

MINUTES

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

Board Meeting

June 26, 2019

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 June 26, 2019, at 10:05am., with a quorum present. Other Board members present were: Mark Crocker, CPA, Tanya Greenlee, CPA, Ellen Adkins, CPA, Michael Putich, CPA, Gale Bell, Accounting Practitioner, and Bob Wood, Public Member. LLR staff members participating in the meeting included: Susanna Sharpe, CPA, Administrator, Chelsea Buchanan, Program Coordinator, Courtney Wise, Program 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

Ellen Adkins made a motion to excuse David Nichols, Accounting Practitioner, and Brian Johnson, CPA, from the meeting. Gale Bell seconded the motion, which carried unanimously.

3. Adoption of Agenda

Motion

Michael Putich made a motion to approve the agenda. Gale Bell seconded the motion, which carried unanimously.

4. Remarks from Director Emily Farr and Abhijit Deshpande

Agency Director Emily Farr spoke briefly with the Board to offer any assistance they may need and answer any questions. She also mentioned some recent developments such as the launch of the website redesign and the work finance has been doing to catch up on monthly finance reports and redesign the reports to be more clear. She introduced Mr. Deshpande from Finance and stated that he would be there to answer questions when the Board reached that item.

5. Office of Investigation Report

Item 7 was moved up in the agenda at this time

A. Number of Open Complaints

Rodney Pigford briefed the Board on the OIE report. He reported that there are currently 29 active investigations; eight of which are from 2018 and 21 are from 2019. There are total of 33 complaints. Two have been closed, 5 are do not open cases, and 4 are pending board action.

B. Investigative Review Committee (IRC Report)

Motion

Michael Putich made a motion to approve the IRC report. Mark Crocker seconded the motion, which carried unanimously.

6. Office of Disciplinary Counsel Report

Ashley Thompson presented the report. As of June 21st, there are five open cases, four are pending action, one is pending hearing, and eight have been closed since March 2019.

7. Approval of Meeting Minutes

Item 6 was moved down in the agenda at this time.

Mark Crocker made a motion to approve the minutes of the December 6, 2018 and February 8, 2019 meetings. Gale Bell seconded the motion, which carried unanimously.

7. Application Hearings

A. Patrick Sullivan's CPA Exam Application

The applicant applied to sit for the CPA exam as a South Carolina candidate.

Motion

Bob Wood made a motion to go into executive session to receive legal advice. Mark Crocker seconded the motion, which carried unanimously.

Motion

Ellen Adkins made a motion to come out of executive session. Mark Crocker 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 to sit for the CPA exam as a SC candidate because the applicant's accounting coursework was taken as part of a certificate program and is not applicable to a degree. Mark Crocker seconded the motion, which carried unanimously.

B. CEO Solutions Firm Application

Motion

Tanya Greenlee made a motion to go into executive session to receive legal advice. Mark Crocker seconded the motion, which carried unanimously.

Motion

Ellen Adkins 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

Bob Wood made a motion to approve the firm application pending payment of \$400 for back registration fees. Gale Bell seconded the motion, which carried unanimously.

C. James Accounting Associates LLC Firm Application

Motion

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

Motion

Ellen Adkins 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

Bob Wood made a motion to approve the firm application pending payment of \$400 for back registration fees. Gale Bell seconded the motion, which carried unanimously.

8. MOA

A. Case 2018-40

Motion

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

Motion

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

Motion

Tanya Greenlee made a motion to accept the MOA, with a penalty of \$2000 and \$90 for investigative costs. Bob Wood seconded the motion, which carried unanimously. Mark Crocker recused himself from the matter and did not participate in the discussion or vote.

9. Chair's Remarks

The Chairman announced that the Spring Oath Ceremony took place in May and gave his thanks to Board Staff for putting the event together. He also reminded everyone that the regulation task force has been meeting regularly to review the regulations.

10. Administrator's Report

-Susanna Sharpe briefed the Board on changes in Board Staff and introduced Courtney Wise as the new Program Assistant as well as Micah Hurtt as the new Administrative Assistant.

-Ms. Sharpe announced the completion of the SC ethics course with the Center for the Public Trust as it is now available for vendors to purchase the content for presentation.

-Ms. Sharpe also provided an update count of licensees and firms in SC.

-The Board reviewed the recent financial reports that were in their materials. Mr. Deshpande from the finance and procurement department showed the Board a sample of the redesigned finance report. The Board noted that the new report contained less detailed information than past reports and Mr. Deshpande assured the Board that he could continue to provide reports with the additional detail.

11. Old Business

A. Appoint Hearing Panel

Motion

Ellen Adkins made a motion to appoint Converse Chellis, CPA, Donny Burkett, CPA, Malane Pike, Esq, Bobby Creech, CPA, Mark Hobbs, CPA and John M. Greene, CPA to serve on the Hearing Panel as needed. Gale Bell seconded and the motion carried unanimously.

B. Regulation Task Force Committee Report

Susanna Sharpe provided an update on the Regulation Task Force Committee meetings. She noted that the Committee met on May 22nd and June 18th and covered a good bit of the regulations. The next meeting will be held on July 30th from 10 a.m. to 4 p.m.

C. Legislative Update

Holly Beeson briefed the board on pending legislation.

D. Delegation of Authority

Motion

Gale Bell made a motion to delegate authority to the Board Chair to sign consent agreements involving CPE deficiencies, late CPE, and firm and license applications not filed timely. Michael Putich seconded the motion, which carried unanimously.

E. WGU Update

Susanna Sharpe reported that the WGU representatives were not in attendance to provide the update.

12. New Business

A. Officer Elections

Motion

Mark Crocker made a motion that Todd Dailey remain chair, with Michael Putich as Vice Chair, and Brian Johnson as Secretary following former Vice Chair Charles Alvis' resignation.

B. Education Committee

Ms. Sharpe mentioned that following Charles Alvis' resignation, the Education Committee will need a Chair as well as a Board member to participate. She also noted that Mr. Alvis has expressed his willingness to continue as part of the committee.

Motion

Bob Wood made a motion to appoint Charles Alvis, CPA, former Board member and Education Committee chair, to continue his service on the committee. Gale Bell seconded the motion, which carried unanimously.

C. Application Expiration

Administrator Susanna Sharpe asked the Board for guidance regarding pending applications. She pointed out that due to the number of requirements that can be time consuming for the applicant to complete, the current practice is to allow three years for an applicant to complete their application. She pointed out that this can often lead to a significant number of files staying in pending status even after the applicant abandons the process or becomes unreachable.

Motion

Ellen Adkins made a motion to amend the amount of time a license application may remain pending from three years to one, with the Administrator having discretion to approve extensions where appropriate. Tanya Greenlee seconded the motion, which carried unanimously.

D. Peer Review

The Board did not have any objections or comments on the draft.

13. Legal Advice (none provided – not needed)

14. Public Comment

There were no public comments.

15. Adjournment

Motion

With no further business to be discussed at this time, Michael Putich made a motion to adjourn the meeting at 3:45p.m. on June 26, 2019. Bob Wood seconded the motion, which carried unanimously.