

**Alabama State Board of Public Accountancy
Minutes of Board Meeting
January 19, 2018**

1. Date, Place and Attendance of Meeting:

A regular meeting of the Alabama State Board of Public Accountancy was held on Friday, January 19, 2018, in the office of the Board, located in Montgomery, Alabama at 10:00 a.m.

Board Members Present: Mr. Steven M. Barranco, CPA
Mr. J. Earl Blackmon, CPA
Mr. Michael Terry Comer, PA
Dr. Steve Grice, CPA
Mr. Delbert Madison
Mr. Wim Schaffers, CPA
Ms. Connie Sheppard-Harris, CPA

A lawful quorum of the Board was present for the meeting.

Also present were D. Boyd Busby, Executive Director; Carol J. Preston, Deputy Executive Director; Nicole T. Robinson, CPE Administrator; Billington Garrett, Assistant Attorney General; Charles Jordan, Board Consultant; and Jeannine P. Birmingham, President and CEO of the Alabama Society of CPAs.

Sufficient prior notice of the meeting had been given as required by the Alabama Open Meetings Act.

2. Call to Order:

The meeting was called to order by Connie Sheppard-Harris, CPA, Chair.

3. Approval of Agenda:

Mr. Grice made a motion to approve the agenda as presented for the January 19, 2018 meeting with a change in the order of disciplinary cases. Mr. Blackmon seconded and the motion carried unanimously.

4. Approval of Minutes:

Mr. Barranco made a motion to approve the minutes of the November 15, 2017 meeting. Mr. Schaffers seconded and the motion carried unanimously.

5. Disciplinary Cases:

a. Disciplinary Case No. 17-21—Donald E. Turnbow , CPA, Certificate No. 6823:

Ms. Kathy Brown, Esq., Governmental Hearing Officer served as hearing officer and presided over the disciplinary hearing for Mr. Donald E. Turnbow, CPA. Mr. Turnbow attended the hearing and represented himself. At the conclusion of the hearing, Mr. Grice made a motion to go into Executive Session to deliberate on a contested case. Mr. Madison seconded and the motion carried on a roll call vote. Voting in favor of the motion were Ms. Sheppard-Harris, Messrs. Barranco, Comer, Grice, Madison, and Schaffers. Mr. Blackmon abstained. Qualified Board members excused themselves at 10:49 a.m. to deliberate with an estimated time of 10 minutes needed to discuss the matter. The Board then deliberated in Executive Session. After deliberation, at 11:10 a.m., Ms. Sheppard-Harris called the meeting back to order and called for a motion in the matter. Mr. Barranco made a motion that the Board find Mr. Donald E. Turnbow guilty of all charges in the summons and complaint and that the Board revoke his CPA Certificate number 6823. He further moved that Mr. Turnbow be fined \$2,000.00 per count, effective in two weeks if Mr. Turnbow does not produce all of the documents in the exhibits to his client to the satisfaction and proof of Mr. Busby. Mr. Grice seconded and the motion carried on a roll call vote. Voting in favor of the motion were Ms. Sheppard-Harris, Messrs. Barranco, Comer, Grice, Madison, and Schaffers. Mr. Blackmon abstained. The Board's Order, Summons and Complaint, and the transcript of the hearing are attached and become a part of these minutes.

b. Disciplinary Case No. 17-25—Kenneth E. Wilder, PA, Certificate No. 383:

Ms. Kathy Brown, Esq., Governmental Hearing Officer served as hearing officer and presided over the disciplinary hearing for Mr. Kenneth E. Wilder, PA. Mr. Wilder attended the hearing and represented himself. At the conclusion of the hearing, Mr. Schaffers made a motion to go into Executive Session to deliberate on a contested case. Mr. Barranco seconded and the motion carried on a roll call vote. Voting in favor of the motion were Ms. Sheppard-Harris, Messrs. Barranco, Blackmon, Comer, Madison, and Schaffers. Mr. Grice abstained. Qualified Board members excused themselves at 11:28 a.m. to deliberate with an estimated time of 10 minutes needed to discuss the matter. The Board then deliberated in Executive Session. After deliberation, at 11:35 a.m., Ms. Sheppard-Harris called the meeting back to order and called for a motion in the matter. Mr. Schaffers made a motion that the Board find Mr. Kenneth E. Wilder guilty of all charges in the summons and complaint and that the Board revoke his PA Certificate number 383. He further moved that Mr. Wilder be fined \$2,000.00 per count and that the revoked certificate be returned to the Board office within 30 days of this date. Mr. Barranco seconded and the motion carried on a roll call vote. Voting in favor of the motion were Ms. Sheppard-Harris, Messrs. Barranco, Blackmon, Comer, Madison, and Schaffers. Mr. Grice abstained. The Board's Order, Summons and Complaint, and the transcript of the hearing are attached and become a part of these minutes.

c. Disciplinary Case No. 17CPE-5—Charles R. Kirkpatrick, CPA, Certificate No. 8601-R:

Ms. Kathy Brown, Esq., Governmental Hearing Officer served as hearing officer and presided over the disciplinary hearing for Mr. Charles Kirkpatrick, CPA. Mr. Kirkpatrick did not attend the hearing and it was conducted in his absence. At the conclusion of the hearing, Mr. Grice made a motion that the Board find Mr. Charles Kirkpatrick guilty of all charges in the summons and

complaint and that the Board revoke his CPA Certificate No. 8601-R. He further moved that Mr. Kirkpatrick be fined \$2,000.00 per count for a total of \$6,000.00. Mr. Schaffers seconded and the motion carried on a roll call vote. Voting in favor of the motion were Messrs. Barranco, Blackmon, Comer, Grice, Madison, Schaffers and Ms. Sheppard-Harris. The Board's Order, Summons and Complaint, and the transcript of the hearing are attached and become a part of these minutes.

d. Disciplinary Case No. 17-20—Michael V. Noyes, CPA, Certificate No. 2148:

Ms. Kathy Brown, Esq., Governmental Hearing Officer served as hearing officer and presided over the disciplinary hearing for Mr. Michael Noyes, CPA. Mr. Noyes did not attend the hearing and it was conducted in his absence. Ms. Sheppard-Harris recused, and Mr. Blackmon was acting chair for the hearing. At the conclusion of the hearing, Mr. Grice made a motion that the Board find Mr. Michael Noyes guilty of all charges in the summons and complaint and that the Board revoke his CPA Certificate No. 2148. He further moved that Mr. Noyes be fined \$3,000.00 per count for a total of \$15,000.00. Mr. Comer seconded and the motion carried on a roll call vote. Voting in favor of the motion were Messrs. Barranco, Blackmon, Comer, Grice, Madison, and Schaffers. Ms. Sheppard-Harris recused. The Board's Order, Summons and Complaint, and the transcript of the hearing are attached and become a part of these minutes.

6. Disciplinary Hearings on Delinquent 2016-2017 Annual Registrations:

Ms. Sheppard-Harris turned the meeting over to Kathy Brown, Esq., Governmental Hearing Officer, to serve as hearing officer and preside over the disciplinary hearings for licensees with delinquent 2016-2017 annual registrations. None of the respondents attended the hearings and the hearings were conducted in their absence. At the conclusion of the hearings, Mr. Grice made a motion that the Board find each respondent listed on Board Exhibit No. 1 guilty of all charges in the Summons and Complaints. He further moved that the license, registration, certificate and/or permit to practice of each of the respondents listed on Board Exhibit No. 1 be revoked, that each respondent be fined \$2,000.00 and that each respondent return the revoked certificate and/or permit to practice to the Board office within 30 days of this date. Mr. Schaffers seconded and the motion carried unanimously on a roll call vote. Voting in favor of the motion were Messrs. Barranco, Blackmon, Comer, Grice, Madison, Schaffers and Ms. Sheppard-Harris. The Board's Order, Summons and Complaint, and the transcript of the hearing are attached and become a part of these minutes. The 13 CPAs who had Delinquent 2016-2017 registrations and who had disciplinary action taken against them are as follows:

CERTIFIED PUBLIC ACCOUNTANTS

<u>Case No.</u>	<u>Licensee</u>	<u>Certificate No.</u>
18D-2	Reena J. Allen	7401
18D-11	Charles A. Bryant	4724
18D-14	Andrew Leach Cash	11931-R
18D-20	Jimmy Wayne Dismukes	6524
18D-26	Mark Damon Gorski	4845-R
18D-32	Sheila Williams Hester	6300
18D-38	Tae Soo Jung	12393-R

18D-50	Nicholas Lamar MacDonald	6306-R
18D-53	Elaine Bowden Merritt	9853
18D-56	Patrick Jay Myers	10669
18D-61	Julia Pike Pitre	4170-R
18D-71	Emily Pickett Schroll	12664-R
18D-78	Mary Elizabeth Terrell	11024-R

7. Additional Disciplinary Cases:

a. Disciplinary Case No. 16-24—Jesse S. Ellis, CPA 3648

Mr. Busby presented a consent agreement for Mr. Jesse S. Ellis in which Mr. Ellis waived his right to a formal hearing and agreed to a censure. The consent order also included Mr. Ellis' agreement to payment of an administrative fine in the amount of \$5,000.00. Mr. Grice made a motion that the Board adopt the consent agreement with regard to Mr. Jesse S. Ellis, CPA certificate No. 3648. Mr. Barranco seconded and the motion carried on a roll call vote. Voting in favor of the motion were Messrs. Barranco, Blackmon, Comer, Grice, Madison, and Schaffers. Ms. Sheppard-Harris recused. The Board's Consent Agreement is attached and becomes a part of these minutes.

b. Disciplinary Case No. 17-24—Richard A. Henderson, CPA 3539

Mr. Busby presented a consent agreement for Mr. Richard A. Henderson in which Mr. Henderson waived his right to a formal hearing and agreed to a censure. The consent order also included Mr. Henderson's agreement to payment of an administrative fine in the amount of \$5,000.00. Mr. Grice made a motion that the Board adopt the consent agreement with regard to Mr. Richard A. Henderson, CPA certificate No. 3539. Mr. Blackmon seconded and the motion carried on a roll call vote. Voting in favor of the motion were Messrs. Barranco, Blackmon, Comer, Grice, Madison, and Schaffers. Ms. Sheppard-Harris recused. The Board's Consent Agreement is attached and becomes a part of these minutes.

8. Request for Reinstatement—James Eric Hallmark, CPA, Certificate No. 4839:

Mr. Busby presented a letter from James Eric Hallmark, CPA Certificate No. 4839, requesting reinstatement to inactive status. His reinstatement request included all of the completed forms and fees that the Board had decided at their March 21, 1997 meeting would be necessary to gain favorable consideration for reinstatement. Mr. Hallmark did not attend the hearing and it was conducted in his absence. Mr. Hallmark's written request also included the required assertion on felonies, a completed 2017-2018 personal registration form, and payment in the amount of \$2,150.00. The payment comprised the reinstatement fee of \$100.00; the \$2,000.00 administrative fine levied in the Board's Order; and the \$50.00 registration fee for the fiscal year 2017-2018. After discussion, Mr. Schaffers made a motion to reinstate Mr. Hallmark's CPA Certificate No. 4839 to inactive status. Mr. Comer seconded and the motion carried on a roll call vote. Voting in favor of the motion were Messrs. Barranco, Blackmon, Comer, Grice, Madison, Schaffers and Ms. Sheppard-Harris.

9. Executive Director's Update & Report on Activities:

(a) Update on enforcement activities:

Mr. Busby updated the Board on enforcement activities over the past year. Mr. Busby provided the Board with statistical data regarding the number of visits made and the results found.

(b) Examiner's Audit—Legal Review:

Mr. Busby updated the Board on findings from the Examiners and steps the Board has taken to avoid these situations in the future.

(c) Annual Registration Update:

Mr. Busby updated the Board on changes made to the annual registration process.

(d) General Website Update:

Mr. Busby updated the Board on changes made to the website to reduce confusion and make as user friendly as possible.

(e) Online CPA Exam Applications:

Mr. Busby informed the Board of the goal to have our CPA exam application online by the fall of 2018.

(f) Scanning Project:

Mr. Busby updated the Board on the progress of scanning files in the office.

10. Memo from the Education Task Force:

Mr. Busby updated the Board on the recommendations made by the Education Task Force. The Task Force recommended that the Board eliminate class specific requirements, but maintain the same hour requirements. The Board requested that Mr. Busby begin the rule making process to make these changes.

11. Review of UAA CPE Model Rules:

Mr. Busby presented a summary of changes made to the UAA CPE Model Rules and Board staff recommendations regarding possible changes to the Board Rules.

12. Update on Proposed Bill:

Mr. Busby updated the Board on the progress of Senate Bill 29 and House Bill 82 making changes to Board Statute.

13. Final Approval of Rule Changes:

Ms. Sheppard-Harris opened the meeting to a public hearing to discuss the final approval of rule changes.

Mr. Busby presented the final rule change to Section 30-X-6-.01(1) of the Board's Rules. There were no comments made regarding the proposed changes to the Board's Rules. Mr. Grice made a motion to adopt the final rule changes for Section 30-X-6-.01(1) of the Board's Rules. Mr. Schaffers seconded and the motion carried on a roll call vote. Voting in favor of the motion were Messrs. Barranco, Blackmon, Comer, Grice, Madison, Schaffers, and Ms. Sheppard-Harris.

Mr. Busby presented the final rule change to Section 30-X-6-.05(6) of the Board's Rules. There were no comments made regarding the proposed changes to the Board's Rules. Mr. Grice made a motion to adopt the final rule changes for Section 30-X-6-.05(6) of the Board's Rules. Mr. Schaffers seconded and the motion carried on a roll call vote. Voting in favor of the motion were Messrs. Barranco, Blackmon, Comer, Grice, Madison, Schaffers, and Ms. Sheppard-Harris.

Ms. Sheppard-Harris ended the public hearing portion of the meeting.

14. Approval of Rule Change:

Mr. Busby presented proposed changes to Section 30-X-2-.01 of the Board's Rules. Mr. Blackmon made a motion that the Executive Director and the Board Counsel proceed with the rulemaking procedures required in the Alabama Administrative Procedures Act to effect the adoption of the proposed amendments to Board Rule 30-X-2-.01. Mr. Comer seconded and the motion carried on a roll call vote. Voting in favor of the motion were Messrs. Barranco, Blackmon, Comer, Grice, Madison, Schaffers, and Ms. Sheppard-Harris.

15. Approval of October-November-December 2017 CPA Examination Grades:

The Board was presented with the AICPA Advisory Grades for the October – December 2017 Uniform CPA Examination. After review, Mr. Grice made a motion to approve the grades as released to candidates on January 5, 2018. Mr. Madison seconded and the motion carried unanimously.

16. Approval of New CPA Certificates:

Mr. Madison made a motion to approve new CPA Certificates No. 13263 through 13326. Mr. Barranco seconded and the motion carried unanimously.

17. Alabama CPA Examination Statistics:

A statistical summary of the Alabama CPA Examination was presented to the Board. A brief discussion ensued but no action was taken.

18. Peer Review Delinquencies Update December 31, 2016:

A statistical summary of Delinquent Peer Reviews as of December 31, 2016 was presented to the Board. A brief discussion ensued but no action was taken.

19. Complaints Update:

A complaints summary for FY 2009-2010 through 2017-2018 was presented to the Board. A brief discussion ensued but no action was taken.

20. Licensee Count:

A statistical summary of the number of Board licensees by category was presented to the Board. A brief discussion ensued but no action was taken.

21. Other Business:

(a) Increase in General Liability for Board Members:

Mr. Busby updated the Board on an increase in general liability for Board members.

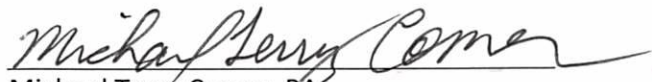
(b) Discussion on Travel Restrictions/Non-Allowed Expenses:

Mr. Busby updated the Board on travel restrictions and non-allowed expenses.

22. Adjournment of Meeting:


The next meeting of the Board is scheduled for Friday, March 23, 2018 at 10:00 a.m. in the Board's office. There being no further business to come before the Board, Mr. Madison made a motion to adjourn. Mr. Blackmon seconded and the motion carried unanimously. The meeting adjourned at 2:44 p.m.

Respectfully Submitted:



Michael Terry Comer, PA
Secretary

Approved:



Connie Sheppard-Harris, CPA
Chair