

NASBA

STATE • BOARD • REPORT

A Digest of Current Developments Affecting State Accountancy Regulation

Summer 2022



A Look Back at the 2022 Regional Meetings

51 State Board of Accountancy representatives convened at NASBA's 2022 Regional Meetings. Read about it on page 4.

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Nominating Committee Announces Slate

The 2021-2022 NASBA Nominating Committee has nominated the following officers and directors to be voted on by the member Boards of Accountancy at the Annual Business Meeting in November:

Vice Chair

Stephanie M. Saunders (VA – Associate)

Directors-at-Large (first year of three-year term)

(first term) Katrina Salazar (CA – Delegate)
 (first term) Kenya Watts (OH – Delegate)
 (first term) Stephen Langowski (NY – Delegate)

Regional Directors (one-year term), a Regional Director may serve three one-year terms

(second term) Central Michael Schmitz (ND – Delegate)
 (first term) Great Lakes Gerald Weinstein (OH – Delegate)
 (first term) Middle Atlantic Arthur Winstead (NC – Delegate)
 (first term) Mountain Vikki Nunn (WY – Delegate)
 (first term) Northeast Richard Silverman (NH – Delegate)
 (second term) Pacific Nancy J. Corrigan (CA – Delegate)
 (first term) Southeast Willie Sims (MS – Delegate)
 (third term) Southwest Lynn V. Hutchinson (LA – Delegate)



Stephanie Saunders



Katrina Salazar



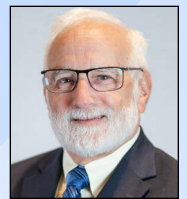
Kenya Watts



Stephen Langowski



Michael Schmitz



Gerald Weinstein



Arthur Winstead



Vikki Nunn



Richard Silverman



Nancy Corrigan



Willie Sims



Lynn Hutchinson

The following NASBA Board members will continue to serve for the balance of their unexpired terms. At-Large Directors may serve two three-year terms. For purposes of Bylaws Section 4.5.7 compliance, an At-Large Director's status as a delegate or associate is based upon their status when elected.

Directors-at-Large (second year of three-year term)

(first term) J. Andy Bonner (TN – board appointment to fill Jack Dailey's term)
 (second term) Maria E. Caldwell (FL – Delegate)
 (open position) (the Board will appoint someone to fill Stephanie Saunders' term)

Directors-at-Large (third year of three-year term)

(second term) J. Coalter Baker (TX – Associate)
 (second term) Jimmy E. Burkes (MS – Associate)
 (first term) Nicola Neilon (NV – Associate)

Richard Reisig (MT – Associate), 2021-2022 Vice Chair, will accede to the office of Chair.

Mr. Fritz (OH – Associate) will accede to the office of Past Chair upon the installation of Mr. Reisig as Chair.



Andy Bonner



Maria Caldwell



Coalter Baker



Jimmy Burkes



Nicola Neilon



Richard Reisig



W. Michael Fritz

PRESIDENT'S MEMO

Unwinding

In January of this year, my *President's Memo* was titled "Time to Unwind." I described how NASBA had been extremely cautious and risk adverse as we worked through the COVID-19 (COVID) pandemic, but that our intent going forward was to return to in-person conferences and meetings so that we could focus on the important issues, challenges, and opportunities that we face in the post COVID world. As promised, all major NASBA conferences and meetings including the Annual Conferences for Executive Directors and Legal Counsel and the Eastern and Western Regional Meetings returned to the face-to-face format this year, and many NASBA committees are now meeting in person. We are effectively unwinding.

We are now well into the planning of NASBA's 115th Annual Meeting, which will be held in San Diego, CA, October 30 -November 2. Even though the conferences and meetings held this year have been successful with enthusiastic attendee participation and high quality presentations (resulting in good evaluations from attendees), we have been challenged by the lower number of registered attendees as compared to pre-COVID attendee numbers.

While we anticipated lower numbers of in-person attendees, we were frankly surprised by the degree of the drop off. When NASBA's Communications and Meetings staff contract with hotels, restaurants, and other event venues, we must commit to a certain number of hotel room nights, and food and beverage minimums. When we fall short of our contracted numbers, we are still on the hook for paying for the rooms and services that were not used.

Again, we anticipated the drop off and thus budgeted adequate funds to manage the financial impact. Obviously, we do not want to reserve an inadequate number of rooms for participants, as we are doing our best to manage the unwinding transition, which includes encouraging our members to attend these critical meetings. I have always believed that NASBA needs to be completely transparent when it comes to financial matters, including any challenges we may face, but in this case, the monetary challenge caused by lower attendance is not my primary concern. In fact, NASBA has adequate asset reserves to work through the unwinding process.

I have been associated with NASBA for more than two decades. I recognized long ago that the relevance of NASBA, and our mission to *enhance the effectiveness and advance the common interests of the State Board of Accountancy*, is driven by the culture of relationships and the resultant collaboration accomplished through the participation in NASBA's meetings and conferences. With the rotation and rollover of members and staffing of the State Boards of Accountancy, there are hundreds of new members and staff who have never attended a NASBA meeting. More importantly, these individuals comprise a new demographic that has not had the opportunity to meet their counterparts from across the United States. This is something we must resolve! We need to unwind!

I understand that there are many reasons and challenges to travel, including to NASBA meetings. The headlines describing cancelled flights, the continued number of reported COVID infections, and change of habits after years of restricted movement have

all impacted attendee decisions. I wish I could tell you that there are zero risks from travel and attending face-to-face gatherings, but we all know that is not the case. One of the reasons we have continued to require attendees of NASBA meetings (including this year's Annual Meeting) to be fully vaccinated is to protect our members and participants from becoming seriously ill. In fact, there is very low risk of serious illness or hospitalization for anyone who is fully vaccinated, or who has had COVID and is protected with antibodies.

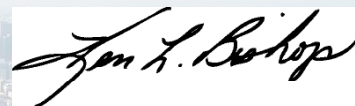
Recent studies indicate that a majority of Americans, both vaccinated and unvaccinated, have been infected with COVID. In April of this year, the U.S. Centers for Disease Control (CDC) estimated that 60 percent of the U.S. population had been infected. More recent studies place the percentage at over 80 percent. Because of these studies, and the fact that new variants are less severe, there is a high probability that we will end the vaccination requirement for NASBA meetings after the first of next year, and instead, ask that anyone who is symptomatic to attend remotely.

There are many issues impacting the accounting profession and the regulation of CPAs. I believe it is important for Board of Accountancy members to remain current and educated on the important changes on the horizon. This year's Annual Meeting agenda will highlight the progress of CPA Evolution, changes to the CPA Examination, CPA Pipeline initiatives, Legislative threats and trends, and a myriad of other important topics.

I am hopeful that readers who have never attended a NASBA meeting, and those who have attended in the past but dropped off during the pandemic, will strongly consider registering for this year's Annual Meeting as a significant first step in unwinding. With NASBA's scholarship program, there is no financial reason that every jurisdiction cannot be represented, and I promise that you, and your state board, will benefit from the knowledge, collaboration and relations that result from the Meeting.

I look forward to seeing you in San Diego! NASBA needs you to help us in "unwinding!"

Semper ad meliora (Always toward better things).



— Ken L. Bishop, President & CEO



51 Boards Represented at Regionals

Representatives from 51 State Boards of Accountancy convened in Colorado Springs, CO, June 7-9, and White Sulphur Springs, WV, June 27-29, for NASBA's 2022 Regional Meetings. Held annually, the meetings offer a forum for state board representatives to build rapport and to address key topics of mutual concern impacting Boards of Accountancy, NASBA, and the regulation of the accounting profession.

The meetings marked the first in-person Regional Meetings since 2019, and were attended by 311 state board and NASBA representatives. Daily plenary sessions were streamed for persons unable to attend in-person.

Welcoming the Regional Meeting attendees were, Paula Mann, Chair of the Colorado State Board of Accountancy (Western) and Theodore Lopez, President of the West Virginia Board of Accountancy (Eastern).

NASBA Chair W. Michael Fritz, President and CEO Ken Bishop and Executive Vice President and COO Colleen Conrad thanked members and staff for their service, feedback and flexibility throughout the COVID-19 pandemic. They also shared that over the past two years, ample financial reserves have been maintained to carry out the mission and responsibilities of NASBA. According to Chair Fritz, "NASBA is projected to invest over \$10 Million dollars towards the rebuild of the Gateway system and the infrastructure necessary for the successful launch of CPA Evolution, signifying the biggest investment and most complex undertaking of NASBA since the transition to the computerized CPA Exam from the paper and pencil." Chair Fritz further confirmed the NASBA Board's commitment to doing its part to ensure the CPA profession keeps pace with technology and consumer expectations.

The Regional Meeting agenda featured presentations on the CPA Evolution Initiative, Principal Place of Business, Strategic IT Projects & Trends in Cybersecurity, Challenges of DOL, Single Audits & IRS Struggles; a Discussion of the Profession's Pipeline, and the latest updates on Key Diversity Initiatives and the Uniform CPA Exam.

Regional Directors Lynn Hutchinson (LA), Nancy Corrigan (CA), Jason Peery (ID), Michael Schmitz (ND), Kenya Watts (OH), Stephen Langowski (NY), Larry Elmore (TN) and Director-at-Large Stephanie Saunders (VA), moderated the Regional Meetings and the highly anticipated Regional Breakout Sessions. During the breakouts, members discussed their respective board statutes and/or rules regarding Principal Place of Business, whether the new CPA Exam will affect the score release process and possibility of increased candidate extension requests, the impact of the CPA Pipeline on state boards and candidates, and the need for increased outreach initiatives and promotion of the profession targeting college and high school demographics.

In conjunction with the Western Regional Meeting, the NASBA Center for the Public Trust (CPT) held its StudentCPT Leadership Conference, allowing students time to learn and network with NASBA members. Thirty-six students representing 21 schools were in attendance. ♦



During the New Board Member Orientation, attendees participate in enacting different scenarios that may occur during a board meeting.



Regional Directors Nancy Corrigan, Michael Schmitz, Lynne Hutchinson and Jason Peery share insights from the Regional Breakout Sessions.



Regional Meeting attendees attend the Call to Leadership reception to learn about volunteer leadership opportunities within NASBA.



Members from the Hawaii and Guam Boards of Accountancy participate in a breakout session where attendees discuss the latest topics that state boards are facing.



NASBA President & CEO Ken Bishop provides the leadership report at the Eastern Regional Meeting.



Stephen Langowski, Northeast Regional Director, and Larry Elmore, Southeast Regional Director, welcome attendees to the Eastern Regional Meeting.



Stephanie Saunders leads the discussion in the Middle Atlantic breakout session.



The Western Regional Meeting became the first in-person Regional Meeting since 2019. The meeting hosted 111 registered attendees, which was a drop from 161 attendees in 2019.



Western Regional Meeting attendees learn about the emerging issues impacting the accounting profession.



The regional breakouts provide a platform for members to discuss the principal place of business and other emerging topics.



Kenya Watts, Great Lakes Regional Director, moderates the Eastern Regional Meeting.



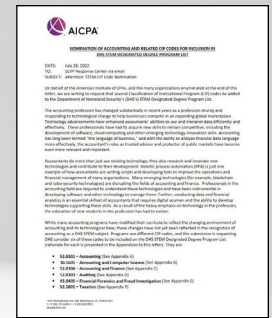
In conjunction with the Western Regional Meeting, the StudentCPT Leadership Conference hosts 36 students representing 21 schools across the U.S. Students were invited to network with members, explore case studies and attend workshops on ethics and leadership.

AICPA Issues Letter to Dept of Homeland Security on STEM

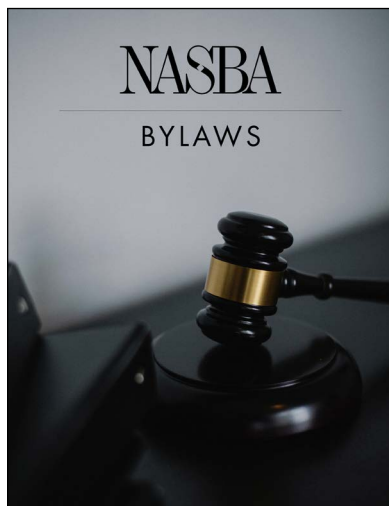
As the profession continues to pursue accounting as part of STEM programs in schools through federal legislation (H.R. 3855 – [Accounting STEM Pursuit Act of 2021](#)), NASBA, the AICPA, and more than 45 State CPA Societies recently signed onto a [letter](#) to request that several Classification of Instructional Program (CIP) codes be added to the Department of Homeland Security’s (DHS’s) STEM Designated Degree Program List.

As mentioned in the letter, accounting has long been termed “the language of business.” Technology, just like accounting itself, has been ever evolving and helped CPAs remain competitive and businesses succeed. While many accounting programs have modified their curricula to reflect the changing environment of accounting and its technological base, these changes have not yet been reflected in the recognition of accounting as a DHS STEM subject. Programs use different CIP codes, and this submission is

requesting DHS consider six of these codes to be included on the DHS STEM Designated Degree Program list. The codes include 52.0301 – Accounting, 30.1601 – Accounting and Computer Science, 52.0304 – Accounting and Finance, 52.0303 – Auditing, 43.0405 – Financial Forensics and Fraud Investigation and 52.1601 – Taxation.



Technology plays a large role in the duties of accountants. They not only use existing technology, but research and innovate new technologies and contribute to their development. For this reason and many others, it is understandable that organizations of all sizes would like to see accounting designated as a STEM field, specifically under the “T” for Technology. ♦



BOD Calls for Vote on Bylaws Changes

Proposed amendments to NASBA’s Bylaws will be voted upon during NASBA’s 115th Annual Meeting, October 30 – November 2, 2022. Among the proposed amendments, include adding clarity on when a member of the Nominating Committee may be eligible for election to the Board of Directors, providing guidelines on the work to be done by the CPA Examination Review Board (ERB); as well as changing the appointment process for those that serve on the ERB to mirror the appointment process for all NASBA Committees.

During its July 2022 meeting, the NASBA Board unanimously approved the Bylaws changes, which were also approved by the Bylaws Committee and presented by Jimmy Burkes (MS), Chair of the Bylaws Committee.

To view the proposed Bylaws changes in their entirety, visit <https://nasba.org/blog/2022/08/19/proposed-bylaws-changes/>. ♦

CPT Establishes 50th StudentCPT Chapter

The NASBA Center for the Public Trust (CPT) is celebrating the establishment of its 50th StudentCPT Chapter on the campus of Tennessee State University (TSU), in Nashville, TN. Housed within the University’s College of Business, the TSU StudentCPT chapter was established as part of the CPT’s HBCU initiative, which aims to launch student chapters on the campuses of Historically Black College and Universities. Funding to launch and operate the chapter was sponsored by Deloitte with additional support received from the Memorial Foundation of Tennessee. CPT staff will conduct an orientation and officers training in the coming weeks as StudentCPT leaders and advisors prepare to promote the chapter and recruit members during a Fall Fair in September. Visit studentcpt.org to view a comprehensive listing of StudentCPT chapters throughout the 55 U.S. jurisdictions. ♦



Accounting Education Research Grants Awarded

Recipients of NASBA's Accounting Education Research Grants program were recently approved by the NASBA Board of Directors during the Board's July 2022 meeting. The program, which is spearheaded by NASBA's Education Committee, was established in 2011 to advance research on educational issues impacting CPAs, the public accounting profession and stat boards' charge to protect the public.

Congratulations to the following 2022 grant recipients:

The Importance of Metacognition in Today's Business Curriculum, and the Impact of Core Business Courses and Online Adaptive Learning Technology on Students' Metacognition

Research Team:

- Ryan Cahalan, JD, Assistant Professor of Accounting, Central Washington University
- Dr. Gabriel Dickey, CPA, Assistant Accounting Professor, University of Northern Iowa
- Dr. William Wilcox, CPA, Professor of Accounting, University of Northern Colorado



Is success on the CPA Examination furthered by an institutional culture supportive of such effort at institutions of higher education? *(Proposal seeks to study a single contributing factor to this culture – the professional certification of college instructors.)*

Research Team:

- Dr. Timothy J. Fogarty, JD, CPA, Professor of Accounting, Case Western Reserve University
- Dr. William Black, CPA, Associate Professor, University of North Georgia



The 2023 Call for Proposals is now open. Proposals for 2023 funding will be accepted through March 10, 2023 (11:59 pm CT). Professors and post-doctoral researchers are encouraged to submit electronic proposals to grantproposal@nasba.org prior to the deadline. Questions regarding the submission process should also be sent to this same email address. To learn more about the program's research interest areas and application guidelines, visit: <https://nasba.org/education/researchgrants/>. ♦

Jack Dailey Remembered (1951-2022)

NASBA leaders and members were saddened by the recent passing of NASBA Board of Directors member John F. 'Jack' Dailey, Jr., CPA, RMA, PSA, a retired partner and consultant at Bowman & Company LLP of Voorhees Township, NJ. Dailey passed away on June 23, 2022, at the age of 71.

Most recently, Dailey served as a NASBA director-at-large and as chair of NASBA's Legislative Support Committee. He was a former Northeast regional director of NASBA and a former chair of NASBA's CPE, Relations with Member Boards and Peer Review Compliance Committees.

Dailey was a member of the American Institute of CPAs where he previously served on the AICPA Council and Professional Ethics Executive Committee from 2010-13. He was appointed to the New Jersey State Board of Accountancy by three governors and served as its president from 2013-15. Dailey was also a member of the New Jersey Registered Municipal Accountants Association, and a past president and member of the New Jersey Society of CPAs (NJCPA). In 2021, the NJCPA honored Dailey as the recipient of its 2021 Lifetime Leader Award.

As a lasting tribute to Jack's love of the profession and support of the next generation of CPAs, the NJCPA has established a scholarship in his honor. NASBA will honor Dailey and others during its 115th Annual Meeting awards ceremony on Tuesday, November 1. ♦

115th NASBA Annual Meeting Heads to San Diego

NASBA is excited to announce its 115th Annual Meeting will take place October 30 - November 2, 2022, in San Diego, CA. Registration is currently open with early bird rates available now through Monday, September 26. Beginning September 27, fees will increase \$100.

As NASBA continues to place the safety of its member boards, staff and friends in the accounting community at the forefront, in-person attendance at NASBA meetings will be limited to registrants with full COVID-19 vaccination status.*

The 2022 program includes a Center for the Public Trust (CPT) Ethics Workshop, Report from NASBA Chair W. Michael Fritz,

international regulation update, report from the AICPA chair, Uniform CPA Examination update, first meeting of the 2022-2023 NASBA Board of Directors, NASBA awards ceremony, inaugural address, and much more. Whether you have previously attended a NASBA Annual Meeting in-person, or this will be your first time, you do not want to miss this opportunity.

For up-to-date information, including the meeting agenda, scholarship criteria, and registration and hotel links, visit <https://nasba.org/blog/2021/09/20/115th-nasba-annual-meeting/>.

* The CDC defines "fully vaccinated" as a person who has received their primary series of COVID-19 vaccines. ♦

NASBA 115TH ANNUAL MEETING

San Diego, CA
October 30 - November 2

**REGISTRATION
OPEN!**

First In-Person Annual Meeting Since 2019



DISCUSSIONS & NETWORKING



Join NASBA leaders, Board of Accountancy representatives and members of the accounting profession.



Discuss emerging issues impacting accounting regulation and the future of the profession.



Get updates on the Uniform CPA Examination, legislative trends, Uniform Accountancy Act, and international regulation.



We hope you join us!