

NASBA STATE ♦ BOARD ♦ REPORT

A Digest of Current Developments Affecting State Accountancy Regulation

Summer 2021

LET YOUR VOICE BE HEARD

CPA Exam Practice Analysis Solicits Feedback Through September 7

The American Institute of CPAs (AICPA) is soliciting feedback on the draft content proposed in the new Core and Disciplines CPA Examination structure. Stakeholders are invited to provide their input to assist in the development of new CPA Evolution Exam Blueprints and Exam design. The profession's input is key to the AICPA's practice analysis, which aims to determine the knowledge and skills newly licensed CPAs need to protect the public interest under the CPA Evolution licensure model. Suggestions on the preliminary content are welcome through September 7, 2021, and can be submitted by completing a brief [survey](#).

More information on the current practice analysis, including general information, timelines and FAQs, can be found [here](#) and will be updated regularly.

"We're excited to be kicking off this Practice Analysis and working to ensure the next version of the CPA Exam will be aligned with the CPA Evolution licensure model," said Mike Decker, Vice President of CPA Examination and Pipeline, AICPA. "Developing an Exam that meets the needs of the profession well into the future requires input from stakeholders and I strongly encourage all interested parties to participate in the process by submitting their feedback."

NASBA and the AICPA continue to collaborate on the CPA Evolution initiative, which recognizes the rapidly changing skills and competencies the accounting profession requires. A final report on the results of the practice analysis, including final CPA Evolution Exam Blueprints and related Exam design, will be published in January 2023. The new Exam is expected to be launched in January 2024. ♦

BOD Calls for Vote on Bylaws Changes

Proposed amendments to NASBA's Bylaws will be voted upon during NASBA's 114th Annual Meeting, October 31 – November 3, 2021. Among the proposed amendments, include adding guidelines for a committee to search for a new president of the Association, giving the Board of Directors the authority to appoint an interim president and chief executive officer (if an unexpected vacancy occurs); as well as changes dealing with teleconferences for the Regional Meeting, the Nominating Committee, and other clean-up language.

During its July 2021 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.

[Click here](#) to view the proposed changes. For more information, contact John Johnson, Staff Liaison to the Bylaws Committee, at jjohnson@nasba.org or 615.880.4232. ♦



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Science
Technology
Engineering
Mathematics



NASBA Supports Accounting STEM Pursuit Act Federal Legislation

The 117th United States Congress recently introduced bipartisan legislation – [H.R. 3855 – Accounting STEM Pursuit Act of 2021](#) – to recognize accounting as part of the STEM programs in schools. Under the Act, the accounting profession will become a part of the science, technology, engineering and mathematics curricula, reinforcing the clear and logical connection between accounting and technology. The bipartisan legislation was introduced by Representatives Haley Stevens (D-MI) and Victoria Spartz (R-IN).

H.R. 3855 would amend title IV of the Elementary and Secondary Education Act of 1965 by adding “activities to promote the development, implementation, and strengthening of programs to teach accounting, including increasing access to high-quality accounting courses for students through grade 12 who are members of groups that are typically underrepresented in accounting careers” to this act.

This bill will not only bring early exposure to the accounting profession for students in high school and younger, but will also strengthen the pipeline of a talented and diverse workforce – one that is needed to compete in a profession that continues to evolve. “The Accounting STEM Pursuit Act not only bolsters the connection between accounting and STEM, but also reinforces the joint NASBA/AICPA initiative that is leading the charge to adapt and advance the skill-set accountants need to compete in the current practice environment,” said Ken L. Bishop, NASBA President and CEO.

As the profession continues to advance its use of technology to serve the public interest, and with the recently released [CPA Evolution Model Curriculum](#), early exposure to the accounting profession will not only help prepare the next generation of CPAs, but will make it much easier for the profession to connect to students in a way that was not before possible. ♦

2021 Grant Recipient Announced

The recipient of NASBA’s Accounting Education Research Grants for 2021 was accepted by the NASBA Board of Directors. Presented for approval by the Education Committee, grant funding was awarded to the following project team.



“Do the program curriculum, faculty characteristics, and support association at Minority Serving Institutions contribute to achieving CPA certification?” Submitted by: Marlissa J. Phillips and Tonya Smalls - Clark Atlanta University (Atlanta, GA).

Established in 2011, NASBA’s Accounting Education Research Grants Program seeks to advance research on educational issues impacting the certified public accountants (CPA), the public accounting profession and state boards’ charge to protect the public. The program is spearheaded by the Education Committee under the leadership of Chair Jason Peery (ID).

The 2022 Call for Proposals is open now through Friday, March 11, 2022. Post-doctoral researchers and professors are encouraged to apply prior to the deadline. To learn more about the program, email: grantproposal@nasba.org. ♦

Dailey Receives NJCPA Lifetime Leader Award

Congratulations are extended to NASBA Director-at-Large and CPE Committee Chair, John (Jack) Dailey (NJ). Dailey, a retired partner and consultant at Bowman & Company LLP of Voorhees Township, was recently honored by the New Jersey Society of Certified Public Accountants (NJCPA) as the recipient of its 2021 Lifetime Leader award.



John Dailey

The Lifetime Leader Award is presented as part of the Society’s Ovation Awards and celebrates the standout NJCPA member of exceptional merit for remarkable contributions to the accounting profession over the course of their career. Recipients are regarded for their abundant professional achievements, extensive community service, steadfast determination and model leadership.

A member of the NJCPA since 1978, Dailey is a past president of the NJCPA, a past president of the Southwest Jersey Chapter, and a participant in numerous accounting interest groups and committees. He is also an appointed member of the New Jersey State Board of Accountancy and a highly regarded presenter and author.

According to NJCPA CEO and Executive Director Ralph Albert Thomas, “Jack is a one-of-a-kind individual. We know we can always rely on him to inform and educate his fellow CPAs about ethics codes and regulations — both formally through his CPE classes and informally by connecting with many of his colleagues. We have found a wonderful resource in Jack— one that keeps giving back to the accounting profession.”

To learn more about the Society’s Ovation Awards, visit njcpa.org/ovation. ♦

PRESIDENT'S MEMO

The Good, The Bad and The Ugly

I cannot adequately describe my disappointment that once again the impact of Coronavirus continues to be a focus of the *President's Memo* and in much of my personal and professional daily life. With the tremendous success of the three vaccines in preventing infection and minimizing symptoms in breakthrough cases (the 'good'), one would think that the pandemic would soon be over. However, I doubt many of us thought that nearly half of the country (60 percent plus in Tennessee) would refuse or fail to get vaccinated. Even though the vaccinations are nearly 90 percent effective against the new Delta variant, with the large number of those unvaccinated causing another surge in infections, hospitalizations and deaths, one in ten of us vaccinated folks are at risk as we attempt to reopen society (the 'ugly').

Probably, almost none of you know my political stance. I prefer it that way. I can, however, tell you that I am fiscally conservative, socially moderate, tend to be a little skeptical of the fringes (whether to the left or right), and respect everyone's right to choose their political posturing. Nonetheless, I struggle to understand how anyone can justify putting themselves and others at risk because of political beliefs. If I am sounding a bit angry, sorry, but I am.

As I have stated and hopefully demonstrated, I consider maintaining the safety of NASBA's great staff and volunteers as a critical responsibility. We recently had our first face-to-face NASBA Board of Directors (BOD) meeting in over a year in our Nashville headquarters. It was wonderful to be together again. To ensure a safe experience for all, we put every precaution we could in place. Every BOD member was vaccinated, and only vaccinated staff could enter our office while the BOD meeting was in session. A few days after the meeting, one of our vaccinated staff members became ill (cold like symptoms) and tested positive for COVID-19. It is most likely that the staff member was infected offsite by someone who chose not to be vaccinated, thus putting others at risk. Thankfully, because of the precautions we implemented, there is a very low likelihood that others were impacted, but it has to cause concern and anxiety for some. This too is 'ugly,' and it makes me angry.

So, why am I writing about this and why is this important to NASBA as an organization? In the May *President's Memo*, I discussed that it is our intent to have the Annual Meeting in California this late fall, but that we would continue to monitor and consider COVID-related restrictions. Since that *Memo*, and as announced at the virtual Regional Meeting in June, we decided to require all Annual Meeting participants and attendees to be vaccinated. We remain hopeful that we can safely have a face-to-face meeting and that is still our intent. However, the recent predictions of another late fall surge of new cases are keeping us a bit in limbo, in both our planning of meetings and conferences and in determining how and when to bring staff back to our offices.

Another example of 'good' was the tremendous success of our fiscal year that ended on July 31. Our amazing staff has continued to improve in effectiveness while working in a remote environment, and we ended the year in a financially positive position. Increasing numbers of staff are voluntarily coming into the office, and nearly 85 percent have been fully vaccinated. Our volunteer governance leaders, committee chairs and designated staff have kept our major initiatives such as CPA Evolution and Strategic Planning on track, without losing a step.

Switching gears, it has become increasingly evident that growing the CPA Pipeline of examination candidates and licensees must be a high priority for NASBA. We have already begun a dialog with AICPA, educators and others to consider how we can move the needle in measurable ways. The fact that we have a lot on our plates as we move towards implementation of CPA Evolution in 2024, and several other big-ticket issues, cannot be an excuse for not taking on Pipeline challenges. The governance leaders of NASBA have made it clear that we need to address it now, and we must do it effectively.

I end by telling you that the 'good' certainly outweighs the 'bad' and the 'ugly' across the spectrum of what NASBA does. More importantly, we are not resistant to identifying and addressing the challenges and opportunities in front of us. That is what we do, we deal with... the good, the bad and the ugly.

Semper ad meliora (Always toward better things).


— Ken L. Bishop
President & CEO



Ken L. Bishop
President & CEO

COVID VACCINATION RATES*

THE GOOD

NASBA
82.9%

THE BAD

U.S.
49.6%

THE UGLY

TENNESSEE
39.7%

*As of August 11, 2021

114th Annual Meeting — In-Person or Virtual?

In an announcement shared with NASBA membership during the 2021 Regional Meeting and in a July email correspondence, plans are currently underway to reunite NASBA stakeholders, in-person, for the 114th Annual Meeting, to be held in San Diego, CA, October 31 – November 3.

However, due to the recent rise in COVID-19 hospitalizations, NASBA leadership continues to closely monitor the guidance issued by the Centers for Disease Control and Prevention (CDC) and the San Diego County Commission as the Association's meetings team works to finalize details regarding registration, travel and on-site protocols. Currently, registration is scheduled to launch on September 15, 2021. To assist member boards with their travel budgets, additional details regarding hotel costs, registration fees, agenda/itinerary of events, and scholarship information will be emailed in the coming weeks. Meeting attendees are asked to please refrain from making airline reservations until after September 15.

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 the San Diego Annual Meeting will be limited to registrants with full COVID-19 vaccination status. To complement the in-person program and to continue the attendance momentum sparked during June's Virtual Regional Meeting, a high-quality, hybrid (virtual) component will also be offered to individuals who are unvaccinated, not quite ready to travel or meet in-person, or who are unable to attend for other reasons.

"Our expectation is that there will be different comfort levels among our members. It is my hope that we can rebound with a robust and meaningful gathering that we can all celebrate," shared President and CEO Ken L. Bishop.

Members are encouraged to save the date, monitor emails and to visit the [nasba.org Meetings & Events Page](https://www.nasba.org/Meetings-&Events) to stay abreast of the latest meeting information and updates. ♦

Virtual Regional Meeting Draws Record Attendance

Held June 22-23, 2021 (via Zoom), NASBA's Regional Meeting took to the virtual stage for the second consecutive year. While NASBA leaders and members were hopeful to make a return to in-person meetings, it was decided to remain in the virtual space out of continued concern regarding the COVID-19 pandemic.

Different from years past, the Regionals, which are historically held as two meetings (Eastern and Western), were combined into one meeting. This format proved to be an efficient way to share relevant, important topics impacting Boards of Accountancy and the profession.

NASBA had a record turnout from Board of Accountancy members, NASBA staff and other stakeholders, with attendance numbers exceeding 400+ virtual participants (representing 54 state boards). The two-day meeting was moderated by Katrina Salazar (CA) NASBA Pacific Regional Director and Relations with Member Boards Committee Chair, with regional breakout sessions led by NASBA's eight regional directors.

Chair Carlos Barrera (TX) expressed his appreciation of state boards and NASBA for this year's record attendance and growing interest in the meetings. "NASBA and state boards have truly been impacted as a result of the pandemic. The safety of our volunteers and staff has been a high priority during this challenging time. If there's been any blessing to having meetings virtually, it's the increased level of participation. It's been truly remarkable."

President and CEO Ken L. Bishop shared that the Association is beginning to plan for the new normal. Adding that, "NASBA will continue to offer state boards any support we can as they begin to return to normal operations." He also emphasized that NASBA leadership is currently considering ways more members can participate in NASBA meetings and events. "We're discussing



how hybrid meetings, both in person and virtual, will allow more NASBA members to participate in future meetings and conferences," said Bishop.

The two-day agenda featured presentations and topics that covered: The Post-COVID Anti-Regulation Battle; Latest Developments on the Uniform CPA Examination; Discussion on Accreditation; Education Research Projects; CPA Evolution; Peeling Back the Onion on Today's Ransomware, and more. On the second day of the Regional Meeting, regional breakout sessions allowed eight regions to meet independently (on separate Zoom meetings) to give regional directors an opportunity to hear from their respective state boards and discuss relevant topics pertaining to each region.

NASBA looks forward to resuming in-person June Regional Meetings in 2022. ♦

Nominating Committee Announces Slate

On June 30, 2021, the 2020-21 NASBA Nominating Committee, under the leadership of Chair Laurie J. Tish (WA), met and selected the following slate of officers and directors for 2021-22, to be voted on by the member boards at the 114th Annual Business Meeting in November:

Vice Chair Nominee

As announced in May, the Committee selected Richard N. Reisig (MT) as their vice chair nominee, who will accede to the office of NASBA chair 2022-2023 should he be elected by the member boards at the Annual Business Meeting in November.



Richard N. Reisig
(MT – Associate)

NASBA Chair and Past Chair

W. Michael Fritz (OH – Associate), 2020-2021 Vice Chair, will accede to the office of chair. Carlos Barrera (TX – Associate) will accede to the office of past chair upon the installation of Mr. Fritz as chair.



NASBA Chair
W. Michael Fritz (OH)



Past Chair
Carlos Barrera (TX)

Regional Directors (one-year term)

a regional director may serve three one-year terms



Central
Michael Schmitz
(ND – Delegate)
(first term)



Middle Atlantic
Alison Houck
(DE – Delegate)
(third term)



Northeast
Stephen F. Langowski
(NY – Delegate)
(third term)



Southeast
Larry Elmore
(TN – Delegate)
(first term)



Great Lakes
Kenya Y. Watts
(OH – Delegate)
(third term)



Mountain
Jason D. Peery
(ID – Delegate)
(third term)



Pacific
Nancy J. Corrigan
(CA – Delegate)
(first term)



Southwest
Lynn V. Hutchinson
(LA – Delegate)
(second term)

Directors-at-Large (three-year term)



Maria E. Caldwell
(FL – Associate)
(second term)



John F. Dailey
(NJ – Delegate)
(second term)



Stephanie M. Saunders
(VA – Associate)
(second term)

The following list indicates current board members and the status of their term. 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 a three-year term)



J. Coalter Baker
(TX – Associate)
(second term)



Jimmy E. Burkes
(MS – Associate)
(second term)



Nicola Neilon
(NV – Associate)
(first term)

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



Catherine R. Allen
(NY – Associate)
(first term)



Tyrone E. Dickerson
(VA – Associate)
(second term)



Open Position - The Board will appoint someone to fill Richard Reisig's term.

Nominations may also be made by any five member boards if filed with NASBA Chair Carlos Barrera at least 10 days prior to the Annual Business Meeting. No nominations from the floor will be recognized. A majority vote of the designated voting representatives of the member boards attending the Annual Meeting shall constitute an election provided a quorum is present.

NASBA Board Resumes In-person Meetings

Nashville, TN, served as the host city to the NASBA Board of Directors during the Board's first in-person meeting since January 2020. The meeting was held on July 23, 2021, at NASBA headquarters.

Chief among the actions taken by the Board include unanimous approval of NASBA's May financial statements, consolidated Fiscal 2022 operating and capital budgets, and the 2021 NASBA Strategic Plan. The Board also reviewed and approved proposed Bylaws changes and the Nominating Committee's slate of officers

and directors for 2021-22, both of which will be shared with NASBA membership and voted upon at the 2021 Annual Business Meeting in November (see page 5 for announced slate). NASBA members are encouraged to review the recently distributed Quarterly Bundle communication for a comprehensive overview of these and additional meeting highlights.

The next meeting of the NASBA Board of Directors will be held on October 29, 2021, in San Diego, CA. ♦



Front row, not on stairs, left to right: Stephanie Saunders (VA), Richard Reisig (MT), Laurie Tish (WA), Carlos Barrera (TX), Ken Bishop and Michael Fritz (OH). On stairs, first row, from left to right: Jimmy Burkes (MS), Colleen Conrad, John Dailey (NJ), Sharon Jensen (MN), Faye Miller (ND), Lynn Hutchinson (LA), Katrina Salazar (CA), Alison Andrew (DE), Nicola Neilon (NV) and Kenya Watts (OH). On stairs, second row, from left to right: Tyrone Dickerson (VA), Andy Bonner (TN), Jason Peery (ID), Stephen Langowski (NY), Michael Bryant, Kent Absec (ID) and Coalter Baker (TX). Not pictured: Catherine Allen (NY)

Proposed Tax Preparer Legislation

A recently introduced bill in Congress would authorize the U.S. Treasury to regulate paid tax return preparers and mandate minimum competency standards. According to the [Journal of Accountancy](#), the introduction of the Taxpayer Protection and Preparer Proficiency Act, H.R. 4184, in Congress follows the Biden administration's request in late April, in its American Families Plan, for bipartisan legislation to authorize the IRS to regulate paid tax preparers who are currently unregulated.

Should this bill be approved, H.R. 4184 would give the Treasury authority to regulate paid tax return preparers, clarify that the authority being provided is to reinstitute the IRS's 2011 Registered Tax Return Preparer program, give the IRS authority to revoke an incompetent or fraudulent preparer's preparer tax identification number (PTIN), clarify that certain nonsigning preparers — those persons who are employed by and prepare returns under the supervision of an attorney, CPA, or enrolled agent — are not required to obtain a PTIN and lastly, require a U.S. Government Accountability Office study on the sharing of information between Treasury and state authorities regarding PTINs issued to paid return preparers and preparer minimum standards.

The American Institute of Certified Public Accountants (AICPA) has come out in full support of the new legislation.

"The AICPA is pleased to endorse this bill, and we appreciate Representatives Panetta and Rice for working together to introduce this important legislation," Edward Karl, CPA, CGMA, AICPA Vice President-Taxation, said in a press statement. "Ensuring that tax preparers are competent and ethical, and that the IRS has the tools it needs to conduct appropriate oversight, is critical to maintaining taxpayer confidence in our tax system and protecting the interests of the American taxpayer."

The proposed bill has been endorsed by other external stakeholder organizations. ♦

Oregon Supreme Court Considers New Licensure Path for Lawyers

Think there is only one path to licensure as an attorney? Think again. According to a recent article published in the [ABA Journal](#), the Oregon Supreme Court is considering a recent report filed by the Oregon State Bar Board of Bar Examiners. The Board has submitted a task force report suggesting supervised practice or law school experiential-learning programs as bar exam alternatives for attorney licensure.

The long-standing bar exam will not be affected.

"We produced something that I think takes a really holistic approach to licensure. The [uniform bar exam] is still there for those who want it, but for those who go to school in Oregon, there is the [Oregon experiential pathway], and there's a supervised practice pathway for those who come from out of state," Brian Gallini, Dean of the Willamette University College of

Law who is also a member of the Oregon task force, told the *ABA Journal*.

As the pandemic continues to change the corporate landscape, all industries are learning to adjust. In June 2020, Oregon granted temporary diploma privilege due to the pandemic, as well as administered a remote bar exam in February 2021. According to the article, the task force report determines minimum competence to practice law and cites research from the Institute for the Advancement of the American Legal System identifying legal processes, identifying legal issues and conducting research as core competencies to practice law.

Starting in 2024, law school students would be required to complete two years of specific learning. The program would include legal research, writing, issue spotting, argument development, written and oral advocacy and legal analysis. Students will also be asked to complete between 1,000 and 1,500 hours of supervised practice with a licensed Oregon lawyer who has at least five years of practice experience and no record of public discipline. The National Conference of Bar Examiners told the *Journal* that it, "continues to support jurisdictions, including Oregon, with its bar exam experience and work," and highlighted that the organization "is currently engaged in the multiyear endeavor of reimagining the bar exam to meet the changing needs of our legal community." ♦

NASBA Welcomes New State Board Executive Directors

NASBA welcomes the following new Board of Accountancy executive directors for 2020-21.



Kevin Cyrus

District of Columbia Board of Accountancy



Toby Snell

Indiana Board of Accountancy



Kedin Kleinhans

Hawaii Board of Public Accountancy



Joseph Donohue

Kentucky State Board of Accountancy



Lisa Benefield

State Board of CPAs of Louisiana



Danielle O'Neil

Massachusetts Board of Public Accountants



Kevin Bragg

Montana Board of Public Accountants



Jana Johnsen

Utah Board of Accountancy



David Trujillo

Washington State Board of Accountancy



Kristi Justice

West Virginia Board of Accountancy



Brad Wojciechowski

Wisconsin Accounting Examining Board

