

BOARD MEETING MINUTES

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

Friday, January 21, 2022 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

Jada McAbee, CPA, Chair, was present and called the meeting of the South Carolina Board of Accountancy to order on January 21, 2022, at 10:15 a.m., with a quorum present. Other Board members present were: Chris Huggins, CPA, Vice Chair, Chip Summers, CPA, David Nichols, Accounting Practitioner, Deltrease Hart-Anderson, Accounting Practitioner, Lora Prevatte, CPA, Walda Wildman, CPA, Janet Pierce, 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, Christa Bell and Rodney Pigford from the Office of Investigations and Enforcement, Erin Baldwin from the Office of Disciplinary Counsel, Patrick Jarvis from the Finance and Procurement Office, and Katie Phillips from the Office of Governmental Affairs.

2. Consideration of Excuses for Absences of Board Members

Motion

Walda Wildman made a motion to excuse the absence of Kenneth Whitener. David Nichols seconded the motion, which carried unanimously.

3. Adoption of Agenda

Motion

Chris Huggins made a motion to approve the agenda. David Nichols seconded the motion, which carried unanimously.

4. Approval of Meeting Minutes

Motion

Walda Wildman made a motion to amend the minutes from the October 26, 2021 meeting in accordance with the Word document of suggested changes she provided to staff and covered with the Board during the January meeting. Bob Wood seconded the motion, which carried unanimously.

Motion

Walda Wildman made a motion to approve the minutes as amended. Bob Wood seconded the motion, which carried unanimously.

5. Legislative Update

Katie Phillips from LLR Office of Governmental Affairs presented the legislative update. The current legislative session began January 11, 2022 and will conclude on the second Thursday of May 2022. S.812, the bill to amend the Board of Accountancy statutes, is currently in the Senate and five potential amendments were received in the past week. Board members discussed the need to create a task force to update the Regulations once the bill passes and concluded it would be best to wait until the May meeting to discuss further. Advice Counsel Mary League explained that while the Statutes are a product of the Legislature, the Regulations are a product of the Board and clarified the process of promulgating those Regulations.

Ms. Phillips also responded to questions about representation during the legislative process and noted that there is opportunity during the process for members of the public or Board members to give testimony, particularly during subcommittee hearings. If a Board member has a concern about a particular matter, they are encouraged to communicate that to Board staff or LLR Governmental Affairs staff to be aware of.

6. Chair's Remarks (Jada McAbee)

Chair Jada McAbee welcomed everyone and thanked those present for their patience with the last-minute shift to a virtual format. She mentioned that Alison Houck of NASBA had planned to attend the meeting in person but will hopefully be available for the next meeting instead. She also noted that due to a conflict, the next Board meeting will be moved from April 27th to May 3rd. She concluded by wishing everyone a great tax season.

7. Administrator's Report (Susanna Sharpe)

- As of January 19, 2022, there are 6,271 active CPA's, 62 active AP's, 3 active PA's, 1,313 active in-state firms, and 367 active out-of-state firms.
- The Board financial reports were included in the Board materials.
- Ms. Sharpe mentioned that all Board members are required to file a statement of economic interest by the March 30th deadline and staff will be sending reminders as the deadline approaches.
- Any Board member experiencing trouble with the Board member license plate process should contact Board staff for assistance.
- Members whose terms expire in the next six months should contact the Governor's office if they are interested in being reappointed.
- The NASBA annual meeting was held virtually in November 2021 and the upcoming exam changes were a prominent topic. As a result of the changes, the Board may need to update the exam section names in the Accounting Practitioner Regulations and may wish to evaluate what is considered the start date for the 18 month window to have more uniformity with other states. Board member diversity was another topic as there has

been a considerable increase in the number of women serving on State Boards of Accountancy in the past few years. Ms. Sharpe mentioned this was particularly notable as there are five female members on the current Board, which is the most serving at once in the Board's history.

8. Office of Investigation & Enforcement

A. Office of Investigation & Enforcement Report

Rodney Pigford briefed the Board on the OIE report. 1 complaint has been received since January 1, 2022. As of January 19, 2022, there are 11 active 2021 investigations and 3 active 2020 investigations.

B. Investigative Review Committee (IRC Report)

Three cases were submitted for approval from the January 11, 2022 IRC Committee meeting. Two cases were recommended for dismissal and one case was recommended for dismissal with a Cease and Desist requested. All three cases involved unlicensed practice.

Motion

David Nichols made a motion to accept the January 11, 2022 IRC report. Charles Brooks seconded the motion, which carried unanimously.

C. Requests for Extension of Time to Complete Investigation

Christa Bell presented the request for extension of time to complete investigations. At the October 26, 2021 Board meeting the Board directed staff to hold all cases pending and received in the investigations department in abeyance until an investigator is found and can perform or complete those investigations, except cases involving only unlicensed practice. The request for extension includes six cases that are over 150 days and two cases that are not currently over 150 days, but will be by the time of the next Board meeting. She also mentioned that she believes there will be an investigator hired by the time of the next Board meeting.

Motion

Walda Wildman made a motion to approve the extensions as requested by Ms. Bell. Deltrease Hart-Anderson seconded the motion, which carried unanimously.

9. Office of Disciplinary Counsel Report

Erin Baldwin presented the report for information. There are four pending cases, with one on the agenda for the next Board meeting. Two cases are pending additional information to be gathered by the Investigator.

10. Old Business

A. Report from Budget Committee

Walda Wildman gave the report from the meeting of the Budget Committee. Among the topics discussed were improvements to the required SC Rules and Regulations CPE course, CPE audits, and the open position for an investigator. She noted that should S.812 pass, there

may no longer be a need to use funds to improve the content of the Rules and Regulations course. The NASBA CPE Tracker may also resolve the matter of using funds to help facilitate the CPE audit process. As mentioned earlier in the meeting, the Investigator position may soon be filled.

B. Remarks from Finance Department

Patrick Jarvis, Director of Finance and Procurement was present to answer questions and provide information regarding the budget and the process for requesting to use funds. He explained that he looks over the financial reports from the Board monthly, as well as during the fee analysis process, which is typically done yearly or sometimes more often. He also noted that the process for requesting to use funds for a specific project or purpose can vary depending on the amount requested.

C. Report from Website Committee

Susanna Sharpe read the report prepared by committee chair Janet Pierce. The committee established that some of the things they hope to accomplish are to make the site more user friendly and educational. Priorities for future meetings include reviewing applications and forms, adding sections to clarify requirements for reciprocity and mobility, and ensuring FAQ's are updated to reflect changes. Ms. Sharpe noted that some changes have already been made to make the FAQ's and Board Orders more accessible. The committee will also monitor S.812 as it moves through the legislative process, as significant website updates will be necessary after it passes.

D. Update on NASBA CPE Audit Service Implementation

Administrator Susanna Sharpe advised the Board that NASBA has been sent the memorandum of agreement for review and if approved, Board staff will work with NASBA staff to start the process of implementation.

11. New Business

A. Approval of Attendees for NASBA ED/Legal Conference Motion

Charles Brooks made a motion to approve Administrator Susanna Sharpe, Program Coordinator Chelsea Buchanan, Advice Counsel Mary League, the Board Investigator should one be hired in the interim, and Erin Baldwin of the Office of Disciplinary Counsel, to attend the NASBA Executive Director/Legal Conference in April 2022. Jada McAbee seconded the motion, which carried unanimously.

12. Public Comment

There were no public comments.

13. Adjournment

Motion

With no further business to be discussed at this time, Charles Brooks made a motion to adjourn the meeting at 1:50 p.m. on January 21, 2022. Bob Wood seconded the motion, which carried unanimously.