
**Board Meeting
May 27, 2021
Final/Approved minutes**

The Virginia Board of Accountancy met on Thursday, May 27, 2021, in Board Room #4 of the Perimeter Center, 9960 Mayland Drive, Henrico, Virginia 23233.

MEMBER PRESENT: W. Barclay Bradshaw, CPA

**MEMBERS APPEARING
VIRTUALLY:** D. Brian Carson, CPA, CGMA, Chair
Laurie A. Warwick, CPA, Vice Chair
Jay Bernas
William R. Brown, CPA
Nadia A. Rogers, CPA

MEMBER ABSENT: Wendy P. Lewis, CPA

**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

**MEMBERS OF THE
PUBLIC PRESENT:** Emily Walker, CAE, Vice President, Advocacy, Virginia Society of
Certified Public Accountants
Amy Mawyer, Vice President, Learning, Virginia Society of
Certified Public Accountants

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.

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SECURITY BRIEFING

Ms. Hambright provided the emergency evacuation procedures.

APPROVAL OF AGENDA

Upon a motion by Mr. Bradshaw, and duly seconded, the members voted to approve the May 27, 2021, agenda, as presented.

CALL FOR VOTE:

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

VOTE:

Ayes: Six (6)
Nays: None

APPROVAL OF MINUTES

Upon a motion by Mr. Bradshaw, and duly seconded, the members voted to approve the April 22, 2021, Board meeting minutes, as presented.

CALL FOR VOTE:

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

VOTE:

Ayes: Six (6)
Nays: None

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PUBLIC COMMENT PERIOD

Ms. Walker noted the VSCPA had provided small group feedback sessions regarding CPA Evolution and had found the sessions helpful.

Ms. Walker noted the VSCPA was reviewing the education draft and looking forward to continued dialogue with the VBOA regarding the education changes.

Ms. Mawyer provided the VBOA with continuing professional education (CPE) program updates. The VSCPA will return to in person learning in July and will continue hybrid educational program offerings.

Ms. Mawyer noted the VSCPA was exploring Learning Management Systems for CPE tracking and working with the VBOA regarding the CPE Audit Service challenges.

Ms. Mawyer noted the VSCPA reported more than 2,000 CPAs have taken the Virginia 2021 ethics course and the course has received rave reviews. Mr. Carson noted the Board was looking forward to the ethics course reviews.

EXECUTIVE DIRECTOR'S REPORT

General updates

- Ms. Glynn noted Virginia Secretary of Finance Aubrey L Layne Jr., CPA, would join Sentara Healthcare effective July 1, 2021.
- Ms. Glynn reported CPA license renewals continue to go well. As a courtesy, the VBOA would be mailing postcard renewal reminders to more than 12,000 CPAs yet to renew.
- Ms. Glynn noted a new CPE audit pool would be going out soon and licensees would receive an email notification of their random selection for a CPE audit.
- Ms. Glynn noted the NASBA CPE Audit Service continues to have issues. The VBOA is exploring alternatives.
- Ms. Glynn noted the VBOA would be implementing the Jasper reporting tool.
- Ms. Glynn noted the 2021 Virginia ethics course has been going very well. Currently more than 50 courses are being offered.

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- Ms. Glynn noted the Ethics Committee planned to meet on June 9, 2021, and she welcomed Board member comments.
- Ms. Glynn noted the VBOA would be posting job positions for current vacancies.
- Ms. Glynn noted the NASBA 2021 New Board Member Orientation would be held June 8, 2021.
- Ms. Glynn noted the virtual NASBA Regional Meeting would be held June 22-23, 2021, and encouraged Board members to attend.

Financial and Board Report update

Ms. Reinholtz presented and fielded questions regarding the April 2021 Financial and Board Report.

Enforcement update

Ms. Blount led the discussion regarding the enforcement update. She provided a handout and noted Informal Fact Finding conferences (IFF) were held on April 27, 2021, and May 18, 2021. Additional conferences are scheduled June 1, June 8, June 29, July 20, and July 27. Ms. Blount fielded questions. CPE deficiency cases were discussed. Ms. Glynn reiterated the issues with the NASBA CPE Audit Service.

Board 2022 Planning Topics

Prior Year Planning Topics: Fiscal Year 2021 Year in Review

Ms. Warwick led the discussion regarding the fiscal year 2021 year in review. She provided a brief description of prior year planning topics and the achieved timeframe for the topics.

- Non-CPE penalty guidelines – Unlicensed use of the title approved April 2021
- Prioritization of complaints – approved August 2020 and added to Enforcement Processes manual in October 2020
- VBOA comment letter regarding Draft Model Rules on Education – Completed August 2020
- Criminal convictions – Delegation policy revised and approved December 2020
- Background checks – Discussed and determined no changes are necessary, October 2020
- Publication of disciplinary actions – Discussed and determined no change in current process, August 2020

Ms. Warwick provided additional topics discussed and completed during the Fiscal Year 2021

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- Addressing COVID-19 – extensions and relief
- Discussion and Approval of Remote Testing pilot
- Changes to the Virginia 2021 Ethics format and offerings
- Revisions to VBOA Policies 2, 3, 4 and 8
- Licensing System Upgrade

Ms. Warwick provided four suggested topics for the FY2022 planning meeting; enforcement, education, fee increase and CPE guidance. The peer review process would be included in the enforcement review.

In regards to the enforcement topic discussion, Ms. Warwick suggested considering what the system was capable of doing, timelines, prioritization of cases, metrics, and tracking cases with probable cause reviews. Ms. Blount’s input would be included.

Cash flow analysis and potential fee increase

Mr. Carson suggested using the S.M.A.R.T. goal philosophy as a tool for achieving the VBOA’s planning objective. He suggested starting with the cash flow analysis and potential fee increase topic. He suggested a fee structure that would be reasonable and comparable to nationwide fees and that would be sufficient to fund all expenditures for the next five years. Ms. Glynn noted a possibility of two routes for a proposed fee increase: the escalation route and a blanket increase. Mr. Carson created a S.M.A.R.T goals workbook and shared with the Board members and staff.

S.M.A.R.T. is defined as Specific, Measurable, Achievable, Relevant, and Time-based.

Board members discussed the “Specific” as it related to the cash flow analysis and potential fee increase. The “Specific” included a reasonable fee structure that would fund all VBOA expenditures for a minimum of 10 years while maintaining a minimum contingency fund in line with the VBOA policy. The timeline is July 1, 2023. Mr. Carson and Mr. Bernas have volunteered to be the Board’s Champions for the task.

CPE awarded for publications, presentations

CPE awarded for professional designations/exams, training programs

Using the S.M.A.R.T. goal template, Board members provided the “Specific” as related to awarding CPE for publications and presentations, and professional designations/exams and training programs. The “Specific” included updating the existing VBOA policy by adding a standardized formula for awarding CPE for these items. Board Champions for CPE review would be Ms. Rogers and Ms. Warwick. The end of December 2021 was provided as a timeline.

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CPA Evolution

Ms. Rogers led the discussion regarding CPA Evolution. She provided a handout, which included a timeline and commonly asked questions. An in depth discussion ensued.

**Required coursework to take the CPA exam
Required coursework for CPA licensure**

Using the S.M.A.R.T. goal formula, Board members provided the “Specific” as related to education which would include the model curriculum and any update to VBOA education guidelines and regulations as necessary. In addition, to consider the impact of the 24 hours of upper level accounting and 24 hours of business courses to include outreach and communications of the VBOA decisions. Board Champions would be Ms. Rogers and Ms. Lewis. October of 2021 was provided as a time line.

Board members also discussed the impact of 30 additional hours of education necessary for licensure using the S.M.A.R.T goal template. Board Champions would be Ms. Rogers and Ms. Lewis. May of 2022 was provided as a time line.

RECESS FOR LUNCH 12:15 p.m.

RECONVENE 12:45 p.m.

Ms. Warwick clarified the role of Board Champions. She explained that Ms. Glynn is charged with S.M.A.R.T goals implementation, progress and agency operations while the Board Champions act as a liaison and through the executive director to provide high-level oversight and report to the board on the progress made towards achieving the goals.

**Education requirements
Accreditation standards**

Ms. Warwick led the discussion regarding accreditation standards. Board members will continue to assess the impact of the UAA Model Rules on the VBOA’s regulations as it relates to accreditation. A May 2022 timeline was provided. Board Champions would be Ms. Rogers and Ms. Lewis.

Enforcement

Ms. Warwick led the enforcement discussion, which included peer review. The enforcement goal is to create an efficient, transparent process that would be consistent and timely. Board members conveyed a need for an automated system to identify firms not enrolled in peer review as well as those without timely peer reviews and/or have consecutive failed peer reviews.

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Ms. Glynn noted other Boards of Accountancy rely on the Virginia Board of Accountancy in regards to firm reciprocity. Ms. Walker noted an opportunity for the VBOA to consult with the VSCPA regarding peer review within limitations of the program. A March 2022 timeline was provided. Board Champions would be Ms. Rogers and Mr. Bradshaw.

Mr. Bradshaw discussed probable cause reviews and the possibility of assigning multiple Board members for their review. A triage practice was discussed. Ms. Blount noted her concern with multiple Board members discussing cases and a conflict that could result with IFF conferences. The S.M.A.R.T goal template consisted of developing a timeline with benchmarks to ensure the system could track each case throughout the enforcement life cycle. Discussion continued. Multiple timelines were established. Board Champions would be Mr. Brown, Mr. Bradshaw and Ms. Lewis.

General S.M.A.R.T. guidelines

Mr. Carson suggested the Board Champion provides a brief update of each goal at each Board meeting moving forward. Mr. Carson will revise the S.M.A.R.T goals workbook to reflect Board discussion. Once the S.M.A.R.T goals have been revised, Ms. Glynn will provide Board members with a copy.

ADDITIONAL ITEMS FOR DISCUSSION

- Sign Conflict of Interest forms
- Sign Travel Expense vouchers

FUTURE MEETING DATES

- June 24, 2021
- August 31, 2021

Additional meeting dates will be announced at the June 24, 2021, Board meeting.

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

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Freedom of Information Act to a matter lawfully exempted from open meeting requirements under the 'Legal advice regarding specific legal matters' and 'personnel matters' exemptions contained in Virginia Code §2.2-3711 (A)(8) and Code §2.2-3711 (A)(1).

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

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, Amanda Blount

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
Nadia A. Rogers, CPA – Aye

VOTE:

Ayes: Six (6)
Nays: None

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

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Nadia A. Rogers, CPA – Aye

VOTE:

Ayes: Six (6)

Nays: None

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

Case #2020-177-177C (Blount, Burkarth and Glynn)

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

Upon a motion by Mr. Bradshaw, and duly seconded, members voted unanimously to accept Case #2020-177-177C, 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

Nadia A. Rogers, CPA – Aye

VOTE:

Ayes: Six (6)

Nays: None

ADJOURNMENT

There being no further business before the VBOA, Mr. Carson adjourned the meeting at 2:42 p.m.

APPROVED:

D. Brian Carson, CPA, CGMA, Chair

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COPY TESTE:

Nancy Glynn, CPA, Executive Director