



STATE OF TENNESSEE  
DEPARTMENT OF COMMERCE AND INSURANCE  
TENNESSEE BOARD OF ACCOUNTANCY

500 James Robertson Parkway  
Davy Crockett Tower  
Nashville, TN 37243-1141  
615-741-2550 or 888-453-6150

Program Website: <https://www.tn.gov/commerce/section/accountancy>

A meeting of the Tennessee State Board of Accountancy was held on Friday, July 15, 2016 at Davy Crockett Tower, 500 James Robertson Parkway in Conference Room 1-A.

**MEMBERS PRESENT**

Don Royston, Chair  
Casey Stuart, Secretary  
Janet Booker-Davis  
Pamela Church  
Stephen Eldridge  
Larry Elmore  
Kevin Monroe  
Gay Moon  
Gabe Roberts (via telephone)  
Trey Watkins (via telephone)  
Judy Wetherbee

**STAFF PRESENT**

Wendy Garvin, Director  
Don Mills, Investigator  
Karen Condon, Board staff  
Vanessa Huntsman, Legal staff

**LEGAL COUNSEL**

Benjamin Glover, Assistant General Counsel  
Sara Page, Assistant General Counsel

**MEMBERS OF THE PUBLIC PRESENT**

Brad Floyd, President, TSCPA  
Kara Fitzgerald, CFO, TSCPA

**CALL TO ORDER**

Chairman Don Royston called the meeting to order at 8:32am.

**ANNOUNCEMENTS**

The meeting was properly noticed on the Board's website on July 8, 2016.

The Board welcomed two new members—Dr. Pamela Church and Kevin Monroe.

Members made their presence known by roll call.

The Board recognized the guests in the audience.

## APPROVAL OF MEETING MINUTES

**MOTION** and second to approve the minutes of the May 2016 meeting as presented. The motion was passed by roll call vote as follows:

Janet Booker Davis	aye	Gabe Roberts	aye
Pamela Church	aye	Don Royston	aye
Stephen Eldridge	aye	Casey Stuart	aye
Larry Elmore	aye	Trey Watkins	aye
Kevin Monroe	aye	Judy Wetherbee	aye
Gay Moon	aye		

## EXECUTIVE DIRECTOR'S REPORT

Ms. Garvin presented the report (attachment A).

**MOTION** and second to approve the proposed meeting date of October 20, 2017. The motion was passed by roll call vote as follows:

Janet Booker Davis	aye	Gabe Roberts	aye
Pamela Church	aye	Don Royston	aye
Stephen Eldridge	aye	Casey Stuart	aye
Larry Elmore	aye	Trey Watkins	aye
Kevin Monroe	aye	Judy Wetherbee	aye
Gay Moon	aye		

## FORMAL HEARING

Ms. Page addressed the Board regarding the scheduled formal hearing for Respondent Charles F. Smith. Mr. Smith elected to sign a consent order in lieu of the hearing.

**MOTION** and second to approve Legal's recommendation to accept the consent order. The motion was passed by roll call vote as follows:

Janet Booker Davis	aye	Gabe Roberts	aye
Pamela Church	aye	Don Royston	aye
Stephen Eldridge	aye	Casey Stuart	aye
Larry Elmore	aye	Trey Watkins	aye
Kevin Monroe	aye	Judy Wetherbee	aye
Gay Moon	aye		

**LICENSING COMMITTEE—STEPHEN ELDRIDGE, COMMITTEE CHAIR**

**Revoked License Reinstatement**

Theresa Holder Burt submitted an application to reinstate her revoked CPA license, to be presented at the October 2016 Board meeting. Ms. Burt’s license was revoked for failure to meet the Continuing Professional Education (CPE) hours required by a 2014 consent order.

**MOTION** and second to require Ms. Burt to complete the 24 penalty CPE hours as outlined in the 2014 consent order. The application and CPE will be reviewed for approval at the October 2016 meeting. Ms. Burt is not required to attend that meeting. The motion was passed by roll call vote as follows:

Janet Booker Davis	aye	Gabe Roberts	aye
Pamela Church	aye	Don Royston	aye
Stephen Eldridge	aye	Casey Stuart	aye
Larry Elmore	aye	Trey Watkins	aye
Kevin Monroe	aye	Judy Wetherbee	aye
Gay Moon	aye		

**Request to recognize CPE from the Chartered Professional Accountants of Canada**

The Committee was asked to consider granting exempt CPE sponsor status to CPA Canada.

**MOTION** and second to deny the request, as CPE for Canadian tax law is not relevant to a Tennessee licensee. The motion was passed by roll call vote as follows:

Janet Booker Davis	aye	Gabe Roberts	aye
Pamela Church	aye	Don Royston	aye
Stephen Eldridge	aye	Casey Stuart	aye
Larry Elmore	aye	Trey Watkins	aye
Kevin Monroe	aye	Judy Wetherbee	aye
Gay Moon	aye		

**LAW AND RULES COMMITTEE—TREY WATKINS, COMMITTEE CHAIR**

**Proposed Rule Changes**

Mr. Glover reviewed the Proposed changes to Accountancy Rules 0020-01 and 0020-05 (attachment B).

Discussion included:

- The addition of a fee for Letters of Good Standing and grade transfers. Ms. Garvin revealed that staff completes 96 requests for Letters of Good Standing and 720 grade transfers each year
- The proposed addition of two paragraphs to Rule 0020-01-.05, regarding admittance to the CPA Exam, candidates with a felony conviction
- Shortening the length of time in which a non-renewed CPA license remains in a delinquent status from one year to six months

**MOTION** and second to approve all proposed changes, with the exception of the amendment to Rule 0020-01-.05 (pending further review), and with the correction of the wording in the proposed change to Rule 0020-05-.04. The motion was passed by roll call vote as follows:

Janet Booker Davis	aye	Gabe Roberts	aye
Pamela Church	aye	Don Royston	aye
Stephen Eldridge	aye	Casey Stuart	aye
Larry Elmore	aye	Trey Watkins	aye
Kevin Monroe	aye	Judy Wetherbee	aye
Gay Moon	aye		

**MOTION** and second to approve the Regulatory Flexibility Addendum associated with the Rule changes as read by Mr. Glover. The motion was passed by roll call vote as follows:

Janet Booker Davis	aye	Gabe Roberts	aye
Pamela Church	aye	Don Royston	aye
Stephen Eldridge	aye	Casey Stuart	aye
Larry Elmore	aye	Trey Watkins	aye
Kevin Monroe	aye	Judy Wetherbee	aye
Gay Moon	aye		

**MOTION** and second to approve the Economic Impact Statement associated with the Rule changes as read by Mr. Glover. The motion was passed by roll call vote as follows:

Janet Booker Davis	aye	Gabe Roberts	aye
Pamela Church	aye	Don Royston	aye
Stephen Eldridge	aye	Casey Stuart	aye
Larry Elmore	aye	Trey Watkins	aye
Kevin Monroe	aye	Judy Wetherbee	aye
Gay Moon	aye		

### **Proposed Rule Changes**

Mr. Glover presented an update on the status of previously-approved Rule Changes.

### **EXECUTIVE COMMITTEE—DON ROYSTON, COMMITTEE CHAIR**

#### **Financial and Travel Information**

Ms. Garvin presented the financial results, variances, and travel information (attachment C).

### **ENFORCEMENT COMMITTEE—CASEY STUART, COMMITTEE CHAIR**

#### **Review Complaint Statistics**

The Committee reviewed statistics for open and closed complaints (attachment D). The Board would like Ms. Garvin to present the statistics with a beginning balance and an ending balance at future meetings.

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#### **Legal Report**

The Committee reviewed Legal Counsel's recommendations for open complaints (attachment E).

**MOTION** and second to recommend approval of Legal Counsel's recommendations for all items as amended. The motion was passed by roll call vote as follows:

Janet Booker Davis	aye	Don Royston	aye
Pamela Church	aye	Casey Stuart	aye
Stephen Eldridge	aye	Trey Watkins	aye
Larry Elmore	aye	Judy Wetherbee	aye
Kevin Monroe	aye		
Gay Moon	aye		
Gabe Roberts	aye		

### **LEGISLATIVE UPDATE**

Ms. Garvin reported no new legislative matters on the horizon.

## OLD BUSINESS

### TSCPA State Specific Ethics Program Update

Ms. Fitzgerald reported that TSCPA is working with Ms. Garvin on the course outline, and is currently writing content. The Board will view a demo of the course at the October meeting, and the full course will be completed by the end of the year.

### Titles and Designations

The designation Chartered Global Management Accountant (CGMA) is now being granted to non-CPAs. Discussion included:

- The statutory prohibition of the use of the term Accountant by non-licensees
- Other designations in which the term is used
- Whether other State Boards are considering a change in statute

## NEW BUSINESS

### Horse Racing Advisory Committee Recommendations

Public Chapter No. 1040 requires the Board to submit three candidates for consideration for service on the Horse Racing Advisory Committee. The Board reviewed the resumes submitted.

**MOTION** and second to recommend for appointment Henry Hoss, Jeffrey Rooks, and Trey Watkins. The motion was passed by roll call vote as follows:

Janet Booker Davis	aye	Gabe Roberts	aye
Pamela Church	aye	Don Royston	aye
Stephen Eldridge	aye	Casey Stuart	aye
Larry Elmore	aye	Trey Watkins	abstain
Kevin Monroe	aye	Judy Wetherbee	aye
Gay Moon	aye		

### Election of officers

**MOTION** and second to elect Don Royston in the position of Chair. The motion was passed by roll call vote as follows:

Janet Booker Davis	aye	Kevin Monroe	aye
Pamela Church	aye	Gay Moon	aye
Stephen Eldridge	aye	Gabe Roberts	aye
Larry Elmore	aye	Don Royston	abstain



Casey Stuart	aye	Judy Wetherbee	aye
Trey Watkins	aye		

**MOTION** and second to elect Casey Stuart in the position of Vice-Chair. The motion was passed by roll call vote as follows:

Janet Booker Davis	aye	Gabe Roberts	aye
Pamela Church	aye	Don Royston	aye
Stephen Eldridge	aye	Casey Stuart	abstain
Larry Elmore	aye	Trey Watkins	aye
Kevin Monroe	aye	Judy Wetherbee	aye
Gay Moon	aye		

**MOTION** and second to elect Stephen Eldridge in the position of Secretary. The motion was passed by roll call vote as follows:


Janet Booker Davis	aye	Gabe Roberts	aye
Pamela Church	aye	Don Royston	aye
Stephen Eldridge	abstain	Casey Stuart	aye
Larry Elmore	aye	Trey Watkins	aye
Kevin Monroe	aye	Judy Wetherbee	aye
Gay Moon	aye		


**Formation of Board Committees**

Board members were asked to state a preference for service on the various Committees.

**ADJOURN**

With no further business before the Board, the meeting was adjourned at 10:33 am.

  
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 Don Royston, Chairman

  
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 Stephen Eldridge, Secretary