

STATE OF TENNESSEE  
DEPARTMENT OF COMMERCE AND INSURANCE  
TENNESSEE BOARD OF ACCOUNTANCY  
500 James Robertson Parkway  
Davy Crockett Tower  
Nashville, TN 37243-1141  
615-741-2550 or 888-453-6150

Program Website: <https://www.tn.gov/commerce/section/accountancy>

A meeting of the Tennessee State Board of Accountancy was held on Tuesday, July 30, 2019 at Davy Crockett Tower, 500 James Robertson Parkway in Conference Room 1A

**MEMBERS PRESENT**

Stephen Eldridge, Vice-Chair  
Gay Moon, Secretary  
Andy Bonner  
Janet Booker-Davis  
Pamela Church  
Larry Elmore  
Greg Gilbert  
Kevin Monroe  
Todd Skelton  
Trey Watkins  
Judy Wetherbee

**LEGAL COUNSEL**

Maria Bush, Assistant General Counsel, Regulatory Boards  
Stuart Huffman, Assistant General Counsel, Regulatory Boards

**STAFF**

Wendy Garvin, Executive Director  
Shari Waugh, Investigator  
Karen Condon, Board Staff

**OTHERS PRESENT**

Kara Fitzgerald, CPA (TSCPA)

**CALL TO ORDER – Stephen Eldridge, Vice-Chair**

The meeting was called to order at 8:31am.

**Public Disclaimer and Roll-call**

- The meeting was properly noticed and copies of the agendas were posted to the Board’s website on July 22, 2019.
- Members made their presence known by roll call and a quorum was established.

**Introductions and Announcements**

- Mr. Eldridge introduced two new members of the Board, Greg Gilbert and Todd Skelton. Mr. Gilbert represents East Tennessee and Mr. Skelton serves as the Attorney Member.
- Kevin Monroe and Pam Church have been reappointed to the Board for three-year terms.
- The hearing scheduled for today’s meeting has been continued to the October, 2019 meeting.
- Members were reminded to speak into the microphones to ensure proper recording.

**Review and Adopt Agenda**

No additions or deletions to the agenda were offered.

**Motion** and second to adopt the agenda as presented. Motion unanimously passed.

## APPROVAL OF MEETING MINUTES

### July 7, 2019 Regular Meeting

**Motion** and second to approve the minutes as presented. Motion unanimously passed.

## EXECUTIVE DIRECTOR'S REPORT – Wendy Garvin, Executive Director

Director Garvin presented the report (attached).

In addition to the items on the report, discussion included:

- Mr. Bonner has been nominated to again serve on the NASBA Board of Directors for the Eastern Region.
- The possibility of opening complaints against those CPAs who claimed CPE compliance at renewal, but were found to have earned little or no CPE
- Staff anticipates opening complaints against those who did not respond to the Board's CPE audit request.
- Whether the number of CPA candidates sitting for the exam is tracked over time
- A vast increase in the number of exam candidates choosing not to report gender during application
- A clarification of retired and Inactive status as related to renewal fees.

**Motion** and second to approve the Executive Director's Report as presented, including the proposed meeting date of October 20, 2020. Motion unanimously passed.

## HEARING

The scheduled hearing has been continued to the October 2019 meeting.

## NASBA UPDATES

Members informed the Board of recent activities within NASBA Boards and Committees.

NASBA Board of Directors | Mr. Bonner

Audit Committee | Mr. Elmore

Computer-Based Testing (CBT) Administration Committee | Dr. Church

Examination Review Board | Ms. Booker-Davis

Finance and Administration Committee | Ms. Wetherbee

## BOARD COMMITTEE REPORTS

### Licensing – Larry Elmore

#### Consider Leaving Notary on Certain Paper Applications

The Department of Commerce and Insurance has requested removal of notary requirement on paper applications. Online applications (98% of those submitted) require an attestation. Staff requests to continue to require notary for surrender and inactive applications, as an erroneous or fraudulent submission could result in significant CPE requirements for the licensee.

**Motion** and second to approve the continuation of a notary requirement on these two paper forms and to explore options for online verification. Motion unanimously passed.

### Consider Excel Course to Meet Accounting Requirement

Staff has asked if the MTSU course *Information Technology for Accounting* would be approved to meet the accounting education requirement. The Committee determined that the course is designed to allow students to use Excel to further their understanding and means of achieving accounting expertise, and recommended approval of the request.

**Motion** and second to accept the Committee's recommendation to approve the course as meeting the accounting education requirement. Motion unanimously passed.

### Enforcement – Kevin Monroe

The Committee reviewed the legal report (attached), in which cases are divided into two sections. The Consent Agenda lists those cases in which no discipline is recommended (closure with no action, Letter of Warning, etc.). The Proposed Discipline section lists those cases in which discipline is recommended.

There were no modifications to the Consent Agenda, comprised of cases 1-10 of the legal report, with respect to the recommendations. One Board member will be recused from voting in case #3.

**Motion** and second to approve the recommendations for cases 1-2 and 4-10 of the Consent Agenda. Motion unanimously passed.

Mr. Monroe noted a correction to one case number identified in the original report.

The Committee amended the recommended discipline or requirements in four cases (11, 12, 14, and 16) of the Proposed Discipline section of the report.

**Motion** and second to approve the recommendations for cases 11-15 of as revised by the Committee. Motion unanimously passed.

The Board discussed the reinstatement process for those required to appear before the Board, and whether the applicant may apply before a suspension end date, presenting an application on a conditional basis for review at a subsequent meeting.

**Motion** and second to approve the recommendation for case 16 as revised by the Committee. Motion unanimously passed.

**Motion** and second to approve the recommendation for case 3 of the Consent Agenda. Motion unanimously passed with Ms. Booker-Davis recused.

### Law and Rules – Gay Moon

#### Update on Pending CPE Rule and Continuous Testing Rule

Ms. Moon reported that the new CPE Rules, including Nano learning and clarification of classification of CPE fields of study, will be in effect on September 4, 2019. The continuous testing rule has been approved internally and is now under review by the Attorney General's office and will then go on to the Governor's office.

### **CPE for Instructors**

Martin Satinsky, CPA, addressed the Committee with his request to allow instructors to receive additional CPE credit to exceed the current 50% maximum. The Committee heard comments from Mr. Satinsky and learned information regarding the requirements of other boards.

**Motion** and second to accept the Committee’s recommendation to make no change to existing rules regarding CPE earned by instructors. Motion unanimously passed.

### **Executive – Stephen Eldridge**

The committee reviewed the FY19 YTD Financial Results and the proposed changes to the FY20 travel budget.

**Motion** and second to accept the FY19 YTD Financial Results as presented. Motion unanimously passed.

**Motion** and second to approve the proposed travel budget amendment as presented. Motion unanimously passed.

## **LEGISLATIVE UPDATE – Maria Bush**

Ms. Bush reported that the Professional Privilege Tax has been repealed effective May 31, 2020.

## **OLD BUSINESS**

No old business was reported.

## **NEW BUSINESS**

### **Officer Elections**

#### *Chair*

Mr. Watkins nominated Mr. Eldridge for the position of Chair.

Mr. Bonner nominated Mr. Monroe for the position of Chair.

**Motion** and second to close nominations for the position of Chair. Motion unanimously passed.

Members were asked to cast votes for the position of Chair by roll call vote. Mr. Monroe was elected by majority vote as follows:

Janet Booker-Davis	Mr. Eldridge	Gay Moon	Mr. Eldridge
Andy Bonner	Mr. Monroe	Greg Gilbert	Mr. Monroe
Pam Church	Mr. Eldridge	Todd Skelton	Mr. Monroe
Larry Elmore	Mr. Monroe	Trey Watkins	Mr. Eldridge
Kevin Monroe	Mr. Monroe	Judy Wetherbee	Mr. Monroe
Stephen Eldridge	Mr. Eldridge		

#### *Vice-Chair*

Ms. Wetherbee nominated Mr. Eldridge for the position of Vice-Chair.

Mr. Eldridge nominated Ms. Moon for the position of Vice-Chair.

**Motion** and second to close nominations for the position of Vice-Chair. Motion unanimously passed.

Ms. Moon indicated that she did not wish to serve in that role.

Members were asked to cast votes for the position of Vice-Chair by roll call vote. Mr. Eldridge was elected by unanimous vote as follows:

Janet Booker-Davis	Mr. Eldridge	Gay Moon	Mr. Eldridge
Andy Bonner	Mr. Eldridge	Greg Gilbert	Mr. Eldridge
Pam Church	Mr. Eldridge	Todd Skelton	Mr. Eldridge
Larry Elmore	Mr. Eldridge	Trey Watkins	Mr. Eldridge
Kevin Eldridge	Mr. Eldridge	Judy Wetherbee	Mr. Eldridge
Stephen Eldridge	Mr. Eldridge		

### *Secretary*

Mr. Eldridge nominated Ms. Moon for the position of Secretary with a second by Mr. Bonner.

Motion and second to close nominations for the position of Secretary. Motion unanimously passed.

Members unanimously elected Ms. Moon for the position of Secretary by voice vote.

### **Formation of Board Committees**

Director Garvin will work with Mr. Monroe over the course of the next month to assign each member to one or more Committees. Members are asked to inform Ms. Garvin of any preferences they may have. Committee assignments will be announced at the October meeting.

Mr. Monroe, as Chair, will attend the Sunset hearings in August. Ms. Garvin will reach out to other members if Mr. Monroe is unable to attend.

## **ADJOURN**

Motion and second to adjourn the meeting at 9:56am. Motion unanimously passed.



Chair



Secretary