



STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
TENNESSEE STATE BOARD OF ACCOUNTANCY
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Program Website: <https://www.tn.gov/commerce/section/accountancy>

A meeting of the Tennessee State Board of Accountancy was held on Tuesday, July 28, 2020 via WebEx

MEMBERS PRESENT

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

LEGAL COUNSEL

Maria Bush, Assistant General Counsel, Regulatory Boards
Stuart Huffman, Assistant General Counsel, Regulatory Boards
Chris Russel, Legal Division staff

STAFF

Toby Compton, Assistant Commissioner, Regulatory Boards
Wendy Garvin, Executive Director
Shari Waugh, Investigator
Karen Condon, Board Staff
Dustin Barati, Regulatory Boards staff

OTHERS PRESENT

Kara Fitzgerald, TSCPA
Brad Floyd, TSCPA

CALL TO ORDER

Chairman Monroe called the meeting to order at 8:30am.

PUBLIC DISCLAIMER AND ROLL-CALL

Members confirmed their presence via roll call and a quorum was established. Mr. Monroe noted that Mr. Skelton would be joining the meeting late.

STATEMENT OF NECESSITY (T.C.A § 8-44-102) – Maria Bush, Legal Counsel

Ms. Bush read the statement into the record, confirming the necessity for a remote meeting.

ANNOUNCEMENTS

Mr. Monroe expressed his appreciation for Mr. Watkin's continued service pending the announcement of his position being filled. The Board appreciates his service to the profession.

REVIEW AND ADOPT AGENDA

Motion and second to approve the meeting agenda. Motion unanimously passed by roll call vote.

APPROVAL OF MEETING MINUTES

May 5, 2020 Regular Meeting

Motion and second to approve the minutes as presented. Motion unanimously passed by roll call vote.

EXECUTIVE DIRECTOR'S REPORT – Wendy Garvin, Executive Director

Ms. Garvin presented the report (attached).

Motion and second to approve the future meeting date Tuesday, October 19, 2021. Motion unanimously passed by roll call vote.

HEARING RESOLUTION – Maria Bush, Legal Counsel

The hearing scheduled for today's meeting was previously resolved through mediation. This process includes a judge and both parties meeting in a confidential matter. The judge provides an unbiased opinion as to how the hearing would be likely to proceed. The respondent signed the consent order and the matter is now closed.

REINSTATEMENT APPLICATION EVALUATION – REVOKED LICENSE/PERMIT

Bhupinder Sood – Wendy Garvin, Executive Director, Maria Bush, Legal Counsel

Mr. Sood's applications were presented to the Board, requesting consideration at the October meeting. The Board is asked only to decide if the applications are complete.

At this point, Toby Compton, Assistant Commissioner, Regulatory Boards addressed the Board to thank them for their service to the state. After a few comments, Mr. Compton left the meeting.

The presentation of Mr. Sood's applications resumed. Mr. Sood's CPA license and firm permit were revoked in May 2013 in accordance with a consent order following a felony conviction for concealing assets during personal bankruptcy proceedings. Mr. Sood has now been discharged from probation and is applying to reinstate the license and permit. Staff have reviewed the applications. They appear complete, and all fees and consent order items have been satisfied. Ms. Garvin asked for the Board's approval to present the applications for consideration in October.

Motion and second to approve the acceptance of the reinstatement applications pending signature on page 2 of the individual application, and to invite Mr. Sood to appear at October meeting. Motion unanimously passed by roll call vote.

NASBA UPDATES

Members provided reports from their service on NASBA Boards and Committees.

NASBA Board of Directors - J. Andy Bonner

Examination Review Board - Janet Booker-Davis

CBT (Computer-Based Test) Examination Administration Committee - Pamela Church

Audit Committee - Larry Elmore and Judy Wetherbee

BOARD COMMITTEE REPORTS

Licensing – Gay Moon

MTSU course ACTG 6350: Accounting Analytics - consider for Accounting Credit

Motion and second to approve the course to qualify for upper division accounting credit. Motion unanimously passed by roll call vote.

Washington and Lee University, Biostatistics Course - *BIOL 301* – consider for Business Credit

Motion and second to approve the course to qualify for general business credit. Motion unanimously passed by roll call vote.

Credit Extension—Jiaqi Zhou

Motion and second to extend the BEC and FAR sections of the CPA exam to 12/31/2021 due to pandemic travel restrictions from China. Motion unanimously passed by roll call vote.

Exam Extension—Robert Beckett

Motion and second to grant an extension of the ten-year CPA exam expiration rule, allowing Mr. Beckett's academic education to be compliant with current requirements, and requiring the completion of 80 hours of technical CPE (including two hours of Board-approved state ethics). The application and CPE must be submitted within six months of the Board's decision, and technical CPE previously earned in the last two-year period will be accepted.

Mr. Beckett passed the CPA exam in 2009 and was unable to obtain the necessary experience to obtain a license. Mr. Skelton joined the meeting during discussion of this item and abstained from the vote.

Motion passed by roll call vote as follows:

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

Enforcement – Andy Bonner

Legal Report

The Committee had reviewed recommendations for items on the legal report and revised item 5 of the Consent Agenda, and item 12 of the Proposed Discipline section.

Motion and second to accept the recommendations on the legal report as revised by the Committee. Motion unanimously passed by roll call vote.

Case and compliant report

Mr. Bonner presented an overview of open complaints.

Law and Rules – Janet Booker-Davis

Proposed Revisions to UAA Model Rules

Ms. Garvin presented to the Committee an overview of the proposed changes to the Uniform Accountancy Act (UAA) Model Rules. The changes, which are relevant to the CPA Evolution Initiative's charge, pertain to the educational requirements for individuals wishing to enter the CPA profession and are aligned to encourage uniformity among the 55 U.S. jurisdictions. The proposed revisions will not change the 150-hour education requirement or Tennessee's requirements for licensure. The Board was invited to provide comments and the Committee concluded that no comments were necessary.

Consider adding State Ethics Course to Reinstatement/Reactivation Requirements

Motion and second to require the Board-approved state ethics course for reinstatement or reactivation of a CPA license. Motion unanimously passed by roll call vote.

Staff and legal counsel will draft rule language for the board to review at the next meeting

Executive – Kevin Monroe

FY20 YTD Financial Results

The Executive Committee reviewed financial data provided by Ms. Garvin.

Mutual Recognition Agreement (MRA) – South African Institute of Chartered Accountants

Motion and second to approve the Mutual Recognition Agreement. Motion unanimously passed by roll call vote.

CPE Audit – Preliminary Results

Mr. Monroe presented an overview of the progress of the 2020 CPE audit.

LEGISLATIVE UPDATE – Maria Bush, Legal Counsel

Ms. Bush reported no legislative updates at present but expected to have updates at the next meeting.

OLD/NEW BUSINESS

Election of Officers

Each July the Board is organized through the election of officers. Members were invited to submit nominations for the positions of Chair, Vice-Chair, and Secretary to Ms. Garvin.

Ms. Garvin reported that most members expressed willingness to serve in any role needed. She also highlighted that many board members were also contributing by serving on NASBA's Board of Directors and various committees.

Mr. Watkins suggested the reappointment of the current slate of officers, due to the possibility of new members being appointed by the next scheduled meeting. Following discussion, it was determined that the Board would proceed with elections and address any changes in Board composition as necessary at the October meeting.

Motion and second to nominate Kevin Monroe as Chair. Motion unanimously passed by roll call vote.

Motion and second to nominate Andy Bonner as Vice-Chair. Motion unanimously passed by roll call vote.

Motion and second to nominate Larry Elmore as Secretary. Motion unanimously passed by roll call vote.

Formation of Committees

Members were invited to indicate preference for committee assignments and to suggest committee chairs via contact with Ms. Garvin. Committee assignments will be reviewed for approval at the October meeting.

Other

Mr. Bonner referenced comments at NASBA regional meetings regarding the CPA Evolution progress and suggested that the Board share information with and invite comments from educators.

Motion and second to request the Executive Director to work with TSCPA, NASBA and AICPA to invite educators from across the state to attend a virtual meeting to address proposed changes in education requirements and how those changes will impact Tennessee CPA Exam candidates. Motion unanimously passed by roll call vote.

Mr. Watkins suggested that the Board staff research to determine if there is a way to allow CPE credit for those who attend committee meetings remotely or in person. Mr. Monroe felt that it is worth pursuing a mechanism whereby attendees could earn credits through virtual and in-person meetings.

ADJOURN

The meeting was adjourned at 11:08 am.



Chair



Secretary