

NEW YORK STATE BOARD FOR PUBLIC ACCOUNTANCY

October 23, 2024

Meeting Minutes New York State Education Department Board Meeting

89 Washington Ave, Room 217, Albany
1411 Broadway, 10th Floor, Regents Room, NYC
100 Chestnut Street, Suite 1200, Rochester
333 West Washington Street, Suite 500, Syracuse
8321 Main Street, Williamsville

Chair Ms. Cohen called the meeting to order at 10:00 a.m.

<u>The following members were present:</u>	
Charles Abraham, CPA (NYC)	Brian Krist, Esq (NYC)
Anthony Basile, CPA (NYC)	John Lauchert, CPA (Syracuse)
Anthony Bracco, CPA (NYC)	Danilsa Lopez, CPA (NYC)
Elizabeth Bush, CPA (Syracuse)	Joseph Maffia, CPA (NYC)
Ann Burstein Cohen, CPA (NYC)	Maria Moran, CPA (Albany)
Crisy Geerholt (Albany)	Charles Pezzino, CPA (Buffalo)
Gretchen Guenther-Collins, CPA (Albany)	Kevin Richards, CPA (NYC)
Timothy Hammond, CPA (Syracuse)	James Schnell, CPA (Rochester)
Rose Hu, CPA (Buffalo)	Shelly Taleporos, CPA (Albany)
<u>Members absent:</u> Thomas Sciametta, CPA Alexander Buchholz, CPA	

Others in attendance:

Jennifer Winters, Executive Secretary, NYSED (NYC)
Julie McLoughlin, NYSED (Albany)
D. Edward Martin, CPA - Extended Board Member (NYC)
Stephen Langowski, CPA – Extended Board Member (NYC)

Public Session only:

Casey Fenton, Ostroff Associates, Inc. (Albany)
Ruth Singleton, NYSSCPA (NYC)
Calvin Harris, NYSSCPA (NYC)
Karen Sibayan, NYSSCPA (NYC)

The Board moved into Executive Session at 10:00 a.m., based on a motion made by Ms. Hu and seconded by Mr. Basile. The Board discussed the Office of Professional Discipline staff and disciplinary cases.

Executive Session adjourned at 10:39 a.m. based on a motion made by Mr. Abraham and seconded by Mr. Pezzino. The Chair moved the Board into Public Session at 10:47 a.m. based on a motion by Mr.

Bracco and seconded by Mr. Richards. All in attendance introduced themselves. The guests were introduced by Ms. Cohen for the New York City location and Ms. McLoughlin for the Albany location.

Review and Approval of Minutes

Based on a motion made by Ms. Hu and seconded by Ms. Moran, the Board unanimously approved the minutes of the July 24, 2024, Board meeting.

Board Member Update

The Board welcomed new member Timothy Hammond. The Board noted the farewell of member Alexander Buchholz and thanked him for his service to the Board. There are still board member position openings, so please forward any names to Ms. Winters. Ms. Cohen noted there have been a few referrals and recommendations, however, they do not always work out and need more recommendations than slots.

Peer Review Oversight Committee Annual Report

Ms. Cohen noted that the Chair of the Peer Review Oversight Committee, Dave Iles, was unable to be in attendance at the board meeting due to unexcepted events. Therefore, Ms. Winters presented the 2023 annual report. The report was included as part of the board packet. Discussion included the reasons for the AICPA to withhold information to the Peer Review Oversight Committee based on their interpretation of the Chapter 3 of the Peer Review Standards.

Board Office and Office of Professions Update

Ms. Winters reported that interviews were conducted since the last board meeting and a person was selected for the vacant staff position for the Education Program Assistant 1. They are expected to start the day following the board meeting on October 24th.

Due to the staffing shortages, a backlog of pre-licensure applications has remained steady with applications being processed from mid-September at approximately 190 in the queue. Likewise, the various registration applications are also in a backlog from mid-September as well with a mix of queue and email submissions.

Regulatory Update – No regulatory updates were noted other than the continued implementation of the professional education requirements for licensure.

Education Committee

Ms. Hu reported that as a result of the discussion item from last meeting, language was added to the website for the May 1, 2027, date for application materials to be submitted to allow time for the applicant to become licensed prior to August 1, 2027. The reason for the suggested proposal was discussed at the last board meeting to allow enough time for processing and notifies the applicants to submit the application materials in advance. Focusing on the regulatory language that indicates the individual must be licensed prior to August 1, 2027, it is unlikely someone can be reviewed and approved for licensure in

one day, for example.

Ms. Hu noted that NASBA and the AICPA released in September an initiative for a “Competency Based Pathway”, (formerly reported at the prior meeting as the Structured Professional Pathway) and Uniform Accountancy Act language for exposure and comments. The deadline for comments for the “initiative” is December 6, 2024, and the Uniform Accountancy Act is December 31, 2024. The Education Committee convened and prepared a draft comment letter to address both exposures as they are intertwined. Included in the packet was the draft comment letter and the Board thoroughly discussed the various issues and concerns with the proposals. Additional suggested language will be included in the letter to ensure that the very serious concerns within the proposals are communicated to NASBA and the AICPA.

Based on a motion by Mr. Krist and seconded by Ms. Lopez, the Board unanimously supported the concepts in the draft comment letter with supplemental information discussed at the meeting to accurately express its multitude of concerns with the proposals. The Education Committee members will work on the additions to the letter and Ms. Winters will upload a copy to the Sharepoint site for all members to view the comment letter.

During the discussion of the exposure drafts, other areas for monitoring include other states that are proposing a “traditional” 120 semester hours and 2-years’ experience pathway separate from the equated education (competency experience measurement) model. Emphasis was made that NASBA indicated that if a state adopts a “traditional” 120 semester hours and 2-years’ experience model that does not include the competency experience they will not deem it a substantially equivalent pathway.

Ms. Winters updated the board regarding the proposals that have been submitted regarding the CPA Evolution education requirements, known as CPA150E education requirements. She noted that there were several more programs approved by the Department, and many others that were reviewed and sent back to the school for further information or are under pending review. As noted in the report, a few new programs have been posted to the website listing. This will be a continuing item and will be reported on at the next meeting.

Examination Committee

Per reference of the analysis in the board packet, Mr. Abraham made note of the data regarding the new discipline and core sections and in particular highlighted the pass rates. The Board commented again on the higher pass rate of the Taxation Compliance and Planning discipline section.

Mr. Abraham reported an update on the NYC Mega Center closure due to the flooding will be through December. There will be temporary test center sites opened during the closure.

Mr. Abraham noted that the Certification of Out-of-State Licensure and Examination Grades, Form 3, was updated to reflect the new exam sections. Ms. Winters noted that a few other minor tweaks to the form were made as well. A copy of the revised form was included in the packet.

Since the previous board meeting Mr. Abraham provided a report on the examination extension requests. Ms. Winters noted that a few exam candidates have sought an “appeal” of the extension request denial. She noted that there is not an appeal to the decision; however, the exam candidate would have to follow the procedures in place prior to allowing extensions. The candidate would submit a request to the Committee on the Professions that goes to the Board of Regents to “waive” the examination condition requirement in the regulation.

Mr. Abraham noted the survey responses to the Examination Review Board survey that were included in the packet.

Practice Committee

Mr. Bracco reported that there were no practice committee activities since the last board meeting.

Ad Hoc Education and Practice Committee

A call for members from the education and practice committees was made to review the practice and mobility issues as it relates to substantial equivalency should another state adopt a pathway that is inconsistent with New York's pathways for licensure. The following members have volunteered to participate in this important review: Ms. Hu, Mr. Maffia, Mr. Lauchert, Mr. Sciametta, and Ms. Taleporos. Ms. Cohen and Ms. Moran as Chair and Vice Chair of the Board will also be part of the committee. Ms. Moran will be the Chair of the Ad Hoc Committee. Any other members who are interested in this Ad Hoc committee can contact Ms. Winters.

Items for consideration if the Competency Pathway or 120 semester hours and 2 years'-experience pathway move forward by NASBA or another State Board:

- Impacts on practice privilege / mobility. Including licensees from other states practicing in New York. A disruption to mobility will impact services to the public. The profession would be going backwards with adopting models that "undo" mobility / practice privilege.
- Impacts on endorsement applicants if states begin changing the pathways to licensure. Disruption to the endorsement pathway would require increased monitoring of states adoption of certain pathways for endorsement eligibility.
- Impacts on NASBA's determinations of substantial equivalency if a state creates their own alternative model.

Consistent with other committees, the Ad Hoc committee would report to the full Board its recommendations. The Board would then make the recommendations to the Department for consideration.

Based on a motion by Ms. Moran and seconded by Mr. Maffia, the Board unanimously agreed to establish the Ad Hoc Committee to review the matters outlined above.

NASBA

Ms. Winters and Ms. Cohen will be attending the NASBA Annual meeting held next week. They will report back to the full board at the next board meeting. The Board expressed its disappointment with NASBA's decision to charge \$450 for virtual attendance at this meeting, especially at a time when there is so much going on in the profession. They expressed that NASBA should be willing to provide the virtual attendance at no cost, consistent with the past years. It was noted that by having more board members actively engage and participate in the meeting will foster transparency as there are many issues before the profession.

New Business

The Board briefly discussed the topic of "Automatic Mobility" and the brief concept behind it with several states considering adopting modification to the mobility law to remove the "substantial equivalency" language. The Board noted that this will be an item to watch in the near future. It was noted that the Education Law expressly states "substantial equivalency" as do the Regulations of the Commissioner regarding practice privilege.

Likewise, a discussion ensued regarding states adopting portability law for licensees amongst a variety of professions that mitigates the necessity of “substantial equivalency”.

Concerns expressed for the public perception of adding a second lower level “tier” of CPAs with some of the alternative pathways being discussed.

The next board meeting will be held on January 29, 2025, board meeting will be held at several public locations via video conference. Ms. Cohen informed the members to mark their calendars for the April 30, 2025, in person meeting in New York City. Additionally, Ms. Cohen noted the upcoming meeting date of July 30, 2025, will be held virtually.

The public session adjourned at 12:47 p.m. based on a motion made by Mr. Bracco and seconded by Mr. Basile.

Respectfully submitted,

Jennifer B. Winters, CPA
Executive Secretary