

BOARD MEETING AGENDA

Date, Time: Friday, January 28, 2022 – Board Meeting – 9:00 a.m.
Location: Microsoft Teams Meeting
Notices: Public Rules Hearing

Chair Introductions

PUBLIC RULE- MAKING HEARING

Attachments at page(s):

- 1. Public Rule-Making Hearing Script 8-9
- 2. Rules Under Consideration
 - a. WAC 4-30-028 What rules govern the proceedings before the board?..... 10-13
- 3. Written Stakeholder Comments

BOARD MEETING AGENDA

- 4. Rules Review
 - a. Board’s deliberation on proposed rules considered at the public rule-making hearing.
See listing above under Public Rule-Making Hearing – Item 2
 - b. Semi-annual Rules Development Agenda 14-16
- 5. Minutes – October 29, 2021, Annual Board Meeting.....17-25
- 6. Delegations of Authority – Annual Review
 - a. DA-001 Investigations, Subpoenas, Charges, Emergency Action, and Settlement
Negotiations 26-27
 - b. DA-002 Request Oversight and Appeal of Denials..... 28-29
 - c. DA-003 Quality Assurance Oversight..... 30-31
 - d. DA-004 CR-101 Filing32
- 7. Chair’s Report
- 8. NASBA Update
- 9. AICPA/Board Rules Clarification

10. Legal Counsel’s Report

11. Committee/Task Force Reports

- a. Executive Committee – Rajib Doogar, Public Member, Chair
- b. Peer Review Oversight Committee – Jacqueline Meucci, CPA, Chair
- c. Request Oversight Committee – Thomas Sawatzki, CPA, Chair.....33
- d. Scholarship Oversight Committee – Kate Dixon, Public Member, Chair

12. Executive Director’s Report 34-36

- a. Board Items
- b. Legislation
- c. Budget Status
- d. CPE Tracker

13. Enforcement Report

- a. Quarterly Enforcement and Resolved Complaint Reports 37-38

14. Executive and/or Closed Sessions with Legal Counsel

15. 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.

**WASHINGTON STATE
BOARD OF ACCOUNTANCY
BOARD MEETING – JANUARY 28, 2022
SUMMARY**

Date and Time: Friday, January 28, 2022 - 9:00 a.m.

Location: 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 advise the Board Chair now, and your name will be added to the public input roster.

January 28, 2022 - 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 one Board rule. Individuals wishing to comment must advise the Board Chair now, and your name will be added to the rule-making public input roster.

1. **Public Rule-Making Hearing Outline** – The script the Chair will use as a guide during the hearing is at **pages 8-9** of the meeting materials.

2. **Rules Under Consideration** –

WAC 4-30-028 What rules govern the proceedings before the board?

See **pages 10-12** for the CR-102, Proposed Rule Making Notice.

Page 13 contains the filing for the proposed changes to the rule. The changes reformat the title, add a RCW reference, remove an outdated section, and add a Board decision to which this rule applies so that the process is more efficient.

The Executive Director will provide a summary of the proposed changes to the rule during the rules hearing.

- 3. Written Stakeholder Comments** – None were received by the time the Board meeting packet was posted to the website. If any are received by the written comment deadline of January 26, 2022, they will be provided during the Rules Hearing.

January 28, 2022 – BOARD MEETING

4. Rules Review

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

WAC 4-30-028 What rules govern the proceedings before the board? – Pages 10-13

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

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 31 days after filing.

Does the Board wish to make the rule effective:

- **31 days after filing; or**
- **Another date?**

- b. Semi-annual Rules Development Agenda – January through June 2022**

Pages 14-16 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 – October 29, 2021

Board staff presents the draft minutes of the October 29, 2021, Annual Board meeting on **Pages 17-25** 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

Pages 26-32 contain the 2021 delegations for review. Staff reviewed and proposes no revisions to delegations for 2022 other than date and signature of the Board Chair.

a. DA-001 Investigations, Subpoenas, Charges, Emergency Action, and Settlement Negotiations – Pages 26-27

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

b. DA-002 Request Oversight and Appeal of Denials – Pages 28-29

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

c. DA-003 Quality Assurance Oversight – Pages 30-31

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

d. DA-004 CR-101 Filing – Page 32

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

Does the Board Chair authorize the use of his electronic signature on file for the signing of the Delegations of Authority?

7. Chair's Report

8. NASBA Update

The Executive Director will provide a report on NASBA activities.

9. AICPA/Board Rules Clarification

The Executive Director will report.

10. Legal Counsel's Report

The Board's legal counsel requests the agenda for regular Board meetings contain a placeholder item allowing for legal counsel to report on any current issues related to the Board's activities and/or Washington State law such as: the Administrative Procedures Act, Open Public Meetings Act, Public Disclosure requirements, etc.

11. Committee/Task Force Reports

- a. **Executive** – Chair: Rajib Doogar, Public Member; Vice Chair: Brooke Stegmeier, CPA; Secretary: Jacqueline Meucci, CPA

Rajib will give a verbal report.

- b. **Peer Review Oversight Committee** – Chair: Jacqueline Meucci, CPA; Members: Mark Hugh, CPA; Brooke Stegmeier, CPA

Mark will give a verbal report.

- c. **Request Oversight Committee** – Chair: Thomas P. Sawatzki, CPA; Members: Brian R. Thomas, CPA; Brooke Stegmeier, CPA

Page 33 contains a report on the 4th quarter approvals and denials from the committee.

Tom will give a verbal report.

- d. **Scholarship Oversight Committee** – Chair: Kate Dixon, Public Member; Members: Brian R. Thomas, CPA; Jacqueline Meucci, CPA

Kate will give a verbal report.

12. Executive Director's Report

Pages 34-36 contain the Executive Director's Report.

- a. **Board Items**
- b. **Legislation**
- c. **Budget Status**
- d. **CPE Tracker**

13. Enforcement Report

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

a. Quarterly Enforcement and Resolved Complaint Reports

Pages 37-38 contain the Quarterly Enforcement Report for October 1, 2021 through December 21, 2021 and the Resolved Complaint Report for periods January 2021 to December 2021 and January 2020 to December 2020.

14. 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.

15. 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.

**WASHINGTON STATE BOARD OF ACCOUNTANCY
RULES HEARING OUTLINE
JANUARY 28, 2022**

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 28, 2022. The time is _____. My name is Rajib Doogar. I am the Chair of the Board of Accountancy.

Copies of the rule proposals are available in the Board packet materials online at www.acb.wa.gov. If you would like to testify, please let me know now, and your participation at this hearing will be added to the Rules Hearing attendance roster.

Have Board Members, legal counsel, and staff in attendance introduce themselves.

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 present a brief statement for each proposal.**
- 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.**

The rule proposals concern:

- WAC 4-30-028 What rules govern the proceedings before the board?**

Dave Trujillo, Executive Director, will present a brief statement for the proposal.

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

Will (name of individual) please present testimony?

When the testimony is complete you may ask questions of the individual.

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?***

3. *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 (December 2017) (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 04, 2021

TIME: 2:17 PM

WSR 21-23-013

Agency: Board of Accountancy

Original Notice

Supplemental Notice to WSR _____

Continuance of WSR _____

Preproposal Statement of Inquiry was filed as WSR 21-17-048 ; 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 4-30-028 What rules govern the proceedings before the board?

Hearing location(s):

Date: Time: Location: (be specific) Comment:

| Date: | Time: | Location: (be specific) | Comment: |
|------------------|-----------|--|----------|
| January 28, 2022 | 9:00 A.M. | 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: January 28, 2022 (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 26, 2022

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 26, 2022

Purpose of the proposal and its anticipated effects, including any changes in existing rules: The Board of Accountancy proposes amending WAC 4-30-028 to reformat the title, add a RCW reference, remove an outdated section, and add a Board decision to which this rule applies so that the process is more efficient.

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:

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

Private
 Public
 Governmental

Name of agency personnel responsible for:

| | Name | Office Location | Phone |
|-----------------|---------------------|--|----------------|
| Drafting: | David Trujillo, CPA | 711 Capitol Way S Suite 400 Olympia, WA 98501 | (360) 664-9268 |
| Implementation: | David Trujillo, CPA | 711 Capitol Way S Suite 400 Olympia, WA 98501 | (360) 664-9268 |
| Enforcement: | David Trujillo, CPA | 711 Capitol Way S Suite 400 Olympia, WA 98501 | (360) 664-9268 |

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 Cost Considerations for a Small Business Economic Impact Statement:

This rule proposal, or portions of the proposal, **may be exempt** from requirements of the Regulatory Fairness Act (see chapter 19.85 RCW). 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:

RCW 34.05.310 (4)(b)
(Internal government operations)

RCW 34.05.310 (4)(e)
(Dictated by statute)

RCW 34.05.310 (4)(c)
(Incorporation by reference)

RCW 34.05.310 (4)(f)
(Set or adjust fees)

RCW 34.05.310 (4)(d)
(Correct or clarify language)

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 _____.

Explanation of exemptions, if necessary:

COMPLETE THIS SECTION ONLY IF NO EXEMPTION APPLIES

If 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 analysis showing how costs were calculated. No additional costs are associated with these changes.

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

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

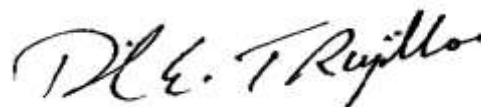
Name:
Address:
Phone:
Fax:
TTY:
Email:
Other:

Date: 11/4/2021

Name: David Trujillo, CPA

Title: Executive Director

Signature:



WAC 4-30-028 (~~(What rules govern the)~~) 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, (~~(practice and procedure)~~) 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) (~~(Staff)~~) Denials of initial individual license applications, renewals, or applications for reinstatement;
- (2) (~~(Staff)~~) Denials of CPA-Inactive certificate renewals or applications for reinstatement;
- (3) (~~(Staff denials of practice privilege reinstatements;~~
- ~~(4) Staff))~~ Denials of initial resident nonlicensee firm owner registration applications, renewals, or applications or requests for reinstatement;
- (~~(5) Staff))~~ (4) Denials of initial firm license applications, renewals, and amendments;
- (~~(6) Staff))~~ (5) Denials of exam applications; (and
- ~~(7))~~ (6) 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) 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** (~~(thirty)~~) **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** (~~(twenty-one)~~) **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.



STATE OF WASHINGTON
Board of Accountancy
PO Box 9131 • Olympia WA 98507-9131
(360) 753-2586 • www.acb.wa.gov

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: November 04, 2021

TIME: 9:42 AM

WSR 21-23-008

Semi-Annual Rules Development Agenda
January 2022 through June 2022

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:

David Trujillo, CPA, Executive Director
PO Box 9131, Olympia, WA 98507-9131
Phone: (360) 664-9268; Email: Dave.Trujillo@acb.wa.gov

| 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 | April 2022 | May 2022 | August 2022 |
| WAC 4-30-020 | What are the authority for and the purpose of the board's rules? | April 2022 | May 2022 | August 2022 |
| WAC 4-30-028 | What rules govern the proceedings before the board? | April 2022 | May 2022 | August 2022 |
| WAC 4-30-030 | What are the requirements for communicating with the board and staff? | April 2022 | May 2022 | August 2022 |
| WAC 4-30-032 | Do I need to notify the board if I change my address? | April 2022 | May 2022 | August 2022 |
| WAC 4-30-034 | Must I respond to inquiries from the board? | April 2022 | May 2022 | August 2022 |
| WAC 4-30-036 | What enforcement activities must be reported to the board? | April 2022 | May 2022 | August 2022 |
| WAC 4-30-038 | Fees | April 2022 | May 2022 | August 2022 |
| WAC 4-30-040 | What are the requirements concerning integrity and objectivity? | April 2022 | May 2022 | August 2022 |
| WAC 4-30-042 | When is independence required? | April 2022 | May 2022 | August 2022 |

| | | | | |
|--------------|---|------------|----------|-------------|
| WAC 4-30-044 | What restrictions govern commissions, referral, and contingent fees? | April 2022 | May 2022 | August 2022 |
| WAC 4-30-046 | What are the requirements concerning competence? | April 2022 | May 2022 | August 2022 |
| WAC 4-30-048 | Compliance is required with which rules, regulations and professional standards? | April 2022 | May 2022 | August 2022 |
| WAC 4-30-050 | Records and clients confidential information. | April 2022 | May 2022 | August 2022 |
| WAC 4-30-051 | Client records. | April 2022 | May 2022 | August 2022 |
| WAC 4-30-052 | What acts are considered discreditable? | April 2022 | May 2022 | August 2022 |
| WAC 4-30-054 | What are the limitations on advertising and other forms of solicitation? | April 2022 | May 2022 | August 2022 |
| WAC 4-30-056 | What are the limitations regarding individual and firm names? | April 2022 | May 2022 | August 2022 |
| WAC 4-30-058 | Does the board authorize the use of any other titles or designations? | April 2022 | May 2022 | August 2022 |
| WAC 4-30-082 | How does a CPA-Inactive certificate holder apply for licensure? | April 2022 | May 2022 | August 2022 |
| 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? | April 2022 | May 2022 | August 2022 |
| WAC 4-30-094 | How do I renew my individual license, CPA-inactive certificate, or registration as a resident nonlicensee firm owner? | April 2022 | May 2022 | August 2022 |
| WAC 4-30-104 | How do I renew a Washington CPA-Inactive certificate and/or license granted through foreign reciprocity? | April 2022 | May 2022 | August 2022 |
| 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 | April 2022 | May 2022 | August 2022 |

| | | | | |
|--------------|---|------------|----------|-------------|
| | return to my previous April 2022 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? | April 2022 | May 2022 | August 2022 |
| WAC 4-30-124 | How do I reinstate a lapsed license, CPA-inactive certificate, or registration as a resident nonlicensee firm owner? | April 2022 | May 2022 | August 2022 |
| WAC 4-30-126 | How do I reinstate a revoked or suspended license, CPA-inactive certificate, or registration as a resident nonlicensee firm owner? | April 2022 | May 2022 | August 2022 |
| WAC 4-30-134 | Continuing professional education (CPE) requirements. | April 2022 | May 2022 | August 2022 |
| WAC 4-30-136 | Reporting continuing professional education (CPE) to the board. | April 2022 | May 2022 | August 2022 |
| WAC 4-30-142 | What are the bases for the board to impose discipline? | April 2022 | May 2022 | August 2022 |



David Trujillo, CPA
Executive Director

WASHINGTON STATE BOARD OF ACCOUNTANCY

Unapproved Draft - Minutes of an Annual Meeting of the Board – Unapproved Draft

Time and Place of Meeting 9:05 a.m. – 12:41 p.m. Friday, October 29, 2021
Microsoft Teams Meeting

Attendance Board Members
Rajib Doogar, Vice Chair, Public Member
Jacqueline Meucci, CPA, Secretary, Board Member
Mark Hugh, CPA, CPA, Board Member
Brian R. Thomas, CPA, Board Member
Kate Dixon, Public Member
Thomas P. Sawatzki, CPA, Board Member
Brooke Stegmeier, CPA, Board Member

Staff and Advisors
David Trujillo, CPA, Executive Director
Bruce Turcott, Assistant Attorney General, Board Advisor
Jennifer Sciba, Deputy Director
Taylor Shahon, CPA, Lead Investigator
Kirsten Donovan, Board Clerk
Isaac Ross, Communications Consultant

Board Member Resignations The Vice Chair announced that Board Members, Joel Cambern, Chair, Public Member, and Carol Morgan, CPA, resigned from the Board effective September 30, 2021. The Vice Chair, Executive Director, and others thanked them for their service to the Board, the public, and the CPA profession.

The Board is working with the Governor's Office to get the vacancies filled as quickly as possible.

New Board Staff Member The Executive Director reported that all Board staff was in attendance for the meeting. He introduced and welcomed new staff member, Isaac Ross, Communications Consultant, to the Board.

Public Rule-Making Hearing The Board held a public rule-making hearing from 9:14 a.m. to 9:23 a.m. The Board Vice Chair presided. The Board proposed to amend:

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

The proposed changes align the Board Rule with the National Association of State Boards of Accountancy (NASBA).

The Executive Director presented a brief statement on the rule.

The Deputy Director advised that an additional minor change not in the draft is proposed. Removing "you took the exam section and not

the date that” from section (5)(b)(iii) will change the date an exam section is considered passed from the date of the section is taken to the date the grade is released.

The Board felt that this change would help exam candidates by providing additional time and making planning for taking future exam sections easier.

The Board did not receive any written comments regarding the proposed rule changes.

No public input was received during the hearing.

Call to Order

Board Vice Chair, Rajib Doogar, called the annual meeting of the Board to order at 9:23 a.m.

Rules Review

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

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

The Board voted unanimously to adopt the rule with the minor change that does not change the general subject matter of the proposed rule.

The Board voted for an implementation date 31 days after filing.

Discussion on Potential Revision to Rule

- WAC 4-30-028 What rules govern the proceedings before the board?

The Executive Director led the discussion on the proposed changes which will clarify how the Board enforces the sanctions contained in Board Orders.

The Board felt that the updated draft was clearer than the proposed draft from the July Board meeting.

The Board directed staff to file the CR-102 as written for this proposal and schedule a public rule-making hearing in conjunction with the Board’s January meeting.

Minutes – July 30, 2021 Board Meeting

The Board approved the minutes of the July 30, 2021, Board meeting as presented.

Vice Chair's Report

Election of 2022 Officers – The Executive Director presented the following slate of officers to serve during 2022:

- Chair – Rajib Doogar, Public Member
- Vice Chair – Brooke Stegmeier, CPA
- Secretary – Jacqueline Meucci, CPA

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, 2022.

2022 Board Meeting Schedule – The Board established the following schedule for the 2022 Board meetings:

- January 28, 2022 – Virtual Meeting
- April 29, 2022 – Virtual Meeting
- July 29, 2022 – Virtual Meeting
- October 28, 2022 – Virtual Meeting

The meetings will be moved to in-person meeting locations if it becomes safe to do so.

Committee Appointments for 2022

The Board made the following committee appointments for 2022:

- Peer Review Oversight Committee (PROC)

Chair:

Jackie Meucci , CPA

Members:

Mark Hugh, CPA

Brooke Stegmeier, CPA

Non-Board Volunteers:

Robert Loe, CPA

Laura Lindal, CPA

- Request Oversight Committee (ROC)

Chair:

Tom Sawatzki, CPA

Members:

Brian Thomas, CPA

Brooke Stegmeier, CPA

- Scholarship Oversight Committee (SOC)
Chair:
Kate Dixon, Public Member
Members:
Brian Thomas, CPA
Jackie Meucci, CPA

- CPA Exam Remote Proctoring Task Force was disbanded.

NASBA Update

Colleen Conrad, CPA, Executive Vice President and Chief Operating Officer, NASBA, updated the Board on the following NASBA activities:

- COVID Update – Testing centers have reopened with a mask requirement
- Remote Testing Initiative Update – The urgency has dissipated since testing centers have reopened; pilot testing has been put on hold
- CPA Evolution Update
 - Trends in the Profession – Technology driven
 - New Exam Model – What the Exam might look like
 - Core (3 required sections): Accounting, and Audit, and Tax
 - Technology (1 section of applicant’s choice required) : Business Analysis and Reporting (BAR), or Information Systems and Controls (ISC), or Tax Compliance and Planning (TCP)
 - Meetings with Boards of Accountancy to encourage uniformity and logistics of change-over
 - January 2024 expected launch date for new Exam
 - Model curriculum for accounting programs
 - Uniform Accountancy Act Model Rule changes and State Board Rule changes
- CPA Pipeline – the number of Exam sections being taken has decreased over the past few years
- 2022 NASBA conference schedule

Tom Sawatzki asked about NASBA’s sexual harassment and discrimination policy when complaints are received from Exam candidates. Colleen explained NASBA’s Candidate Care section for Exam applicants to report issues with test centers. She advised on the investigation process and stated new controls and policies have recently been implemented.

The Executive Director thanked Colleen for taking the time to present to the Board.

**Attorney
General of
Washington
Formal Opinion**

Attorney General of Washington Formal Opinion, AGO 2021 No. 5

The Executive Director deferred to Mark Hugh to provide a summary of the opinion, as the request for opinion predates his time as the Executive Director.

Mark Hugh provided the background for the request for opinion. A complaint against a State Auditor Office employee performing his duties was dismissed by the Board. Board Policy 2020-2 was created following the dismissal, and an Attorney General formal opinion was requested.

The Attorney General formal opinion was released, which agrees with the Board's interpretation of the RCW.

Board Policy – 2020-2 Public Officials and Public Employees

The Executive Director presented a draft of the proposed changes and led the discussion on the revision. The proposed revision adds a reference to Attorney General Opinion (AGO) 2021 No. 5.

The Board voted unanimously to amend the policy with the proposed revision and three additional revisions. The additional revisions are:

- Change “may” to “does” in the phrase “the Board may not have the authority”
- Change “adopted it from” to “modeled it upon” in the phrase “it is in Washington law because the legislature adopted it from the Uniform Accountancy Act.”
- Remove the sentence, “Currently 26 states, including Washington, have adopted similar exceptions.”

**Legal Counsel's
Report**

Bruce Turcott, the Board's legal counsel, had nothing to report.

**Executive
Director's
Report**

The Executive Director referred to his written report and drew specific attention to the following items:

Recognition of Board Member

The Executive Director congratulated Brooke Stegmeier for receiving the Washington State Society of CPA's 2021 Outstanding Volunteer Leader Award. Other Board Members congratulated Brooke on her achievement.

Budget Status Report

The Executive Director noted that there are several typographical errors in the Budget Status section of his written report. Specifically, the second sentence in the second bullet should read "... This brings our fund balance to \$2,909,927 down from our 2021 fiscal year close of \$2,994,465. ..."

Non-Compliance with Laws and Regulations (NOCLAR)

- NOCLAR interpretation getting closer to being re-issued
- Staff is reviewing the Board Rules for possible revisions

Peer Review

- This program is currently administered by the Washington Society of CPAs (WSCPAs) for the Board
- The WSCPAs is researching what the program might look like if another state were to administer the program for the Board

Continuing Professional Education (CPE)

- CPE Tracker will be required for all renewals starting with the 2022 renewals
- 100% CPE compliance is the goal

Residency of Board Licensees

- Washington State Board of Accountancy Residency of Licensees chart was included in the Board meeting materials
 - As of October 2021, 60% of licensees are Washington residents, while the remaining 40% are residents of other states or countries
 - The chart indicates that the Washington CPA license is worldwide

Brian Thomas asked how the percentage of WA licensed CPAs from other countries compares to those of other states' licensees from other countries. Staff will see if that data is available through NASBA.

Executive Committee

The Board Vice Chair reported that the committee members met by Teams meeting and discussed the meeting agenda.

Peer Review Oversight Committee (PROC) Jackie Meucci presented the 2021 Quality Assurance Review (QAR) Results report.

Request Oversight Committee (ROC) Tom Sawatzki reported on the 3rd quarter 2021 approval and denials from the committee:
Approved Firm Names:

Vankat Accounting Services
Thrive CPA, PLLC
Lower Columbia CPAs & Company, PLLC
Capstone CPA
Unswerving Consulting, P.C.
Immaterial Consulting
REGAL TAX USA PLLC
Emerald City Accounting
CPA Compilation Services

Professional/Educational Organization - Recognition Requests
During the 3rd quarter 2021, the Board received no requests for recognition as an educational organization for purposes of obtaining list requests.

Scholarship Oversight Committee (SOC) Brian Thomas presented the Projected Fund Balance – Washington State Certified Public Accounting Scholarship Program – for the Year Ending September 30, 2022.

CPA Exam Remote Proctoring Task Force An update was provided earlier in the meeting by Colleen Conrad, CPA, during the NASBA report.

The task force was disbanded, as remote proctoring is on hold for now.

Enforcement Report Enforcement Reports

Taylor Shahon, CPA, Lead Investigator, presented:

- Quarterly Enforcement Report for July 1, 2021 through September 30, 2021
- Resolved Complaint Report for periods October 2020 through September 2021 and October 2019 through September 2021

Taylor reported on the following enforcement activities:

- Last quarter was quiet – Perhaps CPA communication has been better with clients, as that had been the bulk of recent complaints
- Updated complaint form which asks complainants to specify which law or rule was violated
- Board hearings have been scheduled in 2 cases with the potential of scheduling a third

**Executive
and/or Closed
Sessions with
Legal Counsel**

No executive or closed sessions with legal counsel held.

Public Input

The Board received public input from Kenneth Smith, PhD., who expressed his dissatisfaction with Attorney General Formal Opinion, AGO 2021 No. 5. He provided the Board with a written document of his public comments which is available upon request to the Board.

Adjournment

The meeting adjourned at 12:41 p.m.

Secretary

Vice Chair

Member

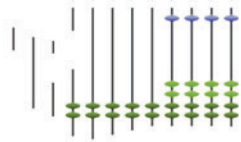
Member

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, Joel Cambern, 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:

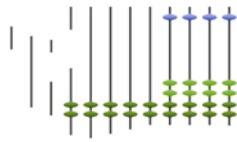
- (a) Investigate alleged violations of chapter 18.04 RCW, chapter 4-30 WAC, or chapter 34.05 RCW, to include issuing subpoenas to compel the attendance of witnesses and require the production of documents, administering oaths or affirmations to witnesses appearing before the Board, taking testimony, 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 29th day of January 2021.

A handwritten signature in black ink, appearing to read "Joel Cambern". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Joel Cambern, Public Member
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, Joel Cambern, 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 2(c) 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.

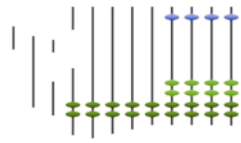
The Executive Director will report all actions taken under this delegation of authority at each quarterly Board meeting to assist the Board in evaluating whether this delegation should be rescinded or modified.

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

DATED this 29th day of January 2021.

A handwritten signature in black ink, appearing to read "Joel Cambern". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Joel Cambern, Public Member
Chair, Washington State Board of Accountancy



Board of Accountancy
WASHINGTON STATE

Delegation of Authority

Number: DA-003

Title: Quality Assurance Oversight

I, Joel Cambern, 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.

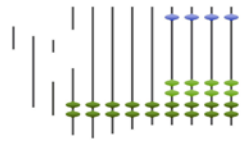
The Executive Director will report all actions taken under this delegation of authority at each quarterly Board meeting to assist the Board in evaluating whether this delegation should be rescinded or modified.

This delegation is made under the authority of RCW 18.04.045.

DATED this 29th day of January 2021.

A handwritten signature in black ink, appearing to read "Joel Cambern". The signature is fluid and cursive, with a horizontal line extending from the end of the name.

Joel Cambern, Public Member
Chair, Washington State Board of Accountancy



Board of Accountancy
WASHINGTON STATE

Delegation of Authority

Number: DA-004

Title: CR-101 Filing

I, Joel Cambern, 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 29th day of January 2021.

Joel Cambern, Public Member
Chair, Washington State Board of Accountancy

Request Review Committee Report January 2022

Tom Sawatzki, CPA, Chair

During the fourth quarter 2021, the Executive Director and a Consulting Board Member from the Request Review Committee took the following action:

Approved Firm Names:

Front Leaning Rest PLLC

NW Unger CPA PLLC

ALISA NA CPAS & ADVISORS

CAPSTONE CERTIFIED PUBLIC ACCOUNTANTS LLC

Hayes McColloch & Vickerman CPA Group PLLC

Professional/Educational Organization – Recognition Requests

The Board received one request for recognition as an educational organization or professional association for purposes of obtaining list requests.

Approved:

Blue Mountain Community Foundation