



Virginia
Regulatory
Town Hall

Exempt Action Final Regulation Agency Background Document

Agency Name:	Board of Accountancy
VAC Chapter Number:	18 VAC 5-21-10 et seq.
Regulation Title:	Board of Accountancy Regulations
Action Title:	Amend existing Board of Accountancy Regulations
Date:	January 7, 2003

Where a regulation is exempt in part or in whole from the requirements of the Administrative Process Act (§ 2.2-4000 *et seq.* of the *Code of Virginia*) (APA), the agency may provide information pertaining to the action to be included on the Regulatory Town Hall. The agency must still comply the requirements of the Virginia Register Act (§ 2.2-4100 *et seq.* of the *Code of Virginia*) and file the final regulation with the Registrar in a style and format conforming with the *Virginia Register Form, Style and Procedure Manual*. The agency must also comply with Executive Order Fifty-Eight (99) which requires an assessment of the regulation's impact on the institution of the family and family stability.

Note agency actions exempt pursuant to § 2.2-4002(B) do not require filing with the Registrar a Notice of Intended Regulatory Action, or at the proposed stage. When the regulation is promulgated and submitted to the Registrar, the agency need only provide a statement citing the specific Virginia Code section referencing the exemption and an authority certification letter from the Attorney General's Office. No specific format is required.

This form should be used for actions **exempt from the Administrative Process Act pursuant to § 2.2-4006(A)** at the final stage. Note that agency actions exempt pursuant to § 2.2-4006(A) of the APA do not require filing with the Registrar a Notice of Intended Regulatory Action, and at the proposed stage.

Summary

Please provide a brief summary of the proposed new regulation, amendments to an existing regulation, or the regulation being repealed. There is no need to state each provision or amendment or restate the purpose and intent of the regulation, instead give a summary of the regulatory action and alert the reader to all substantive matters or changes. If applicable, generally describe the existing regulation.

Section 54.1-4409 of the Code of Virginia states that the Board of Accountancy “shall issue a CPA certificate only to a person who meets the character, education, experience and examination requirements established in this chapter and by regulation of the Board.” This amendment to an existing regulation specifically relates to the Board’s power and duty, according to Section 54.1-4403, to “examine, or cause to be examined, the qualifications of each applicant for licensure,

including the preparation, administration, and grading of examinations,” and to “levy and collect fees for licensure and registration and renewal that are sufficient to cover all expenses for the administration and operation of the Board.”

On June 26, 2002, the Board, unanimously, voted to levy an “Initial Examination Application Fee” of \$25.00 on each applicant who submits an initial application for the Uniform CPA Examination. This application fee is restricted to those initially applying for examination, and is not to be assessed on those seeking re-examination. The Board deemed this fee necessary to cover the costs for the work performed by Board of Accountancy staff to assist in the processing of applications for examination.

This fee, in addition to these procedures, is essential for the Board’s transition to an independent Board, which was established in Chapter 832 of the 2001 Acts of the General Assembly when it separated operationally from the Department of Professional and Occupational Regulation (DPOR). Further, “in order to implement the transition of the Board of Accountancy as an independent board,” according to Section 54.1-4422 A, “the regulations adopted by the Board and approved by the Governor regarding fees for licenses and certificates, shall not be subject to the Administrative Process Act (§ 2.2-4000 et seq.) during the first twenty-four month period beginning July 1, 2001.”

The CPA EXAMINATION SERVICE, INC. (CPAES), which is under contract to the Board of Accountancy, administers the Uniform CPA Examination for Virginia candidates. An initial examination fee of \$244 is paid by each Virginia candidate to CPAES to cover the work performed by CPAES in the administration of the examination for Virginia. The Board does not receive any fee to cover the work that is routinely performed for Virginia candidates by Board staff, i.e., eligibility issues, Americans with Disabilities Act requests, scoring issues, and programming required on the Board’s website for posting of the “successful candidate listing.” Approximately 1000 initial examination applications are processed each year. This fee will result in an increase of approximately \$25,000 in revenue for the Board of Accountancy to cover the cost of the work performed by Board staff related directly to the administration of the Uniform CPA examination.

The Board’s purpose in this action is to incorporate only the new “Initial Examination Application Fee” and descriptive language about this fee into their 2002 Regulation 18 VAC 5-21-20. The Board is promulgating this action as an exempt action because it is essential to the Board’s transition to an independent Board, as stated in Section 54.1-4422 A, and because it is “necessary to conform to changes in Virginia statutory law or the appropriation act where no agency discretion is involved,” as stated in Section 2.2-4006 A 4 (a).

Statement of Final Agency Action

Please provide a statement of the final action taken by the agency including the date the action was taken the name of the agency taking the action, and the title of the regulation.

On June 26, 2002, the Board of Accountancy unanimously voted to adopt the “Initial Examination Application Fee,” revise Board of Accountancy Regulation 18 VAC 5-21-10 et seq. and proceed to file the exempt action final regulations with the Registrar of Regulations.

Family Impact Statement

Please provide an analysis of the regulatory action that assesses the impact on the institution of the family and family stability including the extent to which the regulatory action will: 1) strengthen or erode the authority and rights of parents in the education, nurturing, and supervision of their children; 2) encourage or discourage economic self-sufficiency, self-pride, and the assumption of responsibility for oneself, one’s spouse, and one’s children and/or elderly parents; 3) strengthen or erode the marital commitment; and 4) increase or decrease disposable family income.

The revisions made to the Board of Accountancy Regulations do not have an impact on the institution of the family and family stability. This proposal does not strengthen nor erode the authority and rights of parents in the education, nurturing, and supervision of their children. It does not encourage or discourage economic self-sufficiency, self-pride, and the assumption of responsibility for oneself, one’s spouse and one’s children and/or elderly parents. The proposal does not strengthen or erode the marital commitment. The effect of the proposed fee on disposable family income is minimal.