

Minutes of the South Carolina Board of Accountancy
Thursday, August 21, 2008, at 9AM in Room 111 (Board Meeting)
Synergy Office Park, Kingstree Building, 110 Centerview Drive
Columbia, South Carolina

Donald H. Burkett, CPA, Chair, called the Board Meeting of the South Carolina Board of Accountancy to order on August 21, 2008, at 9:00 a.m., with a quorum present. Other Board members present were Mark T. Hobbs, CPA, Bobby R Creech, Jr., CPA, John Camp, CPA, Anthony Callander, CPA, Wendell Lunsford, Accounting Practitioner, and Malane Pike, Esq.

The Chair acknowledged that new Board member, Gary F. Forte, Public Member, was appointed July 29, 2008 with his term commencing on June 30, 2006 and expiring on June 30, 2010, replacing Jamison Hinds, Esq, who resigned June 27, 2007. The Board excused the absence of Mr Forte from the Board meeting based on a previous commitment.

Staff members participating in the meeting included: Doris E. Cubitt, Administrator, Michael R. Teague, Administrative Assistant, and Amy Holleman, Administrative Specialist.

Guests in attendance were Burnet Maybank, Esq representing Crowe Chizek, LLC, Megan and Jim Moxie, Sharon Dantzler, Office of General Counsel for LLR, Erin Hardwick from the SC Association of CPA's (SCACPA), and Gale Bell, representing the SC Society of Accountants.

The Chair announced the meeting was held in accordance with Section 30-4-80 of the South Carolina Freedom of Information Act by notice mailed to The State Newspaper, Associated Press, WIS-TV, and all other requesting persons, organizations, or news media. In addition, Board Staff posted notice on the bulletin board at the main entrance of the Kingstree Building.

The Board observed a moment of silence after which Mark Hobbs led all present in the Pledge of Allegiance.

1. On motion by Mark Hobbs, seconded by Anthony Callander, and unanimously passed, the Board adopted the agenda as presented.
2. On motion by Malane Pike, seconded by Mark Hobbs, and unanimously passed, the Board approved the minutes of the meeting held on June 26, 2008.
3. On motion by Mark Hobbs, seconded by Anthony Callander, and unanimously passed, the Board approved the name change for the Out-of-State firm of Crowe Chizek to Crowe Horwath, LLP provided that all marketing material will not be misleading to the public as indicated by Mr Maybank. This change affects the Illinois, Indiana, Florida and Tennessee offices. (Background material attached)
4. Complaint & Investigative Activity:
 - A. Consent agreements and other special matters:

Larry J. Finney, CPA #2989, Case #2007-029. On motion by John Camp, seconded by Mark Hobbs, and unanimously passed, the Board approved the consent agreement as presented. A copy is attached to these minutes and will be made part of the public record.

Ann H. Goff, CPA #4657, Case #2007-023. On motion by Mark Hobbs, seconded by Anthony Callander, and unanimously passed, the Board approved the consent agreement as presented. A copy is attached to these minutes and will be made part of the public record.

- B. Open Cases – No Report
 - C. The Investigative Review Committee did not meet this month, which precludes any case dismissals.
5. Information Update

A. Chair's remarks:

No Report

B. Advisory Opinions:

No Report

Legislative Update: We did not receive any comments regarding the changes to Regulation 1-05 posted in the Registry; however, it will be reposted in the September 2008 Registry just to make sure. If there is a need for the Board to discuss any comments received the Board Chairman will be called to arrange for the Board to convene.

C. The Board received the Administrator's report as information, and the report contained the following:

1. Administrator's Report:

- a. Barbara Derrick from LLR's Budget office was scheduled to speak to the Board today; however, she had a conflict and will attend the September 24, 2008 Board meeting.
- b. Doris Cubitt will be attending a NASBA's Compliance Assurance Committee meeting on September 22, 2008.
- c. The National Association of State Board's of Accountancy will hold their Annual meeting from October 26 through October 29, 2008. A request for two Board members to attend along with the administrator will be submitted.

2. Financial Report:

A special report was requested at the June meeting. The report provided covers Fiscal Year 05/06 through Fiscal Year 07/08. It also includes the projected revenue based on licensees and the amount of revenue affected by the loss of the Substantially Equivalent registrations due to Mobility. (Copy attached)

6. Old Business.

No report

7. New Business

Regulation/Legislative Committee

A. Peer Review Committee: Mark Hobbs

No Report

B. Report of Education/Experience Committee: Bobby Creech

No Report

C. Report of CPE Committee: Bobby Creech

No Report

D. Report of Examination/CBT Committee: Anthony Callander

On motion by Mark Hobbs, seconded by Anthony Callander, and unanimously passed, the Board approved Megan Moxie's request to extend her 18 month testing window by an additional 12 months expiring on November 30, 2009 based upon serious medical issues. (Supporting documentation attached)

On motion by Anthony Callander, seconded by Mark Hobbs and unanimously passed, the exam grades for the April/May testing window were reviewed and accepted by the Board. (See Attached)

E. Other Professional Issues Committee – Wendell Lunsford

Bobby Creech volunteered to be a candidate as an alternate to the NASBA Nominating Committee.

F. Report of Qualification for Licensure Committee: Anthony Callander

On motion by Anthony Callander, seconded by Mark Hobbs, and unanimously passed, the Board approved Wayne Fussaro's Consent Agreement as a condition for a reciprocal license. (Attached)

G. Report of Character and Fitness Committee: John Camp

There were only a couple reinstatements that were approved and a Consent Agreement should be coming before the Board soon.

8. Statute Topics Discussed

- Mobility
 - Is the Board going to establish its own list of substantially equivalent states?
 - Or is the Board going to adopt NASBA's substantially equivalent list?
 - Are we going to continue to have firms register all of their offices (both In-State and Out-of-State)?
 - Each firm, when registering will need to list all offices (either In-State and Out-of-State): One registration per firm?
- When does a firm need to register
 - Posting in the September Register for comments
- How does the Board define "Professional Practice" as it pertains to the Reciprocity's 4 in 10 rule?
 - In the past, in order to meet the 4 in 10 rule, the experience had to be in public accounting practice.
 - Why would we not count governmental or industry practice if they were licensed for 4 years?
 - Is any kind of practice acceptable.
- Change the statute to come in-line with LLRs biannual renewal cycle.
 - CPE would need to be changed to 80 hours biannual
 - Depending how you write the statute; complete 40 hours per year and report biannually
 - Have to have at least 20 hours per year and 80 hours total
 - Or just 80 hours for the 2 years
- Change renewal date to something other than January 1st date.
 - Possibly change the reporting date for the CPE and renewal to the First of February.
- CPE
 - Limit number of credit hours earned in a 24 hour period
 - Possibly limit CPE credit to only 10 hours accumulated per day

- Lunch and Learn sessions
 - Need to determine whether or not to allow Lunch and Learn, they are rather more social than actual learning sessions.
 - If we do allow them should they only be allowed if they are at least one and a half?
 - Self-Study
 - Limit self-study to only 16 to 20 hours per year. The rest would have to be through seminars or other avenues.
 - In studying Peer Reviews, we are seeing indicators that a 16 hour requirement for A&A may be necessary.
 - During the audit of CPE, include questions for the type of work the licensee performs and the percentage of A&A and Tax work in order to determine the scope of CPE that should be completed.
 - Possibly require a portion of CPE as ethics, the same type as required for attorneys.
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- CPA firms should not be employing CPAs that have lost their licenses.
 - Establishing a reinstatement policy for Accounting Practitioners.
 - Do we need to change any policies for Issuing licenses under mobility?

9. Public Comment:

No Comments

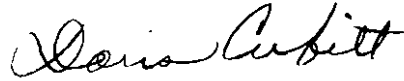
10. On motion by Mark Hobbs, seconded by Wendell Lunsford, and unanimously passed, the meeting was adjourned at 10:20pm by the Chair.

11. The next meeting dates are as follows:

2008	
September 24, Wednesday (Board Meeting)	Room 108
November 20, Thursday (Hearings, if needed)	Room 201-03
December 11, Thursday (Board Meeting)	Room 108

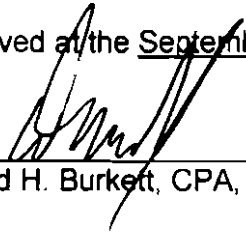
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SC Board of Accountancy

Respectfully submitted,




Doris Cubitt, Administrator

Approved at the September 24, 2008 Board Meeting.



Donald H. Burkett, CPA, Chair



Mark F. Hobbs, CPA, Secretary