

BOARD MEETING MINUTES

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

Tuesday, April 27, 2021 9:00 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

Michael Putich, CPA, Chair, was present and called the meeting of the South Carolina Board of Accountancy to order on April 27, 2021, at 9:07 a.m., with a quorum present. Other Board members present were: Jada McAbee, CPA, Chris Huggins, CPA, Chip Summers, CPA, David Nichols, Accounting Practitioner, Ken Whitener, CPA, Gale Bell, Accounting Practitioner, Walda Wildman, CPA, Charles Brooks, Public Member, 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 and Christa Bell from the Office of Investigations and Enforcement, Holly Beeson from the Office of Communication and Governmental Affairs, Abhi Deshpande from the Finance and Procurement Office, and Erin Baldwin from the Office of Disciplinary Counsel.

2. Consideration of Excuses for Absences of Board Members

Motion

Walda Wildman made a motion to excuse brief absences during the day for Bob Wood, Gale Bell, and Ken Whitener. David Nichols seconded the motion, which carried unanimously.

3. Adoption of Agenda

Motion

David Nichols made a motion to approve the agenda. Ken Whitener seconded the motion, which carried unanimously.

4. Approval of Meeting Minutes

Motion

David Nichols made a motion to approve the minutes from the January 19, 2021 meeting. Chris Huggins seconded the motion, which carried unanimously. Charles Brooks made a motion to approve the minutes for the February 5, 2021 meeting. David Nichols seconded the motion, which carried unanimously.

5. Chair's Remarks

None

6. Office of Investigation & Enforcement

A. Office of Investigation & Enforcement Report

Courtney Crosby briefed the Board on the OIE report. 15 complaints have been received since January 1, 2021, with 15 active investigations. One case has been closed since January 1, 2021.

B. Investigative Review Committee (IRC Report)

Six cases were submitted for approval from the April 19, 2021 IRC Committee meeting. Four were recommended for dismissal, one for a letter of caution, and one for formal complaint.

Motion

David Nichols made a motion to approve the April 19th IRC report. Chris Huggins seconded the motion, which carried unanimously. Walda Wildman abstained from the vote. Bob Wood did not vote as he was not present during the discussion.

7. Office of Disciplinary Counsel Report

Erin Baldwin presented the report for information. There are eight open cases, with four pending hearings or agreements. Seven have been closed since January 1, 2021.

8. Presentation Regarding FOIA Law

Holly Beeson with LLR Communications and Governmental Affairs gave a short overview of FOIA law in regards to Board meeting materials.

Motion

Walda Wildman made a motion to request publicly available meeting documents be provided at Board meetings. Bob Wood seconded the motion, which carried unanimously.

9. Presentation Regarding Financial Statements

Abhi Deshpande from the LLR Finance and Procurement Office spoke about the financial reports and answered questions from the Board.

10. Presentation Regarding Licensee Statistics and Application Process

Board Administrator Susanna Sharpe briefly provided some information on the gains and losses of licensees and firm registrations as well as how the exam and license application processes work. In 2021, there was a total loss of 227, with 166 issued so far this year, for a net loss of 61 across all license types. 112 applications have been received in 2021, with over 73% approved and issued.

11. Application Hearings

A. John Ashcraft

The application to sit for the CPA exam could not be approved at staff level due to criminal history reported during the application process.

Motion

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

Motion

Gale Bell 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

Walda Wildman made a motion to approve the application for to sit for the CPA exam. Bob Wood seconded the motion, which carried unanimously.

B. John Brown

The application for licensure via reciprocity could not be approved at staff level due to criminal history reported during the application process.

Motion

Chris Huggins made a motion to go into executive session to receive legal advice in this matter. Walda Wildman seconded the motion, which carried unanimously.

Motion

Gale Bell made a motion to come out of executive session. Chris Huggins seconded the motion, which carried unanimously. No votes were taken during executive session.

Motion

Charles Brooks made a motion to approve the application for reciprocity pending payment of \$1,000 for incorrectly answering the application question regarding criminal history. Walda Wildman seconded the motion, which carried unanimously.

C. Kimberlin Company PLLC

The application for out-of-state firm registration could not be approved at staff level due to prior peer review results.

Motion

Gale Bell made a motion to go into executive session to receive legal advice in this matter. Walda Wildman seconded the motion, which carried unanimously.

Motion

Charles Brooks made a motion to come out of executive session. Gale Bell seconded the motion, which carried unanimously. No votes were taken during executive session.

Motion

Charles Brooks made a motion to approve the firm registration application. Chris Huggins seconded the motion, which carried unanimously.

D. Brian Clark

Mr. Clark's reinstatement application could not be approved at staff level due to his indication on the application that he has been holding out during the time his license was lapsed.

Motion

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

Motion

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

Motion

Walda Wildman made a motion to approve the application for reinstatement pending payment of \$250 for holding out without an active CPA license. Chris Huggins seconded the motion, which carried unanimously.

E. Christy Hobbs

Ms. Hobbs' reinstatement application could not be approved at staff level due to her indication on the application that she has been holding out during the time her license was lapsed.

Motion

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

Motion

Charles Brooks made a motion to come out of executive session. Walda Wildman seconded the motion, which carried unanimously. No votes were taken during executive session.

Motion

Walda Wildman made a motion to approve the application for reinstatement pending payment of \$250 for holding out without an active CPA license. David Nichols seconded the motion, which carried unanimously.

F. Ryan Welch

Mr. Welch came before the Board to request an extension of his CPA exam scores after passing all parts.

Motion

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

Motion

Charles Brooks made a motion to come out of executive session. Chris Huggins seconded the motion, which carried unanimously. No votes were taken during executive session.

Motion

Charles Brooks made a motion to approve the extension. Chris Huggins seconded the motion, which carried unanimously.

12. New Business

A. Colleen Conrad: Remote Testing Pilot and Acceptance of Scores

Colleen Conrad from NASBA briefed the Board on the upcoming Remote Testing Pilot, which is expected to begin later this year. The pilot will be strictly volunteer, and include only candidates who have already started testing.

Motion

Ken Whitener made a motion to accept scores from the remote testing pilot. Walda Wildman seconded the motion, which carried unanimously.

B. Dan Dustin: Board Relations and NASBA Services

Dan Dustin from NASBA gave a short presentation covering accreditation changes in the UAA, NASBA services offered to state Boards, and the future changes to the exam structure. He noted that while many states now allow candidates to sit for the exam at 120 overall hours, almost all require 150 hours to license, and one third of states require 30 or more hours in accounting coursework.

13. Administrator's Report

A. Licensee Update

As of April 27, 2021, there are 6,152 active CPA's, 61 active AP's, 3 active PA's, 1,307 active in-state firms, and 364 active out-of-state firms.

B. Financials

The Board financial reports were included in the Board materials.

C. Board Newsletter

The 1st quarter newsletter was sent out in March/April, and a document cited by a newsletter article regarding education was included in the Board materials.

D. AICPA PEEC Exposure Draft

This item was deferred to the June Board meeting.

14. Public Comment

There were no public comments.

14. Adjournment

Motion

With no further business to be discussed at this time, David Nichols made a motion to adjourn the meeting at 4:11 p.m. on April 27, 2021. Chris Huggins seconded the motion, which carried unanimously.