

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

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 VIDEOCONFERENCE**

TIME: 11:03 A.M.

PENNSYLVANIA DEPARTMENT OF STATE

September 21, 2021

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50

State Board of Accountancy
September 21, 2021

BOARD MEMBERS:

- Keri A. Ellis, CPA, Chair
- K. Kalonji Johnson, Commissioner, Bureau of Professional and Occupational Affairs
- 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, Vice Chair
- Michael P. Rollage, CPA
- David W. Stonesifer, CPA - Absent

BUREAU PERSONNEL:

- Ronald K. Rouse, Esquire, Board Counsel
- Dean F. Picarella, Esquire, Senior Board Counsel
- Ray Michalowski, Esquire, Senior Board Prosecutor
- Angela Lucci Solomon, Esquire, Board Prosecution Liaison
- Amanda Li, Board Administrator
- Andrew LaFratte, MPA, Executive Policy Specialist, Department of State

ALSO PRESENT:

- Jennifer Cryder, CPA, MBA, Chief Operating Officer and Executive Vice President, Pennsylvania Institute of Certified Public Accountants
- Erin R. Kawa, Esquire, Post & Schell, P.C.

1 ***

2 State Board of Accountancy

3 September 21, 2021

4 ***

5 [Pursuant to Section 708(a)(5) of the Sunshine Act, at
6 9:00 a.m. the Board entered into Executive Session
7 with Ronald K. Rouse, Esquire, Board Counsel, to have
8 attorney-client consultations and for the purpose of
9 conducting quasi-judicial deliberations. The Board
10 returned to open session at 11:00 a.m.]

11 ***

12 Meeting Instructions

13 [Amanda Li, Board Administrator, provided instructions
14 to be followed during the virtual meeting.

15 Ms. Li also informed everyone that the meeting
16 was being recorded, and those who continued to
17 participate were giving their consent to be recorded.]

18 ***

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

25 Mr. Rouse noted the Board met in Executive

1 Session this morning to have attorney-client
2 consultations and for the purpose of conducting quasi-
3 judicial deliberations.]

4 ***

5 The regularly scheduled meeting of the State
6 Board of Accountancy was held on Tuesday, September
7 21, 2021. Keri A. Ellis, CPA, Chair, called the
8 meeting to order at 11:03 a.m.

9 ***

10 Approval of minutes of the July 20, 2021 meeting

11 CHAIR ELLIS:

12 The first item on our agenda is the
13 approval of the July 20, 2021 State
14 Board of Accountancy draft meeting
15 minutes.

16 Does anyone have any comments or
17 updates to those minutes?

18 [The Board discussed corrections to the minutes.]

19 CHAIR ELLIS:

20 Anyone else have any comments? Is there
21 a motion to approve the July 20, 2021
22 minutes with the update that was
23 provided?

24 MR. OCKER:

25 So moved.

1 CHAIR ELLIS:

2 Do I have a second?

3 COMMISSIONER JOHNSON:

4 Second.

5 CHAIR ELLIS:

6 All those in favor, say aye. All those
7 opposed?

8 [The motion carried unanimously.]

9 ***

10 Report of Prosecutorial Division

11 [Angela Lucci Solomon, Esquire, Board Prosecution
12 Liaison, had no official report to offer from the
13 prosecution division. She noted expecting an influx
14 of cases after the New Year once all of the renewals
15 are completed.]

16 ***

17 Report of Board Counsel - Matters for Deliberation

18 [Ronald K. Rouse, Esquire, Board Counsel, referred to
19 item 2, in the Matter of the Petition for
20 Reinstatement of William McKerman III, Case No. 19-55-
21 008978.

22 Erin R. Kawa, Esquire, Post & Schell, P.C.,
23 counsel for Petitioner, was present and participated
24 in the discussion.]

25 MR. ROUSE:

1 In the Matter of the Petition for
2 Reinstatement of William McKerman III,
3 Case No. 19-55-008978 at item 2 on the
4 agenda, I believe the Board would
5 entertain a motion to prepare an
6 Adjudication and Order consistent with
7 the discussion in Executive Session.

8 Is there such a motion?

9 MR. KELLY:

10 So moved.

11 CHAIR ELLIS:

12 Second.

13 MR. ROUSE:

14 Any discussion? All those in favor, say
15 aye. All those opposed, say nay.

16 [The motion carried unanimously.]

17 ***

18 Report of Board Counsel - Other

19 [Ronald K. Rouse, Esquire, Board Counsel, referred to
20 item 3, BPOA v. Steven Ganley, Case No. 19-55-018021.]

21 MR. ROUSE:

22 Regarding the matter of BPOA v. Steven
23 Ganley at Case No. 19-55-018021 at item
24 3 on the agenda, I believe the Board
25 would entertain a motion to direct Board

1 counsel to prepare an Adjudication and
2 Order consistent with discussions in
3 Executive Session.

4 Is there such a motion?

5 CHAIR ELLIS:

6 So moved.

7 MS. JENSIK:

8 Second.

9 MR. ROUSE:

10 Any discussion? All those in favor, say
11 aye. All those opposed, say nay.

12 [The motion carried unanimously.]

13 ***

14 MR. ROUSE:

15 Regarding the Matter for the Petition
16 for Reinstatement of Howard Alan
17 Drossner, Case No. 21-55-006792 at item
18 4 on the agenda, I believe the Board
19 would entertain a motion to direct Board
20 counsel to prepare an Adjudication and
21 Order consistent with the discussion in
22 Executive Session.

23 Is there such a motion?

24 MR. KELLY:

25 So moved.

1 CHAIR ELLIS:

2 Second.

3 MR. ROUSE:

4 Any discussion? All those in favor, say
5 aye. All those opposed, say nay.

6 [The motion carried. Ms. Risler recused herself from
7 deliberations and voting on the motion.]

8 ***

9 Report of Board Counsel - Regulatory Discussion

10 [Ronald K. Rouse, Esquire, Board Counsel, addressed
11 16A-5516 regarding competence to supervise attest
12 services. He stated the CPA Law was amended on June
13 19, 2013, by eliminating the requirement that every
14 candidate must have at least 400 hours of experience
15 in attest activity in order to be licensed as a CPA.

16 Mr. Rouse referred to 49 Pa. Code § 11.23a, where
17 the Board established competency requirements for
18 licensees who supervise attest activity, which
19 includes 400 hours of experience and at least 24 hours
20 of continuing professional education (CPE) in the area
21 of accounting, auditing, or attest during the 24
22 months immediately preceding issuance of the report.

23 Mr. Rouse noted the Board reviewed § 11.23a(a) as
24 written and noticed the current language limits the
25 applicability of the competency requirements to

1 licensees supervising and signing or authorizing
2 another to sign an accountant's report for attest
3 services.

4 Mr. Rouse commented that the Board proposes to
5 amend § 11.23a(a) and (b) to clarify that a licensee
6 who supervises, signs, or authorizes another to sign
7 an accountant's report for attest services must meet
8 the competency standards.

9 Mr. Rouse also noted the practical application of
10 § 11.23a(b)(1)(i) produce the unintended burden of
11 causing individuals, firms, and governmental agencies
12 to adjust CPE schedules and implement new CPE tracking
13 formats to ensure compliance with the requirement of
14 having at least 24 hours of CPE in the area of
15 accounting, auditing, or attests during the 24 months
16 immediately preceding issuance of the report for
17 attest services.

18 Mr. Rouse stated the Board believes that
19 licensees can maintain competency by completing 12
20 hours of CPE in the calendar year preceding and 12
21 years during the calendar year the report is issued.
22 He noted the Board proposes amending § 11.23a(b)(1)(i)
23 to require 12 hours of CPE in the calendar year
24 immediately preceding issuance of the report and 12
25 hours of CPE during the calendar year in which the

1 report is used.

2 Mr. Rouse referred to the proposed annex and
3 preamble for competence to supervise attest services.
4 He noted the matter was discussed in October 2018 but
5 did not see that the annex had been issued to the
6 stakeholders as an exposure draft or see a vote and
7 presented the annex and preamble for approval.]

8 MR. ROUSE:

9 Regarding regulation 16A-5516,
10 competence to supervise attest services,
11 I believe the Board would entertain a
12 motion to adopt the proposed annex and
13 to release it to stakeholders as an
14 exposure draft.

15 Is there such a motion?

16 CHAIR ELLIS:

17 So moved.

18 MR. ROUSE:

19 Is there a second?

20 MS. RISLER:

21 Second.

22 MR. ROUSE:

23 Any discussion? All those in favor, say
24 aye. All those opposed, say nay.

25 [The motion carried unanimously.]

1 ***

2 [Ronald K. Rouse, Esquire, Board Counsel, addressed
3 16A-5517 regarding licensure by endorsement. He
4 provided the proposed annex and preamble. He noted it
5 addressed how to be considered substantially
6 equivalent under licensure by endorsement, where
7 someone would have to hold a CPA license from a
8 jurisdiction that requires a baccalaureate or higher
9 degree from a college or university accredited by an
10 accrediting agency nationally recognized by the United
11 States Department of Education or a college or
12 university approved by the Board.

13 Mr. Rouse stated the applicant would also have
14 had to achieve a passing score on the Uniform
15 Certified Public Accountant Examination or other
16 Board-approved skills examination.

17 Mr. Rouse also noted the Board proposes to amend
18 § 11.5a(a)(2) to require a demonstration of competency
19 for licensure by endorsement. He mentioned that
20 competency could be shown either by experience in
21 practice of the profession, completion of continuing
22 education, or achievement of a passing score on a
23 Board-approved skills examination. He presented a
24 copy of the preamble, which is the Board's discussion
25 of why licensure by endorsement is necessary.]

1 MR. ROUSE:

2 Regarding regulation 16A-5517, licensure
3 by endorsement, I believe the Board
4 would entertain a motion to adopt the
5 preamble and to direct Board counsel to
6 move forward with the regulatory
7 process.

8 Is there such a motion?

9 MR. ROLLAGE:

10 So moved.

11 CHAIR ELLIS:

12 Second.

13 MR. ROUSE:

14 Any discussion? All those in favor, say
15 aye. All those opposed, say nay.

16 [The motion carried unanimously.]

17 ***

18 [Ronald K. Rouse, Esquire, Board Counsel, addressed
19 16A-5518 regarding continuous testing of the CPA
20 Examination. He commented that all jurisdictions in
21 the United States offered the CPA Exam during
22 quarterly testing windows; however, in 2018, the
23 National Association of State Boards of Accountancy;
24 American Institute of Certified Public Accountants and
25 CPA examination administrator, Prometric; commissioned

1 a group to research the possibility of eliminating
2 quarterly testing windows by implementing continuous
3 testing.

4 Mr. Rouse stated that continuous testing was
5 implemented on July 1, 2020. He mentioned that the
6 regulation is to have Board regulations come in line
7 with continuous testing to eliminate the testing
8 window so candidates can take the CPA Exam every day
9 that Prometric has a testing site available for the
10 candidate to sit for the exam.]

11 MR. ROUSE:

12 Regarding regulation 16A-5518,
13 continuous testing of the CPA Exam, I
14 believe the Board would entertain a
15 motion to adopt the proposed annex and
16 to release it to the stakeholders as an
17 exposure draft.

18 Is there such a motion?

19 CHAIR ELLIS:

20 So moved.

21 MR. OCKER:

22 Second.

23 MR. ROUSE:

24 Any discussion? All those in favor, say
25 aye. All those opposed, say nay.

1 [The motion carried unanimously.]

2

3 Report of Board Chair

4 [Keri A. Ellis, CPA, Chair, noted the Gift Ban Policy
5 and Sunshine Act for the Board's review. She
6 mentioned that there have been no changes since the
7 last meeting.]

8

9 Report of Commissioner

10 [K. Kalonji Johnson, Commissioner, Bureau of
11 Professional and Occupational Affairs, reminded
12 everyone that the emergency declaration expires on
13 September 30, 2021, and the Board will be returning to
14 physical meetings at Penn Center October 1, 2021. He
15 stated all Commonwealth of Pennsylvania employees are
16 required to wear masks and observe the Centers for
17 Disease Control and Prevention (CDC) guidelines. He
18 noted members of the public will be encouraged to wear
19 masks as well.

20 Commissioner Johnson noted the travel ban was
21 lifted and encouraged everyone to make physical travel
22 arrangements early through the online portal due to
23 national staffing shortages and to work with Ms. Li.
24 He noted the Sunshine Act requires travel requests to
25 be placed on the agenda and be formalized in the

1 public meeting.

2 Commissioner Johnson addressed wall certificates,
3 noting the plan is to have that up and running before
4 the end of next month. He should have news for the
5 Board in time for the next Board meeting with respect
6 to how that will function and will keep them posted on
7 those developments over the next few weeks.]

8 ***

9 Report of Board Administrator - No Report

10 ***

11 Report of Committees - Good Moral Character

12 [Ronald K. Rouse, Esquire, Board Counsel, noted the
13 matter of Robert Prather will be placed on the next
14 Board agenda.]

15 ***

16 Review of Program Sponsor Applications

17 MR. ROUSE:

18 Regarding the Review of Program Sponsor
19 Applications at items 11 through 13 on
20 the agenda, I believe the Board would
21 entertain a motion to ratify the Program
22 Sponsor Applications of J. Martin and
23 Associates, LLC, number 11; Compass
24 Estate Planning & Elder Law, number 12;
25 and Siana Carr O'Connor & Lynam, LLP,

1 number 13 on the agenda.

2 Is there such a motion to ratify?

3 CHAIR ELLIS:

4 So moved.

5 MR. ROUSE:

6 Is there a second?

7 MR. OCKER:

8 Second.

9 MR. ROUSE:

10 Any discussion? All those in favor, say
11 aye. All those opposed, say nay.

12 [The motion carried unanimously.]

13 ***

14 Review of Requests - CPE Waivers

15 MR. ROUSE:

16 Regarding items 14 through 16 on the
17 agenda, these are CPE waivers. I
18 believe the Board would entertain a
19 motion to ratify the CPE waivers at
20 number 14, which is Barrios; number 15,
21 which is Dreese; and number 16, which is
22 Sheaffer, on the agenda.

23 Is there such a motion to ratify
24 these CPE waivers?

25 CHAIR ELLIS:

1 So moved.

2 MR. ROUSE:

3 Is there a second?

4 MR. OCKER:

5 Second.

6 MR. ROUSE:

7 Any discussion? All those in favor, say
8 aye. All those opposed, say nay.

9 [The motion carried unanimously.]

10 ***

11 Review of Requests - Extension of Peer Review

12 MR. ROUSE:

13 Regarding the Extension of Peer Review
14 at items 17 and 18 on the agenda, I
15 believe the Board would entertain a
16 motion to ratify the Extension of Peer
17 Review for number 17, Butrica and 18,
18 Fola & Associates, PC.

19 Is there such a motion to ratify?

20 MR. OCKER:

21 So moved.

22 MR. ROUSE:

23 Is there a second?

24 CHAIR ELLIS:

25 Second.

1 MR. ROUSE:

2 Any discussion? All those in favor, say
3 aye. All those opposed, say nay.

4 [The motion carried unanimously.]

5 ***

6 Roll Call

7 [A roll call of Board members was taken by Mr. Rouse.]

8 ***

9 Correspondence

10 [Keri A. Ellis, CPA, Chair, noted the NASBA 2021 Q2
11 Performance Statistics. She stated Pennsylvania is
12 doing very well with respect to candidates and
13 sections taken at seven and eight, respectively. She
14 noted the pass score rate is about 50 percent, which
15 is 40th.

16 Chair Ellis addressed 2021 Q2 Quarterly Candidate
17 Care, noting a total of 248 incidents that required 8
18 retests to be awarded.

19 Chair Ellis informed the Board that the NASBA
20 Meeting being held October 30 through November 2,
21 2021, has been changed from in person and virtual to
22 virtual only and will provide registration information
23 upon receipt.]

24 ***

25 Miscellaneous - Next Meeting Dates

1 [Keri A. Ellis, CPA, Chair, noted remaining 2021 Board
2 meeting dates and 2022 Board meeting dates for the
3 Board's review.]

4 MR. ROUSE:

5 I believe the Board would entertain a
6 motion to adopt the 2022 Board meeting
7 dates.

8 Is there such a motion?

9 CHAIR ELLIS:

10 So moved.

11 MR. ROUSE:

12 Is there a second?

13 MS. ERICSON:

14 Second.

15 MR. ROUSE:

16 All those in favor, say aye. All those
17 opposed, say nay.

18 [The motion carried unanimously.]

19 ***

20 [Ronald K. Rouse, Esquire, Board Counsel, announced
21 Sara Fox, who was the administrator for the State
22 Board of Accountancy for many years, has retired and
23 thanked her for her service. He also thanked Amanda
24 Li for helping the Board in this time of transition.

25 Chair Ellis also noted Ms. Fox will be missed.]

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

Adjournment

CHAIR ELLIS:

Is there a motion to adjourn the
meeting?

MS. RISLER:

Motion to adjourn.

MR. OCKER:

Second.

CHAIR ELLIS:

All those in favor, say aye. All those
opposed?

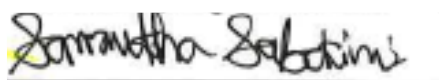
[The motion carried unanimously.]

[There being no further business, the State Board of
Accountancy Meeting adjourned at 11:38 a.m.]

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

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.



Samantha Sabatini,
Minute Clerk
Sargent's Court Reporting
Service, Inc.

STATE BOARD OF ACCOUNTANCY
REFERENCE INDEX

September 21, 2021

TIME

AGENDA

1		
2		
3		
4		
5		
6		
7		
8		
9	9:00	Executive Session
10	11:00	Return to Open Session
11		
12	11:03	Official Call to Order
13		
14	11:04	Approval of Minutes
15		
16	11:06	Report of Prosecutorial Division
17		
18	11:06	Report of Board Counsel
19		
20	11:25	Report of Board Chair
21		
22	11:25	Report of Commissioner
23		
24	11:29	Report of Committees
25		
26	11:29	Review of Program Sponsor Applications
27		
28	11:30	Review of Requests
29		
30	11:32	Roll Call
31		
32	11:33	Correspondence
33		
34	11:36	Miscellaneous
35		
36	11:38	Adjournment
37		
38		
39		
40		
41		
42		
43		
44		
45		
46		
47		
48		
49		
50		