

**STATE OF FLORIDA  
BOARD OF ACCOUNTANCY**

**IN RE: PETITION FOR VARIANCE BY  
JARED BLANTON**

<b>FILED</b>	
<small>Department of Business and Professional Regulation</small>	
<b>Deputy Agency Clerk</b>	
CLERK	Brandon Nichols
Date	<b>10/25/2012</b>
File #	<b>2012-06913</b>

**NOTICE OF INTENT TO DENY PETITION**

Petitioner, Jared Blanton, filed a petition for a permanent variance from Rule 61H1-27.002(2), Florida Administrative Code (FAC), on March 29, 2012. The notice of the petition appeared in the Florida Administrative Weekly on April 20, 2012, in Volume 38 Number 16; no comments by interested persons were received. The petition was heard at a duly-noticed public meeting of the Board of Accountancy held on June 8, 2012, in Tampa, Florida. At the hearing on this matter, Petitioner was neither present nor represented by counsel. The Board was represented by Mary Ellen Clark, Assistant Attorney General.

**STATEMENT OF RELEVANT FACTS**

**VW 2012-105**

The facts relevant to the petition are as follows:

1. Petitioner is an applicant for licensure as a certified public accountant (CPA) pursuant to Section 473.308(7)(b)1.b, Florida Statutes (FS) and endorsement of his 2006 Kentucky license. Petitioner's application was received in February 2012, and an initial review revealed he did not meet the educational criteria for licensure in that he was deficient six (6) semester hours in upper division accounting, three (3) semester hours of upper division business law with coverage of contracts, torts, and Uniform Commercial Code.

2. Petitioner holds a Bachelor's degree from Morehead State University in Kentucky

in Business Administration, and a Master's degree in Business Administration from Morehead State University.

3. Rule 61H1-27.002(2), FAC, provides in part that "an applicant must have at least 150 semester hours or 200 quarter hours of college education, including a baccalaureate degree or higher conferred by an accredited college or university with a major in accounting, or its equivalent." The rule goes on to identify specific upper division postgraduate courses the applicant must complete prior to licensure.

4. Petitioner seeks a permanent variance from Rule 61H1-27.002(2), FAC, to the extent necessary for the Board to find that he has met the educational requirements for licensure.

#### **GROUND FOR DENIAL**

The Board determined that the petition for variance should be denied on the following grounds:

5. Petitioner failed to establish that the purpose of the underlying statute, Section 473.308(3), FS, would be met were he to be granted a variance from Rule 61H1-27.002(2), FAC.

6. Petitioner further failed to establish that the Board's application of Rule 61H1-27.002(2), FAC, to his circumstances would violate principles of fairness and would impose a substantial hardship on him.

It is therefore **ORDERED** that the petition be **DENIED**.

This Order shall become effective upon filing with the Clerk of the Department of Business and Professional Regulation.

DONE AND ORDERED this 18<sup>th</sup> day of October, 2012, by  
the Florida Board of Accountancy.

  
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Veloria A. Kelly, Division Director ✓

**NOTICE TO APPLICANT**

You may seek review of this Order, pursuant to Sections 120.569 and 120.57, Florida Statutes, by filing a petition with the Division Director of the Board, 240 Northwest 76<sup>th</sup> Drive, Suite A, Gainesville FL 32607, within 21 days of receipt of this Order. If you dispute any material fact upon which the Board's decision is based, you may request a hearing before an administrative law judge pursuant to Section 120.57(1), FS; your petition must contain the information required by Rule 28-106.201, FAC, a copy of which is enclosed, including a statement of the material facts which are in dispute. If you do not dispute any material fact, you may request a hearing before the Board pursuant to Section 120.57(2), FS; your petition must include the information required by Rule 28-106.301, FAC, a copy of which is enclosed. If you request a hearing, you have the right to be represented by an attorney or other qualified representative, to take testimony, to call or cross-examine witnesses, to have subpoena and subpoena duces tecum issued, and to present written evidence or argument.

Pursuant to Section 120.573, FS, you are hereby notified that mediation pursuant to that section is not available.

**Certificate of Service**

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by U.S. Certified Mail to Jared Blanton, 116 SE 2<sup>nd</sup> Ave, Williston, FL 32696; and to Jesslyn Krouskroup, Chief Attorney, Joint Administrative Procedures Committee, Pepper Building, Room 680, 111 W. Madison Street, Tallahassee, Florida 32399-1400, and Mary Ellen Clark, Assistant Attorney General, PL-01, The Capitol, Tallahassee, Florida 32399-1050 this 25<sup>th</sup> day of October, 2012.

  
\_\_\_\_\_  
Brandon M. Nichols

**FILED**  
Department of Business and Professional Regulation  
Deputy Agency Clerk  
CLERK Brandon Nichols  
Date 3/29/2012  
File #

**Petition for Variance from Rule 61H1-27.002**

**Petitioner Information:**

Jared Blanton  
116 SE 2<sup>nd</sup> Avenue  
Williston, FL 32696

**Attorney Information:**

Not Applicable

PROCESSED  
CIU P.  
Stamp to  
MAR 29 2012

**Applicable Portions of the rules:**

**VW 2012-105**

*61H1-27.002 (2) Concentrations in Accounting and Business.*

*(2) For purposes of Section 473.308, F.S., if application for licensure is made after August 1, 1983, an applicant must have at least 150 semester hours or 200 quarter hours of college education, including a baccalaureate degree or higher conferred by an accredited college or university with a major in accounting, or its equivalent. The applicant's total education program shall include a concentration in accounting and business as follows:*

*(a) 36 semester or 54 quarter hours in accounting education at the upper division level which shall include coverage of auditing, cost and managerial accounting, financial accounting, accounting information systems, and taxation. Not more than 3 semester or 4 quarter hours may be internship programs which may be applied to the 36 semester or 54 quarter hours in accounting (internship courses must be taken in conjunction with other traditional coursework at an institution and must appear on the transcript). Further, any remaining internship credit if otherwise acceptable would be applied to the general business requirement, and*

*(b) 39 semester or 58 quarter hours in general business education which shall include not less than the equivalent of 6 semester or 8 quarter hours in business law courses which shall include coverage of the uniform commercial code, contracts and torts. Vocational and clerical type courses will not count either toward the accounting requirement set forth in subsection 61H1-27.002(2), F.A.C., or the general business education requirement. Specialized industry courses will be acceptable as general business courses but not as accounting courses unless as defined in subsection 61H1-27.002(2), F.A.C., and they have an accounting prefix, further such courses in order to qualify must be certified by the chairman of the school or college's accounting department as qualifying for general business credit. Written or oral communication courses will qualify for the general business requirement if they have a business or accounting prefix or if they are reflected in the catalog in the school or college as relating directly to the school or college's business or accounting requirements. A maximum of 9 semester hours (13 quarter hours) of computer courses and 6 upper division semester hours (8 quarter hours) of statistics courses will be accepted for purposes of meeting the general business requirement.*

**The situation to the statute the rule is implementing:**

**Section 473.308, Licensure**

**Type of Action Requested:**

The petitioner requests that the Board of Accountancy please grant a variance from 61H1-27.002 (2) stated above due to the following circumstances.

**Specific facts that demonstrate a violation of principles of fairness that would justify a variance for the petitioner:**

I earned a Bachelor of Business Administration with a major emphasis in Accounting, graduating *Summa Cum Laude* with a credited 4.0 GPA. Pursuing the additional hours required to meet Kentucky's 150-hour rule, I then earned a Master of Business Administration degree, also maintaining a 4.0 GPA at the graduate level. Both of these degrees were earned from Morehead State University, which is an AACSB accredited institution. However, MSU did not offer a Master of Accountancy degree, so the options for further coursework in Accounting were limited during graduate school. I did take all available graduate accounting classes during the pursuit of the MBA.

The result of my education, in credit hours (as interpreted by Board staff's statement on my transcripts), is 173 Total hours, including 39 Upper Division Business hours, 30 Upper Division Accounting hours, and 3 hours of Business Law. The educational rule deficiency given by Board staff was for 6 hours of Upper Division Accounting, and for 3 hours of Business Law.

In the middle of 2004 I passed all four sections of the uniform CPA exam on the first attempt. In the latter part of the year I began work at the Kentucky Department of Revenue, and earned the experience signed off by a CPA that qualified me under Kentucky's one-year of post-exam work experience. Consequently, I was licensed in Kentucky in January of 2006. Board staff did not initially note this as a problem, but in the second letter considering my education they stated I was lacking evidence of this. The fact that I was licensed by the State of Kentucky, which had adopted the 1-year work experience rule well prior to my licensure, evidences that I had 1 year of CPA-verified work experience after taking the exam and meeting educational requirements.

Shortly after moving to FL in June of 2006, I began working as an auditor for Davis Monk & Co (now merged w/ Carr Riggs & Ingram), working primarily in the area of local government and school audits. This work of over 3 years has been signed off by a CPA, a managing partner at the firm, and included in my file. It was accepted by Board staff as potentially counting toward the 5-year experience allowance.

Upon being offered a job with a client to assist in improving control procedures and perform accounting duties assisting the Finance Director, I accepted a job at Levy County. The County is a rural one with only 2 people who work full-time in Finance (including myself), however, and has no other CPAs working there currently. This work experience was of an increasingly complex and responsible nature. At the County, I revised the control systems for grant compliance and accounting, implemented an electronic timecard system to improve controls over payroll, and implemented a web-based requisition system to assist in management of budget encumbrances and purchasing procedure adherence. I researched laws, consulted with attorneys, and interpreted changes to laws to advise County management and constitutional officers on suggested policy changes to stay within the bounds of the Florida statutes and Federal labor laws. I was responsible for Financial Reporting of Grants, and maintained both the control system and the related journal entries. I was also attending CPE and involved with the independent audit firm in insuring County compliance on items such as GASB 45 and GASB 54. I also was involved in, and contributed to, various other meetings of the Finance Director with the County Coordinator and Department Heads to determine

the course of action necessary to maintain proper accounting principle application and adherence to the laws of Florida.

However, while this level of work evidences CPA-level responsibility and complexity, it is denied consideration of meeting the 5-year rule because, since no CPAs work in the entire Levy County government structure, a CPA did not sign off on it. So, the previous 2 years of my employment are not being considered by Board staff per the plain application of the rule.

As of the date of this letter, I have started employment with the City of Gainesville's Budget and Finance Office. There are at least 2 CPA's in supervisory roles above me. Presumably, in 2 years I will be able to qualify under the 5-year work experience rule without exception or variance being sought. At that time, I will have been working in either governmental or public accounting for roughly 9 years, and for 7 and ½ years in Florida alone.

Thus, I am currently left with the options of either:

- (1) Petitioning the Board for variance of certain aspects of the educational accounting concentration rule in 61H1-27.002(2),
- (2) Petitioning the Board for variance regarding the "supervisory" component of CPA-signoff on my previous 2 years of work in meeting the 5-year work rule,
- (3) Simply waiting another 24 months until the formality of the 5-year work exception is met by virtue of my new employer having other CPA's supervising,
- (4) Waiting to see if SB 1656 is signed into law, which will take away the "supervision" requirement of Section (4) and will allow my external auditor and former employer to sign off on my "missing" year and a half of work experience, OR
- (5) Enrolling for 3 additional college courses while working full-time, 8 years after completing my Master Degree, and 6 years after obtaining Certification.

I think that in options 3 and 4 the inevitable is merely being delayed, and no public interest is being served. Option 5 presents an unfair difficulty in obtaining licensure and requires additional expenses beyond what others in substantially my same position would be required to endure to obtain licensure. Further, I don't think I can petition Option 2 because, until and if SB 1656 is signed, the supervisory requirement is Statutory and not rule-based.

The reason why the variance requested would serve the purposes of the underlying statute:

The Statute 473.308 (7) appears to be primarily concerned, in matters of licensure by endorsement, that the applicant holding a license from another state demonstrate that he or she has met qualifications that are *substantially* equivalent to those of the State of Florida. I believe the preceding paragraphs demonstrate that I have substantially met the Statute's 150-hour requirements, requirements to be sufficiently educated in accounting so as to be able to perform duties with understanding, requirements to pass a Uniform CPA exam, and requirements to have 1 year of work experience verified by a CPA prior to licensure. I have met Florida CPE requirements, and this was not questioned by the Board staff in my application process. To my knowledge, I am qualified under the

requirement to have good moral character. The particular application of the very specific credit-hour requirements outlined in Rule 61H1-27.002 would go beyond the definition of *substantial* equivalency and require absolute equivalency.

I would further ask that the Board consider whether public interest with regard to regulatory protection is being served in this case, particularly because I have been working in the field of public accounting auditing governments, and within governments, for the last 6 years in the State of Florida, and with my employment change I will within 2 years be qualified for licensure via the 5-year exception even given current supervision requirements. If Senate Bill 1656 is signed, I will merely be submitting forms similar to those I've already completed regarding work experience, but with an additional signature. Further, taking 2 additional accounting classes and 1 business law course at this point in my career, depending on the available courses selected, could be something that does not necessarily enhance my ability to perform in governmental accounting.

**Petitioner Statement:**

The petitioner requests a permanent variance from rule 61H1-27.002, and thanks the Board for consideration of the request.



Jared Blanton  
116 SE 2<sup>nd</sup> Avenue  
Williston, FL 32696



**State Board of Accountancy**

332 W. Broadway, Suite 310  
Louisville, KY 40202  
Phone: (502) 595-3037  
Fax: (502) 595-4500  
<http://cpa.ky.gov>

*Richard C. Carroll*  
Executive Director

January 30, 2006

Jared T. Blanton, CPA  
642 S 2nd St #408  
Louisville, KY 40202

Re: License Number - 10029  
Board Approval Date - 1/26/2006

Dear Jared:

The State Board of Accountancy approved your application for License as a Certified Public Accountant in the Commonwealth of Kentucky. Your permit card is enclosed. The wall certificate will be mailed to you after the next board meeting.

Please maintain a current address with us at all times. This license must be renewed in June 2007. The CPE reporting period is 2005 and 2006. At that time you will be required to report a total of 22 hours of CPE.

Since you have an odd-numbered license, you will always renew your permit in odd-numbered years. In 2009 you will report 60 or 80 hours of CPE completed during calendar years 2007 and 2008. The 80 hours is required if you are practicing public accounting when you renew the permit in June 2009.

If you have any questions, please contact me at extension 25.

Sincerely,

A handwritten signature in cursive script, appearing to read "Linda Ritter".

Linda Ritter  
(502) 595-3037 ext. 25 [linda.ritter@ky.gov](mailto:linda.ritter@ky.gov)



February 14, 2012

JARED T BLANTON  
116 SE 2ND AVE  
WILLISTON, FL 32696

RE: Board of Accountancy  
Application Number: 217382, Profession 0101

Dear JARED BLANTON

We have received your application for licensure as a Certified Public Accountant. We are eager to help you begin your new profession in Florida but we are unable to complete the processing of your application for the following reasons.

1. Deficient six (6) semester hours of upper division accounting.
2. Deficient three (3) semester hours of business law.
3. Deficient a Certificate of Work Experience form evidencing one (1) year of work experience in public, governmental, academia, or industry accounting under the supervision of a licensed CPA.
  - Commencing after the completion of the education requirements set forth in subsection 61h1-270220(3), F.A.C.

Or

4. Deficient a Certificate of Work Experience form evidencing 1 year 8 months of public, governmental, academia, or industry accounting experience under the supervision of a licensed CPA, following licensure. Under the 5 year Rule, or a client letter evidencing 5 years of work experience, the client letter must be notarized, must be on client letterhead, must include the nature of the work performed, must indicate the dates services were performed (beginning and ending dates). If services are current the letter must indicate such.

Once we have received this information we will complete our review of your application. Your application will remain in an incomplete status until such time you have submitted all the requested information for review. In the meantime, if you would like to check the status of your application or have any questions, please visit our website at [www.myfloridalicense.com](http://www.myfloridalicense.com). You may also contact the Department at [call.center@dbpr.state.fl.us](mailto:call.center@dbpr.state.fl.us) or by calling 850.487.1395.

To help us process your request more efficiently, please provide your application number on all correspondence. Mail all correspondence, including a copy of this letter, to

DBPR-Central Intake  
1940 N Monroe Street  
Tallahassee, FL 32399-0783

Congratulations on your decision to join Florida's business community. We look forward to working with you in the years ahead.