

**THE VIRGINIA BOARD OF ACCOUNTANCY
MEETING MINUTES**

The Virginia Board of Accountancy (VBOA) met on Wednesday, July 18, 2008, in Board Room 3 of the Perimeter Center, 9960 Mayland Drive, Richmond, Virginia 23233.

The following VBOA members present for the entire meeting were:

Dian T. Calderone, MTX, CPA, Chairman
O. Whitfield Broome, Ph.D., CPA, Vice Chairman
Lawrence D. Samuel, CPA, Immediate Past Chairman
Stephen D. Holton, CPA
Tyrone E. Dickerson, CPA

The following VBOA members absent for the entire meeting were:

Regina P. Brayboy, MPA
William E. Hunt, CPA

The VBOA staff members present for the entire meeting were:

Nancy Taylor Feldman, Executive Director/Agency Head
Dreana L. Gilliam, Board Administrator
Mary Charity, Licensing/Examinations Manager

Also in attendance for the meeting were:

Cynthia H. Norwood, Assistant Attorney General
Paul Copley, Director, School of Accounting, James Madison University
Robert Brown, Department Head, Virginia Tech
Ed Coffman, Department Chair, Virginia Commonwealth University
Stephanie Peters, President and CEO, Virginia Society of Certified Public Accountants
Maureen Dingus, Executive Vice President, Virginia Society of Certified Public Accountants
Emily Walker, Government Affairs Director, Virginia Society of Certified Public Accountants
Paul Clikeman, Professor, University of Richmond
Jim Holland, Professor, Virginia Commonwealth University
Roxanne Spindle, Professor, Virginia Commonwealth University
Doug Liegenfuss, Professor, Old Dominion University
Kim Smith, Assistant Dean, William and Mary

In attendance for a portion of the meeting were:

Patti Hambright, Licensing/Examinations Coordinator, Virginia Board of Accountancy
Doug Ziegenfuss, Professor, Old Dominion University

Security Briefing

Chairman Calderone called the meeting to order at 10:03 a.m.

Dreana Gilliam
Call to Order

Chairman Calderone determined that a quorum was present.

Determination
of Quorum

Upon a motion by Mr. Dickerson and seconded by Mr. Hunt, the VBOA by unanimous vote approved the agenda as amended.

Approval of
Agenda

10:00 a.m. Security Briefing – *Dreana L. Gilliam, VBOA Administrator*
Call to Order – *Dian T. Calderone, MTX, CPA, Chairman*
Determination of Quorum
Approval of Agenda

10:05 a.m. Public Comment Period

11:00 a.m. Overview – *Dian T. Calderone, MTX, CPA, Chairman*

11:15 a.m. Issues Related to Proposed Regulatory Changes to Education Requirements to Take the CPA Exam – *Stephen D. Holton, CPA*

11:45 a.m. Break for Lunch

12:45 p.m. Reconvene

1:30 p.m. Board Discussion

Sign Conflict of Interests Forms
Complete Travel Expense Vouchers

Adjournment

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

Persons desiring to attend the meeting and requiring special accommodations/interpretive services should contact the VBOA Office at (804) 367-8505 or TDD (804) 367-9753 at least ten (10) 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.

Members of the public were in attendance and did address the VBOA during the public comment period.

Public
Comment
Period

Introduction of members of the public in attendance:

Paul Clikeman, Ph.D., University of Richmond
Roxanne Spindle, Associate Professor, Virginia Commonwealth University
Ed Coffman, Department Chair, Virginia Commonwealth University
Bob Brown, Department Head, Virginia Tech
Paul Copley, Director, School of Accounting, James Madison University
Kim Smith, Assistant Dean, William and Mary
Professor Jim Holland, Virginia Commonwealth University
Stephanie Peters, President and CEO, Virginia Society of Certified Public Accountants

A transcript of public comments is available upon request.

Chairman Calderone read comments from the following individuals providing written comments and not in attendance:

Nancy Bagranoff, Dean/Professor of Accounting, Old Dominion University
W. Darrell Walden, University of Richmond
Mike Wade, CPA
Nancy Schneider, Lynchburg College
Professor Foster, University of Virginia
J. Olewinski, Exam Candidate
Tom Rosengarth, CPA, Vice Chair, Virginia Society of Certified Public Accountants
Roger Martin, Associate Professor, University of Virginia
Gregory Lawson, CPA/APV, Virginia Society of Certified Public Accountants

Ms. Calderone opened the meeting with an overview of the Virginia Board of Accountancy (VBOA), its members and its mission. She stated the requirements for meetings under the Administrative Process Act (APA) including the requirements for posting meetings and for public comment. She clarified for all in attendance the role of the VBOA versus the AICPA and VSCPA. She then went on to describe the national climate for Boards of Accountancy and the rapid changes occurring at the national level. She reported on conferences held by the National Association of Boards of Accountancy (NASBA) in May and June 2008 during which the change from 150 hours to sit for the exam to 120 hours to sit for the exam was discussed. She reiterated that this change would only change the number of hours of education to sit for the exam. The requirements to attain 150 hours of education and a baccalaureate degree remain in effect for licensing.

CPA
Examination
Rollback – Dian
T. Calderone,
MTX, CPA,
Chairman

Mr. Holton led the discussion of the proposed regulatory changes to education requirements to take the CPA exam. He explained the differences between statutes and regulations and how they may be changed. Proposed regulations will still have a public comment period. He reported on the history of VBOA's comprehensive regulatory revision to simplify statutes and regulations for both the public and the profession.

Mr. Samuel noted that candidates may currently sit for the CPA exam with 120 hours of education by applying to another state and then transferring those scores to Virginia when the additional 30 hours of education is completed.

All members of the BOA who were present reiterated their commitment to 150 hours of education in order to become licensed.

Ms. Feldman, Executive Director of the BOA, led the discussion regarding the regulatory process and VBOA Legal Counsel, Cindy Norwood, spoke to the process of both Emergency Regulations and Proposed Regulations. Ms. Feldman discussed at length how regulatory changes move through the system and the process for public comment.

Vice Chairman, Dr. Whit Broome, noted that 19 jurisdictions currently allow candidates to sit for the exam with 120 hours of education. The VBOA should not refuse to license candidates who sat for the exam in another state that permits only the 120 hours of education to sit for the CPA exam.

Dr. Broome, who is a member of the AICPA Board of Examiners, explained that the exam must be legally defensible and test the minimum knowledge and skills to become a CPA. The Practice Analysis questionnaire sent to firms by the AICPA, determines the knowledge, skills and abilities necessary to become an entry level CPA. The VBOA does not determine exam content or curriculum.

Representatives from Virginia college and universities addressed the BOA regarding the proposed change in the education requirement to sit for the CPA exam. They requested improved lines of communication with the BOA and clear guidance from the Board as to what body of knowledge students should have. Changes to requirements may require them to change their accounting programs and advance notice would facilitate this.

Issues Related to Proposed Regulatory Changes to Education Requirements to Take the CPA Exam – Stephen D. Holton, CPA

Stephanie Peters, President of the Virginia Society of CPAs stated that the VSCPA does not oppose the change but requested better communication with educational institutions when changes were being made.

A discussion of the proposed change in the regulation to require 24 hours of accounting excluding principles followed. The prior requirement was 30 hours including principles. Professor Kim Smith of the College of William and Mary stated that they required only 3 hours of principles of accounting while other college and universities required 6 hours. This change in the wording would affect their program.

Upon a motion duly made and seconded, the board voted not to rescind their previous vote reducing the number of hours of required education to sit for the CPA exam from 150 hours to 120 hours with all other requirements remaining the same.

Upon a motion duly made and seconded, the board voted to proceed with the proposed regulatory changes and to also separate the issue of the 120 hours versus the 150 hours to sit for the CPA exam and propose that change as an Emergency Regulation.

Ms. Calderone thanked the educators for their comments and suggestions. She stated that the VBOA will work to improve communication. She noted that the board will be implementing various committees this year and she encouraged them to participate.

The VBOA recessed for lunch from 12:20 p.m. - 1:00 p.m.

Chairman Calderone asked the members to complete and sign their conflict of interest forms and complete and sign their travel expense vouchers.

Recess for
VBOA Lunch
Conflict of
Interests
Forms/ Travel
Expense
Vouchers

There being no further business before the VBOA, upon a motion by Ms. Calderone and seconded by Mr. Holton, the meeting was adjourned by unanimous vote. The members voting “**AYE**” were Ms. Calderone, Mr. Samuel, Mr. Holton, Dr. Broome, and Mr. Dickerson.

Adjournment

APPROVED:

Dian T. Calderone, MTX, CPA, Chairman

COPY TESTE:

Nancy Taylor Feldman, Executive Director/Agency Head