

# STATE • BOARD • REPORT

A Digest of Current Developments Affecting State Accountancy Regulation

Summer 2024

## A LOOK BACK AT THE 2024 REGIONAL MEETINGS

State Board of Accountancy representatives convened at NASBA's 2024 Regional Meetings. Read about it on page 4.

### IN THIS EDITION

Nominating Committee Announces Slate.....2	PLTF Work Continues.....6
President's Memo: First, Principles .....3	BAP and AAA 2024 Annual Meetings .....6
2024 NASBA Regional Meeting Highlights ...4	U.S. CPA Exam Expands to Philippines.....6
Dustin Welcomes New Leadership Team.....5	Legislative Updates .....7
Accounting Education Research Grants.....5	The <i>NASBA Report</i> Makes a Comeback .....8

Published by the National Association of State Boards of Accountancy

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# Nominating Committee Announces Slate

The 2023-2024 NASBA Nominating Committee has nominated the following officers and directors to be voted on by the member Boards of Accountancy at NASBA's Annual Business Meeting in October:

**Vice Chair** Nicola Neilon (NV – Associate)

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

### First Term

- J. Andy Bonner (TN – Delegate)
- Jason Peery (ID – Delegate)
- Michael Schmitz (ND – Associate)

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

### First Term

- Central: Melissa Ruff (NE – Delegate)
- Great Lakes: Thuy Barron (WI – Delegate)
- Pacific: Haley Lyons (OR – Delegate)
- Southeast: Wilhelmus Schaffers (AL – Delegate)

### Second Term

- Middle Atlantic: Laurie Warwick (VA – Delegate)
- Mountain: Dan Vuckovich (MT – Delegate)
- Northeast: Timothy Egan (CT – Delegate)
- Southwest: Jeannette Smith (TX – Delegate)

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

- Alison Houck Andrew (DE – Associate)
- Barry Berkowitz (PA – Associate)

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

### First Term

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

## Unexpired Term

TBD (Board will appoint someone to fill Nicola Neilon's term for two more years.)

Maria Caldwell (FL – Associate), 2023-2024 Vice Chair, will accede to the office of chair.

Stephanie Saunders (VA – Associate) will accede to the office of past chair upon the installation of Maria Caldwell as chair.



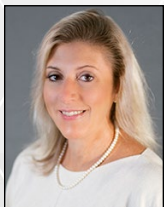
Maria Caldwell



Nicola Neilon



Stephanie Saunders



Alison Houck Andrew



Thuy Barron



Barry Berkowitz



J. Andy Bonner



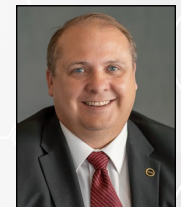
Timothy Egan



Stephen Langowski



Haley Lyons



Jason Peery



Melissa Ruff



Katrina Salazar



Wilhelmus Schaffers



Michael Schmitz



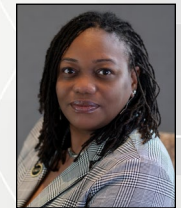
Jeannette Smith



Dan Vuckovich



Laurie Warwick



Kenya Watts

# PRESIDENT'S MEMO

## First, Principles

Exactly 30 years ago, British Prime Minister John Major convened a [“Committee on Standards in Public Life,”](#) an independent ethics commission whose charge was to advise the government on a code of conduct befitting those who work in public service or who seek public office. On completing its work, the Committee identified what it called “the seven principles of public life.” These principles included: selflessness, integrity, objectivity, accountability, openness, honesty and leadership. Not a bad list, is it? In an election year, how many of us would like our representatives to commit themselves to such a code?

Reflecting on the list now as I alternate between Zoom calls and unpacking boxes in my new office, I am struck by two things: The first is how guiding these seven concepts can be for any leader, whether seasoned or a recently named CEO like me. The second is how much the Committee’s elaboration on each connects so well to the work of regulators.

Take selflessness, for instance. The commission translated the term as public servants acting solely in the public interest. Integrity, it specified, was about officeholders avoiding placing themselves under obligation to individuals or entities that might try to influence them inappropriately. Objectivity was defined as making decisions impartially, fairly, on merit, and using the best evidence without discrimination or bias. Aren’t all these precisely what makes those who dedicate themselves to public protection so necessary *to the public*?

Compare these principles, however, to a [recent study](#) conducted by global firm Edelman, which found that 63 percent of people these days do not trust government; 61 percent do not trust business leaders; and 64 percent do not trust journalists. Might those percentages correlate to how well—or how poorly—our society observes those seven principles of public life?



Prior to interviewing for the role of NASBA president and CEO, I thought long and hard about what my vision for the organization might be. It was a challenge I set for myself in order to determine whether what I produced would serve NASBA’s hard-won stability and any organization’s always-needed innovation. But I also applied another test to this vision: Was every aspect of my plan rooted in one or more of those seven qualities? I felt the only way I could put myself forward as a candidate was if both boxes were checked.

I called this plan a “mission of modernization” because modernization is a concept that honors an organization’s founding principles by looking at the places where renewal might make it that much more “principal” to those it serves. The mission ended up having five foci with five broad aspirations, which include:

**Revisiting our culture:** It was author William Faulkner who said that “we cannot swim for new horizons unless we have the courage to lose sight of the shore.” By examining new approaches internally—elevating our aspirations, awareness and collaboration—NASBA can integrate and enhance its impact externally.

**Refining our technology:** In the age of Amazon, when you can order an obscure product one day and have it at your doorstep the next, how do we at NASBA make nimbler and more dependable the systems and transactions on which our members rely?

**Reframing regulation:** Storytelling is all—and for the past 40 years, the regulatory story has largely been one-sided and anti. This has set us back. I want NASBA to become an ever-refreshing hub of original content and thought leadership in order to provide members with a “rising tide” of insights and arguments on the issues that will lift regulators and our common cause.

**Reasserting NASBA as the “first call”:** Whether it’s pathways, pipeline, legal counsel, legislative support, or yes, persuasive storytelling that can beat back antiregulatory ruses, NASBA should be top-of-mind to its members. Calling (or emailing) us second means we’ve missed an opportunity.

**Reflecting rigorously:** Every good institution—every good leader—has blind spots. The best organizations (and leaders) don’t shy from shedding a light on them. That’s why, over this first year of my presidency, I plan to convene a formal diagnostic process that will seek our members’ unfiltered candor in order to learn where those spots reside and how we can adapt our mission of modernization to remedy them.

Nine months after my self-test—and deciding to put myself forward—here I am. And here we are—together. How do we keep NASBA relevant, impactful, stable but thriving? How do we keep regulation a fundamental of the public good? If you find yourself in the trust business—as you, our members, are—and as we, by extension, are too, the answer is the same: by delivering on what you promise. Over the last 116 years, NASBA has come far by upholding this principle. And while some of the projects I described above will take time, I believe the modernization NASBA will pursue will not only sustain, but further the organization.

I am excited by the new role, invigorated by the prospect of what lies ahead, and eager for the innumerable ways I know your ideas and your inspirations will shape our shared journey.

Daniel J. Dustin  
President & CEO

## 2024 NASBA Regional Meeting Highlights

Each year, NASBA hosts its Regional Meetings in different locations across the country to bring together Board of Accountancy representatives, NASBA staff and various NASBA stakeholders alike. This year, the Eastern Regional Meeting was held in Louisville, KY, June 4-6, and the Western Regional Meeting took place in Omaha, NE, June 25-27.

Both meetings were a success and allowed attendees and staff to participate in the conference's daily plenaries, topical breakfast meetings and breakout sessions. The closing celebration in Louisville took place at Churchill Downs, famous for hosting the Kentucky Derby. Attendees enjoyed Twilight Thursday races, tours and a live band with dinner. In Omaha, the 'Dancing in the Garden' closing celebration was held at Lauritzen Gardens, Nebraska's Premier Botanical Garden, where guests enjoyed live music and a delicious meal.

In conjunction with the Eastern Regional Meeting, the NASBA Center for The Public Trust (CPT) hosted its annual StudentCPT Leadership Conference (SLC) in Louisville, KY, June 3-5. This year's conference theme was "Empowered to Lead," focusing on the resources StudentCPT provides and how the journey to being an ethical leader empowers students at work, on campus and in their communities. A total of 28 colleges and universities and 45 students were represented at the conference, with students ranging in age, areas of study and academic classification. CPT Board of Directors members also participated in the conference. Members David Costello, Donald Burkett (board chair) and Kymberly Messersmith served as guest panelist speakers, while others provided consultation during the case study competition. Students were able to hold open discussions on where ethical dilemmas are found, how to overcome them in life and in the work force and, most importantly, how to be empowered when navigating professionally on campus through activities and Q&A sessions with panelists.

View a video highlight reel of the Regional Meeting here: <https://vimeo.com/982196170>

View photos from the Eastern Regional Meeting here: <https://adobe.ly/3yYddn1>

View photos from the Western Regional Meeting here: <https://adobe.ly/3VXjCrT>

View a video highlight reel of the SLC here: <https://vimeo.com/975369133/d256f7e5d7?share=copy>

View photos from the SLC here: <https://lightroom.adobe.com/shares/85b5fd29c7b8400486f2dc29b4da8b8a>



NASBA welcomed 274 attendees to the 2024 NASBA Regional Meetings. Attendees heard from NASBA leadership, received a report on the Professional Licensure Task Force, were updated on the AICPA National Pipeline Advisory Group (NPAG), met with their regions to share insights on trending topics, networked with members of NASBA and heard from students regarding the CPA pipeline. These photos are just a glimpse of the meetings. NASBA looks forward to hosting the Boards of Accountancy at its 117th Annual Meeting.

## Dustin Welcomes New Leadership Team

NASBA President and CEO Daniel Dustin has selected Kent Absec, Brenner Allen, William Emmer, John Johnson and Sedrik Newbern to join the leadership team at NASBA, effective August 1, 2024. These changes to leadership follow the recent retirement of former NASBA President and CEO Ken Bishop.



Kent Absec



Brenner Allen



William Emmer



John Johnson



Sedrik Newbern

Kent Absec is NASBA's newly appointed vice president, state board relations. In this role, Absec will serve as an advocate for State Boards of Accountancy and explore opportunities to provide support and services to NASBA's member boards.

Brenner (Brie) Allen, returns to NASBA as chief legal officer. In this role, Allen will oversee all legal matters on behalf of the Association.

William (Bill) Emmer, serves as NASBA's vice president, operations, and oversees multiple operations including services related to the CPA Examination, CPA licensing, the National Candidate Database, the National CPE Registry, other NASBA products and services, as well as Information Technology (IT).

John Johnson was promoted to vice president, legislative and governmental affairs. In this capacity, Johnson will work to evolve NASBA's legislative efforts by connecting its member boards to NASBA and with each other, while finding new ways to draw a line between people's everyday lives and regulatory work.

Sedrik Newbern serves as president of the NASBA Center for the Public Trust (CPT) and as chief ethics officer of NASBA. As CPT President, Newbern will manage the non-profit ethics and leadership organization's day-to-day operations and growing number of CPT programs. As Chief Ethics Officer, Newbern will oversee ethics compliance for the organization and will represent NASBA in ethics related activities within the accounting profession.

## NASBA Awards 2024 Accounting Education Research Grants 2025 Call for Proposals Now Open

On August 13, NASBA announced the recipients of its 2024 [Accounting Education Research Grants](#). This year's grant recipients include Dr. Kris Hoang and Amy Mathews at the University of Alabama. They received \$5,500 for their 'Job Stressors and Career Commitment in Early-Career Auditors' Work Experiences' study, which will investigate job stressors among early-career auditors and their influence on workplace well-being and career commitment.



The team of Dr. Denis Gracanic at Virginia Tech and Dr. Dina El Mahdy at Morgan State University received \$9,750 for their study 'Demystifying Accounting and Using Immersive Analytics to Increase Enrollment, Recruitment, and Retention.' Their project aims to demystify accounting and make it an exciting educational experience by developing an immersive data analytics tool - DataWorld.



job stressors in early-career auditors," said Associate Professor Kris Hoang, PhD, CPA, CA. "The grant will help us address the challenge of recruiting volunteers with real-world experience. We appreciate NASBA's role in connecting scholars with practitioners to advance the accounting profession."

Established in 2011, the grants program is spearheaded by members of NASBA's [Education Committee](#), under the leadership of Alison Houck Andrew. The program seeks to advance research on educational issues impacting certified public accountants, the accounting profession and state boards' charge to protect the public.

The 2025 Call for Proposals is open August 13, 2024, through 11:59 p.m. CT on Monday, March 3, 2025. Suggested research interest areas include integrating data analytics and AI as part of an accounting education, inclusivity within the CPA profession, CPA pipeline related items or impact of licensing requirements on students' decisions to pursue accounting careers (*suggested research areas are subject to change throughout the year*). Post-doctoral researchers and professors seeking funding are encouraged to submit grant proposals for consideration prior to the deadline. The 2025 class of grant recipients will be announced in summer 2025.

For additional information (including a full program description, eligibility requirements, research topics and details on past recipients), [CLICK HERE](#). For questions regarding the program, email: [grantproposal@nasba.org](mailto:grantproposal@nasba.org).

The final recipient, Drexel University Assistant Clinical Professor JT Thazhathel, received \$9,750 for his 'Balancing Books and Bytes: A Survey of Accountants' Use of AI in the Workplace' study. The project seeks to examine the prevalence and practical uses of artificial intelligence (AI) among accounting professionals.



"Amy Mathews (co-principal researcher) and I are thrilled to receive a NASBA Accounting Education Research Grant to study

## Professional Licensure Task Force Work Continues

The Professional Licensure Task Force (PLTF), established by NASBA Chair Stephanie Saunders, is continuing its work to consider new concepts for CPA licensure that may be included in the Uniform Accountancy Act (UAA) to update the current licensure model.

Earlier in the year, the PLTF-NPAG (National Pipeline Advisory Group) Working Group agreed to move forward on exploring a licensure pathway that is commonly referred to as a competency enhanced experience pathway. This pathway can be defined as having the requirement of a baccalaureate degree (120 semester hours) plus 1-year of general experience, which is consistent and currently in the UAA, plus one additional year of experience, which would be considered as “competencies enhanced experience.”

Two subgroups born out of the PLTF-NPAG Working Group and charged with creating the *Standards* (requirements) and a Model (competencies and objectives) for the potential new licensure

pathway, provided the PLTF with their recommendations for review and input during an August meeting. The subgroups are comprised of stakeholders currently engaged in the new pathway concept and new stakeholders, who will help to broaden the number of persons involved in future discussions and offer fresh perspectives.

During its August meeting, the PLTF was informed of upcoming forums that will be delivered to various stakeholders. Stakeholders include, but are not limited to, members of the NASBA Board of Directors, NASBA regional directors, State Board of Accountancy chairs and executive directors, State CPA Society executives, and members of the Joint UAA Committee and NPAG Working Group.

The PLTF is comprised of representatives from key stakeholder groups including the NASBA Board of Directors, the AICPA, member Boards of Accountancy, and State CPA Societies.

## BAP and AAA 2024 Annual Meetings

Representatives of NASBA and the NASBA Center for the Public Trust (CPT) recently attended the 2024 Beta Alpha Psi Annual Meeting (Orlando, FL) and American Accounting Association Annual Meeting (Washington, DC).

Team members served in a variety of capacities during the meetings, including showcasing products and services catering the academic community, participating on panel discussions and exchanging dialogue with educators, students, CPA Exam review course providers and partnering organizations. NASBA also demonstrated its continued commitment to AAA by serving as a meeting sponsor.

Announcements of NASBA's 2024 Accounting Education Research Grant recipients (and opening of the 2025 Call for Proposals) and relaunch of the *NASBA Report: Candidate Performance on the CPA Exam* publications were also shared with meeting goers.



**Top Photo: NASBA representatives attend the American Accounting Association Annual Meeting,**



**Bottom Photo: NASBA CPT attends the Beta Alpha Psi Annual Meeting.**

## U.S. CPA Exam Expands to Philippines

Did you know that the Uniform CPA Examination (Exam) is now offered in 19 countries? On July 1, 2024, NASBA and the AICPA, in partnership with Prometric, expanded international testing availability of the Exam to the Republic of the Philippines. As part of this expansion, CPA candidates in the Philippines can now register to take the CPA Exam in three testing centers within the country – two in Manila and one in Cebu City.

According to NASBA Executive Vice President and COO Collen Conrad, “NASBA is excited to expand the international administration of the U.S. CPA Examination to the Philippines. We

hope this expansion will result in greater interest in the accounting profession and greater flexibility for testing among international CPA Exam candidates.”

In addition to passing the Exam, which consists of three core sections and one selectable discipline section, candidates also must meet education and experience requirements, as well as any additional steps required by their home jurisdictions.

Additional information on the [international availability of the Exam](#) can be found on [nasba.org](#).



# LEGISLATIVE UPDATES



## Regulation and Oversight Matter

In a recent Public Opinion Survey conducted by the Alliance for Responsible Professional Licensing (ARPL), surveying 1,200 U.S. voters on professional licensing perceptions, survey results provided valuable insight into the importance of licensing (generally), the role of licensing boards, workforce development pressures, and responsible artificial intelligence (AI) uses.

69% believe that without rigorous licensing and expert human oversight, AI could increase public safety risks.

76% believe state licensing boards are best equipped to ensure responsible AI integration within their respective industry. These boards, which oversee exam requirements, ethical codes of conduct, and continuing education standards, are viewed as trusted experts by the American public.

75% agree that licensing is critical for guaranteeing professional qualifications.

72% say that licensing keeps the public safe.

64% believe that lowering licensing standards would fail to solve workforce shortages and increase the risk of licensing under qualified professionals, and therefore oppose such downgrading.

To read more on the survey results, visit [responsiblelicensing.org](https://responsiblelicensing.org) or contact John Johnson, Vice President, Legislative and Governmental Affairs, at [legislative@nasba.org](mailto:legislative@nasba.org).



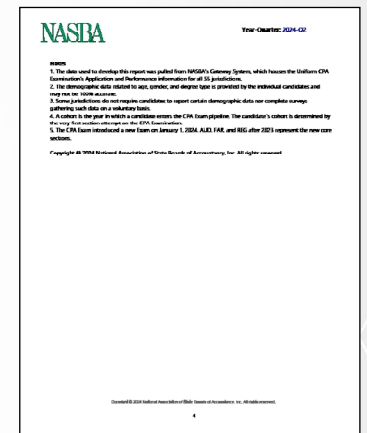
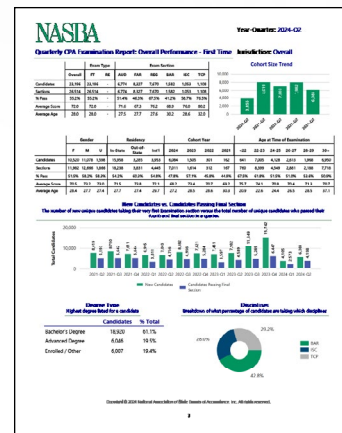
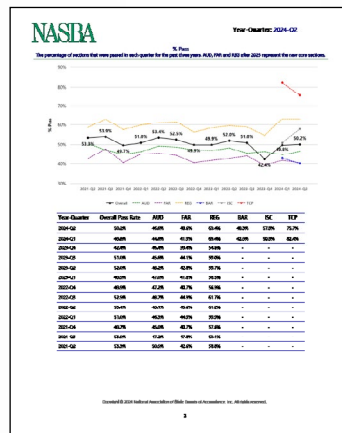
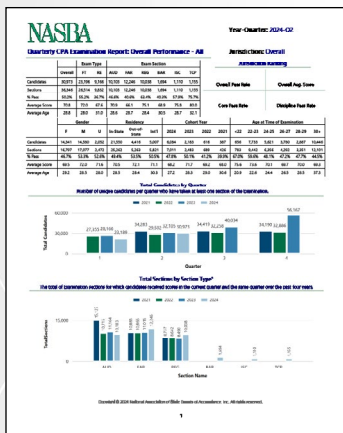
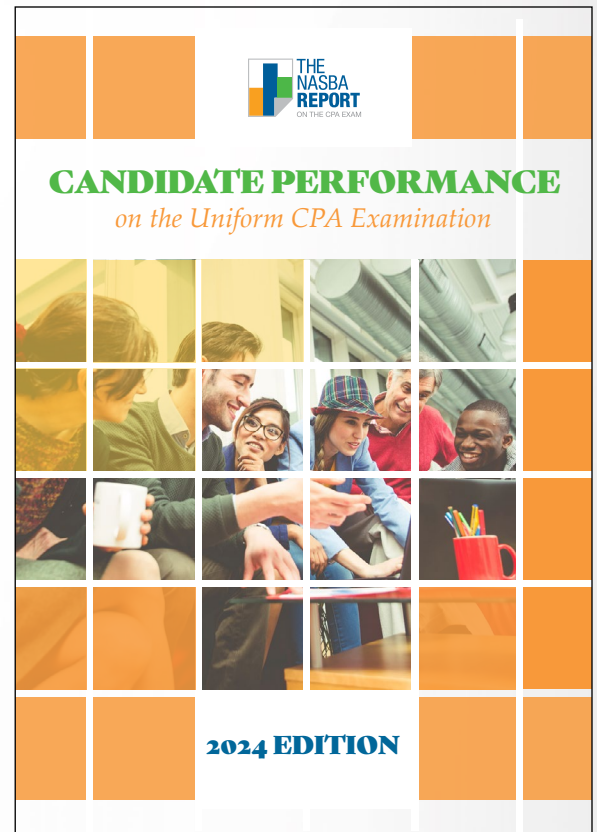
# The NASBA Report Makes a Comeback

NASBA is pleased to announce the return of the long-awaited *NASBA Report: Candidate Performance on the Uniform CPA Examination*, for the 2020 – 2023 Exam years. The publication series was paused in recent years to ensure the successful planning and implementation of CPA Evolution.

Designed with jurisdiction and university/accreditation analyses in mind, the annual publication features comprehensive statistical data from all (4) testing windows and sections (AUD, BEC, FAR, REG) of the Uniform CPA Examination (Examination). The *NASBA Report* provides summary performance for candidates applying to each U.S. jurisdiction, with trending data for number of sections, number of unique candidates, average age and percent pass, while also providing university rankings and program accreditation statistics based upon Uniform CPA Examination data. The publication offers the best overview of CPA Examination trends from around the world, and at the jurisdiction and university level.

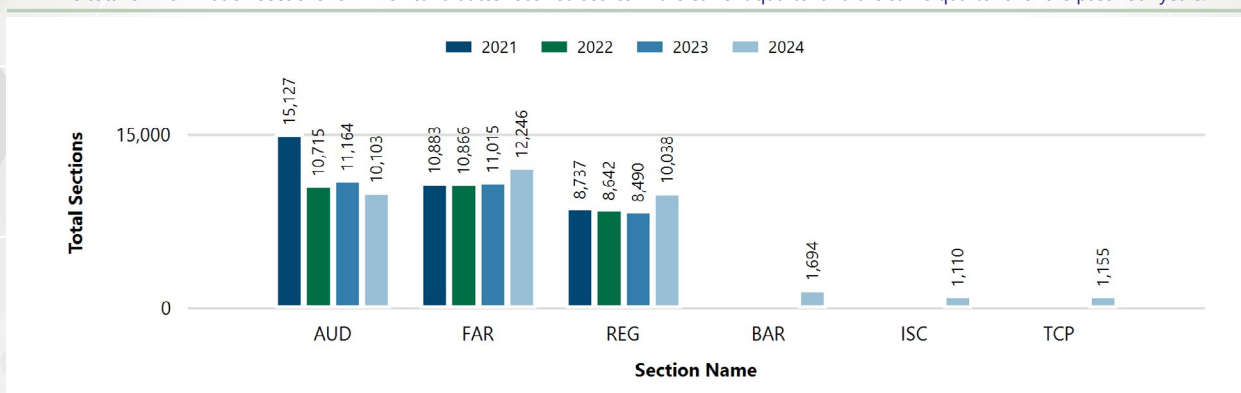
Additional features include country performance for the top five countries and jurisdiction rankings for number of sections, number of unique candidates, average age and percent pass. Section descriptions are also included to explain each view of the performance metrics.

The 2023 edition, as well as the 2020, 2021 and 2022 editions are now available for pre-order on [www.nasbareport.com](http://www.nasbareport.com). Estimated shipping for these editions is scheduled for September 2024.



## Total Sections by Section Type - 2024-Q2

The total of Examination sections for which candidates received scores in the current quarter and the same quarter over the past four years.





REGISTER TODAY!



# NASBA

## 117th NASBA Annual Meeting

October 27-30, 2024 | Orlando, Florida

Visit <https://nasba.org/blog/2023/12/06/117th-annual-meeting/> to view the details and register today!