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COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF STATE
BUREAU OF PROFESSIONAL AND OCCUPATIONAL AFFAIRS

F I N A L M I N U T E S

MEETING OF:

**STATE BOARD OF ACCOUNTANCY
VIA TELECONFERENCE**

TIME: 10:36 A.M.

PENNSYLVANIA DEPARTMENT OF STATE

January 20, 2021

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State Board of Accountancy
January 20, 2021

BOARD MEMBERS:

- Keri A. Ellis, CPA, Chair
- K. Kalonji Johnson, Commissioner, Bureau of Professional and Occupational Affairs - Absent
- Monique M. Ericson, CPA, Office of Attorney General
- Mary Jensik, CPA
- Paul J. Kelly, III, CPA
- Charles A. O'Brien, CPA
- Michael D. Ocker, CPA
- Sheri L. Risler, CPA - Absent
- Michael P. Rollage, CPA
- David W. Stonesifer, CPA

BUREAU PERSONNEL:

- Ronald K. Rouse, Esquire, Board Counsel
- Angela B. Lucci, Esquire, Board Prosecution Liaison
- Sara Fox, Board Administrator
- Tiffany Raker, Esquire, Board Prosecutor
- Carolyn A. DeLaurentis, Deputy Chief Counsel, Prosecution Division
- Theodore Stauffer, Executive Secretary, Bureau of Professional and Occupational Affairs
- Kimberly S. Adams, Chief of Fiscal Management, Bureau of Finance and Operations, Department of State

ALSO PRESENT:

- Colleen K. Conrad, Executive Vice President and COO, National Association of State Boards of Accountancy

1 ***

2 State Board of Accountancy

3 January 20, 2021

4 ***

5 [Pursuant to Section 708(a)(5) of the Sunshine Act,
6 the Board entered into executive session with Ronald
7 K. Rouse, Esquire, Board Counsel, to have attorney-
8 client consultations and for the purpose of conducting
9 quasi-judicial deliberations.]

10 ***

11 [A Formal Hearing was held from 9:15 a.m. until 10:28
12 a.m. In The Matter of the Petition for Reinstatement
13 for Certified Public Accountant of Michael Robert
14 Green, Case No. 20-55-003646.]

15 ***

16 The regularly scheduled meeting of the State Board
17 of Accountancy was held on Wednesday, January 20,
18 2021.

19 ***

20 [Ronald K. Rouse, Esquire, Board Counsel, stated the
21 meeting of the State Board of Accountancy was being
22 held by teleconference pursuant to Governor Wolf's
23 March 16, 2020 waiver of the physical presence
24 requirement in Section 2.3(c) of the Certified Public
25 Accountant (CPA) Law. He noted the conference was

1 being recorded, and those continuing to participate in
2 the meeting were giving their consent to being
3 recorded.]

4 ***

5 Official Call to Order

6 [Chair Ellis officially called the meeting to order at
7 10:36 a.m. A roll call was taken.]

8 ***

9 Appointment - Colleen K. Conrad, Executive Vice
10 President and COO, National Association of State
11 Boards of Accountancy

12 [Colleen K. Conrad, Executive Vice President and COO,
13 National Association of State Boards of Accountancy,
14 (NASBA), offered an update regarding CPA Evolution.
15 She noted a strong response to the new licensure model
16 with input received from over 3,000 people, including
17 state boards, academia and professionals. Ms. Conrad
18 indicated NASBA was in implementation mode after
19 voting to move forward with new model.

20 She explained new model curricula were being
21 developed consisting of core areas, such as
22 accounting, auditing, taxed and technology with
23 further knowledge in selected disciplines. She noted
24 model curricula should be available later in spring of
25 2021.

1 Ms. Conrad advised that the American Institute of
2 Certified Public Accountants (AICPA) also has an
3 education portal available, including case studies and
4 information to be used in the classroom to teach.
5 She remarked that changes to the CPA exam had been
6 announced and will be effective July 1, 2021.

7 Ms. Conrad reported NASBA has been considering
8 using remote testing for the CPA exam for contingency
9 or emergency use only. She noted in March 2020
10 Prometric test centers shut down due to Covid-19,
11 which caused much disruption in testing for
12 candidates. Although Prometric was about to re-open
13 centers, she expressed that 26,000 candidates had
14 testing cancelled, and the numbers had not fully
15 bounced back.

16 Ms. Conrad offered the possibility of remote
17 testing in the event the virus spikes using
18 Prometric's remote tool known as ProProctor. She
19 discussed the risks and security concerns of remote
20 testing, noting the test centers represent the gold
21 standard since 2004. She mentioned past and upcoming
22 webcasts involving demos of the program.

23 Ms. Conrad pointed out a pilot program being
24 planned involving actual candidates to do remote
25 testing. She noted the pilot testing would only

1 happen if state boards agreed to it and made the
2 decision to accept the scores. Ms. Conrad also
3 stressed that there were no plans to continue remote
4 testing on a permanent basis.

5 She described the testing, consisting of minimum
6 system requirements, a self-readiness check, check in,
7 presence of remote proctors and video surveillance of
8 candidates.

9 Chair Ellis inquired as to the number of states
10 that would be involved in the pilot program. Ms.
11 Conrad explained they were looking to select states
12 with domestic-only candidates, as opposed to
13 international candidates.

14 Mr. Kelly expressed a concern about the use of
15 remote testing, noting that despite disruption in the
16 industry, he had seen no systemic collapse. He
17 commented that the extension of time allowed to
18 complete exams was a better way to proceed.

19 Ms. Conrad responded that she has had numerous
20 conversation with other state boards. She noted many
21 state boards and governments were under different
22 levels of emergency orders. She provided an example
23 of a state where an emergency order from their
24 governor said candidates must be given a license
25 without examination until remote testing was

1 available. Ms. Conrad noted other states' attempts to
2 allow individuals to practice even without licenses.

3 She remarked that actions by governments and
4 legislatures can impact the profession and protection
5 of the public.

6 Mr. Rollage thanked Ms. Conrad for the
7 presentation and work by NASBA in being proactive.

8 Mr. O'Brien inquired as to the progress of NASBA's
9 work and how the accountancy profession was responding
10 compared to other professions. Ms. Conrad commented
11 that NASBA's analysis of remote testing started in
12 late March. She noted a few testing programs were
13 live. In some models, candidates can choose whether
14 to test remotely. She explained the Landscape
15 Architecture and Architect Licensure Boards were
16 already using ProProctor and PearsonVUE.

17 Attorney Rouse requested clarification on the
18 timeframe for boards to vote on whether they would
19 accept scores of candidates who were part of the
20 remote testing pilot group.

21 There will be a discussion at the upcoming April
22 20, 2021 Board meeting on whether changes would need
23 to be made.]

24 ***

25 Appointment - Bureau of Finance and Operations Annual

1 Budget Presentation

2 [Kimberly S. Adams, Chief of Fiscal Management, Bureau
3 of Finance and Operations, Department of State,
4 addressed licensee population. She noted a licensee
5 count increase of 605 from 2016 to 2018 and a drop of
6 74 since 2018 with a current licensee count of 29,257.

7 Ms. Adams noted revenue by source. She reviewed
8 categories and actual revenue, noting the biennial
9 total. She noted 96.3 percent of revenue came from
10 renewals and applications.

11 Ms. Adams provided a categorical breakdown of
12 expenses. She noted the current budget and expenses
13 for FY 2020-2021.

14 Ms. Adams reviewed the bottom line revenues and
15 expenses for FY 2020-2021. She advised that the Board
16 has a healthy bottom line due to growth with licensees
17 and the fact that revenues continue to exceed
18 expenses.

19 Ms. Adams reviewed Board member expenses, noting
20 the current budget and expenses. She stated any
21 excess money not used will remain in the restricted
22 account for the Board's use.

23 Chair Ellis noted the Board had discussed in the
24 past increased conference registration to allow more
25 members to attend. She expressed hope that would be

1 considered in the future.]

2

3 Appointment - Prosecution Division

4 [Carolyn DeLaurentis, Esquire, Deputy Chief of

5 Prosecution Division, reviewed some highlights of 2020

6 noting it was a challenging year. She stated the

7 Department of State staff had successfully handled the

8 challenges of teleworking and virtual hearings. She

9 noted Board prosecutors made efforts to monitor

10 restrictions, waivers, policies and new procedures.

11 Ms. DeLaurentis reported, as of January 1, 2021,

12 the Accountancy Board opened 158 cases and closed 156

13 cases. She noted the Board has 120 open cases.

14 Further numbers from 2020 included 34 cases resulting

15 in discipline, 54 warning letters, 18 cases resulting

16 in fines, 10 resulting in Act 48 citation fines, 8

17 resulting in suspensions, 6 resulting in reprimands,

18 and 4 resulting in revocation or voluntary surrender.

19 Ms. DeLaurentis pointed out that the Prosecutorial

20 Division overall in 2020 had 44 immediate license

21 suspensions. She noted there were 1,223 Covid-19

22 complaints and alleged violations. Current open cases

23 are 13,394 total and cases closed 13,274.]

24

25 Report of Prosecutorial Division

1 [Tiffany Raker, Esquire, Board Prosecutor, presented
2 the Consent Agreement for Case No. 18-55-009259.]

3 ***

4 [Angela Lucci, Esquire, Board Prosecutor, presented
5 the Consent Agreement for Case No. 19-55-015888.]

6 ***

7 [Angela Lucci, Esquire, Board Prosecutor, presented
8 the Consent Agreement for Case No. 19-55-015378. Mr.
9 O'Brien was recused from the discussion.]

10 ***

11 Report of Board Counsel

12 [Ronald Rouse, Esquire, Board Counsel, noted Case No.
13 20-55-001146 would be discussed in Executive Session.

14 He presented Act 116 of 2020 regarding carryover
15 of continuing education credits, noting the Board may
16 meet to discuss whether allowing carryover for one
17 biennial term is appropriate.

18 The Board had a brief discussion and decided to
19 take no action at the present time.

20 Attorney Rouse noted Uniform Accountancy Act Model
21 Rules Revisions and CPA Law rules dealing with
22 educational requirements have been amended and the
23 Board would need to have a regulatory discussion in
24 the future.

25 Attorney Rouse reported that the list of criminal

1 offenses under Act 53 of 2020 is currently posted on
2 the Board website.]

3 ***

4 Report of Board Chairperson

5 [Ms. Ellis provided the Gift Ban Policy and Sunshine
6 Act for the Board's review. She discussed Board
7 Committee assignments and responsibilities.]

8 ***

9 Report of Board Administrator

10 [Sara Fox, Board Administrator, reminded Board members
11 yearly filings were due by May, and some members might
12 have to wait for the website information to be
13 updated.]

14 ***

15 [Pursuant to Section 708(a)(5) of the Sunshine Act, at
16 12:24 p.m. the Board entered into Executive Session
17 with Board Counsel for the purpose of conducting
18 quasi-judicial deliberations. The Board returned to
19 open session at 1:53 p.m.]

20 ***

21 Approval of Minutes of November 16, 2020 meeting.

22 [The Board discussed an amendment to the minutes.]

23 CHAIR ELLIS:

24 I'm going to ask for a motion to approve
25 the November 16, 2020 meeting minutes as

1 amended.

2 MR. KELLY

3 So moved, Kelly.

4 CHAIR ELLIS:

5 Do I have a second?

6 MR. O'BRIEN

7 Second.

8 CHAIR ELLIS:

9 All those in favor, say aye. All those
10 opposed, say nay.

11 [The motion carried. Mr. Stonsifer abstained from
12 voting on the motion.]

13 ***

14 MOTIONS:

15 MR. ROUSE:

16 Madam Chair, regarding the consent
17 agreement at Item Number 2 on the agenda,
18 Case No. 18-55-009259. I believe the
19 board would entertain a motion to adopt
20 the Consent Agreement.

21 Is there such a motion?

22 MR. KELLY:

23 Kelly, so moved.

24 MS. ELLIS:

25 Ellis, second.

1 ***

2 MR. ROUSE:

3 Regarding the Consent agreement at item
4 number 4 on the agenda, Case No. 19-55-
5 015378, I believe the Board would
6 entertain a motion to adopt the Consent
7 Agreement. Is there such a motion?

8 MR. KELLY:

9 Kelly, so moved.

10 MR. ROUSE:

11 Is there a second?

12 MS. ELLIS:

13 Ellis, second.

14 MR. ROUSE:

15 Any discussion? All those in favor say
16 aye. All those opposed say nay. The ayes
17 have it.

18 [The motion carried. Charles O'Brien recused. The
19 Respondent's name for 19-55-015378 is KPMG, LLC.]

20 ***

21 MR. ROUSE:

22 Regarding The Matter of the Petition for
23 Reinstatement for Certified Public
24 Accountant of Michael Robert Greene, Case
25 No. 20-55-003646, at Item Number 5 on the

1 agenda, I believe the Board would
2 entertain a motion to direct Board
3 Counsel to prepare an Adjudication and
4 Order consistent with the discussion in
5 Executive Session.

6 Is there such a motion?

7 MR. KELLY:

8 Kelly, so moved.

9 MR. ROUSE:

10 Is there a second?

11 MS. ELLIS:

12 Ellis, second.

13 MR. ROUSE:

14 Any discussion? All those in favor say
15 aye. All those opposed say nay. The ayes
16 have it.

17 [The motion carried unanimously.]

18 ***

19 MR. ROUSE:

20 Regarding the application to sit of the
21 CPA exam of Robin Winkis Lane, Case No.
22 20-55-001146 at Item Number 6 on the
23 agenda, I believe the Board would
24 entertain a motion to adopt the
25 Adjudication and Order as presented by

1 Board Counsel and to direct Board Counsel
2 to prepare the Board's final Order.

3 Is there such a motion?

4 MR. KELLY:

5 Kelly, so moved.

6 MR. ROUSE:

7 Is there a second?

8 MS. ELLIS:

9 Ellis, second.

10 MR. ROUSE:

11 Any discussion? All those in favor say
12 aye. All those opposed say nay. The ayes
13 have it.

14 [The motion carried unanimously.]

15 ***

16 MR. ROUSE:

17 I believe the Board would entertain a
18 motion to ratify the CPE waivers at Item
19 Numbers 14 and 15 on the agenda. Is
20 there such a motion?

21 MS. ELLIS:

22 Ellis, so moved.

23 MR. KELLY:

24 Kelly, second.

25 MR. ROUSE:

1 waiver Number 27, which was granted.

2 ***

3 MR. ROUSE:

4 Now, regarding the Application for
5 Certified Public Accountant of John
6 Sardella at Item Number 93 on the agenda,
7 I believe the Board would entertain a
8 motion to approve the application.

9 Is there such a motion?

10 MS. ELLIS:

11 Ellis, so moved.

12 MR. ROUSE:

13 Is there a second?

14 MR. OCKER:

15 Ocker, second.

16 MR. ROUSE:

17 Any discussion? All those in favor say
18 aye. All those opposed say nay. The ayes
19 have it.

20 [The motion carried unanimously.]

21 ***

22 MR. ROUSE:

23 Regarding the CPA Examination Application
24 of Daniel Zahler at Item Number 94 on the
25 agenda, I believe the Board would

1 entertain a motion to provisionally deny
2 the application. Is there such a motion?

3 MS. ELLIS:

4 Ellis, so moved.

5 MR. ROUSE:

6 Is there a second?

7 MR. OCKER:

8 Ocker, second.

9 MR. ROUSE:

10 Any discussion? All those in favor say
11 aye. All those opposed say nay. The
12 ayes have it.

13 [The motion carried unanimously.]

14 ***

15 MR. ROUSE:

16 Regarding the CPA Examination Application
17 of Karakachev Artem at Item Number 95 on
18 the agenda, I believe the Board would
19 entertain a motion to approve the
20 application. Is there such a motion?

21 MS. ELLIS:

22 Ellis, so moved.

23 MR. ROUSE:

24 Is there a second?

25 MS. JENSIK:

CERTIFICATE

I hereby certify that the foregoing summary minutes of the State Board of Accountancy meeting, was reduced to writing by me or under my supervision, and that the minutes accurately summarize the substance of the State Board of Accountancy meeting.



Morgan McKendrick

Minute Clerk

Sargent's Court Reporting
Service, Inc.

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STATE BOARD OF ACCOUNTANCY
REFERENCE INDEX
January 20, 2021

TIME	AGENDA
10:36	Official Call to Order
10:36	Roll Call
10:37	Appointment, Colleen K. Conrad, Executive Vice President, National Association of State Boards of Accountancy
11:31	Appointment, Bureau of Finance and Operations Annual Budget Presentation
11:42	Appointment, Prosecution Division
11:54	Report of Prosecutorial Division
12:06	Report Of Board Counsel
12:16	Report of Board Chairperson
12:20	Report of Board Administrators
2:24	Executive Session
1:53	Return to Open Session
1:53	Adoption of Minutes
	Motions
2:04	Adjournment