

NASBA

109th Annual Meeting

October 30 - November 2, 2016 | Austin, Texas



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. So, we evolve.

The site of NASBA's 109th Annual Meeting, Austin, is the vibrant heart of government, education and music in Texas. In this inspiring setting, we will exchange new ideas and consider how to help the boards protect the public by creating an environment of open discussion among regulators, professionals, academics and other interested parties.

Throughout the year, NASBA committees and staff have been engaged in communication with the member Boards of Accountancy to keep information flowing. The Annual Meeting is the capstone of those efforts. Speakers from the Public Company Accounting Oversight Board, Institute of Chartered Accountants of Scotland and American Institute of Certified Public Accountants will join NASBA 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 accountancy boards can be responsive to the public's needs.

In addition to the informative 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 Texas a memorable occasion.

REGISTRATION

On Sunday, October 30, registration will be open from 3:00 p.m. until 5:00 p.m. in the Lone Star Foyer. Thereafter, it will be open one half-hour before and during all business sessions and will continue to be located in the Lone Star Foyer.

WELCOME NEW ATTENDEES

New state board members and executive directors bring fresh ideas to NASBA. Because they are so important to our organization, we have affixed a first-time ribbon to the name badges of all delegates (board members) 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 first-time attendees, please extend a sincere welcome to them.

SUNDAY, OCTOBER 30, 2016

3:30 – 5:30 p.m.

Brazos Room

CPT Ethics Pre-Workshop – A Deeper Look into Corporate Scandal

The NASBA Center for the Public Trust (CPT) welcomes white-collar crime expert, Dr. Kelly Richmond Pope, who will take a deeper look into the largest municipal fraud in American history. Discover how trust is developed and broken, learn how competing values can impact ethical decision-making, identify risk areas within organizations, and more. Workshop participants can earn up to 2 Ethics CPE credits.

Kelly Richmond Pope, Ph.D., CPA

Helios Digital Learning, Founder & Chief Content Officer

6:00 – 8:00 p.m.

Lone Star D

Welcome Reception

Say “Hello” or “Howdy” to old friends and new acquaintances as we start to consider the issues that will unfold over the next few days.

MONDAY, OCTOBER 31, 2016

7:15 – 8:15 a.m.

Lone Star D

Breakfast (All Welcome)

8:30 a.m. – 12:00 p.m.

Lone Star E

OPENING PLENARY SESSION

8:30 – 8:40 a.m.

Call to Order and Introductions**Donald H. Burkett, CPA**

2015-2016 Chair, NASBA

Member and Past Chairman, South Carolina Board of Accountancy

Partner, Burkett, Burkett & Burkett, CPAs

8:40 – 9:00 a.m.

Welcome from Texas**Carlos H. Cascos, CPA**

Texas Secretary of State

Partner, Pattillo, Brown & Hill, LLP

9:00 – 10:00 a.m.

Accountability and Achievement

Medal of Honor recipient, Marine Sergeant Dakota Meyer, will elaborate on courage and leadership describing, first-hand, the events of the battle of Ganjigal Valley, in Afghanistan. He will talk about taking advantage of the opportunities that life presents, holding one another accountable to achieve our potential, striving for the best possible outcome and creating a support network.

Sergeant Dakota L. Meyer

Medal of Honor Recipient

U.S. Marine Corps Veteran

MONDAY, OCTOBER 31, 2016 *continued***10:00 – 10:15 a.m.****Report from NASBA Chair 2015-2016**

Donald H. Burkett summarizes NASBA's activities during the past year. His focus on success for Boards of Accountancy was carried out by proactively listening to needs of state boards and ensuring that boards are provided the tools to carry-out their regulatory responsibility of protecting the public. This has resulted in enhanced legislative monitoring, coordination of pipeline and diversity initiatives and development of rules that strengthen board operations. Assisted by the work of NASBA's committees and staff, Chair Burkett has been actively involved in responding to exposure drafts affecting all aspects of regulation. He has strengthened ties with international regulators, educators and other regulatory bodies, and guided state boards to more cooperative and productive relationships with the profession. Chair Burkett reports on the progress of initiatives he launched, as well as those launched by his predecessors.

Donald H. Burkett, CPA

2015-2016 Chair, NASBA

10:15 – 10:45 a.m.**Integrity and a Mobile Global Profession**

"Audit quality relies on quality people," Anton Colella recently stated as the Institute of Chartered Accountants of Scotland (ICAS) and the Financial Reporting Council (FRC) rolled out their paper on "Auditor Skills in a Changing Business World." As professionals are called on to share their expertise internationally, pathways to regulated practice need to be clear. We will hear from the leader of the ICAS on how integrity can be ensured across geographic boundaries.

Anton Colella

Chief Executive, Institute of Chartered Accountants of Scotland

10:45 – 11:00 a.m.**Lone Star Foyer****BREAK****11:00 – 11:15 a.m.****Lone Star E****Future Plans from the 2016-2017 AICPA Chairman**

As the incoming leader of the American Institute of CPAs (AICPA), Kimberly Ellison-Taylor reports on its ongoing and upcoming projects and how they will impact the state accountancy boards. Ms. Ellison-Taylor looks at the roles that the AICPA and the Boards of Accountancy need to play in the professional lives of all CPAs.

Kimberly Ellison-Taylor, CPA, CGMA

2016-2017 Chairman, American Institute of Certified Public Accountants

Global Accounting Strategy Director for the Financial and Professional Services Industries, Oracle America

11:15 – 11:30 a.m.**Continuing Professional Education Advances**

The revised Statement on Standards for Continuing Professional Education Programs has been approved and nano and blended learning programs are being offered to CPAs. However, the Model Rules to guide CPAs through the expanded possibilities are coming soon. The highlights are underscored for all.

Maria E. Caldwell, CPA

Chair, NASBA Continuing Professional Education Committee

Southeast Regional Director, NASBA

Member and Past Chair, Florida Board of Accountancy

Audit Director, Deloitte & Touche, LLP

MONDAY, OCTOBER 31, 2016 continued**11:30 – 11:45 a.m.****Uniform Accountancy Act and Model Rules Developments**

The evergreen UAA and Model Rules continually adapt to meet the needs of regulators and the profession. This year, several revisions have been approved and more are under consideration. In the quest for uniformity in regulation, it is hoped that all boards will adopt the UAA and its Model Rules.

J. Coalter Baker, CPA, PFS, CGMA

Chair, NASBA Uniform Accountancy Act Committee
Southwest Regional Director, NASBA
Presiding Officer, Texas State Board of Public Accountancy
Coalter Baker, CPA

11:45 a.m. – 12:00 p.m.**International Update**

The NASBA/AICPA International Qualifications Appraisal Board (IQAB) has been busy this year considering how to create agreements that are transparent and easily understood. Task forces have been evaluating international professional bodies that have merged and created new programs, making renewals of existing mutual recognition agreements more challenging.

Telford A. Lodden, CPA

Chair, NASBA/AICPA International Qualifications Appraisal Board
2015-2016 Vice Chair, NASBA
Managing Partner, Brooks Lodden, PC

12:00 – 1:45 p.m.**Business Luncheon**

Lone Star D

12:30 – 1:45 p.m.**National Political Overview**

Political strategist, senior advisor to President George W. Bush (2000-2007), columnist and author, Karl Rove, will share his views on American politics and what the country may look like after Election Day. Mr. Rove looks forward to answering questions from the NASBA audience.

INTRODUCTION:**K. Michael Conaway, CPA**

U.S. Congressman (TX-11th CD)
Past Chair, NASBA

SPEAKER:**Karl Rove**

Contributor to Fox News, *Wall Street Journal* and *New York Times*
Former Deputy Chief of Staff to the President

1:45 – 2:00 p.m.**BREAK**

Lone Star Foyer

MONDAY, OCTOBER 31, 2016 *continued*

2:00 – 3:45 p.m.

Lone Star E

AFTERNOON PLENARY SESSION

2:00 – 2:15 p.m.

The Boards' Role in the Restructured Peer Review Program

The AICPA's proposal for reorganizing its Peer Review Program was distributed to Boards of Accountancy for their input. Boards have voiced their support for the high quality compliance assurance programs, but the AICPA includes some recommendations that could have a major impact on the boards' existing oversight programs. How is NASBA responding?

John F. Dailey, Jr., CPA

Chair, NASBA Compliance Assurance Committee
Northeast Regional Director, NASBA

2:15 – 2:45 p.m.

What Are We Doing for Cybersecurity?

Security is a concern for every organization. Safeguarding candidate and licensee information from across the nation and internationally, places cybersecurity at the top of NASBA's list of priorities. NASBA's CISO, Roy Hall, will present an overview of the steps being taken by NASBA to protect this valuable information.

Roy Hall, Jr., CISSP, CISA, CRISC, CISM

Chief Information Security Officer, NASBA

2:45 – 3:15 p.m.

Enforcement: The Results of the California Initiative and Enforcement Efforts

NASBA staff has analyzed all the member boards' enforcement measures to see how they match against the "Guiding Principles of Enforcement," developed by the NASBA Enforcement Resources Committee, based on input from the boards. In September, NASBA submitted its final assessments to the California Board of Accountancy to help them determine which states are substantially equivalent to California and qualify for interstate mobility. The results of this effort will be discussed.

Stacey Grooms, Esq.

Manager of Regulatory Affairs, NASBA

Katrina L. Salazar, CPA

President, California Board of Accountancy
Controller, California Correctional Peace Officers Association

MONDAY, OCTOBER 31, 2016 *continued*

3:15 – 3:45 p.m.

CPA Candidate Pipeline Project

With so many career possibilities available to bright, promising students, what is being done to attract them to the CPA path? NASBA is working with professional societies, educators and others to bring the best and brightest from all demographic groups into the accounting profession.

Daniel J. Dustin, CPA

Vice President – State Board Relations, NASBA

3:45 p.m.

RECESS

3:45 – 5:30 p.m.

Lone Star D

NASBA Center for the Public Trust Fall Fest

Come join in the fun at the CPT's Fall Fest! Enjoy games, prizes, popcorn and beverages. Plus, learn how the CPT is developing ethical leaders across the country.

TUESDAY, NOVEMBER 1, 2016

7:00 – 8:45 a.m.

Regional Breakfast Meetings

Representatives from neighboring jurisdictions have an opportunity to interact in an informal session to network and discuss matters of mutual concern. Regional directors will moderate the discussions. Attendance at these sessions is limited to past and present state board members and board staff.

Central Region - Room 203**Sharon A. Jensen, CPA**Vice Chair, Minnesota Board of Accountancy
Synergistic Solutions Consulting, Savage, MN**Great Lakes Region - Room 304****W. Michael Fritz, CPA**Past Chair, Accountancy Board of Ohio
AERS Partner, Deloitte & Touche, LLP, Columbus, OH**Middle Atlantic Region - Room 310****Stephanie S. Saunders, CPA**Member and Past Chair, Virginia Board of Accountancy
Shareholder, Saunders & Saunders, PC, Virginia Beach, VA**Mountain Region - Room 205****Benjamin C. Steele, CPA**Member and Past President, Nevada State Board of
Accountancy
Senior Member, Steele & Associates, LLC, Carson City, NV**Northeast Region - Room 311****John F. Dailey, Jr., CPA**Member and Past President, New Jersey State Board of
Accountancy
Retired Partner, Bowman & Company, LLP, Voorhees, NJ**Pacific Region - Room 201****Edwin G. Jolicoeur, CPA**Member and Past Chair, Washington State Board of
Accountancy
Retired Principal, CliftonLarsonAllen, LLP, Spokane, WA**Southeast Region - Room 202****Maria E. Caldwell, CPA**Member and Past Chair, Florida Board of Accountancy
Audit Director, Deloitte & Touche, LLP, Miami, FL**Southwest Region - Room 204****J. Coalter Baker, CPA**Presiding Officer, Texas State Board of Public Accountancy
Coalter Baker, CPA, Austin, TX

7:00 – 8:45 a.m.

Lone Star D

Breakfast for Other Participants (All Welcome)

TUESDAY, NOVEMBER 1, 2016 *continued*

9:00 – 11:30 a.m.

Lone Star E

MORNING PLENARY SESSION

9:00 – 11:30 a.m.

Annual Business Meeting

PRESIDING:

Donald H. Burkett, CPA

2015-2016 Chair, NASBA

The election of NASBA officers and directors for 2016-2017, reports from several committees and the president.

Minutes of the 108th Annual Business Meeting

Laurie J. Tish, CPA

Secretary/Director-at-Large, NASBA
 Past Chair, Washington State Board of Accountancy
 National Practice Leader for Government Services,
 Moss Adams LLP, Seattle, WA

Report of the Administration & Finance Committee

E. Kent Smoll, CPA

Chair, Administration & Finance Committee
 Treasurer/Director-at-Large, NASBA
 Past Chair, Kansas Board of Accountancy
 Partner, Smoll & Banning, CPAs, LLC

Awards Presentation

PRESENTERS:

Carlos E. Johnson, CPA, Ed.D.

Chair, Awards Committee
 Past Chair, NASBA
 Past Chair, Oklahoma Accountancy Board
 Carlos E. Johnson, PLLC

Report of the Audit Committee

Jimmy E. Burkes, CPA

Chair, Audit Committee
 Director-at-Large, NASBA
 Member and Past Chair, Mississippi State Board of Public
 Accountancy
 Consultant and Retired Partner, Haddon Reid Eubank Betts PLLC

Lorraine P. Sachs, CAE

Executive Vice President Emerita, NASBA

Report of the NASBA Center for the Public Trust

Alfonzo Alexander

President, NASBA Center for the Public Trust

Election of 2016-2017 Officers and Directors

Walter C. Davenport, CPA

Chair, Nominating Committee
 Past Chair, NASBA
 Past Chair, North Carolina State Board of CPA Examiners
 Retired Partner, Cherry, Bekaert & Holland

Report of the Executive Directors Committee

James Corley, CPA

Chair, Executive Directors Committee
 Executive Director, Arkansas State Board of Public Accountancy

Report from NASBA President and Chief Executive Officer

Ken L. Bishop

11:35 – 11:55 a.m.

Room 204

2016-2017 NASBA Board of Directors Meeting

The 2016-2017 NASBA Board of Directors conducts its first meeting to elect its secretary and treasurer.

12:00 – 12:50 p.m.

Lone Star D

Attendee and Guest Luncheon (All Welcome)

TUESDAY, NOVEMBER 1, 2016 *continued*

1:00 – 1:50 p.m.

Lone Star E

Inaugural Presentations

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

Appreciation & Recognition**Donald H. Burkett, CPA**

2015-2016 Chair, NASBA

Inaugural Address of 2016-2017 Chair**Telford A. Lodden, CPA**

2016-2017 Chair, NASBA

Past Chair, Iowa Board of Accountancy

Managing Principal, Brooks Lodden, P.C.

2:00 – 3:40 p.m.

Lone Star E

AFTERNOON PLENARY SESSION

2:00 – 3:00 p.m.

Invigorating the Auditor's Report and Audit Quality

In presenting the PCAOB's 2016 budget to the SEC, Chairman James Doty explained, "At the same time that we protect investor's interests in striving to achieve more reliable audits, we also need to consider how to strengthen the audit's value to stakeholders. The needs of both markets and investors change. We must advance the audit process to meet those needs." Chairman Doty will describe how the PCAOB is accomplishing its goal.

James R. Doty, Esq.

Chairman, Public Company Accounting Oversight Board

3:00 – 3:20 p.m.

Major Current Legal Topics

NASBA Legal Counsel Noel L. Allen alerts the Boards of Accountancy to cases that could have a major impact on their future operations. He will present concise summaries of top cases from across the spectrum of professional regulation.

Noel L. Allen, Esq.

Outside Legal Counsel, NASBA

Legal Counsel, North Carolina State Board of CPA Examiners

Partner, Allen & Pinnix, P.A.

TUESDAY, NOVEMBER 1, 2016 *continued*

3:20 – 3:40 p.m.

Progress of the PLC Initiative

The Professional Licensing Coalition (PLC) brings together NASBA and eight other organizations representing professional licensing boards in efforts to amend the Local Government Antitrust Act to remove the threat of treble damages for professional licensing boards and board members. NASBA Director, Legislative and Governmental Affairs, John Johnson, reports on the efforts of this lobbying group.

John Johnson

Director, Legislative and Governmental Affairs, NASBA

3:40 p.m.

RECESS

6:30 – 9:30 p.m.

The Bullock Texas State History Museum

Denim and Diamonds Gala

(Buses will depart from the hotel lobby at 6:30 p.m.)

Join us for an evening at The Bullock Texas State History Museum. At this event, you will enjoy dinner and dancing in a beautiful setting celebrating Texas history and culture.

WEDNESDAY, NOVEMBER 2, 2016

8:00 – 9:15 a.m.

Room 202

State Board Presidents' and Chairs' Breakfast Meeting

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

MODERATOR:**Telford A. Lodden, CPA**

2016-2017 Chair, NASBA

8:00 – 9:15 a.m.

Room 205

Executive Directors' and State Board Staff's Breakfast Meeting

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

MODERATOR:**Wade A. Jewell**

2016-2017 Chair, Executive Directors Committee

Executive Director, Virginia Board of Accountancy

8:00 – 9:15 a.m.

Room 201

State Society and Professional Association Breakfast Meeting

Enjoy breakfast and conversation on 2017 legislation with colleagues and NASBA's Director of Legislative & Governmental Affairs.

MODERATOR:**John Johnson**

Director, Legislative & Governmental Affairs, NASBA

WEDNESDAY, NOVEMBER 2, 2016 *continued*

8:00 – 9:15 a.m.
Breakfast (All Welcome)

Room 203

9:30 a.m. – 12:00 p.m.
 Morning Plenary Session
PRESIDING:
Telford A. Lodden, CPA
 2016-2017 Chair, NASBA

Lone Star E

9:30 – 10:15 a.m.
The Next Version of the CPA Exam – Preparing for the Launch and Beyond

In April 2017, the next version of the Uniform CPA Examination will launch. NASBA, AICPA and Prometric have been preparing for the announced arrival. In the meantime, many candidates are scurrying to take the current version of the Examination. NASBA Executive Vice President and COO, Colleen Conrad, will lead a panel discussion on how things are coming into place and what boards can expect to see in the days ahead.

MODERATOR:

Colleen K. Conrad, CPA
 Executive Vice President and COO, NASBA

PANELISTS:

Michael A. Decker
 Vice President – Examinations, American Institute of Certified Public Accountants

Richard N. Reisig, CPA
 Chair, CBT Administration Committee
 Director-at-Large, NASBA
 Shareholder, Anderson ZurMuehlen & Company

Dan Sweetwood
 Executive Director, Nebraska State Board of Public Accountancy

10:15 – 11:15 a.m.
Evaluating Education – Accreditation and State Board Rules

MODERATOR:

Jan R. Williams, CPA, Ph.D.
 Dean and Professor Emeritus, University of Tennessee-Haslam College of Business

PANELISTS:

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

Yvonne L. Hinson, CPA, CGMA, Ph.D.
 Academic in Residence, American Institute of Certified Public Accountants

As the boards rely on accrediting bodies to validate the quality of the education required for CPA licensing, NASBA and the AICPA have formed a joint task force to look at how those bodies are performing their jobs. The panel will provide an outline of the task force's work, the specific issues they are dealing with, identification of obstacles to overcome and a timeline for achieving its objective.

WEDNESDAY, NOVEMBER 2, 2016 *continued*

11:15 – 11:30 a.m.

Questions for NASBA Leaders

Chair Telford A. Lodden and President Ken L. Bishop take questions from the audience.

11:30 – 11:40 a.m.

Closing Remarks

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

Telford A. Lodden, CPA

2016-2017 Chair, NASBA

11:40 a.m. – 12:00 p.m.

Super Raffle

NASBA Communications Director, Thomas Kenny, and staff host a fun-filled raffle of super prizes. Only those in the room will be eligible to be win, so be sure to stick around.

12:00 p.m.

NASBA 109th Annual Meeting Adjourns



Level 3



