

FEDEX

July 6, 2010

Ms. Deborah Chitwood , President
Church Management & Tax Conference
Osborne Office Center, Suite 500
5746 Marlin Road
Chattanooga, TN 37411-4061

Dear Ms.Chitwood:

As a long-time member of the National Registry of CPE sponsors, Church Management & Tax Conference has accepted the requirements and responsibilities of the National Registry of CPE Sponsors (Registry). Membership in the Registry requires a commitment to meet the highest CPE program standards and to maintain adherence to all of the Registry requirements as established through the AICPA/NASBA Statement on Standards for Continuing Professional Education (CPE) Programs (*Standards*).

On January 29, 2010, the Church Management & Tax Conference was offered in Phoenix, Arizona. Several Certified Public Accountants (CPAs) attended the conference and registered the following complaints with NASBA:

- Overstatement of CPE credits – The conference awards 6 hours of CPE credits. The first three hours of the conference covered some of the learning materials; however, the remaining period consisted of a sales presentation to purchase products and software at reduced conference pricing.
- Excessive marketing of products - The emphasis throughout the conference was on the purchasing of Chitwood & Chitwood products, rather than learning about the new IRS regulations.
- Qualification of instructor - Instructor Jamey Chitwood appeared to be unqualified in the subject matter. He provided inaccurate information and could not cite some of the IRS regulations referenced during the presentation.
- Technical inaccuracies in the materials - The manual refers to many new law and rules without providing the authoritative guidance for those rules.
- Offensive comments made by instructors – There were several negative remarks made about the accounting profession, IRS agents and other groups.

Due to the number of complaints and the severity of the allegations, NASBA conducted an on-site audit of Church Management & Tax Conference's seminar held in Nashville, TN on May 27, 2010.

The audit determined that Church Management & Tax Conference violated the following standards:

Standard 2 – Sponsored learning activities must be based on relevant learning objectives and outcomes that clearly articulate the knowledge, skills, and abilities that can be achieved by participants in the learning activities.

Finding: Conference materials did not cover all learning objectives listed in the promotional material. No learning objectives appeared in the conference binder or the soft binders. There were no instructions on how the participant should use the conference materials. The first 30 pages in the conference manual are not instructional in nature. They provide marketing information regarding products and services offered by Chitwood & Chitwood.

Standard 4 – CPE program sponsors must use activities, materials, and delivery systems that are current, technically accurate and effectively designed. CPE program sponsors must be qualified in the subject matter.

Finding: Biographical information of Jamey Chitwood was not available. Mr. Chitwood requested to hold all questions until the end of the seminar. When asked specific details regarding IRS regulations, he avoided answering the questions and referred participants to purchasing Chitwood & Chitwood products to resolve IRS compliance matters.

Standard 9 – CPE program sponsors must ensure instructors are qualified with respect to both content and instructional design.

Finding: Since the auditor was unable to view biographical information on-site or within the course materials, the auditor is unable to make the determination to qualifications in instructional design. However, the material of the program was presented in a very fast-paced and erratic manner. Entire sections of the conference manual were omitted from the presentation. Many of the learning objectives listed in the promotional material were not covered.

Standard 12 – Sponsored learning activities are measured by program length, with one 50-minute period equal to one CPE credit.

Finding: Program promotional material stated that 6 CPE credits were available for this program; however, the entire seminar was not devoted to learning activities. The instructor was 30 minutes late in starting the program. Actual time spent in learning is estimated by the auditor to be 2.5 to 3 CPE credits.

At this time, NASBA requests a written response to the complaint allegations and the audit findings. The response must be submitted via mail or electronically to jcothron@nasba.org within 60 days of receiving this letter. The response should address all matters raised and should also include a corrective action plan illustrating when and how Church Management & Tax Conference will remedy the violations. Failure to respond within the 60-day period will result in the removal of Church Management & Tax Conference from the National Registry of CPE Sponsors. Additionally, Church Management is required to provide reimbursement for the auditor's participation in the program in accordance with NASBA's published complaint policies and the signed sponsor agreement. Attached is an invoice that provides the amount to be paid.

Should you have questions regarding the complaint allegations and audit findings, please contact me at 615-312-3798 or jcothron@nasba.org.

Respectfully,

Jeanetta Cothron
Regulatory Compliance Auditor

C: Mr. Micki Plemmons
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Chattanooga, TN 37411