

Wednesday, March 16, 2022

Board Meeting Agenda

Board Room #1
2nd Floor Conference Center
9960 Mayland Drive
Henrico, VA 23233

To join meet.google.com/sie-nsgv-bdz or dial in (US) +1 316-536-0445 PIN: 139 428 345#

- 10 a.m. Call to Order – **Laurie A. Warwick, CPA, Chair**
Approve remote participation, if applicable
Security Briefing – **Nicole Reynolds, Licensing and Operations Support**
Determination of Quorum
Approval of March 16, 2022, Agenda
Approval of Jan. 11, 2022, Board meeting minutes
- Public comment period (non-enforcement matters only)*
- 10:15 a.m. 1. VFOIA Presentation – **James Flaherty, Assistant Attorney General**
- VBOA will enter into **closed session** under authority of § 2.2-3711(A)(8), consultation with legal counsel regarding specific legal matters.
- Reconvene in Open Session
- 10:45 a.m. 2. Enforcement
- 2020-068-027U Consent Order (Brown)
 - 2021-023-011D Consent Order (Bradshaw)
 - 2020-036-011U, Board Order (Bradshaw, Rogers)
 - 2021-033-015U Board Order (Bradshaw, Rogers)
 - 2019-251-024D Consent Order (Bradshaw, Lewis)
 - 2019-223-019D Board Order (Lewis, Bradshaw)
 - 2020-011-004U Board Order (Lewis)
 - 2020-020-006U Board Order (Lewis)
 - 2020-306-306C Board Order (Glynn)
 - 2021-0016 Board Order (Glynn)
- 12:30 p.m. 3. Adjourn for lunch
- 1 p.m. 4. NASBA and AICPA Committee Updates – **Laurie A. Warwick, CPA, Chair**
- 1:15 p.m. 5. Executive Director’s Report – **Nancy Glynn, CPA, Executive Director**
- General updates
 - CPA Pipeline – **Nancy Glynn, CPA, Executive Director**
 - Financial and Board Report update – **Renai Reinholtz, Deputy Director**

- FY2021 draft VBOA financial statements (Board vote to adopt)
- Revenue forecasting using new pipeline numbers
- Enforcement update – **Matthew Ross, Enforcement Director**
- Communication plans for renewals – **Kelli L. Anderson, Communications Manager**
- General Assembly update – **Vasa Clarke, Information and Policy Advisor**
 - Periodic Review, 18VAC5-11 Public Participation Guidelines

1:30 p.m.

6. Board Discussion Topics – **Laurie A. Warwick, CPA, Chair**

- Guidance Document – Unlicensed Use of CPA Title – **Nancy Glynn, CPA, Executive Director** (Board vote to adopt)
- ACCA discussion – **Nadia Rogers, CPA**
- S.M.A.R.T. Goals update – **Nancy Glynn, CPA, Executive Director**
 - Qualifying CPE revisions: **complete**
 - Peer Review Enforcement: March 2022 - **Nadia Rogers, CPA**
 - Education Accreditation: May 2022
 - Education for Licensure: May 2022
 - Enforcement Process: Test drive changes with launch July 2022
 - Education for Exam: August 2022
 - Fee Structure: June 2023
- Chair and Vice Chair Elections, bylaws and processes – **Nancy Glynn, CPA, Executive Director**

Nominees

 - Chair – Laurie Warwick and Wendy Lewis
 - Vice Chair – Wendy Lewis and William Brown

2:30 p.m.

7. Additional Items for Discussion

- Sign Conflict of Interest forms
- Sign Travel Expense vouchers
- Future meeting dates
 - May 25, 2022 (planning meeting)
 - June 23, 2022

3 p.m.

Adjournment

***Five-minute public comment, per person, on those items not included on the agenda.**

Persons desiring to attend the meeting and requiring special accommodations/interpretive services should contact the VBOA office at (804) 367-8505 at least five days prior to the meeting so that suitable arrangements can be made for an appropriate accommodation. The VBOA fully complies with the Americans with Disabilities Act.



**Board Meeting
January 11, 2022
Draft/Unapproved minutes**

The Virginia Board of Accountancy met on Thursday, January 11, 2022, in Board Room #2 of the Perimeter Center, 9960 Mayland Drive, Henrico, VA 23233.

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

MEMBERS APPEARING VIRTUALLY: Jay Bernas
Wendy P. Lewis, CPA, Vice Chair

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

STAFF PRESENT: Nancy Glynn, CPA, Executive Director
Renai Reinholtz, Deputy Director
Kelli Anderson, Communications Manager
Nicole Reynolds, Licensing and Operations Support
Elaina Johnson, IT Specialist
Matthew Ross, Enforcement Director

STAFF APPEARING VIRTUALLY Vasa Clarke, Information and Policy Advisor
Morgan Emanuel, Adjudication Specialist

MEMBERS OF THE PUBLIC PRESENT: Emily Walker, CAE, Vice President, Advocacy, Virginia Society of Certified Public Accountants
Gina Policano, Attorney, Midkiff, Muncie and Ross
Reza Mahbod, CPA, CISA, CGFM, CICA, CGMA, CDFM, CFE

CALL TO ORDER

Ms. Warwick called the meeting to order at 10 a.m.

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REMOTE PARTICIPATION

Due to COVID-19 restrictions, both Ms. Lewis and Mr. Bernas were remote participants to the Board meeting. Per VBOA Policy #10 – Electronic Participation in Virginia Board of Accountancy Meetings, Ms. Warwick asked if there were any objections by the Board. No objections were raised and remote participation was approved.

SECURITY BRIEFING

Ms. Reynolds provided the emergency evacuation procedures.

DETERMINATION OF QUORUM

Ms. Warwick determined there was a quorum present.

APPROVAL OF AGENDA

Upon a motion by Mr. Brown and duly seconded, the members voted unanimously to approve the January 11, 2022, agenda, as presented. The members voting “AYE” were Ms. Warwick, Ms. Lewis, Mr. Bernas, Mr. Bradshaw, Mr. Brown and Ms. Rogers.

APPROVAL OF MINUTES

Upon a motion by Mr. Bradshaw and duly seconded, the members voted unanimously to approve the November 30, 2021, Board meeting minutes, as presented. The members voting “AYE” were Ms. Warwick, Ms. Lewis, Mr. Bernas, Mr. Bradshaw, Mr. Brown and Ms. Rogers.

APPROVAL OF CONSENT AGENDA

A recommendation to move all cases from the consent agenda to close session with the exception of case# 2020-045-016U. Upon a motion by Ms. Rogers and duly seconded, the members voted unanimously to approve the Consent Agenda, as amended. The members voting “AYE” were, Ms. Warwick, Ms. Lewis, Mr. Bernas, Mr. Bradshaw, Mr. Brown and Ms. Rogers.

PUBLIC COMMENT PERIOD

Ms. Walker addressed the Board concerning updates from the VSCPA to include the launch of a new learning management system on February 1, 2022, and two new upcoming ethics course offerings. She discussed the VSCPA stance of staying informed of certain legislative issues such as tax conformity and any new regulatory reform legislation.

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Ms. Politano addressed the Board concerning an enforcement matter to be discussed at the meeting.

Peer Review Oversight Committee - PROC 2021 Report – Reza Mahbod, CPA, CISA, CGFM, CICA, CGMA, CDFM, CFE

Mr. Mahbod provided handouts and described the methods utilized to review and evaluate the procedures of the VSCPA and the NPRC of the AICPA as they relate to the administration of the AICPA Peer Review Program. He reported the PROC findings for the year ending December 31, 2021.

Mr. Mahbod fielded questions from the Board regarding the manner in which VBOA receives the results of Peer Reviews for both individual and firms throughout the year.

The Board discussed the matter of procuring and monitoring reports throughout the year and adding new members to the PROC.

COMMITTEE UPDATES

NASBA Communications Committee

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

NASBA CPE Committee

Mr. Brown noted that the first meeting of the NASBA CPE Committee will occur in late January 2022.

NASBA Administration and Finance Committee

Ms. Warwick noted that the NASBA Administration and Finance Committee would be meeting the week of January 17, 2022.

NASBA Education Committee

Ms. Rogers noted that the NASBA Education Committee held a session for all state boards of accountancy and their educators and /or other members as desired. She reported that there were 104 in attendance and that the meeting was very beneficial as an Educator's Forum.

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AICPA's Accounting and Review Services Committee

Mr. Bradshaw noted that the AICPA's Accounting and Review Services Committee has not met since the last Board meeting in November 2021. He advised that the comment period for the Exposure Draft is coming to an end and the committee will be meeting soon to discuss the results.

EXECUTIVE DIRECTOR'S REPORT

General updates

- Ms. Glynn introduced Matthew Ross as the new VBOA Enforcement Director and Vasa Clarke as the new VBOA Information and Policy Analyst.
- Ms. Glynn advised that there is one additional vacancy for an administrative position to be advertised and filled in the near future.
- Ms. Glynn provided handouts and discussed the status of Enforcement cases and projects.
- Mr. Ross introduced himself and shared his initial observations and goals for the Enforcement Division.

Financial and Board Report update

Ms. Reinholtz presented the Financial and Board Report as of December 31, 2021, and fielded questions from the Board.

Enforcement update

Mr. Ross provided handouts, led the discussion and fielded questions from the Board regarding the Enforcement Report. He noted plans for improvements to reporting, use of updated software and additional methods to increase case resolution.

Board Discussion Topics

Delegation of Authority Policy proposed revision – Nancy Glynn, CPA, Executive Director

Ms. Glynn introduced the proposed revisions to the Delegation of Authority Policy and discussion ensued. The policy will replace the Delegation of Authority Policy dated December 1, 2020.

Upon a motion by Mr. Carson, and duly seconded, members voted to accept the amended policy as presented.

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CALL FOR VOTE:

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

VOTE:

Ayes: Seven (7)
Nays: None

CPE Violation Guidelines – William R. Brown, CPA

Mr. Brown noted that proposed changes to the CPE Violation Guidelines are in process. Further consultations will occur with the Executive Director and the issue will be revisited by the Board in March.

Use of the CPA title – Nancy Glynn, CPA, Executive Director

Ms. Glynn facilitated the discussion regarding the issue of interpretation for the use of the CPA title based on Virginia Code Title 54.1. Thorough discussion ensued among the Board and VBOA staff. VSCPA provided comments.

Ms. Warwick suggested that after additional research and consultation with other boards of accountancy, Ms. Glynn present a draft of the update to the policy at the May Board meeting.

Presiding Officer/MOA – Nancy Glynn, CPA, Executive Director

Ms. Glynn led the discussion regarding the process of retaining additional Presiding Officers through a new MOA to assist with upcoming Internal Fact Finding Hearings held by the Board. The effort is meant to support the Enforcement Division and increase the number of resolved cases.

Each Board member shared their guidance and concerns surrounding the process. The Board agreed to move forward with seeking new members who will be appointed upon Board approval.

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S.M.A.R.T. Goals update – Nancy Glynn, CPA, Executive Director

- **Qualifying CPE revisions: Update and vote on changes January 2022 - Nadia Rogers, CPA**
 - Revised VBOA Policy #4 – CPE Guidelines for CPAs

Ms. Rogers apprised the Board of new language and changes added to VBOA Policy #4. Many updates had been discussed at the November Board meeting and this was a continuation of that process.

Ms. Glynn fielded questions surrounding the assessment and determination of who qualifies as a subject matter expert.

The Board agreed that the January 31 CY deadline for obtaining CPE should be added to the policy.

Upon a motion by Mr. Bradshaw, and duly seconded, the members voted unanimously to accept the policy as amended to state that CPE is based on a calendar year that includes a grace period until the January 31st date deadline.

The members voting “AYE” were Ms. Warwick, Ms. Lewis, Mr. Bernas, Mr. Bradshaw, Mr. Carson, Mr. Brown and Ms. Rogers.

- **Peer Review Enforcement: March 2022**
- **Education Accreditation: May 2022**
- **Education for Licensure: May 2022**
- **Enforcement Process: Test drive changes with launch July 2022**
- **Education for Exam: August 2022**
- **Fee Structure: June 2023**

Upcoming Elections, bylaws and processes – Nancy Glynn, CPA, Executive Director

Ms. Glynn advised that the Board would be voting in a new Chair and Vice Chair during the March 2022 Board meeting. Nominees are requested ahead of time in order to be included in the Board packet for March.

ADDITIONAL ITEMS FOR DISCUSSION

- Sign Conflict of Interest forms. Reminder that the Ethics Council Statement of Economic Interest Financial Disclosure should be submitted to Ms. Reinholtz by February 1st.
- Sign Travel Expense vouchers

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RECESS FOR LUNCH 12:15 p.m.

RECONVENE 12:45 p.m.

FUTURE MEETING DATES

- March 16, 2022
 - May 25, 2022 – Planning Meeting
 - June 23, 2022
-

Begin closed meeting

Upon a motion by Ms. Lewis, 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’ 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 and Matthew Ross.

CALL FOR VOTE:

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

VOTE:

Ayes: Seven (7)
Nays: None

End closed meeting

**Board Meeting
January 11, 2022
Draft/Unapproved minutes**

Upon a motion by Ms. Lewis, 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:

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

VOTE:

Ayes: Seven (7)
Nays: None

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

Case #2020-039-013U (Bradshaw)

Mr. Bradshaw was not present and did not participate in the closed session.

Upon a motion by Mr. Brown, and duly seconded, members voted to approve the Consent Order, as presented to include a fine of \$3,000.

CALL FOR VOTE:

Laurie A. Warwick, CPA – Aye
Wendy P. Lewis, CPA – Aye
Jay Bernas – Aye
William R. Brown, CPA – Aye
W. Barclay Bradshaw, CPA – Abstain

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D. Brian Carson, CPA, CGMA – Aye
Nadia A. Rogers, CPA – Aye

VOTE:

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

Case #2020-046-017U (Brown)

Mr. Brown was not present and did not participate in the closed session.

Upon a motion by Mr. Carson, and duly seconded, members voted to approve the consent order as drafted.

CALL FOR VOTE:

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

VOTE:

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

Case #2020-011-004U (Brown)

Mr. Brown was not present and did not participate in the closed session.

Upon a motion by Mr. Bradshaw, and duly seconded, members voted to approve the Consent Order as drafted but to modify it to add a fee of \$10,000 for performing services and failure to be enrolled in peer review.

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CALL FOR VOTE:

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

VOTE:

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

Case #2020-021-010D (Warwick)

Ms. Warwick was not present and did not participate in the closed session.

Upon a motion by Ms. Lewis, and duly seconded, members voted to approve the Consent Order, as written.

CALL FOR VOTE:

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

VOTE:

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

Presiding Officer Recommendations

**Board Meeting
January 11, 2022
Draft/Unapproved minutes**

Case #2020-026-008U (Brown and Warwick)

Mr. Brown and Ms. Warwick were not present and did not participate in the closed session.

Upon a motion by Ms. Rogers, and duly seconded, members voted to accept the presiding officer's recommendation with the addition of a \$1,250 fine.

CALL FOR VOTE:

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

VOTE:

Ayes: Five (5)
Abstain: Two (2)
Nays: None

Presiding Officer Recommendation

Case #2020-037-021D (Brown and Warwick)

Mr. Brown and Ms. Warwick were not present and did not participate in the closed session.

Upon a motion by Mr. Carson, and duly seconded, members voted to accept the presiding officer's recommendation, as written.

CALL FOR VOTE:

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

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VOTE:

Ayes: Five (5)

Abstain: Two (2)

Nays: None

Revised Consent Order

Case #2019-250-023D (Bradshaw and Lewis)

Mr. Bradshaw and Ms. Lewis were present and participated in the closed session.

Upon a motion by Mr. Brown and duly seconded, members voted unanimously to accept the original signed Consent Order.

CALL FOR VOTE:

Laurie A. Warwick, CPA – Aye

Wendy P. Lewis, CPA – Abstain

Jay Bernas – Aye

William R. Brown, CPA – Aye

W. Barclay Bradshaw, CPA – Abstain

D. Brian Carson, CPA, CGMA – Aye

Nadia A. Rogers, CPA – Aye

VOTE:

Ayes: Five (5)

Abstain: Two (2)

Nays: None

ADJOURNMENT

There being no further business before the VBOA, Ms. Warwick adjourned the meeting at 3 p.m.

APPROVED:

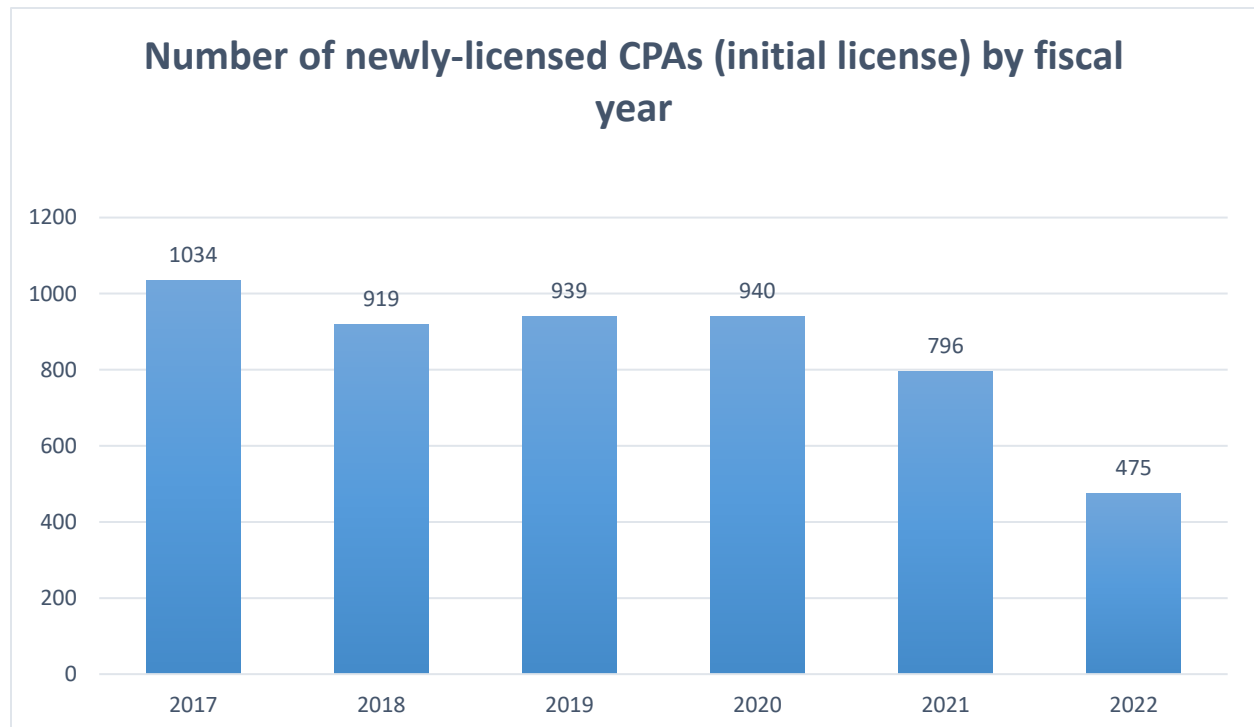
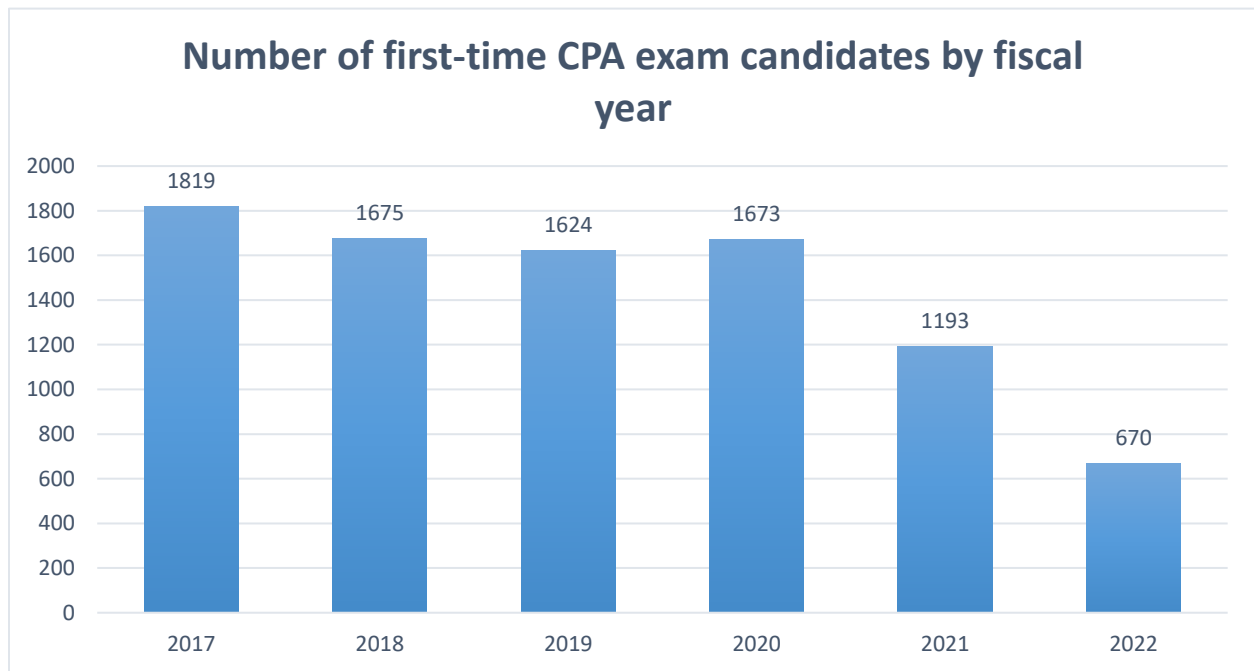
Laurie A. Warwick, CPA, Chair

**Board Meeting
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COPY TESTE:

Nancy Glynn, CPA, Executive Director

The CPA Pipeline in Virginia



Statistics for Fiscal Year 2022 are current as of March. The total is expected to rise in the coming months.

From FY2017 to FY2018, the number of first-time CPA candidates decreased by 7.9%.

From FY2018 to FY2019, the number of first-time CPA candidates decreased by 3.0%.

From FY2019 to FY2020, the number of first-time CPA candidates increased by 3.0%.

From FY2020 to FY2021, the number of first-time CPA candidates decreased by 9.5%.

From FY2017 to FY2018, the number of newly licensed CPAs decreased by 11.1%.

From FY2018 to FY2019, the number of newly licensed CPAs increased by 2.2%.

From FY2019 to FY2020, the number of newly licensed CPAs increased by 0.1%.

From FY2020 to FY2021, the number of newly licensed CPAs decreased by 15.3%.

Financial Report
FY22 Budget vs. Actual Expenses
As of February 28, 2022

		<u>FY22 Operating</u>	<u>FY22 YTD</u>	<u>%</u>	<u>FY21</u>	<u>FY20</u>	<u>FY19</u>
		<u>Budget</u>	<u>Expenditures</u>	<u>Expended</u>	<u>Expenditures</u>	<u>Expenditures</u>	<u>Expenditures</u>
<u>Salaries & Benefits</u>							
1123	Salaries	1,051,533	609,147	57.9%	844,009	879,646	832,200
11XX	Benefits	460,631	250,310	54.3%	352,058	429,238	343,725
Total Salaries & Benefits		\$ 1,512,164	\$ 859,456	56.8%	\$ 1,196,067	\$ 1,308,884	\$ 1,175,925
<u>Contractual Services</u>							
1211	Express Services	150	387	258.3%	33	84	134
1214	Postal Services	15,500	10,807	69.7%	14,576	12,011	9,984
1215	Printing Services	7,500	4,634	61.8%	3,208	6,459	4,537
1216	Telecommunications - VITA	11,040	7,680	69.6%	10,921	9,609	12,539
1217	Telecommunications - Nonstate (CallFire)	2,000	-	0.0%	1,530	2,495	100
1219	Inbound Freight	300	35	11.6%	22	260	56
1221	Organization Memberships (primarily NASBA)	8,851	8,529	96.4%	7,674	8,327	7,625
1222	Publication Subscriptions	3,658	4,085	111.7%	3,655	3,655	1,271
1224	Training - Courses, Workshops, Conferences	7,561	3,724	49.3%	763	7,563	4,822
1225	Employee Tuition Reimbursement	-	-	---	-	-	1,618
1227	Training-Transportation, Lodging, Meals, Incidentals	13,000	1,798	13.8%	-	9,511	4,567
1228	Employee IT Training Courses/Workshops and Conferences	-	-	---	-	-	91
1242	Fiscal Services (Credit Card Merchant Fees)	60,000	16,366	27.3%	47,123	68,818	34,498
1243	Attorney Services	28,000	12,867	46.0%	26,217	48,624	62,020
1244	Mgmt. Services - NASBA/special accommodations	34,000	7,270	21.4%	9,012	28,061	33,808
1245	Personnel Management Services	-	-	---	-	-	79
1246	Public Info/Public Relations (subscriptions)	385	2,384	619.2%	439	4,484	3,470
1247	Legal Services (court reporting services)	5,500	5,256	95.6%	11,460	2,688	10,834
1252	Electrical Repair/Maintenance	-	-	---	3,681	-	-
1253	Equipment Repair/Maintenance	-	-	---	-	440	823
1264	Food and Dietary Services	3,500	1,353	38.7%	1,127	2,377	3,585
1265	Laundry & Linen Services	-	-	---	-	-	13
1266	Manual Labor Services (Includes shredding services)	1,500	140	9.3%	1,410	1,757	320
1268	Skilled Services	1,200	975	81.3%	-	600	1,138
1272	VITA - System Hosting, Maintenance, and Admin	295,680	129,306	43.7%	320,442	135,675	133,466
1272	VITA - Shared ISO Audit Services	17,405	-	0.0%	-	-	-
1272	VITA - ECOS fees	4,800	2,751	57.3%	-	-	-
1272	VITA - System Reporting Tool (implementation and training)	6,800	-	0.0%	-	-	-
1273	Info Mgmt Design and Development Services (IT Support)	38,000	19,450	51.2%	230,725	108,689	108,923
1275	Computer Software Maintenance (website hosting)	6,830	5,370	78.6%	7,235	6,435	-
1278	VITA Information Technology Infrastructure Services	55,200	25,268	45.8%	57,838	148,216	146,380
1279	Computer Software Development Services	-	-	---	-	-	234,015
1282	Travel - Personal Vehicle	5,500	3,772	68.6%	962	6,318	6,603
1283	Travel - Public Carriers	-	411	---	-	-	77
1284	Travel - State Vehicles	1,000	-	0.0%	-	243	200
1285	Travel - Subsistence and Lodging	1,500	1,549	103.2%	-	1,221	1,612
1288	Travel, Meal Reimburse - Not IRS Rpt	1,000	904	90.4%	-	723	824
Total Contractual Services		\$ 637,360	\$ 277,070	43.5%	\$ 760,054	\$ 625,343	\$ 830,032
<u>Supplies and Materials</u>							
1312	Office Supplies	2,500	455	18.2%	904	1,191	3,783
1313	Stationery and Forms	1,800	404	22.4%	644	997	1,844
1323	Gasoline (Enterprise vehicles)	250	-	0.0%	-	87	103
1335	Packaging and Shipping Supplies	800	369	46.1%	720	351	1,237
1342	Medical & Dental Supplies	50	-	0.0%	30	-	5

	FY22 Operating Budget	FY22 YTD Expenditures	% Expended	FY21 Expenditures	FY20 Expenditures	FY19 Expenditures
<u>Supplies and Materials, continued</u>						
1352 Custodian Repair & Maintenance	-	-	---	14	728	-
1362 Food & Dietary Supplies	500	46	9.2%	107	442	365
1363 Food Service Supplies	50	236	471.6%	35	16	56
1373 Computer Operating Supplies	2,500	374	15.0%	1,236	823	3,989
Total Supplies & Materials	\$ 8,450	\$ 1,884	22.3%	\$ 3,689	\$ 4,634	\$ 11,382
<u>Transfer Payments</u>						
1413 Awards & Recognition	150	156	103.8%	343	-	1,033
1415 Unemployment Compensation	-	-	---	216	-	-
1418 Incentives	1,300	-	0.0%	-	725	325
Total Transfer Payments	\$ 1,450	\$ 156	10.7%	\$ 559	\$ 725	\$ 1,358
<u>Continuous Charges</u>						
1512 Automobile Liability Insurance	231	-	0.0%	231	231	231
1516 Property Insurance	1,224	-	0.0%	1,224	1,224	1,224
1534 Equipment Rentals	12,137	4,050	33.4%	8,099	8,133	8,507
1539 Building Rentals - Non-State Owned Facilities	97,997	64,897	66.2%	95,005	95,161	93,416
1541 Agency Service Charges (shared services)	53,383	20,507	38.4%	52,373	37,675	37,335
1551 General Liability Insurance	328	-	0.0%	328	328	188
1554 Surety Bonds	40	-	0.0%	40	40	40
1555 Worker's Compensation	1,094	-	0.0%	1,094	1,023	1,044
Total Continuous Charges	\$ 166,434	\$ 89,453	53.7%	\$ 158,394	\$ 143,815	\$ 141,985
<u>Equipment</u>						
2216 Network Components	1,600	(5)	-0.3%	877	1,357	452
2217 Other Computer Equipment	200	155	77.5%	130	97	1,590
2218 Computer Software Purchases	-	-	---	50	428	419
2224 Reference Equipment	-	-	---	-	-	32
2233 Voice and Data Transmission Equipment	-	-	---	969	23	511
2238 Electronic and Photo Equipment Improvements	-	-	---	-	-	3,791
2261 Office Appurtenances (Blinds, Carpet, etc.)	-	-	---	-	687	348
2262 Office Furniture	-	392	---	-	385	5,666
2263 Office Incidentals	500	-	0.0%	345	658	109
2264 Office Machines	-	-	---	-	-	412
2283 Mechanical Equipment	-	-	---	-	2,338	-
2328 Construction, Building Improvements	-	-	---	150	44,209	-
Total Equipment	\$ 2,300	\$ 542	23.6%	\$ 2,521	\$ 50,182	\$ 13,330
Total Expenses	\$ 2,328,158	\$ 1,228,561	52.8%	\$ 2,121,284	\$ 2,133,583	\$ 2,174,012
Chapter 552 Appropriation	\$ 2,328,158					

Virginia Board of Accountancy Cash Balance Report

	Operating Fund		Trust Fund	
	FY2022	FY2021	FY2022	FY2021
	As of 2/28/22	As of 2/28/21	As of 2/28/22	As of 2/28/21
Beginning Cash Balance July 1	\$ 2,473,711	\$ 1,915,719	\$ 3,157,427	\$ 3,617,992
YTD Revenue Collected	279,854	274,716	-	-
Interest earnings*	3,387	8,292	5,569	14,664
Accounts Payable **	-	20,780	-	-
Cash Transfers In per Board Policy #1	-	481,940	177,280	-
Cash Transfers Out per Board Policy #1	(177,280)	-	-	(481,940)
YTD Expenditures	(1,228,561)	(1,428,324)	-	-
Cash Balance	\$ 1,351,111	\$ 1,273,123	\$ 3,340,276	\$ 3,150,716
Required Cash Transfers:				
Transfers to Central Service Agencies ***	\$ (13,366)	\$ (13,366)	-	-
Cash Balance after required transfers	\$ 1,337,745	\$ 1,259,757	\$ 3,340,276	\$ 3,150,716

* Interest Earnings - Per Virginia Acts of Assembly - Chapter 732 - §3-3.03 - Approved April 10, 2016, the State Comptroller shall allocate revenue for interest earnings effective FY2016. Interest Earnings had not been allocated since FY2010.

** Prior to October 1, 2014 and the implementation of the Commonwealth's new financial accounting and reporting system (Cardinal) all payments immediately reduced cash when processed (in CARS). The new Cardinal financial system operates on a modified accrual basis and cash balances are not affected until the voucher's due date. The Cardinal system generates an offsetting entry to a liability account (accounts payable) when the voucher is processed. Once the voucher due date arrives, the payment is made, the liability is relieved and cash is now reduced.

*** Non-general fund Transfers required by Virginia Acts of Assembly Part 3-1.01F for expenses incurred by central service agencies due on or before June 30.

**Virginia Board of Accountancy
MLO Revenue by Fee Type Report**

Fee Type	FY2022 - YTD as of 2/28/22	FY2021 - YTD as of 2/29/21	Fiscal Year Ending 6/30/21	Fiscal Year Ending 6/30/20	Fiscal Year Ending 6/30/19
Exam Application Fee	\$ 77,520	\$ 89,550	\$ 149,430	\$ 171,105	\$ 194,370
Individual License Application Fee	50,850	60,525	83,100	93,300	99,825
Firm License Application Fee	3,200	3,200	4,500	7,300	6,700
Re-Exam Application	48,680	55,880	83,420	80,240	95,420
(a) Renewal Fee	840	33,405	1,824,315	1,824,475	2,328,986
Reinstatement Fee	82,450	48,350	63,150	63,500	63,600
Duplicate Wall Certificate Fee	1,550	1,025	1,700	1,800	1,850
License Verification Fee	14,150	10,875	16,625	16,175	18,950
CPA Exam Score Transfers	750	1,050	1,325	1,750	1,950
Administrative Fee	44	-	646	-	-
Bad Check Fee	-	236	50	313	50
Total Revenue	\$ 280,034	\$ 304,096	\$ 2,228,261	\$ 2,259,958	\$ 2,811,701
(b) Net Revenue per Cardinal	\$ 279,854	\$ 274,716	\$ 2,199,041	\$ 2,220,553	\$ 2,870,760
(c) Difference	\$ 180	\$ 29,380	\$ 29,220	\$ 39,405	\$ (59,059)

NOTES:

- (a) FY19 Renewal Fee includes pro-rated fees related to the transition to the June 30th single renewal date.
- (b) Net Revenue per Cardinal reported above includes revenue received from regulatory fees.
- (c) Total revenue from MLO will not always match the revenue collected and reported in Cardinal due to timing differences.

**Virginia Board of Accountancy
Financial Report
Accounts Receivable Report**

	FY2022 - YTD as of 2/28/22	FY2021 - YTD as of 2/29/21	Fiscal Year Ending 6/30/21	Fiscal Year Ending 6/30/20	Fiscal Year Ending 6/30/19
Fines levied	\$ 83,250	\$ 103,925	\$ 128,042	\$ 107,725	\$ 221,273
Fines collected	\$ 72,552	\$ 100,780	\$ 138,947	\$ 112,760	\$ 191,199
Outstanding Current fines receivable (< 365 Days)	\$ 36,101	\$ 36,846	\$ 29,041	\$ 49,975	\$ 60,230
Outstanding Written-off receivables (=> 365 Days)	\$ 672,981	\$ 675,587	\$ 669,342	\$ 659,313	\$ 654,093

NOTE:

All accounts uncollected after one year are deemed uncollectible, are written off of the VBOA's financial account records, and are no longer recognized receivables for financial reporting purposes; however, the legal obligation to pay the debt still remains.

**Individual and firm license activity
February 28, 2022**

<i>Fiscal Period</i>	Period ending 2/28/2022	Period ending 2/28/2021	Year ending 6/30/2021	Year ending 6/30/2020	Year ending 6/30/2019
REGULANTS					
Individuals					
Active, licensed CPAs	27,483	27,460	26,715	26,666	26,282
Inactive, licensed CPAs	2,125	2,076	2,003	1,915	1,784
Total Licensed CPAs	29,608	29,536	28,748	28,581	28,066
Out-of-state licensees	9,936	9,861	9,572	8,935	8,435
Reinstatements - Individuals	218	132	170	170	162
New CPA licenses issued	790	801	1,069	1,241	1,133
Expired/voluntarily surrendered licenses	53	53	119	861	871
Exam Candidates					
Number of first time exam candidates	670	770	1,193	1,673	1,624
Firms					
Total active, licensed CPA firms	1,170	1,180	1,125	1,157	1,126
Reinstatements - Firms	13	5	8	8	10
New CPA firm licenses issued	32	28	38	37	38
Expired/voluntarily surrendered licenses	3	7	12	81	79

Chapter 11. Public Participation Guidelines

Part I

Purpose and Definitions

18VAC5-11-10. Purpose.

The purpose of this chapter is to promote public involvement in the development, amendment or repeal of the regulations of the Board of Accountancy. This chapter does not apply to regulations, guidelines, or other documents exempted or excluded from the provisions of the Administrative Process Act (§ 2.2-4000 et seq. of the Code of Virginia).

Statutory Authority

§§ 2.2-4007.02 and 54.1-4403 of the Code of Virginia.

Historical Notes

Derived from Virginia Register [Volume 25, Issue 4](#), eff. November 26, 2008.

18VAC5-11-20. Definitions.

The following words and terms when used in this chapter shall have the following meanings unless the context clearly indicates otherwise:

"Administrative Process Act" means Chapter 40 (§ 2.2-4000 et seq.) of Title 2.2 of the Code of Virginia.

"Agency" means the Board of Accountancy, which is the unit of state government empowered by the agency's basic law to make regulations or decide cases. Actions specified in this chapter may be fulfilled by state employees as delegated by the agency.

"Basic law" means provisions in the Code of Virginia that delineate the basic authority and responsibilities of an agency.

"Commonwealth Calendar" means the electronic calendar for official government meetings open to the public as required by § 2.2-3707 C of the Freedom of Information Act.

"Negotiated rulemaking panel" or "NRP" means an ad hoc advisory panel of interested parties established by an agency to consider issues that are controversial with the assistance of a facilitator or mediator, for the purpose of reaching a consensus in the development of a proposed regulatory action.

"Notification list" means a list used to notify persons pursuant to this chapter. Such a list may include an electronic list maintained through the Virginia Regulatory Town Hall or other list maintained by the agency.

"Open meeting" means any scheduled gathering of a unit of state government empowered by an agency's basic law to make regulations or decide cases, which is related to promulgating, amending or repealing a regulation.

"Person" means any individual, corporation, partnership, association, cooperative, limited liability company, trust, joint venture, government, political subdivision, or any other legal or commercial entity and any successor, representative, agent, agency, or instrumentality thereof.

"Public hearing" means a scheduled time at which members or staff of the agency will meet for the purpose of receiving public comment on a regulatory action.

"Regulation" means any statement of general application having the force of law, affecting the rights or conduct of any person, adopted by the agency in accordance with the authority conferred on it by applicable laws.

"Regulatory action" means the promulgation, amendment, or repeal of a regulation by the agency.

"Regulatory advisory panel" or "RAP" means a standing or ad hoc advisory panel of interested parties established by the agency for the purpose of assisting in regulatory actions.

"Town Hall" means the Virginia Regulatory Town Hall, the website operated by the Virginia Department of Planning and Budget at www.townhall.virginia.gov, which has online public comment forums and displays information about regulatory meetings and regulatory actions under consideration in Virginia and sends this information to registered public users.

"Virginia Register" means the Virginia Register of Regulations, the publication that provides official legal notice of new, amended and repealed regulations of state agencies, which is published under the provisions of Article 6 (§ 2.2-4031 et seq.) of the Administrative Process Act.

Statutory Authority

§§ 2.2-4007.02 and 54.1-4403 of the Code of Virginia.

Historical Notes

Derived from Virginia Register [Volume 25, Issue 4](#), eff. November 26, 2008.

Part II

Notification of Interested Persons

18VAC5-11-30. Notification list.

- A. The agency shall maintain a list of persons who have requested to be notified of regulatory actions being pursued by the agency.
- B. Any person may request to be placed on a notification list by registering as a public user on the Town Hall or by making a request to the agency. Any person who requests to be placed on a notification list shall elect to be notified either by electronic means or through a postal carrier.
- C. The agency may maintain additional lists for persons who have requested to be informed of specific regulatory issues, proposals, or actions.
- D. When electronic mail is returned as undeliverable on multiple occasions at least 24 hours apart, that person may be deleted from the list. A single undeliverable message is insufficient cause to delete the person from the list.
- E. When mail delivered by a postal carrier is returned as undeliverable on multiple occasions, that person may be deleted from the list.
- F. The agency may periodically request those persons on the notification list to indicate their desire to either continue to be notified electronically, receive documents through a postal carrier, or be deleted from the list.

Statutory Authority

§§ 2.2-4007.02 and 54.1-4403 of the Code of Virginia.

Historical Notes

Derived from Virginia Register [Volume 25, Issue 4](#), eff. November 26, 2008.

18VAC5-11-40. Information to be sent to persons on the notification list.

- A. To persons electing to receive electronic notification or notification through a postal carrier as described in [18VAC5-11-30](#), the agency shall send the following information:
 - 1. A notice of intended regulatory action (NOIRA).
 - 2. A notice of the comment period on a proposed, a re-proposed, or a fast-track regulation and hyperlinks to, or instructions on how to obtain, a copy of the regulation and any supporting documents.
 - 3. A notice soliciting comment on a final regulation when the regulatory process has been extended pursuant to § [2.2-4007.06](#) and [2.2-4013 C](#) of the Code of Virginia.
- B. The failure of any person to receive any notice or copies of any documents shall not affect the validity of any regulation or regulatory action.

Statutory Authority

§§ 2.2-4007.02 and 54.1-4403 of the Code of Virginia.

Historical Notes

Part III
Public Participation Procedures

18VAC5-11-50. Public comment.

A. In considering any nonemergency, nonexempt regulatory action, the agency shall afford interested persons an opportunity to submit data, views, and arguments, either orally or in writing, to the agency. Such opportunity to comment shall include an online public comment forum on the Town Hall.

1. To any requesting person, the agency shall provide copies of the statement of basis, purpose, substance, and issues; the economic impact analysis of the proposed or fast-track regulatory action; and the agency's response to public comments received.
2. The agency may begin crafting a regulatory action prior to or during any opportunities it provides to the public to submit comments.

B. The agency shall accept public comments in writing after the publication of a regulatory action in the Virginia Register as follows:

1. For a minimum of 30 calendar days following the publication of the notice of intended regulatory action (NOIRA).
2. For a minimum of 60 calendar days following the publication of a proposed regulation.
3. For a minimum of 30 calendar days following the publication of a repropounded regulation.
4. For a minimum of 30 calendar days following the publication of a final adopted regulation.
5. For a minimum of 30 calendar days following the publication of a fast-track regulation.
6. For a minimum of 21 calendar days following the publication of a notice of periodic review.
7. Not later than 21 calendar days following the publication of a petition for rulemaking.

C. The agency may determine if any of the comment periods listed in subsection B of this section shall be extended.

D. If the Governor finds that one or more changes with substantial impact have been made to a proposed regulation, he may require the agency to provide an additional 30 calendar days to solicit additional public comment on the changes in accordance with § [2.2-4013 C](#) of the Code of Virginia.

E. The agency shall send a draft of the agency's summary description of public comment to all public commenters on the proposed regulation at least five days before final adoption of the regulation pursuant to § [2.2-4012 E](#) of the Code of Virginia.

Statutory Authority

§§ [2.2-4007.02](#) and [54.1-4403](#) of the Code of Virginia.

Historical Notes

Derived from Virginia Register [Volume 25, Issue 4](#), eff. November 26, 2008.

18VAC5-11-60. Petition for rulemaking.

A. As provided in § [2.2-4007](#) of the Code of Virginia, any person may petition the agency to consider a regulatory action.

B. A petition shall include but is not limited to the following information:

1. The petitioner's name and contact information;
2. The substance and purpose of the rulemaking that is requested, including reference to any applicable Virginia Administrative Code sections; and
3. Reference to the legal authority of the agency to take the action requested.

C. The agency shall receive, consider and respond to a petition pursuant to § [2.2-4007](#) and shall have the sole authority to dispose of the petition.

D. The petition shall be posted on the Town Hall and published in the Virginia Register.

E. Nothing in this chapter shall prohibit the agency from receiving information or from proceeding on its own motion for rulemaking.

Statutory Authority

§§ 2.2-4007.02 and 54.1-4403 of the Code of Virginia.

Historical Notes

Derived from Virginia Register [Volume 25, Issue 4](#), eff. November 26, 2008.

18VAC5-11-70. Appointment of regulatory advisory panel.

A. The agency may appoint a regulatory advisory panel (RAP) to provide professional specialization or technical assistance when the agency determines that such expertise is necessary to address a specific regulatory issue or action or when individuals indicate an interest in working with the agency on a specific regulatory issue or action.

B. Any person may request the appointment of a RAP and request to participate in its activities. The agency shall determine when a RAP shall be appointed and the composition of the RAP.

C. A RAP may be dissolved by the agency if:

1. The proposed text of the regulation is posted on the Town Hall, published in the Virginia Register, or such other time as the agency determines is appropriate; or
2. The agency determines that the regulatory action is either exempt or excluded from the requirements of the Administrative Process Act.

Statutory Authority

§§ 2.2-4007.02 and 54.1-4403 of the Code of Virginia.

Historical Notes

Derived from Virginia Register [Volume 25, Issue 4](#), eff. November 26, 2008.

18VAC5-11-80. Appointment of negotiated rulemaking panel.

A. The agency may appoint a negotiated rulemaking panel (NRP) if a regulatory action is expected to be controversial.

B. An NRP that has been appointed by the agency may be dissolved by the agency when:

1. There is no longer controversy associated with the development of the regulation;
2. The agency determines that the regulatory action is either exempt or excluded from the requirements of the Administrative Process Act; or
3. The agency determines that resolution of a controversy is unlikely.

Statutory Authority

§§ 2.2-4007.02 and 54.1-4403 of the Code of Virginia.

Historical Notes

Derived from Virginia Register [Volume 25, Issue 4](#), eff. November 26, 2008.

18VAC5-11-90. Meetings.

Notice of any open meeting, including meetings of a RAP or NRP, shall be posted on the Virginia Regulatory Town Hall and Commonwealth Calendar at least seven working days prior to the date of the meeting. The exception to this requirement is any meeting held in accordance with § 2.2-3707 D of the Code of Virginia allowing for contemporaneous notice to be provided to participants and the public.

Statutory Authority

§§ 2.2-4007.02 and 54.1-4403 of the Code of Virginia.

Historical Notes

Derived from Virginia Register [Volume 25, Issue 4](#), eff. November 26, 2008.

18VAC5-11-100. Public hearings on regulations.

- A. The agency shall indicate in its notice of intended regulatory action whether it plans to hold a public hearing following the publication of the proposed stage of the regulatory action.
- B. The agency may conduct one or more public hearings during the comment period following the publication of a proposed regulatory action.
- C. An agency is required to hold a public hearing following the publication of the proposed regulatory action when:
 - 1. The agency's basic law requires the agency to hold a public hearing;
 - 2. The Governor directs the agency to hold a public hearing; or
 - 3. The agency receives requests for a public hearing from at least 25 persons during the public comment period following the publication of the notice of intended regulatory action.
- D. Notice of any public hearing shall be posted on the Town Hall and Commonwealth Calendar at least seven working days prior to the date of the hearing. The agency shall also notify those persons who requested a hearing under subdivision C 3 of this section.

Statutory Authority

§§ 2.2-4007.02 and 54.1-4403 of the Code of Virginia.

Historical Notes

Derived from Virginia Register [Volume 25, Issue 4](#), eff. November 26, 2008.

18VAC5-11-110. Periodic review of regulations.

- A. The agency shall conduct a periodic review of its regulations consistent with:
 - 1. An executive order issued by the Governor pursuant to § 2.2-4017 of the Administrative Process Act to receive comment on a existing regulations as to their effectiveness, efficiency, necessity, clarity, and cost of compliance; and
 - 2. The requirements in § 2.2-4007.1 of the Administrative Process Act regarding regulatory flexibility for small businesses.
- B. A periodic review may be conducted separately or in conjunction with other regulatory actions.
- C. Notice of a periodic review shall be posted on the Town Hall and published in the Virginia Register.

Statutory Authority

§§ 2.2-4007.02 and 54.1-4403 of the Code of Virginia.

Historical Notes

Derived from Virginia Register [Volume 25, Issue 4](#), eff. November 26, 2008.

Website addresses provided in the Virginia Administrative Code to documents incorporated by reference are for the reader's convenience only, may not necessarily be active or current, and should not be relied upon. To ensure the information incorporated by reference is accurate, the reader is encouraged to use the source document described in the regulation.

As a service to the public, the Virginia Administrative Code is provided online by the Virginia General Assembly. We are unable to answer legal questions or respond to requests for legal advice, including application of law to specific fact. To understand and protect your legal rights, you should consult an attorney.



Disposition of Cases Involving Unlicensed Use of the CPA Title by Previously Licensed Individuals¹

The Virginia Board of Accountancy (“VBOA”) delegates to the Executive Director for the Board the authority to resolve disciplinary cases in which a previously licensed certified public accountant (“CPA”) engages in use of the CPA title when he/she no longer holds a current active Virginia CPA license due solely from an inadvertent failure to timely renew, and does not meet the requirements to use the CPA title in Virginia under the substantial equivalency provisions of § 54.1-4411 and has not been granted Inactive status.

In cases where the individual, based on the facts and circumstances, would have been eligible for Inactive status had he/she applied, the Board adopted the following guidelines for resolution of cases:

Length of Expiration	Possible Action
First offense 15 days or less	Advisory Letter
First offense (self-report) 16- 90 days or less	Advisory Letter
First offense (all others) 16- 90 days or less	Consent Order; Reprimand
First offense (self-report) 91 days to 180 days	Consent Order; Reprimand and Monetary Penalty of \$250
First offense (all others) 91 days to 180 days	Consent Order; Reprimand and Monetary Penalty of \$500
First offense (self-report) 181 days to one year	Consent Order; Reprimand and Monetary Penalty of \$750
First offense (all others) 181 days to one year	Consent Order; Reprimand and Monetary Penalty of \$1,000

Inadvertent use of the CPA title through failure to update an inactive LinkedIn profile without the intent to deceive, and similar de minimis violations, shall generally be handled with an Advisory Letter. Actions taken to resolve these violations, when not accompanied by a monetary penalty, shall not be considered “disciplinary action” for the purposes of VBOA Policy #5, “Publication of Disciplinary Action.”

¹ In all cases, expired individuals must reinstate once the license goes into expired status. Reinstating a Virginia individual CPA license must include meeting the requirements of Code of Virginia § 54.1-4413.2, meeting the continuing professional education requirements in accordance with VBOA regulation 18VAC5-22-90, and submitting an individual CPA License Reinstatement Form to the VBOA with the required non-refundable fee of \$350, CPE documentation and other requested information.



In cases where the individual has practiced public accounting, has used the CPA title in signing tax returns or power of attorney forms during the time period when their license was expired, or whose job duties require a substantial use of accounting, financial, or tax, the Board adopted the following guidelines for resolution of cases:

Length of Expiration	Possible Action
First offense 15 days or less	Advisory Letter
First offense (self-report) 16- 90 days or less	Advisory Letter
First offense (all others) 16-90 days or less	Consent Order; Reprimand

Notwithstanding the foregoing, in cases in which there is a suspicion of a willful act, the licensee will be scheduled for an IFF conference.



Applicable Laws

§ 54.1-4400. Definitions.

As used in this chapter, unless the context clearly indicates otherwise...“Using the CPA title in Virginia” means using “CPA,” “Certified Public Accountant,” or “public accountant” (i) in any form or manner of verbal communication to persons or entities located in Virginia or (ii) in any form or manner of written communication to persons or entities located in Virginia, including but not limited to the use in any abbreviations, acronym, phrase, or title that appears in business cards, the CPA wall certificate, Internet postings, letterhead, reports, signs, tax returns, or any other document or device. Holding a Virginia license or the license of another state constitutes using the CPA title.

* * *

“Practice of Public Accounting” means the giving of an assurance other than (i) by the person or persons about whom the financial information is presented or (ii) by one or more owners, officers, employees, or members of the governing body of the entity or entities about whom the financial information is presented.

* * *

§ 54.1-4409.1. Licensing requirements for persons.

A. A person must be licensed in order to use the CPA title in Virginia.

1. The person shall hold a Virginia license if he provides services to the public and the principal place of business in which he provides those services is in Virginia.
2. Other persons shall not be required to hold a Virginia license in order to use the CPA title in Virginia provided that they hold the license of another state and comply with the substantial equivalency provisions of § 54.1-4411.

§ 54.1-4414. Prohibited acts.

Neither (i) a person who does not hold a Virginia license or who does not meet the requirements to use the CPA title in Virginia under the substantial equivalency provisions of § 54.1-4411 nor (ii) an entity that does not meet the criteria prescribed by subdivision D 1 of § 54.1-4412.1 shall:

1. Practice public accounting;
2. Claim to hold a license to use the CPA title;
3. Make any other claim of licensure, registration, or approval related to the preparation of financial statements that is false or misleading;
4. Use the CPA title; or
5. Refer to any of the standard-setting authorities listed in the standards of conduct and practice in subdivisions 5 and 6 of § 54.1-4413.3, or refer to or use any of the terminology prescribed by those authorities for reporting on financial statements, in any form or manner of communication about services provided to persons or entities located in Virginia.



Association of Chartered Accountants (ACCA)

Nancy Glynn, CPA
Executive Director



Overview

- ACCA is a credentialing organization for Chartered Certified Accountants (UK, Commonwealth, other countries)
- CCA ≠ CPA
- ACCA does not require four-year degree, university courses
 - For US applicants, high school + 3 AP credits is sufficient to apply
- Some CPA applicants arrive with ACCA credentials / education, claim equivalency with four-year degrees

ACCA Credentials

- “Diploma in Accounting and Business” – offered by ACCA after 6-12 months of study
- “Advanced Diploma in Accounting and Business” – offered by ACCA after 12-18 months of study
- “Diploma in International Financial Accounting” – offered by ACCA Registered Learning Partners (RLPs)
 - RLPs may be accredited colleges or training companies
 - Diploma issued by ACCA, not the RLP



Enhanced ACCA Qualifications

Bachelor of Science (Honors)
BSc (Hons) in Applied Accounting

- Requires ACCA courses + research project
- Degree granted by Oxford Brookes University

Master of Science
MSc in Professional Accountancy

- May be completed remotely
- Degree granted by University of London



Mutual Recognition Agreements

Mutual Recognition Agreements (MRA) are agreements adopted between the AICPA/NASBA International Qualification Appraisal Board (IQAB) and various countries for the purpose of recognizing equivalency in exam, education and experience.

NASBA has MRAs with:

- Chartered Accountants Australia and New Zealand (CAANZ)
- Hong Kong Institute of Certified Public Accountants (HKICPA)
- 6 others

NASBA does not recognize the ACCA credential and there is no MRA in place



ACCA in the United States (cont.)

California – only known state that has ruled specifically on ACCA

“In California, at a minimum, education shall be from a degree-granting university, college, or other institution of learning (Business and Professions Code §5094(b)). Education earned through the Association of Chartered Certified Accountants (ACCA) does not meet California’s education requirements, unless they are transferred into and awarded credit by a degree granting university. If this occurs, the education may be accepted towards meeting the CBA education requirements for exam and or licensure.”



Summary / Recommendation

- Only organizations that have entered into an MRA with NASBA and the AICPA will be recognized.
- Completion of ACCA coursework/credential will not be recognized by VBOA as acceptable coursework or a substantially equivalent credential.

Recommendation for the Virginia Board of Accountancy

VBOA will only accept organizations that have entered into an MRA with NASBA and the AICPA. Therefore, completion of ACCA coursework/credential will not be recognized by VBOA as acceptable coursework or substantially equivalent credential.

Overview

The Association of Chartered Certified Accountants (ACCA) offers credentials for accountancy in the United Kingdom and many other countries, including the United States. ACCA's flagship program is the Chartered Certified Accountant (CCA) credential. This title is not considered equivalent to Certified Public Accountant (CPA).

Applicants to ACCA's programs are not necessarily graduates from colleges or universities. Persons certified by ACCA do not appear to have taken courses for the same length of time, or of the same intensity, as an American undergraduate degree. Persons certified by ACCA *may* have taken courses from accredited colleges or universities, but the balance of probability weighs heavily against this assumption. ACCA has partnered with a limited number of colleges and universities, some of whom appear to be accredited, to provide advanced degrees.

Eligibility for ACCA programs

Entry requirements for ACCA programs are lower than that of the AICPA. Persons eligible to enroll in ACCA programs generally must have completed secondary education.

Applicants from the United States and the British Virgin Islands are not required to have a bachelor's degree from an accredited institution. However, a high school diploma is insufficient for registration by itself. The following qualifications are considered sufficient for Americans:

- a high school diploma and at least three AP exam credits (with grades of 3 or above)
- matriculation to university (graduation is not required; some courses may grant exemptions to parts of the ACCA curriculum)
- Caribbean Advanced Proficiency Examination (CAPE) diploma
- Graduate certificate

For comparison, a variety of qualifications exists for British applicants (the United Kingdom and Gibraltar). The "standard" British qualification¹, listed first on the ACCA website and prioritized on most third-party study websites, is two A-levels and three GCSE passes.

¹ This is standard for England and Wales; education in the United Kingdom is devolved, with Scotland in particular operating a similar but separate system.

A-levels are school leaving certificates: they are awarded to students completing secondary or pre-university education. GCSEs are exams taken at the end of Year 11 in England and Wales (equivalent to 10th Grade in the United States).

While the educational systems of the United States and the United Kingdom are not exactly identical, it should not be assumed that a person holding an ACCA credential has graduated from a college or university, particularly given the listed qualifications for American applicants.

Intensity and length of ACCA programs

ACCA offers two intermediate credentials for students on the path to taking their exam for the Chartered Certified Accountant:

- ACCA Diploma in Accounting and Business

This credential is described on [ACCA's website](#) as “RQF Level 4.” The Regulated Qualifications Framework (RQF) is used in England and Northern Ireland for certain professional and vocational qualifications. There is not an exact equivalent between RQF and any specific American credential. However, for comparison, an A-level in the United Kingdom is described as being of RQF Level 3, a bachelor's degree is considered equivalent to Level 6, a master's degree is considered equivalent to Level 7, and a doctorate is considered equivalent to Level 8.

RQF Level 4 is described in some sources as being equivalent to a year's study at university. ACCA's website claims that the ACCA Diploma in Accounting and business can be completed in as little as 6-12 months.

- Advanced Diploma in Accounting and Business

This credential is not given an RQF Level on ACCA's website or in their explanatory pamphlet. The Advanced Diploma is attained by completing additional coursework, including the “Ethics and Professional Skills module.”

If progression is similar to that described for ACCA's Diploma, the Advanced Diploma is likely equivalent to RQF Level 5 and might be considered equivalent to an American two-year vocational degree or certificate. ACCA's website claims that the Advanced Diploma may be obtained in as little as 12-18 months.

Some of the requirements for these programs might be waived if the applicant has previous college or university coursework, or if the applicant has previous experience with ACCA.

Registered Learning Partners

ACCA has partnered with a variety of institutions as Registered Learning Partners and maintains a [searchable directory](#) of those institutions. Registered Learning Partners offer courses towards a diploma² and several certificates in accounting-related subjects.

The overwhelming majority of Registered Learning Partners (RLPs) are private training companies, some of which appear to have been founded specifically to train accountants. For example, the only two British RLPs are the ExP Group (a private company offering training primarily in ACCA credentials) and First Intuition (described on Wikipedia as “a United Kingdom based provider of accountancy training”).

Nor do other countries differ. Nigeria’s listed RLPs are Hedge Professional Services Limited, Ivyleague Associates Limited, and Synergy Professionals. Egypt’s listed RLPs are Nearshore Middle East S.A.E. and Highly Professional Advisors. Vietnam’s listed RLPs are Smart Train and Vietsourcing Business Consultancy Company Limited.

Some RLPs have misleading names which may include the word “Academy,” “Institute,” or “College.” For example, ACCA lists “Arthur Portland College” as an RLP from Botswana. ArthurPortland does not describe itself as a college on [its own website](#). Interestingly, ArthurPortland describes itself as an ICAEW Partner in Learning. The Institute of Chartered Accountants in England and Wales is an accountancy organization comparable to ACCA.

There are a limited number of RLPs that can be confirmed as accredited post-secondary educational institutions:

- Griffith College Cork in Ireland offers the Diploma in International Financial Accounting in partnership with ACCA. It is an accredited institution, being affiliated with Ireland’s national regulatory bodies (including QQI and HECA). It also offers degrees in law, journalism, and other fields besides accountancy.
- Majan College in Oman offers the Diploma in International Financial Reporting in partnership with ACCA. It is accredited and closely affiliated with the University of Bedfordshire in the UK, with whom it collaborates on classes. It is a private college which offers courses in business, computer science, and English.
- Oshwal College in Kenya is a “post-modern tertiary institution” which offers degrees in accountancy, business, and information technology. However, it only offers certificate programs in partnership with ACCA.
- Taylor’s College in Malaysia is a for-profit college with a variety of degree programs and a number of notable Malaysian alumni. However, it only offers certificate programs in partnership with ACCA.
- Universidad ORT Uruguay is Uruguay’s largest private university. A member of the international World ORT network, which promotes Jewish education, it is fully

² The [Diploma in International Financial Accounting](#) is awarded upon passage of a three-hour written exam.

accredited by Uruguay's national regulatory bodies and offers a wide variety of degrees in many subjects. However, it only offers certificate programs in partnership with ACCA.

The above list is not intended to be comprehensive, only representative.

Enhanced qualifications

In addition to its diploma programs, ACCA offers two advanced degrees in partnership with accredited universities: a BSc (Hons) in Applied Accounting from Oxford Brookes University and an MSc in Professional Accountancy from the University of London.³

The BSc (Hons) does not have a specifically enumerated length, save that students [may not take longer than ten years](#) in completing it. The degree is earned by completing ACCA's courses and completing a research project.

The MSc may be completed remotely from a number of participating professional and educational institutions. The [University of London website](#) describes programme duration as between six months and five years.

Both programs appear to be of significant academic rigor and would likely compare favorably to similar degrees in the United States.

Summary

NASBA does not consider any of the ACCA course to be acceptable towards exam education requirements. NASBA does have mutual recognition agreements with many other [professional bodies](#), two of which ACCA also recognizes via mutual recognition agreement.

California is the only state that we could find that accepts some ACCA credits. California's Board of Accountancy made the following statement:

In California, at a minimum, education shall be from a degree-granting university, college, or other institution of learning (Business and Professions Code §5094(b)). Education earned through the Association of Chartered Certified Accountants (ACCA) does not meet California's education requirements, unless they are transferred into and awarded credit by a degree granting university. If this occurs, the education may be accepted towards meeting the CBA education requirements for exam and or licensure.

³ The specific institution which offers the MSc is University College London.



Peer Review Procedures

Nancy Glynn, CPA
Executive Director



For Firms

CPA firms shall:

- within **30 DAYS** of completing audits, reviews, compilations, attest work for the first time, notify VBOA
 - Firm is now subject to peer review
- within **30 DAYS** of receiving peer review enrollment letter, provide a copy to VBOA
- within **60 DAYS** of receiving final letter of acceptance, provide a copy to VBOA with a copy of the peer review report.



For VBOA

VBOA shall:

- record names of firms that self-report need for peer review
- for recently enrolled firms record due date of final report listed in enrollment letter
- record results of peer review when received and the due date of the next peer review



Possible actions for VBOA

Send letter if:

- firm self-reports need for peer review but has not enrolled by next licensing period
- 60 days have elapsed beyond due date in the enrollment letter and firm has not submitted peer review report
- 3.5 years have elapsed since last peer review and the firm is not shown to be exempt



Possible actions for VBOA

Refer to enforcement if:

- 2 consecutive failed peer reviews
- VBOA notified firm was terminated from peer review
- 90 days have elapsed beyond due date in the enrollment letter and the firm has not submitted peer review report
- 4 years have elapsed since last peer review and the firm is not shown to be exempt

GOAL: Enforcement Process

Board members: Bill Brown, Barclay Bradshaw and Wendy Lewis

S	Specific	Create timeline benchmarks for each milestone within the enforcement life cycle. Ensure the system upgrade includes ability to track the completion of milestones and compare to the established benchmarks.
M	Measurable	Fairly automated report is delivered to the Board for review.
A	Achievable	Yes
R	Relevant	Very relevant
T	Time-based	1. Identify enforcement life cycle: August 2021/completed 2. Comparing the life cycle to the benchmarks: September 2021/completed 3. Revisions to benchmarks: November 2021/completed 4. Demo of tracking tool: January 2022 5. Functioning tracking tool to use: June 2022

Status Update

Status Date	March 16, 2022
Forecasted to complete on time (Yes/No)? If No, please provide explanation.	Yes
Unresolved Significant Risks/Contingencies	None
Resources Needed	None
Board Decisions Needed	None
Significant Actions Completed	Revisions to the benchmarks completed and will test drive them until the official launch July 1, 2022.
Significant Actions Not Completed	

GOAL: Peer Review Enforcement

Board members: Nadia Rogers and Barclay Bradshaw

S	Specific	Create and automate a process that will identify firms who should be enrolled in peer review and an enforcement process for those who are not enrolled and/or are enrolled but receiving subpar results or untimely submissions. Develop a communications plan to inform firms. Added question on firm renewal certifications.
M	Measurable	Execute the automatic monitoring
A	Achievable	Yes
R	Relevant	Very relevant
T	Time-based	March 2022

Status Update

Status Date	March 16, 2022
Forecasted to complete on time (Yes/No)? If No, please provide explanation.	Yes
Unresolved Significant Risks/Contingencies	none
Resources Needed	none
Board Decisions Needed	none
Significant Actions Completed	none
Significant Actions Not Completed	none

GOAL: Education Accreditation

Board members: Nadia Rogers and Wendy Lewis

S	Specific	Continue to assess the impact of the model rules in the statutes, VBOA regulations and VBOA polices as it relates to accreditation.
M	Measurable	Upon implementation and approved in statutes, VBOA regulations and VBOA Policy
A	Achievable	Yes
R	Relevant	Very relevant
T	Time-based	Draft in May 2022

Status Update

Status Date	March 16, 2022
Forecasted to complete on time (Yes/No)? If No, please provide explanation.	Yes
Unresolved Significant Risks/Contingencies	none
Resources Needed	none
Board Decisions Needed	none
Significant Actions Completed	none
Significant Actions Not Completed	none

GOAL: Education for Licensure

Board members: Nadia Rogers and Wendy Lewis

S	Specific	Consider the impact of the Model Curriculum, Practice Analysis, and Blueprint on VBOA regulations, VBOA Policy, and the VBOA Education Handbook (i.e., additional 30 credit hours required for CPA licensure). Once decided, include outreach and communications of the VBOA decisions.
M	Measurable	Upon implementation and approved in VBOA regulations, VBOA Policy and VBOA Education Handbook
A	Achievable	Yes
R	Relevant	Very relevant
T	Time-based	Education guidelines and Education Handbook: Draft in May 2022

Status Update

Status Date	March 16, 2022
Forecasted to complete on time (Yes/No)? If No, please provide explanation.	yes
Unresolved Significant Risks/Contingencies	none
Resources Needed	none
Board Decisions Needed	none
Significant Actions Completed	none
Significant Actions Not Completed	none

GOAL: Education for Exam

Board members: Nadia Rogers and Wendy Lewis

S	Specific	Consider the impact of the model curriculum, Practice Analysis, and Blueprint on VBOA regulations, VBOA Policy, and VBOA education guidelines (i.e., composition of the 24 credit hours of upper-level accounting and 24 credit hours of business courses). Once decided, include outreach and communications of the VBOA decisions, while considering the model curriculum and practice analysis.
M	Measurable	Upon implementation and approved in VBOA regulations, VBOA Policy and VBOA Education Handbook
A	Achievable	Yes
R	Relevant	Very relevant
T	Time-based	Interim updates to VBOA Education guidelines and Education Handbook to reflect acknowledgement of CPA Evolution: Draft, review and approved in August 31, 2021, Board meeting. Draft communications plan available in October 2021. Draft updates to VBOA regulation, Policy, Education Handbook following release of Practice Analysis and Blueprint for public comment in mid-2022: August 2022. Final updates to VBOA regulation, Policy, Education Handbook following Practice Analysis and Blueprint: February 2023. Communications plan available: April 2023. *Continuous assessment throughout evolution is imperative

Status Update	
Status Date	March 16, 2022
Forecasted to complete on time (Yes/No)? If No, please provide explanation.	yes
Unresolved Significant Risks/Contingencies	Draft model curriculum and draft transition plan released, June 2021, by NASBA and AICPA.
Resources Needed	none
Board Decisions Needed	none
Significant Actions Completed	Draft communications plan discussed at Sept. 30, 2021, Board meeting.
Significant Actions Not Completed	none

GOAL: CPE Credits

Board members: Nadia Rogers and Laurie Warwick

S	Specific	Updating existing VBOA Policy (and VBOA regulations, if necessary) by adding a standardized formula for awarding CPE for publications, presentations, professional designations/exams, and training programs.
M	Measurable	Through a developed standardized formula and approved by the Board.
A	Achievable	Yes
R	Relevant	Very relevant
T	Time-based	Jan-22

Status Update

Status Date	March 16, 2022
Forecasted to complete on time (Yes/No)? If No, please provide explanation.	Yes
Unresolved Significant Risks/Contingencies	none
Resources Needed	none
Board Decisions Needed	none
Significant Actions Completed	Qualifying guidelines approved during Jan. 11, 2022, Board meeting.
Significant Actions Not Completed	none

GOAL: Fee Structure

Board members: Brian Carson

S	Specific	Have a reasonable fee structure that will fund all of our expenditures for a minimum of the next 10 years while maintaining a minimum contingency fund in line with our VBOA Policy.
M	Measurable	It's approved by the Governor's Office and the General Assembly, if needed.
A	Achievable	Yes
R	Relevant	Very relevant
T	Time-based	June 2023

Status Update

Status Date	March 16, 2022
Forecasted to complete on time (Yes/No)? If No, please provide explanation.	yes
Unresolved Significant Risks/Contingencies	none
Resources Needed	none
Board Decisions Needed	none
Significant Actions Completed	Initial 10-year forecast has been completed. Preliminary discussions held with the Department of Planning and Budget, and Secretary of Finance.
Significant Actions Not Completed	none



**VIRGINIA BOARD OF
ACCOUNTANCY BYLAWS
FEBRUARY 2020**

Article I – Members

The appointment and limitations of service of the members shall be in accordance with Section 54.1-4402-54.1-4404 of the Code of Virginia.

Article II - Officers of the Board

Officers of the Board shall consist of Chair and Vice Chair. The terms of office of the Chair and Vice Chair shall be for 12 months or until succeeded. The term of each office shall begin July 1 of each year. No officer shall be eligible to serve more than two consecutive terms in the same office unless serving an unexpired term.

- A. Chair: The Chair shall preserve order and preside at all meetings according to parliamentary rules, the Virginia Administrative Process Act, and the Virginia Freedom of Information Act. The Chair shall sign his or her name as Chair to the certificates authorized to be signed by the Chair.
- B. Vice Chair: The Vice Chair shall act as Chair in the absence of the Chair.
- C. Order of succession: In the event of a vacancy in the office of Chair, the Vice Chair shall assume the office of Chair for the remainder of the term. In the event of a vacancy in the office of Vice Chair, a special election will be held.

Article III - Election of Officers

The Board shall elect officers for a term of one year. The term of each office shall begin July 1 of each year.

Board members may nominate fellow Board members for Chair and Vice Chair at the first scheduled Board meeting following April 1 of each year. The election of officers shall occur at this meeting. The elected officers shall assume their duties July 1 of each year.

- A. Officers shall be elected at a meeting of the Board with a quorum present.
- B. Voting shall be by voice vote, roll call or show of hands. A simple majority shall prevail with the current Chair casting a vote only to break a tie.
- C. The election shall occur in the following order: Chair, Vice-Chair.

Article IV – Committees

- A. The Board may establish committees as deemed necessary to assist the Board in its work.



- B. The Board shall approve the members of the committees. The Board may appoint members to a committee who are not members of the Board when it serves the purpose of the committee.
- C. The work of committees shall be outlined in policy and be advisory to the board unless otherwise specified.

Amendments to Bylaws

Amendments to these bylaws may be proposed by presenting the amendments in writing to all Board members seven calendar days prior to any scheduled Board meeting.