

Minutes of the South Carolina Board of Accountancy  
Wednesday, June 28, 2006, at 9:00 AM in Meeting Room 108 (Board Meeting)  
Synergy Office Park, Kingstree Building, 110 Centerview Drive  
Columbia, South Carolina

Charles L. Talbert, III, CPA, Chairman, called the Board Meeting of the South Carolina Board of Accountancy to order on June 28, 2006, at 9:00 a.m., with a quorum present. Other Board members present were Donald H. Burkett, CPA, Vice-Chairman, Joseph S. Cone, Accounting Practitioner, Mark T Hobbs, CPA, Jamison W. Hinds, Esq., H. McRoy Skipper, Jr, CPA, Wendell Lunsford, Accounting Practitioner, and Joyce Green, Public Member.

Based on advance notice, the absence of Bobby R Creech, Jr., CPA, was excused for the Board meeting.

Staff members participating during the meeting included: Doris E. Cubitt, Administrator, and Michael Teague, 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 Charles Talbert led all present in the Pledge of Allegiance.

1. On motion by Donnie Burkett, seconded by Jamison Hinds, and unanimously passed, an agenda was adopted for the meeting.
2. On motion by Jamison Hinds, seconded by Donnie Burkett, and unanimously passed, the minutes of the meeting held on April 26 & 27, 2006 were approved.
3. A hearing was held on a complaint against Mr Joseph G. Folsom, holder of CPA Certificate 1215, Case No. 2005-08 and 2004-17. Sheridan Spoon, Esquire represented the Board, Shirley Robinson acted as advice counsel to the Chairman, and Mr Joseph G. Folsom represented himself.

During testimony the Board, by motion of Jamison Hinds, seconded by Donald Burkett, and unanimously approved, to move in abeyance Marion Scott's Case, Number 2005-08 pending a civil court's case outcome.

After the testimony of witnesses and the arguments and rebuttals were presented by counsel and rebuttal by Respondents, on motion by Donald Burkett, seconded by Jamison Hinds, and unanimously passed, the Board went into Executive Session to receive legal counsel. On coming out of executive session on motion by Donald Burkett, seconded by Jamison Hinds, and unanimously passed, no vote was taken. Mark Hobbs made a motion that Mr Folsom is not guilty in case No 2004-17, Items 1 and 2; however, he is found negligent in item 3 to renew his firm registration timely. He is to complete 8 hours of CPE concerning Quality Control Standards for Firms within 6 months of this proceeding.

This is in addition to his regular yearly requirement of 40 hours of CPE. H. McRoy Skipper seconded the motion and a vote was taken which unanimously passed.

Mr Sheridan Spoon made motion for reconsideration of items 1 and 2, due to a preponderance of evidence. Chairman Charles Talbert denied the motion.

4. Complaint & Investigative Activity:

Mr Brett Sims briefed the complaint and dismissal reports to the Board.

(A) Consent agreements and other special matters: None

(B & C) The list of new complaints was presented and received as information by the Board. The following cases were approved for dismissal on motion by Jamison Hinds, seconded by Donald Burkett, and unanimously passed: Case No. 2005-12.

5. Information Update

A. Chairman's remarks: Thanks go out to Joe Cone for 9 years of service to the Board as he announces that this is his last Board meeting.

B. There were no advisory opinions.

C. There was no legislative update.

D. The Administrator's report was received as information and contained the following:

(1) Introduced Amy Holleman as most recent staff member.

(2) Regulations meeting for July 11, at 10am

(3) NASBA National Meeting will be in Atlanta from October 29 through November 1.

(4) The South Carolina Society of Accountants has changed their position regarding an exam for accounting practitioners and support the two sections of the CPA Exam (FAR and REG). They are wanting to change their title from accounting practitioners to licensed accountant.

E. The Financial Report was received as information.

7. Old Business. There was no old business

8. New Business

### Regulation/Legislative Committee

A. Peer Review Committee:

Mark Hobbs introduced Jim Holloway who will be chairing the Peer Review committee.

B. Report of Education/Experience Committee:

On motion by Jamison Hinds, seconded by Mark Hobbs, and unanimously passed, to accept Ms Enright's education and experience as submitted to the Virginia Board of Accountancy as substantially equivalent to our requirements..

C. Report of CPE Committee:

(1) On motion by Joyce Green, seconded by Jamison Hinds, and unanimously passed, to deny the request of Wes Littlejohn CPA #5325 regarding acceptance of the H&R Block course and the American College course for CPE credit. He must complete the 2005 CPE requirement by 10/31/06.

(2) On motion by Joyce Green, seconded by Jamison Hinds, and unanimously passed, to deny the request of Suzanne Devlin CPA #3980 regarding acceptance of the H&R Block course for CPE credit. She must complete the 2005 CPE requirement by 10/31/06.

D. Report of Examination/CBT Committee: No Report

We currently have candidates applying to sit for the CPA Exam that have foreign transcripts evaluated by one of the three board approved evaluation services. The Board is concerned about consistency and thoroughness of the foreign evaluations. The Illinois Board of Accountancy has a full-time staff member who has an educational background that evaluates foreign transcripts which enables them to apply standards consistently. They charge their candidates \$250 per transcript and would charge our candidates the same fee.

On motion by H. McRoy Skipper, seconded by Mark Hobbs, and unanimously passed, to contract with the state of Illinois Board of Accountancy to review all foreign transcripts of

those South Carolina candidates applying to sit for the CPA Exam. The candidate would pay Illinois directly.

E. Other Professional Issues Committee:

- (1) On motion by Mark Hobbs, seconded by H. McRoy Skippper, and 7 yes, 1 opposed, for firm names to reflect what has actually been registered with the SC Secretary of State and to allow DBAs. In the case of Padget Business Services, the owner, Susan McDaniel, AP #404, must register with the Board as ALWD, Inc (dba) Padget Business Services.
- (2) On motion by Jamison Hinds, seconded by Mark Hobbs, and 7 yes, 1 opposed, that Christopher M Cope, CPA #5794 can register his firm as ValueLogics, LLC.

F. Report of Qualification for Licensure Committee:

- (1) Exam grades did not arrive in time for Board Meeting.
- (2) No vote taken in response to CPA Certificates issued from April 28, 2006 through June 28, 2006. Certificates were already issued. A copy of the list is attached to these minutes.
- (3) On motion by H. McRoy Skipper, seconded by Jamison Hinds, and unanimously passed to table John Ross Wilson's request for a Reciprocity license pending further information.

G. Report of Character and Fitness Committee:

No character and fitness issue.

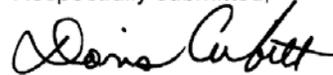
9. On motion by Mark Hobbs, seconded Joyce Green, and unanimously passed to keep the same slate of officers for 2006 – 2007 as in 2005 – 2006 by acclamation.
10. Board Member website demonstration postponed until August 24<sup>th</sup> Board Meeting.
11. On motion by Mark Hobbs, seconded Joyce Green, and unanimously passed to accept the newsletter as written.
12. On motion by Wendell Lunsford, seconded by Mark Hobbs, and unanimously passed the meeting was adjourned at 5:20pm by the Chairman.

13. The next meeting dates are as follows:

For the year 2006: July 11, Room 201-03 Regulations Meeting; August 24, Room 108; September – No Meeting; October 26, Room 108; November – No Meeting; December 7, Room 108.

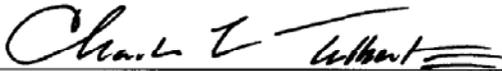
Members are to reserve the afternoon before each meeting in the event a hearing is scheduled.

Respectfully submitted,

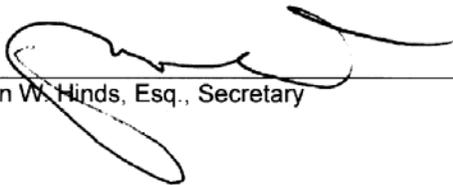


Doris Cubitt, Administrator

Approved at the August 24, 2006 Board Meeting.



Charles L. Talbert, III, CPA, Chairman



Jamison W. Hinds, Esq., Secretary