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 Thursday, October 24, 2019 at 9:30 a.m. in the Alan B. Mollohan Campus Community Center ballroom at Glenville State College. The public was invited.

Board Members in Attendance were:
Robin M. Baylous, CPA - President
Horace W. Emery, CPA
Richard A. Riley, Jr., CPA
Joseph T. Holley, CPA
Harold B. Davis, 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

Theodore Lopez, CPA, was unable to attend.

The meeting was called to order by Board President Robin Baylous at 9:40 a.m. for which the following actions were recorded. This portion of the meeting was held in a private conference room for Executive Session purposes.

1. Approval of Minutes

- Upon motion by Horace Emery and second by Richard Riley, the Minutes of the July 12, 2019 meeting were approved as presented. Motion carried.

- Upon motion by Horace Emery and second by Jean Bailey, the Minutes of the August 21, 2019 meeting were approved as presented. Motion carried.

- Upon motion by Horace Emery and second by Harold Davis, the Minutes of the September 25, 2019 meeting were approved as presented. Motion carried.

2. Complaints

- Upon motion by Joseph Holley and second by Harold Davis, the Board went into Executive Session at 9:42 a.m. to consider disciplinary matters pursuant to W. Va. Code § 6-9A-4. Motion carried.

- Upon motion by Harold Davis and second by Jean Bailey, the Board came out of Executive Session at 11:42 a.m.

- Board members left the conference room and continued the meeting after lunch in the ballroom. Open Session was called to order at 1:18 p.m. by Board President Robin Baylous. The following actions were made part of the record. Motion carried.

2017-07A Upon motion by Horace Emery and second by Richard Riley, the Board will keep this matter open until the January meeting to give the Putnam County Circuit Court an opportunity to contact the Board regarding any fines that may be assessed while waiting for the Respondent to comply with the Court's orders. Motion carried.

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

The Assistant Attorney General apprised the Board that the Hearing regarding these matters was held on Tuesday, September 17, 2019. All six of the complainants were available to testify by telephone. The Respondent did not appear nor participate by telephone. The *Proposed Findings of Fact and Conclusions of Law* brief will be prepared by the Assistant Attorney General and submitted to the Hearing Examiner by November 12, 2019. This matter is continued.

2019-04 The Assistant Attorney General reported that the sentencing date had been moved to December 11, 2019. The Board continued this case until after sentencing. This matter is continued.

2019-12 Upon motion by Horace Emery and second by Joe Holley, this matter was dismissed due to lack of evidence that the Board requested from the Complainant. Motion carried. The Executive Director was directed to notify the Complainant and the Respondent.

2020-01 Upon motion by Horace Emery and second by Harold Davis, the Board dismissed this matter. Motion carried. The Executive Director was directed to notify the Complainant and the Respondent.

2020-02 Upon motion by Horace Emery and second by Jean Bailey, the Board dismissed this matter. Motion carried. The Executive Director was directed to notify the Complainant and the Respondent.

2020-03 Upon motion by Horace Emery and second by Richard Riley, the Board found probable cause to initiate a complaint against the Respondent. The Assistant Attorney General was directed to prepare and send the Respondent a *Consent Agreement* charging breach of confidentiality and holding out as a Certified Public Accountant. The Board recommended a $1,500.00 fine, revocation of certificate for one year, and reimbursement for the cost of the investigation and attorney's fees. Motion carried.

- The Board reviewed information provided by Berry Dunn McNeil & Parker LLC, a Maine firm who established a location in West Virginia. The firm provided a certification document from the Maine Secretary of State's Office establishing that Berry Dunn is organized as a professional limited liability company. The Board was also advised that Maine's provisions only allow a professional limited liability company to use the term "LLC" behind the business name - even though the firm is organized as a PLLC. In order to meet the requirements of West Virginia Professional Limited Liability Company statutes, the Board approved the firm to file the Maine LLC as a dba PLLC in West

Virginia. Upon motion by Horace Emery and second by Harold Davis, the Berry Dunn McNeil & Parker LLC dba Berry Dunn McNeil & Parker PLLC firm permit application was approved. The Board President signed off on the application. Motion carried. The Executive Director will notify the firm of the Board's approval.

3. Financial Report / P Card / Budget

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

Beginning Cash Balance, July 1, 2019	$601,548.54
Total Receipts	63,245.00
Total Disbursements	(113,994.96)
Ending Cash Balance, September 30, 2019	550,798.58

- Upon motion by Joe Holley and second by Harold Davis, the Board ratified the p-card purchases for 2019 Q3. Motion carried.

- Upon motion by Horace Emery and second by Jean Bailey, the Board approved the Veterinary Board's request to reimburse our *pro rata* share of Assistant Attorney General Keith Fisher's attendance at the Federation of Associations of Regulatory Boards 27th Annual FARB Regulatory Law Seminar on October 3-6, 2019 in St. Louis, Missouri. The approximate cost for the Board of Accountancy is $390.00. Motion carried.

- The Executive Director gave an oral report regarding the status of the current Microsoft software as well as the age of the Board's computer equipment. Microsoft will no longer be supporting Microsoft 7 which is currently utilized on all three desktops for office staff. It was also noted that two of the office desktops were purchased in 2013 and one in 2014. Therefore, she recommended that the Board replace the computers and upgrade any necessary software with an estimated cost of $8,700.00. Upon motion by Horace Emery and second by Harold Davis, the Board approved these equipment and software purchases. Motion carried.

4. CPA Examination

- Upon motion by Harold Davis and second by Jean Bailey, the Board approved the eight successful examination candidates. Motion carried.

- Upon motion by Harold Davis and second by Jean Bailey, the Board approved the "Transcripts" policy cited below. Motion carried.

> *Since the Board only accepts those hours that appear on four-year degree granting institutions' transcripts, effective October 24, 2019, the Board adopted a policy that it is no longer necessary to require an exam applicant to provide transcripts from the community/technical/associate level institutions unless the applicant needs the Board to consider a course that is not reflected on a four-year degree granting transcript.*

- Upon motion by Horace Emery and second by Joe Holley, the Board approved the Verification of Exam Scores policy cited below. Motion carried.

  Effective October 24, 2019, unless otherwise directed by a licensee or exam applicant, the Board will only indicate the passing scores when providing a verification of exam scores to another state or jurisdiction.

5. Licensing / CPE / Firms

- Horace Emery gave an oral report regarding whether peer review is required for licensees or firms who perform 'preparation services only.' He outlined that preparation services were a lower level of service than compilations, and no report was required. According to AICPA's current requirements, a firm or licensee who is performing preparation services only is not required to enroll in a peer review program. However, West Virginia regulations were adopted before the introduction of preparation services. As a result, there is no definition of preparation services, nor is there any reference to preparation services. The Board will continue to look into this issue and it will be considered at a future meeting.

- The Board reviewed a request from a college professor who teaches at a West Virginia college, but holds a Virginia license to practice. The professor requested the Board to make an exception regarding the reciprocal certificate requirement for those professors who only teach in West Virginia and do not provide any accounting services to the public. After a review of the current statutes and regulations, upon motion by Horace Emery and second by Harold Davis, the Board determined that no exceptions could be made. College professors who live and or work in West Virginia must secure a reciprocal certificate before using the CPA credential. The Executive Director will notify the inquirer regarding the Board's decision. Motion carried.

- The Board reviewed a request from a Missouri CPA certificate holder who is living and working in West Virginia and using the CPA title. After thorough consideration, the Board determined that under current statutes and regulations, individuals who use the CPA title behind their name must have an active license to practice. The Executive Director will notify the inquirer regarding the Board's decision. Motion carried.

- The Executive Director provided an oral report that 30 individuals that were mailed ALD letters in August 2019 had failed to respond. Upon motion by Horace Emery and second by Jean Bailey, the members voted to send a second letter requesting the licensees to respond whether they are providing services in West Virginia that require a license to practice. Motion carried.

6. Legislative Rules

- Board members reviewed the October 21, 2019 email received from Arlie Hubbard, Chief Counsel, West Virginia House of Delegates, Committee on Government Organization, regarding the Legislative Rule Making Committee's recommendation that the following "red" and "blue" language be stricken from the rule:

"Where the records are sealed, the applicant shall sign a waiver authorizing the commission to access the criminal records of the applicant in order for the commission to make the eligibility determination" (red language)

as well as the phrase, "the date of release from incarceration" (blue language).

The email stated that although the blue language departs from the statutory list of information that the Board must collect in responding to a petition, it did not necessarily prohibit a board from requesting more information than is specified in the statute. The email indicated that the Committee recommends striking both the red and the blue language unless the Board could articulate a purpose for departing from the statutory list. After consideration, upon motion by Horace Emery and second by Harold Davis, the Board decided to strike the red language from the rules, but keep the blue language intact. Motion carried. The Executive Director will notify the Legislative Rule Making Committee.

7. NASBA / AICPA

- Board members reviewed the information regarding upcoming NASBA meetings. Board President Robin Baylous, Board Secretary Richard Riley and Executive Director Brenda Turley will be attending the 112th Annual Meeting in Boston, Massachusetts from October 27-30, 2019.

- The Executive Director provided an oral report regarding AICPA Peer Review service available online. She reported that firms who are enrolling in Peer Review through PRIMA are now required to either "opt in" or "opt out" of the administering entity providing peer review information to the state board of accountancy. Some states require a firm to provide the final peer review within 30 days of the date of receipt. She also provided information that AICPA has asked state boards if they need to know:

  - A firm's review schedule;
  - When a firm's peer review has begun;
  - When the peer review will be presented to the administering entity;
  - When the review was accepted by the administering entity's peer review committee;
  - Information regarding remedial actions required of the firm as a result of the review;
  - Enrollment and extension information;
  - Or, if the state board staff may access the AICPA's Facilitated State Board Access and run numerous reports.

  The Board determined that this is a lot of information to review and consider during a Board meeting. This matter was tabled and will be reviewed at a future meeting.

8. Other

- The Board scheduled the following future meetings for 9:30 a.m. in the West Virginia Board of Accountancy conference room:

  Friday, January 24, 2020
  Friday, April 24, 2020

- The Board members signed the certificates of those who licensed during the last quarter
  The following reports were made part of the quarterly record and available in each member's meeting book for 2019 Q3:

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

With no further business to come before the Board, upon motion made by Joe Holley and seconded by Harold Davis, the meeting was adjourned at 3:45 p.m.

We certify that this is a true copy of the Minutes of the West Virginia Board of Accountancy for Friday, October 24, 2019.

Robin M Baylous
Board President

Secretary

Theodore A. Jones
Assistant Secretary

Brenda S. Turley
Acting Recorder