# 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. 1-2019


## Small Firm Engagement Letters

*This article originally appeared in Journal of Accountancy (JofA) November 2018. ©2018 Association of International Certified Professional Accountants. Reprinted by permission.*

Failure to advise clients (or providing improper advice) is the most frequent cause of claims in the AICPA Professional Liability Insurance Program. Often, these disputes are a result of scope-of-service disagreements between firms and their clients.

Engagement letters are the first and most critical line of defense against scope-of-service claims, helping to prevent claims by establishing clear responsibilities and managing client expectations as well as defending against claims by defining the scope of services and establishing limitations on the services to be provided to a client.

Using engagement letters is also associated with reducing the severity, i.e., the dollar amount, of claims (see "Professional Liability Spotlight: Setting Expectations," *JofA*, Oct. 2017; see also "Professional Liability Spotlight: Overcoming Obstacles to Engagement Letter Use" *JofA*, Nov. 2018).



Unfortunately, small firms and sole practitioners are the least likely to regularly use engagement letters.

While firms may be reluctant to send multiple-page engagement letters to clients (the sample AICPA letter for individual clients is eight pages, with an additional eight-page addendum of terms and documents) and may have difficulty getting clients to sign and return the letters, best practice standards in Section 10.33 of Circular 230, Regulations Governing Practice Before the Internal Revenue Service (31 C.F.R. Part 10), require "[c]ommunicating clearly with the client regarding the terms of the engagement."

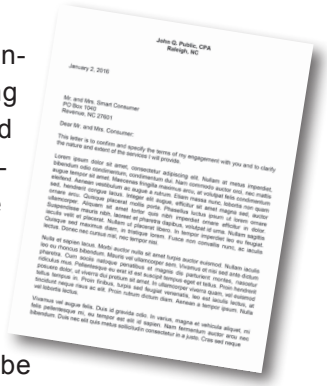
### Limiting Scope of Services

Engagement letters should be used to limit the scope of services by specifying the returns and other services for which the firm is responsible.

It is just as important to specify the services for which the firm is not responsible.

For example, a firm may want to include language regarding whether bookkeeping services required to prepare a tax return are included in the engagement, or whether the firm will prepare partner or shareholder basis schedules as part of an engagement.

Firms should generally exclude from a compliance engagement any tax consulting and tax planning, as well as correspondence with taxing authorities, and use separate letters for those services if a client requests them.



Care should be taken to specify the client taxpayer or taxpayers to which the engagement services are being provided, particularly if an individual taxpayer has an ownership interest in business entities or trusts.

Separate letters should be used for business engagements and individual engagements, as well as for adult children of clients, and should specifically include or exclude filing responsibilities for minor children.


**Engagement Letters**
*continued on page 3*


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# Disciplinary Actions

*Pursuant to NCGS 93-12(9), civil penalties are remitted to the North Carolina Civil Penalty and Forfeiture Fund ("Fund") in accordance with NCGS 115C-457.2. NCGS 115C-457.1(b) states, "The Fund shall be administered by the Office of State Budget and Management. The Fund and all interest accruing to the Fund shall be faithfully used exclusively for maintaining free public schools."*

## WILLIAM R. MILLER, #15583 | RALEIGH, NC

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

1. William R. Miller, CPA (hereinafter "Respondent"), is the holder of North Carolina certificate number 15583 as a certified public accountant.
2. The Board discovered that the audits for a rural health association were performed by the Respondent for the years 2012 through 2017. The Respondent had not registered a CPA firm or participated in a peer review program during those years.
3. The Respondent concedes that he performed the audits and had not registered a firm or participated in a peer review program during that time.
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. The aforementioned facts constitute violations of 21 NCAC 08N .0202 and .0213.
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. The certified public accountant certificate issued to the Respondent, William Ronald Miller, is permanently revoked.
2. Respondent William Ronald Miller 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 revoked North Carolina certificate.
3. The Respondent shall pay a one thousand dollar ($1,000) civil penalty to be remitted to the Board with this signed order.

***Approved by the Board December 17, 2018.***

## 2019 Board Meeting Dates

Monday, Jan.28 at 10:00 a.m., Raleigh
Monday, Feb. 18 at 10:00 a.m., Raleigh
Tuesday, March 19 at 1:00 p.m., Raleigh
Monday, April 22 at 10:00 a.m., Raleigh
Thursday, May 23 at 10:00 a.m., Raleigh
Friday, June 21 at 10:00 a.m., Winston-Salem
Monday, July 22 at 10:00 a.m., Raleigh
Monday, Aug. 19 at 10:00 a.m., Raleigh
Monday, Sept. 23 at 10:00 a.m., Raleigh
Thursday, Oct. 24 at 10:00 a.m., Raleigh
Monday, Nov. 25 at 10:00 a.m., Raleigh
Monday, Dec. 16 at 10:00 a.m., Raleigh



## ROBERT K. SOMERVELL, #23967 | CHARLOTTE, NC

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

1. Robert K. Somervell (hereinafter "Respondent") is the holder of North Carolina certificate number 23967 as a certified public accountant.
2. The Respondent self-reported that he had been convicted on felony drug charges.
3. The Respondent pled guilty and was sentenced and placed on supervised probation for a period of two (2) years.
4. The Respondent provided documentation that he had completed substance abuse treatment programs and is otherwise compliant with the conditions of his probation.
5. The Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board ex parte, whether or not the Board accepts this Consent Order as written. The Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

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

1. The Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. The aforementioned facts constitute violations of N.C. Gen. Stat. §§93-12(9) a & b, as well as 21 NCAC 08N .0201 and .0203.
3. Per N.C. Gen. Stat. §93-12(9), 93-10(b) and also by virtue of the Respondent's consent to this Order, the Respondent is subject to the discipline set forth below.

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

1. The Respondent, Robert K. Somervell, is censured.
2. The Certified Public Accountant certificate issued to the Respondent is suspended for two (2) years.

***Approved by the Board December 17, 2018.***

**Disciplinary Actions** *continued on page 4*

## Engagement Letters *continued from front page*

Model engagement letters available to AICPA Tax Section members (available at aicpa.org as part of the Annual Tax Compliance Kit) suggest specifically noting not only which federal and state returns will be prepared as part of the engagement, but also the specific tax years involved.

Using form numbers and years (e.g., "2018 Form 1040 and applicable schedules") is an effective way to clearly articulate the firm's responsibilities.

Responsibility for filing the returns and the subsequent termination of the engagement should also be discussed in the letter.

For electronically filed returns, language should typically specify that firm responsibilities end with the electronic filing of the return (and subsequent acknowledgment by the taxing authorities).

For paper-filed returns, it is critical to note whether the client or the firm is responsible for mailing the returns.

Firms should avoid using engagement letters that do not require a client's signature but instead specify an automatic acceptance by a client when a client provides tax information to the firm.

Instead, engagement letters should be updated and signed by clients annually. This is important in limiting potential liability resulting from clients' allegations of continuous representation by a firm. Annual letters also are beneficial in starting the running of the statute of limitation for claims.

For a detailed discussion of the issues in this area, see "Tax Practice Responsibilities: The Importance of Engagement Letters for Small Firms" in the November 2018 issue of *The Tax Adviser*.

— Roby B. Sawyers, CPA, Ph.D.

The *Tax Adviser* is the AICPA's monthly journal of tax planning, trends, and techniques.

## JOHN A. MCCOLE, #23100 | JOHN A. MCCOLE, CPA | CHARLOTTE, NC

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

1. John A. McCole, CPA (hereinafter "Respondent"), is the holder of North Carolina certificate number 23100 as a Certified Public Accountant.
2. John A. McCole, CPA (hereinafter "Respondent Firm"), is a registered CPA firm providing accounting services in North Carolina. The Respondent and Respondent Firm are collectively referred to as the "Respondents."
3. At all relevant times, the Respondent was the supervising CPA of the Respondent Firm and, as such, was the CPA responsible for ensuring that the Board's peer review requirements were satisfied.
4. The South Carolina Department of Labor, Licensing and Regulation ("SCDLLR") provided information to the Board that the Respondent Firm had performed a South Carolina audit, without registering as a firm or undergoing peer review.
5. The Respondent and Respondent Firm were subject to North Carolina laws and rules at the time that the audit was performed.
6. The Respondent performed an audit for a client in 2017. The audit was issued and sent to SCDLLR.
7. The client subsequently ceased operations and the Respondent attempted to retrieve the audits. The Respondent was not paid for the audit.
8. Because of the aforementioned issues, the Respondent did not disclose that he had performed that audit on his firm's annual renewal.
9. Additionally, per the Board's rules, at 21 NCAC 08M .0105(b), the Respondent had thirty (30) days after issuance of the audit to enroll in the peer review program. The Respondent did not meet that deadline.
10. The Respondent has affirmed that he does not desire to engage in services that require a peer review.
11. The Respondents wish to resolve this matter by consent and agree that the Board staff and counsel may discuss this Consent Order with the Board ex parte, whether or not the Board accepts this Consent Order as written. The Respondents understand and agree that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

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

1. The Respondents are subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. The Respondent's failure to disclose that he had performed an audit on his firm's annual renewal, constitutes a violation of 21 NCAC 08N .0202.
3. The Respondents' failure to enroll in the peer review program thirty (30) days after issuance of the audit constitutes a violation of 21 NCAC 08M .0105(b).
4. Per N.C. Gen. Stat. § 93-12(9), 93-10(b) and also by virtue of the Respondents' consent to this Order, the Respondents are subject to the discipline set forth below.

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

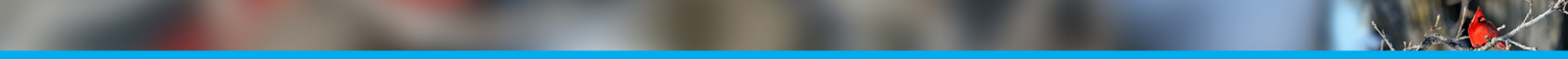
1. The Respondent is censured.
2. The Respondent shall pay a one thousand dollar ($1,000) civil penalty to be remitted with this signed Consent Order.
3. The Respondent shall not perform any further services that would subject his firm to peer review.

***Approved by the Board December 17, 2018.***

## REMINDER

January 31, 2019, is the final deadline for CPA firms to renew their firm registrations and provide peer review compliance information to the Board.

Please contact Cammie Emery by email at **cemery@nccpaboard.gov** or Buck Winslow by email at **buckw@nccpaboard.gov** if you have questions about firm renewal or peer review compliance.



# 50 or More Years of Licensure

As of December 31, 2018, the following individuals have been icensed as North Carolina CPAs for at least 50 years, but less than 60 years:

Franklin Theodore Carland (Feb. 1959)
Charles L. Odom, Jr. (Dec. 1959)
James William Turtle (Feb. 1960)
Charles Vernon Ricks (July 1960)
Robert Franklin Warwick (Nov. 1960)
Lester Hill (Feb. 1961)
Charles Avery Thomas, Jr. (Aug. 1961)
Carl Patrick Williford, Sr. (Aug. 1961)
Harry George Kledaras (Feb. 1962)
George Herman Spencer (Feb. 1962)
Harold Leon Collis (Mar. 1962)
Kenneth Ray Argo (Aug. 1962)
Kennis Robert Grogan (Aug. 1962)
Michael Kelly Hayes (Aug. 1962)
Craven Blaylock Page (Sept. 1962)
Emmanuel Michael Paturis (Oct. 1962)
Daniel Rollins Odom (Feb. 1963)
James Leroy McMillan (Feb. 1963)
James Allen Fine (July 1963)
William Ralph Hanling (July 1963)
Gary Johnson Wolfe (Aug. 1963)
Randall Rex Rouse, Jr. (Aug. 1963)
Doyle Tedder Liske (Dec. 1963)
Floyd Clinton Bowen Jr. (Jan. 1964)
Robert David Herford (Jan. 1964)
Charles Parker Umstead (Feb. 1964)
Thomas Key Norris (Feb. 1964)
James Graham Sullivan (Mar. 1964)
John Gilbert Buie, Jr. (June 1964)
William Howard Coffey (Aug. 1964)
James Michael Fargis (Aug. 1964)
Robert Stephen Smith (Aug. 1964)
Charles Edward Boggs (Sept. 1964)
Pete Calvin Coble, Jr. (Oct. 1964)
Edwin Dean Ferguson (Mar. 1965)
Joseph Franklin Ryals (Mar. 1965)
Stanley Clair Weidman (Mar. 1965)
Jesse Moye Harrington, III (May 1965)
William Myrick Harward (July 1965)
John Randolph Wooldridge, Jr. (July 1965)
Gary Martin Pearson (Aug. 1965)
James Erwin Lowdermilk (Sept. 1965)
David Everett Scobie (Oct. 1965)
Cecil Smith Mizelle (Dec. 1965)
Robert Edwards King (Feb. 1966)
Charles Escar Scott (April 1966)
Jack McAuther Stancil (April 1966)
Carlton Taylor (Aug. 1966)
John Thomas Pearson (Aug. 1966)
John Delyott Adams (Sept. 1966)
James Edward Neal (Sept. 1966)
Joseph Derrell Pool, Jr. (Sept. 1966)
Arthur Thomas High (Oct. 1966)
Samuel Alexander Boyce (Jan. 1967)
Thomas Henry Elam (Feb. 1967)
David Jesse Bradley (Feb. 1967)
James Roy Farmer (Feb. 1967)
Leon Edward Trexler (Feb. 1967)
Oscar Nathan Harris (Feb. 1967)
Felix Hill Allen, III (Feb. 1967)
Dallas Scott Lane (Mar. 1967)
Henry Donald Scott (April 1967)
Nolan Gray Brown (May 1967)
Robert Donald Parrott (July 1967)
Robert Newell Pulliam (July 1967)
Richard Putney Jones (July 1967)
Coleman DeVane Ross (July 1967)
Hubert Jennings (Aug. 1967)
William Jerial Lawing (Aug. 1967)
Herbert William Wakeford (Aug. 1967)
Grover Thomas Dees (Sept. 1967)
Andrew Benson Curl (Oct. 1967)
R. Harold Gibson (Oct. 1967)
William Lucas Lanier, Jr. (Nov. 1967)
Joseph Edward Hahn (Feb. 1968)
Joel William Lambert, Jr. (Feb. 1968)
James Franklin Baker (Feb. 1968)
Wayne Clifford Curry (Feb. 1968)
Rea Franklin Miller, Jr. (Feb. 1968)
T. Nelson Price (Feb. 1968)
W. Lyndo Tippett (Feb. 1968)
Brenda Jones Fox (Feb. 1968)
Donnie Lee Heath (Feb. 1968)
Eugene David Jackson (Feb. 1968)
Donald Etheldred Overman, Jr. (Feb. 1968)
Joseph Waters Pegram (Feb. 1968)
Francis Marion Smith (Feb. 1968)
James Holt Finison, Jr. (Mar. 1968)
Albert Allen Henderson (June 1968)
Clyde Stephen Dula (July 1968)
Ira Wayne Berry (Sept. 1968)
Charles Brooks Carver (Sept. 1968)
Ronald Sherman Dorsey (Sept. 1968)
James Ronald Martin (Sept. 1968)
Charles Eugene Price (Sept. 1968)
Tony Wayne Warfford (Sept. 1968)
Judson Monroe Connor, Jr. (Oct. 1968)

## 2019 Exam Score Release Dates

| Testing Window: January 1 – March 10 (19Q1) | | |
|---|---|---|
| If you take your Exam on/before: | ...and the AICPA receives your Exam data files from Prometric by 11:59 p.m. (EST) on: | Your target score release date is: |
| Jan. 20 | Jan. 20 | Feb. 5 |
| Feb.14 | Feb. 14 | Feb. 26 |
| Feb. 28 | Feb. 28 | Mar. 8 |
| Mar. 10 | Mar. 11 | Mar. 19 |
| **Testing Window: April 1 – June 10 (19Q2)** | | |
| If you take your Exam on/before: | ...and the AICPA receives your Exam data files from Prometric by 11:59 p.m. (EST) on: | Your target score release date is: |
| April 20 | April 20 | May 7 |
| May 15 | May 15 | May 23 |
| May 31 | May 31 | June 11 |
| June 10 | June 11 | June 19 |
| **Testing Window: July 1 – September 10 (19Q3)** | | |
| If you take your Exam on/before: | ...and the AICPA receives your Exam data files from Prometric by 11:59 p.m. (EST) on: | Your target score release date is: |
| July 20 | July 20 | Aug. 6 |
| Aug. 14 | Aug. 14 | Aug. 22 |
| Aug. 31 | Aug. 31 | Sept.10 |
| Sept. 10 | Sept. 11 | Sept.19 |
| **Testing Window: October 1 – December 10 (19Q4)** | | |
| If you take your Exam on/before: | ...and the AICPA receives your Exam data files from Prometric by 11:59 p.m. (EST) on: | Your target score release date is: |
| Oct. 20 | Oct. 20 | Nov. 5 |
| Nov. 14 | Nov. 14 | Nov. 22 |
| Nov. 30 | Nov. 30 | Dec. 10 |
| Dec.10 | Dec. 11 | Dec.19 |

## Reinstatements

At its December 17, 2018, meeting, the Board approved the applications for reinstatement submitted by the following individuals:

| | |
|---|---|
| Danielle Dannahower Ansaldi, #41075 | Charlotte, NC |
| Laura Katherine Caldwell, #26796 | Charlotte, NC |
| Laura Adack Huntley, #33551 | Raleigh, NC |
| Stuart Marc Kurtz, #38950 | Fuquay Varina, NC |
| Jeane Dianne Ochsner, #25129 | El Dorado Springs, MO |
| Lisa Polimeni Sawicki, #32482 | Mooresville, NC |

## Certificates Issued

On December 17, 2018, the Board approved the following applicants for licensure as North Carolina CPAs:

Angela Dillon Acosta
Amr Mohamed Anwar Alian
Michael Aversano
Ehrnest Ellsworth Ballagh, III
Todd R. Bialick
Alison Catherine Billman
Joseph Patrick Brzuchalski
Scott Thomas Dietz
Jaclyn Nicole Distler
Christopher Marcus Duncan
Matthew Richard Erickson
Tiffany Marie Flack
Carrie Flisher Fraipont
Brandan Allen Halsey
Christopher Daniel Jacquier
Anna Jane Johnson
Evan Keith Kimbell
Amanda Caitlin Kirkland
Joseph Daniel Kresse
Drew Philip Kretz
Curtis Randal Ladig
Diane Louise McClure
Scott Mitchell McManus
Kade Sheldon McNaughton
Jacqueline E. Messier Carpenter
Nicholas Lowe Moffitt
Sonny Walker Morris
Kathryn Ann Pascarosa
Christina M. Ramser
Alannah Nicole Rodriguez
Christopher Joseph Smith
Evan Walker Strong
Sara Ballard Watson
Kimberly Ervin White
Chavon Cherie Wilcox
Clarissa Doral Wilkerson
Lelu Zhao

# CONTACTING THE BOARD

**EXECUTIVE STAFF**

| | | |
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| Robert N. Brooks, Executive Director | 919/733-4222 | rbrooks@nccpaboard.gov |
| David R. Nance, CPA, Deputy Director | 919/733-4222 | dnance@nccpaboard.gov |

*Board operations, personnel matters, Board meetings, financial matters, rule-making*

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|---|---|---|
| Felecia Ashe, Accounting Specialist | 919/733-4223 | feleciaa@nccpaboard.gov |

*general accounting, accounts receivable/payable, vendor relations*

| | | |
|---|---|---|
| Vanessia Willett, Customer Service Rep | 919/733-4222 | vanessiaw@nccpaboard.gov |

*switchboard, address changes, general Board information*

**COMMUNICATIONS**

| | | |
|---|---|---|
| Lisa R. Hearne, Manager | 919/733-4208 | lhearne@nccpaboard.gov |

*website content, newsletter, press releases, public record information, social media*

**EXAMINATIONS**

| | | |
|---|---|---|
| Phyllis Elliott, Specialist | 919/733-4224 | phyllise@nccpaboard.gov |

*initial and re-exam applications, applicant eligibility, score release*

**LICENSING**

| | | |
|---|---|---|
| Buck Winslow, Manager | 919/733-1421 | buckw@nccpaboard.gov |
| Alice Grigsby, Specialist | 919/733-1422 | aliceg@nccpaboard.gov |

*individual licensure & renewal, inactive status*

| | | |
|---|---|---|
| Cammie Emery, Specialist | 919/733-1423 | cemery@nccpaboard.gov |

*firm registration & renewal, peer review, CPE & CPE audit*

**PROFESSIONAL STANDARDS**

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| Frank X. Trainor, III, Staff Attorney | 919/715-9185 | ftrainor@nccpaboard.gov |
| Mary Beth Britt, Specialist | 919/715-2455 | mbbritt@nccpaboard.gov |
| Jean Marie Small, Specialist | 919/733-1424 | jsmall@nccpaboard.gov |
| Julia L. Mayo, Assistant | 919/715-8413 | jmayo@nccpaboard.gov |

*complaints against CPAs & firms, unauthorized use of title, professional ethics & conduct*

| | |
|---|---|
| **Fax** | 919/733-4209 |

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| | |
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*2,000 copies of this document were printed in January 2019 at an estimated cost of $1,064 or approximately 80¢ per copy.*

# 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. 2-2019

## Update Your Contact Information

Did you know that licensees and CPA firms are required to notify the Board in writing of any change in contact information within 30 days of the change?

21 NCAC 08J .0107, *Mailing Addresses of Certificate Holders and CPA Firms* states, "All certificate holders and CPA firms shall notify the Board in writing within 30 days of any change in home address and phone number; CPA firm address and phone number; business location and phone number; and email address."

Licensees and firm representatives may submit address changes online by using the "Address Change" link on the Board's website, **nccpaboard.gov**, or by sending an email to **addresschange@nccpaboard.gov**.

Changing an individual licensee's address does not change a CPA firm's address. Likewise, changing a CPA firm's address does not change the addresses for the firm's licensed employees.

Although 21 NCAC 08J .0107 does not require Exam candidates to update their contact information, candidates are encouraged to submit address changes (especially changes in email address) to **addresschange@nccpaboard.gov**.



## Comments Requested on Proposed Rule Change

On February 18, 2019, the Board conducted a public Rule-Making Hearing on a proposed amendment to the rule cited as 21 NCAC 08F .0105.

New language is indicated by an underline and deleted language is indicated by a ~~strike-through~~.

21 NCAC 08F .0105, *Conditioning Requirements* is proposed to be amended as follows:

(c) A candidate is subject to the following conditioning requirements:

(1) a candidate shall obtain a passing grade on all sections of the examination within an 18-month period;

(2) a candidate may sit for any section of the examination individually;

(3) a candidate may ~~sit for each~~ retake a section of the examination ~~up to four times during a one-year period but not more than one time in a three-month testing window as defined by the examination vendors(s);~~ once the candidate's grade for any previous attempt of that same section has been released; and

(4) credit awarded by the Board for passage of a section of the examination is valid for an 18-month period beginning on the date the section is taken.

Written comments on the proposed change may be submitted by mail, email, or fax.

**Mail:** NC CPA Board
PO Box 12827
Raleigh NC 27605-2827
**Fax:** (919) 733-4209
**Email:** rbrooks@nccpaboard.gov

All comments must be received by 5:00 p.m. on March 18, 2019.

If approved, the rule change will be effective January 1, 2020.

### In This Issue

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# CPE Audit Orders

*The following matters are excerpted from Consent Orders issued by the Board in response to the findings of the Continuing Professional Education (CPE) audit. To view the full text of a Consent Order, use the Licensee Search function of the Board's website, nccpaboard.gov, to look up the licensee's record. In the record, click on the "Details" link and select "View" under the Public Documents heading.*

*Pursuant to NCGS 93-12(9), civil penalties are remitted to the North Carolina Civil Penalty and Forfeiture Fund ("Fund") in accordance with NCGS 115C-457.2. NCGS 115C-457.1(b) states, "The Fund shall be administered by the Office of State Budget and Management. The Fund and all interest accruing to the Fund shall be faithfully used exclusively for maintaining free public schools."*

### JONATHAN ADAM BENNETT, #34204
### ATLANTA, GA

The Board opened a case against Jonathan Adam Bennett (Respondent Bennett) for failure to complete sufficient CPE, including an ethics course, as required for renewal of his North Carolina CPA license.

Respondent Bennett signed a Consent Order in which he accepted the denial of the renewal of his CPA license; the forfeiture for at least one year of his CPA license; and the return of his CPA certificate to the Board within 15 days of his receipt of the Board's notification of its approval of the Consent Order.

Respondent Bennett may apply to return his CPA certificate to active status by submitting a reissuance application that includes payment of the application fee; three moral character affidavits; payment of a $1,000 civil penalty; and proof of completion of at least 48.5 hours of CPE including an eight-hour accountancy law course as offered by the North Carolina Association of CPAs.

Failure to timely comply with any terms of the Consent Order will be sufficient grounds to revoke Respondent Bennett's CPA license.

**Approved by the Board January 28, 2019.**

### LINDA ALLEN SKARZYNSKI, #23853
### WINSTON-SALEM, NC

The Board opened a case against Linda Allen Skarzynski (Respondent Skarzynski ) for failure to complete sufficient CPE as required for renewal of her North Carolina CPA license.

Respondent Skarzynski signed a Consent Order in which she accepted the denial of the renewal of her CPA license; the forfeiture for at least one year of her CPA license; and the return of her CPA certificate to the Board within 15 days of her receipt of the Board's notification of its approval of the Consent Order.

Respondent Skarzynski may apply to return her CPA certificate to active status by submitting a reissuance application that includes payment of the application fee; three moral character affidavits; payment of a $1,000 civil penalty; and proof of completion of at least 51 hours of CPE including an eight-hour accountancy law course as offered by the North Carolina Association of CPAs.

Failure to timely comply with any terms of the Consent Order will be sufficient grounds to revoke Respondent Skarzynski's CPA license.

**Approved by the Board January 28, 2019.**

## 2019 Board Meeting Dates

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Tuesday | March 19 | 1:00 p.m. | Raleigh | Monday | August 19 | 10:00 a.m | Raleigh |
| Monday | April 22 | 10:00 a.m. | Raleigh | Monday | Sept. 23 | 10:00 a.m | Raleigh |
| Thursday | May 23 | 10:00 a.m. | Raleigh | Thursday | Oct. 24 | 10:00 a.m | Raleigh |
| Friday | June 21 | 10:00 a.m. | Winston-Salem | Monday | Nov. 25 | 10:00 a.m | Raleigh |
| Monday | July 22 | 10.00 a.m. | Raleigh | Monday | Dec. 16 | 10:00 a.m | Raleigh |

# Certificates Issued

On January 28, 2019, the Board approved the applications for North Carolina CPA licensure submitted by the following individuals:

Erin Elizabeth Alexander
Brook Elizabeth Anderson
Jack L Anderson
Charles Wescott Andrews
Alexander Cole Bacon
William Page Barnes, III
William Morgan Barr
Stephen James Beach
Kara Joy Biroldi
Evgenia Borodikhina
Cameron Bowen
Peter Richard Bremhorst
Kristin Marie Brigman
Stephen Bradley Bruette
Zachary Ronald Bruns
Braden Michael Call
Brian Alston Carman
Sarah Williams Casstevens
Miranda Lynn Clarke
Adam Parker Clayton
Lauren Heather Collins
Jonathon Chase Cox
Keith DeCroix
Abigail Sarah Durham
Mohammed Abdelkader Elbakrawy
Kevin Wayne Ellefson
Katelyn Nicole Epperson
Ruben Henry Garratt
Matthew R. Getzoff
Shalil Prendes Giannone
John Paul Given
Haley Anne Good
Tristan Gales Goss
David Crispin Graybeal
Jill Chandler Green
Barry Mark Griffith, Jr.
Nathan Robert Hales
Leslie Abigail Hamilton
Xiaofeng Han
Jennifer Rose Hannah
Mitchell Harra
Austin Richard Harris
Cherie Anna Harrison
Sarah Worster Harrison
Tyler Nicholas Hartman
Allie Michelle Hobgood
Barney David Holtzman

Carlie Cunningham Holzmeister
Joseph Scott Holzmeister
Andrew Brian Jackel
Kevin Edward James
Mitchell Garrett Johnson
Zachery Henderson Jones
Paul Sun Jin Kim
David Andrew Kirk
Christopher David Kishbaugh
Anne Tyler Knollmann
Hannah Ashton Krainiak
Victoria Leigh Lacivita
Frank Lambertus, III
Jordan Marie Lane
Sarah Ann Larson
John Joseph Lauchert
Gina Renee Lawrence
Hannah Mueller Leahy
Sydney Jordan Lee
Keila Marie Leverette
Daniel Robert Lewis
Savannah Liberato
Pablo Lizarazo
Allison Mae Lizotte
Cameron Neil Losser
Hayley Catherine Lower
Yao Lu
Seona Mafe
Andrew Wesley Malone
Bruce Eric Manes
Daryl Kayla Mapson
Anna Catherine Martin
Kane Furman Mason
Claire Riley Mathias
Kelly Alexandra McCarter
Ian Andrew McKee
Alexander Devitt McLarnon
Ryan David McMahon
Kenneth Michael McNees
Jyoti Mehta
Manoj Mirchandani
Nathan Grant Morris
Cara Jo Murbach
Taylor Brooke Murphy
Nader Chaoukat Nasrallah
Michael John Olynick
Nicole Marie Palma

Nilisha Hemang Patel
Christopher Andrew Patterson
London Steele Paulson
Ryan Bridges Poage
Kaitlyn Marie Porter
Thomas Glenn Post
Austin Phillip Powell
James Hunter Powell
Margaret Tidwell Puckett
Connor Louis Randel
Zhi Ren
Benjamin Dean Richter
Laura Emily Ritter
Jack Foster Robertson
William Clarence Ross, III
Reyna Nicole Sawyer
Allison Janee Schill
Melanie Anne Schmidt
Joseph Edward Scott
Dayln Jordan Shelton
Michael Dwayne Shortall
Travis Alan Sirois
Brie Elizabeth Sisak
Andrew Mark Smith
Jocelyn Wishart Smith
Robert Adam Stephenson
Carter Blaine Stinman
Anna Elizabeth Stone
Alison Taylor Storie
Sarah Marie Sullivan
Valeriy Olegovich Sviderskiy
Wesley Sweigart
Zachary David Thomas
David Stuart Tingley
Peter Justin Tomasiello
Susan Tran
Olivia Ardis Turnbull
Nancy Wang
Jared Evan Weber
Kaitlyn Rose Whalen
John Thomas Whelehan
William Jonathan Whitacre
Caitlin Elizabeth White
Raenie Young Woo
Laurence Oliver Woolhiser
Tyler Christopher Wooten
Samuel James Young

## 2019 Exam Score Release Dates

| Testing Window: January 1 – March 10 (19Q1) | | |
|---|---|---|
| If you take your Exam on/before: | ...and the AICPA receives your Exam data files from Prometric by 11:59 p.m. (EST) on: | Your target score release date is: |
| Jan. 20 | Jan. 20 | Feb. 5 |
| Feb.14 | Feb. 14 | Feb. 26 |
| Feb. 28 | Feb. 28 | Mar. 8 |
| Mar. 10 | Mar. 11* | Mar. 19 |
| **Testing Window: April 1 – June 10 (19Q2)** | | |
| If you take your Exam on/before: | ...and the AICPA receives your Exam data files from Prometric by 11:59 p.m. (EST) on: | Your target score release date is: |
| April 20 | April 20 | May 7 |
| May 15 | May 15 | May 23 |
| May 31 | May 31 | June 11 |
| June 10 | June 11 | June 19 |
| **Testing Window: July 1 – September 10 (19Q3)** | | |
| If you take your Exam on/before: | ...and the AICPA receives your Exam data files from Prometric by 11:59 p.m. (EST) on: | Your target score release date is: |
| July 20 | July 20 | Aug. 6 |
| Aug. 14 | Aug. 14 | Aug. 22 |
| Aug. 31 | Aug. 31 | Sept.10 |
| Sept. 10 | Sept. 11 | Sept.19 |
| **Testing Window: October 1 – December 10 (19Q4)** | | |
| If you take your Exam on/before: | ...and the AICPA receives your Exam data files from Prometric by 11:59 p.m. (EST) on: | Your target score release date is: |
| Oct. 20 | Oct. 20 | Nov. 5 |
| Nov. 14 | Nov. 14 | Nov. 22 |
| Nov. 30 | Nov. 30 | Dec. 10 |
| Dec.10 | Dec. 11 | Dec.19 |

**The Exam data files the AICPA receives after March 11 will be included in the final target score release date.*

- All dates and times are based on Eastern Time zone.
- For the vast majority of candidates, the AICPA receives the Exam data files from Prometric within 24 hours after a candidate completes the Exam.
- The scores for the Exam data files received after the AICPA cutoff dates will be in the subsequent scheduled target score release.
- Some candidates who take the BEC section might receive their scores approximately one week following the target release date due to additional analysis that might be required for the written communication tasks.



## Revised Exam Blueprints Effective July 1, 2019

In October 2018, the AICPA Board of Examiners (BOE) approved revisions to the CPA Exam Blueprints (Blueprints).

The Blueprint revisions apply to the following Exam sections:

- **AUD** - The revisions expand upon or add more detail to the AUD Blueprint on audit data analytics. The revisions do not change the nature or scope of content eligible for testing in the AUD section. The audit data analytics concepts addressed in the revisions are covered by the existing AUD Blueprint and are currently eligible for testing.
- **BEC** - The revisions are not intended to significantly change the content eligible for testing in the BEC section. The revisions:
  a. Clarify the Section introduction.
  b. Reorganize Area IV, *Information Technology*, to clarify the nature and scope of the Area with respect to newly licensed practice.
- **REG** - The revisions clarify the REG Blueprint and do not change the nature and scope of content eligible for testing in the REG section. The revisions add a section assumptions discussion to the Section introduction and clarify three representative task statements.
- **FAR** - There are no revisions to the FAR Blueprint.

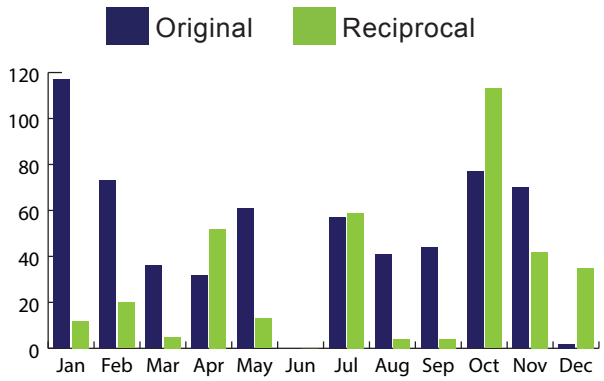
The revised Blueprints are in the CPA Exam Study Materials section of **aicpa.org/cpaexam**.

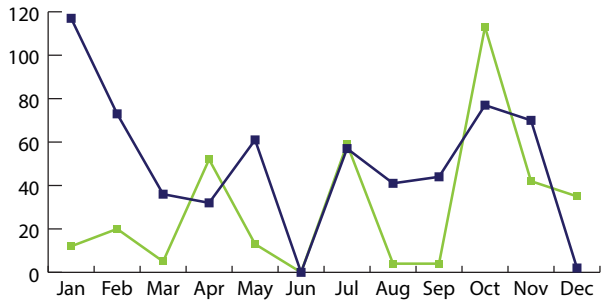
# By the Numbers: Exam and License Applications Approved

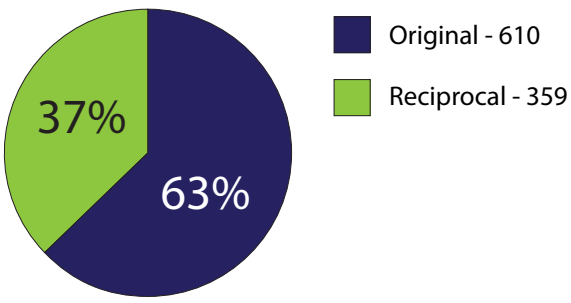
## January 2018-December 2018

### CPA License Applications Approved

| Certificate Applications | | |
|---|---|---|
| Month | Initial | Reciprocal |
| Jan-18 | 117 | 12 |
| Feb-18 | 73 | 20 |
| Mar-18 | 36 | 5 |
| Apr-18 | 32 | 52 |
| May-18 | 61 | 13 |
| Jun-18 | 0 | 0 |
| Jul-18 | 57 | 59 |
| Aug-18 | 41 | 4 |
| Sep-18 | 44 | 4 |
| Oct-18 | 77 | 113 |
| Nov-18 | 70 | 42 |
| Dec-18 | 2 | 35 |

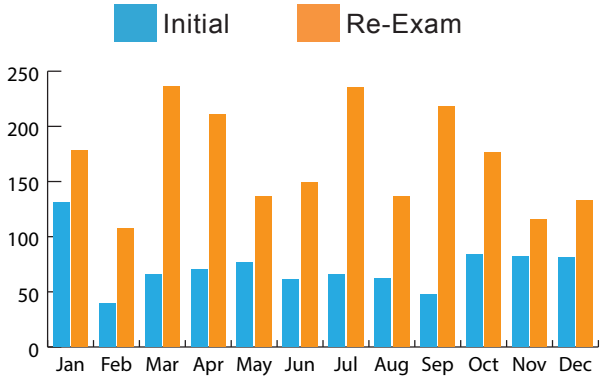


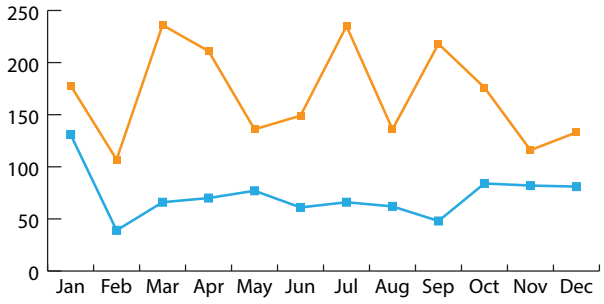



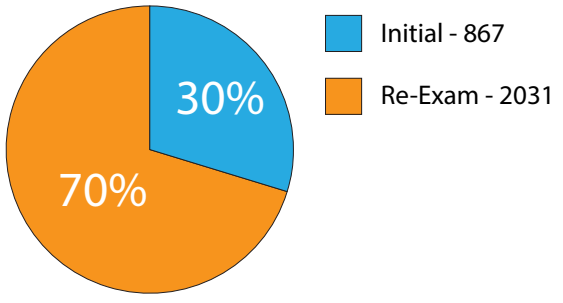




### CPA Exam Applications Approved

| Exam Applications | | |
|---|---|---|
| Month | Initial | Re-Exam |
| Jan-18 | 131 | 178 |
| Feb-18 | 39 | 107 |
| Mar-18 | 66 | 236 |
| Apr-18 | 70 | 211 |
| May-18 | 77 | 136 |
| Jun-18 | 61 | 149 |
| Jul-18 | 66 | 235 |
| Aug-18 | 62 | 136 |
| Sep-18 | 48 | 218 |
| Oct-18 | 84 | 176 |
| Nov-18 | 82 | 116 |
| Dec-18 | 81 | 133 |



## Reporting Convictions, Judgments, and Disciplinary Actions

Each year on the annual CPA license renewal form, a licensee is required to answer questions regarding his or her moral character, including any convictions, judgments, or disciplinary actions that have occurred since the last license renewal period.

However, a licensee with a conviction, judgment, or disciplinary action should not wait until the license renewal period to report such actions.

21 NCAC 08N .0208, *Reporting Convictions, Judgments, and Disciplinary Actions* states:

(a) Criminal Actions. A CPA shall notify the Board within 30 days of any 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 any judgment or settlement in a civil suit, bankruptcy action, administrative proceeding, or binding arbitration that:

(1) is grounded upon an allegation of professional negligence, gross negligence, dishonesty, fraud, misrepresentation, incompetence, or violation of any federal or state tax law and
(2) was brought against either the CPA or a North Carolina office of a CPA firm of which the CPA was a managing owner.

(c) Settlements. A CPA shall notify the Board within 30 days of any written settlement in which a client or former client releases the CPA from liability that is grounded upon an allegation of professional negligence; gross negligence; dishonesty; fraud; misrepresentation; incompetence; or violation of any federal, state, or local law, regardless of whether the client or former client has filed a civil suit or criminal charge.

(d) Investigations. A CPA shall notify the Board within 30 days of any inquiry or investigation by the criminal investigation divisions of the Internal Revenue Service (IRS) or any state department of revenue 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 for any tax matters.

A licensee with questions regarding his or her reporting obligations should contact the Board's Staff Attorney, Frank Trainor, Esq., at **ftrainor@nccpaboard.gov**, or the Board's Deputy Director, David R. Nance, CPA, at **dnance@nccpaboard.gov**.



## Do You Follow the Board on Social Media?

You use Facebook, Twitter, and LinkedIn to keep up with your colleagues, friends, and relatives, so why not use social media to keep up with the Board, too?

For the Board, social media is a great tool for keeping applicants, licensees, and the public up-to-date on statute and rule changes, upcoming deadlines, Board meetings, issues affecting the profession, and much more.

**Tweet Us, Like Us, Share Us, Join Us**

**Facebook**:

https://www.fb.com/NCCPABoard

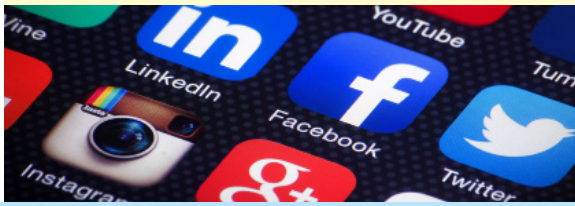
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State Board of CPA Examiners

Don't forget to bookmark the Board's website, **nccpaboard.gov**.




## Reclassifications

At its January 28, 2019, meeting, the Board approved the applications for reclassification submitted by the following individuals:

**REINSTATEMENT**

| | |
|---|---|
| David McLeod Boggs, #30573 | Ponte Vedra Beach, FL |
| Jennifer Lynn Buller, #30171 | Greensboro, NC |
| Dorothy Altman Kennedy, #19650 | Liberty, NC |
| Antoinyce Evangeline Mathis, #39416 | Knightdale, NC |
| Kimberly Grider Pittman, #21740 | Wayne, PA |
| Ewa Aleksandra Pszenny, #34618 | Pinehurst, NC |
| Victoria M. Sumbs, #37834 | Raleigh, NC |
| Stephanie Elliott Yefimov, #29388 | Holly Springs, NC |

**REISSUANCE**

| | |
|---|---|
| Taylor Michael Fairman, #29047 | Atlanta, GA |
| Mary Anita Jones, #16848 | Beulaville, NC |

# Inactive Status

Between November 28, 2018, and January 31, 2019, the individuals listed below were approved for inactive status. 21 NCAC 08A .0301(b)(20) states: "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."

| | |
|---|---|
| Caroline Zanation Shepherd, #12998 | Oak Island, NC |
| Samantha Mills Knott, #32100 | Spotsylvania, VA |
| Brice Paul Humpolick, #42548 | Asheville, NC |
| Margaret E. Darby, #24056 | Decatur, GA |
| Benjamin Lane Medlin, #34369 | Taylorsville, NC |
| Lou Hunter Magaldi, #22466 | Charlotte, NC |
| Patricia Ellington King, #18300 | Chagrin Falls, OH |
| Tabatha Marie Beckham, #31041 | Maiden, NC |
| Jonathan Sears Woodall, #14983 | Holly Springs, NC |
| Lou Ann Jackson, #16872 | Clemmons, NC |
| Matthew Dwaine Menscer, #26130 | Charlotte, NC |
| Joanne M. Dionne, #32218 | Fernandina Beach, FL |
| John Hassell Haley, #12496 | Raleigh, NC |
| Yukiko Sato Scales, #28157 | Raleigh, NC |
| Albert Esley Cabaniss, #3417 | Mebane, NC |
| Jerome Anderson Jackson, #36403 | Woodstock, GA |
| Russell Edward Shipe, #22021 | Supply, NC |
| Verlyn Burton Luther, #20057 | Clemmons, NC |
| J. Lewis McKnight, #22472 | Mint Hill, NC |
| Michael Dale Bruce, #38496 | Dillsboro, NC |
| Pamela Rae Tourtellot, #22195 | Holly Springs, NC |
| Priscilla Jane Quinn, #21507 | Cary, NC |
| Timothy Hathan Allen, #9900 | Mocksville, NC |
| Ashley Gwaltney Covington, #36664 | Hendersonville, NC |
| Joe Alan Barnes, #33397 | Clemmons, NC |
| Anne Marie Church, #34306 | Charlotte, NC |
| Chase Hardy Hale, #35130 | Pleasant Grove, UT |
| Marianne Fonville Johnson, #11634 | Greensboro, NC |
| Mark Edward Kurowski, #30020 | Fort Mill, SC |
| Michael Burling Naramore, #24084 | Mooresville, NC |
| William Benjamin Havird, #34139 | New York, NY |
| Elizabeth Amy Sievert Dunlop, #22380 | Wilmington, NC |
| Patricia T. Wagner, #30251 | Raleigh, NC |
| Arthur George Jaeger, #31499 | Raleigh, NC |
| Brian Craig Bailey, #35511 | Raleigh, NC |
| Diane Meyer, #28597, | Charlotte, NC |
| Irene Fulcher Bouroudjian, #16854 | Raleigh, NC |
| James Lawrence Miller, #15354 | Franklin, TN |
| Mary Summers Johnson, #19356 | Brown Summit, NC |
| Robert Edward Watson, #30474 | Charlotte, NC |
| Thomas Elvin Hinton, #23037 | Pittsboro, NC |
| Amy Mills Lehr, #28289 | Cary, NC |
| Andrea Barringer Venus, #31616 | Huntersville, NC |
| Carol Lynn Crouse, #13824 | Lake Charles, LA |
| Carolyn Ashley Alford, #36929 | Wilmington, NC |
| Charles Teal, #14651 | Charlotte, NC |
| Christa Burris Middleton, #24625 | Winston-Salem, NC |
| Christian Hernandez, #38655 | Rio Rancho, NM |
| Christina Michelle Murphy, #31181 | Wilmington, NC |
| Dana Rivenbark McBrayer, #15195 | Southport, NC |
| Daniel Tyler Moore, #34758 | Raleigh, NC |
| Diane Thompson Quintin, #28450 | Apex, NC |
| Francis C. Navin, #30547 | Cary, NC |
| Irene M. Meares, #37584 | Belmont, NC |
| Jason Clark Harding, #26711 | Charlotte, NC |
| Jeffrey Fred Kies, #13063 | Concord, NC |
| Jeffrey Kendrick Hunt, #30997 | Charlotte, NC |
| Jeffry Alan Newman, #19634 | Denver, NC |
| John Paul Barbee, #36178 | Franklin, NC |
| John Randolph Wooldridge, #2506 | Lake Wylie, SC |
| John Valentino Grossi, #16911 | Winston-Salem, NC |
| Joseph Derrell Pool, #2808 | Charlotte, NC |
| Karen Huters Johnson, #31383 | Durham, NC |
| Katharine L. Baumann, #28943 | Stokesdale, NC |
| Kelly Campbell Kidney, #29965 | Charlotte, NC |
| Laura Kathleen Johnson, #36825 | Charlotte, SC |
| Margaret Lynne Bosworth, #23633 | Apex, NC |
| Mary Anne Jackson, #23190 | Charlotte, NC |
| Milton Jordan, #15192 | Winston-Salem, NC |
| Nathan William Villaume, #38143 | Charlotte, NC |
| Ostine Swan, #11867 | Raleigh, NC |
| Randy Jay Meisner, #14247 | Chesterfield, MO |
| Robert Cecil Horne, #22453 | Nashville, NC |
| Robert Louis Davenport, #24521 | Morrisville, NC |
| Robert Withers Poellnitz, #40215 | Birmingham, AL |
| Roger Kent Wolff, #3807 | Arden, NC |
| Stephen Wayne Kerr, #21409 | Zebulon, NC |
| Stephen Whitfield Foster, #34007 | Denver, CO |
| Ted Lanier Brown, #8574 | Jacksonville, NC |
| Thomas Eli Turlington, #41608 | Clinton, NC |
| Zachary Harris Matthews, #40614 | Greensboro, NC |
| Albert Michael Boulus, #38063 | Cary, NC |
| Maxton Curtis McDowell, #7802 | Asheboro, NC |
| Richard M. Roberson, #21157 | Wake Forest, NC |
| Adam Douglas Yoder, #36372 | Winston-Salem, NC |
| Doretta R. Mongold, #28931 | Petersburg, WV |
| Linda D. Stern, #20702 | Aiken, SC |
| Pamela Anne Mason Swanstrom, #21711 | Cary, NC |
| Charles Thomas Johnson, #15813 | Lumberton, NC |
| Diana DeForest Gibbs, #27349 | Charlotte, NC |
| Carolyn Tuschall Dalby, #20467 | Durham, NC |
| Joyce Hassell Taylor, #13905 | Australia |
| Robert William Thorburn, # 16561 | Raleigh, NC |
| Regina J. Howard, #23434 | Greensboro, NC |

North Carolina State Board of
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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

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## 2019-2020 CPA Certificate Renewal

The link to the online individual certificate renewal will be available on the Board's website, **nccpaboard.gov**, in April. The deadline for completing the renewal is June 30, 2019.

Look for the link to the online renewal in the "How Do I?" box on the Board's homepage.

Before starting the online renewal, review the renewal FAQs on page 3 and the renewal infographic on pages 4 and 5.

The full instructions for completing the 2019-2020 renewal are included in the online renewal.

CPE reporting can be the portion of the renewal that causes problems, so make sure you check the appropriate box related to your CPE.

Failure to accurately report your CPE or not having completed the proper CPE may result in a forfeited certificate and a $1000.00 civil penalty through a Consent Order.

As required by North Carolina's Employee Fair Classification Act (EFCA), the renewal includes an Employee Fair Classification Public Notice Statement.

You must certify that you have read and understand the EFCA Statement and certify if you have or have not been investigated for employee misclassification.



If you have been investigated, you must disclose the results of the employee misclassification investigation to the Board.

The Board is required by statute to deny your certificate renewal if you do not answer the questions related to employee misclassification.

If you don't complete the certificate renewal or request inactive status before July 1, you may receive a Letter of Demand from the Board.

Failure to submit the renewal form and fee or request inactive status within 30 days of receiving the Letter of Demand will result in an automatic forfeiture of your NC CPA certificate.

Send general questions about CPA certificate renewal to Buck Winslow, at **buckw@nccpaboard.gov**.

Send specific questions about CPE as it relates to your certificate renewal to Cammie Emery, at **cemery@nccpaboard.gov**.

## NASBA SSO Account for Exam Candidates

All Uniform CPA Exam candidates must have a NASBA CPA Candidate Single Sign-On (SSO) account to view, print, or reprint a Notice to Schedule (NTS) and to view Exam scores.

If you have not created your account, visit **candidate-portal.nasba.org** to get started.

To set up your SSO account, you must use the same first and last name, email address, and date of birth you used when applying to take the Exam.

After entering your personal information, you will enter a jurisdiction code and your unique jurisdiction Candidate ID.

The jurisdiction code is a two-letter state abbreviation; NC is the jurisdiction code for North Carolina candidates.

Your jurisdiction Candidate ID is the candidate number assigned to you by the Board. This number is included in the "NTS Notification Service" email you receive from NASBA.

If you do not have your jurisdiction Candidate ID, email **cbtcpa@nasba.org** and include your full name and date of birth in your request.

You will use your SSO account to retrieve each NTS and each score for every Exam application you submit to the Board.

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# Disciplinary Action

*Pursuant to NCGS 93-12(9), civil penalties are remitted to the North Carolina Civil Penalty and Forfeiture Fund ("Fund") in accordance with NCGS 115C-457.2. NCGS 115C-457.1(b) states, "The Fund shall be administered by the Office of State Budget and Management. The Fund and all interest accruing to the Fund shall be faithfully used exclusively for maintaining free public schools."*

## S. PRESTON DOUGLAS & ASSOCIATES, LLP | LUMBERTON, NC

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

1. S. Preston Douglas & Associates, LLP (hereinafter "Respondent Firm"), is a registered certified public accounting firm in North Carolina.
2. The Board received a referral from the NC Office of the State Auditor ("OSA") alleging that the Respondent Firm had submitted an audit report for a local government entity that did not meet applicable financial reporting requirements.
3. The Board reviewed the audit report and independently reviewed the audit documentation deficiencies identified by OSA.
4. The Respondent Firm's audit procedures did not conform with generally accepted auditing standards in that the documentation was insufficient.
5. The 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. The 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. The 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 Respondent Firm's failure to perform audit services in accordance with generally accepted auditing standards constitutes a violation of 21 NCAC 08N .0403.
3. Per N.C. Gen. Stat. §93-12(9), 93-10(b) and also by virtue of the Respondent Firm's consent to this order, the Respondent Firm is subject to the discipline set forth below.

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

1. If the Respondent Firm opts to continue to provide audit services the following conditions must be met:
   a. Each staff member participating in single audit engagements must take an additional 8-hour group-study A&A CPE course related to Internal Control testing in the single audit environment. The CPE may not be included as part of the annual 40-hour requirement for North Carolina CPAs. The CPE must be completed by May 31, 2019.
2. The Respondent Firm shall pay a one thousand dollar ($1,000) civil monetary penalty to be remitted with this signed Consent Order.

***Approved by the Board February 18, 2019.***

| 2019 Board Meetings | | | |
|---|---|---|---|
| Monday | April 22 | 10 a.m. | Raleigh |
| Thursday | May 23 | 10 a.m. | Raleigh |
| Friday | June 21 | 10 a.m. | Winston-Salem |
| Monday | July 22 | 10 a.m. | Raleigh |
| Monday | August 19 | 10 a.m. | Raleigh |
| Monday | Sept. 23 | 10 a.m. | Raleigh |
| Thursday | Oct. 24 | 10 a.m. | Raleigh |
| Monday | Nov. 25 | 10 a.m. | Raleigh |
| Monday | Dec. 16 | 10 a.m. | Raleigh |

*Pursuant to NC Gen. Stat. §143-318.10, all official meetings of the Board are open to the public. However, the public may be excluded from certain portions of the meeting as allowed by NC Gen. Stat. §143-318.11.*

# FAQs about Online CPA Certificate Renewal

**How do I access the online CPA certificate renewal?**

The link to the online renewal is in the "How Do I" box on the Board's homepage, **nccpaboard.gov**.

**Can I renew using a mobile device?**

Yes, but it may be easier to complete the renewal on a laptop or desktop computer.

**What information do I need to renew online?**

You need your Social Security number; your NC CPA certificate number; the number of CPE hours completed for the 2018 requirement; and a valid MasterCard or VISA account number including security code, expiration date, and billing address.

**I don't remember my CPA certificate number. How do I find out my certificate number?**

You may look up your certificate number using the "Find CPA/Find CPA Firm" link on the homepage of the Board's website, **nccpaboard.gov**.

**If I was licensed in November 2018, how many CPE hours should I have completed in 2018?**

If you were licensed in 2018, the number of CPE hours you need to meet the annual requirement is prorated based on the quarter in which your certificate was issued:

Jan/Feb/Mar = 40 hours;
Apr/May/Jun = 30 hours;
July/Aug/Sept = 20 hours;
Oct/Nov/Dec = 10 hours.

**How do I know how many carry-forward CPE hours I have?**

Your prior year's carry-forward hours are automatically inserted in the renewal for you.

You may check your carry-forward CPE hours by using the ""Find CPA/Find CPA Firm" link on the Board's website.

If the number shown in the online database is incorrect, contact Cammie Emery at **cemery@nccpaboard.gov**.



Before starting the online renewal process, review your 2018 certificates of completion to confirm that the CPE year is correct; the hours are stated correctly; and that each course meets the requirements of 21 NCAC 08G .0404.

Make sure, too, that you have completed at least two hours of coursework on regulatory or behavioral professional ethics offered by a sponsor that is registered with NASBA's National Registry of CPE Sponsors, **nasbaregistry.org**.

**I was just licensed as a North Carolina CPA last month. Do I need to renew my certificate?**

Yes, all active CPAs licensed before July 1, 2019, must complete the 2019-2020 certificate renewal or request inactive status before July 1, 2019.

**If I answer yes to one of the moral character questions, how do I submit the information to the Board?**

For each affirmative answer, type in an explanation in the space provided on the renewal.

Relevant court documents can be submitted as a single PDF no larger than 20 MB using the upload option on the screen or emailed to Buck Winslow at **buckw@nccpaboard.gov**.

You may mail the documents to: Certificate Renewal, State Board of CPA Examiners, PO Box 12827, Raleigh NC 27605.

**What happens if I answer yes to one of the moral character questions?**

The information you provide is submitted to the Board's Professional Standards staff, which may request additional information from you.

If warranted, the information is forwarded to the Board's Professional Standards Committee, which will review the information and then instruct the Professional Standards staff as to how to proceed with the matter.

**Why is the Board asking me questions about the Employee Fair Classification Act (EFCA)?**

All North Carolina occupational licensing boards are required by law to include the employee misclassification public notice and disclosure statement on all certificate applications and certificate renewals.

Information about EFCA is available from the NC Industrial Commission's website, **www.ic.nc.gov**.

**I tried to renew online, but I got an error message. What do I do now?**

Most errors related to the online renewal can be cleared by restarting your computer. If you have restarted your computer more than once and still can't complete the renewal, contact Buck Winslow at **buckw@nccpaboard.gov** and attach a screenshot of the error message.

**Which forms of payment do you accept for the online renewal?**

The Board accepts only MasterCard and Visa as payment for the online renewal.

**Renewal FAQs**
*continued on page 6*

# 2019-2020 Online CPA Certificate Renewal

21 NCAC 08J requires all active NC CPAs to renew their certificates annually by July 1. The information on these two pages is an overview of the online certificate renewal process. Please review this information as well as the *FAQs about Online CPA Certificate Renewal* on page 3 before starting the online renewal. Detailed instructions for completing the renewal are included in the online renewal. If you have questions about the online renewal, please contact the Board at (919) 733-4222.

## What You'll Need to Renew




Social Security Number



NC CPA Certificate Number



CPE Hours Completed to Meet the 2018 Requirement



MasterCard or VISA account number (including security code, card expiration date and billing address)



## Log-in

**Enter your social security number and certificate number.**






## Pertinent Data

**Review and Edit**

- **Employment information;**
- **AICPA & NCACPA membership;**
- **Contact information; and**
- **Newsletter delivery method.**



**How to Look Up Your Certificate Number & CPE Carry-Forward Hours**

Visit the "Find a CPA" section of our website.





## CPE Compliance

- **Read the statements about CPE reporting; and**
- **Select "yes" for one statement only.**

| | | |
|---|---|---|
| | ● YES | ○ NO |
| | ○ YES | ● NO |
| | ○ YES | ● NO |

# Report CPE Credit Hours

- Enter the number of CPE hours you are claiming for 2018. (2017 carry-forward hours are automatically inserted into your renewal.)

2018 JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC

## Moral Character Data

- Answer four questions about your moral character;
- Provide details for each "yes" answer; and
- Upload relevant documents.



## Oath of a North Carolina CPA

**No action needed.**

## Accountancy Statutes and Administrative Code

- Acknowledge and affirm responsibility for knowing and understanding the statutes and rules.
- Affirm that information reported in the renewal application is true, correct, and complete.

## Employee Fair Classification Act (EFCA)

- Certify or deny understanding of public notice statement; and
- Accept or decline disclosure statement.

## Payment

- Enter all required information and submit for processing.
- Print receipt.



| 2018 CPA Exam Pass Rates | | | | | |
|---|---|---|---|---|---|
| Section | Q1 | Q2 | Q3 | Q4 | Cumulative |
| AUD | 49.27% | 54.70% | 51.07% | 48.54% | 50.97% |
| BEC | 56.43% | 60.31% | 60.17% | 60.13% | 59.35% |
| FAR | 41.59% | 49.17% | 48.85% | 44.57% | 46.22% |
| REG | 49.99% | 55.75% | 56.55% | 50.22% | 53.16% |

## 2019 Exam Score Release Dates

| Testing Window: April 1 – June 10 (19Q2) | | |
|---|---|---|
| If you take your Exam on/before: | ...and the AICPA receives your Exam data files from Prometric by 11:59 p.m. (EST) on: | Your target score release date is: |
| April 20 | April 20 | May 7 |
| May 15 | May 15 | May 23 |
| May 31 | May 31 | June 11 |
| June 10 | June 11 | June 19 |
| **Testing Window: July 1 – September 10 (19Q3)** | | |
| If you take your Exam on/before: | ...and the AICPA receives your Exam data files from Prometric by 11:59 p.m. (EST) on: | Your target score release date is: |
| July 20 | July 20 | Aug. 6 |
| Aug. 14 | Aug. 14 | Aug. 22 |
| Aug. 31 | Aug. 31 | Sept.10 |
| Sept. 10 | Sept. 11 | Sept.19 |
| **Testing Window: October 1 – December 10 (19Q4)** | | |
| If you take your Exam on/before: | ...and the AICPA receives your Exam data files from Prometric by 11:59 p.m. (EST) on: | Your target score release date is: |
| Oct. 20 | Oct. 20 | Nov. 5 |
| Nov. 14 | Nov. 14 | Nov. 22 |
| Nov. 30 | Nov. 30 | Dec. 10 |
| Dec.10 | Dec. 11 | Dec.19 |

- All dates and times are based on Eastern Time zone.
- For the vast majority of candidates, the AICPA receives the Exam data files from Prometric within 24 hours after a candidate completes the Exam.
- The scores for the Exam data files received after the AICPA cutoff dates will be in the subsequent scheduled target score release.
- Some candidates who take the BEC section might receive their scores approximately one week following the target release date due to additional analysis that might be required for the written communication tasks.

**Renewal FAQs** *continued from page 3*

**I have multiple charges for the renewal on my credit card. How do I request a refund?**

If you have multiple charges for the renewal on your credit card statement, email a copy of the statement to Buck Winslow at **buckw@nccpaboard.gov**. A staff member will provide you with a refund request form.

To prevent multiple charges, click the submit button for your payment one time only. If you receive an error message when submitting the payment, contact the Board at (919) 733-4222.

**I don't want to pay for the renewal with a credit card. Is there another way for me to renew?**

If you prefer to pay the renewal fee by check, you must complete each page of the online renewal, print each page (before clicking submit), sign the renewal, and mail the completed pages and a $60.00 check payable to State Board of CPA Examiners to: Certificate Renewal, PO Box 12827, Raleigh, NC 27605.

**Is it true that if I don't renew my certificate, my certificate is automatically placed on inactive status?**

No. You must request inactive status using the link in the "How Do I" box on the Board's homepage.

Failure to renew your certificate or request inactive status before July 1, 2019, may result in forfeiture of your NC CPA certificate.

**When is the CPA certificate renewal deadline?**

The deadline for renewing your NC CPA certificate or requesting inactive status is June 30, 2019.

**The Board office will be closed on April 19, 2019, for Good Friday.**



# Certificates Issued

On February 18, 2019, the Board approved the applications for North Carolina CPA licensure submitted by the following individuals:

Jack Austin Badger
Darby Jane Boyd
Kenneth Gerald Cargain
Matthew Taylor Carrick
Peter Francis Cataldi
Felix Chang
Grayson Bennett Compton
Daphne Macon Culp
Mindy Renee Dana
Caroline Marie Dausch
Laura Alison Davenport
Taylor Alexander Davis
Shannon Brian Earp
Brandon Paul Evans
Melanie Renee Falk
Brandon Tyler Farrell
Miguel Uribe Flores
Joan Harrison Freihofer
Anna Marie Futrell
Meghan Ann George
Connor Colle Gibson
Nicholas Edward Thompson Gittin
Sarah Ann Glovier
Brandon Mark Godwin
Connor William Green Malatesta
Mary Elizabeth Hamilton
Jordan Michael Harrell
Elizabeth Lillian Hazelton
Gregg Jaret Hemric
Candace Lucia Hughes
Melissa Hope Jackson
Anna C. Jones
Jacob Reese Kager
Robert Francis Kocur
Zachary Paul Lachance
Andrew James Locke
Matthew Burke Long
Matthew Newton Long
Xueer Lu
Phuong My Luu
Alison Katherine MacKay
Sara Jo Martin
Erin Anne Mauldin
Cicely Ann McLaughlin
Lisa M. Miceli
Natalia Vladimirovna Nanas
Scott Michael Nashland
Brittany Joann Noles
Ann Marie Rose Ory
Dylan Mark Prince
Sarah Elizabeth Puccio
Alicia Marie Racculia
Natalia Reichardt
Ragi Youssef Riad
Brooke Scott Richey
Lauren Page Riley
Benjamin Wadsworth Brock Roberts
Tyler Miller Roe
Samuel Douglas Roebuck
Anthony Robert Sanguinetti
Richard Arnold Sater, Jr.
Matthew Leland Sexton
Fred Allen Steele
Erin Christine Sturgess
Casey Lynn Tierney
Henrica Martina Van Oort
Daniel Scott Wise

## RECLASSIFICATIONS

At its February 18, 2019, meeting, the Board approved the applications for reinstatement and reissuance submitted by the following individuals:

### Reinstatements

| | |
|---|---|
| Kathryn Marie Binns, #36441 | Westerville, OH |
| Ian Arthur Bradley, #33850 | Simpsonville, SC |
| Brenda B. Brown, #27017 | Cary, NC |
| Amy Phillips Torvinen, #28333 | Rutherfordton, NC |
| Flo Renee Weaver, #20085 | Durham, NC |

### Reissuance

| | |
|---|---|
| Jennifer Acklin Dakin, #27334 | Franklin, TN |
| Donald Richard Oliver, Jr., #18239 | Taylorsville, NC |
| Angela Owenby Reimels, #30768 | Fletcher, NC |




## Request for Inactive Status

NC CPAs may request inactive status through the Board's website, **nccpaboard.gov**.

To access the online form, click on the "Request Inactive Status" link in the "How Do I" box on the homepage.

After completing and submitting the form, you will receive an email from the Board that summarizes the information you entered and notifies you that your request for inactive status has been approved.

North Carolina State Board of
Certified Public Accountant Examiners
PO Box 12827
Raleigh NC 27605-2827

PRSRT STD
US Postage PAID
Greensboro, NC
Permit No. 821

## State Board of CPA Examiners

### Board Members

**L. Samuel Williams, Jr., CPA**
*President, Hickory*

**Jeffrey J. Truitt, Esq.**
*Vice President, Cary*

**Arthur M. Winstead, Jr., CPA**
*Secretary-Treasurer, Greensboro*

**Justin C. Burgess**
*Member, Wilmington*

**Wm. Hunter Cook, CPA**
*Member, Charlotte*

**Gary R. Massey, CPA**
*Member, Raleigh*

**Michael S. Massey, CPA**
*Member, Morrisville*

### 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*

**Examinations**
*Phyllis W. Elliott*

**Licensing**
*Cammie Emery*
*Alice Grigsby*
*Buck Winslow*

**Professional Standards**
*Mary Beth Britt*
*Julia L. Mayo*
*Jean Marie Small*

*2,000 copies of this document were printed in March 2019 at an estimated cost of $1,743 or approximately 87¢ per copy.*

## Notice of Address Change

**Please Print Legibly**

| | |
|---|---|
| Full Name: | |
| Certificate No.: | Last 4 Digits of SSN: |
| Home Address: | |
| City/State/Zip: | |
| Home Phone No: | Home Fax: |
| Personal Email: | |
| Firm/Business Name: | |
| Business Address: | |
| City/State/Zip: | |
| Business Phone No: | 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. 4-2019


## Wanda B. Taylor, Esq., Appointed to Board



The North Carolina State Board of CPA Examiners is pleased to announce that Governor Roy Cooper has appointed Wanda B. Taylor, Esq., to the Board as a Public Member.

Taylor was sworn the Oath of Office at the Board's March 19, 2019, meeting. Her term on the Board will expire June 30, 2022.

She replaced Justin C. Burgess, who had served on the Board since 2015 (*see Resolution on page 3*).

Taylor received her Bachelor of Arts degree in Political Science from Duke University in 1983 and received her J.D. from the University of North Carolina at Chapel Hill in 1987.

She is admitted to practice before all North Carolina state and federal courts, as well as the United States Supreme Court.

Since 2016, Taylor has been Director of Litigation, Counsel, with Key Risk (a Berkley Company) in Greensboro, NC.

Prior to joining Key Risk, she was employed by the State of North Carolina as an attorney with the NC Department of Justice and as a Deputy Commissioner and Chief Deputy Commissioner with the NC Industrial Commission.

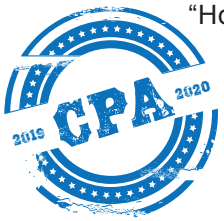
Taylor began her career with law firms in Raleigh and Durham, NC.

She is a Fellow of the College of Workers' Compensation Attorneys and a member of the Alliance of Women Attorneys in Workers' Compensation.

## 2019-2020 CPA License Renewal

The deadline for individual license renewal for North Carolina CPAs is June 30.

To access the online renewal, navigate to the Board's homepage, **nccpaboard.gov**, and click on the "Renew My CPA License" link in the "How Do I?" box.




Before launching the online renewal, take a few minutes to review the renewal information published in the March *Activity Review* and gather the necessary documents.

Complete instructions for completing the renewal process are included in the online renewal.

CPE reporting can be the portion of the renewal that causes problems, so make sure you check the appropriate box related to your CPE.

**Renewal**
*continued on page 6*

## Officers Elected

The Board has elected officers for the 2019-2020 fiscal year that began April 1, 2019.

Arthur M. Winstead, Jr., CPA, was elected President; Michael S. Massey, CPA, was elected Vice President; and Gary R. Massey, CPA, was elected Secretary-Treasurer.

Winstead, a North Carolina CPA since 1980, was appointed to the Board in 2017. He previously served on the Board 2003-2009.

Appointed to the Board in 2018, Michael Massey has held a North Carolina CPA license since 2009.

Licensed as a North Carolina CPA in 1980, Gary Massey was appointed to the Board in 2018.

Information about the officers and members of the Board is available from the Board's website, **nccpaboard.gov**.



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# Disciplinary Action

*Pursuant to NCGS 93-12(9), civil penalties are remitted to the North Carolina Civil Penalty and Forfeiture Fund ("Fund") in accordance with NCGS 115C-457.2. NCGS 115C-457.1(b) states, "The Fund shall be administered by the Office of State Budget and Management. The Fund and all interest accruing to the Fund shall be faithfully used exclusively for maintaining free public schools."*

## MARK ANDREW WHITAKER, #14134 | HARRISBURG, NC

***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 24, 2018, 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-38(c).
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. The Board staff received a third-party complaint from one of Respondent's clients ("Complainant"). The Complainant's spouse had recently died. Respondent had assisted the Complainant with her financial affairs and also prepared her taxes. The complaint contains allegations regarding the sale of an annuity by Respondent to Complainant. Complainant asserted that she had been financially harmed as a result of placing a large percentage of her assets into an annuity with limitations on withdrawals and adverse tax implications.
8. Evidence admitted at hearing in this matter establishes that Respondent provided information regarding the Athene Annuity & Life Co. (the "Athene Annuity") in July 2014, and that Complainant signed an application for an Athene Annuity on August 9, 2014. That documentation included a disclosure that the "insurance producer" would be paid a commission. The application and other documentation provided by Respondent to Complainant did not specify the rate of Commission or amount that Respondent would be paid.
9. The undisputed evidence also shows that pursuant to Respondent's advice, the Complainant wrote a check to Athene Annuity for $780,000.00, and that Athene Annuity received those funds on September 30, 2014. Respondent's evidence included a statement from Athene Annuity to Respondent in which the September 30, 2014, date of receipt of the $780,000 payment was designated as "Transaction Date." That statement also reflected a credit to Respondent of an "earned amount" of commission of $58,500.00 as "first year commission." Respondent also stipulated that he received the $58,500.00 commission on or about September 30, 2014.
10. There was no evidence that Respondent provided the Complainant with any document either before September 30, 2014, or within ten (10) days thereafter that included a disclosure of the $58,500.00 commission.
11. At the hearing in this matter, Respondent testified that he verbally informed the Complainant that he would receive a commission from the sale and that on November 2, 2014, or on November 21, 2014, Respondent attempted to give the Complainant a document disclosing the commission amount, but the Complainant refused to accept that document. In correspondence with the Board, the Complainant stated that she did not recall that. Regardless, even if accepted at face value, that attempted disclosure was at least thirty-six (36) days after the Complainant wrote the $780,000.00 check to Athene Annuity, and

**Whitaker**
*continued on page 4*

# *North Carolina State Board of Certified Public Accountant Examiners*

## *Resolution*

***Whereas**, Justin C. Burgess, has served as a member of the North Carolina State Board of Certified Public Accountant Examiners since 2015;*

***Whereas,** during his tenure, he served as a member of the Professional Education and Applications Committee;*

***Whereas,** during his tenure he has faithfully and tirelessly served as a leader in the profession and is an eloquent spokesperson 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 Justin C. Burgess, for his dedicated service, his personal sacrifice to serve the public interest, and his leadership to the Board.*

*This the 19th day of March 2019.*

*North Carolina State Board of*
*Certified Public Accountant Examiners*

L. Samuel Williams, Jr., CPA, President



**Whitaker** *continued from page 2*

at least thirty-three (33) days after the "Transaction Date" as well as the date Respondent received the $58,500.00 commission fee.

12. Respondent also presented evidence that the Complainant received and signed a "Contract Delivery Receipt" on November 21, 2014. The Contract Delivery Receipt stated that the Complainant had "a limited period of time to examine my Annuity Contract and return it for a refund of premium." The Respondent apparently did not refer to that document or provide it to Board staff until immediately prior to the Hearing. Respondent only offered part of the document into evidence. The portion of the Contract Delivery Receipt introduced into evidence did not include a written disclosure of the amount of commission, but did appear to provide that the Complainant could have canceled the Athene Annuity contract and received a refund during a so-called "free look" period of twenty (20) days. Respondent in previous communications with the Board staff in evidence had not previously characterized it as a written disclosure of the commission amount. Instead, Respondent, at most, claimed that he had tried to hand the Complainant a written disclosure but that she had refused to accept it. Accepted as true, such evidence does nothing to prove compliance with the rules, but does invite the suggestion that an objective CPA might have taken that client behavior as a signal that the deal should have been revoked and the $780,000.00 investment (as well as the $58,500.00 commission) returned.

13. Despite the Board's request, the Respondent did not produce any credible evidence that he had actually timely transmitted the amount of his commission to the Complainant in writing. Evidence introduced pursuant to Respondent's stipulation also indicated that the Complainant did not "recall being informed of his commission in any way."

14. In 2006, Respondent was disciplined by the Board via Consent Order in a previous matter. That Consent Order, introduced by stipulation as an exhibit in this matter, contained the following findings of fact:

> Respondent advised his client to obtain certain insurance products. Respondent was listed as the agent on the insurance for the sale of the 412(i) Plan and received a commission for the sale.
>
> Respondent did not disclose to the client, in writing, the fact that Respondent was receiving a commission from the sale of the Insurance, and further failed to disclose the amount of the commission, all of which was required by 21 NCAC 8N .0303(e).

15. Pursuant to that Consent Order, Respondent also agreed that he had not been objective and had "placed his own financial interest and that of a third party ... ahead of the legitimate interest of his client."

**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. The receipt of commissions by a CPA is subject to Rule 21 NCAC 08N .0303(e), which states:

> A CPA shall communicate in advance to a client the scope of services or products to be rendered or referred for which the CPA will receive a commission, referral, or contingent fee. A CPA shall provide disclosure in a written statement within ten business days of the service or product to be rendered or referred with the commission, referral, or contingent fee to be charged or received by the CPA.

4. Although the Athene Annuity paperwork provided by Respondent to the Complainant referred to a commission, it did not inform Complainant of the amount of the commission to be received by the CPA as required by the Board rule.

5. The Respondent's evidence of his attempt to provide the Complainant with a copy of his Athene Annuity commission statement more than a month after the transaction date and receipt of the commission would not satisfy the disclosure requirement of 21 NCAC 08N .0303(e).

6. Respondent's contention is that the November 21, 2014, Contract Delivery Receipt constituted adequate written disclosure of the amount of the commission because the Complainant had twenty (20) days from that date to revoke the contract and receive a refund. But the Applicable Rule does not tie the disclosure requirement to that date. Rule 21 NCAC 08N .0303(e) requires written disclosure before the

service or product is provided for which the commission is "to be charged or received" by the CPA. The evidence establishes that September 30 was the "transaction date" and date on which the $58,500 commission was "earned," and the Respondent stipulated that he received the $58,500.00 commission fee on September 30, 2014, long before he provided or attempted to provide the written disclosure. Even if the Complainant could revoke the contract up to twenty (20) days after November 21, 2014, the loss of the use of her funds for fifty-five (55) days (from the date of the check to the date of the Contract Receipt) is another example of public harm that the Rule was adopted to prevent.

7. Regardless, the plain language of Rule 21 NCAC 08N .0303(e) requires written disclosure of the amount of commission at the latest within ten (10) days of September 30, 2014 (the "transaction date" and the date Respondent received the $58,500.00 commission). The undisputed evidence is that the Respondent knew the exact amount of commission as of September 27, 2014, but did not disclose it in writing within ten (10) days, nor in the ensuing fifty-five (55) days.

8. Respondent's prior discipline for violation of the same rule serves as an aggravating factor. The applicable rule and this Board's decision are based upon the overarching expectation that a CPA is still obligated to be objective. As before, if Respondent had placed this Complainant's interest ahead of his own, he would not have failed to timely comply with the written disclosure requirement regarding his $58,500.00 commission.

***BASED ON THE FOREGOING,*** the Board orders in a vote of 6 to 1 that:

1. The Certified Public Accountant certificate issued to Respondent Mark A. Whitaker is hereby revoked for a period of two (2) years.

2. Respondent Mark A. Whitaker 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.

*Approved by the Board May 24, 2018.*

*Issued to Respondent June 4, 2018.*

*Effective January 30, 2019.*

## Superior Court Affirms Whitaker Board Order

On May 24, 2018, the Board held a public hearing regarding Mark A. Whitaker's alleged violation of 21 NCAC 08N .0303, *Objectivity and Conflicts of Interest*.

A Board Order imposing a two-year revocation of Whitaker's NC CPA certificate was issued by the Board on June 4, 2018.

As permitted under North Carolina General Statute 150B-43, *Right to Judicial Review,* Whitaker filed a Petition for Judicial Review with the Wake County Superior Court on June 27, 2018, and a hearing on the Petition was held on December 13, 2018.

On January 30, 2019, Wake County Superior Court Judge Bryan Collins denied Whitaker's Petition and affirmed the Board Order. Therefore, the two-year revocation of Whitaker's CPA certificate became effective January 30, 2019.

Judge Collins' Opinion on the matter is available through the "Find CPA/CPA Firm" link on the Board's website, **nccpaboard.gov**.




| 2019 Board Meetings | | | |
|---|---|---|---|
| Thursday | May 23 | 10 a.m. | Raleigh |
| Friday | June 21 | 10 a.m. | Winston-Salem |
| Monday | July 22 | 10 a.m. | Raleigh |
| Monday | August 19 | 10 a.m. | Raleigh |
| Monday | Sept. 23 | 10 a.m. | Raleigh |
| Thursday | Oct. 24 | 10 a.m. | Raleigh |
| Monday | Nov. 25 | 10 a.m. | Raleigh |
| Monday | Dec. 16 | 10 a.m. | Raleigh |

*Pursuant to NC Gen. Stat. §143-318.10, all official meetings of the Board are open to the public. However, the public may be excluded from certain portions of the meeting as allowed by NC Gen. Stat. §143-318.11.*

## RECLASSIFICATIONS

At its March 19, 2019, meeting, the Board approved the applications for reinstatement and reissuance submitted by the following individuals:

### Reinstatements

| | |
|---|---|
| Tammy Rene Albright-Coreil, #23623 | Burlington, NC |
| Teri L. Alexander, #25951 | Spokane, WA |
| Joshua Lane Bryant, #40497 | Raleigh, NC |
| Clifton Ross Stancil, #28877 | Durham, NC |
| Lynn Harris Williams, #36229 | Simpsonville, SC |

### Reissuance

| | |
|---|---|
| Kristen Marie Lewis, #35638 | Smyrna, GA |
| Etim Jeremiah Udoh, #29680 | Waxhaw, NC |

### Inactive Status

Between February 1, 2019, and March 29, 2019, the individuals listed below were approved for inactive status. "Inactive," when used to refer to the status of a person, describes a person who has requested inactive status and 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)].

| | |
|---|---|
| Donald Andrew Huff, #28486 | Tucker, GA |
| William Lawrence Greene, Jr., #16249 | Clemmons, NC |
| Alexander Philip Ivey, #38517 | Raleigh, NC |
| Michael John Bellairs, #37960 | Ortonville, MI |
| Tammy DeeAnn Aycock, #23153 | Goldsboro, NC |
| John Michael Feeney, #38622 | Wilmington, NC |
| Evan Ryan Kleiss, #41880 | Asheville, NC |
| Claude David Brown, #18102 | Rocky Mount, NC |
| Robert Johnston Williams, V, #37369 | Raleigh, NC |
| Melissa Hines Davis, #17954 | Wilmington, NC |
| R. Brett Liverman, Jr., #20281 | Sparta, NC |
| Josie Crowe McDonald, #30054 | Apex, NC |
| T. Nelson Price, #3106 | Lumberton, NC |
| Rachael Brooks, #35850 | Raleigh, NC |
| Walter Chandler Knapp, III, #13841 | Lewisville, NC |
| Sophie Ridings Avent, #37765 | Southern Shores, NC |
| Willard Carlton, #15050 | Waxhaw, NC |
| Candace Ann Paton, #14011 | Charlotte, NC |
| Jeffrey Dean Gordon, #20040 | Browns Summit, NC |
| James Montrose, #20882 | Concord, NC |
| Nancy Morgan Erwin, #31090 | Evansville, IN |
| J. Franklin Joiner, #3506 | Winston-Salem, NC |
| Patti A. Habit, #25865 | New Bern, NC |
| Michael David Bass, #21378 | Lincoln, CA |
| Jennifer Menge Halsing, #26477 | San Leandro, CA |
| ShaistaShireen, #38338 | Cary, NC |
| Elizabeth Ann Staker, #24297 | Cary, NC |
| Khalid M. Awan, #14218 | Cary, NC |
| Seth Joseph Beaver, #40742 | Waynesville, NC |
| Lisa R. Hysko, #15423 | Wilmington, NC |
| Janice Marie Holland, #19414 | Clanton, AL |

**Renewal** *continued from page 1*

Failure to accurately report your CPE or not having completed the proper CPE may result in a forfeited certificate and a $1000.00 civil penalty through a Consent Order.

Contact Buck Winslow at **buckw @nccpaboard.gov** with general questions about CPA license renewal

For specific questions about CPE, contact Cammie Emery at **cemery @nccpaboard.gov**.

### 50 Years of Licensure

The following individuals have been licensed as North Carolina CPAs for 50 years:

Gilbert Maurice Capps
February 1969

Douglas Allen Hunt
February 1969

Mack William Phipps
February 1969

Joe Carl Rowe
February 1969

Barry Dermont Leonard
February 1969

James Hillary Black
March 1969

William Boyne Fulmer
March 1969

## Request for Inactive Status

NC CPAs may request inactive status through the Board's website, **nccpaboard.gov**.

To access the online form, click on the "Request Inactive Status" link in the "How Do I" box on the homepage.

After completing and submitting the form, you will receive an email from the Board that summarizes the information you entered and notifies you that your request for inactive status has been approved.

## Certificates Issued

On March 19, 2019, the Board approved the applications for North Carolina CPA licensure submitted by the following individuals:

Brent Matthew Allison
Henrique Luiz Alves Rodrigues
Brendan Andrew Bioren
Brandi Michelle Burkhart
Richard Nicholas Dawson
Andrew Francis Deal
Monica Elizabeth Devlin
Peter Michael Ekenstierna
Juliana Mia Filippini
William Conrad Glidewell, IV
Kaitlyn Marie Hastings
Jonathan Heath Huggins
Jeffrey Hoyle Joyce, Jr.
Timothy James Kay
Kathryn Elizabeth Kosick
Katherine Elizabeth Landi
Susan Nicole Lansberry
Leah June Fedorka Lloyd
Barbara S. Lukens
Mabel M. Machin
James Brandon Merritt
Robert Andrews Metzger, III
Erin Leigh Mirante
Corry Molter
Jack Ronald Stewart Mordey
Morgan Barkley Nash
Caitlin Moira O'Neil
Kiera Danielle Orris
Michael John Roche
Juan Camilo Rodas
Michelle Frances Romagnoli
Haley Lynn Rosenbach
Autumn LeeAnn Rubio
Cameron Elliott Smith
Amanda Rose Thompson
Don Nelson Tidwell
William Festus Turlington, Jr.
Cassandra Nicole Wagner
Karl Stephens Weickgenannt
Laura Marie Welch
Catherine Lynn Wilson
Connor Martin Wulff

## 2019 CPA Inauguration

On Thursday, June 20, 2019, the North Carolina Association of CPAs (NCACPA) will host the CPA Inauguration.

This event honors those individuals licensed as North Carolina CPAs (original and reciprocal) between May 1, 2018, and April 30, 2019.

The NCACPA will host all newly certified CPAs and one guest at no cost. Additional guests may attend for $50.

The Board encourages all eligible CPAs to attend this event.

For more information visit **www.ncacpa.org/cpa-inauguration**.

## 2019 Exam Score Release Dates

| Testing Window: April 1 – June 10 (19Q2) | | |
|---|---|---|
| If you take your Exam on/before: | ...and the AICPA receives your Exam data files from Prometric by 11:59 p.m. (EST) on: | Your target score release date is: |
| April 20 | April 20 | May 7 |
| May 15 | May 15 | May 23 |
| May 31 | May 31 | June 11 |
| June 10 | June 11 | June 19 |
| **Testing Window: July 1 – September 10 (19Q3)** | | |
| If you take your Exam on/before: | ...and the AICPA receives your Exam data files from Prometric by 11:59 p.m. (EST) on: | Your target score release date is: |
| July 20 | July 20 | Aug. 6 |
| Aug. 14 | Aug. 14 | Aug. 22 |
| Aug. 31 | Aug. 31 | Sept.10 |
| Sept. 10 | Sept. 11 | Sept.19 |
| **Testing Window: October 1 – December 10 (19Q4)** | | |
| If you take your Exam on/before: | ...and the AICPA receives your Exam data files from Prometric by 11:59 p.m. (EST) on: | Your target score release date is: |
| Oct. 20 | Oct. 20 | Nov. 5 |
| Nov. 14 | Nov. 14 | Nov. 22 |
| Nov. 30 | Nov. 30 | Dec. 10 |
| Dec.10 | Dec. 11 | Dec.19 |

- All dates and times are based on Eastern Time zone.
- For the vast majority of candidates, the AICPA receives the Exam data files from Prometric within 24 hours after a candidate completes the Exam.
- The scores for the Exam data files received after the AICPA cutoff dates will be in the subsequent scheduled target score release.
- Some candidates who take the BEC section might receive their scores approximately one week following the target release date due to additional analysis that might be required for the written communication tasks.

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 No: | Home Fax: |
| Personal Email: | |
| Firm/Business Name: | |
| Business Address: | |
| City/State/Zip: | |
| Business Phone No: | 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. 5-2019

### Comments Requested on Proposed Rule Change



On May 23, 2019, the Board conducted a public rule-making hearing regarding a proposed amendment to 21 NCAC 08F .0105, *Conditioning Requirements.*

If approved, the rule change will be effective January 1, 2020.

New language is indicated by an underline and deleted language is indicated by a ~~strike-through~~.

21 NCAC 08F .0105 is proposed to be amended as follows:

(c) A candidate is subject to the following conditioning requirements:

(3) a candidate may ~~sit for each~~ retake the same section of the examination ~~up to four~~ as many times during a one-year period ~~but not more than one time in a three-month testing window as defined by~~ as determined by the examination ~~vendors(s);~~ vendor(s);

Written comments on the proposed change may be submitted by mail, email, or fax.

**Mail:** NC CPA Board
PO Box 12827
Raleigh NC 27605-2827
**Fax:** (919) 733-4209
**Email:** **rbrooks@nccpaboard.gov**

All comments must be received by 5:00 p.m. on July 1, 2019.



## Are CPAs Subject to the North Carolina Privilege License Requirement?

A state privilege license tax is a tax placed on specific businesses, trades, or professions for the privilege of engaging in those activities.

The privilege license is in addition to any regulatory or qualification requirements to engage in those businesses, trades, or professions.

The public practice of accounting is one of the professions specified in North Carolina General Statute (NCGS) 105, *Taxation*, Article 2, *Privilege Taxes* as requiring a privilege license in this State.

NCGS 105-41 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 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.

Accounting services include, but are not limited to

- agreed-upon procedures,
- audits,
- bookkeeping,
- compilations,
- financial statements,
- management advisory services
- preparation services,
- professional services or assistance relating to accounting procedure and systems,
- reviews,
- tax consulting,
- tax reports, and
- tax return preparation.

**Privilege License**

*continued on page 5*

### In This Issue

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# Disciplinary Actions

*Pursuant to NCGS 93-12(9), civil penalties are remitted to the North Carolina Civil Penalty and Forfeiture Fund ("Fund") in accordance with NCGS 115C-457.2. NCGS 115C-457.1(b) states, "The Fund shall be administered by the Office of State Budget and Management. The Fund and all interest accruing to the Fund shall be faithfully used exclusively for maintaining free public schools."*

## MAXTON C. MCDOWELL, #7802 | MAXTON C. MCDOWELL, CPA | ASHEBORO, NC

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

1. Maxton C. McDowell ("Respondent"), was the holder of North Carolina certificate number 7802 as a Certified Public Accountant.
2. Maxton C. McDowell, CPA (hereinafter "Respondent Firm"), was a registered certified public accounting firm in North Carolina. The Respondent and the Respondent Firm shall hereinafter be collectively referred to as the "Respondents."
3. On December 29, 2018, the Respondent requested that his CPA certificate be placed on inactive status. At that time, he also informed the Board that he had sold his firm.
4. In August 2017, the Board received a referral from the Local Government Commission ("LGC") regarding the audit of the Town of Spring Hope. The audit contract was with Maxton C. McDowell, CPA.
5. When requested by the Board staff, the Respondents were unable to provide copies of the audit workpapers.
6. After a period of several months, the Respondents were able to produce audit workpapers. Upon review of those workpapers, numerous material audit deficiencies were identified.
7. The Respondents wish to resolve this matter by consent and agree that the Board staff and counsel may discuss this Consent Order with the Board ex parte, whether or not the Board accepts this Consent Order as written. The Respondents understand and agree that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

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

1. The Respondents are subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. The initial inability to produce audit workpapers and the deficiencies identified after those workpapers were produced constitute violations of 21 NCAC 08N .0403.
3. The Respondents did not adequately supervise the audit of the Town of Spring Hope resulting in a violation of 21 NCAC 08N .0212(3).
4. Per N.C. Gen. Stat. § 93-12(9), and also by virtue of the Respondents' consent to this order, the Respondents are subject to the discipline set forth below.

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

1. The Respondent, Maxton C. McDowell's, CPA certificate is currently on inactive status. In the event that he desires to reactivate that certificate, his ability to perform attest services, as set forth in 21 NCAC 08M .0105(a), is revoked.

***Approved by the Board March 19, 2019.***



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

1. Angela Davenport Elliott, CPA (hereinafter "Respondent"), is the holder of North Carolina certificate number 13353 as a Certified Public Accountant.
2. Angela D. Elliott, CPA, P.A. (hereinafter "Respondent Firm"), is a registered certified public accounting firm in North Carolina. Hereinafter, the Respondent and the Respondent Firm shall collectively be referred to as the "Respondents."
3. The Respondent Firm underwent a system peer review for the period ending December 31, 2012, which resulted in a Fail. The report identified issues with compilations, reviews, and audits issued by the Respondent Firm.
4. As a condition of acceptance of that peer review report, the Respondent Firm had agreed not to perform audits of employee benefit plans unless they were subjected to pre-issuance review.
5. In a subsequent peer review conducted for the period ending December 31, 2015, it was discovered that the Respondent Firm had issued an employee benefit plan audit during that time without first having it reviewed.
6. The Respondent Firm received a Fail on the peer review for the period ending December 31, 2015, but that peer review has never been finalized.
7. Subsequently, the Board received a complaint from a member of the public regarding a tax engagement performed by the Respondent.
8. The Complainant alleged that the Respondent had not prepared and filed the Complainant's taxes for 2011 through 2014 per the terms of that tax engagement. The Complainant further alleged that the Respondent had not provided the Complainant with copies of those returns.
9. The Complainant provided IRS Account tax transcripts showing that the taxes had not been filed.
10. The Respondent eventually provided copies of the tax returns but did not provide any documentation showing that they had been filed or that she had attempted to file them.
11. During the course of the investigation, the Respondent was often unresponsive to Board communications, and multiple communications needed to be sent before the Respondent provided a response.
12. The Respondents contend that the ability to address these matters sooner was complicated by unexpected family health issues which required time away from the office for approximately four weeks. It was during that time that the matters set forth in this Consent Order arose. The deadlines for correcting those matters were set during that time when the Respondent was not available. Subject to the restrictions set forth below, the Respondent's CPA certificate and the Respondent Firm's registration will remain unaffected by this consent order due to the uncontrollable circumstances that did not allow the Respondent to address all of these matters in a more timely manner.
13. The Respondents wish to resolve this matter by consent and agree that the Board staff and counsel may discuss this Consent Order with the Board ex parte, whether or not the Board accepts this Consent Order as written. The Respondents understand and agree that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

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

1. The Respondents are subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. The Respondents' failure to perform audit services in accordance with generally accepted auditing standards constitutes a violation of 21 NCAC 08N .0403, and .0212.
3. The Respondents' failure to perform review or compilation services in accordance with SSARS constitutes a violation of 21 NCAC 08N .0404 and .0212.
4. The Respondents' failure to obtain a pre-issuance review of an employee benefit plan audit, after informing the peer review committee that such review

**Elliott** *continued on page 4*

## 2018 Elijah Watt Sells Award

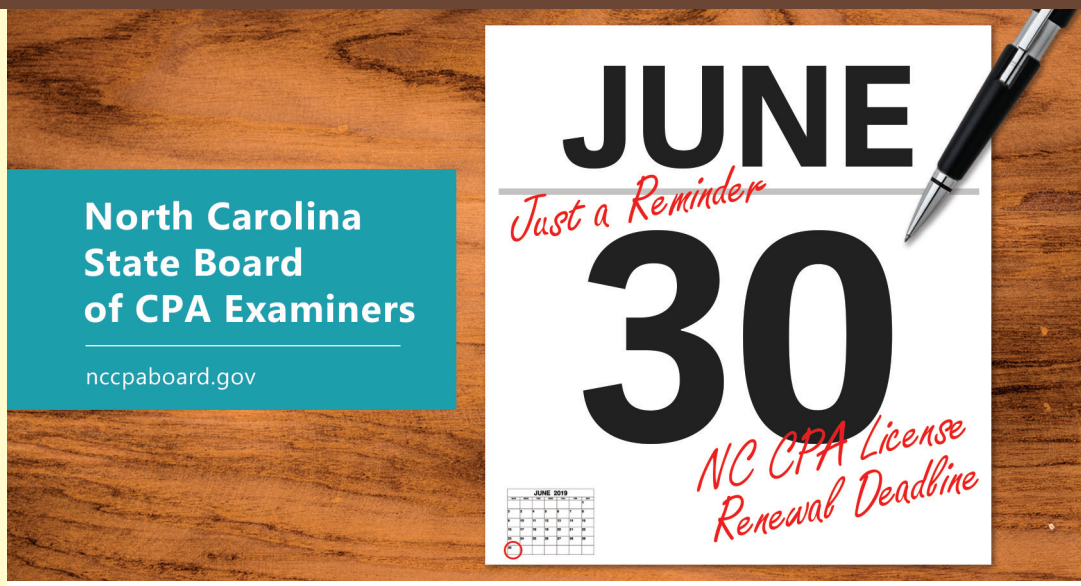
The AICPA has honored 110 Uniform CPA Examination candidates with the 2018 Elijah Watt Sells Award.

To qualify for the award, candidates must obtain a cumulative average score above 95.50 across all four sections of the Uniform CPA Examination, pass all four sections on their first attempt, and have completed testing in 2018.

Nearly 86,000 individuals sat for the CPA Exam in 2018.

The following winners either sat for the Uniform CPA Examination as a North Carolina candidate or graduated from a college or university in North Carolina:

- **John Browning -** a graduate of the University of North Carolina at Asheville with a Bachelor of Science in Accounting and a Bachelor of Arts in Economics in Economics; and Master of Science in Accountancy from Wake Forest University, is employed with KPMG in New York, NY.
- **Margaret Collins -** a graduate of Wake Forest University with a BS in Accounting and MS in Accountancy is employed with PricewaterhouseCoopers in Charlotte, North Carolina.
- **Clare Creighton -** a graduate of Rice University with a Bachelor of Arts in Cognitive Sciences and Master of Accountancy from the University of North Carolina at Charlotte, is employed with Richey May & Co. in Charlotte, NC.




## 2019 Exam Score Release Dates

| Testing Window: April 1 – June 10 (19Q2) | | |
|---|---|---|
| If you take your Exam on/before: | ...and the AICPA receives your Exam data files from Prometric by 11:59 p.m. (EST) on: | Your target score release date is: |
| May 15 | May 15 | May 23 |
| May 31 | May 31 | June 11 |
| June 10 | June 11 | June 19 |
| **Testing Window: July 1 – September 10 (19Q3)** | | |
| If you take your Exam on/before: | ...and the AICPA receives your Exam data files from Prometric by 11:59 p.m. (EST) on: | Your target score release date is: |
| July 20 | July 20 | Aug. 6 |
| Aug. 14 | Aug. 14 | Aug. 22 |
| Aug. 31 | Aug. 31 | Sept.10 |
| Sept. 10 | Sept. 11 | Sept.19 |
| **Testing Window: October 1 – December 10 (19Q4)** | | |
| If you take your Exam on/before: | ...and the AICPA receives your Exam data files from Prometric by 11:59 p.m. (EST) on: | Your target score release date is: |
| Oct. 20 | Oct. 20 | Nov. 5 |
| Nov. 14 | Nov. 14 | Nov. 22 |
| Nov. 30 | Nov. 30 | Dec. 10 |
| Dec.10 | Dec. 11 | Dec.19 |

- All dates and times are based on Eastern Time zone.
- For the vast majority of candidates, the AICPA receives the Exam data files from Prometric within 24 hours after a candidate completes the Exam.
- The scores for the Exam data files received after the AICPA cutoff dates will be in the subsequent scheduled target score release.
- Some candidates who take the BEC section may receive their scores approximately one week following the target release date due to additional analysis that may be required for the written communication tasks.

## Privilege License

*continued from page 1*

Therefore, if you are an owner, principal, or manager in a CPA firm or business providing accounting services to third parties, you must purchase a $50.00 annual privilege license from the North Carolina Department of Revenue (NCDOR).

Because a privilege license is issued to the individual and not the CPA firm or business, each assistant accountant (defined by the NCDOR as any other employee--CPA or non-CPA--who provides accounting services) must obtain a $12.50 annual privilege license.

In general, the privilege license tax requirement does not apply to a CPA who practices public accounting as a salaried employee in business, industry, government, or education.

But if a CPA engages in accounting services (such as seasonal tax preparation) outside that salaried employment, the CPA must obtain a privilege license.

A 2010 Opinion Letter from the NCDOR affirms that a non-resident CPA engaged in the public practice of accountancy by providing accounting services through mobility is subject to the privilege license.

The Opinion Letter is available from the Resources page of the Board's website, **nccpaboard.gov**.

A person required to have a privilege license must apply to the NDCOR and pay the required tax *before* engaging in the specified profession, trade or business.

An individual who obtains an initial privilege license after the start date of the activity is subject to penalties for failure to obtain a license and failure to pay a tax when due.

The privilege license tax is an annual tax based on the fiscal year, July 1 – June 30. The license tax is not prorated; instead, the full amount of the license tax is due when a person begins to engage in an activity for which a privilege license is required.

The information provided in this article is intended as a broad overview of NCGS 105, *Taxation,* Article 2, *Privilege Taxes*; it does not cover all provisions of NCGS 105.

The information should not be considered legal advice and is not binding upon the Board. Consideration must be given to all facts and circumstances in applying NCGS 105 to specific situations.

The privilege license is governed by the NCDOR; please direct all questions to the NCDOR's Excise Tax Division at 1-877-252-3052.

Form B-202-A, *Application for State Privilege License* and technical bulletins about the privilege license tax are available on the NCDOR website, **www.ncdor.gov**

**§105-41. Attorneys-at-law and other professionals.**

(b) The following persons are exempt from the tax:

(1) A person who is at least 75 years old.

(2) A person practicing the professional art of healing for a fee or reward, if the person is an adherent of an established church or religious organization and confines the healing practice to prayer or spiritual means.

(3) A blind person engaging in a trade or profession as a sole proprietor. A "blind person" means any person who is totally blind or whose central visual acuity does not exceed 20/200 in the better eye with correcting lenses, or where the widest diameter of visual field subtends an angle no greater than 20 degrees. This exemption shall not extend to any sole proprietor who permits more than one person other than the proprietor to work regularly in connection with the trade or profession for remuneration or recompense of any kind, unless the other person in excess of one so remunerated is a blind person.

(c) 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 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.

(e) Licenses issued under this section are issued as personal privilege licenses and shall not be issued in the name of a firm or corporation. A licensed photographer having a located place of business in this State is liable for a license tax on each agent or solicitor employed by the photographer for soliciting business. If any person engages in more than one of the activities for which a privilege tax is levied by this section, the person is liable for a privilege tax with respect to each activity engaged in.

(h) Counties and cities may not levy any license tax on the business or professions taxed under this section.

(i) Obtaining a license required by this Article does not of itself authorize the practice of a profession, business, or trade for which a State qualification license is required.

# Certificates Issued

On April 22, 2019, the Board approved the applications for North Carolina CPA licensure submitted by the following individuals:

Badri Nath Adhikari
Gertruida Sophia Alexander
Justin Robert Allen
Heidi Gwen Alles
Alana Nichole Ayala
Verna J. Baker
Robert Kincheloe Barnes
Jonathan Patrick Keith Barwick
Jacqueline R. Beck
Todd A. Bickford
Justin Lyman Bishop
Kari Burton Bohning
Deborah DeHaven Brock
Veronica Kirby Burke
Ceili Suzanne Callaghan
Ellen Christine Carstensen
Drew Frank Caterinicchio
Arthur Roy Collier
Eric Daniel Coselman
Robin Lee Coulantes
Madeline Elizabeth Courtney
Jenifer Lynn Crocco
Amanda Lynn D'Aprile
Rinaldo Joseph DiSalvo
Brian Philip Donaldson
Nicholas Richard Dora
Kevin Edward Doyle
Branden Jay Elmendorf
Christopher Reynolds Fife
Tyler Frank
Nicholas Ford Frazer
Alexander Fabian Frelier
Arina Furman
Ryan Lester Furman
Elizabeth Sheridan Gantnier
Arina Gibson
Matthew Gregory Goodling
Tyler McCue Goodykoontz
Christopher Thomas Gramlich
Trevanti Rashad Grant
Cory Joseph Hahn
Chase Lowell Helpingstine
Christopher Erin Hlavacek
Elizabeth Tate Hoff Holmgren
Edward Hughes Howe, Jr.
Zhongyan Hu
Matthew Thomas Iannone
Julianne Inozemcev
Bruce Darrell Jackson
Jennifer Christine Johnson
Katlyn Marie Joraskie
Spencer Allen Kendle
Arjumand Jalil Khan
Heather Victoria Kizer
Michael Patterson Klein
Jeffrey M. Krizic
Daniel Rajiv Lall
Geoffrey Paul Leeker
Randy Scott Lehman
Shannon Marie Lenihan
Mengya Li
Keith Lober
Lauren Elizabeth Maki
Christine Smith Mathews
Brian Jay McAllister
Morgan Rae McElwee
Tyler Russell McGary
Ashley Morgan Mead
Wendy Meyers Mease
Emily Jo Melton
Aubrey Corwin Middleton
Christopher Evan Miller
Ruth Damaris Montijo
Julie L Norris
Sabrina Ruth Olsen
Curtis Benjamin Olson
Aubrey Joy O'Rourke
Amanda Rae Ostrander
Jeffrey John Price
Zachary Allen Quickel
Sarah Cline Rhodehamel
Martha Jane Rinehart
Megan Brooke Ring
Eric Alan Ritchie
Megan Rebecca Roberts
Anastassia Satchko
Hannah Lee Schlank
Angel W. Schneider
Anna Sophia Elizabeth Schoeman
Megan Lee Schwab
Rachel Ann Shaw
Anastasia Sergeyevna Sicz
Conor Martin Smith
Anne Marie Soczawa
Victoria Eve Sorkin
Michelle C. Stark
Joseph Edward Sutton
Meenakshi Thakur
Meredith Ashton Timberlake
Chayan Agarwal Tiwari
Ana Lynne Townsend
Ryan Turchi
William Walker Vann
Melissa Ann Villarreal
Kristine Wehn
Brianna Nicole Wickham
Trevor Stuart Wigle
Christopher David Wilson
Adam Robert Woeller
Haopeng Yan
Joseph John Yglesias, Jr.
Michael Anthony Ziebka

## 2019 Board Meetings

| | | | |
|---|---|---|---|
| Friday | June 21 | 10 a.m. | Winston-Salem |
| Monday | July 22 | 10 a.m. | Raleigh |
| Monday | August 19 | 10 a.m. | Raleigh |
| Monday | Sept. 23 | 10 a.m. | Raleigh |
| Thursday | Oct. 24 | 10 a.m. | Raleigh |
| Monday | Nov. 25 | 10 a.m. | Raleigh |
| Monday | Dec. 16 | 10 a.m. | Raleigh |

*Pursuant to NC Gen. Stat. §143-318.10, all official meetings of the Board are open to the public. However, the public may be excluded from certain portions of the meeting as allowed by NC Gen. Stat. §143-318.11.*

**Elliott** *continued from page 3*

would be obtained, constitutes a violation of 21 NCAC 08N .0202.

5. The Respondents' failure to adequately fulfill the terms of a tax engagement constitutes a violation of 21 NCAC 08N .0212.
6. The Respondents' failures to respond to all Board communications within twenty-one (21) days constitute violations of 21 NCAC 08N .0206.
7. Per N.C. Gen. Stat. §93-12(9), 93-10(b) and also by virtue of the Respondents' consent to this order, the Respondents are subject to the discipline set forth below.

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

1. The Respondent's CPA certificate is suspended for a period of three (3) years. However, the suspension is stayed if all requirements of this Consent Order are met during that period.
2. The Respondent Firm's registration is suspended for a period of three (3) years. However, the suspension is stayed if all requirements of this Consent Order are met during that period.
3. The Respondents have agreed to no longer perform audits, reviews or compilation services.
4. The Respondent has agreed to pay a one-thousand dollar ($1000.00) civil penalty to be remitted with this signed Consent Order.

***Approved by the Board***
***April 22, 2019.***

## Reclassifications

**Reinstatements**

At its April 22, 2019, meeting, the Board approved the applications for reinstatement submitted by the following individuals:

| | |
|---|---|
| Fangyuan Harwood, #40476 | Yulee, FL |
| Eleanor Clayton Haymond, #32714 | Cary, NC |
| Amy Elizabeth Read, #22335 | Charlotte, NC |

**Inactive**

In April 2019, the individuals listed below were approved for inactive status. "Inactive," when used to refer to the status of a person, describes a person who has requested inactive status and 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)].

| | |
|---|---|
| Karen Rene Perry, #19952 | Clemmons, NC |
| Elizabeth Wicker Gay, #36684 | Charlotte, NC |
| Kimberly Williams Burnette, #29174 | Charlotte, NC |
| Dena Roberts Jordan, #14608 | Rockledge, FL |
| Katherine Anne Fernald, #18586 | Oak Island, NC |
| Phillip Dean Helton, #15748 | Stanley, NC |
| Kevin Robert Protasewich, #42070 | Chicago, IL |
| Dennis James Coffey, #11707 | Leland, NC |
| Susan Simpson Dull, #21109 | Morgantown, WV |
| Connie Kay Mersch, #25736 | Monmouth, IL |
| T. Robert Ward, III, #25511 | Herndon, VA |
| Elizabeth Wilson, #14982 | Albemarle, NC |
| Terry Wayne Edwards, #16092 | Kernersville, NC |
| Kevin Chiahao Chang, #38102 | Raleigh, NC |
| Therese M. Johnson, #14908 | Riegelwood, NC |
| Vicky Lynn Thaxton, #13735 | Winston Salem, NC |
| Edward Taylor Dodson, #13904 | Oak Ridge, NC |
| Charles A. Pardee, Jr., #19931 | Okatie, SC |
| Kathleen Ellen Lukens, #33168 | Asheboro, NC |
| Marshall McClure, Jr., #10713 | Charlotte, NC |
| Jeanne Klein Paschal, #15362 | Waxhaw, NC |
| Darrylin B. Smith, #27730 | Hampstead, NC |
| Daniel Gregory McGovern, #40902 | Raleigh, NC |
| Chandy Challa Smith, #23569 | Westport, CT |
| Jeffrey Thomas Wood, #36170 | Safety Harbor, FL |
| Michele Cox Henderson, #15402 | Fort Mill, SC |
| Sharon C. Miller, #26056 | Salisbury, NC |
| Alan Lynn Bray, #27436 | St. Thomas, VI |
| James Earl Ratchford, Jr., #13074 | Gastonia, NC |
| Dewey Ritter, III, #15115 | Wilmington, NC |

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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 No: | Home Fax: |
| Personal Email: | |
| Firm/Business Name: | |
| Business Address: | |
| City/State/Zip: | |
| Business Phone No: | 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. 6-2019





## CPA License Renewal Deadline

The deadline for individual CPA license renewal for North Carolina CPAs is June 30.

The renewal link is in the "How Do I" box on the homepage of the Board's website, **nccpaboard.gov**.

An overview of the renewal process was published in the March issue of the *Activity Review*. Detailed instructions for completing the renewal are included in the online renewal.

When completing your renewal, make sure you check the appropriate box related to your CPE.

Failure to accurately report your CPE or not having the proper CPE may result in a forfeited certificate and a $1,000.00 civil penalty through a Consent Order.

A CPA who doesn't complete the renewal or request inactive status before July 1, 2019, may receive a Letter of Demand from the Board.

Failure to renew your license or request inactive status within 30 days of the mailing of the Letter of Demand will result in an automatic forfeiture of your CPA license.

For general questions about CPA license renewal, contact the Board's Licensing Manager, Buck Winslow, at **buckw@nccpaboard.gov**.

For specific questions about CPE, contact the Board's Licensing Specialist, Cammie Emery, at **cemery @nccpaboard.gov**.

## CPE Audit Service Launched

In April, the National Association of State Boards of Accountancy (NASBA) launched its CPE Audit Services system.

The new system, which replaces CPE Tracker, comes at no cost to boards of accountancy or CPA users.

The application allows CPA users to enter or upload CPE information and documentation; view CPE records fed in directly from participating CPE program providers; monitor CPE compliance by jurisdiction; and submit CPE information to a board of accountancy if selected for audit.

Participating CPE course providers can send or upload electronic attendance records for CPAs using the CPE ID number assigned to each CPA and review file processing and records through the system.

The CPE Audit Service platform is programmed with the CPE rules for each board of accountancy.

Each credit is evaluated to determine if the program type, subject area(s), or delivery method are accepted or limited based on a jurisdiction's rules.

The resulting credits earned are compared to the CPE requirements for a reporting period to determine if a CPA is in compliance with the requirements.

Boards of accountancy will be able to generate audit pools or upload an audit pool into the system; monitor workflow dashboards; run numerous reports; and receive and conduct CPE audits all within the system.

North Carolina, Florida, Kentucky, Missouri, Montana, Ohio, Tennessee, and Virginia were the first eight jurisdictions to begin using the CPE Audit Service.

"We are starting out with about 20 CPAs in North Carolina," stated David R. Nance, CPA, the Board's Deputy Director.

"Our CPAs testing the system are giving us their feedback on the service, and we'll make adjustments as needed."

Nance said that when the Board is confident that the service will work well for North Carolina CPAs, licensees will receive more information about using the CPE Audit Service.

Additional information about the CPE Audit service is available from NASBA's website, **www.nasba.org**.




### In This Issue


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# Disciplinary Actions

*Pursuant to NCGS 93-12(9), civil penalties are remitted to the North Carolina Civil Penalty and Forfeiture Fund ("Fund") in accordance with NCGS 115C-457.2. NCGS 115C-457.1(b) states, "The Fund shall be administered by the Office of State Budget and Management. The Fund and all interest accruing to the Fund shall be faithfully used exclusively for maintaining free public schools."*

## LEE ANNE KRYSZCZAK, #20978 | SALEM, NJ

***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. Lee Anne Kryszczak, (hereinafter "Respondent") was the holder of North Carolina certificate number 20978 as a certified public accountant.
2. The Board was informed by law enforcement personnel that the Respondent had been charged with financial crimes.
3. The Respondent subsequently disclosed that she pled guilty to a single count of theft and a single count of failure to file and pay her taxes.
4. The Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board ex parte, whether or not the Board accepts this Consent Order as written. The Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

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

1. The Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. The aforementioned facts constitute violations of 21 NCAC 08N .0202, .0203, and .0207.
3. Per N.C. Gen. Stat. §93-12(9), 93-10(b) and also by virtue of the Respondent's consent to this order, the Respondent is subject to the discipline set forth below.

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

1. The certified public accountant certificate for the Respondent, Lee Anne Kryszczak, is permanently revoked.
2. The 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 the Respondent claim or attempt to use any practice privileges in any other state based upon her revoked North Carolina certificate.

***Approved by the Board April 22, 2019.***




## 2019 Board Meetings

| JULY | AUGUST | SEPTEMBER |
|---|---|---|
| Raleigh<br>Mon. July 22<br>10:00 a.m. | Raleigh<br>Mon. Aug. 19<br>10:00 a.m. | Raleigh<br>Mon. Sept. 23<br>10:00 a.m. |
| **OCTOBER** | **NOVEMBER** | **DECEMBER** |
| Raleigh<br>Thurs. Oct. 24<br>10:00 a.m. | Raleigh<br>Mon. Nov. 25<br>10:00 a.m. | Raleigh<br>Mon. Dec. 16<br>10:00 a.m. |

*Pursuant to NC Gen. Stat. §143-318.10, all official meetings of the Board are open to the public. However, the public may be excluded from certain portions of the meeting as allowed by NC Gen. Stat. §143-318.11. Unless otherwise noted, meetings are held at 1101 Oberlin Rd., Raleigh 27605.*

## JOHNNY LANCASTER, #14244 | WINSTON-SALEM, NC

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

1. Johnny Lancaster (hereinafter "Respondent") is the holder of North Carolina certificate number 14244 as a certified public accountant.
2. On his 2017 license renewal, the Respondent reported that a 2011 audit for a 401(k) Plan had been referred by the United States Department of Labor ("DOL") in a letter dated April 21, 2014, to the AICPA for investigation. The Respondent was the senior manager for the audit and was identified by the DOL as the independent qualified certified public accountant for the audit.
3. The DOL's review of the workpapers noted deficiencies in the compliance with AICPA audit standards, resulting in the rejection of the IRS Form 5500 filed by the Plan.
4. After the Form 5500 was rejected, the Respondent reviewed additional audit testwork performed by an engagement team member to address the deficiencies. The audit report was corrected, and the updated report and Form 5500 were submitted to, and accepted by, the DOL.
5. Although the matter was referred to the AICPA, the AICPA has never concluded its investigation. As a result, the Board opted to move forward with this case and conduct its own review.
6. The Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board ex parte, whether or not the Board accepts this Consent Order as written. The Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

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

1. The Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. The workpaper deficiencies identified by the Department of Labor constitute a violation of 21 NCAC 08N .0403.
3. Per N.C. Gen. Stat. §93-12(9), and also by virtue of the Respondent's consent to this order, the Respondent is subject to the discipline set forth below.

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

1. The Respondent, Johnny Lancaster, is censured.
2. The Respondent may not perform any engagements subject to ERISA until such time that he completes sixteen (16) hours of CPE related to performing and documenting an audit of ERISA plans. The Respondent must obtain pre-issuance review for any ERISA engagements until such time that the Board releases the Respondent from that requirement.

***Approved by the Board April 22, 2019.***

**Disciplinary Actions continued on page 4**

## Comments Requested on Proposed Rule Change

July 1, 2019, is the deadline for submitting comments on the proposed amendment to 21 NCAC 08F .0105, *Conditioning Requirements*. If approved, the rule change will be effective January 1, 2020.

New language is indicated by an underline and deleted language is indicated by a ~~strike-through~~.

21 NCAC 08F .0105 is proposed to be amended as follows:

(c) A candidate is subject to the following conditioning requirements:

(3) a candidate may ~~sit for each~~ retake the same section of the examination ~~up to four~~ as many times during a one-year period ~~but not more than one time in a three-month testing window as defined by~~ as determined by the examination ~~vendors(s);~~ vendor(s);

Written comments on the proposed change may be submitted by mail, email, or fax.

**Mail:** NC CPA Board
PO Box 12827
Raleigh NC 27605-2827

**Fax:** (919) 733-4209

**Email:** **rbrooks@nccpaboard.gov**

## THE DANIEL PROFESSIONAL GROUP, INC. | WINSTON-SALEM, NC

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

1. The Daniel Professional Group, Inc. (hereinafter "Respondent Firm"), is a registered CPA firm in North Carolina.
2. On April 21, 2014, a 2011 audit for a 401(k) Plan was referred by the United States Department of Labor ("DOL") to the AICPA for investigation. The audit was performed by professionals employed by the Respondent Firm.
3. The DOL's review of the workpapers noted deficiencies in the compliance with AICPA audit standards, resulting in the rejection of the IRS Form 5500 filed by the Plan.
4. After the Form 5500 was rejected, the Respondent Firm performed additional audit testwork to address the deficiencies. The audit report was corrected, and the updated report and Form 5500 were submitted to, and accepted by, the DOL.
5. Although the matter was referred to the AICPA, the AICPA has never concluded its investigation. As a result, the Board has opted to move forward with this case and conduct its own review.
6. The 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. The 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. The 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 workpaper deficiencies identified by the Department of Labor constitute a violation of 21 NCAC 08N .0403.
3. Per N.C. Gen. Stat. §93-12(9), and also by virtue of the Respondent Firm's consent to this order, the 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. The Respondent Firm is censured.
2. The Respondent Firm may not perform any engagements subject to ERISA until such time that any CPA working on the audit completes sixteen (16) hours of CPE related to performing and documenting an audit of ERISA plans. The Respondent Firm must obtain pre-issuance review for any ERISA engagements until such time that the Board releases the Respondent Firm from that requirement.
3. The Respondent Firm must pay a one thousand dollar ($1,000) civil penalty, to be remitted with this signed Order.

***Approved by the Board May 23, 2019.***

## RECLASSIFICATIONS

At its May 23, 2019, meeting, the Board approved the applications for reinstatement and reissuance submitted by the following individuals:

**Reinstatement**

| | |
|---|---|
| James Alex Beurle, #24402 | Pound Ridge, NY |
| Vincent Sean Cusack, #18393 | Lake Mary, FL |
| Benjamin James Dilks, #32301 | Thompson's Station, TN |
| Sherry Roberson Folkestad, #28693 | Hurdle Mills, NC |
| St. John Myles Kelliher, #28270 | Efland, NC |
| Susan Diana Sabo, #37956 | Waxhaw, NC |
| Lyria Vanderboom Sims, #36473 | Clayton, NC |

**Reissuance**

| | |
|---|---|
| Jennifer Sloan Bovender, #27108 | Winston-Salem, NC |
| Brandon Scott Laws, #27896 | Statesville, NC |

## GREGORY J. KINLAW, #22961 | RALEIGH, NC

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

1. Gregory J. Kinlaw (hereinafter "Respondent") is the holder of North Carolina certificate number 22961 as a certified public accountant.
2. The Board received a complaint from a client (hereinafter "Complainant"). The Complainant stated that he had obtained an arbitration award against the Respondent and other parties. The Respondent had not yet satisfied the arbitration award.
3. On June 28, 2017, the Respondent completed his online certificate renewal. The moral character section of the renewal includes the 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?"
4. The Respondent clicked the "No" box in response to the aforementioned question.
5. At the time the Respondent completed his online certificate renewal, he was in the process of appealing a June 2, 2017, order entered by the North Carolina Superior Court vacating an arbitration award that had been entered against the Respondent. The Superior Court had vacated the arbitration award based upon an alleged fraud committed by the Defendants (including the Respondent) in the arbitration and a misrepresentation allegedly made by the Respondent at the arbitration proceeding.
6. The Respondent, upon appeal to the North Carolina Court of Appeals, specifically requested that any determination he had engaged in fraud or misrepresentations during the course of the arbitration be vacated. The North Carolina Court of Appeals, in an order entered April 23, 2018, ruled in favor of the Respondent and vacated the June 2, 2017, Superior Court order "in all respects[.]"
7. The Respondent acknowledges a technical violation of 21 NCAC 08N .0202 and wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board ex parte, whether or not the Board accepts this Consent Order as written. The Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

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

1. The Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. The Respondent's failure to accurately disclose the arbitration and the arbitration award constitutes a violation of 21 NCAC 08N .0202.
3. Per N.C. Gen. Stat. §93-12(9), and also by virtue of the Respondent's consent to this order, the Respondent is subject to the discipline set forth below.

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

1. The Respondent, Gregory J. Kinlaw, is censured.
2. The Respondent shall pay a one-thousand dollar ($1000) civil monetary penalty, to be remitted with this signed Consent Order.

***Approved by the Board April 23, 2019.***

## Continuous Exam Testing May Be Available Next Summer

The April 26, 2019, NASBA Board of Directors' meeting cleared the path for continuous testing on the Uniform CPA Examination as the NASBA Board approved Uniform Accountancy Act Model Rule 5-7(a)(2).

According to the revised Rule, when system changes have eliminated the need for test window limitations, "a Candidate can retake a Test Section once their grade for any previous attempt of the same Test Section has been released."

North Carolina is amending its rules to allow for continuous testing (see *Comments Requested on Proposed Rule Change* on page 3.).

NASBA said that continuous testing may begin as early as July 1, 2020.

# CPA Exam Performance Summary: 2019 Q-1
# North Carolina

## Overall Performance

| | |
|---|---|
| Unique Candidates | 722 |
| New Candidates | 262 |
| Total Sections | 852 |
| Passing 4th Section | 77 |
| Sections / Candidates | 1.18 |
| Pass Rate | 55.28% |
| Average Score | 73.48 |

## Section Performance

| | Sections | Score | % Pass |
|---|---|---|---|
| First-Time | 366 | 75.49 | 61.48% |
| Re-Exam | 485 | 71.94 | 50.52% |
| AUD | 239 | 72.89 | 52.72% |
| BEC | 236 | 78.19 | 65.25% |
| FAR | 237 | 69.55 | 45.15% |
| REG | 140 | 73.17 | 60.0% |

## Jurisdiction Ranking

| Candidates | Sections |
|---|---|
| 17 | 17 |
| 7 | 6 |
| Pass Rate | Avg Score |

## 2019 Exam Score Release Dates

| Testing Window: July 1 – September 10 (19Q3) | | |
|---|---|---|
| If you take your Exam on/before: | ...and the AICPA receives your Exam data files from Prometric by 11:59 p.m. (EST) on: | Your target score release date is: |
| July 20 | July 20 | Aug. 6 |
| Aug. 14 | Aug. 14 | Aug. 22 |
| Aug. 31 | Aug. 31 | Sept.10 |
| Sept. 10 | Sept. 11 | Sept.19 |
| **Testing Window: October 1 – December 10 (19Q4)** | | |
| If you take your Exam on/before: | ...and the AICPA receives your Exam data files from Prometric by 11:59 p.m. (EST) on: | Your target score release date is: |
| Oct. 20 | Oct. 20 | Nov. 5 |
| Nov. 14 | Nov. 14 | Nov. 22 |
| Nov. 30 | Nov. 30 | Dec. 10 |
| Dec.10 | Dec. 11 | Dec.19 |

- All dates and times are based on Eastern Time zone.
- For most candidates, the AICPA receives the Exam data files from Prometric within 24 hours after a candidate completes the Exam.
- The scores for the Exam data files received after the AICPA cutoff dates will be in the subsequent scheduled target score release.
- Some candidates who take the BEC section may receive their scores approximately one week following the target release date due to additional analysis that may be required for the written communication tasks.
- Follow NASBA on Twitter (@NASBA) for Exam score release announcements.

## Certificates Issued

On May 23, 2019, the Board issued North Carolina CPA certificates to the following individuals:

Olufemi D. Aina
Christopher Tyler Angiolino
Lauren Brooke Ayers
Leizl Lynn Baker
Anthony Terrance Bechtel
Ronald Joseph Bentley
Imre Borsanyi
Robin Lynn Bouchard
Jessica Taylor Boyd
Tiffany Paige Brown
Ray E. Brown, II
Taylor Cullen Castle
Anna Catherine Chapman
Patrick Clancy Collins
Alena Yurievna Degtereva
Sean Lavern Gallagher
Karmen Elise Gardner
Sarah Kathryn Little Gasperson
Gary Nelson Gregory
Hayley Nicole Henson
Walter Hildreth
Marie Joelle Tupela Kabashi
Francesca Ciampi Key
Ricky Rishod McCoy
Marques Ray McPhail
Stacie Ann Miller
Thanh Moco
April Dawn Morris
Evariste Beri Ntirenganya
Mofopefoluwa Ayokunumi Obadina
Clemson Bryan Player, Jr.
Joseph Lester Pray, II
John Philip Rotchford
Landon Tash Savino
Matthew Braxton Seay
Spenser Grey Seifert
James Mallachai Simons
Ryan William Smith
Elexa Adrianne Soriano
Paul Michael Soyk
Amanda Michelle Thumm
Savannah Stanaland Townsend
Dulce Yaneli Urquiza
Matthew James VanDyne
Jennifer D. Walker-Crawford
Alvinitra Aliera Word

# INACTIVE STATUS

Between May 1, 2019, and May 31, 2019, the individuals listed below were approved for inactive status. 21 NCAC 08A .0301(b)(20)states: "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."

| | |
|---|---|
| Ernest Raeford Carraway, Jr., #14797 | Chocowinity, NC |
| John Harbin Keener, #9512 | Charlotte, NC |
| Malinda Warner Spencer, #27421 | High Point, NC |
| Patricia Hughes Johnston Yahner, #11956 | Durham, NC |
| Deidra M. Francis, #34071 | Charlotte, NC |
| Cheryl Lynn Kozik, #21009 | Wilmington, NC |
| James Hillary Black, #3335 | Clinton, NC |
| Elizabeth Hunt Fogel, #27779 | Hendersonville, NC |
| Grover Thomas Dees, #3015 | Smithfield, NC |
| James Robert Smith, #36193 | Oakland, NJ |
| Faye Alston Cook, #15630 | Charlotte, NC |
| Kent Morgan Hill, #12090 | Simpsonville, SC |
| Joseph Stanley Shoulars, #13079 | Salem, SC |
| Philip Ronald Snipes, #25452 | Greer, SC |
| Karen Foster Burka, #13133 | Colonial Beach, VA |
| Julia Ann Gresham, #37310 | Holly Springs, NC |
| Lauren Topham Gulak, #36678 | Charlotte, NC |
| Emily Anne Hackney, #28520 | Whitsett, NC |
| Dale Lee Dodd, #26918 | Crofton, MD |
| Mary Rose Andrews, #20875 | Charlotte, NC |
| Melinda Ann Andrews, #13078 | Fuquay-Varina, NC |
| John H. Goodman, Jr., #26853 | Reidsville, NC |
| Jeremy Stevenson Overcash, #34015 | Raleigh, NC |
| Ashley Caci Brehl, #39484 | Minneapolis, MN |
| Bryan G. Bryant, #32470 | Glen Allen, VA |
| Kata Jurcic Byrd, #37637 | Chicago, IL |
| Tina C. Ervin Humphries, #26428 | Stanley, NC |
| Charles Andrew Hill, #36147 | Charlotte, NC |
| Mark Moosa, #16830 | Charlotte, NC |
| Aubrie Katherine Robinson, #41806 | Camp Lejeune, NC |
| Akbar Saeed Sharfi, #22773 | West Palm Beach, FL |
| Mary B. Tate, #16984 | Morrisville, NC |
| Susan Yurash Close, #32448 | Clover, SC |
| Edwin Andrew Doty, Jr., #24790 | Emerald Isle, NC |
| Walter Compton Jones, #23995 | Roanoke, VA |
| John Preston King, #12423 | Bear, DE |
| Lori Ann Mays, #27087 | Olathe, KS |
| Thomas John O'Larnic, #16321 | Wake Forest, NC |
| Patricia Mathis Woodcock, #11986 | Charlotte, NC |
| Joshua Michael Boos, #38059 | Richmond Hill, GA |
| Catherine Therese Cairns, #40792 | Wilmington, NC |
| Terrymore Garcia Miller, #39641 | Spring, TX |
| Marie Alexandra Quintana, #42169 | Orlando, FL |
| Della Sauls Casteel, #27747 | Davidson, NC |
| Melissa Colleen Castrey, #39161 | Huntersville, NC |
| Gretchen Anne Ehrhardt, #28101 | Winston-Salem, NC |
| Michael Carter Griffin, #17639 | Southern Pines, NC |
| Susan Norton Cabe Jamison, #12495 | Waxhaw, NC |
| Sherry Ann Kellett, #10168 | Clyde, NC |
| Kim Marie Lamson, #16977 | Edmonds, WA |
| Doyle Tedder Liske, #2318 | Charlotte, NC |
| Kenneth Lorenz Prickitt, #3679 | Roanoke, VA |
| Abigail Elizabeth Riordan Smith, #36391 | Isle of Palms, SC |
| Heidi Marianne Forsman Wilson, #14408 | Charlotte, NC |
| Louis Edwards Collins, #23318 | Charlotte, NC |
| William Thad King, II, #13227 | Charlotte, NC |
| Ashley Justin John Dalnoot, #32544 | Roslindale, MA |
| Evelyn J. Neiman Green, #32197 | Elkin, NC |
| Nancy Gertrude Thomas, #17287 | Raleigh, NC |




## Request for Inactive Status

A North Carolina CPA may request inactive status by submitting a form through the Board's website, **nccpaboard.gov**.

To access the online form, click on the "Resources" tab, then click on "Request for Inactive Status."

After completing and submitting the form, you will receive an email from the Board that summarizes the information you entered and notifies you that your request for inactive status has been approved.

North Carolina State Board of
Certified Public Accountant Examiners
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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 No: | Home Fax: |
| Personal Email: | |
| Firm/Business Name: | |
| Business Address: | |
| City/State/Zip: | |
| Business Phone No: | 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. 7-2019




## Exam Candidates Should Be Aware of Test Center Regulations

Preparing to take the Uniform CPA Exam requires discipline, commitment, and hours of study.

As part of their preparations, candidates should

- review the Exam Blueprints to learn about the specific topics tested in each Exam section;
- take the sample tests to become familiar with typical multiple-choice questions, task-based simulations, and written communication tasks, as well as with the software that is used for the Exam; and
- watch the features and functionality video for highlights of the Exam software.

It is important, too, that each candidate read the *Candidate Bulletin* and the Prometric Test Center Regulations ("Regulations") to learn what is allowed or prohibited in the test center and test room.

While there are some obvious prohibited items (study materials) and behaviors (cheating), there are some less obvious items and actions that are prohibited.

Watches, fitness trackers, jewelry (other than wedding or engagement rings and medical alert items), and heavy outerwear cannot be worn in the test room.

Phones, purses/wallets, eyeglass cases, and umbrellas aren't allowed in the test rooms.

Food, beverages, and smoking materials (tobacco or e-cig), cannot be taken into the test room.

Candidates are required to be professional, civil, and respectful at all times.

Speaking to a Test Center Administrator (TCA) or test center staff in a rude, vulgar, threatening, or confrontational way is not permitted.

Communicating in any way with other candidates in the test room, referring to their screens, test materials, or written notes is a violation of the Regulations.

Candidates cannot access cell phones, watches, wearable technology, or study materials during breaks.

All exams are continuously monitored by video and audio recording, physical walk-throughs, and through the observation window to document the occurrence of any unusual activity.

The TCA is required to notify Prometric and NASBA of any violation of the Regulations. Boards of accountancy receive daily reports of candidate misconduct.

Consequences of misconduct include, but are not limited to, a warning from test center staff, confiscation of the prohibited item (whether in use or not), expulsion from the test center, invalidation of Exam scores, and the pursuit of civil or criminal charges.

The *Candidate Bulletin* is available on the Exam Resources page of **nasba.org** and the Test Center Regulations are available on the Test Taker FAQs page of **prometric.com**

Please contact David R. Nance, CPA, the Board's Deputy Director, at **dnance@nccpaboard.gov** with questions about the Regulations.

### In This Issue


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# Disciplinary Actions

*Pursuant to NCGS 93-12(9), civil penalties are remitted to the North Carolina Civil Penalty and Forfeiture Fund ("Fund") in accordance with NCGS 115C-457.2. NCGS 115C-457.1(b) states, "The Fund shall be administered by the Office of State Budget and Management. The Fund and all interest accruing to the Fund shall be faithfully used exclusively for maintaining free public schools."*

## TOMMY J. ROBINSON, #15889 | TOM ROBINSON, CPA | WASHINGTON, NC

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

1. Tommy J. Robinson, CPA (hereinafter "Respondent"), is the holder of North Carolina certificate number 15889 as a Certified Public Accountant.
2. Tom Robinson, CPA (hereinafter "Respondent Firm"), is a registered certified public accounting firm in North Carolina. Hereinafter, the Respondent and the Respondent Firm shall collectively be referred to as the "Respondents."
3. The Respondent Firm underwent a system peer review for the period ending July 31, 2013, which resulted in a Pass. However, that peer review report was subsequently recalled by the NCACPA Peer Review Committee in December 2018.
4. The Respondent took some actions to address the recalled peer review but was never able to have the peer review redone.
5. Subsequently, the Respondent has ceased performing engagements that require a peer review.
6. The Respondents wish to resolve this matter by consent and agree that the Board staff and counsel may discuss this Consent Order with the Board ex parte, whether or not the Board accepts this Consent Order as written. The Respondents understand and agree that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

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

1. The Respondents are subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. The Respondents' failure to complete the peer review process constitutes a violation of 21 NCAC 08N .0203(b)(7).
3. Per N.C. Gen. Stat. §93-12(9), and also by virtue of the Respondents' consent to this order, the Respondents are subject to the discipline set forth below.

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

1. The Respondent Firm is censured.
2. The Respondent Firm shall pay a one thousand dollar ($1,000) civil penalty to be remitted with this signed Consent Order.
3. The Respondents have agreed to no longer participate in or perform any engagements subject to peer review.

***Approved by the Board June 21, 2019.***

## 2019 Board Meetings

| AUGUST | SEPTEMBER | OCTOBER | NOVEMBER | DECEMBER |
|---|---|---|---|---|
| Raleigh<br>Mon. Aug. 19<br>10:00 a.m. | Raleigh<br>Mon. Sept. 23<br>10:00 a.m. | Raleigh<br>Thurs. Oct. 24<br>10:00 a.m. | Raleigh<br>Mon. Nov. 25<br>10:00 a.m. | Raleigh<br>Mon. Dec. 16<br>10:00 a.m. |

*Pursuant to NC Gen. Stat. §143-318.10, all official meetings of the Board are open to the public. However, the public may be excluded from certain portions of the meeting as allowed by NC Gen. Stat. §143-318.11. Unless otherwise noted, meetings are held at 1101 Oberlin Rd., Raleigh 27605.*

## DOUGLAS G. SPAETH, #13166 | ELIZABETH CITY, NC

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

1. Douglas G. Spaeth, (hereinafter "Respondent") is the holder of North Carolina certificate number 13166 as a certified public accountant.
2. The Respondent was a partner in the firm Austin, Hedgepeth, Foreman & Spaeth, Ltd. (hereinafter "Firm"). The Respondent was one of two living partners in the Firm. The other partner passed away in May of 2017, leaving the Respondent as the sole surviving partner in the Firm.
3. The Respondent renewed the Firm's registration on December 18, 2017, but he did not note that the other partner was deceased.
4. On July 16, 2018, the Board staff wrote the Respondent, informing him that the Firm name needed to be changed. The Board staff again wrote the Respondent regarding the Firm name on August 8, 2018.
5. The Respondent completed the necessary paperwork to change the Firm name, and the Articles of Amendment were filed on October 3, 2018.
6. In early January 2019, the Board was informed that although the Respondent had changed the Firm name, he had not changed the Firm's signage. The Board staff again wrote the Respondent on January 10, 2019, informing him that even though the Firm name had been changed, the Firm's building still had the old sign up. The Respondent replied on January 28, 2019, that he had removed the old sign and would replace it with a sign with the correct name.
7. The Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board ex parte, whether or not the Board accepts this Consent Order as written. The Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

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

1. The Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. The Respondent failed to notify the Board of the death of his partner pursuant to NCGS 55B-7(b); failed to file a correct firm registration on December 18, 2017, in compliance with 21 NCAC 08J .0111(3); and continued to practice in violation of 21 NCAC 08N .0307(b).
3. Per N.C. Gen. Stat. §93-12(9), and also by virtue of the Respondent's consent to this order, the Respondent is subject to the discipline set forth below.

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

1. The Respondent, Douglas G. Spaeth, must pay a five hundred dollar ($500) civil penalty, to be remitted with this signed Consent Order.

***Approved by the Board March 19, 2019.***

## 50 Years of Licensure

The following individuals have been actively licensed as North Carolina CPAs for 50 years:

Tom R. Blacka
June 1969

Robert Eugene Terry
June 1969

Vernon Boyd Brannon, II
June 1969

Ralph Wayne Hutchins
July 1969

## Licensing Activity

At its June 21, 2019, meeting the Board took the following actions:

**Certificates Issued**

Approved Brian Paul Curth and William Edward Hutchinson for North Carolina CPA licensure.

**Reclassifications**

Approved Cindy Brown Coppedge, #23407, for reinstatement.

Approved Allison Marie Dilloian, #40010, for reissuance.

## NASBA, AICPA Exploring Evolving CPA Licensure

The environment in which CPAs operate is changing at a rapid pace. Technological innovations are changing both the services CPAs provide and how they provide them, which means CPAs need more skills and knowledge in technology and analytics.

That's why NASBA and the AICPA are exploring modifying initial CPA licensure requirements. The two organizations put together five principles to guide the development of a new licensure model and want to hear feedback from stakeholders across the CPA profession.

Review the principles and the Request for Input at **EvolutionOfCPA.org**.

## More than 700 Letters of Demand Mailed

The Board mailed a Letter of Demand to each of the more than 700 North Carolina CPAs who failed to renew their licenses or request inactive status by July 1, 2019.

A Letter of Demand is a written request that the CPA renew his or her CPA certificate or request inactive status within 30 days of the date of the letter.



Failure of an individual to complete the license renewal or request inactive status within 30 days of the Letter of Demand automatically results in forfeiture of the CPA's certificate, as required by NCGS 93-12(15).

# CPE Audit Orders

*The following matters are excerpted from Consent Orders issued by the Board in response to the findings of the Continuing Professional Education (CPE) audit. To view the full text of a Consent Order, use the Licensee Search function of the Board's website, nccpaboard.gov, to look up the licensee's record. In the record, click on the "Details" link and select "View" under the Public Documents heading.*

*Pursuant to NCGS 93-12(9), civil penalties are remitted to the North Carolina Civil Penalty and Forfeiture Fund ("Fund") in accordance with NCGS 115C-457.2. NCGS 115C-457.1(b) states, "The Fund shall be administered by the Office of State Budget and Management. The Fund and all interest accruing to the Fund shall be faithfully used exclusively for maintaining free public schools."*

### THOMAS BEVERLY ALVIS, III, #33582
### CHARLOTTE, NC

The Board opened a case against Thomas Beverly Alvis (Respondent Alvis) for failure to complete sufficient CPE, including the mandatory ethics course, as required for renewal of his North Carolina CPA license.

Respondent Alvis signed a Consent Order in which he accepted the denial of the renewal of his CPA license; the forfeiture for at least one year of his CPA license; and the return of his CPA certificate to the Board within 15 days of his receipt of the Board's notification of its approval of the Consent Order.

Respondent Alvis may apply to return his CPA certificate to active status by submitting a reissuance application that includes payment of the application fee; three moral character affidavits; payment of a $1,000 civil penalty; and proof of completion of at least 49.5 hours of CPE including an eight-hour accountancy law course offered by the North Carolina Association of CPAs.

Failure to timely comply with any terms of the Consent Order will be sufficient grounds to revoke Respondent Alvis' CPA license.

**Approved by the Board March 19, 2019.**

### DIANA G. SINOR, #24069
### RALEIGH, NC

The Board opened a case against Diana G. Sinor (Respondent Sinor) for failure to complete sufficient CPE, including the mandatory ethics course, as required for renewal of her North Carolina CPA license.

Respondent Sinor signed a Consent Order in which she accepted the denial of the renewal of her CPA license; the forfeiture for at least one year of her CPA license; and the return of her CPA certificate to the Board within 15 days of her receipt of the Board's notification of its approval of the Consent Order.

Respondent Sinor may apply to return her CPA certificate to active status by submitting a reissuance application that includes payment of the application fee; three moral character affidavits; payment of a $1,000 civil penalty; and proof of completion of at least 80 hours of CPE including an eight-hour accountancy law course offered by the North Carolina Association of CPAs.

Failure to timely comply with any terms of the Consent Order will be sufficient grounds to revoke Respondent Sinor's CPA license.

**Approved by the Board May 23, 2019.**

## Exam Day Advice from Candidates

The Board asked Exam candidates to share their advice to make test day go more smoothly. Here's what they said:

- When you get your Notice to Schedule (NTS), make sure it is correct, then print out several copies and put a copy in your car and one in your wallet.
- Print a copy of the appointment confirmation you get from Prometric after you schedule an appointment. Take it with you to Prometric in case there's a problem with your appointment.
- Before test day, drive to the testing center on the day and at the time you would go to your appointment so you know how long it really takes to get there.
- Before you leave home for the testing center, make sure you have the NTS that matches the section you are taking that day. And make sure you have two forms of ID that match that NTS.
- Dress in comfortable clothes (without pockets if you can). It can be too cold or too hot in the testing room so wear layers.
- Get to your appointment early so you don't feel rushed.



- Check-in can take a while, especially if it is your first time there.
- The Prometric lockers are small, so don't take extra stuff with you. Take your NTS, the appointment confirmation, your IDs, car keys, and a drink and snack.
- Leave your phone in the car. If you take it in, turn it off.
- Use the restroom right before you go in the test room.
- Be prepared to turn out your pockets, pull up your pants legs, show your arms, etc. If you wear glasses, you have to take those off so they can be checked.
- Test your dry erase marker before you get started. Ask for a new one if it isn't good.
- Ask for a calculator.
- Don't take too long on the welcome/sign in screens. Pay attention to the timer on welcome/sign-in screens and during the exam itself.
- Do a "brain dump" of mnemonics on your white board.
- Don't use your sleeve to wipe off the whiteboard.
- Always take a break. Walk around, stretch, and drink something and eat a snack.
- If your phone is in your locker, don't make a call, check your messages, or send a text during a break.

## 2019 Exam Score Release Dates

| Testing Window: July 1 – September 10 (19Q3) | | |
|---|---|---|
| If you take your Exam on/before: | …and the AICPA receives your Exam data files from Prometric by 11:59 p.m. (EST) on: | Your target score release date is: |
| July 20 | July 20 | Aug. 6 |
| Aug. 14 | Aug. 14 | Aug. 22 |
| Aug. 31 | Aug. 31 | Sept.10 |
| Sept. 10 | Sept. 11 | Sept.19 |
| **Testing Window: October 1 – December 10 (19Q4)** | | |
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| Nov. 14 | Nov. 14 | Nov. 22 |
| Nov. 30 | Nov. 30 | Dec. 10 |
| Dec.10 | Dec. 11 | Dec.19 |

- All dates and times are based on Eastern Time zone.
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- The scores for the Exam data files received after the AICPA cutoff dates will be in the subsequent scheduled target score release.
- Some candidates who take the BEC section may receive their scores approximately one week following the target release date due to additional analysis that may be required for the written communication tasks.
- Follow NASBA on Twitter (@NASBA) for Exam score release announcements.

# Inactive Status

Between June 1, 2019, and June 28, 2019, the individuals listed below were approved for inactive status. 21 NCAC 08A .0301(b)(20) states: "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."

| | |
|---|---|
| Aaron Joseph Baker, #34671 | Bradenton, FL |
| Tommy Lee Barnhart, #21662 | Silverthorne, CO |
| Jeffrey Michael Brinn, #31267 | Monroe, NC |
| Linda Ashe Carr, #14292 | Kernersville, NC |
| Richard Clifton Dawson, Jr., #30987 | Greensboro, NC |
| Jill Potsic Egburtson, #25657 | Arvada, CO |
| William Lee Hodges, #12497 | Raleigh, NC |
| Brian Michael McGrath, #39418 | Fairport, NY |
| Sherry Helms Miller, #17962 | Charlotte, NC |
| Julie Ward Payne, #35963 | Daniel Island, SC |
| Libby Lester Ragon, #27150 | Kure Beach, NC |
| Betty Jo Ramsey, #15370 | Lake Waccamaw, NC |
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| Laura Roberts Smith, #18634 | Lithia, FL |
| Glenn Edward Turner, #8830 | Fayetteville, NC |
| Theodore Allen Unruh, #40358 | Cary, NC |
| Tracey Wilson Horton, #23585 | Denver, NC |
| William Lucas Lanier, Jr., #3075 | Wrightsville Beach, NC |
| Forest Lee Thomas, #11753 | Seneca, SC |
| Kara Lynn White, #42143 | Fort Worth, TX |
| Martha Greene Beaton, #22372 | Winston-Salem, NC |
| Michael William Drake, #30717 | Raleigh, NC |
| William Weatherly Francis, #21897 | Columbia, SC |
| Michael James Lord, #19155 | Raleigh, NC |
| James Newman, Jr., #14546 | Raleigh, NC |
| David Charles Robertson, #37808 | Charlotte, NC |
| James Williamson Squires, IV, #15130 | Charlotte, NC |
| Stanley Fred Brooks, #38638 | Charlotte, NC |
| Elizabeth Chambers Camp, #16411 | Raleigh, NC |
| Sheila Wilson Crabtree, #34484 | Mount Pleasant, SC |
| Aubrey Lynn Hollen, #40151 | Raleigh, NC |
| Charles Eugene Kolstad, #15193 | Wilkesboro, NC |
| LeClere Gabriel Noneman, #13910 | Raleigh, NC |
| Thomas Nelson Rich, #8639 | Rocky River, OH |
| Michael Alan Schwartz, #12552 | Tampa, FL |
| Judith Marie Bell, #13091 | Eugene, OR |
| Debbie Johnson Burgess, #12974 | Kitty Hawk, NC |
| Leah Henderson Dryden, #42342 | Suwanee, GA |
| David Ashley Ervin, #9435 | Savannah, GA |
| Bradley Renton Gabosch, #9462 | Charlotte, NC |
| Alexander Nicholas Lamm, #39190 | Chesterfield, VA |
| Jean E. McAllister, #36172 | South Weymouth, MA |
| Barbara Brown Morgan, #10691 | Charlotte, NC |
| George Garner Prillaman, Jr., #10849 | McLean, VA |
| Price Yarver Sawyer, Jr., 312332 | Durham, NC |
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| Patricia Gale Acuff, #34137 | Prosper, TX |
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| Terry Tucker Perkinson, #15500 | Cary, NC |
| Gerald Ray Stinnett, #11866 | Suwanee, GA |
| Edwin Joseph Buehner, #41283 | Longwood, FL |
| David Allen Hensley, #22304 | Raleigh, NC |
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| Robert Edward Pate, #11787 | Nashville, NC |
| Alice Harper Reeves, #25877 | Heath Springs, SC |
| Kurtis Ashley Wolff, #32237 | Santa Rosa Beach, FL |
| James Kerry Aaron, #40141 | Ralls, TX |
| Caroline Lea Auten, #41166 | Durham, NC |
| Donald Lewis Bobbitt, Jr., #21383 | Charlotte, NC |
| Nicole Alayne Clark, #39836 | Ramona, CA |
| Timothy Michael Owens, #14884 | Cary, NC |
| Dean A. Oyster, #22478 | Aurora, CO |
| Charles Donald Reynolds, #8826 | Signal Mountain, TN |
| Melody Renee Foxx Townsend, #23897 | Plant City, FL |
| Anthony S. Edmonds, #18784 | Peoria, IL |
| Dylan Michael McNiff, #41388 | Frederick, MD |
| Mark Eric Rennhack, #23127 | Burlington, NC |
| Tonya Kay Maloney Flesher, #9269 | Oxford, MS |
| Seonjin Hwang, #35593 | Greensboro, NC |
| Melissa Anne Kehoe, #40562 | Madison, WI |
| David Edward Milam, #11738 | Marietta, GA |
| Beverly Joann Schonauer, #41244 | Denver, NC |
| Brent Hamilton Smith, #27937 | Melbourne, FL |
| Sally Wasshausen Alvarez, #17868 | Greensboro, NC |
| Yijin Bao, #42763 | Charlotte, NC |
| Clyde Graham Barber, #12110 | Marietta, GA |
| Robert E. Eash, #28637 | Las Vegas, NV |
| Gwen Louise Edwards, #17904 | Grapevine, TX |
| Matthew Cole Fisher, #12709 | Indian Trail, NC |
| Catherine M. Helgesen, #27437 | Wilmington, NC |
| Kelsey Lee Mabe, #40327 | Brookline, MA |
| Tracy Darrell McEntire, #20217 | Wilkesboro, NC |
| Sue Sprunger, #18274 | Raleigh, NC |
| Sherry Spencer Sutton, #14123 | Castle Hayne, NC |
| Debra Ann Zins, #40525 | Charlotte, NC |
| Jonathan Morgan Cage, #12472 | Jamestown, NC |
| Kesha Routh Hall, #30695 | Randleman, NC |
| Barbara A. Horne-Stead, 21593 | Concord, NC |
| Kevin Lee Metcalf, #31000 | Cumming, GA |
| Richard Brian Pieringer, #18809 | Raleigh, NC |

| | |
|---|---|
| Susan Riggins Sappenfield, #17553 | Bermuda Run, NC |
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| Andrea Lynn Jarrell, #23325 | Mount Airy, NC |
| Jillian Ann Lieber, #42022 | Charlotte, NC |
| Brian James Meyer, #41338 | Syracuse, NY |
| Lauren Elizabeth Riley, #40093 | Franklin, TN |
| James Randall Vroom, #13301 | Emerald Isle, NC |
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| Heting Wang, #42433 | Charlotte, NC |
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| Mary Lee Bradford, #25236 | Winston-Salem, NC |
| Heather Bell Davis, #27765 | Charlotte, NC |
| Michael Gene Dixon, #22286 | Winston-Salem, NC |
| Sarah Elizabeth Edwards, #42445 | Arlington, VA |
| Eran Bloxam Gordon, #23729 | Morrisville, NC |
| Daniel Grant Hayes, #15003 | Daytona Beach, FL |
| Richard Edwin Heath, #10809 | Surfside Beach, SC |
| Mary DeBronia Mims, #15876 | Greensboro, NC |
| Jeremy Stevenson Overcash, #34015 | Raleigh, NC |
| Thomas Reekers, #17306 | Southlake, TX |
| Luanne Lindemann Roth, #22490 | Cary, NC |
| Donald Craig Schroder, #28728 | Moravian Falls, NC |
| William Vaughn Ward, #25737 | Wilmington, NC |
| Bailey Nicole Wilhelm, #42395 | Charlotte, NC |
| Karen Mescher Wisniewski, #31206 | Charlotte, NC |
| Alison Gets Bailey, #15801 | Waxhaw, NC |
| John Francis Darcy, #8812 | The Villages, FL |
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| Susan Harris, #16447 | Cary, NC |
| Gretchen Ann Hooper, #31907 | Omaha, NE |
| Cynthia Stokes Hucks, #27041 | Wilmington, NC |
| Kenneth Everett Johnson, #18518 | Wilmington, NC |
| Kristine R. Jones, #27151 | Denver, NC |
| William R. Kavanaugh, #30829 | Pueblo, CO |
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| Lauren Elizabeth Rukasuwan, #40253 | Charlotte, NC |
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North Carolina State Board of
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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 No: | Home Fax: |
| Personal Email: | |
| Firm/Business Name: | |
| Business Address: | |
| City/State/Zip: | |
| Business Phone No: | 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 and CPA firms shall notify the Board in writing within 30 days of any change in home address and phone number; CPA firm address and phone number; business location and phone number; and email address.*

# Activity Review

North Carolina State Board of Certified Public Accountant Examiners

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## Changes to CPE Rules

A Joint Task Force of the Board and the NCACPA has reviewed 21 NCAC 08G, *Continuing Professional Education* and recommended that the CPE rules be amended to comply with the *NASBA/AICPA Statement on Standards for Continuing Professional Education (CPE) Programs*.

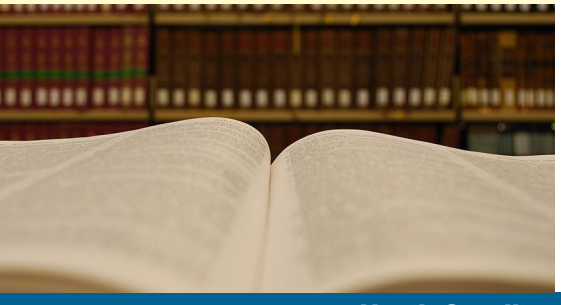
The recommended changes include changing "CPE course" to "CPE activity;" calculating credit in minutes instead of hours; and reducing the annual ethics requirement.

After reviewing and approving the recommendations, the Board voted to proceed with rule-making and submitted a Notice of Text to the Office of Administrative Hearings (OAH).

The proposed changes were published by the OAH in the *North Carolina Register* Vol. 34, Issue No. 3 (**https://bit.ly/2K8lXex**) and are available on the Resources page of the Board's website, **nccpaboard.gov**.

New language is indicated by an underline and deleted language is indicated by a ~~strike-through~~.


**CPE Rules**
*continued on page 5*




## The New Yellow Book Standards: What Is the Impact for North Carolina CPAs?

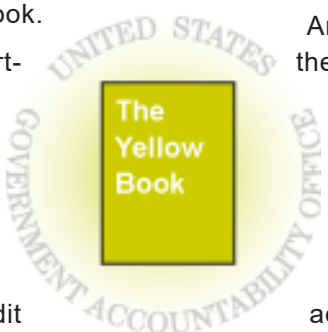
The US Government Accountability Office (GAO) has issued a revised version of *Government Auditing Standards (GAS)*, commonly referred to as the Yellow Book.

There are some important new requirements that auditors of governmental entities need to be aware of, particularly related to auditor independence and the performance of non-audit services.

All NC CPAs performing financial audits, attestation engagements, and reviews of financial statements subject to GAS requirements should review their procedures to ensure compliance with applicable regulations.

The new requirements are effective for the period ending on or after June 30, 2020. As most NC governmental entities operate on a July 1-June 30 fiscal year-end, the requirements are already applicable.

Auditors performing non-audit services for a financial statement audit client must be independent for the entire period that the financial statements relate to; therefore, auditors should evaluate the impact of any non-audit services that may relate to the June 30, 2020, timeframe.




An important change in the new Yellow Book is that it specifically identifies the preparation of a client's financial statements in their entirety from a client's trial balance or underlying accounting records as a significant threat to the auditor's independence.

A threat to independence would not be acceptable if an auditor's profes-


**Yellow Book**
*continued on page 6*


### In This Issue


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# Disciplinary Actions

*Pursuant to NCGS 93-12(9), civil penalties are remitted to the North Carolina Civil Penalty and Forfeiture Fund ("Fund") in accordance with NCGS 115C-457.2. NCGS 115C-457.1(b) states, "The Fund shall be administered by the Office of State Budget and Management. The Fund and all interest accruing to the Fund shall be faithfully used exclusively for maintaining free public schools."*

## WANDA SKILLINGTON GREENE, #16200 | ARDEN, NC

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

1. Wanda Skillington Greene (hereinafter "Respondent") was the holder of North Carolina certificate number 16200 as a certified public accountant.
2. The Board received information that the Respondent had been indicted for numerous criminal actions in her capacity as county manager of Buncombe County.
3. The Respondent entered into a plea deal with federal authorities. The Factual Basis for that plea details that: (1) the Respondent misused gift cards that were issued to the county; (2) the Respondent misdirected county funds to purchase whole life insurance policies for herself and other employees, which could then be cashed out by the employees; and (3) the Respondent utilized her position as county manager to obtain trips, gifts, and other things of value in exchange for the award of county contracts.
4. The Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board ex parte, whether or not the Board accepts this Consent Order as written. The Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

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

1. The Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. The aforementioned conduct constitutes a violation of 21 NCAC 08N .0202 (Deceptive Conduct).
3. Per N.C. Gen. Stat. §93-12(9), and also by virtue of the Respondent's consent to this order, the Respondent is subject to the discipline set forth below.

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

1. The Certified Public Accountant certificate for the Respondent, Wanda Skillington Greene, is hereby permanently revoked.
2. Respondent Wanda Skillington Greene 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.

**Approved by the Board June 21, 2019.**




## Important Dates

| | |
|---|---|
| September 2 | Office Closed - Labor Day |
| September 23 | Rule-Making Hearing & Board Meeting - Raleigh |
| October 24 | Board Meeting - Raleigh |
| November 11 | Office Closed - Veterans Day |
| November 25 | Board Meeting - Raleigh |
| November 28 & 29 | Office Closed - Thanksgiving |
| December 2 | Firm Renewal/Peer Review Compliance Reporting Period Begins |
| December 16 | Board Meeting - Raleigh |
| December 24-26 | Office Closed - Christmas |
| December 31 | Firm Renewal & Peer Review Compliance Reporting Deadline |

## DEIRDRE CLARE MORRISON, #33822 | FUQUAY-VARINA, NC

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

1. Deirdre Clare Morrison, CPA, (hereinafter "Respondent") is the holder of North Carolina certificate number 33822 as a certified public accountant.
2. The Board received a complaint against the Respondent from a client (hereinafter "Complainant"). The complaint is centered on the Respondent's alleged failure to file a tax return and her failure to communicate with the Complainant.
3. The Board staff mailed a copy of the complaint to the Respondent, requesting her response within 21 days. She did not provide a response.
4. The Board staff sent the Respondent a second letter by certified mail, requesting her response within 21 days.
5. After the Board staff sent email correspondence to the Respondent, she requested time to provide a response. Despite being granted an extension, the Respondent did not provide a response to the second letter.
6. The Board staff again contacted the Respondent by email, informing her that her response was due. The Respondent replied, stating that she had mailed a copy of her response. The response was not received.
7. The Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board ex parte, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

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

1. The Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. The Respondent did not respond to the allegations that she acted incompetently. The unrefuted allegations make a claim for a violation of 21 NCAC 08N .0212 (Competence).
3. The Respondent's failure to provide a response to the complaint constitutes a violation of 21 NCAC 08N .0206 (Cooperation with Board Inquiry).
4. Per N.C. Gen. Stat. §93-12(9), and also by virtue of the 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 the Respondent agree to the following Order:

1. The Respondent's CPA certificate is revoked for one year.

**Approved by the Board June 21, 2019.**

## STANFORD R. JORDAN #20364 | STANFORD R. JORDAN, CPA, PLLC | SALISBURY, NC

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

1. Stanford R. Jordan, CPA (hereinafter "Respondent"), is the holder of North Carolina certificate number 20364 as a Certified Public Accountant.
2. Stanford R. Jordan, CPA, PLLC (hereinafter "Respondent Firm"), is a registered certified public accounting firm in North Carolina. Hereinafter, the Respondent and the Respondent Firm shall collectively be referred to as the "Respondents."
3. The Respondents issued a compiled financial statement and enrolled in the peer review program. However, they never completed the entire peer review process.
4. The Respondents have now ceased performing engagements that require a peer review.
5. The Respondents wish to resolve this matter by consent and agree that the Board staff and counsel may discuss this Consent Order with the Board ex parte, whether or not the Board accepts this Consent Order as written. The Respondents under-

**Jordan**

*continued on page 5*

## Exam Fees Effective October 19, 2019




Effective October 19, 2019, the Uniform CPA Exam fees charged by Prometric, NASBA, and the AICPA will increase. The Board's administrative fees are not increasing.

Applications postmarked on or before October 18, 2019, will be processed using the current fee schedule. Applications postmarked on or after October 19, 2019, will be processed using the fee schedule shown below.

**Administrative Fees**

| | |
|---|---|
| Initial Exam Application | $230.00 |
| Re-Exam Applications | $75.00 |

**Section Fees**

| | |
|---|---|
| Auditing (AUD) | $209.99 |
| Financial Accounting & Reporting (FAR) | $209.99 |
| Regulation (REG) | $209.99 |
| Business Environment & Concepts (BEC) | $209.99 |

## 2019 Exam Score Release Dates

| Testing Window: July 1 – September 10 (19Q3) | | |
|---|---|---|
| If you take your Exam on/before: | ...and the AICPA receives your Exam data files from Prometric by 11:59 p.m. (EST) on: | Your target score release date is: |
| Aug. 31 | Aug. 31 | Sept.10 |
| Sept. 10 | Sept. 11 | Sept.19 |
| **Testing Window: October 1 – December 10 (19Q4)** | | |
| If you take your Exam on/before: | ...and the AICPA receives your Exam data files from Prometric by 11:59 p.m. (EST) on: | Your target score release date is: |
| Oct. 20 | Oct. 20 | Nov. 5 |
| Nov. 14 | Nov. 14 | Nov. 22 |
| Nov. 30 | Nov. 30 | Dec. 10 |
| Dec.10 | Dec. 11 | Dec.19 |

- All dates and times are based on the Eastern Time zone.
- For most candidates, the AICPA receives the Exam data files from Prometric within 24 hours after a candidate completes the Exam.
- The scores for the Exam data files received after the AICPA cutoff dates will be in the subsequent scheduled target score release.
- Some candidates who take the BEC section may receive their scores approximately one week following the target release date due to additional analysis that may be required for the written communication tasks.
- Follow NASBA on Twitter (@NASBA) for Exam score release announcements.

**Jordan** *continued from page 3*

stand and agree that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

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

1. The Respondents are subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. The Respondents' failure to complete the peer review process constitutes a violation of 21 NCAC 08N .0203(b)(7).
3. Per N.C. Gen. Stat. §93-12(9), and also by virtue of the Respondents' consent to this order, the Respondents are subject to the discipline set forth below.

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

1. The Respondent Firm is censured.
2. The Respondent Firm shall pay a one thousand dollar ($1,000) civil penalty to be remitted with this signed Consent Order.
3. The Respondents have agreed to no longer participate in or perform any engagements subject to peer review.

**Approved by the Board**
**July 22, 2019.**

**CPE Rules** *continued from page 1*

On September 23, 2019, the Board will conduct a public Rule-Making Hearing on the proposed changes to 21 NCAC 08G.

The Board will accept written comments on the rules through September 30, 2019.

If, after the Hearing, the Board votes to adopt the amended rules, the rules will be submitted to the OAH's Rules Review Commission (RRC) for final review and approval.

If approved by the RRC, the amended rules would be effective January 1, 2020, and would be applicable for CPE completed for the 2021-2022 license renewal.

### How to Comment on the Proposed CPE Rule Changes

The September 23, 2019, Rule-Making Hearing is scheduled for 10:00 a.m. at 1101 Oberlin Road, Raleigh, NC 27605.

If you plan to attend the Hearing to present testimony on the proposed rule changes, you must notify Robert N. Brooks, the Board's Executive Director, at **rbrooks@nccpaboard.gov** by 5:00 p.m., September 9, 2019.

One copy of any written testimony to be entered into the public record of the Hearing must be received by the Board by 5:00 p.m., September 9, 2019. Submit written testimony to

**Mail:** NC CPA Board, PO Box 12827, Raleigh NC 27605;
**Email:** **rbrooks@nccpaboard.gov**; or
**Fax:** (919) 733-4209

Any comments received by the Board after 5:00 p.m. September 30, 2019, (the end of the required comment period) may not be considered by the Board or the RRC.

## Certificates Issued

On July 22, 2019, the Board approved the applications for North Carolina CPA licensure submitted by the following individuals:

William Buck Alexander
David Maxwell Belsinger
Patricia Jo Bickel
Andrew Joseph Bragg
Erik Tyler Brown
David Addkison Bullard
Olivia Ann Butler
Jacob MacDowell Casper
Vinita Chaudhary
Andrew Hyun Choe
Sang Ryoul Choi
Madelyn Anderson Church
Keather Renee Cofield
Mark David Comerford
Allison Marlene Cox
Michael Joseph Danehy, Jr.
Roberto de la Vina Estrada Nora
Quincy Lowe Eassa
Callie Lane Efird
Laura Elizabeth El-Baytam
Connie Renee Everhart
Michael Charles Felcher, Jr.
Adam Daniel Filipponi
Jean C. Findley
Gabrielle Eagle Gaudette
Stephen Garth Glauser
Sterling De'on Hailey
Sammy Hajjar
Maura Anne Hickson
Stephen Anthony Hilborn
Brandon Andrew Howes
Stephanie Holland Isham
Larry Irvin Jackson
Elizabeth Marie Jacobi
Anna Elizabeth Johnson
Brenna Drab Jones
David Bryce Joslin
John David Kasch
Emma Jane Kenney
Heather Rozella Key
Kwangho Kim
Joseph Price Kirkpatrick
David Alexander Kraslow
Dezheng Li
Hannah Marie Linton
Reinafe Anne Pamplona Lipscomb
Karen M. Livingstone
James Westley Lorentz
Erica Lynne Love
Emily Anne Maurer
Susan Diane Mays
Charles Edward McCarthy, Jr.
Mohan L. Mehta
Amber Lane Milby
Jennifer Leigh Mitchell
Shannon Leigh Morton
Andrew Joel Mothena
David Michael Mullinax
Charles Woodrow Nelson, Jr.
Haley Alexandra Nona
Lindsay Ann Norris
Garry Glen Oates, Jr.
John Thomas Opalenick
Clare Kathleen Orsega
William Richard Pace
L. Michele Palma
Cameron Bryan Parrish
Rishin Nitin Patel
Bret Dustin Pittman
Matthew John Pope
Joanne F. Prakapas
Randal Jay Rabe
Tyler Richard Radtke
Mary Rose Rappa
Lindsay Nicole Riebel
Samantha Carroll Rosier
Matthew Davidson Rubush
Candice Joelle Sackley
Andrew William Sellitto
Jacob Sidney Lahr Severson
Rashmi Shivaraj
Marcus Steven Shore
Stephen Michael Sloyer
Mallory Nicole Spigel
Shanique Kentrell Sumter
Enos Tracy
Alex Charles Tyroler
Blake Edward Underwood
Samuel Bradford Watson
Samuel Wallace Weldon
Richard Parker Whelan
Sean Michael Wille
Hannah Katherine Wilson
Sybil Dianne Wood
Mikhail Shea Stephen Wright
Alexander Janzen Zapalac
Kerianne E. Zenobio

**Yellow Book** *continued from page 6*

sional judgment was compromised; or if a reasonable and informed third party could conclude that the auditor's integrity, objectivity, or professional skepticism had been compromised.

The auditor is required to document the evaluation of the threat and the safeguards applied to effectively address the threat.

A suggested safeguard could be having separate personnel involved in the performance of the audit services versus the financial statement preparation services.

Another option is having an independent party (internal or external to the auditor) perform a second review of the financial preparation services.

An auditor who cannot effectively apply safeguards in these circumstances should not be performing both services, as independence would be considered impaired.

Other frequently performed non-audit services that should be evaluated to see if they create significant threats include

- Recording transactions that management has approved in an entity's books;
- Posting entries that management has approved to the entity's trial balance;
- Preparing tax returns including Form 990;
- Making cash to accrual conversions;
- Performing account reconciliations;
- Maintaining depreciation schedules; and
- Preparing parts of the financial statements based on trial balance information.

The auditor should evaluate these services individually and aggregately to determine the extent to which the performance of these services

GAO U.S. Government Accountability Office

impacts the ability of the auditor to perform the financial audit service.

The auditor should also document the evaluation of the threat(s) and the safeguard(s) applied to effectively address the threat(s).

The revisions to the Yellow Book could be significant to the way that audits of governmental entities occur in North Carolina.

Many small governmental units rely on local CPA firms to provide their audit services.

A smaller firm that audits these units of government could be more severely impacted because the firm may not be able to assign separate personnel or other safeguards that will allow the firm to perform both the audit services and the financial statement preparation services.

In such situations, the audit firm must choose which service it will provide.

North Carolina has a history of good accountability within the governmental environment.

The Board works closely with the Local Government Commission (LGC) and others in the governmental audit community to ensure that audits are performed in accordance to standards.

The takeaway from the revisions to the Yellow Book is that all auditors should review their current audit practices and take steps to comply with the new guidelines.

This is not a simple audit program checkbox change.

A CPA who performs audits for fiscal year ending June 30, 2020, the same way as the prior year may not be compliant with the new Yellow Book requirements.

While this article focused on the implications related to auditor independence, all changes to the Yellow Book are available on the GAO website, **https://bit.ly/2KmUXH4**.

The Board encourages all CPAs to seek out information and resources to ensure a thorough understanding of these revisions.

If you have questions about the revised version of Government Auditing Standards (GAS), contact the Board's Deputy Director, David R. Nance, CPA, at **dnance@nccpaboard.gov**.

## Reclassifications

At its July 19, 2019, meeting, the Board approved the applications for reclassification submitted by the following individuals:

**Reinstatement**

| | |
|---|---|
| Mary Bouchard Carlin, #28236 | Kila, MT |
| Robert Keller Duggan, #33330 | Wilmington, NC |
| William Logan Lewis, #38918 | Mamaroneck, NY |
| Wayne Alexander Martin, #30808 | Miami, FL |
| Kevin Gregory McKeown, #34943 | Ponte Vedra, FL |
| Alice Laura Parker Shackelford, #22772 | Greenville, NC |

**Reissuance**

| | |
|---|---|
| William Michael McCullough, III, #38003 | Gastonia, NC |
| Catherine Lynn Roberts, #19178 | Winston-Salem, NC |

# Inactive Status

Between July 1, 2019, and July 31, 2019, the individuals listed below were approved for inactive status. 21 NCAC 08A .0301(b)(20) states: “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.”

| | |
|---|---|
| Joe Dewey Clark, #4273 | Charlotte, NC |
| Richard Ray Cox, #9909 | Greenville, NC |
| Keith Michael Norris, #10840 | Statesville, NC |
| Richard Bennett Wimmer, #11681 | Winston-Salem, NC |
| James Carroll Hunt, #12932 | Research Triangle Park, NC |
| Bowen Jay Wise, #14789 | Columbia, SC |
| Ida Robinson Backmon, #15662 | Peoria, AZ |
| John Michael Lamberth, #15815 | Greensboro, NC |
| Lillie Susan West, #15820 | Pembroke, NC |
| Penelope Jennings Brandon, #18378 | Greensboro, NC |
| John Stewart Wooten, #19554 | Raleigh, NC |
| Angela Addis Swartz, #19811 | San Diego, CA |
| Andrew John Addison, #21167 | Charlotte, NC |
| William L. McNairy, #21342 | Charlotte, NC |
| Lauren Martin Brown, #21667 | Birmingham, AL |
| Lance Carter Hardin, #22297 | Raleigh, NC |
| Stephen Anthony Vescovi, #23007 | Lockport, IL |
| Lupe Z. Boyle, #23507 | Raleigh, NC |
| Charles Lee Kuykendall, #24353 | Greenville, SC |
| Karen Longfellow Stone, #25453 | Dunwoody, GA |
| Francisco Rosillo, #25878 | Doral, FL |
| Charles Wallace Archerd, #26371 | Asheville, NC |
| Amy McLaughlin Hrinsin, #28562 | The Woodlands, TX |
| Justin Robert Pasfield, #30944 | Morgantown, WV |
| William L. Ginna, #31526 | Wilmington, NC |
| Dieter Ernst Wulff, #33579 | Irvine, CA |
| Stephanie Ryals, #33756 | Raleigh, NC |
| Julie L. Richter, #34447 | Bahama, NC |
| Scott Douglas Hansen, #34749 | High Point, NC |
| Sarah Marie Windt, #36144 | Charlotte, NC |
| Michelle Lee Harris, #37179 | Arlington, VA |
| Mark Owen Smith, #37443 | Chapel Hill, NC |
| Erin Brown Farney, #37665 | Greensboro, NC |
| Meredith Archerd Miller, #38423 | Raleigh, NC |
| Alexander Anthony Yannotti, #38440 | Granite Falls, NC |
| Hanisha Prem Shah, #39669 | Tampa, FL |
| Joshua Blaine Jackson, #40174 | Charlotte, NC |
| Zachary Lee Raborn, #40372 | San Diego, CA |
| Ha Thu Phan, #40517 | Jersey City, NJ |
| Thomas John Keaveny, #41403 | Charlotte, NC |
| Michael Thomas Schilde, #42051 | Pinellas Park, FL |
| Albert Henry Austin, #12470 | Lake Wylie, SC |
| David Bruce Marr, #22606 | Vienna, VA |
| Marguerite Elaine Barnes, #23155 | Marshall, NC |
| Janette I. Perez, #24089 | Raleigh, NC |
| Ioulia Nickolaevna Smirnova, #33575 | Charlotte, NC |
| Hua Yang, #36604 | Seattle, WA |
| Jeffrey Alan Call, #37995 | Blacksburg, VA |
| Mina Yu, #38718 | Greensboro, NC |
| Amanda Mae Johnson, #40659 | Gainesville, GA |
| Alan Keith Menius, #11642 | Salisbury, NC |
| S. Dallas Simmons, #18450 | Glen Allen, VA |
| Kelly Evans Wascher, #20836 | Fort Mill, SC |
| Stephen T. Starbuck, #24298 | Landrum, SC |
| Elizabeth Gouldman Prout, #26734 | Seattle, WA |
| Melanie A. Wood, #29082 | Jamestown, NC |
| Melissa Elizabeth Miller, #38212 | Winston Salem, NC |
| Robert David Dorr, #21774 | Danville, VA |
| James Frederick Hughes, #23095 | Rockford, MI |
| Steven Allen Krpata, #25869 | Pinetown, NC |
| Sarah Veach Shadburne, #28161 | Charlotte, NC |
| Thomas Hall Waller, #10978 | Marshallberg, NC |
| Carlotta Leach Seals, #15605 | Fort Myers, FL |
| Sarah Sanford Bostater, #23876 | Indian Harbour Beach, FL |
| Jane Alison Wilkinson, #32826 | Pinehurst, NC |
| Mark Castaneda, #32783 | Nashville, TN |
| John James Russell, #40077 | Norton, MA |
| Ryan Christopher Beckner, #41989 | Charlotte, NC |
| James Christopher Gantt, #29393 | Waxhaw, NC |
| David William Tolbert, #36629 | High Point, NC |
| Omar Yahya Alsaidi, #40423 | Fayetteville, NC |
| Amy Elizabeth Winkler, #41669 | Charlotte, NC |
| Richard Mendel Piazza, #24496 | Woodbridge, VA |
| Heather Marie Hewitt, #35162 | Charlotte, NC |
| Joan Ann Lee, #35882 | Carrollton, TX |
| Aaron Reuben Kolko, #39805 | Charlotte, NC |
| Timothy Joseph Wilhelmy, #41460 | W. Palm Beach, FL |
| Joseph Sidney Almand, #9979 | Eatonton, GA |
| F. Palin Spruance, #20943 | Asheville, NC |
| David Wayne Leeds, #22822 | Tysons, VA |
| Thomas Wright Magraw, #29765 | Matthews, NC |
| Cason Brewer King, #37082 | Boston, MA |
| Fred Russell Black, #13406 | Charlotte, NC |
| Scott Andrew Weiss, #42484 | Dallas, TX |
| Donald Winfred Shumaker, #11789 | Huddleston, VA |
| Rebecca Byrd Turmel, #30036 | Archdale, NC |
| Stephanie Wasilewski Ingols, #34397 | Huntersville, NC |
| Leon Milo Hollingsworth, #1278 | Raleigh, NC |
| Richard Cole Craven, #15172 | Aberdeen, NC |
| Antoine Darnell Beck, #27664 | Winston-Salem, NC |
| Stephen Martin Beckwith, #34969 | New York, NY |
| Giles B. Sutton, #23332 | Augusta, MO |
| Lisa L. Adeleke, #31915 | Smyrna, GA |
| Linda Z. Arnold, #26989 | Raleigh, NC |
| Benjamin James Dilks, #32301 | Greensboro, NC |
| Asha Rashid Guta, #37063 | Raleigh, NC |
| Qing Yan, #37455 | Clarksburg, MD |
| Ellen Riley Watson, #40734 | Mount Pleasant, SC |
| William Thomas Walton, #10063 | Alpharetta, GA |
| Mitchell Alan Martin, #12374 | East Point, GA |
| Allee Drummond Humphrey, #14870 | New Bern, NC |
| Pepper Snider Younts, #20442 | Lexington, NC |
| Janice Toothaker Gore, #20921 | Palm Harbor, FL |
| Dennis Allen Hayes, #20963 | Charlotte, NC |
| David John Steiner, #22105 | Denver, CO |
| Jared Gray Plummer, #33532 | Raleigh, NC |
| Tarah Lee Schulz, #36390 | CANADA |
| Alicia Shatora Smith, #37069 | Houston, TX |
| Nicole Marie Balduf, #37678 | Charlotte, NC |
| Roy E. Davis, Jr., #39420 | Harrisonburg, VA |
| David Parker Schmoeller, #41069 | Washington, DC |
| Richard Alexander Vari, #41128 | Holly Springs, NC |
| Hitesh Soni, #41632 | Beaverton, OR |
| Hunter G. Webb, Jr., #21943 | Chesapeake, VA |
| Mitesh Patel, #23460 | Raleigh, NC |
| Timothy Aaron Moore, #31003 | Washington, DC |
| Brody Stanton Connolly, #34792 | Atlanta, GA |
| Malav Rajesh Sheth, #39096 | Olney, MD |
| Michael Andrew Dempsey, #39412 | Chapel Hill, NC |
| Meagan June Massey, #41203 | Albany, NY |
| Eric Daniel Albright, #41884 | Raleigh, NC |
| Michael Edward Walchonski, #42054 | Charlotte, NC |
| Taylor Thomas Rule, #42304 | Charlotte, NC |
| Kathleen E. Blake, $42637 | Portland, ME |

North Carolina State Board of
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## Notice of Address Change

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| Full Name: | |
| Certificate No.: | Last 4 Digits of SSN: |
| Home Address: | |
| City/State/Zip: | |
| Home Phone No: | Home Fax: |
| Personal Email: | |
| Firm/Business Name: | |
| Business Address: | |
| City/State/Zip: | |
| Business Phone No: | 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 and CPA firms shall notify the Board in writing within 30 days of any change in home address and phone number; CPA firm address and phone number; business location and phone number; and 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. 9-2019


## Governor Cooper Appoints Three Members to the Board



**Barton W. Baldwin, CPA**



**Bernita W. Demery, CPA**



**Jennifer K. Van Zant, Esq.**

The Board is pleased to announce that Barton W. Baldwin, CPA; Bernita W. Demery, CPA; and Jennifer Van Zant, Esq., have been appointed to the Board.

The new members replace Wm. Hunter Cook, CPA; Jeffrey J. Truitt, Esq.; and L. Samuel Williams, Jr., CPA, whose terms on the Board expired June 30, 2019 (See *Resolutions* on pp 5-7).

Baldwin and Demery were sworn the Oath of Office at the July 22, 2019, meeting, and Van Zant was sworn the Oath of Office at the August 19, 2019, meeting. Their terms expire June 30, 2022.

Baldwin previously served on the Board 1994-2002 and 2009-2012. He is Managing Partner at Baldwin & Hodge, LLP.

He has extensive service with the National Association of State Boards of Accountancy (NASBA), the North Carolina Association of CPAs (NCACPA), the American Institute of CPAs (AICPA), and the National Society of Accountants (NSA).

Demery retired in 2018 after 30 years of employment with the City of Greenville. She was Greenville's Director of Financial Services for 29 years.

She is a member of the NCACPA, the AICPA, the National Association of Black Accountants (NABA), and the Government Finance Officers Association.

Van Zant is one of two non-CPA members of the Board. As a Public Member, she represents the interests of the public at large.

She is a member of the Litigation and Antitrust Sections of the North Carolina Bar Association and the American Bar Association, and is a permanent member of the Fourth Circuit Judicial Conference.

Van Zant is a Partner with Brooks Pierce where her focus is on complex business litigation and class action defense.

The "About" page of the Board's website, **nccpaboard.gov**, includes information on current Board members.

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# Disciplinary Actions

*Pursuant to NCGS 93-12(9), civil penalties are remitted to the North Carolina Civil Penalty and Forfeiture Fund ("Fund") in accordance with NCGS 115C-457.2. NCGS 115C-457.1(b) states, "The Fund shall be administered by the Office of State Budget and Management. The Fund and all interest accruing to the Fund shall be faithfully used exclusively for maintaining free public schools."*

## MICHAEL R. HOLDEN, #12498 | MICHAEL R. HOLDEN, PLLC | SOUTHERN PINES, NC

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

1. Michael R. Holden, CPA (hereinafter "Respondent"), is the holder of North Carolina certificate number 12498 as a Certified Public Accountant.
2. Michael R. Holden, PLLC (hereinafter "Respondent Firm"), is a registered certified public accounting firm in North Carolina. Hereinafter, the Respondent and the Respondent Firm shall collectively be referred to as the "Respondents."
3. The Respondents issued multiple compilation reports and enrolled in the peer review program. However, they never completed the entire peer review process.
4. The Respondents have now ceased performing engagements that require a peer review.
5. The Respondents wish to resolve this matter by consent and agree that the Board staff and counsel may discuss this Consent Order with the Board ex parte, whether or not the Board accepts this Consent Order as written. The Respondents understand and agree that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

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

1. The Respondents are subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. The Respondents' failure to complete the peer review process constitutes a violation of 21 NCAC 08N .0203(b)(7).
3. Per N.C. Gen. Stat. §93-12(9), and also by virtue of the Respondents' consent to this order, the Respondents are subject to the discipline set forth below.

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

1. The Respondent is censured.
2. The Respondent's CPA certificate is subject to a one-year suspension. The suspension shall remain stayed as long as the Respondent does not engage in services subject to peer review and otherwise complies with the terms of this Consent Order.
3. The Respondent Firm shall pay a one thousand dollar ($1,000) civil penalty to be remitted with this signed Consent Order.
4. The Respondents have agreed to no longer participate in or perform any engagements subject to peer review.

***Approved by the Board August 19, 2019.***

## Firm Registration Orders

21 NCAC 08J .0108, *CPA Firm Registration*, requires each CPA firm to register with the Board and to annually renew that registration.

Pursuant to 08J .0111, *Compliance with CPA Firm Registration*, if a CPA firm fails to comply with any part of 08J .0108 or 08J .0110, the Board may take disciplinary action against the CPA firm's members.

As set forth in NCGS 93-12(9)(e), the disciplinary action may include a one hundred dollar ($100.00) civil penalty for non-compliance of less than 60 days.

The following individuals consented to a $100 civil monetary penalty for failing to timely renew or cancel their firm's registration:

George R. Brown, #27188
George R. Brown, CPA, P.C.

Kelly Sue Derflinger, #42098
Kelly Derflinger, CPA

Anup Anilkumar Desai, #26839
Desai & Desai, LLP

Karen Elizabeth McCall, #41198
Karen McCall, CPA

Jennifer Parker-Harden, #30119
J. Parker-Harden, CPA, PLLC

## Reclassifications

At its August 19, 2019, meeting, the Board approved the applications for reclassification submitted by the following individuals:

**Reinstatements**

| | |
|---|---|
| Robert Curtis Adams, #32241 | Matthews, NC |
| Aaron Joseph Baker, #34671 | Bradenton, FL |
| Christina Marie Baker, #34023 | Bradenton, FL |
| Jeffrey Thomas Hendrickson, #28260 | Raleigh, NC |
| Thomas Elvin Hinton, Sr., #23037 | Pittsboro, NC |

**Reissuance**

| | |
|---|---|
| Cynthia Jefferson Glad, #25188 | Lakeville, MN |
| Patrick Michael McAuley, 334663 | Charlotte, NC |
| Kristen Elizabeth Nickle, #33671 | Garnet Valley, PA |
| Zachary Brooks Schoenholtz, #40519 | Cary, NC |

### Proposed Changes to CPE Rules

September 30, 2019, is the deadline for submitting comments to the Board on the proposed changes to the CPE rules.

The proposed changes are available on the Resources page of the Board's website, **nccpaboard.gov**.

New language is indicated by an underline and deleted language is indicated by a ~~strike-through~~.

The changes would be effective January 1, 2020, and would apply to CPE credit earned on or after January 1, 2020.

Submit your comments to Rule Changes, NC CPA Board, PO Box 12827, Raleigh NC 27605; **rbrooks@nccpaboard.gov**; or 919-733-4209 (fax).

## Certificates Issued

On August 19, 2019, the Board approved the following applicants for certification as North Carolina CPAs:

Matthew Daniel Abrams
Stephen Clark Allen Jr.
Jerry Dean Allison
Ashwani Arora
Waqqas Asghar
Taylor-Elise Beauprez
Brooke Danielle Bedel
Joshua Scott Bollinger
Aaron Michael Bonertz
Connor Lee Brank
Adam James Braxton
Sean Michael Brewer
Carter Reid Brookman
Tracy Amaris Brown
Timothy Cleyburn Bullock
Ryan Christopher Cadden
Lucia Caldari
Eileen M. Callori
James Jarrett Cervi
Philip Marc Colvard
Tracy Lynn Conroy
Mitchell Overcash Cooper
Rachel Renee' Cox
Nicholas James Cruise
Hayley Sumner Crumley
Ned Peter Curtis
Lara Catherine Delfino
Paul Edward Demick II
Michael James Dillon
Benjamin Walter Doyle
Sadie Rockefeller Duffee
Jeremy Chung-Shin Dussek
Eli James Flynt
Brent Russell Fryar
Denise Maria Frye
Rebecca Durrett Geddes
Julie Anne Gerlach
Alexander Fredric Gershner
Howard Jay Goldberg
William Greenwood
Stacey Lynn Grissom
Michael James Hardy
Jametra Danielle Harris
Andrew Ellis Harton
William Blake Hawke
Sam Reid Henrickson II
Ryan Seth Hoyle
Michael Ray Johnson
Sean Tyler Kaufmann
Vik Kinney
Paul John Kozulis
Kyle Charles Kwiatkowski
Brian Matthew Ligon
ShirWan Lee Little
Kristen Lambert Luk
Justin Patrick Marcarelli
Kevin Linwood Marsh
Patrick Scott Maynard
Christopher Dean Mays
Madison Claire McCombs
Matthew Timothy McGrath
Adam Hunter McTish
Kelsey Elise Muth
Thomas Owen Myers
Timothy Andrew Nicolosi
Hanna Carroll O'Leary
Stefan Elliot Ozer
Winston Y. Park
Sarah Kay Davis Phillips
Kayla Danielle Pollard
Jamie Avenir Potteiger
Ian Michael Pratt
Denise Judith Price
Elizabeth Margaret Reiher
Austin Bradford Rice
Lauren Michelle Robinson
Julian David Rojas
Theresa Miller Rouse
Chamese Glendene Ruddock
Kevin Richard Ruff
Eric Benjamin Sachs
Douglas John Schaffer
Pooja Sehgal
Brian Robert Shagena
Thomas J. Shaughnessy
Kerry Michael Sledge
Lana Kaye Szczepanski
Julie Huff Thomas
Victoria Torino
James Donald Turner
Cameron Crawford Walton
Travis William Whited
Alec Wiener

| 2019 Exam Pass Rates | | |
|---|---|---|
| Section | Q1 | Q2 |
| AUD | 48.56% | 55.11% |
| BEC | 58.00% | 59.74% |
| FAR | 44.43% | 49.37% |
| REG | 50.23% | 58.66% |

## 2019 Exam Score Release Dates

| Testing Window: October 1 – December 10 (19Q4) | | |
|---|---|---|
| If you take your Exam on/before: | ...and the AICPA receives your Exam data files from Prometric by 11:59 p.m. (EST) on: | Your target score release date is: |
| Oct. 20 | Oct. 20 | Nov. 5 |
| Nov. 14 | Nov. 14 | Nov. 22 |
| Nov. 30 | Nov. 30 | Dec. 10 |
| Dec.10 | Dec. 11 | Dec.19 |

- All dates and times are based on the Eastern Time zone.
- For most candidates, the AICPA receives the Exam data files from Prometric within 24 hours after a candidate completes the Exam.
- The scores for the Exam data files received after the AICPA cutoff dates will be in the subsequent scheduled target score release.
- Some candidates who take the BEC section may receive their scores approximately one week following the target release date due to additional analysis that may be required for the written communication tasks.
- Follow NASBA on Twitter (@NASBA) for Exam score release announcements.

## Exam Fees Effective October 19, 2019

Effective October 19, 2019, the Uniform CPA Exam fees charged by Prometric, NASBA, and the AICPA will increase. The Board's administrative fees are not increasing.

Applications postmarked on or before October 18, 2019, will be processed using the current fee schedule. Applications postmarked on or after October 19, 2019, will be processed using the fee schedule shown below.

**Administrative Fees**

| | |
|---|---|
| Initial Exam Application | $230.00 |
| Re-Exam Applications | $75.00 |

**Section Fees**

| | |
|---|---|
| Auditing (AUD) | $209.99 |
| Financial Accounting & Reporting (FAR) | $209.99 |
| Regulation (REG) | $209.99 |
| Business Environment & Concepts (BEC) | $209.99 |

## 2019 Board Meetings

| October | November | December |
|---|---|---|
| Raleigh Thursday Oct. 24 10:00 a.m. | Raleigh Monday Nov. 25 10:00 a.m. | Raleigh Monday Dec. 16 10:00 a.m. |

*Pursuant to NCGS §143-318.10, all official meetings of the Board are open to the public. However, the public may be excluded from certain portions of the meeting as allowed by NCGS §143-318.11. Unless otherwise noted, meetings are held at 1101 Oberlin Rd., Raleigh 27605.*

## Board Committees

**Executive Committee**

Arthur M. Winstead, Jr., CPA
President

Michael S. Massey, CPA
Vice President

Gary R. Massey, CPA,
Secretary-Treasurer

**Professional Education & Applications Committee**

Gary R. Massey, CPA, Chair

Wanda B. Taylor, Esq.

Jennifer K. Van Zant, Esq.

**Professional Standards Committee**

Michael S. Massey, CPA, Chair

Barton W. Baldwin, CPA

Arthur M. Winstead, Jr., CPA

**Audit Committee**

Gary R. Massey, CPA, Chair

Barton W. Baldwin, CPA

Bernita W. Demery, CPA

**Communications Committee**

Arthur M. Winstead, Jr., CPA

**Personnel Committee**

Wanda B. Taylor, Esq., Chair

Gary R. Massey, CPA

Arthur M. Winstead, Jr., CPA

# North Carolina State Board of Certified Public Accountant Examiners

## Resolution

**Whereas**, Wm. Hunter Cook, CPA, has served on the North Carolina State Board of Certified Public Accountant Examiners since 2016;

**Whereas**, during his tenure, he served as President, Vice President, and Secretary-Treasurer of the Board;

**Whereas**, during his tenure, he served as Chair of the Executive Committee, the Professional Standards Committee, and the Audit Committee;

**Whereas**, during his tenure, he served as Chair of the Personnel Committee and the Communications Committee;

**Whereas,** during his tenure, he served as a member of the Professional Education & Applications Committee;

**Whereas**, during his tenure, he 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 Wm. Hunter Cook, CPA, for his dedicated service, his personal sacrifice to serve the public interest, and his leadership to the Board.

This the 22nd day of July 2019.

North Carolina State Board of
Certified Public Accountant Examiners

Arthur M. Winstead, Jr., CPA, President



# North Carolina State Board of Certified Public Accountant Examiners

## Resolution

**Whereas**, Jeffrey J. Truitt, Esq., has served as a member of the North Carolina State Board of Certified Public Accountant Examiners since 2014;

**Whereas**, during his tenure, he served as Vice President and Secretary-Treasurer of the Board;

**Whereas**, during his tenure, he served as a member of the Executive Committee and the Professional Education & Applications Committee;

**Whereas,** during his tenure, he served as a member of the Personnel Committee and the Audit Committee;

**Whereas,** during his tenure, he faithfully and tirelessly served as a leader in the profession and is an eloquent spokesperson 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 Jeffrey J. Truitt, Esq., for his dedicated service, his personal sacrifice to serve the public interest, and his leadership to the Board.

This the 19th day of August 2019.

North Carolina State Board of
Certified Public Accountant Examiners

Arthur M. Winstead, Jr., CPA, President



# North Carolina State Board of Certified Public Accountant Examiners

## Resolution

**Whereas**, L. Samuel Williams, Jr., CPA, has served as a member of the North Carolina State Board of Certified Public Accountant Examiners since 2016;

**Whereas**, during his tenure, he served as President of the Board;

**Whereas**, during his tenure, he served as Chair of the Executive Committee and the Personnel Committee;

**Whereas**, during his tenure, he served as Chair of the Professional Education & Applications Committee and the Communications Committee;

**Whereas**, during his tenure, he served as a member of the Professional Standards Committee;

**Whereas,** during his tenure, he faithfully and tirelessly served as a leader in the profession and is an eloquent spokesperson 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 L. Samuel Williams, Jr., CPA, for his dedicated service, his personal sacrifice to serve the public interest, and his leadership to the Board.

This the 22nd day of July 2019.

North Carolina State Board of
Certified Public Accountant Examiners

Arthur M. Winstead, Jr., CPA, President



North Carolina State Board of
Certified Public Accountant Examiners
PO Box 12827
Raleigh NC 27605-2827

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## State Board of CPA Examiners

### Board Members

**Arthur M. Winstead, Jr., CPA**
*President, Greensboro*

**Michael S. Massey, CPA**
*Vice President, Morrisville*

**Gary R. Massey, CPA**
*Secretary-Treasurer, Raleigh*

**Barton W. Baldwin, CPA**
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**Bernita W. Demery, CPA**
*Member, Harrisburg*

**Wanda B. Taylor, Esq.**
*Member, Raleigh*

**Jennifer K. Van Zant, Esq.**
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### Staff

**Executive Director**
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**Deputy Director**
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**Licensing**
*Cammie Emery*
*Buck Winslow*
*Alice Grigsby*

**Professional Standards**
*Mary Beth Britt*
*Julia L. Mayo*
*Jean Marie Small*

*2,000 copies of this document were printed in September 2019 at an estimated cost of $1,900.00 or approximately 95¢ per copy.*

# 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. 10-2019





## Reporting Period

- January 1-December 31

## General Requirements

- Applies to CPAs on active, can't use title, or probationary status;
- 40 CPE hours this calendar year if licensed before March 31, 2019;
- Courses must be in one of seven fields of study: accounting & auditing; consulting services; ethics; management; personal development; special knowledge & applications; or tax; and
- If more than 40 hours completed in the calendar year, up to 20 hours may be carried forward to the next year

## Ethics Requirement

- Two (2) hours of professional or regulatory ethics & conduct CPE per calendar year regardless of licensure date; and
- Ethics course sponsor must be in good standing on the NASBA Registry of CPE Sponsors, **nasbaregistry.org**

## FAQs about the Annual CPE Requirement

**Q.** How many CPE hours must I complete in 2019 if I was licensed after March 31, 2019?

**A.** If you were licensed in April, May, or June 2019, you must complete 30 CPE hours by December 31, 2019.

If you were licensed in July, August, or September 2019, you must complete 20 CPE hours by December 31, 2019.

If you are licensed in October, November, or December 2019, you must complete 10 CPE hours by December 31, 2019.

**Q.** Are there activities for which I can't claim CPE credit?

**A.** You cannot claim CPE credit for reading accounting journals, periodicals, reference guides or related materials, and taking a test designed to assess reading comprehension.

Examinations that test your knowledge of a set of study materials as prepared in a formal CPE program do qualify for CPE credit.

**Q.** Before I take a course, will the Board tell me if I may claim credit for it?

**A.** The Board does not approve specific CPE courses. You must use your judgment to choose activities that contribute to your professional competency.

A course increases your professional competency if it is in an area of accounting in which you practice or are planning to practice; in professional ethics; or another area of the profession.

**Q.** If I take a four-hour ethics course this year, may I use the extra two hours to meet the ethics requirement for next year?

**A.** The two-hour ethics CPE requirement is an annual require-

**CPE**

*continued on page 4*



## In This Issue


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# Disciplinary Action

*Pursuant to NCGS 93-12(9), civil penalties are remitted to the North Carolina Civil Penalty and Forfeiture Fund ("Fund") in accordance with NCGS 115C-457.2. NCGS 115C-457.1(b) states, "The Fund shall be administered by the Office of State Budget and Management. The Fund and all interest accruing to the Fund shall be faithfully used exclusively for maintaining free public schools."*

## PAULINE K. CHAN #30536 | PAULINE CHAN, CPA | CHARLOTTE, NC

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

1. Pauline K. Chan, CPA (hereinafter "Respondent"), is the holder of North Carolina certificate number 30536 as a Certified Public Accountant.
2. Pauline Chan, CPA (hereinafter "Respondent Firm"), is a registered certified public accounting firm in North Carolina. Hereinafter, the Respondent and the Respondent Firm shall collectively be referred to as the "Respondents."
3. The Respondent Firm has received Fails on its two (2) most recent engagement peer reviews.
4. For each of those peer reviews, it was noted that the Respondent Firm had not utilized proper report language.
5. The Respondents have now ceased performing engagements that require a peer review.
6. The Respondents wish to resolve this matter by consent and agree that the Board staff and counsel may discuss this Consent Order with the Board ex parte, whether or not the Board accepts this Consent Order as written. The Respondents understand and agree that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

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

1. The Respondents are subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. The failure of the Respondent Firm to utilize proper report language is a violation of Board rules 21 NCAC 08N .0212 (Competence) and .0404 (Accounting and Review Services Standards).
3. Per N.C. Gen. Stat. §93-12(9), and also by virtue of the Respondents' consent to this order, the Respondents are subject to the discipline set forth below.

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

1. The Respondent Firm is censured.
2. The Respondent Firm shall pay a one thousand dollar ($1,000) civil penalty to be remitted with this signed Consent Order.
3. The Respondents have agreed to no longer participate in or perform any engagements subject to peer review.
4. Should the Respondent Firm choose to perform any future services that would be subject to peer review, prior to acceptance of such engagement, each staff member participating in engagements subject to peer review must take a minimum of four (4) hours required group study SSARS CPE annually until the firm receives a pass on a system review or a pass or pass with deficiencies on an engagement review. The Respondent Firm would also be subject to pre-issuance review pursuant to the Board's pre-issuance review guidelines.

**Approved by the Board August 19, 2019.**

## Board Meetings

| November | December |
|---|---|
| **Monday, Nov. 25** | **Monday, Dec. 16** |
| **10:00 a.m.** | **10:00 a.m.** |

*Pursuant to NCGS §143-318.10, all official meetings of the Board are open to the public. However, the public may be excluded from certain portions of the meeting as allowed by NCGS §143-318.11. Unless otherwise noted, meetings are held at 1101 Oberlin Rd., Raleigh 27605.*

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

1. Carl Frederick Root, Jr., CPA (hereinafter "Respondent"), is the holder of North Carolina certificate number 10972 as a Certified Public Accountant.
2. Carl F. Root, Jr. PA (hereinafter "Respondent Firm"), is a registered certified public accounting firm in North Carolina. The Respondent and the Respondent Firm are collectively referred to as the "Respondents."
3. At all relevant times, the Respondent was the supervising CPA of the Respondent Firm and, as such, was the CPA responsible for ensuring that the Board's peer review requirements were satisfied.
4. The Respondents have entered a prior Consent Order which required them to re-enroll in the AICPA peer review program and address a peer review that had been recalled.
5. The Respondent Firm was given permission to re-enroll in the peer review program by the AICPA. However, the Respondent Firm's participation in the peer review program was subsequently terminated for a failure to meet deadlines.
6. The Respondent has stated that he no longer performs services subject to peer review.
7. The Respondents wish to resolve this matter by consent and agree that the Board staff and counsel may discuss this Revised Consent Order with the Board ex parte, whether or not the Board accepts this Revised Consent Order as written. The Respondents understand and agree that this Revised Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

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

1. The Respondents are subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. By failing to timely complete a peer review, the Respondents have violated 21 NCAC 08N .0203(b)(7).
3. Per N.C. Gen. Stat. §93-12(9) and also by virtue of the Respondents' consent to this order, the Respondents are subject to the discipline set forth below.

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

1. The Respondents' privilege to perform, or participate in any services subject to peer review as identified in Board rule 21 NCAC 08M .0105 *Peer Review Requirements* is permanently revoked.

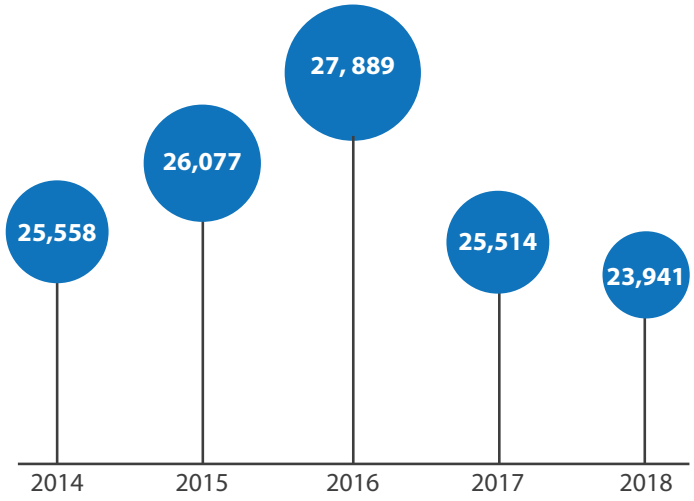
**Approved by the Board September 23, 2019.**

## Number of Exam Candidates Continues to Decline

The AICPA's *2019 Trends in the Supply of Accounting Graduates and the Demand for Public Accounting Recruits* report shows an overall decline in the number of Uniform CPA Exam candidates.

After a significant increase in the number of CPA Exam takers in 2015 and 2016, there was a 7% decrease between 2017 and 2018. The number of CPA Exam candidates in 2018 dipped to its lowest level in 10 years.

The *2019 Trends* report provides statistical projections and respondent expectations based upon university responses for the 2017-2018 academic year.




Excerpted from *2019 Trends in the Supply of Accounting Graduates and the Demand for Public Accounting Recruits.* ©2019 Association of International Certified Professional Accountants. Reprinted by permission.

CPE *continued from front page*

ment, so you cannot use "extra" ethics CPE hours to skip taking an ethics course next year.

However, you may apply the "extra" ethics CPE hours toward the total number of CPE hours completed this year.

**Q.** Do I need to comply with the CPE requirement if I'm licensed in North Carolina but don't live or work in North Carolina?

**A.** If you are a non-resident CPA (a North Carolina CPA who neither lives nor works in North Carolina), you must meet the annual CPE requirement in the jurisdiction in which you are licensed *and* work or live.

If there is not an annual CPE requirement in the jurisdiction in which you are licensed *and* work or live, you must comply with the Board's CPE requirement.

**Q.** Does the ethics requirement apply to a non-resident CPA?

A. If you are a non-resident CPA, you may satisfy the annual ethics CPE requirement by completing the ethics requirement in the jurisdiction in which you are licensed *and* work or reside.

If you are licensed *and* live or work in a jurisdiction that doesn't have an ethics CPE requirement, you must comply with the Board's ethics CPE requirement.

**Q.** Is there a limit on the number of self-study CPE hours I may claim?

**A.** There is not a limit on the number of self-study CPE hours you may claim, but there are some caveats with self-study courses.

A self-study course isn't complete until the CPE sponsor issues a Certificate of Completion.

The Certificate of Completion date is the date the sponsor issues the certificate, not the date you took the course or the date the completed course was mailed to or received by the sponsor.

**Q.** Do I need to keep Certificates of Completion after I complete the license renewal?

**A.** You must keep Certificates of Completion that substantiate the CPE credits you are claiming for the current year and each of the four prior calendar years.

If you are selected for the CPE audit and can't document the CPE hours you claimed, your license may be forfeited.

**Q.** If I'm not able to complete to meet the December 31 deadline, can I get an extension?

**A.** In general, the Board does not make exceptions for completing the annual CPE requirement by December 31.

If you complete the CPE requirement after December 31, 2019, but before July 1, 2020, you may renew your license but will receive a Letter of Warning from the Board.

If you don't meet the December 31 deadline twice within five calendar years, your license renewal is denied for at least 30 days and until you complete the requirements of 21 NCAC 08J .0106.

If there are extraordinary circumstances (major illness, natural disaster, or catastrophic loss) that prevent you from completing the required CPE hours, you may request an extension. However, there is no guarantee that the Board will grant an extension.

The "Request for Extension to Complete CPE Hours" is available on the Forms & Applications page of the Board's website, **nccpaboard.gov**.

Contact Cammie Emery at **cemery@nccpaboard.gov** or Buck Winslow at **buckw@nccpaboard.gov** with questions about the annual CPE requirement.

## How to Check Your CPE Carry-Forward Hours

**STEP 1**
Navigate to the Board's website, nccpaboard.gov.

**STEP 2**
Click on the "Find CPA/CPA Firm" link on the home page.

**STEP 3**
On the "Search for a CPA" page, search for yourself using your name or CPA certificate number.

**STEP 4**
When your record is returned, click on the "Details" link (to the left of your name).

**STEP 5**
The number of CPE carry-forward hours (if any) will display as part of the public record information from your Board file.

If you have questions about your CPE carry-forward hours, contact Cammie Emery at **cemery@nccpaboard.gov**.

# Certificates Issued

On September 23, 2019, the Board approved the following applicants for certification as North Carolina CPAs:

William Mills Abee
Roger Alfred Ahlquist, Jr.
Jennifer Marie Allen
Luke Foster Allman
Samuel Scott Angelo
Chandler Ray Archer
John Lisle Armstrong
Katelyn Danielle Barbee
Ethan Jeffrey Bellm
Shefali Bhalla
Andrew William Blalock
Stephanie Lee Blonchek
Jonathan Ryan Bowie
Michael Joseph Brooks
Christopher Conrad Michael Burch
Michelle Renee Burnette
Karissa Morgan Cahoon
Quinn Alan Carmean
Blake Gibson Carroll
Rachel Annelise Chaney
David John Christiansen
Rashaad Lavon Clavon
Elena Mary Covert
Monique Alicia Craig
Steven Edward Davidson, II
Chrissi Leann Davis
David Roscoe Dimsdale
Sakire Nese Dogan
John Walker Duty
Rachel Gaster Edmund
Brice Marie Edwards
Joshua Michael Edwards
Matthew Ryan Fearnow
Katherine Elizabeth Fitchett
Abigail Marie Getz
William Walton Gibbons
Douglas Wayne Granger
Stephen Taylor Hathcock
Autumn Tedder Hayes
Lauren Elizabeth Hedrick
Taylor Marie Hescock
Crystal Ann Hoegen
Tyler Michael Honeycutt
John Allen Humienny
Brynn Connor Ivey
Daniel Jo
Aimee Caroline Jobe
Kieran Reif Kinnare
Austin Miller Koplan
Katherine Angela Korol
Matthew Shawn Krawczyk
Garrett Alexander Lane
Roelle Ashley Lawrence
Mekenzie Enloe Lemly
Tyler Haynes Ligon
Sheridan Jordan Longest
Katie Elizabeth Murray
Jeffrey Andrew Nager
Karen Molloy Nicholas
Zachary B. Nutter
David Johnson O'Donnell
Caroline Elizabeth Paxton
Rebekah Lynne Presson
Lucas Clay Prillaman
Nicholas Anthony Raniszewski
William Scott Raymond, Jr.
Jasmine Shanice Richardson
Ryan Romaine Richardson
Payton Nyrie Sartin
Andrew Raymond Sherwood
Andrew David Slatter
Colton Hunt Smith
Jordan Parker Smith
Timothy David Sonnek
Hannah Katherine Starkey
Corina Bonilla Stonecipher
Travis Christian Thaxton
Kelsey Nicole Turner
Emily Jane Tym
Cody Ray Underwood
Philip Michael Wahlman
Walter William Wessinger
Madison Jean Williams
Molly Elizabeth Yandle
Peter Chresten Zuvich




In honor of its 100th anniversary, the NCACPA is encouraging CPAs and other accounting professionals to serve their communities for 100 days (August 30-December 8, 2019.

Information about the 100 Days of Service is available at **ncacpa.org/service**.

## 50 Years of Licensure

Congratulations to these North Carolina CPAs who have been actively licensed for 50 years:

Ralph Wayne Hutchins
July 1969

Paul Walmsley
July 1969

Larry Dwight Eaker
August 1969

Jimmy Aaron Johnson
August 1969

Janice Younts Myers
August 1969

J. Hart Roberts
August 1969

Vance Bunting Taylor
August 1969

R. Horace Johnson
September 1969

James Reno Middleswarth
October 1969

Howard Arthur Goldklang
October 1969

## Reclassifications

At its September 23, 2019, meeting, the Board approved the applications for reclassification submitted by the following individuals:

### Reinstatements

| | |
|---|---|
| Michael W. Zimmerman, Sr., #15324 | Durham, NC |

### Reissuance

| | |
|---|---|
| Deborah Eileen McQuitter Ally, #18620 | Gastonia, NC |
| Jason Thomas Brodmerkel, #38240 | Gaithersburg, MD |
| Jamisen Patrick Hamilton, #39290 | Charlotte, NC |
| Mary Margaret Jordan McLeod, #20737 | Garner, NC |
| Richard Wesley Slate, Jr., #39623 | Alpharetta, GA |
| Lu Tang, #37196 | Campbell, CA |
| Cong Wang, #38058 | Charlotte, NC |

### Inactive

Between August 1, 2019, and October 9, 2019, the individuals listed below were approved for inactive status. "Inactive," when used to refer to the status of a person, describes a person who has requested inactive status and has been approved by the Board and who does not use the title certified public accountant, nor does he or she allow anyone to refer to him or her as a certified public accountant, and neither he nor she nor anyone else refers to him or her in any representation as described in Rule .0308(b) of this Section [21 NCAC 08 .0301(b)(20].

| | |
|---|---|
| Adrian Lee Jarrell, #20557 | Mount Airy, NC |
| Lynne Jones Sullivan, #15497 | Pinehurst, NC |
| Christopher Edward Allman, #29302 | Hurricane, WV |
| Dan Alan Boone, #9910 | Concord, NC |
| Cecilia Noll, #28912 | Raleigh, NC |
| Donald Wayne Wilson, #13464 | Roxboro, NC |
| Joshua Scott Lyons, #41195 | Monroe, NC |
| Kelly Monroe Smith, #17432 | Greensboro, NC |
| Helen Blair Diamond, #38249 | Winston-Salem, NC |
| Rex Allen Street, #19290 | Burlington, NC |
| Terry Lynn Laughter, #30504 | Cheraw, SC |
| Fatima Lorraine Robaina, #26554 | Monroe, NC |
| Michael Dixon Murray, #17539 | Fuquay-Varina, NC |
| Ronald Marcus Stanley, Jr., #23077 | Nashville, TN |
| Robert Jacobus Zonneveld, #20001 | Tucson, AZ |
| David William Schmitt, #13328 | Rocky Mount, NC |
| Sarah Kennedy McHenry, #33952 | Asheville, NC |
| Carl E. Deckard, #20113 | Hillsborough, NC |
| Peter Wood Craymer, #12964 | Hickory, NC |
| Ronald Gregory Pittman, #12330 | Raleigh, NC |
| Craig Emerson Forsythe, #23918 | Raleigh, NC |
| Laura Adack Huntley, #33551 | Raleigh, NC |
| Richard Adam Sills, #11306 | Asheville, NC |
| Randall Arthur Storey, #12336 | Fort Mill, SC |
| Mark Barry Freedman, #29751 | Charlotte, NC |
| Jorge Seiglie, #15120 | Emerald Isle, NC |
| Sara Stone Carmichael, #19897 | Suwanee, GA |
| Terrance John Dunn, #24196 | Oak Island, NC |




## Follow the Board on Social Media

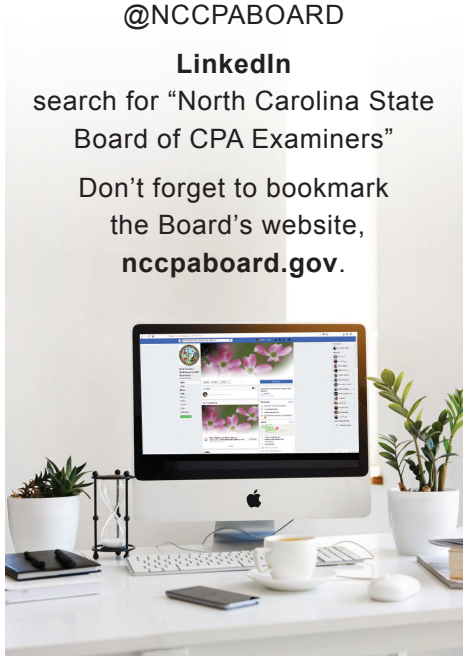
The Board uses social media to keep applicants, licensees, and the public up-to-date on statute and rule changes, upcoming deadlines, Board meetings, issues affecting the profession, and much more.

**Facebook**
fb.com/NCCPABoard

**Twitter**
@NCCPABOARD

**LinkedIn**
search for "North Carolina State Board of CPA Examiners"

Don't forget to bookmark the Board's website, **nccpaboard.gov**.






## Exam Fees Effective October 19, 2019

Effective October 19, 2019, the Uniform CPA Exam fees charged by Prometric, NASBA, and the AICPA increased. The Board's administrative fees did not increase.

Applications postmarked on or after October 19, 2019, will be processed using the fee schedule shown below.

**Administrative Fees**

| | |
|---|---|
| Initial Exam Application | $230.00 |
| Re-Exam Applications | $75.00 |

**Section Fees**

| | |
|---|---|
| AUD | $209.99 |
| BEC | $209.99 |
| FAR | $209.99 |
| REG | $209.99 |

## Uniform CPA Exam Notice to Schedule

The Notice to Schedule (NTS) in an essential part of your Uniform CPA Exam journey. Without an NTS, you cannot contact Prometric to begin the scheduling process.

For North Carolina Exam candidates, an NTS is valid for six months only. During those six months, you must schedule and take the Exam section(s) shown on the NTS.

Please be advised that canceling or rescheduling an Exam appointment does not change the expiration date of your NTS.

If you do not take all sections for which you registered within those six months, you will not be able to extend the NTS or receive a refund of any of the fees you have paid.

You cannot use an NTS more than once for the same section of the Exam. For example, if your NTS is for Auditing (AUD) and you do not pass AUD, you cannot use that NTS to schedule an appointment to re-take AUD.

Instead, you must submit a re-Exam application to the Board and receive a new NTS that allows you to schedule an appointment to take AUD again.

If you have questions about your NTS, contact Phyllis Elliott at **phyllise@nccpaboard.gov**.

# Exam Score Release Dates

**October/November/December 2019 (Q4) Testing Window**

| If you take your test on/before | And the AICPA receives your examination data files from Prometric by 11:59 pm (ET) on | Target score release date: |
|---|---|---|
| October 20 | October 20 | November 5 |
| November 14 | November 14 | November 22 |
| November 30 | November 30 | December 10 |
| December 10 | December 11 | December 19 |

- All dates and times are based on the Eastern Time zone.
- For most candidates, the AICPA receives the Exam data files from Prometric within 24 hours after a candidate completes the Exam.
- The scores for the Exam data files received after the AICPA cutoff dates will be in the subsequent scheduled target score release.
- Some candidates who take the BEC section may receive their scores approximately one week following the target release date due to additional analysis that may be required for the written communication tasks.
- Follow NASBA on Twitter (@NASBA) for Exam score release announcements.

North Carolina State Board of
Certified Public Accountant Examiners
PO Box 12827
Raleigh NC 27605-2827

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## State Board of CPA Examiners

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*Mary Beth Britt*
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*2,000 copies of this document were printed in October 2019 at an estimated cost of $1,900.00 or approximately 95¢ per copy.*

# 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. 11-2019




## Avoiding Website Claims That Increase Malpractice Risk

This article originally appeared in the *Journal of Accountancy*. ©2017 AICPA. Reprinted with permission.

How a CPA firm portrays itself to the public through its website may be critical to its success.

Potential clients generally review firm websites when evaluating and selecting a service provider. Websites often convey a tone that is more marketing- or sales-oriented.

How is the content of a firm's website relevant to professional liability? When the language used to describe the firm, its staff, and its services does not match up with the firm's actual expertise or experience, the defense of a potential professional liability claim may be compromised.

Consequently, CPA firms should approach the development of their online presence with the same diligence and professionalism exercised with the delivery of their services.

When creating a website, a CPA firm may use off-the-shelf software with templates designed to streamline the development process and reduce cost. Such templates typically list a broad array of services and innumerable industries, which a firm should customize to its own practice.

Or a CPA firm may hire a marketing professional who may not understand the potential professional liability implications of statements made on the firm's website.

For the purposes of demonstration, this article uses theoretical statements that could be found on a CPA firm's website to identify some practices to continue and others to reconsider when creating or maintaining a CPA firm website.

### Exaggerating the Firm's Experience

The following statements could be interpreted as exaggerating the firm's experience in certain practice areas:

- We offer a full array of services to all of our clients. Below we have listed the services that we offer along with a brief description. This list is not comprehensive!

**Websites**

*continued on page 4*

## Firm Renewal & Peer Review Compliance Reporting

Firm registration renewal and peer review compliance reporting is now available on the Board's website, **nccpaboard.gov.** The link is in the "How Do I" box on the home page.

The deadline for renewing a firm's registration and reporting peer review compliance is December 31.

Only firm registrations are being renewed at this time; individual CPA certificates will be renewed next spring.

The Board mailed firm ID numbers and step-by-step instructions to the administrative offices of firms earlier this month. Please refer to that letter while completing the online renewal.

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.

Please contact Cammie Emery at **cemery@nccpaboard.gov** or Buck Winslow at **buckw@nccpaboard.gov** with questions about firm renewal or peer review compliance.

## In This Issue

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CPA Firm Websites ..... 5
Exam Score Release Dates ..... 6
Resolution: Mary Beth Britt ..... 6
Certificates Issued ..... 7
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# Disciplinary Actions

*Pursuant to NCGS 93-12(9), civil penalties are remitted to the North Carolina Civil Penalty and Forfeiture Fund ("Fund") in accordance with NCGS 115C-457.2. NCGS 115C-457.1(b) states, "The Fund shall be administered by the Office of State Budget and Management. The Fund and all interest accruing to the Fund shall be faithfully used exclusively for maintaining free public schools."*

## DAVID A. KINGMAN, #16754 | KINGMAN, WHITE AND COMPANY, CPAs | WILMINGTON, NC

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

1. David A. Kingman, CPA (hereinafter "Respondent"), is the holder of North Carolina certificate number 16754 as a Certified Public Accountant.
2. Kingman, White and Company, CPAs (hereinafter "Respondent Firm"), is a registered certified public accounting firm in North Carolina. Hereinafter, the Respondent and the Respondent Firm shall collectively be referred to as the "Respondents."
3. The Respondents issued multiple audits, reviews, and compilation reports over the past two (2) years. The Respondents enrolled in the peer review program, however, they never completed the entire peer review process.
4. The Respondents failed to 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 eighteen (18) months of the issuance of the first report provided to a client.
5. The Respondents wish to resolve this matter by consent and agree that the Board staff and counsel may discuss this Consent Order with the Board ex parte, whether or not the Board accepts this Consent Order as written. The Respondents understand and agree that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

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

1. The Respondents are subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. The Respondents' failure to complete the peer review process constitutes a violation of 21 NCAC 08N .0203(b)(7).
3. The Respondents' failure to 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 eighteen (18) months of the issuance of the first report provided to a client constitutes a violation of 21 NCAC 08M .0105.
4. Per N.C. Gen. Stat. §93-12(9), and also by virtue of the Respondents' consent to this order, the Respondents are subject to the discipline set forth below.

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

1. The Respondent David A. Kingman, CPA, is censured.
2. The Respondent's CPA certificate is suspended for one year. However, the suspension is stayed as long as the Respondent remains compliant with the Board's peer review regulations.
3. The Respondent Firm may not perform any of the services listed in 21 NCAC 08M .0105(a) until it provides evidence of its re-enrollment in peer review.
4. Upon completion of its peer review, the Respondent Firm shall provide the Board with a complete copy of its Peer Review Report, Letter of Response, and Final Letter of Acceptance for further review and evaluation by the Board.
5. The Respondent Firm shall pay a one thousand dollar ($1,000) civil penalty to be remitted with this signed Consent Order.

**Approved by the Board October 24, 2019.**

## BOARD MEETING

**December 16, 2019**
**10:00 a.m.**
**1101 Oberlin Rd., Raleigh 27605**

***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. Paul Edward Lloyd (hereinafter "Respondent") is the holder of North Carolina certificate number 18800 as a certified public accountant.
2. In 2014, the Respondent disclosed on his annual renewal that he was under investigation by the Securities and Exchange Commission ("SEC"). The SEC action related to tax advisory services provided by the Respondent which utilized lawful conservation easements.
3. In order to effectuate the tax benefits of the conservation easements, the Respondent created LLCs and engaged a broker dealer known as Strategic Financial Alliance ("SFA").
4. The Respondent and the SEC entered into an Order, in which the SEC found that the Respondent had violated Section 206(4) of the Investment Advisers Act of 1940 ("Order"). The Respondent, in that Order, agreed to be barred from association with, or employment by, any investment adviser or similar entity.
5. The Order recited the Respondent's failure to accurately disclose all investors to SFA.
6. The Respondent has admitted that the failure to disclose all of the investors to SFA was a clerical mistake. The SEC alleged that the existence and identity of the additional investors was "clearly material."
7. As part of his tax engagement, the Respondent was responsible for informing SFA about the identities of the investors in the LLCs and the amount of their investment.
8. The Respondent also undertook the responsibility to create Operating Agreements for the LLCs and to record the investors' relative ownership interests in the LLCs through schedules attached to those Operating Agreements.
9. On at least one occasion, the Respondent provided SFA with inaccurate information regarding the number of investors in the LLCs, their identities, and their respective investments.
10. The Respondent also prepared at least one inaccurate Operating Agreement and transmitted it to SFA.
11. The Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board ex parte, whether or not the Board accepts this Consent Order as written. The Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

**Lloyd**

*continued on page 6*



## Notice of Default Judgment and Injunction

Wake County Superior Court Judge Vinston M. Rozier, Jr., has issued a Notice of Default Judgment and Injunction ("Order") against Jay William Glasser of Chapel Hill, NC, in which Glasser is barred from

> using the terms 'certified public accountant,' 'CPA,' or any other words, letters, abbreviations, symbols, or other means of identification to indicate that he has been admitted to practice as a certified public accountant, unless the Defendant, at some time in the future, becomes a duly licensed certified public accountant.

The Order stems from a complaint filed by the Board in which the Board alleged Glasser to be in violation of a November 2000 Notice of Apparent Violation and Demand to Cease and Desist ("Agreement").

In the Agreement, Glasser consented to stop using the CPA designation and identify himself as an accountant only.

The Notice of Default Judgment and Injunction is available from the Press Release section of the Resources page of the Board's website, **nccpaboard.gov**.

**Websites** *continued from front page*

Ask us about a service if you do not see it listed. (*The website goes on to describe perhaps 40 services that the four-person CPA firm is able to provide.*)

- For our railroad clients, we are recognized as having the best team of professionals in the United States. (*This firm has one railroad client.*)

Reconsider statements that exaggerate your education or experience. Reexamine your website and make sure its statements regarding industry and area of practice expertise and experience are current and supported by the firm's practice.

The AICPA Professional Liability Insurance Program has experienced claims whereby a CPA's self-characterization as an "expert" has been called into question and used against the CPA by plaintiff attorneys.

In these claims, the plaintiff attorney argues that, if the CPA had the expertise described in the firm's website, he or she would have identified important service or industry issues relevant to the engagement.

Plaintiff attorneys have used such language to add causes of action for misrepresentation and fraud to their negligence claims. More significantly, the AICPA Code of Professional Conduct (AICPA Code) states that a CPA is in violation of the "Acts Discreditable Rule" (ET §1.400.090) if the CPA promotes or markets the CPA's abilities to provide professional services or makes claims about the member's experience or qualifications in a manner that is false, misleading, or deceptive.

If a claim arises, a plaintiff's attorney may cite this section in an attempt to discredit the CPA's professionalism and credibility and allege a violation of the AICPA Code.

In addition, many states have consumer protection statutes for professionals who have false or misleading advertising, imposing potential civil or criminal enforcement actions.

Consider listing the services and industries in which the firm regularly



works. Be honest and focus on the firm's strengths. Emphasize training and experience without "puffing."

Consider using client endorsements or testimonials after obtaining the client's written permission.

Actual statements made by current or former clients demonstrate the value of the firm's services and can be more persuasive than a self-serving statement by the CPA firm.

### Statements That Employ Absolute Terms

The following statements use words that could be interpreted as implying promises or guarantees regarding the outcomes of services provided:

- We provide all clients with a comprehensive tax planning strategy so you pay the least amount of tax legally possible.
- A senior partner is intimately involved in all aspects of every client engagement.
- With our part-time CFO services, you get an experienced professional who establishes the strongest financial controls for your business to eliminate employee theft and maximize profits.

Reconsider words that imply an absolute, such as "all," "every," "any," "always," or "constant."

These words establish a client's expectation of the services to be provided.

In addition, if a claim arises, a plaintiff attorney may contend that the CPA made a false or misleading statement and failed to deliver the service expected by the client.

Once again, in the event of a professional liability claim, the client's attorney may allege this was a violation of the "Acts Discreditable Rule" and state consumer protection statutes.

Consider softening the language. Phrases such as "endeavor to" or "our practice generally includes" help to avoid the perception that the firm's statements constitute promises and guarantees.

### Overly Broad Statements

The following statements indicate, in overly broad terms, that the CPA firm will provide operations oversight or monitoring of the client's business:

- We promise to proactively manage your daily demands and plan for your future goals and needs.
- We will make financial decisions that will allow you to run your business in a highly profitable manner.

Reconsider statements that hold the firm out as being solely responsible for the client's business. Be careful not to give the impression that the CPA or firm will assume responsibility beyond that for which it is contracted in the engagement letter.

Consider proceeding with caution and using marketing messages to help manage client expectations. CPAs, especially those providing business process outsourcing services, may make decisions within the scope of the engagement and are responsible for identifying issues and providing relevant recommendations for client consideration.

CPAs typically advise the client regarding the benefits and drawbacks of various options but, as a general matter, should emphasize that the client is ultimately responsible for the success of its business.

### Implying Influence Over the Client's Success

The following statements imply that the auditor or tax professional's work can influence the client's success:

- Our auditors are leaders in providing strategic, financial, business, operational, human resource, tax, administrative, and information technology expertise that has consistently driven the top and bottom line for our clients.
- Want to improve your bottom line? Work with our accounting and tax professionals. Their experience will lead your business to profitability and exceed your business goals.

Reconsider statements that promise that audit or tax work performed by the CPA firm will positively affect a client's success or profitability. Client performance is based upon numerous variables, and it may be misleading to suggest that many CPA firm services are directly correlated with client success.

In the event of a professional liability claim, the client's attorney may assert that this representation reflected a commitment made to the client that the firm was unable to fulfill.

Consider using client testimonials to support how recommendations or services provided by the CPA firm assisted them in achieving desired business results. These declarations can describe the impact of CPA firm services and prove beneficial.

### Final Tips

Reconsider statements that may be construed as professional advice. CPA firms provide advice based upon client-specific facts and assumptions.

Consider designating individuals to review and update information often, ensuring that all content remains current, accurate, and relevant. This protocol also helps with search engine optimization.

Consider applying the concepts discussed here to other marketing materials and proposals, including those in print, social media, blogs, and any other format.

Remembering that in the event of a professional liability claim, the defense of the CPA firm may be difficult if the CPA did not deliver on the promises made in a website statement.

# CPA Firm Websites Must Comply with Board Rules

Did you know that a CPA firm's website must comply with the Board's rules, including 21 NCAC 08N .0306, Advertising or Other Forms of Solicitation?



21 NCAC 08N .0306(d) allows a CPA firm to advertise using a portion of the firm name, initials, or acronyms derived from the firm name.

However, the exact firm name registered with the Board must be included so that it is easily accessible to anyone using the site.

The firm's contact information, including the principal place of business and telephone number, must be on the website.

Including email addresses, mailing addresses, and fax numbers allows clients to communicate with the firm efficiently.

As with all other forms of advertising, the website must not contain information that is deceptive or misleading.

The use of qualitative and quantitative terms like "reasonable" and "affordable" is discouraged. What is affordable to one person is not affordable to another.

Advertising the nature of services provided to clients is allowed, but using a title or designation that the CPA does not hold is not.

Unless the CPA has met the requirements of the title or designation and is on active status and in good standing with the granting organization, those titles or designations cannot be used.

[*The Board does not approve or authorize designations or separate titles. The use of such designations is for public information purposes only.*]

Using terms like "specializing in" or "specialization" in firm advertising to indicate a concentration in or limitation of practice to certain areas is permitted.

However, a CPA or CPA firm may not use "specialist" in any form of advertising or solicitation.

Using "expertise" to refer to an area of practice in which the CPA holds a specialty designation is acceptable. But "expert" may be used only in conjunction with "witness" and then only if recognized as such by a court of law.

When listing the firm's employees, the licensed staff and unlicensed staff must be in separate, distinct sections. The sections should be titled so that it is easy to distinguish between the licensed employees and unlicensed staff.

Entries for licensed staff must include each person's name, North Carolina CPA license number, and North Carolina as the jurisdiction of licensure. Information about the CPA's position with the firm, professional experience, and contact information may be shown.

For unlicensed staff, the individual's name, his or her job title, and contact information should be included.

A CPA firm should periodically review its website for accuracy and compliance with the Board's rules.

Email the Board's Deputy Director, David R. Nance, CPA, at **dnance@nccpaboard.gov**, with questions about firm websites.

**Lloyd** *continued from page 3*

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

1. The Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. The number of investors, and identity of those investors, was a fundamental fact related to the Respondent's tax advisory engagement. The Respondent's prolonged failure to provide the correct number and identity of investors to the broker reflects a failure to exercise due professional care in the performance of that engagement in violation of 21 NCAC 08N .0212.
3. The Respondent's failure to provide the correct number and identity of investors to the SEC resulted in disciplinary action being taken by the SEC in violation of 21 NCAC 08N .0204.
4. Per N.C. Gen. Stat. §93-12(9), and also by virtue of the Respondent's consent to this order, the Respondent is subject to the discipline set forth below.

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

1. The Respondent must pay a one thousand dollar ($1,000) civil penalty, to be remitted with this signed Order.

**Approved by the Board**
**October 24, 2019.**

## 2019 Exam Score Release Dates

| Testing Window: October 1 – December 10 (19Q4) | | |
|---|---|---|
| If you take your Exam on/before: | ...and the AICPA receives your Exam data files from Prometric by 11:59 p.m. (EST) on: | Your target score release date is: |
| Nov. 14 | Nov. 14 | Nov. 22 |
| Nov. 30 | Nov. 30 | Dec. 10 |
| Dec.10 | Dec. 11 | Dec.19 |

**NOTE:** As of November 7, 2019, the AICPA had not released the 2020 Exam score release dates.

## Staff Member Receives Resolution from Board

Mary Beth Britt, one of the Board's Professional Standards Specialists, has retired after more than 14 years with the Board. On October 24, 2019, Board President Arthur M. Winstead, Jr., CPA, presented Britt with a Resolution thanking her for her service to the Board, the public, and the CPA profession.

*North Carolina State Board of*
*Certified Public Accountant Examiners*

***Resolution***

***Whereas,*** *Mary Beth Britt was hired as a Professional Standards Assistant for the North Carolina State Board of Certified Public Accountant Examiners on August 1, 2005;*

***Whereas,*** *her title was changed to Professional Standards Specialist on April 11, 2011;*

***Whereas,*** *during her tenure with the North Carolina State Board of Certified Public Accountant Examiners, she has faithfully and tirelessly served as a valuable employee of the Board; as a mentor to other Board employees; and as an advocate for the protection of the public and the best interest of the profession;*

***Be It Therefore Resolved*** *that the members of the North Carolina State Board of Certified Public Accountant Examiners extend their thanks to Mary Beth Britt for her service to the Board and offer their best wishes to her on her upcoming retirement on October 31, 2019.*

*This the 24th day of October 2019.*

*North Carolina State Board of*
*Certified Public Accountant Examiners*

Arthur M. Winstead, Jr., CPA, President

# Certificates Issued

On October 24, 2019, the Board approved the following applicants for licensure as North Carolina CPAs:

Drew Anson Alley
Christopher John Aronis
Deepthi Lakshmi Arumalla
Lauren Jean Aten
Gabriella Nicole Bellezza
Thomas Benedetti
Martina Claudia Bingham
Kimberly M. Black
David Lewis Blythe
Mary Elizabeth Brandt
Travis Britton Byrum
Christopher James Campeggio
Stephen Chen
William Harold Cochran
Danielle Nicole Cox
Betty J. Crouch
James Franklin Cuttino, Jr.
Lei Dai
Eliza Lucille Davis
Taylor Nicole Dill
Eliza Savage Durfee
Sean Michael Feeley
Susan Jacob Fenwick
Rebecca Sanderson Fisher
Hope Michelle Foote
Michael Anthony Forrest
Amie Hannah Fox
Meredith Ann Freeman
Stephen Joseph Frerichs
Holly Marie Gabry
Andrew George Giles
Amanda Kathryn Grivnovics
Daisy Hao
Leila Nichole Hare
Zachary Riley Harner
Andrew Reagan Hassler
Daniel Harris Healy
Blake Alexander Heineck
Jack Campbell Heminger
William Jennings Henderson, Jr.
Laura Katherine Hensler
Alan S. Hickey
Russell Owen Hightower
Stephen Paul House
John David Iskander
Joseph Woods Jacobs
Huei-Jyun Jhang
Lauren Maria Johnston
Stephen Ryan Leeolou
Elise Marie Leslie
James Lee Liechty
Xin Lin
Shannon Lorelle Link
Daryle Ann Maddock
Aditya Mahajan
James Grantham Marlowe
Kristin D. Marshaleck
Chase Avery McConnachie
Jiamin Mi
John Micah Miller
Ryan Mark Misenheimer
Shawna Cassandre Moore
Holly Fisher Morgan
Alexander Marshall Mundorff
Michelle Laura Nunnery
Marvin Howard Nyman
Stephen Michael O'Gara
Mikaela Elizabeth Palma
Lisa Ann Reger
Ziyang Ren
Barbara A. Riddell
Mackenzie Rae Rinefierd
Richard Steve Rodriguez
Mark Anthony Rose
Joshua Scott Rosenberger
Jacob H. Schemper
Elvira Nosik Scherban
Stephen Harrold Schiller
Derrick Christopher Scott
Brett Senchyshyn-Maciukiewicz
Jenna Rainsford Shaw
Young-Woong Shim
Charline Rita Smith
Michelle Theron
Jonathan Michael Troutman
Kokila Vasu
Rongrong Wang
Lori Dawn Warden
Meredith Leigh Wettach
Julia Marie Wiethorn
Brendan Willmann
Jefferson Wendell Wright

## Reclassifications

At its October 24, 2019, meeting, the Board approved the applications for reclassification submitted by the following individuals:

**Reinstatement**

| | |
|---|---|
| Seth Joseph Beaver, #40742 | Waynesville, NC |

**Reissuance**

| | |
|---|---|
| Brittany Laurel Johnston, #37245 | Charlotte, NC |
| Megan Ann Murphy, #42184 | Charlotte, NC |
| Tommy Bailey Payne, Jr., #17342 | North Wilkesboro, NC |

**Inactive**

Between October 11, 2019, and October 31, 2019, the individuals listed below were approved for inactive status. "Inactive," when used to refer to the status of a person, describes a person who has requested inactive status and has been approved by the Board and who does not use the title certified public accountant, nor does he or she allow anyone to refer to him or her as a certified public accountant, and neither he nor she nor anyone else refers to him or her in any representation as described in Rule .0308(b) of this Section [21 NCAC 08 .0301(b)(20].

| | |
|---|---|
| Jeanette Temple Proffitt, #24453 | Charlotte, NC |
| Patricia McGinn Martin, #30445 | Charlotte, NC |
| Barbara Krichbaum George, #14155 | Greensboro, NC |
| Kimberly Warren Rivers, #16654 | Cary, NC |
| Elizabeth Hildebrand Piacenza, #17269 | Hampstead, NC |
| Jared Marshall Cost, #32464 | Morgantown, WV |
| Lynda Rives Lavender, #15706 | Siler City, NC |
| Eddie Ray Millis, #7249 | Charlotte, NC |
| Richard Lionel Rogers, Jr., #17344 | Charlotte, NC |
| Sarah H. Whelpley, #33282 | Fort Mill, SC |
| Ashley Elizabeth Waid, #38373 | Washington, DC |
| Jonathan Gregory McKenzie, #15490 | Charlotte, NC |

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*Secretary-Treasurer, Raleigh*

**Barton W. Baldwin, CPA**
*Member, Mount Olive*

**Bernita W. Demery, CPA**
*Member, Harrisburg*

**Wanda B. Taylor, Esq.**
*Member, Raleigh*

**Jennifer K. Van Zant, Esq.**
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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. 12-2019


## December 31 Deadlines for CPAs and CPA Firms

North Carolina CPAs and CPA firms have important deadlines to meet in the coming weeks.

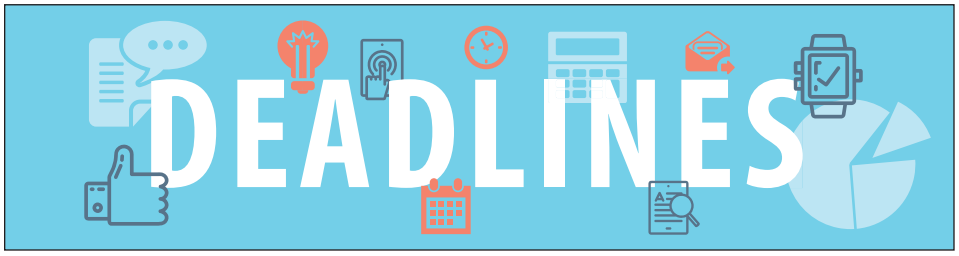
For CPAs, December 31, 2019, is the date by which a CPA must complete the annual CPE requirement to be eligible for certificate renewal for the 2020-2021 license year.

A non-resident CPA (a North Carolina CPA who neither lives nor works in North Carolina) must meet the annual CPE requirement in the jurisdiction in which the CPA is licensed and works or lives.

If there is not an annual CPE requirement in the jurisdiction in which a non-resident CPA is licensed and works or lives, the CPA must comply with the Board's CPE requirement.

All active licensees must complete a two-hour regulatory or behavioral ethics course offered by a sponsor registered with NASBA's National Registry of CPE Sponsors (**www.NASBAregistry.org/cpas**)

A non-resident CPA may satisfy the annual ethics CPE requirement by completing the ethics requirement in the jurisdiction in which the CPA is licensed and works or resides.




If a CPA is licensed and lives or works in a jurisdiction that doesn't have an ethics CPE requirement, that CPA must comply with the Board's ethics CPE requirement.

For specific information on the annual CPE requirement, please review 21 NCAC 08G, *Continuing Professional Education (CPE),* and the October issue of the *Activity Review*.

If a CPA fails to complete the CPE requirement on or before December 31, 2019, but completes the required CPE by June 30, 2020, 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 at least 30 days and until the CPA meets the reinstatement requirements of 21 NCAC 08J .0106.

For CPA firms, December 31, 2019, is the deadline for renewing their registration and providing peer review compliance information (if applicable) online through the Board's website, **nccpaboard.gov**.

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.

If you have questions about firm renewal, peer review compliance, or CPE, contact Cammie Emery at **cemery@nccpaboard.gov** or Buck Winslow at **buckw@nccpaboard.gov**.

### Correction

The November issue of the *Activity Review* included the names of the CPAs approved at the September meeting instead of the CPAs approved at the October meeting.

The list of CPAs approved at the October 24, 2019, meeting is on page 4.

### In This Issue


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# Disciplinary Actions

*Pursuant to NCGS 93-12(9), civil penalties are remitted to the North Carolina Civil Penalty and Forfeiture Fund ("Fund") in accordance with NCGS 115C-457.2. NCGS 115C-457.1(b) states, "The Fund shall be administered by the Office of State Budget and Management. The Fund and all interest accruing to the Fund shall be faithfully used exclusively for maintaining free public schools."*

## DAVID G. KOSTMAYER, #31421 | GBK/PEABODY, PLLC | CHARLOTTE, NC

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

1. David G. Kostmayer, CPA (hereinafter "Respondent"), is the holder of North Carolina certificate number 31421 as a Certified Public Accountant.
2. GBK/Peabody, PLLC (hereinafter "Respondent Firm"), is a registered certified public accounting firm in North Carolina. Hereinafter, the Respondent and the Respondent Firm shall collectively be referred to as the "Respondents."
3. Over the past two (2) years, the Respondents have been performing services that should have been subjected to peer review. A peer review was due from the Respondent Firm for the period ending November 30, 2018. The Respondents attempted to enroll in the peer review program; however, they never completed the entire peer review process.
4. The Respondents failed to 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 eighteen (18) months of the issuance of the first report provided to a client.
5. The Respondents wish to resolve this matter by consent and agree that the Board staff and counsel may discuss this Consent Order with the Board ex parte, whether or not the Board accepts this Consent Order as written. The Respondents understand and agree that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

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

1. The Respondents are subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. The Respondents' failure to complete the peer review process constitutes a violation of 21 NCAC 08N .0203(b)(7).
3. The Respondents' failure to 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 eighteen (18) months of the issuance of the first report provided to a client fails to comply with 21 NCAC 08M .0105. As such, the Respondents are subject to discipline per 21 NCAC 08N .0213.
4. Per N.C. Gen. Stat. §93-12(9), and also by virtue of the Respondents' consent to this order, the Respondents are subject to the discipline set forth below.

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

1. The Respondent David G. Kostmayer, CPA, is censured.
2. The Respondent Firm may not perform any of the services listed in 21 NCAC 08M .0105(a) until it provides evidence of its re-enrollment in peer review and the Board receives the results of the completed peer review as noted in #3, at which time the suspension will be stayed.
3. Upon completion of its peer review, the Respondent Firm shall provide the Board with a complete copy of its Peer Review Report, Letter of Response, and Final Letter of Acceptance for further review and evaluation by the Board.
4. The Respondent Firm shall pay a one thousand dollar ($1,000) civil penalty to be remitted with this signed Consent Order.

**Approved by the Board October 24, 2019.**

## JANICE C. SPANGLER, #11565 | SPANGLER INC., P.A. | CHARLOTTE, NC

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

1. Janice C. Spangler, CPA (hereinafter "Respondent"), is the holder of North Carolina certificate number 11565 as a Certified Public Accountant.
2. Spangler Inc., P.A. (hereinafter "Respondent Firm"), is a registered certified public accounting firm in North Carolina. Hereinafter, the Respondent and the Respondent Firm shall collectively be referred to as the "Respondents."
3. The Respondent Firm has received a Fail on its most recent engagement peer review for the period ended June 30, 2017. For that peer review, it was noted that the Respondent Firm's compilation report failed to make all disclosures required by the Statements on Standards for Accounting and Review Services.
4. The Respondent Firm had received a Pass with Deficiencies on its two (2) prior engagement peer reviews for the periods ending June 30, 2011, and June 30, 2014. For each of those peer reviews, it was noted that the Respondent Firm had not utilized proper compilation report language.
5. The Respondents have now ceased performing engagements that require a peer review.

The Respondents wish to resolve this matter by consent and agree that the Board staff and counsel may discuss this Consent Order with the Board ex parte, whether or not the Board accepts this Consent Order as written. The Respondents understand and agree that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

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

1. The Respondents are subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. The failure of the Respondent Firm to make all required disclosures and utilize proper report language is a violation of Board rule 21 NCAC 08N .0404 (Accounting and Review Services Standards).
3. Per N.C. Gen. Stat. §93-12(9), and also by virtue of the Respondents' consent to this order, the Respondents are subject to the discipline set forth below.

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

1. The Respondent Firm shall not perform or participate in any services subject to peer review.
2. Should the Respondent Firm choose to perform any future services that would be subject to peer review, prior to acceptance of such engagement, it must:
   - Take appropriate actions to be reinstated to the AICPA Peer Review Program;
   - Take four (4) hours of group-study CPE, specifically covering the peer review process and/or getting ready for peer review;
   - Take at least twelve (12) hours of group-study CPE related to the service that the Respondent Firm wishes to engage in; and
   - Subject those engagements to a pre-issuance review pursuant to the pre-issuance review procedures adopted by the Board until such time that the Board releases the Respondent Firm from this requirement.

**Approved by the Board October 24, 2019.**



# Certificates Issued October 24, 2019

On October 24, 2019, the Board approved the following individuals for licensure as North Carolina CPAs:

Drew Anson Alley
Christopher John Aronis
Deepthi Lakshmi Arumalla
Lauren Jean Aten
Gabriella Nicole Bellezza
Thomas Benedetti
Martina Claudia Bingham
Kimberly M. Black
David Lewis Blythe
Mary Elizabeth Brandt
Travis Britton Byrum
Christopher James Campeggio
Stephen Chen
William Harold Cochran
Danielle Nicole Cox
Betty J. Crouch
James Franklin Cuttino, Jr.
Lei Dai
Eliza Lucille Davis
Taylor Nicole Dill
Eliza Savage Durfee
Sean Michael Feeley
Susan Jacob Fenwick
Rebecca Sanderson Fisher
Hope Michelle Foote
Michael Anthony Forrest
Amie Hannah Fox
Meredith Ann Freeman
Stephen Joseph Frerichs
Holly Marie Gabry
Andrew George Giles
Amanda Kathryn Grivnovics
Daisy Hao
Leila Nichole Hare
Zachary Riley Harner
Andrew Reagan Hassler
Daniel Harris Healy
Blake Alexander Heineck
Jack Campbell Heminger
William Jennings Henderson, Jr.
Laura Katherine Hensler
Alan S. Hickey
Russell Owen Hightower
Stephen Paul House
John David Iskander
Joseph Woods Jacobs
Huei-Jyun Jhang
Lauren Maria Johnston
Stephen Ryan Leeolou
Elise Marie Leslie
James Lee Liechty
Xin Lin
Shannon Lorelle Link
Daryle Ann Maddock
Aditya Mahajan
James Grantham Marlowe
Kristin D. Marshaleck
Chase Avery McConnachie
Jiamin Mi
John Micah Miller
Ryan Mark Misenheimer
Shawna Cassandre Moore
Holly Fisher Morgan
Alexander Marshall Mundorff
Michelle Laura Nunnery
Marvin Howard Nyman
Stephen Michael O'Gara
Mikaela Elizabeth Palma
Lisa Ann Reger
Ziyang Ren
Barbara A. Riddell
Mackenzie Rae Rinefierd
Richard Steve Rodriguez
Mark Anthony Rose
Joshua Scott Rosenberger
Jacob H. Schemper
Elvira Nosik Scherban
Stephen Harrold Schiller
Derrick Christopher Scott
Brett Senchyshyn-Maciukiewicz
Jenna Rainsford Shaw
Young-Woong Shim
Charline Rita Smith
Michelle Theron
Jonathan Michael Troutman
Kokila Vasu
Rongrong Wang
Lori Dawn Warden
Meredith Leigh Wettach
Julia Marie Wiethorn
Brendan Willmann
Jefferson Wendell Wright

## CPA Exam Performance Summary: 2019 Q-3
## North Carolina

### Overall Performance

| | |
|---|---|
| Unique Candidates | 901 |
| New Candidates | 191 |
| Total Sections | 1,208 |
| Passing 4th Section | 194 |
| Sections / Candidates | 1.34 |
| Pass Rate | 64.4% |
| Average Score | 75.85 |

### Section Performance

| | Sections | Score | % Pass |
|---|---|---|---|
| First-Time | 367 | 75.8 | 62.67% |
| Re-Exam | 839 | 75.84 | 65.08% |
| AUD | 265 | 74.50 | 58.49% |
| BEC | 276 | 79.88 | 71.74% |
| FAR | 369 | 73.61 | 61.79% |
| REG | 298 | 76.08 | 66.11% |

### Jurisdiction Ranking

| Candidates | Sections |
|---|---|
| 15 | 16 |
| 5 | 4 |
| Pass Rate | Avg Score |

## Scam Alert: Licensing Board Phone Numbers Spoofed

At least two North Carolina licensing boards are the victims of a caller ID spoofing scam. Spoofing is when a caller deliberately falsifies the information transmitted to your caller ID display to disguise their identity.

In the licensing board scam, the call seems to originate from the licensing board. The caller demands that the licensee share personal and financial information with the caller or face the loss of his or her professional license.

If you receive a suspicious call that appears to be from the Board, do not share any personal information; hang up immediately, then call the Board at (919) 733-4222 to report the call.

---




## Request for Inactive Status

NC CPAs may request inactive status through the Board's website, **nccpaboard.gov**.

To access the online form, click on the "Request Inactive Status" link in the "How Do I" box on the homepage.

After completing and submitting the form, you will receive an email from the Board that summarizes the information you entered and notifies you that your request for inactive status has been approved.

## Reclassifications

At its November 25, 2019, meeting, the Board approved the applications for reclassification submitted by the following individuals:

**Reinstatement**

| | |
|---|---|
| John Paul Barbee, #36178 | Franklin, NC |
| Jessie Tim Freeman, #20471 | Raleigh, NC |

**Reissuance**

| | |
|---|---|
| Glenn Evans, Jr., #39287 | Charlotte, NC |
| Charlie Edward Hobgood, Jr., #13704 | Durham, NC |
| Thomas James Keller, #28567 | Charlotte, NC |

**Inactive Status**

Between November 1, 2019, and November 30, 2019, the individuals listed below were approved for inactive status. "Inactive," when used to refer to the status of a person, describes a person who has requested inactive status and has been approved by the Board and who does not use the title certified public accountant, nor does he or she allow anyone to refer to him or her as a certified public accountant, and neither he nor she nor anyone else refers to him or her in any representation as described in Rule .0308(b) of this Section [21 NCAC 08 .0301(b)(20].

| | |
|---|---|
| Eileen M. Farrell, #27970 | Charlotte, NC |
| Lois Denise Altman, #25541 | North Myrtle Beach, SC |
| Geri Poole Krech, #14679 | Maiden, NC |
| Jill Hrynick Pope, #32658 | Piedmont, SC |
| Frans Renee Moorrees, #31506 | Asheville, NC |
| Mary Kay Sursavage, #31398 | Salem, SC |
| Kristen Thompson Stancil, #38188 | Raleigh, NC |
| Elias Kevin Maynor, #26770 | Wilmington, NC |
| Milan Fay Shaw, #20789 | Marietta, PA |
| Douglas Holt Moore, #27997 | Louisburg, NC |
| Joseph Kenneth Hughes, Jr., #15692 | Jamestown, NC |
| Nancy L. Zablud, #35990 | Raleigh, NC |
| Susan M. Reed, #21717 | Chapel Hill, NC |
| Alan Russell Moldof, #40790 | Charlotte, NC |
| Howard Melton Nichols, #28187 | Lexington, SC |
| Laura Diane Belcher, #19392 | Charlotte, NC |
| Amy Hemingway Cannon, #18289 | Fayetteville, NC |
| Laura Hardy Earp, #15407 | Rocky Mount, NC |
| Sherri Lynn McGirt, #14107 | Charlotte, NC |
| Linda Kay Young, #13742 | Conover, NC |
| David Keith Schrenker, #34301 | Charlotte, NC |
| James Bradshaw Robinson, Jr., #26380 | Charlotte, NC |
| Donna Jean Scott, #16268 | Pineville, NC |
| Kimberly Bisson Thompson, #28174 | Harrisburg, NC |
| Travis Mark Fox, #26223 | Oxford, NC |
| Julia L. Renken, #17071 | Fairfax, VA |

# Certificates Issued November 25, 2019

On November 25, 2019, the Board approved the following individuals for licensure as North Carolina CPAs:

Christian John Albers
Douglas Charles Angle
Tyler Marshall Augat
Bruce C. Baird, Jr.
Sharon Flatt Barnard
Victoria Ashley Barrow
Louise Marie Bartley
Elizabeth Marie Bass
Robert Kipkoech Bett
Sarah Katherine Brack
Bryan Elliott Brackney
Loginie Brown
Brittany Megan Buckstad
Randall Wayne Buhlig
James Coleman Bumgardner
Ryan Byrd
Michael Vincent Caffarello
Alicia Daniell Calcutt
Denise Alane Carroll
Dixie Ann Chastain
Christine Jane Cole
Stephanie Janet Coles
Jana Dow Conner
Matthew Stephen De May
Jonathan Thomas Deem
Candace Roberta DeSantes
Fletcher Allen DeVaul
Daniel Miller DiLeone
Tyler Andrew Edwards
Rebekah Jo Embry
Stephanie M. Fenner
Kristi Anne Fireline
Jessica Gao
Xiaoxi Gao
Christopher Joseph Gaudette
Elizabeth Fulton Gay
Robert Carlton Geiger
Ebona Simone Goins
Sean Thomas Hagan
Nathan Oliver Hammond
Suzette Marie Harrison
Seth Benjamin Hersom
Galen Brice Hester
Donna Marie Holm
Emilie M. Houston
Sarah Evelyn Hicks Jarvis
Kevin D. Johnson
Zayna Gabrielle Johnson
Emily Grace Kaczmarczyk
Priscilla Stevens Kamphuis
Jonathan M. Kearney
Megan Ashley Keib
Christopher Brian Kelly
Daniel Robertson Key
Anastasiya Saakova Khalikov
Paige Marie Koenig
Olena Lanska
Anna Auslander Larson
Hannah Catherine Lawson
Sara Ann Lindley
Kristen Lindy Lober
Emmett Josef Lotz
William Lee MacAdam
James Peter Magno
Nicholas Cooper Massey
Lauren Steedly Mathis
Brooke Alyse McMahan
Tracy Ann Miliano
Andrew Franklin Miller
Brandon Lee Miller
Harry Govind Mohan
Tyler McCamey Morgan
Phillip Mutanho
Tara Kailee Null
Daniella Ognibene
Shawn Howard Orth
Alex Robert Oury
Emily Christine Owens
Sailesh Raj Pant
Hurrsh Surendra Patel
Demetrice McLeod Patterson
Matthew Charles Pear
Lucas Mitchell Pegram
Fiona Louise Perrotti
Mark David Petty
Luisa Claudia Pino
Rachel Jean Pisciotta
Stephen James Pollock, Jr.
Kristina Lynn Puruleski
Adriana Michelle Rahrig
Minu Ramani
Mariah Leigh Ramann
Matthew Taylor Ray
Tonya Jayne Reetz
Daniel Reich
Laura Jean Reynolds
Mollie Sarah Richard
Ryan Ronald Rominiecki
Laura Day Safrit
Maya Salamon
Sean Patrick Sawey
Franz Schmid
Max Nathan Schulman
Anne Branton Settlemyre
Alpa Kunjal Shah
Alan Dodson Sharpe
Dewey Cleston Slusher, III
Kelsey Ann Smith
Lauren Elizabeth Snyder
Caroline Grace Starnes
Kaitlyn Nichole Stells
Ashley Cristina Suarez
Sushil Subedi
Tyler John Swarmer
Jared Scott Swavely
Martrice Lavonne Terry
Marc Benjamin Thompson
Kenny Dung Tran
Ashley Tucker
Eric Allen Twine
Laura Marie Valdes
Jayasri Vijayabhaskar
Xutong Wang
Roger William Warren
Courtney Lynn Weaver
Stephanie Ann Webb
Garland Arnett Wells, Jr.
Yaneka Devonie Wyndham-Wiggins
Austin Dean Yount
Christine D. Zeger
Kailen Adam Zorzi

## Did You Know?

The first effort to regulate public accountants in North Carolina was in 1913 with the creation of the State Board of Accountancy.

The Board consisted of four members appointed by the governor, three of whom were to be professional accountants and the fourth a practicing attorney.



# 2020 DATES TO REMEMBER

## JANUARY

| | |
|---|---|
| Jan. 1 | Office Closed - New Year's Day |
| Jan. 20 | Office Closed - Dr. Martin Luther King, Jr., Day |
| Jan. 28 | Board Meeting - Raleigh |
| Jan. 31 | Final Deadline - Firm Renewal & Peer Review Compliance Reporting |

## FEBRUARY

| | |
|---|---|
| Feb. 17 | Board Meeting - Raleigh |

## MARCH

| | |
|---|---|
| March 17* | Board Meeting - Raleigh |

## APRIL

| | |
|---|---|
| April 10 | Office Closed - Good Friday |
| April 20 | Board Meeting - Raleigh |

## MAY

| | |
|---|---|
| May 18 | Board Meeting - Raleigh |
| May 25 | Office Closed - Memorial Day |

## JUNE

| | |
|---|---|
| June 18** | Board Meeting – Winston-Salem |
| June 30 | CPA Certificate Renewal Deadline |

## JULY

| | |
|---|---|
| July 3 | Office Closed - Independence Day |
| July 20 | Board Meeting - Raleigh |
| July 31 | Final Deadline - CPA Certificate Renewal |

## AUGUST

| | |
|---|---|
| Aug. 17 | Board Meeting - Raleigh |

## SEPTEMBER

| | |
|---|---|
| Sept. 7 | Office Closed - Labor Day |
| Sept. 21 | Board Meeting - Raleigh |

## OCTOBER

| | |
|---|---|
| Oct.19 | Board Meeting - Raleigh |

## NOVEMBER

| | |
|---|---|
| Nov. 11 | Office Closed - Veterans Day |
| Nov. 23 | Board Meeting - Raleigh |
| Nov. 26 & 27 | Office Closed - Thanksgiving |

## DECEMBER

| | |
|---|---|
| Dec. 14 | Board Meeting - Raleigh |
| Dec. 24, 25 & 28 | Office Closed - Christmas |
| Dec. 31 | Firm Renewal & Peer Review Compliance Reporting Deadline |

*Dates, times, & locations are subject to change. Changes will be posted on the Board's website,* ***nccpaboard.gov****. Unless otherwise noted, Board meetings are held at 1101 Oberlin Road, Raleigh, 27605 and begin at 10:00 a.m.*

*1:00 p.m.
**2:00 p.m.

## State Board of CPA Examiners

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*Vice President, Morrisville*

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North Carolina State Board of
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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.*