West Virginia
Board of Accountancy

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

Jim Justice, Governor

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

Brenda S. Turley, Executive Director

The Board of Accountancy met on Friday, July 17, 2020 at 9:30 a.m. via Go To Meeting video-conference.

Board Members in Attendance were:
Horace W. Emery, CPA - President
Richard A. Riley, Jr., CPA - V. President
Theodore A. Lopez, CPA - Sec. (joined at 10:07 p.m.)
Jean A. Bailey, Public Member - Asst. Sec.
Robin A. Baylous, CPA
Joseph T. Holley, CPA (joined at 1:50 p.m.)
Harold B. Davis, CPA

Others in Attendance were:
Keith D. Fisher, Assistant Attorney General
Brenda S. Turley, Executive Director
Stefani D. Young, Board Staff
John Johnson - NASBA Dir. of Leg. & Gov. Affairs
Brie Allen- NASBA Regulatory Counsel
Judy Proctor, CPA, CGMA - WVSCPA CEO

The meeting was called to order at 9:33 a.m. by Horace Emery, Board President, for which the following actions were recorded.

1. Approval of Minutes

- Upon motion by Robin Baylous and second by Harold Davis, the Minutes of the May 6, 2020 meeting were approved as presented. Motion carried.

2. Antitrust Update Presentation / Question-Answer Period

- Per West Virginia Code § 30-9-33, Board members and their representatives from the Attorney General's office are required to obtain federal antitrust law and state action immunity training on an annual basis. Board members reviewed NASBA's federal antitrust video prior to the meeting. John Johnson, NASBA Director of Legislative and Governmental Affairs updated the Board regarding federal and other state's legislative activity regarding active supervision and the North Carolina Dental Board case. Brie Allen, NASBA Regulatory Counsel, provided a 20-minute presentation updating Board members on new and prior cases involving fallout litigation from the North Carolina Dental Regulatory Board case.

3. Complaints

- Upon motion by Dick Riley and second by Robin Baylous, the Board went into Executive Session at 11:00 a.m. to consider disciplinary matters pursuant to W. Va. Code § 6-9A-4. Motion carried.

- Upon motion by Robin Baylous and second by Harold Davis, the Board came out of Executive Session at 11:19 a.m. and made the following actions part of the record. Motion carried.

Clem Matters: Upon motion by Dick Riley and second by Harold Davis, the Board will send a letter to the Respondent with a copy of the proposed *Petition for Injunction*, as discussed in Executive Session, allowing 10 days for the Respondent to remove the "Certified Public Accountant" from his office window or the Board will file the *Petition* in circuit court. Motion carried.

2019-04 Upon motion by Dick Riley and second by Robin Baylous, the Board directed the Executive Director to send a letter to the Respondent with the forms necessary for her to renew her license to practice after the suspension period ends on August 13, 2020. Motion carried.

2020-03 Upon motion by Dick Riley and second by Harold Davis, the Board determined that the Respondent had met the requirements of the *Consent Agreement* and **closed this matter**. Motion carried.

2020-04 Upon motion by Dick Riley and second by Robin Baylous, the Board decided to reprimand the licensee for his actions in this matter. In order to settle, the Respondent will be offered a *Consent Agreement and Order* (*Order*) which requires him to, within sixty days of the date of entry of the *Order*, reimburse the Board for the expenses incurred in the investigation and disposition of this matter, to reimburse the Complainant for penalties and interest owed to the Complainant, and to provide proof of reimbursement to the Board. The Respondent must sign and return the *Order* within thirty days of receipt. If Respondent fails to agree to the *Order*, the matter will be set for hearing. Motion carried.

2020-05 Upon motion by Dick Riley and second by Harold Davis, the Board will send a formal letter to the CPA requesting that the licensee provide specific information as discussed in Executive Session. Motion carried.

2020-06 Upon motion by Dick Riley and second by Robin Baylous, the Board determined that this matter is outside its jurisdiction and **closed the matter**. The Board will inform both complainant and licensee. Motion carried.

The Board reviewed information regarding the use of the CPA designation by university professors. Board members were informed that the university in question had ceased using the CPA behind the professors' names if they do not have a license to practice in West Virginia. Upon motion by Dick Riley and second by Robin Baylous, this **matter was closed**. Motion carried.

- **Unnumbered complaint** - Board members reviewed the unnumbered complaint and upon motion by Robin Baylous and second by Harold Davis, the matter was **dismissed for lack of jurisdiction**. Motion carried.

4. Financial Report / P Card / Budget

- The Board received the *Receipts and Disbursements Report* for the period ending June 30, 2020 as follows:

Beginning Cash Balance, July 1, 2019	$601,548.54
Total Receipts	375,682.97
Total Disbursements	394,152.97
Ending Cash Balance, June 30, 2020	$583,078.28

- The P-Card expenditures were not available for ratification at this meeting. Both quarters will be reviewed and ratified at the next regularly scheduled meeting.

5. CPA Examination

- Upon motion by Robin Baylous and second by Harold Davis, the four successful exam candidates were approved.

- Upon motion by Robin Baylous and second by Harold Davis, the Board determined that a CPA reference will no longer be required on the CPA exam application. The applicant will be required to provide three references with an association of one year or longer. During a one-year transition period, the Board will accept either the previous Character Reference form or the newly created form. The new form will be made available on the Board's website and the online Exam Application. Motion carried.

- As a result of the pandemic and possible future disasters that may close testing centers and prevent exam candidates from continuing with their testing endeavors, Board members discussed remote testing as an alternative method to provide testing capability-- as proposed by AICPA and NASBA. Individual state Boards of Accountancy are just beginning to become involved in determining what this option might look like and how to ensure a secure environment. It will take time to fully develop this option, but the consensus of West Virginia Board members was to move forward as proposed by the national organizations.

6. Licensing / CPE / Firms

- Board members reviewed Blair & Company's application for firm permit, which consists of two Accounting Corporations as partners in the firm. Each accounting corporation is owned by one licensed certified public accountant. Upon motion by Robin Baylous and second by Harold Davis, the Board approved the firm application. Motion carried.

- Board members reviewed an inquiry from an out-of-state firm regarding the use of contingency fees and a tax appeal arrangement. They determined that the Board could not provide legal advice, guidance or an opinion regarding this matter. The Board suggested that they seek the advice of legal counsel.

- Board members reviewed the request from a Pennsylvania college regarding whether the Board will certify that its course work meets the requirements for licensure in West Virginia. The school is accredited though the Middle States Association of Colleges and Schools and the curriculum qualifies toward meeting the specific course requirements to sit for the examination. However, the Board evaluates each application for licensure on an individual basis, and does not evaluate and approve specific academic programs toward licensure. Upon motion by Dick Riley and second

by Ted Lopez, Board members determined that it was not within its purview to provide the assurance the school appears to be requesting. Motion carried.

7. Legislature

- Upon motion by Robin Baylous and second by Harold Davis, the Board went into Executive Session at 12:57 p.m. pursuant to W. Va. Code § 6-9A-4. The Board came out of Executive Session at 1:40 p.m. Upon motion by Dick Riley and second by Ted Lopez, the Board appointed the Board President to incorporate the Board members' suggestions from the Executive Session into a finalized draft of the letter for member approval. A teleconference meeting will be scheduled for late July or early August to review, edit and approve the finalized response. Motion carried.

Joe Holley joined the meeting at 1:50 p.m.

8. NASBA / AICPA

- Board members noted that, due to COVID-related travel bans, NASBA will be conducting its annual meetings virtually through the end of 2020.

- Upon motion by Joe Holley and second by Robin Baylous, Board members agreed to send a comment to the UAA Committee to request that they include Cyber Security as a course subject when considering academic requirements under the Data Analytics subject area in the Uniform Accountancy Act. The deadline for filing comments is August 31, 2020. Motion carried.

9. Other

- With the impending retirement of the current Executive Director, Board members reviewed the job description and proposed advertisement prepared by Jean Bailey, Search Committee Chair. Upon motion by Joe Holley and second by Ted Lopez, the Board approved the description and the hiring ad. The Board directed that the approved hiring ad be placed on INDEED's Job Postings web site as well as the WV Division of Personnel's online job search site. The Board requests that replies to the advertisement be received by August 31, 2020. During this period, the Search Committee Chair and Board President will periodically evaluate whether additional sources for advertisement should also be utilized. Motion carried.

- Board members were advised that, due to the COVID-19 pandemic, the Board has a credit for three non-refundable airline tickets. The tickets were purchased on January 28, 2020 for the NASBA Executive Director, State Board Staff, and Legal Counsel Conference scheduled for March 16-18, 2020 in Clearwater, Florida. The Conference was cancelled by NASBA on Thursday, March 12, 2020. Per Ann Hoskins, Vice President of Operations at National Travel, American Airlines has extended the period for which the tickets can be used to December 31, 2021. There may be a fee to transfer the ticket to another individual, but Board members directed Board staff to use this option when booking future Board travel.

10. Next Board Meeting

- Board members scheduled the following Board meetings:
  Friday, October 9, 2020 (virtual) 9:30 am.

Friday, January 22, 2020 9:30 a.m.
Friday, April 23, 2020 9:30 a.m.

- The Executive Director requested board member volunteers to visit the Board office to sign the hand-lettered certificates for 2020 Q1 and Q2. Horace Emery, Joe Holley and Harold Davis volunteered.

The following reports were made part of the quarterly record and available in each member's meeting book for 2020 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 by Robin Baylous and second by Joe Holley, the meeting was adjourned at 2:31 p.m.

We certify that this is a true copy of the Minutes of the West Virginia Board of Accountancy for July 17, 2020.

Horace Emery
Board President

Theodore A. Jeffries
Secretary

Jean A. Bailey
Assistant Secretary

Brenda S. Turley
Acting Recorder