

# West Virginia Board of Accountancy

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



*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*

Jim Justice, Governor

Brenda S. Turley, Executive Director

**Friday, April 26, 2019 9:30 A.M.**

**Board Meeting Minutes**

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The Board of Accountancy met on Friday, April 26, 2019 at 9:30 a.m. in the Board of Accountancy conference room at 405 Capitol Street, Suite 908, Charleston, WV 25301

#### Board Members in Attendance:

Jon W. Cain, Sr., CPA  
Robin M. Baylous, CPA  
Richard A. Riley, Jr., CPA  
Horace W. Emery, CPA  
Theodore A. Lopez, CPA  
Joseph T. Holley, CPA  
Jean A. Bailey, Public Member

#### Others in Attendance:

Keith D. Fisher, Assistant Attorney General  
Brenda S. Turley, Board Staff  
Stefani Young, Board Staff  
Judy Proctor, CEO, WV Society of CPAs

The meeting was called to order at 9:34 a.m. by Board President, Jon Cain, for which the following actions were recorded.

### 1. Approval of Minutes

- ▶ Upon motion by Robin Baylous and second by Horace Emery the Minutes of January 22, 2019 and February 14, 2019 were approved as circulated. Motion carried.

### 2. Complaints

- ▶ Upon motion by Robin Baylous and second by Horace Emery, the Board went into Executive Session at 9:36 a.m. to consider disciplinary matters pursuant to W. Va. Code § 6-9A-4. Motion carried.
- ▶ Upon motion by Robin Baylous and second by Horace Emery, the Board came out of Executive Session at 10:24 and made the following actions part of the record:

**2017-07A** On April 10, 2019, an *Order Holding Respondent in Contempt of Permanent Injunction* (Order) was signed by Judge Stowers in Putnam Circuit Court. The Order allows the respondent to be fined \$50 per day for each day he does not comply with the Order to a maximum of 90 days to respond or be fined or serve ten days in jail or both. This matter is continued.

**2019-01** Since the Complainant sent written confirmation that she had received her records, upon motion by Robin Baylous and second by Ted Lopez, the Board voted to **close this matter**. Motion carried.

- ▶ **2019-02** All of these matters are complaints against the same Respondent. Upon motion
- ▶ **2019-05** by Robin Baylous and second by Horace Emery, the Board directed the Assistant
- ▶ **2109-06** Attorney General to combine these matters in a board-generated complaint and
- ▶ **2019-08** give the Respondent thirty (30) days to respond. If the Respondent fails to answer,
- ▶ **2019-09** a Hearing will be scheduled in this matter. Motion carried.
  
- ▶ **2019-03** Since the Complainant provided an email on February 12, 2019 requesting to withdraw this complaint, upon motion by Robin Baylous and second by Horace Emery, the Board found no probable cause and voted to **dismiss this matter**. Motion carried.
  
- ▶ **2019-04** Since the Respondent in this matter is due to be sentenced in federal court in June 2019, upon motion by Robin Baylous and second by Horace Emery, the Board voted to wait until after the sentencing before making a decision regarding the appropriate action in this matter. This matter is continued.
  
- ▶ **2019-07** After a review of the circumstances surrounding this matter, upon motion by Robin Baylous and second by Horace Emery, the Board found no probable cause and **closed this matter**. Motion carried.
  
- ▶ **Peer Review Matters:** Board members were informed of two peer review matters that were not fully resolved that the Complaint Committee will continue to follow. No action required from Board members.
  
- ▶ **Firm Matters:** Board members were informed about three firms the Complaint Committee had been following.
  - ▶ Firm #1: Since the firm had complied with all of the Board requirements, the Board closed this matter.
  
  - ▶ Firm #2: This firm has an active Accounting Corporation through the Secretary of State's Office and advertises through Facebook and Linked In. The firm failed to renew the firm permit as of July 1, 2018. Upon motion by Robin Baylous and second by Horace Emery, the Board directed the Executive Director to reach out to the firm by phone call and letter as one last attempt for compliance. If the firm fails to comply, the Board directed the Executive Director to notify the Secretary of State's office and request that they administratively revoke/dissolve the firm. Motion carried.
  
  - ▶ Firm # 3 With the death of the sole CPA-owner, and the subsequent withdrawal of the CPA with majority ownership, this business no longer meets the requirements to continue to operate as an Accounting Corporation. Upon motion by Robin Baylous and second by Horace Emery, the Board directed the Executive Director to write a letter to the Secretary of State's Office requesting administrative revocation of the Accounting Corporation. Motion carried.

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

- ▶ The Board received the *Receipts and Disbursements Report* for the period ending March 31, 2019 as follows:

Beginning Cash Balance, July 1, 2018	\$578,701.46
Total Receipts	125,902.08
Total Disbursements	<u>282,588.43</u>
Ending Cash Balance, March 31, 2019	\$422,105.11
  
- ▶ Upon motion by Robin Baylous and second by Horace Emery, the Board ratified the P-Card purchases for 2019 Q1. Motion carried.
  
- ▶ Upon motion by Horace Emery and second by Robin Baylous, the Board approved the budget as submitted. Motion carried.

**4. CPA Examination**

- ▶ Upon motion by Robin Baylous and second by Jean Bailey, the Board approved the listing of candidates who passed the Examination during 2019 Q1. Motion carried.
  
- ▶ The Board reviewed the listing of the two West Virginia exam candidates who received the AICPA's prestigious Elijah Watts Sells in 2018. The two West Virginia candidates were Sarah Henderson and Cailin Yoho Thompson.
  
- ▶ Board members reviewed information and transcripts concerning an exam applicant who took required courses via community college after achieving a baccalaureate degree. Upon motion by Robin Baylous and second by Horace Emery, the Board requested the Exam candidate to provide the syllabi to determine if the courses are suitable for credit. Dick Riley and Jean Bailey will review and advise re: acceptability. Should a similar incident occur in the future, the courses will be reviewed on a case-by-case basis. Motion carried.

**5. Licensing / CPE / Firms**

- ▶ Board members reviewed the 2018 CPE Non-Compliance reports.
  
- ▶ Board members reviewed two requests for waiver of the CPE late filing fee. Upon motion by Dick Riley and second by Horace Emery, the Board denied both requests for waiver. The CPE Coordinator will notify the licensees. Motion carried.
  
- ▶ The Executive Director reported the status of the ongoing review of the Eligibility Questions on all applications and renewals.
  
- ▶ The Executive Director reported that, after reviewing the ALD listing of names received from NASBA, there were approximately 175 people who may possibly receive a letter. Assistant Attorney General and Executive Director will collaborate on template letter to send to these individuals.
  
- ▶ WV Society of CPAs CEO, Judy Proctor, requested that the Board notify the Society when a disciplinary action is finalized and ready for publication on the web site.

**6. Legislature**

- ▶ Upon motion by Dick Riley and second by Horace Emery, the Board approved the proposed rules as provided by the Assistant Attorney General and Executive Director. The only suggested change was to remove the comma and replace it with a period at 2.10 - "Military families" definition. This rule change was implemented to satisfy a legislative requirement to eliminate first time licensure fees for low income and military families. (SB 396 - 2019 legislative session). The rules also include language to accommodate year-round CPA Examination testing. When the Proposed Rules are filed with the Secretary of State's Office, the 30-Day Comment Period Notice will be posted to the website and the licensees, firms, CPA Exam Candidates and CPA-Inactives are to be notified via email. Motion carried.
  
- ▶ The Board reviewed HB 2004. Board members noted that the Executive Director had tried to phone the Department of Education regarding the requirements of this legislation. Since there is no deadline for filing rule changes to accommodate the requirements of this bill, the Board tabled the discussion until further information is received from the Education Department.
  
- ▶ The Board reviewed HB 2204 which prohibits state licensing boards from hiring lobbyists - signed by the Governor on March 19, 2019 and effective May 30, 2019.

The Board called a Lunch Break at 12:24 p.m.

The meeting was called back to order at 1:07 p.m.

**7. NASBA / AICPA**

- ▶ The Board reviewed the listing of upcoming NASBA meetings. Robin Baylous, Horace Emery, Jean Bailey, Jon Cain, and Joseph Holley expressed an interest in attending the Eastern Regional Meeting in Washington DC on June 11-13, 2019.
  
- ▶ The Board reviewed the annual requirement for Board members to secure antitrust training annually. The Executive Director updated the Board regarding the antitrust video prepared by NASBA and for review on their site.
  
- ▶ Board members were informed that Dan Dustin, NASBA Vice President, State Board Relations, has requested to attend the July 12, 2019 meeting and update Board members regarding national and local concerns. Board members approved the visit.
  
- ▶ The Executive Director reported that the suggested revisions had been made to the "Apply to Take the CPA Exam" video for the Board's website. Board members directed the Executive Director to provide the link to Board members for their review and approval and to post it to the website as the Board members agree via email communication.

**8. Other**

- ▶ The Executive Director reported the dates that Glenville State College had available to host a Board meeting. Board members approved Thursday, October 24, 2019 for the Glenville meeting.

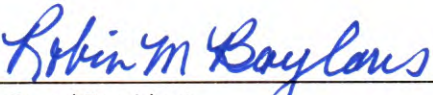
- ▶ Upon motion and second, the Board nominated the following roster of officers for the new fiscal period beginning July 1, 2019:
  - Robin Baylous - President
  - Horace Emery - Vice-President\*
  - Richard Riley - Secretary\*
  - Ted Lopez - Assistant Secretary
  
- \* Horace Emery will serve as Complaint Committee Chair and Richard Riley will serve as Complaint Committee member. Motion carried.
  
- ▶ With the impending retirement of the current Executive Director, Board members reviewed a table of Executive Director and Board employee salaries for West Virginia Chapter 30 Boards. After their review, the Assistant Attorney General provided Board members with the procedure for state job postings. Board members agreed that it would follow "best practices" when considering who to hire for the Executive Director position. This matter will be continued.
  
- ▶ The next Board Meeting will be held July 12, 2019 in the Board Office Conference room.
  
- ▶ Board members signed certificates and approved exam and license applications.

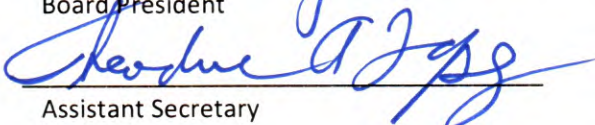
The following reports were made part of the quarterly record and available in each member's meeting book for 2019 Q1:


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

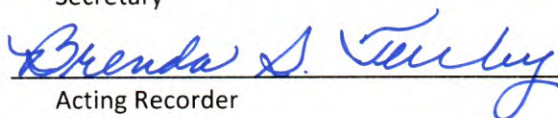
With no further business to come before the Board, upon motion made by Horace Emery and seconded by Ted Lopez, the meeting was adjourned at 2:45 p.m.

We certify that this is a true copy of the Minutes of the West Virginia Board of Accountancy for Friday, April 26, 2019.

  
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Board President

  
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Assistant Secretary

  
\_\_\_\_\_  
Secretary

  
\_\_\_\_\_  
Acting Recorder