

**Alabama State Board of Public Accountancy
Minutes of Board Meeting
May 12, 2017**

1. Date, Place and Attendance of Meeting:

A regular meeting of the Alabama State Board of Public Accountancy was held on Friday, May 12, 2017 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
Mr. Delbert Madison
Ms. Connie Sheppard-Harris, CPA
Mr. M. Chad Singletary, CPA

Board Members Absent: Dr. Steve Grice, 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; and Billington M. Garrett, Assistant Attorney General.

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 M. Chad Singletary, CPA, Chair.

3. Approval of Agenda:

Mr. Barranco made a motion to approve the agenda as presented for the May 12, 2017 meeting. Mr. Comer seconded and the motion carried unanimously.

4. Approval of Minutes:

Mr. Barranco made a motion to approve the minutes of the March 10, 2017 meeting. Ms. Sheppard-Harris seconded and the motion carried unanimously.

5. Disciplinary Cases:

a. Disciplinary Case No. 17-6 – W. Thomas King, Certificate No. 1064:

Mr. Busby presented a consent agreement signed by Mr. W. Thomas King in which Mr. King waived his right to a formal hearing and agreed to a censure. The consent order also included

Mr. King's payment of an administrative fine in the amount of \$1,000.00 per violation for a total of \$5,000.00. Ms. Sheppard-Harris made a motion that the Board adopt the consent agreement with regard to Mr. W. Thomas King, CPA certificate No. 1064. Mr. Comer seconded and the motion carried on a roll call vote with Ms. Sheppard-Harris, Messrs. Barranco, Comer, Madison and Singletary voting in favor of the motion. Mr. Blackmon recused. The Board's Consent Agreement is attached and becomes a part of these minutes.

b. Disciplinary Case No. 17-9 – Steven T. Downey, Certificate No. 3038-R:

Mr. Busby presented a consent agreement signed by Mr. Steven T. Downey, in which Mr. Downey waived his right to a formal hearing and agreed to the revocation of his Alabama CPA certificate No. 3038-R. The consent order also included an agreement for Mr. Downey to pay a \$500.00 Administrative fine within thirty days of acceptance of the settlement. Ms. Sheppard-Harris made a motion that the Board adopt the consent agreement with regard to Mr. Steven T. Downey, CPA certificate No. 3038-R. Mr. Comer seconded and the motion carried on a roll call vote with Ms. Sheppard-Harris, Messrs. Blackmon, Comer, Madison and Singletary voting in favor of the motion. Mr. Barranco recused. The Board's Consent Agreement is attached and becomes a part of these minutes.

6. Request for Reinstatement – Stephanie Schuchardt:

Mr. Busby presented a letter from Stephanie Schuchardt, CPA Certificate No. 7507 requesting reinstatement to active status. Her reinstatement request included all 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. Ms. Schuchardt did not attend the hearing and it was conducted in her absence. Ms. Schuchardt's written request also included completed 2016-2017 Registration Form electing active status, certificates of completion evidencing completion of 120 hours of catch-up CPE, and cashier's check in the amount of \$175.00. The cashier's check comprised the reinstatement fee of \$100.00 and the \$75.00 registration fee. After discussion, Mr. Barranco made a motion to reinstate Ms. Schuchardt's CPA Certificate No. 7507 to active status, subject to all the required fees and fines levied by the Board being paid. Mr. Comer seconded the motion and it carried unanimously on a roll call vote with Ms. Sheppard-Harris, Messrs. Barranco, Blackmon, Comer, Madison and Singletary voting in favor of the motion. Ms. Schuchardt paid all the required fees and fines levied by the Board along with her reinstatement request.

7. Request for Reinstatement – Jacob Paul Odom:

Mr. Busby presented a letter from Jacob Paul Odom, CPA Certificate No. 9800 requesting reinstatement to inactive status. His reinstatement request included all 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. Odom did not attend the hearing and it was conducted in his absence. Mr. Odom's written request also included completed 2016-2017 Registration Form electing inactive status and cashier's check in the amount of \$700.00. The cashier's check comprised the reinstatement fee of \$100.00 and \$600.00 for late renewal penalty and personal registration fees for the fiscal years 2015-2016 through 2016-2017. After

discussion, Mr. Barranco made a motion to reinstate Mr. Odom's CPA Certificate No. 9800 to inactive status, subject to all the required fees and fines levied by the Board being paid. Ms. Sheppard-Harris seconded the motion and it carried unanimously on a roll call vote with Messrs. Barranco, Blackmon, Comer, Madison, Singletary, and Ms. Sheppard-Harris voting in favor of the motion. Mr. Odom paid all the required fees and fines levied by the Board along with his reinstatement request.

8. Request for Reinstatement – Eddie Owen Nabors:

Mr. Busby presented a letter from Eddie Owen Nabors, CPA Certificate No. 1911, requesting reinstatement to inactive status. His reinstatement request included all 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. Nabors did not attend the hearing and it was conducted in his absence. Mr. Nabors' written request also included a completed 2016-2017 personal registration form, and payment in the amount of \$6,425.00. The payment comprised the reinstatement fee of \$100.00; the \$500.00 administrative fine levied in the Board's Order; the \$825.00 registration fees for the fiscal years 1994-1995 through 2016-2017; and late renewal penalties of \$5,000.00 for the fiscal years 1991-1992 through 2016-2017. After discussion, Ms. Sheppard-Harris made a motion to reinstate Mr. Nabors' CPA Certificate No 1911 to inactive status and reduce the late renewal penalties to \$5,000.00. Mr. Blackmon seconded the motion and it carried unanimously on a roll call vote with Messrs. Barranco, Blackmon, Comer, Madison, Singletary, and Ms. Sheppard-Harris voting in favor of the motion. Mr. Nabors paid all the required fees and fines levied by the Board along with his reinstatement request.

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

(a) Continued Enforcement Activities

Mr. Busby updated the Board on continued enforcement activities. He informed the Board of site visits that he had made and of the focus of future site visits for revoked CPAs or non-CPAs holding themselves out as CPAs.

(b) Licensing System

Mr. Busby updated the Board on the progress of moving back to Access.

(c) Scanning Software

Mr. Busby informed the Board that the scanning software had been purchased and the scanning would be completed in-house.

(d) California Board Review for Firm Mobility

Mr. Busby informed the Board that moving back to Access database would provide the opportunity for adding the required disciplinary flag that would put the Board in compliance with California's requirements.

(e) Items Discussed at NASBA ED Meeting

Mr. Busby updated the Board on topics discussed at the NASBA ED Meeting.

(f) **CGMA Designation**

Mr. Busby updated the Board on possible inclusion of the CGMA designation in the UAA and the possible effects such a change could have on the Board.

(g) **Statute and Rule Changes for 2017-2018**

Mr. Busby discussed areas of the Statute and Rules that would need to be updated in the coming months.

10. **Regulatory Challenges:**

Mr. Busby updated the Board on regulatory challenges facing boards across the nation.

11. **Board Statement on CPAs/Firms Providing Services to Marijuana Industry:**

Mr. Busby discussed a possible need for a Board statement regarding action the Board may or may not take against CPAs and firms providing services to the marijuana industry. He also presented potential statements for the Board to consider.

12. **Review Retirement Language and UAA Model Rules:**

Mr. Busby presented to the Board a proposed change to the Rules regarding retired CPAs with respect to changes in the UAA Model Rules. The Board will review these possible changes again in September.

13. **Committee to Study Education Requirements to Sit for CPA Exam:**

Mr. Busby asked the Board to consider creating a committee to study the education requirements to sit for the CPA exam. The Board agreed on the creation of the committee, naming Dr. Steve Grice serving as chair. Dr. Grice is to work with Mr. Busby on adding committee members and report back to the Board on their progress.

14. **Draft UAA Model Rules for Continuing Professional Education:**

Mr. Busby presented to the Board the UAA Model Rules draft regarding CPE and a comparison of the UAA changes to the Board Rules. The Board will review these possible changes again after the final UAA draft is released.

15. **Review of Late Filing Actions by Jurisdiction - Timing:**

Mr. Busby presented the Board with a breakdown of late fees by jurisdiction regarding timing of fees. A brief discussion ensued but no action was taken.

16. **Approval of New CPA Certificates No. 12952 to 13125-R:**

Mr. Comer made a motion to approve new CPA Certificates No. 12952 through 13125-R. Mr. Madison seconded and the motion carried unanimously.

17. Approval of January-February-March 2017 CPA Examination Grades:

The Board was presented with the AICPA Advisory Grades for the January – February -- March 2017 Uniform CPA Examination for review. After review, Mr. Barranco made a motion to approve the grades as released to candidates on March 3, 2017 and March 31, 2017. Ms. Sheppard-Harris seconded and the motion carried unanimously.

18. 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.

19. New Certificates by Transfer of Grades:

A statistical summary of new certificates by transfer of grades was presented to the Board for review. A brief discussion ensued but no action was taken.

20. FY 2016-2017 Delinquencies Update:

A statistical summary of FY 2016-2017 delinquent licensees was presented to the Board. A brief discussion ensued but no action was taken.

21. Peer Review Delinquencies Update at December 31, 2016:

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

22. Complaints Update:

A complaints summary for FY 2009-2010 through 2016-2017 was presented to the Board. A brief discussion ensued but no action was taken.

23. 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.

24. Adjournment of Meeting:

The next meeting of the Board is scheduled for Monday, September 18, 2017 at 10:00 a.m. on the campus of Troy University. There being no further business to come before the Board, Mr. Comer made a motion to adjourn. Mr. Madison seconded and the motion carried unanimously. The meeting adjourned at 1:17 p.m.

Respectfully Submitted:



Delbert Madison
Secretary

Approved:



M. Chad Singletary, CPA
Chair