

**West Virginia  
Board of Accountancy**

405 Capitol Street, Suite 908  
Charleston, West Virginia 25301-1744

Earl Ray Tomblin, Governor



*Board Members:*  
*Jon W. Cain, Sr., CPA - President*  
*Louis J. Costanzo, III, CPA - Vice President*  
*Robin M. Baylous, CPA - Secretary*  
*Richard A. Riley, CPA, PhD, CFE, CFF - Assist. Sec.*  
*Horace Emery, CPA*  
*Theodore Lopez, CPA*  
*Matthew Bowles, Esq., Public Member*  
*Brenda S. Turley, Executive Director*

**July 28, 2017 9:00 a.m.**

**Board Meeting Minutes**

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The Board of Accountancy met on Friday, July 28, 2017 at 9000 a.m. in the Board of Accountancy's conference room. Board members in attendance were Board President, Jon W. Cain, Lou Costanzo, Robin Baylous, Horace Emery, Theodore Lopez and Matthew Bowles. Richard A. Riley was unable to attend. Also in attendance were Assistant Attorney General, Katherine Campbell; Board Staff, Brenda Turley and Stefani Young; WV Society of CPAs' CEO Judy Proctor.

The meeting was called to order at 9:05 a.m. by Jon Cain.

Upon motion by Robin Baylous and second by Lou Costanzo, the minutes of the April 21, 2017 Board meeting as well as the May 19, 2017 and June 19, 2017 teleconferences were approved as circulated. Motion carried.

Upon motion by Lou Costanzo and second by Robin Baylous, the board went into Executive Session at 9:05 a.m. to consider comments from a complainant on a disciplinary matter pursuant to W. Va. Code § 6-9A-4. Motion carried.

Upon motion by Lou Costanzo and second by Robin Baylous, the Board came out of Executive Session at 9:25 a.m. and resumed Regular Session.

**Comments Received on Proposed Legislation**

- ▶ Board members discussed the comments received for the proposed legislation. Board members addressed the comments received for the proposed legislation including the degree to which a felony or misdemeanor may be addressed. The Board determine that we should reply that proposed rules have taken this under consideration in the proposed rule at Code of State Regulations § 1-1-4.d.11. which states that the Board will consider "the nature, severity and recency of offenses as well rehabilitation and other factors on a case-by-case basis." They also requested that Board staff reply that no electronic files from the criminal history checks will be stored on Board computers.
- ▶ Upon motion by Lou Costanzo and second by Robin Baylous, the Board directed Brenda Turley and Katherine Campbell to work together to provide the responses to the issues raised in the comments received, to thank those who responded for their comments, and to answer each person's comments via e-mail before filing Agency-Approved Rules with the Secretary of State's Office later today. Motion carried.
- ▶ Upon motion by Lou Costanzo and second by Horace Emery, the Board approved the Rule as drafted without any changes. Motion carried.

**CPA Examination**

- ▶ The Board reviewed NASBA's listing of candidates who would be affected by the late release of April/May Exam scores. Upon motion by Lou Costanzo and second by Robin Baylous, the Board agreed to extend the scores of those candidates on NASBA's listing who request an extension through the October/November testing window (through December 10, 2017). Motion carried.

**Financial Report / P-Card Ratification**

- ▶ The Board received the *Receipts and Disbursements Report* for the fiscal year ending June 30, 2017 as follows:

Beginning Cash Balance, July 1, 2016	\$631,588.60
Total Receipts	342,770.00
Total Disbursements	(349,565.86)
Ending Cash Balance, June 30, 2017	624,792.74

- ▶ Upon motion by Lou Costanzo and second by Robin Baylous, the Board ratified the P-Card report of purchases between April 1, 2017 and June 30, 2017. Motion carried.

**Technology**

- ▶ Executive Director, Brenda Turley, gave a status report of the evolving e-licensing status and how the system performed during the renewal process. Board members commented that the provider should be aware that the Board is concerned that certain aspects of the reconciliation process is not performing as anticipated.

**Licensing/CPE/Firms**

- ▶ The Executive Director gave the status of PTIN listing from NASBA. She reported that approximately 900 names were included of those who have a business address in West Virginia who are providing tax services under the auspice of the CPA credential. Some of those may be retired and failed to remove their name from the PTIN listing and others may have registered with the IRS as a CPA, but do not have an active to practice. Board staff will be using the letter approved by counsel for this purpose.
- ▶ Board members reviewed the information received from a Certified Public Accountant regarding a firm in Morgantown who is using language on the web site indicating that "traditional CPA services" are available. Upon motion by Lou Costanzo and second by Robin Baylous, the Board directed the Executive Director to write a letter requesting that the firm change the language on his web site to "offer traditional accounting services" instead of "offer traditional CPA services" and delete the CPA reference to "Resources available include Enrolled Agents..." The firm could add a line stating that "We are able to make referrals to Certified Public Accountants." Motion carried.
- ▶ Board members reviewed Board staff's request to create a policy stipulating under what circumstances Board staff can grant waivers of CPE hours, late filing fees, and extension request fees. The Board asked staff to work on a policy for Board members to review and/or approve, deny or revise at the next meeting. It was also suggested that the policy should include a method for the licensee to appeal any denial to the entire board.

- ▶ The Board received an inquiry from a licensee asking if the Board had adopted a policy regarding whether a Quickbooks electronic file must be returned to the client. Board members discussed this subject at length, referred to the Accountancy Law and Board Regulations and determined that there was no provision in the code or rules specifically requiring a firm to provide an electronic Quickbooks file to the client. Therefore, the Board determined that if a specific complaint is made, it will be reviewed and determined on a case-by-case basis. Refer the inquirer to W.Va. Code § 30-9-24 et seq.

### Complaints

Upon motion by Lou Costanzo and second by Robin Baylous, the Board went into Executive Session at 11:00 a.m. to consider disciplinary matters pursuant to W. Va. Code § 6-9A-4. Motion carried.

Upon motion by Lou Costanzo and second by Horace Emery, the Board came out of Executive Session at 11:45 a.m. and made the following actions part of the record.

- 2013-07** Recognizing that the Respondent had met all requirements of the Consent Order, upon motion made and seconded, the Board closed this file. Motion carried. The Executive Director will notify both Complainant and Respondent.
- 2016-05** Attorney General counsel updated Board members that the Hearing Examiner signed an Order to Stay until after the Supreme Court of Appeals decision. Let the record show that Jon Cain recused himself in this matter.
- 2017-03** Upon motion made and seconded, the Board found no probable cause and dismissed this complaint. Motion carried. The Executive Director will notify the Complainant and Respondent.
- 2017-05** Upon motion made and seconded, the Board found probable cause and directed Attorney General counsel to prepare a *Statement of Charges* and a *Notice of Hearing* with no Consent Agreement to be offered. Motion carried.
- 2017-06** The Complaint Committee is awaiting the final written report from the investigator. This matter is continued.
- 2017-07A** Upon motion made and seconded, the Board found probable cause that the firm was advertising to perform services for which the firm has no firm authorization. Board members directed Attorney General counsel to file a *Statement of Charges* and a *Notice of Hearing* with no Consent Agreement to be offered. Motion carried.
- 2017-07B** Upon motion made and seconded, the Board found no probable cause and dismissed this complaint. Motion carried. The Executive Director will notify the Complainant and Respondent.
- 2017-08** Upon motion made and seconded, the Board found probable cause based on a conviction and directed Attorney General counsel to prepare a *Statement of Charges* and a *Consent Decree* that he surrender his license and pay administrative costs including attorney's fees. Motion carried. Let the record show that Jon Cain recused himself from this matter.

**2017-09** Since there is documentation that the licensee FedEx'd a thumb drive with all documents requested by the Complainant, upon motion made and seconded, the complaint was dismissed. Motion carried. The Executive Director will notify the Complainant and Respondent.

Upon motion by Lou Costanzo and second by Horace Emery, the Board went into Executive Session at 11:50 a.m. to consider personnel matters pursuant to W. Va. Code § 6-9A-4. Motion carried.

Upon motion by Lou Costanzo and second by Horace Emery, the Board came out of Executive Session at 12:03 p.m. and made the following actions part of the record.

#### **Personnel Salary Increases**

Upon motion by Lou Costanzo and second by Horace Emery the Board approved salary increases as follows beginning with the October 15, 2017 payroll.

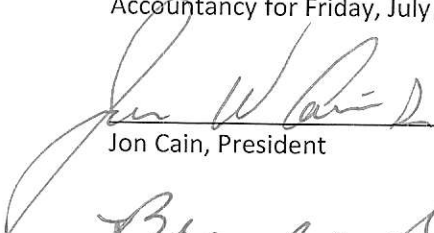
Brenda Turley	from \$75,000.00	to	\$77,500.00
Stefani Young	from \$43,500.00	to	\$45,000.00
Christie Fletcher	from \$30,000.00	to	\$30,000.00

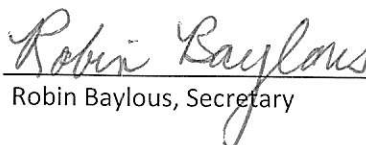
#### **NASBA**


- ▶ The Board reviewed the listing of upcoming NASBA meetings. Jon Cain and Stefani Young will be attending the CPE Registry Conference in Nashville, Tennessee from September 25-27, 2017. Board members are to let the Executive Director know if they plan to attend the 110<sup>th</sup> Annual Meeting from October 29 to November 1, 2017 in New York City.
- ▶ The Board considered inviting NASBA to work with Board members on strategic initiatives. However, with five new members of the Board, they determined that a Strategic Planning Meeting should be postponed until spring to allow new Board members to become acquainted with Board processes. The Board tabled until a later date.

With no further business to come before the Board, upon motion made by Lou Costanzo and second by Ted Lopez, the meeting was adjourned at 12:40 p.m. Board members signed certificates and approved exam and license applications.

We certify that this is a true copy of the Minutes of the regular meeting of the West Virginia Board of Accountancy for Friday, July 28, 2017.

  
Jon Cain, President

  
Robin Baylous, Secretary

  
Brenda S. Turley, Acting Recorder