

BOARD MEETING MINUTES
S. C. Department of Labor, Licensing, & Regulation
Board of Accountancy
Tuesday, August 23, 2022 10:00 a.m.

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 August 23, 2022, at 10:04 a.m., with a quorum present. Other Board members present were: Chris Huggins, CPA, Vice Chair, Ken Whitener, CPA, Deltrease Hart-Anderson, Accounting Practitioner, Walda Wildman, CPA, Lora Prevatte, CPA, Chip Summers, CPA, and Charles Brooks, Public Member. LLR staff members participating in the meeting included: Susanna Sharpe, CPA, Administrator, Chelsea Buchanan, Program Coordinator, Joseph Epting, Advice Counsel, Donnell Jennings from the Office of Investigations and Enforcement, Doris Cubitt, CPA, Investigator, Erin Baldwin from the Office of Disciplinary Counsel, and Dean Grigg, LLR Assistant Deputy Director.

2. Consideration of Excuses for Absences of Board Members

Motion

Ken Whitener made a motion to excuse the absences of Janet Pierce and Bob Wood. Chip Summers seconded the motion, which carried unanimously.

3. Adoption of Agenda

Motion

Chris Huggins made a motion to approve the agenda. Walda Wildman seconded the motion, which carried unanimously.

4. Approval of Meeting Minutes

Motion

Charles Brooks made a motion to approve the minutes with the corrections read aloud by Walda Wildman. Chris Huggins seconded the motion, which carried unanimously.

5. Chair's Remarks (Jada McAbee)

Jada McAbee welcomed the Board members and thanked everyone for their attendance. She mentioned the NASBA Regional Conference she, Chris Huggins, Walda Wildman, and Susanna Sharpe attended in June where they heard about topics like the CPA pipeline, ESG reporting, and other national issues.

Motion

Chris Huggins made a motion to go into executive session for legal advice. Ken Whitener seconded the motion, which carried unanimously.

Motion

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

Motion

Jada McAbee made a motion to amend the agenda to move item 12A Dan Dustin to follow item 9B Kristan Gause. Ken Whitener seconded the motion, which carried unanimously.

6. Office of Investigation & Enforcement

A. Office of Investigation & Enforcement Report

Donnell Jennings briefed the Board on the OIE report. 30 complaints have been received since January 1, 2022. There are nine active investigations from 2022. Two have been closed and 18 are “Do not open” cases. One is pending further information.

B. IRC Report

The IRC committee met on August 8, 2022 and recommended two cases for dismissal and one case for dismissal with a Cease and Desist.

Motion

Chris Huggins made a motion to accept the IRC report. Charles Brooks seconded the motion, which carried unanimously.

C. Requests for Extension of Time to Complete Investigation

An extension of time to complete investigation is being requested for ten cases.

Motion

Charles Brooks made a motion to approve the extensions as requested. Chip Summers seconded the motion, which carried unanimously.

Cases approved for extension are 2020-42, 2021-5, 2021-7, 2021-19, 2021-20, 2021-31, 2021-32, 2021-35, 2021-37, and 2021-40.

7. Office of Disciplinary Counsel Report

Erin Baldwin presented the ODC report for information. There are three open cases and one pending closure.

8. Application Hearings

A. Kristan Gause

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

Motion

Charles Brooks made a motion to approve the applicant to sit for the CPA exam as a SC candidate. Ken Whitener seconded the motion, which carried unanimously.

Agenda item 9A Darren Hall Application Hearing was moved to the October meeting.

9. Dan Dustin NASBA Board Relations

Dan Dustin, Vice President of NASBA State Board Relations made a presentation to the Board covering topics such as NASBA committees and services, CPA evolution, and the CPA pipeline.

10. Administrator's Report (Susanna Sharpe)

-The licensee update was included in the Board package. There are 6,198 active CPA's, 62 active AP's, 3 active PA's, 1,292 in-state firms, and 363 out-of-state firms.

-The financial reports were included in the Board package

-Ms. Sharpe also mentioned the AICPA exposure draft on CPA Exam Evolution.

-The 2nd Quarter Newsletter was included in the Board package

-Exam candidate performance statistics were included for information.

-Ms. Sharpe read over the NASBA focus questions, which were included in the Board package.

11. Old Business

A. Report from Website Update Committee

Susanna Sharpe presented drafts of a few forms the committee worked on at meetings in July and August. The forms presented were an application for Retired status, renewal notices for firms and individuals, renewal forms for firms and individuals, and the Board update for renewal. The updates recommended from the committee are intended to better align the forms and applications with the changes made by S.812.

Motion

Walda Wildman made a motion to advise staff to rely on the answers provided by applicants to questions 1-4 on the Retired status application without requiring additional documentation given that the applicant signs under penalty of perjury. Charles Brooks seconded the motion, which carried unanimously.

Motion

Walda Wildman made a motion to adopt as amended the board update for 2023, the renewal notice for individuals and firms, the renewal forms for

individuals and firms, and the retired status application. Chris Huggins seconded the motion.

B. Update on status of NASBA CPE Audit Service

Administrator Susanna Sharpe gave a brief update on the implementation of the NASBA CPE Audit Service. The Memorandum of Understanding has been approved by both the NASBA legal department and LLR General Counsel and is awaiting the final approval by the LLR Director.

Office of Investigation & Enforcement Report (Continued)

Upon request of the Board, Donnell Jennings from the Office of Investigations and Enforcement returned to the meeting to answer questions regarding the hiring of an investigator for the Board of Accountancy. Dean Grigg, LLR Assistant Deputy Director also appeared to provide more information on this subject and discuss the role of the Agency in the hiring process.

Motion

Chris Huggins made a motion to go into executive session for legal advice. Charles Brooks seconded the motion, which carried unanimously.

Motion

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

Lora Prevatte left the meeting at this time.

Motion

Chris Huggins made a motion that in the interest of public protection, the Board would like LLR staff to pursue hiring a full time investigator and that requests for extension of cases include more detail regarding why the extension is needed. Ken Whitener seconded the motion, which carried unanimously.

Motion

Charles Brooks made a motion that the Board request someone with authority on the matter to provide the Board with information on the Board's responsibilities and authority. Walda Wildman seconded the motion, which carried unanimously.

Motion

Jada McAbee made a motion that the Board recommends that the Investigator position be advertised as a CPA instead of as an Investigator so that it will have the classification of CPA and therefore increase the salary. Walda Wildman seconded the motion, which carried unanimously.

12. New Business

A. Approval of Travel Budget and Attendees for NASBA Annual Meeting

Proposed attendees for the NABSA 2022 annual meeting include the Board Chair, Vice Chair, and Administrator. Also on the proposed travel budget are the Executive Director/Legal meeting in March/April 2023 which includes the Board Administrator, Program Coordinator, Advice Counsel, Disciplinary Counsel, and Investigator. Attendees for the 2023 Regional meeting include the Board Administrator and two Board members.

Motion

Walda Wildman made a motion to accept the travel report as presented. Charles Brooks seconded the motion, which carried unanimously.

B. SCACPA Update

David Knoble presented the SCACPA update. He noted their support for the recommendations the Board made regarding the Investigator position, the success of the ongoing Professional Issues Update events, and their efforts to communicate with members about the changes and forthcoming updates to forms and the Board website.

13. Public Comment

There were no public comments.

14. Adjournment

Motion

With no further business to be discussed at this time, Jada McAbee made a motion to adjourn the meeting at 2:55 p.m. on August 23, 2022. Walda Wildman seconded the motion, which carried unanimously.