
**Board Meeting
August 31, 2017
Final/Approved minutes**

The Virginia Board of Accountancy met on Thursday, August 31, 2017, in Board Room #1 of the Perimeter Center, 9960 Mayland Drive, Henrico, Virginia 23233.

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

**MEMBERS PRESENT
FOR A PORTION OF
THE MEETING:** D. Brian Carson, CPA

MEMBER ABSENT: Andrea M. Kilmer, CPA

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

STAFF PRESENT: Wade A. Jewell, Executive Director
Mary Charity, Deputy Director of Operations
Patti Hambright, CPE Coordinator and Administrative Assistant
Renai Reinholtz, Accounting Specialist

**STAFF PRESENT
FOR A PORTION OF
THE MEETING:** Rebekah Allen, Enforcement Director

**MEMBERS OF THE
PUBLIC PRESENT:** Stephanie Peters, CAE, President and CEO, 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
Staci A. Henshaw, CPA, Auditor of Public Accounts, VSCPA Board of
Directors, Chair
Jim Cole, CPA

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CALL TO ORDER

Mr. Boshier called the meeting to order at 10:00 a.m.

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 Ms. Ferguson, and duly seconded, the members voted unanimously to approve the August 31, 2017, agenda as amended. The members voting “**AYE**” were Mr. Boshier, Ms. Ferguson, Mr. Brown, Mr. Carson, Ms. Saunders and Ms. Warwick.

APPROVAL OF MINUTES

Upon a motion by Mr. Carson, and duly seconded, the members voted unanimously to approve the June 14, 2017 Board meeting minutes as presented. The members voting “**AYE**” were Mr. Boshier, Ms. Ferguson, Mr. Carson, Ms. Saunders and Ms. Warwick. (Mr. Brown was not present for the June 14, 2017 Board meeting).

APPROVAL OF CONSENT AGENDA

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

WELCOME AND BOARD INTRODUCTIONS TO NEW BOARD MEMBER

Mr. Boshier welcomed Mr. Brown to the Board. Mr. Boshier asked Board members, staff and the public to introduce themselves.

PUBLIC COMMENT PERIOD

There were no public comments at this time.

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BOARD DISCUSSION TOPICS

Review of comments on periodic review of 18VAC5-11 and approval of agency action

Ms. Allen led the discussion regarding the review of comments on the required periodic review of 18VAC5-11 (public participation guidelines) and approval of agency action. She noted the guidelines had been published on the Virginia Board of Accountancy website and on Town Hall. No changes had been made to the document and no comments had been received.

Upon a motion by Ms. Saunders, and duly seconded, the members voted unanimously to move that (a) the Virginia Board of Accountancy retain its public participation regulations in 18VAC5-11 without any change because it is mandated by law, assists in notifying the public of the agency's regulatory actions, and no significant changes have occurred since this regulation was promulgated that necessitate amending it; and (b) Board staff be directed to post this decision to Town Hall via the appropriate forms. The members voting "AYE" were Mr. Boshier, Ms. Ferguson, Mr. Brown, Mr. Carson, Ms. Saunders and Ms. Warwick.

Proposed Fast Track regulation changes

Ms. Allen led the discussion regarding the proposed fast track regulation changes and process. Mr. Jewell recommended submitting numerous fast track packages. The Board reviewed and discussed in detail each fast track proposal. Revisions were made. Ms. Walker also commented on the revisions.

Upon a motion by Mr. Brown, and duly seconded, the members voted unanimously to approve section by section changes to the proposed fast track regulations and directed staff to move forward with the proposed changes. The members voting "AYE" were Mr. Boshier, Ms. Ferguson, Mr. Brown, Mr. Carson, Ms. Saunders and Ms. Warwick.

Proposed changes to Board Policy #5 (Publication of Board Disciplinary Action)

Ms. Allen led the discussion regarding the proposed changes to Board Policy #5. She noted CPAverify as a useful tool for the public in identifying enforcement actions against CPAs. Ms. Walker also commented on the proposed changes. After a thorough discussion the Board agreed to table this discussion for a later date.

VSCPA – 2025 Vision (VSCPA)

Ms. Peters made a presentation regarding the VSCPA's vision for 2025. She noted a year ago the society had begun to look at trends, focus groups and attend Town Hall meetings. She noted the society is embarking on an important initiative in creating a vision to help get their members to thrive in the future. Ms. Peters noted the four strategies were:

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- Culture of learning; adapt to new and different services
- Drive innovation and vision
- Influence students to become CPAs; make the pathway easier and provide education
- Continue to advocate for members

Ms. Peters also noted the intended expansion of relationships with other agencies. She asked Board members for their thoughts and fielded questions.

Virginia-Specific Ethics Course – Presentation (VSCPA) and Board discussion

Ms. Peters provided input regarding the Virginia-Specific Ethics Course. She provided a brief history of the course. Ms. Peters also stated her view that having a sole content provider for the ethics course enabled the course to deliver high quality information and content.

Ms. Peters introduced Mr. Cole, noting he instructs 35 live ethics courses and on-line ethics courses annually to over 9,000 CPAs. Mr. Cole has been an instructor since 2004 and has been a primary author of the course for many years. Mr. Cole noted he was very passionate about the Virginia-Specific Ethics Course and shared his views regarding the usefulness of the course. Mr. Boshier invited Mr. Cole to attend the VBOA Ethics Committee Meeting on September 15, 2017.

Ms. Henshaw also shared her views regarding the usefulness of the course.

VSCPA – Letter regarding reinstatement fees

Ms. Peters discussed the VSCPA letter regarding reinstatement fees that had been sent to the Board members. Following discussion, no action was taken by the Board.

Proposed CPE for Certified Government Financial Manager (CGFM) Exam

Ms. Ferguson led the discussion regarding the proposed CPE for the Certified Government Financial Manager Exam. Ms. Ferguson recommended 10 CPE each for the three CGFM exams.

Upon a motion by Ms. Ferguson, and duly seconded, the members voted unanimously to accept the proposed CPE for Certified Government Financial Manager (CGFM) Exam as presented. The members voting “**AYE**” were Mr. Boshier, Ms. Ferguson, Mr. Brown, Mr. Carson, Ms. Saunders and Ms. Warwick.

Mr. Boshier temporarily left the meeting.

NASBA Exposure Draft – Use of Titles

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Ms. Saunders led the discussion regarding the NASBA Exposure draft – Use of Titles. She noted the AICPA and NASBA had been working to develop new language in the Uniform Accountancy Act (UAA) which would allow non-CPAs to use management accounting designations with certain restrictions. The deadline for comments on the Exposure Draft is September 30, 2017. Ms. Saunders presented a draft letter commenting on the Exposure Draft. She noted for Virginia this is a non-issue because this Board does not have statutory authority to regulate the non-CPA CGMA title. After a thorough discussion, however, the Board members present agreed to submit the draft comment letter proposed by Ms. Saunders.

Upon a motion by Ms. Saunders, and duly seconded, the members voted to send the draft letter proposed by Ms. Saunders commenting on the NASBA Exposure Draft. The members voting “**AYE**” were Ms. Ferguson, Mr. Brown, Mr. Carson, Ms. Saunders and Ms. Warwick. Note: Mr. Boshier was not present during the discussion of the NASBA Exposure Draft – Use of Title, took no part in the preparation of the letter accepted by the Board, and did not participate in any discussion of the issues addressed in the letter preceding the vote.

Mr. Boshier returned to the meeting.

RECESS FOR LUNCH 12:22 p.m.

RECONVENE 12:45 p.m.

Board Discussion Topics, continued

Proposed 2018 Legislation

Mr. Jewell and Ms. Allen led the discussion regarding proposed 2018 legislation. Mr. Jewell informed the Board that the VSCPA would submit legislation to give the Board authority to implement a single renewal date for licensees. Ms. Allen reviewed other potential legislative changes found in the general provisions section of § 54.1, as well as in the Administrative Process Act. Ms. Walker noted the VSCPA would review the proposed legislation for consideration. After a thorough discussion, the Board members agreed to review any proposed legislation prepared by the VSCPA for the 2018 legislative session at a future meeting.

Marijuana Laws/Guidance

Ms. Allen led the discussion regarding the marijuana laws/guidance. Ms. Allen provided a handout detailing marijuana legalization and the role of State Boards of Accountancy. After an in depth discussion the Board decided to carry the discussion forward. Ms. Allen and the VSCPA will provide additional research/information.

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COMMITTEE/NASBA UPDATES

NASBA Standard-Setting Advisory Committee

There were no updates to the NASBA Standard-Setting Advisory Committee.

NASBA Education Committee

Ms. Ferguson led the discussion regarding the NASBA Education Committee. She noted the committee had a conference call where the discussion topic was a continuation of Raymond Johnson's presentation.

NASBA UAA Committee

Ms. Saunders led the discussion regarding the NASBA UAA Committee. She noted the committee had been charged with providing language in the UAA to deal with the issue of non-CPA CGMA title users as previously discussed.

Ms. Saunders also noted the AICPA Professional Ethics Executive Committee's proposed interpretation regarding Responding to Non-compliance with Laws and Regulations ("NOCLAR"). The UAA Committee plans to look at the proposed interpretation.

NASBA Middle Atlantic Regional Director

Ms. Saunders led the discussion regarding her role as NASBA's Middle Atlantic Regional Director. She noted she participates in regional phone calls that discuss numerous topics. Conference calls are generally held in February and September. However, this year Boards will meet in October at NASBA's Annual Meeting and, as a result, there would be no conference call in September. She noted quarterly focus questions would be due in October.

NASBA Executive Director's Committee

Mr. Jewell led the discussion regarding the NASBA Executive Director's Committee. He noted his position as Chair of the 2017 Executive Director's Committee would be ending in October. He has very much enjoyed the experience. Oklahoma Board Executive Director Randy Ross is slated to serve as Chair of the 2018 Executive Director's Committee. Mr. Jewell noted he had attended NASBA's Eastern Regional meeting from June 27 – 29 in Newport, RI. Mr. Jewell noted he will attend a NASBA/AICPA/Prometric Quarterly Business Review meeting in October, as well as a NASBA Board Meeting in October. He also attended an AICPA/NASBA summit meeting with Ms. Peters in July and a NASBA Board meeting in July. Mr. Jewell also attended NASBA U for executive directors in Tennessee

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on August 1 and 2. Mr. Jewell noted the NASBA Annual Meeting would be held October 29 – November 1 in New York, NY. Mr. Jewell, Mr. Boshier, Ms. Ferguson, Mr. Brown and Ms. Saunders plan to attend. Mr. Jewell will also serve on an Executive Director panel/peer review advisory group that will be meeting with NASBA and AICPA representatives on November 1 in New York City.

EXECUTIVE DIRECTOR’S REPORT

General Updates

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

- The new VBOA licensing/database project continues to move forward.
- Ms. Charity provided an update regarding letters, emails and phone calls made by Board staff regarding license renewals.
- Ms. Allen inquired about peer review guidance. Ms. Walker commented on the AICPA’s peer review guidelines.
- Ms. Charity and Ms. Hambright presented the VBOA’s latest video on CPE compliance.

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 to reasonably aid in the consideration of this topic: Wade Jewell, Robert Drewry 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

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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
Stephanie S. Saunders, CPA – Aye
Laurie A. Warwick, CPA – Aye

VOTE:

Ayes: Five (5)
Nays: None

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

Consent Orders:

Case # 2016-0053U (Bradshaw and Moyers)
Case # 2017-002-002U (Ferguson and Saunders)
Case # 2017-003-003U (Ferguson and Saunders)
Case # 2017-105-025U (Ferguson and Saunders)

Upon a motion by Ms. Warwick, and duly seconded, the members voted unanimously to approve the final Consent Orders as presented.

CALL FOR VOTE:

Matthew P. Boshier, Esq. – Aye
Susan Quaintance Ferguson, CPA – Aye
William R. Brown, CPA – Aye
Stephanie S. Saunders, CPA – Aye
Laurie A. Warwick, CPA – Aye

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VOTE:

Ayes: Five (5)

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 in the consideration of this topic: Wade Jewell. The following non-member will be in attendance for a portion of the closed session to reasonably aid in the consideration of this topic: 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 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

Stephanie S. Saunders, CPA – Aye

Laurie A. Warwick, CPA – Aye

VOTE:

Ayes: Five (5)

Nays: None

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ADDITIONAL ITEMS FOR DISCUSSION

Carry Over Items/Potential Future Topics

- CPE guidelines for publications
- Regulation changes
- Use of confidential consent agreements
- CPE – VBOA/VSCPA discussions
- Single renewal date for all Virginia licensees
- Trust Fund Reserve Policy
- Background checks
- Adjudication Manual
- Social Media Activity (Enforcement)
- North Carolina Dental Case
- Marijuana Laws/Guidance

Sign Conflict of Interest forms

Sign Travel Expense vouchers

Future meeting dates

- Tuesday, October 3, 2017 (Tentative)
 - Tuesday, November 7, 2017, at Virginia Tech
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ADJOURNMENT

There being no further business before the VBOA, upon a motion by Mr. Boshier, and duly seconded, the meeting was adjourned by unanimous vote at 3:34 p.m. The members voting **AYE** were Mr. Boshier, Ms. Ferguson, Mr. Brown, Ms. Saunders and Ms. Warwick.

APPROVED:

Matthew P. Boshier, Esq., Chair

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Wade A. Jewell, Executive Director