

**Thursday, October 20, 2022**

**Board Meeting Agenda**

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

Individuals submitting comments remotely may do so at [meet.google.com/fmw-pabd-bah](https://meet.google.com/fmw-pabd-bah)  
or dial in (US) +1 1 802-962-0256 PIN: 923 208 035#  
Virtual link for public comment period only

- 10 a.m. Call to Order – **Laurie A. Warwick, CPA, Chair**  
Security Briefing – **Nicole Reynolds, Licensing and Operations Support**  
Board Meeting protocols – **Laurie A. Warwick, CPA, Chair**  
Approval of October 20, 2022, Agenda  
Approval of August 29, 2022, Board meeting minutes
- 10:15 a.m. NASBA Updates – **Patricia Hartman, Director of Client Services, NASBA**
- Length of NTS for applicants
  - CPA Evolution credit extension
- 10:30 a.m. Public comment period\*
- 10:40 a.m. Enforcement Agenda – **Matthew Ross, Enforcement Director**  
Cases denoted ‘+’ involved IFF
- 2021-0021 Board Order (Bradshaw, Carson) †
  - 2021-016-010U Board Order (Bradshaw, Carson, Rogers) †
  - 2021-022-010D Board Order (Bradshaw) †
  - 2021-0026 Consent Order – proposal (Brown)
- 11:00 a.m. Closed Session
- Legal advice – § 2.2-3711(A)(8)
    - 2020-032-019D Board Order (Bradshaw, Carson) †
    - 2022-0271 Board Order (Bradshaw) †
    - 2022-0367 Board Order (Bradshaw) †
    - 2022-0010 Board Order (Glynn) †
  - Disciplinary proceedings – 2.2-3711(A)(27)
  - Personnel matters – § 2.2-3711(1) – **Sherida Haughton, Consultant, VCU Performance Management Group**
- 11:30 a.m. NASBA and AICPA Committee Updates – **Laurie A. Warwick, CPA, Chair**
- 11:45 a.m. Executive Director’s Report – **Nancy Glynn, CPA, Executive Director**
- General updates
  - Re-exam fees – CPA Evolution

- Licensing System
- Financial and Board Report update – **Renai Reinholtz, Deputy Director**
- Enforcement update – **Matthew Ross, Enforcement Director**
- Policy update – **Vasa Clarke, Information and Policy Advisor**

12 p.m.

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

- 2023 Virginia Specific Ethics Outline – **Kelli Anderson, Communications Manager**
- AICPA Exposure Draft, Maintaining the Relevance of the Uniform CPA Exam – **Nadia Rogers, CPA**
- Draft Revised Policy #9 Inactive Status Procedure for Approval/Denial/Appeal – **Wendy Lewis, CPA**
- S.M.A.R.T. Goals 2023 update – **Nancy Glynn, CPA, Executive Director**
  - Education Accreditation: **October 2022 – Nadia Rogers, CPA**
    - Draft Guidance Document: Guidelines for Accreditation of Educational Institutions
  - Peer Review Enforcement: **November 2022**
  - Education for Exam: **Draft January 2023 – Final February 2023 – Communications April 2023**
  - Education for Licensure: May 2022 – **Now January 2023**
    - AICPA Exposure Draft released July 2022 for comments
    - Determine the impact of the Blueprint on VBOA regulations, VBOA Policy, and the VBOA Education Handbook
  - Cash forecasting and fee structure – **June 2023**
  - Licensing System – **October 2022 proposal update**
  - Enforcement: Tracking cases – **October 2022 (paused for determination on new system)**
  - Enforcement: Use of Title – **Draft October 2022 – Final November 2022**
    - Draft Guidance Document: Guidelines for Use of the CPA Title
  - Enforcement: CPE review – **Draft November 2022 – Final January 2023**

12:30 p.m.

Adjourn for lunch

1 p.m.

Board Discussion Topics (continued)

2 p.m.

Additional Items for Discussion – **Laurie A. Warwick, CPA, Chair**

- Sign Conflict of Interest forms
- Sign Travel Expense vouchers
- Future meeting dates
  - November 29, 2022
  - January 9, 2023 (New date)
  - March 27, 2023 (New date): Hampton University

3 p.m.

Adjournment

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**\*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.

## **Opening Board Meeting Reminders**

### **Agenda Topics**

The agenda consists of the items of business to be discussed at the meeting. Once the agenda has been approved, it is final. No additional matters for discussion will be considered at that meeting. Any topics not on the approved agenda must be approved for discussion or be requested to be added to a future agenda.

### **Public Comment**

Those who appear for public comment should sign-up/in to provide for the board record.

Speakers during public comment should only begin after being recognized by the Chair.

Public comment is limited to 5 minutes per speaker.

The Board Chair will call for general public comments first. These can be on any subject relevant to board business but not the enforcement cases under consideration.

Public comments for enforcement cases will be request by case as they are introduced. Comments must be confined to the recommendation or anything contained in the board record. New evidence may not be introduced at this time.

### **General Business**

During general business of the board, all members have equal rights, privileges and obligations. Everyone has the right to be heard.

The Chair must recognize board members before they begin speaking.

Discussion must be limited to the topic under discussion. This gives the chance for a full and fair discussion, dissuades topic tangents and maintains order.

Actions by the Board shall be initiated by a motion, and properly seconded. Motions may be amended but the amended motion clearly articulated and properly seconded.

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**Board Meeting  
August 29, 2022  
Draft/ Unapproved minutes**

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The Virginia Board of Accountancy met on Monday, August 29, 2022, in Board Room #4 of the Perimeter Center, 9960 Mayland Drive, Henrico, VA 23233.

**MEMBERS PRESENT:** Laurie A. Warwick, CPA, Chair  
D. Brian Carson, CPA, CGMA  
William R. Brown, CPA  
Dale G. Mullen  
David Cotton, CPA, CFE, CGFM

**MEMBERS APPEARING  
VIRTUALLY:** Nadia A. Rogers, CPA

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

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

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

**MEMBERS OF THE  
PUBLIC APPEARING  
VIRTUALLY:** Caroline Powers, DPB

**CALL TO ORDER**

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

Ms. Warwick announced that Wendy P. Lewis would not be in attendance and that Mr. Mullen's arrival was delayed.

**Board Meeting  
August 29, 2022  
Draft/ Unapproved minutes**

**SECURITY BRIEFING**

Ms. Reynolds provided the emergency evacuation procedures.

**DETERMINATION OF QUORUM**

Ms. Warwick determined there was a quorum present.

**REMOTE PARTICIPATION**

Due to scheduling conflicts, Ms. Rogers was a remote participant 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.

**APPROVAL OF AGENDA**

Upon a motion by Ms. Rogers and duly seconded, the members voted unanimously to approve the August 29, 2022, agenda, as amended. The members voting “AYE” were Ms. Warwick, Mr. Brown, Mr. Carson, Ms. Rogers and Mr. Cotton.

**APPROVAL OF MINUTES**

Upon a motion by Mr. Cotton and duly seconded, the members voted unanimously to approve the July 11, 2022 Board meeting minutes, as amended. The members voting “AYE” were Ms. Warwick, Mr. Brown, Mr. Carson, Ms. Rogers and Mr. Cotton.

Mr. Mullen arrived.

The Board entered into **closed session** under authority of § 2.2-3711(A) (8), consultation with legal counsel regarding specific legal matters.

**Begin closed meeting**

Upon a motion by Mr. Carson, 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’ exemption contained in Virginia Code §2.2-3711 (A)(8).

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, Matthew Ross and James Flaherty.

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**Board Meeting  
August 29, 2022  
Draft/ Unapproved minutes**

The members voting “AYE” were Ms. Warwick, Mr. Brown, Mr. Carson, Ms. Rogers, Mr. Mullen and Mr. Cotton.

**End closed meeting**

Upon a motion by Mr. Carson, 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.

The members voting “AYE” were Ms. Warwick, Mr. Brown, Mr. Carson, Ms. Rogers, Mr. Mullen and Mr. Cotton.

**PUBLIC COMMENT PERIOD**

There were no comments at this time.

**Enforcement Agenda – Matthew Ross, Enforcement Director**

Case #2021-0006

Mr. Ross discussed the aspects of the case.

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

**CALL FOR VOTE:**

Laurie A. Warwick, CPA – Aye  
Dale G. Mullen – Aye  
William R. Brown, CPA – Abstain  
D. Brian Carson, CPA, CGMA – Aye  
Nadia A. Rogers, CPA – Aye  
David Cotton, CPA, CFE, CGFM – Aye

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**Board Meeting  
August 29, 2022  
Draft/ Unapproved minutes**

VOTE:

Ayes: Five (5)  
Abstain: One (1)  
Nays: None (0)

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Case #2020-065-025U

Mr. Mullen recused himself. Mr. Ross discussed the aspects of the case. The Board discussed the matter.

Upon a motion by Mr. Carson and duly seconded, the members voted to approve the Board Order as written.

CALL FOR VOTE:

Laurie A. Warwick, CPA – Aye  
Dale G. Mullen – Abstain  
William R. Brown, CPA – Aye  
D. Brian Carson, CPA, CGMA – Aye  
Nadia A. Rogers, CPA – Aye  
David Cotton, CPA, CFE, CGFM – Aye

VOTE:

Ayes: Five (5)  
Abstain: One (1)  
Nays: None (0)

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The Board entered into **closed session** under authority of § 2.2-3711(A) (8), consultation with legal counsel regarding specific legal matters.

**Begin closed meeting**

Upon a motion by Mr. Carson, 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’ exemption contained in Virginia Code §2.2-3711 (A)(8).

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, Matthew Ross and James Flaherty.

**Board Meeting  
August 29, 2022  
Draft/ Unapproved minutes**

The members voting “AYE” were Ms. Warwick, Mr. Brown, Mr. Carson, Ms. Rogers, Mr. Mullen and Mr. Cotton.

**End closed meeting**

Upon a motion by Mr. Carson, 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.

The members voting “AYE” were Ms. Warwick, Mr. Brown, Mr. Carson, Ms. Rogers, Mr. Mullen and Mr. Cotton.

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

Case #2022-0376

Mr. Ross discussed the aspects of the case.

Upon a motion by Mr. Mullen and duly seconded, the members voted to approve the Consent Order as written with the exception of amending the penalty to \$1,500.

**CALL FOR VOTE:**

Laurie A. Warwick, CPA – Aye  
Dale G. Mullen – Aye  
William R. Brown, CPA – Aye  
D. Brian Carson, CPA, CGMA – Aye  
Nadia A. Rogers, CPA – Aye  
David Cotton, CPA, CFE, CGFM – Aye

**VOTE:**

Ayes: Six (6)  
Abstain: None (0)



**Board Meeting  
August 29, 2022  
Draft/ Unapproved minutes**

Nays: None (0)

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Case #2021-0026

Mr. Ross discussed the aspects of the case.

Upon a motion by Mr. Mullen and duly seconded, the members voted to approve the Consent Order as amended with a fine of \$5,000 and quality matters related to future audits.

**CALL FOR VOTE:**

Laurie A. Warwick, CPA – Aye  
Dale G. Mullen – Aye  
William R. Brown, CPA – Abstain  
D. Brian Carson, CPA, CGMA – Aye  
Nadia A. Rogers, CPA – Aye  
David Cotton, CPA, CFE, CGFM – Aye

**VOTE:**

Ayes: Five (5)  
Abstain: One (1)  
Nays: None (0)

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**THENTIA PRESENTATION**

Thentia presented a database technology system to the Board during lunch. The Board requested that Ms. Glynn present a licensing system proposal in October.

Ms. Rogers left the meeting for the day.

**NASBA and AICPA COMMITTEE UPDATES**

**NASBA CPE Standards Group**

Mr. Brown apprised the Board of how NASBA groups and sub-groups who work on the CPE standards share information with NASBA and AICPA and how the information is distributed.

**Board Meeting  
August 29, 2022  
Draft/ Unapproved minutes**

**NASBA Education Committee**

Ms. Glynn shared Ms. Rogers' comments in her absence. Ms. Rogers advised the Board that the NASBA Education Committee met on August 8, 2022, to discuss comments on the CPA Exam blueprint exposure draft to be shared with NASBA. NASBA plans to issue a collective letter to the AICPA that will include the comments and concerns of its underlying committees working on the project.

The AICPA Board of Examiners met on August 4, 2022. A financial update and CPA exam update was provided and discussed.

NASBA's CPA Examination Review Board recently sent out a communication asking whether boards of accountancy had suggestions or concerns in a number of areas to include exam and scoring, communication and exam candidates, deployment of the exam and the future value of the CPA designation.

Ms. Rogers suggested that the Board consider having a scheduled discussion on the future value of becoming a licensed CPA.

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**EXECUTIVE DIRECTOR'S REPORT**

**General updates**

- Ms. Glynn informed the Board of reporting requirements from the Secretary of Finance including the Objectives and Key results, (OKR) and Monthly Management Reporting (MMR) process.
- Ms. Glynn noted that VBOA published the 2022-2024 Strategic Plan.
- Ms. Glynn updated the Board on the status of reinstatements and licensing.
- Ms. Glynn informed the Board that the FY21 Financial Statements are now available on the APA's website.

**Financial and Board Report update**

Ms. Reinholtz presented and fielded questions regarding the July 2022 Financial and Board Report.

**Enforcement update**

Mr. Ross provided handouts and reported on the progress of the Enforcement Division. He fielded questions from the Board.

**Board Meeting  
August 29, 2022  
Draft/ Unapproved minutes**

**Policy update**

Mr. Clarke did not have any updates.

**S.M.A.R.T. Goals update - Nancy Glynn, CPA**

**Peer Review Enforcement: December 2022**

Mr. Cotton posed questions to the Board regarding the methods by which the goal will be reached. Ms. Glynn and Ms. Walker offered comments and suggestions about improving Peer Review Enforcement.

**Education Accreditation: May 2022 – August 2022**

Guidelines for Accreditation of Educational Institutions was moved to the October Board meeting. Any questions or changes to the current document will be sent to Ms. Glynn.

**Education for Exam: Draft August 2022-Final February 2023-Communications April 2023**

**Education for Licensure: May 2022 – Now January 2023**

Ms. Glynn noted that the AICPA Exposure Draft released in July 2022 for comments will have an impact on licensure and exam. The Board discussed possible changes. Ms. Walker offered comments.

The CPA Exam blueprint exposure draft was released June 28, 2022. Comments should be submitted by September 30, 2022. Once the blueprint is finalized, recommendations for the VBOA Education Handbook will be presented to the Board in February 2023.

**Cash forecasting and fee structure - June 2023**

**Licensing System - August 2022 proposal**

Ms. Glynn confirmed that VBOA will move forward and report on progress in the October meeting.

**Enforcement: Tracking cases September 2022**

**Enforcement: Use of CPA Title - Draft October 2022 – Final November 2022**

**Enforcement: CPE review - Draft November 2022 – Final December 2022**

**Board Meeting  
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Draft/ Unapproved minutes**

**ADDITIONAL ITEMS FOR DISCUSSION**

- Sign Conflict of Interest forms
- Sign Travel Expense vouchers
- Future meeting dates – Current and future meeting dates were discussed and are subject to change.
  - October 20, 2022
  - November 29, 2022 (tentative)
  - January 11, 2023 (tentative)
  - March 15, 2023 (tentative)

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**ADJOURNMENT**

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

**APPROVED:**

\_\_\_\_\_  
Laurie A. Warwick, CPA, Chair

**COPY TESTE:**

\_\_\_\_\_  
Nancy Glynn, CPA, Executive Director



National Association of State Boards of Accountancy

150 Fourth Avenue North ♦ Suite 700 ♦ Nashville, TN 37219-2417 ♦ Tel 615/880-4200 ♦ Fax 615/880/4290 ♦ Web [www.nasba.org](http://www.nasba.org)

June 1, 2022

Dear Executive Director:

Upon the launch of the new CPA Examination in January 2024, it is anticipated some candidates with conditional credit may possibly be negatively impacted by limited opportunities to test and also by delays in score reporting.

The CBT Administration Committee and the Executive Directors Committee strongly recommend that transitioning policies regarding credit extensions be consistent among all boards to reduce confusion and shifting candidate application behaviors based upon differing board policies. Because questions have been raised regarding credit extension policies during transition, the Committees are recommending the following credit extension policy:

**Any candidate with Uniform CPA Examination credit(s) on January 1, 2024 will have such credit(s) extended to June 30, 2025.**

The recommendation is based on the following goals and objectives:

- Minimizes candidate disruption
- Easy to understand, communicate and implement
- Minimize risk to the public protection
- Minimize impact to the candidate pipeline
- Support and promote the new CPA Evolution model
- Minimize changes to state board statute/rules
- Be uniformly accepted by all Boards of Accountancy

It should also be noted that during the conversion from the paper-and-pencil examination to the computerized examination in 2004, similar extensions of credits were granted.

The two committees will take up the issue of addressing how new candidates testing in 2024 could be impacted by limited testing opportunities and score delays later this year and make further recommendations to the Boards.

We urge you to adopt the above recommendation. If you have any questions, please contact either of us, or Patricia Hartman, NASBA Director of Client Services (615-880-4273 or [phartman@nasba.org](mailto:phartman@nasba.org)). Pat and other NASBA senior staff are available to attend your Board meetings virtually over the coming months to answer questions and provide further background information regarding the recommendation of the Committees if that would be helpful.

Also, please let Pat know if your Board will adopt the recommended policy, as she will be tracking status of this matter for all Boards and reporting it periodically to you. Our intent is to share this information widely, along with testing and score release calendars for 2024 later in 2022, so it is preferable that each Board doesn't announce their policy decision until such time as the broad release. NASBA will communicate the timing the announcements with the Boards before they are published.

Thank you for your consideration of this matter.

Sincerely,

*Nancy J. Corrigan*

Nancy J. Corrigan, CPA  
Chair, CBT Administration Committee  
[nancy.corrigan@cba.ca.gov](mailto:nancy.corrigan@cba.ca.gov)  
916-561-1711

*Kent A. Absec*

Kent A. Absec  
Chair, Executive Directors Committee  
[kent.absec@dopl.ida.gov](mailto:kent.absec@dopl.ida.gov)  
208-334-2615

cc: Colleen Conrad, COO and EVP, NASBA  
Patricia Hartman, Director of Client Services, NASBA

**Financial Report**  
**FY23 Budget vs. Actual Expenses**  
**As of September 30, 2022**

		<b>FY23 Operating Budget</b>	<b>FY23 YTD Expenditures</b>	<b>% Expended</b>	<b>FY22 Expenditures</b>	<b>FY21 Expenditures</b>	<b>FY20 Expenditures</b>
<b>Salaries &amp; Benefits</b>							
1123	Salaries	1,134,760	297,307	26.2%	897,977	844,009	879,646
11XX	Benefits	590,756	112,858	19.1%	354,860	352,058	429,238
<b>Total Salaries &amp; Benefits</b>		<b>\$ 1,725,516</b>	<b>\$ 410,164</b>	<b>23.8%</b>	<b>\$ 1,252,837</b>	<b>\$ 1,196,067</b>	<b>\$ 1,308,884</b>
<b>Contractual Services</b>							
1209	Charge Card Purchases (not distributed)	-	-	---	-	-	-
1211	Express Services	850	14	1.7%	655	33	84
1214	Postal Services	17,000	3,588	21.1%	15,395	14,576	12,011
1215	Printing Services	6,500	400	6.2%	5,766	3,208	6,459
1216	Telecommunications - VITA	12,000	2,764	23.0%	11,449	10,921	9,609
1217	Telecommunications - Nonstate (CallFire)	2,500	300	12.0%	1,200	1,530	2,495
1219	Inbound Freight	300	50	16.7%	135	22	260
1221	Organization Memberships (primarily NASBA)	8,835	7,994	90.5%	9,279	7,674	8,327
1222	Publication Subscriptions	4,270	100	2.3%	4,357	3,655	3,655
1224	Training - Courses, Workshops, Conferences	9,490	-	0.0%	6,126	763	7,563
1227	Training-Transportation, Lodging, Meals, Incidentals	18,500	1,688	9.1%	4,635	-	9,511
1242	Fiscal Services (Credit Card Merchant Fees)	60,000	15,424	25.7%	45,864	47,123	68,818
1243	Attorney Services	25,000	-	0.0%	16,097	26,217	48,624
1244	Mgmt. Services - NASBA/special accommodations	37,422	1,611	4.3%	10,387	9,012	28,061
1246	Public Info/Public Relations (subscriptions)	3,500	-	0.0%	2,485	439	4,484
1247	Legal Services (court reporting services)	12,100	337	2.8%	8,363	11,460	2,688
1252	Electrical Repair/Maintenance	-	-	---	-	3,681	-
1253	Equipment Repair/Maintenance	-	-	---	-	-	440
1264	Food and Dietary Services	3,500	362	10.3%	2,352	1,127	2,377
1266	Manual Labor Services (Includes shredding services)	1,100	-	0.0%	200	1,410	1,757
1268	Skilled Services	2,100	1,125	53.6%	1,650	-	600
1272	VITA - System Hosting, Maintenance, and Admin	248,235	57,285	23.1%	222,006	320,442	135,675
1272	VITA - Shared ISO Audit Services	20,500	-	0.0%	20,425	-	-
1272	VITA - System Implementation	250,000	-	0.0%	-	-	-
1272	VITA - ECOS fees	-	-	---	4,755	-	-
1272	VITA - System Reporting Tool	-	-	---	5,750	-	-
1273	Info Mgmt Design and Development Services (IT Support)	-	-	---	19,450	230,725	108,689
1275	Computer Software Maintenance (website hosting)	7,070	1,790	25.3%	7,050	7,235	6,435
1278	VITA Information Technology Infrastructure Services (included ECOS)	77,280	14,446	18.7%	52,008	57,838	148,216
1282	Travel - Personal Vehicle	6,500	1,690	26.0%	4,927	962	6,318
1283	Travel - Public Carriers	1,200	-	0.0%	497	-	-
1285	Travel - Subsistence and Lodging	2,500	928	37.1%	1,890	-	1,221
1288	Travel, Meal Reimburse - Not IRS Rpt	2,000	262	13.1%	1,106	-	723
<b>Total Contractual Services</b>		<b>\$ 840,252</b>	<b>\$ 112,157</b>	<b>13.3%</b>	<b>\$ 486,259</b>	<b>\$ 760,054</b>	<b>\$ 625,343</b>
<b>Supplies and Materials</b>							
1312	Office Supplies	2,500	191	7.7%	864	904	1,191
1313	Stationery and Forms	1,800	475	26.4%	404	644	997
1323	Gasoline (Enterprise vehicles)	250	-	0.0%	-	-	87
1335	Packaging and Shipping Supplies	1,200	-	0.0%	369	720	351
1342	Medical & Dental Supplies	50	-	0.0%	-	30	-

		<b>FY23 Operating Budget</b>	<b>FY23 YTD Expenditures</b>	<b>% Expended</b>	<b>FY22 Expenditures</b>	<b>FY21 Expenditures</b>	<b>FY20 Expenditures</b>
<b><u>Supplies and Materials, continued</u></b>							
1352	Custodian Repair & Maintenance	-	-	---	-	14	728
1362	Food & Dietary Supplies	550	89	16.1%	126	107	442
1363	Food Service Supplies	50	-	0.0%	236	35	16
1373	Computer Operating Supplies	1,500	115	7.7%	786	1,236	823
	<b>Total Supplies &amp; Materials</b>	<b>\$ 7,900</b>	<b>\$ 870</b>	<b>11.0%</b>	<b>\$ 2,785</b>	<b>\$ 3,689</b>	<b>\$ 4,634</b>
<b><u>Transfer Payments</u></b>							
1413	Awards & Recognition	350	-	0.0%	623	343	-
1415	Unemployment Compensation	-	-	---	-	216	-
1418	Incentives	350	-	0.0%	-	-	725
	<b>Total Transfer Payments</b>	<b>\$ 700</b>	<b>\$ -</b>	<b>0.0%</b>	<b>\$ 623</b>	<b>\$ 559</b>	<b>\$ 725</b>
<b><u>Continuous Charges</u></b>							
1512	Automobile Liability Insurance	231	-	0.0%	231	231	231
1516	Property Insurance	1,224	-	0.0%	540	1,224	1,224
1534	Equipment Rentals	13,943	1,909	13.7%	7,454	8,099	8,133
1539	Building Rentals - Non-State Owned Facilities	100,625	25,149	25.0%	97,997	95,005	95,161
1541	Agency Service Charges (shared services)	59,722	23,613	39.5%	49,465	52,373	37,675
1551	General Liability Insurance	5,500	-	0.0%	5,328	328	328
1554	Surety Bonds	40	-	0.0%	40	40	40
1555	Worker's Compensation	1,110	-	0.0%	1,110	1,094	1,023
	<b>Total Continuous Charges</b>	<b>\$ 182,395</b>	<b>\$ 50,671</b>	<b>27.8%</b>	<b>\$ 162,165</b>	<b>\$ 158,394</b>	<b>\$ 143,815</b>
<b><u>Equipment</u></b>							
2216	Network Components	2,500	-	0.0%	1,653	877	1,357
2217	Other Computer Equipment	200	102	51.0%	155	130	97
2218	Computer Software Purchases	500	-	0.0%	418	50	428
2231	Electronic Equipment	6,450	-	0.0%	1,170	-	-
2233	Voice and Data Transmission Equipment	-	-	---	-	969	23
2261	Office Appurtenances (Blinds, Carpet, etc.)	-	-	---	-	-	687
2262	Office Furniture	1,500	454	30.3%	755	-	385
2263	Office Incidentals	-	46	---	63	345	658
2283	Mechanical Equipment	-	-	---	-	-	2,338
2328	Construction, Building Improvements	-	-	---	-	150	44,209
	<b>Total Equipment</b>	<b>\$ 11,150</b>	<b>\$ 602</b>	<b>5.4%</b>	<b>\$ 4,214</b>	<b>\$ 2,521</b>	<b>\$ 50,182</b>
	<b>Total Expenses</b>	<b>\$ 2,767,913</b>	<b>\$ 574,464</b>	<b>20.8%</b>	<b>\$ 1,908,884</b>	<b>\$ 2,121,284</b>	<b>\$ 2,133,583</b>
	<b>Chapter 2 Appropriation</b>	<b>\$ 2,767,913</b>					



## Virginia Board of Accountancy Cash Balance Report

	Operating Fund		Trust Fund	
	FY2023	FY2022	FY2023	FY2022
	As of 9/30/22	As of 9/30/21	As of 9/30/22	As of 9/30/21
<b>Beginning Cash Balance July 1</b>	\$ 2,556,744	\$ 2,473,711	\$ 3,341,045	\$ 3,157,427
YTD Revenue Collected	160,430	126,059	-	-
Interest earnings*	-	-	-	-
Accounts Payable **	24,086	76	-	-
Cash Transfers In per Board Policy #1	193,303	-	-	177,280
Cash Transfers Out per Board Policy #1	-	(177,280)	(193,303)	-
YTD Expenditures	(574,464)	(488,456)	-	-
<b>Cash Balance</b>	<b>\$ 2,360,100</b>	<b>\$ 1,934,110</b>	<b>\$ 3,147,742</b>	<b>\$ 3,334,707</b>
<b>Required Cash Transfers:</b>				
Transfers to Central Service Agencies ***	\$ (11,983)	\$ (13,366)	-	-
<b>Cash Balance after required transfers</b>	<b>\$ 2,348,117</b>	<b>\$ 1,920,744</b>	<b>\$ 3,147,742</b>	<b>\$ 3,334,707</b>

\* 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	FY2023 - YTD as of 9/30/22	FY2022 - YTD as of 9/30/21	Fiscal Year Ending 6/30/22	Fiscal Year Ending 6/30/21	Fiscal Year Ending 6/30/20
Exam Application Fee	\$ 31,515	\$ 31,560	\$ 130,560	\$ 149,430	\$ 171,105
Individual License Application Fee	15,525	19,800	70,800	83,100	93,300
Firm License Application Fee	900	1,400	4,100	4,500	7,300
Re-Exam Application	17,720	19,720	72,080	83,420	80,240
(a) Renewal Fee	1,285	720	1,777,925	1,824,315	1,824,475
Reinstatement Fee	88,500	46,600	98,600	63,150	63,500
Duplicate Wall Certificate Fee	350	500	2,150	1,700	1,800
License Verification Fee	4,725	5,425	21,325	16,625	16,175
CPA Exam Score Transfers	250	350	1,075	1,325	1,750
Administrative Fee	-	44	45	646	-
Bad Check Fee	-	-	50	50	313
<b>Total Revenue</b>	<b>\$ 160,770</b>	<b>\$ 126,119</b>	<b>\$ 2,178,710</b>	<b>\$ 2,228,261</b>	<b>\$ 2,259,958</b>
<b>(b) Net Revenue per Cardinal</b>	<b>\$ 160,430</b>	<b>\$ 126,059</b>	<b>\$ 2,178,830</b>	<b>\$ 2,199,041</b>	<b>\$ 2,220,553</b>
<b>(c) Difference</b>	<b>\$ 340</b>	<b>\$ 60</b>	<b>\$ (120)</b>	<b>\$ 29,220</b>	<b>\$ 39,405</b>

**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**

	<b>FY2023 - YTD as of 9/30/22</b>	<b>FY2022 - YTD as of 9/30/21</b>	<b>Fiscal Year Ending 6/30/22</b>	<b>Fiscal Year Ending 6/30/21</b>	<b>Fiscal Year Ending 6/30/20</b>
Fines levied	\$ 68,506	\$ 16,625	\$ 189,950	\$ 128,042	\$ 107,725
Fines collected	\$ 62,773	\$ 8,860	\$ 157,851	\$ 138,947	\$ 112,760
Outstanding Current fines receivable (< 365 Days)	\$ 51,370	\$ 32,418	\$ 49,751	\$ 29,041	\$ 49,975
Outstanding Written-off receivables (=> 365 Days)	\$ 684,846	\$ 673,731	\$ 680,731	\$ 669,342	\$ 659,313

**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  
September 30, 2022**

Fiscal Period	Period ending 9/30/2022	Period ending 9/30/2021	Period ending 6/30/2022	Period ending 6/30/2021	Year ending 6/30/2020
<b>REGULANTS</b>					
<b>Individuals</b>					
Active, licensed CPAs	26,795	27,073	26,482	26,715	26,666
Inactive, licensed CPAs	2,111	2,071	2,053	2,033	1,915
<b>Total Licensed CPAs</b>	<b>28,906</b>	<b>29,144</b>	<b>28,535</b>	<b>28,748</b>	<b>28,581</b>
Out-of-state licensees	9,825	9,733	9,669	9,572	8,935
Reinstatements - Individuals	240	117	257	170	170
New CPA licenses issued	212	332	1,039	1,069	1,241
Expired/voluntarily surrendered licenses	11	5	1,337	119	861
<b>Exam Candidates</b>					
<b>Number of first time exam candidates</b>	<b>271</b>	<b>281</b>	<b>1,118</b>	<b>1,193</b>	<b>1,673</b>
<b>Firms</b>					
<b>Total active, licensed CPA firms</b>	<b>1,124</b>	<b>1,152</b>	<b>1,172</b>	<b>1,125</b>	<b>1,157</b>
Reinstatements - Firms	9	12	18	8	8
New CPA firm licenses issued	9	12	42	38	37
Expired/voluntarily surrendered licenses	0	0	76	12	81

**All Open Enforcement Complaints - As of August 18, 2022**

**All Open Enforcement Complaints**



**All Open Complaint Types**

CPE Deficiency	98
Acts Discreditable	1
Due Professional Care	38
Unlicensed Activity	36
Eligibility	1
<b>174</b>	

**All Open Enforcement Complaints - As of October 7, 2022**

**All Open Enforcement Complaints**



**All Open Complaint Types**

CPE Deficiency	160
Acts Discreditable	4
Due Professional Care	38
Unlicensed Activity	35
Eligibility	1
<b>238</b>	

**New and Closed Complaints - August 19, 2022 to October 7, 2022**

**Opened Complaints**



**Opened Complaint Types**

CPE Deficiency	107
Due Professional Care	8
Unlicensed Activity	20
Act Discreditable	4
<b>139</b>	

**Closed Complaints**



**Closed Complaint Types**

CPE Deficiency	45
Due Professional Care	8
Unlicensed Activity	21
Acts Discreditable	1
<b>75</b>	

**Disposition Types**

Advisory Letter	23	Board Order	2
Consent Order	41	CPE Compliant	0
No Finding	0	No Violation	7
No Jurisdiction	2	Other	0
<b>75</b>			

# All Enforcement Cases

Complaint #	Type	Status	Date Received	Date Entered	Total Days Open
2022-0046	Due Professional Care	NOAV - Sent	8/3/2020	1/27/2022	795
2022-0365	Due Professional Care	Probable Cause Review	2/16/2021	6/24/2022	598
2022-0161	Due Professional Care	Consent Order - Sent	4/8/2021	3/30/2022	547
2021-0159	Due Professional Care	NOAV - Sent	3/23/2021	12/27/2021	563
2021-0083	Unlicensed Activity - O	IFF - Completed	8/20/2021	10/18/2021	413
2021-0089	Unlicensed Activity - O	IFF - Scheduled	9/5/2021	10/18/2021	397
2021-0075	Unlicensed Activity - G	Probable Cause Review	6/14/2021	10/15/2021	480
2021-0086	Due Professional Care	NOAV - Sent	8/25/2021	10/18/2021	408
2021-0021	Unlicensed Activity - O	Board Meeting - Pending	9/14/2021	9/14/2021	388
2021-0097	Due Professional Care	IFF - Completed	10/8/2021	10/19/2021	364
2021-0026	Due Professional Care	Consent Order - Sent	9/30/2021	9/30/2021	372
2021-0106	Due Professional Care	IFF - Completed	10/28/2021	10/28/2021	344
2021-0145	Unlicensed Activity - O	NOAV - Sent	12/10/2021	12/10/2021	301
2021-0088	Unlicensed Activity - O	NOAV - Pending	10/18/2021	10/18/2021	354
2021-0091	Due Professional Care	NOAV - Sent	9/8/2021	10/18/2021	394
2021-0108	Unlicensed Activity - O	Consent Order - Draft	10/29/2021	10/29/2021	343
2022-0010	CPE Deficiency	Board Meeting - Pending	1/11/2022	1/11/2022	269
2022-0070	Due Professional Care	IFF - Scheduled	2/14/2022	2/14/2022	235
2022-0071	Due Professional Care	IFF - Scheduled	2/15/2022	2/15/2022	234
2022-0128	Unlicensed Activity - G	IFF - Scheduled	3/15/2022	3/15/2022	206
2021-0128	Due Professional Care	NOAV - Pending	11/23/2021	11/23/2021	318
2021-0156	Due Professional Care	NOAV - Sent	12/22/2021	12/22/2021	289
2022-0216	<sup>022</sup> CPE Deficiency	Consent Order - Sent	4/19/2022	4/19/2022	171

2022-0194	CPE Deficiency	IFF - Completed	4/13/2022	4/13/2022	177
2022-0198	CPE Deficiency	IFF - Completed	4/14/2022	4/14/2022	176
2022-0195	CPE Deficiency	IFF - Completed	4/14/2022	4/14/2022	176
2022-0251	CPE Deficiency	IFF - Scheduled	4/28/2022	4/28/2022	162
2022-0252	CPE Deficiency	IFF - Completed	4/28/2022	4/28/2022	162
2022-0238	Due Professional Care	IFF - Completed	4/22/2022	4/22/2022	168
2022-0246	CPE Deficiency	IFF - Completed	4/25/2022	4/25/2022	165
2022-0271	Due Professional Care	Board Meeting - Pending	5/4/2022	5/4/2022	156
2022-0274	CPE Deficiency	IFF - Scheduled	5/5/2022	5/5/2022	155
2022-0287	CPE Deficiency	IFF - Completed	5/11/2022	5/11/2022	149
2022-0297	CPE Deficiency	IFF - Completed	5/12/2022	5/12/2022	148
2022-0295	CPE Deficiency	IFF - Scheduled	5/11/2022	5/11/2022	149
2022-0304	CPE Deficiency	IFF - Completed	5/17/2022	5/17/2022	143
2022-0268	CPE Deficiency	IFF - Completed	5/4/2022	5/4/2022	156
2022-0262	CPE Deficiency	IFF - Completed	5/3/2022	5/3/2022	157
2022-0263	CPE Deficiency	IFF - Completed	5/3/2022	5/3/2022	157
2022-0264	CPE Deficiency	IFF - Completed	5/3/2022	5/3/2022	157
2022-0309	CPE Deficiency	IFF - Scheduled	5/17/2022	5/17/2022	143
2022-0312	CPE Deficiency	Consent Order - Sent	5/17/2022	5/17/2022	143
2022-0279	CPE Deficiency	NOAV - Sent	5/10/2022	5/10/2022	150
2022-0292	CPE Deficiency	IFF - Completed	5/11/2022	5/11/2022	149
2022-0335	CPE Deficiency	IFF - Scheduled	5/24/2022	5/24/2022	136
2022-0336	CPE Deficiency	IFF - Scheduled	5/24/2022	5/24/2022	136
2022-0311	CPE Deficiency	Consent Order - Sent	5/17/2022	5/17/2022	143
2022-0332	CPE Deficiency	IFF - Scheduled	5/24/2022	5/24/2022	136
2022-0348	CPE Deficiency	Consent Order - Sent	6/6/2022	6/6/2022	123
2022-0352	Eligibility	IFF - Scheduled	6/9/2022	6/9/2022	120
2022-0349	CPE Deficiency	IFF - Scheduled	6/6/2022	6/6/2022	123
2022-0353	CPE Deficiency	Consent Order - Sent	6/9/2022	6/9/2022	120
2022-0341	CPE Deficiency	Consent Order - Sent	5/26/2022	5/26/2022	134
2022-0357	Due Professional Care	IFF - Scheduled	6/13/2022	6/14/2022	116
2022-0283	CPE Deficiency	IFF - Scheduled	5/10/2022	5/10/2022	150
2022-0364	Due Professional Care	IFF - Completed	6/23/2022	6/23/2022	106
2022-0202	CPE Deficiency	IFF - Completed	4/14/2022	4/14/2022	176
2022-0368	Unlicensed Activity - O	IFF - Scheduled	6/24/2022	6/24/2022	105
2022-0206	CPE Deficiency	IFF - Completed	4/15/2022	4/15/2022	175
2022-0250	CPE Deficiency	IFF - Scheduled	4/28/2022	4/28/2022	162
2022-0355	CPE Deficiency	Consent Order - Sent	6/10/2022	6/10/2022	119
2022-0356	CPE Deficiency	Consent Order - Sent	6/10/2022	6/10/2022	119
2022-0367	Acts Discreditable	Board Meeting - Pending	6/24/2022	6/24/2022	105
2022-0315	023 CPE Deficiency	IFF - Scheduled	5/18/2022	5/18/2022	142
2022-0359	CPE Deficiency	Consent Order - Sent	6/16/2022	6/16/2022	113

2022-0316	CPE Deficiency	IFF - Scheduled	5/20/2022	5/20/2022	140
2022-0319	CPE Deficiency	IFF - Scheduled	5/20/2022	5/20/2022	140
2022-0321	CPE Deficiency	IFF - Scheduled	5/20/2022	5/20/2022	140
2022-0323	CPE Deficiency	IFF - Scheduled	5/20/2022	5/20/2022	140
2022-0267	Unlicensed Activity - O	NOAV - Sent	5/3/2022	5/3/2022	157
2022-0333	CPE Deficiency	IFF - Scheduled	5/24/2022	5/24/2022	136
2022-0337	CPE Deficiency	IFF - Scheduled	5/24/2022	5/24/2022	136
2022-0253	CPE Deficiency	IFF - Completed	4/28/2022	4/28/2022	162
2022-0282	CPE Deficiency	IFF - Scheduled	5/10/2022	5/10/2022	150
2022-0358	Unlicensed Activity - O	NOAV - Pending	6/15/2022	6/15/2022	114
2022-0369	CPE Deficiency	IFF - Completed	6/27/2022	6/27/2022	102
2022-0084	Unlicensed Activity - G	NOAV - Sent	2/24/2022	2/28/2022	225
2022-0376	Unlicensed Activity - O	IFF - Scheduled	7/12/2022	7/13/2022	87
2022-0107	Due Professional Care	NOAV - Sent	2/25/2022	3/8/2022	224
2022-0378	Unlicensed Activity - O	IFF - Scheduled	7/13/2022	7/13/2022	86
2022-0371	CPE Deficiency	Consent Order - Sent	6/30/2022	6/30/2022	99
2022-0366	Unlicensed Activity - O	NOAV - Sent	6/28/2022	6/24/2022	101
2022-0385	Unlicensed Activity - O	IFF - Scheduled	7/20/2022	7/20/2022	79
2022-0237	Unlicensed Activity - O	Probable Cause Review	4/22/2022	4/22/2022	168
2022-0328	CPE Deficiency	Requested Additional Information	5/23/2022	5/23/2022	137
2022-0418	CPE Deficiency	Consent Order - Sent	8/3/2022	8/3/2022	65
2022-0260	Unlicensed Activity - O	Probable Cause Review	5/2/2022	5/2/2022	158
2022-0270	CPE Deficiency	Consent Order - Draft	5/4/2022	5/4/2022	156
2022-0404	Unlicensed Activity - O	NOAV - Sent	7/28/2022	7/28/2022	71
2022-0362	Unlicensed Activity - O	NOAV - Sent	6/21/2022	6/21/2022	108
2022-0557	Acts Discreditable	NOAV - Sent	8/22/2022	9/29/2022	46
2022-0413	Unlicensed Activity - O	NOAV - Pending	8/2/2022	8/2/2022	66
2022-0392	Due Professional Care	NOAV - Pending	7/25/2022	7/25/2022	74
2022-0393	Due Professional Care	NOAV - Pending	7/25/2022	7/25/2022	74
2022-0278	<sup>024</sup> Due Professional Care	NOAV - Sent	4/28/2022	5/9/2022	162



2022-0373	Due Professional Care	NOAV - Pending	7/1/2022	7/5/2022	98
2022-0347	Due Professional Care	NOAV - Sent	6/3/2022	6/3/2022	126
2022-0363	Due Professional Care	NOAV - Sent	6/3/2022	6/21/2022	126
2022-0485	CPE Deficiency	Entered / Intake	8/31/2022	8/31/2022	37
2022-0537	Unlicensed Activity - O	NOAV - Sent	9/13/2022	9/13/2022	24
2022-0547	Due Professional Care	NOAV - Sent	9/16/2022	9/16/2022	21
2022-0470	CPE Deficiency	Consent Order - Draft	8/26/2022	8/26/2022	42
2022-0550	CPE Deficiency	Consent Order - Sent	9/23/2022	9/23/2022	14
2022-0398	Due Professional Care	NOAV - Pending	7/26/2022	7/26/2022	73
2022-0563	Unlicensed Activity - O	NOAV - Sent	9/29/2022	10/5/2022	8
2022-0384	Due Professional Care	NOAV - Sent	7/19/2022	7/19/2022	80
2022-0496	Unlicensed Activity - O	NOAV - Sent	9/2/2022	9/2/2022	35
2022-0423	Due Professional Care	NOAV - Pending	8/5/2022	8/8/2022	63
2022-0431	Unlicensed Activity - G	Consent Order - Draft	8/12/2022	8/15/2022	56
2022-0555	Unlicensed Activity - O	NOAV - Sent	9/23/2022	9/26/2022	14
2022-0501	Unlicensed Activity - O	NOAV - Sent	9/7/2022	9/7/2022	30
2022-0502	Due Professional Care	NOAV - Pending	9/8/2022	9/8/2022	29
2022-0506	Due Professional Care	NOAV - Pending	9/8/2022	9/8/2022	29
2022-0536	Unlicensed Activity - O	NOAV - Pending	9/12/2022	9/13/2022	25
2022-0562	Unlicensed Activity - O	NOAV - Sent	10/4/2022	10/4/2022	3
2022-0345	Unlicensed Activity - O	Open Case	6/2/2022	6/2/2022	127
2022-0379	Unlicensed Activity - O	NOAV - Pending	7/14/2022	7/14/2022	85
2022-0381	Unlicensed Activity - O	Open Case	7/15/2022	7/15/2022	84
2022-0405	CPE Deficiency	Entered / Intake	7/29/2022	7/29/2022	70
2022-0407	CPE Deficiency	Entered / Intake	8/1/2022	8/1/2022	67
2022-0408	CPE Deficiency	Entered / Intake	8/1/2022	8/1/2022	67
2022-0409	CPE Deficiency	Entered / Intake	8/1/2022	8/1/2022	67

2022-0410	CPE Deficiency	Entered / Intake	8/1/2022	8/1/2022	67
2022-0411	CPE Deficiency	Entered / Intake	8/2/2022	8/2/2022	66
2022-0414	Unlicensed Activity - G	Open Case	8/3/2022	8/3/2022	65
2022-0415	CPE Deficiency	Entered / Intake	8/3/2022	8/3/2022	65
2022-0416	CPE Deficiency	Entered / Intake	8/3/2022	8/3/2022	65
2022-0417	CPE Deficiency	Entered / Intake	8/3/2022	8/3/2022	65
2022-0422	CPE Deficiency	Entered / Intake	8/5/2022	8/5/2022	63
2022-0424	CPE Deficiency	Entered / Intake	8/9/2022	8/9/2022	59
2022-0426	CPE Deficiency	Entered / Intake	8/10/2022	8/10/2022	58
2022-0434	CPE Deficiency	Entered / Intake	8/18/2022	8/18/2022	50
2022-0435	CPE Deficiency	Entered / Intake	8/18/2022	8/18/2022	50
2022-0436	CPE Deficiency	Entered / Intake	8/18/2022	8/18/2022	50
2022-0437	CPE Deficiency	Entered / Intake	8/18/2022	8/18/2022	50
2022-0438	CPE Deficiency	Entered / Intake	8/18/2022	8/18/2022	50
2022-0439	CPE Deficiency	Entered / Intake	8/18/2022	8/18/2022	50
2022-0440	CPE Deficiency	Entered / Intake	8/18/2022	8/18/2022	50
2022-0441	CPE Deficiency	Entered / Intake	8/18/2022	8/18/2022	50
2022-0442	CPE Deficiency	Entered / Intake	8/18/2022	8/18/2022	50
2022-0443	CPE Deficiency	Entered / Intake	8/19/2022	8/19/2022	49
2022-0444	CPE Deficiency	Entered / Intake	8/19/2022	8/19/2022	49
2022-0445	CPE Deficiency	Entered / Intake	8/19/2022	8/19/2022	49
2022-0446	CPE Deficiency	Entered / Intake	8/19/2022	8/19/2022	49
2022-0447	CPE Deficiency	Entered / Intake	8/19/2022	8/19/2022	49
2022-0448	CPE Deficiency	Entered / Intake	8/19/2022	8/19/2022	49
2022-0449	CPE Deficiency	Entered / Intake	8/19/2022	8/19/2022	49
2022-0450	CPE Deficiency	Entered / Intake	8/22/2022	8/22/2022	46
2022-0451	CPE Deficiency	Entered / Intake	8/22/2022	8/22/2022	46
2022-0452	CPE Deficiency	Entered / Intake	8/22/2022	8/22/2022	46
2022-0453	CPE Deficiency	Entered / Intake	8/22/2022	8/22/2022	46
2022-0454	CPE Deficiency	Entered / Intake	8/22/2022	8/22/2022	46
2022-0455	CPE Deficiency	Entered / Intake	8/23/2022	8/23/2022	45
2022-0456	CPE Deficiency	Entered / Intake	8/23/2022	8/23/2022	45
2022-0457	CPE Deficiency	Entered / Intake	8/24/2022	8/24/2022	44
2022-0458	CPE Deficiency	Entered / Intake	8/24/2022	8/24/2022	44
2022-0459	CPE Deficiency	Entered / Intake	8/24/2022	8/24/2022	44
2022-0460	CPE Deficiency	Entered / Intake	8/24/2022	8/24/2022	44
2022-0462	CPE Deficiency	Entered / Intake	8/25/2022	8/25/2022	43
2022-0465	CPE Deficiency	Entered / Intake	8/25/2022	8/25/2022	43
2022-0466	CPE Deficiency	Entered / Intake	8/25/2022	8/25/2022	43
2022-0467	CPE Deficiency	Entered / Intake	8/25/2022	8/25/2022	43
2022-0474	CPE Deficiency	Entered / Intake	8/29/2022	8/29/2022	39
2022-0475	CPE Deficiency	Entered / Intake	8/29/2022	8/29/2022	39
2022-0476	CPE Deficiency	Entered / Intake	8/29/2022	8/29/2022	39
2022-0477	CPE Deficiency	Entered / Intake	8/29/2022	8/29/2022	39
2022-0478	CPE Deficiency	Entered / Intake	8/29/2022	8/29/2022	39
2022-0479	CPE Deficiency	Entered / Intake	8/30/2022	8/30/2022	38

2022-0480	CPE Deficiency	Entered / Intake	8/30/2022	8/30/2022	38
2022-0481	CPE Deficiency	Entered / Intake	8/30/2022	8/30/2022	38
2022-0482	CPE Deficiency	Entered / Intake	8/30/2022	8/30/2022	38
2022-0484	CPE Deficiency	Entered / Intake	8/31/2022	8/31/2022	37
2022-0486	CPE Deficiency	Entered / Intake	8/31/2022	8/31/2022	37
2022-0487	CPE Deficiency	Entered / Intake	8/31/2022	8/31/2022	37
2022-0488	CPE Deficiency	Entered / Intake	8/31/2022	8/31/2022	37
2022-0490	CPE Deficiency	Entered / Intake	9/1/2022	9/1/2022	36
2022-0492	CPE Deficiency	Entered / Intake	9/1/2022	9/1/2022	36
2022-0493	CPE Deficiency	Entered / Intake	9/1/2022	9/1/2022	36
2022-0494	CPE Deficiency	Entered / Intake	9/1/2022	9/1/2022	36
2022-0497	CPE Deficiency	Entered / Intake	9/7/2022	9/7/2022	30
2022-0498	CPE Deficiency	Entered / Intake	9/7/2022	9/7/2022	30
2022-0499	CPE Deficiency	Entered / Intake	9/7/2022	9/7/2022	30
2022-0500	CPE Deficiency	Entered / Intake	9/7/2022	9/7/2022	30
2022-0503	CPE Deficiency	Entered / Intake	9/8/2022	9/8/2022	29
2022-0504	CPE Deficiency	Entered / Intake	9/8/2022	9/8/2022	29
2022-0505	Due Professional Care	Open Case	9/8/2022	9/8/2022	29
2022-0507	CPE Deficiency	Entered / Intake	9/8/2022	9/8/2022	29
2022-0508	CPE Deficiency	Entered / Intake	9/8/2022	9/8/2022	29
2022-0509	CPE Deficiency	Entered / Intake	9/8/2022	9/8/2022	29
2022-0510	CPE Deficiency	Entered / Intake	9/8/2022	9/8/2022	29
2022-0511	CPE Deficiency	Entered / Intake	9/8/2022	9/8/2022	29
2022-0512	CPE Deficiency	Entered / Intake	9/8/2022	9/8/2022	29
2022-0513	CPE Deficiency	Entered / Intake	9/8/2022	9/8/2022	29
2022-0514	CPE Deficiency	Entered / Intake	9/8/2022	9/8/2022	29
2022-0516	CPE Deficiency	Entered / Intake	9/8/2022	9/8/2022	29
2022-0518	CPE Deficiency	Entered / Intake	9/8/2022	9/8/2022	29
2022-0522	CPE Deficiency	Entered / Intake	9/9/2022	9/9/2022	28
2022-0523	CPE Deficiency	Entered / Intake	9/9/2022	9/9/2022	28
2022-0524	CPE Deficiency	Entered / Intake	9/9/2022	9/9/2022	28
2022-0525	CPE Deficiency	Entered / Intake	9/9/2022	9/9/2022	28
2022-0526	CPE Deficiency	Entered / Intake	9/9/2022	9/9/2022	28
2022-0527	CPE Deficiency	Entered / Intake	9/9/2022	9/9/2022	28
2022-0528	CPE Deficiency	Entered / Intake	9/12/2022	9/12/2022	25
2022-0529	CPE Deficiency	Entered / Intake	9/12/2022	9/12/2022	25
2022-0530	CPE Deficiency	Entered / Intake	9/12/2022	9/12/2022	25
2022-0531	CPE Deficiency	Entered / Intake	9/12/2022	9/12/2022	25
2022-0532	CPE Deficiency	Entered / Intake	9/12/2022	9/12/2022	25
2022-0533	CPE Deficiency	Entered / Intake	9/12/2022	9/12/2022	25
2022-0539	CPE Deficiency	Entered / Intake	9/14/2022	9/14/2022	23
2022-0540	CPE Deficiency	Entered / Intake	9/14/2022	9/14/2022	23
2022-0541	CPE Deficiency	Entered / Intake	9/15/2022	9/15/2022	22
2022-0542	CPE Deficiency	Entered / Intake	9/15/2022	9/15/2022	22
2022-0543	CPE Deficiency	Entered / Intake	9/15/2022	9/15/2022	22
2022-0544	<sup>027</sup> CPE Deficiency	Entered / Intake	9/15/2022	9/15/2022	22

2022-0545	Due Professional Care	Entered / Intake	9/15/2022	9/15/2022	22
2022-0546	CPE Deficiency	Entered / Intake	9/16/2022	9/16/2022	21
2022-0549	CPE Deficiency	Entered / Intake	9/21/2022	9/21/2022	16
2022-0551	CPE Deficiency	Entered / Intake	9/23/2022	9/23/2022	14
2022-0552	CPE Deficiency	Entered / Intake	9/23/2022	9/23/2022	14
2022-0553	CPE Deficiency	Entered / Intake	9/23/2022	9/23/2022	14
2022-0554	CPE Deficiency	Entered / Intake	9/23/2022	9/23/2022	14
2022-0556	Due Professional Care	Entered / Intake	9/27/2022	9/27/2022	10
2022-0558	Due Professional Care	NOAV - Pending	10/4/2022	10/4/2022	3
2022-0559	Acts Discreditable	Open Case	10/4/2022	10/4/2022	3
2022-0560	CPE Deficiency	Entered / Intake	10/4/2022	10/4/2022	3
2022-0561	Acts Discreditable	IFF - Scheduled	10/4/2022	10/4/2022	3
2022-0564	CPE Deficiency	Entered / Intake	10/5/2022	10/5/2022	2
2022-0566	CPE Deficiency	Entered / Intake	10/6/2022	10/6/2022	1
2022-0568	CPE Deficiency	Entered / Intake	10/6/2022	10/6/2022	1
2022-0569	CPE Deficiency	Entered / Intake	10/6/2022	10/6/2022	1
2022-0570	CPE Deficiency	Entered / Intake	10/6/2022	10/6/2022	1
2022-0571	CPE Deficiency	Entered / Intake	10/6/2022	10/6/2022	1
2022-0572	Unlicensed Activity - O	NOAV - Pending	10/7/2022	10/7/2022	0
2020-032-019D	Due Professional Care	Board Meeting-Pending	6/11/2020		848
2020-072-029D	Due Professional Care	Probable Cause Review	12/10/2020		666
2020-073-030D	Due Professional Care	Probable Cause Review	10/21/2020		716
2021-018-011U	Unlicensed Activity - G	Probable Cause Review	4/8/2021		547
2021-022-010D	Due Professional Care	Board Meeting-Pending	5/14/2021		511

Welcome to the 2023 Virginia Board of Accountancy Segment.

[Add VBOA logo, title and website url on screen: [www.boa.virginia.gov](http://www.boa.virginia.gov)]

All VBOA-approved ethics courses will include this 2023 VBOA Segment. CPAs have a choice regarding which ethics course they take to meet the two-hour ethics course CPE requirement. CPAs can take a course that is specific to their line of work or another area of interest as long as the course is pre-approved by the VBOA and includes this VBOA Segment. All VBOA-approved ethics courses are posted on our website. It is the responsibility of each CPA to ensure they are participating in an approved course.

CPAs can learn more about the ethics course requirement on the VBOA website at

<https://boa.virginia.gov/individual-cpas/cpe/vboa-approved-ethics-course/>.

[Add url on screen]

CPAs can also take multiple ethics courses in one year, if they choose, that can count towards their overall CPE hour requirement.

Do not forget to keep the certificate of completion when this course is complete and add it online to NASBA's CPE Audit Service. The CPE Audit Service tracks ongoing CPE all in one place.

[Add homepage and url of CPE Audit Service <https://cpeauditservice.nasba.org/>]

[Include graphic of the bullet points on screen as they are spoken]

This 2023 VBOA Segment will include discussion of the following topics:

- Use of the CPA title
- Mobility/reciprocity
- Firm license dos and don'ts
- Engagement letters

[Create section header graphic for each bullet point separately]

### **Use of the CPA title**

CPAs are distinguished accounting professionals committed to protecting the public interest.

CPAs are known as trusted advisors to their clients and organizations. They provide leadership and support for critical and strategic decisions in every sector such as law, finance, healthcare, education, business, non-profit, technology, and much more.

[Show stock videos or photos in some of these industries with professional employees]

However, the code of professional conduct and ethics, self-discipline, continued learning, and integrity set CPAs apart from other professionals that may provide similar services.

Each state has its own laws and regulations regarding how CPAs, holding themselves out in their state, can and should represent themselves. CPAs are responsible for being familiar with and following those rules.

[Graphic of U.S. showing the states and then zoom in on Virginia]

In Virginia, as defined in the Code of Virginia § 54.1-4400. Definitions, "Using the CPA title in Virginia" means using "CPA," "Certified Public Accountant," or "public accountant" in any form or manner of verbal communication to persons or entities located in Virginia or in ANY form or manner of written

communication to persons or entities located in Virginia, including but not limited to the use in any abbreviation, 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.

[Say this paragraph slowly and show the entire code on screen.]

Without a current Virginia CPA license or a CPA license from another substantially equivalent state, individuals may not refer to themselves as a CPA in the Commonwealth of Virginia. Even if they previously held a CPA license, the individual cannot refer to themselves as a CPA if the license is not current.

A current license is in good standing with the VBOA in either the Active or Inactive status.

The VBOA has experienced a number of complaints and enforcement cases within the last year related to misuse of the CPA title. CPAs who no longer hold a current license are being disciplined because they, in some form or manner, referred to themselves as a CPA.

This includes former licensees who have let their CPA license expire or chose to voluntarily surrender their license. It also includes licenses that are suspended or revoked. Once a license is no longer in current status, a former licensee cannot refer to themselves as a CPA. Doing so is considered unlicensed use of the title.

Individuals who use the title without a license are in violation of Virginia regulations and may be subject to investigation and potential disciplinary action. Penalties range from a reprimand to monetary fines.

Including phrases on a resume or company biography such as “leveraging experience as a CPA,” or “having been a CPA for 20 years” may result in disciplinary action if the individual does not hold a current CPA license.

Other possible violations are found in social media feeds such as LinkedIn. For example, licensees may remove the title after their name, but overlook other places on the page where the license is mentioned.

[Screenshot of LinkedIn home page and then add in screenshot that’s provided of the Licensing header]

It is also important that former licensees review any public biographies that might continue to reference the CPA title. Firms and other employers who publicly list employees and their CPA credentials are also responsible for ensuring these licenses are still in good standing.

If a current CPA license is not held, individuals may not use “CPA” or any other similar reference in their email address. For example, [johndocpa@gmail.com](mailto:johndocpa@gmail.com) is not allowed and would be considered improper use of the title.

[Graphic to show email address on screen]

This also includes domain names. CPA cannot be used in a domain name, including the .CPA sponsored by the AICPA, unless the individual and/or firm using the domain holds an Active CPA individual or firm license.

[Graphic to show url using .cpa on screen]

This use of the CPA title is currently an active agenda discussion topic with the Board members.

Remember, all VBOA Board meetings are open and any member of the public, including licensees, are welcome to attend a meeting and make public comments on any relevant topic. But also, as always, if any questions arise, please contact the VBOA.

[Create section header graphic for each bullet point separately]

### **Mobility/reciprocity**

Now let's discuss licensing mobility and reciprocity rules. Both of these concepts were developed to streamline regulatory processes and reduce licensing complexity.

Beginning in 1984, the AICPA and NASBA worked together to develop a "Uniform Accountancy Act." This is a model for all states to use when developing licensing laws. All jurisdictions have adopted and generally follow these model rules, creating substantial equivalency among states for issuing CPA licenses.

Generally, mobility allows CPAs who are actively licensed in one state to offer services to clients in another state. CPAs may have to register in other states depending on the services they offer there and where their principal place of business is located. This is particularly important if the CPA is offering attest services.

License reciprocity between jurisdictions allows individually, actively licensed CPAs to become licensed in another state if they move there or are required to be licensed in another state due to business practices and/or state regulations through the reciprocal licensure process.

In the simplest sense, a CPA license is somewhat like a driver's license. The individual obtains one in the state where they live and work, and it can be used temporarily in other states. However, when they move to a different state they may need to apply for a new license, but it is easier to obtain because they already have a driver's license.

[Show image of a driver's license and then show image of CPA certificate]

The most important thing CPAs need to know is that different states and jurisdictions have different rules and guidelines governing when and how a CPA license is required and obtained. Licensees should understand the regulations for all states where business is conducted and/or a CPA license is held.

[Show sentence on screen for emphasis]

### **Mobility**

A majority of states have adopted mobility legislation based on these rules. This is a practice privilege that generally permits a licensed CPA in good standing from a substantially equivalent state to practice outside of his or her principal place of business without obtaining another license. For this privilege to apply, the CPA must hold an Active, unrestricted CPA license in good standing from the jurisdiction where his or her principal place of business is located.

A CPA performing services through mobility may only perform the same level of services (attest or non-attest) in the mobility jurisdiction as he or she is permitted to perform in his or her home jurisdiction.

In Virginia, similar mobility rules apply to CPA firms. Any firm providing attest services, compilation services, or financial statement preparation services to persons or entities located in Virginia must hold a Virginia firm CPA license unless the firm's principal place of business is not located in Virginia and they hold a valid firm CPA license in their home state that permits them to perform this work.

However, this does not affect a person who is not licensed to include a statement on financial statements indicating that no assurance is provided on the financial statements, to say that financial statements have been compiled, or to use the compilation language.

If an out-of-state individual or firm uses their CPA title in Virginia, they are agreeing to be subject to:

- Code of Virginia and VBOA regulations that apply to Virginia licensees
- All disciplinary proceedings arising out of matters related to the use of the CPA title in Virginia
- The authority of the VBOA to revoke or suspend the privilege to use the CPA title in Virginia and to impose penalties for violations of Code of Virginia statutes and regulations.

[Show bulleted list on screen]

It is important to remember these are Virginia regulations. Other state rules may differ.

Visit NASBA's [CPAmobility.com](http://CPAmobility.com) website to understand if mobility applies with an easy to fill out online form. For direct questions regarding Virginia mobility, please contact the VBOA office.

[Add screenshot of home page that's provided and url [cpamobility.org](http://cpamobility.org)]

### **Reciprocity**

Now let's talk about reciprocity. Many states require a licensee to obtain a new license if moving to a new jurisdiction. However, because of substantial equivalency it is much easier in most cases to obtain a reciprocal license.

Substantial equivalency is defined when the education, exam and experience requirements contained in another jurisdiction's statutes and rules are comparable to or exceed the requirements in the individual CPAs' jurisdiction.

States that are substantially equivalent recognize the CPA license and, for the most part, require licensees to provide evidence that the license is in good standing with the state of issuance. All states are currently substantially equivalent.

In Virginia, an individual who holds a license of another state or jurisdiction is not required to hold a Virginia license, provided that either of the following is true:

- The licensee provides services to the public and the principal place of business in which those services are provided is in another state or jurisdiction.
- The licensee does not provide services to the public or to or on behalf of an employer.

[Show bulleted list on screen]

The VBOA is always here to help but CPAs must be proactive with the other state rules as well.

States vary in licensing requirements so never hesitate to call the board of accountancy in the state where a license is held or plan to work. Individual CPAs are responsible for understanding the rules of practice in every state in which they work.



[Create section header graphic for each bullet point separately]

### **Firm license dos and don'ts**

Now let's talk about when to hold a CPA firm license in Virginia. It is important to know what cannot be done without a firm license as well as the dos and don'ts of firm licensure in Virginia.

[Add emphasis that now we are talking about CPA firms. Show graphic with CPA firms on it.]

Only an actively licensed CPA firm may provide attest services, compilation services and/or financial statement preparation services to persons or entities located in Virginia. These are the services within the scope of the AICPA practice monitoring Standards.

If a firm is offering these services and the firm's principal place of business is Virginia, the firm must hold an Active Virginia CPA firm license. If the firm's principal place of business is not located in Virginia, it is not required to hold a Virginia CPA firm license, but it must hold an Active CPA firm license and be lawfully allowed to provide these services in the state in which its principal place of business is located. To provide these services, a firm must also be enrolled in a practice-monitoring program of the AICPA, also known as peer review.

A firm may elect to hold a Virginia CPA firm license even if it does not provide services within the scope of the AICPA practice monitoring standards. In this case, enrollment in a peer review program is not required.

In summary, if services performed by the firm are within the scope of the AICPA's practice monitoring standards and the firm issues reports purporting to be in accordance with AICPA professional standards, the firm needs to hold an Active CPA firm license and be enrolled in peer review.

[Show home page of website <https://us.aicpa.org/interestareas/peerreview.html>]

All actively licensed Virginia CPA firms must renew their license annually by June 30 and each firm must appoint an Active Virginia CPA as the principal licensee. It is important to note that the principal licensee, who is required to be an Active Virginia CPA, must renew his or her individual license by the June 30 deadline to ensure the Virginia CPA firm license is properly renewed.

Individual CPAs and CPA firms that do not hold an Active license may not perform attest services, compilation services or and/or financial statement preparation services even if they are not collecting a fee. Only an actively-licensed CPA firm that is enrolled in peer review may advertise and engage in these services.

[Create section header graphic for each bullet point separately]

### **Engagement letters**

Well written, executed engagement letters are the best way to define the scope of services an individual CPA or a firm is providing. Engagement letters are important for all services. They define the business contract between the firm and its clients and outline the scope of services, while setting clear expectations for the engagement. This is especially true for tax services being provided to individuals.

Engagement letters are a great tool for business, but all licensed CPAs and CPA firms must follow due professional care, regardless of the type of services provided, even if an executed engagement letter does not exist.

The Standards of Conduct and Practice in the Code of Virginia requires all licensed CPAs to follow the AICPA Code of Professional Conduct and related interpretive guidance. CPAs must also follow the technical standards and related interpretive guidance issued by committees and boards of the AICPA that are designated by the AICPA Council to promulgate technical standards.

The standards, and related interpretive guidance, are issued by the Comptroller General of the United States, the Internal Revenue Service, the Federal Accounting Standards Advisory Board, the Financial Accounting Standards Board, the Governmental Accounting Standards Board, the Public Company Accounting Oversight Board, the U. S. Securities and Exchange Commission, comparable international standard-setting authorities, or any successor standard-setting authorities.

Please take the time to review which standards govern the individual CPA practice. However, the AICPA Code of Professional Conduct has sections that are relevant to all licensed CPAs and CPA firms. Make sure to be familiar with these rules. The document is readily available online and is in an easy, searchable format.

### **Closing**

Remember, all Active and Inactive Virginia CPAs and all CPA firms must renew their license annually by June 30. If not renewed by that date, the CPA license will expire and require reinstatement.

[Create graphic with June 30 renewal deadline on it so it stands out]

This 2023 VBOA Segment included a lot of relevant and useful information for Virginia CPAs.

If you have questions about any of the topics discussed, please do not hesitate to contact the VBOA at [boa@boa.virginia.gov](mailto:boa@boa.virginia.gov) or (804) 367-8505.

The VBOA website includes more information on these topics and is a great resource for all things related to the CPA community in Virginia. Visit the website at [www.boa.virginia.gov](http://www.boa.virginia.gov).

[End with showing the VBOA email, phone number and website url]

This concludes VBOA's segment of the 2023 approved ethics course. Thank you for watching and please enjoy the rest of your chosen ethics course.



National Association of State Boards of Accountancy

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◆ 150 Fourth Avenue North, Suite 700 ◆ Nashville, TN 37219-2417 ◆ Tel 615.880-4200 ◆ [www.nasba.org](http://www.nasba.org) ◆

September 29, 2022

Board of Examiners  
American Institute of CPAs  
100 Princeton South, Suite 200  
Ewing, NJ 08628

Via Email: [practiceanalysis@aicpa.org](mailto:practiceanalysis@aicpa.org)

**Re: Exposure Draft: Maintaining Relevance of the Uniform CPA Examination**

We are pleased to respond to the request for comments from the American Institute of CPAs’ (the “AICPA”) Board of Examiners (the “BOE”) on its *Exposure Draft: Maintaining the Relevance of the Uniform CPA Examination – Aligning the Exam with the CPA Evolution Licensure Model* (the “Exposure Draft”). The National Association of State Boards of Accountancy’s (NASBA) mission is to enhance the effectiveness and advance the common interests of Boards of Accountancy (the “Boards”). Our comments are made in consideration of the Boards’ mandate to protect the public interest.

We support the AICPA and BOE in this important endeavor of conducting a practice analysis to ensure that the Uniform CPA Examination (the “Exam”) continues to test the minimum competencies needed to become a licensed certified public accountant as we shift into the new CPA Evolution licensure model. The Boards of Accountancy rely on this Exam, along with education and experience requirements, as stated in their Accountancy Acts, as they make the important determination of qualification for licensure as a CPA. Given the significance of the Exam to all Boards of Accountancy, they have relied upon NASBA to monitor this practice analysis process closely on their behalf.

While we are fully supportive of this initiative, we are also mindful of the mindset of candidates as it relates to the new Exam. It is clearly in the public interest that well-prepared and well-vetted candidates enter the public accounting profession. Conversely, we do not believe that the perceived scope of knowledge associated with the Exam should be a barrier to entry into the profession. We encourage the AICPA to increase messaging to candidates emphasizing the commonality of subject matter with the existing exam along with the incremental differences. We also encourage the AICPA to work with NASBA to closely monitor potential candidates’ knowledge and perceptions regarding the new Exam once implemented and modify outreach to candidates as needed.

In furtherance of the above, NASBA offers the following comments on the Exposure Draft.

## **GENERAL COMMENTS**

Though specific comments are being provided below, NASBA is overall supportive of the Uniform CPA Exam Blueprints (“Blueprints”) shared in the Exposure Draft and appreciates the thorough and professional practice analysis process undertaken by the AICPA to develop Blueprints for, in essence, six new Exam sections under CPA Evolution.

We do also understand that the AICPA presumes that all newly licensed CPAs (“nlCPAs”) are supervised in all that they do and that the practice analysis and the discussions with firms, focus groups, content rating panels and confirmation panels were conducted under that premise. It was noted a number of times in our discussions with Boards regarding the response to the Exposure Draft that small firms in states with fewer practitioners do not have the luxury of multiple levels of supervision of work or extensive firm-wide training programs for nlCPAs. Such firms more heavily rely upon the education system and Exam to prepare their nlCPAs to be prepared to conduct complete audits and perform other services. Such nlCPAs are supervised and trained, but not to the depth assumed in some areas within this Exposure Draft. In such situations, notations are made below. We also note that when licensed, with self-assessed competency, a CPA is afforded the right to sign audit and attestation reports. Though less common, some nlCPAs set up their own practices after licensure and do not have additional supervision. Given this, minimum levels of knowledge of all aspects of engagements should be included on the Exam.

## **RESPONSES TO SPECIFIC EXPOSURE DRAFT QUESTIONS**

**Question 1 – Do the Core Exam Blueprints include the knowledge and skills required of all nlCPAs to protect the public interest? If not:**

**a. Is there content missing from the Core Exam Blueprints? If so, please explain what content you believe should be added, including examples of how this is affecting newly licensed practice.**

**a. Auditing and Attestation (AUD)**

- i. Our understanding is that Quality Control is now termed Quality Management in the standards, so it would be appropriate to change the reference in AUD I G and throughout the Blueprint.
- ii. The task required of Area II B 2 of AUD references solely the corporate governance provisions of the Sarbanes-Oxley Act of 2002 (Act). Would it be possible to limit the Reference Section on page A9 to only include Title III of the Act, instead of the entire Act? We do not believe that AICPA expects candidates to comprehend the entire Act.
- iii. Since the pandemic, remote auditing has become commonplace. We believe that the remote auditing environment should be addressed specifically in AUD. Topics including, but not limited to, how sufficient appropriate evidence (III B) is gathered and how adequate testing of controls and tests of details (III D 1) can be performed when working in a remote environment would be very relevant to nlCPAs.

- iv. We believe it would be helpful to candidates to include the types of sampling that could be covered in AUD III C. Examples could include attribute, variable, probability proportional to size (PPS), monetary unit sampling (MUS) and others. Also, we presume that this category could include both statistical and nonstatistical sampling. If so, that should also be clarified. Further descriptions would aid candidates as they prepare to take the AUD section.
- v. Concern was expressed by state board members involved in drafting the NASBA response that AUD Area IV is not sufficiently weighted.
  - 1. AUD Area IV C covers accounting and review service engagements which are commonly performed often by CPAs, including nCPAs, in small and medium-sized CPA firms. As such, though it is a lower level of service, it is crucial that nCPAs understand all aspects of providing preparation, compilation and review services.
  - 2. AUD Area IV E 6 represents the only coverage on the Exam for special-purpose frameworks including cash basis, tax basis, regulatory basis, contractual basis and other frameworks. Both cash and tax basis financial statement reporting are also commonplace by CPA firms and such engagements are regularly performed by nCPAs.
  - 3. As both accounting and review services and reporting under multiple special-purpose frameworks are so common, we believe that further attention and weighting should be given to both. These are both example of services provided very often by smaller firms with less comprehensive supervision, so more in-depth testing on the Exam is appropriate.
- vi. We believe that nCPAs will be involved in both new audits to their firm and initial audits of clients. Consideration should be given to assessing basic understanding regarding the standards around such audits.
- vii. It is possible that a nCPA would be present when a successor auditor is reviewing workpapers. Consider including awareness of principles surrounding review of workpapers upon transition of clients in AUD.

**b. Financial Accounting and Reporting (FAR)**

- i. Considering the CPA Evolution Model Curriculum issued in June 2021 and the amount of time allocated to data analytics and digital acumen in the Accounting and Data Analytics core, it appears there is a lack of consistency in the amount of content and skills allocated to such topics in the FAR section of the Blueprint, as exposed. Wordsmithing to include more data analytics terminology might be appropriate to clarify to candidates that data analytics skills will be tested in FAR and throughout the Blueprint. As such, it is an important skill to develop. A more consistent bridge back to terminology used in the Model Curriculum would be helpful.
- ii. We note that Long-Term Debt is a category on page A31 and is included in FAR II H. As such, it would seem that Short-Term Debt should also

be included separately, or included in a grouped section simply termed Debt.

- iii. In FAR I A 3, a representative task is included to, “Recall the purpose, objectives and structure of the statement of comprehensive income.” It seems inconsistent to not also require candidates to recall the purpose, objectives and structure of other statements such as the balance sheet / statement of financial position, income statement / statement of profit and loss, statement of changes in equity, and statement of cash flow.
- iv. We believe that the statement of functional expenses should be covered in Area I B, in addition to the other statements for general purpose financial reporting for nongovernmental not-for-profit entities.

**c. Taxation and Regulation (REG)**

- i. It was noted that no content was included pertaining to sales of personal residences. We believe these are common transactions that could be part of nCPA practice and therefore should be included in REG.
- ii. We encourage the AICPA to continue its research to better understand the use of data analytics skills in additional engagement areas such as taxation, and continue to add analytics tasks to REG.

**b. Is there content included in the Core Exam Blueprints that is not relevant to nCPA practice that should be removed? If so, please provide the details of what content you believe should be removed and why it should not be considered nCPA practice.**

None noted.

**Question 2 – Do the Discipline Exam Blueprints include the knowledge and skills required of an nCPA to protect the public interest? If not:**

**a. Is there content missing from the Discipline Exam Blueprints? If so, please explain what content you believe should be added, including examples of how this is affecting newly licensed practice.**

**a. Business Analysis and Reporting (BAR)**

- i. As noted above in our FAR comments, we also believe there is a lack of consistency in the amount of content and skills allocated to data analytics and digital acumen in the BAR section of the Blueprint, as exposed. We again recommend consideration of terminology used to ensure a more consistent bridge back to terminology used in the Model Curriculum.

**b. Information System and Controls (ISC)**

- i. As there are multiple COSO frameworks, Area I A 1 should specify to which framework it is referring.
- ii. The ISC section lacks application, analysis and evaluation questions compared to the other discipline sections. As such, it could be perceived as less advanced and rigorous as the other disciplines.
  - 1. One suggestion for addressing this could be in II A Regulation, Standards and Frameworks. Candidates are asked to recall aspects of different frameworks. Instead, candidates could be asked to apply

these frameworks to sets of facts in order to analyze the facts. As an example, “Given this set of facts, are there any issues with how personal data are being used as required by GDPR” or “Given a set of facts, which regulation, standard or framework would be applicable.”

2. Additionally, as SOC engagements are attestation engagements, consideration should be given to including tasks at both the analysis and evaluation levels, similar to tasks included in the AUD section.

**c. Tax Compliance and Planning (TCP)**

- i. It was noted that no content was included pertaining to like-kind exchanges or involuntary conversions. We believe these are common tax situations that are part of n1CPA practice and therefore should be included in TCP.

**b. Is there content included in the Discipline Exam Blueprints that is not relevant to n1CPA practice that should be removed? If so, please provide the details of what content you believe should be removed and why it should not be considered n1CPA practice.**

- a. None noted.

**Additional Comments**

Though not specifically requested, during our review of the Exposure Draft, certain additional items were noted:

1. The Blueprint is somewhat inconsistent in its terminology. As an example, in certain places in AUD and FAR, there are references to issuers and non-issuers and in other places to public and non-public entities. Also, given the distinctions between accelerated filers and non-accelerated filers, and the different disclosure requirements for smaller reporting companies, it is also important to be intentional with terminology utilized. We would recommend that a search of the document be conducted to ensure consistency in terminology.
2. We recommend that a preamble be added to each Exam section’s Reference listing which provides guidance to candidates on how the source references should be viewed and considered in conjunction with the Blueprint content group / topics and representative tasks outlined. This will encourage candidates to focus on respective portions of the identified source documentation with which they should be knowledgeable.
3. We note that Evaluation level skills are only tested in the AUD section. We believe that AICPA should ramp up its focus on testing higher order skills in all other sections, as the profession continues to require increasingly higher order skills of n1CPAs due to the shift of tasks to the use of information technology, including bots and AI.

In this time of rapid changes to the business and economic environment, the CPA profession is also changing rapidly. As the Boards of Accountancy rely on the Exam as one measure by which they determine if a candidate meets the bar to become licensed as a CPA, it is imperative that the

Exam is current, relevant, reliable and legally defensible. We appreciate that the BOE recognizes this and applaud them for conducting this extensive and holistic practice analysis, ensuring that all aspects of professional practice are incorporated into the study. We also appreciate that methods were deployed that allowed for the analysis to be conducted in a rapid fashion given the aggressive timeline for CPA Evolution. In fact, we believe the historical rule of thumb to conduct a practice analysis every five to seven years is no longer advisable. Given the pace of change in the profession, we recommend that the AICPA and BOE accelerate the timing of future practice analyses.

We strongly encourage the AICPA and BOE to continually monitor developing technologies as we believe that, in the very near future, nCPAs will rapidly begin using additional tools and procedures. It will be important to publicly expose any such anticipated skills and content that could be added to the Exam as a result. The system by which content, skills and structure changes are made to the Exam should remain transparent and follow a robust process which includes public review and comment. We value that the BOE plays a significant decision-making role and that the entire process remains transparent with appropriate exposure to all stakeholders, importantly including Boards.

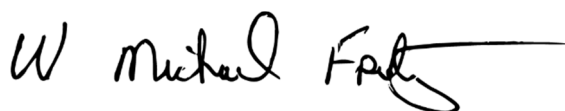
Lastly, though this comment letter contains a number of both high level and detailed suggestions, there is recognition that the Exam continues to require the testing of significant content and skills in the Core Sections. We encourage the BOE and AICPA to thoughtfully review the possibility that content in some specialty areas of practice might be considered for testing instead in a Discipline. We recognize that much thought has already been given to placement of content, though wonder if such specialty areas (Public Company Reporting Topics in FAR, as an example) are really universally part of practice for most nCPAs.

\* \* \* \* \*

NASBA appreciates the opportunity to provide our perspectives on this Exposure Draft and these important topics. Our comments are intended to assist the AICPA and BOE in analyzing the relevant issues and potential impacts from a public protection point of view. Our Boards would be interested in seeing all responses received to this Exposure Draft to better understand the perspectives of other stakeholders, importantly including candidates.

We look forward to the opportunity to follow the deliberations of the BOE on responses to this Exposure Draft as they finalize the next version of the CPA Exam.

Very truly yours,



W. Michael Fritz, CPA  
NASBA Chair



Ken L. Bishop  
NASBA President and CEO



## VBOA Policy #9

**TITLE:**

Inactive Status Procedure for Approval/Denial/Appeal

**EFFECTIVE DATE:**

March 5, 2020

**AUTHORITY:**

Code of Virginia § 54.1-4409.1(B) of the Code of Virginia and VBOA regulation 18VAC5-22-90(C)

**POLICY STATEMENT:**

A person who holds a Virginia license with the status of Inactive has a current license and has the privilege of using the CPA title. However, the person has demonstrated to the Virginia Board of Accountancy (VBOA) that they are not currently providing [or advertising](#) services, including on a volunteer basis, to the public (providing services that are subject to the guidance of the standard-setting authorities listed in the standards of conduct and practice in subsections 5 and 6 of § 54.1-4413.3) or to or on behalf of an employer (providing to an entity services that require the substantial use of accounting, financial, tax, or other skills that are relevant, as determined by the VBOA) and therefore is not required to meet the VBOA's CPE requirements.

Persons who hold an Active Virginia license must proactively apply for this status by submitting a change of license status request by completing and submitting the Inactive status application form, which must be approved by the VBOA. Applicants not approved for this status are required to obtain CPE in accordance with VBOA statutes and regulations and will not be exempt from CPE requirements.

Persons currently under CPE audit may not apply for the Inactive status until the audit has been completed.

Only Active CPAs [who have been licensed for 5 years or more](#) may apply for this status. Applicants whose active licenses were either voluntarily surrendered, suspended, or expired and need to be reinstated must obtain 120 CPE hours, including the ethics course as prescribed by the VBOA, and follow the appropriate process, application, and fees to reinstate into the Active status. After reinstating as an Active CPA, applicants may then apply for the Inactive status.

Procedure for approval/denial/appeal of Inactive status includes:

1. Application form must be submitted to the VBOA.
2. Upon receipt of form and supporting documentation, the Executive Director or designee makes the determination to approve or deny status change.
3. . If approved by the Executive Director or designee, the status is changed and the applicant is informed of the change.
4. If denied by the Executive Director or designee, the applicant is informed of denial.
5. Following initial denial of the ~~Inactive~~Inactive, status pursuant to #4 above, the applicant may appeal the decision and present additional documentation to assist

the VBOA in making a determination. The VBOA Vice-chair or designee will make the final determination of status.

- a. If approved by VBOA Vice-chair or designee, the status is changed and the applicant is informed of the change.
- b. If denied by VBOA Vice-chair or designee, the applicant is informed of denial and no further appeals are available.

**APPROVAL AND REVIEW:**

This VBOA policy was reviewed on ~~January-October 20, 2022~~, ~~2020~~.

**SUPPRESSION:**

This VBOA policy replaces Board Policy #9 that was effective on ~~December 12, 2019~~ ~~January 7, 2020~~.

**VBOA CHAIR AT  
LAST REVIEW:**

~~D. Brian Carson~~ Laurie Warwick, CPA, ~~CGMA~~, Chair

**VBOA MEMBERS AT  
LAST REVIEW:**

~~Laurie A. Warwick~~ Wendy P. Lewis, CPA, Vice Chair  
~~Matthew P. Boshert~~ William R. Brown, CPA  
~~W. Barclay Bradshaw~~ D. Brian Carson, CPA, ~~CGMA~~  
~~William R. Brown~~, CPA David Cotton, CPA, CFE, CGFM  
Dale G. Mullen

Nadia A. Rogers, CPA  
~~Stephanie S. Saunders~~, CPA

**EXECUTIVE DIRECTOR:**

Nancy J. Glynn, CPA



## Guidelines for Accreditation of Educational Institutions

The Virginia Board of Accountancy has adopted the following guidelines in order to clarify its processes related to Code of Virginia §§ 54.1-4400, 54.1-4409.2 and related regulations.

### Guidelines for CPA applicants

Persons who hold a CPA license from a substantially equivalent jurisdiction, as determined by the National Association of State Boards of Accountancy (NASBA), or whose license was issued by an organization with a Mutual Recognition Agreement recommended by the International Qualifications Appraisal Board (IQAB), may be granted a privilege to practice in Virginia per VBOA Policy #3.

All other persons, in applying for a Virginia CPA license, must meet the education requirements described in Virginia statute and regulation.

Credit hours obtained to fulfill VBOA's education requirements must be earned from an accredited degree-granting institution, as defined by Code of Virginia § 54.1-4400. Accredited degree-granting institutions are typically colleges and universities.

Colleges and universities are deemed to be "accredited" if they are recognized by an accreditation body listed in Virginia statute or regulation, or by an accreditation body recognized by the VBOA as upholding the same level of quality control within the education process, as listed in Appendix A.

For graduates of educational institutions not accredited by the aforementioned bodies, including foreign colleges and universities, VBOA utilizes education evaluation firms to provide assistance in determining whether a degree-granting institution is properly accredited per the standards established by 18VAC5-22-60. VBOA will maintain a list on its website of currently-accepted evaluation firms.

VBOA retains final discretion on whether or not to accept recommendations from evaluation firms regarding foreign educational accreditation.

In addition to Virginia statute and regulation, consult VBOA's [Education Handbook](#) for guidance on education required to become a Virginia CPA.

### **Guidelines for education evaluation**

The following is presented as general guidance to clarify expectations for education evaluation.

- Applicants who have a credential that allows them to apply via VBOA Policy #3 do not need to verify education.
- Degree-granting institutions are colleges and universities that are authorized to issue degrees to students upon successful completion of degree requirements.
- Vendors, private companies, and professional organizations that issue credentials are not degree-granting institutions.
- Professional accountancy credentials issued by foreign jurisdictions are not degrees for the purposes of VBOA education requirements.
- If an academic transcript contains transfer credits that are used to fulfill educational requirements other than minimum-credit requirements, the institution where those credits originated must be evaluated as well.
- All academic transcripts of CPA applicants will be reviewed by the VBOA to ensure educational requirements have been met.

The purpose of education evaluation is to evaluate the accreditation of degree-granting institutions to ensure the quality control of education is consistent as determined by previously recognized accreditation bodies.

VBOA will no longer utilize foreign education evaluation firms that are consistently unable to act in compliance with the above guidance. Approved firms are listed on the VBOA website.

Applicable Laws

**§ 54.1-4400. Definitions.**

As used in this chapter, unless the context clearly indicates otherwise:

“Accredited institution” means a degree-granting institution of higher education accredited either by (i) one of the six major regional accrediting organizations-Middle States Association of Colleges and Schools, New England Association of Schools and Colleges, North Central Association of Colleges and Schools, Northwest Commission on Colleges and Universities, Southern Association of Colleges and Schools, and Western Association of Schools and Colleges-or their successors; or (ii) an accrediting organization demonstrating to the Board periodically, as prescribed by the Board, that its accreditation process and standards are substantially equivalent to the accreditation process and standards of the six major regional accrediting organizations.

\* \* \*

**§ 54.1-4409.2. How a person may obtain a Virginia license.**

A. A person who has not held the license of any state may obtain a Virginia license under this subsection.

1. To be considered for a Virginia license, the person seeking licensure shall:

a. Provide documentation that he has obtained from one or more accredited institutions at least 150 semester hours of education, a baccalaureate or higher degree, and an accounting concentration or equivalent, as defined by the Board;

\* \* \*

B. A person who does not hold the license of another state but has previously held the license of another state may obtain a Virginia license under this subsection.

1. To be considered for a Virginia license, the person seeking licensure shall:

c. Describe the semester hours of education he has obtained from institutions of higher education. The Board shall determine whether the education obtained is substantially equivalent to the education that would have been required by the Board when the person passed the CPA examination;

\* \* \*

C. A person who holds the license of another state may obtain a Virginia license under this subsection.

1. To be considered for a Virginia license, the person seeking licensure shall:

d. Describe the semester hours of education he has obtained from institutions of higher education. The Board shall determine whether the education obtained is substantially equivalent to the education that would have been required by the Board when the person passed the CPA examination;

## **Guidelines for Accreditation of Educational Institutions Appendix A**

This is an appendix to VBOA Guidelines for Accreditation of Educational Institutions. This appendix lists all educational accreditation bodies recognized by the Virginia Board of Accountancy.

Approved providers of accreditation include the following:

- Middle States Association of Colleges and Schools
- New England Commission of Higher Education  
    Successor to New England Association of Schools and Colleges
- Higher Learning Commission  
    Successor to North Central Association of Colleges and Schools
- Northwest Commission on Colleges and Universities
- Southern Association of Colleges and Schools
- WASC Senior College and University Commission  
    Successor to Western Association of Schools and Colleges
- Any organization recognized by the Council for Higher Education Accreditation
- Others as approved by the VBOA.

## **Disposition of Cases Involving the Unlicensed Use of the CPA Title**

**POLICY STATEMENT:** It is prohibited by the Code of Virginia for persons to use the CPA title in Virginia without proper licensure. The Virginia Board of Accountancy (“Board”) has the ability to impose penalties for unlicensed use of the CPA title pursuant to Code of Virginia §54.1-4413.4. These guidelines are intended to serve as an aid to help the Board impose appropriate and fair penalties when it has determined a person has made use of the CPA title in violation of the Code of Virginia.

**STATEMENT OF INTENT:**

The Board hereby delegates to the Executive Director the authority to resolve enforcement cases that fall under these guidelines without prior approval from the full Board. A “case” as used in these guidelines shall be an investigation where unlicensed use of the CPA title is the only violation. The Board has provided these guidelines to Board Staff to assist in the effective, efficient and fair resolution of cases involving violations of “Use of the CPA Title”. **These guidelines are not meant to replace the Disposition of Cases Involving Unlicensed Use of the CPA Title adopted by the Board on July 11, 2022. Rather, these guidelines are meant to be in addition to or supplement the Disposition of Cases Involving Unlicensed Use of the CPA Title adopted by the Board on July 11, 2022.** *(NIG- This is if we left the other guidance document in place)*



## **Individual Licensees**

Individual Licensees who either hold Active or Inactive CPA license status are permitted to use the CPA title. However, non-licensees, and former licensee such as those persons with a status of expired, suspended and or revoked are not permitted to use CPA, Certified Public Accountant, or public accountant in any form.

An Active licensee is a person with a Commonwealth of Virginia CPA license in “Active” status or a person who holds a CPA license in another jurisdiction and meets the requirement of substantial equivalency pursuant to Code of Virginia §54.1-4411 and the Board’s policies concerning substantially equivalent jurisdictions .

An Inactive licensee is a person, who generally speaking desires to maintain their license but is no longer employed in a field where their skills as a CPA are regularly used. This may include CPAs who are retired, unemployed, or who have transitioned to an unrelated profession. These individuals must certify to the Board on a yearly basis that they are not providing or advertising services to the public or hold any position in which they are using accounting, auditing, financial, tax, or other professional skills they developed as CPAs. The “Inactive” license status is granted, on an individual and cases by cases basis by the Board. Such status must be applied for on a yearly basis and granted by the Board, otherwise, a person is not an Inactive licensee.

Per Code of Virginia Code of Virginia §§ 54.1-4400, 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 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.

### **Violation: Use of CPA- Title listed in licensing or skills**

Use of the CPA Title by a former licensee, in otherwise good standing with the Board, in the licensing, skills or similar section on a resume, CV, or Social Media site, such as LinkedIn, or referred to in the body of a professional bio with clear indication the credential is no longer valid.

Advisory Letter
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**Violation: Use of the title as a credential**

Only Active or Inactive CPAs may use of the CPA Title adjacent to a person’s name. Formerly licensed CPAs may not use the credential in this manner.

**Credential use with qualifier**

Use of the CPA Title as a credential adjacent to their name by a former licensee clearly indicating the license is not valid. These situations include, but are not limited to, uses such as - J. Doe, CPA (2011-2015) or J. Doe, CPA Expired.

<b>Offense</b>	<b>Possible Action</b>
First	Advisory Letter with instructions and deadlines for removing the unlicensed use of the title.
Second	Consent Order
	Reprimand
	\$250 monetary penalty
Additional Violations	Subject to enforcement processes

**Credential use with no qualifier**

Use of the CPA title as a credential adjacent to their name by a former licensee with no indication the license is not valid, such as, but not limited to, J. Doe, CPA. This guideline applies to first offenses only; additional offenses would follow the VBOA Enforcement processes.

<b>Length of Expiration</b>	<b>Possible Action</b>
30 days or less	Advisory Letter
31-90 days	Consent Order; Reprimand
91 days to 180 days	Consent Order; Reprimand and Monetary Penalty of \$500 - \$750
181 days to one year	Consent Order; Reprimand and Monetary Penalty of \$750 - \$1,000
	\$1,500 monetary penalty
	12 month waiting period for reinstatement of CPA license
12 months to 5 years	Consent Order

	Reprimand
	\$1250 monetary penalty
5-10 Years	Consent Order
	\$1,500 monetary penalty
	12 month waiting period for reinstatement of CPA license
Over 10 years	Subject to enforcement processes

Credential use with no qualifier identified during the reinstatement process

*(NJG this is if we combined the 2 documents)*

When a previously licensed certified public accountant (“CPA”) engages in use of the CPA title as a credential with no qualifier, or in the practice of public accounting, during periods of time specified herein beginning from the date their CPA license expired to the date their reinstatement application was filed with VBOA, and the expiration of their license was due solely from a failure to timely renew, These guidelines apply only when the licensee demonstrates they have met all the CPE requirements as applicable (including the 3 prior years) to hold a license during the expired period and has no other disciplinary actions from VBOA during the expired period and has not pending or open cases with VBOA.

Length of Expiration	Possible Action
90 days or less	Advisory Letter
91 days to 180 days	Consent Order; Reprimand and Monetary Penalty of \$250
181 days to one year	Consent Order; Reprimand and Monetary Penalty of \$500

## 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.



This guidance document was approved and currently is how we handle unlicensed use during the reinstatement process.

## Disposition of Cases Involving the Unlicensed Use of the CPA Title or the Practice of Public Accounting by Previously Licensed Individuals Applying for Reinstatement <sup>1</sup>

The Virginia Board of Accountancy (“VBOA”) delegates to the Executive Director the authority to resolve disciplinary cases without prior approval from the full Board in cases when a previously licensed certified public accountant (“CPA”) engages in use of the CPA title, or in the practice of public accounting, during periods of time specified herein beginning from the date their CPA license expired to the date their reinstatement application was filed with VBOA, and the expiration of their license was due solely from a failure to timely renew, and the applicant does not meet the requirements to use the CPA title in Virginia under the substantial equivalency provisions of § 54.1-4411. These guidelines can only be applied to the first offense; repeated offenses will be subject to VBOA enforcement processes.

The Board adopts the following guidelines for the resolution of these cases:

Length of Expiration	Possible Action
<b>The applicant has 1) met all CPE requirements as applicable (including the prior 3 years) to hold a license during the expired period, 2) has no other disciplinary actions from the VBOA during the expired period, and 3) has no pending cases or open Orders with the VBOA:</b>	
90 days or less	Advisory Letter
91 days to 180 days	Consent Order; Reprimand and Monetary Penalty of \$250
181 days to one year	Consent Order; Reprimand and Monetary Penalty of \$500
<b>All other cases:</b>	
30 days or less	Advisory Letter
31-90 days	Consent Order; Reprimand
91 days to 180 days	Consent Order; Reprimand and Monetary Penalty of \$500 - \$750
181 days to one year	Consent Order; Reprimand and Monetary Penalty of \$750 - \$1,000

Cases of Unlicensed Use of the CPA Title or the practice of public accounting that do not fall within these guidelines will be subject to VBOA enforcement processes, regardless of the amount of time that has elapsed between license expiration and the reinstatement request. Additionally, sanctions for other violations not included in the possible actions above may also be imposed by the VBOA when applicable.

<sup>1</sup> 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 CPE 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.



## 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.