

**West Virginia
Board of Accountancy**

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



Board Members:
Barry L. Burgess, CPA - President
Louis J. Costanzo, III, CPA - Vice-President
Reed J. Tanner, CPA - Secretary
Donald B. Nestor, CPA - Assistant Secretary
David D. Hill, CPA
Jon W. Cain, Sr., CPA

Earl Ray Tomblin, Governor

Brenda S. Turley, Executive Director

Board Minutes

Friday, April 24, 2015

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The West Virginia Board of Accountancy met in the Board of Accountancy Board Room, Friday, April 24, 2015 at 9:30 a.m. Board members in attendance were Barry Burgess, Louis Costanzo, Donald Nestor, David Hill, and Jon Cain. Also in attendance were Assistant Attorney General, Katherine Campbell; Board staff, Brenda Turley, Executive Director and Stefani Young, CPE Coordinator; and Judy Proctor, CEO, West Virginia Society of CPAs. Reed Tanner joined the Board meeting via teleconference.

The meeting was called to order at 9:30 a.m. by Board President, Barry Burgess.

FIRST ORDER OF BUSINESS

APPROVAL OF MINUTES

Upon motion by David Hill and second by Jon Cain, the Minutes of January 23, 2015 meeting were approved as circulated. Motion carried.

SECOND ORDER OF BUSINESS

CPA EXAMINATION

1. Upon motion by David Hill and second by Jon Cain, the Board approved the listing of 8 successful exam candidates from 2015 Q1. Motion carried.
2. The Board received the list of candidates who sat during the January/February 2015 (2015 Q1) testing window.
3. The Board reviewed the Exam Performance Statistics for 2015 Q1.
4. The Board received the listing of exam candidates approved during 2015 Q1.

THIRD ORDER OF BUSINESS

FINANCIAL REPORT

1. The Board received the Receipts and Disbursements Report for the period ending March 31, 2015 as follows:

Beginning Cash Balance, July 1, 2014		\$562,103.26
Total Receipts	91,625.21	
Total Disbursements	<u>-254,351.77</u>	
Ending Cash Balance, March 31, 2015		<u>399,376.70</u>

2. Upon motion by David Hill and second by Lou Costanzo, the Board ratified the p-card expenditures for 2015 Q1. Motion carried.

3. Upon motion by Don Nestor, and second by David Hill, the Board approved the budget for the July 1, 2015 through June 30, 2016 as presented. Motion carried.

FOURTH ORDER OF BUSINESS**TECHNOLOGY**

Executive Director Brenda Turley gave a verbal report regarding the acquisition of a new e-database licensing system for the Board. She reported that WV Office of Technology had approved the RFQ for release to Purchasing on April 20, 2015. She will be submitting the documents to Purchasing through the wvOASIS system as soon as possible for review and release.

FIFTH ORDER OF BUSINESS**FIRMS**

1. The Board received the listing of firms approved during 2015 Q1.
2. Kate Campbell updated the Board regarding the result of the Supreme Court's Decision for the North Carolina Dental Board and when we could expect the WV Attorney General's recommendation on responses to firms who are performing ERISA audits and those who have PTIN registrations with the IRS. The Board directed Brenda Turley to send the necessary correspondence to the firms identified by the DOL who have performed ERISA audits in this state without benefit of an authorization to perform these services.

SIXTH ORDER OF BUSINESS**LICENSING & CPE**

1. The Board received the listing of those who were approved for licensure during 2015 Q1.
2. The Board received the CPE Status Report from Stefani Young regarding outstanding CPE deficiencies.
3. Per the Fifth Order of Business, Number 3 above, PTIN statuses were discussed at the same time as the ERISA audits. Upon motion by Jon Cain and second by Lou Costanzo, the Board directed Brenda Turley to send letters to those outstanding PTIN registrations on the most recent listing who are not currently active and to provide a copy of the letter to the IRS Office of Professional Responsibility.

SEVENTH ORDER OF BUSINESS**NASBA/PROPOSED LEGISLATION**

1. The Board reviewed the upcoming NASBA meetings. Upon motion by Don Nestor and second by David Hill, Jon Cain and Brenda Turley were authorized to attend NASBA's Eastern Regional Meeting in Baltimore, Maryland on June 24-26, 2015. Motion carried. Lou Costanzo and Brenda Turley will be attending the 108th Annual Meeting October 25-27 in Dana Point California.
2. Brenda Turley and Stefani Young gave a report on the NASBA Executive Directors and Board Staff meeting in Tampa, Florida March 24-26, 2015. Stefani reported that the new method of learning proposed in the revised Statement on Standards for CPE Programs was nano-learning. According to the Proposed Standards, nano learning is a tutorial program designed to permit a participant to learn a given subject in a ten-minute timeframe through the use of electronic media and without interaction

with a real time instructor. Board members requested that Stefani keep them posted on the status of nano-learning in the Proposed CPE Standards.

Brenda Turley reported on the changes to the examination considered by AICPA. Some of the changes include allowing a candidate to sit twice in the same window for the same part and changing the name of one or more parts of the examination as a result of re-ordering exam content.

Brenda Turley reported on her visit to NASBA University from April 7-9, 2015 in Nashville, Tennessee. Over the two-day visit, she became familiar with NASBA's staff and the services that NASBA offers to State Boards. One of the big take-aways from this visit were the differences between foreign credentialing services in side-by-side comparisons. She also reported that she will work with NASBA to create a Board newsletter.

3. The Board considered additional legislative changes as a result of proposed changes to the Examination by AICPA. These changes will be considered in the Legislative Changes Committee meeting to be scheduled at a later date.
4. Upon motion by Jon Cain and second, by David Hill, the Board agreed to allow NASBA to provide West Virginia Candidate e-mail addresses to Kansas State University for a research project. The project will be looking at the relationship between earning Advanced Placement credit and CPA exam performance, attitudes of board members toward granting APcredit and current board policies. Motion carried.
5. The Board members reviewed and discussed the NASBA Compliance Assurance Committee's report entitled *Failed Report Guidance*.

Board members broke for lunch at 12:20 p.m. and resumed the meeting at 12:54 p.m.

EIGHTH ORDER OF BUSINESS

COMPLAINTS

Upon motion by Jon Cain and second by Don Nestor, the Board entered into Executive Session at 12:55 p.m. pursuant to W. Va. Code § 6-9A-4 to consider disciplinary matters. Motion carried.

Upon motion by Don Nestor and second by David Hill the Board came out of Executive Session at 1:30 p.m. and made the following actions part of the record. Motion carried.

In the matter of 2010-04 Upon motion by David Hill and second by Jon Cain, the Board directed that a letter be written advising the Respondent what parts of the Consent Order are still not in compliance. Until Consent Order has been fully executed, Respondent cannot sign off on any attest work. Motion carried.

In the matter of 2013-01 It was noted that the Respondent filed his quarterly report timely and is currently in compliance with the amended consent order. This matter is continued.

In the matter of 2013-07 Upon motion by Don Nestor and second by David Hill, this matter is being held in abeyance for six months. Assistant Attorney General Kate Campbell will send letter to Respondent's attorney. Motion carried.

NINTH ORDER OF BUSINESS**OTHER**

1. Board members reviewed the request from Z. LeFevre to extend his rolling-18-month window an additional two months as a result of the release of a score of FAIL for a re-scored part he actually PASSED on July 30, 2014. He also requested that the highest score be retained for this Passed Part. Upon motion by Lou Costanzo and second by Jon Cain, the Board agreed to the two month extension as well as acceptance of the highest score secured on the part re-tested. Motion carried. Don Nestor and David Hill left the Board room and abstained from participation in this action.
2. The Board reviewed a request from an exam candidate for modification of the CPA Exam due to a learning disability. Upon motion by David Hill and second by Jon Cain, the Board agreed to allow the special accommodations of a quiet room and double time. Motion carried.
3. The Board reviewed a letter from a licensee requesting that the Board issue a position regarding any ethical considerations should a licensee withdraw from an engagement for which he had not been paid and could it result in a disciplinary action from the Board. Upon motion by David Hill and second by Lou Costanzo, the Board determined that the licensee was requesting legal advice, which is not within the jurisdiction of the Board. The Board also noted that disciplinary actions are considered on a case-by-case basis and the Board will not respond to hypothetical situations. Brenda Turley to inform licensee by letter. Motion carried. Jon Cain abstained from participation in this action.
4. The Board reviewed information from a licensee concerning the firm name of another licensee. After considering the name on the firm's letterhead, upon motion by Jon Cain and second by Don Nestor, the Board instructed Brenda Turley to write a letter requesting the firm to correct the format of the letterhead to that of the name approved by the Board. Motion carried.

The above actions were considered while still in Executive Session.

5. The Board reviewed the quotes of two providers to scan licensing documents for preservation and to eliminate the paper files. After consideration of all the details, upon motion by David Hill and second by Don Nestor, the Board agreed to accept the quotation provided by Precision Services Inc. for document scanning services not to exceed \$30,000. Motion carried.

TENTH ORDER OF BUSINESS**REQUESTS**

1. Upon motion by Lou Costanzo and second by Don Nestor, the Board approved hiring a summer intern at \$10.00 per hour to identify the disposition of 62 boxes of paper currently residing in the Board Office. The intern, under the direction of the Executive Director, will determine what needs to be scanned and maintained in an electronic format or shredded and thrown away. Motion carried.

2. Upon motion by David Hill and second by Jon Cain, the Board approved the Records Retention and Disposal Schedule as presented to the Board. Motion carried.

Board members signed the Certificates and approved the exam and license applications indicated on the listing provide to Board members. (Copy attached)

Upon motion by Jon Cain and second by David Hill, the meeting adjourned at 2:07 p.m.

We certify that this is a true copy of the Minutes of the regular meeting of the West Virginia Board of Accountancy held on Friday, April 24, 2015.



Barry L. Burgess, President



Reed J. Tanner, Secretary



Brenda S. Turley, Acting Recorder



Donald B. Nestor, Assistant Secretary