

BOARD MEETING MINUTES
S. C. Department of Labor, Licensing, & Regulation
Board of Accountancy
Thursday, October 24, 2024 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

Ken Whitener, CPA, Chair, was present and called the meeting of the South Carolina Board of Accountancy to order on October 24, 2024, at 10:00 a.m., with a quorum present. Other Board members present were: Chip Summers, CPA, Vice Chair, Chris Huggins, CPA, Jan Pierce, CPA, Lora Prevatte, CPA, Jada McAbee, CPA, Jayne Maas, CPA, Deltrease Hart-Anderson, Accounting Practitioner, Bob Wood, Public Member, and Charles Brooks, Public Member. LLR staff members participating in the meeting included: Susanna Sharpe, CPA, Board Administrator, Chelsea Buchanan, Program Coordinator, Carolyn Sutherland, Advice Counsel, Todd Bond from the Office of Investigations and Enforcement, Jamie Keller, CPA, Investigator, and Erin Baldwin from the Office of Disciplinary Counsel.

2. Consent Agenda

Motions

Chris Huggins made a motion to excuse the absence of Kelly Epting. Chip Summers seconded the motion, which carried unanimously.

Bob Wood made a motion to approve the agenda with Item 7a Consent Agreement Parameters moved to the end of section 7. Jayne Maas seconded the motion, which carried unanimously.

Bob Wood made a motion to approve the July meeting minutes after correction of the motion in item 6a regarding his opposition. Chris Huggins seconded the motion, which carried unanimously.

3. Chair's Remarks (Ken Whitener)

Chair Ken Whitener thanked Board staff for their help the past few weeks meeting with him to discuss a variety of topics.

4. Office of Investigation & Enforcement

A. Number of Open Complaints

Todd Bond briefed the Board on the OIE report. Eighty-one complaints have been received since January 1, 2024. There are sixteen active

investigations and one case pending IRC. Twenty-six cases have been closed since January 1, 2024.

B. IRC Report

Todd Bond presented the October 1, 2024 IRC report. Five cases are being recommended for dismissal and two cases are being recommended for formal complaint.

Motion

Charles Brooks made a motion to approve the October 1, 2024 IRC report. Chip Summers 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 four cases, all of which are pending investigation by another agency.

Motion

Jayne Maas made a motion to approve the extensions until the next Board meeting as requested. Jan Pierce seconded the motion. Charles Brooks opposed the motion. The motion carried ten to one.

Cases approved for extension are 2022-17, 2022-39, 2022-40, and 2022-48.

5. Office of Disciplinary Counsel Report

Erin Baldwin presented the ODC report for information. There are thirty-eight open cases, with two cases pending hearing or agreement. Two cases been closed since the last report.

6. Application Hearings

Aaron Barnes

Aaron Barnes came before the board to request approval of his application for initial CPA licensure. The application could not be approved at staff level as the check box for “direct knowledge” of the applicant’s work was selected on the experience verification form. The Board has requested to hear any applications in which this option has been selected.

Motions

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

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.

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

7. New Business

A. Exposure Draft on Proposed Additional Pathway

An exposure draft was released by NASBA in September that details a proposal to add to the UAA an additional pathway to licensure that includes an additional year of experience using a competency-based framework. Responses to the draft are due in December should the Board choose to respond. Jayne Maas will draft a response to the exposure draft to be sent to Board staff to be presented for discussion and vote at the special called meeting on November 8th. Any other Board members with comments should also submit those to Board staff to be included.

B. NASBA CPE Audit Service Utilization

Administrator Susanna Sharpe presented a proposed implementation plan for the NASBA CPE Audit service. It is proposed that all CPE must be reported using the service starting with the 2025 calendar year. CPE submitted when pulled for audit or that is being requested by the Investigator must be submitted using the service effective immediately. The plan also outlined the proposed percent of licensees that will be pulled for audit for the 2024 and 2025 years.

Motion

Chris Huggins made a motion to approve the implementation plan that was presented. Jayne Maas seconded the motion, which carried unanimously.

C. Consent Agreement Parameters for CPE Violations

Motions

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

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

Chris Huggins made a motion to allow ODC staff to use the following parameters for drafting consent agreements for CPE deficiencies: For the first 20 hours deficient, a fine of \$100 per hour plus investigative costs and for deficiencies above 20 hours, a fine of \$250 per hour plus investigative costs. If there is a deficiency in more than one year, penalties apply to all years. Deficient hours must be made up within 6 months on a one to one basis. Chip Summers seconded the motion, which carried unanimously.

Bob Wood made a motion to clarify that the parameters are meant to replace the previous guidelines and can be used going forward as well as to resolve the pending cases. Charles Brooks seconded the motion, which carried unanimously.

Chris Huggins made a motion to delegate authority to the Board Chair to approve consent agreements so that they will not need to come before the full Board. Bob Wood seconded the motion, which carried unanimously.

8. Administrator's Report (Susanna Sharpe)

- licensee update was included in the board package. CPA Retired is the fastest growing license type with almost 200 at this time.
- financials were also included in the board package
- the 3rd quarter newsletter was included in the board package but has already been sent out via eblast
- informational items from recent NASBA emails were included in the package

9. Public Comment

There were no public comments.

10. Adjournment

With no further business to discuss, Chris Huggins made a motion to adjourn the meeting at 1:00 pm on October 24, 2024. Charles Brooks seconded the motion, which carried unanimously.