

MINUTES
UTAH BOARD OF ACCOUNTANCY
January 03, 2024
Hybrid Meeting with anchor location in Room 474

CONVENED: 1:34 p.m.

ADJOURNED: 3:21 p.m.

Bureau Manager:

Tracy Taylor

Board Secretary:

Katie Corak

Board Members Present:

Robert Anderson, Chairperson

Brian Deppe

Geri Douglas

David Young

Board Members Absent:

Peter Mann, Vice Chair

Guests:

Susan Speirs, UACPA

Jason Tomlinson, UACPA

Robert Steed, Utah Attorney General's Office

DOPL Staff Present:

Lisa Lynn, Compliance Specialist

Pamela Bennett, Investigator

L. Matthew Johnson, Legal Analyst

TOPICS FOR DISCUSSION

DECISIONS AND RECOMMENDATIONS

ADMINISTRATIVE BUSINESS:

Approve Minutes:

Ms. Douglas made a motion to approve the minutes from the October 04, 2023 meeting with amendments. Mr. Deppe seconded the motion. The motion passed unanimously.

Compliance Update:

Ms. Lynn provided the Board with a Compliance report.

CLOSED MEETING:

Ms. Douglas made a motion to close the meeting to discuss the character, professional competence, or physical or mental health of an individual. Mr. Deppe seconded the motion. The motion passed unanimously.

REOPEN MEETING:

Mr. Deppe made a motion to reopen the meeting. Ms. Douglas seconded the motion. The motion passed unanimously.

After the meeting reopened, Mr. Deppe made a motion to remove the probationary status from Gregory Miller's

CPA license effective immediately. Ms. Douglas seconded the motion. The motion passed unanimously.

Investigations Update:

Ms. Bennett provided the Board with an investigations update. Item noted with no action taken.

Exam Statistics:

The Board reviewed CPA exam statistics for national and Utah exam candidates from the 3rd quarter of 2023 as well as current licensing statistics. Mr. Anderson requested that the Board be provided with Utah license statistics at every meeting. Item noted with no action taken.

DISCUSSION and ACTION ITEMS:

Firm Mergers:

Ms. Taylor reviewed an issue that has come up in regards to CPA firms and corporations. There have been several instances recently, and possibly more to come, of corporation or private equity firms buying out CPA firms and then opening new branches of the firms without licensing them. This is an issue because Utah statute requires that a simple majority of ownership of a CPA firm must be licensed CPAs, and that each office must have its own firm license. However, corporations and private equity firms are generally not owned by licensed CPAs. This also poses an issue because CPAs, like physicians and lawyers, must adhere to individual accountability whereas corporations do not. This means that CPAs must exercise professional judgement and avoid a situation where their professional judgement is compromised by having to look at profits or justify their professional judgement to a group of shareholders. Mr. Anderson explained that he sees this issue as situation where groups of people want to be associated with the "CPA brand" because of the reputation and prestige, but do not want to be held to the licensing and professional responsibility standards of the brand. While this is not a major problem in the profession requiring action at this time, it is something the Board will need to keep an eye on. Item noted with no action taken.

Outreach Efforts:

Mr. Anderson then provided a summary of an outreach experience he had recently when he visited with a graduate level ethics class at Utah Valley University. Mr. Anderson explained the function of the Board of Accountancy to the class and led them through some ethics case studies based on real life scenarios. Mr. Anderson reported that it was a positive experience and

indicated that he would like to see these types of outreach engagements continue with other board members taking part in them. Item noted with no action taken.

Licensure Task Force:

Ms. Taylor reviewed a survey question from NASBA's Professional Licensure Task Force. They are asking each state board whether they believe the task force should continue to focus its discussion on an equivalent path to licensure defining a structured professional program that would qualify an individual for licensure as a CPA. In other words, should the task force be discussing alternative pathways to licensure from the standard 150 credit hours and 1 year of experience? Ms. Taylor explained that because of recent legislation in Minnesota, as well as conversations in every jurisdiction regarding how alternative pathways would affect mobility, the task force is asking this question to gauge each jurisdiction's interest in developing alternative pathways to licensure while maintaining mobility with some adjustments. The Board expressed it would like to see the 150 credit hours and 1 year of experience pathway remain in place, but they realize that is not realistic as there is already a robust discussion about development of alternative pathways on a national level. Therefore, the Board is fine with the discussion continuing, and would like to be a part of this discussion to create alternative pathways so they can have an input ensuring that these pathways are equivalent to the current 150 credit hours and 1 year of experience pathway. Ms. Taylor explained that each board member could respond to this survey question individually, or she could respond on behalf of the Board as a group. The Board determined they would like Ms. Taylor to respond on their behalf with individual board members adding additional insight if they see fit.

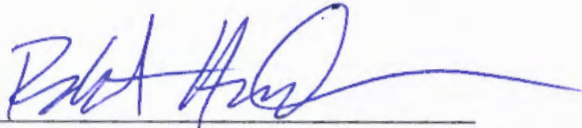
ADJOURN:

Adjourned at 3:21 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: 4/3/24

X: 
Chairperson, Utah Board of Accountancy

Date: 04/03/2024

X: 
Bureau Manager, Division of Professional Licensing