

# 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

**Tuesday, January 22, 2019 9:30 a.m.**

**Board Meeting Minutes**

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The Board of Accountancy met on Tuesday, January 22, 2019 in the Board room at 405 Capitol Street, Suite 908 at 9:30 a.m.

## **Board Members in Attendance were:**

Jon W. Cain, Sr.  
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 D. Fisher, Assistant Attorney General  
Brenda Turley, Board Staff  
Sara Short, Board staff  
Judy Proctor, CEO, WV Society of CPAs

Board member, Theodore A. Lopez, CPA, was unable to attend.

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

## **1. Approval of Minutes**

- ▶ Upon motion by Horace Emery and second by Robin Baylous, Board members approved the Minutes of October 25, 2019. Motion carried.

## **2. Complaints**

Upon motion by Horace Emery and second by Joseph Holley, the Board went into Executive Session at 9:35 a.m. to consider disciplinary matters pursuant to W. Va. Code § 6-9A-4. Motion carried.

Upon motion by Horace Emery and second by Richard Riley, the Board came out of Executive Session at 10:44 a.m. and made the following actions part of the record:

- ▶ 2019-01 All of these matters involve the same Respondent. Board members held an informal
- 2019-02 conference with the Respondent during Executive Session. After returning to Regular
- 2019-05 Session, upon motion by Robin Baylous and second by Horace Emery, Board members directed the Executive Director to send a letter to the Respondent giving him two weeks to return the complainants' records. The Board also directed that the Respondent be reminded that only those who are licensed may use the CPA or Certified Public Accountant credential. Assistant Attorney General, Keith Fisher, will review the letter before it is sent. Motion carried.
- ▶ 2019-04 Upon motion by Robin Baylous and second by Horace Emery, the Board directed the Executive Director to file a Board-initiated complaint based on information that the

Respondent pled guilty to one felony count of "misprision of a felony" with the United States District Court, Western District of Kentucky at Louisville. Assistant Attorney General, Keith Fisher, will review the letter before sending. Motion carried.

- ▶ Respondent using CPA credential without a license to practice Board members were advised that Board staff had secured other addresses and re-mailed the original letter to the new addresses the week before the Board meeting. This matter is continued.
- ▶ Respondent with improper firm sign / no firm permit Board staff advised Board members that the licensee had been in contact via telephone and email. The Respondent emailed that he had taken down the firm sign on January 19, 2019. Board staff had advised him that he would need to complete a firm reinstatement application immediately. The Board will follow-up with Respondent to request photo of newly-installed firm sign. This matter is continued.
- ▶ The Complaint Committee reported on the status of several Peer Review matters. Since there were no Board-initiated complaints filed, these matters were closed once the licensee provided the information requested.

### 3. Financial Report / P Card / Budget

- ▶ The Board received the *Receipts and Disbursements Report* for the period ending December 31, 2018 as follows:

Beginning Cash Balance, July 1, 2018	\$578,701.46
Total Receipts	101,012.08
Total Disbursements	<u>(195,670.05)</u>
Ending Cash Balance, December 31, 2018	484,043.49

- ▶ Upon motion by Horace Emery and second by Robin Baylous, the Board ratified the P-Card expenditures for 2018 Q4.

### 4. CPA Examination

- ▶ Upon motion by Horace Emery and second by Robin Baylous, the Board approved the *2018 Q4 Successful Exam Candidates* listing.
- ▶ The Board reviewed the *2018 Q4 Candidate Performance Reports* generated by the National Association of State Boards of Accountancy.
- ▶ Board members reviewed the request from Board staff to limit the length of time an applicant is allowed to provide information for an application. Board staff reported that there were a few applicants who had not provided the requested information and the application was now more than one year old. Upon motion by Joseph Holley and second by Robin Baylous, the Board adopted the following policy regarding this matter:



*An applicant will be given six months from the initial filing date of the application to provide the Board with requested information. Should the required information not be provided with the initial application, Board staff will email a reminder with a read receipt. The reminder will request the required information and advise the applicant that failure to provide the requested information within the specified time period will result in denial of the application. Board staff will send one final email with read receipt fully informing the applicant that the application status will be marked "Incomplete-Denied" if information is not provided by a specific date. The Board will continue to maintain all received transcripts in the applicant's online record.*

- ▶ Upon motion by Horace Emery and second by Joseph Holley, the Board adopted the following policy regarding the length of time a character reference form is valid.

*Completed and signed character reference forms are valid for six months after the character reference signs the form.*

- ▶ Board members discussed information provided in a NASBA email chain regarding whether a course in Data Analytics would qualify as an "accounting course" toward taking the examination. The Board advised that a data analytics course from the accounting department of a college or university would qualify as an accounting elective for the examination. A data analytics course from the business department of a college or university would qualify as a business elective. Data analytics courses from other departments would need to be evaluated on a case-by-case basis.

## **5. Licensing / CPE / Firms**

- ▶ Board members reviewed information that Ryan & Associates, AC no longer have a Certified Public Accountant as a shareholder. Upon motion by Horace Emery and second by Joseph Holley, the Board directed the Executive Director to send a letter to Ryan & Associates, AC regarding this matter. The letter will be carbon copied to the West Virginia Secretary of State's Office, Business Division. Keith Fisher, Assistant Attorney General, will review the letter before it is sent. Motion carried.
- ▶ Horace Emery and Joseph Holley gave a report on their review of the Coursera MOOC - Forensic Accounting & Fraud Examination course created by West Virginia University. Upon motion by Horace Emery and second by Joseph Holley, the Board members approved the course for eight (8) hours of CPE credit. Motion carried. Richard Riley abstained from voting.
- ▶ Board members discussed an inquiry requesting information about whether the Board would revoke a CPA license if the federal government should decide to enforce federal regulations regarding medical marijuana. After discussion, Board members directed the Executive Director to notify the inquirer that the Board does provide legal advice and to



suggest that he contact an attorney.

- ▶ The Executive Director reported that over 1,200 licensees have filed their online CPE Reports to date and 17 CPE Extensions have been filed.

Board Members broke for lunch at 12:00 p.m.

The meeting resumed at 12:40 p.m.

## 6. Legislative Rules

- ▶ Board members reviewed and discussed the impact of House Bills 2004 (Providing for a program of instruction in workforce preparedness) and 2204 (Prohibiting state licensing boards from hiring lobbyists).

## 7. Technology

- ▶ The Executive Director reported that online application approval is progressing well. Most applications are being approved within two to three days after all information has been received. During the next phase, Board staff will work to develop online application approval for firms and authorizations.

## 8. NASBA / AICPA

- ▶ Board members reviewed the listing of upcoming NASBA meetings. They will let the Executive Director know which meetings they will be attending.
- ▶ Board members discussed the proposed changes to Peer Review language in the *Uniform Accountancy Act Model Rules*. Horace Emery advised that these changes were in keeping with the evolution of the AICPA Peer Review program. There were no recommendations for changes to the proposed language.
- ▶ Board members discussed the proposed changes to the *UAA Model Rules* to allow for continuous testing. They reviewed the UAA proposed language and determined that the Board's current *Rules* accommodate continuous testing and were sufficient without change.

## 9. Other

- ▶ Board members decided that the October meeting would be held at Glenville State College in Glenville, WV. The Executive Director was directed to contact Cheryl McKinney, Chair and Associate Professor of Accounting, to determine the best date in October 2019 for the meeting.
- ▶ The Board reviewed the information provided regarding the change to the lease/management of the Board's office at 405 Capitol Street.
- ▶ The Executive Director gave a report regarding the status of changes to Eligibility Questions on Board applications and renewals. She reported that she had reviewed other states' application and renewal language as well as current Board Rules. She will work with the Assistant Attorney General to provide recommended changes for the Board to review at the next meeting.

- ▶ The Executive Director gave a report regarding the status of the ALD listing of licensees from other states with West Virginia addresses. She reported that the listing provided over 700 individuals and firms of various licensure status from many states. She will work with the Assistant Attorney General on template language for the letters once it is determined who should receive what type of letter.
- ▶ The Executive Director gave a report on the status of CPA Examination video created by NASBA for publication on the Board's website. She will provide editing language to NASBA based on the suggestions received from the Board members in December.

#### **10. Personnel Matters**

Upon motion by Horace Emery and second Robin Baylous, the Board went into Executive Session at 2:00 p.m. pursuant to W. Va. Code § 6-9A-4 to consider promotions, pay increases and other personnel matters. The Board requested that Board staff leave the room. Upon motion and second, the Board came out of Executive Session at 2:30 p.m. and made the following actions part of the record.

- ▶ Upon motion by Horace Emery and second by Robin Baylous, effective with the first pay period in February, the Board:
  - (1) promoted Sara Short to Office Coordinator I with a \$3,000.00 increase in salary; and
  - (2) approved a salary increase for the Executive Director and the CPE Coordinator of \$1,500.00 each. Motion carried.
- ▶ The Executive Director informed the Board of her intent to retire on December 31, 2020. Keith Fisher, Assistant Attorney General, was directed to research state requirements for posting vacancies and report to the Board at the next meeting. Board members also requested the Executive Director to research the salaries of the Executive Directors and staff positions of other Chapter 30 Boards, indicate the number of licensees related to the various Boards, and report the findings at the next meeting.

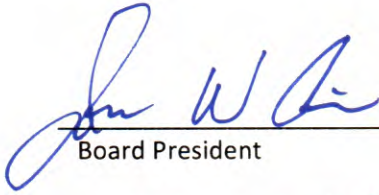
The following reports were made part of the quarterly record and available in each member's meeting book for 2018 Q4:

- ▶ Exam Candidates Sat
- ▶ Approved Exam Candidates
- ▶ Approved Firms
- ▶ Approved Licensees
- ▶ Candidate Care Report
- ▶ Certificates Available for Signature

Board members signed sixteen certificates.

With no further business to come before the Board, upon motion by Horace Emery and second by Joseph Holley, the meeting was adjourned at 2:45 p.m. We certify that this is a true copy of the Minutes of the West Virginia Board of Accountancy for Tuesday, January 22, 2019.

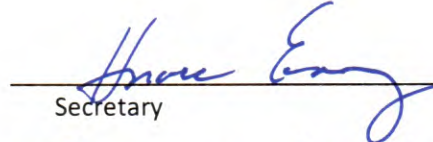




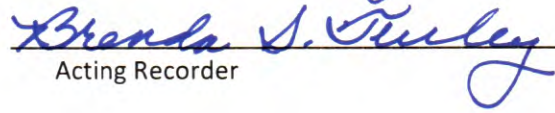
Board President



Assistant Secretary



Secretary



Acting Recorder