NASBA

107th ANNUAL MEETING

NOVEMBER 2-5, 2014 ★ WASHINGTON, D.C.

AGENDA

FOREWORD

Recognizing the need for cooperation and communication among State Boards of Accountancy, NASBA sponsors an Annual Meeting in the fall of each year that provides a unique opportunity for state board members, executive directors and others interested in the profession to discuss freely and candidly the major issues facing state regulation of public accountancy.

The site of NASBA's 107th Annual Meeting, Washington, D.C., is the heart of our nation that has been the site of many outstanding NASBA meetings. In this inspiring setting, we will exchange new ideas and consider how to help the boards protect the public by utilizing the best thinking of regulators, professionals, academics and other interested parties.

Throughout the year, NASBA committees and staff have been engaged in communication with the member boards to keep information flowing. The Annual Meeting is the capstone of those efforts. Speakers from the Governmental Accounting Standards Board, Public Company Accounting Oversight Board, American Accounting Association, International Accounting and Auditing Standards Board, Internal Revenue Service and others will join NASBA's leaders in addressing the major regulatory issues involved in ensuring the boards' licensees meet the public's expectations. Through plenary presentations, regional meetings and informal gatherings, participants will be encouraged to share their views with colleagues from other jurisdictions, and consider the ways in which Boards of Accountancy can be responsive to the public's needs.

In addition to the outstanding business program, NASBA has arranged a variety of social events that are designed to provide an opportunity to interact in a casual way and to make everyone's visit to Washington, D.C., a memorable occasion.

REGISTRATION

On Sunday, November 2, registration will be open from 4:00 p.m. until 5:00 p.m. in the Grand Foyer (Ballroom Level). Thereafter, it will be open one half hour before and during all business sessions and will continue to be located in the Grand Foyer.

LOOKING FOR RIBBONS

New Board of Accountancy members and executive directors bring fresh life to NASBA. Because they are so important to our organization, we have included a "first time" ribbon with the name badges of all delegates and executive directors attending their first NASBA Annual Meeting. If you are wearing a first time ribbon, NASBA is particularly pleased you have joined us. If you see a first time ribbon, please extend a royal welcome to the person wearing it.

NASBA
107th ANNUAL MEETING
NOVEMBER 2-5, 2014 ★ WASHINGTON, D.C.

SUNDAY, NOVEMBER 2, 2014

Welcome Reception
6:00 p.m. – 8:00 p.m. **Capitol Ballroom (Ballroom Level)**

Come say "Hello" to old friends and new as we start to consider the issues that will unfold over the next few days.

MONDAY, NOVEMBER 3, 2014

Hospitality Breakfast (All Welcome)
7:30 a.m. – 8:25 a.m. **Capitol Ballroom (Ballroom Level)**

Board Communications Breakfast Meeting
7:30 a.m. - 8:25 a.m. **Commerce (Meeting Room Level)**

Executive directors, state board members and state society members will share ideas for communicating to the public, and collaborating on communications projects.

★ OPENING PLENARY SESSION ★
8:30 a.m. - Noon **Grand Ballroom (Ballroom Level)**

Call to Order and Introductions
8:30 a.m. – 8:40 a.m.

Carlos E. Johnson, CPA, Ed.D.
Chair, NASBA
Past Chair, Oklahoma Accountancy Board
Retired Partner, KPMG
Retired Senior Investment Banker, BOSC, Inc.

Greetings from Washington, D.C.
8:40 a.m. – 9:00 a.m.

Robert Todero, CPA
Chair, District of Columbia Board of Accountancy
Partner, KPMG

Honorable Vincent C. Gray
Mayor, District of Columbia

MONDAY, NOVEMBER 3, 2014 CONTINUED

Our Debt Problems Are Still Far from Solved

9:00 a.m. – 10:00 a.m.

This CEO of a Fortune 100 company has raised his voice around the country to have voters challenge their elected officials to work with their colleagues across the aisle and focus on the national debt. He has been a passionate spokesman for "Fix the Debt," a group that brought 150 senior business people together around this cause. How does the national debt problem filter down to everyone?

Paul H. Stebbins
Chairman Emeritus, World Fuel Services Corporation

Report from NASBA Chair 2013-2014

10:00 a.m. – 10:15 a.m.

Carlos E. Johnson summarizes NASBA's activities over the past year, a year of making the voice of the Boards of Accountancy heard and recognized. His focus on increasing NASBA's and the state boards' branding efforts has resulted in broader recognition of the important role the Boards play in the regulation of the accounting profession. Assisted by the work of NASBA's committees, Chair Johnson has been actively involved in responding to exposure drafts and speaking up for the Boards of Accountancy in professional panels. He created new committees and task forces, strengthened ties with the academic community and guided the boards of accountancy to more cooperative and productive relationships with the profession as well as with other regulators. Chair Johnson reports on the progress of the initiatives he began, as well as those launched by his predecessors.

Carlos E. Johnson, CPA, Ed.D.
Chair, NASBA

Break

10:15 a.m. -10:45 a.m.

Future Plans from AICPA Chairman 2014-15

10:45 a.m. – 11:00 a.m.

As she takes up the leadership of the American Institute of CPAs, Tommye Barie reports on its ongoing and upcoming projects and how they will impact the Accountancy Boards. Ms. Barie looks at the roles that the AICPA and the Boards of Accountancy need to play in the professional lives of all CPAs.

Tommye E. Barie, CPA
2014-2015 Chairman, American Institute of Certified Public Accountants
Partner, Mauldin & Jenkins, LLC

MONDAY, NOVEMBER 3, 2014 CONTINUED

The New Audit Report: Revealing Key Audit Matters

11:00 a.m. – 11:45 a.m.

Users of audited financial statements have called for more pertinent information in the auditor's report to assist their decision–making. In response to these requests, the International Auditing and Assurance Standards Board (IAASB) proposed a fundamental overhaul of audit reports, including standards on determining key audit matters and how they should be communicated. The IAASB released its final standards recently and Dan Montgomery underscores what these mean for the public and regulators.

Daniel D. Montgomery, CPA
Deputy Chair, IAASB
Global Director - Assurance Standards, Methodology & Implementation, EY Global Services Limited

Luncheon

11:45 a.m. – 1:30 p.m. **Capitol Ballroom (Ballroom Level)**

Insider's View of Washington, D.C.

12:15 a.m. – 1:30 pm.

With unmatched authority, nationally recognized congressional reporter Cokie Roberts brings a practiced political eye and keen perspective to the issues currently facing lawmakers.

Cokie Roberts
Author and televised journalist

Break

1:30 p.m. – 1:40 p.m.

★ AFTERNOON PLENARY SESSION ★

1:40 p.m. – 4:30 p.m. **Grand Ballroom (Ballroom Level)**

Changes Coming from the PCAOB

1:40 p.m. – 2:30 p.m.

Each of the four largest CPA firms is capable of the highest quality auditing, but each has had an unacceptable number of serious inspection findings too, Public Company Accounting Oversight Board Chairman James R. Doty recently commented. The PCAOB is exploring ways to "harness the disciplining power of markets to promote audit quality" through initiatives focused on audit transparency, audit quality indicators, and the auditor's reporting model. Chairman Doty updates state boards on the progress of these efforts.

James R. Doty, Esq.
Chairman, Public Company Accounting Oversight Board

MONDAY, NOVEMBER 3, 2014 CONTINUED

Focus on Small Government

2:30 p.m. – 3:00 p.m.

The Governmental Accounting Standards Board (GASB) sets Generally Accepted Accounting Principles (GAAP) for the nation's 90,000 state and local governments. GASB Chairman David A. Vaudt's remarks will focus on the board's efforts to enhance accounting and financial reporting for even the smallest governments and address opportunities to improve the timeliness and complexity of financial statements.

David A. Vaudt, CPA
Chairman, Governmental Accounting Standards Board
Chair 2003-04, NASBA

Break

3:00 p.m. – 3:15 p.m.

Panel: Relying on the Educators

3:15 p.m. – 4:45 p.m.

MODERATOR:

Carlos E. Johnson, CPA, Ed.D.
Chair, NASBA

What Makes A Course Qualify for Credit?

3:15 p.m. – 3:45 p.m.

As technology makes new forms of education possible and widely available, how do Board of Accountancy members know those new formats are providing the education that CPAs are required to have? NASBA polls have found the boards rely on the universities to determine if on-line courses, MOOCs, nano courses, internships, etc., are valid. We have asked American Accounting Association Chair Christine A. Botosan to explain how these determinations are made and how much the boards can rely on the transcripts they receive.

Christine A. Botosan, CPA, Ph.D.
Chair, American Accounting Association
Professor, George S. and Dolores Doré Eccles Presidential Endowed Chair in Ethical Financial Reporting,
University of Utah School of Accounting

Why Accreditation is Meaningful to State Boards

3:45 p.m. - 4:30 p.m.

How should an accountancy board view courses from different educational institutions? Does it matter how many Ph.D.s are on the faculty or if the courses are given outside the United States? Professors Jan Williams and Jerry Trapnell describe the work done by the Association to Advance Collegiate Schools of Business (AACSB) International and others to accredit schools.

Jan R. Williams, CPA, Ph.D.
AACSB Representative to the Pathways Commission
Professor Emeritus and Dean Emeritus, College of Business Administration - University of Tennessee, Knoxville

Jerry E. Trapnell, CPA, Ph.D.
Former AACSB Chief Accreditation Officer
Dean Emeritus, Clemson University

MONDAY, NOVEMBER 3, 2014 CONTINUED

Questions and Answers
4:30 p.m. – 4:45 p.m.

Recess
4:45 p.m.

Center for the Public Trust Event
4:45 p.m. **Capitol Foyer (Ballroom Level)**

A fun-filled opportunity to show your support for the "ethics arm" of NASBA.

TUESDAY, NOVEMBER 4, 2014

Regional Breakfast Meetings for Board Members and Staff
7:00 a.m. – 8:45 a.m.

Representatives from neighboring jurisdictions have an opportunity to interact in an informal session to discuss mutual concerns. 2013-14 Regional Directors will moderate the discussions. Attendance at these sessions is limited to past and present state board members and board staff.

Central Region - Hart (Meeting Room Level)
Douglas W. Skiles, CPA
Past Chair, Nebraska State Board of Public Accountancy
Partner, McPherron, Skiles & Loop, P.C., McCook, NE

Great Lakes Region - Russell (Meeting Room Level)
W. Michael Fritz, CPA
Immediate Past Chair, Accountancy Board of Ohio
AERS Partner, Deloitte & Touche, LLP, Columbus, OH

Middle Atlantic Region - Congressional (Lobby Level)
Tyrone E. Dickerson, CPA
Past Chair, Virginia Board of Accountancy
Tyrone E. Dickerson, CPA, Richmond, VA

Mountain Region - Dirksen (Meeting Room Level)
Richard N. Reisig, CPA
Past Chair, Montana Board of Public Accountants
Shareholder, Anderson ZurMuehlen & Company, P.C., Great Falls, MT

Northeast Region - The Senate Room (Lobby Level)
John F. Dailey, Jr., CPA
President, New Jersey State Board of Accountancy
Partner, Bowman & Company, LLP, Voorhees,NJ

Pacific Region - Rayburn (Meeting Room Level)
Donald F. Aubrey, CPA
Member and Past Chair, Washington State Board of Accountancy
Retired Partner, BDO Seidman, LLP

Southeast Region - Longworth (Meeting Room Level)
Jimmy E. Burkes, CPA
Vice Chair, Mississippi State Board of Public Accountancy
Partner, Haddox Reid Burkes and Calhoun, Jackson, MS

Southwest Region - Cannon (Meeting Room Level)
A. Carlos Barrera, CPA
Past Presiding Officer, Texas State Board of Public Accountancy
Partner, Long Chilton, LLP, Brownsville, TX

Breakfast for Other Participants (All Welcome)
7:00 a.m. – 8:45 a.m. **Penn Avenue Terrace (Lobby Level)**

TUESDAY, NOVEMBER 4, 2014 CONTINUED

MORNING PLENARY SESSION

9:00 a.m. - Noon

Annual Business Meeting

9:00 a.m. – 11:35 a.m. **Grand Ballroom (Ballroom Level)**

The election of NASBA's officers and directors for 2014-2015, reports of several committees and of the president.

PRESIDING:

Carlos E. Johnson, CPA, Ed.D.
Chair, NASBA

Minutes of the 106th Annual Business Meeting
Kenneth R. Odom, CPA
Secretary/Director-at-Large, NASBA
Member and Past Chair, Alabama State Board of Public Accountancy
Partner, Rabren Odom Pierce & Hayes, P.C., Andalusia, AL

NASBA Awards
Mark P. Harris, CPA
Chair, Awards Committee
Past Chair, NASBA
Member and Past Chair, State Board of CPAs of Louisiana
Partner, Robideaux & Harris, APAC, Lafayette, LA

Lorraine P. Sachs, CAE
Executive Vice President Emerita, NASBA

Elections of NASBA Board Members
Gaylen R. Hansen, CPA
Chair, Nominating Committee
Past Chair, NASBA
Past Chair, Colorado State Board of Accountancy
Partner, EKS&H, Denver, CO

Administration & Finance Committee Report
E. Kent Smoll., CPA
Chair, Administration & Finance Committee
Treasurer/ Director-at-Large, NASBA
Past Chair, Kansas Board of Accountancy
Partner, Smoll & Banning, CPAs, LLC, Dodge City, KS

Audit Committee Report
Richard Isserman, CPA
Chair, Audit Committee
Director-at-Large, NASBA
Past Chair, New York State Board for Public Accountancy
Retired Partner, KPMG LLP

Bylaws Committee Report
Jimmy E. Burkes, CPA
Chair, Bylaws Committee

Center for the Public Trust Report
Alfonzo Alexander
President, Center for the Public Trust
Chief Relationship Officer, NASBA

Executive Directors Committee Report
Mark H. Crocker, CPA
Chair, Executive Directors Committee
Executive Director, Tennessee State Board of Accountancy

President's Report
Ken L. Bishop

First Meeting of 2014-2015 NASBA Board of Diredctors

11:35 a.m. – 11:55 a.m. **Congressional (Lobby Level)**

NASBA Board meets to elect the NASBA 2014-15 secretary and treasurer, and a director-at-large to fill the two years remaining of Director-at-Large Donny Burkett's term.

TUESDAY, NOVEMBER 4, 2014 CONTINUED

Attendee and Guest Luncheon (All Welcome)

Noon – 1:30 p.m. **Capitol Ballroom (Ballroom Level)**

How Do We Know We Are Protecting the Public Interest?

1:00 p.m. – 1:30 pm.

Former Oklahoma Governor Frank Keating continues to watch the balance between regulation and market forces. He currently serves as the president and CEO of the American Bankers Association, which represents banks of all sizes and charters and is the voice for the nation's $13 trillion banking industry and its 2,000,000 employees. Mr. Keating gives us his views on measures to address the nation's fiscal challenges.

Frank Keating
President and CEO, American Bankers Association

Break

1:30 p.m. – 1:45 p.m.

★ AFTERNOON PLENARY SESSION ★

1:45 p.m. – 4:30 p.m. **Grand Ballroom (Ballroom Level)**

Inaugural Presentations

1:45 p.m. – 2:30 p.m.

New NASBA leaders are installed in office and outgoing leaders are thanked for their service. Meeting participants and their guests are invited to attend.

Thanks

Carlos E. Johnson, CPA
Chair, NASBA

Inaugural Address of the 2014-2015 Chair

Walter C. Davenport, CPA
Chair 2014-2015, NASBA
Past President, North Carolina State Board of CPA Examiners
Retired Partner, Cherry, Bekaert & Holland

Update on the Internal Revenue Service

2:30 p.m. – 3:00 p.m.

Internal Revenue Service Commissioner John Koskinen has plenty on his plate, including the Affordable Care Act tax provisions, FATCA foreign compliance alerts, extensions of tax credits and the challenged tax return preparer program. The Commissioner will give a concise overview of the status of the IRS's major efforts.

John Koskinen, Esq.
Commissioner, Internal Revenue Service

TUESDAY, NOVEMBER 4, 2014 CONTINUED

Break
3:00 p.m. – 3:15 p.m.

What the Practice Analysis Means to State Boards and Other Examination News
3:15 p.m. – 4:00 p.m.

This is one of those pivotal years in the history of the Uniform CPA Examination, when its contents and format are re-examined, refreshed and redesigned. How this is being done based on a practice analysis calling in CPAs, educators, candidates and psychometricians will be explained. News of international testing and administration enhancements will also be provided.

Colleen K. Conrad, CPA
Executive Vice President and Chief Operating Officer, NASBA

Michael A. Decker
Vice President – Examinations, AICPA

Frederick Niswander, CPA, Ph.D.
Chair, AICPA Board of Examiners

Strengthening Peer Review Standards Now
4:00 p.m. - 4:30 p.m.

Recent lapses in the coverage of peer review for high-risk audits have concerned the state boards and federal agencies. Steps have been taken by the AICPA and the Boards of Accountancy to prevent these from happening again. AICPA Vice President Brackens tells what new guidance has been provided to peer reviewers and reviewed firms, and Mr. Wright relates what his board did when they learned of problems in their state.

MODERATOR:

Janice L. Gray, CPA
Chair, NASBA Compliance Assurance Committee
Director-at-Large, NASBA
Managing Member, Gray, Blodgett & Company, PLLC, Normal, OK

SPEAKERS:

James W. Brackens, Jr., CPA, CGMA
Vice President – Ethics and Practice Quality, AICPA

Andy L. Wright
Associate Director – Investigator, Mississippi Board of Accountancy

RECESS
4:30 p.m.

GALA: National Museum for Women in the Arts
6:30 p.m. – 9:30 p.m. **Depart from Penn Avenue Entrance**

Join us for a capstone celebration at the National Museum for Women in the Arts. Founded in 1987, NMWA is the only major museum in the world solely dedicated to recognizing women's creative contributions. You will enjoy dinner, live music and the opportunity to explore the museum! We will be boarding buses from the Penn Avenue entrance at 6:00 p.m.

WEDNESDAY, NOVEMBER 5, 2014

Presidents'/Chairs' Breakfast Meeting

8:00 a.m. – 9:15 a.m. **Penn Avenue Terrace (Lobby Level)**

State board presidents and chairs are invited to meet with the members of the NASBA Board of Directors for an exchange of ideas during a buffet breakfast.

MODERATOR:

Walter C. Davenport, CPA
Chair 2014-15, NASBA

Executive Directors' and State Board Staff's Breakfast Meeting

8:00 a.m. – 9:15 a.m. **Congressional (Lobby Level)**

State board administrative staff will have an opportunity to informally gather for breakfast as they update each other on their states' activities.

MODERATOR:

Russ Friedewald
Chair 2014-15, Executive Directors Committee
Executive Director, Illinois Board of Examiners

State Society and Professional Association Representatives' Breakfast

8:00 a.m. – 9:15 a.m. **Dirksen (Meeting Room Level)**

Come have breakfast and chat with colleagues and NASBA's Director of Legislative & Governmental Affairs. Consider ways to increase board diversity and to facilitate cooperative efforts for the public's benefit as well as for the professionals the boards license.

MODERATOR:

John Johnson
Director of Legislative & Governmental Affairs, NASBA

Breakfast for Other Participants (All Welcome)

8:00 a.m. – 9:15 a.m. **Capitol Ballroom (Ballroom Level)**

WEDNESDAY, NOVEMBER 5, 2014 CONTINUED

★ Morning Plenary Session ★

9:30 a.m. – Noon **Grand Ballroom (Ballroom Level)**

PRESIDING:
Walter C. Davenport, CPA
Chair 2014-15, NASBA

Reports from Selected Committees

9:30 a.m. – 10:30 a.m.

This has been a year of action as well as contemplation for NASBA, with some groups completing their charges, others continuing to meet them, and new groups being formed. Boards were able to act in a timely manner based on increased legislative tracking and guidance provided to them by NASBA.

Standard Setting Study Group
Gaylen R. Hansen, CPA
Chair, Standard Setting Study Group
Past Chair, NASBA

Leadership Development Group
Samuel K. Cotterell, CPA
Member, Leadership Development Group
Past Chair, NASBA

Trends for the 2015 Legislative Session
John Johnson
Director of Legislative & Governmental Affairs, NASBA

Questions and Answers

10:30 a.m. -10:45 a.m.

Legal Case Update

10:45 a.m. – 11:15 a.m.

A NASBA meeting would seem incomplete without an update on what is happening in the courts from NASBA Legal Counsel Noel Allen. Once again, we have asked him to hone in on just four cases that every accountancy board member should be aware of and keep in mind as they exercise their regulatory roles.

Noel L. Allen, Esq.
Legal Counsel, NASBA
Allen, Pinnix & Nichols, P.A., Raleigh, NC

WEDNESDAY, NOVEMBER 5, 2014 CONTINUED

Questions for NASBA Leaders

11:15 a.m. – 11: 30 a.m.

Chair Walter C. Davenport and President Ken L. Bishop take questions from the audience.

Closing Comments on 2014 Annual Meeting

11:30 a.m. – 11:40 a.m.

Incoming NASBA Chair Davenport summarizes some of the Meeting's highlights and tells how he will carry forward these ideas during his year in office.

Walter C. Davenport, CPA
Chair 2014-15, NASBA

Super Raffle

11:40 a.m. – Noon

NASBA Communications Director Thomas Kenny and staff hold a fun-filled raffle giving away valuable prizes. Only those in the room will be eligible to be winners. So be sure to be there to win – and to clap.

NASBA Annual Meeting Adjourns

Noon

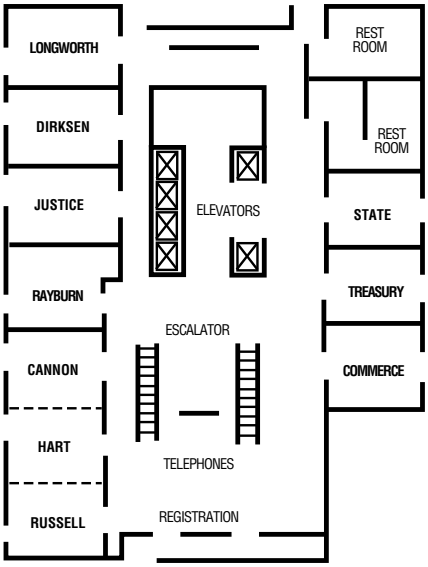
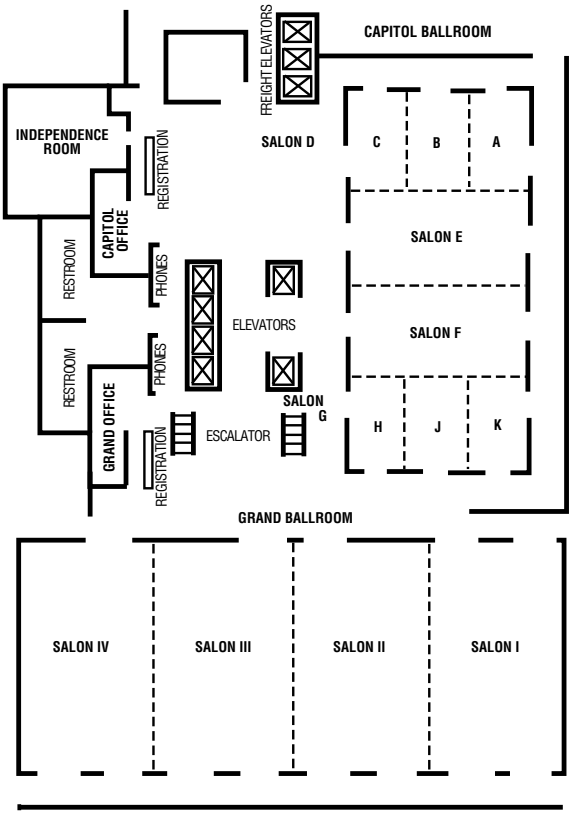
NASBA

107th ANNUAL MEETING

NOVEMBER 2-5, 2014 ★ WASHINGTON, D.C.

J.W.MARRIOTT WASHINGTON, D.C. PROPERTY MAP

MEETING ROOM LEVEL



BALLROOM LEVEL