

**Board Meeting
August 18, 2020
Final/Approved minutes**

The Virginia Board of Accountancy met on Tuesday, August 18, 2020, in Board Room #4 of the Perimeter Center, 9960 Mayland Drive, Henrico, Virginia 23233.

MEMBERS PRESENT: D. Brian Carson, CPA, CGMA, Chair
W. Barclay Bradshaw, CPA
William R. Brown, CPA
Wendy P. Lewis, CPA
Nadia A. Rogers, CPA

**MEMBERS APPEARING
VIRTUALLY:** Laurie A. Warwick, CPA, Vice Chair
Jay Bernas

**LEGAL COUNSEL
APPEARING
VIRTUALLY:** James Flaherty, Assistant Attorney General,
Office of the Attorney General

STAFF PRESENT: Nancy Glynn, CPA, Executive Director
Renai Reinholtz, Deputy Director
Amanda E. M. Blount, Enforcement Director
Kelli Anderson, Communications Manager
Patti Hambright, CPE Coordinator and Administrative Assistant
Elaina Johnson

**STAFF APPEARING
VIRTUALLY:** Elizabeth Marcello, Information and Policy Advisor

**SPEAKING MEMBERS
OF THE PUBLIC
APPEARING
VIRTUALLY:** Daniel J. Dustin, CPA, NASBA, Vice President, State Board Relations
Will Fleagle, Project Manager, System Automation Corporation
Mike Ulrey, Project Manager, VBOA
Elizabeth Wabik, PMP, Project Manager, System Automation
Corporation

**SPEAKING MEMBERS
OF THE PUBLIC:** G. Stewart Petoe, Executive Director, Virginia Conflict of Interest and
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Emily Walker, CAE, Vice President, Advocacy, Virginia Society of
Certified Public Accountants
Jacqueline D. White, CPA
Steven Buwe, CPA

CALL TO ORDER

Mr. Carson called the meeting to order at 10 a.m.

DETERMINATION OF QUORUM

Mr. Carson determined there was a quorum present.

SECURITY BRIEFING

Ms. Hambright provided the emergency evacuation procedures.

APPROVAL OF AGENDA

Upon a motion by Mr. Bradshaw, and duly seconded, the members voted unanimously to approve the August 18, 2020, agenda as presented. The members voting “**AYE**” were Mr. Carson, Ms. Warwick, Mr. Bernas, Mr. Bradshaw, Mr. Brown, Ms. Lewis and Ms. Rogers.

APPROVAL OF MINUTES

Upon a motion by Mr. Brown, and duly seconded, the members voted to approve the June 23, 2020, Board meeting minutes, as presented. The members voting “**AYE**” were Mr. Carson, Ms. Warwick, Mr. Bradshaw, Mr. Brown and Ms. Rogers. (Mr. Bernas and Ms. Lewis were not present at the June 23, 2020, Board meeting and abstained from the vote.)

APPROVAL OF CONSENT AGENDA

Upon a motion by Mr. Bradshaw, and duly seconded, the members voted unanimously to approve the Consent Agenda, as presented.

CALL FOR VOTE:

D. Brian Carson, CPA, CGMA – Aye
Laurie A. Warwick, CPA – Aye
Jay Bernas – Aye

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W. Barclay Bradshaw, CPA – Aye
William R. Brown, CPA – Aye
Wendy P. Lewis, CPA – Aye
Nadia A. Rogers, CPA – Aye

VOTE:

Ayes: Seven (7)

Nays: None

WELCOME

Mr. Carson and fellow Board members welcomed new Board members Mr. Bernas and Ms. Lewis. Introductions were made.

PUBLIC COMMENT PERIOD

Ms. Walker noted beginning September 1, 2020, the AICPA would be launching the .cpa domain name. Licensed individual CPAs and licensed CPA firms will be able to apply to place the domain .cpa on their web address. Anyone using the .cpa domain will be verified by the AICPA to ensure it is a CPA entity.

In regards to the CPA Evolution Initiative, Ms. Walker noted the VSCPA's focus would be assisting educators and educational institutions.

Ms. Walker noted the VSCPA had provided a letter of support for the VBOA's proposed regulatory changes.

Ms. Walker stated the VSCPA continued to support the VBOA's current model regarding the publication of CPE disciplinary actions for licensed CPAs.

Ms. White addressed the Board in regards to pending disciplinary action. She provided a summary of the events leading to the pending disciplinary action.

Mr. Buwe addressed the Board in regards to disciplinary action and provided a summary of events leading to the disciplinary action.

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CONFLICT OF INTEREST TRAINING

Mr. Petoe provided a handout and PowerPoint presentation regarding the duties of the Virginia Conflict of Interest and Ethics Advisory Council. His presentation included reviewing prohibited conduct and personal interests. He provided examples to help in the Board's understanding. Mr. Petoe fielded questions.

MLO UPGRADE

Mr. Ulrey, Ms. Wabik and Mr. Fleagle provided an update to the VBOA MLO (MyLicense Office) system upgrade. At a high level, Mr. Fleagle demonstrated the new enforcement module and displayed documents the public would be able to access.

PROPOSED UAA CHANGES AND NASBA OVERVIEW

Mr. Dustin provided a handout and PowerPoint presentation regarding an overview of the UAA (Uniform Accountancy Act) and NASBA. He provided a summary of NASBA's tools and services. In addition, he provided an update for the UAA Committee.

COMMITTEE UPDATES

NASBA Communications Committee

Mr. Carson noted there were no updates for the NASBA Communications Committee at this time.

NASBA Enforcement Resources Committee

Mr. Brown noted there were no updates for the NASBA Enforcement Resources Committee at this time.

RECESS FOR LUNCH 12:20 p.m.

RECONVENE 12:45 p.m.

EXECUTIVE DIRECTOR'S REPORT

General Updates

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

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- Ms. Glynn provided an update to the Board regarding the number of individual and firm CPA licenses, which were not renewed by the June 30 deadline. She noted in comparison to last year, the number had declined.
- Ms. Glynn noted new Board member orientation for Mr. Bernas and Ms. Lewis had gone well.
- Ms. Glynn requested an extension by the Board for her delegation of authority to grant renewal exceptions. A thorough discussion ensued.

Upon a motion by Mr. Brown, and duly seconded, the members voted unanimously to approve Ms. Glynn's delegation of authority in determining license renewal exemptions until August 15, 2020.

CALL FOR VOTE:

D. Brian Carson, CPA, CGMA – Aye
Laurie A. Warwick, CPA – Aye
Jay Bernas – Aye
W. Barclay Bradshaw, CPA – Aye
William R. Brown, CPA – Aye
Wendy P. Lewis, CPA – Aye
Nadia A. Rogers, CPA – Aye

VOTE:

Ayes: Seven (7)
Nays: None

CPE Revised Audit Results

Ms. Glynn noted the NASBA CPE (continuing professional education) Audit Service continued to have issues. She provided Board members with CPE deficiency rates currently and for previous calendar years. The deficiency rates fluctuated between 16% and 26%. A thorough discussion ensued which, included new opportunities for educating CPAs on CPE requirements.

Financial and Board Report Update

Ms. Reinholtz presented and fielded questions regarding the July 2020 Financial and Board Report.

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Five-year Financial Forecast

Ms. Reinholtz presented and fielded questions regarding the Cash Flow and Trust Fund Balance projections for FY2021–FY2025.

Enforcement Update

Ms. Blount led the discussion regarding the enforcement update. She provided the Enforcement Report and Status of Open Cases as of July 31, 2020. She noted unlicensed activity had increased significantly. An in-depth discussion ensued. Ms. Blount fielded questions.

Regulatory Update

Ms. Marcello led the discussion regarding regulatory updates. The 60-day public comment period for the currently proposed regulations will end on August 21, 2020. Ms. Marcello summarized the regulatory process moving forward.

Public hearing on proposed regulations

Ms. Marcello noted the only comment provided regarding the VBOA’s proposed regulations was submitted by the VSCPA.

BOARD DISCUSSION TOPICS

Ethics Course update following Ethics Committee meeting

Mr. Brown led the discussion regarding the ethics course update following the Ethics Committee meeting on July 23. He briefed the Board on the committee’s discussion. Ms. Anderson is preparing the VBOA Segment script and working closely with NASBA regarding design and graphics.

Topics will include:

- Inactive status guidelines
- Overall CPE requirements
- Information about the VBOA website

VBOA comment for Model Rules of Education

Ms. Rogers led the discussion regarding the VBOA comment for the UAA Model Rules on Education. She noted her concerns regarding the proposed changes. Ms. Rogers will provide a letter for review to Board members with the goal of providing a response by the August 31, 2020 deadline.

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Prioritization of enforcement cases

Ms. Blount led the discussion regarding the prioritization of enforcement cases. Ms. Blount and Ms. Warwick worked together creating the Case Priority Assignment for Enforcement Matters document. A thorough discussion ensued.

Upon a motion by Mr. Bradshaw, and duly seconded, the members voted unanimously to add the Case Priority Assignment for Enforcement Matters document to the Enforcement Adjudication Manual.

CALL FOR VOTE:

D. Brian Carson, CPA, CGMA – Aye
Laurie A. Warwick, CPA – Aye
Jay Bernas – Aye
W. Barclay Bradshaw, CPA – Aye
William R. Brown, CPA – Aye
Wendy P. Lewis, CPA – Aye
Nadia A. Rogers, CPA – Aye

VOTE:

Ayes: Seven (7)
Nays: None

Publication of Disciplinary Action

After a thorough discussion the Board agreed no changes were necessary to the current Publication of Disciplinary Action policy.

ADDITIONAL ITEMS FOR DISCUSSION

- Sign Conflict of Interest forms
- Sign Travel Expense vouchers

FUTURE MEETING DATE

- October 8, 2020

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Begin closed meeting

Upon a motion by Ms. Warwick, and duly seconded, 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 to 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).

The following non-member will be in attendance for the closed meeting to reasonably aid in the consideration of this topic: James Flaherty (Mr. Flaherty is participating virtually)

The following non-members will be in attendance for a portion of the closed meeting to reasonably aid in the consideration of this topic: Nancy Glynn and Amanda Blount.

End closed meeting

Upon a motion by Ms. Warwick, and duly seconded, 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 (D) 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.

CALL FOR VOTE:

D. Brian Carson, CPA, CGMA – Aye
Laurie A. Warwick, CPA – Aye
Jay Bernas – Aye
W. Barclay Bradshaw, CPA – Aye
William R. Brown, CPA – Aye
Wendy P. Lewis, CPA – Aye
Nadia A. Rogers, CPA – Aye

VOTE:

Ayes: Seven (7)

Nays: None

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

Case #2019-176-014U (Blount, Glynn, Warwick and Winters)

Ms. Blount, Ms. Glynn, and Ms. Winters were not present and did not participate in the closed discussion. Ms. Warwick did not participate in the closed discussion.

Upon a motion by Mr. Bradshaw, and duly seconded, members voted unanimously to remand Final Order 2019-176-014U back to Enforcement.

CALL FOR VOTE:

D. Brian Carson, CPA, CGMA – Aye
Laurie A. Warwick, CPA – Abstain
Jay Bernas – Aye
W. Barclay Bradshaw, CPA – Aye
William R. Brown, CPA – Aye
Wendy P. Lewis, CPA – Aye
Nadia A. Rogers, CPA – Aye

VOTE:

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

Case #2020-023-023C (Glynn and Winters)

Ms. Glynn and Ms. Winters were not present and did not participate in the closed discussion.

Upon a motion by Mr. Bradshaw, and duly seconded, members voted to close Final Order 2020-023-023C without sanctions.

CALL FOR VOTE:

D. Brian Carson, CPA, CGMA – Aye
Laurie A. Warwick, CPA – Aye
Jay Bernas – Aye
W. Barclay Bradshaw, CPA – Aye
William R. Brown, CPA – Aye

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Wendy P. Lewis, CPA – Aye
Nadia A. Rogers, CPA – Aye

VOTE:
Ayes: Seven (7)
Nays: None

Case #2020-056-056C (Glynn and Winters)

Ms. Glynn and Ms. Winters were not present and did not participate in the closed discussion.

Upon a motion by Ms. Rogers, and duly seconded, members voted to accept Final Order 2020-056-056C, as presented.

CALL FOR VOTE:

D. Brian Carson, CPA, CGMA – Aye
Laurie A. Warwick, CPA – Aye
Jay Bernas – Aye
W. Barclay Bradshaw, CPA – Aye
William R. Brown, CPA – Aye
Wendy P. Lewis, CPA – Aye
Nadia A. Rogers, CPA – Aye

VOTE:
Ayes: Seven (7)
Nays: None

Case #2020-093-093C (Blount and Glynn)

Ms. Blount and Ms. Glynn were not present and did not participate in the closed discussion.

Upon a motion by Ms. Warwick, and duly seconded, members voted to accept Final Order 2020-093-093C, as presented.

CALL FOR VOTE:

D. Brian Carson, CPA, CGMA – Aye
Laurie A. Warwick, CPA – Aye

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Jay Bernas – Aye
W. Barclay Bradshaw, CPA – Aye
William R. Brown, CPA – Aye
Wendy P. Lewis, CPA – Aye
Nadia A. Rogers, CPA – Aye

VOTE:

Ayes: Seven (7)

Nays: None

ADJOURNMENT

There being no further business before the VBOA, Mr. Carson adjourned the meeting at 3:11 p.m.

APPROVED:

D. Brian Carson, CPA, CGMA, Chair

COPY TESTE:

Nancy Glynn, CPA, Executive Director