

Thursday, October 8, 2020

Board Meeting Agenda

Board Room #2

2nd Floor Conference Center

9960 Mayland Drive

Henrico, VA 23233

Join by phone at (US) +1 413-729-2841 PIN: 232 618 607#

or by Google Meets at <https://meet.google.com/xxr-cekk-jbq?authuser=0>

- 10 a.m. Call to Order – **D. Brian Carson, CPA, CGMA, Chair**
Security Briefing – **Patti Hambright, Administrative Assistant**
Determination of Quorum
Approval of October 8, 2020, Agenda
Approval of August 18, 2020, Board meeting minutes
Public comment period*
- 10:15 a.m. 1. Committee Updates – **D. Brian Carson, CPA, CGMA, Chair**
- NASBA Communications Committee – **D. Brian Carson, CPA, CGMA, Chair**
 - NASBA Enforcement Resources Committee – **William R. Brown, CPA**
 - General NASBA updates – **Nadia Rogers, CPA, and Nancy Glynn, CPA, Executive Director**
- 10:30 a.m. 2. Executive Director’s Report – **Nancy Glynn, CPA, Executive Director**
- General updates
 - MLO upgrade progress
 - Financial and Board Report update – **Renai Reinholtz, Deputy Director**
 - Enforcement update – **Amanda E.M. Blount, Enforcement Director**
 - Regulatory update – **Elizabeth Marcello, Information and Policy Analyst**
- 12 p.m. 3. Board Discussion Topics – **D. Brian Carson, CPA, CGMA, Chair**
- 2021 Ethics course update
 - Video presentation – **Kelli Anderson, Communications Manager**
 - Process and timeline – **Elizabeth Marcello, Information and Policy Advisor**
 - Deliverables – **Nancy Glynn, CPA, Executive Director**
 - Modification to the Delegations of Authority, Administrative Policy and Procedure, for certain criminal convictions – **Elizabeth Marcello, Information and Policy Advisor**
 - Five-year forecast and licensing trends – **Renai Reinholtz, Deputy Director**
- 12:30 p.m. 4. Adjourn for lunch
- 1 p.m. 5. Additional Items for Discussion
- Sign Conflict of Interest forms
 - Sign Travel Expense vouchers
 - Future meeting dates

- December 1, 2020
- February 4, 2021
- April 22, 2021
- May 27, 2021
- June 22, 2021
- August 31, 2021

- 1:30 p.m. 6. Closed Session
- Enforcement – **Amanda E.M. Blount, Enforcement Director**
- OAG and legal updates
 - Final Orders
 - 2019-176-014U (Blount, Glynn, Warwick and Winters)
- Personnel Matters - **Sherida Davis-Bryan, MBA**
- 2:30 p.m. Adjournment

***For those attending the meeting virtually, any public comments must be emailed to boa@boa.virginia.gov with the subject line: Board meeting public comments and received by October 7, 2020.**

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
August 18, 2020
Draft/Unapproved minutes**

The Virginia Board of Accountancy met on Tuesday, August 18, 2020, in Board Room #4 of the Perimeter Center, 9960 Mayland Drive, Henrico, Virginia 23233.

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

**MEMBERS APPEARING
VIRTUALLY:** Laurie A. Warwick, CPA, Vice Chair
Jay Bernas

**LEGAL COUNSEL
APPEARING
VIRTUALLY:** James Flaherty, Assistant Attorney General,
Office of the Attorney General

STAFF PRESENT: Nancy Glynn, CPA, Executive Director
Renai Reinholtz, Deputy Director
Amanda E. M. Blount, Enforcement Director
Kelli Anderson, Communications Manager
Patti Hambright, CPE Coordinator and Administrative Assistant
Elaina Johnson

**STAFF APPEARING
VIRTUALLY:** Elizabeth Marcello, Information and Policy Advisor

**SPEAKING MEMBERS
OF THE PUBLIC
APPEARING
VIRTUALLY:** Daniel J. Dustin, CPA, NASBA, Vice President, State Board Relations
Will Fleagle, Project Manager, System Automation Corporation
Mike Ulrey, Project Manager, VBOA
Elizabeth Wabik, PMP, Project Manager, System Automation
Corporation

**SPEAKING MEMBERS
OF THE PUBLIC:** G. Stewart Petoe, Executive Director, Virginia Conflict of Interest and
Ethics Advisory Council

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Emily Walker, CAE, Vice President, Advocacy, Virginia Society of
Certified Public Accountants
Jacqueline D. White, CPA
Steven Buwe, CPA

CALL TO ORDER

Mr. Carson called the meeting to order at 10 a.m.

DETERMINATION OF QUORUM

Mr. Carson determined there was a quorum present.

SECURITY BRIEFING

Ms. Hambright provided the emergency evacuation procedures.

APPROVAL OF AGENDA

Upon a motion by Mr. Bradshaw, and duly seconded, the members voted unanimously to approve the August 18, 2020, agenda as presented. The members voting “**AYE**” were Mr. Carson, Ms. Warwick, Mr. Bernas, Mr. Bradshaw, Mr. Brown, Ms. Lewis and Ms. Rogers.

APPROVAL OF MINUTES

Upon a motion by Mr. Brown, and duly seconded, the members voted to approve the June 23, 2020, Board meeting minutes, as presented. The members voting “**AYE**” were Mr. Carson, Ms. Warwick, Mr. Bradshaw, Mr. Brown and Ms. Rogers. (Mr. Bernas and Ms. Lewis were not present at the June 23, 2020, Board meeting and abstained from the vote.)

APPROVAL OF CONSENT AGENDA

Upon a motion by Mr. Bradshaw, and duly seconded, the members voted unanimously to approve the Consent Agenda, as presented.

CALL FOR VOTE:

D. Brian Carson, CPA, CGMA – Aye
Laurie A. Warwick, CPA – Aye
Jay Bernas – Aye

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W. Barclay Bradshaw, CPA – Aye
William R. Brown, CPA – Aye
Wendy P. Lewis, CPA – Aye
Nadia A. Rogers, CPA – Aye

VOTE:

Ayes: Seven (7)

Nays: None

WELCOME

Mr. Carson and fellow Board members welcomed new Board members Mr. Bernas and Ms. Lewis. Introductions were made.

PUBLIC COMMENT PERIOD

Ms. Walker noted beginning September 1, 2020, the AICPA would be launching the .cpa domain name. Licensed individual CPAs and licensed CPA firms will be able to apply to place the domain .cpa on their web address. Anyone using the .cpa domain will be verified by the AICPA to ensure it is a CPA entity.

In regards to the CPA Evolution Initiative, Ms. Walker noted the VSCPA's focus would be assisting educators and educational institutions.

Ms. Walker noted the VSCPA had provided a letter of support for the VBOA's proposed regulatory changes.

Ms. Walker stated the VSCPA continued to support the VBOA's current model regarding the publication of CPE disciplinary actions for licensed CPAs.

Ms. White addressed the Board in regards to pending disciplinary action. She provided a summary of the events leading to the pending disciplinary action.

Mr. Buwe addressed the Board in regards to disciplinary action and provided a summary of events leading to the disciplinary action.

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CONFLICT OF INTEREST TRAINING

Mr. Petoe provided a handout and PowerPoint presentation regarding the duties of the Virginia Conflict of Interest and Ethics Advisory Council. His presentation included reviewing prohibited conduct and personal interests. He provided examples to help in the Board's understanding. Mr. Petoe fielded questions.

MLO UPGRADE

Mr. Ulrey, Ms. Wabik and Mr. Fleagle provided an update to the VBOA MLO (MyLicense Office) system upgrade. At a high level, Mr. Fleagle demonstrated the new enforcement module and displayed documents the public would be able to access.

PROPOSED UAA CHANGES AND NASBA OVERVIEW

Mr. Dustin provided a handout and PowerPoint presentation regarding an overview of the UAA (Uniform Accountancy Act) and NASBA. He provided a summary of NASBA's tools and services. In addition, he provided an update for the UAA Committee.

COMMITTEE UPDATES

NASBA Communications Committee

Mr. Carson noted there were no updates for the NASBA Communications Committee at this time.

NASBA Enforcement Resources Committee

Mr. Brown noted there were no updates for the NASBA Enforcement Resources Committee at this time.

RECESS FOR LUNCH 12:20 p.m.

RECONVENE 12:45 p.m.

EXECUTIVE DIRECTOR'S REPORT

General Updates

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

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- Ms. Glynn provided an update to the Board regarding the number of individual and firm CPA licenses, which were not renewed by the June 30 deadline. She noted in comparison to last year, the number had declined.
- Ms. Glynn noted new Board member orientation for Mr. Bernas and Ms. Lewis had gone well.
- Ms. Glynn requested an extension by the Board for her delegation of authority to grant renewal exceptions. A thorough discussion ensued.

Upon a motion by Mr. Brown, and duly seconded, the members voted unanimously to approve Ms. Glynn's delegation of authority in determining license renewal exemptions until August 15, 2020.

CALL FOR VOTE:

D. Brian Carson, CPA, CGMA – Aye
Laurie A. Warwick, CPA – Aye
Jay Bernas – Aye
W. Barclay Bradshaw, CPA – Aye
William R. Brown, CPA – Aye
Wendy P. Lewis, CPA – Aye
Nadia A. Rogers, CPA – Aye

VOTE:

Ayes: Seven (7)
Nays: None

CPE Revised Audit Results

Ms. Glynn noted the NASBA CPE (continuing professional education) Audit Service continued to have issues. She provided Board members with CPE deficiency rates currently and for previous calendar years. The deficiency rates fluctuated between 16% and 26%. A thorough discussion ensued which, included new opportunities for educating CPAs on CPE requirements.

Financial and Board Report Update

Ms. Reinholtz presented and fielded questions regarding the July 2020 Financial and Board Report.

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Five-year Financial Forecast

Ms. Reinholtz presented and fielded questions regarding the Cash Flow and Trust Fund Balance projections for FY2021–FY2025.

Enforcement Update

Ms. Blount led the discussion regarding the enforcement update. She provided the Enforcement Report and Status of Open Cases as of July 31, 2020. She noted unlicensed activity had increased significantly. An in-depth discussion ensued. Ms. Blount fielded questions.

Regulatory Update

Ms. Marcello led the discussion regarding regulatory updates. The 60-day public comment period for the currently proposed regulations will end on August 21, 2020. Ms. Marcello summarized the regulatory process moving forward.

Public hearing on proposed regulations

Ms. Marcello noted the only comment provided regarding the VBOA’s proposed regulations was submitted by the VSCPA.

BOARD DISCUSSION TOPICS

Ethics Course update following Ethics Committee meeting

Mr. Brown led the discussion regarding the ethics course update following the Ethics Committee meeting on July 23. He briefed the Board on the committee’s discussion. Ms. Anderson is preparing the VBOA Segment script and working closely with NASBA regarding design and graphics.

Topics will include:

- Inactive status guidelines
- Overall CPE requirements
- Information about the VBOA website

VBOA comment for Model Rules of Education

Ms. Rogers led the discussion regarding the VBOA comment for the UAA Model Rules on Education. She noted her concerns regarding the proposed changes. Ms. Rogers will provide a letter for review to Board members with the goal of providing a response by the August 31, 2020 deadline.

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Prioritization of enforcement cases

Ms. Blount led the discussion regarding the prioritization of enforcement cases. Ms. Blount and Ms. Warwick worked together creating the Case Priority Assignment for Enforcement Matters document. A thorough discussion ensued.

Upon a motion by Mr. Bradshaw, and duly seconded, the members voted unanimously to add the Case Priority Assignment for Enforcement Matters document to the Enforcement Adjudication Manual.

CALL FOR VOTE:

D. Brian Carson, CPA, CGMA – Aye
Laurie A. Warwick, CPA – Aye
Jay Bernas – Aye
W. Barclay Bradshaw, CPA – Aye
William R. Brown, CPA – Aye
Wendy P. Lewis, CPA – Aye
Nadia A. Rogers, CPA – Aye

VOTE:

Ayes: Seven (7)
Nays: None

Publication of Disciplinary Action

After a thorough discussion the Board agreed no changes were necessary to the current Publication of Disciplinary Action policy.

ADDITIONAL ITEMS FOR DISCUSSION

- Sign Conflict of Interest forms
- Sign Travel Expense vouchers

FUTURE MEETING DATE

- October 8, 2020

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Begin closed meeting

Upon a motion by Ms. Warwick, 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’ exemption contained in Virginia Code §2.2-3711 (A)(8).

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

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 and Amanda Blount.

End closed meeting

Upon a motion by Ms. Warwick, 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.

CALL FOR VOTE:

D. Brian Carson, CPA, CGMA – Aye
Laurie A. Warwick, CPA – Aye
Jay Bernas – Aye
W. Barclay Bradshaw, CPA – Aye
William R. Brown, CPA – Aye
Wendy P. Lewis, CPA – Aye
Nadia A. Rogers, CPA – Aye

VOTE:

Ayes: Seven (7)
Nays: None

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

Case #2019-176-014U (Blount, Glynn, Warwick and Winters)

Ms. Blount, Ms. Glynn, and Ms. Winters were not present and did not participate in the closed discussion. Ms. Warwick did not participate in the closed discussion.

Upon a motion by Mr. Bradshaw, and duly seconded, members voted unanimously to remand Final Order 2019-176-014U back to Enforcement.

CALL FOR VOTE:

D. Brian Carson, CPA, CGMA – Aye
Laurie A. Warwick, CPA – Abstain
Jay Bernas – Aye
W. Barclay Bradshaw, CPA – Aye
William R. Brown, CPA – Aye
Wendy P. Lewis, CPA – Aye
Nadia A. Rogers, CPA – Aye

VOTE:

Ayes: Six (6)
Abstain: One (1)
Nays: None

Case #2020-023-023C (Glynn and Winters)

Ms. Glynn and Ms. Winters were not present and did not participate in the closed discussion.

Upon a motion by Mr. Bradshaw, and duly seconded, members voted to close Final Order 2020-023-023C without sanctions.

CALL FOR VOTE:

D. Brian Carson, CPA, CGMA – Aye
Laurie A. Warwick, CPA – Aye
Jay Bernas – Aye
W. Barclay Bradshaw, CPA – Aye
William R. Brown, CPA – Aye

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Wendy P. Lewis, CPA – Aye
Nadia A. Rogers, CPA – Aye

VOTE:
Ayes: Seven (7)
Nays: None

Case #2020-056-056C (Glynn and Winters)

Ms. Glynn and Ms. Winters were not present and did not participate in the closed discussion.

Upon a motion by Ms. Rogers, and duly seconded, members voted to accept Final Order 2020-056-056C, as presented.

CALL FOR VOTE:

D. Brian Carson, CPA, CGMA – Aye
Laurie A. Warwick, CPA – Aye
Jay Bernas – Aye
W. Barclay Bradshaw, CPA – Aye
William R. Brown, CPA – Aye
Wendy P. Lewis, CPA – Aye
Nadia A. Rogers, CPA – Aye

VOTE:
Ayes: Seven (7)
Nays: None

Case #2020-093-093C (Blount and Glynn)

Ms. Blount and Ms. Glynn were not present and did not participate in the closed discussion.

Upon a motion by Ms. Warwick, and duly seconded, members voted to accept Final Order 2020-093-093C, as presented.

CALL FOR VOTE:

D. Brian Carson, CPA, CGMA – Aye
Laurie A. Warwick, CPA – Aye

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Jay Bernas – Aye
W. Barclay Bradshaw, CPA – Aye
William R. Brown, CPA – Aye
Wendy P. Lewis, CPA – Aye
Nadia A. Rogers, CPA – Aye

VOTE:

Ayes: Seven (7)

Nays: None

ADJOURNMENT

There being no further business before the VBOA, Mr. Carson adjourned the meeting at 3:11 p.m.

APPROVED:

D. Brian Carson, CPA, CGMA, Chair

COPY TESTE:

Nancy Glynn, CPA, Executive Director



COMMONWEALTH OF VIRGINIA
BOARD OF ACCOUNTANCY

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D. Brian Carson, CPA, CGMA
Chair

Laurie A. Warwick, CPA
Vice Chair

Jay Bernas
Public Member

W. Barclay Bradshaw, CPA
Board Member

William R. Brown, CPA, MBA
Board Member

Wendy Pace Lewis, CPA
Board Member

Nadia A. Rogers, CPA
Board (Educator) Member

Nancy Glynn, CPA
Executive Director

August 28, 2020

TO: NASBA Uniform Accountancy Act Committee
FROM: Virginia Board of Accountancy

We have reviewed the proposed revisions to the Uniform Accountancy Act's Model Rules that pertain to education and have the following comments/concerns:

- Rule 5-1(b): We do not recommend placing responsibility to determine acceptable accrediting organizations on each State Board. It appears that examples of acceptable accrediting organizations are provided in Rule 5-1(c)(1), (2) and (3) when defining the levels of accreditation; however, the wording suggests that this is not a complete list. If possible, further guidance on those accrediting organizations deemed acceptable is preferred (particularly relevant given the changes related to the Council for Higher Education Accreditation (CHEA), whose organization name is referenced in Virginia's current regulation) so that we are not duplicating efforts at the State Board level.
- Virginia does not currently have an ethics-specific requirement other than the AICPA self-study Professional Ethics: AICPA's Comprehensive Course required for licensure only, and we do not intend to adopt Rule 5-1(e) or Rule 5-2(d)(6). We believe that our requirement for licensure only is sufficient and that ethics content likely spans multiple courses (vs. one course devoted to ethics), such as auditing and fraud examination. Verifying appropriate ethics coverage across multiple courses for each applicant will be very time consuming for State Boards.

- Rule 5-2(c) suggests that transcript reviews are not required of Level 1 colleges or universities. Virginia performs transcript reviews for all applicants regardless of the Level. We recently encountered a situation where, if we had not performed a transcript review of an applicant from a university with Level 1 accreditation, we would not have acted in accordance with our regulation resulting in a course that was not upper-level accounting to inappropriately count towards this requirement. As a result, we do not intend to adopt the related language of this Rule section and, further, recommend strongly encouraging or requiring transcript reviews for all applicants regardless of their college or university accreditation level.
- Rule 5-2(d)(2) introduces the term ‘content’ as opposed to ‘courses.’ We would like to understand the rationale for changing this terminology and recommend that ‘accounting content’ is defined so that the intention and meaning is clear across all State Boards.
- Rule 5-2(d)(2) requires “a minimum of 12 [semester credit hour] SCH in some or all of the subject-matter content areas listed in Rule 5-2(d)(2)v through xvii.” We recommend removing the “some or all” language, as we do not believe that ‘some’ is necessary and ‘all’ is not appropriate given the minimum of 12 SCH required and the lengthy list of subject-matter content areas.
- We recommend removing “whether taken in the business school or in another college or university program, such as engineering, computer science , or math programs” from Rule 5-2(d)xv as we do not believe it is likely that these colleges or university programs will teach data and analytics concepts and tools in an accounting context.
- While Rule 5-2(d)(3) has not been revised, we wanted to highlight that this requirement is very specific: “a minimum of two SCH in research and analysis relevant to the course content described in 5-2(d)(2) through a discrete undergraduate and/or graduate accounting course or two SCH integrated throughout the undergraduate and/or graduate accounting curriculum.” This requirement is not currently part of Virginia’s regulation and we do not intend to adopt it. However, two SCH is rare in a college or university curriculum. Additionally, research and analysis courses are typically included in a graduate curriculum and not an undergraduate curriculum, suggesting that a graduate degree is required to sit for the CPA Exam in states adopting this section of the Rule. Alternatively, many colleges and universities will need to revise their undergraduate curriculums to include courses containing this content.
- Rule 5-2(d)(4) states that applicants must earn “a minimum of 24 SCH (or equivalent) of business content, other than accounting, at the undergraduate and/or graduate level, covering some or all of the following subject-matter content...” Virginia’s current regulation *allows 6 semester credit hours of accounting courses (excluding introductory/foundational accounting courses) to be counted towards the 24 semester credit hours of business content.* Excluding the language in italics is not a revision of the UAA, but Virginia believes it is necessary to include as not doing so will likely lead to colleges and universities needing to make changes to their curriculums and, additionally, including this language may be more in line with current regulation amongst State Boards. Furthermore, we recommend defining “or equivalent.” Similar to the above, we also recommend removing the “some or all” language due to the fact that ‘some’ is not necessary and ‘all’ is not appropriate given the minimum 24 semester credit hours required and the lengthy list of subject-matter content areas.

- Rule 5-2(d)(5) requires an applicant to earn “a minimum of two SCH in communications in an undergraduate and/or graduate course listed or cross-listed as an accounting or business course or two SCH integrated through the undergraduate or graduate accounting or business curriculum.” Again, teaching a course for two SCH is unusual for any college or university. Also, if this requirement is referring to public speaking, such courses are typically taught by the Communications Department of a college or university, not a department within the Business College. This Rule language has not been revised, but we recommend considering revision. At this time, this section is not included in Virginia’s regulation and we do not intend to adopt it.
- Rule 5-2(d)(7) indicates that applicants can earn “a maximum of nine SCH for internships and independent study.” Nine credit hours would be significant for any college or university curriculum. In many instances, curriculums may have room at the graduate level only for students to earn credit for a semester long internship and an independent study. Credit is typically awarded for internships meeting substantive criteria (summer internships do not meet the requirements for credit), which would significantly extend the student’s time to complete the degree. Six SCH would be more reasonable, but we can appreciate the flexibility that a maximum of nine SCH provides.

Additionally, we recommend reiterating to the public that the UAA is a Model Rule that serves as a guide, but is not required to be adopted in its entirety by each state. In discussions we have had with academia and the profession, it is apparent that this is not widely known. We further recommend polling State Boards on the various changes to better assess each state’s regulation and intentions to adopt. It is our understanding that one of the reasons for these proposed changes is to make the UAA more in line with current State Boards’ regulation; however, at least from Virginia’s standpoint, many of these revisions do not align with our current regulation and we do not intend to make the proposed revisions as detailed above.

We appreciate the opportunity to express our comments and concerns. If you have any questions or would like to discuss any of the above, please let us know.

Sincerely,

A handwritten signature in cursive script that reads "Nancy J. Glynn".

Virginia Board of Accountancy, Executive Director

**Individual and firm license activity
September 30, 2020**

<i>Fiscal Period</i>	Period ending 9/30/2020	Period ending 9/30/2019	Year ending 6/30/2020	Year ending 6/30/2019	Year ending 6/30/2018
REGULANTS					
Individuals					
Active, licensed CPAs	27,021	26,643	26,666	26,282	26,318
Inactive, licensed CPAs	1,961	1,840	1,915	1,784	1,585
Total Licensed CPAs	28,982	28,483	28,581	28,066	27,903
Out-of-state licensees	8,766	8,575	8,935	8,435	8,330
Reinstatements - Individuals	64	58	170	162	178
New CPA licenses issued	292	368	1,241	1,133	1,227
Expired/voluntarily surrendered licenses	17	28	861	871	1,177
Exam Candidates					
Number of first time exam candidates	321	319	1,673	1,624	1,675
Firms					
Total active, licensed CPA firms	1,167	1,147	1,157	1,126	1,177
Reinstatements - Firms	2	3	10	10	10
New CPA firm licenses issued	12	18	37	38	74
Expired/voluntarily surrendered licenses	3	1	81	79	74

Financial Report
FY20 Budget vs. Actual Expenses
As of August 31, 2020

<u>Expenditure Type</u>	<u>FY21 Operating Budget</u>	<u>FY21 YTD Expenditures</u>	<u>% Expended</u>	<u>FY20 YTD Expenditures</u>	<u>FY19 YTD Expenditures</u>	<u>FY18 YTD Expenditures</u>
<u>Salaries & Benefits</u>	1,424,635	261,313	18.3%	1,308,884	1,175,925	1,174,172
Total Salaries & Benefits	\$ 1,424,635	\$ 261,313	18.3%	\$ 1,308,884	\$ 1,175,925	\$ 1,174,172
<u>Contractual Services</u>						
1211 Express Services	150	-	0.0%	84	134	722
1214 Postal Services	14,000	6,447	46.1%	12,011	9,984	12,886
1215 Printing Services	7,500	95	1.3%	6,459	4,537	5,487
1216 Telecommunications - VITA	9,432	1,597	16.9%	9,609	12,539	11,613
1217 Telecommunications - Nonstate (CallFire)	6,000	30	0.5%	2,495	100	100
1219 Inbound Freight	300	-	0.0%	260	56	160
1221 Organization Memberships (primarily NASBA)	8,217	6,885	83.8%	8,327	7,625	7,255
1222 Publication Subscriptions	3,570	72	2.0%	3,655	1,271	1,266
1224 Training - Courses, Workshops, Conferences	5,500	50	0.9%	7,563	4,822	11,459
1225 Employee Tuition Reimbursement	-	-	---	-	1,618	-
1227 Training-Transportation, Lodging, Meals, Incidentals	9,000	-	0.0%	9,511	4,567	23,825
1228 Employee IT Training Courses/Workshops and Conferences	-	-	---	-	91	-
1242 Fiscal Services (Credit Card Merchant Fees)	55,000	2,980	5.4%	68,818	34,498	48,558
1243 Attorney Services	25,000	26,217	104.9%	48,624	62,020	51,736
1244 Mgmt. Services - NASBA/special accommodations	30,000	700	2.3%	28,061	33,808	21,736
1245 Personnel Management Services	-	-	---	-	79	-
1246 Public Info/Public Relations (subscriptions)	1,100	-	0.0%	4,484	3,470	3,538
1247 Legal Services (court reporting services)	2,000	-	0.0%	2,688	10,834	19,562
1253 Equipment Repair/Maintenance	850	-	0.0%	440	823	-
1263 Clerical / Temp Services	-	-	---	-	-	2,754
1264 Food and Dietary Services	3,500	173	4.9%	2,377	3,585	3,236
1265 Laundry & Linen Services	-	-	---	-	13	-
1266 Manual Labor Services (Includes shredding services)	4,500	609	13.5%	1,757	320	394
1268 Skilled Services	1,200	-	0.0%	600	1,138	-
1272 VITA Pass Thru Charges	381,505	35,663	9.3%	135,675	133,466	135,170
1273 Info Mgmt Design and Development Services (IT Support)	129,000	17,200	13.3%	108,689	108,923	94,600
1275 Computer Software Maintenance	6,830	1,680	24.6%	6,435	-	-
1278 VITA Information Technology Infrastructure Services	132,000	5,992	4.5%	148,216	146,380	119,126
1279 Computer Software Development Services	-	-	---	-	234,015	346,155
1282 Travel - Personal Vehicle	7,500	461	6.1%	6,318	6,603	8,099
1283 Travel - Public Carriers	-	-	---	-	77	-
1284 Travel - State Vehicles	1,000	-	0.0%	243	200	652
1285 Travel - Subsistence and Lodging	1,500	-	0.0%	1,221	1,612	2,182
1288 Travel, Meal Reimburse - Not IRS Rpt	1,000	-	0.0%	723	824	1,423
Total Contractual Services	\$ 847,154	\$ 106,852	12.6%	\$ 625,343	\$ 830,032	\$ 933,694
<u>Supplies and Materials</u>						
1312 Office Supplies	3,500	46	1.3%	1,191	3,783	5,023
1313 Stationery and Forms	1,800	90	5.0%	997	1,844	2,028
1323 Gasoline (Enterprise vehicles)	250	-	0.0%	87	103	221
1335 Packaging and Shipping Supplies	800	-	0.0%	351	1,237	485
1342 Medical & Dental Supplies	50	-	0.0%	-	5	-

<u>Expenditure Type</u>	<u>FY21 Operating Budget</u>	<u>FY21 YTD Expenditures</u>	<u>% Expended</u>	<u>FY20 YTD Expenditures</u>	<u>FY19 YTD Expenditures</u>	<u>FY18 YTD Expenditures</u>
Supplies and Materials, continued						
1352 Custodian Repair & Maintenance	-	-	---	728	-	389
1353 Electrical Repair/Maintenance Materials	-	-	---	-	-	-
1362 Food & Dietary Supplies	525	30	5.7%	442	365	498
1363 Food Service Supplies	50	29	58.6%	16	56	62
1373 Computer Operating Supplies	2,500	609	24.4%	823	3,989	3,194
Total Supplies & Materials	\$ 9,475	\$ 804	8.5%	\$ 4,634	\$ 11,382	\$ 11,900
Transfer Payments						
1413 Awards & Recognition	150	-	0.0%	-	1,033	848
1418 Incentives	1,200	-	0.0%	725	325	-
Total Transfer Payments	\$ 1,350	\$ -	0.0%	\$ 725	\$ 1,358	\$ 848
Continuous Charges						
1512 Automobile Liability Insurance	231	-	0.0%	231	231	231
1516 Property Insurance	1,224	-	0.0%	1,224	1,224	1,224
1534 Equipment Rentals	12,100	645	5.3%	8,133	8,507	8,645
1539 Building Rentals - Non-State Owned Facilities	95,440	15,365	16.1%	95,161	93,416	90,982
1541 Agency Service Charges (shared services)	53,383	-	0.0%	37,675	37,335	38,169
1551 General Liability Insurance	328	-	0.0%	328	188	188
1554 Surety Bonds	40	-	0.0%	40	40	40
1555 Worker's Compensation	1,044	-	0.0%	1,023	1,044	978
Total Continuous Charges	\$ 163,790	\$ 16,011	9.8%	\$ 143,815	\$ 141,985	\$ 140,457
Equipment						
2216 Network Components	1,500	-	0.0%	1,357	452	341
2217 Other Computer Equipment	150	-	0.0%	97	1,590	685
2218 Computer Software Purchases	-	-	---	428	419	540
2224 Reference Equipment	-	-	---	-	32	80
2232 Photographic Equipment	-	-	---	-	-	552
2233 Voice and Data Transmission Equipment	-	969	---	23	511	164
2238 Electronic and Photo Equipment Improvements	-	-	---	-	3,791	6,125
2261 Office Appurtenances (Blinds, Carpet, etc.)	150	-	0.0%	687	348	94
2262 Office Furniture	-	-	---	385	5,666	555
2263 Office Incidentals	500	-	0.0%	658	109	969
2264 Office Machines	-	-	---	-	412	65
2283 Mechanical Equipment	-	-	---	2,338	-	-
2328 Contruction, Building Improvements	-	150	---	44,209	-	-
Total Equipment	\$ 2,300	\$ 1,119	48.7%	\$ 50,182	\$ 13,330	\$ 10,170
Total Expenses	\$ 2,448,704	\$ 386,098	16.6%	\$ 2,133,583	\$ 2,174,012	\$ 2,271,240
Chapter 1289 Appropriation	\$ 2,328,158					
Additional Appropriation Request	\$ 120,546					
Total Projected Appropriation	\$ 2,448,704					

**Virginia Board of Accountancy
Financial Report
Cash Balance
As of August 31, 2020**

	Operating Fund (09226)		Special Fund (02020)	
	FY2021 - YTD as of 8/31/20	FY2020 - YTD as of 8/31/19	FY2021 - YTD as of 8/31/20	FY2020 - YTD as of 8/31/19
Beginning Fund Balance July 1:	\$ 1,915,719	\$ 681,659	\$ 3,617,992	\$ 4,405,230
YTD Revenue Collected *	81,205	83,940	-	-
Accounts Payable **	9,400	672	-	-
Cash Transfers In per Board Policy #1	481,940	284,552	-	-
Cash Transfers Out per Board Policy #1	-	-	(481,940)	(284,552)
YTD Expenditures	(386,098)	(344,626)	-	-
Cash Balance before required transfers	\$ 2,102,166	\$ 706,197	\$ 3,136,052	\$ 4,120,678
Required Cash Transfers:				
Transfers to Central Service Agencies ***	\$ (13,366)	\$ (11,302)	-	-
Cash Balance after required transfers	\$ 2,088,800	\$ 694,895	\$ 3,136,052	\$ 4,120,678

* Includes Interest Earnings - Per Virginia Acts of Assembly - Chapter 732 - §3-3.03 - Approved April 10, 2016, the State Comptroller shall allocate revenue for interest earnings effective FY2016. Interest Earnings had not been allocated since FY2010.

** Prior to October 1, 2014 and the implementation of the Commonwealth's new financial accounting and reporting system (Cardinal) all payments immediately reduced cash when processed (in CARS). The new Cardinal financial system operates on a modified accrual basis and cash balances are not affected until the voucher's due date. The Cardinal system generates an offsetting entry to a liability account (accounts payable) when the voucher is processed. Once the voucher due date arrives, the payment is made, the liability is relived and cash is now reduced.

*** 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.

Virginia Board of Accountancy
Revenue by Fee Type
Source: VBOA Licensing System (MLO)

Fee Type	FY2021 - YTD as of 8/31/20	FY2020 - YTD as of 8/31/19	Fiscal Year Ending 6/30/20	Fiscal Year Ending 6/30/19	Fiscal Year Ending 6/30/18
Application Fee	\$ 41,085	\$ 45,815	\$ 271,705	\$ 300,895	\$ 309,965
(a) Re-Exam Application	\$ 14,200	\$ 15,140	\$ 80,240	\$ 95,420	\$ 90,580
(b) Renewal Fee	\$ 33,345	\$ 71,440	\$ 1,824,475	\$ 2,328,986	\$ 1,859,054
Reinstatement Fee	\$ 18,700	\$ 15,850	\$ 63,500	\$ 63,600	\$ 64,570
Duplicate Wall Certificate Fee	\$ 125	\$ 325	\$ 1,800	\$ 1,850	\$ 1,950
License Verification Fee	\$ 2,900	\$ 3,700	\$ 16,175	\$ 18,950	\$ 20,025
CPA Exam Score Transfers	\$ 250	\$ 425	\$ 1,750	\$ 1,950	\$ 2,325
Administrative Fee	\$ -	\$ -	\$ -	\$ -	\$ 1,000
Bad Check Fee	\$ -	\$ 50	\$ 313	\$ 50	\$ 150
Total Revenue	\$ 110,605	\$ 152,745	\$ 2,259,958	\$ 2,811,701	\$ 2,349,619
(c) Net Revenue per Commonwealth Accounting and Reporting System (Cardinal)	\$ 81,205	\$ 83,940	\$ 2,220,553	\$ 2,870,760	\$ 2,338,729
(d) Difference	\$ 29,400	\$ 68,805	\$ 39,405	\$ (59,059)	\$ 10,890

NOTES:

- (a) Effective January 5, 2016, VBOA implemented the Re-Exam Application fee.
- (b) Renewal Fee also includes associated late fees prior to FY19.
- (c) Net Revenue per Cardinal reported above includes only revenue received from regulatory fees.
- (d) Revenue Totals from the VBOA Licensing System (MLO) will not always match Revenue collected and reported on the VBOA Cash Report (Cardinal), due to timing differences in dates transactions are posted into each system and pending adjustments.

**Virginia Board of Accountancy
Financial Report
Accounts Receivable
As of August 31, 2020**

	FY2021 - YTD as of 8/31/20	FY2020 - YTD as of 8/31/19	Fiscal Year Ending 6/30/20	Fiscal Year Ending 6/30/19	Fiscal Year Ending 6/30/18	Fiscal Year Ending 6/30/17
Fines levied	\$ 33,425	\$ 11,750	\$ 107,725	\$ 221,273	\$ 326,285	\$ 187,925
Fines collected	\$ 29,952	\$ 13,663	\$ 112,760	\$ 191,199	\$ 258,879	\$ 198,771
OAG Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Outstanding Current fines receivable (< 365 Days)	\$ 41,975	\$ 30,630	\$ 49,975	\$ 60,230	\$ 92,026	\$ 25,442
Outstanding Written-off receivables (=> 365 Days) (a)	\$ 670,785	\$ 656,780	\$ 659,313	\$ 654,093	\$ 592,222	\$ 591,400

NOTE:

(a) All accounts uncollected after one year are deemed uncollectible, are written off of the VBOA's financial account records, and are no longer recognized receivables for financial reporting purposes; however, the legal obligation to pay the debt still remains.

ENFORCEMENT REPORT
As of September 30, 2020

	As of 9/30/20	Year Ending 6/30/20	Year ending 6/30/19	Year ending 6/30/18	Year ending 6/30/17
ENFORCEMENT					
Number of new enforcement cases	17	61	49	85	82
<i>Types of Complaints</i>					
Unlicensed activity	9	27	14	20	45
Other disciplinary matters	8	34	35	65	37
CPE COMPLIANCE					
REVIEWS RESTATED					
Number of CPE audits requested initially reported	179	700	1699	2402	2022
Number of actual audits to be completed	179	695	1366	1938	1742
<i>Status of CPE Compliance Reviews</i>					
Audits resulting in compliance	110	515	1134	1526	1294
Audits resulting in deficiency	9	131	223	412	448
Audits open/pending review	60	49	9	0	0
CPE Audit Deficiency Rate	8%	20%	16%	21%	26%

Enforcement Report - October 8, 2020 Board Meeting

Case Statistics	As of September 30, 2020	As of July 31, 2020	Open Case Status for Non-CPE Cases	As of September 30, 2020	As of July 31, 2020
All Cases	194	190	1 Investigation Ongoing	36	32
Open Cases (Non-CPE)	90	82	2 Pending Investigative Report	16	8
≥ 160 Days	49	47	3 Pending Probable Cause Review	17	17
Source of Referrals			4 Pending IFF	13	12
Internal	123	126	5 Pending Presiding Officer's Recommendation/Consent Order	0	0
Licensing			6 Pending Signed Consent Order from Respondent	4	1
» Self-Report	5	2	7 Pending Board Approval / Other Closure	4	11
» Failure to Disclose	2	7	8 Pending Board Request for Add'l Info	0	1
» Eligibility	0	0	9 Deferred (Pending Trial, Litigation, Regulatory Review, etc.)	0	0
Enforcement	12	9	Types of Open Cases		
CPE Division	104	108	PR Peer Review	1	1
Interagency	7	8	CPE CPE Deficiency	104	108
AICPA	4	4	D Disciplinary	53	44
FSBA	0	0	E Eligibility	0	0
DOL	1	1	U Unlicensed Activity	36	37
NASBA	0	0	» Firms	12	12
SEC	1	1	» Individuals	24	25
Other State BOA	1	1			
State of Hawaii	0	1			
Public	64	56			
Anonymous	9	9			
Named	55	47			

Status of Open Cases as of September 30, 2020

By Days Open

Case No.	Case Summary	Next Action	Days Open
2015-D0012	Due Professional Care	Pending Closure	1318
2016-0005D	Performing Services Restricted to CPA Firm Licensure without a CPA Firm License	Pending IFF Scheduled for 11/10/2020	1178
2016-0013D	Due Professional Care	Pending IFF Scheduled for 9/30/2020	1141
2019-108-019D	False, Misleading or Deceptive Acts in Promoting or Marketing Professional Services	Pending IFF Scheduled for 9/30/2020	705
2019-109-005U	Offering, Advertising, or Performing Services Restricted to CPA Firm Licensure without a CPA Firm License	Pending Closure	705
2018-243-010D	Due Professional Care	Investigation Ongoing	630
2019-041-003D	Due Professional Care	Pending IFF Scheduled for 9/30/2020	630
2018-425-005U	Unlicensed Use of CPA Title	Pending IFF Scheduled for 11/10/2020	609
2018-371-014D	Due Professional Care	Assigned for Probable Cause Review	588
2018-436-024D	Due Professional Care	Assigned for Probable Cause Review	567
2019-037-001U	Unlicensed Use of CPA Title	Pending IFF Scheduled for 9/30/2020	492
2019-246-021D	Due Professional Care	Pending Signed Consent Order	455
2019-099-004U	Offering, Advertising, or Performing Services Restricted to CPA Firm Licensure without a CPA Firm License	Pending Investigative Report	440
2019-247-022D	Due Professional Care	Investigation Ongoing	440
2019-085-018D	Due Professional Care	Assigned for Probable Cause Review	430
2019-117-008U	Unlicensed Use of CPA Title	Investigation Ongoing	428
2019-118-009U	Offering, Advertising, or Performing Services Restricted to CPA Firm Licensure without a CPA Firm License	Investigation Ongoing	428
2019-179-015U	Offering, Advertising, or Performing Services Restricted to CPA Firm Licensure without a CPA Firm License	Pending IFF Scheduled for 11/10/2020	406
2019-044-020D	Due Professional Care	Assigned for Probable Cause Review	386
2019-131-010U	Unlicensed Use of CPA Title	Pending IFF Scheduled for 11/10/2020	364
2019-046-008U	Unlicensed Use of CPA Title	Assigned for Probable Cause Review	339
2019-134-100D	Embezzlement during the course of practice	Investigation Ongoing	332

Status of Open Cases as of September 30, 2020

By Days Open

Case No.	Case Summary	Next Action	Days Open
2019-177-014U	Performing Services Restricted to CPA Firm Licensure without a CPA Firm License	Pending IFF Scheduled for 11/10/2020	331
2019-129-009U	Unlicensed Use of CPA Title	Pending IFF Scheduled for 9/30/2020	317
2019-211-103D	Due Professional Care	Assigned for Probable Cause Review	298
2019-193-015U	Unlicensed Use of CPA Title	Pending Investigative Report	282
2019-212-016U	Offering, Advertising, or Performing Services Restricted to CPA Firm Licensure without a CPA Firm License	Investigation Ongoing	282
2019-176-014U	Offering, Advertising, or Performing Services Restricted to CPA Firm Licensure without a CPA Firm License	Pending Board Approval (October 2020 Board Mtg)	281
2019-213-017D	Due Professional Care	Assigned for Probable Cause Review	265
2020-055-030D	Due Professional Care	Investigation Ongoing	260
2019-221-018D	Embezzlement during the course of practice	Pending Signed Consent Order	252
2019-223-019D	Due Professional Care	Pending Investigative Report	248
2019-224-018U	Offering, Advertising, or Performing Services Restricted to CPA Firm Licensure without a CPA Firm License	Assigned for Probable Cause Review	236
2019-226-001PR	Offering, Advertising or Performing Services Restricted to CPA Firm Licensure without peer review enrollment	Assigned for Probable Cause Review	234
2019-251-024D	Due Professional Care	Assigned for Probable Cause Review	232
2019-248-025U	Unlicensed Use of CPA Title	Pending IFF Scheduled for 9/30/2020	230
2019-227-020D	Due Professional Care	Assigned for Probable Cause Review	225
2019-229-021U	Unlicensed Use of CPA Title	Pending Signed Consent Order	221
2019-228-020U	Offering, Advertising, or Performing Services Restricted to CPA Firm Licensure without a CPA Firm License	Pending Investigative Report	212
2019-231-023U	Unlicensed Use of CPA Title	Pending IFF Scheduled for 11/10/2020	206
2019-250-023D	Due Professional Care	Pending Investigative Report	203
2020-001-001D	Due Professional Care	Assigned for Probable Cause Review	182
2020-003-002D	Due Professional Care	Pending Investigative Report	177
2020-004-003D	Due Professional Care	Assigned for Probable Cause Review	176

Status of Open Cases as of September 30, 2020

By Days Open

Case No.	Case Summary	Next Action	Days Open
2020-005-002U	Unlicensed Use of CPA Title	Assigned for Probable Cause Review	175
2020-028-015D	Due Professional Care	Pending Investigative Report	168
2020-010-003U	Offering, Advertising or Performing Services Restricted to CPA firm licensure without a CPA firm license	Assigned for Probable Cause Review	167
2020-011-004U	Offering, Advertising or Performing Services Restricted to CPA firm licensure without a CPA firm license	Assigned for Probable Cause Review	167
2020-027-014D	Due Professional Care	Investigation Ongoing	165
2020-012-005U	Unlicensed Use of CPA Title	Pending Signed Consent Order	158
2020-013-004D	Due Professional Care	Investigation Ongoing	157
2020-014-005D	Embezzlement during the course of practice	Pending Investigative Report	156
2020-015-006D	Due Professional Care	Pending Investigative Report	153
2020-016-007D	Due Professional Care	Pending Investigative Report	153
2020-017-008D	Due Professional Care	Pending Investigative Report	153
2020-018-009D	Due Professional Care	Investigation Ongoing	150
2020-053-028D	Offering, Advertising, or Performing Services Restricted to CPA Firm Licensure without a CPA Firm License	Investigation Ongoing	138
2020-019-010D	Due Professional Care	Investigation Ongoing	177
2020-020-006U	Offering, Advertising or Performing Services Restricted to CPA firm licensure without a CPA firm license	Pending Investigative Report	176
2020-021-010D	Due Professional Care	Pending Investigative Report	175
2020-022-011D	Due Professional Care	Investigation Ongoing	168
2020-023-012D	Due Professional Care	Investigation Ongoing	167
2020-024-013D	Due Professional Care	Pending Investigative Report	167
2020-025-007U	Unlicensed Use of CPA Title	Pending Closure	165
2020-026-008U	Unlicensed Use of CPA Title	Investigation Ongoing	158
2020-029-016D	Due Professional Care	Pending Investigative Report	157
2020-030-017D	Due Professional Care	Pending Investigative Report	156
2020-031-018D	Due Professional Care	Investigation Ongoing	153
2020-032-019D	Due Professional Care	Investigation Ongoing	153

Status of Open Cases as of September 30, 2020

By Days Open

Case No.	Case Summary	Next Action	Days Open
2020-033-020D	Due Professional Care	Investigation Ongoing	153
2020-034-009U	Unlicensed Use of CPA Title	Assigned for Probable Cause Review	150
2020-035-010U	Unlicensed Use of CPA Title	Investigation Ongoing	128
2020-036-011U	Unlicensed Use of CPA Title	Investigation Ongoing	126
2020-037-021D	Due Professional Care	Investigation Ongoing	125
2020-038-012U	Unlicensed Use of CPA Title	Pending IFF Scheduled for 9/30/2020	124
2020-039-013U	Offering, Advertising, or Performing Services Restricted to CPA Firm Licensure without a CPA Firm License	Investigation Ongoing	119
2020-040-022D	Due Professional Care	Investigation Ongoing	116
2020-041-014U	Unlicensed Use of CPA Title	Investigation Ongoing	110
2020-042-015U	Unlicensed Use of CPA Title	Investigation Ongoing	110
2020-043-023D	Due Professional Care	Investigation Ongoing	102
2020-044-024D	Due Professional Care	Investigation Ongoing	93
2020-045-016U	Unlicensed Use of CPA Title	Investigation Ongoing	81
2020-046-017U	Unlicensed Use of CPA Title	Investigation Ongoing	80
2020-047-025D	Due Professional Care	Investigation Ongoing	77
2020-048-026D	Due Professional Care	Investigation Ongoing	73
2020-049-018U	Unlicensed Use of CPA Title	Investigation Ongoing	68
2020-050-019U	Unlicensed Use of CPA Title	Investigation Ongoing	67
2020-051-027D	Due Professional Care	Investigation Ongoing	51
2020-052-020U	Unlicensed Use of CPA Title	Investigation Ongoing	54
2020-054-029D	Due Professional Care	Investigation Ongoing	12



Ethics Timeline

Virginia Board of Accountancy

October 8, 2020



Ethics provider approval process & timeline

- October:
 - Communication sent to previous/current ethics course providers in Virginia
 - BOLO: initial application/approval window opening in November, to close at the end of January
 - Provide application form if available; if not, “what to expect”
- November:
 - Initial application/approval window opens. Official form found on website.
 - Applications approved on a rolling basis.
- January
 - General communication sent to licensees; reminder sent when courses go live February 1

Criteria for approving a provider

- In application package, providers must provide:
 - 1) A detailed description and outline of the course, which is focused on ethics topics
 - 2) The format(s) of the course
 - 3) Length of program
 - 4) The actual course materials (entire handout, access to on-demand course, etc.)
- Include details of CPE certificate requirements
- Note that course, if approved, is valid for the 2021 calendar year ethics requirement until January 31, 2022
- Signed acknowledgement that any questions about VBOA Segment or specific law, regulations, policies, circumstances will be directed to VBOA
- Signed acknowledgement that the course materials will include link to VBOA course evaluation submission form

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VBOA-approved ethics course provider application

Thank you for applying to become an approved provider of an ethics course satisfying the VBOA CPE requirements for the 2021 calendar year.

According to [VBOA regulation 18VAC5-22-90](#), CPAs must annually take an ethics course of at least two hours for CPE. All approved courses must include the official VBOA Segment (obtained from boa@boa.virginia.gov) before provider-crafted content.

Provider-crafted content must amount to at least 90 minutes for the 2021 calendar year. The VBOA Segment is approximately 10 minutes. As a reminder, 50 minutes of a course equates to 1 hour of CPE credit.

The provider-crafted content and course must focus on ethics themes and topics.

Some examples of course topics may include, but are not limited to:

- Professional conduct and ethics
- Ethics in the real world
- Ethics in tax practice
- Behavioral ethics
- Governmental ethics
- Ethics of industry professionals/CPAs

VBOA-approved Ethics Course Provider Application and Agreement

If approved, this course is valid for satisfying the 2021 calendar year ethics requirement in Virginia and courses may be taken until January 31, 2022, to receive credit for the 2021 calendar year.

Provider Information

Provider/Company Name *

Proposed name of ethics course *

Point of contact for follow up questions *

First name

Last name

Email *

To submit a complete application, you must include the following items:

Format of course *

Check all that apply

- Live seminars
- Conference sessions
- Online self-study
- Live webcast
- On-demand webcast
- In-house training
- Other

Length of course (i.e. hours and minutes) *

Please upload a detailed description and outline of the course. *

Drop files here or

SELECT FILES

Please upload all course materials (i.e., complete PDF, complete video, etc.) *

Drop files here or

SELECT FILES

Per VBOA Policy #4, CPE certifications and/or documentation for the course participants must include the following information: *

- Provider name
- Course name
- Participant name
- Date earned
- CPE earned

Certification requirements

By signing below, the provider acknowledges that when presented with participant questions regarding the VBOA Segment or specific statutes, regulations, policies or contextual circumstances, participants will be advised to contact the VBOA directly. By signing below, the provider also agrees to include a link to the [VBOA course evaluation web submission form](#) in the course materials.

Name *

First

Last

Signature *

Please use your mouse, touchscreen or touchpad to sign the box above.



Date *



SUBMIT



CONTACT US

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VBOA-approved Ethics Course 2021 Evaluation

VBOA-approved Ethics Course 2021 Evaluation

Name *

First

Last

CPA license number *

Email *

Name of ethics course provider *

Ethics course title *

Date taken *

Please indicate your level of agreement with the following statements, from 1 (strongly disagree) to 5 (strongly agree).

Overall, I am satisfied with the content provided in the VBOA Segment (the initial video from the VBOA). *

- 1: Strongly disagree
- 2: Disagree
- 3: Neutral
- 4: Agree
- 5: Strongly agree

Thinking back on previous years, I like the new 2021 format and options for taking the ethics course required by the VBOA. *

- 1: Strongly disagree

1: Strongly disagree

2: Disagree

3: Neutral

4: Agree

5: Strongly agree

Please provide any additional comments you may have.

Date *



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Policy name:	Delegations of Authority
Effective date:	December 4, 2018 October 8, 2020
Authority:	Code of Virginia § 54.1-4400 et seq.
Policy:	The Virginia Board of Accountancy delegates to staff and its committees the authority to act without requiring prior approval from the full Board under the following circumstances.
Procedures:	<p>The VBOA Executive Director has the authority to:</p> <ul style="list-style-type: none"> • Sign Consent Orders that involve CPE deficiencies and any associated false statements on renewal applications. • Sign Orders Permitting Reinstatement for those applicants who have fully complied with the terms and conditions of disciplinary orders where the VBOA suspended their Virginia CPA license for CPE deficiencies. • In the event of circumstances beyond the control of the licensee, waive all or part of a licensee’s CPE requirements for a calendar year or a reporting period. • Examine and determine on a case-by-case basis if hours of CPE will be granted for forums not otherwise specified in VBOA regulation 18VAC5-22-90(E). • Deny complaints if it is clear that the VBOA lacks subject matter jurisdiction, the complaint has been untimely filed, or both. • Preside over proceedings held pursuant to Code of Virginia § 2.2-2019 for matters involving: <ul style="list-style-type: none"> ○ CPE deficiencies and any associated false statements on renewal applications ○ Eligibility matters where reinstatement applicants have not fully complied with the terms and conditions of disciplinary orders wherein their Virginia CPA license was suspended for CPE deficiencies • Close enforcement cases involving alleged CPE deficiencies and any associated false statements on renewal applications if the Executive Director determines there is no finding of fact to indicate the VBOA has cause to impose discipline or if the violation is so minor that disciplinary action is not in the public’s best interest. • Designate, in writing, a staff member to have the same authority in the

event of the Executive Director's absence.

- Examine and approve applications for initial licensure, renewal of licensure, and reinstatement of licensure when a criminal conviction has been reported if it is determined bona fide that:
 - A significant enough amount of time has passed since the conviction.
 - When considering the nature of the crime for which the individual is convicted, it is presumed not to affect the individual's ability to faithfully and ethically perform the duties of a CPA at the time of the application.

VBOA staff have the authority to:

- Examine and approve applications for initial licensure, renewal of licensure, and reinstatement of licensure, provided no information is disclosed or discovered that calls into question an applicant's suitability to use the CPA title in Virginia.
- Examine and approve eligibility for taking the CPA exam and examine and grant requests for necessary and reasonable exam accommodations under the Americans with Disabilities Act.
- Examine and make the initial determination to approve or deny requests changing the status of a Virginia CPA license.
- Examine and approve or deny requests to become an approved sponsor or instructor of the current year's Virginia-Specific Ethics Course.
- Examine a licensee's compliance with the continuing professional education requirements and suspend such review if the licensee voluntarily surrenders their Virginia individual CPA license.
- Collect payments of fees and monetary penalties, to request additional appropriation, and to prepare its financial statements.
- Prepare and submit the biennial report prescribed by Code of Virginia § 54.1-4421.

VBOA investigators are persons appointed by the Executive Director who are sworn to enforce the statutes and regulations of the VBOA through investigations into alleged violations and who are vested with the authority to engage in those acts identified in Code of Virginia § 54.1-4407.

VBOA investigators have the authority to:

- Initiate or receive complaints concerning compliance with any statutes or regulations pertaining to the VBOA or any of the programs that may be in

Administrative Policy and Procedure

another title of the Code of Virginia for which the VBOA has regulatory responsibility.

- Initiate a complaint if after two peer reviews, a firm receives “pass with deficiency,” “fail,” or any combination thereof, for review and determination as to whether there has been any violation of the VBOA’s statutes and/or regulations.
- Offer Consent Orders for CPE deficiencies and any associated false statements on renewal applications in conformity with the guidelines set by the VBOA.
- Suspend proceedings for CPE deficiencies and any associated false statements on renewal applications if the licensee voluntarily surrenders their Virginia individual CPA license.

The VBOA Enforcement Committee has the authority to:

- Examine and determine on a case-by-case basis if hours of CPE will be granted for forums not otherwise specified in VBOA regulation 18VAC5-22-90(E).
- Offer Consent Orders for any enforcement matter.
- Suspend investigations in any enforcement matter if criminal charges have been filed against a respondent involving the same matter under investigation by the VBOA, until such time as the criminal matter has been concluded and all appeals have been exhausted.
- Close enforcement cases if determined that there is no finding of fact to indicate the VBOA has cause to impose discipline or if the violation is so minor that disciplinary action is not in the public’s best interest.
- Preside over proceedings held pursuant to Code of Virginia § 2.2-4019 for any enforcement matter.

Scope:

The policy and procedures provided herein apply to classified and hourly-wage employees, contractors, and at-will appointees of the VBOA.

Policy review:

~~The Delegations of Authority Policy and Procedure was initiated on December 4, 2018. This policy was reviewed on October 8, 2020.~~

Staff awareness:

Employees are made aware of this policy through initial orientation and staff meeting review.

Supersession:

~~This policy is new. This policy replaces the Delegations of Authority policy which was effective on December 4, 2018.~~

Executive Director:

Nancy Glynn, CPA

Date
approved/reviewed: ~~December 4, 2018~~ October 8, 2020

Cash Flow and Trust Fund Balance

Projections FY21 - FY25

	Actual FY20	Projection FY21	Projection FY22	Projection FY23	Projection FY24	Projection FY25
<u>Operating Account Balance</u>						
Beginning Balance	\$ 681,659	\$ 1,941,587	\$ 2,294,373	\$ 2,275,300	\$ 2,335,345	\$ 2,404,823
Revenues over(under) expenditures	402,251	(335,258)	(172,355)	(178,813)	(274,531)	(387,286)
Transfers From (To) Trust Account	868,979	688,044	153,281	238,858	344,010	459,431
Transfers To General Fund	(11,302)	-	-	-	-	-
Ending Balance	\$ 1,941,587	\$ 2,294,373	\$ 2,275,300	\$ 2,335,345	\$ 2,404,823	\$ 2,476,968
<u>Trust Account Balance (Forecasted)</u>						
Beginning Balance	\$ 4,405,230	\$ 3,617,993	\$ 2,929,949	\$ 2,776,668	\$ 2,537,809	\$ 2,193,799
Interest	81,742	-	-	-	-	-
Transfers From (To) Operating Account	(868,979)	(688,044)	(153,281)	(238,858)	(344,010)	(459,431)
Ending Balance	\$ 3,617,993	\$ 2,929,949	\$ 2,776,668	\$ 2,537,809	\$ 2,193,799	\$ 1,734,368

	Actual FY18	Actual FY19	Actual FY20	Projection FY21	Projection FY22	Projection FY23	Projection FY24	Projection FY25
Revenues								
Renewal revenue	1,848,164	2,388,045	1,785,070	1,699,315	1,690,818	1,673,910	1,648,802	1,615,826
Other revenue	490,565	482,715	435,483	440,000	431,200	422,576	412,012	401,711
Total revenue	2,338,729	2,870,760	2,220,553	2,139,315	2,122,018	2,096,486	2,060,813	2,017,537
Expenditures								
Payroll	1,174,172	1,175,925	1,308,884	1,424,635	1,453,128	1,489,456	1,534,140	1,587,834
IT Project	305,755	192,915	-	-	-	-	-	-
System Upgrade and Cloud Migration	-	-	-	149,500	-	-	-	-
VITA (network, server, laptops)	119,126	146,380	148,216	132,000	132,600	135,915	139,313	142,796
IT Consulting	135,000	150,023	81,199	129,000	70,000	-	-	-
MLO Hosting and Maintenance	-	-	-	135,401	222,480	229,154	236,029	243,110
Rent	90,982	95,161	95,161	95,440	98,065	100,761	103,532	106,379
MLO System Admin and Maintenance	117,764	116,061	118,270	73,200	-	-	-	-
Shared Services Charges (including VITA)	55,574	54,740	55,080	70,788	71,850	72,928	74,386	75,874
Credit Card Merchant Fees	48,558	34,498	68,818	55,000	55,000	55,000	55,000	55,000
Website redesign	-	-	27,490	-	-	-	-	-
Construction	-	-	44,209	-	-	-	-	-
NASBA special accommodations	21,736	33,808	28,061	30,000	30,000	30,000	30,000	30,000
Mail, Printing, and Renewal Reminders	29,986	14,655	18,555	27,950	27,950	27,950	27,950	27,950
Attorney Services and Court Reporting	71,298	72,854	51,312	27,000	27,810	28,644	29,504	30,389
Office, Computer, and Other Supplies/Equipment	22,916	32,085	15,038	15,992	15,992	15,992	15,992	15,992
Training - conferences and travel	35,284	11,098	17,074	14,500	14,500	14,500	14,500	14,500
Other services	1,954	2,727	4,574	13,150	13,150	13,150	13,150	13,150
Network printer rent	8,645	8,507	8,133	12,100	18,000	18,000	18,000	18,000
Memberships and Subscriptions	8,521	12,366	16,466	11,787	11,787	11,787	11,787	11,787
Travel	12,355	9,315	8,505	11,000	11,000	11,000	11,000	11,000
VITA (phone)	11,613	12,639	12,104	9,432	9,432	9,432	9,432	9,432
Website hosting	-	-	6,435	6,830	6,830	6,830	6,830	6,830
VITA ECOS (hosting)	-	-	-	4,000	4,800	4,800	4,800	4,800
Total expenditures	2,271,239	2,175,757	2,133,584	2,448,705	2,294,373	2,275,300	2,335,345	2,404,823
Revenues over(under) expenditures before other	67,490	695,003	86,969	(309,390)	(172,355)	(178,813)	(274,531)	(387,286)
Other Cash Flow Items								
Miscellaneous	-	-	275,000	-	-	-	-	-
Interest	-	-	14,414	-	-	-	-	-
Other Accruals	-	-	25,868	(25,868)	-	-	-	-
Revenues over(under) expenditures	67,490	695,003	402,251	(335,258)	(172,355)	(178,813)	(274,531)	(387,286)