

## **MINUTES**

SC Department of Labor, Licensing, & Regulation  
Board of Accountancy

### **Board Meeting**

December 18, 2018  
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**

Todd Dailey, CPA, Chair, was present and called the meeting of the South Carolina Board of Accountancy to order on December 18, 2018, at 9:03 a.m., with a quorum present. Other Board members present were: Charles Alvis, CPA, Vice Chair, Mark Crocker, CPA, Tanya Greenlee, CPA, David Nichols, Accounting Practitioner, Gale Bell, Accounting Practitioner, Ellen Adkins, CPA, Brian Johnson, CPA, Michael Putich, CPA, Ron Hollins, Public Member and Bob Wood, Public Member. LLR staff members participating in the meeting included: Susanna Sharpe, CPA, Administrator, Chelsea Buchanan, Program Coordinator, Courtney Wise, Administrative Assistant, Mary League, Advice Counsel, Courtney Crosby, CPA, Investigator, Rodney Pigford with the Office of Investigations and Enforcement, and Ashley Thompson, Prosecuting Attorney with the Office of Disciplinary Counsel.

#### **2. Consideration of Excuses for Absences of Board Members**

##### **Motion**

There were no absences.

#### **3. Adoption of Agenda**

##### **Motion**

Michael Putich made a motion to approve the agenda. Charles Alvis seconded the motion, which carried unanimously.

#### **4. Approval of Meeting Minutes**

Tanya Greenlee made a motion to approve the minutes of the October 23<sup>rd</sup> meeting. Mark Crocker seconded the motion, which carried unanimously.

#### **5. Office of Investigation Report**

A. Number of Open Complaints

Rodney Pigford briefed the Board on the OIE report. He reported that there are currently 22 active cases. Five have been closed and 28 have been received since September.

**B. Investigative Review Committee (IRC Report)**

Rodney Pigford said that there are two cases of formal complaint that needed Board approval.

**Motion**

Gale Bell made a motion to approve of the two formal complaints. Ellen Adkins seconded the motion and it carried unanimously. Brian Johnson recused himself from the vote.

Rodney Pigford continued to brief the Board, saying that the IRC report had one case for dismissal for cease & desist, two cases for a letter of caution, one case coming back for a reconsideration of dismissal and one case for a letter of caution.

**Motion**

Charles Alvis made a motion to approve of the IRC report. Gale Bell seconded and it carried unanimously.

**6. Office of Disciplinary Counsel Report**

Ms. Thompson briefed the Board on the ODC report. There are currently 11 open cases. Five cases are pending actions, three cases are pending a CA/MOA, two cases are pending hearing, and one case is pending scheduling. Five cases have been closed since October 10, 2018.

**7. Old Business**

Item 12 was moved up in the agenda at this time.

**A. Western Governor's University**

Brentni Henderson spoke on behalf of Western Governor's University to discuss the latest developments and answer any questions from the Board. The Board members inquired about the status of the federal audit the University had been undergoing. Ms. Henderson stated she would need to gather that information and could provide that to Administrator Sharpe.

Ms. Henderson also stated that the University makes a point to inform students who are known to be living in SC that the SC practice act requires education hours to be taught at an institution that utilizes semester or quarter hour credits. Board members also inquired about state Boards of Accountancy where competency based education credits are accepted towards exam and/or licensing eligibility. Ms. Henderson

stated she would be glad to collect that information as well and make it available to Ms. Sharpe.

### **B. NASBA's CPT SC Specific Ethics course updates**

Alfonso Alexander gave an update via teleconference on behalf of NASBA Center for the Public Trust regarding the SC Specific ethics course. He reported that the goal is to complete the class (structure, content, organization etc.) by January 2019. He thanked the Board for the opportunity to work with SC on creating the course and described the various delivery methods that are being created.

### **8. Chair's Remarks**

Item 10 was moved up in the agenda at this time.

Chair Todd Dailey thanked everyone for attending the special meeting that took place on December 6<sup>th</sup>. He also stated that he, Michael Putich, Charles Alvis, and Susanna Sharpe attended the annual NASBA conference and found the conference to be very informative.

### **9. Administrator's Report**

Item 11 was moved up in the agenda at this time.

Susanna Sharpe announced that she has officially been hired to fill the role of Administrator to the Board Accountancy. She also reminded the Board that renewals are ongoing and have been going smoothly.

Ms. Sharpe provided an update on the current licensee totals. She also briefly touched on topics that were discussed at the NASBA conference in October including anti-regulation trends and alternate pathways to CPA.

### **Motion**

Gale Bell made a motion to approve the proposed travel budget for the March, June and October 2019 NASBA conferences. Charles Avis seconded the motion and it carried unanimously.

### **10. New Business**

Item 13 was moved up in the agenda at this time.

#### **A. NASBA UAA Exposure Draft**

Administrator Sharpe stated that the exposure draft contains proposed language to enable continuous testing for the CPA exam. To adopt continuous testing for SC candidates, a statute change would be required as the current practice act prohibits applicants from taking an exam section more than once in a testing window.

Ellen Adkins made a motion to allow staff to work with the Board Chair in preparing a response to the exposure draft. David Nichols seconded the motion and it carried unanimously.

**B. Establishing the regulation task force**

Mary League asked the Board to email Susanna their task force member recommendations so that the Board can vote on the task force in February.

**C. Education Issues**

Charles Avis gave a brief update on the Education committee and mentioned that the incorporation of more data analytics education is still a hot topic and data analytics content is expected to become a part of the CPA exam in the future.

**11. Application Hearings**

**A. Gracepoint Financial LLC**

**Motion**

Charles Alvis made a motion to go into executive session to receive legal advice. Michael Putich seconded the motion, which carried unanimously.

**Motion**

Charles Alvis made a motion to come out of executive session. David Nichols seconded the motion, which carried unanimously. It is noted that no votes were taken during executive session.

**Motion**

Tanya Greenlee made a motion to approve the application for in-state firm registration. Charles Alvis seconded the motion, which carried unanimously.

**B. Checks and Balances Accounting Solutions LLC**

**Motion**

Charles Alvis made a motion to approve the application for in-state firm registration. David Nichols seconded the motion, which carried unanimously.

**C. Crossroads Financial Group, LLC**

**Motion**

Charles Alvis made a motion to approve the application for in-state firm registration. David Nichols seconded the motion, which carried unanimously.

#### **D. BAS Partners**

##### **Motion**

Charles Alvis made a motion to go into executive session to receive legal advice. David Nichols seconded the motion, which carried unanimously.

##### **Motion**

Charles Alvis made a motion to come out of executive session. Ellen Adkins seconded the motion, which carried unanimously. It is noted that no votes were taken during executive session.

##### **Motion**

Brian Johnson made a motion to approve the application for out of state firm registration. Ron Hollins seconded the motion, which carried unanimously.

#### **E. Max Eckemoff**

##### **Motion**

Ron Hollins made a motion to go into executive session to receive legal advice. David Nichols seconded the motion, which carried unanimously.

##### **Motion**

Ron Hollins made a motion to come out of executive session. Charles Alvis seconded the motion, which carried unanimously. It is noted that no votes were taken during executive session.

##### **Motion**

Ellen Adkins made a motion to deny the application for CPA licensure until qualified experience can be earned but encouraged the applicant to remain in touch with Board staff in the event that any changes to the practice act occur in the meantime. Charles Alvis seconded the motion, which carried unanimously.

#### **F. Christine O'Conner**

##### **Motion**

Ron Hollins made a motion to go into executive session to receive legal advice. David Nichols seconded the motion, which carried unanimously.

##### **Motion**

Ron Hollins made a motion to come out of executive session. Charles Alvis seconded the motion, which carried unanimously. It is noted that no votes were taken during executive session.

##### **Motion**

Charles Alvis made a motion to approve the application for licensure pending payment of \$80.00 for back registration and one hundred dollars \$100.00 for failure to register timely. David Nichols seconded the motion, which carried unanimously.

#### **12. MOA (2017-28)**

##### **Motion**

David Nichols made a motion to go into executive session to receive legal advice. Michael Putich seconded the motion, which carried unanimously.

**Motion**

Charles Alvis made a motion to come out of executive session. Gale Bell seconded the motion, which carried unanimously. It is noted that no votes were taken during executive session.

**Motion**

Ron Hollins made a motion to accept the MOA, dismiss allegations of violations of S.C. Code Ann. § 40-2-110(A)(6), have the respondent pay a penalty of two thousand dollars (\$2,000.00) in regard to the violation of S.C. Code Ann. § 40-2-110(A)(7), and pay the investigative costs of one hundred and eighty six dollars (\$186.00) in this matter, to be paid in full within sixty (60) days from the date of the order. Charles Alvis seconded the motion, which carried unanimously. Mark Crocker did not participate in the vote as he had left the meeting.

**13. Public Comment – N/A**

**14. Adjournment**

**Motion**

With no further business to be discussed at this time, Charles Alvis made a motion to adjourn the meeting at 5:45p.m.on December 18, 2018. Ron Hollins seconded the motion, which carried unanimously.