
**Board Meeting
February 8, 2018
Draft/Unapproved minutes**

The Virginia Board of Accountancy met on Thursday, February 8, 2018, in Board Room #2 of the Perimeter Center, 9960 Mayland Drive, Henrico, VA 23233.

MEMBERS PRESENT: Matthew P. Boshier, Esq., Chair
Susan Quaintance Ferguson, CPA, Vice Chair
William R. Brown, CPA
D. Brian Carson, CPA
Stephanie S. Saunders, CPA
Laurie A. Warwick, CPA

MEMBER PRESENT BY TELECONFERENCE: Andrea M. Kilmer, CPA

LEGAL COUNSEL: Robert Drewry, Assistant Attorney General,
Office of the Attorney General

STAFF PRESENT: Wade A. Jewell, Executive Director
Mary T. Charity, Deputy Director for Operations
Renai Reinholtz, Deputy Director for Finance and Administration
Rebekah E. Allen, Enforcement Director
Kelli Anderson, Communications Manager
Patti Hambright, CPE Coordinator and Administrative Assistant

MEMBERS OF THE PUBLIC PRESENT: Tyrone Dickerson, CPA, NASBA At-Large Director and Continuing Professional Education (CPE) Committee Chair, former Board member and Chair
Kevin Savoy, CPA, CGMA, Audit Director, APA
Maureen Dingus, CAE, Chief Operating Officer, Virginia Society of Certified Public Accountants
Emily Walker, CAE, Vice President, Advocacy, Virginia Society of Certified Public Accountants
Amy Mawyer, Vice President of Learning, Virginia Society of Certified Public Accountants
Linda Newsom-McCurdy, CAE, Senior Director of Member Value, Virginia Society of Certified Public Accountants
Ben Burkhart
Pamela Kerr

**Board Meeting
February 8, 2018
Draft/Unapproved minutes**

**MEMBERS OF THE
PUBLIC PRESENT BY
TELECONFERENCE FOR
A PORTION OF THE
MEETING:**

Nadia Rogers, CPA, PROC Chair
Reza Mahbod, CPA, PROC member

CALL TO ORDER

Mr. Boshier called the meeting to order at 10:07 a.m. He noted Ms. Kilmer would be participating by teleconference in accordance with Board Policy #10.

SECURITY BRIEFING

Ms. Hambright provided the emergency evacuation procedures.

DETERMINATION OF QUORUM

Mr. Boshier determined there was a quorum present.

APPROVAL OF AGENDA

Upon a motion by Mr. Brown, and duly seconded, the members voted unanimously to approve the February 8, 2018, agenda as amended. The members voting “**AYE**” were Mr. Boshier, Ms. Ferguson, Mr. Brown, Mr. Carson, Ms. Kilmer, Ms. Saunders and Ms. Warwick.

APPROVAL OF MINUTES/CONSENT AGENDA

Upon a motion by Ms. Saunders, and duly seconded, the members voted unanimously to approve the December 12, 2017 Board meeting minutes and Consent Agenda as presented. The members voting “**AYE**” were Mr. Boshier, Ms. Ferguson, Mr. Brown, Mr. Carson, Ms. Kilmer, Ms. Saunders and Ms. Warwick.

PUBLIC COMMENT PERIOD

Mr. Boshier welcomed and invited members of the public to provide comments. Ms. Kerr spoke on behalf of herself and her daughter regarding File No. 2017-097-009D. Mr. Burkhart also spoke on his own behalf regarding File No. 2017-097-009D.

**Board Meeting
February 8, 2018
Draft/Unapproved minutes**

APA – FY2017 Audit Update

Mr. Savoy presented an APA – FY2017 Audit Update to the Board. He began by giving a brief history of the APA. Historically, the VBOA audit has been a very clean audit that is straightforward. Mr. Savoy and Ms. Parnell are handling the VBOA audit and the planned time-period is March/April 2018 through May 2018.

PEER REVIEW OVERSIGHT COMMITTEE (PROC) UPDATE/PRESENTATION

Ms. Rogers and Mr. Mahbod are participating by teleconference.

Ms. Rogers presented an update from the Peer Review Oversight Committee. The committee reviewed and evaluated, for the period of Jan.1 – Dec. 31, 2017, the policies and procedures of the VSCPA and the National Peer Review Committee (the NPRC) of the AICPA as those policies and procedures relate to the administration of the AICPA Peer Review Program for firms licensed by the Board. Based on their review, Ms. Rogers explained the committee believes peer reviews are being conducted and reported on consistently and in accordance with the Standards for Performing and Reporting on Peer Reviews.

Upon a motion by Ms. Saunders, and duly seconded, the members voted unanimously to accept the Peer Review Oversight Committee’s recommendation as presented. The members voting “**AYE**” were Mr. Boshier, Ms. Ferguson, Mr. Brown, Mr. Carson, Ms. Kilmer, Ms. Saunders and Ms. Warwick.

Ms. Rogers and Mr. Mahbod are no longer participating by teleconference.

BOARD DISCUSSION TOPICS

Proposed 2018 Legislation and corresponding Emergency Regulations

Mr. Jewell led the discussion regarding proposed 2018 legislation and corresponding emergency regulations. An in depth discussion ensued and a vote on the emergency regulations was postponed until after lunch.

Exam/Licensing/Enforcement System Update

Mr. Jewell led the discussion regarding the examination, licensing and enforcement system overview. He provided the Board with an overview of the starting design phase with MicroPact.

**Board Meeting
February 8, 2018
Draft/Unapproved minutes**

Virginia-Specific Ethics Course update

Ms. Newsom-McCurdy led the discussion regarding the Virginia-Specific Ethics Course update. She noted there were over 21,000 Virginia-Specific Ethics Course takers in 2017 from approved sponsors. She noted they were on schedule to have the 2018 course available by March 1, 2018.

CPE Violation Penalties Guidelines – proposed updates

Ms. Allen led the discussion regarding the proposed CPE violation penalties guidelines. Ms. Allen clarified the proposed updates and fielded questions. Discussion followed.

Upon a motion by Mr. Brown, and duly seconded, the members voted unanimously to accept the proposed CPE violation penalties guidelines updates as presented. The members voting “**AYE**” were Mr. Boshier, Ms. Ferguson, Mr. Brown, Mr. Carson, Ms. Kilmer, Ms. Saunders and Ms. Warwick.

Note: See further minutes below for continued discussion and subsequent vote on this topic.

CPE credit recommendation for exams

Ms. Ferguson led the discussion regarding the proposed CPE credit recommendation for exams. Ms. Ferguson recommended 30 CPE hours for the CFE (Certified Fraud Examiner) exam. Discussion ensued.

Upon a motion by Mr. Carson, and duly seconded, the members voted unanimously to accept the proposed CPE hours for Certified Fraud Examiner (CFE) exam as presented. The members voting “**AYE**” were Mr. Boshier, Ms. Ferguson, Mr. Brown, Mr. Carson, Ms. Kilmer, Ms. Saunders and Ms. Warwick.

Note: See further minutes below for continued discussion and subsequent vote on this topic.

EXECUTIVE DIRECTOR’S REPORT

General Updates

Mr. Jewell presented the following general updates regarding the VBOA:

- Mr. Jewell informed the Board that the January 2018 e-newsletter had been released.
- Ms. Charity provided an update regarding letters, emails and automated calls made regarding license renewals for December 2017 and January 2018.

December 2017 Board Report

**Board Meeting
February 8, 2018
Draft/Unapproved minutes**

Ms. Charity presented and fielded questions regarding the December 2017 Board Report.

December 2017 Financial Report

Ms. Reinholtz presented and fielded questions regarding the December 2017 Financial Report.

FY2017 Financial Statements

Ms. Reinholtz presented and fielded questions regarding the draft FY2017 Financial Statements.

Upon a motion by Ms. Saunders, and duly seconded, the members voted unanimously to accept the FY2017 Financial Statements as presented. The members voting “**AYE**” were Mr. Boshier, Ms. Ferguson, Mr. Brown, Mr. Carson, Ms. Kilmer, Ms. Saunders and Ms. Warwick.

COMMITTEE UPDATES

NASBA UAA Committee

Ms. Saunders led the discussion regarding the NASBA UAA Committee. She noted the UAA Standards for Regulations 8th Edition was released in January 2018.

NASBA Education Committee

Ms. Ferguson led the discussion regarding the NASBA Education Committee. She noted the committee had met in Atlanta, GA in December 2017 and had a teleconference scheduled for February 12, 2018.

NASBA Middle Atlantic Regional Director

Ms. Saunders led the discussion regarding the NASBA Middle Atlantic Regional Director. She noted a NASBA Board meeting was held in January 2018. The mutual recognition agreement (MRA) renewals were voted on. She noted the new Gateway and National Candidate Database would launch in March 2018 with a payment coupon and NTS blackout period preceding the launch date. In addition, Ms. Saunders will serve on the AICPA’s Professional Ethics Executive Committee (PEEC).

NASBA Executive Director’s Committee

Mr. Jewell led the discussion regarding the NASBA Executive Director’s Committee. He noted the annual NASBA Executive Director’s and Staff Conference, and NASBA Legal Conference, would be

**Board Meeting
February 8, 2018
Draft/Unapproved minutes**

held in Destin, FL March 13 – 15, 2018. He noted Mr. Boshier would be speaking at both conferences. Mr. Jewell, Ms. Reinholtz, Ms. Allen and Ms. Anderson plan to attend.

Ms. Kilmer is no longer participating by teleconference.

RECESS FOR LUNCH 12:15 p.m.

RECONVENE 1:00 p.m.

Ms. Kilmer rejoins the meeting by teleconference.

Proposed 2018 Legislation and corresponding Emergency Regulations (cont.)

Board members continued an in depth discussion regarding the proposed emergency regulations.

Upon a motion by Ms. Ferguson, and duly seconded, the members approved by unanimous vote that (a) upon the enactment of House Bill 752 and Senate Bill 428, the Virginia Board of Accountancy promulgate the proposed regulation as amended using the emergency process established in § 2.2-4011 of the Code of Virginia for situations in which Virginia statutory law requires that a regulation be effective in 280 days or less from its enactment, and the regulation is not exempt under the provisions of subdivision A 4 of § 2.2-4006 of the Code of Virginia; and (b) Board staff be directed to set the effective date of the emergency regulation as of the filing date with the Registrar of Regulations; and (c) Board staff be directed to concurrently file a Notice of Intended Regulatory Action for a permanent regulation to replace the emergency regulation. The members voting “**AYE**” were Mr. Boshier, Ms. Ferguson, Mr. Brown, Mr. Carson, Ms. Kilmer, Ms. Saunders and Ms. Warwick.

CPE credit recommendation for exams (cont.)

Ms. Ferguson led the discussion revisiting the proposed CPE credit recommendation for exams. Further review and discussion ensued. Ms. Ferguson recommended amending the CPE earned for the CFE (Certified Fraud Examiner) exam to 25 CPE hours. Discussion followed.

Upon a motion by Mr. Carson, and duly seconded, the members voted unanimously to accept the proposed CPE hours for Certified Fraud Examiner (CFE) exam as amended. The members voting “**AYE**” were Mr. Boshier, Ms. Ferguson, Mr. Brown, Mr. Carson, Ms. Kilmer, Ms. Saunders and Ms. Warwick.

ADDITIONAL ITEMS FOR DISCUSSION

Carry Over Items/Potential Future Topics

- CPE guidelines for publications (May)

**Board Meeting
February 8, 2018
Draft/Unapproved minutes**

- Adjudication Manual (May)
- Use of confidential consent agreements (May)
- CPE – Model Rules and VBOA/VSCPA discussions (May)
- Trust Fund Reserve Policy (May)
- Regulation changes (on-going)
- Marijuana Laws/Guidance (on-going)
- North Carolina Dental Case (on-going)

Sign Conflict of Interest forms

Sign Travel Expense vouchers

Future meeting dates

- April 19, 2018
- May 18, 2018
- June 21, 2018

ENFORCEMENT

Begin closed meeting

Upon a motion by Ms. Ferguson, and duly seconded, the members approved by unanimous vote the meeting be recessed and the VBOA immediately convene a closed meeting under the Virginia Freedom of Information Act for the provision of legal counsel and to consult with legal counsel on issues relating to probable litigation, and/or consider the status of all open Enforcement Cases, and cases listed on our agenda, a matter lawfully exempted from open meeting requirements under the ‘consulting with legal counsel’ and ‘disciplinary proceedings’ exemptions contained in Virginia Code § 2.2-3711(A)(7),(27). The following non-member will be in attendance to reasonably aid in the consideration of this topic: Robert Drewry. The following non-members will be in attendance for a portion of the closed meeting to reasonably aid in the consideration of this topic: Stephanie Saunders, Wade Jewell and Rebekah Allen.

End closed meeting

Upon a motion by Ms. Ferguson, and duly seconded, the VBOA approved by unanimous vote that the closed meeting, as authorized by § 2.2-3712.A of the Code of Virginia, be adjourned and that the VBOA immediately reconvene in an open public meeting. WHEREAS, the VBOA has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provision 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

**Board Meeting
February 8, 2018
Draft/Unapproved minutes**

member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law 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:

Matthew P. Boshier, Esq. – Aye
Susan Quaintance Ferguson, CPA – Aye
William R. Brown, CPA – Aye
D. Brian Carson, CPA – Aye
Andrea M. Kilmer, CPA – Aye
Stephanie S. Saunders, CPA – Aye
Laurie A. Warwick, CPA – Aye

VOTE:

Ayes: Seven (7)
Nays: None

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

Upon a motion by Mr. Brown and duly seconded, the members approved by unanimous vote that Wade A. Jewell be delegated the authority to review and approve for reinstatement Respondents who were suspended for a CPE deficiency and were in compliance with their Consent Order.

CALL FOR VOTE:

Matthew P. Boshier, Esq. – Aye
Susan Quaintance Ferguson, CPA – Aye
William R. Brown, CPA – Aye
D. Brian Carson, CPA – Aye
Andrea M. Kilmer, CPA – Aye
Stephanie S. Saunders, CPA – Aye
Laurie A. Warwick, CPA – Aye

VOTE:

Ayes: Seven (7)
Nays: None

**Board Meeting
February 8, 2018
Draft/Unapproved minutes**

Upon a motion by Ms. Saunders, and duly seconded, the members approved by unanimous vote that the category of “false certifications on any given renewal application” and penalties associated with this category be removed from the CPE violation penalty guidelines.

CALL FOR VOTE:

Matthew P. Boshier, Esq. – Aye
Susan Quaintance Ferguson, CPA – Aye
William R. Brown, CPA – Aye
D. Brian Carson, CPA – Aye
Andrea M. Kilmer, CPA – Aye
Stephanie S. Saunders, CPA – Aye
Laurie A. Warwick, CPA – Aye

VOTE:

Ayes: Seven (7)
Nays: None

Board Order:

Case # 2017-097-009D (Saunders and Moyers)

Ms. Saunders and Ms. Allen did not participate in the discussion.

Upon a motion by Mr. Brown, and duly seconded, the members voted unanimously to accept the final order as presented.

CALL FOR VOTE:

Matthew P. Boshier, Esq. – Aye
Susan Quaintance Ferguson, CPA – Aye
William R. Brown, CPA – Aye
D. Brian Carson, CPA – Aye
Andrea M. Kilmer, CPA – Aye
Stephanie S. Saunders, CPA – Abstain
Laurie A. Warwick, CPA – Aye

VOTE:

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

**Board Meeting
February 8, 2018
Draft/Unapproved minutes**

Begin closed meeting

Upon a motion by Ms. Ferguson, and duly seconded, the members approved by unanimous vote the meeting be recessed and the VBOA immediately convene a closed meeting under the Virginia Freedom of Information Act to discuss and consider a personnel matter relating to the Board of Accountancy staff, a matter lawfully exempted from open meeting requirements under the ‘personnel matters’ exemption contained in Virginia Code § 2.2-3711(A) (1). The following non-member will be in attendance to reasonably aid the consideration of this topic: Wade Jewell.

End closed meeting

Upon a motion by Ms. Ferguson, and duly seconded, the VBOA approved by unanimous vote that the closed meeting, as authorized by § 2.2-3712.A of the Code of Virginia, be adjourned and that the VBOA immediately reconvene in an open public meeting. WHEREAS, the VBOA has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provision 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 law 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:

Matthew P. Boshier, Esq. – Aye
Susan Quaintance Ferguson, CPA – Aye
William R. Brown, CPA – Aye
D. Brian Carson, CPA – Aye
Andrea M. Kilmer, CPA – Aye
Stephanie S. Saunders, CPA – Aye
Laurie A. Warwick, CPA – Aye

VOTE:

Ayes: Seven (7)
Nays: None

**Board Meeting
February 8, 2018
Draft/Unapproved minutes**

ADJOURNMENT

There being no further business before the VBOA, upon a motion by Ms. Saunders, and duly seconded, the meeting was adjourned by unanimous vote at 3:08 p.m. The members voting **AYE** were Mr. Boshier, Ms. Ferguson, Mr. Brown, Mr. Carson, Ms. Kilmer, Ms. Saunders and Ms. Warwick.

APPROVED:

Matthew P. Boshier, Esq., Chair

COPY TESTE:

Wade A. Jewell, Executive Director