

THE VIRGINIA BOARD OF ACCOUNTANCY

The Virginia Board of Accountancy (VBOA) met on Thursday, January 20, 2011, in Constant Hall, Room 2003 of Old Dominion University's College of Business and Public Administration, Norfolk, Virginia 23529.

MEMBERS PRESENT: Tyrone E. Dickerson, CPA, Chairman
Lawrence D. Samuel, CPA, Vice Chairman
O. Whitfield Broome, Ph.D., CPA, Immediate Past Chairman
Dian T. Calderone, MTX, CPA
Stephen D. Holton, CPA
Andrea M. Kilmer, CPA, CFF

MEMBERS ABSENT: Regina P. Brayboy, MPA, MBA

STAFF PRESENT: Wade A. Jewell, Executive Director
Dreana L. Gilliam, Board Administrator
Jean Grant, Enforcement Manager
Mary Charity, Licensing/Examinations Manager
Patti Hambright, Licensing/Examinations Coordinator
Lisa J. Carson, Communications/Training Director
Krystal Hambright, Executive Assistant

**PRESENT FOR A
PORTION OF
THE MEETING:**

Maureen Dingus, Executive Vice President, Virginia Society of CPAs
Dr. Gilbert Yochum, Dean, Old Dominion University College of
Business & Public Administration
Randall R. Spurrier, MBA, CPA, Beta Alpha Psi Faculty Advisor
Dr. Douglas E. Ziegenfuss, Chairman, Old Dominion University College
of Business & Public Administration Accounting Department
Various students and faculty

CALL TO ORDER

Chairman Dickerson called the meeting to order at 10:17 a.m.

SECURITY BRIEFING

Ms. Gilliam provided the emergency evacuation procedures.

DETERMINATION OF QUORUM/APPROVAL OF AGENDA

After the declaration of a quorum, upon a motion by Mr. Dickerson and duly seconded, the members voted unanimously to approve the January 20, 2010 agenda with amendments. The members voting "AYE" were Dr. Broome, Ms. Calderone, Mr. Dickerson, Mr. Holton, Ms. Kilmer, and Mr. Samuel.

APPROVAL OF MEETING MINUTES

Upon a motion by Mr. Samuel and duly seconded, the members voted unanimously to approve the November 30, 2010 meeting minutes.

PUBLIC COMMENT

Although members of the public were present, no public comment was made at this time.

Chairman Dickerson welcomed the faculty, students, and staff of Old Dominion University College of Business & Public Administration (ODU) and thanked them for having the VBOA on campus. He then asked those in attendance to introduce themselves.

Dr. Gilbert Yochum, Dean, Old Dominion University College of Business & Public Administration welcomed the members on behalf of the students, faculty and staff.

BOARD MEMBER/COMMITTEE UPDATES

Ms. Calderone, as chair of the Communications Committee, provided a summary of the December 1, 2010 report to Governor McDonnell from the Governor's Reform Commission. The members were advised that the entire report is available online. Mr. Jewell advised that the next Commission meeting is tentatively scheduled for May 2011.

Mr. Samuel, as Board liaison of the Peer Review Oversight Committee (PROC), provided a summary of the PROC's initial meeting. Going forward the PROC members plan to develop and implement the necessary procedures to effectively provide oversight of the peer review program. The next meeting is tentatively scheduled for late spring, early summer. Douglas L. Bowles resigned from his position on the VSCPA Peer Review Committee retroactively effective November 17, 2010 in order to serve as a member of the VBOA PROC. The VBOA PROC plans to present a report to the full board in November or December 2011.

Mr. Samuel also provided an update regarding the recently launched CBTe. Extensive planning was necessary to launch the new exam and this is the first revision since 2004. The AICPA Board of Examiners reports the CBTe has been a huge success. Approximately 1,200 candidates were scheduled to test on the first day. Although exam candidate numbers are down slightly, it was expected due to the increase in late 2010. The new exam format includes IFRS, new calculators and many other updates. Since implementation the only reported complaints are latency issues.

Dr. Broome reported that the CBTe sponsors group will continue to monitor the new exam until scoring is completed in April. The AICPA is aware of the latency issues with the simulations and they are being addressed. In general, the latency issues are the result of using old PCs at the Prometric sites. The AICPA is working with Prometric to replace old work stations and PCs.

Mr. Holton, as chair of the Regulatory/Legislative Committee, provided an overview of VBOA regulations which became effective September 16, 2010. Mr. Jewell reported that a fee increase proposal was submitted via the required regulatory processes in November. DPB approved the package submitted by the VBOA on December 25, 2010. The Secretary's office has reviewed the report developed by DBP

and would like to speak with Mr. Jewell regarding the proposal. Mr. Jewell has requested to meet with a representative of the Secretary of Commerce & Trade to discuss the fee package.

EXECUTIVE DIRECTORS REPORT

Mr. Jewell presented general updates regarding the VBOA.

- Mr. Jewell advised the members that the internet browser issue continues and the previously scheduled January meeting with SA representatives was cancelled and will be rescheduled.
- Mr. Jewell led the discussion regarding NASBA Accountancy Licensing Database (ALD). The VBOA is a participant in the program and all staff has access to the database. Mr. Jewell plans to include VBOA disciplinary actions to the ALD in the future.
- Mr. Jewell will attend NASBA's Executive Directors conference March 6-9 in San Diego, California.
- Mr. Jewell advised the members that he anticipates the release of the FY11 Ethics Outline early next week. Substantial revisions to the regulations required the need to provide a "crosswalk" of key changes and ultimately resulted in a delay of availability to CPE sponsors.
- Mr. Jewell reported that the annual APA entrance conference was held via teleconference with Board Chairman, Tyrone Dickerson, April Gunn, Zachary Borgerding and himself. The annual audit will begin next week with an anticipated completion time frame of one month. APA representatives plan to attend the next board meeting.

Mr. Jewell provided copies of the December Financial and Board Reports. He provided an overview of the VBOA financials and the importance of transparency. In addition, he provided a detailed overview of how the VBOA finances are obtained. The VBOA is non-general funded agency and does not receive state funds to operate. The members had also been given a copy of the FY10 financial statements for review. Following a brief discussion of the FY10 financial statements, Dr. Broome presented Mr. Jewell with some revisions for incorporation.

Upon a motion by Mr. Holton and duly seconded, the members approved the FY10 financial statements as revised by Dr. Broome.

Mr. Jewell provided a historical overview of the VBOA website redesign project and a live demonstration of the progress to date. The launch of the redesign is tentatively scheduled for February 2011. He also provided an overview of the new VBOA Education Handbook and provided copies for review. The handbook will assist exam candidates in understanding VBOA requirements for eligibility and improve the lines of communication with the staff, faculty, and students of colleges and universities.

RECESS FOR BOARD LUNCH

RECONVENE

Mr. Dickerson announced to the meeting guests that the board would be going into closed session to address enforcement cases/issues. The guests were asked to remain close by if possible, and could rejoin the board meeting upon conclusion of the closed session.

BEGIN CLOSED MEETING

Upon a motion by Dr. Broome, and duly seconded, the members approved by unanimous vote that the meeting be recessed and the VBOA immediately reconvene in a closed meeting to discuss and consider a disciplinary matter lawfully exempted from open meeting requirements within the jurisdiction of the VBOA as permitted by § 2.2-3711.A.27 of the *Code of Virginia*. The following non-members were in attendance to reasonably aid the consideration of the topic: Jean Grant, Enforcement Manager, Wade A. Jewell, Executive Director, Dreana Gilliam, Board Administrator and Mary Charity, Licensing/Examinations Manager.

The members voting “**AYE**” were Mr. Dickerson, Mr. Samuel, Ms. Calderone, Ms. Kilmer, Mr. Holton, and Dr. Broome.

END CLOSED MEETING

Upon a motion by Dr. Broome, 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 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:

Dian T. Calderone, MTX, CPA – Aye
O. Whitfield Broome, Ph.D., CPA – Aye
Lawrence D. Samuel, CPA – Aye
Tyrone E. Dickerson, CPA – Aye
Stephen D. Holton, CPA – Aye
Regina P. Brayboy, MPA, MBA – ABSENT
Andrea M. Kilmer, CPA, CFF – Aye

VOTE

AYES: Six (6)
NAYS: None.

No actions were taken as a result of the closed meeting.

BEGIN CLOSED MEETING

Upon a motion by Dr. Broome, and duly seconded, the members approved by unanimous vote that the meeting be recessed and the VBOA immediately reconvene in closed meeting to discuss and consider a disciplinary matter relating to enforcement cases 2010-E004, 2009-U0035, 2010-U0017, 2010-D008, 2010-D005, 2010-E003, 2010-E002 and 2010-U002 lawfully exempted from open meeting requirements within the jurisdiction of the VBOA as permitted by § 2.2-3711.A.27 of the *Code of Virginia*. The following non-members were in attendance to reasonably aid the consideration of the topic: Jean Grant, Enforcement Manager and Wade A. Jewell, Executive Director.

The members voting “**AYE**” were Mr. Dickerson, Mr. Samuel, Ms. Calderone, Ms. Kilmer, Mr. Holton, and Dr. Broome.

Due to her involvement with Case # 2010-E004, 2010-U0017 and 2010-D008, Ms. Calderone was not present and did not participate in the discussion or vote.

Due to their involvement with Case #'s 2009-U0035, 2010-D005 and 2010-U002, Mr. Dickerson and Mr. Holton were not present and did not participate in the discussion or vote.

Due to his involvement with Case# 2010-E002 and 2010 E003, Mr. Samuel was not present and did not participate in the discussion or vote.

Due to his involvement with Case# 2010-E003, Mr. Holton was not present and did not participate in the discussion or vote.

Case # 2010-E004 Reinert (*Calderone*)

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

In the matter of **Case # 2010-E004** (Reinert), Mr. Reinert was not present nor represented by counsel.

Upon a motion by Mr. Samuel, and duly seconded, the board by unanimous vote accepted the recommendations of the presiding officer to offer Mr. Reinert a Consent Order with a monetary penalty.

CALL FOR VOTE:

Dian T. Calderone, MTX, CPA – Did not participate in discussion or vote.

O. Whitfield Broome, Ph.D., CPA – Aye

Lawrence D. Samuel, CPA – Aye

Tyrone E. Dickerson, CPA – Aye

Stephen D. Holton, CPA – Aye

Regina P. Brayboy, MPA, MBA – ABSENT

Andrea M. Kilmer, CPA, CFF – Aye

VOTE

AYES: Five (5)

NAYS: None.

Case # 2009-U0035 Hunter (*Dickerson & Holton*)

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

In the matter of **Case # 2009-U0035** (Hunter), Mr. Hunter was not present nor represented by counsel.

Upon a motion by Ms. Calderone, and duly seconded, the board by unanimous vote accepted the recommendations of the presiding officer to offer Mr. Hunter a Consent Order with a monetary penalty.

CALL FOR VOTE:

Dian T. Calderone, MTX, CPA – Aye
O. Whitfield Broome, Ph.D., CPA – Aye
Lawrence D. Samuel, CPA – Aye
Tyrone E. Dickerson, CPA – Did not participate in discussion or vote.
Stephen D. Holton, CPA – Did not participate in discussion or vote.
Regina P. Brayboy, MPA, MBA – ABSENT
Andrea M. Kilmer, CPA, CFF – Aye

VOTE

AYES: Four (4)
NAYS: None.

Case # 2010-U0017 Rutledge (*Calderone*)

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

In the matter of **Case # 2010-U0017** (Rutledge), Mr. Rutledge was not present nor represented by counsel.

Upon a motion by Ms. Kilmer, and duly seconded, the board by unanimous vote accepted the recommendations of the presiding officer to offer Mr. Rutledge a Consent Order with a monetary penalty.

CALL FOR VOTE:

Dian T. Calderone, MTX, CPA – Did not participate in discussion or vote.
O. Whitfield Broome, Ph.D., CPA – Aye
Lawrence D. Samuel, CPA – Aye
Tyrone E. Dickerson, CPA – Aye
Stephen D. Holton, CPA – Aye
Regina P. Brayboy, MPA, MBA – ABSENT
Andrea M. Kilmer, CPA, CFF – Aye

VOTE

AYES: Five (5)
NAYS: None.

Case # 2010-D008 Finch (*Calderone*)

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

In the matter of **Case # 2010-D008** (Finch), Mr. Finch was not present nor represented by counsel.

Upon a motion by Mr. Holton, and duly seconded, the board by unanimous vote accepted the recommendations of the presiding officer to offer Mr. Finch a Consent Order.

CALL FOR VOTE:

Dian T. Calderone, MTX, CPA – Did not participate in discussion or vote.

O. Whitfield Broome, Ph.D., CPA – Aye

Lawrence D. Samuel, CPA – Aye

Tyrone E. Dickerson, CPA – Aye

Stephen D. Holton, CPA – Aye.

Regina P. Brayboy, MPA, MBA – ABSENT

Andrea M. Kilmer, CPA, CFF – Aye

VOTE

AYES: Five (5)

NAYS: None.

Case # 2010-D005 Wilroy (*Dickerson & Holton*)

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

In the matter of **Case # 2010-D005** (Wilroy), Mr. Wilroy was present but not represented by counsel.

Upon a motion by Mr. Samuel, and duly seconded, the board by unanimous vote deferred Case # 2010-D005 until the April meeting.

CALL FOR VOTE:

Dian T. Calderone, MTX, CPA – Aye

O. Whitfield Broome, Ph.D., CPA – Aye

Lawrence D. Samuel, CPA – Aye

Tyrone E. Dickerson, CPA – Did not participate in discussion or vote.

Stephen D. Holton, CPA – Did not participate in discussion or vote.

Regina P. Brayboy, MPA, MBA – ABSENT

Andrea M. Kilmer, CPA, CFF – Aye

VOTE

AYES: Four (4)

NAYS: None.

Case # 2010-E003 Van Wingerden (*Holton & Samuel*)

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

In the matter of **Case # 2010-E003** (Van Wingerden), Mr. Van Windergen was present but was not represented by counsel.

Upon a motion by Mr. Samuel, and duly seconded, the board by unanimous vote denied the request for an extension of a previous education requirement deadline.

CALL FOR VOTE:

Dian T. Calderone, MTX, CPA – Aye
O. Whitfield Broome, Ph.D., CPA – Aye
Lawrence D. Samuel, CPA – Did not participate in discussion or vote.
Tyrone E. Dickerson, CPA – Aye
Stephen D. Holton, CPA – Did not participate in discussion or vote.
Regina P. Brayboy, MPA, MBA – ABSENT
Andrea M. Kilmer, CPA, CFF – Aye

VOTE

AYES: Four (4)
NAYS: None.

Case # 2010-E002 Minzer (*Samuel*)

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

In the matter of **Case # 2010-E002** (Minzer), Mr. Minzer was not present nor represented by counsel.

Upon a motion by Ms. Calderone, and duly seconded, the board by unanimous vote denied the request for an extension of a previous education requirement deadline.

CALL FOR VOTE:

Dian T. Calderone, MTX, CPA – Aye
O. Whitfield Broome, Ph.D., CPA – Aye
Lawrence D. Samuel, CPA – Did not participate in discussion or vote.
Tyrone E. Dickerson, CPA – Aye
Stephen D. Holton, CPA – Aye
Regina P. Brayboy, MPA, MBA – ABSENT
Andrea M. Kilmer, CPA, CFF – Aye

VOTE

AYES: Five (5)
NAYS: None.

Case # 2010-U002 Dorsey (*Dickerson & Holton*)

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

In the matter of **Case # 2010-U002** (Dorsey), Mr. Dorsey was not present nor represented by counsel.

Upon a motion by Mr. Samuel, and duly seconded, the board by unanimous vote amended the presiding officers recommendation and increased the monetary penalty from \$2,000 to \$25,000 and all memberships that Mr. Dorsey is affiliated with will be notified by the board.

CALL FOR VOTE:

Dian T. Calderone, MTX, CPA – Aye
O. Whitfield Broome, Ph.D., CPA – Aye
Lawrence D. Samuel, CPA – Aye
Tyrone E. Dickerson, CPA – Did not participate in discussion or vote.
Stephen D. Holton, CPA – Did not participate in discussion or vote.
Regina P. Brayboy, MPA, MBA – ABSENT
Andrea M. Kilmer, CPA, CFF – Aye

VOTE

AYES: Four (4)

NAYS: None.

FUTURE MEETING DATES

Tuesday, April 26, 2011 – 10:00 a.m.
Thursday, May 26, 2011 – 10:00 a.m.
Wednesday, June 29, 2011 – 10:00 a.m.

CONFLICT OF INTEREST FORMS/TRAVEL EXPENSE VOUCHERS

Chairman Dickerson asked the members to complete and sign their conflict of interest forms, and to complete and sign their travel expense vouchers.

ADJOURNMENT

There being no further business before the VBOA, upon a motion by Mr. Dickerson and duly seconded, the meeting was adjourned by unanimous vote at 3:46 p.m. The members voting “**AYE**” were Mr. Dickerson, Mr. Samuel, Ms. Calderone, Ms. Kilmer, Mr. Holton, and Dr. Broome.

APPROVED:

Tyrone E. Dickerson, CPA, Chairman

COPY TESTE:

Wade A. Jewell, Executive Director