

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

The Virginia Board of Accountancy (Board) held its annual Ethics Committee Meeting at 10:00 am on Thursday, September 17, 2015 at the Virginia Board of Accountancy, 9960 Mayland Drive, Suite 402, Henrico, Virginia 23233.

The following Committee members were present:

Esther Ko, CPA
Elizabeth Oliver, CPA
Don Pallais, CPA
Hartwell Philips, CPA

The Board members present were:

Matthew P. Boshier, Board Liaison
Susan Quaintance Ferguson, CPA

The Board staff members present were:

Wade A. Jewell, Executive Director
Patti Hambright, CPE/Peer Review Coordinator & Administrative Assistant

Also in attendance for the meeting were:

Emily Walker, Vice President, Advocacy, Virginia Society of
Certified Public Accountants
Linda Newsom-McCurdy, Education Director, Virginia Society of Certified
Public Accountants
Chip Knighton, Communications Manager, Virginia Society of Certified Public
Accountants
Zane' Mullins, Education Manager, Virginia Society of Certified Public
Accountants

CALL TO ORDER

Mr. Jewell called the meeting to order at 10:00 am. He welcomed the members of the committee, VBOA staff, and the members of the public. He also thanked the committee members for their participation and willingness to serve. He then asked those in attendance to introduce themselves.

REVIEW OF THE 2015 VIRGINIA-SPECIFIC ETHICS COURSE AND PLANS FOR 2016

Mr. Jewell reminded the committee that the Board had approved the Virginia Society of Certified Public Accountants (VSCPA) as the sole content provider for the 2015 Virginia-Specific Ethics Course. He noted that providers were required to submit comments provided by course participants, and that the overwhelming majority of comments were positive. A summary of comments were shared with the committee from the VSCPA (an approved provider of the course). Mr. Jewell recommended that the members take a few minutes to review the shared comments, and consider those comments when drafting the 2016 outline.

To ensure that all CPAs were aware of the new requirements, Mr. Jewell noted the Board planned to send out two email reminders to licensed CPAs as a reminder to take the required annual ethics course for 2015.

Mr. Jewell noted going forward that DPS (Division of Purchases & Supply) was assisting the VBOA with an RFP (Request for Proposal) for solicitation of vendors as the sole content provider for the calendar year 2016 and beyond. He noted in August of 2015 the established RFP had been sent out to all vendors registered with DPS (and coded as a training/CPE provider) and posted on their website as an open procurement. Mr. Jewell also noted the VBOA had sent notice of the RFP to approximately 35 additional vendors that they had knowledge of (previous or current providers of the Virginia-Specific Ethics Course). He noted the RFP was now closed, and the VBOA was working with DPS to finalize the scoring and contract. Ms. Ferguson inquired as to how often the selection for the sole content provider would be up for renewal. Mr. Jewell believed the RFP was advertised as a one year contract, with renewals not to exceed a total of seven (7) years; however, contract terms are negotiable.

With respect to the 2016 outline, Mr. Jewell recommended to the committee of having the draft outline ready for the September 29, 2015 Board meeting. He also noted a goal that the outline be delivered to the selected content developer by mid-October. The content developer would have a draft of the content ready for Board review by mid-January and the actual course available by March 1, 2016.

DEVELOP 2016 ETHICS COURSE OUTLINE

Mr. Jewell opened the floor for member comments regarding topics for the 2016 Virginia-Specific Ethics Course outline. A handout including past outlines and suggested topics from committee members for inclusion in the outline was provided to the committee for review.

Committee members reviewed previous years' outlines and suggestions, and discussed the comments shared by the VSCPA. Ms. Ferguson suggested breakout sessions differentiating public, non-public and industry CPE. Ms. Newsom-McCurdy noted the possibility with certain delivery methods. She noted the webcast delivery method would present a more difficult challenge. She noted case studies could be developed and geared around specific

topics making the course more individualized. Ms. Walker noted the most popular case studies involved enforcement issues. Mr. Boshier stated the Board had determined each course must be instructor led. Ms. Newsom-McCurdy noted NASBA's (National Association of State Boards of Accountancy) Center for Public Trust was developing a database of case studies regarding ethics.

Mr. Jewell noted every CPA, regardless of public, government, industry or academia needed to stay informed of Board statute, regulation and policy changes. Following a comprehensive discussion the members formulated a list of topics for inclusion in the 2016 Virginia-Specific Ethics Course outline, including "Hot Topics". Members agreed to move towards a case study approach.

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DEVELOP 2016 ETHICS COURSE OUTLINE, *continued*

Mr. Jewell provided a review of the committee's recommended 2016 Virginia-Specific Ethics Course topics. After some discussion and modifications to the proposed outline, the committee agreed on a proposed outline to present to the Board on September 29, 2015. Mr. Jewell thanked the committee members for their service, recommendations and willingness to participate on this important committee.

NEXT STEPS

Following the meeting, Mr. Jewell and Ms. Hambright will develop the draft format and submit the information to the committee members for comment. The members will respond with comments and suggestions prior to the September 29, 2015 Board meeting. Following Board approval, the outline will be presented to the content developer (once contracted with through DPS).

TRAVEL EXPENSE VOUCHERS

Travel expense vouchers were signed and received.

ADJOURNMENT

There being no further business before the VBOA 2016 Ethics Committee, the meeting was adjourned at 1:05 pm.

APPROVED:

Wade A. Jewell, Executive Director