

**Alabama State Board of Public Accountancy
Minutes of Board Meeting
November 15, 2017**

1. Date, Place and Attendance of Meeting:

A regular meeting of the Alabama State Board of Public Accountancy was held on Friday, November 15, 2017, at the University of Alabama, Tuscaloosa, 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; Amy Thompson, Senior Accountant; Anna M. Baker, Exam Coordinator; Nicole T. Robinson, CPE Administrator; Mary Goldthwaite, 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, Acting Chair.

3. Approval of Agenda:

Mr. Comer made a motion to approve the agenda as presented for the November 15, 2017 meeting. Mr. Barranco seconded and the motion carried unanimously.

4. Approval of Minutes:

Mr. Grice made a motion to approve the minutes of the September 18, 2017 meeting. Mr. Blackmon seconded and the motion carried unanimously.

5. Election of Officers:

Mr. Barranco nominated Ms. Sheppard-Harris, Chair; Mr. Blackmon, Vice Chair and Mr. Comer, Secretary. Mr. Grice seconded and the motion carried unanimously. The newly elected officers acceded to their respective offices immediately.

6. Disciplinary Cases:

a. Disciplinary Case No. 17-1 – Jimmy C. Kubina, CPA, Certificate No. 1979:

Mr. Busby presented a consent agreement signed by Mr. Jimmy C. Kubina in which Mr. Kubina waived his right to a formal hearing and agreed to a censure. The consent order also included Mr. Kubina's payment of an administrative fine in the amount of \$1,000.00. Mr. Barranco made a motion to go into Executive Session to discuss the general reputation and character of Mr. Kubina. Mr. Schaffers seconded and the motion carried on a roll call vote. Voting in favor of the motion were Messrs. Barranco, Comer, Grice, Madison, Schaffers and Ms. Sheppard-Harris. Mr. Blackmon recused. Qualified Board members excused themselves at 10:29 a.m. with an estimated time of ten minutes needed to discuss the matter, and then the Board deliberated in Executive Session. After deliberation, at 10:37 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 adopt the consent agreement with regard to Mr. Jimmy C. Kubina, CPA certificate No. 2139, amending it to exclude the censure. Mr. Grice seconded and the motion carried on a roll call vote. Voting in favor of the motion were Messrs. Barranco, Comer, Grice, Madison, Schaffers, and Ms. Sheppard-Harris. Mr. Blackmon recused. The Board's Consent Agreement is attached and becomes a part of these minutes.

b. Disciplinary Case No. 17-18—Kara Wren Myers, CPA, Certificate No. 8426:

Mr. Busby presented a verbal consent agreement negotiated by Ms. Kara Wren Myers' attorney Mr. William N. Clark, in which Ms. Myers pled guilty to count one of the summons and complaint and agreed to the revocation of her Alabama CPA certificate No. 8426. The verbal consent also included an agreement for Ms. Myers to pay a \$5,000.00 Administrative fine within twelve months of acceptance of the settlement. Mr. Grice made a motion that the Board adopt the consent agreement with regard to Ms. Kara Wren Myers, CPA certificate No. 8426. Mr. Madison seconded and the motion carried on a roll call vote. Voting in favor of the motion were Messrs. Blackmon, Comer, Grice, Madison, Schaffers and Ms. Sheppard-Harris. Mr. Barranco recused.

c. Disciplinary Case No. 17-19—Steven R. Wakefield, CPA, Certificate No. 5126:

Mr. Randy Salle, Esq., Governmental Hearing Officer served as hearing officer and presided over the disciplinary hearing for Mr. Steven R. Wakefield, CPA. Mr. Wakefield did not attend the hearing and it was conducted in his absence. At the conclusion of the hearing, Mr. Madison made a motion to go into Executive Session to discuss the general reputation and character of Mr. Wakefield. Mr. Blackmon seconded and the motion carried on a roll call vote. Voting in favor of the motion were Messrs. Blackmon, Comer, Grice, Madison, Schaffers and Ms. Sheppard-Harris. Mr. Barranco recused. Qualified Board members excused themselves at 11:09 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 11:15 a.m., Ms. Sheppard-Harris called the meeting back to order and called for a motion in the matter. Mr. Grice made a motion that the Board find Mr. Steven R. Wakefield guilty of all charges in the summons and complaint and that the Board revoke his CPA Certificate number 5126. He further moved that Mr. Wakefield be

fined \$5,000.00 per count and that the revoked certificate and permit to practice be returned to the Board office within 30 days of this date. Mr. Madison seconded and the motion carried on a roll call vote. Voting in favor of the motion were Messrs. Blackmon, Comer, Grice, Madison, Schaffers and Ms. Sheppard-Harris. Mr. Barranco recused. 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. 17CPE-3—Muhammad Abdullah, CPA, Certificate No. 9769:

Mr. Randy Salle, Esq., Governmental Hearing Officer served as hearing officer and presided over the disciplinary hearing for Mr. Muhammad Abdullah, CPA. Mr. Abdullah attended the hearing and represented himself. At the conclusion of the hearing, Mr. Barranco made a motion to go into Executive Session to discuss the general reputation and character of Mr. Abdullah. 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. Qualified Board members excused themselves at 12:21 p.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 12:42 p.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. Muhammad Abdullah guilty of all charges in the summons and complaint and that the Board make a disciplinary finding of censure. He further moved that Mr. Abdullah be fined \$500.00 per count for a total of \$1,500.00. 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, Schaffers and Ms. Sheppard-Harris. Mr. Grice requested that the Board staff audit Mr. Abdullah's CPE for the next two years, and Ms. Sheppard-Harris instructed Mr. Abdullah to complete the AICPA's Comprehensive Professional Ethics course. Additionally, Mr. Comer made a motion for the Board to accept 8 hours of accounting and auditing CPE completed during the fiscal year ended September 30, 2017 to resolve his deficiency for the fiscal year ended September 30, 2016. 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, 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.

e. Disciplinary Case No. 17CPE-4—Katherine Bozeman, CPA, Certificate No. 5873-R:

Mr. Randy Salle, Esq., Governmental Hearing Officer served as hearing officer and presided over the disciplinary hearing for Ms. Katherine Bozeman, CPA. Ms. Bozeman attended the hearing and represented herself. At the conclusion of the hearing, Mr. Barranco made a motion to go into Executive Session to discuss the general reputation and character of Ms. Bozeman. 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. Qualified Board members excused themselves at 2:36 p.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 2:43 p.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 Ms. Katherine Bozeman guilty of all charges in the summons and complaint and that the Board make a disciplinary finding of censure. He further moved that Ms. Bozeman be fined \$500.00 per count for a total of

\$1,500.00. Mr. Grice 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. Schaffers requested that the Board staff audit Ms. Bozeman's CPE for the next two years. Additionally, Mr. Comer made a motion for the Board to accept 8 hours of accounting and auditing CPE completed during the fiscal year ended September 30, 2017 to resolve her deficiency for the fiscal year ended September 30, 2016. Mr. Grice 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.

7. Requests for Reinstatement:

a. Justin Heath McCleskey, CPA, Certificate No. 7922:

Mr. Busby presented a letter from Justin Heath McCleskey, CPA Certificate No. 7922, requesting reinstatement to active 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. McCleskey did not attend the hearing and it was conducted in his absence. Mr. McCleskey's written request also included the required assertion on felonies, a completed 2016-2017 personal registration form, and payment in the amount of \$2,200.00. The payment comprised the reinstatement fee of \$100.00; the \$2,000.00 administrative fine levied in the Board's Order; and the \$100.00 registration fee for the fiscal year 2017-2018. After discussion, Mr. Grice made a motion to reinstate Mr. McCleskey's CPA Certificate No. 7922 to active status. 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, Schaffers and Ms. Sheppard-Harris

b. James Ben Bowen, CPA, Certificate No. 4460:

Mr. Busby presented a letter from James Ben Bowen, CPA Certificate No. 4460, requesting reinstatement to active 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. Bowen did not attend the hearing and it was conducted in his absence. Mr. Bowen's written request also included the required assertion on felonies, a completed 2016-2017 personal registration form, and payment in the amount of \$9,200.00. The payment comprised the reinstatement fee of \$100.00; the \$9,000.00 administrative fine levied in the Board's Order; and the \$100.00 registration fee for the fiscal year 2017-2018. After discussion, Mr. Grice made a motion to reinstate Mr. Bowen's CPA Certificate No. 4460 to active status. 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, Schaffers and Ms. Sheppard-Harris

c. William Thomas Fikes, CPA, Certificate No. 6173

Mr. Busby presented a letter from William Thomas Fikes, CPA Certificate No. 6173, 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. Fikes did not attend the hearing and it was conducted in his absence. Mr. Fikes' written request also included the required assertion on felonies, a completed 2016-2017 personal registration form, and payment in the amount of \$150.00. The payment comprised the reinstatement fee of \$100.00 and the \$50.00 registration fee for the fiscal year 2017-2018. After discussion, Mr. Grice made a motion to reinstate Mr. Fikes' CPA Certificate No. 6173 to inactive status. 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, Schaffers and Ms. Sheppard-Harris.

8. 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) Out of State CPAs:

Mr. Busby updated the Board on research and enforcement of CPAs who are licensed in other states practicing in Alabama.

(c) CPE Model Rules:

Mr. Busby updated the Board on changes made to the AICPA Model CPE Rules and informed the Board that a more comprehensive review would be conducted at the January Board meeting.

(d) Introduction of Board Staff:

Mr. Busby introduced Amy Thompson, the new Senior Accountant, and Chuck Jordan, the new Consultant, to the Board.

(e) Board Meeting Date Inquiry:

Mr. Busby discussed making a possible change to the Board meeting dates, removing the mandatory meeting in March and making the January meeting a mandatory meeting. The Board was in favor of the suggestion and requested that Mr. Busby begin the process of making that Rule change.

9. Public Hearing & 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 Chapter 30-X-8 of the Board's Rules. There were no comments made regarding the proposed changes to the Board's Rules. Mr. Comer made a motion to adopt the final rule changes for Chapter 30-X-8 of the Board's Rules. Mr. Grice 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.

10. Public Hearing on Rule Changes:

Ms. Sheppard-Harris opened the meeting to a public hearing to discuss the rule changes to the Rules of Professional Conduct. Mr. Busby presented the rule changes to Section 30-X-6-.01(1) and 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. Ms. Sheppard-Harris ended the public hearing portion of the meeting.

11. Review of Statute Amendments & Draft Bill:

Mr. Busby presented a draft of proposed legislation to make changes to Statute. Mr. Grice made a motion to approve the drafted bill of Statute amendments. 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, Schaffers, and Ms. Sheppard-Harris.

12. Approval of 2018-2019 Budget Request:

The Board's Budget Request package for FY 2018-2019 was presented to the Board. After review and discussion, Mr. Madison made a motion to approve the Board's Budget Request package as presented and include it as part of the Board minutes. Mr. Blackmon seconded and the motion carried unanimously on a roll call vote with Messrs. Barranco, Blackmon, Comer, Grice, Madison, Schaffers, and Ms. Sheppard-Harris voting in favor of the motion.

13. Approval of New CPA Certificates:

Mr. Grice made a motion to approve new CPA Certificates No. 13196 through 13262. Mr. Blackmon seconded and the motion carried unanimously.

14. Approval of July – September 2017 CPA Examination Grades:

The Board was presented with the AICPA Advisory Grades for the July – September 2017 Uniform CPA Examination. After review, Mr. Barranco made a motion to approve the grades as released to candidates on September 29, 2017. Mr. Madison seconded and the motion carried unanimously.

15. 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.

16. Approval of CPA Exam Fee Increase Effective Immediately:

Mr. Comer made a motion to approve an increase in CPA exam fees to offset an increase in AICPA and Prometric fees that will be effective November 15, 2017. Mr. Schaffers seconded and the motion carried unanimously.

17. Approval of Directory Distribution by PDF:

Mr. Grice made a motion that the Board only allow for digital distribution of the Annual Directory by PDF. Mr. Madison 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 Certifications by Transfer of Grades:

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

20. FY 2016-2017 Delinquent Licensees 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 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.

22. CPE Audits Update:

A statistical summary of CPE audit results to date for the CPE reporting period ended September 30, 2016 was presented to the Board. A brief discussion ensued but no action was taken.

23. 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.

24. 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.

25. FY 2016-2017 Licensees Who Voluntarily Surrendered:

A list of licensees who voluntarily surrendered their CPA Certificates in good standing during 2016-2017 was presented to the Board. A brief discussion ensued but no action was taken.

26. Other Business:

(a) NASBA Committee Assignments:

Mr. Busby announced the following NASBA Committee Assignments:

- Mr. Madison—Communications Committee
- Mr. Busby—Enforcement & Strategic Planning Task Force
- Ms. Birmingham—NASBA/Society Relations

(b) NASBA Annual Meeting Recap:

Mr. Busby updated the Board on the discussions from the NASBA Annual Meeting.

(c) NASBA Reorganization Impact Task Force:

Mr. Busby presented to the Board information regarding the NASBA Reorganization Impact Task Force.

Mr. Busby presented Ms. Connie Sheppard-Harris with a badge in recognition of her service on the Board.

(d) Adjournment of Meeting:

The next meeting of the Board is scheduled for Friday, January 19, 2018 at 10:00 a.m. in the Board's office. There being no further business to come before the Board, Mr. Grice made a motion to adjourn. Mr. Madison seconded and the motion carried unanimously. The meeting adjourned at 3:57 p.m.

Respectfully Submitted:



Michael Terry Comer, PA
Secretary

Approved:



Connie Sheppard-Harris, CPA
Chair