

**THE VIRGINIA BOARD OF ACCOUNTANCY  
Annual Ethics Committee Meeting**

The Virginia Board of Accountancy (Board) held its annual Ethics Committee Meeting at 10:00 am on Monday, September 8, 2014 in Board Room #3 of the Perimeter Center, 9960 Mayland Drive, Henrico, Virginia 23233.

The following Committee members were present:

Marc B. Moyers, CPA, Board Liaison/Committee Chair  
John Ireland, CPA  
Esther Ko, CPA  
Elizabeth Oliver, CPA  
Don Pallais, CPA  
Hartwell Philips, CPA

The Board staff members present were:

Wade A. Jewell, Executive Director  
Mary T. Charity, Director of Operations  
Patti Hambright, CPE/Peer Review Coordinator & Administrative Assistant

Also in attendance for the meeting were:

Maureen Dingus, CAE, Executive Vice President, Virginia Society  
of Certified Public Accountants  
Emily Walker, Government Affairs Director, Virginia Society of  
Certified Public Accountants  
Amy Mawyer, Vice President, Strategy and Development, Virginia  
Society of Certified Public Accountants  
Chip Knighton, Communications Specialist, Virginia Society of Certified Public  
Accountants  
Darshae Dabney, Technical Services Specialist, Virginia Society of Certified  
Public Accountants  
Jim Cole, CPA, Course Author, Virginia Society of Certified Public Accountants  
Zane' Urtaine, Education Manager, Virginia Society of Certified Public  
Accountants

## CALL TO ORDER

Chairman Moyers called the meeting to order at 10:05 am. He welcomed the members of the committee, VBOA staff, and the members of the public. He also thanked the committee members for their participation and willingness to serve. He then asked those in attendance to introduce themselves.

Mr. Moyers reviewed the agenda with committee members emphasizing discussion topics would include the overall ethics course outline, feedback received from previous ethics courses, the structuring of the VSCPA ethics course pricing, and committee member rotation. Mr. Moyers noted current committee members have served four years. Committee guidelines enable members to serve a 3-year term with the option of an additional 3-year term. Ms. Hambright will contact committee members as to whether or not they would like to serve another term.

Mr. Moyers summarized changes made to Board Policy #2, which included sponsors desiring to provide the Virginia-Specific Ethics Course must:

- Obtain the course contents/materials from the VSCPA;
- Be pre-approved annually by Board staff, in writing, as a provider of this course;
- Be listed on the Board's website as a pre-approved provider of this course; and
- Submit all participant comments to the Board within 60 days of receipt.

Mr. Jewell noted feedback was not optional and must be submitted by sponsors within 60 days. Mr. Moyers noted Board Policy #4 and reviewed the CPE Guidelines.

Mr. Moyers led the discussion regarding the new addition of Board Policy #8; Ethics Committee, and reviewed the purpose. The Board shall establish and maintain the Ethics Committee for the purpose of:

- Working with the Board member liaison and Board staff to develop a proposed outline for the following years Virginia-Specific Ethics Course, for presentation to the Board;
- Reviewing the previous years Virginia-Specific Ethics Course content/material developed by the VSCPA and making comments and/or recommendations for Board consideration;
- Reviewing summary comments from Virginia-Specific Ethics Course participants regarding content/material and/or instruction and making comments and/or recommendations for Board consideration; and,
- Reviewing the pricing structure for the VSCPA's Virginia-Specific Ethics Course (members and non-members) content/material, and making comments and/or recommendations for Board consideration.

Mr. Moyers opened the floor for member comments regarding topics for inclusion in the 2015 Ethics outline and requested feedback from Mr. Jewell and the VSCPA.

Mr. Cole interjected the most popular topic from previous ethics courses was CPE. The second most popular was the subject of enforcement. Discussion also included the

necessity of a topic clarifying the new Active-CPE-Exempt Status and providing examples. Mr. Moyers noted to receive the new status the licensee must apply, provide any requested documentation for review, and be granted approval by the Board. Ms. Charity noted there had been approximately 700 applications received thus far.

## **DEVELOP 2015 ETHICS COURSE OUTLINE**

Members reviewed and discussed previous years' outlines, selected relevant topics, and provided a vast array of new potential topics for the 2015 outline. The committee agreed the majority of the 2-hour timeframe should be ethics related. Mr. Moyers led the discussion regarding Virginia's Top 10 Issues for 2015. Topics of discussion included: how to cover sensitive information, how to cultivate a good ethical environment, threats and safeguards, how to handle a mistake when made, what documents need to be retained by CPAs in case of a CPE audit, and reviewing the new NASBA CPE Tracking Tool for uploading and maintaining CPE records. It was noted licensees in industry would like a course that is more relevant to their duties and responsibilities and less focused on public accounting.

Following a comprehensive discussion the members formulated a list of topics for inclusion in the 2015 Virginia-Specific Ethics Course outline, including topics for a "Hot Topics" in lieu of a Top 10.

## **RECESS FOR LUNCH**

## **RECONVENE**

## **DEVELOP 2015 ETHICS COURSE OUTLINE - *continued***

Mr. Jewell provided a review of the committee's recommended 2015 Virginia-Specific Ethics Course topics and the Hot Topics list as discussed by the committee. He advised the members that information was readily available for some of the topics; however, some assistance may be necessary by members of the committee and the VSCPA for other topics. The committee accepted the outline as presented/reviewed.

## **NEXT STEPS**

Following the meeting, Mr. Jewell, Ms. Charity and Ms. Hambright will develop the format, provide relevant materials for the outline, and submit the information to the committee members for comment. The members will respond with comments and suggestions. The full board will also have to approve the outline. It is the committee's goal to make the outline available for review at the October 7, 2014 Board meeting. Following full board approval the outline will be presented to the VSCPA. The VSCPA will develop the content and material for the 2015 Virginia-Specific Ethics Course.

## **2015 VIRGINIA-SPECIFIC ETHICS COURSE PRICING**

Mr. Moyers led the discussion regarding the suggested pricing established by the VSCPA for the ethics course, to include when offered by Live Seminar, Live Webcast, Self-Study, Group Content Only and Group Live Seminar. The VSCPA noted there would be no difference in pricing for VSCPA members and non-members. Upon in-depth discussion the committee will present the suggested pricing by the VSCPA to the full board for consideration. In addition, the committee will recommend all 2015 Virginia-Specific Ethics Courses be instructor led.

## **TRAVEL EXPENSE VOUCHERS**

Travel expense vouchers were signed and received.

## **ADJOURNMENT**

There being no further business before the VBOA 2015 Ethics Committee, the meeting was adjourned at 1:45 pm.

## **APPROVED:**

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Marc B. Moyers, CPA, Committee Chairman

## **COPY TESTE:**

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Wade Jewell, Executive Director