



**Board Meeting
May 25, 2022
Final/Approved Minutes**

The Virginia Board of Accountancy met on Thursday, May 25, 2022, in Board Room #2 of the Perimeter Center, 9960 Mayland Drive, Henrico, VA 23233.

MEMBERS PRESENT: Wendy P. Lewis, CPA, Vice Chair
W. Barclay Bradshaw, CPA
D. Brian Carson, CPA, CGMA
Nadia A. Rogers, CPA
William R. Brown, CPA
Dale G. Mullen

MEMBERS APPEARING VIRTUALLY: Laurie A. Warwick, CPA, Chair

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
Kelli Anderson, Communications Manager
Nicole Reynolds, Licensing and Operations Support
Elaina Johnson, IT Specialist
Vasa Clarke, Information and Policy Advisor

MEMBERS OF THE PUBLIC PRESENT: Stephanie Peters, CAE, CEO, President and CEO, Virginia Society of
Certified Public Accountants
Emily Walker, CAE, Vice President, Advocacy, Virginia Society of
Certified Public Accountants

MEMBERS OF THE PUBLIC APPEARING VIRTUALLY: Muaz Ahmed

CALL TO ORDER

Ms. Warwick called the meeting to order at 9:30 a.m. Mr. Carson was not in attendance at this time.

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SECURITY BRIEFING

Ms. Reynolds provided the emergency evacuation procedures.

REMOTE PARTICIPATION

Due to COVID-19 restrictions, Ms. Warwick was a remote participant to the Board meeting. Per VBOA Policy #10 – Electronic Participation in Virginia Board of Accountancy Meetings, Ms. Warwick asked if there were any objections by the Board. No objections were raised and remote participation was approved.

DETERMINATION OF QUORUM

Ms. Warwick determined there was a quorum present.

APPROVAL OF AGENDA

Upon a motion by Ms. Rogers and duly seconded, the members voted unanimously to approve the May 25, 2022, agenda, as presented. The members voting “AYE” were Ms. Warwick, Ms. Lewis, Mr. Bradshaw, Mr. Brown, Mr. Mullen and Ms. Rogers. Mr. Carson had not yet arrived and did not participate in the vote.

Ms. Rogers emphasized the S.M.A.R.T Goals were of concern and future meeting dates would need to be addressed due to Board member availability.

APPROVAL OF MINUTES

Upon a motion by Mr. Bradshaw and duly seconded, the members voted unanimously to approve the March 16, 2022, Board meeting minutes, as amended. The members voting “AYE” were Ms. Warwick, Ms. Lewis, Mr. Bradshaw, Mr. Brown, Mr. Mullen and Ms. Rogers. Mr. Carson had not yet arrived and did not participate in the vote.

Mr. Carson arrived.

NASBA and AICPA COMMITTEE UPDATES

NASBA Education Committee

Ms. Rogers noted that the NASBA Education Committee met on April 25, 2022 where the Education Research Grant Task Force provided an update. Ms. Rogers discussed the Planned Infrastructure and

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Content Changes to the CPA exam which was released on April 6, 2022, and will be effective in January 2024 with the release of the new CPA exam.

Ms. Rogers informed the Board that she has been appointed to serve on the AICPA Board of Examiners.

NASBA Administration and Finance Committee

Ms. Lewis informed the Board she met with Stephanie Peters of the VSCPA and the Dean of Virginia Union University to discuss issues related to diversity, equity and inclusion.

AICPA's Accounting and Review Services Committee

Mr. Bradshaw noted that the AICPA's Accounting and Review Services Committee approved a quality control SSARS. The committee was receptive to starting the process of addressing the preparation service. Discussion took place regarding what it means to be 'engaged' in an engagement.

PUBLIC COMMENT PERIOD

Ms. Peters addressed the Board concerning updates from the VSCPA. She informed the Board regarding the addition of George Forsythe as the new VSCPA Chair in the upcoming fiscal year.

Ms. Peters discussed VSCPA priorities for the year ahead, which include increasing the CPA pipeline through new and diverse student outreach programs, passing rolling conformity in the current legislative session and increasing VSCPA member engagement for service and volunteering.

Ms. Peters announced the appointment of Stephanie Saunders, CPA, as the Vice Chair Elect with NASBA to begin in October 2023.

Ms. Rogers and Mr. Bradshaw expressed appreciation to the VSCPA for their efforts to engage students and faculty and extended their congratulations to Ms. Saunders.

Enforcement Agenda

Upon a motion by Mr. Carson and duly seconded, the members voted unanimously to move Case #2020-056-021U to closed session. The members voting "AYE" were Ms. Warwick, Ms. Lewis, Mr. Brown, Mr. Mullen, Ms. Rogers, Mr. Bradshaw and Mr. Carson.

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Case #2021-013-008U Consent Order (Rogers)

Ms. Rogers recused herself. Mr. Ross discussed the aspects of the case.

Upon a motion by Mr. Carson and duly seconded, the members voted to approve the Consent Order as written/drafted. The members voting “AYE” were Ms. Warwick, Ms. Lewis, Mr. Brown, Mr. Mullen, Mr. Carson and Mr. Bradshaw.

Mr. Brown suggested that the subject addressed in this case be included in the Ethics review. Ms. Glynn suggested also including it in the VBOA newsletter.

Case #2021-0114 Consent Order (Rogers)

Ms. Rogers recused herself. Mr. Ross discussed the aspects of the case.

Upon a motion by Mr. Bradshaw and duly seconded, the members voted to approve the Consent Order as written/drafted. The members voting “AYE” were Ms. Warwick, Ms. Lewis, Mr. Brown, Mr. Mullen, Mr. Carson and Mr. Bradshaw.

Case #2020-033-020D Advisory Letter (Bradshaw and Rogers)

Mr. Bradshaw and Ms. Rogers recused themselves. Mr. Ross discussed the aspects of the case.

Upon a motion by Ms. Lewis and duly seconded, the members voted to accept the Advisory Letter as written. The members voting “AYE” were Ms. Warwick, Ms. Lewis, Mr. Brown, Mr. Mullen and Mr. Carson.

Ms. Warwick offered to allow members of the public speak at this point.

Case #2021-013-001PR Consent Order (Bradshaw and Rogers)

Mr. Bradshaw and Ms. Rogers recused themselves. Mr. Ross discussed the aspects of the case.

Upon a motion by Mr. Carson and duly seconded, the members voted to accept the Consent Order as drafted/written. The members voting “AYE” were Ms. Warwick, Ms. Lewis, Mr. Brown, Mr. Mullen and Mr. Carson.

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Case #2022-0031 Consent Order (Bradshaw and Rogers)

Mr. Bradshaw and Ms. Rogers recused themselves. Mr. Ross discussed the aspects of the case.

Upon a motion by Ms. Lewis and duly seconded, the members voted to accept the Consent Order as drafted. The members voting “AYE” were Ms. Warwick, Ms. Lewis, Mr. Brown, Mr. Mullen and Mr. Carson.

Case #2020-282-282C Board Order (Glynn)

Ms. Glynn recused herself. Mr. Ross discussed the aspects of the case.

Ms. Rogers suggested changes to the recommendation. Questions were presented to Mr. Ross concerning the case by Board members.

Upon a motion by Ms. Rogers and duly seconded, the members voted to approve the Board Order as written with amendments. The members voting “AYE” were Ms. Warwick, Ms. Lewis, Mr. Brown, Mr. Mullen, Mr. Bradshaw, Ms. Rogers and Mr. Carson.

Case #2020-297-297C Board Order (Glynn)

Ms. Glynn recused herself. Mr. Ross discussed the aspects of the case.

Ms. Warwick provided opportunity for discussion.

Upon a motion by Mr. Brown and duly seconded, the members voted to approve the Board Order as written. The members voting “AYE” were Ms. Warwick, Ms. Lewis, Mr. Brown, Mr. Mullen, Mr. Bradshaw, Ms. Rogers and Mr. Carson.

Case #2020-011-004U Order for Payment Plan (Lewis)

Ms. Lewis recused herself. Mr. Ross discussed the aspects of the case followed by questions from the Board. Discussion ensued.

Mr. Mullen moved to approve the Payment Plan. Mr. Carson suggested that an acceleration clause be added to the Plan.

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Upon a motion by Mr. Mullen and duly seconded, the members voted to approve the Payment Plan as amended. The members voting “AYE” were Ms. Warwick, Mr. Mullen, Mr. Bradshaw, Ms. Rogers and Mr. Carson. Mr. Brown abstained.

EXECUTIVE DIRECTOR’S REPORT

General updates – Nancy Glynn, CPA, Executive Director

- Ms. Glynn informed the Board that a staff member from the Enforcement Division resigned and a part-time member will be coming in to support the division at this time.
- Ms. Glynn noted that the Auditor of Public Accounts is currently conducting the FY21 Financial Statement audit and will exit with the Board soon.
- Ms. Glynn advised that renewals are underway with more than half of licensees already renewed. Ms. Anderson shared the future dates the VBOA will send communications to un-renewed licenses.
- Ms. Glynn noted that the recent return to work policy was moving forward without incident at VBOA.
- Ms. Glynn apprised the Board of her regular meetings with the recently appointed Secretary of Finance and expressed gratitude that the Secretary was both interested and involved.

Financial and Board Report update – Renai Reinholtz, Deputy Director

Ms. Reinholtz presented the Financial and Board Reports as of April 30, 2022.

Ms. Reinholtz presented the VBOA Forecasting Tool and fielded questions from the Board.

Enforcement update – Matthew Ross, Enforcement Director

Mr. Ross provided handouts, reported on the progress of the Enforcement Division and fielded questions from the Board. Mr. Ross discussed the challenges and concerns of the Enforcement Division related to the tracking software and timelines for completion.

Mr. Bradshaw praised the Enforcement Division for its overall responsiveness and thorough explanations to the Board when resolving cases. Ms. Warwick inquired how the Board could most support the Enforcement Division. She thanked Mr. Ross for the accomplishments and progress thus far.

Policy Update – Vasa Clarke, Information and Policy Advisor

Mr. Clarke advised the Board that any legislation affecting VBOA has already passed.

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Mr. Clark noted that a motion was needed to amend the previous ACCA motion and that educational evaluation firms should be contacted as soon as possible.

Board Discussion Topics

1. Periodic Review discussion 18VAC5-11 Public Participation Guidelines – Vasa Clarke, Information and Policy Advisor

Mr. Clarke noted that the guidelines for Periodic Review 18VAC5-11 Public Participation Guidelines have not been amended or updated. It was suggested that they be approved based on the Board's review.

Upon a motion by Mr. Bradshaw and duly seconded, the members voted unanimously to approve the Public Participation Guidelines as presented. The members voting "AYE" were Ms. Warwick, Mr. Bradshaw, Mr. Mullen, Mr. Bradshaw Ms. Rogers, Mr. Carson and Mr. Brown.

2. Revised Guidance Document – Unlicensed Use of CPA Title – Matthew Ross, Enforcement Director

Mr. Ross led the discussion to consider amending the current guidance on unlicensed use of the CPA title in very specific types of instances of the violation. He discussed a policy adopted in April 2021 that addressed the issue of CPAs who inadvertently fail to renew their license and continue to use the CPA designation. Mr. Ross introduced a change that institutes, in certain specific types of cases, the use of an Advisory Letter rather than a Consent Order from the Board. Discussion ensued and Mr. Ross fielded questions by the Board.

Ms. Glynn advised that the new guidance should be approved by June 30. The Board agreed that the document will be amended with Mr. Bradshaw's and Mr. Carson's revisions and Ms. Warwick's comments and be presented at the June 2022 Board meeting.

3. Reporting Virginia disciplinary actions – Nancy Glynn, CPA, Executive Director

Ms. Glynn informed the Board regarding corrective action required to bring VBOA disciplinary records up-to-date in the Accountancy Licensee Database (ALD), "a central repository of current licensee and firm information designed to assist Boards of Accountancy with their regulatory mission" by providing a clearing house of data to be utilized by all participating Boards.

Ms. Glynn advised that the records had consistently been provided to ALD but had not been uploaded into the database due to formatting issues. Ms. Glynn suggested an accelerated timeline for bringing the records up-to-date and fielded questions from the Board. It was decided that a letter would be drafted from the VBOA to NASBA regarding the issue.

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4. Licensing Database – Nancy Glynn, CPA, Executive Director

Ms. Glynn led the discussion regarding the need to plan for and develop an up-to-date VBOA licensing database that incorporates each of the tasks performed by the agency in fulfilling its mission to protect the public. Ms. Glynn advised that the project is a priority due to Enforcement Division requirements and the approaching implementation of CPA Evolution.

Ms. Glynn requested approval to begin the process of reviewing available options.

5. Revised Foreign Education Resolution – Vasa Clarke, Information and Policy Advisor

Mr. Clarke introduced the Board’s intention to formally revise the policy regarding acceptance of the Chartered Certified Accountant qualification from the Association of Chartered Certified Accountants (ACCA). He advised that ACCA is not the only group that provides credentials which are not recognized by VBOA. The policy change is meant to clarify that ACCA and similar organizations do not meet VBOA's educational requirements.

Ms. Glynn advised that no other state BOA accepts the ACCA as equivalent foreign education.

Ms. Warwick inquired how many candidates are affected and how the update would pertain to candidates currently “in progress.” It was confirmed that any affected exam applications would have to be in process by July 1. Mr. Brown suggested that Mr. Clarke reach out to IQEX.

Upon a motion by Ms. Rogers and duly seconded, the members voted to approve the revised Foreign Education Resolution. The members voting “AYE” were Ms. Warwick, Ms. Lewis, Mr. Brown, Mr. Mullen, Mr. Bradshaw, Mr. Carson and Ms. Rogers.

S.M.A.R.T. Goals update – Nancy Glynn, CPA, Executive Director

- **Qualifying CPE revisions:** complete – approved and effective July 1.
- **Peer Review Enforcement: March 2022**
Ms. Glynn advised that VBOA is currently monitoring peer review. By 2023, letters will be going out to firms that are not participating and enforcement will become involved when warranted.
- **Education Accreditation: Updated to July 2022**
Continue to assess the impact of the model rules in the statutes, VBOA regulations and VBOA polices as it relates to accreditation. The VBOA has been monitoring this.

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- **Education for Exam: August 2022**
- **Education for Licensure: May 2022 - updated to August 2022**
The education blueprint to be released in July 2022. The VBOA will determine the impact of the Blueprint on VBOA Policy and education guidelines to include the VBOA Education Handbook.
- **Enforcement Process: Status date is Sept. 2022**
Establish Milestones – complete.

Ms. Glynn advised that the completed milestones will be added to the Board report. Ms. Warwick requested the addition of a dashboard to the report.
- **Enforcement: Tracking: June 2022- 2023**
- **Fee Structure: June 2022** - Mr. Carson suggested that a decision will be made by June 2022. Mr. Carson and Mr. Mullen will review fee structures. They requested data to be provided by VBOA staff. Discussion ensued.

FY2023 Planning Topics for discussion – **Wendy P. Lewis, CPA, Vice Chair**

Ms. Lewis advised that the Board would continue discussion regarding which items to add to **S.M.A.R.T. Goals** for the coming year.

- **Diversity, Equity and Inclusion** – Ms. Lewis expressed the importance of the topic and asked for input on what the Board could do in regards to DEI. Mr. Brown expressed interest in learning what the firms are doing. Ms. Glynn, Ms. Lewis and Ms. Warwick responded. Discussion ensued regarding how to reach students. Mr. Brown suggested it was a national issue. He advised that NABA is seeking mentors. The Board briefly discussed firm efforts to offer grants to students. Ms. Lewis suggested that this year perhaps the Board would have their meeting at a historically black college. She emphasized that Board efforts should also include women.
- **New licensing system** – Ms. Warwick and Ms. Glynn noted that this should not be deemed as a S.M.A.R.T Goal project plan. Mr. Carson suggested that the current and proposed systems be evaluated and a formal recommendation be made to the Board.

ADJOURN FOR LUNCH

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- **Enforcement – Performance Indicators:** Demo tracking tool – Goal of functioning tracking tool.
- **Enforcement – Peer Review processes:** Ms. Glynn suggested that this subject continue into 2023. The Board discussed the relevant details and timeline for instituting a new monitoring enforcement process surrounding peer review.

Emily Walker participated in the discussion and shared regarding FSBA and Prima. Mr. Mullen emphasized the ultimate goals are education and communication. Discussion ensued.

- **Enforcement – use of the CPA title:** Goal to develop guidelines and policy with the draft in October 2022 and final version by Nov. 2022.
- **CPE – revisit guidelines –** Mr. Bradshaw suggested conducting an annual review of the CPE guidelines. Ms. Lewis discussed the importance of documentation. Mr. Carson suggested a defining, comprehensive review of the CPE Penalty Guidelines. Mr. Mullen noted the volume of CPE audits and Ms. Glynn described the recent improvements to the current process. Mr. Carson suggested that CPE be uploaded each year during renewals.

Begin closed meeting

Upon a motion by Ms. Lewis, and duly seconded, 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 to a matter lawfully exempted from open meeting requirements under the ‘Legal advice regarding specific legal matters’ and ‘personnel matters’ exemptions contained in Virginia Code §2.2-3711 (A)(8) and Code §2.2-3711 (A)(1).

The following non-member will be in attendance for the closed meeting to reasonably aid in the consideration of this topic: James Flaherty.

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, Matthew Ross and Vasa Clarke.

The members voting “AYE” were, Ms. Warwick, Ms. Lewis, Mr. Mullen, Mr. Carson, Mr. Bradshaw and Ms. Rogers. Mr. Brown was not present at this time.

Mr. Bradshaw and Ms. Rogers recused themselves.

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End closed meeting

Upon a motion by Ms. Lewis, and duly seconded, 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 (D) 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.

The members voting "AYE" were, Ms. Warwick, Ms. Lewis, Mr. Mullen, Mr. Carson, Ms. Rogers and Mr. Bradshaw abstained. Mr. Brown was not present at this time.

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

Case #2020-056-021U

Mr. Bradshaw and Ms. Rogers were not present and did not participate in the closed session.

Upon a motion Mr. Carson and duly seconded, members voted to accept the Board Order as amended to specify that the license was suspended with a fine of \$2,500.

The members voting "AYE" were, Ms. Warwick, Mr. Mullen and Mr. Carson and Ms. Lewis. Ms. Rogers and Mr. Bradshaw abstained. Mr. Brown was not present at this time.

S.M.A.R.T. Goals – FY2023 Planning Topics for discussion, continued

- **CPA Pipeline** – Ms. Rogers expressed her interest in the topic but questioned the Board's jurisdiction on the matter. Ms. Glynn expressed concern about setting this as a VBOA goal. Stephanie Peters suggested VBOA could consider contributing by collecting more demographic data.
- **Impact of CPA Evolution** – Ms. Rogers noted that VBOA has done well up to the present time so this goal could be paused. The Board is waiting for the Blueprint to be presented. Ms. Warwick inquired about fields on the legacy document.

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ADDITIONAL ITEMS FOR DISCUSSION

- NASBA Eastern Regional Conference June 27-29 – The Board discussed which members had expressed interest in attending the conference.
- Sign Conflict of Interest forms
- Sign Travel Expense vouchers
- Future meeting dates – Current and future meeting dates were discussed and are subject to change.
 - June 23, 2022 (tentative)
 - August 17, 2022 (tentative)
 - October 5, 2022 (tentative)
 - November 30, 2022 (tentative)
 - January 11, 2023 (tentative)
 - March 15, 2023 (tentative)

ADJOURNMENT

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

APPROVED:

Laurie A. Warwick, CPA, Chair

COPY TESTE:

Nancy Glynn, CPA, Executive Director