

## **BOARD MEETING MINUTES**

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

Thursday, January 9, 2020 10:00 a.m.

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 January 9, 2020, at 10:02 a.m., with a quorum present. Other Board members present were: Mark Crocker, CPA, Ellen Adkins, CPA, David Nichols, Accounting Practitioner, Brian Johnson, 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, Micah Hurtt, Program Assistant, Mary League, Advice Counsel, Courtney Crosby, CPA, Investigator, Rodney Pigford, Office of Investigations Coordinator, and Erin Baldwin, Office of Disciplinary Council.

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

**Motion**

David Nichols made a motion to excuse Tanya Greenlee. Michael Putich seconded the motion, which carried unanimously.

**3. Adoption of Agenda**

**Motion**

Michael Putich made a motion to approve the agenda. David Nichols seconded the motion, which carried unanimously.

**4. Office of Disciplinary Counsel Report**

**A. Special Review Recommendations**

Erin Baldwin presented the report and requested that the Board provide recommendations for expert reviewers for special cases, particularly governmental audits.

**5. Office of Investigation & Enforcement Report**

**A. Number of Open Complaints**

Rodney Pigford briefed the Board on the OIE report. He reported there was a total of 53 received complaints from January 1<sup>st</sup> 2019 to December 31<sup>st</sup> 2019. There are 13 active investigations. Seventeen cases have been closed, 8 cases are do not open cases, and 13 are pending board action.

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

### **Motion**

Ellen Adkins made a motion to approve the IRC report. Gale Bell seconded the motion. Todd Dailey, Michael Putich, Brian Johnson, Mark Crocker, and David Nichols voted in favor. Bob Wood opposed.

## **C. Extensions**

Mr. Pigford requested an extension for two cases.

### **Motion**

Ellen Adkins made a motion to approve the extensions for both cases. Bob Wood seconded the motion, which carried unanimously.

## **6. Application Hearings**

Item 7a. was removed.

## **B. Paul Thompson**

The applicant has applied for a reciprocal license in South Carolina. The Administrator was not able to approve his application at staff level due to the applicant's criminal history results.

### **Motion**

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

### **Motion**

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

### **Motion**

Michael Putich made a motion to accept the reciprocity application. David Nichols seconded the motion, which carried unanimously.

### **Motion**

Ellen Adkins made a motion to delegate authority to the Board Administrator to approve applications whose background check reveals a misdemeanor charge more than ten years old and with no further incidents. David Nichols seconded the motion and it carried unanimously.

## **C. Whitley Penn LLP**

### **Motion**

Michael Putich made a motion to defer the application until questions can be answered by applicant and the applicant should not perform any work in SC or for SC clients. Bob Wood seconded the motion, which carried unanimously.

**7. Consent Agreement**

**A. 2016-12**

**Motion**

Ellen Adkins made a motion to approve the consent agreement. Gale Bell seconded and the motion carried unanimously.

**8. Chair's Remarks**

Chairman Todd Dailey briefly discussed the proposed CPA evolution framework that was presented by NASBA at the annual meeting in October and is still in process.

**9. Administrator's Report**

**A. Remarks**

Susanna Sharpe announced that the 4<sup>th</sup> quarter Newsletter is being worked on and should be sent out soon. Ms. Sharpe also reminded the Board to complete the mandatory annual Ethics Commission report before the deadline on March 30.

Ms. Sharpe also discussed plans to secure space at universities and SCACPA chapters statewide for the Board Chair and Administrator to give Board update presentations.

**B. Financial Report**

Susanna Sharpe presented the financial report for October 2019 and November 2019.

**C. Licensee Update**

Susanna Sharpe provided an update on the amount of active licensees in the state. In 2019, there were 7,814 licenses active and in 2020 there are 7,999.

**D. Report from NASBA Annual Meeting**

Ms. Sharpe summarized the CPA evolution framework as mentioned by Chair Todd Dailey, pointing the Board to the graphical model released by NASBA illustrating the core competencies and optional areas for candidates to demonstrate further knowledge.

**10. Old Business**

**A. Legislative Update**

Susanna Sharpe informed the Board that the proposed regulation changes have moved forward to the Legislature. The session will open January, 14 2020.

**11. New Business**

**A. Travel Approval for March and June NASBA meetings**

Susanna Sharpe requested that Board approve to send the Administrator, investigator, program coordinator, and advice counsel to the NASBA meeting in March 2020. Ms. Sharpe also requested for the Board to approve of the Board chair, vice-chair, Administrator, and assistant Administrator to attend the June 2020 NASBA Eastern Regional meeting.

**Motion**

Bob Wood made a motion to approve the attendees for both the March 2020 and June 2020 conferences as proposed by the Administrator. David Nichols seconded the motion and it carried unanimously.

**B. Retired Status**

Ms. Sharpe provided information to the Board about the current “retired” status versus “Emeritus” as defined in the Board’s Practice Act in contrast with the language of the UAA. The Board noted the permanent nature of Emeritus as currently defined in SC, which requires taking the exam again in order to make a license active again after going into Emeritus status.

**C. Questions from SCACPA Regarding Client Records**

David Knoble represented SCACPA to expand upon additional changes SCACPA has suggested be included in the changes already drafted by the Regulation Task Force and approved by the Board. The change SCACPA suggested related to the return of client records, particularly the format and method of delivery.

**Motion**

Chairman Dailey made a motion to enter executive session for legal advice. David Nichols seconded the motion and it carried unanimously.

**Motion**

Ellen Adkins made a motion to leave executive session. David Nichols seconded the motion and it carried unanimously. No votes were taken during executive session.

The Board requested that the Regulation Task Force take up the issue at a meeting in January.

**12. Legal Advice**

N/A

**13. Public Comment**

N/A

**14. Adjournment**

**Motion**

With no further business to be discussed at this time, Ellen Adkins made a motion to adjourn the meeting at 1:10 p.m. on January 9, 2020. Gale Bell seconded the motion, which carried unanimously.