West Virginia
Board of Accountancy

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

Jim Justice, Governor

Board Members:
Jon W. Cain, Sr., CPA - President
Robin M. Baylous, CPA - Vice President
Horace W. Emery, CPA - Secretary
Richard A. Riley, Jr. CPA, PhD, CFE, CFF, Assist. Sec.
Theodore A. Lopez, CPA
Joseph T. Holley, CPA
Jean A. Bailey, Public Member

Brenda S. Turley, Executive Director

The Board of Accountancy met on Thursday, October 25, 2018 at 9:30 a.m. in the R. Emmett Boyle Conference Center located at West Liberty University, West Liberty, WV 26074.

Board Members in Attendance were:
Jon W. Cain, Sr., CPA
Robin M. Baylous, CPA
Horace W. Emery, CPA
Richard A. Riley, Jr., CPA
Joseph T. Holley, CPA
Jean A. Bailey, Public Member

Others in Attendance were:
Keith Fisher, Assistant Attorney General
Brenda S. Turley, Executive Director
Stefani D. Young, Board Staff
Sara B. Short, Board Staff

Theodore A. Lopez, CPA was unable to attend.

The meeting was called to order by Board President, Jon Cain at 9:31 a.m.

Upon motion by Horace Emery and second by Robin Baylous, the Board went into Executive Session at 9:34 a.m. to consider disciplinary matters pursuant to W. Va. Code § 6-9A-4. Motion carried. Upon motion by Horace Emery and second by Robin Baylous, the Board came out of Executive Session at 10:33 a.m. and made the following actions part of the record:

1. COMPLAINTS

- **2017-07A**
- **2018-01**
- **2018-03**
- **2018-08**

All of these matters involve the same Respondent, Christopher Allman. With the finalization of the *Petition for Injunction* filed in Putnam County Circuit Court, upon motion by Robin Baylous and second by Horace Emery, these **matters were closed**. Motion carried. The Executive Director will notify all Complainants as well as the Respondent.

- **2018-10** Upon motion by Robin Baylous and second by Horace Emery, the Board voted to dismiss this complaint due to insufficient evidence to proceed. Motion carried. Executive Director will notify the Complainant and the licensee.

- **2016-05** The Complaint Committee informed Board members that the fees required to be reimbursed by the Respondent had not been paid. The Executive Director sent a letter just before the Board meeting to request the payment within 30 days. The Executive Director will continue to monitor the *Consent Agreement* until the fees are paid. Upon motion by Robin Baylous and second by Horace Emery, the Board **voted to close the case**. Motion carried. Should the Respondent fail to pay the required fees set forth in

the *Consent Agreement*, the Board will follow through by opening another matter. Let the record reflect that Board President, Jon W. Cain, recused himself due to his association with those affected. He left the room and did not return until Board members were completely finished with the discussion on this matter.

- **Peer Review Issues:** The Board of Accountancy receives monthly updates regarding firms or individuals who have been dropped from the Peer Review Program for non-cooperation. Therefore, the Complaint Committee developed a protocol for handling those firms and licensees. The protocol requires the Executive Director to send a *letter of inquiry* to the licensee or firm as soon as the listing is available. If the licensee or firm does not answer within sixty (60) days, the Executive Director will follow up with a phone conversation. If the licensee or firm indicates that he/she/it is no longer performing attest or compilation services, the Executive Director will request the licensee or firm to provide an email to that effect for the record.

- Upon motion by Horace Emery and second by Joseph Holley, the Board broke for lunch from 11:00 a.m. to 12:15 p.m. to meet with West Liberty students, faculty, and public members attending the Open Session of the Board meeting. Motion carried.

BREAK FOR LUNCH / PRESENTATIONS / QUESTIONS FROM THE PUBLIC 11:00 a.m. to 12:15 p.m.

- Board President, Jon Cain, provided a short presentation regarding the role of the Board of Accountancy. He also gave a special thank you to out-going Board member, Louis J. Costanzo, III, for his service on the Board from 2011 - 2018.
- Guest speaker, Patrick Felton, CPA, provided a short presentation regarding the role of the West Virginia Society of CPAs.
- Guest speaker Ashley Metivier, from the National Association of Boards of Accountancy (NASBA), gave a short video presentation regarding *Ethics in the Work Place*.

Board President, Jon Cain, called the meeting back to order at 12:15 p.m.

2. APPROVAL OF MINUTES

- Upon motion by Horace Emery and second by Joe Holley, the Board approved the Minutes of July 20, 2018 as presented. Motion carried.
- Upon motion by Horace Emery and second by Joe Holley, the Minutes of the October 1, 2018 were approved as presented. Motion carried.

3. FINANCIAL REPORT / P-CARD

- The Board received the *Receipts and Disbursements Report* for the period ending September 30, 2018 as follows:

Beginning Cash Balance, July 1, 2018	$578,701.46
Total Receipts	86,430.00
Total Disbursements	(101,675.63)
Ending Cash Balance, September 30, 2018	$563,455.83

- Upon motion by Horace Emery and second by Joseph Holley, the Board ratified P-Card purchases for 2018 Q3. Motion carried.

4. CPA EXAMINATION

- Upon motion by Horace Emery and second by Richard Riley, the Board approved the 2018 Q3 Successful Exam Candidates. Motion carried.

- Board members reviewed an email regarding future implementation of continuous Exam testing. The Board discussed whether statute or regulation changes would need to be filed, especially regarding the section of the Rules surrounding sitting again in the same "testing window." Assistant Attorney General Keith Fisher indicated that he believed the current language in Board Rules would be sufficient, but that the Board should review any revised UAA regulations to determine if the Board should adopt the language the next time *Rule* changes are filed. Board staff will continue to keep Board members apprised of future implementation dates.

- Michael T. Blackwell, Director of the Undergraduate Business Program at West Liberty University, submitted a question regarding eligibility for a current student to sit under the graduate-level provision of the Rules. Mr. Blackwell indicated that the student was working toward obtaining an MBA with a concentration in accounting. Board members discussed whether an MBA and a Masters of Accountancy were equivalent. Board member Richard Riley explained the differences between the two. Board members determined that an MBA and a masters in accountancy were not equivalent. Therefore, the student would need to meet the specific course requirements to qualify to sit for the examination as a West Virginia candidate.

- Board member, Dr. Richard Riley, presented a MOOC (Massive Open Online Course) on Forensic Accounting and Fraud Examination that he and Dr. Richard Dull developed. Dr. Riley asked the Board to review this MOOC for CPE credit. Executive Director, Brenda Turley, explained that the Board does not have the resources to determine if a course meets the Standards published in *NASBA's Statements on Standards for CPE Programs*. Ms. Turley explained that with the adoption of the *Statements on Standards for CPE Programs*, the Board has relied on NASBA for the expertise, resources and knowledge to approve CPE courses that are not among the exempt providers listed in *Board Rules and Rules of Professional Conduct*. She pointed out that the CPE Standards recommend several methods for evaluating and assigning course hours to a program. After a brief discussion on pilot testing, Board members Horace Emery and Joseph Holley volunteered to review the MOOC and provide their feedback at the next scheduled Board meeting. Board members agreed.

5. LICENSING / CPE / FIRMS

- The Executive Director gave a brief oral report on the status of the newly implemented Criminal History Record Check. As a result of the criminal history report and the answers received from the licensure applicants, Board staff requested the Board to consider whether the eligibility questions on the application for licensure were sufficient. Board members agreed that the Board should review the eligibility questions for more accurate phrasing. The Executive Director and Assistant Attorney General will work together in the upcoming weeks to present a list of new eligibility questions to the Board for review at the next scheduled Board meeting in January.

- The Executive Director provided Board members with information regarding Alabama's use of NASBA's ALD to pull a listing of licensees who live or work in that state, but are not currently a licensee. After a review of the number of reciprocal applications filed with the Alabama Board, the

Board directed Board staff to request the list. Board staff will work with Assistant Attorney General to develop the language for the mailing. All Board members agreed.

6. LEGISLATURE / STATE GOVERNMENT

- Board staff made Board members aware of the upcoming Annual West Virginia State Auditor's Seminar for Chapter 30 Licensing Boards. Joe Holley and Jean Bailey agreed to attend.

- The Executive Director provided copies of the report the Board will submit on October 26, 2018 to the Governor and the Legislature to meet the requirements of the Governor's Executive Order No. 318. Upon motion by Horace Emery and second by Robin Baylous, the Board members approved the report. Motion carried.

- The Executive Director made the Board members aware that the Board is required to provide an Annual Report to the Governor each year. She indicated that the report should be completed by late November and will be available for all Board members to review. The Board President and Secretary are required to sign it before submission.

7. TECHNOLOGY

- The Executive Director reported the status of the online application approvals and the improvement in general turn-around time for approval of the applications. Current Board participants are Horace Emery, Robin Baylous, and Richard Riley. Ms. Turley asked for participation in training the remaining Board members in the online approval process during the coming weeks. All attending members agreed.

8. NASBA / AICPA

- Board members reviewed the upcoming NASBA meetings. It was determined that Brenda Turley, Robin Baylous, and Jon Cain would attend the 111th Annual Meeting in Scottsdale, AZ from October 28-31, 2018.

- For scheduling purposes, information was provided to Board members regarding the following 2019 NASBA meetings:
  - → the 37th Annual Executive Director & Board Staff Conference - March 26 - 28, 2019, in San Antonio, TX
  - → the Eastern Regional Meeting - June 11-13, 2019, in Washington DC
  - → the 112th Annual Meeting in Boston, MA - October 27-30, 2019.

- Board members will advise the Executive Director if they will be attending a meeting as the dates draw closer.

9. OTHER

- The Board scheduled the following Board meeting dates for calendar year 2019:

  Tuesday, January 22, 2019
  Thursday, April 18, 2019
  Friday, July 12, 2019
  Annual Off-Site Board Meeting in October - To Be Determined

The following reports were made part of the quarterly record and available in each member's meeting book for 2018 Q3:

- Exam Candidates Sat
- Approved Exam Candidates
- Approved Firms
- Approved Licensees
- Candidate Care Report

With no further business to come before the Board, upon motion made by Robin Baylous and second by Horace Emery, the meeting was adjourned at 1:21 p.m. Board members signed the 26 certificates of newly licensed West Virginia CPAs.

We certify that this is a true copy of the Minutes of the West Virginia Board of Accountancy for Thursday, October 25, 2018.

Board President

Secretary

Assistant Secretary

Acting Recorder