
**Board Meeting
April 19, 2018
Draft/Unapproved minutes**

The Virginia Board of Accountancy met on Thursday, April 19, 2018, in Training 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
Andrea M. Kilmer, CPA
Stephanie S. Saunders, CPA
Laurie A. Warwick, CPA

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

LEGAL COUNSEL PRESENT

BY TELECONFERENCE: Joshua Laws, 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
Kelli Anderson, Communications Manager
Christine Rappe, CPE Coordinator

**MEMBERS OF THE
PUBLIC PRESENT:**

Tyrone Dickerson, CPA, NASBA At-Large Director and Continuing Professional Education (CPE) Committee Chair, former Board member and Chair
Stephanie Peters, CAE, President and CEO, Virginia Society of Certified Public Accountants
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

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Patrick A. Cushing, Esq., Williams Mullen, Counsel for Virginia Society
of Certified Public Accountants
Richard Groover, Incoming Chair Elect, Virginia Society of Certified
Public Accountants
Alan Nicholas, Peer Review Manager, Virginia Society of Certified
Public Accountants
Michael Hoehn
Bruce MacLeod

CALL TO ORDER

Mr. Boshier called the meeting to order at 10:03 a.m.

SECURITY BRIEFING

Ms. Anderson 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 April 19, 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

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

CONSENT AGENDA

Mr. Boshier requested that Consent Order #2017-255-031U be moved to closed session.

PUBLIC COMMENT PERIOD

Mr. Boshier welcomed and invited members of the public to provide comments.

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Ms. Walker introduced Alan Nichols to the Board members as the new Peer Review Manager for the VSCPA. Mr. Hoehn also spoke on behalf of himself regarding File No. 2017-373-018E.

BOARD DISCUSSION TOPICS

Update on 2018 Legislation and corresponding Regulations

Mr. Jewell led the discussion regarding proposed 2018 legislation and corresponding emergency regulations. Mr. Jewell informed the Board that the fast track changes to Board regulation 18VAC5-22-90, related to CPE, went into effect March 3, 2018. The four remaining fast track updates have also advanced to the Governor's office.

Mr. Jewell discussed after initiating emergency rulemaking for 18VAC5-22-180, DPB came back and said it should be an exempt action and not treated as emergency. Upon approval, the regulatory package will be submitted on or before April 25, 2018 (submission deadline). It will be published on May 14, 2018, with an effective date of June 13, 2018 (30 days after the date of publication). Upon a motion by Ms. Kilmer, and duly seconded, the members voted unanimously to move that (a) upon the enactment of House Bill 752 and Senate Bill 428, the VBOA promulgate the proposed regulation using the exempt process established; and (b) this action replaces the regulation and motion presented and approved at the Feb. 8, 2018, Board meeting regarding House Bill 752 and Senate Bill 428; and (c) board staff be directed to set the effective date of the proposed regulation 30 days after publication in *The Virginia Register*. The members voting "AYE" were Mr. Boshier, Ms. Ferguson, Mr. Brown, Mr. Carson, Ms. Kilmer, Ms. Saunders and Ms. Warwick.

Mr. Jewell discussed House Bill 883 as a regulatory reduction pilot program. Ms. Walker added that Senate Bill 20 was amended to match House Bill 883. She indicated that she and the VSCPA attorney, Patrick Cushing, have already engaged the administration on the future potential impact on the VBOA.

Mr. Jewell discussed House Bill 297 regarding changes to guidance documents. More information will be discussed at the May Board meeting.

Virginia-Specific Ethics Course update

Ms. Newsom-McCurdy led the discussion regarding the Virginia-Specific Ethics Course update. She noted that all pieces were ready for the 2018 course and currently being delivered to providers.

Mr. Jewell led an in depth discussion between the Board members and the members present from the VSCPA regarding next steps for the Virginia-Specific Ethics Course contract.

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VSCPA Incoming Chair-Elect Richard Groover and Stephanie Peters, VSCPA President and CEO, spoke on behalf of the VSCPA and the benefits of the Virginia-Specific Ethics Course, asking that the Board approve the 2-year contract extension.

Additional information has been requested from the VSCPA and VBOA staff to assist in making a future determination. Further discussion regarding the 2-year contract extension will be held during the May Board meeting.

EXECUTIVE DIRECTOR'S REPORT

General Updates

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

- Mr. Jewell informed the Board that MicroPact had presented demo #1 to VBOA staff of the new exam/licensing/enforcement system.
- Ms. Charity provided an update regarding letters, emails and automated calls made regarding license renewals for February 2018 and March 2018.
- Mr. Jewell informed the Board that the NASBA Reorganization Impact Task Force and the AICPA will be holding an upcoming teleconference.
- Mr. Jewell discussed the new pathway to CPA. NASBA is discussing the future of the profession by possibly including technological and analytical elements into the CPA exam.
- Mr. Jewell discussed nominations for NASBA committee members and the Board approved to support Mr. Dickerson's nomination to continue his position as a Director-at-Large for a second 3-year term.
- Mr. Jewell reminded Board members that the NASBA committee interest forms were due by April 24.
- Mr. Jewell discussed the possibility of holding the 2018 campus Board meeting on George Mason University's campus on either Nov. 7, 2018, or Nov. 13, 2018.

March 2018 Board Report

Ms. Charity presented and fielded questions regarding the March 2018 Board Report.

March 2018 Financial Report

Ms. Reinholtz presented and fielded questions regarding the March 2018 Financial Report.

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COMMITTEE UPDATES

NASBA Education Committee

Ms. Ferguson led the discussion regarding the NASBA Education Committee. She noted the committee participated in two conference calls regarding academic creditability with accredited institutions, course transfers and the future of accounting education.

NASBA Communications Committee

Mr. Carson led the discussion regarding the NASBA Communications Committee. He noted that the majority of states are using the NASBA Communications Department to assist in their communication efforts.

NASBA Middle Atlantic Regional Director

Ms. Saunders led the discussion as the NASBA Middle Atlantic Regional Director. She noted that they are planning the regional meetings for this June and this will be her last year as the regional director (completing the maximum of three years).

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, were held in Destin, FL, March 13–15, 2018. He noted Mr. Bosher's presentation was very well received during the conference and he was approached to potentially speak at the NASBA Annual Meeting in the fall of 2018. His presentation included his perspective as chair of the VBOA and as the only public member on the Board.

RECESS FOR LUNCH 11:55 a.m.

RECONVENE 12:45 p.m.

PUBLIC COMMENT PERIOD

Mr. Bosher welcomed and invited members of the public to a second public comment period to provide comments. Mr. MacLeod spoke on behalf of himself regarding File No. 2017-401-025E.

ADDITIONAL ITEMS FOR DISCUSSION

Carry Over Items/Potential Future Topics

- CPE guidelines for publications (May)
- Adjudication Manual (May)
- Use of confidential consent agreements (May)

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- 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

- May 18, 2018
 - June 21, 2018
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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-members will be in attendance for a portion of the closed meeting to reasonably aid in the consideration of this topic: Wade Jewell, Joshua Laws and Robert Drewry.

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

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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:

Consent Order: 2017-401-025E (Bradshaw and Moyers)

Upon a motion by Ms. Saunders and duly seconded, the members voted unanimously to accept the consent 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 – Aye
Laurie A. Warwick, CPA – Aye

VOTE:

Ayes: Seven (7)
Nays: None

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Consent Order: 2018-056-005E (Ferguson and Brown)

Upon a motion by Mr. Brown and duly seconded, the members voted unanimously to accept the consent 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 – Aye
Laurie A. Warwick, CPA – Aye

VOTE:

Ayes: Seven (7)
Nays: None

Consent Order: 2017-255-031U (Ferguson and Brown)

Mr. Boshier recused himself from the discussion of the case.

Upon a motion by Ms. Ferguson and duly seconded, the members voted to accept the consent order as presented.

CALL FOR VOTE:

Matthew P. Boshier, Esq. – Abstain
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: Six (6)
Abstain: One (1)
Nays: None

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Final Order: 2017-373-018E (Bradshaw and Moyers)

Upon a motion by Mr. Carson and duly seconded, the members voted unanimously to remand the case back to the enforcement committee for further investigation.

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

Final Order: 2017-041-017C (Jewell and Allen)

Mr. Jewell and Ms. Allen did not participate in the discussion.

Upon a motion by Mr. Boshier 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 – Aye
Laurie A. Warwick, CPA – Aye

VOTE:

Ayes: Seven (7)
Nays: None

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Final Order: 2017-080-048C (Jewell and Allen)

Mr. Jewell and Ms. Allen did not participate in the discussion.

Upon a motion by Ms. Warwick 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 – Aye
Laurie A. Warwick, CPA – Aye

VOTE:

Ayes: Seven (7)
Nays: None

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;

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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

ADJOURNMENT

There being no further business before the VBOA, upon a motion by Ms. Ferguson, and duly seconded, the meeting adjourned by unanimous vote at 2:55 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