Debra A. Turner, Chairman, called the meeting of the South Carolina Board of Accountancy to order at 9:00 a.m. with a quorum present. Other Board members present: Charles L. Talbert, III, Vice-Chairman, Donald H. Burkett, Secretary, K. Brodie Brigman, Jr., Robert T. Foster, Jamison W. Hinds, and H. McRoy Skipper, Jr.

Based on advance notice, the absence of Joseph S. Cone was excused. One Board Member position is legally vacant at the present time awaiting appointment by the Governor.

Staff members participating during the meeting included: Doris E. Cubitt, Administrator; Sharon Dantzler, Chief Deputy General Counsel, and Geoffrey Bonham, Assistant General Counsel, LLR-Office of General Counsel; Robert Keisler, CPA, Consultant; Kathy Prince, Investigator; and Margery McWhorter, Administrative Assistant.

The Chairman announced the meeting was being held in accordance with section 30-4-80 of the South Carolina Freedom of Information Act by notice mailed to The State Newspaper, Associated Press, WIS-TV and all other requesting persons, organizations, or news media. In addition, notice was posted on the bulletin board at the main entrance of the Kingstree Building.

A moment of silence was observed after which Donald Burkett led all present in the Pledge of Allegiance to the Flag of Our Country.

1. On motion by Chuck Talbert, seconded by Donald Burkett, and unanimously passed, an agenda was adopted for the meeting.

2. On motion by McRoy Skipper, seconded by Donald Burkett, and unanimously passed, the minutes of the meeting held on Monday, June 28, 2004, were approved.

3. Executive Session:
   On motion by Brodie Brigman, seconded by Robert Foster, and unanimously passed, the Board went into executive session to receive legal advice. Upon coming out of executive session on motion by McRoy Skipper, seconded by Charles Talbert, and unanimously passed, the Chairman announced that no vote had been taken.

4. Complaint/Investigative Activity:
   A. The Board took action as follows:
   
   1. Cheryl C. Monahan and Monahan & Company LLC, Case No 57-1010, License CPA Certificate No. 2406. On motion by McRoy Skipper, seconded by Brodie Brigman, and passed by a majority with Donald Burkett abstaining, the Consent Order was approved as presented. A copy is attached to these minutes.
   
   2. James R. Jones, CPA, Case No. 57-1368, CPA Certificate No.1645. On motion by Brodie Brigman, seconded by Donald Burkett, and unanimously passed, the
Item #4 Complaint/Investigative Activity: A. Board Action continued

Consent Order was approved as presented. A copy is attached to these minutes and will be made part of the public record.

3. Jana Justice Davis, Case No. 57-1258, Accounting Practitioner Certificate No. 470. On motion by Donald Burkett, seconded by Brodie Brigman, and passed by a majority with Robert Foster abstaining, the consent order was approved as presented. A copy is attached to these minutes and will be made part of the public record.

4. Traci C. Smith, Case No. 57-1421, Accounting Practitioner Certificate No. 543. On motion by Donald Burkett, seconded by Brodie Brigman, and unanimously passed, the consent order was approved as presented. A copy is attached to these minutes and will be made part of the public record.

5. Edward F. Stockton, Case No. 57-882, Non-Resident Registration No. 9345. On motion by Brodie Brigman, seconded by McRoy Skipper, and unanimously passed, the consent order was approved as presented. A copy is attached to these minutes and will be made part of the public record.

6. Ken Altman, II, Case No. 57-1437, Accounting Practitioner Certificate No. 394. On motion by Donald Burkett, seconded by McRoy Skipper, and unanimously passed, the consent order was approved as presented. A copy is attached to these minutes and will be made part of the public record.

7. David L. Harper, Case No. 57-1214, Accounting Practitioner Certificate No. 31. On motion by Charles Talbert, seconded by Donald Burkett, and unanimously passed, the consent order was denied as presented and is referred back to the IRC.

8. George R. Wise, Jr., Case No. 57-1287, CPA Certificate No. 1784. On motion by Jamison Hinds, seconded by Brodie Brigman, and unanimously passed the consent order was approved as presented. A copy is attached to these minutes and will be made part of the public record.

9. V. R. McConnell, Case No. 57-1107, CPA Certificate No. 3399. On motion by Brodie Brigman, seconded by Charles Talbert, and unanimously passed, the consent order was not accepted and is to be returned to the IRC.

10. R. Patten Watson, III, CPA, Case No. 57-1321, CPA Certificate No. 2933. On motion by Charles Talbert, seconded by Donald Burkett, and unanimously passed, the consent order was accepted as presented. A copy is attached to these minutes

11. George Randal Rish, CPA Certificate No. 1467. On motion by Donald Burkett, seconded by McRoy Skipper, and unanimously approved, and on the recommendation of Robert A. Keisler, Consultant to the Board, the contingency
Item #4. Complaint/Investigative Activity: A. Board Action continued

required in his consent order that he have an independent review of his
government audits and submit the reports to the Board for further review is
hereby removed. A copy of Mr. Keisler’s letter is attached.

B. Review of new complaints and approval of dismissal report:

1. The list of new complaints was presented and received as information by
the Board. The following cases were approved for dismissal on motion
by Chuck Talbert, seconded by Donald Burkett, and unanimously passed:

5. Information Update:

A. There were no remarks by the Chairman.

B. There were no advisory opinions.

C. Legislative update. No report since the Legislature is not in session.

D. The Administrator’s report was received as information.

E. The financial report was received as information.

F. Robert Keisler gave a brief report on the Positive Enforcement Program.

Action Items:

6. Old business. There was no old business.

7. New Business:

A. Revocation Hearing: After Notice and Hearing as provided in Section 40-2-
280, and legal notice of revocation mailed to those licensees who have not paid
renewal fees for 2004/2005 and/or have not met CPE requirements for the period
1/1/03-12/31/03 and/or failed to answer the questions on the renewal form, the
list of revocations, effective as of September 15, 2004, was presented to the
Board. On motion by Brodie Brigman, seconded by Jamison Hinds, and
unanimously passed, the staff was instructed to send written notice to each
licensee who has not met the renewal requirements.

B. Qualifications for Licensure Committee: On motion by McRoy Skipper,
seconded by Donald Burkett, and unanimously passed CPA and Accounting
Practitioner Certificates issued June 29, 2004, through August 26, were approved.
(Attachments #1 and 1a)
Item #7. New Business:  B. Qualifications for Licensure Committee:  continued

The reciprocity application of **Wendy Marie Redmon** was approved on motion by McRoy Skipper, seconded by Donald Burkett, and unanimously passed.

The initial examination application of **Russell Lewis Roper** was approved on motion by McRoy Skipper, seconded by Donald Burkett, and unanimously passed.

The initial examination application of **Kenneth William Shields** was tabled pending Mr. Shields’ appearance before the Board, on motion by McRoy Skipper, seconded by Donald Burkett, and unanimously passed.

C. Experience/Education Committee:  On motion by Jamison Hinds, seconded by Charles Talbert, and unanimously passed, the following policy was adopted in conjunction with the new accountancy law which was ratified on July 22, 2004: Any candidate applying by August 31, 2005, will be considered to have met the requirements to sit either using the current regulations in Regulation 1-06 or the requirements contained in Section 40-2-35.

On motion by Jamison Hinds, seconded by Brodie Brigman, and unanimously passed, **Lisa B. Minnick**, will be considered to have met the education requirements to sit for the examination by converting two graduate courses to undergraduate hours, thus making 24 semester hours.

On motion by Jamison Hinds, seconded by McRoy Skipper, and passed by a majority, with Donald Burkett abstaining, the request of **Edward D. Sullivan, CPA**, to have the late payment waived was denied.

On motion by Jamison Hinds, seconded by Charles Talbert, and unanimously passed, the request from **Harry L. Parker, CPA**, to extend his time for filing CPE for the year 2003, was granted not to extend beyond December 31, 2004. The request was based on his having open-heart surgery. Medical evidence was presented.

D. CPE/Renewal Committee:  After discussion as to the new requirements for CPE, Brodie Brigman asked the Board to review The Statement on Standards for CPE Programs which is issued jointly by the AICPA and NASBA.

E. Regulation/Legislative Review Committee:  In consideration of the transition period in connection with the new accountancy law that was signed into effect July 22, 2004, the Board adopted the following:

On motion by Charles Talbert, seconded by Donald Burkett, and unanimously passed, the next renewal period that will begin on July 1, 2005, will be a renewal for six months only. The renewal period and CPE period will coincide in accordance with the new law.
Item No. 7. New Business. E. Regulation/Legislative Review Committee: continued

The new law gives 180 days for those on waiver to make up back CPE and come off waiver. Realizing the burden this may place on some certificate holders, the Board by motion of Brodie Brigman, seconded by Charles Talbert, and unanimously passed, stated that the certificate holders on waiver must notify the Board of their intentions with 180 days from July 22, 2004, that they either plan to obtain the back CPE hours or will turn in their certificate. All back CPE must be completed and reported by June 30, 2005. The staff is to notify those holding waivers of this change.

Another alternative would be: (A) If the certificate holder is retired and does not perform or offer to perform for compensation one or more kinds of services involving the use of accounting or auditing skills, including issuance of reports on financial statements or of one or more kinds of management advisory, financial advisory, or consulting services or preparation of tax returns or the furnishing of advice on tax matters, may apply to the board for permission to place the word ‘Emeritus’ adjacent to the licensee’s ‘Certified Public Accountant” title or ‘Public Accountant’ title on any document or device on which the ‘Certified Public Accountant’ or ‘Public Accountant’ title appears. See Accountancy Law Section 40-2-270 for additional details and restrictions.

F. Position Response Committee: McRoy Skipper reviewed the response to the focus questions submitted by NASBA.

G. Examination Committee: Doris Cubitt reported on a notice of change in grade memo due to grading errors. A copy of the letter from AICPA is attached to these minutes. Twenty-nine jurisdictions were affected. However, no South Carolina candidates were affected. All changed grades were grades from fail to pass. AICPA has implemented measures to prevent this type of grading error from reoccurring. She also reported that CPAES is working out some management and computer problems in connections with the release of the grades for the first testing window.

The exam grades for the April and May testing window were reviewed and accepted by the Board.

H. Character and Fitness Committee: Anne Ross will be willing to serve on the committee. The Chairman appointed Jamison Hinds to represent the Board and the Board will look for one additional member.

8. Public Comment: Gale Bell, Accounting Practitioner, on behalf of The South Carolina Society of Accountancy stated that the society would like to have input in the following areas: Peer Review and the examination required for applicants to be licensed as Accounting Practitioners. He also requested change in the wording in Section 40-2-340 of the new accountancy law.
9. The next meeting dates are as follows:
   For the year 2004: September – no meeting; Thursday, October 28 (Room 108); November – no meeting; Thursday, December 9 (Room 111).

   For the year 2005: Wednesday, January 26, Room 108; February – no meeting; March – no meeting; Thursday, April 28, Room 108; May – no meeting; Thursday, June 23, Room 108; July – no meeting; Thursday, August 25, Room 108; September – no meeting; Thursday, October 27, Room 108; November – no meeting; Thursday, December 8, Room 108.

   Members are to reserve the afternoon before each meeting in the event a hearing is scheduled.

10. The meeting was adjourned at 11:45a.m. on motion by Robert Foster, seconded by McRoy Skipper, and unanimously passed.

    Respectfully submitted,

    Doris Cubitt, Administrator

Approved at the October 28, 2004 Board Meeting.

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Debra A. Turner, Chairman

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Donald H. Burkett, Secretary-Treasurer