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COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF STATE
BUREAU OF PROFESSIONAL AND OCCUPATIONAL AFFAIRS

F I N A L M I N U T E S

MEETING OF:

STATE BOARD OF ACCOUNTANCY

TIME: 10:34 A.M.

Held at

PENNSYLVANIA DEPARTMENT OF STATE

2525 North 7th Street

CoPA HUB, Eaton Conference Room

Harrisburg, Pennsylvania 17110

as well as

VIA MICROSOFT TEAMS

November 19, 2024

State Board of Accountancy
November 19, 2024

BOARD MEMBERS:

Michael D. Ocker, CPA, Chair - Absent
 Arion R. Claggett, Acting Commissioner, Bureau of
 Professional and Occupational Affairs
 Keri A. Ellis, CPA
 Monique M. Ericson, CPA, Office of Attorney General
 Michael Gaizick, CPA
 John J. Grater, CPA
 Benjamin Holland, CPA, Vice Chair
 Chandra "Dolly" M. Lalvani, CPA - Absent
 Charles A. O'Brien, CPA
 John Petchel, Public Member
 Sheri L. Risler, CPA

BUREAU PERSONNEL:

Ronald K. Rouse, Esquire, Board Counsel
 Michael Merten, Esquire, Board Counsel
 Ashley P. Murphy, Esquire, Board Prosecution Liaison
 Timothy A. Fritsch, Esquire, Board Prosecutor
 Miranda Murphy, Board Administrator
 Marc Farrell, Esquire, Regulatory Counsel,
 Office of Chief Counsel, Department of State
 Amanda Richards, Fiscal Supervisor, Bureau of Finance
 and Procurement, Department of State
 Tamie Laudenslager, Fiscal Management Specialist,
 Bureau of Finance and Procurement, Department of
 State
 Jennifer Jumper, Fiscal Management Specialist 2,
 Bureau of Finance and Procurement, Department of
 State
 Ivan Garcia, Legal Extern

ALSO PRESENT:

Jennifer Cryder, CPA, MBA, Chief Executive Officer,
 Pennsylvania Institute of Certified Public
 Accountants
 Amanda Slezak, Esquire, Kane, Pugh, Knoell, Troy &
 Kramer LLP
 Mark Koscinski, Assistant Professor of Accounting
 Practice, Moravian University

State Board of Accountancy
November 19, 2024

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ALSO PRESENT: (cont.)

Peter Calcara, Member, Government Relations
Section Council, American Society of Association
Executives

Thomas Ostrowski, CPA, Pennsylvania Society of Tax
& Accounting Professionals

Erin Badstuebner, Sargent's Court Reporting Service,
Inc.

1 ***

2 State Board of Accountancy

3 November 19, 2024

4 ***

5 [Pursuant to Section 708(a)(5) of the Sunshine Act,
6 at 9:00 a.m. the Board entered into Executive Session
7 with Ronald K. Rouse, Esquire, Board Counsel, to have
8 attorney-client consultations and for the purpose of
9 conducting quasi-judicial deliberations. The Board
10 returned to open session at 10:30 a.m.]

11 ***

12 [Ronald K. Rouse, Esquire, Board Counsel, informed
13 everyone the meeting of the State Board of
14 Accountancy was being held in a hybrid format, both
15 in-person and by livestream teleconference, pursuant
16 to Act 100 of 2021, which requires boards to use a
17 virtual platform to conduct business when a public
18 meeting is held. He noted the meeting was being
19 recorded and voluntary participation constituted
20 consent to be recorded.

21 Mr. Rouse also noted the Board entered into
22 Executive Session with Board Counsel to have
23 attorney-client consultations and for the purpose of
24 conducting quasi-judicial deliberations.]

25 ***

1 ACTING CHAIR RISLER:

2 Any discussion? Roll call, please.

3

4 Claggett, aye; Ellis, aye; Ericson, aye;
5 Gaizick, abstain; Grater, aye; Holland,
6 aye; O'Brien, aye; Petchel, aye; Risler,
7 aye.

8 [The motion carried. Michael Gaizick abstained from
9 voting on the motion.]

10 ***

11 Report of Prosecutorial Division

12 [Ashley P. Murphy, Esquire, Board Prosecution
13 Liaison, presented the Consent Agreement for Case No.
14 24-55-000152.]

15 ***

16 MR. ROUSE:

17 Regarding the Consent Agreement at item 2
18 on the agenda, Case No. 24-55-000152, after
19 discussion in Executive Session, I believe
20 the Chair would entertain a motion to adopt
21 the Consent Agreement.

22 ACTING CHAIR RISLER:

23 Is there a motion to adopt the Consent
24 Agreement at item 2 on the agenda, Case No.
25 24-55-000152?

1 MS. ELLIS:

2 So moved.

3 MR. HOLLAND:

4 Second.

5 ACTING CHAIR RISLER:

6 Any discussion? Roll call, please.

7

8 Claggett, aye; Ellis, aye; Ericson, aye;

9 Gaizick, abstain; Grater, aye; Holland,

10 aye; O'Brien, aye; Petchel, aye; Risler,

11 aye.

12 [The motion carried. Michael Gaizick abstained from

13 voting on the motion. That is the Matter of BPOA v.

14 Patrick J. Walsh, Case No. 24-55-000152.]

15

16 [Timothy A. Fritsch, Esquire, Board Prosecutor,

17 presented the Consent Agreement for Case No. 23-55-

18 015591.]

19 MR. ROUSE:

20 Regarding the Consent Agreement at item 3

21 on the agenda, Case No. 23-55-015591, after

22 discussion in Executive Session, I believe

23 the Chair would entertain a motion to adopt

24 the Consent Agreement.

25 ACTING CHAIR RISLER:

1 Is there a motion to adopt the Consent
2 Agreement at item 3 on the agenda, Case No.
3 23-55-015591?

4 MS. ELLIS:

5 So moved.

6 ACTING CHAIR RISLER:

7 Second?

8 MR. HOLLAND:

9 Second.

10 ACTING CHAIR RISLER:

11 Any discussion? Roll call, please.

12

13 Claggett, aye; Ellis, aye; Ericson, aye;
14 Gaizick, abstain; Grater, aye; Holland,
15 aye; O'Brien, aye; Petchel, aye; Risler,
16 aye.

17 [The motion carried. Michael Gaizick abstained from
18 voting on the motion. That is the Matter of BPOA v.
19 Kenneth W. Fry, Case No. 23-55-015591.]

20

21 [Timothy A. Fritsch, Esquire, Board Prosecutor,
22 presented the Consent Agreement for Case No. 23-55-
23 018522.]

24 MR. ROUSE:

25 Regarding the Consent Agreement at item 4

1 on the agenda, Case No. 23-55-018522, after
2 discussion in Executive Session, I believe
3 the Chair would entertain a motion to adopt
4 the Consent Agreement.

5 ACTING CHAIR RISLER:

6 Is there a motion to adopt the Consent
7 Agreement at item 4 on the agenda, Case No.
8 23-55-018522?

9 MS. ELLIS:

10 So moved.

11 MR. HOLLAND:

12 Second.

13 ACTING CHAIR RISLER:

14 Any discussion? Roll call, please.

15

16 Claggett, aye; Ellis, aye; Ericson, aye;
17 Gaizick, abstain; Grater, aye; Holland,
18 aye; O'Brien, aye; Petchel, aye; Risler,
19 aye.

20 [The motion carried. Michael Gaizick abstained from
21 voting on the motion. That is the Matter of BPOA v.
22 EM Salfi PC, Case No. 23-55-018522.]

23

24 [Ronald K. Rouse, Esquire, Board Counsel, introduced
25 new Board members, Dolly Lalvani (absent), and

1 Michael Gaizick.

2 Mr. Gaizick provided a summary of his
3 professional background.]

4 ***

5 Report of Board Counsel - Motions to Deem Facts
6 Admitted and Enter Default

7 MR. ROUSE:

8 Item 5 on the agenda is a Motion to Deem
9 Facts Admitted and Enter Default in the
10 Matter of BPOA V. Howard Charles Lapensohn,
11 Case Nos. 22-55-002511, 23-55-002189, 23-
12 55-003899, 23-55-010637, & 24-55-000538.

13 After discussion in Executive Session,
14 I believe the Chair would entertain a
15 motion to deny the Motion to Deem Facts
16 Admitted.

17 ACTING CHAIR RISLER:

18 In the Matter of BPOA V. Howard Charles
19 Lapensohn, Case Nos. 22-55-002511, 23-55-
20 002189, 23-55-003899, 23-55-010637, & 24-
21 55-000538 at item 5 on the agenda, is there
22 a motion to deny the Motion to Deem Facts
23 Admitted?

24 MS. ELLIS:

25 So moved.

1 MR. HOLLAND:

2 Second.

3 ACTING CHAIR RISLER:

4 Any discussion? Roll call, please.

5

6 Claggett, aye; Ellis, aye; Ericson, aye;

7 Gaizick, abstain; Grater, aye; Holland,

8 aye; O'Brien, aye; Petchel, aye; Risler,

9 aye.

10 [The motion carried. Michael Gaizick abstained from
11 voting on the motion.]

12

13 MR. ROUSE:

14 Item 6 on the agenda is a Motion to Deem
15 Facts Admitted and Enter Default in the
16 Matter of BPOA V. Emmanuel Moses, Case No.
17 22-55-0015528.

18 I believe the Chair would entertain a
19 motion to grant the Motion to Deem Facts
20 Admitted and to direct Board Counsel to
21 prepare the Adjudication and Order in
22 accordance with the discussions in
23 Executive Session.

24 ACTING CHAIR RISLER:

25 In the Matter of BPOA V. Emmanuel Moses,

1 Case No. 22-55-014428 at item 6 on the
2 agenda, is there a motion to grant the
3 Motion to Deem Facts Admitted and to direct
4 Board Counsel to prepare the Adjudication
5 and Order in accordance with the discussion
6 in Executive Session?

7 MS. ELLIS:

8 So moved.

9 MR. HOLLAND:

10 Second.

11 ACTING CHAIR RISLER:

12 Any discussion? Roll call, please.

13

14 Claggett, aye; Ellis, aye; Ericson, aye;
15 Gaizick, abstain; Grater, nay; Holland,
16 aye; O'Brien, nay; Petchel, aye; Risler,
17 aye.

18 [The motion carried. Michael Gaizick abstained from
19 voting on the motion. John Grater and Charles
20 O'Brien opposed the motion.]

21

22 Report of Board Counsel - Final Adjudications and
23 Orders

24 MR. ROUSE:

25 Item 7 on the agenda is BPOA v. Michael R.

1 Bull, Case No. 23-55-002633. Item 8 in the
2 Matter of the Petition for Reinstatement of
3 Certified Public Accountant License of John
4 M. Swirsding, Case No. 23-55-015071.

5 Those matters are not ready yet, so I
6 believe they will be tabled for today.

7 ***

8 Report of Board Counsel - Citation Appeal

9 MR. ROUSE:

10 Item 9 on the agenda is a Citation Appeal
11 in the matter of the Citation issued to
12 Jeffrey Alan Meyer, Case No. 23-55-018817.

13 Regarding item 9, after discussion in
14 Executive Session, I believe the Chair
15 would entertain a motion to direct Board
16 Counsel to prepare the Board's Final Order
17 in accordance with the discussions in
18 Executive Session.

19 ACTING CHAIR RISLER:

20 Regarding the Citation Appeal of Jeffrey
21 Alan Meyer, Case No. 23-55-018817, at item
22 9 on the agenda, is there a motion to
23 direct Board Counsel to prepare the Board's
24 Final Order in accordance with the
25 discussions in Executive Session?

1 MS. ELLIS:

2 So moved.

3 MR. HOLLAND:

4 Second.

5 ACTING CHAIR RISLER:

6 Any discussion? Roll call, please.

7

8 Claggett, aye; Ellis, aye; Ericson, aye;

9 Gaizick, abstain; Grater, aye; Holland,

10 aye; O'Brien, aye; Petchel, aye; Risler,

11 aye.

12 [The motion carried. Michael Gaizick abstained from
13 voting on the motion.]

14 ***

15 Report of Board Counsel - Regulations

16 [Marc Farrell, Esquire, Regulatory Counsel, Office of
17 Chief Counsel, Department of State, referred to the
18 Regulatory Status Report, noting the Board continues
19 to have two open regulations, including Act 41
20 licensure by endorsement at 16A-5517 and the general
21 revisions package at 16A-5519.

22 Mr. Farrell stated the general revisions package
23 remains the one of most urgent priority and continues
24 to work on that with the goal of having it published
25 as final sometime in 2025. He noted having a

1 discussion with Board Counsel regarding measures that
2 they may take or consider as far as recognizing
3 credit.

4 Mr. Rouse noted prior Board discussion
5 concerning § 11.16(c) and allowing the Board to extend
6 credits for matters that are beyond the applicant's
7 control.

8 Mr. Holland thanked Mr. Farrell for all of his
9 hard work and asked whether there was any way to
10 expedite this process to help keep Pennsylvania
11 competitive. He noted it seems that every contiguous
12 state to Pennsylvania has the 30-day window, and they
13 may be one of the last states in the nation to
14 approve this. He mentioned there are situations like
15 this where it can get to the Independent Regulatory
16 Review Commission (IRRC) more quickly.

17 Mr. Holland commented that the Board acted on
18 this in 2023 and will not take effect until 2025. He
19 noted they have to work within their existing
20 regulations to grant candidates the 30-month time
21 frame.

22 Mr. Farrell stated the department has about 110
23 pending regulatory packages for all 29 boards of
24 commissions. He noted hiring two additional
25 regulatory counsel to only work on regulation in

1 2023. He reported that they are making progress on
2 the pile that existed, noting this regulation is
3 at the top of the priority list.

4 Acting Chair Risler thanked Mr. Farrell for his
5 honest answer and Mr. Holland for asking the question
6 that the Board has been asking for quite some time
7 and putting it on the record.

8 Mr. Holland mentioned the importance of making
9 Pennsylvania more competitive and keeping their
10 pipeline active.]

11 ***

12 Appointment - Bureau of Finance and Procurement

13 Annual Budget Presentation

14 [Tamie Laudenslager, Fiscal Management Specialist,
15 Bureau of Finance and Procurement, Department of
16 State, presented the Annual Financial Report. She
17 referred to the licensee population over the
18 last seven years. She noted the first biennial
19 review showed a total of 29,506 licensees and 28,583
20 in the current biennial review, showing a decrease of
21 923 licensees.

22 Ms. Laudenslager addressed the breakdown of
23 licensee class. She noted the Board's renewal period
24 is in December of odd years, and 2009 was the last
25 time the Board had a fee increase. She reported no

1 changes in the out years as far as renewal fees.

2 Ms. Laudenslager discussed revenue on a biennial
3 basis and noted the bulk of revenue comes from
4 renewals and applications at 95.5% of revenue. She
5 also noted the Board receives revenue from other
6 categories but is not a consistent form of revenue.
7 She noted the total biennial revenue for this period.

8 Ms. Laudenslager noted expenses can hit the Board
9 through timesheet-based charges, direct charges, and
10 licensee population. She also noted expenses are
11 calculated on a biennial period and reported on the
12 estimated costs in the prior biennial period and in
13 the current biennial period.

14 Ms. Laudenslager stated the increase in expenses
15 for this period is due to a new information
16 technology (IT) system for the legal department, the
17 move from Penn Center to Thea Drive, and the
18 Pennsylvania Licensing System (PALS) modernization.

19 Ms. Laudenslager addressed expenses and revenue,
20 noting the Board's beginning balance, revenue with
21 expenses, and the biennial balance.

22 Ms. Laudenslager stated expenditures are
23 exceeding revenue with the current budget and
24 recommended a fee increase.

25 Acting Chair Risler asked whether the figure is

1 truly restrictive or available funds that could be
2 used in the future, so the Board may not have to
3 increase fees. She commented that the Board has
4 significant funds available that they have not been
5 able to use and should not decide on increasing fees
6 just so revenue exceeds expenses.

7 Ms. Richards addressed how the move to Thea Drive
8 and computer upgrades affected the budget. She
9 explained that there are one-time costs associated,
10 but there will be maintenance costs throughout the
11 life of the system that are figured in.

12 Ms. Richards referred to the move to Thea Drive,
13 where the rent increase was picked up by all of the
14 boards going forward and not just a one-time actual
15 cost for that move. She reported more fees will also
16 be associated with the maintenance of the new legal
17 system for the legal IT system.

18 Ms. Richards referred to the availability of the
19 amount, noting it is available to the Board and is
20 put back into the restricted account to use at a
21 later time. She explained that expenses exceeding
22 the revenue is depleting that available balance,
23 where there will be nothing available at some point
24 if they do not increase fees.

25 Ms. Richards informed Board members that BFP

1 looks at application costs first and then renewal
2 fees when considering a fee increase if increasing
3 application fees does not cover the deficit.

4 Acting Chair Risler commented that new candidates
5 who do not necessarily work for a large firm have to
6 pay those application fees themselves and suggested
7 increasing renewal fees but also waiting until after
8 next year's results come in and then reevaluate it
9 again.

10 Ms. Richards explained that a regulatory package
11 takes over two years to get through the process and
12 recommended starting the process now because the fee
13 increase would not start until 2027 or 2029.

14 Mr. Petchel asked whether the Board is making any
15 kind of returns on the restricted funds?

16 Ms. Richards explained that there is no return on
17 the restricted funds.

18 Mr. Rouse believed there is a statutory
19 requirement that when expenses exceed revenues over a
20 two-year period that the fees must be increased by
21 regulation. He explained that BFP provides
22 projections of what it would look like if the Board
23 increased only the application fees and what it would
24 look like if the Board increased application and
25 biennial renewal fees.

1 Mr. Rouse explained that BFP works with the Board
2 administrator because the numbers may suggest that
3 not all license categories may require a fee increase
4 or not all applications will require a fee increase
5 depending on how much it costs to process an
6 application.

7 Ms. Laudenslager offered to provide different
8 scenarios of the fee increases in the spring and any
9 alternatives, including incremental increases over a
10 period of time.

11 Mr. Petchel commented that a better understanding
12 of what the available restricted funds may be used
13 for would help in the assessment and whether the \$6
14 million is the correct level for the Board.

15 Mr. Holland mentioned that as long as the funds
16 remain restricted internally, committed or assigned
17 for the Board of Accountancy, he agreed with Acting
18 Chair Risler to just continue to monitor this.

19 Acting Chair Risler noted it would be beneficial
20 to get that analysis in April because they are
21 showing two years of deficits, and it would not go
22 into effect for two years. She noted the importance
23 of being proactive and knowing how the money could be
24 used and whether it is enough or too much.

25 Ms. Laudenslager offered to provide the

1 information when they present the proposed fee
2 package in the spring.

3 Ms. Richards asked whether there are restrictions
4 on the use of the funds.

5 Mr. Rouse noted that he would have to check the
6 CPA-Law and offered to get back to her.

7

8 Ms. Richards stated it is used for the Board if
9 they are traveling or have legal costs that would be
10 associated with the Board, along with Board
11 administrative costs. She noted funding is not
12 allowed.]

13

14 Report of Board Chair

15 [Sheri L. Risler, CPA, Acting Chair, encouraged Board
16 members to review the requirements of the Sunshine
17 Act and Gift Ban Policy.]

18

19 Report of Acting Commissioner

20 [Arion R. Claggett, Acting Commissioner, Bureau of
21 Professional and Occupational Affairs, informed Board
22 members that a vendor was selected for replacement of
23 PALS, and System Automation will be implemented at
24 the end of 2025.]

25

1 Report of Board Administrator - No Report

2 ***

3 Report of Committees

4 [Sheri L. Risler, CPA, Acting Chair, noted Mr.

5 Holland and Mr. Ocker have to revisit the

6 Board committee schedule. She noted she and Ms.

7 Ellis are leaving after this meeting, and many

8 responsibilities need to be allocated to other Board

9 members.]

10 ***

11 Review of Program Sponsor Applications

12 MR. ROUSE:

13 The Application of Susquehanna Health

14 Foundation was reviewed in Executive

15 Session. I believe the Chair would

16 entertain a motion to grant the Program

17 Sponsor Application of Susquehanna Health

18 Foundation at item 13 on the agenda.

19 ACTING CHAIR RISLER:

20 Is there a motion to grant the Program

21 Sponsor Application of Susquehanna Health

22 Foundation at item 13 on the agenda?

23 MS. ELLIS:

24 So moved.

25 MR. HOLLAND:

1 Second.

2 ACTING CHAIR RISLER:

3 Any discussion? Roll call, please.

4

5 Claggett, aye; Ellis, aye; Ericson, aye;

6 Gaizick, abstain; Grater, aye; Holland,

7 aye; O'Brien, aye; Petchel, aye; Risler,

8 aye.

9 [The motion carried. Michael Gaizick abstained from
10 voting on the motion.]

11 ***

12 Miscellaneous/Correspondence

13 [Ronald K. Rouse, Esquire, Board Counsel, addressed
14 items 32, 33, 26, and 27 because they deal with the
15 issues that the Oregon Board and the California Board
16 are addressing regarding the Competency-Based
17 Experience Pathway exposure draft and the exposure
18 draft on proposed amendments to the Uniform
19 Accountancy Act. He noted prior Board discussion
20 concerning the exposure draft regarding the CPA
21 Competency-Based Experience Pathway, and Ms. Cryder
22 discussed the exposure draft for proposed amendments
23 to the Uniform Accountancy Act.

24 Jennifer Cryder, CPA, MBA, Chief Executive
25 Officer, Pennsylvania Institute of Certified Public

1 Accountants, reported that a number of states have
2 introduced legislation to change their licensure
3 pathways. She noted that Ohio is moving legislation
4 and believe it will be done before the end of this
5 calendar year, Texas is moving legislation, along
6 with a couple of other states.

7 Ms. Cryder estimated that 10 states will be
8 moving legislation on the licensure pathway as
9 described in the Uniform Accountancy Act exposure
10 draft in early 2025. She noted it is adding a second
11 pathway to licensure based on the exam, a bachelor's
12 degree in accounting, and two years of experience.
13 She mentioned that many states are not even waiting
14 for the comment period to conclude as it relates to
15 that Uniform Accountancy Act (UAA) exposure draft.

16 Ms. Cryder reported that states already moving
17 legislation are not including the competency
18 framework in that legislation and are seeing a
19 divergence across the profession of whether states
20 will adopt that competency framework. She noted that
21 a couple of state boards of accountancy have
22 submitted comment letters to the American Institute
23 of Certified Public Accountants (AICPA) and the
24 National Association of State Boards of Accountancy
25 (NASBA) on the competency framework saying that they

1 are not supportive of it, are not interested in
2 regulating, including that framework, and do not
3 intend to adopt it. She provided examples.

4 Ms. Cryder believed there to be incredible
5 momentum across many states to start changing
6 licensure and a variety in terms of which states will
7 adopt the competency framework and which will not.
8 She reported on pushback on the competency framework
9 in the comment letters that are being submitted.

10 Ms. Cryder noted that regulators are concerned
11 about regulating against those competencies. Firms
12 and candidates are concerned about the burden of
13 evaluating, tracking, and reporting on those
14 competencies, and many individuals are saying the two
15 years of experience should be sufficient.

16 Mr. Rouse referred to the webinar regarding the
17 CPA Competency-Based Experience Pathway and mentioned
18 the bachelor's plus the two years of experience,
19 where part of the experience was one year would be
20 competency-based experience, which would include
21 professional competencies and technical competencies
22 and then the other part would be general experience.

23 He believed it was not clear what the competencies
24 were and whether or not the competencies were
25 actually creating an unnecessary barrier to entering

1 the profession.

2 Ms. Cryder mentioned that the question of undue
3 barrier is exactly what the profession is wrestling
4 with, and the Pennsylvania Institute of Certified
5 Public Accountants (PICPA) feel like it is an undue
6 burden and barrier to licensure and are not
7 supportive of the competency framework in their
8 advocacy.

9 Mr. Holland commented that the Commonwealth
10 should be a leader in this regard and noted a former
11 Illinois Board member looked at whether there was any
12 statistical significance between candidates with 120
13 credit hours taking the exam versus 150 credit hours
14 and determined that to be insignificant. He did not
15 believe the numbers for Pennsylvania would be any
16 different. He mentioned, when the CPA Law gets
17 reopened, the issue will be substantial equivalency
18 versus automatic mobility.

19 Ms. Cryder stated both of those issues are
20 decision points and will have to be decided as they
21 go through the legislative process. She noted that
22 PICPA will begin drafting legislation in 2025 based
23 on the positions that PICPA has taken and will be
24 introducing an amendment to the CPA Law advocating
25 for those changes with legislators and certainly

1 intend to work closely with the State Board of
2 Accountancy to make sure that their advocacy is
3 reflective of the perspectives of the regulators.

4 Ms. Cryder again noted PICPA will not advocate
5 for the competency framework but will advocate for
6 the addition of a second licensure pathway based on
7 exam, bachelor's degree in accounting, and two years
8 of experience without the competency framework. She
9 stated PICPA also intends to advocate for automatic
10 mobility.

11 Ms. Cryder noted the UAA exposure draft
12 continues to define mobility based on substantial
13 equivalency and the PICPA believes that is not in the
14 best interest of the profession and instead intend to
15 advocate for automatic mobility with certain
16 guardrails.

17 Mr. Holland stated it does not seem like the
18 regulators and the industry in general is opposed to
19 an apprenticeship model, but the problem is that they
20 are kind of in between, where they have to either
21 stick with what they have or move entirely like other
22 professions have to an apprenticeship model.

23 Mr. Holland noted that the competencies on paper
24 are subjective but the question is how to properly
25 regulate that, where they are becoming overtly

1 regulatory versus simply checking the box. He
2 believed that they have to go to a full
3 apprenticeship model or not and is why there is
4 pushback, where they are saying they do not have the
5 infrastructure or ability to do that.

6 Ms. Cryder noted PICPA feels it is in the best
7 interest of Pennsylvania to line up with other large
8 states that are not implementing the framework
9 because they state consistency from state-to-state is
10 in the best interest of the profession.

11 Acting Chair Risler agreed that they should not
12 have competency as part of the framework going
13 forward, noting the importance of retaining their
14 CPAs in Pennsylvania. She mentioned that there are
15 different sizes and shapes of accounting firms and
16 different lines of practice and stated educating
17 individuals within those practices on how they have
18 to evaluate the competencies will be very subjective.

19 Mr. Rouse stated the exposure draft at item 32
20 on the agenda talks about proposed amendments to
21 Section 5 and Section 23 of the Uniform Accountancy
22 Act.

23 Mr. Rouse noted Section 5 is regarding
24 certification and the additional pathway to licensure
25 that includes a bachelor's degree and two years of

1 experience, where breaking that down gets into item
2 32, which was the exposure draft regarding the
3 competency-based experience pathway, because one of
4 the years of experience they were recommending would
5 be based on competency and then the other year would
6 be based on general experience.

7 Mr. Rouse referred to the UAA amendments at
8 Section 23 of the Uniform Accountancy Act, which is
9 trying to provide a way for substantial equivalency
10 of licensees to continue if the licensees received
11 their license through a pathway that was part of the
12 UAA at the time that they were licensed.

13 Mr. Rouse noted that item number 32 relates
14 to item 33, and the competency part seemed like an
15 unnecessary barrier and noted the high standard set
16 for being a CPA because it is a significant
17 achievement. He noted the current system has
18 candidates with their experience being verified by
19 someone who is licensed as a CPA and wondered if the
20 competency-based model was inconsistent with CPA
21 evolution. CPA evolution is based on the
22 understanding that CPAs can work in a lot of
23 different environments.

24 Mr. Rouse mentioned that the competency model
25 may be kind of inflexible, where CPA evolution is

1 supposed to reflect that CPAs can be seen in a
2 lot of different places, so their experience can be
3 very different and should the verifier that is
4 supervising the person be based on where they
5 are working and what is required in the place they
6 are working.

7 Mr. Holland noted the competency framework
8 exposure draft deadline is December 6 and the UAA is
9 December 30.

10 Mr. Rouse mentioned breaking down Section 5 of
11 the UAA and asked how the Board feels about a
12 bachelor's degree plus two years of experience with
13 no reference to how many credit hours they need in
14 order to meet the education requirement.

15 Mr. Gaizick commented that he would be
16 supportive of the 120 and believed as long as they
17 have experience and the pathway is there that it will
18 make them more competitive.

19 Mr. Rouse provided an example of why he likes
20 the bachelor's degree and not having a reference to
21 the credits.

22 Acting Chair Risler asked for feedback on
23 whether it should be two years of education or one
24 year of education and the competency.

25 Mr. Petchel provided an example equated with the

1 discussion, noting someone working with a really good
2 accounting firm and with people mentoring them that
3 the credits would be sufficient with that type of a
4 background, and they cannot replace the experience
5 with a couple more courses.

6 Mr. Holland commented that an applicant with 120
7 credit hours and two years of experience or a
8 candidate with 150 credit hours and one year of
9 experience with all things being equal that most
10 employers will pick the former with 120 credit hours
11 and two years of experience.

12 Ms. Ericson referred to the option of having a
13 bachelor's/master's and one year of experience as
14 opposed to a bachelor's plus two years of experience.

15 Mr. Holland noted that if it is 150 plus one
16 that it should be a master's degree, which has more
17 significance in terms of overall competency.

18 Acting Chair Risler agreed, noting that taking
19 focused credits in accounting courses helps
20 individuals pass the CPA exam and also helps to focus
21 on the profession, but the law did not require that
22 and sounds like they are adding another element,
23 where it is one year if they get a master's degree in
24 accounting.

25 Mr. Holland agreed, if it is the 150 credits, it

1 needs to be a master's degree specifically
2 concentrated in accounting.

3 Ms. Cryder noted they are not advocating for the
4 pathway that currently exists to switch the 150 to a
5 master's degree, because they want to provide as many
6 options and pathways as possible to licensure.

7 Ms. Cryder mentioned that some students will
8 keep the 150-credit hour pathway as an option,
9 especially students bringing college credits in from
10 high school or career changers, where they may be
11 further along the path toward 150 but not pursuing a
12 master's degree. She noted that changing the law to
13 put a master's degree in there that it would put a
14 barrier up for career changers or students bringing
15 in credits from high school.

16 Acting Chair Risler agree but noted it is sort
17 of contrary to the competency question of what are
18 those extra credits that they are bringing in from a
19 transfer student, where they are going with the
20 competency but not really, where the credits are not
21 within the competency of CPA.

22 Mr. Rouse asked whether the Board wanted to make
23 a comment regarding the proposed amendments to
24 Section 5 and Section 23 of the UAA.

25 Acting Chair Risler commented that the Board

1 should respond but did not think they have vetted all
2 the options sufficiently at this point to decide on a
3 comprehensive response and Board members agreed. She
4 noted Chair Ocker and Ms. Lalvani are not present,
5 and their voices would be beneficial and suggested
6 having a special meeting before the date.

7 Acting Chair Risler believed hearing that the
8 Board is supportive of the bachelor's degree and two
9 years of work experience during the discussion but
10 also heard discussion on competencies.

11 Mr. Holland noted PICPA is representing the
12 industry and suggested having a work
13 session to have further discussion.

14 Ms. Cryder referred to Section 23 in the UAA
15 exposure draft regarding the determination of
16 mobility based on substantial equivalency and suggested
17 the Board spend some time discussing that
18 section also.

19 Ms. Cryder mentioned that PICPA has not
20 submitted their responses but noted it will
21 support the licensure pathway of exam, bachelor's,
22 two years with no competency framework. She noted
23 PICPA's response on the UAA exposure draft will say
24 the same thing again, where they like the second
25 pathway but will advocate for automatic mobility

1 instead of the mobility based on substantial
2 equivalency as outlined in the UAA.

3 Ms. Cryder stated PICPA intends on advocating
4 for a mobility fix that is not in alignment with UAA.

5 Mr. O'Brien asked whether PICPA's position would
6 require amendments to current state law in at least
7 some states as relates to automobility because some
8 state laws require substantial equivalency be
9 established in the code.

10 Ms. Cryder explained that the licensure pathway
11 and mobility fix will take statute changes in almost
12 every state. She noted that implementing automatic
13 mobility is a statute change in Pennsylvania and
14 intend to advocate for both of the changes together.

15 Ms. Cryder mentioned that many states are
16 looking at automatic mobility and predicted there
17 will be a critical mass of states that move to that,
18 and a lot of states will diverge from the UAA the
19 same as they would diverge from UAA. She noted that
20 automatic mobility speaks to inbound mobility, noting
21 it does not help Pennsylvania CPAs go practice in
22 other states but does allow licensees from other
23 states to practice in Pennsylvania based on their
24 out-of-state license.

25 Ms. Cryder explained that the trick is getting

1 that critical mass of other states to adopt automatic
2 mobility also so that Pennsylvania CPAs can practice
3 in other markets. She noted the importance of
4 Pennsylvania moving with all of the other states on
5 the mobility fix, noting a critical mass of states
6 will try to adopt automatic mobility and diverge from
7 what AICPA and NASBA call for in the UAA model
8 language.

9 Mr. O'Brien asked whether large and bordering
10 states have expressed that they would not support the
11 concepts that they are discussing.

12 Ms. Cryder explained that some other states have
13 gone on record saying that they will absolutely
14 pursue automatic mobility and not support the
15 determination of mobility based on substantial
16 equivalency as outlined in the UAA and provided an
17 example. She noted Florida, New York and some other
18 state boards of accountancy have gone on record
19 saying that they will not adopt the competency
20 framework, which is where automatic mobility becomes
21 even more important.

22 Mr. O'Brien agreed that the Board needs more
23 time and further discussion to understand the issues
24 and counterarguments.

25 Mr. Rouse noted that having a special meeting to

1 address item 32, which is the exposure draft on the
2 amendment to the Uniform Accountancy Act, would need
3 to take place before December 30. Board members will
4 contact NASBA to see if a representative could also
5 attend the meeting. Acting Chair Risler
6 suggested sending Board members options of December 6
7 or on other dates.

8 Ms. Cryder informed Board members that PICPA
9 is not trying to be the first mover or reckless when
10 talking about introducing legislation on behalf of
11 licensees in any of their advocacy steps.

12 Ms. Cryder mentioned that PICPA looks at how
13 fast other states are moving and is thinking that
14 they should start the process quickly in
15 Pennsylvania, because it will take a long time to get
16 implemented in the regs. She noted PICPA does not
17 want to see Pennsylvania lose talent to surrounding
18 states and is why they are looking at introducing in
19 2025.

20 Mr. Rouse noted items 32 and 33 will be getting
21 a date to be determined for further discussion that
22 will be open to the public, along with a
23 representative from NASBA in attendance.

24 Mr. Holland asked whether there was a way to
25 encourage the public and representatives of firms to

1 be a part of that discussion.

2 Ms. Cryder informed Board members that she would
3 use PICPA's resources to share that meeting date when
4 available.

5 Mr. O'Brien suggested the Communication
6 Committee communicate directly to licensees.

7 Acting Chair Risler explained that the
8 Communication Committee of the Board has never
9 functioned in that way and focuses solely on the
10 newsletter but could consider that in the future.
11 She also explained that there are a lot of rules and
12 things would need to be reviewed by various levels
13 within the government.

14 Mr. Rouse mentioned that as part of their
15 process with the Sunshine Act that they post things
16 in a newspaper of local circulation and on the
17 Board's website, where information is always posted
18 as far as what is going on with the Board.

19 Mr. Rouse requested information concerning the
20 Oregon and California Board.

21 Ms. Cryder stated both boards are planning on
22 doing the licensure pathway that includes two years
23 with no competency framework and planning on doing
24 automatic mobility. She also noted Texas and Ohio
25 are doing that and by the end of the calendar year

1 that they will see at least 10 states. She mentioned
2 that a lot of the large states and geographic border
3 states will move far more quickly than Pennsylvania.

4 Acting Chair Risler noted items 28 and 29 were
5 provided in the Board's package regarding NASBA
6 information about CPA exam results, Candidate Care
7 Report and Enforcement Report as well as NASBA's
8 Annual Report at item 30. She noted an earlier
9 discussion concerning board committees and finance
10 projection at item 34.

11 Acting Chair Risler noted 2025 and 2026 Board
12 meetings are on the agenda and provided in Board
13 materials.

14 Mr. Rouse referred to item 31, NASBA to
15 automatic, noting it to be part of the discussion
16 about the automatic mobility.]

17

18 [Pursuant to Section 708(a)(5) of the Sunshine Act,
19 at 12:29 p.m. the Board entered into Executive
20 Session with Ronald K. Rouse, Esquire, Board Counsel,
21 to have attorney-client consultations and for the
22 purpose of conducting quasi-judicial deliberations on
23 items 14 through 25 on the agenda. The Board
24 returned to open session at 1:35 p.m.]

25

1 [Sheri L. Risler, CPA, exited the meeting at
2 1:35 p.m.]

3 ***

4 [Arion R. Claggett, Acting Commissioner, Bureau of
5 Professional and Occupational Affairs, and Michael
6 Gaizick, CPA, did not vote on the following motions.]

7 ***

8 VICE CHAIR HOLLAND ASSUMED THE CHAIR

9 ***

10 Review of Requests - Review of CPA Examination Files

11 MR. ROUSE:

12 Item 14 on the agenda is a Review of CPA
13 Examination Files in the Matter of Jennifer
14 Dominjon. That matter is tabled. We
15 expect it to come back for the next Board
16 meeting.

17 ***

18 Review of Requests - Review of Requests for Waiver of
19 CPE Requirements

20 MR. ROUSE:

21 Item 15 on the agenda is a Request for
22 Waiver of CPE Requirements for Jamie Nicole
23 Schlotterer. I believe the Chair would
24 entertain a motion to grant the Waiver of
25 CPE Requirements for Jamie Nicole

1 Schlotterer as discussed in Executive
2 Session at item 15 on the agenda.

3 VICE CHAIR HOLLAND:

4 Is there a motion to grant the Waiver of
5 CPE Requirements for Jamie Nicole
6 Schlotterer as discussed in Executive
7 Session at item 15 on the agenda?

8 MS. ELLIS:

9 So moved.

10 VICE CHAIR HOLLAND:

11 Is there a second?

12 MR. O'BRIEN:

13 Second.

14 VICE CHAIR HOLLAND:

15 Any discussion? Roll call, please.

16

17 Ellis, aye; Ericson, aye; Grater, nay;

18 Holland, aye; O'Brien, aye; Petchel, aye.

19 [The motion carried. John Grater opposed the
20 motion.]

21

22 Review of Requests - Requests for Extension of
23 Examination Credits

24 MR. ROUSE:

25 Items 17, 20, 21, and 22 on the agenda. I

1 believe the Chair would entertain a motion
2 to grant the Extension of Examination
3 Credits for items 17, 20, 21, and 22 on the
4 agenda.

5 VICE CHAIR HOLLAND:

6 Is there a motion to grant the Extension of
7 Examination Credits for items 17, 20, 21,
8 and 22 on the agenda?

9 MS. ELLIS:

10 So moved.

11 VICE CHAIR HOLLAND:

12 Is there a second?

13 MR. O'BRIEN:

14 Second.

15 VICE CHAIR HOLLAND:

16 Any discussion? Roll call, please.

17

18 Ellis, aye; Ericson, aye; Grater, aye;

19 Holland, aye; O'Brien, aye; Petchel, aye.

20 [The motion carried unanimously. Item 17 was Julia
21 Fair; item 20, Abigail Friedman; item 21, Alec
22 Olszewski; and item 22, Noah Saba.]

23

24 MR. ROUSE:

25 Items 16, 18, 19, and 23 on the agenda. I

1 believe the Chair would entertain a motion
2 to deny the Extension of Examination
3 Credits for items 16, 18, 19, and 23.

4 VICE CHAIR HOLLAND:

5 Is there a motion to deny the Extension of
6 Examination Credits for items 16, 18, 19,
7 and 23 on the agenda?

8 MS. ELLIS:

9 So moved.

10 VICE CHAIR HOLLAND:

11 Is there a second?

12 MR. O'BRIEN:

13 Second.

14 VICE CHAIR HOLLAND:

15 Any discussion? Roll call, please.

16

17 Ellis, aye; Ericson, aye; Grater, aye;

18 Holland, aye; O'Brien, aye; Petchel, aye.

19 [The motion carried unanimously. Item 16 was Syed
20 Hussain; item 18, Faifal Bhatti; item 19, Amelia
21 Rank; and 23, Nuo Chen.]

22

23 Correspondence

24 MR. ROUSE:

25 Items 24 on the agenda is the Foreign

1 Credentials Service of America. I believe
2 the Chair would entertain a motion to grant
3 the Request of Foreign Credentials Service
4 of America to be added to the Board's list
5 of approved foreign credential evaluation
6 providers.

7 VICE CHAIR HOLLAND:

8 Is there a motion to grant the Request of
9 Foreign Credentials Service of America to
10 be added to the Board's list of approved
11 foreign credential evaluation providers?

12 MS. ELLIS:

13 So moved.

14 VICE CHAIR HOLLAND:

15 Is there a second?

16 MR. O'BRIEN:

17 Second.

18 VICE CHAIR HOLLAND:

19 Any discussion? Roll call, please.

20

21 Ellis, aye; Ericson, aye; Grater, aye;

22 Holland, aye; O'Brien, aye; Petchel, aye.

23 [The motion carried unanimously.]

24

25 MR. ROUSE:

1 Items 25 on the agenda is World Education
2 Services. I believe the Chair would
3 entertain a motion to grant the Request of
4 World Education Services to be added to the
5 Board's list of approved foreign credential
6 evaluation providers.

7 VICE CHAIR HOLLAND:

8 Is there a motion to grant the Request of
9 World Education Services to be added to the
10 Board's list of approved foreign credential
11 evaluation providers?

12 MS. ELLIS:

13 So moved.

14 VICE CHAIR HOLLAND:

15 Is there a second?

16 MR. O'BRIEN:

17 Second.

18 VICE CHAIR HOLLAND:

19 Any discussion? Roll call, please.

20
21 Ellis, aye; Ericson, aye; Grater, aye;
22 Holland, aye; O'Brien, aye; Petchel, aye.

23 [The motion carried unanimously.]

24 ***

25 Adjournment

1 VICE CHAIR HOLLAND:

2 I will entertain a motion to adjourn
3 the meeting.

4 MS. ELLIS:

5 So moved.

6 VICE CHAIR HOLLAND:

7 Is there a second?

8 MR. O'BRIEN:

9 Second.

10 VICE CHAIR HOLLAND:

11 We are adjourned for this meeting.

12 ***

13 [There being no further business, the State Board of
14 Accountancy Meeting adjourned at 1:43 p.m.]

15 ***

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CERTIFICATE

I hereby certify that the foregoing summary minutes of the State Board of Accountancy meeting, was reduced to writing by me or under my supervision, and that the minutes accurately summarize the substance of the State Board of Accountancy meeting.



Erin Badstuebner,

Minute Clerk

Sargent's Court Reporting
Service, Inc.

STATE BOARD OF ACCOUNTANCY
REFERENCE INDEX

November 19, 2024

	TIME	AGENDA
1		
2		
3		
4		
5		
6		
7		
8	9:00	Executive Session
9	10:30	Return to Open Session
10		
11	10:34	Official Call to Order
12		
13	10:36	Roll Call/Introduction of Attendees
14		
15	10:37	Approval of Minutes
16		
17	10:37	Report of Prosecutorial Division
18		
19	10:46	Report of Board Counsel
20		
21	11:01	Miscellaneous - Appointments - Bureau
22		of Finance and Procurement Annual
23		Budget Presentation
24		
25	11:25	Report of Board Chair
26		
27	11:26	Report of Acting Commissioner
28		
29	11:27	Report of Committees
30		
31	11:27	Review of Program Sponsor Applications
32		
33	11:29	Miscellaneous/Correspondence
34		
35	12:29	Executive Session
36	1:35	Return to Open Session
37		
38	1:35	Review of CPA Examination Files
39		
40	1:36	Review of Requests
41		
42	1:41	Correspondence
43		
44	1:43	Adjournment
45		
46		
47		
48		
49		
50		