

**BOA Education/Examination Committee Meeting Report**

**Date and Location: May 26, 2005 at the BOA Headquarters Office in Richmond, VA 23230 Teleconference**

**Those present:** Dr. O. Whitfield Broome, Dian T. Calderone, Mary Charity, and Nancy Feldman

**Convened at:** 4:00pm

**Call to Order:** Dr. O. Whitfield Broome

One amendment was made to the agenda. There were three attachments added to item A, the Board received letters from Oregon State Board of Accountancy, Old Dominion University, and Northern Virginia Community College opposing the change in the UAA rules.

**PUBLIC COMMENTS:** No members of the public were present.

**Evaluate NASBA's Proposed Changes in UAA education requirements:**

The Committee considered several issues surrounding the change in the UAA education requirements. There were many reasons to oppose these changes and very few reasons to support the changes.

**Recommendation for Action:** The committee recommends that BOA members attend the NASBA Regional meeting on June 8<sup>th</sup> and participate in the discussion surrounding the UAA requirements. The BOA members should comment and listen to input from other state boards and arrive at a decision on a comment to submit by June 30, 2005.

**Discuss Renewal of CPAES Contract:**

The Committee discussed the renewal of the CPAES contract. They agreed to extend the contract for one year.

**Recommendation for Action:** The Committee recommends that BOA extend the CPAES contract for one year with specific demand for more attention on Virginia candidates. Staff will draft a Contract Modification Agreement indicating additional staff is needed to assist the Virginia Coordinator to provide excellent customer service with an emphasis on reasonable response time to Virginia candidates.

**Discuss RFP For Examination Services after 2005-2006, and /or Handling Examination**

**Services In House:** .In anticipation of issuing a new Request for Proposal (RFP) for examination services around January 2006, BOA staff will prepare a cost comparison showing the examination activities provided by an examination vendor compared to administration of the examination by the Board. The Committee wants to begin development of the RFP as soon as possible as it is an arduous task under state requirements.

**Recommendation for Action:** Staff will begin working on a study, comparing pros and cons of handling the examination in house or contracting the examination to a vendor. This information will be available for the Board's review at the July 26 full Board meeting.

**Review Checklist for Prometric Site Visits):** Dr. Broome was able to get a copy of the NASBA Site Checklist for Computerized CPA Examination from NASBA at the Examination Committee Meeting last week. The Committee agreed this checklist covers all areas BOA will be observing at the site visits.

**Recommendation for Action:** The Committee recommends all Board members complete the checklist while visiting the Prometric site they were assigned and submit it to the Board office for review. If there are any issues or problems reported by the Board members, staff will forward them to NASBA.

**Discuss CPA Examination Fee Increase:** The proposed fee increase by AICPA/Nasba/Prometric was discussed. Letters from several state boards, TX, CA, MD and NY have taken strong positions either opposing fee increases or suggesting that further discussion with the state boards is essential to gain resolution. The Committee reiterated that Section 54.1-4403.A.4 of the Code of Virginia requires that the Board levy and collect all fees for licensure and registration and renewal that are sufficient to cover all expenses for the administration and operation of the Board. Regardless of whether the Board administers the examination or contracts to an outside vendor to do so, the Board must not impose greater fees than can be justified as expenses for the administration and operation of the Board. Further, NASBA is the association of state boards of accountancy and as such has responsibility to the public on behalf of the boards. The members agreed that BOA must be concerned about the escalation or the examination costs, as they clearly present a barrier to entry into the profession.

**Recommendation for Action:** The committee recommends that BOA members make every effort to attend both the NASBA Regional and Annual meetings this year and express concerns about future fee increases.

**Revisit Appointment of Committee to Keep Required CPE Ethics Course Up To Date:** The Committee talked at some length about the importance of the development of the Virginia Ethics CPE Outline as required by statute and regulation.

**Recommendation for Action:** The Committee recommends sending out a mass email to all regulants asking for volunteers to sit on an ad-hoc committee to develop ideas for the 2006 Virginia Ethics CPE Outline. The ad-hoc committee should be comprised of CPAs from the audit, tax, government, education and non-profit sectors. These CPAs must have a current CPA license, ten years of experience, no complaints or disciplinary action against them and they must agree to sit on the committee for a three-year appointment. Since the Virginia Ethics CPE Outline for 2006 should be available to providers as early as October 2005, immediate action is necessary on this recommendation.

**Discuss Additional Oversight of CPE Providers:** The Committee discussed at length overseeing CPE providers; they agreed it is not feasible to exercise any oversight of providers. They decided we should trust our regulants to be responsible and to make the right professional choices when it comes to CPE.

**Recommendation for Action:** The Committee recommends that staff prepare an article for the next newsletter on CPE and CPE providers. This article should highlight the importance of selecting CPE and CPE providers. The article will also encourage CPAs to share any negative feedback on CPE providers and the courses they offer.

**AICPA Responds to Six Issues NASBA Identified Regarding the CBT:** The Committee received a copy of a letter to Lorraine Sachs, Executive Vice President of NASBA, from the AICPA regarding issues surrounding the computerized examination. The members discussed this and decided no action is needed at this time.

**Future Meetings:** The Committee will hold a teleconference meeting on Monday, June 27, 2005, at 9:00 am.

Meeting was adjourned at 5:45 p.m.

\_\_\_\_\_  
O. Whitfield Broome, Ph.D., CPA  
Chairman, Examination/Educations Committee  
Board of Accountancy

\_\_\_\_\_  
Date