

MINUTES
UTAH BOARD OF ACCOUNTANCY
June 07, 2023
Hybrid Meeting with anchor location in Room 474

CONVENED: 1:31 p.m.

ADJOURNED: 3:16 p.m.

Bureau Manager:
Board Secretary:

Tracy Taylor
Katie Corak

Board Members Present:

Robert Anderson, Chairperson
Geri Douglas
David Young
Peter Mann
Brian Deppe

Guests:

Susan Speirs, UACPA
Annette Andersen, UACPA
Lisa Hopkins, Chairperson CPA Education Advisory Committee

DOPL Staff Present:

Pamela Bennett, Investigator

TOPICS FOR DISCUSSION

ADMINISTRATIVE BUSINESS:

Elect/Re-Elect
Board Chairperson:

Ms. Douglas made a motion to re-elect Mr. Anderson as chairperson. Mr. Mann seconded the motion. The motion passed unanimously. Ms. Douglas made a motion to re-elect Mr. Mann as vice chair. Mr. Anderson seconded the motion. The motion passed unanimously.

Approve Minutes:

Mr. Mann made a motion to approve the minutes from the April 05, 2023 meeting. Ms. Douglas seconded the motion. The motion passed unanimously.

Compliance Update:

Ms. Corak reviewed the Compliance report prepared by Lisa Lynn, Compliance Specialist. Item noted with no action taken.

Investigations Update:

Ms. Bennett provided the Board with an investigations update. Ms. Bennett is currently working on a case that was referred to DOPL by the SEC. Item noted with no action taken.

DISCUSSION and ACTION ITEMS:**Exam Model Rule Amendment**

The Board reviewed an amendment to the Uniform Accountancy Act that increases the length of conditional credit for exams from 18 months to 30 months. This means exam candidates would have 30 months after passing the first CPA exam to pass the remaining three before the exams expire and would require the candidates to retake the exams. Each state board is being asked to consider adopting the 30 months of conditional credit for exam candidates, and to allow NASBA to grant current exam candidates 12 months of credit on a case by case basis until the 30-month amendment goes into effect sometime between January 2024-July 2025. Susan Speirs, CEO of UACPA, reported that she is hearing some states will be adopting 36 months of conditional credit. Currently, the administrative rules for accountancy in Utah do not specify a time frame for passing the exams because we defer to NASBA and the Uniform Accountancy Act. If Utah were to adopt 36 months instead of the NASBA standard of 30 months, it would require a change to the Certified Public Accountant Licensing Act Rule. Ms. Taylor will reach out to NASBA to inquire if they have an idea of how many states are going to approve 36 months of credit and what if any impact approving 36 months would have on NASBA processing exam eligibility applications for Utah and exam operations in general. The Board determined it was best to wait for NASBA's response to their inquiry before deciding on adopting 30 or 36 months of exam credit. However, the Board was comfortable proceeding with NASBA request to allow for the granting of 12 months of conditional credit until the 30-month rule goes into effect. Mr. Young made a motion to grant DOPL/NASBA the authority to extend exam credit up to 12 months from the current expiration date on a case by case basis until the 30-month rule is effective. Ms. Douglas seconded the motion. The motion passed unanimously.

**Business
Communication
Course Review:**

The Board reviewed a request to test from an exam candidate who was denied testing eligibility by NASBA due to not having taken a business communications course. Since the Board just voted to approve changes to R156-26a, including changes to the required courses for sitting for the CPA exams, one of which is no longer

requiring a business communications course to be completed before sitting for the CPA exam, so the candidate would qualify to take the exams under the new administrative rules. However, the course is still required for licensure for those with a bachelor's degree in business or accounting from a regionally accredited institution. Rather than requiring the candidate to wait for the administrative ruling filing to go through, Mr. Mann made a motion to allow the candidate to sit for the CPA exams now. Ms. Douglas seconded the motion. The motion passed unanimously.

Draft of R156-26a:

Lisa Hopkins, Chairperson of the CPA Education Advisory Committee, presented the Board with a draft of revisions to sections 102, 302a, and 302c of the Certified Public Accountants Licensing Act Rule R156-26a by the CPA Education Advisory Committee. Ms. Taylor added that other sections were also modified, revised, or clarified but they were not done by the CPA Education Advisory Committee. Ms. Hopkins began by reviewing the modifications and additions to section 102, the definitions section. Next, Ms. Hopkins reviewed the changes to section 302a, the education requirements for licensure. Ms. Hopkins explained that the Committee left the four pathways to licensure in place to allow for flexibility and to eliminate barriers to licensure; especially because no state requires a master's degree to obtain licensure as a certified public accountant. However, the Committee made some modifications to three of the pathways; such as modifying the core courses required to mirror the topics of each CPA exam, reducing the number of upper division or graduate level accounting courses required for applicants with an MBA, prohibiting the use of one course for multiple course/credit requirements, and adding data analytics and information systems as acceptable courses to take for the MBA candidates, as well as anyone on the bachelor degree pathways. The Board sought clarification on lowering the required number of graduate level accounting courses required of MBA degree holders and the restructuring of the required courses. Ms. Hopkins explained that this is to reduce barriers to licensure, and because the MBA offers many different focus areas, candidates for CPA licensure would need to structure their MBA to accounting related courses. Mr. Mann pointed out that in

R156-26a-302a (1)(b)(i), the education requirements for those with MBAs requires 24 semester hours (36 quarter hours) in non-duplicative upper division or graduate level accounting covering the following subjects. According to R156-26a-302a(1)(c)(i) and R156-26a-302a(1)(d)(i), the education requirements for those with nationally and regionally accredited bachelor's degrees in business or accounting respectively require 24 semester hours (36 quarter hours) in non-duplicative upper division or graduate level accounting courses in each of the following subjects. The Board discussed whether there should be consistency in the wording or if adding the word "each" to R156-26a-302a (1)(b)(i) would be adding additional barriers to licensure. Mr. Deppe pointed out that all of the courses listed under R156-26a-302a (1)(b)(i) are required in order to sit for the CPA exams. After some discussion, the Board decided to add "each" to R156-26a-302a(1)(b)(i). The Board continued on in their review of the draft and began reviewing R156-26a-302c, the qualifications to sit for the CPA exams. While 120 credit hours (of which 24 semester hours or 36 quarter hours must be upper division or graduate level) are still required before sitting for the exam, the Committee modified this section to only list 5 required courses and left the remaining courses up to the individual. The Board also found a typo in R156-26a-305 and that was corrected. Mr. Deppe made a motion to accept the draft of R156-26a with the change to R156-26a-302a (1)(b)(i) and the spelling correction in R156-26a-305. Mr. Young seconded the motion. The motion passed unanimously.

ADJOURN:

Adjourned at 3:16 p.m.

Note: These minutes are not intended to be a verbatim transcript but are intended to record the significant features of the business conducted in this meeting. Discussed items are not necessarily shown in the chronological order they occurred.

Date: 8/2/2023X: 
Chairperson, Utah Board of AccountancyDate: 08/02/2023X: 
Bureau Manager, Division of Professional Licensing