

MINUTES

SC Department of Labor, Licensing & Regulation
Board of Accountancy
Board Meeting (Conference Call)
9 A.M., Thursday, January 31, 2013
SYNERGY OFFICE PARK
KINGSTREE BUILDING, ROOM 108
110 CENTERVIEW DRIVE
COLUMBIA, S.C. 29210

NOTE: These minutes are a record of the motions and official actions taken by the Board and a brief summary of the meeting.

1. Call to Order

Donald H. Burkett, CPA, Board Chair, was present and called the board meeting of the South Carolina Board of Accountancy to order on January 31, 2013, at 9:05 a.m., with a quorum present. Other Board members present by phone were: Mark Crocker, CPA, Vice Chair, Gary Forte, Secretary/Treasurer, Tanya Greenlee, CPA, David Nichols, Accounting Practitioner, and Walter Kannaday, III, CPA.

Mr Wendell Lunsford and Ms Kristian Cross resigned from the Board

LLR staff members participating in the meeting included: Doris Cubitt, Administrator, Michael R. Teague, Administrative Assistant, Amy Holleman, Administrative Assistant, Sara McCartha, Advice Counsel, Andrew Rogers, Assistant General Counsel, Office of General Counsel, and Sharon Wolfe, Chief Investigator, Office of Investigations and Enforcement.

2. Approval of December 6, 2012, Meeting Minutes.

MOTION

Mr Kannaday made a motion to accept the minutes as written. Mr Nichols seconded the motion, which carried unanimously.

3. Complaint & Investigative Activity

Ms Wolfe briefed the Board regarding the case load and IRC Report. (See attached)

MOTION

Ms Greenlee made a motion that the Board accept the case load report as information. Mr Forte seconded the motion, which carried unanimously.

4. General Counsel Activity

Mr Rogers briefed the Board regarding their case load (attached). He also told the Board that the hearings for April 25, and 26, are on schedule.

5. Consideration of Consent Agreement

A. Richard W Voltz, CPA 2088, Misappropriating funds intended for the payment of client's tax bill.

MOTION

Ms Greenlee made a motion that the Board to accept the Consent Agreement as written. Mr Crocker seconded the motion, which carried unanimously.

B. John Bernard Thigpen, CPA, AFI 2548, Did not renew firm registration by January 31, 2011, and continued to practice.

MOTION

Ms Greenlee made a motion that the Board to accept the Consent Agreement as written. Mr Kannaday seconded the motion, which carried unanimously.

C. James Alan Finklea, CPA 2707, Misappropriating client's funds to pay personal expenses.

MOTION

Mr Kannaday made a motion that the Board to accept the Consent Agreement as written. Mr Nichols seconded the motion, which carried unanimously.

6. Administrator's Report

Ms Cubitt discussed the following items:

- Financial report is provided. If there are any questions, please ask.
- Kristian Cross resigned from Board as she was offered a position on the Judicial Merit Selection Committee. Wendell Lunsford resigned as he is fully resigning from the profession.
- A question on the CPA Exam was incorrectly written and one out of the 99 candidates who were affected was a South Carolina candidate; went from a failing score to a passing score.
- The annual Statement of Economic Interest from the Ethics Commission is due on April 15. Expense reports were received and will be emailed to board members soon.
- Jim Holloway will be providing a Peer Review update at the April meeting.
- Completed the review of the PES continuing education course; found several errors and sending it back for corrections.
- Contacted Bob Brooks, Executive Director of the North Carolina Board of Accountancy, regarding the NC Bar requiring lawyers to have an agreed-upon procedures once every three years; however, after talking to Mr Brooks the Bar conducts a random audit or they allow the lawyers to voluntarily have an agreed-upon procedures completed. This may still be a topic the Board may want to approach with the SC Bar.

7. New Business

A. Consideration to extend Rebecca Ahirer's BEC and REG CPA Exam completion dates

Ms Ahirer had several health issues in the time she was to complete the CPA Exam. She is looking to have those two expiration dates extended to July 2013 if she does not pass on January 19, 2013.

MOTION

Mr Nichols made a motion to extend Ms Ahirer's BEC and REG section expiration dates to July 31, 2013. Ms Greenlee seconded the motion, which carried unanimously.

B. Consideration of establishing Board Policy regarding failure to pay Peer Review costs as "act discreditable".

Ms Cubitt used North Carolina Board of Accountancy's rule of failing to fulfill the terms of a peer review engagement contract as an "acts discreditable". She went on to say that the peer review is a required part of licensing, which would include payment of the review.

MOTION (Policy)

Ms Greenlee made a motion to adopt a policy that would recognize firms not paying for their Peer Review as an "acts discreditable". Mr Crocker seconded the motion, which carried unanimously.

C. Consideration to support the board administrator and two board members to attend the NASBA regional meeting, June 2013.

MOTION

Mr Nichols made the motion to allow Ms Cubitt to attend either NASBA Regional Meeting as required and allow two board members to be funded by the Board to attend. Newly appointed board members are granted scholarships through NASBA and do not count toward the two funded members. Mr Forte seconded the motion, which carried unanimously.

8. Approval of CPA Exam grades

MOTION

Mr Forte made a motion to approve the 2012 4th Quarter CPA Exam grades. Mr Crocker seconded the motion, which carried unanimously.

9. Consideration of the Private Company Council (PCC) writing regulations

Mr Burkett spoke of the importance of having the PCC writing the regulations for the proposed financial reporting framework as it applies to small and medium sized entities rather than the American Institute of CPAs (AICPA).

10. Statute Legislation filed by the South Carolina Association of CPAs (SCACPA) on behalf of the Board

Mr Burkett stated SCACPA sponsored a bill for introduction down at the State House. Board members will be notified of committee meetings, like for the LCI, Senate and the House.

11. Public Comments

11. **Public Comments**
No public comments

12. **Adjournment**

MOTION

There being no further business to be discussed at this time, Mr Crocker made a motion the meeting be adjourned. Mr Forte seconded the motion, which carried unanimously.

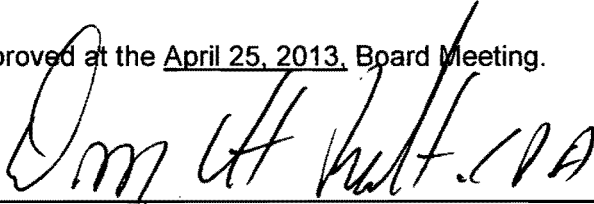
The January 31, 2013, meeting of the SC Board of Accountancy adjourned at 9:55 a.m.

Respectfully submitted,



Doris E Cubitt, CPA
Administrator

Approved at the April 25, 2013, Board Meeting.



Donald H. Burkett, CPA, Chair