

Minutes
S. C. Department of Labor, Licensing & Regulation
Board of Accountancy

Thursday, June 23, 2016, 10:00 a.m.
SYNERGY OFFICE PARK, KINGSTREE BUILDING, ROOM 108
110 CENTERVIEW DRIVE, COLUMBIA, S.C. 29210

1. Call to Order

Tanya Greenlee, CPA, Board Chair was present and called the meeting of the South Carolina Board of Accountancy to order on June 23, 2016 at 10:04 a.m., with a quorum present. Other Board members present were: Ellen Adkins, CPA, Vice Chair, Charles Alvis, CPA, Gale Bell Accounting Practitioner, Bob Wood, Public Member, Mary League, Advice Counsel, Prentiss Shealey, Defense Counsel, Sharon Wolfe, Chief Investigator, Doris Cubitt, Board Administrator, Dwayne Eanes, Investigator and Kathy Burgess, Administrative Assistant. Board members Mark Crocker, CPA, Ron Hollins, Public Member, David Nichols, Accounting Practitioner and Michael Putich, CPA attended via teleconference.

Chairwoman Greenlee began by welcoming the new Board members, Charles Alvis and Michael Putich, and allowed them to introduce themselves to the board.

Mr. Alvis represents 5th congressional district is a faculty member with Winthrop University and has a consultant practice in Rock Hill.

Mr. Putich represents 1st congressional district, is in public practice with Robinson Grant in Beaufort.

2. Moment of Silence and Pledge of Allegiance

3. Consideration of Excuses for Absences of Board Members

Todd Dailey had a conflict and could not be present for the board meeting.

Motion

Ellen Adkins made a motion to approve the absence of Mr. Dailey, Mark Crocker seconded the motion. After no further discussion, the motion carried unanimously.

4. Adoption of Agenda

Motion

Ellen Adkins made a motion to approve the agenda, Charles Alvis seconded the motion. After no further discussion the motion carried unanimously.

5. Approval of Meeting Minutes

Motion

Ellen Adkins made a motion to approve the minutes of the April 28, 2016 meeting, Gale Bell seconded the motion. After no further discussion the motion carried unanimously.

6. Office of Investigation & Enforcement Report

Sharon Wolfe, Chief Investigator, presented the report from the Office of Investigation and Enforcement. From January until June 15, she reported 32 incoming complaints, 13 active cases, and 21 closed cases.

Ms Wolfe also presented the Investigative Review Committee (IRC) Report for the Board's approval. Chair Greenlee asked for clarification for "dismiss C&D upon reconsideration" on the IRC Report. Prentiss Shealey, of the Office of Disciplinary Counsel, explained that these are complaints that were originally to be sent to the ALC (Administrative Law Court), but were ultimately determined that proving imminent public harm would be difficult and so the C&Ds were to be reissued. Changes have been made in the service of a C&D. A second question by Chair Greenlee if Ms Shealey was listed as the investigator to which Ms Shealey answered that she was not, but that the complaints do appear under her name on the report.

Motion

Ellen Adkins made a motion to accept the IRC Report. Gale Bell seconded the motion. After no further discussion, the motion carried unanimously.

7. Office of Disciplinary Counsel Report

Prentiss Shealey presented the report from the Office of Disciplinary Counsel. She reported that there are currently 25 open cases, but several were multiples to the same respondents, for a total of only 17 different respondents. 8 cases are pending Consent Agreements, 4 pending Board Actions, 11 pending Board hearings, no pending orders, closed 12 cases since June of last year and 6 this year, and no current appeals. She believes that it will be necessary to hold hearings at the next few Board meetings, beginning with the August 25, 2016 Board meeting.

Bob Wood asked Ms Shealey to explain the difference between a Consent Agreement (CA) and Memorandum of Agreement (MOA). She explained a CA has the facts, the violations and the IRC's recommended sanctions, similar to a negotiated plea. Once the Board approves the CA, it becomes the order. A MOA is similar, it has the facts, the violations but there are no sanctions, similar to a guilty plea, but the respondent wants to appear before the Board. Bob Wood asked if those respondents who are waiting to be heard for a license to be approved for licensure in SC be moved to the front of the line. Ellen Adkins asked for clarification of "pending MOA" if that means in the hands of the respondent and "pending Board action or Board hearing" it is to appear before the board at some time, to which Ms Shealey replied in the affirmative.

Ms Shealey requested to close the next item to the public due to the sensitive personal/medical information of the licensee. The item is the Consent Agreement for Lynne Stonesifer (Case 2015-31).

Motion

Ellen Adkins made a motion to approve the Consent Agreement, Gale Bell seconded the motion. After no further discussion the motion passed unanimously.

8. Chair's Remarks

No remarks at this time.

9. Administrator's Report (Doris Cubitt)

Doris asked Mary League to explain to the Board the changes in serving Cease and Desist orders. Mary explained that based on guidance from the ALC, that Cease and Desist orders should be

signed by the Board chair or a Board officer, instead of the Board administrator, to comply with statutory requirements.

Motion

Charles Alvis made a motion to approve the process to move the responsibility for signing Cease and Desist Orders from the Administrator to the Board Chair or in case of absence of the Board Chair or a conflict of interest, a Board Officer. Ellen Adkins seconded the motion. After no further discussion the motion passed unanimously.

Doris explained the hearing process for the benefit of the new Board members and that they should plan on a hearing taking a full day.

A letter was sent via registered mail to all firm managers concerning the change in the law as of June 2015 about the firm manager's responsibility for non-CPA owners CPE reporting. She stated that the letter raised a question about 40-2-40 (C) (7). (Current Blue Books need to be printed for next Board meeting.)

Doris reported that the office is being set up to perform the SLED checks.

Doris briefly mentioned the NASBA Regional Meeting and that it had a lot of good information. Bob and Ron affirmed that the meeting was beneficial. She asked the new board members to send her short bios and NASBA will produce a newsletter for the Board.

One issue that Chris Jenkins (SCACPA) mentioned at the last meeting, individual mobility, for audit CPAs firm must be registered in the state. The board will have to discuss firm mobility for the future.

Financial Report. Licensees are on an annual renewal cycle so funds are consistent. Current cash at the end of May is a little over a \$1 M. There will be the additional salary for the new Assistant Director.

10. Old Business

Guidelines Committee Update

Doris stated that the Committee is in the process of working on the material to present to the Board at the August Board meeting.

CGMA Designation

A discussion will need to be held in the near future to decide what the Board's position will be regarding CGMA Designation.

11. New Business

Consideration of Firm Name Pathology Practice Advisors, LLC

MOTION

Ellen Adkins made a motion to go into Executive session. Gale Bell seconded the motion. Motion carried.

MOTION

Charles Alvis made a motion to approve the name of the firm to be Pathology Practice Advisors, LLC and Ellen seconded the motion. Motion Carried.

Consideration to Change CPA #2121 (Rick Horton) to Emeritus Status

MOTION

Charles Alvis made a motion to reinstate Mr. Horton and waive the reinstatement fee and only require he pay the \$80 renewal fee with the appropriate documentation required for licensure. Gale Bell seconded the motion. Motion Carried.

MOTION

Charles Alvis made a motion to grant Emeritus Status to Mr. Horton. Gale Bell seconded the motion. Motion Carried.

AICPA Exposure Draft concerning Peer Review for firms with no AICPA member Information purposes only.

Consideration to allow renewal for CPA #3889 (Steve Short) due to medical injury

MOTION

Ellen Adkins made a motion allow reinstatement and waive the reinstatement fee. Bob Wood seconded the motion. Motion carried.

Tanya mentioned that Doris will send out information regarding Committee vacancies to have members volunteer to serve on Committees.

12. Public Comment (No Votes May Be Taken)

13. Adjournment

Charles Alvis Made a motion to adjourn at 12:18 pm. Gale Bell seconded. Motion carried.

Note: Board members are requested to call the board office if you are not planning to attend the meeting.

BOARD POLICY

Requests to appear before the Board, together with all related documentation, must be in writing and be submitted at least ten (10) business days before the meeting. Written requests are to be sent to SC Board of Accountancy, PO Box 11329, Columbia, SC 29211.

<i>ACCOUNTANCY 2016</i>	
August 25, Thursday (Board Meeting)	Room 108
October 19, Wednesday (Board Meeting)	Room 108
November 10, Thursday (Board Meeting)	Room 108
December 8, Thursday (Board Meeting)	Room 108