VIRGINIA BOARD OF ACCOUNTANCY

Thursday, September 17, 2026
Board Meeting Agenda
10:00 a.m.
Board Room #4
2nd Floor Conference Center
9960 Mayland Drive, Henrico, VA 23233
Virtual link: https://teams.microsoft.com
*For public comment and enforcement agenda only

10:00 a.m. Call to order – **Nadia Rogers, CPA, Chair**
Security briefing – **Nicole Reynolds, Licensing and Operations Support**
Introduction to new board member, June Jennings, CPA
Determination of quorum
Approval of September 17, 2026, agenda (decision)
Approval of June 17, 2026, board meeting minutes (decision)

10:05 a.m. Public comment period (general)*

10:10 a.m. Conflict of Interests Act training – **Matt Hawkins, Attorney, Virginia Conflict of Interest and Ethics Advisory Council**

10:25 a.m. Board photo (group photo in lobby)

10:35 a.m. Enforcement agenda – **Matthew Ross, Enforcement Director**
(Public comments will be heard on cases as they are introduced for discussion)*

Consent agenda:
- 2024-0455 - David Mortimer CPA PC (Bradshaw)
- 2026-0007 - Lori Jean Perez (Williamson)
- 2025-0400 - Michael Callahan & Intentional Accounting Inc. (Davis)

Recommendations after informal fact-finding hearing:
- 2024-0504 - Michael Zolfaghari (Davis)
- 2025-0226 - Omari Nkruma Vessup (Bradshaw & Davis)
- 2025-0231 - ADBC, Inc. (Bradshaw & Davis)
- 2025-0161 - Renate Ann Thompson & Thompson Hughes & Trollinger, PLLC (Lewis & Mullen)
- 2025-0302 - George Oluwaboro & Brickstone & Associates, LLC (Lewis)
- 2025-0313 - KMA #9 of VA dba Rue Ward & Co. (Lewis)
- 2025-0314 - David B. Owens (Lewis)
- 2026-0028 - Richard E. Howett (Bradshaw)
- 2025-0468 - Purshottam M Vachhani (Bradshaw & Rudolph-Wiseman)

Eligibility:
- 2026-0164 - Jason Sayre (Moyers, Saunders, Rudolph-Wiseman)
- 2026-0252 – Walter R. Wilkerson (Moyers)
- 2026-0253 – Nancy L. Brown (Moyers)

11:10 a.m. NASBA and AICPA committee updates – **Nadia Rogers, CPA, Chair**

VIRGINIA BOARD OF ACCOUNTANCY

11:15 a.m. Peer Review Oversight Committee new member (decision) – **Angela Rudolph-Wiseman, CPA**

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

- General update report
- Deficit Provision Acknowledgment form
- Financial and Board Report update – **Renai Reinholtz, Deputy Director**
- Amended FY 2027 Operating Budget (decision) – **Renai Reinholtz, Deputy Director**
- Enforcement update – **Matthew Ross, Enforcement Director**
- Communications update – **Kelli Yoder, Communications Coordinator**
- Regulatory update – **Alessandra Gabriel, Information and Policy Advisor**

11:45 a.m. Closed session – **Nadia Rogers, CPA, Chair**

- Contract and legal matters – §2.2-3711(A)(6),(8)

12:30 p.m. Adjourn for lunch

1:00 p.m. Board discussion topics – **Nadia Rogers, CPA, Chair**

- Guidance on reference to previous licensure for former licensees (decision)
- Finalize FY2027 strategic initiatives
- NASBA Bylaws (decision)
- Legislative changes (Champions: Dale and Wendy)
- CPE changes (Champion: Nadia)
- Letters from a complainant (discussion)

2:55 p.m. Additional items for discussion – **Nadia Rogers, CPA, Chair**

- Sign Conflict of Interest forms and travel expense vouchers
- Future meeting dates:
  - 3rd Thursday of each month starting September 2026
    - November 13 – University of Richmond
    - January 13
    - March 24
    - April or May campus meeting
    - June 16

3:00 p.m. Adjournment

***Public comment is limited to five minutes per person.**

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: June 17, 2026
Draft/Unapproved minutes

The Virginia Board of Accountancy met on June 17, 2026, in Board Room #1 of the Perimeter Center, 9960 Mayland Drive, Henrico, Virginia 23233.

Members present:

- Nadia A. Rogers, CPA, Chair
- Dale G. Mullen, Vice Chair
- Anne B. Hagen, CPA
- Angela Rudolph-Wiseman, CPA
- Christine B. Williamson, CPA

Members present for a portion of the meeting:

- Guy A. Davis, CPA

Members absent:

- Wendy P. Lewis, 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
- Alessandra Gabriel, Information and Policy Advisor
- Jeff Good, IT Specialist
- Sasha Marshall, Enforcement Specialist
- Kelsie McLellan, Enforcement Specialist
- Veronica Paulson, Administrative Assistant
- Kelli Yoder, Communications Coordinator

Staff attending virtually:

- Patti Hambright, CPE Administrator

Members of the public present:

- Emily Walker, CAE, Vice President, Advocacy & Pipeline, VSCPA
- David Mortimer, CPA
- Andrea Lester
- Scott Davis, VSCPA

- Matthew Sarelson
- Doug Wright, CPA
- Stephanie Peters, CEO, VSCPA
- Angela Coppola

Members of the public attending virtually:

- Michael Thornton
- Peter H.
- Donald Hall

CALL TO ORDER

Ms. Rogers called the meeting to order at 10:08 a.m.

SECURITY BRIEFING

Ms. Paulson provided the emergency evacuation procedures.

DETERMINATION OF QUORUM

Ms. Rogers determined there was a quorum present.

APPROVAL OF AGENDA

- Upon a motion by Ms. Hagen, and seconded by Ms. Rudolph-Wiseman, the members voted unanimously to approve the June 17, 2026, agenda as revised. The members voting "AYE" were Ms. Hagen, Mr. Mullen, Ms. Rogers, Ms. Rudolph-Wiseman, and Ms. Williamson.

APPROVAL OF MINUTES

- Upon a motion by Ms. Hagen, and seconded by Ms. Williamson, the members voted unanimously to approve the April 22, 2026, Board meeting minutes, as presented. The members voting "AYE" were Ms. Hagen, Mr. Mullen, Ms. Rogers, Ms. Rudolph-Wiseman, and Ms. Williamson.

PUBLIC COMMENT PERIOD

Mr. Davis addressed the Board members on behalf of the Virginia Society of Certified Public Accountants (VSCPA) and the Principal Place of Business (PPB) Taskforce. Mr. Davis requested the Board remove the PPB changes from the regulatory package to allow for conversation.

Ms. Walker informed the Board of additional feedback from the VSCPA regarding the firm reporting requirement in the draft regulations. She also updated the Board about the most recent AICPA NASBA joint taskforce meeting. They have hired a research firm to conduct focus groups and surveys and will have a final report by the end of 2026. Ms. Walker also noted to the Board that the VSCPA submitted a comment letter on the Inactive policy and its limitations on volunteerism for Inactive CPAs.

Ms. Peters updated the Board that the AICPA passed a proposal to have accounting and auditing technical ethics cases go through peer review process. Ms. Peters stated that the proposal has improved transparency and the Board will receive access to the outcomes. Ms. Peters also informed the Board that the VSCPA Board of Directors met and set priorities for the next few years, which included addressing pipeline concerns and attracting people to the profession. She also noted that the new in-person program, Ignite, met and that Ms. Hagen and Ms. Williamson were in attendance. Ms. Peters invited the Board to the next Ignite event, May 13-14, 2027.

Mr. Wright addressed the Board regarding the Inactive and Emeritus policy requiring the use of a qualifier.

ENFORCEMENT PUBLIC COMMENT PERIOD

Ms. Lester addressed the Board regarding Case # 2025-0250.

Mr. Mortimer addressed the Board regarding Case # 2025-0522.

Mr. Thornton addressed the Board regarding Case # 2025-0429.

Mr. Sarelson addressed the Board regarding Case # 2025-0429.

ENFORCEMENT AGENDA

The following actions were taken during open session:

Case # 2025-0030

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

CALL FOR VOTE:
Nadia A. Rogers, CPA – Aye
Dale G. Mullen – Aye
Anne B. Hagen, CPA – Aye
Angela Rudolph-Wiseman, CPA – Aye
Christine B. Williamson, CPA – Aye

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

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Case # 2025-0022

Ms. Rudolph-Wiseman left the room the Board room and was not present for the discussion or vote on this matter.

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

A motion was made by Mr. Mullen and duly seconded by Ms. Williamson, to adopt the presiding officer's recommendation in its entirety and incorporate it as part of the Board's final order. After discussion, the Board found by substantial evidence that Respondent violated Code of Virginia § 54.1-4413.3(1)–(5). The Board imposed the recommended penalties of a reprimand and a total of $10,000 in monetary penalties.

CALL FOR VOTE:
Nadia A. Rogers, CPA – Aye
Dale G. Mullen – Aye
Anne B. Hagen, CPA – Aye
Angela Rudolph-Wiseman, CPA – Abstain
Christine B. Williamson, CPA – Aye

VOTE:
Ayes: Four (4)
Abstain: One (1)
Nays: None (0)

Case # 2025-0289

Ms. Rudolph-Wiseman remained outside of the room the Board room and was not present for the discussion or vote on this matter.

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

A motion was made by Mr. Mullen and duly seconded by Ms. Hagen, to adopt the presiding officer's recommendation in its entirety and incorporate it as part of the Board's final order. After discussion, the Board found by substantial evidence that Respondent violated Code of Virginia § 54.1-4413.3(1)–(5) and Board regulation 18VAC5-22-90. The Board imposed the recommended penalties of a reprimand and a $5,000 monetary penalty for Respondent's code violations, and for the violation of the CPE regulation, a total of $670 in monetary penalties, 42 penalty hours of CPE within 90 days, and a future CPE audit for the period of 2026-2028.

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CALL FOR VOTE:
Nadia A. Rogers, CPA – Aye
Dale G. Mullen – Aye
Anne B. Hagen, CPA – Aye
Angela Rudolph-Wiseman, CPA – Abstain
Christine B. Williamson, CPA – Aye

VOTE:
Ayes: Four (4)
Abstain: One (1)
Nays: None (0)

Case # 2025-0433

Ms. Rudolph-Wiseman remained outside of the room the Board room and was not present for the discussion or vote on this matter.

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

A motion was made by Mr. Mullen and duly seconded by Ms. Hagen, to adopt the presiding officer's recommendation in its entirety and incorporate it as part of the Board's final order. After discussion, the Board found by substantial evidence that Respondent violated Code of Virginia § 54.1-4413.3(1)–(5). The Board imposed the recommended penalties of a reprimand and a total of $7,500 in monetary penalties.

CALL FOR VOTE:
Nadia A. Rogers, CPA – Aye
Dale G. Mullen – Aye
Anne B. Hagen, CPA – Aye
Angela Rudolph-Wiseman, CPA – Abstain
Christine B. Williamson, CPA – Aye

VOTE:
Ayes: Four (4)
Abstain: One (1)
Nays: None (0)

Ms. Rudolph-Wiseman returned to the Board room.

Case # 2025-0250

Mr. Mullen left the room the Board room and was not present for the discussion or vote on this matter.

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

A motion was made by Ms. Hagen and duly seconded by Ms. Rudolph-Wiseman, to adopt the presiding officer's recommendation in its entirety and incorporate it as part of the Board's final order. After discussion, the Board found by substantial evidence that Respondent violated Code of Virginia § 54.1-4413.3(1)–(4), (7) and Board regulation 18VAC5-22-90. The Board imposed the recommended penalties of a reprimand and a total of $10,000 in monetary penalties.

CALL FOR VOTE:
Nadia A. Rogers, CPA – Aye
Dale G. Mullen – Abstain
Anne B. Hagen, CPA – Aye
Angela Rudolph-Wiseman, CPA – Aye
Christine B. Williamson, CPA – Aye

VOTE:
Ayes: Four (4)
Abstain: One (1)
Nays: None (0)

Case # 2025-0429

Mr. Mullen remained outside of the room the Board room and was not present for the discussion or vote on this matter.

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

A motion was made by Ms. Hagen and duly seconded by Ms. Rudolph-Wiseman, to adopt the presiding officer's recommendation as written and close the matter with the issuance of an advisory letter. After discussion, the Board found by substantial evidence that there was not a violation of the Code of Virginia or its regulations and issued the advisory letter as recommended.

CALL FOR VOTE:
Nadia A. Rogers, CPA – Aye
Dale G. Mullen – Abstain
Anne B. Hagen, CPA – Aye
Angela Rudolph-Wiseman, CPA – Aye
Christine B. Williamson, CPA – Aye

VOTE:
Ayes: Four (4)
Abstain: One (1)
Nays: None (0)

Mr. Mullen returned to the Board room.

Case # 2025-0399

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

A motion was made by Ms. Rudolph-Wiseman and duly seconded by Mr. Mullen, to adopt the presiding officer's recommendation in its entirety and incorporate it as part of the Board's final order. After discussion, the Board found by substantial evidence that Respondent violated Board regulations 18VAC5-22-170(B)(2), 18VAC5-22-170(C), 18VAC5-22-90 and 18VAC5-22-91. The Board imposed the recommended penalties of a reprimand and a total of $5,000 in monetary penalties.

CALL FOR VOTE:
Nadia A. Rogers, CPA – Aye
Dale G. Mullen – Aye
Anne B. Hagen, CPA – Aye
Angela Rudolph-Wiseman, CPA – Aye
Christine B. Williamson, CPA – Aye

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

Case # 2025-0499

Ms. Glynn left the Board room and was not present for the discussion or 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. Hagen and duly seconded by Mr. Mullen to adopt the presiding officer's recommendation in its entirety and incorporate it as part of the Board's final order. After discussion, the Board found by substantial evidence that Respondent violated Board regulations 18VAC5-22-90, 18VAC5-22-91(E) and Code of Virginia § 54.1-4413.3(7). The Board imposed the recommended penalties of a reprimand, a total of $1,700 in monetary penalties, 120 penalty hours of CPE within 90 days, and a future CPE audit for the period of 2026-2028.

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Nadia A. Rogers, CPA – Aye
Dale G. Mullen – Aye
Anne B. Hagen, CPA – Aye
Angela Rudolph-Wiseman, CPA – Aye
Christine B. Williamson, CPA – Aye

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

Ms. Glynn returned to the Board Room.

Case # 2026-0101

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

A motion was made by Ms. Hagen and duly seconded by Ms. Rudolph-Wiseman to adopt the presiding officer's recommendation in its entirety and incorporate it as part of the Board's final order. After discussion, the Board voted to approve the motion and granted Respondent's application for a Virginia CPA license.

CALL FOR VOTE:
Nadia A. Rogers, CPA – Aye
Dale G. Mullen – Aye
Anne B. Hagen, CPA – Aye
Angela Rudolph-Wiseman, CPA – Aye
Christine B. Williamson, CPA – Aye

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

Case # 2024-0419

Ms. Hagen left the room the Board room and was not present for the discussion or vote on this matter.

Upon a motion by Ms. Williamson and duly seconded by Mr. Mullen, the Board voted to issue an order finding Respondent CPE compliant for the three-year period of 2021, 2022 and 2023.

CALL FOR VOTE:

Nadia A. Rogers, CPA – Aye
Dale G. Mullen – Aye
Anne B. Hagen, CPA – Abstain
Angela Rudolph-Wiseman, CPA – Aye
Christine B. Williamson, CPA – Aye

VOTE:
Ayes: Four (4)
Abstain: One (1)
Nays: None (0)

Ms. Hagen returned to the Board room.

Case #2025-0282

Mr. Mullen left the room the Board room and was not present for the discussion or vote on this matter.

Upon a motion by Ms. Hagen and duly seconded by Ms. Williamson, the Board voted to execute an amended order to clarify the penalties imposed by the original order issued in this matter on April 22, 2026.

CALL FOR VOTE:
Nadia A. Rogers, CPA – Aye
Dale G. Mullen – Abstain
Anne B. Hagen, CPA – Aye
Angela Rudolph-Wiseman, CPA – Aye
Christine B. Williamson, CPA – Aye

VOTE:
Ayes: Four (4)
Abstain: One (1)
Nays: None (0)

Mr. Mullen returned to the Board room.

Enforcement Training

Mr. Ross provided the Board with several important reminders regarding the Board members' participation in enforcement cases.

NASBA COMMITTEE UPDATES

NASBA Enforcement Resources Committee

Ms. Rudolph-Wiseman reported to the Board that the Enforcement Committee met in Denver, Colorado, several weeks ago and will be traveling to Washington, D.C., to visit federal agencies, noting they will be pursuing a webinar with the IRS. She said the committee is also looking into A.I. and, while no Board has received a complaint on A.I. to date, the committee believes it will be coming.

AICPA Board of Examiners

Ms. Rogers informed the Board that the AICPA Board of Examiners (BOE) met on April 22 and, while she was unable to attend, the topics discussed were best practices, things the BOE are doing well, suggestions, and turnover of the BOE Chair. Ms. Rogers noted that the BOE members ending their term, which included Ms. Rogers, reflected on the year and what could be done going forward.

AICPA State Board Committee

Ms. Rogers reported to the Board that her term with the AICPA State Board Committee is ending. During their last meeting, hot topics were CPE, Alternative Practice Structures (APS), and alternative pathways to licensure.

NASBA Education Committee

Ms. Rogers updated the Board that there has not been a NASBA Education Committee meeting since the last Board meeting.

Ms. Hagen informed the Board that she has submitted applications for several committees.

EXECUTIVE DIRECTOR'S REPORT

General Updates

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

- Ms. Glynn noted there were 652 core section and 249 discipline section scores released since the April Board meeting
- Ms. Glynn stated that renewals are tracking about the same as last year. She noted an email reminder was being sent that day and a phone reminder would be sent the following week.
- Ms. Glynn informed the Board that a letter was sent to the Inactive licensees explaining the use of the qualifier and the new Emeritus status. Early applications for Emeritus are going through pre-approval, but the status change will not be reflected until July 1.
- Ms. Glynn updated the Board that they are working with VITA to find a pathway for a new licensing system.
- Ms. Glynn noted that Mr. Mullen attended the NASBA Eastern Regional Conference and she attended virtually.
- Ms. Glynn updated the Board that the BOE had a webinar discussing the CPA Exam. The AICPA is comfortable with the scores for BAR and FAR but will continue to monitor it.
- Ms. Glynn noted that the AICPA PEEC had a meeting and discussed the exposure draft responses. The AICPA has not made any adjustments on PEEC yet.

- Ms. Glynn stated that the U.S. Department of Education released a final rule defining "professional student" for federal student loans. Accounting students are categorized as traditional graduate students and are eligible for a lower loan limit than before.

May 2026 Financial and Board Report

Ms. Reinholtz presented and fielded questions regarding the May 2026 Financial Report and the May 2026 Board Report.

Ms. Reinholtz presented the FY 2027 Proposed Operating Budget and fielded questions from the Board.

Upon a motion by Ms. Williamson, and duly seconded by Ms. Rudolph-Wiseman, the Board voted to approve the FY 2027 Proposed Operating Budget provided there are no changes to the Commonwealth's introduced budget bill upon passage.

CALL FOR VOTE:
Nadia A. Rogers, CPA – Aye
Dale G. Mullen – Aye
Anne B. Hagen, CPA – Aye
Angela Rudolph-Wiseman, CPA – Aye
Christine B. Williamson, CPA – Aye

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

Enforcement Update

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

Begin Closed Session

Upon a motion by Mr. Mullen, and duly seconded by Ms. Hagen the members approved by unanimous vote the meeting be recessed and the Virginia Board of Accountancy convene a closed meeting under the Virginia Freedom of Information Act for a matter lawfully exempted from open meeting requirements under the 'Legal advice regarding specific legal matters' and the 'discussion or consideration of the investment of public funds' exemptions contained in Virginia Code § 2.2-3711(A)(8) and § 2.2-3711(A)(6).

The following non-members will be in attendance for a portion of the closed meeting to reasonably aid in the consideration of this topic: Nancy Glynn, James Flaherty

End closed meeting

Upon a motion by Mr. Mullen, and duly seconded by Ms. Rudolph-Wiseman, the Virginia Board of Accountancy convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions 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 laws 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:
Nadia A. Rogers, CPA – Aye
Dale G. Mullen – Aye
Anne B. Hagen, CPA – Aye
Angela Rudolph-Wiseman, CPA – Aye
Christine B. Williamson, CPA – Aye

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

RECESS FOR LUNCH 12:30 p.m.

RECONVENE 1:05 p.m.

BOARD DISCUSSION TOPICS

FY27 Strategic Priorities and Objectives

Ms. Glynn provided a draft of the 2026-2027 Strategic Plan and listed several items for discussion brought up by Board members. The Board discussed the licensing and enforcement system, CPE, fee increases, Alternative Practice Structure (APS) and Peer Review concerns regarding firms, and Code of Virginia proposed changes. The Board engaged in discussion and elected champions for each strategic priority and objective. The Board added several items to the 2026-2027 Strategic Plan.

Mr. Davis joined the Board room and was present for the remainder of the meeting

Upon a motion by Ms. Hagen and duly seconded by Ms. Rudolph-Wiseman, the Board voted to approve the fee changes along with an amended fee for firm license.

CALL FOR VOTE:
Nadia A. Rogers, CPA – Aye
Dale G. Mullen – not present
Guy Davis - Aye
Anne B. Hagen, CPA – Aye
Angela Rudolph-Wiseman, CPA – Aye

Christine B. Williamson, CPA – Aye

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

Inactive and Emeritus Status

The Board reviewed and discussed several items for consideration and clarification of the Emeritus status. The Board reviewed and considered the letter from the VSCPA regarding volunteerism limitations along with the policy for Inactive status.

Upon a motion by Ms. Hagen and duly seconded by Mr. Davis, the Board voted to add "minimal volunteer activities will be allowed for Inactive Status" to the Inactive and Emeritus License Status Policy.

CALL FOR VOTE:
Nadia A. Rogers, CPA – Aye
Dale G. Mullen – Aye
Guy Davis – Aye
Anne B. Hagen, CPA – Aye
Angela Rudolph-Wiseman, CPA – Aye
Christine B. Williamson, CPA – Aye

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

Principal Place of Business

Upon a motion by Mr. Mullen and duly seconded by Ms. Rudolph-Wiseman, the Board voted to move the discussion on principal place of business (PPB) to a later date after the Board has had a chance to discuss with the VSCPA and look at the statutory calendar.

CALL FOR VOTE:
Nadia A. Rogers, CPA – Aye
Dale G. Mullen – Aye
Guy Davis – Aye
Anne B. Hagen, CPA – Aye
Angela Rudolph-Wiseman, CPA – Aye
Christine B. Williamson, CPA – Aye

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

The Board reviewed the remaining draft changes to the current regulatory action. The Board engaged in discussion regarding change of firm ownership.

Upon a motion by Ms. Hagen and duly seconded by Ms. Rudolph-Wiseman, the Board voted to remove Principal Place of Business and to make amended changes to regulatory action.

CALL FOR VOTE:
Nadia A. Rogers, CPA – Aye
Dale G. Mullen – Aye
Guy Davis – Aye
Anne B. Hagen, CPA – Aye
Angela Rudolph-Wiseman, CPA – Aye
Christine B. Williamson, CPA – Aye

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

Policy Review: Electronic Participation in VBOA Meetings

The Board reviewed the Board Member Electronic Participation Policy. The Board engaged in discussion.

Upon a motion by Ms. Hagen and duly seconded by Mr. Mullen, the Board voted to approve the policy with revision as noted.

CALL FOR VOTE:
Nadia A. Rogers, CPA – Aye
Dale G. Mullen – Aye
Guy Davis – Aye
Anne B. Hagen, CPA – Aye
Angela Rudolph-Wiseman, CPA – Aye
Christine B. Williamson, CPA – Aye

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

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Guidance on Reference to Previous Licensure for Former Licensees

The Board reviewed and discussed the guidance on reference to previous licensure for former licensees. Ms. Glynn requested that any comments or feedback be sent to her before July 15 so that a revised guidance document can be sent prior to the September Board meeting.

Carry over items/potential future topics:

- Principal place of business

Sign Conflict of Interest forms

Sign Travel Expense vouchers

Future meeting dates

- Sept. 17, 2026
- Oct. or Nov campus meeting
- Jan. 13, 2027
- Mar. 24, 2027
- Apr. or May campus meeting
- June 16, 2027

ADJOURNMENT

There being no further business before the VBOA, Ms. Rogers adjourned the meeting at 3:40 p.m.

APPROVED:

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Nadia A. Rogers, CPA, Chair

COPY TESTE:

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Nancy Glynn, CPA, Executive Director

VIRGINIA

CONFLICT OF INTEREST AND ETHICS ADVISORY COUNCIL

Virginia Board of Accountancy Training

September 17, 2026

I. Council Membership
Council membership as of August 2026:

Speaker of the House Appointees
Delegate M. Keith Hodges
Delegate Vivian E. Watts
The Honorable Westbrook J. Parker

Senate Committee on Rules Appointees
Senator Saddam Azlan Salim
Senator Richard H. Stuart
The Honorable Malfourd W. Trumbo (Chair)

Gubernatorial Appointees
John C. Blair
Denise B. Burch
Adam Kinsman

II. Council Duties
The Council shall perform the following duties:

1. Furnish formal and informal guidance to all persons required to comply with the Acts
2. Conduct training seminars and educational programs and publish educational materials for all persons required to comply with the Acts
3. Serve as liaison between state agencies, boards, commissions, and local government entities for administering the filings of all disclosure forms
4. Redact personal information from any form prior to making the form available to the public
5. Establish and maintain a searchable database of disclosure forms filed with the Council
6. Notify the Secretary of the Commonwealth and the Attorney General concerning late or failure-to-file penalties
7. Receive and review requests for approval of travel submitted by individuals required to file a Statement of Economic Interests

III. Prohibited Conduct and Personal Interests

A. Prohibited Conduct

No state or local government officer or employee shall:

1. Solicit or accept money or other thing of value for services performed within the scope of your official duties except for compensation paid by your agency
2. Offer or accept any money or other thing of value for obtaining employment, appointment, or promotion of any person with any governmental or advisory agency
3. Offer or accept any money or other thing of value for the use of your public position to obtain a contract for any person or business with any governmental or

advisory agency

4. Use confidential information that you have acquired by reason of your public position and that is not available to the public for your or another party's economic benefit
5. Accept any money, loan, gift, favor, service, or business or professional opportunity that reasonably tends to influence you in the performance of your official duties; this does not include political contributions actually used for a political campaign or constituent services and reported as required by campaign finance laws
6. Accept any business or professional opportunity when you know that there is a reasonable likelihood that the opportunity is being given to influence you in the performance of your official duties
7. Accept any honoraria for any appearance, speech, or article in which you provide expertise or opinions related to the performance of your official duties (this only applies to the Governor, Lt. Governor, Attorney General, Governor's Secretaries, and heads of departments of state government)
8. Accept a gift from a person who has interests that may be substantially affected by the performance of your duties under circumstances where the timing and nature of the gift would cause a reasonable person to question your impartiality in the matter affecting the donor
9. Accept gifts from sources on a basis so frequent as to raise an appearance of the use of your public office for private gain
10. Use your public position to retaliate or threaten to retaliate against any person for expressing views on matters of public concern or for exercising any right that is otherwise protected by law, provided, however, that this does not restrict the authority of any public employer to govern conduct of its employees, and to take disciplinary action, in accordance with applicable law, and provided further that this does not limit the authority of a constitutional officer to discipline or discharge an employee with or without cause

B. "Personal interest" is a financial benefit or liability accruing to an officer or employee or to a member of his immediate family.

Personal interests exist due to:

1. Ownership in a business if the ownership interest exceeds three percent of the total equity of the business;
2. Annual income that exceeds, or may reasonably be anticipated to exceed, $5,000 from ownership in real or personal property or a business;
3. Salary, other compensation, fringe benefits, or benefits from the use of property, or any combination thereof, paid or provided by a business or governmental agency that exceeds, or may reasonably be anticipated to exceed, $5,000 annually;
4. Ownership of real or personal property if the interest exceeds $5,000 in value and excluding ownership in a business, income, or salary, other compensation, fringe benefits or benefits from the use of property;

5. Personal liability incurred or assumed on behalf of a business if the liability exceeds three percent of the asset value of the business; or
6. An option for ownership of a business or real or personal property if the ownership interest will consist of subdivision (1) or (4) above.

C. Personal Interest in a Contract

1. You may not have a personal interest in a contract with your agency other than your own contract of employment.
2. You are also prohibited from having a personal interest in certain contracts with other state agencies.
   For contracts with other state agencies, an exception is made for:

      i. contracts awarded using competitive sealed bidding or negotiation following Procurement Act procedures

      ii. contracts awarded after a written finding by the administrative head of the agency that competitive sealed bidding or negotiation is contrary to the best interest of the public.

There are many exceptions to this prohibition. It is recommended that you contact the Council regarding the application of an exception.

D. Personal Interest in a Transaction

A personal interest in a transaction means a personal interest in any matter considered by your agency, when official action is taken or contemplated.

Such a personal interest exists when you or a member of your immediate family has a personal interest in:

1. property or a business, or
2. represents or provides services to any individual or business

and the property, business, or represented or served individual or business

1. is the subject of the transaction or
2. may realize a reasonably foreseeable direct or indirect benefit or detriment as a result of the action on the transaction.

You must publicly disqualify yourself if the transaction applies <u>solely</u> to the entity in which you have a personal interest, or if you have a personal interest in a transaction and do not qualify for participation.

It is recommended that you contact the Council if you have a question about a possible personal interest in a transaction.

IV. Filing Requirements

A. Who must file?

1. Individuals named in § 2.2-3114
2. Individuals named in Executive Order 18 (2026)

B. With what entity do I file?

You are required to file electronically with the Virginia Conflict of Interest and Ethics Advisory Council, using the online filing system provided by the Council.

C. When do I file?

Financial Disclosure Statements are filed annually with the Council, every February 1.

Deadlines are moved to the next business day if they fall on a weekend or state holiday.

V. Other Questions

1. How and under what circumstances is individual information released?

ANSWER: All filings are available to the public via the online searchable database on the Council website for five years.

2. Are filers notified when their disclosure forms are requested and released?

ANSWER: There is no requirement that the filer be notified that the information has been requested.

3. Is personal information released when a disclosure statement is requested?

ANSWER: The Council redacts residential addresses, personal telephone numbers, and email addresses from your form before making them public on the database.

4. What training is required?

ANSWER: State filers are required to complete training at least once every two years. New state filers must complete the training within two months after beginning their employment or assuming office.

Contact Information:

Virginia Conflict of Interest and Ethics Advisory Council
201 North 9th Street
4th Floor
Richmond, VA 23219
Website: ethics.dls.virginia.gov
Email: ethics@dls.virginia.gov

Stewart Petoe
Executive Director
spetoe@dls.virginia.gov
804.698.1845

Rebekah Stefanski
Senior Attorney
rstefanski@dls.virginia.gov
804.698.1846

Matthew Hawkins
Attorney
mhawkins@dls.virginia.gov
804.698.1852

Elizabeth Sundberg
Filing Manager
esundberg@dls.virginia.gov
804.698.1848

Valerie Mizzell
Filing Coordinator
vmizzell@dls.virginia.gov
804.698.1847

Jake Mullican
Filing Associate
jmullican@dls.virginia.gov
804.698.1836

Balachandar US

Senior Manager - Ernst & Young US LLP - Technology Risk

CPA (Virginia) and Chartered Accountant with 15+ years of public accounting experience spanning audit, attestation, SOC reporting, and technology risk. Senior Manager at EY with extensive experience leading assurance engagements, performing audit quality reviews, applying professional standards, communicating audit-quality matters to executive stakeholders, developing assurance professionals, and overseeing complex multi-location teams.

usbalachandar@gmail.com | +1(571) 564 9507 | Chantilly, VA | linkedin.com/in/balachandar-us

PROFESSIONAL EXPERIENCE

Senior Manager
Ernst & Young US LLP - Technology Risk

10/2023 - Present — *McLean, Virginia*

Previous EY experience in Chennai, India | February 2017 to October 2023

Experience

- Lead and oversee complex **SOC 1, SOC 2, IT Audit, IT SOX**, and integrated audit engagements, including planning, risk assessment, execution, reporting, and quality review.
- Review audit workpapers and key deliverables to assess compliance with **professional standards**, firm methodology, audit quality expectations and evidence requirements.
- Provide **oversight** of engagements involving IT General Controls (ITGCs), automated controls, cybersecurity, access management, change management, and third-party risk.
- Lead SOC reporting, readiness assessments, and compliance engagements, including control framework evaluation, gap identification, remediation recommendations, and communication of findings to management and **executive stakeholders**.
- Develop assurance professionals through coaching, technical training, performance feedback, and formal **learning initiatives**, including AI enablement and knowledge-sharing programs.
- Support strategic pursuits, **proposal development** and account growth initiatives across assurance, governance, and compliance services.

Audit Assistant
Deloitte Haskins & Sells

03/2011 - 01/2017 — *Chennai, India*

This experience also includes 3 years of internship with Deloitte as part of Chartered Accountancy Course

Experience

- Performed statutory audits, financial-statement audits, ICFR assessments, tax audits, quarterly reviews and certification engagements for public and private companies.
- Executed audit procedures including process walkthroughs, risk assessment, control testing, substantive testing, analytical procedures, evidence evaluation and workpaper preparation.
- Supported preparation and review of financial statements and audit deliverables, communicated engagement status and issues to managers and partners, and coordinated directly with client personnel.

AREAS OF EXPERTISE

- Audit quality and engagement oversight
- SOC 1 and SOC 2 examinations
- AICPA Trust Services Criteria
- Risk assessment and control evaluation
- IT SOX and ICFR
- IT integration in financial-statement audits
- Professional standards and audit methodology

LICENSES, CERTIFICATIONS AND MEMBERSHIPS

Certified Public Accountant
Commonwealth of Virginia

Chartered Accountant
Institute of Chartered Accountants of India

Member
American Institute of Certified Public Accountants

Member
Virginia Society of Certified Public Accountants

VIRGINIA BOARD OF ACCOUNTANCY

Executive Director's Report – September 17, 2026

Recent accomplishments and initiatives

- Processed 521 core section and 276 discipline scores released since June 2026.
- Renewals closed June 30. There were 852 individual licenses and 49 firm licenses that expired at that time. This is less than the past 2 fiscal years.
- Expired licensees received an email mid-July, and we have received 108 individual and 11 firm reinstatement applications.
- To date we have approved 297 CPAs to hold the Emeritus status.
- We have hired a part-time project manager for the agency who started Sept. 7th.
- PCG missed their initial payment deadline. They have now paid in full and complied with all terms in the termination agreement.
- I went to GWU and met with students during their annual accounting event.

NASBA and AICPA

- The NASBA Annual conference will be held Oct. 25 to 28th in Litchfield Park, AZ. Dale and I will be in attendance. Dale will be the voting representative for the board.
- The NASBA and AICPA CPE taskforce, through the consultants that they engaged with, have sent out a comprehensive CPE survey. All licensed CPAs should have received it this week.
- The AICPA is updating the exam platform in July 2027. There will be a few blackout dates for the exam and the score releases and windows to take the discipline sections will again see significant delays. Candidates have 12 months from the time they pay to sit for an exam to sit for the exam. We have the longest NTS expiration policy. Exam credits now have a lifespan of 30 months. No additional changes are recommended but NASBA has already started talking about credit extensions.
- AICPA PEEC will hold an interim meeting in October to discuss the alternative practice structures re-exposure draft.

Deficit Provision Acknowledgment Form

Section A (for all agencies)

Agency Acknowledgement

I have received, read, and understand your instructions regarding indebtedness of state agencies as they relate to the requirements of § 4-3.01 of the current Appropriation Act.

Agency Name: Board of Accountancy   Agency Code :226

Other agencies in the Act (if any) for which your agency is responsible: ________________

____

____

Agency/Cabinet Head Name: Nancy Glynn

Agency/Cabinet Head Signature Nancy Glynn

(Personal signature is required above and cannot be delegated)

Date 7/9/25

Section B (if applicable to your agency)

Supervisory Board *(see §2.2-2100 of the Code of Virginia for what constitutes a "supervisory board")*

I have provided each member of the supervisory board of this agency with a copy of the notice in this memorandum and I will provide the same material to those appointed to the board in the future.

Nancy Glynn

(Personal Signature of Agency Head)

Date: 7/9/25

E-mail to:

Digitally sign or scan the signed original; Save as a PDF, and Email to budget@dpb.virginia.gov.
NOTE: Provide your agency name and agency number as well as the phrase "Deficit Provision Acknowledgment Form" in the subject line of the email.

Budget vs. Actual Expenditures
As of August 31, 2026

		FY27 Operating Budget	FY27 YTD Expenditures	% Expended	FY26 YTD Expenditures	FY25 YTD Expenditures	FY24 YTD Expenditures
Salaries & Benefits							
1123	Salaries	1,354,086	224,874	16.6%	1,328,273	1,225,387	1,070,561
11XX	Benefits	494,676	79,976	16.2%	472,884	431,387	373,088
	Total Salaries & Benefits	**$ 1,848,762**	**$ 304,849**	**16.5%**	**$ 1,801,157**	**$ 1,656,774**	**$ 1,443,649**
Contractual Services							
1211	Express Services	6,500	790	12.2%	5,700	6,489	6,042
1214	Postal Services	16,000	8,345	52.2%	19,925	17,277	10,423
1215	Printing Services	5,400	2,713	50.2%	7,662	7,577	8,093
1216	Telecommunications - VITA	6,312	797	12.6%	10,455	10,295	10,967
1217	Telecommunications - Nonstate	950	198	20.9%	1,382	1,024	1,272
1219	Inbound Freight	150	-	0.0%	105	38	208
1221	Organization Memberships (primarily NASBA)	8,035	-	0.0%	7,750	7,985	7,880
1222	Publication Subscriptions	1,380	50	3.6%	650	1,332	1,336
1224	Training - Courses, Workshops, Conferences	8,990	-	0.0%	7,524	8,530	6,661
1227	Training-Transportation, Lodging, Meals, Incidentals	12,500	1,458	11.7%	8,618	11,689	11,124
1242	Fiscal Services (Credit Card Merchant Fees)	45,700	9,192	20.1%	43,544	42,266	43,876
1243	Attorney Services	59,500	8,062	13.5%	105,611	34,468	23,121
1244	Mgmt. Services - NASBA/special accommodations	29,500	3,627	12.3%	31,602	25,113	15,852
1246	Public Info/Public Relations (subscriptions)	4,134	-	0.0%	2,634	4,218	4,468
1247	Legal Services (court reporting services)	5,800	1,841	31.7%	6,818	6,050	6,317
1264	Food and Dietary Services	3,500	180	5.2%	3,023	3,801	4,200
1265	Laundry & Linen Services	-	-	---	-	-	20
1266	Manual Labor Services	600	-	0.0%	300	120	300
1268	Skilled Services	1,225	-	0.0%	-	1,225	1,100
1273	Info Mgmt Design and Development Services (PM support)	80,000	-	0.0%	105,000	273,000	42,900
1275	Computer Software Maintenance (MLO and website hosting)	243,854	21,580	8.8%	244,155	243,504	375,323
1278	VITA Information Technology Infrastructure Services (monthly services)	72,684	6,524	9.0%	72,590	70,868	50,520
1279	Computer Software Development Services	700,000	-	0.0%	24,673	240,748	-
1282	Travel - Personal Vehicle	5,500	305	5.5%	4,193	4,784	7,238
1283	Travel - Public Carriers	850	-	0.0%	526	696	199
1284	Travel - State Vehicles	-	-	---	-	-	769
1285	Travel - Subsistence and Lodging	4,900	209	4.3%	1,993	3,423	5,124
1288	Travel, Meal Reimburse - Not IRS Rpt	2,600	76	2.9%	1,346	1,874	2,825
	Total Contractual Services	**$ 1,326,564**	**$ 65,946**	**5.0%**	**$ 717,778**	**$ 1,028,393**	**$ 648,160**

		FY27 Operating Budget	FY27 YTD Expenditures	% Expended	FY26 YTD Expenditures	FY25 YTD Expenditures	FY24 YTD Expenditures
Supplies and Materials							
1312	Office Supplies	1,600	-	0.0%	860	1,115	2,105
1313	Stationery and Forms	550	-	0.0%	537	537	671
1323	Gasoline	150	-	0.0%	43	113	16
1335	Packaging and Shipping Supplies	250	-	0.0%	391	378	369
1342	Medical & Dental Supplies	50	-	0.0%	314	193	-
1362	Food & Dietary Supplies	150	27	18.3%	88	127	158
1363	Food Service Supplies	150	-	0.0%	119	-	72
1364	Laundry & Linen Supplies	50	-	0.0%	-	-	-
1373	Computer Operating Supplies	350	-	0.0%	390	457	220
	Total Supplies & Materials	**$ 3,300**	**$ 27**	**0.8%**	**$ 2,743**	**$ 2,920**	**$ 3,611**
Transfer Payments							
1413	Awards & Recognition	250	-	0.0%	209	80	-
1418	Incentives	1,200	-	0.0%	1,200	657	1,598
	Total Transfer Payments	**$ 1,450**	**$ -**	**0.0%**	**$ 1,409**	**$ 737**	**$ 1,598**
Continuous Charges							
1512	Automobile Liability Insurance	58	148	254.4%	58	-	-
1516	Property Insurance	1,227	736	60.0%	1,227	540	-
1534	Equipment Rentals	8,760	684	7.8%	7,223	7,363	7,958
1539	Building Rentals - Non-State Owned Facilities	112,200	18,700	16.7%	109,996	107,118	104,318
1541	Agency Service Charges (shared services)	79,250	30	0.0%	76,455	64,620	63,158
1551	General Liability Insurance	5,618	789	14.0%	5,618	7,158	-
1554	Surety Bonds	40	-	0.0%	40	-	-
1555	Worker's Compensation	792	1,041	131.4%	792	-	993
	Total Continuous Charges	**$ 207,945**	**$ 22,128**	**10.6%**	**$ 201,408**	**$ 186,798**	**$ 176,427**
Equipment							
2216	Network Components	250	-	0.0%	-	-	-
2217	Other Computer Equipment	550	-	0.0%	-	670	800
2218	Computer Software Purchases	1,500	-	0.0%	226	880	11
2231	Electronic Equipment	2,500	-	0.0%	60	3,904	1,476
2262	Office Furniture	2,400	-	0.0%	-	110	1,813
2263	Office Incidentals	-	-	---	-	16	-
	Total Equipment	**$ 7,200**	**$ -**	**0.0%**	**$ 286**	**$ 5,580**	**$ 4,101**
	Total Expenses	**$ 3,395,221**	**$ 392,950**	**11.6%**	**$ 2,724,781**	**$ 2,881,202**	**$ 2,277,546**
	Chapter 1 2026 Special Session FY 27 Appropriation	**$ 2,869,495**					

Cash Balances

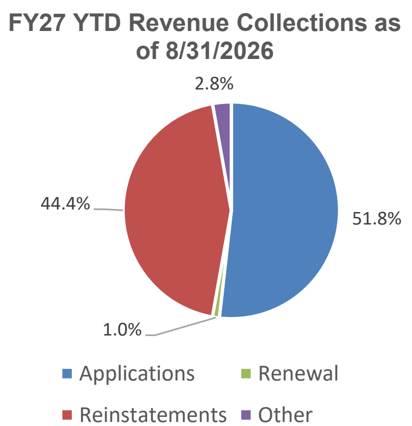
	Operating Fund		Trust Fund	
	FY2027 As of 08/31/2026	FY2026 As of 08/31/2025	FY2027 As of 08/31/2026	FY2026 As of 08/31/2025
Fund Balance July 1	**$ 2,175,404**	**$ 1,921,489**	**$ 3,164,447**	**$ 3,788,271**
Program Revenue	92,880	93,360	-	-
Other Revenue	103,652	-	-	-
Interest earnings	-	-	-	-
Accounts Payable	19,708	46,755	-	-
Cash Transfers In per Board Policy #1	640,834	754,059	-	-
Cash Transfers Out per Board Policy #1	-	-	(640,834)	(754,059)
YTD Expenditures	(392,950)	(501,011)	-	-
Cash Balance	**$ 2,639,529**	**$ 2,314,652**	**$ 2,523,613**	**$ 3,034,212**

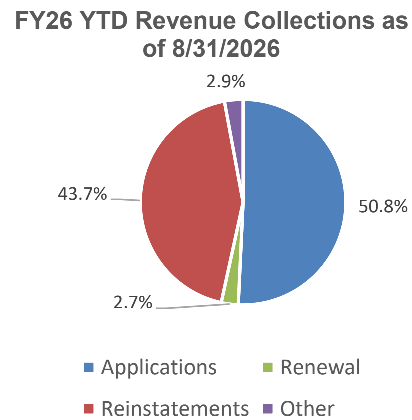
Required Non-general Fund Transfer*	$ (12,590)	$ (10,862)

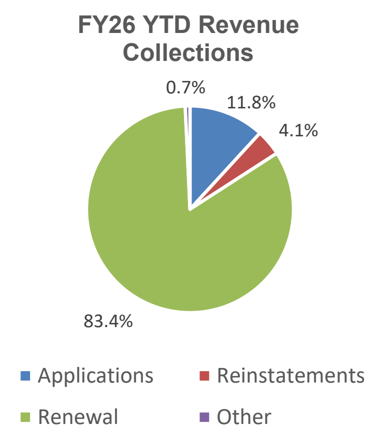
* Non-general fund Transfers required by Virginia Acts of Assembly Part 3-1.01F for expenses incurred by central service agencies due on or before June 30.

Revenue Collections by Fee Type

Fee Type	FY2027 - YTD as of 08/31/2026	FY2026 - YTD as of 08/31/2025	Fiscal Year Ending 06/30/26	Fiscal Year Ending 06/30/25	Fiscal Year Ending 06/30/24
Exam Application Fee	$ 34,920	$ 34,560	$ 179,040	$ 154,200	$ 134,640
Individual License Application Fee	11,250	11,475	67,500	63,975	60,150
Firm License Application Fee	2,100	1,500	9,500	16,600	6,600
Firm Reactivation Fee	-	-	100	300	-
Re-Exam Application	-	-	-	-	18,080
Individual Renewal Fee	960	2,425	1,720,260	1,712,515	1,719,170
Firm Renewal Fee	-	75	88,550	86,225	81,475
Individual Reinstatement Fee	36,400	36,400	81,550	88,200	134,750
Firm Reinstatement Fee	5,000	4,500	6,500	11,000	12,000
Duplicate Wall Certificate Fee	400	350	2,275	1,900	2,050
License Verification Fee	1,875	1,950	11,800	11,925	13,225
CPA Exam Score Transfers	275	125	1,075	1,200	1,125
Administrative Fee	51	-	91	414	146
Bad Check Fee	-	-	50	150	100
Failure to Respond to Board Requests	-	300	700	100	-
Total Revenue by Fee Type	**$ 93,231**	**$ 93,660**	**$ 2,168,991**	**$ 2,148,704**	**$ 2,183,511**
Net Revenue per Cardinal	**$ 92,880**	**$ 93,360**	**$ 2,168,825**	**$ 2,148,764**	**$ 2,183,451**
Difference	**$ 351**	**$ 300**	**$ 166**	**$ (60)**	**$ 60**







Accounts Receivable

	FY2027 YTD as of 08/31/2026	FY2026 YTD as of 08/31/2025	Fiscal Year Ending 6/30/26	Fiscal Year Ending 6/30/25	Fiscal Year Ending 6/30/24
Fines levied	$ 12,208	$ 22,669	$ 354,193	$ 240,492	$ 329,363
Fines collected	$ 18,145	$ 46,371	$ 317,172	$ 213,139	$ 244,828
Fines Discharged	$ -	$ -	$ -	$ -	$ 1,500
Outstanding Current fines receivable (< 365 Days)	$ 87,706	$ 80,451	$ 120,573	$ 115,652	$ 97,824
Outstanding Written-off receivables (=> 365 Days)	$ 1,208,416	$ 1,160,886	$ 1,181,486	$ 1,149,386	$ 1,139,861

FY27 Board Report

	Period ending 8/31/2026	Period ending 8/31/2025	Period ending 6/30/2026	Period ending 6/30/2025
Individuals				
Active, licensed CPAs	27,059	27,046	26,864	26,819
Inactive, licensed CPAs	1,829	2,068	2,058	2,055
Emeritus, licensed CPAs	298	-	-	-
Total Licensed CPAs	**29,186**	**29,114**	**28,922**	**28,874**
Reinstatements	104	104	212	252
New licenses issued	140	164	895	843
Expired/voluntarily surrendered licenses	8	6	1,012	995
Exam Candidates				
Number of first time exam candidates	**293**	**295**	**1,514**	**1,305**
Firms				
Total active, licensed CPA firms	**1,239**	**1,210**	**1,206**	**1,188**
Reinstatements	10	9	13	24
New licenses issued	25	15	80	127
Expired/voluntarily surrendered licenses	-	1	75	62

Virginia Board of Accountancy

FY27 Proposed Operating Budget

		FY27 Proposed Operating Budget	FY26 Operating Budget
Salaries & Benefits			
1123	Salaries	1,354,086	1,325,185
11XX	Benefits	494,676	448,185
	Total Salaries & Benefits	**$ 1,848,762**	**$ 1,773,370**
Contractual Services			
1211	Express Services	6,500	6,500
1214	Postal Services	16,000	10,500
1215	Printing Services	5,400	7,500
1216	Telecommunications - VITA	6,312	10,464
1217	Telecommunications - Nonstate	950	1,200
1219	Inbound Freight	150	150
1221	Organization Memberships (primarily NASBA)	8,035	8,210
1222	Publication Subscriptions	1,380	1,380
1224	Training - Courses, Workshops, Conferences	8,990	8,400
1227	Training-Transportation, Lodging, Meals, Incidentals	12,500	12,100
1242	Fiscal Services (Credit Card Merchant Fees)	45,700	43,500
1243	Attorney Services	59,500	37,500
1244	Mgmt. Services - NASBA special accommodations	29,500	27,200
1246	Public Info/Public Relations (subscriptions)	4,134	4,300
1247	Legal Services (Includes court reporting services)	5,800	5,700
1264	Food and Dietary Services	3,500	4,100
1266	Manual Labor Services	600	250
1268	Skilled Services	1,225	1,225
1273	Info Mgmt Design and Development Services	80,000	126,000
1275	Computer Software Maintenance	243,854	220,134
1278	VITA Infrastructure Services	72,684	70,140
1279	Computer Software Development Services	700,000	440,859
1282	Travel - Personal Vehicle	5,500	5,500
1283	Travel - Public Carriers	850	695
1285	Travel - Subsistence and Lodging	4,900	5,400
1288	Travel, Meal Reimburse - Not IRS Rpt	2,600	2,600
	Total Contractual Services	**$ 1,326,564**	**$ 1,061,507**
Supplies and Materials			
1312	Office Supplies	1,600	1,600
1313	Stationery and Forms	550	550
1323	Gasoline (Enterprise vehicles)	150	150
1335	Packaging and Shipping Supplies	250	950
1342	Medical & Dental Supplies	50	50
1362	Food & Dietary Supplies	150	175
1363	Food Service Supplies	150	150
1364	Laundry & Linen Supplies	50	50
1373	Computer Operating Supplies	350	500
	Total Supplies & Materials	**$ 3,300**	**$ 4,175**
Transfer Payments			
1413	Awards & Recognition	250	250
1418	Incentives	1,200	850
	Total Transfer Payments	**$ 1,450**	**$ 1,100**
Continuous Charges			
1512	Automobile Liability Insurance	58	231
1516	Property Insurance	1,227	540
1534	Equipment Rentals	8,760	7,680
1539	Building Rentals - Non-State Owned Facilities	112,200	109,996
1541	Agency Service Charges	79,250	66,250
1551	General Liability Insurance	5,618	5,715
1554	Surety Bonds	40	40
1555	Worker's Compensation	792	993
	Total Continuous Charges	**$ 207,945**	**$ 191,445**
Equipment			
2216	Network Components	250	250
2217	Other Computer Equipment	550	550
2218	Computer Software Purchases	1,500	1,500
2231	Electronic Equipment	2,500	2,500
2262	Office Furniture	2,400	2,400
	Total Equipment	**$ 7,200**	**$ 7,200**
	Total Expenses	**$ 3,395,221**	**$ 3,038,797**
	HB 30/SB30 Introduced Appropriation	**$ 2,869,495**	
	Possible Budget Appropriation Request	**$ 525,726**	
	Total Projected Appropriation	**$ 3,395,221**	

OPEN ENFORCEMENT COMPLAINTS – AS OF SEPTEMBER 1, 2026

95 TOTAL

37 CPE

58 Non-CPE

CPE Deficiency	37
Acts Discreditable	8
Due Professional Care	21
Unlicensed Activity	19
Peer Review	4
Eligibility	6
TOTAL	**95**

NEW AND CLOSED COMPLAINTS JUNE 1, 2026 – AUGUST 31, 2026

121 OPENED

CPE Deficiency	79
Acts Discreditable	7
Due Professional Care	15
Unlicensed Activity	16
Peer Review	0
Eligibility	4
TOTAL	**121**

111 CLOSED

CPE Deficiency	73
Acts Discreditable	6
Due Professional Care	19
Unlicensed Activity	12
Peer Review	0
Eligibility	1
TOTAL	**111**

DISPOSITION TYPE AND AVERAGE DAYS TO CLOSE A COMPLAINT

Final Disposition Type[1]

Board Order	7
Consent Order	37
Advisory Letter	42
Agency Referral	0
Closed No Finding	1
Closed No Violation	13
No Jurisdiction	10
Other	1

Average Days to Close for FY 2026[2]

CPE Deficiency	60
Acts Discreditable	245
Due Professional Care	210
Unlicensed Activity – O	168
Unlicensed Activity – G	31
Peer Review	150
Eligibility	91
Total Average Days to Close	**96**

CPE AUDIT REPORT AS OF AUGUST 31, 2026

[1] For complaints closed June 1, 2026, to August 31, 2026

[2] Average days to close in FY 2026 were 96 (558 complaints) / FY 2025 were 76 days (511 complaints)

These Results are by Calendar Year

CPE Audits as of August 31, 2026 Calendar Year			
	As of 08/31/2026	CY2025	CY2026
CPE Audits Selected	300	648	646
CPE Audits Passed	179	504	466
CPE Audits Deficient	30	137	180
CPE Audits Pending	91	7	0
CPE Deficiency Rate	14%	21%	28%

Combined Deficiency Rate CPE and Enforcement audits		
As of 8/31/2026	CY2025	CY2024
468	707	713
260	537	496
67	162	200
141	8	17
20%	23%	29%

Other audits completed during Calendar Years									
Audit Type	Reinstatement and Inactive Audits			Self-Report Audits			Enforcement Audits (includes compliance)		
Audit CY	As of 8/31/2026	2025	2024	2026	2025	2024	2026	2025	2024
Audits Selected	189	266	269	201	246	173	168	59	68
CPE Audits Passed	144	241	266	18	55	32	81	34	30
CPE Audits Deficient	0	2	0	60	191	141	37	25	21
CPE Audits Pending	45	23	3	123	0	0	50	0	17
							31%	42%	41%

VIRGINIA BOARD OF ACCOUNTANCY

Customer service survey 2025-2026

Population surveyed:

- 7,089 emails sent (Aug. 10-25)
- 150 bounced

945 total responses

- Active CPAs: 630
- Inactive/Emeritus CPAs: 109
- Exam candidate: 196
- Other: 10 (pre-exam/licensure or retired people)

For comparison:

2023

- 1,091 total responses
- Overall satisfied = 94.4%

2024

- 856 total responses
- Overall satisfied = 93.31%

Overall satisfaction average: 92.42%

General Comments

Sampling of positive comments:

- *[on renewals]* Was simple and I like getting the email reminder 2 months prior to it being due
- I appreciate being able to call the VBOA directly and reach an actual staff member working in the office, who can look up my information even if I don't put it in the exact format some 20-year-old software engineer on the West Coast thought was intuitive in all situations.
- *[on audits]* The NASBA CPE Audit System made it so easy! That is where I track all my CPE so I just clicked a button and the audit was done.
- *[on customer service]* Your agents helped both with recommending how to self-report my deficiency, and diagnosing the NASBA file upload issues. The support was very personal and comprehensive.
- Absolutely no notes. The staff are responsive, reasonable, knowledgeable and extremely thorough in their responses. Thank you for all you do!
- I was stressed and calling VBOA to help me with my licensing for a work promotion timeline - and VBOA was SO great and helpful in making sure I had what I needed. I got licensed so quickly - my teams were amazed at how easy I made this process seem...
- Please do not change the phone number or what happens when you call it
- Thank you VBOA and please continue finding ways to treat CPAs like humans just trying to navigate complex systems, not machines with infinitely reallocate-able time and tech resources towards documentation/compliance.
- *[on newsletter]* Very informative and up-to-date dissemination to members
- I have a busy life, like most people, and a crowded inbox whether it's my email, mailbox, text, or voicemail. But I do appreciate receiving communications from the VBOA itself, even if I have to delete them unread some months due to the sheer volume of other life tasks ...
- *[general]* I do believe the board is very important for the industry in maintaining the value of the CPA title and preventing bad actors from tarnishing our reputation.
- Emeritus is a good idea. We all end up helping someone even though we rather not
- I think we have a great board.

Sampling of negative comments

- *[renewals]* It never emails me a receipt when I renew, which is very annoying.
- The timing of deadlines is confusing
- Some of the questions are difficult to interpret, i.e. is the correct response yes, or no.
- Should be every bi-annual.
- *[audits]* The process was professional but also cumbersome.
- I would prefer that the communication following a minor self-reported CPE shortfall was less threatening.
- I have a NASBA account and will upload my documentation as needed using the technology and devices I have access to, but my relationship is with the VBOA, not with NASBA, and my willingness to make my documentation available to NASBA, and the technology/devices that allow me to save and provide that documentation as a matter of regular course, instead of upon request, is zero.
- *[customer service]* I only need to log on once a year to renew so I forget my password and have to call in and have my account reset. Set it up authentication through okta or SMS.
- *[website]* More things should be clear on the website so we do not have to call. Very clear
- Lack of REAL ethics providers.
- *[newsletter]* The newsletter is something that is a very low priority with me - not sure how to make it relevant
- I work for a CPA firm. Your news is old news.

Sampling of ideas

- VBOA should mail letters of individuals or firms do not renew.   Email is insufficient.
- Why are Inactive/Emeritus dues the same as Active CPAs?
- Live chats or texting abilities would be helpful.
- *[audits]* I think communication giving me a timeline, that my application is complete (just waiting on them). Things of that nature would be nice.
- Make it clearer how out of state CPAs who hold a Virginia license can show compliance with their home state rules. Especially when their home state does not use NASBA CPE portal.
- I always dread the possibility that I somehow missed a notification that my CPEs were being audited and, therefore, I did not respond. Including "date CPE last audited" would be helpful to offset that dread. That could be on the [portal] so that only the licensee could see it.
- *[candidates]* Trying to sign up for exam registration between this site and NASB is a pain. There needs to be a 1-stop place to accomplish this.
- I want to have some help corner for students share their exam experience and what sources/tips can help candidates to improve
- There’s been considerable publicity regarding the value of the CPA being significantly diminished. Why aren’t we as a group of professionals pushing back against this narrative? If we are, I haven’t seen it. An experienced CPA should have a seat at every major business decision vs. AI replacement and pay disparity narratives.
- *[newsletter]* You should offer CPE for reading it and responding to questions. Quality CPE is time consuming and very expensive.

Inactive/Emeritus (90)

1. Are you aware that as of July 1, 2026, when you use the CPA title as an Inactive or Emeritus CPA you must include the status, e.g. CPA (Emeritus), CPA (Inactive)?
    - 92% Yes
    - 8% No
2. Did you know that if your employment status changes while holding Inactive or Emeritus status, you are required to notify the board?
    - 83% Yes
    - 17% No
3. For Inactive CPAs only: Did you know that if your finance-related volunteer work changes, you must notify the board?
    - 68% yes
    - 32% no

Ethics (628)

How would you prefer to view the 15-minute annual update video from the VBOA?

- As it is now: 72%
- As part of renewal: 28%

Comments (10), one or two similar to each below:

- That would make the ethics portion of the CPE requirement more streamlined for CPE providers to produce. And VBOA would know that everyone had watched the video. Good idea.
- It is a waste of time. Get rid of it entirely
- Make the ethics courses free or lower cost, directly from the VBOA, this is the biggest burden to VA CPA's and can easily be avoided by switching licensure to other states who do not have this requirement. I think ethics is important/I like having the training, but the additional cost and burden to find a cheap(ish - it's still ~$100) provider is prohibitive.
- Making me a captive audience to a VBOA update seems kind of unethical. Ironic you make it part of the ethics class. It's almost poetic in its ignorance and loyalty to blind administrative excess.

Candidates (125)

Did the new licensing pathways influence your decision to apply to take the exam or to apply for licensure?

- 21% Yes
- 79% No

Comments (26), most about beginning the process before the current pathways were in place:

- *(a few like this:)* I was originally going to postpone approaching the CPA route due to financial limitations, but the new pathway made it easier and less stressful to begin studying and having more time to work a job as well.
- More time and a discipline section are both great changes.

Data from CPE questions

710 respondents

Q16: Amount of CPE

Active/Inactive CPAs (575):

Answer Choices	Percentage	Responses
An average of 40 hours annually is too much, professional skills can be maintained with fewer training hours.	35.30%	203
An average of 40 hours each year is just the right amount to maintain professional skills.	50.61%	291
An average of 40 hours each year is not enough to maintain professional skills.	1.74%	10
No opinion	12.35%	71
Total		575

Exam/License candidates (125):

Answer Choices	Percentage	Responses
An average of 40 hours annually is too much, professional skills can be maintained with fewer training hours.	30.40%	38
An average of 40 hours each year is just the right amount to maintain professional skills.	36.80%	46
An average of 40 hours each year is not enough to maintain professional skills.	3.20%	4
No opinion	29.60%	37
Total		125

57 comments; highlights:

Vast majority of comments fell into one of these buckets:

- the preference for CPE requirements to be dependent on job or years licensed: 17
  - "The amount of CPE could possibly be determined by the number of hours worked and/or services performed."

- a desire for fewer required hours/comparison to other fields requiring fewer: 15
    - Lawyers literally only have 10 hours. I often take CPE that have nothing to do with my job to meet hours expectations
- differing quality of CPE/too easy to earn: 12
    - “It isn't the amount of hours it is the content that is crucial. Are there case studies, tough questions asked.”
- a desire for nothing to change: 11
    - Please do not change the existing structure and pattern as it is ideal.
- Think we should require more: 5
    - As a tax professional many years I need to do more than 40 hours to keep up with rules, regulations and cases for regulatory bodies (Federal, state, etc.)

Q17: CPE reporting period

Active/Inactive CPAs:

Answer Choices	Percentage	Responses
Maintain the requirements as they are today (120 hours over a three-year period).	66.26%	381
Require 40 hours over a one-year period.	8.00%	46
Require 80 hours over a two-year period.	5.91%	34
No opinion	19.83%	114
Total		575

Exam/License candidates:

Answer Choices	Percentage	Responses
Maintain the requirements as they are today (120 hours over a three-year period).	44.00%	55
Require 40 hours over a one-year period.	18.40%	23
Require 80 hours over a two-year period.	8.00%	10
No opinion	29.60%	37
Total		125

36 comments

- Mostly in favor of the flexibility of the three-year reporting period: 13
- Suggesting a different combo with lower total hours: 8
- In favor of annual: 3

Q18: Other potential CPE changes

Active/Inactive CPAs:

Answer Choices	Percentage	Responses
Require certificates be uploaded during the renewal process.	6.09%	35
Allow carryforward into the next CPE year when more than the required number of CPE hours has been completed.	69.39%	399
No opinion	28.70%	165
Total		599

Exam/License candidates:

Answer Choices	Percentage	Responses
Require certificates be uploaded during the renewal process.	14.40%	18
Allow carryforward into the next CPE year when more than the required number of CPE hours has been completed.	60.00%	75
No opinion	36.00%	45
Total		138

34 comments

- In favor of carryforward: 9
- In favor of some version of uploading (automatically, using NASBA CPE, not using NASBA): 7
  - “Only if it is more efficient.”
- Comments against uploading at renewal: 7
  - “I prefer to upload certificates as part of the separate CPE reporting process. Renewal should be focused on paying the fees and any certifications.”

Use of the CPA Title in Virginia

The Virginia General Assembly, through the Code of Virginia authorized the Board of Accountancy to regulate the use of the Certified Public Accountant (CPA) title in Virginia.[1] In general, to use the CPA title in Virginia, individuals and firms must have an active CPA license issued by the Virginia Board of Accountancy or have a principal place of business outside of Virginia and hold an active CPA license in that jurisdiction.

The definition of “using the CPA title in Virginia” means using “CPA,” “Certified public accountant” or “public accountant” in a manner that indicates or implies that an individual or firm is licensed or legally permitted to provide professional services in Virginia.[2]

The following is general guidance regarding using the CPA title in Virginia:

Can I use the CPA title in Virginia if I have an individual or firm license issued by the Virginia Board of Accountancy?

Yes, an individual or firm that holds an active Virginia CPA license may use the CPA title in Virginia. Individuals and firms using the CPA title in Virginia may use the CPA title along with their legal name registered with the Board of Accountancy. Each holder of a Virginia license shall notify the Board in writing within 30 days of any change in the license holder’s name.[3] Using the CPA title with the registered name and having the information up to date helps protect the public and avoids public complaints being filed against an active license holder for unlicensed use of the CPA title.

Can I use the CPA title in Virginia if I have an individual or firm license from another state?

Yes, if your principal place of business is not in Virginia.[4] If your principal place of business is in Virginia, and you provide services to the public, you must have a Virginia CPA license to use the CPA title in Virginia.[5]

If an individual or firm chooses to use the CPA title in Virginia under this scenario, they will be subject to the Virginia Board of Accountancy’s jurisdiction even though they do not hold a Virginia CPA license.

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[1] Code of Virginia §54.1-4402 (D), 54.1-4409.1 and 54.1-4412.1
[2] Code of Virginia §54.1-4400
[3] 18VAC5-22-170 (B)(1)
[4] See 18VAC5-22-50 for determining principal place of business
[5] Code of Virginia 54.1-54.1-4411 (A) & (B) and 54.1-4412.1 (C)

I hold Emeritus or Inactive license status with the Virginia Board of Accountancy, am I permitted to use the CPA title in Virginia?

License holders that have been approved by the Board for Emeritus or Inactive status may use the CPA title in Virginia. However, the use must be qualified by identifying the applicable status. Therefore, either Emeritus or Inactive must appear immediately following any use of the CPA title by the license holder.[6] Acceptable examples when using the CPA title as a credential when holding Inactive or Emeritus status would be:

- *Jane Doe, CPA, Inactive*
- *James Doe, CPA (Emeritus)*
- *Jane Doe, CPA – Inactive*

An example of referencing licensing information in a biography that contains historically accurate information:

James Doe, worked as a licensed Virginia CPA from 1989 to 2019, and currently holds emeritus license status with the Virginia Board of Accountancy.

When using the CPA title, Inactive and Emeritus status license holders should avoid any implication that their license is in Active status.

I formerly held a CPA license. Can I reference my past licensure?

Yes, you may reference your previous CPA license so long as the use of the CPA title is historically accurate and does not indicate or imply that you are currently licensed. However, the CPA title may not be used immediately following an individual's name, as a credential, or in the name of a firm.

When referring to previous licensure, care should be taken to avoid any implication to the public that you are currently licensed as a CPA. What is clear to one person may not be clear to another. A simple way to avoid such implications is to list the years that a CPA license was held immediately following its reference. The goal in making these references should be to make them accurate, and word them in a way that reduces the likelihood of misinterpretation.

[6] 54.1-4409.1 (D)

2026-27 STRATEGIC PLAN

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.

Strategic Planning and Goal Achievement

Strategic Outcome 1

Protect the citizens of the Commonwealth by ensuring high-quality compliance with our licensing requirements.

Strategy #1: Strengthen our internal systems (online licensing and enforcement system).

Champions: June Jennings & Angela Rudolph-Wiseman

- **Tactic A:** Secure a vendor for new licensing system.
    - Hire agency project manager
    - Identify product
    - Submit for approval to VITA
    - Submit for approval by the board of directors
    - Initiate requirements gathering and pricing negotiations

  Goal Completion Date: TBD

  ***Activities since last report*:**
    - Project manager hired – Dan Burns
    - Due to time and monetary constraints, we are recommending moving forward with Evoke licensing and enforcement system implemented by System Automation
    - Sole sourcing submission approved by VITA – 8/28/2026
    - Board approval pending
    - Requirements gathering underway internally

  ***Planned future activities*:**
    - Submit requirements to vendor to determine the feasibility of the project (scope and cost).
    - Work with Champion to review and approve the pricing schedule and deliverables.

- **Tactic B**: Implement a new licensing and enforcement system.

  Identify ways we can leverage the new system's tools to enhance our efficiency and effectiveness in regulatory compliance.

  Goal Completion Date: TBD

Strategy #2: Review and revise the CPE requirements to accommodate annual reporting. This must include the caps and restrictions on certain types of training for board review and adoption.

Champion: Nadia Rogers

- **Tactic A:** Develop draft regulation and policy revisions for CPE annual reporting.

Goal Completion Date: September 30, 2027

- **Tactic B:** Develop a communication plan for licensees.

  Goal Completion Date: September 30, 2027

- **Tactic C:** Develop requirements for reinstatements and newly licensed CPAs.

  Goal Completion Date: September 30, 2027

  ***Activities since last report*:**
  - Board approved moving to annual CPE compliance to improve compliance, make record keeping easier, and require reporting CPE during renewals.
  - Staff started drafting revisions to CPE regulations and some next steps/decisions.
  - NASBA is conducting a nationwide CPE survey of licensees and stakeholders. Virginia licensees will be included in the population.
  - NASBA taskforce is primarily focused on the number and topics for CPE nationally. This should not have an impact on the current board initiative.

  ***Planned future activities*:**
  - Present regulatory changes for the board to approve.
  - Begin the regulatory change process.
  - Develop a communication and transition plan before national decisions are made.

Strategy #3: Review and revise the regulatory framework (policies, regulations, guidance documents) and financial framework (revenue and fee structures) as needed.

Champions: Wendy Lewis & Dale Mullen

- **Tactic A**: Update VBOA regulations to support agency operations.

  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.

  Goal Completion Date: June 30, 2027

- **Tactic B:** Update VBOA regulations to reflect Code of Virginia changes related to Inactive and Emeritus status.

  Add Inactive and Emeritus status to the regulations to establish eligibility and qualifier requirements.

  Goal Completion Date: June 30, 2027

  ***Activities since last report*:**
  - A regulatory action regarding fee changes was initiated and pending Executive Branch review.

  ***Planned future activities*:**
  - Initiate a new regulatory action regarding Inactive and Emeritus status.

Strategy #4: Review and revise the Code of Virginia statutes regarding licensing and independence requirements.

Champions: Wendy Lewis & Dale Mullen

- **Tactic A:** Identify statutory changes needed for firm licensing and independence requirements, with a focus on Alternative Practice Structures.

  Goal Completion Date: September 30, 2026

- **Tactic B:** Draft and submit a bill with any necessary changes requested, including clarification and consistency across statutes for the 2027 General Assembly session.

- **Tactic C:** Continue to work on the principal place of business definition for future legislative changes.

  Goal Completion Date: December 1, 2026

  ***Activities since last report*:**
  - A legislative proposal was submitted on August 14, 2026.
  - Staff discussed the legislative proposal with strategy champions on August 25, 2026. Draft revisions were made based on feedback.
  - September 2, 2026 -Met with the VSCPA members looking at principal place of business.

  ***Planned future activities*:**
  - Proposed Code changes to be discussed at the September 2026 meeting.
  - Policy Office to review and approve/deny proposal by September 11, 2026. DPB and OAG to review proposal by October 19, 2026.
  - A more comprehensive discussion will be initiated regarding Alternative Practice Structures and, if there are board approved changes, the Code of Virginia and regulations will be evaluated to determine if changes are required.

Strategic Outcome 2 (ongoing)

Increase awareness of the accounting profession, including the steps, requirements and regulations to become a licensed CPA in Virginia.

Champions: Anne Hagen & Guy Davis

Strategy #1: Improve awareness of CPA licensing and exam requirements by addressing educational and professional individuals and organizations.

- **Tactic A:** Improve communications with Virginia institutions of higher education.

  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 B:** Continue campus board meetings, working to generate increased interest.

  Continue hosting board meetings on campus and work with schools to find ways to engage more students and faculty to increase VBOA visibility.

  ***Activities since last report*:**
  - Board meeting at the University of Richmond is scheduled for Nov. 13.
  - VBOA attended the George Washington University Accounting event on Sept. 15.

***Planned future activities*:**
- The spring on-campus meeting location is TBD.

Strategy #2: Ensure that the Virginia Board of Accountancy remains a proactive voice in the profession—in Virginia and nationally.

Tactic A: Support continued participation in NASBA/national organizations, committees and task forces.

***Activities since last report*:**
- Two current/former board members are serving on NASBA's board.
- Current board members serve on various NASBA committees.

***Planned future activities*:**
- Attending upcoming NASBA conferences.
- Seeking additional events at Virginia institutions to attend.

Tactic B: Focus on our online presence to increase awareness of the accounting profession, and the VBOA's critical role in the profession.

***Activities since last report*:**
- Established newly regular social media features: explaining new pathways, congratulating new licensees, and exam pass rate data.

***Planned future activities*:**
- Continued targeted/strategic social media outreach and networking.
- Newsletter email redesign.

NASBA

BYLAWS

~~October 28, 2025~~Date

CONTENTS

NASBA Bylaws

(As Amended at the ~~2024~~ 2026 NASBA Annual Business Meeting)

ARTICLE I – Name

The name of this organization shall be the National Association of State Boards of Accountancy, Inc. (hereinafter, the "Association"). The location of the Association's principal office shall be within the continental United States as the Board of Directors shall determine.

ARTICLE II – Purpose

The purpose of the Association shall be to provide an organization to protect, promote, foster and advance the common interests and welfare of boards of accountancy of the various states of the United States, its territories and the District of Columbia. The Association shall provide a forum for the exchange of information and obtaining assistance in discharging such boards' responsibilities for the administration of public accountancy laws and for the protection of the public interest as it is affected by the practice of public accountancy. The Association shall also promote the general welfare of its members for the accomplishment of the objectives herein above set forth. The Association shall not be organized for profit or organized to engage in a regular business of a kind ordinarily carried on for profit or carry on any activities which are inconsistent with the exempt status of organizations described in Section 501(c)(6) of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any successor law.

ARTICLE III – Membership

3.1 Member Boards.

3.1.1 The members of the Association shall be the boards, departments or instrumentalities confirmed by the Board of Directors as legally constituted by their respective countries, states, provinces, territories, and the District of Columbia ~~of the United States of America~~ to pass on the qualifications of, or to examine applicants for certification or licensure as, certified public accountants or similar licensed categories, or to regulate the practice of public accountancy within their jurisdiction.

3.1.2 A legally constituted entity located outside the United States, its territories, and the District of Columbia, which passes on the qualifications of, or examines applicants for certification or licensure as certified public accountants or similar licensed categories, or regulates the practice of public accountancy within their jurisdiction, may be by recognized by the Board of Directors as either a Member Board or an International Affiliate Organization.

3.1.3 Acceptance or removal of a Member Board or International Affiliate Organization shall be by majority vote of the Board of Directors.

3.1.4 Subject to the requirements of Section 3.1.3, The Board of Directors will determine the procedure for acceptance or removal of a Member Board or International Affiliate Organization. International Affiliate Organizations are entitled to representation at all NASBA meetings and the other rights and privileges as determined by the Board of Directors.

3.2 Delegates.

All duly appointed or elected individuals who are members of the Member Boards as determined by the respective Member Board's laws shall be Delegates of the Association. Delegates shall have the privilege of the floor and may propose motions, resolutions, or other actions at all meetings of the Association and shall be eligible for service as Officers, Directors, and members of committees of the Association.

3.3 Associates.

All former Delegates or persons who have been members of Member Boards shall be deemed Associates of the Association provided that their dues, established in accordance with these bylaws, have been paid in full for the current fiscal year. Associate Dues will not be assessed for past NASBA Chairs and currently serving members of the Board of Directors. Associates shall have the privilege of the floor and may propose motions, resolutions or other actions at all meetings of the Association and shall be eligible for service as Officers, Directors and members of committees within the limitations established by these bylaws.

ARTICLE IV - Board of Directors and Officers

4.1 Board of Directors.

The business and affairs of the Association shall be under the direction of a Board of Directors.

4.2 Composition of Board of Directors.

The Board of Directors shall be composed of a Chair, Vice Chair, Past Chair, nine Directors-at-Large and a Regional Director from each Region established in accordance with the provisions of Article V of these bylaws. The Board of Directors shall also include the President of the Association and Chair of the Executive Directors Committee as *ex officio* non-voting members as provided in Sections 4.4 and 8.8, respectively.

4.3 Officers and Duties.

The Officers of the Board of Directors shall be a Chair, Vice Chair, Past Chair, Secretary and Treasurer. The Officers of the Board of Directors shall have the duties set forth herein. The duties of Directors shall be such as usually are attached to such offices and such other duties consistent with the provisions of these bylaws, resolutions or actions of the Member Boards at the Annual Meeting or any special meeting, or as may be determined from time to time by the Board of Directors. All members of the Board of Directors must meet the fiduciary duties of careful and prudent judgment, adherence to organizational purpose and rules, and avoidance of conflicts of interest. Neither Officers of the Board of Directors nor Directors shall receive compensation for their services to the Association.

4.3.1 Chair.

The Chair, when present, shall preside at all meetings, interpret these bylaws, appoint all committees that will be active during his or her tenure as Chair, and serve as an *ex officio* non-voting member of all committees except the Nominating Committee. ~~The Chair may also designate the Vice Chair to serve as an *ex officio* non-voting member of any standing or non-standing committee other than the Nominating Committee or the CPA Examination Review Committee.~~

4.3.2 Vice Chair.

The Vice Chair shall, in the absence of the Chair, exercise the duties of and possess all the powers of the Chair. The Vice Chair shall also serve as a member of the Administration and Finance Committee. The Vice Chair may also be designated by the Chair as an *ex officio* non-voting member of any other standing and non-standing Committee other than the Nominating Committee or the CPA Examination Review Committee**.**

4.3.3 Secretary.

The Secretary shall be elected by the Board of Directors from the Directors-at-Large as soon as practicable following the installation of the new Board of Directors at the Annual Meeting. The Secretary shall perform the duties usual and incidental to the office that are required to be performed by law and shall be responsible for the minutes of the Board of Directors. The Secretary may delegate to the President and other staff the actual performance of any or all of the office's appropriate duties and authorize the President or staff to sign under their respective titles the correspondence conducted by them.

4.3.4 Treasurer.

The Treasurer shall be elected by the Board of Directors from the Directors-at-Large as soon as practicable following the installation of the new Board of Directors at the Annual Meeting. The Treasurer shall be responsible for the activities of the Administration and Finance Committee and shall serve as its chair.

4.3.5 Regional Directors.

Regional Directors shall be elected as provided in Article VII and shall be responsible for communications with the ~~Boards of Accountancy~~Member Boards and International Affiliate Organizations in the Regions which they represent and for presiding over Regional Meetings.

4.3.6 Past Chair.

The Past Chair shall serve as chair of the Nominating Committee in accordance with Article VII of these bylaws.

4.4 President.

A President shall be appointed by the Board of Directors and shall serve as the Chief Executive Officer of the Association. The President shall manage the affairs of the Association and have such duties and responsibilities as the Board of Directors shall determine. The President shall be salaried and shall report directly to the Chair who, with the consent and approval of the Executive Committee of the Board of Directors, will assign duties and powers in his or her areas of responsibility. The President shall employ and terminate staff, enter into routine contracts, and obtain legal consultation. The President shall also serve without additional compensation, in such other capacity relating to the business of the Association to which he or she may be elected or appointed by the Executive Committee of the Board of Directors. The President may be removed with or without cause by a resolution of the Board of Directors. The President shall serve as an *ex officio* non-voting member of the Board of Directors and shall not be counted in determining the total number of authorized Directors. The President shall be granted the privilege of the floor at all meetings of the Association and the Board ofDirectors.

4.4.1 Selection Advisory Committee Guidelines.

If the Board of Directors determines there is a need for a Committee to search for a new President of the Association, then the current Chair shall establish a Selection Advisory Committee. The total number of Selection Advisory Committee members and operational guidelines for the Committee shall be determined by the Chair and approved by the Board of Directors. The Selection Advisory Committee members shall be appointed by the Chair, approved by the Board of Directors and should, at a minimum, consist of a representative from each Region of the Association (not currently serving on the Board of Directors), one Executive Director and one past chair. In the event a committee member is unable to serve, the Chair shall recommend an alternate for Board approval.

4.4.2 Interim President.

In the event of a vacancy in the office of the President, the Board of Directors may appoint an individual to serve as interim President and Chief Executive Officer of the Association with responsibility for oversight of the daily operating activities of the Association until a new President is selected pursuant to Section 4.4.1.

4.5 Qualification, Terms and Limitations of Office.

4.5.1 The Vice Chair and Directors shall be elected in accordance with these bylaws during the Business Session at the Annual Meeting of the Association. The Vice Chair shall serve as such from the adjournment of the Business Session at the Annual Meeting at which he or she is so elected until the adjournment of the Business Session at the next following Annual Meeting, at which time he or she shall become Chair and shall serve as such until the adjournment of the Business Session at the next following Business Session at the Annual Meeting, at which time he or she shall become Past Chair and shall serve as a Director of the Association in accordance with the provisions of Section 4.2 of these bylaws.

4.5.2 No incumbent shall be elected to succeed himself or herself in the offices of Chair or Vice Chair.

4.5.3 No Past Chair shall be eligible to be re-elected as an Officer or Director.

4.5.4 Directors-at-Large shall be elected for three-year terms and may serve a maximum of two complete terms.

4.5.5 Regional Directors shall be elected for one-year terms and may serve a maximum of three complete terms.

4.5.6 A person who has succeeded, acceded to, or been appointed to fill a vacancy (serve an unexpired term) shall not have that service counted in the limitation of terms that can be served, provided that in no event shall an individual be eligible for election or appointment to fill an unexpired term if the individual has already served two complete terms as a Director–at-Large. No individual shall be eligible for appointment to the Board of Directors to fill more than one unexpired term.

4.5.7 All members of the Board of Directors shall be Delegates or Associates. A simple majority of all members of the Board of Directors shall be Delegates at the time of or within six months of the Annual Business Meeting at which they are elected to their current office on the Board. For purposes of this section, the Immediate Past Chair shall be a delegate or associate but shall not be included in calculation of a majority.

4.5.8 All Regional Directors shall be Delegates at the time of or within six months prior to their election or appointment.

4.5.9 To be eligible to serve as Vice Chair, an individual must have served as a Director-at-Large or Regional Director for a minimum of two years but need not be a current member of the Board of Directors at the time of his or her election.

4.6 Board of Directors Vacancies.

4.6.1 A vacancy in the Chair position shall be filled by the Vice Chair.

4.6.2 A vacancy in the Vice Chair position shall be filled pursuant to Section 7.2.3. If necessary, the Chair shall continue to serve until this process is complete.

4.6.3 A vacancy in the Past Chair position shall not be filled until after the end of the current Chair's term.

4.6.4 All other vacancies on the Board of Directors shall be filled by the Board of Directors, and all such appointees shall serve the unexpired term of their predecessors in office.

4.7 Regular Meetings of the Board of Directors.

Regular meetings of the Board of Directors shall be held prior to the Annual Meeting of the Association and at such other times as the Board of Directors may designate.

4.8 Special Meetings of the Board of Directors.

The Chair may call special meetings of the Board of Directors at such time and place as he or she shall determine. Alternatively, the Chair shall call such special meetings at such time and place as may be designated in a written request of five or more members of the Board of Directors.

4.9 Notice and Waiver.

4.9.1 Notice of any regular or special meeting of the Board of Directors shall be sent by mail, e-mail, telephone or shall be delivered personally or by other appropriate means to each Member Board and to each member of the Board of Directors, at his or her mailing address, as shown in the official records of the Association, at least 21 days before such meeting if notified by mail, or five days if notified by other methods. Such notice, as far as practicable, shall contain a statement of the agenda for such meeting.

4.9.2 Meetings held and actions taken without notice as provided in these bylaws shall be valid if each member of the Board of Directors entitled to notice: (1) attends the meeting without protesting lack of notice either before or when such meeting convenes; or (2) signs a written waiver of notice or a written consent to holding the meeting or an approval of the minutes of the meeting, either before or after the meeting; and (3) such written consents or approvals are filed with the records of the meeting.

4.10 Quorum.

A majority of the Board of Directors shall constitute a quorum for the transaction of business at any regular or special meeting of the Board of Directors. If a majority of Directors are not present at any meeting of the Board of Directors, the majority of the Directors present may adjourn the meeting to a stated time and place without further notice. The vote of a majority of Directors present and voting at any meeting at which there is a quorum shall be an act of the Board of Directors.

4.11 Teleconference Meetings.

The Board of Directors meetings, annual meetings, regional meetings, special meetings~~, and~~ any NASBA committee meetings may be conducted by means of teleconference, provided that all persons participating in the meeting can communicate with one another, and participation in such a meeting shall constitute physical presence or attendance in person at such meeting. When used in these bylaws, the term "teleconference" shall be understood to also mean telephone call or similar audio or visual communication. When used in these bylaws, the term "place" shall be understood to include a virtual meeting, via teleconference. When used in Sections 5 and 7 of these bylaws, the term “in person” can mean via teleconference when all persons are participating by teleconference using both audio and video communication, or just audio communication when video communication is not available.

4.12 Ballot Submission.

The Chair may submit any action to the Board of Directors for vote by mail, e-mail, or other appropriate means, provided the subject matter has been previously reviewed and discussed by the Board of Directors. Only ballots returned in the prescribed time will be counted. Any action approved by a majority of the Board of Directors shall be an act of the Board of Directors and shall be recorded in the minutes of the Board of Directors.

4.13 Resignation or Removal.

4.13.1 Resignation. Any Officer or Director may resign at any time by giving written notice to the Chair, the Secretary, or the full Board of Directors. Such resignation shall take effect at the time specified therein or, if no time is specified, at the time of acceptance by the Chair, Secretary or Board of Directors.

4.13.2 Removal for Failure to Attend. As a condition for election and service, any Officer or Director who shall fail to attend two consecutive regular meetings of the Board of Directors shall be automatically removed from the Board of Directors. The Board of Directors may waive such automatic removal if it shall by majority vote determine that such failure to attend was caused by sufficient circumstances to excuse such absence. The position of Officer or Director removed under this provision shall be filled in accordance with Section 4.6 of this Article.

4.13.3 Removal for Other Cause. Any Officer or Director may be removed for any cause deemed sufficient as provided under Delaware law.

ARTICLE V - Regions

5.1 Purpose and Composition.

In order to establish closer communications between the Board of Directors~~, and~~ the Member Boards, and International Affiliate Organizations; as well as between Member Boards and International Affiliate Organizations within geographical areas, and to assist the Association in achieving its stated purpose, all of the ~~states, territories and the District of Columbia~~Member Boards and International Affiliate Organizations shall be divided into at least five, but not more than nine, geographical Regions. The names, number, and composition of Regions shall be determined from time to time by the Board of Directors.

5.2 Representation.

A Regional Director shall be nominated and elected in accordance with Article VII of these bylaws to serve terms as provided in Section 4.5.5 to represent the Board of Directors within each Region and to perform such other duties as may be designated by the Board of Directors. Each Region shall, in accordance with Article VII, elect one Delegate or Associate as a member of the Nominating Committee to represent in person their Region on the Nominating Committee and one Delegate or Associate as an alternate to participate in person in the event that the member cannot attend the meeting.

5.3 Regional Meetings.

Annually, each Region shall hold a Regional Meeting not less than 60 days prior to the Association's Annual Meeting. Pursuant to section 4.11, such meeting may be held by teleconference. The purposes of the Regional Meetings are to facilitate communications, elect the members and alternates of the Nominating Committee pursuant to Article VII and to transact other business. Pursuant to Section 4.3.5, the Regional Director shall preside over a Regional Meeting. Unless the Regional Director is the Designated Voting Representative of a Member Board as described in Section 6.6.1 and 6.6.2, the Regional Director shall not have a vote at the Regional Meeting. In the event the Regional Director is unable to preside, the Association Chair shall designate a Delegate or Associate to preside.

ARTICLE VI - Meetings of the Association and Voting

6.1 Annual Meeting.

The Association shall hold an Annual Meeting in the last quarter of the calendar year. The purposes of the Annual Meeting are to facilitate communications and hold a Business Session to elect the Vice Chair and Directors and to transact other business.

6.2 Special Meetings.

The Chair shall call special meetings of the Association when requested to do so by the Board of Directors or by at least one-third of the Member Boards on written application to the Chair, signed by the individual designated as the Presiding Officer of each of the said one-third of the Member Boards. Special meetings of the Association shall be held at such times and places as shall be designated by the Board of Directors.

6.3 Notice and Waiver.

6.3.1 Notice of each meeting of the Association or Regions shall be sent to each Member Board, and to each Delegate and Associate at the mailing address shown in the official records of the Association at least 60 days before such meeting. Such notice, as far as practicable, shall contain a statement of the general business to be transacted. Notice of the Annual Meeting shall contain the report of the Nominating Committee as provided in Section 7.3.1.

6.3.2 Meetings held and actions taken without notice as provided in these bylaws shall be valid if each Member Board entitled to notice: (1) attends the meeting without protesting lack of notice either before or when such meeting convenes; or (2) signs a written waiver of notice or a written consent to holding the meeting or an approval of the minutes of the meeting, either before or after the meeting; and (3) such written consents or approvals are filed with the records of the meeting.

6.4 Quorum.

A quorum for the transaction of business at any meeting of the Association shall be one or more Designated Voting Representatives from a majority of Member Boards. A quorum for the transaction of business at any meeting of a Region shall be one or more Designated Voting Representatives from a majority of the Member Boards of such Region. In the absence of a quorum at an Annual Meeting, Regional Meeting or a special meeting, the majority of the Member Boards represented at such meeting may adjourn the meeting to a stated time and place without further notice.

6.5 Advisory Vote on Matters Related to Member Boards' Regulatory Responsibilities.

Any issue being deliberated by the Board of Directors or any committee, that is determined by the Board of Directors to have a material impact on the regulatory responsibilities of the Member Boards, shall be submitted to the Member Boards for their advisory vote. Such advisory vote should ordinarily be taken at an Annual Meeting. However, if the timing of an issue will not allow the advisory vote to be conducted at an Annual Meeting, the Chair may call a special meeting.

6.6 Voting.

6.6.1 Each Member Board shall be entitled to only one vote on any matter brought before the Association, and each Member Board in the Region shall be entitled to only one vote on any matter brought before any Regional Meeting, which vote shall be cast on behalf of such Member Board by its Designated Voting Representative.

6.6.2 The Presiding Officer of a Member Board, if present, shall be presumed to be the Designated Voting Representative. If the Presiding Officer is unable or unwilling to serve, the Member Board may authorize another Delegate, Associate or Executive Director from that State to serve as its Voting Representative. The Member Board may authorize successive alternate Voting Representatives to ensure that the Member Board's one vote may be cast. The authorization shall be in writing (including email) and may be issued by the Member Board's Presiding Officer or the next highest ranking Board Member available prior to or upon registration for the relevant meeting.

6.6.3 Unless a greater vote is required by these bylaws for any action, a majority vote of all Member Boards shall be required to pass any motion or resolution of the Association.

6.7 Ballot Voting.

6.7.1 The Board of Directors, or a majority of the Member Boards of the Association present at any duly called meeting of the Association at which a quorum is present, may direct that the Chair of the Association submit any action to all Member Boards for their consent by mail, e-mail, or other appropriate means, except that the election of the Vice Chair, Directors and members and alternates of the Nominating Committee may not be done by written consent, except in filling an interim vacancy of the Vice Chair.

6.7.2 The Member Boards will have 45 days to return their ballots.

6.7.3 Any action taken or approved in such a ballot by two-thirds of the Member Boards voting shall be a resolution of the Member Boards of the Association provided that the number of Member Boards approving such action shall constitute a majority of the Member Boards of the Association.

6.8 Rules of Order.

The rules of parliamentary procedure contained in the latest edition of *Robert's Rules of Order, Newly Revised*, shall govern the Business Session of the Annual Meeting.

Article VII - Nominations and Elections

7.1 Nominating Committee Composition and Election.

The membership of the Nominating Committee shall consist of the Past Chair, who shall serve as Chair of the Nominating Committee, and one member from each Region elected as provided herein.

7.1.1 A Delegate or Associate is eligible for election to the Nominating Committee.

7.1.2 With the exception of the Past Chair, no member of the Nominating Committee may serve concurrently as a member of the Board of Directors and the Nominating Committee, and no member may be eligible for election to the Board of Directors through the entirety of his or her elected term on the Nominating Committee and through the adjournment of the next following Annual Meeting (the one-year cooling off period). For purposes of this subsection, an alternate of the Nominating Committee is considered a member of the Committee.

7.1.3 If the Past Chair cannot serve, or declines to serve, as Chair of the Nominating Committee, the Board of

Directors shall appoint another Delegate or Associate to serve as Nominating Committee Chair so long as the person is ineligible to serve on the Board of Directors for the year following his or her service on the Nominating Committee.

7.1.4 Nominating Committee members and alternates shall be elected for two-year terms and may serve two complete terms in succession plus any unexpired terms. The term begins immediately following the Business Session of the Annual Meeting. If an alternate never participates in a Nominating Committee meeting during his/her term, the alternate shall not be subject to the one-year cooling off period set forth in sub-section 7.1.2. However, if a Nominating Committee member or alternate resigns during his/her elected term, then the one-year cooling off provision is applicable and begins through the adjournment of the next Annual Meeting. The terms of the Nominating Committee members shall be staggered so that half of the Regions hold elections each year.

7.1.5 The election of members and alternates of the Nominating Committee shall require a majority vote of the Member Boards in the Region represented at the Regional Meeting, provided a quorum is met.

7.1.6 At the Regional Meeting, each Region whose Nominating Committee member's term is expiring at the current year's Annual Meeting shall elect a member and an alternate of the Nominating Committee to represent its Region. The Association shall send notices to the membership about the Nominating Committee selection process in those Regions whose Nominating Committee member's term is expiring at the current year's Annual Meeting no less than 60 and 30 days prior to the Regional Meeting. Those interested in representing their region on the Nominating Committee shall have his/her name submitted to the President of the Association within 14-days prior to the start of the Regional Meeting. Regions that have no candidate submit a name 14-days prior to the start of the Regional Meeting or have no qualified candidates at the time of election of member or alternate, may consider qualified candidates from the floor. Each member and alternate must have (i) served at least two years on a ~~state board of accountancy~~Member Board, (ii) attended~~, in person,~~ at least one NASBA Regional Meeting, (iii) attended~~, in person,~~ at least one NASBA Annual Meeting and (iv) served on a NASBA or NASBA-appointed committee, task force, working group, advisory group, or board (such as the Exam Review Board or International Qualifications Appraisal Board). The term "board" as used in this subsection does not refer to the Board of Directors.

7.1.7 If a Region's member and alternate are both unable to serve and the Nominating Committee will hold a meeting for the purpose of making nominations prior to that Region's next NASBA Regional Meeting, then an ad hoc committee consisting of one ~~state board member~~ Delegate from each Member Board in that Region shall meet to elect a member and alternate to serve for the unexpired terms of the former member and former alternate, who may be elected and serve up to two additional complete terms for the Region pursuant to Section 7.1.4.~~.~~

7.1.8 If a Region fails to elect a member or an alternate as provided in Section 7.1.~~4~~6 or 7.1.7~~ above~~, the Board of Directors shall appoint a member or an alternate to represent that Region on the Nominating Committee. If necessary, the Board of Directors may appoint a member or an alternate that does not meet all of the Section 7.1.6(i), (ii),~~ and~~ (iii), and (iv) criteria, or may appoint a member or an alternate whose service on a state board of accountancy was for a different Region's Member Board. In the event that a member or an alternate is selected by the Board of Directors pursuant to Section 7.1.8, that member or alternate will not stand for election for any subsequent terms if a member or alternate who meets the criteria of Section 7.1.6 is elected pursuant to Section 7.1.6.

7.1.9 In the event of a deadlocked vote in a Region's election of its member or alternate on the Nominating Committee, the Regional Director shall convene an ad hoc meeting pursuant to Section 7.1.7 to elect the Region's member or alternate on the Nominating Committee. If the election pursuant to Section 7.1.7 has not been completed within thirty (30) days after the conclusion of the respective Regional Meeting, the Region's Nominating Committee member and/or alternate shall be appointed by the Board of Directors pursuant to

Section 7.1.8.

7.2 Responsibilities of Nominating Committee.

7.2.1 Obligation to Attend Nominating Committee Meetings in Person.

7.2.1.1 In view of the importance of each Region being represented in person at meetings of the Nominating Committee when the Committee is meeting for the purpose of deliberating upon or voting for nominees, the member or alternate must be in attendance at such meetings in order to participate and vote. The alternate shall reserve the Nominating Committee meeting dates so he or she can attend a meeting on short notice if the member cannot attend. In the event the member cannot attend the meeting, it shall be the responsibility of the member to notify the Nominating Committee Chair and the Region's alternate as soon as possible so the alternate can attend the meeting.

7.2.1.2 Members of the Nominating Committee who miss more than one meeting (for the purpose of deliberating upon or voting for nominees) during their term may not stand for re-election.

7.2.1.3 The responsibility of the alternate is to serve in person in the event the member cannot attend the meeting or is no longer a Delegate or Associate.

7.2.2 Annual Nominations.

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

7.2.3 Filling a Vice Chair Vacancy.

In the event of a vacancy in the Vice Chair position, the Nominating Committee Chair shall promptly call a meeting of the Nominating Committee to nominate a candidate for Vice Chair. If administratively possible, the Vice Chair nominee will be presented for consideration with the other nominees for the Board of Directors by the Nominating Committee at the next Annual Meeting. If the timing is such that a vote cannot occur at the Annual Meeting, written ballots containing the name of the proposed candidate shall be sent promptly to the Presiding Officers of all Member Boards for voting as set forth in Section 6.7.

7.2.4 Rescinding a Nomination - Amendment of the Nominating Committee Report.

The Nominating Committee in its sole discretion may reconsider and rescind said nomination with or without cause and nominate a different candidate. If said action would occur after the Nominating Committee's Report issued pursuant to Section 7.3.1 has been distributed with the notice of Annual Meeting as required in Section 7.3.2, then the Chair of the Nominating Committee may convene an emergency meeting of the Nominating Committee for the sole purpose of reconsidering, rescinding, and replacing a Nominee. Notice of this meeting will state that the meeting is being called to consider rescission of one or more nominations. Notwithstanding Section 7.2.1, for purposes of that meeting and that meeting only, one or more members or alternates of the

Nominating Committee can participate via teleconference pursuant to section 4.11. If the Nominating Committee votes to amend its Report, the Amended Nominating Committee Report shall be distributed to the Member Boards as soon as practicable. If the distribution of the Amended Nominating Committee Report cannot occur more than 30 days prior to the annual meeting, then upon the written request of 5 or more Member Boards or upon the recommendation of the Nominating Committee, the election regarding any new nominee may be conducted in the same manner as provided in Section 7.2.3. The new nominee(s) will be presented for consideration with the other nominees for the Board of Directors by the Nominating Committee at~~s~~ the Annual Meeting, if administratively feasible. If the timing is such that a vote cannot occur at the Annual Meeting, written ballots containing the name of the proposed candidate shall be sent promptly to the Presiding Officers of all Member Boards for voting as set forth in Section 6.7.

7.2.5 Withdrawal by a Nominee - Amendment of the Nominating Committee Report.

In the event a nominee selected by the Nominating Committee for election at the Annual Meeting withdraws from the process, the Nominating Committee Chair shall promptly call a meeting of the Nominating Committee to nominate a replacement nominee. If said action would occur after the Nominating Committee's Report issued pursuant to Section 7.3.1 has been distributed with the notice of Annual Meeting as required in Section 7.3.2, then the Chair of the Nominating Committee may convene an emergency meeting of the Nominating Committee for the sole purpose of replacing the nominee. Notice of this meeting will state that the meeting is being called to consider the replacement of a nomination. Notwithstanding Section 7.2.1, for purposes of that meeting and that meeting only, one or more members or alternates of the Nominating Committee can participate via teleconference pursuant to section 4.11. If the Nominating Committee votes to amend its report, the Amended Nominating Committee Report shall be distributed to the Member Boards as soon as practicable. If the distribution of the Amended Nominating Committee Report cannot occur more than 30 days prior to the Annual Meeting, then upon the written request of 5 or more Member Boards or upon the recommendation of the Nominating Committee, the new nominee(s) will be presented for consideration with the other nominees for the Board of Directors by the Nominating Committee at the Annual Meeting, if administratively feasible. If the timing is such that a vote cannot occur at the Annual Meeting, written ballots containing the name of the proposed candidate shall be sent promptly to the Presiding Officers of all Member Boards for voting as set forth in Section 6.7.

7.3 Nominations and Election Process.

7.3.1 At least 60 days preceding the date of the Annual Meeting of the Association, the Nominating Committee shall deliver to the Chair a report which shall include its Annual Nominations as described in Section 7.2.2.

7.3.2. The report shall be included with the notice of the Annual Meeting as described in Section 6.3, and shall be presented by the Nominating Committee during the Business Session at the Annual Meeting.

7.3.3 Nominations for any elected position, including a vacancy in the office of Vice Chair, may also be made by at least five Member Boards, if filed with the Chair at least 30 days prior to the Annual Meeting (or the due date set pursuant to Section 7.2.3 and Section 6.7 for the mail ballots for Vice Chair in the event of a vacancy).

7.3.4 No nominations from the floor or otherwise will be recognized.

7.3.5 A majority vote of the Member Boards represented during the Business Session at the Annual Meeting (or by mail ballots for Vice Chair) shall constitute an election, provided a quorum is met.

ARTICLE VIII – Committees, Task Forces and Boards

8.1 Standing Committees.

The standing committees of the Association shall include the Executive Committee, the Nominating Committee, the Administration and Finance Committee, the Audit Committee, the CPA Examination Review Board and the Executive Directors Committee. Unless otherwise provided in these bylaws, the members and chairs of the standing and other committees or task forces are appointed by the Chair.

8.2 Executive Committee.

There shall be an Executive Committee composed of the Past Chair, the Chair, the Vice Chair, the Secretary, and the Treasurer. The President shall serve as an *ex officio* non-voting member of the Executive Committee. The Executive Committee shall act for the Board of Directors between meetings of the Board. The Executive Committee (without the President) shall constitute the Compensation Committee. The Compensation Committee shall annually evaluate the performance and the compensation of the President. All actions taken by the Executive Committee and the Compensation Committee shall be presented to the Board of Directors for ratification at its next meeting.

8.3 Nominating Committee.

The election and duties of the Nominating Committee are described in Article VII. The Nominating Committee is not a committee of the Board of Directors.

8.4 Administration and Finance Committee.

The Administration and Finance Committee shall oversee and monitor the fiscal operations of the Association. The Treasurer shall serve as Chair of the Administration and Finance Committee.

8.5 Audit Committee.

The Audit Committee shall oversee the Association's annual financial statement audit and internal controls and shall recommend to the Board of Directors the firm to perform the audit. The Audit Committee shall receive the annual audited financial statements and the auditor's report thereon, consider the items of internal accounting control that arise from the audit process, and make a recommendation regarding the annual audited financial statements and the auditor's report thereon, to the Board of Directors.

8.6 CPA Examination Review Board.

8.6.1 The CPA Examination Review Board ("ERB") shall: evaluate and report on significant adherence with the policies and procedures utilized in the preparation, grading and administration of the Uniform CPA Examination and the International Qualifications Examination used by boards of accountancy for the licensing of certified public accountants; to include observation, inquiry and inspection of pertinent records; and report annually on the ongoing reliability of such examinations for the licensing of certified public accountants. Member Boards and International Affiliate Organization representatives are eligible for service on the ERB if their jurisdiction utilizes the Uniform CPA Examination as the qualifying examination for licensed auditors.

8.7 Other Committees and Task Forces.

The Chair or the Board of Directors may appoint such other Committees and Task Forces as they deem desirable. Membership on such Committees and Task Forces may include, in addition to Delegates and Associates, executive directors and other persons with special expertise, including those from International Affiliate Organizations. ~~.~~ Task Forces within a Committee **may** be appointed by the Committee Chair, provided the Task Force members have already been appointed by the NASBA Chair to the Committee**.**

8.8 Executive Directors Committee.

There shall be an Executive Directors Committee. Its members shall be appointed by the NASBA Chair from the executive directors (or the highest-ranking staff member if another title is used by a ~~State Board~~Member Board or International Affiliate Organization). The Executive Directors Committee shall operate pursuant to a Mission Statement developed by the Committee and approved by the Board of Directors. The Chair of the Executive Directors Committee shall serve as liaison to and as an *ex officio* non-voting member of the Board of Directors.

ARTICLE IX - Finances

9.1 Fiscal Year.

The fiscal year of the Association shall be from August 1 of one year to July 31 of the next succeeding year.

9.2 Dues.

The dues for each Member Board and each Associate shall be determined by the Board of Directors and approved by the Member Boards at a regular Annual Meeting of the Association. The Board of Directors may waive, alter, or amend unpaid dues of Member Boards or International Affiliate Organizations. The dues of each Member Board shall be based on the number of persons regulated by that Member Board.

9.3 Other Fees.

The Board of Directors may establish such other fees for publications, programs and services as it shall deem appropriate, provided that no such fees or special assessments shall be levied if such fees or assessments impair the status of the Association under Section 501(c) of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any successor law.

9.4 Audit.

The Board of Directors shall, for each fiscal year, appoint a licensed independent public accountant or licensed independent public accountants to express an opinion on the financial statements of the Association. The financial statements of the Association and the report of the auditor or auditors for each fiscal year shall be published for the information of the membership.

9.5 Contracts.

The Board of Directors may authorize the President, any Officer or Officers, agent or agents of the Association, to enter into any contract or execute and deliver any instrument in the name and on behalf of the Association and such authority may be general or confined to specific instances.

9.6 Checks, Drafts, etc.

All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association shall be signed by such Officer or Officers, agent or agents of the Association and in such manner as shall from time to time be determined by the Board of Directors.

9.7 Indemnification.

The Association shall, to the fullest extent permitted under Delaware law, defend and/or indemnify any and all of its Directors or Officers or former Directors or Officers against expenses actually and reasonably incurred by them in connection with the defense of any action, suit or proceeding in which they or any of them are made parties, or a party, by reason of being or having been a Director or Officer of the Association.

9.8 Insurance.

The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was an Officer, Director, President, committee member, or is serving at the request of the Association, against any liability incurred by such person in any such capacity, or arising out of that person's status as such, whether or not the Association would have the power to indemnify that person against such liability under this Article.

9.9 Dissolution.

The Association shall use its funds only to accomplish the purposes specified in these bylaws and no part of said funds shall inure, or be distributed, to the Member Boards or International Affiliate Organizations of the Association. On dissolution of the Association, any funds remaining shall be distributed to one or more regularly organized and qualified charitable, education, scientific or philanthropic organizations to be selected by the Board of Directors.

ARTICLE X – Amendments

Any of these bylaws may be altered, amended, or repealed, and new bylaws may be adopted by a two-thirds vote of Member Boards represented at any regular or special meeting by one or more Designated Voting Representatives, provided a quorum is present, and provided that the Member Boards approving such an amendment constitute a majority of the Member Boards of the Association. Proposed amendments to these Bylaws must be presented in writing to the Chair at least 60 days before the meeting at which they are to be voted upon; however, this requirement may be waived by the Chair or by a three-fourths vote of Member Boards represented at any regular or special meeting. Any amendments to these bylaws shall become effective on the first day following the Annual Business Meeting unless another day is specified.

NASBA INTERNATIONAL MEMBERSHIP FRAMEWORK

PROPOSED BOARD PROCEDURE | MEMBER BOARD SUMMARY

A controlled framework for international regulatory collaboration that preserves NASBA's primary responsibility to the U.S. Member Boards.

PURPOSE

NO AUTOMATIC MEMBERSHIP

✓ Separate application and review required
✓ Independent due diligence conducted
✓ Supermajority Board approval required for admission
✓ No organization is admitted automatically

Creation of membership categories does not admit any organization.

MEMBERSHIP CATEGORIES

AFFILIATE INTERNATIONAL MEMBERSHIP

- Regulatory engagement and collaboration
- Information sharing and participation
- No governance authority
- No entitlement to Full International Membership

FULL INTERNATIONAL MEMBERSHIP

- Reserved for substantially comparable regulatory bodies
- Separate application and comparability review
- Supermajority (2/3) Board approval required
- Rights only as expressly authorized

APPROVAL & ADVANCEMENT

APPLICATION → REVIEW → BOARD ACTION

Full International Membership review evaluates:

✓ Regulatory authority and public protection
✓ Governance, accountability, and independence
✓ Licensing, oversight, and enforcement
✓ Comparability, risks, and safeguards

ADVANCEMENT REQUIRES

✓ Separate application and formal review
✓ Supermajority (2/3) Board approval
✓ Case-by-case Board discretion

Eligibility, participation, tenure, or dues payment do not guarantee admission or advancement.

GOVERNANCE SAFEGUARDS

✓ U.S. Member Boards retain governance control
✓ International members cannot control NASBA
✓ U.S. Member Board authority remains unchanged
✓ Licensure, mobility, reciprocity, and MRAs remain unchanged
✓ The Member Boards establish the framework through the Bylaws
✓ The Board acts under authority delegated by the Member Boards through the Bylaws
✓ Significant Governance Actions require a Supermajority Vote
✓ International members do not receive rights identical to U.S. Member Boards

INTERNATIONAL REGION

The Board may establish an International Region if warranted for coordination and engagement.

AN INTERNATIONAL REGION WOULD NOT:

✗ Create a new jurisdiction
✗ Alter NASBA governance
✗ Affect U.S. Member Board authority
✗ Grant regulatory authority
✗ Dilute U.S. Member Board governance authority

CONTINUING OVERSIGHT

The Board may:

- Impose conditions or corrective action
- Restrict participation rights
- Reclassify, suspend, or terminate membership*

**Supermajority (2/3) Board approval required.*

Full International Members undergo comprehensive review at least every five years.

KEY TAKEAWAYS

1 NO AUTOMATIC ADMISSION
2 RIGOROUS COMPARABILITY REVIEW
3 SUPERMAJORITY APPROVAL
4 U.S. GOVERNANCE PROTECTED
5 CONTINUING ACCOUNTABILITY

BOTTOM LINE

A measured framework that supports international regulatory collaboration while protecting NASBA governance, preserving the authority of the 55 U.S. Member Boards, and requiring enhanced oversight of Significant Governance Actions.

Understanding the Proposed International Membership Categories

By Daniel J. Dustin, CPA
President & CEO
NASBA

NATIONAL ASSOCIATION OF STATE BOARDS OF ACCOUNTANCY

In August, NASBA distributed proposed Bylaws amendments to be considered at the Annual Meeting. Several of you have asked good questions since then about why these changes are being proposed, what they would mean in practice, and what they would not change.

This document is meant to answer those questions directly and in plain terms.

Why we are considering this

Regulation of the profession increasingly crosses borders. Issues involving enforcement, professional mobility, credential recognition, standards, and regulatory approaches do not stop at U.S. jurisdictional lines.

More formal relationships with peer regulators would give NASBA a structured way to exchange information, learn from developments in other countries, and participate in those conversations on behalf of its U.S. member boards.

The proposed changes would not alter the authority of any individual U.S. member board.

What this means for U.S. state boards

Stronger relationships with peer regulators give U.S. state boards earlier access to developments outside the United States, opportunities to learn directly from peer regulators, and a stronger collective voice when international developments affect U.S. regulation.

We are already seeing the value of these relationships. This year, the Canadian provinces and territories reached out to NASBA to learn about developments related to private equity investment in public accounting firms in the U.S. That is a concrete example of peer regulators sharing information that matters to U.S. boards.

How we got here

This proposal has been developed with NASBA board member and state board input for several months. The following steps have been taken or are planned:

- **April 2026**: The NASBA Board of Directors discussed how organizations similar to NASBA approach international and affiliate membership and directed staff to research models used by other professions.
- **June 2026**: The NASBA Board continued the discussion and reviewed how membership eligibility and termination could work, alongside an update on the Mutual Recognition Agreement between the United States, Canada and Mexico.
- **Regional Meetings**: The concept was presented, noting that a proposed Bylaws change could come before boards at the Annual Meeting.
- **July 2026**: The NASBA Board approved the proposed Bylaws amendments for distribution.
- **August 2026**: The required notice of proposed amendments was distributed to member boards, beginning the 60-day period ahead of the vote.
- **October 2026**: Member boards vote on the proposed amendments at the Annual Meeting.

The formal notice followed several months of Bylaws Committee meetings and discussion and approval by the Board in July. We recognize, however, that much of that supporting context was not included in the notice itself. This document is intended to fill that gap.

What is being proposed

The amendments would create two membership categories for international licensing and regulatory bodies: organizations that perform licensing or regulatory functions in their own jurisdictions.

Affiliate membership would be a more limited and flexible category for engagement, collaboration, and information-sharing where full participation in NASBA is not warranted. Affiliate members could receive NASBA communications and take part in conferences, webinars, and other networking and information-sharing opportunities, as determined through Board policy.

Full membership would be reserved for international licensing or regulatory bodies that perform functions comparable to U.S. boards of accountancy. Because those bodies have a regulatory role more closely aligned with NASBA's existing member boards, they could be considered for a higher level of participation, subject to criteria and limitations established by the NASBA Board of Directors. Full members could take part in conferences and regulatory dialogue. Any participation in committees, task forces, or other NASBA activities would be established through Board-approved policy and would preserve the central role of NASBA's 55 U.S. member boards.

Neither category would be automatic. Every applicant would need to meet applicable criteria and be approved by the NASBA Board under a Board-approved policy.

Approval of the proposed Bylaws amendments would not constitute approval of any current or prospective international organization for membership. The amendments would establish the framework and the authority to consider applicants. Any organization seeking membership would be considered separately under the applicable criteria and approval process.

In other words, the vote in October is on whether to create the framework, not on whether to admit a particular international organization.

Affiliate vs. full: a simple comparison

The proposed Bylaws establish the membership categories and the Board's authority to administer them. They do not, by themselves, answer every question about the rights and limitations that would apply to each category.

The following compares the two categories on the points members have raised. Some participation and governance rights remain to be determined and should not be considered final until those decisions are made.

	Affiliate membership	Full membership
Purpose	Engagement, collaboration and information-sharing	A higher level of participation for qualifying peer regulators
Eligible organizations	International licensing or regulatory bodies meeting applicable criteria	International licensing or regulatory bodies performing functions comparable to U.S. boards of accountancy
Automatic membership?	No	No
Approval required?	NASBA Board approval	NASBA Board approval

The purpose of these categories is to expand regulatory engagement without diminishing the role of NASBA's 55 U.S. member boards. Participation and governance provisions will need to reflect that principle.

We recognize the concern that adding international membership should not diminish the role of NASBA's 55 U.S. member boards. The objective of these categories is to expand regulatory engagement and provide U.S. boards with broader regulatory insight, not to transfer influence away from existing member boards.

Specific participation and governance rights are being addressed separately and will need to reflect that principle.

How it would work

No international organization would become a member automatically. Every admission would require approval by the NASBA Board of Directors. Applicants would need to meet criteria established in Board policy, and the NASBA Board would retain authority to terminate membership.

The Bylaws would establish the membership framework and the NASBA Board's authority to consider applicants. Board policy would establish more detailed eligibility, review, participation, and oversight requirements, allowing those operational standards to be administered and updated without requiring a Bylaws amendment for each change.

The Bylaws would give the NASBA Board the authority to consider qualified international regulatory organizations for membership. It would not allow an organization or guarantee membership to an applicant. Continued membership would remain subject to the applicable requirements, and the NASBA Board would retain authority to terminate membership if an organization no longer meets those requirements.

Why membership instead of continuing existing relationships?

NASBA already maintains productive international relationships, including through Mutual Recognition Agreements and other regulatory activities.

The proposed membership categories are not intended to replace those relationships. They would provide a formal framework for deeper and more sustained collaboration with peer regulatory bodies, including consistent standards for participation and oversight.

Membership would also allow NASBA to distinguish between organizations where collaboration and information-sharing are appropriate and regulatory bodies whose functions are sufficiently comparable to U.S. boards of accountancy to warrant consideration for broader participation.

Existing international relationships can continue without membership. The proposed amendments would give NASBA an additional structure for relationships where a more formal and sustained level of regulatory engagement is appropriate. It also would allow NASBA to establish clear expectations for eligibility, participation, oversight and continued membership rather than managing those relationships solely through individual agreements or informal collaboration.

How have similar organizations approached international or affiliate membership?

The NASBA Board reviewed membership models used by U.S. organizations serving licensing and regulatory boards in other professions, including nursing, engineering and surveying, and psychology. Several provide full and/or affiliate membership opportunities for regulatory bodies outside the United States, including Canadian regulators.

While the specific structures vary, these organizations demonstrate how different membership categories can be used to engage regulatory bodies with different roles and levels of participation. In many models, full membership is intended for entities performing regulatory functions comparable to a jurisdictional licensing board, while affiliate membership provides opportunities for collaboration and information-sharing without the same level of participation.

The Board considered these models in developing NASBA's proposed framework. The proposal would not automatically admit any international regulatory organization; applicants would remain subject to NASBA's eligibility criteria and approval process.

What this would not do

Because several questions rest on what these changes might allow, it is worth being just as clear about what they would not do:

- They would **not change NASBA's mission, name, or core purpose of supporting the effectiveness of U.S. state boards of accountancy.**

- They would **not automatically admit any international organization.** Every applicant would have to meet applicable criteria and receive NASBA Board approval.
- They would **not, by themselves, approve any organization with which NASBA currently has a relationship or any future applicant..**
- They would **not give an international organization regulatory authority over U.S. CPA licensure.** Licensure authority remains with the individual state boards.
- They would **not change the authority of any state board, CPA licensure requirements, or mobility laws.** These are changes that only state boards and state legislatures can make.
- **They would not change NASBA's Mutual Recognition Agreements.** Any changes to those areas would continue to require their own separate review and approval processes.

The proposal is about participation in NASBA. **It would not transfer or alter the regulatory authority held by U.S. boards of accountancy.**

What happens next

The proposed amendments are moving through NASBA's Bylaws approval process, and we want to hear from member boards before the October vote.

Over the coming weeks, the proposal will be discussed in the regional calls beginning in late August. We will continue answering questions and providing additional information ahead of the vote.

Member boards will vote on the proposed Bylaws amendments at the Annual Meeting in October in Litchfield Park, AZ.

If the amendments are approved, that vote would establish the membership framework. **It would not admit an international organization itself.** Individual applicants would still have to go through the applicable eligibility, review, and approval process.

If you have questions in the meantime, please reach out to Wendy Garvin, Executive Vice President, at wgarvin@nasba.org. We would rather answer a question early than leave it unanswered.

INTERNATIONAL MEMBERSHIP

Questions and Answers

NATIONAL ASSOCIATION OF STATE BOARDS OF ACCOUNTANCY

International Membership: Questions And Answers

What problem is NASBA trying to solve?

The accounting profession operates in an increasingly interconnected global environment. Regulatory developments, professional mobility issues, ownership structures, credential recognition, and other matters often have international dimensions that may affect U.S. Boards of Accountancy. The proposed membership categories would provide NASBA with a structured framework to engage with peer regulatory bodies, helping NASBA and its member boards stay informed, share knowledge, and participate more effectively in discussions that may affect the future of regulation.

Why is NASBA considering international membership?

Regulation of the profession increasingly crosses borders. Issues involving professional mobility, credential recognition, standards, and regulatory approaches do not stop at U.S. jurisdictional lines. More formal relationships with peer regulators would give NASBA a structured way to exchange information and participate in those conversations on behalf of its U.S. member boards.

How would this benefit U.S. state boards?

Stronger regulatory relationships give state boards earlier access to developments outside the United States, opportunities to learn directly from peer regulators, and a stronger collective voice when international developments affect U.S. regulation. The purpose is to strengthen NASBA's ability to serve U.S. boards, not to change the authority of any individual board.

We are already seeing the value of these relationships. This year, the Canadian Provinces and Territories reached out to NASBA to learn of developments related to private equity investment in public accounting firms in the U.S. Through other international relationships, NASBA leadership gained insight into the work of the Financial Action Task Force (FATF), which acts as a global watchdog for fighting money laundering and terrorist financing. This topic is increasingly intersecting with the accounting profession, and we'll discuss it more at this year's annual meeting in Litchfield Park, AZ.

How would international membership contribute to NASBA's mission?

The proposal is intended to strengthen NASBA's ability to serve U.S. Boards of Accountancy. More formal relationships with comparable regulatory bodies could provide earlier awareness of emerging issues, broader access to regulatory perspectives, and stronger channels for information sharing. The objective is not membership growth for its own sake, but rather enhancing NASBA's ability to advance the common interests of its member boards in a changing regulatory environment.

How does this proposal relate to NASBA's strategic plan?

The proposal is consistent with NASBA's efforts to position the Association and its member boards for the future. As the profession continues to evolve, NASBA must remain informed about developments that may affect regulation, licensure, mobility, and public protection. Establishing a framework to engage with peer regulatory bodies supports NASBA's broader objective of remaining a forward-looking organization that serves the long-term interests of U.S. Boards of Accountancy.

Why not continue NASBA's existing international relationships without creating membership categories?

NASBA's existing international relationships are valuable and would continue regardless of this proposal. However, those relationships are generally informal and do not operate within a consistent governance framework. The proposed affiliate and full membership categories would provide a structured approach for engagement with international regulatory bodies when a more formal and ongoing relationship is appropriate. Existing relationships could continue without membership, while the new framework would provide an additional option where deeper collaboration serves the interests of NASBA's member boards.

Why are both affiliate and full membership proposed?

Not every international regulatory body has the same role or the same relationship with NASBA.

Affiliate membership would provide a flexible option for collaboration and information sharing.

Full membership would provide a separate category for regulatory bodies that perform functions comparable to U.S. Boards of Accountancy.

For U.S. boards, that flexibility allows NASBA to build relationships with international regulators at a level appropriate to their role, while giving state boards greater access to regulatory information, experience and perspectives from outside the United States.

Creating both categories gives NASBA the flexibility to build global regulatory relationships while preserving the Board of Directors' discretion over eligibility, privileges, and governance. Establishing both categories in the Bylaws now also avoids forcing future boards to amend the Bylaws again if NASBA later determines that certain international regulators warrant a higher level of participation.

What is the difference between affiliate and full membership?

Affiliate membership would provide a flexible way for international licensing or regulatory bodies where collaboration, information sharing, and relationship-building are appropriate, but where full participation in NASBA is not warranted. It would allow NASBA to engage with peer regulators outside the United States without changing NASBA's primary focus on serving its 55 U.S. member boards.

Full membership would be intended for international licensing or regulatory bodies that perform functions comparable to U.S. Boards of Accountancy and could involve broader participation as established through the applicable governance framework and Board policy.

Neither category would result in automatic admission. Each applicant would need to meet applicable criteria and be approved by the NASBA Board of Directors. Specific privileges, participation rights and safeguards would be established through Board-approved policy.

What benefits would affiliate members receive?

Affiliate members could receive NASBA communications and participate in conferences, webinars and other educational, networking or information-sharing opportunities as determined through Board policy.

The purpose of affiliate membership is to provide a structured way for NASBA and international regulators to collaborate and exchange information without necessarily providing the same level of participation associated with full membership.

Specific benefits and participation opportunities would be established through Board policy.

Who would be eligible?

Eligibility would be limited to international licensing and regulatory authorities that perform functions comparable to U.S. Boards of Accountancy. Professional associations, advocacy organizations, and other organizations that do not perform a regulatory function do not qualify.

Admission would remain entirely within the discretion of the NASBA Board of Directors, under the eligibility requirements and safeguards established through Board policy.

Are any organizations currently being considered for admission?

No. The proposed amendments would not admit any organization to membership and are not tied to any specific applicant. The purpose of the proposal is to establish a framework that would allow the NASBA Board of Directors to consider future applications from qualifying international regulatory bodies if and when such applications are received.

Any applicant would be subject to the eligibility criteria, review process, safeguards, and approval requirements established by Board policy.

Who decides whether an international organization is admitted?

Under the proposal, each admission would require approval by the NASBA Board of Directors. Admission would not be automatic, and applicants would need to meet the applicable criteria established in Board policy.

The proposed Bylaws amendments would not admit any organization into NASBA. They would authorize the NASBA Board of Directors to consider qualifying international regulatory bodies for affiliate or full membership.

Admission decisions would be governed by Board-approved policy establishing eligibility criteria, the review process, safeguards and oversight requirements.

Why aren't all the eligibility requirements and safeguards written into the Bylaws?

The proposed approach sets the membership framework in the Bylaws while placing detailed eligibility and admission criteria in Board policy, where they can be applied consistently and updated as needed without a full Bylaws amendment each time.

The proposed Bylaws amendment is not intended to establish every operational requirement for international membership. Instead, it grants NASBA's Board of Directors the authority to consider international regulatory bodies for affiliate or full membership.

More detailed requirements, including eligibility criteria, admission and review procedures, participation rights, safeguards and oversight requirements, would be established through Board-approved policy. That policy would also establish safeguards intended to preserve the governance role of NASBA's U.S. member boards.

Why is NASBA asking members to approve the framework before all policies are finalized?

The proposed amendments do not admit any organization to membership and do not establish all eligibility requirements or participation rights. Instead, they provide the authority for NASBA to create affiliate and full international membership categories. If approved, the NASBA Board of Directors would then develop the detailed policies, safeguards, review procedures, and eligibility standards necessary to implement the framework before any organization could be considered for admission.

Will member boards approve the policies that implement these amendments?

The proposed Bylaws amendments establish the framework for international membership. If approved by the membership, the NASBA Board of Directors would be responsible for developing and approving the detailed implementing policies, including eligibility criteria, admission procedures, participation rights, safeguards, oversight requirements, and any conditions for ongoing membership. Those policies would not require a separate vote of membership. However, the Board recognizes the importance of these policies and will seek input and feedback from member boards as the policies are developed. The proposed Bylaws amendments themselves must first be approved by the membership before any implementing policies could be adopted.

What safeguards will be in place to protect the interests of U.S. Boards of Accountancy?

The proposal does not change the authority of any Board of Accountancy, CPA licensure requirements, mobility laws, reciprocity arrangements, or Mutual Recognition Agreements. Admission would not be automatic, all applicants would be subject to Board-approved eligibility requirements, and the NASBA Board of Directors would retain authority over admissions and ongoing oversight. Additional safeguards and participation requirements would be established through Board-approved policy before any organization could be admitted.

Could international members vote, or serve on NASBA committees or the Board?

The proposed amendments create a framework for international membership, but they do not themselves establish all voting, Board or committee participation rights.

Affiliate membership is intended primarily to provide opportunities for regulatory collaboration, information sharing and engagement. Full members could be considered for broader participation because they perform regulatory functions comparable to U.S. Boards of Accountancy.

The proposed amendments themselves do not grant voting rights, Board seats or committee eligibility. Those specific participation and governance rights would need to be established through the applicable governance framework and Board policy.

Could international membership dilute the influence of the 55 U.S. jurisdictions?

No organization would join automatically, and every admission would require Board approval by the NASBA Board of Directors. Participation rights and safeguards would be established in Board policy.

The 55 U.S. jurisdictions would remain NASBA's core constituency. The objective is to provide U.S. boards broader regulatory insight and a stronger voice in an increasingly global environment, not to transfer influence away from existing member boards.

The proposal does not diminish the voice of the 55 boards of accountancy. It creates a mechanism for NASBA to engage with peer regulators around the world while maintaining governance control within NASBA.

Does this affect state authority, CPA licensure, MRAs, or reciprocity?

No. International membership in NASBA would not change the statutory authority of any state board. International membership and Mutual Recognition Agreements serve different purposes: MRAs address recognition of professional credentials between jurisdictions, while NASBA membership concerns participation in the Association.

The proposed international membership categories do not affect the authority of any Board of Accountancy, CPA licensure requirements, mobility laws, reciprocity agreements, or Mutual Recognition Agreements. Regulatory authority remains with the individual Boards of Accountancy, and any changes to licensure, mobility, or recognition agreements would continue to require their own separate review and approval processes.

NASBA does not promulgate regulations for individual jurisdictions. Those regulatory powers remain with the Boards of Accountancy and the governmental authorities in their respective jurisdictions.

What happens if an international member no longer meets the requirements?

International membership would remain subject to ongoing compliance with the applicable eligibility, participation and oversight requirements.

The NASBA Board of Directors would retain authority to review a member's continued eligibility and, when appropriate, terminate membership if the organization no longer satisfies the applicable requirements.

How have other organizations like NASBA approached international or affiliate membership for regulatory bodies?

NASBA's Board reviewed membership models used by organizations serving licensing and regulatory boards in other professions, including nursing (NCSBN), engineering and surveying (NCEES), and psychology (ASPPB), several of which NASBA already works alongside. Several provide full and/or affiliate membership opportunities for regulatory bodies outside the United States, including Canadian regulators.

While the specific structures vary, these organizations demonstrate how different membership categories can engage regulatory bodies with different roles and levels of participation. In many models, full membership is intended for entities performing regulatory functions comparable to a jurisdictional licensing board, while affiliate membership provides opportunities for collaboration and information-sharing without the same level of participation.

The Board considered these models in developing NASBA's proposed framework. The proposal would not automatically admit any international regulatory organization; applicants would remain subject to NASBA's eligibility criteria and approval process.

Board of Accountancy

Board of Accountancy revisions to § 54.1-4400 et seq. and § 54.1-113.

Draft Legislation

§ 54.1-4400. Definitions

As used in this chapter, unless the context requires a different meaning:

"Accredited institution" means a degree-granting institution of higher education accredited either by (i) one of the regional accrediting organizations, including the Middle States Association of Colleges and Schools, New England Commission of Higher Education, Higher Learning Commission, Northwest Commission on Colleges and Universities, Southern Association of Colleges and Schools Commission on Colleges, and WASC Senior College and University Commission, or their successors or (ii) an accrediting organization demonstrating to the Board periodically, as prescribed by the Board, that its accreditation process and standards are substantially equivalent to the accreditation process and standards of the regional accrediting organizations.

"Assurance" means any form of expressed or implied opinion or conclusion about the conformity of a financial statement with any recognition, measurement, presentation, or disclosure principles for financial statements.

"Attest services" means audit, review, or other engagements performed in accordance with the standards that have been established by the Public Company Accounting Oversight Board, by the Auditing Standards Board or the Accounting and Review Services Committee of the American Institute of Certified Public Accountants, or by any successor standard-setting authorities

"Board" means the Virginia Board of Accountancy.

“Client” means any person or entity other than the licensee’s employer that engages a licensed individual or firm to perform professional services and also, a person or entity with respect to which a licensee or firm performs professional services.

Changed to be consistent with the AICPA Code of Professional Conduct.

"Compilation services" means compiling financial statements in accordance with standards established by the American Institute of Certified Public Accountants or by any successor standard-setting authorities.

"Continuing professional education" means the education that a person obtains after passing the CPA examination and that relates to services provided to or on behalf of an employer in academia, government, or industry or ~~to services provided to the public~~ in public practice.

"CPA" means certified public accountant.

"CPA examination" means the national uniform CPA examination approved and administered by the board of accountancy of a state or by the board's designee.

"CPA wall certificate" means the symbolic document suitable for wall display that is issued by the board of accountancy of a state to a person meeting the requirements to use the CPA title in that state.

"Executive Director" means the Executive Director of the Board.

"Experience" means employment in academia, a firm, government, or an industry in any capacity involving the substantial use of accounting, financial, tax, or other skills that are relevant, as determined by the Board, to provide services to or on behalf of an employer or ~~to the public~~ in public practice. Such experience must be verified by an active, licensed CPA.

Clean up – to ensure the term "public practice" is consistent throughout this chapter.

"Facilitated State Board Access" or "FSBA" means the sponsoring organization's process whereby it provides the Board access to peer review results via a secure website.

"Financial statement" means a presentation of historical or prospective financial information about one or more persons or entities.

"Financial statement preparation services" means engaging a licensee in public practice for financial statement preparation services executed in accordance with the standards established by the Statements on Standards for Accounting and Review Services of the American Institute of Certified Public Accountants or by any successor standard-setting authorities.

"Firm" means an entity formed by one or more licensees as a sole proprietorship, a partnership, a corporation, a limited liability company, or any other type of entity permitted by law with the purpose of ~~providing professional services to the public~~ engaging in public practice.

Clean up – to ensure the term "public practice" is consistent throughout this chapter.

"License of another state" means the license that is issued by the board of accountancy of a state other than Virginia that gives a person the privilege of using the CPA title in that state or that gives a firm the privilege of providing attest services, compilation services, and financial statement preparation services to persons and entities located in that state.

"Licensed" means holding a Virginia license or the license of another state.

"Licensee" means a person or firm holding a Virginia license or the license of another state.

"Peer review" means a review of a firm's attest services, compilation services, and financial statements preparation services that is conducted in accordance with the applicable monitoring program of the American Institute of Certified Public Accountants or its successor, or with another monitoring program approved by the Board.

"~~Practice of public accounting~~ Public practice" means the performance of professional services for a client by a licensee or licensee's firm, including all services subject to the guidance of the standard-setting authorities listed in the standards of conduct and practice in subdivisions 5 and 6 of § 54.1-4413.3 or by any equivalent standard-setting authority as approved by the Board.

Changed to be consistent with the AICPA Code of Professional Conduct and clear up any Code discrepancies. This term combines the definitions for "practice of public accounting" and "providing services to the public."

"Professional services" ~~means all services requiring substantial use of accountancy or related skills that are performed by a licensee for a client or for an employer. Such services are subject to the guidance of the standard-setting authorities listed in the standards of conduct and practice in subdivisions 5 and 6 of § 54.1-4413.3 or by any equivalent standard-setting authority as approved by the Board.~~ includes all services requiring accountancy or related skills that are performed by a licensee for a client or an employer. These services include, but are not limited to accounting, audit and other attest services, tax, bookkeeping, management consulting, financial management, corporate governance, personal financial planning, business valuation, litigation support, educational, and those services for which standards are promulgated by bodies designated by the board.

Changed to be consistent with the AICPA Code of Professional Conduct and clear up any Code discrepancies.

"Providing services to or on behalf of an employer" means the performance of professional services while employed or engaged on a contractual basis by a licensee to or on behalf of an entity. "Providing services to or on behalf of an employer" does not include a person or firm engaged in ~~the practice of public accounting~~ public practice.

Clean up – to ensure the term "public practice" is consistent throughout this chapter.

~~"Providing services to the public" means providing services that are subject to the guidance of the standard-setting authorities listed in the standards of conduct and practice in subdivisions 5 and 6 of § 54.1-4413.3 or by an equivalent standard-setting authority as approved by the Board.~~

This has been incorporated into the definition of "public practice."

"Sponsoring organization" means a Board-approved professional society or other organization responsible for the facilitation and administration of peer reviews through use of its peer review program and applicable peer review standards.

"State" means any state of the United States, the District of Columbia, or any territory of the United States that is a recognized jurisdiction by the National Association of State Boards of Accountancy or its successor.

"Substantially equivalent" means a Board determination that the education requirements of another jurisdiction are comparable to those prescribed by the Board.

"Using the CPA title in Virginia" means the use of "CPA," "Certified Public Accountant," or "public accountant" in any manner of communication by any person, firm, or entity to persons or entities located in Virginia in a manner that indicates or implies that such person, firm, or entity is licensed or legally permitted to provide professional services in Virginia. ~~Holding a Virginia license or the license of another state constitutes using the CPA title in Virginia.~~

This was struck at the request of the VSCPA – the way it is written creates unintended consequences.

"Virginia license" means a license that is issued by the Board giving a person or firm the privilege of using the CPA title in Virginia or a firm the privilege of providing attest services, compilation services, and financial statement preparation services to persons and entities located in Virginia.

§ 54.1-4402. Board; membership; qualifications; powers and duties

A. The Board of Accountancy established under the former § 54.1-2000 and previously operating in the Department of Professional and Occupational Regulation is hereby continued and reestablished as an independent board in the executive branch of state government.

B. The Board shall consist of seven members appointed by the Governor as follows: one member shall be a public member who may be an accountant who is not licensed but otherwise meets the requirements of clauses (i) and (ii) of § 54.1-107; one member shall be an educator in the field of accounting who holds a Virginia license; four members shall be holders of Virginia licenses who have been actively engaged in ~~providing services to the public~~ public practice for at least three years prior to appointment to the Board; and one member shall hold a Virginia license and for at least three years prior to appointment to the Board shall have been actively engaged in ~~providing services to the public~~ public practice or in providing services to or on behalf of an employer in government or industry.

Clean up – to ensure the term "public practice" is consistent throughout this chapter.

C. Members of the Board shall serve for terms of four years. The Governor may remove any member as provided in subsection A of § 2.2-108. Any member of the Board whose Virginia license is revoked or suspended shall automatically cease to be a member of the Board.

D. The Board shall restrict the ~~practice of public accounting~~ public practice and the use of the CPA title in Virginia to licensed persons and firms as specified in §§ 54.1-4409.1 and 54.1-4412.1.

Clean up – to ensure the term "public practice" is consistent throughout this chapter.

E. The Board shall restrict the provision of attest services, compilation services, and financial statement preparation services to persons or firms located in Virginia and as specified in § 54.1-4412.1. However, this shall not affect the privilege of a person who is not licensed to include a statement on financial statements indicating that no assurance is provided on the financial statements, to say that financial statements have been compiled, or to use the compilation language as prescribed by subsections B and C of § 54.1-4401.

F. The Board shall take such actions as may be authorized by this chapter to ensure the continued competence of persons or firms using the CPA title in Virginia and firms providing attest services, compilation services, or financial statement preparation services to persons or entities located in Virginia and to aid the public in determining their qualifications.

G. The Board shall take such actions as may be authorized by this chapter to ensure that persons or firms holding a Virginia license or using the CPA title in Virginia and firms providing attest services, compilation services, or financial statement preparation services to persons or entities located in Virginia adhere to the standards of conduct and practice in § 54.1-4413.3 and regulations promulgated by the Board.

H. The Board shall have the responsibility of enforcing this chapter and may by regulation establish rules and procedures for the implementation of the provisions of this chapter.

§ 54.1-4409.1. Licensing requirements for persons; inactive and emeritus status

A. A person shall be licensed in order to use the CPA title in Virginia.

1. The person shall hold a Virginia license if he ~~provides services to the public~~ engages in public practice and the principal place of business in which he ~~provides those services~~ engages in public practice is in Virginia.

Clean up – to ensure the term "public practice" is consistent throughout this chapter.

2. Other persons shall not be required to hold a Virginia license in order to use the CPA title in Virginia provided that they hold the license of another state and comply with the practice privilege provisions of § 54.1-4411.

B. The Board shall prescribe the methods, fees, and continuing professional education requirements for a person to apply for the issuance, renewal, or reinstatement of a Virginia license.

C. The Board has the authority to refuse to grant a person the privilege of using the CPA title in Virginia if, based upon all the information available, the Board finds that the person is unfit or unsuited to use the CPA title in Virginia. The Board shall not refuse to grant a person the privilege of using the CPA title in Virginia solely because of a criminal conviction.

D. The Board shall establish "Inactive" and "Emeritus" CPA license statuses for licensees who no longer ~~provide services to the public or~~ engage in public practice or provide services to or on behalf of an employer. Any licensee who seeks to hold either such status shall be currently licensed in Virginia and not under investigation or pending disciplinary action related to his CPA licensure in Virginia or any other state. In addition to the following minimum qualifications, the Board shall prescribe the remaining qualifications and process to be eligible for a license status of "CPA, Inactive" or "CPA, Emeritus":

Clean up – to ensure the term "public practice" is consistent throughout this chapter.

1. For "CPA, Inactive," the licensee shall have held an active CPA license for at least five years.

2. For "CPA, Emeritus," the licensee shall have held an active or inactive CPA license (i) for at least 15 years and be at least 60 years of age or (ii) for at least 30 years.

§ 54.1-4411. Practice privilege provisions for persons who hold the license of another state

A. A person who (i) holds a license in good standing issued by another state, territory of the United States, or the District of Columbia and (ii) has passed the CPA examination shall be granted practice privilege to ~~provide services to the public~~ engage in public practice in the Commonwealth without notice to the Board or payment of any fees.

B. A person who exercises practice privilege pursuant to subsection A shall not be required to hold a Virginia license to use the CPA title in Virginia provided that either (i) he ~~provides services to the public~~ engages in public practice and the principal place of business in which he ~~provides those services~~ engages in public practice is in other states or (ii) he does not ~~provide services to the public~~ engage in public practice.

Clean up – to ensure the term "public practice" is consistent throughout this chapter.

However, to use the CPA title in Virginia, the person shall:

1. Consent to be subject to:

a. The provisions of this chapter and regulations promulgated by the Board that apply to the holder of a Virginia license;

b. The jurisdiction of the Board in all disciplinary proceedings arising out of matters related to his use of the CPA title or ~~providing services to the public~~ public practice in Virginia; and

Clean up – to ensure the term "public practice" is consistent throughout this chapter.

c. The Board's authority to revoke or suspend his privilege to use the CPA title in Virginia and to impose penalties for the person's violations of the provisions of this chapter and regulations promulgated by the Board.

2. Consent to the appointment of the executive director of the board of accountancy of the state that issued the license as his agent, upon whom process may be served (i) in any action or proceeding by the Board against him, or (ii) in any civil action in Virginia courts arising out of his using the CPA title in Virginia. In the event he holds a license from more than one state, the Board shall establish which executive director shall serve as his agent.

3. Consent to the personal and subject matter jurisdiction of the courts of Virginia in any civil action arising out of his use of the CPA title or ~~providing services to the public~~ public practice in Virginia and agree that the proper venue for such actions is in Virginia.

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4. Agree to cease using the CPA title in Virginia if he is no longer licensed.

C. A holder of a Virginia license who is using the CPA title in another state under substantial equivalency or practice privilege provisions of statutes of the state or regulations promulgated by the board of accountancy of the state shall be subject to disciplinary action by the Board for an act or omission committed in that state. The Board may investigate any complaint made to or by the board of accountancy of any state related to the person's use of the CPA title in that state.

D. The Board may cooperate and share information with appropriate authorities in other states in investigations or enforcement matters concerning violations of the provisions of this chapter or regulations promulgated by the Board and comparable statutes or regulations of other states or boards of accountancy.

E. Notwithstanding any provision of law to the contrary, if the Board determines after evaluation that another state has granted CPA licenses without requiring candidates to meet minimum qualifications acceptable to the Board, the Board may revoke practice privileges in the Commonwealth for CPAs licensed by that state. Individual CPAs from states for which practice privileges have been revoked can still qualify for practice privileges in the Commonwealth if the person would qualify for licensure in Virginia.

§ 54.1-4412.1. Licensing requirements for firms

A. Only a licensed firm can use the CPA title or provide attest services, compilation services, or financial statement preparation services to persons or entities located in Virginia. However, this shall not affect the privilege of a person who is not licensed to include a statement on financial statements indicating that no assurance is provided on the financial statements, to say that financial statements have been compiled, or to use the compilation language, as prescribed by subsections B and C of § 54.1-4401.

B. A firm that uses the CPA title or provides attest services, compilation services, or financial statement preparation services to persons or entities located in Virginia shall obtain a Virginia license if such ~~firm's principal place of business is~~ firm has an office in Virginia.

C. A firm whose ~~principal place of business~~ office is not in Virginia is not required to obtain a Virginia license but may use the CPA title or provide attest services, compilation services, or financial statement preparation services to persons or entities located in Virginia if the following provisions are met:

1. The firm holds the license of another state and can lawfully provide attest services, compilation services, or financial statement preparation services to persons or entities in the state where its ~~principal place of business~~ office is located; and

Discussed during the principal place of business discussion in June 2026.

2. The firm complies with subsection D; and

3. The firm's personnel working on the engagement either (i) hold a Virginia license or (ii) hold the license of another state and comply with the practice privilege provisions of § 54.1-4411; or

4. The firm's personnel working on the engagement are under the supervision of a person who either (i) holds a Virginia license or (ii) holds the license of another state and complies with the practice privilege provisions of § 54.1-4411.

D. For a firm to obtain and hold a Virginia license:

1. As determined on a firm-wide basis:

a. At least 51 percent of the owners of the firm shall be natural persons who are licensees~~,~~ or trustees of an eligible employee stock ownership plan as defined in § 13.1-543~~, or a firm that meets this requirement~~; and

b. At least 51 percent of the voting equity interest in the firm shall be owned by natural persons who are licensees~~,~~ or by trustees of an eligible employee stock ownership plan as defined in § 13.1-543~~, or by a firm that meets this requirement~~.

UAA and other state boards use "holders of a certificate" or "natural persons." The firm ownership language is not in the UAA.

If the death, retirement, or departure of an owner causes either of these requirements not to be met, the requirement shall be met within one year after the death, retirement, or departure of the owner.

2. The Board shall prescribe requirements concerning the hours that owners who are not licensees work in the firm and may prescribe other requirements for those persons.

3. All attest services, compilation services, and financial statement preparation services provided for persons and entities located in Virginia shall be under the supervision of a person who either (i) holds a Virginia license or (ii) holds the license of another state and complies with the practice privilege provisions of § 54.1-4411.

4. Any person who releases or authorizes the release of reports on attest services, compilation services, or financial statement preparation services provided for persons or entities located in Virginia shall:

a. Either (i) hold a Virginia license or (ii) hold the license of another state and comply with the practice privilege provisions of § 54.1-4411; and

b. Meet any additional requirements the Board prescribes.

5. The firm shall conduct its attest services, compilation services, and financial statement preparation services in conformity with the standards of conduct and practice in § 54.1-4413.3 and regulations promulgated by the Board.

6. If the services provided by the firm are within the scope of the practice-monitoring program of the American Institute of Certified Public Accountants or its successor, the firm shall enroll in the program or in another practice-monitoring program for attest services, compilation services, and financial statement preparation services that is approved by the Board. In addition, if enrolled the firm shall:

a. Comply with any requirements prescribed by the Board in response to the results of peer reviews; and

b. Participate in the American Institute of Certified Public Accountants', or sponsoring organizations', Facilitated State Board Access process, or its successor process, or another process approved by the Board for peer reviews.

7. The name of the firm shall not be false, misleading, or deceptive.

E. The Board shall prescribe the methods and fees for a firm to apply for the issuance, renewal, or reinstatement of a Virginia license.

F. A firm may not use the CPA title in Virginia unless it holds a Virginia license or the license of another state as permitted in subsection C.

§ 54.1-4413.3. Standards of conduct and practice

Persons <u>or firms</u> using the CPA title in Virginia and firms providing attest services, compilation services, or financial statement preparation services to persons or entities located in Virginia shall conform to the following standards of conduct and practice.

This makes the application of this section consistent with licensing requirements.

1. Exercise sensitive professional and moral judgment in all activities.

2. Act in a way that serves the public interest, honors the public trust, and demonstrates commitment to professionalism.

3. Perform all professional responsibilities with the highest sense of integrity, maintain objectivity and freedom from conflicts of interest in discharging professional responsibilities, and avoid knowingly misrepresenting facts or inappropriately subordinating judgment to others.

4. Follow the Code of Professional Conduct, and the related interpretive guidance, issued by the American Institute of Certified Public Accountants, or any successor standard-setting authorities.

5. Follow the technical standards, and the related interpretive guidance, issued by committees and boards of the American Institute of Certified Public Accountants that are designated by the Council of the American Institute of Certified Public Accountants to promulgate technical standards, or that are issued by any successor standard-setting authorities.

6. Follow the standards, and the related interpretive guidance, as applicable under the circumstances, issued by the Comptroller General of the United States, the Federal Accounting Standards Advisory Board, the Financial Accounting Standards Board, the Governmental Accounting Standards Board, the Public Company Accounting Oversight Board, the U. S. Securities and Exchange Commission, comparable international standard-setting authorities, or any successor standard-setting authorities.

7. Follow the laws or rules of other state and federal regulatory bodies. Licensees who engage in activities regulated by other federal or state authorities shall comply with all such authorities' ethics laws and rules.

~~7~~8. Do not engage in any activity that is false, misleading, or deceptive.

Adding #7 to include agencies such as: Internal Revenue Service, Department of Revenue, State Bar, Secretary of State, National Association of Securities Dealers, Department of Insurance, Government Accountability Office, U.S. Department of Housing and Urban Development, State Auditor, State Treasurer, or Local Government Commission.

§ 54.1-4413.4. Penalties

A. Penalties the Board may impose consist of:

1. Revoking a Virginia license or the privilege of using the CPA title in Virginia or providing attest services, compilation services, or financial statement preparation services to persons or entities located in Virginia;

2. Suspending or refusing to renew or reinstate a Virginia license or the privilege of using the CPA title in Virginia or providing attest services, compilation services, or financial statement preparation services to persons or entities located in Virginia;

3. Reprimanding, censuring, or limiting the scope of practice of any person, firm, or entity using a Virginia license or the CPA title in Virginia or any firm providing attest services, compilation services, or financial statement preparation services to persons or entities located in Virginia;

4. Placing any person, firm, or entity using a Virginia license or the CPA title in Virginia or any firm providing attest services, compilation services, or financial statement preparation services to persons or entities located in Virginia on probation, with or without terms, conditions, and limitations;

5. Requiring a firm holding a Virginia license to have an accelerated peer review conducted as the Board may specify or to take other remedial actions;

6. Requiring a person holding a Virginia license to satisfactorily complete additional or specific continuing professional education as the Board may specify;

7. Imposing a monetary penalty up to $100,000 for each violation of the provisions of this chapter or regulations promulgated by the Board; any monetary penalty may be sued for and recovered in the name of the Commonwealth; and

8. Requiring any person, firm, or entity that violates § 54.1-4414 to discontinue any acts in violation of that provision.

B. The Board may impose penalties on persons, firms, or entities using a Virginia license or the CPA title in Virginia or firms or entities providing attest services, compilation services, or financial statement preparation services to persons or entities located in Virginia for:

1. Violation of the provisions of this chapter or violation of any regulation, subpoena, or order of the Board;

2. Fraud or deceit in obtaining, renewing, or applying for reinstatement or lifting the suspension of a Virginia license;

3. Revocation, suspension, or refusal to reinstate the license of another state for disciplinary reasons;

4. Revocation or suspension of the privilege of practicing before any state or federal agency or federal court of law;

5. Dishonesty, fraud, or gross negligence in providing services to or on behalf of an employer, in ~~providing services to the public~~ public practice, or in providing attest services, compilation services, or financial statement preparation services;

Clean up – to ensure the term “public practice” is consistent throughout this chapter.

6. Dishonesty, fraud, or gross negligence in preparing the person's or firm's own state or federal income tax return or financial statement;

7. Conviction of a felony, or of any crime involving moral turpitude, under the laws of the United States, of Virginia, or of any other state if the acts involved would have constituted a crime under the laws of Virginia; or

8. Lack of the competence required to ~~provide services to the public~~ engage in public practice for persons and entities located in Virginia or to provide attest services, compilation services, and financial statement preparation services to persons and entities located in Virginia, as determined by the Board.

Clean up – to ensure the term "public practice" is consistent throughout this chapter.

C. The Board may also impose penalties on:

1. A person, firm, or entity that does not hold a Virginia license, or that does not meet the requirements to use the CPA title in Virginia under the practice privilege provisions of § 54.1-4411, and commits any of the acts prohibited by § 54.1-4414; or

2. A firm or entity that does not meet the criteria prescribed by subdivision D 1 of § 54.1-4412.1 and commits any of the acts prohibited by § 54.1-4414.

§ 54.1-4413.5. Confidential consent agreements

A. The Board may enter into a confidential consent agreement with a person or firm in lieu of disciplinary action.

B. A confidential consent agreement:

1. Shall be entered into only in cases involving minor violations of the provisions of this chapter or regulations promulgated by the Board;

2. Shall not be disclosed by the person or firm;

3. Shall include findings of fact and may include an admission or a finding of a violation; and

4. Shall not be considered a notice or order of the Board but may be considered by the Board in future disciplinary proceedings.

C. The Board shall adopt regulations in accordance with the Administrative Process Act (§ 2.2-4000 et seq.) to implement the provisions of this section. Such regulations shall identify the type of minor violations for which confidential consent orders may be offered and limit the number of confidential consent orders that may be offered to the same licensee in any given period. The Board shall not enter into a confidential consent agreement if there is probable cause to believe a licensee has demonstrated gross negligence or intentional misconduct in the practice of public accounting.

This section is recommended to be struck, as confidential consent orders do not protect the public and they are still subject to FOIA. We issue advisory letters when minor violations occur. The board will take this under advisement at the September 17, 2026 meeting.

§ 54.1-4414. Prohibited acts

Neither (i) a person who does not hold a Virginia license or who does not meet the requirements to use the CPA title in Virginia under the practice privilege provisions of § 54.1-4411 nor (ii) an entity that does not meet the criteria prescribed by subdivision D 1 of § 54.1-4412.1 shall:

1. ~~Practice public accounting~~ Engage in public practice;

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2. Claim to hold a license to use the CPA title;

3. Make any other claim of licensure, registration, or approval related to the preparation of financial statements that is false or misleading;

4. Use the CPA title; or

5. Refer to any of the standard-setting authorities listed in the standards of conduct and practice in subdivisions 5 and 6 of § 54.1-4413.3, or refer to or use any of the terminology prescribed by those authorities for reporting on financial statements, in any form or manner of communication about services provided to persons or entities located in Virginia.

§ 54.1-4415. Exemptions from unlawful acts

The unlawful acts listed in § 54.1-4414 shall not apply to a person or entity holding a certification, designation, degree, or license granted in a foreign country entitling the holder to engage in ~~the practice of public accounting~~ public practice or its equivalent in the country, provided that:

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1. The practice of the person or entity in Virginia is limited to providing services to persons or entities who are residents of, governments of, or business entities of the country in which the entitlement is held;

2. The person or entity does not engage in ~~the practice of public accounting~~ public practice for any other person, firm, or governmental unit located in Virginia; and

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3. The person or entity designates the country of origin and does not use any title or designation other than the one under which he or the entity may lawfully practice in the country of origin, which may be followed by a translation of the title or designation into English.

§ 54.1-4418.1. Recovery of disciplinary and monitoring costs.

The board may recover reasonable administrative costs, not to exceed $500, associated with investigation, disciplinary proceedings other than a formal fact finding, monitoring, and confirming compliance with any terms and conditions imposed from any person who is issued a finding of a violation of law or regulation. All administrative costs recovered pursuant to this section shall be paid to the board by the person. Such administrative costs shall be deposited into the account of the board and shall not constitute a fine or penalty. The board shall establish specific schedules of administrative costs to be recovered pursuant to this section and shall publish such cost schedule prior to imposing any costs on a regulant.

This language was added to the DPOR chapter last year, and we are asking to have the same opportunity for collecting fees for certain levels of violations. Guidelines will be developed.

§ 54.1-113. Regulatory boards to adjust fees; certain transfer of moneys collected on behalf of health regulatory boards prohibited.

A. Annually, any regulatory board within the Department of Professional and Occupational Regulation ~~or~~, the Department of Health Professions, or the Board of Accountancy may revise the fees levied by it for certification, licensure, registration, or permit and renewal thereof so that the fees are sufficient but not excessive to cover expenses. Any regulatory board may adjust its fees to reflect up to one and one-half times the rate of inflation from the previous date that the dollar amount was established, as measured by the Consumer Price Index. No regulatory board may raise fees when the previous year's expenditures plus anticipated costs do not reasonably demonstrate a need to raise fees. Beginning July 1, 2028, except with respect to the Board of Medicine, no regulatory board within the Department of Professional and Occupational Regulation or the Department of Health Professions shall accumulate a fund balance larger than the previous renewal cycle's expenditures.

B. Nongeneral funds generated by fees collected on behalf of the health regulatory boards and accounted for and deposited into a special fund by the Director of the Department of Health Professions shall be held exclusively to cover the expenses of the health regulatory boards, the Health Practitioners' Monitoring Program, and the Department of Health Professions and shall not be transferred to any agency other than the Department of Health Professions, except as provided in §§ 54.1-3011.1 and 54.1-3011.2.

C. In order to appropriately maintain operating funds, the regulatory boards of the Department of Professional and Occupational Regulation ~~or~~, the Department of Health Professions, or the Board of Accountancy may amend regulations to increase or decrease fees as needed and as demonstrated by the regulatory board maintained under such department. Such regulations shall be exempt from the requirements of the Administrative Process Act (§ 2.2-4000 et seq.), except to any extent that they may be specifically made subject to §§ 2.2-4030 and 2.2-4031. Such regulations shall, however, comply with the provisions of § 2.2-4103 of the Virginia Register Act (§ 2.2-4100 et seq.). Any regulatory board that amends its fees pursuant to this subsection shall conduct a public hearing prior to making such amendments. Thirty days prior to conducting such hearing, the regulatory board shall give written notice to the public and the Secretary of Finance by mail or electronic means of the date, time, and place of the hearing and publish notice of its intention to amend its fees in the Virginia Register of Regulations. Such public notice and notice to the Secretary of Finance shall identify the increase in fees to be considered by the regulatory board with reasonable specificity and shall include evidence demonstrating the need for such fee increase. During the public hearing, members of the public shall be given a reasonable opportunity to be heard prior to the final adoption of any regulatory amendments regarding an increase in fees.

D. If, following a notice and hearing as described in subsection C, a regulatory board amends its fees, the regulatory board shall report such amendments to the Department of Professional and Occupational Regulation or the Department of Health Professions as applicable. The Department of Professional and Occupational Regulation ~~or~~, the Department of Health Professions, or the Board of Accountancy shall report on any such amendments to the Chairs of the House Committee on Appropriations and the Senate Committee on Finance and Appropriations by November 1, 2026 and annually thereafter.

This section is part of the Title 54.1 Chapter 1 general provisions for licensing of professional occupations. We were not included in the bill that was approved last session and are now asking to be added. We are the only Executive Branch agency not included. The only other two entities under this Title are "professions regulated by the Supreme Court" and "occupations regulated by local governing bodies"

CPE Changes: Considerations

1. The ethics course becomes available February 1. With an annual reporting period, this will give CPAs only 11 months to complete.
2. Limiting the number of carryover CPE hours (most states with an annual reporting period allow no more than 20 hours).
3. Ethics, A&A, and/or technical CPE: Can this be carried forward? Or carried forward as "regular" CPE?
4. Establishing a timeframe to submit non-traditional CPE (presentations, publications, etc.) for Board approval (i.e. 6 months, end of CY) so that licensees know whether the CPE will be accepted.
5. Communication plan (initiate at least 1-2 years before any changes).

CPE Carryover Requirements by State

SUMMARY:

- 16 jurisdictions allow CPE to carry over
  - Annual reporting period: 6 jurisdictions
  - Biennial reporting period: 10 jurisdictions
- Ethics, A&A, and/or technical hours
  - 6 jurisdictions do NOT allow ethics, A&A and/or other technical courses to carry over.
  - 2 jurisdictions allow ethics to carry over as a regular CPE requirement (will not count towards the ethics requirement).
  - 1 jurisdiction allows for a limited number of A&A and ethics hours to carry over.
- 2 jurisdictions do NOT allow CPE to carry over to meet yearly minimum requirements.
- 3 jurisdictions do NOT allow CPE to carry over from a period in which CPE was not required.

Arkansas (40 hours annually; 120 hours triennially)

- Licensees are required to report forty (40) hours for the current renewal year but allowed to "look back" to include the past three (3) years totaling 120 hours if they are deficient in the current reporting year.

Connecticut (40 hours annually)

- Twenty hours (20) of credit in excess of the minimum hours required in a period may be transferred from one (1) reporting period to the subsequent reporting period. Carry forward credits cannot be used to satisfy Accounting and Auditing ("A&A") requirements.

Georgia (80 hours biennially; 20 hours minimum/year)

- A maximum of fifteen (15) credit hours of acceptable non-technical fields of study may be carried from one (1) reporting period to the subsequent reporting period.
- Carried hours cannot be used to meet the yearly minimums, Ethics, GA Specific Ethics, or Technical requirements.
- There is no provision for carry-over from an annual period in which CPE was not required.

Hawaii (80 hours biennially; 20 hours minimum/year)

- Up to forty (40) hours earned in excess of the reporting period requirements may be carried over to the next reporting period. Extra ethics courses will count as regular CPE courses and may not be carried over to satisfy the next biennium's ethics course requirement.

<u>Kansas</u> (80 hours biennially)

- Twenty (20) hours maximum earned in excess of the eighty-hour (80-hour) requirement may be carried forward into the next reporting period. Carryover hours cannot be used to satisfy the professional ethics requirement.

<u>Maine</u> (40 hours annually)

- A maximum of twenty (20) credit hours in excess of the required forty (40) may be carried from one (1) reporting period to the subsequent reporting period. Carried hours cannot be used to meet the ethics requirement.

<u>Maryland</u> (80 hours biennially)

- A maximum of eighty (80) hours in excess of the eighty (80) required during a reporting period can be carried forward to apply as credit to the subsequent reporting period. Ethics hours in excess of four (4) hours cannot be carried forward to meet a future ethics requirement, but can be applied to the Total Hours requirement.

<u>Michigan</u> (80 hours biennially; minimum 40 hours/year)

- Forty (40) hours maximum earned in excess of the forty (40) hour per year requirement may be carried forward into the following year. Eight (8) hours maximum of accounting and auditing may be carried forward into the following year. Two (2) hours maximum of ethics per year can be carried into the following year.

<u>Mississippi</u> (40 hours annually)

- If more than forty (40) CPE credit hours are accumulated in a one (1)-year compliance period, the excess hours up to a maximum of twenty (20) CPE credit hours may be carried over and applied to the CPE requirement for the immediately following one-year (1-year) compliance period.
- No personal development hours earned in excess of twenty (20) in a compliance year may be carried forward to future years.
- There is no carry-over permitted from a compliance period in which CPE was not required.

<u>New Hampshire</u> (80 hours biennially; 20 hours minimum/year)

- Up to forty (40) hours of CPE in excess of the required eighty (80) hours shall only be carried over to the next succeeding biennial period.
- Carried hours cannot be used to meet the yearly minimum or ethics requirements.

<u>North Carolina</u> (2,000 minutes = 40 hours annually)

- A maximum of 1000 minutes (twenty (20) hours) may be carried from a reporting period to the subsequent reporting period. Carried hours cannot be used to meet the ethics requirement.

<u>South Carolina</u> (40 hours annually)

- Excess credit hours, not exceeding twenty (20), may be carried forward and treated as credit hours earned in the following year. No carryover is allowed from a year in which CPE was not required.

<u>Tennessee</u> (80 hours biennially; 20 hours minimum/year)

- Up to twelve (12) CPE hours taken in excess of the forty (40) hour requirement for the initial licensing period may be applied towards the requirement of the next succeeding two (2) year renewal.
- Up to twenty-four (24) CPE hours taken in excess of the eighty (80) hour requirement for each two (2) year period may be applied to the requirement of the next succeeding two (2) year renewal cycle.

Utah (80 hours biennially, ending on even-numbered years)

- Forty (40) Hours Max allowed to carry forward to subsequent reporting period.
- If a licensee reports required CPE and renews their license before December 31st of an even-numbered year, any additional CPE completed by that licensee through the remainder of the even-numbered year may be reported and carried forward toward the next succeeding CPE reporting period.
- CPE taken in the current reporting period and CPE hours carried forward from the previous reporting period shall qualify as general CPE hours only for the current reporting period.

Vermont (80 hours biennially)

- Ten (10) hours maximum may be carried forward into the next reporting period. Carryover hours cannot be used to satisfy the accounting and auditing or ethics requirements.

Wisconsin (80 hours biennially; 20 hours minimum/year)

- *Carryforward of CPE Credits:* A licensee may carry forward from a compliance period to the next consecutive compliance period a maximum of forty (40) CPE credits that exceed the minimum number of credits required to satisfy requirements in the earlier compliance period.
- *Carryback of CPE Credits:* A licensee may carry back CPE credits earned in the first twelve (12) months of a compliance period to the immediately preceding compliance period to the extent necessary to allow the individual to satisfy the CPE requirements for such preceding period.