



Mailing Address:

South Carolina Department of Labor,
Licensing and Regulation
Board of Accountancy
PO Box 11329
Columbia, SC 29211-1329

Physical Address:

South Carolina Department of Labor,
Licensing and Regulation
Board of Accountancy
110 Centerview Dr.
Columbia, SC 29210

Phone:

(803) 896-4770

Fax:

(803) 896-4554

E-mail:

Contact.Accountancy@llr.sc.gov

Website:

<http://llr.sc.gov/POL/Accountancy/>

In This Issue

Education Considerations	1
New CPA Oath Ceremony	2
E-Verify	2
Calendar of Events	2
New Licensees	3
Unclaimed Property	3
Firm Registration	4
Disciplinary Actions	4
Engagement Letters	4
Succession Planning	4
Return of Records	4
Investigators & Expert Witnesses	4

EDUCATION CONSIDERATIONS

One of the most frequent questions received by the Board is “Does the Board accept my school?” While the Board does not preapprove schools, accounting programs, or specific courses, the Board is taking a closer look at education and the accreditation process. The Board has formed an Education Committee to analyze the differences between various regional accrediting bodies and the processes used to evaluate schools, programs, and courses. The Education Committee is also looking into the new and different modalities or methods of delivery that many institutions are using.

When choosing a school, there are many factors that may be considered by a prospective student. Students should verify that an institution is accredited by an accrediting association that is acceptable to the Board, and should check with the accrediting body to verify that the accreditation is currently valid. Prospective students should be aware that many schools publish CPA exam pass rates for their former students, and they may wish to request this information to compare against national CPA exam pass rates, which are published quarterly by the AICPA and can be found at: <https://www.aicpa.org/becomeacpa/cpaexam/psychometricsandscore/passingrates.html>. When considering a school, prospective students should also inquire about job placement rates for the degree or program they are considering, as many programs, especially masters of accountancy programs, publish this information on a yearly basis. In addition, some schools have on-campus career centers that host recruiting events and assist students with job placement.

Students might consider requesting information on faculty credentials and experience, which could be a deciding factor for some students. Faculty members are the foundation of a strong accounting program. Programs with well-qualified, credentialed, experienced faculty are more effective and better equipped to educate their students in the classroom, and prepare them for the transition into the workplace.

Many institutions are now offering multiple methods or ways to earn credits, and students should be sure to check that the course(s) they are considering meet the requirements of the Board’s education policy, which can be accessed online at: <http://llr.sc.gov/pol/accountancy/index.asp?file=educationpolicy.htm>.

The Board’s Education Policy is also replicated below:

- The Board of Accountancy will accept traditional classroom courses and online courses that are for a set semester, led by an instructor, have required coursework and exams. Section 40-2-35(C) specifically requires at least 24 semester hours in accounting taught at the junior level or above.
- The Board of Accountancy does not accept duplicate courses and does not accept any credits for CPA Exam Review Courses, as the content of these courses is duplicative. The Board also does not accept courses that are not applicable to a degree and does not accept courses from schools that do not issue degrees.
- The Board of Accountancy does not accept nontraditional college credits. Some examples of credits that will not be accepted are course credits that are obtained through nontraditional methods such as life experiences, competency exams, and competency credits, with the exception of CLEP and AP Exams. Non-accredited university credits will not be accepted, and the Board will not accept credits from non-accredited universities that have been transferred to an accredited university.

Students should keep in mind that the Board’s education policy is a work in process and will continue to evolve over time, as educational institutions continue to make changes to their programs and the types of courses offered.



NEW CPA OATH CEREMONY



The most recent Oath Ceremony was held in conjunction with the South Carolina Board of Accountancy's Board Meeting on Tuesday, June 26, 2018, in Room 108 at the Kingstree Building, which is located at 110 Centerview Drive, Columbia, SC 29210. All new licensees are encouraged to attend the Oath Ceremony. New licensees who choose not to attend the Oath Ceremony will receive their wall certificates by mail approximately 30 days after the Ceremony.

LLR SEEKS YOUR HELP IN HELPING BUSINESSES COMPLY WITH STATE E-VERIFY LAW

Since January 1, 2012, South Carolina law has required every employer to enroll in E-Verify and E-Verify newly hired employees. The South Carolina Department of Labor, Licensing and Regulation's Office of Immigrant Worker Compliance conducts random audits of employers to determine compliance.

E-Verify is a free Internet-based system maintained by the U.S. Department of Homeland Security to confirm employment eligibility of newly hired workers. E-Verify compares the information an employee provides on the federal Form I-9, Employment Eligibility Verification, against millions of government records maintained by the Department of Homeland Security and the Social Security Administration. The database generally provides results in three to five seconds. If the information matches, the employee is eligible to work in the United States. If there's a mismatch, E-Verify will alert the employer, and the employee will be allowed to work while he or she resolves the problem.



"Small business owners are the segment of employers most frequently cited for failure to comply with the law," said Jim Knight, administrator of LLR's Office of Immigrant Worker Compliance. "It's not intentional; they simply are not aware of the law and its requirements. Many clients of accounting firms are small businesses, and they rely on these firms for information and direction in complying with the rules administered by state and federal agencies. We are seeking accountants' help in educating these businesses about the E-Verify law in order for them to avoid the law's penalties."

For further information about E-Verify and the South Carolina law, go to LLR's web site at <http://llr.sc.gov/Immigration/>. Or, feel free to contact Mr. Knight at jim.knight@llr.sc.gov or by telephone at 803-896-4374.

BOARD MEMBERS:

- Ellen K. Adkins, CPA, Chairwoman
- Charles E. Alvis, CPA, Secretary
- Gale K. Bell, Accounting Practitioner
- Mark S. Crocker, CPA
- K. Todd Dailey, CPA, Vice Chairman
- Tanya G. Greenlee, CPA
- Ronald D. Hollins
- Brian Johnson, CPA
- David C. Nichols, Accounting Practitioner
- Michael R. Putich, CPA
- Robert P. Wood, Esquire

BOARD STAFF:

- Doris E. Cubitt, CPA
- Administrator
- Doris.Cubitt@llr.sc.gov

- Susanna Sharpe, CPA
- Assistant Administrator
- Susanna.Sharpe@llr.sc.gov

- Chelsea Buchanan
- Program Coordinator
- Chelsea.Buchanan@llr.sc.gov

- Johnnie Rose
- Program Assistant
- Johnnie.Rose@llr.sc.gov

- Courtney Wise
- Administrative Assistant
- Courtney.Wise@llr.sc.gov

- Courtney Crosby, CPA
- Investigator
- Courtney.Crosby@llr.sc.gov

CALENDAR OF EVENTS

July 2018	
July 4	TESTING MONTH Independence Day – Closed
August 2018	
August 21	TESTING MONTH Board Meeting – Room 108
September 2018	
September 1-10	TESTING OPEN
September 11-30	TESTING CLOSED
September 3	Labor Day – Closed

Unless otherwise noted, all Board meetings start at 10 a.m. Requests to appear before the Board, together with all related documentation, must be in writing and submitted at least ten (10) business days before the meeting. Written requests are to be sent to SC Board of Accountancy, PO Box 11329, Columbia, SC 29211-1329.



**RECENTLY LICENSED CPAS
OCTOBER 2017 - MARCH 2018**

- | | |
|----------------------|---------------------|
| Brian Ange | Jessica Lewis |
| Brittany Ayers | Jenna Lindeman |
| Hannah Baird | Stephen Loderick |
| Steven Barnes | Michael Macguidwin |
| Jacob Behal | Latasha Mack |
| John Berens | Lisa Maly |
| Julie Bilderback | Kevin Mansfield |
| Adam Blanton | Evelyn Matveyeva |
| Katherine Bloomer | Emily Maurer |
| Maureen Bonner | Erin Mazurkevich |
| Julie Boyd* | Riley Mcgaffigan |
| Emily Bragunier | Wylee Mcgreevy |
| Stephen Cantrell | Debra Merwin |
| Jessica Chiasson | James Miller |
| Garrett Clark | Joseph Miller |
| Kendall Cleary | Grace Moore |
| Kaitlyn Cockcroft | Matthew Moore |
| Nicholas Cousino | Diane Morelli |
| Lisa Cudmore | Alex Murray |
| Kealey Dam | Todd Nakasuji |
| Candace Desantes | Sandra Nedeau |
| Donald Dieterly | Gregory Nickerson |
| Elizabeth Dinndorf | David Peters |
| Basil Dosunmu | Ray Phillips |
| Nathan Doucette | Victoria Pierce* |
| Kevin Ekman | James Powell |
| Joann Elkin | Marsha Price* |
| Collin Fleenor | Terri Ramey |
| Andrew Fowler | Gregory Reagan |
| Elizabeth Frantz | Taylor Richey |
| Alfred Gabala | Sydney Robinson |
| Amy Germant | Juan Rodas Restrepo |
| Callie Gettys | Joseph Schlegel |
| Bonnie Gibeault | Kenneth Schuckers |
| Brian Giever | Elizabeth Seabrook |
| Shawn Gordon | Volha Shabeka |
| Patrick Haarsgaard | Erin Shepard |
| Nicolas Hallman | Angela Sigmon* |
| James Harris* | Dionne Simmons |
| Lindsey Hayes | Andrew Smilak |
| Caroline Heath | Georgiana Sohm* |
| Alexandra Henderson* | Helena Stickles |
| Jeffrey Hoehn | William Stormer |
| Matthew Holt | Sholanda Stradford |
| Thomas Horton | Beth Stuber |
| Andrew Houston | Brendan Sullivan |
| Steven Howell | Jackson Terman |
| Ann Hudson | Richard Tiller* |
| Taylor Huettig | Austin Van Etta |
| Jonathan Ingram | Kendra Vandross* |
| Adam Jackson | Jennifer Waddell* |
| Caroline Jacobs | Justin Waycaster |
| Samuel Johnson | Jessica Weaver |
| Michael Kern | William Webster |
| Kate Kronos | Amy West |
| Robert Kruk | Marcus White* |
| Mark Labruyere | Christen Whitmire |
| Sarah Landry | Lauren Williamson* |
| Brian Langford | Teresa Wright |
| Anne Langley | Robert Wyatt |
| Tamara Lee | Jared Young |

UNCLAIMED PROPERTY REPORTING REQUIREMENTS:

A MESSAGE FROM THE OFFICE OF THE STATE TREASURER

Did you know all businesses are required to submit an unclaimed property report to the State Treasurer’s Office by November 1 each year? If you didn’t, you’re not alone. The majority of businesses that fail to comply with the law are simply unaware of their legal responsibility.

As a CPA, you should advise your clients to comply with the law. Here are the top five things you need to know about the [S.C. Unclaimed Property Act](#):

1. Outstanding liabilities cannot be written off the books and posted to revenue. On or around July 1 each year, your clients should review their records to identify any funds that are reportable as unclaimed property;
2. [Dormancy periods](#) vary by property type. For example, payroll checks and utility deposits should be reported after one year, securities are reportable after three years, money orders after seven years, and other types of property generally are reported after five years of dormancy;
3. Beginning this year, even if no reportable property is identified, your client must notify the State by submitting a [negative report](#) via the State Treasurer’s website;
4. If one of your clients has failed to report in the past, don’t panic. If past-due property is identified, you may request a [voluntary disclosure agreement](#), which would allow your client to report past-due property without incurring interest and penalties; and
5. Remember to retain records. Businesses are required to keep records of the past 10 report years on file. This would mean that for any property with a five-year abandonment period, your client would need to maintain the record for at least 15 years since the date of last activity.

And, just as it’s important to ensure that your clients are aware of their responsibilities regarding unclaimed property, it’s also vital that they be made aware that they may have unclaimed property awaiting them. Earlier this year, the State Treasurer’s Office returned more than \$800,000 to a South Carolina business that was unaware that it had unclaimed property in our program.

If you need additional information, or if you’d like to request a speaker for an upcoming educational session, contact the State Treasurer’s Office at (803) 734-6377 or by email at unclaimed@sto.sc.gov.

TOTAL LICENSEES AND REGISTRATIONS AS OF 6/27/2018

Accounting Firms In State	1,286
Accounting Firms Out Of State	358
Accounting Practitioner	73
Certified Public Accountant	5,994
Public Accountant	7
Total Licensees/Registrations	7,718

*Participated in June 26, 2018 Oath Ceremony



UPDATE YOUR CONTACT INFORMATION

You must notify the Board if there are any changes in your address or contact information. If you have moved, changed your address, phone number, email address, or changed employers, you can update your information online by visiting: <https://eservice.lir.sc.gov/SSO/>

- Individuals changing their name will need to include a copy of the legal document changing it.
- Resident Managers have the responsibility to inform the Board of any changes regarding their firms' information within 30 days of the action.

FIRM REGISTRATION

Regulation 1-05(A) requires that all work a licensee does for the public be done in a registered firm, regardless of the types of services provided. For example, a licensee who does a few tax returns or some bookkeeping "on the side" must register a firm to be in compliance with Board regulations. Also, licensees who are self-employed or perform work as a contractor must register a firm. Licensees should be aware of the naming conventions that the Board allows, and should avoid any firm names that may be misleading to the public. Many licensees choose to simply use their name as the firm name, such as John Doe CPA, LLC, while other licensees choose to include the partner's last names in the firm name, such as Doe & Smith, LLC. Some licensees choose to name their firm based on their location, such as using the name of the city or town where their firm is located. It should be noted that the names of non-licensed owners may not be included in the firm name, and firm names are subject to Board approval.

DISCIPLINARY ACTIONS

Information regarding complaints and ongoing investigations is confidential, however, all you can access and search all public Board orders at: <http://lir.sc.gov/POL/Accountancy/index.asp?file=finalorders.htm>.

BEST PRACTICES

ENGAGEMENT LETTERS – The Board highly recommends that all licensees utilize engagement letters for all work performed for their clients. Engagement letters are a valuable tool, which can help prevent misunderstandings, by clarifying the expectations for both clients and the licensees providing the services. Although the format and content of engagement letters can vary from firm to firm, almost all engagement letters share a few key characteristics. At a minimum, an engagement letter should outline the scope of services to be provided, including any deliverables that are included, the cost of services, a timeline for the delivery of services, and a guideline of the hourly rates or method that will be used to calculate additional fees for out of scope work.

SUCCESSION PLANNING – Did you know? **Regulation 1-12(A), adopted in May 2007**, requires all licensees to designate a successor, who would assume responsibility for client files, in the case of incapacity or death of the licensee. Your designated successor must be an active licensee, and must agree to assume responsibility for client files. For additional information on succession planning you can visit:

- <https://nasba.org/app/uploads/2016/12/Practice-Continuation-AgreementsFinal.pdf>
- <https://www.aicpa.org/interestareas/privatecompaniespracticesection/strategy-planning/center/practicecontinuationagreements.html>

RETURN OF RECORDS – When a client decides to change CPAs, the return of records is a commonly misunderstood issue. Section 40-2-190(B), 40-2-190(C), and Regulation 1-10(C) address client records and return of records. Most records are now stored electronically, and a commonly asked question is if a licensee has to provide the electronic file or if they can just provide a paper or PDF copy. The Board has historically ruled that licensees should provide clients with the electronic file if the software is publicly available, such as Excel or QuickBooks. Licensees may remove formulas or proprietary information from the electronic file, and are not required to provide electronic files from proprietary, non-publicly available software. Another commonly misunderstood aspect of the return of records requirement is that some licensees mistakenly believe that they can wait up to 45 days to return records based on AICPA code of conduct 1.400.200.12. The SC Board of Accountancy recognizes that returning client records may require some time and effort, however, with the advances in technology and electronic storage of records, most licensees should be able to provide clients with their records within 10 business days. It should also be noted that licensees are required to return client records, **regardless** of whether the client has paid the licensee for their services.

INVESTIGATORS AND EXPERT WITNESSES WANTED!

Investigators and expert witnesses are critical to the enforcement process. However, many Boards of Accountancy do not have experienced accounting investigators and experts affiliated with the boards.

To assist executive directors in locating the appropriate investigator or expert witness for their particular situation, NASBA maintains a database of investigators and expert witnesses. The larger the database of qualified investigators and expert witnesses, the more effective the enforcement process becomes. That's why NASBA is asking for your help in identifying individuals like yourself to add to the pool.

What You Will Need to Apply

To apply to be included in either pool, you will need the following information and materials:

- License information for each jurisdiction in which you are licensed
- A list of your areas of expertise, chosen from [these options](#)
- Your resume, in an uploadable format (pdf or Word file)
- Your hourly compensation rate
- Your expense policy

Be sure to read the NASBA Agreement prior to clicking Submit.

Application Links

If you are interested in applying or know someone with excellent qualifications who should consider applying, here are links to the applications:

[Investigator Application](#)

[Expert Witness Application](#)

Note: Information on the individuals approved for inclusion in the database will be released to Board of Accountancy executive directors upon request.

The information was originally included in the March 2018 edition of the NASBA EDigital newsletter.