West Virginia
Board of Accountancy

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

Jim Justice, Governor

Board Members:
Robin M. Baylous, CPA - President
Horace W. Emery, CPA - Vice President
Richard A. Riley, Jr. CPA, PhD, CFE, CFF - Secretary
Theodore A. Lopez, CPA - Assistant Secretary
Joseph T. Holley, CPA
Harold B. Davis, CPA
Jean A. Bailey, Public Member

Brenda S. Turley, Executive Director

The Board of Accountancy met on Friday, July 12, 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 were:
Robin M. Baylous, CPA - President
Horace W. Emery, CPA
Richard A. Riley, Jr., CPA
Theodore A. Lopez, CPA
Joseph T. Holley, CPA
Jean A. Bailey, Public Member

Others in Attendance were:
Keith D. Fisher, Assistant Attorney General
Brenda S. Turley, Executive Director
Stefani D. Young, Board Staff
Dan Dustin, NASBA
Judy Proctor, WV Society of CPAs

Harold B. Davis was appointed to the Board by Governor Justice on July 11, 2019. Due to a scheduling conflict, Mr. Davis was unable to attend this meeting.

The meeting was called to order at 9:30 a.m. for which the following actions were recorded.

1. Approval of Minutes

- Upon motion by Horace Emery and second by Joe Holley, the Minutes of the April 26, 2019 meeting were approved as presented.

2. Complaints

- Upon motion by Horace Emery and second by Dick Riley, the Board went into Executive Session at 9:31 a.m. to consider disciplinary matters pursuant to W. Va. Code § 6-9A-4. Motion carried.

- Upon motion by Horace Emery and second by Dick Riley, the Board came out of Executive Session at 10:25 a.m. and made the following actions part of the record. Motion carried.

2017-07A The Complaint Committee reported that the Assistant Attorney General and the Executive Director had been working with LinkedIn to remove the prohibited language from Mr. Allman's LinkedIn page. The *Order Holding Respondent in Contempt of the Permanent Injunction* signed by Judge Stowers on April 10, 2019, gives Mr. Allman until July 23, 2019 to remove the prohibited language from his social media accounts. Upon motion by Horace Emery and second by Dick Riley, Board members voted to give the Assistant Attorney General the authority to

proceed with Circuit Court in the manner most appropriate to the situation. Motion carried.

2019-04 The Complaint Committee reported that they met with the Respondent in an informal conference on May 3, 2019 in the Board of Accountancy conference room. After reviewing information received during the conference and provided to the Assistant Attorney General after the conference, upon motion by Horace Emery and second by Dick Riley, the Board agreed to stay any action until after the sentencing scheduled for October 3, 2019. Motion carried.

2019-02
2019-05
2019-06
2019-08
2019-10
2019-11

Per the Complaint Committee's direction, the Assistant Attorney General circulated a *Notice of Hearing* and *Statement of Charges* for Board consideration. After review by all Board members, probable cause was found. Upon motion by Horace Emery and second by Dick Riley, Board members voted to combine these matters and set for hearing as soon as possible. Motion carried.

G. Cochran The Complaint Committee reported that Board staff has been unable to find a good address to notify Mr. Cochran to cease using the prohibited language on his social media site. The Committee reported that the Assistant Attorney General and the Executive Director have been working with LinkedIn to administratively remove the prohibited language from the web. This matter is continued.

Ryan & Assoc. The Complaint Committee reported that Mr. Ryan is continuing to use the credential CPA and Accounting Corporation on his web site and other social media accounts even though the licensee and majority shareholder is no longer affiliated with the business. Upon motion by Horace Emery and second by Dick Riley, the Board directed the Executive Director to write the Ryans and the business entitled Ryan & Associates to request that they remove the prohibited language from all public venues. Motion carried.

3. NASBA

- Dan Dustin, Vice President, State Board Relations with the National Association of State Boards of Accountancy (NASBA) visited the Board and provided updates regarding upcoming meetings, NASBA tools and services, firm mobility, the Uniform Accountancy Act, CPE blended and nano-learning, CPA evolution next steps, AICPA Code of Conduct and reciprocity.

- Robin Baylous, Dick Riley and Ted Lopez plan to attend the Annual Meeting in Boston, Massachusetts, on October 27-30, 2019.

4. Financial Report / P Card / Budget

- The Board received the *Receipts and Disbursements Report* for the fiscal period ending June 30, 2019 as follows:

Beginning Cash Balance, July 1, 2018	$578,701.46
Total Receipts	395,327.08
Total Disbursements	372,480.00
Ending Cash Balance, June 30, 2019	601,548.54

- Upon motion by Horace Emery and second by Dick Riley, the Board approved the P-card transactions as presented.

5. CPA Examination

- Upon motion by Horace Emery and second by Dick Riley, the Board approved the nine candidates who passed the examination in 2019 Q2.

- The Board reviewed and discussed the CPA Examination Performance Statistics for 2019 Q2.

- The Board discussed whether we should require an exam candidate to provide community college transcripts if the credit has been transferred to a four-year degree granting institution. The Board requested Board staff to write a policy for consideration at the October 24, 2019 meeting.

The Board broke for lunch at 11:57 a.m.
The meeting was called back to order at 12:30 p.m.

6. Licensing / CPE / Firms

- The Board discussed the Berry Dunn request regarding the LLC designation behind the organization's name. The firm wishes to expand their services in West Virginia to include attest and compilation. In their state of origin (Maine), the firm must use LLC behind the organization's name. Maine prohibits use of the PLLC designation, even if the business is organized as a PLLC. Upon motion by Horace Emery and second by Ted Lopez, the Board directed the Assistant Attorney General to look into the regulations to see if it is possible for this firm to use the term LLC behind their name in West Virginia or if they may utilize a "dba" with the PLLC behind their West Virginia practice name. Motion carried.

- Board members reviewed the various CPE non-compliance listings as well as the lapsed licenses and firm permits reports.

7. Legislative Rules

- Board members reviewed the Agency Proposed Rules after the 30-day comment period ended on July 8, 2019. One of the Board members noted that the word "proceeding" at

7.3 in Board Rules should be changed to "preceding." Upon motion by Horace Emery and second by Dick Riley, the Board voted to incorporate the change and move forward with filing the Agency Approved Rules by the July 26, 2019 deadline. Motion carried.

- Board members reviewed House Bill 118 approved on June 17, 2019 in the 2019 First Extraordinary Session of the Legislature. This bill requires all licensing boards to adopt rules to accommodate licensure applications received from applicants who have a prior criminal conviction. Upon motion by Horace Emery and second by Dick Riley, the Board directed the Assistant Attorney General to provide the appropriate language for inclusion in the Rules. The Executive Director will incorporate the language, circulate the amended rules and schedule a teleconference for members to review and approve/revise before the August 30, 2019 filing deadline with the Secretary of State's office. Motion carried.

- Ted Lopez provided information regarding marijuana-related business policies for Board members to review before the meeting. He opened the discussion regarding the position taken by some State Boards of Accountancy, AICPA and NASBA on medical and recreational marijuana businesses that are legal in some states. Since the federal government still considers growing marijuana illegal and federal banks do not accept funds for deposit from illegal businesses, Dick Riley suggested that it may be premature for the Board to adopt a formal position at this juncture. Board members decided that if CPA licensees inquire regarding the Board's stance on this matter, Nevada's statement should be used. Lifted from AICPA / NASBA booklet entitled "Providing services to businesses in the marijuana industry - A sample of current board positions - January 2019."

  After careful consideration the Board has determined that licensees and firms that elect to provide services to the marijuana industry legalized in any state in which the licensee practices will not face action from the Board based solely on the fact that the licensee or firm is providing such services. However, licensees are reminded that the federal government views such activity as a federal criminal offense. The Board's position does not negate the possibility that disciplinary action may be taken by the Board should a licensee be found guilty of a federal criminal act.

8. Other

- With the imminent retirement of the current Executive Director, the Board briefly discussed a timeline for succession planning. The current Executive Director was directed to provide a job description detailing the current duties and requirements of the position. The discussion for succession planning will continue at the first Board meeting in 2020.

9. Board Meetings

- The next Board meeting will be held at Glenville State College on Thursday, October 24, 2019, at 9:30 a.m. Board members suggested we ask Chris DeWeese to attend and address the students. Board members also suggested that we request someone from NASBA's Center for the Public Trust (CPT) to attend also.

The following reports were made part of the quarterly record and available in each member's meeting book for 2019 Q2:

- 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 second by Dick Riley, the meeting was adjourned at 2:00 pm. Board members signed certificates and approved exam and license applications.

We certify that this is a true copy of the Minutes of the West Virginia Board of Accountancy for Friday, July 12, 2019.

Robin M Baylous
Board President

Secretary

Assistant Secretary

Brenda S. Tenley
Acting Recorder