

**STATE OF ALASKA
BOARD OF PUBLIC ACCOUNTANCY**

MISSION STATEMENT

*The mission of the
Board of Public Accountancy
is to protect
the public interest
by insuring that
only qualified persons are licensed
and appropriate standards
of competency and practice
are established
and enforced.*

State of Alaska
Department of Commerce, Community and Economic Development
Division of Corporations, Business and Professional Licensing

BOARD OF PUBLIC ACCOUNTANCY

August 13-14, 2020 – Teleconference

Anchorage, Alaska

Due to COVID-19, no physical attendance from the public will be accepted

TENTATIVE MEETING AGENDA

Thursday, August 13, 2020

	<u>TIME</u>	<u>TOPIC</u>	
	9:00 a.m.	Call to Order/Roll Call	Leslie Schmitz, Chair
1.	9:02 a.m.	Review Agenda	Chair
2.	9:05 a.m.	Ethics Report	Chair
3.	9:15 a.m.	Review Minutes <ul style="list-style-type: none">• May 7-8, 2020• June 4, 2020	Chair
4.	9:30 a.m.	Alaska Society of CPA's Report	John Rodgers
5.	9:45 a.m.	Public Comment (Time limit of 3 minutes will apply as necessary)	Chair
6.	10:00 a.m.	Investigative Report	Dawn Bundick
7.	10:30 a.m.	CPA Exam	Chair
8.	10:50 a.m.	NASBA Updates <ul style="list-style-type: none">• Upcoming meetings/conferences• NASBA Committee meetings<ul style="list-style-type: none"><i>Legislative Support Committee (Beltrami)</i><i>Uniform Accountancy Act (UAA) Committee (Rulien)</i><i>CBT Administration Committee (Schmitz)</i>	Chair
9.	11:20 a.m.	Board Business <ul style="list-style-type: none">• ED Report• Revenue/Expenditure Report	Chair
	12:00 p.m.	LUNCH	

- | | | | |
|-----|-----------|--------------------------------------------------------------------------------------------------------------------------------------------|--------------|
| 10. | 1:15 p.m. | Correspondence | Chair |
| 11. | 2:00 p.m. | Statute/Regulation Projects <ul style="list-style-type: none">• Legislation Status Update• Regulation Review | Chair |

Friday, August 14, 2020

- | | | | |
|-----|------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|
| | 9:00 a.m. | Call to Order/Roll Call | Chair |
| 12. | 9:02 a.m. | Review Agenda | Chair |
| 13. | 9:30 a.m. | Peer Review Overview (AICPA)
Jim Brackens, CPA, CGMA
AICPA Vice President – Ethics & Practice Quality | Chair |
| 14. | 10:30 a.m. | Application Review | Chair |
| 15. | 12:00 p.m. | Administrative Business <ul style="list-style-type: none">• Confirm upcoming meeting schedule:<ul style="list-style-type: none">• Oct 29-30, 2020 – Zoom (ANC)• Feb 8-9, 2021 - Juneau• Review task lists• Sign minutes | Chair |
| | 12:15 p.m. | Adjourn | |

ETHICS
INFORMATION

State of Alaska
DEPARTMENT OF LAW

ETHICS ACT PROCEDURES FOR BOARDS & COMMISSIONS

All board and commission members and staff should be familiar with the Executive Branch Ethics Act procedures outlined below.

Who Is My Designated Ethics Supervisor (DES)?

Every board or commission subject to the Ethics Act¹ has several ethics supervisors designated by statute.

- The chair serves as DES for board or commission members.
- The chair serves as DES for the executive director.
- The executive director serves as DES for the staff.
- The governor is the DES for a chair.²

What Do I Have To Disclose?

The Ethics Act requires members of boards and commissions to disclose:

- Any matter that is a potential conflict of interest with actions that the member may take when serving on the board or commission.
- Any circumstance that may result in a violation of the Ethics Act.
- Any personal or financial interest (or that of an immediate family member) in a state grant, contract, lease or loan that is awarded or administered by the member's board or commission.
- The receipt of certain gifts.

The executive director of the board or commission and its staff, as state employees, must also disclose:

- Compensated outside employment or services.
- Volunteer service, if any compensation, including travel and meals, is paid or there is a potential conflict with state duties.

- For more information regarding the types of matters that may result in violations of the Ethics Act, board or commission members should refer to the guide, *"Ethics Information for Members of Boards and Commissions."* The executive director and staff should refer to the guide, *Ethics Information for Public Employees.* Both guides and disclosure forms may be found on the Department of Law's ethics website.

How Do I Avoid Violations of the Ethics Act?

- Make timely disclosures!
- Follow required procedures!
- Provide all information necessary to a correct evaluation of the matter!³
- When in doubt, disclose and seek advice!
- Follow the advice of your DES!

What Are The Disclosure Procedures for Board and Commission Members?

The procedural requirements for disclosures by members are set out in AS 39.52.220 and 9 AAC 52.120. One goal of these provisions is to help members avoid violations of the Ethics Act. The procedures provide the opportunity for members to seek review of matters in advance of taking action to ensure that actions taken will be consistent with the Act.

Procedure for declaring actual or potential conflicts.

Members must declare potential conflicts and other matters that may violate the Ethics Act on the public record and in writing to the chair.

Disclosure on the public record. Members must identify actual and potential conflicts orally at the board or commission's public meeting in advance of participating in deliberations or taking any official action on the matter.

- A member must always declare a conflict and may choose to refrain from voting, deliberations or other participation regarding a matter.⁴
- If a member is uncertain whether participation would result in a violation of the Act, the member should disclose the circumstances and seek a determination from the chair.

Disclosure in writing at a public meeting. In addition to an oral disclosure at a board or commission meeting, members' disclosures must be made in writing.

- If the meeting is recorded, a tape or transcript of the meeting is preserved and there is a method for identifying the declaration in the record, an oral disclosure may serve as the written disclosure.
- Alternatively, the member must note the disclosure on the Notice of Potential Violation disclosure form and the chair must record the determination.

Confidential disclosure in advance of public meeting. Potential conflicts may be partially addressed in advance of a board or commission's public meeting based on the published meeting agenda or other board or commission activity.

- A member identifying a conflict or potential conflict submits a Notice of Potential Violation to the chair, as DES, in advance of the public meeting.
- This written disclosure is considered confidential.
- The chair may seek advice from the Attorney General.
- The chair makes a written determination, also confidential, whether the disclosed matter represents a conflict that will result in a violation of the Ethics Act if the member participates in official action addressing the matter.⁵
- If so, the chair directs the member to refrain from participating in the matter that is the subject of the disclosure.
- An oral report of the notice of potential violation and the determination that the member must refrain from participating is put on the record at a public meeting.⁶

Determinations at the public meeting. When a potential conflict is declared by a member for the public record, the following procedure must be followed:

- The chair states his or her determination regarding whether the member may participate.
- Any member may then object to the chair's determination.
- If an objection is made, the members present, excluding the member who made the disclosure, vote on the matter.
- *Exception:* A chair's determination that is made consistent with advice provided by the Attorney General may not be overruled.
- If the chair, or the members by majority vote, determines that a violation will exist if the disclosing member continues to participate, the member must refrain from voting, deliberating or participating in the matter.⁷

If the chair identifies a potential conflict, the same procedures are followed. If possible, the chair should forward a confidential written notice of potential violation to the Office of the Governor for a determination in advance of the board or commission meeting. If the declaration is first

made at the public meeting during which the matter will be addressed, the members present, except for the chair, vote on the matter. If a majority determines that a violation of the Ethics Act will occur if the chair continues to participate, the chair shall refrain from voting, deliberating or participating in the matter. A written disclosure or copy of the public record regarding the oral disclosure should be forwarded to the Office of the Governor for review by the chair's DES.

Procedures for Other Member Disclosures

A member's interest in a state grant, contract, lease or loan and receipt of gifts are disclosed by filling out the appropriate disclosure form and submitting the form to the chair for approval. The disclosure forms are found on the Department of Law's ethics website.

What Are The Disclosure Procedures for Executive Directors and Staff?

Ethics disclosures of the executive director or staff are made in writing to the appropriate DES (chair for the executive director and the executive director for staff).

- Disclosure forms are found on the ethics website, noted above.

Notices of Potential Violations. Following receipt of a written notice of potential violation, the DES investigates, if necessary, and makes a written determination whether a violation of the Ethics Act could exist or will occur. A DES may seek advice from the Attorney General. If feasible, the DES shall reassign duties to cure a potential violation or direct divestiture or removal by the employee of the personal or financial interests giving rise to the potential violation.

- These disclosures are not required to be made part of the public record.
- A copy of a determination is provided to the employee.
- Both the notice and determination are confidential.

Other Disclosures. The DES also reviews other ethics disclosures and either approves them or determines what action must be taken to avoid a violation of the Act. In addition to the disclosures of certain gifts and interests in the listed state matters, state employees must disclose all outside employment or services for compensation.

- The DES must provide a copy of an approved disclosure or other determination the employee.

How Are Third Party Reports of Potential Violations or Complaints Handled?

Any person may report a potential violation of the Ethics Act by a board or commission member or its staff to the appropriate DES or file a complaint alleging actual violations with the Attorney General.

- Notices of potential violations and complaints must be submitted **in writing and under oath**.
- Notices of potential violations are investigated by the appropriate DES who makes a written determination whether a violation may exist.⁸
- Complaints are addressed by the Attorney General under separate procedures outlined in the Ethics Act.
- **These matters are confidential**, unless the subject waives confidentiality or the matter results in a public accusation.

What Are The Procedures for Quarterly Reports?

Designated ethics supervisors must submit copies of notices of potential violations received and the corresponding determinations to the Attorney General for review by the state ethics attorney as part of the quarterly report required by the Ethics Act.

- Reports are due in April, July, October and January for the preceding quarter.
- A sample report may be found on the Department of Law's ethics website.
- An executive director may file a quarterly report on behalf of the chair and combine it with his or her own report.
- If a board or commission does not meet during a quarter and there is no other reportable activity, the DES advises the Department of Law Ethics Attorney by e-mail at ethicsreporting@alaska.gov and no other report is required.

If the state ethics attorney disagrees with a reported determination, the attorney will advise the DES of that finding. If the ethics attorney finds that there was a violation, the member who committed the violation is not liable if he or she fully disclosed all relevant facts reasonably necessary to the ethics supervisor's or commission's determination and acted consistent with the determination.

How Does A DES or Board or Commission Get Ethics Advice?

A DES or board or commission may make a **written request** to the Attorney General for an opinion regarding the application of the Ethics Act. In practice, the Attorney General, through the state ethics attorney, also provides **advice by phone or e-mail** to designated ethics supervisors, especially when time constraints prevent the preparation of timely written opinions.

- A request for advice and the advisory opinion are confidential.
- The ethics attorney endeavors to provide prompt assistance, although that may not always be possible.
- The DES must make his or her determination addressing the potential violation based on the opinion provided.

It is the obligation of each board or commission member, as well as the staff, to ensure that the public's business is conducted in a manner that is consistent with the standards set out in the Ethics Act. We hope this summary assists you in ensuring that your obligations are met.

¹ The Act covers a board, commission, authority, or board of directors of a public or quasi-public corporation, established by statute in the executive branch of state government.

² The governor has delegated the DES responsibility to Guy Bell, Administrative Director of the Office of the Governor.

³ You may supplement the disclosure form with other written explanation as necessary. Your signature on a disclosure certifies that, to the best of your knowledge, the statements made are true, correct and complete. False statements are punishable.

⁴ In most, but not all, situations, refraining from participation ensures that a violation of the Ethics Act does not occur. Abstention does not cure a conflict with respect to a significant direct personal or financial interest in a state grant, contract, lease or loan because the Ethics Act prohibition applies whether or not the public officer actually takes official action.

⁵ The chair must give a copy of the written determination to the disclosing member. There is a determination form available on the Department of Law's ethics web page. The ethics supervisor may also write a separate memorandum.

⁶ In this manner, a member's detailed personal and financial information may be protected from public disclosure.

⁷ When a matter of particular sensitivity is raised and the ramifications of continuing without an advisory opinion from the Attorney General may affect the validity of the board or commission's action, the members should consider tabling the matter so that an opinion may be obtained.

⁸ The DES provides a copy of the notice to the employee who is the subject of the notice and may seek input from the employee, his or her supervisor and others. The DES may seek advice from the Attorney General. A copy of the DES' written determination is provided to the subject employee and the complaining party. The DES submits a copy of both the notice and the determination to the Attorney General for review as part of the DES' quarterly report. If feasible,

the DES shall reassign duties to cure a potential violation or direct divestiture or removal by the employee of the personal or financial interests giving rise to the potential violation.

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The Attorney General and Department of Law staff may not provide legal advice to private citizens or organizations. Please contact an attorney if you need legal advice. The Alaska Lawyer Referral Service or your local bar association may be able to assist you in locating a lawyer.

Alaska Department of Law

1031 West 4th Avenue, Suite 200

Anchorage, AK 99501

attorney.general@alaska.gov

Phone: (907) 269-5100 | Fax: (907) 276-3697

TTY: 907-258-9161

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State of Alaska
DEPARTMENT OF LAW

ETHICS INFORMATION FOR MEMBERS OF BOARDS & COMMISSIONS (AS 39.52)

Introduction

This is an introduction to AS 39.52, the *Alaska Executive Branch Ethics Act*. This guide is not a substitute for reading the law and its regulations. State board and commission members who have further questions should contact their board chair or staff.

The Ethics Act applies to all current and former executive branch public employees and *members of statutorily created boards and commissions*.

Scope of Ethics Act (AS 39.52.110)

Service on a state board or commission is a public trust. The Ethics Act prohibits substantial and material conflicts of interest. Further, board or commission members, and their immediate family, may not improperly benefit, financially or personally, from their actions as board or commission members. The Act does not, however, discourage independent pursuits, and it recognizes that minor and inconsequential conflicts of interest are unavoidable.

Misuse of Official Position (AS 39.52.120)

Members of boards or commissions may not use their positions for personal gain or to give an unwarranted benefit or treatment to any person. For example, board members may not:

- use their official positions to secure employment or contracts;
 - accept compensation from anyone other than the State for performing official duties;
 - use State time, equipment, property or facilities for their own personal or financial benefit or for partisan political purposes;
 - take or withhold official action on a matter in which they have a personal or financial interest; or
 - coerce subordinates for their personal or financial benefit.
- attempt to influence outcome of an administrative hearing by privately contacting the hearing officer.



Terry knew that a proposal that was before the board would harm Terry's business competitor. Instead of publicly disclosing the matter and requesting recusal, Terry voted on the proposal.



Board member Mick has board staff employee Bob type an article for him that Mick hopes to sell to an Alaskan magazine. Bob types the article on State time.

Improper Gifts (AS 39.52.130)

A board member may not solicit or accept gifts if a person could reasonably infer from the circumstances that the gift is intended to influence the board member's action or judgment. "Gifts" include money, items of value, services, loans, travel, entertainment, hospitality, and employment. All gifts from registered lobbyists are presumed to be improper, unless the giver is immediate family of the person receiving the gift.

A gift worth more than \$150 to a board member or the board member's immediate family must be reported within 30 days if:

- the board member can take official action that can affect the giver, or
- the gift is given to the board member because he or she is on a state board.

The receipt of a gift worth less than \$150 may be prohibited if a person could reasonably infer from the circumstances that the gift is intended to influence the board member's action or judgment. Receipt of such a gift should be disclosed.

Any gift received from another government, regardless of value, must be reported; the board member will be advised as to the disposition of this gift.

A form for reporting gifts is available at www.law.alaska.gov/doclibrary/ethics or from the board or commission staff.

This restriction on gifts does not apply to lawful campaign contributions.



The commission is reviewing Roy's proposal for an expansion of his business. Roy invites all the board members out to dinner at an expensive restaurant. He says it will be okay, since he isn't excluding any of the members.



Jody receives a holiday gift every year from Sam. Jody was recently appointed to a state board, but Sam has no business that is before the board. Jody may accept the gift.

Improper Use or Disclosure of Information (AS 39.52.140)

No former or current member of a board may use or disclose any information acquired from participation on the board if that use or disclosure could result in a financial or personal benefit to the board member (or immediate family), unless that information has already been disseminated to the public. Board members are also prohibited from disclosing confidential information, unless authorized to do so.



Sheila has been on the board for several years. She feels she has learned a great deal of general information about how to have a successful business venture. So she sets up her own business and does well.



Delores has always advised and assisted the other doctors in her clinic on their continuing education requirements. After Delores is appointed to the medical board, she discloses this role to the board and continues to advise the doctors in her clinic.



Jim reviews a confidential investigation report in a licensing matter. He discusses the practitioner's violation with a colleague who is not a board member.

Improper Influence in State Grants, Contracts, Leases or Loans (AS 39.52.150)

A board member, or immediate family, may not apply for, or have an interest in a State grant, contract, lease, or loan, if the board awards or takes action to administer the State grant, contract, lease, or loan.

A board member (or immediate family) may apply for or be a party to a *competitively solicited* State grant, contract or lease, if the board as a body does not award or administer the grant, contract, or lease and so long as the board member does not take official action regarding the grant, contract, or lease.

A board member (or immediate family) may apply for and receive a State loan that is generally available to the public and has fixed eligibility standards, so long as the board member does not take (or withhold) official action affecting the loan's award or administration.

Board members must report to the board chair any personal or financial interest (or that of immediate family) in a State grant, contract, lease or loan that is awarded or administered by the agency the board member serves. *A form for this purpose is available at www.law.alaska.gov/doclibrary/ethics or from the board or commission staff.*



 John sits on a board that awards state grants. John hasn't seen his daughter for nearly ten years so he figures that it doesn't matter when her grant application comes up before the board.

 The board wants to contract out for an analysis of the board's decisions over the last ten years. Board member Kim would like the contract since she has been on the board for ten years and feels she could do a good job.

Improper Representation (AS 39.52.160)

A board or commission member may not represent, advise, or assist a person in matters pending before the board or commission for compensation. A nonsalaried board or commission member may represent, advise, or assist in matters in which the member has an interest that is regulated by the member's own board or commission, if the member acts in accordance with AS 39.52.220 by disclosing the involvement in writing and on the public record, and refraining from all participation and voting on the matter. This section does not allow a board member to engage in any conduct that would violate a different section of the Ethics Act.

 Susan sits on the licensing board for her own profession. She will represent herself and her business partner in a licensing matter. She discloses this situation to the board and refrains from participation in the board's discussions and determinations regarding the matter.

Restriction on Employment After Leaving State Service (AS 39.52.180)

For two years after leaving a board, a former board member may not provide advice or work for compensation on any matter in which the former member personally and substantially participated while serving on the board. This prohibition applies to cases, proceedings, applications, contracts, legislative bills, regulations, and similar matters. This section does not prohibit a State agency from contracting directly with a former board member.

With the approval of the Attorney General, the board chair may waive the above prohibition if a determination is made that the public interest is not jeopardized.

Former members of the governing boards of public corporations and former members of boards and commissions that have regulation-adoption authority, except those covered by the centralized licensing provisions of AS 08.01, may not lobby for pay for one year.

 The board has arranged for an extensive study of the effects of the Department's programs. Andy, a board member, did most of the liaison work with the contractor selected by the board, including some negotiations about the scope of the study. Andy quits the board and goes to work for the contractor, working on the study of the effects of the Department's programs.



Andy takes the job, but specifies that he will have to work on another project.

Aiding a Violation Prohibited (AS 39.52.190)

Aiding another public officer to violate the Ethics Act is prohibited.

Agency Policies (AS 39.52.920)

Subject to the Attorney General's review, a board may adopt additional written policies further limiting personal or financial interests of board members.

Disclosure Procedures

DECLARATION OF POTENTIAL VIOLATIONS BY MEMBERS OF BOARDS OR COMMISSIONS (AS 39.52.220)

A board member whose interests or activities could result in a violation of the Ethics Act if the member participates in board action must disclose the matter on the public record and in writing to the board chair who determines whether a violation exists. *A form for this purpose is available at www.law.alaska.gov/doclibrary/ethics or from the board or commission staff.* If another board member objects to the chair's ruling or if the chair discloses a potential conflict, the board members at the meeting (excluding the involved member) vote on the matter. If the chair or the board determines a violation will occur, the member must refrain from deliberating, voting, or participating in the matter. For more information, see *Ethics Act Procedures for Boards and Commissions* available at the above noted web site.

When determining whether a board member's involvement in a matter may violate the Ethics Act, either the chair or the board or commission itself may request guidance from the Attorney General.

ATTORNEY GENERAL'S ADVICE (AS 39.52.240-250)

A board chair or a board itself may request a written advisory opinion from the Attorney General interpreting the Ethics Act. A former board member may also request a written advice from the Attorney General. These opinions are confidential. Versions of opinions without identifying information may be made available to the public.

REPORTS BY THIRD PARTIES (AS 39.52.230)

A third party may report a suspected violation of the Ethics Act by a board member in writing and under oath to the chair of a board or commission. The chair will give a copy to the board member and to the Attorney General and review the report to determine whether a violation may or does

exist. If the chair determines a violation exists, the board member will be asked to refrain from deliberating, voting, or participating in the matter.

Complaints, Hearings, and Enforcement

COMPLAINTS (AS 39.52.310-330)

Any person may file a complaint with the Attorney General about the conduct of a current or former board member. Complaints must be written and signed under oath. The Attorney General may also initiate complaints based on information provided by a board. A copy of the complaint will be sent to the board member who is the subject of the complaint and to the Personnel Board.

All complaints are reviewed by the Attorney General. If the Attorney General determines that the complaint does not warrant investigation, the complainant and the board member will be notified of the dismissal. The Attorney General may refer a complaint to the board member's chair for resolution.

After investigation, the Attorney General may dismiss a complaint for lack of probable cause to believe a violation occurred or recommend corrective action. The complainant and board member will be promptly notified of this decision.

Alternatively, if probable cause exists, the Attorney General may initiate a formal proceeding by serving the board or commission member with an accusation alleging a violation of the Ethics Act. Complaints or accusations may also be resolved by settlement with the subject.

CONFIDENTIALITY (AS 39.52.340)

Complaints and investigations prior to formal proceedings are confidential. If the Attorney General finds evidence of probable criminal activity, the appropriate law enforcement agency shall be notified.

HEARINGS (AS 39.52.350-360)

An accusation by the Attorney General of an alleged violation may result in a hearing. An administrative law judge from the state's Office of Administrative Hearings serves as hearing officer and determines the time, place and other matters. The parties to the proceeding are the Attorney General, acting as prosecutor, and the accused public officer, who may be represented by an attorney. Within 30 days after the hearing, the hearing officer files a report with the Personnel Board and provides a copy to the parties.

PERSONNEL BOARD ACTION (AS 39.52.370)

The Personnel Board reviews the hearing officer's report and is responsible for determining whether a violation occurred and for imposing penalties. An appeal may be filed by the board member in the Superior Court.

PENALTIES (AS 39.52.410-460)

When the Personnel Board determines a board member has violated the Ethics Act, it will order the member to refrain from voting, deliberating, or participating in the matter. The Personnel Board may also order restitution and may recommend that the board member be removed from the board or commission. If a recommendation of removal is made, the appointing authority will immediately remove the member.

If the Personnel Board finds that a former board member violated the Ethics Act, it will issue a public statement about the case and will ask the Attorney General to pursue appropriate additional legal remedies.

State grants, contracts, and leases awarded in violation of the Ethics Act are voidable. Loans given in violation of the Ethics Act may be made immediately payable.

Fees, gifts, or compensation received in violation of the Ethics Act may be recovered by the Attorney General.

The Personnel Board may impose a fine of up to \$5,000 for each violation of the Ethics Act. In addition, a board member may be required to pay up to twice the financial benefit received in violation of the Ethics Act.

Criminal penalties are in addition to the civil penalties listed above.

DEFINITIONS (AS 39.52.960)

Please keep the following definitions in mind:

Benefit - anything that is to a person's advantage regardless financial interest or from which a person hopes to gain in any way.

Board or Commission - a board, commission, authority, or board of directors of a public or quasi-public corporation, established by statute in the executive branch, including the Alaska Railroad Corporation.

Designated Ethics Supervisor - the chair or acting chair of the board or commission for all board or commission members and for executive directors; for staff members, the executive director is the designated ethics supervisor.

Financial Interest - any property, ownership, management, professional, or private interest from which a board or commission member or the board or commission member's immediate family

receives or expects to receive a financial benefit. Holding a position in a business, such as officer, director, partner, or employee, also creates a financial interest in a business.

Immediate Family - spouse; another person cohabiting with the person in a conjugal relationship that is not a legal marriage; a child, including a stepchild and an adoptive child; a parent, sibling, grandparent, aunt, or uncle of the person; and a parent or sibling of the person's spouse.

Official Action - advice, participation, or assistance, including, for example, a recommendation, decision, approval, disapproval, vote, or other similar action, including inaction, by a public officer.

Personal Interest - the interest or involvement of a board or commission member (or immediate family) in any organization or political party from which a person or organization receives a benefit.

For further information and disclosure forms, visit our Executive Branch Ethics web site or please contact:

State Ethics Attorney
Alaska Department of Law
1031 West 4th Avenue, Suite 200
Anchorage, Alaska 99501-5903
(907) 269-5100
attorney.general@alaska.gov

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The Attorney General and Department of Law staff may not provide legal advice to private citizens or organizations. Please contact an attorney if you need legal advice. The Alaska Lawyer Referral Service or your local bar association may be able to assist you in locating a lawyer.

Alaska Department of Law
1031 West 4th Avenue, Suite 200
Anchorage, AK 99501
attorney.general@alaska.gov
Phone: (907) 269-5100 | Fax: (907) 276-3697
TTY: 907-258-9161

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Ethics Disclosure Form

Receipt of Gift

TO: _____, Designated Ethics Supervisor, _____
(Agency, Public Corporation, Board, Commission or Council)

This disclosure reports receipt of a gift to me or my immediate family member, as required by AS 39.52.130(a) or (b) or (f) or 9 AAC 52.060.

1. Is the gift valued in excess of \$150?
 Yes No
2. Is the gift connected to my position as a state officer, employee or member of a state board or commission?
 Yes No
3. Can I take or withhold official action that may affect the person or entity that gave me the gift?
 Yes No
4. Are there circumstances in which it could reasonably be inferred that the gift is intended to influence the performance of official duties, actions, or judgment?
 Yes No

(If the answer to any question is "Yes," or if you are not sure, you must complete this form and provide it to your designated ethics supervisor.)

The gift is _____

Identify gift giver by full name, title, and organization or relationship, if any and occasion for gift: _____

My estimate of its value is \$ _____ The date of receipt was _____

The gift was received by a member of my family. Who? _____

If you checked "Yes" to question 3 above, explain the official action you may take that affects the giver (attach additional page, if necessary): _____

I certify to the best of my knowledge that my statement is true, correct, and complete. In addition to any other penalty or punishment that may apply, the submission of a false statement is punishable under AS 11.56.200 - AS 11.56.240.

(Signature)

(Date)

(Printed Name)

(Division)

(Position Title)

(Location)

Ethics Supervisor Determination: Approve Disapproved

Designated Ethics Supervisor*

(Date)

**Designated Ethics Supervisor: Provide a copy of the approval or disapproval to the employee. If action is necessary under AS 39.52.210 or AS 39.52.220, attach a determination stating the reasons and send a copy of the determination and disclosure to the attorney general with your quarterly report.*

Ethics Disclosure Form

Receipt of Gift from Another Government

To: Director of Administrative Services, Office of the Governor

As required by AS 39.52.130(e), this disclosure reports receipt of a gift from another government given to me or a member of my family and accepted on behalf of the state.

The gift is:

My estimate of its value is \$ _____

I received it from: _____
(Identify by full name, title, government)

The date of receipt was _____

I received this gift under the following circumstances:

I can take or withhold the following official action that affects the giver:

The gift was received by a member of my family. Who? _____

I certify to the best of my knowledge that my statement is true, correct, and complete. In addition to any other penalty or punishment that may apply, the submission of a false statement is punishable under AS 11.56.200 - AS 11.56.240.

(Signature) _____
(Date)

(Printed Name) _____
(Division)

(Position Title) _____
(Location)

(Department/Agency/Corporation/Board/Commission)

Designated Ethics Supervisor Review: _____

(Signature of Ethics Supervisor and Date)

Office of the Governor

Determination of appropriate disposition: _____

Director of Administrative Services, Office of the Governor *(Date)*

Return a copy of this disclosure showing disposition to the designated ethics supervisor for forwarding to the gift recipient.

Ethics Disclosure Form

Interest in State Grant, Contract, Lease, or Loan

TO: _____, Designated Ethics Supervisor

(Agency, Public Corporation, Board, Commission, Council)

As required by AS 39.52.150(d), this disclosure reports a personal or financial interest held by me or a family member and awarded, executed, or administered by the agency that I serve:

contract state grant lease loan

The state grant, contract, lease, loan was awarded on _____
by: _____

Describe the grant, contract, lease, or loan:

Identify the Recipient(s) of the grant, contract, lease, or loan:

My financial or personal interest in the grant, contract, lease, or loan is:

Official action I can take regarding the grant, contract, lease or loan is:

I certify to the best of my knowledge that my statement is true, correct, and complete. In addition to any other penalty or punishment that may apply, the submission of a false statement is punishable under AS 11.56.200 - AS 11.56.240.

(Signature) _____
(Date)

(Printed Name) _____
(Division)

(Position Title) _____
(Location)

(Work Supervisor's Signature) _____
(Date)

Ethics Supervisor Determination: Approved Action Required _____
(Date)

Designated Ethics Supervisor*

**Designated Ethics Supervisor: Provide a copy of the signed disclosure to the employee. If action is required under AS 39.52.210 or AS 39.52.220, attach a determination stating the reasons and send a copy of the determination and disclosure to the attorney general with your quarterly report.*

Ethics Disclosure Form

<p style="text-align: center;">CONFIDENTIAL Notification of Potential Violation Board or Commission Member Disclosure</p>

TO: _____, Designated Ethics Supervisor, _____
(Chair) *(Board or Commission)*

In accordance with AS 39.52.220(a), I am notifying you of a situation which may result in a violation of the Code of Ethics by me.

I am requesting your determination regarding a possible violation of:

- AS 39.52.120, Misuse of Official Position
- AS 39.52.130, Improper Gifts
- AS 39.52.140, Improper Use or Disclosure of Information
- AS 39.52.150, Improper Influence in State Grants, Contracts, Leases or Loans
- AS 39.52.160, Improper Representation
- AS 39.52.180, Restrictions on Employment after Leaving State Service
- AS 39.52.190, Aiding a Violation Prohibited

The situation is as follows:

- I have provided additional information in the attached document(s).

I understand that I should refrain from taking any official action relating to this matter until I receive your determination. I certify to the best of my knowledge that my statement is true, correct, and complete. In addition to any other penalty or punishment that may apply, the submission of a false statement is punishable under AS 11.56.200 - AS 11.56.240.

(Member Signature)

(Date)

(Printed Name)

Note: Under AS 39.52.220, a board or commission member must disclose a potential violation of AS 39.52.110 - 39.52.190. If the chair, as designated ethics supervisor, or a majority of the board or commission, not including the subject member, determines that a violation will exist if the member continues to participate, the member shall refrain from voting, deliberating, or participating in the matter. A report of all disclosures and determinations, along with any written documentation, must be forwarded to the attorney general with the board's or commission's next quarterly report.

Ethics Disclosure Form

<p style="text-align: center;">CONFIDENTIAL REQUEST FOR ETHICS DETERMINATION</p>

TO: _____, Designated Ethics Supervisor

(Identify Your Department, Agency, Public Corporation, Board, Commission)

I request advice regarding the application of the Executive Branch Ethics Act (AS 39.52.010 - .960) to my situation. The situation involves the following:

I have provided additional information in the attached document(s).

I believe the following provisions of the Ethics Act may apply to my situation:

- AS 39.52.120, Misuse of Official Position
- AS 39.52.130, Improper Gifts
- AS 39.52.140, Improper Use or Disclosure of Information
- AS 39.52.150, Improper Influence in State Grants, Contracts, Leases or Loans
- AS 39.52.160, Improper Representation
- AS 39.52.170, Outside Employment Restricted
- AS 39.52.180, Restrictions on Employment after Leaving State Service
- AS 39.52.190, Aiding a Violation Prohibited

I understand that I should refrain from taking any official action relating to this matter until I receive your advice. If the circumstances I described above may result in a violation of AS 39.52.110 - .190, I intend that this request serve as my disclosure of the matter in accordance with AS 39.52.210 or AS 39.52.220.

I certify to the best of my knowledge that my statement is true, correct, and complete. In addition to any other penalty or punishment that may apply, the submission of a false statement is punishable under AS 11.56.200 - AS 11.56.240.

(Signature)

(Date)

(Printed Name)

(Division, Board, Commission)

(Position Title)

(Location)

Designated Ethics Supervisor: Provide a copy of your written determination to the employee advising whether action is necessary under AS 39.52.210 or AS 39.52.220, and send a copy of the determination and disclosure to the attorney general with your quarterly report.

MINUTES

State of Alaska
Department of Commerce, Community and
Economic Development
Division of Corporations, Business and Professional Licensing

BOARD OF PUBLIC ACCOUNTANCY

MINUTES OF TELECONFERENCE

May 7-8, 2020

These draft minutes were prepared by staff of the Division of Corporations, Business and Professional Licensing. They have not been reviewed or approved by the Board.

By authority of AS 08.01.070(2), and in compliance with the provisions of AS 44.62, Article 6, a scheduled teleconference of the Board of Public Accountancy was held May 7-8, 2020.

Thursday, May 7, 2020

Call to Order/Roll Call

The meeting was called to order by Leslie Schmitz, at 9:02 a.m. Those present, constituting a quorum of the Board were:

Leslie Schmitz, CPA
Don Vieira, CPA
Wesley Tegeler, CPA
Don Rulien, CPA
Marja Beltrami, CPA
Karen Smith, Public Member (items 9, 10, 11)

Present from the Department of Commerce, Community and Economic Development, Division of Corporations, Business and Professional Licensing, were:

Cori Hondolero, Executive Administrator
Amber Whaley, Senior Investigator (agenda item #6)
Greg Francois, Chief Investigator (agenda item #6)
Erika Prieksat, Investigator III (agenda item #6)

Visitors present included:

John Rodgers, representing the Alaska Society of CPAs
Crista Burson, representing the Alaska Society of CPAs
Katrina Salazar, CPA, NASBA Regional Director

James Cox, representing the American Institute of CPAs (AICPA) (agenda item #11)

Kathleen Thompson, representing the Alaska Society of CPAs (agenda item #11)

Agenda Item 1 – Review Agenda

The Board reviewed the agenda and added NTS/score extension discussion under item #7, added that Katrina Salazar would be calling in under Item #8 and added re-evaluated meeting location for August meeting under item #14.

Agenda Item 2 – Ethics Report

It was determined that there was nothing to report.

Agenda Item 3 – Review Meeting Minutes

The Board reviewed the minutes of the last teleconference meetings.

Upon a motion duly made by Mr. Tegeler, seconded by Mr. Rulien, and approved unanimously, it was:

RESOLVED to approve the minutes of the February 3-4, 2020, February 11, 2020, March 27, 2020 and the April 23, 2020 teleconference meetings as written.

Agenda Item 4 - Alaska Society of Certified Public Accountants (ASCPA)

Mr. Rodgers provided a summary of current AK Society activities:

- Covid19 response:
 - Starting March 25th no live events/travel through August
 - Annual meeting will be virtual on May 28th
 - CPE – no live events; all webcast
 - Spring council meeting was virtual
 - Regional council will be virtual/highly abbreviated
- Leadership academy – postponed
- Letter to the Governor – inclusion of CPAs as essential
- Paycheck Protection Program (PPP) information posted on Society website
- Society had a Zoom social hour
- Biweekly meetings/tax roundtable via Zoom went to weekly, but has slowed down since April 15th and included an average of 12-15 participants
- Membership renewals due by May 31st

Agenda Item 5 – Public Comment

There was no one present that made a request to address the Board.

Agenda Item 6 – Investigative Report

The Board had two matters that had been loaded to OnBoard for their review; late renewal matters resulting in imposition of civil fine agreements.

Upon a motion duly made by Mr. Tegeler seconded by Ms. Beltrami, and approved unanimously, it was:

RESOLVED to accept the imposition of civil fine for case #2020-000201.

*Ms. Schmitz abstained from voting on this matter

Upon a motion duly made by Mr. Tegeler seconded by Mr. Vieira, and approved unanimously, it was:

RESOLVED to accept the imposition of civil fine for case #2020-000304.

*Ms. Schmitz abstained from voting on this matter

The Board had a brief discussion about civil fines (\$250 for individuals/\$500 for firms) and if the amounts were high enough to discourage late renewal/unlicensed practice. Ms. Beltrami indicated noncompliance with CPE requirements was more concerning to her; what other guidelines are not being followed – peer review, etc. The Board discussed the possibility of raised rates on January 1st vs the current 60 days before late renewal fees start. Ms. Schmitz brought up the idea of mandatory CPE audit for those who renew late. The Board decided to inquire with the regulations specialist regarding options for amending the regulations to allow for late fees starting on January 1st. Ms. Hondolero indicated that some programs require reinstatement if the license lapses. Mr. Rulien asked for comparisons of the last few renewal periods to see if the lapsed numbers were similar. Ms. Schmitz and Ms. Hondolero will ask the regulations specialist about ways to change the late renewal fee start date.

Senior Investigator Whaley called in to present the investigative report. Chief Francois and investigator Prieksat also called in, to be available to answer any questions that the Board might have.

It was noted that there are 20 open matters and 8 were closed. The Board asked about the status of the 2019 cases, as they are older. Investigator Whaley stated

that these may still be in the complaint stage and under review. Ms. Schmitz asked about the status of the assigned investigator. Investigator Whaley indicated that there is no new update on Investigator Akers; a decision has been made to assign Dawn Bundick to the Board. She has been with the Division for a long time and has past experience with the CPA program. Ms. Schmitz asked how the case assignments would work. Investigator Whaley stated that previously assigned investigators would finish the cases assigned to them and investigator Bundick would take on any new incoming cases.

Ms. Schmitz brought up the email that had been sent to Board members regarding an ongoing investigative matter. She noted that she had immediately asked Board members to delete the email without reading it and Ms. Hondolero had sent it to investigations for response. Chief Francois stated that he had contacted the individual and informed him that he needed to refrain from contacting Board members. All questions/comments should be directed to investigations because the Board members need to remain objective to be able to take action if the matter ever comes before them. Chief Francois provided the Board with a brief investigative overview and noted that it is the goal to have cases closed within 180 days.

It was noted that Ms. Schmitz, investigator Whaley and chief Francois were scheduled to meet before covid19 happened. They agreed to set a new date to meet via Zoom. The Board thanked investigator Whaley, investigator Prieksat and chief Francois for calling in to speak with the Board.

Agenda Item 7 – CPA Exam

Katrina Salazar, CPA and NASBA Regional Director (Pacific Region) joined the meeting.

Ms. Schmitz stated that Prometric sites were shut down on March 16, 2020. There was a dark period that had started March 13th and the next window was supposed to open April 1st. Some states have deemed the CPA exam essential and in those states, they are starting to reopen the test centers. Prometric sites test more than just the CPA exam, so there is also other demand for the times/seats that will become available. 34 states have started the reopening process and sites will be following social distancing requirements, reducing testing capacity during a period of increased demand.

States/Jurisdictions are choosing to handle extension requests differently. Some are granting blanket extensions and some are still reviewing requests on a case by case basis. The recommendation from NASBA for consistency is to offer blanket extensions for both NTS and exam scores that have expiration dates between April 1, 2020 and December 30, 2020; with all being extended to December 31, 2020. Ms. Salazar noted that Prometric was adding hours and days to help accommodate demand. Overall they are anticipating a 20% reduction in

availability; they will operate this was for about two months and then will re-evaluate.

Agenda Item 8 – NASBA Updates

Ms. Salazar provided updated NASBA meeting information. It was noted that even with everything covid19 related, all NASBA operations are still happening and committees are continuing to meet. Current topics include:

- Firm mobility
- Anti-regulatory issues are still active
- UAA committee still meeting – model rule changes (evolution of CPA, code of conduct, CPE reciprocity)
- CPT ethics training – an enforcement option for states

Ms. Schmitz asked about CPA evolution. Ms. Salazar stated that there will still be only one license. There will be no labels; license will not designate which specialty was passed. The model rules will be exposed for public comment (approximately June – August), the Board should provide feedback.

Ms. Salazar also provided a brief overview of CPE reciprocity and noted that it is for those who hold dual licensure; like mobility. Ms. Salazar will forward additional information to the Board.

The Board thanked Ms. Salazar for participating in the meeting and sharing all the information with the Board.

Meetings

Western/Eastern Regional Meetings – These will be virtual this year (6/1/2020 Western and 6/8/2020 Eastern).

Annual Meeting – still set as in person November 1-4, 2020

ED Conference – will be in Clearwater, FL – April 12-14, 2021.

Committees

Ms. Schmitz – CBT Administration Committee – recent teleconference – Reviewed exam site closure/reopening issues and talked about exam/NTS extensions.

Ms. Beltrami – Legislative Support Committee – met today; Alaska has anti-regulation legislation that was introduced. Accountants are being thrown in the bucket for deregulation and there is potential public harm. Some states may be issuing licenses if all conditions passed except for exam; license valid until the pandemic is over and licensee allowed to take exam once things open back up. Ms. Beltrami noted that she thinks it would be good for the State society to be

involved in the deregulation conversation. Mr. Rodgers stated that the AICPA is watching this closely; they are nervous about the net and everyone it was going to catch. Could bring the legislation up to the Society Board; Ms. Beltrami will forward the information.

Alliance for Responsible Professional Licensing (ARPL) was formed to help with tools to respond to the anti-regulation movement. John Johnson (NASBA) will be putting together a packet for State Societies.

Mr. Rulien – Uniform Accountancy Act (UAA) Committee – there is an upcoming meeting May 18th, they will be discussing CPA evolution and NOCLAR.

Agenda Item 9 – Board Business

The Board recapped their discussion on extending exam scores and NTS and took the following action:

Upon a motion duly made by Ms. Beltrami seconded by Ms. Smith, and approved unanimously, it was:

RESOLVED to extend all NTS and exam scores expiring April 4, 2020 through December 30, 2020 TO December 31, 2020.

ED Report

The Board reviewed the report that was in the packet. There was discussion about assigned staff working for other programs. Ms. Hondolero noted that time worked for other programs is charged to that program.

Revenue/Expenditure Report

The Board reviewed the 3rd quarter revenue/expenditure report.

Agenda Item 11 – Statute/Regulation Projects

James Cox and Kathleen Thompson joined the meeting.

The Board reviewed the letter from legal services dated 2/24/20.

The Board had received the draft bill to review along with questions from the legislative legal section.

- 1) The Board wants to leave this in the bill.
- 2) Okay to keep/put back AS 08.04.680 (8) & (10).
- 3) Yes, this is what the Board wants; thanks.

Ms. Schmitz will work with Ms. Brewer-Tarver to answer questions, compare drafts and then respond to the letter.

12 AAC 04.185 – Ms. Schmitz will look at this section and prepare her comments/recommendations for the August meeting. Mr. Viera also mentioned that he would be willing to assist in reviewing this section. The Board wondered if adjustments within the University of Alaska (UAA) system would be required. There was discussion about UAA specifically being listed in the regulation; maybe it would be better to leave it to “accredited” college/university only.

12 AAC 04.160, 04.165 and 04.175 – Ms. Smith and Mr. Rulien will look at these and recommend updates for the references and notary requirements. Samples were provided in a past meeting packet.

Ms. Beltrami will review and provide comments on reciprocity.

12 AAC 04.390 CPE publications – Amend to require Board approval by June 30th of the renewal year. This will allow the licensee time to obtain additional hours if the Board does not approve everything they request.

Ms. Hondolero requested that the comments/recommendations be sent to her by mid-July for inclusion in the August meeting packet.

Agenda Item 10 – Correspondence

The Board reviewed the correspondence contained in the packet; there were no items that required Board response.

The meeting was recessed at 3:41 p.m., until Friday, May 8, 2020.
Some members stayed to start file review.

Friday, May 8, 2020

Call to Order/Roll Call

The meeting was called to order by Leslie Schmitz, at 9:02 a.m. Those present, constituting a quorum of the Board were:

Leslie Schmitz, CPA
Donovan Rulien II, CPA
Don Vieira, CPA
Marja Beltrami, CPA
Wesley Tegeler, CPA
Karen Smith, Public Member

Present from the Department of Commerce, Community and Economic Development, Division of Corporations, Business and Professional Licensing, were:

Cori Hondolero, Executive Administrator

Agenda Item 12 – Review Agenda

No changes were made.

Agenda Item 13 – Application Review

Board members reviewed applications and took the following action:

Upon a motion duly made by Ms. Smith seconded by Mr. Tegeler, and approved unanimously, it was:

RESOLVED to approve score extensions for scores expiring under the policy adopted by the Board on 5/7/2020; eligible scores will be extended to 12/31/2020 for the following candidates:

- **Reem Alali**
- **Jatin Aneja**
- **Kanika Arora**
- **Anoushka Baghla**
- **Kimblian Batson**
- **Surabhie Bhatnagar**
- **Matthew Bogan**
- **Kimiko Furuya**
- **Ramzi Ghazzaoui**
- **Yui Goto**
- **Christopher Hardcastle**
- **Tadashi Hisamatsu**
- **Omar Issa**
- **Vibhor Praduman Jain**
- **Fares Kassis**
- **Natassia Loney**
- **Hailey Messick**
- **Toshihiko Muramatsu**
- **Ibrahim Mushanwar**
- **Yohko Nakamura**
- **Venkata Ponasanapalli**
- **Sushant Rattu**
- **Joksy Simon**
- **Angela Yeung**
- **Eri Yoshida**
- **Maria Olson**
- **Disha Acharya**
- **Priyanka Penugonda**

- **Varshitha Nadipineni**
- **Nicole Newton**
- **Thao Tran**
- **Maria Ramirez**

Upon a motion duly made by Mr. Rulien seconded by Ms. Smith, and approved unanimously, it was:

**RESOLVED to deny Mahmoud Atmeh's request for reinstatement of FAR score; 12 AAC 04.200(i), credit not lost due to circumstances beyond applicant's control.
*AUD will be extended to 12/31/2020 under the adopted Board policy.**

Upon a motion duly made by Mr. Rulien seconded by Ms. Brewer-Tarver, and approved unanimously, it was:

RESOLVED to deny Jasiv Singh's request for extension of BEC score; 12 AAC 04.200(i), credit not lost due to circumstances beyond applicant's control.

Upon a motion duly made by Ms. Smith seconded by Mr. Rulien, and approved unanimously, it was:

RESOLVED to approve extension of BEC & FAR scores to 12/31/2020, under the adopted Board action, but that it is too early to request extension for REG (score is already valid until 2021).

Upon a motion duly made by Mr. Rulien seconded by Mr. Vieira, and approved unanimously, it was:

**RESOLVED to deny Salwa Kassab's request for reinstatement of AUD score; 12 AAC 04.200(i), credit not lost due to circumstances beyond applicant's control.
*FAR will be extended to 12/31/2020 under the adopted Board policy.**

Upon a motion duly made by Ms. Smith seconded by Ms. Beltrami, and approved unanimously, it was:

RESOLVED to approve Keisuke Inaoka's application to sit for the CPA exam.

Upon a motion duly made by Mr. Rulien seconded by Ms. Smith, and approved unanimously, it was:

RESOLVED to table the application of Roman Boikov for licensure by exam; applicant must meet educational requirements (accounting concentration/24 semester hours of accounting courses).

Upon a motion duly made by Ms. Smith seconded by Ms. Beltrami, and approved unanimously, it was:

RESOLVED to approve Andres Castro, Tsz Cheng, Thomas Jackson Jr., Marie Francine Javier, Ryan Mackie and Todd Valli (pending receipt of official transcripts) for licensure by exam.

Upon a motion duly made by Ms. Smith seconded by Mr. Tegeler, and approved unanimously, it was:

RESOLVED to approve Kyla Delgado and Lucas Smith for licensure by reciprocity.

Upon a motion duly made by Ms. Smith seconded by Ms. Beltrami, and approved unanimously, it was:

RESOLVED to approve the Out-of-State firm permits of Briggs & Veselka Co., LLP and Jonathan Cushman, CPA LLC.

Upon a motion duly made by Ms. Smith seconded by Mr. Tegeler, and approved unanimously, it was:

RESOLVED to approve the random CPE audits of:

- **Kevin Anferheide**
- **Tonia Baklanova**
- **Vadym Bilyk**
- **Tom Blickenstaff**
- **Helen Bush**
- **Maria Chukova**
- **Amanda Dayton**
- **Billie DeVore**
- **Andree Djiondjang**
- **Kristen Droge**
- **Xin Fan**
- **John Fisher**
- **Monica French**
- **Bela Giroux (Kazakhova)**
- **Philip Granberry**

- **Randy Hamilton**
- **Daniel Jensen**
- **Jyoji Komatsu**
- **Evelyna Kuhr**
- **Dinara Magadeva**
- **Nathalie Martin**
- **Cheryl McNeil**
- **Stanislav Mishin**
- **Cynthia Morgan**
- **Chizuru Ohara**
- **Ksenia Polikakhina**
- **Jessica Robinson**
- **Alexander Rasskazov**
- **Yanje Shao**
- **Sol Moon Shin**
- **Tracy Steelman**
- **Carrie Strickland**
- **Karl Swanson**
- **Satzhan Temirgaliyev**
- **Stephen Tibbs**
- **Carrie Tosoni**
- **Aziz Tursunov**
- **Tatyana Vlasova**
- **Traci Weiland**
- **Paul Welp**
- **Kurt Wong**

Upon a motion duly made by Mr. Tegeler seconded by Mr. Vieira, and approved unanimously, it was:

RESOLVED to deny the CPE audit of Julee Duhrsen; lack of documentation. The Board could verify 7 hours in 2018 (including ethics) and 18 hours in 2019 with certificates of completion.

Upon a motion duly made by Ms. Smith seconded by Mr. Vieira, and approved unanimously, it was:

RESOLVED to table the random audit of Taras Kulyk; request clear documentation of 2019 hours and make sure that ethics hours being claimed are clearly identified.

Upon a motion duly made by Mr. Rulien seconded by Mr. Vieira, and approved unanimously, it was:

RESOLVED to table the random audit of Daksha Mulay; request verification of the ethics hours being claimed via certificates and/or course outlines.

Upon a motion duly made by Ms. Beltrami seconded by Mr. Vieira, and approved unanimously, it was:

RESOLVED to approve the random audit of Vincent Schmoyer.

***ACCA hours fall under 12 AAC 04.320(a)(1)**

Upon a motion duly made by Mr. Vieira seconded by Ms. Beltrami, and approved unanimously, it was:

RESOLVED to table the random audit of Christopher Sopp; request necessary information to document compliance with 12 AAC 04.340, 04.350 and 04.360.

Upon a motion duly made by Mr. Rulien seconded by Mr. Vieira, and approved unanimously, it was:

RESOLVED to deny the CPE audit of Donald Hester; 88 hours required (20 per year minimum not met). Any hours earned to meet the requirement cannot be claimed again on a future renewal. Standard consent agreement, without falsification fine.

Upon a motion duly made by Mr. Rulien seconded by Mr. Tegeler, and approved unanimously, it was:

RESOLVED to deny the CPE audit of Anida Akhmurzina; 1 hour of the required ethics as earned after the close of the renewal period.

***renewal application indicated ethics (& all other CPE hours) were complete by 12/31/19.**

Agenda Item 14 – Administrative Business

Confirm Upcoming Meeting Dates/Locations

- August 13-14, 2020 in Anchorage (Zoom meeting)
- October 29-30, 2020 in Anchorage (Zoom meeting)
- February 8-9, 2021 in Juneau (if active legislation)

Task Lists

Leslie Schmitz

- Respond to 2/24/20 letter from legal services. Work with Ms. Brewer-Tarver to answer questions and compare drafts
- Set up Zoom meeting with Chief Francois and Investigator Whaley
- 12 AAC 04.185 - Look at regulations regarding accounting concentration for possible changes for credit earned by testing (CLEP/DANTES, etc.)

Karen Smith & Don Rulien

- Review regulation regarding professional references and application form to suggest possible changes for the Board to consider (12 AAC 04.160, .165 and .175)

Marja Beltrami

- Review licensure by reciprocity requirements for possible update

Don Vieira

- Work with Ms. Schmitz on review of 12 AAC 04.185

Cori Hondolero

- Prepare statement for website regarding Board action to extend exam scores and NTS
- Ask regulations specialist what would be required to have late renewal fees start on January 1st (cc Chair when email is sent)

Upon a motion duly made by Mr. Tegeler seconded by Mr. Rulien, and approved unanimously, it was:

RESOLVED to adjourn the meeting.

There being no further business, the meeting adjourned at 1:10 p.m.

Respectfully Submitted:

Cori Hondolero
Executive Administrator

Approved:

Leslie Schmitz, Chair
Alaska Board of Public Accountancy

Date: _____

State of Alaska
Department of Commerce, Community and
Economic Development
Division of Corporations, Business and Professional Licensing

BOARD OF PUBLIC ACCOUNTANCY

MINUTES OF TELECONFERENCE

June 4, 2020

These draft minutes were prepared by staff of the Division of Corporations, Business and Professional Licensing. They have not been reviewed or approved by the Board.

By authority of AS 08.01.070(2), and in compliance with the provisions of AS 44.62, Article 6, a scheduled teleconference of the Board of Public Accountancy was held June 4, 2020.

Call to Order/Roll Call

The meeting was called to order by Leslie Schmitz, at 2:06 p.m. Those present, constituting a quorum of the Board were:

Leslie Schmitz, CPA
Wesley Tegeler, CPA
Don Rulien, CPA
Marja Beltrami, CPA
Donald Vieira, CPA

Present from the Department of Commerce, Community and Economic Development, Division of Corporations, Business and Professional Licensing, were:

Cori Hondolero, Executive Administrator
Jun Mauquis, Regulations Specialist (Item #2)
Dawn Bundick, Investigator III (Item #1)

Agenda Item 1 – Review Agenda

The Board reviewed the agenda and added: summary from AKCPA annual meeting and introduction of newly assigned investigator.

Investigator Dawn Bundick was present and had requested to stop by to introduce herself to the Board. She indicated that she had been with the Division for a long time and had been previously assigned to the CPA program. Ms. Schmitz asked if she had been given existing cases and Investigator Bundick indicated that she had been given some existing/open cases. Investigator Bundick provided her contact information to the Board.

Mr. Tegeler provided a summary to the Board regarding his presentation of current Board topics at the State Society annual meeting. He noted that he used the summary sheet sent by Ms. Hondolero, which included the status of the legislative project, note about CPE and acceptable documentation, travel restrictions and covid-19 response (extension of scores and NTS). Mr. Tegeler noted that a Society member wanted it relayed to the Board that she did not like assigned Board staff working for other programs. Mr. Tegeler did clarify that time worked on other programs, is charged to that program.

Agenda Item 2 – Regulation Project

The project had been out for public notice for the required period and no comments were received. The Board wanted to confirm the rest of the process. Mr. Maiquis stated that once the minutes and certifications were received, the project would then be passed to department of law. From there, it would move to the Lieutenant Governor's office and then would be effective 30 days after being signed.

Upon a motion duly made by Mr. Rulien seconded by Mr. Vieira, and approved unanimously, it was:

RESOLVED to adopt the regulation update for 12 AAC 04.235 as public noticed.

Agenda Item 3 – FY21 Goals & Objectives

The Board reviewed the FY20 Goals & Objectives and updated them for FY21 as follows:

Goal 1. Monitor legislation, evaluate and review statutory/regulatory changes related to:

- a. Review of UAA through a coordinated effort with the AKCPA for recent changes and identify additional areas where Alaska statutes and regulations differ and evaluate impact of differences to include:
 1. Adopt UAA attest definition
 2. Adopt UAA firm definition
 3. Update peer review requirements
 4. Adopt firm mobility
- b. Review requirements for CPA firm permits.
- c. Monitor NASBA discussion re: required years of experience.
- d. Review and monitor potential changes to how we use the peer review reports in the future.
- e. Review statutes and regulations for areas of clarification with AKCPA.
- f. Monitor NASBA committee activity.

Goal 2. Review and evaluate National Association of State Board of Accountancy (NASBA) services.

- a. Continue to monitor NASBA CPA Exam Services (CPAES).
- b. Evaluate and analyze other services offered by NASBA.
 1. Inquire with the communications department to see how they can assist with an electronic newsletter and possibly other items, such as social media, announcements and the website.

Goal 3. Ensure Alaska CPA candidates have positive examination opportunities.

- a. Monitor testing experiences by visiting sites and using the post-testing survey for all candidates testing at the Anchorage and Fairbanks sites. Monitor that the surveys are delivered timely.
- b. Follow-up on concerns indicated in the surveys.
- c. Keep the AKCPA and the public abreast of new developments.

Goal 4. Monitor Covid19 impacts on exam candidates.

- a. Continue to monitor NTS and exam score extensions.
- b. Monitor status of Alaska Prometric sites.

Goal 5. Evaluate and address changes in the professional environment to continue to fulfill our mission to protect public interests.

- a. Review new rules proposed by NASBA and the AICPA, for impact on Alaska CPAs and make changes to Alaska statutes and regulations as needed.
- b. Represent Alaska CPA concerns at regional, annual, and special meetings and support NASBA committee participation.
 1. Promote attendance by staff and new Board members at regional, special and annual meetings to provide understanding of current regulatory issues being dealt with at a national level and a state-by-state level.
 2. Promote attendance of continuing Board members at regional and annual meetings to provide input and to obtain information at both national and state levels regarding matters impacting Alaska CPAs.
- c. Mentor executive administrator in developing procedures and goals for timely response to public, CPAs and CPA candidate requests.

Goal 6. Work with the Division regarding:

- a. Future licensee fee structure; fees must cover monitoring expenses and operating costs while not being cost prohibitive to licensees.
- b. Board and staff travel and participation at NASBA/AICPA meetings including:
 1. Executive Administrator attendance at NASBA annual and regional meetings and the NASBA Executive Director conference.
 2. No less than four (4) Board members will attend the NASBA regional conference or the annual NASBA meeting.
 3. One Board member and/or the Executive Administrator will attend any special NASBA or AICPA meetings as they arise.
 4. One or two Board members and the Executive Administrator will attend the Alaska Society of CPAs annual meeting.
 5. Continue outreach to licensees by holding Board meetings in various State locations.
- c. Ongoing improvements and maintenance of the Board website.
- d. Use of MyLicense for renewal and communication with licensees.
- e. Conduct CPE random audits and complete timely review and resolution of CPE audits.
 1. Explore mandatory use of a CPE tracking software program.
- f. Obtaining more information with fiscal reports, including personnel and legal costs.
- g. Work with Division on cost saving measures.
- h. Complete a review of firm/licensee renewal forms and processes.

Goal 7. Continue Board oversight and public awareness of enforcement activities.

- a. Timely update of investigative information and statistics on the Board website.
- b. Interact with the investigative unit regarding consistency and monitoring of cases.
- c. Continue participation with the NASBA Accountancy Licensee Database (ALD).
 1. Work with Division on automatic reporting of license action.
- d. Executive Administrator to provide enforcement decisions to the general public.
- e. Continue dialog with investigative management regarding investigative costs and investigator turnover.

Upon a motion duly made by Ms. Beltrami seconded by Mr. Rulien, and approved unanimously, it was:

RESOLVED to adopt the FY21 Goals & Objectives as amended.

Agenda Item 4 – Application Review

The Board had access to the applications being considered via OnBoard.

Upon a motion duly made by Mr. Rulien seconded by Ms. Beltrami, and approved unanimously, it was:

RESOLVED to accept the imposition of civil fine for case #2020-000193.

*Ms. Schmitz abstained from voting on this matter

Upon a motion duly made by Mr. Rulien seconded by Ms. Beltrami, and approved unanimously, it was:

RESOLVED to accept the imposition of civil fine for case #2020-000226.

*Ms. Schmitz abstained from voting on this matter

Upon a motion duly made by Ms. Beltrami seconded by Mr. Vieira, and approved unanimously, it was:

RESOLVED to approve Nicholas Hart and Breanna Golez for licensure by exam.

Upon a motion duly made by Ms. Beltrami seconded by Mr. Tegeler, and approved unanimously, it was:

RESOLVED to approve the firm permit of Northern Numbers.

Upon a motion duly made by Mr. Vieira seconded by Mr. Rulien, and approved unanimously, it was:

RESOLVED to approve Matthew Shea for licensure by reciprocity.

*Ms. Beltrami abstained from voting on this matter

There being no further business, the meeting adjourned at 3:16 p.m.

Respectfully Submitted:

Cori Hondolero
Executive Administrator

Approved:

Leslie Schmitz, Chair
Alaska Board of Public Accountancy

Date: _____

Alaska Society of CPA's

Society update:

John Rodgers, Board liaison

INVESTIGATIONS



THE STATE
of **ALASKA**

Department of Commerce, Community,
and Economic Development

DIVISION OF CORPORATIONS, BUSINESS AND
PROFESSIONAL LICENSING

550 West Seventh Avenue, Suite 1500
Anchorage, AK 99501-3567
Main: 907.269.8160
Fax: 907.269.8156

MEMORANDUM

DATE: July 27, 2020
TO: Board of Public Accountancy
THRU: Greg Francois, Chief Investigator 
FROM: Dawn Bundick, Investigator 
RE: Investigative Report for the August 13, 2020 Meeting

The following information was compiled as an investigative report to the Board for the period of April 18, 2020 thru July 27, 2020; this report includes cases, complaints, and intake matters handled since the last report.

Matters opened by the Paralegal in Juneau, regarding continuing education audits and license action resulting from those matters are not covered in this report.

OPEN - 17

<u>Case Number</u>	<u>Violation Type</u>	<u>Case Status</u>	<u>Status Date</u>
CERTIFIED PUBLIC ACCOUNTANT			
2019-001179	Fraud or misrepresentation	Complaint	10/25/19
2019-001245	Unlicensed practice or activity	Complaint	03/21/20
2019-001289	Violation of board order	Complaint	11/14/19
2019-001302	Negligence	Complaint	12/23/19
2020-000068	Negligence	Complaint	01/17/20
2020-000202	Unlicensed practice or activity	Complaint	02/24/20
2020-000322	Negligence	Complaint	03/27/20
2020-000477	Unlicensed practice or activity	Complaint	02/24/20
2020-000186	Unlicensed practice or activity	Investigation	05/20/20
2020-000189	Unlicensed practice or activity	Investigation	02/18/20
2020-000193	Unlicensed practice or activity	Investigation	04/03/20

CPA REGISTRATION

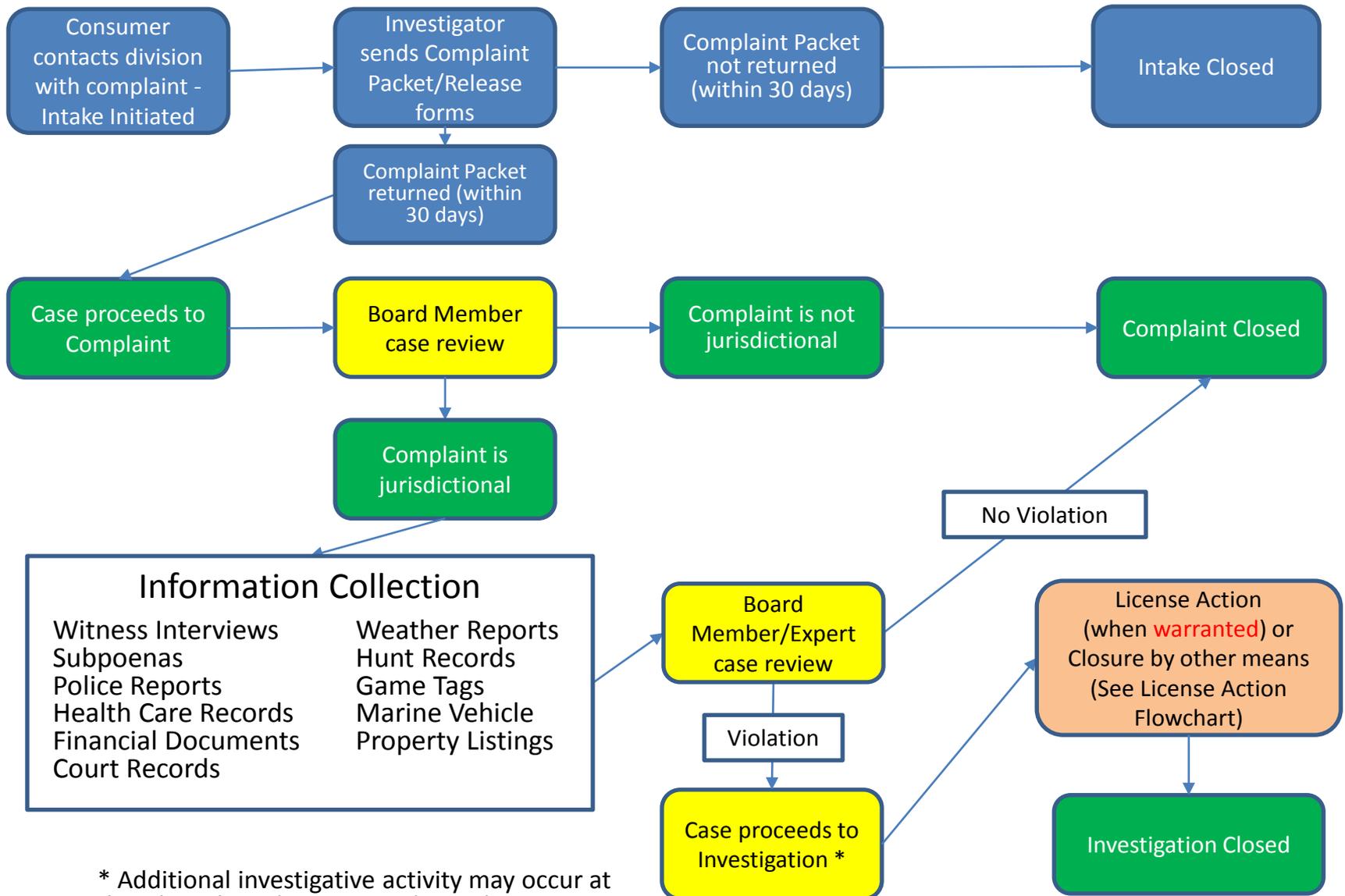
2019-001085	Unlicensed practice or activity	Complaint	11/14/19
2020-000204	Unlicensed practice or activity	Complaint	02/24/20
2020-000221	Unlicensed practice or activity	Investigation	05/20/20
2020-000226	Unlicensed practice or activity	Investigation	04/03/20
2020-000228	Unlicensed practice or activity	Investigation	05/20/20
2020-000362	Violation of licensing regulation	Investigation	05/19/20

Closed - 4

<u>Case #</u>	<u>Violation Type</u>	<u>Case Status</u>	<u>Closed</u>	<u>Closure</u>
CERTIFIED PUBLIC ACCOUNTANT				
2020-000241	License application problem	Closed-Complaint	04/23/20	No Action - No Violation
2020-000201	Unlicensed practice or activity	Closed-Investigation	05/13/20	License Action
2020-000304	Unlicensed practice or activity	Closed-Investigation	06/01/20	License Action
CPA REGISTRATION				
2020-000203	License application problem	Closed-Intake	05/11/20	Review Complete

END OF REPORT

Investigative Process



* Additional investigative activity may occur at this phase based upon Board Member input.

Overview of the Board and Division (Investigation Unit) functions:

The Board or Commission's primary function is that of a regulatory body that makes licensure decisions and monitors compliance with the statute and regulations governing the profession. The professional statutes and regulations are found in centralized statutes of Title 8, and also in the statutes and regulations specific to each board, commission, or occupational area.

Complaints:

All written complaints, or reports, alleging a violation of statute or regulations should provide a specific and detailed summary of the complaint; the complainant must include any documentation or witnesses they feel supports the allegation of wrongdoing and, in healthcare complaints, a release for patient records.

Upon receipt, the complaint and evidence are reviewed by investigators to ensure jurisdiction over the person named in the complaint and the alleged violation by that person. This review takes into account, informal guidelines established by the Board or Commission, and the statutes and regulations of that specific practice area. If the complaint does not appear to allege a violation that is within the Board's jurisdiction, the Division may close the complaint. If the complaint does center on a violation that is within the Board's jurisdiction, an initial letter may be sent to the licensee against whom the complaint is filed. This letter provides notice of the complaint and allegations and may request records, an interview, or other response by the licensee.

Complaints that present an immediate threat to public safety are given priority; however, all complaints are investigated as quickly as possible. The steps taken in the investigation are determined on a case by case basis by the specifics of the allegations. This portion of the investigative process may be quite lengthy and may require additional information or evidence from the complainant, licensee, businesses, other governmental agencies or state boards, witnesses, or related parties.

Inquiry and Investigation:

The Investigators conduct an inquiry into the complaint; generally, the steps for an inquiry include the following:

- obtaining records, documentation and evidence related to the complaint;
- locating and interviewing the complainant, the client, the subject and any witnesses;
- drafting and serving subpoenas for necessary information.

After investigators have gathered pertinent information or evidence to prove or disprove an alleged violation, the matter is reviewed with the Chief Investigator and, when appropriate, the Board or Commission's liaison, a panel of two Board Members, or an expert in the field. This review may result in a recommendation that more information be obtained, the case be closed, or that the case continue forward. The Board's liaison or review panel does not determine guilt or innocence; it simply reviews the complaint to determine whether the allegations, supported by un-contested or sufficient evidence, would warrant proceeding with disciplinary action even if contested by the licensee.

If the complaint is supported by evidence, it proceeds to a case, or investigation. Once an investigation is opened, the licensee is notified they are under official investigation by the Division on behalf of the Board or Commission. This distinguishes between allegations brought against a licensee and a matter where allegations were brought and it was determined the licensee committed a violation of statutes or regulations governing their license. This is an important step because complaints can be unfounded or determined to be unsupported by evidence, and they are closed before becoming an official investigation, protecting the subject of the complaint from unwarranted repercussions in the community or area of practice. If a violation is supported by evidence and the matter proceeds to an investigation, the next step is determining an appropriate result.

Disposition of Cases:

The majority of cases are resolved through a Consent Agreement, an amicable settlement of a case short of a public hearing; this Agreement spells out agreed upon disciplinary action between the Board and the licensee and allows more options in achieving a balanced resolution for both parties.

The Consent Agreement is written by the Division, in consultation with a Reviewing Board or Commission Member; they consider the nature of the violation, the standard in effect at the time it was violated, the effect of the violation on the public and the profession, whether the respondent was knowing and willful, previous violations, whether the licensee was cooperative and took responsibility for the violation, any mitigating circumstances, the disciplinary action's effect on improving the licensee's practices, precedents set by other cases for consistency from case to case, and if appropriate, a necessary deterrent for other practitioners to avoid a similar violation.

Consent Agreements may involve any of the following:

- reprimand
- revocation
- assessment of a civil penalty (fine)
- suspension (for a specific period of time)
- probation
- condition to take additional Continuing Education over and above the annual requirement
- restrictions on practice (some Boards)

If an Agreement with the licensee is unsuccessful, the case is referred to the investigators' counsel, an Assistant Attorney General (AAG), for review and possible litigation, filing an Accusation charging the violations. If an Accusation is filed, the licensee is entitled to a hearing on the charges against them. After guidance from the Board or Commission and the Division, the AAG may approach the licensee to negotiate a settlement prior to a hearing. If a settlement cannot be reached, an administrative hearing will be held. All involved parties may be requested to appear and testify at the hearing, conducted by the Office of Administrative Hearings (OAH). After the hearing, OAH provides the Board or Commission with a proposed decision and order; the Board or Commission may adopt, amend, or reject the proposed decision and issue their own Decision and Order. Any Decision and Order adopted by the Board or Commission may be appealed to the Superior Court by the licensee.

The Division does not intervene in a dispute regarding the fees charged by a licensee. Disciplinary action is considered carefully on a case-by-case basis since the action may adversely affect the licensee reputation and ability to make a living. Therefore, it takes more than a claim of wrongdoing to file a complaint with the Board; the allegation must be substantiated and must be jurisdictional to the statutes and regulations of that Board or practice area.

Confidentiality:

Investigations are required by statute to be kept confidential. This often prevents the complainant, licensee, and the Board from obtaining progress reports or information that may disclose the current status of an open investigation. This also protects the reputation of licensees who may be accused of wrongdoing but the allegations against them are unproven. Cases often involve other agencies, businesses, and practices; disclosing information during an on-going case can compromise the investigation, create conflicts for reviewing Board members, or result in unnecessary hardship to the licensee.

Board/Commission License Action Options

Circumstance	Response/Options
<p>Cease and Desist Order</p> <p>On notice of possible violation, the Commissioner may, if in public's interest, issue Cease and Desist Order. AS 08.01.087(b). The board is polled for objection.</p>	<p>Board can object.</p> <p>Must be majority, within 10 days.</p>
<p>Summary Suspension</p> <p>Investigation shows "clear and immediate threat to public health and safety", Division presents petition for summary suspension.</p>	<p>Board issues summary suspension; hearing to follow within 7 days.</p> <p>AS 08.01.075(c)</p> <p>Post-hearing there is a proposed decision (from a judge), requires adoption by board.</p>
<p>License Denial</p>	<p>Board issues or denies license based on Alaska statutes specific to the profession.</p> <p>Possible hearing if license is denied, proposed decision, and final adoption by board.</p>
<p>Consent Agreement</p> <p>Investigation Unit presents a Consent Agreement, either before or after an Accusation is filed.</p>	<p>Board may approve or reject.</p> <p>If board rejects Consent Agreement, further negotiations may follow or a hearing may be held.</p>
<p>Accusation</p> <p>Investigation informed by the professional opinion of a Reviewing Board Member leads to filing an Accusation; if requested, hearing follows, decision goes to board with proposals for action from both parties, if any.</p>	<p>Board determines whether to accept, reject, or modify proposed decision and determine which sanctions to impose.</p> <p>AS 08.01.075</p>
<p>Violation of Consent Agreement: Automatic Suspension</p> <p>Board is informed of violation warranting immediate suspension under terms of Consent Agreement.</p>	<p>Division initiates suspension (per delegated authority) within Consent Agreement. Hearing possible, after which the board considers proposed ALJ decision, and adopts, rejects or amends.</p>

CPA EXAM



National Association of State Boards of Accountancy

CANDIDATE CARE
QUARTERLY REPORT
January 1, 2020 – March 10, 2020

KATHLEEN LOVE SCALES, CANDIDATE CARE ADVOCATE

NASBA'S CANDIDATE CARE CONCERNS

2020 Q1

January 1-March 10, 2020

Category	2020 Q1
Pencil & Paper Requests	1709
AICPA Test Content	5
Candidate Error	48
Confirmation of Attendance	3
Environment	39
Prometric Scheduling Issues	5
Prometric Site Issues	24
Technical/Software	60
Total	1893
Retests Awarded	67

NASBA Candidate Care Concerns Table

This report summarizes activities and preparations for the CPA examinations which have taken place in the 1st quarter of 2020. It also presents concerns expressed by candidates during the testing window.

Paper and Pencils

During this testing window the number of candidates making these requests continued to increase. The CBT Administration Committee decided to make the approval letter valid for a 2-year period starting in Q1 2020.

AICPA Test Content

In this category, if candidates report issues with examination content, such as documents provided to answer questions showing conflicting information, no balance sheet or unclear instructions, they are instructed to direct their inquiry to the AICPA.

Candidate Error

Candidate error includes issues such as, failing to bring NTS to test center, providing an incorrect NTS, issues with name on the NTS matching primary identification, hitting the “submit” button prematurely and timing out on the introductory screen.

Confirmation of Attendance

This issue occurs when the testing center cannot print the attendance form at the end of a testing event.

Environment-Force Majeure

This category houses environmental issues such as test center room temperature, construction noise, power failure, fire drill and situations out of the candidate’s or testing centers control.

Prometric Scheduling Issues

Candidates report concerns about the lack of availability at test centers. Prometric routinely reviews capacity throughout the testing centers and will extend operating hours as needed.

Prometric Site Issues

This category documents candidate complaints such as where they are seated in the testing room or the check-in process.

Technical/Software

Examples of issues in this category are exam will not launch, computer tools not working properly, exam shutting down, unable to restart exam or issues with authoritative literature.

Multiple Restarts

Candidates continue to report during their exam, the computer crashes multiple times and need to be restarted as well as exam workstation being relocated in some instances. They have indicated, this is a disruption in their ability to focus, causes extreme anxiety and results in an unfair testing experience. This issue continues to be investigated by Prometric and AICPA. NASBA’s Candidate Care Department escalates any candidates who have reported multiple restarts to the weekly meeting of the NASBA, AICPA and Prometric operations team. Any candidate with this issue is offered a free retest. It is important for candidates to contact NASBA’s Candidate Care Department to report such difficulties within five days of their testing event, for them to receive the option of retesting.

Tangible Items for Quarter

NASBA experienced a Gateway maintenance issue resulting in candidates not being able to access their NTS, January 24th-January 26th. The issues were resolved on January 27th and affected candidates were rescheduled and were able to test during the current window.

Prometric testing centers in UAE were closed from March 8th- April 4th 2020 due to Covid-19 which was mandated by the Dubai Government.

We are all dealing with the Covid-19 pandemic together. During this difficult time NASBA's Candidate Care has dealt with issues such as, candidate requests for NTS extensions, requesting clearing of eligibilities on NTS's and being a sounding board regarding testing center closures and credit expirations. We continue to follow the CDC, Nashville's Mayor and Governor's guidelines in dealing with this pandemic. Stay safe and be well!

As always, we appreciate the opportunity to assist your CPA candidates. If you have any questions or concerns please call 615-880-4252 or Email klove@nasba.org or candidatecare@nasba.org Kathleen Love Scales, Candidate Care Department, NASBA. You may also share on: [Facebook](#)/[Twitter](#)/[linked-In](#)/[Email](#)

From: [Yashika Verma](#)
To: [Board of Public Accountancy \(CED sponsored\); CPAES-AK](#)
Subject: Prometric provided Calculators
Date: Friday, July 24, 2020 12:48:47 AM

Hi Team,

Hope you're safe and doing well.

I took one of my CPA Exams at Gurgaon Prometric Centre in India-Gurgaon in June. I wanted to share my feedback that the calculators provided by the centre were pocket size calculators, and created difficulty in using it, because of extremely small keys and display.

Request you to please look into this, so that in upcoming exams in September and December in India, standard size calculators are provided, Would be great help to the test takers. I have written to Prometric as well for the same.

Please let me know if there's a different email id, I need to send a mail for such feedback.

Thanks in advance!

--

Thanks and Regards
Yashika Verma

NASBA
UPDATES

NASBA Upcoming Meeting Schedule

113th Annual Meeting

*Virtual Meeting

November 2-4, 2020

39th Annual Conference for Executive Directors

Clearwater Beach, FL

April 12-14, 2021

Western Regional Meeting

Colorado Springs, CO

June 8-10, 2021

Eastern Regional Meeting

White Sulphur Springs, WV

June 21-23, 2021

CBT Administration Committee

Committee Charge

Promote effective and efficient administration and operation of the Uniform CPA Examination.

Chair

C. Jack Emmons, CPA, CFE

Members

Jim Abbott, Ph.D

Kent Absec

Robert N. Brooks

Russ Friedewald

James Gottfried, CPA

Dannell R. Lyne, CPA

Michael R. Putich, CPA

David Sanford, CPA

Leslie Schmitz, CPA/PA

Susan L. Somers

NASBA Staff Liaisons

Ed Barnicott

Patricia Hartman

Legislative Support Committee

Committee Charge

Develop legislative support strategies and tactics to assist the Director of Legislative and Governmental Affairs in supporting Boards of Accountancy on Legislative matters.

> [View Legislative Tracker](#)

Chair

Nicola Neilon, CPA

Members

Marja Beltrami, CPA

James Corley, CPA

Julian I. Deal, CPA

Joseph S. Drew

Brian L. Johnson, CPA

Mark S. Robinson, CPA

Layne R. Simmons, CPA

NASBA Staff Liaison

John W. Johnson

Uniform Accountancy Act Committee

Committee Charge

Oversee the Uniform Accountancy Act and related Model Rules and recommend amendments to the Board of Directors.

Chair

J. Coalter Baker, CPA

Members

David de Silva, CPA

David L. Dennis, CPA

Andrew L. DuBoff, CPA

Marc Moyers, CPA

John E. Patterson, Esq.

John B. Peace, CPA, Esq.

Donovan W. Rulien, II, CPA, CVA, CFF

Stephanie M. Saunders, CPA

Dan Vuckovich, CPA

NASBA Staff Liaison

Louise Dratler Haberman

BOARD
BUSINESS

ED Report

Board Vacancy

A Public Member seat is currently vacant.

CPA Renewal

Online renewal closed 12/31/19. The following are the lapsed statistics as of 7/24/2020:

LAPSED TOTAL = 184

- Individuals: 164
- Firms Permits: 8
- Out of State Permits: 12

*Lapsed list attached to this report (AK addresses)

Travel

NASBA Annual Meeting 2020

It was announced that the meeting will be virtual this year.

2021 Meetings – they are listed as in person at this time.

Exam

We are receiving requests for exam score extensions that do not expire until 2021.

Does the Board still want to direct that individual requests not be sent in until close to the score expiration?

These issues remain from past meetings:

Tasks

- Regulation amendment drafts/suggestions for possible update
- Respond to 2/24/20 letter from legal services on legislation
- Zoom meeting with Chief investigator

License #	Type	Status	Owners	Expiration Date	City
CPAI167	Certified Pt	Lapsed	VERNON JOHNSON	12/31/2019	ANCHORAGE
CPAI214	Certified Pt	Lapsed	ROBERT DANIEL	12/31/2019	ANCHORAGE
CPAI251	Certified Pt	Lapsed	DAVID HEWKO	12/31/2019	ANCHORAGE
CPAI389	Certified Pt	Lapsed	ROBERT MALONEY	12/31/2019	CHUGIAK
CPAI442	Certified Pt	Lapsed	HENRY FREEMAN	12/31/2019	ANCHORAGE
CPAI521	Certified Pt	Lapsed	BOBBY O'CONNOR	12/31/2019	ANCHORAGE
CPAI594	Certified Pt	Lapsed	DIANE PLENINGER	12/31/2019	ANCHORAGE
CPAI603	Certified Pt	Lapsed	MARK WOHLGEMUTH	12/31/2019	ANCHORAGE
CPAI692	Certified Pt	Lapsed	SHERRY YOUNG	12/31/2019	JUNEAU
CPAI865	Certified Pt	Lapsed	LAURIE BOOM	12/31/2019	ANCHORAGE
CPAI870	Certified Pt	Lapsed	JANET NIEMANN	12/31/2019	ANCHORAGE
CPAI893	Certified Pt	Lapsed	DAN LAUGHLIN	12/31/2019	ANCHORAGE
CPAI947	Certified Pt	Lapsed	THEODORE BOOM	12/31/2019	CHUGIAK
CPAI988	Certified Pt	Lapsed	RENEE WEBB-OTIS	12/31/2019	NORTH POLE
CPAI1041	Certified Pt	Lapsed	MARIE TRUEBLOOD	12/31/2019	ANCHORAGE
CPAI1120	Certified Pt	Lapsed	DONALD ASHBY	12/31/2019	WASILLA
CPAI1137	Certified Pt	Lapsed	FREDERICK STUTZER	12/31/2019	ANCHORAGE
CPAI1159	Certified Pt	Lapsed	SUSIE AKINS	12/31/2019	ANCHORAGE
CPAI1234	Certified Pt	Lapsed	MARJORIE KAISER	12/31/2019	ANCHORAGE
CPAI1247	Certified Pt	Lapsed	ROBERT MACLEOD	12/31/2019	JUNEAU
CPAI1375	Certified Pt	Lapsed	ANNE MCLEAN	12/31/2019	JUNEAU
CPAI1382	Certified Pt	Lapsed	NELSON LOWE	12/31/2019	ANCHORAGE
CPAI1442	Certified Pt	Lapsed	ROXANNE MITCHELL	12/31/2019	ANCHORAGE
CPAI1464	Certified Pt	Lapsed	LISA PUSICH	12/31/2019	JUNEAU
CPAI1474	Certified Pt	Lapsed	ELIZABETH STYERS	12/31/2019	NORTH POLE
CPAI1479	Certified Pt	Lapsed	SUSAN RIEHLE	12/31/2019	ANCHORAGE
CPAI1665	Certified Pt	Lapsed	DEBRA MORSE	12/31/2019	ANCHORAGE
CPAI1684	Certified Pt	Lapsed	TODD BAUER	12/31/2019	ANCHORAGE
CPAI1716	Certified Pt	Lapsed	CAROL BATSON	12/31/2019	ANCHORAGE
CPAI1764	Certified Pt	Lapsed	PATRICIA PAGE	12/31/2019	ANCHORAGE
CPAI1795	Certified Pt	Lapsed	STEPHEN LESLIE	12/31/2019	FAIRBANKS
CPAI1838	Certified Pt	Lapsed	ERIC CAMPBELL	12/31/2019	ANCHORAGE
CPAI1934	Certified Pt	Lapsed	STEVEN DIKE	12/31/2019	ANCHORAGE
CPAI1963	Certified Pt	Lapsed	JAMES HASLE	12/31/2019	ANCHORAGE
CPAI1973	Certified Pt	Lapsed	MERRY DUAME	12/31/2019	PALMER
CPAI2018	Certified Pt	Lapsed	NANCY MACHIDA	12/31/2019	ANCHORAGE
CPAI2116	Certified Pt	Lapsed	ANTHONY FICK	12/31/2019	ANCHORAGE
CPAI2119	Certified Pt	Lapsed	GINA YI	12/31/2019	ANCHORAGE
CPAI2120	Certified Pt	Lapsed	JENIA JARRETT	12/31/2019	ANCHORAGE
CPAI2173	Certified Pt	Lapsed	CARLIE AZELTON	12/31/2019	ANCHORAGE
CPAI2202	Certified Pt	Lapsed	JED BALLARD	12/31/2019	ANCHORAGE
CPAI104	Certified Pt	Lapsed	FRANK DANNER	12/31/2019	ANCHORAGE
CPAI139	Certified Pt	Lapsed	RAYMOND ELLIS	12/31/2019	ANCHORAGE
CPAI2545	Certified Pt	Lapsed	ZACHARY HILL	12/31/2019	ANCHORAGE
CPAI2578	Certified Pt	Lapsed	AMY HILLENBRAND	12/31/2019	WASILLA
CPAI2597	Certified Pt	Lapsed	SAM ROCHE	12/31/2019	JUNEAU
CPAI2750	Certified Pt	Lapsed	COALY HUCKINS	12/31/2019	ANCHORAGE
121487	Certified Pt	Lapsed	HOLLY HERMANN	12/31/2019	ANCHORAGE
131539	Certified Pt	Lapsed	BRYCE MANASAN	12/31/2019	ANCHORAGE

136033	Certified Pt Lapsed	JASON HUGHES	12/31/2019 ANCHORAGE
138515	Certified Pt Lapsed	MITCHELL TACATA	12/31/2019 ANCHORAGE
141249	Certified Pt Lapsed	MARY FERGUSON	12/31/2019 ANCHORAGE
142386	Certified Pt Lapsed	KLINT FERRIS	12/31/2019 ANCHORAGE
CPAL212	Limited Lia Lapsed	Schmitz & Buck, LLC Certified Public Accountants	12/31/2019 JUNEAU
CPAL253	Limited Lia Lapsed	PRZYWOJSKI LLC	12/31/2019 ANCHORAGE
CPAL261	Limited Lia Lapsed	ALPINE ACCOUNTING, LLC	12/31/2019 ANCHORAGE
CPAP77	Public Accc Lapsed	VERNON JOHNSON	12/31/2019 ANCHORAGE
144506	Public Accc Lapsed	CLEAR IDEA ACCOUNTING AND CONSULTING	12/31/2019 ANCHORAGE

NASBA - Exam Reimbursement - FY20

MONTH	AMOUNT
July-19	\$5,570.00
August-19	\$5,805.00
September-19	\$6,445.00
October-19	\$5,080.00
November-19	\$4,755.00
December-19	\$5,865.00
January-20	\$5,445.00
February-20	\$4,785.00
March-20	\$4,740.00
April-20	\$3,420.00
May-20	\$4,255.00
June-20	\$5,450.00
 GRAND TOTAL FY20	 \$61,615.00

Department of Commerce Community, and Economic Development
Corporations, Business and Professional Licensing

Summary of All Professional Licensing
Schedule of Revenues and Expenditures

Board of Public Accountancy	FY 14	FY 15	Biennium	FY 16	FY 17	Biennium	FY 18	FY 19	Biennium	FY 20 1st - 3rd QTR
	Revenue									
Revenue from License Fees	\$ 437,375	\$ 92,330	\$ 529,705	\$ 695,325	\$ 179,830	\$ 875,155	\$ 730,935	\$ 155,871	\$ 886,806	\$ 732,655
Allowable Third Party Reimbursements	1,081	1,133	2,214	1,766	6,974	8,740	6,580	2,241	8,821	1,465
TOTAL REVENUE	\$ 438,456	\$ 93,463	\$ 531,919	\$ 697,091	\$ 186,804	\$ 883,895	\$ 737,515	\$ 158,112	\$ 895,627	\$ 734,120
Expenditures										
Non Investigation Expenditures										
1000 - Personal Services	144,170	139,310	283,480	151,525	143,022	294,547	148,255	150,914	299,169	81,101
2000 - Travel	29,203	28,079	57,282	20,273	18,355	38,628	24,125	12,902	37,027	6,800
3000 - Services	17,691	11,705	29,396	19,717	12,846	32,563	15,356	8,138	23,494	5,229
4000 - Commodities	211	476	687	1,154	554	1,708	313	285	598	-
5000 - Capital Outlay	-	-	-	-	-	-	-	-	-	-
Total Non-Investigation Expenditures	191,275	179,570	370,845	192,669	174,777	367,446	188,049	172,239	360,288	93,130
Investigation Expenditures										
1000-Personal Services	30,831	30,666	61,497	45,474	42,667	88,141	52,645	75,518	128,163	35,253
2000 - Travel	-	-	-	-	-	-	-	-	-	-
3023 - Expert Witness	-	900	900	-	-	-	-	-	-	-
3088 - Inter-Agency Legal	22,287	18,396	40,683	8,654	3,427	12,081	16,670	33	16,703	-
3094 - Inter-Agency Hearing/Mediation	3,065	3,729	6,794	3,903	-	3,903	8,260	-	8,260	-
3000 - Services other	-	-	-	-	-	-	-	501	501	99
4000 - Commodities	-	-	-	-	-	-	-	-	-	-
Total Investigation Expenditures	56,183	53,691	109,874	58,031	46,094	104,125	77,575	76,052	153,627	35,352
Total Direct Expenditures	247,458	233,261	480,719	250,700	220,871	471,571	265,624	248,291	513,915	128,482
Indirect Expenditures										
Internal Administrative Costs	44,803	27,989	72,792	48,439	50,288	98,727	60,154	58,864	119,018	44,148
Departmental Costs	25,254	26,747	52,001	28,192	40,788	68,980	43,238	46,280	89,518	34,710
Statewide Costs	17,231	16,411	33,642	10,088	20,650	30,738	22,452	22,975	45,427	17,231
Total Indirect Expenditures	87,288	71,147	158,435	86,719	111,726	198,445	125,844	128,119	253,963	96,089
TOTAL EXPENDITURES	\$ 334,746	\$ 304,408	\$ 639,154	\$ 337,419	\$ 332,597	\$ 670,016	\$ 391,468	\$ 376,410	\$ 767,878	\$ 224,571
Cumulative Surplus (Deficit)										
Beginning Cumulative Surplus (Deficit)	\$ (150,172)	\$ (46,462)		\$ (257,407)	\$ 102,265		\$ (43,528)	\$ 302,519		\$ 84,221
Annual Increase/(Decrease)	103,710	(210,945)		359,672	(145,793)		346,047	(218,298)		509,549
Ending Cumulative Surplus (Deficit)	\$ (46,462)	\$ (257,407)		\$ 102,265	\$ (43,528)		\$ 302,519	\$ 84,221		\$ 593,770
										*
Statistical Information										
Number of Licensees	1,643	1,573		1,652	1,738		1,816	1,709		-

Additional information:

- Fee analysis required if the cumulative is less than zero; fee analysis recommended when the cumulative is less than current year expenditures; no fee increases needed if cumulative is over the current year expenses *
- Most recent fee change: Fee increase FY16
- Annual license fee analysis will include consideration of other factors such as board and licensee input, potential investigation load, court cases, multiple license and fee types under one program, and program changes per AS 08.01.065.

Department of Commerce Community, and Economic Development
Corporations, Business and Professional Licensing

Summary of All Professional Licensing
Schedule of Revenues and Expenditures

Appropriation	(All)
AL Sub Unit	(All)
PL Task Code	CPA1

Sum of Expenditures Object Name (Ex)	Object Type Name (Ex)			Grand Total
	1000 - Personal Services	2000 - Travel	3000 - Services	
1011 - Regular Compensation	63,693.59			63,693.59
1014 - Overtime	17.45			17.45
1023 - Leave Taken	11,137.58			11,137.58
1028 - Alaska Supplemental Benefit	4,592.44			4,592.44
1029 - Public Employee's Retirement System Defined Benefits	11,780.29			11,780.29
1030 - Public Employee's Retirement System Defined Contribution	1,121.52			1,121.52
1034 - Public Employee's Retirement System Defined Cont Health Reim	784.35			784.35
1035 - Public Employee's Retirement Sys Defined Cont Retiree Medical	281.09			281.09
1037 - Public Employee's Retirement Sys Defined Benefit Unfnd Liab	2,520.58			2,520.58
1039 - Unemployment Insurance	239.71			239.71
1040 - Group Health Insurance	15,739.66			15,739.66
1041 - Basic Life and Travel	22.87			22.87
1042 - Worker's Compensation Insurance	677.84			677.84
1047 - Leave Cash In Employer Charge	1,652.32			1,652.32
1048 - Terminal Leave Employer Charge	990.20			990.20
1053 - Medicare Tax	1,032.33			1,032.33
1069 - SU Business Leave Bank Contributions	28.17			28.17
1077 - ASEA Legal Trust	33.53			33.53
1079 - ASEA Injury Leave Usage	2.14			2.14
1080 - SU Legal Trst	6.18			6.18
2000 - In-State Employee Airfare		331.79		331.79
2001 - In-State Employee Surface Transportation		122.26		122.26
2002 - In-State Employee Lodging		150.00		150.00
2003 - In-State Employee Meals and Incidentals		150.00		150.00
2005 - In-State Non-Employee Airfare		379.98		379.98
2006 - In-State Non-Employee Surface Transportation		50.00		50.00
2007 - In-State Non-Employee Lodging		747.75		747.75
2008 - In-State Non-Employee Meals and Incidentals		720.00		720.00
2009 - In-State Non-Employee Taxable Per Diem		256.00		256.00
2010 - In-State Non-Employee Non-Taxable Reimbursement		134.00		134.00
2012 - Out-State Employee Airfare		642.02		642.02
2013 - Out-State Employee Surface Transportation		51.27		51.27
2014 - Out-State Employee Lodging		1,031.10		1,031.10
2015 - Out-State Employee Meals and Incidentals		267.50		267.50
2020 - Out-State Non-Employee Meals and Incidentals		267.50		267.50
2022 - Out-State Non-Employee Non-Taxable Reimbursement		83.05		83.05
2970 - Travel Cost Transfer		-		-
3000 - Training/Conferences			695.00	695.00
3002 - Memberships			3,200.00	3,200.00
3044 - Courier			3.55	3.55
3045 - Postage			949.42	949.42
3046 - Advertising			302.51	302.51
3057 - Structure, Infrastructure and Land - Rentals/Leases			70.75	70.75
3069 - Commission Sales			85.50	85.50
3085 - Inter-Agency Mail			21.00	21.00
2017 - Out-State Non-Employee Airfare		642.02		642.02
2019 - Out-State Non-Employee Lodging		773.34		773.34
Grand Total	116,353.84	6,799.58	5,327.73	128,481.15

Correspondence

- 1) NASBA – CPA Evolution
- 2) NASBA – UAA Model Rules Comment Period
- 3) NASBA – Quarterly Communications Bundle
- 4) AICPA – Discipline/Drop List
 - April 2020
- 5) NASBA – Ethics Matters
 - August 2020
 - May 2020
- 6) NASBA State Board Report
 - Summer 2020
 - Spring 2020
- 7) Alabama State Board of Public Accountancy
- 8) Texas State Board report – May 2020
- 9) Tennessee State Board of Accountancy
- 10) Kansas Board of Accountancy – May 2020
- 11) North Carolina State Board of Certified Public Accountant Examiners
 - July 2020
 - June 2020
 - May 2020
- 12) California Board of Accountancy – Winter 2020
- 13) Washington Board of Accountancy – Summer 2020
- 14) Idaho State Board of Accountancy – Volume 47, Issue 1

From: [NASBA](#)
To: [Hondolero, Corissa A \(CED\)](#)
Subject: NASBA Board Makes Crucial Decision on CPA Evolution
Date: Monday, July 27, 2020 5:00:25 AM



NASBA Board Makes Crucial Decision on CPA Evolution

NASHVILLE, TENN (July 27, 2020) – The National Association of State Boards of Accountancy ([NASBA](#)) Board of Directors has announced its unanimous vote of support for the advancement of the [CPA Evolution](#) initiative to design and implement a new approach to CPA licensure. CPA Evolution is a joint initiative between NASBA and the American Institute of CPAs (AICPA). In recent years, NASBA and the AICPA have monitored trends impacting the skillsets required of newly licensed CPAs and believe the CPA Evolution initiative will aid in positioning the CPA license for the future and protecting the public interest.

“The CPA profession is too important to our society and to our economy to not be 100% prepared and ready to respond to changing demands,” shared NASBA Chair Laurie Tish, CPA. “CPAs entering the profession must be prepared with the skills and knowledge necessary to serve in this trusted role. The new licensure model will be more attractive to the best and the brightest, which will enhance the CPA pipeline.”

The CPA Evolution initiative aims to ensure newly licensed CPAs have the required knowledge and skills best suited to serve clients, businesses and the public-at-large. As the profession and the world navigate a new normal, education required of CPA candidates, as well as the CPA Exam, itself, will adapt to address the emerging skills and competencies necessary in today’s marketplace. The new core plus discipline model will allow candidates to show enhanced competency in a chosen discipline within the profession.

NASBA and AICPA sought input from State Boards of Accountancy and many other stakeholders to work through the tough issues to develop a model that has widespread support. “NASBA and AICPA will maintain continuing engagement with state boards, state CPA societies, academia, CPA firms and others to identify gaps, and develop new resources to aid in transition to the new licensure model,” says Tish.

The AICPA’s Governing Council also acknowledged its support of CPA Evolution by overwhelmingly voting in favor of advancing the initiative at its May 2020 meeting. The AICPA and NASBA will work closely with universities to create model curriculum and internship programs. They will also now move forward with a significant effort to revise the Uniform CPA Exam’s content and skills blueprint, which is anticipated to culminate in the launch a new CPA Exam in January of 2024.

In May 2020, NASBA released the Uniform Accountancy Act ([UAA](#)) Model Rules exposure draft related to education requirements for licensure. The proposed changes, which are relevant to the CPA Evolution initiative’s charge, pertain to educational requirements for individuals seeking to enter the CPA profession, and are aligned to encourage uniformity among the 55 U.S. jurisdictions. Pending support from Boards of Accountancy for the UAA Model Rules exposure draft, NASBA will begin encouraging boards to implement model statutory and rule changes in education, beginning as early as Fall 2020.

For more information about the CPA Evolution initiative, please visit evolutionofcpa.org.

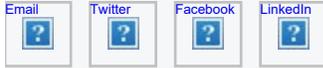
About NASBA

Since 1908, the National Association of State Boards of Accountancy (NASBA) has served as a forum for U.S. Boards of Accountancy, which administer the Uniform CPA Examination, license more than 650,000 certified public accountants and regulate the practice of public accountancy in the United States.

NASBA’s mission is to enhance the effectiveness and advance the common interests of the Boards of Accountancy in meeting their regulatory responsibilities. The Association promotes the exchange of information among accountancy boards, serving the needs of the 55 U.S. jurisdictions.

NASBA is headquartered in Nashville, TN, with a satellite office in New York, NY, an International Computer Testing and Call Center in Guam and operations in San Juan, PR. To learn more about NASBA, visit www.nasba.org.

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National Association of State Boards of Accountancy

150 Fourth Avenue North ♦ Suite 700 ♦ Nashville, TN 37219-2417 ♦ Tel: 615/880/4200

May 26, 2020

TO: State Boards of Accountancy and other interested parties
FROM: J. Coalter Baker, Chair – NASBA Uniform Accountancy Act Committee

As approved by the NASBA Board of Directors, we are releasing for a 90-day comment period proposed revisions to the Uniform Accountancy Act's Model Rules that pertain to education. These revisions were developed by the AICPA/NASBA CPA Evolution Initiative and reviewed by the NASBA Uniform Accountancy Act Committee, which recommended them to the NASBA Board for public comment.

The changes being proposed cover several areas related to the education requirements for those wishing to enter the CPA profession. A guiding principle was to suggest Model Rules that aligned with those already implemented in a majority of states, and in that way to encourage uniformity among the states. The CPA Evolution Initiative limited their recommendations to those they believed to be most relevant to their charge.

Briefly, some of the more significant changes being proposed include:

- A revision is being proposed to Rule 5-1 that would remove the requirement that an accounting program must be recognized by the Council for Higher Education Accreditation (CHEA); instead the program must be recognized by the Board of Accountancy. Only a few States have adopted the language in the current Model Rules that calls for CHEA recognition. Many excellent accounting programs are recognized by the Association to Advance Collegiate Schools of Business-International (AACSB), which is no longer listed by CHEA. This issue arises again in Rule 5-2 (d)(7).
- Rule 5-2(a) has proposed additions of developing skills in “critical thinking” and “professional skepticism,” as has been advocated by accounting educators worldwide.
- Consistent with the proposed revised model of the Uniform CPA Examination, establish required accounting content that is core to the accounting profession as defined in Rule 5-2(d)(2).
- Pre-approval of internship programs and independent study is being advised in proposed Rule 5-1 (f) and (g), to help ensure students receive valuable educational experiences.
- Boards are being urged to complete transcript reviews in Rule 5-2(c), as accrediting organizations are focused on the overall quality of educational institutions, and not verifying that the content of the accounting programs meets Boards of Accountancy licensing requirements. The issue of coverage is also raised in Rule 5-2(d)(6).
- Changes to align requirements among states and to add data analytics and related courses to basic subject matter to be covered are found in Rule 5-2(d). Also in Rule 5-2(d), you will note reference to areas “included in the Uniform CPA Examination Blueprints” to allow for updating topics as needed.
- To cover situations where pertinent courses are not being offered inside the business school, but are available in another college or university program, changes are being suggested to Rules 5-2(c) and (d).
- Currently, states have rules that permit three, or six, or an undetermined number of credits to be earned through internships and independent study. Changes are being proposed to Rule 5-2 (d)(7) to set the maximum number at nine credits and describe the content. This can help with education costs and add flexibility to the curriculum.

We believe these changes will provide guidance for students, educators and regulators on the education needed to enter the evolving CPA profession in the years ahead. We encourage the State Boards and other interested parties to consider these proposed changes and send any comments or recommendations to the UAA Committee via uaacomment@nasba.org by August 31, 2020.

Sincerely,

J. Coalter Baker

J. Coalter Baker, CPA
Chair, NASBA Uniform Accountancy Act Committee

UAA Model Rule Requirements – Education

Rule 5-1 - Education requirements – definitions.

- (a) “Semester credit hour” (SCH) means the conventional college semester credit hour. “Quarter credit hours” may be converted to semester credit hours by multiplying them by two-thirds; i.e., one quarter credit hour equals two-thirds of a semester credit hour.
- (b) “College(s) or university(s)” means Board-recognized institution(s) of higher education accredited by Board recognized accrediting organizations.
- (c) “Accredited” or “Accreditation” reflects the quality control of the education process provided by Board-recognized regional, national or international accreditation organizations. In determining acceptable accreditation organizations, the Board may recognize a Council for Higher Education Accreditation (CHEA) recognized regional and/or national accreditation organization. These Rules refer to three levels of accreditation. Level 1 represents the most comprehensive review at the accounting program level and Level 3 is the least comprehensive review at the college or university level. Colleges or universities without accreditation, as defined below, would generally lack any level of accreditation including the college or university, the business school or program (“business school”), and/or the accounting department or program (“accounting program”).
 - 1. Level 1 accreditation – the accounting program. In a Level 1 accreditation, the college or university, business school, and the accounting program are separately accredited. This level applies to an accounting program that is accredited by an organization recognized by the Board as a specialized or professional accrediting organization, such as the Association to Advance Collegiate Schools of Business-International (AACSB). Accredited accounting programs have met standards substantially higher and much more specific than those required for Level 2 or Level 3 accreditation.
 - 2. Level 2 accreditation – the business school. In a Level 2 accreditation, the college or university and the business school are accredited, but the accounting program is not separately accredited. This level applies to a business school that is accredited by an organization recognized by the Board as a specialized or professional accrediting organization, such as the AACSB or the Association of Collegiate Business Schools and Programs (ACBSP).
 - 3. Level 3 accreditation – the college or university. In a Level 3 accreditation, the college or university is accredited, but neither the business school nor the accounting program meet Level 1 or Level 2 accreditation requirements. This level applies to a degree-granting college or university that is not accredited at Level 1 or Level 2, but is accredited by an organization currently recognized by the Board as a regional, national or international accrediting organization, such as Higher Learning Commission, Middle States Commission on Higher Education, New England Commission on Higher Education, Northwest Commission on Colleges and Universities, Southern Association of Colleges and Schools Commission on Colleges, and WASC Senior College and University Commission.
 - 4. College or university without accreditation – an educational institution or entity that does not have an accreditation of either the college or university, business school, or accounting program; or a college or university accredited by organizations not recognized by the Board.

- (d) "Integration of subject matter" means a program of learning where certain subjects, which may be discrete courses in some colleges or universities, are integrated or embedded within related courses. Colleges or universities that use an integrated approach to cover such multiple course subjects should provide evidence of the required coverage pursuant to Rule 5-2(d). Acceptance of integration of any subject matter requires Board approval.
- (e) "Ethics" means a program of learning that provides students with a framework of ethical reasoning, professional values and attitudes for exercising professional skepticism and other behavior that is in the best interest of the public and profession. At a minimum, an ethics program should provide a foundation for ethical reasoning and the core values of integrity, objectivity and independence.
- (f) "Internship" means faculty pre-approved and appropriately supervised short-term work experience, usually related to a student's major field of study, for which the student earns academic credit.
- (g) "Independent study" means academic work selected or designed by the student with the pre-approval of the appropriate department of a college or university under faculty supervision. This work typically occurs outside of the regular classroom structure.

Rule 5-2 - Education requirements - determining compliance of the applicant's education.

- (a) These requirements are intended to provide a foundation in accounting and business course subjects. The program should:
 - 1. Develop the skills required to apply the knowledge attained (including skills in communications, critical thinking, research and analysis).
 - 2. Include and emphasize ethical behavior, professional skepticism and judgment, and professional responsibility.
 - 3. Provide the highest quality instruction in subjects that clearly contribute to the knowledge, skills and abilities necessary to meet the public's expectations of a CPA.
- (b) For purposes of Section 5(c) of the Uniform Accountancy Act, an applicant will be deemed to have met the education requirement(s) if the Board has determined the applicant has met the requirements of Rule 5-2(c) and Rule 5-2(d), together with appropriate consideration of Rule 5-2(a).
- (c) Determining compliance of the applicant's education shall be accomplished through the Board's use of the following procedures:
 - 1. Reliance on accreditation, as defined in Rule 5-1(c), of the college or university, from which the candidate has obtained the necessary degree and hours as defined in Rule 5-2(d) for purposes of determining the acceptability of the degree and the amount of detailed review required for compliance with the accounting and business content. The Board may place significant reliance on the quality, of accounting and business courses included in accounting degrees from Level 1 colleges or universities, however, the Board should complete a transcript review to ascertain appropriate coverage of accounting and business content in accordance with Rule 5-2(d). The Board may place reliance on the quality of the business courses included in business degrees from colleges or universities with Level 2 accreditation, however, the Board should complete a transcript review to ascertain appropriate coverage of accounting and business content in accordance with Rule 5-2(d), including a more thorough review of the accounting content than from Level 1 colleges or universities. Transcripts from a Level 3 college or university require more detailed review by the Board for compliance

with the accounting and business content. Degrees from colleges or universities without accreditation or with accreditation by an organization not recognized by the Board would generally not be acceptable.

2. Reliance on other procedures and information where the degree and/or courses were obtained from a college or university(s) not meeting the accreditation requirements of Rule 5-2(c)(1). Accepting degrees or courses under Rule 5-2(d) should only be based on evidence of acceptable course content, instruction and quality as would be expected by accreditation and as approved by the Board.
 3. Reliance on other procedures and information where the requirements of Rule 5-2(d) are met by integration of subject matter. The requirements set forth in Rule 5-2(e) should be used to determine compliance.
- (d) An applicant shall be deemed to have satisfied the education requirements if the following conditions are met:
1. Earned a graduate degree and/or a baccalaureate degree at a college or university that is accredited, as described in Rule 5-1(c);
 2. Earned a minimum of six SCH at the undergraduate level or three SCH at the graduate level of principles or introductory accounting content and a minimum of 24 SCH (or the equivalent) of accounting content at the undergraduate or graduate level requiring a minimum of three SCH in each of the subject-matter content areas listed in Rule 5-2(d)(2)i. through iv below, and a minimum of twelve SCH in some or all of the subject-matter content areas listed in Rule 5-2(d)(2)v through xvii below:
 - i. Financial accounting and reporting for business organizations
 - ii. Financial statement auditing
 - iii. Taxation
 - iv. Accounting information systems
 - v. Financial accounting and reporting for government and not-for-profit entities
 - vi. Attestation engagements
 - vii. Managerial or cost accounting
 - viii. Mergers and acquisitions
 - ix. Tax and financial planning
 - x. Fraud examination
 - xi. Internal controls and risk assessment
 - xii. Financial statement analysis
 - xiii. Accounting research and analysis
 - xiv. Tax research and analysis
 - xv. Data analytics, data interrogation techniques, and/or digital acumen in an accounting context, whether taken in the business school or in another college or university program, such as the engineering, computer science, or math programs
 - xvi. Ethics (accounting course)
 - xvii. Other accounting-related content areas included in the Uniform CPA Examination Blueprints or as may be approved by the Board.
 3. Earned a minimum of two SCH in research and analysis relevant to the course content described in 5-2(d)(2) through a discrete undergraduate and/or graduate accounting course, or two SCH integrated throughout the undergraduate and/or graduate accounting curriculum. Colleges or universities must provide evidence of coverage under integration as specified in Rule 5-2(e). The SCH earned through a discrete course in research and analysis in accounting may fulfill two of the SCH of the accounting subject matter requirements in Rule 5-2(d)(2).

4. Earned a minimum of 24 SCH (or the equivalent) of business content, other than accounting, at the undergraduate and/or graduate level, covering some or all of the following subject-matter content:
 - i. Business law
 - ii. Economics
 - iii. Management
 - iv. Marketing
 - v. Finance
 - vi. Business communications
 - vii. Statistics
 - viii. Quantitative methods
 - ix. Information systems or technology
 - x. Data analytics, data interrogation techniques, and/or digital acumen, whether taken in the business school or in another college or university program, such as the engineering, computer science, or math programs.
 - xi. Ethics (business course)
 - xii. Other business-related content areas included in the Uniform CPA Examination Blueprints or as may be approved by the Board.
 5. Earned a minimum of two SCH in communications in an undergraduate and/or a graduate course listed or cross-listed as an accounting or business course or two SCH integrated throughout the undergraduate or graduate accounting or business curriculum. Colleges or universities must provide evidence of coverage under integration as specified in 5-2(e). The SCH earned through a discrete course in communications may fulfill two SCH of the subject matter requirements of Rule 5-2(d)(4).
 6. Earned a minimum of three SCH in an undergraduate and/or a graduate course listed or cross listed as an accounting or business course in ethics as defined in Rule 5-1(e). A discrete three SCH course in ethics may count towards meeting the accounting or business course requirements of Rule 5-2(d)(2) or Rule 5-2(d)(4). As an alternative, colleges or universities may choose to integrate the course throughout the undergraduate and/or graduate accounting or business curriculum. Universities must provide evidence of coverage under integration as specified in Rule 5-2(e). Proof of coverage may be provided through specific evaluation by a specialized or professional accrediting organization recognized by the Board, in which evidence is provided to assure the Board that the program of learning defined in Rule 5-1(e) has been adequately covered and at the equivalent of the three SCH minimum. Alternate methods for proof of ethics coverage may be determined and approved by the Board following careful scrutiny.
 7. A maximum of nine SCH for internships and independent study, as defined in Rule 5-1(f) and Rule 5-1(g), may count towards the education requirement of Section 5(c) of the Uniform Accountancy Act. However, of the nine SCH, a maximum of three SCH may apply to accounting content required under Rule 5-2(d)(2) and a maximum of three SCH may apply to business content required under Rule 5-2(d)(4).
- (e) Colleges or universities that use an integrated approach to meet the requirements of Rule 5-2(d)(3, 5 or 6) must provide evidence that the respective subjects adequately cover the desired content, with acceptable instruction and quality to attain the objectives. Proof of coverage may be provided through specific evaluation by a specialized or professional accrediting organization recognized by the Board. Alternate methods for

proof of coverage may be determined and approved by the Board following careful scrutiny.

UAA Model Rule Requirements – Education

Rule 5-1 - Education requirements – definitions.

- (a) “Semester credit hour” (SCH) means the conventional college semester credit hour. “Quarter credit hours” may be converted to semester credit hours by multiplying them by two-thirds; i.e., one quarter credit hour equals two-thirds of a semester credit hour.
- (b) “College(s) or university(s)” means ~~Board~~ recognized institution(s) of higher education accredited by ~~Board~~ generally recognized accrediting organizations.
- (c) “Accredited” or “Accreditation” reflects the quality control of the education process provided by ~~generally Board-recognized~~ regional, ~~and/or national~~ or international accreditation organizations. In determining acceptable accreditation organizations, the Board may recognize a Council for Higher Education Accreditation (CHEA) recognized regional and/or national accreditation organization. These Rules refer to three levels of accreditation. Level 1 represents the most comprehensive review at the accounting program level and Level 3 is the least comprehensive review at the college or university level. Colleges or universities without accreditation, as defined below, would generally lack any level of accreditation including the college or university, the business school or program (“business school”), and/or the accounting department or program (“accounting program”).
1. Level 1 accreditation – the accounting program. In a Level 1 accreditation, the college or university, business school, and the accounting program are separately accredited. This level applies to an accounting program that is accredited by an organization recognized by the ~~Board~~ Council for Higher Education Accreditation (CHEA) as a specialized or professional accrediting organization, such as the Association to Advance Collegiate Schools of Business-International (AACSB). Accredited accounting programs have met standards substantially higher and much more specific than those required for Level 2 or Level 3 accreditation.
 2. Level 2 accreditation – the business school. In a Level 2 accreditation, the college or university and the business school are accredited, but the accounting program is not separately accredited. This level applies to a business school that is accredited by an organization recognized by the ~~Council for Higher Education Accreditation (CHEA)~~ Board as a specialized or professional accrediting organization, such as the AACSB or the Association of Collegiate Business Schools and Programs (ACBSP).
 3. Level 3 accreditation – the college or university. In a Level 3 accreditation, the college or university is accredited, but neither the business school nor the accounting program meet Level 1 or Level 2 accreditation requirements. This level applies to a degree-granting college or university that is not accredited at Level 1 or Level 2, but is accredited by an organization currently recognized by the ~~Council for Higher Education Accreditation~~ Board as a regional, national or international accrediting organization, such as Higher Learning Commission, Middle States Commission on Higher Education, New England Association of Schools and Colleges-Commission on Colleges or Universities of Higher Education, Northwest Commission on Colleges and Universities, North Central Association of Colleges and Schools-The Higher Learning Commission, Southern Association of Colleges and Schools Commission on Colleges, and WASC Senior College and University Commission.

4. College or university without accreditation – an educational institution or entity that does not have an accreditation of either the college or university, business school, or accounting program; or a college or university accredited by organizations not recognized by the Board.
- (d) “Integration of subject matter” means a program of learning where certain subjects, which may be discrete courses in some colleges or universities, are integrated or embedded within related courses. Colleges or universities that use an integrated approach to cover such multiple course subjects should provide evidence of the required coverage pursuant to Rule 5-2(d). Acceptance of integration of any subject matter requires Board approval.
 - (e) “Ethics” means a program of learning that provides students with a framework of ethical reasoning, professional values and attitudes for exercising professional skepticism and other behavior that is in the best interest of the public and profession. At a minimum, an ethics program should provide a foundation for ethical reasoning and the core values of integrity, objectivity and independence.
 - (f) “Internship” means faculty pre-approved and appropriately supervised short-term work experience, usually related to a student’s major field of study, for which the student earns academic credit.
 - (g) “Independent study” means academic work selected or designed by the student with the pre-approval of the appropriate department of a college or university under faculty supervision. This work typically occurs outside of the regular classroom structure.

Rule 5-2 - Education requirements - determining compliance of the applicant’s education.

- (a) These requirements are intended to provide a foundation in accounting and business course subjects. The program should:
 1. Develop the skills required to apply the knowledge attained (including skills in communications, critical thinking, research, judgment and analysis).
 2. Include and emphasize ethical behavior, professional skepticism and judgment, and professional responsibility.
 3. Provide the highest quality instruction in subjects that clearly contribute to the knowledge, skills and abilities necessary to meet the public’s expectations of a CPA.
- (b) For purposes of Section 5(c) of the Uniform Accountancy Act, an applicant will be deemed to have met the education requirement(s) if the Board has determined the applicant has met the requirements of Rule 5-2(c) and Rule 5-2(d), together with appropriate consideration of Rule 5-2(a).
- (c) Determining compliance of the applicant’s education shall be accomplished through the Board’s use of the following procedures:
 1. Reliance on accreditation, as defined in Rule 5-1(c), of the college or university, from which the candidate has obtained the necessary degree and hours as defined in Rule 5-2(d) for purposes of determining the acceptability of the degree and the amount of detailed review required for compliance with the accounting and business content. ~~State~~ The Boards may place significant reliance on the quality, content and delivery method of accounting and business courses included in accounting degrees from Level 1 colleges or universities, however, and as such, the Board should complete a transcript review to ascertain appropriate coverage of accounting and business content in accordance with Rule 5-2(d). transcripts from such colleges or universities would require minimal or no Board review. The Board may place reliance on the quality of the business

~~courses included in business degrees from colleges or universities with Level 2 accreditation would require little or no Board review of transcripts in terms of the business content, but, however, the Board should complete a transcript review to ascertain appropriate coverage of accounting and business content in accordance with Rule 5-2(d), including a more thorough review of the accounting content would require more review than from Level 1 colleges or universities.~~ Transcripts from a Level 3 college or university would require more detailed review by the Board for compliance with the accounting and business content. Degrees from colleges or universities without accreditation or with accreditation by an organization not recognized by the Board would generally not be acceptable.

2. Reliance on other procedures and information where the degree and/or courses were obtained from a college or university(s) not meeting the accreditation requirements of Rule 5-2(c)(1). Accepting degrees or courses under Rule 5-2(d) should only be based on evidence of acceptable course content, instruction and quality as would be expected by accreditation and as approved by the Board.
3. Reliance on other procedures and information where the requirements of Rule 5-2(d) are met by integration of subject matter. The requirements set forth in Rule 5-2(e) should be used to determine compliance.

(d) An applicant shall be deemed to have satisfied the education requirements if the following conditions are met:

1. Earned a graduate degree and/or a baccalaureate degree at a college or university that is accredited, as described in Rule 5-1(c);
2. Earned a minimum of six SCH at the undergraduate level or three SCH at the graduate level of principles or introductory accounting content and a minimum of 24 SCH (or the equivalent) of accounting courses content at the undergraduate or graduate level, excluding principles or introductory accounting courses, covering requiring a minimum of three SCH in each of the subject-matter content areas listed in Rule 5-2(d)(2)i. through iv below, and a minimum of twelve SCH in some or all of the following subject-matter content areas listed in Rule 5-2(d)(2)v. through xvii below, which are to be contemporaneously derived from the Uniform CPA Examination Blueprints:
 - i. Financial accounting and reporting for business organizations
 - ii. Financial statement auditing ~~Financial accounting and reporting for government and not-for-profit entities~~
 - iii. Taxation ~~Auditing and attestation services~~
 - iv. Accounting information systems ~~Managerial or cost accounting~~
 - v. Financial accounting and reporting for government and not-for-profit entities ~~Taxation~~
 - vi. Attestation engagements
 - vii. Managerial or cost accounting
 - viii. Mergers and acquisitions
 - ~~v~~ix. Tax and financial planning
 - ~~vi~~x. Fraud examination
 - ~~vii~~xi. Internal controls and risk assessment
 - ~~viii~~xii. Financial statement analysis
 - ~~ix~~xiii. Accounting research and analysis
 - ~~x~~xiv. Tax research and analysis
 - ~~xi~~xv. Accounting information systems Data analytics, data interrogation techniques, and/or digital acumen in an accounting context, whether

- taken in the business school or in another college or university program, such as the engineering, computer science, or math programs
- ~~xii-xvi.~~ Ethics (accounting course), as described in Rule 5-2 (d) (6)
 - ~~xiii-xvii.~~ Other accounting-related content areas included in the Uniform CPA Examination Blueprints or as may be approved by the Board.
3. Earned a minimum of two SCH in research and analysis relevant to the course content described in 5-2(d)(2) through a discrete undergraduate and/or graduate accounting course, or two SCH integrated throughout the undergraduate and/or graduate accounting curriculum. Colleges or universities must provide evidence of coverage under integration as specified in Rule 5-2(e). The SCH earned through a discrete course in research and analysis in accounting may fulfill two of the SCH of the accounting subject matter requirements in Rule 5-2(d)(2).
 4. Earned a minimum of 24 SCH (or the equivalent) of business ~~courses~~content, other than accounting, at the undergraduate and/or graduate level, covering some or all of the following subject-matter content:
 - i. Business law
 - ii. Economics
 - iii. Management
 - iv. Marketing
 - v. Finance
 - vi. Business communications
 - vii. Statistics
 - viii. Quantitative methods
 - ~~ix.~~ Information systems or technology
 - ~~x.~~ Data analytics, data interrogation techniques, and/or digital acumen, whether taken in the business school or in another college or university program, such as the engineering, computer science, or math programs.
 - ~~ix-xi.~~ Ethics (business course), as described in Rule 5-2 (d) (6)
 - ~~x-xii.~~ Other business-related content areas included in the Uniform CPA Examination Blueprints or as may be approved by the Board.
 5. Earned a minimum of two SCH in communications in an undergraduate and/or a graduate course listed or cross-listed as an accounting or business course or two SCH integrated throughout the undergraduate or graduate accounting or business curriculum. Colleges or universities must provide evidence of coverage under integration as specified in 5-2(e). The SCH earned through a discrete course in communications may fulfill two SCH of the subject matter requirements of Rule 5-2(d)(4).
 6. Earned a minimum of three SCH in an undergraduate and/or a graduate course listed or cross listed as an accounting or business course in ethics as defined in Rule 5-1(e). A discrete three SCH course in ethics may count towards meeting the accounting or business course requirements of Rule 5-2(d)(2) or Rule 5-2(d)(4). As an alternative, colleges or universities may choose to integrate the course throughout the undergraduate and/or graduate accounting or business curriculum. Universities must provide evidence of coverage under integration as specified in Rule 5-2(e). Proof of coverage may be provided through specific evaluation by a ~~national specialized or professional accrediting agency~~ organization recognized by CHEA the Board, such as AACSB or ACBSP, in which evidence is provided to assure the Board that the program of learning defined in Rule 5-1(e) has been adequately covered and at the equivalent of the

three SCH minimum. Alternate methods for proof of ethics coverage may be determined and approved by the Board following careful scrutiny.

7. A maximum of ~~ninesix~~ SCH for internships and independent study, as defined in Rule 5-1(f) and Rule 5-1(g), may count towards the education requirement of Section 5(c) of the Uniform Accountancy Act ~~subject matter requirements of Rule 5-2(d)(2) or Rule 5-2(d)(4)~~. However, of the ~~ninesix~~ SCH, a maximum of three SCH may apply to accounting ~~courses~~ content required under Rule 5-2(d)(2) and a maximum of three SCH may apply to business ~~courses~~ content required under Rule 5-2(d)(4).
- (e) Colleges or universities that use an integrated approach to meet the requirements of Rule 5-2(d)(3, 5 or 6) must provide evidence that the respective subjects adequately cover the desired content, with acceptable instruction and quality to attain the objectives. Proof of coverage may be provided through specific evaluation by a specialized or professional ~~national~~ accrediting organization ~~agency~~ recognized by ~~CHEA~~ the Board, ~~such as AACSB or ACBSP~~. Alternate methods for proof of coverage may be determined and approved by the Board following careful scrutiny.

NATIONAL ASSOCIATION OF STATE BOARDS OF ACCOUNTANCY, INC.

**Highlights of the Board of Directors Meeting
July 24, 2020 – Virtual Meeting**

During a duly called meeting of the Board of Directors of the National Association of State Boards of Accountancy, Inc., held virtually via Zoom on Friday, July 24, 2020, the Board took the following actions:

- Approved unanimously the following resolution as presented by NASBA Chair Laurie J. Tish (WA):

WHEREAS, At the Annual and Regional Meetings in 2018, 2019 and 2020, NASBA has discussed the trends in the business environment that are impacting the skillsets required of newly licensed CPAs and how the joint initiative (referred to as CPA Evolution) with the American Institute of CPAs will position the CPA license for the future and protect the public interest; and

WHEREAS, The Boards of Accountancy have received the presentation on the revised CPA licensure framework envisioned in the CPA Evolution initiative and the NASBA Board of Directors has heard the feedback received on the revised framework; now

BE IT RESOLVED, That the NASBA Board of Directors supports the advancement of the CPA Evolution initiative in an effort to design and implement a new approach to CPA licensure and supports taking appropriate action to execute the CPA Evolution initiative, including changes to the CPA licensure model; and

BE IT FURTHER RESOLVED, That this resolution shall now become effective as the companion vote of support of the CPA Evolution initiative by the AICPA Council passed in May 2020.

- Reviewed and approved for distribution to the member Boards, the Bylaws Committee's proposed changes for Sections 4.11; 7.1.8; and 7.22 as presented by Committee Chair Katrina Salazar (CA). The changes, which relate to teleconferencing and the Nominating Committee's procedures for selecting their slate, will be sent to the member Boards and voted on at the Annual Business Meeting in November.

- Approved the Awards Committee's recommendations: Carlos E. Johnson (OK) will be the recipient of the 2020 William H. Van Rensselaer Public Service Award; Raymond N. Johnson (OR) will be the recipient of the 2020 NASBA Distinguished Service Award; and Russ Friedewald (IL) will be the recipient of the 2020 Lorraine P. Sachs Award for Executive Directors. The awards will be presented at the 2020 Annual Business Meeting in November.

- Accepted the slate of NASBA 2020-2021 officers and directors selected by the Nominating Committee as presented by Nominating Committee Chair Janice L. Gray (OK). The election of officers and directors will be held at the Annual Business Meeting in November.
- Heard a summary of NASBA's first virtual Regional Meetings from NASBA Chair Tish. She applauded the Regional Directors and NASBA staff for the meetings' development and the successful transition to the virtual presentation format. Ms. Tish also reported on her attendance at the NASBA/AICPA leadership virtual summit meeting on July 20 and other recent meetings.
- Learned from President and Chief Executive Officer Ken L. Bishop that NASBA has reopened its office in Nashville, but will continue to allow staff members to work remotely indefinitely. Most staff members who had been furloughed since the pandemic will be back to full-time employment as of August 1, 2020.
- Heard a report from Committee on Relations with Member Boards Chair C. Jack Emmons (NM) that the Regional Directors will be holding a New State Board Member Orientation Session on August 20, 2020, and will also be scheduling September conference calls with their Regions.
- Accepted and approved, respectively, the May 31, 2020 Internal Financial Statements, and the Fiscal 2021 Consolidated Operating and Capital Budgets for NASBA, as presented by Treasurer W. Michael Fritz (OH) and Chief Financial Officer and Senior Vice President Michael R. Bryant.
- Heard from NASBA Executive Vice President and Chief Operating Officer Colleen K. Conrad that continuous testing on the Uniform CPA Examination became available in the United States as of July 1, 2020. In addition, the Uniform CPA Examination became available via testing centers in India in June, where approximately 650 candidates tested. Over 900 are scheduled to test in September there and another testing window has been opened up in December.
- Learned from Uniform Accountancy Act Committee Chair J. Coalter Baker (TX) that the proposed education Model Rules were distributed on May 26 and are open for comment through August 31, 2020. A joint UAA Committee/AICPA Professional Ethics Executive Committee task force will hold a virtual meeting on July 29 to continue discussion of NOCLAR (noncompliance with laws and regulations).
- Were informed planning for the 2020-2021 NASBA Committees is on schedule. Vice Chair A. Carlos Barrera reported a record number of committee placement requests had been received.
- Learned from NASBA/AICPA International Qualifications Appraisal Board Chair Sharon A. Jensen (MN) that the three-year renewal of the mutual recognition agreement with the Hong Kong Institute of CPAs was signed by all parties as of July 1, 2020.

The next meeting of the NASBA Board of Directors will be held on October 30, 2020 via Zoom.

Distribution: State Board Chairs/Presidents, Members and Executive Directors, NASBA Board of Directors, Committee Chairs and Staff Directors

National Association of State Boards of Accountancy, Inc.
Virtual Meeting of the Board of Directors
April 24, 2020

1. Call to Order

A meeting of the Board of Directors of the National Association of State Boards of Accountancy was called to order by Chair Laurie Tish at 11:30 a.m. Eastern Time on Friday, April 24, 2020 via Zoom. Chair Tish welcomed all.

2. Report of Attendance

President and CEO Ken L. Bishop reported the following were on the conference call:

Officers

Laurie J. Tish, CPA (WA), Chair
A. Carlos Barrera, CPA (TX), Vice Chair
Janice L. Gray, CPA (OK), Past Chair
W. Michael Fritz, CPA (OH), Treasurer
Stephanie M. Saunders, CPA (VA), Secretary

Directors-at-Large

Catherine R. Allen, CPA (NY)
J. Coalter Baker, CPA (TX)
Maria E. Caldwell, CPA (FL)
John F. Dailey, Jr., CPA (NJ)
Tyrone E. Dickerson, CPA (VA)
Sharon A. Jensen, CPA (MN)
Richard N. Reisig, CPA (MT)

Regional Directors

Andy Bonner, CPA (TN), Southeast Regional Director
C. Jack Emmons, CPA (NM), Southwest Regional Director
Alison L. Houck, CPA (DE), Middle Atlantic Regional Director
Stephen F. Langowski, CPA (NY), Northeast Regional Director
Faye D. Miller, CPA (ND), Central Regional Director
Jason D. Peery, CPA (ID), Mountain Regional Director
Katrina Salazar, CPA (CA), Pacific Regional Director
Kenya Y. Watts, CPA (OH), Great Lakes Regional Director

Executive Directors' Liaison

Grace Berger (MT), Executive Directors Committee Chair

Staff

Ken L. Bishop, President and Chief Executive Officer

Colleen K. Conrad, CPA, Executive Vice President and Chief Operating Officer

Michael R. Bryant, CPA, Senior Vice President and Chief Financial Officer

Louise Dratler Haberman, Vice President - Information and Research

Thomas Kenny, Chief Communications Officer

Troy Walker, CPA, Director of Finance and Controller

Cheryl Farrar, Chief Sourcing and Strategy Officer

3. Approval of Minutes

Secretary Stephanie Saunders stated no additions or corrections had been received for either the January 17 or March 5, 2020 minutes as distributed to the Board. Katrina Salazar made a motion to accept the January 17, 2020 minutes as presented, seconded by W. Michael Fritz, and the motion passed. Jack Emmons made a motion to accept the minutes of the March 5 meeting as presented, Janice Gray seconded, and the motion passed.

4. Chair's Report

Chair Tish praised NASBA for not missing a beat despite the pandemic: Progress has been made on all fronts, as far as governance and committee work, which were not delayed by working virtually. She has participated in many virtual committee meetings and Regional calls. Chair Tish attended the AICPA/NASBA leadership summit in Phoenix on February 6-7. Among the items discussed were the CPA Evolution initiative, international candidates testing in Europe, the International Qualifications Appraisal Board (IQAB) and the Uniform Accountancy Act. She also updated the Boards on the CPA Evolution Initiative via webinars held in March.

5. President's Report

President and CEO Ken Bishop observed that it now seems like a “different universe” from what it was 30 days previously. He called on Executive Vice President and COO Colleen Conrad to summarize with him this quarter's activities:

- Earlier in the year, a staff Super Bowl party was held, and then staff celebrated Black history month by hearing from the author of *Strong Inside*, a book about the first black SEC basketball player. On March 3 a tornado struck the Germantown section of Nashville and did significant damage, causing the Nashville office to close for one day. Staff members are continuing to help tornado victims.

- Multiple communications have been sent out by NASBA since March covering the coronavirus, testing windows, testing centers, pass/fail issues, continuous testing, approved CPE

sponsors, and extension of CPE and peer review deadlines. Communications have also been sent out for individual Boards, including COVID-19 updates.

- On March 18 NASBA held its first virtual Executive Directors (ED) and Legal Counsel conferences. There were approximately 200 participants at the ED conference. The State Board Legal Counsel Conference had 41 participants. A follow-up legislative webinar on March 31 had 108 in attendance. The Eastern and Western Regional Meetings will be virtual as well, including voting for Nominating Committee members in four Regions.

- NASBA was getting ready to add remote work options to its employee scheduling when the COVID-19 crisis occurred. There was concern about the virus starting in January and NASBA began doing disaster scenario planning then. Consequently, the core team was able to work remotely from the first day of the March shelter-at-home order. Following review of the CARES Act, some staff members were furloughed. Now “Roadmap for Reopening Nashville” has been put in place and staff will be brought back as work grows. Limited staff have been working from the Nashville office and all others have been able to work from home.

- Brenner (“Brie”) Allen, Esq., has become a NASBA employee as regulatory counsel. She is working remotely out-of-state. There are now four attorneys on staff plus NASBA continues to utilize several legal firms as outside counsel in Nashville.

- The Accountancy Licensee Library rules engine continues to be updated for everything related to the coronavirus. A webpage has been added to the NASBA site to show changes regarding CPE requirements necessitated by the virus.

- Utah and Delaware are in the final stages of Accountancy Licensee Database (ALD) implementation and hope to be on it in the next several months. That will leave only Hawaii not on the ALD.

- Continuous testing for the Uniform CPA Examination will come into place in July in states where it is allowed. Testing on the Exam is also expanding into India, with testing to initially be provided in June and September this year.

- Executive Vice President Conrad visited the Guam testing center, met with the Guam Board of Accountancy and spoke at the University of Guam. She praised the testing center’s staff, but currently the center is shut down and all staff except for the center’s director are furloughed. They are covered by the CARES Act.

- Alfonzo Alexander, President of the NASBA Center for the Public Trust, has been elected vice chair of The Ph.D. Project’s board of directors. President Bishop has completed his term on the Board, after helping them update their bylaws document.

- Twenty-nine states now have adopted firm mobility.

- Several pieces of legislation have been introduced in states to extend the viability of current licenses given the virus situation.

- The NASBA Center for the Public Trust is looking at activities they can do virtually. They now have over 3,000 students in the ethical leadership program and 13 states are using the CPT's program for ethics training.

- The Western and Eastern Regional Meetings will be virtual, but no decision has yet been made on whether or not the July Board meeting will be in Portland and/or the Annual Meeting will be in San Diego or be virtual.

6. Vice Chair's Report

Vice Chair Carlos Barrera reported he had participated in 18 committee calls since late January. He had attended the Texas Board's March meeting with former Texas Board members Coalter Baker and Tom Prothro to encourage participation in NASBA. Mr. Barrera had also listened to all eight of the Regional conference calls. In early March he held a pre-planning meeting for his year in office and will hold a virtual planning meeting May 13-14. He reported there has been an increase in the number of people volunteering for NASBA committee service.

7. Administration and Finance Committee's Report

Treasurer W. Michael Fritz and Chief Financial Officer Michael Bryant presented NASBA's financial statements as of February 29, 2020. They described NASBA's financial picture as the "tale of two halves," due to the impact of the coronavirus: As of February, the financial picture was on track with the budget; however, due to the pandemic, the last part of the fiscal year will be challenging and achieving budget targets seems extremely unlikely. Steps have been taken to mitigate the economic impact. A motion was made by Jack Emmons to approve the February financial statements, which was seconded by Alison Houck, and passed. Mr. Fritz made a motion to accept the Administration and Finance Committee's recommended changes to the investment policy, which was seconded by Andy Bonner, and passed.

8. Executive Directors Committee Report

Executive Directors Committee Chair Grace Berger reported the first virtual Executive Director and Society CEO Conference and the State Board Legal Counsel Conference were both well attended. Close to 200 people listened in to the meetings. These were followed a week later by a legislative webinar for executive directors that was also successful. Ms. Berger reviewed the meetings' agendas for the Board.

Ms. Berger thanked the NASBA staff for the support provided to the State Boards during this time in response to various issues caused by COVID-19, especially in regards to extending conditional exam credit. A Quick Poll conducted following the meetings found that the executive directors are grateful for the information which NASBA has been rapidly distributing.

9. Report from Sourcing and Strategy Officer

NASBA Chief Sourcing and Strategy Officer Cheryl Farrar and CFO Bryant described a project undertaken by staff to capture costs related to NASBA's mission as described in the strategic plan. The 2018-2023 strategic plan contains 13 objectives. During an all-day meeting, staff directors brainstormed about how NASBA's activities fit within those objectives. This project is aimed at providing a measurement of how NASBA's resources are strategically deployed across the objectives in order for governance to have visibility. Metrics and allocation of expenses, especially in regard to mission spending, were discussed.

President Bishop asked Vice Chair Barrera to consider forming a task force to determine if changes are required to the strategic plan. Chair Tish called for a vote on the direction this project is heading, i.e., the mapping of resources expended to the strategic plan as will be further developed during Vice Chair Barrera's term in office. The Board unanimously agreed to the direction of this project. There were no objections.

10. Report on CPA Evolution

Chair Tish and COO Conrad updated the Board on the progress of the CPA Evolution Initiative. The pandemic has not slowed down this effort and discussions with students and educators continue and are gaining momentum.

The webinars were well received and did not appear controversial, Chair Tish observed. More details of what will happen in education and to the Uniform CPA Examination were presented. Model Rule changes to be exposed in late May actually bring the UAA Model Rules closer to what the states are currently doing.

Ms. Conrad summarized the comments received from AICPA surveys of students, firms, State Boards and faculty members.

In July the NASBA Board will be asked to consider a vote to support the CPA Evolution initiative, as will AICPA's Council in May, Ms. Tish stated. Then in September the comments on the proposed Model Rules will be sorted and a special NASBA Board meeting called, if needed, to finalize the Rules. Ms. Conrad reported the AICPA Exams Team is beginning to put together the cost and tentative timeline for the envisioned examination. A model curriculum

project is also tentatively scheduled to commence after the evolution project receives official support from NASBA and AICPA. By January 2023 the Exams Team will need to have a finalized blueprint available for the new Uniform CPA Examination.

To move forward with the new Uniform Examination, seven states need to change their rules so that they do not specifically name the sections of the Uniform CPA Examination, and Oklahoma will need to change its Act to delete the specific section names, Ms. Conrad noted.

11. Report of the Education Committee

Education Committee Chair Saunders updated the Board on the Education Committee's involvement in the review of the proposed UAA Model Rules relating to education. She stated the Committee had met on March 25 to discuss the Model Rules and determined they are definitely behind the changes as proposed.

Grant Task Force Chair Jason Peery summarized the recommended projects for the NASBA Accounting Education Research Grant. He moved for acceptance of the recommendations of the Education Committee and awarding grants to the following two projects:

“Options for Meeting the 150-Hour Requirement to Maximize Students’ Demand as Public Accounting Recruits: Establishing New Benchmarks in the Age of Data Analytics,” by Tristan B. Johnson and J. Russell Hardin of the University of South Alabama, and D. Shawn Mauldin of Mississippi State University.

“Rejuvenating the Accounting Curricula: How We Can Bring Accounting Students Into the 21st Century,” by M. Pamela Neely and Timothy Hungerford of the State University of New York – Brockport.

Mr. Emmons seconded the motion and it carried.

12. Report of the Uniform Accountancy Act Committee

UAA Committee Chair Coalter Baker discussed the proposed changes to UAA Model Rule 5-1 and 5-2 as recommended by the CPA Evolution Initiative and the Education Committee. The AICPA/NASBA UAA Committee held a virtual meeting on March 29 and had few questions about the proposed changes. As the Model Rules are published by NASBA, the NASBA members of the joint UAA Committee unanimously voted to forward the Model Rules to the NASBA Board with their support to expose the Model Rules for comment following legal review, and the AICPA members of the committee were in agreement.

Mr. Baker moved that the NASBA Board of Directors approve for exposure for public comment the draft UAA Model Rule Requirements on Education as presented (subject to any adjustments legal review might recommend) for a period of 90 days. This approval is deferred and contingent upon the successful passage of the AICPA Council's resolution supporting the advancement of the CPA Initiative at the May 2020 Council meeting. Mr. Emmons seconded and the motion carried.

The UAA Committee still has NOCLAR (noncompliance with laws and regulations) on their list of open projects. Discussions of NOCLAR continue as NASBA legal counsel has found a majority of states have rules that could enforce a NOCLAR standard under consideration by the Auditing Standards Board. Mr. Baker thanked Vice Chair Barrera for helping to keep this initiative on course.

Mr. Baker also reported he will be attending a meeting of the AICPA Professional Ethics Executive Committee (PEEC) next week where an interpretation allowing for staff augmentation will be reintroduced. The NASBA Board had submitted comments in opposition to the previous version of this interpretation and Mr. Baker told the Board that the NASBA representatives on PEEC will again provide input to PEEC on this topic.

13. Report of the Nominating Committee

Nominating Committee Chair Janice Gray reported the Nominating Committee would be interviewing the vice chair candidates and holding meetings via Zoom. Ms. Gray recommended NASBA Bylaws be amended to address the issue of considering virtual meetings in place of face-to-face meetings.

Chair Tish said the Bylaws Committee will be studying needed changes in several places in the Bylaws.

14. Report of the CBT Administration Committee

Computer-Based-Testing Administration Committee Chair Tyrone Dickerson said the Committee had met in March and April to discuss Prometric's closing and opening of its testing centers, as well as information being provided to candidates. Mr. Dickerson thanked COO Conrad and NASBA Director of Client Services Patricia Hartman for distributing timely communications on closures. Mr. Dickerson also reported Uniform CPA Examination testing is scheduled to begin in India on June 1.

15. Report of the Committee on Relations with Member Boards

Committee Chair Emmons reported that the Committee on Relations with Member Boards had held its first virtual meeting on April 23. There will be no Regional conference calls this quarter, as there will be Zoom regional breakout meetings in conjunction with the Regional Meetings. The Committee will be holding another Zoom meeting to plan for virtual Regional breakouts. Among topics to be covered during the Regional breakouts will be the CPA Evolution initiative, best practices during the pandemic and the proposed UAA Model Rules.

Mr. Emmons explained, current thinking is that there will be a virtual Regional Meeting on one day and then the Regional breakout sessions will be on the next day. President Bishop noted that the agenda for the Regional Meeting has required some prioritization and trimming back of topics to fit comfortably into reduced hours.

16. Policy Discussion

Topics discussed included: Ways to communicate information about the CPA Evolution Initiative; the impact of the pandemic on schools, state governments, State Boards, licensees and NASBA staff; and exposure drafts currently under consideration by the Regulatory Response Committee. Chair Tish thanked Regulatory Response Committee Chair Mike Fritz and Ethics Committee Chair Cathy Allen for leading their committees' study of some complicated issues raised in recent exposure drafts.

17. Adjournment

Chair Tish assured the Board that there will be options for members to join the July 24, 2020 Board meeting virtually. A definite decision on whether or not the meeting will also be held face-to-face has not yet been made.

The meeting was adjourned at 4:41 p.m. Eastern Time.

REPORT OF THE NOMINATING COMMITTEE

July 10, 2020

Chair Laurie J. Tish and members of the Board of Directors

Dear Ms. Tish:

I respectfully submit the report of the 2019-2020 Nominating Committee. Our work has been carried out in accordance with Article VII, Sections 7.2 and 7.3, and Article IV, Section 4.5, of NASBA's Bylaws.

The 2019-2020 Nominating Committee has nominated the following officers and directors to be voted on by the member Boards at the Annual Business Meeting in November:

Vice Chair	W. Michael Fritz (OH – Associate)
Directors-at-Large (three-year term)	
(second term)	J. Coalter Baker (TX- Associate)
(second term)	Jimmy E. Burkes (MS – Associate)
(first term)	Nicola Neilon (NV – Delegate)
Regional Directors (one-year term), a Regional Director may serve three one-year terms	
(third term) Central	Faye D. Miller (ND – Delegate)
(second term) Great Lakes	Kenya Y. Watts (OH – Delegate)
(second term) Middle Atlantic	Alison L. Houck (DE – Delegate)
(second term) Mountain	Jason D. Peery (ID – Delegate)
(second term) Northeast	Stephen F. Langowski (NY – Delegate)
(third term) Pacific ¹	Katrina Salazar (CA – Delegate)
(second term) Southeast	Jack Anderson Bonner, Jr. (TN- Delegate)
(first term) Southwest	Lynn V. Hutchinson (LA – Delegate)

The following Board Members will continue to serve for the balance of their unexpired terms. At-Large Directors may serve two three-year terms. For purposes of Bylaws Section 4.5.7 compliance, an At-Large Director's status as a delegate or associate is based upon their status when elected.

Directors-at-Large (second year of three-year term)	
(first term)	Catherine R. Allen (NY – Associate)
(second term)	Tyrone E. Dickerson (VA – Associate)
(second term)	Richard N. Reisig (MT – Associate)

Directors-at-Large (third year of three-year term)

¹ This is the third full term for Ms. Salazar. She initially filled the unexpired term of James R. Ladd.

(first term)²
(first term)
(first term)

John F. Dailey, Jr. (NJ – Delegate)
Sharon A. Jensen (MN – Delegate)
Stephanie M. Saunders (VA – Associate)

A. Carlos Barrera (TX – Associate), 2019-2020 Vice Chair, will accede to the office of Chair.

Ms. Tish (WA – Associate) will accede to the office of Past Chair upon the installation of Mr. Barrera as Chair.

Respectfully submitted,

Janice L. Gray, CPA
Chair, NASBA Nominating Committee

² Mr. Dailey is serving the unexpired term of Mr. Barrera. Mr. Dailey previously served one complete term and is eligible for one more term.

Bylaws Amendments to be voted on by the NASBA member Boards at their November 2020 Annual Business Meeting.

Proposed Amendment Blacklined:

Teleconference Updates

4.11 ~~Teleconference or Telephone~~ Meetings.

The Board of Directors ~~meetings, annual meetings, regional meetings, special meetings,~~ and any NASBA committee meetings ~~of the~~ may be conducted by means of teleconference, provided that all persons participating in the meeting can communicate with one another, and participation in such a meeting shall constitute physical presence or attendance in person at such meeting. When used in these bylaws, the term "teleconference" shall be understood to also mean telephone call or similar audio or visual communication. When used in these bylaws, the term "place" shall be understood to include a virtual meeting, via teleconference. When used in Sections 5 and 7 of these bylaws, the term "in person" can mean via teleconference when all persons are participating by teleconference using both audio and video communications.

7.1.8 If a Region's member and alternate are both unable to serve and the Nominating Committee will hold a meeting for the purpose of making nominations prior to that Region's next NASBA Regional Meeting, then an ad hoc committee consisting of one state board member from each Member Board in that Region shall meet to elect a member and alternate to serve for the unexpired terms of the former member and former alternate. ~~Such meeting may be held telephonically.~~

Nominating Committee Schedule Edits

7.2.2 Annual Nominations.

~~Each year, the Nominating Committee will establish and communicate to the Member Boards, a nominating schedule including any deadlines for the submission of names of candidates seeking to be nominated for any of the offices to be elected at the Annual Meeting. Pursuant to that schedule, ¶~~The Nominating Committee shall nominate annually one qualified candidate for Vice Chair, three candidates for Directors-at-Large for those whose terms are expiring at the Annual Meeting, and one candidate for Regional Director from each Region. Each year, the Nominating Committee will establish and communicate to the Member Boards, a nominating schedule including any deadlines for the submission of names of candidates seeking to be nominated for any of the offices to be elected at the Annual Meeting. The Nominating Committee may waive the deadlines by a majority vote. The Nominating Committee will consider the submitted names

of interested candidates when considering nominees and may also consider candidates submitted by any source. If the Vice Chair ~~cannot~~ **is unable to** serve as Chair, then the **Nominating** Committee also shall nominate a candidate for Chair. The report of the Nominating Committee shall be submitted to the Chair and presented in accordance with the provisions of these bylaws.

Proposed Amendment Clean:

Teleconference

4.11 Teleconference-Meetings.

The Board of Directors meetings, annual meetings, regional meetings, special meetings, and any NASBA committee meetings may be conducted by means of teleconference, provided that all persons participating in the meeting can communicate with one another, and participation in such a meeting shall constitute physical presence or attendance in person at such meeting. When used in these bylaws, the term "teleconference" shall be understood to also mean telephone call or similar audio or visual communication. When used in these bylaws, the term "place" shall be understood to include a virtual meeting, via teleconference. When used in Sections 5 and 7 of these bylaws, the term "in person" can mean via teleconference when all persons are participating by teleconference using both audio and video communications.

7.1.8 If a Region's member and alternate are both unable to serve and the Nominating Committee will hold a meeting for the purpose of making nominations prior to that Region's next NASBA Regional Meeting, then an ad hoc committee consisting of one state board member from each Member Board in that Region shall meet to elect a member and alternate to serve for the unexpired terms of the former member and former alternate.

Nominating Committee Schedule

7.2.2 Annual Nominations.

The Nominating Committee shall nominate annually one qualified candidate for Vice Chair, three candidates for Directors-at-Large for those whose terms are expiring at the Annual Meeting, and one candidate for Regional Director from each Region. Each year, the Nominating Committee will establish and communicate to the Member Boards, a nominating schedule including any deadlines for the submission of names of candidates seeking to be nominated for any of the offices to be elected at the Annual Meeting. The Nominating Committee may waive the deadlines by a majority vote. The Nominating Committee will consider the submitted names of interested candidates when considering nominees and may also consider candidates submitted by any source. If the Vice Chair is unable to serve as Chair, then the Nominating Committee also shall nominate a candidate for Chair. The report of the Nominating Committee shall be submitted to the Chair and presented in accordance with the provisions of these bylaws.



National Association of State Boards of Accountancy

150 Fourth Avenue North ♦ Suite 700 ♦ Nashville, TN 37219-2417 ♦ Tel: 615/880/4200

May 26, 2020

TO: State Boards of Accountancy and other interested parties
FROM: J. Coalter Baker, Chair – NASBA Uniform Accountancy Act Committee

As approved by the NASBA Board of Directors, we are releasing for a 90-day comment period proposed revisions to the Uniform Accountancy Act's Model Rules that pertain to education. These revisions were developed by the AICPA/NASBA CPA Evolution Initiative and reviewed by the NASBA Uniform Accountancy Act Committee, which recommended them to the NASBA Board for public comment.

The changes being proposed cover several areas related to the education requirements for those wishing to enter the CPA profession. A guiding principle was to suggest Model Rules that aligned with those already implemented in a majority of states, and in that way to encourage uniformity among the states. The CPA Evolution Initiative limited their recommendations to those they believed to be most relevant to their charge.

Briefly, some of the more significant changes being proposed include:

- A revision is being proposed to Rule 5-1 that would remove the requirement that an accounting program must be recognized by the Council for Higher Education Accreditation (CHEA); instead the program must be recognized by the Board of Accountancy. Only a few States have adopted the language in the current Model Rules that calls for CHEA recognition. Many excellent accounting programs are recognized by the Association to Advance Collegiate Schools of Business-International (AACSB), which is no longer listed by CHEA. This issue arises again in Rule 5-2 (d)(7).
- Rule 5-2(a) has proposed additions of developing skills in “critical thinking” and “professional skepticism,” as has been advocated by accounting educators worldwide.
- Consistent with the proposed revised model of the Uniform CPA Examination, establish required accounting content that is core to the accounting profession as defined in Rule 5-2(d)(2).
- Pre-approval of internship programs and independent study is being advised in proposed Rule 5-1 (f) and (g), to help ensure students receive valuable educational experiences.
- Boards are being urged to complete transcript reviews in Rule 5-2(c), as accrediting organizations are focused on the overall quality of educational institutions, and not verifying that the content of the accounting programs meets Boards of Accountancy licensing requirements. The issue of coverage is also raised in Rule 5-2(d)(6).
- Changes to align requirements among states and to add data analytics and related courses to basic subject matter to be covered are found in Rule 5-2(d). Also in Rule 5-2(d), you will note reference to areas “included in the Uniform CPA Examination Blueprints” to allow for updating topics as needed.
- To cover situations where pertinent courses are not being offered inside the business school, but are available in another college or university program, changes are being suggested to Rules 5-2(c) and (d).
- Currently, states have rules that permit three, or six, or an undetermined number of credits to be earned through internships and independent study. Changes are being proposed to Rule 5-2 (d)(7) to set the maximum number at nine credits and describe the content. This can help with education costs and add flexibility to the curriculum.

We believe these changes will provide guidance for students, educators and regulators on the education needed to enter the evolving CPA profession in the years ahead. We encourage the State Boards and other interested parties to consider these proposed changes and send any comments or recommendations to the UAA Committee via uaacomment@nasba.org by August 31, 2020.

Sincerely,

J. Coalter Baker

J. Coalter Baker, CPA
Chair, NASBA Uniform Accountancy Act Committee

UAA Model Rule Requirements – Education

Rule 5-1 - Education requirements – definitions.

- (a) “Semester credit hour” (SCH) means the conventional college semester credit hour. “Quarter credit hours” may be converted to semester credit hours by multiplying them by two-thirds; i.e., one quarter credit hour equals two-thirds of a semester credit hour.
- (b) “College(s) or university(s)” means Board-recognized institution(s) of higher education accredited by Board recognized accrediting organizations.
- (c) “Accredited” or “Accreditation” reflects the quality control of the education process provided by Board-recognized regional, national or international accreditation organizations. In determining acceptable accreditation organizations, the Board may recognize a Council for Higher Education Accreditation (CHEA) recognized regional and/or national accreditation organization. These Rules refer to three levels of accreditation. Level 1 represents the most comprehensive review at the accounting program level and Level 3 is the least comprehensive review at the college or university level. Colleges or universities without accreditation, as defined below, would generally lack any level of accreditation including the college or university, the business school or program (“business school”), and/or the accounting department or program (“accounting program”).
 - 1. Level 1 accreditation – the accounting program. In a Level 1 accreditation, the college or university, business school, and the accounting program are separately accredited. This level applies to an accounting program that is accredited by an organization recognized by the Board as a specialized or professional accrediting organization, such as the Association to Advance Collegiate Schools of Business-International (AACSB). Accredited accounting programs have met standards substantially higher and much more specific than those required for Level 2 or Level 3 accreditation.
 - 2. Level 2 accreditation – the business school. In a Level 2 accreditation, the college or university and the business school are accredited, but the accounting program is not separately accredited. This level applies to a business school that is accredited by an organization recognized by the Board as a specialized or professional accrediting organization, such as the AACSB or the Association of Collegiate Business Schools and Programs (ACBSP).
 - 3. Level 3 accreditation – the college or university. In a Level 3 accreditation, the college or university is accredited, but neither the business school nor the accounting program meet Level 1 or Level 2 accreditation requirements. This level applies to a degree-granting college or university that is not accredited at Level 1 or Level 2, but is accredited by an organization currently recognized by the Board as a regional, national or international accrediting organization, such as Higher Learning Commission, Middle States Commission on Higher Education, New England Commission on Higher Education, Northwest Commission on Colleges and Universities, Southern Association of Colleges and Schools Commission on Colleges, and WASC Senior College and University Commission.
 - 4. College or university without accreditation – an educational institution or entity that does not have an accreditation of either the college or university, business school, or accounting program; or a college or university accredited by organizations not recognized by the Board.

- (d) "Integration of subject matter" means a program of learning where certain subjects, which may be discrete courses in some colleges or universities, are integrated or embedded within related courses. Colleges or universities that use an integrated approach to cover such multiple course subjects should provide evidence of the required coverage pursuant to Rule 5-2(d). Acceptance of integration of any subject matter requires Board approval.
- (e) "Ethics" means a program of learning that provides students with a framework of ethical reasoning, professional values and attitudes for exercising professional skepticism and other behavior that is in the best interest of the public and profession. At a minimum, an ethics program should provide a foundation for ethical reasoning and the core values of integrity, objectivity and independence.
- (f) "Internship" means faculty pre-approved and appropriately supervised short-term work experience, usually related to a student's major field of study, for which the student earns academic credit.
- (g) "Independent study" means academic work selected or designed by the student with the pre-approval of the appropriate department of a college or university under faculty supervision. This work typically occurs outside of the regular classroom structure.

Rule 5-2 - Education requirements - determining compliance of the applicant's education.

- (a) These requirements are intended to provide a foundation in accounting and business course subjects. The program should:
 - 1. Develop the skills required to apply the knowledge attained (including skills in communications, critical thinking, research and analysis).
 - 2. Include and emphasize ethical behavior, professional skepticism and judgment, and professional responsibility.
 - 3. Provide the highest quality instruction in subjects that clearly contribute to the knowledge, skills and abilities necessary to meet the public's expectations of a CPA.
- (b) For purposes of Section 5(c) of the Uniform Accountancy Act, an applicant will be deemed to have met the education requirement(s) if the Board has determined the applicant has met the requirements of Rule 5-2(c) and Rule 5-2(d), together with appropriate consideration of Rule 5-2(a).
- (c) Determining compliance of the applicant's education shall be accomplished through the Board's use of the following procedures:
 - 1. Reliance on accreditation, as defined in Rule 5-1(c), of the college or university, from which the candidate has obtained the necessary degree and hours as defined in Rule 5-2(d) for purposes of determining the acceptability of the degree and the amount of detailed review required for compliance with the accounting and business content. The Board may place significant reliance on the quality, of accounting and business courses included in accounting degrees from Level 1 colleges or universities, however, the Board should complete a transcript review to ascertain appropriate coverage of accounting and business content in accordance with Rule 5-2(d). The Board may place reliance on the quality of the business courses included in business degrees from colleges or universities with Level 2 accreditation, however, the Board should complete a transcript review to ascertain appropriate coverage of accounting and business content in accordance with Rule 5-2(d), including a more thorough review of the accounting content than from Level 1 colleges or universities. Transcripts from a Level 3 college or university require more detailed review by the Board for compliance

with the accounting and business content. Degrees from colleges or universities without accreditation or with accreditation by an organization not recognized by the Board would generally not be acceptable.

2. Reliance on other procedures and information where the degree and/or courses were obtained from a college or university(s) not meeting the accreditation requirements of Rule 5-2(c)(1). Accepting degrees or courses under Rule 5-2(d) should only be based on evidence of acceptable course content, instruction and quality as would be expected by accreditation and as approved by the Board.
 3. Reliance on other procedures and information where the requirements of Rule 5-2(d) are met by integration of subject matter. The requirements set forth in Rule 5-2(e) should be used to determine compliance.
- (d) An applicant shall be deemed to have satisfied the education requirements if the following conditions are met:
1. Earned a graduate degree and/or a baccalaureate degree at a college or university that is accredited, as described in Rule 5-1(c);
 2. Earned a minimum of six SCH at the undergraduate level or three SCH at the graduate level of principles or introductory accounting content and a minimum of 24 SCH (or the equivalent) of accounting content at the undergraduate or graduate level requiring a minimum of three SCH in each of the subject-matter content areas listed in Rule 5-2(d)(2)i. through iv below, and a minimum of twelve SCH in some or all of the subject-matter content areas listed in Rule 5-2(d)(2)v through xvii below:
 - i. Financial accounting and reporting for business organizations
 - ii. Financial statement auditing
 - iii. Taxation
 - iv. Accounting information systems
 - v. Financial accounting and reporting for government and not-for-profit entities
 - vi. Attestation engagements
 - vii. Managerial or cost accounting
 - viii. Mergers and acquisitions
 - ix. Tax and financial planning
 - x. Fraud examination
 - xi. Internal controls and risk assessment
 - xii. Financial statement analysis
 - xiii. Accounting research and analysis
 - xiv. Tax research and analysis
 - xv. Data analytics, data interrogation techniques, and/or digital acumen in an accounting context, whether taken in the business school or in another college or university program, such as the engineering, computer science, or math programs
 - xvi. Ethics (accounting course)
 - xvii. Other accounting-related content areas included in the Uniform CPA Examination Blueprints or as may be approved by the Board.
 3. Earned a minimum of two SCH in research and analysis relevant to the course content described in 5-2(d)(2) through a discrete undergraduate and/or graduate accounting course, or two SCH integrated throughout the undergraduate and/or graduate accounting curriculum. Colleges or universities must provide evidence of coverage under integration as specified in Rule 5-2(e). The SCH earned through a discrete course in research and analysis in accounting may fulfill two of the SCH of the accounting subject matter requirements in Rule 5-2(d)(2).

4. Earned a minimum of 24 SCH (or the equivalent) of business content, other than accounting, at the undergraduate and/or graduate level, covering some or all of the following subject-matter content:
 - i. Business law
 - ii. Economics
 - iii. Management
 - iv. Marketing
 - v. Finance
 - vi. Business communications
 - vii. Statistics
 - viii. Quantitative methods
 - ix. Information systems or technology
 - x. Data analytics, data interrogation techniques, and/or digital acumen, whether taken in the business school or in another college or university program, such as the engineering, computer science, or math programs.
 - xi. Ethics (business course)
 - xii. Other business-related content areas included in the Uniform CPA Examination Blueprints or as may be approved by the Board.
 5. Earned a minimum of two SCH in communications in an undergraduate and/or a graduate course listed or cross-listed as an accounting or business course or two SCH integrated throughout the undergraduate or graduate accounting or business curriculum. Colleges or universities must provide evidence of coverage under integration as specified in 5-2(e). The SCH earned through a discrete course in communications may fulfill two SCH of the subject matter requirements of Rule 5-2(d)(4).
 6. Earned a minimum of three SCH in an undergraduate and/or a graduate course listed or cross listed as an accounting or business course in ethics as defined in Rule 5-1(e). A discrete three SCH course in ethics may count towards meeting the accounting or business course requirements of Rule 5-2(d)(2) or Rule 5-2(d)(4). As an alternative, colleges or universities may choose to integrate the course throughout the undergraduate and/or graduate accounting or business curriculum. Universities must provide evidence of coverage under integration as specified in Rule 5-2(e). Proof of coverage may be provided through specific evaluation by a specialized or professional accrediting organization recognized by the Board, in which evidence is provided to assure the Board that the program of learning defined in Rule 5-1(e) has been adequately covered and at the equivalent of the three SCH minimum. Alternate methods for proof of ethics coverage may be determined and approved by the Board following careful scrutiny.
 7. A maximum of nine SCH for internships and independent study, as defined in Rule 5-1(f) and Rule 5-1(g), may count towards the education requirement of Section 5(c) of the Uniform Accountancy Act. However, of the nine SCH, a maximum of three SCH may apply to accounting content required under Rule 5-2(d)(2) and a maximum of three SCH may apply to business content required under Rule 5-2(d)(4).
- (e) Colleges or universities that use an integrated approach to meet the requirements of Rule 5-2(d)(3, 5 or 6) must provide evidence that the respective subjects adequately cover the desired content, with acceptable instruction and quality to attain the objectives. Proof of coverage may be provided through specific evaluation by a specialized or professional accrediting organization recognized by the Board. Alternate methods for

proof of coverage may be determined and approved by the Board following careful scrutiny.

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 3. Level 3 accreditation – the college or university. In a Level 3 accreditation, the college or university is accredited, but neither the business school nor the accounting program meet Level 1 or Level 2 accreditation requirements. This level applies to a degree-granting college or university that is not accredited at Level 1 or Level 2, but is accredited by an organization currently recognized by the ~~Council for Higher Education Accreditation~~ Board as a regional, national or international accrediting organization, such as Higher Learning Commission, Middle States Commission on Higher Education, New England Association of Schools and Colleges-Commission on Colleges or Universities of Higher Education, Northwest Commission on Colleges and Universities, North Central Association of Colleges and Schools-The Higher Learning Commission, Southern Association of Colleges and Schools Commission on Colleges, and WASC Senior College and University Commission.

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 - (e) “Ethics” means a program of learning that provides students with a framework of ethical reasoning, professional values and attitudes for exercising professional skepticism and other behavior that is in the best interest of the public and profession. At a minimum, an ethics program should provide a foundation for ethical reasoning and the core values of integrity, objectivity and independence.
 - (f) “Internship” means faculty pre-approved and appropriately supervised short-term work experience, usually related to a student’s major field of study, for which the student earns academic credit.
 - (g) “Independent study” means academic work selected or designed by the student with the pre-approval of the appropriate department of a college or university under faculty supervision. This work typically occurs outside of the regular classroom structure.

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 2. Include and emphasize ethical behavior, professional skepticism and judgment, and professional responsibility.
 3. Provide the highest quality instruction in subjects that clearly contribute to the knowledge, skills and abilities necessary to meet the public’s expectations of a CPA.
- (b) For purposes of Section 5(c) of the Uniform Accountancy Act, an applicant will be deemed to have met the education requirement(s) if the Board has determined the applicant has met the requirements of Rule 5-2(c) and Rule 5-2(d), together with appropriate consideration of Rule 5-2(a).
- (c) Determining compliance of the applicant’s education shall be accomplished through the Board’s use of the following procedures:
 1. Reliance on accreditation, as defined in Rule 5-1(c), of the college or university, from which the candidate has obtained the necessary degree and hours as defined in Rule 5-2(d) for purposes of determining the acceptability of the degree and the amount of detailed review required for compliance with the accounting and business content. ~~State~~ The Boards may place significant reliance on the quality, content and delivery method of accounting and business courses included in accounting degrees from Level 1 colleges or universities, however, and as such, the Board should complete a transcript review to ascertain appropriate coverage of accounting and business content in accordance with Rule 5-2(d). transcripts from such colleges or universities would require minimal or no Board review. The Board may place reliance on the quality of the business

~~courses included in business degrees from colleges or universities with Level 2 accreditation would require little or no Board review of transcripts in terms of the business content, but, however, the Board should complete a transcript review to ascertain appropriate coverage of accounting and business content in accordance with Rule 5-2(d), including a more thorough review of the accounting content would require more review than from Level 1 colleges or universities.~~ Transcripts from a Level 3 college or university would require more detailed review by the Board for compliance with the accounting and business content. Degrees from colleges or universities without accreditation or with accreditation by an organization not recognized by the Board would generally not be acceptable.

2. Reliance on other procedures and information where the degree and/or courses were obtained from a college or university(s) not meeting the accreditation requirements of Rule 5-2(c)(1). Accepting degrees or courses under Rule 5-2(d) should only be based on evidence of acceptable course content, instruction and quality as would be expected by accreditation and as approved by the Board.
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2. Earned a minimum of six SCH at the undergraduate level or three SCH at the graduate level of principles or introductory accounting content and a minimum of 24 SCH (or the equivalent) of accounting courses content at the undergraduate or graduate level, excluding principles or introductory accounting courses, covering requiring a minimum of three SCH in each of the subject-matter content areas listed in Rule 5-2(d)(2)i. through iv below, and a minimum of twelve SCH in some or all of the following subject-matter content areas listed in Rule 5-2(d)(2)v. through xvii below, which are to be contemporaneously derived from the Uniform CPA Examination Blueprints:
 - i. Financial accounting and reporting for business organizations
 - ii. Financial statement auditing ~~Financial accounting and reporting for government and not-for-profit entities~~
 - iii. Taxation ~~Auditing and attestation services~~
 - iv. Accounting information systems ~~Managerial or cost accounting~~
 - v. Financial accounting and reporting for government and not-for-profit entities ~~Taxation~~
 - vi. Attestation engagements
 - vii. Managerial or cost accounting
 - viii. Mergers and acquisitions
 - ~~v~~ix. Tax and financial planning
 - ~~vi~~x. Fraud examination
 - ~~vii~~xi. Internal controls and risk assessment
 - ~~viii~~xii. Financial statement analysis
 - ~~ix~~xiii. Accounting research and analysis
 - ~~x~~xiv. Tax research and analysis
 - ~~xi~~xv. Accounting information systems Data analytics, data interrogation techniques, and/or digital acumen in an accounting context, whether

- taken in the business school or in another college or university program, such as the engineering, computer science, or math programs
- ~~xii-xvi.~~ Ethics (accounting course), as described in Rule 5-2 (d) (6)
 - ~~xiii-xvii.~~ Other accounting-related content areas included in the Uniform CPA Examination Blueprints or as may be approved by the Board.
3. Earned a minimum of two SCH in research and analysis relevant to the course content described in 5-2(d)(2) through a discrete undergraduate and/or graduate accounting course, or two SCH integrated throughout the undergraduate and/or graduate accounting curriculum. Colleges or universities must provide evidence of coverage under integration as specified in Rule 5-2(e). The SCH earned through a discrete course in research and analysis in accounting may fulfill two of the SCH of the accounting subject matter requirements in Rule 5-2(d)(2).
 4. Earned a minimum of 24 SCH (or the equivalent) of business courses content, other than accounting, at the undergraduate and/or graduate level, covering some or all of the following subject-matter content:
 - i. Business law
 - ii. Economics
 - iii. Management
 - iv. Marketing
 - v. Finance
 - vi. Business communications
 - vii. Statistics
 - viii. Quantitative methods
 - ix. Information systems or technology
 - x. Data analytics, data interrogation techniques, and/or digital acumen, whether taken in the business school or in another college or university program, such as the engineering, computer science, or math programs.
 - ~~ix-xi.~~ Ethics (business course), as described in Rule 5-2 (d) (6)
 - ~~x-xii.~~ Other business-related content areas included in the Uniform CPA Examination Blueprints or as may be approved by the Board.
 5. Earned a minimum of two SCH in communications in an undergraduate and/or a graduate course listed or cross-listed as an accounting or business course or two SCH integrated throughout the undergraduate or graduate accounting or business curriculum. Colleges or universities must provide evidence of coverage under integration as specified in 5-2(e). The SCH earned through a discrete course in communications may fulfill two SCH of the subject matter requirements of Rule 5-2(d)(4).
 6. Earned a minimum of three SCH in an undergraduate and/or a graduate course listed or cross listed as an accounting or business course in ethics as defined in Rule 5-1(e). A discrete three SCH course in ethics may count towards meeting the accounting or business course requirements of Rule 5-2(d)(2) or Rule 5-2(d)(4). As an alternative, colleges or universities may choose to integrate the course throughout the undergraduate and/or graduate accounting or business curriculum. Universities must provide evidence of coverage under integration as specified in Rule 5-2(e). Proof of coverage may be provided through specific evaluation by a national specialized or professional accrediting agency organization recognized by CHEA the Board, such as AACSB or ACBSP, in which evidence is provided to assure the Board that the program of learning defined in Rule 5-1(e) has been adequately covered and at the equivalent of the

three SCH minimum. Alternate methods for proof of ethics coverage may be determined and approved by the Board following careful scrutiny.

7. A maximum of ~~ninesix~~ SCH for internships and independent study, as defined in Rule 5-1(f) and Rule 5-1(g), may count towards the education requirement of Section 5(c) of the Uniform Accountancy Act ~~subject matter requirements of Rule 5-2(d)(2) or Rule 5-2(d)(4)~~. However, of the ~~ninesix~~ SCH, a maximum of three SCH may apply to accounting ~~courses~~ content required under Rule 5-2(d)(2) and a maximum of three SCH may apply to business ~~courses~~ content required under Rule 5-2(d)(4).
- (e) Colleges or universities that use an integrated approach to meet the requirements of Rule 5-2(d)(3, 5 or 6) must provide evidence that the respective subjects adequately cover the desired content, with acceptable instruction and quality to attain the objectives. Proof of coverage may be provided through specific evaluation by a specialized or professional ~~national~~ accrediting organization ~~agency~~ recognized by CHEA ~~the Board,~~ such as AACSB or ACBSP. Alternate methods for proof of coverage may be determined and approved by the Board following careful scrutiny.

NATIONAL ASSOCIATION OF STATE BOARDS OF ACCOUNTANCY, INC.

MEMORANDUM

July 29, 2020

To: State Board Chairs, Presidents, Board Members and Executive Directors
From: C. Jack Emmons - Chair, Committee on Relations with Member Boards
Re: Focus Questions

As Chair of the Committee on Relations with Member Boards, I want to thank all who made our 2020 virtual Regional Meetings such a great success and hope you are making plans to join us for NASBA's virtual 113th Annual Meeting in November. We would like all Boards represented at the Annual Meeting and the virtual format should make it possible for many more Board members and staff to attend.

We thank you for your helpful responses to our past Focus Questions. Your continued support helps keep NASBA an organization that responds to its member boards. We are looking for your Board's responses to the following questions by Thursday, October 15, 2020.

Please do not hesitate to call your Regional Director to discuss these questions or any other issues you feel NASBA should consider. We look forward to hearing from you.

Sincerely,

Jack Emmons

Central Director – Faye D. Miller Phone: 701-557-5757 fmiller@bepc.com

Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota

Great Lakes Director – Kenya Y. Watts Phone: 614-743-5038 kwatts@kaclinc.com

Illinois, Indiana, Michigan, Ohio, Pennsylvania, Wisconsin

Middle Atlantic Director – Alison L. Houck Phone: 302-226-1919 alh@fawcasson.com

DC, Delaware, Maryland, North Carolina, South Carolina, Virginia, West Virginia

Mountain Director – Jason D. Peery Phone: 208-375-1771 jason@growrasmussen.com

Colorado, Idaho, Montana, Nevada, Utah, Wyoming

Northeast Director – Stephen F. Langowski Phone: 718-305-9349

stephenlangowski@hotmail.com

Connecticut, Maine, Mass., New Hampshire, New Jersey, New York, Rhode Island, Vermont

Pacific Director – Katrina Salazar Phone: 916-230-9991 katrina.salazar@cba.ca.gov

Alaska, Arizona, California, CNMI, Guam, Hawaii, Oregon, Washington

Southeast Director – J. Andy Bonner Phone: 423-626-7261 abonnertn@me.com

Alabama, Florida, Georgia, Kentucky, Mississippi, Puerto Rico, Tennessee, Virgin Islands

Southwest Director – C. Jack Emmons Phone: 505-401-8132 cjackemmons@comcast.net

Arkansas, Louisiana, New Mexico, Oklahoma, Texas

REGIONAL DIRECTORS' FOCUS QUESTIONS

*The input received from our focus questions is reviewed by all members of NASBA's Board of Directors, committee chairs and executive staff and used to guide their actions. **Please send your Board's responses to NASBA and your Regional Director by October 15, 2020.***

JURISDICTION _____ **DATE** _____
NAME OF PERSON SUBMITTING FORM _____

1. Has your state's general fund borrowed or "dipped" into the Accountancy Board's funds and swept moneys for non-board functions?

(a) No _____
(b) Yes _____ If so, please explain (c) _____

2. How has coronavirus closures affected your Board's operations?

3. Has your Board encountered any legal issues related to holding virtual meetings?

4. If you have had virtual Board meetings, any suggestions for making them successful?

5. Does your state have any requirements or restriction regarding travel in 2021?

6. What is happening in your jurisdiction that is important for other State Boards and NASBA to know about? _____

7. Can NASBA be of any assistance to your Board at this time?

a. No. _____
b. Yes. Please explain. _____

8. NASBA's Board of Directors would appreciate as much input on the above questions as possible. How were the responses shown above compiled? Please check all that apply.

- Input only from Board Chair
- Input only from Executive Director
- Input only from Board Chair and Executive Director
- Input from all Board Members and Executive Director
- Input from some Board Members and Executive Director
- Input from all Board Members
- Input from some Board Members
- Other (please explain)

From: [AICPA Ethics and Peer Review Notification](#)
Cc: [Lisa Joseph](#); [Jennifer Clayton](#)
Subject: April 2020 Activity - Member Disciplinary and Firm Drop and Termination Notices
Date: Wednesday, May 27, 2020 10:20:46 AM
Attachments: [image002.png](#)

Greetings. I hope you are all continuing to stay safe and well. As you know, due to COVID-19, we temporarily stopped opening new ethics investigations and ceased dropping and terminating firm enrollments in the AICPA Peer Review Program so there are no attachments to this e-mail. As you and others around the country begin to re-open and move forward (albeit in different ways) in the coming days, we will be right there with you.

COVID-19 changed how we worked to investigate ethics cases and administer peer reviews; however, our commitment to protecting the public and upholding our profession's values remains strong. As such, in the coming days, we will move forward in these areas. Next month, you will receive notification of AICPA members that have been disciplined for failure to comply with the AICPA's Code of Professional Conduct (Code) and firm's whose enrollment in the AICPA Peer Review Program (Program) has been dropped or terminated.

In the meantime, if you have any questions about the information contained in this communication or have related enforcement information, please contact Jennifer Clayton for Professional Ethics-related matters via e-mail at Jennifer.Clayton@aicpa-cima.com or Lisa Joseph for Peer Review-related matters via e-mail at Lisa.Joseph@aicpa-cima.com. Please note that to provide you detailed information about specific cases, we will need the written permission of the individual or firm.

I hope you continue to stay safe in this changing landscape.

Regards,



Susan S. Coffey, CPA, CGMA
Executive Vice President – Public Practice
[Association](#) | [AICPA](#) | [CIMA](#)
T: +1.212.596.6197 | M: +1.201.745.1679
susan.coffey@aicpa-cima.com

Contact the Global Engagement Center about [AICPA](#) and [CIMA](#)



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ETHICS MATTERS



WE CHAMPION ETHICAL LEADERS

August 2020

LEAD
with integrity



A Virtual Leadership Conference for Students

Lead with Integrity Series Reaches Students Near and Far

Each year, the NASBA Center for the Public Trust (CPT) hosts the well-anticipated StudentCPT Leadership Conference (SLC). Although the conference was cancelled due to COVID-19 concerns, the CPT still wanted to create an opportunity for student leaders to connect and build upon their leadership skills.

The Lead with Integrity Leadership Series was designed for students to fine tune their strengths, enhance their ethical decision-making abilities, and learn best practices as it relates to running a StudentCPT chapter. Students joined the conference via Zoom for a two-hour session throughout the course of a three-day period. Because of the virtual nature of the conference, students were able to have open dialogue with the speakers.

- LEAD WITH INTEGRITY AGENDA**
Tuesday, June 23, 1:00 p.m. - 3:00 p.m.
Strengths Based Leadership (Dr. William Latham)
Wednesday, June 24, 1:00 p.m. - 3:00 p.m.
Networking in the New Age (Sedrik Newbern)
StudentCPT Chapter Operations: Set Your Sights on Golden Star Status (Ashley Metivier)
Thursday, June 25, 1:00 p.m. - 3:00 p.m.
Hear from a Whistleblower: Cynthia Cooper's Story (Cynthia Cooper)

The conference was a success with 100 percent of survey respondents saying they would recommend the conference to another peer or classmate. Thank you to Cynthia Cooper and Dr. William Latham for making this conference possible! ☆

"It was an enriching and educational experience." – Montclair University student

"I would recommend this conference because I learned a lot that I can put toward CPT leadership-related tasks and toward networking for possible internships and job opportunities in the future!" – Belmont University student

GOOD NEWS

ViacomCBS Creates Virtual Community Day During COVID-19 Pandemic

Not only did the recent pandemic hit businesses hard financially, it also diminished the enthusiasm and dedication 20,000-plus ViacomCBS employees had to their communities. Prior to COVID-19, ViacomCBS employees participated in what they deemed "*Viacommunity Day*," when employees would gather at hundreds of sites around the world to rebuild and re-energize their communities. When the pandemic hit the world, this type of celebration was no longer viable.

However, Crystal Barnes, for the ViacomCBS newsroom, said employees "made it clear to our team, through emails, virtual meetings and DMs, that their isolation had not dampened their desire to care for our communities, and do so together. Management at all levels across the company supported the idea. It is in that spirit of irrepressible goodwill and restless creativity that the first ViacomCBS Virtual Community Day was born."

This year, ViacomCBS employees from around the world gave back to the people [continued on page 2](#)

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Editors: Jenna Elkins and Cassandra Gray
Contributors: Alfonzo Alexander, Dina Barabash, Ashley Metivier, Sedrik Newbern
Production Editor: Katrina Mitchell



Expanding the Impact of the CPT

Saying the last few months have been an adjustment, is frankly an understatement. Businesses and schools have had to rethink and retool everything, and so has the NASBA Center for the Public Trust (CPT). The CPT transitioned from in-person to virtual speaking engagements for students and professionals, and modified the annual student conference to offer an online event. Now, the CPT is discussing the adjustments needed to support StudentCPT chapters at colleges and universities that have made the decision to offer only online courses or limit the number of students on campus in the fall.

These changes have forced the CPT staff to revisit goals and strategies around how the organization will grow its footprint on college campuses and provide ethical training to professionals. With virtual classes and meetings becoming the norm, CPT staff have asked how they can engage other businesses, institutions, and organizations to champion the public trust by advancing ethical leadership.

To further the CPT's mission during this time of change, your support is critical. Are you affiliated with colleges and universities that you can make an introduction for the CPT to offer a StudentCPT chapter? Are you actively involved with businesses or organizations that you can recommend the Ethical Leadership Training program for their employees and leadership team? Have you made your personal commitment to the CPT and encouraged others to do the same?

Please direct your introductions to Sedrik Newbern, Operations Director, at snewbern@nasba.org. Contributions can be made today by visiting www.thecpt.org/donations or mailed to: NASBA Center for the Public Trust, P.O. Box 306272, Nashville, TN 37230.

Thank you for your continued support of the CPT! ☆



LEAD WITH INTEGRITY

The Future of Leadership

ALFONZO D. ALEXANDER
PRESIDENT, NASBA CENTER FOR THE PUBLIC TRUST
CHIEF ETHICS AND DIVERSITY OFFICER, NASBA

Throughout the past few months, I have been intrigued by the many ways our world is changing. We are all forced to adapt the way we operate in nearly all areas of our lives. The COVID-19 pandemic has accelerated our use of technology to conduct business. The tensions around equity, diversity and inclusion has caused many of us to assess ourselves and identify our blind spots regarding race. All this change accentuates the need for ethical leadership, now and in *the future*.

Before March 15, 2020, our world was discovering new technology and adopting it at a normal pace. Almost immediately after that day, we began to adopt new and advance our use of existing technology at an accelerated pace. With such rapid change, comes chaos, uncertainty, and temporary loss of productivity. If you are like me, you probably have experienced all of these undesirable factors at varying levels.

So, how do we get to a normal and productive state? I say with leadership - starting with self-leadership. Leaders must set the tone by establishing and maintaining effective routines. It is important for us to develop a rhythm for our activities, or we will become very inefficient with our time. Once we are in a rhythm, we can help those we lead get in cadence. Leaders must also drive the effort to embrace new thinking around: 1) adaptability, 2) creativity, 3) critical thinking, and 4) technology use. *The Future of Leadership* will be dependent on our ability to competently lead using these skills.

The Future of Leadership is also going to be impacted by the new awareness and interest in equity and inclusion. To be most effective, leaders will have to bring some additional qualities to their organizations. The business world of *the future* is requiring its leaders to have heightened levels of: 1) emotional intelligence, 2) listening, 3) empathy, and 4) interpersonal communications skills. The marketplace is demanding more inclusivity, and to be effective, future leaders must commit to increasing competence in these areas. *The Future of Leadership* calls for us to increase our competence in the aforementioned, key areas. I am committed, and I hope you are too. If I can assist you in any way, let me know.

Remember, Lead with Integrity! ☆

.....
continued from cover

ViacomCBS Creates Virtual Community Day During COVID-19 Pandemic

and organizations in their communities, virtually. Barnes noted that employees consulted with nonprofits on better business strategies, mentored students with America on Tech, hosted social issues discussions with the American Civil Liberties Union, led virtual learning hours with Breakthrough New York, provided feedback to young writers, transcribed records for the Smithsonian Museum, and helped World Food Program USA and Urban School Fund Alliance donate 50,000 meals through the atlasGO global health and wellness challenge. The employees achieved all this goodwill via online resources and platforms.

As the world continues to change, we could all use a little inspiration from the goodwill efforts of organizations like ViacomCBS. Take time to determine how you, too, can give back virtually in a world that now relies so heavily on online support. ☆



CPT LEADERSHIP

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KEN BISHOP
CEO, NASBA CPT

ALFONZO ALEXANDER
President, NASBA CPT

SANDRA DAVIDSON, CPA
CFO, NASBA CPT

SEDRİK NEWBERN
Operations Director

ASHLEY METIVIER
Student Programs Manager

STUDENT NEWS

**Congratulations to the 2019 – 2020 StudentCPT
Star and Golden Star Chapters!**

STAR Chapters

University of Alabama, Birmingham
University of Delaware
University of Northern Colorado
University of Southern Mississippi
University of Utah

GOLDEN STAR Chapters

Belmont University
Colorado Mesa University
East Central University
Florida State University
Lipscomb University
Marshall University
Minnesota State University, Mankato
Ohio University
Oklahoma State University

Temple University
Tennessee Tech University
Truman State University
University of Colorado, Colorado Springs
University of Colorado, Denver
University of New Mexico
University of Wyoming
Valdosta State University

CPT Provides Ethics CPE Training for ASCPA

The state of Alabama recently mandated that practitioners complete two hours of ethics continuing professional education. Throughout the years, the NASBA Center for the Public Trust (CPT) has provided ethics trainings, both live and online. With Alabama's new ruling, the CPT set out to develop a course to support the Alabama Society of CPAs (ASCPA) and its practitioners.

The CPT developed an online ethics course for the ASCPA, which is delivered through a CPT learning management system (LMS). The ASCPA launched the course along with other offerings to their practitioners in May. By partnering with the CPT and leveraging its LMS, the ASCPA has an efficient and effective means of collecting course fees, administering the content, and



monitoring course completions through reporting functionality.

“The Alabama Society of CPAs is pleased to partner with NASBA CPT in offering our members a premier ethics course,” says Jeannine Birmingham, President and CEO of ASCPA. “The two-hour learning opportunity is filled with important information delivered in a fun, fast-paced, online platform.”

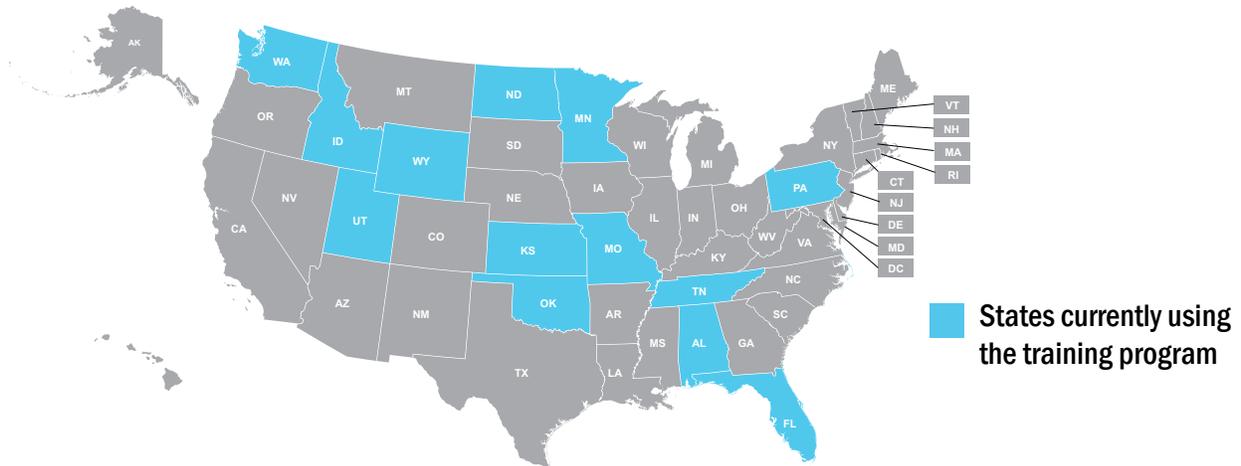
If you would like to discuss opportunities to develop and implement an online ethics course, contact Sedrik Newbern at snewbern@nasba.org ☆



150 Fourth Avenue North, Suite 700
Nashville, TN 37219-2417
thecpt.org

ATTENTION!

Does Your State Use the Ethical Leadership Training Program?



To learn more about the training components of Ethical Leadership Training, gain access to a demo of the program, and to implement this program in your state, contact Sedrik Newbern at snewbern@nasba.org.

ETHICS MATTERS



WE CHAMPION ETHICAL LEADERS

May 2020



The Lasting Impact of the Coronavirus

The last several months have been challenging for everyone. From education to employment, the coronavirus (COVID-19) pandemic has impacted so many aspects of our daily lives that go far beyond just how we interact with other.

In times like these, ethics can be a concern. It has been so encouraging to witness so many businesses step up to support their employees, the communities they serve, and those impacted by this pandemic. We have seen measures implemented immediately to try and prevent individuals and businesses from taking advantage of the fears that have come with this pandemic. Also, we have seen businesses and individuals commit to provide funding to fill the income gap for hourly and tip workers impacted.

The NASBA Center for the Public Trust (CPT) has had to adjust how we engage with colleges and our StudentCPT chapters. Within the past month, we have seen increased interest in our Ethical Leadership Training Program from various

professionals considering activities for employees working from home. We have also encountered cancelled conferences and speaking engagements with students and professionals around the country. All of this while balancing different working arrangements ourselves.

Nonetheless, the pandemic has had positive outcomes when we go beyond our own inconveniences. Businesses and universities have now tested their continuity planning and made adjustments, as needed, to ensure minimal bearing on customers. Technology like Zoom Meetings has been proven to be an effective means to conduct meetings, lead presentations and host online learning, even for elementary school children.

The lasting impact of the coronavirus pandemic is likely to continue for months and even years to come. As many of us adjust to our new normal, the CPT encourages you to explore new ways of doing business and building them into your strategies moving forward. ☆

GOOD NEWS

Companies Vow to Continue Paying Employees During COVID-19 Outbreak

On March 18, President Donald Trump signed the “Families First Coronavirus Response Act” into law. According to *npr.org*, this allocated roughly \$8 billion for coronavirus prevention, preparation and response efforts, including guidelines for paid sick leave, free testing and expanded unemployment benefits. Millions of Americans face financial uncertainty as COVID-19 health concerns rage on in the U.S.

However, numerous companies have committed to paying their employees. Among these companies include Abercrombie and Fitch, Apple, Crocs, GAP, Lululemon, Macy’s, Nordstrom and Sephora, just to name a few.

Macy’s, a well-known retail chain, announced in a press release that it would temporarily close stores under its brand, including all Macy’s, Bloomingdale’s, Bluemercury, Macy’s Backstage, Bloomingdales the Outlet and Market by Macy’s stores. According to the release, [continued on page 2](#)

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Editors: Jenna Elkins and Cassandra Gray
Contributors: Alfonzo Alexander, Dina Barabash,
Ashley Metivier, Sedrik Newbern
Production Editor: Katrina Mitchell



LEAD WITH INTEGRITY

The Thrill of Victory

ALFONZO D. ALEXANDER
PRESIDENT, NASBA CENTER FOR THE PUBLIC TRUST
CHIEF ETHICS AND DIVERSITY OFFICER, NASBA

My early childhood was in the pre-cable television days. During that time, I always enjoyed watching the *WildWorld of Sports*. One of my favorite parts was the start of the show. Each episode began with a phrase describing the “thrill of victory” and the “agony of defeat.” I always loved the personal experience of the thrill of victory.

As we experience this difficult time with COVID-19, many are feeling the agony of defeat in various ways. I am motivated to encourage you to drive toward your thrill of victory. Your thrill of victory can be achieved by moving through your response to adversity.

It is safe to say that we have all faced some level of adversity of late. It is completely natural for us to have an initially negative response; usually fear, anger or both; to adverse situations. However, once we get past that initial reaction, we increase the possibility to convert that negative situation into a positive outcome. That’s right, we can control how quickly we move from the agony of defeat to the thrill of victory.

It is not always simple to make the transition, because there is an additional phase that slows us down. This phase is filled with uncertainty and often shakes our confidence. During this phase, we have to coach and advise ourselves. During this phase, we must remember the road to success is rarely easy, but it is always worth the journey, if we endure.

Enduring the difficult time takes us to the thrill of victory. I challenge you to move from the initial negative response, to hurdle over the uncertain feelings and reconnect with the original purpose for your journey. This movement is attainable, and it will lead you to the “*thrill of victory!*” ☆

continued from cover

Companies Vow to Continue Paying Employees During COVID-19 Outbreak

Macy’s, Inc. will provide benefits and compensation to its impacted workforce. “We will work with government and health officials to assess when we will reopen our stores and safely bring our colleagues back to work,” said Jeff Gennette, chairman and chief executive officer of Macy’s, Inc.

As families around the world continue to stay abreast of new information almost daily, and with concerns that the pandemic will continue into the months ahead, homes across America have newfound worries. With the help of the companies previously listed, and many not on the list, corporations are reinforcing what many already know – that a company is only as great as its employees and we must take care of each other. Even in uncertain times, you can do the right thing and help a relative, employee, neighbor, stranger or friend. Remember, we must continue to care for one another. ☆

Why Giving Matters

Life has been challenging for our students adjusting to new ways of learning and staying connected. Our professionals have been impacted as well from businesses restructuring, facing workforce reductions, and even worse, having to shut down.

The question is how do we move forward from here?

The NASBA Center for the Public Trust (CPT) was created with the mission of championing the public trust by advancing ethical leadership in business, institutions and organizations. In times like this, our mission couldn’t be more important.

Throughout this pandemic, we have continued to support our students and professionals, and we will continue to do so in the weeks and months ahead as we continue to recover. Your continued support of our efforts to promote and advance ethics is not only appreciated, but needed now more than ever.

Make your contribution today by visiting www.thecpt.org/donations. ☆

You can also contribute by mailing a check to: NASBA Center for the Public Trust
P.O. Box 306272,
Nashville, TN 37230



Oklahoma State University StudentCPT members

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 Operations Director

ASHLEY METIVIER
 Student Programs Manager

STUDENT NEWS

Colleges and universities around the globe have transited their students off campus to online learning platforms in efforts to fight the spread of COVID-19. StudentCPT chapters are staying engaged while utilizing technology, despite being unable to meet in person.

Oklahoma State University

Oklahoma State University StudentCPT members recently tuned into a virtual meeting. Old and new officers completed a fun facts sheet, which was then turned into a fun Get to Know You Kahoot game with the chapter members. Members also established chapter goals for the upcoming school year.

Florida State University

CPT President, Alfonzo Alexander, recently spoke to Florida State University StudentCPT members along with two business classes via Zoom. During his presentation, Alexander shared personal experiences of how he overcame ethical dilemmas early on in his career. He also discussed how to manage chaos during challenging times.

2020 Ethics in Action Video Competition

Each year, the NASBA Center for the Public Trust (CPT) encourages college students to creatively demonstrate why ethical leadership is important in business. This year, 117 videos were received from 33 schools, signifying a record-breaking response! Let's give a round of applause for our 2020 *Ethics in Action* Video Competition winners. Special thanks to the Dean Institute for Corporate Governance and Integrity for sponsoring this year's competition.

Short Film Category (1-3 Minutes)

First Place:

Tax Preparer Dilemma, Austin Community College

Runner Up – It's a tie!:

A Clean Conscience, Texas Woman's University

Toxic Behavior in the Workplace, University of New Mexico

Commercial Category

(59 Seconds or Less)

First Place:

Dilemma, University of Colorado, Colorado Springs

Runner Up:

Generation Collaboration, University of New Mexico

Viewer's Choice Short Film (1-3 Minutes)

First Place:

Ethical Decision Making While Working From Home, Carroll University

Runner Up:

Ethical Dilemmas, Georgia Gwinnett College

Viewer's Choice Commercial (59 Seconds or Less)

First Place:

Best Ethical Decision Making During a Pandemic at Work, Georgia Gwinnett College

Runner Up:

Problems at Your Workplace, Georgia Gwinnett College



150 Fourth Avenue North, Suite 700
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Let Your Voice Be Heard



**We Want
to Hear from
YOU!**

Please take a few moments to review the
Ethics Matters 2020 Readership Survey.

Visit <https://www.surveymonkey.com/r/ethicsmatters2020>
to share your feedback on news topics, viewing preferences,
and more. Thanks in advance for your time and input!

The CPT Team

the 1990s, the number of people with a mental health problem has increased in the UK (Mental Health Act 1983, 1990).

There is a growing awareness of the need to improve the lives of people with mental health problems. The UK Government has set out a strategy for mental health care (Department of Health 1999). The strategy is based on the following principles:

- (1) People with mental health problems should be treated as individuals.
- (2) People with mental health problems should be given the opportunity to participate in decisions about their care.
- (3) People with mental health problems should be given the opportunity to live in their own homes.
- (4) People with mental health problems should be given the opportunity to live in their own communities.

The strategy also states that people with mental health problems should be given the opportunity to live in their own homes and communities.

The strategy also states that people with mental health problems should be given the opportunity to live in their own communities. This is the focus of the current study.

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BOD Calls for Vote on Bylaws Changes

Amendments to NASBA’s Bylaws dealing with teleconferences and the Nominating Committee will be voted on at the Annual Business Meeting in November. Responding to issues raised over the past year, the Bylaws Committee has proposed changes to Bylaws 4.11; 7.1.8 ; and 7.2.2. At their July 24, 2020 virtual meeting, the NASBA Board of Directors approved the distribution of the proposed changes for vote by the member Boards in November.

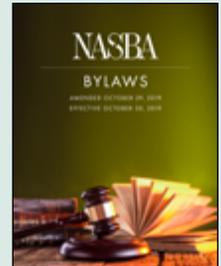
The changes to Sections 4.11 and 7.1.8 modernize the wording to reflect current teleconferencing practices and clarify the extent to which teleconferences may substitute for in-person meetings. Changes to the Nominating Committee’s procedures outlined in Section 7.2.2 would allow the Committee to look beyond the initially proposed candidates to make their selection.

Bylaws Committee Chair Katrina Salazar (CA) explained to the NASBA Board: “The changes to Section 4 allow for remote meetings when required under circumstances such as the present COVID-19 situation, as well as in more ordinary circumstances when such practices are required to effectively meet NASBA’s needs.” She continued: “Our proposed changes to Section 7.2.2 would provide

the Nominating Committee with the resources necessary to fulfill NASBA’s goal of ensuring diversity among leadership positions.”

During their July meeting, the Board also unanimously approved a resolution presented by NASBA Chair Laurie J. Tish (WA) in support of the advancement of the CPA Evolution initiative, in an effort to design and implement a new approach to CPA licensure. She reported a similar resolution had been unanimously approved by the AICPA Council in May. Ms. Tish said the initiative is progressing on schedule: The practice analysis for the reconfigured Uniform CPA Examination began in July, with the launch of the new Exam slated for January 2024.

Commenting on the unanimous approval of the resolution (see page 4), President Ken L. Bishop stated: “Through this joint NASBA/ AICPA initiative, we aim to transform the CPA licensure model in recognition of the rapidly changing competencies and skills the practice of accountancy will require into the future in order to fulfill its mandate to protect the public interest.” ♦



Model Rules Out for Comment



Coalter Baker

The Uniform Accountancy Act (UAA) Model Rules that will set the stage for the CPA Evolution are out for comment through August 31, 2020, announced UAA Committee Chair J. Coalter Baker (TX) at NASBA’s June Regional Meetings. The proposed changes to Model Rules 5-1 and 5-2 can be found on the NASBA website ([https://nasba.org/app/uploads/2020/05/UAA-Cover-Letter-](https://nasba.org/app/uploads/2020/05/UAA-Cover-Letter-Proposed-Revisions_Final-26May20.pdf)

[Proposed-Revisions_Final-26May20.pdf](https://nasba.org/app/uploads/2020/05/UAA-Cover-Letter-Proposed-Revisions_Final-26May20.pdf)). They cover changes in school accreditation, required curriculum, internship parameters and acceptable course content. Comments should be sent to uaacomment@nasba.org.

Mr. Baker underscored that the changes being proposed would have no impact on the Boards’ substantial equivalence. These changes were drafted based on the recommendations of the AICPA/ NASBA leadership summit, with input from advisory task forces and the NASBA Education Committee. At the NASBA Board’s spring meeting (see *Spring 2020 sbr*), the NASBA Uniform Accountancy Act Committee recommended the proposed rules be distributed for comment, which was approved to follow the AICPA’s Council’s vote in support of the CPA Evolution initiative.

During the June virtual Regional Meetings, questioners asked if the proposed rules would provide guidance on fulfilling the 150-hour requirement. Dan Dustin, Vice President – State Board Relations, responded that there would still be flexibility to enable the rules to stay relevant as the profession evolves. Another question was why

“content” was replacing “courses” in several places in the proposed rule changes. Mr. Dustin explained, “The intent was to move to content, rather provide a menu of courses. ‘Content’ had been used in the 2008 Model Rules revision, and the aim is to now make the term’s use consistent throughout this revision.”

(Continued on page 4)

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Nominating Committee Announces Slate

On June 20, 2020 the NASBA Nominating Committee held a virtual meeting and selected the following individuals as their nominees for Directors-at-Large and Regional Directors, as reported by Nominating Committee Chair, Janice L. Gray (OK):

Directors-at-Large (three-year term)



J. Coalter Baker (TX)



Jimmy E. Burkes (MS)



Nicola Neilon (NV)

Continuing to serve for the balance of their unexpired terms:

Directors-at-Large (third year of a three-year term)



John F. Dailey (NJ),



Sharon A. Jensen (MN)



Stephanie M. Saunders (VA)

Directors-at-Large (second year of a three-year term)



Catherine R. Allen (NY)



Tyrone E. Dickerson (VA)



Richard N. Reisig (MT)

Regional Directors (one-year term)



Central
Faye D. Miller (ND)



Great Lakes
Kenya Y. Watts (OH)



Middle Atlantic
Alison L. Houck (DE)



Mountain
Jason D. Peery (ID)



Northeast
Stephen F. Langowski (NY)



Pacific
Katrina Salazar (CA)



Southeast
Jack Anderson Bonner, Jr. (TN)



Southwest
Lynn V. Hutchinson (LA)

Vice Chair Nominee

As announced in May, the Committee selected W. Michael Fritz (OH) as their Vice Chair nominee, who will accede to the office of NASBA Chair 2021-2022 should he be elected by the member Boards at the Annual Business Meeting on November 3, 2020.



W. Michael Fritz (OH)

Nominations may also be made by any five member Boards if filed with NASBA Chair Laurie J. Tish (WA) at least 10 days prior to the Annual Business Meeting. A majority vote of the designated voting representatives of the member Boards participating in the Annual Meeting shall constitute an election provided a quorum is present.

NASBA Chair and Past Chair

Under the provisions of NASBA's Bylaws, at the 2020 Annual Meeting, A. Carlos Barrera (TX) will accede to the office of NASBA Chair, and Ms. Tish will accede to the office of Past Chair.



NASBA Chair
Carlos Barrera (TX)



Past Chair
Laurie J. Tish (WA)

2020-22 Nominating Committee Selection

In June, four Regions selected their members and alternate members for NASBA's Nominating Committee in accordance with Bylaws Articles 7.1.5 and 7.1.10. The other four Regions elected their members and alternates at the 2019 Regional Meetings. The newly elected members of the 2020-2022 Nominating Committee are:

- **Central:** Member – Lori J. Druse (NE); Alternate – Michael Schmitz (ND)
- **Middle Atlantic:** Member – Angela L. Avant (DC); Alternate – Barton W. Baldwin (NC)
- **Pacific:** Member – Raymond N. Johnson (OR); Alternate – Donovan W. Rulien, II (AK)

- **Southeast:** Member – Janet Booker-David (TN); Alternate – Delbert Madison (AL).

Continuing on the Nominating Committee for the second year of their two-year terms are:

- **Great Lakes:** Member – James P. Gero (OH); Alternate – Dolly M. Lalvani (PA)
- **Mountain:** Member – Harry Parsons (NV); Alternate – Dan Vuckovich (MT)
- **Northeast:** Member – Frederick G. Briggs (NH); Alternate – Richard Silverman (NH)
- **Southwest:** Member- Thomas G. Prothro (TX); Alternate – Manuel Cavazos, IV (TX). ♦

PRESIDENT'S MEMO

The End is Near

No, I am not talking about the apocalypse or the band *Primal Fear's* 2016 hit song. I am writing this quarter's *Memo* following the NASBA July Board of Directors' meeting and the fiscal year's end is near. I don't think there has ever been a time when I was so looking forward to the end of a fiscal year. The unanticipated challenges we have all experienced since late February were truly unprecedented and I, for one, am looking forward to a new beginning.

Obviously, I am not the only one writing about these challenges. In March the *Washington Post* stated: "Coronavirus might feel like the End Times...but the apocalypse is not here, doomsday prophesiers say." Good to hear! As I stated in the Spring 2020 *Memo*, I am an optimist and a "glass half full" kind of guy. So I will repeat what I reported to the NASBA Board members: How we are ending the fiscal year is truly remarkable. With cost savings and help from investments, we essentially accomplished a breakeven year financially, while spending a record amount on regulatory-related mission spending in support of State Boards.

We were able to quickly transition to remote working and maintain all core business functions and services to Boards, including administration of the Uniform CPA Examination. While unhappy that we were not able to be together, we saw the Regional Directors and support staff do an amazing job in pulling off successful NASBA Regional Meetings. Most importantly, as of this writing we have only had a few NASBA employees who tested positive for COVID-19 and none have had serious symptoms or required hospitalization. To keep the number down, I was disappointed to announce that this year's Annual Meeting would also have to be virtual, as the safety and wellbeing of our staff and volunteers remains my highest priority.

Having reached the end of this fiscal year, we now begin a new year that will undoubtedly continue to present significant challenges. I reported to the NASBA Board some startling news regarding declines in state revenue projections for 2021. Nearly half of the states are forecasting revenue declines of more than 10 percent with several forecasting a greater than 20 percent drop. This will undoubtedly impact state governments' budgets and ability to maintain their current level of services. Of course, our concern is the impact on Boards of Accountancy. History has shown us that State Boards have seen reductions of staffing, travel budgets and scholarships. Often there is an attempt to take money from regulatory boards' reserves and funds. We all should be planning for cuts now.

NASBA is committed to helping State Boards weather these challenges. Our NASBA Regional Directors will be communicating with you regarding your needs, as will our relations with member Boards' staff, and we will be prepared to ensure that you are able to continue to provide public protection to your state. Similarly, our legislative staff will be prepared to provide you with assistance if you are faced with potentially harmful legislation or attempts to scrape back your funds.

I think all of us have discovered that we have capabilities and capacities that we did not know existed. While remote working is not unusual in the accounting profession, for most regulators this is a new experience. At NASBA we continue to evolve in training, technology, performance measurement and effective communication. We know from our communication with Board Executives and staff that State Boards have handled this transition well.

We know that we still have a ways to go. NASBA continues to ramp up our acquisition of the equipment and software our staff needs to augment their capabilities. Improving communication is critical. We are working to reduce the response time to emails, and we are investing in "soft phone" technology to take us to a new normal in timely and effective communication with you, your candidates and licensees. I want to express my appreciation for the patience and support we have received from State Boards, but also from examination candidates and other stakeholders.

I think we all know that the disruptions we have been facing are not over. It's not just the pandemic. Social unrest, demonstrations and economic hardships are still in front of us. I am a lover of history. Almost all generations have faced what probably seemed like unsurmountable challenges from pandemics, economic depressions and world wars. Most of us have been truly blessed to have not endured those experiences until now. Like those previous generations, I know that we too will make it through better, stronger and more prepared for the future. The end is near and we are ready for the new beginning. NASBA will be there to help!

Be safe my friends!

Semper ad meliora (Always toward better things).



Ken L. Bishop
President & CEO

A handwritten signature in black ink that reads "Ken L. Bishop". The signature is fluid and cursive.

— Ken L. Bishop
President & CEO

First Virtual Regional Meetings

How do you shrink a full two-day meeting into two abbreviated days? Turn to technology. The handshakes and snacks were missing, but NASBA's virtual 2020 Virtual Regional Meetings managed to address the top topics concerning the State Boards of Accountancy and still have time for exchanging best practice information among Boards. Moderated by Relations with Member Boards Committee Chair Jack Emmons (NM), and ably assisted by the NASBA Communications team led by Chief Communications Officer Tom Kenny, the Western Regional was held June 3-4 and the Eastern June 10-11 via Zoom. The virtual format enabled many more Board members and staff to participate, without encountering travel restrictions or budget problems.

Chair Laurie J. Tish (WA) congratulated the State Boards and NASBA staff for how they have handled the COVID-19 crisis: "With the steps we have taken, I am confident that we can maintain our ability to support and enhance the capability of State Boards as we begin steps back towards a new normal."

Acknowledging that the coronavirus had a significant impact on NASBA, both operationally and financially, President Ken L. Bishop told the Boards: "As a mission-driven organization, the impact of the epidemic on our ability to provide mission services in support of State Boards is very important to us. I am pleased to report that we have maintained the ability to say 'yes' to all requests for support we have received."

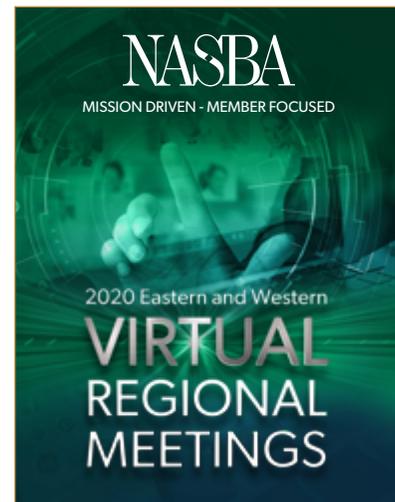
CPA Evolution Praised at Regionals

Calling CPA Evolution "one of the most important projects that I have been associated with in my years of NASBA service," Chair Laurie Tish (WA) reported the project is meeting its progress milestones, despite having to conduct its meetings virtually. She walked the Regional Meetings' participants through the CPA Evolution process up to its current stage of proposing Uniform Accountancy Act Model Rules, calculating costs and envisioning education resources. While there are still questions about how the CPA Evolution will work, the initiative drew widespread praise from the June Regional Meetings'

The impact of the pandemic on the CPA pipeline is being closely watched by NASBA, Chair Tish reported. "Even before the pandemic, we were seeing a smaller percentage of students sitting for the Exam, which impacts the revenue used to maintain and deliver the Exam. We are continuing to watch social media and are talking to colleges and universities to monitor the pipeline.

Thus far we are getting positive feedback. Historically, when there are downturns in the economy, the number of CPA Examination candidates actually increases, but it is too early to know what the behavior of students and CPA candidates will be."

Chair Tish praised the work of NASBA's committees and voiced her appreciation for the many State Board members who have volunteered to serve on next year's committees. In particular, President Bishop noted the number of talented people who volunteered to serve on the Nominating Committee. ♦



participants. NASBA Chair Tish was told by Boards' representatives: "Great job in bringing this model."

"I commend NASBA for responding to the pushback."

"We have come a long way in the right direction. Hats off to leadership for doing what you have done."

There were still questions about how by passing one of the three optional disciplines (business reporting and analysis; tax compliance and planning; or information systems and controls) a candidate would not be viewed as a specialist in that field. Educators were asking about what resources would be made available to assist their schools in providing the needed curriculum. Still some questioned the need for changing the format of the Uniform CPA Examination when more IT-related questions are already being included in the updating of the Examination.

Chair Tish, Executive Vice President and COO Colleen Conrad and Vice President – State Board Relations Daniel Dustin responded to all questions raised. Chair Tish told all that the faculty at some schools are already proactively thinking of partnering with other schools. The AICPA is putting together a resource center with material from the big firms. "Our plan is to work side-by-side with AICPA as they create a one-stop shop for technology-based resources." Chair Tish said. Ms. Conrad told the Regional Breakout sessions that task forces on model curricula and internship programs are being developed by the AICPA with NASBA, and she suggested State Board members interested in getting involved contact her.

If State Boards would like to create a webinar for educators in their jurisdiction to discuss the CPA Evolution initiative, Ms. Conrad said she and Mr. Dustin are ready to meet with them. "Give us names and dates and we will get the webinar together and work with AICPA," she told the Boards' representatives. They had recently held a session with Ohio educators. ♦

NASBA Board of Directors' Resolution

WHEREAS, At the Annual and Regional Meetings in 2018, 2019 and 2020, NASBA has discussed the trends in the business environment that are impacting the skillsets required of newly licensed CPAs and how the joint initiative (referred to as CPA Evolution) with the American Institute of CPAs will position the CPA license for the future and protect the public interest; and

WHEREAS, The Boards of Accountancy have received the presentation on the revised CPA licensure framework envisioned in the CPA Evolution initiative and the NASBA Board of Directors has heard the feedback received on the revised framework; now

BE IT RESOLVED, That the NASBA Board of Directors supports the advancement of the CPA Evolution initiative in an effort to design and implement a new approach to CPA licensure and supports taking appropriate action to execute the CPA Evolution initiative, including changes to the CPA licensure model; and

BE IT FURTHER RESOLVED, That this resolution shall now become effective as the companion vote of support of the CPA Evolution initiative by the AICPA Council passed in May 2020.

Pandemic Ups Cyber Threats

As infection rates of COVID-19 increased over the last few months, so did the number of bad actors trying to come on line with suspicious websites where users could be tricked into providing their credentials or inject their workstation or tablet with malware, NASBA Chief Information Security Officer Roy Hall, Jr., told the Regional Meetings. According to FBI reports, the worldwide spam rates had increased in one month almost 700 percent by the end of March. The bad actors were also tricking individuals into giving them personal information. State and federal organizations were also under attack. NASBA saw a 1207 percent increase in spam delivery to its security systems' perimeters at the start of the COVID pandemic, but no malware infections were encountered, Mr. Hall stated.

"NASBA users working from home adapted well and we haven't missed a beat," CISO Hall reported. NASBA has invested in cloud-based threat, vulnerability, AV and log management systems, so it did not rely on VPN connectivity for security, and this made remote management very efficient, secure and reliable. Staff laptops were already hardened with advanced logging capabilities and there was plenty of VPN capacity. Plus multi-factor log-in verification was in place, requiring a user name, password and a token. In addition,

NASBA was already using advanced persistent threat e-mail services that look for suspicious behavior.

Mr. Hall underscored it is best to take a defensive posture, by having employees aware of bad activity that is out there, and aware of what they can do as end users, through established policies and procedures. With so many people working from home, he offered a few safety tips, including, having a router that uses WPA or WPA2 for Wi-Fi encryption, not WEP. Older routers also require manual firmware updates to keep secure, while the newer ones have automatic over-the-air updating. Examples were Eero and Google Nest Wifi. He also cautioned against wireless passwords that are simple to determine, like "apple 1 2 3 since a compromised wireless access router would give any user within the range of the wireless network potential access to all the devices on the home network." Subscribing to a cloud-based anti-virus system, that updates continually, was also strongly advised for home computers by Mr. Hall. Examples were Sophos Premium, Trend Micro and ESET. For corporate use, he said advanced persistent threat email services "are a necessity these days," to block threats in the cloud or network edge, before they can get to your private network for business users. ♦

COVID-19's Impact on Boards

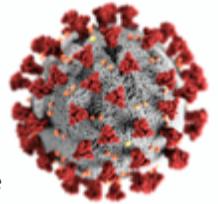
A summary of the many actions taken by Boards of Accountancy in response to the pandemic was presented to the Regional Meetings by NASBA Executive Vice President and COO Colleen Conrad and Prometric Director Kimberly Farace. In recent months many Accountancy Board members have been working from home and Boards were operating under stay-at-home orders, rotating staff through offices, and often only accepting visitors by appointment. For some Boards emergency rule-making was required, such as relaxing required fingerprinting for licensing or permitting virtual Board meetings. Throughout this time, NASBA has been issuing COVID-19 related communications on continuing professional education reporting, peer review and examination deadline extensions, test center closings, as well as legal resources.

NASBA's CPE Sponsor Registry received requests from CPE program sponsors to allow them to convert their registered live programs to virtual presentations. NASBA did make this recommendation to the State Boards, but Ms. Conrad underscored that such a relaxation of standards was at the State Board's discretion. Similarly, extending CPE reporting deadlines in recognition of cancelled conferences and shifts in busy season were requested, and NASBA's recommendations went to the State Boards for their consideration. Tracking of all states' current practices can be viewed on www.nasbaregistry.org/impact-of-covid-19.

The Peer Review Board gave extensions to firms with deadlines before the end of September, but some states had to approve those extensions. Ms. Conrad reported many of the bigger firms are moving ahead with their previously scheduled peer review dates. An AICPA exposure draft on remote performance of system review procedures is expected to be released for comment in the next few months, she told the Regional Meetings.

Acting on a NASBA recommendation, the vast majority of states extended candidates' NTS (notice to schedule) expiration dates until the end of the year. The Boards' CPA credit extensions are being updated on the NASBA website as the Boards' policies change (<https://nasba.org/creditemension/>).

Prometric was reopening its testing centers based on strict Channel Resumption Criteria, Ms. Farace assured the Regional Meetings. All the US testing centers were closed March 17 through April 30, 2020. As of June 1, Prometric had 76 percent of their testing centers open and Ms. Farace said they expected to have 91 percent open by June 22, 2020 (<https://www.prometric.com/site-openings>). At the centers, testing hours and days are being added. Doctors from Johns Hopkins were called in to look at Prometric's test centers and they determined Prometric could use every work station, not limiting them to every other seat. Changes had to be made to the centers' standard operating procedures: Face coverings are required at all locations. Scratch paper is being used instead of note boards. Candidates are reminded three days before their appointment about the details of Prometric's social distancing policies, which can be found on www.prometric.com. Ms. Farace said Prometric's goal is to have the backlog of candidates taken care of by the end of this summer. ♦



2020 NASBA Research Grants

The NASBA Board of Directors has accepted the recommendation of the Education Committee and awarded the 2020 NASBA Accounting Education Research Grants to two project teams:

"Options for Meeting the 150-Hour Requirement to Maximize Students' Demand as Public Accounting Recruits: Establishing New Benchmarks in the Age of Data Analytics," by Tristan B. Johnson and J. Russell Hardin of the University of South Alabama, and D. Shawn Mauldin of Mississippi State University.

"Rejuvenating the Accounting Curricula: How We Can Bring Accounting Students Into the 21st Century," by M. Pamela Neely and Timothy Hungerford of the State University of New York – Brockport. ♦

What About Remote Proctoring?



Colleen Conrad

The significance of disaster planning has been underscored by the COVID-19 restrictions. Testing options are one of the elements NASBA has been studying as it considers worst case scenarios, NASBA Executive Vice President and COO Colleen Conrad told the Regional Meetings. Remote proctoring, which would open the possibility of candidates testing from home, is now being studied by NASBA's

Computer-Based Testing Committee and the Executive Directors Committee as a backup plan should testing centers be unable to reopen at some future time.

While Ms. Conrad praised Prometric for their handling of closings and openings of test centers during the pandemic this spring, the question remains: What would happen if the virus comes back in the fall and the centers need to stay closed? "We need a backup," she said. NASBA and the AICPA are discussing what would be necessary to have a remote proctoring alternative, which is not covered in the current contract with Prometric. "We would want to be sure the Boards are comfortable with it," Ms. Conrad stated.

Although remote proctoring has been available for some time, it has not been considered an option for high stakes licensing examinations until recently. On June 16 Prometric announced the New Hampshire Insurance Department and the Utah Insurance Department will be using Prometric's ProProctor remote proctoring as an alternative mode of testing for insurance licenses. ProProctor offers self-service exam scheduling, computer system requirements confirmation and test navigation, live test taker support, Windows and MacOC compatibility, and security measures including 100 percent live monitoring, live security agents, 360-degree

environmental readiness checks and proactive protocols covering device checks.

On an interim basis, the Institute of Internal Auditors (IIA) began providing on-line testing for all three parts of the Certified Internal Auditor (CIA) examination and for the Certification in Risk Management Assurance (CRMA) in April.

The College Board administered at-home Advanced Placement tests in May for 3,000,000 high school students. Students were able to take these tests via computer, tablet or smartphone. They were able to either type and upload their responses, or write responses by hand and submit a photo via cell phone. However, on June 2 the College Board announced it "will pause on offering an at-home SAT this year because taking it would require three hours of uninterrupted, video-quality internet for each student, which can't be guaranteed for all." They also announced they would "continue to develop remote proctoring capabilities to make at-home SAT possible in the future."

A few of NASBA's June Regional Breakout Sessions were asked about their views on remote proctoring. Several participants cited computer problems students had experienced with such testing and some educators mentioned security issues. There were also concerns about potentially introducing barriers to testing for those economically disadvantaged. Several State Board members felt more information on what other professions are doing is needed.

President and CEO Ken Bishop advised the Board of Directors that several State Board executive directors had participated in discussion groups where they raised questions about remote proctoring and expressed significant concerns regarding its use except for an emergency situation. ♦

AICPA Launching .CPA Domain Name

Beginning September 1, 2020, licensed CPA firms and licensed individual CPAs can apply to place the restricted domain name .cpa on their web address. It took the AICPA almost seven years to win the rights to control the custom domain .cpa from the Internet Corporation for Assigned Names and Numbers (ICANN) as other groups were anxious to have authority over the domain. The AICPA also plans to make the domain extension available to other global CPA organizations.

Anyone using the .cpa extension will be vetted by the AICPA to ensure they are a proven CPA entity.

"We want the public to have confidence that someone using a .cpa domain address for email or a website is affiliated with the CPA profession," AICPA President Barry Melancon said. More information

about the domain is available through <https://domains.cpa.com>.

NASBA leaders have been assured that AICPA will verify that a firm is registered and, if it loses its registration, then it would also be denied the domain's service until that is rectified. Where there is no firm registration, then AICPA would be ensuring the firm's principals are licensed. This might not be an entity's primary address, but one to which a user is redirected.

If a non-CPA employee of a CPA firm uses an e-mail address with CPA in it, will that confuse the public? "We are always concerned about public confusion, particularly in matters of reliance," NASBA President Ken Bishop said. "However, for years such employees have been using their firm names in their e-mail addresses and I am not aware of any cases where it was a problem." ♦

Model Rules Out for Comment (Continued from Page 1)

Several questions were raised about adding the recognition of "international accreditation organizations." Mr. Baker explained, "Accrediting bodies have changed." The Association to Advance Collegiate Schools of Business (AACSB) is an international organization that accredits schools that graduate a large percentage of CPA candidates, and is no longer termed a "national" organization. He pointed out that proposed rules stipulate it is up to the Board to recognize the accreditation organizations. During Regional Breakout sessions on the following days, several Boards' representatives questioned how the Boards are to determine which accreditation organizations qualify to be recognized. A suggestion that NASBA

develop information on accreditation organizations and guidance on recognition was proposed and is to be considered by the NASBA Education Committee.

Another question posed was: Could additional pre-approved internships blur the line between experience and education, and possibly permit the internship to be counted both as education and experience? Mr. Dustin reported that states currently have varying rules regarding internships and the Model Rules are intended to bring consistency among the states' requirements. Most states' rules currently make clear the difference between internships and experience, he noted. ♦

Continuous Testing Arrives!

Fifty-four jurisdictions completed the transition to offering continuous testing on July 1, as scheduled. Only South Carolina has to wait for a change in their statute, which could take up to a year to make its way through their next legislative session. In the other jurisdictions, candidates can now take the Uniform CPA Examination year-round, without concern for quarterly testing windows. However, South Carolina candidates will be able to test anytime, but they cannot retake a failed part until the next calendar quarter. Continuous testing opens up more than 75 additional testing dates throughout the year.

Addressing NASBA's Regional Meetings, AICPA Vice President – Examinations Michael Decker said he believes the State Boards' decision to extend the notice to test (NTS) deadline because of the pandemic was a good one, as it helped to keep candidates in the pipeline.

Reporting on the results of the AICPA's "Maintaining the Relevance of the Uniform CPA Examination," which contained the findings of their practice analysis and invitation to comment on proposed changes to the Uniform CPA Examination, Mr. Decker

said: "We learned we were on the right path with the adding of data analytics... The practice analysis said our vision was spot on: We have to continue to focus on higher order skills." There were 46 proposed changes to the CPA Exam Blueprints, several aimed at pruning the Exam in response to criticism that it was becoming too broad and not testing subjects in enough depth. The changes included additions, deletions and alterations to content based on the AICPA's research.

The AICPA received 177 comments, including several from government agencies opposed to eliminating state and local government accounting from the Examination. The agencies feared that if the topic was not on the Examination, it would not be taught at the universities. Mr. Decker said where state/local government needs to be tested will be part of the CPA Evolution practice analysis, which is beginning this quarter.

The new Uniform CPA Examination will be launched on July 1, 2021, to give candidates time to prepare for it. The Uniform CPA Examination to be part of the CPA Evolution initiative will be launched on January 1, 2024. ♦



Communications Committee Hosts Webinar



Kenya Watts

NASBA Communications Committee Chair Kenya Y. Watts (OH) joined her committee members in hosting a webinar entitled "Communicating During a Pandemic: A Virtual Discussion for Boards of Accountancy," on June 17. She explained the purpose of the virtual meeting was "to discuss how and what Boards are communicating now during the pandemic."

Participants reported on their Boards' experiences with different virtual meeting platforms. An on-line poll of the group found 34 percent were using Zoom, 15 percent Teams, 17 percent Webex, 15 percent Skype, 12 percent some other platform and 7 percent were not holding virtual meetings. NASBA Communications Chief Thomas Kenny then asked how they would rate the platform they have been using. Twenty-three percent said it was doing a great job, 36 percent a good job, 26 percent an adequate job and 15 percent said it was "okay."

Strategies for meeting with educators were discussed. The North Carolina Board has held annual meetings with educators for 34 years,

and this year it will be done virtually, North Carolina Executive Director Robert N. Brooks stated. Ohio has an Accounting Program Leadership Group, composed of the local schools' accounting department chairs, and NASBA speakers have met with them, Communications Committee Member Gerald Weinstein (OH) reported. Many educators are interested in what is going on with the Uniform CPA Examination and NASBA is ready to put on a webinar for states that want to bring their educators together to learn about the initiative, he said.

A social media guide that can assist Boards in reaching out to students can be found on NASBA's website, Communications Manager Cassandra Gray told the webinar (<https://nasba.org/app/uploads/2015/03/2016-Social-Media-Guide-Final3.6.17.pdf>). She encouraged the Boards to repost material received from NASBA on their own websites and social media channels.

Communications Committee speakers on the webinar included Barry M. Berkowitz (PA), Patty Faenger (MO), Leslie A. Mostow (MD), Robert W. Sinkewicz (VT), Susan M. Strautmänn (WI) and Gerald Weinstein (OH). ♦

NY Says Free File Program Exploited

The New York State Department of Financial Services (NYSDFS) has concluded its investigation into why more taxpayers making \$69,000 or less have not been using the Free File Program. On July 16 NY Superintendent of Financial Services Linda A. Lacewell stated: "The Free File Program is broken and was exploited by commercial tax preparer companies to drive their own profits at the expense of low-income taxpayers. This is yet another blow to the public trust."

The Free Filer Alliance was established in 2002 as an agreement by tax preparation companies to provide free tax filing software to individuals making below a certain income level with the IRS and state tax agencies agreeing not to create their own free filing programs. However, in 2019 only 2.5 million of 100 million eligible taxpayers took advantage of the Alliance's offerings. The NYDFS report notes that the IRS has not marketed the program since 2014 nor have there been any strategies for notifying taxpayers they are eligible to use it. In addition: "The NYDFS investigation found that during last year's tax season, five leading tax preparation companies that provide software to the Free File program deliberately edited the code of their landing pages to hide those pages from search engine results." The investigators said Intuit, H&R Block, TaxSlayer, TaxHawk and Drake Enterprises

deliberately hid website landing pages for the Free File Program: "Tax preparation companies created and marketed their own products as 'free' in order to lure customers away from the Free File Program while upselling those same customers into more costly products."

H&R Block has announced it will leave the program at the end of this tax season, on October 15, 2020. Nine other companies will continue to partner with the Free File Alliance.

Superintendent Lacewell and Michael Schmidt, Commissioner of the NY State Department of Taxation and Finance, wrote in an op-ed in the New York Daily News: "The H&R action highlights the precariousness of a system that relies on the voluntary participation of private industry to provide free tax filing options to low- and middle-income taxpayers. To address this situation, we urge the IRS to aggressively market the Free File program. We also urge the IRS to consider a broader solution – the public option. The IRS should develop its own free tax-filing program. States could then integrate with this new federal product, allowing taxpayers to file both their state and federal taxes online free... And, last month, IRS Commissioner Charles Rettig testified that he was open to the development of such a program for certain filers." ♦

Monitoring Group Redesigns Standard-Setting

It has taken them five years, but the Monitoring Group has issued their final recommendations to advance the public interest in international audit-related standard-setting and improve audit quality. Their 27-page report "Strengthening the International Audit and Ethics Standard-Setting System" was released in July. The members of the Monitoring Group (MG) are the: Basel Committee on Banking Supervision, European Commission, Financial Stability Board, International Association of Insurance Supervisors, International Forum of Independent Audit Regulators, International Organization of Securities Commissions, and World Bank Group. Their recommendations modify existing bodies, decrease the number of audit practitioners on the standard-setting boards and lessen dependence on the accounting profession for financial support.

The MG recommends the appointment of one board of 16 remunerated members to be responsible for setting audit, review, assurance and quality control standards. A second board of the same size would be responsible for international ethics standards setting for professional accountants, including auditor independence requirements. Each of these boards would be limited to five audit practitioners. Also, each of these boards would have their own expanded and enhanced technical staff, which would "remove the reliance on technical advisors that exists today." Overseeing the standard-setting process to ensure that international audit-related standards are responsive to the public interest would be the Public Interest Oversight Board (PIOB) of "ten objective and gender diverse members." Then periodically the Monitoring Group will review the effectiveness of the system as a whole, no later than five years after the implementation of its recommendations.

"Funding commitments should foster the independence and continuity of the standard-setting activities," the MG maintains. They are seeking a "diversification of contributions" to come from regulators, investors and other users of financial statements as well as the accounting profession. During the transition process an estimate of the funds required for implementing the recommendations will be developed. The goal for funding the

PIOB is to have at least half of the budget for its activities coming from contributions of those outside the accounting profession and to achieve that goal by July 2022.



Included in the report is the "Public Interest Framework for the Development of International Audit-Related Standards," which sets out considerations the standard-setting boards need to bear in mind when developing standards. The Framework "focuses primarily on the interests of users [of financial statements], and more specifically the longer-term interests of creditors and investors and the protection of those interests."

A transition plan is to be developed by April 2021 and its complete implementation is to be within three years after that. The existing international standards for audits and assurance-based engagements will be the starting points for the boards, but the MG maintains "a new model that is better resourced to bring revised standards to market more quickly, and better respond to the increasingly complex needs of audits will deliver a further benefit."

With the MG's recommendations' release, the leaders of the International Federation of Accountants (IFAC) sent out a statement: "IAASB and IESBA will continue to exist as separate, independent boards with their current mandates, and they will remain in New York City. The boards will be housed in a legal entity independent from IFAC, but we will continue to provide, as we do now, operational and administrative support. This support will be provided through a Service Level Agreement." As for the funding model for the new standard-setting boards, "...there has been no progress thus far in securing new sources of funding from outside the profession," the IFAC leaders report. They point out: "We have repeatedly made our position clear that no amount of PIOB funding should come from the profession, and that there needs to be a more diverse model for funding the boards' activities." ♦

STATE BOARD REPORT

A Digest of Current Developments Affecting State Accountancy Regulation

Spring 2020

Mike Fritz Vice Chair Nominee

W. Michael Fritz, CPA (OH) was selected on May 1 as the Nominating Committee's candidate for NASBA Vice Chair 2020-2021, to stand for election at the October Annual Business Meeting. If elected Vice Chair by the member State Boards of Accountancy, Mr. Fritz will automatically accede to NASBA Chair 2021-2022.

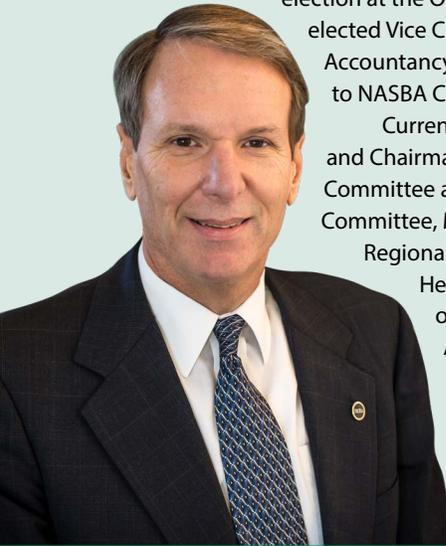
Currently serving as NASBA Treasurer and Chairman of the Regulatory Response Committee and the Administration and Finance Committee, Mr. Fritz is former Great Lakes Regional Director and NASBA Secretary.

He has been an active member of NASBA's Standard-Setting Advisory Committee, Ethics & Strategic Issues Committee, Global Strategies Committee and Relations with Member Boards Committee. He completed his seven-year term with the

Accountancy Board of Ohio in December 2015, having served as Board chair and chair of several committees. Mr. Fritz is a retired senior partner of Deloitte & Touche LLP, in Columbus, OH, where he served as national industry professional practice director for the public sector industry as well as a lead client service partner.

Election of the NASBA officers will be held at the Annual Business Meeting on November 3, 2020 in San Diego, CA. Nominating Committee Chair Janice Gray (OK) has requested that all qualified State Board members interested in serving on the 2020-2021 Board of Directors submit a letter of interest and biographical information to janiceg@cpagray.com or aholt@nasba.org. Nominations for any elected Board position, including the office of Vice Chair, may also be made by at least five Boards if filed with NASBA Chair Laurie J. Tish (WA) at least 10 days prior to the Annual Business Meeting. No nominations from the floor will be recognized.

State Boards from the Central, Middle Atlantic, Pacific and Southeast are asked to submit their nominations for their Nominating Committee representatives, with bios and resumes, to janiceg@cpagray.com or aholt@nasba.org. ♦



Board Approves Rules for Comment



Laurie Tish

More pieces are falling into place for the CPA Evolution. On April 24 the NASBA Board of Directors passed the following motion: "The NASBA Board of Directors approves the draft UAA Model Rule Requirements on Education as presented today by UAA Committee Chair Coalter Baker (TX), to be exposed for public comment for a period of 90 days.

This approval is deferred and contingent upon the successful passage of the AICPA Council resolution supporting the advancement of the CPA Evolution Initiative at the May 2020 Council meeting." In bringing the Model Rules proposal to the NASBA Board, Mr. Baker reported they had been brought to the UAA Committee by the CPA Evolution Initiative, after having consulted with their Education Advisory Group (see *sbr 1/20*) and Exam Advisory Group (see *sbr 2/20*), as well as the NASBA Education Committee. It is anticipated the proposed Model Rules will be posted for comment the last week in May.

Mr. Baker explained that NASBA approves the Model Rules for exposure, but since this is a joint effort, the views of the AICPA are important for the process to work. During the AICPA/NASBA UAA Committee's meeting on March 30, no objections to exposing the Model Rules, as presented, was voiced by the AICPA members. The AICPA Council is expected to vote on their support of the CPA Evolution Initiative in May and the Model Rules are to be distributed after that vote.

Discussion of the Model Rules will be featured during NASBA's

two virtual Regional Meetings in June (see page 7 for more details).

Webinars Set Stage for Model Rules

NASBA Chair Laurie Tish (WA) had reported to the State Boards, during a series of four webinars delivered March 23-26, that the CPA

(Continued on page 2)

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 Editor-in-Chief: Louise Dratler Haberman; Editor: Ken L. Bishop;
 Production Editor: Anthony E. Cox; Editorial Assistant: A. Ann Bell
 Contributors: Daniel J. Dustin and Thomas G. Kenny
 Tel/615.880.4200 Fax/615.880.4290 Web/www.nasba.org

Flexibility Aided NASBA's Transition

Preparation for offering more flexibility in employee scheduling actually enabled NASBA to more easily transition to all working home because of COVID-19, NASBA President and Chief Executive Officer Ken Bishop reported to the NASBA Board on April 24. The competition for talent in Nashville had led NASBA's human resources department to recommend offering more possible work-at-home options. To implement this plan, NASBA had purchased more laptop computers, headsets, monitors, etc., to allow for work away from the office.

When Tennessee declared its "Safe at Home" program, NASBA was prepared: "We had the core team working remotely from Day 1," President Bishop told the Board. He anticipates the month of May will look much like April for NASBA – with limited staff in the office and everyone working at home who can work at home. As the flow of work increases, staff released will be recalled from furlough. Both the Guam and New York City NASBA sites are closed, with staff either

working from home or furloughed.

NASBA had started to be concerned about the pandemic in January and began scenario planning in February, Executive Vice President and Chief Operating Officer Colleen Conrad told the Board. Although staff did not expect the situation to be as extreme as it turned out to be, "we worked through the scenarios in February, which turned out to be a blessing, because we hit the ground running early."

With campuses closing, the NASBA Center for the Public Trust (CPT) has focused on what can be done virtually. Over 3,000 students are now involved in the student chapters of the CPT. President Bishop noted the CPT's video competition had a record 117 entries this year.

Another transition has been bringing Brenner (Brie) Allen, Esq., on staff as NASBA's regulatory counsel. NASBA now has four attorneys on staff, President Bishop reported. ♦

Volunteer for 2020–21 Committees

The time is right to sign up for NASBA's 2020-2021 committees. All State Board members and NASBA associates are eligible to serve on NASBA's committees. Submissions are requested now – even from those who are currently serving on NASBA committees. All are required to submit a new form to indicate their interest in continuing to serve on a committee.

NASBA Vice Chair Carlos Barrera will be making committee assignments based on the information contained in the submitted

forms. He has requested that those who have a long –standing history on a particular committee consider applying for another committee on which they can add their expertise, experience and knowledge.

Most of the committee work will be accomplished via virtual meetings and e-mail, but may also require in-person meetings when ordinary travel resumes.

Committee interest forms can be found on www.nasba.org. For additional information, contact Noël Winter at nwinter@nasba.org. ♦

Board Approves Rules for Comment (Continued from page 1)

Evolution Initiative was recommending that changes be made to the UAA's Model Rules Article 5, on education, and no modifications to the Uniform Accountancy Act or its Model Rules would be needed to accommodate the changes being proposed for the Uniform CPA Examination. Just eight states need to make changes to offer the proposed Uniform CPA Examination: Oklahoma would need to change its act and Connecticut, Indiana, Kentucky, Massachusetts, New York, Texas and Washington would need to change their rules, as those eight specify the names of each of the Examination's sections.

Ms. Tish briefly summarized the plan for the CPA Evolution, first outlined at the October 2020 Annual Meeting. Since that time feedback from an additional 1,000 individuals had been gathered, and their responses were "overwhelmingly positive and we believe we are on the right track," she stated. Among those surveyed were 639 accounting and non-accounting majors. Asked for their response to the new CPA model, 47 percent of the accounting majors said their interest in taking the Uniform CPA Examination was increased with the new plan, and 33 percent said they would continue to be interested in the Exam. When 98 non-accounting majors were asked about their interest in taking the CPA Examination, half said they were more interested with the proposed Examination.

Some respondents have suggested adding more disciplines as options, besides the three now being proposed (business reporting and analysis; information systems and controls; and tax compliance and planning). Ms. Tish said that would be possible in the future, but the task force believes these three are the right ones for today.

NASBA Vice President – State Relations Daniel J. Dustin, who co-presented the webinars, responded to a question from Southwest

Regional Director Jack Emmons on the schools' ability to handle the expanded curriculum being proposed. Mr. Dustin said that the CPA Evolution Education Advisory Group reported some schools were already covering that content in their programs. The Advisory Group also predicted that some of the smaller schools might focus on a couple of the discipline areas, not all, and might even partner with other schools to offer advanced courses for all three disciplines.

Another question raised at the webinar sessions was why the revised Model Rules state nine hours of internship or independent study can be counted. Ms. Tish said this had been proposed by the Education Advisory Group. It allows for more flexibility in the program, possibly helps to lower education costs and can provide more real world experience. Mr. Dustin noted that currently state rules differ on how many internship hours they allow, ranging from three hours, to six hours, to no specified limit in various states. He underscored the aim is to have the states adopt uniform Model Rules.

Executive Vice President Colleen Conrad answered a question about the possibility of a candidate switching discipline areas on the envisioned Uniform CPA Examination. All candidates would need to take the core components of the Examination, but they would select one of the three disciplines in which to be tested. Ms. Conrad explained that a candidate could switch his or her choice of disciplines, but they would only need to pass one discipline section to complete the total four sections needed within the 18-month period.

Chair Tish was asked if she thought having the new Examination launched in January 2024 was overly optimistic. She responded that the project is now hitting its target dates, so she believes the new Examination would be ready for candidates in early 2024. ♦

PRESIDENT'S MEMO



I Love NY

In late February I landed in New York City to attend several meetings and work in our Manhattan office. When I arrived in baggage claim, I could not help but notice a large and ominous sign that read: "Health Warning – Know the Signs of Coronavirus." While I was fully aware of the impact of the coronavirus in China, and the possibility of the contagion reaching the United States (NASBA had already had internal discussions about preparing for it), the bright yellow sign caught my attention. By the time I flew home to Nashville a few days later, I could sense the mood in New York was changing. While I had no idea that the trip would be my last one for the foreseeable future, I instinctively perceived the threat. One of my last



Ken L. Bishop
President & CEO

thoughts before boarding the flight home was, "I love New York."

I distinctly remember the first time I visited New York City. As a small-town boy from Central Missouri, I was overwhelmed by the mass of people, the sounds, the smells and the tremendous energy of the city. I never imagined that I would be there. While NASBA had its 2017 Annual Meeting there, it is estimated that nearly 65 percent of Americans have never been to New York, and will never see the Statue of Liberty, Times Square or the Empire State Building. I certainly would not have contemplated that someday I would have staff, countless acquaintances and dear friends there, much less that I would travel to the city multiple times a year. Though many will not experience actually being there, almost everyone has seen the tee shirts, sweatshirts and bumper stickers with the slogan "I Love (heart) NY".

You are probably asking: What does this have to do with accounting? Good question. It probably has more to do with people than the profession, but we cannot ignore that New York City is the financial capital of the U.S. Many big firms are headquartered there, as are the AICPA, IFAC, the New York Stock Exchange and countless other financial institutions. What happens there impacts us all, including this horrific pandemic.

Within a few weeks of my returning home, we had curtailed all travel, cancelled conferences and ultimately shut down all our offices. My focus became the wellbeing of NASBA, the safety of our staff and volunteers, and ensuring that we could maintain our core mission responsibilities to State Boards.

In recent days, the term "reopen" has taken on a new significance. Businesses, cities, states and territories are all exploring how and when to open-up their economies. NASBA is no different. We have developed a four-phase plan to get to what will likely be our "new normal." We have enhanced our technology capabilities and are developing new alternative work strategies. Face masks, sanitizers, social distancing and increased working from home will be a part of our lives for some time, but we are encouraged by the progress that has been made in "flattening the curve" and the opportunity to allow business functions to resume.

The recent decision by Prometric to begin opening testing centers is a key component of business resumptions. Our monitoring of social media indicates a pent-up desire and readiness of candidates eager to sit for the Uniform CPA Examination. We are anxious to be able to accommodate these candidates. We stand ready to help State Boards in any way we can as state offices reopen and need support. Our intent is to ramp up communications with Executive Directors and State Boards to provide a forum for sharing issues and resolutions.

Most who know me know that I am an optimist, a "glass half full" kind of guy. I believe that we will all get through this with new skills, capacities and capabilities. There will be trying days ahead, but I know we are up to the task. Hopefully we have seen the worst of this epidemic but the impact, both personal and economic, will be with us for the foreseeable future.

My heart goes out to all of those who have been impacted, particularly in urban areas across the country, including New York City which is the epicenter in the United States. The numbers there are astounding. In New York alone there have been over 300,000 cases and nearly 20,000 deaths in a matter of a couple of months, but it is good to see the continuing decrease in number of cases in recent days.

I look forward to thinking, talking and writing about things other than COVID-19 and its impact. There is a lot going on. CPA Evolution, NOCLAR, staff augmentation and other issues and opportunities are still at the forefront of decisions facing the profession, and work and progress continue. Our staff and volunteers have

done an amazing job of keeping things moving, which is a great indication of our perseverance and fortitude. I look forward to getting back on an airplane for a meeting in New York City. I will say it again, "I love NY!"

Be safe my friends!

Semper ad meliora (Always toward better things).

— Ken L. Bishop
President & CEO



The New Normal: NASBA Communicates Early and Often to Keep Members Informed

The COVID-19 pandemic has turned traditional methods of communication on their head. Our everyday vocabulary has been augmented to include “quarantine,” “social distancing,” “stay-at-home,” “remote work” and “virtual or Zoom meetings.” Now more than ever, individuals and entities are demanding instantaneous information to remain connected. As a result, overcommunicating (which pre-corona was taboo) is now the new normal. Information is crucial and NASBA has ramped up its communications to keep State Board executive directors, Board members, licensees and CPA Exam candidates in the know.

For more than a century, NASBA has dedicated itself to enhancing the effectiveness of Boards of Accountancy by sharing regulatory updates, accounting news, guidelines and legislative changes. Under the current coronavirus crisis, there is deeper dependency on online communications and NASBA has shifted its communications strategy to respond to this necessity. We are committed to deliver relevant information and breaking news through our online channels with greater frequency and continued transparency.

In the last two months, for example, there has been a significant and concerted effort to increase posts on our social media channels: LinkedIn, Facebook, Twitter and Instagram. Our social media followership has increased to more than 131,000 followers. More

importantly, engagement among followers has increased more than 200 percent. State Board members, candidates, firms and licensees engaged on these channels are seeing the latest news and updates.

As news breaks, we will continue to email targeted communications to specific stakeholder groups (e.g., executive directors, Board members, licensees or candidates). We understand that everyone has different information requirements and we also know that information can be overlooked or lost in the bombardment of daily emails. In response, the Communications Team created the “NASBA RECAP” email blast, which summarizes the entire previous month’s communications. We hope this recap will give individual members the opportunity to select or review news and information most relevant to them.

Under this new communications strategy, the *State Board Report* newsletter, normally published monthly, will now be released on a quarterly basis (in conjunction with NASBA’s January, April, July and October Board meetings). The newsletter, in addition to providing the latest in regulatory developments, will include decisions and positions issued by the NASBA Board of Directors.

This new strategy to communicate early and often will also allow members to be selective while receiving timely and instantaneous information. We hope you will enjoy and join us in embracing the “New Normal.” ♦

Deadlines and Requirements Changed

Extraordinary times have called for extraordinary measures: As CPA testing centers were closed down, Prometric was cancelling scheduled appointments and was allowing candidates to reschedule at their convenience. NASBA recommended to all Boards of Accountancy that all candidates who have Notices to Schedule (NTS) expiring April 1 through June 30, 2020 be given an extension to September 30, 2020. In addition, the second quarter testing window was extended from June 10, 2020 to June 30, 2020. Then in late April, as some states were talking about starting back to business, Prometric announced it will resume testing for the CPA Examination in the United States as of May 1 in specific locations, as federal guidance has the CPA profession falling under “essential services.” Candidates have been advised to check <https://www.prometric.com/corona-virus-updates> for updates and site closure information.

NASBA also recommended Boards of Accountancy consider offering a grace period until October 31, 2020 for completing continuing professional education requirements for those licensees who have CPE reporting years ending on or before October 31, 2020. NASBA wrote to the Boards: “The use of a grace period will allow licensees adequate time to adjust their continuing education learning methods due to recent cancellations of conferences and live CPE events across the country, and to meet the growing demands

of their clients during this difficult time. It will also allow Boards of Accountancy the time to assess the impact COVID-19 has had on their operations and to prioritize important Board activities.”

Accountancy Boards have been working in different ways to serve the public. For example, Massachusetts allowed in-person visits by the public to the Board’s office, but only on an appointment basis. Nebraska went from one staff person at a time in its Board Office, to an all remote office when there was an increase in the COVID-19 threat. Virtual Accountancy Board meetings were made possible in Montana, Tennessee and Wyoming, and Delaware will allow the public to participate via phone. California is permitting documents to be scanned and e-mailed to a designated address.

The Texas Board, on March 12, adopted an emergency rule revision to its Rule 511.57 Qualified Accounting Courses to eliminate the requirement that at least 15 of a candidate’s 30 semester hours of upper division accounting courses must be from classes held in-person. This was done in recognition of many universities moving their classes online because of COVID-19 concerns. The revision is good for 120 days, commencing on March 12 but not retroactively, and may be extended for another 60 days by the Board.

How Boards are working through the COVID-19 environment will be discussed during NASBA’s June virtual Regional Meetings. ♦

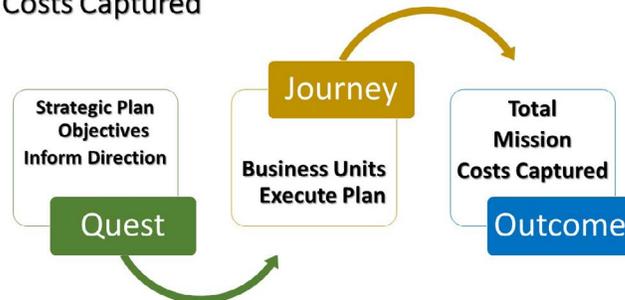
Matching Mission with Activities

A project to better evaluate NASBA's execution of its Strategic Plan was endorsed by the NASBA Board at their meeting on April 24. Beginning in January, the internal management team had identified 235 activities that align to the 13 areas described in NASBA's 2018-2023 Strategic Plan. NASBA Chief Sourcing & Strategy Officer Cheryl Farrar told the Board that 74 of the identified activities were mission-related and had not previously been captured. NASBA's Strategic Plan Smartsheet has been updated to include them. Many of the individual activities were found to address several of the 13 areas.

"This discussion led us to taking steps to capture the strategic objectives' costs, so they can be linked to the strategic plan," Ms. Farrar stated. The progress of these mission-related activities is being monitored throughout the remainder of the fiscal year and the Smartsheet updated on a regular basis.

NASBA Senior Vice President and Chief Financial Officer Michael Bryant reported: "One of the discussions led to quantifying the resources devoted to the Strategic Plan. In evaluating our execution of the Strategic Plan, we need some sort of comparative measure of where we are devoting our resources." Meaningful, measurable activities are being mapped to objectives and, where there is

Strategic Plan to Total Mission Services Costs Captured



redundancy, activities are being removed and gaps are being addressed.

The staff directors and managers of the business units are determining allocations of their respective activities to the Strategic Plan's objectives.

It has been recommended to Vice Chair Carlos Barrera (TX) that NASBA's current Strategic Plan be refined during 2020-2021 to refocus some objectives and clarify some definitions. ♦

ED/Legal Conferences Go Virtual



Grace Berger

As a result of attendance and travel restrictions, on March 18 the 2020 Executive Director and Society CEO Conference and the Legal Counsel Conference became NASBA's first virtual conferences. Attendance numbers for both conferences neared those of the same conferences' previous years' attendance, with approximately 197 individuals listening in as Executive Directors Committee Chair Grace Berger

(MT) welcomed all. The meetings covered ongoing topics such as legal cases, peer review, cybersecurity, and the Uniform CPA Examination, but also included sessions on contingency planning and Zoom as the coronavirus climate demanded.

"Contingency planning" was a late addition to the agenda, calling on NASBA Vice President – State Board Relations Daniel J. Dustin to report on how NASBA, AICPA and the Prometric testing centers were handling the coronavirus issue. NASBA had sent out recommendations to all states that CPA candidates who have expiration dates on their notices to test between April 1 until June 30 should be automatically extended until the end of September. As of March 13, most Boards had already approved the recommendation, Mr. Dustin reported, and NASBA would be reaching out to the candidates to update them.

Although much of the AICPA team is working from home, no impact on the Examination's scoring is anticipated, Mr. Dustin was told by AICPA Vice President Mike Decker. "We are organized to transmit scores to the Boards and follow our normal procedures," Mr. Dustin assured the Executive Directors.

The significance of meetings between the regulators and the professional associations was underscored in a presentation by Beth Thoresen, the American Institute of CPAs' Director of Peer Review Operations. Information about the peer review process, which years ago Accountancy Boards were told could not be made available to them through the AICPA's Facilitated State Board Access program, now are becoming accessible. The AICPA has transitioned its Peer Review Program from including 28 Administering Entities to now having only 14.

Ms. Thoresen reported that the Nevada Society of CPAs held a meeting in May 2019 with representatives from the six state Boards for which the Society serves as the Administering Entity of the peer review program. The meeting provided a valuable opportunity for the Society and the Boards to learn about each others' processes and they expect to hold a similar meeting later this year. She recommended other states hold similar meetings with their Administering Entities.

The AICPA's Facilitated State Board Access program, first launched in 2009, is now giving access to firm information to 45 State Boards. As of January 2020, firms in 15 states are requiring some form of facilitated access for re-licensure.

AICPA polled the State Boards to find out what more information would be helpful to them, and 42 Boards responded with their requests. Ms. Thoresen explained: "Now when firms are enrolling, or re-enrolling in the peer review program, they give permission on what information will be shared." New information items added to the list of shareable reports include:

1. Enrolled Firms
2. Firms Expanding Access
3. Firms with Accepted Reviews
4. Firms by Report Grade
5. Firms with Pass with Deficiencies or Fail Report Grades
6. Dropped and Terminated Firms.

The AICPA has prepared a six-page frequently asked question document <https://www.aicpa.org/content/dam/aicpa/advocacy/state/downloadabledocuments/fsba-faq-sboas.pdf> to explain all the information currently available to the Boards and has also prepared a video on the FSBA.

Ms. Thoresen said the coronavirus is expected to impact the dates of peer reviews and the AICPA is considering a webinar for State Boards on that topic. The Administering Entities already have the authority to permit off-site system reviews without advance permission. Those firms that can't accommodate off-site reviews can request extensions. ♦

ARPL Makes a Difference



Skip Braziel

Metrics show that the Alliance for Responsible Professional Licensing (ARPL) is making a difference, reported Skip Braziel, AICPA Vice President of State Regulatory and Legislative Affairs, during a webinar for the State Board executive directors held on March 31. NASBA is a member of ARPL, along with eight other organizations that in total represent over 700,000 licensed professionals. ARPL's advertising campaign

has reached millions of people and there are more than 23,000 users of its website. The Alliance is developing content, including talking points, letters to the editor, testimonials, videos and targeted geographical messages, to drive its message that professional licensing is different from other types of licensing.

Thirty-seven State Boards of Accountancy have been in existence for more than a century, John Johnson, NASBA Director of Legislative and Government Affairs, told the webinar's audience. He explained that anti-regulation groups have been half-telling stories: "What they view as barriers, we view as standards. The standards provide a level playing field and should not be viewed as barriers: It would be

dangerous to do so," he remarked.

In 2019 ARPL conducted a survey asking people what they thought about professional licensing. While 75 percent of the respondents felt insuring qualifications for certain professionals is important, when asked how they felt about changing professional licensure, 43 percent replied they did not know.

Mr. Braziel said the key takeaway from the poll was that although the respondents appreciated professional licensing, most did not understand how the boards or licensing works and are open to persuasion. "We need to connect our stories to people's everyday lives," he advised. There is a need to: (1) continue to remind the public of unintended consequences, (2) to back up the message with data, and (3) when talking to legislators to have research-based arguments.

Mr. Braziel recommended the Boards check ARPL's material on <http://www.responsiblelicensing.org>. Mr. Johnson reminded all that current state-by-state information on anti-regulation and other legislation can be found on NASBA's website <https://nasba.org/mc/legislative-support/legislativetracking>. ♦

NASBA Responds to BOE and PCAOB

NASBA encourages the AICPA to continue to evolve the Uniform CPA Examination by introducing additional analysis and evaluation simulations across the sections, but is also concerned about de-emphasis of business law topics on the Examination, as stated in its April 30, 2020 response to the AICPA Board of Examiners' "Maintaining the Relevance of the Uniform CPA Examination: An Exposure Draft and Invitation to Comment," <https://nasba.org/app/uploads/2020/05/April-30-2020-NASBA-Response-to-Practice-Analysis.pdf>. The letter documents NASBA's support for the removal of essay questions in BEC, but urges "the AICPA to continue research projects into testing communication in conjunction with content and skills for inclusion in future versions of the Exam."

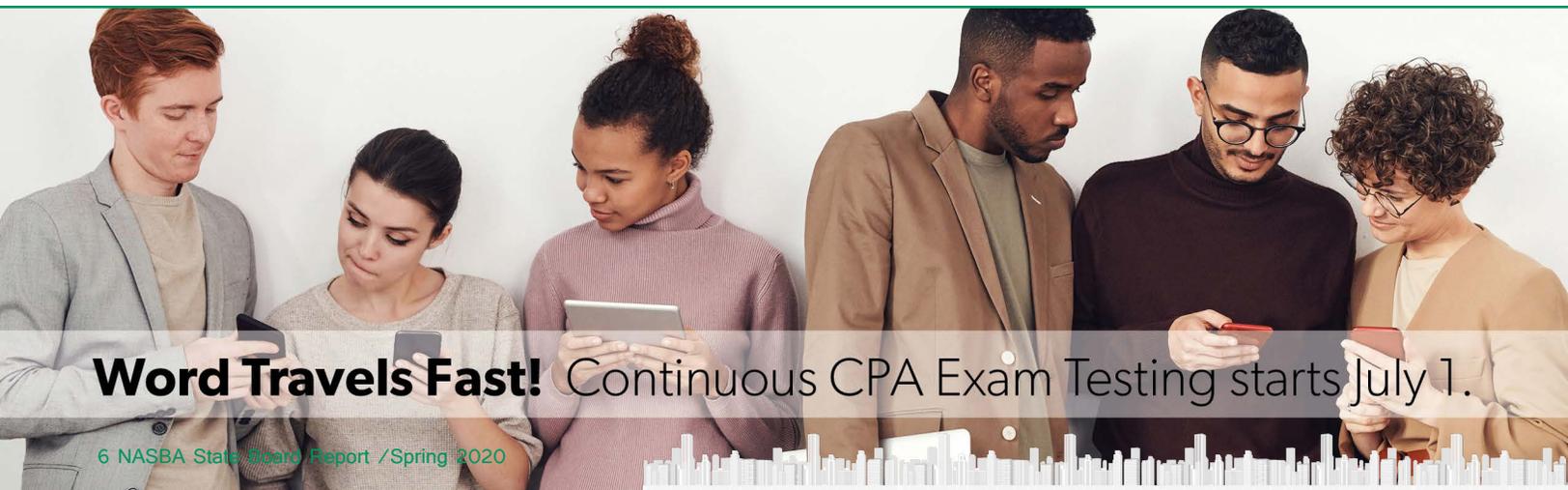
The NASBA response letter was developed by several NASBA Committees over the past few months and: "All who participated in drafting the NASBA response believe that completely removing state and local (S&L) government accounting from the Exam is inappropriate. All feel that, at a minimum, basic coverage should be retained," the letter from Chair Laurie J. Tish and President and CEO Ken L. Bishop states.

Aligning the Public Company Accounting Oversight Board's quality control standards with the proposed international standards is supported by NASBA, states NASBA Chair Tish's and President and CEO Bishop's March 11, 2020 letter in response to the PCAOB's concept

release entitled "Potential Approach to Revisions to the PCAOB Quality Control Standards." It states: "Aligning standards allows CPAs and firms to adopt responses to be utilized across engagement teams and within their networks/affiliations." They also voice support for principles-based standards, rather than rules-based standards, "as that approach would help with the scalability of quality control standards for smaller firms."

The PCAOB asked for comments on the sufficiency of principles-based requirements to prompt firms to identify and respond to risks. The NASBA letter states: "We believe that supplemental direction is needed. It would be helpful for the PCAOB to issue guidance, including illustrative QC policy documents, especially for the envisioned incremental content for PCAOB audits. The guidance should include illustration of how the content could be scaled for audits of less-complex entities."

Read NASBA's full response on <https://nasba.org/app/uploads/2020/03/Mar-11-2020-NASBA-Response-to-PCAOB-QC-Release.pdf>. Letters in response to the International Ethics Standards Board of Accountants' exposure drafts on non-assurance services and on fee-related provisions of the international Code of Ethics for Professional Accountants will be released in May. These will also be posted on the publications page of NASBA's website as they are submitted. ♦



Word Travels Fast! Continuous CPA Exam Testing starts July 1.

Tacking on to COVID-19

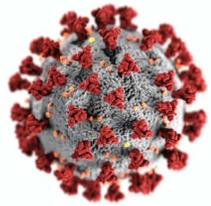
While State Accountancy Boards may be focused on keeping their activities running smoothly despite COVID-19 limitations, others are looking at this as a time to promote their legislative agendas. NASBA Director of Legislative and Governmental Affairs John Johnson warned NASBA's Regional Directors on April 23 that the Heritage Foundation's National Coronavirus Recovery Commission recommended to states, in their *COVID Recovery Report* (page 5), the removal of occupational licensing requirements. The Report also recommends reciprocity expansion:

"The Commission recommends that states remove occupational licensing requirements. States have imposed numerous occupational licensing requirements that in many instances are simply artificial barriers to entry that can inhibit individuals' ability to pursue entrepreneurial work. These should be eliminated. Similarly, states should extend reciprocity so that licensed individuals in one state are not subject to additional requirements in the new state. Eliminating or significantly reducing occupational licensing requirements can help to get people back to work and can also provide a state with access

to individuals with high-demand skills. For example, Massachusetts created a one-day approval process to license doctors with out-of-state licenses as a means to expand access to medical care in response to the virus."

The Goldwater Institute has also recently released a paper that lays out several goals: "We propose four separate reforms. First, we recommend legislation that would amend state administrative codes to eliminate judicial deference to agency decision-making. Second, we recommend Right to Earn a Living legislation that imposes a more protective legal standard in occupational licensing cases. Third, we suggest model legislation that requires agencies to issue permits based on clear, unambiguous standards and comply with strict deadlines. Finally, we recommend a regulatory reset that requires the legislature to re-authorize regulations on a regular basis."

President Ken L. Bishop advised the NASBA Board: "State Boards should be super aware of anti-regulation legislation appearing. We are capable of defending good legislation and are ready to get into the debate." ♦



2020 First Virtual Regionals

NASBA's 2020 Western Regional Meeting will be held June 3-4 and NASBA's 2020 Eastern Regional Meeting will be held June 10-11 -- both on line. No travel to arrange, no rooms to book, no time wasted in the airport – but also no receptions, no catching up with friends and no meeting new people. On the positive side, the virtual meetings will be an opportunity for Board members and staff who might not otherwise have the funding to attend a NASBA Regional Meeting to be part of this year's Regionals. We are looking forward to larger participation than ever.

Plans now call for presentations on the progress of the CPA Evolution Initiative, proposed Uniform Accountancy Act Model Rules on education, how Boards are facing and working through the COVID-19 challenge, cybersecurity concerns, legal updates, legislative battles and what was learned from the Board of Examiners' Practice



Analysis. Thanks to the features of ZOOM, there will be Regional breakout sessions and voting for Nominating Committee members.

This year nobody will need to consult the "what to wear" guide – just come as you are. Check the NASBA website for registration details soon. ♦

Global Study of Profession Concluded

With the retirement of Professors Gert Karreman and Hans Verkruijsse, they have concluded their research on the accounting profession, which was aided by NASBA. Their final report, entitled "A Conceptual Competency Framework for Accountants in Regulated Functions, for Accountants in Business and for Accounting Technicians" was released at the beginning of this year. It is based on the global development of accountancy education and the current status of recognition of professional qualifications.

The research team concluded: "...due to globalization and the influence of international standards (including the International Education Standards), convergence between professional accountancy qualifications is happening. It is up to the stakeholders to find new ways to address recognition of qualifications between different countries. The principle of substantial equivalence (instead of equality) is a useful, and probably necessary, tool to achieve this objective."

Their research spanned over two decades, with the project's first publication in 2002. Over the years many experts aided their work. Dr. Karreman was awarded the NASBA Accounting Education Research Grant in 2012 for his work with Dr. Belverd E. Needles on

the conceptual model for analyzing accountancy qualifications internationally, which they reported on to NASBA in March 2013. NASBA's former director of governmental, international and professional affairs, Linda Biek, now the Hong Kong Institute of CPAs' director of compliance, was one of the experts thanked by the researchers for her part in the project.

Drs. Karreman and Verkruijsse ask: "Twenty years after the first study an important question is how well did accountancy education cope with its new environment?" They observe that International Education Standards are providing a global standard for accounting education and standards like IFRS and ISA are being adopted on a country level. A competency approach is replacing the theoretical approach to accountancy education. They believe this type of approach should be furthered "in particular in regard to work in the IT environment"

Although the professors see recognition of qualifications developing well among countries, they also point out such recognition is lagging for those countries that do not use "some major languages like English and French" or that are outside "regional conglomerates (like the EU)." ♦



Alabama State Board of Public Accountancy

NASBA, AICPA and Prometric Invoke Emergency Testing Period

In anticipation of the reopening of Prometric test centers and in response to the COVID-19 situation, NASBA, AICPA and Prometric have made the decision to invoke an emergency testing period. We understand candidates are concerned about their testing options and, therefore, we are implementing this emergency testing period to provide additional testing opportunities. As part of this procedure, the 20Q2 testing window will be extended from June 10, 2020, to June 30, 2020.



As previously noted, NASBA will extend all NTSs expiring between April 1 – June 30, 2020, until December 31, 2020, and Prometric will waive all rescheduling fees.



Board Grants Extensions in Response to the Prometric Test Center Closures

Notice to Schedule (NTS) & Exam Credit Extensions

All NTS and Exam credit with expirations from April 1, 2020 to December 30, 2020, will be extended until December 31, 2020. At this time, no action is required by candidates and there is no need to contact NASBA or the Alabama State Board of Public Accountancy. NASBA will automatically update your NTS expiration and credit expiration and will send you an email verification.

Prometric Test Center Closures

On March 17, 2020, the Alabama Board e-mailed candidates regarding the closure of test centers due to COVID-19. Effective May 1, Prometric has re-opened and continues to re-open test centers in selected areas of the United States and Canada minimally impacted by the virus. As the virus shifts throughout the country, decisions will be made to close some test centers and open others as it becomes prudent. Please consult [Prometric's website](#) for test center status and availability.

In order to protect the health and wellbeing of test takers and staff, specific social distancing procedures will be implemented. This will require that fewer testing appointments be available to schedule in order to allow appropriate distance between test takers in the centers. Additional operating guidelines will include allowing candidates to wear masks, wiping down all desks between test events, ongoing disinfection of test centers and more. Information and instructions about new procedures at test centers will be provided to all scheduled candidates.

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CONTINUOUS TESTING

During this unique time, we understand CPA Exam candidates are concerned about their testing options. Although Prometric Test Centers in many parts of the world are currently closed due to the COVID-19 virus, we wanted to share some good news with you.

In response to numerous candidate requests, we are pleased to announce Continuous Testing for CPA Exam candidates will begin July 1, 2020. Under the new Continuous Testing model, candidates will have the ability to take the Exam year-round, without restriction,

other than waiting to receive scores from prior attempts of the same section or when there is a major change to the Exam. Continuous Testing will replace the existing CPA Exam Testing Window model, which only permits candidates to test during designated time frames each calendar quarter.

The Alabama Board has already made the necessary Rule changes to allow for continuous testing. Candidates who test through Alabama will be able to test under the new continuous testing model when it begins July 1.

PEER REVIEW EXTENSIONS

The following information was sent out by e-mail to effected firm resident managers on May, 8, 2020, in response to the AICPA Peer Review Board meeting on May 7, 2020. Although your firm may have been granted a peer review extension through PRIMA you MUST also request a peer review extension from the Alabama State Board of Public Accountancy. Please mail or email your peer review extension request, including the extension approval from the peer review administrating entity, to:

Ms. Anna Baker
Anna.baker@asbpa.alabama.gov
PO Box 300375
Montgomery AL 36130-0375

Excerpt from Article in the Journal of Accountancy:

“On May 7, 2020 the AICPA Peer Review Board granted six-month extensions for peer reviews, corrective actions, and implementation plans with original due dates between Jan. 1 and Sept. 30 of this year. The PRB took the action to relieve firms that are struggling because of the impact of the coronavirus pandemic on their daily operations and their clients. Despite the extended due dates, firms do not need to wait an additional six months and are encouraged to have their reviews performed as soon as they are able.”

To view the full article, [click here](#).

Online Exam Applications for New Exam Candidates

Both New and Re-Exam candidates can now submit an on-line application to take the CPA exam. If you are a re-exam candidate who has never applied online, before you begin the application process you will need the following:

1. Your Jurisdiction ID
2. The dates and grades received on sections previously tested

Since the online application process is new for some candidates, there could be some issues along the way. If you come across any problems while completing your application online, please first contact Alabama Interactive by [email](#) or phone at 334-261-1990. If you have questions about the application process itself, your main contact at the Board office will be Ms. [Anna Baker](#).

[Exam Application](#)

<https://www.asbpa.alabama.gov/exam.aspx>

What You Need to Know about CPE

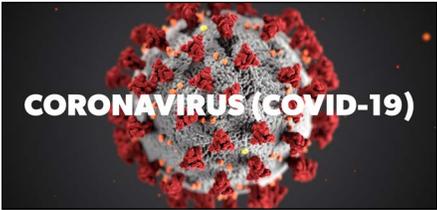
The CPE Rules have been updated with extensive changes that can be viewed on our website. These new changes apply to all hours earned on or after October 1, 2019, so make sure you know the requirements before renewal begins on October 1, 2020.

- 1. The CPE Rules have been updated.** Some of the most notable changes include the addition of a **2 hour ethics requirement**, the elimination of limits on self-study, expansion of out of state CPE reciprocity and a new way to calculate CPE hours (See the chart at the end of this article).
- 2. You MUST have documentation for the CPE you report.** All CPE must be independently verified by the course sponsor. Active licensees must obtain certificates of completion from course sponsors and retain them for a period of 5 years. If you have a question about whether the documentation you received for a course is acceptable, please contact the Board.
- 3. Do not report a course on your registration form that you cannot support with documentation.** You are signing under penalty of perjury that all representations are true and accurate, so make sure that your CPE certificates support each course you claim on your form. Claiming a course that you cannot support with acceptable documentation is grounds for disciplinary action.
- 4. You are responsible for making sure that course sponsors mark your attendance.** Please make sure that you sign in and out. If you forget to sign in or out, the course sponsor does not have to give you credit for attending the entire course. Be sure to sign in and out when you attend a live course and make sure you stay logged in the entire time during webinars. If you walk away from your computer, your attendance may not be documented, and the course sponsor may not issue you CPE credit.
- 5. Self-study CPE must be a formal course of study with an evaluation.** Reading journal articles on your own and other such independent study are not considered self-study CPE. Each self-study course must be a formal course of study, and the course sponsor must use a qualified assessment to evaluate completion before credit is allowed.
- 6. Know your fields of study.** The field of study should be listed on each of your certificates; it will determine how you can claim the course on your registration form. Please note that if the field of study is taxation or finance, you cannot claim it for accounting and auditing CPE. Only accounting or auditing fields of study may be claimed for accounting or auditing CPE. Your documentation should line up with your reporting. If you have any questions regarding field of study in general or questions about the field of study for a specific course, please contact the Board.
- 7. The Board has a CPE Approval Process in place.** If you find an industry specific conference or course you would like to attend that will contribute to your professional competence in your line of work, you can seek to have the course approved for CPE. The Board reviews courses daily and works with sponsors from many different industries that overlap with the professional work of our licensees. There is a CPE Approval Request form on the Board's website that can be submitted by either an attendee or sponsor representative. If you request approval as an attendee, you must work with the course sponsor to get independently verifiable documentation that is required for your records. If the sponsor does not provide you with a certificate of completion or attendance, you cannot claim it for CPE.
- 8. The Board staff is available to help with any questions you might have about CPE.** Please do not make assumptions that the CPE you have always been claiming is acceptable. The Rules have changed, documentation is required, and it is your responsibility to make sure you meet the requirements. Thus, if you are unsure about the CPE that you would like to claim, please reach out to the Board with any questions you might have. Nicole Robinson is the CPE Administrator and her contact information is at the end of this newsletter.

CALCULATIONS OF HOURS OF CREDIT CHART

Qualifying CPE Program	Minimum initial credit that must be earned	After first credit has been earned, credit may be earned in these increments
Group	One (50 minutes)	One-fifth or one-half
Blended learning	One (50 minutes)	One-fifth or one-half
Self-study	One-half (25 minutes)	One-fifth or one-half
Nano-learning	One-fifth (10 minutes)	Not applicable (single nano-learning program is one-fifth credit)





COVID-19's Effect on CPE

The Board sent out the following e-mail regarding beneficial CPE delivery methods Rule changes in light of course cancellations due to COVID-19. If you find that after searching for available online options for CPE you are still unable to complete your CPE by September 30, 2020, you may submit an e-mail request for a CPE extension to Nicole Robinson. Any individuals who request a CPE extension must use the paper registration form when submitting their 2020-2021 Registration Form and will not be able to use the online process with credit card option. Please be sure to exhaust all other CPE options available to you before submitting a CPE extension request.

In the midst of CPE course cancellations and changes in delivery method, please note that the Alabama Board has been proactive in moving to more fluid formats of CPE that will make completion of your CPE hours during this trying situation much easier. The CPE Rules were changed effective October 1, 2019, to remove the cap on self-study hours, allowing all 40 of your CPE hours to be completed by self-study if you so choose. Please review the summary of CPE Rule changes as you plan out the remainder of your CPE courses for this fiscal year.



FOCUS ON ENFORCEMENT

The Alabama State Board of Public Accountancy is committed to protecting the public, and this protection of the public requires an active focus on enforcement. One major step the Board has taken in the area of enforcement is the hiring of an Enforcement Coordinator. On October 1, 2019, Teresa Taylor moved into this position. If Teresa's name sounds familiar, it is because she has been serving the Board since 2004 as the Executive Assistant. Teresa's skilled attention to detail and heart for making sure the Board office ran well made her the perfect candidate for the job. Teresa works side by side with Executive Director Boyd Busby to make sure no rock is unturned when it comes to protecting the public of Alabama.



Teresa Taylor

Some of the activities the Board staff have implemented include the following:

- Researching CPAs with an inactive or retired status that continue to practice public accountancy,
- Inquiries made to a non-Alabama CPA about their status on applying or completing reciprocal license. This would include out of state CPAs whose principle place of employment is in Alabama who are required to hold an Alabama CPA license,
- Inquiries made to firms that have multiple open businesses with the Secretary of State (The Board allows a CPA to own and operate only one CPA firm),
- New CPAs that have not registered within 6 months of being licensed, and
- CPAs that registered as having an active PTIN, that work on their own, but have not registered as a firm (The Board considers this practicing).



**A SPECIAL THANK YOU TO THE UNIVERSITY OF ALABAMA
AND TROY UNIVERSITY FOR HOSTING THE BOARD'S
NOVEMBER 2019 AND JANUARY 2020 BOARD MEETINGS.**



Members of the Alabama State Board of Public Accountancy attend the board meeting at the University of Alabama.



Members of the Alabama State Board of Public Accountancy attend the board meeting at Troy University.



Members of the Alabama State Board of Public Accountancy with Troy Chancellor Dr. Jack Hawkins.

UPCOMING BOARD MEETING DATES

July 17, 2020

Board Office in Montgomery, AL

September 16, 2020

Auburn University in Auburn, AL

NOTE: Board meetings are open to the public. Applicants, candidates, and licensees are encouraged to attend.

SOCIAL MEDIA

The ASBPA is now on Facebook and Twitter! Follow us for the latest news and updates!



IMPORTANT INFORMATION!

The following information must be reported to the Board within 30 days of a change. Not reporting such information has led to missed communication and even revocation of CPAs and PAs. It is the CPA's responsibility to notify the Board of:

1. Change of address
2. Change of employer
3. Change of Resident Manager
4. Firm Opening or Closing





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Fairhope



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Mobile



Wilhelmus "Wim" J. Schaffers, CPA
Birmingham



Connie Sheppard-Harris, CPA
Birmingham

STATE BOARD OF ACCOUNTANCY STAFF



D. Boyd Busby, CPA
Executive Director
(334) 242-5709
boyd.busby@asbpa.alabama.gov



Amy G. Thompson
Senior Accountant
(334) 242-5707
amy.thompson@asbpa.alabama.gov



Anna M. Baker
CPA Exam Coordinator
(334) 242-5706
anna.baker@asbpa.alabama.gov



Nicole T. Robinson
CPE Administrator
(334) 242-5712
nicole.robinson@asbpa.alabama.gov



Teresa R. Taylor
Enforcement Coordinator
(334) 242-5703
teresa.taylor@asbpa.alabama.gov



April Bird
Systems Administrator
(334) 242-5704
april.bird@asbpa.alabama.gov

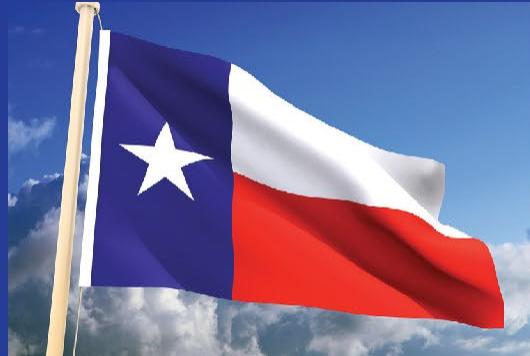


Hannah Campbell
Executive Assistant
(334) 242-5700
hannah.campbell@asbpa.alabama.gov



Wesley Reid
Special Projects





TEXAS STATE BOARD REPORT

A Quarterly Newsletter for Licensees

Vol. 143 | May 2020

NEWS & UPDATES

Governor Abbott Appoints New Board Member



On April 20, 2020, Governor Greg Abbott appointed new Board member **Jeannette P. Smith, CGMA, CPA** to serve a six-year term on the Texas State Board of Public Accountancy (TSBPA). Ms. Smith is the Partner-in-Charge of the Rio Grande Valley unit of Carr, Riggs & Ingram (CRI) LLC, where she focuses in the areas of tax and audit, IRS representation, tax consulting, and accounting services. Ms. Smith is also responsible for continuing

education of all CRI professional staff, and keeping current with tax laws and auditing standards. She manages all human capital, budgets, and performance of the of the CRI accounting practice.

Ms. Smith served on the board of directors of the Texas Society of Certified Public Accountants (TXCPA) and is a past president of the Rio Grande Valley Chapter. She is a member of the TXCPA and the Rio Grande Valley Chapter of the TXCPA, and a member of the American Institute of Certified Public Accountants (AICPA) where she serves on the AICPA Council. She is involved in civic activities including advisory board member of BBVA Bank, advisory board member of The University of Texas Rio Grande Valley School of Accountancy, and finance committee member of Our Savior Lutheran Church. Ms. Smith received a Bachelor of Business Administration in Accounting from the University of Houston.

The TSBPA would like to congratulate Ms. Smith and welcome her to the Board. ■

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CONTINUING PROFESSIONAL EDUCATION (CPE) SPONSORS
SUCCESSFULLY COMPLETING REVIEW (as of April 13, 2020)

Registration Status: A = Currently active E = Currently expired

Sponsor #	Sponsor Name	Date of Next Review	Status
010334	Ahuja & Clark, PLLC	06/01/2022 - 05/31/2023	A
001525	American Airlines, Inc.	05/01/2022 - 04/30/2023	A
002938	Bell Helicopter Textron, Inc.	06/01/2022 - 05/31/2023	A
006908	Columbus US	07/01/2022 - 06/30/2023	A
005146	Commercial Metals Company	05/01/2022 - 04/30/2023	A
004579	CPE	06/01/2022 - 05/31/2023	A
010470	Desroches Partners, LLP	04/01/2022 - 03/31/2023	A
009308	Engie North America, Inc.	05/01/2022 - 04/30/2023	A
008745	Flowserve Corporation	07/01/2022 - 06/30/2023	A
009716	Fluor Corporation	05/01/2022 - 04/30/2023	A
004662	Govt Treasurer's Organization of Texas	07/01/2022 - 06/30/2023	A
000837	Houston Society of Chinese American CPAs	06/01/2022 - 05/31/2023	A
009496	Institute For Excellence in Corporate Governance	06/01/2022 - 05/31/2023	A
005547	Invesco	04/01/2022 - 03/31/2023	A
002819	J.C. Penney Co., Inc.	04/01/2022 - 03/31/2023	A
010085	Jack Broyles and Associates	06/01/2022 - 05/31/2023	A
010408	Latham & Watkins	06/01/2022 - 05/31/2023	A
010469	Lubbock Christian University	04/01/2022 - 03/31/2023	A
004457	Lyondell Basell Industries	06/01/2022 - 05/31/2023	A
000768	Midland College	05/01/2022 - 04/30/2023	A
006054	National Oilwell Varco	04/01/2022 - 03/31/2023	A
010003	Phillips 66	06/01/2022 - 05/31/2023	A
010404	Postlethwaite & Netterville, APAC	05/01/2022 - 04/30/2023	A
010251	ScottHulse PC	03/01/2022 - 02/28/2023	A
008311	Tax Executives Institute - Austin Chapter	05/01/2022 - 04/30/2023	A
007643	Tax Executives Institute - Ft Worth Chapter	06/01/2022 - 05/31/2023	A
002013	Texas State Agency Business Administrators Association	02/01/2022 - 01/31/2023	A
005178	Tokio Marine HCC	06/01/2022 - 05/31/2023	A
003541	Trinity Industries, Inc.	07/01/2022 - 06/30/2023	A
009410	Turner, Stone & Company, LLP	06/01/2022 - 05/31/2023	A
000710	University of Tulsa - CESE	04/01/2022 - 03/31/2023	A
010257	Venturity Financial Partners	04/01/2022 - 03/31/2023	A
001513	Vistra Energy	05/01/2022 - 04/30/2023	A
002300	West Texas Women's Certified Public Accountants	07/01/2022 - 06/30/2023	A
008968	Wood Group USA Inc.	07/01/2022 - 06/30/2023	A

• Check the Board website at www.tsbpa.texas.gov for qualified CPE sponsors before enrolling in a CPE course.

TEXAS STATE BOARD OF
PUBLIC ACCOUNTANCY

333 Guadalupe
Tower 3, Suite 900
Austin, TX 78701-3900

BOARD MEMBERS

Manuel (Manny) Cavazos IV, Esq., CPA
Presiding Officer

Roselyn (Rosie) Morris, Ph.D., CPA
Assistant Presiding Officer

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KIMBERTY E. WILKERSON, Esq.
Executive Member-at-Large

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JAMIE D. GRANT

JAMES D. (JIM) INGRAM IV, CPA

Kevin J. Koch, CPA

Debra D. Seefeld, CPA

Debra S. Sharp

JEANNETTE P. SMITH, CGMA, CPA

Joyce A. Yannuzzi

Executive Director

William Treacy

Editor

JULIE PRIEN

Accounting/Administration

(512) 305-7800

FAX (512) 305-7854

accounting@tsbpa.texas.gov

CPE

(512) 305-7844

FAX (512) 305-7875

licensing@tsbpa.texas.gov

Enforcement

(512) 305-7866

FAX (512) 305-7854

enforcement@tsbpa.texas.gov

Executive Director

(512) 305-7800

FAX (512) 305-7854

executive@tsbpa.texas.gov

Licensing/Peer Review

(512) 305-7853

FAX (512) 305-7875

licensing@tsbpa.texas.gov

Publications

(512) 305-7804

FAX (512) 305-7875

publicinfo@tsbpa.texas.gov

Qualifications

(512) 305-7851

FAX (512) 305-7875

exam@tsbpa.texas.gov

In March 13, 2020, Governor Greg Abbott declared a state of disaster for all Texas counties as a result of the novel coronavirus (COVID-19) pandemic and extended the disaster declaration on April 13, 2020. The Texas State Board of Public Accountancy (TSBPA) office has remained open and operational and we have continued to perform the essential functions of our agency while providing the highest level of service possible. To protect our staff from exposure to the virus, our physical office is temporarily closed to visitors and the public, and the majority of our staff is temporarily telecommuting. This may cause minor delays in service and we recommend that you use email for the quickest response. The TSBPA has also responded to COVID-19 by granting extensions, adopting an emergency rule revision, cancelling the June swearing-in ceremony, and hosting a virtual May Board meeting.

Extensions

- **Fingerprinting:** If you need to be fingerprinted to meet the new legislative requirement, you may decide to delay your appointment until the heightened safety guidelines have been relaxed. Your license will not be held if your fingerprints are not completed by the end of your upcoming renewal month.
- **Continuing Professional Education (CPE):** Continuing professional education (CPE) extensions will be automatically granted **through August 2020 for May, June, and July** individual license renewals. However, we still encourage you to complete your CPE as soon as possible. If your in-person CPE courses are being delayed or canceled, please consider online CPE providers and options to bridge any near-term gaps in needed credits.

If your 2021 license renewal is due in:	Your CPE is due by the end of:
March	June 2020
April	July 2020
May, June, or July	August 2020
August	August 2020

- **License Renewal Payments:** Payment processing will proceed without interruption. We encourage you to make your requisite renewal payments prior to the end of your renewal month.
- **CPA Exam Credit Extensions:** All Texas CPA Exam candidates with one or more credits on the CPA Exam that will expire on or before June 30, 2020, will be granted a 90-day extension of the credit to September 30, 2020.
- **20Q2 Testing Window Extension:** The National Association of State Boards of Accountancy (NASBA) invoked an emergency CPA Exam testing window to extend the 20Q2 testing window from June 10, 2020, to June 30, 2020. Additionally, NASBA will extend all NTSs expiring between April 1 – June 30, 2020, until September 30, 2020, and Prometric will waive all rescheduling fees.

Emergency Rule Revision to Qualified Accounting Courses

The TSBPA adopted an emergency rule revision to [Rule 511.57 Qualified Accounting Courses](#). The rule revision has temporarily eliminated the requirement for candidates to take at least 15 of their 30 semester credit hours of upper division accounting courses from classes held in-person during the spring 2020 semester. The Board made the decision to adopt this emergency rule revision because many universities moved classes online amid COVID-19 concerns.

The Board adopted the revision at its March 12, 2020 Board meeting. This change is effective immediately but will not apply retroactively. The emergency rule revision is good for 120 days and may be extended for an additional 60 days by Board action. At its May 14, 2020 meeting, the Board will consider permanently eliminating the required classroom hours; thereby permitting all advanced accounting classes to be taken online at a Board-recognized educational institution in order to qualify to take the CPA Exam.

June 13, 2020, Swearing-In Ceremony Canceled

After careful consideration and in light of the ongoing efforts to curb the expansion of COVID-19, the Board has decided to cancel the June 13, 2020 Swearing-in-Ceremony. Candidates who were eligible to attend were sent further communications regarding their CPA certificates, which they will receive in the mail. The distinguished Texas CPAs who have maintained their licenses for 50 years will be mailed a certificate of achievement to commemorate this important milestone. Stay tuned for updates and please be responsive to subsequent communications as we continue our process of printing and distributing Texas CPA certificates and 50-year licensee certificates of achievement.

We appreciate your understanding during these difficult times. Online services are available 24/7 at www.tsbpa.texas.gov and remain the best source of information from the Board and provide tools for managing your individual and firm license renewals. We will be providing up-to-date information at www.tsbpa.texas.gov and also on our Facebook and Twitter accounts, so please check back often. ■

ENFORCEMENT ACTIONS

Ratified at the March 12, 2020 Board Meeting

AGREED CONSENT ORDERS BEHAVIORAL ENFORCEMENT COMMITTEE

- 1. Investigation No.: 19-09-07L**
Respondent: Jayesh Dindayal Patel
Hometown: Comfort, TX
Certificate No.: 100214
Rule Violation: 501.90(4)
Act Violations: 901.502(6), 901.502(10), 901.502(11)

Respondent entered into an agreed consent order (ACO) with the Board whereby Respondent's certificate was revoked for a period of 10 years from the effective date of the Board Order; however, the revocation was stayed, and Respondent was placed on probation for 10 years. In addition, Respondent must pay \$339.39 in administrative costs within 30 days of the date of the Board Order and must participate in a consultation and evaluation with the Accountants Confidential Assistance Network (ACAN).

Respondent received 10 years deferred adjudication for the felony offense of Aggravated Assault with a Deadly Weapon.

- 2. Investigation No.: 19-08-06L**
Respondent: Christopher Fuller Nesmith
Hometown: Coppell, TX
Certificate No.: 108010
Rule Violation: 501.90(4)
Act Violations: 901.502(6), 901.502(10), 901.502(11)

Respondent entered into an ACO with the Board whereby Respondent's certificate was revoked for a period of two years from the effective date of the Board Order; however, the revocation was stayed, and Respondent was placed on probation for two years. In addition, Respondent must pay \$390.34 in administrative costs within 30 days of the date of the Board Order and must participate in a consultation and

evaluation with the Accountants Confidential Assistance Network (ACAN).

Respondent received two years deferred adjudication for the felony offense of Possession of a Controlled Substance.

TECHNICAL STANDARDS REVIEW COMMITTEE

- 1. Investigation No.: 19-11-03L**
Respondent: John Ramon Gramstad
Hometown: McKinney, TX
Certificate No.: 114317
Rule Violation: 501.81
Act Violations: 901.401, 901.502(6), 901.502(11)

Respondent entered into an ACO with the Board whereby Respondent was reprimanded and ordered to pay \$1,500 in administrative penalties and \$136.47 in administrative costs within 30 days of the Board Order.

Respondent issued reviewed and compiled financial statements without a firm license.

- 2. Investigation No.: 19-05-11L**
Respondent: Ntianu Onyekachi Okam
Hometown: The Woodlands, TX
Certificate No.: 088199
Rule Violation: 501.81
Act Violations: 901.401, 901.502(6), 901.502(11)

Respondent entered into an ACO with the Board whereby Respondent was reprimanded and ordered to pay \$1,000 in administrative penalties and \$273.13 in administrative costs in monthly installment payments over a period of one year from the date of the Board Order.

Respondent issued reviewed financial statements for a non-profit corporation without a firm license.

- 3. Investigation No.: 19-05-01L**
Respondent: Roosevelt Johnson, Jr., CPA, P.C. (Firm)
Hometown: Tulsa, OK
Firm License No.: C09191
Rule Violation: 501.60
Act Violations: 901.502(6), 901.502(11)

Respondent entered into an ACO with the Board whereby Respondent was reprimanded, placed on limited scope prohibiting it from performing U.S. Department of Education audits for a period of one year from the date of the Board Order and ordered to pay \$2,500 in administrative penalties and \$812.32 in administrative costs within 30 days of the Board Order.

Respondent issued audited financial statements for a school which were filed with the U.S. Department of Education that failed to meet Generally Accepted Auditing Standards, Statement of Standards for Attestation Engagements, Government Auditing Standards and the U.S. Department of Education Audit Guide for Student Financial Assistance.

- 4. Investigation No.: 19-03-11L**
Respondent: Blessing Okocha-Ezeude
Hometown: Houston, TX
Certificate No.: 060235
Rule Violation: 501.81
Act Violations: 901.401, 901.502(6), 901.502(11)

Respondent entered into an ACO with the Board whereby Respondent was reprimanded and ordered to pay \$1,000 in administrative penalties and \$327.75 in administrative costs within 30 days of the Board Order.

Respondent issued audited financial statements for a career school which were filed with the Texas Workforce Commission Career Schools Division without a firm license.

Continuing Professional Education Actions

The respondents listed below were not in compliance with the Board's continuing professional education (CPE) requirements as of the date of the Board meeting. Each respondent was suspended for the earlier of a period of three years, or until the respondent complies with the licensing requirements of the Act. Additionally, a \$100 penalty was imposed for each year the respondent continues to be in non-compliance with the Board's CPE requirements. The respondents were found to be in violation of Board Rule 523.111 (Required CPE Reporting) and 501.94 (Mandatory Continuing Professional Education), as well as Section 901.411 (CPE) of the Act.

Respondent / Location	Board Date
Anna Lou Elliott Anderson, Beaumont, TX	03/12/2020
Usman Azam, Round Rock, TX	03/12/2020
Cynthia Kay Barham, Lantana, TX	03/12/2020
Agata Joan Bielicki, Sugar Land, TX	03/12/2020
Jennifer Joy Bonhard, Colleyville, TX	03/12/2020
Leah Lahm Bush, Leander, TX	03/12/2020
Ian James Cihak, Dallas, TX	03/12/2020
Charles Dan Davidson, Midland, TX	03/12/2020
Christy Renee Decker, Pearland, TX	03/12/2020
Bettye Jo Rogers Desselle, Houston, TX	03/12/2020
John Mark Dodson, Irving, TX	03/12/2020
Clifton Coy Duke, Houston, TX	03/12/2020
John Lynn Garner, Dallas, TX	03/12/2020
Erik F. Garza, Houston, TX	03/12/2020
Owen J. Gohlke, Lakeville, MN	03/12/2020
Donna Lynn Gossett, Allen, TX	03/12/2020
Jonathan Paul Grabert, Austin, TX	03/12/2020
Vince S. Gwon, Houston, TX	03/12/2020
Matthew Knox Hagelston, Newnan, GA	03/12/2020
Arsala Haneef-Khatri, Sugar Land, TX	03/12/2020
Virginia Ann Haralson, Dallas, TX	03/12/2020
Robin Elizabeth Hirschmann, Conroe, TX	03/12/2020
Dennis Warren Homolka, Brookshire, TX	03/12/2020
Ryan M. Hughes, Austin, TX	03/12/2020
Esther Nyambura Irungu, Houston, TX	03/12/2020
Frank Wayne Karlen Jr., Rowlett, TX	03/12/2020
Kevin Matthew Keefer, Irving, TX	03/12/2020
Gary Scott Killingsworth, Austin, TX	03/12/2020
Steven Joseph King, San Antonio, TX	03/12/2020
Jeffrey Scott Kuntz, Dallas, TX	03/12/2020
Carla A. Kwarteng-Amaning, League City, TX	03/12/2020
Linda Diane Leblanc, Missouri City, TX	03/12/2020
Robert Paul Lee, Houston, TX	03/12/2020
Yang Tong Ling, Singapore	03/12/2020
John David Lupo, Houston, TX	03/12/2020
Stephanie Ann Mashburn, Houston, TX	03/12/2020
Harold Norman May, Houston, TX	03/12/2020
Kathleen Sue McAllister, Houston, TX	03/12/2020
Harold Douglas McCoy, Plano, TX	03/12/2020
Miya Chelsea McDonough, Houston, TX	03/12/2020

Respondent / Location

Respondent / Location	Board Date
Kristen Amy Mohun, Houston, TX	03/12/2020
David Lee Pitts, Sugar Land, TX	03/12/2020
Carrie Marie Prehoda, Austin, TX	03/12/2020
William Tinder Robinson, Fort Worth, TX	03/12/2020
Ruth Rosas, Austin, TX	03/12/2020
Andrew Hall Russell, Arlington, TX	03/12/2020
Ann Rene Scheffler, Spring, TX	03/12/2020
John Scott Jr., McKinney, TX	03/12/2020
Carl Anderson Searles, Cedar Park, TX	03/12/2020
Tara Lynn Stevenson, Kyle, TX	03/12/2020
Eric Craig Strawbridge, Austin, TX	03/12/2020
Denise Yvonne Wells, San Antonio, TX	03/12/2020
Robert Henison Williams Jr., Houston, TX	03/12/2020
Belinda Denise Wyatt, Houston, TX	03/12/2020
Carrie Marie Yargas, The Woodlands, TX	03/12/2020
Oliver Eric Zoeger, Abu Dhabi, UAE	03/12/2020

Three-Year Delinquent Actions

The respondents listed below violated Section 901.502(4) of the Act when they failed to pay license fees for three consecutive license periods. The certificate of each respondent was revoked without prejudice as the respondent was not in compliance as of the Board meeting date. Each respondent may regain his or her certificate by paying all the required license fees and late fees and by otherwise coming into compliance with the Act.

Respondent / Location	Board Date
Samuel Anthony Albaral Jr., Houston, TX	03/12/2020
Chase Jeffrey Anderson, Austin, TX	03/12/2020
Steven Russell Bastian, Southlake, TX	03/12/2020
Curtis Glenn Beethe, Fort Worth, TX	03/12/2020
Baxter Wilson Billingsley, Dallas, TX	03/12/2020
Frederick Nicholas Bosilevac III, Dallas, TX	03/12/2020
Guy Kenton Bradfield, Houston, TX	03/12/2020
Abenaa Kessewaa Opong Brown, McKinney, TX	03/12/2020
Mitchell Lewis Brown, Houston, TX	03/12/2020
Anthony Alan Bryant, Fayetteville, AR	03/12/2020
Julie McCaplin Clark, Burleson, TX	03/12/2020
Richard Joseph Covington, Austin, TX	03/12/2020
Larry Alan Crowell, Haddonfield, NJ	03/12/2020
Charles Douglas Crye, Dallas, TX	03/12/2020
Robert Randall Davis, Mansfield, TX	03/12/2020
Brian Sean Delaney, Eglin AFB, FL	03/12/2020
Simon Robert Dexter, Greenwood Village, CO	03/12/2020
Manford Lee Edgington Jr., Carrollton, TX	03/12/2020
Jesse Rogers Edstrom, Seattle, WA	03/12/2020
Michael Paul Edwards, Cedar Park, TX	03/12/2020
Karen Lee Meiser Gottlieb, Sugar Land, TX	03/12/2020
Marie Theresa Grumbles, Willis, TX	03/12/2020

Respondent / Location

Respondent / Location	Board Date
Susara Elizabeth Guillen, Boston, MA	03/12/2020
Jacquelyn Marie Turner Harrell, Colleyville, TX	03/12/2020
Jane Elizabeth Harvey, Austin, TX	03/12/2020
Norma Jean Riddle Helms, Dallas, TX	03/12/2020
Stanley David Herren, Sugarland, TX	03/12/2020
Timothy Mitchell Howsman, Gassville, AR	03/12/2020
James Kenneth Huff Jr., Austin, TX	03/12/2020
Martha Jeanneen Jones, Dallas, TX	03/12/2020
Nancy Parkin Moulton Jones, Hendersonville, NC	03/12/2020
Sheri Lee Keeler, Coppell, TX	03/12/2020
Gary Thomas Krenek, East Bernard, TX	03/12/2020
Gerald Galvin Larson, Houston, TX	03/12/2020
Scarlett Marie Leach, Friendswood, TX	03/12/2020
Sung Jae Lee, Gimhae, Republic of Korea	03/12/2020
Edward Lynell Lewis Jr., Baytown, TX	03/12/2020
Fang Liu, Shijingshan District, China	03/12/2020
William Lance Loper, Lubbock, TX	03/12/2020
Jeffery Ivan Maynard, George Town, Cayman Island	03/12/2020
Judy Lynn McIntyre, Broken Arrow, OK	03/12/2020
Linda Dianne Price Mobley, Dallas, TX	03/12/2020
John David Olsen Jr., Grand Prairie, TX	03/12/2020
Shawna Lee Siler Phillips, Southlake, TX	03/12/2020
Mauricio Pons, Park City, UT	03/12/2020
James Michael Poss, Dallas, TX	03/12/2020
Rae Dell Record, Sandwich, MA	03/12/2020
Jeffrey Louis Reis, Middleton, WI	03/12/2020
April Monique Robinson, New York, NY	03/12/2020
Don Clifford Rutledge, Plano, TX	03/12/2020
Daniel Eric Savitz, Houston, TX	03/12/2020
Aleksandra Sivolob, Houston, TX	03/12/2020
Craig Paul Sloan, Wake Forest, NC	03/12/2020
David John Spofford, The Colony, TX	03/12/2020
Andrea Smith Sprole, New Canaan, CT	03/12/2020
Jonathan Jing Tan, San Mateo, CA	03/12/2020
Amy Hui Tian, Lexington, MA	03/12/2020
Jo Ann Holt Timberlake, Lewisville, TX	03/12/2020
Steven Alan Tuggle, Wichita Falls, TX	03/12/2020
Karen Forrest Turner, Greeley, CO	03/12/2020
Ryan Christopher Vargas, Cypress, TX	03/12/2020
Michelle Tsao Woo, Houston, TX	03/12/2020
Grace Lina Yeh, New York, NY	03/12/2020

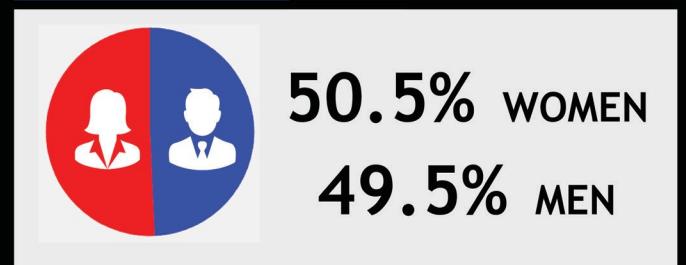
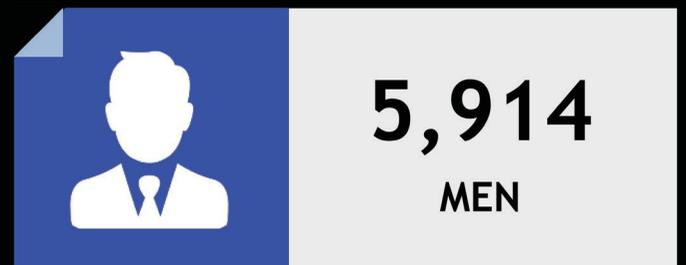
Failure to Renew Actions

The respondents listed below failed to complete their license renewal notices in accordance with Board *Rule 515.3*. The certificates of the Respondents were revoked for failing to complete their license renewal applications until such time as the Respondents come into compliance with the *Rules* and the *Act*.

Respondent / Location	Board Date
Karen Patak Berend, Dallas, TX	03/12/2020
Susan Boatwright, Atlanta, GA	03/12/2020
Kelly Jean Meade, Adkins, TX	03/12/2020
Kelly Yan Yan Xu, Plano, TX	03/12/2020

— TEXAS STATE BOARD of PUBLIC ACCOUNTANCY —

Gender Breakdown of NEW CPAs Past 6 Years

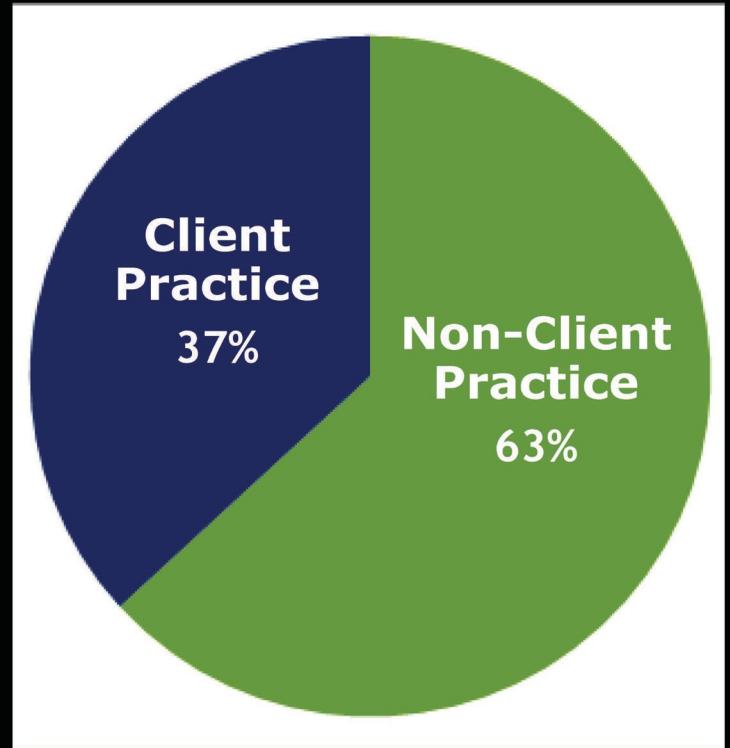


Total Licensees



Overall CPA Total 76,846

Where Texas CPAs Work



Practicing CPAs Total 56,787

Client Practice

Employee	11,114
Partner, Officer, Director	7,362
Sole Proprietor	2,481
Subtotal	20,957

Non-Client Practice

Industry	27,702
Other	4,004
Government	2,935
Education	1,189
Subtotal	35,830

Client Practice

Employee	11,114
Partner, Officer, Director	7,362
Sole Proprietor	2,481
Subtotal	20,957

Non-Client Practice

Industry	27,702
Other	4,004
Government	2,935
Education	1,189
Subtotal	35,830

Other

Retired/Disabled	10,789
Reported Non-Practice	9,270
Subtotal	20,059



Source:

Self-reported statistical data, as of March 1, 2020, for individuals working full time with an issued license from the Texas State Board of Public Accountancy.

Interested in Becoming a Peer Reviewer?



The Texas Society of CPAs is always looking for qualified peer reviewers with experience in accounting and auditing engagements.

To learn more about becoming a qualified peer reviewer, visit the Peer Review section of tscpa.org (under the "Resource Center" tab) or contact Jerry Cross, CPA, Director of Peer Review (jcross@tscpa.net or 972-687-8617).

Texas State Board of Public Accountancy
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If you are struggling with alcohol addiction, substance abuse or mental health issues, ACAN is here to help. ACAN provides a confidential conversation with CPA volunteers who have first-hand experience with these issues. ACAN helps you learn how to merge healthier living with your demanding accounting career, and can provide referrals to professionals who are familiar with your unique challenges. Don't hesitate to get the help you need today.



ACAN convenes regular meetings of CPAs, exam candidates & accounting students for mutual support & opportunities to assist others. Call or visit us online to learn more.





Department of
Commerce &
Insurance

Tennessee State Board of Accountancy

Volume 15 | Number 1
Spring 2020

THE BALANCE SHEET

A MESSAGE FROM BOARD CHAIR, KEVIN MONROE, CPA

The COVID-19 pandemic has presented accountants with challenges in assisting clients through the financial impacts of this crisis. In cooperation with Governor Lee, the Board of Accountancy continues to stay abreast of the matters that are affecting the CPA population and provide the necessary information and resources to assist you when needed. Please visit the [COVID-19 Updates page](#) on the website, which serves as a central location for news and information geared towards candidates, licensees and firms.

Accounting is an essential professional service in Tennessee, and Governor Lee has issued certain [Executive Orders](#) affecting the profession, allowing Regulatory Boards more discretion with licensing requirements and deadlines. Additionally, to provide some relief for taxpayers and tax preparers, the Tennessee Department of Revenue has [extended the tax filing and payment deadlines](#) for certain taxes. Franchise and Excise Tax, Hall Income Tax, and Business Tax returns originally due April 15, 2020, have been extended to July 15, 2020.

The Board has also taken action to assist candidates and licensees affected by the pandemic. CPA exam candidates who have an open Notice to Schedule and credit expiring from April 1, 2020 through December 30, 2020, will be extended to December 31, 2020. All affected candidates will receive a communication from the National Association of State Boards of Accountancy (NASBA).

To assist those who may not have immediate access to CPE records, the submission deadline for the 2020 audit of Continuing Professional Education has been extended to August 31, 2020. The Board does not anticipate difficulty in meeting CPE requirements for license renewal, as there is no limit on hours that may be earned through webinars or self-study. NASBA's [Registry of CPE Sponsors](#) allows a search of sponsors and courses available through

webinars and self-study.

The Board is working with NASBA to provide flexibility in the delivery method of continuing education events. CPE sponsors which traditionally hold live events have raised concerns about the methods of delivery they may use for CPE courses. Providers that were previously approved to host Group Live events may apply to NASBA for approval to present their courses online. The Board is allowing those providers to begin offering internet-based courses in advance of that approval and to include certain explanatory information on the certificates of completion.

The 2020 State Ethics course is now available, offering the most current and accurate state-specific content. The Board maintains a list of approved sponsors on the [Continuing Education page](#) of the website.

The Board remains fully operational and would like to extend its sincere thank you to the Executive Director, Wendy Garvin, and staff, who have been working remotely to continue to serve our licensees. The most recent Board meeting on Tuesday, May 5, 2020, was held via teleconference and you may [access a recording of the meeting](#) online. The Board anticipates meeting in person for the July 28, 2020 meeting, but will be able to meet remotely if necessary, to continue to review and decide on matters affecting the profession.

We are always interested in your feedback on ways that we can improve the profession for our practitioners and their clients.

Sincerely,

Kevin N. Monroe, CPA
Chair, Tennessee State Board of Accountancy



PEER REVIEWS AFFECTED BY COVID-19

The impact of COVID-19 has affected the administration and timing of peer reviews. Six-month extensions will be granted automatically in the Peer Review Integrated Management Application (PRIMA) to firms with reviews, corrective actions or implementation plans with original due dates falling between January 1 and September 30, 2020. Firms which have been granted an extension will receive a letter from the peer review program. The Board requires notice of extensions, and you must forward that letter to the Board so that staff may correctly identify and track your peer review due date. A firm may grant the Board access to the firm's peer review information in PRIMA or the notification letter may be submitted as follows:

- Mail to 500 James Robertson Parkway | Nashville, TN 37243
- Fax to 615-532-8800
- Email to accountancy.board@tn.gov

EXAMPLES

Example 1: Firm undergoing peer review:

Original due date: March 31, 2020
Extended due date: May 31, 2020
New due date: September 30, 2020
(six months from original due date)

Example 2: Firm undergoing peer review:

Original due date: November 30, 2019
Extended due date: February 29, 2020
New due date: February 29, 2020 (no change as firm's original due date was in 2019)

Example 3: Firm required to complete a corrective action plan:

Original due date: February 29, 2020

Extended due date: April 30, 2020
New due date: August 31, 2020 (six months from original due date)

Example 4: Firm required to complete a corrective action plan:

Original due date: Sept. 30, 2020 (established by Report Acceptance Body (RAB) at June 1, 2020 meeting).
Extended due date: To be determined. (RAB established the due date after the PRB approved automatic extensions. At each meeting after PRB approval for the duration of the pandemic, RABs should consider whether an additional extension is warranted and grant it at that time.)

Board Members

Kevin Monroe, CPA, chair

Stephen E. Eldridge, CPA, Vice-Chair

Gay Moon, CPA, Secretary

Jack A. Bonner, Jr., CPA

Janet Booker-Davis, CPA

Pamela Church, CPA

Larry Elmore, CPA

Gregory Gilbert, CPA

Todd Skelton, Attorney Member

William (Trey) H. Watkins, III, CPA

Judy Wetherbee, Public Member

Staff Members

Wendy Garvin, Executive Director

Sharron Waugh, CPA, Investigator

Leann Blair, Education Coordinator

Karen Condon, Administrative Manager

Scott Force, Licensing Coordinator

Laura Pecunes, Administrative Assistant



ELIJAH WATTS SELLS AWARD

Four Tennessee candidates have been chosen to receive the Elijah Watts Sells Award for 2019. The Award is given by the AICPA to CPA candidates who have obtained a cumulative average score above 95.50 across all four sections of the Uniform CPA Examination, passed all four sections of the Examination on their first attempt, and completed testing in 2019.

The Tennessee State Board of Accountancy congratulates our winners:

- **Mary Hagan** is a graduate of Middle Tennessee State University with a BBA in Accounting and is employed with the Tennessee Comptroller of the Treasury in Nashville, Tennessee.
- **Ryan Lynch**, a graduate of East Tennessee State University with a Bachelor of Science in Finance and Accounting is employed with Crowe LLP in Knoxville, Tennessee.
- **Grant J Ramey**, a graduate of Rhodes College with a BA in Economics/Business and a MS in Accounting, is employed with Ernst & Young, LLP in Cincinnati, Ohio.
- **Connor Shannon**, a graduate of Arkansas State University with a Bachelor of Science in Accounting and Master of Accountancy, is employed with Reynolds, Bone & Griesbeck PLC in Memphis, Tennessee.

CPE REPORTING REQUIREMENT

Active CPAs are required to upload a summary of CPE credits with their license renewal. For renewals due December 31, 2020, this listing of CPE courses completed for the 2019-2020 reporting period must include the sponsor's name, date(s) of training, title of program, CPE subject code and CPE credit awarded. You are not required to submit CPE certificates when renewing. CPAs with Active status are required to earn CPE for the 2020 renewal if the CPA license was first issued in 2019 or earlier.



CPAs using [NASBA's CPE Audit Service](#) to track and store CPE records may generate a CPE summary from that site to attach to the license renewal. The audit service is available to you at no charge and allows you to keep track of and store all your CPE records in one location.



Board of Accountancy Extended

Tennessee's sunset law requires that each agency, board, commission and other entity be reviewed at least once every eight years by the legislative Joint Government Operations Committee.

The Committee is charged with providing a responsible method to review state governmental entities to ensure that state governmental regulation is beneficial rather than detrimental to the public interest of the citizens of Tennessee. A method of reviewing such regulation is necessary to ensure that unnecessary and harmful regulation is abolished, and that legitimate, necessary regulation is conducted efficiently and economically.

The Commerce, Labor, Transportation and Agriculture Joint Subcommittee of the Government Operations Committee met on August 21, 2019 and recommended a six (6) year extension for the Board of Accountancy. [Senate Bill 1692](#) extended the Board's Sunset provisions to June 30, 2026 and was signed by the governor on March 19, 2020.

Disciplinary Actions

October 2019

Name James Edward Powers
 Location Memphis, TN
 Violation Failure to comply with peer review requirements and issuance of attest work without proper firm licensure
 Discipline \$1,000 civil penalty plus enrollment in peer review

Name Brandon Maresma
 Location Jacksonville Beach, FL
 Violation Failure to enroll in peer review
 Discipline \$750 civil penalty plus submission of peer review exemption form and submission of a letter of retraction

November 2019

Name Clif Howard
 Location Spring Hill, TN
 Violation Failure to comply with CPE audit
 Discipline \$500 civil penalty

Name Myers Valuation Associates, PLLC
 Location Goodlettsville, TN
 Violation Failure to enroll in peer review
 Discipline \$1,000 civil penalty

Name Atris Niter, Jr.
 Location Memphis, TN
 Violation Engaging in professional misconduct
 Discipline \$1,000 civil penalty

Name Atris Niter, Jr CPA
 Location Memphis, TN
 Violation Engaging in professional misconduct
 Discipline \$1,000 civil penalty

Name Zachary Allen Jett
 Location Murfreesboro, TN
 Violation Offering attest services without being enrolled in peer review program

Discipline \$750 civil penalty plus submission of peer review exemption form and retraction letter

December 2019

Name David Guenther
 Location Goodlettsville, TN
 Violation Performing attest services without being enrolled in a peer review program and without a valid firm permit
 Discipline Suspension of CPA license

Name Asif Nateqi
 Location Nashville, TN
 Violation Unlicensed activity
 Discipline \$750 civil penalty plus submission of retraction letter and peer review exemption form

January 2020

No Actions Taken

February 2020

Name Sarah Catherine Sforzini
 Location Atlanta, GA
 Violation Failure to notify the Board of changes to name, contact information and change of employment within 30 days
 Discipline \$500 civil penalty

Name Ben Kochenower
 Location Gaffney, SC
 Violation Lack of due professional care and failure to comply with professional standards
 Discipline Probation

Name Brian Anthony Legan
 Location Brentwood, TN
 Violation Performing attest work without a firm permit and failure to comply with peer review requirements

Discipline \$750 civil penalty plus submission review exemption form

March 2020

Name Kevin Lusk
 Location Chattanooga, TN
 Violation Failure to enroll in peer review
 Discipline \$750 civil penalty

Name Nathan Prager
 Location Memphis, TN
 Violation Providing attest services without being enrolled in peer review program plus engaging in professional misconduct
 Discipline \$3,000 civil penalty plus three-part NASBA ethics course

Name Jay Wells
 Location Memphis, TN
 Violation Unlicensed activity
 Discipline \$1,000 civil penalty

Name Miah Brooke Stutts
 Location The Colony, TX
 Violation Failure to comply with CPE requirements
 Discipline \$500 civil penalty

Name Cara Neighbors
 Location Chattanooga, TN
 Violation Failure to comply with CPE requirements
 Discipline \$1,000 civil penalty

Name Gregory Jackson
 Location Jackson, TN
 Violation Failure to comply with standards in the performance of attest work
 Discipline \$2,000 civil penalty

Name Daniel Levan
 Location Chattanooga, TN
 Violation Unlicensed activity
 Discipline \$1,000 civil penalty

CONTINUING PROFESSIONAL EDUCATION (CPE) AUDIT

Tennessee CPAs holding active status and subject to renewal at the end of 2019 were required to affirm their compliance with Continuing Professional Education (CPE) requirements and attach a listing of 2018-2019 CPE credits to the renewal application. This Spring, 10% of renewing licensees will be selected for an audit of those CPE records. Notification of CPE audit was sent by email on May 15th and those selected must respond to the audit request by August 31st.

CPAs must respond to this audit request through their account at core.tn.gov by selecting *CPE Audit* from the list of applications. Respondents will answer a series of questions about CPE compliance and attach certificates of completion for credits earned for license renewal. The attachment may be in the form of:

- A PDF document containing the relevant certificates
- A transcript of credits issued by TSCPA, an employer firm, or similar (please note that transcripts must list the course title and date, field of study, and amount of credit awarded).
- A CPE compliance report generated from cpeauditservice.nasba.org

Submissions are reviewed in the order received and each CPA will be sent notification of compliance or instructed to earn penalty CPE hours as necessary. Compliance with



this audit is mandatory, and submissions must be received by the deadline.

Are you using Carryover CPE?

CPAs who earned more than 80 hours in 2016-2017 may apply up to 24 carryover hours to meet the 80-hours minimum for the 2018-2019 reporting period. Your audit response must include certificates for credits earned during both reporting periods (2016-2017 and 2018-2019).

Not a Tennessee Resident?

If you don't live in Tennessee, but also hold a license in your home state, you are compliant with Tennessee's renewal CPE requirements if compliant with the CPE requirements for the state in which your principal office is located (if that state requires an ethics credit for renewal). If this applies to you, your audit response should include a signed statement indicating your compliance with home state renewal CPE requirements.

Board Meetings

Meetings of the Board of Accountancy are held in Davy Crockett Tower (500 James Robertson Parkway, Nashville) and convene at 8:30am. Committee meetings are held on the day before each Board meeting. Meeting dates, agenda, and minutes are available on the [Board's website](#). The Board has scheduled meetings on the following dates:

Tuesday July 28, 2020	Tuesday May 4, 2021
Tuesday Oct 20, 2020	Tuesday July 27, 2021
Tuesday Jan 26, 2021	

PROFESSIONAL PRIVILEGE TAX (PPT) REPEALED

Certified Public Accountants (CPAs) are exempt from payment of the Professional Privilege Tax beginning June 1, 2020. Individual CPAs who have outstanding balances from 2019 and prior are still required to satisfy those payments.

If your license has been held in abeyance due to failure to pay Professional Privilege Tax, you must provide confirmation to the Board of Accountancy when you have satisfied this tax.

To make payment, visit the Department of Revenue online [filing site](#). You may also look up your Revenue account status [online](#).

Delinquent License Renewals

The following CPAs and Firms have not yet renewed for the December 31, 2019 expiration period. Each renewal must be completed before June 30, 2020 to avoid expiration of the license. Once expired, the license holder must complete a reinstatement process to regain good standing.

CPA Licenses

Lic. #	Name	Lic. #	Name	Lic. #	Name	Lic. #	Name
24331	Whitney Gaston Abblitt	10249	Gwendolyn M Brown	19215	Leonard Vincent Dinoia	21269	William Hunter Hasen
23297	Samantha Erin Abel	11957	Deana Lynn Brunjes	9027	Gail Jean Donaldson	8979	Thomas C Haskins
13715	Cary M Adams Jr	11299	Lelyette E Bryan Jr	19813	Akinola K Dosunmu	6523	William J Hauser
14937	Karen Lynn Akin	5571	Susan Gail Buck	26403	George R. Douglas III	22725	Scott Anthony Haynes
21069	Meredith T. Albright	17991	Ingram Carla Bullard R	10121	John Mitchell Doyle	6603	Bruce M Head
5639	Donald G Aldridge	9491	Renee Grissom Bunch	5233	Leon Drennan	14255	Carolyn H Head
15475	Kathleene Langley Allen	16125	Brenda K Burkett	9655	Vincent A Dunavant	2213	S Ben Hebert
21633	Olena Allen	25769	Yanjin Burleyson	21099	Dustin Dunbar	11611	Allen R Helms
7577	William Franklin Allen	4915	Thomas R Bussell	20885	Benjamin C Dunlap	20361	Erin Emily Henry
7685	C Lee Altieri Jr	21615	Shelly Butterfield	26097	Thomas Dunne	20127	David E Herring
19043	James Paul Alwell	4531	James D Byrd	6427	Amy T Dye	5403	Duane A Herrington
19041	Edgardo Andujar	22207	Justin Byrd	6815	Alene G Edwards	6281	Israel J Herskowitz
17751	Ashley W Argo	7077	Mary Kay Caldwell	18999	Brenda H. Eldridge	21403	Matthew T. Higgins
14827	Zachery Armour	4483	Ted E Callebs	26279	Zachary Ross Ely	26407	Brittney Nichole Hill
26045	Cheryl Armstrong	24347	Kevin B Campbell	13097	Laura L Ervin	21675	Dre' R Hill
4989	David W Atkinson	22513	Leon Cord Campbell	18579	Cali G Ewing	11231	Randy G Hilliard
25613	Amy Baggett	13551	Samuel P Campbell	6037	James B Ezzell	17165	Patricia F. Holtzclaw
23935	Margaret Fields Bailey	10151	Renee Miller Carlton	13929	Debbie S Falck	13595	Henry David Hood
13557	Pamela L Bain	2635	Thomas J Carr Jr	10167	Deidre G Farrell	11699	Rebecca B Hopkins
24641	Allison Baker	7803	Paul Eugene Carson	4351	James E Ferguson	8001	Roger R Hopkins
18979	William Perry Baker	8689	William Buel Case Jr	14425	Peter Anthony Ferrara	7601	Larue P Horton III
7259	Peggy B Baldock	25925	Anne Cawood	19191	Ryan Kent Finley	19241	Earl A Hounshell
16297	Letitia G Baldwin	24289	Brian M. Chasteen	23117	Leslie Little Fisher	9193	Cheryl Davis Houston
11319	Jane W Barber	26235	Brandi Marie Chitwood	16983	Corey Lamerrrious Ford	20701	Charlotte Marie
5213	W Craig Barber	4509	Vickie D Clark	16113	Glen C Ford		Howard Klein
16997	Richard T Barksdale Jr	16959	I John Clement	9609	Julie M Forte	12583	Stephen D Howard
11335	Sharon Barnard	9789	Gregory Cobbige	23159	Joel David Furr Jr	7747	Joseph J Huling
9111	Wendy Barnett	19067	Wilhelmus S. Codington	10711	Charles M Gallaher	6335	G Richard Hunter Jr
19791	Dereck D Barr	6347	Sonya B Coffman	4059	Kathleen A Gallant	13725	Gregory S Jackson
11009	Jerry R Bateman	9501	Glenn Walton Cofield	24567	Christina D. Ganavazos	14503	Johnnie Jackson
7093	William R Batt	10077	Shirley Cannon Cole	14959	Anne A Garrett	11953	Erich William James Jr
11595	Brian Thomas Baucke	23375	Nathaniel Colter	11639	Nadine Boykin Garrett	13499	Kevin Lamont James
16553	Timothy Brian Bazar	14819	Garry L Condrey	22079	Jeffrey Frank Geismar	13901	Kristi Lynn James
4299	Janet R Beahm	14387	Karen P Conkin	14617	John Gregory Giffen	5153	David A Jenkins
7109	Adele H Bealer	25875	Michael T. Connell	9673	Scott Robert Gill	20621	Eric B Jenkins
16071	Adam John Bean	6139	Rod F Connor Jr	23307	Leah Jane Gillen	19979	William T Jenkins
5617	David R Beeny	16633	Tony L Corley	22943	Julius P Gloeckner	11617	Sandra Louise Jent
3345	James R Belew	14803	Pamela Corrigan	19259	John Paul Goble	17695	Benjamin D Jerrell
8057	Clarke C Bell	16899	Joseph T Cote	20525	Sammy Scott Goble	24539	Jeremy Johnson
17527	Tammy R Benefield	10335	Thomas M. Cottam	9681	Jeffrey C Graham	23245	Maeve Johnson
21767	Chris Benson	20295	Laura Ann Cottingham	4743	Randy L Graves	10513	Mark L Johnson
13121	Kerri Kolody Berryman	12289	Susan C Courson-Smith	19733	Daniel Austin Green	23795	Randall A Johnson
10311	Vincent A Beyke	22775	Philip Andrew Craig	25829	Elizabeth Ann Green	12123	Angela S. Karstens
16167	Martin Thomas Binkley	13137	Amy Johnson Cranford	13419	Perry Jenkins Green	21959	Jake A Kasser
17191	Michael I Bishop	22587	Divon Ray Crutchfield	1717	Richard E Green	22719	Samuel M. Keith
24905	Steven Craig Blackburn	3089	Raymond E Culver Jr	19401	Eric B Greer	14747	Joyce A Kendall
6849	Stephen D Blackley	19559	Carl W Curbo	17031	Ronnie G. Gregory	23205	Christopher R Kinard
21105	Nathan Lawrence Bland	4977	Steven L Curry	17643	Terrance J Grigsby	7081	Ricky A Knox
14483	Frank F Bowling	24709	Haley K. Cushing	23147	Philip A Groves	15715	David A Knutte
5909	W Glenn Bowron Jr	12547	Claire W Custred	16497	Patrick Joseph Gunning	14753	Marla G. Kochelek
21915	David A Boxold	12611	Janet Leigh Cuyler	25219	Roberto David	12743	Richard T Kostrzewa
5995	James C Boyd	16307	Darrell Glenn Davis		Gutierrez	5333	Louis J Kovach
22011	Dwight G Brainard	3953	C Collier Dawson	21181	Kimberly Hamby	14619	Douglas A Kramer
24241	Virginia Pita Brekke	20131	Christopher P. Delcambre	23199	Hunter Hamlet	19985	Scott M Kudialis
17749	Brian L Brenner	3351	Percy E Dempsey III	12665	Patrick D Hamner	3851	William M Kunkel
3771	Benjamin R Bricken	22277	Jenny E Demuth	1739	Coy N Haraway	21083	Michael J Lahaie
4167	John E Brockman	2801	Charles N Dennard	17061	J Matthew Harding	3223	Donald E Lamb
21859	Jerry L Brotherton	21575	Lela Eldridge Denson	25923	Jacob Hargrove	13749	Keith R Lammon
24859	Dusty Brown	26725	Danae Dewar	10487	Harry P Harness III	20987	Daniel C Leblanc
		22249	Edward M Diaz	26603	James T. Harrison III	17677	Denise Marie Leggett
		11123	Larry A Dillingham	18871	John Drew Hart	26501	Ang Li

Continued on Page 7

Delinquent License Renewals (Continued)

3435	E William Linam	7745	Charles N Parker	13943	Alan Smith	12009	Ava Michelle Wilder
23791	Lucrecia M. Liverpool	16833	Cecilia D Parsons	6739	Bruce D Smith	5705	John A Williams
9277	David Michael Lloyd	24617	Lisakumari P Patel	11559	Clarence Robert Smith	19015	Kelly Lawrence Williams
25123	Kathryn Lane Lockamy	21651	Bryan R Payne	25869	Clarissa Noelle Smith	18933	Nicole Allyson Williams
11855	Suzan Logan	4355	Charles M Peccolo Jr	3709	James Howard Smith	22503	Brian Wilson
24231	Marcus C. Lomax	21457	Daniel James Pedley	11713	Kenneth H Smith	14789	Piper L Windsor
5673	Ernest P Long Jr	15575	Joseph S Pendergrass	16715	Latasha D Smith	3531	Charles P Wolfe
2743	David E Love	18115	John V PenderIII	24145	Rebecca Diane Smith	9723	Dennis K Wolfe
24001	Connor Earl Lowery	19083	Teri Lynn Perkins	20215	Kara Kathryn Snider	25617	James Douglas Wolfe
20347	Hiram Abif Lowery	20373	Michael T Perry	17105	Peggy A Sorenson	4191	William S Wornack
15359	David E Lowrance	10701	Virginia M Pesterfield	16187	Eric L Sox	24597	Kathleen Woods
6985	Gertrude P Luther	13771	Mark D Phillips	12525	Anthony L Spezia	12057	Kimberly Ann Worley
24669	Colin Edward Lynch	8405	Stephen Lee Phillips	14463	James Allen Staley	20013	Camilla Wrght
4217	Stephen H Marks	21501	Jacky Pierre	23331	Deborah L Stamper	22903	Mallory D. Wynn Parrish
7619	Pauline Powell Marsh	2069	Raymond P Pipkin	23495	Andrew Stepanchuk	3277	Luther D Yates
10175	John Sanford Martin	18977	Jaime Robbins Pittman	3393	Richard A Stepanske	4369	Margaret A Young
9773	Charles L. Mashburn	26107	Stephen Stanley Polak	16925	Christopher W. Stirling	25269	Zachary A Zemenick
4545	Troy W Mashburn Jr	6283	Karl L Polen Jr	14625	William A Stokes	25867	Qiushi Zhu
21749	Anuj Mathur	14241	Michelle Ervin Pope	8075	Lawrence B. Stone Jr	2089	John L Zoccola
8831	Diane L. Matthews	24977	Patricia J Post	7171	Kevin G Stork		
16241	Julia Ann Maxwell	11857	James Edward Powers	14951	Anthony G Stratton		
24623	David H Mayer	23665	Jenna Lea Presley	11431	Beth Stubbs		
7445	Denette M McBride	6665	Patrick O Proctor	2899	Charles W Stumph		
5925	James C McCall	10363	Russell T Pruitt	14939	Shirley C Sturgill		
24609	Ryan Timothy McCarthy	1503	William P Puryear	20025	Patricia Lynn Sullivan		
26507	Bradley Cole McClung	22807	Issa I Qadi	24329	Giles B Sutton		
20009	Forrest H. McCullough III	10699	Marlene C Quillen	15367	Lisa Atnip Sweeney		
11017	David L McEver	20735	Shannon Noel Quon	6007	Ralph E Tallant Jr		
7809	John David McKinney	4271	Brenda B Rector	13619	Carolyn Ruth Tanner		
24591	Brandon K McKnight	12371	Betty Edde Reed	16079	Paul D Tansley		
14699	Mark D McKnight	25721	Matthew Reese	24247	Karem Tariq		
24051	Michael F McKulsky	13773	Ray T Register	26381	Laurie Michelle Taylor		
4639	Donald M McLean	10943	Sarah Eckstein Rhoades	5599	Robert C Taylor		
8807	Sherree Lyn McMullen	11659	William C Rhodes III	22051	Ross Jordan Taylor		
18403	Robert T Meikle	16403	Rebecca Richards	5519	Mollie A Teilhet		
9627	Charles Kent Merritt	18953	Anne H Ridley	8227	Michael Kevin Templin		
25739	Adam Michael	18491	Canuta D. Ritchson	5585	Donna J Terzak		
24395	Adam Miller	25213	Miranda Robbins	22429	E Anna Tester De		
3047	Herbert A Miller Jr	7165	Edwin S Roberson	25993	Brittney Tharp		
21249	John Miller	11421	Darlene M Roberts	24891	Leigh Ann Thibadoux		
21461	Jonathan L Miller	15807	David A Roberts	14175	Dawn Owens Thigpen		
21327	Robert Norman Miller	26345	Mary Roberts	6217	Jimmy D Thigpen		
18591	Tracy Shawn Miller	26693	Lester C. Robertson	4085	Elbert L Thomas Jr		
9821	Donald A Mills	15819	Richard W. Rodgers	20565	Jason Lewis Torain		
25359	Rebecca Ruleman Mink	17113	Darian P Rogers	8837	Jannie Duff Totty		
22765	Glenn Warren Mitchell	8637	Amy Holland Romeo	23675	Kimberly A Tryon		
16669	Laraine Kaye Mitchell	26093	Matthew T. Rosenberger	15901	Charlotte A Tucker		
16905	Barbara S. Mobley	6873	Patrick E Rowan	23437	Mark David Valiquette		
11005	Kimberly W Monks	15647	Teresa K. Rudnicki	10347	Larry Walker		
23659	Jesse Taylor Morgan	24959	Yuliana Ruff	11665	Leslie Boles Walker		
18521	Justin Shane Morgan	10431	Lynn Neeley Rufo	18163	Nicholas J Wallace		
21399	Roxanna Gisela Morran	9157	Jeanne E Rybolt	14031	Janice L Walsh		
18729	Joseph D Moser	25585	Richard T Ryon	5223	Benjamin B Ward		
17283	Robert Mosko	23953	Bryan Taylor Sams	18225	Robert Warren		
24715	Mark Mulloy	21307	Jeremy Brent Sanders	25827	Douglas J. Warstler		
21425	Susan M Murray	19095	Lauren Lanier Schmitz	25433	Charles Richard Webb		
14725	Debra Fultz Myrick	10541	Mary E Schroder	9595	Terry Douglas Webb		
6345	Patricia Davis Ness	25193	Thomas E Schultz	18857	William Byram Webb		
9817	Marie I Niekerk	15159	Lauren Grace Scruggs	14983	Theresa L Weber		
24279	Salman S. Noordin	5699	Paul E Shaver	26195	Andrew Wellham		
11377	Albert W Norris	22279	Michael Shaw	14321	Deborah A.W. Frederick		
22239	Evan Davidson Norton	5359	Jr Swain Sheppard W Jr	4461	J Robert Wheat Jr		
11113	Stephen L Oakley	9449	Jerry A Shore	21359	David C. White		
20747	Matthew Wade Oaks	8071	Susan Imes Simmons	22203	George Edward White II		
1463	Calvin L Ogle	6065	Ratan D Singh	11859	Terry Lee White		
24979	Michael Brett Oleis	13615	Karen Payne Sledge	23319	Woodson Whitehead		
8331	Bradley O'Shoney	12683	R Christopher Sluder	6089	Donald B Whitfield		
9841	William H. Owens Jr	13805	Nancy Smalling	12501	Cynthia Webb Widener		

Firm Permits

Per. #	Name
3141	Anne O Haynes CPA
1592	Beth Stubbs CPA
3606	Blue Collar Accounting
4228	C Rayford Massey CPA
4645	CFO Solutions Pc
291	Charles F Crumby CPA
4574	Christopher A Spencer CPA
515	Coy N Haraway CPA
3174	CPA Consulting Group PLLC
4544	Cr Four Accounting
3506	David C Nanney CPA PLLC
4449	Formos CPA LLC
2423	G David Edwards CPA PA
1541	Gerry Borstelmann CPA
1955	Hank R Thompson CPA
3823	Helios Financial Consulting
2662	Herbert A Miller CPA
402	James E Ferguson CPA PC
4433	Jones CPA PLLC
3863	Kelley Mcneal CPA
471	M A Goldstein CPA
2005	Michael Ford CPA
4309	Michael Wilson CPA
4622	Modern CPA
2320	Pat G Spencer CPA
4681	Silver Star Bookkeeping & Tax PLLC
1103	Sipes And Seaton CPA
3646	Sound Accounting PLLC
4500	Tn Tax CPA
1394	Total Management Services LLC
3792	Vance CPA LLC
1931	Virginia M Pesterfield CPA
4579	Walker Accounting And Consulting LLC
1849	William T Conte Jr CPA

REAL WORLD QUESTIONS

Certain questions posed to Board staff by CPAs require a level of experience and expertise. These questions are often referred to Shari Waugh, the Board's Investigator. This new section of the Balance Sheet will illustrate these types of questions in each edition.

Shari has more than 25 years of experience in the accounting field, including governmental audit and nine years in public accounting with national and regional accounting firms. Shari has served in an Internal Audit role for several manufacturing companies and has been an instructor and lecturer at Middle Tennessee State University, East Tennessee State University and the University of Phoenix.



Background:

A CPA sole practitioner does writeup work while preparing taxes for a client with no financial statements issued. The client has been asked to provide financial statements and an Accountants Compilation Report in support of a business venture. The CPA has a colleague that will provide these financial statements with the attachment of a compilation report.



Question:

Can the CPA provide the client and/or colleague with financial statements prepared for tax purposes only without any reports and not fall under any peer review requirements?

Answer:

The CPA may provide copies of the financial statements but must ensure compliance with the requirements of Section 70 of SSARS 21. The CPA should include the following statement at the bottom of each page of the financial statements to avoid any confusion about the level of service provided.



These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

It should be clear in the heading to the financial statements that they are prepared on a **TAX BASIS**, so the receiver does not assume the financial statements are in accordance with GAAP.



As an alternative, the CPA may choose to provide the colleague a copy of a trial balance and any other schedules requested. The colleague can compile the financial statements from those documents. If the client needs GAAP statements, the colleague will most likely need to make tax to book adjustments anyway, making the trial balance more beneficial than the financial statement drafts.

DO YOU NEED A FIRM PERMIT?

A Tennessee Registered Firm Permit is required for all firms located in Tennessee under certain circumstances:

Attest Services

Any firm offering attest services must do so through a registered firm permit. Tennessee Code Annotated, Section 62-1-103, states that attest means the following services:

- Any audit or other engagement performed in accordance with the Statements on Auditing Standards (SAS)
- Any review performed in accordance with the Statements on Standards for Accounting and Review Services (SSARS)
- Any examination performed in accordance with the Statements on Standards for Attestation Engagements (SSAE)
- The issuance of any report, including compilation reports, prescribed by the SASs, the SSARSs, or the SSAEs on any services

If the work performed at your firm is subject to peer review, you must register with the Board as an accounting firm.

Protected Terms

If the name of your practice contains reference to CPA licensure or Accounting, the firm must hold a permit to practice. For example, a tax preparation-only business called "Andrew Jackson, CPA" or "Andrew Jackson Accounting" must hold a permit, while the company "Andrew Jackson Tax Services" is not required to register as a firm.

Each physical location of a firm must hold a separate permit if the circumstances outlined above apply.

The firm permit application is available online through core.tn.gov. The required firm ownership and experience forms are found on the Board's website and should be attached to the [online application](#). The application fee is \$50.00, and the permit must be renewed at the end of each year for the same amount.

NASBA Committees



The National Association of State Boards of Accountancy (NASBA) appoints more than twenty committees to address issues affecting state boards of accountancy in all jurisdictions. Tennessee State Board of Accountancy members and staff work to ensure the interest of our licensees and the State of Tennessee through their service on NASBA Committees.

NASBA Board of Directors | Andy Bonner, Southeast Regional Director

Audit Committee | Larry Elmore, Judy Wetherbee

Oversee the Association's annual financial statement audit and the internal controls and shall recommend to the Board of Directors the firm to perform the audit.

Examination Review Board | Janet Booker-Davis

Review, evaluate and report on the appropriateness of the policies and procedures utilized in the preparation, grading and administration of the Uniform CPA Examination and other examinations in general use by Boards of Accountancy

for the licensing of certified public accountants; examine such records, and make observations, inspections, and inquiries as it deems necessary; and report annually to the Boards of Accountancy.

Computer-Based Testing (CBT) Administration Committee | Pamela Church

Promote effective and efficient administration and operation of the Uniform CPA Examination.

Compliance Assurance Committee | Wendy Garvin

Promote effective oversight of practice quality of CPAs and their firms.

CANDIDATE CORNER

CPA Exam 18-month Credit Extensions

The National Association of State Boards of Accountancy (NASBA) will identify all candidates who have an open Notice to Schedule (NTS) and credit expiring from April 1, 2020 through December 30, 2020. This information will be provided to the Board. Those that have credits expiring during this time will be extended to December 31, 2020. All affected candidates will receive a communication piece from NASBA. Please be aware that it will take some time for NASBA to update their systems. Please be patient. There is no need for candidates to individually contact the Board as this time.

Continuous testing

Starting July 1, 2020, continuous testing will begin for CPA exam candidates. Under the new continuous testing model, candidates will have the ability to take the exam year-round, without restriction, other than waiting to receive scores from prior attempts of the same section or when there is a major change to the exam. Continuous testing will replace the existing CPA exam testing window model, which only permits candidates to test during designated time frames each calendar quarter. Learn more about continuous testing on the [NASBA website](#).

CPA Exam Testing Windows and Score Release Dates

CPA Exam scores are released to Boards of Accountancy

according to the schedule below.

The National Association of State Boards of Accountancy (NASBA) transfers candidate files to the Board after the candidate has passed all four (4) parts of the exam and all educational requirements for licensure have been verified. The Tennessee Board then notifies each successful candidate that they are eligible to begin the license application process.

Testing Window: April 1 - June 10		
*The 20Q2 testing window will be extended from June 10, 2020, to June 30, 2020.		
If you take your Exam on/before:	...and the AICPA receives your Exam data files from Prometric by 11:59 p.m. (EST) on:	Your target score release date is:
April 20	April 20	May 4
May 15	May 15	May 26
May 31	May 31	June 8
June 10	June 11	June 18
June 30	July 1	July 8



Tennessee Department of Commerce & Insurance

Tennessee Board of Accountancy | 500 James Robertson Parkway | Nashville, TN 37243-1141

Tel: 615-741-2550 | Fax: 615-532-8800 | tn.gov/commerce/regboards/accountancy

INACTIVE LICENSE STATUS

The Board of Accountancy grants Inactive status to those CPAs who are not in public practice and make application for this change in status. Those with an Inactive license have certain restrictions according to Accountancy Rule 0020-05-.03 (3):



- (a) For purposes of disciplinary action, the board shall retain jurisdiction over all certificate holders whose license is in inactive status.
- (b) Certificate holders who are granted inactive status by the board shall be required to place the word “inactive” adjacent to their CPA or PA designation when using such designation for any lawful purpose, including, but not limited to use of such designation on any business card, letterhead, resume, or biography.
- (c) A certificate holder who has been granted inactive status may not for compensation perform or offer to perform for the public, including the providing of any accounting service from a licensed accounting firm, any of the following services: any accounting or auditing service which involves the issuance of reports on financial statements (including opinions, reviews, compilations, or attest engagements), any consulting

engagement which would constitute the attest function, or furnishing advice on tax matters.

- (d) A certificate holder who has been granted inactive status may perform the services set forth in (c) above if:
 1. The services are provided without compensation to the certificate holder;
 2. The services are performed solely for the certificate holder’s employer and such employer is not a licensed accounting firm; or
 3. The certificate holder does not use the CPA or PA designation in association with his or her name while providing such lawful services.

Inactive License and Renewal FAQ’s

Please make note of your license expiration date by viewing your license certificate or by searching for your license online at verify.tn.gov. The Board attempts to contact each CPA with a reminder of an upcoming due date by mail and email, but please remember - your individual responsibility as a CPA includes timely renewal of your license. Exercise your option to close the license if you do not wish to maintain a license through renewal.

- An Inactive license must be renewed biennially by paying all required fees. Odd-numbered licenses renew at the end of odd years; even-numbered licenses in even years. ✓
- If an Inactive licensee has reached the age of 65 at the time of the license expiration date, the renewal fee will be waived. You must still complete the renewal application. ✓
- A late fee of \$100.00 will be assessed if the renewal is not completed within 30 days of the license expiration date. This applies to all Tennessee CPA licenses and firms permits, including Inactive licensees aged 65 and older. ✓
- Inactive licensees do not have a CPE requirement at renewal. ✓
- Those who do not wish to renew should complete an online request to close the license through their account at core.tn.gov. ✓
- Please keep the Board apprised of your current mailing and email addresses since renewal reminders will be sent to the contact address on file. ✓

NEW CPA LICENSES ISSUED

The Tennessee Board of Accountancy issued 294 new CPA licenses between November 1, 2019 and April 30, 2020.
Congratulations to our new licensees!

Faran Abdi
Christopher Michael Adair
Marjory Elaine Adams
Derek W. Adkisson
Sarah Alford
Samuel Banks Allen
Joseph Allen
Konnor Darren Amis
Kenneth Everett Anderson
Katherine Anthony
Karen Renee' Arnold
Justin Barnes Atchison
Obadeisha Dennise Bailey
Jaime Bailey
Markus Ballinger
Javier David Barcelo
John Barnes
Chelsea Shara Barnhill
Christina Nicole Bartko
Gabrielle Beckner
Caroline Elizabeth Beeler
Amber Bentley
Brittany Marie Bergbower
Abhishek Ashok Bhatt
Joe Brennon Binkley
Sidney Alyce Blackwell
Jake Ryan Blakely
Cheri Ann Blevins
Warren Edmund Bott
Josephine Bowler
Marc Allen Brock
David Buchanan
Katherine Irene Buhl
Shawn Bunch
Janet Marie Burns
Rachel Carrigan
John Anthony Cento
Kellene Chatman
John Alvin Chavana
Valentin Jean Roland Chesneau
Trevor Sebastian Clark
Tanner Clark
John Denver Clinton Ii
Kendall Garrett Collier
Lisa Nanette Collins
Victoria Conklin
Aubrey Lynn Consiglio
Justin Thomas Cook
Joseph J Coop
Kira Rena Barnett Correll
David Lance Cox
Tyler Cox
Diana Crawford
Benjamin Christian Crilly
Sophie Crow
Karigan Alexis Cunningham
Rickey Dandridge
Cheston Danto
Sara Elizabeth Davis
Jessica Jewel Davis
Michael John Dellasperanza
Gage Despins
David Donald

Adam Drust
Jacob Duke
Richard Cade Edwards
Joseph Eleniewski
Taylor Elliott
Kevin Charles Ellsworth
Ryan England
Wenqing Ensey
Nickolas Andrew Farmer
Tori Farmer
Matthew Ferguson
Stephen Matthew Ferraro
Matthew J Fisher
Brett Flack
Kevin Connor Flaherty
Andrew Foley
Kyle Fondriest
Quinton Carl Foshag
Heather Burton Foster
Ethan Lyndel Fowler
Dominique Franklin
Lindsey Nicole Franks
Ellyn Gaffney
Seth Garner
Olivia Ruch Gartland
Caleb Fraysier Genry
Logan George
Justine Anne Gerdts
Alexander James Giger
Ronald Grayson Giles
Alexis Joleen Gorman
David Dwayne Green Jr
Raygan Greer
Andrew Grissim
Scott Soler Grody
Virginia Power Groover
Michael J Gugerty
Viviana Gutierrez
James Boyd Haigh
Haley Haigh
Halin Haji
Lawrence James Hall
James Blake Hamilton Iii
Xiao Han
Samantha Hankins
Zachary Lee Harrington
Daniel R Hartley
James Tyler Hays
Christopher Heatherly
Jenny Maria-Lee Hensley
John Delano Hilcher
Carolyn Grace Hobson
Justin York Holt
Dayton Alexander Houser
Jerrell Clarke Houston
Jacqueline Mccann Howard
Jacob Ellis Huffine
Sharon Kay Hurley
Helen Morgan Jackson
Matthew Jackson
Sadaf Meghani Jaffery
Katherine Ellison Janeway
Hannah Jankowski

James Matthew Johnson
Hunter Johnson
Ashley Johnson
Julia Claire Jones
Katherine Lee Jones
Kristopher Kawalski
Ashley Keen
Thames Elane Kennedy
Erin Kathleen Kenny
Virginia King
Victoria Knab
Daniel Glenn Kolodney
Austin Miller Koplán
Ryan Kozak
Spencer Landrum
Nicholas John Laughlin
Michelle Lee
Jacquelyn Elizabeth Leeman
Eric Levan
Lauren Lewis
Maoqiong Li
Lei Li
Samson Jeremiah Lilly
Shaun Alane Lockhart
Alex Loewer
Brian Lombardo
Mikayla-Beth R Lumpkin
Chad Edward Lundgren
Benjamin Ryan Lynch
Stuart Lynn
Kristen Lyons
Chase Mabry
Kellin Mackey
Bradley Maeder
Marcus Edward Mallory Jr
Ty Marinkov
Lara Harden Marshall
Austin Lee Marshall
John Patrick Mary
Judith Dianne Matter
Bruce Allen Maurer
Hunter Charles Mayberry
Lyle Lester Mcallister Iii
Deanna Giles Mccallister
Christopher Lee Mccollough
Brooke Mckamey
Anne Tatum Mcepherson
Lindsey Perry Meek
Devon Alexandria Miller
Kendrick Miyano
Diana Mockus
Lul Mohamed
Margaret Roach Montgomery
Matthew Blake Moody
Erica Moore
James Howard Mosier
Malik Moughrabi
Corbin Neu
Paige Catherine Stull Neuzil
Tia Summer Newlove
Jordan Lee Olson
Jordan Olson
Maribel Onate

Hailey Leshae Ownby
Stephen Panah
Jacob Taylor Pardue
Marybeth Therese Parry
Bradley Don Pearson
Robert Mark Peters Ii
Ryan Michael Phelps
Matthew Phelps
Brittani Phillippi
Yuseong Jeon Philyaw
Kristina Nicole Pine
Lakota Pirkle
Leigh Anne Pitts
Marsha Ann Placencia
Miller Stokely Price Iii
Scott C Price
Benjamin Pruett
Taylor Ryan Quinn
Mary Elizabeth Raimondi
Lori Rainwater
Trevor Michael Randolph
Matthew Tyler Ratterree
Daryl Del Rosario Ray
Austin Whitaker Rayner
Bobby Montgomery Rector
Patrick Thomas Reed
Lydia Irene Reeves
Lauren Reichard
Rebecca Remmes
Rebecca Jane Reynolds
Christen Rhoden
Shawna Ridgeway
Andrea Ruth Ritz
Meagan Rivera
Jack R Roper
Yui Rossknecht
Andrew T. Royer
Farirai Paidamoyo Rusukira
Leesha Chanel Sanders
Mary Katherine Sartin
Lisa-Marie Schalk
Brittany Shea Schifani
Georgeann Schmit
Aris Schwab
Julie Lynette Seard
Stacy Ann Seaton
Tyler Seller
David Shank
Qing She
Robert Sheppard
Zaibo Shi
Victoria Lynn Shockley
Curtis Short
Christopher Smillie
Raheem Smith
Olga Sokolova
Thomas Speck
Logan Hunter Spoonamore
Michael Erwin Stallworth Jr
David C Stanek
Caroline Rebekah Statum
Leilani Marie Stenner
Sarah Rosemary Stewart

NEW CPA LICENSES ISSUED (CONTINUED)

Stephen Scott Stewart
Mollie Elizabeth Stone
Man Sun
Walter Douglas Sweet
Troy Swift
Sunjay Tam
Trent William Taylor
Grayson Parker Terrell
Brittany Thomas
Anne Thomas
Margaret Thompson

Taylor Tibbits
Patrick Tierney
Wesley Caton Tolsdorf
Gregory Tomlinson
Dhonielle Toussaint
Bich Tran
William Tyler Troutman
Horn Kara Elizabeth Van
Pagadala Peda Venkata Reddy
Dannielle Vicars
Bircher Valeria Vitali

Allison Boyd Walker
Ting Wang
Chelsey Ryhan Weir
Michael Weymouth
Nancy Wheeler
Stephen Daniel White
Ricky Edward White
Bruce Jackson Wilcox
Jeffrey Blake Williams
Caleb Mark Williams
Elaine Williams

Jack Wilson
Samuel Wilson
David Britton Woodall Iii
William Harry Woods Jr
Paul Woolard
Cole Yeomans
Kevin M Young
Jason Young
Senait Zemedu

UPDATING CONTACT INFORMATION

When sending license renewal reminders, CPE audit information, or other notifications, the Board depends on you to have provided current contact information. Under Rule 0020-03-.16, licensees are required to notify the Board in writing within thirty (30) days of any change of name, mailing address, e-mail address, and, in the case of individual licensees, change of employment.

The Board maintains three addresses for each CPA license: Home, Employment, and Mailing Address. All Board communication to licensees is directed to the Mailing Address (email and/or mail).



A change of address or employment may be made through your core.tn.gov account within 30 days of the change. Notifications made after 30 days must be made [on this form](#) and include payment of the \$25.00 fee.

Inquisitive minds want to know! Continuous CPA Exam Testing Launching July 1

ONLINE SERVICES

The Tennessee State Board of Accountancy strives to provide the most efficient services to our CPAs. A majority of license applications can be found in the online licensing portal, core.tn.gov. Online application submissions allow you to attach relevant documents and transmit directly to the Board.



In addition to license renewals, the following services are available through your account at core.tn.gov:



INITIAL LICENSE APPLICATIONS
for CPA license
and firm permit



STATUS CHANGES
Inactive Status
Reactivation of Closed or Inactive License
Closure of a CPA License
Reinstatement of Expired License
(contact the Board first with request)



CONTINUING PROFESSIONAL EDUCATION
CPE Audit Response
Pre-Approval of Non-registered CPE Course



REPLACEMENT WALL CERTIFICATE



LETTER OF GOOD STANDING



ADDRESS CHANGE
(if submitted within 30 days of change)



CPA NAME CHANGE

Learn more about application and status change requirements on the Board's [website](http://www.tn.gov).

Contact Information

Mailing Address:

State Board of Accountancy
500 James Robertson Pkwy
Nashville, TN 37243-1141

Telephone:

Phone: 615-741-2550
Toll Free: 888-453-6150
Fax: 615-532-8800
Email: Accountancy.Board@TN.Gov

Office Hours:

M-F 8:00am-4:30pm
CLOSED on all State Holidays



Tennessee Department of Commerce & Insurance

Tennessee Board of Accountancy | 500 James Robertson Parkway | Nashville, TN 37243-1141

Tel: 615-741-2550 | Fax: 615-532-8800 | tn.gov/commerce/regboards/accountancy

Landon State Office Building
900 SW Jackson Street
Suite 556
Topeka, Kansas 66612
Main: 785-296-2162
Fax: 785-291-3501
email: ksboa@ks.gov

TICKS & TIES

www.ksboa.org

May 2020

In This Issue:

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Successful CPA Exam Candidates	3
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Scheduled Board Meetings (Subject to Change)

JULY 17, 2020	OCTOBER 23, 2020
AUGUST 21, 2020	DECEMBER 4, 2020

Unless otherwise noted, the Board meetings are held at the Board office, Landon State Office Building, 900 SW Jackson, Ste. 556A, Topeka, KS.

Board Members

- John R. Helms, CPA, Chair
- Sean P. Weaver, CPA, Vice-Chair
- Jeffery Bottenberg, Public Member
- James F. Gillespie, CPA
- Allison Koehn, Public Member
- Kathryn J. Mitchell, CPA
- Julie Spiegel, CPA

Please direct all communications to Board members to the KSBOA office.

Board Staff

- Susan Somers, Executive Director
- Taylor Thimesch, Administrative Officer
- Lynette Hosek, Administrative Specialist

Notice of Change of Name or Address: Pursuant to K.A.R. 74-5-408, Certified Public Accountants are to notify the Board within 30 days of any change in name, home address, employer name, business address or electronic mail address.

CHANGES TO 2020 PERMIT RENEWALS/CONTINUING EDUCATION REQUIREMENTS

Due to COVID-19, the due date for completion of CE necessary for permit renewal and the permit renewal date for 2020 is set for August 31, 2020. If you renew after the August 31, 2020 date, you will be subject to the late fee, and/or if you obtain any of the required CE for your 2020 renewal after the August 31, 2020 date, you will automatically be assessed the 8-hour additional CE penalty which must be obtained before you may renew. **The Board does, however, strongly encourage everyone to obtain their CE and renew as soon as possible.**

The Board office is scheduled to mail out permit renewals on June 1, 2020, with complete renewals to be submitted to the Board either online, or if mailed, received in the Board office, on or before August 31, 2020.

Please remember, you may obtain all of your CE by webinar or self-study, if the program sponsor is either (1) approved by NASBA for the delivery method in which the course is being taught, (2) the AICPA, or (3) a state CPA Society, and the CE program otherwise meets the requirements set forth in the governing regulations. Rules and Regulations concerning CE are found at K.A.R. 74-4-7; K.A.R. 74-4-8; and K.A.R. 74-4-9.

Complete instructions will be included in the permit renewal packet that will be mailed out on or about June 1, 2020.

Thank you for your patience and stay safe and well.

Mark Your Calendar

AUGUST

31

NEW BOARD OF ACCOUNTANCY MEMBER

Welcome to Allison Koehn, J.D., LL.M, an Associate Attorney with Newbery, Ungerer & Hickert, LLP, Topeka, KS, as a public member of the Board, replacing Meredith Richey. Ms. Koehn obtained her undergraduate degree from the University of Kansas; her J.D. degree from Washburn School of Law, and her LL.M in tax from the University of Denver Sturm College of Law and specializes in the areas of Business and Estate Planning, Probate and Trust Administration, and Tax Planning.



BOARD ACTIONS

Below is a listing of disciplinary actions taken by the Board for the period from October 2019 to December 2019. Information concerning these, and other actions taken by the Board, may be found on the Board's website under the link "Board Meeting Dates, Agendas & Minutes", or by contacting the Board office at 785-296-2162 or ksboa@ks.gov.

OCTOBER 2019:

ELLEN MARIE AINSWORTH, CPA & AINSWORTH ACCOUNTING & TAX SERVICES, P.A., STIPULATION AND CONSENT ORDER:

Failure to cooperate in a Board investigation. Appearance before the board; Firm to pay a fine; Ms. Ainsworth to pay costs; censure of both parties; Respondents are not to perform or offer to perform any attest services until further order of the Board.

AUSTIN LANE WINGERSON, CPA; MINDTAP CONSULTING, INC. AND ALW MANAGEMENT, INC. STIPULATION AND CONSENT ORDER:

Engaging in the practice of certified public accountancy without valid firm registrations and Mr. WingerSON violated statutes governing the practice of certified public accountancy. Appearance before the Board; Mr. WingerSON to pay a fine and costs; Respondent Firms to each pay a fine; censure of all parties. Applications for firm registration approved.

JENNIFER K. BURTCH, CPA STIPULATION AND CONSENT ORDER:

Engaging in the practice of certified public accountancy without holding a valid permit to practice. Appearance before the Board; Ms. Burtch to pay a fine and costs; and censure. Application for renewal of permit to practice as a CPA is granted.

DAVID EARL DECKERT, CPA & DECKERT FINANCIAL, LLC STIPULATION AND CONSENT ORDER:

Engaging in the practice of certified public accountancy without a valid firm registration and Mr. Deckert engaged in conduct reflecting adversely on his fitness to practice certified public accountancy. Appearance before the Board; Mr. Deckert to pay a fine and costs; Respondent Firm to pay a fine; censure of both parties. Application for firm registration approved.

JEFFREY J. MCMULLEN, CPA STIPULATION AND CONSENT ORDER:

Commission of fraud, dishonesty or deceit in obtaining a permit to practice; failure to maintain the CE requirements for renewal of a permit to practice; and conduct reflecting adversely on his fitness to practice certified public accountancy for committing an act discreditable to the profession. Appearance before the Board; Mr. McMullen to pay a fine and costs; censure.

STEPHANIE L. SPENCER, CPA AND S2 ACCOUNTING & TAX SERVICES, LLC STIPULATION AND CONSENT ORDER:

Practice of certified public accountancy without a valid firm registration; Ms. Spencer committed a willful violation of a rule of professional conduct in not complying with applicable professional standards and engaged in conduct reflecting

adversely on her fitness to practice certified public accountancy. Appearance before the Board; Ms. Spencer to pay a fine and costs, also required to obtain 8 hours of CE in compilation and review services to include financial statement preparation engagements; Firm to pay a fine; censure of both parties. Application for firm registration approved.

SANDRA A. GOODWIN-WORSHAM, CPA AND WORSHAM ACCOUNTING SERVICES, LLC STIPULATION AND CONSENT ORDER:

Engaging in the practice of certified public accountancy without holding a valid firm registration; and Ms. Goodwin-Worsham engaged in conduct reflecting adversely on her fitness to practice certified public accountancy. Appearance before the Board; Ms. Goodwin-Worsham to pay a fine and costs; Firm to pay a fine; censure of both parties. Application for firm registration approved.

EDWARD FRANCIS HALPIN, CPA & EFH TAX MANAGEMENT, INC. F/K/A EFH CAPITAL MANAGEMENT, INC. STIPULATION AND CONSENT ORDER:

Engaging in the practice of certified public accountancy without holding a valid firm registration; Mr. Halpin engaged in conduct reflecting adversely on his fitness to practice certified public accountancy. Appearance before the Board; Mr. Halpin to pay a fine and costs; Firm to pay a fine; censure of both parties. Application for firm registration approved.

ARMANINO, LLP STIPULATION AND CONSENT ORDER:

Consideration of Respondent's application for firm registration with prior disciplinary history for failure to timely comply with Peer Review. Appearance before the Board; payment of a fine and costs; censure. Application for firm registration approved.

ASSURE PROFESSIONAL, LLC STIPULATION AND CONSENT ORDER:

Failure to timely comply with Peer Review. Appearance before the Board; payment of a fine and costs; censure.

GENSKE, MULDER & COMPANY, LLP STIPULATION AND CONSENT ORDER:

Consideration of Respondent's application for firm registration submitted following revocation of Respondent's firm registration for failure to timely comply with peer review and failure to comply with a Board order. Appearance before the Board; payment of a fine and costs; censure; and directed compliance with Board order. Application for firm registration approved.

(Continued On Page 4)

BOARD ACTIONS (CONTINUED)

DECEMBER 2019:

BYRON FREDERICK BENSON, CPA & ACCOUNTS PAYABLE REVIEW, INC., STIPULATION AND CONSENT ORDER: Engaging in the practice of certified public accountancy without holding a valid permit to practice, and the firm being in violation of K.S.A. 1-308. Appearance before the Board; Mr. Benson to pay a fine and costs; censure of both parties.

DEREK AARON DOWELL, CPA & DOWELL TAX CONSULTING, L.L.C. STIPULATION AND CONSENT ORDER: Engaging in the practice of certified public accountancy without a valid permit to practice, and firm failed to comply with K.S.A.1-308. Appearance before the Board; Mr. Dowell to pay a fine and costs; Firm to pay a fine; censure of both parties. Application for renewal of permit approved.

ARTHETTA FAYE LONG, CPA STIPULATION AND CONSENT ORDER: Failure to maintain the requirements to renew her permit and conduct reflecting adversely on her fitness to practice as a certified public accountant. Appearance before the Board; payment of a fine and costs; censure.

KEVIN SUMNER MCGREW, CPA AND WEALTH MANAGEMENT ADVISORS, INC. STIPULATION AND CONSENT ORDER: Engaging in the practice of certified public accountancy without holding a valid firm registration; Mr. McGrew violated a provision of the Accountancy Act; and the firm utilized a misleading firm name. Appearance before the Board; Mr. McGrew to pay a fine and costs; firm to pay a fine; firm to change its name to be consistent with Kansas law; censure of both parties. Application for firm registration approved.

DON ALBERT PETER, CPA STIPULATION AND CONSENT ORDER: Engaging in the practice of certified public accountancy without a lawful permit to practice. Appearance before the Board; Mr. Peter to pay a fine and costs; completion of 10 hours of continuing education; censure. Application for renewal of permit approved.

NEIL BLEISH, CPA STIPULATION AND CONSENT ORDER: Engaging in the practice of certified public accountancy without a lawful permit to practice. Appearance before the Board; payment of a fine and costs; censure. Application for renewal of permit approved.

ANDREW J. HINRICH, CPA AND HINRICH+PESAVENTO, LLC STIPULATION AND CONSENT ODER: Practicing certified public accountancy without a valid permit to practice; Mr. Hinrichs willfully violated a rule of professional conduct in committing an act discreditable; and engaged in conduct reflecting adversely on his fitness to practice as a certified public accountant; the Firm violated a provision of the accountancy act. Appearance before the Board; Mr. Hinrichs to pay a fine and costs, and complete the National Association of State Boards of Accountancy CPT Ethics Examination; censure of both parties. Application for permit renewal approved.

JARRET & NORTON, CPAS, LLC STIPULATION AND CONSENT ORDER: Failure to comply with applicable professional standards. Appearance before the Board; firm shall not perform or offer to perform Employee Benefit Plan audit services without prior written permission from the Board; payment of costs; censure.

STEPHEN JAMES O'BEIRNE STIPULATION AND CONSENT ORDER: Engaging in the practice of certified public accountancy without holding a lawful Kansas certificate and valid permit. Appearance before the Board; payment of a fine and costs; censure. Application for Kansas certificate and initial permit to practice approved.

LESLIE JUNE WILSON, CPA & LESLIE WILSON, CPA, LLC STIPULATION AND CONSENT ORDER: Firm had engaged in the practice of certified public accountancy without being registered with the Board; Ms. Wilson engaged in conduct reflecting adversely on her fitness to practice as a certified public accountant. Appearance before the Board; Ms. Wilson to pay a fine and costs; firm to pay a fine; censure of both parties. Application for firm registration approved.

IS YOUR CONTACT INFORMATION UP-TO-DATE?

Go to our website at www.ksboa.org. Click on the "Change of Address" tab and update your information there. Remember, you are required to notify the Board within 30 days of any change in name, home address, employer name, business address or electronic mail address.

SUCCESSFUL CPA EXAM CANDIDATES

Below is a list of successful CPA exam candidates from 4th quarter of 2019. Congratulations!

Devyn Huggans <i>Augusta, KS</i>	Drew Clarke Jordan Ortega <i>Garden City, KS</i>	James Jones <i>Olathe, KS</i>
Addie Lackey <i>Burdett, KS</i>	Sherry Roschitz <i>Kansas City, KS</i>	Li Lauterbach Josh Stukel <i>Overland Park, KS</i>
Kayleen Million <i>Dodge City, KS</i>	Sierra Heins <i>Lawrence, KS</i>	Casey Bargdill Jessica Haffner <i>Wichita, KS</i>

the 1990s, the number of people with a disability in the United States has increased from 20 million to 35 million (U.S. Census Bureau 2000).

As a result of the increase in the number of people with a disability, the need for accessible information has become more acute. The Americans with Disabilities Act (ADA) of 1990 has been a landmark piece of legislation that has provided a legal framework for the development of accessible information. The ADA requires that information be accessible to people with disabilities, and that the information be presented in a format that is accessible to them.

The ADA has been a catalyst for the development of accessible information. The ADA has led to the development of accessible information in a wide range of areas, including education, employment, and public services. The ADA has also led to the development of accessible information in a wide range of formats, including Braille, large print, and audio.

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Activity Review

North Carolina State Board of Certified Public Accountant Examiners



1101 Oberlin Rd., Ste. 104 • PO Box 12827 • Raleigh, NC 27605 • 919-733-4222 • nccpaboard.gov • No. 7-2020

Exam Fee Increase Effective August 1, 2020

Effective August 1, 2020, the Uniform CPA Examination fees charged by NASBA and the AICPA will increase. The Board's administrative fees are not changing.

Applications postmarked on or before July 31, 2020, will be processed using the current fee schedule. Applications postmarked on or after August 1, 2020, will be processed using the new fee schedule.

Please contact Phyllis Elliott, the Board's Exam Specialist, by email at phyllise@nccpaboard.gov with questions about applying for the Exam.

	Applications Post-marked On or Before July 31, 2020	Applications Post-marked On or After August 1, 2020
Administrative Fees		
Initial Exam Application	\$230.00	\$230.00
Re-Exam Application	\$75.00	\$75.00
Per-Section Fees		
AUD	\$209.99	\$224.99
BEC	\$209.99	\$224.99
FAR	\$209.99	\$224.99
REG	\$209.99	\$224.99

Do We Have Your Email Address?

When you provide the Board with your email address, it allows us to provide you with better, more timely communication.

The Board uses email to send you the newsletter, notify you about a

rule or fee change, and remind you of an upcoming deadline for certificate or firm registration renewals.

Your email address is not public record, and the Board does not share it with other organizations.

CPAs can update their email address using the Address Change link on the Board's website, nccpaboard.gov.

Exam candidates can update their email address by sending an email to phyllise@nccpaboard.gov.



Letters of Demand Mailed

The Board mailed Letters of Demand to 642 North Carolina CPAs who failed to renew their certificate or request inactive status before July 1, 2020.

Failure of an individual to complete the certificate renewal or to request inactive status within 30 days of the Letter of Demand automatically results in forfeiture of the CPA's certificate, as required by NCGS 93-12(15). Upon forfeiture of a certificate, the individual cannot use the CPA title in any way, and he or she must return his or her CPA certificate to the Board within 15 days of the notice of forfeiture.

The certificate renewal link and inactive status request link are in the "How Do I" box on the homepage of the Board's website, nccpaboard.gov.



The online certificate renewal link will be available through July 31, 2020.

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- Notice to Schedule and Exam Section Credit Extensions..... 5
- Exam Score Release Dates..... 5
- Inactive Status..... 6

Disciplinary Action

Pursuant to NCGS 93-12(9), civil penalties are remitted to the North Carolina Civil Penalty and Forfeiture Fund (“Fund”) in accordance with NCGS 115C-457.2. NCGS 115C-457.1(b) states, “The Fund shall be administered by the Office of State Budget and Management. The Fund and all interest accruing to the Fund shall be faithfully used exclusively for maintaining free public schools.”

LEON LITTLE RIVES, II, #29505 | RIVES & ASSOCIATES, LLP | LEXINGTON, NC

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. Rives & Associates, LLP (hereinafter “Respondent Firm”), is a registered certified public accounting firm in North Carolina.
2. Leon Little Rives, II (hereinafter “Respondent”), is the holder of North Carolina certificate number 29505. The Respondent and Respondent Firm shall hereinafter be collectively referred to as the “Respondents.”
3. In 2010, the Respondent Firm entered into a consulting agreement with the Yadkin County Board of Education to perform an efficiency study (“Consulting Agreement”). Per that agreement, the fee paid by the Yadkin County Board of Education was based upon a percentage of revenue increases and/or operating cost decreases recognized as a result of the consulting agreement.
4. During the same period of time as the Consulting Agreement, the Respondent Firm also performed the audit for the same client.
5. Per 21 NCAC 08N .0303(1)(A), a CPA shall not be prohibited from receiving a contingent fee, except for the rendering of:
 - professional services for any person for whom the CPA also performs attest services, during the period of the attest services engagement, and the period covered by any historical financial statements involved in such attest services....
6. Subsequently, in August 2011, the Respondents formed School Efficiency Consultants (“SEC”). SEC performed substantially the same functions as previously performed by the Respondent Firm pursuant to the Consulting Agreement.
7. At the time that SEC was created, the Respondent Firm held a controlling interest in SEC. Further, many of SEC’s administrative functions were performed at the Respondent Firm’s Lexington office. The Respondent was the Organizer and Manager of SEC.
8. Since that time, SEC has performed consulting services for several of the Respondent Firm’s audit clients. The time periods of those consulting services overlapped with the periods for which the Respondent Firm performed audits.

2020 Board Meetings

AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
Monday Aug. 17 10:00 a.m. Raleigh	Monday Sept. 21 10:00 a.m. Raleigh	Monday Oct. 19 10:00 a.m. Raleigh	Monday Nov. 23 10:00 a.m. Raleigh	Monday Dec. 14 10:00 a.m. Raleigh

Under NC Gen. Stat. §143-318.10, all official Board meetings are open to the public, and any person is entitled to attend such a meeting. However, the public may be excluded from certain portions of the meeting as allowed by NC Gen. Stat. §143-318.11, *Closed Sessions*.

The Board may conduct some meetings by teleconference or videoconference. To participate in those meetings, please send your name, email address, telephone number, and employer/firm name to **communications@nccpaboard.gov** at least three (3) business days before the scheduled meeting.

9. SEC is not a CPA or a CPA firm and, therefore, is not strictly prohibited from receiving a contingent fee from the Respondent Firm's audit clients. Nevertheless, the Respondents' professional responsibilities may be imputed to SEC per 21 NCAC 08N .0103:

A CPA and CPA firm shall be responsible for assuring compliance with the rules in this Subchapter by anyone who is the CPA's partner, fellow shareholder, member, officer, director, licensed employee, unlicensed employee or agent or unlicensed principal, or by anyone whom the CPA supervises. A CPA or CPA firm shall not permit others (including affiliated entities) to carry out on the CPA's behalf, with or without compensation, acts that if carried out by the CPA would be a violation of these Rules.

10. Over time, the Respondent Firm's ownership, and resulting control in SEC, was diluted. SEC has also ceased receiving a contingent fee for its services.

11. The Respondents requested an opinion from the AICPA regarding whether the contingency fee arrangement violated the AICPA independence rules, before the Respondent Firm undertook the 2010 Consulting Agreement, and received an opinion that there was not a violation of independence standards because the Consulting Agreement fee was set by a public authority.

12. Later, a former partner of the Respondent, who was at the time in litigation with the Respondent, and who was the engagement partner for the Yadkin County Board of Education audit, reported the Yadkin County Board of Education Audit Engagement as a potential independence violation. Upon Respondent receiving the indication of a potential independence violation, Respondent Firm contacted the Board, met with Board staff in order to obtain an additional opinion regarding independence. Following that consultation, and based upon the representations made by the Respondents, a staff member sent an email to Respondents dated October 3, 2012, at 11:34 a.m. saying: "The board staff does not think your firm has an independence problem."

13. The Respondents wish to resolve this matter by consent and agree 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. The Respondents understand and agree 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.

14. There remain other outstanding issues before the Board against the Respondents, this Consent Order does not constitute a resolution of those issues, and they will be addressed separately.

BASED UPON THE FOREGOING, the Board makes the following Conclusions of Law:

1. The Respondents are 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. By entering into the Consulting Agreement with the Yadkin County Board of Education for the same time period that the Respondent Firm performed the audit for that same client, the Respondents have violated 21 NCAC 08N .0303.

3. The subsequent consulting services rendered by SEC for clients that had their audits performed by the Respondent Firm created the appearance of a lack of independence in violation of 21 NCAC 08N .0402(a).

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

BASED ON THE FOREGOING and in lieu of further proceedings, the Board and Respondents agree to the following Order:

1. The Respondents are censured.
2. For the violation of 21 NCAC 08N .0303, the Respondent Firm must pay a \$1,000 civil monetary penalty. The penalty is due at the time of the execution of this Consent Order.

Approved by the Board on July 20, 2020.

Disciplinary Actions
continued on page 4

Did You Know?

Five staff members have more than 30 years of service to the Board.

Felecia Ashe, Accounting Specialist	35 years
Phyllis Elliott, Exam Specialist	34 years
Robert Brooks, Executive Director	34 years
Alice Grigsby, Licensing Specialist	34 years
Buck Winslow, Licensing Manager	33 years

Disciplinary Actions

Pursuant to NCGS 93-12(9), civil penalties are remitted to the North Carolina Civil Penalty and Forfeiture Fund (“Fund”) in accordance with NCGS 115C-457.2. NCGS 115C-457.1(b) states, “The Fund shall be administered by the Office of State Budget and Management. The Fund and all interest accruing to the Fund shall be faithfully used exclusively for maintaining free public schools.”

N.C. Gen. Stat. §93-10(c)(3) requires a firm whose principal place of business is outside of North Carolina and does not have a North Carolina office to provide the Board with a *Notification of Intent to Practice in North Carolina* (“Notice”) before performing financial statement audits or other engagements performed in accordance with the Statements on Auditing Standards.

Each firm listed below performed an audit of a retirement plan (“ERISA audit”) sponsored in North Carolina without submitting a Notice to the Board. In doing so, the firms violated N.C. Gen. Stat. §93-10(c)(3) and 21 NCAC 08N .0213 and are subject to discipline by the Board.

Each firm signed a Consent Order in which the firm agreed to pay a \$1000.00 civil penalty. The Board approved the Orders at its June 18, 2020, meeting. Each firm now has submitted a *Notification of Intent to Practice in North Carolina* to the Board.

To view the full text of a Consent Order, search for the firm using the “Find CPA/CPA Firm” link on the Board’s website, nccpaboard.gov. In the firm’s record, click on the “Details” link and select “View” under the Public Documents heading.

BMC CPAs, Inc.
New Smyrna Beach, FL
Britt & Company, CPA, LLC
Dedham, MA

Neikirk, Mahoney & Co., PLLC
Louisville, KY
Waldron H. Rand & Company, P.C.
Dedham, MA

Reclassifications

At its June 18, 2020, meeting, the Board approved the applications for reclassification submitted by the following individuals:

Reinstatement

Jonathan Rhett Esser, #34425 High Point, NC

Sarah Marie Windt, #36144 Charlotte, NC

Reissuance

Thomas Beverly Alvis, III, #33582 Charlotte, NC

Barry Tyrone Leonard, #31241 Winston-Salem, NC



Do You Follow the Board on Social Media?

Social media is an excellent way for the Board to keep applicants, licensees, and the public up-to-date on statute and rule changes, upcoming deadlines, Board meetings, issues affecting the profession, and much more.

Facebook

www.fb.com/NCCPABoard

Twitter

[@NCCPABOARD](https://twitter.com/NCCPABOARD)

LinkedIn

North Carolina State Board of CPA Examiners

And don’t forget to bookmark the Board’s website
nccpaboard.gov.



Continuous Exam Testing Launched

With more than 75 additional testing days, CPA Exam candidates now have more scheduling flexibility and convenience, thanks to the Continuous Testing model that launched July 1, 2020.

Under the Continuous Testing model, candidates are no longer limited to taking the Exam during designated time frames each calendar quarter.

Instead, a candidate who does not pass an Exam section may apply to re-take that section after receiving the official score notification from the Board.

Although there are no planned blackout periods, if there are significant changes to the Exam, testing may be impacted.

More information on Continuous Testing is available from the NASBA website, www.nasba.org.



Board Extends Notice to Schedule and Section Credit Expiration Dates

Recently, the Board extended the expiration date for specific Notices to Schedule (NTS) and Exam section credits.

Notices to Schedule and Exam section credits expiring between April 1, 2020, and June 30, 2020, now expire on December 31, 2020.

Please email questions about the NTS and section credit extensions to Phyllis Elliott, the Board's Exam Specialist, at phyllise@nccpaboard.gov.

2020 Exam Score Release Dates

If you take your exam on/before:	Your target score release date is:
July 23	August 7
August 16	August 25
September 8	September 16
September 30	October 9
October 23	November 10
November 16	November 24
December 8	December 16
December 31	January 12

Source: AICPA

CPE Audit Order

The following matter is an excerpt from a Consent Order issued by the Board in response to the findings of the Continuing Professional Education (CPE) audit. To view the full text of the Consent Order, use the "Find CPA/CPA Firm" link on the Board's website, nccpaboard.gov, to look up the licensee's record. In the record, click on the "Details" link and select "View" under the Public Documents heading.

Mary Ann Helms Armstrong, #30676 | Huntersville, NC

The Board opened a case against Mary Ann Helms Armstrong (Respondent Armstrong) for failure to complete the CPE required for renewal of her North Carolina CPA license.

Respondent Armstrong signed a Consent Order in which she accepted the denial of the renewal of her CPA license; the forfeiture for at least one year of her CPA license; and the return of her CPA certificate to the Board within 15 days of her receipt of the Board's notification of its approval of the Consent Order.

Respondent Armstrong may apply to return her CPA certificate to active status by submitting a reissuance application that includes payment of the application fee; three (3) moral character affidavits; payment of a \$1,000 civil penalty; and proof of completion of at least 40 hours of CPE including an eight-hour accountancy law course offered by the North Carolina Association of CPAs.

Failure to timely comply with any terms of the Consent Order will be sufficient grounds to revoke Respondent Armstrong's CPA license.

Approved by the Board on June 18, 2020.

Inactive Status

Between June 16, 2020, and June 30, 2020, the Board approved the individuals listed below for inactive status. 21 NCAC 08A .0301(b)(20) states: "Inactive," when used to refer to the status of a person, describes a person who has requested inactive status and been approved by the Board and who does not use the title "certified public accountant" nor does he or she allow anyone to refer to him or her as a "certified public accountant," and neither he nor she nor anyone else refers to him or her in any representation as described in Rule .0308(b) of this Section."

Sylvia Karen Bullock, #23409	Tarboro, NC	John Louis Ruggiero, Sr., #23799	Winston-Salem, NC
Henry Donald Pickett, #6820	Beulaville, NC	Elaine M. Runner, #33125	Glen Allen, VA
Melisa Howard Hardy, #20199	Mocksville, NC	Gerilyn O'Dell Sheriff, #15007	Raleigh, NC
Barbara Hochuli Poe, #12713	Raleigh, NC	Carolyn Mercer Shields, #18968	Reston, VA
Alexander Todd Schwarz, #19953	Asheboro, NC	Lori Finch Sirotek, #34246	Washington, NC
David Francis Seymour, #17430	Charlotte, NC	Barry Eugene Snipes, #14394	Beaufort, NC
Herbert Steven Stone, #14705	Granite Falls, NC	Matthew Brent Starkey, #36903	Rockville, MD
Pearce Robert Vogler, #41402	Mt. Pleasant, SC	David Gray Walker, Jr., #36816	Atlanta, GA
Allison Flowers Baker, #36342	Nashville, NC	Matthew Jake Wolfe, #32209	Jamestown, NC
John Manning Barnes, II, #27225	Saint Augustine, FL	Ashlyn Lane Congdon, #40020	Wilmington, NC
Eddie Harold Brailsford, #16067	Greensboro, NC	Gary Winford Walters, #19096	Moselle, MS
Susan E. Lieberum, #33548	Dover, DE	Sharon G. Auriene, #27435	Zebulon, NC
Alison M. Merkabah, #40878	Raleigh, NC	Alana Nichole Ayala, #43054	Hillsboro, OR
John Kennedy Pittman, #16891	Summerfield, NC	Molly McCaa Barber, #16338	Mt. Gilead, NC
William Fred Blue, #10378	High Point, NC	Benjamin Charles Barnes, #13402	Clayton, NC
Kenneth Paul Breaux, Sr., #33227	Young Harris, GA	Erin Michelle Bowley, #41101	Charlotte, NC
Jennifer Lynn Buller, #30171	Black Creek, NC	William James Dulin, #14799	Laurel Hill, NC
Kathleen Ann Canty, #23587	Huntersville, NC	James Richard Gill, #28538	Moon Township, PA
Mark John Casella, #38528	Waccabuc, NY	Lindsey Michelle McIver, #33426	Durham, NC
Matthew Vaughn Church, #31893	Charlotte, NC	David Benjamin Therit, #32444	Apex, NC
Wesley Robert Combs, #42451	Holly Springs, NC	Scotty Ray Tribble, #33636	Lexington, SC
Kimberly Michele Crouch, #35588	Southern Shores, NC	Nancy McGinnis Walker, #24976	Cary, NC
Minh Duc Do, #24325	Raleigh, NC	Amanda Elizabeth Wooten, #34342	Jupiter, FL
John Francis Giegerich, #38430	Woodbridge, NJ	Barbara Jackson Aldridge, #13836	Greensboro, NC
Carolyn J. B. Hill, #24279	Scio, OH	Heather Dawn Boucher, #29305	Huntersville, NC
Nathaniel Ryan Hill, #42546	Durham, NC	Richard L. Braman, Jr., #42620	Swan Quarter, NC
Tatsiana Hliatsevich, #38337	Charlotte, NC	Sally Sater Brame, #39487	New York, NY
Daniel Wade Hoehn, #39541	Hudson, OH	Jean Dixon, #24273	Merritt, NC
Kyle Lindsay Hooks, #38995	Charlotte, NC	Avis Thornton Edmundson, #14854	Clayton, NC
Jamasp Darius Jhabvala, #18605	Broomfield, CO	David James Fitzgerald, #20187	Danvers, MA
Philip Charles Levi, #28861	CANADA	Patrick Brennan Gilbert, #31720	Carmel, IN
Katrina Sheets Lowe, #16599	Moravian Falls, NC	Marta Bullard Jacobus, #14435	Wilmington, NC
Anthony Marable, #21613	Mauldin, SC	David Lee Joyner, #38013	Raleigh, NC
Michael Dean McFarland, #10105	Statesville, NC	David J. Manifold, #32179	Long Beach, MS
Lucy Wong Otteni, #13276	Raleigh, NC	Heike Rosenbusch Massengale, #37625	Simpsonville, SC
Akilah Yvette Pitt, #37346	Concord, NC	Jason Samuel Porter, #34283	Cornelius, NC
Kyra Craig Poff, #26274	Cramerton, NC	William Eldon Russ, #11669	Louisville, KY
William Wayne Rogers, #22767	Wake Forest, NC	Kent Allen Thomas, #30201	Blairsville, GA

Joseph Elwood Weatherly, III, #13271	Greensboro, NC	Ron Monroe Tart, #26366	Raleigh, NC
Kenneth Ray Argo, #2110	Kannapolis, NC	Roger Mitchell Taylor, #10747	Winston-Salem, NC
Christopher Michael Befus, #41986	San Francisco, CA	Linda Louise Tucker, #41485	Fate, TX
Dawn Leigh Brickell-Bryant, #26575	Florence, MA	Wen-Chi Wang, #34687	Columbus, OH
Colin Robert Broom, #37699	Stamford, CT	Kristie Ann Weiss, #34949	Greensboro, NC
Jeffery Charles Bryan, #26991	Greensboro, NC	H. Jean Williams-Easley, #20503	Kernersville, NC
William Louis Cannon, #12086	New Bern, NC	Lake Warren Woods, Jr., #12926	Charlotte, NC Juanita
Eric Matthew Carr, #38328	Charlotte, NC	Denise Brooks, #42757	Raleigh, NC
Kristine D. Coates, #22151	Advance, NC	Scott Gregory Cassell, #34018	Nolensville, TN
Gregory William Demko, #35246	High Point, NC	Edmin Sik-Kuen Chan, #34040	Alameda, CA
Samuel LaMar DuBose, IV, #39347	Greenville, SC	Dustin Corie Cotterman, #35616	Rolesville, NC
Taylor David Duran, #39238	Chicago, IL	Mary Bower Cottrell, #15534	South Fork, CO
Neil Evangelista, #33427	Cupertino, CA	Frederick Michael Deeb, #41311	Maggie Valley, NC
James David Ewart, #4156	Charleston, SC	Karen S. Dellinger, #20916	Oak Island, NC
Robin L. Forstchen, #28729	Ridgecrest, NC	Kenneth Ransom Durham, #3994	Raleigh, NC
Gary Joseph Gerhards, #35628	Huntersville, NC	Karen Alisa Frazier, #27956	Raleigh, NC
Andrew Eaton Hallam, #34991	Charlotte, NC	Michael Jonas Gilreath, #31583	Charlotte, NC
Deryle Keith Hammonds, #26229	Cary, NC	Charles Otis Goad, #26224	Charlotte, NC
Elizabeth K. Hartley, #30782	Destin, FL	Michael James Hadden, #42591	Haddonfield, NJ
Billy Alan Hayes, #13906	Davidson, NC	Anne Beal Hare, #19654	Raleigh, NC
Donald Allen Helsel, #11842	N. Myrtle Beach, SC	Mark Robert Heissenbuttel, #13593	Lewes, DE
Charles Mack Hicks, #6810	High Point, NC	Matthew Hirth Kilian, #37275	Charlotte, NC
Michelle Lynn Hottenstein, #36472	Pittsburgh, PA	Gail Shepherd Kwee, #23838	Cary, NC
Natalie Beth James, #34895	Saint Louis, MO	Frank Daniel Logano, #42046	Huntersville, NC
Barrett Glen Johnson, #33469	Kernersville, NC	Randal Gene Mann, #16313	Cary, NC
Jacob Reese Kager, #42992	Charlotte, NC	Lucy Cinder Maynor, #24706	Lumberton, NC
Atsushi Kawada, #28856	JAPAN	Joanna Hutchinson McGinnis, #16645	Manteo, NC
Carl Lee Keatts, Jr., #17033	Durham, NC	Janice Younts Myers, #3513	Trinity, NC
Rebecca Noah Keith, #14871	Lewisville, NC	John Stevens Norris, III, #40903	Raleigh, NC
Margaret Myers Knopp, #17523	Sebastopol, CA	Kathy Phillips, #14197	Ponte Vedra, FL
Alan Dale Kunkel, #22012	Bloomington, MN	Kenneth K. Pierce, #32231	Kennett Square, PA
Anthony Joseph Lampron, Jr., #11551	Denver, NC	Tony Layne Prince, #15366	Cartersville, GA
Karen Clark Lane, #29057	Greenville, NC	Daniel Anderson Puryear, #32512	Martinez, GA
Deborah Lynn Linthicum, #19766	Winston-Salem, NC	Megan Rebecca Roberts, #43115	Atlanta, GA
Jon David McKee, #33810	Marietta, GA	Kimberly Falls Sasser, #29048	Huntersville, NC
Cathy Marlene Brooks Moore, #19729	Sylva, NC	Douglas Scott Scarborough, #11304	Belmont, NC
Laura Brown Mullinax, #11797	Charlotte, NC	Margaret Roth Schneider, #29073	Cary, NC
Adesola Onikoyi, #27557	Summerfield, NC	Meghan Colleen Seifert, #39989	Middletown, DE
Lura Lowe Pieringer, #13323	Raleigh, NC	Cleatus Arthur Spacht, #26777	Farmington Hills, MI
Renee Catherine Reed, #39913	Whispering Pines, NC	Teri K. Sparrow, #21994	Youngsville, NC
Eric Alan Ritchie, #43131	Holly Springs, NC	Richard Allen Turpen, #41716	Birmingham, AL
Charles Frederick Rose, #12331	Rocky Mount, NC	Eric Steven Vozzo, #41343	Portland, ME
Clayton Thomas Rumble, #8197	Charlotte, NC	Matthew Mayo Walters, #33079	Charlotte, NC
Garry Lane Shepherd, #14760	Oak Ridge, NC	Mark Wurtenberger, #40569	Cincinnati, OH



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Notice of Address Change

Please Print Legibly

Full Name:	
Certificate No.:	Last 4 Digits of SSN:
Home Address:	
City/State/Zip:	
Home Phone No:	Home Fax:
Personal Email:	
Firm/Business Name:	
Business Address:	
City/State/Zip:	
Business Phone No:	Business Fax:
Business Email:	
Signature:	
Date:	Send mail to: <input type="checkbox"/> Home <input type="checkbox"/> Business

Mail form to: PO Box 12827, Raleigh, NC 27605
Fax form to: (919) 733-4209

Pursuant to 21 NCAC 08J .0107, all certificate holders & CPA firms shall notify the Board in writing within 30 days of any change in home address & phone number; CPA firm address & phone number; business location & phone number; & email address.



Activity Review

North Carolina State Board of Certified Public Accountant Examiners



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The Board’s Response to the COVID-19 Pandemic

As North Carolina continues to navigate the COVID-19 pandemic, the Board remains committed to supporting our licensees, applicants, candidates, and other stakeholders by maintaining normal operations as much as possible.

Below are some of the actions taken by the Board in response to the pandemic.

- Closed the office to visitors to limit the staff’s potential exposure to the coronavirus.

The office will remain closed to visitors until the Centers for Disease Control (CDC), the North Carolina Department of Health and Human Services (NCDHHS), and the Office of the Governor lift restrictions.

Because access to the office is limited to staff members, the Board encourages the use of mail, email, fax, or delivery service (e.g., UPS and FedEx) for submitting documents to the Board.

Although visitors can place documents in the dropbox outside the Board’s door, visitors cannot enter the office itself.

- Sent an email to stakeholders notifying them about the Board’s status, submitting documents to the Board, and the closure of Uniform CPA Exam testing sites.

Response continued on page 4



CPA Certificate Renewal Deadline is June 30

The deadline for individual CPA license renewal for North Carolina CPAs is June 30.

The renewal link is in the “How Do I” box on the homepage of the Board’s website, nccpaboard.gov.

An overview of the renewal process was published in the April issue of the *Activity Review*.

Detailed instructions for completing the renewal are included in the online renewal.

CPE reporting can be the portion of the renewal that causes problems for CPAs, so make sure you check the appropriate box related to your CPE.

Failure to accurately report your CPE or not having the proper CPE may result in a forfeited certificate and a \$1,000.00 civil penalty through a Consent Order.

If you are using carry-forward credit from 2018 to meet the CPE requirement, you may check your carry forward by looking up your record on the Board’s website, nccpaboard.gov.

A CPA who doesn’t complete the renewal or request inactive status

before July 1, 2020, may receive a Letter of Demand from the Board.

Failure to renew your license or request inactive status within 30 days of the mailing of the Letter of Demand will result in automatic forfeiture of your CPA license.

For general questions about CPA license renewal, contact the Board’s Licensing Manager, Buck Winslow, at buckw@nccpaboard.gov.

For specific questions about CPE, contact the Board’s Licensing Specialist, Cammie Emery, at cemery@nccpaboard.gov.

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2020-2021 Board Committees

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Gary R. Massey, CPA, Secretary-Treasurer

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Wanda B. Taylor, Esq.
Jennifer K. Van Zant, Esq.

Professional Standards Committee

Arthur M. Winstead, Jr., CPA, Chair
Barton W. Baldwin, CPA
Michael S. Massey, CPA

Audit Committee

Gary R. Massey, CPA, Chair
Barton W. Baldwin, CPA
Bernita W. Demery, CPA

Communications Committee

Michael S. Massey, CPA

Personnel Committee

Wanda B. Taylor, Esq., Chair
Gary R. Massey, CPA
Arthur M. Winstead, Jr., CPA

In addition to the standing committees shown above, the Board President may appoint members to task forces such as the Succession Planning Task Force.

Disciplinary Actions

Pursuant to NCGS 93-12(9), civil penalties are remitted to the North Carolina Civil Penalty and Forfeiture Fund ("Fund") in accordance with NCGS 115C-457.2. NCGS 115C-457.1(b) states, "The Fund shall be administered by the Office of State Budget and Management. The Fund and all interest accruing to the Fund shall be faithfully used exclusively for maintaining free public schools."

N.C. Gen. Stat. §93-10(c)(3) requires a firm whose principal place of business is outside of North Carolina and does not have a North Carolina office to provide the Board with a *Notification of Intent to Practice in North Carolina* ("Notice") before performing financial statement audits or other engagements performed in accordance with the Statements on Auditing Standards.

Each firm listed below performed an audit of a retirement plan ("ERISA audit") sponsored in North Carolina without submitting a Notice to the Board. In doing so, the firms violated N.C. Gen. Stat. §93-10(c)(3) and 21 NCAC 08N .0213 and are subject to discipline by the Board.

Each firm signed a Consent Order in which the firm agreed to pay a \$1000.00 civil penalty. To view the full text of a Consent Order, search for the firm using the "Find CPA/CPA Firm" link on the Board's website, nccpaboard.gov. In the firm's record, click on the "Details" link and select "View" under the Public Documents heading.

As of June 10, 2020, each firm, except Silicon Valley Accountancy Corporation, had submitted a *Notification of Intent to Practice in North Carolina* to the Board.

Clark, Schaefer, Hackett & Co.
Cincinnati, OH

Cooper Williams LLC
Salt Lake City, UT

Forrestall CPAs, LLC
Buford, GA

Kentner Sellers, LLP
Vandalia, OH

Seymour and Perry, LLC
Watkinsville, GA

Silicon Valley Accountancy Corporation
San Jose, CA

Topel Forman, LLC
Chicago, IL

Consent Orders Approved by the Board May 18, 2020.

NASBA Seeks Comments on Proposed Changes to Education Requirements in UAA Model Rules

In late May, NASBA announced the start of a 90-day comment period for proposed revisions to the Uniform Accountancy Act (UAA) Model Rules. Comments on the changes are due by August 31, 2020.

The CPA Evolution Initiative, a joint effort of NASBA and the AICPA, developed the revisions. (See *What Is the CPA Evolution Initiative?* below.)

The proposed changes cover several areas related to the education requirements for those wishing to enter the CPA profession.

The proposed changes include

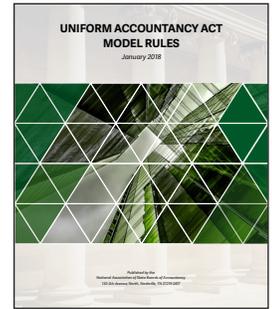
- Removing the requirement that the Council for Higher Education Accreditation (CHEA) recognizes an accounting program, and instead, requiring the board of accountancy program to recognize the program;

- Adding developing skills in critical thinking and professional skepticism;
- Establishing required accounting content that is core to the accounting profession;
- Instituting pre-approval of internship programs and independent study to ensure students receive valuable educational experiences;
- Urging boards of accountancy, not accrediting organizations, to complete transcript reviews to verify that the content of the accounting programs meets the board of accountancy's licensing requirements;
- Aligning requirements among boards of accountancy, and adding data analytics and related courses to basic subject matter;

- Covering situations where pertinent courses are not offered in the business school but are available in other college or university programs; and
- Setting nine as the maximum number of credits earned through internships and independent study.

More information on the UAA and the proposed revisions to the Model Rules in their entirety are available at <https://bit.ly/2XAeefU>.

Submit comments on the proposed changes to uaacomment@nasba.org. Please send a copy of your comments to communications@nccpaboard.gov.



What is the CPA Evolution Initiative?

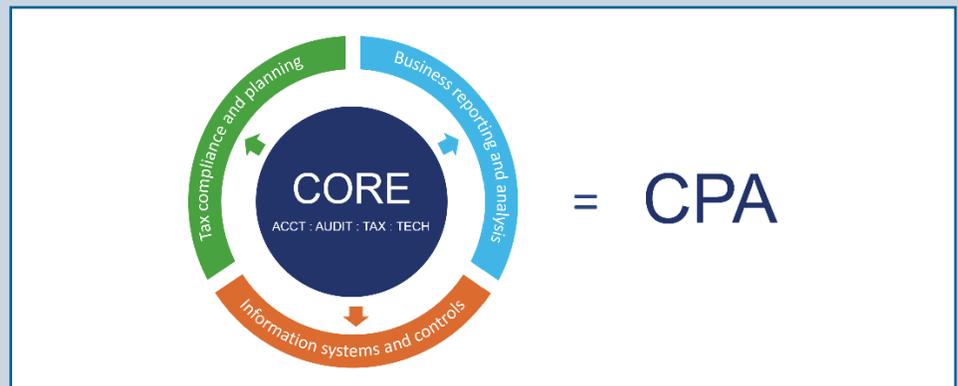
The CPA Evolution initiative is a joint effort of NASBA and the AICPA aimed at evolving CPA licensure to reflect the skills and knowledge CPAs increasingly need in a technology-driven marketplace.

In late 2019, the Initiative proposed a “core + disciplines” licensure model that starts with a deep and strong core in accounting, auditing, tax, and technology that all candidates would be required to complete.

Then, each candidate would choose a discipline in which to demonstrate deeper skills and knowledge.

Regardless of the chosen discipline, this model leads to full CPA licensure, with rights and privileges consistent with any other CPA.

A discipline selected for testing would not mean the CPA is limited to that practice area.



The proposed model:

- Enhances public protection by producing candidates who have the deep knowledge necessary to perform high-quality work, meeting the needs of organizations, firms, and the public;
- Is responsive to feedback, as it builds accounting, auditing, tax, and technology knowledge requirements into a robust common core;

- Reflects the realities of practice, requiring deeper proven knowledge in one of three disciplines that are pillars of the profession;
- Is adaptive and flexible, helping to future-proof the CPA as the profession continues to evolve; and
- Results in one CPA license.

Visit www.evolutionofcpa.org for more information about the Initiative and the proposed licensure model.

Response

continued from front page

- Created a COVID-19 page on the Board's website to post information about the Board's operations and notify stakeholders of changes regarding the CPA Exam and other matters.
- Increased social media activity to more quickly share information with stakeholders.

While most of the posts were directly related to the Board, the CPA Exam, or the accounting profession, the Board also shared updates from the Office of the Governor and NCDHHS that affected the Board's operations.

- Worked with the NCACPA to support its request that NASBA grant greater flexibility surrounding group Internet-based program requirements. (See *COVID-19 and the CPE Requirement* at right.)
- Allowed staff whose job duties could be completed outside the office to telework using secure connections.

Employees who could not telework were not required to come into the office. Instead, they forwarded emails and voicemails to staff members with access to the Board's systems.

Staff members who wanted to work in the office staggered their schedules to maintain social distancing.

- Conducted the April and May Board meetings by teleconference and the June meeting by videoconference. Remote meetings are allowed under North Carolina's Public Meeting Laws (North Carolina General Statute §143, Article 33C) and Session Law 2020-3, *An Act to Provide Aid to North Carolinians in Response to the Coronavirus Disease 2019 (Covid-19) Crisis*.

The Board will continue meeting remotely until social distancing restrictions are lifted.

For information on participating in a teleconference or videoconference Board meeting, please contact **communications@nccpaboard.gov**.

- Launched the online CPA certificate renewal in late April and notified licensees by email or postcard that the renewal was available. A second reminder was sent in early June.

Social media posts about the renewal provided information about the renewal deadline and the process for requesting inactive status.

- Approved extending specific CPA Exam-related deadlines that were affected by the closure of Prometric testing centers and the lack of testing opportunities. (See page 5 for more information about the CPA Exam.)

In mid-May, all staff, except high-risk individuals who are teleworking, returned to work in the office full-time.

Processing times for Exam and licensure applications, firm registrations, CPE audits, Exam score notices, etc., are normal as are all other Board operations.

The Board continues to monitor the pandemic and will notify applicants, candidates, licensees, and other stakeholders of any changes to the Board operations.

Please contact the Board's Executive Director, Robert N. Brooks, by email at **rbrooks@nccpaboard.gov** or contact David R. Nance, CPA, the Board's Deputy Director, by email at **dnance@nccpaboard.gov** with your questions about the Board's response to the COVID-19 pandemic.

COVID-19 and the CPE Requirement

In March, the NCACPA appealed to NASBA for flexibility in the *Statement on Standards for CPE Programs* as applicable to Group Internet-Based approved sponsors.

The NCACPA expressed concern that as a result of the pandemic, some subject matter experts would be unable to commit to being available on the date/time of their presentation and to additional re-broadcasts of the recorded presentation.

NASBA agreed to allow for pre-recorded programs to continue to be considered a Group Internet-Based program as long as questions are answered within 24 to 48 hours by a subject matter expert.

In addition, NASBA granted flexibility around the requirement to maintain documentation of individual participation for three attendance monitoring mechanisms per one CPE credit.

NASBA stated that sponsors must take reasonable measures regarding attendance monitoring for these events.

Attendance monitoring documentation may include participant log-in and log-out times for the event or screenshots of the onscreen participant lists periodically taken throughout the event.

This flexibility in the Standard is available for courses conducted through September 30, 2020.

Please note that as of June 1, 2020, the Board has not extended the December 31, 2020, deadline for completing the CPE required to be eligible for 2021-2022 license renewal.

Continuous Testing for the CPA Exam

Starting July 1, 2020, CPA Exam candidates will no longer be limited to testing during designated time frames each calendar quarter.

Under the continuous testing model, candidates who do not pass an Exam section may apply to re-take that section after receiving the official score notification from the Board.

Continuous testing positions candidates to re-take sections while the Exam material is top-of-mind, and may shorten the time needed to complete the four-section Exam.

More information about continuous testing is available from the NASBA website, www.nasba.org.

Licensing Activity

Certificates Issued

At its May 18, 2020, meeting, the Board approved the following individuals for NC CPA licensure:

Stephanie Marie Cohen
 Alexandra Georgalas
 James Thomas Hair
 Christopher Francis Lee, III
 Megan Li Sorlie
 Diane L. Stibbard
 Paul Robert Wing

Reinstatement

At its May 18, 2020, meeting, the Board approved the applications for reinstatement submitted by the following individuals:

Shu-Guo Diao, #27480
 Durham, NC
 James Thomas Massey, #13847
 Mt. Pleasant, SC
 Elizabeth Jones Morrow, #31004
 Salisbury, NC
 Stacey Byrum Virginia, #32891
 Edenton, NC
 Daphne Stafford Williams, #16557
 Denver, NC

Board Extends Notice to Schedule and Section Credit Expiration Dates

On May 18, 2020, the Board approved extending the expiration date of specific Notices to Schedule (NTS) and Exam section credits.

The Board cited the six-week shutdown of Prometric test centers and the continued lack of available testing appointments as the reason for its decision.

A Notice to Schedule with an expiration date between April 1, 2020, and December 30, 2020, now expires on December 31, 2020.

The expiration date for Exam section credits expiring April 1, 2020, through June 30, 2020, was extended 90 days.

For example, if a section credit expired on May 18, 2020, the new expiration date is August 16, 2020.

For now, section credits expiring after June 30, 2020, are being reviewed by the Board on a case-by-case basis.

However, the Board may consider additional automatic section credit extensions if candidates continue to be unable to schedule testing appointments.

Please email questions about the NTS and section credit extensions to Phyllis Elliott, the Board's Exam Specialist, at phyllise@nccpaboard.gov.

2020 Exam Score Release Dates

Testing Window: April 1 – June 30 (20Q2)		
If you take your Exam on/ before:	...and the AICPA receives your Exam data files from Prometric by 11:59 p.m. (EST) on:	Your target score release date is:
June 30	July 1	July 9

If you take your exam on/before: Your target score release date is:	
July 23	August 7
August 16	August 25
September 8	September 16
September 30	October 9
October 23	November 10
November 16	November 24
December 8	December 16
December 31	January 12

Source: AICPA

Inactive Status

Between May 18, 2020, and June 15, 2020, the Board approved the individuals listed below for inactive status. 21 NCAC 08A .0301(b)(20) states: "Inactive," when used to refer to the status of a person, describes a person who has requested inactive status and been approved by the Board and who does not use the title "certified public accountant" nor does he or she allow anyone to refer to him or her as a "certified public accountant," and neither he nor she nor anyone else refers to him or her in any representation as described in Rule .0308(b) of this Section."

Michael S. Akosi, #31886	Huntersville, NC	Mark Earley Ballew, #29851	Columbia, SC
Russell Glenn Allen, #32084	Lakewood Rich, FL	Linda Hatke Bliton, #17206	Lafayette, IN
Donna Elizabeth Weekley Watson, #18257	Arden, NC	Julie Nellene Blundo, #23315	Lebanon, TN
Donald Fred Weiner, #16419	Matthews, NC	David Warren Harris, #14094	Raleigh, NC
S. Diane Coley, #27525	Fort Mill, SC	Jean Pistole Harris, #13659	Raleigh, NC
John Kenneth Hodge, #39428	Powder, GA	Herbert Berry Petty, Jr., #13523	Raleigh, NC
Mary Merritt Kimball, #13650	Houston, TX	Robin Carroll Shelton, #25780	King, NC
Cynthia R. Rosplock, #31435	Raleigh, NC	Bradley David White, #25018	Huntersville, NC
Terry Wayne Simon, #18065	Greensboro, NC	Clarence Ray Dwiggin, Jr., #12692	West Friendship, MD
Sandra Jean Crumrine, #37644	Wilmington, NC	Kathleen Litsas, #17114	Raleigh, NC
Colin Michael Delaney, #32867	Prospect, KY	Susan Carpenter Smith, #20248	Browns Summit, NC
Jean Ann McIntyre, #25434	Vienna, VA	Roy Lee Avent, #6798	Raleigh, NC
Aaron Louis Blackmor, #37587	Hendersonville, NC	Clarence Blalock, III, #14993	Augusta, GA
Viktorija Borisova, #40768	McLean, VA	Kaitlyn Marie Byrd, #39672	Fuquay-Varina, NC
Michael Allen Dickerson, #15743	Cary, NC	Norma Joan Campbell, #17959	Huntersville, NC
Preston Scott Edmondson, #18693	Morrisville, NC	George Curtis Clark, #13960	Chapel Hill, NC
James Frazier McGee, Jr., #21125	Jamestown, NC	Heather Blackwood Faucette, #25810	Raleigh, NC
Lindsay Ames Boyer, #36169	Charlotte, NC	Philip Christopher Garriss, #17875	Moncure, NC
Charles Richard Eason, #14928	Myrtle Beach, SC	Zeb Michael Hanner, #18592	Thomasville, NC
Kevin Wayne Ellefson, #42920	Charlotte, NC	Deborah Lebo Hoskins, #18144	Harrisburg, PA
Diane B. McGuire, #22258	Charleston, SC	Michael Joseph Kentfield, #42404	Charlotte, NC
Herbert B. McGuire, Jr., #22360	Charleston, SC	Steven Eric Lochbaum, #13441	Raleigh, NC
Randall L. Creech, #26915	Charlotte, NC	Pamela J. Ostrander, #19682	Charlotte, NC
Louise Warwick Reed, #30872	Richmond, VA	Thomas Victor Pair, #22615	Raleigh, NC
Marilyn Rossetti Saunders, #33795	Denver, NC	Gregory Clark Peterson, #13452	Wake Forest, NC
John Lawrence Sittig, II, #39648	Tampa, FL	Katherine Leigh Sloat, #42672	Charlestown, MA
Harry Walter Fabry, Jr., #16439	Charlotte, NC	Dorothy Martinelli Velez, #28335	Monroe, NC
John Haran Kelley, #24074	Sanford, NC	Elma P. Wood, #12823	Greensboro, NC
George Herman Spencer, #2092	Calabash, NC	Susan Michelle Yanka, #32920	Winston-Salem, NC
Terri Jean Blevins, #31219	Thomasville, NC	Debra S. Bellin, #18117	Nokomis, FL
Donna C. Dill, #25098	Jamestown, NC	Charles Keith Buchanan, #12735	Spruce Pine, NC
Kristen Tofil Easton, #32971	Scottsdale, AZ	Mark Stuart Crocker, #24476	Isle of Palms, SC
Xin Lin, #43557	Charlotte, NC	Robert Dean Harris, #18750	St Paul, MN
Barry Louis Pulchin, #22016	West Palm Beach, FL	Donna Emmett Hildebrand, #42356	Chesapeake, VA
Grady Cecil Barnes, Jr., #7093	North Wilkesboro, NC	Andreas Jakob Koller, #35096	Gig Harbor, WA
Gale Eugene Blackburn, #22658	Huntersville, NC	Glenn Rolland Mayes, III, #9882	Asheville, NC
Thomas Edwin Dunn, #11633	Oakton, VA	Homer Edwin McAbee, Jr., #8456	Spartanburg, SC
Thomas Richard Lyons, #14380	Jamestown, NC	Paul Vincent Meighan, #10395	Ponte Vedra Beach, FL
Dennis Paul Rosenzweig, #40068	Durham, NC		
Frederick Charles Truelove, III, #36466	Southport, NC		
Numa Reid Baker, III, #13675	Greensboro, NC		

Inactive Status
continued on page 7



Inactive Status *continued from page 6*

Melville Monroe Murray, Jr., #3673	Winston-Salem, NC
Joseph David Peak, III, #40413	Holly Springs, NC
Clarissa Doral Wilkerson, #42802	Gastonia, NC
Gerrie Dean, #20495	Raleigh, NC
Patrick James Dunn, #37835	Smyrna, GA
Louis John Kovach, #13995	High Point, NC
Margaret Pengilly Reed, #17547	Cincinnati, OH
Elizabeth McCarter Robinson, #17076	Washington, NC
Madison Lee Evans, #42571	Fayetteville, NC
David Hill Fater, #4098	Delray Beach, FL
Andrew William Sellitto, #43264	Wilmington, NC
Joseph Sheldon Yarborough, #9258	Raleigh, NC
Erin Marie Balthasar, #34764	Charlotte, NC
Stephen Clarke Griffin, #15002	Charlotte, NC
Donna Moreland Pranke, #15596	Winston-Salem, NC
Daniel Lawrence Troutman, #27704	Madera, CA
John Quinn McGowan, #22745	Alexandria, VA
David Marvin Stone, #37858	Riverton, UT
Brittany Lynne Coggins, #42120	Raleigh, NC
Marilyn Mitchell Friddle, #16591	Charlotte, NC
Joseph Swindell Garner, Jr., #13204	Atlantic Beach, NC
William Lawrence Mahon, Jr., #11959	Independence, VA
George Leland Timmons, #36313	Charlotte, NC
Christopher Lee Schumacher, #42339	Granger, IN
Pamela Britt Pleasant, #23363	Clayton, NC
Brenna Johnson Stutts, #40641	Raleigh, NC
Charles Robert Zinn, #42654	Arlington, VA

Dates to Remember

JUNE

June 30 Deadline - Certificate Renewal

JULY

July 3 Office Closed - Independence Day

July 20 Board Meeting - Raleigh

July 31 Final Deadline - Certificate Renewal

AUGUST

Aug. 17 Board Meeting - Raleigh

SEPTEMBER

Sept. 7 Office Closed - Labor Day

Sept. 21 Board Meeting - Raleigh

OCTOBER

Oct. 19 Board Meeting - Raleigh

NOVEMBER

Nov. 11 Office Closed - Veterans Day

Nov. 16 Firm Renewal & Peer Review Compliance Reporting Begins

Nov. 23 Board Meeting - Raleigh

Nov. 26-27 Office Closed - Thanksgiving

DECEMBER

Dec. 14 Board Meeting - Raleigh

Dec. 24-28 Office Closed - Christmas

Dec. 31 Deadline - Firm Renewal & Peer Review Compliance Reporting

Dec. 31 Deadline for Completing CPE for 2021-2021 CPA Certificate Renewal

Request for Inactive Status

A North Carolina CPA may request inactive status by submitting a form through the Board's website, nccpaboard.gov.

To access the online form, click on the "Resources" tab, then click on "Request for Inactive Status."

After completing and submitting the form, you will receive an email that summarizes the information you entered and notifies you that your request for inactive status has been approved.

Please allow at least five business days for the Board's database to reflect the change of status.

Under NCGS §143-318.10, all official meetings of the Board are open to the public. However, the public may be excluded from certain portions of the meeting as allowed by NCGS §143-318.11.

*The Board may conduct some meetings by teleconference or videoconference. To participate in those meetings, please contact **communications@nccpaboard.gov** at least three business days before the scheduled meeting.*



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Notice of Address Change

Please Print Legibly

Full Name:	
Certificate No.:	Last 4 Digits of SSN:
Home Address:	
City/State/Zip:	
Home Phone No:	Home Fax:
Personal Email:	
Firm/Business Name:	
Business Address:	
City/State/Zip:	
Business Phone No:	Business Fax:
Business Email:	
Signature:	
Date:	Send mail to: <input type="checkbox"/> Home <input type="checkbox"/> Business

Mail form to: PO Box 12827, Raleigh, NC 27605
Fax form to: (919) 733-4209

Pursuant to 21 NCAC 08J .0107, all certificate holders & CPA firms shall notify the Board in writing within 30 days of any change in home address & phone number; CPA firm address & phone number; business location & phone number; & email address.



Activity Review

North Carolina State Board of Certified Public Accountant Examiners

1101 Oberlin Rd., Ste. 104 • PO Box 12827 • Raleigh, NC 27605 • 919-733-4222 • nccpaboard.gov • No. 5-2020

Uniform CPA Exam Applicants and CPA Licensure Applicants Subject to Background Checks

In 2018, the Board amended 21 NCAC 08F .0103(f) and .0502(b) to allow the Board to conduct a background check, including criminal records, on all initial applicants for the Uniform CPA Exam and all applicants for NC CPA licensure.

The background check is in keeping with NCGS §93-2 and §93-12(5), which require that for an individual to be eligible to take the Exam or be certified as a CPA in North Carolina, that individual must be of good moral character.

Many of the Board's Exam and licensure

applications include a question about an applicant's moral character.

In general, "of good moral character" means the person possesses the personal traits of honesty, integrity, forthrightness, trustworthiness, and self-restraint to be a CPA.

By signing the Exam or licensure application, applicants are authorizing the Board to verify any of the in-

formation entered on the application, including a background check.

Applicants must report all offenses, even seemingly minor incidents such as speeding tickets, and provide relevant documents or court records for each violation.

In North Carolina, a traffic law violation is a criminal offense, and the Board's background check software often shows a criminal offense without identifying it as a traffic law violation.

Therefore, the Board routinely asks applicants for further clarification of the matter.

It is not necessary to report offenses that have been removed from an applicant's record or sealed by a court. However, it is the applicant's responsibility to make sure those offenses do not show up on a background check.

Applicants need to know that the Board doesn't deny an application automatically based on an incident in the applicant's past; an offense rarely keeps an applicant from pursuing a career as a CPA.

The Board does consider criminal convictions when approving an Exam or licensure application.

When considering criminal convictions, the Board must consider all the factors listed in NCGS §93B-8.1(b1).

Common Offenses Reported on Background Checks

Speeding tickets

Vehicle registration (expired tags, etc.)

Traffic charge related to an accident

Alcohol-related charges (underage drinking, public intoxication, etc.)

Violation of a local ordinance, usually related to another charge



If the Board denies an application because of a criminal conviction, the applicant can appeal the decision through NCGS §90-14.1.

Background Check
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Disciplinary Actions

Pursuant to NCGS 93-12(9), civil penalties are remitted to the North Carolina Civil Penalty and Forfeiture Fund (“Fund”) in accordance with NCGS 115C-457.2. NCGS 115C-457.1(b) states, “The Fund shall be administered by the Office of State Budget and Management. The Fund and all interest accruing to the Fund shall be faithfully used exclusively for maintaining free public schools.”

CHALICE MARIE GOLDEN, #39218 | MATTHEWS, NC

THIS CAUSE coming before the North Carolina State Board of Certified Public Accountant Examiners (the “Board”) at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, at public hearing (“Hearing”), with a quorum present, the Board finds, based on the evidence presented at the Hearing on January 28, 2020, that:

FINDINGS OF FACT

1. Respondent was the holder of a certificate as a Certified Public Accountant in North Carolina.
2. The Board has jurisdiction over Respondent and the subject matter of this action.
3. Respondent received at least fifteen (15) days written notice of the Hearing. The notice was achieved by serving a Notice of Hearing by personal service, certified mail, or other method of delivery authorized by NC Gen. Stat. §150B-38(c).
4. Venue is proper and the Hearing was properly held at 1101 Oberlin Road, Raleigh, North Carolina.
5. Respondent did not object to any Board Member’s participation in the Hearing of this matter.
6. Respondent was not present at the Hearing and was not represented by counsel.
7. In 2017 and 2018, on her annual CPA certificate renewals, the Respondent informed the Board that she had obtained the requisite forty (40) hours of continuing professional education (“CPE”) to meet her annual requirements.
8. Based on the Respondent’s representations, the Board accepted the Respondent’s renewals.
9. The Respondent was subject to an audit of her CPE for 2017 and 2018, and the Board staff requested that the Respondent provide certificates of completion for the CPE reported to meet her CPE requirements in those years.
10. The Respondent replied that she could not substantiate the completion of any of the forty (40) hour annual CPE requirements for either year.
11. On May 29, 2019, the Board’s Professional Standards staff sent correspondence to the Respondent informing her that an enforcement file had been opened and requested a response from her. The

Respondent was not initially responsive, and when she did finally correspond, that response was incomplete.

12. On July 23, 2019, the Board staff sent correspondence to the Respondent in an attempt to resolve the matter informally. That correspondence was sent via regular mail. The Respondent did not provide a response.
13. Board staff sent an email to the Respondent on August 14, 2019, requesting her response. The Respondent did not provide a response.
14. Board staff mailed the Respondent a copy of the July 23, 2019, correspondence by certified mail on August 20, 2019. The Respondent did not provide a response.

CONCLUSIONS OF LAW

1. Per NC Gen. Stat. §150B-42, this Board Order constitutes a Final Agency Decision of the Board.
2. 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. Pursuant to NC Gen. Stat. §93-12(9) the Board has the authority to impose discipline upon the Respondent and Respondent’s certificate and to impose civil monetary penalties.
3. Respondent Golden’s actions as set out above constitute violations of 21 NCAC 08N .0202(b)(4), .0203(b)(5), and .0206.

BASED ON THE FOREGOING, the Board orders in a vote of six (6) to zero (0) that:

1. The Certified Public Accountant certificate issued to Respondent, Chalice Marie Golden, is hereby permanently revoked.
2. Respondent Chalice Marie Golden 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 her permanently revoked North Carolina certificate.

Approved by the Board January 28, 2020.

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 NC Gen. Stat. §150B-41, the Board, the Respondent, and the Respondent Firm stipulate to the following:

1. Mark T. Hawkins, CPA (hereinafter “Respondent”), is the holder of North Carolina certificate number 22175 as a Certified Public Accountant.
2. Hawkins & Hawkins, PC (hereinafter “Respondent Firm”), is a registered certified public accounting firm in North Carolina. Hereinafter, the Respondent and the Respondent Firm shall collectively be referred to as the “Respondents.”
3. The Respondents issued multiple reviews over the past five (5) years. The Respondents are enrolled in the peer review program; however, the Respondent Firm has not provided any information that a peer review has been scheduled.
4. The Respondents failed to furnish to the peer review program selected financial statements, corresponding work papers, and any additional information or documentation required for the peer review program within eighteen (18) months of the issuance of the first report provided to a client.
5. The Respondents wish to resolve this matter by consent and agree 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. The Respondents understand and agree 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. The Respondents are 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. The Respondents’ failure to timely complete the peer review process constitutes a violation of 21 NCAC 08N .0203(b)(7).
3. The Respondents’ failure to furnish to the peer review program selected financial statements, corre-

sponding work papers, and any additional information or documentation required for the peer review program within eighteen (18) months of the issuance of the first report provided to a client constitutes a violation of 21 NCAC 08M .0105.

4. Per NC Gen. Stat. §93-12(9), and also by virtue of the Respondents’ consent to this Order, the Respondents are subject to the discipline set forth below.

BASED ON THE FOREGOING and in lieu of further proceedings, the Board and the Respondents agree to the following Order:

1. The Respondent Mark T. Hawkins, CPA, is censured.
2. The Respondent Firm may not perform any of the services listed in 21 NCAC 08M .0105(a) until such time that the Respondent Firm provides evidence of its enrollment in peer review and that a peer review has been scheduled, at which time the suspension will be stayed.
3. Upon completion of its peer review, the Respondent Firm shall provide the Board with a complete copy of its Peer Review Report, Letter of Response, and Final Letter of Acceptance for further review and evaluation by the Board.
4. The Respondent Firm shall pay a two thousand dollar (\$2,000) civil penalty to be remitted with this signed Consent Order.

Approved by the Board March 17, 2020.

2020 Board Meetings			
Thursday	June 18	2 p.m.	Raleigh*
Monday	July 20	10 a.m.	Raleigh
Monday	August 17	10 a.m.	Raleigh
Monday	Sept. 21	10 a.m.	Raleigh
Monday	Oct. 19	10 a.m.	Raleigh
Monday	Nov. 23	10 a.m.	Raleigh
Monday	Dec. 14	10 a.m.	Raleigh
*Previously scheduled for Winston-Salem			
<i>Pursuant to NCGS §143-318.10, all official meetings of the Board are open to the public. However, the public may be excluded from certain portions of the meeting as allowed by NCGS §143-318.11.</i>			

CPA Exam Performance Summary: 2020 Q-1 North Carolina

<u>Overall Performance</u>		<u>Section Performance</u>			
Unique Candidates	771		Sections	Score	% Pass
New Candidates	261	First-Time	345	73.04	59.13%
Total Sections	875	Re-Exam	526	73.21	58.56%
Passing 4th Section	115	AUD	241	70.92	49.79%
Sections / Candidates	1.13	BEC	238	79.21	71.01%
Pass Rate	58.51%	FAR	201	69.16	52.74%
Average Score	73.10	REG	195	72.41	60.0%

Jurisdiction Ranking

Candidates	Sections
15	16
7	15
Pass Rate	Avg Score

Certificates Issued

On April 20, 2020, the Board approved the following individuals for licensure as North Carolina CPAs:

Shawn P. Adamo	Tracy Allison Hammond	Gregory Edward Morrow
Zachary Walker Ray Anderson	Elizabeth D. Hattaway	Lauren Ann Nichols
Mary Beth Antcliff	Ann Sweeney Hawkins	Thomas Joseph O'Hara, Jr.
Stephen Christopher Arber	Colby Maurice Hawkins	James Richard Pokorny
Scott Foster Armstrong	Wei He	Raghav Madduri Reddy
Jonathan David Austin	Brittany Nicole Heitkamp	Rachel Marie Reinker
Eric Gregory Barnett	Jason Bernard Michael Hopkins	Sandra Kay Richards
William C. Bauer	Mark Edward Huebeler	Mary Catherine Roberts
Sharon B. Bell	Nadia Pasiecznyk Humphrey	Luke Wesley Robertson
David Michael Boyd	Marla Goldman Kochelek	Neil Jay Rosenberg
Randeep Singh Brar	Cody Dane Kriechbaum	Jason Arthur Rothenburger
Ryan Wade Brown	Christine Elizabeth LaBarbera	Nicole Marie Scarborough
Mark Stephen Bryant	Michael Joseph LaCalamito	Jian Shen
Carlton Edward Bunn	Danny Lanier, Jr.	Hyun min Shin
Chuchu Xu Chatman	Savannah Renee Lassiter	Patricia Pitts Spitz
Jillian Elizabeth Davis	Brian Christopher Laya	Debra Michelle Starr
Stephen Michael Dille	Matthew McLean Ludwig	Breton James Tagg
Michele Ann DiPaolo	Jakub Waldemar Malecki	Alex Kittrell Vaughn
Christopher Michael Doughty	Brittani Nicole Maletta	Dennis Marlowe Vaughn, Jr.
Megan Wallenhorst Druckrey	Stephen John Marquardt	Elizabeth Sharon Whelan
Michael Steven George	Matthew Scott McGuire	Yijing Teng Wyant
Thomas J. Geraghty, Jr.	Ryan Matthew McLean	Matthew Oliver Young
Robert James Gluck	Anne Elaine McLoughlin	Yidi Zhou
Joseph Larry Griffin, IV	Suneela Molagavalli	

CPE Requirements for Non-Resident CPAs

Under 21 NCAC 08G .0401(j), a non-resident licensee may satisfy the annual CPE requirements in the jurisdiction where the CPA is licensed and currently works or resides.

If there is no annual CPE requirement in the jurisdiction where the CPA is licensed and currently works or resides, the CPA must complete the applicable number of CPE minutes stated in 21 NCAC 08G .0401(d).

To be eligible for certificate renewal, North Carolina CPAs--including non-resident CPAs with a primary office in North Carolina--must complete a learning activity on regulatory or behavioral professional ethics and conduct that meets the requirements of 21 NCAC 08G .0401.

All other non-resident licensees may satisfy the ethics CPE requirement by completing the ethics requirement in the jurisdiction in which he or she is licensed as a CPA and works or resides.

If there is not an ethics CPE requirement in the jurisdiction where the non-resident licensee works or resides, the licensee must complete an ethics activity conduct that meets the requirements of 21 NCAC 08G .0401.

If you are a non-resident CPA with questions about North Carolina's CPE requirements, please contact Cammie Emery by email at cemery@nccpaboard.gov.

Reissuance

At its April 20, 2020, meeting, the Board approved the application for reissuance submitted by Chrissey Michelle Thomas, #39900, of Marshall, NC.

20Q1 Exam Pass Rates: All Jurisdictions

AUD	47.97%
BEC	61.76%
FAR	46.37%
REG	55.42%



How Do I Request Inactive Status?

CPAs may request inactive status through the Board's website, nccpaboard.gov.

To access the online form, click on the "Request Inactive Status" link in the "How Do I" box on the homepage.

After completing and submitting the form, you will receive an email that summarizes the information you entered and confirms your CPA certificate is on inactive status.

CPE Audit Order

The following matter is an excerpt from a Consent Order issued by the Board in response to the findings of the Continuing Professional Education (CPE) audit. To view the full text of a Consent Order, use the Licensee Search function of the Board's website, nccpaboard.gov, to look up the licensee's record. In the record, click on the "Details" link and select "View" under the Public Documents heading.

Under NCGS 93-12(9), civil penalties are remitted to the North Carolina Civil Penalty and Forfeiture Fund ("Fund") in accordance with NCGS 115C-457.2. NCGS 115C-457.1(b) states, "The Fund shall be administered by the Office of State Budget and Management. The Fund and all interest accruing to the Fund shall be faithfully used exclusively for maintaining free public schools."

DYLAN MICHAEL MCNIFF, #41388 | FREDERICK, MD

The Board opened a case against Dylan Michael McNiff (Respondent McNiff) for failure to complete the CPE required for renewal of his North Carolina CPA license.

Respondent McNiff signed a Consent Order in which he accepted the denial of the renewal of his CPA license; the forfeiture for at least one year of his CPA license; and the return of his CPA certificate to the Board within 15 days of his receipt of the Board's notification of its approval of the Consent Order.

Respondent McNiff may apply to return his CPA certificate to active

status by submitting a reissuance application that includes payment of the application fee; three moral character affidavits; payment of a \$1,000 civil penalty; and proof of completion of at least 40 hours of CPE including an eight-hour accountancy law course offered by the North Carolina Association of CPAs.

Failure to timely comply with any terms of the Consent Order will be sufficient grounds to revoke Respondent McNiff's CPA license.

**Approved by the Board
March 17, 2020.**



Background Checks *continued from page 1*

If the background check is “clean,” the application is processed. If the background check shows an offense that an applicant did not report, the Board holds the application until the applicant explains the item in question.

The Board’s initial inquiry asks the applicant to confirm that the charge is genuinely the applicant’s charge.

If the charge is not the applicant’s, he or she must correct the inaccuracy and provide the Board with documentation of the correction.

If the charge is the applicant’s, the applicant must explain in writing why he or she did not disclose the charge, describe the circumstances of the charge, and provide relevant documentation such as court records.

After reviewing the background check and pertinent information submitted by the applicant, the Board staff will process the application or ask for guidance from the Professional Education and Applications Committee.

Based on the Committee’s recommendation, the application may be approved, approved with limitations, or denied.

An applicant may request a formal hearing before the Board to contest the denial of an application.

If you have questions about application-related background checks, contact David R. Nance, CPA, Deputy Director, at dnance@nccpaboard.gov, or Frank Trainor, Esq., Staff Attorney, at frainor@nccpaboard.gov.

2019 Elijah Watt Sells Award

The AICPA has honored 137 Uniform CPA Examination candidates with the 2019 Elijah Watt Sells Award. Nearly 75,000 individuals sat for the CPA Exam in 2019.

To qualify for the award, candidates must obtain a cumulative average score above 95.50 across all four sections of the Uniform CPA Examination, pass all four sections on their first attempt, and have completed testing in 2019.

The Elijah Watt Sells Award program was established by the AICPA in 1923 to recognize outstanding performance on the CPA Exam. Sells, one of the first CPAs in the US, was active in the establishment of the AICPA, and played a crucial role in advancing professional education within the profession.

The following winners either sat for the Uniform CPA Examination as a North Carolina candidate or graduated from a North Carolina college or university.

Carolyn Burns is a graduate of Wake Forest University with a Bachelor of Science in Accounting and a Masters in Accounting from Wake Forest University. She is employed with E&Y in New York City, NY.

Hannah Chae is a graduate of UNC at Chapel Hill with a BS in Biology and a Masters in Accounting from the University of North Carolina at Chapel Hill. She is employed with Ernst & Young LLP in Raleigh, North Carolina.

Robert Geiger is a graduate of North Carolina State University with a Bachelor of Science in Accounting and a Masters of Accounting. He is employed with Johnson Lambert LLP in Raleigh, NC.

Madison Hoff is a graduate of Wake Forest University with a Bachelor of Science in Accountancy and a Masters of Science in Accountancy. She is employed with Pricewaterhouse Coopers in New York, NY.



North Carolina State Board of CPA Examiners
nccpaboard.gov

JUNE 30
Just a Reminder
NC CPA License Renewal Deadline

June 30, 2020, is the deadline for renewing your North Carolina CPA license. If you do not renew your license or request inactive status by July 1, 2020, you may be subject to forfeiture of your CPA license.

Inactive Status

Between April 1, 2020, and May 14, 2020, the Board approved the individuals listed below for inactive status. “Inactive,” when used to refer to the status of a person, describes a person who has requested inactive status and has been approved by the Board and who does not use the title certified public accountant, nor does he or she allow anyone to refer to him or her as a certified public accountant, and neither he nor she nor anyone else refers to him or her in any representation as described in Rule .0308(b) of this Section [21 NCAC 08A .0301(b)(20)].

Robert Lewis Fairey, Jr., #13780	Durham, NC	Kathryn D. Rominger, #28156	Winston-Salem, NC
Suzanne Burberick Frueh, #35089	Carmel, CA	Gilbert Simonetti, III, #14260	Palo Alto, CA
Charles Robert Vignos, #39536	Greensboro, NC	Katrina Coleman Whitt, #19195	Greensboro, NC
William Charles Parks, #27159	Holly Springs, NC	Robert Duran Campbell, #19304	Charlotte, NC
Kevin Francis Reilly, #30786	Alexandria, VA	Steven Michael Covington, #14997	Harrisburg, NC
Liane Marie Barber, #39513	Raleigh, NC	David Dove, #15845	Charlotte, NC
Dirk Anthony Decker, #27027	Charlotte, NC	Bonnie N. Halstead, #13500	Centreville, VA
Crystal Cheatham Drum, #22287	Jamestown, NC	James Leo McGarry, #15305	Charlotte, NC
Gabriele S. Facente, #16713	Mint Hill, NC	Charlies Elgin Oliphant, #14165	Charlotte, NC
Benjamin Alain Fulton, #38442	Matthews, NC	Kathryn R. Brooks, #29692	Hudson, IL
Karen Newell Hyman, #19670	Wake Forest, NC	Melissa Ann Young, #35643	Orlando, FL
John Franklin King, #11026	Hickory, NC	William Boyne Fulmer, #3337	Mt. Pleasant, SC
Terrence Jude Leifheit, II, #41603	Charlotte, NC	Thomas Jones Latham, #12880	Eden, NC
Gregory L. Negus, #25028	Greenville, SC	Linda Trogdon Chafin, #16590	High Point, NC
William Joseph Pointer, #29832	Carrboro, NC	Kenneth Howard James, #11664	Winston-Salem, NC
Steven Clark Sapp, #11862	Alpharetta, GA	Judy Lynn Marshburn, #14961	Wallace, NC
William Joseph Tharrington, #12131	Southport, NC	James Barry Padgett, #14645	Eden, NC
Suzanne Williams Boyles, #19936	Weddington, NC	Tracy Thompson Patty, #23554	Raleigh, NC
Gregory Lyle Ball, #10829	Milton, GA	Jerry Glenn Savage, #9248	Elizabethtown, NC
Robert Allen Bracy, #12112	Raleigh, NC	Nancy Jane Schaefer, #20494	Greensboro, NC
Laurence J. Casper, #31718	Arden, NC	Karen Alexander Schmitt, #16029	Concord, NC
Eric Daniel Coselman, #43149	Fort Mill, SC	Adam Robert Woeller, #43065	Florence, NJ
Michael Andrew Cox, #29794	Roswell, GA	Alison Catherine Billman, #42768	Live Oak, TX
Ann Patton Dalton, #17708	Raleigh, NC	Alan Keith Himebaugh, #41489	Round Rock, TX
Robert Jerald Floyd, Jr., #18400	McAdenville, NC	Krista Beeson Matthews, #18618	Lexington, NC
Helen Robinson Moore Greer #15280	Durham, NC	Jiamin Mi, #43506	San Francisco, CA
James Patrick Hogan, #23185	High Point, NC	Pamela Jane Brinkley, #12115	Durham, NC
Katherine Helena Kent, #41940	Charlotte, NC	Mary Johnson Brown, #17574	Marvin, NC
Lynn Ratermann Lambert, #22963	Seabrook Island, SC	Ryan Lee Martin, #38118	Jenison, MI
Kimberly Ann Maples, #42587	Charlotte, NC	J. Dwight Miller, #26638	Ellerslie, GA
Deborah Rider McClure #17665	Gray Court, NC	Yuliya Sergejevna Morris, #37859	Rolesville, NC
Ashley Morgan Mead, #43096	Adel, GA	Cheryle Brown Williams, #13274	Hampstead, NC
Warren Douglas Melton, #9323	Rutherfordton, NC	Gary Johnson Wolfe, #2263	Fleetwood, NC
Georgina Twiselton Meyer, #20501	Raleigh, NC	Luke John Morris, #42391	South Burlington, VT
Robert James Milne, #40880	Orange Park, FL	Gregory L. Smith, #21305	North Redington Beach, FL
Irvin T. Newberry, #7706	Concord, NC	Marissa Renee Testori, #39522	Portland, OR
Daniel Albert Noakes, #14326	Winston-Salem, NC	Becky Best Uzzell, #18352	Hudson, NC



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Notice of Address Change

Please Print Legibly

Full Name:	
	Last 4 Digits of SSN:
Home Address:	
City/State/Zip:	
Home Phone No:	Home Fax:
Personal Email:	
Firm/Business Name:	
Business Address:	
City/State/Zip:	
Business Phone No:	Business Fax:
Business Email:	
Signature:	
Date:	Send mail to: <input type="checkbox"/> Home <input type="checkbox"/> Business

Mail form to: PO Box 12827, Raleigh, NC 27605
Fax form to: (919) 733-4209

Pursuant to 21 NCAC 08J .0107, all certificate holders & CPA firms shall notify the Board in writing within 30 days of any change in home address & phone number; CPA firm address & phone number; business location & phone number; & email address.



Nancy J. Corrigan, CPA
President

Message from the President

It is my honor to have been elected President of the California Board of Accountancy (CBA) for 2020 and I look forward to serving the consumers of California. I would like to congratulate the other officers with whom I will have the pleasure

of serving: Vice President Michael M. Savoy, CPA; and Secretary/Treasurer Mark J. Silverman, Esq. I would also like to take this opportunity to thank George Famalett, CPA, our immediate past president, for his outstanding leadership and dedication during the prior year.

Throughout my 20-plus years of service to the CBA, I have learned that this organization faces new issues, challenges, and opportunities each year. The following provides an overview of what is on the horizon for the CBA.

Outreach

The CBA's communications and outreach program has been very successful; however, there is room to grow and expand our reach.

Through live events, the website, and our growing social-media presence, we continue to regularly engage with our applicants and licensees. We are discussing ways to expand this engagement and look forward to continuing our collaboration with the California Society of CPAs (CalCPA), which has been a valued partner in these efforts.

Our presence at colleges and universities has been valuable to both educators and their students who study accounting and business with an interest in becoming a CPA. During these educational events, CBA members and staff meet with students to review transcripts, answer questions, and offer one-on-one assistance. I hope to increase our presence in the coming year so we may be a continued resource to students considering the CPA profession.

I am also exploring opportunities to reach new audiences and increase the CBA's visibility as a regulator. This will enable us to educate consumers regarding our role and help them understand how to select a CPA who meets their specific needs and—most importantly to ensure that the individual is actively licensed and in good standing with the CBA.

Continued on Page 2

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MISSION & VISION

To protect consumers by ensuring only qualified licensees practice public accountancy in accordance with established professional standards.

All consumers are well-informed and receive quality accounting services from licensees they can trust.

CBA Members

Nancy J. Corrigan, CPA
President

Michael M. Savoy, CPA
Vice President

Mark J. Silverman, Esq.
Secretary/Treasurer

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Yen Tu

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Enforcement Advisory Committee

Jeffrey De Lyser, CPA
Peer Review Oversight Committee

Kimberly Sugiyama, CPA
Qualifications Committee

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Executive Officer

Deanne Pearce
Assistant Executive Officer

Dominic Franzella
Enforcement Chief

Michelle Center
Chief, Licensing Division

Aaron Bone
UPDATE Managing Editor

Wayne Wilson
UPDATE Editor

Presidents Message Continued from Page 1

Sitting for the CPA Exam Prior to Degree Conferral

As my colleagues and I visit various college and university campuses, we have been approached by both professors and students regarding the requirement to receive a baccalaureate degree prior to applying to sit for the Uniform CPA Examination (CPA Exam). This requirement may impact students' job opportunities as, after completing their classes, there may be a delay in having their degree reflected on official transcripts and being approved to take the CPA Exam.

The CBA is pursuing a statutory change authorizing admission to the CPA Exam to students nearing completion of their educational requirements. If approved, this change may significantly decrease the timeframe for candidates to apply, sit, and complete the CPA Exam. This will lead to a quicker path to becoming a licensed CPA.

Business Modernization Project

Another upcoming project expected to significantly benefit our licensees is our business modernization project. Still in its development phase, this project anticipates leveraging modern technology to upgrade business processes and provide a smoother customer experience.

This is another example of our efforts to improve our operations as we firmly believe that our 109,000 licensees, and California's consumers, deserve the best service we can provide.

This is an exciting time to serve as president of the CBA and continue our hard work to ensure we meet our consumer protection mission.

I look forward to working with my fellow CBA members on a range of topics throughout the coming year. As licensees, I invite you to engage in discussions on upcoming issues by attending one of our meetings throughout the state, or by viewing related webcasts on the CBA website at www.cba.ca.gov.

Nancy J. Corrigan, CPA
President

CBA Annual Report for Fiscal Year 2018-19

The 2018–19 CBA *Annual Report* is available on the CBA website.

The annual report details the ongoing accomplishments of each CBA division and how the CBA works to meet its consumer protection mission.

To view the current and past reports, visit the [Communications & Outreach](#) tab of the CBA website.





Patti Bowers
Executive Officer

Message from the Executive Officer

Thank you for reading the *UPDATE*. Each issue includes important information about the CBA's operations and activities. We welcome you to read through this and future *UPDATE* issues to learn more. We also share information through our website (www.cba.ca.gov), so please bookmark that link and visit it often.

At the end of every year, the CBA members elect a new leadership team to set policy and priorities for the coming year. I am looking forward to working with CBA President Nancy J. Corrigan, CPA, Vice President Michael M. Savoy, CPA, and Secretary/Treasurer Mark J. Silverman, Esq., to advance the CBA's consumer protection mission.

This year we anticipate that our progress in improving our processes will move into a new phase, as we continue to work on a business modernization project, which is a major information technology undertaking to improve internal functionality and user interface. We have already implemented some technological improvements, in particular by providing online email collection for our licensees and applicants. A goal this year is to offer online applications to candidates applying for CPA licensure.

As the Executive Officer, I look forward to President Corrigan's leadership as we explore new ways to expand our outreach program and offer higher levels of service to our consumers, licensees, and other stakeholders. Let us know how we are doing by taking our [survey](#), available at www.cba.ca.gov by clicking "CBA Stakeholder Feedback" under the "Quick Hits" section.

Patti Bowers
Executive Officer

Email Collection + Online UPDATE Newsletter = Improved Communications!

Have you ever wondered why the CBA doesn't send an email communication to alert you of new laws, changes in fees, or a reminder to renew your license? The truth is this: We didn't have the legal authority to require licensees to submit an email address. Those who did provide it to the CBA did so on a voluntary basis. However, with the passage of a new law that became effective on January 1, 2020, this has changed.

By July 1, 2020, licensees are required to provide a valid email address to the CBA, if they have one. You have likely already received a letter from the CBA providing information on how you can submit your email address online securely with your personal identification number, or PIN. Haven't received a letter? You can request a [duplicate letter](#) online via the CBA's website. If your address of record needs to be updated, you can obtain the appropriate form at www.cba.ca.gov.

What happens after you submit your email address? First, the CBA will send you an email to confirm your address. Then, the CBA will start to send communications regarding topics that are relevant to you, your CPA license, and most importantly, the CBA's consumer protection mandate.



One of the first email communications we will send is to notify you of the publication of the *UPDATE* newsletter, which will be available in a primarily online format. The new online format will minimize the costs associated with printing and mailing the newsletter. Still want to receive a hardcopy? You will have the option to request one be mailed to you after each *UPDATE* issue is published on our website.

These are only two preliminary steps the CBA has taken to ensure your interactions with us are smooth and beneficial. More information will be shared as we continue to explore increased automation and streamlining processes for applicants and licensees.

Please contact us at outreach@cba.ca.gov should you have any questions.



Kathy A. Johnson, CPA

Maintaining the Integrity of the Profession: An Interview with Kathy A. Johnson, CPA

In 2018, Ms. Johnson was appointed to the CBA's Enforcement Advisory Committee (EAC). To help UPDATE readers understand the EAC, she responded to a few questions about her experience on the committee.

What is the role of the EAC?

We serve the CBA by utilizing our experience in multiple CPA disciplines to review accusations filed and disciplinary orders issued by the CBA. CPAs with accusations may appear at investigative hearings attended by our committee as we follow up on filed accusations, listen to the CPAs defense of those accusations, and provide recommendations to the CBA staff. We identify case relevant issues and make recommendations if any subsequent action should be taken against those who are in violation of the provisions of the Business and Professions Code and CBA Regulations.

Why did you decide to serve?

Serving on this committee provides an opportunity for me to play a role in maintaining the integrity of the profession, support the meaning of the "P" in CPA by protecting the public, and reinforce the expectations of those honored with the ability to use the letters "CPA" behind their names.

How would you describe your experience so far?

Serving on the committee has been a great learning and humbling experience. It has provided an opportunity to not only point out unethical behavior, but also to help ensure that CBA investigations are thorough, accurate, and complete.

Why should someone apply for a position on a CBA committee?

Besides having an opportunity to give back to the profession, providing protections to the public, and helping to ensure the integrity of the profession is upheld, serving on this committee reminds all of us what behavior of a CPA is acceptable, expected, and what is required of us to maintain our license.

Ms. Johnson, CPA, CFF, CGMA is the owner of the CPA Forensic Plus, Inc., providing forensic expert testimony, fraud investigation, litigation support, and tax preparation services. She is an adjunct professor at several universities in Southern California, including California State University, San Bernardino.

If you wish to volunteer to serve on a CBA committee, please visit the "Opportunities to Serve" page at www.cba.ca.gov to learn more.

Planning and Pacing Your Continuing Education Coursework

When taking on a long-term project, carefully planning and pacing your work will help ensure the project is completed successfully and on-time. The same principle applies when working on your two-year, 80-hour continuing education (CE) requirement. To be successful, it's vital to take the right CE courses at the right time.

Active status licensees must complete **at least 20 hours of CE each year** of their two-year license renewal period, with a minimum of 12 hours in

technical subject matter. This is known as the "20/12" requirement and, unfortunately, missing this requirement is the largest source of CBA citations and fines each year. Fines for these violations start at \$100 and significantly increase for those who don't meet this requirement multiple times. Further, notice of your citation and fine is posted to the CBA's website.

How can you have a successful renewal? It's easy: simply plan ahead and pace yourself. Be sure to take the

minimum 20 hours of CE in the first 12 months after your license renews, and the remaining hours in the second year. There are many options available to complete your CE.

If you have any questions about the 20/12 or other renewal requirements, contact our License Renewal and Continuing Competency Unit at (916) 561-1702 or renewalinfo@cba.ca.gov.

Under the Dome: Legislation

The Legislature returned to session on January 6, 2020. As the session resumes, legislators will discuss many bills introduced in 2019 and new legislation introduced this year. The CBA will engage the Legislature on bills that may impact its consumer protection mission. Below are two bills introduced in 2019 that are still active this year.

Assembly Bill 613 (Low)

CBA Position: Support

Status: Senate Business, Professions and Economic Development Committee

Summary: AB 613 would authorize each board, as specified, within the Department of Consumer Affairs (DCA) to increase, no more than once every four years, any fee authorized to be imposed by that board by an amount not to exceed the increase in the California Consumer Price Index for the preceding four years, with certain exceptions.

Assembly Bill 1525 (Jones-Sawyer)

CBA Position: Support

Status: Senate Rules Committee

Summary: This bill states, among other things, that individuals or public accounting firms practicing pursuant to the California Accountancy Act, do not commit a crime under California law solely for providing professional services to persons licensed to engage in the commercial cannabis business.

For updates on these measures and for a complete list of all bills upon which the CBA has taken a position, please visit www.cba.ca.gov and under the “Quick Hits” section, click “Laws and Rules” and then select “[Pending Legislation](#).” To learn more about bills introduced in the California State Legislature, please visit www.leginfo.legislature.ca.gov.



The Evolution of the CPA

The world today looks a lot different than it did 20 or even 10 years ago. So does the public accounting profession. How does the profession and the CPA designation remain relevant in this world of technological innovations and the changing clients served by CPAs? How does the California Board of Accountancy and our regulator counterparts across the United States strengthen and support changing business needs while continuing to meet our consumer protection mandate?

The National Association of State Boards of Accountancy (NASBA), of which the CBA is a member, and the American Institute of CPAs (AICPA) are working together to look at the CPA profession and its licensure model through the lens of rapidly changing CPA skills and competencies.

Just as the 10-key and ledger sheets were the past tools of the trade, the future includes innovations in artificial intelligence, automation, and data analytics. The CPA of today bears little resemblance to the CPA of the past, or of the future. Embracing change has allowed the profession to evolve and remain relevant in today's business climate. But what should that evolution look like for the future?

As part of their evolution initiative, NASBA and the AICPA requested input from stakeholders who have identified that CPAs need deeper skills and knowledge in areas such as:

- Critical thinking.
- Professional judgment/skepticism.
- Problem solving.
- Understanding of the business (including systems, controls and risk).
- Data management and analysis.
- Performance of System and Organization Controls (SOC) engagements.

With this in mind, NASBA and AICPA are proposing a new CPA licensure model that includes a core in accounting, auditing, tax and technology that all candidates would be required to complete. Each candidate would then choose a discipline to demonstrate deeper skills and knowledge. The disciplines include tax compliance and planning, business reporting and analysis, and information systems and controls.

NASBA and AICPA have indicated that the CPA evolution is a work in progress and they will continue to work collaboratively with stakeholders to ensure a solution is developed that will meet the needs of many, including consumers.

For additional information regarding the proposed new model for CPA licensure, visit www.evolutionofcpa.org and monitor the CBA website for updates on this topic and how it may be implemented in California.

Authorization was received by the Montana Board of Accountancy to reprint parts of this article.



2018 CPA Exam Performance

Each year, NASBA provides the candidate performance for the Uniform CPA Examination for all 55 jurisdictions. The data is collected through the voluntary participation of candidates and their individual Boards of Accountancy, and the cooperation of the American Institute of CPAs (AICPA). The table below depicts how California candidates compared to all jurisdictions during the 2018 calendar year.

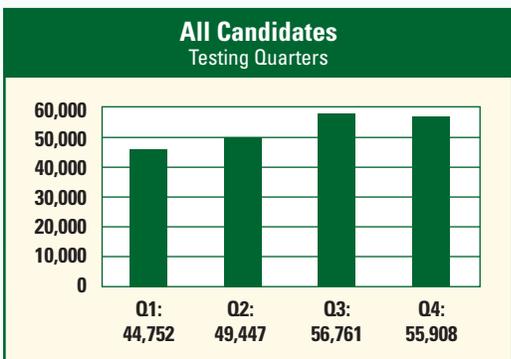
All Jurisdictions

Overall Performance	
Unique Candidates:	160,419
New Candidates:	36,807
Total Sections:	206,884
Passing 4th Section:	24,031

Section Performance			
	Sections	Score	Pass
First-Time:	57,221	71.7	55.5%
Re-Exam	149,215	63.7	50.7%

Demographics		
Male:	57,260	Pass Rate 52%
Female:	59,328	
Not Reported:	43,330	

Residency	
In-State Address:	120,259
Out-of-State Address:	25,993
International Address:	4,167



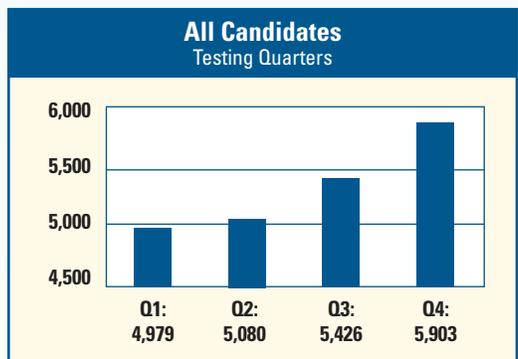
California

Overall Performance	
Unique Candidates:	21,388
New Candidates:	4,812
Total Sections:	27,047
Passing 4th Section:	2,958

Section Performance			
	Sections	Score	Pass
First-Time:	8,146	70.6	53%
Re-Exam	18,820	70.6	48.6%

Demographics		
Male:	2,963	Pass Rate 50.2%
Female:	4,185	
Not Reported:	14,240	

Residency	
In-State Address:	17,523
Out-of-State Address:	2,712
International Address:	874



Outreach: An Ongoing Mission



The CBA has made outreach to both current licensees and future licensees a priority. Throughout 2019, the CBA has participated in a variety of outreach events including consumer fairs, career fairs, and other informational events. During many of these events, the CBA collaborated with the California Society of CPAs (CalCPA), which has been key in our outreach activities.

Some of the most successful events were held on college campuses where CBA members and staff met with students to review transcripts, answer questions, and offer one-on-one assistance.

Below are highlights of the types of activities the CBA participated in during 2019:

- **CBA Meeting and Outreach Event at a College Campus**

In September of 2019, the CBA continued a practice (begun in 2017) of holding a board meeting on a college campus concurrent with an outreach event. The event at Cal Poly Pomona was one of our most successful outreach events of the past year and had over 200 students in attendance.

- **From Community College to CPA**

The CBA has broadened our portfolio of outreach events to include participation in activities at California community colleges. In collaboration with CalCPA, the CBA provided presentations at the following community colleges:

- » Pasadena City College
- » Saddleback College in Mission Viejo
- » Chaffey College in Rancho Cucamonga
- » American River College in Sacramento

- **California Financial Literacy Resource Fair**

The CBA participated in the California Financial Literacy Resource Fair in April 2019 at the state Capitol. Hosted by the Department of Business Oversight, the fair provides resources from various state agencies and other organizations to consumers that increase their understanding of saving, investing, and credit choices. Staff distributed the CBA's Consumer Assistance Booklet, demonstrated the License Lookup function on the CBA website, and provided information regarding the requirements for CPA licensure.

Additional information regarding the CBA's outreach activities can be found in the CBA's 2018–19 [Annual Report](#).

The Connection Between Your Address of Record and a Timely License Renewal

Did you know that updating your address of record helps ensure a smooth and timely license renewal? License renewal applications are mailed to you approximately three months prior to your expiration date. If your address of record is correct, you can look forward to:

- Timely receipt of your license renewal application.
- Sufficient time to complete any outstanding continuing education courses.
- Significant time to pay online or mail your license renewal application and payment to the CBA and receive your renewed license.
- Avoiding late fees.

To ensure you continue to receive written communication from the CBA and stay in compliance with CBA laws and rules, notify the CBA within 30 days of any change to your address of record.

For your convenience, the CBA has provided an address change form in the back of this publication and made it available online. To access it, visit www.cba.ca.gov and click the "Licensees" link. Then, under "CA CPA Licensees Forms," select "[Address Change.](#)"

CHANGE OF ADDRESS FORM
 California Board of Accountancy
 Email to: admin@cba.ca.gov Fax to: (916) 263-3679
 Mail to: 2450 Venture Oaks Way, Suite 300, Sacramento, CA 95833 Contact CBA: (916) 263-3680

NAME OF CPA/PA OR APPLICANT FOR LICENSURE
 License No. _____
 Last _____ Middle _____ First _____

FIRM
 Type Corporation Partnership Fictitious name
 Firm name _____ Your title _____

NEW ADDRESS OF RECORD (required)
 Home Business
 Business name (if applicable) _____
 Street _____
 City _____ State _____ Unit/Apt. # _____ ZIP _____

FORMER ADDRESS OF RECORD
 Street _____ City _____ State _____ Unit/Apt. # _____ ZIP _____

ALTERNATE ADDRESS* FOR MAIL DROPS AND P.O. BOXES
 Street _____ City _____ State _____ Unit/Apt. # _____ ZIP _____

CONTACT INFORMATION
 Email address _____
 Phone number _____

Print your name _____
 Signature (form must be signed) _____ Date _____

I certify the truth and accuracy of all these statements and representations.

The CBA maintains a list of all licensees. This list is sold to requestors for mailing list purposes. Check here if you do not want your name included on this list. Please note: Your name and address of record is public information and can be accessed through our website at www.cba.ca.gov. This form is being provided for your convenience. Other forms of written and signed notice may be accepted by the CBA. Please allow five to seven business days for address changes to be reflected in Licensee Lookup.

A licensee who fails to notify the California Board of Accountancy within 30 days of a change of address of record may be subject to citation and fine (fines ranging from \$100-\$1,000) under the California Code of Regulations, title 16, division 1, sections 3.95 and 95.2.

DEPARTMENT OF CONSUMER AFFAIRS
 CBA
 Revised 8/19
 FOL-30-03

Policy of Nondiscrimination on the Basis of Disability and Equal Employment Opportunity

The CBA does not discriminate on the basis of disability in employment or in the admission and access to its program and activities.

An Americans with Disabilities Act (ADA) coordinator has been designated to coordinate and carry out this agency's compliance with the nondiscrimination requirements of Title II of the ADA. Information concerning the provisions of the ADA, and the rights provided thereunder, is available from:

ADA Coordinator
California Board of Accountancy
2450 Venture Oaks Way, Suite 300
Sacramento, CA 95833

Enforcement Process

When CBA receives a complaint, an investigation is conducted. Information regarding a complaint generally is gathered by enforcement staff, which could include a licensee's appearance before the CBA Enforcement Advisory Committee.

Following this investigation, a recommendation is made to either (1) close the case with no violation of the Accountancy Act or CBA Regulations; (2) require the licensee to take prescribed continuing education; (3) issue a citation and fine; or (4) refer the case to the Attorney General's Office for review and possible preparation of an accusation against the licensee or a statement of issues relating to the applicant.

If charges are filed against a licensee, a hearing may be held before an independent administrative law judge who submits a proposed decision to be considered by CBA, or the matter may be settled. CBA may either accept the proposed decision or decide the matter itself. Please note that CBA actions reported here may not be final. After the effective date of CBA's decision, the licensee may obtain judicial review of its decision. On occasion, a court will order a stay of CBA's decision or return the decision to CBA for reconsideration.

Copies of the accusations, decisions, and settlements regarding any of these disciplinary and/or enforcement actions are available on the CBA website, www.cba.ca.gov, or by sending a written request to:

**California Board of Accountancy
Attention: Disciplinary/
Enforcement Actions
2450 Venture Oaks Way, Suite 300
Sacramento, CA 95833**

Please state the licensee's name and license number, and allow 10 days for each request.

Standard Terms of Probation

CBA may revoke, suspend, or impose probation on a license for violation of applicable statutes or regulations. In addition to any case-specific terms of probation, the standard probationary terms include:

- Obey all federal, California, other state, and local laws, including those rules relating to the practice of public accountancy in California.
- Submit, within 10 days of completion of the quarter, written reports to CBA on a form obtained from CBA. The respondent shall submit, under penalty of perjury, such other written reports, declarations, and verification of actions as are required. These declarations shall contain statements relative to respondent's compliance with all the terms and conditions of probation. Respondent shall immediately execute all release of information forms as may be required by CBA or its representatives.
- During the period of probation, appear in person at interviews or meetings as directed by CBA or its designated representative, provided such notification is accomplished in a timely manner.
- Comply with the terms and conditions of the probation imposed by CBA, and cooperate fully with representatives of CBA in its monitoring and investigation of the respondent's compliance with probation terms and conditions.
- Be subject to and permit a "practice investigation" of the respondent's professional practice. Such "practice investigation" shall be conducted by representatives of CBA, provided notification of such review is accomplished in a timely manner.
- Comply with all final orders resulting from citations issued by CBA.
- In the event respondent should leave California to reside or practice outside this state, respondent must notify CBA in writing of the dates of departure and return. Periods of non-California residency or practice outside the state shall not apply to reduction of the probationary period, or of any suspension. No obligation imposed herein, including requirements to file written reports, reimburse CBA costs, or make restitution to consumers, shall be suspended or otherwise affected by such periods of out-of-state residency or practice, except at the written direction of CBA.
- If respondent violates probation in any respect, CBA, after giving respondent notice and an opportunity to be heard, may revoke probation and carry out the disciplinary and/or enforcement order that was stayed. If an accusation or a petition to revoke probation is filed against respondent during probation, CBA shall have continuing jurisdiction until the matter is final, and the period of probation shall be extended until the matter is final.
- Upon successful completion of probation, respondent's license will be fully restored.

Enforcement Process Continued from Page 10**Enforcement Definitions****Accusation**

A formal document that charges violation(s) of the California Accountancy Act and/or CBA Regulations by a licensee. The charges in the accusation are allegations. Allegations are not a final determination of wrongdoing and are subject to adjudication and final review by CBA pursuant to the Administrative Procedure Act.

Cost Recovery

The licensee is ordered to pay CBA certain costs of investigation and prosecution including, but not limited to, attorney's fees.

Default Decision

The licensee failed to file a Notice of Defense or has otherwise failed to request a hearing, object, or otherwise contest the accusation. CBA takes action without a hearing based on the accusation and documentary evidence on file.

Effective Date

The date the disciplinary decision becomes operative.

Probation

The licensee may continue to engage in activities for which licensure is required, under specific terms and conditions.

Reinstatement

A revoked license that is restored, not sooner than one year from the date of revocation, to a clear or inactive status after petition to and approval by CBA. Reinstatement may include probation and/or terms and conditions.

Revocation

The individual, partnership, or corporation no longer is licensed as a result of a disciplinary action.

Stayed

The action does not immediately take place and may not take place if the licensee complies with other conditions (such as a probation term).

Stipulation

The matter is negotiated and settled without going to hearing.

Surrendered

The licensee has surrendered the license. The individual, partnership, or corporation no longer is licensed. CBA, however, may impose discipline against a surrendered license in certain circumstances. Surrender also may require certain conditions be met should the former licensee ever choose to reapply for licensure.

Suspension

The licensee is prohibited for a specific period of time from engaging in activities for which licensure is required.



CPA Revocations

Causes for Discipline:

Accusation No. AC-2018-83 contains the following allegations: (1) Repeated Negligent Acts; (2) Breach of Fiduciary Duty; (3) Report Failing to Conform to Professional Standards; (4) Violation of Regulations – Failure to Comply with Professional Standards.

Mr. Dixon and Dixon & Dixon (Partnership) understand and agree that, if proven at hearing, they would be subject to disciplinary action for engaging in repeated acts of negligence that indicate a lack of competency in the practice of public accountancy and bookkeeping resulting in violations of applicable professional standards.

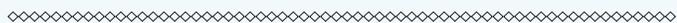
Mr. Dixon and the Partnership understand and agree that, if proven at hearing, they would be subject to disciplinary action for failing to fulfill fiduciary duties to the Pioneer Plaza Partnership.

Mr. Dixon and the Partnership understand and agree that, if proven at hearing, they would be subject to disciplinary action because on November 14, 2012, Mr. Dixon issued a compilation report for the Pioneer Plaza Partnership that failed to conform to professional standards found in SSARS.

Mr. Dixon and the Partnership understand and agree that, if proven at hearing, they would be subject to disciplinary action for failing to comply with all applicable professional standards, including, but not limited to, the American Institute of Certified Public Accountants (AICPA) Code of Professional Conduct and (SSARS), in Mr. Dixon's compilation engagement and performance of bookkeeping services for the Pioneer Plaza Partnership.

For Violations Of:

Business and Professions Code, Division 3, Chapter 1, §§ 5062, 5100(c), (i), and (g). California Code of Regulations, Title 16, § 58.



FAIRFIELD, LUKE

San Diego
(CPA 81152)

Disciplinary Actions/License Restrictions:

Revocation of CPA license, via default decision.

Effective September 3, 2019

Causes for Discipline:

Accusation No. AC-2019-38 contains the following allegations: (1) Criminal Conviction for Racketeering Conspiracy; (2) Dishonesty, Fraud, and Gross Negligence; (3) Willful Violation of Statutes and Regulations; (4) Fiscal Dishonesty; (5) Knowing Preparation of False, Fraudulent, or Materially Misleading Information.

Mr. Fairfield is subject to disciplinary action in that he was convicted of a crime that is substantially related to the duties, functions, or qualifications of a certified public accountant. On or about February 2, 2018, in the criminal proceeding titled *United States of America v. Luke Fairfield, et al*, in the United States District Court, Southern District of California, case number 15CR2310-WQH, Mr. Fairfield was convicted on his plea of guilty of racketeering conspiracy to conduct enterprise affairs, a felony.

Mr. Fairfield is subject to disciplinary action in that he engaged in acts of dishonesty, fraud, and gross negligence as described in the Accusation. In or around June 2011 and through in or around January 2016, Mr. Fairfield was an active member of an enterprise (Enterprise) associated for the purpose of importing, exporting and distributing wholesale and retail quantities of illegal drugs, such as cocaine and methamphetamine, conducting, financing, managing, directing and owning an illegal gambling business, practicing extortionate debt collection, and money laundering, among other illegal activities. Mr. Fairfield used his training and experience as a CPA to aid the enterprise with laundering its illegal proceeds and evading detecting by banks and law enforcement, as described in the Accusation.

Mr. Fairfield is subject to disciplinary action in that he willfully violated provisions of the Accountancy Act and California Code of Regulations by willfully engaging in illegal activities as a member of the Enterprise.

Mr. Fairfield is subject to disciplinary action in that he engaged in acts of fiscal dishonesty beginning on or around June 2011 through on or around January 2016 as described in the Accusation.

Mr. Fairfield is subject to disciplinary action in that on or around June 2011 through on or around January 2016 he engaged in the preparation of false, fraudulent, or materially misleading information as a member of the Enterprise as described in the Accusation.

For Violations Of:

Business and Professions Code, Division 1.5, Chapter 3, § 490, Division 3, Chapter 1, §§ 5100(a), (c), (g), (i), and (j). California Code of Regulations, Title 16, § 99.



CPA Revocations

HANSEN, DOUGLAS MACARTHUR

Corona
(CPA 64065)

Disciplinary Actions/License Restrictions:

Revocation of CPA license, via default decision.

Effective September 3, 2019

Causes for Discipline:

Petition to Revoke Probation No. D1-2018-55 contains the following allegations: (1) Failure to Obey All Laws (Probation Condition #1); (2) Failure to Provide Cost Reimbursement (Probation Condition #2); (3) Failure to Submit Written Reports (Probation Condition #3); (4) Failure to Comply with Peer Review (Probation Condition #13); (5) Failure to Comply with Probation (Probation Condition #5).

Mr. Hansen entered into a stipulated settlement dated August 3, 2018, effective September 4, 2018, under which his license was revoked, with revocation stayed, and placed on three years' probation on terms and conditions.

Mr. Hansen is subject to disciplinary action in that he failed to comply with Probation Condition 1, Obey All Laws, in that he did not comply with rules relating to the practice of public accountancy by failing to enroll in a peer review program within 60 days of the effective date of his Decision and Order.

Mr. Hansen is subject to disciplinary action in that he failed to comply with Probation Condition 2, Cost Reimbursement, when he failed to make quarterly cost reimbursement payment for period ending March 31, 2019.

Mr. Hansen is subject to disciplinary action in that he failed to comply with Probation Condition 3, Submit Written Reports, when he failed to submit quarterly written reports for the period ended March 31, 2019.

Mr. Hansen is subject to disciplinary action in that he failed to comply with Probation Condition 13, Peer Review. Within 60 days of the effective date of Mr. Hansen's stipulated settlement he was required to provide the CBA with documentation that he has enrolled in a CBA-recognized peer review program. On January 11, 2019, and February 13, 2019, the CBA made attempts to contact Mr. Hansen regarding his peer review enrollment. To date, Mr. Hansen has not responded to the CBA's inquiries or enrolled the peer review program.

Mr. Hansen is subject to disciplinary action in that he failed to comply with Probation Condition 5, Comply with Probation as he has not complied with the probation terms and conditions stated above.

For violations of:

CBA probation conditions: 1, 2, 3, 5, and 13.

Other Enforcement Actions

BROADFOOT, WILLIAM G.

Hialeah, FL
(CPA 98987)

Disciplinary Actions/License Restrictions:

Revocation stayed with three years' probation, via proposed decision.

Mr. Broadfoot shall reimburse the CBA \$11,933.70 for its investigation and prosecution costs.

Mr. Broadfoot shall complete four hours of continuing education in ethics. The hours shall be completed within 180 days of the effective date of the CBA's decision and order and are in addition to the continuing education requirements for relicensing.

Mr. Broadfoot shall complete a CBA-approved Regulatory Review course. The course shall be completed within 180 days of the effective date of the CBA's decision and order and is in addition to the continuing education requirements for relicensing.

Other standard terms of probation.

Effective January 6, 2020

Causes for Discipline:

Following a proposed decision, the Administrative Law Judge upheld the following causes for discipline in the Accusation No. AC-2019-18; (2) Gross Negligence and Repeated Negligent Acts, Failure to Comply With Standards and Required Procedures; (3) Improper Audit Documentation.

The Accusation alleges that Mr. Broadfoot is subject to disciplinary action in that he engaged in gross negligence and repeated acts of negligence when he performed two audits for his employer's client for the years ended December 31, 2015 and 2014 (the first audit) as evidenced by his violations of the Statements on Auditing Standards. Mr. Broadfoot is subject to disciplinary action for engaging in repeated acts of negligence.

Other Enforcement Actions

For Violations Of:

Business and Professions Code, Division 3, Chapter 1, §§ 5063(b) and 5100(l).

FRAZIER & DEETER, LLC

Atlanta, GA
(OFR 512)

Disciplinary Actions/License Restrictions:

Revocation stayed with 20 months’ probation, via stipulated settlement.

Frazier & Deeter, LLC shall reimburse the CBA \$3,000.00 for its investigation and prosecution costs.

Frazier & Deeter, LLC shall at all times maintain an active license status with the CBA.

Frazier & Deeter, LLC shall comply with all requirements, terms, and conditions of a disciplinary order issued by the Public Company Accounting Oversight Board dated July 12, 2018 titled Order Instituting Disciplinary Proceedings, Making Findings, and imposing Sanction In the *Matter of Frazier & Deeter, LLC, Public Company Accounting Oversight Board Release No. 105-2018-013*.

Other standard terms of probation.

Effective January 6, 2020

Causes for Discipline:

Accusation No. AC-2019-35 contains the following allegation: (1) Imposition of Discipline, Penalty, or Sanction by the PCAOB.

Frazier & Deeter, LLC is subject to disciplinary action in that the Public Company Accounting Oversight Board has imposed discipline, penalties, or sanctions on Frazier & Deeter, LLC as evidenced by its July 12, 2018 Order.

For Violations Of:

Business and Professions Code, Division 3, Chapter 1, § 5100(l).

HAGEN, STREIFF, NEWTON & OSHIRO, ACCOUNTANTS, P.C.

Irvine, CA
(COR 202)

Disciplinary Actions/License Restrictions:

Surrender of COR license, via stipulated surrender.

Hagen, Streiff, Newton & Oshiro, Accountants, P.C. (Corporation) shall reimburse the CBA \$400,000 for its investigation and prosecution costs.

The Corporation shall pay to the CBA an administrative penalty in the amount of \$150,000.

Effective January 27, 2020

Causes for Discipline:

First Amended Accusation No. AC-2017-79 contains the following allegations: (1) Failure to Comply with Professional Standards; (2) Repeated Acts of Negligence in Failing to Comply with Professional Standards; (3) Dissemination of False or Misleading Information; (4) Unprofessional Conduct.

The Corporation is subject to disciplinary action in that it failed to comply with applicable professional standards and violated the American Institute of CPAs Statement on Standards for Consulting Services (CS 100) and American Institute of CPAs Code of Professional Conduct. Specifically, the Corporation failed to comply with the objectivity standards set forth in CS 100 as follows:

- The Corporation did not objectively report a finding.
- The Corporation was not competent to offer an opinion that a preference for written information exchanges by a Great Park contractor constituted a failure to cooperate under the terms of the contracts at issue.
- The Corporation did not have sufficient relevant data to offer an opinion that a preference for written information exchanges by Great Park contractors constituted a failure to cooperate.
- The Corporation did not exercise due care.
- The Corporation lacked sufficient relevant data.
- The Corporation was not competent.

The Corporation is subject to disciplinary action in that it engaged in repeated acts of negligence that indicate a lack of competency in the practice of public accountancy.

Other Enforcement Actions

Causes for Discipline:

Accusation No. AC-2019-44 contains the following allegations: (1) Disciplinary Action by Another State Agency, the Federal Government, or by Another Country; (2) Suspension or Revocation of the Right to Practice Before Any Governmental Body or Agency; (3) Disciplinary Action by the SEC.

The Corporation is subject to disciplinary action in that they were disciplined by another state agency, the federal government, or by another country.

The Corporation is subject to disciplinary action in that they received a suspension or revocation of the right to practice before any governmental body or agency.

The Corporation is subject to disciplinary action in that they were disciplined by the SEC.

For Violations Of:

Business and Professions Code, Division 1, Chapter 1 § 141, Division 3, Chapter 1, §§ 5100(h) and (l).



LICHTER, LAWRENCE P.

Woodland Hills
(CPA 49771)

Disciplinary Actions/License Restrictions:

Revocation stayed with three years' probation, via stipulated settlement.

Mr. Lichter shall reimburse the CBA \$1,630 for its investigation and prosecution costs.

Mr. Lichter shall complete four hours of continuing education in ethics. The hours shall be completed within 180 days of the effective date of the CBA's decision and order and are in addition to the continuing education requirements for relicensing.

Mr. Lichter shall complete a CBA-approved Regulatory Review course. The course shall be completed within 180 days of the effective date of the CBA's decision and order and is in addition to the continuing education requirements for relicensing.

Mr. Lichter shall complete and provide proper documentation of 24 hours of professional education courses in accounting and auditing subject matter. The hours shall be completed within 180 days of the effective date of the CBA's decision and order and are in addition to the continuing education requirements for relicensing.

Mr. Lichter shall maintain an active license status.

Mr. Lichter shall comply fully with the Order issued by the Securities and Exchange Commission in *Administrative Proceeding File No. 3-18838, In the Matter of Lichter, Yu and Associates, Inc.; Lawrence P. Lichter, CPA; and Peter L. Yu, CPA.*

During and after the completion of probation, Mr. Lichter shall be prohibited from engaging in and performing any audits for employee benefit plans and from engaging in and performing any broker-dealer audit services. This condition shall continue until such time, if ever, Mr. Lichter successfully petitions the CBA for the reinstatement of the ability to perform audits for employee benefit plans and/or to provide broker dealer audit services.

Other standard terms of probation.

Effective January 6, 2020

Causes for Discipline:

Accusation No. AC-2019-45 contains the following allegations: (1) Disciplinary Action by Another State Agency, the Federal Government, or by Another Country; (2) Suspension or Revocation of the Right to Practice Before Any Governmental Body or Agency; (3) Disciplinary Action by the SEC.

Mr. Lichter is subject to disciplinary action in that he was disciplined by another state agency, the federal government, or by another country.

Mr. Lichter is subject to disciplinary action in that he received a suspension or revocation of the right to practice before any governmental body or agency.

Mr. Lichter is subject to disciplinary action in that he was disciplined by the SEC.

For Violations Of:

Business and Professions Code, Division 1, Chapter 1 § 141, Division 3, Chapter 1, §§ 5100(h) and (l).



MAGEE, PETER JOHN

Portola Valley
(CPA 138223)

Disciplinary Actions/License Restrictions:

Revocation stayed with three years' probation, via stipulated settlement.

Mr. Magee shall reimburse the CBA \$1,500 for its investigation and prosecution costs.

Other Enforcement Actions

Mr. Magee shall complete four hours of CE in ethics. The hours shall be completed within 180 days of the effective date of the CBA's decision and order and are in addition to the CE requirements for relicensing.

Mr. Magee shall complete a CBA-approved Regulatory Review course. The course shall be completed within 180 days of the effective date of the CBA's decision and order and is in addition to the CE requirements for relicensing.

Mr. Magee shall complete 24 hours of professional CE in the subject areas of generally accepted auditing standards or generally accepted government auditing standards. The hours shall be completed within 180 days of the effective date of the CBA's decision and order and is in addition to the CE requirements for relicensing.

Mr. Magee shall pay to the CBA an administrative penalty in the amount of \$1,500 for violation of section 5100(d) of the California Accountancy Act. The payment shall be made within 180 days of the date the CBA's order is final.

Mr. Magee shall maintain an active license status at all times.

Other standard terms of probation.

Effective November 4, 2019

Causes for Discipline:

Accusation No. AC-2019-70 contains the following allegations: (1) Discipline Imposed by the State of Nevada.

Mr. Magee is subject to disciplinary action in that he was the subject of discipline, penalty and/or sanction by the Nevada State Board of Accountancy.

For Violations Of:

Business and Professions Code, Division 1, Chapter 1 § 141(a), Division 3, Chapter 1, §§ 5100(d).

MANALANG, BENNY T., JR.

Vallejo
(CPA 48877)

Disciplinary Actions/License Restrictions:

Surrender of CPA license, via stipulated surrender.

Effective September 3, 2019

Causes for Discipline:

Accusation No. AC-2018-84 contains the following allegations: (1) Repeated Negligent Acts; (2) Failure to Comply with Professional Standards; (3) Willful Violations of Accounting Rules and Regulations.

Mr. Manalang is subject to disciplinary action in that he was repeatedly negligent when he failed to prepare Dr. and Mrs. V's 2012 federal and California individual and corporate tax returns, 2012-2013 and 2015 Form W-2s, and 2012 4th Quarter payroll tax returns timely, resulting in \$30,888.40 in damages.

Mr. Manalang is subject to disciplinary action in that he failed to satisfy filing due dates, failed to communicate the economic ramifications of late filings to the V's, failed to exercise due care by rendering prompt and timely service, failed to adhere to his obligations as a CPA to advise the V's of relevant penalties and failed to promptly notify the V's upon becoming aware of the failure to meet the required tax filing deadlines.

Mr. Manalang is subject to disciplinary action in that he willfully violated accounting rules and regulations in his handling of the V's tax returns for the years 2012, 2013, and 2015 as described above.

For Violations Of:

Business and Professions Code, Division 3, Chapter 1, §§ 5100(c) and (g). California Code of Regulations, title 16 § 58.

MCNAMEE, GORDON GORDON MCNAMEE, CPA, AN ACCOUNTANCY CORPORATION

Upland
(CPA 60558 and COR 6036)

Disciplinary Actions/License Restrictions:

Revocation stayed with three years' probation, via stipulated settlement.

Mr. McNamee and Gordon McNamee, CPA, An Accountancy Corporation (Corporation) shall reimburse the CBA \$6,000 for its investigation and prosecution costs.

Mr. McNamee shall complete four hours of CE in ethics. The hours shall be completed within 180 days of the effective date of the CBA's decision and order and are in addition to the CE requirements for relicensing.

Mr. McNamee shall complete a CBA-approved Regulatory Review course. The course shall be completed within 180 days of the effective date of the CBA's decision and order and is in addition to the CE requirements for relicensing.

Other Enforcement Actions

Mr. McNamee shall complete and provide documentation of his completion of eight hours of professional education courses in taxation for each year of probation. The hours shall be completed within 180 days of the effective date of the CBA's decision and order and each year of probation thereafter and is in addition to the CE requirements for relicensing.

During the period of probation, Mr. McNamee and the Corporation shall be prohibited from engaging in or performing audits, reviews, compilations, or other attestation engagements. After the completion of probation, Mr. McNamee and the Corporation shall be permanently prohibited from engaging in and performing any audits, reviews, compilations, or other attestation services. This condition shall continue until such time, if ever, Mr. McNamee and the Corporation successfully petition the CBA for the reinstatement of the ability to perform audits, reviews, compilations, or other attestation services.

Mr. McNamee and the Corporation shall pay to the CBA an administrative penalty in the amount of \$2,500. The payment shall be made within six months of the date the CBA's order is final.

Mr. McNamee and the Corporation shall maintain an active license status at all times.

Other standard terms of probation.

Effective November 4, 2019

Causes for Discipline:

Accusation No. AC-2019-3 contains the following allegations: (1) False Statements; (2) Gross Negligence; (3) Repeated Acts of Negligence; (4) Failure of Report to Conform to Standards; (5) Failure to Comply with Standards; (6) Failure to Document Audit Procedures; (7) Failure to Participate in Peer Review Program; (8) Failure to Complete Continuing Education; (9) Failure to Respond to CBA Inquiry; (10) Unprofessional Conduct; (11) Repeated Acts of Negligence; (12) Failure to Comply with Standards; (13) Willful Violation of Accountancy Act.

Mr. McNamee is subject to disciplinary action in that he submitted false statements on applications and the associated documentation for purposes of renewing the individual license and corporation registration in order to obtain permits to practice public accountancy.

Mr. McNamee is subject to disciplinary action in that he committed acts of gross negligence in the performance of the CLD audit issued October 9, 2015 as of and for the year ended December 31, 2014. Mr. McNamee's performance and documentation of the audit failed to comply with professional standards.

Mr. McNamee is subject to disciplinary action in that he committed repeated acts of negligence in the performance of the CLD audit issued October 9, 2015 as of and for the year ended December 31, 2014.

Mr. McNamee is subject to disciplinary action in that he failed to issue a report conforming with professional standards upon completion of the audit of financial statements of CLD.

Mr. McNamee is subject to disciplinary action in that he failed to comply with all applicable professional standards, including but not limited to generally accepted accounting principles and generally accepted auditing standards.

Mr. McNamee is subject to disciplinary action in that he failed to include an index in his working papers for the CLD audit report, thus failing to comply with the professional standards, the Accountancy Act, and CBA Regulations.

Mr. McNamee is subject to disciplinary action in that he failed to enroll and participate in a peer review program once he issued the CLD audit report dated October 9, 2015, as required by the CBA's peer review requirements.

Mr. McNamee is subject to disciplinary action in that he failed to complete minimum continuing education hours of accounting and auditing and fraud prior to renewing his individual permit for the renewal periods ending December 31, 2016, and 2014.

Mr. McNamee is subject to disciplinary action in that he failed to respond fully and completely to the CBA's inquiries.

Mr. McNamee is subject to disciplinary action in that he engaged in acts constituting unprofessional conduct under the Accountancy Act, CBA Regulations, and professional standards.

Mr. McNamee is subject to disciplinary action in that he committed repeated acts of negligence in the performance of HPBP's tax services when he failed to prepare or adequately prepare HPBP's State tax Form 100 filings for the years 2007-2008 and 2010-2015, resulting in HPBP being liable for the \$800 tax, interest, and penalties for each year.

Mr. McNamee is subject to disciplinary action in that he failed to comply with all applicable professional standards.

Mr. McNamee is subject to disciplinary action in that he engaged in willful violations of the Accountancy Act and/or any rules or regulations promulgated by the CBA.

For Violations Of:

Business and Professions Code, Division 3, Chapter 1, §§ 5062, 5076, 5097, 5156, 5100(b), (c), (e) and (g). California Code of Regulations, title 16 §§ 40, 41, 45, 52, 58, 68.2 and 87.



Other Enforcement Actions

Regulations, Title 16, Division 1, Article 6, commencing with section 38, at the expense of Mr. Moon and the Corporation. The specific engagements to be reviewed shall be at the discretion of the peer reviewer. Within 45 days of the peer review report being accepted by a CBA-recognized peer review program provider, Mr. Moon and the Corporation shall submit to the CBA a copy of the peer review report, including any materials documenting the prescription of remedial or corrective actions imposed by the CBA-recognized peer review program provider. Mr. Moon shall also submit, if available, any materials documenting completion of any or all of the prescribed remedial or corrective actions.

During the period of probation, if Mr. Moon or the Corporation undertake an audit, review or compilation engagement, they shall submit to the CBA as an attachment to the required quarterly report a listing of the same. The CBA, or its designee, may select one or more from each category and the resulting report and financial statement and all related working papers must be submitted to the CBA or its designee upon request.

Mr. Moon shall submit to the CBA or its designee for its prior approval a plan of practice that shall be monitored by another CPA or PA who provides periodic reports to the CBA or its designee within 30 days of the effective date of the CBA's decision and order. Mr. Moon shall pay all costs for such monitoring.

Mr. Moon and the Corporation shall maintain an active license status.

Other standard terms of probation.

Effective January 6, 2020

Causes for Discipline:

Accusation No. AC-2019-20 contains the following allegations: (1) Gross Negligence; (2) Failure to Conform to Professional Standards; (3) Failure to Conform with Generally Accepted Auditing Standards; (4) Firm Registration Renewal Deficiencies; (5) Firm Responsibilities; (6) Unregistered Firm.

Mr. Moon and the Corporation are subject to disciplinary action in that they committed gross negligence in the performance of a Limited-Scope audit for NA, Inc.'s 401(k) Plan, an employee benefit plan, for the year ended December 31, 2014. The departures from, and the standards of practice not followed demonstrate a lack of competency in the performance of audit engagements.

Mr. Moon and the Corporation are subject to disciplinary action in that their audit report was not prepared according to professional standards. Further, the audit documentation did not provide evidence for the issuance of the report.

Mr. Moon and the Corporation are subject to disciplinary action in that the audit report was not prepared according to GAAS.

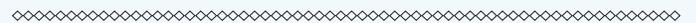
The Corporation is subject to disciplinary action in that it failed to comply with the licensing requirements for registration renewal when it failed to have a peer review report accepted by a CBA-recognized peer review program once every three years in order to renew their licenses.

Mr. Moon and the Corporation are subject to disciplinary action in that they were terminated from the American Institute of Certified Public Accountants Peer Review program on December 9, 2016, for receiving consecutive failed peer reviews.

Mr. Moon is subject to disciplinary action in that he prepared tax returns which he signed with the firm name, Moon & Lee, CPAs. This firm was not registered with the CBA.

For Violations Of:

Business and Professions Code, Division 3, Chapter 1, §§ 5060, 5062, 5076, and 5100(c) and (g). California Code of Regulations, title 16, §§ 40, 41, and 58.



MUHAMMAD, KARIM KHAN

Mission Viejo
(CPA 100406)

Disciplinary Actions/License Restrictions:

Revocation stayed with three years' probation, via stipulated settlement.

Mr. Muhammad shall reimburse the CBA \$1,000 for its investigation and prosecution costs.

Mr. Muhammad shall complete four hours of CE in ethics. The hours shall be completed within 180 days of the effective date of the CBA's decision and order and are in addition to the CE requirements for relicensing.

Mr. Muhammad shall complete a CBA-approved Regulatory Review course. The course shall be completed within 180 days of the effective date of the CBA's decision and order and is in addition to the CE requirements for relicensing.

Mr. Muhammad shall complete and provide documentation of 16 hours of CE in the subject area of audits. These courses shall be completed within 180 days of the effective date of the CBA's decision and order and is in addition to the CE requirements for relicensing. Mr. Muhammad shall also complete 16 hours of CE in the subject matter of audits for each year of probation.

Other Enforcement Actions

corrective actions imposed by the CBA-recognized peer review program provider. Mr. Naworski and the Corporation shall also submit, if applicable, any materials documenting completion of any or all of the prescribed remedial or corrective actions.

Mr. Naworski and the Corporation shall at all times maintain an active license status with the CBA.

During the period of probation, if Mr. Naworski and the Corporation undertake compilations, Mr. Naworski and the Corporation shall submit to the CBA as an attachment to the required quarterly report a listing of the same. The CBA or its designee may select one or more from each category and the resulting report and financial statement and all related working papers must be submitted to the CBA or its designee upon request.

Other standard terms of probation.

Effective January 6, 2020

Causes for Discipline:

Accusation No. AC-2019-57 contains the following allegations: (1) Repeated Acts of Negligence; (2) Report Failing to Conform to Professional Standards; (3) Failure to Comply with Professional Standards; (4) Failure to Obtain Sufficient Appropriate Audit Evidence.

Mr. Naworski and the Corporation are subject to disciplinary action in that they engaged in repeated acts of negligence evidencing a violation of applicable professional standards and indicating a lack of competency in the practice of public accountancy.

Mr. Naworski and the Corporation are subject to disciplinary action in that they issued an auditor’s report and compilation reports which failed to conform to professional standards.

Mr. Naworski and the Corporation are subject to disciplinary action in that they failed to comply with all applicable professional standards, including but not limited to Statements on Standards for Accounting and Review Services, Generally Accepted Auditing Standards, and Department of Labor Employee Retirement Income Security Act requirements.

Mr. Naworski and the Corporation are subject to disciplinary action in that they failed to obtain sufficient appropriate audit information to support an Employee Retirement Income Security Act audit.

For Violations Of:

Business and Professions Code, Division 3, Chapter 1, §§ 5062, 5097, and 5100(c), (e), and (g). California Code of Regulations, title 16, § 58.

ROBINSON, EDWARD ALLEN

Fremont
(CPA 23322)

Disciplinary Actions/License Restrictions:

Revocation stayed with three years’ probation, via stipulated settlement.

Mr. Robinson shall reimburse the CBA \$2,500 for its investigation and prosecution costs.

Mr. Robinson shall complete four hours of continuing education in ethics. The hours shall be completed within 180 days of the effective date of the CBA’s decision and order and are in addition to the continuing education requirements for relicensing.

Mr. Robinson shall complete a CBA-approved Regulatory Review course. The course shall be completed within 180 days of the effective date of the CBA’s decision and order and is in addition to the continuing education requirements for relicensing.

Mr. Robinson shall pay to the CBA an administrative penalty in the amount of \$1,000 for violation of Section 5100, subdivision (g) of the California Accountancy Act. The payment shall be made within 100 days of the effective date of the CBA’s Order.

Mr. Robinson shall maintain an active license status.

Other standard terms of probation.

Effective January 6, 2020

Causes for Discipline:

Accusation No. AC-2019-17 contains the following allegations: (1) Disclosure of Confidential Client Information; (2) Failure to Provide Safe Custody and Retention of Working Papers; (3) Violation of CBA Statutes or Regulations.

The Accusation alleges that Mr. Robinson is subject to disciplinary action in that he disclosed confidential information concerning clients without their written permission.

The Accusation alleges that Mr. Robinson is subject to disciplinary action in that he failed to adopt reasonable procedures for the safe custody and retention of working papers.

The Accusation also alleges that Mr. Robinson is subject to disciplinary action in that he violated CBA statutes or regulations.

For Violations Of:

Business and Professions Code, Division 3, Chapter 1, §§ 5063.3 and 5100(g). California Code of Regulations, title 16, §§ 54.1 and 68.1(b) and (c).



Other Enforcement Actions

ROBLES, DANIEL

Hemet
(CPA 125631)

Disciplinary Actions/License Restrictions:

Revocation stayed with three years' probation and six month suspension, via stipulated settlement.

Certified Public Accountancy Certificate No. CPA 125631 issued to Daniel Robles is suspended for six months.

Mr. Robles shall reimburse the CBA \$14,001.68 for its investigation and prosecution costs.

Mr. Robles shall complete four hours of continuing education in ethics. The hours shall be completed prior to resumption of practice. This shall be in addition to continuing education requirements for relicensing.

Mr. Robles shall complete a CBA-approved Regulatory Review course. The hours shall be completed prior to resumption of practice. This shall be in addition to continuing education requirements for relicensing.

Mr. Robles shall pay to the CBA an administrative penalty in the amount of \$2,500 for violation of Section 5100(g) of the California Accountancy Act, in conjunction with California Code of Regulations, title 16, section 52. The payment shall be made within 30 days of the date the CBA's Order is final.

Mr. Robles shall maintain an active license status.

Other standard terms of probation.

Effective January 6, 2020

Causes for Discipline:

Accusation No. AC-2019-16 contains the following allegations: (1) Dishonesty in the Practice of Public Accountancy; (2) Fiscal Dishonesty; (3) Embezzlement, Theft or Obtaining Money by Fraudulent Means; (4) Failure to Provide True and Accurate Response to CBA Inquiry; (5) Willful Violation.

The Accusation alleges that Mr. Robles is subject to disciplinary action in that he committed acts constituting dishonesty in the practice of public accountancy.

The Accusation alleges that Mr. Robles is subject to disciplinary action in that he committed acts constituting fiscal dishonesty.

The Accusation alleges that Mr. Robles is subject to disciplinary action in that he committed acts constituting embezzlement, theft and misappropriation of funds.

The Accusation alleges that Mr. Robles is subject to disciplinary action in that he willfully violated rules and regulations promulgated by the CBA.

The Accusation alleges that Mr. Robles is subject to disciplinary action in that he willfully violated provisions of Business and Professions Code, Division 3, Chapter 1.

For Violations Of:

Business and Professions Code, Division 3, Chapter 1, §§ 5100(c), (g), (i), and (k). California Code of Regulations, title 16, § 52(d).

SANTORO, ROBERT ANTHONY

Fallbrook
(CPA 102274)

Disciplinary Actions/License Restrictions:

Revocation stayed with three years' probation, via stipulated settlement.

Mr. Santoro shall reimburse the CBA \$3,000 for its investigation and prosecution costs.

Mr. Santoro shall complete four hours of continuing education in ethics. The hours shall be completed within 180 days of the effective date of the CBA's decision and order and are in addition to the continuing education requirements for relicensing.

Mr. Santoro shall complete a CBA-approved Regulatory Review course. The course shall be completed within 180 days of the effective date of the CBA's decision and order and is in addition to the continuing education requirements for relicensing.

Mr. Santoro shall complete and provide proper documentation of 24 hours of professional education courses in audit-related subject matter, including at least eight hours related to the requirements for audit documentation. This shall be in addition to the continuing education requirements for relicensure.

During the period of probation, all audit, review, and compilation reports and work papers shall be subject to peer review by a CBA-recognized peer review program provider pursuant to California Business and Professions Code Section 5076 and California Code of Regulations, Title 16, Division 1, Article 6, commencing with section 38, at Mr. Santoro's expense. The specific engagements to be reviewed shall be at the discretion of the peer reviewer. Within 45 days of the peer review report being accepted by a CBA-recognized peer review program provider, Mr. Santoro shall submit to the CBA a copy of the peer review report, including any materials documenting the prescription of remedial or corrective actions imposed by the CBA-recognized peer review program provider. Mr. Santoro shall also submit, if available, any materials documenting completion of any or all of the prescribed remedial or corrective actions.

Continued on Page 29

Other Enforcement Actions

Mr. Santoro shall pay to the CBA an administrative penalty in the amount of \$1,500 for violation of Section 5100(g) of the California Accountancy Act in conjunction with California Code of Regulations, title 16, section 65. The payment shall be made within 180 days of the date the CBA's Order is final.

Mr. Santoro shall maintain an active license status.

Other standard terms of probation.

Effective January 6, 2020

Causes for Discipline:

Accusation No. AC-2019-74 contains the following allegations: (1) Repeated Acts of Negligence; (2) Gross Negligence; (3) Insufficient Audit Documentation; (4) Report Failing to Conform to Professional Standards; (5) Compliance with Professional Standards; (6) Practice Under an Unregistered Firm Name; (7) Failure to Maintain Independence.

Mr. Santoro is subject to disciplinary action in that he engaged in repeated acts of negligence when he performed an audit for the Company for the year ended December 31, 2016, which departed from the applicable professional standards and that indicated a lack of competency in the practice of public accountancy and failure to exercise due care.

Mr. Santoro is subject to disciplinary action in that he engaged in gross negligence when he performed an audit for the Company for the year ended December 31, 2016, which departed from applicable professional standards and that indicated a lack of competency in the practice of public accountancy and failure to exercise due care.

Mr. Santoro is subject to disciplinary action in that he failed to obtain sufficient appropriate audit documentation to support the financial statements issued and the opinion rendered thereon.

Mr. Santoro is subject to disciplinary action in that he issued a report that was unsupported by audit documentation and which failed to conform to professional standards.

Mr. Santoro is subject to disciplinary action in that he failed to comply with all applicable professional standards in his audit engagement including Generally Accepted Auditing Standards, Generally Accepted Auditing Principles, and the American Institute of Certified Public Accountants Code of Professional Conduct.

Mr. Santoro is subject to disciplinary action in that he signed an audit report dated June 1, 2017, on the letterhead of his employer, PLH, which is a law firm not registered or licensed with the CBA.

Mr. Santoro is subject to disciplinary action in that he was not independent in the performance and reporting on his audit for his employer's client.

For Violations Of:

Business and Professions Code, Division 3, Chapter 1, §§ 5060, 5062, 5097, 5100(c), (e), and (g). California Code of Regulations, title 16, §§ 58 and 65.



SHELTON, GREGORY BRIAN

Palm Desert
(CPA 64346)

Disciplinary Actions/License Restrictions:

Revocation stayed with 18 month extension of probation from the previous termination date of August 28, 2020, via stipulated settlement.

Mr. Shelton shall complete four hours of CE in ethics. The hours shall be completed within 180 days of the effective date of the CBA's decision and order and are in addition to the CE requirements for relicensing.

Mr. Shelton shall complete a CBA-approved Regulatory Review course. The course shall be completed within 180 days of the effective date of the CBA's decision and order and is in addition to the CE requirements for relicensing.

Mr. Shelton shall maintain an active license status at all times.

Other standard terms of probation.

Effective November 4, 2019

Causes for Discipline:

Petition to Revoke Probation No. D1-2016-86 contains the following allegations: (1) Ethics Continuing Education; (2) Regulatory Review Course; (3) Active License Status; (4) Comply with Probation.

Mr. Shelton is subject to disciplinary action in that he failed to comply with Probation Condition 12, completing four hours of ethics CE.

Mr. Shelton is subject to disciplinary action in that he failed to comply with Probation Condition 13, completing a CBA-approved Regulatory Review course.

Mr. Shelton is subject to disciplinary action in that he failed to comply with Probation Condition 14, maintaining an active license status.

Other Enforcement Actions

Causes for Discipline:

Following a Proposed Decision, the Administrative Law Judge upheld the following causes for discipline in First Amended Accusation No. AC-2018-35: (4) Repeated Negligent Acts; (6) Report Failing to Conform to Professional Standards; (7) Failure to Comply with Professional Standards; (8) Insufficient Audit Documentation; (9) Repeated Negligent Acts; (11) Report Failing to Conform to Professional Standards; (12) Failure to Comply with Professional Standards; (13) Audit Documentation.

Mr. Sinambal is subject to disciplinary action in that he committed repeated negligent acts in audits he performed, which departed from applicable professional standards and indicated a lack of competency in the practice of public accountancy, as described in the Fourth Cause for Discipline in the First Amended Accusation. Mr. Sinambal’s audit documentation would not enable an experienced auditor to understand the work performed and conclusions reached.

Mr. Sinambal is subject to disciplinary action in that he issued a report with an unqualified opinion for his audit issued on or about May 24, 2013, which was unsupported by audit documentation and failed to conform to professional standards, as described in the Sixth Cause for Discipline in the First Amended Accusation.

Mr. Sinambal is subject to disciplinary action in that he failed to comply with all applicable professional standards including General Accepted Auditing Standards (GAAS), Generally Accepted Government Auditing Standards (GAGAS), and Single Audit requirements, as described in the Seventh Cause for Discipline in the First Amended Accusation.

Mr. Sinambal is subject to disciplinary action in that he failed to document his audit procedures in compliance with professional standards, the Accountancy Act, and CBA regulations, as described in the Eighth Cause for Discipline in the First Amended Accusation.

Mr. Sinambal is subject to disciplinary action in that he committed repeated negligent acts in an audit, as described in the Ninth Cause for Discipline in the First Amended Accusation, which departed from applicable professional standards and indicated a lack of competency in the practice of public accountancy. Mr. Sinambal’s audit documentation would not enable an experienced auditor to understand the work performed and conclusions reached.

Mr. Sinambal is subject to disciplinary action in that he issued a report with an unqualified opinion on or about March 31, 2016, for an audit he performed, which was unsupported by audit documentation and failed to conform to professional standards, as described in the Eleventh Cause for Discipline.

Mr. Sinambal is subject to disciplinary action in that he failed to comply with all applicable professional standards in his March 31, 2016 audit performed including Housing and Urban Development (HUD), Generally Accepted Government Auditing Standards (GAGAS), and Single Audit requirements, as described in the Twelfth Cause for Discipline.

Mr. Sinambal is subject to disciplinary action in that he failed to document his audit procedures in compliance with professional standards, the Accountancy Act, and CBA regulations, as described in the Thirteenth Cause for Discipline in the First Amended Accusation..

For Violations Of:

Business and Professions Code, Division 3, Chapter 1 §§ 5062, 5097, 5100(c), (e), and (g). California Code of Regulations, Title 16, Division 1, §§ 58, 68.2, and 68.4.



SPALLINA, ROBERT L.

Parkland, FL
(CPA 67183)

Disciplinary Actions/License Restrictions:

Surrender of CPA license, via stipulated surrender.

Effective September 3, 2019

Causes for Discipline:

Accusation No. AC-2019-52 contains the following allegation: (1) Criminal Conviction; (2) Discipline by Any Other State or Federal Agency; (3) Fiscal Dishonesty or Breach of Fiduciary Responsibility; (4) Embezzlement, Theft, Misappropriation of Funds or Property.

Mr. Spallina is subject to disciplinary action in that he was convicted of a crime that is substantially related to the qualifications, functions, or duties of a certified public accountant. On or about June 14, 2016, in the matter titled *United States of America v. Robert Spallina, United States District Court, District of New Jersey, Case No. 3:16-CR-00269-AET*, Mr. Spallina was convicted by the court on his guilty plea of violating multiple sections of the United States Codes. Specifically, Mr. Spallina was convicted of manipulative and deceptive practices with securities exchanges, penalties for willful violations of securities exchange laws, liability as a principal for offense against the United States, and employment of manipulative and deceptive devices, as described in the Accusation.

Other Enforcement Actions

YU, PETER LUN

Canoga Park
(CPA 89732)

Disciplinary Actions/License Restrictions:

Revocation stayed with three years' probation, via stipulated settlement.

Mr. Yu shall reimburse the CBA \$1,630 for its investigation and prosecution costs.

Mr. Yu shall complete four hours of continuing education in ethics. The hours shall be completed within 180 days of the effective date of the CBA's decision and order and are in addition to the continuing education requirements for relicensing.

Mr. Yu shall complete a CBA-approved Regulatory Review course. The course shall be completed within 180 days of the effective date of the CBA's decision and order and is in addition to the continuing education requirements for relicensing.

Mr. Yu shall complete and provide proper documentation of 24 hours of professional education courses in accounting and auditing subject matter. The hours shall be completed within 180 days of the effective date of the CBA's decision and order and are in addition to the continuing education requirements for relicensing.

Mr. Yu shall maintain an active license status.

Mr. Yu shall comply fully with the Order issued by the Securities and Exchange Commission in Administrative Proceeding File No. 3-18838, In the Matter of Lichter, Yu and Associates, Inc.; Lawrence P. Lichter, CPA; and Peter L. Yu, CPA.

During and after the completion of probation, Mr. Yu shall be prohibited from engaging in and performing any audits for employee benefit plans and from engaging in and performing any broker-dealer audit services. This condition shall continue until such time, if ever, Mr. Yu successfully petitions the CBA for the reinstatement of the ability to perform audits for employee benefit plans and/or to provide broker dealer audit services.

Other standard terms of probation.

Effective January 6, 2020

Causes for Discipline:

Accusation No. AC-2019-46 contains the following allegations: (1) Disciplinary Action by Another State Agency, the Federal Government, or by Another Country; (2) Suspension or Revocation of the Right to Practice Before Any Governmental Body or Agency; (3) Disciplinary Action by the SEC.

Mr. Yu is subject to disciplinary action in that he was disciplined by another state agency, the federal government, or by another country.

Mr. Yu is subject to disciplinary action in that he received a suspension or revocation of the right to practice before any governmental body or agency.

Mr. Yu is subject to disciplinary action in that he was disciplined by the SEC.

For Violations Of:

Business and Professions Code, Division 1, Chapter 1 § 141, Division 3, Chapter 1, §§ 5100(h) and (l).

California Board of Accountancy Directory www.cba.ca.gov

The CBA is committed to providing the highest level of customer service and staff are here to help answer questions you may have regarding our programs. We strive to answer all incoming calls live, but during peak periods you may get our voice mail instead. If you leave us a voice-mail message, staff will return your call within one business day. Email messages are typically returned within three business days. For your convenience, we have provided contact information below for the different organizational units and functions at the CBA.

CBA UNIT	AREAS OF EXPERTISE	CONTACT INFORMATION
Administration	<ul style="list-style-type: none"> = License status check = General questions 	(916) 263-3680 www.dca.ca.gov/cba/consumers/lookup.shtml
Enforcement	<ul style="list-style-type: none"> = Filing a complaint = Disciplinary actions = Ethical questions regarding CPA practice 	(916) 561-1705 (916) 263-3673 Fax enforcementinfo@cba.ca.gov To access a complaint form, go to www.cba.ca.gov/forms/complaint/online_complaint_form
Examination	<ul style="list-style-type: none"> = Examination applications = Educational requirements = Exam scores = Name changes (exam candidates) = Transcripts 	(916) 561-1703 (916) 263-3677 Fax examinfo@cba.ca.gov
<i>Initial Licensing (Firms, Partnerships, Fictitious Names)</i>	<ul style="list-style-type: none"> = Licensing application for partnerships, corporations, and fictitious name permits 	(916) 561-4301 (916) 263-3676 Fax firminfo@cba.ca.gov
Initial Licensing (<i>Individuals</i>)	<ul style="list-style-type: none"> = Licensing application process for individual licenses = Name changes (CPAs and licensing applicants) = Wall/pocket certificate replacement = Certification of records 	(916) 561-1701 (916) 263-3676 Fax licensinginfo@cba.ca.gov
License Renewal	<ul style="list-style-type: none"> = License renewal, continuing education requirements = Changing license status = Fees due 	(916) 561-1702 (916) 263-3672 Fax renewalinfo@cba.ca.gov
Outreach/Public Information	<ul style="list-style-type: none"> = Events 	outreach@cba.ca.gov
Practice Privilege	<ul style="list-style-type: none"> = Out-of-state licensees wishing to practice in California = Out-of-state firm registration 	(916) 561-1704 (916) 263-3675 Fax pracprivinfo@cba.ca.gov

We are always looking for ways to improve our customer service practices. Please let us know how we served you by taking our survey at www.surveymonkey.com/r/H3XH8SV.

If you are unsure where to direct your questions, please call our main phone number at **(916) 263-3680**.



CHANGE OF ADDRESS FORM

Email to: adminunit@cba.ca.gov Fax to: (916) 263-3678
Mail to: 2450 Venture Oaks Way, Suite 300, Sacramento, CA 95833 Contact CBA: (916) 263-3680

Address change for CPA/PA Firm (corporation, partnership) Applicant

Additional Requests:
 Send duplicate renewal application
 Send updated pocket ID

NAME OF CPA/PA OR APPLICANT FOR LICENSURE

License No.

Last

First Middle

FIRM

Type Corporation Partnership Fictitious name License No.

Firm name Your title

Must be an owner/principal to complete firm address change.

NEW ADDRESS OF RECORD (required)

Home Business

Business name (If applicable)

Street Unit/apt. #

City State ZIP

If you are a licensed CPA/PA or firm, your address of record is public information, and all CBA correspondence will be sent to this address.

FORMER ADDRESS OF RECORD

Street Unit/apt. #

City State ZIP

*If your address of record is a P.O. box or mail drop, you are required to provide a street address. This alternate address will not be posted on CBA's online License Lookup.

ALTERNATE ADDRESS* FOR MAIL DROPS AND P.O. BOXES

Street Unit/apt. #

City State ZIP

CONTACT INFORMATION

Email address

Phone number

Print your name _____ Date _____

Signature (form must be signed) _____

I certify the truth and accuracy of all these statements and representations.

The CBA maintains a list of all licensees. This list is sold to requestors for mailing list purposes. **Check here** if you do not want your name included on this list. Please note: Your name and address of record is public information and can be accessed through our website at www.cba.ca.gov.

This form is being provided for your convenience. Other forms of written and signed notice may be accepted by the CBA. Please allow five to seven business days for address changes to be reflected in License Lookup.

A licensee who fails to notify the California Board of Accountancy within 30 days of a change of address of record may be subject to citation and fine (fines ranging from \$100-\$1,000) under the California Code of Regulations, title 16, division 1, sections 3, 95 and 95.2.



Revised: 9/19 PDE_19-169



Participate in the Census

Let's ensure all Californians are counted so we can put those resources to good use here at home!



BUILD BETTER ROADS AND SCHOOLS



FUND COMMUNITY PROGRAMS FOR SENIORS, CHILDREN AND FAMILIES



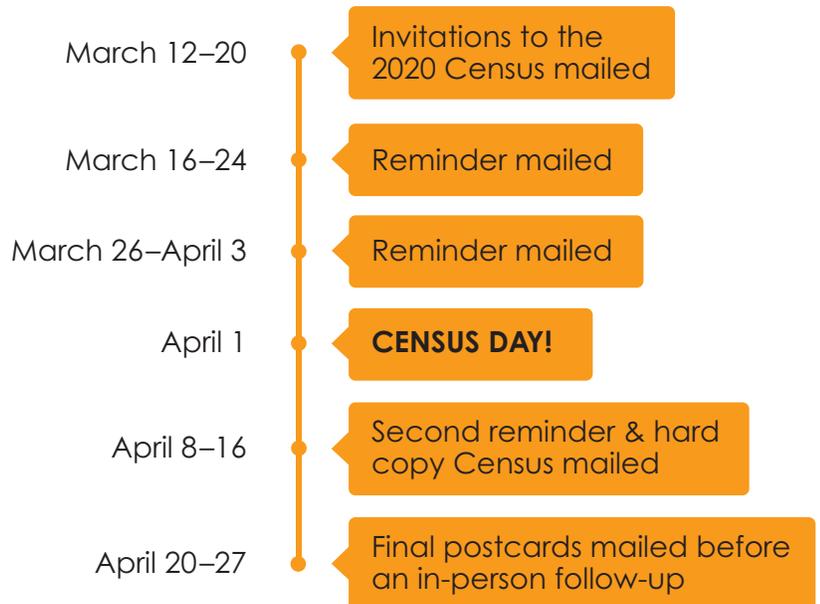
CREATE JOBS



IMPROVE HOUSING

Starting in mid-March 2020, each household received a letter in the mail. It explained the different ways you can fill out the Census. If you didn't receive a letter, you can still go online or call (844) 330-2020. Be sure you include any person living in your household, family or not.

Key Dates



Three Ways To Complete the Census

ONLINE: For the first time, the Census form will be available to complete online in 13 languages.

PHONE: The Census can be completed by phone in 13 languages.

MAIL: Limited addresses will receive paper forms.

Your 2020 Census data is safe, protected and confidential.

California Board of Accountancy
2450 Venture Oaks Way, Suite 300
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www.cba.ca.gov

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UPDATE

Winter 2020
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The CBA's newsletter, *UPDATE*, is digital. Licensees will be emailed when a new issue of *Update* is published to the CBA website. Members of the public may sign up for e-news at www.cba.ca.gov.

List of Contributors

Aaron Bone	Deanne Pearce
Patti Bowers	Peter Renevitz
Dominic Franzella	Ben Simcox, CPA
Paul Fisher, CPA	Wayne Wilson
Suzanne Gracia	

UPDATE Production

Terri Dobson	Wayne Wilson
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DEPARTMENT OF CONSUMER AFFAIRS

PDE_20-042

Board of Accountancy

WASHINGTON STATE

Summer Edition 2020



The Times, They are a Changin'

Some time ago ACB staff began planning in earnest for the possibility of a major earthquake and made sure that everyone had the equipment they needed to work remotely. But, as you all know, a different set of seismic events have shaken things up.

When the pandemic hit and the Governor issued the stay at home order, we were pretty much ready to go. In the interim, we have maintained service to our licensees and been able to perform our mission.

I am very proud of the crew here at ACB and their work during this period of crisis. Olympia as the State Capitol has seen its share of the outrage. There have been protests. People with guns in the Capitol building protesting the stay at home order, and more significantly the outrage over the death of George Floyd and other people of color at the hands of law enforcement.

I cannot communicate how strongly I feel the weight of this moment in our country's history. The feeling is palpable, the very air vibrates with an energy unlike anything I have experienced. It's probably safe to say many of you are feeling this too.

Lots of bad things happened in the 60's. There was the Vietnam War. I remember seeing tanks on the news rolling through neighborhoods during riots in Detroit and then there was Kent State. There were the assassinations of JFK, Martin Luther King, and Bobby Kennedy. Seattle in the early 70's was in its own semi-depression and President Nixon resigned. We have been here before, but not quite in this same way, and not all at once.

As a state agency head, and member of the Governor's

small agency cabinet, I can report to you that all of our staff have attended training regarding the racial inequities in our country. This is difficult work. Our history is infused with both the glorious and the appalling. The time is long past due for action to solve a problem that has been willfully ignored.

As professionals and community leaders, the very ethical core of our profession calls upon us as CPAs to lend our voice to the call for action. This isn't a political issue, it is rather a very clear moral imperative.

Charles Satterlund, CPA
Executive Director



MANDATORY FURLOUGHS

The Board's office will be closed one day a week in July due to mandatory furloughs. We will be closed on the following days:

- July 2, 2020
- July 6, 2020
- July 13, 2020
- July 20, 2020

We will also be closed one day in August, September, October, and November. The date is yet to be determined. Please check our website for all updates.

We apologize for any inconvenience. Stay healthy, stay safe.

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**WA STATE BOARD OF ACCOUNTANCY
BOARD MEMBERS**

Officers:

Mark Hugh, CPA – Chair
Rajib Doogar– Vice Chair
Joel Cambern– Secretary

CPA Members:

Brian R. Thomas, CPA
Jacqueline Meucci, CPA
Carol A. Morgan, CPA
Thomas P. Sawatzki, CPA
Brooke Stegmeier, CPA

Public Member:

Kate Dixon

**WA STATE BOARD OF ACCOUNTANCY
BOARD STAFF:**

Charles Satterlund, CPA
Executive Director

Jennifer Sciba
Deputy Director

Lori Mickelson
Chief Administration Officer

Michelle Tuscher
Chief Information Officer

Tia Landry
Data and Systems Administrator

Kelly Wulfekuhle
Enforcement Administrator

Taylor Shahon, CPA
Lead Investigator

Kirsten Donovan
Confidential Records Manager

Anthony Manfre
Licensing Specialist

Caitlin Upshall
Communication Specialist

**HELP US, HELP YOU,
ANY SUGGESTIONS?**

Please send your suggestions to
customerservice@acb.wa.gov.

A MESSAGE FROM THE BOARD CHAIR

Maintaining Professional Health

By Mark Hugh, CPA, Board Chair



Mark Hugh

We are all trying to stay safe and healthy in these dangerous times. And these are dangerous times too for professionals and advisors. COVID-19 has created unprecedented economic turmoil and a torrent of new legal and regulatory standards. As important as it is to review new laws, rules, and standards, it is just as important during turbulent times to review the health of our professional relationships.

When times are troubled, those troubles can flow into the Board's complaint process. Most complaints are from reasonable members of the public about CPAs who created harm or are dishonest. However, annually there are complaints filed by unreasonable and angry members of the public looking to blame a CPA for their personal or financial troubles. In these instances, the greatest mistake made by the CPA was choosing to serve that particular person in the first place.

So, be thoughtful about who you serve. And remember to reevaluate any relationship after it has begun if there are signs a professional relationship could be troublesome on an ongoing basis. This is more important than ever in challenging and anxious times.

My suggestion would be to evaluate all professional relationships using the two laws of online dating.

The first law of online dating is if anyone appears to be trouble initially, run.

Accept clients or employment with those who have good character and a good reputation. In advance, search online databases for history of bankruptcy, criminality, or litigation. Avoid troubled businesses, such as those in collections and with a history of nonfiling. Avoid those with a history of changing financial employees or advisors frequently. And avoid industries with high cash sales and poor history of compliance such as small restaurants, small retailers, and small automotive dealers.

The second law of online dating is almost anyone can hold it together and appear normal for two months before they start falling apart. After two months, if trouble appears, run.

After working together, if a CPA realizes that the other party lacks good character, a CPA should not hesitate to end the relationship. End relationships with parties that do not provide sufficient information, limit factual inquiries through spoon feeding, or misrepresent facts, and any relationship that is unwilling to follow your professional judgement. And end relationships when a conflict of interest arises rather than rely upon waivers, informed consent, or other safeguards.

CPAs as a group are educated, conscientious, and dedicated professionals. We are desirable advisors, employees, volunteers, and business partners. No one enters the profession intending to create public harm. But it is always our decision whom we work with, and we should choose thoughtfully and be vigilant about our initial choices and reviewing the health of our professional relationships.

RECENT BOARD MEMBER CHANGES

Thomas G. Neill, CPA has completed his service to the Board. On behalf of the Executive Director, Board Members, and Board staff, thank you for your years of service and dedication to the profession.

Governor Jay Inslee appointed Brooke Stegmeier, CPA to serve on the Board. Welcome to the Board, Brooke. Your commitment to serving the profession is much appreciated.



DON'T FORGET

The new 20-hour CPE rule for 2020

CPE AT A GLANCE

20

Minimum CPE hours
per year

120

Total CPE hours
per reporting period

On January 1, 2020, new rules regarding continuing professional education (CPE) came into effect. One of the biggest changes is that individuals holding an active CPA license are now required to complete a minimum of 20 hours of CPE per year. This starts in 2020 and is not retroactive. Active licensees still need to complete a total of 120 hours of CPE, including a Board approved ethics course, within their total reporting period, but should plan their CPE so they're earning at least 20 hours each year.

Another big change that came into effect on January 1, 2020, is that the Board will begin accepting nano learning for CPE credit. Nano learning is a stand-alone CPE course that is a minimum of 10 minutes (0.2 credit hours) and less than 50 minutes (1.0 credit hours) long. It consists of electronic self-study with a stated learning objective and a minimum of two final assessment questions. It is optional, not required, and CPAs may take up to 12 hours of nano learning for CPE purposes per CPE reporting period.

VIRTUAL BOARD MEETING - JULY 31, 2020

The Board meets quarterly to conduct its business. Typically, these meetings are in-person events. However, because of COVID-19 we have switched to virtual meetings for the time being. Our April Board meeting was held virtually, and everything ran smoothly. We will do the same for the July Board meeting, including the smoothly part, hopefully.

We will post information to access the meeting on our website, <https://acb.wa.gov>, once it becomes available.

The [meeting agenda](#) is available through the website, along with agendas and minutes from previous meetings.

July Board Meeting Details

Meeting date: Friday, July 31, 2020

Meeting start time: 9:00 a.m.

Meeting place: Your computer, tablet, or smart phone



While we miss seeing everyone in person, this virtual format should allow for more people to attend, since the meeting is brought directly to you. We hope to see you (figuratively) there.

ELI WATTS SELLS AWARD FOR 2019

The American Institute of CPAs (AICPA) announced the winners of the 2019 Elijah Watt Sells Award. The Elijah Watt Sells Award program was established by the AICPA in 1923 to recognize outstanding performance on the CPA Examination.

The award is given to candidates who have obtained a cumulative average score above 95.50 across all four sections of the Uniform CPA Examination, completed testing during the 2019



calendar year, and passed all four sections of the Examination on their first attempt.

An approximate total of 75,000 individuals sat for the Examination in 2019, with 137 candidates meeting the criteria to receive the Elijah Watt Sells Award.

The Board would like to congratulate Chelsea A. Zybach, a Washington State Candidate, who received the 2019 Elijah Watt Sells award.



DISCIPLINARY ACTIONS

In accordance with ACB Policy 2017-2, the Board makes available the following disciplinary actions. Additional details are accessible through the licensee search found at <https://acb.wa.gov/>.

James Howell

January 6, 2020

The Board entered into a Consent Agreement with Mr. Howell. The Board found sufficient evidence that Mr. Howell failed to comply with the Board's quality assurance requirements, and an order of the Board.

Sara Dickinson

February 27, 2020

The Board entered into a Consent Agreement with Ms. Dickinson. The Board found sufficient evidence that Ms. Dickinson held out as a CPA with a lapsed license, and failed to apply safeguards to eliminate or reduce a self-interest threat.

David McLeod

March 12, 2020

The Board entered into a Consent Agreement with Mr. McLeod. The Board found sufficient evidence that Mr. McLeod failed to remain honest and objective and not misrepresent facts, failed to take appropriate safeguards to reduce or eliminate significant self-interest threats, and committed an act of negligence, fraud, dishonesty, or other act that reflects adversely on his fitness to represent himself as a CPA.

Shawn Mattingly

April 14, 2020

The Board entered into a Consent Agreement with Ms. Mattingly. The Board found sufficient evidence that Ms. Mattingly failed to properly maintain due care.

Thomas Harris

April 23, 2020

The Board entered into a Consent Agreement with Mr. Harris. The Board found sufficient evidence that Mr. Harris failed to enroll in peer review prior to performing audit services, and failed to undergo a required peer review.

Bill Frazier

May 5, 2020

The Board entered a Default Order against Mr. Frazier. The Board found sufficient evidence that Mr. Frazier held out as a CPA when not licensed to do so.

Miriam Temple

May 19, 2020

The Board entered a Default Order against Ms. Temple. The Board found sufficient evidence that Ms. Temple held out as a CPA with a lapsed license.

Christie Cardwell

June 10, 2020

The Board entered into a Consent Agreement with Ms. Cardwell. The Board found sufficient evidence that Ms. Cardwell committed an act of negligence, fraud, or dishonesty, or other act reflecting adversely on her fitness to represent herself as a CPA, and had her right to practice before a state or federal agency suspended or revoked.

CPA Exam Performance Summary: 2020 Q-1 Washington

Overall Performance

Unique Candidates	1,117
New Candidates	270
Total Sections	1,348
Passing 4th Section	155
Sections / Candidates	1.21
Pass Rate	51.78%
Average Score	71.98

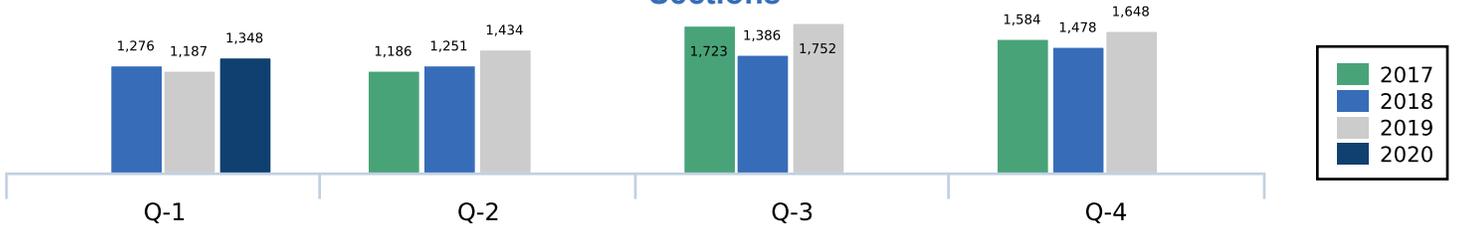
Section Performance

	Sections	Score	% Pass
First-Time	365	69.8	52.6%
Re-Exam	972	72.95	51.75%
AUD	357	71.23	46.22%
BEC	325	75.30	58.77%
FAR	406	70.05	48.03%
REG	260	71.88	56.54%

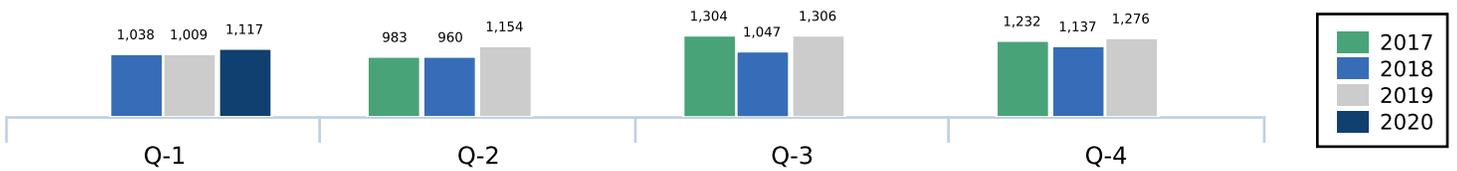
Jurisdiction Ranking

Candidates	Sections
7	7
27	25
Pass Rate	Avg Score

Sections



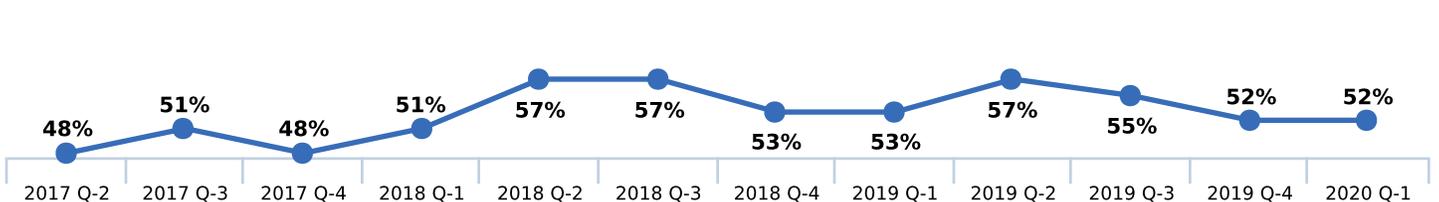
Candidates



Average Age



% Pass



CPA Exam Performance Summary: 2020 Q-1

Washington

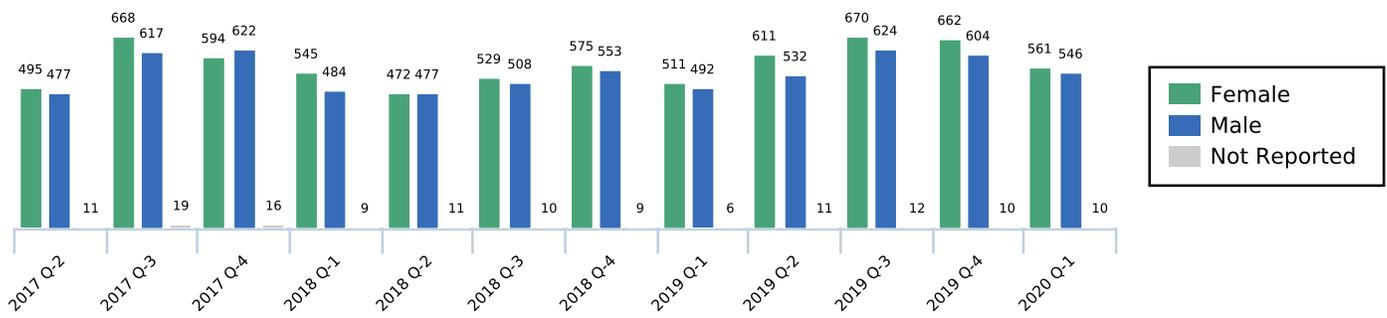
Degree Type

	Candidates	% Total
Bachelor's Degree	777	69.6%
Advanced Degree	265	23.7%
Enrolled / Other	75	6.7%

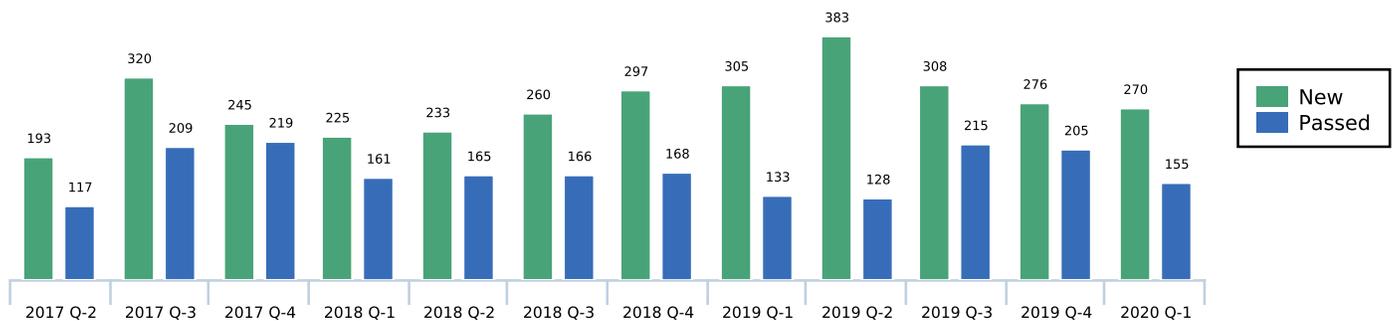
Residency

	Candidates	% Total
In-State Address	623	55.77%
Out-of-State Address	181	16.2%
Foreign Address	313	28.02%

Gender



New Candidates vs Candidates Passing 4th Section



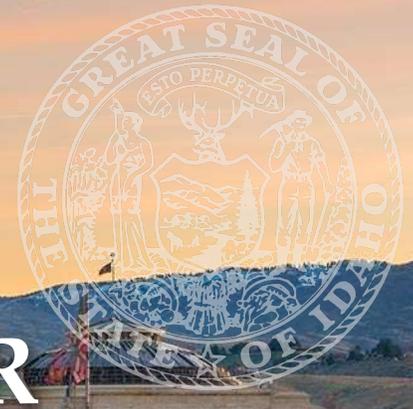
Notes:

1. The data used to develop this report was pulled from NASBA's Gateway System, which houses the Uniform CPA Examination's Application and Performance information for all 55 jurisdictions.
2. The demographic data related to age, gender, and degree type is provided by the individual candidates and may not be 100% accurate.
3. Some jurisdictions do not require candidates to report certain demographic data nor complete surveys gathering such data on a voluntary basis.

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Idaho State Board of Accountancy

NEWSLETTER



<https://isba.idaho.gov/>

Volume 47, Issue 1

Mission Statement

The mission of the Idaho State Board of Accountancy is to protect the public by assuring certified public accountants and licensed public accountants under its jurisdiction are adhering to the statutes and rules regarding qualification, professional ethics and conduct.

Vision

The Idaho State Board of Accountancy is committed to the protection of the public by enhancing the integrity of the profession through fair, impartial, effective, and efficient governance.

Board Members

Scott Dockins, CPA
Chair - Moscow

Jason Peery, CPA
Vice-Chair - Boise

Jim Bell, CPA
Secretary - Idaho Falls

Cindy Harmon, CPA
Treasurer - Twin Falls

Kevin Oakey, CPA
CPA Member - Idaho Falls

Mick Armstrong, CPA
CPA Member - Boise

Larry Hunter
Public Member - Boise

Contact Information

3101 W Main St Ste 210
Boise, ID 83702

PO Box 83720
Boise, ID 83720-0002

Phone: 208-334-2490
Fax: 208-334-2615

E-mail: isba@isba.idaho.gov
Website: isba.idaho.gov

GOVERNOR LITTLE ISSUES EXECUTIVE ORDER 2020-10

On June 3, 2020, Idaho Governor Brad Little, signed Executive Order 2020-10 which moves the Idaho State Board of Accountancy under the newly created Division of Occupational and Professional Licenses (DOPL) which is under the Department of Self-Governing Agencies.

The Board of Accountancy was among 10 boards moved to DOPL which included the Board of Dentistry; Board of Medicine; Board of Professional Engineers and Land Surveyors; Board of Nursing; Outfitters and Guides Licensing Board; Board of Pharmacy; Real Estate Commission; Board of Veterinary Medicine; and the Division of Building Safety and its constituent boards. The Board of Accountancy will be organized within the Occupational Licenses section of DOPL. Formerly, the Board was an independent self-regulatory board.

The change went into effect immediately with more details to be released in the weeks and months ahead. You can read the entire Executive Order [here](#).

UPDATED ACCOUNTANCY RULES

The 2020 Idaho Legislature upon sine die on March 20th, 2020, did not reauthorize the Boards administrative rules. Therefore, our updated administrative rules which were presented as proposed rules during the 2020 session have now become our temporary working Rules. We invite you to become familiar with these rules as printed in the Administrative Bulletin. [01.01.01, Idaho Accountancy Rules](#).



COVID-19 PROCLAMATION

At the April 28, 2020 Board meeting the Board discussed aspects of the CPA exam process, CPE, firm peer reviews, and licensure that may be impacted by the current COVID-19 pandemic and addressed those issues through a Proclamation. The entire Proclamation containing the details relating to these issues can be found on our website at www.isba.idaho.gov. Board staff is diligently working with NASBA, the AICPA, and Prometric on behalf of exam candidates who are actively testing during these ever-changing times. The Board is also continuing to work with the AICPA/Nevada Society of CPAs on peer review matters.

NEW BOARD MEMBER APPOINTED

Governor Brad Little recently appointed a new member to the Board of Accountancy. Mr. Michael (Mick) Armstrong, CPA of Boise for a term beginning in December continuing thru August 2024. Mick replaces Jae Hallett, CPA who served on the Board from September 2014 thru August 2019. Thank you, Jae, for your dedication and service to the Board. Welcome Mick!



A MESSAGE FROM THE BOARD CHAIR

As we near the end of the ISBA's fiscal year and my final year on the Board, we find ourselves in the most unusual of times as a result of the COVID-19 pandemic. At times it is difficult to remember what normal life was like just two short months ago. The quarantines and shutdowns have impacted our profession and the State Board just as it has impacted the entire country and world. Our quarterly Board meeting in April was the first ever virtual meeting. Most of the Board staff are working from home as are many of our licensees. The ramifications of COVID-19 have impacted almost everything the State Board is responsible for from CPA candidate application approval, CPA exam administration, licensing, CPE monitoring, and peer review.



Scott J. Dockins, CPA

The Board has met numerous times during the last two months to deal with all of these issues. The Board's mission is to protect the public by ensuring that all licensees and candidates comply with our rules and regulations. However, in light of the massive disruptions caused by the pandemic, we have made every effort to regulate with a light hand. We cannot ignore the regulations, but we want to prevent unnecessary harm to individuals resulting from things they have no control over. An example is the CPA testing process. Candidates have numerous deadlines that they must comply with. But when the testing sites were shut down the candidates could not comply. The Board took action to get timelines extended in all areas of the testing process. Peer review is another area chock full of tight timeframes and deadlines. The Board, along with the AICPA, have worked to get extensions so that the firm's staff and the peer reviewers are not being put at risk.

Our profession will have many changes forced on us as a result of the pandemic. Remote auditing, virtual meetings, working from home, remote peer reviews, and others. While these changes are necessary under the circumstances, your State Board is working hard to accommodate the changes without compromising our mission to protect the public.

I am nearing the end of my year as Board Chair and my five years on the Board. I am very grateful for the opportunities that this appointment has presented to me. I have worked with some outstanding board members and have met many CPAs from around the country as a result of attending meetings sponsored by the National Association of State Board of Accountancy (NASBA). The Board and NASBA have been very busy on issues that can and will impact our profession. The pandemic has pushed some of these issues to the back burner, but they will not go away. The national anti-regulatory movement is still very active and many of their objectives could severely impair our ability to protect the public. While few are opposed to eliminating unnecessary regulations, and the State Board has made substantial reductions in our regulations, we can't allow the anti-regulatory group to do surgery on regulations with an ax. Please be aware of this movement and work to educate your local legislators about the importance of regulations that can be the only way we can truly protect the public.

Thank you for the opportunity to serve on the State Board,

Scott J Dockins, CPA

NASBA's Legislative Support

Evolution of CPA

A MESSAGE FROM THE CPE COMMITTEE CHAIR

As you set your 2020 goals, surviving a global pandemic was probably not on your list. Your personal and business goals may have been turned on their heads by COVID-19 causing you to shift your focus in recent months. Your new goals and plans may include simply keeping your family, friends, and work associates safe and healthy. You may also find yourself focused on keeping your business working and doing your best to serve your clients while they struggle during these challenging economic times.



McRay Bryson, CPA

Amidst uncertainty and with the new [CARES Act](#), choosing the correct CPE to improve our ability to serve clients or help our employer may be as important as ever. We have the professional responsibility to maintain relevant knowledge of current issues and

further our professional competence. The availability of CPE in 2020 may also be different than in the past with conferences and seminars cancelled or only offered virtually.

I encourage you to take a proactive approach to CPE amidst these challenging times. It is important to note, "At this time, the Board is recommending no changes to either the upcoming license renewal period or 2020 CPE. Timely license renewals are still due by July 1, 2020 and CPE courses for 2020 need to be completed by December 31, 2020."

Should you have any questions, Tami Helton of the Idaho State Board of Accountancy, is an excellent resource for your CPE questions and concerns. I am also happy to help. Best wishes as you navigate the uncharted waters of 2020!

McRay Bryson

WHAT YOU NEED TO KNOW ABOUT PEER REVIEW

The purpose of the Board is to assist licensees in improving the quality of financial reporting by evaluating compliance with professional standards. The following information will help you determine your responsibilities.

Undergoing a peer review and reporting peer review documentation are two different things.

- An administering organization facilitates the peer review program through enrollment, processing of peer review results, and acceptance of peer review reports.
- The final approval by the administering agency is what needs to be reported to the Idaho State Board.

Peer reviews are required for firms providing audits, reviews, and/or compilations. The Nevada Society of CPAs and the National Peer Review Program (NPRC) administer the American Institute of Certified Public Accountants (AICPA) Peer Review program for the majority of Idaho firms.

The average length of time to complete a peer review is three to seven months. Listed below are the necessary steps for completing a peer review.

1. Firm enrolls in the AICPA Peer Review Program through the Nevada Society of CPAs or another administering organization (AO).
2. AO assigns a peer review due date. Firm notifies the Board office of their assigned due date.
3. Firm selects a qualified peer reviewer and reports the selected reviewer to the Peer Review agency to obtain approval that the reviewer is qualified to perform their peer review.



4. Peer Reviewer performs the peer review.
5. Peer Reviewer submits the peer review report to NVCPA/AO.
6. NVCPA/AO performs a technical review of the peer review.
7. NVCPA/AO sends the firm an acceptance letter unless additional follow up is required or needed.

If the firm is unable to complete the peer review by the due date, please advise the Board office and provide an explanation regarding the status of the peer review. If you need additional time to complete the peer review, requests for extensions must be submitted directly to NVCPA/AO. If an extension is granted, advise the Board office and they may accept the extension.

Reporting your Peer Review to the Idaho State Board

The administering organizations do not report peer review results or provide a copy of the peer review to the Idaho Board. Therefore, the firm must respond to the Board with the requested peer review documents within thirty days of receipt per Rule 606.02. Additionally, a firm must notify the Board within thirty days of the date the peer reviewer or a team captain advises the firm that a grade of fail will be recommended.

If you have any questions, contact the Board office.

DISCIPLINARY ACTIONS

Stewart Winkle, CP – 2073 | Boise, Idaho

Stewart Winkle stipulated to complete the NASBA Center for Public Trust (CPT) Ethical Leadership Training Resource Program and pay a \$500 administrative penalty to the Board related to an alleged conflict of interest. Mr. Winkle's stipulation did not constitute an admission of any wrongdoing, may not be used in any other proceedings, and Mr. Winkle's License remains in good standing with the Board.

Thomas Brainard, CP – 5707 | Moscow, Idaho

Brainard agreed to complete the NASBA Center for Public Trust

(CPT) Ethical Leadership Training Resource Program and pay a \$500 administrative penalty to the Board related to his self-disclosure of his failure to timely file Forms 1098T and Forms 1099-Misc timely for his employer.

Hayden Ross PLLC, FR – 0133 | Moscow, Idaho

The Firm agreed to have their entire staff complete a course on ethics preferably relating to client confidentiality, have a written policy or protocol on how to protect confidential client information and pay an administrative fine of \$750 relating to a complaint regarding client information.

AICPA PEER REVIEW BOARD EXTENDS DUE DATES

On May 7, 2020, the AICPA Peer Review Board approved an automatic 6-month extension for all firms with reviews, corrective actions, and implementation plans originally due January 1 – September 30, 2020. This automatic extension will be viewable in PRIMA by May 22, 2020. Communication regarding this plan will be coming from the AICPA, however as your Administering Entity (AE), we wanted to provide some additional clarification.

- There is no requirement to use the automatic extension and we encourage all firms to have their review done by the original due date. The AICPA is allowing off-site system reviews where appropriate without the approval of the AE for the foreseeable future.
- If you have not scheduled your upcoming review, please do so immediately as there is a possibility of a reviewer shortage due to the compressed workload the extensions may cause
- The Peer Review Information (PRI) will be issued to all firms based on the original due date. Please complete ASAP to keep the process moving forward.

We encourage firms to complete their corrective action (COA) and implementation plans (IMP) by the original due date. Several COA and IMP items such as CPE, proof of practice aide purchase, license information, etc. can be done without the need of engagement completion or contact with other professionals. Completing the COA and IMP plans will allow for the peer review process to continue, up to final acceptance.

We understand the impact the coronavirus pandemic has had on many firms and are available to answer any questions you may have regarding Peer Review.

Please contact Kary Arnold, Finance & Peer Review Program Manager, at karnold@nevadacpa.org or by calling (775) 223-5720.



Automatic Extension Examples

Example 1:

Firm with Upcoming Peer Review
Original due date: 5/31/20
New Extended due date: 11/30/20

Example 2:

Firm with Previous Approved Review Due Date Extension
Original due date: 3/31/20
Extended due date: 5/31/20
New Extended due date: 9/30/20*
*(*six months from original due date)*

Example 3:

Firm with Previous Approved Extension from 2019
Original due date: 11/30/19
Extended due date: 2/29/20
New Extended due date: 2/29/20*
*(*no change as firm's original due date was from 2019)*

Example 4:

Firm with Upcoming COA / IMP
Original due date: 5/31/20
New Extended due date: 11/30/20

Example 5:

COA or IMP with Previous Approved Extension
Original due date: 2/29/20
Extended due date: 4/30/20
New Extended due date: 8/30/20*
*(*six months from original due date)*

Example 6:

Complete COA or IMP as directed by a RAB 6/1/20 and Later
Original due date: 9/30/20
Extended due date: To be determined*
*(*A due date given by a RAB after the due date extension granted by the Peer Review Board will be at the discretion of the RAB. There will not be automatic extensions granted for RAB decisions after 6/1/20.)*



#1 CPE Question – How much CPE credit do I owe this calendar year?

By logging into your individual CPE report, you can find out what you owe. Once you have logged in and are on the page where you record the completed courses, you will find the amount of CPE credit you owe. Our CPE reporting site is open throughout the year.

#1 Audit Issue - Documentation insufficiency

- CPE program sponsor name and contact information
- Participant's name
- Course title
- Course field of study
- Date offered or completed
- If applicable, location
- Type of instructional/delivery method used
- Amount of CPE credit recommended (50 minutes = 1 CPE credit)
- Verification by CPE program sponsor representative (signature)
- NASBA time statement stating that CPE credits have been granted on a 50-minute hour

Self-study CPE must be a formal course of study with an evaluation. Reading journal articles on your own and other such independent study are not considered self-study CPE. Each self-study course must be a formal course of study, and the course sponsor must use a qualified assessment to evaluate completion before credit is allowed.

CONGRATULATIONS TO OUR NEW LICENSEES LICENSEES OCTOBER 2019 - APRIL 2020

Name	License #	Issue Date	Name	License #	Issue Date
Frederick Sill Peck	CP-6155	10/16/2019	Kamila Komarnicka Van Horn	CP-6185	01/08/2020
Ryken Quinn Lakey	CP-6156	10/16/2019	Jason Michael Booth	CP-6186	01/14/2020
Kaden Jerry Pfeiffer	CP-6157	10/16/2019	Jason Michael Kazda	CP-6187	01/14/2020
Richard Donald Green	CP-6158	10/16/2019	Courtney Hicks Price	CP-6188	01/16/2020
Katrine Schwening	CP-6159	10/28/2019	Mitchell Randy Hullinger	CP-6189	01/16/2020
Jason Patrick Lemon	CP-6160	10/28/2019	Cheryl Lynn O'Boyle	CP-6190	01/21/2020
Kaylee Marie Anderson	CP-6161	10/28/2019	Ryan Wayne Garrett	CP-6191	01/21/2020
Andrea Kristine Allen	CP-6162	10/28/2019	Abigail Alicia Belthoff	CP-6192	01/21/2020
Mark Richard Riesenber	CP-6163	11/06/2019	Sean Thomas Denney	CP-6193	01/21/2020
Christopher Edward Henderson	CP-6164	11/06/2019	Jason Patrick Hovey	CP-6194	01/21/2020
Russell Wayne Kupfer	CP-6165	11/06/2019	Susan K Bachtelle	CP-6195	01/23/2020
Mary Jo Evers	CP-6166	11/06/2019	Wayne Michael Ririe	CP-6196	01/23/2020
Amanda Roza Gardner	CP-6167	11/06/2019	Nathaniel David Kisner	CP-6197	01/23/2020
Brandon M Iddings	CP-6168	11/13/2019	Peter Anthony Phelps	CP-6198	01/28/2020
Ryan Michael Drake	CP-6169	11/14/2019	Carol Ann Tanner	CP-6199	01/28/2020
Cade Ty Jones	CP-6170	11/14/2019	Colleen Clara Fluckiger	CP-6200	01/30/2020
Michael S Tashman	CP-6171	11/18/2019	Brennon Vernon Archibald	CP-6201	02/06/2020
Bonnie Meredith Vogt	CP-6172	11/19/2019	April Lynn Matlock	CP-6202	02/13/2020
Derrick Russell Lasley	CP-6173	12/03/2019	Daniel Edwin Klinger	CP-6203	02/13/2020
Elizabeth Ann Ryan	CP-6174	12/11/2019	Klint Marshall Ferris	CP-6204	02/13/2020
John Daniel Anderson	CP-6175	01/02/2020	Andrew Randal Furrows	CP-6205	02/18/2020
Amanda Eachon	CP-6176	01/02/2020	Suzanne Ruth Clay	CP-6206	02/19/2020
Donald Eugene Nelson	CP-6177	01/02/2020	Jennifer Leigh Rudolph	CP-6207	02/24/2020
Brandy Dawn Browning	CP-6178	01/06/2020	Michael Jarvis Ball	CP-6208	03/03/2020
Jayson Alfred Arrington	CP-6179	01/06/2020	Trevor Christian Petersen	CP-6209	03/03/2020
Richa Sabharwall	CP-6180	01/06/2020	Matthew Kenneth Thurber	CP-6210	03/05/2020
Jason Lane Clark	CP-6181	01/06/2020	Robert Griffin Bailey	CP-6211	03/16/2020
Michael Joseph Gunckel	CP-6182	01/07/2020	Kasey Dylan Chovanak	CP-6212	04/06/2020
Reed John Burroughs	CP-6183	01/07/2020	Christian Thurn Anderson	CP-6213	04/06/2020
Esteban Juan Lejardi	CP-6184	01/07/2020	Kayla Christine Kormylo	CP-6214	04/13/2020
			James Madison Fisher	CP-6215	04/15/2020

CPA EXAM PERFORMANCE SUMMARY

IDAHO - 2020 Q-1

Overall Performance

Unique Candidates	110
New Candidates	19
Total Sections	120
Passing 4th Section	12
Sections / Candidates	1.09
Pass Rate	45.83%
Average Score	71.58

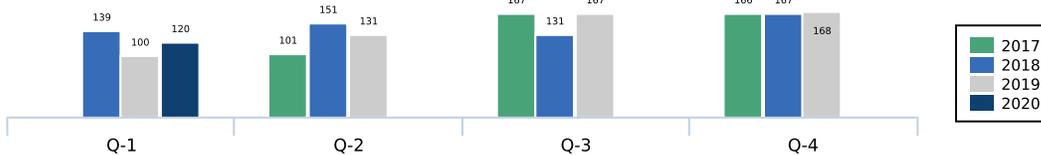
Section Performance

	Sections	Score	% Pass
First-Time	43	68.16	39.53%
Re-Exam	77	73.49	49.35%
AUD	40	70.78	37.5%
BEC	26	77.38	69.23%
FAR	32	71.97	50.0%
REG	22	65.64	27.27%

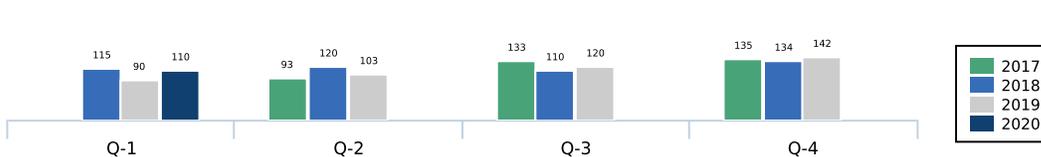
Jurisdiction Ranking

Candidates	46	Sections	47
Pass Rate	49	Avg Score	32

Sections



Candidates



Continuous Testing Begins July 1

Under the new Continuous Testing model, candidates will have the ability to take the Exam year-round, without restriction, other than waiting to receive scores from prior attempts of the same section or when there is a major change to the Exam. Continuous Testing will replace the existing CPA Exam Testing Window model, which only permits candidates to test during designated time frames each calendar quarter.

Congratulations! CPA Exam Pass List

Oct-Nov-Dec 2019- Qtr 4

Jayson Arrington
 Amelia Bennett
 Benjamin Brajcich
 Reed Burroughs
 Timothy Butler
 Diana Gomez-Gil
 Shaun Hampton
 Sarah Harper
 Mitchell Hullinger
 Jason Kazda
 Esteban Lejardi
 April Matlock
 Donald Nelson
 Wayne Ririe
 Kacee Simmons
 Kamila Van Horn
 Bonnie Vogt
 Kaleb Williams

Jan-Feb-Mar 2020 - Q1

Elisa Bringhurst-VanOrden
 Stephen Dudley
 Andrew Furrows
 Mariah Gunderson
 Jeffrey Hogg
 Kayla Kormylo
 Alyssa Krenz
 Erika Mullikin
 Cortney Nolan
 Douglas Rinard
 Matthew Thurber
 Andrew Trushkov
 Brady Watkins

IN MEMORY

CP-1332
Dewey Heimark

CP-1843
Lloyd Wellock

CP-1491
Brian Dooley

CP-5561
Stephen Snyder

CP-1600
Richard Piquet

2020 Board Meetings

July 16, 2020
 October 21, 2020

NEW LOOK

Keep an eye out for an updated look to our online services and website!



Follow the Idaho State Board of Accountancy on Facebook!

2020/2021 Office Closures

July 4th
 September 7th
 October 12th
 November 11th
 November 26th
 December 25th
 January 1st
 January 18th

Board Staff

Kent A. Absec
 Executive Director

kent.absec@isba.idaho.gov

Sandy Bly

Administrative Assistant II
sandy.bly@isba.idaho.gov

Tami Helton

Technical Records Specialist I
tami.helton@isba.idaho.gov

Mary Robinson

Office Specialist II
mary.robinson@isba.idaho.gov



STATUTE
&
REGULATION
PROJECTS

Kevin Meyer
Lieutenant Governor
State Capitol
Juneau, Alaska 99811
907.465.3520
WWW.LTGOV.ALASKA.GOV



530 West 7th Ave, Suite 1700
Anchorage, Alaska 99501
907.269.7460
LT.GOVERNOR@ALASKA.GOV

**OFFICE OF THE LIEUTENANT GOVERNOR
ALASKA**

MEMORANDUM

TO: Amy Demboski
Department of Commerce, Community, and Economic Development

FROM: April Simpson, Office of the Lieutenant Governor 
465.4081

DATE: July 9, 2020

RE: Filed Permanent Regulations: Board of Public Accountancy
Board of Public Accountancy regulation re: Reexamination (12 AAC 04.235)

Attorney General File: 2020200354
Regulation Filed: 7/9/2020
Effective Date: 8/8/2020
Print: 235, October 2020

cc with enclosures: Harry Hale, Department of Law
Judy Herndon, LexisNexis
Jun Maiquis, Regulations Specialist

ORDER CERTIFYING THE CHANGES TO
REGULATIONS OF THE BOARD OF PUBLIC ACCOUNTANCY

The attached one page of regulations, dealing with reexamination requirements, is hereby certified to be a correct copy of the regulation changes that the Board of Public Accountancy adopted at its June 4, 2020 teleconference meeting, under the authority of AS 08.04.070 and AS 08.04.130, and after compliance with the Administrative Procedure Act (AS 44.62), specifically including notice under AS 44.62.190 and 44.62.200 and opportunity for public comment under AS 44.62.210.

This action is not expected to require an increased appropriation.

Although no public comments were received, the Board of Public Accountancy paid special attention to the cost to private persons of the regulatory action being taken.

The regulation changes described in this order take effect on the 30th day after they have been filed by the lieutenant governor, as provided in AS 44.62.180.

DATE: 6/8/2020
Anchorage, Alaska



Cori Hondolero, Executive Administrator
Board of Public Accountancy

April Simpson

FILING CERTIFICATION

I, [↑]Kevin Meyer, Lieutenant Governor for the State of Alaska, certify that on July 9th, 2020 at 9:49 a.m., I filed the attached regulations according to the provisions of AS 44.62.040 – 44.62.120.

for 

Kevin Meyer, Lieutenant Governor

Effective: August 8, 2020.

Register: 235, October 2020.

FOR DELEGATION OF THE LIEUTENANT GOVERNOR'S AUTHORITY

I, KEVIN MEYER, LIEUTENANT GOVERNOR OF THE STATE OF ALASKA, designate the following state employees to perform the Administrative Procedures Act filing functions of the Office of the Lieutenant Governor:

**Josh Applebee, Chief of Staff
Kady Levale, Notary Administrator
April Simpson, Regulations and Initiatives Specialist**

IN TESTIMONY WHEREOF, I have signed and affixed the Seal of the State of Alaska, in Juneau, on December 11th, 2018.



Kevin Meyer

**KEVIN MEYER
LIEUTENANT GOVERNOR**

Chapter 04. Board of Public Accountancy.

12 AAC 04.235 is repealed and readopted to read:

12 AAC 04.235. Reexamination. (a) To apply for reexamination, an applicant must submit a complete application for reexamination and the applicable fees.

(b) An applicant may retake an exam section once the applicant's grade for any previous attempt of the same exam section has been released. (Eff. 3/24/2004, Register 169; am

8 / 8 / 2020, Register 235)

Authority: AS 08.04.070 AS 08.04.130

Status of 2019/2020 Legislation

Timeline of most recent activity:

- Board will need to follow up on status of most recent draft and it will need to be filed during the next legislative session
- Feb 19, 2020 all answers/updates sent to Rep. Thompson's office
 - Advised that there was a new deadline for bills to be introduced and with the requested changes, we could not make the deadline
- Feb 11, 2020 Board teleconference to review the project
- Feb 3-4, 2020 Board meeting; Board worked on answering legal questions and responses were sent back
- Feb 24, 2020 – new letter from legal services with edits/additional questions
- May 7-8, 2020 Board meeting; Chair will work with Ms. Brewer-Tarver on responses to Feb 24, 2020 questions and review to make sure most recent draft is accurate

REG SECTION	REFERENCE	PUBLICATION DATE (Currently Listed)	PUBLICATION DATE (UPDATED)
12 AAC 04.004	AICPA Professional Standards, Volume 2	June 1, 2018	June 1, 2020
12 AAC 04.038	AICPA Professional Standards, Volume 1	June 1, 2018	June 1, 2020
12 AAC 04.610	AICPA Standards for Performing & Reporting on Peer Reviews	December 2017	April 2019
12 AAC 04.610	National State Auditors Association - Peer Review Manual	2018	
12 AAC 04.160	Amend to require that reference forms be required?		
12 AAC 04.165	Amend to require notarized application?		
	Amend requirements for reciprocity?		
12 AAC 04.175(b)(1)	Amend to require notarized application?		
12 AAC 04.175(b)(4)	Amend to require notarized experience form?		
12 AAC 04.175(b)(5)	Amend to require notarized reference forms		
12 AAC 04.185	Limit on credits earned by testing (CLEP/Dantes) ect.		

State of Alaska
Department of Commerce, Community and Economic Development
Division of Corporations, Business and Professional Licensing

BOARD OF PUBLIC ACCOUNTANCY

August 13-14, 2020 – Teleconference

Anchorage, Alaska

Due to COVID-19, no physical attendance from the public will be accepted

TENTATIVE MEETING AGENDA

Friday, August 14, 2020

	<u>TIME</u>	<u>TOPIC</u>	
	9:00 a.m.	Call to Order/Roll Call	Leslie Schmitz, Chair
12.	9:02 a.m.	Review Agenda	Chair
13.	9:30 a.m.	Peer Review Overview (AICPA) Jim Brackens, CPA, CGMA AICPA Vice President – Ethics & Practice Quality	Chair
14.	10:30 a.m.	Application Review	Chair
15.	12:00 p.m.	Administrative Business <ul style="list-style-type: none">• Confirm upcoming meeting schedule:<ul style="list-style-type: none">• Oct 29-30, 2020 – Zoom (ANC)• Feb 8-9, 2021 - Juneau• Review task lists• Sign minutes	Chair
	12:15 p.m.	Adjourn	

PEER
REVIEW
OVERVIEW
(AICPA)

Jim Brackens, CPA, CGMA
AICPA Vice President
Ethics & Practice Quality

APPLICATION
REVIEW

(WILL BRING LIST TO MTG)

ADMINISTRATIVE
BUSINESS

STATE OF ALASKA

2020

State Holidays

Date	Holiday
01/01	New Year's Day
01/20	MLK Jr.'s Birthday
02/17	Presidents' Day
03/30	Seward's Day
05/25	Memorial Day
07/04	Independence Day (observed 7/3)
09/07	Labor Day
10/18	Alaska Day
11/11	Veterans' Day
11/26	Thanksgiving Day
12/25	Christmas Day

Biweekly employees please refer to appropriate collective bargaining unit agreement for more information regarding holidays.

 Holiday



State calendar maintained by the
Division of Finance,
Department of Administration
<http://doa.alaska.gov/calendars.html>
Revised 04/16/2018

HOLIDAY CALENDAR

JANUARY

S	M	T	W	R	F	S
			1	2	3	4
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JULY

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FEBRUARY

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DECEMBER

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STATE OF ALASKA 2021

HOLIDAY CALENDAR

State Holidays

Date	Holiday
01/01	New Year's Day
01/18	MLK Jr.'s Birthday
02/15	Presidents' Day
03/29	Seward's Day
05/31	Memorial Day
07/04	Independence Day (observed 7/5)
09/06	Labor Day
10/18	Alaska Day
11/11	Veterans' Day
11/25	Thanksgiving Day
12/25	Christmas Day (observed 12/24)
01/01/22	New Year's Day (observed 12/31/21)

Biweekly employees please refer to appropriate collective bargaining unit agreement for more information regarding holidays.

 Holiday



State calendar maintained by the
 Division of Finance,
 Department of Administration
<http://doa.alaska.gov/calendars.html>
 Revised 12/16/2019

JANUARY

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FEBRUARY

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SEPTEMBER

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OCTOBER

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NOVEMBER

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JUNE

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DECEMBER

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ALASKA BOARD OF PUBLIC ACCOUNTANCY

TASK LIST

Donovan Rulien II: <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>
Donald Vieira: <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>
Wesley Tegeler: <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>
Leslie Schmitz: <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>
Marja Beltrami: <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>

