

Tuesday October 24, 2023

Board Meeting Agenda

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

- 10 a.m. Call to Order – **Wendy Pace Lewis, CPA, Chair**
Security Briefing – **Nicole Reynolds, Licensing and Operations Support**
Determination of Quorum
Approval of October 24, 2023, Agenda
Approval of August 29, 2023, Board meeting minutes
- 10:15 a.m. Public comment period (general)*
- Jason Sayre
 - Justin Nguyen – Comments on CPE carryback
- 10:25 a.m. Conflict of Interest - **G. Stewart Petoe, Executive Director, Conflict of Interest and Ethics Advisory Council**
- 10:45 a.m. Public comment period for Enforcement Agenda*
- 2022-0263 – Request for payment plan.
- Enforcement Agenda – **Matthew Ross, Enforcement Director**
- **Consent Agenda**
 - 2022-0557 – Consent Order (Saunders)
 - 2023-0169 – Consent Order (Warwick)
 - 2023-0201 – Consent Order (Rudolph-Wiseman)
 - 2023-0248 – Consent Order (Rudolph-Wiseman)
 - **Decisions after Informal Fact Finding Hearing**
 - 2021-0086 – Board Order (Bradshaw)
 - 2022-0502 – Board Order (Bradshaw)
 - 2021-0088 – Board Order (Cotton)
 - 2022-0333 – Board Order (Glynn)
 - 2022-0500 – Board Order (Glynn)
 - 2022-0511 – Board Order (Glynn)
 - 2023-0021 – Board Order (Glynn)
 - 2023-0134 – Board Order (Glynn)
- 11:00 a.m. NASBA and AICPA Committee Updates – **Wendy P. Lewis, CPA, Chair**
- 11:15 a.m. Executive Director’s Report – **Nancy Glynn, CPA, Executive Director**
- General updates
 - Financial and Board Report update – **Renai Reinholtz, Deputy Director**

- Enforcement update – **Matthew Ross, Enforcement Director**
- Communications and ethics segment update – **Kelli Yoder, Communications Specialist**

11:30 a.m. Board Discussion Topics – **Wendy P. Lewis, CPA, Chair**

- NASBA Board update – **Stephanie Saunders, CPA, NASBA Chair-Elect**
- Credit Relief Initiative – **Stephanie Saunders, CPA, NASBA Chair-Elect**
 - Vote on CRI resolution – **Nancy Glynn, CPA, Executive Director**

12:15 p.m. Adjourn for lunch

12:45 p.m. Board Discussion Topics – **Wendy P. Lewis, CPA, Chair**

- Board Recusal Discussion – **David Cotton, CPA,**
- S.M.A.R.T. Goals 2023 update – **Nancy Glynn, CPA, Executive Director**
 - Underlined goals are scheduled for discussion
 - Code and Regulations Including Fee Structure – Oct. 2023 – Draft revisions
 - CPE Requirements – due Oct. 2023 – Defining SMART goal and outcomes
 - CPA Pipeline – due Oct. 2023 – Calendar of Milestones for Board Members
 - Licensing and CPE System – Oct. 2023 – Continuing negotiations with licensing system administrators
 - 150 Hours – due Dec. 2023 – Research / Info Presentation / Plan Recommendations
 - Inactive Status Policy – April 2024 – States Survey / Stakeholder Input
 - Review VBOA Policies – June 2024 – Review Policies and guidance documents

2:15 p.m. Closed Session (as needed)

2:30 p.m. Additional Items for Discussion

- Sign Conflict of Interest forms
- Sign Travel Expense vouchers
- Future meeting dates
 - December 1, 2023, to be held at the University of Virginia
 - January 17, 2024
 - **February 21, 2024**
 - **May 15, 2024**
 - **June 12, 2024**

3 p.m. Adjournment

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

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

**Board Meeting
August 29, 2023
Draft/Unapproved minutes**

The Virginia Board of Accountancy met on Monday, August 29, 2023, in Board Room #4 of the Perimeter Center, 9960 Mayland Drive, Henrico, VA 23233.

MEMBERS PRESENT: Wendy P. Lewis, CPA, Chair
Nadia A. Rogers, CPA, Vice Chair
Laurie A. Warwick, CPA
William R. Brown, CPA
Dale G. Mullen
David Cotton, CPA, CFE, CGFM
Angela Rudolph-Wiseman, 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
Nicole Reynolds, Licensing and Operations Support
Vasa Clarke, Information and Policy Advisor
Kelsie McLellan, Enforcement Specialist
Fergus Johnson, Virginia Management Fellow

**MEMBERS OF THE
PUBLIC PRESENT:** Emily Walker, CAE, Vice President, Advocacy, Virginia Society of
Certified Public Accountants
Molly Wash, AR Director, Virginia Society of Certified Public
Accountants
DeAnn Compton, CPA, Audit Director, Auditor of Public Accounts
Igor DeOliveira, CPA, Senior Auditor, Auditor of Public Accounts
Janet Palmer, Founder, Zenobia's Promise
Sandra Taylor, Founder, Zenobia's Promise

**MEMBERS OF THE
PUBLIC ATTENDING
VIRTUALLY:** Jason Sayre
Timothy S. Whited

CALL TO ORDER

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

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DETERMINATION OF QUORUM

Ms. Lewis determined there was a quorum present.

SECURITY BRIEFING

Ms. Reynolds provided the emergency evacuation procedures.

APPROVAL OF AGENDA

Ms. Lewis suggested that 2023-0264 be moved to closed session. Ms. Warwick suggested that 2022-0733 be moved to closed session. Mr. Brown suggested that 2023-0045, 2020-072-029D and 2020-073-030D be moved to closed session.

Upon a motion by Ms. Warwick and duly seconded, the members voted unanimously to approve the August 29, 2023, agenda as amended. The members voting “AYE” were Ms. Warwick, Mr. Brown, Ms. Lewis, Ms. Rogers, Mr. Mullen, Mr. Cotton and Ms. Rudolph-Wiseman.

APPROVAL OF MINUTES

Upon a motion by Ms. Warwick and duly seconded, the members voted unanimously to approve the amended June 12, 2023, Board meeting minutes, as presented. The members voting “AYE” were Ms. Warwick, Mr. Brown, Ms. Lewis, Ms. Rogers, Mr. Mullen and Mr. Cotton. Ms. Rudolph-Wiseman abstained.

PUBLIC COMMENT PERIOD

Mr. Sayre addressed the Board regarding a previous disciplinary matter from February 2021.

Mr. Whited addressed the Board regarding his application for a Virginia CPA license.

Ms. Walker, CAE, Vice President, Advocacy, Virginia Society of Certified Public Accountants (VSCPA) was recently appointed to the AICPA Pipeline taskforce. She addressed the Board regarding the VSCPA’s efforts to widen the pathways to licensure and subsequently assist with increasing the pipeline of future CPAs to the profession. Those efforts include communication efforts such as national town halls and surveys to increase national communications and ensure Virginia education has that which is necessary to prepare future exam candidates and CPAs.

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FY 2022 Audit Exit – DeAnn Compton, CPA, Audit Director, Auditor of Public Accounts -

Ms. Compton reported to the Board on the completion of the APA audit and the issuance of an unmodified opinion on the VBOA FY2022 financial statements. She mentioned the audit went smoothly with wonderful cooperation and timely responses on the part of VBOA staff.

Ms. Compton fielded questions from the Board regarding the potential removal of the VBOA's Code of Virginia requirement to prepare annual financial statements in accordance with generally accepted accounting principles and to receive an annual audit of those statements. Ms. Compton noted that Staci Henshaw, APA, has stated that if VBOA submitted Code of Virginia changes to § 54.1-4420 and asked for the repeal of the requirement to prepare annual GAAP financial statements for the Virginia Board of Accountancy the APA would be supportive of that request.

Break for Board Photos

PUBLIC COMMENT PERIOD – Enforcement

There were no public comments.

ENFORCEMENT AGENDA – Matthew Ross, Enforcement Director

The following actions were taken during open session:

Case #2022-0379

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

CALL FOR VOTE:

Laurie A. Warwick, CPA – Aye
Wendy P. Lewis, CPA – Aye
Dale G. Mullen – Aye
William R. Brown, CPA – Aye
Nadia A. Rogers, CPA – Aye
David Cotton, CPA, CFE, CGFM – Abstain
Angela Rudolph-Wiseman, CPA – Aye

**Board Meeting
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VOTE:

Ayes: Six (6)
Abstain: One (1)
Nays: None (0)

Case #2023-0139

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

CALL FOR VOTE:

Laurie A. Warwick, CPA – Aye
Wendy P. Lewis, CPA – Aye
Dale G. Mullen – Aye
William R. Brown, CPA – Abstain
Nadia A. Rogers, CPA – Aye
David Cotton, CPA, CFE, CGFM – Aye
Angela Rudolph-Wiseman, CPA – Aye

VOTE:

Ayes: Six (6)
Abstain: One (1)
Nays: None (0)

Case #2023-0154

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

CALL FOR VOTE:

Laurie A. Warwick, CPA – Abstain
Wendy P. Lewis, CPA – Aye
Dale G. Mullen – Aye
William R. Brown, CPA – Aye
Nadia A. Rogers, CPA – Aye
David Cotton, CPA, CFE, CGFM – Aye
Angela Rudolph-Wiseman, CPA – Aye

**Board Meeting
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VOTE:

Ayes: Six (6)

Abstain: One (1)

Nays: None (0)

Case #2022-0363

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

CALL FOR VOTE:

Laurie A. Warwick, CPA – Abstain

Wendy P. Lewis, CPA – Aye

Dale G. Mullen – Aye

William R. Brown, CPA – Aye

Nadia A. Rogers, CPA – Aye

David Cotton, CPA, CFE, CGFM – Aye

Angela Rudolph-Wiseman, CPA – Aye

VOTE:

Ayes: Six (6)

Abstain: One (1)

Nays: None (0)

Case #2023-0145

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

CALL FOR VOTE:

Laurie A. Warwick, CPA – Abstain

Wendy P. Lewis, CPA – Aye

Dale G. Mullen – Aye

William R. Brown, CPA – Aye

Nadia A. Rogers, CPA – Aye

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David Cotton, CPA, CFE, CGFM – Aye
Angela Rudolph-Wiseman, CPA – Aye

VOTE:

Ayes: Six (6)
Abstain: One (1)
Nays: None (0)

Case #2022-0345

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

CALL FOR VOTE:

Laurie A. Warwick, CPA – Aye
Wendy P. Lewis, CPA – Aye
Dale G. Mullen – Aye
William R. Brown, CPA – Aye
Nadia A. Rogers, CPA – Aye
David Cotton, CPA, CFE, CGFM – Aye
Angela Rudolph-Wiseman, CPA – Aye

VOTE:

Ayes: Seven (7)
Abstain: None (0)
Nays: None (0)

Case# 2022-0398

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

CALL FOR VOTE:

Laurie A. Warwick, CPA – Aye
Wendy P. Lewis, CPA – Aye

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Dale G. Mullen – Aye
William R. Brown, CPA – Aye
Nadia A. Rogers, CPA – Aye
David Cotton, CPA, CFE, CGFM – Aye
Angela Rudolph-Wiseman, CPA – Aye

VOTE:

Ayes: Seven (7)
Abstain: None (0)
Nays: None (0)

Case #2022-0321

Upon a motion by Mr. Brown and duly seconded, the members voted to accept the Presiding Officer Recommendation as to the finding of a violation of 18VAC5-22-90(A). The Board further accept the penalties identified in the Presiding Officer Recommendation with the amendment that Respondent would be subject to a CPE compliance review for the three-year period following any reinstatement of her Virginia CPA license instead of for the three-year period of 2023, 2024 and 2025.

CALL FOR VOTE:

Laurie A. Warwick, CPA – Aye
Wendy P. Lewis, CPA – Aye
Dale G. Mullen – Aye
William R. Brown, CPA – Aye
Nadia A. Rogers, CPA – Aye
David Cotton, CPA, CFE, CGFM – Aye
Angela Rudolph-Wiseman, CPA – Aye

VOTE:

Ayes: Seven (7)
Abstain: None (0)
Nays: None (0)

Case #2022-0625

**Board Meeting
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Draft/Unapproved minutes

Upon a motion by Ms. Warwick and duly seconded, the members voted to accept the Presiding Officer's Recommendation in full finding Respondent violated 18VAC5-22-90 (A) and imposed penalties of \$750 for failing to complete 120 CPE hours during the relevant three-year reporting period and be reprimanded for failing to complete a minimum of 20 CPE hours and for failing to complete the Virginia Specific Ethics Course in each year of the audit. Respondent will be subject to a CPE compliance review for the three-year period of 2023, 2024 and 2025 and have to complete 116 deficient hours of CPE within 90 days of the date of the Board's Order.

CALL FOR VOTE:

Laurie A. Warwick, CPA – Aye
Wendy P. Lewis, CPA – Aye
Dale G. Mullen – Aye
William R. Brown, CPA – Aye
Nadia A. Rogers, CPA – Aye
David Cotton, CPA, CFE, CGFM – Aye
Angela Rudolph-Wiseman, CPA – Aye

VOTE:

Ayes: Seven (7)
Abstain: None (0)
Nays: None (0)

Case# 2022-0640

Upon a motion by Mr. Cotton and duly seconded, the members voted to accept the Presiding Officer's Recommendation in full finding Respondent violated 18VAC5-22-90 (A) and imposed penalties of \$250 for failing to complete the Virginia Specific Ethics Course in 2019 and \$250 for failing to complete a minimum of 20 hours of CPE in 2020.

CALL FOR VOTE:

Laurie A. Warwick, CPA – Aye
Wendy P. Lewis, CPA – Aye
Dale G. Mullen – Aye
William R. Brown, CPA – Aye

Nadia A. Rogers, CPA – Aye
David Cotton, CPA, CFE, CGFM – Aye
Angela Rudolph-Wiseman, CPA – Aye

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VOTE:

Ayes: Seven (7)
Abstain: None (0)
Nays: None (0)

Case #2023-0086

Upon a motion by Mr. Brown and duly seconded, the members voted to accept the Presiding Officer's Recommendation in full finding Respondent violated 18VAC5-22-90 (A). Respondent's CPA license was suspended for a period of 1 year from the date of the Board's Order. The Board also imposed penalties of \$1,000 for failing to complete 120 CPE hours during the relevant three-year reporting period, \$250 for failing to complete a minimum of 20 CPE hours and \$250 for failing to complete the Virginia Specific Ethics Course in each year of the audit. Respondent will be subject to a CPE compliance review for the three-year period following any reinstatement of his Virginia CPA license.

CALL FOR VOTE:

Laurie A. Warwick, CPA – Aye
Wendy P. Lewis, CPA – Aye
Dale G. Mullen – Aye
William R. Brown, CPA – Aye
Nadia A. Rogers, CPA – Aye
David Cotton, CPA, CFE, CGFM – Aye
Angela Rudolph-Wiseman, CPA – Aye

VOTE:

Ayes: Seven (7)
Abstain: None (0)
Nays: None (0)

Case #2023-0087

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Upon a motion by Ms. Rogers and duly seconded, the members voted to accept the Presiding Officer's Recommendation in full finding Respondent violated 18VAC5-22-90 (A). Respondent's CPA license was suspended for a period of 1 year from the date of the Board's Order. The Board also imposed penalties of \$1,000 for failing to complete 120 CPE hours during the relevant three-year reporting period, \$250 for failing to complete a minimum of 20 CPE hours and \$250 for failing to complete the Virginia Specific Ethics Course in each year of the audit. Respondent will be subject to a CPE compliance review for the three-year period following any reinstatement of his Virginia CPA license.

CALL FOR VOTE:

Laurie A. Warwick, CPA – Aye
Wendy P. Lewis, CPA – Aye
Dale G. Mullen – Aye
William R. Brown, CPA – Aye
Nadia A. Rogers, CPA – Aye
David Cotton, CPA, CFE, CGFM – Aye
Angela Rudolph-Wiseman, CPA – Aye

VOTE:

Ayes: Seven (7)
Abstain: None (0)
Nays: None (0)

NASBA and AICPA COMMITTEE UPDATES

Ms. Rogers informed the Board that the AICPA Board of Examiners (BOE) met on June 20, 2023 and August 24, 2023. At both meetings, there was continued discussion around CPA Evolution readiness from an exam perspective. CPA Exam financial and pipeline updates were also discussed. At the June meeting, the BOE discussed the impact of artificial intelligence (AI) on the accounting profession and the CPA Exam specifically. The AICPA Exams Team, in collaboration with the AICPA BOE, are exploring how ChatGPT and AI will impact test preparation, development, content, and other areas. The group agreed that the security and validity of the administration of the CPA Exam is of utmost importance, and it is not believed that AI poses a risk to the CPA Exam for the foreseeable future.

On June 13, 2023, the AICPA State Board Committee held an orientation session for its new members. The Committee is in the process of scheduling its next full Committee meeting.

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NASBA Administrative and Finance Committee

Ms. Warwick advised that she has been nominated by NASBA as the Mid-Atlantic Regional Chair. Voting will be held in October 2023.

NASBA CPE Committee

Mr. Cotton informed the Board that he and Mr. Brown are part of the CPE Committee that approves changes to the CPA Standards and Fields of Study documents. Mr. Cotton volunteered to become part of a joint committee which will meet on October 12th.

NASBA Education Committee

EXECUTIVE DIRECTOR'S REPORT

General updates

- Ms. Glynn introduced Fergus Johnson, Virginia Management Fellow, who will be serving an eight-month rotation with the VBOA. She also introduced Kelsie McLellan, the agency's new Enforcement Specialist and Kevin Savoy, the new part-time Information Security Officer.
- Ms. Glynn discussed the progression of CPA Evolution and recent updates to both NASBA and VBOA data systems to accommodate the exam changes. She emphasized that communications are continual regarding the deadlines to test for BEC.
- Ms. Glynn updated the Board regarding reinstatements and CPE Audits.
- Ms. Glynn apprised the Board of the Office of Regulatory Management initiatives and requirements imposed on the VBOA. She also advised that the CPE Guidelines are currently out for public comment on Town Hall.

Financial and Board Report update

Ms. Reinholtz presented and fielded questions pertaining to the July 2023 Financial and Board Reports and fielded questions from the Board.

Enforcement update

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

Communications update

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Ms. Yoder reported to the Board that a communications plan is being developed for CPA Evolution and that the VBOA Ethics segment for 2024 is underway. She indicated that the annual customer service survey is soon to be released. She fielded questions by the Board.

Adjourn for Lunch

Board Discussion Topics – Wendy P. Lewis, CPA, Chair

Ethics Committee and 2024 Topics – William Brown, CPA

Mr. Brown provided handouts and informed the Board that the Ethics Committee met on July 11, 2023. He led the discussion regarding potential issues to be addressed by the committee in 2024 to include Use of the CPA Title, peer review requirements for firms, Inactive license status and finding ways to increase response to the Board. He invited the Board to offer their insights and Ms. Lewis opened the discussion to questions and comments from Board members.

Approval of 30-month conditional credit

Ms. Glynn led the discussion regarding the consideration to adopt the new 30-month conditional credit. She presented a plan for implementation. Board discussion followed.

Upon a motion by Ms. Rogers for the board to approve the revision to the Administrative Code of Virginia 18VAC5-22-80. Examination, to align with the revised Uniform Accountancy Act section 5.7 to amend the time that a conditional exam credit begins at the score release date and expires after 30 months. This change would be effective December 15, 2023, for any credits that are active on or earned after that date. If the revisions to the regulations are not complete at that time, the Board invokes their authority to grant the additional 12 months for any new credits earned on or after that date. This was duly seconded, the Board voted to revise the regulation to amend the conditional credit rule as of December 15, 2023.

CALL FOR VOTE:

Laurie A. Warwick, CPA – Aye
Wendy P. Lewis, CPA – Aye
Dale G. Mullen – Aye
William R. Brown, CPA – Aye
Nadia A. Rogers, CPA – Aye
David Cotton, CPA, CFE, CGFM – Aye
Angela Rudolph-Wiseman, CPA – Aye

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VOTE:

Ayes: Seven (7)

Abstain: None (0)

Nays: None (0)

Update on Experience, Learn and Earn (ELE) program – Nadia Rogers, CPA, Vice Chair

Ms. Rogers described the ELE program and led the discussion around the AICPA's and NASBA's recently launched ELE program meant to support additional pathways to the CPA. This pilot program will begin at Tulane University in January 2024 and will be offered to students who need up to 30 semester credit hours in order to meet the educational requirements for CPA licensure. There were questions and comments from the Board.

FY2023 S.M.A.R.T. Goals update – Nancy Glynn, CPA, Executive Director

Ms. Glynn led the discussion to confirm details of each of the 2024 S.M.A.R.T. Goals.

The Board agreed that proposed changes to the Code and Regulations, including changes to the VBOA fee structures, are a priority in the coming year. Ms. Lewis requested a timeline for the project to be presented at the next meeting. Ms. Glynn asked for comments from Board members as soon as possible.

The Board will review VBOA Policies which are in place to add clarification to Virginia Code and Regulation. It was suggested that policy review should become a regular matter addressed by the Board. Mr. Mullin advised that statutory changes should be priority.

Ms. Glynn led the discussion to include the VBOA licensing and CPE System as a S.M.A.R.T. Goal. This effort will be led by Mr. Cotton and Ms. Warwick, who both attended a recent demonstration at VBOA on August 28th. The Board discussed aspects of a future system to include procurement, data migration and system capabilities.

Mr. Cotton led the discussion about Board member recusal during closed sessions of the Board. Mr. Flaherty participated in the discussion and members posed questions, made suggestions, and cited historical Virginia Supreme Court cases in point. It was decided that the subject will not be a S.M.A.R.T. Goal but that Enforcement Director, Mr. Ross, would present on the subject at the October Board meeting.

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The Board agreed to better define at the October meeting the S.M.A.R.T. Goal for CPE requirements. The project will be led by Mr. Mullen and Mr. Brown. Mr. Brown requested that all Board members become familiar with his White Paper on the subject. Ms. Glynn suggested that there is currently a national discussion to be considered surrounding CPE requirements.

Mr. Cotton introduced the Inactive Status Policy S.M.A.R.T. Goal. This goal will be addressed in the second half of the year and will be led by Mr. Cotton and Ms. Rudolph-Wiseman.

The Board agreed to move the 150 Hour S.M.A.R.T. Goal to December. It will be led by Mr. Cotton and Ms. Rogers. The goal will allow the Board to discuss and consider potential alternative pathways to the CPA.

Ms. Rogers and Ms. Warwick led the discussion of the CPA Pipeline as a 2024 S.M.A.R.T. Goal. Ms. Rogers requested a calendar of events be made available to Board members to schedule Board member participation throughout the year. Mr. Cotton emphasized that this would be a team effort along with the VSCPA.

The Board entered **closed session** to discuss legal matters.

Begin closed meeting

Upon a motion by Ms. Rogers, 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) and disciplinary matters exemption contained in Virginia Code §2.2-3711(A) (27).

The following non-members were 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.

The members voting "AYE" were Ms. Warwick, Mr. Brown, Ms. Lewis, Ms. Rogers, Mr. Mullen, Mr. Cotton and Ms. Rudolph-Wiseman.

End closed meeting

Upon a motion by Ms. Rogers, 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.

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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, Ms. Lewis, Ms. Rogers, Mr. Mullen, Mr. Cotton and Ms. Rudolph-Wiseman.

Case #2023-0045

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

CALL FOR VOTE:

Laurie A. Warwick, CPA – Abstain
Wendy P. Lewis, CPA – Aye
Dale G. Mullen – Aye
William R. Brown, CPA – Aye
Nadia A. Rogers, CPA – Aye
David Cotton, CPA, CFE, CGFM – Aye
Angela Rudolph-Wiseman, CPA – Aye

VOTE:

Ayes: Six (6)
Abstain: One (1)
Nays: None (0)

Case #2022-0733

Upon a motion by Mr. Mullen and duly seconded, the members voted to accept the Presiding Officer's Recommendation in part and amend it in part. The Board found that Respondent violated Code of Virginia 54.1-4409.1(A), 54.14414 (i) (2) & (4), (ii) (2) & (4), 54.1-4412.1 (A) & (B) and 54.1-111 (A). The Board however, imposed a monetary penalty of \$10,000, instead of the \$100,000 monetary penalty recommended in the Presiding Officer's Recommendation.

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CALL FOR VOTE:

Laurie A. Warwick, CPA – Aye
Wendy P. Lewis, CPA – Aye
Dale G. Mullen – Aye
William R. Brown, CPA – Aye
Nadia A. Rogers, CPA – Aye
David Cotton, CPA, CFE, CGFM – Aye
Angela Rudolph-Wiseman, CPA, – Aye

VOTE:

Ayes: Seven (7)
Abstain: None (0)
Nays: None (0)

Case #2020-072-029D

Upon a motion by Ms. Rogers and duly seconded, the members voted to accept the Presiding Officer's Recommendation in part and amend it in part. The Board found that Respondent violated Code of Virginia 54.1-4413.3 (1)-(7), AICPA Code of Professional Conduct 1.400.050, 18VAC5-22-170 (A) and 18VAC5-22-90 (A). The Board revoked the Respondent's CPA license and imposed monetary penalties of \$1,375 for Respondent's violation of 18VAC5-22-90 (A) and \$300 for Respondent's violation of 18VAC5-22-170 (A). The Board however, imposed a monetary penalty of \$15,000, instead of the \$25,000 monetary penalty recommended in the Presiding Officer's Recommendation for Respondent's violation of Code of Virginia 54.1-4413.3 (1)-(7).

CALL FOR VOTE:

Laurie A. Warwick, CPA – Aye
Wendy P. Lewis, CPA – Aye
Dale G. Mullen – Aye
William R. Brown, CPA – Aye
Nadia A. Rogers, CPA – Aye
David Cotton, CPA, CFE, CGFM – Aye
Angela Rudolph-Wiseman, CPA – Aye

VOTE:

Ayes: Seven (7)
Abstain: None (0)
Nays: None (0)

**Board Meeting
August 29, 2023
Draft/Unapproved minutes**

Case #2020-073-030D

Upon a motion by Ms. Rogers and duly seconded, the members voted to accept the Presiding Officer's Recommendation in part and amend it in part. The Board found that Respondent violated Code of Virginia 54.1-4413.3 (1)-(7), 54.1-4412.1 (D) (1)(a), (5) and (6) and AICPA Code of Professional Conduct 1.400.050. The Board revoked the Respondent's CPA license; however, they imposed a monetary penalty of \$20,000 instead of the \$50,000 monetary penalty recommended in the Presiding Officer's Recommendation.

CALL FOR VOTE:

Laurie A. Warwick, CPA – Aye
Wendy P. Lewis, CPA – Aye
Dale G. Mullen – Aye
William R. Brown, CPA – Aye
Nadia A. Rogers, CPA – Aye
David Cotton, CPA, CFE, CGFM – Aye
Angela Rudolph-Wiseman, CPA – Aye

VOTE:

Ayes: Seven (7)
Abstain: None (0)
Nays: None (0)

Case #2023-0264

Upon a motion by Mr. Brown and duly seconded, the members voted to reject the Presiding Officer's recommendation and grant an individual CPA license to the applicant.

CALL FOR VOTE:

Laurie A. Warwick, CPA – Aye
Wendy P. Lewis, CPA – Aye
Dale G. Mullen – Abstain
William R. Brown, CPA – Aye
Nadia A. Rogers, CPA – Aye
David Cotton, CPA, CFE, CGFM – Abstain
Angela Rudolph-Wiseman, CPA – Nay

**Board Meeting
August 29, 2023
Draft/Unapproved minutes**

VOTE:

Ayes: Four (4)

Abstain: None (2)

Nays: One (1)

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 24, 2023
 - December 5, 2023
 - January 17, 2024

ADJOURNMENT

There being no further business before the VBOA, Ms. Lewis adjourned the meeting at 2 p.m.

APPROVED:

Wendy P. Lewis, CPA, Chair

COPY TESTE:

Nancy Glynn, CPA, Executive Director



VIRGINIA
CONFLICT OF INTEREST AND
ETHICS ADVISORY COUNCIL

Virginia Board of Accountancy Training
October 24, 2023

I. Council Membership

Council membership as of September 2023:

Speaker of the House Appointees

The Honorable Del. M. Keith Hodges

The Honorable Del. Vivian E. Watts

The Honorable Bruce D. White (Chair)

Senate Committee on Rules Appointees

The Honorable Sen. Adam Ebbin

The Honorable Sen. Thomas K. Norment, Jr.

The Honorable Malfourd W. Trumbo (Vice-Chair)

Gubernatorial Appointees

John C. Blair

Sharon E. Pandak

Tracy Retchin

II. Council Duties

The Council shall perform the following duties:

1. Furnish formal and informal guidance to all persons required to comply with the Acts
2. Conduct training seminars and educational programs and publish educational materials for all persons required to comply with the Acts
3. Serve as liaison between state agencies, boards, commissions, and local government entities for administering the filings of all disclosure forms
4. Redact personal information from any form prior to making the form available to the public
5. Establish and maintain a searchable database of disclosure forms filed with the Council
6. Notify the Secretary of the Commonwealth and the Attorney General concerning late or failure-to-file penalties
7. Receive and review requests for approval of travel submitted by individuals required to file a Statement of Economic Interests

III. Prohibited Conduct and Personal Interests

A. Prohibited Conduct

No state or local government officer or employee shall:

1. Solicit or accept money or other thing of value for services performed within the scope of your official duties except for compensation paid by your agency
2. Offer or accept any money or other thing of value for obtaining employment, appointment, or promotion of any person with any governmental or advisory agency
3. Offer or accept any money or other thing of value for the use of your public position to obtain a contract for any person or business with any governmental or

advisory agency

4. Use confidential information that you have acquired by reason of your public position and that is not available to the public for your or another party's economic benefit
 5. Accept any money, loan, gift, favor, service, or business or professional opportunity that reasonably tends to influence you in the performance of your official duties; this does not include political contributions actually used for a political campaign or constituent services and reported as required by campaign finance laws
 6. Accept any business or professional opportunity when you know that there is a reasonable likelihood that the opportunity is being given to influence you in the performance of your official duties
 7. Accept any honoraria for any appearance, speech, or article in which you provide expertise or opinions related to the performance of your official duties (this only applies to the Governor, Lt. Governor, Attorney General, Governor's Secretaries, and heads of departments of state government)
 8. Accept a gift from a person who has interests that may be substantially affected by the performance of your duties under circumstances where the timing and nature of the gift would cause a reasonable person to question your impartiality in the matter affecting the donor
 9. Accept gifts from sources on a basis so frequent as to raise an appearance of the use of your public office for private gain
 10. Use your public position to retaliate or threaten to retaliate against any person for expressing views on matters of public concern or for exercising any right that is otherwise protected by law, provided, however, that this does not restrict the authority of any public employer to govern conduct of its employees, and to take disciplinary action, in accordance with applicable law, and provided further that this does not limit the authority of a constitutional officer to discipline or discharge an employee with or without cause
- B. "Personal interest" is a financial benefit or liability accruing to an officer or employee or to a member of his immediate family.

Personal interests exist due to:

1. Ownership in a business if the ownership interest exceeds three percent of the total equity of the business;
2. Annual income that exceeds, or may reasonably be anticipated to exceed, \$5,000 from ownership in real or personal property or a business;
3. Salary, other compensation, fringe benefits, or benefits from the use of property, or any combination thereof, paid or provided by a business or governmental agency that exceeds, or may reasonably be anticipated to exceed, \$5,000 annually;
4. Ownership of real or personal property if the interest exceeds \$5,000 in value and excluding ownership in a business, income, or salary, other compensation, fringe benefits or benefits from the use of property;

5. Personal liability incurred or assumed on behalf of a business if the liability exceeds three percent of the asset value of the business; or
6. An option for ownership of a business or real or personal property if the ownership interest will consist of subdivision (1) or (4) above.

C. Personal Interest in a Contract

1. You may not have a personal interest in a contract with your agency other than your own contract of employment.
2. You are also prohibited from having a personal interest in certain contracts with other state agencies.

For contracts with other state agencies, an exception is made for:

- i. contracts awarded using competitive sealed bidding or negotiation following Procurement Act procedures
- ii. contracts awarded after a written finding by the administrative head of the agency that competitive sealed bidding or negotiation is contrary to the best interest of the public.

There are many exceptions to this prohibition. It is recommended that you contact the Council regarding the application of an exception.

D. Personal Interest in a Transaction

A personal interest in a transaction means a personal interest in any matter considered by your agency, when official action is taken or contemplated.

Such a personal interest exists when you or a member of your immediate family has a personal interest in:

1. property or a business, or
2. represents or provides services to any individual or business

and the property, business, or represented or served individual or business

1. is the subject of the transaction or
2. may realize a reasonably foreseeable direct or indirect benefit or detriment as a result of the action on the transaction.

You must publicly disqualify yourself if the transaction applies solely to the entity in which you have a personal interest, or if you have a personal interest in a transaction and do not qualify for participation.

It is recommended that you contact the Council if you have a question about a possible personal interest in a transaction.

Contact Information:

Virginia Conflict of Interest and Ethics Advisory Council

Pocahontas Building

900 E Main Street

8th Floor

Richmond, VA 23219

Website: ethics.dls.virginia.gov

Email: ethics@dls.virginia.gov

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Valerie Mizzell

Assistant Filing Coordinator

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804.698.1847

**Budget vs. Actual Expenditures
As of September 30, 2023**



	FY24 Operating Budget	FY24 YTD Expenditures	% Expended	FY23 YTD Expenditures	FY22 Expenditures	FY21 Expenditures
Salaries & Benefits						
1123 Salaries	1,188,712	318,019	26.8%	1,036,015	897,977	844,009
11XX Benefits	534,267	112,742	21.1%	390,631	354,860	352,058
Total Salaries & Benefits	\$ 1,722,979	\$ 430,761	25.0%	\$ 1,426,646	\$ 1,252,837	\$ 1,196,067
Contractual Services						
1211 Express Services	3,500	906	25.9%	5,407	655	33
1214 Postal Services	21,000	1,924	9.2%	18,467	15,395	14,576
1215 Printing Services	7,500	5,439	72.5%	3,448	5,766	3,208
1216 Telecommunications - VITA	10,800	2,588	24.0%	10,593	11,449	10,921
1217 Telecommunications - Nonstate (CallFire)	2,500	390	15.6%	1,442	1,200	1,530
1219 Inbound Freight	300	10	3.2%	220	135	22
1221 Organization Memberships (primarily NASBA)	8,336	6,600	79.2%	8,642	9,279	7,674
1222 Publication Subscriptions	1,270	125	9.8%	1,323	4,357	3,655
1224 Training - Courses, Workshops, Conferences	6,445	-	0.0%	8,769	6,126	763
1227 Training-Transportation, Lodging, Meals, Incidentals	15,500	(2,209)	-14.3%	13,115	4,635	-
1242 Fiscal Services (Credit Card Merchant Fees)	49,000	13,393	27.3%	48,315	45,864	47,123
1243 Attorney Services	27,000	-	0.0%	17,207	16,097	26,217
1244 Mgmt. Services - NASBA/special accommodations	14,800	795	5.4%	11,079	10,387	9,012
1246 Public Info/Public Relations (subscriptions)	3,385	468	13.8%	2,914	2,485	439
1247 Legal Services (court reporting services)	5,500	970	17.6%	4,072	8,363	11,460
1264 Food and Dietary Services	2,500	306	12.3%	2,662	2,352	1,127
1266 Manual Labor Services (Includes shredding services)	550	60	10.9%	120	200	1,410
1268 Skilled Services	2,100	-	0.0%	1,125	1,650	-
1272 VITA - System Hosting, Maintenance, and Admin	-	-	---	229,224	222,006	320,442
1272 VITA - Shared ISO Audit Services	-	-	---	18,093	20,425	-
1272 VITA - ECOS fees	-	-	---	-	4,755	-
1272 VITA - System Reporting Tool	-	-	---	-	5,750	-
1273 Info Mgmt Design and Development Services (IT Support)	85,000	400	---	28,930	19,450	230,725
1275 Computer Software Maintenance (website hosting)	243,854	80,718	33.1%	6,830	7,050	7,235
1278 VITA Information Technology Infrastructure Services (included ECOS)	80,400	-	0.0%	53,872	52,008	57,838
1279 Computer Software Development Services	244,000	-	0.0%	-	-	-
1282 Travel - Personal Vehicle	7,500	948	12.6%	6,668	4,927	962
1283 Travel - Public Carriers	150	74	49.0%	13	497	-
1284 Travel - State Vehicles	450	-	0.0%	217	-	-
1285 Travel - Subsistence and Lodging	4,500	575	12.8%	3,360	1,890	-
1288 Travel, Meal Reimburse - Not IRS Rpt	2,000	290	14.5%	1,654	1,106	-
Total Contractual Services	\$ 849,840	\$ 114,769	13.5%	\$ 507,782	\$ 486,259	\$ 760,054

	FY24 Operating Budget	FY24 YTD Expenditures	% Expended	FY23 YTD Expenditures	FY22 Expenditures	FY21 Expenditures
<u>Supplies and Materials</u>						
1312 Office Supplies	1,500	151	10.1%	916	864	904
1313 Stationery and Forms	1,800	-	0.0%	1,146	404	644
1323 Gasoline (Enterprise vehicles)	150	-	0.0%	65	-	-
1335 Packaging and Shipping Supplies	1,200	-	0.0%	369	369	720
1342 Medical & Dental Supplies	50	-	0.0%	-	-	30
1352 Custodian Repair & Maintenance	-	-	---	-	-	14
1362 Food & Dietary Supplies	350	-	0.0%	192	126	107
1363 Food Service Supplies	150	72	47.9%	-	236	35
1373 Computer Operating Supplies	1,200	220	18.4%	748	786	1,236
Total Supplies & Materials	\$ 6,400	\$ 443	6.9%	\$ 3,435	\$ 2,785	\$ 3,689
<u>Transfer Payments</u>						
1413 Awards & Recognition	500	-	0.0%	500	623	343
1415 Unemployment Compensation	-	-	---	-	-	216
1418 Incentives	1,200	-	0.0%	1,226	-	-
Total Transfer Payments	\$ 1,700	\$ -	0.0%	\$ 1,726	\$ 623	\$ 559
<u>Continuous Charges</u>						
1512 Automobile Liability Insurance	231	-	0.0%	231	231	231
1516 Property Insurance	540	-	0.0%	540	540	1,224
1534 Equipment Rentals	10,105	634	6.3%	8,643	7,454	8,099
1539 Building Rentals - Non-State Owned Facilities	104,318	25,906	24.8%	101,512	97,997	95,005
1541 Agency Service Charges (shared services)	62,600	23,826	38.1%	60,498	49,465	52,373
1551 General Liability Insurance	5,400	-	0.0%	5,328	5,328	328
1554 Surety Bonds	40	-	0.0%	-	40	40
1555 Worker's Compensation	1,110	-	0.0%	926	1,110	1,094
Total Continuous Charges	\$ 184,344	\$ 50,366	27.3%	\$ 177,678	\$ 162,165	\$ 158,394
<u>Equipment</u>						
2216 Network Components	750	-	0.0%	-	1,653	877
2217 Other Computer Equipment	200	-	0.0%	405	155	130
2218 Computer Software Purchases	500	-	0.0%	386	418	50
2231 Electronic Equipment	-	-	---	967	1,170	-
2233 Voice and Data Transmission Equipment	-	-	---	-	-	969
2262 Office Furniture	1,200	-	0.0%	454	755	-
2263 Office Incidentals	-	-	---	46	63	345
2328 Construction, Building Improvements	-	-	---	-	-	150
Total Equipment	\$ 2,650	\$ -	0.0%	\$ 2,259	\$ 4,214	\$ 2,521
Total Expenses	\$ 2,767,913	\$ 596,339	21.5%	\$ 2,119,526	\$ 1,908,884	\$ 2,121,284
Chapter 2 Appropriation	\$ 2,767,913					

Cash Balances



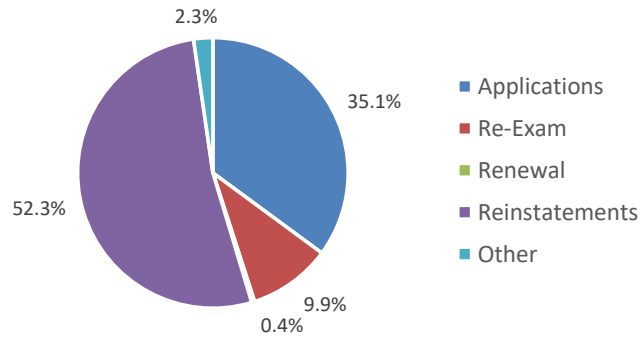
	Operating Fund		Trust Fund	
	FY2024	FY2023	FY2024	FY2023
	As of 9/30/23	As of 9/30/22	As of 9/30/23	As of 9/30/22
Beginning Cash Balance July 1	\$ 2,890,877	\$ 2,556,744	\$ 3,205,952	\$ 3,341,045
YTD Revenue Collected	181,885	160,430	-	-
Interest earnings	-	-	-	-
Accounts Payable	21,977	24,086	-	-
Cash Transfers In per Board Policy #1	-	193,303	141,788	-
Cash Transfers Out per Board Policy #1	(141,788)	-	-	(193,303)
YTD Expenditures	(596,339)	(574,464)	-	-
Cash Balance	\$ 2,356,611	\$ 2,360,099	\$ 3,347,740	\$ 3,147,742
Required Cash Transfers:				
Central Service Agencies Transfer	\$ (11,983)	\$ (11,983)	-	-
Cash Balance after required transfers	\$ 2,344,628	\$ 2,348,116	\$ 3,347,740	\$ 3,147,742

Revenue Collections by Fee Type

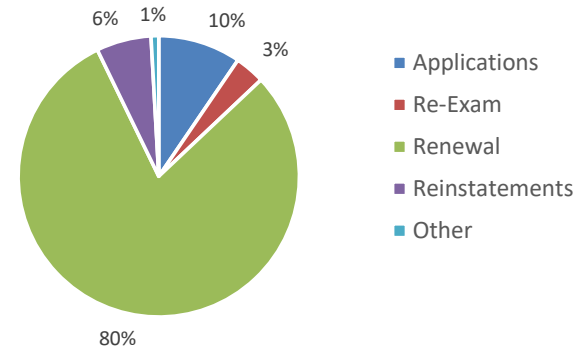


Fee Type	FY2024 - YTD as of 9/30/23	FY2023 - YTD as of 9/30/22	Fiscal Year Ending 6/30/23	Fiscal Year Ending 6/30/22	Fiscal Year Ending 6/30/21
Exam Application Fee	\$ 45,360	\$ 31,515	\$ 139,635	\$ 130,560	\$ 149,430
Individual License Application Fee	17,775	15,525	67,950	70,800	83,100
Firm License Application Fee	800	900	5,000	4,100	4,500
Re-Exam Application	18,080	17,720	76,900	72,080	83,420
Renewal Fee	640	1,285	1,782,800	1,777,925	1,824,315
Reinstatement Fee	95,350	88,500	140,850	98,600	63,150
Duplicate Wall Certificate Fee	625	350	1,725	2,150	1,700
License Verification Fee	3,150	4,725	16,650	21,325	16,625
CPA Exam Score Transfers	325	250	1,150	1,075	1,325
Administrative Fee	80	-	-	45	646
Bad Check Fee	-	-	239	50	50
Total Revenue by Fee Type	\$ 182,185	\$ 160,770	\$ 2,232,899	\$ 2,178,710	\$ 2,228,261
Net Revenue per Cardinal	\$ 181,885	\$ 160,430	\$ 2,232,824	\$ 2,178,830	\$ 2,199,041
Difference	\$ 300	\$ 340	\$ 75	\$ (120)	\$ 29,220

FY24 YTD Revenue Collections



FY23 Revenue Collections



Accounts Receivable



	<u>FY2024 - YTD as of 9/30/23</u>	<u>FY2023 - YTD as of 9/30/22</u>	<u>Fiscal Year Ending 6/30/23</u>	<u>Fiscal Year Ending 6/30/22</u>	<u>Fiscal Year Ending 6/30/21</u>
Fines levied	\$ 102,790	\$ 68,506	\$ 759,525	\$ 189,950	\$ 128,042
Fines collected	\$ 41,515	\$ 62,773	\$ 335,357	\$ 157,851	\$ 138,947
Fines Discharged	\$ -	\$ -	\$ 52,542	\$ -	\$ -
Outstanding Current fines receivable (< 365 Days)	<u>\$ 589,851</u>	<u>\$ 51,370</u>	<u>\$ 493,534</u>	<u>\$ 49,751</u>	<u>\$ 29,041</u>
Outstanding Written-off receivables (=> 365 Days)	<u>\$ 573,532</u>	<u>\$ 684,846</u>	<u>\$ 608,574</u>	<u>\$ 680,731</u>	<u>\$ 669,342</u>

**Individual and firm license activity
Sept. 30, 2023**

<i>Fiscal Period</i>	Period ending 9/30/2023	Period ending 9/30/2022	Period ending 6/30/2023	Period ending 6/30/2022	Period ending 6/30/2021
REGULANTS					
Individuals					
Active, licensed CPAs	26,914	26,795	26,556	26,482	26,715
Inactive, licensed CPAs	2,104	2,111	2,090	2,053	2,033
Total Licensed CPAs	29,018	28,906	28,646	28,535	28,748
Out-of-state licensees	10,000	9,825	9,867	9,669	9,572
Reinstatements - Individuals	251	240	274	257	170
New CPA licenses issued	219	212	940	1,039	1,069
Expired/voluntarily surrendered licenses	7	11	1,041	1,337	119
Exam Candidates					
Number of first time exam candidates	391	271	931	1,118	1,193
Firms					
Total active, licensed CPA firms	1,113	1,124	1,094	1,172	1,125
Reinstatements - Firms	15	9	19	18	8
New CPA firm licenses issued	8	9	44	42	38
Expired/voluntarily surrendered licenses	1	0	81	76	12

All Open Enforcement Complaints - As of August 15, 2023

All Open Enforcement Complaints



All Open Complaint Types

CPE Deficiency	94
Acts Discreditable	2
Due Professional Care	28
Unlicensed Activity	39
Peer Review	1
*1 eligibility file	165

All Open Enforcement Complaints - As of October 11, 2023

All Open Enforcement Complaints



All Open Complaint Types

CPE Deficiency	55
Acts Discreditable	6
Due Professional Care	19
Unlicensed Activity	36
Peer Review	2
118	

New and Closed Complaints - August 16, 2023 to October 11, 2023

Opened Complaints



Opened Complaint Types

CPE Deficiency	49
Due Prof. Care/Acts Discredit.	13
Unlicensed Activity	14
Peer Review	1
77	

Closed Complaints



Closed Complaint Types

CPE Deficiency	88
Due Professional Care	10
Unlicensed Activity	20
Acts Discreditable	5
*1 Eligibility Hearing	124

Disposition Types

Advisory Letter	31	Board Order	10
Consent Order	67	Closed Agency Referral	0
No Finding	1	No Violation	7
No Jurisdiction	4	Other	4
124			

CPE Audit Report as of October 1, 2023

	Ending 9/30/2023	Year Ending 6/30/2023	Year Ending 6/30/2022	Year ending 6/30/2021	Year Ending 6/30/2020	Year Ending 6/30/2018
CPE Audits Selected	222	429	573	751	696	1366
CPE Audits Passed	0	316	432	597	544	1139
CPE Audits Deficient	0	108	141	154	152	227
CPE Audits Pending	222	5	0	0	0	0
CPE Deficiency Rate	N/A	25%	25%	21%	22%	17%

Other audits completed during Calendar Years

	Reinstatement and Inactive Audits			Self-Report Audits		Enforcement Audits	
	2023	2022	2021	2023	2022	2023	2022
Audits Selected	334	458	276	132	224	8	38
CPE Audits Passed	214	393	265	15	47	5	25
CPE Audits Deficient	0	2	0	51	177	3	13
CPE Audits Pending	120	63	11	66	0	0	0
						38%	34%

All Non-CPE Enforcement Cases

Complaint #	Type	Status	Disposition	Date Received	Date Entered	Status Date	TotalDays	
2021-018-011U	Unlicensed Activity - O	IFF - Pending			8-Apr-21	n/a	11-Oct-23	916
2021-0086	Due Professional Care	Board Meeting - Pending		Aug 25, 2021	Oct 18, 2021	Sep 11, 2023		777
2021-0091	Due Professional Care	Requested Additional Information		Sep 8, 2021	Oct 18, 2021	Sep 11, 2023		763
2021-0088	Unlicensed Activity - O	Board Meeting - Pending		Oct 18, 2021	Oct 18, 2021	Sep 11, 2023		723
2021-0145	Unlicensed Activity - O	NOAV - Sent		Dec 10, 2021	Dec 10, 2021	Mar 30, 2023		670
2022-0046	Due Professional Care	NOAV - Sent		Jan 27, 2022	Jan 27, 2022	May 19, 2022		622
2022-0084	Unlicensed Activity - G	NOAV - Sent		Feb 24, 2022	Feb 28, 2022	May 19, 2022		594
2022-0347	Due Professional Care	NOAV - Sent		Jun 3, 2022	Jun 3, 2022	Jun 22, 2022		495
2022-0358	Unlicensed Activity - O	NOAV - Sent		Jun 15, 2022	Jun 15, 2022	Oct 24, 2022		483
2022-0362	Unlicensed Activity - O	NOAV - Sent		Jun 21, 2022	Jun 21, 2022	Aug 3, 2022		477
2022-0366	Unlicensed Activity - O	Probable Cause Review		Jun 28, 2022	Jun 24, 2022	Jul 31, 2023		470
2022-0384	Due Professional Care	Probable Cause Review		Jul 19, 2022	Jul 19, 2022	Jul 26, 2023		449
2022-0392	Due Professional Care	NOAV - Sent		Jul 25, 2022	Jul 25, 2022	Oct 24, 2022		443
2022-0393	Due Professional Care	NOAV - Sent		Jul 25, 2022	Jul 25, 2022	Oct 24, 2022		443
2022-0423	Due Professional Care	NOAV - Sent		Aug 5, 2022	Aug 8, 2022	Sep 22, 2023		432
2022-0557	Acts Discreditable	Consent Order - Sent		Aug 22, 2022	Sep 29, 2022	Oct 2, 2023		415
2022-0502	Due Professional Care	Board Meeting - Pending		Sep 8, 2022	Sep 8, 2022	Sep 11, 2023		398
2022-0545	Due Professional Care	NOAV - Sent		Sep 15, 2022	Sep 15, 2022	Oct 11, 2023		391
2022-0558	Due Professional Care	NOAV - Sent		Oct 4, 2022	Oct 4, 2022	Sep 22, 2023		372
2022-0572	Unlicensed Activity - O	IFF - Pending		Oct 7, 2022	Oct 7, 2022	Mar 30, 2023		369
2022-0690	Due Professional Care	NOAV - Sent		Nov 29, 2022	Nov 29, 2022	Sep 27, 2023		316
2022-0701	Due Professional Care	NOAV - Sent		Dec 2, 2022	Dec 2, 2022	Dec 2, 2022		313
2022-0721	Unlicensed Activity - O	NOAV - Sent		Dec 9, 2022	Dec 9, 2022	Sep 22, 2023		306
2022-0732	Unlicensed Activity - O	IFF - Pending		Dec 12, 2022	Dec 12, 2022	Apr 10, 2023		303
2022-0736	Due Professional Care	NOAV - Sent		Dec 13, 2022	Dec 13, 2022	Jan 30, 2023		302
2023-0012	Unlicensed Activity - O	Probable Cause Review		Jan 12, 2023	Jan 12, 2023	Apr 27, 2023		272
2023-0031	Unlicensed Activity - G	IFF - Pending		Jan 24, 2023	Jan 24, 2023	Oct 10, 2023		260
2023-0073	Unlicensed Activity - O	IFF - Pending		Feb 17, 2023	Feb 17, 2023	Jul 3, 2023		236
2023-0074	Unlicensed Activity - O	IFF - Pending		Feb 17, 2023	Feb 17, 2023	Jul 19, 2023		236
2023-0075	Unlicensed Activity - G	Consent Order - Sent		Feb 17, 2023	Feb 17, 2023	Oct 6, 2023		236
2023-0081	Peer Review	Open Case		Feb 22, 2023	Feb 22, 2023	Feb 22, 2023		231
2023-0082	Unlicensed Activity - O	NOAV - Sent		Feb 22, 2023	Feb 22, 2023	Sep 29, 2023		231
2023-0110	Due Professional Care	Probable Cause Review		Mar 13, 2023	Mar 13, 2023	Oct 10, 2023		212
2023-0140	Unlicensed Activity - O	Probable Cause Review		Apr 3, 2023	Apr 3, 2023	Oct 11, 2023		191
2023-0149	Unlicensed Activity - O	NOAV - Sent		Apr 11, 2023	Apr 11, 2023	Aug 8, 2023		183
2023-0150	Unlicensed Activity - O	Consent Order - Sent		Apr 11, 2023	Apr 11, 2023	Sep 26, 2023		183
2023-0162	Due Professional Care	Probable Cause Review		Apr 27, 2023	Apr 27, 2023	Sep 19, 2023		167
2023-0181	Due Professional Care	NOAV - Sent		May 3, 2023	May 25, 2023	Aug 8, 2023		161
2023-0169	Unlicensed Activity - O	Board Meeting - Pending		May 5, 2023	May 5, 2023	Sep 7, 2023		159
2023-0171	Unlicensed Activity - O	Requested Additional Information		May 16, 2023	May 16, 2023	Sep 1, 2023		148
2023-0376	Unlicensed Activity - O	Open Case		May 16, 2023	Oct 4, 2023	Oct 4, 2023		148
2023-0378	Unlicensed Activity - O	Open Case		May 16, 2023	Oct 4, 2023	Oct 4, 2023		148
2023-0379	Unlicensed Activity - O	Open Case		May 16, 2023	Oct 4, 2023	Oct 4, 2023		148
2023-0182	Due Professional Care	IFF - Pending		May 23, 2023	May 25, 2023	Sep 11, 2023		141
2023-0201	Unlicensed Activity - G	Board Meeting - Pending		Jun 9, 2023	Jun 9, 2023	Oct 10, 2023		124
2023-0204	Unlicensed Activity - O	NOAV - Sent		Jun 13, 2023	Jun 13, 2023	Sep 29, 2023		120
2023-0241	Unlicensed Activity - G	NOAV - Sent		Jun 29, 2023	Jun 29, 2023	Aug 15, 2023		104
2023-0242	Unlicensed Activity - O	Consent Order - Sent		Jun 29, 2023	Jun 29, 2023	Sep 28, 2023		104
2023-0243	Unlicensed Activity - O	NOAV - Sent		Jun 29, 2023	Jun 29, 2023	Aug 31, 2023		104
2023-0248	Unlicensed Activity - O	Board Meeting - Pending		Jul 5, 2023	Jul 5, 2023	Sep 29, 2023		98
2023-0304	Unlicensed Activity - O	NOAV - Sent		Aug 9, 2023	Aug 14, 2023	Sep 14, 2023		63
2023-0321	Acts Discreditable	NOAV - Sent		Aug 22, 2023	Aug 22, 2023	Sep 19, 2023		50
2023-0326	Unlicensed Activity - O	Open Case		Aug 24, 2023	Aug 24, 2023	Aug 24, 2023		48
2023-0328	Unlicensed Activity - G	Consent Order - Sent		Aug 24, 2023	Aug 24, 2023	Sep 22, 2023		48
2023-0331	Peer Review	Open Case		Aug 25, 2023	Aug 25, 2023	Aug 25, 2023		47
2023-0343	Unlicensed Activity - O	NOAV - Sent		Aug 31, 2023	Aug 31, 2023	Oct 10, 2023		41
2023-0350	Due Professional Care	NOAV - Sent		Sep 6, 2023	Sep 6, 2023	Sep 8, 2023		35

2023-0382	Acts Discreditable	Open Case	Oct 10, 2023	Oct 10, 2023	Oct 10, 2023	1
2023-0383	Acts Discreditable	Open Case	Oct 10, 2023	Oct 10, 2023	Oct 10, 2023	1
2023-0384	Acts Discreditable	Open Case	Oct 10, 2023	Oct 10, 2023	Oct 10, 2023	1
2023-0386	Acts Discreditable	NOAV - Sent	Oct 10, 2023	Oct 10, 2023	Oct 11, 2023	1
2023-0387	Unlicensed Activity - O	Open Case	Oct 11, 2023	Oct 11, 2023	Oct 11, 2023	0
2023-0388	Unlicensed Activity - O	NOAV - Sent	Oct 11, 2023	Oct 11, 2023	Oct 11, 2023	0

All CPE Enforcement Cases

Complaint #	Type	Status	Disposition	Date Received	Date Entered	Status Date	TotalDays
2022-0333	CPE Deficiency	Board Meeting - Pending		May 24, 2022	May 24, 2022	Oct 3, 2023	505
2022-0436	CPE Deficiency	Consent Order - Sent		Aug 18, 2022	Aug 18, 2022	Sep 29, 2023	419
2022-0490	CPE Deficiency	Consent Order - Sent		Sep 1, 2022	Sep 1, 2022	Oct 6, 2023	405
2022-0500	CPE Deficiency	Board Meeting - Pending		Sep 7, 2022	Sep 7, 2022	Oct 3, 2023	399
2022-0511	CPE Deficiency	Board Meeting - Pending		Sep 8, 2022	Sep 8, 2022	Sep 11, 2023	398
2022-0524	CPE Deficiency	Consent Order - Sent		Sep 9, 2022	Sep 9, 2022	Sep 12, 2023	397
2022-0554	CPE Deficiency	IFF - Completed		Sep 23, 2022	Sep 23, 2022	May 23, 2023	383
2022-0560	CPE Deficiency	IFF - Completed		Oct 4, 2022	Oct 4, 2022	May 23, 2023	372
2022-0570	CPE Deficiency	IFF - Completed		Oct 6, 2022	Oct 6, 2022	Apr 4, 2023	370
2022-0595	CPE Deficiency	Consent Order - Sent		Oct 13, 2022	Oct 13, 2022	Oct 2, 2023	363
2022-0623	CPE Deficiency	IFF - Scheduled		Oct 31, 2022	Oct 31, 2022	Oct 6, 2023	345
2022-0639	CPE Deficiency	IFF - Scheduled		Nov 2, 2022	Nov 2, 2022	Oct 6, 2023	343
2022-0707	CPE Deficiency	IFF - Scheduled		Dec 6, 2022	Dec 6, 2022	Sep 14, 2023	309
2022-0715	CPE Deficiency	IFF - Completed		Dec 7, 2022	Dec 7, 2022	Oct 4, 2023	308
2022-0723	CPE Deficiency	IFF - Completed		Dec 9, 2022	Dec 9, 2022	May 23, 2023	306
2022-0741	CPE Deficiency	IFF - Completed		Dec 19, 2022	Dec 19, 2022	May 23, 2023	296
2022-0758	CPE Deficiency	IFF - Completed		Dec 29, 2022	Dec 29, 2022	Jun 6, 2023	286
2023-0021	CPE Deficiency	Board Meeting - Pending		Jan 19, 2023	Jan 19, 2023	Oct 3, 2023	265
2023-0022	CPE Deficiency	Consent Order - Sent		Jan 19, 2023	Jan 19, 2023	Oct 2, 2023	265
2023-0042	CPE Deficiency	Consent Order - Sent		Jan 31, 2023	Jan 31, 2023	Oct 6, 2023	253
2023-0047	CPE Deficiency	IFF - Scheduled		Feb 1, 2023	Feb 1, 2023	Sep 15, 2023	252
2023-0067	CPE Deficiency	IFF - Completed		Feb 15, 2023	Feb 15, 2023	Oct 4, 2023	238
2023-0101	CPE Deficiency	IFF - Completed		Mar 7, 2023	Mar 7, 2023	May 23, 2023	218
2023-0114	CPE Deficiency	IFF - Pending		Mar 17, 2023	Mar 17, 2023	Oct 10, 2023	208
2023-0117	CPE Deficiency	IFF - Completed		Mar 21, 2023	Mar 21, 2023	May 23, 2023	204
2023-0134	CPE Deficiency	Board Meeting - Pending		Mar 31, 2023	Mar 31, 2023	Sep 11, 2023	194
2023-0135	CPE Deficiency	IFF - Scheduled		Mar 31, 2023	Mar 31, 2023	Oct 6, 2023	194
2023-0185	CPE Deficiency	IFF - Completed		May 26, 2023	May 26, 2023	Sep 12, 2023	138
2023-0202	CPE Deficiency	Consent Order - Sent		Jun 12, 2023	Jun 12, 2023	Sep 27, 2023	121
2023-0203	CPE Deficiency	IFF - Completed		Jun 12, 2023	Jun 12, 2023	Oct 4, 2023	121
2023-0207	CPE Deficiency	IFF - Completed		Jun 14, 2023	Jun 14, 2023	Oct 4, 2023	119
2023-0213	CPE Deficiency	IFF - Scheduled		Jun 16, 2023	Jun 16, 2023	Oct 6, 2023	117
2023-0215	CPE Deficiency	IFF - Pending		Jun 16, 2023	Jun 16, 2023	Oct 11, 2023	117
2023-0227	CPE Deficiency	Consent Order - Sent		Jun 23, 2023	Jun 23, 2023	Jun 28, 2023	110
2023-0236	CPE Deficiency	IFF - Completed		Jun 28, 2023	Jun 28, 2023	Oct 4, 2023	105
2023-0246	CPE Deficiency	IFF - Completed		Jun 30, 2023	Jun 30, 2023	Oct 4, 2023	103
2023-0252	CPE Deficiency	IFF - Scheduled		Jul 6, 2023	Jul 6, 2023	Sep 15, 2023	97
2023-0256	CPE Deficiency	IFF - Scheduled		Jul 7, 2023	Jul 7, 2023	Aug 21, 2023	96
2023-0296	CPE Deficiency	IFF - Scheduled		Aug 8, 2023	Aug 8, 2023	Oct 6, 2023	64
2023-0299	CPE Deficiency	IFF - Scheduled		Aug 9, 2023	Aug 9, 2023	Oct 6, 2023	63
2023-0329	CPE Deficiency	Consent Order - Sent		Aug 24, 2023	Aug 24, 2023	Aug 24, 2023	48
2023-0332	CPE Deficiency	IFF - Scheduled		Aug 28, 2023	Aug 28, 2023	Oct 6, 2023	44
2023-0333	CPE Deficiency	IFF - Pending		Aug 28, 2023	Aug 28, 2023	Oct 10, 2023	44
2023-0336	CPE Deficiency	Consent Order - Sent		Aug 28, 2023	Aug 28, 2023	Sep 13, 2023	44
2023-0339	CPE Deficiency	IFF - Scheduled		Aug 30, 2023	Aug 30, 2023	Oct 6, 2023	42
2023-0352	CPE Deficiency	Consent Order - Sent		Sep 7, 2023	Sep 7, 2023	Sep 12, 2023	34
2023-0363	CPE Deficiency	Consent Order - Sent		Sep 12, 2023	Sep 12, 2023	Sep 15, 2023	29
2023-0364	CPE Deficiency	IFF - Scheduled		Sep 12, 2023	Sep 12, 2023	Oct 6, 2023	29
2023-0366	CPE Deficiency	Consent Order - Sent		Sep 13, 2023	Sep 13, 2023	Sep 27, 2023	28
2023-0367	CPE Deficiency	Consent Order - Sent		Sep 19, 2023	Sep 19, 2023	Sep 27, 2023	22
2023-0371	CPE Deficiency	Consent Order - Sent		Sep 22, 2023	Sep 22, 2023	Sep 27, 2023	19
2023-0373	CPE Deficiency	Entered / Intake		Sep 26, 2023	Sep 26, 2023	Sep 26, 2023	15
2023-0377	CPE Deficiency	Entered / Intake		Oct 4, 2023	Oct 4, 2023	Oct 4, 2023	7
2023-0380	CPE Deficiency	Entered / Intake		Oct 4, 2023	Oct 4, 2023	Oct 4, 2023	7
2023-0381	CPE Deficiency	Entered / Intake		Oct 5, 2023	Oct 5, 2023	Oct 5, 2023	6

CPA Exam Credit Relief Initiative – Discussion and Q&A

October 24 2023

Stephanie Saunders, CPA
NASBA Vice Chair 2022-2023

The Uniform CPA Examination®



Background / Why

- ▶ **Pipeline initiative**
- ▶ **Encouraging candidates back to complete their CPA Exam testing and seek licensure**
- ▶ **With change in economy, some might be incentivized to resume their CPA Exam journey**
- ▶ **Finite number of candidates eligible – one-time effort**

CPA Exam Credit Relief Initiative Recommendation #1

▶ Jurisdictions that CAN adopt en masse for candidates:

In response to significant health, economic, education, and travel disruptions resulting in CPA Examination candidate hardships, the Board of Accountancy will extend credit periods through June 30, 2025, for CPA Examination credits that expired from January 30, 2020⁽¹⁾ through May 11, 2023⁽²⁾, which have not been subsequently replaced by new credits for the same sections.

(1) The United States Department of Health and Human Services declared a national Public Health Emergency.

(2) The United States Department of Health and Human Services announced the expiration of the national Public Health Emergency.

CPA Exam Credit Relief Initiative Recommendation #2

▶ Jurisdictions that CANNOT adopt en masse for candidates:

In response to significant health, economic, education, and travel disruptions resulting in CPA Examination candidate hardships, the Board of Accountancy will consider individual candidate requests to extend credit periods through June 30, 2025, for CPA Examination credits that expired from January 30, 2020⁽¹⁾ through May 11, 2023⁽²⁾, which have not been subsequently replaced by new credits for the same sections.

(1) The United States Department of Health and Human Services declared a national Public Health Emergency.

(2) The United States Department of Health and Human Services announced the expiration of the national Public Health Emergency.



The Uniform
CPA Examination

Selected FAQs & Answers Handout

NASBA



FAQ #1 – Case-by-Case Implementation

If a board adopts the initiative on a case-by-case basis, what information does the candidate need to submit?

If a board adopts the initiative on a case-by-case basis, should there be a deadline to submit the request?

FAQ #2 – Transfer Topics

What if a candidate from another jurisdiction wants to transfer expired credits to our jurisdiction?

What if a candidate transfers from a jurisdiction that adopted the initiative to one that did not?

If a board adopts en masse and a candidate has already transferred to another jurisdiction, how do we handle it?

FAQ #3 – Communication

How do we communicate this initiative to impacted candidates?

FAQ #4

What can NASBA do to support state boards if they choose to implement this recommendation, or as they consider implementation?



Credit Relief Initiative Motion

I move that:

- (a) The Virginia Board of Accountancy accept and adopt the program known as the Credit Relief Initiative, recommended by the CBT Administration Committee of the National Association of State Boards of Accountancy. The adopted statement and policy read as follows: “In response to significant health, economic, education, and travel disruptions resulting in CPA Examination candidate hardships, the Virginia Board of Accountancy will extend credit periods through June 30, 2025, for CPA Examination credits that expired from January 30, 2020, through May 11, 2023, which have not been subsequently replaced by new credits for the same actions.” In addition, the board approves the credit relief for those who had credit that expired or is expiring between May 12, 2023, and November 30, 2023.
- (b) This decision shall enter into effect as of November 15, 2023.
- (c) There will be no refunds of any past payments for those that benefit from this program.

Month and Year Credits Earned	Expiration Including Credit Extension (Approved)	Expiration with Credit Relief Initiative
July 18 - Dec 18	Jan 20 - Jun 20	6/30/2025
Jan 19 - Dec 19	Jul 20 - Jun 21	6/30/2025
Jan 20 - Dec 20	Jul 21 - Jun 22	6/30/2025
Jan 21 - Oct 21	Jul 22 - Apr 23	6/30/2025
Nov 21 - May 22	May 23 - Nov 23	6/30/2025
Jun 22 - Jan 23	6/30/2025	6/30/2025
Feb-23	7/30/2025	7/30/2025
Mar-23	8/30/2025	8/30/2025

All credits whose lifetimes ran during the covid pandemic and have expired or will expire on or before 11/30/23 will have their expiration date extended to 6/30/25 under the **VBOA motion**.

Under **NASBA-recommended plan**, credits earned from November 2021 to May 2022 would not be granted relief from the CRI and would not fall into the extension period granted by the 30-Month Credit Extension



VIRGINIA BOARD
OF ACCOUNTANCY

ENFORCEMENT PROCESSES

FEBRUARY 25, 2020

REVISED OCTOBER __, 2023

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STATEMENT OF INTENT

The Virginia Board of Accountancy (VBOA) is required by statutory mandate to take appropriate action against license holders, individuals, and entities to ensure the protection of the public. The VBOA has the authority to investigate possible violations of its statutes and regulations and enforce these laws through several different types of penalties including, but not limited to, revoking, suspending or restricting a license.

In addition to the general statutory mandates and the VBOA's basic law, the disciplinary process is governed by the Virginia Administrative Process Act (APA), Virginia Code § 2.2-4000 *et seq.*, by the provisions of law generally applicable to the regulation of professions and occupations, and by court decisions interpreting these laws. The Office of the Attorney General provides significant resources to support the VBOA in the quasi-judicial role of hearing charges of misconduct that have been made against a regulated person or entity.

This manual is designed to provide guidance to meet this important responsibility and to be of assistance to staff in the Enforcement Division and the Board. The guidance in the manual does not carry the force of law; it is intended to provide a framework for ensuring fair and consistent enforcement of Virginia's public accountancy laws. It has been prepared by the VBOA's Enforcement Division and has been approved as a guidance document by the VBOA. This manual should be used in conjunction with the VBOA's statutes, regulations, policies and other guidance documents.

This manual is not intended to, does not, and may not be relied upon to create any rights, substantive or procedural, enforceable at law by any party in any matter, civil or criminal. The information contained herein does not constitute and shall not be construed as legal advice. Please consult an attorney regarding any legal questions related to state or federal laws and regulations, including the interpretation and application of the laws and regulations governing the profession regulated by the VBOA. Under no circumstances shall the VBOA, its members, officers, agents, or employees be liable for any actions taken or omissions made in reliance on any information contained in this publication.

SECTION ONE:

COMPLAINT PROCESS

Consistent with statutory duties of the Executive Director and investigators of the VBOA, all reports received by the VBOA that may allege misconduct are referred to the Enforcement Division. The VBOA also generates internal referrals from the Licensing Division and CPE Division, as well as Enforcement Division staff monitoring news and social media for information regarding licensees or licensed practice that may suggest a violation has occurred.

The complaint form can be obtained through the VBOA's website at www.boa.virginia.gov, by referring to the Appendix of this manual, or upon request to the Enforcement Division. The completed complaint form can be submitted by fax, email or by mail.

INITIAL RECEIPT AND INTAKE

The Enforcement Director is responsible for reviewing reports and complaints to determine if there is a possible violation and if the agency has jurisdiction over the matter. If the Enforcement Director requires additional information to make a determination, a preliminary inquiry is initiated. Various types of records and documents may be obtained, interviews may be conducted by telephone, or correspondence may be generated to gather information to assist in making the initial determination.

The following are examples of items that will not be considered a complaint:

- Inquiries seeking advice or information.
- Courtesy copies of complaints addressed to another agency.
- Allegations of matters that the VBOA does not have jurisdiction over
- Courtesy copies of internal grievances
- Allegations submitted with no supporting documentation.
- Allegations that a violation has been committed in another state.
- Fee disputes

If the Enforcement Director determines that it is clear the VBOA lacks subject matter jurisdiction, the complaint has been untimely filed, or both the Enforcement Director will refer the file to the Executive Director for review. If the Executive Director concurs with the Enforcement Director's recommendation, the Complainant is notified by the Enforcement Director, in writing, of the disposition of the complaint.

If the Enforcement Director determines that the information supports a reasonable suspicion that a possible violation of law or regulation has occurred, a case is opened for investigation and assigned to an Investigator. Unless the Complainant was anonymous, the Complainant is notified in writing that an investigation will be opened and is provided with the case number for reference purposes. Pursuant to Virginia Code § 54.1-108, the VBOA does not disclose information about open cases, including to Complainants.

Additional allegations from the same Complainant against the same recipient after the investigative process has begun can be reviewed on a case-by-case basis to determine whether the allegations should be added to the open complaint or treated as a new complaint. Retaliation complaints that are received after an investigation has begun will be assigned a new complaint number.

A person may file a complaint that is filed on behalf of another named individual(s). The VBOA will contact that individual (or, where the victim is a minor child or incompetent adult, contact the victim's parent, guardian, or attorney) on whose behalf the complaint is filed to ensure that the named victim wishes to pursue the allegations raised on their behalf. If the person declines to pursue the complaint, and the Enforcement Director believes a violation may have occurred the Enforcement Director will present the complaint to a Board member to determine whether an investigation should be initiated in light of the refusal.

SECTION TWO: INVESTIGATIONS

It is the responsibility of the VBOA's Enforcement Division to conduct an investigation by obtaining copies of relevant documents, interviewing potential witnesses and obtaining any other relevant evidence. Once jurisdiction has been established, and complaints are assigned for investigation, the VBOA may engage outside consultants (Section Six) to assist in the investigation of complaints.

Once the investigation is initiated, the Enforcement Division will notify the Respondent of the complaint via a Notice of Apparent Violation (NOAV). Included in the NOAV will be information on the nature of the violations being investigated and the specific information being requested. This could include producing documents, answering specific questions, or both. The letter will also provide specific information on where to send a response.

Generally, a Respondent is initially given 14 calendar days to submit a written response to any request from the VBOA.¹ Failure to respond without good cause within the time frame set forth in VBOA regulation 18VAC5-22-170 is a violation of the VBOA's regulations and may result in disciplinary action being taken.

The purpose of the investigation is to gather facts and assess whether violations of Virginia's public accountancy laws and the VBOA's regulations have occurred. Enforcement Division staff may make multiple requests during the course of the investigation to obtain all necessary and relevant facts and documentation.

The Enforcement Division will send the NOAV and any information requests by certified and first-class mail to the Respondent's address of record, or if the Respondent does not have an address of record, and then at the Respondent's last known address. The Enforcement Division may also send copies of its correspondence to the Respondent via the Respondent's email address of record. It is the licensee's responsibility to notify the VBOA of any change to their mailing address or email address within 30 days of the change.

¹ Pursuant to VBOA regulation 18VAC5-22-170, Communication with the board, "...each licensee or applicant shall respond within 30 calendar days to any board request for information...."

It is important for Respondents to fully cooperate with the VBOA during the entire investigation process. Below are some tips in assisting in the investigation:

- Respond promptly to any requests from Enforcement Division staff.
- Provide true and accurate responses to questions and documentation requested by the Enforcement Division staff.
- Provide as much documentation as possible to ensure Enforcement Division staff have a clear understanding of the facts and circumstances.
- Ensure that the address of record is current.

Refusing to provide complete documentation to the VBOA may result in the VBOA pursuing a subpoena to secure the relevant evidence. The VBOA can both issue subpoenas under its own authority and can petition a court to issue a subpoena. This includes subpoenas duces tecum and subpoenas for witnesses.

The VBOA is committed to adjudicating complaints and cases in a timely manner, and treating a licensee fairly and objectively during the course of the investigation to ensure it has all necessary and relevant facts and documentation to reach an outcome.

SECTION THREE: ELIGIBILITY DETERMINATIONS

The Licensing Division makes initial eligibility determinations for initial licensure, renewal of licensure, or reinstatement of licensure. Upon receipt of a licensing denial, a license applicant may (i) cure the issue(s) identified by the Licensing Division through submission of a new application or (ii) request an Informal Fact-Finding (IFF) Conference proceeding under Code of Virginia § 2.2-4019.

The Licensing Division will transfer the denied licensing application and its attachments to the Enforcement Division if a licensing applicant requests an IFF Conference. The Enforcement Director will generate a case number for the referral, and it will be assigned to an Investigator.

SECTION FOUR: CONTINUING PROFESSIONAL EDUCATION COMPLIANCE REVIEWS

All holders of a Virginia individual CPA license are required to meet the continuing professional education (CPE) requirements prescribed by VBOA regulations 18VAC5-22-90 and 18VAC5-22-140 unless they have applied for and received an exemption from the VBOA. As part of the annual renewal process, CPAs are required to either affirm they are in compliance with the VBOA's CPE regulations or if they cannot make such affirmation, to contact the VBOA to report their CPE deficiencies.

To encourage strict compliance with the VBOA's CPE requirements, the VBOA randomly selects a percentage of licensees on a yearly basis (spread out over 12 months) to complete CPE compliance reviews. Additionally, some licensees may be subject to a CPE compliance review under the terms and conditions of a previously entered Consent Order. If a Respondent is a licensee, who is under investigation

for unlicensed activity, due professional care, or peer review issues in their firm, the VBOA will also require the submission of CPE documentation as part of the investigation.

Regardless of whether the basis for a CPE compliance review is a self-report or random selection, the Respondent must respond within 30 days of transmittal of the CPE compliance review notice, as required by 18VAC5-22-170(A). Failure to respond without good cause is a violation of the VBOA's regulations and will result in disciplinary action being taken.

SECTION FIVE: **REASONABLE CAUSE DETERMINATION**

Following completion of the investigation, the investigative report is reviewed by a Board member or designee to determine whether reasonable cause exists to proceed with an administrative proceeding on charges that one or more of the VBOA's statutes or regulations may have been violated. In order to take disciplinary action against a licensee, the VBOA must have substantial evidence that a violation of law or regulation has occurred. While one may believe that a practitioner's action could be considered improper, unethical or otherwise deserving of corrective action, it may not always be a violation of law or regulation.

The review may conclude with:

- Requesting more information from the Complainant or Respondent
- Offering a Consent Order, which the Respondent may accept. If accepted by the Respondent and ratified by the VBOA, the Consent Order will resolve the matter without the need for further administrative proceedings
- Referring the matter to an IFF Conference as described in Virginia Code §§ 2.2-4019 and 2.2-4021
- Closing the case by issuing a Letter of No Finding or a Letter Declining Action

SECTION SIX: **EXPERTS AND CONSULTANTS**

The scope of the VBOA's regulatory authority and the range of possible complaints demand that the VBOA receives guidance from consultants for licensing and disciplinary matters involving specialized fields of practice. The VBOA may contract with an expert in a particular specialty to review the investigative file and, if necessary, to testify on behalf of the VBOA in an administrative or court proceeding arising from the matter. An expert assists the VBOA in understanding the standard of practice in the specialty, and in evaluating the evidence to determine whether a practitioner performed in accordance with that standard.

The contract with the expert provides that the expert will:

- Be available to work with the Board to develop and present evidence of the alleged violation
- Review and evaluate a completed investigative report and other supporting material indicating the standard of practice

- Render in writing a well-documented expert opinion regarding the standard of practice provided by the subject
- Assist the staff in preparing for any disciplinary proceedings which are brought against the subject practitioner by the Board
- Provide expert testimony on behalf of the Board on any administrative or court proceeding arising from the matter

SECTION SEVEN: INFORMAL FACT-FINDING CONFERENCES

Informal Fact-Finding (IFF) Conferences, as described in Virginia Code §§ 2.2-4019 and 2.2-4021, provide for case resolution without the formalities of a trial-like procedure. These conferences are public proceedings, held before a Presiding Officer assigned by the VBOA (agency subordinate). The IFF Conference gives the Respondent the opportunity to discuss with the Presiding Officer the allegations stated in the VBOA's notice and the evidence contained in the investigative file. In all disciplinary matters and proceedings, the burden of proof rests with the Commonwealth to establish evidence of a violation of law or regulation that governs the practice of public accounting. An exception is cases involving applicants for initial licensure, lifting of a suspension, or reinstatement, who bear the burden of proof to establish evidence that they meet eligibility requirements and are fit and suited to be licensed as a CPA.

IFF Conferences offer a timely, less costly, less adversarial means of adjudication, and most cases are resolved at this level. Respondents have the following rights with respect to informal conferences:

- To receive reasonable notice of the date, time, and location of the proceeding
- To receive reasonable notice of the allegations of misconduct
- To receive copies of all documentation or information that may be relied on during the decision making process
- To be informed, briefly and in writing, of the action that VBOA is authorized to take

The Respondent may choose to be represented by counsel at the IFF Conference. Enforcement Division staff's function at an IFF Conference in public session is to assist the Presiding Officer to determine whether the allegations are supported by the evidence.

IFF Conferences take place at the main office of the VBOA, in Henrico County, Virginia. Pursuant to Virginia Code § 2.2-4003, venue for administrative proceedings is where the agency has its principal office, unless the parties agree otherwise.

A VBOA selected Presiding Officer hears an IFF Conference. Any Presiding Officer, VBOA members, or staff who participate in an IFF Conference may not participate in and must recuse themselves from deliberation of the matter with the full Board.

Following an IFF Conference, the Presiding Officer may take any of the following actions:

- Offer a Consent Order, which the Respondent may accept. If accepted by the Respondent and ratified by the VBOA, the Consent Order will resolve the matter without the need for further administrative proceedings.

- Submit a Proposed Finding of Facts, Conclusions of Law and Recommendation to the VBOA for its consideration.
- Close the case by issuing a Letter of No Finding or a Letter Declining Action.

SECTION EIGHT: CASE CLOSURE

The VBOA's disposition of a case must be documented, and in the event the VBOA finds that a violation has occurred that warrants discipline, will take the form of an order. An order may result from a disciplinary proceeding or from a negotiated settlement in lieu of further disciplinary proceedings.

OUTCOMES OF INVESTIGATIONS

There are four types of case decisions that the VBOA can choose in closing an investigation:

- ~~Letter of No Finding~~
- ~~Letter Declining Further Action~~
- ~~Consent Order~~
- ~~Final Opinion and Order~~

1) A letter of no finding is a determination, either by the Presiding Officer or by the VBOA, that no facts have been discovered during the investigation that indicate a violation has occurred.

2) An Advisory letter ~~of declining action~~ is a determination, either by the Presiding Officer or by the VBOA, that while facts have been discovered that indicate a violation has occurred, the violation is so minor or inconsequential that further disciplinary proceedings are not in the public interest.

3) A Consent Order results from a negotiated settlement, either prior to or in lieu of further disciplinary proceedings, and reflects a decision agreed to by the VBOA and a Respondent. The Presiding Officer typically offers Consent Orders when the Respondent admits to the facts or when the issues are clear. A proposed Consent Order that contains findings of fact, conclusions of law, sanctions and a waiver of rights to further proceedings is prepared and presented to the Respondent. If the Respondent agrees to the settlement offered, the Consent Order will be presented to the VBOA for approval. The VBOA may accept or reject, in whole or in part, the Consent Order. While Consent Orders are generally offered before an informal conference or formal hearing is scheduled, they may be used after an IFF Conference.

4) A Final Opinion and Order is a unilateral decision by the Board to impose penalties on a Respondent, and typically are the result of either a Respondent failing to cooperate with the investigation or a Respondent and the VBOA being unable to negotiate settlement. Generally, a Final Opinion and Order is not utilized unless an IFF Conference or formal hearing has been held. The Presiding Officer or Hearing Officer will prepare a Proposed Finding of Facts, Conclusions of Law, and Recommendation to the VBOA for its consideration. The Board, in its Final Opinion and Order, may accept or reject, in whole or in part, the proposal and may make its own findings of fact, conclusions of law, and impose penalties beyond what the Presiding Officer or hearing officer proposed.

Board or staff members shall not participate in any action related to an event or party with which the board or staff member has an actual or perceived conflict of interest.

PENALTIES AVAILABLE TO THE VBOA

In its deliberations, the VBOA may utilize statutes, VBOA regulations and VBOA policies. An enumeration of the penalties the VBOA may utilize can be found at Code of Virginia § 54.1-4413.4.

In licensure eligibility matters, the VBOA can also refuse to grant a person the privilege of using the CPA title in Virginia. See Code of Virginia § 54.1-4409.1(C).

FINAL ORDERS AND APPEALS

Pursuant to Code of Virginia §2.2-3711. A.27 VBOA Board may enter into closed session to deliberate a decision for a pending disciplinary matter. The Presiding Officer and staff members who participated in disciplinary hearing must recuse themselves from the closed session when the matter is discussed. Pursuant to § 2.2-3712.F other parties, including Board legal counsel and VBOA staff members who did not participate in the hearing may be authorized to attend the closed session if their presence is deemed necessary or will reasonably aid in consideration of the matter. The role of the VBOA staff in any disciplinary case being deliberated by the Board is limited to clarifying the case information and answering questions regarding previous sanctions imposed by the Board. Staff or other individuals authorized to participate in the closed session do not advocate any specific finding or sanction. Upon returning to open session, the VBOA makes a motion which embodies its findings, with the information to be put in the form of a written Order and mailed to the respondent. In all disciplinary cases in which an IFF is conducted a final determination will be made within 90 days of the conclusion of the IFF conference. All final case decisions will be in writing, signed by the Board, and served by mail upon the parties.

An appeal of a VBOA's Final Order must be made within 33 days from the date of service by mail and is handled in the judicial system at the circuit court level. An appeal at this level must comply with the procedures in Part Two A of the Rules of the Supreme Court of Virginia. The order of the VBOA is **not** automatically vacated when appealed to the circuit court. However, the appealing party may request from the court a stay of the VBOA's order pending the appeal.

Because Consent Orders contain a waiver of any right to appeal, Respondents may not appeal a Consent Order.

Final Orders and Consent Orders are matters of public record, pursuant to Virginia Code §§ 2.2-4023 and 54.1-2400.2. A copy of a Final Order or Consent Order is mailed to the Complainant, except in the case of anonymous Complainants. Final Orders, Consent Orders and all related disciplinary case information obtained and maintained during the course of an investigation or disciplinary proceeding become a matter of public record upon the closure of an investigation and are subject to disclosure under the Virginia Freedom of Information Act (FOIA), Virginia Code § 2.2-3700 *et seq.*, unless otherwise exempted.

APPENDIX:

APPENDIX A

DEFINITIONS

Administrative Process Act (APA) – The procedural requirements for promulgating regulations and for deciding cases, found in Va. Code § 2.2-4000 *et seq.* The APA supplements the basic law of the VBOA.

Advisory Letter – In cases where there is insufficient evidence to support a finding of a violation, but there are concerns about the respondent’s practice. The VBOA can send the respondent an advisory letter, which references only the related statutes/regulations of concern. It is a letter to a licensee who has been the subject of an investigation, informing the licensee that the case is being closed without any disciplinary action, but suggesting the licensee examine certain portions of his or her practice in light of certain, specific statutes and regulations. This action does not constitute disciplinary action. The source does not get a copy of this letter. The advisory letter only applies to the evidence within the case being reviewed.

Agency Subordinate – A person designated by the VBOA to preside over administrative proceedings conducted in accordance with Virginia Code § 2.2-4019, and who renders recommended findings of fact, conclusions of law, and decisions for review by the VBOA or offers revised Consent Orders that, if accepted by the Respondent, will then be submitted to the VBOA for approval. An agency subordinate may also be referred to as a Presiding Officer.

Appellant – The party who appeals a case decision of a VBOA to a circuit court for review.

Appellee – On appeal, the party who argues against the setting aside or the remand of a VBOA case decision.

Basic law – Provisions of Virginia statutes that pertain specifically to the VBOA.

Case decision – Any agency proceeding or determination that, under laws or regulations at the time, a named party as a matter of past or present fact, either is, is not, or may or may not be (i) in violation of such law or regulation or (ii) in compliance with any existing requirement for obtaining or retaining a license or other right or benefit.

Censure – A formal sanction of a person or entity who holds a Virginia license or the license of a substantially equivalent jurisdiction. It is a declaration that a Respondent is guilty of misconduct that does not require suspension or revocation. A stern rebuke that finds the conduct of the Respondent violates the standards of conduct and practice, detrimentally affects the integrity of the profession, and undermines public confidence in the practice of public accountancy. A censure also serves as a public warning to other members of the profession.

Civil remedy – A remedy provided by a civil court (e.g., an award for damages in a malpractice lawsuit).

Complainant – An individual or entity that files a complaint or makes a report of an allegation of misconduct.

Complaint – A report or allegation of misconduct.

Consent Order – An order voluntarily agreed to by both a Respondent and the VBOA. Sometimes called a “pre-hearing Consent Order” when it is offered in lieu of an IFF conference or a formal hearing. Consent Orders have the same effect as any Final Order and Opinion (see below).

Final Order and Opinion – A unilateral decision issued by the VBOA pursuant to its statutory authority, affecting a person or entity engaged in prohibited acts or affecting the license of a regulant licensed by the VBOA.

Hearing officer – A person who is qualified, in accordance with Virginia Code § 2.2-4024, to preside over administrative proceedings conducted under Virginia Code § 2.2-4020 and, if the parties mutually agree, over administrative proceedings conducted under Virginia Code § 2.2-4019, when the VBOA (full VBOA, a quorum, or a panel thereof consisting of at least five members) does not convene to conduct the hearing itself.

Informal Fact-Finding (IFF) Conference – A fact-finding proceeding conducted by a board member or a designee with a Respondent. It may result in one or more of the following actions: exonerate the Respondent; offer the Respondent a Consent Order; or make a recommendation containing findings of fact, conclusions of law, and penalties to the VBOA.

Investigative Questionnaire – A list of questions submitted to a Respondent during the course of an investigation of alleged misconduct.

Notice of Apparent Violation (NOAV) – A statement to the Respondent to notify them that they are the subject of a complaint and the general subject matter of the complaint. Also enclosed with the notice is a copy of the complaint and an Investigative Questionnaire.

Notice of Informal Fact-Finding Conference (IFF Notice) – A statement of specific charges provided to the Respondent who is the subject of a complaint. The notice states the time, place, and nature of the proceeding. Also enclosed with the notice is any information on which the VBOA will rely to make a case decision.

Party or parties – A person or persons having a direct interest in the subject matter or outcome of a case; one(s) who could assert a claim, make a defense, control proceedings, examine witnesses, or appeal a case decision (e.g., a Respondent). Only the Respondent may appeal a case decision of the VBOA.

Presiding Officer – see Agency Subordinate.

Reasonable cause – Having more evidence for than against. A reasonable ground for belief in the existence of facts as reported.

Reprimand - A formal sanction of a person or entity who holds a Virginia license or the license of a substantially equivalent jurisdiction. A rebuke for one or more violations does not require censure. A

reprimand usually involves an isolated incident or behavior that can be easily corrected, or misconduct that is more serious, but the Respondent presented substantial mitigating factors.

Respondent – The person or entity being investigated or responding to a complaint.

Service – The delivery of a notice of an administrative proceeding, a Consent Order, or an order of a VBOA to a party that charges the party with receipt of the document and subjects the party to the legal effect of it.

Standing – The legal right of a party to assert or enforce legal rights and duties against another. On appeal of a VBOA decision, the party aggrieved or claiming the unlawfulness of such decision (e.g., the Respondent).

Vacate – To set aside or render void an order of the VBOA.

Venue – The particular city, county, or geographical location in which a case may be heard and determined.

APPENDIX B

CASE PRIORITY ASSIGNMENT FOR ENFORCEMENT MATTERS

The nature of an act by a licensee, as alleged in reports received by the Virginia Board of Accountancy (“VBOA”), determines the potential risk to the public interest, safety, or welfare, and the immediacy of processing a case. To that end, three priority designations have been defined based on the degree of danger to the public. The priority designation assigned to each case affects the entire investigation and adjudication process. The initial designation is assigned by the Enforcement Director and is based on the limited information available at that time. As the investigation develops, the Investigator handling the case must use critical judgment and if new information becomes available, to have the priority designation changed when warranted. The Executive Director is authorized to make priority changes. The criteria below delineates assignment of case priority using the following categories: high, standard, and actionable.

- **High** – These are cases/complaints in which the VBOA believes ongoing consumer harm is present, and therefore, the promptness of the investigation is paramount. Examples of these types of cases/complaints include but are not limited to crimes related to the duties, functions, or qualifications of certified public accountants, gross negligence, incompetence, unlicensed practice, fraud or deceit in obtaining a license, etc.
- **Standard** – These are cases/complaints that do not pose an immediate threat of harm to consumers. Examples of these types of cases/complaints include but are not limited to unlicensed use of the CPA title, acts that involve negligence/incompetence resulting in minimal harm, general unprofessional conduct, failure to release client records, failure to timely complete an engagement, failure to communicate, termination from the peer review program, etc.
- **Actionable** – These are administrative cases/complaints with only minimal investigation necessary which generally result in the issuance of a reprimand or monetary penalty. Examples of these types of cases/complaints include but are not limited to being dropped from the peer review program, improper firm names, continuing professional education deficiencies, misdemeanor offenses unrelated to the duties, functions, or qualifications of certified public accountants, and other

VBOA Policy on Board or Staff Member Recusal and Participation in Board Deliberations

This policy's purposes are to explain:

- When a VBOA board or staff member should refrain from participating in and voting on certain actions;
- The underlying reasons for VBOA board or staff member recusals¹ and abstentions;²
- The differences between recusals and abstentions;
- *Ex parte* communications; and
- When board members and staff should refrain from participation in board deliberations.

When and Why Recusal is Appropriate

Board or staff members should not participate in any action related to an event or party with which the board or staff member has an actual or perceived conflict of interest.

A conflict of interest is "1: a conflict between the private interests and the official or professional responsibilities of a person in a position of trust; 2: a conflict between competing duties (as in an attorney's representation of clients with adverse interests)."³

Conflicts of interest may include business, family, or personal relationships between a board or staff member and a person or entity that falls under VBOA's purview.

The existence of a conflict of interest, *in fact or in appearance*, raises significant questions regarding a board or staff member's ability to carry out her or his responsibilities objectively and without bias. The decision to recuse oneself is a personal decision. Board or staff members should opt for recusal if a reasonable and informed observer might conclude that the conflict of interest relationship creates doubt about the board or staff member's objectivity.

Board or staff members need not disclose the basis for their decision to recuse themselves.

Recusals Versus Abstentions

"Abstention refers to withholding a vote. By contrast, recusal refers to board members who remove themselves from a particular matter, especially regarding a conflict of interest. ... abstention [is a decision] not to vote on a particular matter. In contrast, recusal refers to withdrawing from the entire matter."⁴

¹ "**Recused; recusing**; transitive verb: to disqualify (oneself) as judge in a particular case: broadly : to remove (oneself) from participation to avoid a conflict of interest." [[Merriam-Webster Dictionary](#).]

² "**Abstention**; the act or practice of abstaining: such as a: the act or practice of choosing not to do or have something; b: a formal refusal to vote on something." [[Merriam-Webster Dictionary](#).]

³ [[Merriam-Webster Dictionary](#).]

⁴ "[Robert's Rule of Order: 6 Reasons Why Board Members Abstain](#)," Toni Hoy, BoardEffect, July 13, 2023.

A board member may decide that abstaining from a vote on a matter is appropriate for several reasons, including (a) the member's participation (such as involvement in an investigation or informal fact finding) in the process leading to a vote; (b) lack of sufficient information about the matter; or (c) any uncertainty about the member's ability to make a responsible vote.

Board members need not disclose the basis for their decision to abstain.

Abstentions are recorded in the board's minutes. "Robert's Rules defines a majority as those who are present and voting. Therefore, since abstainers aren't voting, they aren't counted as part of the majority."⁵ (If too many board members abstain from voting, it could negate the vote entirely, if members voting no longer constitute a quorum.)

Ex Parte Communications⁶

Code of Virginia, Title 2.2, Chapter 40 (Administrative Process Act (APA)) contains the following provision:

§ 2.2-4024.2. *Ex parte communications, Part A, states, "Except as otherwise provided in this section, while a formal hearing conducted in accordance with § 2.2-4020 is pending, the hearing officer shall not communicate with any person concerning the hearing without notice and opportunity for all parties to participate in the communication."*

Although § 2.2-4024.2. only pertains to formal hearings, VBOA has applied the spirit of this provision to informal fact finding (IFF) proceedings pursuant to § 2.2-4019, to protect respondents' due process rights.

Any Presiding Officer, VBOA members, or VBOA staff who participated in or oversaw an investigation or who participated in an IFF Conference may not participate in any subsequent formal hearing regarding the same matter or consideration of the matter by the full VBOA, unless a respondent agrees in writing to permit *ex parte* communications between the full VBOA and those VBOA members, presiding officers, and staff who participated in or oversaw an investigation or participated in the IFF Conference.

VBOA recognizes, however, that situations can arise where it may be beneficial to a respondent's position to permit *ex parte* communications between the full VBOA and those VBOA members, presiding officers, and staff who participated in or oversaw an investigation or participated in an IFF Conference. Such situations might include (a) cases where a presiding officer recommends a finding of no violation; (b) cases where a respondent is satisfied with the fairness of a proposed consent order or other proposed sanction; or (c) any other cases in which

⁵ Ibid.

⁶ "*Ex parte* (ex par-tee) means one-sided. Basically speaking, an *ex parte* communication is one that is made by a party outside the presence of the other party. It's any communication between a judge or juror and a party to a legal proceeding or any other person about the case made outside of the presence of the opposing party or the opposing party's attorney." [[Ave Mince-Didier, Criminal Defense Lawyer Published by NOLO.](#)]

a respondent concludes that his or her interests will be supported or not adversely affected by such *ex parte* communications.

In cases where a respondent, presiding officer or VBOA board or staff member thinks that such *ex parte* communications might be appropriate, a process of informed consent will be pursued in which a respondent will be fully informed of her or his rights to prohibit such communications and given an opportunity to waive those rights if the respondent concludes that waiving such rights will be in his or her best interests. [See Attachment A for the informed consent form.]

Board or Staff Member Participation in Board Deliberations

In open session: VBOA board members, presiding officers, and staff who participated in or oversaw an investigation or participated in an IFF Conference should recuse themselves from board deliberations in open session unless (a) the respondent is present (either in person or virtually); (b) the respondent has waived her or his rights against *ex parte* communications in writing; or (c) the respondent has signed a Consent Order and the approval of the Consent Order is being voted on without board discussion. Board members who participated in or oversaw an investigation or participated in an IFF Conference should abstain from voting on the matter.

In closed session: VBOA board members, presiding officers, and staff who participated in or oversaw an investigation or participated in an IFF Conference should recuse themselves from board deliberations in closed session unless the respondent has waived her or his rights against *ex parte* communications in writing. Board members who participated in or oversaw an investigation or participated in an IFF Conference should abstain from voting on the matter when the matter is presented in open session for a vote by the board.

Informed Consent to Allow *Ex Parte* Communications

Respondents with matters pending before the Virginia Board of Accountancy (VBOA) have the right to have their matters deliberated upon without *ex parte* communications.¹

In other words, a VBOA presiding officer, board or staff member who participated in or oversaw an investigation or participated in an IFF Conference is generally precluded from being present during the board’s deliberations on the matter if the respondent is not also present.

Situations can arise, however, in which it is in a respondent’s best interests to permit *ex parte* communications. Such situations might include (a) cases where a presiding officer recommends a finding of no violation; (b) cases where a respondent is satisfied with the fairness of a proposed consent order; or (c) any other cases in which a respondent concludes that his or her interests will be supported or not adversely affected by such *ex parte* communications.

I _____, the undersigned, fully understand and acknowledge my rights regarding *ex parte* communications.² In this matter, I hereby waive these rights regarding *ex parte* communications and am allowing the following individuals to participate in the board’s deliberations regarding this matter:

Name Position or Title

Name Position or Title

Name Position or Title

Name Position or Title

Respondent Signature Date

¹ “*Ex parte* (ex par-tee) means one-sided. Basically speaking, an *ex parte* communication is one that is made by a party outside the presence of the other party. It's any communication between a judge or juror and a party to a legal proceeding or any other person about the case made outside of the presence of the opposing party or the opposing party's attorney.” [[Ave Mince-Didier, Criminal Defense Lawyer Published by NOLO.](#)]

² If respondent has any doubts about these rights or whether waiver of these rights is appropriate in this case, he or she may want to consult legal counsel.

~~GOAL: CPE Requirements~~ **Conduct comprehensive review of CPE guidelines**

Board members: Bill Brown, Dale Mullen

S	Specific	Revisit CPE regulations and requirements and determine if the number of hours and other requirements are still relevant
M	Measurable	Approve guidelines annually
A	Achievable	Yes
R	Relevant	Yes
T	Time-based	Goal to be better defined in October meeting

Status Update

Status Date	8/29/2023 - Goal to be better defined by October 24, 2023 meeting 10/24/2023 - Goal updated and ready for board decision on SMART goal
Forecasted to complete on time (Yes/No)? If No, please provide explanation.	
Unresolved Significant Risks/Contingencies	none
Resources Needed	Existing CPE guidelines
Board Decisions Needed	
Significant Actions Completed	none
Significant Actions Not Completed	none

GOAL: Code and Regulations including Fee Structure

Board members: Bill Brown, Dale Mullen

S	Specific	Updating Code definitions as necessary - based on AICPA, UAA, and other states Ensure definitions are used consistently through Code Repeal Code section § 54.1-4420. Annual audit Find a bill sponsor on House and Senate side Consider revisions and amendments required in regulations including fee structure
M	Measurable	
A	Achievable	
R	Relevant	
T	Time-based	Timeline for carrying out this goal created by the October meeting for Board review. Sponsor to be found at start of General Assembly.

Status Update

Status Date	8/29/2023 - goal approved 10/24/2023 - draft Code revisions to be reviewed and approved by the board
Forecasted to complete on time (Yes/No)? If No, please provide explanation.	Yes
Unresolved Significant Risks/Contingencies	none
Resources Needed	none
Board Decisions Needed	Approve draft revisions
Significant Actions Completed	October 2023 - several revision cycles completed with Legislative Services, goal champions, and VSCPA
Significant Actions Not Completed	none

GOAL: Licensing and CPE System

Board members: Laurie Warwick and David Cotton

S	Specific	Evaluate licensing system options, review contracts, recommend path forward. Act in a project champion role from project initiation to completion Provide regular updates to the board and continue working on enforcement tracking, peer review monitoring.
M	Measurable	
A	Achievable	
R	Relevant	
T	Time-based	Signed SOW by September 30, 2023. SOW on hold until conclusion of negotiations Project completion August 31, 2024

Status Update

Status Date	8/29/2023 - goal approved 10/24/2023 - negotiating pricing, timing, and integrations with vendors to determine the best path forward
Forecasted to complete on time (Yes/No)? If No, please provide explanation.	Yes
Unresolved Significant Risks/Contingencies	none
Resources Needed	none
Board Decisions Needed	none
Significant Actions Completed	none
Significant Actions Not Completed	Statement of Work

GOAL: CPA Pipeline

Board members: Nadia Rogers, Laurie Warwick

S	Specific	To increase our communication, social media, and in-person presence among the educator and student communities to improve the accounting pipeline. Potential ways to accomplish this would be to increase our Board meetings on campus, enhance our social media presence, and identify opportunities for Board members to educate prospective CPAs in the pipeline about the profession and CPA license.
M	Measurable	Staff will develop a calendar with certain milestones that will have opportunities for Board member involvement and increased social media presence. Calendar is currently work-in-progress while staff works with VSCPA.
A	Achievable	Yes
R	Relevant	Very
T	Time-based	no

Status Update

Status Date	8/29/2023- board approved goal 10/24/2023 - Increased social media presence for VBOA, communications to CPA candidates regarding changes to exam and approaching deadlines.
Forecasted to complete on time (Yes/No)? If No, please provide explanation.	
Unresolved Significant Risks/Contingencies	
Resources Needed	
Board Decisions Needed	
Significant Actions Completed	
Significant Actions Not Completed	Creation of calendar of events for Board

GOAL: 150 Hours

Board members: David Cotton, Nadia Rogers

S	Specific	Evaluate the 150-hour requirement to determine if revising it is in the best interests of Virginia businesses, CPA firms, CPAs, and CPA exam candidates, while continuing to protect the public interest and ensuring VA CPAs maintain mobility and reciprocal practice privileges.
M	Measurable	Staff will conduct surveys as requested by the Board, leverage the results of surveys conducted by others (i.e., VSCPA), and perform research regarding the AICPA, NASBA, VSCPA, and other jurisdiction viewpoints given the importance of substantial equivalency and practice mobility. Board will consider the results and assess whether change is necessary and appropriate.
A	Achievable	Yes
R	Relevant	Very relevant
T	Time-based	Perform research and present information as well as the recommended plan to the Board by December, 2023 meeting. Present the results of all surveys deemed necessary by the Board at the May 2024 meeting. <i>NOTE: This is currently an ongoing area of consideration within the profession and may require more than one year to complete.</i>

Status Update

Status Date	8/29/2023 - goal approved by board 10/24/2023 - Fergus has begun collecting materials for research
Forecasted to complete on time (Yes/No)? If No, please provide explanation.	
Unresolved Significant Risks/Contingencies	none
Resources Needed	none
Board Decisions Needed	
Significant Actions Completed	none
Significant Actions Not Completed	none

GOAL: Inactive Status Policy

Board members: David Cotton, Angela Rudolph-Wiseman

S	Specific	Re-assess VBOA's policies regarding inactive status to determine if they need to be clarified, strengthened or revised, with particular focus on whether use of "CPA" by inactive CPAs needs to delineate between active and inactive status by use of a modifier such as "inactive," "retired," or "emeritus."
M	Measurable	Survey how other states treat the inactive CPA status. Seek input from various stakeholders such as active and inactive CPAs, VSCPA, and CPA firms. Draft revised guidelines for Board review. Finalize the revised guidelines based on the Board's conclusions.
A	Achievable	Yes
R	Relevant	This project is relevant for two reasons: (1) There appears to be some confusion regarding the status and eligibility for the status. (2) Currently, the public does not know whether someone using the CPA credential has maintained their required CPE.
T	Time-based	Complete survey of other states by April, 2023 2024 Compile input from stakeholders by April 2023 2024 Draft revised guidelines by 30-Mar-2024. Finalize the Draft revised guidelines by 30 Jun 2024.

Status Update

Status Date	8/29/2023-board approved goal 10/24/2023 - propose revised dates based on deliverables of other SMART goals
Forecasted to complete on time (Yes/No)? If No, please provide explanation.	
Unresolved Significant Risks/Contingencies	none
Resources Needed	none
Board Decisions Needed	
Significant Actions Completed	none
Significant Actions Not Completed	Survey of states

GOAL: Review VBOA Policies

Board members: Dale Mullen, Angela Rudolph-Wiseman

S	Specific	Review all VBOA policies and update as needed based on changes to the profession, board practices and clarity of language. Evaluate if these are policies or guidance documents and if they are required or address the issue at hand
M	Measurable	
A	Achievable	
R	Relevant	
T	Time-based	Review all VBOA policies and guidance documents by June, 2024

Status Update

Status Date	8/29/2023 - board approved goal
Forecasted to complete on time (Yes/No)? If No, please provide explanation.	
Unresolved Significant Risks/Contingencies	none
Resources Needed	none
Board Decisions Needed	
Significant Actions Completed	none
Significant Actions Not Completed	none

SENATE BILL NO. _____ **HOUSE BILL NO.** _____

1 A BILL to amend and reenact §§ 2.2-204, 2.2-211, 19.2-389, 54.1-4400 through 54.1-4403, 54.1-4407,
2 54.1-4409.1, 54.1-4409.2, 54.1-4412.1, 54.1-4413.2, 54.1-4413.4, 54.1-4421, and 54.1-4425 of
3 the Code of Virginia and to repeal § 54.1-4420 of the Code of Virginia, relating to the Board of
4 Accountancy; powers and duties.

5 **Be it enacted by the General Assembly of Virginia:**

6 1. That §§ 2.2-204, 2.2-211, 19.2-389, 54.1-4400 through 54.1-4403, 54.1-4407, 54.1-4409.1, 54.1-
7 4409.2, 54.1-4412.1, 54.1-4413.2, 54.1-4413.4, 54.1-4421, and 54.1-4425 of the Code of Virginia are
8 amended and reenacted as follows:

9 **§ 2.2-204. Position established; agencies for which responsible; additional duties.**

10 The position of Secretary of Commerce and Trade (the Secretary) is created. The Secretary shall
11 be responsible to the Governor for the following agencies: Virginia Economic Development Partnership
12 Authority, Commonwealth of Virginia Innovation Partnership Authority, Virginia International Trade
13 Corporation, Virginia Tourism Authority, Department of Energy, Department of Housing and Community
14 Development, Department of Small Business and Supplier Diversity, Virginia Housing Development
15 Authority, [and](#) Tobacco Region Revitalization Commission, ~~and Board of Accountancy~~. The Governor,
16 by executive order, may assign any state executive agency to the Secretary, or reassign any agency listed
17 in this section to another Secretary.

18 The Secretary shall implement the provisions of the Virginia Biotechnology Research Act (§ 2.2-
19 5500 et seq.).

20 **§ 2.2-211. Position established; agencies for which responsible; additional powers.**

21 A. The position of Secretary of Finance (the Secretary) is created. The Secretary shall be
22 responsible for the following agencies: Department of Accounts, Department of Planning and Budget,
23 Department of Taxation, Department of the Treasury, [Board of Accountancy](#), and Virginia Resources
24 Authority. The Governor, by executive order, may assign any other state executive agency to the Secretary
25 of Finance, or reassign any agency listed.

26 B. To the greatest extent practicable, the agencies assigned to the Secretary shall pay all amounts
27 due and owing by the Commonwealth through electronic transfers of funds from the general fund or
28 appropriate special fund to the bank account of the payee or a party identified by law to receive funds on
29 behalf of the payee. All wire transfer costs associated with the electronic transfer shall be paid by the
30 payee subject to exemptions authorized by the State Treasurer affecting the investment, debt, and
31 intergovernmental transactions of the Commonwealth and its agencies, institutions, boards, and
32 authorities.

33 **§ 19.2-389. Dissemination of criminal history record information.**

34 A. Criminal history record information shall be disseminated, whether directly or through an
35 intermediary, only to:

36 1. Authorized officers or employees of criminal justice agencies, as defined by § 9.1-101, for
37 purposes of the administration of criminal justice and the screening of an employment application or
38 review of employment by a criminal justice agency with respect to its own employees or applicants, and
39 dissemination to the Virginia Parole Board, pursuant to this subdivision, of such information on all state-
40 responsible inmates for the purpose of making parole determinations pursuant to subdivisions 1, 2, 3, 4,
41 and 6 of § 53.1-136 shall include collective dissemination by electronic means every 30 days. For purposes
42 of this subdivision, criminal history record information includes information sent to the Central Criminal
43 Records Exchange pursuant to §§ 37.2-819 and 64.2-2014 when disseminated to any full-time or part-
44 time employee of the State Police, a police department or sheriff's office that is a part of or administered
45 by the Commonwealth or any political subdivision thereof, and who is responsible for the prevention and
46 detection of crime and the enforcement of the penal, traffic or highway laws of the Commonwealth for
47 the purposes of the administration of criminal justice;

48 2. Such other individuals and agencies that require criminal history record information to
49 implement a state or federal statute or executive order of the President of the United States or Governor
50 that expressly refers to criminal conduct and contains requirements or exclusions expressly based upon
51 such conduct, except that information concerning the arrest of an individual may not be disseminated to a

52 noncriminal justice agency or individual if an interval of one year has elapsed from the date of the arrest
53 and no disposition of the charge has been recorded and no active prosecution of the charge is pending;

54 3. Individuals and agencies pursuant to a specific agreement with a criminal justice agency to
55 provide services required for the administration of criminal justice pursuant to that agreement which shall
56 specifically authorize access to data, limit the use of data to purposes for which given, and ensure the
57 security and confidentiality of the data;

58 4. Individuals and agencies for the express purpose of research, evaluative, or statistical activities
59 pursuant to an agreement with a criminal justice agency that shall specifically authorize access to data,
60 limit the use of data to research, evaluative, or statistical purposes, and ensure the confidentiality and
61 security of the data;

62 5. Agencies of state or federal government that are authorized by state or federal statute or
63 executive order of the President of the United States or Governor to conduct investigations determining
64 employment suitability or eligibility for security clearances allowing access to classified information;

65 6. Individuals and agencies where authorized by court order or court rule;

66 7. Agencies of any political subdivision of the Commonwealth, public transportation companies
67 owned, operated or controlled by any political subdivision, and any public service corporation that
68 operates a public transit system owned by a local government for the conduct of investigations of
69 applicants for employment, permit, or license whenever, in the interest of public welfare or safety, it is
70 necessary to determine under a duly enacted ordinance if the past criminal conduct of a person with a
71 conviction record would be compatible with the nature of the employment, permit, or license under
72 consideration;

73 7a. Commissions created pursuant to the Transportation District Act of 1964 (§ 33.2-1900 et seq.)
74 of Title 33.2 and their contractors, for the conduct of investigations of individuals who have been offered
75 a position of employment whenever, in the interest of public welfare or safety and as authorized in the
76 Transportation District Act of 1964, it is necessary to determine if the past criminal conduct of a person
77 with a conviction record would be compatible with the nature of the employment under consideration;

78 8. Public or private agencies when authorized or required by federal or state law or interstate
79 compact to investigate (i) applicants for foster or adoptive parenthood or (ii) any individual, and the adult
80 members of that individual's household, with whom the agency is considering placing a child or from
81 whom the agency is considering removing a child due to abuse or neglect, on an emergency, temporary,
82 or permanent basis pursuant to §§ 63.2-901.1 and 63.2-1505, subject to the restriction that the data shall
83 not be further disseminated to any party other than a federal or state authority or court as may be required
84 to comply with an express requirement of law;

85 9. To the extent permitted by federal law or regulation, public service companies as defined in §
86 56-1, for the conduct of investigations of applicants for employment when such employment involves
87 personal contact with the public or when past criminal conduct of an applicant would be incompatible
88 with the nature of the employment under consideration;

89 10. The appropriate authority for purposes of granting citizenship and for purposes of international
90 travel, including, but not limited to, issuing visas and passports;

91 11. A person requesting a copy of his own criminal history record information as defined in § 9.1-
92 101 at his cost, except that criminal history record information shall be supplied at no charge to a person
93 who has applied to be a volunteer with (i) a Virginia affiliate of Big Brothers/Big Sisters of America; (ii)
94 a volunteer fire company; (iii) the Volunteer Emergency Families for Children; (iv) any affiliate of Prevent
95 Child Abuse, Virginia; (v) any Virginia affiliate of Compeer; or (vi) any board member or any individual
96 who has been offered membership on the board of a Crime Stoppers, Crime Solvers or Crime Line
97 program as defined in § 15.2-1713.1;

98 12. Administrators and board presidents of and applicants for licensure or registration as a child
99 welfare agency as defined in § 63.2-100 for dissemination to the Commissioner of Social Services'
100 representative pursuant to § 63.2-1702 for the conduct of investigations with respect to employees of and
101 volunteers at such facilities, caretakers, and foster and adoptive parent applicants of private child-placing
102 agencies, pursuant to §§ 63.2-1719, 63.2-1720, and 63.2-1721, subject to the restriction that the data shall
103 not be further disseminated by the facility or agency to any party other than the data subject, the
104 Commissioner of Social Services' representative or a federal or state authority or court as may be required

105 to comply with an express requirement of law for such further dissemination; however, nothing in this
106 subdivision shall be construed to prohibit the Commissioner of Social Services' representative from
107 issuing written certifications regarding the results of a background check that was conducted before July
108 1, 2021, in accordance with subsection J of § 22.1-289.035 or § 22.1-289.039;

109 13. The school boards of the Commonwealth for the purpose of screening individuals who are
110 offered or who accept public school employment and those current school board employees for whom a
111 report of arrest has been made pursuant to § 19.2-83.1;

112 14. The Virginia Lottery for the conduct of investigations as set forth in the Virginia Lottery Law
113 (§ 58.1-4000 et seq.) and casino gaming as set forth in Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1, and
114 the Department of Agriculture and Consumer Services for the conduct of investigations as set forth in
115 Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2;

116 15. Licensed nursing homes, hospitals and home care organizations for the conduct of
117 investigations of applicants for compensated employment in licensed nursing homes pursuant to § 32.1-
118 126.01, hospital pharmacies pursuant to § 32.1-126.02, and home care organizations pursuant to § 32.1-
119 162.9:1, subject to the limitations set out in subsection E;

120 16. Licensed assisted living facilities and licensed adult day care centers for the conduct of
121 investigations of applicants for compensated employment in licensed assisted living facilities and licensed
122 adult day care centers pursuant to § 63.2-1720, subject to the limitations set out in subsection F;

123 17. The Virginia Alcoholic Beverage Control Authority for the conduct of investigations as set
124 forth in § 4.1-103.1;

125 18. The State Board of Elections and authorized officers and employees thereof and general
126 registrars appointed pursuant to § 24.2-110 in the course of conducting necessary investigations with
127 respect to voter registration, limited to any record of felony convictions;

128 19. The Commissioner of Behavioral Health and Developmental Services (the Commissioner) or
129 his designees for individuals who are committed to the custody of or being evaluated by the Commissioner
130 pursuant to §§ 19.2-168.1, 19.2-169.1, 19.2-169.2, 19.2-169.5, 19.2-169.6, 19.2-182.2, 19.2-182.3, 19.2-

131 182.8, and 19.2-182.9 where such information may be beneficial for the purpose of placement, evaluation,
132 treatment, or discharge planning;

133 20. Any alcohol safety action program certified by the Commission on the Virginia Alcohol Safety
134 Action Program for (i) interventions with first offenders under § 18.2-251 or (ii) services to offenders
135 under § 18.2-51.4, 18.2-266, or 18.2-266.1;

136 21. Residential facilities for juveniles regulated or operated by the Department of Social Services,
137 the Department of Education, or the Department of Behavioral Health and Developmental Services for
138 the purpose of determining applicants' fitness for employment or for providing volunteer or contractual
139 services;

140 22. The Department of Behavioral Health and Developmental Services and facilities operated by
141 the Department for the purpose of determining an individual's fitness for employment pursuant to
142 departmental instructions;

143 23. Pursuant to § 22.1-296.3, the governing boards or administrators of private elementary or
144 secondary schools which are accredited pursuant to § 22.1-19 or a private organization coordinating such
145 records information on behalf of such governing boards or administrators pursuant to a written agreement
146 with the Department of State Police;

147 24. Public institutions of higher education and nonprofit private institutions of higher education
148 for the purpose of screening individuals who are offered or accept employment;

149 25. Members of a threat assessment team established by a local school board pursuant to § 22.1-
150 79.4, by a public institution of higher education pursuant to § 23.1-805, or by a private nonprofit institution
151 of higher education, for the purpose of assessing or intervening with an individual whose behavior may
152 present a threat to safety; however, no member of a threat assessment team shall redisclose any criminal
153 history record information obtained pursuant to this section or otherwise use any record of an individual
154 beyond the purpose that such disclosure was made to the threat assessment team;

155 26. Executive directors of community services boards or the personnel director serving the
156 community services board for the purpose of determining an individual's fitness for employment, approval
157 as a sponsored residential service provider, permission to enter into a shared living arrangement with a

158 person receiving medical assistance services pursuant to a waiver, or permission for any person under
159 contract with the community services board to serve in a direct care position on behalf of the community
160 services board pursuant to §§ 37.2-506, 37.2-506.1, and 37.2-607;

161 27. Executive directors of behavioral health authorities as defined in § 37.2-600 for the purpose of
162 determining an individual's fitness for employment, approval as a sponsored residential service provider,
163 permission to enter into a shared living arrangement with a person receiving medical assistance services
164 pursuant to a waiver, or permission for any person under contract with the behavioral health authority to
165 serve in a direct care position on behalf of the behavioral health authority pursuant to §§ 37.2-506, 37.2-
166 506.1, and 37.2-607;

167 28. The Commissioner of Social Services for the purpose of locating persons who owe child
168 support or who are alleged in a pending paternity proceeding to be a putative father, provided that only
169 the name, address, demographics and social security number of the data subject shall be released;

170 29. Authorized officers or directors of agencies licensed pursuant to Article 2 (§ 37.2-403 et seq.)
171 of Chapter 4 of Title 37.2 by the Department of Behavioral Health and Developmental Services for the
172 purpose of determining if any applicant who accepts employment in any direct care position or requests
173 approval as a sponsored residential service provider, permission to enter into a shared living arrangement
174 with a person receiving medical assistance services pursuant to a waiver, or permission for any person
175 under contract with the provider to serve in a direct care position has been convicted of a crime that affects
176 his fitness to have responsibility for the safety and well-being of individuals with mental illness,
177 intellectual disability, or substance abuse pursuant to §§ 37.2-416, 37.2-416.1, 37.2-506, 37.2-506.1, and
178 37.2-607;

179 30. The Commissioner of the Department of Motor Vehicles, for the purpose of evaluating
180 applicants for and holders of a motor carrier certificate or license subject to the provisions of Chapters 20
181 (§ 46.2-2000 et seq.) and 21 (§ 46.2-2100 et seq.) of Title 46.2;

182 31. The Chairman of the Senate Committee on the Judiciary or the Chairman of the House
183 Committee for Courts of Justice for the purpose of determining if any person being considered for election
184 to any judgeship has been convicted of a crime;

185 32. Heads of state agencies in which positions have been identified as sensitive for the purpose of
186 determining an individual's fitness for employment in positions designated as sensitive under Department
187 of Human Resource Management policies developed pursuant to § 2.2-1201.1;

188 33. The Office of the Attorney General, for all criminal justice activities otherwise permitted under
189 subdivision A 1 and for purposes of performing duties required by the Civil Commitment of Sexually
190 Violent Predators Act (§ 37.2-900 et seq.);

191 34. Shipyards, to the extent permitted by federal law or regulation, engaged in the design,
192 construction, overhaul, or repair of nuclear vessels for the United States Navy, including their subsidiary
193 companies, for the conduct of investigations of applications for employment or for access to facilities, by
194 contractors, leased laborers, and other visitors;

195 35. Any employer of individuals whose employment requires that they enter the homes of others,
196 for the purpose of screening individuals who apply for, are offered, or have accepted such employment;

197 36. Public agencies when and as required by federal or state law to investigate (i) applicants as
198 providers of adult foster care and home-based services or (ii) any individual with whom the agency is
199 considering placing an adult on an emergency, temporary, or permanent basis pursuant to § 63.2-1601.1,
200 subject to the restriction that the data shall not be further disseminated by the agency to any party other
201 than a federal or state authority or court as may be required to comply with an express requirement of law
202 for such further dissemination, subject to limitations set out in subsection G;

203 37. The Department of Medical Assistance Services, or its designee, for the purpose of screening
204 individuals who, through contracts, subcontracts, or direct employment, volunteer, apply for, are offered,
205 or have accepted a position related to the provision of transportation services to enrollees in the Medicaid
206 Program or the Family Access to Medical Insurance Security (FAMIS) Program, or any other program
207 administered by the Department of Medical Assistance Services;

208 38. The State Corporation Commission for the purpose of investigating individuals who are current
209 or proposed members, senior officers, directors, and principals of an applicant or person licensed under
210 Chapter 16 (§ 6.2-1600 et seq.), Chapter 19 (§ 6.2-1900 et seq.), or Chapter 26 (§ 6.2-2600 et seq.) of Title
211 6.2. Notwithstanding any other provision of law, if an application is denied based in whole or in part on

212 information obtained from the Central Criminal Records Exchange pursuant to Chapter 16, 19, or 26 of
213 Title 6.2, the Commissioner of Financial Institutions or his designee may disclose such information to the
214 applicant or its designee;

215 39. The Department of Professional and Occupational Regulation for the purpose of investigating
216 individuals for initial licensure pursuant to § 54.1-2106.1;

217 40. The Department for Aging and Rehabilitative Services and the Department for the Blind and
218 Vision Impaired for the purpose of evaluating an individual's fitness for various types of employment and
219 for the purpose of delivering comprehensive vocational rehabilitation services pursuant to Article 11 (§
220 51.5-170 et seq.) of Chapter 14 of Title 51.5 that will assist the individual in obtaining employment;

221 41. Bail bondsmen, in accordance with the provisions of § 19.2-120;

222 42. The State Treasurer for the purpose of determining whether a person receiving compensation
223 for wrongful incarceration meets the conditions for continued compensation under § 8.01-195.12;

224 43. The Department of Education or its agents or designees for the purpose of screening individuals
225 seeking to enter into a contract with the Department of Education or its agents or designees for the
226 provision of child care services for which child care subsidy payments may be provided;

227 44. The Department of Juvenile Justice to investigate any parent, guardian, or other adult members
228 of a juvenile's household when completing a predispositional or postdispositional report required by §
229 16.1-273 or a Board of Juvenile Justice regulation promulgated pursuant to § 16.1-233;

230 45. The State Corporation Commission, for the purpose of screening applicants for insurance
231 licensure under Chapter 18 (§ 38.2-1800 et seq.) of Title 38.2;

232 46. Administrators and board presidents of and applicants for licensure or registration as a child
233 day program or family day system, as such terms are defined in § 22.1-289.02, for dissemination to the
234 Superintendent of Public Instruction's representative pursuant to § 22.1-289.013 for the conduct of
235 investigations with respect to employees of and volunteers at such facilities pursuant to §§ 22.1-289.034
236 through 22.1-289.037, subject to the restriction that the data shall not be further disseminated by the
237 facility or agency to any party other than the data subject, the Superintendent of Public Instruction's
238 representative, or a federal or state authority or court as may be required to comply with an express

239 requirement of law for such further dissemination; however, nothing in this subdivision shall be construed
240 to prohibit the Superintendent of Public Instruction's representative from issuing written certifications
241 regarding the results of prior background checks in accordance with subsection J of § 22.1-289.035 or §
242 22.1-289.039;

243 47. The National Center for Missing and Exploited Children for the purpose of screening
244 individuals who are offered or accept employment or will be providing volunteer or contractual services
245 with the National Center for Missing and Exploited Children;~~and~~

246 48. The Executive Director or investigators of the Board of Accountancy for the purpose of the
247 enforcement of laws relating to the Board of Accountancy in accordance with § 54.1-4407; and

248 49. Other entities as otherwise provided by law.

249 Upon an ex parte motion of a defendant in a felony case and upon the showing that the records
250 requested may be relevant to such case, the court shall enter an order requiring the Central Criminal
251 Records Exchange to furnish the defendant, as soon as practicable, copies of any records of persons
252 designated in the order on whom a report has been made under the provisions of this chapter.

253 Notwithstanding any other provision of this chapter to the contrary, upon a written request sworn
254 to before an officer authorized to take acknowledgments, the Central Criminal Records Exchange, or the
255 criminal justice agency in cases of offenses not required to be reported to the Exchange, shall furnish a
256 copy of conviction data covering the person named in the request to the person making the request;
257 however, such person on whom the data is being obtained shall consent in writing, under oath, to the
258 making of such request. A person receiving a copy of his own conviction data may utilize or further
259 disseminate that data as he deems appropriate. In the event no conviction data is maintained on the data
260 subject, the person making the request shall be furnished at his cost a certification to that effect.

261 B. Use of criminal history record information disseminated to noncriminal justice agencies under
262 this section shall be limited to the purposes for which it was given and may not be disseminated further,
263 except as otherwise provided in subdivision A 46.

264 C. No criminal justice agency or person shall confirm the existence or nonexistence of criminal
265 history record information for employment or licensing inquiries except as provided by law.

266 D. Criminal justice agencies shall establish procedures to query the Central Criminal Records
267 Exchange prior to dissemination of any criminal history record information on offenses required to be
268 reported to the Central Criminal Records Exchange to ensure that the most up-to-date disposition data is
269 being used. Inquiries of the Exchange shall be made prior to any dissemination except in those cases where
270 time is of the essence and the normal response time of the Exchange would exceed the necessary time
271 period. A criminal justice agency to whom a request has been made for the dissemination of criminal
272 history record information that is required to be reported to the Central Criminal Records Exchange may
273 direct the inquirer to the Central Criminal Records Exchange for such dissemination. Dissemination of
274 information regarding offenses not required to be reported to the Exchange shall be made by the criminal
275 justice agency maintaining the record as required by § 15.2-1722.

276 E. Criminal history information provided to licensed nursing homes, hospitals and to home care
277 organizations pursuant to subdivision A 15 shall be limited to the convictions on file with the Exchange
278 for any offense specified in §§ 32.1-126.01, 32.1-126.02, and 32.1-162.9:1.

279 F. Criminal history information provided to licensed assisted living facilities and licensed adult
280 day care centers pursuant to subdivision A 16 shall be limited to the convictions on file with the Exchange
281 for any offense specified in § 63.2-1720.

282 G. Criminal history information provided to public agencies pursuant to subdivision A 36 shall be
283 limited to the convictions on file with the Exchange for any offense set forth in clause (i) of the definition
284 of barrier crime in § 19.2-392.02.

285 H. Upon receipt of a written request from an employer or prospective employer, the Central
286 Criminal Records Exchange, or the criminal justice agency in cases of offenses not required to be reported
287 to the Exchange, shall furnish at the employer's cost a copy of conviction data covering the person named
288 in the request to the employer or prospective employer making the request, provided that the person on
289 whom the data is being obtained has consented in writing to the making of such request and has presented
290 a photo-identification to the employer or prospective employer. In the event no conviction data is
291 maintained on the person named in the request, the requesting employer or prospective employer shall be

292 furnished at his cost a certification to that effect. The criminal history record search shall be conducted on
293 forms provided by the Exchange.

294 I. Nothing in this section shall preclude the dissemination of a person's criminal history record
295 information pursuant to the rules of court for obtaining discovery or for review by the court.

296 **§ 54.1-4400. Definitions.**

297 As used in this chapter, unless the context ~~clearly indicates otherwise~~ [requires a different meaning](#):

298 "Accredited institution" means a degree-granting institution of higher education accredited either
299 by (i) one of the ~~six major~~ regional accrediting organizations, [including the](#) Middle States Association of
300 Colleges and Schools, New England ~~Association~~ [Commission](#) of ~~Schools and Colleges~~ [Higher Education](#),
301 ~~North Central Association of Colleges and Schools~~ [Higher Learning Commission](#), Northwest Commission
302 on Colleges and Universities, Southern Association of Colleges and Schools [Commission on Colleges](#),
303 and Western Association of Schools and Colleges, [or](#) their successors; or (ii) an accrediting organization
304 demonstrating to the Board periodically, as prescribed by the Board, that its accreditation process and
305 standards are substantially equivalent to the accreditation process and standards of the ~~six major~~ regional
306 accrediting organizations.

307 "Assurance" means any form of expressed or implied opinion or conclusion about the conformity
308 of a financial statement with any recognition, measurement, presentation, or disclosure principles for
309 financial statements.

310 "Attest services" means audit, review, or other ~~attest services for which~~ [engagements performed](#)
311 [in accordance with the](#) standards ~~have been~~ established by the Public Company Accounting Oversight
312 Board, by the Auditing Standards Board or the Accounting and Review Services Committee of the
313 American Institute of Certified Public Accountants, or by any successor ~~standard-setting authorities, or~~
314 [by any equivalent standard-setting authority as approved by the Board.](#)

315 "Board" means the Virginia Board of Accountancy.

316 ["Client" means any person or entity, other than a licensee's employer, that engages a licensee or](#)
317 [licensee's firm to perform professional services or any person or entity with respect to which a licensee or](#)
318 [licensee's firm performs professional services.](#)

319 "Compilation services" means compiling financial statements in accordance with standards
320 established by the American Institute of Certified Public Accountants, or by any successor ~~standard-~~
321 ~~setting authorities,~~ or by any equivalent standard-setting authority as approved by the Board.

322 "Continuing professional education" means the education that a person obtains after passing the
323 CPA examination and that relates to services provided to or on behalf of an employer in academia,
324 government, or industry or to services provided to the public.

325 "CPA" means certified public accountant.

326 "CPA examination" means the national uniform CPA examination approved and administered by
327 the board of accountancy of a state or by the board's designee.

328 "CPA wall certificate" means the symbolic document suitable for wall display that is issued by the
329 board of accountancy of a state to a person meeting the requirements to use the CPA title in that state.

330 "Executive Director" means the Executive Director of the Board.

331 "Experience" means employment in academia, a firm, government, or an industry in any capacity
332 involving the substantial use of accounting, financial, tax, or other skills that are relevant, as determined
333 by the Board, to provide services to or on behalf of an employer or to the public, ~~as.~~ Such experience must
334 be verified by an active, licensed CPA.

335 "Facilitated State Board Access" ~~or "FSBA"~~ means the sponsoring organization's process whereby
336 it provides the Board access to peer review results via a secure website.

337 "Financial statement" means a presentation of historical or prospective financial information about
338 one or more persons or entities.

339 "Financial statement preparation services" means ~~financial statement~~ providing a service of any
340 ~~preparation services for which standards have been established by the American Institute of Certified~~
341 ~~Public Accountants or by any successor standard-setting authorities~~ of financial statement engagement
342 to be performed in accordance with Statements of Standards for Accounting and Review Services
343 (SSARS) or by any equivalent standard-setting authority as approved by the Board.

344 "Firm" means an entity formed by one or more licensees as a sole proprietorship, a partnership, a
corporation, a limited liability company, or any other type of entity permitted by law.

345 "License of another state" means the license that is issued by the board of accountancy of a state
346 other than Virginia that gives a person the privilege of using the CPA title in that state or that gives a firm
347 the privilege of providing attest services, compilation services, and financial statement preparation
348 services to persons and entities located in that state.

349 "Licensed" means holding a Virginia license or the license of another state.

350 "Licensee" means a person or firm holding a Virginia license or the license of another state.

351 "Peer review" means a review of a firm's attest services, compilation services, and financial
352 statements preparation services that is conducted in accordance with the applicable monitoring program
353 of the American Institute of Certified Public Accountants or its successor, or with another monitoring
354 program approved by the Board.

355 "Practice of public accounting" or "providing services to the public" means the ~~giving of an~~
356 ~~assurance other than (i) by the person or persons about whom the financial information is presented or (ii)~~
357 ~~by one or more owners, officers, employees, or members of the governing body of the entity or entities~~
358 ~~about whom the financial information is presented~~ performance of professional services for a client by a
359 licensee or licensee's firm.

360 "Principal place of business" means the same as that term is defined in 7VAC13-20-10.

361 "Professional services" means all services requiring substantial use of accountancy or related skills
362 that are performed for a client, for an employer. Such services include attest, compilation, accounting,
363 audit, consulting, control work, tax services, or other services that are subject to the guidance of the
364 standard-setting authorities listed in the standards of conduct and practice in subdivisions 5 and 6 of §
365 54.1-4413.3 or by any equivalent standard-setting authority as approved by the Board.

366 "Providing services to or on behalf of an employer" means ~~providing to or on behalf of an entity~~
367 ~~services that require the substantial use of accounting, financial, tax, or other skills that are relevant, as~~
368 ~~determined by the Board~~ the performance of professional services while employed or engaged on a
369 contractual basis by a licensee to or on behalf of an entity. "Providing services to or on behalf of an
370 employer" does not include a person or firm engaged in the practice of public accounting.

371 ~~"Providing services to the public" means providing services that are subject to the guidance of the~~
372 ~~standard setting authorities listed in the standards of conduct and practice in subdivisions 5 and 6 of §~~
373 ~~54.1-4413.3.~~

374 "Sponsoring organization" means a Board-approved professional society or other organization
375 responsible for the facilitation and administration of peer reviews through use of its peer review program
376 and applicable peer review standards.

377 "State" means any state of the United States, the District of Columbia, or any territory of the United
378 States that is a recognized jurisdiction by the National Association of State Boards of Accountancy or its
379 successor.

380 "Using the CPA title in Virginia" means using "CPA," "Certified Public Accountant," or "public
381 accountant" ~~(i) in any form or manner of verbal communication~~ by a person or firm to persons or entities
382 located in Virginia ~~or (ii) in any form or manner of written communication to persons or entities located~~
383 ~~in Virginia, including but not limited to the use in any abbreviation, acronym, phrase, or title that appears~~
384 ~~in business cards, the CPA wall certificate, Internet postings, letterhead, reports, signs, tax returns, or any~~
385 ~~other document or device.~~ Holding a Virginia license or the license of another state constitutes using the
386 CPA title in Virginia.

387 "Virginia license" means a license that is issued by the Board giving a person or firm the privilege
388 of using the CPA title in Virginia or a firm the privilege of providing attest services, compilation services,
389 and financial statement preparation services to persons and entities located in Virginia.

390 **§ 54.1-4401. Applicability of chapter.**

391 A. This chapter shall not be construed to prevent any person who is not licensed from:

- 392 1. Using the description "accountant" or "bookkeeper";
- 393 2. Stating that he practices accounting or bookkeeping;
- 394 3. Performing services involving the use of accounting skills;
- 395 4. Rendering tax services, or management advisory or consulting services;
- 396 5. Keeping the books of account and related accounting records; or
- 397 6. Preparing financial statements without ~~providing~~ assurance.

398 B. This chapter shall not ~~be construed to~~ prevent any person ~~who is~~ or firm not licensed from
399 stating that ~~he~~ such person or firm has prepared, compiled, assembled, or drafted a financial statement,
400 provided ~~he~~ that such person or firm does not use any additional language that ~~comprises an~~ provides or
401 can reasonably be inferred to provide assurance or make any claims, representations, or statements
402 prohibited by § 54.1-4414.

403 C. ~~The prohibitions of § 54.1-4414 and the other provisions of this chapter shall not be construed~~
404 ~~to preclude any person~~ To comply with subdivision A 6 and subsection B, any person or firm who is not
405 licensed ~~from including a statement~~ shall include the following language on financial statements ~~indicating~~
406 ~~or other similar language~~ that clearly indicates no assurance is provided on the financial statements ~~or~~
407 using the following language: "I (We) have compiled the accompanying (financial statements) of (name
408 of entity) as of (time period) and for the (period) then ended. A compilation is limited to presenting in the
409 form of financial statements information that is the representation of management (owners). I (We) have
410 not audited or reviewed the accompanying financial statements and, accordingly, do not express an
411 opinion or any other form of assurance on them. Management has elected to omit substantially all (or
412 certain) required disclosures (and the statement of cash flows). If the omitted disclosures were included
413 in the financial statements, they might influence the user's conclusions about the (entity's) financial
414 position, results of operations, and cash flows. Accordingly, these financial statements are not designed
415 for those who are not informed about these matters."

416 D. The provisions of this chapter shall not be construed, interpreted, or applied to prohibit any
417 public official or public employee from performing his duly authorized or mandated duties.

418 **§ 54.1-4402. Board; membership; qualifications; powers and duties.**

419 A. The Board of Accountancy established under the former § 54.1-2000 and previously operating
420 in the Department of Professional and Occupational Regulation is hereby continued and reestablished as
421 an independent board in the executive branch of state government.

422 B. The Board shall consist of seven members appointed by the Governor as follows: one member
423 shall be a public member who may be an accountant who is not licensed but otherwise meets the
424 requirements of clauses (i) and (ii) of § 54.1-107; one member shall be an educator in the field of

425 accounting who holds a Virginia license; four members shall be holders of Virginia licenses who have
426 been actively engaged in providing services to the public for at least three years prior to appointment to
427 the Board; and one member shall hold a Virginia license and for at least three years prior to appointment
428 to the Board shall have been actively engaged in providing services to the public or in providing services
429 to or on behalf of an employer in government or industry.

430 C. Members of the Board shall serve for terms of four years. The Governor may remove any
431 member as provided in subsection A of § 2.2-108. Any member of the Board whose Virginia license is
432 revoked or suspended shall automatically cease to be a member of the Board.

433 D. The Board shall restrict the practice of public accounting and the use of the CPA title in Virginia
434 to licensed persons and firms as specified in §§ 54.1-4409.1 and 54.1-4412.1.

435 E. The Board shall restrict the provision of attest services, compilation services, and financial
436 statement preparation services to persons or ~~entities~~ firms located in Virginia and as specified in § 54.1-
437 4412.1. However, this shall not affect the privilege of a person who is not licensed to include a statement
438 on financial statements indicating that no assurance is provided on the financial statements, to say that
439 financial statements have been compiled, or to use the compilation language as prescribed by subsections
440 B and C of § 54.1-4401.

441 F. The Board shall take such actions as may be authorized by this chapter to ensure the continued
442 competence of persons or firms using the CPA title in Virginia and firms providing attest services,
443 compilation services, or financial statement preparation services to persons or entities located in Virginia
444 and to aid the public in determining their qualifications.

445 G. The Board shall take such actions as may be authorized by this chapter to ensure that persons
446 or firms holding a Virginia license or using the CPA title in Virginia and firms providing attest services,
447 compilation services, or financial statement preparation services to persons or entities located in Virginia
448 adhere to the standards of conduct and practice in § 54.1-4413.3 and regulations promulgated by the
449 Board.

450 H. The Board shall have the responsibility of enforcing this chapter and may by regulation establish
451 rules and procedures for the implementation of the provisions of this chapter.

452 **§ 54.1-4403. General powers and duties of the Board.**

453 The Board shall have the power and duty to:

454 1. Establish the qualifications of applicants for licensure, provided that all qualifications shall be
455 necessary to ensure competence and integrity.

456 2. Examine, or cause to be examined, the qualifications of each applicant for licensure, including
457 the preparation, administration, and grading of the CPA examination.

458 3. Promulgate regulations in accordance with the Administrative Process Act (§ 2.2-4000 et seq.)
459 necessary to assure continued competency, to prevent deceptive or misleading practices by licensees, and
460 to effectively administer the regulatory system.

461 4. Levy and collect fees for the issuance, renewal, or reinstatement of Virginia licenses that are
462 sufficient to cover all expenses of the administration and operation of the Board.

463 5. Levy on holders of Virginia licenses special assessments necessary to cover expenses of the
464 Board.

465 6. Initiate or receive complaints concerning the conduct of ~~holders of Virginia licenses~~ or
466 ~~concerning their~~ violation of the provisions of this chapter or regulations promulgated by the Board by
467 holders of Virginia licenses, individuals or firms claiming to hold a Virginia license, or unlicensed
468 individuals or firms using the CPA title in Virginia, and to take appropriate disciplinary action if
469 warranted.

470 7. Initiate or receive complaints concerning the conduct of persons or firms who use the CPA title
471 in Virginia under the substantial equivalency provisions of § 54.1-4411 or firms that provide attest
472 services, compilation services, or financial statement preparation services to persons or entities located in
473 Virginia under the provisions of subsection C of § 54.1-4412.1, and to take appropriate disciplinary action
474 if warranted.

475 8. Initiate or receive complaints concerning violations of the provisions of this chapter or
476 regulations promulgated by the Board by persons or firms who use the CPA title in Virginia under the
477 substantial equivalency provisions of § 54.1-4411 or firms that provide attest services, compilation

478 services, or financial statement preparation services to persons or entities located in Virginia under the
479 provisions of subsection C of § 54.1-4412.1, and to take appropriate disciplinary action if warranted.

480 9. Revoke, suspend, or refuse to renew or reinstate a Virginia license for just causes as prescribed
481 by the Board.

482 10. Revoke or suspend, for just causes as prescribed by the Board, a person's or firm's privilege of
483 using the CPA title in Virginia under the substantial equivalency provisions of § 54.1-4411 or a firm's
484 privilege of providing attest services, compilation services, or financial statement preparation services to
485 persons or entities located in Virginia under the provisions of subsection C of § 54.1-4412.1.

486 11. Establish requirements for peer reviews.

487 12. Establish continuing professional educational requirements as a condition for issuance,
488 renewal, or reinstatement of a Virginia license.

489 13. Expand or interpret the standards of conduct and practice in § 54.1-4413.3.

490 14. Enter into contracts necessary or convenient for carrying out the provisions of this chapter or
491 the functions of the Board.

492 15. Permit certain biographical references to previous CPA licensure or other Board approved
493 professional associations.

494 16. Promulgate additional guidance on using the CPA title in Virginia as necessary.

495 17. Do all things necessary and convenient for carrying into effect this chapter and regulations
496 promulgated by the Board.

497 **§ 54.1-4407. Enforcement of laws by the Executive Director or investigators; authority of**
498 **investigators appointed by the Executive Director.**

499 A. The Executive Director or investigators appointed by him shall:

500 1. Be sworn to enforce the statutes and regulations pertaining to the Board;

501 2. Have the authority to investigate violations of the statutes and regulations that the Executive
502 Director is required to enforce;

503 3. Have the authority to issue summonses for violations of the provisions of this chapter or
504 regulations promulgated by the Board.

505 B. In the event a person or entity that is issued a summons by the Executive Director or
506 investigators appointed by him fails or refuses to discontinue the unlawful acts or refuses to give a written
507 promise to appear at the time and place specified in the summons, the Executive Director or the
508 investigators may appear before a magistrate or other issuing authority having jurisdiction to obtain a
509 criminal warrant under § 19.2-72.

510 C. The Executive Director and all investigators appointed by the Executive Director are vested
511 with the authority to administer oaths or affirmations (i) for the purpose of receiving complaints and
512 conducting investigations of violations of the provisions of this chapter or any regulations promulgated
513 by the Board or (ii) in connection with any investigation conducted on behalf of the Board. The Executive
514 Director and the investigators are vested with the authority to (a) obtain, serve, and execute any warrant,
515 paper, or process issued by any court or magistrate or by the Board under the authority of the Executive
516 Director and (b) request and receive criminal history information under the provisions of § 19.2-389.

517 [D. The authority of the Executive Director shall include the ability to request and receive reports](#)
518 [from the Central Criminal Records Exchange to be used for the purpose of the investigative and](#)
519 [enforcement authority of the Executive Director and not to be disseminated except as provided for in this](#)
520 [section.](#)

521 **§ 54.1-4409.1. Licensing requirements for persons.**

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

523 1. The person shall hold a Virginia license if he provides services to the public and the principal
524 place of business in which he provides those services is in Virginia.

525 2. Other persons shall not be required to hold a Virginia license in order to use the CPA title in
526 Virginia provided that they hold the license of another state and comply with the substantial equivalency
527 provisions of § 54.1-4411.

528 B. The Board shall prescribe the methods, fees, and continuing professional education
529 requirements for a person to apply for the issuance, renewal, or reinstatement of a Virginia license.

530 C. The Board has the authority to refuse to grant a person [a Virginia license or](#) the privilege of
531 using the CPA title in Virginia if, based upon all the information available, the Board finds that the person

532 is unfit or unsuited to use the CPA title in Virginia. ~~The Board shall not refuse to grant a person the~~
533 ~~privilege of using the CPA title in Virginia solely because of a criminal conviction.~~

534 D. A person shall not be refused a Virginia license solely because of a prior criminal conviction.
535 The Board shall have the authority to refuse a Virginia license if, based upon all of the information
536 available, including the applicant's record of prior convictions, it finds that the applicant is unfit or
537 unsuited to engage in such occupation or profession or has been convicted of an act discreditable to the
538 profession or fails to meet the standards set forth in subsection B of § 54.1-4413.4.

539 **§ 54.1-4409.2. How a person may obtain a Virginia license.**

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

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

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

546 b. Provide documentation that he has passed the CPA examination;

547 c. Describe his continuing professional education since he passed the CPA examination. The Board
548 shall determine whether his continuing professional education complies with the continuing professional
549 education requirement prescribed by the Board for that period; and

550 d. Describe his experience. The Board shall determine whether his experience complies with the
551 experience requirement prescribed by the Board.

552 2. After evaluating information provided by the person, the Board may request additional
553 information and may impose additional requirements for obtaining a Virginia license.

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

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

557 a. Disclose to the Board each state in which he has held a license;

558 b. Disclose, for each of those states, why the license is no longer held and provide documentation
559 from the board of accountancy concerning whether he has been found guilty of any violations of the
560 standards of conduct and practice established by statutes of the state or regulations promulgated by the
561 board;

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

565 d. Describe his continuing professional education since he last held the license of another state.
566 The Board shall determine whether his continuing professional education complies with requirement
567 prescribed by the Board for reinstatement of a Virginia license; and

568 e. Describe his experience. The Board shall determine whether his experience complies with the
569 experience requirement prescribed by the Board.

570 2. After evaluating the information provided by the person, the Board may request additional
571 information and may impose additional requirements for obtaining a Virginia license.

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

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

575 a. Disclose to the Board each state in which he holds or has held a license;

576 b. Provide, for each state in which the person holds a license, documentation from the board of
577 accountancy concerning whether he is in good standing with the board, whether there are any pending
578 actions alleging violations of the standards of conduct and practice established by statutes of the state or
579 regulations promulgated by the board, and whether he has been found guilty of any violations of the
580 standards of conduct and practice established by statutes of the state or regulations promulgated by the
581 board;

582 c. Disclose, for each state in which the person has held a license, why the license is no longer held
583 and provide documentation from the board of accountancy concerning whether he has been found guilty

584 of any violations of the standards of conduct and practice established by statutes of the state or regulations
585 promulgated by the board;

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

589 e. Describe his continuing professional education during the most recent reporting period that
590 would be required for the holder of a Virginia license. The Board shall determine whether his continuing
591 professional education complies with the continuing professional education requirement prescribed by the
592 Board for that period; and

593 f. Describe his experience. The Board shall determine whether his experience complies with the
594 experience requirement prescribed by the Board.

595 2. After evaluating the information provided by the person, the Board may request additional
596 information and may impose additional requirements for obtaining a Virginia license.

597 **§ 54.1-4412.1. Licensing requirements for firms.**

598 A. Only a [licensed](#) firm can provide attest services, compilation services, or financial statement
599 preparation services to persons or entities located in Virginia. However, this shall not affect the privilege
600 of a person who is not licensed to include a statement on financial statements indicating that no assurance
601 is provided on the financial statements, to say that financial statements have been compiled, or to use the
602 compilation language, as prescribed by subsections B and C of § 54.1-4401.

603 B. A firm that provides attest services, compilation services, or financial statement preparation
604 services to persons or entities located in Virginia shall obtain a Virginia license if ~~the~~ [such firm's](#) principal
605 place of business ~~in which it provides those services~~ is in Virginia.

606 C. A firm ~~that is~~ [whose principal place of business is not in Virginia is](#) not required to obtain a
607 Virginia license [but](#) may provide attest services, compilation services, or financial statement preparation
608 services to persons or entities located in Virginia if [the following provisions are met](#):

609 1. The firm holds the license of another state and can lawfully provide attest services, compilation
610 services, or financial statement preparation services to persons or entities in the state where its principal
611 place of business is located; and

612 2. The firm complies with ~~subdivisions~~ subsection D-1, 2, 4, 5, 6, and 7 ~~and subsection F~~; and

613 3. The firm's personnel working on the engagement either (i) hold a Virginia license or (ii) hold
614 the license of another state and comply with the substantial equivalency provisions of § 54.1-4411; or

615 4. The firm's personnel working on the engagement are under the supervision of a person who
616 either (i) holds a Virginia license or (ii) holds the license of another state and complies with the substantial
617 equivalency provisions of § 54.1-4411.

618 D. For a firm to obtain and hold a Virginia license:

619 1. As determined on a firm-wide basis:

620 a. At least 51 percent of the owners of the firm shall be licensees, trustees of an eligible employee
621 stock ownership plan as defined in § 13.1-543, or a firm that meets this requirement; and

622 b. At least 51 percent of the voting equity interest in the firm shall be owned by persons who are
623 licensees, by trustees of an eligible employee stock ownership plan as defined in § 13.1-543, or by a firm
624 that meets this requirement.

625 If the death, retirement, or departure of an owner causes either of these requirements not to be met,
626 the requirement shall be met within one year after the death, retirement, or departure of the owner.

627 2. The Board shall prescribe requirements concerning the hours that owners who are not licensees
628 work in the firm and may prescribe other requirements for those persons.

629 3. All attest services, compilation services, and financial statement preparation services provided
630 for persons and entities located in Virginia shall be under the supervision of a person who either (i) holds
631 a Virginia license or (ii) holds the license of another state and complies with the substantial equivalency
632 provisions of § 54.1-4411.

633 4. Any person who releases or authorizes the release of reports on attest services, compilation
634 services, or financial statement preparation services provided for persons or entities located in Virginia
635 shall:

636 a. Either (i) hold a Virginia license or (ii) hold the license of another state and comply with the
637 substantial equivalency provisions of § 54.1-4411; and

638 b. Meet any additional requirements the Board prescribes.

639 5. The firm shall conduct its attest services, compilation services, and financial statement
640 preparation services in conformity with the standards of conduct and practice in § 54.1-4413.3 and
641 regulations promulgated by the Board.

642 6. If the services provided by the firm are within the scope of the practice-monitoring program of
643 the American Institute of Certified Public Accountants or its successor, the firm shall enroll in the program
644 or in another practice-monitoring program for attest services, compilation services, and financial statement
645 preparation services that is approved by the Board. In addition, if enrolled the firm shall:

646 a. Comply with any requirements prescribed by the Board in response to the results of peer
647 reviews; and

648 b. Participate in the American Institute of Certified Public Accountants', or sponsoring
649 organizations', Facilitated State Board Access process, or its successor process, or another process
650 approved by the Board for peer reviews.

651 7. The name of the firm shall not be false, misleading, or deceptive.

652 E. The Board shall prescribe the methods and fees for a firm to apply for the issuance, renewal, or
653 reinstatement of a Virginia license.

654 F. ~~An entity~~ A firm may not use the CPA title in Virginia unless it ~~meets the requirements of~~
655 ~~subdivision D-1~~ holds a Virginia license as approved by the Board or a license that meets the substantial
656 equivalency provisions of § 54.1-4411.

657 **§ 54.1-4413.2. Issuance, renewal, and reinstatement of licenses and lifting the suspension of**
658 **privileges.**

659 A. A Virginia license shall provide its holder with the privilege to use the CPA title in Virginia or
660 provide attest services, compilation services, and financial statement preparation services to persons and
661 entities located in Virginia.

662 B. A license granted pursuant to the provisions of this chapter shall be renewed as prescribed by
663 the Board. Any license not renewed pursuant to the provisions prescribed by the Board shall be considered
664 to have expired and the person or firm shall be considered to no longer hold a Virginia license.

665 ~~C. A person whose Virginia license expired may obtain a new Virginia license under subsection~~
666 ~~C of § 54.1-4409.2 if he holds the license of another state.~~

667 ~~D.~~C. The license of a person whose Virginia license expired ~~and who does not hold the license of~~
668 ~~another state~~ may be reinstated under this subsection. In addition, a person whose Virginia license or
669 privilege of using the CPA title in Virginia was suspended may have the suspension lifted under this
670 subsection.

671 1. To be considered for reinstatement of a Virginia license or lifting the suspension of the privilege
672 of using the CPA title in Virginia, a person shall:

673 a. Disclose to the Board why he no longer holds a Virginia license or why his privilege of using
674 the CPA title in Virginia was suspended;

675 b. Disclose to the Board each state in which he has held a license. For each of the states in which
676 the person has held a license, the person shall disclose why he no longer holds a license and provide
677 documentation from the board of accountancy concerning whether he has been found guilty of any
678 violations of the standards of conduct and practice established by statutes of the state or regulations
679 promulgated by the board; and

680 c. Describe his continuing professional education since his Virginia license expired or was
681 suspended. The Board shall determine whether his continuing professional education complies with the
682 continuing professional education requirement prescribed by the Board for that period.

683 2. After evaluating the information provided by the person, the Board may request additional
684 information and may impose additional requirements for reinstatement of the Virginia license or lifting
685 the suspension.

686 3. The Board shall communicate to the person its decision and, if the request for reinstatement or
687 lifting the suspension is denied, the reasons for the denial. The request may be resubmitted when the

688 person believes the matters affecting the request have been satisfactorily resolved. The person may request
689 a proceeding in accordance with the provisions of the Administrative Process Act (§ 2.2-4000 et seq.).

690 ~~E.~~D. The license of a firm whose Virginia license expired may be reinstated under this subsection.
691 In addition, a firm whose Virginia license or privilege of using the CPA title in Virginia or providing attest
692 services, compilation services, or financial statement preparation services to persons or entities located in
693 Virginia was suspended may have the suspension lifted under this subsection.

694 1. To be considered for reinstatement of a Virginia license or lifting the suspension of the privilege
695 of using the CPA title in Virginia or providing attest services, compilation services, or financial statement
696 preparation services to persons or entities located in Virginia:

697 a. The firm shall disclose to the Board why it no longer holds a Virginia license or why its privilege
698 of using the CPA title in Virginia or providing attest services, compilation services, or financial statement
699 preparation services to persons or entities located in Virginia was suspended.

700 b. The firm shall disclose to the Board each state in which it holds or has held a license.

701 c. For each of the states in which the firm holds a license, the firm shall provide documentation
702 from the board of accountancy concerning whether it is in good standing with the board, whether there
703 are any pending actions alleging violations of the standards of conduct and practice established by statutes
704 of the state or regulations promulgated by the board, and whether it has been found guilty of any violations
705 of these standards of conduct and practice.

706 d. For each of the states in which the firm has held a license, the firm shall disclose why it no
707 longer holds a license and provide documentation from the board of accountancy concerning whether it
708 has been found guilty of any violations of the standards of conduct and practice established by statutes of
709 the state or regulations promulgated by the board.

710 2. After evaluating the information provided by the firm, the Board may request additional
711 information and may impose additional requirements for reinstatement of the Virginia license or lifting
712 the suspension.

713 3. The Board shall communicate to the firm its decision and, if the request for reinstatement or
714 lifting the suspension is denied, the reasons for the denial. The request may be resubmitted when the firm

715 believes the matters affecting the request have been satisfactorily resolved. The firm may request a
716 proceeding in accordance with the provisions of the Administrative Process Act (§ 2.2-4000 et seq.).

717 ~~F.~~E. The Board shall consider granting the privilege of using the CPA title in Virginia, or the
718 privilege of providing attest services, compilation services, or financial statement preparation services to
719 persons or entities located in Virginia, to persons or firms that have had the privilege revoked only when
720 the person or firm demonstrates to the Board that there are special facts and circumstances that warrant
721 reconsideration by the Board of whether it should allow the person or firm to have the privilege.

722 **§ 54.1-4413.4. Penalties.**

723 A. Penalties the Board may impose consist of:

724 1. Revoking [a Virginia license](#) or the privilege of using the CPA title in Virginia or providing attest
725 services, compilation services, or financial statement preparation services to persons or entities located in
726 Virginia;

727 2. Suspending or refusing to renew or reinstate [a Virginia license](#) or the privilege of using the CPA
728 title in Virginia or providing attest services, compilation services, or financial statement preparation
729 services to persons or entities located in Virginia;

730 3. Reprimanding, censuring, or limiting the scope of practice of any person using [a Virginia license](#)
731 [or](#) the CPA title in Virginia or any firm providing attest services, compilation services, or financial
732 statement preparation services to persons or entities located in Virginia;

733 4. Placing any person using [a Virginia license](#) or the CPA title in Virginia or any firm providing
734 attest services, compilation services, or financial statement preparation services to persons or entities
735 located in Virginia on probation, with or without terms, conditions, and limitations;

736 5. Requiring a firm holding a Virginia license to have an accelerated peer review conducted as the
737 Board may specify or to take other remedial actions;

738 6. Requiring a person holding a Virginia license to satisfactorily complete additional or specific
739 continuing professional education as the Board may specify;

740 7. Imposing a monetary penalty up to \$100,000 for each violation of the provisions of this chapter
741 or regulations promulgated by the Board; any monetary penalty may be sued for and recovered in the
742 name of the Commonwealth; and

743 8. Requiring any person or ~~entity~~ firm that violates § 54.1-4414 to discontinue any acts in violation
744 of that provision.

745 B. The Board may impose penalties on persons or firms using a Virginia license or the CPA title
746 in Virginia or firms providing attest services, compilation services, or financial statement preparation
747 services to persons or entities located in Virginia for:

748 1. Violation of the provisions of this chapter or violation of any regulation, subpoena, or order of
749 the Board;

750 2. Fraud or deceit in obtaining, renewing, or applying for reinstatement or lifting the suspension
751 of a Virginia license;

752 3. Revocation, suspension, or refusal to reinstate the license of another state for disciplinary
753 reasons;

754 4. Revocation or suspension of the privilege of practicing before any state or federal agency or
755 federal court of law;

756 5. Dishonesty, fraud, or gross negligence in providing services to or on behalf of an employer, in
757 providing services to the public, or in providing attest services, compilation services, or financial statement
758 preparation services;

759 6. Dishonesty, fraud, or gross negligence in preparing the person's or firm's own state or federal
760 income tax return or financial statement;

761 7. Conviction of a felony, or of any crime involving moral turpitude, under the laws of the United
762 States, of Virginia, or of any other state if the acts involved would have constituted a crime under the laws
763 of Virginia; or

764 8. Lack of the competence required to provide services to the public for persons and entities located
765 in Virginia or to provide attest services, compilation services, and financial statement preparation services
766 to persons and entities located in Virginia, as determined by the Board.

767 C. The Board may also impose penalties on:

768 1. A person or firm who does not hold a Virginia license, or who does not meet the requirements
769 to use the CPA title in Virginia under the substantial equivalency provisions of § 54.1-4411, and commits
770 any of the acts prohibited by § 54.1-4414; or

771 2. ~~An entity~~ A firm that does not meet the criteria prescribed by subdivision D 1 of § 54.1-4412.1
772 and commits any of the acts prohibited by § 54.1-4414.

773 **§ 54.1-4421. Biennial report.**

774 The Board shall submit a biennial report to the Governor and General Assembly on or before
775 November 1 of each even-numbered year. The biennial report shall contain, at a minimum, the following
776 information: (i) a description of the Board's activities, (ii) a report on the ~~audit of the~~ Board's ~~financial~~
777 cash basis statements ~~for the biennium~~, (iii) statistical information regarding the administrative hearings
778 and decisions of the Board, and (iv) a general summary of all complaints received against persons and
779 firms and the procedures used to resolve the complaints.

780 **§ 54.1-4425. Time for filing complaints against CPAs or CPA firms.**

781 A. Except as otherwise provided in subsections B and C, any complaint against the holder of a
782 Virginia license for any violation of statutes or regulations pertaining to the Board or any of the programs
783 that may be in another title of the Code for which the Board has enforcement responsibility, in order to be
784 investigated by the Board, shall be made in writing, or otherwise made in accordance with Board
785 procedures, and received by the Board within three years of the act, omission, or occurrence giving rise
786 to the violation.

787 B. However, where a holder of a Virginia license has materially and willfully misrepresented,
788 concealed, or omitted any information and the information so misrepresented, concealed, or omitted is
789 material to the establishment of the violation, the complaint may be made at any time within two years
790 after discovery of the misrepresentation, concealment, or omission.

791 C. In cases where criminal charges have been filed involving matters that, if found to be true,
792 would also constitute a violation of the regulations or laws of the regulant's profession enforced by the

793 Board, an investigation may be initiated by the Board at any time within two years following the date such
794 criminal charges are filed.

795 D. In order to be investigated by the Board, any complaint against an individual or firm using the
796 CPA title in Virginia under the substantial equivalency provisions of § 54.1-4411 or against a firm
797 providing attest services, compilation services, or financial statement preparation services under
798 subsection C of § ~~54.4412.1~~ 54.1-4412.1 for any violation of statutes or regulations pertaining to the Board
799 or any of the programs that may be in another title of this Code for which the Board has enforcement
800 responsibility shall be made in writing, or otherwise made in accordance with Board procedures, and
801 received by the Board within five years of the act, omission, or occurrence giving rise to the violation.

802 E. Public information obtained from any source may serve as the basis for a written complaint.
803 Nothing in this section shall be construed to require the filing of a complaint if the alleged violation of the
804 statute or regulation is discovered during an investigation authorized by law, and the acts, omissions, or
805 conditions constituting the alleged violations are witnessed by a sworn investigator appointed by the
806 Executive Director.

807 F. Nothing herein shall deny the right of any party to bring a civil cause of action in a court of law.

808 **2. That § 54.1-4420 of the Code of Virginia is repealed.**

809 **3. That the Board of Accountancy shall promulgate regulations to implement the provisions of this**
810 **act to be effective within 280 days of its enactment.**

811 #