

Thursday, Aug. 29, 2024
Board Meeting Agenda
9:30 a.m.

Board Room #3
2nd Floor Conference Center
9960 Mayland Drive, Henrico, VA 23233

- 9:30 a.m. Call to order – **Wendy Lewis, CPA, Chair**
Security briefing – **Nicole Reynolds, Licensing and Operations Support**
Determination of quorum
Introduction of Anne B. Hagen, CPA
Approval of Aug. 29, 2024, agenda
Approval of June 11, 2024, board meeting minutes
- 9:45 a.m. Public comment period (general)*
- 9:55 a.m. FY 2023 Audit Exit – **Zachary Borgerding, CPA, Audit Director, Auditor of Public Accounts**
- 10:10 a.m. NASBA Alternative Model, **Stephanie Saunders, CPA, Chair, NASBA Board of Directors**
- 10:30 a.m. National Pipeline Advisory Group [Report](#), **Emily Walker, CAE, VP of Advocacy, VSCPA**
- 10:45 a.m. Conflict of Interest Training – **G. Stewart Petoe, Executive Director, Virginia Conflict of Interest and Ethics Advisory Council**
- 11:00 a.m. Public comment period for enforcement agenda*
- 11:05 a.m. Enforcement agenda – **Matthew Ross, Enforcement Director**
- Consent agenda:
- 2024-0035 - Consent Order (Brown)
 - 2024-0041 - Consent Order (Moyers)
 - 2024-0081 - Consent Order (Moyers)
 - 2024-0197 - Consent Order (Rudolph-Wiseman)
 - 2024-0229 - Consent Order (Cotton)
- Recommendations after informal fact-finding hearing:
- 2024-0218 - Recommendation (Bradshaw & Cotton) - Eligibility Case
 - 2024-0049 - Recommendation (Bradshaw & Cotton)
 - 2023-0386 - Recommendation (Bradshaw)
 - 2024-0057 - Recommendation (Glynn)
 - 2024-0123 - Recommendation (Glynn)
 - 2024-0151 - Recommendation (Glynn)
 - 2024-0158 - Recommendation (Glynn)
 - 2024-0181 - Recommendation (Glynn)
- 12:00 p.m. NASBA and AICPA committee updates – **Wendy Lewis, CPA, Chair**

- 12:15 p.m. Executive Director's report – **Nancy Glynn, CPA, Executive Director**
- General update report
 - Financial and Board Report update – **Renai Reinholtz, Deputy Director**
 - Enforcement update – **Matthew Ross, Enforcement Director**
- 12:30 p.m. Adjourn for lunch
- 1:00 p.m. Evoke Demonstration – **Jeff Good, BOA IT Specialist and Kaitlyn Paine, PCG**
System Implementation update – **John Rush, CapTech**
- 1:15 p.m. Board discussion topics – **Wendy Lewis, CPA, Chair**
- 2025 Strategic Initiatives
 - Discuss next steps - pathways to licensure and UAA update discussion
 - Retiring Policy #3 – Substantial Equivalency
 - Firm licensing communication plan to implement Code of Virginia changes
- 2:00 p.m. Closed session (if necessary)
- Disciplinary and Legal advice – §2.2-3711(A)(8)
- 2:15 p.m. Additional items for discussion – **Wendy Lewis, CPA, Chair**
- Sign Conflict of Interest forms and travel expense vouchers
 - Future meeting dates
 - Oct. 22, 2024 (Virginia Tech)
- 2:30 p.m. 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 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: June 11, 2024
Draft/Unapproved minutes

The Virginia Board of Accountancy met on June 11, 2024, in Board Room #1 of the Perimeter Center, 9960 Mayland Drive, Henrico, Virginia 23233.

Members present:

- Wendy Pace Lewis, CPA, Chair
- Nadia A. Rogers, CPA, Vice Chair
- David Cotton, CPA, CFE, CGFM
- Dale G. Mullen
- Angela Rudolph-Wiseman, CPA
- Laurie A. Warwick, CPA

Members absent:

- William R. Brown, CPA

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
- Veronica Paulson, Administrative Assistant
- Kelli Yoder, Communications Coordinator

Members of the public present:

- Emily Walker, CAE, Vice President, Advocacy & Pipeline, VSCPA
- Stephanie Peters, CEO, VSCPA
- Javier Pagan, CPA
- Elizabeth Miller, CPA
- Kristen Hundley, CapTech
- W. Barclay Bradshaw, CPA

**Board Meeting: June 11, 2024
Draft/Unapproved minutes**

CALL TO ORDER

Ms. Lewis called the meeting to order at 10 a.m.

SECURITY BRIEFING

Ms. Paulson provided the emergency evacuation procedures.

DETERMINATION OF QUORUM

Ms. Lewis determined there was a quorum present.

APPROVAL OF AGENDA

- Upon a motion by Ms. Rogers, and seconded by Ms. Rudolph-Wiseman, the members voted unanimously to approve the June 11, 2024, agenda as presented. The members voting “AYE” were Ms. Lewis, Ms. Rogers, Mr. Cotton, Mr. Mullen, Ms. Rudolph-Wiseman, and Ms. Warwick.

APPROVAL OF MINUTES

- Upon a motion by Mr. Mullen, and seconded by Mr. Cotton, the members voted unanimously to approve the May 15, 2024, Board meeting minutes as revised. The members voting “AYE” were Ms. Lewis, Ms. Rogers, Mr. Cotton, Mr. Mullen, Ms. Rudolph-Wiseman, and Ms. Warwick.

PUBLIC COMMENT PERIOD

Ms. Walker addressed the Board members regarding updates in the Pipeline Acceleration Plan within the AICPA. She informed the Board that there is a major initiative to increase the CPAs in the Classroom program and the goal is to have 100 high school classroom visits this year. Ms. Walker also indicated that the VSCPA has a Task Force looking at the National Pipeline Advisory Group Report to develop recommendations for Virginia.

ENFORCEMENT PUBLIC COMMENT PERIOD

Javier Pagan, CPA, addressed the Board regarding enforcement case #2024-0073.

Elizabeth Miller, CPA, addressed the Board regarding enforcement case #2024-0128.

ENFORCEMENT AGENDA

The following actions were taken during open session:

Case #2024-0085, 2024-0128, 2024-0126, and 2024-0074

Upon a motion by Mr. Mullen and duly seconded by Ms. Rudolph-Wiseman, the consent orders for enforcement file numbers 2024-0085, 2024-0128, 2024-0126 and 2024-0074, were approved to be considered and voted on as a block by the board.

**Board Meeting: June 11, 2024
Draft/Unapproved minutes**

CALL FOR VOTE:

David Cotton, CPA, CFE, CGFM – Aye

Wendy P. Lewis, CPA – Aye

Dale G. Mullen - Aye

Nadia A. Rogers, CPA – Aye

Angela Rudolph-Wiseman, CPA – Aye (Abstained from cases #2024-0128 and #2024-0126)

Laurie A. Warwick, CPA – Aye (Abstained from case #2024-0085)

Upon a motion by Mr. Mullen and duly seconded by Ms. Rudolph-Wiseman, the consent orders for enforcement file numbers 2024-0085, 2024-0128, 2024-0126 and 2024-0074, were all approved by the board.

CALL FOR VOTE:

David Cotton, CPA, CFE, CGFM – Aye

Wendy P. Lewis, CPA – Aye

Dale G. Mullen - Aye

Nadia A. Rogers, CPA – Aye

Angela Rudolph-Wiseman, CPA – Aye (Abstained from cases #2024-0128 and #2024-0126)

Laurie A. Warwick, CPA – Aye (Abstained from case #2024-0085)

Case #2024-0041

Upon a motion by Mr. Mullen and duly seconded by Ms. Rudolph-Wiseman, the board voted to reject the consent order due to a typographical error.

CALL FOR VOTE:

David Cotton, CPA, CFE, CGFM – Aye

Wendy P. Lewis, CPA – Aye

Dale G. Mullen – Aye

Nadia A. Rogers, CPA – Aye

Angela Rudolph-Wiseman, CPA – Aye

Laurie A. Warwick, CPA – Aye

Case #2023-0171

Ms. Rudolph-Wiseman and Ms. Warwick left the room and were not present for the discussion or vote in this matter.

The board members reviewed the record, which consisted of the enforcement file, informal fact-finding conference exhibits, transcript and the presiding officer's recommendation and summary of the informal

**Board Meeting: June 11, 2024
Draft/Unapproved minutes**

fact-finding conference.

After discussion, a motion was made by Mr. Cotton and duly seconded by Ms. Rogers, to adopt the presiding officer recommendation in its entirety and incorporate it as part of the board's final order. The board found by substantial evidence that the respondent violated 54.1-4412.1(A), (B) and (D) (6), 18VAC5-22-150 and 18VAC5-22-90. The board imposed the recommended penalties of \$27,050.00 and required that respondent provide, in writing, notice to the entities for which it prepared audit reports without proper licensure and/or being enrolled in peer review, that respondent provide proof of completion of 120 hours of CPE and the current years Virginia Specific Ethics Course within 90 days, and that respondent shall be subject to a CPE compliance review for the period of 2024, 2025 and 2026.

CALL FOR VOTE:

David Cotton, CPA, CFE, CGFM – Aye
Wendy P. Lewis, CPA – Aye
Dale G. Mullen – Aye
Nadia A. Rogers, CPA – Aye

VOTE:

Ayes: Four (4)
Abstain: None (0)
Nays: None (0)

Ms. Rudolph-Wiseman and Ms. Warwick returned to the room.

Case #2022-0701

The board members reviewed the record, which consisted of the enforcement file, informal fact-finding conference exhibits, transcript and the presiding officer's recommendation and summary of the informal fact-finding conference.

After discussion, a motion was made by Mr. Cotton and duly seconded by Ms. Rogers, to adopt the presiding officer recommendation in its entirety and incorporate it as part of the board's final order. The board found by substantial evidence that there was no violation of the board's regulations or Code of Virginia by the respondent.

CALL FOR VOTE:

David Cotton, CPA, CFE, CGFM – Aye
Wendy P. Lewis, CPA – Aye
Dale G. Mullen – Aye
Nadia A. Rogers, CPA – Aye
Angela Rudolph-Wiseman, CPA – Aye
Laurie A. Warwick, CPA – Aye

**Board Meeting: June 11, 2024
Draft/Unapproved minutes**

VOTE:

Ayes: Six (6)

Abstain: None (0)

Nays: None (0)

Case #2023-0321

The board members reviewed the record, which consisted of the enforcement file, informal fact-finding conference exhibits, transcript and the presiding officer's recommendation and summary of the informal fact-finding conference.

After discussion, a motion was made by Ms. Warwick and duly seconded by Mr. Cotton, to adopt the presiding officer recommendation and incorporate it as part of the board's final order, with the addition, respondent shall submit proof of completion for 120 hours of CPE, which do not count towards the current year's CPE requirements, and the 2024 Virginia Specific Ethics Course, within 90 days of the board's Order. The board found by substantial evidence that the respondent violated 18VAC5-22-90 and that an advisory letter with reference to Code of Virginia 54.1-4413.3 should be issued regarding the public complaint filed against respondent. For the violation of 18VAC5-22-90, the board imposed the following penalties: \$1,700.00 monetary penalty, that respondent be subject to a future CPE compliance review for the period of 2024, 2025 and 2026 and that respondent shall submit proof of completion for 120 hours of CPE, which do not count towards the current year's CPE requirements, and the 2024 Virginia Specific Ethics Course, within 90 days of the board's order.

CALL FOR VOTE:

David Cotton, CPA, CFE, CGFM – Aye

Wendy P. Lewis, CPA – Aye

Dale G. Mullen – Aye

Nadia A. Rogers, CPA – Aye

Angela Rudolph-Wiseman, CPA – Aye

Laurie A. Warwick, CPA – Aye

VOTE:

Ayes: Six (6)

Abstain: None (0)

Nays: None (0)

Case #2024-0057

Ms. Glynn left the room and was not present for the discussion or vote on this matter.

The board members reviewed the record, which consisted of the enforcement file, informal fact-finding conference exhibits, and the presiding officer's recommendation and summary of the informal fact-finding conference.

**Board Meeting: June 11, 2024
Draft/Unapproved minutes**

Upon a motion by Mr. Cotton and duly seconded by Ms. Rogers, the members voted to reject the recommendation and remanded the matter back to an informal fact-finding conference for the purpose of gathering additional information regarding the acceptability of CPE documents contained in the record.

CALL FOR VOTE:

David Cotton, CPA, CFE, CGFM – Aye

Wendy P. Lewis, CPA – Aye

Dale G. Mullen – Aye

Nadia A. Rogers, CPA – Aye

Angela Rudolph-Wiseman, CPA – Aye

Laurie A. Warwick, CPA – Aye

VOTE:

Ayes: Six (6)

Abstain: None (0)

Nays: None (0)

Case #2024-0058

Ms. Glynn remained outside of the room and was not present for the discussion or vote on this matter.

The board members reviewed the record, which consisted of the enforcement file, informal fact-finding conference exhibits, and the presiding officer's recommendation and summary of the informal fact-finding conference.

After discussion, a motion was made by Ms. Rudolph-Wiseman and duly seconded by Ms. Rogers, to adopt the presiding officer recommendation and incorporate it as part of the board's final order, with the addition, respondent shall submit proof of completion for 120 hours of CPE, which do not count towards the current year's CPE requirements, and the 2024 Virginia Specific Ethics Course, within 90 days of the board's order. The board found by substantial evidence that the respondent violated the board's CPE regulation 18VAC5-22-90 and Code of Virginia 54.1-4413.3 (7) when falsely certifying compliance with the CPE regulation during license renewal. The board imposed the following penalties: \$1,950.00 monetary penalty, that respondent be subject to a future CPE compliance review for the period of 2024, 2025 and 2026 and that respondent shall submit proof of completion for 120 hours of CPE, which do not count towards the current year's CPE requirements, and the 2024 Virginia Specific Ethics Course, within 90 days of the board's order.

CALL FOR VOTE:

David Cotton, CPA, CFE, CGFM – Abstain

Wendy P. Lewis, CPA – Aye

Dale G. Mullen - Aye

Nadia A. Rogers, CPA – Aye

**Board Meeting: June 11, 2024
Draft/Unapproved minutes**

Angela Rudolph-Wiseman, CPA – Aye
Laurie A. Warwick, CPA – Aye

VOTE:

Ayes: Five (5)
Abstain: One (1)
Nays: None (0)

Case #2024-0066

Ms. Glynn remained outside of the room and was not present for the discussion or vote on this matter.

The board members reviewed the record, which consisted of the enforcement file, informal fact-finding conference exhibits, and the presiding officer's recommendation and summary of the informal fact-finding conference.

After discussion, a motion was made by Mr. Cotton and duly seconded by Ms. Rogers, to adopt the presiding officer recommendation and incorporate it as part of the board's final order, with the addition, respondent shall submit proof of completion for 120 hours of CPE, which do not count towards the current year's CPE requirements, and the 2024 Virginia Specific Ethics Course, within 90 days of the board's Order. The board found by substantial evidence that the respondent violated the board's CPE regulation 18VAC5-22-90 and Code of Virginia 54.1-4413.3 (7) when falsely certifying compliance with the CPE regulation during license renewal. The board imposed the following penalties: \$1,950.00 monetary penalty, that respondent be subject to a future CPE compliance review for the period of 2024, 2025 and 2026 and that respondent shall submit proof of completion for 120 hours of CPE, which do not count towards the current year's CPE requirements, and the 2024 Virginia Specific Ethics Course, within 90 days of the board's order.

CALL FOR VOTE:

David Cotton, CPA, CFE, CGFM – Aye
Wendy P. Lewis, CPA – Aye
Dale G. Mullen – Aye
Nadia A. Rogers, CPA – Aye
Angela Rudolph-Wiseman, CPA – Aye
Laurie A. Warwick, CPA – Aye

VOTE:

Ayes: Six (6)
Abstain: None (0)
Nays: None (0)

Case #2024-0068

**Board Meeting: June 11, 2024
Draft/Unapproved minutes**

Ms. Glynn remained outside of the room and was not present for the discussion or vote on this matter.

The board members reviewed the record, which consisted of the enforcement file, informal fact-finding conference exhibits, and the presiding officer's recommendation and summary of the informal fact-finding conference.

After discussion, a motion was made by Mr. Cotton and duly seconded by Ms. Rogers, to adopt the presiding officer recommendation and incorporate it as part of the board's final order, with the addition, respondent shall submit proof of completion for 120 hours of CPE, which do not count towards the current year's CPE requirements, and the 2024 Virginia Specific Ethics Course, within 90 days of the board's Order. The board found by substantial evidence that the respondent violated the board's CPE regulation 18VAC5-22-90 and Code of Virginia 54.1-4413.3 (7) when falsely certifying compliance with the CPE regulation during license renewal. The board imposed the following penalties: \$1,950.00 monetary penalty, that respondent be subject to a future CPE compliance review for the period of 2024, 2025 and 2026 and that respondent shall submit proof of completion for 120 hours of CPE, which do not count towards the current year's CPE requirements, and the 2024 Virginia Specific Ethics Course, within 90 days of the board's order.

CALL FOR VOTE:

David Cotton, CPA, CFE, CGFM – Aye
Wendy P. Lewis, CPA – Aye
Dale G. Mullen - Aye
Nadia A. Rogers, CPA – Aye
Angela Rudolph-Wiseman, CPA – Aye
Laurie A. Warwick, CPA – Aye

VOTE:

Ayes: Six (6)
Abstain: None (0)
Nays: None (0)

Case #2024-0073

Ms. Glynn remained outside of the room and was not present for the discussion or vote on this matter.

The board members reviewed the record, which consisted of the enforcement file, informal fact-finding conference exhibits, and the presiding officer's recommendation and summary of the informal fact-finding conference.

After discussion, a motion was made by Ms. Rogers and duly seconded by Mr. Mullen, to adopt the presiding officer recommendation in its entirety and incorporate it as part of the Board's final order. The Board found by substantial evidence that the respondent violated Code of Virginia 54.1-111 (A)(2), 54.1-4409.1(A) and 54.1-4414 (i) (2) and (4). The Board imposed the recommended penalty of a \$750

**Board Meeting: June 11, 2024
Draft/Unapproved minutes**

monetary penalty.

CALL FOR VOTE:

David Cotton, CPA, CFE, CGFM – Nay

Wendy P. Lewis, CPA – Aye

Dale G. Mullen - Aye

Nadia A. Rogers, CPA – Aye

Angela Rudolph-Wiseman, CPA – Aye

Laurie A. Warwick, CPA – Aye

VOTE:

Ayes: Five (5)

Abstain: None (0)

Nays: One (1)

Case #2023-0215

Ms. Glynn remained outside of the room and was not present for the discussion or vote on this matter.

The board members reviewed the request from the respondent in this matter to grant him a request to extend the time for payment of monetary penalties under the board's previous order.

After discussion, a motion was made by Mr. Cotton and duly seconded by Ms. Rogers, to grant the respondent an extension of 120 days to pay the monetary penalties assessed pursuant to the Board previous order.

CALL FOR VOTE:

David Cotton, CPA, CFE, CGFM – Aye

Wendy P. Lewis, CPA – Aye

Dale G. Mullen – Aye

Nadia A. Rogers, CPA – Aye

Angela Rudolph-Wiseman, CPA – Aye

Laurie A. Warwick, CPA – Aye

VOTE:

Ayes: Six (6)

Abstain: None (0)

Nays: None (0)

Ms. Glynn returned to the room.

NASBA COMMITTEE UPDATES

NASBA 2024 Eastern Regional Meeting

Board Meeting: June 11, 2024 Draft/Unapproved minutes

Ms. Warwick updated the Board regarding the NASBA 2024 Eastern Regional Meeting held June 4-6, 2024, in Louisville, Kentucky. She noted the attendance of Ms. Rudolph-Wiseman and Ms. Rogers. The agenda included new board member orientation, the Professional Licensure Task Force Report, and a discussion on SPP and Private Equity Ownership and Independence. Ms. Warwick reported there was a Student Panel discussion with accounting students, and they discussed student engagement and opportunities for states to increase outreach.

Ms. Rudolph-Wiseman reported to the Board her attendance of the new board member orientation. She found the orientation to be very helpful and focused primarily on the formalities of the position.

AICPA Board of Examiners Update

Ms. Rogers informed the Board of the pass rates for Q1 of 2024—the first score release of the new CPA Exam. The CPA Exam pass rates for the Core sections were AUD 44.63%, FAR 41.92%, and REG 63.42% and for the Discipline sections were BAR 42.94%, ISC 50.93%, and TCP 82.36%.

BOARD DISCUSSION TOPICS

New Licensing System Update

Ms. Hundley presented the Board the CapTech Project Status Report to give an update on the Licensing system. Ms. Hundley fielded questions from the Board and agreed to provide the complete contract schedule and milestone statuses at future Board Meetings.

EXECUTIVE DIRECTOR'S REPORT

General updates

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

- Ms. Glynn discussed code changes going into effect July 1, 2024, and implementation strategies. Ms. Glynn noted that emphasis is being placed on clarifying CPA firm use of title and she has begun working on a communication plan.
- Ms. Glynn updated the Board that the 2024 Board Appointments have not been announced by the Governor.

Financial and Board Report update

Ms. Reinholtz presented and fielded questions regarding the May 2024 Financial and Board Reports and presented the FY 2025 Operating Budget.

Upon a motion by Mr. Cotton and duly seconded by Ms. Rogers, the members voted to accept the FY2025 Operating Budget as presented.

CALL FOR VOTE:

David Cotton, CPA, CFE, CGFM – Aye

**Board Meeting: June 11, 2024
Draft/Unapproved minutes**

Wendy P. Lewis, CPA – Aye
Dale G. Mullen – Aye
Nadia A. Rogers, CPA – Aye
Angela Rudolph-Wiseman, CPA – Aye
Laurie A. Warwick, CPA – Aye

VOTE:

Ayes: Six (6)
Abstain: None (0)
Nays: None (0)

Enforcement update

Mr. Ross presented the Board with an update on the Enforcement division.

Communications Update

Ms. Yoder presented the Board with an overview of renewal communications that have been sent to Active Individual, Inactive Individual and Firm CPA licensees—including emails, phone calls, text messages and post cards.

She noted that the next “Accrued Interest” newsletter is planned for summer 2024.

Ms. Yoder also provided a regulatory update. The Enforcement Processes has been submitted for a comment period on Town Hall and staff is working on the Unified Regulatory Plan for FY 2025.

BOARD DISCUSSION TOPICS, continued

Peer Review Exposure Draft response

Ms. Rogers presented the Peer Review Oversight Committee’s (PROC) response to the *Reviewing a Firm’s System of Quality Management and Omnibus Technical Enhancements* Exposure Draft dated Nov. 16, 2023. The PROC largely agreed with the proposed changes, but did provide recommendations for consideration that would improve the consistency and clarity of the standards.

Mr. Cotton noted that the NASBA Regulatory Response Committee responded to the Exposure Draft in a similar manner.

FY 2025 Strategic Initiatives Draft Report

Ms. Lewis led the Board in a discussion of the 2024-25 Strategic Plan and Implementation Recommendations document created by John Sarvay, Floricane, LLC, after the May 15, 2024, Board Meeting. A restructured document will be shared with the Board at its August 2024 meeting.

Celebration of Laurie Warwick

Ms. Lewis read aloud the Board resolution to commend Laurie Warwick and declare June 11, 2024, as Warwick Recognition Day.

**Board Meeting: June 11, 2024
Draft/Unapproved minutes**

Each Board member thanked Ms. Warwick for her leadership and commitment to the Board and to the profession. Ms. Peters, Mr. Bradshaw, and Ms. Glynn also expressed appreciation for Ms. Warwick and her contributions during her tenure.

RECESS FOR LUNCH 1:00 p.m.

RECONVENE 1:30 p.m.

Upon a motion by Ms. Rogers, and duly seconded by Ms. Rudolph-Wiseman, 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 for 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) and disciplinary matters exemption contained in Virginia Code §2.2-3711(A) (27).

The following non-members will be in attendance for the closed meeting to reasonably aid in the consideration of this topic: Nancy Glynn, Matthew Ross, and James Flaherty.

The members voting “AYE” were Mr. Cotton, Ms. Lewis, Mr. Mullen, Ms. Rogers, Ms. Rudolph-Wiseman, and Ms. Warwick.

End closed meeting

Upon a motion by Ms. Rogers, and duly seconded by Ms. Rudolph-Wiseman, 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.A 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 Mr. Cotton, Ms. Lewis, Mr. Mullen, Ms. Rogers, Ms. Rudolph-Wiseman, and Ms. Warwick.

ADDITIONAL ITEMS FOR DISCUSSION

- Sign Conflict of Interest forms
- Sign Travel Expense vouchers
- Future meeting dates:
 - Aug. 29, 2024
 - Oct. 22, 2024
 - TBD Virginia Tech Fall Campus Meeting

**Board Meeting: June 11, 2024
Draft/Unapproved minutes**

ADJOURNMENT

There being no further business before the VBOA, Ms. Lewis adjourned the meeting at 2:24 p.m.

APPROVED:

Wendy P. Lewis, CPA, Chair

COPY TESTE:

Nancy Glynn, CPA, Executive Director

DRAFT

Virginia Board of Accountancy
For the Year Ended June 30, 2023

Area	Comments
Auditor's Opinion	We have issued <i>unmodified</i> opinions on the Virginia Board of Accountancy's (VBOA) financial statements for the year ended June 30, 2023. Our opinions are included in the VBOA Financial Statement Report.
Emphasis of Matters	Our opinion letter contains paragraphs emphasizing the relationship of the VBOA to the Commonwealth of Virginia and implementation of GASB Statement 96, <i>Subscription-Based Information Technology Arrangements</i> , as a significant change in accounting principle. VBOA discusses these matters in Notes 1, 2, 6, and 7 of its financial statements.
Scope of Internal Control Work	We have also issued a separate report on Internal Controls and Compliance that was distributed to management and the Board of Directors. We obtained a sufficient understanding of internal controls to plan our audit and to determine the nature, timing, and extent of testing performed. However, we did not issue an opinion on the operating effectiveness of those controls.
Compliance Testing	We found no instances of noncompliance that are required to be reported.
Fraud and Illegal Acts	We found no indications of fraudulent transactions or illegal acts.
Significant Accounting Policies	There were no material changes to accounting and reporting policies and standards during the year, except the implementation of GASB Statement No. 96, <i>Subscription-Based Information Technology Arrangements</i> .
Material Alternative Accounting Treatments	There were no material alternative accounting treatments identified as a result of the 2023 audit.
Auditor's Judgment About the Quality of Accounting Principles	We concur with management's application of accounting principles.
Management's Judgments and Accounting Estimates	We have reviewed the basis used for accounting estimates, noting that such amounts appear to be reasonable based on available information. Estimation methodology is consistent with prior periods with exception to better inputs being available to management in estimating the current portion of

<p>Methods of Accounting for Significant Transactions and for Controversial or Emerging Areas</p>	<p>its Compensated Absences liabilities disclosed in Note 7 of the financial statements.</p> <p>There were no significant unusual transactions or significant accounting policies in controversial or emerging issues.</p>
<p>Significant Audit Adjustments (uncorrected and corrected by management)</p>	<p>All audit adjustments were reviewed with management and recorded in the audited financial statements. As a result of the audit, management re-allocated \$24,106 between Net Investment in Capital Assets and Unrestricted components of net position within the Statement of Net Position.</p>
<p>Significant Difficulties Encountered During the Audit (including matters that were contentious and required consulting outside the audit team)</p>	<p>There were no significant difficulties encountered during the audit.</p>
<p>Disagreements with Management on Financial Accounting and Reporting Matters</p>	<p>There were no disagreements with management about auditing, accounting, or disclosure matters.</p>
<p>Update on Future Audits</p>	<p>Beginning in fiscal year 2024, we will no longer conduct a financial statement audit for the VBOA. The VBOA will be included in our pool of cycled agencies in which we will periodically perform a limited scope internal control questionnaire review or performance audit.</p>

**National Pipeline
Advisory Group**

Accounting Talent Strategy Report



An overview of data-driven solutions to
boost the accounting pipeline.

www.accountingpipeline.org

A data-driven approach

- Recommendations reflect insights from entire profession
- Comprehensive review of existing research
- NPAG collected insights from:
 - 5,885 stakeholders, including employers and educators
 - 2,072 accounting and business students
 - More than 1,600 focus group participants
 - Professional and regulatory bodies
 - State CPA societies



Themes in the talent data

- ✓ Make the academic experience more engaging
- ✓ Address the time and cost of education
- ✓ Grow support for CPA Exam candidates
- ✓ Expand access for underrepresented groups
- ✓ Enhance the employee experience
- ✓ Tell a more compelling story about accounting



Making education more engaging

- **Revamp the Principles of Accounting** curriculum and its delivery
- **Enhance support** to help “pull” students through accounting programs and boost retention
- Expand the presence of **mentors, champions, and real-life practitioners in the classroom**

Telling a compelling story

- **Enhance K-12 programs** and funding
- **Gamifying** student experiences
- **Creating a Navigator app** for students seeking careers and pursuing licensure
- All of us doing more to promote accounting through a **grassroots campaign**

Addressing representation

- Expanded programs for the underrepresented – including **immersion programs for high school students**
- **Engagement with campuses** with a high population of underrepresented students
- Promote **smooth transitions between community colleges and 4-year institutions**

Growing CPA Exam support

- Enable students to **take the Exam as they complete relevant coursework**
- Monitor and share employer best practices for Exam support
- Count CPA Exam preparation courses toward college credit
- Simplify eligibility and other application processes
- **Speed up score delivery**

Enhancing the workplace

- **Address starting salaries**
- **Increase pay transparency, career progression, and flexibility**
- **Address overload and burnout by:**
 - Reducing client/customer loads; improving scheduling
 - Investing in non-traditional talent strategies, technology
 - Increasing fees to keep pace
- **Invest in leadership training and mentoring**

Addressing time and cost of education

Adding flexibility and addressing cost by

- Expanding access to experiential learning on-transcript programs
- Developing **off-transcript experiential learning** grounded in a competency framework that is scalable
- **Developing competency-based learning focused on outputs not hours**

Evolving the profession



69% of accounting stakeholders agree that CPA licensure requirements should change, according to NPAG's survey.



Changes in academia seem to be on the horizon



The Push for a 3-Year Bachelor's Degree

Representatives from a dozen colleges met at Georgetown University last week to discuss three-year bachelor's degree pilot programs. Their ambitions are grand, but the future is uncertain.

Indiana CAPITAL CHRONICLE

Bill to expand Indiana college credit and degree options heads to governor's desk

The sweeping legislation – amended in the final days of the session – intends to get more Hoosiers credentialed.

The Washington Post

Momentum builds behind a three-year degree to lower college costs

Skepticism about the cost and duration of a higher education drives a need for speed

Forbes

Has The Time For Three-Year College Degrees Finally Arrived?

Four big ideas in the licensure recommendations

1

Intentional, coordinated approach to mitigate risk

2

Moving away from specified credit hours

3

Moving to measuring competency

4

Quality and readiness of new hires



Additional education paths

GROUNDING IN A COMMON COMPETENCY FRAMEWORK

CPA Exam **is required**



MOBILITY RISK
Requires intentional, coordinated campaign to mitigate impact on interstate practice.

Experiential learning <u>on</u> college transcript	Experiential learning <u>off</u> college transcript	Competency-based licensure
<ul style="list-style-type: none"> • Available NOW • Post bachelor's degree • Paths can be amplified and expanded 	<ul style="list-style-type: none"> • NEAR-future solution • Post bachelor's degree • Based on framework and program administration • Could include internships, Exam review courses, etc. 	<ul style="list-style-type: none"> • NEXT evolution of CPA licensure path • Competency mastery without set credit hours requirement

Additional education paths

EQUIVALENT TO 150 HOURS

Bachelor's degree	Master's degree	1 year experience	CPA Exam
Bachelor's degree	Up to 30 credits (Experience, Learn & Earn program is one option)	1 year experience	CPA Exam
Bachelor's degree	Experiential learning <u>on</u> college transcript	1 year experience	CPA Exam
Bachelor's degree	Experiential learning <u>off</u> college transcript	1 year experience	CPA Exam
Competency-based model			CPA Exam

IMPACTS
MOBILITY

Take the Pipeline Pledge

National Pipeline
Advisory Group



The Pipeline Pledge is an individual **commitment to participate in activities** that will help grow the talent pool.

Sign up today: accountingpipeline.org/pledge

How you can help shape the accounting profession

Take the Pipeline Pledge

A **commitment to participate in activities** that will help transform and grow the talent pool.



Read the strategy report

Explore NPAG's data-driven recommendations to **strengthen the accounting profession.**



www.accountingpipeline.org



VIRGINIA
CONFLICT OF INTEREST AND
ETHICS ADVISORY COUNCIL

Virginia Board of Accountancy Training
August 29, 2024

I. Council Membership

Council membership as of August 1, 2024:

Speaker of the House Appointees

The Honorable Del. M. Keith Hodges

The Honorable Del. Vivian E. Watts

The Honorable Bruce D. White (Chair)

Senate Committee on Rules Appointees

The Honorable Sen. Adam Ebbin

The Honorable Sen. Richard Stuart

The Honorable Malfourd W. Trumbo (Vice-Chair)

Gubernatorial Appointees

John C. Blair

Adam Kinsman

Tracy Retchin

II. Council Duties

The Council shall perform the following duties:

1. Furnish formal and informal guidance to all persons required to comply with the Acts
2. Conduct training seminars and educational programs and publish educational materials for all persons required to comply with the Acts
3. Serve as liaison between state agencies, boards, commissions, and local government entities for administering the filings of all disclosure forms
4. Redact personal information from any form prior to making the form available to the public
5. Establish and maintain a searchable database of disclosure forms filed with the Council
6. Notify the Secretary of the Commonwealth and the Attorney General concerning late or failure-to-file penalties
7. Receive and review requests for approval of travel submitted by individuals required to file a Statement of Economic Interests

III. Prohibited Conduct and Personal Interests

A. Prohibited Conduct

No state or local government officer or employee shall:

1. Solicit or accept money or other thing of value for services performed within the scope of your official duties except for compensation paid by your agency
2. Offer or accept any money or other thing of value for obtaining employment, appointment, or promotion of any person with any governmental or advisory agency
3. Offer or accept any money or other thing of value for the use of your public position to obtain a contract for any person or business with any governmental or

advisory agency

4. Use confidential information that you have acquired by reason of your public position and that is not available to the public for your or another party's economic benefit
 5. Accept any money, loan, gift, favor, service, or business or professional opportunity that reasonably tends to influence you in the performance of your official duties; this does not include political contributions actually used for a political campaign or constituent services and reported as required by campaign finance laws
 6. Accept any business or professional opportunity when you know that there is a reasonable likelihood that the opportunity is being given to influence you in the performance of your official duties
 7. Accept any honoraria for any appearance, speech, or article in which you provide expertise or opinions related to the performance of your official duties (this only applies to the Governor, Lt. Governor, Attorney General, Governor's Secretaries, and heads of departments of state government)
 8. Accept a gift from a person who has interests that may be substantially affected by the performance of your duties under circumstances where the timing and nature of the gift would cause a reasonable person to question your impartiality in the matter affecting the donor
 9. Accept gifts from sources on a basis so frequent as to raise an appearance of the use of your public office for private gain
 10. Use your public position to retaliate or threaten to retaliate against any person for expressing views on matters of public concern or for exercising any right that is otherwise protected by law, provided, however, that this does not restrict the authority of any public employer to govern conduct of its employees, and to take disciplinary action, in accordance with applicable law, and provided further that this does not limit the authority of a constitutional officer to discipline or discharge an employee with or without cause
- B. "Personal interest" is a financial benefit or liability accruing to an officer or employee or to a member of his immediate family.

Personal interests exist due to:

1. Ownership in a business if the ownership interest exceeds three percent of the total equity of the business;
2. Annual income that exceeds, or may reasonably be anticipated to exceed, \$5,000 from ownership in real or personal property or a business;
3. Salary, other compensation, fringe benefits, or benefits from the use of property, or any combination thereof, paid or provided by a business or governmental agency that exceeds, or may reasonably be anticipated to exceed, \$5,000 annually;
4. Ownership of real or personal property if the interest exceeds \$5,000 in value and excluding ownership in a business, income, or salary, other compensation, fringe benefits or benefits from the use of property;

5. Personal liability incurred or assumed on behalf of a business if the liability exceeds three percent of the asset value of the business; or
6. An option for ownership of a business or real or personal property if the ownership interest will consist of subdivision (1) or (4) above.

C. Personal Interest in a Contract

1. You may not have a personal interest in a contract with your agency other than your own contract of employment.
2. You are also prohibited from having a personal interest in certain contracts with other state agencies.

For contracts with other state agencies, an exception is made for:

- i. contracts awarded using competitive sealed bidding or negotiation following Procurement Act procedures
- ii. contracts awarded after a written finding by the administrative head of the agency that competitive sealed bidding or negotiation is contrary to the best interest of the public.

There are many exceptions to this prohibition. It is recommended that you contact the Council regarding the application of an exception.

D. Personal Interest in a Transaction

A personal interest in a transaction means a personal interest in any matter considered by your agency, when official action is taken or contemplated.

Such a personal interest exists when you or a member of your immediate family has a personal interest in:

1. property or a business, or
2. represents or provides services to any individual or business

and the property, business, or represented or served individual or business

1. is the subject of the transaction or
2. may realize a reasonably foreseeable direct or indirect benefit or detriment as a result of the action on the transaction.

You must publicly disqualify yourself if the transaction applies solely to the entity in which you have a personal interest, or if you have a personal interest in a transaction and do not qualify for participation.

It is recommended that you contact the Council if you have a question about a possible personal interest in a transaction.

IV. Filing Requirements

A. Who must file?

1. Individuals named in § 2.2-3114
2. Individuals named in Executive Order 18 (2022)

B. With what entity do I file?

You are required to file electronically with the Virginia Conflict of Interest and Ethics Advisory Council, using the online filing system provided by the Council.

C. When do I file?

Financial Disclosure Statements are filed annually with the Council, in January, due on February 1.

Deadlines are moved to the next business day if they fall on a weekend or state holiday.

V. Other Questions

1. How and under what circumstances is individual information released?

ANSWER: All filings are available to the public via the online searchable database on the Council website for five years.

2. Are filers notified when their disclosure forms are requested and released?

ANSWER: There is no requirement that the filer be notified that the information has been requested.

3. Is personal information released when a disclosure statement is requested?

ANSWER: The Council redacts residential addresses, personal telephone numbers, and email addresses from your form before making them public on the database.

4. What training is required?

ANSWER: State filers are required to complete training at least once every two years. New state filers must complete the training within two months after beginning their employment or assuming office.

Contact Information:

Virginia Conflict of Interest and Ethics Advisory Council

201 North 9th Street

4th Floor

Richmond, VA 23219

Website: ethics.dls.virginia.gov

Email: ethics@dls.virginia.gov

Stewart Petoe

Executive Director

spetoe@dls.virginia.gov

804.698.1845

Rebekah Stefanski

Senior Attorney

rstefanski@dls.virginia.gov

804.698.1846

Elizabeth Sundberg

Filing Coordinator

esundberg@dls.virginia.gov

804.698.1848

Valerie Mizzell

Assistant Filing Coordinator

vmizzell@dls.virginia.gov

804.698.1847

Executive Director’s Report – Aug. 29

Staffing news

- Introducing Alessandra Gabriel, our new Policy Analyst
- Last vacancy for an Investigator will be recruited in September 2024

Recent accomplishments

- Summer newsletter completed and distributed
- Two score releases processed:
 - June 27 – 94 discipline scores received
 - July 30 – 862 core scores received
- Held annual Ethics Committee meeting and the topics for 2025 include:
 - Firm licensing requirements
 - CPE Compliance
 - Inactive Status
 - Use of the Title

Evoke licensing system implementation

- PCG Project Manager changed – mutually agreed upon by both parties
- Two deliverables have been approved:
 - Project plan completion
 - Cloud hosting environment completion
- Multiple meetings every week
- Six sprints completed to date –the focus is now on renewals and exam
- Administrator training has completed

Secretary of Finance and Governor required administrative reports

- Completed the agency’s financial statement audit
- Completed all required attachments for the Commonwealth of Virginia’s Annual Comprehensive Financial Report (ACFR)
- Completed the FY24 regulatory reduction update
- Started drafting the agency’s biennial report which is due November 1

Licensure pathways

- Results from a quick survey completed by the Texas Board of Accountancy reported:
 - Seven states responded “yes” they are considering moving away from the 150 requirement, further research indicates there are at least eleven states that have pending legislation or are in planning discussions for an alternative pathway of 120 credit hours or a bachelor’s degree and two years of experience. The jurisdictions are AK, CA, HI, MN, NH, NV, NJ, ND, OR, UT, and SC.

- 15 jurisdictions reported “other.” Most of these boards are at some level of discussion about adding alternative pathways but no decisions have been reached.
- Seven jurisdictions responded “no,” but further discussion of the survey results made it apparent that the discussion has not been started by these boards.

Upcoming initiatives

- VBOA presentations planned at GWU and VSCPA’s 54th Accounting and Auditing Conference
- It appears I am the NASBA Executive Director’s Committee chair elect.

Budget vs. Actual Expenditures
As of July 31, 2024



	FY25 Operating Budget	FY25 YTD Expenditures	% Expended	FY24 YTD Expenditures	FY23 YTD Expenditures	FY22 Expenditures
Salaries & Benefits						
1123 Salaries	1,307,083	96,588	7.4%	1,070,561	1,036,015	897,977
11XX Benefits	461,103	33,140	7.2%	373,088	390,631	354,860
Total Salaries & Benefits	\$ 1,768,186	\$ 129,729	7.3%	\$ 1,443,649	\$ 1,426,646	\$ 1,252,837
Contractual Services						
1211 Express Services	5,500	-	0.0%	6,042	5,407	655
1214 Postal Services	9,800	-	0.0%	10,423	18,467	15,395
1215 Printing Services	7,500	-	0.0%	8,093	3,448	5,766
1216 Telecommunications - VITA	10,800	872	8.1%	10,967	10,593	11,449
1217 Telecommunications - Nonstate	2,500	-	0.0%	1,272	1,442	1,200
1219 Inbound Freight	350	-	0.0%	208	220	135
1221 Organization Memberships (primarily NASBA)	7,575	-	0.0%	7,880	8,642	9,279
1222 Publication Subscriptions	1,270	-	0.0%	1,336	1,323	4,357
1224 Training - Courses, Workshops, Conferences	8,830	-	0.0%	6,661	8,769	6,126
1227 Training-Transportation, Lodging, Meals, Incidentals	9,500	1,623	17.1%	11,124	13,115	4,635
1242 Fiscal Services (Credit Card Merchant Fees)	49,000	-	0.0%	43,876	48,315	45,864
1243 Attorney Services	24,500	-	0.0%	23,121	17,207	16,097
1244 Mgmt. Services - NASBA/special accommodations	15,500	976	6.3%	15,852	11,079	10,387
1246 Public Info/Public Relations (subscriptions)	4,968	-	0.0%	4,468	2,914	2,485
1247 Legal Services (court reporting services)	5,600	-	0.0%	6,317	4,072	8,363
1264 Food and Dietary Services	4,100	-	0.0%	4,200	2,662	2,352
1265 Laundry & Linen Services	-	-	---	20	-	-
1266 Manual Labor Services	300	-	0.0%	300	120	200
1268 Skilled Services	2,100	-	0.0%	1,100	1,125	1,650
1272 VITA Pass through - System Hosting, Maintenance, and Admin	-	-	---	-	229,224	222,006
1272 VITA Pass through - Shared ISO Audit Services	-	-	---	-	18,093	20,425
1272 VITA Pass through - ECOS fees	-	-	---	-	-	4,755
1272 VITA Pass through - System Reporting Tool	-	-	---	-	-	5,750
1273 Info Mgmt Design and Development Services (PM support)	214,000	-	0.0%	42,900	28,930	19,450
1275 Computer Software Maintenance (MLO and website hosting)	247,108	-	0.0%	375,323	6,830	7,050
1278 VITA Information Technology Infrastructure Services (monthly services)	66,000	5,902	8.9%	50,520	53,872	52,008
1279 Computer Software Development Services	773,786	78,415	10.1%	-	-	-
1282 Travel - Personal Vehicle	8,500	-	0.0%	7,238	6,668	4,927
1283 Travel - Public Carriers	650	-	0.0%	199	13	497
1284 Travel - State Vehicles	-	-	---	769	217	-
1285 Travel - Subsistence and Lodging	5,500	-	0.0%	5,124	3,360	1,890
1288 Travel, Meal Reimburse - Not IRS Rpt	2,600	-	0.0%	2,825	1,654	1,106
Total Contractual Services	\$ 1,487,837	\$ 87,787	5.9%	\$ 648,160	\$ 507,782	\$ 486,259

	FY25 Operating Budget	FY25 YTD Expenditures	% Expended	FY24 YTD Expenditures	FY23 YTD Expenditures	FY22 Expenditures
Supplies and Materials						
1312 Office Supplies	1,600	-	0.0%	2,105	916	864
1313 Stationery and Forms	750	-	0.0%	671	1,146	404
1323 Gasoline	250	-	0.0%	16	65	-
1335 Packaging and Shipping Supplies	1,200	-	0.0%	369	369	369
1342 Medical & Dental Supplies	50	-	0.0%	-	-	-
1362 Food & Dietary Supplies	250	-	0.0%	158	192	126
1363 Food Service Supplies	150	-	0.0%	72	-	236
1364 Laundry & Linen Supplies	50	-	---	-	-	-
1373 Computer Operating Supplies	750	-	0.0%	220	748	786
Total Supplies & Materials	\$ 5,050	\$ -	0.0%	\$ 3,611	\$ 3,435	\$ 2,785
Transfer Payments						
1413 Awards & Recognition	500	-	0.0%	-	500	623
1418 Incentives	2,500	-	0.0%	1,598	1,226	-
Total Transfer Payments	\$ 3,000	\$ -	0.0%	\$ 1,598	\$ 1,726	\$ 623
Continuous Charges						
1512 Automobile Liability Insurance	231	-	0.0%	-	231	231
1516 Property Insurance	540	540	100.0%	-	540	540
1534 Equipment Rentals	7,680	-	0.0%	7,958	8,643	7,454
1539 Building Rentals - Non-State Owned Facilities	107,118	8,867	8.3%	104,318	101,512	97,997
1541 Agency Service Charges (shared services)	64,300	25,806	40.1%	63,158	60,498	49,465
1551 General Liability Insurance	5,400	5,715	105.8%	-	5,328	5,328
1554 Surety Bonds	40	-	0.0%	-	-	40
1555 Worker's Compensation	993	-	0.0%	993	926	1,110
Total Continuous Charges	\$ 186,302	\$ 40,928	22.0%	\$ 176,427	\$ 177,678	\$ 162,165
Equipment						
2216 Network Components	750	-	0.0%	-	-	1,653
2217 Other Computer Equipment	200	-	0.0%	800	405	155
2218 Computer Software Purchases	250	-	0.0%	11	386	418
2231 Electronic Equipment	-	-	---	1,476	967	1,170
2262 Office Furniture	1,850	-	0.0%	1,813	454	755
2263 Office Incidentals	-	-	---	-	46	63
Total Equipment	\$ 3,050	\$ -	0.0%	\$ 4,101	\$ 2,259	\$ 4,214
Total Expenses	\$ 3,453,425	\$ 258,444	9.3%	\$ 2,277,546	\$ 2,119,526	\$ 1,908,884
Chapter 2 FY 25Appropriation	\$ 2,767,913					

Cash Balances



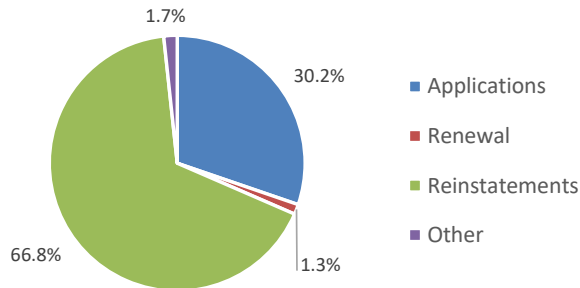
	Operating Fund		Trust Fund	
	FY2025	FY2024	FY2025	FY2024
	As of 7/31/24	As of 7/31/23	As of 7/31/24	As of 7/31/23
Fund Balance July 1	\$ 2,741,226	\$ 2,890,877	\$ 3,494,965	\$ 3,205,952
YTD Revenue Collected	58,760	104,740	-	-
Interest earnings	-	-	-	-
Accounts Payable	73,992	(44)	-	-
Cash Transfers In per Board Policy #1	-	-	-	-
Cash Transfers Out per Board Policy #1	-	-	-	-
YTD Expenditures	(258,444)	(137,200)	-	-
Cash Balance	\$ 2,615,535	\$ 2,858,373	\$ 3,494,965	\$ 3,205,952
Required Cash Transfers:				
Central Service Agencies Transfer	\$ (10,862)	\$ (11,983)	-	-
Cash Balance after required transfers	\$ 2,604,673	\$ 2,846,390	\$ 3,494,965	\$ 3,205,952

Revenue Collections by Fee Type

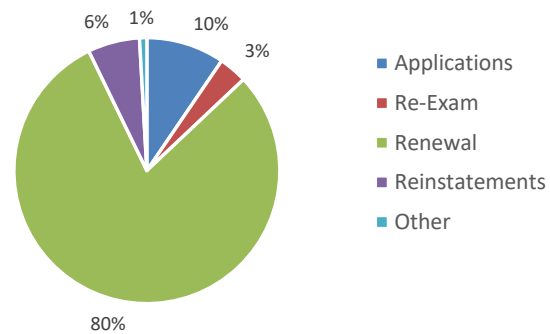


Fee Type	FY2025 - YTD as of 7/31/24	FY2024 - YTD as of 7/31/23	Fiscal Year Ending 6/30/24	Fiscal Year Ending 6/30/23	Fiscal Year Ending 6/30/22
Exam Application Fee	\$ 12,240	\$ 13,800	\$ 134,640	\$ 139,635	\$ 130,560
Individual License Application Fee	4,725	5,850	60,150	67,950	70,800
Firm License Application Fee	900	300	6,600	5,000	4,100
Re-Exam Application	-	8,000	18,080	76,900	72,080
Renewal Fee	745	460	1,800,645	1,782,800	1,777,925
Reinstatement Fee	39,450	72,600	146,750	140,850	98,600
Duplicate Wall Certificate Fee	125	125	2,050	1,725	2,150
License Verification Fee	800	1,150	13,225	16,650	21,325
CPA Exam Score Transfers	75	125	1,125	1,150	1,075
Administrative Fee	-	-	146	-	45
Bad Check Fee	-	-	100	239	50
Total Revenue by Fee Type	\$ 59,060	\$ 102,410	\$ 2,183,511	\$ 2,232,899	\$ 2,178,710
Net Revenue per Cardinal	\$ 58,760	\$ 104,740	\$ 2,183,451	\$ 2,232,824	\$ 2,178,830
Difference	\$ 300	\$ (2,330)	\$ 60	\$ 75	\$ (120)

FY25 YTD Revenue Collections



FY24 Revenue Collections



Accounts Receivable



	FY2025 - YTD as of 7/31/24	FY2024 - YTD as of 7/31/23	Fiscal Year Ending 6/30/24	Fiscal Year Ending 6/30/23	Fiscal Year Ending 6/30/22
Fines levied	\$ 8,224	\$ 19,222	\$ 329,363	\$ 759,525	\$ 189,950
Fines collected	\$ 9,504	\$ 18,545	\$ 244,828	\$ 335,357	\$ 157,851
Fines Discharged	\$ -	\$ -	\$ 1,500	\$ 52,542	\$ -
Outstanding Current fines receivable (< 365 Days)	\$ 96,294	\$ 494,211	\$ 97,824	\$ 546,076	\$ 49,751
Outstanding Written-off receivables (=> 365 Days)	\$ 1,140,111	\$ 608,574	\$ 1,139,861	\$ 608,574	\$ 680,731

**Individual and firm license activity
July 31, 2024**

<i>Fiscal Period</i>	Period ending 7/31/2024	Period ending 7/31/2023	Period ending 6/30/2024	Period ending 6/30/2023	Period ending 6/30/2022
REGULANTS					
Individuals					
Active, licensed CPAs	26,914	26,691	26,660	26,556	26,482
Inactive, licensed CPAs	2,070	2,087	2,188	2,090	2,053
Total Licensed CPAs	28,984	28,778	28,848	28,646	28,535
Out-of-state licensees	10,092	9,867	10,395	9,867	9,669
Reinstatements - Individuals	97	186	384	274	257
New CPA licenses issued	50	58	781	940	1,039
Expired/voluntarily surrendered licenses	2	2	848	1,041	1,337
Exam Candidates					
Number of first time exam candidates	103	122	1,149	931	1,118
Firms					
Total active, licensed CPA firms	1,117	1,110	1,152	1,094	1,172
Reinstatements - Firms	11	15	24	19	18
New CPA firm licenses issued	7	3	56	44	42
Expired/voluntarily surrendered licenses	0	0	69	81	76

All Open Enforcement Complaints - As of May 31, 2024

All Open Enforcement Complaints



All Open Complaint Types

CPE Deficiency	30
Acts Discreditable	11
Due Professional Care	20
Unlicensed Activity	22
	83

All Open Enforcement Complaints - As of August 16, 2024

All Open Enforcement Complaints



All Open Complaint Types

CPE Deficiency	35
Acts Discreditable	34
Due Professional Care	16
Unlicensed Activity	23
Peer Review	3
Eligibility 2*	113*

New and Closed Complaints - June 1, 2024 to August 16, 2024

Opened Complaints



Opened Complaint Types

CPE Deficiency	57
Due Prof. Care / Acts Discred	30
Unlicensed Activity	20
Peer Review	3
Eligibility 2*	112*

Closed Complaints



Closed Complaint Types

CPE Deficiency	53
Due Professional Care	10
Unlicensed Activity	18
Acts Discreditable	1
	82

Disposition Types

Advisory Letter	21	Board Order	6
Consent Order	35	Closed Agency Referral	0
No Finding	0	No Violation	15
No Jurisdiction	4	Other	1
82			

CPE Audit Report as of August 16, 2024

	As of 8/16/2024	Year Ending 6/30/2024	Year Ending 6/30/2023	Year ending 6/30/2022	Year Ending 6/30/2021	Year Ending 6/30/2020
CPE Audits Selected	0	868	428	573	751	696
CPE Audits Passed	0	390	319	432	597	544
CPE Audits Deficient	0	155	109	141	154	152
CPE Audits Pending	0	323	0	0	0	0
CPE Deficiency Rate	0%	28%	25%	25%	21%	22%

Other audits completed during Calendar Years

	Reinstatement and Inactive Audits			Self-Report Audits		Enforcement Audits	
	2024	2023	2022	2024	2023	2024	2023
Audits Selected	177	411	454	152	153	21	10
CPE Audits Passed	112	348	398	14	24	15	4
CPE Audits Deficient	1	1	2	16	129	5	6
CPE Audits Pending	64	62	54	122	0	1	0
						25%	60%

FY 2025 Strategic Outcome Summary

Outcome 1: Protect the public trust by ensuring compliance with our licensing requirements.

- Complete the implementation of the new licensing and enforcement system.
 - Estimated completion – *January 2025*
 - ▶ Project Manager feedback at board meetings
 - ▶ System demonstrations
- Discuss and determine a board position regarding alternative pathways to licensure.
 - Presentations from NASBA, NPAG and NABA – *August 2024*
 - Potential Code changes – *October 2024*
 - Revisit policies, and education and experience guidance – *January-March 2025*
- Implement changes to Code of Virginia – § 54.1-4400 et. seq.
 - Communication plan for firm licensure – *August 2024*
 - Update the Disposition of Cases Involving Unlicensed Use of the CPA Title by Previously Licensed Individuals - *October 2024*
- Review and revise Virginia Regulations 18VAC5-22 et. seq. – Final *June 2025*.
Sections to be considered include:
 - Fees
 - CPE – evolution of reporting
 - Firm Ownership
 - Accreditation and Education
 - Confidential Consent Agreements
 - Communications with the Board
- Review, revise, or retire VBOA policies and guidance documents as necessary – *June 2025*.

Outcome 2: Increase accessibility to and amplify awareness of the accounting profession and attract more individuals to the profession by being a proactive voice in the profession.

This is an ongoing effort which includes:

- Campus board meetings – The goal is two per fiscal year with one on a HBCU campus.
- Continued board member and staff engagement with national and local professional organizations.
- Communications – Newsletters, social media presence.
- Outreach opportunities – Board member and staff participate in outreach efforts.
 - Campus meetings – Career events, smaller focused meetings, etc.
 - Seek opportunities to reach younger students, such as career days, financial literacy, etc.

VBOA Policy #3

Substantially Equivalent Jurisdictions

TITLE:**EFFECTIVE DATE:**

August 19, 2020

AUTHORITY:

Code of Virginia §§ 54.1-4409.2 and 54.1-4411

POLICY STATEMENT:

Under Section 23 of the Uniform Accountancy Act (UAA), a licensee in good standing from a jurisdiction with CPA licensing requirements that are substantially equivalent to those outlined in the UAA (degree with 150 hours, minimum one year experience and completion of the Uniform CPA Examination) may be granted a privilege to practice in another jurisdiction that is not the CPA's principal place of business.

The National Qualification Appraisal Service of the National Association of State Boards of Accountancy (NASBA) has reviewed the CPA licensure requirements of the Virginia Board of Accountancy and has found that Virginia is substantially equivalent to the licensure requirements of the UAA. These findings are posted on NASBA's website and the VBOA's website provides a hyperlink to these findings.

The VBOA will recognize the Mutual Recognition Agreements recommended by the International Qualifications Appraisal Board (IQAB) which is jointly established by NASBA and the AICPA.

The VBOA has determined that the jurisdictions found by NASBA to be substantially equivalent to the UAA are substantially equivalent to Virginia's requirements with the following exceptions:

- If the jurisdiction is listed on the NASBA webpage as substantially equivalent with one asterisk, the jurisdiction is deemed substantially equivalent only if the licensee holds an active CPA license/permit with that jurisdiction.
- If the jurisdiction is listed on the NASBA webpage as substantially equivalent with two asterisks, the jurisdiction is not deemed substantially equivalent.

APPROVAL AND REVIEW:

This VBOA policy was reviewed on June 23, 2020.

SUPPRESSION:

This VBOA policy replaced VBOA Policy #3 that was effective on December 31, 2018.

**VBOA CHAIR AT
LAST REVIEW:**

D. Brian Carson, CPA, CGMA

**VBOA MEMBERS AT
LAST REVIEW:**

Laurie A. Warwick, CPA, Vice Chair
Matthew P. Boshier
W. Barclay Bradshaw, CPA
William R. Brown, CPA
Nadia A. Rogers, CPA
Stephanie S. Saunders, CPA