

# 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 that the grade is released.

The Board felt that this change would help exam candidates by providing additional time and make 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.



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Vice Chair

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