

BOARD MEETING MINUTES

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

Wednesday, June 17, 2020 10:00 a.m.
Web/Teleconference

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 17, 2020, at 10:02 a.m., with a quorum present. Other Board members present were: Michael Putich, CPA, Vice Chair, Ellen Adkins, CPA, David Nichols, Accounting Practitioner, Tanya Greenlee, 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, Katherine Greer, Administrative 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

Todd Dailey made a motion to excuse Brian Johnson. Ellen Adkins seconded the motion, which carried unanimously.

3. Adoption of Agenda

Motion

David Nichols made a motion to approve the agenda. David Ellen Adkins seconded the motion, which carried unanimously. Item 11. Old Business was moved to the next item following adoption of the agenda.

4. Old Business

A. Legislative Update

Holly Beeson informed the Board that the proposed regulation changes become effective upon publication on June 26, 2020. Proposed changes to 1-10(C) and 1-05(C)(3) were not included in the approved regulations. She also informed the Board the Armed Services Members and Spouses Professional and Occupational Licensing Act passed during the legislative session.

5. Approval of Meeting Minutes

Motion

Ellen Adkins made a motion to approve the minutes from the October 2019, January 2020, February 2020, March 2020, and May 2020 meetings. David Nichols seconded the motion, which carried unanimously.

6. Office of Investigation & Enforcement Report

A. Number of Open Complaints

Rodney Pigford briefed the Board on the OIE report. He reported that 20 complaints have been received in 2020, 8 of which are currently active investigations. Three cases from 2019 are still active investigations, for a total of 11 active investigations. 26 cases have been closed in 2020.

B. Investigative Review Committee (IRC Report)

Motion

Michael Putich made a motion to approve the May 7th IRC report. Ellen Adkins seconded the motion. Todd Dailey, Gale Bell, Tanya Greenlee and David Nichols voted in favor. Bob Wood opposed.

Motion

Todd Dailey made a motion to approve the June 2nd IRC report. David Nichols seconded the motion. Michael Putich, Gale Bell, Ellen Adkins, and Tanya Greenlee voted in favor. Bob Wood opposed.

C. Extensions

Courtney Crosby, Investigator, requested approval of an extension of time to complete the investigation for two aged cases until the October Board meeting date. One case is pending expert review and another contains a high volume of documentation to review.

Motion

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

7. Office of Disciplinary Counsel Report

A. Special Review Recommendations

Erin Baldwin presented the report for information. There are currently 8 open cases. Two cases have been closed since January 2020.

8. Application Hearings

A. Gwendolyn Thompson

The applicant has applied to sit for the CPA exam as a South Carolina candidate. The application could not be approved at staff level, as some of the applicant's education hours required to make her exam eligible were completed in a certificate program, that according to the college where the education was obtained, were not applicable towards nor transferrable to a degree. Board statutes require at least 36 semester hours of accounting and at least 36 semester hours of business courses, which are taught at

the junior level or above and are applicable to a baccalaureate, master's, or doctoral degree.

Motion

David Nichols made a motion to go into executive session to receive legal advice in this matter. Ellen Adkins seconded the motion, which carried unanimously.

Motion

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

Motion

Tanya Greenlee made a motion to find the applicant's education earned through certificate program ineligible towards the exam requirements. Ellen Adkins seconded the motion, which carried unanimously. The Board has no discretion to waive the statutory requirement that these courses must be applicable to a degree.

B. Mark Bryant

Motion

David Nichols made a motion to go into a closed hearing in compliance with state and federal confidentiality laws. Tanya Greenlee seconded the motion, which carried unanimously.

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

David Nichols made a motion to go into executive session to receive legal advice in this matter. Bob Wood seconded the motion, which carried unanimously.

Motion

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

Motion

Michael Putich made a motion to approve the reciprocity application upon payment of \$250. Ellen Adkins seconded the motion, which carried unanimously.

9. Consent Agreement

A. 2018-37

Motion

Todd Dailey made a motion to approve the consent agreement. David Nichols seconded and the motion, which carried unanimously.

10. Chair's Remarks

Chair Todd Dailey briefly summarized the NASBA Regional Meeting including the emphasis on encouraging diversity in the profession.

11. Administrator's Report

A. Remarks

-Administrator Susanna Sharpe mentioned recent questions from licensees regarding any changes to the CPE requirements for 2020 in light of the pandemic. The matter is being monitored and may be discussed at a future meeting.

-Ms. Sharpe mentioned the Spring Oath Ceremony, which could not be held due to concerns surrounding the Covid-19 virus pandemic. She noted that certificates would be mailed out and all Spring Ceremony participants would be given the opportunity to attend the next Oath Ceremony.

B. Financial Report

The financial reports were included in the Board package for information.

C. Report from NASBA Regional Meeting

Ms. Sharpe mentioned a few items discussed during the NASBA Eastern Regional meeting, which was held virtually in June. Topics included difficulties in the exam process caused by the Covid-19 virus, the ongoing CPA evolution initiative, and the upcoming start of continuous testing for those states where it is possible.

13. New Business

A. Appointment of a Hearing Officer

Mary League and Erin Baldwin addressed the Board about the possibility of appointing a hearing officer to ensure a more full and fair process in conducting disciplinary hearings during the time in-person Board meetings cannot be held due to the Covid-19 pandemic. The hearing officer would hear testimony, make findings of fact, determine whether violations have occurred, and recommend sanctions to the Board in regards to the case. The Board would then review the recommendations at a final order hearing, and vote on the final disposition of the matter. The Board did not decide to make any changes to the process at this time.

14. Nomination of Officers

Todd Dailey thanked the Board for the opportunity to hold the Chair position and expressed his enjoyment of the time he served the Board.

Motions

Ellen Adkins made a motion to appoint Michael Putich to the position of Board Chair. Bob Wood seconded the motion, which carried unanimously.

Michael Putich made a motion to appoint Brian Johnson to the position of Vice Chair. Bob Wood seconded the motion, which carried unanimously.

Todd Dailey made a motion to appoint Bob Wood to the position of Secretary to the Board. Gale Bell seconded the motion, which carried unanimously.

15. Legal Advice

N/A

16. Public Comment

There were no public comments.

16. Adjournment

Motion

With no further business to be discussed at this time, Todd Dailey made a motion to adjourn the meeting at 1:15 p.m. on June 17, 2020. Gale Bell seconded the motion, which carried unanimously.