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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 MICROSOFT TEAMS**

TIME: 10:37 A.M.

PENNSYLVANIA DEPARTMENT OF STATE
2601 North Third Street
One Penn Center, Board Room C
Harrisburg, Pennsylvania 17110

April 21, 2022

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State Board of Accountancy
April 21, 2022

BOARD MEMBERS:

- Keri A. Ellis, CPA, Chair
- Arion Claggett, Acting Commissioner, Bureau of Professional and Occupational Affairs
- Monique M. Ericson, CPA, Office of Attorney General
- Mary Jensik, CPA - Absent
- 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
- John J. Grater, CPA
- Philip Reck, PA

BUREAU PERSONNEL:

- Ronald K. Rouse, Esquire, Board Counsel
- Ray Michalowski, Esquire, Senior Board Prosecutor
- Angela L. Solomon, Esquire, Board Prosecution Liaison
- Miranda Murphy, Board Administrator

ALSO PRESENT:

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

1 ***

2 State Board of Accountancy

3 April 21, 2022

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 10:30 a.m.]

11 ***

12 [Ronald K. Rouse, Esquire, Board Counsel, stated the
13 meeting of the State Board of Accountancy was being
14 held in a hybrid format of in-person and livestream
15 teleconference pursuant to Act 100 of 2021, which
16 requires boards to use a virtual platform to conduct
17 business when a public meeting is held.

18 Mr. Rouse also noted the Board met in Executive
19 Session to have attorney-client consultations and for
20 the purpose of conducting quasi-judicial
21 deliberations.]

22 ***

23 The regularly scheduled meeting of the State
24 Board of Accountancy was held on Thursday, April 21,
25 2022. Keri A. Ellis, CPA, Chair, called the meeting

1 to order at 10:37 a.m.

2

3 Roll Call

4 [Keri A. Ellis, CPA, Chair, introduced and welcomed
5 two new Board members, Philip Reck and Jack Grater.
6 A roll call of Board members was taken by Mr. Rouse.
7 A quorum was present.]

8

9 Approval of minutes of the January 19, 2022 meeting

10 MR. ROUSE:

11 This is a matter that was discussed in
12 Executive Session regarding the approval
13 of the minutes. There is a question
14 about the substance of one part of the
15 minutes, and at this point, is there a
16 motion to table the approval of the
17 January 19, 2022 minutes?

18 MR. KELLY:

19 So moved.

20 CHAIR ELLIS:

21 Second.

22 MR. ROUSE:

23 Is there any discussion? Roll call of
24 the vote.

25

1 Chair Ellis, aye; Acting Commissioner
2 Claggett, aye; Monique Ericson, aye;
3 Paul Kelly, aye; Charles O'Brien, aye;
4 Michael Ocker, aye; Sheri Risler, aye;
5 Michael Rollage, aye; David Stonesifer,
6 aye; John Grater, abstain; Philip Reck,
7 abstain.

8 [The motion carried. John Grate and Philip Reck
9 abstained from voting on the motion.]

10 ***

11 Report of Prosecutorial Division

12 [Angela L. Solomon, Esquire, Board Prosecution
13 Liaison, had no consent agreements to present but was
14 expecting one for next month.

15 Ms. Solomon addressed her attendance at a full
16 day of continuing legal education (CLE) related to
17 litigation and writing for administrative practice,
18 including rules of administrative procedure and more
19 effective communication. She plans on applying those
20 moving forward and passing on the information to
21 other members of her team.

22 Ms. Solomon also informed Board members of her
23 review of changes and important information that may
24 come into play when complaints start coming in this
25 year related to tax preparation services. She noted

1 spending time understanding the Paycheck Protection
2 Program (PPP) loans and their forgiveness, the effect
3 on taxes, what licensees should be doing with those
4 loans, and reflecting them in tax returns.

5 Ms. Solomon also noted taking a deep dive into
6 law and other things related to disciplinary actions
7 that are being taken by the Securities and Exchange
8 Commission (SEC) and Public Company Accounting
9 Oversight Board (PCAOB) to deepen their understanding
10 with those type of reciprocal cases.

11 Ms. Solomon addressed continuing education
12 violations, noting the Board does not really get to
13 see those cases because they are handled largely by
14 citations that do not come before the Board. She
15 mentioned expecting to see an onslaught of cases now
16 that there was a recent biennial renewal period and
17 reactivations.

18 Ms. Solomon noted working on the 54 open cases
19 related to continuing education (CE) violations. She
20 stated the Board's citation schedule was one of the
21 best because it provides substantial authority to
22 develop a disciplinary history for individuals and
23 discipline the violators in a less formal setting.
24 She also reported 57 open lapsed license cases and is
25 expecting an increase in those since reactivations

1 are still being processed.

2 Ms. Solomon announced that she would be taking
3 maternity leave from the end of July through the end
4 of November but should be back in January. She noted
5 Mr. Michalowski will be available, along with Tim
6 Smith.

7 Ms. Risler thanked Ms. Solomon for the report,
8 noting the steps she mentioned are going to make the
9 process stronger and is needed as a CPA Board. She
10 referred to the 54 open cases and requested more
11 information regarding how prosecution distinguishes
12 the continuing professional education (CPE) credit
13 cases.

14 Mr. Michalowski explained that most of the cases
15 are in the evaluation stage and would have been sent
16 to prosecution by the Board administrative staff for
17 CE and lapsed license cases. He noted weeding out
18 individuals who may not be violative, where some
19 people have issues with the Pennsylvania Licensing
20 System (PALS) and file a renewal and do not complete
21 it, which causes delays.

22 Mr. Michalowski addressed reasons why individuals
23 do not reactivate their license and have a lapsed
24 license, noting they are given warning letter and
25 the rest will go to prosecution. He also mentioned

1 some people do not send the correct things into the
2 administrative staff but prosecution will close
3 those. He also commented that the Board's set of
4 citations is complete and guides them as to what the
5 priorities are in citing people. He mentioned the
6 Board just renewed in January and is going through
7 the evaluation process.

8 Mr. Michalowski stated prosecution would sit down
9 with the professional associations about every four
10 years to discuss trends and encourage them to file
11 complaints. He mentioned seeing a big change in the
12 profession with peer review and a lot of firms not
13 doing their peer review and a lot of those just
14 stopped doing audit and attest.

15 Mr. Michalowski stated the PPP issue is going to
16 be coming up, where they will probably see a
17 multiagency issue on that as well when the large
18 fraud cases start coming through.

19 Chair Ellis noted it seems like the 54 cases
20 would be resolved but asked whether it is typical for
21 renewal cases to get resolved through communications
22 and whether it was that way in the past.

23 Mr. Michalowski stated individuals will be
24 investigated with just a phone call or request for
25 documents and others investigated by the Bureau of

1 Enforcement and Investigation (BEI). He addressed
2 lapsed licenses, noting it was not a huge issue for
3 the Board because people are compliant.

4 Chair Ellis commented that the accounting
5 professionals recognize that there may be even higher
6 consequences if their licenses are not renewed in
7 terms of practicing. She asked whether there was any
8 kind of notice on their website regarding open cases.

9 Mr. Michalowski explained that the investigations
10 are considered confidential and information cannot be
11 disclosed. He stated licenses in the reactivation
12 stage will be listed as expired and espoused the
13 Pennsylvania Licensing System verification page for
14 licensure status.

15 Chair Ellis asked whether the Board should be
16 looking at some of the cases concerning CE
17 discrepancy or peer review shortage instead of
18 referring those to prosecution.

19 Mr. Rouse stated cases are referred to the
20 Professional Compliance Office (PCO) so there is that
21 wall between its adjudicatory function versus
22 prosecutorial function in terms of bridging the law
23 between prosecution and the Board.

24 Mr. Michalowski explained that peer review is
25 written a little differently and should not be

1 renewed if those are not in place. He noted none of
2 the other ones are done like that, where someone
3 would be renewed if they practiced on an expired
4 license, along with CE audits that would be sent to
5 prosecution. He stated peer review is to get the
6 people who were not really equipped to do an audit
7 and attest to stop doing it. He noted the way the
8 peer review law is written is that it is supposed to
9 be a prerequisite for renewal and one of the easiest
10 ways to charge them would be if they did not renew.]

11 ***

12 Report of Board Counsel - Final Adjudications and
13 Orders

14 MR. ROUSE:

15 Item 2 on the agenda, which was a matter
16 discussed in Executive Session. This is
17 the Final Adjudication and Order for the
18 Matter of BPOA v. Steven Ganley, Case
19 No. 19-55-018021.

20 Regarding that Final Adjudication
21 and Order at item 2, I believe the Board
22 would entertain a motion to adopt the
23 Adjudication and Order as presented by
24 Board counsel and to direct Board
25 counsel to prepare the Board's Final

1 Order.

2 Is there such a motion?

3 CHAIR ELLIS:

4 So moved.

5 MR. ROUSE:

6 Is there a second?

7 MR. OCKER:

8 Second.

9 MR. ROUSE:

10 Is there any discussion? Roll call of
11 the vote.

12

13 Chair Keri Ellis, aye; Acting
14 Commissioner Claggett, aye; Monique
15 Ericson, aye; Paul Kelly, aye; Charles
16 O'Brien, aye; Michael Ocker, aye; Sheri
17 Risler, aye; Michael Rollage, aye; David
18 Stonesifer, aye; John Grater, abstain;
19 Philip Reck, abstain.

20 [The motion carried. John Grate and Philip Reck
21 abstained from voting on the motion.]

22

23 MR. ROUSE:

24 Item 3 on the agenda, which is the
25 Final Adjudication and Order for BPOA

1 v. John Swirsding, Case No. 19-55-
2 014718.

3 Regarding that Final Adjudication
4 and Order at item 3 on the agenda, I
5 believe the Board would entertain a
6 motion to adopt the Adjudication and
7 Order as presented by Board counsel and
8 to direct Board counsel to prepare the
9 Board's Final Order.

10 Is there such a motion?

11 CHAIR ELLIS:

12 So moved.

13 MR. ROUSE:

14 Is there a second?

15 MR. OCKER:

16 Second.

17 MR. ROUSE:

18 Any discussion? Roll call of the vote.

19
20 Chair Keri Ellis, aye; Acting
21 Commissioner Claggett, aye; Monique
22 Ericson, aye; Paul Kelly, aye; Charles
23 O'Brien, aye; Michael Ocker, aye; Sheri
24 Risler, recuse; Michael Rollage, aye;
25 David Stonesifer, aye; John Grater,

1 make a fair and unbiased determination.

2 Mr. Rouse stated discretionary recusals include
3 not being able to be fair and decide the case without
4 prejudice.

5 Mr. Rouse defined an abstention as a Board member
6 refraining from casting a vote, which would be
7 appropriate if they were not present at a Board
8 meeting.]

9

10 Report of Board Chair

11 [Keri A. Ellis, CPA, Chair, referred to the Sunshine
12 Act and Gift Ban Policy for the Board's information.

13 Mr. Rouse addressed the Sunshine Act, noting
14 anytime an agency holds a meeting where deliberation
15 or official action takes place that the meeting must
16 be open to the public after public notice has been
17 provided. He discussed agencies, deliberation,
18 public notice, voting, and minutes.

19 Mr. Rouse stated Senate Bill 554 amended the
20 Pennsylvania Sunshine Act to include the requirement
21 that agencies post the agenda for all public meetings
22 at least 24 hours in advance effective August 29,
23 2021.

24 Mr. Rouse explained that the agenda requirement
25 applies to all regular and special public meetings

1 but does not include work sessions, conferences, and
2 Executive Session.

3 Mr. Rouse commented that an agency can change
4 the agenda within the 24-hour threshold provided the
5 changes are de minimis, involve no expenditure of
6 funds, and do not entail entering into a contract.]

7 ***

8 Report of Acting Commissioner

9 [Arion R. Claggett, Acting Commissioner, Bureau of
10 Professional and Occupational Affairs, informed Board
11 members that the department is currently in the
12 process of replacing the Pennsylvania Licensing
13 System (PALS) and should have the new system
14 identified and in place by the end of 2023.]

15 ***

16 Report of Board Administrator - No Report

17 ***

18 Review of Requests - CPE Extension - Approved

19 MR. ROUSE:

20 Regarding items 7 and 8, these are CPE
21 Extensions that were approved in the
22 matter of Caruso and Rompola. I
23 believe the Board would entertain a
24 motion to ratify the CPE Extensions at
25 items 7 and 8 on the agenda.

1 Is there such a motion?

2 CHAIR ELLIS:

3 So moved.

4 MR. ROUSE:

5 Is there a second?

6 MR. OCKER:

7 Second.

8 MR. ROUSE:

9 Any discussion? Roll call on the vote.

10

11 Chair Keri Ellis, aye; Acting
12 Commissioner Claggett, aye; Monique
13 Ericson, aye; Paul Kelly, aye; Charles
14 O'Brien, aye; Michael Ocker, aye; Sheri
15 Risler, aye; Michael Rollage, aye;
16 David Stonesifer, aye; John Grater,
17 aye; Philip Reck, aye.

18 [The motion carried unanimously.]

19

20 Review of Requests - CPE Waivers - Approved

21 MR. ROUSE:

22 Regarding CPE Waivers that were
23 approved, I believe we have one
24 recusal, David Stonesifer.

25 In the matter of the CPE Waiver of

1 Piscitelli, I believe the Board would
2 entertain a motion to ratify the CPE
3 Waiver at item 9 on the agenda.

4 Is there such a motion?

5 CHAIR ELLIS:

6 So moved.

7 MR. ROUSE:

8 Is there a second?

9 MR. OCKER:

10 Second.

11 MR. ROUSE:

12 Any discussion? Roll call on the vote.

13

14 Chair Keri Ellis, aye; Acting
15 Commissioner Claggett, aye; Monique
16 Ericson, aye; Paul Kelly, aye; Charles
17 O'Brien, aye; Michael Ocker, aye; Sheri
18 Risler, aye; Michael Rollage, aye;
19 David Stonesifer, recuse; John Grater,
20 aye; Philip Reck, aye.

21 [The motion carried. David Stonesifer recused
22 himself from deliberations and voting on the motion.]

23

24 Review of Requests - CPE Waivers - Not Approved

25 MR. ROUSE:

1 Item 10 on the agenda is a CPE Waiver
2 not approved. Item 10, Chu, I believe
3 the Board would entertain a motion to
4 ratify the denial of the CPE Waiver at
5 item 10 on the agenda.

6 Is there such a motion?

7 CHAIR ELLIS:

8 So moved.

9 MR. ROUSE:

10 Is there a second?

11 MR. OCKER:

12 Second.

13 MR. ROUSE:

14 Any discussion? Roll call on the vote.

15

16 Chair Keri Ellis, aye; Acting
17 Commissioner Claggett, aye; Monique
18 Ericson, aye; Paul Kelly, aye; Charles
19 O'Brien, aye; Michael Ocker, aye; Sheri
20 Risler, aye; Michael Rollage, aye;
21 David Stonesifer, aye; John Grater,
22 aye; Philip Reck, aye.

23 [The motion carried unanimously.]

24

25 Review of Requests - Extension of CPA Examination

1 Credit - Approved

2 MR. ROUSE:

3 Next is the Extension of CPA
4 Examination Credits that were approved
5 at items 11 through 26 for Farren,
6 Choukeir, Grossman, Perwas, Chandru,
7 Drury, Bucci, Ellenburg, Singh, Ilina,
8 Zhang, Ferreira, DeCosmo, Berro, Liu,
9 and Bohn.

10 I believe the Board would
11 entertain a motion to ratify the
12 Extension of the CPA Exam Credits for
13 items 11 through 26 on the agenda.

14 Is there such a motion?

15 CHAIR ELLIS:

16 So moved.

17 MR. ROUSE:

18 Is there a second?

19 MS. RISLER:

20 Second.

21 MR. ROUSE:

22 Any discussion? Roll call on the vote.

23

24 Chair Keri Ellis, aye; Acting

25 Commissioner Claggett, aye; Monique

1 Ericson, aye; Paul Kelly, aye; Charles
2 O'Brien, aye; Michael Ocker, aye; Sheri
3 Risler, aye; Michael Rollage, aye;
4 David Stonesifer, aye; John Grater,
5 aye; Philip Reck, aye.

6 [The motion carried unanimously.]

7 ***

8 Review of Requests - Extension of CPA Examination
9 Credit - Not Approved

10 MR. ROUSE:

11 Next is the Extension of CPA
12 Examination Credits that were not
13 approved at items 27 through 30 on the
14 agenda for Berkheimer, Gaughan, Sinha,
15 and Mohamed.

16 I believe the Board would
17 entertain a motion to ratify the denial
18 of Extension of the CPA Exam Credits
19 for items 27 through 30 on the agenda.

20 Is there such a motion?

21 CHAIR ELLIS:

22 So moved.

23 MR. ROUSE:

24 Is there a second?

25 MR. OCKER:

1 Second.

2 MR. ROUSE:

3 Any discussion? Roll call on the vote.

4

5 Chair Keri Ellis, aye; Acting
6 Commissioner Claggett, aye; Monique
7 Ericson, aye; Paul Kelly, aye; Charles
8 O'Brien, aye; Michael Ocker, aye; Sheri
9 Risler, aye; Michael Rollage, aye;
10 David Stonesifer, aye; John Grater,
11 aye; Philip Reck, aye.

12 [The motion carried unanimously.]

13

14 Review of Requests - Extension of CPA Examination

15 Credit - Final Decision Needed

16 MR. ROUSE:

17 Next is the Extension of CPA
18 Examination Credits. Regarding items
19 31, 32, and 33, I believe the Board
20 would entertain a motion to approve the
21 Extension of the CPA Exam Credits for
22 Scaccetti, Schauble, and Rodriguez at
23 items 31 through 33 on the agenda.

24 Is there such a motion?

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? Roll call on the vote.

8

9 Chair Keri Ellis, aye; Acting
10 Commissioner Claggett, aye; Monique
11 Ericson, aye; Paul Kelly, aye; Charles
12 O'Brien, aye; Michael Ocker, aye; Sheri
13 Risler, aye; Michael Rollage, aye;
14 David Stonesifer, aye; John Grater,
15 aye; Philip Reck, aye.

16 [The motion carried unanimously.]

17

18 Review of Requests - Peer Review Extension - Approved

19 MR. ROUSE:

20 Peer Review Extension at item 34,
21 Gavigan & Company PC, I believe the
22 Board would entertain a motion to
23 ratify the Extension of Peer Review for
24 Gavigan & Company PC.

25 Is there such a motion?

1 CHAIR ELLIS:

2 So moved.

3 MR. ROUSE:

4 Is there a second?

5 MR. OCKER:

6 Second.

7 MR. ROUSE:

8 Any discussion? Roll call on the vote.

9

10 Chair Keri Ellis, aye; Acting
11 Commissioner Claggett, aye; Monique
12 Ericson, aye; Paul Kelly, aye; Charles
13 O'Brien, aye; Michael Ocker, aye; Sheri
14 Risler, aye; Michael Rollage, aye;
15 David Stonesifer, aye; John Grater,
16 aye; Philip Reck, aye.

17 [The motion carried unanimously.]

18

19 Miscellaneous - NASBA 2022-2023 Committee Interest

20 [Keri A. Ellis, CPA, Chair, referred to the NASBA

21 2022-2023 committee interest form and encouraged

22 Board members to join NASBA committees and have the

23 form back to NASBA by May 12. She mentioned being a

24 member on the NASBA Standard-Setting and Professional

25 Trends Advisory Committee, noting the importance of

1 the Board having involvement in supporting CPAs.

2 Chair Ellis noted the NASBA Eastern Regional
3 Meeting June 27-29 at The Greenbrier and encouraged
4 Board members to attend.]

5 ***

6 Miscellaneous - Uniform CPA Examination Fee Change
7 [Keri A. Ellis, CPA, Chair, referred to the Uniform
8 CPA Examination fee increase of about \$12 for the
9 Board's information.]

10 ***

11 Miscellaneous - Candidate Care Quality Reports, Q1-Q4
12 2021

13 [Keri A. Ellis, CPA, Chair, noted the 2021 Candidate
14 Care Quality Reports for Q1-Q4 for the Board's
15 information regarding the total number of incidents
16 and retests rewarded.

17 Chair Ellis reminded Board members that financial
18 disclosures are due May 1, 2022.]

19 ***

20 Miscellaneous - Update from the NASBA Enforcement
21 Committee

22 [Ronald K. Rouse, Esquire, Board Counsel, addressed
23 the update from the NASBA Enforcement Committee. He
24 stated NASBA has many resources and training and
25 mentioned his participation in the Board counsel

1 training. He mentioned his discussion with Elizabeth
2 Wolfe, who is regulatory counsel for NASBA, about not
3 having training for Board prosecutors. He stated the
4 committee chair for NASBA's Enforcement Resources
5 Committee is going to discuss the possibility of
6 developing a program for Board prosecutors at the
7 NASBA Enforcement Resources Committee Meeting in
8 May.]

9 ***

10 Miscellaneous - Board Committees

11 [Keri A. Ellis, CPA, Chair, referred to the list of
12 Board committee assignments. She encouraged new
13 members to look at the committee form for discussion
14 concerning the committees at the next meeting.]

15 ***

16 Miscellaneous - Next Meeting Dates

17 [Keri A. Ellis, CPA, Chair, noted 2022 and 2023 Board
18 meeting dates for the Board's review. She also noted
19 the next meeting date is scheduled for May 18, 2022,
20 and will be held in a similar format.]

21 ***

22 Miscellaneous - Upcoming CPA Exam Changes

23 [Keri A. Ellis, CPA, Chair, informed everyone that
24 Colleen Conrad from NASBA would be discussing
25 upcoming CPA exam changes with the CPA Evolution

1 Project effective January 2024.

2 Colleen K. Conrad, CPA, Executive Vice President
3 and Chief Operating Officer, National Association of
4 State Boards of Accountancy, announced the new exam
5 would start in January 2024, and the American
6 Institute of Certified Public Accountants (AICPA)
7 will be issuing an exposure draft on July 1 that
8 shows the new blueprints by the three core sections
9 and three discipline sections. She noted the
10 exposure period would run until the end of September
11 if the Board wished to comment.

12 Ms. Conrad stated AICPA is already working on
13 new content and continue to work on multiple-choice
14 questions (MCQs) and task-based simulation (TBS)
15 development with the intent to present it a year
16 ahead of the new test in January 2023. She noted
17 subcommittees have done a confirmation phase and
18 finalized the draft of what the blueprints should
19 look like.

20 Ms. Conrad addressed the transition policy,
21 noting it was shared with state boards as a draft
22 last June for comments and finalized later last year.

23 She mentioned it was published in February and
24 launched at an educator session for AICPA, sent to
25 candidates, and put on social media.

1 Ms. Conrad noted it applies to candidates who
2 start taking the exam in its current format but do
3 not finish and need to finish it under the new exam.

4 She reported it will be the new sections instead of
5 the old as of January 1, 2024. She provided a
6 summary of exam section names.

7 Ms. Conrad explained that anybody who has not
8 passed or does not have credit for Business
9 Environment and Concepts as of the end of 2023 would
10 need to take one of the discipline sections. She
11 mentioned NASBA would try to have candidates complete
12 the exam before the end of 2023 and are incentivized
13 to take BEC and pass, so one of the disciplines would
14 not have to be taken.

15 Ms. Conrad stated CPA Evolution has been very
16 well received and invited everyone to send an email
17 to feedback@evolutionofCPA.org and visit NASBA's
18 website for answers to most questions. She noted a
19 review course providers are making sure candidates
20 know about and are encouraging candidates to get the
21 test completed.

22 Ms. Conrad noted the other part of Evolution is
23 the CPA Evolution Model Curriculum, which was first
24 shared in June 2021 and launched with an Excel
25 version provided shortly thereafter that educators

1 could utilize more as a tool to work through their
2 courses. She reported an update in November 2021 to
3 both the PDF and Excel. She noted universities are
4 seeing what they can do to update their coursework
5 now that there are three disciplines, and AICPA has
6 done a great job providing tools and resources to
7 help. She noted state boards and model rule and
8 statute changes.

9 Ms. Conrad mentioned working behind the scenes
10 with the NASBA Computer-Based Test (CBT)
11 Administration Committee and Executive Directors
12 Committee to look at how things will work
13 administratively and operationally. She noted NASBA
14 would have to start accepting applications for new
15 sections that are not there now and cease accepting
16 applications for BEC in the fall of 2023.

17 Ms. Conrad mentioned the need to still figure
18 out how it is going to work in the Gateway system and
19 for CPA Examination Services (CPAES) and how late to
20 allow candidates to take the exam. She noted that
21 she will be working with executive directors on the
22 fall of 2023 and what that might look like and should
23 be coming soon.

24 Ms. Conrad mentioned working with AICPA on what
25 they need to make sure the exam is legally defensible

1 and psychometrically valid in 2024. She mentioned
2 the possibility of dark periods and score delays but
3 is working with the Executive Directors Committee and
4 CBT Administration Committee for recommendations and
5 will be talking about it at the Executive Directors
6 Committee Conference in closed session.

7 Ms. Conrad mentioned the need to come up with
8 recommendations to the state boards because they may
9 have to look to some relief of credit extensions
10 because of score holds and other things that are
11 going to be coming to state boards for discussion.
12 She mentioned the importance of uniformity, so there
13 is no confusion for candidates with states doing it
14 differently with the goal of being able to announce
15 in the fall. She noted Pennsylvania is a CPAES
16 state, which makes it easier because they take on a
17 lot of the IT issues.

18 Ms. Conrad noted the pipeline to be a big topic
19 with state boards and state societies concerning the
20 number of people coming into the profession and
21 getting younger students and college students
22 interested in accounting.

23 Ms. Risler suggested having a high school
24 Advanced Placement (AP) Accounting Course to get
25 interested candidates and asked whether there is a

1 way to rejuvenate that as a pipeline.

2 Ms. Conrad stated there is actually legislation
3 that has been introduced in the Senate to recognize
4 accounting as a science, technology, engineering, and
5 math (STEM) field in K-12 education. She noted it to
6 be more about the information technology (IT) aspects
7 of it. She noted actively working on that at a
8 national level and having a set of accounting courses
9 that a teacher at a high school could utilize to have
10 a class on accounting. She discussed the importance
11 of introducing accounting to students earlier.

12 Mr. Kelly commented that he served on the AICPA
13 committee that vets the questions for the audit
14 section of the exam and is not in favor of lower
15 standards but also not an advocate for letting the
16 profession expire for lack of interest on the part of
17 participants. He stated the CPA Exam has always been
18 an entry-level exam and almost everyone who passes is
19 under the supervision of a CPA who is later in their
20 career.

21 Mr. Kelly mentioned that most of the knowledge
22 in the body of the exam is largely not used, because
23 the subject matter is so broad. She inquired whether
24 there had been any thought regarding the pass score,
25 because every iteration of the exam tends to not get

1 easier.

2 Ms. Conrad stated the licensure exam is what a
3 licensed CPA needs to know to protect the public, and
4 no one can presume what their environment will be
5 like after they are licensed.

6 Ms. Conrad commented that Evolution is all about
7 Mr. Kelly's comments, where everybody does not need
8 to know everything. She noted that there is a
9 ratcheting back and removal of some things off the
10 exam. She stated the actual setting of the cut score
11 is dangerous and that concept cannot be considered.

12 Ms. Conrad noted the exam is what a newly
13 licensed CPA needs to know and is why they talk to
14 all of the focus groups, newly licensed CPAs, and
15 supervisors to get an understanding and then go
16 through iterations of whittling that down to what is
17 the most important. She reported pass rates have
18 come up over the years because candidates can now
19 take the exam one part at a time.

20 Mr. Kelly commented that auditors take global
21 responsibility for IT and a lot of issues for which
22 they have no expertise and looks forward to the day
23 when the audit includes outright explicit statements
24 of reliance on third-party professionals for those
25 subject areas because expecting CPAs to keep up with

1 IT developments will not happen.

2 Chair Ellis thanked Ms. Conrad for her
3 presentation.]

4 ***

5 Adjournment

6 CHAIR ELLIS:

7 Is there a motion to adjourn the
8 meeting?

9 MS. RISLER:

10 I make a motion to adjourn.

11 CHAIR ELLIS:

12 Second?

13 MR. KELLY:

14 Second.

15 CHAIR ELLIS:

16 All those in favor? Anyone oppose?

17 Thanks everybody for attending. We'll
18 see you in May.

19 [The motion carried unanimously.]

20 ***

21 [There being no further business, the State Board of
22 Accountancy Meeting adjourned at 12:07 p.m.]

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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.



Derek Richmond,
Minute Clerk
Sargent's Court Reporting
Service, Inc.

STATE BOARD OF ACCOUNTANCY
REFERENCE INDEX

April 21, 2022

TIME

AGENDA

1		
2		
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4		
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6		
7		
8		
9	9:00	Executive Session
10	10:30	Return to Open Session
11		
12	10:37	Official Call to Order
13		
14	10:37	Roll Call
15		
16	10:41	Approval of Minutes
17		
18	10:41	Report of Prosecutorial Division
19		
20	10:59	Report of Board Counsel
21		
22	11:06	Report of Board Chair
23		
24	11:10	Report of Acting Commissioner
25		
26	11:11	Review of Requests
27		
28	11:21	Miscellaneous
29		
30	11:31	Miscellaneous - Appointment - Colleen
31		K. Conrad, National Association of
32		State Boards of Accountancy
33		
34	12:07	Adjournment
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