PUBLIC SESSION AGENDA
NORTH CAROLINA STATE BOARD OF CPA EXAMINERS
JUNE 21, 2012
10:00 A.M.
GRANDOVER HOTEL
GREENSBORO, NC

I. Administrative Items

A. Call to Order

In accordance with the State Government Ethics Act, it is the duty of every Board member to avoid both conflicts of interest and appearances of conflict. Does any Board member have any known conflict of interest or appearance of conflict with respect to any matters coming before the Board today? If so, please identify the conflict or appearance of conflict and refrain from any undue participation in the particular matter involved.

B. Welcome and Introduction of Guests

C. Approval of Agenda

D. Minutes

E. Financial/Budgetary Items

1. Financial Statements for May 2012

II. Legislative & Rule-Making Items

III. National Organization Items

A. Report on the NASBA Eastern Regional Meeting Held June 13-15, 2012, in Philadelphia, PA

IV. State & Local Organization Items

A. Report on the NCACPA Inauguration Held June 20, 2012, in Greensboro, NC

V. Request for Declaratory Ruling

VI. Committee Reports

A. Professional Standards

B. Professional Education and Applications

VII. Public Comments

VIII. Closed Session

IX. Executive Staff and Legal Counsel Report

X. Adjournment

PUBLIC SESSION MINUTES
North Carolina State Board of CPA Examiners
May 21, 2012
1101 Oberlin Road
Raleigh, NC 27605

MEMBERS ATTENDING: Jose R. Rodriguez, CPA, President; Wm. Hunter Cook, CPA, Vice President; Maria M. Lynch, Esq., Secretary-Treasurer; Barton W. Baldwin, CPA; Bucky Glover, CPA; and Jordan C. Harris, Jr.

STAFF ATTENDING: Robert N. Brooks, Executive Director; J. Michael Barham, CPA, Deputy Director; Frank Trainor, Esq., Staff Attorney; Lisa R. Hearne, Manager-Communications; Ann J. Hinkle, Manager-Professional Standards; Buck Winslow, Manager-Licensing; and Noel L. Allen, Legal Counsel.

GUESTS: James T. Ahler, CEO, NCACPA; and Jim Holmes, NCSA.

CALL TO ORDER: President Rodriguez called the meeting to order at 10:00 a.m.

MINUTES: The minutes of the April 24, 2012, meeting were approved as submitted.

FINANCIAL AND BUDGETARY ITEMS: The April 2012 financial statements were accepted as submitted.

Deputy Director Barham presented the proposed 2012-2013 budget to the Board. Ms. Lynch and Mr. Cook moved to approve the budget as amended (Appendix I). Motion passed.

NATIONAL ORGANIZATION ITEMS: Messrs. Baldwin and Cook commented on their attendance at the AICPA Spring Council meeting held in Washington, DC, May 15-18, 2012.

STATE AND LOCAL ORGANIZATION ITEMS: Messrs. Baldwin, Cook, Glover, Barham, and Brooks attended the NCACPA Annual Business Meeting held in Greensboro, NC, May 1, 2012. At the meeting, Mr. Cook was awarded the *Raymond Rains Outstanding Service Award* by the NCACPA.

Messrs. Baldwin, Cook, and Glover presented a question-and-answer session at the NCACPA Leadership Summit held in Greensboro, NC, May 2, 2012.

REPORT OF THE PROFESSIONAL STANDARDS COMMITTEE: Mr. Baldwin moved and the Board approved the following recommendations of the Committee:

Case No. C2011085 – Deanna J. Peltz – Approve the signed Consent Order (Appendix II).

Case No. C2011217 – Nathan T. Garrett, Jr. - Approve the signed Consent Order (Appendix III).

Case No. C2011221 – Jacqualyn Nelson-Owens - Approve the signed Consent Order (Appendix IV).

Case No. C2011237-1 and Case No. C2011237-2 – Cody LeGrant McKinney and Cody LeGrant McKinney, CPA, PC – Messrs. Baldwin and Glover moved to suspend for five (5) years the NC CPA certificate issued to Cody LeGrant McKinney (Appendix V). Motion with six (6) affirmative votes and zero (0) negative votes.

Case No. C2012132 – Donald Phillip Smith – Approve the Order (AppendixVI).

Case No. C2011044 – George A. Watson – Approve the Notice of Hearing for September 24, 2012, at 10:00 a.m.

Case No. 2011068 – Peter A. Gambal - Approve the Notice of Hearing for August 20, 2012, at 10:00 a.m.

Case No. C2011088 – Jawnza Jackson - Approve the Notice of Hearing for August 20, 2012, at 10:00 a.m.

Case No. C2011219 – Karen L. Nenstiel - Approve the Notice of Hearing for August 20, 2012, at 10:00 a.m.

Case No. C2011222 – Darrell R. Scarborough - Approve the Notice of Hearing for August 20, 2012, at 10:00 a.m.

Case No. C2012022 – Close the case without prejudice.

Case No. C2012035 – Close the case without prejudice with a Letter of Warning.

Case No. 200611-078 – Stephen M. Himmelberg – Approve the signed Consent Order (Appendix VII).

Case No. C2011890 – Mark A. Konyndyk - Approve the signed Consent Order (Appendix VIII).

REPORT OF THE PROFESSIONAL EDUCATION AND APPLICATIONS COMMITTEE: Ms. Lynch moved and the Board approved the following recommendations of the Committee:

Transfer of Grades Applications - The following was approved:

Mengliang Zhang

Original Certificate Applications - The following were approved:

Benjamin Gerald Allison
Lauren Elizabeth Barnes
Cassandra Marie Brooks
Brandi Dawn Cox
Christina Kurek Cox
Andrew Garrett Davis Jr.
Eric Timothy Dowd
Alison Marie Dwyer
Bryan Christopher Faulkner
Sheryl L. France
Courtney Renee Gleason
Rachel Ellen Greene
Robin Noblett Heyer
Robyn Michelle Jones
Jerod Keith Lenderman
Jenna Rae Lesker
Rustin Tate Lynch
Caitlin Reed McGowan
Brad Michael McKeiver
Ricardo Cortes Mendonsa
Ryan Thomas Musumeci
Christopher Mark Nelson
Derek Christopher Niese
Stephanie Gordon Pflum
Joseph Denard Reid
Lisa Kelly Rich
Evan Wicker Rives
Irene Jilma Ross-Piazza
Matthew Eugene Rukasuwan
Amanda Kay Scarborough
Kourtney Brooke Shelar
Wilfred Alexander Smith Jr.
April Virginia Stocks
Jason Alexander Tarlton
William Dwayne Walker
Margaret Dorsett Young
Mengliang Zhang
Mi Zhou

Reciprocal Certificate Applications - The following were approved:

Stephen Douglas Carey
Philip Yancey Fernandez
Tamara Lynn Langton
Courtney Marie Lee
Scott Charles McLean
John Peter Schefke
Peter Christopher Schmutz
Brian Joseph Smith

Temporary Permits - The following temporary permits were approved by the Executive Director and ratified by the Board:

Kenneth Ian Deutsch T6805
Scott Robert Saville T6806
Melanie Rose Castillo T6807
Tracie Davis Youngblood T6808
Steve Leo Schilling T6809
Carol Ann Dellapenna T6810

Michael Anthony Torsiello T6811
Kimberly Ann Seamans T6812
Chester Joseph Popkowski Jr. T6813
Katie Ann Sanford T6814
Christopher Shaw Silvey T6815
Eugene J. Longo T6816
Glenn Allen Ruggles T6820
Matthew Charles Wellman T6863
Jason John Golonka T6864
Lawrence Jay Herzberg T6865
Rebecca Ellen Kreutzfeld T6866

Reinstatements - The following were approved:

Teresa Cothran Ellis #20546
Donna Isley Staley #24939
Brian E. Stringfellow #35294

Reissuance of New Certificate - Applications for reissuance of new certificate submitted by the following were approved.

Dudley Ross Coppage II #14079
Roger Lee Dillard III #20544
William David Murley #19169

Firm Registrations - The following professional limited liability companies were approved by the Executive Director and ratified by the Board:

Frank Richard Lopes, Jr., CPA, PLLC
Mary M. Martin, CPA, PLLC
Whitfield Elliott, PLLC

Retired Status Applications - The Committee approved the following requests for retired status because the individuals are completely retired and do not receive any earned compensation for current personal services in any job whatsoever:

Martin Eric Gentle #18221
Ralph Huddin #30544
Charles J. Hupfer #4097
Sherry B. Mabry #26256

Extension Requests - The Committee approved George Jaques Harrington (#14093) for extension for completion of CPE until May 31, 2012.

Examinations – The Committee reviewed and approved the following staff approved applicants to sit for the Uniform CPA Examination:

Emily Acker
Emmeline Aghapour
Christopher Albers
Rehan Ali
Justin Allen
Lee Allen
Chad Antley
Michael Arena
James Badgett
LeAnn Bagasala
Lien Bailey
Elena Baker

Elizabeth Baker
Tommi Barbour
Angela Barnes
Andrew Barnobi
Megan Bassett
John Beasley
Chelsea Block
Stephanie Blonchek
Andrew Bohme
Anne Bosman
Alexander Bouknight
Michael Bowers
Kelly Brennan
Allison Brewer
Vicky Bridges
Arianna Brisley
Jessica Broadaway
Steven Bruno
Byron Bryan
Bryan Buckingham
Madison Burke
Jamison Carpenter
Kelley Carter
Aymara Cepero Aldana
Simion Cerchez
Matthew Chatelain
Huan Chen
Lindsay Clark
Christopher Class
Kimberly Clawson
Susan Collins-Roberts
Clark Colosimo
Alexandria Conner
Claire Covington
Tyler Crosby
Cameron Cross
Brittney Currin
Brendan Dailey
Susan Darnell
Amanda Dehler
Tenley Desjardins
Robert Dobbins
Melissa Dougher
Susan Eisenhardt
Christopher Eisenzimmer
Allison Emery
Andrew Essic
Paulo Esteves Bonfim
Glenn Evans
Heather Ferrell
John Fisher
Kacy Forbes
Jeremy Fortner
George Freeman
Ashley Fromm
Corey Fulcher
Monte Gainey
Meagan Garrison
Matthew Godfrey
Chalice Golden
Puja Gomes
Ashley Good
Henry Goodson
Jia Guo
Devin Hairston
David Hall
David Hamilton
Joseph Haney
Lisa Hardee
Felicia Harris
Ricky Harrison
Kim Harrison-Clark
Mara Henderson
Shannon Henry
Robin Hewett
Denise Higgs
Nancy Higuera Lopez
Ryan Hill
Jacqueline Hobbs
Ann Hobson
Lindsey Hoch
Elizabeth Hodges
Latasha Hodges
David Hoyle
Mark Hunike
Farabee Hussain

Mayumi Ishimatsu
Anna Ivey
Ashley Ivey
Jessica Johansson
Matthew Johnson
Myra Johnson
Preston Johnson
Ronnie Johnson
John Jones
Joshua Jones
Stephen Jones
David Joyner
Jacob Joyner
Gary Kapalka
Travis Keever
Catherine Kelly
Elaina King
Perry King
Ruth Kinyua
Messavi Komlavi
Pieter Kreuk
Brittany Lacy
Dhara Lakhani
Lyndsey Lamb
Adam Lazovik
Rachel Leaptrot
Christian LeBron
Adam Lee
Faye Levy
Lauren Lewis
Fred Lewis, III
Larysa Lim
Andrew Linville
Hristos Lironis
Sahvanna Locklear
John Loewer
Matthew Long
Stuart Long
Kiri Longa
Carrie Love
Jacquelyn Loy
John Lucas
Moiz Lukmanji
Van Ly
William MacMinn
Isabell Maegebier
Evelyne Makatiani
Hassaan Malik
Joseph Marks
Amelia Martin
Timothy Mausolf
Brant Mayer
Katie Mazzeo
Marcus McAllister
George McClanahan
Chad McManus
William Mebane
Mackenzie Meier
Todd Michalske
Ashley Middleton
Kevin Moody
Hona Moore
Jennifer Morgan
Paul Morris
Stefanie Muise
Jean Murphy
Joseph Murphy
Jeffrey Myers
William Nazal
Anthony Neal
Porsha Neal
Bradley Netherwood
Donna Newton
Phillip Norriss
Sara Nowlin
Garrett Oakley
Matthew Ostuni
Lida Pace
Andrea Pack
Michael Palmer
William Parks
Jessica Pearson
William Perrault
Adrienne Phillips
Michelle Phillips
Ljubica Pilipovic

Anthony Pinzari
Kathryn Pletcher
Ralph Polk
Irina Poroshina
Gregory Portal
Kristen Potter
Jason Priest
Meredith Principe
Benjamin Pulliam
Ellen Quinby
Michael Raible
Katherine Rebmann
Kathryn Reddick
Nghi Reilly
Virginia Reynolds
Daniel Riebesell
Justin Rink
Maribeth Roach
Amber Roberts
Craig Roisum
Amanda Rose
Marissa Santiago
Lauren Sargent
Mark Schiavone
Brian Schutz
Pamela Seward
Stephen Sheller, Jr
Michael Shortall
Gary Sigafoos
Chelsea Simon
Manjeet Singh
Daniel Smeaton
Kimberly Smith
Mark Smith
Sydney Smith
Kc Spangle
Hannah Stamey
Christopher Stanley
Elizabeth Stanley
Jonathan Stark
Patrick Starnes
Adam Steele
Melissa Stephenson
Andrea Storck
Laurie Strumski
Megan Sudnik
Timothy Summers,Jr
Kourtney Swan
Cole Taylor
David Trautmann
Samuel Upton
James Van Dorn
Travis Vanhoy
Joshua VanNamee
Benjamin Walters
Shuo Wang
Christian Ward
Desmond Ward
Jelissa Ward
Lilia Warren
Zeno Weidenthaler
Sandy Wheless
Shauna Whitener
David Williams
Laronda Williams
Shona Williamson
Michael Wills
Michael Wolff
Joseph Wood
Bradley Worthen
Ko Yun Yang
Christopher Yeager
Stephen Yeh
Teresa Yurtkuran
Andrea Zahran
Lindsay Zech
Jessica Zemonek
Zhiqiang Zhang
Xiaojie Zheng

Letters of Warning – Staff received and recommended approval of the request to rescind the letter of warning awarded to Robert Nolan (#34624). The Committee approved staff recommendation.

Firm Renewal and Peer Review Matters - The firm, Joshua Chertoff, CPA #32757 submitted a renewal or termination notice more than 60 days but less than 120 after the deadline. Staff recommended referral to the Professional Standards Committee. The Committee approved staff recommendation.

EXECUTIVE STAFF AND LEGAL COUNSEL REPORT: Messrs. Glover and Cook moved to endorse the September 21, 2012, North Carolina CPA Day of Service as proclaimed by Governor Beverly E. Perdue (Appendix IX). Motion passed.

Mr. Allen reported on the NC Dental Board's case with the Federal Trade Commission.

ADJOURNMENT: Messrs. Cook and Harris moved to adjourn the meeting at 10:44 a.m. Motion passed.

Respectfully submitted:

Attested to by:

Robert N. Brooks
Executive Director

Jose R. Rodriguez, CPA
President

Financial Highlights

For the Month Ended May 31, 2012
Compared to the Month Ended May 31, 2011

	Budget Var.	May-12	May-11	Inc. (Dec.)
Total Revenue	$86,574.55	$ 923,078.53	$ 836,164.53	$ 86,914.00
■Total Operating Revenue	$86,509.03	$ 914,046.35	$ 830,489.13	$ 83,557.22
❖Total Non Operating Revenue	$65.52	$ 9,032.18	$ 5,675.40	$ 3,356.78
❍Total Expenses	$12,656.84	$ 506,271.83	$ 475,198.51	$ 31,073.32
Increase(Dec.) Net Assets for Period		$ 416,806.70	$ 360,966.02	$ 55,840.68
Total Checking and Savings		$ 2,352,298.84	$ 2,139,841.56	$ 212,457.28
Total Assets		$ 3,386,210.83	$ 3,057,645.28	$ 328,565.55
Full-Time/Part-time Employees		13/1	13/1	0/0

■ **Total operating revenue increased this period compared to last by $83,557 mainly because of an increase in certificate renewal fees.**

❖ **Total non operating revenue increased this period compared to last by $3,356 due to an increase in rental income.**

❍ **Total expenses were greater this period compared to last by $31,073 mainly because of less civil penalties assessed which reduces total investigation and hearing costs.**

NC Board of CPA Examiners

Statement of Net Assets

As of May 31, 2012

	May 31, 12	May 31, 11
ASSETS		
Current Assets		
Checking/Savings		
1023 · BB&T Disciplinary Clearing Acct	2,300.00	29,049.20
1020 · BB&T Checking Acct	315,637.67	382,457.37
1021 · BB&T Savings Account	313,669.90	12,698.79
1030 · BB&T Payroll Acct	100.00	100.00
1050 · Short-Term Certificates	1,716,607.81	1,709,472.72
1110 · Accrued CD Interest	3,983.46	6,063.48
Total Checking/Savings	2,352,298.84	2,139,841.56
Other Current Assets		
1125 · Accts Rec Civil Penalties	8,000.00	4,700.00
1120 · Accounts Receivable	981.71	1,671.51
Total Other Current Assets	8,981.71	6,371.51
Total Current Assets	2,361,280.55	2,146,213.07
Fixed Assets		
1300 · Building	917,143.10	782,127.07
1305 · Land	300,000.00	300,000.00
1306 · Vehicle	26,622.40	20,038.36
1310 · Furniture	113,918.90	113,918.90
1320 · Equipment	201,613.37	181,827.84
1325 · Data Base Software	180,336.18	180,336.18
1390 · Accumulated Depreciation	-714,703.67	-666,816.14
Total Fixed Assets	1,024,930.28	911,432.21
TOTAL ASSETS	**3,386,210.83**	**3,057,645.28**
LIABILITIES & NET ASSETS		
Liabilities		
Current Liabilities		
Accounts Payable		
2000 · Accounts Payable	1,702.23	0.00
Total Accounts Payable	1,702.23	0.00
Other Current Liabilities		
2040 · Accounts Payable Civil Penalty	7,040.00	0.00
2005 · Due to Exam Vendors	611,966.37	516,081.10
Total Other Current Liabilities	619,006.37	516,081.10
Total Current Liabilities	620,708.60	516,081.10
Long Term Liabilities		
2020 · Accrued Vacation	77,458.20	75,306.63
Total Long Term Liabilities	77,458.20	75,306.63
Total Liabilities	698,166.80	591,387.73

NC Board of CPA Examiners

Statement of Net Assets

As of May 31, 2012

	May 31, 12	May 31, 11
Net Assets		
3010 · Net Assets Invest in Cap Assets	1,024,930.28	911,432.21
3020 · Designated for Capital Assets	300,000.00	300,000.00
3031 · Designated-Operating Expenses	300,000.00	300,000.00
3040 · Designated for Litigation	500,000.00	500,000.00
3900 · Net Assets Undesignated	146,307.05	93,859.32
Change in Net Assets	416,806.70	360,966.02
Total Net Assets	2,688,044.03	2,466,257.55
TOTAL LIABILITIES & NET ASSETS	**3,386,210.83**	**3,057,645.28**

NC Board of CPA Examiners

Statement of Revenues & Expense - Budget v. Actual

April 2012 through May 2012

	Apr - May...	Budget	$ Over B...
Ordinary Income/Expense			
Income			
Certificate Fees			
4110 · Certificates - Initial	7,200.00	9,050.00	-1,850.00
4120 · Certificates - Reciprocal	2,700.00	4,000.00	-1,300.00
4121 · Certificates - Recip/Temp	0.00	0.00	0.00
4130 · Certificates - Temporary	0.00	0.00	0.00
4131 · Certificates - Temp Renewal	0.00	0.00	0.00
4140 · Certificates - Renewal Fees	580,740.00	564,000.00	16,740.00
4150 · Certificates - Reinst/Revoked	600.00	0.00	600.00
4151 · Certificates - Reinst/Surr	500.00	1,800.00	-1,300.00
4152 · Certificates - Reinst/Retired	0.00	0.00	0.00
4160 · Certificates - Notification	0.00	0.00	0.00
4161 · Certificate - Notification Rnwl	0.00	0.00	0.00
Total Certificate Fees	591,740.00	578,850.00	12,890.00
Exam Fee Revenue			
4001 · Initial Adm Fees	52,900.00	34,806.66	18,093.34
4002 · Re-Exam Adm Fees	26,100.00	27,287.50	-1,187.50
4004 · Exam Fees Revenue	247,127.35	191,166.66	55,960.69
4060 · Equivalency Exam Fees	0.00	0.00	0.00
4070 · Transfer Exam Grade Credit	0.00	0.00	0.00
4071 · Exam Review Fees	0.00	241.66	-241.66
4072 · Exam Scholarship Coupon	-4,866.00	-6,990.16	2,124.16
Total Exam Fee Revenue	321,261.35	246,512.32	74,749.03
Misc			
4910 · Educational Program Fees	0.00	0.00	0.00
4970 · Duplicate Certificates	150.00	0.00	150.00
4980 · Copies	0.00	0.00	0.00
4990 · Miscellaneous	60.00	620.00	-560.00
Total Misc	210.00	620.00	-410.00
Partnership Fees			
4260 · Partnership Registration Fees	0.00	788.34	-788.34
4261 · Partnership Renewal Fees	0.00	0.00	0.00
Total Partnership Fees	0.00	788.34	-788.34
Professional Corporation Fees			
4250 · PC Registration Fees	800.00	766.66	33.34
4251 · PC Renewal Fees	25.00	0.00	25.00
4252 · PC Renewal Fees W/Penalties	10.00	0.00	10.00
Total Professional Corporation Fees	835.00	766.66	68.34
Total Income	914,046.35	827,537.32	86,509.03
Expense			
66900 · Over & Short	-0.07	0.00	-0.07

NC Board of CPA Examiners

Statement of Revenues & Expense - Budget v. Actual

April 2012 through May 2012

	Apr - May...	Budget	$ Over B...
Fringe Benefits			
5031 · Retirement - NCLB Contribution	9,575.89	10,019.55	-443.66
5033 · Retirement - NCLB Administr	239.75	536.36	-296.61
5035 · Health Ins. Premiums	19,087.76	20,201.05	-1,113.29
5036 · Medical Reim Plan	7,853.84	10,396.36	-2,542.52
5038 · Unemployment Claims	0.00	0.00	0.00
Total Fringe Benefits	36,757.24	41,153.32	-4,396.08
Board Travel			
5120 · Board Travel - Board Meetings	2,895.85	3,920.00	-1,024.15
5121 · Board Travel - Prof Meetings	85.53	0.00	85.53
5122 · Board Travel - NASBA Annual	0.00	0.00	0.00
5123 · Board Travel - NASBA Regional	0.00	0.00	0.00
5124 · Board Travel - NASBA Committees	0.00	0.00	0.00
5125 · Board Travel - AICPA/NASBA	0.00	2,900.00	-2,900.00
5126 · Board Travel - NCACPA Annual	0.00	0.00	0.00
5127 · Board Travel - NCACPA/Board	1,862.63	0.00	1,862.63
5128 · Board Travel - AICPA Committees	0.00	0.00	0.00
5129 · Miscellaneous Board Costs	0.00	0.00	0.00
5133 · Board Travel - NASBA CPE	0.00	0.00	0.00
Total Board Travel	4,844.01	6,820.00	-1,975.99
Building Expenses			
5800 · Building Maintenance	282.74	1,500.00	-1,217.26
5801 · Electricity	1,522.33	2,000.00	-477.67
5802 · Grounds Maintenance	308.36	1,950.00	-1,641.64
5803 · Heat & Air Maintenance	0.00	0.00	0.00
5804 · Improvements	0.00	2,000.00	-2,000.00
5805 · Insurance	0.00	0.00	0.00
5807 · Janitorial Maintenance	950.00	1,000.00	-50.00
5808 · Pest Control Service	0.00	200.00	-200.00
5809 · Security & Fire Alarm	0.00	0.00	0.00
5810 · Trash Collection	-246.82	0.00	-246.82
5811 · Water & Sewer	74.03	183.34	-109.31
Total Building Expenses	2,890.64	8,833.34	-5,942.70
Continuing Education -Staff			
5050 · Continuing Education - Staff	0.00	458.34	-458.34
5051 · Continuing Education - RNB	0.00	0.00	0.00
5052 · Continuing Education - Computer	0.00	0.00	0.00
Total Continuing Education -Staff	0.00	458.34	-458.34
Exam Postage			
5531 · Exam Postage	0.00	216.66	-216.66
Total Exam Postage	0.00	216.66	-216.66
Exam Printing			
5533 · Exam Printing	0.00	0.00	0.00
Total Exam Printing	0.00	0.00	0.00

NC Board of CPA Examiners

Statement of Revenues & Expense - Budget v. Actual

April 2012 through May 2012

	Apr - May...	Budget	$ Over B...
Exam Sitting and Grading			
5538 · Exam Vendor Expense	237,302.35	179,500.00	57,802.35
Total Exam Sitting and Grading	237,302.35	179,500.00	57,802.35
Exam Supplies			
5532 · Exam Supplies	0.00	0.00	0.00
Total Exam Supplies	0.00	0.00	0.00
Exam Temporary Staff			
5530-10 · Temp Employees - May	0.00	0.00	0.00
5530-20 · Temp Employees - Nov	0.00	0.00	0.00
Total Exam Temporary Staff	0.00	0.00	0.00
Investigation & Hearing Costs			
5220 · Investigator Fees	0.00	0.00	0.00
5221 · Staff Investigation Costs	0.00	0.00	0.00
5222 · Investigation Materials	880.13	1,333.34	-453.21
5230 · Hearing Costs	0.00	833.34	-833.34
5231 · Rule-Making Hearing Costs	0.00	0.00	0.00
5232 · Legal Advertising	0.00	0.00	0.00
5250 · Administrative Cost Assessed	-5,181.50	-750.00	-4,431.50
5260 · Civil Penalties Assessed	-7,800.00	-1,750.00	-6,050.00
5261 · Civil Penalties Remitted	5,694.65	0.00	5,694.65
Total Investigation & Hearing Costs	-6,406.72	-333.32	-6,073.40
Legal Expense			
5140 · Legal Counsel - Administrative	1,732.10	4,000.00	-2,267.90
5141 · Legal Counsel - Spec Projects	0.00	0.00	0.00
5210 · Legal Counsel - Prof Standards	195.00	2,915.84	-2,720.84
5211 · Legal Counsel - Litigation	0.00	5,000.00	-5,000.00
Total Legal Expense	1,927.10	11,915.84	-9,988.74
Misc Personnel			
5034 · Misc. Payroll Deduction	329.00	100.00	229.00
5037 · HSA Deduction	154.00	0.00	154.00
5090 · Flowers, Gifts, Etc.	0.00	0.00	0.00
5091 · Staff Recruiting	0.00	0.00	0.00
5092 · Misc. Personnel Costs	53.70	400.00	-346.30
Total Misc Personnel	536.70	500.00	36.70
Office Expense			
5301 · Equipment Rent	444.90	800.00	-355.10
5310 · Decorations	0.00	16.66	-16.66
5320 · Payroll Service	287.45	300.00	-12.55
5360 · Telephone	370.70	1,166.66	-795.96
5361 · Internet & Website	958.71	2,500.00	-1,541.29
5390 · Clipping Service	393.92	750.00	-356.08
5400 · Computer Prog/Assistance	0.00	166.66	-166.66
5405 · Computer Software Maintenance	3,298.75	7,000.00	-3,701.25
5410 · Dues	470.00	0.00	470.00
5420 · Insurance	0.00	0.00	0.00
5430 · Audit Fees	0.00	0.00	0.00
5435 · Consulting Services	0.00	200.00	-200.00

NC Board of CPA Examiners

Statement of Revenues & Expense - Budget v. Actual

April 2012 through May 2012

	Apr - May...	Budget	$ Over B...
5440 · Misc Office Expense	0.00	1,000.00	-1,000.00
5445 · Banking Fees	276.06	700.00	-423.94
5450 · Credit Card Fees	9,058.04	7,333.34	1,724.70
Total Office Expense	15,558.53	21,933.32	-6,374.79
Per Diem - Board			
5110 · Per Diem - Board Meetings	1,400.00	2,000.00	-600.00
5111 · Per Diem - Prof Meetings	2,887.52	666.66	2,220.86
5112 · Per Diem - NASBA Annual	0.00	0.00	0.00
5113 · Per Diem - NASBA Regional	0.00	0.00	0.00
5114 · Per Diem - NASBA Committees	550.00	0.00	550.00
5115 · Per Diem - AICPA/NASBA	0.00	0.00	0.00
5116 · Per Diem - NCACPA Annual	0.00	0.00	0.00
5117 · Per Diem - NCACPA/Board	249.90	0.00	249.90
5118 · Per Diem - AICPA Committees	0.00	0.00	0.00
5119 · Per Diem - Miscellaneous	0.00	0.00	0.00
5130 · Clerical Reimbursement	0.00	0.00	0.00
5135 · Per Diem - NASBA CPE	0.00	0.00	0.00
Total Per Diem - Board	5,087.42	2,666.66	2,420.76
Postage			
5340 · Postage-Other	3,950.00	2,583.34	1,366.66
5341 · Postage - Newsletter	15,071.64	10,000.00	5,071.64
5342 · Postage - Business Reply	200.00	416.66	-216.66
5343 · Postage - Renewal	0.00	333.34	-333.34
5344 · Postage - Rulebook	0.00	0.00	0.00
Total Postage	19,221.64	13,333.34	5,888.30
Printing			
5330 · Printing - Other	477.66	833.34	-355.68
5331 · Printing - Newsletter	8,138.84	8,333.34	-194.50
5332 · Printing - Special Projects	0.00	0.00	0.00
5333 · Printing - Renewal	0.00	0.00	0.00
5334 · Printing - Rulebook	0.00	0.00	0.00
5335 · Mailing Label Printing	0.00	0.00	0.00
Total Printing	8,616.50	9,166.68	-550.18
Repairs & Maintenance			
5380 · Repairs - Misc.	0.00	0.00	0.00
5381 · Maintenance - Copiers	222.55	416.66	-194.11
5382 · Maintenance - Computer	0.00	329.16	-329.16
5383 · Maintenance - Postage	0.00	87.50	-87.50
Total Repairs & Maintenance	222.55	833.32	-610.77
Salaries & Payroll Taxes			
5010 · Staff Salaries	159,598.18	166,989.71	-7,391.53
5020 · Part-Time Staff Salaries	1,976.25	2,170.68	-194.43
5021 · Temporary Contractors	0.00	0.00	0.00
5030 · FICA Taxes	12,396.55	12,957.10	-560.55
Total Salaries & Payroll Taxes	173,970.98	182,117.49	-8,146.51

NC Board of CPA Examiners

Statement of Revenues & Expense - Budget v. Actual

April 2012 through May 2012

	Apr - May...	Budget	$ Over B...
Scholarships			
5535 · Scholarship	4,000.00	10,000.00	-6,000.00
Total Scholarships	4,000.00	10,000.00	-6,000.00
Staff Travel			
5060 · Staff Travel - Local	0.00	208.34	-208.34
5061 · Staff Travel - Prof Mtgs	0.00	591.66	-591.66
5062 · Staff Travel - NASBA CPE	0.00	0.00	0.00
5063 · Staff Travel - NASBA Ethics	0.00	0.00	0.00
5070 · Staff Travel - NASBA Annual	0.00	0.00	0.00
5071 · Staff Travel - NASBA Regional	0.00	0.00	0.00
5072 · Staff Travel - NASBA Administr	8.00	0.00	8.00
5073 · Staff Travel - NASBA Committee	117.43	0.00	117.43
5074 · Staff Travel - AICPA Committee	171.06	200.00	-28.94
5075 · Staff Travel - NCACPA Annual	0.00	0.00	0.00
5076 · Staff Travel - NCACPA/Board	0.00	0.00	0.00
5077 · Staff Travel - Clear Conference	0.00	0.00	0.00
5078 · Staff Travel - Vehicle	117.22	1,000.00	-882.78
5080 · Staff Travel - Univ Dialogue	0.00	0.00	0.00
Total Staff Travel	413.71	2,000.00	-1,586.29
Subscriptions/References			
5370 · Subscriptions/References	180.00	500.00	-320.00
Total Subscriptions/References	180.00	500.00	-320.00
Supplies			
5350 · Supplies - Office	855.25	1,000.00	-144.75
5351 · Supplies - Copier	0.00	600.00	-600.00
5352 · Supplies - Computer	294.00	400.00	-106.00
5353 · Supplies - Special Projects	0.00	0.00	0.00
Total Supplies	1,149.25	2,000.00	-850.75
5920 · Funded Depreciation	0.00	0.00	0.00
6999 · Uncategorized Expenses	0.00	0.00	0.00
9999 · Suspense	0.00	0.00	0.00
Total Expense	506,271.83	493,614.99	12,656.84
Net Ordinary Income	407,774.52	333,922.33	73,852.19
Other Income/Expense			
Other Income			
8250 · Gift Card Revenue	0.00	0.00	0.00
Interest Income			
8500 · Interest Income - MMAs	0.00	0.00	0.00
8505 · Interest Income - BB&T BUS IDA	0.00	0.00	0.00
8510 · Interest Income - CDs	4,032.18	3,966.66	65.52
8520 · Interest Income - Prudential TB	0.00	0.00	0.00
8530 · Interest Income - Wachovia MM	0.00	0.00	0.00
Total Interest Income	4,032.18	3,966.66	65.52

NC Board of CPA Examiners

Statement of Revenues & Expense - Budget v. Actual

April 2012 through May 2012

	Apr - May...	Budget	$ Over B...
8200 · Rental Income	5,000.00	5,000.00	0.00
8920 · Gain on Sale of Fixed Assets	0.00	0.00	0.00
8921 · Loss on Sale of Fixed Assets	0.00	0.00	0.00
Total Other Income	9,032.18	8,966.66	65.52
Other Expense			
7000 · Leasing Commission	0.00	0.00	0.00
Total Other Expense	0.00	0.00	0.00
Net Other Income	9,032.18	8,966.66	65.52
Change in Net Assets	**416,806.70**	**342,888.99**	**73,917.71**

NC Board of CPA Examiners

Statement of Revenues and Expenses

Year-to-Date Comparison

	Apr - May...	Apr - May...
Ordinary Income/Expense		
Income		
Certificate Fees		
4110 · Certificates - Initial	7,200.00	7,600.00
4120 · Certificates - Reciprocal	2,700.00	2,900.00
4121 · Certificates - Recip/Temp	0.00	200.00
4140 · Certificates - Renewal Fees	580,740.00	458,860.00
4150 · Certificates - Reinst/Revoked	600.00	200.00
4151 · Certificates - Reinst/Surr	500.00	800.00
Total Certificate Fees	591,740.00	470,560.00
Exam Fee Revenue		
4001 · Initial Adm Fees	52,900.00	47,150.00
4002 · Re-Exam Adm Fees	26,100.00	33,750.00
4004 · Exam Fees Revenue	247,127.35	279,251.88
4071 · Exam Review Fees	0.00	200.00
4072 · Exam Scholarship Coupon	-4,866.00	-3,510.75
Total Exam Fee Revenue	321,261.35	356,841.13
Misc		
4970 · Duplicate Certificates	150.00	50.00
4990 · Miscellaneous	60.00	73.00
Total Misc	210.00	123.00
Partnership Fees		
4260 · Partnership Registration Fees	0.00	2,230.00
Total Partnership Fees	0.00	2,230.00
Professional Corporation Fees		
4250 · PC Registration Fees	800.00	700.00
4251 · PC Renewal Fees	25.00	25.00
4252 · PC Renewal Fees W/Penalties	10.00	10.00
Total Professional Corporation Fees	835.00	735.00
Total Income	914,046.35	830,489.13
Expense		
66900 · Over & Short	-0.07	0.00
Fringe Benefits		
5031 · Retirement - NCLB Contribution	9,575.89	9,236.25
5033 · Retirement - NCLB Administr	239.75	322.97
5035 · Health Ins. Premiums	19,087.76	16,073.61
5036 · Medical Reim Plan	7,853.84	4,331.67
Total Fringe Benefits	36,757.24	29,964.50
Board Travel		
5120 · Board Travel - Board Meetings	2,895.85	1,659.99
5121 · Board Travel - Prof Meetings	85.53	66.00
5123 · Board Travel - NASBA Regional	0.00	3,506.20
5127 · Board Travel - NCACPA/Board	1,862.63	0.00
Total Board Travel	4,844.01	5,232.19

NC Board of CPA Examiners

Statement of Revenues and Expenses

Year-to-Date Comparison

	Apr - May...	Apr - May...
Building Expenses		
5800 · Building Maintenance	282.74	0.00
5801 · Electricity	1,522.33	1,570.99
5802 · Grounds Maintenance	308.36	200.00
5807 · Janitorial Maintenance	950.00	950.00
5810 · Trash Collection	-246.82	-577.38
5811 · Water & Sewer	74.03	70.88
Total Building Expenses	2,890.64	2,214.49
Continuing Education -Staff		
5050 · Continuing Education - Staff	0.00	230.00
Total Continuing Education -Staff	0.00	230.00
Exam Sitting and Grading		
5538 · Exam Vendor Expense	237,302.35	267,295.49
Total Exam Sitting and Grading	237,302.35	267,295.49
Investigation & Hearing Costs		
5222 · Investigation Materials	880.13	899.59
5230 · Hearing Costs	0.00	1,223.70
5250 · Administrative Cost Assessed	-5,181.50	-1,372.50
5260 · Civil Penalties Assessed	-7,800.00	-33,000.00
5261 · Civil Penalties Remitted	5,694.65	-9,975.00
Total Investigation & Hearing Costs	-6,406.72	-42,224.21
Legal Expense		
5140 · Legal Counsel - Administrative	1,732.10	3,075.00
5210 · Legal Counsel - Prof Standards	195.00	4,057.50
5211 · Legal Counsel - Litigation	0.00	150.00
Total Legal Expense	1,927.10	7,282.50
Misc Personnel		
5034 · Misc. Payroll Deduction	329.00	0.00
5037 · HSA Deduction	154.00	0.00
5090 · Flowers, Gifts, Etc.	0.00	55.03
5092 · Misc. Personnel Costs	53.70	90.35
Total Misc Personnel	536.70	145.38
Office Expense		
5301 · Equipment Rent	444.90	423.73
5320 · Payroll Service	287.45	160.25
5360 · Telephone	370.70	1,035.98
5361 · Internet & Website	958.71	2,884.88
5390 · Clipping Service	393.92	815.71
5400 · Computer Prog/Assistance	0.00	320.00
5405 · Computer Software Maintenance	3,298.75	3,060.00
5410 · Dues	470.00	195.00
5445 · Banking Fees	276.06	469.23
5450 · Credit Card Fees	9,058.04	7,252.21
Total Office Expense	15,558.53	16,616.99

NC Board of CPA Examiners

Statement of Revenues and Expenses

Year-to-Date Comparison

	Apr - May...	Apr - May...
Per Diem - Board		
5110 · Per Diem - Board Meetings	1,400.00	650.00
5111 · Per Diem - Prof Meetings	2,887.52	0.00
5114 · Per Diem - NASBA Committees	550.00	400.00
5117 · Per Diem - NCACPA/Board	249.90	0.00
Total Per Diem - Board	5,087.42	1,050.00
Postage		
5340 · Postage-Other	3,950.00	832.35
5341 · Postage - Newsletter	15,071.64	9,966.80
5342 · Postage - Business Reply	200.00	0.00
Total Postage	19,221.64	10,799.15
Printing		
5330 · Printing - Other	477.66	0.00
5331 · Printing - Newsletter	8,138.84	4,162.22
Total Printing	8,616.50	4,162.22
Repairs & Maintenance		
5381 · Maintenance - Copiers	222.55	273.32
Total Repairs & Maintenance	222.55	273.32
Salaries & Payroll Taxes		
5010 · Staff Salaries	159,598.18	151,270.79
5020 · Part-Time Staff Salaries	1,976.25	2,977.38
5030 · FICA Taxes	12,396.55	12,012.96
Total Salaries & Payroll Taxes	173,970.98	166,261.13
Scholarships		
5535 · Scholarship	4,000.00	2,000.00
Total Scholarships	4,000.00	2,000.00
Staff Travel		
5060 · Staff Travel - Local	0.00	46.70
5061 · Staff Travel - Prof Mtgs	0.00	48.29
5071 · Staff Travel - NASBA Regional	0.00	2,085.00
5072 · Staff Travel - NASBA Administr	8.00	0.00
5073 · Staff Travel - NASBA Committee	117.43	330.50
5074 · Staff Travel - AICPA Committee	171.06	0.00
5078 · Staff Travel - Vehicle	117.22	586.46
Total Staff Travel	413.71	3,096.95
Subscriptions/References		
5370 · Subscriptions/References	180.00	0.00
Total Subscriptions/References	180.00	0.00
Supplies		
5350 · Supplies - Office	855.25	574.70
5352 · Supplies - Computer	294.00	223.71
Total Supplies	1,149.25	798.41

NC Board of CPA Examiners

Statement of Revenues and Expenses

Year-to-Date Comparison

	Apr - May...	Apr - May...
9999 · Suspense	0.00	0.00
Total Expense	506,271.83	475,198.51
Net Ordinary Income	407,774.52	355,290.62
Other Income/Expense		
Other Income		
8250 · Gift Card Revenue	0.00	0.00
Interest Income		
8510 · Interest Income - CDs	4,032.18	5,675.40
Total Interest Income	4,032.18	5,675.40
8200 · Rental Income	5,000.00	0.00
Total Other Income	9,032.18	5,675.40
Net Other Income	9,032.18	5,675.40
Change in Net Assets	416,806.70	360,966.02

NC State Board of CPA Examiners - CD Portfolio
As of May 31, 2012

Bank Name	Purchased	Amount	Rate	Maturity	Terms
Trust Atlantic Bank	1/29/2011	$155,684	1.590%	7/29/2012	18 mos
Trust Atlantic Bank	2/26/2011	$155,476	1.590%	8/26/2012	18 mos
Crescent State Bank	3/25/2011	$103,815	1.840%	9/25/2012	18 mos
Crescent State Bank	10/29/2010	$245,640	1.650%	10/29/2012	24 mos
MetLife Bank	3/28/2011	$101,540	1.550%	4/4/2013	24 mos
Bank of NC	12/28/2011	$240,693	1.170%	6/28/2013	18 mos
Harrington Bank	12/30/2011	$247,934	1.150%	6/30/2013	18 mos
Capital Bank	12/13/2011	$215,250	1.150%	12/13/2013	24 mos
Capital Bank	1/24/2012	$250,576	1.150%	1/24/2014	24 mos
TOTAL		$1,716,608			

NORTH CAROLINA STATE BOARD OF CPA EXAMINERS

2012-2013 APPROVED OPERATING BUDGET

	2011-12 FISCAL YEAR BUDGET	2011-12 ESTIMATED ACTUAL	2012-13 APPROVED BUDGET	REF.
REVENUES	2,845,688	2,836,191	2,853,054	A
EXPENSES				
PERSONNEL	1,149,809	1,129,397	1,292,764	B
BOARD & LEGAL	150,441	87,007	123,190	C
OFFICE	301,825	287,932	303,000	D
EXAMINATION	1,154,000	1,037,369	1,078,300	E
SCHOLARSHIP	10,000	6,000	10,000	
BUILDING	58,901	43,566	45,800	
LEASING COMMISSION	0	5,564	0	
MISCELLANEOUS	0	0	0	
OVER & SHORT	0	-283	0	F
TOTAL	2,824,976	2,596,552	2,853,054	
ESTIMATED CHANGE IN NET ASSETS	20,712	239,639	0	

2012-2013 APPROVED CAPITAL BUDGET

	2011-12 FISCAL YEAR BUDGET	2011-12 ESTIMATED ACTUAL	2012-13 APPROVED BUDGET
HARDWARE	11,300	18,818	3,000
SOFTWARE	0	3,552	2,000
TOTAL	11,300	22,370	5,000
TOTAL PROPOSED BUDGET	2,836,276	2,618,922	2,858,054

(Rev 4/12)

A

2012-2013 APPROVED REVENUE BUDGET

	2011-12 FISCAL YEAR BUDGET	2011-12 ESTIMATED ACTUAL	2012-13 APPROVED BUDGET
EXAMINATION FEES			
INITIAL ADMIN FEES	222,180	208,840	208,840
RE-EXAM ADMIN FEES	167,025	163,725	163,725
EXAM FEES REVENUE	1,221,000	1,139,985	1,147,000
EXAM COUPON	-46,667	-19,330	-41,941
EXAM REVIEW FEES	1,000	1,450	1,450
EQUIVALENCY EXAM FEES	0	0	0
GRADE TRANSFER FEES	150	0	0
	1,564,688	1,494,670	1,479,074
CERTIFICATE FEES			
INITIAL	56,000 (560/100)	54,300 ((543/100))	54,300 (543/100)
RECIPROCAL	23,000 (230/100)	24,000 ((240/100))	24,000 (240/100)
RENEWALS	1,080,000 (18000/60)	1,104,220 (18000/60)	1,128,000 (18800/60)
REINSTATEMENTS	16,000 (160/100)	10,780 ((108/100))	10,800 (108/100)
	1,175,000	1,193,300	1,217,100
FIRM REGISTRATIONS			
PARTNERSHIP INITIAL			
PARTNERSHIP RENEWAL	35,000	38,030	38,030
PC INITIAL	5,000	4,600	4,600
PC RENEWAL	34,000	34,900	34,000
PARTNERSHIP REGISTRATION	0	4,730	4,730
	74,000	82,260	81,360
MISCELLANEOUS INCOME	0	3,720	3,720
RENTAL INCOME	0	10,000	30,000
GAIN ON FIXED ASSETS	0	105	0
INTEREST	32,000	33,585	23,800
GIFT CARDS	0	18,551	18,000
OTHER			
	2,845,688	2,836,191	2,853,054

B

2012-2013 APPROVED PERSONNEL EXPENSE

	2011-12 FISCAL YEAR BUDGET	2011-12 ESTIMATED ACTUAL	2012-13 APPROVED BUDGET
FULL TIME STAFF	829,630	824,757	924,919
PART TIME STAFF	12,960	13,564	13,550
TAXES - FICA	64,458	61,861	71,792
RETIREMENT - CONTRIBUTIONS	49,778	49,646	55,495
RETIREMENT - NCLB ADMIN FEE	3,500	2,627	3,500
INSURANCE - HEALTH	141,693	126,155	169,478
STAFF CPE	2,750	1,850	2,750
STAFF TRAVEL	42,040	46,552	48,280
		0	
MISCELLANEOUS	3,000	2,386	3,000
	1,149,809	1,129,397	1,292,764

2012-2013 APPROVED STAFF TRAVEL EXPENSE

	MTGS.	STAFF	DAYS	RATE	
NASBA MEETINGS					
ANNUAL	1	4	4	400/750/250/50	9,400
REGIONAL	1	3	3	695/230/50	5,505
ADMINISTRATORS/CPE	1	9	4	500/675/250/50	21,375
OTHER MEETINGS					
PROFESSIONAL					6,000
BOARD VEHICLE					6,000
TOTAL MEETING EXPENSE - B					48,280

2012-2013 APPROVED BOARD & LEGAL EXPENSE

C

	2011-12 FISCAL YEAR BUDGET	2011-12 ESTIMATED ACTUAL	2012-13 APPROVED BUDGET	REF.
BOARD TRAVEL	43,091	36,511	55,445	C1
PER DIEM	19,600	11,258	21,500	
CLERICAL REIMBURSEMENT	1,750	0	1,750	
	64,441	47,769	78,695	
LEGAL COUNSEL FEES - ADMIN	18,000	18,735	24,000	
LEGAL COUNSEL FEES-PROF. STAND/	60,000	39,075	17,495	
LEGAL COUNSEL FEES-LITIGATION	5,000	4,230	5,000	
INVESTIGATION COST	8,000	8,808	8,000	
HEARING COST	10,000	5,829	5,000	
REIMBURSEMENTS (NET)	(15,000)	(37,439)	(15,000)	
	86,000	39,238	44,495	
	150,441	87,007	123,190	

2012-2013 APPROVED BOARD TRAVEL EXPENSE

	NO. MTGS.	BOARD MEMBERS	DAYS	RATE	AMOUNT
REGULAR BOARD MEETINGS					
HOTEL	12	6	1	125	9,000
MEALS	12	6	1	40	2,880
TRAVEL	12	7			11,640
					23,520
NASBA ANNUAL MEETING					
HOTEL		7	4	250	7,000
MEALS		7	4	50	1,400
TRAVEL		7		400	2,800
REGISTRATION		7		750	5,250
					16,450
NASBA REGIONAL MEETING					
HOTEL		5	3	230	3,450
MEALS		5	3	50	750
TRAVEL		5		400	2,000
REGISTRATION		5		695	3,475
					9,675
AICPA COUNCIL MEETINGS					
HOTEL	2	2	3	300	3,600
MEALS	2	2	3	50	600
TRAVEL	2	2		400	1,600
					5,800
					55,445

2012-2013 APPROVED PER DIEM EXPENSE

	PER DIEM	BOARD MEMBERS	DAYS	AMOUNT
REGULAR MEETINGS (12)	100	5	2	12,000
PROFESSIONAL MEETINGS	100			4,000
NASBA				
ANNUAL MEETING	100	7	5	3,500
REGIONAL	100	5	4	2,000
TOTAL MEETINGS - C				21,500

2012-2013 APPROVED OFFICE EXPENSE

D

	2011-12 FISCAL YEAR BUDGET	2011-12 ESTIMATED ACTUAL	2012-13 PROPOSED BUDGET
OFFICE DECORATIONS	100	1,503	100
EQUIPMENT RENT	800	869	800
PRINTING	45,000	54,315	55,000
POSTAGE	95,000	76,692	80,000
SUPPLIES	12,000	9,572	12,000
TELEPHONE	7,000	6,822	7,000
INTERNET & WEBSITE	18,000	14,903	15,000
SUBSCRIPTIONS	2,000	2,857	3,000
REPAIRS & MAINTENANCE	4,000	5,546	5,000
CLIPPING SERVICE	4,000	4,369	4,500
COMPUTER SOFTWARE MAINTENANC	42,000	35,700	42,000
COMPUTER SOFTWARE	0	0	1,000
DUES	8,000	8,055	8,500
INSURANCE	9,000	9,288	9,500
MISCELLANEOUS	1,000	18	1,000
AUDIT FEES	7,125	7,125	7,400
CREDIT CARD FEES	42,000	43,297	44,000
BANKING FEES	3,000	4,144	4,200
PAYROLL SERVICE	1,800	1,752	1,800
CONSULTING FEES	0	1,105	1,200
	301,825	287,932	303,000

2012-2013 APPROVED EXAMINATION EXPENSE

E

	2011-12 FISCAL YEAR BUDGET	2011-12 ESTIMATED ACTUAL	2012-13 APPROVED BUDGET
EXAM SITTING & GRADING	1,150,000	1,036,110	1,077,000
EXAM POSTAGE	4,000	1,259	1,300
	1,154,000	1,037,369	1,078,300

F

2012-2013 APPROVED BUILDING EXPENSE

	2011-12 FISCAL YEAR BUDGET	2011-12 ESTIMATED ACTUAL	2012-13 APPROVED BUDGET
BUILDING MAINTENANCE	1,475	476	1,500
ELECTRICITY	12,000	5,142	12,000
GROUNDS MAINTENANCE	25,483	19,028	11,700
HEAT & AIR MAINTENANCE	5,343	5,749	5,800
IMPROVEMENTS	2,000	445	2,000
INSURANCE	3,500	3,482	3,500
JANITORIAL MAINTENANCE	6,000	5,716	6,000
TRASH COLLECTION	0	453	0
WATER & SEWER	1,100	909	1,100
SECURITY	1,800	2,040	2,000
PEST CONTROL	200	126	200
	58,901	43,566	45,800

NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #: C2011085

IN THE MATTER OF:
Deanna J. Peltz, #28651
Respondent

CONSENT ORDER

THIS CAUSE, coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N.C. Gen. Stat. § 150B-41, the Board and Respondent stipulate the following Findings:

1. Respondent is the holder of North Carolina certificate number 28651 as a Certified Public Accountant.

2. Respondent informed the Board on her 2010-2011 individual certificate renewal ("Renewal") that she had obtained twenty (20) hours of continuing professional education ("CPE"), at least two (2) of which were to have been ethics courses, as required by the State of Missouri, Respondent's home state of licensure, to meet the 2009 CPE requirement.

3. Based on Respondent's representation, the Board accepted her Renewal.

4. Board staff requested that Respondent provide certificates of completion for the CPE reported to meet her 2009 CPE requirement.

5. Respondent provided the CPE certificates of completion to the Board as requested. However, Respondent failed to provide the certificate or certificates of completion needed to document completion of nine (9) hours of CPE that Respondent claimed she earned between January 1, 2009, and December 30, 2009, as was reported on her Renewal.

6. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

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BASED upon the foregoing, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondent's actions as set out above constitute violations 21 NCAC 08J .0101(b), 08N .0202(a), .0202(b)(3), .0202(b)(4), and .0203(b)(1).

3. Per N.C. Gen. Stat. § 93-12(9) and also by virtue of Respondent's consent to this Order, Respondent is subject to the discipline set forth below.

BASED on the foregoing and in lieu of further proceedings, the Board and Respondent agree to the following Order:

1. Respondent's failure to provide adequate documentation of CPE renders the Renewal insufficient and untimely. Respondent's failure to adequately renew her certificate results in an automatic forfeiture pursuant to N.C. Gen. Stat. § 93-12(15).

2. Respondent must return her certificate to the Board within thirty (30) days of the Board's approval of this Consent Order.

3. Respondent may not apply for the reinstatement of her certificate for at least one (1) year from the date the Board approves this Consent Order and until the civil penalty required in number five (5) of this Order has been paid by Respondent.

4. Respondent may apply to return her certificate to active status by submission and approval of a reinstatement application which includes:
   a. Application form,
   b. Payment of the application fee,
   c. Three (3) moral character affidavits, and
   d. Forty-nine (49) hours of CPE in the twelve (12) months preceding the application, including an eight (8) hour accountancy law course as offered by the North Carolina Association of CPAs in a group study format.

5. Respondent shall pay a one thousand dollar ($1,000.00) civil penalty to be remitted to the Board prior to submitting a reissuance application.

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APR 13 2012
CPA EXAMINERS

6. Respondent agrees that failure to timely comply with any terms of this agreement and Consent Order shall be deemed sufficient grounds for revocation of her certificate.

CONSENTED TO THIS THE 10 DAY OF April, 2012.

Deanna Peltz
Respondent

APPROVED BY THE BOARD THIS THE 21 DAY OF MAY, 2012.

NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

BY: _____
President

NC BOARD OF
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APR 13 2012
CPA EXAMINERS

NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #: C2011217

IN THE MATTER OF:
Nathan T. Garrett, Jr., #21965
Respondent

CONSENT ORDER

THIS CAUSE, coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N.C. Gen. Stat. § 150B-41, the Board and Respondent stipulate the following Findings:

1. Respondent is the holder of North Carolina certificate number 21965 as a Certified Public Accountant.

2. Respondent informed the Board on his 2010-2011 individual certificate renewal ("Renewal") that he had obtained forty (40) hours of continuing professional education ("CPE"), had completed the annual ethics CPE course, and had completed at least eight (8) hours of non-self study CPE to meet the 2009 CPE requirement.

3. Based on Respondent's representation, the Board accepted his Renewal.

4. Board staff requested that Respondent provide certificates of completion for the CPE reported to meet his 2009 and 2010 CPE requirements.

5. Respondent provided CPE certificates of completion to the Board as requested. However, Respondent failed to provide the certificate or certificates needed to document completion of sixteen (16) hours of CPE that Respondent claimed he earned between January 1, 2009, and June 30, 2010, as was reported on his Renewal.

6. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED upon the foregoing, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondent's actions as set out above constitute violations of 21 NCAC 08J .0101(b), 08N .0202(a), .0202(b)(3), .0202(b)(4), and .0203(b)(1).

3. Per N.C. Gen. Stat. § 93-12(9) and also by virtue of Respondent's consent to this Order, Respondent is subject to the discipline set forth below.

BASED on the foregoing and in lieu of further proceedings, the Board and Respondent agree to the following Order:

1. Respondent's failure to provide adequate documentation of CPE renders the Renewal insufficient and untimely. Respondent's failure to adequately renew his certificate results in an automatic forfeiture pursuant to N. C. Gen. Stat. § 93-12(8b).

2. Respondent must return his certificate to the Board within thirty (30) days of the Board's approval of this Consent Order.

3. Respondent may not apply for the reinstatement of his certificate for at least one (1) year from the date the Board approves this Consent Order and until the civil penalty required in number five (5) of this Order has been paid by Respondent.

4. Respondent may apply to return his certificate to active status by submission and approval of a reinstatement application which includes:
   a. Application form,
   b. Payment of the application fee,
   c. Three (3) moral character affidavits, and
   d. Fifty-six (56) hours of CPE in the twelve (12) months preceding the application including an eight (8) hour accountancy law course as offered by the North Carolina Association of CPAs in a group study format.

5. Respondent shall pay a one-thousand dollar ($1,000.00) civil penalty to be remitted to the Board prior to submitting a reissuance application.

6. Respondent agrees that failure to timely comply with any terms of this agreement and Consent Order shall be deemed sufficient grounds for revocation of his certificate.

CONSENTED TO THIS THE 13TH DAY OF APRIL, 2012.

Respondent

APPROVED BY THE BOARD THIS THE 21 DAY OF MAY, 2012.

NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

BY: _____
President

NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #: C2011221

IN THE MATTER OF:
Jacqualyn A. Nelson-Owens, #27398
Respondent

CONSENT ORDER

THIS CAUSE, coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N.C. Gen. Stat. § 150B-41, the Board and Respondent stipulate the following Findings:

1. Respondent is the holder of North Carolina certificate number 27398 as a Certified Public Accountant.

2. Respondent informed the Board on her 2010-2011 individual certificate renewal ("Renewal") that she had obtained forty (40) hours of continuing professional education ("CPE"), had completed the annual ethics CPE course, and had completed at least eight (8) hours of non-self study CPE to meet the 2009 CPE requirement.

3. Based on Respondent's representation, the Board accepted her Renewal.

4. Board staff requested that Respondent provide certificates of completion for the CPE reported to meet her 2009 CPE requirement.

5. Respondent provided the CPE certificates of completion to the Board as requested. However, Respondent failed to provide the certificate or certificates of completion needed to document completion of six (6) hours of CPE, including four (4) hours of non-self-study and an annual ethics CPE course, that Respondent claimed she earned between January 1, 2009, and June 30, 2010, as was reported on her Renewal.

6. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

NC BOARD OF CPA EXAMINERS
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BASED upon the foregoing, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondent's actions as set out above constitute violations of 21 NCAC 08J .0101(b), 08N .0202(a), .0202(b)(3), .0202(b)(4), and .0203(b)(1).

3. Per N.C. Gen. Stat. § 93-12(9) and also by virtue of Respondent's consent to this order, Respondent is subject to the discipline set forth below.

BASED on the foregoing and in lieu of further proceedings, the Board and Respondent agree to the following Order:

1. Respondent's failure to provide adequate documentation of CPE renders the Renewal insufficient and untimely. Respondent's failure to adequately renew her certificate results in an automatic forfeiture pursuant to N.C. Gen. Stat. § 93-12(15).

2. Respondent must return her certificate to the Board within thirty (30) days of the Board's approval of this Consent Order.

3. Respondent may not apply for the reinstatement of her certificate for at least one (1) year from the date the Board approves this Consent Order and until the civil penalty required in number five (5) of this Order has been paid by Respondent.

4. Respondent may apply to return her certificate to active status by submission and approval of a reinstatement application which includes:
   a. Application form,
   b. Payment of the application fee,
   c. Three (3) moral character affidavits, and
   d. Forty-six (46) hours of CPE in the twelve (12) months preceding the application including an eight (8) hour accountancy law course as offered by the North Carolina Association of CPAs in a group study format.

5. Respondent shall pay a one thousand dollar ($1,000.00) civil penalty to be remitted to the Board prior to submitting a reissuance application.

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APR 25 2012
CPA EXAMINERS

6. Respondent agrees that failure to timely comply with any terms of this agreement and Consent Order shall be deemed sufficient grounds for revocation of her certificate.

CONSENTED TO THIS THE 23 DAY OF April, 2012.

Respondent

APPROVED BY THE BOARD THIS THE 21 DAY OF MAY, 2012.

NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

BY: _____
President

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NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #s: C2011239-1 and C2011239-2

IN THE MATTER OF:
Cody LeGrant McKinney, #19585
Cody LeGrant McKinney, CPA, P.C.
Respondents

CONSENT ORDER

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners (Board) at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N. C. Gen. Stat. § 150B-41, the Board and Respondent stipulate to the following:

1. Cody LeGrant McKinney (hereinafter "Respondent McKinney") is the holder of North Carolina certificate number 19585 as a Certified Public Accountant.

2. Cody LeGrant McKinney, CPA, P.C. (hereinafter "Respondent Firm"), is a registered certified public accounting professional corporation in North Carolina. Respondent McKinney is the sole owner of Respondent Firm, and has been individually responsible for the conduct of Respondent Firm.

3. During the period from July 1, 2010, through September 23, 2011, Respondent Firm conducted an audit and issued a report on the financial statements of the Town of Burnsville ("Town") for the year ended June 30, 2010.

4. An audit work paper review performed by Board staff, and a review of the financial statements and single audit report performed by the Local Government Commission ("LGC") disclosed numerous deficiencies in the audit work papers and deficiencies in the financial statements and single audit reports indicating that Respondent Firm failed to comply with Generally Accepted Auditing Standards (GAAS), Generally Accepted Government Auditing Standards (GAGAS), and OMB Circular A-133 as follows:

   a. The working papers contained numerous deficiencies in audit documentation that indicate Respondent Firm failed to obtain sufficient evidence to provide a reasonable basis for the conclusion that was expressed in the audit report and failed to comply with

NC BOARD OF CPA EXAMINERS
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APR 30 2012

numerous GAAS as documented in the Board staff's review. By failing to comply with GAAS, Respondent Firm failed to comply with GAGAS, specifically 4.03 (AICPA Fieldwork Standards), 4.19 (Audit Documentation), 4.26 (Materiality in GAGAS Financial Audits), and 4.27 (Consideration of Fraud and Illegal Acts).

b. Respondent Firm could not provide documentation to substantiate that any single audit compliance audit procedures were performed during the Town's 2010 audit. However, Respondent Firm issued a single audit opinion and attested in the *Reports on Compliance With Requirements Applicable to Each Major Federal and State Program and Internal Control Over Compliance in Accordance With OMB Circular A-133 and State Single Audit Implementation Act* that single audit compliance procedures were performed. This is a violation of OMB circular A-133 requirements related to major federal programs.

c. The financial statements, note disclosures, and supplemental schedules, as submitted to the LGC, were not prepared in accordance with Governmental Accounting and Financial Reporting Principles and contained errors and deficiencies.

5. The single audit reports and schedules, as submitted to the LGC, were not prepared in accordance with Circular A-133 requirements, and contained errors and deficiencies.

6. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED upon the foregoing, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 8 of the North Carolina Administrative Code (NCAC), including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondent's actions as set out above constitute violations of 21 NCAC 08N .0201, .0202(a), .0203(b)(1), .0204, .0206 .0209, .0212, .0403, .0405 and .0409.

NC BOARD OF CPA EXAMINERS
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APR 30 2012

3. Per N.C. Gen. Stat. § 93-12(9) and also by virtue of Respondent's consent to this order, Respondent is subject to the discipline set forth below.

BASED on the foregoing and in lieu of further proceedings, the Board and Respondent agree to the following Order:

1. The Certified Public Accountant certificate issued to Respondent, Cody LeGrant McKinney, is suspended for five (5) years from the date this Order is approved by the Board.

2. Respondent must return his suspended certificate to the Board with this signed Consent Order.

3. The firm registration for Respondent Firm, Cody LeGrant McKinney, CPA, P.C., is hereby cancelled.

4. Respondent McKinney is suspended from participating in, reviewing, or performing audits, reviews of financial statements, compilations of financial statements, or agreed-upon procedures engagements ("Attest and Assurance Services") for any entity for the five (5) years that his CPA certificate is suspended.

5. Respondent may apply for the reissuance of his certificate after five (5) years from the date the Board approves this Consent Order.

6. Respondent may apply to return his certificate to active status by submission and approval of a reissuance application which includes:

   a. Application form,
   b. Payment of the application fee,
   c. Three (3) moral character affidavits, and
   d. Forty (40) hours of CPE in the twelve (12) months preceding the application, including the eight (8) hour accountancy law course as offered by the North Carolina Association of CPAs in group-study format.

7. After the reissuance of Respondent McKinney's CPA certificate, Respondent McKinney shall be required to obtain pre-issuance reviews of all attest or assurance services, which Respondent CPA performs, reviews, or participates in, until such time that the Board determines that pre-issuance review is no

NC BOARD OF CPA EXAMINERS
RECEIVED
APR 30 2012

longer necessary. The pre-issuance reviewer shall be approved by the Board prior to performing said reviews. Respondent shall authorize and cause the pre-issuance reviewer to provide the Board with a copy of each pre-issuance review report upon its issuance.

8. Respondent McKinney shall reimburse the Board for its administrative costs incurred as a result of monitoring compliance with pre-issuance review requirements.

9. Respondent agrees that failure to comply with any terms of this agreement and Consent Order shall be deemed sufficient grounds for revocation of his certificate.

CONSENTED TO THIS THE 20th DAY OF April, 2012.

Cody LeGrant McKinney
Respondent

APPROVED BY THE BOARD THIS THE 21 DAY OF MAY, 2012.

NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

BY: _____
President

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APR 30 2012

NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #C2012132

IN THE MATTER OF:

Donald Phillip Smith, #25381
Respondent

ORDER

THIS MATTER having come before the Board with a quorum present, and having been consented to by the Respondent, the Board finds and orders as follows:

1. Donald Phillip Smith (hereinafter "Mr. Smith") was the holder of a certificate as a Certified Public Accountant in North Carolina.

2. Mr. Smith failed to timely file the annual firm registration for D. P. Smith, CPA, in accordance with provisions as required by N. C. Gen. Stat. § 93-12 (7b) and 21 NCAC 08J .0108 (b) and (g), and 08N .0213.

3. Mr. Smith failed to renew his firm registration in excess of 120 days from the annual firm registration date.

4. Pursuant to 21 NCAC 08J .0111(3), because Mr. Smith's infraction was for a period in excess of 120 days, the appropriate penalty is $500.00.

5. Mr. Smith has paid his civil penalty and consents to the entry of this Order and has waived any right to a hearing.

6. The Board members present, representing a quorum of the Board, have unanimously decided to accept Donald Phillip Smith's payment as full resolution of the aforementioned rules violation.

This the 21 day of MAY, 2012.

NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

BY: _____
President

NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #: 200611-078

IN THE MATTER OF:
Stephen M. Himmelberg, #21904
Respondent

CONSENT ORDER

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners (Board) at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N. C. Gen. Stat. § 150B-41, the Board and Respondent stipulate to the following:

1. Stephen M. Himmelberg (hereinafter "Respondent") is the holder of North Carolina certificate number 21904 as a Certified Public Accountant.

2. Respondent under-reported income taxes to the Internal Revenue Service ("IRS") and North Carolina Department of Revenue for the tax years 2002-2005. The under-reported income constituted between 10% to 20% of Respondent's income during those years.

3. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED upon the foregoing, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 8 of the North Carolina Administrative Code (NCAC), including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

NC BOARD OF CPA EXAMINERS
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2. Respondent's repetitive under-reporting of a large portion of his income displays, at the least, a reckless disregard of his duty to timely and accurately pay his income taxes and constitutes violations of 21 NCAC 08N .0201, .0203(b)(2), and .0207.

3. Per N.C. Gen. Stat. § 93-12(9) and also by virtue of Respondent's consent to this order, Respondent is subject to the discipline set forth below.

BASED on the foregoing and in lieu of further proceedings, the Board and Respondent agree to the following Order:

1. The Certified Public Accountant certificate issued to Respondent, Stephen M. Himmelberg, is suspended for at least one (1) year from the date this Order is approved by the Board.

2. The firm registration for Respondent's CPA firm is hereby suspended.

3. Respondent must return his suspended certificate and firm registration to the Board with this signed Consent Order.

4. Respondent may apply for the reissuance of his certificate after one (1) year from the date the Board approves the Consent.

5. Respondent shall pay a four-thousand dollar ($4000.00) civil monetary penalty.

6. Respondent shall pay the administrative costs associated with this action.

7. Respondent may apply to return his certificate to active status by submission and approval of a reissuance application which includes:

   a. Application form,
   b. Payment of the application fee,
   c. Three (3) moral character affidavits, and
   d. Forty (40) hours of CPE in the twelve (12) months preceding the application, including the eight (8) hour accountancy law course as offered by the North Carolina Association of CPAs in self-study or group study format.

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CPA EXAMINERS

CONSENTED TO THIS THE 9th DAY OF May, 2012.

Stephen M. Himmelberg
Respondent

APPROVED BY THE BOARD THIS THE 21 DAY OF MAY, 2012.

NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

BY: _____
President

NC BOARD OF
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MAY 11 2012
CPA EXAMINERS

NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #: C2011290

IN THE MATTER OF:
Mark A. Konyndyk, #31322
Respondent

CONSENT ORDER

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners (Board) at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N. C. Gen. Stat. § 150B-41, the Board and Respondent stipulate to the following:

1. Mark A Konyndyk (hereinafter "Respondent") was the holder of North Carolina certificate number 31322 as a Certified Public Accountant. In June 2011, Respondent requested that his certificate be placed on "Inactive" status.

2. The Securities and Exchange Commission ("SEC") filed a complaint against Respondent in the federal court for the District of Columbia alleging that he violated Exchange Act Rule 14(e) by trading in advance of a tender offer for total profits of $9,725.00.

3. In November 2011, Respondent agreed to settle the SEC's charges without admitting or denying the allegations made in the SEC's complaint.

4. As part of the settlement, Respondent consented to entry of a final judgment imposing a total of $21,239.28 in disgorgement, interest, and civil penalties.

5. After the court entered its judgment, the SEC entered its own administrative order on December 5, 2011, suspending Respondent's ability to practice before the SEC as an accountant for two years.

6. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

NC BOARD OF CPA EXAMINERS
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MAY 17 2012

BASED upon the foregoing, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 8 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondent's discipline by the SEC constitutes prima facie evidence of a violation of 21 NCAC 08N .0204.

3. If proven, the factual allegations underlying the SEC complaint constitute violations of 21 NCAC 08N .0201 and .0203.

4. Per N.C. Gen. Stat. § 93-12(9) and also by virtue of Respondent's consent to this order, Respondent is subject to the discipline set forth below.

BASED on the foregoing and in lieu of further proceedings, the Board and Respondent agree to the following Order:

1. The Certified Public Accountant certificate issued to Respondent, Mark A. Konyndyk, is suspended for two (2) years from the date this Order is approved by the Board.

2. Respondent must return his suspended certificate to the Board with this signed Consent Order.

3. Respondent may apply for the reissuance of his certificate after two (2) years from the date the Board approves this Consent Order.

4. Respondent may apply to return his certificate to active status by submission and approval of a reissuance application which includes:

   a. Application form,
   b. Payment of the application fee,
   c. Three (3) moral character affidavits, and
   d. Forty (40) hours of CPE in the twelve (12) months preceding the application, including the eight (8) hour accountancy law course as offered by the North Carolina Association of CPAs in self-study or group-study format.

NC BOARD OF CPA EXAMINERS
RECEIVED
MAY 17 2012

5. Prior to reissuance of his certificate, Respondent shall remit a one thousand dollar ($1,000.00) civil penalty to the Board.

6. Respondent shall not offer or render services as a CPA or otherwise trade upon or use the CPA title in this state either through CPA mobility provisions or substantial equivalency practice privileges or in any other manner, nor shall Respondent claim or attempt to use any practice privileges in any other state based upon his suspended North Carolina certificate.

7. Respondent agrees that failure to comply with any terms of this agreement and Consent Order shall be deemed sufficient grounds for revocation of his certificate.

CONSENTED TO THIS THE 10 DAY OF MAY, 2012.

Mark A. Konyndyk
Respondent

APPROVED BY THE BOARD THIS THE 21 DAY OF MAY, 2012.

NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

BY: _____
President

NC BOARD OF CPA EXAMINERS
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MAY 17 2012

State of North Carolina

BEVERLY EAVES PERDUE
GOVERNOR

NORTH CAROLINA CPA DAY OF SERVICE

2012

BY THE GOVERNOR OF THE STATE OF NORTH CAROLINA

A PROCLAMATION

WHEREAS, the fiscal health and well-being of North Carolina citizens, businesses, and institutions are critical to the continued vitality and prosperity of the state; and

WHEREAS, certified public accounting requires significant educational and professional experience, as well as the successful completion of the Uniform CPA Examination and the completion of substantial certification and licensure requirements; and

WHEREAS, certified public accounting in North Carolina maintains a high standard of ethics, professionalism and knowledge by maintenance and enhancement of skills through lifelong professional education; and

WHEREAS, certified public accounting provides valuable accounting and auditing services, management advisory services, individual and corporate tax services, financial planning advice, and many other services; and

WHEREAS, North Carolina's certified public accountants continuously draw upon their unique knowledge and experiences to provide sound, reliable financial counsel to protect and promote the growth of business, the soundness of government operations, excellence in higher education and confidence of investors; and

WHEREAS, the State of North Carolina joins the North Carolina Association of Certified Public Accountants in recognizing the contributions certified public accounting makes to the financial well-being and success of citizens and commerce in North Carolina and across the nation;

NOW, THEREFORE, I, BEVERLY EAVES PERDUE, Governor of the State of North Carolina, do hereby proclaim September 21, 2012, as **"NORTH CAROLINA CPA DAY OF SERVICE"** in North Carolina and commend its observance to all citizens. I further call upon North Carolina certified public accountants to engage in public and community service, on this day and throughout the year.

BEVERLY EAVES PERDUE

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of North Carolina at the Capitol in Raleigh this sixteenth day of April in the year of our Lord two thousand and twelve and of the Independence of the United States of America the two hundred and thirty-sixth.