

The State of South Carolina



Office of the Attorney General

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May 26, 1987

The Honorable Isadore E. Lourie
Member, South Carolina Senate
303 Gressette Senate Office Bldg.
Columbia, South Carolina 29202

Dear Senator Lourie:

You have questioned whether an individual who is a certified public accountant and employed as an accounting manager at Benedict College is qualified to be a member of the State Legislative Audit Council. Pursuant to Section 2-15-10 of the Code, "(t)here is hereby created the Legislative Audit Council consisting of three members, one of whom shall be a practicing certified public accountant" The question has been raised as to whether the referenced individual is a "practicing certified public accountant." I assume that the individual has obtained a certificate of registration as a certified public accountant from the State Board of Accountancy pursuant to Section 40-1-30 of the Code.

According to the individual's resume, her responsibilities include being responsible for supervising a seven person accounting staff; preparing all financial statements and supporting schedules; posting general ledger and subsidiary ledgers, journal entries, and bank reconciliations; designing and implementing new computer applications; and being responsible for inventory, investments, payroll, accounts receivable, accounts payable, and quarterly/year end budgets and reports. Also, the individual serves in a voluntary capacity as a certified public accountant with the United Black Funds of the Midlands, Inc. According to her resume, her duties in such capacity include being responsible for all aspects of accounting; advising the Board on proper accounting treatment; preparing quarterly payroll taxes and federal tax returns; and preparing financial statements and schedules.

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The term "practicing certified public accountant" is not further defined in the provisions of Section 2-15-10 et seq. of the Code. However, Section 40-1-10 of the Code states:

(a)ny person shall be deemed to be practicing public accounting as a certified public accountant within the meaning of this article who shall display a sign or in any way hold himself out as a certified public accountant.

In the opinion of this Office, based on a review of the individual's responsibilities at Benedict College and with the United Black Funds of the Midlands, Inc., she is a practicing certified public accountant for purposes of Section 2-15-10. As referenced above, the individual supervises an accounting staff, prepares financial statements, posts ledgers, and is responsible for the payroll, various accounts, and the budgets at the College in addition to other duties. Her duties with the United Black Fund of the Midlands, Inc. include advising its board on proper accounting treatment and preparing various tax returns and financial statements. Such duties, therefore, would qualify her for membership on the State Legislative Audit Council as a practicing certified public accountant. See: Mayor and Alderman of the City of Savannah v. Canady et al., 334 S.E.2d 693 (Ga. 1985).

If there is anything further, please advise.

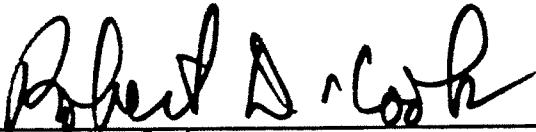
Sincerely,



Charles H. Richardson
Assistant Attorney General

CHR/rhm

REVIEWED AND APPROVED BY:



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