



Tuesday, June 11, 2024

Board Meeting Agenda

10:00 a.m.

Board Room #1

2nd Floor Conference Center

9960 Mayland Drive, Henrico, VA 23233

10:00 a.m. Call to order – **Wendy Lewis, CPA, Chair**
Security briefing – **Veronica Paulson, Administrative Assistant**
Determination of quorum
Approval of June 11, 2024, agenda
Approval of May 15, 2024, board meeting minutes

10:15 a.m. Public comment period (general)*

10:30 a.m. Public comment period for enforcement agenda*

10:35 a.m. Enforcement agenda – **Matthew Ross, Enforcement Director**

Consent agenda (block vote):

- 2024-0085 - Consent order (Warwick)
- 2024-0128 - Consent order (Rudolph-Wiseman)
- 2024-0126 - Consent order (Rudolph-Wiseman)
- 2024-0074 - Consent order (Moyers)
- 2024-0041 - Consent order (Moyers)

Recommendations after informal fact-finding hearing:

- 2023-0171 - Recommendation (Warwick & Rudolph-Wiseman)
- 2022-0701 - Recommendation (Bradshaw)
- 2023-0321 - Recommendation (Bradshaw)
- 2024-0057 - Recommendation (Glynn)
- 2024-0058 - Recommendation (Glynn)
- 2024-0066 - Recommendation (Glynn)
- 2024-0068 - Recommendation (Glynn)
- 2024-0073 - Recommendation (Glynn)

Request for payment plan:

- 2023-0215 - Eckard (Glynn)

11:05 a.m. NASBA and AICPA committee updates – **Wendy Lewis, CPA, Chair**

11:20 a.m. Executive Director's report – **Nancy Glynn, CPA, Executive Director**

- General updates
- Financial and Board Report update – **Renai Reinholtz, Deputy Director**
- FY 2025 Budget (approval required) – **Renai Reinholtz, Deputy Director**
- Enforcement update – **Matthew Ross, Enforcement Director**
- Communications update – **Kelli Yoder, Communications Coordinator**

- 11:35 a.m. Board discussion topics – **Wendy Lewis, CPA, Chair**
- New licensing system update – **Kristen Hundley, CapTech**
 - Peer Review exposure draft response – **Nadia Rogers, CPA, Vice Chair**
 - FY 2025 Strategic Initiatives Draft Report (discussion) – **Wendy Lewis, CPA, Chair**
- 12:30 p.m. Adjourn for lunch
- 1:00 p.m. Celebration for Laurie Warwick
- 1:15 p.m. Board discussion topics (continued) – **Wendy Lewis, CPA, Chair**
- 1:30 p.m. Closed session
- Disciplinary and Legal advice – §2.2-3711(A)(8)
- 1:55 p.m. Additional items for discussion – **Wendy Lewis, CPA, Chair**
- Sign Conflict of Interest forms and travel expense vouchers
 - Future meeting dates
 - Aug. 29, 2024
 - Oct. 22, 2024
 - Fall Campus Meeting? (Virginia Tech)
- 2:00 p.m. Adjournment

***Five-minute public comment, per person, on those items not included on the agenda.**

Persons desiring to attend the meeting and requiring special accommodations/interpretive services should contact the VBOA office at (804) 367-8505 at least five days prior to the meeting so that suitable arrangements can be made for an appropriate accommodation. The VBOA fully complies with the Americans with Disabilities Act.



Board Meeting: May 15, 2024 Draft/Unapproved minutes

The Virginia Board of Accountancy met on Wednesday May 15, 2024, in Board Room #3 of the Perimeter Center, 9960 Mayland Drive, Henrico, Virginia 23233.

Members present:

- Wendy Pace Lewis, CPA, Chair
- Nadia A. Rogers, CPA, Vice Chair
- William R. Brown, CPA
- David Cotton, CPA, CFE, CGFM
- Dale G. Mullen
- Angela Rudolph-Wiseman, CPA
- Laurie A. Warwick, CPA

Legal counsel:

- James Flaherty, Assistant Attorney General, Office of the Attorney General

Staff present:

- Nancy Glynn, CPA, Executive Director
- Renai Reinholtz, Deputy Director
- Matthew Ross, Enforcement Director
- Veronica Paulson, Administrative Assistant
- Kelli Yoder, Communications Coordinator
- TiNique Stewart, Licensing Support Specialist

Members of the public present:

- Emily Walker, CAE, Vice President, Advocacy & Pipeline, VSCPA
- Christopher Enright, CPA
- John Sarvay, Floricane, LLC

Members of the public attending virtually:

- Jung Park, CPA

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CALL TO ORDER

Ms. Lewis called the meeting to order at 9 a.m.

SECURITY BRIEFING

Ms. Paulson provided the emergency evacuation procedures.

DETERMINATION OF QUORUM

Ms. Lewis determined there was a quorum present.

APPROVAL OF AGENDA

- Upon a motion by Ms. Rogers, and seconded by Ms. Warwick, the members voted unanimously to approve the May 15, 2024, agenda, as presented. The members voting “AYE” were Ms. Lewis, Ms. Rogers, Mr. Brown, Mr. Cotton, Mr. Mullen, Ms. Rudolph-Wiseman and Ms. Warwick.

APPROVAL OF MINUTES

- Upon a motion by Ms. Rogers, and seconded by Ms. Warwick, the members voted unanimously to approve the April 12, 2024, Board meeting minutes as presented. The members voting “AYE” were Ms. Lewis, Ms. Rogers, Mr. Brown, Mr. Cotton, Mr. Mullen, Ms. Rudolph-Wiseman and Ms. Warwick.

PUBLIC COMMENT PERIOD

Ms. Walker addressed the Board members regarding the National Pipeline Advisory Group (NPAG) draft strategy report now available on NPAG’s website. The draft strategy report will be presented at the AICPA Council in May 2024 for discussion. NPAG is collecting comments to be considered toward the final report scheduled to be released in summer 2024.

NASBA COMMITTEE UPDATES

Regulatory Response Committee

Mr. Cotton updated the Board that the NASBA Regulatory Response Committee has submitted comments to the International Ethics Standards Board for Accountants (IESBA) on “Proposed International Ethics Standards for Sustainability Assurance (Including International Independence Standards) (IESSA) and Other Revisions to the Code Relating to Sustainability Assurance and Reporting.” Mr. Cotton noted several upcoming comments and response letters due in May and June 2024.

NASBA Board of Directors and Audit Committee

Ms. Warwick informed the Board of the NASBA Board meeting in April 2024. She reported that discussion was centered around the Structured Learning Program and states’ responses. Ms. Warwick

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noted that there will be a NASBA 2024 Western Regional Meeting in June and more information will be available afterwards.

NASBA Education Committee and UAA Committee

Ms. Rogers addressed the Board regarding the AICPA Board of Examiners (BOE). A meeting was held on April 18, 2024, during which the following were discussed: 1) State Board Committee and Content Committee Updates and 2) Vice President update on a variety of areas, including the Prometric contract, Pipeline, and Staffing. The BOE also discussed the discipline sections standard setting April meeting and related feedback in preparation for the core sections standard setting meeting in May.

The BOE met on May 1-2 in Chicago, IL to review candidate test data from the 24Q1 core sections and ultimately set the cut scores for each of the core sections. Pass rates for discipline and core sections are expected to be released by the AICPA in June 2024.

Ms. Rogers also informed the Board that the State Board Committee met on April 17, 2024, during which its members discussed a variety of topics with common themes being 120 vs. 150; mobility and substantial equivalency; Experience, Learn, and Earn Program; and alternative pathways for licensure, including the pathway that had recently been proposed by the Professional Licensure Task Force. The SBC also had the opportunity to hear a Communications and Operational Update, Standard Setting Update, and Exams and Pipeline Update from the AICPA.

Legislative Support Committee

Mr. Mullen informed the Board that the Legislative Support Committee has started to develop materials to assist legislative affairs to support the Board. The legislative effort to restructure the code has garnered interest with the committee.

ENFORCEMENT PUBLIC COMMENT PERIOD

Christopher Enright, CPA, addressed the Board regarding enforcement case #2022-0046.

Jung Park, CPA, addressed the Board regarding enforcement cases #2022-0046 and #2022-0084.

ENFORCEMENT AGENDA

The following actions were taken during open session:

Consent Orders

Case #2022-0558

Upon a motion by Mr. Mullen and duly seconded by Ms. Warwick, the members voted to approve the consent order as written.

CALL FOR VOTE:

William R. Brown, CPA – Aye



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David Cotton, CPA, CFE, CGFM – Aye
Wendy P. Lewis, CPA – Aye
Dale G. Mullen – Aye
Nadia A. Rogers, CPA – Aye
Angela Rudolph-Wiseman, CPA – Aye
Laurie A. Warwick, CPA – Aye

VOTE:

Ayes: Seven (7)
Abstain: None (0)
Nays: None (0)

Case #2024-0122

Upon a motion by Mr. Mullen and duly seconded by Ms. Warwick, the members voted to approve the consent order as written.

CALL FOR VOTE:

William R. Brown, CPA – Aye
David Cotton, CPA, CFE, CGFM – Aye
Wendy P. Lewis, CPA – Aye
Dale G. Mullen – Aye
Nadia A. Rogers, CPA – Aye
Angela Rudolph-Wiseman, CPA – Aye
Laurie A. Warwick, CPA – Aye

VOTE:

Ayes: Seven (7)
Abstain: None (0)
Nays: None (0)

Case # 2023-0241

Upon a motion by Mr. Mullen and duly seconded by Ms. Warwick, the members voted to approve the consent order as written.

CALL FOR VOTE:

William R. Brown, CPA – Abstain
David Cotton, CPA, CFE, CGFM – Aye
Wendy P. Lewis, CPA – Aye
Dale G. Mullen – Aye
Nadia A. Rogers, CPA – Aye
Angela Rudolph-Wiseman, CPA – Abstain

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Laurie A. Warwick, CPA – Aye

VOTE:

Ayes: Five (5)

Abstain: Two (2)

Nays: None (0)

Case # 2023-0331

Upon a motion by Mr. Mullen and duly seconded by Ms. Rudolph-Wiseman, the members voted to approve the consent order as written.

CALL FOR VOTE:

William R. Brown, CPA – Aye

David Cotton, CPA, CFE, CGFM – Aye

Wendy P. Lewis, CPA – Aye

Dale G. Mullen – Aye

Nadia A. Rogers, CPA – Aye

Angela Rudolph-Wiseman, CPA – Aye

Laurie A. Warwick, CPA – Abstain

VOTE:

Ayes: Six (6)

Abstain: One (1)

Nays: None (0)

Decisions after informal fact-finding conferences

Case # 2023-0393

Ms. Warwick and Ms. Rudolph-Wiseman left the room and were not present during a vote on this matter.

The Board members reviewed the record, which consisted of the licensing file, informal fact-finding conference exhibits, and the presiding officer's recommendation and summary of the informal fact-finding conference.

After discussion, a motion was made by Mr. Brown and duly seconded by Mr. Mullen, to adopt the presiding officer recommendation in its entirety and incorporate it as part of the Board's final order. The Board found by substantial evidence that the respondent violated Code of Virginia sections 54.1-111 (A)(2) and (3), 54.1-4409.1(A) and 54.1-4414 (i)(2) and (4). The Board imposed the recommended monetary penalty of \$500.

CALL FOR VOTE:

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William R. Brown, CPA – Aye
David Cotton, CPA, CFE, CGFM – Aye
Wendy P. Lewis, CPA – Aye
Dale G. Mullen - Aye
Nadia A. Rogers, CPA – Aye

VOTE:

Ayes: Five (5)
Abstain: None (0)
Nays: None (0)

Case # 2022-0690

Ms. Warwick and Ms. Rudolph-Wiseman remained outside of the room and were not present during a vote on this matter.

The Board members reviewed the record, which consisted of the licensing file, informal fact-finding conference exhibits, and the presiding officer's recommendation and summary of the informal fact-finding conference.

After discussion, a motion was made by Ms. Rogers and duly seconded by Mr. Cotton, to adopt the presiding officer recommendation in its entirety and incorporate it as part of the Board's final order. The Board found by substantial evidence that the respondent violated Code of Virginia sections 54.1-111 (A)(2) and (3), 54.1-4409.1(A) and 54.1-4414 (i)(2) and (4). The Board imposed the recommended monetary penalty of \$1,500.

CALL FOR VOTE:

William R. Brown, CPA – Aye
David Cotton, CPA, CFE, CGFM – Aye
Wendy P. Lewis, CPA – Aye
Dale G. Mullen – Aye
Nadia A. Rogers, CPA – Aye

VOTE:

Ayes: Five (5)
Abstain: None (0)
Nays: None (0)

Ms. Warwick and Ms. Rudolph-Wiseman returned to the room.

Case #2022-0046

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Mr. Mullen left the room and was not present during a vote on this matter.

The Board members reviewed the record, which consisted of the licensing file, informal fact-finding conference exhibits, and the presiding officer's recommendation and summary of the informal fact-finding conference.

After discussion, a motion was made by Mr. Cotton and duly seconded by Mr. Brown, to adopt the presiding officer recommendations in their entirety and incorporate them as part of the Board's final orders. The Board found by substantial evidence that respondent, Park, had violated Code of Virginia 54.1-4412.1(D)(7). The Board found no violation against respondent Enright. The Board imposed the recommended penalty of \$5,000, against respondent, Park.

CALL FOR VOTE:

William R. Brown, CPA – Aye
David Cotton, CPA, CFE, CGFM – Aye
Wendy P. Lewis, CPA – Aye
Nadia A. Rogers, CPA – Aye
Angela Rudolph-Wiseman, CPA – Aye
Laurie A. Warwick, CPA – Aye

VOTE:

Ayes: Six (6)
Abstain: None (0)
Nays: None (0)

Case #2022-0084

Mr. Mullen left the room and was not present during a vote on this matter.

The Board members reviewed the record, which consisted of the licensing file, informal fact-finding conference exhibits, and the presiding officer's recommendation and summary of the informal fact-finding conference.

After discussion, a motion was made by Mr. Cotton and duly seconded by Ms. Rogers, to adopt the presiding officer recommendation in its entirety and incorporate it as part of the Board's final order. The Board found by substantial evidence that the respondent violated Code of Virginia 54.1-4412.1 (A) and (B). The Board imposed the recommended penalty of \$5,000.

CALL FOR VOTE:

William R. Brown, CPA – Aye
David Cotton, CPA, CFE, CGFM – Aye
Wendy P. Lewis, CPA – Aye
Nadia A. Rogers, CPA – Aye



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Angela Rudolph-Wiseman, CPA – Aye
Laurie A. Warwick, CPA – Aye

VOTE:

Ayes: Six (6)
Abstain: None (0)
Nays: None (0)

Case #2022-0732

Mr. Mullen left the room and was not present during a vote on this matter.

The Board members reviewed the record, which consisted of the licensing file, informal fact-finding conference exhibits, and the presiding officer’s recommendation and summary of the informal fact-finding conference.

After discussion, a motion was made by Mr. Cotton and duly seconded by Ms. Rogers, to adopt the presiding officer recommendation in its entirety and incorporate it as part of the Board’s final order. The Board found by substantial evidence that the respondent violated Code of Virginia sections 54.1-111 (A)(2) and (3), 54.1-4409.1(A) and 54.1-4414 (i)(2) and (4). The Board imposed the recommended monetary penalty of \$2,000.

CALL FOR VOTE:

William R. Brown, CPA – Aye
David Cotton, CPA, CFE, CGFM – Aye
Wendy P. Lewis, CPA – Aye
Nadia A. Rogers, CPA – Aye
Angela Rudolph-Wiseman, CPA – Aye
Laurie A. Warwick, CPA – Aye

VOTE:

Ayes: Six (6)
Abstain: None (0)
Nays: None (0)

Mr. Mullen returned to the room.

Case #2023-0433

Ms. Glynn left the room and was not present during a vote on this matter.

The Board members reviewed the record, which consisted of the licensing file, informal fact-finding conference exhibits, and the presiding officer’s recommendation and summary of the informal fact-

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finding conference.

After discussion, a motion was made by Mr. Warwick and duly seconded by Ms. Rogers, to adopt the presiding officer recommendation in its entirety and incorporate it as part of the Board's final order as it related to respondent's violations. The Board found by substantial evidence that the respondent violated Board Regulation 18VAC5-22-90 (A) and Code of Virginia 54.1-4413.3(7). The Board imposed the recommended penalties of a \$1,200 fine for failing to complete 120 hours of CPE within the three-year audit period, \$250 for failing to complete the Virginia specific ethics course in 2020, 2021 and 2022, a \$250 for failing to complete a minimum of 20 hours of CPE in 2020, 2021 and 2022, a reprimand for respondent's violation of the Code of Virginia and that respondent be subject to a CPE compliance review for the years 2024, 2025 and 2026. The Board modified the final penalty contained in the recommendation so that it would be consistent with Board CPE guidelines and imposed that respondent must complete 120 hours of CPE within 90 days of the date of the order, which are in addition to the standard CPE yearly and three-year audit period requirements.

CALL FOR VOTE:

William R. Brown, CPA – Aye
David Cotton, CPA, CFE, CGFM – Aye
Wendy P. Lewis, CPA – Aye
Dale G. Mullen – Aye
Nadia A. Rogers, CPA – Aye
Angela Rudolph-Wiseman, CPA – Aye
Laurie A. Warwick, CPA – Aye

VOTE:

Ayes: Seven (7)
Abstain: None (0)
Nays: None (0)

Ms. Glynn returned to the room.

EXECUTIVE DIRECTOR'S REPORT

General updates

Ms. Glynn presented the following general updates regarding the VBOA:

- Ms. Glynn introduced TiNique Stewart as the new VBOA Licensing Support Specialist. Her duties would include Exam Candidate, Licensing, and CPE support.
- Ms. Glynn noted that CapTech will provide an update on the system in June.
- Ms. Glynn updated the Board that Guylaine Saint Juste, President and CEO of the National Association of Black Accountants, Inc. (NABA), will be presenting at the August board meeting.

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Financial and Board Report update

Ms. Reinholtz presented and fielded questions regarding the April 2024 Financial Report.

Enforcement update

Mr. Ross presented the Board with an update on the Enforcement division.

Mr. Cotton and Mr. Ross gave an overview of the NASBA Ethics Course (Ethical Leadership Certification Program 2021). They fielded questions from the Board.

BOARD DISCUSSION TOPICS

SMART Goals FY2024

Ms. Rogers presented outcomes to the Board of the status of each of the FY2024 SMART Goals.

The Code and regulations, including fee structure, is an ongoing project. The Code changes were adopted and will be effective July 2025. Regulations will continue to be addressed in 2025 to update codes and policies because of the changes made.

The licensing and CPE system is an ongoing project. The licensing system SOW was signed but no decision was made on the CPE system.

The 150 hours discussion is an ongoing project. Research was completed and presented, and the Board has responded to the Professional Licensing Task Force.

Many of the CPA Pipeline 2024 activities that were completed include: approving 30-month contingent credits, approving the Credit Relief Initiative, completing two campus board meetings and two lunch-and-learn sessions, and Board member increased involvement with various committees, focus groups and student organizations.

Several 2024 SMART Goals that were not completed include: conducting comprehensive review of CPE guidelines, the Inactive status policy, and reviewing VBOA policies.

FY2025 Planning Topics Discussion

Mr. Sarvay, Floricane, LLC, facilitated conversation with Board members to discuss, refine, and finalize goals for FY2025.

RECESS FOR LUNCH 12:30 p.m.

RECONVENE 1 p.m.

FY2025 Planning Topics Discussion, Continued

Mr. Sarvay and all Board members continued FY2025 goal discussion.



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ADDITIONAL ITEMS FOR DISCUSSION

- Sign Conflict of Interest forms
- Sign Travel Expense vouchers
- Future meeting dates:
 - June 11, 2024
 - Aug. 29, 2024
 - Oct. 22, 2024

ADJOURNMENT

There being no further business before the VBOA, Ms. Lewis adjourned the meeting at 2:21 p.m.

APPROVED:

Wendy P. Lewis, CPA, Chair

COPY TESTE:

Nancy Glynn, CPA, Executive Director

**Budget vs. Actual Expenditures
As of May 31, 2024**



	FY24 Operating Budget	FY24 YTD Expenditures	% Expended	FY23 YTD Expenditures	FY22 Expenditures	FY21 Expenditures
Salaries & Benefits						
1123 Salaries	1,188,712	1,022,637	86.0%	1,036,015	897,977	844,009
11XX Benefits	534,267	356,658	66.8%	390,631	354,860	352,058
Total Salaries & Benefits	\$ 1,722,979	\$ 1,379,295	80.1%	\$ 1,426,646	\$ 1,252,837	\$ 1,196,067
Contractual Services						
1211 Express Services	3,500	4,849	138.5%	5,407	655	33
1214 Postal Services	21,000	8,442	40.2%	18,467	15,395	14,576
1215 Printing Services	7,500	8,020	106.9%	3,448	5,766	3,208
1216 Telecommunications - VITA	10,800	10,076	93.3%	10,593	11,449	10,921
1217 Telecommunications - Nonstate (CallFire)	2,500	390	15.6%	1,442	1,200	1,530
1219 Inbound Freight	300	169	56.2%	220	135	22
1221 Organization Memberships (primarily NASBA)	8,336	7,080	84.9%	8,642	9,279	7,674
1222 Publication Subscriptions	1,270	1,220	96.1%	1,323	4,357	3,655
1224 Training - Courses, Workshops, Conferences	6,445	6,661	103.4%	8,769	6,126	763
1227 Training-Transportation, Lodging, Meals, Incidentals	15,500	7,079	45.7%	13,115	4,635	-
1242 Fiscal Services (Credit Card Merchant Fees)	49,000	29,514	60.2%	48,315	45,864	47,123
1243 Attorney Services	27,000	23,121	85.6%	17,207	16,097	26,217
1244 Mgmt. Services - NASBA/special accommodations	14,800	14,686	99.2%	11,079	10,387	9,012
1246 Public Info/Public Relations (subscriptions)	3,385	4,468	132.0%	2,914	2,485	439
1247 Legal Services (court reporting services)	5,500	4,593	83.5%	4,072	8,363	11,460
1264 Food and Dietary Services	2,500	3,364	134.6%	2,662	2,352	1,127
1265 Laundry & Linen Services	-	20	---	-	-	-
1266 Manual Labor Services (Includes shredding services)	550	240	43.6%	120	200	1,410
1268 Skilled Services	2,100	1,100	52.4%	1,125	1,650	-
1272 VITA Pass through - System Hosting, Maintenance, and Admin	-	-	---	229,224	222,006	320,442
1272 VITA Pass through - Shared ISO Audit Services	-	-	---	18,093	20,425	-
1272 VITA Pass through - ECOS fees	-	-	---	-	4,755	-
1272 VITA Pass through - System Reporting Tool	-	-	---	-	5,750	-
1273 Info Mgmt Design and Development Services (PM support)	85,000	21,900	25.8%	28,930	19,450	230,725
1275 Computer Software Maintenance (MLO and website hosting)	243,854	243,725	99.9%	6,830	7,050	7,235
1278 VITA Information Technology Infrastructure Services (monthly services)	80,400	39,463	49.1%	53,872	52,008	57,838
1279 Computer Software Development Services	244,000	-	0.0%	-	-	-
1282 Travel - Personal Vehicle	7,500	6,440	85.9%	6,668	4,927	962
1283 Travel - Public Carriers	150	114	75.9%	13	497	-
1284 Travel - State Vehicles	450	533	118.4%	217	-	-
1285 Travel - Subsistence and Lodging	4,500	4,613	102.5%	3,360	1,890	-
1288 Travel, Meal Reimburse - Not IRS Rpt	2,000	2,580	129.0%	1,654	1,106	-
Total Contractual Services	\$ 849,840	\$ 454,459	53.5%	\$ 507,782	\$ 486,259	\$ 760,054

	FY24 Operating Budget	FY24 YTD Expenditures	% Expended	FY23 YTD Expenditures	FY22 Expenditures	FY21 Expenditures
Supplies and Materials						
1312 Office Supplies	1,500	1,551	103.4%	916	864	904
1313 Stationery and Forms	1,800	-	0.0%	1,146	404	644
1323 Gasoline	150	16	11.0%	65	-	-
1335 Packaging and Shipping Supplies	1,200	369	30.8%	369	369	720
1342 Medical & Dental Supplies	50	-	0.0%	-	-	30
1352 Custodian Repair & Maintenance	-	-	---	-	-	14
1362 Food & Dietary Supplies	350	97	27.7%	192	126	107
1363 Food Service Supplies	150	72	47.9%	-	236	35
1373 Computer Operating Supplies	1,200	220	18.4%	748	786	1,236
Total Supplies & Materials	\$ 6,400	\$ 2,326	36.3%	\$ 3,435	\$ 2,785	\$ 3,689
Transfer Payments						
1413 Awards & Recognition	500	-	0.0%	500	623	343
1415 Unemployment Compensation	-	-	---	-	-	216
1418 Incentives	1,200	680	56.7%	1,226	-	-
Total Transfer Payments	\$ 1,700	\$ 680	40.0%	\$ 1,726	\$ 623	\$ 559
Continuous Charges						
1512 Automobile Liability Insurance	231	-	0.0%	231	231	231
1516 Property Insurance	540	-	0.0%	540	540	1,224
1534 Equipment Rentals	10,105	6,598	65.3%	8,643	7,454	8,099
1539 Building Rentals - Non-State Owned Facilities	104,318	95,451	91.5%	101,512	97,997	95,005
1541 Agency Service Charges (shared services)	62,600	62,841	100.4%	60,498	49,465	52,373
1551 General Liability Insurance	5,400	-	0.0%	5,328	5,328	328
1554 Surety Bonds	40	-	0.0%	-	40	40
1555 Worker's Compensation	1,110	-	0.0%	926	1,110	1,094
Total Continuous Charges	\$ 184,344	\$ 164,889	89.4%	\$ 177,678	\$ 162,165	\$ 158,394
Equipment						
2216 Network Components	750	-	0.0%	-	1,653	877
2217 Other Computer Equipment	200	800	400.0%	405	155	130
2218 Computer Software Purchases	500	11	2.3%	386	418	50
2231 Electronic Equipment	-	1,329	---	967	1,170	-
2233 Voice and Data Transmission Equipment	-	-	---	-	-	969
2262 Office Furniture	1,200	-	0.0%	454	755	-
2263 Office Incidentals	-	-	---	46	63	345
2328 Construction, Building Improvements	-	-	---	-	-	150
Total Equipment	\$ 2,650	\$ 2,140	80.8%	\$ 2,259	\$ 4,214	\$ 2,521
Total Expenses	\$ 2,767,913	\$ 2,003,789	72.4%	\$ 2,119,526	\$ 1,908,884	\$ 2,121,284
Chapter 2 Appropriation	\$ 2,767,913					

Cash Balances



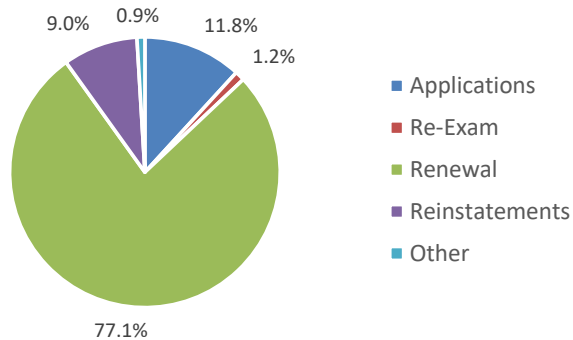
	Operating Fund		Trust Fund	
	FY2024	FY2023	FY2024	FY2023
	As of 5/31/24	As of 5/31/23	As of 5/31/24	As of 5/31/23
Beginning Cash Balance July 1	\$ 2,890,877	\$ 2,556,744	\$ 3,205,952	\$ 3,341,044
YTD Revenue Collected	1,567,981	1,556,284	-	-
Interest earnings	68,779	22,692	103,056	34,780
Accounts Payable	21,264	1,558	-	-
Cash Transfers In per Board Policy #1	-	193,303	141,788	-
Cash Transfers Out per Board Policy #1	(141,788)		-	(193,303)
YTD Expenditures	(2,003,789)	(1,923,131)	-	-
Cash Balance	\$ 2,403,323	\$ 2,407,451	\$ 3,450,795	\$ 3,182,521
Required Cash Transfers:				
Central Service Agencies Transfer	\$ (11,983)	\$ (11,983)	-	-
Cash Balance after required transfers	\$ 2,391,340	\$ 2,395,468	\$ 3,450,795	\$ 3,182,521

Revenue Collections by Fee Type

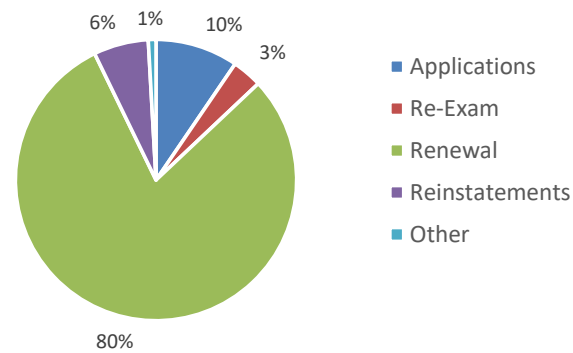


Fee Type	FY2024 - YTD as of 5/31/24	FY2023 - YTD as of 5/31/23	Fiscal Year Ending 6/30/23	Fiscal Year Ending 6/30/22	Fiscal Year Ending 6/30/21
Exam Application Fee	\$ 124,080	\$ 120,555	\$ 139,635	\$ 130,560	\$ 149,430
Individual License Application Fee	54,900	62,100	67,950	70,800	83,100
Firm License Application Fee	6,200	4,700	5,000	4,100	4,500
Re-Exam Application	18,080	69,620	76,900	72,080	83,420
Renewal Fee	1,209,640	1,147,290	1,782,800	1,777,925	1,824,315
Reinstatement Fee	140,500	134,400	140,850	98,600	63,150
Duplicate Wall Certificate Fee	1,875	1,600	1,725	2,150	1,700
License Verification Fee	11,625	14,950	16,650	21,325	16,625
CPA Exam Score Transfers	1,075	1,025	1,150	1,075	1,325
Administrative Fee	146	-	-	45	646
Bad Check Fee	100	239	239	50	50
Total Revenue by Fee Type	\$ 1,568,221	\$ 1,556,479	\$ 2,232,899	\$ 2,178,710	\$ 2,228,261
Net Revenue per Cardinal	\$ 1,567,981	\$ 1,556,284	\$ 2,232,824	\$ 2,178,830	\$ 2,199,041
Difference	\$ 240	\$ 195	\$ 75	\$ (120)	\$ 29,220

FY24 YTD Revenue Collections



FY23 Revenue Collections



Accounts Receivable



	<u>FY2024 - YTD as of 5/31/24</u>	<u>FY2023 - YTD as of 5/31/23</u>	<u>Fiscal Year Ending 6/30/23</u>	<u>Fiscal Year Ending 6/30/22</u>	<u>Fiscal Year Ending 6/30/21</u>
Fines levied	\$ 285,288	\$ 745,381	\$ 759,525	\$ 189,950	\$ 128,042
Fines collected	\$ 228,236	\$ 322,087	\$ 335,357	\$ 157,851	\$ 138,947
Fines Discharged	\$ 1,500	\$ 52,542	\$ 52,542	\$ -	\$ -
Outstanding Current fines receivable (< 365 Days)	\$ 77,141	\$ 495,160	\$ 546,076	\$ 49,751	\$ 29,041
Outstanding Written-off receivables (=> 365 Days)	\$ 1,133,061	\$ 606,074	\$ 608,574	\$ 680,731	\$ 669,342

**Individual and firm license activity
May 31, 2024**

<i>Fiscal Period</i>	Period ending 5/31/2024	Period ending 5/31/2023	Period ending 6/30/2023	Period ending 6/30/2022	Period ending 6/30/2021
REGULANTS					
Individuals					
Active, licensed CPAs	27,400	27,434	26,556	26,482	26,715
Inactive, licensed CPAs	2,182	2,201	2,090	2,053	2,033
Total Licensed CPAs	29,582	29,635	28,646	28,535	28,748
Out-of-state licensees	10,308	10,258	9,867	9,669	9,572
Reinstatements - Individuals	369	364	274	257	170
New CPA licenses issued	713	871	940	1,039	1,069
Expired/voluntarily surrendered licenses	95	32	1,041	1,337	119
Exam Candidates					
Number of first time exam candidates	1,059	767	931	1,118	1,193
Firms					
Total active, licensed CPA firms	1,154	1,156	1,094	1,172	1,125
Reinstatements - Firms	22	14	19	18	8
New CPA firm licenses issued	54	40	44	42	38
Expired/voluntarily surrendered licenses	16	1	81	76	12

Virginia Board of Accountancy

FY25 Proposed Operating Budget

	FY25 Proposed Operating Budget	FY24 Operating Budget
<u>Salaries & Benefits</u>		
1123 Salaries	1,307,083	1,188,712
11XX Benefits	461,104	534,267
Total Salaries & Benefits	\$ 1,768,187	\$ 1,722,979
<u>Contractual Services</u>		
1211 Express Services	5,500	3,500
1214 Postal Services	9,800	21,000
1215 Printing Services	7,500	7,500
1216 Telecommunications - VITA	10,800	10,800
1217 Telecommunications - Nonstate (CallFire)	2,500	2,500
1219 Inbound Freight	350	300
1221 Organization Memberships (primarily NASBA)	7,575	8,336
1222 Publication Subscriptions	1,270	1,270
1224 Training - Courses, Workshops, Conferences	8,830	6,445
1227 Training-Transportation, Lodging, Meals, Incidentals	9,500	15,500
1242 Fiscal Services (Credit Card Merchant Fees)	49,000	49,000
1243 Attorney Services	24,500	27,000
1244 Mgmt. Services - NASBA special accommodations	15,500	14,800
1246 Public Info/Public Relations (subscriptions)	4,968	3,385
1247 Legal Services (Includes court reporting services)	5,600	5,500
1264 Food and Dietary Services	4,100	2,500
1266 Manual Labor Services	300	550
1268 Skilled Services	2,100	2,100
1272 VITA - System Hosting, Maintenance, and Admin	-	236,784
1273 Info Mgmt Design and Development Services	214,000	85,000
1275 Computer Software Maintenance	247,108	251,070
1278 VITA Infrastructure Services	66,000	80,400
1279 Computer Software Development Services	773,786	-
1282 Travel - Personal Vehicle	8,500	7,500
1283 Travel - Public Carriers	650	150
1284 Travel - State Vehicles	-	450
1285 Travel - Subsistence and Lodging	5,500	4,500
1288 Travel, Meal Reimburse - Not IRS Rpt	2,600	2,000
Total Contractual Services	\$ 1,487,837	\$ 849,840
<u>Supplies and Materials</u>		
1312 Office Supplies	1,600	1,500
1313 Stationery and Forms	750	1,800
1323 Gasoline (Enterprise vehicles)	250	150
1335 Packaging and Shipping Supplies	1,200	1,200
1342 Medical & Dental Supplies	50	50
1362 Food & Dietary Supplies	250	350
1363 Food Service Supplies	150	150
1364 Laundry & Linen Supplies	50	-
1373 Computer Operating Supplies	750	1,200
Total Supplies & Materials	\$ 5,050	\$ 6,400
<u>Transfer Payments</u>		
1413 Awards & Recognition	500	500
1418 Incentives	2,500	1,200
Total Transfer Payments	\$ 3,000	\$ 1,700
<u>Continuous Charges</u>		
1512 Automobile Liability Insurance	231	231
1516 Property Insurance	540	540

		FY25 Proposed Operating Budget	FY24 Operating Budget
1534	Equipment Rentals	7,680	10,105
1539	Building Rentals - Non-State Owned Facilities	107,118	104,318
1541	Agency Service Charges	64,300	62,600
1551	General Liability Insurance	5,400	5,400
1554	Surety Bonds	40	40
1555	Worker's Compensation	993	1,110
	Total Continuous Charges	\$ 186,302	\$ 184,344

Equipment

2216	Network Components	750	750
2217	Other Computer Equipment	200	200
2218	Computer Software Purchases	250	500
2262	Office Furniture	1,850	1,200
	Total Equipment	\$ 3,050	\$ 2,650
	Total Expenses	\$ 3,453,426	\$ 2,767,913

Chapter 2 Appropriation	\$ 2,767,913
Budget Appropriation Request	\$ 685,513
Total Projected Appropriation	\$ 3,453,426

All Open Enforcement Complaints - As of May 3, 2024

All Open Enforcement Complaints



All Open Complaint Types

CPE Deficiency	48
Acts Discreditable	11
Due Professional Care	23
Unlicensed Activity	34
Peer Review	1
Eligibility 1*	118*

All Open Enforcement Complaints - As of May 31, 2024

All Open Enforcement Complaints



All Open Complaint Types

CPE Deficiency	30
Acts Discreditable	11
Due Professional Care	20
Unlicensed Activity	22
	83

New and Closed Complaints - May 4, 2024 to May 31, 2024

Opened Complaints



Closed Complaints



Opened Complaint Types

CPE Deficiency	17
Acts Discreditable	1
Unlicensed Activity	3
Due Professional Care	4
	25

Closed Complaint Types

CPE Deficiency	35
Due Prof. Care / Acts Discred	8
Unlicensed Activity	15
Peer Review	1
Eligibility 1*	60*

Disposition Types

Advisory Letter	12	Board Order	6
Consent Order	33	Closed Agency Referral	0
No Finding	2	No Violation	6
No Jurisdiction	0	Other	1
60			

CPE Audit Report as of May 31, 2024

	Ending 5/31/2024	Year Ending 6/30/2023	Year Ending 6/30/2022	Year ending 6/30/2021	Year Ending 6/30/2020	Year Ending 6/30/2019
CPE Audits Selected	772	428	573	751	696	1366
CPE Audits Passed	291	319	432	597	544	1139
CPE Audits Deficient	117	109	141	154	152	227
CPE Audits Pending	364	0	0	0	0	0
CPE Deficiency Rate	29%	25%	25%	21%	22%	17%

Other audits completed during Calendar Years

	Reinstatement and Inactive Audits			Self-Report Audits		Enforcement Audits	
	2024	2023	2022	2024	2023	2024	2023
Audits Selected	58	413	454	94	153	12	10
CPE Audits Passed	51	346	398	5	24	7	4
CPE Audits Deficient	0	1	2	16	127	4	6
CPE Audits Pending	7	66	54	73	2	1	0
						36%	60%

Open CPE Enforcement Cases

Complaint #	Type	Status	Disposition	Date Received	Date Entered	Status Date	TotalDays
2024-0077	CPE Deficiency	Consent Order - Sent		Feb 15, 2024	Feb 15, 2024	May 31, 2024	106
2024-0057	CPE Deficiency	Board Meeting - Pending		Feb 7, 2024	Feb 7, 2024	May 20, 2024	103
2024-0066	CPE Deficiency	Board Meeting - Pending		Feb 13, 2024	Feb 13, 2024	May 20, 2024	97
2024-0068	CPE Deficiency	Board Meeting - Pending		Feb 13, 2024	Feb 13, 2024	May 20, 2024	97
2024-0058	CPE Deficiency	Board Meeting - Pending		Feb 7, 2024	Feb 7, 2024	May 13, 2024	96
2024-0101	CPE Deficiency	IFF - Scheduled		Mar 13, 2024	Mar 13, 2024	May 28, 2024	76
2024-0103	CPE Deficiency	IFF - Scheduled		Mar 15, 2024	Mar 15, 2024	May 28, 2024	74
2024-0111	CPE Deficiency	IFF - Scheduled		Mar 19, 2024	Mar 19, 2024	May 28, 2024	70
2024-0114	CPE Deficiency	IFF - Scheduled		Mar 20, 2024	Mar 20, 2024	May 28, 2024	69
2024-0123	CPE Deficiency	IFF - Scheduled		Apr 4, 2024	Apr 4, 2024	May 28, 2024	54
2024-0141	CPE Deficiency	IFF - Scheduled		Apr 10, 2024	Apr 10, 2024	May 28, 2024	48
2024-0142	CPE Deficiency	IFF - Scheduled		Apr 10, 2024	Apr 10, 2024	May 28, 2024	48
2024-0144	CPE Deficiency	IFF - Scheduled		Apr 10, 2024	Apr 10, 2024	May 28, 2024	48
2024-0147	CPE Deficiency	IFF - Scheduled		Apr 11, 2024	Apr 11, 2024	May 28, 2024	47
2024-0151	CPE Deficiency	IFF - Scheduled		Apr 16, 2024	Apr 16, 2024	May 28, 2024	42
2024-0155	CPE Deficiency	IFF - Scheduled		Apr 17, 2024	Apr 17, 2024	May 28, 2024	41
2024-0156	CPE Deficiency	IFF - Scheduled		Apr 17, 2024	Apr 17, 2024	May 28, 2024	41
2024-0157	CPE Deficiency	IFF - Scheduled		Apr 19, 2024	Apr 19, 2024	May 28, 2024	39
2024-0158	CPE Deficiency	IFF - Scheduled		Apr 19, 2024	Apr 19, 2024	May 28, 2024	39
2024-0159	CPE Deficiency	IFF - Scheduled		Apr 19, 2024	Apr 19, 2024	May 28, 2024	39
2024-0171	CPE Deficiency	IFF - Scheduled		Apr 30, 2024	Apr 30, 2024	May 28, 2024	28
2024-0180	CPE Deficiency	IFF - Scheduled		May 1, 2024	May 1, 2024	May 28, 2024	27
2024-0181	CPE Deficiency	IFF - Scheduled		May 2, 2024	May 2, 2024	May 28, 2024	26
2024-0187	CPE Deficiency	IFF - Scheduled		May 3, 2024	May 3, 2024	May 28, 2024	25
2024-0200	CPE Deficiency	IFF - Scheduled		May 13, 2024	May 13, 2024	May 28, 2024	15
2024-0209	CPE Deficiency	Consent Order - Sent		May 16, 2024	May 16, 2024	May 31, 2024	15
2024-0160	CPE Deficiency	Consent Order - Sent		Apr 19, 2024	Apr 19, 2024	Apr 30, 2024	11
2024-0201	CPE Deficiency	Consent Order - Sent		May 14, 2024	May 14, 2024	May 22, 2024	8
2024-0168	CPE Deficiency	Consent Order - Sent		Apr 29, 2024	Apr 29, 2024	May 6, 2024	7
2024-0202	CPE Deficiency	Consent Order - Sent		May 15, 2024	May 15, 2024	May 22, 2024	7

Open Non-CPE Enforcement Cases

Complaint #	Type	Status	Disposition	Date Received	Date Entered	Status Date	TotalDays
2021-0091	Due Professional Care	Probable Cause Review		Sep 8, 2021	Oct 18, 2021	Mar 1, 2024	996
2021-0145	Unlicensed Activity - O	Probable Cause Review		Dec 10, 2021	Dec 10, 2021	Apr 2, 2024	903
2022-0362	Unlicensed Activity - O	Probable Cause Review		Jun 21, 2022	Jun 21, 2022	Apr 2, 2024	710
2022-0384	Due Professional Care	Probable Cause Review		Jul 19, 2022	Jul 19, 2022	Jul 26, 2023	682
2022-0545	Due Professional Care	Probable Cause Review		Sep 15, 2022	Sep 15, 2022	Jan 22, 2024	624
2022-0701	Due Professional Care	Board Meeting - Pending		Dec 2, 2022	Dec 2, 2022	May 13, 2024	546
2023-0149	Unlicensed Activity - O	IFF - Scheduled		Apr 11, 2023	Apr 11, 2023	Apr 16, 2024	416
2023-0171	Unlicensed Activity - O	Board Meeting - Pending		May 16, 2023	May 16, 2023	May 13, 2024	381
2023-0321	Acts Discreditable	Board Meeting - Pending		Aug 22, 2023	Aug 22, 2023	May 20, 2024	283
2023-0382	Acts Discreditable	Open Case		Oct 10, 2023	Oct 10, 2023	Oct 10, 2023	234
2023-0383	Acts Discreditable	Open Case		Oct 10, 2023	Oct 10, 2023	Oct 10, 2023	234
2023-0384	Acts Discreditable	Open Case		Oct 10, 2023	Oct 10, 2023	Oct 10, 2023	234
2023-0386	Acts Discreditable	IFF - Scheduled		Oct 10, 2023	Oct 10, 2023	Apr 16, 2024	234
2023-0389	Acts Discreditable	Open Case		Oct 13, 2023	Oct 13, 2023	Oct 13, 2023	231
2023-0390	Acts Discreditable	Open Case		Oct 13, 2023	Oct 13, 2023	Oct 13, 2023	231
2023-0400	Acts Discreditable	NOAV - Sent		Oct 18, 2023	Oct 18, 2023	Oct 30, 2023	226
2023-0418	Unlicensed Activity - O	Entered / Intake		Nov 3, 2023	Nov 3, 2023	Nov 3, 2023	210
2023-0423	Unlicensed Activity - O	Probable Cause Review		Nov 21, 2023	Nov 21, 2023	Mar 11, 2024	192
2023-0434	Unlicensed Activity - O	IFF - Pending		Dec 6, 2023	Dec 6, 2023	Mar 27, 2024	177
2023-0438	Due Professional Care	Entered / Intake		Dec 14, 2023	Dec 14, 2023	Dec 14, 2023	169
2023-0444	Acts Discreditable	Entered / Intake		Dec 21, 2023	Dec 21, 2023	Dec 21, 2023	162
2023-0446	Due Professional Care	Requested Additional Information		Dec 14, 2023	Dec 21, 2023	Apr 2, 2024	169
2023-0452	Due Professional Care	Requested Additional Information		Dec 27, 2023	Dec 27, 2023	Apr 2, 2024	156
2024-0009	Due Professional Care	NOAV - Sent		Jan 10, 2024	Jan 10, 2024	Jan 11, 2024	142
2024-0035	Due Professional Care	Consent Order - Sent		Jan 26, 2024	Jan 26, 2024	May 13, 2024	126
2024-0041	Unlicensed Activity - O	Board Meeting - Pending		Jan 29, 2024	Jan 29, 2024	May 31, 2024	123
2024-0049	Unlicensed Activity - O	IFF - Scheduled		Feb 6, 2024	Feb 6, 2024	Apr 23, 2024	115
2024-0070	Due Professional Care	IFF - Pending		Feb 13, 2024	Feb 13, 2024	May 28, 2024	108
2024-0072	Due Professional Care	NOAV - Sent		Feb 14, 2024	Feb 14, 2024	Mar 5, 2024	107
2024-0073	Unlicensed Activity - G	Board Meeting - Pending		Feb 14, 2024	Feb 14, 2024	May 20, 2024	107
2024-0074	Unlicensed Activity - O	Board Meeting - Pending		Feb 14, 2024	Feb 14, 2024	May 21, 2024	107
2024-0081	Unlicensed Activity - O	IFF - Pending		Feb 19, 2024	Feb 19, 2024	May 28, 2024	102
2024-0085	Unlicensed Activity - O	Board Meeting - Pending		Feb 27, 2024	Feb 27, 2024	May 13, 2024	94
2024-0102	Due Professional Care	NOAV - Sent		Mar 13, 2024	Mar 13, 2024	Apr 1, 2024	79
2024-0105	Unlicensed Activity - G	IFF - Pending		Mar 18, 2024	Mar 18, 2024	Apr 17, 2024	74
2024-0116	Due Professional Care	IFF - Pending		Mar 22, 2024	Mar 22, 2024	May 13, 2024	70
2024-0126	Unlicensed Activity - O	Board Meeting - Pending		Apr 4, 2024	Apr 4, 2024	May 31, 2024	57
2024-0128	Unlicensed Activity - O	Board Meeting - Pending		Apr 5, 2024	Apr 5, 2024	May 14, 2024	56
2024-0129	Unlicensed Activity - G	Entered / Intake		Apr 5, 2024	Apr 5, 2024	Apr 5, 2024	56
2024-0130	Unlicensed Activity - G	Entered / Intake		Apr 5, 2024	Apr 5, 2024	Apr 5, 2024	56
2024-0132	Due Professional Care	Probable Cause Review		Apr 8, 2024	Apr 8, 2024	Apr 29, 2024	53
2024-0161	Due Professional Care	NOAV - Sent		Apr 22, 2024	Apr 22, 2024	May 28, 2024	39
2024-0162	Due Professional Care	NOAV - Sent		Apr 22, 2024	Apr 22, 2024	May 28, 2024	39
2024-0165	Due Professional Care	NOAV - Sent		Apr 24, 2024	Apr 24, 2024	Apr 30, 2024	37
2024-0169	Due Professional Care	NOAV - Sent		Apr 29, 2024	Apr 29, 2024	May 6, 2024	32
2024-0172	Acts Discreditable	NOAV - Sent		Apr 30, 2024	May 1, 2024	May 1, 2024	31
2024-0182	Acts Discreditable	Entered / Intake		May 2, 2024	May 2, 2024	May 2, 2024	29
2024-0189	Unlicensed Activity - G	Entered / Intake		May 3, 2024	May 3, 2024	May 3, 2024	28
2024-0197	Due Professional Care	Probable Cause Review		May 9, 2024	May 9, 2024	May 29, 2024	22
2024-0213	Due Professional Care	NOAV - Sent		May 22, 2024	May 22, 2024	May 29, 2024	9
2024-0214	Unlicensed Activity - G	Consent Order - Sent		May 28, 2024	May 28, 2024	May 28, 2024	3
2024-0215	Unlicensed Activity - O	Open Case		May 30, 2024	May 30, 2024	May 30, 2024	1
2024-0216	Unlicensed Activity - O	Entered / Intake		May 31, 2024	May 31, 2024	May 31, 2024	0

CapTech

Project Status Report

CURRENT STATUS:

Green,
trending
Yellow

PREVIOUS STATUS:

Green,
trending
Yellow

STATUS REPORT PERIOD: 04/13 – 05/12

PROJECT STATUS SUMMARY

Key Status Indicators

Rating

Is the project on track to meet planned business goals and the associated measures of success?	On Track
Are the costs within planned budget?	On Track
Is the project on schedule?	Warning
Does the project remain within the approved scope?	On Track
Is the project being managed to minimize or mitigate the identified risks?	Warning

Project Manager Status Report Comments

The project schedule has adjusted to accommodate delays in completion of the project requirements milestones while development can begin on functional areas that have been covered with BOA. This is to preserve the go-live date while accounting for delays in requirements gathering in April due to PCG and SA resource availability.

During the reporting period, PCG delivered the project plan and schedule as well as the initial development environments to complete their first two milestones. The project plan and schedule were initially submitted on 5/2 and went through rounds of revisions based on their own adjustments at CapTech/BOA feedback and were still pending as of the end of this reporting period.

PCG completed current state reviews sessions on 4/22 and began future state design sessions on 4/23. The requirements phase was originally scheduled to end on 4/26 but PCG adjusted the schedule to continue future state discussions while development began on foundational configuration and license exam application stories. PCG held planning for Sprint 1 on 5/9 and Sprint 1 began on 5/10.

CapTech PM, John Rush, joined Kristen Hundley on 5/1 as a secondary PM to support project management activities for the project.

Peer Review Oversight Committee
Virginia Board of Accountancy
9960 Mayland Drive Suite 402
Henrico, VA 23233

Reza Mahbod, CPA, Chair

Nicole R. Kint, CPA

Samuel Johnson, CPA

Marco Fernandes, CPA

Members of the Board
Virginia Board of Accountancy
9960 Mayland Drive
Henrico, Virginia 23233

The Peer Review Oversight Committee has reviewed the Proposed Peer Review Standards Update No. 2, *Reviewing a Firm's System of Quality Management and Omnibus Technical Enhancements* Exposure Draft, dated November 16, 2023, and have provided our responses to some requests for comments below:

- Q4. We believe the board should consider additional revisions for more consistency with the SQMS, such as the following:
 - a. Relabeling “compliance matters” to “operating effectiveness matters.”
 - b. Revising the Firm’s Responsibility section in the peer review report to state, “*The firm is responsible for designing, **implementing, and operating** a system of quality management to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects.*”
 - c. Revising the Peer Reviewer’s Responsibility section in the peer review report to state, “*Our responsibility is to express an opinion on the design, **implementation, and operating effectiveness** of the firm’s system of quality management based on our review.*”
- Q5. We agree with the proposed change to require team captains to submit the quality management checklists as part of a reviewer’s required document submission.
- Q6. We believe specific training or resources would be beneficial to firms, reviewers, or administering entities as it related to evaluating a firm’s system of quality management.
- Q8. We believe the peer review standards should include a definition of “root cause” or application and other explanatory material to provide users with additional considerations for concluding whether the severity and pervasiveness of a root cause may be systemic in nature.
- Q9. We believe it is appropriate to permit reviewers that retire from the practice of public accounting to continue serving as a team member on peer reviews for an 18-month period after an individual’s effective date of retirement.
 - a. We agree with the proposed period of 18 months. However, we believe that the AICPA staff will have to exercise caution and due diligence in the approval of these requests.
 - b. Under certain circumstances, the later part of the 18-month transition period may actually translate into a significant amount of time that has passed since a retired partner was actually performing or supervising accounting and auditing engagements or carrying out a quality management function of their firm.
 - c. It would be helpful if the revisions would affirmatively indicate whether or not a transitioning partner would be permitted to: (1) perform reviews of must select engagements; (2) be a team resource for must cover engagements; or (3) contribute in any way to the completion of areas that are normally performed by the designated team captain.

- Q9. We believe it is appropriate to extend the reviewer training requirement for relevant courses to be taken within 18 months prior to the commencement of a review. The 18-month period should also apply to applicable training courses for technical reviewers or CPAs on Staff.
- Q11. We agree with the proposed change to include the alternative practice structure (APS) checklists in addition to peer review documents already required to be submitted to AEs.
- Q13. We agree with the proposed effective date for QM related changes to be effective for peer reviews with peer review years ending on or after December 31, 2025.
- Q14. We agree with the proposed effective date for omnibus technical enhancements to be effective for peer reviews commencing on or after October 31, 2024.

We appreciate the opportunity to review this Exposure Draft and provide comments.

Peer Review Oversight Committee

Peer Review Oversight Committee
Virginia Board of Accountancy

GOAL: ~~CPE Requirements~~ Conduct comprehensive review of CPE guidelines

Board members: Bill Brown, Dale Mullen

S	Specific	Revisit CPE regulations and requirements and determine if the number of hours and other requirements are still relevant
M	Measurable	Approve guidelines annually
A	Achievable	Yes
R	Relevant	Yes
T	Time-based	All CPE regulations and requirements should be reviewed and any proposals for amendments should be presented by June, 2024

Status Update	
Status Date	8/29/2023 - Goal to be better defined by October 24, 2023 meeting 10/24/2023 - Goal updated and ready for board decision on SMART goal 12/01/2023 - CPE Survey being reviewed before distribution 1/17/2024 - Survey for CPAs and exam candidates has been drafted and distributed. Responses are due to the VBOA by February 15 2/21/2024 - Survey results have been collected and are ready to be reviewed by the Board 4/12/2025 - Based on board discussions this goal will be deferred to FY2025 and will be based on national discussions
Forecasted to complete on time (Yes/No)? If No, please provide explanation.	
Unresolved Significant Risks/Contingencies	none
Resources Needed	Existing CPE guidelines
Board Decisions Needed	
Significant Actions Completed	Survey complete 1/31/2024
Significant Actions Not Completed	none

GOAL: Code and Regulations including Fee Structure

Board members: Bill Brown, Dale Mullen

S	Specific	Updating Code definitions as necessary - based on AICPA, UAA, and other states Ensure definitions are used consistently through Code Repeal Code section § 54.1-4420. Annual audit Find a bill sponsor on House and Senate side Consider revisions and amendments required in regulations including fee structure
M	Measurable	
A	Achievable	
R	Relevant	
T	Time-based	Timeline for carrying out this goal created by the October meeting for Board review. Sponsor to be found at start of General Assembly.

Status Update

Status Date	8/29/2023 - goal approved 10/24/2023 - draft Code revisions to be reviewed and approved by the board 12/01/2023 - Final revisions were discussed with VSCPA. The Department of Legislature Services is finalizing. Final code changes will be submitted to Secretary of Finance upon completion. 1/17/2024 - Sponsors found: Sen. Hackworth & Rep. Runion. Definition for "Principal place of business" dropped from final edit to avoid conflict with the NASBA/AICPA definition. 2/21/2024 - S.B.463 has been transmitted to the House and has passed the House General Laws Committee uncontested. H.B. 1337 has passed the House and is awaiting Committee assignment in the Senate. 4/12/2024 - Both bills have been passed by both chambers and been signed by the governor. Their effective date is 7/1/2024
Forecasted to complete on time (Yes/No)? If No, please provide explanation.	Yes
Unresolved Significant Risks/Contingencies	none
Resources Needed	none
Board Decisions Needed	Approve draft revisions
Significant Actions Completed	none
Significant Actions Not Completed	none

GOAL: Licensing and CPE System

Board members: Laurie Warwick and David Cotton

S	Specific	Evaluate licensing system options, review contracts, recommend path forward. Act in a project champion role from project initiation to completion Provide regular updates to the board and continue working on enforcement tracking, peer review monitoring.
M	Measurable	
A	Achievable	
R	Relevant	
T	Time-based	Signed SOW by September 30, 2023. SOW on hold until conclusion of negotiations Project completion August 31, 2024

Status Update	
Status Date	8/29/2023 - goal approved 10/24/2023 - negotiating pricing, timing, and integrations with vendors to determine the best path forward 12/01/2023 - SOW being reviewed by sponsors 1/17/2024 - SOW and pricing received. Project manager has been found. BOA prepared to move forward pending Board approval. 2/21/2024 - SOW prepared to be signed pending board approval. 4/12/2024 - SOW has been signed and the opening stages of development have begun.
Forecasted to complete on time (Yes/No)? If No, please provide explanation.	Yes
Unresolved Significant Risks/Contingencies	none
Resources Needed	none
Board Decisions Needed	none
Significant Actions Completed	none
Significant Actions Not Completed	Statement of Work

GOAL: CPA Pipeline

Board members: Nadia Rogers, Laurie Warwick

S	Specific	To increase our communication, social media, and in-person presence among the educator and student communities to improve the accounting pipeline. Potential ways to accomplish this would be to increase our Board meetings on campus, enhance our social media presence, and identify opportunities for Board members to educate prospective CPAs in the pipeline about the profession and CPA license.
M	Measurable	Staff will develop a calendar with certain milestones that will have opportunities for Board member involvement and increased social media presence. Calendar is currently work-in-progress while staff works with VSCPA.
A	Achievable	Yes
R	Relevant	Very
T	Time-based	no

Status Update

Status Date	8/29/2023- board approved goal 10/24/2023 - Increased social media presence for VBOA, communications to CPA candidates regarding changes to exam and approaching deadlines. 12/01/2023 - No new actions 1/17/2024 - No new actions 2/21/2024 - Campus Board meeting planned for 4/12/2024 at Norfolk State University 4/12/2024 - The VBOA has read and prepared a response to the Structured Professional Program concept proposed by NASBA
Forecasted to complete on time (Yes/No)? If No, please provide explanation.	
Unresolved Significant Risks/Contingencies	none
Resources Needed	none
Board Decisions Needed	none
Significant Actions Completed	none
Significant Actions Not Completed	none

GOAL: 150 Hours

Board members: David Cotton, Nadia Rogers

S	Specific	Evaluate the 150-hour requirement to determine if revising it is in the best interests of Virginia businesses, CPA firms, CPAs, and CPA exam candidates, while continuing to protect the public interest and ensuring VA CPAs maintain mobility and reciprocal practice privileges.
M	Measurable	Staff will conduct surveys as requested by the Board, leverage the results of surveys conducted by others (i.e., VSCPA), and perform research regarding the AICPA, NASBA, VSCPA, and other jurisdiction viewpoints given the importance of substantial equivalency and practice mobility. Board will consider the results and assess whether change is necessary and appropriate.
A	Achievable	Yes
R	Relevant	Very relevant
T	Time-based	Perform research and present information as well as the recommended plan to the Board by December, 2023 meeting. Present the results of all surveys deemed necessary by the Board at the May 2024 meeting. <i>NOTE: This is currently an ongoing area of consideration within the profession and may require more than one year to complete.</i>

Status Update	
Status Date	8/29/2023 - goal approved by board 10/24/2023 - Fergus has begun collecting materials for research 12/01/2023 - Fergus will discuss research at board meeting 1/17/2024 - SPP to be discussed at meeting. Fergus will provide an update on his research. 2/21/2024 - Fergus will discuss research at board meeting 4/12/2024 - Fergus will present his findings to the Board.
Forecasted to complete on time (Yes/No)? If No, please provide explanation.	
Unresolved Significant Risks/Contingencies	none
Resources Needed	none
Board Decisions Needed	
Significant Actions Completed	none
Significant Actions Not Completed	none

GOAL: Inactive Status Policy

Board members: David Cotton, Angela Rudoph-Wiseman

S	Specific	Re-assess VBOA's policies regarding inactive status to determine if they need to be clarified, strengthened or revised, with particular focus on whether use of "CPA" by inactive CPAs needs to delineate between active and inactive status by use of a modifier such as "inactive," "retired," or "emeritus."
M	Measurable	Survey how other states treat the inactive CPA status. Seek input from various stakeholders such as active and inactive CPAs, VSCPA, and CPA firms. Draft revised guidelines for Board review. Finalize the revised guidelines based on the Board's conclusions.
A	Achievable	Yes
R	Relevant	This project is relevant for two reasons: (1) There appears to be some confusion regarding the status and eligibility for the status. (2) Currently, the public does not know whether someone using the CPA credential has maintained their required CPE.
T	Time-based	Complete survey of other states by April, 2024 Compile input from stakeholders by April, 2024 Draft revised guidelines by March 31, 2024. Finalize the Draft revised guidelines by June 30, 2024

Status Update

Status Date	8/29/2023-board approved goal 10/24/2023 - propose revised dates based on deliverables of other SMART goals 12/01/2023 - No new actions 1/17/2024 - No new actions 2/21/2024 - No new actions 4/12/2024 - Deferred to 2025. Potentially to be included in policy updates.
Forecasted to complete on time (Yes/No)? If No, please provide explanation.	
Unresolved Significant Risks/Contingencies	none
Resources Needed	none
Board Decisions Needed	
Significant Actions Completed	none
Significant Actions Not Completed	none

GOAL: Review VBOA Policies

Board members: Dale Mullen, Angela Rudolph-Wiseman

S	Specific	Review all VBOA policies and update as needed based on changes to the profession, board practices and clarity of language. Evaluate if these are policies or guidance documents and if they are required or address the issue at hand
M	Measurable	
A	Achievable	
R	Relevant	
T	Time-based	Review all VBOA policies and guidance documents by June, 2024

Status Update

Status Date	8/29/2023 - board approved goal 12/01/2023 - No new actions 1/17/2024 - No new actions 2/21/2024 - No new actions 4/12/2024 - Based on board discussion this goal will be deferred to FY2025. The Code changes should be effective July 1, 2025 and at that time the policies will be updated.
Forecasted to complete on time (Yes/No)? If No, please provide explanation.	
Unresolved Significant Risks/Contingencies	none
Resources Needed	none
Board Decisions Needed	
Significant Actions Completed	none
Significant Actions Not Completed	none



2024-25 STRATEGIC PLAN

*Plus, Strategic Plan Implementation Recommendations,
and May 15, 2024, Board Strategy Session Notes*

VBOA Mission Statement:

The **VBOA's mission** is to protect the citizens of the Commonwealth through a regulatory program of licensure and compliance of CPAs and CPA firms.

Section 1

Strategic Plan Framework for the Virginia Board of Accountancy

Strategic Outcome 1

Protect the public trust by ensuring high-quality compliance with our licensing requirements.

- Strategy #1: Strengthen our internal systems to improve our ability to track and assess overall compliance.
 - Tactic: Continue with the implementation of our new system and identify ways we can leverage the new system tools to enhance our efficiency and effectiveness in regulatory compliance.
 - Tactic: Review and update revenue and fee structures to ensure they can support the future operations of the agency and align with current industry standards and public expectations.

Tactic: Review and update regulations to ensure they support recent code changes, are adequately designed to protect the public trust and

- Tactic: Complete our review of and revisions to existing policies to ensure they protect the public trust and support the strategic goals.
- Strategy #2: Continue to enhance our internal processes and approach to ensuring compliance.
 - Tactic: Review key areas of regulatory compliance to set priorities and goals.
 - Tactic: Develop plans to ensure continuing professional education compliance; identify and mitigate unlicensed activities; and address the issue of inactive use among licensees.
- Strategy #3: Develop strategies to educate and communicate continuing education and key licensing requirements to CPAs and CPA firms to promote compliance.
 - Tactic: Develop a communication plan to promote best practices and due professional care, and proactively educate licensees about the value and importance of compliance.
 - Identify and product accurate .and useful reference tools for the public and the practitioner.
 - Tactic: Establish a peer monitoring system for licensees.

2024-25 STRATEGIC PLAN

Implementation Recommendations and Board Strategy Notes

Strategic Outcome 2

Increase accessibility to and amplify awareness of the accounting profession and attract more individuals to the profession by being a proactive voice in the profession.

- Strategy: Improve awareness of and access to the profession by addressing educational and professional barriers.
 - Tactic: Develop a plan to connect and communicate at key times of the year with higher ed accounting/finance programs and professors about the Uniform CPA Examination, and other licensing activities important to students.
 - Tactic: Continue hosting board meetings on campus to increase the visibility of VBOA, and to actively engage students and faculty.
 - Tactic: Make a decision as a board regarding substantial equivalency in Virginia as it relates different pathways to licensure including the 120 versus the 150-hour rule for CPA candidates.
- Strategy: Strengthen our social media presence to increase awareness of the accounting profession, and the VBOA's critical role in the profession.
 - Tactic: Develop a proactive social media strategy and calendar that raises awareness of the profession, the work of VBOA, and that emphasizes key aspects of licensing requirements.
 - Tactic: Actively follow higher ed accounting/finance programs and professors, CPA firms, and policy makers on our social media channels.
- Strategy: Ensure that that Virginia Board of Accountancy remains a proactive voice in the profession – in Virginia and nationally.
 - Tactic: Ensure that key staff and board members are aware of and consider opportunities to be actively engaged with the National Association of State Boards of Accountancy and its committees.
 - Tactic: Appropriately engage with the Governor's Office and the General Assembly to ensure Virginia has the information and guidance needed to proactively consider legislative and policy changes that advance the accounting profession and protect the public.

2024-25 STRATEGIC PLAN
Implementation Recommendations and Board Strategy Notes

APPENDIX 1: BOARD/SENIOR STAFF STRATEGY IMPLEMENTATION

Below is a proposed process to help the board and senior staff of VBOA stay aligned around roles and responsibilities relative to the plan, and to ensure there is consistent and effective communication throughout the year.

We recommend that the VBOA consider the following framing around roles and responsibilities relative to the plan:

- The staff is responsible and accountable for achieving the strategies. The staff is responsible and accountable for developing and implementing activities that support the tactics in the plan.
- The VBOA board is responsible for ensuring the planning activities stay on track by focusing primarily on progress toward the strategic outcomes and the success of the individual strategies.

The following process should be considered to keep the staff and board aligned, and to ensure the plan is successful.

Progress Updates at Regular Board Meetings

1. Before Each Meeting: Preparation
 - Staff: Prepare a progress report highlighting key achievements, metrics, and any challenges faced in the implementation of tactics. This report should be concise and focused on the strategic outcomes and related strategies.
 - Board: Review the previous meeting's minutes and the progress report provided by the staff to familiarize themselves with the current status of the strategic plan.
2. During Each Meeting: Progress Update
 - Staff: Present the progress report, emphasizing the status of each tactic, achievements, and challenges. Where appropriate, use visuals like charts and graphs to illustrate key metrics.
 - Board: Ask questions to clarify any points and to ensure a thorough understanding of the progress and any obstacles.
3. During Each Meeting: Discussion and Feedback:
 - Board and Staff: Engage in a discussion about the progress, focusing on:
 - The effectiveness of the strategies in achieving the strategic outcomes.
 - Any adjustments needed to tactics based on current progress and challenges.
 - New opportunities or threats that may have emerged.
4. After Each Meeting: Next Steps and Action Items
 - Staff: Note the action items and decisions made during the meeting and develop a detailed plan for implementation. Assign responsibilities and set deadlines for each action item.
 - Staff: Communicate the decisions and next steps to the relevant team members, ensuring everyone is clear on their roles and responsibilities.
 - Staff: Update the strategic plan document to reflect any changes or new decisions made during the meeting. Ensure that this document is accessible to all board and staff members.

2024-25 STRATEGIC PLAN

Implementation Recommendations and Board Strategy Notes

Mid-Year Strategic Plan Check-in

1. Comprehensive Progress Review
 - Staff and Board: Conduct a more comprehensive review of the strategic plan progress, comparing the current state with the desired strategic outcomes. Discuss:
 - Overall progress toward strategic outcomes.
 - Successes and areas needing improvement.
 - Any significant deviations from the plan and their implications.
 - Board: Make strategic adjustments based on the comprehensive review to ensure the plan remains aligned with the organization's goals and the external environment.

End-of-Year Review Meeting

1. Annual Strategic Assessment
 - Staff and Board: Assess the overall performance for the year, reviewing the success of strategies and the achievement of strategic outcomes. Evaluate:
 - The effectiveness of the strategies and tactics.
 - Any metrics achieved versus the targets set.
 - Lessons learned and areas for improvement.

New Year Strategy Retreat Meeting

1. Strategic Plan Update:
 - Board and Staff: Update the new strategic plan based on the annual review. Set new goals, strategies, and tactics for the upcoming year, ensuring continuous improvement and alignment with the organization's mission and vision.

By following this step-by-step process, the Virginia Board of Accountancy's staff and board can ensure effective communication and regular progress checks, facilitating the successful implementation of their strategic plan.

APPENDIX 2: MAY MEETING FLIP CHART NOTES & FLIP CHART IMAGES

Flip Chart 1: Agenda

1. KEY THEMES Discussion
2. Review & Refine NEW GOALS
3. Process Improvements
4. NEXT STEPS

Flip Chart 2: Today's Objectives

1. Discuss, Refine & Finalize Goals
2. Review Current & Desired Future State
 - a. Goal Setting
 - b. Implementation
 - c. Updates

2024-25 STRATEGIC PLAN

Implementation Recommendations and Board Strategy Notes

Flip Chart 3: Desired Outcomes/Expectations

- Determine/Refine Goals
- Comfortable with Goals
- Sense of Unity & Excitement at Shared Goal
- Enhanced Communication
- Tracking & Monitoring
- Best Practices on Conflict Resolution
- Risk Prioritization/Evaluate & Adjust

Flip Chart 4: Goals FY24-25

- System Implementation
- Regulations & Fees
- Policy Review/Revisions
- Peer Monitoring System
- CPE Compliance
- Unlicensed Activity
- Due Professional Care
- CPA Pipeline and 120/150 hours
- Revenue & Fee Structure
- Inactive Use

Flip Chart 5: Risk/Opportunity

Can increasing/large number of licensees maintain their level of CPE?

- Better/Broader Audit
- Tracking
- Technology
- Reminders
- Penalties
- Robust Auditing & Enforcement

What would a proactive path to compliance look like?

- Florida

Can We Define the Risk Better

- Out of Compliance vs Really Out of Compliance
- (Who) will do (what) so that we can ask questions, understand choices, and make a recommendation.

Flip Chart 6: Strategic Outcomes

Outcome: Protect the public trust by ensuring/regulating the quality of compliance with our licensing requirements.

- Public Trust
- Quality
- Awareness
- Start → Educate/Promote → Enforce

2024-25 STRATEGIC PLAN

Implementation Recommendations and Board Strategy Notes

Strategic Outcome: Increase/amplify public awareness and accessibility of the accounting profession and attract more people to the profession.

- Being a voice in the change
- Strategies:
 - Awareness
 - Social Media
 - College/University
 - Board Activities
 - Access
 - 120/150 hours