

MINUTES

SC Department of Labor, Licensing, & Regulation
Board of Accountancy

Board Meeting

October 23rd through 24th, 2018
SYNERGY OFFICE PARK
KINGSTREE BUILDING, ROOM 108
110 CENTERVIEW DRIVE
COLUMBIA, S.C. 29210

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 October 23, 2018, at 10:05am, with a quorum present. Other Board members present were: Charles Alvis, CPA, Vice Chair, Gale Bell, Accounting Practitioner, Mark Crocker, CPA, Tanya Greenlee, CPA, David Nichols, Accounting Practitioner, Ellen Adkins, CPA, Michael Putich, CPA, Bob Wood, Public Member, and Ron Hollins, Public Member. LLR staff members participating in the meeting included: Susanna Sharpe, CPA, Assistant Administrator, Chelsea Buchanan, Program Coordinator, Johnnie Rose, Program Assistant, Mary League, Advice Counsel, Courtney Crosby, Investigator, Sharon Wolfe and Rodney Pigford with the Office of Investigations and Enforcement, and Ashley Thompson, Prosecuting Attorney with the Office of Disciplinary Counsel.

2. Consideration of Excuses for Absences of Board Members

Motion

Ellen Adkins made a motion to excuse Brian Johnson, CPA, from the first meeting day and Bob Wood, Public Member from the second meeting day. Charles Alvis seconded the motion, which carried unanimously.

3. Adoption of Agenda

Motion

David Nichols made a motion to approve the agenda, making deviations as necessary. Tanya Greenlee seconded the motion, which carried unanimously.

4. Director Emily Farr

Agency Director Emily Farr spoke briefly to introduce herself and provide Board members her contact information.

5. Approval of August 21, 2018 and September 20, 2018 Meeting Minutes

Motion

Charles Alvis made a motion to approve the minutes of both meetings as presented. Ellen Adkins seconded the motion, which carried unanimously.

6. Office of Investigation Report

Sharon Wolfe briefed the Board on the OIE report. She reported that there are currently 21 active cases. 25 have been closed and as of October 3rd, 34 have been received since January 1, 2018. She also announced her retirement and introduced Rodney Pigford, who will be taking her place. He has been with LLR for 6 years.

Motion

Ellen Adkins made a motion to approve the IRC report. Charles Alvis seconded the motion, which carried unanimously.

7. Office of Disciplinary Counsel Report

Ashley Thompson presented a report for information. There are currently 16 open cases, 10 cases pending action, 6 pending hearings, and 4 have been closed since August 20th.

Agenda Item 14A was heard at this time due to volume of agenda items.

14A. Dan Dustin NASBA Board Relations

Dan Dustin from NASBA presented to update the Board on new and developing projects at NASBA, including continuous testing for the CPA exam, the NASBA CPETracker, etc. He also touched on some established tools NASBA offers to state Boards such as the Accountancy Licensee Database (ALD) and Accountancy Licensing Library.

9. Chair's Remarks

Todd Dailey spoke briefly about the upcoming NASBA annual conference scheduled for the end of October, which he, Vice Chair Charles Alvis, and Administrator Susanna Sharpe, and Michael Putich will attend. He then presented former Administrator Doris Cubitt with a plaque thanking her for her many years of dedicated service and congratulating her on her retirement.

Agenda Item 14D was heard at this time

14D. 3rd Quarter CPA Exam Scores

Motion

Gale Bell made a motion to approve the scores for the 3rd quarter 2018 CPA exam window. Michael Putich seconded the motion, which carried unanimously.

10. Application Hearings

A. Consideration of Tracy Clifford Consulting Firm Registration

Ms Clifford has applied to register a CPA firm called Tracy Clifford, CPA, which opened in 2015 without an approved firm registration.

Motion

Michael Putich made a motion to go into executive session for legal advice. Tanya Greenlee seconded the motion, which carried unanimously.

Motion

Charles Alvis made a motion to come out of executive session. Gale Bell seconded the motion, which carried unanimously. It is noted that no official actions were taken by the Board during executive session.

Motion

Bob Wood made a motion that the firm registration application be approved upon payment of \$150 in registration fees for 2015, 2016, and 2017. No penalties were assessed due to Ms. Clifford having self-reported.

B. Consideration of Caroline Lindler for Reciprocal License and In-State Firm Registration

Caroline Lindler applied for reciprocal licensure as a South Carolina CPA and registration for her firm, CHL Financial LLC. Ms. Lindler has been living and working in South Carolina as a firm since 2015 without having a SC CPA license or firm registration.

Motion

Charles Alvis made a motion to go into executive session for legal advice. Gale Bell seconded the motion, which carried unanimously.

Motion

Ellen Adkins made a motion to come out of executive session. David Nichols seconded the motion, which carried unanimously. It is noted that no official actions were taken by the Board during executive session.

Motion

Bob Wood made a motion to approve Ms. Lindler's CPA license application and firm registration without conditions due to the finding that she had not previously held out as a CPA licensed in South Carolina. Ron Hollins seconded the motion, which carried unanimously.

11. Memorandum of Agreements

A. Case 2013-18 and 2015-46

Motion

Tanya Greenlee made a motion to go into executive session for legal advice. Michael Putich seconded the motion, which carried unanimously.

Motion

Charles Alvis made a motion to come out of executive session. Ellen Adkins seconded the motion, which carried unanimously. It is noted that no official actions were taken by the Board during executive session.

Motion

Bob Wood made a motion as to the disposition of the case. Michael Putich seconded the motion, which carried unanimously. An order will be

reviewed and signed by the Board chair and will be posted on the Board's public website.

B. Case 2017-30 and 2018-12

Motion

Charles Alvis made a motion to go into executive session for legal advice. Ron Hollins seconded the motion, which carried unanimously.

Motion

David Nichols made a motion to come out of executive session. Ellen Adkins seconded the motion, which carried unanimously. It is noted that no official actions were taken by the Board during executive session.

Motion

Bob Wood made a motion as to the disposition of the case. Ron Hollins seconded the motion, which carried unanimously. An order will be reviewed and signed by the Board chair and will be posted on the Board's public website.

Motion

Charles Alvis made a motion to adjourn the October 23, 2018 meeting at 7:00p.m. and return the next day, October 24, 2018 at 9:00a.m. Ellen Adkins seconded the motion, which carried unanimously.

Reconvened on October 24th, 2018 at 9:00am.

Agenda Item 12, Assistant Administrator Report, was heard at this time.

12. Assistant Administrator's Report

Assistant Administrator Susanna Sharpe made a brief report on some recent topics.

-The Board received the financial report for recent months in their package. There were no questions on the report.

-The licensee report was presented to reflect the number of current licensees and firms.

-Ms. Sharpe mentioned the upcoming Oath Ceremony, which is scheduled for November 13th at the University of South Carolina Darla Moore Business School. She encouraged Board members to participate if possible and to submit suggestions for speakers that staff could reach out to.

-Also coming soon will be the opening of the 2019 renewals and it is anticipated the agency IT department may have a new feature to upload CPE reports available starting in January.

-Ms. Sharpe also reminded Board members to make sure they bring their badges to Board meetings, pointed out the Q3 newsletter that had gone out which included renewal tips, and updated Board members about the progress of the ethics course being created by NASBA's Center for the Public Trust.

-The Administrator position has been posted following the retirement of Doris Cubitt and Ms. Sharpe has submitted her application.

Agenda items 13A and E were heard at this time.

13A. Proposed Regulation Changes

Assistant Administrator Susanna Sharpe announced that after several meetings of the regulations committee, the proposed regulation changes were filed on October 12, 2018 and will be published in the state Register on October 26, 2018.

13E. SCACPA Proposed Legislative Changes

Assistant Administrator Susanna Sharpe presented the most recent draft of the proposed statute changes SCACPA intends to file in the upcoming session.

Agenda item 14C was heard at this time.

14C. Upcoming Meeting Schedule

Assistant administrator Susanna Sharpe explained that with less than 30 days between the upcoming December and January meetings, along with the intervening holidays and renewal period, preparing a January meeting would be very difficult. A quick February conference call meeting may be necessary to approve Q4 exam grades and staff will email prospective dates for voting. There is also a conflict with the April meeting date.

Motion

Ellen Adkins made a motion to cancel the January 2019 meeting but in the future schedule a January meeting while foregoing a December meeting, which is traditionally cancelled more often. Charles Alvis seconded the motion, which carried unanimously.

Motion

Charles Alvis made a motion to cancel the April 25th meeting and schedule the meeting for April 30th due to a scheduling conflict with the Board chair. Gale Bell seconded the motion, which carried unanimously.

Agenda Item 11C was heard at this time.

11C. Memorandum of Agreement

Case 2017-16

Motion

Ellen Adkins made a motion to go into executive session for legal advice. Michael Putich 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. It is noted that no official actions were taken by the Board during executive session.

Motion

Michael Putich made a motion as to the disposition of the case. David Nichols seconded the motion, which carried unanimously. An order will be reviewed and signed by the Board chair and will be posted on the Board's public website.

Items 13B, 13C, 13D, 14B, 14E, and 14F were tabled to be discussed at a later date.

15. Public Comment

No Public Comments

16. Adjournment

Motion

With no further business to be discussed at this time, Charles Alvis made a motion to adjourn the meeting at 11:30am on October 24, 2018. Gale Bell seconded the motion, which carried unanimously.