Activity Review

North Carolina State Board of Certified Public Accountant Examiners

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Rules Effective January 1, 2014

On October 21, 2013, the North Carolina State Board of CPA Examiners conducted a public rule-making hearing to amend the following rules:

- 21 NCAC 08A .0301, *Definitions*;
- 21 NCAC 08F .0103, *Filing of Examination Applications and Fees*;
- 21 NCAC 08F .0502, *Application for CPA Certificate*;
- 21 NCAC 08G .0401, *CPE Requirements for CPAs*;
- 21 NCAC 08G .0403, *Qualification of CPE Sponsors*;
- 21 NCAC 08G .0409, *Computation of CPE Credits*;
- 21 NCAC 08G .0410, *Professional Ethics and Conduct CPE*;
- 21 NCAC 08I .0104, *Modification of Discipline and New Certificate*;
- 21 NCAC 08J .0105, *Retired and Inactive Status: Change of Status*;
- 21 NCAC 08J .0106, *Forfeiture of Certificate and Reissuance*;
- 21 NCAC 08J .0107, *Mailing Addresses of Certificate Holders and CPA Firms*;
- 21 NCAC 08M .0105, *Peer Review Requirements*;
- 21 NCAC 08N .0202, *Deceptive Conduct Prohibited*;
- 21 NCAC 08N .0203, *Discreditable Conduct Prohibited*;
- 21 NCAC 08N .0208, *Reporting Convictions, Judgments, and Disciplinary Actions*; and
- 21 NCAC 08N .0302, *Forms of Practice*.

The amendments were necessary to amend rules affected by the deletion of retired status; amend language regarding information and restrictions on Exam and certificate applications; amend language for CPE certificates of completion and language on computation of CPE credits; amend language to stop registering CPE sponsors; amend language regarding the modification of discipline process; amend language for additional address information; amend the date requirement for peer review; amend language for prohibited conduct; amend reporting requirement; and amend language for consistency.

At its November 18, 2013, meeting, the Board voted to adopt the amended rules, except 21 NCAC 08N .0302, from the October 21, 2013, public rule-making hearing. The Board voted to not adopt 21 NCAC 08N .0302; therefore the rule was not amended as proposed.

The Rules Review Commission of the North Carolina Office of Administrative Hearings approved the amendments, including the administrative changes promulgated by the Rules Review Commission, to the above-cited rules at its December 19, 2013, meeting, and set the effective date for the amended rules as January 1, 2014.

The text on pages 2-11 shows the amendments made to the rules. Language that was removed is indicated by a strike-through (~~example~~) and new language is underlined (example).

The final text of amended rules will be incorporated into the rules portion of the website (**www.nccpaboard.gov/resources**) when the Board receives the final copy from OAH.

If you have questions regarding the amended rules, please contact the Board's Executive Director by email at **rbrooks@nccpaboard.gov** or the Board's Deputy Director at **dnance@nccpboard.gov.**

Wm. Hunter Cook, CPA, Appointed to Board

On December 13, 2013, Governor Pat McCrory appointed Wm. Hunter Cook, CPA, of Charlotte, to the Board for a three-year term expiring June 30, 2016. He succeeds John M. Kledis, CPA, whose term expired June 30, 2013.

Cook, a partner with Dixon Hughes Goodman, LLP, was previously appointed to the Board by Governor Bev Perdue and served on the Board 2009-2012. During his previous term on the Board, Cook served as Vice President and was a member of the Executive Committee, Professional Standards Committee, and Audit Committee.

He is a member and past chair of the NCACPA and a recipient of the *Raymond Rains Outstanding Service Award*. Cook is also a member of the AICPA and a member of the Auditing Standards Board.

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 and~~ other definitions in this ~~Section~~ Section, and 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 ~~"Retired" or~~ "Inactive" 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 financial information prepared by a ~~responsible~~ party;

(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 or assurance service" means:

(A) any audit or engagement to be performed in accordance with the Statements on Auditing Standards, Statements on Generally Accepted Governmental Auditing Standards, and Public Company Accounting Oversight Board Auditing Standards;

(B) any review or engagement to be performed in accordance with the Statements on Standards for Accounting and Review Services;

(C) any compilation or engagement to be performed in accordance with the Statements on Standards for Accounting and Review Services; or

(D) any agreed-upon procedure or 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 generally accepted accounting principles or other comprehensive basis of accounting;

(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 in this State;

(10) "Commission" means compensation, except a referral fee, for recommending or referring any product or service to be supplied by another person;

(11) "Compilation" means a professional service whereby a CPA is engaged to present, in the form of financial statements, information that is the representation of management without undertaking to express any assurance on the statements;

(12) "Contingent fee" means a fee established for the performance of any service pursuant to an arrangement in which no fee will be charged unless a specified finding or result is attained, or in which the amount of the fee is otherwise dependent upon the finding or result of such service;

(13) "CPA" means certified public accountant;

(14) "CPA firm" means a sole proprietorship, a partnership, a professional corporation, a professional limited liability company, or a registered limited liability partnership which uses "certified public accountant(s)" or "CPA(s)" in or with its name or offers to or renders any attest services in the public practice of accountancy;

(15) "CPE" means continuing professional education;

(16) "Disciplinary action" means revocation or suspension of, or refusal to grant, ~~membership,~~ a certificate, or the imposition of a reprimand, probation, constructive comment, or any other penalty or condition;

(17) "FASB" means the Financial Accounting Standards Board;

(18) "Forecast" means prospective financial statements that present, to the best of the responsible party's knowledge and belief, an entity's expected financial position, results of operations, and changes

in financial position or cash flows that are based on the responsible party's assumptions reflecting conditions the entity expects to exist and the course of action the entity expects to take;

(19) "GASB" means the Governmental Accounting Standards Board;

(20) "Inactive," when used to refer to the status of a person, describes ~~one~~ a person who has requested inactive status and been approved by the Board and who does not use the title "certified public accountant" nor does he or she allow anyone to refer to him or her as a "certified public accountant," and neither he nor she nor anyone else refers to him or her in any representation as described in ~~21 NCAC 08A .0308(b).~~ 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) "Projection" means prospective financial statements that present, to the best of the responsible party's knowledge and belief, given one or more hypothetical assumptions, an entity's expected financial position, results of operations, and changes in financial position or cash flows that are based on the responsible party's assumptions reflecting conditions it expects would exist and the course of action it expects would be taken given such hypothetical assumptions;

(31) "Referral fee" means compensation for recommending or referring any service of a CPA to any person;

~~(32) "Retired," when used to refer to the status of a person, describes one possessing a North Carolina certificate of qualification who verifies to the Board that the applicant does not receive or intend to receive in the future any earned compensation for current personal services in any job whatsoever and will not return to active status. However, retired status does not preclude volunteer services for which the retired CPA receives no direct or indirect compensation so long as the retired CPA does not sign any documents, related to such services, as a CPA;~~

~~(33)~~(32) "Revenue Department" means the North Carolina Department of Revenue;

~~(34)~~(33) "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;

~~(35)~~(34) "Reviewer" means a member of a review team including the review team captain;

~~(36)~~(35) "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;

~~(37)~~(36) "Trade name" means a name used to designate a business enterprise;

~~(38)~~(37) "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 ~~engagement~~ 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 any other form of letters, words, pictures, sounds or symbols; and

~~(39)~~(38) ~~"Work~~ "Work product" means the end result of the engagement for the client which may include a tax return, attest or assurance report, consulting report, and financial plan. 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.

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

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

(a) All applications for CPA examinations shall be filed with the ~~Board,~~ Board and accompanied by the examination fee. The Board sets the fee 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 Exam applications and fee information are on the Board's website at www.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, ~~such as:~~ including:

(1) minimum legal age;

(2) education; and

~~(3) experience, if required in order to qualify for the examination; and~~

~~(4)~~(3) good moral character.

(c) Any person born outside the United States shall furnish to the Board office evidence of citizenship; evidence of resident alien status; or

(1) other bona fide evidence that the applicant is legally allowed to remain in the United ~~States~~ States; ~~for the purposes of becoming a U.S. citizen; or~~

(2) a notarized affidavit of intention to become a U.S. citizen; or

(3) evidence that the applicant is a citizen of a foreign jurisdiction which extends to citizens of this state like or similar privileges to be examined.

(d) Official transcripts (originals – not photocopies) signed by the college registrar and bearing the college seal are required to prove education and degree requirements. 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. ~~However, no~~ No examination grades shall be released until an official transcript is filed with the Board confirming the ~~information supplied in~~ education requirement as stated in the college registrar's letter.

(e) ~~In order to document good moral character as required by G.S. 93-12(5), three certificates of good moral character signed by persons not related by blood or marriage to the applicant shall accompany the application~~. Applications for re-examination shall not re-submit official transcripts, ~~official~~ additional statements, or affidavits regarding education. ~~No additional statements or affidavits regarding education are required for applications for re-examination.~~

(f) ~~No additional statements or affidavits regarding education are required for applications for re-examination. In order to~~ To document good moral character as required by G.S. 93-12(5), three ~~certificates of good moral character signed by~~ persons not related by blood or marriage to the applicant shall sign ~~accompany~~ the application certifying the good moral character of the applicant.

(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~~ continued, or pleaded *nolo contendere* to any criminal offense.

(h) If an applicant has been denied any license by any state or federal agency, the applicant shall include as part of the application for the CPA examination 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.

(i) Two identical photographs shall accompany the application for the CPA examination and the application for the CPA certificate. These photographs shall be of the applicant alone, 2x2 inches in size, front view, full face, taken in normal street attire without a hat or dark glasses, printed on ~~thin~~ paper with a plain light background and taken within the last six months. Photographs may be in black and white or in color. ~~Photographs retouched so that the applicant's appearance is changed are unacceptable.~~ Retouched photographs shall not be accepted. Applicants shall write their names on the back of their photos.

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

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

(l) Examination fees are valid for a six-month period from the date of the applicant's notice to schedule for the examination from the examination vendor.
(m) No application for a examination 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.

21 NCAC 08F .0502 APPLICATION FOR CPA CERTIFICATE

(a) A person applying for a certificate of qualification must file with the Board an application and an experience affidavit on forms provided by the Board and ~~such other evidence as the Board may require in order~~ supporting documentation to determine that the applicant has met the statutory and ~~regulatory~~ rule ~~requirement.~~ requirements. CPA certificate applications and fee information are on the Board's website at www.nccpaboard.gov or may be requested from the Board.
(b) ~~Three~~ The application for a CPA certificate shall include three certificates of good moral character provided by the Board and completed ~~signed~~ by ~~CPAs~~ CPAs. ~~shall be submitted with the application for a CPA certificate.~~
(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.
(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.
~~(d)~~(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.

21 NCAC 08G .0401 CPE REQUIREMENTS FOR CPAS

(a) In order for a CPA to receive CPE credit for a course:
(1) the CPA must attend or complete the course and receive a certificate of completion as set forth in ~~21 NCAC 08G .0403(c)(17);~~ Rule .0403(c)(13) of this Section;
(2) the course must meet the requirements set out in ~~21 NCAC 08G .0404(a) or (c); and~~ Rule .0404(a) ~~or~~ and (c) of this Section; and
(3) the course must increase the professional competency of the CPA.
~~(b) The Board registers sponsors of CPE courses. A CPE course provided by a registered sponsor is presumed to meet the CPE requirements set forth in 21 NCAC 08G .0404(a) if the sponsor has indicated that the course meets those requirements. However, it is up to the individual CPAs attending the course and desiring to claim CPE credit for it to assess whether it increases their professional competency.~~
~~(c)~~(b) A course that increases the professional competency of a CPA is a course in an area of accounting in which the CPA practices or is planning to practice in the ~~near~~ future, or in the area of professional ~~ethics~~ ethics, or an area ~~related to~~ of the profession.
~~(d)~~(c) Because of differences in the education and experience of CPAs, a course may contribute to the professional competence of one CPA but not another. Each CPA must therefore exercise judgment in selecting courses for which CPE credit is claimed and choose only those that contribute to that CPA's professional competence.
~~(e)~~(d) Active CPAs must complete 40 CPE hours, computed in accordance with ~~21 NCAC 08G .0409~~ 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-June must complete 30 CPE hours during the same calendar ~~year,~~ year;
(2) CPAs having certificate applications approved by the Board in July-September must complete 20 CPE hours during the same calendar ~~year,~~ year; or
(3) CPAs having certificate applications approved by the Board in October-December must complete 10 CPE hours during the same calendar year.
~~(f)~~(e) There are no CPE requirements for ~~retired or~~ inactive CPAs.

~~(g)~~(f) Any CPE hours completed during the calendar year in which the certificate is approved may be used for that year's requirement even if the hours were completed before the certificate was granted. When a CPA has completed more than the required number of hours of CPE in any one calendar year, the extra hours, not in excess of 20 hours, may be carried forward and treated as hours earned in the following year. Ethics CPE hours may not be included in any carry forward hours. A CPA may not claim CPE credit for courses taken in any year prior to the year of certification.

~~(h)~~(g) Any CPE hours used to satisfy the requirements for change of status as set forth in 21 NCAC 08J .0105, for ~~reinstatement~~ reissuance as set forth in 21 NCAC 08J .0106, or for application for a new certificate as set forth in 21 NCAC 08I. 0104 may ~~also~~ be used to satisfy the annual CPE requirement set forth in Paragraph ~~(e)~~(d) of this Rule.

~~(i)~~(h) It is the CPA's responsibility to maintain records substantiating the CPE credits claimed for the current year and for each of the four calendar years prior to the current year.

~~(j)~~(i) A non-resident licensee may satisfy the annual CPE requirements including 21 NCAC 08G .0401 in the jurisdiction in which he or she is licensed and currently works or resides. If there is no annual CPE requirement in the jurisdiction in which he or she is licensed and currently works or resides, he or she must comply with Paragraph ~~(e)~~(d) of this Rule.

21 NCAC 08G .0403 QUALIFICATION OF CPE SPONSORS

(a) The Board ~~registers~~ shall not register either sponsors of CPE courses ~~and not~~ or CPE courses. ~~The Board will maintain a list of sponsors which have agreed to conduct programs in accordance with the standards for CPE set forth in this Subchapter. Such sponsors shall indicate their agreement by signing a CPE program sponsor agreement form provided by the Board. These sponsors are registered sponsors.~~

(b) ~~Notwithstanding Paragraph (a) of this Rule, sponsors~~ Sponsors of continuing education programs ~~which~~ that are listed in good standing on the NASBA National Registry of CPE Sponsors ~~maintained by NASBA are~~ shall be considered ~~to be registered CPE sponsors~~ by the Board as compliant with the CPE requirements ~~with the Board.~~ of Paragraph (c) of this Rule. ~~These sponsors are not required to sign a CPE program sponsor agreement form with this Board.~~

(c) ~~In the CPE program sponsor agreement with the Board, the registered sponsor shall agree to:~~ CPE providers not in good standing on the NASBA National Registry of CPE Sponsors shall meet the following requirements:

~~(1) allow the Board to audit courses offered by the sponsor in order to determine if the sponsor is complying with the terms of the agreement and shall refund the registration fee to the auditor if requested by the auditor;~~

(1)~~(2)~~ have an individual who did not prepare the course review each course to be sure it meets the standards for CPE;

(2)~~(3)~~ state the following in every brochure or other publication or announcement concerning a course:

(A) the general content of the course and the specific knowledge or skill taught in the course;

(B) any prerequisites for the course and any advance preparation required for the course and if none, that ~~should~~ shall be stated;

(C) the level of the course, such as basic, intermediate, or advanced;

(D) the teaching methods to be used in the course;

(E) the amount of sponsor recommended CPE credit a CPA who takes the course ~~could~~ may claim; and

(F) the date the course is offered, if the course is offered only on a certain date, and, if applicable, the location;

(3)~~(4)~~ ensure that the instructors or presenters of the course are qualified to teach the subject matter of the course and to apply the instructional techniques used in the course;

(4)~~(5)~~ evaluate the performance of an instructor or presenter of a course to determine whether the instructor or presenter is suited to serve as an instructor or presenter in the ~~future;~~ future as follows:

(A) before the course's conclusion, provide for the attendees an opportunity to evaluate the quality of the course by questionnaires, oral feedback, or other means, in order to determine whether the course's objectives have been met, its prerequisites were necessary or desirable, the facilities used were satisfactory, and the course content was appropriate for the level of the course; and

(B) systematically review the evaluation process to ensure its effectiveness;

(5)(6) encourage participation in a course only by those who have the ~~appropriate~~ education and ~~experience;~~ experience for the level of the course;

(6)(~~7~~) distribute course materials to ~~participants in a timely manner;~~ participants;

(7)(~~8~~) use physical facilities for conducting the course that are consistent with the instructional techniques used;

(8)(~~9~~) ~~assign accurately~~ accurately assign the number of CPE credits each participant may be eligible to receive by either:

(A) monitoring attendance at a group course; or

(B) testing in order to determine if the participant has learned the material presented;

~~(10) provide, before the course's conclusion, an opportunity for the attendees to evaluate the quality of the course by questionnaires, oral feedback, or other means, in order to determine whether the course's objectives have been met, its prerequisites were necessary or desirable, the facilities used were satisfactory, and the course content was appropriate for the level of the course;~~

(9)(~~11~~) inform instructors and presenters of the results of the evaluation of their performance;

~~(12) systematically review the evaluation process to ensure its effectiveness;~~

(10)(~~13~~) retain for five years from the date of the course presentation or completion:

(A) a record of participants completing course credit requirements;

(B) an outline of the course (or equivalent);

(C) the date and location of presentation;

(D) the participant evaluations or summaries of evaluations;

(E) the documentation of the instructor's qualifications; and

(F) the number of contact hours recommended for each participant;

(11)(~~14~~) have a visible, ~~continuous~~ continuous, and identifiable contact person who is charged with the administration of the sponsor's CPE programs and has the responsibility and is accountable for assuring and demonstrating compliance with ~~these rules~~ this Rule by the sponsor or by any other organization working with the sponsor for the development, distribution or presentation of CPE courses;

(12)(~~15~~) develop and promulgate policies and procedures for the management of grievances ~~including, but not limited to,~~ including tuition and fee refunds; and

~~(16) possess a budget and resources that are adequate for the activities undertaken and their continued improvement; and~~

(~~17~~)(13) provide persons completing course requirements with written proof of completion indicating the participant's name, the name of the course, the date the course was held or completed, the sponsor's name and address, and the number of CPE hours calculated and recommended in accordance with 21 NCAC 08G .0409.

~~(d) Failure of a registered sponsor to comply with the terms of the CPE program sponsor agreement shall be grounds for the Board to terminate the agreement, to remove the registered sponsor's name from the list of registered sponsors and to notify the public of this action.~~

~~(e)~~(d) Failure of a National Registry of CPE Sponsor to comply with the terms of this Rule shall be grounds for the Board to disqualify the sponsor ~~to be registered~~ as a CPE sponsor with this Board and to notify NASBA and the public of this action.

21 NCAC 08G .0409 COMPUTATION OF CPE CREDITS

(a) Group Courses: Non-College. CPE credit for a group course that is not part of a college curriculum shall be given based on contact hours. A contact hour shall be 50 minutes of instruction. One-half ~~credits~~ credit shall be equal to 25 minutes after the first credit hour has been earned in a formal learning activity. For example, a group course lasting 100 minutes shall be two contact hours ~~and thus~~ equaling two CPE credits. A group course lasting 75 minutes shall be ~~only~~ one and one-half contact hours ~~and thus~~ equaling one and one-half CPE credits. When individual segments of a group course ~~shall be~~ are less than 50 minutes, the sum of the individual segments shall be added to determine the number of contact hours. For example, five 30-minute presentations shall be 150 minutes, which shall be three contact hours and three CPE credits. No credit shall be allowed for a segment unless the participant completes the entire segment. Internet based programs shall employ a monitoring mechanism to verify that participants are participating during the duration of the course.

(b) Completing a College Course. CPE credit for completing a college course in the college curriculum shall be granted based on the number of credit hours the college gives the CPA for completing the course. One semester hour of college credit shall be 15 CPE credits; one quarter hour of college credit shall be 10 CPE credits; and one continuing education unit ~~(CEU)~~ shall be 10 CPE credits. ~~However, under no circumstances shall~~ No CPE credit shall be given to a CPA who audits a college course.
(c) Self Study. CPE credit for a self-study course shall be given based on the average number of contact hours needed to complete the course. The average completion time shall be allowed for CPE credit. A sponsor must determine~~,~~ on the basis of pre-tests or NASBA word count formula the average number of contact hours it takes to complete a course.
(d) Instructing a CPE Course. CPE credit for teaching or presenting a CPE course for CPAs shall be given based on the number of contact hours spent in preparing and presenting the course. No more than 50 percent of the CPE credits required for a year shall be credits for preparing ~~for and~~ or presenting CPE courses. CPE credit for preparing ~~for and~~ or presenting a course shall be allowed only once a year for a course 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 contact hours 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 ~~is not applicable for this~~ shall not receive CPE credit.
(f) Instructing a Graduate Level College Course. CPE credit for instructing a graduate level college course shall be given based on the number of credit hours the college gives a student for successfully completing the course, using the calculation set forth in Paragraph (b) of this Rule. Credit shall not be given for instructing ~~an undergraduate level course.~~ a course in which there is credit given towards an undergraduate degree. ~~In addition, no more than 50 percent of the CPE credits required for a year shall be credits for instructing a college course and, if CPE credit shall also be claimed under Paragraph (d) of this Rule, no more than 50 percent of the CPE credits required for a year shall be credits claimed under Paragraph (d) and this Paragraph. CPE credit for instructing a college course shall be allowed only once for a course presented more than once in the same year by the same CPA.~~
(g) No more than 50 percent of the CPE credits required for a year shall be credits claimed under Paragraphs (d) and (f) of this Rule.

21 NCAC 08G .0410 PROFESSIONAL ETHICS AND CONDUCT CPE

(a) As part of the annual CPE requirement, all active CPAs shall complete CPE on professional ethics and conduct. They shall complete ~~either~~ two contact hours in either a group study format or in a self-study format of a course on regulatory or behavioral professional ethics and conduct. This CPE shall be offered by a CPE sponsor registered with ~~the Board, or with~~ NASBA pursuant to ~~21 NCAC 08G .0403 (a) or (b).~~ Rule .0403(b) of this Section.
(b) A non-resident licensee whose primary office is in North Carolina must comply with Paragraph (a) of this Rule. All other non-resident licensees may satisfy Paragraph (a) of this Rule by completing the ethics requirements in the jurisdiction in which he or she is licensed as a CPA and works or resides. If there is no ethics CPE requirement in the jurisdiction where he or she is licensed and currently works or resides, he or she must comply with Paragraph (a) of this Rule.

21 NCAC 08I .0104 MODIFICATION OF DISCIPLINE ~~AND NEW CERTIFICATE~~

(a) A ~~person~~ person whose certificate or CPA ~~firm~~ firm whose registration ~~that~~ has been ~~disciplined~~ permanently revoked by the Board may apply to the Board for modification of the discipline at any time after ~~the effective date of the Board's decision imposing it; however, if any previous application has been made with respect to the same discipline, no additional application shall be considered before the lapse of one year following the Board's decision on that previous application. Provided, however, that an application to modify permanent revocation shall not be considered until after~~ five years from the date of the original discipline, ~~nor~~ or more often than three years after the Board's last decision on any prior application for modification.
(b) The application for modification of discipline ~~or for a new certificate~~ shall be in ~~writing,~~ writing ~~shall set out and, as appropriate, shall demonstrate~~ and show good cause for the relief sought. The application for an individual shall be accompanied by at least three supporting recommendations, made under oath, from CPAs who have personal knowledge of the facts relating to the revocation and of the activities of the applicant since the discipline was imposed. The application for a CPA firm shall be accompanied by at least three supporting recommendations, made under oath, for each CPA partner, CPA member, or CPA shareholder from CPAs who have personal knowledge

of the facts relating to the revocation and of the activities of the CPA partner, CPA member, or CPA shareholder since the discipline was imposed.

(c) "Good cause" as used in Paragraph (b) of this Rule means that the applicant is ~~completely~~ rehabilitated with respect to the conduct ~~which~~ that was the basis of the discipline. Evidence demonstrating such rehabilitation shall include ~~evidence:~~ evidence that:

(1) ~~that such~~ the person has not engaged in any conduct during the discipline period ~~which,~~ that, if that person had been licensed or registered during such period, would have constituted the basis for discipline pursuant to G.S. 93-12(9);

(2) ~~that,~~ the person has completed the sentence imposed with respect to any criminal conviction ~~which~~ that constituted any part of the previous ~~discipline, the person has completed the sentence imposed;~~ discipline; and

(3) ~~that,~~ restitution has been made to any aggrieved party with respect to a court order, civil settlement, lien, or other ~~[agreement, that] that restitution has been made to any aggrieved party.~~ agreement.

(d) In determining good cause, the Board may consider all the applicant's activities since the disciplinary penalty was imposed, the offense for which the applicant was disciplined, the applicant's activities during the time the applicant was in good standing with the Board, the applicant's rehabilitative efforts, restitution to damaged parties in the matter for which the penalty was imposed, and the applicant's general reputation for truth and professional probity. For the purpose of this Paragraph, "applicant" shall, in the case of a CPA firm, include CPA partners, CPA members, or CPA shareholders.

(e) Any person who applies for a modification of discipline and for a new certificate after revocation shall, in addition to the other requirements of this Section, comply with all qualifications and requirements for initial certification as identified by the Board that ~~which exist~~ existed at the time of the original application.

(f) No application for a new certificate or for modification of discipline 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 ~~plead~~ having pled to a criminal charge.

(g) An application shall ~~ordinarily~~ be ruled upon by the Board on the basis of the recommendations and evidence submitted in support thereof. However, the Board may make additional inquiries of any person or persons, or request additional evidence it deems appropriate.

(h) As a condition for a new certificate or modification of discipline, the Board may impose terms and conditions it considers suitable to ensure the licensee's or CPA firm's future compliance with the statutory and rule requirements of the Board including the rules of Professional Ethics and Conduct.

21 NCAC 08J .0105 ~~RETIRED AND~~ INACTIVE STATUS: CHANGE OF STATUS

(a) A CPA may apply to the Board for change of status to ~~retired status or~~ inactive status provided the CPA meets the description of ~~the appropriate~~ inactive status as defined in ~~21 NCAC 08A .0301.~~ Rule 08A .0301 of this Chapter. Application for any status change ~~may~~ shall be made on the ~~annual certificate renewal form or another~~ form provided by the Board.

(b) A CPA who does not meet the ~~description~~ definition of inactive ~~or retired as defined in 21 NCAC 08A .0301~~ may not ~~be or~~ remain on inactive ~~or retired~~ status.

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

(1) paying the certificate renewal fee 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 of ~~acceptable~~ CPE courses during the 12-month period immediately preceding the application for change of status. Eight of the required hours must be credits derived from a course or examination in North Carolina accountancy statutes and rules (including the Code of Professional Ethics and Conduct contained therein) as set forth in ~~21 NCAC08F .0504~~ Rule 08F .0504 of this Chapter; ~~08G .0401(a);~~ and

(3) ~~furnishing three certificates of moral character and endorsements as to the eligibility signed by CPAs holding valid certificates granted by any state or territory of the United States or the District of Columbia.~~ submitting three certificates of good moral character provided by the Board and completed by CPAs.

~~(d) A CPA on retired status may request change to inactive status by application to the Board.~~

~~(e) Any individual on inactive status may change to active status by complying with the requirements of 21 NCAC 08J .0106(c).~~

21 NCAC 08J .0106 ~~FORFEITURE OR INACTIVATION OF CERTIFICATE AND REISSUANCE OR REINSTATEMENT~~ FORFEITURE OF CERTIFICATE AND REISSUANCE

~~(a) A certificate holder who determines that the certificate of qualification issued by the Board is no longer needed or desired may request inactive status by application to the Board.~~
~~(b)~~(a) A person who ~~is inactive or~~ 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.
~~(c)~~(b) A person who ~~desires to reinstate an inactive certificate or reissue~~ requests reissuance of a forfeited certificate shall make application and provide the following to the Board:

(1) payment of the current certificate application fee;
(2) three certificates of moral character ~~and endorsements as to eligibility signed by CPAs holding valid certificates granted by any state or territory of the United States or the District of Columbia;~~ provided by the Board and completed by CPAs; and
(3) evidence of satisfactory completion of the CPE requirement described in ~~21 NCAC 08J .0105(c)(2).~~ Rule .0105(c)(2) of this Section.

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

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

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

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; ~~and~~ or
(4) agreed-upon procedures or 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 ~~now~~ 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 ~~24~~ 18 months of the issuance of the first report provided to a client.
(d) Participation in and completion of one of the following peer review programs is required:

(1) AICPA Peer Review Program; or
(2) Any other peer review program found to be ~~substantially~~ equivalent to Subparagraph (1) of this Paragraph ~~in advance~~ with advance approval by the Board.

(e) CPA firms shall not rearrange their structure or act in any manner with the intent to avoid participation in peer review.
(f) A CPA firm ~~which~~ that does not have offices in North Carolina and ~~which~~ that has provided any services as listed in G.S. 93-10(c)(3) to North Carolina clients is required to participate 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.

21 NCAC 08N .0202 DECEPTIVE CONDUCT PROHIBITED

(a) ~~Deception Defined.~~ A CPA shall not engage in deceptive conduct. ~~Deception~~ "Deception" means any ~~includes fraud~~ fraud, ~~or misrepresentation~~ misrepresentations, ~~and representation~~ representations, or omissions ~~which~~ that a CPA either knows or should ~~know~~ have known have a capacity or tendency to ~~deceive.~~ be misleading. Deceptive conduct is prohibited whether or not anyone has ~~been~~ actually been deceived.
(b) ~~Prohibited Deception.~~ Prohibited conduct under this Section includes ~~but is not limited to~~ deception in:

(1) obtaining or maintaining employment;
(2) obtaining or keeping clients;
(3) obtaining or maintaining certification, ~~retired~~ inactive status, or exemption from peer review;
(4) reporting CPE credits;
(5) certifying the character or experience of exam or certificate applicants;
(6) implying abilities not supported by education, professional attainments, or licensing recognition;
(7) asserting that services or products sold in connection with use of the CPA title are of a particular quality or standard when they are not;
(8) creating false or unjustified expectations of favorable results;
(9) using or permitting another to use the CPA title in a form of business not permitted by the accountancy ~~laws~~ statutes or rules;
(10) permitting anyone not certified in this state (including one licensed in another state) to unlawfully use the CPA title in this state or to unlawfully operate as a CPA firm in this state; or
(11) falsifying a review, report, or any required program or checklist of any peer review program.

21 NCAC 08N .0203 DISCREDITABLE CONDUCT PROHIBITED

(a) ~~Discreditable Conduct.~~ A CPA shall not engage in conduct discreditable to the accounting profession.
(b) Prohibited ~~Discreditable Conduct. Discreditable~~ discreditable conduct ~~includes but is not limited to:~~ includes:
(1) acts that reflect adversely on the CPA's honesty, integrity, trustworthiness, good moral character, or fitness as a ~~CPA in other respects;~~ 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; ~~or~~
(4) failing to fulfill the terms of a peer review engagement ~~contract.~~ contract;
(5) misrepresentation in reporting CPE credits; or
(6) entering into any settlement or other resolution of a dispute that purports to keep its contents confidential from the Board.

21 NCAC 08N .0208 REPORTING CONVICTIONS, JUDGMENTS, AND DISCIPLINARY ACTIONS

(a) Criminal Actions. A CPA shall notify the Board within 30 days of any ~~charge or arrest or~~ conviction or finding of guilt of, pleading of *nolo contendere,* or receiving a prayer for judgment continued to any criminal offense.
(b) Civil Actions. A CPA shall notify the Board within 30 days of the following: ~~any judgment or settlement in a civil suit, bankruptcy action, administrative proceeding, or binding arbitration, the basis of which is grounded upon an allegation of professional negligence, gross negligence, dishonesty, fraud, misrepresentation, incompetence, or violation of any federal or state tax law and which was brought against either the CPA or a North Carolina office of a CPA firm of which the CPA was a managing partner.~~
(1) any judgment or settlement in a civil suit, bankruptcy action, administrative proceeding, or binding arbitration;
(2) which is grounded upon an allegation of professional negligence, gross negligence, dishonesty, fraud, misrepresentation, incompetence, or violation of any federal or state tax law; and
(3) that was brought against either the CPA or a North Carolina office of a CPA firm of which the CPA was a managing partner.
(c) Settlements. A CPA shall notify the Board within 30 days of any settlement in lieu of a civil suit or criminal charge which is grounded upon an allegation of professional negligence; gross negligence; dishonesty; fraud; misrepresentation; incompetence; or violation of any federal, state, or local law. Notification is required regardless of any confidentiality clause in the settlement.
(d) Investigations. A CPA shall notify the Board within 30 days of any inquiry or investigation by the Internal Revenue Service (IRS) or any state department of revenue criminal investigation divisions pertaining to any personal or business tax matters.
(e) Liens. A CPA shall notify the Board within 30 days of the filing of any liens by the Internal Revenue Service (IRS) or any state department of revenue regarding the failure to pay or apparent failure to pay for any amounts due any tax matters.

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Business Email:	
Signature:	
Date:	Send mail to: ☐ Home ☐ Business

Mail form to: PO Box 12827, Raleigh, NC 27605
Fax form to: (919) 733-4209

Pursuant to 21 NCAC 08J .0107, all certificate holders & CPA firms shall notify the Board in writing within 30 days of any change in home address & phone number; CPA firm address & phone number; business location & phone number; & email address.

Activity Review

North Carolina State Board of Certified Public Accountant Examiners

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How Do the Amended CPE Rules Affect Me?

Four CPE rules, 21 NCAC 08G .0401, .0403, .0409, and .0410, were amended effective January 1, 2014. These rules, as well as 11 other amended rules, were published in the January 2014 *Activity Review* showing the text added and deleted during the rule-making process.

The amended rules, have been posted to the Board's website, **www.nccpaboard.gov**, under the "Resources" tab (click on the NC Administrative Code link).

21 NCAC 08G .0401 now requires that a CPA receive a certificate of completion from the course sponsor in order to receive credit for completing a CPE course.

The completion of an examination of a self-study CPE course or a copy of the completed examination is not acceptable verification of the completion of a course for CPE credit toward the annual CPE requirement.

A certificate of completion must be provided to the CPA by the CPE course vendor and the certificate of completion must include the information specified in 21 NCAC 08G .0403(c)(13).

Pursuant to the amended 21 NCAC 08G .0403, the Board no longer registers sponsors of CPE courses to provide CPE in North Carolina.

The 81 sponsors (23 CPA firms, 23 businesses, 15 colleges, 9 government agencies, 5 law firms, 4 associations, and 2 non-for-profit organizations) that were registered with the Board as of December 31, 2013, may continue to offer CPE courses to North Carolina licensees, but may no longer advertise themselves as sponsors registered with the Board.

North Carolina licensees have never been required to take CPE from a CPE sponsor registered with the Board, a CPE sponsor registered with the National Association of State Boards of Accountancy (NASBA) National CPE Registry, or any other specific entity, and the amendments to the CPE rules do not affect that.

The exception is that the annual ethics CPE course required for certificate renewal must be taken from a CPE sponsor on NASBA's National CPE Registry.

Numerous behavioral or regulatory ethics courses are offered by several sponsors, including the North Carolina Association of CPAs (NCACPA), registered with the Registry.

Please note that the Accountancy Law Course required for certificate applicants is only available from the NCACPA.

21 NCAC 08G .0409 reflects two changes that the Board adopted from the NASBA/AICPA CPE Standards.

21 NCAC 08G .0409(a) now includes the requirement for a monitoring mechanism for Internet-based CPE programs and 21 NCAC 08G .0409(c) references the NASBA word count formula for determining credit for self-study CPE courses.

In accordance with the amended 21 NCAC 08G .0410, as part of the annual CPE requirement, licensees must take a behavioral or regulatory ethics course offered by a CPE sponsors registered with the National CPE Registry maintained by NASBA.

In addition to the changes in content and intent, the staff of the Rules Review Commission (RRC) of the Office of the Administrative Hearings made changes in the structure, format, punctuation, and form to the CPE rules and the other rules affected by rule-making.

For questions about 21 NCAC 08G .0401, .0403, .0409, or .0410 please contact Buck Winslow, Manager of Licensing, at **buckw@nccpaboard.gov** or contact Cammie Emery, Licensing Assistant, at **cemery@nccpaboard.gov**.

For questions about the amendments to other rules, please contact a member of the Board's Executive Staff at **rbrooks@nccpaboard.gov** or **dnance@nccpaboard.gov**.

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Disciplinary Actions

Roger Bowman, #9869
Bowman, Pegg & Starr, CPAs
Hickory, NC 12/16/2013

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N.C. Gen. Stat. §150B-41, the Board and Respondent stipulate to the following:

1. Roger Bowman (hereinafter "Respondent Bowman") is the holder of North Carolina certificate number 9869 as a Certified Public Accountant.

2. Bowman, Pegg & Starr, CPA (hereinafter "Respondent Firm") is a registered certified public accounting partnership in North Carolina. At all relevant times, Respondent Bowman was the supervising CPA of Respondent Firm.

3. Respondent Firm was engaged by a governmental entity to prepare audits for the years 2008, 2009, and 2010.

4. The Board contends and Respondents deny that Respondents did not conduct the 2008, 2009, and 2010 audits in accordance with Generally Accepted Auditing Standards, and that the 2008 audit was not conducted in accordance with Government Auditing Standards.

5. Respondents wish to resolve this matter by consent and agree that the Board staff and counsel may discuss this Consent Order with the Board *ex parte,* whether or not the Board accepts this Consent Order as written. 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. Respondents are subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondents' actions as set out above constitute violations of 21 NCAC 08N .0403 and .0409.

3. Per N.C. Gen. Stat. §93-12(9) and also by virtue of Respondents' consent to this order, Respondents are subject to the discipline set forth below.

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

1. Respondents shall reimburse the Board for its administrative costs of one thousand eight hundred dollars ($1,800.00) incurred in the investigation of this matter.

2. From and after October 1, 2013, Respondent Firm shall obtain pre-issuance reviews of all working papers and audit reports prior to Respondent Firm's issuance of any audit report. The pre-issuance reviews shall be conducted until the Board decides that pre-issuance reviews are no longer necessary.

3. The pre-issuance reviews shall be performed by a pre-issuance reviewer approved by the Board, and Respondent Firm shall authorize and cause the pre-issuance reviewer to provide the Board with a copy of each pre-issuance review report upon it issuance.

4. Respondents shall reimburse the Board for reasonable administrative costs incurred as a result of monitoring Respondents' compliance with the pre-issuance review requirements.

Bipin M. Gandhi, #25176
Charlotte, NC 11/18/2013

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N.C. Gen. Stat. §150B-41, the Board and Respondent stipulate to the following:

1. Bipin M. Gandhi (hereinafter "Respondent") is the holder of North Carolina certificate number 25176 as a Certified Public Accountant.

2. Respondent's client ("Client") has alleged that Respondent was engaged by the Client to prepare the Client's income tax returns, and sales and use tax returns for 2005, 2006, and 2007. Respondent contends that he was retained to prepare sales and use tax returns only.

3. When the Client determined that Respondent had not prepared or filed the income tax returns, the Client contends that he demanded that Respondent return all the Client's records.

4. Respondent was not immediately responsive to subsequent inquiries made by the Client and/or the Client's successor accountant regarding the Client's records. Respondent contends that he was out of the country at the time of the request, and provided the information promptly upon his return.

5. After the Client filed a Complaint

Gandhi
continued on page 4

2014 Board Meetings

March 19*
April 22
May 22
June 19**
July 21
August 25
September 22
October 23
November 17
December 15

Unless otherwise noted, meetings are held at the Board office at 1101 Oberlin Road, Raleigh, and begin at 10:00 a.m.

Meetings of the Board are open to the public except, when under State law, some portions may be closed to the public.

*1 pm
**Greensboro

North Carolina State Board of Certified Public Accountant Examiners

Resolution

WHEREAS, *John M. Kledis, CPA, has served as a member of the North Carolina State Board of Certified Public Accountant Examiners since 2012;*

WHEREAS, *during his tenure he served on the Professional Education & Applications Committee;*

WHEREAS, *during his tenure he has faithfully and tirelessly served as a leader in the profession and is an eloquent spokesman for the best interests of the public and the profession;*

BE IT THEREFORE RESOLVED *that the members of the North Carolina State Board of Certified Public Accountant Examiners thank John M. Kledis, CPA, for his dedicated service, his personal sacrifice to serve the public interest, and his leadership to the Board.*

This the 16th day of December 2013.

Jose R. Rodriguez, CPA
Jose R. Rodriguez, CPA, President

North Carolina State Board of
Certified Public Accountant Examiners

Gandhi *continued from page 2*

with the Board, Respondent did respond to the Board's inquiries, however that response was not made within the 21 day time period set forth in 21 NCAC 08N .0206.

6. Respondent denies any violation of the Board's laws and rules but wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting. Respondent denies any violation of the Board's laws and rules

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondent's alleged failure to timely return client records and failure to cooperate with a subsequent accountant regarding those records, if proven, would be violations of 21 NCAC 08N .0305.

3. Respondent's alleged failures to timely respond to Board inquiries, if proven, would constitute violations of 21 NCAC 08N .0206.

4. Per N.C. Gen. Stat. §93-12(9) and also by virtue of Respondent's consent to this order, Respondent is subject to the discipline set forth below.

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

1. Respondent, Bipin M. Gandhi, is hereby subject to a two-year suspension, which suspension is stayed upon successful compliance with the remainder of this Consent Order. The stay will be lifted in the event that, during the next two years, Respondent violates any provision of this Order, subject to Respondent's opportunity to show cause as to why the stay should not be lifted.

2. Respondent shall pay a one thousand dollar ($1,000.00) civil penalty, to be remitted within sixty (60) days of the Board's approval of this Consent Order.

3. Respondent shall pay administrative costs in the amount of two thousand dollars ($2,000.00), to be remitted within sixty (60) days of the Board's approval of this Consent Order.

Raeford Franklin Lindsay, Jr., #16758
Frankie Lindsay CPA, PLLC
Lumberton, NC 11/18/2013

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N.C. Gen. Stat. §150B-41, the Board and Respondent Firm stipulate to the following:

1. Respondent Raeford Franklin Lindsay, Jr. ("Respondent") is the holder of North Carolina certificate number 16758 as a Certified Public Accountant.

2. Respondent Frankie Lindsay CPA, PLLC (hereinafter "Respondent Firm") is a registered certified public accounting professional limited liability company in North Carolina. At all times relevant to this matter, Respondent was the sole owner of Respondent Firm.

3. A public entity engaged Respondent Firm to prepare the its audit for the year ending in 2012. The audit was subject to Governmental Auditing Standards and OMB Circular A133.

4. In response to an inquiry by Board staff, Respondent, on behalf of Respondent Firm, provided information including the audit report and working papers for the entity's audit.

5. The Boards' staff found on review of the audit and working papers that Respondent Firm's audit of the entity was deficient as audit documentation did not support that the audit complied with professional audit standards and A-133 Single Audit requirements.

6. Respondents wish to resolve this matter by consent and agree that the Board staff and counsel may discuss this Consent Order with the Board *ex parte,* whether or not the Board accepts this Consent Order as written. 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. Respondents are subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondents actions as set out above, if proved, would constitute violations of 21 NCAC 08N .0403 and .0409.

3. Per N.C. Gen. Stat. §93-12(9) and also by virtue of Respondents consent to this order, Respondents are subject to the discipline set forth below.

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

1. Respondent Firm shall obtain pre-issuance reviews, to be performed by a pre-issuance reviewer approved by the Board, for all audit engagements until a determination is made by the Board that said engagements can be performed by Frankie Lindsay and/or Respondent Firm in accordance with applicable standards. Respondent Firm shall authorize and cause the pre-issuance reviewer to provide the Board a copy of each pre-issuance review report upon its issuance. Respondent Firm shall reimburse the Board for its administrative costs incurred as a result of monitoring compliance with preissuance review requirements.

2. Respondent Firm shall reimburse the Board for its administrative costs of three hundred dollars ($300.00) incurred in the investigation of this matter.

Reclassifications

Reinstatement

12/16/13	John Paul Barbee, #36178	Franklin, NC
12/16/13	Dale Thomas Massey, #18170	Liberty, NC
12/16/13	Emily Riche Massey, #26359	Cary, NC
12/16/13	Deborah Coltrain Smith, #25306	Holly Springs, NC
01/27/14	Tammie Bland Cartledge, #26097	Charlotte, NC
01/27/14	Elizabeth Anne Hester, #16105	Herndon, VA
01/27/14	Suzanne Mary Martin, #25527	Dunwoody, GA
01/27/14	Anne Jennings Sanders, #23467	Mt. Pleasant, SC
01/27/14	Leah A. Singleton, #31396	Asheville, NC

Reissuance

12/16/13	Susan Mary Groover, #29976	Marietta, GA
12/16/13	Jacqualyn Ann Nelson-Owens, #27398	Charlotte, NC
12/16/13	Grady Siler Patterson, IV, #35795	Simpsonville, SC
01/27/14	Donald Hugh Combs, #14848	Kannapolis, NC
01/27/14	Jackson Reeves Gossett, Jr., #17797	Charlotte, NC

Inactive

Inactive, when used to refer to the status of a person, describes a person who has requested inactive status and been approved by the Board and who does not use the title "certified public accountant" nor does he or she allow anyone to refer to him or her as a "certified public accountant," and neither he nor she nor anyone else refers to him or her in any representation as described in Rule .0308(b) of this Section [21 NCAC 08A .0301(b)(20)].

11/19/13	Mary Virginia Collins, #13127	Zirconia, NC
11/19/13	Karen Anderson Lian, #25429	Linden, NC
11/19/13	Lewis James Simmons, #22023	Lithonia, GA
11/25/13	Michael Hildreth Gilbert, #4138	Charlotte, NC
12/03/13	Alicia Faith Glass, #30293	Waxhaw, NC
12/03/13	Jeremy Joseph Gutkowski, #34981	Chicago, IL
12/03/13	Andre Hudson, #26813	Kingwood, TX
12/04/13	Teresa Armstrong LaBonte, #17788	Albuquerque, NM
12/04/13	Denise Frigon Linehan, #23885	Cedar Grove, NC
12/06/13	Christopher Cary Collins, #22523	Charlotte, NC
12/06/13	Tanya Jones East, #24330	Hurt, VA
12/06/13	Henry Nowell Willey, #15147	Wake Forest, NC
12/10/13	Charles Wayne Freeman, #29972	Lakewood Ranch, FL
12/10/13	Tracy Simpson Hall, #25977	Harrisburg, NC
12/10/13	Barry Grant Hitchner, #2507	Charlotte, NC
12/11/13	Lori Gurkin Price, #27161	Holly Springs, NC
12/12/13	Anne Hutton Cullip, #21571	Charlotte, NC
12/13/13	David Earl Cloninger, #11977	Madison, WI
12/17/13	William Edward Fioramonti, #26698	Boone, NC
12/17/13	Amy Rydzy West, #33374	Charlotte, NC
12/18/13	Willis Marvin Brindle, #6837	Woodlands, TX
12/18/13	Lana Parker Richards, #37540	Cary, NC
12/19/13	Stephen Greenwood Nelson, #23550	Charlotte, NC
12/19/13	Emily Gilbert Ransom, #35429	Raleigh, NC
12/19/13	Ronald J. Raulston, #27273	Matthews, NC

What Is a Concentration in Accounting?

21 NCAC 08A .0309 states, in part, that a concentration in accounting must include at least 30 semester hours, or the equivalent in quarter hours, of undergraduate accountancy courses which shall include no more than six (6) semester hours of accounting principles and no more than three (3) semester hours of business law.

To be eligible to sit for the Exam, applicants must possess a bachelor's degree in any subject, from a regionally accredited college or university, that either includes or is supplemented by a concentration in accounting as defined in 21 NCAC 08A .0309**.**

One of the most frequently asked questions about the concentration in accounting refers to the stipulation that no more than six (6) semester hours of accounting principle coursework may be counted toward the 30 semester hour requirement.

Fifteen of the 34 North Carolina colleges and universities that offer a four-year degree in accounting still call introductory accounting courses "Accounting Principles I and II." The other 19 schools use names such as "Introduction to Financial Accounting," "Introduction to Managerial Accounting," or similar names. Regardless of the course titles, these courses are introductory level accounting courses.

A number of colleges, universities, and community colleges give four (4) semester hours credit for these introductory courses. However, for the Board's purposes, these introductory accounting courses are limited to three hours credit each and no more than six (6) hours of the accounting concentration.

A similar question concerns "pre-accounting" courses offered by some schools. These courses are generally one (1) or two (2) semester hours and serve as introductory courses to the accounting program and are completed before courses such as "Accounting Principles I and II," "Financial Accounting," or "Managerial Accounting," etc.

Again, these courses are at the introductory or principle level and can only be counted toward the six (6) semester hours of accounting principles portion of the 30 semester hour requirement—any additional hours of principle-level coursework cannot be used to meet the concentration in accounting requirement. However, these courses may be counted toward the 150 semester hour requirement for licensure.

Unfortunately, a few Exam applications have been denied because the individuals incorrectly included more than six (6) semester hours of accounting principles when calculating their compliance with the 30 semester hour requirement.

These applicants must take additional courses to fulfill the concentration in accounting requirement to become eligible to sit for the Exam.

Duplicate coursework is also a problem for some Exam applicants. For example, some colleges and universities offer a single tax course that covers both individual and business tax return preparation. A student completes that course, but chooses to take a business tax return preparation course at another school.

Because the coursework is duplicative (the business-only tax preparation course supersedes the combined individual/business tax preparation course), only one of the courses may be counted toward the 30 semester hour requirement.

Applicants who include the credit hours for both courses may be ineligible to sit for the Exam because they, in fact, do not have a concentration in accounting.

Applicants must consider the content of courses, not just the course names, when calculating compliance with 21 NCAC 08A .0309 and 21 NCAC 08F .0302.

While finance, management, marketing, computer, economics and writing classes may be essential components of a school's degree program, such classes are not acceptable for the concentration in accounting.

In addition, accounting internships and Exam preparation courses, while highly beneficial to the student, are not eligible for credit toward the 30 semester hour requirement.

Exam applicants and educators are encouraged to review the Board's rules regarding the education requirement for the Uniform CPA Exam.

If you have questions regarding the concentration in accounting or other Exam requirements, please contact the Board's Deputy Director, David Nance, CPA, by email at **dnance@nccpaboard.gov**, or contact the Board's Executive Director, Robert N. Brooks, by email at **rbrooks@nccpaboard.gov**.

Exam Fees Not Expected to Change in 2014

On January 13, 2014, NASBA, Prometric, and the AICPA notified boards of accountancy that the Uniform CPA Examination fees charged by these organizations would not increase in 2014.

The fees charged by NASBA (currently $18/section) and the AICPA ($90/section) will remain at that level until 2016.

The Prometric hourly fee is currently $19.52/hour and will remain unchanged in 2014 and 2015, but may change in 2016.

The Prometric security fee of $5.95 is not expected to increase until 2016.

Comment or Question about the *Activity Review*?

Do you have a comment or question about information published in the *Activity Review*? The Board welcomes your comments and suggestions. Contact us by email at **lhearne@nccpaboard.gov**.

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Certificates Issued

At its December 16, 2013, and January 27, 2014, meetings, the Board approved the following applicants for licensure as North Carolina CPAs:

Rebekah Adair Abben
Megan Stein Adams
Emmeline Douglas Aghapour
Joseph Edward Allen
Catherine Rachel Ambler
Douglas E. Arvin
Sheila Naa Akuama Ashley
Brandon Todd Ausley
Pierce Larry Autry
Tommi Ann Barbour
Jacqueline Marie Bardet
Christopher Brian Bass
John Kevin Beasley, Jr.
Sandra Leigh Belfor
John Dante Bertolozzi, Jr.
Sarah Marie Bonfiglio
Taryn Roten Boston
Lori Lynn Bothwell
Kelly Borden Bowman
Shannon Leigh Brett
Coulter Holloway Brinkley
Brittney Lynn Brock
Jason Thomas Brodmerkel
Laurel Shackelford Brown
Madison Blair Burke
Natalia Barrera Caggiano
Jonathan Andrew Campbell
Alisia Kristina Cedarholm
Kevin Chiahao Chang
Amy Michelle Clodfelter
Lucinda Jo Ore Collins
Donald Hugh Combs
Matthew Wayne Conner
Lisa Carmina Conrad
Theresa Lynn Conyers
Brett Marcus Corder
David Clinton Corn, Jr.
Trisha Robin Sarki Crawford
Megan Michelle Creed
Michael Larry Curtis
Brian Lawrence D'Amico
Robert Michael Davidson
John William Dear
Debra Michelle DeFelice
Daniel Jay DelaCruz
Helen Blair Diamond
David Alexander Donald
Robert Matthew Doran
Kelsey Brianne Duncan
Wayne Michael Eager
Ashley Marie Encarnacao
James Charles Engel, III
Amelia Bryant Gayle
Christopher Scott Gearing
Alexa Marie Gilbert
Bonnie Gillespie
Neal Alan Golub
Puja Veronica Gomes
Walter Lafayette Gray
James Thomas Hackl
Brandon Shawn Hall
Christopher David Hall
Ryan Clayton Hamelin
Lori Carol Hamilton
Robert Everett Hamilton
Ashley Griffin Hamm
Terry Bernard Harris, Jr.
William Byrd Harrison
Tamara Rene Henderson
Marlies Yvette Hendricks
James Dunn Holland
William Zachary Holland
Ruoqi Hu
Davis James Hunt
Olufisayo Victor Ijamakinwa
Kia Barriteau Ikpe
Danny Ryan Jackson
Preston Leland Kafka
Lidiya V. Kazantsev
Megan Virginia Keller
Ronnie Elizabeth Kelley
Catherine Michelle Kelly
Frank Stephen Ketterly
Ellen Elizabeth King
Kurt Louis Kuchenbrod
Dhara Manmohan Lakhani
Bao-Tran Thi Le
Mary Beth Leeds
Joseph Ryan Lentz
Jennifer Mary Lischer
John Alexander Loewer
Matthew Locke Long
Nicole Anjelica Longa
Kari Lyn Luna
Christopher Stephan Maciej
Sophie Youssef Malati
Corey Edward Mallard
Wanda Cordelia Manning
Timothy James Manton
Ryan Lee Martin
James Alexander McDermott
Charles Cameron McGoogan
Robert Elmer Meador
Melissa Elizabeth Miller
Peter Robert Miller
Eric John Modrak
Kevin David Moody
Neal Wesley Morgan
Jaymeson Willett-Day Morris
Alyssa Marie Morrow
Robert Donald Muirhead
Nathaniel Reece Musgrove
Jordan Blaine Myers
Arnold Grayson Nance
Jianming Ni
Thomas Christopher O'Connor, Jr.
Leah Marie Oleski
Martin William O'Neill
Carly Jane Osteen
Ankit Manojkumar Patel
Puja Dev Patel
Matthew C. Pierce
Amy E. Pinto
Ralph Daniel Polk
Tonya Lynn Schronce Pope
Gregory Thomas Portal
Katelan Suzanne Price
Benjamin Greer Pulliam
Jessica Elizabeth Radford
James Gerard Radler
Anthony John Reggiannini
Danielle Marie Richards
April Jean Richmond
Jeremiah Daniel Robison
Emily McLaurin Rogers
Amanda Grace Rose
Samuel Aaron Saunders
Andrew Thomas Schwartz
Gabrielle Oriana Shahid
Nathaniel William Shishko
Catherine Smith Shomo
Jessica Kate Simmons
Chelsea Marie Simon
Amanda L. Skonezney
Emily Elizabeth Small
Daniel Alexander Smeaton
Andrew John Smith
Joseph Edmond Smith
Kristen Michelle Smith
Matthew David Snyder
Kira Kanika Staggers
Daniel Leo Stilphen
Joel Brent Stocks
Elizabeth Claire Stollbrink
Andrea Jean Storck
Patrick James Stultz
Kristen Nicole Thompson
Hien Hong Tran
Garret Kovach Tripp
Marshall Wayne Trull
Caitlin Marie Upperman
Samuel Miles Upton
Jennelle Denise Vickers
Nathan William Villaume
Benjamin James Wade
Lee Anthony Wagner
Marcia McCusker Waldron
Charles Michael Walker
Elizabeth Andrea Wellman
Rachel Isaacson Werner
Victoria Thatcher Wilkinson
Shannon Holly Williams
Lloyd Alexander Wishon
Joseph Thomas Wood
Jacob Anthony Woodfin
Joan Barry Workman
Ta-Tanisha Braggs Worrell
Donna Marie Yost
Lindsay Marie Zech
Zhiqiang Zhang
Xiaojie Zheng

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Notice of Address Change

Please Print Legibly

Full Name:	
Certificate No.:	Last 4 Digits of SSN:
Home Address:	
City/State/Zip:	
Home Phone:	Home Fax:
Home Email:	
Firm/Business Name:	
Business Address:	
City/State/Zip:	
Business Phone:	Business Fax:
Business Email:	
Signature:	
Date:	Send mail to: ☐ Home ☐ Business

Mail form to: PO Box 12827, Raleigh, NC 27605
Fax form to: (919) 733-4209

Pursuant to 21 NCAC 08J .0107, all certificate holders & CPA firms shall notify the Board in writing within 30 days of any change in home address & phone number; CPA firm address & phone number; business location & phone number; & email address.

Activity Review

North Carolina State Board of Certified Public Accountant Examiners

1101 Oberlin Rd., Ste. 104 • PO Box 12827 • Raleigh, NC 27605 • 919-733-4222 • www.nccpaboard.gov • No. 03-2014

2014-2015 Online CPA License Renewal Available in April

In April, individual CPA license renewal for the 2014-2015 license year will be available on the Board's website, **www.nccpaboard.gov**. The 2014-2015 certificate renewal fee is $60.00.

To renew online, a CPA must have his or her NC CPA certificate number, his or her Social Security number, the number of CPE hours completed to meet the 2013 CPE requirement, and a valid MasterCard or VISA account number (including the security code) with the card expiration date and complete billing address.

A licensee may use Internet Explorer, Mozilla Firefox, Google Chrome, or Apple Safari to complete the online renewal.

To access the online renewal, the licensee must navigate to the Board's website, **www.nccpaboard.gov**, and click on the renewal link on the home page.

When the renewal page displays, the licensee will click on the "individual" link to launch the renewal process.

On the "Licensee Log-In" page, the licensee will enter his or her Social Security number and North Carolina CPA certificate number and click "submit."

NOTE: If a licensee wishes to keep a copy of the information submitted during the renewal process, he or she must print each page of the online renewal after he or she provides the required information, but before clicking the "submit" button.

If the Social Security number and certificate number entered match the information in the Board's records, the first page of the online renewal, "Pertinent Data on File," will display.

This page of the renewal pertains to the licensee's contact information, concentration area, occupation area, job title, and AICPA and NCACPA membership information.

Each licensee must provide the Board with a complete address, including business name, mailing address, email address, and telephone number so that the Board will have accurate contact information for each of its licensees.

To update an address, the licensee must click on the blue highlighted link (such as Mailing Address or Home Address) to change each type of address (mailing address, home address, or business/practice address).

If a complete mailing address (including email address) is not provided, the licensee will not be allowed to continue with the renewal process.

If a licensee is using his or her home address or business/practice address as the mailing address, the licensee does not need to list the same address in two categories (such as mailing address and home address or mailing address and business/practice address).

Please note that the address selected as the licensee's mailing address is the address that will be displayed in the searchable database on the Board's website.

The name, address, and telephone number entered in the "Mailing Address" section of the renewal will be publicly available on the Board's website in the "Licensee Search."

If a licensee does not want his or her home address to display on the Board's website, he or she must select the business/practice address as the mailing address.

In the "Certificate and Licensee Information" section, the licensee must select the proper occupation and concentration category from the pop-up lists, type in his or her job title, indicate if he or she is a member of the AICPA and/or NCACPA, and click the "continue" button.

CPE compliance information is entered on Page 2 of the renewal. The licensee must read each item carefully, select the appropriate answer, and click "submit."

NOTE: If the licensee selects answer "B" because he or she was licensed after January 1, 2014, the licensee will not be able to view Page 3 where licensees who report CPE will enter the CPE

Renewal
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hours completed. Instead, the licensee will be automatically directed to Page 4.

The third page of the renewal is used to calculate the number of hours of CPE carry-forward from 2012, the CPE credit hours earned in 2013, and the CPE hours for carry-forward into 2014.

If the number of carry-forward hours brought forward from 2012 (Block A) does not agree with the licensee's records, the licensee must contact Cammie Emery by email at **cemery@nccpaboard.gov** for verification of the licensee's CPE hours. After the CPE hours are verified by Board staff, the renewal process may be completed.

The system will automatically add the carry-forward hours earned in 2012 (Block A) to the CPE hours earned in 2013 (Block B), and place the total in Block C. The hours available for carry-forward will be automatically calculated in Block D (carry-forward hours cannot exceed 20).

NOTE: If the licensee's CPE requirement for 2013 was prorated, he or she may carry forward up to 20 hours in excess of the annual requirement.

After clicking the "submit" button, the licensee will be taken to Page 4 of the renewal, "Moral Character Data."

On this page, the licensee must answer each question and type a brief explanation of each affirmative answer in the text box at the bottom of the page, upload applicable court documents as a PDF (no larger than 20 mb), and click "upload."

The moral character data for a licensee who has not previously filed a certificate renewal is applicable for the period since the filing of his or her certificate application. The moral character data for licensees who have previously filed a certificate renewal is applicable for the period since the filing of their last renewal.

Page 5 is an affirmation which states that the licensee has read the North Carolina Accountancy Statutes and Rules. The statutes and rules are available on the Board's website, **www.nccpaboard.gov.**

In addition, the licensee is certifying that the information provided on the renewal form is correct and complete. When the licensee accepts the statement on Page 5 and clicks the "submit" button, he or she will be directed to the payment page.

The Board's website is certified by Comodo (**www.comodogroup.com**) as secure for web-based transactions; all e-commerce transactions are directed through the VeriSign gateway (**www.verisign.com**).

In addition, the underwriters at BB&T, the Board's financial institution of record, have reviewed and approved the payment transaction portion of the Board's website as part of the bank's "Trustkeeper" program.

The Board accepts only MasterCard and VISA for online payment of the renewal fee. All fields on the payment page of the renewal are required. If the licensee does not fill in all fields properly, the transaction will fail and the licensee will be prompted to correct the information entered.

Account information is not processed until the "submit" button is clicked; account information is not stored in the Board's records.

After the transaction is complete, the licensee may print the acknowledgment page to confirm that the renewal was accepted; the acknowledgment page serves as the licensee's payment receipt. A licensee may also check his or her personal record in the "Licensee Search" section of the Board's website, **www.nccpaboard.gov**, to confirm an updated expiration date for his or her certificate and print a payment receipt if desired.

A licensee who does not wish to submit credit card information using the secure website, but still wishes to pay by credit card, may submit a copy of his or her online renewal form by answering all questions on each page of the renewal, printing each page as it is completed (but before clicking "submit"), signing the renewal, and faxing the completed pages, including the completed credit card information page, to the Board at (919) 733-4209.

A licensee or firm who wishes to submit the renewal form(s) with a check or money order may do so by answering all questions on each page of the renewal, printing each page as it is completed (but before clicking "submit"), signing the renewal, and mailing the completed pages, with a check or money order for $60.00 payable to "State Board of CPA Examiners," to PO Box 12827, Raleigh, NC 27605-2827.

Online renewals are processed in real time; the Board's database is updated in real time. A licensee may check the status of his or her renewal by using the "Licensee Search" function of the Board's website to confirm that the license expiration date has been changed to June 30, 2015.

Licensees are encouraged to renew early; as the June 30 renewal deadline draws nearer, licensees may experience server slowdowns which may delay or prevent renewals from being processed.

Licensees who do not submit a properly completed renewal and the $60.00 fee prior to July 1, 2014, may receive a Letter of Demand from the Board. Failure to submit the renewal form and fee within 30 days of the mailing of the Letter of Demand will result in an automatic forfeiture of the licensee's NC CPA certificate.

Licensees who elect to be placed on inactive status may do so by submitting the proper form to the Board prior to July 1, 2014. Forms for inactive status are available on the website, **www.nccpaboard.gov**, by calling (919) 733-4222, or by sending an email to **vanessiaw@nccpaboard.gov**.

If you have questions regarding the renewal process, please contact Buck Winslow, Manager of Licensing, by email at **buckw@nccpaboard.gov**.

April Board Meeting

The Board's April meeting will be held April 22, 2014, at the Board office at 1101 Oberlin Road, Raleigh, and is scheduled to begin at 10 am.

2014-2015 Online North Carolina CPA Certificate Renewal Instructions

The Board staff encourages licensees to renew early. If there is a problem with a licensee's renewal at the beginning of the renewal season, the licensee may have time to correct it.

If a licensee renews close to the June 30 deadline, he or she may encounter renewal server slowdowns and may miss the opportunity to correct problems.

A licensee who fails to renew will forfeit his or her CPA certificate.

A licensee should print the final renewal acknowledgement page as proof that his or her renewal was processed; a credit card statement also serves as a receipt.

If a licensee wishes to keep a copy of the information submitted, he or she must print each page of the online renewal after he or she has completed the information required, but before clicking the "submit" button.

A licensee may also check his or her personal record in the "Licensee Search" section of the Board's website, **www.nccpaboard.gov**, to confirm an updated expiration date for his or her certificate and print a payment receipt if desired. The website is updated in real time.

If a licensee encounters errors during the renewal, he or she should clear his or her browser cache, restart his or her computer, and try again; this procedure fixes the majority of problems that occur.

A licensee will need four things to complete his or her renewal:

1) his or her North Carolina CPA certificate number;

2) his or her Social Security Number;

3) the number of CPE hours earned to meet the 2013 requirement; and

4) a valid MasterCard or VISA number (including security code) and valid expiration date.

The Board's website is certified as secure by Comodo for web-based transactions. A licensee may use Internet Explorer, Mozilla Firefox, Google Chrome, or the Apple Safari browser to complete the online renewal.

I. Page 1 of the online renewal lists the licensee's personal information from the Board's files. The licensee must review and correct the information as necessary so that the Board's records are current and complete.

A licensee must provide the Board with a full address, including business name, mailing address, email address, and telephone number so that the Board will have complete, accurate information and will be able to contact the licensee if necessary.

Addresses are updated by clicking on the blue highlighted link (such as Mailing Address) and changing each address (mailing address, business/practice address, or home address) as needed.

A licensee will not be allowed to complete the renewal and exit the system without providing a mailing address and an email address.

The name, address, and telephone number entered in the "Mailing Address" section of the renewal will be publicly available on the Board's website in the "Licensee Search."

If a licensee is using his or her home address or business address as the mailing address, he or she does not need to list the same address in two categories (such as mailing address and home address or mailing address and business/practice address). However, the Board must have a licensee's home and business address on file.

Use only the occupation and concentration categories provided in the pop-up lists.

II. Page 2 of the online renewal pertains to the mandatory CPE requirement.

A. If a licensee completed the 40-hour requirement, including at least two (2) hours of ethics CPE (regulatory or behavioral) offered by a CPE Sponsor registered with the Board or with the NASBA (National Association of State Boards of Accountancy) National CPE Sponsor Registry, in calendar year 2013, check Box A.

If a licensee was certified in North Carolina during the second, third, or fourth quarters of 2013, his or her CPE requirement for that year is prorated (30 hours, 20 hours, and 10 hours respectively).

Hours earned in excess of the minimum requirement may be carried forward into 2014 (maximum carry-forward is 20).

B. If a licensee was certified in North Carolina after January 1, 2014, check Box B because persons certified after that date may not report any CPE earned in 2013 or any carry-forward from prior years.

The licensee will not be able to view Page 3 where licensees who report CPE input the hours taken, but will be automatically redirected to Page 4 instead.

C. If a licensee took some of his or her 2013 CPE after the December 31, 2013, deadline, but

Renewal Instructions
continued on page 4

Instructions *continued from page 3*

before June 30, 2014, and needs to use those courses to meet the 2013 requirement, check Box C.

Taking CPE after the deadline may result in a Letter of Warning pursuant to 21 NCAC 08G .0406(b).

If a licensee did not meet the CPE requirement by June 30, 2014, he or she does not qualify for renewal.

D. If a licensee took some of the 2013 CPE after the December 31, 2013, deadline, but before June 30, 2014, and the Board granted him or her an extension, check Box D.

NOTE: An extension must have already been formally approved by the Board, and the licensee should have received written confirmation that the extension was granted.

E. If a licensee is a non-resident of North Carolina, he or she may comply with the CPE requirements in the state where he or she is licensed as a CPA and works or resides. [21 NCAC 08G .0410].

To claim compliance with out-of-state CPE requirements, check Box E. If a licensee checks Box E, North Carolina will no longer track any carry-forward hours for the licensee.

NOTE: If a licensee shows a North Carolina address, he or she will not be allowed to choose this option.

III. Report CPE hours on Page 3. The Board will audit a sample of licensees to ensure compliance. Individuals selected for the CPE audit will be contacted by the Board and must provide the required documentation by the deadline specified.

A. Block A shows the number of carry-forward hours brought forward from 2012 (20 maximum).

If this number does not agree with the licensee's records, he or she should email Cammie Emery at **cemery@nccpaboard.gov** before completing the online renewal.

Staff will verify the licensee's claim so that he or she may properly complete the renewal after the issue has been resolved.

B. Enter the total number of CPE hours for the courses earned in 2013. If a licensee completed courses between January 1 and June 30, 2014, he or she may renew by combining the 2013 and 2014 hours, but he or she may be issued a Letter of Warning.

C. The renewal system will automatically add the carry-forward hours earned in 2012 (Block A) to the CPE hours earned in 2013 (Block B), and put the total in the Total Hours Reported block (Block C).

Forty hours is the minimum total unless the 2013 CPE requirement was prorated or the licensee is claiming compliance with another state's CPE requirement [21 NCAC 08G .0401(i)].

D. The hours available for carry-forward will be automatically calculated in Block D (carry-forward hours cannot exceed 20).

NOTE: If the CPE requirement for 2013 was prorated, the licensee may carry forward up to 20 hours in excess of the requirement.

IV. Moral character data is requested on Page 4. Answer the appropriate item(s) affirmatively and type a brief explanation in the text box at the bottom of Page 4.

The moral character data for licensees who have not previously filed a certificate renewal is applicable for the period since the filing of their certificate application.

Applicable court documents should be uploaded as a PDF document no larger than 20 mb.

V. Page 5 is an affirmation which states that the licensee has read the North Carolina Accountancy Statutes and Rules.

The most current copy may be accessed on the Board's website, **www.nccpaboard.gov**, or by clicking the links embedded in the renewal.

The licensee is also certifying that the information provided on the online renewal is correct and complete.

VI. The renewal fee is $60. The Board accepts only MasterCard and VISA or a debit or purchasing card with the MasterCard or Visa logo for payment.

The renewal is considered incomplete if a credit card charge is not authorized by the issuing financial institution.

If a licensee wishes to mail the completed form with a check or money order, he or she may do so by signing the last page of the renewal and submitting all pages of the completed form and the required fee to the Board at PO Box 12827, Raleigh, NC 27605-2827.

Change of Status: A licensee may elect inactive status by submitting the proper form. Retired status is no longer an option due to a 2014 rule change. CPAs on inactive status are not required to renew their certificates, report CPE, or pay a renewal fee.

A licensee may obtain the form for inactive status from the Board's website, **www.nccpaboard.gov**, or by calling the Board office at (919) 733-4222.

A licensee may request inactive status by submitting the proper form by June 30. A CPA on inactive status may keep his or her CPA certificate, but must affirm that he or she will not use the CPA title in any way while on inactive status.

Renewal Deadline
June 30, 2014

Essential Continuing Professional Education (CPE) Information

General Information – All CPAs on active, "can't use title," or probationary status must comply with the CPE requirements and pay an annual renewal fee.

A licensee is required to complete at least 40 hours of CPE per calendar year to renew his or her certificate. The deadline for reporting CPE credit earned is June 30.

CPE hours are reported during the online certificate renewal process. Detailed listings of courses taken to meet the requirement are not submitted to the Board unless a licensee receives a letter specifically requesting such documentation.

CPE hours must be rounded down to the nearest half-hour after the first full hour of credit has been earned.

The Board's CPE rules are found in Title 21, North Carolina Administrative Code (NCAC), Chapter 08G, Section .0400. Please refer to the Board's website, **www.nccpaboard.gov**, for the current CPE rules.

Self-Study Courses – The amount of credit for all self-study courses is based on the average completion time in 50-minute hours as determined by the sponsor.

Questions regarding the way the sponsor calculated the hours recommended must be answered by the course provider. A licensee may earn all of his or her CPE by self-study. Non-self-study coursework is no longer required.

One example of self-study material that does not meet the Board's requirement for appropriate instructional design is a "course" that consists of an examination on periodicals, guides, magazines, subscription services, books, reference manuals and supplements (*e.g., Journal of Accountancy, CPE Direct,* tax services and handbooks, audit guides, etc.).

Such programs do not meet this requirement because the material studied is not designed primarily for CPE purposes [21 NCAC 08G .0404(e)].

Ethics CPE Requirement – 21 NCAC 08G .0410 requires all licensees to take annually two (2) hours of ethics CPE. Any ethics CPE course (regulatory or behavioral) offered by a CPE sponsor registered with the NASBA National CPE Sponsor Registry will be accepted for compliance with the Board's annual ethics CPE course requirement.

Submit questions regarding the ethics CPE requirement to Cammie Emery by email at **cemery@nccpaboard.gov**.

Registered Sponsors – The Board no longer registers CPE sponsors. However, NASBA does register CPE providers that agree to conduct programs that enhance a CPA's professional skills and meet other minimum standards.

These organizations have also agreed to keep records of their programs for five (5) years. This requirement removes some of the burden of record-keeping for CPAs taking the course, but it does not automatically mean that a CPA may claim credit for a course.

A licensee is responsible for selecting the CPE courses he or she attends, and a licensee should pick only those courses that will improve his or her professional competence.

You may verify if a sponsor is NASBA-registered by visiting its website, **www.learningmarket.org**.

Due to the large number of licensees and the volume of courses offered, the Board staff will not approve CPE courses.

Non-Registered Sponsors – Pursuant to 21 NCAC 08G .0404(f), a licensee may claim CPE credit for continuing education programs that are conducted by non-registered sponsors.

Please refer to 21 NCAC 08G .0403 and .0404 for the types of coursework that might qualify, as well as the standards that such courses must meet.

A licensee does not need to submit his or her documentation to the Board at the end of each year; a licensee is required to keep the documentation in his or her files for five (5) years pursuant to 21 NCAC 08G .0401(h).

Complete and accurate information regarding sponsors and courses is essential. Such documentation should include, but is not limited to:

1) Proof of completion of a course (must include licensee's name as the course participant, course title, date of completion, sponsor's name and address, and CPE hours recommended). This is the most important piece of documentation that licensees should save. Proof of registration or copies of course agendas are not adequate proof of attendance;

2) The instructor's biography, indicating both general teaching competence and particular mastery of the subject matter of the course;

3) A description of the facilities used and the number of other participants;

CPE Info

continued on page 6

CPE Info *continued from page 5*

4) Information about the course developer and sponsor; and

5) A description of course objectives, prerequisites, experience level, content, required advance preparation, teaching method used, and CPE credit recommended.

General Guidelines – CPE courses offered by any sponsor should be on a professional level and should relate to the field of accountancy.

The seven approved subject areas for CPE programs as set forth in 21 NCAC 08G .0404(b) are:

1) Accounting and Auditing

2) Consulting Services

3) Ethics

4) Management

5) Personal Development

6) Special Knowledge and Applications; and

7) Tax

Examples of courses that may not meet such criteria are:

1) Basic courses in accountancy and related technical subjects;

2) Programs not designed for professional competence, such as:

a) Information for the general public on matters such as personal money management, personal investments, elementary income tax, social security, and retirement benefits,

b) Sales-oriented presentations for office equipment and other system applications;

3) Programs that do not contribute to knowledge of the field of accounting, such as:

a) Programs restricted to the policies and procedures of a particular company or organization,

b) Programs presenting sophisticated scientific and technical knowledge generally considered beyond the scope required for the practice of accountancy.

Audit of CPE Reports – Staff will audit a computer-generated, random sample of licensees each year. If selected for the audit, it is the licensee's responsibility to contact sponsors directly and obtain verification from them if needed.

Carry-Forward Hours – Carry-forward hours are designed to be an "insurance policy" to guard against situations where circumstances prevent a licensee from completing the full 40-hour CPE requirement by December 31.

If a licensee does not maintain 20 hours of carry-forward, he or she increases the risk of receiving a Letter of Warning or being ineligible to renew his or her certificate. Twenty (20) hours is the maximum carry forward.

New North Carolina CPAs should also be aware that they may not claim carry-forward from the calendar year before the year they were certified in North Carolina.

Carry-forward hours do not maintain their characteristics *(e.g.* self-study, group study, ethics, etc.*)*.

Note that a licensee may earn half hours after the first whole hour earned in a single program.

Therefore, a licensee may carry forward CPE hours in half-hour increments. CPE credit should be rounded down to the nearest half hour after the first whole hour has been earned.

Note that a whole course must be claimed in the calendar year it is completed; it cannot be split into two calendar years to satisfy the Ethics requirement or for any other purpose.

Extensions of Time to Complete CPE – Extensions of time to complete CPE requirements may be requested by submitting a completed extension request form (available on the Board's website, **www.nccpaboard.gov**).

However, the Board will generally approve extensions only when circumstances indicate a severe personal hardship *(e.g.,* severe illness*)*.

Failure to complete courses on time due to business circumstances probably will not be approved.

NOTE: Extensions are not granted past June 30. Extension requests must be submitted by April 1.

Penalties for Noncompliance -- Licensees who fail to comply with the CPE requirements are subject to a Letter of Warning or forfeiture as outlined in 21 NCAC 08G .0406(b).

Board Office Closed

In accordance with the holiday schedule adopted by the State of North Carolina, the Board office will be closed on the following dates:

Friday, April 18, 2014
Good Friday

Monday, May 26, 2014
Memorial Day

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Comment or Question about the *Activity Review*?

Do you have a comment or question about information published in the *Activity Review*?

The Board welcomes your comments and suggestions. Contact us by email at **lhearne@nccpaboard.gov**.

NASBA Releases CPA Exam Statistics

The National Association of State Boards of Accountancy (NASBA) has released the *2013 Uniform CPA Examination Candidate Performance Book*.

This year's publication features comprehensive statistical data from all four (4) testing windows of the Uniform CPA Examination for 2013.

Released annually, the publication serves as a valuable resource to top-ranked colleges and universities, accounting firms, researchers, academia, university accounting programs, corporate recruiters, students and prospective certified public accountants.

The publication allows institutions to compare their school's overall performance to peer institutions and against the national average.

Professors benefit from the ability to assess the overall performance of their accounting programs and accounting students.

The publication also aids accounting firms and corporate recruiters as they source and develop talent, and assists students, and aspiring CPAs, in their research on top-ranked accounting programs.

In addition to the summary data points, significant emphasis has been placed on enhancing the demographics reported throughout the publication's two-page jurisdictional dashboards.

As a result of this effort, approximately 95% of gender-specific data is captured in the 2013 publication, representing a 15% increase compared to previous publications. Featured tables also provide a more granular view of individual exam event and performance data.

The *2013 Uniform CPA Examination Candidate Performance Book* is available for purchase, in both softback ($150) and eBook ($100) versions.

Questions regarding NASBA's *2013 Uniform CPA Examination Candidate Performance Book* and other candidate performance products should be directed to **cpb@nasba.org** or (615) 312-3806.

Periodic Review of the Rules

House Bill 74 (H74), which was passed in the 2013 Session of the North Carolina Legislature, requires all state agencies, including occupational licensing boards, to review the North Carolina Administrative Code (NCAC) (aka "rules") every ten years.

In accordance with the bill, the Board has begun reviewing its rules, NCAC Title 21 - *Occupational Licensing Boards and Commissions*, Chapter 08 - *Certified Public Accountant Examiners*.

As required, the Board has placed this information on its website, **www.nccpaboard.gov**, for a 60-day period to receive public comments from interested parties.

At its February 24, 2014, meeting, the Board determined the categories of the rules: necessary with substantive public interest, necessary without substantive public interest, and unnecessary (see website, **www.nccpaboard.gov**, for definitions for determination as established by the Rules Review Commission of the Office of Administrative Hearings).

The Board's website, **www.nccpaboard.gov**, includes a spreadsheet that lists all of the Board's 118 rules with the corresponding determinations as well as the full text of the 118 rules.

Public comments about the rules must be written with objection to a rule in whole or in part from any member of the public, including an association or other organization representing the regulated community or other members of the public. In order for a comment to be considered by the Rules Review Commission (RRC), the comment must address the content of the rule.

Comments may be sent via the US Postal Service (USPS) or other delivery service (UPS, FedEx, etc.) and electronic submission including fax and email. All comments must be USPS postmarked, delivered, faxed, or emailed as of May 3, 2014, to be accepted.

US Mail:	Robert N. Brooks - Rules Review NC State Board of CPA Examiners PO Box 12827 Raleigh, NC 27605
Delivery Service	Robert N. Brooks - Rules Review NC State Board of CPA Examiners 1101 Oberlin Road, Suite 104 Raleigh, NC 27605
Fax:	(919) 733-4209 ATTN.: Rules Review
Email:	**rbrooks@nccpaboard.gov** Subject: Rules Review

If you have any questions regarding this process, please contact Robert N. Brooks, Executive Director of the Board at (919) 733-4222 or **rbrooks@nccpaboard.gov**.

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Home Address:	
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Date:	Send mail to: ☐ Home ☐ Business

Mail form to: PO Box 12827, Raleigh, NC 27605
Fax form to: (919) 733-4209

Pursuant to 21 NCAC 08J .0107, all certificate holders & CPA firms shall notify the Board in writing within 30 days of any change in home address & phone number; CPA firm address & phone number; business location & phone number; & email address.

Activity Review

North Carolina State Board of Certified Public Accountant Examiners

1101 Oberlin Rd., Ste. 104 • PO Box 12827 • Raleigh, NC 27605 • 919-733-4222 • www.nccpaboard.gov • No. 04-2014

Governor McCrory Appoints Jeffrey J. Truitt, Esq., to Board



Jeffrey J. Truitt, Esq.

Governor Pat McCrory has appointed Jeffrey J. Truitt, Esq., as a public member of the State Board of Certified Public Accountant (CPA) Examiners.

Truitt was sworn the Oath of Office January 30, 2014; his term will expire June 30, 2016. He replaced Maria M. Lynch, Esq., who had served on the Board since 2007 (*see Resolution on page 5*).

An associate with Smith, Anderson, Blount, Dorsett, Mitchell & Jernigan, L.L.P. (Smith Anderson), in Raleigh, Truitt's practice areas include mergers and acquisitions, commercial and finance transactions, and government contracting.

He has significant experience in the drafting and negotiation of manufacturing and supply agreements, vendor agreements, licensing arrangements, and other contracts that support the day to day operations of companies.

He also routinely represents early stage and growth companies in all phases of start-up, financing, and exits with particular emphasis on the sale of closely held businesses.

Truitt, who is a member of the US Navy Judge Advocate General's (JAG) Corps, received a Juris Doctor from the University of Chicago; a Master of Arts in Government and Politics from the University of Maryland; and a Bachelor of Science in Political Science from the US Naval Academy.

Following his graduation from the US Naval Academy, Truitt served as a nuclear submarine officer; as general counsel for a US military base in Europe; and as an attorney with Sidley Austin, LLP, in Chicago.

He is the recipient of a number of military awards including a Meritorious Service Medal, three commendation medals, and two achievement awards.

Truitt's civic and community service includes serving as Chair of the Board of Directors for Stop Hunger Now, Inc., and Secretary of the Johnston County Board of Elections.

He is a member of the North Carolina Bar Association and the Wake County Bar Association; a member and former president of the Triangle Chapter of the Naval Academy Alumni Association; and a member of the US Naval Reserves.

Periodic Review of the Rules

House Bill 74 requires all State agencies, including occupational licensing boards, to review the applicable North Carolina Administrative Code (NCAC) (*aka* "rules") every ten years.

As required, the Board has placed this information on its website, **www.nccpaboard.gov/resources**, for a 60-day period to receive public comments from interested parties.

Comments may be sent via the US Postal Service (USPS) or other delivery service (UPS, FedEx, etc.) and electronic submission including fax and email.

All comments must be USPS postmarked, delivered, faxed, or emailed as of May 3, 2014, to be accepted.

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Disciplinary Actions

Kenneth C. Porter, #12546
Knoxville, TN 09/23/2013

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N. C. Gen. Stat. §150B-41, the Board and Respondent stipulate to the following:

1. Kenneth C. Porter (hereinafter "Respondent") was the holder of North Carolina certificate number 12546 as a Certified Public Accountant. In July of 2012, Respondent applied for and was granted "Inactive" status.

2. In December of 2011, Respondent sold his North Carolina CPA firm to another North Carolina CPA firm ("Purchasing Firm"), which included a covenant of non-competition placing restrictions on his practice in the area.

3. In letters sent to the clients of his firm, Respondent informed the clients that he had "merged" his firm with the Purchasing Firm, referencing a "combined firm" and "new partners."

4. Respondent failed to obtain client authorization before releasing confidential client information to the Purchasing Firm.

5. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondent's releases of confidential client information without prior authorization by the clients constitute violations of 21 NCAC 08N .0205.

3. Per N.C. Gen. Stat. §93-12(9) and also by virtue of Respondent's consent to this order, Respondent is subject to the discipline set forth below.

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

1. Respondent is censured.

2. Respondent shall pay a one thousand dollar ($1,000.00) civil monetary penalty to be remitted with this signed Consent Order.

Earl Wayne Morrow, #N1440
Roswell, GA 08/19/2013

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. Earl Wayne Morrow (hereinafter "Mr. Morrow") is duly licensed as a CPA in the state of Georgia. Mr. Morrow, as a licensee of another state, has a practice privilege to practice in this State so long as he consents to the Board's jurisdiction and complies with North Carolina accountancy laws and rules.

2. Mr. Morrow failed to timely file the annual firm registration for Earl W. Morrow C.P.A., P.A., 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. Mr. Morrow subsequently renewed his firm registration, which was received by the Board on February 7, 2013, less than sixty (60) days from the annual firm registration date.

4. Pursuant to 21 NCAC 08J .0111(1), because Mr. Morrow's infraction was for a period of less than 60 days, the appropriate penalty is $100.00.

5. Mr. Morrow has paid his civil penalty and consents to the entry of this Order and has waived any right to a hearing.

6. The Board members present, representing a quorum of the Board, have unanimously decided to accept Mr. Morrow's payment as full resolution of the aforementioned rules violation.

Courtney Hammock Murphy, #35611
Greensboro, NC 08/19/2013

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. Courtney Hammock Murphy (hereinafter "Ms. Murphy") is the holder of a certificate as a Certified Public Accountant in North Carolina.

2 Ms. Murphy failed to timely renew or cancel the annual firm registration for Courtney Murphy, 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. On March 18, 2013, Ms. Murphy informed the Board that she does not desire to renew the firm registration for Courtney Murphy, CPA PLLC, for the coming year.

2014 Board Meetings

May 22
June 19*
July 21
August 25
September 22
October 23
November 17
December 15

Unless otherwise noted, meetings are held at the Board office at 1101 Oberlin Road, Raleigh, and begin at 10:00 a.m.

Meetings of the Board are open to the public except, when under State law, some portions may be closed to the public.

*Greensboro

4. Pursuant to 21 NCAC 08J .0111(1), because Ms. Murphy's infraction was for a period of less than 60 days, the appropriate penalty is $100.00.

5. Ms. Murphy has paid her civil penalty and consents to the entry of this Order and has waived any right to a hearing.

6. The Board members present, representing a quorum of the Board, have unanimously decided to accept Ms. Murphy's payment as full resolution of the aforementioned rules violation.

Matthew Edward Reeder, #35983
Asheboro, NC 08/19/2013

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. Matthew Edward Reeder (hereinafter "Mr. Reeder") is the holder of a certificate as a Certified Public Accountant in North Carolina.

2. Mr. Reeder failed to timely file the annual firm registration for Matthew Reeder, CPA, 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. Mr. Reeder subsequently renewed his firm registration, which was received by the Board on February 13, 2013, less than sixty (60) days from the annual firm registration date.

4. Pursuant to 21 NCAC 08J .0111(1), because Mr. Reeder's infraction was for a period of less than 60 days, the appropriate penalty is $100.00.

5. Mr. Reeder has paid his civil penalty and consents to the entry of this Order and has waived any right to a hearing.

6. The Board members present, representing a quorum of the Board, have unanimously decided to accept Mr. Reeder's payment as full resolution of the aforementioned rules violation.

Teresa June Todd, #15906
Charlotte, NC 08/19/2013

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. Teresa June Todd (hereinafter "Ms. Todd") is the holder of a certificate as a Certified Public Accountant in North Carolina.

2. Ms. Todd failed to timely file the annual firm registration for Teresa J. Todd, CPA, 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. Ms. Todd subsequently renewed her firm registration, which was received by the Board on February 19, 2013, less than sixty (60) days from the annual firm registration date.

4. Pursuant to 21 NCAC 08J .0111(1), because Ms. Todd's infraction was for a period of less than 60 days, the appropriate penalty is $100.00.

5. Ms. Todd has paid her civil penalty and consents to the entry of this Order and has waived any right to a hearing.

6. The Board members present, representing a quorum of the Board, have unanimously decided to accept Ms. Todd's payment as full resolution of the aforementioned rules violation.

James G. Kimbrough, Jr.,
Certified Public Accountant
Durham, NC 09/23/2013

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N. C. Gen. Stat. §150B-41, the Board and Respondent stipulate to the following:

1. Respondent James G. Kimbrough, Jr. Certified Public Accountant (hereinafter "Respondent Firm"), is a registered certified public accounting firm in North Carolina.

2. Respondent Firm received a "fail" on its most recent system peer review, with an acceptance letter date of December 19, 2012.

3. Respondent Firm failed to adopt and maintain a system of quality control and failed to perform an audit in accordance with standards.

4. Respondent Firm wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent Firm understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. Respondent Firm is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondent Firm's failure to perform an audit in accordance with standards is a violation of 21 NCAC 08N .0403 and .0212.

3. By virtue of Respondent Firm's consent to this order, Respondent Firm is subject to the discipline set forth below.

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

1. Respondent Firm is censured.

2. Respondent Firm shall provide a written statement to the Board that it will no longer be participating in, performing, or reviewing any engagements subject to peer review.

3. Prior to Respondent Firm participating in, performing, or reviewing any engagements subject to peer review, Respondent Firm shall be required to complete the following:

a. Respondent Firm shall provide prior notification to the Board of Respondent Firm's intention to enter into engagements subject to peer review;

b. Each of Respondent Firm's professional staff participating in engagements subject to peer review shall take a minimum of sixteen (16) hours of Audit CPE coursework in a group

Kimbrough
continued on page 4

Board Office Closed

In accordance with the holiday schedule adopted by the State of North Carolina, the Board office will be closed on the following date:

Monday, May 26, 2014
Memorial Day

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Officers Elected

At the March 19, 2014, meeting, the members of the Board elected officers for 2014-2015.

Elected to office were Jose R. Rodriguez, CPA, President; Miley ("Bucky") Glover, CPA, Vice President; and Wm. Hunter Cook, CPA, Secretary-Treasurer.

Rodriguez has been a member of the Board since 2008 and has served as President of the Board since 2011. He is a member of the Executive Committee, Chair of the Audit Committee, Chair of the Communications Committee, and a member of the Personnel Committee. He is a past member of the Professional Standards Committee and the Professional Education & Applications Committee.

A member of the Board since 2009, Glover has served as Vice President since 2013. He is a member of the Executive Committee, Chair of the Professional Standards Committee, and a member of the Personnel Committee. He is a past member of the Professional Education & Applications Committee.

Cook, who previously served on the Board 2009-2012, was reappointed to the Board in 2013. He is a member of the Executive Committee, the Professional Standards Committee, and Chair of the Personnel Committee. Cook is a past member of the Audit Committee and the Professional Education & Applications Committee.

Kimbrough *continued from page 3*

study format. After Respondent Firm begins participating in, performing, or reviewing any engagements subject to peer review, each staff member shall complete eight (8) hours of Audit CPE coursework as part of their annual CPE requirement until Respondent Firm receives a pass on a system peer review, or a pass or pass with deficiencies on an engagement peer review; and

c. Pre-issuance reviews, to be performed by a pre-issuance reviewer approved by the Board, for all peer review engagements until a determination is made by the Board that those engagements can be performed by Respondent Firm in accordance with applicable standards.

William Knox Lively, #26469
Charlotte, NC 09/23/2013

THIS CAUSE, coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N.C. Gen. Stat. §150B-41, the Board and Respondent stipulate to the following Findings:

1. Respondent is the holder of North Carolina certificate number 26469 as a Certified Public Accountant.

2. Respondent informed the Board on his 2011-2012 and 2012-2013 individual certificate renewals ("Renewals") that he had obtained all necessary CPE, including the required ethics CPE, for the years 2010 and 2011.

3. Based on Respondent's representation, the Board accepted his Renewals.

4. Board staff subsequently requested that Respondent provide certificates of completion for the CPE reported to meet his 2011 requirements (the "CPE Audit").

5. In response to the CPE Audit, Respondent provided documentation that, on its face, indicated that Respondent had met all 2011 CPE requirements.

6. Respondent later decided to send an unsolicited letter to the Board admitting that he had created a certificate of completion for a 2011 ethics course in order to pass the CPE Audit.

7. In the same letter, Respondent also admitted that he had not completed his 2010 ethics requirement.

8. Respondent was otherwise able to provide certificates of completion to show compliance with the 40-hour annual CPE requirement for 2010 and 2011.

9. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. 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 (NCAC), including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondent's actions as set out above constitute violations of 21 NCAC 08N .0201, .0202(a), .0202(b)(3), .0202(b)(4), .0203(a), and .0203(b)(1).

3. Per N.C. Gen. Stat. §93-12(9) and also by virtue of Respondent's consent to this Order, Respondent is subject to the discipline set forth below.

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

1. The Certified Public Accountant certificate issued to Respondent, William Knox Lively, is hereby suspended for five (5) years.

2. Respondent shall not offer or render services as a CPA or otherwise trade upon or use the CPA title in this state either through CPA mobility provisions or substantial equivalency practice privileges or in any other manner, nor shall Respondent claim or attempt to use any practice privileges in any other state during the period of active suspension of his North Carolina certificate.

Orders
continued on page 6

North Carolina State Board of Certified Public Accountant Examiners

Resolution

WHEREAS, *Maria M. Lynch, Esq., has served as a member of the North Carolina State Board of Certified Public Accountant Examiners since 2007;*

WHEREAS, *during her tenure she served as Secretary-Treasurer of the Board and as a member of the Executive Committee;*

WHEREAS, *during her tenure she served as Chair of the Professional Education & Applications Committee;*

WHEREAS, *during her tenure she served as Chair of the Personnel Committee;*

WHEREAS, *during her tenure she has faithfully and tirelessly served as a leader in the profession and is an eloquent spokesman for the best interests of the public and the profession;*

BE IT THEREFORE RESOLVED *that the members of the North Carolina State Board of Certified Public Accountant Examiners thank Maria M. Lynch, Esq., for her dedicated service, her personal sacrifice to serve the public interest, and her leadership to the Board.*

This the 24th day of February 2014.

Jose R. Rodriguez, CPA
Jose R. Rodriguez, CPA, President

North Carolina State Board of
Certified Public Accountant Examiners

Aletta M. Lane, #29180
Winston-Salem, NC 09/23/2013

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. Aletta M. Lane (hereinafter "Ms. Lane") is the holder of a certificate as a Certified Public Accountant in North Carolina.

2. Ms. Lane failed to timely renew or cancel the annual firm registration for Aletta M. Lane, CPA, 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. On February 7, 2013, Ms. Lane informed the Board that she does not desire to renew the firm registration for Aletta M. Lane, CPA, for the coming year.

4. Pursuant to 21 NCAC 08J .0111(1), because Ms. Lane's infraction was for a period of less than 60 days, the appropriate penalty is $100.00.

5. Ms. Lane has paid her civil penalty and consents to the entry of this Order and has waived any right to a hearing.

6. The Board members present, representing a quorum of the Board, have unanimously decided to accept Ms. Lane's payment as full resolution of the aforementioned rules violation.

Jeremy D. Parvin, #28446
Chattanooga, TN 09/23/2013

THIS CAUSE, coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N.C. Gen. Stat. §150B-41, the Board and Respondent stipulate to the following Findings:

1. Respondent is the holder of North Carolina certificate number 28446 as a Certified Public Accountant.

2. Respondent informed the Board on his 2012-2013 individual certificate Renewal ("Renewal") that between January 1, 2011, and June 30, 2012, he had obtained forty (40) hours of continuing professional education ("CPE"), had completed the annual approved ethics CPE course, and had completed at least eight (8) hours of non-self-study CPE to meet the 2011 CPE requirements.

3. Based on Respondent's representation, the Board accepted his Renewal.

4. Board staff requested that Respondent provide certificates of completion for the CPE reported to meet his 2011 and 2012 requirements.

5. Respondent provided the CPE certificates of completion to the Board as requested. Respondent was able to provide documentation for forty (40) hours of continuing professional education ("CPE") to meet the 2011 and 2012 CPE requirements. However, Respondent was not able to provide documentation of acceptable ethics courses to meet the annual ethics CPE requirements.

6. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. 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 herein by the Board.

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

3. Per N.C. Gen. Stat. §93-12(9) and also by virtue of Respondent's consent to this Order, Respondent is subject to the discipline set forth below.

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

1. Respondent's failure to provide adequate documentation of ethics CPE renders the Renewal insufficient and untimely. Respondent's failure to adequately renew his certificate results in an automatic forfeiture pursuant to N.C. Gen. Stat. §93-12(15).

2. Respondent must return his certificate to the Board within fifteen (15) days of Respondent's receipt of the Board's notification of its approval of this Consent Order.

3. Respondent may apply for the reissuance of his certificate after one (1) year from the date the Board approves this Consent Order and if Respondent's certificate and the civil penalty required in number five (5) of this Order have been timely received by the Board.

4. Respondent may apply to return his certificate to active status by submission and approval of a reissuance application which includes:

a. Application form,

b. Payment of the application fee,

c. Three (3) moral character affidavits, and

d. Forty (40) hours of CPE in the twelve (12) months preceding the application including an eight (8) hour accountancy law course as offered by the North Carolina Association of CPAs.

5. Respondent shall pay a one thousand dollar ($1,000.00) civil penalty to be remitted to the Board prior to submitting a reissuance application.

6. Respondent agrees that failure to timely comply with any terms of this agreement and Consent Order shall be deemed sufficient grounds for revocation of his certificate.

Hiestand, Brand, Loughran, P.A.
Christopher Lee Hiestand, #N1522
Tampa, FL 09/23/2013

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N. C. Gen. Stat. §150B-41, the Board and Respondent stipulate to the following:

1. Hiestand, Brand, Loughran, P.A. (hereinafter "Respondent Firm") is a registered certified public account-

ing professional corporation in North Carolina.

2. Christopher Lee Hiestand (hereinafter "Respondent Hiestand") is the holder of a valid and unrevoked certificate as a certified public accountant issued by the State of Florida. Respondent Heistand has a principal place of business outside of the State of North Carolina, but has, as set forth below, exercised a practice privilege to perform services in this State. As such, Respondent Hiestand is subject to the laws, rules, jurisdiction, and disciplinary authority of this Board, per N.C. Gen. Stat. §93-10(b). Additionally, Respondent Hiestand has filed a North Carolina "Intent to Practice" number N1522 as a Certified Public Accountant.

3. Respondent Firm complied with applicable firm registration requirements and registered with the Board under a compliant firm name.

4. Despite its registration under a compliant firm name, Respondent Firm failed to use that firm name in conducting business in this State.

5. Respondent Firm has identified Respondent Hiestand as the CPA in charge of ensuring Respondent Firm's compliance with this State's regulations.

6. Respondents wish to resolve this matter by consent and agree that the Board staff and counsel may discuss this Consent Order with the Board ex parte, whether or not the Board accepts this Consent Order as written. 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. Respondents are subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondents' actions as set out above constitute violations of 08N .0306 and .0307.

3. Per N.C. Gen. Stat. §§93-12(9) and 93-10(b) and also by virtue of Respondents' consent to this Order, Respondent is subject to the discipline set forth below.

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

1. Respondent Hiestand is censured.

2. Respondent Firm is censured.

3. Respondent Firm shall pay a one thousand dollar ($1,000.00) civil monetary penalty to be remitted with this signed Consent Order.

Orders
continued on page 8

CPA License Renewal Deadline June 30, 2014

Reclassifications

Reinstatement		
02/24/14	Jennifer Lynn Buller, #30171	Raleigh, NC
02/24/14	Vivian Schmidt Houchens, #26538	Raleigh, NC
02/24/14	Theresa Niven King, #17521	Charlotte, NC
02/24/14	Steven Allen Krpata, #25863	Pinetown, NC
02/24/14	Paul Daniel MacDonald, #24360	Fayetteville, NC
02/24/14	Monica Barbara Magnuson, #33969	Houston, TX
02/24/14	Louise Marie Martinez, #26028	Charlotte, NC
02/24/14	Lisa Absher Neal, #17743	Greensboro, NC
02/24/14	Gary Wade Shelnutt, #32375	Durham, NC
02/24/14	Tricia Lynn Smith, #21577	Edwards Air Force Base, CA
03/19/14	Allison Jonas Aliff, #25820	McLean, VA
03/19/14	Jessica Edwards Donan, #28984	Indian Trail, NC
03/19/14	Christopher Stephen O'Connor, III, #29066	Charlotte, NC
03/19/14	William Grant Webber, Jr., #16904	Goldsboro, NC
Reissuance		
02/24/14	Scott Michael Arnold, #22547	Fairview, PA
02/24/14	Nathan Taylor Garrett, Jr., #21965	Durham, NC
02/24/14	Jawnza Dunbar Jackson, #32037	Smyrna, GA
03/19/14	Thomas Clinton Eubanks, #29487	Charlotte, NC
03/19/14	Andrew Michael Machek, #35358	Charlotte, NC

Patsy Rutledge Bolick, #19567
Morganton, NC 09/23/2013

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. Patsy Rutledge Bolick (hereinafter "Ms. Bolick") is the holder of a certificate as a Certified Public Accountant in North Carolina.

2. Ms. Bolick failed to timely renew or cancel the annual firm registration for Patsy Rutledge Bolick, CPA, 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. On April 5, 2013, Ms. Bolick informed the Board that she does not desire to renew the firm registration for Patsy Rutledge Bolick, CPA, for the coming year.

4. Pursuant to 21 NCAC 08J .0111(2), because Ms. Bolick's infraction was for a period of more than 60 days, but less than 120 days, the appropriate penalty is $200.00.

5. Ms. Bolick has paid her civil penalty and consents to the entry of this Order and has waived any right to a hearing.

6. The Board members present, representing a quorum of the Board, have unanimously decided to accept Ms. Bolick's payment as full resolution of the aforementioned rules violation.

Douglas Justin Campbell, #29539
Raleigh, NC 09/23/2013

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. Douglas Justin Campbell (hereinafter "Mr. Campbell") is the holder of a certificate as a Certified Public Accountant in North Carolina.

2. Mr. Campbell failed to timely renew or cancel the annual firm registration for Campbell CPA, PC, 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(3), because Mr. Campbell's infraction was for a period of more than 120 days, the appropriate penalty is $500.00.

4. Mr. Campbell has paid his 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. Campbell's payment as full resolution of the aforementioned rules violation.

Melissa H. Israel, #29125
San Antonio, TX 09/23/2013

THIS CAUSE, coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N.C. Gen. Stat. §150B-41, the Board and Respondent stipulate to the following Findings:

1. Respondent is the holder of North Carolina certificate number 29125 as a Certified Public Accountant.

2. Respondent informed the Board on her 2012-2013 individual certificate Renewal ("Renewal") that between January 1, 2011, and June 30, 2012, she had obtained forty (40) hours of continuing professional education ("CPE"), including at least two (2) hours of ethics from an approved sponsor.

3. Based on Respondent's representation, the Board accepted her Renewal.

4. Board staff requested that Respondent provide certificates of completion for the CPE reported to meet her 2011 and 2012 requirements.

5. Respondent provided CPE certificates of completion to the Board as requested. However, Respondent was only able to provide certificates of completion to document thirty-nine (39) hours of the required forty (40) CPE hours earned between January 1, 2011, and June 30, 2012.

6. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte,* whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. 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 herein by the Board.

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

3. Per N.C. Gen. Stat. §93-12(9) and also by virtue of Respondent's consent to this Order, Respondent is subject to the discipline set forth below.

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

1. Respondent's failure to provide adequate documentation of CPE renders the Renewal insufficient and untimely. Respondent's failure to adequately renew her certificate results in an automatic forfeiture pursuant to N.C. Gen. Stat. §93-12(15).

2. Respondent must return her certificate to the Board within fifteen (15) days of Respondent's receipt of the Board's notification of its approval of this Consent Order.

3. Respondent may apply for the reissuance of her certificate after one (1) year from the date the Board approves this Consent Order and if Respondent's certificate and the civil penalty required in number five (5) of this Order have been timely received by the Board.

4. Respondent may apply to return her certificate to active status by submission and approval of a reissuance application which includes:

Israel
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Certificates Issued

At its February 24, 2014, and March 19, 2014, meetings, the Board approved the following applicants for licensure as North Carolina CPAs:

Ross Edward Alberghini
Justin Gregory Allen
Sandra V. Avery
Kathryn Anne Bakstad
Andrew Daniel Barnobi
Darla Christina Beam
Jeremy Wade Berger
Sarah Jackson Berkner
David Thomas Blitvich
Jordan Elizabeth Boone
Michael Tennyson Bowers
Allison Nicole Brewer
Kathryne Elizabeth Burns
Hope Pendergrass Buttitta
Kelly Cramer Cantwell
Eric Matthew Carr
Brent Henry Chaplin
Samuel Joel Chimera
Rachel Groce Chrobak
Christina Lynn Owens Clarke
Jacqueline Laura Colburn
Allison Selle Coombs
Davion Leroy Cooper
Jeffrey Burgess Cornelison
Brandon Phillip Crawford
Matthew Daniel Crocker
Tyler Clifton Crosby
Mary Margaret Cunningham
Rebecca Ellen Davenport
Robert Miller Dobbins
Dustin Oakes Duke
Allyson Flynn Dwyer
Catherine Leigh Edwards
Paulo Henrique Esteves Bonfim
James Thomas Etchells
Byron Joseph Eways
Claude Colin Felmet
Marco Jose Flores
Corey Wayne Fulcher
Christina Nicole Fuller
Samuel Bryan Fulp
Jennifer Michelle Gaitsch Aguirre
Yun Gan
Osbelia Garcia
Mary Elizabeth Gotschall
Robert Bernhardt Gottschalk, III
Megan Elizabeth Grim
Glenny Guzman
Michael Dean Gyoerkoe
Kendra Deshay Hairston
Peter Theodore Harakas
Ashley Elizabeth Hardy
Brian Edward Harrison
Tatsiana Hliatsevich
Jonathan Taylor Jenkins
Garrett Smith Jernigan
Colby Dean Johnson
Lori Cline Johnson
Eric Frederick Kagen
Michael Lee Kahill
Marie Noel Kastelic
Lauren Nichole Kaylor
Stephen Mark Komer
Meagan Leigh Lanning
Rachel Christine Leaptrot
Darlene O. Ledbetter
Fong Samantha Lee
Jessica Bullard Lee
Sahvanna Locklear
Ian Elliott Luhrs
David Andrew Maryanski
Lowell Michael McFerrin
Graham Kent McLamb
Aaron Thomas McMillan
Cynthia Ann Miley
Travis Kyle Miller
Matthew Aaron Moffitt
Thomas Gerald Newberg
Nhan Chan Nguyen
Sarah Marie Nguyen
Patrick Hunter Oglesby
Andrew Jay Russ Pasetsky
Brittany Nicole Powell
Winnie Jannett Quick
Lindsay Powell Quinn
Kristie Lee Race
Leonard S. Refford
Ashlyne Kelly Reid
Daniel James Riebesell
Susan Marie Ross
Erik Ryan Schoenberger
Anthony Michael Sclafani
Jeanne Scruggs
Shaista Shireen
Henry Lanace Singletary, Jr.
Abdoulie Sissoho
Anna Slepova
William Austin Squires
Dennis Alan St. Martin
Deanna Louise Swift
Christian Rose Taylor
Laura Ashley Thomas
Tara Allyson Sylvia Tripp
Adam Christopher Valdez
Ashley Elizabeth Waid
Adam Daneker Ward
Jeanne-Claire Alyse White
John Benjamin Whitley, II
John William Whitley
Thomas Edward Whitlock
Jacey Alexandra Wilson

Volunteers Needed for Exam Committees

The AICPA is accepting applications for CPAs to serve on various Exam-related committees for the 2014-2015 volunteer year.

Volunteers are needed for the Board of Examiners (BOE), State Board Committee (SBC), Content Committee, Auditing and Attestation (AUD) Subcommittee, Business Environment & Concepts (BEC) Subcommittee, Financial Accounting & Reporting (FAR) Subcommittee and the Regulation (REG) Subcommittee.

If you are interested in volunteering for one of these committees, please fill out an application, including your résumé, on Volunteer Central, **https://volunteers.aicpa.org/**. Applications are due by May 15, 2014.

Israel *continued from page 8*

a. Application form,

b. Payment of the application fee,

c. Three (3) moral character affidavits, and

d. Forty-one (41.0) hours of CPE in the twelve (12) months preceding the application including an eight (8) hour accountancy law course as offered by the North Carolina Association of CPAs in a group-study format.

5. Respondent shall pay a one thousand dollar ($1,000.00) civil penalty to be remitted to the Board prior to submitting a reissuance application.

6. Respondent agrees that failure to timely comply with any terms of this agreement and Consent Order shall be deemed sufficient grounds for revocation of her certificate.

Elizabeth W. McMellon, #30710
Durham, NC 09/23/2011

THIS CAUSE, coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N.C. Gen. Stat. §150B-41, the Board and Respondent stipulate to the following Findings:

1. Respondent is the holder of North Carolina certificate number 30710 as a Certified Public Accountant.

2. Respondent informed the Board on her 2012-2013 individual certificate Renewal ("Renewal") that between January 1, 2011, and June 30, 2012, she had obtained forty (40) hours of continuing professional education ("CPE"), had completed the annual approved ethics CPE course, and had completed at least eight (8) hours of non-self-study CPE to meet the 2011 CPE requirements.

3. Based on Respondent's representation, the Board accepted her Renewal.

4. Board staff requested that Respondent provide certificates of completion for the CPE reported to meet her 2011 requirements.

5. Respondent provided the CPE certificates of completion to the Board as requested. Respondent was only able to provide documentation for thirteen and one-half (13.5) hours of continuing professional education ("CPE") taken between January 1, 2011, and June 30, 2012, to meet the 2011 CPE requirement.

6. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. 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 herein by the Board.

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

3. Per N.C. Gen. Stat. §93-12(9) and also by virtue of Respondent's consent to this Order, Respondent is subject to the discipline set forth below.

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

1. Respondent's failure to provide adequate documentation of ethics CPE renders the Renewal insufficient and untimely. Respondent's failure to adequately renew her certificate results in an automatic forfeiture pursuant to N.C. Gen. Stat. §93-12(15).

2. Respondent must return her certificate to the Board within fifteen (15) days of Respondent's receipt of the Board's notification of its approval of this Consent Order.

3. Respondent may apply for the reissuance of her certificate after one (1) year from the date the Board approves this Consent Order and if Respondent's certificate and the civil penalty required in number five (5) of this Order have been timely received by the Board.

4. Respondent may apply to return her certificate to active status by submission and approval of a reissuance application which includes:

a. Application form,

b. Payment of the application fee,

c. Three (3) moral character affidavits, and

d. Sixty-six and one-half (66.5) hours of CPE in the twelve (12) months preceding the application including an eight (8) hour accountancy law course as offered by the North Carolina Association of CPAs in a group-study format.

4. Respondent shall pay a one thousand dollar ($1,000.00) civil penalty to be remitted to the Board prior to submitting a reissuance application.

5. Respondent agrees that failure to timely comply with any terms of this agreement and Consent Order shall be deemed sufficient grounds for revocation of her certificate.

NC Candidates Receive Sells Award

The Board is pleased to announce that two North Carolina Uniform CPA Exam candidates were named 2013 Elijah Watt Sells Award winners by the AICPA.

Adam David Brawley, a graduate of UNC-Chapel Hill with a BS in Business Administration and Master of Accounting, is employed with KPMG in Charlotte.

Patrick K. Griffin, a graduate of Appalachian State University with an MS in Accounting, is employed with PricewaterhouseCoopers in Charlotte.

The Sells Award is presented to candidates who have obtained a cumulative average score above 95.50 across all four sections of the Uniform CPA Examination, completed testing during the 2013 calendar year and passed all four sections of the Examination on their first attempt.

Inactive Status

"Inactive," when used to refer to the status of a person, describes a person who has requested inactive status and been approved by the Board and who does not use the title "certified public accountant" nor does he or she allow anyone to refer to him or her as a "certified public accountant," and neither he nor she nor anyone else refers to him or her in any representation as described in Rule .0308(b) of this Section [21 NCAC 08A .0301(b)(20)].

01/06/14

Andrea Lesko Bellis, #13921, Charlotte, NC
James Russell Capps, Jr., #20461, Charlotte, NC
Emily Caroline Cashwell, #36203, Arlington, VA
Amy Allred Crissman, #24985, Bear Creek, NC
Alan Wilson DeMart, #12673, Charlotte, NC
Harriet Wetherbee Hight, #31634, Fort Mill, SC
Patricia Franklin Huffman, #15937, Johnson City, TN
James Thomas Massey, #13847, Mt. Pleasant, SC
Paula Jo Pridgen, #36597, Charlotte, NC
Robert Michael Wallace, #12829, Matthews, NC
William Snowden White, #21833, Tampa, FL
Catherine Ann Wides, #35363, Durham, NC

01/07/14

Walter Greene Church, Jr., #16076, Morganton, NC
Charles Steven Fox, #7960, Huntington Beach, CA
Dennis Morgan Francis, Jr., #18588, Wilkesboro, NC
Cecile Therese Harrington, #13425, W. Roxbury, MA
Richard Ferrell Miller, #10822, Charlotte, NC
Laura Buffaloe Raynor, #21312, Eastover, NC
John Lemley Scott, #17080, Clemmons, NC
Mary Dumstorf Shepherd, #21639, Reidsville, NC

01/09/2014

Allan Kilkka, #17966, Charlotte, NC
Jack Gordon Mason, #15870, Belmont, NC
Bryce Howard Smith, #34606, Wrightsville Beach, NC

01/14/2014

Jason Michael Berke, #35972, Marietta, GA
Michael Edward Bullman, #34867, Round Lak,e IL
Sheri Jennings Cram, #19329, Greensboro, NC
David Wayne Croswhite, #34452 ,North Myrtle Beach, SC
Cindy Sutton Duncan, #18216, Indian Harbour Beach, FL
Meredith Singletary Fish, #31955, Universal City, TX
Jenna Renee Norris, #36326, Preston, MD
Nathanael Jackson Tarwasokono, #32490, Oro Valley, AZ
Laura Lee Yaeger, #14425, Charlotte, NC

01/16/2014

Bond Anderson, III, #2387, Durham, NC
John Henry Davis, #12013, Springdale, MD
Geraldine Allgood Harrell, #19351, Whittier, NC
Virginia Cupp McGuinness, #22611, Raleigh, NC
Judith Gethen Villella, #35712, Greensboro, NC
Floyd Lee Williams, #11757, Greensboro, NC
William Morrow Zachman, #3637, Bath, NC

01/21/2014

Vance Theodore Moore, Jr., #3977, Wilmington, NC

01/24/2014

Sheldon R. Flamm, #23425, Larchmont, NY
Phillip W. Martin, #7797, Winston-Salem, NC
Marilyn Brown Pecoraro, #18241, Southport, NC

01/28/2014

Gregory Lee Conner, #19486, Atlanta, GA
Karen Payne Albright Phillips, #11832, Reidsville, NC

02/03/2014

Edgar Ray Mabe, #11816, Franklin, NC
Michael P. Richard, #33004, Norwood, MA
Gary Mack Stephenson, #18345, Garner, NC
Campbell Tally, #16605, Jamestown, NC

02/04/2014

Karen Stripling Campbell, #20985, Hampton, Cove AL

02/07/2014

Robert Sterling Gentry, #36746, Walkertown, NC
Daniel William Hudson, #31174, Greensboro, NC

02/12/2014

James Earle Hinton, #29459, Casper, WY

02/19/2014

Mary Cunningham Drummond, #16238, Punta Gorda, FL
Sharon Kirkland Lentz, #20482, Asheville, NC

02/27/2014

Eric Jeffrey Hyman, #31870, Chapel Hill, NC
Eugene Pickens Kiser, #13022, Charlotte, NC

03/03/2014

Phyllis Blumenfeld Woollen, #12414, Maggie Valley, NC

03/04/2014

Donald Wade Doggett, #7110, Greensboro ,NC
Gregory Wayne Stephan, #20802, Florence, SC

03/11/2014

Sharon Leah Anderson, #32352, Manakin Sabot, VA
Hadassah Baum, #33059, JERUSALEM
Michael Jay Mandl, #16762, Atlanta, GA
Gregory Robert Noonan, #18808, Cherry Hill, NJ
Barbara Worden, #13741, Wilmington, NC

03/13/2014

Timothy Alan Kelley, #15568, Weaverville, NC

03/14/2014

Connie Rebecca McConkey, #15578, Knightdale, NC
Walter Dalton McAdams, Jr., #5163, Rockville, MD

03/20/2014

Catherine Shaffner, #17373, Winston-Salem, NC

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Date:	Send mail to: ☐ Home ☐ Business

Mail form to: PO Box 12827, Raleigh, NC 27605
Fax form to: (919) 733-4209

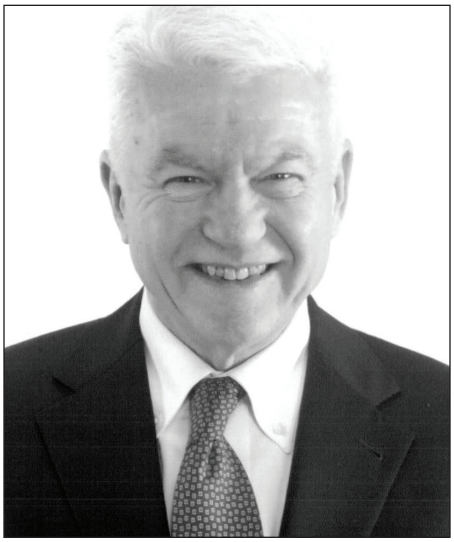
Pursuant to 21 NCAC 08J .0107, all certificate holders & CPA firms shall notify the Board in writing within 30 days of any change in home address & phone number; CPA firm address & phone number; business location & phone number; & email address.

Activity Review

North Carolina State Board of Certified Public Accountant Examiners

1101 Oberlin Rd., Ste. 104 • PO Box 12827 • Raleigh, NC 27605 • 919-733-4222 • www.nccpaboard.gov • No. 05-2014

Governor McCrory Appoints George W. Rohe, CPA, to Board



Governor Pat McCrory has appointed George W. Rohe, CPA, as a member of the North Carolina State Board of Certified Public Accountant (CPA) Examiners.

Rohe, whose term will expire June 30, 2016, was appointed to the Board February 24, 2014, and sworn the Oath of Office April 22, 2014.

He replaced Barton W. Baldwin, CPA, who had served on the Board since 2010 (*see Resolution on page 5*).

Rohe, who holds a Bachelor of Science in Business Administration from the University of Missouri; a *Juris Doctor* from the University of Florida; and a Master of Science in Business Administration from Indiana University, was licensed as an Indiana CPA in 1972 (that license is now inactive) and was licensed as a North Carolina CPA in 1977.

His accounting career began with the "Big Eight" accounting firm Lybrand, Ross Bros., and Montgomery, which later became Pricewaterhouse-Coopers, LLP.

Since retiring from his position as a tax partner with Pricewaterhouse-Coopers, LLP, Rohe has been employed full-time as a consultant for a small group of closely-held businesses and their ownership families.

Rohe is a member of the NCACPA, the AICPA, the Florida Bar Association, the American Bar Association, and the Charlotte Estate Planning Council.

He is a past president of the Charlotte Chapter of the NCACPA and a former member of the Board of Directors of the NCACPA. He also is a past president of the Charlotte chapter of the Institute of Management Accountants (IMA).

In addition to his involvement in professional organizations, Rohe has served on the board of directors or in officer positions of numerous community organizations, including Goodwill Industries of the Southern Piedmont; Levine Museum of the New South; United Way of the Central Piedmont; the Historic Rosedale Foundation; the Sigma Chi Alumni Association; the Charlotte City Club; the Rotary Club of Charlotte; Pineville United Methodist Church; and Providence United Methodist Church.

Rohe and his wife live in Charlotte and have two daughters and four grandchildren.

Certificate Renewal Deadline

North Carolina CPAs have a few weeks left to renew their CPA licenses online through the Board's website, **www.nccpaboard.gov**.

To renew online, a CPA must have his or her NC CPA certificate number; his or her Social Security Number; the number of CPE hours earned to meet the annual CPE requirement; and a valid MasterCard or VISA account number, security code, and expiration date.

Licensees who do not submit a properly completed renewal and the $60.00 fee prior to July 1, 2014, may receive a Letter of Demand from the Board.

Failure to submit the renewal form and fee within 30 days of the mailing of the Letter of Demand will result in an automatic forfeiture of the licensee's NC CPA certificate.

Detailed information on the online renewal process was published in the March issue of the *Activity Review*.

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Disciplinary Actions

Seungwon "Andrew" Hong, #35719
Greensboro, NC 04/22/2014

THIS CAUSE coming before the North Carolina State Board of Certified Public Accountant Examiners (the "Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, at public hearing ("Hearing"), with a quorum present, the Board finds, based on the evidence presented at the Hearing on April 22, 2014, that:

Findings of Fact

1. Respondent is the holder of a certificate as a Certified Public Accountant in North Carolina.

2. The Board has jurisdiction over Respondent and the subject matter of this action.

3. Respondent received at least fifteen (15) days written notice of the Hearing. The notice was achieved by serving a Notice of Hearing by personal service, certified mail, or other method of delivery authorized by N.C. Gen. Stat. §150B-42(a).

4. Venue is proper and the Hearing was properly held at 1101 Oberlin Road, Raleigh, North Carolina.

5. Respondent did not object to any Board Member's participation in the Hearing of this matter.

6. Respondent was present at the Hearing and was represented by counsel.

7. Respondent informed the Board on his 2012-2013 individual certificate renewal ("Renewal") that, between January 1, 2011, and June 30, 2012, he had obtained forty (40) hours of continuing professional education ("CPE"), had completed the annual approved ethics CPE course, and had completed at least eight (8) hours of non-self-study CPE to meet the 2011 CPE requirements.

8. Based on Respondent's representation, the Board accepted his Renewal.

9. Board staff requested that Respondent provide certificates of completion for the CPE reported to meet his 2011 CPE requirements. The Respondent's initial responses to the Board were untimely.

10. Respondent was unable to provide documentation for his 2011 CPE requirements, including the ethics requirement.

Conclusions of Law

1. Per N.C. Gen. Stat. §150B-42, this Board Order constitutes a Final Agency Decision of the Board.

2. 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. Pursuant to N.C. Gen. Stat. §93-12(9), the Board has the authority to impose discipline upon the Respondent and Respondent's certificate and to impose civil monetary penalties.

3. Respondent's actions as set out above constitute violations of 21 NCAC 08N .0202(a), .0202(b)(3), .0202(b)(4), and .0206.

BASED ON THE FOREGOING, the Board orders in a vote of 5 (five) to zero (0) that:

1. The Certified Public Accountant certificate issued to Respondent, Seungwon Andrew Hong, is hereby suspended for two (2) years.

2. Respondent shall immediately remit to the Board a one thousand dollar ($1,000.00) civil penalty.

2. Respondent shall not offer or render services as a CPA or otherwise trade upon or use the CPA title in this state either through CPA mobility provisions or substantial equivalency practice privileges or in any other manner, nor shall Respondent claim or attempt to use any practice privileges in any other state based upon his suspended North Carolina certificate.

Sheila Edmonds, #28100
Carthage, NC 10/21/2013

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. Sheila Edmonds (hereinafter "Ms. Edmonds") is the holder of a certificate as a Certified Public Accountant in North Carolina.

2. Ms. Edmonds failed to timely renew or cancel the annual firm registration for Sheila Edmonds, CPA, 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(3), because Ms. Edmonds' infraction was for a period of more than 120 days, the appropriate penalty is $500.00.

4. Ms. Edmonds has paid her 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 Ms. Edmonds' payment as full resolution of the aforementioned rules violation.

Board Office Closed

In accordance with the holiday schedule adopted by the State of North Carolina, the Board office will be closed on the following dates:

Monday, May 26, 2014
Memorial Day

Friday, July 4, 2014
Independence Day

2014 Board Meetings

June 19*
July 21
August 25
September 22
October 23
November 17
December 15

Meetings of the Board are open to the public and, unless otherwise noted, are held at the Board office at 1101 Oberlin Road, Raleigh, and begin at 10:00 a.m.

*Greensboro

Torrell M. Armstrong, #32980
Durham, NC 11/18/2013

THIS CAUSE, coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N.C. Gen. Stat. §150B-41, the Board and Respondent stipulate the following Findings:

1. Respondent is the holder of North Carolina certificate number 32980 as a Certified Public Accountant.

2. Respondent informed the Board on his 2012-2013 individual certificate Renewal ("Renewal") that between January 1, 2011, and June 30, 2012, he had obtained forty (40) hours of continuing professional education ("CPE"), had completed the annual approved ethics CPE course, and had completed at least eight (8) hours of non-self-study CPE to meet the 2011 CPE requirements.

3. Based on Respondent's representation, the Board accepted his Renewal.

4. Board staff requested that Respondent provide certificates of completion for the CPE reported to meet his 2011 and 2012 requirements.

5. Respondent was unable to provide documentation for nineteen (19) hours of the 2011 CPE hours that he claimed on his 2012-2013 Renewal.

6. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. 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 herein by the Board.

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

3. Per N.C. Gen. Stat. §93-12(9) and also by virtue of Respondent's consent to this Order, Respondent is subject to the discipline set forth below.

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

1. Respondent's failure to provide adequate documentation of CPE renders the Renewal insufficient and untimely. Respondent's failure to adequately renew his certificate results in an automatic forfeiture pursuant to N.C. Gen. Stat. §93 12(15).

2. Respondent must return his certificate to the Board within fifteen (15) days of Respondent's receipt of the Board's notification of its approval of this Consent Order.

3. Respondent may not apply for the reissuance of his certificate for at least one (1) year from the date the Board approves this Consent Order and until the civil penalty required in number five (5) of this Order has been paid by Respondent.

4. Respondent may apply to return his certificate to active status by submission and approval of a reissuance application which includes:

a. Application form,

b. Payment of the application fee,

c. Three (3) moral character affidavits, and

d. Fifty-nine (59) hours of CPE in the twelve (12) months preceding the application including the eight (8) hour accountancy law course as offered by the North Carolina Association of CPAs in a group-study format.

5. Respondent shall pay a one thousand dollar ($1,000.00) civil penalty to be remitted to the Board prior to submitting a reissuance application.

6. Respondent agrees that failure to timely comply with any terms of this agreement and Consent Order shall be deemed sufficient grounds for revocation of his certificate.

Alexander Arndt, #33341
Kihei, HI 11/18/2013

THIS CAUSE, coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N.C. Gen. Stat. §150B-41, the Board and Respondent stipulate the following Findings:

1. Respondent is the holder of North Carolina certificate number 33341 as a Certified Public Accountant.

2. Respondent informed the Board on his 2012-2013 individual certificate Renewal ("Renewal") that between January 1, 2011, and June 30, 2012, he had obtained forty (40) hours of continuing professional education ("CPE"), had completed the annual approved ethics CPE course, and had completed at least eight (8) hours of non-self-study CPE to meet the 2011 CPE requirements.

3. Based on Respondent's representation, the Board accepted his Renewal.

4. Board staff requested that Respondent provide certificates of completion for the CPE reported to meet his 2011 and 2012 requirements.

5. Respondent was unable to provide documentation for twenty-five (25)

Arndt
continued on page 4

AICPA Consolidates Comfort Letter Resources

CPAs are being asked to provide third-party verification letters – often referred to as comfort letters – on a regular basis.

The requests can range from employment verification to tax return information (responses to which must be handled in a specific manner).

The AICPA has consolidated its third-party verification resources on a new web page to help practitioners better find information on responding to a wide variety of requests.

Visit **aicpa.org/verifications** to find helpful information on this topic.

Arndt *continued from page 3*

hours of the 2011 CPE hours that he claimed on his 2012-2013 Renewal.

6. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. 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 herein by the Board.

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

3. Per N.C. Gen. Stat. §93-12(9) and also by virtue of Respondent's consent to this Order, Respondent is subject to the discipline set forth below.

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

1. Respondent's failure to provide adequate documentation of CPE renders the Renewal insufficient and untimely. Respondent's failure to adequately renew his certificate results in an automatic forfeiture pursuant to N.C. Gen. Stat. §93-12(15).

2. Respondent must return his certificate to the Board within fifteen (15) days of Respondent's receipt of the Board's notification of its approval of this Consent Order.

3. Respondent may not apply for the reissuance of his certificate for at least one (1) year from the date the Board approves this Consent Order and until the civil penalty required in number five (5) of this Order has been paid by Respondent.

4. Respondent may apply to return his certificate to active status by submission and approval of a reissuance application which includes:

a. Application form,

b. Payment of the application fee,

c. Three (3) moral character affidavits, and

d. Sixty-five (65) hours of CPE in the twelve (12) months preceding the application including the eight (8) hour accountancy law course as offered by the North Carolina Association of CPAs in a group-study format.

5. Respondent shall pay a one thousand dollar ($1,000.00) civil penalty to be remitted to the Board prior to submitting a reissuance application.

6. Respondent agrees that failure to timely comply with any terms of this agreement and Consent Order shall be deemed sufficient grounds for revocation of his certificate.

Thomas Britt Taylor, #30836
Montgomery, AL 11/18/2013

THIS CAUSE, coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N.C. Gen. Stat. §150B-41, the Board and Respondent stipulate to the following Findings:

1. Respondent is the holder of North Carolina certificate number 30836 as a Certified Public Accountant.

2. Respondent informed the Board on his 2012-2013 individual certificate Renewal ("Renewal") that between January 1, 2011, and June 30, 2012, he had obtained forty (40) hours of continuing professional education ("CPE"), had completed the annual approved ethics CPE course, and had completed at least eight (8) hours of non-self-study CPE to meet the 2011 CPE requirements.

3. Based on Respondent's representation, the Board accepted his Renewal.

4. Board staff requested that Respondent provide certificates of completion for the CPE reported to meet his 2011 and 2012 requirements.

5. Respondent provided the CPE certificates of completion to the Board as requested. Respondent was able to provide documentation for forty (40) hours of continuing professional education ("CPE"), to meet the 2011 and 2012 CPE requirements. For 2011, Respondent was unable to provide documentation of an acceptable ethics course taken between January 1, 2011, and June 30, 2012 to meet the 2011 ethics CPE requirement.

6. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. 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 herein by the Board.

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

3. Per N.C. Gen. Stat. § 93-12(9) and also by virtue of Respondent's consent to this Order, Respondent is subject to the discipline set forth below.

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

1. Respondent's failure to provide adequate documentation of ethics CPE renders the Renewal insufficient

Taylor
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North Carolina State Board of Certified Public Accountant Examiners

Resolution

WHEREAS, *Barton W. Baldwin, CPA, has served as a member of the North Carolina State Board of Certified Public Accountant Examiners since 2010;*

WHEREAS, *during his tenure he served as Vice President of the Board and as a member of the Executive Committee;*

WHEREAS, *during his tenure he served as Chair of the Professional Standards Committee;*

WHEREAS, *during his tenure he served as Chair of the Audit Committee;*

WHEREAS, *during his tenure he has faithfully and tirelessly served as a leader in the profession and is an eloquent spokesman for the best interests of the public and the profession;*

BE IT THEREFORE RESOLVED *that the members of the North Carolina State Board of Certified Public Accountant Examiners thank Barton W. Baldwin, CPA, for his dedicated service, his personal sacrifice to serve the public interest, and his leadership to the Board.*

This the 19th day of March 2014.

Jose R. Rodriguez, CPA
Jose R. Rodriguez, CPA, President

North Carolina State Board of
Certified Public Accountant Examiners

Taylor *continued from page 4*

and untimely. Respondent's failure to adequately renew his certificate results in an automatic forfeiture pursuant to N.C. Gen. Stat. §93-12(15).

2. Respondent must return his certificate to the Board within fifteen (15) days of Respondent's receipt of the Board's notification of its approval of this Consent Order.

3. Respondent may apply for the reissuance of his certificate after one (1) year from the date the Board approves this Consent Order and if Respondent's certificate and the civil penalty required in number five (5) of this Order have been timely received by the Board.

4. Respondent may apply to return his certificate to active status by submission and approval of a reissuance application which includes:

a. Application form,

b. Payment of the application fee,

c. Three (3) moral character affidavits, and

d. Forty (40) hours of CPE in the twelve (12) months preceding the application including an eight (8) hour accountancy law course as offered by the North Carolina Association of CPAs in a group-study format.

5. Respondent shall pay a one thousand dollar ($1,000.00) civil penalty to be remitted to the Board prior to submitting a reissuance application.

6. Respondent agrees that failure to timely comply with any terms of this agreement and Consent Order shall be deemed sufficient grounds for revocation of his certificate.

T. Scott Brumley, #14637
Charlotte, NC 12/16/2013

THIS CAUSE, coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N.C. Gen. Stat. §150B-41, the Board and Respondent stipulate the following Findings:

1. Respondent is the holder of North Carolina certificate number 14637 as a Certified Public Accountant.

2. Respondent informed the Board on his 2012-2013 individual certificate Renewal ("Renewal") that between January 1, 2011, and June 30, 2012, he had obtained forty (40) hours of continuing professional education ("CPE"), had completed the annual approved ethics CPE course, and had completed at least eight (8) hours of non-self-study CPE to meet the 2011 CPE requirements.

3. Based on Respondent's representation, the Board accepted his Renewal.

4. Board staff requested that Respondent provide certificates of completion for the CPE reported to meet his 2011 requirements.

5. Respondent was unable to provide documentation for forty (40) hours of 2011 CPE that he claimed on his Renewal.

6. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. 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 herein by the Board.

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

3. Per N.C. Gen. Stat. §93-12(9) and also by virtue of Respondent's consent to this Order, Respondent is subject to the discipline set forth below.

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

1. Respondent's failure to provide adequate documentation of CPE renders the Renewal insufficient and untimely. Respondent's failure to adequately renew his certificate results in an automatic forfeiture pursuant to N.C. Gen. Stat. §93-12(15).

2. Respondent must return his certificate to the Board within fifteen (15) days of Respondent's receipt of the Board's notification of its approval of this Consent Order.

3. Respondent may not apply for the reissuance of his certificate for at least one (1) year from the date the Board approves this Consent Order and until the civil penalty required in number five (5) of this Order has been paid by Respondent.

4. Respondent may apply to return his certificate to active status by submission and approval of a reissuance application which includes:

Reclassifications

At its April 22, 2014, meeting, the Board approved the following applications for reclassification:

Reinstatement

Karen Sheets Lowe, #16599	Wilkesboro, NC

Reissuance

Jennifer Lynn Acton, #33825	Chapel Hill, NC
Craig Alan Busche, #25073	Charlotte, NC
Virgene Ava Foreman, #29490	High Point, NC
Paul Kirby Hamlin, Jr., #4331	Morehead City, NC
Daniel Tyler Moore, #25073,	Charlotte, NC
Michael Dwayne Peeler, #26487	West Covina, CA

a. Application form,

b. Payment of the application fee,

c. Three (3) moral character affidavits, and

d. Eighty (80.0) hours of CPE in the twelve (12) months preceding the application including the eight (8) hour accountancy law course as offered by the North Carolina Association of CPAs in a group-study format.

5. Respondent shall pay a one thousand dollar ($1,000.00) civil penalty to be remitted to the Board prior to submitting a reissuance application.

6. Respondent agrees that failure to timely comply with any terms of this agreement and Consent Order shall be deemed sufficient grounds for revocation of his certificate.

Craig S. Kellner, #N282
Rochester, NY 12/16/2013

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. Craig S. Kellner (hereinafter "Mr. Kellner") is the holder of a valid and unrevoked certificate as a certified public accountant issued by the State of New York. Mr. Kellner has a principal place of business outside of the State of North Carolina, but has, as set forth below, exercised a practice privilege to perform services in this State. As such, Mr. Kellner is subject to the laws, rules, jurisdiction, and disciplinary authority of this Board, per N.C. Gen. Stat. §93-10(b). Additionally, Mr. Kellner has filed a North Carolina "Intent to Practice" number N282 as a Certified Public Accountant.

2. Mr. Kellner failed to timely renew or cancel the annual firm registration for Eldredge, Fox & Porretti, LLP, 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(3), because Mr. Kellner's infraction was for a period of more than 120 days, the appropriate penalty is $500.00.

4. Mr. Kellner has paid his 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. Kellner's payment as full resolution of the aforementioned rules violation.

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Certificates Issued

At its April 22, 2014, meeting, the Board approved the following applicants for licensure as North Carolina CPAs:

Kristina Moore Allgood
Clain Harmer Anderson
Jennifer Lynn Anderson
Rebecca Ann Bechtel
Pradipsingh Surjeetsingh Bhogal
Karen May Bowling
Marshall Breece Breland
David Augustus Bright
Michael Alexander Burton
Michelle Aileen Campbell
Andrew Michael Carr
Scott William Case
Andrew T. Clark
Elizabeth Atkins Cline
Brittney Delayne Currin
Shamark Dominique Davis
Bradley William DeWeese
Bradley James Dey
Aaron Kyle Duffie
Elizabeth Anne Dunn
Christopher Lee Eisenzimmer
Rebecca Jane Foley
Jonathan Douglas Frey
Benjamin Alain Fulton
Zlatin Teodorov Gamishev
John Francis Giegerich
Vasilios Bill Grasos
Ashlie Rae Groff
Carole Yow Guttery
David Edwin Hall
Robert Laurence Hawley
Jeremy Daniel Hiatt
Robin Saya Jenkins
Dru Alexander Jinks
Amanda Lee Jones
Brian Leigh Jones
Zachary Delma Keech
Brooke Victoria Leja
Renee Lynn Lewis
Susan Marie Lounsbury
Sooyoon Kim Marshall
Meredith Archerd Miller
Donna Sue Morgan
Robin Wilder Narron
Curtis Anderson Nelson, Jr.
Gwendoline Marie O'Brien
Matthew Joseph Ostuni
Emily Anne Padilla
Megan Lynn Pratt
Bernard Lawrence Reams, III
Karen Alexandra Rudroff
Matthew Francis Rudroff
John Arthur Russell
Christopher Michael Sainz
Aaron Joel Salter
Robin Ann Sanford
Jessica Nichole Schwertner
Stacy Lynn Sneed
Angela Kay Stromberger
Gary Layne Swanson
Becky Jo Thomas
Courtney Jane Wade
Heather Dobbs Whittington
Courtney Anne Wieters
Gladys Kar-Yee Yam
Alexander Anthony Yannotti

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Notice of Address Change

Please Print Legibly

Full Name:	
Certificate No.:	Last 4 Digits of SSN:
Home Address:	
City/State/Zip:	
Home Phone:	Home Fax:
Home Email:	
Firm/Business Name:	
Business Address:	
City/State/Zip:	
Business Phone:	Business Fax:
Business Email:	
Signature:	
Date:	Send mail to: ☐ Home ☐ Business

Mail form to: PO Box 12827, Raleigh, NC 27605
Fax form to: (919) 733-4209

Pursuant to 21 NCAC 08J .0107, all certificate holders & CPA firms shall notify the Board in writing within 30 days of any change in home address & phone number; CPA firm address & phone number; business location & phone number; & email address.

Activity Review

North Carolina State Board of Certified Public Accountant Examiners

1101 Oberlin Rd., Ste. 104 • PO Box 12827 • Raleigh, NC 27605 • 919-733-4222 • www.nccpaboard.gov • No. 06-2014

How to Survive the Annual Audit of CPE Records

Each year, in conjunction with the annual license renewal period, the Board conducts an audit of licensees' CPE records. The audit, which begins in August, is used to ensure licensees' compliance with 21 NCAC, Subchapter 08G, *Continuing Professional Education*.

If selected for the audit, the licensee must respond to the Board within 30 days by providing certificates of completion for each CPE course claimed for credit.

The following tips will help licensees comply with the annual CPE requirement for renewal and with the audit, if selected.

- Keep track of the hours throughout the year and have a plan for completing the required hours well before December 31. Don't wait until December 31 to calculate the number of CPE hours earned. If, on December 31, a licensee does not have enough CPE credit hours, he or she may take the necessary hours before June 30 of the next year, but the licensee will receive a Letter of Warning.

  NOTE: The Board occasionally grants extensions (in cases of extreme personal hardship) to complete CPE without penalty, but an extension must have been formally approved by the Board and the licensee must have received written confirmation that the extension was granted prior to completing the license renewal.

- Self-study courses (and the required test) must be completed and submitted to the sponsor before December 31 in order to receive CPE credit for that calendar year. Always print the certificate of completion when the course is completed.

- A certificate of completion is required for every CPE course claimed for credit on the annual renewal. No certificate of completion, no credit.

- For a certificate of completion to be considered valid by the Board, the certificate must include the licensee's name; the name of the course; the date the course was taken (for self-study, the date should reflect when the course was completed and submitted to the sponsor); the sponsor's name and contact information; and the number of CPE credit hours as determined by the sponsor.

- Keep certificates of completion in paper ***and*** electronic formats so at least one set is always available. If a licensee changes jobs and the certificates of completion are stored on the previous employer's server, the licensee may not be able to get access to the files. Paperwork can be lost in a move or flooding. Better to have an extra set and not need it than to need a set and not have it.

- As part of the annual CPE requirement, a licensee must complete at least two hours of CPE on regulatory or behavioral professional ethics and conduct. Any ethics CPE course (regulatory or behavioral on professional ethics and conduct) offered by a CPE sponsor registered with the NASBA National CPE Sponsor Registry will be accepted for compliance with the Board's annual ethics CPE course requirement.

  NOTE: A CPA who holds another professional license (attorney, insurance agent, realtor, etc.) or designation (CFP, CFE, CMA, CIA, etc.) cannot claim ethics credit with the Board for an ethics course taken from that licensing/regulatory body or association unless that organization is registered with the NASBA National CPE Sponsor Registry.

- Respond promptly, completely, and honestly to the Board's request for documents related to the CPE audit. Failure to cooperate with an inquiry from the Board is considered a violation of 21 NCAC 08N .0206 and may result in disciplinary action.

CPE Audit

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Disciplinary Actions

Aichun Li, #30603
Charlotte, NC 01/27/2014

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N. C. Gen. Stat. §150B-41, the Board and Respondent stipulate to the following:

1. Aichun Li (hereinafter "Respondent") is the holder of North Carolina certificate number 30603 as a Certified Public Accountant.

2. By Order dated July 8, 2013, Respondent was suspended from practicing before the U.S. Securities and Exchange Commission ("SEC") for a period of two (2) years.

3. The SEC also filed a federal lawsuit to accompany the administrative case. The Respondent consented to the entry of a final judgment without admitting or denying the allegations of the Complaint. In that judgment, Respondent was fined twenty-five thousand dollars ($25,000). In addition, per that judgment, Respondent was enjoined from:

a. knowingly failing to implement a system of internal accounting controls as required by SEC Act §13(b)(5);

b. aiding and abetting violations of the public reporting provisions at section 13(a) of the SEC Act and Rules 240.12b-20 and 240.13a-13; and

c. aiding and abetting violations of the recordkeeping provisions found at Section 13(b)(2)(A) of the SEC Act.

4. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondent's discipline by the SEC constitutes prima facie evidence of a violation of 21 NCAC 08N .0204.

3. If proven, the SEC allegations would constitute a violation of 21 NCAC 08N .0203.

4. Per N.C. Gen. Stat. §93-12(9), 93-10(b) and also by virtue of Respondent's consent to this order, Respondent is subject to the discipline set forth below.

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

1. Respondent's CPA certificate shall be suspended for two (2) years.

2. Respondent shall remit, with this signed Order, a one thousand dollar ($1,000.00) civil penalty.

3. Respondent shall not offer or render services as a CPA or otherwise trade upon or use the CPA title in this state either through CPA mobility provisions or substantial equivalency practice privileges or in any other manner, nor shall Respondent claim or attempt to use any practice privileges in any other state based upon his permanently revoked North Carolina certificate.

Cecil J. Cavanaugh,
Louisiana CPA #000945
Cecil J. Cavanaugh, MBA, CPA,
A Professional Accounting Corporation
Baton Rouge, LA 01/27/2014

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 Respondents stipulate to the following:

1. Cecil J. Cavanaugh (hereinafter "Respondent Cavanaugh") is the holder of a valid and unrevoked certificate as a certified public accountant issued by the State of Louisiana. Respondent Cavanaugh has a principal place of business outside of the State of North Carolina, but has, as set forth below, exercised a practice privilege to perform services for at least one client in this State. As such, Respondent Cavanaugh is subject to the laws, rules, jurisdiction, and disciplinary authority of this Board, per N.C. Gen. Stat. §93-10(b).

2. Cecil J. Cavanaugh, MBA, CPA, A Professional Accounting Corporation (hereinafter "Respondent Firm"), is not a registered certified public accounting professional corporation in North Carolina. Respondent Firm's principal place of business is outside of the State of North Carolina and has a firm permit issued by the Board of Accountancy in the State where Respondent Firm is located. At all times relevant to this matter, Respondent Cavanaugh was the owner and operator of Respondent Firm.

3. Respondent Cavanaugh, on behalf of Respondent Firm, issued audits to a North Carolina-based company, for the fiscal years 2010, 2011, and 2012.

4. Neither Respondent Firm nor Respondent Cavanaugh, on behalf of Respondent Firm, provided the Board with the Notification of Intent to Practice as required by N.C. Gen. Stat. §93-10(c) of the Accountancy Act.

2014 Board Meetings

July 21
August 25
September 22
October 23
November 17
December 15

Meetings of the Board are open to the public and, unless otherwise noted, are held at the Board office at 1101 Oberlin Road, Raleigh, and begin at 10:00 a.m.

5. Respondents wish to resolve this matter by consent and agree that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. 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. Respondents are subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondents' failures to comply with N.C. Gen. Stat. §93-10(c) of the Accountancy Act as set out above, if proven, could constitute violations of 21 NCAC 08N .0213.

3. Per N.C. Gen. Stat. §93-12(9), 93-10(b) and also by virtue of Respondents' consent to this order, Respondents are subject to the discipline set forth below.

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

1. Respondents are censured.

2. Respondents shall remit, with this signed Order, a six thousand dollar ($6,000.00) civil penalty.

Eugene E. Nicholas, Jr., #30785
Eugene E. Nicholas, Jr., CPA
Morrisville, NC 01/27/2014

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N. C. Gen. Stat. §150B-41, the Board and Respondent stipulate to the following:

1. Eugene E. Nicholas, Jr. (hereinafter "Respondent Nicholas"), is the holder of North Carolina certificate number 30785 as a Certified Public Accountant.

2. Eugene E. Nicholas, Jr., CPA (hereinafter "Respondent Firm"), is a registered certified public accounting firm in North Carolina. At all relevant times, Respondent Nicholas was the sole owner of Respondent Firm.

3. Respondent Firm was engaged by an entity, which was subject to overview by a division of the Office of Inspector General ("OIG"), to prepare audits for the years ending June 30, 2007, and June 30, 2008.

4. OIG has alleged that Respondent Firm failed to provide, upon request, a complete set of audit workpapers for the entity.

5. OIG has alleged that Respondent Firm did not conduct the 2007 and 2008 audits in accordance with GAAS, GAGAS, or OMB Circular A-133 regulations.

6. Respondents wish to resolve this matter by consent and agree that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. 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. Respondents are subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondents' actions as set out above constitute violations of 21 NCAC 08N .0403, .0409, .0204, and .0212.

3. Per N.C. Gen. Stat. §93-12(9) and also by virtue of Respondents' consent to this order, Respondents are subject to the discipline set forth below.

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

1. Respondent Nicholas and Respondent Firm shall not offer to perform, participate in, perform, or review any attest or assurance services as defined by 21 NCAC 08A .0301(b)(5) for at least two (2) years from the date the Consent Order is approved by the Board.

2. Prior to entering into any attest and/or assurance engagements, Respondent Nicholas or Respondent Firm shall provide notification to the Board of Respondent Nicholas' or Respondent Firm's intention to enter into attest and/or assurance engagements.

3. Prior to Respondent Nicholas and/or Respondent Firm offering to perform, participating in, performing, or reviewing any attest and/or assurance services, Respondent Nicholas shall take and provide CPE completion documentation to the Board of at least forty (40) hours of classroom (non-webinar or webcasts) Accounting and Auditing CPE coursework.

4. Respondent Nicholas and Respondent Firm shall obtain pre-issuance reviews, to be performed by a pre-issuance reviewer approved by the Board, for all attest and assurance engagements until a determination is made by the Board that said engagements can be performed by Respondent Nicholas and Respondent Firm in accordance with applicable standards. Respondent Nicholas or Respondent Firm shall authorize and cause the pre-issuance reviewer to provide the Board a copy of each pre-issuance review report upon its issuance. Respondent Firm shall reimburse the Board for its administrative costs incurred as a result of monitoring compliance with preissuance review requirements.

5. Respondent Nicholas shall reimburse the Board for its administrative costs of two thousand four hundred dollars ($2,400.00) incurred in the investigation of this matter.

Additional Orders
on page 5

Board Office Closed

In accordance with the holiday schedule adopted by the State of North Carolina, the Board office will be closed on Friday, July 4, 2014, for Independence Day.

CPE Audit *continued from front*

Licensees who are selected for the CPE audit and appear to be non-compliant with the annual CPE requirement rules are referred to the Professional Standards Committee from the Professional Education and Applications Committee.

The Professional Standards Committee has consistently recommended to the full Board that a licensee in violation of the CPE rules forfeit his or her CPA license for one (1) year; pay, on average, a $1000 civil penalty; and complete additional CPE.

The CPA license is the most valued and widely recognized financial credential in the world. Don't place your license in jeopardy by failing to meet the annual CPE requirement or failing to properly respond to the CPE audit.

Questions regarding the annual CPE requirement or CPE audit should be sent by email to Cammie Emery (**cemery@nccpaboard.gov**) or Buck Winslow (**buckw@nccpaboard.gov**).

Certificate Renewal Deadline

North Carolina CPAs have just a few days left to renew their CPA licenses online through the Board's website, **www.nccpaboard.gov**.

To renew online, a CPA must have his or her NC CPA certificate number; his or her Social Security Number; the number of CPE hours earned to meet the annual CPE requirement; and a valid MasterCard or VISA account number, security code, and expiration date.

Licensees who do not submit a properly completed renewal and the $60.00 fee prior to July 1, 2014, may receive a Letter of Demand from the Board.

Failure to submit the renewal form and fee within 30 days of the mailing of the Letter of Demand will result in an automatic forfeiture of the licensee's NC CPA certificate.

Detailed information on the online renewal process was published in the March issue of the *Activity Review*.

Certificates Issued

At its May 22, 2014, meeting, the Board approved the following applicants for licensure as North Carolina CPAs:

Emily Victoria Acker
Nicholas Scott Alexander
Rodney Cleveland Alexander
Lee Wooten Allen
Caroline Standish Arden
Jeffrey Mark Bailey
Lien Marie Bailey
Julia Amanda Baldwin
Aaron David Barbera
Dustin James Barnwell
Christina Grace Brackins
Michael Dale Bruce
John Wayne Burkett
Benjamin Bradley Canada
Carla White Cantrell
Mark John Casella
Yisi Chen
Hannah Elizabeth Childress
Stephen David Craig
Jessica Johannessen Crooks
Brian Lucas Crumpton
Benjamin Joseph Darnton Davey
Christopher Warren Deitz
Phillip Michael Dunn
Melissa Duong
Tessa Carolyn Dyer
Michael Keith Fahlikman
Francis Joseph Farina
Crystal Dawn Farrell
Jennifer Lynn Ford
Erica Tennille Fulcher
Mark Benjamin Girimonte
Daniel Ryan Glasser
Allan J. Godinez
Kameron Hope Gress
Kevin Jackson Hale
Patrick Corey Haller
Courtney Elise Hanvey
John Thomas Hart
Lorraine Ming Hayleck
Kara Louise Hefner
Robert Lloyd Heidel, Jr.
Steven Norm Hogan
Tiffany Michelle Howard
Alexander Philip Ivey
Jessica Victoria Johansson
Shanta Renee Johnson
Timothy Francis Johnson
Joshua Ryan Kleinberg
Bailey Kristen Langvardt
Annette Rose Leerhoff
Kelly Irene MacDonald
Michael Louis Mansbach
Stephen Thomas Marhevka
George Pickett McClanahan
Christopher Matthew McDonald
David Lee McPherson
Dwayne Scott Mitchell
Bradley Elizabeth Netherwood
Rosario Ochoa
Timothy Donald Packer
Sara Lindsey Pearson
Megan Gabel Perry
Robert William Perry
Chelsea Marie Peterson
Mikaela Margaret Pinzl
Beverly House Pressley
Jonathan David Redic
Sabina Redzovic
Judyth Nausicaa Riddick
Stephanie Jo Rogers
Heather Thornbrough Rouse
Robert Bruce Sawyer
Joyce Riggins Schaffer
Brian James Schutz
Leslie Murry Scott
Fang Shen
Joshua Ryan Sizemore
Christopher Wilson Stanley
Michael Patrick Stoltz
Katelyn Ashley Sullivan
Timothy Frederick Summers, Jr.
Kent Ryan Swindlehurst
Julia Taranenko
Natalie Allen Tetterton
Daniel Gerrit Vandekar
Sandra Fotta Vucjak
Channing DuBois Wade
Mary Virginia Webb
Ashley Michelle Wendel
Madeline Leigh Winkler
Zheng Zhuang

Andy Hudson CPA PLLC
Charlotte, NC 01/27/2014

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N. C. Gen. Stat. §150B-41, the Board and Respondent stipulate to the following:

1. Respondent Andy Hudson CPA PLLC (hereinafter "Respondent firm") is a registered certified public accounting professional limited liability company in North Carolina.

2. Respondent firm received a "fail" on its most recent system peer review, with an acceptance letter date of September 24, 2012.

3. The failed system peer review noted a material departure from Generally Accepted Auditing Standards ("GAAS") by Respondent firm.

4. Respondent firm wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent firm understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. Respondent firm is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondent firm's failure to comply with GAAS is a violation of 21 NCAC 08N .0403 and .0212.

3. By virtue of Respondent firm's consent to this order, Respondent firm is subject to the discipline set forth below.

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

1. Respondent firm is censured.

2. Respondent firm shall provide a written statement to the Board that it will no longer be participating in, performing, or reviewing any engagements subject to peer review.

3. Prior to Respondent firm participating in, performing, or reviewing any engagements subject to peer review, Respondent firm shall be required to complete the following:

a. Prior to entering into any engagements subject to peer review, Respondent firm shall provide notification to the Board of Respondent firm's intention to enter into engagements subject to peer review;

b. Each of Respondent firm's professional staff participating in engagements subject to peer review shall take a minimum of eight (8) hours of group study SSARS CPE coursework as part of their annual CPE requirements until such time as Respondent firm receives a pass on a system peer review, or a pass or pass with deficiencies on an engagement peer review;

c. Each of Respondent firm's professional staff participating in any audit engagements shall take a minimum of eight (8) hours of group study Audit Update CPE coursework as part of their annual CPE requirements until such time as Respondent firm receives a pass on a system peer review; and

d. Pre-issuance reviews, to be performed by a pre-issuance reviewer approved by the Board, for all peer review engagements until determination is made by the Board that said engagements can be performed by Respondent firm in accordance with applicable standards.

Donald K. Murphy
The Wesley Peachtree Group CPAs d/b/a Murphy and Company PC
Conyers, GA 01/27/2014

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N. C. Gen. Stat. §150B-41, the Board and Respondent stipulate to the following:

1. Donald K. Murphy (hereinafter "Respondent Murphy") is licensed in, and has an office located in, the State of Georgia and has engaged in the public practice of accountancy under a practice privilege granted by N.C. Gen. Stat. §93-10.

2. The Wesley Peachtree Group CPAs (hereinafter "Respondent Firm") has a principal place of business outside of the State of North Carolina. At all relevant times, Respondent Murphy was a principal shareholder in Respondent Firm and was individually responsible for the conduct of Respondent Firm.

3. Respondent Firm filed a Notice of Intent to Practice with the Board. In compliance with North Carolina's firm name regulations found at 21 NCAC 08N .0307, Respondent Firm correctly adopted an assumed name, "Murphy and Company PC," to be utilized when transacting business in the State of North Carolina.

4. Respondent Firm provided services to North Carolina clients using an unapproved firm name rather than the assumed firm name of "Murphy and Company PC."

5. Respondents were previously disciplined by the Board for offering services to North Carolina clients through an unapproved firm name.

6. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North

Murphy
continued on page 6

Murphy *continued from page 5*

Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondent's actions as set out above constitute violations of 21 NCAC 08N .0306(c)(4) and .0307 (a).

3. Per N.C. Gen. Stat. §93-12(9), 93-10(b) and also by virtue of Respondent's consent to this order, Respondent is subject to the discipline set forth below.

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

1. Respondents are censured.

2. Respondents shall remit, with this signed Order, a six thousand dollar ($6,000.00) civil penalty.

Ervin Timothy Johnson, #9524
Charlotte, NC 12/16/2013

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N. C. Gen. Stat. §150B-41, the Board and Respondent stipulate to the following:

1. Ervin Timothy Johnson (hereinafter "Respondent") is the holder of North Carolina certificate number 9524 as a Certified Public Accountant.

2. In 2008 and again in 2011, Respondent was charged with assault on a female. Those charges were dismissed as unfounded. Nevertheless, he did not disclose those charges on his subsequent online certificate renewals which asked the following question:

> Have you been party to a civil suit, bankruptcy action, administrative proceeding, or binding arbitration the basis of which is an allegation of negligence, dishonesty, fraud, misrepresentation, or incompetence, since filing your last renewal?

3. By failing to affirmatively respond to the aforementioned questions on his renewal, Respondent misrepresented the renewal information that he provided to the Board.

4. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondent's misrepresentations on his annual renewals constitute violations of 21 NCAC 08N .0202.

3. Per N.C. Gen. Stat. §93-12(9), and also by virtue of Respondent's consent to this order, Respondent is subject to the discipline set forth below.

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

1. Respondent is censured.

2014 Day of Service

On Friday, September 19, 2014, CPAs across the state of North Carolina will join together in serving their communities for the third annual NC CPA Day of Service.

For more information on how you or your firm can get involved in the Day of Service, contact the NCAPCA's Marketing Strategist, Hannah McCain, at **hmccain @ncacpa.org**.

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Comment or Question about the *Activity Review*?

Do you have a comment or question about information published in the *Activity Review*?

The Board welcomes your comments and suggestions. Contact us by email at **rbrooks@nccpaboard .gov**.

Reclassifications

At its May 22, 2014, meeting, the Board approved the following applications for reclassification:

Reinstatement

William David Charnock, #27118	Charlotte, NC
Jason Motley Clarke, #31372	New York, NY
Stacy Rae Mantz, #25349	Raleigh, NC
Gina Brown Riggins, #16549	Raleigh, NC
Randolph Alan Waller, #28178	Wilmington, NC
Sean David Wilbur, #34107	Charlotte, NC

Reissuance

Jennifer Lynn Acton, #33825	Chapel Hill, NC
Craig Alan Busch, #25073	Charlotte, NC
Walter Randall Louis, #31424	Charlotte, NC

Inactive

"Inactive," when used to refer to the status of a person, describes a person who has requested inactive status and been approved by the Board and who does not use the title "certified public accountant" nor does he or she allow anyone to refer to him or her as a "certified public accountant," and neither he nor she nor anyone else refers to him or her in any representation as described in Rule .0308(b) of this Section [21 NCAC 08A .0301(b)(20)].

03/24/14

Gerald Stephen Clarke, #6962, Summerfield, NC
James Harry Garthe, #24154, Atlanta, GA

Cindy L. Kellis, #20208, Charlotte, NC

03/25/14

C. W. Grafer, #30175, Charlotte, NC
Margaret Joann Kreisman, #32247, Belmont, NC

03/26/14

Mike Ray Bookhout, #23709, Conway, SC

03/28/14

Blair Ruddock Beason, #34333, Charlotte, NC

03/31/14

Wei Chen, #34799, Copenhagen, Denmark

04/08/14

Shellie Nicole Daniels, #33730, Scott AFB, IL

04/11/14

Douglas M. Dent, #34651, Charlotte, NC

04/14/14

Kristina Picornell Cabrejas, #33911, Durham, NC
John Carroll Compton, #3279, Greensboro, NC
Alexander Devon Jones, #34485, St. Louis, MO
Patricia Gay Nash, #21274, High Point, NC

04/16/14

Dawn Gray Setzer Dailey, #14169, Fort Mill, SC

04/22/14

Kathleen Donovan Bucher, #29588, Carrboro, NC
Marilyn L. Charles, #28239, Charlotte, NC
Billy Charles Gore, #5152, Gastonia, NC
Amanda Elizabeth Schoonmaker, #29640, Raleigh, NC

04/24/14

James Clark Heckel, #11777, Clemmons, NC
Clifton Wesley Thomas, #6994, Raleigh, NC

04/25/14

Susanna Buechi Turner, #36818, Charlotte, NC

04/28/14

Barbara Dick Perkins, #10762, Raleigh, NC

04/29/14

John Lear George, III, #6983, Fort Mill, SC
Christopher Joseph Hammond, #28053, Columbia, SC
James Edward Stowe, #1287, Gastonia, NC
James Lewis Wright, #8783, Greensboro, NC

04/30/14

Kenneth Alexander Black, #9440, Raleigh, NC
Sharon F. Milligan, #17226, Hickory, NC
Edwin Wolfe Pearce, III, #16397, Greensboro, NC

05/01/14

Martha R. King, #30724, Durham, NC
Jerald Brooks Long, #2551, Charlotte, NC
Stephanie Lyn Newberry, #31875, Raleigh, NC

05/05/14

Leonard Thomas Fisher, #9485, The Villages, FL
Maylon Earl Little, #2400, Raleigh, NC
Raymond Allan McKinney, #35453, Hurricane, WV
Joel Thomas Mousaw, #23058, Myrtle Beach, SC
Robert Morris Webb, #9413, Charlotte, NC
Michael Lee Wood, #3729, Norcross, GA

05/06/14

Constance S. Koenemann, #20564, Ogden, UT
Evelyn Archibald Koonce, #20404, New Bern, NC
Mary Jo Hein Lindquist, #14959, Gastonia, NC
Robert Thomas Mintmier, #19632, Randleman, NC

05/07/14

Dennis Carlyle Downing, Jr., #13054, Charlotte, NC

05/08/14

Amber Grey Best, #21756, Virginia Beach, VA
Sallie Pollock Clement, #23819, Cary, NC

05/12/14

James Love Brannon, #6726, Charlotte, NC
Andrea Rebecca Carlton, #37597, Cary, NC
Zachary James DenBesten, #36176, Byron Center, MI
Michelle Sigmon Jones, #22312, Charlotte, NC
Steven L. McKelvy, #26317, Winston-Salem, NC
Daniel Gray McRimmon, #16260, Naples, FL
Charles Eugene Russell, #3321, Asheville, NC
Jackie Edwin Walker, #7418, Rockingham, NC
Christopher Delamar Welch, #12730, Concord, NC

05/14/14

James Lawrence Harvey, #1755, Wilmington, NC
David Duane Johnson, #19761, Winston-Salem, NC

05/15/14

Thomas J. Bellante, #24388, Tampa, FL
Joyce Ann Fox, #37159, Winston-Salem, NC
Deborah Reynolds Garvin, #12385, Gainesville, FL
Patricia L. Williams, #18914, Auburn, AL

05/19/14

Elizabeth Webster Tooley, #20432, Gastonia, NC

05/20/14

Monica Reid Bailey, #27469, Cary, NC
Patrick Kevin Berry, #12602, Snellville, GA
Rachel Cecilia Cone, #32672, Carrboro, NC
Rick W. Cornwell, #27673, High Point, NC
Susan Fay Rippy-Frank, #18886, Charlotte, NC

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Firm/Business Name:	
Business Address:	
City/State/Zip:	
Business Phone:	Business Fax:
Business Email:	
Signature:	
Date:	Send mail to: ☐ Home ☐ Business

Mail form to: PO Box 12827, Raleigh, NC 27605
Fax form to: (919) 733-4209

Pursuant to 21 NCAC 08J .0107, all certificate holders & CPA firms shall notify the Board in writing within 30 days of any change in home address & phone number; CPA firm address & phone number; business location & phone number; & email address.

Activity Review

North Carolina State Board of Certified Public Accountant Examiners

1101 Oberlin Rd., Ste. 104 • PO Box 12827 • Raleigh, NC 27605 • 919-733-4222 • www.nccpaboard.gov • No. 07-2014

Failure to Renew by Final Deadline Will Result in Forfeiture

Although 21 NCAC 08J .0101, *Annual Renewal of Certificate, Forfeiture, and Reapplication*, requires that all active CPAs renew their certificates annually by the first day of July, around 550 CPAs failed to renew or request inactive status before July 1.

On July 1, the Board sent a Letter of Demand to each of those CPAs at his or her most recent mailing address.

Failure of an individual to submit the completed renewal within 30 days of the mailing of the Letter of Demand automatically results in forfeiture of the CPA's certificate, as required by NCGS 93-12(15).

Upon forfeiture of a certificate, the individual is no longer a CPA--he or she cannot use the CPA title in any way--and he or she must return his or her CPA certificate to the Board within 15 days of the notice of forfeiture. A person who has forfeited his or her certificate pursuant to NCGS 93-12(15) for failure to renew may be eligible to apply for reissuance.

Online license renewal will remain available on the Board's website, **www.nccpaboard.gov**, through the end of July.

If you have questions about the certificate renewal process, contact Buck Winslow at **buckw@nccpaboard.gov**.

Am I Required to Purchase an Annual Privilege License?

North Carolina General Statute 105-41(c) states, "every person engaged in the public practice of accounting as a principal, or as a manager of the business of public accountant, shall pay for such license fifty dollars ($50.00), and in addition shall pay a license tax of twelve dollars and fifty cents ($12.50) for each person employed who is engaged in the capacity of supervising or handling the work of auditing, devising or installing systems of accounts."

Therefore, if you are an owner, principal, or manager in a CPA firm or business providing accounting services to third parties, you are required to purchase the $50.00 annual privilege license from the North Carolina Department of Revenue (NCDOR).

As an owner, principal, or manager, you also are required to pay a $12.50 fee for an annual privilege license for any other employees of the CPA firm or business, CPA or non-CPA, providing accounting services.

Accounting services include, but are not limited to, audits, reviews, compilations, financial statements, agreed-upon procedures, bookkeeping, tax return preparation, tax reports, professional services or assistance relating to accounting procedure and systems, tax consulting, and management advisory services.

CPAs employed in business, industry, government, or education are not required to purchase an annual privilege license from the NCDOR.

However, a CPA engaged in the public practice of accounting who provides any of the above-noted services outside his or her government, business and industry, or education employment (such as a seasonal tax preparation firm) is required to purchase an annual $50.00 privilege license.

According to the NCDOR, a nonresident CPA engaged in the public practice of accountancy by providing any of the services noted above through mobility is required to purchase an annual $50.00 privilege license.

A privilege license is issued on an annual basis as a personal privilege license; the license is issued in the name of the individual with the individual's social security number. A privilege license is ***not*** issued in the name of a firm or corporation.

Privilege License

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Disciplinary Actions

Kevin Glenn Crowley, #35236
Apex, NC 05/22/2014

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N. C. Gen. Stat. §150B-41, the Board and Respondent stipulate to the following:

1. Kevin Glenn Crowley (hereinafter "Respondent") is the holder of North Carolina certificate number 35236 as a Certified Public Accountant.

2. On March 12, 2014, a warrant was issued against the Respondent on the charge of obtaining property under false pretenses.

3. The warrant was premised upon allegations that the Respondent had made $24,844.72 in unauthorized charges on his employer's credit card.

4. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. If proven, the Respondent's actions as set out above would constitute a violation of 21 NCAC 08N .0202 and .0203.

3. Per N.C. Gen. Stat. §93-12(9) and also by virtue of Respondent's consent to this order, Respondent is subject to the discipline set forth below.

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

1. The Certified Public Accountant certificate issued to Respondent, Kevin Glenn Crowley, is hereby permanently revoked.
2. Respondent shall not offer or render services as a CPA or otherwise trade upon or use the CPA title in this state either through CPA mobility provisions or substantial equivalency practice privileges or in any other manner, nor shall Respondent claim or attempt to use any practice privileges in any other state based upon his permanently revoked North Carolina certificate.

Robert E. Starkey, CPA, PLLC
Cashiers, NC 01/27/2014

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N. C. Gen. Stat. §150B-41, the Board and the Respondent firm stipulate to the following:

1. Robert E. Starkey, CPA, PLLC (hereinafter "Respondent firm"), is a registered certified public accounting corporation in North Carolina.

2. Respondent firm received a "fail" on its most recent engagement peer review, with an acceptance letter date of June 25, 2013.

3. Respondent firm's compilation and review reports did not conform to standards, report disclosures were not in accordance with standards, and supporting workpapers did not sufficiently address required standards.

4. Respondent firm failed to provide the Board with the Peer Review Report, Letter of Response, and Final Letter of Acceptance within sixty (60) days of the Final Letter of Acceptance as required by 21 NCAC 08M .0106.

5. Respondent firm wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent firm understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. Respondent firm is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondent firm's failure to comply with GAAP is a violation of 21 NCAC 08N .0209 and .0212.

3. Respondent firm's failure to submit to the Board copies of its Peer Review Report and Letter of Response is a violation of 21 NCAC 08M .0106(a)(4).

4. Per N. C. Gen. Stat. §93-12(9) and also by virtue of Respondent firm's consent to this order, Respondent firm is subject to the discipline set forth below.

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

1. Respondent firm is censured.

2. Respondent firm shall pay a one thousand dollar ($1,000.00) civil pen-

2014 Board Meetings

August 25
September 22
October 23
November 17
December 15

Unless otherwise noted, meetings are held at the Board office at 1101 Oberlin Road, Raleigh, and begin at 10:00 a.m.

alty to be remitted with this signed Consent Order.

3. Respondent firm shall provide a written statement to the Board that it will no longer be participating in, performing, or reviewing any engagements subject to peer review.

4. Prior to Respondent firm participating in, performing, or reviewing any engagements subject to peer review, Respondent firm shall be subject to the following:

a. Respondent firm shall provide notification to the Board of Respondent firm's intention to enter into engagements subject to peer review;

b. Each of Respondent firm's professional staff participating in engagements subject to peer review shall complete four (4) hours of SSARS CPE coursework as part of their annual CPE requirement until Respondent firm receives a pass on a system peer review, or a pass or pass with deficiencies on an engagement peer review; and

c. Respondent firm shall obtain a pre-issuance review, to be performed by a pre-issuance reviewer approved by the AICPA Committee, for the initial SSARS engagement and continue to obtain pre-issuance reviews until such time as Respondent firm is released from further preissuance reviews by the AICPA Committee. Respondent firm will provide all correspondence related to the pre-issuance review to the Board for monitoring purposes.

Crystal K. Hamrick, CPA
Forest City, NC 02/24/2014

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N. C. Gen. Stat. §150B-41, the Board and Respondent firm stipulate to the following:

1. Respondent Crystal K. Hamrick, CPA (hereinafter "Respondent firm"), is a registered certified public accounting individual practitioner firm in North Carolina.

2. Respondent firm received a "pass with deficiencies" on its most recent system peer review, with an acceptance letter date of June 24, 2013.

3. Respondent firm issued an unqualified opinion for a non-profit entity that contained a material misstatement and was not in accordance with Generally Accepted Accounting Principles ("GAAP").

4. Respondent firm wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent firm understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. Respondent firm is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondent firm's failure to comply with GAAP is a violation of 21 NCAC 08N .0209 and .0212.

3. By virtue of Respondent firm's consent to this order, Respondent firm is subject to the discipline set forth below.

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

1. Respondent firm is censured.

2. Respondent firm shall provide a written statement to the Board that it will no longer be participating in, performing, or reviewing any audit engagements requiring peer review.

3. Respondent firm's professional staff participating in non-audit engagements subject to peer review shall take at least eight (8) hours of group study Accounting and Auditing CPE coursework as part of their annual CPE requirement until such time as the Respondent firm receives a pass on a system peer review, or a pass on an engagement peer review.

4. Respondent firm shall provide the Board with copies of the Peer Review Report, Letter of Response, and Final Letter of Acceptance for Respondent firm's next peer review.

5. Prior to Respondent firm participating in, performing, or reviewing any audit engagements, Respondent firm shall be subject to the following:

a. Provide written notification to the AICPA Peer Review Committee ("AICPA Committee"), at the time of the engagement acceptance, of Respondent firm's intention to enter into audit engagements. Respondent firm shall comply with corrective actions as assigned by the AICPA Committee; and

b. Provide the Board, for the purposes of monitoring, with copies of all correspondence to and from the AICPA Committee related to Respondent firm's intention to enter into audit engagements and corrective actions as assigned by the AICPA Committee.

John Michael Pentz, #22669
John M. Pentz, CPA
Oak Ridge, NC 02/24/2014

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N. C. Gen. Stat. §150B-41, the Board and Respondent stipulate to the following:

1. John Michael Pentz (hereinafter "Respondent Pentz") is the holder of North Carolina certificate number 22669 as a Certified Public Accountant.

2. John M. Pentz, CPA (hereinafter "Respondent Firm") is a duly registered individual practitioner CPA firm.

3. Respondent Pentz was, at all times applicable, responsible for the conduct of Respondent Firm.

4. The Respondent Firm received a rating of "fail" on its most recent completed and in progress peer reviews.

Pentz
continued on page 4

Pentz *continued from page 3*

5. Respondent Pentz, on behalf of Respondent Firm, failed to provide the peer reviewer for the most recent completed peer review with an all-inclusive list of audit engagements performed during the year under review. The peer reviewer had to select additional engagements for review to address the scope limitation.

6. In addition, Respondent Firm failed to comply with 21 NCAC 08M .0106(a)(4) that states a CPA firm registered for peer review shall provide to the Board the following: 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 issued by a peer review program within 60 days of the date of the Final Letter of Acceptance. This omission was voluntarily reported by the Respondent.

7. Respondent Firm has informed the AICPA peer review program that it is discontinuing its performance of attest and assurance engagements.

8. Respondents wish to resolve this matter by consent and agree that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. 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. Respondents are subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondents' failure to provide the peer reviewer with an all-inclusive list of audit engagements constitutes a violation of 21 NCAC .08N.0203.

3. Respondent Firm's failure to comply with applicable auditing standards is a violation of 21 NCAC 08N .0403 and .0212.

4. Respondent Firm's failure to submit to the Board copies of its Peer Review Report, Letter of Response, and Final Letter of Acceptance constitutes a failure to adhere to the disclosure requirements of 21 NCAC 08M .0106(a)(4), resulting in disciplinary action by virtue of 21 NCAC 08N .0213.

5. Per N.C. Gen. Stat. §93-12(9), and also by virtue of Respondent's consent to this order, Respondent is subject to the discipline set forth below.

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

1. Respondent Pentz' CPA certificate shall be suspended for three (3) years.

2. The registration for Respondent Firm is suspended until such time as Respondent Pentz' CPA certificate is reinstated and a firm registration for Respondent Firm is approved by the Board.

3. Neither Respondent Pentz nor Respondent Firm shall offer or render services as a CPA or CPA firm, or otherwise trade upon or use the CPA title in this state either through CPA mobility provisions or substantial equivalency practice privileges or in any other manner, nor shall Respondent Pentz or Respondent Firm claim or attempt to use any practice privileges in any other state based upon Respondent Pentz' suspended North Carolina certificate or Respondent Firm's suspended CPA firm registration until such time as Respondent Pentz' CPA certificate is reinstated and a firm registration for Respondent Firm is approved by the Board.

4. Respondent Firm shall pay a one thousand dollar ($1,000.00) civil penalty to be remitted with this signed Consent Order.

Joseph H. Clarke, #33214
Candler, NC 12/16/2013

THIS CAUSE, coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N.C. Gen. Stat. §150B-41, the Board and Respondent stipulate the following Findings:

1. Respondent is the holder of North Carolina certificate number 33214 as a Certified Public Accountant.

2. Respondent informed the Board on his 2012-2013 individual certificate Renewal ("Renewal") that between January 1, 2011, and June 30, 2012, he had obtained forty (40) hours of continuing professional education ("CPE"), had completed the annual approved ethics CPE course, and had completed at least eight (8) hours of non-self-study CPE to meet the 2011 CPE requirements.

3. Based on Respondent's representation, the Board accepted his Renewal.

4. Board staff requested that Respon-

By the Numbers

- As of March 31, 2014, the number of licensees supervised by the Board was 19,874.
- The Board received 2,878 applications for the Uniform CPA Exam sections administered between April 1, 2013, and March 31, 2014.
- Between April 1, 2013, and March 31, 2014, the Board approved 2,825 applicants to take the Uniform CPA Exam and 4,063 sections of the Uniform CPA Exam were actually taken by those individuals approved by the Board.
- During the period April 1, 2013, through March 31, 2014, the Board issued 562 original CPA licenses and 296 reciprocal licenses CPA licenses.
- Between April 1, 2013, and March 31, 2014, the Board received 268 complaints on licensees and non-CPAs.
- The Board took disciplinary or other action against 63 licensees and non-CPAs during the period April 1, 2013, through March 31, 2014.

dent provide certificates of completion for the CPE reported to meet his 2011 requirements.

5. Respondent was unable to provide documentation of an approved ethics course taken between January 1, 2011, and June 30, 2012, from a CPE provider registered with either the National Association of State Boards of Accountancy ("NASBA") or the Board to meet the 2011 ethics CPE requirement.

6. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte,* whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. 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 herein by the Board.

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

3. Per N.C. Gen. Stat. §93-12(9) and also by virtue of Respondent's consent to this Order, Respondent is subject to the discipline set forth below.

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

1. Respondent's failure to provide adequate documentation of CPE renders the Renewal insufficient and untimely. Respondent's failure to adequately renew his certificate results in an automatic forfeiture pursuant to N.C. Gen. Stat. §93-12(15).

2. Respondent must return his certificate to the Board within fifteen (15) days of Respondent's receipt of the Board's notification of its approval of this Consent Order.

3. Respondent may not apply for the reissuance of his certificate for at least one (1) year from the date the Board approves this Consent Order and until the civil penalty required in number five (5) of this Order has been paid by Respondent.

4. Respondent may apply to return his certificate to active status by submission and approval of a reissuance application which includes:

a. Application form,

b. Payment of the application fee,

c. Three (3) moral character affidavits, and

d. Forty-two (42) hours of CPE in the twelve (12) months preceding the application including the eight (8) hour accountancy law course as offered by the North Carolina Association of CPAs in a group-study format.

5. Respondent shall pay a one thousand dollar ($1,000.00) civil penalty to be remitted to the Board prior to submitting a reissuance application.

6. Respondent agrees that failure to timely comply with any terms of this agreement and Consent Order shall be deemed sufficient grounds for revocation of his certificate.

Jane K. Sykes, #21284
Mocksville, NC 02/24/2014

THIS CAUSE, coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N.C. Gen. Stat. §150B-41, the Board and Respondent stipulate to the following Findings:

1. Respondent is the holder of North Carolina certificate number 21284 as a Certified Public Accountant.

2. Respondent informed the Board on her 2012-2013 individual certificate Renewal ("Renewal") that between January 1, 2011, and June 30, 2012, she had obtained the requisite 40 hours of continuing professional education ("CPE") to meet the 2011 CPE requirements.

3. Based on Respondent's representation, the Board accepted her Renewal.

4. Board staff requested that Respondent provide certificates of completion for the CPE reported to meet her 2011 and 2012 requirements.

5. Respondent provided the CPE certificates of completion to the Board as requested. Respondent was only able to provide documentation for thirty-four (34.0) hours of continuing professional education ("CPE") taken to meet the 2012 CPE requirement.

6. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. 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 herein by the Board.

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

3. Per N.C. Gen. Stat. §93-12(9) and also by virtue of Respondent's consent to this Order, Respondent is subject to the discipline set forth below.

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

1. Respondent's failure to provide adequate documentation of CPE renders

Sykes
continued on page 8

Notice of Apparent Violation and Demand to Cease and Desist

Gary R. Sessions, Respondent
Charlotte, NC

To the Above-Named Respondent:

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

WHEREAS, pursuant to N.C. Gen. Stat. §93-1, "A 'certified public accountant' is a person who holds a certificate as a certified public accountant issued under the provisions of this Chapter:;"

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

WHEREAS, Respondent Gary R. Sessions (hereinafter "Respondent") requested, on July 13, 2006, that his North Carolina CPA license be placed on "inactive" status and certified that he would not identify himself as a certified public accountant "to any person in any manner;"

WHEREAS, Respondent is not currently licensed as a certified public accountant in North Carolina or otherwise authorized by the Board to use the CPA title in this state;

WHEREAS, Respondent, subsequent to being placed on inactive status, identified himself as a CPA. Those representations were made while Respondent was living and working in North Carolina with a North Carolina address.

THEREFORE, Respondent is hereby notified and the North Carolina State Board of Certified Public Accountant Examiners demands that he immediately cease and desist from offering or using in any manner the title "CPA" or "Certified Public Accountant" in North Carolina unless and until Respondent has been licensed as a CPA by the North Carolina State Board of Certified Public Accountant Examiners.

North Carolina State Board of Certified Public Accountant Examiners

BY: Frank X. Trainor, III, Board Staff Attorney

DATE: 12/05/2013

In lieu of civil proceedings authorized by N.C. Gen. Stat. §93-12(16), the Board will accept Respondent's consent to this Demand.

CONSENTED TO: Gary R. Sessions, Respondent

DATE: 12/11/2013

David Furrow Carter, Respondent
High Point, NC

To the Above-Named Respondent:

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

WHEREAS, pursuant to N.C. Gen. Stat. §93-1, "A 'certified public accountant' is a person who holds a certificate as a certified public accountant issued under the provisions of this Chapter;"

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

WHEREAS, Respondent David Furrow Carter (hereinafter "Respondent") is not now, nor has he ever been, licensed as a certified public accountant in North Carolina or otherwise authorized by this Board to use the CPA title in this state;

WHEREAS, Respondent was licensed as a certified public accountant in Illinois but the Illinois license expired in September of 2009.

WHEREAS, Respondent, while living and working in North Carolina, has held himself out as a certified public accountant as evinced by his signature, in December of 2013, on a certificate of moral character ("Certificate") for a North Carolina Exam candidate, which identified him as a certified public accountant duly licensed in the state of Illinois. The Certificate states that anyone signing this Certificate who lives and/or works in North Carolina must be licensed by this Board.

WHEREAS, Respondent, while employed by High Point University ("University"), allowed the University to identify him on its "School of Business" profile page as "…a certified public accountant (CPA) … in the state [sic] North Carolina."

WHEREAS, Respondent currently lives and works in North Carolina and, on his LinkedIn profile, lists his "Specialties" as "CPA, CMA."

THEREFORE, Respondent is hereby notified and the North Carolina State Board of Certified Public Accountant Examiners demands that he immediately cease and desist from offering or using in any manner the title "CPA" or "Certified Public Accountant" in North Carolina unless and until Respondent has been licensed as a CPA by the North Carolina State Board of Certified Public Accountant Examiners.

North Carolina State Board of Certified Public Accountant Examiners

BY: Robert N. Brooks, Executive Director

DATE: 02/21/2014

In lieu of civil proceedings authorized by N.C. Gen. Stat. §93-12(16), the Board will accept Respondent's consent to this Demand.

CONSENTED TO: David Furrow Carter

DATE: 02/21/2014

Eunice Jones, Respondent
Raleigh, NC

To the Above-Named Respondent:

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

WHEREAS, pursuant to N. C. Gen. Stat. §93-1, "A 'certified public accountant' is a person who holds a certificate as a certified public accountant issued to her under the provisions of this Chapter."

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

WHEREAS, pursuant to N. C. Gen. Stat. §93-6, "It shall be unlawful for any person to engage in the public practice of accountancy in this State who is not a holder of a certificate as a certified public accountant issued by the Board, unless such person uses the term 'accountant' and only the term 'accountant' in connection with her name on all reports, letters of transmittal, or advice, and on all stationery and documents used in connection with her services as an accountant, and refrains from the use in any manner of any other title or designation in such practice."

WHEREAS, Respondent Eunice Jones (hereinafter "Respondent") is not now nor has she ever been licensed as a certified public accountant in North Carolina or otherwise authorized by the Board to use the CPA title in this state, and

WHEREAS, Respondent, while working in North Carolina, identified herself as a CPA on an audit report for the North Carolina Black Leadership Caucus ("Caucus") and in emails sent to the Caucus leadership. Respondent's use of the title "CPA" or "Certified Public Accountant" conveys the false impression that she is authorized to use a title other than "accountant" when, in fact, she is not lawfully authorized to use the title "certified public accountant" or "CPA" in this State. Such a representation is misleading and contrary to N. C. Gen. Stat. §93-1, §93-3, and §93-6.

THEREFORE, Respondent and the North Carolina State Board of Certified Public Accountant Examiners hereby agree that Respondent shall immediately cease and desist from offering or using in any manner the title "CPA" or "Certified Public Accountant" in North Carolina unless and until Respondent has been licensed as a CPA by the North Carolina State Board of Certified Public Accountant Examiners.

North Carolina State Board of Certified Public Accountant Examiners

BY: Robert N. Brooks, Executive Director

DATE: 04/02/2014

In lieu of civil proceedings authorized by N.C. Gen. Stat. §93-12(16), the Board will accept Respondent's consent to this Demand.

CONSENTED TO: Eunice Jones

DATE: 04/14/2014

2014 Board Calendar

(dates and locations subject to change)

August 25	–	Board Meeting - Raleigh
September 1	–	Office Closed - Labor Day
September 19	–	CPA Day of Service
September 22	–	Board Meeting - Raleigh
October 23	–	Board Meeting - Raleigh
November	-	Online Firm Renewal/Peer Review Compliance Available
November 11	–	Office Closed - Veterans' Day
November 17	–	Board Meeting - Raleigh
November 27-28	–	Office Closed - Thanksgiving
December 15	–	Board Meeting - Raleigh
December 24-26	–	Office Closed - Christmas
December 31	–	Firm Renewal/Peer Review Compliance Info Due

Sykes *continued from page 5*

the Renewal insufficient and untimely. Respondent's failure to adequately renew her certificate results in an automatic forfeiture pursuant to N.C. Gen. Stat. §93-12(15).

2. Respondent must return her certificate to the Board within fifteen (15) days of Respondent's receipt of the Board's notification of its approval of this Consent Order.

3. Respondent may apply for the reissuance of her certificate after one (1) year from the date the Board approves this Consent Order and if Respondent's certificate and the civil penalty required in number five (5) of this Order have been timely received by the Board.

4. Respondent may apply to return her certificate to active status by submission and approval of a reissuance application which includes:

a. Application form,

b. Payment of the application fee,

c. Three (3) moral character affidavits, and

d. Forty-six (46) hours of CPE in the twelve (12) months preceding the application including an eight (8) hour accountancy law course as offered by the North Carolina Association of CPAs in a group-study format.

5. Respondent shall pay a one thousand dollar ($1,000.00) civil penalty to be remitted to the Board prior to submitting a reissuance application.

6. Respondent agrees that failure to timely comply with any terms of this agreement and Consent Order shall be deemed sufficient grounds for revocation of her certificate.

Don V. Fitzgerald, #19401
Garner, NC 03/19/2014

THIS CAUSE, coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N.C. Gen. Stat. §150B-41, the Board and Respondent stipulate to the following Findings:

1. Respondent is the holder of North Carolina certificate number 19401 as a Certified Public Accountant.

2. Respondent informed the Board on his 2012-2013 individual certificate Renewal ("Renewal") that between January 1, 2011, and June 30, 2012, he had obtained forty (40) hours of continuing professional education ("CPE"), had completed the annual approved ethics CPE course, and had completed at least eight (8) hours of non-self-study CPE to meet the 2011 CPE requirements.

3. Based on Respondent's representation, the Board accepted his Renewal.

4. Board staff requested that Respondent provide certificates of completion for the CPE reported to meet his 2011 requirements.

5. Respondent provided the CPE certificates of completion to the Board as requested. Respondent was able to provide documentation for forty (40) hours of continuing professional education ("CPE"), to meet the 2011 CPE requirements. Respondent was unable to provide documentation of an acceptable ethics course between January 1, 2011, and June 30, 2012, to meet the 2011 ethics CPE requirement.

6. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. 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 herein by the Board.

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

3. Per N.C. Gen. Stat. §93-12(9) and also by virtue of Respondent's consent to this Order, Respondent is subject to the discipline set forth below.

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

1. Respondent's failure to provide adequate documentation of ethics CPE renders the Renewal insufficient and untimely. Respondent's failure to adequately renew his certificate results in an automatic forfeiture pursuant to N.C. Gen. Stat. §93-12(15).

2. Respondent must return his certificate to the Board within fifteen (15) days of Respondent's receipt of the Board's notification of its approval of this Consent Order.

3. Respondent may apply for the reissuance of his certificate after one (1) year from the date the Board approves this Consent Order and if Respondent's certificate has been timely received by the Board.

4. Respondent may apply to return his certificate to active status by submission and approval of a reissuance application which includes:

a. Application form,

b. Payment of the application fee,

c. Three (3) moral character affidavits, and

d. Forty (40) hours of CPE in the twelve (12) months preceding the application including an eight (8) hour accountancy law course as offered by the North Carolina Association of CPAs in a group-study format.

5. Respondent agrees that failure to timely comply with any terms of this agreement and Consent Order shall be deemed sufficient grounds for revocation of his certificate.

Comment or Question about the *Activity Review*?

Do you have a comment or question about information published in the *Activity Review*? The Board welcomes your comments and suggestions. Contact the Board at **lhearne@nccpaboard.gov**.

James W. Perry, #3074
Williamston, NC 03/19/2014

THIS CAUSE, coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N.C. Gen. Stat. §150B-41, the Board and Respondent stipulate to the following Findings:

1. Respondent is the holder of North Carolina certificate number 3074 as a Certified Public Accountant.

2. Respondent informed the Board on his 2013-2014 individual certificate Renewal ("Renewal") that between January 1, 2012, and June 30, 2013, he had obtained the requisite 40 hours of continuing professional education ("CPE") to meet the 2012 CPE requirements.

3. Based on Respondent's representation, the Board accepted his Renewal.

4. Board staff requested that Respondent provide certificates of completion for the CPE reported to meet his 2012 requirements.

5. Respondent provided the CPE certificates of completion to the Board as requested. Respondent was only able to provide documentation for thirty-three (33) hours of CPE taken to meet the 2012 CPE requirement.

6. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. 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 herein by the Board.

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

3. Per N.C. Gen. Stat. §93-12(9) and also by virtue of Respondent's consent to this Order, Respondent is subject to the discipline set forth below.

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

1. Respondent's failure to provide adequate documentation of CPE renders the Renewal insufficient and untimely. Respondent's failure to adequately renew his certificate results in an automatic forfeiture pursuant to N.C. Gen. Stat. §93-12(15).

2. Respondent must return his certificate to the Board within fifteen (15) days of Respondent's receipt of the Board's notification of its approval of this Consent Order.

3. Respondent may apply for the reissuance of his certificate after one (1) year from the date the Board approves this Consent Order and if Respondent's certificate and the civil penalty required in number five (5) of this Order have been timely received by the Board.

4. Respondent may apply to return his certificate to active status by submission and approval of a reissuance application which includes:

a. Application form,

b. Payment of the application fee,

c. Three (3) moral character affidavits, and

d. Forty-seven (47.0) hours of CPE in the twelve (12) months preceding the application including an eight (8) hour accountancy law course as offered by the North Carolina Association of CPAs in a group-study format.

5. Respondent shall pay a one thousand dollar ($1,000.00) civil penalty to be remitted to the Board prior to submitting a reissuance application.

6. Respondent agrees that failure to timely comply with any terms of this agreement and Consent Order shall be deemed sufficient grounds for revocation of his certificate.

Privilege License *continued from front*

The privilege license must be obtained from the NCDOR prior to engaging in business. It is unlawful to engage in business without obtaining a required privilege license.

For additional information regarding the privilege license requirement or to obtain Form B-202A, "Application for State Privilege License," contact the Taxpayer Assistance Division of the NCDOR by telephone at 1-877-308-9103 or visit the NCDOR website, **www.dornc.com/taxes/license**.

If you have any questions regarding this article, please contact Robert N. Brooks, the Board's Executive Director, at **rbrooks@nccpaboard.gov** or (919) 733-1425.

Certificates Issued

At its June 19, 2014, meeting, the Board approved the following applicants for licensure as North Carolina CPAs:

Oyebukunola Yeside Ande

Charles Anthony Edge

Paul E. Horowitz

2014 Day of Service

On Friday, September 19, 2014, CPAs across the state of North Carolina will join together in serving their communities for the third annual NC CPA Day of Service.

For more information on how you or your firm can get involved in the Day of Service, visit **ncacpa.org/service** or contact the NCAPCA's Marketing Strategist, Hannah McCain, at **hmccain @ncacpa.org**.

Board Office Closed

In accordance with the holiday schedule adopted by the State of North Carolina, the Board office will be closed on the following date:

Monday, September 1, 2014

Labor Day

Inactive Status

"Inactive," when used to refer to the status of a person, describes a person who has requested inactive status and been approved by the Board and who does not use the title "certified public accountant" nor does he or she allow anyone to refer to him or her as a "certified public accountant," and neither he nor she nor anyone else refers to him or her in any representation as described in Rule .0308(b) of this Section [21 NCAC 08A .0301(b)(20)].

05/21/14

Carolyn Ashley Alford, #36929, Wilmington, NC
Karin Gamroth Dickson, #14926, Mooresville, NC
Lois Riekert Galligan, #20849, Raleigh, NC
Kevin David Wharton, #36254, Charlotte, NC

05/27/14

Carolyn B. Allen, #19796, Middletown, RI
Francine Rochelle Noel, #26269, Asheville, NC
Teresa Louise Richardson, #22327, Zebulon, NC
James Alfred Thompson, #10748, Charlotte, NC

05/28/14

Walter Brodie Burwell, Jr., #14663, Raleigh, NC
James R. Cooke, #25560, Scottsdale, AZ
Charles Gary Humphreys, #20874, Sugar Mountain, NC
Harold Jay Wilson, #7813, Tryon, NC

05/29/14

Mary Leigh Woltz Carrison, #17356, Greensboro, NC
Roger Clary, #17626, Butner, NC
Jerry Charles Lloyd, #17447, Greenville, SC
Peggy Smith Mobley, #24249, Raleigh, NC
John Frederick Watson, #10117, Chapel Hill, NC

06/03/14

Charlotte Elaine Addison, #35251, Gleason, TN
John Dante Bertolozzi, Jr., #38271, Pinehurst, NC
Ralph Louis Haberstock, Sr., #18510, Charlotte, NC
Larry Vance Hughes, #8934, Winston-Salem, NC
Judith Lewis McDermott, #10918, Pinehurst, NC
Kathy More, #15013, Washington, NC
Wayne Michael Pappas, #19378, Raleigh, NC
John Calvin Roland, #31466, Nashville, TN
Robert J. Sabo, #27296, Parkland, FL
Virginia Anne Seippel, #31882, Winston-Salem, NC
Donald Hugh Taylor, #3713, Macon, GA
Matthew Peter Yale, #31665, Charlotte, NC
Xiaoyan Zhang, #32329, Morrisville, NC

06/04/14

Robert Owen Beck, III, #8926, Memphis, TN
Mark David Breakfield, #32453, St. Louis, MO
Christina Renee Sendall, #29638, Raleigh, NC

06/05/14

Chris S. Costin, #21670, North Ridgeville, OH
Michael Donald Dowling, #26629, Greenville, SC
Linda Maynard Harlow, #33402, Richmond, VA
Gregory S. Price, #32344, Charlotte, NC
Kelly Mattarocci Sanchez, #36105, Suwannee, GA

06/06/14

Donna Gail Dauenhauer, #18138, Charlotte, NC
Deborah K. Delano, #32217, Charlotte, NC
Daniel Andrew Aiken Keppler, #36942, Apex NC
Rei-Rung Rachel Wu, #23655, Tucker, GA

06/09/14

Edith Elaine Carroll, #36006, Peachtree City, GA
Mary Hibbits Currie, #26237, Manhattan, KS
Scott Andrew Henderson, #31996, New South Wales, Australia
Worley Franklin Minton, Jr., #11850, Oak Ridge, NC
Dawn Renee Schambach, #18446, Colorado Springs, CO
Samuel Katzoff Suls, #8644, Cary, NC

06/16/14

James R. Hanlon, #33612, Dallas, TX
Magda Jezovicova, #37854, Charlotte, NC
Mitchell Joseph Rabil, #1437, Delran, NJ
Dick Arthur Richards, #28455, Monroe, NC
Kristin Mary Roble, #32795, Charlotte, NC
Debra Ann Walsh, #26385, Morehead City, NC

06/17/2014

Charles Cline Comer, #7158, Davidson, NC
Scotty Lane Dickens, #11541, Winston-Salem, NC
Sarah Elizabeth Kelley, #36094, Roanoke, VA
Patrick Burton Mullins, #27055, Jamestown, NC
Ashley Stewart Parsons, #35510, Murfreesboro, NC
Susan Teague Showfety, #17558, Hickory, NC
Jerry Henry Sluder, #18533, Arden, NC
Suzanne G. Wolf, #22653, Cary, NC

06/18/2014

Jonathan Sherman Antonio, #37075, Charlotte, NC
Ryan L. Beauchamp, #34935, Charlotte, NC
Gerald Broome, #3495, Spartanburg, SC
David Stanton Mauroner, #11737, North Palm Beach, FL
Joel Edward Roach, #23069, Jamestown, NC
Douglas Mark Smith, #10995, Spokane, WA

06/19/2014

Antonio Maria Pruna, #26357, Orlando, FL

06/20/2014

Deborah Prentice, #34268, Washington, DC

06/23/2014

Kenneth Dwight Chamblee, #16071, Durham, NC
David Walter Hollingshead, #14581, Jacksonville, FL
Joseph Ray Marshall, #7996, Clemmons, NC
Leslie Savage, #31332, Durham, NC
Mark Dennis Sherman, #13163, Raleigh, NC
Dana Keith Smith, #30645, Maryville, TN
Jeffrey Doran Stover, #32288, Jacksonville, FL
David Lynn Swalls, #34465, Danielsville, GA
Thomas Hollingsworth Tart, #9436, Winston-Salem, NC
Donald Elbert Wagstaff, Jr., #9509, Kannapolis, NC
Jason Louis Watkins, #37510, Clearwater, FL

06/24/2014

Erica Jean Crabtree, #32059, Mooresville, NC
Seby Russell Jones, #27488, Raleigh, NC
Elliott Lea McKenzie, #37202, Indianapolis, IN

Contacting the Board

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Twitter	@NCCPABoard
Facebook	www.facebook.com/NCCPABoard

Executive Staff

(rule-making matters, declaratory rulings, Board operations, personnel matters)

Robert N. Brooks, Executive Director	919/733-1425	rbrooks@nccpaboard.gov
David R. Nance, CPA, Deputy Director	919/733-4215	dnance@nccpaboard.gov

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(general accounting, accounts receivable/payable, vendor relations)

Felecia Ashe, Accounting Specialist	919/733-4223	feleciaa@nccpaboard.gov

(switchboard, address changes, general Board info)

Vanessia Willet, Customer Service Rep	919/733-4222	vanessiaw@nccpaboard.gov

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(website, newsletter, press releases, public record information, social media)

Lisa R. Hearne, Manager	919/733-4208	lhearne@nccpaboard.gov

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(Initial and re-Exam applications, applicant eligibility, score release)

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Buck Winslow, Manager	919/733-1421	buckw@nccpaboard.gov

(individual licensure, temporary permits, inactive status, reinstatement)

Alice Grigsby, Specialist	919/733-1422	aliceg@nccpaboard.gov

(firm registration & renewal, peer review, CPE, CPE audit)

Cammie Emery, Assistant	919/733-1423	cemery@nccpaboard.gov

Professional Standards

(complaints against CPAs & firms, unauthorized use of title, professional ethics & conduct)

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Ann J. Hinkle, Manager	919/733-1426	ahhinkle@nccpaboard.gov
Mary Beth Britt, Specialist	919/715-2455	mbbritt@nccpaboard.gov
Jean Marie Small, Specialist	919/733-1424	jeansmall@nccpaboard.gov

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Home Email:	
Firm/Business Name:	
Business Address:	
City/State/Zip:	
Business Phone:	Business Fax:
Business Email:	
Signature:	
Date:	Send mail to: ☐ Home ☐ Business

Mail form to: PO Box 12827, Raleigh, NC 27605
Fax form to: (919) 733-4209

Pursuant to 21 NCAC 08J .0107, all certificate holders & CPA firms shall notify the Board in writing within 30 days of any change in home address & phone number; CPA firm address & phone number; business location & phone number; & email address.

Activity Review

North Carolina State Board of Certified Public Accountant Examiners

1101 Oberlin Rd., Ste. 104 • PO Box 12827 • Raleigh, NC 27605 • 919-733-4222 • www.nccpaboard.gov • No. 08-2014

Governor McCrory Appoints Murchison B. Biggs, CPA, to Board



Murchison B. Biggs, CPA

Governor Pat McCrory has appointed Murchison B. ("Bo") Biggs, CPA, of Lumberton, to the North Carolina State Board of CPA Examiners (Board).

Biggs, whose term will expire June 30, 2017, was appointed to the Board on June 12, 2014, and was sworn the Oath of Office July 21, 2014. He previously served on the Board from 1992 to 1995.

He replaced José R. Rodriguez, CPA, who has served the Board since 2008 (see *Resolution* on page 3).

Biggs graduated from North Carolina State University in 1977 with a BA in Accounting and a BS in Economics. He was licensed as a North Carolina CPA in 1980. He is Secretary-Treasurer of K.M. Biggs, Inc., in Lumberton.

As a member of the NC Association of CPAs (NCACPA), Biggs has served on several committees, including the Members in Industry Committee, the Legislative Committee, and the Tax Symposium Committee. He recently chaired the Government Relations Committee.

In addition, he has been a member of the NCACPA Board of Directors and a member of its Executive Committee. Biggs is a recipient of the NCACPA's Public Service Award and the Outstanding Member in Business & Industry Award.

Biggs is past President and board member of the NC Free Enterprise Foundation (NCFEF); a board member, past Secretary-Treasurer, and past President of the NC Retail Merchants Association; and a board member and chair of First Benefits Insurance.

He is Legislative Chair and past President of the Lumberton Chamber of Commerce and is past President and past Secretary-Treasurer of the Lumberton Rotary Club.

Biggs is a past board member of the Robeson Community College Foundation Board; a past member and Chair of the Robeson County Board of Elections; and a member of the Board of Trustees of UNC -Pembroke.

A self-described "political geek," Biggs enjoys jogging and playing trombone in a jazz trio and quartet.

Practitioners Should Remove Circular 230 Disclaimers

On June 9, 2014, the Internal Revenue Service (IRS) finalized Circular 230 regulations, which replaced the covered opinion rules with one standard for written advice under Circular 230 section 10.37.

IRS Office of Professional Responsibility (OPR) Director Karen Hawkins said that many practitioners are still using Circular 230 disclaimers in their emails even though the IRS finalized regulations that remove the covered opinion rules.

According to Hawkins, the OPR will begin sending letters to practitioners asking them to stop using Circular 230 disclaimers that say the disclaimer is required.

A link to the revised Circular 230 is available on the Board's website under the "Resources" tab, **www.nccpaboard.gov/resources/infoyoucanuse**.

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Disciplinary Actions

Larry E. Widis, #12798
Larry E. Widis, PLLC
Charlotte, NC 05/22/2014

THIS CAUSE coming before the North Carolina State Board of Certified Public Accountant Examiners (the "Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, at public hearing ("Hearing"), with a quorum present, the Board finds, based on the evidence presented at the Hearing on May 22, 2014, that:

FINDINGS OF FACT

1. Respondent Larry E. Widis (hereinafter "Respondent Widis") is the holder of a certificate as a Certified Public Accountant in North Carolina.

2. Respondent Larry E. Widis, PLLC (hereinafter "Respondent Firm"), is a registered certified public accounting limited liability company in North Carolina.

3. The Board has jurisdiction over Respondents and the subject matter of this action.

4. Respondents received at least fifteen (15) days written notice of the Hearing. The notice was achieved by serving a Notice of Hearing by personal service, certified mail, or other method of delivery authorized by N.C. Gen. Stat. §150B-42(a).

5. Venue is proper and the Hearing was properly held at 1101 Oberlin Road, Raleigh, North Carolina.

6. Respondents did not object to any Board Member's participation in the Hearing of this matter.

7. Respondents were not present at the Hearing and were not represented by counsel. Respondents did not request a postponement of the Hearing or communicate any reason that they would not be able to be present at the hearing on the date and at the time provided in the notice. Board's staff attorney received a call from Respondent Widis that he was en route to the Hearing. The Board delayed the start of the Hearing by an hour. At 11:00 a.m., the Board President opened the Hearing. Neither Mr. Widis nor his firm nor anyone representing them were present at the time of the delayed start of the Hearing. Respondents had made no request for postponement of the Hearing. Respondents arrived at the Hearing at 11:10 a.m. Following a brief recess, the Board's staff attorney summarized the evidence thus far introduced and then continued with his questioning of the first witness. Respondents did not object to the proceeding.

8. Respondent Widis is the sole member of Respondent Firm and is responsible for the actions taken by Respondent Firm.

9. On firm renewals from 2006 through 2010, Respondent Widis, on behalf of Respondent Firm, provided information to the Board that Respondent Firm was providing services which would require peer review.

10. Despite notification in 2008 by the Board staff that Respondent Firm must obtain a peer review, and despite the fact that Respondent Firm had begun the peer review process, Respondent Firm did not obtain a peer review.

11. In response to Board inquiries, Respondent Widis failed to prove that he had taken the continuing professional education courses ("CPE") that he claimed were taken for the years 2007 through 2010.

12. Respondents failed to timely respond to all Board inquiries regarding a peer review of Respondent Firm.

CONCLUSIONS OF LAW

1. Per N.C. Gen. Stat. §150B-42, this Board Order constitutes a Final Agency Decision of the Board.

2. Respondent Widis 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. Pursuant to N.C. Gen. Stat. §93-12(9), the Board has the authority to impose discipline upon Respondent Widis and Respondent Widis' certificate and to impose civil monetary penalties.

3. Respondent Widis' failure to cause Respondent Firm to undergo peer review constitutes a willful violation of the Board's peer review regulations, subjecting him to discipline per 21 NCAC 08N .0213.

4. Respondent Widis' failure to prove that he had taken the CPE courses that he claimed on his annual certificate renewals constitutes a violation of .0202(a), .0202(b)(3), and .0202(b)(4).

5. Respondent Widis' failures to timely respond to Board inquiries constitute violations of 21 NCAC 08N .0206.

BASED ON THE FOREGOING, the Board orders in a vote of seven (7) to zero (0) that:

1. The Certified Public Accountant certificate issued to Respondent, Larry E. Widis, is hereby permanently revoked from the date this Order is approved by the Board.

2. Respondent Widis shall remit to the Board, within fifteen (15) days of the date of this Order, a one thousand dollar ($1,000.00) civil penalty.

3. The firm registration for Respondent Firm, Larry E. Widis, PLLC, is hereby suspended.

4. Neither Respondent Widis nor Respondent Firm shall offer or render services as a CPA or CPA firm, or otherwise trade upon or use the CPA title in this state either through CPA mobility provisions or substantial equivalency practice privileges or in any other manner, nor shall Respondent Widis or Respondent Firm claim or attempt to use any practice privileges in any other state based upon Respondent Widis' permanently revoked North Carolina certificate or Respondent Firm's suspended CPA firm registration.

Additional Orders
on page 4

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North Carolina State Board of Certified Public Accountant Examiners

Resolution

WHEREAS, *José Ramon Rodriguez, CPA, has served as a member of the North Carolina State Board of Certified Public Accountant Examiners since 2008;*

WHEREAS, *during his tenure he served as President and Vice President of the Board;*

WHEREAS, *during his tenure he served on the Executive Committee; the Professional Standards Committee; and the Professional Education and Applications Committee;*

WHEREAS, *during his tenure he served on the Audit Committee; the Personnel Committee; and the Communications Committee;*

WHEREAS, *during his tenure he has faithfully and tirelessly served as a leader in the profession and is an eloquent spokesman for the best interests of the public and the profession;*

BE IT THEREFORE RESOLVED *that the members of the North Carolina State Board of Certified Public Accountant Examiners thank José Ramon Rodriguez, CPA, for his dedicated service, his personal sacrifice to serve the public interest, and his leadership to the Board.*

This the 21st day of July 2014.

Miley W. Glover, CPA
Miley W. Glover, CPA, Vice President

North Carolina State Board of
Certified Public Accountant Examiners

Greg E. Underwood, CPA
Albemarle, NC 05/22/2014

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N.C. Gen. Stat. §150B-41, the Board and the Respondent stipulate to the following:

1. Greg E. Underwood, CPA (hereinafter "Respondent firm"), is a registered certified public accounting firm in North Carolina.

2. Respondent firm received a "fail" on its most recent engagement peer review, with an acceptance letter date of September 5, 2013.

3. The failed engagement peer review noted material departures from Statements on Standards for Accounting and Review Services ("SSARS") by Respondent firm due to a failure to use the correct report language and failure to obtain written engagement letters.

4. Respondent Firm also received adverse reports in its two (2) previous peer reviews resulting in three (3) consecutive adverse reports.

5. Respondent firm wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent firm understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. Respondent firm is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondent firm's failure to comply with SSARS regarding the use of correct report language which resulted in a second failed peer review is a violation of 21 NCAC 08N .0404 and .0212.

3. By virtue of Respondent firm's consent to this order, Respondent firm is subject to the discipline set forth below.

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

1. Respondent firm is censured.

2. Respondent firm shall pay a one thousand dollar ($1,000.00) civil penalty to be remitted with this signed Consent Order.

3. Each of Respondent firm's professional staff participating in engagements subject to peer review shall take a minimum of eight (8) hours of group study Accounting and Auditing CPE related to SSARS engagements, as part of their annual CPE requirements, until such time as Respondent firm receives a pass on a system peer review, or a pass on an engagement peer review.

4. Respondent firm shall provide the Board with copies of the Peer Review Report, Letter of Response, and Final Letter of Acceptance for Respondent firm's March 31, 2015, peer review.

Billy G. Barnard, #16987
Raleigh, NC 06/19/2014

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N.C. Gen. Stat. §150B-41, the Board and Respondent stipulate to the following:

1. Billy G. Barnard (hereinafter "Respondent") is the holder of North Carolina certificate number 16987 as a Certified Public Accountant.

2. Respondent failed to register for and undergo a peer review as required when a CPA is performing review services.

3. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondent's actions as set out above constitute violations of 21 NCAC 08N .0302 and 08N .0213.

3. Per N.C. Gen. Stat. §93-12(9), and also by virtue of Respondent's consent to this order, Respondent is subject to the discipline set forth below.

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

1. Respondent shall register as a CPA firm.

2. Respondent shall remit, with this signed Order, a five hundred dollar ($500.00) civil penalty.

Smith & Smith, CPA, P.C.
Cary, NC 04/22/2014

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N.C. Gen. Stat. §150B-41, the Board and Respondent stipulate to the following:

1. Smith & Smith, CPA, P.C. (hereinafter "Respondent Firm"), is a registered certified public accounting corporation in North Carolina.

2. Respondent Firm was engaged by a Client Business to prepare its tax returns, which included the preparation of a depreciation schedule.

3. Respondent Firm did not timely provide, upon request, the Client Business with a copy of the depreciation schedule prepared by Respondent Firm.

4. There is evidence that Respondent Firm, in good faith, but erroneously complied with the rules of the AICPA regarding the return of client records, but failed to comply with the Board's rules regarding the return of client records.

5. Respondent Firm wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent Firm understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. Respondent Firm is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondent Firm's failure to provide client records upon demand constitutes violations of 21 NCAC 08N .0305(a).

3. Per N.C. Gen. Stat. §93-12(9) and also by virtue of Respondent Firm's consent to this order, Respondent Firm is subject to the discipline set forth below.

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

1. Respondent Firm is censured.

Christine Deborah Kar, #15864
Locust, NC 04/22/2014

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N.C. Gen. Stat. §150B-41, the Board and Respondent stipulate to the following:

1. Christine Deborah Kar (hereinafter "Respondent") is the holder of North Carolina certificate number 15864 as a Certified Public Accountant.

2. Respondent was an owner in a non-CPA accounting limited liability company ("non-CPA LLC").

3. Respondent offered to perform and performed a compilation, in her capacity as a CPA, through the non-CPA LLC. Per Board rules, CPAs may only offer an attest or assurance service, such as a compilation, through a registered CPA firm.

Kar
continued on page 6

Exam Candidates Encouraged to Schedule Early for Fall Testing Window

The National Association of State Boards of Accountancy (NASBA) is warning Uniform CPA Exam (Exam) candidates that the Fall 2014 testing window (October 1 - November 30) will not be extended to accommodate the US Thanksgiving holiday, which falls on Thursday, November 27, 2014.

NASBA, the American Institute of CPAs (AICPA), and Prometric strongly recommend that candidates schedule their Exam testing appointments as soon as possible to ensure that they have adequate time to complete testing before the Thanksgiving holiday.

According to NASBA, applying early gives a candidate a better chance of securing a testing position, as well as his or her preferred time and location. NASBA suggests candidates schedule at least 45 days before the desired test date(s) to receive the first choice of date, time and location.

Candidates ***must*** schedule each Exam appointment at least (5) five days in advance of the test date and each Exam section must be taken within the time period for which the Notice to Schedule (NTS) is valid (*i.e.*, before it expires).

As a reminder, boards of accountancy, NASBA, and Prometric are not responsible if candidates cannot schedule an appointment before an NTS expires.

In Memoriam: Scott L. Cox

Scott L. Cox, a former member of the North Carolina State Board of CPA Examiners, died June 28, 2014.

A public member of the Board from 1995 to 2004, Cox served as Secretary-Treasurer of the Board; Chair of the Professional Education & Applications Committee; and Chair of the Communications Committee.

He also served as a member of the Executive Committee; the Personnel Committee; the Professional Standards Committee; and the Audit Committee.

Cox began his career as a commercial insurance agent at Aetna Life & Casualty and since 1986, had been a Vice President at Wells Fargo Insurance Services and its predecessors.

He was regarded as one of the nation's foremost insurance experts on temporary staffing firms and was recognized multiple times by the North Carolina Association of Staffing Professionals for his expertise and support of the industry.

Cox, known for his gregarious nature, was a member of Christ Episcopal Church in Charlotte where he was a Sunday school teacher, acolyte advisor, and member of the Liturgical Committee.

Through the Church, he began volunteering with Habitat for Humanity of Charlotte and enjoyed helping build homes for low-income families and repairing homes for the elderly and disabled.

Cox is survived by his wife Patricia; his daughter Elizabeth ("Scottie"); his sons William and Thomas; and his sister Carla.

Memorials may be sent to Christ Episcopal Church, 1412 Providence Rd., Charlotte, NC 28207; or Habitat for Humanity of Charlotte, PO Box 220287, Charlotte, NC 28222.

Kar *continued from page 5*

4. In preparing the compilation, Respondent failed to conform to Statements on Standards for Accounting and Review Services ("SSARS").

5. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondent's offer to perform and performance of a compilation, in her capacity as a CPA, through a non-CPA LLC constitute violations of 21 NCAC 08N .00202(b)(9) and .0302(a).

3. Respondent's failure to conform to SSARS is a violation of 21 NCAC 08N .0404.

4. Per N.C. Gen. Stat. §93-12(9) and also by virtue of Respondent's consent to this order, Respondent is subject to the discipline set forth below.

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

1. Respondent is censured.

2. Respondent shall remit, with this signed Order, a one thousand dollar ($1,000) civil penalty.

3. Respondent shall complete eight (8) hours of SSARS continuing professional education ("CPE") coursework as part of her 2014 annual CPE requirement.

Daniel R. Chappell, #19229
Fuquay-Varina, NC 04/27/2014

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N.C. Gen. Stat. §150B-41, the Board and Respondent stipulate to the following:

1. Daniel R. Chappell (hereinafter "Respondent") is the holder of North Carolina certificate number 19229 as a Certified Public Accountant.

2. Respondent informed the Board on his 2012-2013 individual certificate renewal ("Renewal") that he had completed all necessary courses to meet the 2011 CPE requirements.

3. Based on Respondent's representation, the Board accepted his Renewal.

4. Board staff requested that Respondent provide certificates of completion for the CPE reported to meet his 2011 CPE requirements.

5. Respondent was unable to provide documentation for all 2011 CPE that he claimed on his Renewal.

6. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

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

3. Per N.C. Gen. Stat. §93-12(9), and also by virtue of Respondent's consent to this order, Respondent is subject to the discipline set forth below.

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

1. The Certified Public Accountant certificate issued to Respondent, Daniel R. Chappell, is suspended for one (1) year, but the suspension is stayed subject to Respondent's compliance with paragraphs 2, 3, and 4 below.

2. Respondent shall, by September 30, 2014, complete forty (40) hours of CPE which may not be used to meet his 2013 or 2014 CPE requirements.

3. Respondent shall remit, with the signed Consent Order, a one thousand dollar ($1,000.00) civil penalty.

Reclassifications

At its July 21, 2014, meeting, the Board approved the following applications for reclassification:

Reinstatement

Benjamin M. Guion, #12442	Davidson, NC
Kristina Klim Holler, #21204	Rock Hill, SC
Hillary Jane Michaud, #17534	Baltimore, MD
Catherine Lynn Palermo, #21625	Gulf Breeze, FL
Jason Duane Wimmer, #28621	Zebulon, NC
Wendy Jackson Wood, #22896	Brandon, MS

Reissuance

Victoria Lorraine Johnson, #27625	Charlotte, NC
Rhonda Ann Thomas, #30248	Wilmington, NC

4. Respondent shall remit, with the signed Consent Order, one thousand dollars ($1,000.00) in administrative costs incurred by the Board in its investigation of this matter.

Officers Elected

At the July 21, 2014, Board meeting, the members of the Board elected a new President and Vice President for the remainder of the 2014-2015 term.

Elected to office were Miley W. ("Bucky") Glover, CPA, President; and Michael H. Womble, CPA, Vice President.

Wm. Hunter Cook, CPA, will continue to serve as Secretary-Treasurer.

2014 Day of Service

Registration is now open for the third annual CPA Day of Service hosted by the NC Association of CPAs (NCACPA).

The event, scheduled for Friday, September 19, 2014, gives CPAs the opportunity to give back to charitable organizations of their choice.

For more information on how you or your firm can get involved in the Day of Service, visit **www.ncacpa.org/service.**

Board Office Closed

In accordance with the holiday schedule adopted by the State of North Carolina, the Board office will be closed on the following date:

September 1, 2014
Labor Day

2014 Board Meetings

September 22

October 23

November 17

December 15

Meetings of the Board are open to the public and, unless otherwise noted, are held at the Board office at 1101 Oberlin Road, Raleigh, and begin at 10:00 a.m.

Certificates Issued

At its July 21, 2014, meeting, the Board approved the following applicants for licensure as North Carolina CPAs:

Ken Robert Adams
Dandan Ai
Nii Kpakpo-Oti Ankrah
Brent McNeill Ashburn
Kristin Teresa Baker
Maylen Bernal
Charles Zachary Bilinski
Dexter Thomas Blackwell
Michelle Elaine Boch
Elizabeth Ann Bowman
Amanda Smoak Brinkley
Stanley Fred Brooks
Stephanie Lynn Cardwell
Carolyn Ann Castle
Matthew Joseph Chatelain
Christopher Donald Class
Catherine Leigh Collins
Ryan Gregory Cornell
Hannah Lee Davis
Samantha Anne Davis
Adam Charles DeMattia
Tenley Elizabeth Desjardins
Ghassan Antonios Dib
Lauren Anne Donatelli
Rosquan Murphy Duncan
Claire Covington Duren
Enajevwe Eruotor
Luis Alexis Espinosa
John Michael Feeney
Jonathan Marshall Ferguson
Michael Phillip Fianchino
Timothy West Fowler
Kenneth Charles Gillespie
Adam Michael Glass
Karen Narvaez Guerriero
Eljahona Arah Harris
Kimberly Elizabeth Heller
Paul Howard Hibbett, III
Jasmine Renee Hill
Elizabeth Austin Hodges
Robin Michelle Horn
Robert Lee Hutchinson, IV
Cristian Ianos
Stephanie Renae Joyner
Shruti Sandeep Juneja
Harrison Grant Krieger
Jody Jon Krueger
Christopher Michael Lapp
John William Lucas
Rachel Christina Luckhardt
Michael A. Luistro
Brittney Erin Lunsford
Arun Malik
Robert Herman Manion, IV
Jennifer Rebecca Maready
Heather Leigh Marshall
Emma Louise May
Corey Alexandra McFadden
Amy Elizabeth Miller
Kenneth McElroy Moran
Amy Louise Neilson
Coretta Lynne Bell Peel
Morgan Callicutt Perry
Ricky Alan Perry, Jr.
Michael Jason Petro
Clifford Kendall Pierce
Christopher Kent Pittman
Kelly Diane Pittman
Andrew David Power
Jason Christopher Priest
David Janes Pyland
Sean Ryan Quillen
Michael George Raible
John Stewart Reid
Bradley Howard Ritter
Richard Edward Rogers
Cindy Lynne Rothstein
Katherine Ann Rowles
Damarus Markece Sanders
Jeffrey Douglas Sanders
Dana Leslie Saxe
Kc Spangle
Jonathan Gibson Stark
Patrick Houston Starnes
Susan Michelle Swanson
Alan Joseph Taylor
Brian Patrick Thrasher
Linda Susan Torborg
Adam Lawrence Van Cleave
Bryan Scot Van Demark
David Benjamin Walker
Benjamin Worthington Walters
Liping Wang
Shao Dong Wang
Erin Marie Nelson Wheeler
Kevin Richard White
Katherine Marie Witte
Bradford Christian Woolery
Yuanyuan Xiao
Katharine Sue Yager

State Board of CPA Examiners

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Miley W. ("Bucky") Glover, CPA
President, Monroe

Michael H. Womble, CPA
Vice President, Eastover

Wm. Hunter Cook, CPA
Secretary-Treasurer, Charlotte

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Member, Morrisville

Murchison B. ("Bo") Biggs, CPA
Member, Lumberton

George W. Rohe, CPA
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Notice of Address Change

Please Print Legibly

Full Name:	
Certificate No.:	Last 4 Digits of SSN:
Home Address:	
City/State/Zip:	
Home Phone:	Home Fax:
Home Email:	
Firm/Business Name:	
Business Address:	
City/State/Zip:	
Business Phone:	Business Fax:
Business Email:	
Signature:	
Date:	Send mail to: ☐ Home ☐ Business

Mail form to: PO Box 12827, Raleigh, NC 27605
Fax form to: (919) 733-4209

Pursuant to 21 NCAC 08J .0107, all certificate holders & CPA firms shall notify the Board in writing within 30 days of any change in home address & phone number; CPA firm address & phone number; business location & phone number; & email address.

Activity Review

North Carolina State Board of Certified Public Accountant Examiners

1101 Oberlin Rd., Ste. 104 • PO Box 12827 • Raleigh, NC 27605 • 919-733-4222 • www.nccpaboard.gov • No. 09-2014

IRS Updates Warning about Scams

The Internal Revenue Service (IRS) and the Treasury Inspector General for Tax Administration (TIGTA) continue to hear from taxpayers who have received unsolicited calls from individuals demanding payment while fraudulently claiming to represent IRS.

Based on the 90,000 complaints that TIGTA has received through its telephone hotline, TIGTA has identified approximately 1,100 victims who have lost an estimated $5 million from these scams.

For more information or to report a scam, go to **www.irs.gov** and type "scam" in the search box.

IRS Form 2848

The Internal Revenue Service (IRS) has again revised Form 2848, *Power of Attorney and Declaration of Representative*, but unless you read the instructions, you'll miss one of the important changes.

The instructions now tell practitioners how to get a list of their active authorizations on file with the IRS.

Authorizations automatically stay on file with the IRS for seven (7) years, which means that the IRS will contact you to speak on behalf of your client, even if you are not engaged to do so.

For more information, go to **www.irs.gov** and type "Form 2848" in the search box.

Should I Move to the Cloud?

According to an August 2014 survey report from Emergent Research and Intuit Inc., nearly 80 percent of U.S. small businesses intend to be fully adapted to cloud computing by 2020, more than doubling the current 37 percent rate.

With a prediction like that, it is easy to see why CPAs and CPA firms are asking the Board, "Should I move to the cloud?"

Although the Board cannot answer that question for you, it can provide you with resources to help you decide if the cloud is right for you, your firm, and your clients.

First and foremost, remember that every CPA must comply with 21 NCAC 08N .0205, *Confidentiality*. A CPA is responsible for maintaining the confidentiality of information obtained in the course of employment or a professional engagement.

This means that any information stored in paper or electronic files, in your office, on your computer, cell phone, tablet, or storage device must be kept confidential even when such information is sent by fax or email or moved and stored in the cloud.

Here are a few things for you to consider when making the decision to move to the cloud:

- How do you want to use the cloud? For backup, disaster recovery, archiving or storage? For document collaboration, file sharing, on-site computer support? Cloud-based computing and applications?
- What benefit(s) would the cloud bring to you and/or your clients?
- Do you need a consumer cloud or an enterprise cloud?
- From a security standpoint, what safeguards are provided?
- Which cloud would house your data?
- The cloud is a shared responsibility; do you know what your responsibilities are?
- Does your liability insurance policy cover your use of the cloud? If so, how?
- Have an IT expert who is knowledgeable about the cloud review any contract for cloud services before you sign the contract.

For your convenience, we have posted a number of articles about the cloud on the Board's website, **www.nccpaboard.gov**. Click on the Resources tab and select the "Info You Can Use" section.

The Board does not endorse or recommend any products referenced in the articles provided on the website.

In This Issue

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Disciplinary Actions

Jun B. Chung, #24389
CHUNG CPA, PA
Carrboro, NC 07/21/2014

THIS CAUSE coming before the North Carolina State Board of Certified Public Accountant Examiners (the "Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, at public hearing ("Hearing"), with a quorum present, the Board finds, based on the evidence presented at the Hearing on July 21, 2014, that:

Findings of Fact

1. Respondent Jun B. Chung (hereinafter "Respondent Chung") is the holder of a certificate as a Certified Public Accountant in North Carolina.

2. Respondent CHUNG CPA, PA (hereinafter "Respondent Firm"), is a registered certified public accounting professional corporation in North Carolina. During all time relevant to these matters, Respondent Chung was the sole owner of Respondent Firm.

3. The Board has jurisdiction over Respondents and the subject matter of this action.

4. Respondents received at least fifteen (15) days written notice of the Hearing. The notice was achieved by serving a Notice of Hearing by personal service, certified mail, or other method of delivery authorized by N.C. Gen. Stat. §150B-42(a).

5. Venue is proper and the Hearing was properly held at 1101 Oberlin Road, Raleigh, North Carolina.

6. Respondents did not object to any Board Member's participation in the Hearing of this matter.

7. Respondents were present at the Hearing but were not represented by counsel.

8. Respondents have provided services subject to peer review for a period of six (6) years without undergoing a peer review.

9. Respondents were aware of the requirement to undergo peer review and, in fact, began the peer review process, but never completed that process and obtained a peer review.

10. Respondent Chung, on behalf of the Respondent Firm, completed online firm renewals for 2010, 2011, and 2012.

11. As part of the firm renewal, Respondent Chung was asked to check blocks indicating whether the Respondent Firm performed audits, reviews, or compilations, all of which would require a peer review.

12. Respondent Chung did not disclose that he performed audits, reviews, or compilations on the 2010, 2011, or 2012 firm renewals.

Conclusions of Law

1. Per N.C. Gen. Stat. §150B-42, this Board Order constitutes a Final Agency Decision of the Board.

2. 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. Pursuant to N.C. Gen. Stat. §93-12(9), the Board has the authority to impose discipline upon the Respondents and Respondent Chung's certificate and to impose civil monetary penalties.

3. Respondent Chung's willful failure to ensure that Respondent Firm completed peer reviews constitutes a violation of 21 NCAC 08M .0105 and 08N .0213.

4. Respondent Chung's failures to disclose audits and reviews on Respondent Firm's renewals constitute violations of 21 NCAC 08N .0202 and .0203.

BASED ON THE FOREGOING, the Board orders in a vote of seven (7) to zero (0) that:

1. The Certified Public Accountant certificate issued to Respondent Chung is hereby permanently revoked.

1. The firm registration for Respondent Firm is hereby cancelled.

2. Neither Respondent Chung nor Respondent Firm shall offer or render services as a CPA or CPA firm, or otherwise trade upon or use the CPA title in this State either through CPA mobility provisions or substantial equivalency practice privileges or in any other manner, nor shall Respondent Chung or Respondent Firm claim or attempt to use any practice privileges in any other state based upon Respondent Chung's permanently revoked North Carolina certificate or Respondent Firm's cancelled CPA firm registration.

William J. Norwood, #23459
Rocky Mount, NC 07/21/2014

THIS CAUSE coming before the North Carolina State Board of Certified Public Accountant Examiners (the "Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, at public hearing ("Hearing"), with a quorum present, the Board finds, based on the evidence presented at the Hearing on July 21, 2014, that:

Findings of Fact

1. Respondent is the holder of a certificate as a Certified Public Accountant in North Carolina.

2. The Board has jurisdiction over Respondent and the subject matter of this action.

3. Respondent received at least fifteen (15) days written notice of the Hearing. The notice was achieved by serving a Notice of Hearing by personal service, certified mail, or other method of delivery authorized by N.C. Gen. Stat. §150B-42(a).

4. Venue is proper and the Hearing was properly held at 1101 Oberlin Road, Raleigh, North Carolina.

5. Respondent did not object to any Board Member's participation in the Hearing of this matter.

6. Respondent was not present at the Hearing and was not represented by counsel.

7. Respondent informed the Board on his 2012-2013 individual certificate

2014 Board Meetings

October 29*

November 17

December 15

Meetings of the Board are open to the public and, unless otherwise noted, are held at the Board office at 1101 Oberlin Road, Raleigh, and begin at 10:00 a.m.

*Charlotte

Renewal ("Renewal") that between January 1, 2011, and June 30, 2012, he had obtained forty (40) hours of continuing professional education ("CPE"), had completed the annual approved ethics CPE course, and had completed at least eight (8) hours of non-self-study CPE to meet the 2011 CPE requirements.

8. Based on Respondent's representation, the Board accepted his Renewal.

9. Board staff requested that Respondent provide certificates of completion for the CPE reported to meet his 2011 requirements.

10. Respondent failed to provide any CPE certificates of completion as requested or respond to at least five (5) Board staff requests regarding his 2011 CPE requirements.

Conclusions of Law

1. Per N.C. Gen. Stat. §150B-42, this Board Order constitutes a Final Agency Decision of the Board.

2. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 8 of the North Carolina Administrative Code. Pursuant to N.C. Gen. Stat. §93-12(9), the Board has the authority to impose discipline upon the Respondent and Respondent's certificate and to impose civil monetary penalties.

3. Respondent's actions as set out above constitute violations of 21 NCAC 08N .0202(a), .0202(b)(3), .0202(b)(4), and .0206.

BASED ON THE FOREGOING, the Board orders in a vote of seven (7) to zero (0) that:

1. The Certified Public Accountant certificate issued to Respondent William J. Norwood is hereby permanently revoked.

2. Respondent Norwood shall not offer or render services as a CPA or otherwise trade upon or use the CPA title in this State either through CPA mobility provisions or substantial equivalency practice privileges or in any other manner, nor shall Respondent claim or attempt to use any practice privileges in any other state based upon his permanently revoked North Carolina certificate.

Notice of Apparent Violation and Demand to Cease and Desist

Curtis Worthy and
Worthy's Tax Consultant
Spring Lake, NC

To the Above-Named Respondent:

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

WHEREAS, pursuant to N.C. Gen. Stat. §93-1, "A 'certified public accountant' is a person who holds a certificate as a certified public accountant issued under the provisions of this Chapter";

WHEREAS, pursuant to N.C. Gen. Stat. §93-4, "It shall be unlawful for any firm, copartnership, or association to assume or use the title of certified public accountant, or to use any words, letters, abbreviations, symbols or other means of identification to indicate that the members of such firm, copartnership or association have been admitted to practice as certified public accountants, unless each of the members of such firm, copartnership or association first shall have received a certificate of qualification from the State Board of Certified Public Accountant Examiners or been granted a practice privilege admitting each member of the firm, copartnership, or association to practice as a certified public accountant; provided, however, that the Board may exempt those persons who do not actually practice in or reside in the State of North Carolina from registering and receiving a certificate of qualification under this section.";

WHEREAS, pursuant to N.C. Gen. Stat. §93-6, "It shall be unlawful for any person to engage in the public practice of accountancy in this State who is not a holder of a certificate as a certified public accountant issued by the Board, unless such person uses the term 'accountant' and only the term 'accountant'…"

WHEREAS, Respondent Curtis Worthy (hereinafter "Respondent Worthy") is not now, nor has he ever been, licensed as a certified public accountant in North Carolina or any other State.

WHEREAS, Worthy's Tax Consultant (hereinafter "Respondent Company") is not now, nor has it ever been registered as a CPA firm in North Carolina; and

WHEREAS, Respondents audited, and prepared audit reports for, two (2) clients in the State of North Carolina. The Respondents signed the name of a North Carolina CPA to the audit reports. However, the North Carolina CPA did not have knowledge of the audits or give permission to the Respondents to sign her name to the audit reports. The Respondents actions were misleading and contrary to N. C. Gen. Stat. §§93-1, 93-4, and 93-6.

THEREFORE, Respondents and the North Carolina State Board of Certified Public Accountant Examiners hereby agree that the Respondents shall immediately cease and desist from offering, using, or referring to in any manner the title "CPA" or "Certified Public Accountant" in North Carolina unless and until Respondent Worthy has been licensed as a CPA and Respondent Firm has been registered as a CPA firm by the North Carolina State Board of Certified Public Accountant Examiners.

North Carolina State Board of Certified Public Accountant Examiners

BY: Robert N. Brooks, Executive Director

DATE: 06/17/2014

In lieu of civil proceedings authorized by N.C. Gen. Stat. §93-12(16), the Board will accept Respondent's consent to this Demand.

CONSENTED TO BY:

Curtis Worthy, Individual authorized to sign on behalf of Worthy's Tax Consultant

Date: 06/20/2014

Additional Notices
continued on page 4

Notices *continued from page 3*

Ralph Russell Allison
Statesville, NC

To the Above-Named Respondent:

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

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

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

WHEREAS, pursuant to N. C. Gen. Stat. §93-6, "It shall be unlawful for any person to engage in the public practice of accountancy in this State who is not a holder of a certificate as a certified public accountant issued by the Board, unless such person uses the term 'accountant' and only the term 'accountant' in connection with his name on all reports, letters of transmittal, or advice, and on all stationery and documents used in connection with his services as an accountant, and refrains from the use in any manner of any other title or designation in such practice."

WHEREAS, Respondent Ralph Russell Allison (hereinafter "Respondent") is not actively licensed as a certified public accountant in North Carolina or otherwise authorized by the Board to use the CPA title in this State, but his principal place of business is in North Carolina.

WHEREAS, Respondent, in January of 2012, applied for, and was granted, "inactive" status for his North Carolina CPA license. As part of that application, Respondent agreed that "I certify under oath that I will not identify myself as a CPA to any person in any manner … as long as I remain on inactive status."

WHEREAS, Respondent, while on inactive status, identified himself, as a "CPA" to the IRS in order to obtain a PTIN registration.

WHEREAS, Respondent has utilized the PTIN to provide tax services to clients while having a principal place of business in the State of North Carolina.

WHEREAS, the aforementioned facts constitute apparent violations of N.C. Gen. Stat. §§93-3 and 93-6 and Respondent has been notified of the same.

THEREFORE, Respondent and the North Carolina State Board of Certified Public Accountant Examiners hereby agree that Respondent shall immediately cease and desist from offering or using in any manner the title "CPA" or "Certified Public Accountant" in North Carolina unless and until licensed as a CPA by the North Carolina State Board of Certified Public Accountant Examiners.

North Carolina State Board of Certified Public Accountant Examiners

BY: Robert N. Brooks, Executive Director

DATE: 03/31/2014

In lieu of civil proceedings authorized by N.C. Gen. Stat. §93-12(16), the Board will accept Respondent's consent to this Demand.

CONSENTED TO BY: Ralph Russell Allison

Date: 04/21/2014

Olivia O. Anderson
Hayesville, NC

To the Above-Named Respondent:

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

WHEREAS, pursuant to N. C. Gen. Stat. §93-1, "A 'certified public accountant' is a person who holds a certificate as a certified public accountant issued to her under the provisions of this Chapter."

WHEREAS, pursuant to N. C. Gen. Stat. §93-3, "It shall be unlawful for any person who has not received a certificate of qualification or not been granted

Certificate of Existence Scam

*The following information was provided to the Board by the Corporation Division of the Office of the Secretary of State (**www.sosnc.com**).*

North Carolina Business Filing Services, LLC, has mailed forms to NC businesses for an NC Secretary of State *2014 Certificate of Existence* at a cost of $59.99. **This is a scam**. Businesses are not required to order a *Certificate of Existence* as a step in the formation process. This company is using public information of the records of the Secretary of State's office to solicit North Carolina businesses.

If you have received this solicitation or have already sent the company money, please send a copy to the NC Secretary of State's Office by fax number (919-807-2294) or email (**notice@sosnc.com**). The NC Secretary of State's office, together with the Attorney General's Office, is taking the steps necessary to protect businesses.

Additional information is available online at **www.nccpaboard.gov/resources/infoyoucanuse/**.

a practice privilege under N.C.G.S. §93-10 admitting the person to practice as a certified public accountant to assume or use such a title, or to use any words, letters, abbreviations, symbols or other means of identification to indicate that the person using same has been admitted to practice as a certified public accountant."

WHEREAS, pursuant to N. C. Gen. Stat. §93-6, "It shall be unlawful for any person to engage in the public practice of accountancy in this State who is not a holder of a certificate as a certified public accountant issued by the Board, unless such person uses the term 'accountant' and only the term 'accountant' in connection with her name on all reports, letters of transmittal, or advice, and on all stationery and documents used in connection with her services as an accountant, and refrains from the use in any manner of any other title or designation in such practice."

WHEREAS, Respondent Olivia O. Anderson (hereinafter "Respondent") is not actively licensed as a certified public accountant in North Carolina or otherwise authorized by the Board to use the CPA title in this State, but her principal place of business is in North Carolina.

WHEREAS, Respondent, in January of 2005, applied for, and was granted, "inactive" status for her North Carolina CPA license. As part of that application, Respondent agreed that "I certify under oath that I will not identify myself as a CPA to any person in any manner … as long as I remain on inactive status."

WHEREAS, Respondent, while on inactive status, identified herself, as a "CPA" to the IRS in order to obtain a PTIN registration.

WHEREAS, Respondent has utilized the PTIN to provide tax services to clients while having a principal place of business in the State of North Carolina.

WHEREAS, the aforementioned facts constitute apparent violations of N.C. Gen. Stat. §§93-3 and 93-6 and Respondent has been notified of the same.

THEREFORE, Respondent and the North Carolina State Board of Certified Public Accountant Examiners hereby agree that Respondent shall immediately cease and desist from offering or using in any manner the title "CPA" or "Certified Public Accountant" in North Carolina unless and until licensed as a CPA by the North Carolina State Board of Certified Public Accountant Examiners.

North Carolina State Board of Certified Public Accountant Examiners

BY: Robert N. Brooks, Executive Director

DATE: 04/02/2014

In lieu of civil proceedings authorized by N.C. Gen. Stat. §93-12(16), the Board will accept Respondent's consent to this Demand.

CONSENTED TO BY: Olivia O. Anderson

Date: 04/22/2014

Reclassifications

At its August 25, 2014, meeting, the Board approved the following applications for reclassification:

Reinstatement

Elizabeth Prunka Breen, #32730	Davidson, NC
Jessica Carvajal, #32083	Charlotte, NC
Laura Corder, #20707	Shelby, NC
Nathan Lee Fenwick, #23736	Boca Raton, FL
Andrew Ray Holtgrewe, #28262	Cary, NC
Stephen Paul Jackson, Jr., #21853	Greensboro, NC

Reissuance

Karen Alisa Frazier, #27956	Durham, NC
Andrew Richard Strang, #16332	Northbrook, IL

Traci Jo Anderson
Charlotte, NC

To the Above-Named Respondent:

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

WHEREAS, pursuant to N. C. Gen. Stat. §93-1, "A 'certified public accountant' is a person who holds a certificate as a certified public accountant issued to her under the provisions of this Chapter."

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

WHEREAS, pursuant to N. C. Gen. Stat. §93-6, "It shall be unlawful for any person to engage in the public practice of accountancy in this State who is not a holder of a certificate as a certified public accountant issued by the Board, unless such person uses the term 'accountant' and only the term 'accountant' in connection with her name on all reports, letters of transmittal, or advice, and on all stationery and documents used in connection with her services as an accountant, and refrains from the use in any manner of any other title or designation in such practice."

WHEREAS, Respondent Traci Jo Anderson (hereinafter "Respondent") is not actively licensed as a certified public accountant in North Carolina or otherwise authorized by the Board to use the CPA title in this State, but her

Anderson
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Uniform CPA Exam Performance Summary for North Carolina

Second Quarter, 2014

The National Association of State Boards of Accountancy (NASBA) recently released Uniform CPA Exam performance statistics for the second quarter of 2014. North Carolina was ranked fourth out of 53 jurisdictions in candidate pass rate (60.6%) and was ranked seventh out of 53 jurisdictions in average score (75.5). During the second quarter, 887 North Carolina candidates took 1,204 sections. Of the sections taken, 857 were first time (FT) sections and 347 were re-exam (RE) sections.

Overall Performance

Unique Candidates	887
New Candidates	355
Total Sections	1204
Passing 4th Section	98
Sections/Candidate	1.36
Pass Rate	60.6%
Average Score	75.5

Section Performance

	Sections	Score	% Pass
First Time	857	76.7	65.5%
Re-Exam	347	72.5	48.4%
AUD	384	77.1	59.1%
BEC	277	76.3	65.7%
FAR	310	74.3	59.0%
REG	233	73.6	58.8%

Exam Type by Percent

Re-Exam Candidates	29%
First-Time Candidates	71%

New Candidates vs Candidates Passing 4th Section

New Candidates	355
Candidates Passing 4th Section	98

Demographics

Male Candidates	411
Female Candidates	476
Average Age	28.3

Degree Type

Bachelor's Degree	840
Advanced Degree	27
Enrolled/Other	20

Residency

In-State Address	739
Out-of-State Address	148

Notes about the Data:

The data used to develop this report was pulled from NASBA's Gateway system, which houses the Uniform CPA Examination's application and performance information for all 55 jurisdictions. The demographic data related to age, gender, and degree type is provided by the individual candidates and may not be 100% accurate.

Check the Status of Your Application

Exam and license applicants can now check the status of their applications through a link on the Board's website, **www.nccpaboard.gov**.

To check the status of his or her application, an applicant will enter his or her last name, date of birth, and the last four (4) digits of his or her Social Security number.

A screen showing the applicant's information, the pending items (required documents, payments, etc.), and the status of the pending items will display.

The applicant can contact the appropriate staff member using the comment/question box provided on-screen.

Center for Audit Quality Provides *Professional Judgment Resource* for Auditors

The Center for Audit Quality (CAQ) has created an online document to help auditors with the decision-making process so they can form auditing and accounting judgments with the appropriate professional skepticism.

The *Professional Judgment Resource* (**http://bit.ly/1rC8MEZ**) aims to assist auditors who are responding to judgment challenges arising from the increasing complexity of business transactions, the development of principles-based (or objectives-based) auditing and accounting standards, the increasing focus on estimates, and other highly subjective elements.

The *Professional Judgment Resource* provides an example of a decision-making process grounded in five essential actions: identifying and defining the issue; gathering the facts and information and identifying the relevant literature; performing the analysis and identifying alternatives; making the decision; reviewing and completing the documentation; and rationalizing the conclusion.

In addition, the *Resource* identifies several common judgment tendencies and traps that can potentially lead to bias and weaken professional skepticism. It includes illustrative examples of these tendencies, along with strategies to avoid them.

Anderson *continued from page 5*

principal place of business is in North Carolina.

WHEREAS, Respondent's license, in September of 2011, was forfeited for failure to renew her North Carolina certificate for the 2011-2012 license renewal period.

WHEREAS, Respondent, while on forfeited status, identified herself, as a "CPA" to the IRS in order to obtain a PTIN registration.

WHEREAS, Respondent has utilized the PTIN to provide tax services to clients while having a principal place of business in the State of North Carolina.

WHEREAS, the aforementioned facts constitute apparent violations of N.C. Gen. Stat. §§93-3 and 93-6 and Respondent has been notified of the same.

THEREFORE, Respondent and the North Carolina State Board of Certified Public Accountant Examiners hereby agree that Respondent shall immediately cease and desist from offering or using in any manner the title "CPA" or "Certified Public Accountant" in North Carolina unless and until licensed as a CPA by the North Carolina State Board of Certified Public Accountant Examiners.

North Carolina State Board of Certified Public Accountant Examiners

BY: Robert N. Brooks, Executive Director

DATE: 04/02/2014

In lieu of civil proceedings authorized by N.C. Gen. Stat. §93-12(16), the Board will accept Respondent's consent to this Demand.

CONSENTED TO BY: Traci Anderson

Date: 04/22/2014

www.nccpaboard.gov

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Certificates Issued

At its August 25, 2014, meeting, the Board approved the following applicants for licensure as North Carolina CPAs:

Danielle Perry Abernathy
Jennifer Staton Andrews
Kevin Cameron Archer
Danielle Nicole Atkinson
Lori Ann Aveni
Valerie Gibson Barney
Keith Edward Beam
Laina Dawn Biglow
Austin John Bramble
David Alan Campbell
Azile Kate Honeycutt Clark
Kellie Ann Marie Coberth
Sarah Rebecca Collins
Erica Lynn Curran
Spenser Patrick Davis
Amanda Leigh Dehler
Clifton Seth Dunlap
Amber Joy Dunn
Michael Lee Dunn
Samantha Marie Dunn
Agatha May Buell Eggers
Nicole Rae Ellis
Justin William Foley
Adam Daniel Forsberg
Russell David Frey
Natalie Michelle Friedman
Brian Bradley Gallagher
Henry Arthur Goodson, II
Donald Nicholas Grimes, II
David Alex Harris
Mara Lucille Henderson
Sarah Roberts Henderson
Christian Hernandez
Nicholas Joseph Heyland
Teresa Ethridge Hinson
Sarah Elizabeth Hopkins
Brianne Renee Hughes
Meagan Elisabeth Ignatowicz
Deborah Sheets Jackson
Stephanie Lee Jarvis
Steven Edward Joseph
Keith Samuel Kahn
Sharon Barnes Kerley
Zeeshan Khurshid Khan
Adam Kendall King
Lauren Marie Lewis
He Li
Alen Makitan
Alexander Joseph Mansmann
Teresa Karen McAllister
Arthur Crosswell McCall, II
Ryan Jeffrey McCarthy
Kellan Joseph McCauley
David William McCollum
Sean William McGrath
Mackenzie Alexandra Meier
Brooke Shenell Miles
Hunter Thomas Moore
Ryan Paul Moore
Jack Patrick Murphy
Kelsey Nicole Noonan
Terence Joseph O'Brien, Jr.
Jason Alexander Oliver
Mital Yogesh Patel
Charles Robert Phelps
Meredith Mabe Principe
Jennilee Megan Richardson
James Robinson, Jr.
Cynthia Ann Roeder
Ryan Andrew Rogers
Amy Jessica Romero
Danielle Christine Salek
Sarah Sumner Sanford
Chad Michael Sherin
Aaron Christopher Smith
Jason Michael Steg
Diana Stefanova Stoyneva
Josh Barth Strehle
Nathan Jamaar Tate
Allison Marie Taylor
Thomas Edward Tison
Nicki Shea Vaughn
Bruce Reynolds Volk, III
William Blake Wager
Jelissa Shania Ward
Jaamal Raishawn Whittington

State Board of CPA Examiners

Board Members

Miley W. (Bucky) Glover, CPA
President, Monroe

Michael H. Womble, CPA
Vice President, Eastover

Wm. Hunter Cook, CPA
Secretary-Treasurer, Charlotte

Tawannah G. Allen, Ed.D
Member, Morrisville

Murchison B. (Bo) Biggs, CPA
Member, Lumberton

George W. Rohe, CPA
Member, Charlotte

Jeffrey J. Truitt, Esq.
Member, Raleigh

Staff

Executive Director
Robert N. Brooks

Deputy Director
David R. Nance, CPA

Staff Attorney
Frank X. Trainor, III, Esq.

Legal Counsel
Noel L. Allen, Esq.

Administrative Services
Felecia F. Ashe
Vanessia L. Willett

Communications
Lisa R. Hearne, Manager

Examinations
Phyllis W. Elliott

Licensing
Buck Winslow, Manager
Alice Grigsby
Cammie Emery

Professional Standards
Ann J. Hinkle, Manager
Mary Beth Britt
Jean Marie Small

North Carolina State Board of
Certified Public Accountant Examiners
PO Box 12827
Raleigh NC 27605-2827

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Notice of Address Change

Please Print Legibly

Full Name:	
Certificate No.:	Last 4 Digits of SSN:
Home Address:	
City/State/Zip:	
Home Phone:	Home Fax:
Home Email:	
Firm/Business Name:	
Business Address:	
City/State/Zip:	
Business Phone:	Business Fax:
Business Email:	
Signature:	
Date:	Send mail to: ☐ Home ☐ Business

Mail form to: PO Box 12827, Raleigh, NC 27605
Fax form to: (919) 733-4209

Pursuant to 21 NCAC 08J .0107, all certificate holders & CPA firms shall notify the Board in writing within 30 days of any change in home address & phone number; CPA firm address & phone number; business location & phone number; & email address.

Activity Review

North Carolina State Board of Certified Public Accountant Examiners

1101 Oberlin Rd., Ste. 104 • PO Box 12827 • Raleigh, NC 27605 • 919-733-4222 • www.nccpaboard.gov • No. 10-2014

Review of Annual CPE Requirements

Although December 31 is a little more than two months away, it is not too early to review the annual Continuing Professional Education (CPE) requirement and your current CPE taken for the 2014 compliance year. This is also a good time to make sure that you have all of your 2013 CPE records in case you are one of the licensees selected for the audit of the 2013 CPE year.

21 NCAC 08G .0401(d) states that active CPAs must complete 40 CPE hours, computed in accordance with 21 NCAC 08G .0409, by December 31 of each year.

However, individuals whose certificate applications are approved by the Board in April, May, or June must complete 30 CPE hours during the same calendar year; individuals whose certificate applications are approved by the Board in July, August, or September must complete 20 CPE hours during the same calendar year; and individuals whose certificate applications are approved by the Board in October, November, or December must complete 10 CPE hours during the same calendar year.

For a CPA to claim credit for a CPE course, the CPA must complete the course; the course must meet the requirements set forth in 21 NCAC 08G .0404; and the course must increase the professional competency of the CPA.

Because of differences in the education and experience of CPAs, a course may contribute to the professional competency of one CPA, but may not contribute to the professional competency of another CPA.

Therefore, each CPA must exercise his or her professional judgment in selecting courses for which CPE credit is claimed and should choose only those courses that contribute to his or her professional competency.

The Board no longer registers CPE sponsors and does not approve specific CPE courses for an individual to take for compliance with the annual CPE requirement.

21 NCAC 08G .0410, *Professional Ethics and Conduct CPE*, requires that as part of the annual CPE requirement, all active CPAs complete a two-hour group-study course or self-study course on professional ethics and conduct as set forth in 21 NCAC 08N.

The two-hour course may be any course on behavioral or regulatory ethics offered by a CPE sponsor registered with the NASBA Registry of CPE Sponsors.

Because the ethics requirement is an annual requirement, carry-forward CPE hours cannot be used to satisfy the requirement.

A non-resident CPA (a licensee who neither lives nor works in North Carolina) may satisfy the annual ethics CPE requirement by completing the ethics requirements in the jurisdiction in which he or she is licensed and works or resides.

CPE

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Online Mobility Tool

The National Association of Boards of Accountancy (NASBA) and the American Institute of CPAs (AICPA) mobility site allows a CPA interested in exercising cross-border practice privileges to obtain information on licensing and registration requirements for the state(s) in which he or she intends to perform services.

The site, **CPAmobility.org**, generates information based on the CPA's answers to the following questions:

- Where is your principal place of business?
- Where are you going to perform services (target state)?
- What type of services will you perform?

The site is optimized for use on mobile devices, making it easy for CPAs to access the information when they are out of their offices or traveling.

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Disciplinary Actions

BDO USA, LLP
Raleigh, NC 08/25/2014

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N. C. Gen. Stat. §150B-41, the Board and Respondent stipulate to the following:

1. BDO USA, LLP (hereinafter "Respondent Firm") is a registered certified public accounting limited liability partnership in North Carolina.

2. Respondent Firm entered into a Deferred Prosecution Agreement ("DPA") with the United States Department of Justice on June 6, 2012.

3. The subject matter of the DPA was BDO Seidman, LLP's (now BDO USA, LLP), development, implementation, and marketing of certain tax shelters from the period of 1997 through 2003.

4. Per the DPA, the tax shelters at issue were developed by Respondent Firm's Tax Solutions Group and were designed to assist high net worth individuals to evade income taxes. According to the statement of facts attached to the DPA:

> Denis Field, former Chairman and Chief Executive Officer of BDO, and Charles Bee and Adrian Dicker, senior tax partners and members of the BDO Board of Directors managed and were primarily responsible for the activities of the Tax Solutions Group.

Respondent Firm has confirmed that the aforementioned individuals are no longer with Respondent Firm and the Tax Solutions Group is no longer in existence.

5. In the DPA, Respondent Firm consented to the filing of a one-count Information in the Southern District of New York ("Information") charging Respondent Firm with conspiracy to evade taxes via the Tax Shelters. That Information was later dismissed after BDO showed that it had complied with, and continues to comply with, the terms of the DPA.

6. Respondent Firm wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent Firm understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. Respondent Firm is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondent Firm, through the actions of its Tax Solutions Group as set forth above, violated 21 NCAC 08N .0201, .0203(a), .0207, .0211(b), and .0301(b).

3. Per N.C. Gen. Stat. §93-12(9), and also by virtue of Respondent's consent to this order, Respondent is subject to the discipline set forth below.

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

1. Respondent Firm is censured.

2. Respondent Firm shall remit, with this signed Order, a civil payment of twenty-six thousand dollars ($26,000.00).

3. Respondent Firm shall reimburse the Board for four thousand four hundred thirteen dollars and sixty cents ($4,413.60) in administrative costs incurred by the Board in its investigation of this matter. Said administrative costs must be remitted to the Board with this signed Order.

Laura B. Craver, #35684
Chicago, IL 08/25/2014

THIS CAUSE, coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N.C. Gen. Stat. §150B-41, the Board and Respondent stipulate to the following Findings:

1. Respondent is the holder of North Carolina certificate number 35684 as a Certified Public Accountant.

2. Respondent informed the Board on her 2013-2014 individual certificate Renewal ("Renewal") that between January 1, 2012, and June 30, 2013, she had obtained the requisite forty (40) hours of continuing professional education ("CPE") to meet the 2012 CPE requirements.

3. Based on Respondent's representation, the Board accepted her Renewal.

4. Board staff requested that Respondent provide certificates of completion for the CPE reported to meet her 2012 requirements.

5. Respondent was able to substantiate CPE far in excess of the base forty (40) hours of general CPE hours. However, the Respondent fell ten (10) minutes short of acceptable ethics CPE for the same time period.

2014 Board Meetings

November 17

December 15

Board Office Closed

In accordance with the holiday schedule adopted by the State of North Carolina, the Board office will be closed on the following dates:

November 11
Veterans Day

November 27-28
Thanksgiving

December 24-26
Christmas

6. Respondent was cooperative with the Board at all stages of the investigation.

7. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. 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 herein by the Board.

2. Respondent should have known, at the time that she completed her online renewal, that she did not have all of the necessary ethics CPE for 2012, resulting in a violation of 21 NCAC 08N .0202(a), .0202(b)(3), and .0202(b)(4).

3. Per N.C. Gen. Stat. §93-12(9) and also by virtue of Respondent's consent to this Order, Respondent is subject to the discipline set forth below.

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

1. Respondent, prior to December 31, 2014, must:

a. Complete an eight (8) hour accountancy law course as offered by the North Carolina Association of CPAs,

b. Submit three (3) moral character affidavits from CPAs licensed in any jurisdiction, and

c. Pay a one-thousand dollar ($1,000.00) civil monetary penalty to the Board.

2. Respondent agrees that failure to timely comply with any terms of this agreement and Consent Order shall be deemed sufficient grounds for revocation of her certificate.

Billy C. Gore, #5152
Gastonia, NC 08/25/2014

THIS CAUSE, coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N.C. Gen. Stat. §150B-41, the Board and Respondent stipulate to the following Findings:

1. Respondent is the holder of North Carolina certificate number 5152 as a Certified Public Accountant.

2. Respondent informed the Board on his 2013-2014 individual certificate Renewal ("Renewal") that between January 1, 2012, and June 30, 2013, he had obtained the requisite forty (40) hours of continuing professional education ("CPE") to meet the 2012 CPE requirements.

3. Based on Respondent's representation, the Board accepted his Renewal.

4. Board staff requested that Respondent provide certificates of completion for the CPE reported to meet his 2012 and 2013 requirements.

5. Respondent provided adequate documentation for thirty-four (34) hours of the 2012 CPE courses. He provided documentation for an additional six (6) hours; however that course did not meet the specific requirements of the Board.

6. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. 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 herein by the Board.

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

3. Per N.C. Gen. Stat. §93-12(9) and also by virtue of Respondent's consent to this Order, Respondent is subject to the discipline set forth below.

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

1. Respondent's failure to provide adequate documentation of CPE renders the Renewal insufficient and untimely. Respondent's failure to adequately renew his certificate results in an automatic forfeiture pursuant to N.C. Gen. Stat. §93-12(15).

2. Respondent must return his certificate to the Board within fifteen (15) days of Respondent's receipt of the Board's notification of its approval of this Consent Order.

3. Respondent may apply for the reissuance of his certificate after one (1) year from the date the Board approves this Consent Order and if Respondent's certificate and the civil penalty required in number five (5) of this Order have been timely received by the Board.

4. Respondent may apply to return his certificate to active status by submission and approval of a reissuance application which includes:

a. Application form,

b. Payment of the application fee,

c. Three (3) moral character affidavits, and

d. Forty-six (46.0) hours of CPE in the twelve (12) months preceding the application including an eight (8) hour accountancy law course as offered by the North Carolina Association of CPAs in a group-study format.

5. Respondent shall pay a one thousand dollar ($1,000.00) civil penalty to be remitted to the Board prior to submitting a reissuance application.

6. Respondent agrees that failure to timely comply with any terms of this agreement and Consent Order shall be deemed sufficient grounds for revocation of his certificate.

Orders

continued on page 4

Orders *continued from page 3*

R. Delang Dixon, CPA
Charlotte, NC 07/21/2014

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N. C. Gen. Stat. §150B-41, the Board and Respondent stipulate to the following:

1. R. Delang Dixon, CPA (hereinafter "Respondent firm"), is a registered certified public accounting firm in North Carolina.

2. Respondent firm received a "fail" on its most recent system peer review, with an acceptance letter date of January 7, 2014.

3. In accordance with 21 NCAC 08M .0106 requirements for all failed and second passed with deficiencies peer review reports, Respondent firm submitted to the Board a package that included the Peer Review Report, Letter of Response, and Final Letter of Acceptance.

4. The failed system peer review noted a material departure from Generally Accepted Auditing Standards ("GAAS") by Respondent firm.

5. Respondent firm wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent firm understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. Respondent firm is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondent firm's failure to comply with GAAS is a violation of 21 NCAC 08N .0403 and .0212.

3. By virtue of Respondent firm's consent to this order, Respondent firm is subject to the discipline set forth below.

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

1. Respondent firm is censured.

2. Respondent firm shall provide a written statement to the Board that it will no longer be participating in, performing, or reviewing any audit engagements subject to peer review.

3. Prior to Respondent firm participating in, performing, or reviewing any engagements subject to peer review, Respondent firm shall be required to complete the following:

a. Each of Respondent firm's professional staff participating in any audit engagements shall take a minimum of eight (8) hours each of group study CPE coursework related to Audit Planning, Audit Documentation, and Audit Reporting as part of their annual CPE requirements until such time as Respondent firm receives a pass on a system peer review; and

b. Pre-issuance reviews, to be performed by a pre-issuance reviewer approved by the Board, for all future audit engagements until determination is made by the Board that said engagements can be performed by Respondent firm in accordance with applicable standards.

Patricia J. Gillispie, CPA, P.A.
Greensboro, NC 07/21/2014

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N. C. Gen. Stat. §150B-41, the Board and the Respondent stipulate to the following:

1. Patricia J. Gillispie, CPA, P.A. (hereinafter "Respondent firm"), is a registered certified public accounting corporation in North Carolina.

2. Respondent firm received a "fail" on its most recent engagement peer review, with an acceptance letter date of September 5, 2013.

3. Per 21 NCAC 08M .0106, for all failed and second passed with deficiencies reports, Respondent firm was required to submit to the Board a package to include the Peer Review Report, Letter of Response, and Final Letter of Acceptance.

4. Initially, Respondent firm inadvertently provided only a Final Letter of Acceptance to the Board, but later provided a Peer Review Report and Letter of Response when notified that they were never received by the Board.

5. Respondent firm wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent firm understands and agrees that this Consent Order is subject to review and approval by the Board

Reclassifications

At its September 22, 2014, meeting, the Board approved the following applicants for reclassification:

Reinstatement

Carla Jean Wilmoth Hingos, #28035	Raleigh, NC
Deborah Milder Sackie, #16655	Durham, NC
Kristin Kiessling Zettlemoyer, #29170	Charlotte, NC

Reissuance

Sarah Kathryn Rodgers, #30739	Charlotte, NC
Andrew Scott Esses, #33842	Winston-Salem, NC

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. Respondent firm is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondent firm's failure to comply with SSARS 19, effective January 2012, is a violation of 21 NCAC 08N .0404 and .0212.

3. Respondent firm's initial inadvertent failure to submit to the Board copies of its Peer Review Report and Letter of Response constitutes a failure to adhere to the disclosure requirements of 21 NCAC 08M .0106(a)(4), resulting in disciplinary action by virtue of 21 NCAC 08N .0213.

4. Per N.C. Gen. Stat. § 93-12(9) and also by virtue of Respondent firm's consent to this order, Respondent firm is subject to the discipline set forth below.

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

1. Respondent firm is censured.

2. Respondent firm shall pay a one thousand dollar ($1,000.00) civil penalty to be remitted with this signed Consent Order.

3. Respondent firm's professional staff shall take at least four (4) hours of group-study Accounting and Auditing CPE coursework as part of their annual CPE requirement until such time as Respondent firm receives a pass on a system peer review or a pass or a pass with deficiencies on an engagement peer review.

Eric Michael Redner, #35678
Charlotte, NC 07/21/2014

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. Eric Michael Redner (hereinafter "Mr. Redner") is the holder of a certificate as a Certified Public Accountant in North Carolina.

2. Mr. Redner failed to timely file the annual firm registration for Eric M. Redner, 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. Mr. Redner subsequently renewed his firm registration, which was received by the Board on March 17, 2014, less than sixty (60) days from the annual firm registration date.

4. Pursuant to 21 NCAC 08J .0111(1), because Mr. Redner's infraction was for a period of less than sixty (60) days, the appropriate penalty is $100.00.

5. Mr. Redner has paid his civil penalty and consents to the entry of this Order and has waived any right to a hearing.

6. The Board members present, representing a quorum of the Board, have unanimously decided to accept Mr. Redner's payment as full resolution of the aforementioned rules violation.

Allee Drummond Humphrey, #14870
New Bern, NC 08/25/2014

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. Allee Drummond Humphrey (hereinafter "Ms. Humphrey") is the holder of a certificate as a Certified Public Accountant in North Carolina.

2. Ms. Humphrey failed to timely file the annual firm registration for Allee Drummond Humphrey, CPA, 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. Ms. Humphrey subsequently renewed her firm registration, which was received by the Board on February 24, 2014, less than sixty (60) days from the annual firm registration date.

4. Pursuant to 21 NCAC 08J .0111(1), because Ms. Humphrey's infraction was for a period of less than sixty (60) days, the appropriate penalty is $100.00.

5. Ms. Humphrey has paid her civil penalty and consents to the entry of this Order and has waived any right to a hearing.

6. The Board members present, representing a quorum of the Board, have unanimously decided to accept Ms. Humphrey's payment as full resolution of the aforementioned rules violation.

Top 50 Graduate Accounting Programs

Three North Carolina universities have made the list of the top 50 graduate accounting programs for 2014 as ranked by *Accounting Degree Review*.

UNC-CH Kenan-Flagler was ranked 12; Wake Forest University School of Business was ranked 25; and NCSU Poole College of Management was ranked 36.

The ranking evaluates the results of four rankings: US News & World Report; Public Accounting Report; Brigham Young University (research rankings); and TaxTalent.

The ranking also considers if the school has earned accounting accreditation from the Association to Advance Collegiate Schools of Business (AACSB).

The complete list is available at **www.accounting-degree.org**.

Check the Status of Your Application

Exam and license applicants can check the status of their applications through the Board's website, **www.nccpaboard.gov**.

To check the status of an application, an applicant will enter his or her last name, date of birth, and the last four (4) digits of his or her Social Security number.

A screen showing the applicant's information, the pending items (required documents, payments, etc.), and the status of the pending items will display.

CPE *continued from front*

If there is no ethics CPE requirement in the jurisdiction where a nonresident CPA is licensed and resides or works, he or she must complete a two-hour group-study or self-study course on behavioral or regulatory ethics offered by a CPE sponsor registered with the NASBA Registry of CPE Sponsors.

CPAs taking self-study courses to fulfill the Board's 40-hour CPE requirement should note that a self-study course is not considered complete until the CPE sponsor issues a Certificate of Completion. The date the Board will accept for CPE credit is the Certificate of Completion date, not the date the course was completed or the date the completed course was mailed to or received by the sponsor.

Individuals who complete self-study courses late in the year sometimes cannot claim CPE credit for that calendar year because the CPE sponsor issues the Certificate of Completion in the next calendar year. It is strongly suggested that CPAs who plan to use self-study courses to fulfill the CPE requirement complete the courses and submit them to the sponsor(s) as soon as possible.

CPAs cannot claim reading accounting journals, periodicals, reference guides, or related materials and taking a test designed to assess reading comprehension as credit for CPE. No CPE credit is allowed for examinations alone; CPE credit is only allowed for examinations that test a CPA's knowledge of a particular set of study materials as prepared in a formal CPE program.

If a CPA fails to complete the CPE requirements prior to the end of the previous calendar year, but completes the requirements by June 30, the Board will issue a letter of warning for the first such failure within a five (5) calendar year period.

For the second such failure within a five (5) calendar year period, the Board will deny the renewal of the CPA's certificate for a period of not less than 30 days and until the CPA meets the reinstatement requirements set forth in 21 NCAC 08J .0106.

If you have questions about CPE, contact Cammie Emery at (919) 733-1423 or **cemery@nccpaboard.gov**.

Certificates Issued

At its September 22, 2014, meeting, the Board approved the following applicants for licensure as North Carolina CPAs:

Freddie Acevedo
Shweta Agarwal
David Joseph Anderson
Joseph Bruce Baker, Jr.
Morgan Claire Bauserman
George Bernard Bosworth
Cameron Bruce Bottolfson
Therese Reynolds Burkhart
Travonna Patrice Casey
Adam Paul Castic
Jonathan Dean Castrey
Mary Brooke Cecchini
Saad Farooq Chaudhary
Laura Isabell Collonia
Astra Danielle Cope
Raymond Franklin Coppedge, IV
Gary Richard Couillard
Ryan Patrick Crowe
Hilary Elizabeth Davenport Clay
Patrick De Wan
John Gary Dean
Valerie Marie Derrick
Andrew Joseph DiFilippantonio
Jennifer J. Dusic
Maryknoll Caoile Elliott
Daniel Elijah Epler
Kendra Leigh Ferguson
Lindsay Elizabeth Ford
Katherine Mary Frankel
Steven Laurance Gargano
Matthew Grayson Garner
William Pershing Geiger
George Carlyle Gourley
Robin Johnson Griffith
Tamara Jo Hart
Tonia Hartman Hedrick
Edwin London Henry
Wilson McLean Hicks
Dustin Andrew Houdyshell
Ella Baille Howell
Karsten Noel Perry Huff
Mitchel Paul Janocha
Mariko Ishikawa Joseph
Jacob Tyler Karr
Lauren Elizabeth Killick
Mary Magarene Kirkland
Olena A. Koehler
Eric Scott Kuthe
Brian Tracy Lee
Minxue Lin
John James Little
Matthew Longobardi
Carrie Minette Love
Nathan Charles Lynch
Lisa Marie Malangoni
Carl Sheldon Marcus
Benjamin Kle McCorkle
Adam James McCutcheon
Matthew Aaron McKinney
Courtney Lin Merton
Sara Esta Mets
Lori Ann Mitchell
Thomas Joseph Molony
Susanne Daniela Muecke
Mary Ann Ouzts
Tayebe Jassmine Pajooh
Alpa Mukesh Patel
Meera P. Phaltankar
Margret Jean Phelps
Henry Matthew Phillips
Jeramee John Phillips
Joseph Thomas Pierri
Nicole Keating Reeve
Jennifer Lorraine Romanski
John Joseph Rooney
Layna Rachel Roycraft
Pierce Henry Rukrigl
Lauren Ann Sargent
Sarah Elizabeth Schaefer
Teryn Ann Shaw
Indira Sivadasan
Robert Culp Slough
Joseph Alan Smith
Danielle Nicole Spaugh
Tyler Blake Stallings
Kimberly Frances Staton
Jonathan James Stine
John Woodson Stringer
Laurie Ellen Summerland
Alyssa McKenzie Sutherland
William Knox Tate, III
Charles Benjamin Taylor
Ryan Jeffrey Todd
James Peter Tokryman
David Thomas Trautmann
Katherine Marie Von Achen
Yaser Ali Warrich
Henrietta Weaver
Amanda Marie Williams
Seth Alan Woods
Joy Ann Yeates
Andrew Robinson York
Aaron John Zafiroff

Notice of Apparent Violation and Demand to Cease and Desist

W. Scott Luper
Asheville, NC

To the Above-Named Respondent:

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

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

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

WHEREAS, pursuant to N. C. Gen. Stat. §93-6, "It shall be unlawful for any person to engage in the public practice of accountancy in this State who is not a holder of a certificate as a certified public accountant issued by the Board, unless such person uses the term 'accountant' and only the term 'accountant' in connection with his name on all reports, letters of transmittal, or advice, and on all stationery and documents used in connection with his services as an accountant, and refrains from the use in any manner of any other title or designation in such practice."

WHEREAS, Respondent W. Scott Luper (hereinafter "Respondent") is not actively licensed as a certified public accountant in North Carolina or otherwise authorized by the Board to use the CPA title in this state, but his principal place of business is in North Carolina; and

WHEREAS, Respondent, in January of 2009, applied for and was granted "inactive" status for his North Carolina CPA license. As part of that application, Respondent agreed that "I certify under oath that I will not identify myself as a CPA to any person in any manner … as long as I remain on inactive status."

WHEREAS, Respondent, while on inactive status, utilized the CPA title and allowed himself to be identified on the Kingdom Advisors website and other Internet listings as a "CPA." Respondent's use of the title "CPA" or "Certified Public Accountant" conveys the false impression that he is authorized to use a title other than 'accountant' when, in fact, he is not lawfully authorized to use the title "certified public accountant" or "CPA" in this State. Such a representation is misleading and contrary to N. C. Gen. Stat. §93-1, §93-3, and §93-6.

THEREFORE, Respondent W. Scott Luper and the North Carolina State Board of Certified Public Accountant Examiners hereby agree that Respondent shall immediately cease and desist from offering or using in any manner the title "CPA" or "Certified Public Accountant" in North Carolina unless and until licensed as a CPA by the North Carolina State Board of Certified Public Accountant Examiners.

North Carolina State Board of Certified Public Accountant Examiners

BY: Robert N. Brooks, Executive Director

DATE: 03/28/2014

In lieu of civil proceedings authorized by N.C. Gen. Stat. §93-12(16), the Board will accept Respondent's consent to this Demand.

CONSENTED TO BY: W. Scott Luper

DATE: 04/19/2014

Joe Perry Calderwood
Weaverville, NC

To the Above-Named Respondent:

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

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

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

WHEREAS, pursuant to N. C. Gen. Stat. §93-6, "It shall be unlawful for any person to engage in the public practice of accountancy in this State who is not a holder of a certificate as a certified public accountant issued by the Board, unless such person uses the term 'accountant' and only the term 'accountant' in connection with his name on all reports, letters of transmittal, or advice, and on all stationery and documents used in connection with his services as an accountant, and refrains from the use in any manner of any other title or designation in such practice."

WHEREAS, Respondent Joe Perry Calderwood (hereinafter "Respondent") is not actively licensed as a

Calderwood
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Calderwood *continued from page 7*

certified public accountant in North Carolina or otherwise authorized by the Board to use the CPA title in this state, but his principal place of business is in North Carolina.

WHEREAS, Respondent, in April of 2013, applied for, and was granted, "inactive" status for his North Carolina CPA license. As part of that application, Respondent agreed that "I certify under oath that I will not identify myself as a CPA to any person in any manner … as long as I remain on inactive status."

WHEREAS, Respondent, while on inactive status, identified himself, as a "CPA" to the IRS in order to obtain and/or maintain a PTIN registration.

WHEREAS, Respondent has utilized the PTIN to provide tax services to clients while having a principal place of business in the State of North Carolina.

WHEREAS, the aforementioned facts constitute apparent violations of N.C. Gen. Stat. §§93-3 and 93-6 and Respondent has been notified of the same.

THEREFORE, Respondent and the North Carolina State Board of Certified Public Accountant Examiners hereby agree that Respondent shall immediately cease and desist from offering or using in any manner the title "CPA" or "Certified Public Accountant" in North Carolina unless and until licensed as a CPA by the North Carolina State Board of Certified Public Accountant Examiners.

North Carolina State Board of Certified Public Accountant Examiners

BY: Robert N. Brooks, Executive Director

DATE: 05/15/2014

In lieu of civil proceedings authorized by N.C. Gen. Stat. §93-12(16), the Board will accept Respondent's consent to this Demand.

CONSENTED TO BY: Joe Perry Calderwood

DATE: 06/04/2014

Vicky Bellafato
Granite Falls, NC

To the Above-Named Respondent:

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

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

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

WHEREAS, pursuant to N. C. Gen. Stat. §93-4, "It shall be unlawful for any firm, copartnership, or association to assume or use the title of certified public accountant, or to use any words, letters, abbreviations, symbols or other means of identification to indicate that the members of such firm, copartnership or association have been admitted to practice as certified public accountants, unless each of the members of such firm, copartnership or association first shall have received a certificate of qualification from the State Board of Certified Public Accountant Examiners or been granted a practice privilege admitting each member of the firm, copartnership, or association to practice as a certified public accountant; provided, however, that the Board may exempt those persons who do not actually practice in or reside in the State of North Carolina from registering and receiving a certificate of qualification under this section."

WHEREAS, pursuant to N. C. Gen. Stat. §93-6, "It shall be unlawful for any person to engage in the public practice of accountancy in this State who is not a holder of a certificate as a certified public accountant issued by the Board, unless such person uses the term 'accountant' and only the term 'accountant' in connection with his name on all reports, letters of transmittal, or advice, and on all stationery and documents used in connection with his services as an accountant, and refrains from the use in any manner of any other title or designation in such practice."

WHEREAS, Respondent Vicky Bellafato (hereinafter "Respondent") is not now nor has she ever been licensed as a certified public accountant in North Carolina or otherwise authorized by the Board to use the CPA title in this state, but she resides in North Carolina.

WHEREAS, while in North Carolina, Respondent utilized an email address that implied she was a CPA in violation of N. C. Gen. Stat. §93-3.

WHEREAS, while in North Carolina, Respondent operated a business that utilized the term "CPA" in its title in apparent violation of N. C. Gen. Stat. §§93-3 and 93-6 and Respondent has been notified of the same.

THEREFORE, Respondent and the North Carolina State Board of Certified Public Accountant Examiners hereby agree that Respondent shall immediately cease and desist from offering or using in any manner the title "CPA" or "Certified Public Accountant" in North Carolina unless and until licensed as a CPA by the North Carolina State Board of Certified Public Accountant Examiners.

North Carolina State Board of Certified Public Accountant Examiners

BY: Robert N. Brooks, Executive Director

DATE: 07/22/2014

In lieu of civil proceedings authorized by N.C. Gen. Stat. §93-12(16), the Board will accept Respondent's consent to this Demand.

CONSENTED TO BY: Vicky Bellafato

DATE: 08/01/2014

Ernest L. Davis
Charlotte, NC

To the Above-Named Respondent:

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

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

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

WHEREAS, pursuant to N. C. Gen. Stat. §93-6, "It shall be unlawful for any person to engage in the public practice of accountancy in this State who is not a holder of a certificate as a certified public accountant issued by the Board, unless such person uses the term 'accountant' and only the term 'accountant' in connection with his name on all reports, letters of transmittal, or advice, and on all stationery and documents used in connection with his services as an accountant, and refrains from the use in any manner of any other title or designation in such practice."

WHEREAS, Respondent Ernest L. Davis (hereinafter "Respondent") is not licensed as a certified public accountant in North Carolina or otherwise authorized by the Board to use the CPA title in this state, but his principal place of business is in North Carolina.

WHEREAS, Respondent has identified himself as a "CPA" to the IRS in order to obtain or maintain a PTIN registration.

WHEREAS, Respondent has utilized the PTIN to provide tax services to clients while having a principal place of business in the State of North Carolina.

WHEREAS, Respondent has previously been informed by the Board, and he agreed, that he may not use the CPA title in this state.

WHEREAS, the aforementioned facts constitute apparent violations of N.C. Gen. Stat. §§93-3 and 93-6 and Respondent has previously been notified of the same.

THEREFORE, Respondent and the North Carolina State Board of Certified Public Accountant Examiners hereby agree that Respondent shall immediately cease and desist from offering or using in any manner the title "CPA" or "Certified Public Accountant" in North Carolina unless and until licensed as a CPA by the North Carolina State Board of Certified Public Accountant Examiners.

North Carolina State Board of Certified Public Accountant Examiners

BY: Robert N. Brooks, Executive Director

DATE: 06/20/2014

In lieu of civil proceedings authorized by N.C. Gen. Stat. §93-12(16), the Board will accept Respondent's consent to this Demand.

CONSENTED TO BY: Ernest L. Davis

DATE: 07/11/2014

Sandra O. Frempong
Asheville, NC

To the Above-Named Respondent:

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

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

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

WHEREAS, pursuant to N. C. Gen. Stat. §93-6, "It shall be unlawful for any person to engage in the public practice of accountancy in this State who is not a holder of a certificate as a certified public accountant issued by the Board, unless such person uses the term 'accountant' and only the term 'accountant' in connection with his name on all reports, letters of transmittal, or advice, and on all stationery and documents used in connection with his services as an accountant, and refrains from the use in any manner of any other title or designation in such practice."

WHEREAS, Respondent Sandra O. Frempong (hereinafter "Respondent") is not actively licensed as a certified public accountant in North Carolina or otherwise authorized by the Board to use the CPA title in this state, but her principal place of business is in North Carolina.

WHEREAS, Respondent, in July of 2007, applied for, and was granted, "inactive" status for her North Carolina CPA license. As part of that application, Respondent agreed that "I certify under oath that I will not identify myself as a CPA to any person in any manner … as long as I remain on inactive status."

WHEREAS, Respondent, while on inactive status, identified herself, as a "CPA" to the IRS in order to obtain a PTIN registration.

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WHEREAS, Respondent has utilized the PTIN to provide tax services to clients while having a principal place of business in the State of North Carolina.

WHEREAS, the aforementioned facts constitute apparent violations of N.C. Gen. Stat. §§93-3 and 93-6.

THEREFORE, Respondent and the North Carolina State Board of Certified Public Accountant Examiners hereby agree that Respondent shall immediately cease and desist from offering or using in any manner the title "CPA" or "Certified Public Accountant" in North Carolina unless and until licensed as a CPA by the North Carolina State Board of Certified Public Accountant Examiners.

North Carolina State Board of Certified Public Accountant Examiners

BY: Robert N. Brooks, Executive Director

DATE: 06/20/2014

In lieu of civil proceedings authorized by N.C. Gen. Stat. §93-12(16), the Board will accept Respondent's consent to this Demand.

CONSENTED TO BY: Sandra O. Frempong

DATE: 07/10/2014

Peter Gimbal
Wilmington, NC

To the Above-Named Respondent:

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

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

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

WHEREAS, pursuant to N. C. Gen. Stat. §93-6, "It shall be unlawful for any person to engage in the public practice of accountancy in this State who is not a holder of a certificate as a certified public accountant issued by the Board, unless such person uses the term 'accountant' and only the term 'accountant' in connection with his name on all reports, letters of transmittal, or advice, and on all stationery and documents used in connection with his services as an accountant, and refrains from the use in any manner of any other title or designation in such practice."

WHEREAS, Respondent Peter Gimbal (hereinafter "Respondent") is not actively licensed as a certified public accountant in North Carolina or otherwise authorized by the Board to use the CPA title in this state, but his principal place of business is in North Carolina.

WHEREAS, Respondent, in July of 2010, applied for and was granted "inactive" status for his North Carolina CPA license. As part of that application, Respondent agreed that "I affirm that I will not identify myself as a CPA to any person in any manner … as long as I am on inactive status…."

WHEREAS, Respondent, while on inactive status, identified himself, as a "CPA" to the IRS in order to obtain or maintain a PTIN registration.

WHEREAS, Respondent has utilized the PTIN to provide tax services to clients while having a principal place of business in the State of North Carolina.

WHEREAS, the aforementioned facts constitute apparent violations of N.C. Gen. Stat. §§93-3 and 93-6.

THEREFORE, Respondent and the North Carolina State Board of Certified Public Accountant Examiners hereby agree that Respondent shall immediately cease and desist from offering or using in any manner the title "CPA" or "Certified Public Accountant" in North Carolina unless and until licensed as a CPA by the North Carolina State Board of Certified Public Accountant Examiners.

North Carolina State Board of Certified Public Accountant Examiners

BY: Robert N. Brooks, Executive Director

DATE: 06/25/2014

In lieu of civil proceedings authorized by N.C. Gen. Stat. §93-12(16), the Board will accept Respondent's consent to this Demand.

CONSENTED TO BY: Peter Gimbal

DATE: 07/15/2014

Check Your CPE Carry-forward Online

Did you know you can check your CPE carry-forward through the "Licensee Search" function of the Board's website, **www.nccpaboard.gov**?

To verify your hours, click on the "Licensee Search" link on the home page, then search for yourself using your name or certificate number. After your record is displayed, click on the "details" link. The number of CPE carry-forward hours will be displayed below your address and telephone number.

If there is a discrepancy in the number of carry-forward hours, please contact Cammie Emery at (919) 733-1423 or **cemery@nccpaboard.gov**.

www.nccpaboard.gov

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Inactive Status

"Inactive," when used to refer to the status of a person, describes a person who has requested inactive status and been approved by the Board and who does not use the title "certified public accountant" nor does he or she allow anyone to refer to him or her as a "certified public accountant," and neither he nor she nor anyone else refers to him or her in any representation as described in Rule .0308(b) of this Section [21 NCAC 08A .0301(b)(20)].

06/24/2014

Charles David Capps, #13191, Asheville, NC
Erika Janice Rotheim, #24497, New York, NY
Curtis Scott Ruppal, #27861, Grand Rapids, MI
Maryam Munir Shabon, #33127, Chantilly, VA

06/26/2014

Hershall Matthew Brown, #2224, Jacksonville, NC
Mary Katherine Brown, #10702, Raleigh, NC
Allison Elizabeth Emery, #37676, Wilmington, NC
Patrick Burke Fraley, #32016, New York, NY
Michelle M. Heath, #20764, Huntersville, NC
Page Jones Littlewood, #14450, Chapel Hill, NC
Jane Hammond Machmer, #37111, Winston-Salem, NC
David Gould Maxham, #26127, Stamford, CT
Ann Garland Praigg, #16956, Durham, NC
Glenn Allen Ruggles, #36980, Pinehurst, NC
Deborah Milder Sackie, #16655, Durham, NC
Bruce Temple Shell, #15776, Wilmington, NC
Edna Shugart Shore, #11305, Yadkinville, NC
Lizabeth Ruth Trimble, #34814, Charlotte, NC
Sheila J. Yerry, #26789, Cumming, GA

06/27/2014

Roger Robert Clermont, #32474, Mooresville, NC
Mary Millis Diffendal, #16720, Asheville, NC
Courtney Renee Gleason, #36879, Charlotte, NC
Alan Wayne Higgins, #24865, Cleveland, OH
Neldon Lee Jarvis, 28350, Allegan, MI
Ann Peeler Jones, #14077, Marietta, GA
David Karl Kesler, #21686, Spartanburg, SC
Terry Michael Milzarek, #31968, Charlotte, NC
Linda Lewis Nelms, #15660, Asheville, NC
Harriet Elizabeth Pearson, #23618, Raleigh, NC
Jessica Dawn Powers, #38035, Annandale, VA
Clifton Benjamin Sheffield, Jr., #10813, Lewisville, NC

06/30/2014

Ronald G. Allred, #21168, Pike Road, AL
James Alan Barbee, #16064, Talcoban City, Philippines
Sharon Yvonne Bolus, #27713, Raleigh, NC
Michael Thomas Briers, #27187, Bonita Springs, FL
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James Howard Fentress, Sr., #21893 Norfolk, VA
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Patricia Ann Avera Jones, #1729 Santa Barbara, CA
Henry Hampton Land, #3509 Kannapolis, NC
William David McClure, #10686 Charlotte, NC
James Carroll Melton, #14747 Charlotte, NC
William White Menius, #13363 Greensboro, NC
Douglas Stuart Noble, #12681 Charlotte, NC
Kathleen S. Owens, #30271 River Ridge, LA
Sang Min Park, #32602 Charlotte, NC
David Michael Perkins, #27091 Charlotte, NC
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Douglas C. Renson, #13900 Greensboro, NC
John Murnan Richards, #24175 Charlotte, NC
Kenneth William Riopel, #20647 Edgewater, FL
Lynn Bethea Rose, #7552 Atlanta, GA
Catherine Altizer Smith, #18124 Santa Barbara, CA
Francis Edward Thomas, #17286 High Point, NC
Cindy Lloyd Thompson, #18536 Greensboro, NC
Pamela Marker Thompson, #15781 Kenbridge, VA
Kelly Marie Treble, #35080 Charlotte, NC
Whitney Evan Wheeler, #35265 Greenville, SC

07/01/2014

Kendra Beveridge Boyle, #23013 Savannah, GA
Kimberly Beth Boyle, #24597 Apex, NC
Ronald Miller Cofield, #32460 Atlanta, GA
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Diane Stirling Hucke, #24909 Raleigh, NC
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Leslie Graham Shell, IV, #24837 Charlotte, NC
Kathryn Jean Tucker, #37616 Hendersonville, NC
Elizabeth Raver Wagner, #18540 Bella Vista, AR
Xu Zhou, #36070, Shrewsbury, MA

07/02/2014

Melanie B. Barker, #29408, Huntersville, NC
Henry Fowden Clark, #28387, Raleigh, NC
Merilyn Price Culp, #16294, Weddington, NC
Donika Lee Muckler, #33946, Huntersville, NC
Andrew E. Spaulding, #26975, Bangor, ME

07/03/2014

Michael J. Bongiovanni, #26527, Plantation, FL
Thomas Clayton Davis, #33956, Willow Spring, NC
Susan Nye Eggert, #17006, Conway, AR
William Joseph Setliff, #22237, Danville, VA
Wyatt Ward Wells, Jr., #10982, Boone, NC

07/08/2014

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Thomas Michael Barcellona, #29536, Charlotte, NC
Peter Chase Burrill, #27835, Bad Homburg, Germany
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Barry Dale Church, #18848, Kernersville, NC
Paul Vincent Cummings, #29391, Smithville, MO
William Byrd Harrison, #38169, Richmond, VA
Connie Ray Holton, #30153, Youngsville, NC
Addison Russell Howard, #37485, Castle Rock, CO
Jody-Ann M. Johnson, #36817, Pompano Beach, FL
Courtney Lee Lehmann, #37531, Naples, FL
Donald Pruitt, #16142, Hickory, NC
Vickie J. Reed, #26143, Leland, NC

07/09/2014

Billy Eugene Whaley, #15235, Little River, SC

07/10/2014

Bonya Banerjia, #14071, Charlotte, NC
Christopher Allen Lynch, #35448, Wellington, FL
Jennie Doss Moreno, #33292, Raleigh, NC
Edward T. Shipley, Jr., #9709, Winston-Salem, NC
Elizabeth Anne Smith, #34141, Hancock, ME
Juliana Chiu Smith, #33485, Garner, NC

07/14/2014

Howard Chester Abner, #23500, Charlotte, NC
Susan Margaret Brim, #30796, Raleigh, NC
Kristin M. Grabofski, #32487, Charlotte, NC
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07/15/2014

Todd Jay Hutchings, #25487, Marietta, GA
Jamie Lynn Lewis, #32458, Galax, VA
Daniel Gene Maxwell, Jr., #15351, Fayetteville, NC
Cassandra Antoinette Tembo, #23644, Louisville, KY
James Lee Williams, #28067, Birmingham, AL

07/17/2014

Patrick Michael Barberich, #9218, Windermere, FL
James M. Dannemiller, #37444, Cuyahoga Falls, OH
Mary Helen Klauder, #30812, Charlotte, NC

07/21/2014

Jennette Parvin Daniel, #28999, Bethesda, MD
Gibora Feigenbaum #36299 New York, NY
Amy M. Hrinsin, #28562, The Woodlands, TX
Leslie Schuler Michel, #37157, Mason, OH

07/22/2014

Mark Owen Smith, #37443, Chapel Hill, NC

07/23/2014

Debra Dixon Forrester, #16440, High Point, NC
Michael Joseph Jauquet, #30302, Madison, WI

07/24/2014

Deborah Lynn Bethune, #22363, Denton, NC

07/29/2014

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Ryan Michael Bubucis, #35188, Oakdale, CT
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Frank Edward Sheffer, #949, Suffolk, VA
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07/30/2014

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07/31/2014

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Stacy Ann Holland, #27656, Charleston, SC
Therese Louise McGannon, #33704, Mills River, NC
Myong Sun Pak, #17674, Raleigh, NC
Lianfen She, #32720, Greenwich, CT

08/01/2014

Meghan Melissa Davis, #36507, Adams Center, NY
Sheila Marsh Edmonds, #28100, Carthage, NC
Paul David Musgrave, #36832, Waxhaw, NC
David Charles Schmidt, #33573, David, FL

08/04/2014

Lisa Byrd Fitchett, #20615, Dunn, NC
Jill L. LaBelle, #24654, Asheville, NC

08/05/2014

Beverly Berger Schain, #16741, Flat Rock, NC
Steven Ray Stanford, #22333, Rockwall, TX

08/15/2014

Vicki McGuire Dame, #27962, Mooresville, NC
James Garrison, #15286, Durham, NC

08/19/2014

Katherine Alys Kuchenbrod, #21605, Charlotte, NC
Richard John Landers, #19928, Camden, NJ

08/21/2014

Elizabeth Hall Sparks, #28166, Concord, NC

09/08/2014

Sandra Palmer Meyer, #26546, Blowing Rock, NC

09/09/2014

Rhett Bucher Johnson, #11806, Lewisville, NC

09/12/2014

Christopher Ken Northup, #12140, Cary, NC

09/23/2014

Dimple Jain, #30912, Belle Mead, NJ

09/29/2014

David Allan Griffin, Jr., #34778, New York, NY

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Date:	Send mail to: ☐ Home ☐ Business

Mail form to: PO Box 12827, Raleigh, NC 27605
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Pursuant to 21 NCAC 08J .0107, all certificate holders & CPA firms shall notify the Board in writing within 30 days of any change in home address & phone number; CPA firm address & phone number; business location & phone number; & email address.

Activity Review

North Carolina State Board of Certified Public Accountant Examiners

1101 Oberlin Rd., Ste. 104 • PO Box 12827 • Raleigh, NC 27605 • 919-733-4222 • www.nccpaboard.gov • No. 11-2014

Client Records: Who Gets Custody?

Many years ago, a business transaction could be finalized with a handshake that represented the participants' intention to uphold the agreed-upon specifics of the deal.

However, in today's business world, it is inconceivable that weeks or months of negotiations would be concluded with a simple handshake, not a signed contract.

CPAs usually advise their clients that a written agreement among business partners is wise, yet many CPAs fail to obtain a written agreement among the partners or shareholders of their own firms.

Regardless of friendship, health, or the number of years spent working together, firms change, prompting the need for immediate action.

A CPA may decide to become a solo practitioner, join another firm, or retire. He or she may be unable to work due to family obligations or failing health.

Do you know what steps to take regarding client records if the firm is dissolved? Who takes custody of the records if a partner or shareholder leaves the firm?

What happens to client records if the firm is sold? What happens if the firm merges with another firm?

Client Records
continued on page 5

Online Firm Renewal and Peer Review Compliance Reporting Now Underway

It is time for North Carolina CPA firms to renew their firm registrations and provide peer review compliance information to the Board through the Board's website, **www.nccpaboard.gov**.

Failure to renew or cancel the firm registration by the December 31 deadline may result in a civil penalty.

Only firm registrations are being renewed at this time; individual CPA certificates will be renewed in the Spring of 2015.

Key information such as the firm's ID number that must be used to renew the firm registration and to report peer review information was mailed to firms in early November.

Access to the online renewal function is available by clicking on the "renew my firm registration" link in the "How Do I" section of the Board's homepage, **www.nccpaboard.gov**.

After clicking on the renewal link, the user will select the link for the firm renewal. The same link works for all types of firm renewals. After selecting the link for the firm renewal, a log-in screen will display.

NOTE: To keep a copy of the information submitted during the renewal process, print each screen (using the "print" command of the Internet browser) of the online renewal after entering the required information, but before clicking the "submit" button. Firms that do not follow this procedure and later request a copy of the renewal must pay copying fees.

To log in to the renewal process, enter the firm's ID number and the certificate number of the firm's supervising CPA.

After logging in, an individual practitioner may renew or cancel his or her firm's registration. Other firm types cannot cancel the firm registration online because those firm types must cancel the registration with the Secretary of State's office before being cancelled in the Board's records.

When an individual practitioner (IP) cancels that firm's registration, the system cancels the firm registration immediately and a cancellation receipt is displayed. Print and save this receipt as proof of cancellation of the firm's registration.

Page 1 (page 2 for IPs) of the renewal allows the user to add or delete CPA employees who work for the firm.

To remove a CPA who no longer works for the firm, click the "remove" button in front of the person's name. To add a CPA employee, type in the employee's CPA certificate number in

Renewal
continued on page 6

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Disciplinary Actions

George M. Gabler, #29752
Asheville, NC 10/29/2014

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N. C. Gen. Stat. §150B-41, the Board and Respondent stipulate to the following:

1. George M. Gabler (hereinafter "Respondent") is the holder of North Carolina certificate number 29752 as a Certified Public Accountant.

2. Respondent acted as an escrow agent for clients in a project in which he had a related pecuniary interest by way of ownership in a limited liability company.

3. Respondent pleaded guilty to one count of knowingly concealing the felony of others to unrelated real estate transactions.

4. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. If proven, Respondent's actions, as set forth above, could constitute violations of 21 NCAC 08N .0202, .0203, .0303(a) and .0212.

3. Per N.C. Gen. Stat. §93-12(9), and also by virtue of Respondent's consent to this order, Respondent is subject to the action set forth below.

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

1. Respondent voluntarily surrenders his North Carolina CPA certificate without the ability to apply for reissuance, reinstatement, or modification of discipline. As such, Respondent shall not offer or render services as a CPA or otherwise trade upon or use the CPA title in this State whether through CPA mobility provisions or substantial equivalency practice privileges or in any other manner.

2. Respondent waives any rights, privileges, or protections that may be afforded by 21 NCAC 08J .0105, .0106, 08I .0104, or N.C. Gen. Stat. §93-10.

Cristina Madrinan Rivera, #32413
Durham, NC 10/29/2014

THIS CAUSE, coming before the North Carolina State Board of Certified Public Accountant Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N. C. Gen. Stat. §150B-41, the Board and Respondent stipulate to the following:

1. Respondent is the holder of North Carolina certificate number 32413 as a Certified Public Accountant.

2. Respondent was employed by a non-profit corporation ("Employer") beginning in late 2011. The Employer registered as a Referendum Committee with the State Board of Elections and was, by design, only in operation for a limited period of time. Respondent was hired to, among other things, maintain the Employer's books and records, and create financial reports.

3. By 2012, the Employer was prepared to wind down operations. In October 2012, the Employer requested that Respondent perform final accounting and tax services for a specified amount of compensation. Respondent was paid by the Employer in October 2012 and performed the services.

4. Respondent's services to the Employer continued for longer than expected through calendar year 2013. During that time, the Employer and Respondent had no understanding regarding Respondent's compensation. Due to the non-profit nature of the Employer, other individuals had dedicated their services for free to the Employer.

5. During the latter part of 2012 and through 2013, Respondent dispersed at least an additional $9,000.00 to herself. Respondent has admitted that the dispersals were made without authorization from the Employer.

6. Respondent promptly repaid the Employer $10,000.00 when confronted by the Employer's Treasurer.

7. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondent's actions as set out above constitute violations of 21 NCAC 08N .0202 and .0203.

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

1. The Certified Public Accountant certificate issued to Respondent, Cristina Madrinan Rivera, is hereby permanently revoked.

Board Meeting

The Board's final meeting of 2014 will take place on December 15 at the Board office at 1101 Oberlin Road, Raleigh, and will begin at 10:00 a.m.

2. Respondent shall not offer or render services as a CPA or otherwise trade upon or use the CPA title in this State either through CPA mobility provisions or substantial equivalency practice privileges or in any other manner, nor shall Respondent claim or attempt to use any practice privileges in any other state based upon her permanently revoked North Carolina certificate.

Ernst & Young LLP
Charlotte, NC 10/29/2014

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N. C. Gen. Stat. §150B-41, the Board and Respondent stipulate to the following:

1. Ernst & Young LLP (hereinafter "E&Y" or "Respondent Firm") is a registered certified public accounting limited liability partnership in North Carolina.

2. Respondent Firm entered into a Non-Prosecution Agreement ("NPA") with the United States Department of Justice on February 26, 2013.

3. As described in the Statement of Facts attached to the NPA, from the period of 1999 through 2002, E&Y, in conjunction with various law firms, banks and investment advisors, developed, marketed, and implemented certain tax shelters that were intended to assist high net worth individuals to defer, reduce, or eliminate their income taxes. A small number of the tax shelters were sold to North Carolina clients.

4. Also, as set forth in the Statement of Facts:

A small group within E&Y known as the Strategic Individual Solutions Group ("SISG") was primarily responsible for supervising and coordinating the marketing, implementation and defense of E&Y's tax shelter products.

Unlike certain other accounting firms that marketed similar tax shelter products, the senior management of E&Y did not participate in the criminal wrongdoing of the SISG members. Indeed, certain members of SISG withheld important information from E&Y's senior management.

The wrongdoing in this case by a small group of professionals at E&Y represented a deviation from the more than 100-year history of ethical and professional conduct by E&Y and its partners.

5. E&Y has confirmed that SISG was disbanded in early 2003 and that no North Carolina licensees were members of SISG.

6. E&Y has also produced evidence showing that it has undertaken an extensive program to ensure that similar conduct cannot be repeated. In fact the NPA notes that at the time that E&Y implemented its program, it "was praised by the IRS and recognized as a good working model for agreements with practitioners."

7. Respondent Firm wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte,* whether or not the Board accepts this Consent Order as written. Respondent Firm understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. Respondent Firm is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. The actions of the SISG members, as set forth above, violated 21 NCAC 08N .0201, .0203(a), .0207, .0211(b) and .0301(b). Although there is evidence in the record that SISG intentionally withheld material information from E&Y's senior management and none of those SISG members were North Carolina licensees, E&Y is nevertheless responsible for the actions taken by its employees per 21 NCAC 08N .0103.

3. Per N.C. Gen. Stat. §93-12(9), and also by virtue of Respondent's consent to this order, Respondent is subject to the discipline set forth below.

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

1. Respondent Firm is censured.

2. Respondent Firm shall remit, with this signed Order, a civil payment of twelve thousand dollars ($12,000.00).

3. Respondent Firm shall reimburse the Board for one thousand seven hundred twenty-five dollars ($1,725.00) in administrative costs incurred by the Board in its investigation of this matter. Said administrative costs must be remitted to the Board with this signed Order.

Wayne A. Roddy, #17428
Asheville, NC 09/22/2014

THIS CAUSE, coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N.C. Gen. Stat. §150B-41, the Board and Respondent stipulate the following Findings:

1. Wayne A. Roddy ("Respondent") is the holder of North Carolina certificate number 17428 as a Certified Public Accountant.

2. The Board received a complaint from Respondent's former firm ("Firm") alleging that Respondent removed confidential client records upon his departure from the Firm.

3. Respondent has confirmed that confidential client records were initially removed from the Firm. The removal of confidential client records is mitigated by the fact that Respondent immediately returned the records to the Firm after being informed of the correct application of the Board's confidentiality rules.

4. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

Roddy
continued on page 4

Roddy *continued from page 3*

1. 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 herein by the Board.

2. Respondent's actions as set out above constitute a violation of 21 NCAC 08N .0205, *Confidentiality*.

3. Per N.C. Gen. Stat. §93-12(9) and also by virtue of Respondent's consent to this Order, Respondent is subject to the discipline set forth below.

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

1. Respondent is censured.

Michael F. Pearl, #16843
Durham, NC 09/22/2014

THIS CAUSE, coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N.C. Gen. Stat. §150B-41, the Board and Respondent stipulate the following Findings:

1. Michael F. Pearl ("Respondent") is the holder of North Carolina certificate number 16843 as a Certified Public Accountant.

2. In 2013, a plaintiff sued Respondent in Superior Court alleging negligence in the practice of public accountancy. The Board reviewed the allegations and determined that they did not have merit.

3. Following the filing of the civil suit, Respondent completed a firm renewal in December 2013. Respondent failed to respond in the affirmative to the following question on the firm renewal:

> *Has your firm or any firm owner been party to a civil suit, bankruptcy action, administrative proceeding, or binding arbitration; the basis of which is an allegation of negligence, dishonesty, fraud, misrepresentation or incompetence since filing your firm's last renewal?*

4. As a mitigating factor, the Board notes that Respondent timely and voluntarily disclosed resolution of the matter in 2014.

5. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. 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 herein by the Board.

2. Respondent's action, by failing to disclose a civil suit on his firm's renewal, as set out above, constitutes a violation of 21 NCAC 08N .0202.

3. Per N.C. Gen. Stat. §93-12(9) and also by virtue of Respondent's consent to this Order, Respondent is subject to the discipline set forth below.

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

1. Respondent is censured.

Yan Ling, #36962
Winterville, NC 08/25/2014

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. Yan Ling (hereinafter "Ms. Ling") is the holder of a certificate as a Certified Public Accountant in North Carolina.

2. Ms. Ling failed to timely file the annual firm registration for Yan Ling, CPA, 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. Ms. Ling subsequently renewed her firm registration, which was received by the Board on February 17, 2014, less than sixty (60) days from the annual firm registration date.

4. Pursuant to 21 NCAC 08J .0111(1), because Ms. Ling's infraction was for a period of less than sixty (60) days, the appropriate penalty is $100.00.

5. Ms. Ling has paid her civil penalty and consents to the entry of this Order and has waived any right to a hearing.

6. The Board members present, representing a quorum of the Board, have unanimously decided to accept Ms. Ling's payment as full resolution of the aforementioned rules violation.

Rebecca Bach Columbus, #21569
Wilmington, NC 09/22/2014

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. Rebecca Bach Columbus (hereinafter "Ms. Columbus") is the holder of a certificate as a Certified Public Accountant in North Carolina.

2. Ms. Columbus failed to timely renew or cancel the annual firm registration for Rebecca Bach Columbus, CPA, 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(3), because Ms. Columbus' infraction was for a period of more than 120 days, the appropriate penalty is $500.00.

4. Ms. Columbus has paid her 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 Ms. Columbus' payment as full resolution of the aforementioned rules violation.

Board Office Closed

The Board office will be closed on the following dates:

November 27-28, 2014
Thanksgiving

Client Records *continued from front*

Although there is no single set of rules or laws that directly addresses all considerations and circumstances of such events, there are some well-established professional obligations regarding the notification of clients and the dispensation of client records.

The specific arrangements may vary from firm to firm, but in all cases, the clients must be notified and provisions should be made to allow clients access to their records.

So, what action should be taken if the firm is dissolved?

Prior to the firm's dissolution, each client should be sent a letter explaining the dissolution and offering to send a copy of the client's records elsewhere (at the client's direction and with a signed release).

Clients must not be led to believe that they must continue the current CPA-client relationship—each client should be given the opportunity to choose who will be his or her CPA after the firm's dissolution.

Because the dissolution of a firm may not be completed for several months, arrangements should be made for client records to be centrally maintained both during and after the dissolution.

In the event that a client fails to respond to the notification of the firm's dissolution, his or her records, as well as any records not in the custody of a firm member, must continue to be centrally maintained.

If a partner or shareholder leaves the firm but the firm continues to exist, each client should be notified of the partner or shareholder's departure from the firm.

If the CPA plans to continue practicing, his or her new address and phone number should be made available to those clients who wish to continue the CPA-client relationship with that particular practitioner. Clients should be given the option to continue receiving service from the firm or to have a copy of their records sent to another firm or CPA.

The client must always be given the opportunity to choose his or her own CPA and a firm must not obstruct this choice in any way.

If the client no longer wants to receive services from the firm, he or she should sign a written release (or provide other written authorization) that allows the firm to provide a copy of the records to either the client or a new firm. The signed consent should be added to the client's permanent record.

However, the original firm should maintain the original client record. If a client does not respond to the notification of the partner or shareholder's departure, the firm should continue to maintain all client records.

The sale of a practice presents a unique challenge in the dispensation of client records.

The buyer generally bases his or her decision to purchase the practice on the number of clients the firm services and the revenue generated from those clients.

Although it is advisable that *both* the seller and the buyer contact the clients to address the continuation of services with the buyer or the dissemination of the client records, either the seller or the buyer should contact the clients to address the issue.

When two or more CPA firms merge, the participating firms are not required to obtain permission from the clients to move client records into the possession of the merged firm. However, prior to the completion of the merger, a notification about the pending merger should be sent to all clients of the firms involved.

Despite the absence of rules or laws pertaining to the handling of client records following a firm's dissolution, personnel changes, or sale of a practice, firm members must, as always, consider how their actions will affect their clients.

Policies for handling client records should be in place before they are needed. Planning ahead will ensure continuity of quality service to clients while protecting their interests.

Although planning ahead is sometimes unpleasant, it can eliminate a great deal of worry in the future—worry that can include possible disciplinary action by the Board if clients' interests are not protected.

You and your clients will experience significantly fewer problems if there is a written agreement between the partners or shareholders which stipulates what action should be taken when changes occur in the firm.

If you have questions regarding the disposition of client records, please contact Robert N. Brooks, the Board's Executive Director, at **rbrooks@nccpaboard.gov** or David R. Nance, CPA, the Board's Deputy Director, at **dnance@nccpaboard.gov**.

Have a Comment or Question about the *Activity Review*?

Do you have a comment or question about information published in the *Activity Review*?

The Board welcomes your comments and suggestions. Contact us by email at **rbrooks@nccpaboard.gov** or **lhearne@nccpaboard.gov**.

Check Your CPE Carry-forward Online

Did you know you can check your CPE carry-forward through the "Licensee Search" function of the Board's website, **www.nccpaboard.gov**?

To verify your hours, click on the "Licensee Search" link on the home page, then search for yourself using your name or certificate number. After your record is displayed, click on the "details" link. The number of CPE carry-forward hours will be displayed below your address and telephone number.

If there is a discrepancy in the number of carry-forward hours, please contact Cammie Emery at (919) 733-1423 or **cemery@nccpaboard.gov**.

Renewals *continued from front*

the appropriate box and click the "Add Employee" button.

Partnerships, registered limited liability partnerships, professional corporations, and professional limited liability companies may add additional CPA owners by typing in the owner's CPA certificate number in the appropriate box and clicking the "Add Owner" button. If the firm has non-CPA owners, this information must be submitted to the Board as outlined in the renewal instructions.

Page 2 (page 3 for IPs) allows the user to change the supervising CPA in the office being renewed, as well as indicating if this office is the administrative office for the entire firm. To change the supervising CPA, click the "Update Supervising CPA" button and enter the new supervising CPA's certificate number and click on the "Click to Complete Supervising CPA Update" button.

The firm's mailing and physical addresses may be changed on the next two pages by clicking on the blue link for each address. A complete mailing address, email address, and phone number are required to continue the renewal process. If that data is not on file, the renewal is stopped until the address, email address, and phone number fields are complete.

Page 3 (page 4 for IPs) contains questions about attest and assurance services that the firm may provide and covers the period since the last firm renewal. Users must answer each question with a "yes" or "no" response before being allowed to proceed with the renewal.

If the firm's peer review has been completed but is not indicated on the screen, please email the appropriate documentation to Cammie Emery at **cemery@nccpaboard.gov**. The Board cannot change the peer review due date without a current acceptance letter.

For a pass report, fax or email the acceptance letter. For a pass with deficiencies report that is preceded by a modified report on any previous peer review, fax or email the peer review report, findings for further consideration, letter of response, and final acceptance letter.

For a fail report, fax or email the peer review report, findings for further consideration, letter of response, and final acceptance letter. The firm's peer review records will be updated after the Board receives the required documents

Moral character data is reported on page 4 (page 5 for IPs); the questions cover the time period since the last firm renewal. All questions must be answered and any affirmative answers must be explained in the text box provided. In addition, copies of any applicable court documents must be sent to the Board. Users must answer each question with a "yes" or "no" response before being allowed to proceed with the renewal.

For partnerships and registered limited liability partnerships, page 5 calculates the fee schedule for renewal. Partnerships and registered limited liability partnerships pay a fee only if they have offices outside of North Carolina. All fees paid online must be paid by MasterCard or Visa. The renewal fee will be paid with the firm's administrative office renewal.

Professional corporations and professional limited liability companies must pay a $25 fee as indicated on page 5. The renewal fee will be paid with the firm's administrative office renewal only.

Page 6 of the renewal provides the user with an opportunity to review the information provided on the previous pages and make any necessary changes or print each page of the completed renewal. The user may also continue to page 7.

On page 7, the user affirms that the information provided is correct. After accepting the statement on Page 7, individual practitioners and those partnerships, registered limited liability partnerships, professional corporations, and professional limited liability companies that do not owe a fee are provided with a receipt which states that the firm renewal has been processed.

Please print this receipt for the firm's records; this receipt serves as confirmation of renewal until the firm's Board registration certificate is received.

For the administrative offices of partnerships, limited liability companies, professional corporations, and professional limited liability companies which must pay any applicable renewal fees, payment information is entered on page 8. All fees paid online must be paid by MasterCard or Visa.

After paying the fee, the user is provided with a receipt which states that the firm renewal has been processed. Print this receipt for the firm's records; this receipt serves as confirmation of renewal until the firm's Board registration certificate is received.

A firm that does not want to submit credit card information using the website, but wants to pay by credit card, may submit a copy of the online renewal form by answering all questions on each page of the renewal, printing each screen (using the "print" command of the Internet browser) as it is completed, but before clicking "submit," signing the renewal, and faxing the completed pages, including the completed credit card information page, to (919) 733-4209 or by mailing the completed pages, including the completed credit card information page, to State Board of CPA Examiners, PO Box 12827, Raleigh, NC 27605.

A firm that prefers to submit the renewal form with a check may do so by answering all questions on each page of the renewal, printing each screen (using the "print" command of the Internet browser) as it is completed, but before clicking "submit," signing the renewal, and mailing the completed pages, plus a check payable to State Board of CPA Examiners for the appropriate amount to PO Box 12827, Raleigh, NC 27605.

If a CPA firm fails to comply with any part of 21 NCAC 08J, *Renewals and Registrations* or 21 NCAC 08M, *Peer Review Program*, the Board may take disciplinary action against the CPA firm's members as specified in 21 NCAC 08J .0111 and 21 NCAC 08M .0106. Such action may include a civil penalty.

Submit questions about firm renewal and peer review compliance to Cammie Emery at **cemery@nccpaboard.gov**. or Buck Winslow at **buckw@nccpaboard.gov**.

Certificates Issued

At its October 29, 2014, meeting, the Board approved the following applicants for licensure as North Carolina CPAs:

Cynthia Diane Austen
Briarlee D. Barrow
Ryan David Beckstead
Darryl Wesley Bennett, Jr.
Sharon Ann Bernacki
Adam David Brawley
Charlotte Pait Brewer
Jessica Seymour Brintle
Abigail Leigh Campbell
Margaret Mary Rogers Cherry
Scott Miller Croner
Mark Andrew Davis
Veronica Felicia Edwards
Michael Richard Gerew
Brooke Kaitlyn Goodwin
Nicholas Merrill Graham
Meredith Leigh Guelbert
JiaJia Hao
Camille Marie Hefner
Shan Ismeal Ijaz
Kevin Reece Ingold
Braden Alexander Jackson
Jeffrey Robert Johnson
Joshua Keith Jones
Vasyl Khokhla
Jonathan Allen Kittel
Heather Lauren Koob
Kevin Scott Lee
Michael Dwayne May
Katie Suzanne Mazzeo
Daniel de Moraes Mendonca
Benjamin Michael Miley
Matthew Robert Miller
William Markham Montgomery
Kaitlyn Hunter Moore
Jeffrey Lee Nakayama
Thomas Charles Natale
Trang Hien Nguyen
Robert Clayton Nicholson, II
Kyle Phillip Nygaard
John Charles Payne
Andrew Fredrick Pearson
Sharon Wine Pratto
Teresa Hope Redman
Michelle Rene Robe
Nancy Amanda Sayer
Daniel Robert Schillaci
Laura Suzanne Scott
John Avery Scotton, Jr.
Sylvia Ruxandra Seaver
Courtney Shanice Smith
Sally-Anne Tabora
Anthony Dominic Tallarico
Jaclyn Austin Taylor
Adam Edward Taylor, Sr.
Alan Lane Toler
William Bradley Tucker
Travis Clint VanHoy
Anthony Francis Welsch

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Reclassifications

Reinstatement

10/29/14	Sonal Thakkar Amin, #28740	Charlotte, NC
10/29/14	Jessica Carvajal, #32083	Charlotte, NC
10/29/14	Laura Corder, #20707	Concord, NC
10/29/14	Nathan Lee Fenwick, #23736	Boca Raton, FL
10/29/14	Andrew Ray Holtgrewe, #28262	Cary, NC
10/29/14	Stephen Paul Jackson, Jr., #21853	Greensboro, NC

Inactive Status

"Inactive," when used to refer to the status of a person, describes a person who has requested inactive status and been approved by the Board and who does not use the title "certified public accountant" nor does he or she allow anyone to refer to him or her as a "certified public accountant," and neither he nor she nor anyone else refers to him or her in any representation as described in Rule .0308(b) of this Section [21 NCAC 08A .0301(b)(20)].

10/07/14	Fred MacAulay Bond, #16992	Mocksville, NC
10/07/14	Sharon Diane Sharpe, #19887	Greenville, SC
10/08/14	Angela Rae Eagle, #19967	Charlotte, NC
10/13/14	Charles Lynwood Mercer, #12328	Goldsboro, NC
10/20/14	Kathryn Louise King, #37366	Charlotte, NC
10/23/14	Randall Adam Wilson, #33306	Mt. Pleasant, SC
10/23/14	Sandra Dillon Yarnall, #17580	Raleigh, NC

Check the Status of Your Application Online

Exam and license applicants can now check the status of their applications through the Board's website, **www.nccpaboard.gov**. Look for the link in the "How Do I?" box on the homepage.

To check the status of his or her application, an applicant will enter his or her last name, date of birth, and the last four (4) digits of his or her Social Security number.

A screen showing the applicant's information, the pending items (required documents, payments, etc.), and the status of the pending items will display.

The applicant can update his or her contact information and may also send a message to the appropriate staff member using the comment/question box provided.

State Board of CPA Examiners

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Notice of Address Change

Please Print Legibly

Full Name:	
Certificate No.:	Last 4 Digits of SSN:
Home Address:	
City/State/Zip:	
Home Phone:	Home Fax:
Home Email:	
Firm/Business Name:	
Business Address:	
City/State/Zip:	
Business Phone:	Business Fax:
Business Email:	
Signature:	
Date:	Send mail to: ☐ Home ☐ Business

Mail form to: PO Box 12827, Raleigh, NC 27605
Fax form to: (919) 733-4209

Pursuant to 21 NCAC 08J .0107, all certificate holders & CPA firms shall notify the Board in writing within 30 days of any change in home address & phone number; CPA firm address & phone number; business location & phone number; & email address.

Activity Review

North Carolina State Board of Certified Public Accountant Examiners

1101 Oberlin Rd., Ste. 104 • PO Box 12827 • Raleigh, NC 27605 • 919-733-4222 • nccpaboard.gov • No. 12-2014

Davenport Elected Chair of NASBA



Walter C. Davenport, CPA

The NC State Board of CPA Examiners (Board) is pleased to announce that Walter C. Davenport, CPA, of Raleigh has been elected Chair of the National Association of State Boards of Accountancy (NASBA) for 2014-2015.

Davenport, who served on the Board for nine years, is the third member of the Board to lead NASBA.

A retired audit partner with Cherry, Bekaert & Holland, Davenport previously served as NASBA's Vice Chair, Director-at-Large, and Middle Atlantic Regional Director.

He is also the former chair of NASBA's CPA Licensing Examinations Committee, CPE Committee, Strategic Initiatives Committee, Audit Committee, and Administration & Finance Committee, and a former member of NASBA's Compliance Assurance, Examination, Relations with Member Boards, Nominating, Licensing Requirements, and Uniform Accountancy Act Committees, as well as the Standards Study Group.

In addition to his involvement with the Board and NASBA, Davenport served as a member of the AICPA Board of Examiners and is an active member of the NCACPA.

Davenport's inaugural address entitled, "Embracing the Future Without Seeing It," challenged NASBA and boards of accountancy to embrace change and give consideration to three critical areas (the 3Es)--enforcing board rules, educating for optimization, and engaging diverse talent.

During his installation as NASBA Chair, Davenport was presented with *The Order of the Long Leaf Pine*, one of the highest honors that can be bestowed on a North Carolina citizen by the State's Governor.

Nathan Garrett, a former member of the Board and a past Chair of NASBA, along with other members of the Board, made the presentation on behalf on Governor Pat McCrory.

A graduate of Morehouse College, Davenport began his career in public accounting with Arthur Andersen & Company in Atlanta, GA. He returned to North Carolina to join the firm of Nathan Garrett, and in 1998, Garrett & Davenport, P.C., the largest and oldest minority-owned CPA firm in North Carolina, merged into Cherry, Bekaert & Holland.

December Deadlines

In November, the Board notified the administrative office of all registered CPA firms that each firm must renew its registration and provide peer review compliance information (if applicable) online through the Board's website, **nccpaboard.gov**, by December 31, 2014.

The link for the renewal is on the right-hand side of the home page under the heading, "How Do I."

For additional information regarding the online firm renewal/peer review compliance process, please see the November issue of the *Activity Review*.

If a CPA firm fails to comply with any part of 21 NCAC 08J, *Renewals and Registrations*, or 21 NCAC 08M, *Peer Review Program*, the Board may take disciplinary action against the CPA firm's members as specified in 21 NCAC 08J. 0111 and 21 NCAC 08M .0106.

Such action may include a civil penalty assessed against each CPA firm member's CPA certificate.

Deadlines

continued on page 6

In This Issue

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Disciplinary Actions

A. Faye Painter, CPA
Lincolnton, NC 09/22/2014

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N. C. Gen. Stat. §150B-41, the Board and Respondent stipulate to the following:

1. A. Faye Painter, CPA (hereinafter "Respondent firm"), is a registered certified public accounting firm in North Carolina.

2. Respondent firm received a "fail" on its most recent engagement peer review, with an acceptance letter date of December 19, 2013.

3. Respondent firm submitted a copy of the Final Letter of Acceptance related to its failed peer review but not the Peer Review Report and Letter of Response; therefore, the Respondent firm failed to comply with peer review reporting requirements in accordance with Board rule 21 NCAC 08M .0106.

4. The failed engagement peer review noted a material departure from Generally Accepted Accounting Principles ("GAAP") by Respondent firm.

5. Respondent firm wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte,* whether or not the Board accepts this Consent Order as written. Respondent firm understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. Respondent firm is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondent firm's failure to comply with all aspects of GAAP in the preparation of its clients financial statements constitutes of a violation of the Statements on Standards for Accounting and Review Services in violation of 21 NCAC 08N .0404 and .0212.

3. Respondent firm did not meet all reporting requirements in violation of 21 NCAC 08N .0213.

4. By virtue of Respondent firm's consent to this order, Respondent firm is subject to the discipline set forth below.

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

1. Respondent firm is censured.

2. Respondent firm shall pay a one thousand dollar ($1000.00) civil penalty to be remitted with this signed Consent Order.

3. Each staff member participating in engagements subject to peer review must take four (4) hours each of group study CPE annually specifically covering SSARS and Not-for-Profit Reporting until the Respondent firm receives a pass on a system review or a pass or pass with deficiencies on an engagement review.

David R. Dracup, CPA, PA
Raleigh, NC 10/29/2014

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N. C. Gen. Stat. §150B-41, the Board and the Respondent stipulate to the following:

1. David R. Dracup, CPA, PA (hereinafter "Respondent firm"), is a registered certified public accounting corporation in North Carolina.

2. Respondent firm received a "fail" on its most recent system peer review, with an acceptance letter date of September 5, 2013.

3. The failed system peer review noted a material departure from Generally Accepted Auditing Standards ("GAAS") by Respondent firm due to a failure to have quality control policies and procedures for reviewing engagements and a failure to document audit procedures.

4. Respondent's principal was the only person working on audits at the time covered by the audit when Respondent did not have quality control policies and procedures for reviewing engagements written down.

5. Respondent took prompt action to remedy the procedural deficiencies identified before receiving any request to do so.

6. Respondent's principal has been licensed as a CPA in New York and then North Carolina for over 20 years collectively and has no prior disciplinary action.

7. Respondent firm wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent firm understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

2015 Board Meetings

January 26
February 23
March 18*
April 21
May 21
June 22
July 20
August 24
September 21
October 22
November 16
December 14

Unless otherwise noted, meetings are held at the Board office at 1101 Oberlin Road, Raleigh, and begin at 10:00 a.m.

*1 pm

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. Respondent firm is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondent firm's failure to comply with GAAS is a violation of 21 NCAC 08N .0403.

3. By virtue of Respondent firm's consent to this order, Respondent firm is subject to the discipline set forth below.

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

1. Respondent firm is censured.

2. Each of Respondent firm's professional staff participating in engagements subject to peer review shall take a minimum of eight (8) hours of group study Accounting and Auditing CPE related to Auditing, as part of their annual forty (40) hour CPE requirements, until such time as Respondent firm receives a pass on a system peer review.

Susan F. Ureda, #28881
Columbia, SC 10/29/2014

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N. C. Gen. Stat. §150B-41, the Board and Respondent stipulate to the following:

1. Susan F. Ureda, CPA (hereinafter "Respondent"), is the holder of North Carolina certificate number 28881 as a Certified Public Accountant.

2. The Board received a complaint from one of Respondent's clients ("Client") alleging that Respondent had provided inaccurate tax advice and that the Client's tax returns were inaccurate as a result.

3. The issue had some complexity and involved the tax treatment of the sale of a business with related shareholder loan transactions.

4. Respondent has noted the complexity of the transactions and has stated that she consulted with the Client and other tax professionals prior to finalizing the Client's taxes.

5. Respondent was unable to produce the documentation and information required to fully substantiate the tax position taken on the Client's returns.

6. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte,* whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondent's actions as set out above constitute a violation of 21 NCAC 08N .0211.

3. Per N.C. Gen. Stat. §93-12(9) and also by virtue of Respondent's consent to this order, Respondent is subject to the discipline set forth below.

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

1. Respondent is censured.

Donika Lee Muckler, #33946
Charlotte, NC 09/22/2014

THIS CAUSE, coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N.C. Gen. Stat. §150B-41, the Board and Respondent stipulate to the following Findings:

1. Respondent is the holder of North Carolina certificate number 33946 as a Certified Public Accountant.

2. Respondent informed the Board on her 2013-2014 individual certificate Renewal ("Renewal") that between January 1, 2012, and June 30, 2013, she had obtained the requisite 40 hours of continuing professional education ("CPE") to meet the 2012 CPE requirements.

3. Based on Respondent's representation, the Board accepted her Renewal.

4. Board staff requested that Respondent provide certificates of completion for the CPE reported to meet her 2012 and 2013 requirements.

5. Respondent provided the CPE certificates of completion to the Board as requested. Respondent was only able to provide documentation for forty-six and one-half (46.5) hours of continuing professional education ("CPE") taken to meet the 2012 and 2013 CPE requirements.

6. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. 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 herein by the Board.

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

3. Per N.C. Gen. Stat. §93-12(9) and also by virtue of Respondent's consent to this Order, Respondent is subject to the discipline set forth below.

Muckler

continued on page 4

Muckler *continued from page 3*

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

1. Respondent's failure to provide adequate documentation of CPE renders the Renewal insufficient and untimely. Respondent's failure to adequately renew her certificate results in an automatic forfeiture pursuant to N.C. Gen. Stat. §93-12(15).

2. Respondent must return her certificate to the Board within fifteen (15) days of Respondent's receipt of the Board's notification of its approval of this Consent Order.

3. Respondent may apply for the reissuance of her certificate after one (1) year from the date the Board approves this Consent Order and if Respondent's certificate and the civil penalty required in number five (5) of this Order have been timely received by the Board.

4. Respondent may apply to return her certificate to active status by submission and approval of a reissuance application which includes:

a. Application form,

b. Payment of the application fee,

c. Three (3) moral character affidavits, and

d. Seventy-three and one-half (73.5) hours of CPE in the twelve (12) months preceding the application including an eight (8) hour accountancy law course as offered by the North Carolina Association of CPAs in a group-study format.

5. Respondent shall pay a one thousand dollar ($1,000.00) civil penalty to be remitted to the Board prior to submitting a reissuance application.

6. Respondent agrees that failure to timely comply with any terms of this agreement and Consent Order shall be deemed sufficient grounds for revocation of her certificate.

Julia Tauras, #25043
Chapel Hill, NC 08/25/2014

THIS CAUSE, coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N.C. Gen. Stat. §150B-41, the Board and Respondent stipulate to the following Findings:

1. Respondent is the holder of North Carolina certificate number 25043 as a Certified Public Accountant.

2. Respondent informed the Board on her 2013-2014 individual certificate Renewal ("Renewal") that between January 1, 2012, and June 30, 2013, she had obtained the requisite 40 hours of continuing professional education ("CPE") to meet the 2012 CPE requirements.

3. Based on Respondent's representation, the Board accepted her Renewal.

4. Board staff requested that Respondent provide certificates of completion for the CPE reported to meet her 2012 and 2013 requirements.

5. Respondent provided the CPE certificates of completion to the Board as requested. Respondent was only able to provide documentation for twenty-eight and one-half (28.5) hours of continuing professional education ("CPE") taken to meet the 2012 CPE requirement.

6. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board meeting.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. 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 herein by the Board.

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

3. Per N.C. Gen. Stat. §93-12(9) and also by virtue of Respondent's consent to this Order, Respondent is subject to the discipline set forth below.

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

1. Respondent's failure to provide adequate documentation of CPE renders the Renewal insufficient and untimely. Respondent's failure to adequately renew her certificate results in an automatic forfeiture pursuant to N.C. Gen. Stat. §93-12(15).

2. Respondent must return her certificate to the Board within fifteen (15) days of Respondent's receipt of the Board's notification of its approval of this Consent Order.

3. Respondent may apply for the reissuance of her certificate after one (1) year from the date the Board approves this Consent Order and if Respondent's certificate and the civil penalty required in number five (5) of this Order have been timely received by the Board.

4. Respondent may apply to return her certificate to active status by submission and approval of a reissuance application which includes:

a. Application form,

b. Payment of the application fee,

c. Three (3) moral character affidavits, and

d. Fifty-one and one-half (51.5) hours of CPE in the twelve (12) months preceding the application including an eight (8) hour accountancy law course as offered by the North Carolina Association of CPAs in a group-study format.

5. Respondent shall pay a one thousand dollar ($1,000.00) civil penalty to be remitted to the Board prior to submitting a reissuance application.

6. Respondent agrees that failure to timely comply with any terms of this agreement and Consent Order shall be deemed sufficient grounds for revocation of her certificate.

Diane K. Murdock, #18627
Cary, NC 08/25/2014

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. Diane K. Murdock (hereinafter "Ms. Murdock") is the holder of a certificate as a Certified Public Accountant in North Carolina.

2. Ms. Murdock failed to timely file the annual firm registration for Diane Murdock, CPA, 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. Ms. Murdock subsequently renewed her firm registration, which was received by the Board on March 11, 2014, less than sixty (60) days from the annual firm registration date.

4. Pursuant to 21 NCAC 08J .0111(1), because Ms. Murdock's infraction was for a period of less than sixty (60) days, the appropriate penalty is $100.00.

5. Ms. Murdock has paid her civil penalty and consents to the entry of this Order and has waived any right to a hearing.

6. The Board members present, representing a quorum of the Board, have unanimously decided to accept Ms. Murdock's payment as full resolution of the aforementioned rules violation.

Board Office Closed

The Board office will be closed December 24-26, 2014, in observance of Christmas.

Reclassifications

At its November 17, 2014, meeting, the Board approved the following applicants for reclassification:

Reinstatement

Carolyn Ashley Alford, #36929
Wilmington, NC

Reissuance

Sybil Ann Hobgood, #20476
Clearwater, FL

Bradford King Root, #13161
Greensboro, NC

Certificates Issued

At its November 17, 2014, meeting, the Board approved the following applicants for licensure as North Carolina CPAs:

Michelle Caroline Abercrombie
Heather Ridlon Adams
Anthony Craig Aliquo
Kathy L. Allen
Suzanne Marie Averill
LeAnn Walker Bagasala
Shu Wei Baird
Stephen Tyler Baity
Lauren Anderson Bean
Antonia Marie Berbrick
Mason Lawrence Bradley
Terrence James Brennan, Jr.
Latesha Marie Byrd
Lauren Christine Cozzarelli
Hannah Blythe Cranford
Christopher Thomas Creekmuir
Kenneth Scott Doty
Katherine Elizabeth Dowdy
Tonya Rae Dozier
Jeremy Grier Dunn
Alison Maria Eddings
Billy James Edwards
Alison Meredith Eisenberg
Megan Christine Ely
Richard Jay Farley
Janet Lynn Fella
Brandon Ronald Gihring
Robert Allen Gindes
Shelley Diane Greene
Shaun Calvin Greene
Jeremy Wayne Hall
Erena Joy Hepler
Katherine Johnson Hill
Anthony Joseph Hoffmaster
Kateryna V. Hollis
David W. Holt
Brooke Strider Hunter
Sara Elizabeth Bryan Hutter
Lisa LeAnn Jones
William Drake Kane
Rachelle Harder Keelan
Charlotte Elaine Dietrich Keppler
Steven Owen Khoury
Perry Earl King, Jr.
Elena Anastasova Krivincheva
Stuart Marc Kurtz
Bronwyn Elizabeth Lawrence
Mazalenia LaPortia Lee
William Logan Lewis
Richard William Malinofsky
Michael Patrick Mattimore
Samuel Frederick May
Sarah Rose Mazur
Brandon Scott Miller
Karen J. Mink
Stefan Muecke
Dan Wangendo Ndikwe
Phillipp Alexander O'Neil
Rachel Renee Page
William Herbert Page, III
Brooke Corcoran Regensburg
Burnis Cleveland Rollinson, Jr.
Ramachandran Sandeep
Brian Edward Schlotter
Margot Gabrielle Schneider
Joshua Michael Schoedler
Joseph Hedrick Simmons, III
Manjeet Singh
Christopher Anthony Singletary
William Alexander Small
Mark Andrew Smith
Henry Stilley, III
Christopher Paul Stock
Joseph Patrick Sullivan
William Joseph Tharrington
Matthew Taylor Welborn
Jacqueline L. Weller

Deadlines *continued from front*

In addition, December 31, 2014, is the date by which active CPAs must complete the annual CPE requirement to be eligible for certificate renewal for the 2015-2016 license year.

All active licensees must complete a two-hour regulatory or behavioral ethics course offered by a sponsor registered the National Registry of CPE Sponsors (**learningmarket.org**) that is maintained by the National Association of State Boards of Accountancy (NASBA).

A non-resident licensee may satisfy the ethics CPE requirement by completing the ethics requirement in the jurisdiction in which he or she is licensed and works or resides. If there is no ethics CPE requirement in the jurisdiction in which the individual is licensed and resides or works, he or she must complete a course that meets the Board's criteria for ethics CPE courses.

For specific information on the annual CPE requirement, please review 21 NCAC 08G, *Continuing Professional Education (CPE)*.

If a CPA fails to complete the CPE requirement on or before December 31, 2014, but completes the required CPE by June 30, 2015, the Board may issue a Letter of Warning to the licensee for the first such failure within a five (5) calendar year period.

For the second such failure within a five (5) calendar year period, the Board may deny the renewal of the CPA's certificate for a period of not less than 30 days and until the CPA meets the reinstatement requirements set forth in 21 NCAC 08J .0106 .

If you have questions about firm renewal, peer review compliance, or the CPE requirement, please contact Cammie Emery by phone at (919) 733-1423 or by email at **cemery @nccpaboard**.gov, or you may contact Buck Winslow by phone at (919) 733-1421 or by email at **buckw @nccpaboard.gov**.

nccpaboard.gov

Exam Candidate Errors

The following information was provided to the Board by NASBA's Candidate Care Department.

There has been an uptick in the number of errors candidates have been making in the past two testing windows. These are simple mistakes that could cause candidates to be turned away from a test center or to have to forfeit their fees.

While NASBA has provided information to candidates in the past as to how to avoid such slip-ups, NASBA decided that it was necessary to remind candidates again. Email blasts and social media campaigns are underway to assist candidates.

The following is a list of the most common errors candidates are making:

Late Arrival: If you arrive at the test center after your scheduled appointment time, Prometric is not obligated to test you. Know where you are going before setting out.

NTS: Do not forget to take your NTS (Notice to Schedule), which has the launch code printed on it, to the test center. This is not the confirmation received from Prometric after scheduling an examination.

Wrong NTS: Check the date on your NTS to make sure it is the current one and not one you have previously used.

Introductory Screens: Once the launch code has been entered, proceed directly through the introductory screens, or else the exam will time out and cannot be restarted.

Cell Phones: Once you enter the testing center, you may not access your cell phone. This includes using your cell phone during a scheduled break.

Reporting Issues: Candidates need to immediately report any difficulties during testing to the staff at the test center and not wait until the exam has ended.

Notifying NASBA: If any difficulties related to the test experience are encountered, a formal complaint needs to be sent to NASBA at **candidatecare @nasba.org** within five (5) days of taking the exam. Do not wait until the score has been released.

Rescheduling: If you reschedule an appointment with Prometric, you must go the "Reschedule Appointment: Appointment Complete" screen. This follows the "Appointment Verification" screen. You also need to make sure that you have received a confirmation email from Prometric verifying the new appointment time and place.

Finding a Seat: Candidates are advised to schedule an appointment 45 days before they plan to take the Exam to ensure they will get the date and time that they wish.

Navigation: To navigate from question to question, use the controls at the bottom of the screen. Click the "Next" button (not the "Exit" button) to advance to the next question, or the "Previous" button to go to the previous question. To go directly to any question, click on its number.

Check the Status of Your Application

Exam and license applicants can now check the status of their applications through the Board's website, **nccpaboard.gov**. Look for the link in the "How Do I?" box on the homepage.

To check the status of his or her application, an applicant will enter his or her last name, date of birth, and the last four (4) digits of his or her Social Security number.

A screen showing the applicant's information, the pending items (required documents, payments, etc.), and the status of the pending items will display.

The applicant can update his or her contact information and may also send a message to the appropriate staff member using the comment/question box provided.

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2015 Board Calendar

(dates and locations subject to change)

January 1	–	Office Closed - New Year's Day
January 19	–	Office Closed - Dr. Martin Luther King, Jr., Day
January 26	–	Board Meeting - Raleigh
January 31	–	Final Deadline for Firm Renewal & Peer Review Compliance Info
February 23	–	Board Meeting - Raleigh
March 18	–	Board Meeting - Raleigh
April	–	Online CPA Certificate Renewal Available
April 3	–	Office Closed - Good Friday
April 21	–	Board Meeting - Raleigh
May 21	–	Board Meeting - Raleigh
May 25	–	Office Closed - Memorial Day
June 22	–	Board Meeting - Raleigh
June 30	–	CPA Certificate Renewal Deadline
July 3	–	Office Closed - Independence Day
July 20	–	Board Meeting - Raleigh
July 31	–	Final CPA Certificate Renewal Deadline
August 24	–	Board Meeting - Raleigh
September 7	–	Office Closed - Labor Day
September 21	–	Board Meeting - Raleigh
October 22	–	Board Meeting - Raleigh
November	-	Online Firm Renewal/Peer Review Compliance Available
November 11	–	Office Closed - Veterans Day
November 16	–	Board Meeting - Raleigh
November 26-27	–	Office Closed - Thanksgiving
December 14	–	Board Meeting - Raleigh
December 23-25	–	Office Closed - Christmas
December 31	–	Firm Renewal/Peer Review Compliance Info Due

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Please Print Legibly

Full Name:	
Certificate No.:	Last 4 Digits of SSN:
Home Address:	
City/State/Zip:	
Home Phone:	Home Fax:
Home Email:	
Firm/Business Name:	
Business Address:	
City/State/Zip:	
Business Phone:	Business Fax:
Business Email:	
Signature:	
Date:	Send mail to: ☐ Home ☐ Business

Mail form to: PO Box 12827, Raleigh, NC 27605
Fax form to: (919) 733-4209

Pursuant to 21 NCAC 08J .0107, all certificate holders & CPA firms shall notify the Board in writing within 30 days of any change in home address & phone number; CPA firm address & phone number; business location & phone number; & email address.