

BOARD MEETING AGENDA

Date, Time: Friday, January 26, 2024 – Board Meeting – 9:00 a.m.

Location: Radisson Hotel Seattle Airport
San Juan Rooms 2&3
18118 International Blvd
Seattle, WA 98188
or by Microsoft Teams Meeting

Notices: Public Rules Hearing

Chair Introductions

PUBLIC RULE MAKING HEARING

Attachments at page(s):

- 1. Public Rule-Making Hearing Outline 13-15
- 2. Rules Under Consideration –
 - Rules Alignment for CPA-Inactive Certificate Legislation Passed (CR-102 filings) 16-23
 - a. WAC 4-30-010 Definitions 24-28
 - b. WAC 4-30-020 What are the authority for and the purpose of the board’s rules?29
 - c. WAC 4-30-028 Rules governing the formal adjudicative proceedings and brief adjudicative proceedings before the board.30
 - d. WAC 4-30-030 What are the requirements for communicating with the board and staff? 31-32
 - e. WAC 4-30-032 Do I need to notify the board if I change my address?33
 - f. WAC 4-30-034 Must I respond to inquiries from the board?.....34
 - g. WAC 4-30-036 What enforcement actions must be reported to the board?.....35
 - h. WAC 4-30-038 Fees 36-37
 - i. WAC 4-30-082 How does a CPA-Inactive certificate holder apply for licensure?.....38
 - j. WAC 4-30-084 Converting from certificate to license. (New section)39
 - i. WAC 4-30-088 What is the effect on a Washington individual licensee or CPA-inactive certificateholder in the armed forces, reserves, or National Guard if the individual receives orders to deploy for active military duty? 40-42
 - k. WAC 4-30-094 How do I renew my individual license, CPA-inactive certificate, or registration as a resident nonlicensee firm owner?..... 43-44
 - l. WAC 4-30-104 How do I renew a Washington CPA-Inactive certificate and/or license granted through foreign reciprocity? (Repealed section).45
 - m. WAC 4-30-120 I am a CPA-Inactive certificate holder – Prior to July 1, 2001, I held a license – How do I apply to return to my previous status as a licensee?46
 - n. WAC 4-30-122 If I retire my license or CPA-Inactive certificate, how do I apply to renew my license or CPA-Inactive certificate out of retirement?47
 - o. WAC 4-30-124 How do I reinstate a lapsed license, CPA-Inactive certificate, or registration as a resident nonlicensee firm owner?..... 48-49
 - p. WAC 4-30-126 How do I reinstate a revoked or suspended license, CPA-Inactive certificate, or registration as a resident nonlicensee firm owner? 50-51
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BOARD MEETING AGENDA

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- a. Board’s deliberation on proposed rules considered at the public rule-making hearing.
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- b. Peer Review Oversight Committee (PROC) – Mark Hugh, CPA, Chair 92-94
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- g. Administrative Rules Clarification Task Force (ARC) – Mark Hugh, CPA, Chair100

11. Executive Director’s Report

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- b. PEAR Update
- c. Legislative Session

12. Enforcement Report

- a. Quarterly Enforcement and Resolved Complaint Reports 104-105

13. Executive and/or Closed Sessions with Legal Counsel

14. Public Input - The public has an opportunity to address its concerns and the Board has an opportunity to ask questions of the public. Individual speakers will be provided 10 minutes each.

The Board of Accountancy schedules all public meetings at barrier free sites. Persons who need special assistance, such as enlarged type materials, please contact the Board's Americans with Disabilities Act contact person:

Kirsten Donovan, Board Clerk
PO Box 9131, Olympia, WA 98507-9131
Phone: 360-664-9191 Email: kirsten.donovan@acb.wa.gov
7-1-1 or 1-800-833-6388 (TTY) - 1-800-833-6385 (Telebraille)
(TTY and Telebraille service nationwide by Washington Relay www.washingtonrelay.com)

**WASHINGTON STATE
BOARD OF ACCOUNTANCY
BOARD MEETING – JANUARY 26, 2024
SUMMARY**

Date and Time: Friday, January 26, 2024 - 9:00 a.m.

Location: Radisson Hotel Seattle Airport
San Juan Rooms 2&3
18118 International Blvd
Seattle, WA 98188
or by Microsoft Teams Meeting

Notices: Public Rules Hearing

Chair’s Opening Announcements: The purpose of the Board meeting is for the Board to accomplish its business. After the Board completes its discussion of an agenda item, if appropriate, I will ask if anyone in the audience wishes to comment. As a reminder, individuals attending the meeting may participate only after recognition by the Chair. If you plan to address the Board on other matters during the public input section of the agenda, please sign the public input roster, or if attending by Teams meeting advise the Board Chair now, and your name will be added to the public input roster.

Chair Introductions: My name is Kate Dixon, Public Member; I am the Chair of the Board of Accountancy. (Have Board Members introduce themselves - both those in person and virtually - then staff, and then Leo Roinila, AAG, Board Advisor).

January 26, 2024 - 9:00 a.m. – PUBLIC RULE-MAKING HEARING

Rules Hearing - At 9:00 a.m. the Board will hold its scheduled rules hearing to obtain public input on the proposed changes to Board rules. Individuals wishing to comment must sign in on the rule-making public input roster at the back of the room. If you are attending by Teams meeting, advise the Board Chair now, and your name will be added to the roster.

1. **Public Rule-Making Hearing Outline** – The script the Chair will use as a guide during the hearing is at **pages 13-15** of the meeting materials.

2. **Rules Under Consideration**

Rules Alignment for CPA-Inactive Certificate Legislation Passed

Pages 16-19 contain the original CR-102, Proposed Rule Making Notice, and **pages 20-23** contain the continuance CR-102 filing for the change in the rule making hearing

date and location.

- **WAC 4-30-010 Definitions. – pages 24-28**
- **WAC 4-30-020 What are the authority for and the purpose of the Board’s rules? – page 29**
- **WAC 4-30-028 Rules governing the formal adjudicative proceedings and the brief adjudicative proceedings before the board. – page 30**
- **WAC 4-30-030 What are the requirements for communicating with the board and staff? – pages 31-32**
- **WAC 4-30-032 Do I need to notify the board if I change my address? – page 33**
- **WAC 4-30-034 Must I respond to inquiries from the board? – page 34**
- **WAC 4-30-036 What enforcement actions must be reported to the board? – page 35**
- **WAC 4-30-038 Fees. – pages 36-37**
- **WAC 4-30-082 How does a CPA-Inactive certificate holder apply for licensure? – page 38**
- **WAC 4-30-084 Converting from certificate to license. (New section) – page 39**
- **WAC 4-30-088 What is the effect on a Washington individual licensee or CPA-inactive certificate holder in the armed forces, reserves, or National Guard if the individual receives orders to deploy for active military duty? – pages 40-42**
- **WAC 4-30-094 How do I renew my individual license, CPA-inactive certificate, or registration as a resident nonlicensee firm owner? – pages 43-44**
- **WAC 4-30-104 How do I renew a Washington CPA-Inactive certificate and/or license granted through foreign reciprocity? (Repealed section) – page 45**
- **WAC 4-30-120 I am a CPA-Inactive certificate holder – Prior to July 1, 2001, I held a license – How do I apply to return to my previous status as a licensee? – page 46**
- **WAC 4-30-122 If I retire my license or CPA-Inactive certificate, how do I apply to renew my license or CPA-Inactive certificate out of retirement? – page 47**
- **WAC 4-30-124 How do I reinstate a lapsed license, CPA-inactive certificate, or registration as a resident nonlicensee firm owner? – pages 48-49**

- **WAC 4-30-126 How do I reinstate a revoked or suspended license, CPA-inactive certificate, or registration as a resident nonlicensee firm owner? – pages 50-51**
- **WAC 4-30-134 Continuing professional education (CPE) requirements. – pages 52-54**
- **WAC 4-30-136 Reporting continuing professional education (CPE) to the board. – page 55**
- **WAC 4-30-142 What are the bases for the board to impose discipline? – pages 56-59**

Pages 24-59 contain the draft language filings for the proposed rule changes (page numbers for each rule are individually listed above). The proposed changes:

- Ensure consistency with the Public Accountancy Act (RCW 18.04) for legislation passed (SB5519) on March 17, 2022, with an effective date of July 1, 2024
- Remove references to certificate holders.
- Allow the remaining population of certificate holders to transition to a CPA license in an inactive status and provide the opportunity for the certificate holders to become fully licensed.
- Create a new inactive license status.
- Align Board rules with other CPA jurisdictions.
- Rename some of the rules.

The Executive Director will provide a summary of the proposed rule changes.

- 3. Written Stakeholder Comments** – None were received by the time the Board meeting packet was compiled and posted to the website. If any are received by the written comment deadline of January 24, 2024, they will be provided during the Rules Hearing.

January 26, 2024 – BOARD MEETING

4. Rules Review

- a. Board deliberation on the proposed rule considered at the public rule-making hearing.**

Rules Alignment for CPA-Inactive Certificate Legislation Passed

- **WAC 4-30-010 Definitions. – pages 24-28**

- **WAC 4-30-020** What are the authority for and the purpose of the Board's rules? – **pages 29**
- **WAC 4-30-028** Rules governing the formal adjudicative proceedings and the brief adjudicative proceedings before the board. – **pages 30**
- **WAC 4-30-030** What are the requirements for communicating with the board and staff? – **pages 31-32**
- **WAC 4-30-032** Do I need to notify the board if I change my address? – **pages 33**
- **WAC 4-30-034** Must I respond to inquiries from the board? – **pages 34**
- **WAC 4-30-036** What enforcement actions must be reported to the board? – **pages 35**
- **WAC 4-30-038** Fees. – **pages 36-37**
- **WAC 4-30-082** How does a CPA-Inactive certificate holder apply for licensure? – **pages 38**
- **WAC 4-30-084** Converting from certificate to license. – **pages 39**
- **WAC 4-30-088** What is the effect on a Washington individual licensee or CPA-inactive certificate holder in the armed forces, reserves, or National Guard if the individual receives orders to deploy for active military duty? – **pages 40-42**
- **WAC 4-30-094** How do I renew my individual license, CPA-inactive certificate, or registration as a resident nonlicensee firm owner? – **pages 43-44**
- **WAC 4-30-104** How do I renew a Washington CPA-Inactive certificate and/or license granted through foreign reciprocity? – **pages 45**
- **WAC 4-30-120** I am a CPA-Inactive certificate holder--Prior to July 1, 2001, I held a license--How do I apply to return to my previous status as a licensee? – **pages 46**
- **WAC 4-30-122** If I retire my license or CPA-Inactive certificate, how do I apply to renew my license or CPA-Inactive certificate out of retirement? – **pages 47**
- **WAC 4-30-124** How do I reinstate a lapsed license, CPA-inactive certificate, or registration as a resident nonlicensee firm owner? – **pages 48-49**
- **WAC 4-30-126** How do I reinstate a revoked or suspended license, CPA-inactive certificate, or registration as a resident nonlicensee firm owner? – **pages 50-51**
- **WAC 4-30-134** Continuing professional education (CPE) requirements. – **pages 52-54**

- **WAC 4-30-136 Reporting continuing professional education (CPE) to the board. – pages 55**
- **WAC 4-30-142 What are the bases for the board to impose discipline? – pages 56-59**

The Executive Director is prepared to summarize the proposed rule changes and answer any questions for the Board during deliberation.

Each rule will be considered individually with a motion and effective date from below:

Does the Board wish to:

- **Adopt the rule as proposed; or**
- **Adopt the rule with minor changes that do not change the general subject matter of the proposed rule; or**
- **Amend the rule proposal and set another rules hearing date; or**
- **Withdraw the rule proposal?**

Effective date: If the Board decides to adopt the rule, the Board must determine the effective date. Rules generally become effective 31 days after filing. The Executive Director recommends making the rule effective July 1, 2024, to correspond with the legislation effective date.

Does the Board wish to make the rule effective:

- **July 1, 2024;**
- **31 days after filing; or**
- **Another date?**

b. Semi-annual Rules Development Agenda – January through June 2024

Pages 60-62 contain the Semi-Annual Rules development agenda filed with the Office of the Code Reviser.

The agenda is informational for the public, and the noted dates of anticipated activity are estimates.

5. Minutes

a. October 20, 2023, Annual Board Meeting

Board staff presents the draft minutes of the October 20, 2023, Annual Board meeting on **Pages 63-80** for the Board's consideration.

Does the Board approve the minutes as drafted?

Does the Board authorize the use of their electronic signatures on file for the signing of the approved meeting minutes?

b. December 8, 2023, Special Meeting

Board staff presents the draft minutes of the December 8, 2023, special meeting on **Pages 81-82** for the Board's consideration.

Does the Board approve the minutes as drafted?

Does the Board authorize the use of their electronic signatures on file for the signing of the approved meeting minutes?

6. Delegations of Authority – Annual Review

The Executive Committee reviewed the delegations for possible revisions. **Pages 83-89** contain the proposed changes for the 2024 delegations for full Board review. All delegations are updated for date and signature of the Board Chair.

a. DA-001 Investigations, Subpoenas, Charges, Emergency Action, and Settlement Negotiations – Pages 83-84

No revisions are recommended.

Does the Board wish to revise, retain, or revoke this delegation?

b. DA-002 Request Oversight and Appeal of Denials – Pages 85-86

A proposed revision to a delegation subsection number is recommended.

Does the Board wish to revise, retain, or revoke this delegation?

c. DA-003 Quality Assurance Oversight – Pages 87-88

No revisions are recommended.

Does the Board wish to revise, retain, or revoke this delegation?

d. DA-004 CR-101 Filing – Page 89

No revisions are recommended.

Does the Board wish to revise, retain, or revoke this delegation?

7. Chair's Report

8. NASBA Update

a. Professional Licensing Task Force

Page 90 contains the NASBA Professional Licensure Task Force Concept Exposure - Equivalent Licensure Model.

The Executive Director will provide a report.

b. Upcoming Conferences

Page 91 contains the 2024 NASBA Meeting Calendar.

9. Legal Counsel's Report

a. FinCen Reporting

Leo Roinila, AAG, Board advisor, will provide a report.

10. Committee/Task Force Reports

a. Executive – Chair: Kate Dixon, Public Member; Vice Chair: Thomas P. Sawatzki, CPA; Secretary: Brooke Stegmeier, CPA

Kate will give a verbal report.

b. Peer Review Oversight Committee (PROC) – Chair: Mark Hugh, CPA; Members: Kate Dixon, Public Member; Thomas P. Sawatzki, CPA

Pages 92-94 contain the January 2024 Peer Review report.

Mark will give a verbal report.

c. Request Oversight Committee (ROC) – Chair: Scott Newman, Public Member; Members: Rajib Doogar, Public Member; Tonia Campbell, CPA

Page 95 contains a report on the 4th quarter approvals and denials from the committee.

Scott will give a verbal report.

d. Scholarship Oversight Committee (SOC) – Chair: Tonia Campbell, CPA; Members: Kate Dixon, Public Member; Jacqueline Meucci, CPA; Thomas P. Sawatzki, CPA

Pages 96-97 contain the Accounting of Receipts and Disbursements WSCPA Scholarship Program for the Program Year Ending September 30, 2023, report

and the WBOA Certified Public Accounting Scholarships report.

Tonia will give a verbal report.

- e. **Board/AICPA Rules Committee (BARC)** – Chair: Brooke Stegmeier, CPA;
Members: Brian Thomas, CPA; Mark Hugh, CPA; Scott Newman, Public Member

Pages 98-99 contain the January 2024 BARC report.

Brooke will give a verbal report.

- f. **Licensing and Regulation Committee (LARC)** – Chair: Rajib Doogar, Public Member; Members: Kate Dixon, Public Member; Tonia Campbell, CPA

Rajib will give a verbal report.

- g. **Administrative Rules Clarification Task Force (ARC)** – Chair: Mark Hugh, CPA;
Members: Brooke Stegmeier, CPA; Brian Thomas, CPA; Scott Newman, Public Member

Pages 100 contain the January 2024 ARC report.

Mark will give a verbal report.

11. Executive Director's Report

a. Budget Status

Pages 101-103 contain the Allotment Expenditure/Revenue BTD Flexible Report, the Certified Public Accountant's Account Fund Balance, and the CPA Scholarship Transfer Account Fund Balance for transactions through December 29, 2023.

b. PEAR Update

c. Legislative Session

12. Enforcement Report

Taylor Shahon, CPA, Lead Investigator, will provide a verbal report on investigations.

a. Quarterly Enforcement and Resolved Complaint Reports

Pages 104-105 contain the January 2024 Enforcement Reports.

13. Executive and/or Closed Session with Legal Counsel

The Board's legal counsel requests the agenda for regular Board meetings contain a placeholder item identifying that the Board and legal counsel may enter into executive or closed session when determined appropriate.

14. Public Input

Board meeting time has been set aside to ensure the public has an opportunity to address its concerns, and the Board has an opportunity to ask questions of the public. Individual speakers will be provided 10 minutes each.

Meeting Closing - Thank you all for your participation. The time is _____, and this quarterly Board meeting is now closed.

WASHINGTON STATE BOARD OF ACCOUNTANCY
RULES HEARING OUTLINE
January 26, 2024

Presiding officer read or paraphrase BOLD type entries

Italics are explanatory notes to presiding officer

Opening statement:

The Board of Accountancy rules hearing is now in session. The date is Friday, January 26, 2024. The time is _____. My name is Kate Dixon. I am the Chair of the Board of Accountancy.

Copies of the rule proposals are available in the Board packet materials either at the back of the room or online at www.acb.wa.gov.

If you would like to testify, please sign in on the rule-making public input roster at the back of the room. If you are attending by Teams meeting and would like to testify, let me know now, and your name will be added to the roster.

Explain hearing sequence and ground rules as follows:

The hearing will be conducted as follows:

- 1. I will identify the rules presented for testimony and a brief statement for each proposal will be presented.**
- 2. I will use the attendance roster to invite testimony on the proposal. When you give testimony, please:**
 - State your name and organization if you speak for a group**
 - Limit your testimony to the rule proposal currently before the Board**
 - After you testify, please remain available for questions, and**
 - If you are testifying from text, please provide a copy by email to Kirsten Donovan, Board Clerk at kirsten.donovan@acb.wa.gov.**

Testimony is limited to 10 minutes for each speaker.

- 3. When the testimony is complete the hearing will be closed. The Board will consider the proposed rule changes at its Board meeting later today.**

Rule Proposals

These rule proposals concern:

Rules Alignment for CPA-Inactive Certificate Legislation Passed

- WAC 4-30-010 Definitions**
- WAC 4-30-020 What are the authority for and the purpose of the board's rules?**
- WAC 4-30-028 Rules governing the formal adjudicative proceedings and the brief adjudicative proceedings before the board.**

- **WAC 4-30-030 What are the requirements for communicating with the board and staff?**
- **WAC 4-30-032 Do I need to notify the board if I change my address?**
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- **WAC 4-30-126 How do I reinstate a revoked or suspended license, CPA-inactive certificate, or registration as a resident nonlicensee firm owner?**
- **WAC 4-30-134 Continuing professional education (CPE) requirements.**
- **WAC 4-30-136 Reporting continuing professional education (CPE) to the board.**
- **WAC 4-30-142 What are the bases for the board to impose discipline?**

Mike Paquette, Executive Director, will present a brief statement for the proposals.

Mike presents the statement.

The rule proposal has been identified. We will now move to the testimony.

1. TESTIMONY FROM ATTENDANCE ROSTER

Ask for testimony from the audience according to the order on the attendance roster.

Will (name of individual) please present testimony?

After testimony is complete you will invite questions from the Board members.

2. OTHER TESTIMONY

*After all persons on the attendance roster have testified, ask if others wish to testify. **Is there anyone who wishes to testify that has not had the opportunity?***

CLOSING STATEMENT:

Thank you for your testimony.

The Board will deliberate on the oral and written testimony and the proposed rules later today during its Board meeting. The Board's decision regarding the proposed rules will be posted to the Board's rule making section of the website and reflected in the meeting minutes. Thank you all for your participation. The time is _____, and this hearing is now closed.



PROPOSED RULE MAKING

CR-102 (July 2022) (Implements RCW 34.05.320) Do NOT use for expedited rule making

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: August 01, 2023

TIME: 11:32 AM

WSR 23-16-123

Agency: Board of Accountancy

Original Notice

Supplemental Notice to WSR _____

Continuance of WSR _____

Preproposal Statement of Inquiry was filed as WSR 23-12-046 ; or

Expedited Rule Making--Proposed notice was filed as WSR _____; or

Proposal is exempt under RCW 34.05.310(4) or 34.05.330(1); or

Proposal is exempt under RCW _____.

Title of rule and other identifying information: (describe subject) WAC 4-30-010 Definitions.; WAC 4-30-020 What are the authority for and the purpose of the Board's rules?; WAC 4-30-028 Rules governing the formal adjudicative proceedings and the brief adjudicative proceedings before the board.; WAC 4-30-030 What are the requirements for communicating with the board and staff?; WAC 4-30-032 Do I need to notify the board if I change my address?; WAC 4-30-034 Must I respond to inquiries from the board?; WAC 4-30-036 What enforcement actions must be reported to the board?; WAC 4-30-038 Fees.; WAC 4-30-082 How does a CPA-Inactive certificate holder apply for licensure?; WAC 4-30-084 Converting from certificate to license.; WAC 4-30-088 What is the effect on a Washington individual licensee or CPA-inactive certificate holder in the armed forces, reserves, or National Guard if the individual receives orders to deploy for active military duty?; WAC 4-30-094 How do I renew my individual license, CPA-inactive certificate, or registration as a resident nonlicensee firm owner?; WAC 4-30-104 How do I renew a Washington CPA-Inactive certificate and/or license granted through foreign reciprocity?; WAC 4-30-120 I am a CPA-Inactive certificate holder--Prior to July 1, 2001, I held a license--How do I apply to return to my previous status as a licensee?; WAC 4-30-122 If I retire my license or CPA-Inactive certificate, how do I apply to renew my license or CPA-Inactive certificate out of retirement?; WAC 4-30-124 How do I reinstate a lapsed license, CPA-inactive certificate, or registration as a resident nonlicensee firm owner?; WAC 4-30-126 How do I reinstate a revoked or suspended license, CPA-inactive certificate, or registration as a resident nonlicensee firm owner?; WAC 4-30-134 Continuing professional education (CPE) requirements.; WAC 4-30-136 Reporting continuing professional education (CPE) to the board.; WAC 4-30-142 What are the bases for the board to impose discipline?

Hearing location(s):

Date:	Time:	Location: (be specific)	Comment:
October 20, 2023	9:00 a.m.	Capital Event Center 6005 Tye Drive SW Tumwater, WA 98512 or Microsoft Teams Meeting	The link to join the meeting will be available on the Board's website approximately 2 weeks before the hearing date at: https://acb.wa.gov/next-board-meeting . A phone number will be provided as well in case you are unable to attend online.

Date of intended adoption: October 20, 2023 (Note: This is NOT the effective date)

Submit written comments to:

Name: Kirsten Donovan, Rules Coordinator
Address: P.O. Box 9131, Olympia, WA 98507
Email: Kirsten.donovan@acb.wa.gov
Fax: 360-664-9190
Other:
By (date) October 18, 2023

Assistance for persons with disabilities:

Contact Kirsten Donovan, Rules Coordinator
Phone: 360-664-9191
Fax: 360-664-9190
TTY: 771
Email: Kirsten.donovan@acb.wa.gov
Other:
By (date) October 18, 2023

Purpose of the proposal and its anticipated effects, including any changes in existing rules: The Board of Accountancy proposes amending the rules due to legislative changes. On March 17, 2022, Governor Inslee signed into law SB5519. SB5519 amends existing laws to remove outdated references to **certificate holders**. The Board of Accountancy (board) has not issued such certificates since the early 2000s. SB5519 allows for the remaining population of certificate holders to transition to a licensed but inactive status while affording such certificate holders the opportunity to become fully licensed. SB5519 also creates this new inactive status which did not previously exist. This new licensed status provides an intermediate step bridging the gap between the licensee statuses of CPA and retired CPA. Because SB5519 removes the certificate holder status and creates an inactive licensee status, board laws now align with other CPA jurisdictions. As a result, many board rules must be amended because "CPA-Inactive certificate holder" and "certificate" references are woven throughout the entirety of WAC 04-30 (board rules). The proposed board rules also further refine the new licensed but inactive status and the processes associated with the new status. The proposed rule changes will ensure consistency with the law as enacted by SB5519 and consistency with other CPA jurisdictions. The proposed changes will rename some of the rules.

Reasons supporting proposal: See purposes above

Statutory authority for adoption: RCW 18.04.055

Statute being implemented: RCW 18.04.055

Is rule necessary because of a:

Federal Law? Yes No

Federal Court Decision? Yes No

State Court Decision? Yes No

If yes, CITATION:

Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters:

Type of proponent: Private Public Governmental

Name of proponent: (person or organization) Board of Accountancy

Name of agency personnel responsible for:

	Name	Office Location	Phone
Drafting:	Michael J. Paquette, CPA	711 Capitol Way S Suite 400 Olympia, WA 98501	(360) 485-1659
Implementation:	Michael J. Paquette, CPA	711 Capitol Way S Suite 400 Olympia, WA 98501	(360) 485-1659
Enforcement:	Michael J. Paquette, CPA	711 Capitol Way S Suite 400 Olympia, WA 98501	(360) 485-1659

Is a school district fiscal impact statement required under [RCW 28A.305.135](#)? Yes No

If yes, insert statement here:

The public may obtain a copy of the school district fiscal impact statement by contacting:

Name:

Address:

Phone:

Fax:

TTY:

Email:

Other:

Is a cost-benefit analysis required under [RCW 34.05.328](#)?

Yes: A preliminary cost-benefit analysis may be obtained by contacting:

Name:

Address:

Phone:

Fax:

TTY:

Email:

Other:

No: Please explain: The Board of Accountancy is not a listed agency in RCW 34.05.328(5)(a)(i).

Regulatory Fairness Act and Small Business Economic Impact Statement

Note: The [Governor's Office for Regulatory Innovation and Assistance \(ORIA\)](#) provides support in completing this part.

(1) Identification of exemptions:

This rule proposal, or portions of the proposal, **may be exempt** from requirements of the Regulatory Fairness Act (see [chapter 19.85 RCW](#)). For additional information on exemptions, consult the [exemption guide published by ORIA](#). Please check the box for any applicable exemption(s):

This rule proposal, or portions of the proposal, is exempt under [RCW 19.85.061](#) because this rule making is being adopted solely to conform and/or comply with federal statute or regulations. Please cite the specific federal statute or regulation this rule is being adopted to conform or comply with, and describe the consequences to the state if the rule is not adopted.

Citation and description:

This rule proposal, or portions of the proposal, is exempt because the agency has completed the pilot rule process defined by [RCW 34.05.313](#) before filing the notice of this proposed rule.

This rule proposal, or portions of the proposal, is exempt under the provisions of [RCW 15.65.570\(2\)](#) because it was adopted by a referendum.

This rule proposal, or portions of the proposal, is exempt under [RCW 19.85.025\(3\)](#). Check all that apply:

- | | |
|---|--|
| <input type="checkbox"/> RCW 34.05.310 (4)(b)
(Internal government operations) | <input type="checkbox"/> RCW 34.05.310 (4)(e)
(Dictated by statute) |
| <input type="checkbox"/> RCW 34.05.310 (4)(c)
(Incorporation by reference) | <input type="checkbox"/> RCW 34.05.310 (4)(f)
(Set or adjust fees) |
| <input type="checkbox"/> RCW 34.05.310 (4)(d)
(Correct or clarify language) | <input type="checkbox"/> RCW 34.05.310 (4)(g)
((i) Relating to agency hearings; or (ii) process requirements for applying to an agency for a license or permit) |

This rule proposal, or portions of the proposal, is exempt under [RCW 19.85.025\(4\)](#) (does not affect small businesses).

This rule proposal, or portions of the proposal, is exempt under RCW _____.

Explanation of how the above exemption(s) applies to the proposed rule:

(2) Scope of exemptions: *Check one.*

The rule proposal is fully exempt (*skip section 3*). Exemptions identified above apply to all portions of the rule proposal.

The rule proposal is partially exempt (*complete section 3*). The exemptions identified above apply to portions of the rule proposal, but less than the entire rule proposal. Provide details here (consider using [this template from ORIA](#)):

The rule proposal is not exempt (*complete section 3*). No exemptions were identified above.

(3) Small business economic impact statement: *Complete this section if any portion is not exempt.*

If any portion of the proposed rule is **not exempt**, does it impose more-than-minor costs (as defined by RCW 19.85.020(2)) on businesses?

No Briefly summarize the agency's minor cost analysis and how the agency determined the proposed rule did not impose more-than-minor costs.

Yes Calculations show the rule proposal likely imposes more-than-minor cost to businesses and a small business economic impact statement is required. Insert the required small business economic impact statement here:

The public may obtain a copy of the small business economic impact statement or the detailed cost calculations by contacting:

- Name:
- Address:
- Phone:
- Fax:
- TTY:
- Email:
- Other:

Date: August 1, 2023
Name: Michael J. Paquette, CPA
Title: Executive Director

Signature:

A handwritten signature in black ink, appearing to read "Michael J. Paquette". The signature is written in a cursive style with a large, stylized initial 'M'.



PROPOSED RULE MAKING

CR-102 (July 2022) (Implements RCW 34.05.320) Do NOT use for expedited rule making

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: November 15, 2023

TIME: 9:57 AM

WSR 23-23-103

Agency: Board of Accountancy

- Original Notice
- Supplemental Notice to WSR _____
- Continuance of WSR 23-16-123

- Preproposal Statement of Inquiry was filed as WSR 23-12-046 ; or
- Expedited Rule Making--Proposed notice was filed as WSR _____; or
- Proposal is exempt under RCW 34.05.310(4) or 34.05.330(1); or
- Proposal is exempt under RCW _____.

Title of rule and other identifying information: (describe subject) WAC 4-30-010 Definitions.; WAC 4-30-020 What are the authority for and the purpose of the Board's rules?; WAC 4-30-028 Rules governing the formal adjudicative proceedings and the brief adjudicative proceedings before the board.; WAC 4-30-030 What are the requirements for communicating with the board and staff?; WAC 4-30-032 Do I need to notify the board if I change my address?; WAC 4-30-034 Must I respond to inquiries from the board?; WAC 4-30-036 What enforcement actions must be reported to the board?; WAC 4-30-038 Fees.; WAC 4-30-082 How does a CPA-Inactive certificate holder apply for licensure?; WAC 4-30-084 Converting from certificate to license.; WAC 4-30-088 What is the effect on a Washington individual licensee or CPA-inactive certificate holder in the armed forces, reserves, or National Guard if the individual receives orders to deploy for active military duty?; WAC 4-30-094 How do I renew my individual license, CPA-inactive certificate, or registration as a resident nonlicensee firm owner?; WAC 4-30-104 How do I renew a Washington CPA-Inactive certificate and/or license granted through foreign reciprocity?; WAC 4-30-120 I am a CPA-Inactive certificate holder--Prior to July 1, 2001, I held a license--How do I apply to return to my previous status as a licensee?; WAC 4-30-122 If I retire my license or CPA-Inactive certificate, how do I apply to renew my license or CPA-Inactive certificate out of retirement?; WAC 4-30-124 How do I reinstate a lapsed license, CPA-inactive certificate, or registration as a resident nonlicensee firm owner?; WAC 4-30-126 How do I reinstate a revoked or suspended license, CPA-inactive certificate, or registration as a resident nonlicensee firm owner?; WAC 4-30-134 Continuing professional education (CPE) requirements.; WAC 4-30-136 Reporting continuing professional education (CPE) to the board.; WAC 4-30-142 What are the bases for the board to impose discipline?

Hearing location(s):

Date:	Time:	Location: (be specific)	Comment:
January 26, 2024	9:00 a.m.	Radisson Hotel Seattle Airport San Juan Rooms 2 & 3 18118 International Blvd Seattle, WA 98188 or Microsoft Teams Meeting	This Rules Hearing is rescheduled from the original October 20, 2023, Rules Hearing date. The link to join the meeting will be available on the Board's website approximately 2 weeks before the hearing date at: https://acb.wa.gov/next-board-meeting . A phone number will be provided as well in case you are unable to attend online.

Date of intended adoption: January 26, 2024 (Note: This is NOT the effective date)

Submit written comments to:

Name: Kirsten Donovan, Rules Coordinator
 Address: P.O. Box 9131, Olympia, WA 98507
 Email: Kirsten.donovan@acb.wa.gov
 Fax: 360-664-9190
 Other:
 By (date) January 24, 2024

Assistance for persons with disabilities:

Contact Kirsten Donovan, Rules Coordinator
 Phone: 360-664-9191
 Fax: 360-664-9190
 TTY: 771
 Email: Kirsten.donovan@acb.wa.gov
 Other:
 By (date) January 24, 2024

Purpose of the proposal and its anticipated effects, including any changes in existing rules: The Board of Accountancy proposes amending the rules due to legislative changes. On March 17, 2022, Governor Inslee signed into law SB5519. SB5519 amends existing laws to remove outdated references to **certificate holders**. The Board of Accountancy (board) has not issued such certificates since the early 2000s. SB5519 allows for the remaining population of certificate holders to transition to a licensed but inactive status while affording such certificate holders the opportunity to become fully licensed. SB5519 also creates this new inactive status which did not previously exist. This new licensed status provides an intermediate step bridging the gap between the licensee statuses of CPA and retired CPA. Because SB5519 removes the certificate holder status and creates an inactive licensee status, board laws now align with other CPA jurisdictions. As a result, many board rules must be amended because "CPA-Inactive certificate holder" and "certificate" references are woven throughout the entirety of WAC 04-30 (board rules). The proposed board rules also further refine the new licensed but inactive status and the processes associated with the new status. The proposed rule changes will ensure consistency with the law as enacted by SB5519 and consistency with other CPA jurisdictions. The proposed changes will rename some of the rules.

Reasons supporting proposal: See purposes above

Statutory authority for adoption: RCW 18.04.055

Statute being implemented: RCW 18.04.055

Is rule necessary because of a:

Federal Law? Yes No

Federal Court Decision? Yes No

State Court Decision? Yes No

If yes, CITATION:

Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters:

Type of proponent: Private Public Governmental

Name of proponent: (person or organization) Board of Accountancy

Name of agency personnel responsible for:

	Name	Office Location	Phone
Drafting:	Michael J. Paquette, CPA	711 Capitol Way S Suite 400 Olympia, WA 98501	(360) 485-1659
Implementation:	Michael J. Paquette, CPA	711 Capitol Way S Suite 400 Olympia, WA 98501	(360) 485-1659
Enforcement:	Michael J. Paquette, CPA	711 Capitol Way S Suite 400 Olympia, WA 98501	(360) 485-1659

Is a school district fiscal impact statement required under [RCW 28A.305.135](#)? Yes No

If yes, insert statement here:

The public may obtain a copy of the school district fiscal impact statement by contacting:

Name:

Address:

Phone:

Fax:

TTY:

Email:

Other:

Is a cost-benefit analysis required under [RCW 34.05.328](#)?

Yes: A preliminary cost-benefit analysis may be obtained by contacting:

Name:

Address:

Phone:

Fax:

TTY:

Email:

Other:

No: Please explain: The Board of Accountancy is not a listed agency in RCW 34.05.328(5)(a)(i).

Regulatory Fairness Act and Small Business Economic Impact Statement

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(1) Identification of exemptions:

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- | | |
|---|--|
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(Internal government operations) | <input type="checkbox"/> RCW 34.05.310 (4)(e)
(Dictated by statute) |
| <input type="checkbox"/> RCW 34.05.310 (4)(c)
(Incorporation by reference) | <input type="checkbox"/> RCW 34.05.310 (4)(f)
(Set or adjust fees) |
| <input type="checkbox"/> RCW 34.05.310 (4)(d)
(Correct or clarify language) | <input type="checkbox"/> RCW 34.05.310 (4)(g)
((i) Relating to agency hearings; or (ii) process requirements for applying to an agency for a license or permit) |

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The public may obtain a copy of the small business economic impact statement or the detailed cost calculations by contacting:

Name:

Address:

Phone:


Fax:

TTY:

Email:

Other:

Date: November 15, 2023
Name: Michael J. Paquette, CPA
Title: Executive Director

Signature: 
--

WAC 4-30-010 Definitions. For purposes of these rules the following terms have the meanings indicated unless a different meaning is otherwise clearly provided in these rules:

"Act" means the Public Accountancy Act codified as chapter 18.04 RCW.

"Active individual participant" means an individual whose primary occupation is at the firm or affiliated entity's business. An individual whose primary source of income from the business entity is provided as a result of passive investment is not an active individual participant.

"Applicant" means an individual who has applied:

- (a) To take the national uniform CPA examination;
- (b) For an initial individual license, an initial firm license, or initial registration as a resident nonlicensee owner;
- (c) To renew an individual license, (~~a CPA Inactive certificate~~) a CPA firm license, or registration as a resident nonlicensee firm owner;
- (d) To reinstate an individual license (~~, a CPA Inactive certificate~~) or registration as a resident nonlicensee firm owner (~~, or practice privileges~~);
- (e) To convert an inactive license to an active license.

"Attest" means providing the following services:

- (a) Any audit or other engagement to be performed in accordance with the statements on auditing standards;
- (b) Any review of a financial statement to be provided in accordance with the statements on standards for accounting and review services;
- (c) Any engagement to be performed in accordance with the statements on standards for attestation engagements; and
- (d) Any engagement to be performed in accordance with the public company accounting oversight board auditing standards.

"Audit," "review," and "compilation" are terms reserved for use by licensees, as defined in this section.

"Board" means the board of accountancy created by RCW 18.04.035.

"Breach of fiduciary responsibilities/duties" means when a person who has a fiduciary responsibility or duty acts in a manner adverse or contrary to the interests of the person to whom they owe the fiduciary responsibility or duty. Such actions would include profiting from their relationship without the express informed consent of the beneficiary of the fiduciary relationship, or engaging in activities that represent a conflict of interest with the beneficiary of the fiduciary relationship.

"Certificate" (~~means a certificate as a CPA Inactive issued in the state of Washington prior to July 1, 2001, as authorized by the act, unless otherwise defined in rule~~) issued under this act means an alternative license type previously issued by the board indicating that the certificate holder had passed the CPA examination, but had no verified experience, and was not fully licensed to practice public accounting. Certificates remained valid until June 30, 2024, at which time they convert to a CPA license in an inactive status. This definition does not include certificates issued by other jurisdictions which may be substantially equivalent to a Washington CPA license.

~~(("Certificate holder" means the holder of a valid CPA Inactive certificate where the individual is not a licensee and is prohibited from practicing public accounting.))~~

"Client" means the person or entity that retains a licensee, as defined in this section, ~~((a CPA Inactive certificate holder,))~~ a non-licensee firm owner of a licensed firm~~((,))~~ or an entity affiliated with a licensed firm to perform professional services through other than an employer/employee relationship.

"Compilation" means providing a service to be performed in accordance with statements on standards for accounting and review services that is presenting in the form of financial statements, information that is the representation of management (owners) without undertaking to express any assurance on the statements.

"CPA" or "certified public accountant" means an individual holding a license to practice public accounting under chapter 18.04 RCW or recognized by the board in the state of Washington, including an individual exercising practice privileges pursuant to RCW 18.04.350(2).

~~(("CPA Inactive" means an individual holding a CPA Inactive certificate recognized in the state of Washington. An individual holding a CPA Inactive certificate is prohibited from practicing public accounting and may only use the CPA Inactive title if they are not offering accounting, tax, tax consulting, management advisory, or similar services to the public.))~~

"CPE" means continuing professional education.

"Fiduciary responsibility/duty" means a relationship wherein one person agrees to act solely in another person's interests. Persons having such a relationship are fiduciaries and the persons to whom they owe the responsibility are principals. A person acting in a fiduciary capacity is held to a high standard of honesty and disclosure in regard to a principal. Examples of fiduciary relationships include those between broker and client, trustee and beneficiary, executors or administrators and the heirs of a decedent's estate, and an officer or director and the owners of the entity.

"Firm" means a sole proprietorship, a corporation, or a partnership. "Firm" also means a limited liability company or partnership formed under chapters 25.15 and 18.100 RCW and a professional service corporation formed under chapters 23B.02 and 18.100 RCW.

"Firm mobility" means an out-of-state firm that is not licensed by the board and meets the requirements of RCW 18.04.195 (1)(a)(iii)(A) through (D) exercising practice privileges in this state.

"Generally accepted accounting principles" (GAAP) is an accounting term that encompasses the conventions, rules, and procedures necessary to define accepted accounting practice at a particular time. It includes not only broad guidelines of general application, but also detailed practices and procedures. Those conventions, rules, and procedures provide a standard by which to measure financial presentations.

"Generally accepted auditing standards" (GAAS) are guidelines and procedures, promulgated by the AICPA, for conducting individual audits of historical financial statements.

"Holding out" means any representation to the public by the use of restricted titles as set forth in RCW 18.04.345 by a person that the person holds a license or practice privileges under the act and that the person offers to perform any professional services to the public. "Holding out" shall not affect or limit a person not required

to hold a license under the act from engaging in practices identified in RCW 18.04.350.

"Inactive" means ~~((the individual held a valid certificate on June 30, 2001, has not met the current requirements of licensure and has been granted CPA-Inactive certificate holder status through the renewal process established by the board. A CPA-Inactive may not practice public accounting nor may the individual use the CPA-Inactive title if they are offering accounting, tax, tax consulting, management advisory, or similar services to the public))~~ a status of a license which prohibits a licensee from practicing public accounting. A person holding an inactive license may apply to the board to convert the license to an active status through an approval process established by the board.

"Individual" means a living, human being.

"Independence" means an absence of relationships that impair a licensee's impartiality and objectivity in rendering professional services for which a report expressing assurance is prescribed by professional standards.

"Interactive self-study program" means a CPE program that provides feedback throughout the course.

"IRS" means Internal Revenue Service.

"License" means a license to practice public accounting issued to an individual or a firm under the act, ~~or ((the act of))~~ a license or certificate to practice public accounting in another state or jurisdiction.

"Licensee" means an individual or firm holding a valid license to practice public accounting issued under the act, ~~((including out-of-state))~~ and individuals ((exercising)) holding licenses or certificates to practice public accounting granted by out-of-state jurisdiction who are allowed to exercise practice privileges in this state under RCW 18.04.350(2) and out-of-state firms permitted to offer or render certain professional services in this state under the conditions prescribed in RCW 18.04.195 (1) (a) and (b).

"Manager" means a manager of a limited liability company licensed as a firm under the act.

"Nano learning" is a stand-alone continuing professional education (CPE) course that is a minimum of 10 minutes (0.2 CPE credit hours) consisting of electronic self-study with a stated learning objective and a minimum of two final assessment questions.

"NASBA" means the National Association of State Boards of Accountancy.

"Nonlicensee firm owner" means an individual, not licensed in any state to practice public accounting, who holds an ownership interest in a firm permitted to practice public accounting in this state.

"PCAOB" means Public Company Accounting Oversight Board.

"Peer review" means a study, appraisal, or review of one or more aspects of the attest or compilation work of a licensee or licensed firm in the practice of public accounting, by a person or persons who hold licenses and who are not affiliated with the person or firm being reviewed, including a peer review, or any internal review or inspection intended to comply with quality control policies and procedures, but not including the "quality assurance review" under this section.

"Person" means any individual, nongovernmental organization, or business entity regardless of legal form, including a sole proprietorship, firm, partnership, corporation, limited liability company, association, or not-for-profit organization, and including the sole pro-

prietor, partners, members, and, as applied to corporations, the officers.

"Practice privileges" are the rights granted by chapter 18.04 RCW to a person who:

(a) Has a principal place of business outside of Washington state;

(b) Is licensed to practice public accounting in another substantially equivalent state;

(c) Meets the statutory criteria for the exercise of privileges as set forth in RCW 18.04.350(2) for individuals or RCW 18.04.195 (1)(b) for firms;

(d) Exercises the right to practice public accounting in this state individually or on behalf of a firm;

(e) Is subject to the personal and subject matter jurisdiction and disciplinary authority of the board in this state;

(f) Must comply with the act and all board rules applicable to Washington state licensees to retain the privilege; and

(g) Consents to the appointment of the issuing state board of another state as agent for the service of process in any action or proceeding by this state's board against the certificate holder or licensee.

"Principal place of business" means the office location designated by the licensee for purposes of substantial equivalency and reciprocity.

"Professional services" include all services requiring accountancy or related skills that are performed for a client, an employer, or on a volunteer basis. These services include, but are not limited to, accounting, audit and other attest services, tax, bookkeeping, management consulting, financial management, corporate governance, personal financial planning, business valuation, litigation support, educational, and those services for which standards are promulgated by the appropriate body for each services undertaken.

"Public practice" or the **"practice of public accounting"** means performing or offering to perform by a person or firm holding itself out to the public as a licensee, or as an individual exercising practice privileges, for a client or potential client, one or more kinds of services involving the use of accounting or auditing skills, including the issuance of "reports," or one or more kinds of management advisory, or consulting services, or the preparation of tax returns, or the furnishing of advice on tax matters. The "practice of public accounting" shall not include practices that are permitted under the provisions of RCW 18.04.350(10) by persons or firms not required to be licensed under the act.

"Quality assurance review or QAR" is the process, established by and conducted at the direction of the board, to study, appraise, or review one or more aspects of the audit, compilation, review, and other professional services for which a report expressing assurance is prescribed by professional standards of a licensee or licensed firm in the practice of public accounting, by a person or persons who hold licenses and who are not affiliated with the person or firm being reviewed.

"Reciprocity" means board recognition of licenses, permits, certificates or other public accounting credentials of another jurisdiction that the board will rely upon in full or partial satisfaction of licensing requirements.

"Report," when used with reference to any attest or compilation service, means an opinion, report, or other form of language that

states or implies assurance as to the reliability of the attested information or compiled financial statements and that also includes or is accompanied by any statement or implication that the person or firm issuing it has special knowledge or competence in the practice of public accounting. Such a statement or implication of special knowledge or competence may arise from use by the issuer of the report of names or titles indicating that the person or firm is involved in the practice of public accounting, or from the language of the report itself. "Report" includes any form of language which disclaims an opinion when such form of language is conventionally understood to imply any positive assurance as to the reliability of the attested information or compiled financial statements referred to and/or special competence of the part of the person or firm issuing such language; and it includes any other form of language that is conventionally understood to imply such assurance and/or such special knowledge or competence. "Report" does not include services referenced in RCW 18.04.350 (10) or (11) provided by persons not holding a license under this chapter as provided in RCW 18.04.350(14).

"Representing oneself" means having a license, practice privilege, (~~certificate~~) or registration that entitles the holder to use the title "CPA," "CPA-Inactive," or be a nonlicensee firm owner.

"Rules of professional conduct" means rules adopted by the board to govern the conduct of licensees, as defined in this section, while representing themselves to others as licensees. These rules also govern the conduct of (~~CPA-Inactive certificate holders~~) licensees with an inactive status, nonlicensee firm owners, and persons exercising practice privileges pursuant to RCW 18.04.350(2).

"SEC" means the Securities and Exchange Commission.

"Sole proprietorship" means a legal form of organization owned by one person meeting the requirements of RCW 18.04.195.

"State" includes the states and territories of the United States, including the District of Columbia, Puerto Rico, Guam, and the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands at such time as the board determines that the Commonwealth of the Northern Mariana Islands is issuing licenses under the substantially equivalent standards of RCW 18.04.350 (2)(a).

"Statements on auditing standards (SAS)" are interpretations of the generally accepted auditing standards and are issued by the Auditing Standards Board of the AICPA. Licensees are required to adhere to these standards in the performance of audits of financial statements.

"Statements on standards for accounting and review services (SSARS)" are standards, promulgated by the AICPA, to give guidance to licensees who are associated with the financial statements of nonpublic companies and issue compilation or review reports.

"Statements on standards for attestation engagements (SSAE)" are guidelines, promulgated by the AICPA, for use by licensees in attesting to assertions involving matters other than historical financial statements and for which no other standards exist.

"Substantial equivalency" or "substantially equivalent" means a determination by the board or its designee that the education, examination, and experience requirements contained in the statutes and administrative rules of another jurisdiction are comparable to or exceed those listed in this chapter.

WAC 4-30-020 (~~(What are the authority for and the)~~) **Authority and purpose of the board's rules(?)**. The Public Accountancy Act (act), chapter 18.04 RCW, establishes the board as the licensing and disciplinary agency for certified public accountants (CPA), (~~(CPA-In-active certificate holders,)~~) CPA firms, and owners of CPA firms. The act authorizes the board to promulgate rules to carry out the purpose of the act, which include:

- Protecting the public interest;
- Enhancing the reliability of information used for guidance in financial transactions or for accounting for or assessing financial status or performance;
- Establishing one set of qualifications to be a licensee of this state;
- Assuring that CPAs practicing in Washington have substantially equivalent qualifications to those practicing in other states;
- Regulating ownership of CPA firms;
- Publishing consumer alerts and public protection information regarding persons and firms who violate the act or board rules; and
- Providing general consumer protection information to the public.

The board's rules, contained in Title 4 WAC, encompass these subjects:

- Definitions;
- Administration of the board;
- Ethics and prohibited practices;
- Entry and renewal requirements;
- Continuing competency; and
- Regulation and enforcement.

WAC 4-30-028 (~~(Rules governing the)~~) **Formal adjudicative proceedings and ((the)) brief adjudicative proceedings before the board.** Except where they are inconsistent with the rules in this chapter and subject to additional rules that the board may adopt from time to time, adjudicative proceedings in and before the board are governed by the Administrative Procedure Act, chapter 34.05 RCW, and the uniform procedural rules codified in the Washington Administrative Code, chapter 10-08 WAC.

For certain types of decisions, the board has adopted an appeal process authorized by RCW 34.05.482 through 34.05.494 which is called a brief adjudicative proceeding. Decisions to which this appeal process will be applied are:

(1) Denials of initial individual license (~~(applications)~~), renewal(~~s~~), conversion, or (~~(applications for)~~) reinstatement applications;

~~(2) ((Denials of CPA Inactive certificate renewals or applications for reinstatement;~~

~~(3))~~ Denials of initial resident nonlicensee firm owner registration applications, renewals, or applications or requests for reinstatement;

~~((4))~~ (3) Denials of initial firm license applications, renewals, and amendments;

~~((5))~~ (4) Denials of exam applications;

~~((6))~~ (5) A proposed suspension as a result of a determination by a lending agency of nonpayment or default on a federally or state-guaranteed student loan or service conditional scholarship; and

~~((7))~~ (6) Lifts of stays of suspension from a board order.

To appeal a decision you must submit your request for a brief adjudicative proceeding, **in writing**, to the board **within 30 days** after the decision by board staff is posted in the U.S. mail. The board chair or the board vice chair, if the board chair is unavailable, will appoint one member of the board as the presiding officer for brief adjudicative proceedings. The presiding officer renders a decision either upholding or overturning the denial. This decision, called an order, will be provided to you at the last address you furnished to the board.

If you are dissatisfied with the order in the brief adjudicative proceeding, you may appeal to the board's vice chair, or designee. This appeal process is called an administrative review. Your appeal must be received by the board, **orally or in writing, within 21 days** after the brief adjudicative proceedings order is posted in the U.S. mail. The vice chair, or designee, considers your appeal and either upholds or overturns the brief adjudicative proceeding order. The vice chair's, or designee's, decision, also called an order, will be provided to you at the last address you furnished to the board.

AMENDATORY SECTION (Amending WSR 10-24-009, filed 11/18/10, effective 12/19/10)

WAC 4-30-030 ((What are the requirements for)) Communicating with the board and staff(?). Individuals and firms must communicate with the board as follows:

- Note: (1) Failure to timely inform the board ((of matters required by WAC 4-30-032, 4-30-036, 4-30-100, and 4-30-110)) can result in late fees and/or board discipline.
 (2) Failure to timely respond to board requests for information may result in board discipline.

Condition	Time Period	Preferred Form of Contact	WAC
Complete and/or submitted applications, including requested information, documents, and fees.	Prior to holding out as a credentialed person.	Online system, board form, letter, or email with required information.	Various
Request for brief adjudicative proceeding (BAP).	Within 30 days after the staff decision is posted in U.S. mail.	Email or written correspondence.	4-30-028
Request for appeal of brief adjudicative proceeding (BAP).	Within 21 days after the BAP decision is posted in U.S. mail.	Oral, email or written correspondence.	4-30-028
1. Change of individual physical address; or	Within 30 days of any change of address.	Online system, board form, letter, or email with required information.	((4-30-32 [4-30-032])) <u>4-30-032</u>
2. Change in the physical address of a firm's main office or branch office(s).			
Board requests for information or documents from licensees, ((certificate holders)) nonlicensee firm owners, or applicants.	Within 20 days after the date of the request.	Email or written correspondence with requested information.	((4-30-34 [4-30-034])) <u>4-30-034</u>
1. Notification of orders or sanctions imposed by the SEC, PCAOB, IRS, or another state board of accountancy for reasons other than payment of a license fee or failure to meet the CPE requirements of another state board of accountancy.	Within 30 days of receipt of an initial notice.	Board form, letter, PDF, or email with required information.	4-30-036
2. Charges filed by the SEC, IRS, PCAOB, another state board of accountancy or a federal or state taxing, insurance or securities regulatory body.			
Licensees ((or certificate holders)) granted issued through foreign reciprocity.	Within 30 days of receiving notice that an investigation has begun or a sanction was imposed.	Board form, letter, PDF, or email with required information.	4-30-036
Any investigations undertaken or sanctions imposed by a foreign credentialing body against a foreign credential.			
Reporting firm changes:	Within 90 days after the condition occurs.	Board form, letter, PDF, or email with required information.	4-30-110
<ul style="list-style-type: none"> • Change in legal form; • Dissolution of a firm; • Change in resident manager(s) or owner(s); 			

Condition	Time Period	Preferred Form of Contact	WAC
<ul style="list-style-type: none"> • Change in branch or main office location(s); • Change in firm name; • Noncompliance with firm ownership requirements. <p>A foreign license, permit, or certificate has lapsed or otherwise becomes invalid.</p>	<p>Within 30 days after the credential issued by the other jurisdiction has lapsed or otherwise becomes invalid.</p>	<p>Board form, letter, PDF, or email with required information.</p>	<p>((4-30-100)) <u>4-30-102</u></p>

AMENDATORY SECTION (Amending WSR 10-24-009, filed 11/18/10, effective 12/19/10)

WAC 4-30-032 (~~(Do I need to notify the board if I change my address?)~~) Change of address. ((Yes.)) All individuals licensed in this state, (~~(CPA Inactive certificate holders,)~~) CPA firms licensed in this state, individuals registered with the board as resident nonlicensee firm owners, and applicants must notify the board **in writing** within (~~(thirty)~~) 30 days of any change of address. Firms licensed in this state must notify the board of any opening, closing, or relocation of the main office or a branch office in this state.

AMENDATORY SECTION (Amending WSR 16-17-036, filed 8/9/16, effective 9/9/16)

WAC 4-30-034 (~~(Must I respond to inquiries from the board?)~~) **Re-**
sponding to board inquiries. ((Yes-)) All licensees, including out-
of-state individuals exercising practice privileges in this state un-
der RCW 18.04.350(2) and out-of-state firms permitted to offer or ren-
der certain professional services in this state under the conditions
prescribed in RCW 18.04.195 (1)(a) and (b), ((CPA-Inactive certificate
holders,)) nonlicensee firm owners, and applicants must respond, **in**
writing, to board communications requesting a response. Your response
must be made within ~~((twenty))~~ **20 days of the date** the board's commu-
nication is posted in the U.S. mail. Communications from the board to
you are directed to the last address you furnished the board.

WAC 4-30-036 ((What)) Enforcement actions ((must be reported)) reportable to the board((?)). (1) A licensee(~~(, CPA-Inactive certificate holder,)~~) or nonlicensee firm owner must notify the board, of the following matters, in the manner prescribed by the board, within **((thirty)) 30 days** of the issuance of:

(a) A sanction, order, suspension, revocation, or modification of a license, certificate, permit or practice rights by the SEC, PCAOB, IRS, or another state board of accountancy for any cause other than failure to pay a professional license fee by the due date or failure to meet the continuing professional education requirements of another state board of accountancy; or

(b) Charges filed by the SEC, IRS, PCAOB, another state board of accountancy, or a federal or state taxing, insurance or securities regulatory body that the licensee, (~~(CPA-Inactive certificate holder,)~~) or nonlicensee firm owner committed a prohibited act that would be a violation of board ethical or technical standards.

(2) Licensed CPA firms with more than one licensed owner are not required to report on action taken against owners, principals, partners, or employees.

(3) If you hold a license (~~(or CPA-Inactive certificate)~~) issued through the foreign reciprocity provisions of the act, you must notify the board of any investigations undertaken, or sanctions imposed, by a foreign credentialing body against your foreign credential within **((thirty)) 30 days** of receiving notice that an investigation has begun or a sanction was imposed.

WAC 4-30-038 Fees. RCW 18.04.065 provides that the board shall set fees related to licensure at a level adequate to pay the costs of administering chapter 18.04 RCW. The board has established the following fee schedule:

- (1) Initial application for individual license, individual license through reciprocity, CPA firm license (sole proprietorships with no employees are exempt from the fee), or registration as a resident nonlicensee firm owner \$330
- (2) Renewal of individual license, (~~CPA-Inactive certificate~~;) CPA firm license (sole proprietorships with no employees are exempt from the fee), or registration as a resident nonlicensee firm owner \$230
- (3) Application for (~~CPA-Inactive certificate holder~~) a licensee to convert (~~(to a license) from an inactive to an active status~~) \$0
- (4) Application for reinstatement of license(~~;~~ ~~CPA-Inactive certificate~~;) or registration as a resident nonlicensee owner \$480
- (5) Quality assurance review (QAR) program fee (includes monitoring reviews for up to two years)
 - Firm submits reports for review \$400
 - Firm submits a peer review report for review \$60
 - Firm is exempted from the QAR program because the firm did not issue attest reports \$0
- (6) Late fee * \$100
- (7) Amendment to firm license except for a change of firm address (there is no fee for filing a change of address) \$35
- (8) Replacement CPA wall document \$50
- (9) Dishonored check fee (including, but not limited to, insufficient funds or closed accounts) \$35
- (10) CPA examination. Exam fees are comprised of section fees plus administrative fees. **The total fee is contingent upon which section(s) is/are being applied for and the number of sections being applied for at the same time.** The total fee is the section fee(s) for each section(s) applied for added to the administrative fee for the number of section(s) applied for.
 - (a) Section fees: Section fees for the computerized uniform CPA examination are set by third-party providers for the development and delivery of the exam. These fees are collected and retained by the third-party provider.

(b) Administrative fees: Administrative fees for the qualification and application processes are set by a third-party provider. These fees are collected and retained by the third-party provider.

* The board may waive late filing fees for individual hardship including, but not limited to, financial hardship, critical illness, or active military deployment.

WAC 4-30-082 ((How does a CPA-Inactive certificate holder apply for licensure?)) Certificate holder applying for initial licensure.
((CPA-Inactive)) Certificate holders ((are individuals who held a valid certificate on June 30, 2001, but did not hold a valid Washington state license to practice public accounting on that date. Individuals who did not hold a valid certificate on June 30, 2001 and current licensees are not eligible for CPA-Inactive certificate holder status)) who did not hold a valid certificate on the conversion date of June 30, 2024, must apply for a license and meet the requirements for initial licensure.

(1) To qualify for licensure ((a CPA-Inactive certificate holder)) you must meet the following criteria and requirements:

(a) Good character requirements of RCW 18.04.105 (1)(a);

(b) Experience requirements of WAC 4-30-070 within the eight-year period immediately preceding your application; and

(c) CPE requirements of WAC 4-30-134(5).

(2) ((To apply for a license, you must also submit to the board a certification that you meet the requirements of subsection (1) of this section and:

(a) Have not held out in public practice during the time in which you were a CPA-Inactive certificate holder; and

(b) Other required documentation or information deemed necessary by the board.

(3)) You must ((provide)) submit the required information, documents, and fees (if applicable) to the board either by making application through the board's online application system or on a form provided upon request.

((4) You must submit all requested information, documents, and fees (if applicable) to the board before the application will be evaluated.

(5)) (3) Upon assessment of your qualifications and approval of your application, your license status will be posted in the board's licensee database and, therefore, made publicly available for confirmation. A hard copy of your ((credential)) license can be provided upon request.

((6) Your CPE reporting period and your renewal cycle will remain the same.

(7)) (4) Your license will expire on June 30th of the third calendar year following initial licensure.

(5) You may not use the title "CPA" or "Certified Public Accountant" until the date the approval of your license is posted in the board's licensee database and, therefore, made publicly available for confirmation.

NEW SECTION

WAC 4-30-084 Converting from certificate to license. Previous certificate holders were automatically converted on July 1, 2024, to a license in an inactive status. In order to practice public accounting, you must convert your license to an active status.

(1) To qualify to apply for an active license you must:

(a) Meet the experience requirements of WAC 4-30-070, without regard to the eight-year limitation; and

(b) Meet the CPE requirements of WAC 4-30-134(5); and

(c) Submit the required information, documents, and fees (if applicable) to the board either by submitting an application through the board's online application system or on a form provided upon request.

(2) Upon assessment of your qualifications and approval of your application, your license status will be posted in the board's licensee database and, therefore, made publicly available for confirmation. A hard copy of your license can be provided upon request.

(3) Your CPE reporting period and your renewal cycle will remain the same.

(4) You may not use the title "CPA" or "Certified Public Accountant" until the date the approval of your license is posted in the board's licensee database and, therefore, made publicly available for confirmation.

WAC 4-30-088 (~~What is the effect on a Washington individual licensee or CPA inactive certificateholder in the armed forces, reserves, or National Guard if the individual receives orders to deploy for active military duty?~~) **Military service.** (1) **Definitions.** For purposes of this rule:

(a) "Active military duty" means:

(i) Deployed upon order of the President of the United States, the U.S. Secretary of Defense or Homeland Security in the case of a member of the armed forces or armed force reserves; or

(ii) Deployed upon order of the governor of this state in the case of the National Guard.

(b) "Armed forces" means the Army, Navy, Air Force, Marine Corps, and Coast Guard and reserves of each branch of the armed forces.

(c) "Active duty" means full-time employment in the armed forces of the United States. Such term does not include National Guard duty.

(d) "Military individual" means a living human being serving full time in the United States armed forces.

(e) "Military spouse" means the husband, wife, or registered domestic partner of a military individual.

(2) **Active military duty.**

(a) An individual fully employed on active duty in the armed forces of the United States applying for an initial license in this state shall receive priority processing of the application for initial licensing.

(b) A military applicant who obtains an initial license or a military individual holding a current license issued by this board, will be classified as "military" if the services provided to the armed forces include services within the definition of the practice of public accounting.

(c) An individual in the armed forces, reserves or National Guard and called to "active military duty" while holding an active or inactive license (~~or CPA inactive certificate~~) issued by this board may apply for a waiver of renewal fees and continuing professional education (CPE):

(i) The request for waiver of renewal fees and continuing professional education may be made through the board's online application and payment system or on a form provided by the board upon request;

(ii) The request for waiver must be supported by submitting documentation to substantiate the military individual's "active military duty" status;

(iii) Upon approval the waiver will serve to classify the individual as "military inactive";

(iv) The CPE reporting period and renewal year will not be affected by this reclassification of status;

(v) The waiver will continue to maintain an individual's military inactive status without fee or CPE until the individual is released from active military duty or discharged from the armed forces, reserves, or National Guard;

(vi) The board must be notified within six months after the date of release from active military duty or discharge from the armed forces. The board must be notified within six months of the date of release from a treatment facility if the individual is or has been in

a treatment facility and a discharge was the result of injury or other reasons.

(3) Return to previously held status after release from "active military duty" or discharge from the armed forces.

(a) If a military individual desires to return to a previously held status after release from active military duty or discharge from the armed forces, all required information, documents, and fees must be submitted to the board before the application will be evaluated. An application for return to previously held status may be made through the board's online application and payment system or on a form provided by the board upon request and must include the following:

(i) Documentation to substantiate:

- Release from "active military duty"; or
- Type of discharge from the armed forces.

(ii) Documentation to substantiate completion of the following qualified CPE:

- If the application is submitted in the last year of the previous CPE reporting period the individual must have completed four CPE credit hours in ethics and regulation in Washington state and receive a passing grade of (~~ninety~~) 90 percent on the board prepared examination available on the board's website. The renewal fee is waived in this circumstance;

- If the application is submitted in the second year of the previous CPE reporting period the individual must have completed (~~forty~~) 40 CPE credit hours including four CPE credit hours in ethics and regulation in Washington state and receive a passing grade of (~~nine~~) 90 percent on the board prepared examination available on the board's website;

- If the application is submitted in the first year of the previous CPE reporting period the individual must have completed (~~eighty~~) 80 CPE credit hours including four CPE credit hours in ethics and regulation in Washington state and receive a passing grade of (~~ninety~~) 90 percent on the board prepared examination available on the board's website.

(iii) A military individual may receive an expedited license while completing any specific requirements that are not related to CPE or other board rules.

(b) The previously held status will not become effective until the status has been posted to the board's database and, therefore, made available to the general public.

(4) Military spouses.

(a) A military spouse or state registered domestic partner of an individual in the military may receive an expedited license while completing any specific additional requirements that are not related to training or practice standards for the profession, provided the military spouse or state registered domestic partner:

(i) Holds an unrestricted, active license in another state that has substantially equivalent licensing standards for the same profession to those in Washington; and

(ii) Is not subject to any pending investigation, charges, or disciplinary action by the regulatory body of another state or jurisdiction of the United States.

(b) To receive expedited license treatment, the military spouse or state registered domestic partner of an individual in the military must provide all required information, documents, and fees to the board either by making application through the board's online applica-

tion and payment system or on a form provided by the board upon request before the application will be evaluated.

(c) The application for expedited licensing will not be processed until the applicant submits copies to the board of the military individual's orders and official documents to establish the applicant's relationship to the military individual, such as one or more following documents:

(i) The military issued identification card showing the individual's military information and the applicant's relationship to that individual;

(ii) A marriage license; or

(iii) Documentation verifying a state registered domestic partnership.

(d) A military spouse or state registered domestic partner may only use a restricted title and practice public accounting under another state's license without an expedited license issued by this board for (~~ninety~~) 90 days from the date the spouse entered this state for temporary residency during the military individual's transfer to this state.

WAC 4-30-094 (~~(How do I renew my individual license, CPA-Inactive certificate, or registration as a resident nonlicensee firm owner?)~~) **Renewals.** ((A licensee may not renew as a CPA-Inactive certificate holder.))

To renew your individual license(~~(, CPA-Inactive certificate,)~~) or registration as a resident nonlicensee firm owner, you must by April 30th of the year of expiration make application through the board's online application system or on a form provided by the board upon request and provide the board with:

(1) Complete renewal information including:

(a) Your certification that you have complied with the CPE requirements of WAC 4-30-134(~~(+1)~~) and the supporting documentation requirements of WAC 4-30-138; and

(b) A listing of all states and foreign jurisdictions in which you hold or have applied for a license, certificate, or permit to practice;

(2) All required documentation, required information, and other documentation deemed necessary by the board; and

(3) All applicable fees.

A renewal application is not complete and cannot be processed until all required information, documents, and all applicable fees are submitted to the board.

Upon assessment of your continued qualifications and approval of your application, your status will be posted in the board's licensee database and, therefore, made publicly available for confirmation. A hard copy of your credential can be provided upon request.

An individual license(~~(, CPA-Inactive certificate,)~~) or registration as a resident nonlicensee firm owner renewal expires on June 30 of the third calendar year following the calendar year of renewal.

Late renewal application: Failure to file a complete application for renewal of an individual license(~~(, CPA-Inactive certificate,)~~) or registration as a resident nonlicensee firm owner by April 30th of the year of expiration will result in late fees. The board may waive, reduce, or extend the due date of renewal and/or late fees based on individual hardship including, but not limited to, financial hardship, critical illness, or active military deployment.

Failure to file a renewal application: If you fail to file a complete application for renewal of an individual license(~~(, CPA-Inactive certificate,)~~) or registration as a resident nonlicensee firm owner by June 30th of the year of renewal, your individual license(~~(, CPA-Inactive certificate,)~~) or registration as a resident nonlicensee firm owner will lapse.

Failure to complete CPE: If you did not complete the credit hours of continuing professional education (CPE) required to renew (~~(your credential)~~), or did not submit (~~(a timely)~~) an extension request, and/or (~~(was)~~) were not granted an extension of time (~~(for reasonable cause within which)~~) to complete the deficiency, your individual license(~~(, CPA-Inactive certificate,)~~) or registration as a resident nonlicensee firm owner will lapse on June 30th of the year of renewal.

Lapsed credentials: A lapsed credential is subject to reinstatement.

If your individual license(~~(, CPA-Inactive certificate,)~~) or registration as a resident nonlicensee firm owner has lapsed, you may not

use the restricted title(s) or exercise other privileges that are dependent upon the renewal (~~of your credential~~).

REPEALER

The following section of the Washington Administrative Code is repealed:

WAC 4-30-104

How do I renew a Washington CPA-
Inactive certificate and/or license
granted through foreign reciprocity?

WAC 4-30-120 ~~((I am a CPA-Inactive certificate holder Prior to July 1, 2001, I held a license How do I apply to return to my previous status as a licensee?)) Converting license status from inactive to active. ((CPA-Inactive certificate holders who held a license at any time prior to July 1, 2001, may apply to return to their previous status as a licensee. If you are a CPA-Inactive certificate holder, you may not use the title "CPA" or "Certified Public Accountant" until you return to your previous status as a licensee.~~

~~If you hold a valid CPA-Inactive certificate, you must provide certain information to the board either by making application through the board's online application system or on a form provided by the board upon request. An application is not complete and cannot be processed until all required information, required documentation, fees, and other documentation deemed necessary by the board are submitted to the board.~~

~~To apply to return to your previous)) To convert to an active status as a licensee you must submit to the board:~~

~~(1) Complete application information including your certification that you have:~~

~~(a) Not held out ((in)) or practiced public ((practice)) accounting during the time in which you were ((a CPA-Inactive certificate holder)) inactive; and~~

~~(b) Met the CPE requirements of WAC 4-30-134(5) ((?)).~~

~~(2) ((All other required information, documents, and all fees.)) The required information, documents, and fees (if applicable) to the board either by making application through the board's online application system or on a form provided upon request.~~

Upon assessment of your continued qualifications and approval of your application, your active status will be posted in the board's licensee database and, therefore, made publicly available for confirmation. A hard copy of your license can be provided upon request.

~~((You may not use the title CPA until your status as a licensee is posted in the board's licensee database.))~~

WAC 4-30-122 ~~((If I retire my license or CPA-Inactive certificate, how do I apply to renew my license or a CPA-Inactive certificate out of retirement?))~~ Renewal out of retirement. If you notify the board that you wish to retire your license (~~(or CPA-Inactive certificate)~~) prior to the end of your renewal cycle, pursuant to RCW 18.04.215, you may renew your license (~~(or CPA-Inactive certificate)~~) out of retirement at a later date and are not subject to the requirements of reinstatement; however, you may not use the title CPA or CPA-Inactive or exercise the privileges related to those titles until you renew out of retirement.

~~((If you previously held a license and requested that the license be retired, you are not eligible to apply for CPA-Inactive certificate holder status.))~~

To apply to renew a license (~~(or a CPA-Inactive certificate)~~) out of retirement, you must provide certain information to the board either by making application through the board's online application system or on a form provided by the board upon request. An application is not complete and cannot be processed until all required information, documents, and fees are submitted to the board.

To apply to renew out of retirement, you must submit to the board:

(1) Complete application information including your certification that you have:

(a) Not used the title CPA or CPA-Inactive during the time in which your license (~~(or CPA-Inactive certificate)~~) was retired; and

(b) Met the CPE requirements to renew out of retirement in WAC 4-30-134(5) (~~(; and)~~).

(2) ~~((All applicable fees.))~~ The required information, documents, and fees (if applicable) to the board either by making application through the board's online application system or on a form provided upon request.

Upon assessment of your continued qualifications and approval of your application, your status will be posted in the board's licensee database and, therefore, made publicly available for confirmation. A hard copy of your credential can be provided upon request.

Your license (~~(or CPA-Inactive certificate)~~) will expire on June 30th of the third calendar year following the calendar year of the renewal out of retirement. The CPE reporting period for your next renewal begins on January 1st of the calendar year in which the renewal of your retired license (~~(or CPA-Inactive certificate)~~) was approved by the board and ends on December 31st of the second calendar year following approval of the renewal out of retirement. CPE credit hours utilized to qualify for renewal of a retired license (~~(or CPA-Inactive certificate)~~) cannot be utilized for subsequent renewal (~~(of your credential renewed out of retirement)~~).

You may not use the title CPA (~~(or CPA-Inactive)~~) until your renewal out of retirement application has been approved.

WAC 4-30-124 (~~(How do I reinstate a lapsed individual license, CPA-Inactive certificate, or registration as a resident nonlicensee firm owner?)~~) **Reinstatements.** If your individual license(~~(, CPA-Inactive certificate,)~~) or registration as a resident nonlicensee firm owner has lapsed, you may not use the restricted title(s) until your individual credential has been reinstated by the board.

~~((Individuals who held a valid license on June 30, 2001, and individuals obtaining a license after June 30, 2001, are not eligible to reinstate as CPA-Inactive certificate holders.))~~

To reinstate a lapsed individual license(~~(, CPA-Inactive certificate,)~~) or registration as a nonlicensee firm owner you must provide certain information to the board either by making application through the board's online application system or on a form provided by the board upon request. An application is not complete and cannot be processed until all required information and documents, and fees have been submitted to the board.

To reinstate, you must submit to the board:

(1) Complete reinstatement information including your certification that you have:

(a) *For those who wish to reinstate a license ((or CPA-Inactive certificate)):* Not used the title CPA or CPA-Inactive during the time in which your individual license ((or CPA-Inactive certificate)) was lapsed; or

(b) *For those who wish to reinstate a registration as a resident nonlicensee firm owner:* Not participated as an owner in a CPA firm during the time in which your registration as a resident nonlicensee firm owner was ((suspended or revoked)) lapsed; and

(c) Met the CPE requirements for reinstatement in WAC 4-30-134(5); and

(d) Met the CPE supporting documentation requirements in WAC 4-30-138;

(2) ((~~Source~~)) Provide documents as evidence of eligibility for CPE credit for all courses claimed in order to meet CPE requirements as defined by WAC 4-30-138;

(3) A listing of all states and foreign jurisdictions in which you hold or have applied for a license, certificate, or practice privileges;

(4) Other required documents; and

(5) All applicable fees.

Upon approval of your reinstatement application, your status will be posted in the board's licensee database and, therefore, made publicly available for confirmation. A hard copy of your credential can be provided upon request.

Your license(~~(, CPA-Inactive certificate,)~~) or registration as a nonlicensee firm owner will expire on June 30th of the third calendar year following approval of the reinstatement. The CPE reporting period for your next renewal begins on January 1st of the calendar year in which the reinstatement of your license(~~(, CPA-Inactive certificate,)~~) or registration as a nonlicensee firm owner was approved by the board and ends on December 31st of the second calendar year following approval of the reinstatement. CPE credit hours utilized to qualify for reinstatement cannot be utilized for subsequent renewal ((of your reinstated credential)).

You may not use the ~~((restricted title(s)))~~ title CPA or CPA-In-active or hold an interest in a licensed CPA firm as a resident licensee firm owner until your reinstatement application has been approved ~~((and posted to the board's database))~~.

WAC 4-30-126 ((How do I reinstate)) Reinstatement of a revoked or suspended license ((, CPA-Inactive certificate,)) or registration as a resident nonlicensee firm owner((?)). If your license ((~~or CPA-Inactive certificate~~)) was revoked or suspended by the board pursuant to the act, you may not use the title CPA or CPA-Inactive until your license ((~~or CPA-Inactive certificate~~)) is reinstated by the board.

If your registration as a resident nonlicensee firm owner was revoked or suspended by the board pursuant to the act, you may not be a firm owner until your registration is reinstated by the board.

You may request that the board modify the suspension or revocation after three years have elapsed from the effective date of the board's order revoking or suspending your license ((~~, CPA-Inactive certificate,~~)) or registration as a resident nonlicensee firm owner unless the board sets some other period by order. However, if you made a previous request with respect to the same order, no additional request will be considered before the lapse of an additional three years following the board's decision on the last such previous application for reinstatement.

To request reinstatement of a revoked or suspended license ((~~, CPA-Inactive certificate,~~)) or registration as a resident nonlicensee firm owner you must provide the board with certain information either by making application through the board's online application system or on a form provided by the board upon request. An application is not complete and cannot be processed until all required information, documents, and fees are submitted to the board.

To request reinstatement, you must submit to the board:

(1) Complete information including your certification that you have:

(a) *For those who wish to reinstate a license ((~~or CPA-Inactive certificate~~))*: Not used the title CPA or CPA-Inactive during the time in which your license ((~~or CPA-Inactive certificate~~)) was suspended or revoked; or

(b) *For those who wish to reinstate a registration as a resident nonlicensee firm owner*: Not participated as an owner in a CPA firm during the time in which your registration as a resident nonlicensee firm owner was suspended or revoked; and

(c) Met the CPE requirements for reinstatement in WAC 4-30-134((~~(+6)~~)) (5), by submitting the documentation to support the CPE claimed;

(2) A listing of all states and foreign jurisdictions in which you hold or have applied for a license, ((~~CPA-Inactive~~)) certificate, permit, or practice privilege under substantial equivalence;

(3) All applicable fees;

(4) Written substantiation of the reasons constituting good cause for the reinstatement; and

(5) Two supporting recommendations from licensees who have personal knowledge of your activities since the suspension or revocation was imposed.

In considering the reinstatement application, the board may consider all relevant factors, including but not limited to:

(a) The offense for which you were disciplined;

(b) Your activities since the disciplinary penalty was imposed;

(c) Your activities during the time the license(~~(, CPA-Inactive certificate,)~~) or registration as a resident nonlicensee firm owner was in good standing;

(d) Your rehabilitative efforts;

(e) Restitution to damaged parties in the matter for which the penalty was imposed; and

(f) Your general reputation for integrity, objectivity, and ethical commitment.

If the board decides to consider the merits of your application for reinstatement, in the board's discretion, a hearing may be held following such procedures as the board deems suitable for the particular case. If the board decides that it will not consider the merits of your application for reinstatement, then this constitutes final agency action and there is no further administrative review available to you. As a condition of reinstatement, the board may impose such terms and conditions as it deems suitable.

The board will not consider a request for reinstatement while you are under sentence for any criminal offense, including any period during which you are on court-imposed probation or parole.

If the board approves your application, your status will be posted in the board's licensee database and, therefore, made publicly available for confirmation. A hard copy of your reinstated credential can be provided upon request.

Your reinstated license(~~(, CPA-Inactive certificate,)~~) or registration will expire on June 30th of the third calendar year following approval of the reinstatement. The CPE reporting period for your next renewal begins on January 1st of the calendar year in which the reinstatement of your license(~~(, CPA-Inactive certificate,)~~) or registration was approved by the board and ends on December 31st of the second calendar year following approval of the reinstatement. CPE credit hours utilized to qualify for reinstatement of a license(~~(, CPA-Inactive certificate,)~~) or registration cannot be utilized for subsequent renewal (~~(of your credential)~~).

You may not use the title CPA or CPA-Inactive or hold an interest in a licensed CPA firm as a resident nonlicensee firm owner until your reinstatement application has been approved.

WAC 4-30-134 Continuing professional education (CPE) requirements. (1) Renewal.

(a) CPE requirements for renewal are pursuant to RCW 18.04.215(5).

(b) An individual seeking renewal shall assert in a manner acceptable to the board that they met all of the CPE requirements for renewal during their CPE reporting period ending December 31st of the year prior to their license expiration date.

(c) CPA ((licensee)) license in an active status.

(i) Completion of a minimum of (~~one hundred twenty~~) 120 CPE credit hours within the three-year CPE reporting period;

(ii) Completion of a four credit hour Washington state board approved ethics course meeting the requirements of WAC 4-30-132;

(iii) Completion of a minimum of (~~twenty~~) 20 CPE credit hours during each calendar year included in the three-year CPE reporting period. Restrictions on the type of CPE credit hours qualifying to meet the (~~twenty~~) 20 credit hour minimum are specified in WAC 4-30-133; and

(iv) Completion of no more than (~~sixty~~) 60 CPE credit hours in nontechnical subject areas as specified in WAC 4-30-132.

Exception: If the licensee qualifies for CPE reciprocity, see the CPE requirements under the provisions of subsection (7) of this section.

(d) (~~CPA-Inactive certificate holder~~) CPA license in an inactive status or nonlicensee firm owner. Completion of a four credit hour Washington state board approved ethics course meeting the requirements of WAC 4-30-132.

(2) First renewal cycle.

(a) After license issuance:

(i) CPE credit is allowable only for those programs taken in time periods after the first CPA license is issued pursuant to the authority of the board under chapter 18.04 RCW.

(ii) Credit is not allowed for programs taken to prepare an applicant for the CPA examination or the AICPA ethics examination as a requirement for initial licensure.

(b) After conversion of a (~~CPA-Inactive to a CPA license~~) license from an inactive to an active status.

(i) If your (~~license~~) active status was issued during the **first calendar year** of your CPE reporting period, you must have completed (~~eighty~~) 80 CPE credit hours which is limited to (~~forty~~) 40 CPE credit hours in nontechnical subject areas and must include a four credit hour Washington state board approved ethics course meeting the requirements of WAC 4-30-132.

(ii) If your (~~license~~) active status was issued during the **second calendar year** of your CPE reporting period, you must have completed (~~forty~~) 40 CPE credit hours which is limited to (~~twenty~~) 20 CPE credit hours in nontechnical subject areas and must include a four credit hour Washington state board approved ethics course meeting the requirements of WAC 4-30-132.

(iii) If your (~~license~~) active status was issued during the **third calendar year** of your CPE reporting period, you must have completed a four credit hour Washington state board approved ethics course meeting the requirements of WAC 4-30-132.

(3) **Extension requests for renewal.**

(a) If an individual has failed to complete the required CPE as defined in WAC 4-30-134 by December 31st of the last year of their three-year CPE reporting period, the individual must notify the board prior to their expiration date to request an extension of time to complete their CPE requirement by their expiration date.

(b) Credits earned during the interim period between January 1st and June 30th of the individual's renewal year that are used to meet the prior reporting period's CPE requirement will be carried back to the CPE reporting period ended December 31st. These credits cannot be counted towards the requirement for the individual's current CPE reporting period.

(c) An individual is allowed only one CPE extension in any two consecutive CPE reporting periods (six year period).

(4) **Failure to obtain required CPE for renewal.** Under the following circumstances the board will serve notice that a license (~~(, CPA-Inactive certificate,)~~) or nonlicensee firm owner registration will lapse and the individual will have an opportunity to request a brief adjudicative proceeding:

(a) An individual who applied for renewal and failed to obtain the required CPE credit hours by December 31st of the last year of their CPE reporting period and failed to request an extension by their expiration date;

(b) An individual who applied for renewal and failed to obtain the required CPE credit hours by December 31st for the second time in any two consecutive CPE reporting periods; or

(c) An individual who applied for renewal and failed to obtain the necessary CPE credit hours by June 30th of their renewal year after submitting an extension request.

(5) **Applications other than renewal.**

(a) For the following applications, you must have completed the requirements of this section within the (~~(thirty-six)~~) 36-month period immediately preceding the date an application is submitted to the board; however, the completion of a four credit hour Washington state board approved ethics course must be within the six-month period immediately preceding the date your application and the CPE documentation are submitted to the board:

(i) You are applying to renew a license out of retirement;

(ii) You are applying to convert your inactive status to active;

(iii) You are a (~~(CPA-Inactive)~~) certificate holder applying for ((a)) an initial license; or

(~~((iii))~~) (iv) You are applying for reinstatement of a lapsed, suspended, or revoked license.

(b) For the following applications, you must have completed a four credit hour Washington state board approved ethics course within the six-month period immediately preceding the date your application and the CPE documentation are submitted to the board: (~~((i) You are applying to renew a CPA-Inactive certificate out of retirement;~~

~~((ii) You are applying to reinstate a lapsed, suspended, or revoked CPA-Inactive certificate; or~~

~~((iii))~~) You are applying to reinstate a lapsed, suspended, or revoked registration as a resident nonlicensee firm owner.

(6) **Individuals operating under mobility.** Licensees from other substantially equivalent U.S. states or jurisdictions, eligible to exercise practice privileges under RCW 18.04.195, are exempt from the CPE requirements of this section provided that they have met the CPE requirements of the state in which they are licensed.

(7) **CPE reciprocity.**

(a) A nonresident licensee seeking renewal of a license in this state shall be determined to have met the CPE requirements of this rule by meeting the CPE requirements for renewal of a license in the state in which the licensee's principal place of business is located.

(b) Nonresident applicants for renewal shall demonstrate compliance with the CPE renewal requirements of the state in which the licensee's principal place of business is located by signing a statement on the renewal application of this state.

(c) If the state of residence has no CPE requirements for renewal, the nonresident licensee must comply with all CPE requirements for this state.

WAC 4-30-136 Reporting continuing professional education (CPE) to the board. In order to apply for renewal of your license(~~(, certificate,)~~) or registration as a resident nonlicensee firm owner, you must satisfy the board's CPE and supporting documentation requirements.

The reporting of compliance with CPE requirements is concurrent with filing your renewal application. When you complete your application for renewal, you are required to certify that you complied with the board's CPE requirements as defined in WAC 4-30-134 and supporting documentation requirements as defined in WAC 4-30-138.

The board may verify through audit compliance with CPE and supporting documentation requirements as certified during the renewal application process. As part of this audit the board may require additional information to demonstrate your compliance with the board's rules.

WAC 4-30-142 (~~What are the bases for the board to impose discipline?~~) **Disciplinary actions.** RCW 18.04.055, 18.04.295, 18.04.305, and 18.04.350 authorize the board to revoke, suspend, refuse to issue, renew, or reinstate an individual or firm license (~~(, CPA Inactive certificate,)~~) the right to exercise practice privileges in this state, or registration as a resident nonlicensee firm owner; impose a fine not to exceed (~~(thirty thousand dollars)~~) \$30,000; recover investigative and legal costs; impose full restitution to injured parties; impose remedial sanctions; impose conditions precedent to renew; or prohibit a resident nonlicensee from holding an ownership interest in a firm licensed in this state for the specific acts listed below.

The following are specific examples of prohibited acts that constitute grounds for discipline under RCW 18.04.295, 18.04.305, and 18.04.350. The board does not intend this listing to be all inclusive.

(1) Fraud or deceit in applying for the CPA examination, obtaining a license, registering as a resident nonlicensee firm owner, or in any filings with the board.

(2) Fraud or deceit in renewing or requesting reinstatement of a license (~~(, CPA Inactive certificate,)~~) or registration as a resident nonlicensee firm owner.

(3) Cheating on the CPA exam.

(4) Making a false or misleading statement in support of another person's application or request to:

(a) Take the national uniform CPA examination;

(b) Obtain a license or registration required by the act or board;

(c) Reinstate or modify the terms of a revoked or suspended license (~~(, certificate,)~~) or registration as a resident nonlicensee firm owner in this state;

(d) Reinstate revoked or suspended practice privileges of an individual or firm licensed in another state.

(5) Dishonesty, fraud, or negligence while representing oneself as a licensee (~~(, CPA Inactive certificate holder,)~~) or a resident nonlicensee firm owner including, but not limited to:

(a) Practicing public accounting in Washington state prior to obtaining a license required per RCW 18.04.215, obtaining a firm license as required by RCW 18.04.195, or without qualifying to operate under firm mobility;

(b) Offering or rendering public accounting services in this state by an out-of-state individual not qualified for practice privileges under RCW 18.04.350(2);

(c) Offering or rendering public accounting services in this state by an out-of-state firm not qualified for practice privileges under firm mobility per RCW 18.04.195.

(d) Making misleading, deceptive, or untrue representations;

(e) Engaging in acts of fiscal dishonesty;

(f) Purposefully, knowingly, or negligently failing to file a report or record, or filing a false report or record, required by local, state, or federal law;

(g) Unlawfully selling unregistered securities;

(h) Unlawfully acting as an unregistered securities salesperson or broker-dealer;

(i) Discharging a trustee's duties in a negligent manner or breaching one's fiduciary duties, acting in a manner not in compliance with chapter 11.96A RCW; or

(j) Withdrawing or liquidating, as fees earned, funds received by a licensee(~~(, CPA-Inactive certificate holder,)~~) or a resident nonlicensee firm owner from a client as a deposit or retainer when the client contests the amount of fees earned, until such time as the dispute is resolved.

(6) The following shall be prima facie evidence that a licensee, as defined in WAC 4-30-010, (~~(CPA-Inactive certificate holder,)~~) a nonlicensee firm owner, or the employees of such persons has engaged in dishonesty, fraud, or negligence while representing oneself as a licensee, as defined in WAC 4-30-010, (~~(CPA-Inactive certificate holder,)~~) a nonlicensee firm owner, or an employee of such persons:

(a) An order of a court of competent jurisdiction finding that the person or persons committed an act of negligence, fraud, or dishonesty or other act reflecting adversely on the person's fitness to represent himself, herself, or itself as a licensee, as defined in WAC 4-30-010, (~~(CPA-Inactive certificate holder,)~~) or a nonlicensee firm owner;

(b) An order of a federal, state, local or foreign jurisdiction regulatory body, or a PCAOB, finding that the licensee, as defined in WAC 4-30-010, (~~(CPA-Inactive certificate holder,)~~) or nonlicensee firm owner, or employee of such persons committed an act of negligence, fraud, or dishonesty or other act reflecting adversely on the person's fitness to represent himself, herself, or itself as a licensee, as defined in WAC 4-30-010, (~~(a CPA-Inactive certificate holder,)~~) or a nonlicensee firm owner;

(c) Cancellation, revocation, suspension, or refusal to renew the right to practice as a licensee(~~(, certificate holder,)~~) or a nonlicensee firm owner by any other state for any cause other than failure to pay a fee or to meet the requirements of continuing education in the other state; or

(d) Suspension or revocation of the right to practice before any state agency, federal agency, or the PCAOB.

(7) Sanctions and orders entered by a nongovernmental professionally related standard-setting body for violation of ethical or technical standards in the practice of public accounting by a licensee(~~(, CPA-Inactive certificate holder,)~~) or nonlicensee firm owner;

(8) Any state or federal criminal conviction or commission of any act constituting a crime under the laws of this state, or of another state, or of the United States.

(9) A conflict of interest such as:

(a) Self dealing as a trustee, including, but not limited to:

(i) Investing trust funds in entities controlled by or related to the trustee;

(ii) Borrowing from trust funds, with or without disclosure; and

(iii) Employing persons related to the trustee or entities in which the trust has a beneficial interest to provide services to the trust (unless specifically authorized by the trust creation document).

(b) Borrowing funds from a client unless the client is in the business of making loans of the type obtained by the licensee, as defined in WAC 4-30-010, (~~(CPA-Inactive certificate holder,)~~) or nonlicensee firm owner and the loan terms are not more favorable than loans extended to other persons of similar credit worthiness.

(10) A violation of the Public Accountancy Act or failure to comply with a board rule contained in Title 4 WAC, by a licensee, defined

in WAC 4-30-010, (~~CPA-Inactive certificate holder,~~) or employees of such persons of this state or a licensee of another substantially equivalent state qualified for practice privileges, including but not limited to:

(a) An out-of-state individual exercising the practice privileges authorized by RCW 18.04.350(2) when not qualified;

(b) Submission of an application for firm license on behalf of a firm licensed in another state that does not meet the firm mobility requirements under RCW 18.04.195 (1)(a)(iii)(A) through (D) by an out-of-state individual not qualified under RCW 18.04.350(2) or authorized by the firm to make such application;

(c) Failure of an out-of-state individual exercising the practice privileges authorized under RCW 18.04.350(2) to cease offering or performing professional services in this state, individually or on behalf of a firm, when the license from the state of the out-of-state individual's principal place of business is no longer valid;

(d) Failure of an out-of-state individual exercising the practice privileges authorized under RCW 18.04.350(2) to cease offering or performing specific professional services in this state, individually or on behalf of a firm, when the license from the state of the out-of-state individual's principal place of business has been restricted from performing those specific services;

(e) Failure of an out-of-state firm operating under firm mobility per RCW 18.04.195 (1)(a)(iii), in this state to cease offering or performing professional services in this state through one or more out-of-state individuals whose license from the state of those individuals' principal place(s) of business is (are) no longer valid or is (are) otherwise restricted from performing the specific engagement services;

(f) Failure of a firm licensed in this state, or a firm operating under firm mobility to comply with the ownership requirements of RCW 18.04.195 within a reasonable time period, as determined by the board;

(g) Failure of a firm licensed in this state or another state to comply with the board's quality assurance program requirements, when applicable.

(11) Violation of one or more of the rules of professional conduct included in Title 4 WAC.

(12) Concealing another's violation of the Public Accountancy Act or board rules.

(13) Failure to cooperate with the board by failing to:

(a) Furnish any papers or documents requested or ordered to produce by the board;

(b) Furnish in writing a full and complete explanation related to a complaint as requested by the board;

(c) Respond to an inquiry of the board;

(d) Respond to subpoenas issued by the board, whether or not the recipient of the subpoena is the accused in the proceeding.

(14) Failure to comply with an order of the board.

(15) Adjudication of a licensee, as defined by WAC 4-30-010, (~~CPA-Inactive certificate holder,~~) or a nonlicensee firm owner as mentally incompetent is prima facie evidence that the person lacks the professional competence required by the rules of professional conduct.

(16) Failure of a licensee, as defined by WAC 4-30-010, (~~CPA-Inactive certificate holder,~~) nonlicensee firm owner, or out-of-state person exercising practice privileges authorized by RCW 18.04.195 and 18.04.350 to timely notify the board, in the manner prescribed by the board, of any of the following:

(a) A sanction, order, suspension, revocation, or modification of a license, certificate, permit or practice rights by the SEC, PCAOB, IRS, or another state board of accountancy for any cause other than failure to pay a professional license fee by the due date or failure to meet the continuing professional education requirements of another state board of accountancy;

(b) Charges filed by the SEC, IRS, PCAOB, another state board of accountancy, or a federal or state taxing, insurance or securities regulatory body that the licensee(~~(, CPA-Inactive certificate holder,~~) or nonlicensee firm owner committed a prohibited act that would be a violation of board ethical or technical standards;

(c) Sanctions or orders entered against such persons by a nongovernmental professionally related standard-setting body for violation of ethical or technical standards in the practice of public accounting by a licensee(~~(, CPA-Inactive certificate holder,~~) or nonlicensee firm owner.



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WSR 23-23-110

Semi-Annual Rules Development Agenda
 January 2024 through June 2024

The Washington State Board of Accountancy’s semi-annual, rules development agenda follows for publication in the Washington State register under RCW 34.05.314.

This agenda is for information purposes, and the noted dates of anticipated activity are estimates. Additional rule development activity not on the agenda may occur as conditions warrant.

If you have questions about this rule development agenda, please contact:

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WAC Citation	Subject Matter	Anticipated Activity Dates		
		Preproposal (CR-101)	Proposed (CR-102) or Expedited (CR-105)	Permanent (CR-103)
WAC 4-30-010	Definitions	May 2023	November 2023	January 2024
WAC 4-30-020	What are the authority for and the purpose of the board’s rules?	May 2023	November 2023	January 2024
WAC 4-30-028	What rules govern the proceedings before the board?	May 2023	November 2023	January 2024
WAC 4-30-030	What are the requirements for communicating with the board and staff?	May 2023	November 2023	January 2024
WAC 4-30-032	Do I need to notify the board if I change my address?	May 2023	November 2023	January 2024
WAC 4-30-034	Must I respond to inquiries from the board?	May 2023	November 2023	January 2024
WAC 4-30-036	What enforcement activities must be reported to the board?	May 2023	November 2023	January 2024

WAC 4-30-038	Fees	May 2023	November 2023	January 2024
WAC 4-30-082	How does a CPA-Inactive certificate holder apply for licensure?	May 2023	November 2023	January 2024
WAC 4-30-084	Converting license from an inactive to active status	May 2023	November 2023	January 2024
WAC 4-30-088	What is the effect on a Washington individual licensee or CPA-inactive certificateholder in the armed forces, reserves, or National Guard if the individual receives orders to deploy for active military duty?	May 2023	November 2023	January 2024
WAC 4-30-094	How do I renew my individual license, CPA-inactive certificate, or registration as a resident nonlicensee firm owner?	May 2023	November 2023	January 2024
WAC 4-30-104	How do I renew a Washington CPA-Inactive certificate and/or license granted through foreign reciprocity?	May 2023	November 2023	January 2024
WAC 4-30-120	I am a CPA-Inactive certificate holder-Prior to July 1, 2001, I held a license-How do I apply to return to my previous May 2023status as a licensee?	May 2023	November 2023	January 2024
WAC 4-30-122	If I retire my license or CPA-Inactive certificate, how do I apply to renew my license or CPA-Inactive certificate out of retirement?	May 2023	November 2023	January 2024
WAC 4-30-124	How do I reinstate a lapsed license, CPA-inactive certificate, or registration as a resident nonlicensee firm owner?	May 2023	November 2023	January 2024
WAC 4-30-126	How do I reinstate a revoked or suspended license, CPA-inactive certificate, or registration	May 2023	November 2023	January 2024

	as a resident nonlicensee firm owner?			
WAC 4-30-134	Continuing professional education (CPE) requirements.	May 2023	November 2023	January 2024
WAC 4-30-136	Reporting continuing professional education (CPE) to the board.	May 2023	November 2023	January 2024
WAC 4-30-142	What are the bases for the board to impose discipline?	May 2023	November 2023	January 2024



Michael J. Paquette, CPA
Executive Director

WASHINGTON STATE BOARD OF ACCOUNTANCY

Unapproved Draft - Minutes of a Meeting of the Board – Unapproved Draft

Time and Place of Meeting	9:03 a.m. – 2:50 p.m. Friday, October 20, 2023 Capital Event Center 6005 Tyee Drive SW Tumwater, WA 98512 or by Microsoft Teams Meeting
Attendance	<u>Board Members</u> Brian R. Thomas, CPA, Chair Mark Hugh, CPA, Vice Chair Kate Dixon, Public Member, Secretary Rajib Doogar, Public Member Jacqueline Meucci, CPA Thomas P. Sawatzki, CPA Brooke Stegmeier, CPA Scott S. Newman, Public Member Tonia L. Campbell, CPA <u>Staff and Advisors</u> Michael Paquette, CPA, Executive Director Jennifer Sciba, Deputy Director Leo Roinila, Assistant Attorney General, Board Advisor Taylor Shahon, CPA, Lead Investigator Kirsten Donovan, Board Clerk Tia Landry, Data and Systems Administrator
Call to Order – Board Meeting	Board Chair, Brian Thomas, CPA, called the meeting to order at 9:03 a.m. Board Members, Board staff, and legal counsel introduced themselves. All Board staff attends the Board’s Annual meeting each year. Staff not directly involved in the meeting introduced themselves. <ul style="list-style-type: none">• Lori Mickelson – Chief Administration Officer• Kelly Wulfekuhle – Lead Solutions Analyst• Tim Taylor – Customer Service Specialist
Public Rule-Making Hearing	The Board held a public rule-making hearing from 9:08 a.m. to 9:32 a.m. The Board Chair presided. The Board proposed to amend: <ul style="list-style-type: none">• WAC 4-30-056 Form of organization and name.

The proposed revisions establish licensee name use parameters by adding the sentence, "A licensee may not operate under an alias or title that differs from the name that is registered with the board."

The Executive Director presented a brief statement on the rule.

No written comments were received, and no public input was received during the hearing.

- WAC 4-30-062 Applying to take the CPA examination.

The proposed revisions extend the time period (testing window) in which all sections of the CPA examination must be passed from 18 months to 36 months and eliminate outdated subsections which no longer apply after the implementation of continuous testing.

The Executive Director presented a brief statement on the rule.

No written comments were received.

Public comment was received during the hearing from Andrea Ballard, Talent Adviser for Clark Nuber. Andrea spoke in support of the proposed rule change offering the following points:

- Exam candidate balancing of work and studying for the Exam is difficult.
 - Losing Exam credit adds additional burden.
 - Position of privilege (those who don't have to work while testing) allows for passing the Exam quickly within the 18-month period.
 - Extending the testing window to 36 months allows for more diversity in the profession.
- Rules alignment for CPA-Inactive Legislation Passed
 - WAC 4-30-010 Definitions.
 - WAC 4-30-020 What are the authority for and the purpose of the Board's rules?
 - WAC 4-30-028 Rules governing the formal adjudicative proceedings and the brief adjudicative proceedings before the board.
 - WAC 4-30-030 What are the requirements for communicating with the board and staff?
 - WAC 4-30-032 Do I need to notify the board if I change my address?
 - WAC 4-30-034 Must I respond to inquiries from the board?
 - WAC 4-30-036 What enforcement actions must be reported to the board?

- WAC 4-30-038 Fees.
- WAC 4-30-082 How does a CPA-Inactive certificate holder apply for licensure?
- WAC 4-30-084 Converting from certificate to license. (New section)
- WAC 4-30-088 What is the effect on a Washington individual licensee or CPA-inactive certificate holder in the armed forces, reserves, or National Guard if the individual receives orders to deploy for active military duty?
- WAC 4-30-094 How do I renew my individual license, CPA-inactive certificate, or registration as a resident nonlicensee firm owner?
- WAC 4-30-104 How do I renew a Washington CPA-Inactive certificate and/or license granted through foreign reciprocity? (Repealed section)
- WAC 4-30-120 I am a CPA-Inactive certificate holder – Prior to July 1, 2001, I held a license – How do I apply to return to my previous status as a licensee?
- WAC 4-30-122 If I retire my license or CPA-Inactive certificate, how do I apply to renew my license or CPA-Inactive certificate out of retirement?
- WAC 4-30-124 How do I reinstate a lapsed license, CPA-inactive certificate, or registration as a resident nonlicensee firm owner?
- WAC 4-30-126 How do I reinstate a revoked or suspended license, CPA-inactive certificate, or registration as a resident nonlicensee firm owner?
- WAC 4-30-134 Continuing professional education (CPE) requirements.
- WAC 4-30-136 Reporting continuing professional education (CPE) to the board.
- WAC 4-30-142 What are the bases for the board to impose discipline?

The proposed revisions:

- Ensure consistency with the Public Accountancy Act (RCW 18.04) for legislation passed (SB5519) on March 17, 2022, with an effective date of July 1, 2024
- Remove references to certificate holders
- Allow the remaining population of certificate holders to transition to a CPA license in an inactive status and provide the opportunity for the certificate holders to become fully licensed
- Create a new inactive license status
- Align Board rules with other CPA jurisdictions
- Rename some of the rules

The Executive Director provided a summary of the proposed rule changes.

Board Members noted that WAC 4-30-104 was being repealed, as the rule only applies to CPA-Inactive Certificate holders.

The Executive Director read a memo written by the Executive Committee which recommended that the rule making process be halted and a task force be created to review and further revise this set of rules. They recommended that the task force present the further revisions at the January 2024 Board meeting for the full Board to consider before rescheduling a rules hearing for the April 2024 Board meeting.

No written comments were received, and no public input was received during the hearing.

Call to Order – Board Meeting

The Board Chair called the regular Board meeting back to order at 9:33 a.m.

Rules Review

Board Deliberation on Proposed Rules Considered at the Public Rule-making Hearing

- WAC 4-30-056 Form of organization and name.

The Board voted unanimously to adopt the rule with a minor change. The change adds the sentence, “Subsection (5) also includes licensees in an inactive status.” at the end of subsection (6).

The Board voted for an effective date of 31 days after filing.

- WAC 4-30-062 Applying to take the CPA examination.

The Board voted unanimously to adopt the rule with a minor change. The change adds “within a 36-month rolling period” to subsection (5)(d).

The Board voted for an effective date of 31 days after filing.

- Rules Alignment for CPA-Inactive Certificateholder Legislation
 - WAC 4-30-010 Definitions.
 - WAC 4-30-020 What are the authority for and the purpose of the Board’s rules?
 - WAC 4-30-028 Rules governing the formal adjudicative proceedings and the brief adjudicative proceedings before the board.
 - WAC 4-30-030 What are the requirements for communicating with the board and staff?

- WAC 4-30-032 Do I need to notify the board if I change my address?
- WAC 4-30-034 Must I respond to inquiries from the board?
- WAC 4-30-036 What enforcement actions must be reported to the board?
- WAC 4-30-038 Fees.
- WAC 4-30-082 How does a CPA-Inactive certificate holder apply for licensure?
- WAC 4-30-084 Converting from certificate to license. – New Section
- WAC 4-30-088 What is the effect on a Washington individual licensee or CPA-inactive certificateholder in the armed forces, reserves, or National Guard if the individual receives orders to deploy for active military duty?
- WAC 4-30-094 How do I renew my individual license, CPA-inactive certificate, or registration as a resident nonlicensee firm owner?
- WAC 4-30-104 How do I renew a Washington CPA-Inactive certificate and/or license granted through foreign reciprocity? – Repealed Section
- WAC 4-30-120 I am a CPA-Inactive certificate holder--Prior to July 1, 2001, I held a license--How do I apply to return to my previous status as a licensee?
- WAC 4-30-122 If I retire my license or CPA-Inactive certificate, how do I apply to renew my license or CPA-Inactive certificate out of retirement?
- WAC 4-30-124 How do I reinstate a lapsed individual license, CPA-inactive certificate, or registration as a resident nonlicensee firm owner?
- WAC 4-30-126 How do I reinstate a revoked or suspended license, CPA-inactive certificate, or registration as a resident nonlicensee firm owner?
- WAC 4-30-134 Continuing professional education (CPE) requirements.
- WAC 4-30-136 Reporting continuing professional education (CPE) to the board.
- WAC 4-30-142 What are the bases for the board to impose discipline?

The Board voted unanimously to amend the rule proposal and set another rules hearing for the April 2024 Board meeting.

The Board decide to create a task force later in the meeting during the Chair's Report. The task force will revise the rules to make them easier to read for the public. The task force will bring the revisions to the January Board meeting for the full Board's review prior to the April 2024 rules hearing.

Minutes – July 21, 2023, Board Meeting

The Board approved the minutes of the July 21, 2023, Board meeting as drafted.

The Board Members attending virtually authorized the use of their electronic signatures for the signing of the meeting minutes.

Washington State Executive Ethics Board – Board Member Training

Kate Reynolds, Executive Director, Washington State Executive Ethics Board, was scheduled to conduct Ethics in Public Service training for the Board Members. Kate was unable to attend, so the training will be rescheduled for another Board meeting.

CPA Evolution

Patricia Hartman, Director of Client Services, NASBA, provided an update on CPA Evolution. Topics included:

- Scheduled Exam sections for Q4 2023 up 77% over Q4 2022 – her view is that this is partly due to the change in the CPA Exam and candidates scheduling to take the BEC section prior to the changeover.
- Current status of WA Exam candidate applications:
 - 196 files ready for assessment
 - 84 files unassigned
 - Reviews should be completed in time even with the larger than normal number of applications.
- Prometric Centers
 - Pat meets with the centers weekly for capacity updates.
 - Some Washington and Idaho centers have shortages in available seats for some months in the 4th quarter, but overall availability is good.
- Credit Extension Policy for CPA Evolution has been approved for all jurisdictions (Oklahoma requires a rule change to implement; in process.)
- Status of Credit Period Decisions
 - 43 jurisdictions are going to 30-month rolling period for passing all Exam sections (testing window).
 - 4 jurisdictions have adopted the 30-month testing window, but they are in the rule making process, so it is not in effect yet.
 - 7 jurisdictions have not yet voted on a change.
 - Washington voted today for a 36-month testing window, but with no opportunity for extensions, which will be effective 31 days after the rule change is filed.
- Credit Relief Initiative (CRI)
 - NASBA initiative is in response to the National Health Emergency.

- NASBA’s recommendation is for CPA Exam section scores expired between January 30, 2020, to May 11, 2023, to be reinstated with an expiration date of June 30, 2025.
- The recommendation leaves a “donut hole” between May 12, 2023, and December 31, 2023, where expired Exam scores would not be covered by either the CPA Evolution Transition Policy or the Credit Relief Initiative. Those scores would not be extended to a June 30, 2025, expiration date.
- The CRI is further discussed in the Executive Director’s section.

The Board Members and staff thanked Pat for her update.

**Post-secondary
Accounting
Education Racial
and Equity Gaps**

Timothy J. Madeley, Ph.D., CPA, Saint Martin’s University, reported on his research – Understanding the Racial/Ethnic Equity Gaps in Accounting Education at Two-Year Colleges. Topics included:

- CPA demographics (AICPA Trends Report, 2019)
 - White and Asian – 93% (overrepresented group for statistics below)
 - All other races and ethnicities – 7% (underrepresented group for statistics below)
- Grade in first accounting class is the most significant indicator for a student continuing in accounting education.
- Racial/ethnic equity gap – Intro to Financial Accounting – Success by Over/Under Representation
 - South Puget Sound Community College (SPSCC) 2015-2017 – 453 students polled.
 - Successful – (Defined as a grade of A- or better)
 - Overrepresented – 39%
 - Underrepresented – 24%
 - Neutral – (Defined as a grade of B+ to C)
 - Overrepresented – 41%
 - Underrepresented – 41%
 - Unsuccessful – (Defined as a grade of C- or worse)
 - Overrepresented – 20%
 - Underrepresented – 35%
 - Statewide Racial/ethnic equity gap – 31,366 students polled.
 - Successful
 - Overrepresented – 44%
 - Underrepresented – 28%
 - Neutral
 - Overrepresented – 36%
 - Underrepresented – 40%
 - Unsuccessful

- Overrepresented – 20%
- Underrepresented – 32%
- Insights from students regarding disparities
 - Greater flexibility
 - Money/financial pressure
 - Need to work for self-support
 - Requirement to work when on financial aid
 - Time/schedule
 - Juggling work and school
 - Not enough time to dedicate to classes
 - Self-paced work rather than a strict schedule
 - Math prerequisite – Students performed better when they fulfilled a math requirement before taking the accounting class.
 - Relationship with instructor can make a big difference for students.
 - Lack of role models in the profession deters some individuals from entering the profession.

The Board Members and staff thanked Tim for his presentation.

Chair’s Report

Election of 2024 Officers – The Board Chair presented the following slate of officers to serve in 2024:

- Chair – Kate Dixon, Public Member
- Vice Chair – Tom Sawatzki, CPA Member
- Secretary – Brooke Stegmeier, CPA Member

No other nominations were made. The Board cast a unanimous vote for the slate of officers presented.

The newly elected officers will assume their duties on January 1, 2024.

2024 Board Meeting Schedule – The Board established the following schedule for the 2024 Board meetings (the vote was 8 yay and 1 abstain):

- January 26, 2024 – SeaTac Area
- April 26, 2024 – SeaTac Area
- July 19, 2024 – Spokane, WA
- October 18, 2024 – Capital Event Center, Tumwater

The meetings will be held as hybrid meetings with the options to attend in person or virtually through Microsoft Teams.

Committee Appointments for 2024

The Board made the following committee appointments for 2024:

- Peer Review Oversight Committee (PROC)
Chair:
Mark Hugh, CPA Member
Members:
Tom Sawatzki, CPA Member
Kate Dixon, Public Member
Non-Board Volunteers:
Robert Loe, CPA
Laura Lindal, CPA
Tom Neill, CPA

Rajib thanked the non-Board volunteers for their service on this committee.

- Request Oversight Committee (ROC)
Chair:
Scott Newman, Public Member
Members:
Rajib Doogar, Public Member
Tonia Campbell, CPA Member
- Scholarship Oversight Committee (SOC)
Chair:
Tonia Campbell, CPA Member
Members:
Kate Dixon, Public Member
Jackie Meucci, CPA Member
Tom Sawatzki, CPA Member
- Board/AICPA Rules Committee (BARC)
Chair:
Brooke Stegmeier, CPA Member
Members:
Brian Thomas, CPA Member
Mark Hugh, CPA Member
Scott Newman, Public Member

The Board established the Administrative Rules Clarification Task Force (ARC) to further revise the rules affected by the CPA-Inactive legislation passed.

- Administrative Rules Clarification Task Force (ARC)
Chair:
Mark Hugh, CPA Member

Members:

Brian Thomas, CPA Member
Brooke Stegmeier, CPA Member
Scott Newman, Public Member

NASBA Update

The Executive Director provided a report on NASBA activities:

NASBA Annual Meeting

The meeting will take place October 29 – November 1 in New York City. Brian, Rajib, Mike, and Jennifer will be attending. Expected topics for the meeting include:

- CPA Pipeline
- Education Requirements for Licensure
- Experience Learn and Earn (ELE)

Update on One-time Credit Relief Initiative

The Executive Director thanked Pat Hartman for her summary of the initiative earlier in the meeting.

Mike presented the PowerPoint, CPA Exam Credit Relief Initiative Explained. The presentation included:

- Transition policy v. Credit relief initiative
- Credit relief options in response to significant health, economic, education, and travel disruptions resulting in CPA Examination candidate hardships:
 - For jurisdictions that can adopt en masse for candidates: the Board of Accountancy will extend credit periods through June 30, 2025, for CPA Examination credits that expired from January 30, 2020⁽¹⁾ through May 11, 2023⁽²⁾, which have not been subsequently replaced by new credits for the same sections.
 - For jurisdictions that cannot adopt en masse for candidates: the Board of Accountancy will consider individual candidate requests to extend credit periods through June 30, 2025, for CPA Examination credits that expired from January 30, 2020⁽¹⁾ through May 11, 2023⁽²⁾, which have not been subsequently replaced by new credits for the same sections.

⁽¹⁾ The United States Department of Health and Human Services declared a national Public Health Emergency.

⁽²⁾ The United States Department of Health and Human Services announced the expiration of the national Public Health Emergency.

The Executive Director lead the discussion on the options. Discussion points included:

- The dates proposed by NASBA correspond with the public health emergency dates.
- If the case-by-case option is adopted, criteria and a timeline will need to be developed for implementation.
- What to do about the “donut hole” for credits expiring May 12, 2023, through December 31, 2023?
- Is there public harm in accepting this initiative? Pat Hartman advised that NASBA has reviewed this, and no public harm is created by extending Exam section dates.
- Closing the “donut hole” would be more equitable and extending through December 31, 2023, seems like the logical approach.

The Board received comments from the following Exam candidates:

- Tyler, CPA Exam candidate, lost credit for FAR in July 2023 and wanted to know what will happen with that score since it is in the “donut hole” dates.
- Atarah, CPA Exam candidate, will lose credit during the “donut hole” as well. She commented that she took the Exam sections during the pandemic, which possibly caused more struggles than someone who took the sections prior to the pandemic and lost credit early in the credit relief period. She added that she is not in any way diminishing those candidates’ struggles.
- Hanna, CPA Exam candidate, passed 3 sections during the pandemic while having to work more because of staffing shortages. The additional time to pass the last section without losing credit for the first 3 sections would be a great help.

The Board Chair paused the meeting at 12:06 p.m. for a lunch break. The meeting reconvened at 1:02 p.m.

The Board voted unanimously to implement the en masse credit relief option for Exam candidates for the dates January 30, 2020, through December 31, 2023. Exam score sections which have expired or will expire during that timeframe will be reinstated or extended with an expiration date of June 30, 2025.

Legal Counsel Report

Leo Roinila, the Board’s legal counsel, had nothing to report.

Executive Director's Report

Budget Status Report

The Executive Director presented the Allotment Expenditure/Revenue BTD Flexible Report, the Certified Public Accountant's Account Fund View, and the CPA Scholarship Transfer Account Fund View for transactions through September 30, 2023. The Executive Director reported:

- The agency is in a good financial position.
- A decision package has been submitted for IT costs which were \$350,000 over budgeted amount.
- IT costs and salaries are going up.
- Licensing fees have not changed.
- Fund balance is expected to drop.
- Fund balance must be enough to cover unexpected legal issues.
- Agency is allocated 10 full-time employees (FTE) but is operating with 9 FTEs. That leaves room for an as needed hire.

Rajib commented on how well staff functions and the great job they do.

2023 CPE Audit Report

The Executive Director presented and led the discussion on the 2023 CPE Audit Report. CPE audit results included:

- Total individuals audited – 212
 - Completed/passed – 192
 - Applied CPE reciprocity – 3
 - Failed – CPE extension requested – 9
 - Failed – Renewal denied – 8

Potential Legislation

The Executive Director reported that the WSCPA will run Public Accountancy Act, RCW 18.04, legislation in the 2024 session. The bill will be pre-filed 30 days before the 60-day session begins. The Executive Director asked the Board Members to review the draft for discussion at the January Board meeting. This bill has no effect on the state budget, so the hope is that it will run smoothly.

The Executive Director asked Mike Nelson, Manager of Government Affairs, WSCPA, to provide an overview on the potential changes. Mike reported that if passed the changes will:

- Better align the Public Accountancy Act (RCW 18.04) with the Uniform Accountancy Act (UAA)

- Provide authority for the experience requirements to be defined in Board rules.
- Provide more flexibility for substantial equivalency by delegating the specifics to Board rules.
- Provide a model for firm licensure.

Residency of Washington Licensees

The Executive Director presented the Residency of Washington Licensees report. The totals per state/country as of October 2023 were:

- Washington – 13,261 – 56%
- Other US states – 3,463 – 15%
- Japan – 3,410 – 14%
- China – 1,182 – 5%
- South Korea – 1,190 – 5%
- Other countries – 788 – 3%
- Canada – 548 – 2%

The percentage of Washington resident licensees is falling each year. The Board stated that they will need to keep an eye on this to determine if it becomes a public protection or oversight problem.

Executive Committee

The Chair reported that everything the Committee discussed in preparation for the October Board meeting is covered elsewhere on the agenda.

Peer Review Oversight Committee (PROC)

2023 Quality Assurance Review (QAR) Results Report

Mark Hugh presented the 2023 QAR Results Report.

The reports results included:

- CPA firms with peer review results – 49
 - Pass – 46
 - Pass with deficiencies – 3
 - Fail – 0
- Peer review extension requests – 11
- Limited scope exemptions – 262

Mark reported that Robert Loe, CPA, and Laura Lindal, CPA, observe the peer review process for the Board. They reported that things are going well under the Colorado Society of CPAs, and going forward they will be attending fewer meetings.

Peer Review Alternatives

Mark presented the PROC Report, Peer Review Alternatives, and reported that the committee:

- Was unable to find any third parties interested in administering a peer review alternative program for Washington.
- Is now considering a limited scope waiver program for Washington firms that only provide compilation services to Washington domiciled clients.
- Will seek input from Washington CPA firms on their willingness to participate in a multi-year pilot program. Potential additional requirements could include:
 - Professional liability insurance of a minimum amount
 - Specific annual CPE requirements before admission to the waiver program and while participating in the waiver program
 - A short annual report or form to the Board on participation
- If enough momentum exists, a focus group would be started, followed by the pilot program.

Rajib expressed concerns on the peer review alternative program. Potential harms may not be forestalled; rather, insurance may provide protection after the fact.

Request Oversight Committee (ROC)

Scott Newman presented the Request Oversight Committee report which included:

Approved Firm Names:

Opsahl Dawson & Co. LLP
Alder Street Advisors PLLC
Granite Point Financial
Render Compliance, LLC
Unity Business Advisors, Inc.
BDO USA, P.C.

Professional/Educational Organization – Recognition Requests

During the third quarter 2023, the Board did not receive any requests for recognition of an educational organization for purposes of obtaining list requests.

Scholarship Oversight Committee (SOC)

Tonia Campbell presented the Projected Fund Balance Washington State Certified Public Accounting Scholarship Program and the Estimated Expenses for Administering the WA Certified Public

Accounting Scholarship Program reports for year ending September 30, 2024. The report included:

- Beginning Fund Balance (as of July 1, 2023) – \$2,304,107
- Revenues – Passive Earnings from Investments (Assumes a 3% return) – \$69,123
- Expenditures – WBOA Certified Public Accounting Scholarships – \$425,000
- Projected Fund Balance for the Year Ended 9/30/2024 – \$1,948,231
- WSCPA Annual Administration Fee Reimbursed by Washington State Board of Accountancy – \$25,000
- Annual WSCPA Estimated Expense to Administer WA CPA Scholarship Program – \$43,755

**Board/AICPA
Rules Committee
(BARC)**

Brooke presented the BARC report covering:

Residency and Principal Place of Business

Brooke reported the BARC revisited the Board’s guidance related to residency and principal place of business last quarter.

BARC recommendations and Board decisions may also impact RCW 18.04.345 (prohibited practices) and 18.04.350 (practices not prohibited).

BARC was asked by the Board at the July meeting to draft proposed changes to RCW 18.04 and consider redefining “holding out”. BARC has decided to table this topic for now.

The Board established the Licensing and Regulation Committee (LARC) to consider AICPA rules and required statute changes. The committee is composed of:

Chair:

Rajib Doogar, Public Member

Members:

Tonia Campbell, CPA Member

Kate Dixon, Public Member

Non-Board Volunteers:

Tom Neill, CPA

Kimberly Scott, President & CEO, WSCPA

Mike Nelson, Manager of Government Affairs, WSCPA

Corporate Transparency Act

Brooke reported that starting in January 2024 businesses must comply with the Corporate Transparency Act (CTA) by filing a Beneficial Ownership Information (BOI) report with the Financial Crimes Enforcement Network (FinCEN). The BARC is considering whether this is potential business for CPAs; or, would the report fall under the unauthorized practice of law and not be relevant to CPAs.

Currently, the BARC is presenting this as informational and does not have a recommendation.

Employee Stock Ownership Plan (ESOP) Ownership

ESOP ownership of CPA firms and if state statutes or Board rules should be revised in how type of ownership and form of organization is defined is a current point of discussion for state boards across the country.

The BARC is raising this as information for the Board at this point and will continue to research this issue.

Enforcement Report

Taylor Shahon, CPA, Lead Investigator, presented the following reports:

- Quarterly Report – July 1, 2023, through September 30, 2023
- Twelve-Month Lookback – October 1, 2022, through September 30, 2023
- All Complaints – Resolved with and without discipline for periods October 2022 to September 2023 and October 2021 to September 2022.
- CBM Report – July 1, 2023, through September 30, 2023

Taylor reported on the following enforcement activities:

- Only 8 complaints were received in the 3rd quarter of 2023.
- The website and complaint form are detailed regarding what the Board can investigate and actions we can take. This may be the cause of fewer complaints being filed.
- Open caseload is 10 complaints.
- Enforcement target is no more than 180 days from complaint to resolution. This is reported on the Board's annual report to the Governor.

Executive and/or Closed Session with Legal Counsel

No executive or closed sessions were held.

Public Input

The Board received public input from the following:

Atarah, CPA Exam candidate, thanked the Board for their decision on the Credit Relief Initiative, adding that it is life-altering.

Adjournment

The Board meeting adjourned at 2:50 p.m.

Member

Member

Member

Member

Member

Member

Member

Member

Member

WASHINGTON STATE BOARD OF ACCOUNTANCY

Unapproved Draft - Minutes of a Special Meeting of the Board – Unapproved Draft

Time and Place of Meeting	11:00 a.m. – 12:28 p.m. Friday, December 8, 2023 – Special Meeting Microsoft Teams Meeting
Attendance	<u>Board Members</u> Brian R. Thomas, CPA, Chair Mark Hugh, CPA, Vice Chair Kate Dixon, Public Member, Secretary (Arrived 11:07 a.m.) Rajib Doogar, Public Member Thomas P. Sawatzki, CPA Brooke Stegmeier, CPA Scott S. Newman, Public Member Tonia L. Campbell, CPA <u>Staff and Advisors</u> Michael Paquette, CPA, Executive Director Jennifer Sciba, Deputy Director Leo Roinila, Assistant Attorney General, Board Advisor (Arrived 11:14 a.m. and left at 11:21 a.m.) Elizabeth Lagerberg, Assistant Attorney General, Board Prosecutor (Arrived 11:03 a.m.) Taylor Shahon, CPA, Lead Investigator Kirsten Donovan, Board Clerk
Call to Order	Board Chair, Brian Thomas, called the special meeting of the Board to order at 11:00 a.m.
Executive and/or Closed Session with Legal Counsel	The Board held a closed session for the deliberation of a proposed Consent Order. The session times were: <ul style="list-style-type: none">• Closed session from 11:02 a.m. to 12:13 p.m.• Public meeting reopened at 12:13 p.m. to announce additional time needed for closed session.• Closed session from 12:13 p.m. to 12:26 p.m.• Public meeting reopened at 12:26 p.m.
Board Action from Closed Session	After deliberation the Board Members requested that the enforcement team and the Consulting Board Member (CBM) revise the Consent Order and schedule another Board meeting with a closed session within the next 6 weeks, if possible, for the Board to consider the revised Consent Order.

Public Input

No public input was received.

Adjournment

The Board meeting adjourned at 12:28 p.m.

Member

Member

Member

Member

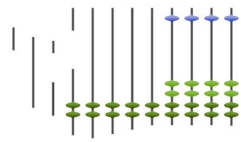
Member

Member

Member

Member

Member



Board of Accountancy

WASHINGTON STATE

Delegation of Authority

Number: DA-001

Title: Investigations, Subpoenas, Charges, Emergency Action, and Settlement Negotiations

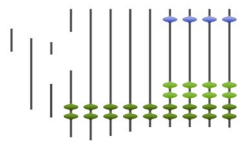
I, [Kate Dixon](#)~~Brian R. Thomas~~, Chair of the Washington State Board of Accountancy (“Board”), acting under authorization by a Board vote, delegate to the Executive Director of the Board the authority to:

- (a) Investigate alleged violations of chapter 18.04 RCW, chapter 4-30 WAC, or chapter 34.05 RCW, to include issuing subpoenas to compel the attendance of witnesses and require the production of documents, administering oaths or affirmations to witnesses appearing before the Board, taking testimony, and requiring that documentary evidence be submitted.
- (b) Sign, issue, and withdraw Statements of Charges, which seek to suspend, revoke, reprimand, discipline, or impose a fine upon a certified public accountant licensee, a CPA-inactive certificate holder, a licensed CPA firm, a CPA Examination or license applicant, a nonlicensee firm owner, or an unlicensed individual or firm using the CPA title.
- (c) Sign, issue, and withdraw Statements of Intent to Deny, which refuse to issue, reinstate, or renew a certified public accountant license, a CPA-inactive certificate, a CPA firm license, or a nonlicensee firm owner registration.
- (d) Apply to the appropriate court for an order enjoining any acts or practices which constitute, or will constitute, a violation of chapter 18.04 RCW under RCW 18.04.360.
- (e) Issue an order staying the practice rights or use of the restricted title in situations requiring agency action due to an immediate danger to the public health, safety, or welfare. The order will initiate an emergency adjudicative proceeding under RCW 34.05.479.
- (f) Negotiate settlement proposals during investigations of alleged violations of chapter 18.04 RCW or chapter 4-30 WAC. Such proposals are subject to consulting Board member concurrence prior to submission to the Board for consideration.
- (g) Issue Remedial Resolutions and execute voluntary settlements including monetary terms in accordance with the guidelines in Board Policy 2004-1.

This delegation is made under the authority of RCW 18.04.045, 18.04.295, and 18.04.305.

DATED this 26th day of January 2024.

Kate Dixon, Public Member
Brian R. Thomas, CPA/CGMA
Chair, Washington State Board of Accountancy



Board of Accountancy

WASHINGTON STATE

Delegation of Authority

Number: DA-002

Title: Request Oversight and Appeal of Denials

I, ~~Kate Dixon~~Brian R. Thomas, Chair of the State of Washington Board of Accountancy (“Board”), acting under authorization by a Board vote, delegate the following authority:

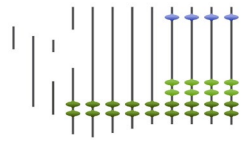
1. Request Oversight Committee - To the Executive Director with concurrence of one member of the Request Oversight Committee to approve or deny:
 - a) **Firm Names** for compliance with the requirements of RCW 18.04.345 and chapter 4-30 WAC to ensure the Board that the firm name is not deceptive or misleading.
 - b) **Professional/Education Organizations Recognition Requests** for purposes of obtaining lists of individual CPA licensees, CPA-Inactive certificateholders, or nonlicensee firm owners under RCW 42.56.070(8) and chapter 4-30 WAC.
 - c) **Late Fee Waiver Requests** where individual hardship including, but not limited to, financial hardship, critical illness, or active military deployment is a factor under chapter 4-30 WAC.
 - d) **Domestic or foreign education credential evaluation services** applications for approval under chapter 4-30 WAC.
2. Appeal of Denials of Requests for Lists of Individuals – To one member of the Request Oversight Committee not involved in the original review of the request under delegation ~~1(b)2(e)~~ of this delegation, to review and uphold or overturn denials of requests for lists of individuals under RCW 42.56.520. This Request Oversight Committee member shall complete the review by the end of the second business day following the denial. The Committee member’s decision is the final action the Board will take on the matter for purposes of judicial review.

The Request Oversight Committee will report all actions taken under this delegation of authority at each quarterly Board meeting to assist the Board in evaluating whether this delegation should be rescinded or modified.

This delegation is made under the authority of RCW 18.04.045 and 42.56.070(8).

DATED this ~~26~~⁷th day of January 202~~4~~³.

Kate Dixon, Public Member~~Brian R. Thomas, CPA/CGMA~~
Chair, Washington State Board of Accountancy



Delegation of Authority

Number: DA-003

Title: Quality Assurance Oversight

I, ~~Kate Dixon~~Brian R. Thomas, Chair of the State of Washington Board of Accountancy (“Board”), acting under authorization by a Board vote, delegate the following authority:

1. **Quality Assurance Oversight** - To the Executive Director, with concurrence of one member of the Board’s Peer Review Oversight Committee, to take those actions deemed appropriate under chapter 4-30 WAC for any CPA firm:
 - That has unresolved matters relating to the peer review process or that has not complied with, or acted in disregard of the peer review requirements; and
 - When issues with a peer review may warrant further action.

To implement this delegation, the Executive Director may execute Respondent Agreements, including one or any combination of the actions deemed appropriate after concurrence of one member of the Board’s Peer Review Oversight Committee. These actions may include requiring the firm/practitioner to:

- Develop and implement quality control procedures to provide reasonable assurance that similar occurrences will not occur in the future.
- Engage a Board-approved licensee to conduct a Board-prescribed on-site field review of the firm’s work product and practices to provide a more in-depth review of the practitioner’s work, previously taken continuing professional education, library and other practice support tools, knowledge, abilities, and system of quality control.
- Submit all or specified categories of its compilation, audit, review, or other attest working papers and reports to a preapproved independent practitioner review prior to issuance.
- Obtain continuing education courses in specific areas.

Uncooperative CPA firms or CPA firms requiring more than one oversight will be subject to investigation and appropriate Board action.

This delegation does not include matters that require Board action such as acceptance of voluntary practice restriction.

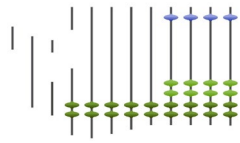
2. **Review of Publicly Available Professional Work** – To the Executive Director to review publicly available professional work of licensees under RCW 18.04.045(8) and chapter 4-30 WAC.

The Executive Director will report all actions taken under this delegation of authority at each quarterly Board meeting to assist the Board in evaluating whether this delegation should be rescinded or modified.

This delegation is made under the authority of RCW 18.04.045.

DATED this ~~26~~⁷th day of January 202~~4~~³.

Kate Dixon, Public Member~~Brian R. Thomas, CPA/CGMA~~
Chair, Washington State Board of Accountancy



Delegation of Authority

Number: DA-004

Title: CR-101 Filing

I, ~~Kate Dixon~~Brian R. Thomas, Chair of the State of Washington Board of Accountancy (“Board”), acting under authorization by a Board vote, delegate to the Executive Director the authority to:

File CR-101s with the Office of the Code Reviser to begin the rule-making process for revisions of current rules and proposed new rules.

This delegation is made under the authority of RCW 18.04.045 and RCW 18.04.055.

DATED this ~~26~~7th day of January 202~~4~~3.

~~Kate Dixon, Public Member~~Brian R. Thomas, CPA/CGMA
Chair, Washington State Board of Accountancy

NASBA Professional Licensure Task Force Concept Exposure

Equivalent Licensure Model

General Concept: Through its discussions, the Task Force has narrowed its discussions on a structured experiential learning program that would provide for education, documented experience, and other elements that would provide an equivalent path to licensure without the need of having a fifth year to complete a 150-hours education program that would appear on an accredited transcript. This additional path, to be defined in greater detail, would include an education and experience component to measure a participant's competency to be licensed as a CPA and would be considered equivalent to the current 150-hour pathway defined in the Uniform Accountancy Act. The development of a structured professional program would require legislative, and rules changes in some states and may impact interstate mobility in some states until all states have adopted the new equivalent path.

The elements of this concept are not unprecedented for U.S. licensure. For decades, international candidates have achieved licensure through the completion of a baccalaureate degree followed by a professional program that includes documented experience, educational components, and measurement.

The concept being discussed for the U.S. would minimally require that all mandatory accounting and business requirements are achieved in addition to having a baccalaureate degree.

Question: Do you believe that the Professional Licensure Task Force should continue to focus its discussions on an equivalent path to licensure that defines a structured professional program that would qualify an individual for licensure as a CPA?

We encourage the State Boards and other interested parties to consider these proposed changes and send any comments or recommendations to the UAA Committee via PLTF@nasba.org by March 31, 2024.

2024 MEETING CALENDAR

NASBA

42ND ANNUAL CONFERENCE
for Executive Directors and Board Staff
March 25 – 27, 2024, Nashville, TN



29TH ANNUAL CONFERENCE
for Board of Accountancy Legal Counsel
March 25 – 27, 2024, Nashville, TN

EASTERN REGIONAL MEETING
June 4-6, 2024 | Louisville, KY (TENTATIVE)



WESTERN REGIONAL MEETING
June 25-27, 2024 | Omaha, NE (TENTATIVE)

117TH NASBA ANNUAL MEETING
October 27 - 30, 2024, Orlando, Florida



To: Washington State Board of Accountancy

From: Peer Review Oversight Committee (PROC) (Kate Dixon, Tom Sawatzki, Mark Hugh, Laura Lindal, Robert Loe, Mike Paquette, Jennifer Sciba, Tom Neill)

Re: Peer review waiver pilot program

Date: January 26, 2024

Since the October 2023 Board meeting, the PROC has discussed more detailed requirements of a peer review waiver pilot program.

It is our goal, with Board approval, to engage practitioner firm focus groups in spring 2024 to discuss any potential program and gauge firm interest. To the extent those discussions are productive and enough firm interest is generated, a multi-year pilot program could be created as early as 2025.

As previously discussed, the waiver would be for Washington firms that only provide compilation services to Washington domiciled clients. Excluded from the program would be firms that provide any audits or reviews; firms that provide compilations to clients domiciled outside of Washington; and firms or licensees that are members of the AICPA.

Unlike AICPA peer review, the program would require professional liability insurance, prequalification through specified CPE, continuing competency through specified CPE, and a brief annual report to the Board.

Requirements would include:

1. *Professional liability insurance.*

The program would require professional liability insurance, which both protects the public and provides access to firm risk management resources and CPE on risk management. The PROC did not determine whether there would be a required minimum amount of insurance, or whether to allow the insurance carrier to determine the appropriate amount for the licensee based upon the licensee's overall services but intends to seek focus group input on this specific issue.

2. *Prequalification through specified CPE.*

Before being admitted to the program, the engagement partner and engagement staff, if any, would be required to obtain 24 hours of accounting and/or compilation CPE within the 12-month period prior to application to the program.

The CPE would need to meet specific content requirements relevant to accounting and/or compilations and would require live or interactive CPE, no self-study courses would be considered acceptable.

3. *Continuing competency through specified CPE.*

For each year in the program, the engagement partner and engagement staff, if any, would be required to annually obtain 12 hours of accounting and/or compilation CPE.

The annual CPE requirement would have the same content requirements and restrictions as the prequalification CPE requirement.

4. *Annual reporting to the Board.*

Every year while in the program, a participant would report to the Board:

- The number of compilations provided under the program during the year.
- Documentation that annual professional liability requirements are met.
- Certification that annual CPE requirements are met by use of the CPE tracker.
- Certification that no compilations were provided to nonqualifying clients, and that the firm provided no reports on audits or reviews.
- Acknowledgement that the Washington program would not be considered an acceptable program under firm or individual licensing mobility in other states, and therefore any services performed for clients domiciled in other states would be subject to the other state's licensing rules.

5. *Triennial review by the Board.*

Every three years aligned with the firm's license renewal cycle, a Board contracted desk reviewer would review a sample of the firm's compilations. The desk reviewer would use a Board checklist and emphasize whether the work product appeared correct and consistent with professional standards and less emphasis on minor documentation errors.

6. *Annual participation fees.*

Every year while in the program, a participating firm would pay an annual participation fee (for example, \$500 annually), which would be used to pay the cost of the Board contracted desk reviewers. No fee would be charged for the desk review, and the cost of three years of participation fees would still be far more reasonable than any AICPA approved peer review.

Any program would require amendment to WAC 4-30-130(10), the Board's rule on quality assurance review for licensed firms and exceptions, and WAC 4-30-038, the Board's rule on fees.

Request Oversight Committee Report January 2024

Scott Newman, Chair

During the fourth quarter 2023, the Executive Director and a Consulting Board Member from the Request Oversight Committee took the following action:

Approved Firm Names:

Madrona Financial & CPAs
Safstrom CPAs & Advisors, PLLC
Eastside Tax PLLC
Kofmehl Associates LLC
RJI Ramirez Jimenez International CPA's
SingerLewak LLP
The Akopyan Group, CPAs P.S.
In Balance CPA Group PLLC
In the Know CPA PLLC

Professional/Educational Organization – Recognition Requests

During the fourth quarter in 2023, the Board received requests for recognition as an educational organization or professional association for purposes of obtaining list requests from the following:

Becker Professional Education – Approved
IRG Publications – Approved

Accounting of Receipts and Disbursements
Washington State Certified Public Accounting Scholarship Program
For the Program Year Ending September 30, 2023

January 1, 2022

Beginning Fund Balance **\$ 2,010,159**

Receipts

Returned scholarship checks \$ -

Dividend and Interest Income \$ 26,160

Realized and Unrealized Gains/Losses \$ 165,190

Total Receipts **\$ 191,350**

Disbursements

WBOA Certified Public Accounting Scholarships

(20 - \$5,000 & 30 - \$10,000 scholarships awarded) - See next pg. for detail \$ (400,000)

Management Fees \$ (6,591)

Total Disbursements **\$ (406,591)**

9/30/2023 (Program Year)

Ending Fund Balance **\$ 1,794,918**

WBOA Certified Public Accounting Scholarships

Scholarship Recipients	University	Scholarship Amount
Ayushma Shrestha	Central Washington University	\$5,000
Tien Duong Anh Vo	Central Washington University	\$5,000
Amanda Warren	Central Washington University	\$5,000
Brandon Blazekovic	Eastern Washington University	\$5,000
Eva Flanagan	Gonzaga University	\$5,000
Matthew Rinard	Gonzaga University	\$5,000
Jake Wesley Griffiths	University of Washington	\$5,000
Amanda Nerby	University of Washington	\$5,000
Shan Carpenter	University of Washington - Bothell	\$5,000
Natia Meladze	Washington State University	\$5,000
Alyssa Welton	Washington State University	\$5,000
Collin Weeks	Washington State University-Vancouver	\$5,000
Levi Franklin-Montes	Western Washington University	\$5,000
Jenae Pusich	Western Washington University	\$5,000
Harrison Tarbell	Western Washington University	\$5,000
Jakhongir Ayupov	Whitworth University	\$5,000
Justin Conner	Whitworth University	\$5,000
Josh Doll	Whitworth University	\$5,000
Debora Geneti	Whitworth University	\$5,000
Elijah Hayrynen	Whitworth University	\$5,000
Thenia Ronee Jones	Central Washington University	\$10,000
Saori Braswell	Eastern Washington University	\$10,000
Leonie Dela Rosa	Eastern Washington University	\$10,000
Fanny Musonda	Eastern Washington University	\$10,000
Jennifer Pope	Eastern Washington University	\$10,000
Bailee Carr	Gonzaga University	\$10,000
Ethan Schades Davis	Gonzaga University	\$10,000
Alexis Deadmarsh	Gonzaga University	\$10,000
Travis Roy Derrick	Gonzaga University	\$10,000
Benjamin McHorse	Gonzaga University	\$10,000
Julie Moore	Gonzaga University	\$10,000
Benjamin Paz	Gonzaga University	\$10,000
Branigan Cameron Roy	Gonzaga University	\$10,000
Nicole Schroeder	Gonzaga University	\$10,000
Katrina Wagner	Gonzaga University	\$10,000
Reine Darcy Albite	Saint Martin's University	\$10,000
Grace Brenner	Saint Martin's University	\$10,000
Kaylee Florek	Saint Martin's University	\$10,000
Britney Patrick	Saint Martin's University	\$10,000
Rishabh Bansal	Seattle University	\$10,000
Niraj Gaire	Seattle University	\$10,000
Althea Denise Ligeralde Ignaci	University of Washington	\$10,000
Hensen Lai Lam	University of Washington	\$10,000
Chelsea Marie Cortez Ocampo	University of Washington	\$10,000
Evan Ryan Campbell	University of Washington - Tacoma	\$10,000
Mei Qing Chen	University of Washington - Tacoma	\$10,000
Nenneh Y Jalloh	University of Washington - Tacoma	\$10,000
Ala Iurco	University of Washington Bothell	\$10,000
John Den Hartog	Western Washington University	\$10,000
Alexandria Velder	Western Washington University	\$10,000
Total		\$400,000

January 5, 2024

To: Washington State Board of Accountancy

From: The Board AICPA Rules Committee (BARC)
(Mark Hugh, Scott Newman, Mike Paquette, Jennifer Sciba, Brooke Stegmeier, Brian Thomas)

RE: Combination of ARC and BARC
Corporate Transparency Act
ESOP Ownership
NASBA Professional Licensure Task Force

Combination of ARC and BARC

The Board / AICPA Rules Committee (BARC) is concurring with the memo distributed in the January Board meeting by the ARC (Administrative Rules Clarification) Task Force and recommending ARC dissolve into the BARC as a special project. The membership of both committees is identical.

Corporate Transparency Act

As discussed in the last Board meeting, businesses must comply with the Corporate Transparency Act (CTA) by filing a Beneficial Ownership Information (BOI) report. This report will be submitted to the Financial Crimes Enforcement Network (FinCEN). This is potentially a source of new business for CPAs.

This new law is part of the U.S. anti-money laundering regulations included within the national defense authorization act. It requires companies to provide identifying information about the individuals who directly or indirectly own or control a company.

This Act is effective January 1, 2024. On December 14, 2023, the AICPA issued a Call to Action for CPAs to contact their Senators and urge passing of H.R. 5119 (Protect Small Business and Prevent Illicit Financial Activity Act), which would have extended the implementation deadline to 2025. This bill was read in the Senate twice, then referred to the Committee on Banking, Housing and Urban Affairs. Subsequent communication indicates FinCEN is moving forward with the January 1 effective date and has opened a portal for BOI report submission.

The BARC has reviewed this and is considering if this falls more appropriately under the unauthorized practice of law (UPL) and may not be relevant to CPAs. However, it could fall under our general standards which require obtaining sufficient facts and competence in work performed as a CPA. The WSCPA is asking the Washington State Supreme Court to weigh in on this issue. While the Act and its interpretation and enforcement seems to be a federal matter, the AICPA and other bodies are arguing it should fall under state authority and interpretation.

The BARC is raising this for awareness, is monitoring further developments, and does not have a recommendation for Board action at this time.

ESOP Ownership

This issue was also discussed at the last Board meeting.

There is increasing discussion among Boards of Accountancy across the country about ESOP Ownership of CPA firms and if state statutes or Board rules should be revised to define type of ownership and form of organization.

The BARC is raising this as information for the Board at this point and will continue to monitor this issue. ARC will look more closely at this when re-evaluating Board rules this year.

NASBA Professional Licensure Task Force

NASBA formed a task force to look at professional licensing, with an emphasis on the 150 credit requirements. The Task Force is narrowing its focus to advance the Experience, Learn and Earn (ELE) experiential learning model as an alternative to the extra 30 hours of education currently required for licensure.

There is an AICPA task force also looking at professional licensing, with the added consideration of continued relevance of the 150 hours requirement.

Some state Boards are considering only requiring 120 hours for licensure, in which case the Washington Board will need to determine if we will accept licensees from those states for licensure (or right to work) in Washington.

The BARC does not have a recommendation at this time. The Board will eventually need to address challenges associated with the 150-credit requirement for Washington CPA licensees and forge an appropriate path for our licensees and consumers.

To: Washington State Board of Accountancy

From: Administrative Rules Clarification Task Force (ARC) (Brian Thomas, Mark Hugh, Brooke Stegmeier, Scott Newman, Mike Paquette, Jennifer Sciba)

Re: Rules clarification status and assimilation into the BARC

Date: January 26, 2024

The ARC (Administrative Rules Clarification) Task Force met shortly after the October 2023 Board meeting and has determined to hold off on further rule clarifications considering the breadth and depth of envisioned changes considering the rule making process. These changes will require thoughtful planning to do so, as discussed below. As such, in the near term we are recommending moving forward with the changes discussed in the October 2023 rules hearing.

Therefore, the January 2024 Board meeting will be a redo of the October 2023 rules hearing, with the Board adopting (after discussion) the rules in January 2024, as proposed in the October 2023 rules hearing.

Redrafting any of the rules on a short time frame proved to be a daunting task, because of timing differences:

1. A limited number of rules are open for revision under CR-102 process. To amend others, we need to start the CR-101 process, which means that the timing of adoption of any other rules would be different, and later.
2. Any further CPA-inactive revisions in addition to those from the October meeting would need to be reviewed at the January 2024 Board meeting, with a final rule hearing at the April 2024 meeting for adopting before the July 1, 2024, start of the CPA-inactive status.
3. Reading through the WSCPA's proposed legislation, that would make changes to many of the statutory references in WAC 4-30-142, and that legislation, if passed, would not be passed until April 2024.

Rather than a mish mash approach, the ARC concluded that we would create a comprehensive roadmap and thoughtful plan for reorganizing and clarifying all the Board's rules, for presentation to the Board no later than the April 2024 Board meeting.

Because the membership of the ARC is identical to that of the BARC, we suggest dissolving the ARC into the BARC, and making the administrative rules clarification a special project of the BARC. After the project is complete, the BARC will continue its purpose of educating the Board about AICPA professional conduct rule changes and potential exceptions.

1650 - State Board of Accountancy

Allotment Expenditure/Revenue BTD Flexible

Report Number: AEF04

Date Run: Dec 31, 2023 11:58PM

Biennium: 2025

As of Fiscal Month: Dec FY1

Transactions Through: Dec 29, 2023 8:00PM

Account: 02J Allotment Content: Approved & Adjusted Estimated Revenue Content: Approved & Adjusted Expenditure Content: Cash, Accr(all)
 Revenue Content: Cash, Accr(all)

(For a complete listing of all input parameter values, please see the last page of the report)

	BTD Allotment	BTD Disbursement	BTD Accrual	BTD Encumbrance	BTD Variance	Biennium Remaining
By Account/Expenditure Authority						
02J - Certified Public Accountants' Acct						
030 - Salaries and Expenses	1,201,234	867,954.01	(250.00)	0.00	333,529.99	3,902,295.99
Total for Agency	1,201,234	867,954.01	(250.00)	0.00	333,529.99	3,902,295.99
By Account/Expenditure Authority						
By Object						
A - Salaries and Wages	417,761	374,012.08	0.00	0.00	43,748.92	1,282,461.92
B - Employee Benefits	140,922	127,565.13	0.00	0.00	13,356.87	428,572.87
C - Professional Service Contracts	51,000	45,840.00	0.00	0.00	5,160.00	158,160.00
E - Goods and Services	569,781	305,765.29	(250.00)	0.00	264,265.71	1,965,892.71
G - Travel	16,670	13,334.25	0.00	0.00	3,335.75	48,245.75
J - Capital Outlays	5,100	1,437.26	0.00	0.00	3,662.74	18,962.74
Total for Agency	1,201,234	867,954.01	(250.00)	0.00	333,529.99	3,902,295.99
By Object						

Fund View

Fund
02J - CERTIFIED PUBLIC ACCOUNTANTS' ACCT

Fund Type
BA - SPECIAL REVENUE FUNDS

Agency
1650 - STATE BOARD OF ACCOUNTANCY

Budget Type
A - Appropriated

GAAP Fund Type
B - SPECIAL REVENUE FUNDS

Rollup Fund
FBD - CENTRAL ADMIN AND REGULATORY FUND

Treasury Type
Treasury

Statute
18.04.105

Status
Active

TALS Only
No

DOT Fund
No

MM YYYY

Dec 2023 

Balance Date ↓	Cash Balance	Book Balance	Outstd. Warrants
12/31/2023	3,139,688.13	3,139,688.13	0.00
12/30/2023	3,139,688.13	3,139,688.13	0.00
12/29/2023	3,139,688.13	3,139,688.13	0.00
12/28/2023	3,137,323.13	3,137,323.13	0.00
12/27/2023	3,139,981.60	3,135,638.13	4,343.47
12/26/2023	3,139,729.07	3,133,988.13	5,740.94
12/25/2023	3,133,459.07	3,127,718.13	5,740.94
12/24/2023	3,133,459.07	3,127,718.13	5,740.94
12/23/2023	3,133,459.07	3,127,718.13	5,740.94
12/22/2023	3,133,459.07	3,127,718.13	5,740.94
12/21/2023	3,180,453.46	3,174,712.52	5,740.94
12/20/2023	3,177,153.46	3,175,755.99	1,397.47
12/19/2023	3,174,323.46	3,172,925.99	1,397.47
12/18/2023	3,173,463.46	3,172,065.99	1,397.47
12/17/2023	3,166,253.46	3,166,253.46	0.00
12/16/2023	3,166,253.46	3,166,253.46	0.00
12/15/2023	3,166,253.46	3,166,253.46	0.00
12/14/2023	3,162,373.46	3,162,373.46	0.00
12/13/2023	3,162,611.13	3,162,611.13	0.00
12/12/2023	3,183,832.30	3,183,832.30	0.00
12/11/2023	3,182,462.30	3,182,462.30	0.00
12/10/2023	3,220,396.43	3,220,396.43	0.00
12/09/2023	3,220,396.43	3,220,396.43	0.00
12/08/2023	3,220,396.43	3,220,396.43	0.00
12/07/2023	3,217,756.43	3,217,756.43	0.00
12/06/2023	3,215,481.43	3,215,481.43	0.00
12/05/2023	3,222,432.64	3,222,432.64	0.00
12/04/2023	3,220,072.64	3,220,072.64	0.00
12/03/2023	3,216,772.64	3,216,772.64	0.00
12/02/2023	3,216,772.64	3,216,772.64	0.00
12/01/2023	3,216,772.64	3,216,772.64	0.00

Fund View

Fund
20D - CPA SCHOLARSHIP TRANSFER ACCOUNT

Fund Type
BA - SPECIAL REVENUE FUNDS

Agency
1650 - STATE BOARD OF ACCOUNTANCY

Budget Type
N - Nonappropriated/Nonallotted

GAAP Fund Type
B - SPECIAL REVENUE FUNDS

Rollup Fund
FBG - HIGHER EDUCATION FUND

Treasury Type
Treasury Trust

Statute
28B.123.050

Status
Active

TALS Only
No

DOT Fund
No

MM YYYY

Dec 2023 

Balance Date ↓	Cash Balance	Book Balance	Outstd. Warrants
12/31/2023	100,000.00	100,000.00	0.00
12/30/2023	100,000.00	100,000.00	0.00
12/29/2023	100,000.00	100,000.00	0.00
12/28/2023	100,000.00	100,000.00	0.00
12/27/2023	100,000.00	100,000.00	0.00
12/26/2023	100,000.00	100,000.00	0.00
12/25/2023	100,000.00	100,000.00	0.00
12/24/2023	100,000.00	100,000.00	0.00
12/23/2023	100,000.00	100,000.00	0.00
12/22/2023	100,000.00	100,000.00	0.00
12/21/2023	100,000.00	100,000.00	0.00
12/20/2023	100,000.00	100,000.00	0.00
12/19/2023	100,000.00	100,000.00	0.00
12/18/2023	100,000.00	100,000.00	0.00
12/17/2023	100,000.00	100,000.00	0.00
12/16/2023	100,000.00	100,000.00	0.00
12/15/2023	100,000.00	100,000.00	0.00
12/14/2023	100,000.00	100,000.00	0.00
12/13/2023	100,000.00	100,000.00	0.00
12/12/2023	100,000.00	100,000.00	0.00
12/11/2023	100,000.00	100,000.00	0.00
12/10/2023	100,000.00	100,000.00	0.00
12/09/2023	100,000.00	100,000.00	0.00
12/08/2023	100,000.00	100,000.00	0.00
12/07/2023	100,000.00	100,000.00	0.00
12/06/2023	100,000.00	100,000.00	0.00
12/05/2023	100,000.00	100,000.00	0.00
12/04/2023	100,000.00	100,000.00	0.00
12/03/2023	100,000.00	100,000.00	0.00
12/02/2023	100,000.00	100,000.00	0.00
12/01/2023	100,000.00	100,000.00	0.00

Board of Accountancy Washington State Enforcement Report

Quarterly Report (Oct 01, 2023 through Dec 31, 2023)			
Complaint Workload			
	Received in Previous Period	Received in Report Period	Total
Complaints Open	10	9	19
Closed with No Action	(1)	(3)	(4)
Closed with Action Taken	0	0	0
Complaints at End of Period	9	6	15
Details of Complaint Closures			
Closed Disposition	Administrative	Public Harm	Total
No Action Taken	0	4	4
Revocation, Suspension, Restriction	0	0	0
Fines, costs, and other sanctions	0	0	0
Remedial Resolution (Policy 2004-1)	0	0	0
Total Closed	0	4	4

Twelve-Month Lookback (Jan 01, 2023 through Dec 31, 2023)			
Complaint Workload			
	Received in Previous Period	Received in Report Period	Total
Complaints Open	16	43	59
Closed with No Action	(15)	(27)	(42)
Closed with Action Taken	0	(2)	(2)
Complaints at End of Period	1	14	15
Details of Complaint Closures			
Closed Disposition	Administrative	Public Harm	Total
No Action Taken	0	42	42
Revocation, Suspension, Restriction	0	0	0
Fines, costs, and other sanctions	0	0	0
Remedial Resolution (Policy 2004-1)	0	2	2
Total Closed	0	44	44

Board of Accountancy Washington State

All complaints - resolved with and without discipline

	<u>Jan 2023 to Dec 2023</u>		<u>Jan 2022 to Dec 2022</u>	
	<i>All</i>	<i>Action Only</i>	<i>All</i>	<i>Action Only</i>
Public Harm				
Negligence - Attest related	0	0	1	1
Negligence, Disregard of standards	34	0	65	6
Use of Restricted Titles	6	2	13	2
Embezzlement, Theft, Breach of Fid. Duty	0	0	1	0
Breach of Confidentiality	0	0	0	0
Records Retention Causing Harm	1	0	5	0
<u>Subtotal</u>	41	2	85	9
Administrative				
Peer Review	0	0	2	2
<u>Subtotal</u>	0	0	2	2
Total	41	2	87	11

<u>Oct 01, 2023 through Dec 31, 2023</u>				
CBM Report				
	BAP	Action	No Action	Total
Rajib Doogar	0	0	0	0
Brooke Stegmeier	0	0	1	1
Jacqueline Meucci	0	0	0	0
Tonia Campbell	0	0	0	0
Kate Dixon	0	0	0	0
Mark Hugh	0	0	0	0
Scott Newman	0	0	0	0
Thomas Sawatzki	0	0	2	2
Brian Thomas	0	0	0	0
Total	0	0	3	3