

MINUTES

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

Board Meeting

Thursday, June 22, 2017
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

Tanya Greenlee, CPA, Chair, was present and called the meeting of the South Carolina Board of Accountancy to order on June 22, 2017, at 10:05am, with a quorum present. Other Board members present were: Gale Bell, Accounting Practitioner, Todd Dailey, CPA, David Nichols, Accounting Practitioner, Bob Wood, Public Member, and Charles Alvis, CPA. LLR staff members participating in the meeting included: Doris Cubitt, CPA, Administrator, Chelsea Buchanan, Program Coordinator, Courtney Wise, Administrative Assistant, Courtney Crosby, CPA, Investigator, Mary League, Advice Counsel, and Prentiss Shealey and Donnell Jennings, Prosecuting Attorneys with the Office of Disciplinary Counsel.

2. Consideration of Excuses for Absences of Board Members

Motion

Charles Alvis made a motion to excuse Ellen Adkins, CPA, Vice Chair, Michael Putich, CPA, Mark Crocker, CPA, Brian Johnson, CPA, and Ron Hollins, Public Member. Gale Bell seconded the motion. Motion carried unanimously.

3. Adoption of Agenda

Motion

David Nichols made a motion to approve the agenda having postponed the election of officers to the August meeting. Charles Alvis seconded the motion. Motion carried unanimously.

4. Approval of Meeting Minutes

Motion

Charles Alvis made a motion to approve the minutes of the April meeting as presented. David Nichols seconded the motion. Motion carried unanimously.

5. Office of Investigation Report

Sharon Wolfe briefed the Board on the OIE report. She reported that fourteen new complaints have been received as of June 15th. There are nine cases currently active, and six have been closed. There was no IRC report to present. She also introduced the new Investigator for the Board, Courtney Crosby, CPA.

6. Office of Disciplinary Counsel Report

Donnell Jennings presented a report for information. There are currently 30 open cases, 20 pending action, 12 pending consent agreements or memorandum of agreements, and one case was dismissed this morning. He mentioned that he hopes to eliminate some of the less complex cases very quickly as well as work on some of the older cases.

7. Chair's Remarks

Tanya Greenlee welcomed the Board members present and the new staff participating in the meeting, including Courtney Crosby, CPA, Investigator to the Board, and Courtney Wise, Administrative Assistant.

8. New Business

Consideration of Applications for South Carolina CPA Licensure

A. Diana Haran

Diana Haran is a licensed CPA in Ohio who is applying for reciprocity in South Carolina. It was found that she had registered for a PTIN number for tax purposes with a South Carolina address and has been living and working in South Carolina as a firm without an individual license or firm registration.

Motion

Todd Dailey made a motion to go into executive session for legal advice. Charles Alvis seconded the motion. Motion carried unanimously.

Motion

Todd Dailey 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

Charles Alvis made a motion to approve Diana Haran's application for licensure as well as in-state firm registration pending payment of \$1,500 for individual license and \$1,500 for firm registration. Gale Bell seconded the motion. Motion carried unanimously.

B. Brian David Moore

Brian David Moore is applying for reciprocity from Ohio and although he answered "no" to a criminal history question on the application, the results of his background search revealed prior history.

Motion

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

Motion

Charles Alvis made a motion to come out of executive session. Todd Dailey 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 hearing for licensure be deferred until the applicant can provide more information on his criminal history and his decision on how to answer the application question. David Nichols seconded the motion. Motion carried unanimously.

Consideration of Applications for In State Firm Registration

C. Tejal J. Jones CPA

Tejal Jones has been a licensed CPA in South Carolina since 1997. She began operating as a firm in 2013 without a firm registration.

Motion

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

Motion

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

Motion

Charles Alvis made a motion to approve the application for registration of an in state firm pending payment of \$500. Gale Bell seconded the motion, which carried unanimously.

D. Amy S Davis LLC

Amy Davis has been a licensed CPA in South Carolina since 2013. She began operating as a firm in 2014 without a firm registration.

Motion

Charles Alvis made a motion to go into executive session for legal advice. Todd Dailey 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. It is noted that no official actions were taken by the Board during executive session.

Motion

Bob Wood made a motion to approve the application for registration of an in state firm pending payment of \$400. Gale Bell seconded the motion, which carried unanimously.

E. Mears Tax Service LLC

Charles Gatchell, owner of Mears Tax Service LLC, has been a licensed CPA in South Carolina since 2002. He began operating as a firm in spring 2016 without a firm registration.

Motion

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

Motion

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

Motion

Gale Bell made a motion to approve the application for in state firm registration pending payment of \$150. David Nichols seconded the motion, which carried unanimously.

9. Consideration of Consent Agreements

A. Case No. 2016-25

Motion

David Nichols made a motion to approve the consent agreement. Gale Bell seconded the motion. Motion carried unanimously.

Case No. 2016-34 was deferred due to lack of a quorum because a Board member would need to recuse himself from the vote. It was decided to go ahead with Item 12, Old Business, until the parties involved in the Memorandum of Agreement hearing returned.

10. Old Business

A. Proposed Exposure Draft of Title Language Changes

Administrator Doris Cubitt spoke to the Board about the AICPA proposing the release of an exposure draft suggesting changes to the UAA concerning the use of titles such as CGMA. She mentioned that some states have submitted written oppositions to the language change and that it has been suggested states who do not respond at all are in favor of the changes. The Board asked that this be put on the August meeting agenda for further discussion.

B. CPA Exam Score Delay Extensions

Administrator Doris Cubitt informed the Board about potential upcoming requests for extensions of the 18-month window to pass all parts of the CPA exam. Due the delay in releasing scores from the second quarter 2017 testing window, some test-takers who have a section expiring in the third quarter would not find out their scores in time to take the section again should they have failed it in the second quarter. The issue will be on the August agenda as scores will likely have been released at that time and the number of affected test-takers will be known.

Item C was discussed after the Memorandum of Agreement Hearing

C. Peer Review Exposure Draft

Mrs. Cubitt mentioned that the AICPA's Peer Review Exposure Draft is still an issue and that the deadline for responses is coming up. Some states have submitted written responses and the response from NASBA encouraged that state Boards want oversight over the process and that the process needs to be transparent. She also mentioned that while peer review was handled by SCACPA in the past, SCACPA has now handed that off to the state of Illinois and that Board staff hopes to start receiving more feedback from them about the implementation.

11. Memorandum of Agreement

A. Case No. 2015-32

Motion

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

Motion

Charles Alvis 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 that the Board accept the memorandum of agreement, finding that all alleged violations did occur, and that respondent should be subject to a public reprimand, three years probation, within 6 months of receiving the order must complete 16 hours of tax practice management CPE in addition to the annual 40 hour reporting requirement and which must be approved by Board staff, and within 90 days of receiving the order must pay a fine of \$2,500. Failure to comply with these sanctions could result in further appearance before the Board. Charles Alvis seconded the motion, which carried unanimously.

12. Administrator's Report

Administrator Doris Cubitt addressed the Board about the following topics:
-Board staff has undergone significant changes but the Board Investigator position has been filled by Courtney Crosby, CPA.

-The November 9th meeting has been cancelled and October 25th has been reserved to accommodate hearings if needed, in addition to the regularly scheduled October 24th meeting.

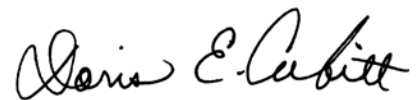
13. Public Comment
No Public Comments

14. Adjournment
Motion

With no further business to be discussed at this time, Charles Alvis made a motion to adjourn the meeting. David Nichols seconded the motion, which carried unanimously.

The June 22, 2017 meeting of the SC Board of Accountancy adjourned at 2:57 pm.

Respectfully submitted,



Doris E Cubitt, CPA
Administrator

Approved at the August 24, 2017 Board Meeting.

Tanya Greenlee, Chair