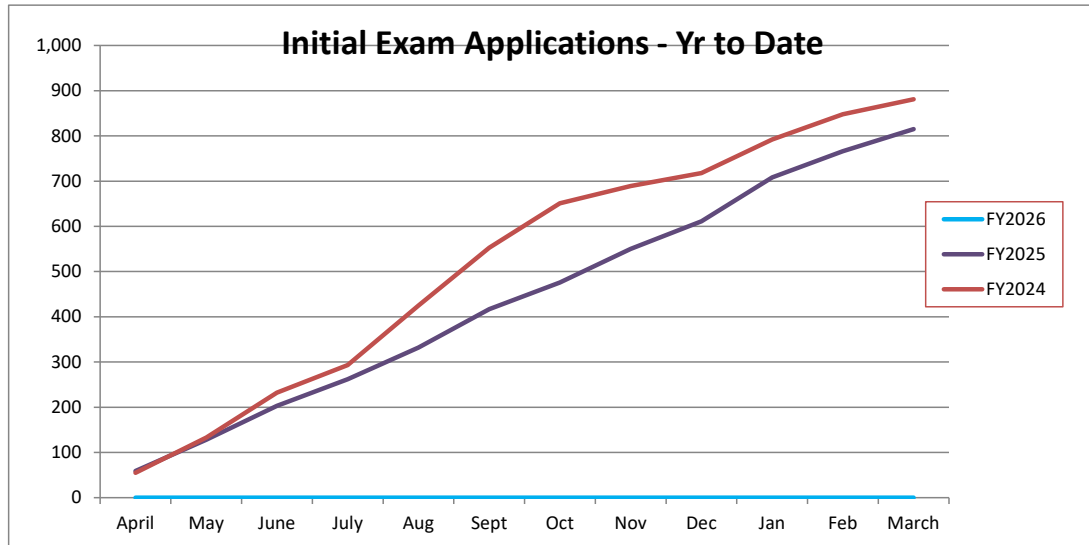
NC State Board of CPA Examiners
Monthly and Year-to-Date Operational Metrics

Exam Applications					
OrgEx	2026	2025	2024	2023	2022
Mth	#	#	#	#	#
April	68	59	55	21	52
May	95	69	78	84	55
June	0	75	99	84	56
July	0	59	61	67	58
Aug	0	70	132	56	37
Sept	0	85	128	57	37
Oct	0	59	98	80	68
Nov	0	74	38	87	90
Dec	0	61	29	63	67
Jan	0	97	74	75	81
Feb	0	58	56	46	54
March	0	49	33	49	56

Avg	82	68	73	64	59
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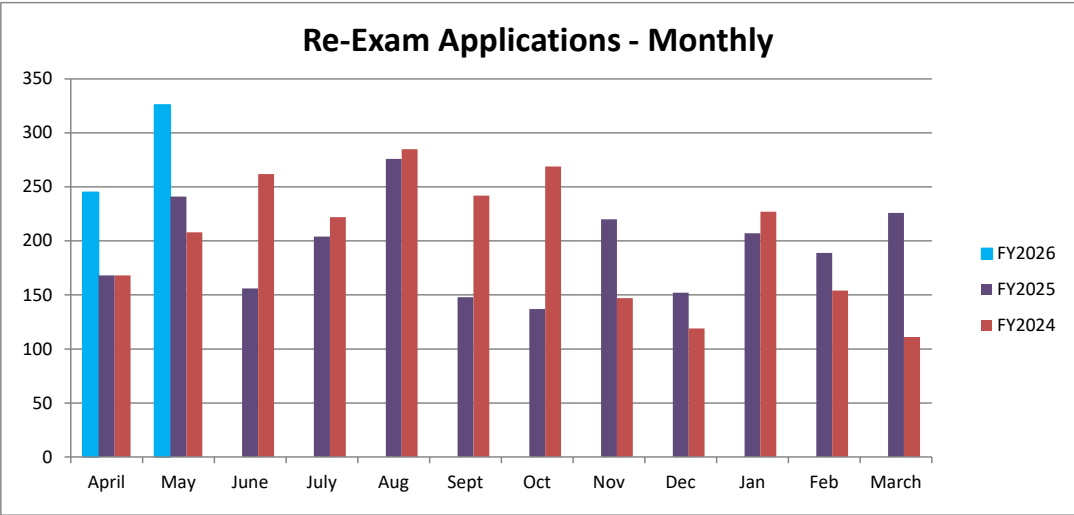


Exam Applications					
OrgEx	2026	2025	2024	2023	2022
Mth	Sum	Sum	Sum	Sum	Sum
April	68	59	55	21	52
May	163	128	133	105	107
June	163	203	232	189	163
July	163	262	293	256	221
Aug	163	332	425	312	258
Sept	163	417	553	369	295
Oct	163	476	651	449	363
Nov	163	550	689	536	453
Dec	163	611	718	599	520
Jan	163	708	792	674	601
Feb	163	766	848	720	655
March	163	815	881	769	711

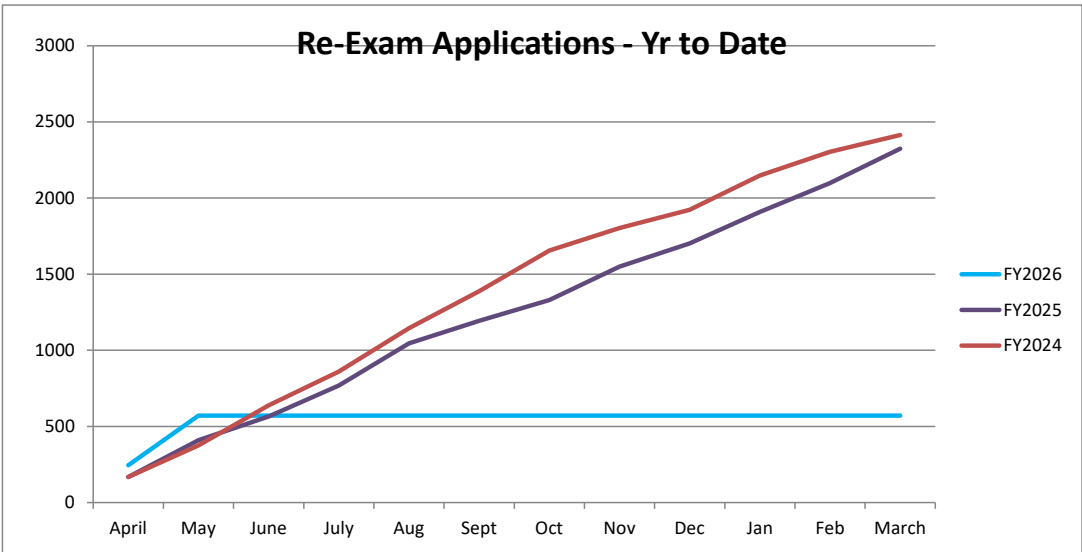


NC State Board of CPA Examiners Monthly and Year-to-Date Operational Metrics

Exam Applications					
Re-Ex	2026	2025	2024	2023	2022
Mth	#	#	#	#	#
April	245	168	168	131	164
May	326	241	208	178	186
June	0	156	262	172	182
July	0	204	222	187	177
Aug	0	276	285	187	168
Sept	0	148	242	140	111
Oct	0	137	269	149	139
Nov	0	220	147	169	152
Dec	0	152	119	142	110
Jan	0	207	227	156	134
Feb	0	189	154	141	110
March	0	226	111	192	141
Avg	286	194	201	162	148

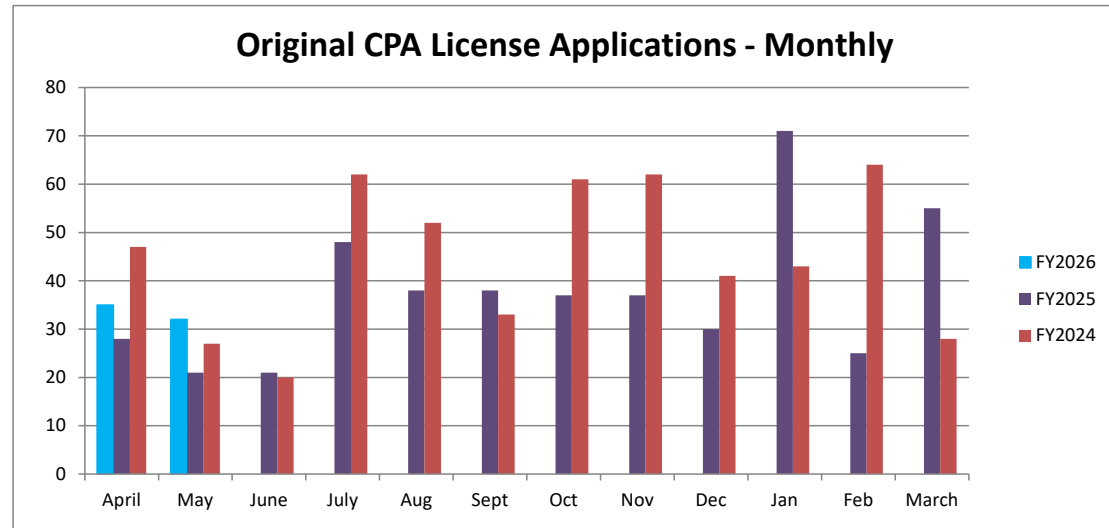


Exam Applications					
Re-Ex	2026	2025	2024	2023	2022
Mth	Sum	Sum	Sum	Sum	Sum
April	245	168	168	131	164
May	571	409	376	309	350
June	571	565	638	481	532
July	571	769	860	668	709
Aug	571	1045	1145	855	877
Sept	571	1193	1387	995	988
Oct	571	1330	1656	1144	1127
Nov	571	1550	1803	1313	1279
Dec	571	1702	1922	1455	1389
Jan	571	1909	2149	1611	1523
Feb	571	2098	2303	1752	1633
March	571	2324	2414	1944	1774

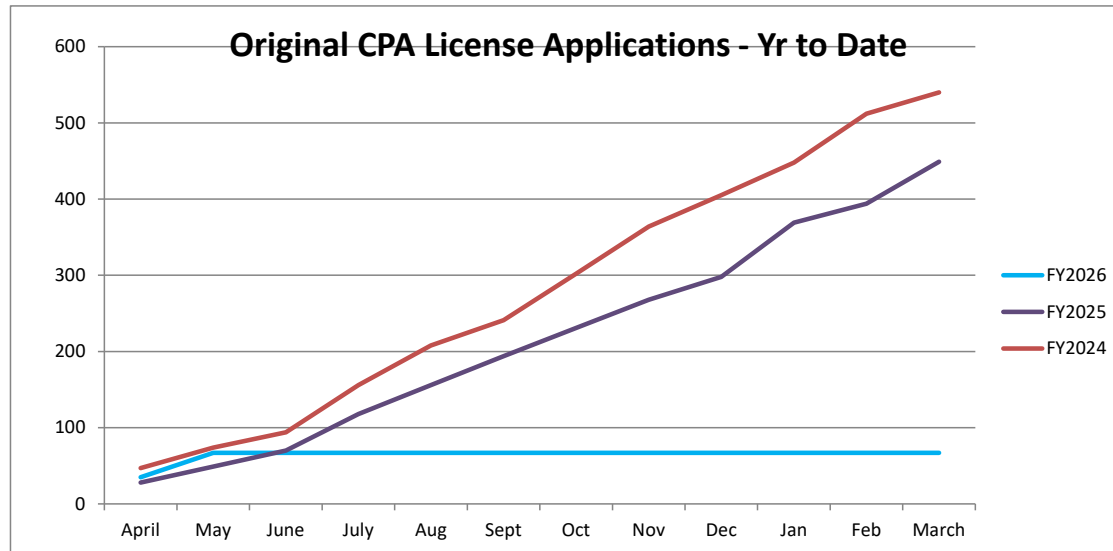


NC State Board of CPA Examiners Monthly and Year-to-Date Operational Metrics

License Applications					
OrgL	2026	2025	2024	2023	2022
Mth	#	#	#	#	#
April	35	28	47	44	41
May	32	21	27	39	50
June	0	21	20	22	0
July	0	48	62	50	75
Aug	0	38	52	57	31
Sept	0	38	33	30	42
Oct	0	37	61	34	46
Nov	0	37	62	47	48
Dec	0	30	41	38	32
Jan	0	71	43	44	60
Feb	0	25	64	32	47
March	0	55	28	40	30
Avg	34	37	45	40	42

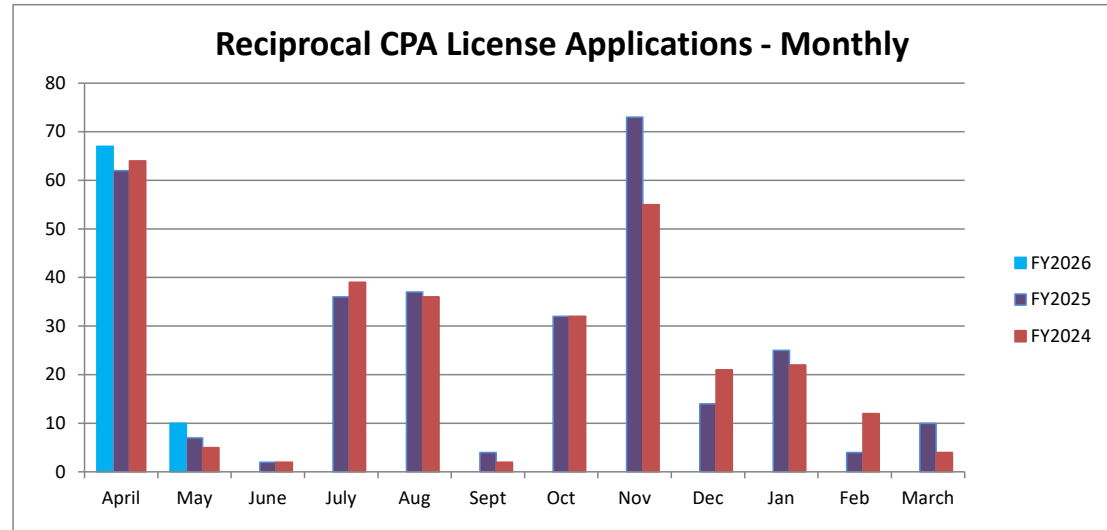


License Applications					
OrgL	2026	2025	2024	2023	2022
Mth	Sum	Sum	Sum	Sum	Sum
April	35	28	47	44	41
May	67	49	74	83	91
June	67	70	94	105	91
July	67	118	156	155	166
Aug	67	156	208	212	197
Sept	67	194	241	242	239
Oct	67	231	302	276	285
Nov	67	268	364	323	333
Dec	67	298	405	361	365
Jan	67	369	448	405	425
Feb	67	394	512	437	472
March	67	449	540	477	502

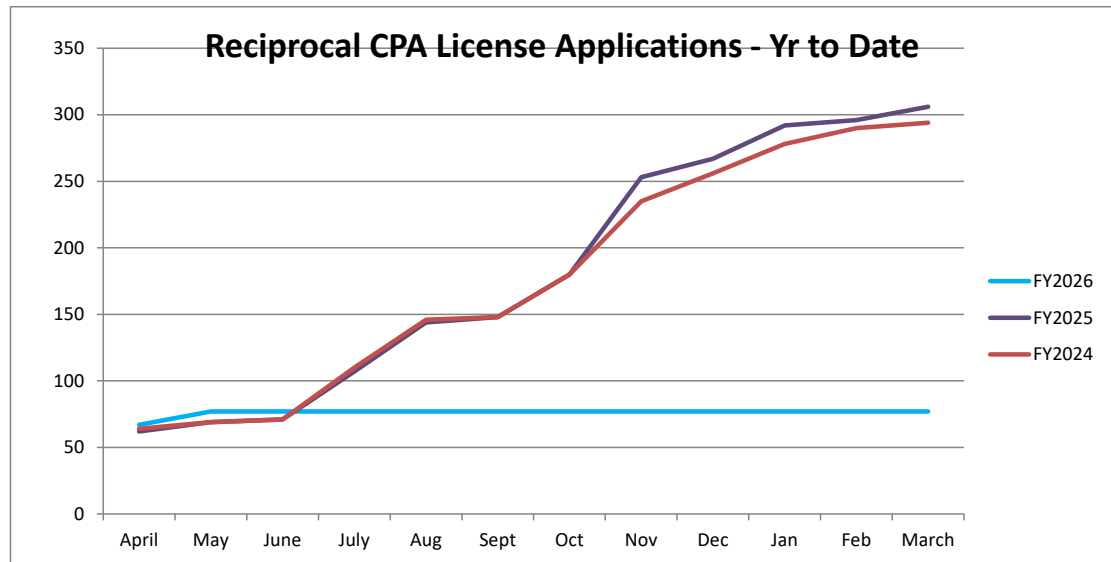


NC State Board of CPA Examiners Monthly and Year-to-Date Operational Metrics

License Applications					
Recp	2026	2025	2024	2023	2022
Mth	#	#	#	#	#
April	67	62	64	81	55
May	10	7	5	8	7
June	0	2	2	3	1
July	0	36	39	50	39
Aug	0	37	36	24	37
Sept	0	4	2	1	2
Oct	0	32	32	57	47
Nov	0	73	55	67	74
Dec	0	14	21	15	27
Jan	0	25	22	30	33
Feb	0	4	12	9	11
March	0	10	4	11	7
Avg	39	26	25	30	28

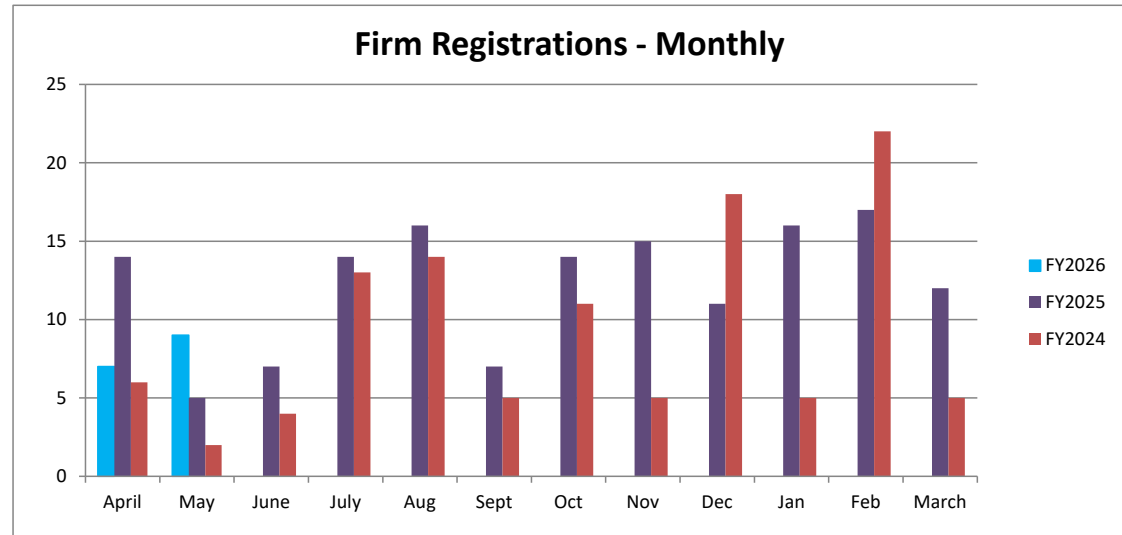


License Applications					
Recp	2026	2025	2024	2023	2022
Mth	Sum	Sum	Sum	Sum	Sum
April	67	62	64	81	55
May	77	69	69	89	62
June	77	71	71	92	63
July	77	107	110	142	102
Aug	77	144	146	166	139
Sept	77	148	148	167	141
Oct	77	180	180	224	188
Nov	77	253	235	291	262
Dec	77	267	256	306	289
Jan	77	292	278	336	322
Feb	77	296	290	345	333
March	77	306	294	356	340

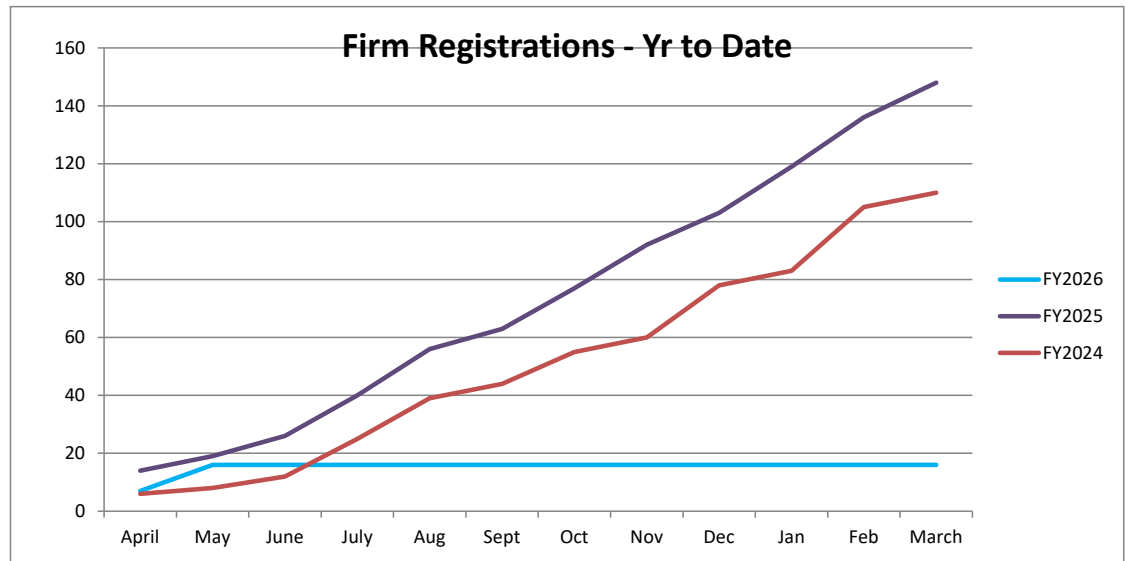


NC State Board of CPA Examiners Monthly and Year-to-Date Operational Metrics

Firm Registration					
Firm	2026	2025	2024	2023	2022
Mth	#	#	#	#	#
April	7	14	6	7	7
May	9	5	2	4	4
June	0	7	4	11	11
July	0	14	13	15	15
Aug	0	16	14	10	10
Sept	0	7	5	6	6
Oct	0	14	11	4	4
Nov	0	15	5	12	12
Dec	0	11	18	25	25
Jan	0	16	5	15	15
Feb	0	17	22	7	7
March	0	12	5	8	8
Avg	8	12	9	10	10

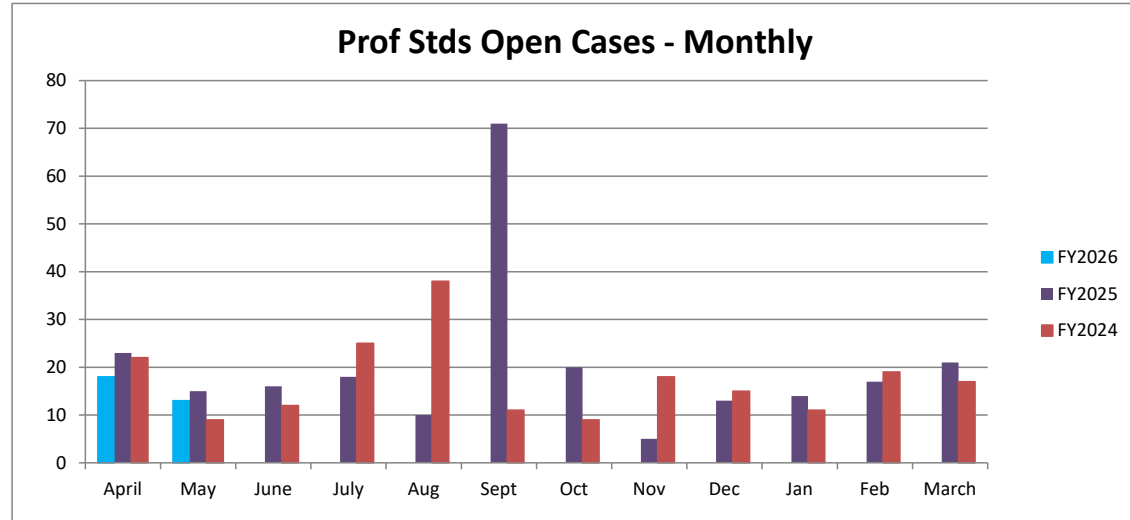


Firm Registration					
Firm	2026	2025	2024	2023	2022
Mth	Sum	Sum	Sum	Sum	Sum
April	7	14	6	7	7
May	16	19	8	11	11
June	16	26	12	22	22
July	16	40	25	37	37
Aug	16	56	39	47	47
Sept	16	63	44	53	53
Oct	16	77	55	57	57
Nov	16	92	60	69	69
Dec	16	103	78	94	94
Jan	16	119	83	109	109
Feb	16	136	105	116	116
March	16	148	110	124	124

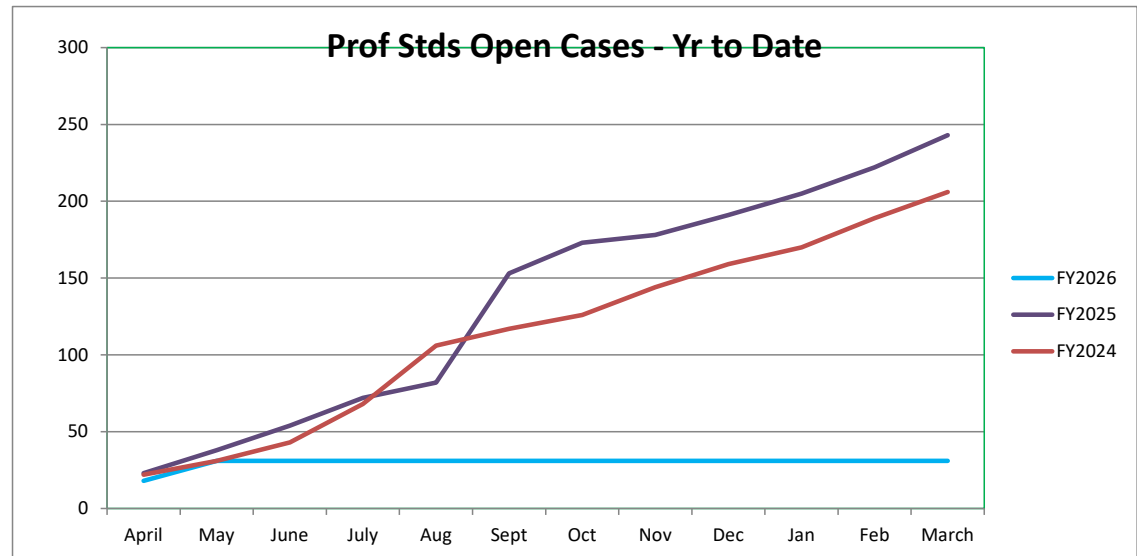


NC State Board of CPA Examiners Monthly and Year-to-Date Operational Metrics

Prf Stds Cases					
Open	2026	2025	2024	2023	2022
Mth	#	#	#	#	#
April	18	23	22	21	9
May	13	15	9	21	8
June	0	16	12	35	37
July	0	18	25	25	18
Aug	0	10	38	35	18
Sept	0	71	11	24	13
Oct	0	20	9	24	19
Nov	0	5	18	7	21
Dec	0	13	15	23	11
Jan	0	14	11	14	31
Feb	0	17	19	12	33
March	0	21	17	41	38
Avg	16	20	17	24	21

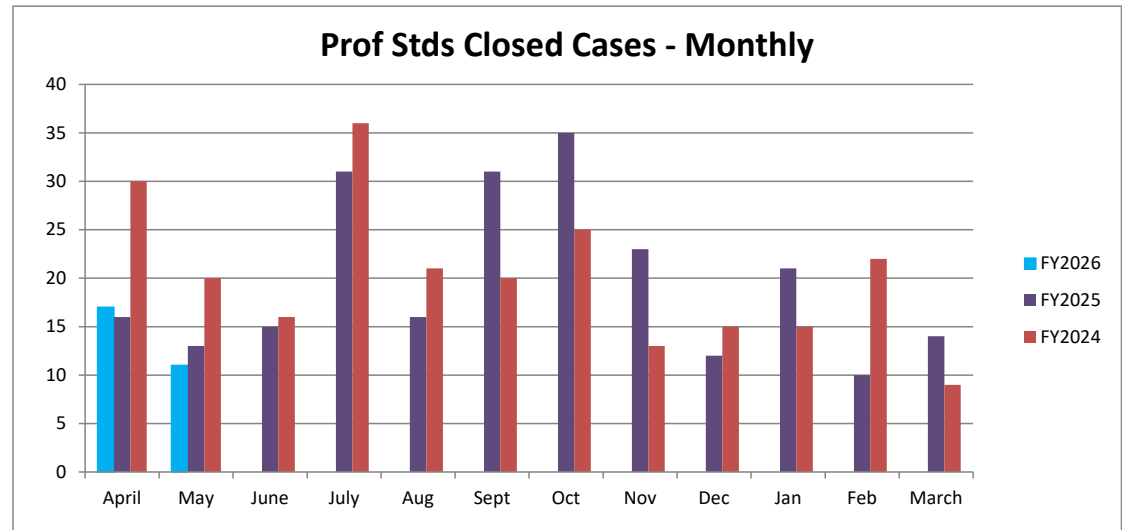


Prf Stds Cases					
Open	2026	2025	2024	2023	2022
Mth	Sum	Sum	Sum	Sum	Sum
April	18	23	22	21	9
May	31	38	31	42	17
June	31	54	43	77	54
July	31	72	68	102	72
Aug	31	82	106	137	90
Sept	31	153	117	161	103
Oct	31	173	126	185	122
Nov	31	178	144	192	143
Dec	31	191	159	215	154
Jan	31	205	170	229	185
Feb	31	222	189	241	218
March	31	243	206	282	256

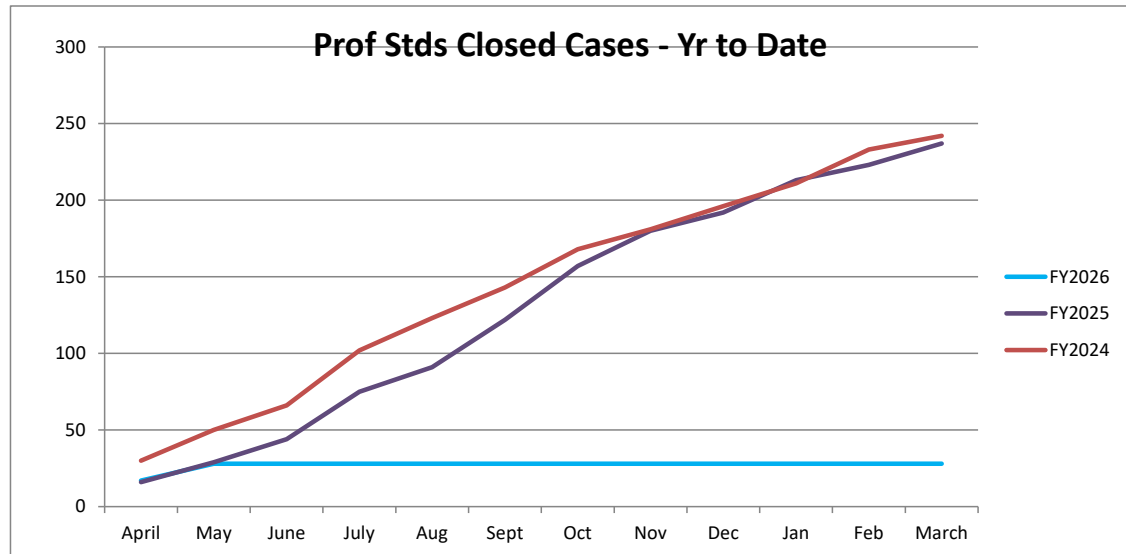


NC State Board of CPA Examiners Monthly and Year-to-Date Operational Metrics

Prf Stds Cases					
Closed	2026	2025	2024	2023	2022
Mth	#	#	#	#	#
April	17	16	30	38	23
May	11	13	20	19	4
June	0	15	16	15	17
July	0	31	36	19	21
Aug	0	16	21	21	18
Sept	0	31	20	21	35
Oct	0	35	25	12	17
Nov	0	23	13	19	14
Dec	0	12	15	33	9
Jan	0	21	15	22	18
Feb	0	10	22	21	29
March	0	14	9	25	23
Avg	14	20	20	22	19

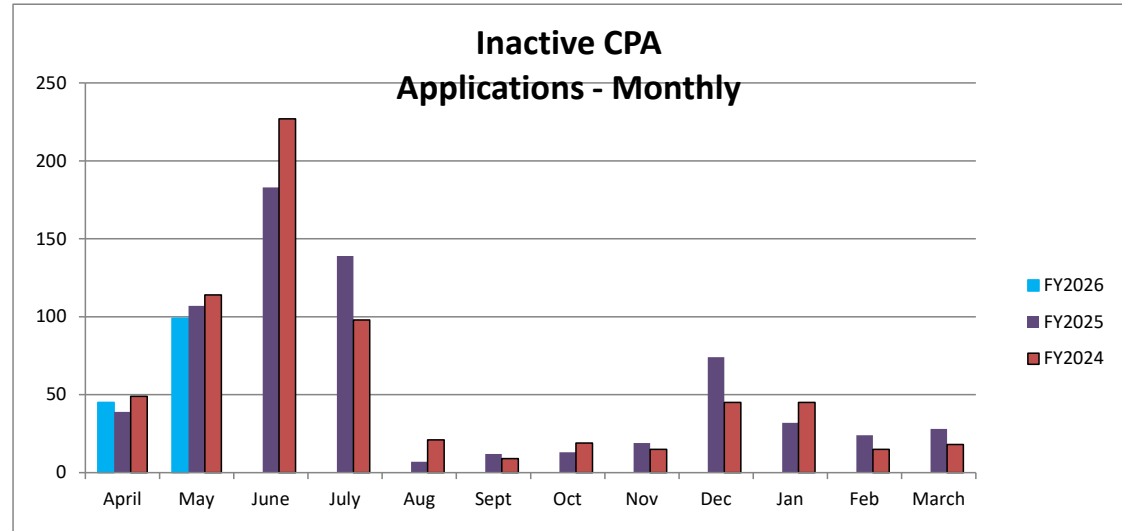


Prf Stds Cases					
Closed	2026	2025	2024	2023	2022
Mth	Sum	Sum	Sum	Sum	Sum
April	17	16	30	38	23
May	28	29	50	57	27
June	28	44	66	72	44
July	28	75	102	91	65
Aug	28	91	123	112	83
Sept	28	122	143	133	118
Oct	28	157	168	145	135
Nov	28	180	181	164	149
Dec	28	192	196	197	158
Jan	28	213	211	219	176
Feb	28	223	233	240	205
March	28	237	242	265	228

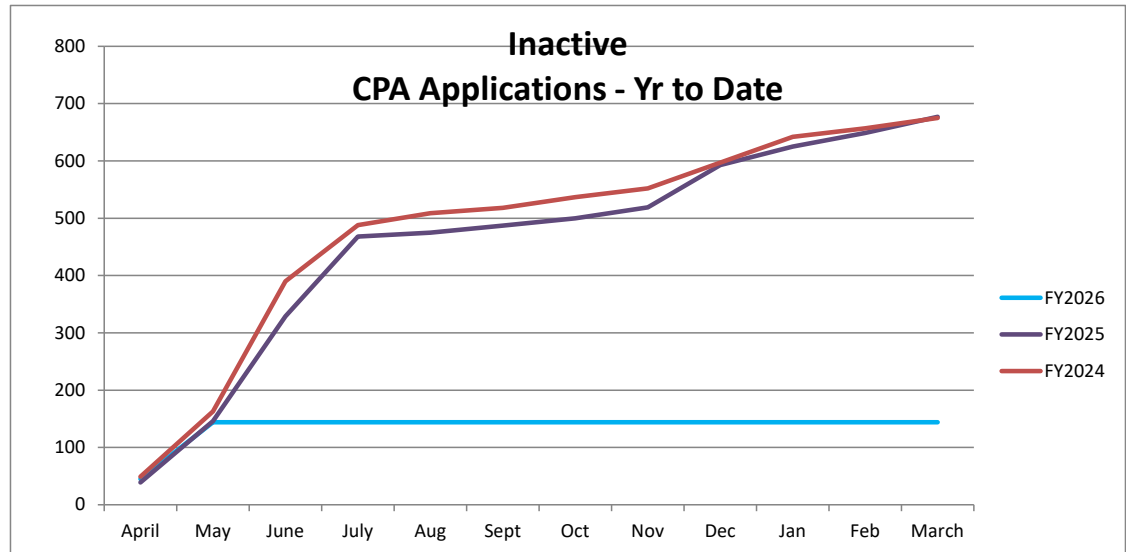


NC State Board of CPA Examiners Monthly and Year-to-Date Operational Metrics

Inactive Applications					
InAct	2026	2025	2024	2023	2022
Mth	#	#	#	#	#
April	45	39	49	30	23
May	99	107	114	67	54
June	0	183	227	309	281
July	0	139	98	98	105
Aug	0	7	21	14	18
Sept	0	12	9	7	10
Oct	0	13	19	9	21
Nov	0	19	15	25	29
Dec	0	74	45	52	59
Jan	0	32	45	78	69
Feb	0	24	15	18	19
March	0	28	18	19	32
Avg	72	56	56	61	60

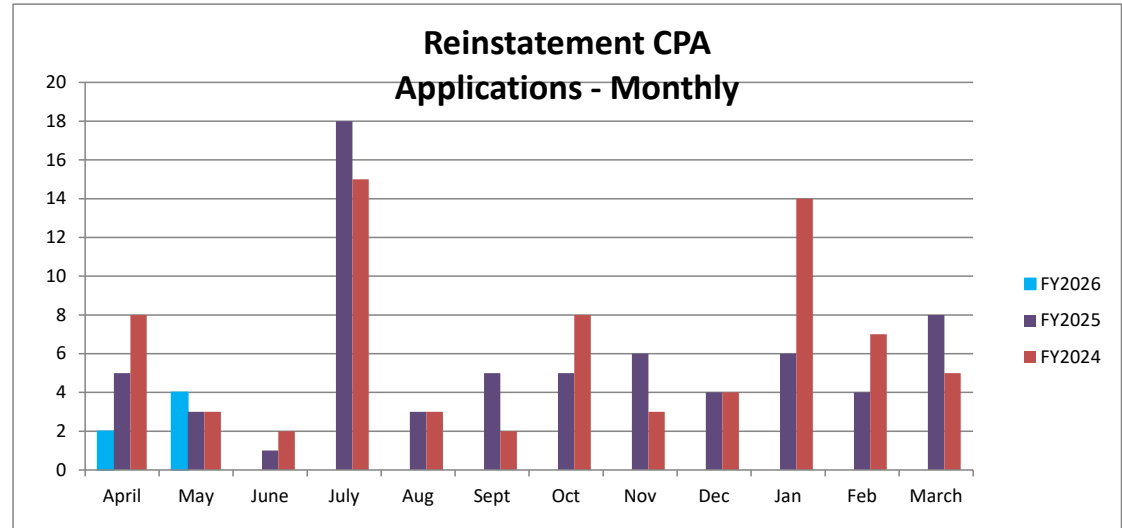


Inactive Applications					
InAct	2026	2025	2024	2023	2022
Mth	Sum	Sum	Sum	Sum	Sum
April	45	39	49	30	23
May	144	146	163	97	77
June	144	329	390	406	358
July	144	468	488	504	463
Aug	144	475	509	518	481
Sept	144	487	518	525	491
Oct	144	500	537	534	512
Nov	144	519	552	559	541
Dec	144	593	597	611	600
Jan	144	625	642	689	669
Feb	144	649	657	707	688
March	144	677	675	726	720

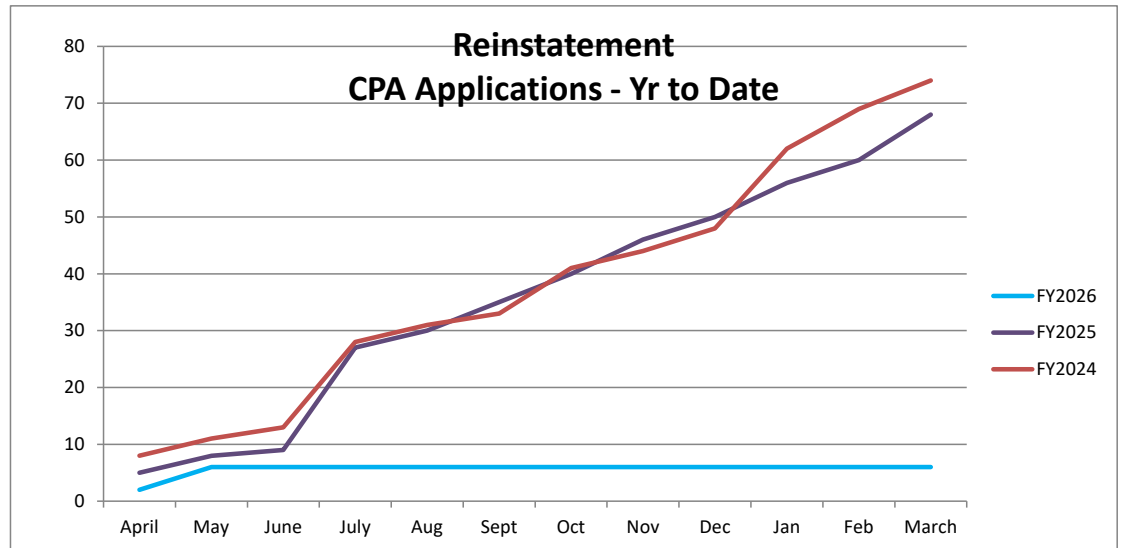


NC State Board of CPA Examiners Monthly and Year-to-Date Operational Metrics

Reinstatement Applications					
Re-Inst	2026	2025	2024	2023	2022
Mth	#	#	#	#	#
April	2	5	8	8	6
May	4	3	3	6	1
June	0	1	2	3	0
July	0	18	15	12	13
Aug	0	3	3	8	2
Sept	0	5	2	6	4
Oct	0	5	8	5	7
Nov	0	6	3	5	6
Dec	0	4	4	5	7
Jan	0	6	14	7	6
Feb	0	4	7	3	6
March	0	8	5	4	5
Avg	3	6	6	6	5



Reinstatement Applications					
Re-Inst	2026	2025	2024	2023	2022
Mth	Sum	Sum	Sum	Sum	Sum
April	2	5	8	8	6
May	6	8	11	14	7
June	6	9	13	17	7
July	6	27	28	29	20
Aug	6	30	31	37	22
Sept	6	35	33	43	26
Oct	6	40	41	48	33
Nov	6	46	44	53	39
Dec	6	50	48	58	46
Jan	6	56	62	65	52
Feb	6	60	69	68	58
March	6	68	74	72	63

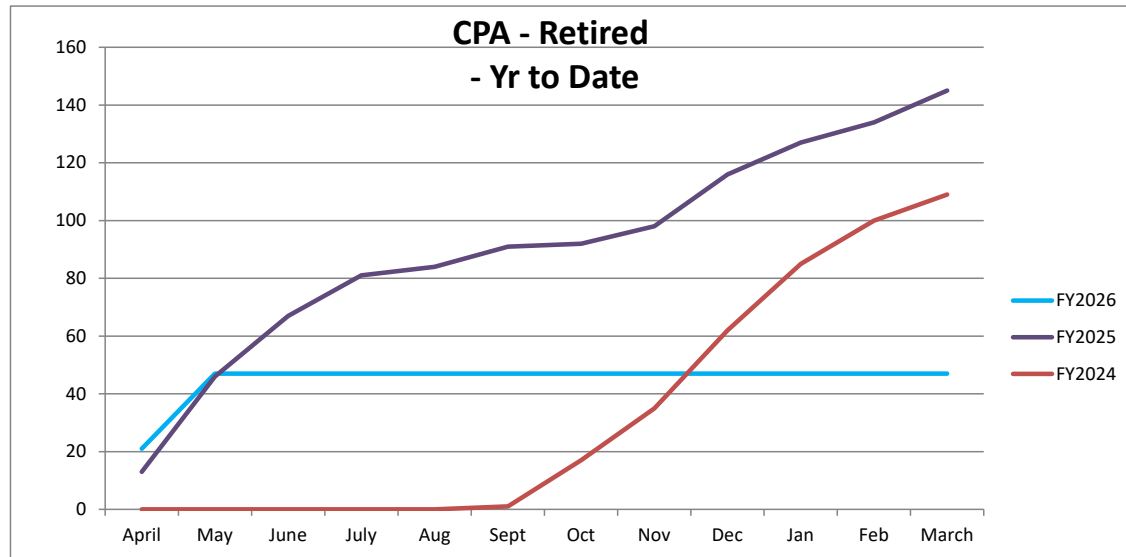
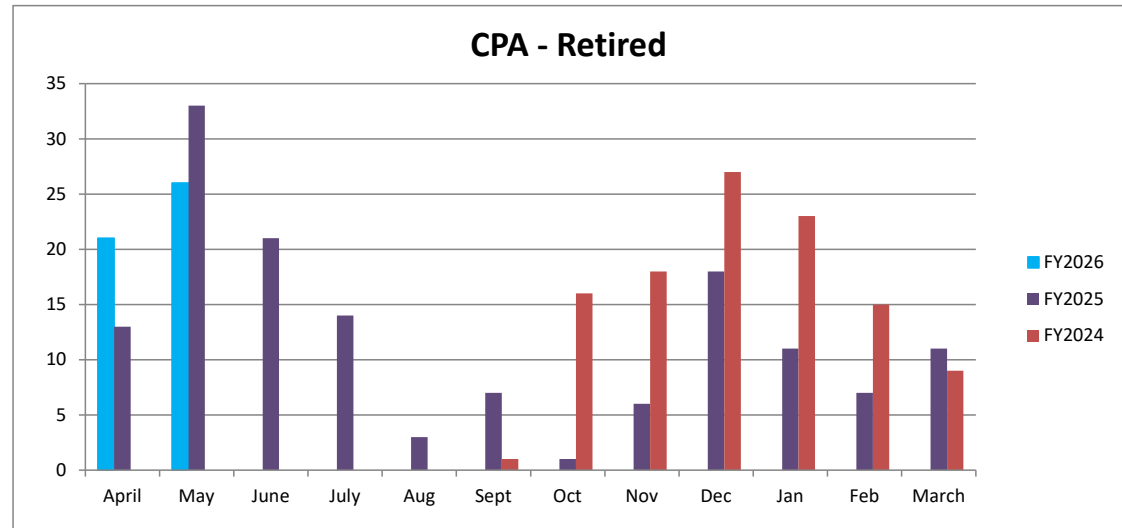


NC State Board of CPA Examiners Monthly and Year-to-Date Operational Metrics

CPA-Retired					
Count	2026	2025	2024	2023	2022
Mth	#	#	#	#	#
April	21	13	0	0	0
May	26	33	0	0	0
June	0	21	0	0	0
July	0	14	0	0	0
Aug	0	3	0	0	0
Sept	0	7	1	0	0
Oct	0	1	16	0	0
Nov	0	6	18	0	0
Dec	0	18	27	0	0
Jan	0	11	23	0	0
Feb	0	7	15	0	0
March	0	11	9	0	0
Avg	24	21	9	0	0

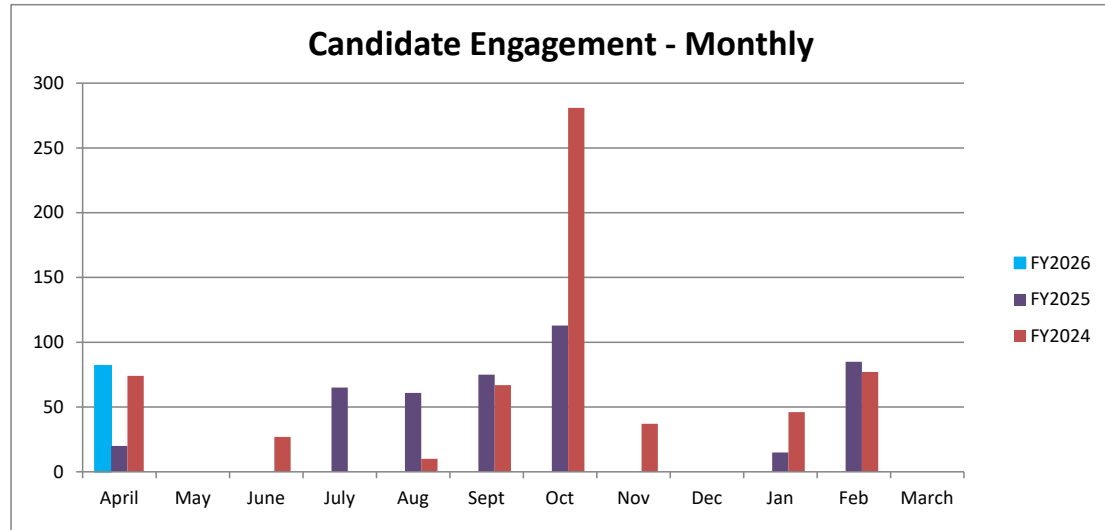
Began Sept 2023

CPA Retired					
Count	2026	2025	2024	2023	2022
Mth	Sum	Sum	Sum	Sum	Sum
April	21	13	0	0	0
May	47	46	0	0	0
June	47	67	0	0	0
July	47	81	0	0	0
Aug	47	84	0	0	0
Sept	47	91	1	0	0
Oct	47	92	17	0	0
Nov	47	98	35	0	0
Dec	47	116	62	0	0
Jan	47	127	85	0	0
Feb	47	134	100	0	0
March	47	145	109	0	0



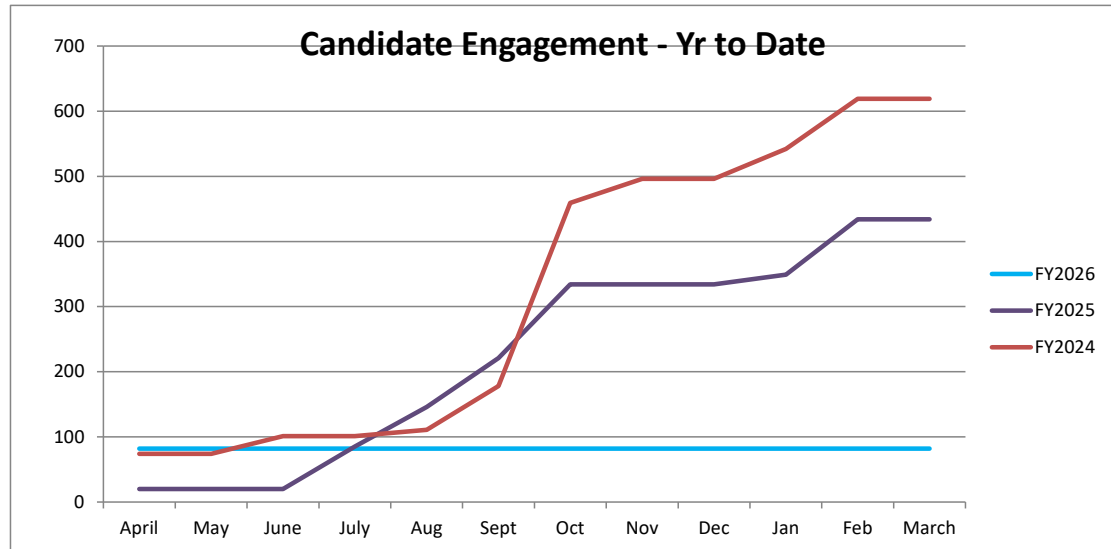
NC State Board of CPA Examiners Monthly and Year-to-Date Operational Metrics

Candidate Engagement*					
Count	2026	2025	2024	2023	2022
Mth	#	#	#	#	#
April	82	20	74	0	0
May	0	0	0	0	0
June	0	0	27	0	0
July	0	65	0	0	0
Aug	0	61	10	15	0
Sept	0	75	67	130	0
Oct	0	113	281	139	0
Nov	0	0	37	53	0
Dec	0	0	0	0	0
Jan	0	15	46	0	0
Feb	0	85	77	70	0
March	0	0	0	61	0
Avg	41	36	77	39	0



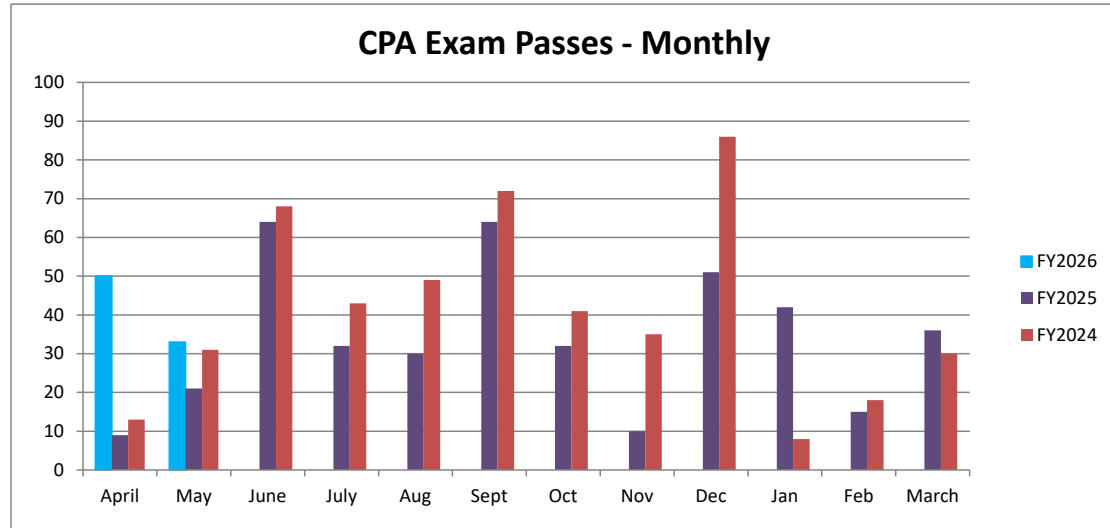
* Candidate Presentations as scheduled in concert with needs of various campuses, not including instructors and staff
Started tracking 8/22

Candidate Engagement					
Count	2026	2025	2024	2023	2022
Mth	Sum	Sum	Sum	Sum	Sum
April	82	20	74	0	0
May	82	20	74	0	0
June	82	20	101	0	0
July	82	85	101	0	0
Aug	82	146	111	15	0
Sept	82	221	178	145	0
Oct	82	334	459	284	0
Nov	82	334	496	337	0
Dec	82	334	496	337	0
Jan	82	349	542	337	0
Feb	82	434	619	407	0
March	82	434	619	468	0



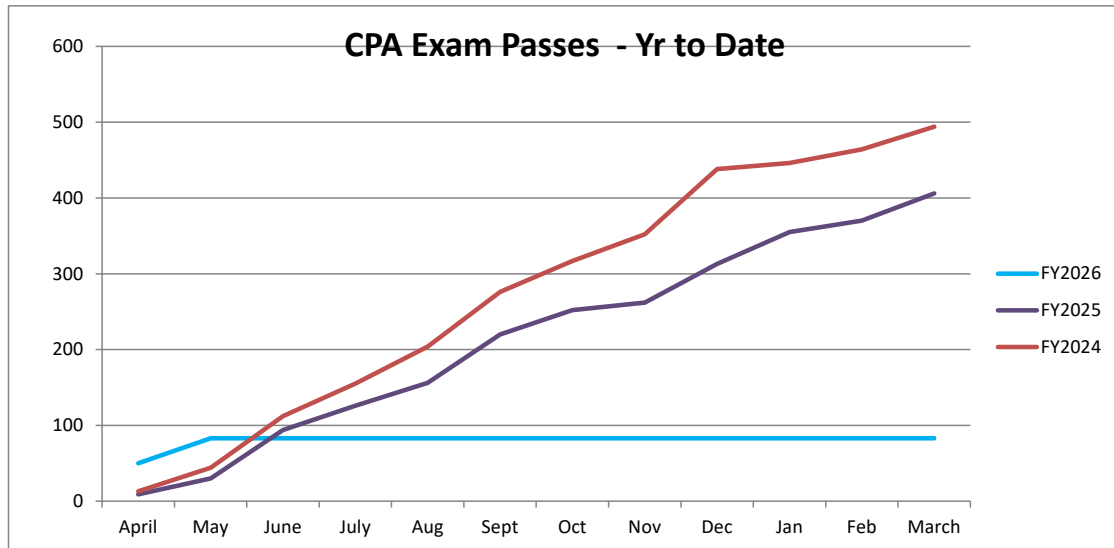
NC State Board of CPA Examiners Monthly and Year-to-Date Operational Metrics

Exam Passes					
Count	2026	2025	2024	2023	2022
Mth	#	#	#	#	#
April	50	9	13	12	15
May	33	21	31	26	32
June	0	64	68	46	48
July	0	32	43	29	49
Aug	0	30	49	51	35
Sept	0	64	72	51	55
Oct	0	32	41	30	32
Nov	0	10	35	36	39
Dec	0	51	86	48	52
Jan	0	42	8	35	19
Feb	0	15	18	21	19
March	0	36	30	32	25
Avg	42	34	62	35	35



These results run approximately 2 months in arrears due to timing of score releases

Exam Passes					
Count	2026	2025	2024	2023	2022
Mth	Sum	Sum	Sum	Sum	Sum
April	50	9	13	12	15
May	83	30	44	38	47
June	83	94	112	84	95
July	83	126	155	113	144
Aug	83	156	204	164	179
Sept	83	220	276	215	234
Oct	83	252	317	245	266
Nov	83	262	352	281	305
Dec	83	313	438	329	357
Jan	83	355	446	364	376
Feb	83	370	464	385	395
March	83	406	494	417	420



Exam Applications			Certificate Applications			CPA Firm Registrations		Professional Stds Cases					Inactive		Reinstatement		CPA - Retired		Candidate Eng		Exam Passes	
Month	Initial	Re-Exam	Month	Original	Reciprocal	Month	Total	Month	Begin Bal	Open	Closed	End Bal	Month	Total	Month	Total	Month	Total	Month	Total	Month	Total
Jan-15	107	130	Jan-15	96	51	Jan-15	18	Jan-15	202	66	54	214	Jan-15	47	Jan-15	13	Jan-15	0	Jan-15	0	Jan-15	0
Feb-15	62	110	Feb-15	64	16	Feb-15	20	Feb-15	214	22	40	196	Feb-15	13	Feb-15	11	Feb-15	0	Feb-15	0	Feb-15	0
Mar-15	82	227	Mar-15	48	4	Mar-15	12	Mar-15	196	40	38	198	Mar-15	18	Mar-15	5	Mar-15	0	Mar-15	0	Mar-15	0
Apr-15	97	180	Apr-15	48	61	Apr-15	18	Apr-15	198	7	38	167	Apr-15	29	Apr-15	12	Apr-15	0	Apr-15	0	Apr-15	0
May-15	78	151	May-15	40	11	May-15	11	May-15	167	26	18	175	May-15	73	May-15	5	May-15	0	May-15	0	May-15	0
Jun-15	77	312	Jun-15	0	4	Jun-15	17	Jun-15	175	6	21	160	Jun-15	126	Jun-15	0	Jun-15	0	Jun-15	0	Jun-15	0
Jul-15	66	178	Jul-15	60	54	Jul-15	13	Jul-15	160	10	32	138	Jul-15	90	Jul-15	9	Jul-15	0	Jul-15	0	Jul-15	0
Aug-15	52	155	Aug-15	100	21	Aug-15	11	Aug-15	138	31	27	142	Aug-15	6	Aug-15	15	Aug-15	0	Aug-15	0	Aug-15	0
Sep-15	51	296	Sep-15	44	5	Sep-15	25	Sep-15	142	27	33	136	Sep-15	7	Sep-15	3	Sep-15	0	Sep-15	0	Sep-15	0
Oct-15	64	154	Oct-15	74	70	Oct-15	13	Oct-15	136	53	32	157	Oct-15	21	Oct-15	8	Oct-15	0	Oct-15	0	Oct-15	0
Nov-15	62	151	Nov-15	45	27	Nov-15	14	Nov-15	157	26	25	158	Nov-15	25	Nov-15	10	Nov-15	0	Nov-15	0	Nov-15	0
Dec-15	139	276	Dec-15	0	2	Dec-15	22	Dec-15	158	9	24	143	Dec-15	35	Dec-15	5	Dec-15	0	Dec-15	0	Dec-15	0
Jan-16	121	139	Jan-16	133	36	Jan-16	28	Jan-16	143	12	17	138	Jan-16	42	Jan-16	22	Jan-16	0	Jan-16	0	Jan-16	0
Feb-16	101	141	Feb-16	68	12	Feb-16	16	Feb-16	138	17	21	134	Feb-16	17	Feb-16	9	Feb-16	0	Feb-16	0	Feb-16	0
Mar-16	92	305	Mar-16	43	3	Mar-16	17	Mar-16	134	34	19	149	Mar-16	19	Mar-16	9	Mar-16	0	Mar-16	0	Mar-16	0
Apr-16	97	191	Apr-16	60	69	Apr-16	3	Apr-16	149	27	31	145	Apr-16	38	Apr-16	12	Apr-16	0	Apr-16	0	Apr-16	0
May-16	85	203	May-16	42	18	May-16	14	May-16	145	16	23	138	May-16	63	May-16	12	May-16	0	May-16	0	May-16	0
Jun-16	110	266	Jun-16	0	2	Jun-16	8	Jun-16	138	33	20	151	Jun-16	150	Jun-16	0	Jun-16	0	Jun-16	0	Jun-16	0
Jul-16	74	204	Jul-16	96	53	Jul-16	6	Jul-16	151	17	42	126	Jul-16	60	Jul-16	17	Jul-16	0	Jul-16	0	Jul-16	0
Aug-16	85	237	Aug-16	36	8	Aug-16	14	Aug-16	126	68	27	167	Aug-16	14	Aug-16	6	Aug-16	0	Aug-16	0	Aug-16	0
Sep-16	83	297	Sep-16	42	4	Sep-16	8	Sep-16	167	65	27	205	Sep-16	6	Sep-16	6	Sep-16	0	Sep-16	0	Sep-16	0
Oct-16	60	177	Oct-16	56	82	Oct-16	9	Oct-16	205	53	53	205	Oct-16	12	Oct-16	16	Oct-16	0	Oct-16	0	Oct-16	0
Nov-16	104	183	Nov-16	72	32	Nov-16	14	Nov-16	205	22	72	155	Nov-16	27	Nov-16	8	Nov-16	0	Nov-16	0	Nov-16	0
Dec-16	115	276	Dec-16	0	4	Dec-16	30	Dec-16	155	7	26	136	Dec-16	59	Dec-16	4	Dec-16	0	Dec-16	0	Dec-16	0
Jan-17	129	189	Jan-17	108	34	Jan-17	24	Jan-17	136	35	49	122	Jan-17	34	Jan-17	11	Jan-17	0	Jan-17	0	Jan-17	0
Feb-17	58	130	Feb-17	66	17	Feb-17	18	Feb-17	122	17	30	109	Feb-17	16	Feb-17	5	Feb-17	0	Feb-17	0	Feb-17	0
Mar-17	67	276	Mar-17	70	12	Mar-17	19	Mar-17	109	16	22	103	Mar-17	24	Mar-17	13	Mar-17	0	Mar-17	0	Mar-17	0
Apr-17	55	178	Apr-17	32	68	Apr-17	7	Apr-17	103	30	25	108	Apr-17	50	Apr-17	5	Apr-17	0	Apr-17	0	Apr-17	0
May-17	58	182	May-17	51	9	May-17	12	May-17	108	24	16	116	May-17	89	May-17	11	May-17	0	May-17	0	May-17	0
Jun-17	57	159	Jun-17	0	1	Jun-17	16	Jun-17	116	5	18	103	Jun-17	169	Jun-17	0	Jun-17	0	Jun-17	0	Jun-17	0
Jul-17	38	146	Jul-17	68	58	Jul-17	19	Jul-17	103	36	16	123	Jul-17	90	Jul-17	18	Jul-17	0	Jul-17	0	Jul-17	0
Aug-17	50	187	Aug-17	39	4	Aug-17	22	Aug-17	123	65	29	159	Aug-17	6	Aug-17	11	Aug-17	0	Aug-17	0	Aug-17	0
Sep-17	59	267	Sep-17	42	2	Sep-17	14	Sep-17	159	29	42	146	Sep-17	10	Sep-17	10	Sep-17	0	Sep-17	0	Sep-17	0
Oct-17	47	196	Oct-17	62	93	Oct-17	23	Oct-17	146	24	17	153	Oct-17	24	Oct-17	4	Oct-17	0	Oct-17	0	Oct-17	0
Nov-17	79	126	Nov-17	46	25	Nov-17	15	Nov-17	153	7	18	142	Nov-17	26	Nov-17	2	Nov-17	0	Nov-17	0	Nov-17	0
Dec-17	79	154	Dec-17	0	24	Dec-17	15	Dec-17	142	6	23	125	Dec-17	40	Dec-17	10	Dec-17	0	Dec-17	0	Dec-17	0
Jan-18	131	178	Jan-18	117	12	Jan-18	30	Jan-18	125	18	15	128	Jan-18	47	Jan-18	4	Jan-18	0	Jan-18	0	Jan-18	0
Feb-18	39	107	Feb-18	73	20	Feb-18	18	Feb-18	128	16	11	133	Feb-18	14	Feb-18	14	Feb-18	0	Feb-18	0	Feb-18	0
Mar-18	66	236	Mar-18	36	5	Mar-18	10	Mar-18	133	14	14	133	Mar-18	8	Mar-18	6	Mar-18	0	Mar-18	0	Mar-18	0
Apr-18	70	211	Apr-18	32	52	Apr-18	12	Apr-18	133	27	16	144	Apr-18	50	Apr-18	7	Apr-18	0	Apr-18	0	Apr-18	0
May-18	77	136	May-18	61	13	May-18	13	May-18	144	95	44	195	May-18	73	May-18	7	May-18	0	May-18	0	May-18	0
Jun-18	61	149	Jun-18	0	0	Jun-18	7	Jun-18	195	61	68	188	Jun-18	194	Jun-18	0	Jun-18	0	Jun-18	0	Jun-18	0
Jul-18	66	235	Jul-18	57	59	Jul-18	3	Jul-18	188	62	54	196	Jul-18	67	Jul-18	8	Jul-18	0	Jul-18	0	Jul-18	0
Aug-18	62	136	Aug-18	41	4	Aug-18	23	Aug-18	196	58	63	191	Aug-18	17	Aug-18	8	Aug-18	0	Aug-18	0	Aug-18	0
Sep-18	48	218	Sep-18	44	3	Sep-18	7	Sep-18	191	34	49	176	Sep-18	3	Sep-18	7	Sep-18	0	Sep-18	0	Sep-18	0
Oct-18	84	175	Oct-18	77	113	Oct-18	10	Oct-18	176	12	45	143	Oct-18	13	Oct-18	11	Oct-18	0	Oct-18	0	Oct-18	0
Nov-18	82	116	Nov-18	70	42	Nov-18	9	Nov-18	143	5	42	106	Nov-18	15	Nov-18	11	Nov-18	0	Nov-18	0	Nov-18	0
Dec-18	81	133	Dec-18	2	35	Dec-18	11	Dec-18	106	6	15	97	Dec-18	38	Dec-18	6	Dec-18	0	Dec-18	0	Dec-18	0
Jan-19	91	145	Jan-19	108	33	Jan-19	21	Jan-19	97	33	20	110	Jan-19	52	Jan-19	10	Jan-19	0	Jan-19	0	Jan-19	0
Feb-19	74	124	Feb-19	57	10	Feb-19	22	Feb-19	110	43	22	131	Feb-19	15	Feb-19	8	Feb-19	0	Feb-19	0	Feb-19	0
Mar-19	45	190	Mar-19	35	7	Mar-19	12	Mar-19	131	18	21	128	Mar-19	16	Mar-19	7	Mar-19	0	Mar-19	0	Mar-19	0
Apr-19	61	195	Apr-19	42	70	Apr-19	7	Apr-19	128	28	30	126	Apr-19	30	Apr-19	3	Apr-19	0	Apr-19	0	Apr-19	0
May-19	70	196	May-19	37	9	May-19	14	May-19	126	18	25	119	May-19	58	May-19	9	May-19	0	May-19	0	May-19	0
Jun-19	62	222	Jun-19	0	2	Jun-19	25	Jun-19	119	25	26	118	Jun-19	221	Jun-19	2	Jun-19	0	Jun-19	0	Jun-19	0
Jul-19	92	172	Jul-19	62	37	Jul-19	11	Jul-19	118	37	21	134	Jul-19	123	Jul-19	8	Jul-19	0	Jul-19	0	Jul-19	0
Aug-19	51	164	Aug-19	49	44	Aug-19	6	Aug-19	134	67	49	152	Aug-19	9	Aug-19	9	Aug-19	0	Aug-19	0	Aug-19	0
Sep-19	54	185	Sep-19	84	2	Sep-19	5	Sep-19	152	14	26	140	Sep-19	11	Sep-19	8	Sep-19	0	Sep-19	0	Sep-19	0
Oct-19	62	194	Oct-19	36	56	Oct-19	11	Oct-19	140	14	39	115	Oct-19	20	Oct-19	4	Oct-19	0	Oct-19	0	Oct-19	0
Nov-19	58	144	Nov-19	62	69	Nov-19	12	Nov-19	115	11	23	103	Nov-19	26	Nov-19	5	Nov-19	0	Nov-19	0	Nov-19	0
Dec-19	83	177	Dec-19	1	26	Dec-19	16	Dec-19	103	31	25	109	Dec-19	73	Dec-19	6	Dec-19	0	Dec-19	0	Dec-19	0
Jan-20	111	145	Jan-20	112	17	Jan-20	26	Jan-20	109	33	25	117	Jan-20	32	Jan-20	10	Jan-20	0	Jan-20	0	Jan-20	0
Feb-20	70	112	Feb-20	50	10	Feb-20	11	Feb-20	117	16	23	110	Feb-20	15	Feb-20	12	Feb-20	0	Feb-20	0	Feb-20	0
Mar-20	41	139	Mar-20	44	8	Mar-20	5	Mar-20	110	18	19	109	Mar-20	6	Mar-20	6	Mar-20	0	Mar-20	0	Mar-20	0
Apr-20	14	84	Apr-20	14	57	Apr-20	3	Apr-20	109	7	17	99	Apr-20	17	Apr-20	1	Apr-20	0	Apr-20	0	Apr-20	0
May-20	59	174	May-20	0	7	May-20	12	May-20	99	9	23	85	May-20	88	May-20	4	May-20	0	May-20	0	May-20	40

Exam Applications			Certificate Applications			CPA Firm Registrations		Professional Stds Cases					Inactive		Reinstatement		CPA - Retired		Candidate Eng		Exam Passes	
Month	Initial	Re-Exam	Month	Original	Reciprocal	Month	Total	Month	Begin Bal	Open	Closed	End Bal	Month	Total	Month	Total	Month	Total	Month	Total	Month	Total
Jun-20	87	176	Jun-20	0	0	Jun-20	10	Jun-20	85	12	23	74	Jun-20	234	Jun-20	4	Jun-20	0	Jun-20	0	Jun-20	35
Jul-20	71	150	Jul-20	48	31	Jul-20	10	Jul-20	74	30	23	81	Jul-20	116	Jul-20	11	Jul-20	0	Jul-20	0	Jul-20	43
Aug-20	18	79	Aug-20	32	27	Aug-20	14	Aug-20	81	27	16	92	Aug-20	7	Aug-20	5	Aug-20	0	Aug-20	0	Aug-20	58
Sep-20	56	215	Sep-20	43	3	Sep-20	11	Sep-20	92	13	17	88	Sep-20	6	Sep-20	5	Sep-20	0	Sep-20	0	Sep-20	71
Oct-20	85	155	Oct-20	47	44	Oct-20	7	Oct-20	88	17	12	93	Oct-20	13	Oct-20	4	Oct-20	0	Oct-20	0	Oct-20	40
Nov-20	78	145	Nov-20	56	61	Nov-20	6	Nov-20	93	10	24	79	Nov-20	21	Nov-20	6	Nov-20	0	Nov-20	0	Nov-20	53
Dec-20	61	146	Dec-20	46	10	Dec-20	9	Dec-20	79	13	12	80	Dec-20	55	Dec-20	5	Dec-20	0	Dec-20	0	Dec-20	89
Jan-21	66	150	Jan-21	72	22	Jan-21	20	Jan-21	80	21	19	82	Jan-21	53	Jan-21	7	Jan-21	0	Jan-21	0	Jan-21	29
Feb-21	66	142	Feb-21	78	4	Feb-21	8	Feb-21	82	12	27	67	Feb-21	9	Feb-21	14	Feb-21	0	Feb-21	0	Feb-21	18
Mar-21	46	147	Mar-21	31	0	Mar-21	16	Mar-21	67	29	17	79	Mar-21	21	Mar-21	6	Mar-21	0	Mar-21	0	Mar-21	32
Apr-21	52	164	Apr-21	41	55	Apr-21	7	Apr-21	79	9	23	65	Apr-21	23	Apr-21	6	Apr-21	0	Apr-21	0	Apr-21	15
May-21	55	186	May-21	50	7	May-21	4	May-21	65	8	4	69	May-21	54	May-21	1	May-21	0	May-21	0	May-21	32
Jun-21	56	182	Jun-21	0	1	Jun-21	11	Jun-21	69	37	17	89	Jun-21	281	Jun-21	0	Jun-21	0	Jun-21	0	Jun-21	48
Jul-21	58	177	Jul-21	75	39	Jul-21	15	Jul-21	89	18	21	86	Jul-21	105	Jul-21	13	Jul-21	0	Jul-21	0	Jul-21	49
Aug-21	37	168	Aug-21	31	37	Aug-21	10	Aug-21	86	18	18	86	Aug-21	18	Aug-21	2	Aug-21	0	Aug-21	0	Aug-21	35
Sep-21	37	111	Sep-21	42	2	Sep-21	6	Sep-21	86	13	35	64	Sep-21	10	Sep-21	4	Sep-21	0	Sep-21	0	Sep-21	55
Oct-21	68	139	Oct-21	46	47	Oct-21	4	Oct-21	64	19	17	66	Oct-21	21	Oct-21	7	Oct-21	0	Oct-21	0	Oct-21	32
Nov-21	90	152	Nov-21	48	74	Nov-21	12	Nov-21	66	21	14	73	Nov-21	29	Nov-21	6	Nov-21	0	Nov-21	0	Nov-21	39
Dec-21	67	110	Dec-21	32	27	Dec-21	25	Dec-21	73	11	9	75	Dec-21	59	Dec-21	7	Dec-21	0	Dec-21	0	Dec-21	52
Jan-22	81	134	Jan-22	60	33	Jan-22	15	Jan-22	75	31	18	88	Jan-22	69	Jan-22	6	Jan-22	0	Jan-22	0	Jan-22	19
Feb-22	54	110	Feb-22	47	11	Feb-22	7	Feb-22	88	33	29	92	Feb-22	19	Feb-22	6	Feb-22	0	Feb-22	0	Feb-22	19
Mar-22	56	141	Mar-22	30	7	Mar-22	8	Mar-22	92	38	23	107	Mar-22	32	Mar-22	5	Mar-22	0	Mar-22	0	Mar-22	25
Apr-22	21	131	Apr-22	44	81	Apr-22	2	Apr-22	107	21	38	90	Apr-22	30	Apr-22	8	Apr-22	0	Apr-22	0	Apr-22	12
May-22	84	178	May-22	39	8	May-22	6	May-22	90	21	19	92	May-22	67	May-22	6	May-22	0	May-22	0	May-22	26
Jun-22	84	172	Jun-22	22	3	Jun-22	8	Jun-22	92	35	15	112	Jun-22	309	Jun-22	3	Jun-22	0	Jun-22	0	Jun-22	46
Jul-22	67	187	Jul-22	50	50	Jul-22	12	Jul-22	112	25	19	118	Jul-22	98	Jul-22	12	Jul-22	0	Jul-22	0	Jul-22	29
Aug-22	56	187	Aug-22	57	24	Aug-22	5	Aug-22	118	35	21	132	Aug-22	14	Aug-22	8	Aug-22	0	Aug-22	15	Aug-22	51
Sep-22	57	140	Sep-22	30	1	Sep-22	6	Sep-22	132	24	21	135	Sep-22	7	Sep-22	6	Sep-22	0	Sep-22	130	Sep-22	51
Oct-22	80	149	Oct-22	34	57	Oct-22	8	Oct-22	135	24	12	147	Oct-22	9	Oct-22	5	Oct-22	0	Oct-22	139	Oct-22	30
Nov-22	87	169	Nov-22	47	67	Nov-22	14	Nov-22	147	7	19	135	Nov-22	25	Nov-22	5	Nov-22	0	Nov-22	53	Nov-22	36
Dec-22	63	142	Dec-22	38	15	Dec-22	10	Dec-22	135	23	33	125	Dec-22	52	Dec-22	5	Dec-22	0	Dec-22	0	Dec-22	48
Jan-23	75	156	Jan-23	44	30	Jan-23	23	Jan-23	125	14	22	117	Jan-23	78	Jan-23	7	Jan-23	0	Jan-23	0	Jan-23	35
Feb-23	46	141	Feb-23	32	9	Feb-23	9	Feb-23	117	12	21	108	Feb-23	18	Feb-23	3	Feb-23	0	Feb-23	70	Feb-23	21
Mar-23	49	192	Mar-23	40	11	Mar-23	3	Mar-23	108	41	25	124	Mar-23	19	Mar-23	4	Mar-23	0	Mar-23	61	Mar-23	32
Apr-23	55	168	Apr-23	47	64	Apr-23	6	Apr-23	124	22	30	116	Apr-23	49	Apr-23	8	Apr-23	0	Apr-23	74	Apr-23	13
May-23	78	208	May-23	27	5	May-23	2	May-23	116	9	20	105	May-23	114	May-23	3	May-23	0	May-23	0	May-23	31
Jun-23	99	262	Jun-23	20	2	Jun-23	4	Jun-23	105	12	16	101	Jun-23	227	Jun-23	2	Jun-23	0	Jun-23	27	Jun-23	68
Jul-23	61	222	Jul-23	62	39	Jul-23	13	Jul-23	101	25	36	90	Jul-23	98	Jul-23	15	Jul-23	0	Jul-23	0	Jul-23	43
Aug-23	132	285	Aug-23	52	36	Aug-23	14	Aug-23	90	38	21	107	Aug-23	21	Aug-23	3	Aug-23	0	Aug-23	10	Aug-23	49
Sep-23	128	242	Sep-23	33	2	Sep-23	5	Sep-23	107	11	20	98	Sep-23	9	Sep-23	2	Sep-23	1	Sep-23	67	Sep-23	72
Oct-23	98	269	Oct-23	61	32	Oct-23	11	Oct-23	98	9	25	82	Oct-23	19	Oct-23	8	Oct-23	16	Oct-23	281	Oct-23	41
Nov-23	38	147	Nov-23	62	55	Nov-23	5	Nov-23	82	18	13	87	Nov-23	15	Nov-23	3	Nov-23	18	Nov-23	37	Nov-23	35
Dec-23	29	119	Dec-23	41	21	Dec-23	18	Dec-23	87	15	15	87	Dec-23	45	Dec-23	4	Dec-23	27	Dec-23	0	Dec-23	86
Jan-24	74	227	Jan-24	43	22	Jan-24	5	Jan-24	87	11	15	83	Jan-24	45	Jan-24	14	Jan-24	23	Jan-24	46	Jan-24	8
Feb-24	56	154	Feb-24	64	12	Feb-24	22	Feb-24	83	19	22	80	Feb-24	15	Feb-24	7	Feb-24	15	Feb-24	77	Feb-24	18
Mar-24	33	111	Mar-24	28	4	Mar-24	5	Mar-24	80	17	9	88	Mar-24	18	Mar-24	5	Mar-24	9	Mar-24	0	Mar-24	30
Apr-24	59	168	Apr-24	28	62	Apr-24	14	Apr-24	88	23	16	95	Apr-24	39	Apr-24	5	Apr-24	13	Apr-24	20	Apr-24	9
May-24	69	241	May-24	21	7	May-24	5	May-24	95	15	13	97	May-24	107	May-24	3	May-24	33	May-24	0	May-24	21
Jun-24	75	156	Jun-24	21	2	Jun-24	7	Jun-24	97	16	15	98	Jun-24	183	Jun-24	1	Jun-24	21	Jun-24	0	Jun-24	64
Jul-24	59	204	Jul-24	48	36	Jul-24	14	Jul-24	98	18	31	85	Jul-24	139	Jul-24	18	Jul-24	14	Jul-24	65	Jul-24	32
Aug-24	70	276	Aug-24	38	37	Aug-24	16	Aug-24	85	10	16	79	Aug-24	7	Aug-24	3	Aug-24	3	Aug-24	61	Aug-24	30
Sep-24	85	148	Sep-24	38	4	Sep-24	7	Sep-24	79	71	31	119	Sep-24	12	Sep-24	5	Sep-24	7	Sep-24	75	Sep-24	64
Oct-24	59	137	Oct-24	37	32	Oct-24	14	Oct-24	119	20	35	104	Oct-24	13	Oct-24	5	Oct-24	1	Oct-24	113	Oct-24	32
Nov-24	74	220	Nov-24	37	73	Nov-24	15	Nov-24	104	5	23	86	Nov-24	19	Nov-24	6	Nov-24	6	Nov-24	0	Nov-24	10
Dec-24	61	152	Dec-24	30	14	Dec-24	11	Dec-24	86	13	12	87	Dec-24	74	Dec-24	4	Dec-24	18	Dec-24	0	Dec-24	51
Jan-25	97	207	Jan-25	71	25	Jan-25	16	Jan-25	87	14	21	80	Jan-25	32	Jan-25	6	Jan-25	11	Jan-25	15	Jan-25	42
Feb-25	58	189	Feb-25	25	4	Feb-25	17	Feb-25	80	17	10	87	Feb-25	24	Feb-25	4	Feb-25	7	Feb-25	85	Feb-25	15
Mar-25	49	226	Mar-25	55	10	Mar-25	12	Mar-25	87	21	14	94	Mar-25	28	Mar-25	8	Mar-25	11	Mar-25	0	Mar-25	36
Apr-25	68	245	Apr-25	35	67	Apr-25	7	Apr-25	94	18	17	95	Apr-25	45	Apr-25	2	Apr-25	21	Apr-25	82	Apr-25	50
May-25	95	326	May-25	32	10	May-25	9	May-25	95	13	11	97	May-25	99	May-25	4	May-25	26	May-25	0	May-25	33
Jun-25	0	0	Jun-25	0	0	Jun-25	0	Jun-25	97	0	0	97	Jun-25	0	Jun-25	0	Jun-25	0	Jun-25	0	Jun-25	0
Jul-25	0	0	Jul-25	0	0	Jul-25	0	Jul-25	97	0	0	97	Jul-25	0	Jul-25	0	Jul-25	0	Jul-25	0	Jul-25	0
Aug-25	0	0	Aug-25	0	0	Aug-25	0	Aug-25	97	0	0	97	Aug-25	0	Aug-25	0	Aug-25	0	Aug-25	0	Aug-25	0
Sep-25	0	0	Sep-25	0	0	Sep-25	0	Sep-25	97	0	0	97	Sep-25	0	Sep-25	0	Sep-25	0	Sep-25	0	Sep-25	0
Oct-25	0	0	Oct-25	0	0	Oct-25	0	Oct-25	97	0	0	97	Oct-25	0	Oct-25	0	Oct-25	0	Oct-25	0	Oct-25	0

Began Tracking



North Carolina State Board of Certified Public Accountant Examiners

Executive Staff Report

Upcoming NASBA Meetings

Eastern Regional

Date: June 24-26, 2025 (new Board member events begin June 23)
 Location: Philadelphia Marriott Downtown, Philadelphia, PA

Annual Meeting

Date: October 26-29, 2025
 Location: Sheraton Grand Chicago, Chicago, IL

Uniform CPA Examination Voucher Program

Under North Carolina General Statute 93B-11, licensing boards may use interest earned under NCGS 147-69.3(d) to support educational initiatives that benefit licensees or the public. Since 2006, the Board has used this funding, along with rental income, to support the Uniform CPA Examination Voucher Program for North Carolina college and university students.

The current value of a full voucher package is \$1,505.56, covering all Exam sections and related administrative fees. This amount is subject to change based on fee adjustments by the AICPA, NASBA, and Prometric.

In the past year, 37 awarding bodies were offered 65 voucher packages, with 45 awarded. The Exam application deadline for the current award cycle is December 31, 2025, and 11 recipients have already submitted at least one Exam application.

Moving forward, the Board will continue to strengthen relationships with educators, reinforce program guidelines, and promote the program through the *CPA Exam Candidate Bulletin*, newsletter, social media, and student outreach efforts.

Individual CPA Certificate Renewal

Individual CPA certificate renewal opened on April 1. In addition to sharing details in our newsletter, we've sent multiple email reminders to all active and retired CPAs and are actively posting updates on our social media channels. As of June 16, 58% of CPAs have completed the renewal ahead of the June 30 deadline.



North Carolina State Board of Certified Public Accountant Examiners

Recognition of NC CPA Licensure Milestones

Name	License Issued
Mr. Arthur Thomas High, #2849	10/25/1966
Ms. Terry McFetters Ball, #8587	6/20/1975
Mr. Charles Carlyle Bivens, Jr., 8613	6/24/1975
Mr. Donald Richard Hoover, #8571	6/4/1975
Ms. Rebecca Phillips Matamoros, #8578	6/12/1975
Mr. Thomas Lee Watson, #8581	6/12/1975