THE VIRGINIA BOARD OF ACCOUNTANCY

The Virginia Board of Accountancy (VBOA) met on Tuesday, November 13, 2012 in Singleton Hall, Room #120 of Virginia State University's Reginald F. Lewis School of Business (VSU), Petersburg, Virginia 23806.

MEMBERS PRESENT:
Tyrone E. Dickerson, CPA, Chairman
Andrea M. Kilmer, CPA, CFF, Vice Chairman
W. Barclay Bradshaw, CPA
Robert J. Cochran, Ph.D., CPA
Marc B. Moyers, CPA
Stephanie S. Saunders, CPA

MEMBERS ABSENT:
Regina P. Brayboy, MPA, MBA

STAFF PRESENT:
Wade A. Jewell, Executive Director
Dreana L. Gilliam, Board Administrator
Chantal K. Scifres, Deputy Director
Mary T. Charity, Director of Operations
Jean Grant, Enforcement Manager
Patti B. Hambright, Licensing & Examinations Coordinator
Valeria S. Riberio-Quimpo, Financial & Procurement Coordinator
Nicholas R. Tazza, Licensing & Examination Coordinator
Krystal D. Hambright, Executive Assistant

LEGAL COUNSEL PRESENT FOR THE MEETING:
Joshua Lief, Senior Assistant Attorney General

PRESENT FOR A PORTION OF THE MEETING:
Stephanie Peters, CAE, CEO, Virginia Society of Certified Public Accountants
Emily Walker, Government Affairs Director, Virginia Society of Certified Public Accountants
Amalia Melis, Marketing & Communications Manager, Virginia Society of Certified Public Accountants
Darshae Dabney, Technical Services Specialist, Virginia Society of Certified Public Accountants
Chip Knighton, Communications Specialist, Virginia Society of Certified Public Accountants
Roy D. Peters, CPA, Executive Committee Member, Virginia Society of Certified Public Accountants
David Bass, Public Relations Manager, Virginia Society of Certified Public Accountants
Dr. Douglas E. Ziegenfuss, Associate Professor, Old Dominion University
Randall Spurrier, MBA, CPA, Accounting Professor, Old Dominion University
Tom Rosengarth, CPA, Associate Professor of Business Administration, Bridgewater College
Joe Hoyle, Associate Professor of Accounting, University of Richmond

Dr. Weldon Hill, Provost and Vice President for Academic Affairs, Virginia State University
Dr. Mirta Martin, Dean, Reginald F. Lewis School of Business, Virginia State University
Dr. John Moore, Chairperson of the Department of Accounting and Finance, Virginia State University
B. Rae Morgan, Administrative Assistant, Department of Accounting and Finance, Virginia State University
Portia Robinson, IT Manager, Virginia State University
Dr. Emmanuel Omojokun, Management Information Systems Chair, Virginia State University
Dr. James Phillips, Associate Professor and Chair Management and Marketing Department, Virginia State University
Lynnette Hammond, Director of Research and Grants, Virginia State University
Dr. Ishmail Conway, Chair, Associate Professor, Mass Communications, Virginia State University
Dr. Mario White, Director of Development for School of Business, Virginia State University
Dr. Jae-Kwang, Associate Professor of Finance, Virginia State University
Steve Holeman, Associate Professor of Accounting, Virginia State University
Stedman Hinds, Accounting Student, Virginia State University
Matthew Williams, Accounting Student, Virginia State University
Tiffany Gamble, Accounting Student, Virginia State University
Edward Butler, Accounting Student, Virginia State University
Calvin Corbin, Jr., Accounting Student, Virginia State University
Others were present, but did not sign in

CALL TO ORDER

Chairman Dickerson called the meeting to order at 9:07 a.m.

SECURITY BRIEFING

Ms. Gilliam provided the emergency evacuation procedures.

DETERMINATION OF QUORUM/

Chairman Dickerson determined there was a quorum present.

BEGIN CLOSED MEETING

Upon a motion by Mr. Bradshaw, and duly seconded, the members approved by unanimous vote that the meeting be recessed and the VBOA immediately reconvene in closed meeting to discuss and consider a personnel matter relating to the Board of Accountancy Staff, a matter lawfully exempted from open meeting requirements within the jurisdiction of the VBOA as permitted by **§ 2.2-3711.A.1** of the ***Code of Virginia.*** The following non-members were in attendance to reasonably aid the consideration of the topic: Wade A. Jewell, Executive Director. The members voting **"AYE"** were Mr. Dickerson, Ms. Kilmer, Mr. Bradshaw, Dr. Cochran, Mr. Moyers, and Ms. Saunders.

END CLOSED MEETING

Upon a motion by Mr. Bradshaw, and duly seconded, the VBOA approved by unanimous vote that the closed meeting, as authorized by **§ 2.2-3712.A** of the ***Code of Virginia***, be adjourned and that the VBOA immediately reconvene in open public meeting.

WHEREAS, the VBOA has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provision of the Virginia Freedom of Information Act; and WHEREAS, **§ 2.2-3712.A** of the ***Code of Virginia*** requires a certification by this Board that such closed meeting was conducted in conformity with Virginia law; NOW THEREFORE, BE IT RESOLVED that the VBOA hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the VBOA.

CALL FOR VOTE:
Tyrone E. Dickerson, CPA – Aye
Andrea M. Kilmer, CPA, CFF – Aye
Robert Cochran, Ph.D., CPA – Aye
W. Barclay Bradshaw, CPA – Aye
Regina P. Brayboy, MPA, MBA – Absent
Marc Moyers, CPA - Aye
Stephanie Saunders, CPA - Aye

VOTE
AYES: Six (6)
NAYS: None.

No public actions were taken as a result of the closed meeting.

PUBLIC COMMENT PERIOD

Procedures for addressing the board were described by Chairman Dickerson. Following a brief introduction by Ms. Grant, Mr. King and Mr. Murphy each addressed the members regarding the specific facts and circumstances of their current enforcement actions before the board.

BEGIN CLOSED MEETING

Upon a motion by Ms. Kilmer, and duly seconded, the members approved by unanimous vote that the meeting be recessed and the VBOA immediately reconvene in closed meeting to discuss and consider the status of open Enforcement cases, and cases #2012-E0003, #2012-U0022, #2012-U0019, #2012-U0025, #2012-D0017, #2012-U0006, #2012-D0015, #2012-U0010, and #2012-E0005 regarding disciplinary matters relating to enforcement cases lawfully exempted from open meeting requirements within the jurisdiction of the VBOA as permitted by **§ 2.2-3711.A.27** of the ***Code of Virginia.*** The following non-members were in attendance to reasonably aid the consideration of the topic: Joshua Lief, Senior Assistant Attorney General, Wade A. Jewell, Executive Director, Jean Grant, Enforcement Manager, and Dreana L. Gilliam, Board Administrator. The members voting **"AYE"** were Mr. Dickerson, Ms. Kilmer, Ms. Saunders, Mr. Moyers, Mr. Bradshaw, and Dr. Cochran.

END CLOSED MEETING

Upon a motion by Ms. Kilmer, and duly seconded, the VBOA approved by unanimous vote that the closed meeting, as authorized by **§ 2.2-3712.A** of the ***Code of Virginia***, be adjourned and that the VBOA immediately reconvene in open public meeting.

WHEREAS, the VBOA has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provision of the Virginia Freedom of Information Act; and WHEREAS, **§ 2.2-3712.A** of the ***Code of Virginia*** requires a certification by this Board that such closed meeting was conducted in conformity with Virginia law; NOW THEREFORE, BE IT RESOLVED that the VBOA hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the VBOA.

CALL FOR VOTE:
Tyrone E. Dickerson, CPA – Aye
Andrea M. Kilmer, CPA, CFF – Aye
Robert Cochran, Ph.D., CPA – Aye
W. Barclay Bradshaw, CPA – Aye
Regina P. Brayboy, MPA, MBA – Absent
Marc Moyers, CPA - Aye
Stephanie Saunders, CPA - Aye

VOTE
AYES: Six (6)
NAYS: None.

WELCOME AND INTRODUCTIONS

Chairman Dickerson welcomed the faculty, students, and staff of Virginia State University's Reginald F. Lewis School of Business. Mr. Dickerson stated it was an honor and a privilege to be in a building named after fellow Harvard graduate and friend Reginald F. Lewis. Mr. Dickerson thanked VSU for having the VBOA as their guest.

APPROVAL OF AGENDA

Upon a motion by Ms. Saunders and duly seconded, the members voted unanimously to approve the November 13, 2012 agenda. The members voting **"AYE"** were Mr. Dickerson, Ms. Kilmer, Mr. Moyers, Mr. Bradshaw, Ms. Saunders and Dr. Cochran.

APPROVAL OF MEETING MINUTES

Upon a motion by Mr. Bradshaw and duly seconded, the members voted unanimously to approve the September 18, 2012 meeting minutes. The members voting **"AYE"** were Mr. Dickerson, Ms. Kilmer, Mr. Bradshaw, Mr. Moyers, Ms. Saunders and Dr. Cochran.

PUBLIC COMMENT PERIOD

Although members of the public were present no comments were made at this time.

VSU WELCOME AND INTRODUCTIONS

Dr. Mirta Martin, Dean, Virginia State University, Reginald F. Lewis School of Business thanked the VBOA on behalf of the VSU faculty, students and staff. Dr. Martin provided a background of the VSU School of Business. Virginia State University's Reginald F. Lewis School of Business made history this year by becoming the first school in the nation to deliver its integrated core curriculum in a predominantly digital format. She stated VSU is truly committed to preparing the next generation of accounting professionals through their five year program. Students attend VSU for four years and the fifth year they attend Virginia Commonwealth University to obtain the additional credits necessary to satisfy the requirements for CPA licensure.

She then turned the meeting over to Dr. Weldon Hill, Virginia State University Provost and Vice President for Academic Affairs. Dr. Hill welcomed the VBOA members, staff and guests and advised it is a pleasure to host such an event. Following his comments, Dr. Hill introduced Dr. John Moore, Chairperson of the Department of Accounting and Finance. Dr. Moore thanked the VBOA for providing the students with the rare opportunity to obtain a long term view of their future in the accountancy field. Dr. Moore also introduced the following VSU faculty and staff in attendance;
Steve Holeman, Associate Professor of Accounting,
Dr. Emmanuel Omojokun, Management Information Systems Chair,
Dr. James Phillips, Associate Professor and Chair Management and Marketing Department,
Lynnette Hammond, Director of Research and Grants,
B. Rae Morgan, Administrative Assistant,
Dr. Ishmail Conway, Chair, Associate Professor, Mass Communications

Mr. Dickerson had the VBOA board members, Executive Director and legal staff introduce themselves. Mr. Jewell introduced the board staff.

FINAL DISCIPLINARY DECISIONS (ENFORCEMENT RULINGS)

The following actions were taken as a result of the closed sessions:

Case #2012-U0022 King ***(Kilmer & Bradshaw)***

In the matter of Case #2012-U0022 (King), Mr. King was present but not represented by counsel.

Upon a motion by Mr. Moyers and duly seconded the members agreed to accept the Consent Order as written, which includes the following terms and conditions: King shall not practice as a CPA or use the CPA title in the Commonwealth until the Virginia Board of Accountancy has granted King reinstatement of his CPA license. King shall remove all signage, to include business cards, letterhead, email signatures, resumes, newspaper and internet ads and software with the CPA designation on it until his CPA license has been reinstated. King shall pay a monetary penalty of $5,000 for the unlicensed use of the CPA designation during the time his CPA license was expired within 90 days of the entry date of the Order. King shall reimburse the Virginia Board of Accountancy for the reasonable cost of $500 for the investigation of this matter.

CALL FOR VOTE:
Tyrone E. Dickerson, CPA – Aye
Andrea M. Kilmer, CPA, CFF – Did Not Vote
Robert Cochran, Ph.D., CPA – Aye
W. Barclay Bradshaw, CPA – Did Not Vote
Regina P. Brayboy, MPA, MBA – Absent
Marc Moyers, CPA - Aye

Stephanie Saunders, CPA - Aye

VOTE
AYES: Four (4)
NAYS: None.

Case #2012-U0019 Murphy **(*Kilmer & Bradshaw)***

In the matter of Case #2012-U0019 (Murphy), Mr. Murphy was present but not represented by counsel.

Upon a motion by Ms. Saunders and duly seconded the members agreed to accept the Consent Order as written, which includes the following terms and conditions: Murphy shall not practice as a CPA or use the CPA title in the Commonwealth until the Virginia Board of Accountancy has granted Murphy reinstatement of his CPA license; Murphy shall remove the CPA designation on his resume until such time as the Board has granted reinstatement of his CPA license; Murphy shall reimburse the Virginia Board of Accountancy for the reasonable cost of $500 for the investigation of this matter within 90 days of the entry date of the Order; and Murphy shall submit to the Board a 1,000 word essay explaining what the requirements are to use the CPA designation prior to the approval of his application for reinstatement.

CALL FOR VOTE:
Tyrone E. Dickerson, CPA – Aye
Andrea M. Kilmer, CPA, CFF – Did Not Vote
Robert Cochran, Ph.D., CPA – Aye
W. Barclay Bradshaw, CPA – Did Not Vote
Regina P. Brayboy, MPA, MBA – Absent
Marc Moyers, CPA - Aye
Stephanie Saunders, CPA - Aye

VOTE
AYES: Four (4)
NAYS: None.

Case #2012-E0003 Green **(*Kilmer)***

In the matter of Case #2012-E0003 (Green), Mr. Green was not present nor represented by counsel.

Upon a motion by Mr. Dickerson and duly seconded the members agreed to accept the Consent Order as written, which includes the following terms and conditions: After successful completion of the CPA Examination, and in order to apply for a CPA license in Virginia, Green must demonstrate to the Board that he has achieved competency to independently evaluate and judge the reliability of information and to certify and opine on the material accuracy of financial statements to the extent it would warrant Green being entrusted with public trust; and Green acknowledges he will not apply for licensure in any other jurisdiction without providing a copy of the Consent Order.

CALL FOR VOTE:
Tyrone E. Dickerson, CPA – Aye
Andrea M. Kilmer, CPA, CFF –Did Not Vote
Robert Cochran, Ph.D., CPA – Aye
W. Barclay Bradshaw, CPA – Aye
Regina P. Brayboy, MPA, MBA – Absent

Marc Moyers, CPA - Aye
Stephanie Saunders, CPA - Aye

VOTE
AYES: Five (5)
NAYS: None.

Case #2012-U0025 Wang ***(Kilmer & Bradshaw)***

In the matter of Case #2012-U0025 (Wang), Ms. Wang was not present nor represented by counsel.

Upon a motion by Mr. Dickerson and duly seconded the members agreed to accept the Consent Order as written, which includes the following terms and conditions: Wang shall not practice as a CPA until the Virginia Board of Accountancy has granted reinstatement of her CPA license; Wang shall immediately remove the CPA designation from all signage, to include business cards, letterhead, email signatures or addresses, resumes, newspaper, Internet ads, all social media to include but not limited to LinkedIn, Facebook and any and all software with the CPA designation on it until she has been granted reinstatement of her CPA license; Wang shall pay a monetary penalty of $2,000 within 90 days of the entry date of the Order for the unlicensed use of the CPA designation during the time her CPA license was expired; Wang shall reimburse the Virginia Board of Accountancy for the reasonable cost of $500 for the investigation of this matter within 90 days of the entry date of the Order; and submission of a 1,000 word essay on the requirements of using the CPA designation in Virginia referencing the importance of those requirements in protecting the public. Wang acknowledges completion of all terms and conditions are required prior to the approval of reinstatement.

CALL FOR VOTE:
Tyrone E. Dickerson, CPA – Aye
Andrea M. Kilmer, CPA, CFF –Did Not Vote
Robert Cochran, Ph.D., CPA – Aye
W. Barclay Bradshaw, CPA –Did Not Vote
Regina P. Brayboy, MPA, MBA – Absent
Marc Moyers, CPA - Aye
Stephanie Saunders, CPA - Aye

VOTE
AYES: Four (4)
NAYS: None.

Case #2012-D0017 High ***(Kilmer & Bradshaw)***

In the matter of Case #2012-D0017 (High), Mr. High was not present nor represented by counsel.

Upon a motion by Ms. Saunders and duly seconded the members agreed to accept the Consent Order as written, which includes the following terms and conditions: High shall pay a monetary penalty of $10,000 for providing attest services with an expired firm CPA license, failing to complete the required peer review, and failing to complete the terms and conditions of a previous Consent Order; Payment of an administrative fee of $500; High and Associates, PC shall provide documentation confirming that High and Associates, PC has completed all terms and conditions of the previous Consent Order #2010-0018-2010-PR-0018; High acknowledges that he shall not use the CPA designation or provide any services restricted to CPA's while his license is expired; Immediate removal of the CPA designation from business cards, website, email address and signature, building or door signs, computer software, social media, newspaper or any and all search engines; High acknowledges timely completion of the

above referenced terms and conditions shall be considered upon review of any application for reinstatement.

CALL FOR VOTE:
Tyrone E. Dickerson, CPA – Aye
Andrea M. Kilmer, CPA, CFF –Did Not Vote
Robert Cochran, Ph.D., CPA – Aye
W. Barclay Bradshaw, CPA –Did Not Vote
Regina P. Brayboy, MPA, MBA – Absent
Marc Moyers, CPA - Aye
Stephanie Saunders, CPA - Aye

VOTE
AYES: Four (4)
NAYS: None.

Case #2012-U0006 Panjabi **(*Kilmer & Bradshaw)***

In the matter of Case #2012-U0006 (Panjabi), Mr. Panjabi was not present nor represented by counsel.

Upon a motion by Dr. Cochran and duly seconded the members agreed to accept the Consent Order as written, which includes the following terms and conditions: Panjabi shall not provide or offer to provide public accounting services or use any term that is restricted to licensed CPA firms until the Virginia Board of Accountancy has issued Advantage One a CPA firm license; Immediate removal of all public accounting advertisements to include the use or reference of any restricted term to licensed CPA firms from the website of Advantage One at www.aotax.com under any and all links on that website; Panjabi shall pay a monetary penalty of $6,000; and Panjabi shall reimburse the Board for the reasonable cost of $500 for the investigation of this matter.

CALL FOR VOTE:
Tyrone E. Dickerson, CPA – Aye
Andrea M. Kilmer, CPA, CFF –Did Not Vote
Robert Cochran, Ph.D., CPA – Aye
W. Barclay Bradshaw, CPA –Did Not Vote
Regina P. Brayboy, MPA, MBA – Absent
Marc Moyers, CPA - Aye
Stephanie Saunders, CPA - Aye

VOTE
AYES: Four (4)
NAYS: None.

Case #2012-D0015 Leftwich **(*Kilmer & Bradshaw)***

In the matter of Case #2012-D0015 (Leftwich), Mr. Leftwich was not present nor represented by counsel.

Upon a motion by Mr. Moyers and duly seconded the members agreed to accept the Presiding Officers recommendation as written, which includes the following terms and conditions: CPA license #17133 shall be placed on suspension for a period of no less than one year from the entry date of the Order; Immediate removal of all signage with the CPA designation on it to include but not limited to business cards, letterhead, email signatures, resumes, newspaper, internet ads and software until he has been granted reinstatement of his CPA license by the VBOA; Leftwich shall pay a monetary penalty of

$10,000 for the Judgment rendered by the Courts for the trading of put options as referenced in the Final Judgment; and Leftwich shall reimburse the Virginia Board of Accountancy for the reasonable cost of $1,000 for the investigation of this matter.

CALL FOR VOTE:
Tyrone E. Dickerson, CPA – Aye
Andrea M. Kilmer, CPA, CFF –Did Not Vote
Robert Cochran, Ph.D., CPA – Aye
W. Barclay Bradshaw, CPA –Did Not Vote
Regina P. Brayboy, MPA, MBA – Absent
Marc Moyers, CPA - Aye
Stephanie Saunders, CPA - Aye

VOTE
AYES: Four (4)
NAYS: None.

Case #2012-U0010 Crosswhite ***(Kilmer & Bradshaw)***

In the matter of Case #2012-U0010 (Crosswhite), Ms. Crosswhite was not present nor represented by counsel.

Upon a motion by Dr. Cochran and duly seconded the members agreed to accept the Presiding Officers recommendation as written, which includes the following terms and conditions: Crosswhite shall not practice as a CPA in the Commonwealth until the VBOA has granted Crosswhite a CPA license to practice; Immediate removal of all signage with the CPA designation on it to include but not limited to websites, business cards, social media, computer software, new client packages, email addresses and signatures, marketing materials, tax organizers, and privacy notices; Crosswhite shall pay a monetary penalty of $25,000 for the unlicensed use of the CPA designation within 90 days of the entry date of the Final Order; and Crosswhite shall reimburse the Virginia Board of Accountancy for the reasonable cost of $1,000 for investigating this matter within 90 days of the Final Order.

CALL FOR VOTE:
Tyrone E. Dickerson, CPA – Aye
Andrea M. Kilmer, CPA, CFF –Did Not Vote
Robert Cochran, Ph.D., CPA – Aye
W. Barclay Bradshaw, CPA –Did Not Vote
Regina P. Brayboy, MPA, MBA – Absent
Marc Moyers, CPA - Aye
Stephanie Saunders, CPA - Aye

VOTE
AYES: Four (4)
NAYS: None.

Case #2012-E0005 Harney ***(Kilmer & Cochran)***

In the matter of Case #2012-E0005 (Harney), Mr. Harney was not present nor represented by counsel.

Upon a motion by Mr. Bradshaw and duly seconded the members agreed to accept the Presiding Officers recommendation as written, which includes the following terms and conditions: Harney shall be banned from sitting for the CPA Exam in Virginia for a period for no less than 5 years from the entry date of the

Final Order; Harney may petition the Board, in person, after a period of 5 years from the entry date of the Final Board Order, to be permitted to sit for the CPA Exam in Virginia; In determining Harney's eligibility to sit for the CPA Exam in Virginia, Harney must demonstrate to the Board that he is fit and suited to be a CPA in Virginia, to include demonstrated actions that he has taken to avoid prior behavioral issues that led to these recommended actions; If future authorization is granted to Harney to sit for the CPA Exam in Virginia, Harney must reapply as a new applicant to take the CPA Exam, and must meet all existing requirements at the time of application.

CALL FOR VOTE:
Tyrone E. Dickerson, CPA – Aye
Andrea M. Kilmer, CPA, CFF –Did Not Vote
Robert Cochran, Ph.D., CPA –Did Not Vote
W. Barclay Bradshaw, CPA – Aye
Regina P. Brayboy, MPA, MBA – Absent
Marc Moyers, CPA - Aye
Stephanie Saunders, CPA - Aye

VOTE
AYES: Four (4)
NAYS: None.

Following the presentation of the Final Disciplinary decisions Mr. Dickerson provided an overview of the VBOA Enforcement processes. In carrying out its mission "to protect the citizens of the Commonwealth through a regulatory program of licensure and compliance of Certified Public Accountants (CPA) and CPA firms", the VBOA is responsible for investigating complaints against licensed Virginia CPAs and CPA firms, and expired licensees or non-licensees using the CPA title or performing services in Virginia restricted to CPAs. If sanctions are deemed appropriate, a potential resolution of the complaint is proposed in writing to the CPA, CPA firm or unlicensed individual in the form of a consent order (order). If the individual signs the order, agreeing fully to the terms and conditions, the order is then brought before the full board for approval. The board may accept or reject the order in whole or in part. Alternatively, the Enforcement Committee (EC) may hold an Informal Fact Finding Conference (IFF). The EC reviews the merits of the case and presents the presiding officers recommendations to the full board for consideration. The board may accept or reject the recommendations in whole or in part. In cases resulting in a final board order, the CPA, CPA firm, or unlicensed individual has 30 days to appeal the board's final case decision to the Circuit Court.

Mr. Dickerson then recognized Stephanie Peters, CAE, CEO, Virginia Society of Certified Public Accountants, and thanked the VSCPA for their attendance. Ms. Peters provided a brief overview of the VSCPA's role and responsibilities to the profession. In addition, she introduced the VSCPA staff in attendance.

Mr. Jewell then provided a brief overview of the board member requirements. The board is comprised of four CPA's who have been actively engaged in providing services to the public using the CPA title for at least three years prior to appointment to the board, one CPA for at least three years prior to the appointment to the board shall have been actively engaged in providing services to the public using the CPA title or in providing services to an employer in government or industry using the CPA title, one educator in the field of accountancy who is a CPA, and one citizen member who may be an accountant who is not licensed as a CPA. Each member is appointed by the Governor to serve a four-year term and may not serve for more than two consecutive terms. Mr. Dickerson is currently finishing up his second term which expires June 30, 2013. During his time on the board he has served as Chairman twice. The

VBOA is currently awaiting the appointment of a public member. The previous public member completed her second term on June 30, 2012.

Mr. Jewell led the discussion regarding the VBOA. The VBOA is an independent, non-general fund agency whose revenues are wholly dependent upon the fees established for CPA exam candidates, applicants and licensees. All fines received as a result of enforcement actions are transferred to the Virginia Literary Fund. The VBOA receives an annual appropriation and must operate within the parameters of the funds allotted. As a state agency in the Executive Branch of government, the VBOA falls under the Secretary of Commerce and Trade and is subject to all reporting and compliance requirements that all state agencies must adhere to.

OPEN FORUM with VIRGINIA EDUCATORS

Dr. Cochran provided a brief commentary regarding today's forum.

Acknowledging a previous request by Dr. Douglas E. Ziegenfuss, Associate Professor and Accounting Chair from Old Dominion University, that the VBOA consider holding an Educators Forum, Dr. Cochran initiated a dialog to discuss parameters for such a forum. Following several conversations Dr. Ziegenfuss identified the November 13th meeting as a prime opportunity to gather liaisons from around the Commonwealth to meet with and discuss various issues and to create a dialog with the board. Dr. Cochran then turned the floor over to Dr. Ziegenfuss for comment.

Dr. Ziegenfuss advised the members of the board that with the assistance of Dr. Paul Copley, Chair and Professor of Accounting, James Madison University, and Dr. Cochran, he would like to conduct a study to obtain information regarding the results/trends since the requirement changed from having to obtain 150 semester hours to 120 semester hours to sit for the CPA Examination (exam). Many colleges and universities utilize exam pass rates as a gauge of the success of their accounting programs, and no concrete information is available for review and consideration as it relates to the 150 to 120 semester hour requirement change. A study may reveal information such as: Has the change led to more/less Virginia CPAs? Have the pass rates increased or declined? Mr. Jewell advised that the VBOA continues to see an increase in the number of CPAs and interest in the profession overall, despite the current nationwide economic conditions. That information can be found on the monthly Board Report. In addition, Mr. Jewell presented the board's "Graduate Study Recommendation" found on the VBOA website and is included as a component of the "Education Handbook". Mr. Dickerson advised that much data is already available and has been compiled by NASBA. Dr. Ziegenfuss will work with Dr. Cochran and Dr. Copley to present a proposal for consideration.

ADDITIONAL ITEMS

Dr. Cochran provided an overview of his trip to China this past summer. He reported on spending two months teaching two accounting classes in English to Chinese students. He stated that the teaching experience is a significantly different experience than in the U.S. Each class had approximately 120 students and no heat or air conditioning. In addition, all of China's universities are 100% residential. He was also able to incorporate some travel during his free time and is looking forward to returning in the future.

RECESS FOR BOARD LUNCH

RECONVENE

BOARD MEMBER/COMMITTEE UPDATES

Mr. Dickerson, as a member of the National Association of State Boards of Accountancy (NASBA) Enforcement Resource Committee, reported no updates at this time.

Mr. Jewell led the discussion regarding Regulatory/Legislative updates. The 30 day final adoption period and the public comment period closed on Wednesday, November 7, 2012 for the board's fee package. One comment was received via email and had been shared with the board members. The public comment was also read during the meeting. The new fees will be implemented on or about January 1, 2013. Mr. Jewell, Ms. Scifres, and Ms. Charity have met with DHP to discuss the necessary system adjustments. They are currently working to resolve an issue with the $20 re-exam application fee. Processing of this fee type may require Systems Automation (SA), the software provider, to make significant application changes. DHP hopes to have the fee increase implemented no later than January 5, 2013. The re-exam application fee will most likely be implemented at a later date. Although not required, Mr. Jewell requested that the members vote to approve the fees as presented. Upon a motion by Ms. Kilmer, and duly seconded, the board by unanimous vote approved the final fee package as presented in both the proposed and final stages of the regulatory process, with an effective date on or about January 1, 2013. On a fee by fee basis, the implementation date may be adjusted to accommodate systematic processing of the new fees.

Ms. Saunders led the discussion regarding the FY2013 Ethics Outline. Following a comprehensive discussion upon a motion by Mr. Moyers and duly seconded, the board by unanimous vote approved the FY2013 Ethics Outline.

Mr. Moyers led the discussion regarding the Peer Review Oversight Committee (PROC) Committee. A meeting with Sam Johnson, PROC Chairman, has been scheduled for December 6, 2012. Mr. Moyers will provide a status update at the January 8, 2013 meeting.

Mr. Dickerson led the discussion regarding the NASBA Annual Meeting. Forty-two of the 55 board of accountancy jurisdictions were represented. NASBA provides many resources for the boards of accountancy. The country is divided into regions. Virginia is in the Mid-Atlantic Region and Bucky Glover of North Carolina is the Regional Director. Mr. Dickerson thought the meeting was very successful.

Mr. Dickerson turned the floor over to Dr. Cochran to discuss his experience as a first-time attendee to the meeting. Dr. Cochran reported that he was impressed by the various speakers and overall it was a good meeting. Dr. Paul Miller of Colorado presented "Politics of Standard Settting" and Dr. Cochran indicated that he applauds NASBA for inviting Dr. Miller to speak. Dr. Cochran also highly recommends visiting the NASBA website to view the video. In addition, Dr. Cochran suggests viewing the video of Anton Colella, Chairman of Accounting Alliance, although a different perspective from the one presented by Dr. Miller.

Mr. Dickerson reported that overall the meeting provided the opportunity to discuss any major issues or challenges facing boards of accountancy and provided valuable insight to current events regarding the profession. A speaker from Walt Disney's QC department spoke at the Inaugural luncheon; he provided insight on the organization and their approach to customer service. Mr. Dickerson congratulated Ms. Kilmer regarding the article about her in the NASBA Annual Report. The 2012 Lorraine P. Sachs Standard of Excellence Award was given to Robert Brooks, Executive Director from North Carolina.

EXECUTIVE DIRECTOR'S REPORT

Mr. Jewell presented general updates regarding the VBOA.

- Mr. Jewell led the discussion regarding the three 2013 Legislative Proposals submitted to the Secretary's Office for consideration. To date he has not received a formal response but has been notified that only one of the three proposals was accepted (the recommendation to add a statute of limitations for filing complaints). Mr. Jewell will follow-up to obtain a possible explanation as to why the other two proposals were denied.

- Mr. Jewell attended a meeting with the VSCPA Executive Committee on September 27, 2012 regarding the legislative proposals. The only concern of the VSCPA was the approach taken regarding the proposed temporary suspension of licensure. Mr. Jewell will continue to work with the VSCPA regarding the verbiage for the temporary suspension of licensure. Mr. Jewell also congratulated Dr. Cochran on his VSCPA article regarding his teaching experience in China.

- Mr. Jewell, Ms. Scifres, and Ms. Charity plan to have the VBOA e-Newsletter ready for distribution by the end of the month. In addition, notifications regarding the newsletter will be sent via social media outlets and posted to the VBOA web page. The primary focus of the newsletter will be to address the fee increase that is effective January 1, 2013.

- Ms. Kilmer reported on her presentation to the Tidewater Chapter of the VSCPA. Approximately 340 CPAs attended the meeting. Ms. Kilmer reported that her presentation included an overview of the enforcement processes and the VBOA relationship with the VSCPA. Ms. Kilmer suggested, based on the response from her presentation, that the board look at presenting to all chapters of the VSCPA.

- Mr. Jewell advised the members that at a future meeting he would like to address the current VBOA license statuses. Currently there is an "Expired - Late Renewal" status which causes confusion amongst the licensees. He would like to change the status to something like "Active - Late Renewal" or, as a suggested alternative from a board member, "Expired - In Grace Period." The VSCPA also has some recommendations, to include a "Retired" status. The board may begin to address these recommendations at the January 8, 2013, board meeting.

- The board approved CPE credits (without a certificate of completion indicating CPE hours earned) for the passing of the CFA exam in September. We have also received a request for CPE for the CTP (Certified Treasury Professional) Exam for consideration and approval. Upon a motion by Ms. Kilmer, and duly seconded, the board by unanimous vote approved up to 15 hours of CPE (without a certificate of completion indicating CPE hours earned) for passing the CTP (Certified Treasury Professional) Exam, and other exams presented by staff for approval by the board, not to exceed a total of 60 hours over a 3-year rolling period.

- Governor McDonnell recently implemented a regulatory reform initiative, which will last throughout the remainder of the administration. Mr. Jewell had to submit a Regulatory Reform Work Plan by November 7, 2012. Mr. Jewell requested a board member volunteer to work with throughout this process. Dr. Cochran volunteered to assist. Mr. Jewell will also engage the VSCPA in this process, as well as exam candidates and licensees through the upcoming e-newsletter.

- The Biennial Report for the two-year period ending June 30, 2012 has been submitted and posted to the VBOA website.

- Mr. Jewell reported that former board chairman Larry Samuel has rolled off the Board of Examiners/State Board Committee of the AICPA. At this time there is no Virginia Board of Accountancy representation on any AICPA committees. The AICPA is seeking volunteers for a variety of committees and that information can be found by visiting Volunteer Central on the AICPA website. On October 5, 2012 the AICPA Board of Examiners (BOE) approved changes to the CPA Exam Content Specification Outline (CSO) that will be effective on January 1, 2014. The changes include; general improvements for clarity; the removal of redundancies across the CSOs; a reference review and update; and general editorial updates.

- Mr. Jewell led the discussion regarding NASBA committee updates. Mr. Jewell has been reappointed to both committees he previously served on (Accounting Licensing Database/CPAverify Committee and the Executive Directors Committee). Ms. Kilmer has been appointed to the Board Effectiveness and Legislative Support Committee. Former board member and chairman Whit Broome has been appointed to the CPA Examination Review Board. Mr. Dickerson was reappointed to the NASBA Enforcement Resource Committee. Former board member and chairman Dian Calderone has been appointed to the Ethics and Strategic Issues Committee. Congratulations to Ms. Kilmer for recognition in the NASBA Annual Report. Mr. Jewell also would like to recognize Ms. Grant for her contribution to the NASBA ALD newsletter. She was awarded a $100 gift card.

- Mr. Jewell reported that Puerto Rico has been deemed a substantially equivalent jurisdiction.

- The Governor has required all general-fund agencies to submit a 4% budget reduction plan. Currently, non-general funded agencies are not required to respond (as is the VBOA).

- Ms. Scifres provided the Deputy Directors Report. She provided an overview of the October Financial and Board Reports. Ms. Charity provided information on selected components of the October Board Report. She continues work with Ms. Gilliam to improve the CPE report information and to automate the CPE processes overall.

- Mr. Jewell led the discussion regarding Board Policies. Following a discussion with Steve Holton it was determined that the expectations of unlicensed firm owners are addressed in the Regulations and therefore no policy is needed. Board Policy #6 has been rewritten to include IQEX following research by the Director of Operations. Following a review and discussion of the policy Mr. Jewell will revise the verbiage as discussed. Upon a motion by Ms. Saunders, and duly seconded, the board unanimously approved and adopted Policy #6 as amended.

FUTURE MEETING DATES

January 8, 2013

ADJOURNMENT

There being no further business before the VBOA, upon a motion by Mr. Dickerson and duly seconded, the meeting was adjourned by unanimous vote at 3:05 p.m. The members voting **"AYE"** were Mr. Dickerson, Ms. Kilmer, Dr. Cochran, Ms. Saunders, Mr. Moyers, and Mr. Bradshaw.

APPROVED:

_____
Tyrone E. Dickerson, CPA, Chairman

COPY TESTE:

_____
Wade A. Jewell, Executive Director