NEW YORK STATE BOARD FOR PUBLIC ACCOUNTANCY MEETING AGENDA
October 21, 2026

80 Wolf Rd, 3rd Floor, Colonie
1411 Broadway 10th Floor, Regents Room, NYC
333 West Washington Street, Suite 500, Syracuse
8321 Main Street, Williamsville

10:00 a.m. Motion to move to Executive Session

10:30 a.m. Motion to move to Public Session

• Review and approval of minutes of the July 29, 2026 Board Meeting Minutes	Pages 2 - 5
• PROC Annual Report	Pages 6 - 17
• Board Member Update	
• Board office update o Website changes and form	Pages 18 - 25
• Legislative and Regulatory Update	Verbal
• Education Committee <u>Committee Report</u> o Business law core course work clarification o NASBA CPE survey o Registration of the 120-semester hour licensure qualifying programs o Outreach events	Pages 26 -28
• Examination Committee <u>Committee Report</u> o Extension Requests o Score transfer to another state with NY disapproved extension o NASBA Gateway exam system – erroneous information o AICPA CPA Exam software changes 2027 - 2028 o CPA Examination Review Board – security at Prometric o NTS review o Exam statistics	Pages 29 - 52
• Ad Hoc Education and Practice Committee – stand down	Page 53
• Practice Committee – o International firms and peer review o NASBA Private Equity Task Force Memorandum	None Pages 54 - 73
• NASBA o Annual Meeting – Oct 2026 o Bylaws o Strategic Plan o Mutual Recognition Agreement	Pages 74 - 77 Pages 78 - 127 Pages 128 - 137 Pages 138 - 143
• New Business	
• Upcoming Meeting Date – January 27, 2027 – Video locations	

NEW YORK STATE BOARD FOR PUBLIC ACCOUNTANCY

July 29, 2026

Meeting Minutes
New York State Education Department
Board Meeting
80 Wolf Rd, 3rd Floor, Colonie
370 Woodcliff Drive, Suite 2A, Fairport
1411 Broadway, 10th Floor, Regents Room, NYC
333 West Washington Street, Suite 500, Syracuse
8321 Main Street, Williamsville

Chair Ms. Moran called the meeting to order at 10:01 a.m.

The following members were present:	
Elizabeth Bush, CPA (Syracuse)	Danilsa Lopez, CPA (NYC) arrived 10:20
Ann Burstein Cohen, CPA (Buffalo)	Maria Moran, CPA (Albany)
Crisy Geerholt (Albany)	Mark Nickerson, CPA (Buffalo)
Gretchen Guenther-Collins, CPA (Albany)	James Schnell, CPA (Rochester)
Timothy Hammond, CPA (Syracuse)	Denise Stefano, CPA (NYC)
Gregory Horton, CPA (Buffalo)	Shelly Taleporos, CPA (Albany)
Rose Hu, CPA (Buffalo)	Deborah Todaro, CPA (Buffalo)
John Lauchert, CPA (Rochester)	
Members absent: Charles Abraham, CPA Anthony Basile, CPA Charles Pezzino, CPA Thomas Sciametta, CPA Anthony Tucci, CPA	

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

Public Session only:
Calvin Harris, NYSSCPA (NYC)
Sorena Fabre, NYSSCPA (NYC)
Casey Fenton, Ostroff Associates, Inc. (Albany)

The Board moved into Executive Session at 10:01 a.m., based on a motion made by Ms. Guenther-Collins and seconded by Ms. Taleporos. The members discussed the disciplinary cases from January through June 2026, the process for restoration hearings, new board member training, and changes with the administration of the registration and continuing professional education courses.

Executive Session adjourned at 10:36 a.m. based on a motion made by Ms. Hu and seconded by Ms. Guenther-Collins. The Chair moved the Board to Public Session at 10:42 a.m. based on a motion by

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Ms. Taleporos and seconded by Ms. Guenther-Collins.

Review and Approval of Minutes

Based on a motion made by Mr. Nickerson and seconded by Mr. Horton, the Board unanimously approved the April 29, 2026, Board meeting minutes.

Board Member Update

Ms. Winters announced Ms. Bush has been reappointed for another five-year term. There is one licensed member and one public member position still open. Ms. Winters did have interest from an educator; however, there currently is not a member opening on the board for that specialization. New board member disciplinary training is still pending a reschedule from June. Ms. Winters will be updating the committee lists with the new board members in SharePoint.

Board Office Update

Ms. Winters announced that the Deputy Commissioner, David Hamilton, had retired and a new Deputy Commissioner, Owen Donovan, was appointed. The Assistant Commissioner position was filled by Aaron Baldwin. There are some organizational changes in the Office of the Professions, however, the changes will not have an impact on the daily operations of the Board office.

Ms. Winters provided a verbal report regarding software systems and updates within the Department.

Legislative and Regulatory Update

Ms. Winters reported that an addition to section 59.17 of the Regulations of the Commissioner of Education relating to a Temporary Charitable Practice Authorization was adopted at the July Board of Regents meeting. The regulation is currently out for a 60-day public comment period. This regulation is not needed for the CPA profession as the profession has mobility legislation.

Ms. Winters presented that regulations for the signed legislation, which outlines a 120-semester-hour bachelor's degree and a two-year experience requirement for licensure as well as practice privilege, did not receive any comments during the 60-day comment period. The proposed amendment will be presented for permanent adoption at the September 2026 Board of Regents meeting with an effective date of November 21, 2026, based on the law.

Ms. Winters reported that with the new legislation, the website, online forms, and paper forms are in the process of being reviewed and updated. Ms. Winters thanked Ms. Bush and Ms. Todaro for working on the updates. The proposed changes were included in the board packet.

Ms. Winters noted that due to the new law and regulations, the website will need to be updated to remove the "substantially equivalent" statement. Under the endorsement pathway, the applications will include an attestation requiring applicants to confirm that they met the 120 or 150 credit hour education requirement for licensure. In addition, the CPE statement will be revised to completion of 40 hours in any subject area or 24 hours in a single subject area.

Ms. Winters shared that the attorneys have confirmed that website changes may be updated as soon as the Regulations have been permanently adopted in September. This will be helpful for both applicants and schools as they prepare for the 120-education requirement for licensure.

Ms. Winters confirmed educational webinars for schools on the 120-semester hour education pathway will be scheduled upon permanent adoption of the Regulation. Ms. Winters will confirm with the Professional Education Program Review Office that the license qualifying forms will be updated and available for submission by schools seeking approval for a 120-license qualifying education program.

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Education Committee

Ms. Hu outlined the proposed statements on the standards for Continuing Professional Education (CPA) programs reported by NASBA. Ms. Winters noted that none of the changes in the standards would require a regulatory change.

Ms. Winters reported that a Mutual Recognition Agreement (MRA) with NASBA and CPA Canada has been executed. However, Quebec and New Brunswick are no longer part of CPA Canada. Therefore, a foreign endorsement applicant would need to hold a Canadian CPA credential and be a member in good standing of a Provincial, Territorial or Bermudian Body (PTB) that has signed a Ratification Agreement. Ms. Winters noted that a signed Ratification Agreement has been requested from NASBA; however, one has not yet been obtained. The website has not been adjusted until additional information is received by NASBA and reviewed. The situation with foreign endorsement applicants who hold a Canadian CPA license will continue to be monitored.

Ms. Cohen stated that at a national level, Continuing Professional Education (CPE) requirements continue to be reviewed for relevance and effectiveness. The Board will continue to monitor developments as they occur.

Ms. Winters updated the Board regarding a matter involving Abitus, Inc., an organization in another country, and California State University, East Bay (CSU, East Bay). Board staff noted that the CSU, East Bay transcript reflected Intermediate Accounting I, Intermediate Accounting II, Intermediate Accounting III, and Advanced Accounting as being completed during a single semester. Upon further review and discussion with the University, it was determined that the credits were not completed at CSU, East Bay but originated from Abitus, Inc. CSU, East Bay confirmed the credits are not transferred to CSU, East Bay, cannot be applied toward a degree at their institution, and the school does not have an articulation agreement with the organization. The University further indicated that the transcript was not a credit bank or consolidated transcript. Board staff reported receiving several inquiries recently. The Education Committee will review the matter and consider submitting comments to the University's accrediting body.

Examination Committee

In Mr. Abraham's absence, Ms. Winters provided the examination committee report. She provided an update on the examination extension requests from the last board meeting.

Ms. Winters followed up on an item from the April Board meeting regarding a candidate that was denied an examination extension in New York, transferred the exam scores to another state and has been approved for a license in the other state. The licensee will not be able to obtain licensure in New York under any pathway with the expired examinations.

Ms. Stefano shared that the CPA Examination Review board is conducting a security review of the Prometric sites. Ms. Stefano has scheduled a site visit and will be writing a report regarding her observations.

The AICPA met with the Executive Director and Examination Administration Committees of NASBA and indicated that they will be completing a software upgrade to the exam system, calculator, and spreadsheet in 2027. The AICPA is anticipating scores to be held over a one-year period for the core exams with a one-month test window available per the four quarters in the score hold window. Ms. Winters noted that it will not be announced until after the NASBA annual meeting in October. Candidates who already have credit for a passing section with a 30-month window will be impacted. Ms. Winters outlined the concerns and provided written feedback to NASBA.

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Ms. Winters shared that the NASBA Gateway exam system has been updated and any examinations older than 10 years were moved into archives.

Ms. Winters provided notification that there was an issue with the SpreadJS software used in the CPA exam that displayed incorrect information. The AICPA and NASBA were offering a free retest to impacted candidates.

Ad Hoc Education and Practice Committee

No activities since the last meeting.

Practice Committee

In Mr. Pezzino's absence, Ms. Winters noted that the AICPA Peer Review program conducted a survey inquiring if the peer review process should extend to firms that do not have a physical presence in the United States. For New York State, an international entity cannot provide attest services for a New York client without a registered New York firm. The Peer Review Oversight Committee is monitoring.

NASBA

Ms. Winters thanked all the board members, Ms. Hu, Ms. Cohen, Ms. Taleporos, Ms. Todaro, and Mr. Tucci, who attended the Eastern Regional meeting in June 2026.

The annual meeting will be in October 2026. Ms. Winters and Mr. Nickerson will be attending.

New Business

No new business.

The next board meeting will be held via video conference on October 21, 2026, at the approved video locations.

The public session adjourned at 12:02 p.m. based on a motion made by Mr. Hammond and seconded by Ms. Taleporos.

Respectfully submitted,

Jennifer B. Winters, CPA
Executive Secretary

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2025

NEW YORK STATE

PEER REVIEW OVERSIGHT COMMITTEE

ANNUAL REPORT

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I. Message from the Committee

The timing of this year's report covers the time period January 1, 2025 to December 31, 2025.

The Pennsylvania Institute of CPAs (PICPA) is the administering entity (AE) for most New York firms. During 2025, PICPA continued its policy of providing limited information to the Peer Review Oversight Committee (PROC), consistent with the requirements of Chapter 3 of the AICPA Peer Review Standards. Despite these limitations, PROC staff continued to identify and utilize available sources of information necessary to fulfill the PROC's responsibility to monitor firms participating in the Mandatory Peer Review Program. The PROC staff should be commended for their efforts to assist the Committee.

As reported in the PROC's 2022, 2023 and 2024 reports, amendments to Commissioner's Regulations and the Board of Regents Rules were adopted by the Regents. Those changes provided the PROC with additional authority to make significantly more referrals to the Office of Professional Discipline throughout 2025. There were 25 referrals in 2025 compared to 18 in 2024. These changes have strengthened the PROC's ability to monitor compliance and address firms that do not meet the requirements of the Mandatory Peer Review Program.

The PROC continued to experience data and utilization issues with the Peer Review Integrated Management Program (PRIMA). As a result, posted information by administrative entities is not always timely, and in some instances inaccurate. PROC staff continue to submit "tickets" to the AICPA and PICPA to correct information in PRIMA. The PROC also continues to work with the AICPA to address the underlying accuracy issues and improve the reliability of information available through PRIMA.

During 2025, the PROC continued its oversight of PICPA and other administering entities, as well as its monitoring of firms, with the objective of promoting compliance with the Mandatory Peer Review Program and maintaining the quality of assurance services provided in New York State.

The PROC will continue to monitor the administering entities and firms participating in the Mandatory Peer Review Program, evaluate compliance with applicable requirements, and work with the AICPA and administering entities to address information and program-related issues. The PROC will also continue to utilize the authorities provided under the revised rules and regulations when necessary to support compliance with the Mandatory Peer Review Program.

The PROC thanks the staff of the New York State Education Department for their continued support and assistance in administering and overseeing the Mandatory Peer Review Program.

II. Background

In 2009, the NYS Legislature passed significant changes to laws that regulate Public Accounting in New York. The legislature required the implementation of the Mandatory Quality Review Program (MQRP). The program became effective for firms registering on or after January 1, 2012. Firms in the MQRP are required to undergo a peer review once every three years as a condition of their firm registration renewal. The purpose of the MQRP is to promote quality in the attest services provided by CPAs. The 2009 law required firms with three or more CPAs, providing attest services, to participate in the MQRP.

In the fall of 2017, the NYS Legislature revised the MQRP law. The new legislation repealed the small firm exemption and, therefore, all firms that provide attest services are required to participate in the peer review program. The changes to the law also included a name change of the program from the Mandatory Quality Review Program to “Mandatory Peer Review Program” (MPRP) and the committee from the Quality Review Oversight Committee to the Peer Review Oversight Committee (PROC).

The New York State definition of attest is in the Education Law as follows:
"Attest" means providing the following public accountancy services which all require the independence of licensees:

a. any audit to be performed in accordance with generally accepted auditing standards or other similar standards, developed by a federal governmental agency, commission or board or a recognized international or national professional accountancy organization, that are acceptable to the department in accordance with the commissioner's regulations;
b. any review of a financial statement to be performed in accordance with standards, developed by a federal governmental agency, commission or board or a recognized international or national professional accountancy organization, that are acceptable to the department in accordance with the commissioner's regulations;
c. any examination to be performed in accordance with attestation standards developed by a federal governmental agency, commission or board or a recognized international or national professional accountancy organization, that are acceptable to the department in accordance with the commissioner's regulations; or
d. any engagement to be performed in accordance with the auditing standards of the public company accounting oversight board.

III. PROC Regulatory Authority and Responsibilities

The PROC derives its regulatory authority from Section 70.10 of the Regulations of the Commissioner (Regulations). In November 2021 the Regulations were permanently amended by the Board of Regents. The purpose of the PROC includes approving and monitoring the Sponsoring Organization, informing, and reporting matters concerning peer review to the Department, assessing, and reporting on the effectiveness of the program, and reviewing individual peer review reports for compliance. Following the amendments to the Regulations, the PROC has the responsibility to:

- receive and approve administration plans from entities applying to be sponsoring organizations;
- monitor sponsoring organizations to provide reasonable assurance that the sponsoring organization is conducting the peer review program in accordance with the peer review standards;
- inform the Department of any issues and/or problems relating to the peer review program which may require the Department's intervention;
- annually report to the Department as to whether each sponsoring organization meets the standards necessary to continue as an approved sponsoring organization;
- annually assess the effectiveness of the peer review program;
- annually report to the Department on any recommended modifications to the peer review program;
- review each peer review report submitted by a firm, as part of its registration or renewal of its registration, to determine whether the firm is complying with applicable professional standards.
- where applicable, the PROC may refer firms that are not in compliance with applicable standards to the Office of Professional Discipline pursuant to Education Law section 6510; and
- ensure that any documents received from a firm or reviewer remain confidential and not constitute a public record, unless such document is admitted into evidence in a hearing held by the Department.

Additionally, a new subdivision (j) of the Board of Regents Rules Part 29, Unprofessional Conduct, Section 29.10, Special Provisions for the Profession for Public Accountancy (Rules) was adopted as it relates to the Mandatory Peer Review Program.

The Rules define unprofessional conduct as follows:

- failure to cooperate with the peer review process;
- making a false, fraudulent, misleading or deceptive statement, as part of, or in support of, a firm's peer review reporting;
- a firm's termination or expulsion from the peer review program;
- failure of a firm and its licensees to follow the peer review process and complete any remedial actions required;
- failure of a firm to provide access to its peer review information, as required by subdivision (j) of section 70.10 of the Regulations of the Commissioner.

IV. PROC Recognized Peer Review Program Providers

The American Institute of Certified Public Accountants (AICPA) is currently the only Peer Review Program Provider (sponsoring organization) that is acceptable to the PROC. The PROC accepts all AICPA approved organizations (administering entities) that are authorized to administer the AICPA Peer Review Program. The AICPA's Peer Review Board (PRB) is responsible for maintaining, furthering, and governing the activities of the AICPA's Peer Review Program, including the issuance of peer review standards, and peer review guidance. The Peer Review Program provides for a triennial review of a firm's accounting and auditing practice. The review is performed by a peer reviewer who is unaffiliated with the firm being reviewed. The goal of the program is to monitor and enhance quality, and conformity with professional standards.

There are two types of peer reviews. System reviews are designed for firms that perform audits or other attest engagements. Engagement reviews are for firms that do not perform audits but perform other engagements such as compilations and/or reviews. Firms can receive a rating of pass, pass with deficiency, or fail. Firms that receive ratings of pass with deficiency or fail must perform corrective actions.

Entities that are currently acceptable to administer the peer review program in New York State are:

- Pennsylvania Institute of CPAs (PICPA) – As of March 15, 2018, PICPA administers the AICPA Peer Review Program for the majority of New York firms. Prior to this date, the New York State Society of CPAs (NYSSCPA) administered the peer review program for most NY firms. As the administering entity, PICPA is responsible for ensuring that peer reviews are performed in accordance with the AICPA's Standards. The PICPA Peer Review Committee (PRC) monitors the administration, acceptance, and completion of peer reviews.

- National Peer Review Committee (NPRC) -The AICPA also administers a peer review program through the National Peer Review Committee for firms required to be registered with and/or inspected by the Public Company Accounting Oversight Board (PCAOB) or perform audits of non-Securities and Exchange Commission (SEC) issuers pursuant to the standards of the PCAOB.

- Other State Societies and Organizations - New York registered accountancy firms are allowed to have their peer review administered by an AICPA approved administering entity in another state. The AICPA maintains the listing of the administering entities assigned to each state.

V. Committee Members and Staff

The PROC consists of six members who are appointed by the NYS Board of Regents for five-year terms and may serve up to two terms. At least five members must be licensed CPAs and the sixth member may be a public member or a licensed CPA. Additionally, PROC members cannot be members of the State Board for Public Accountancy or one of its committees. Licensed members must be New York licensed CPA and hold current registrations with the Department. If a public member is appointed to the PROC, the person must have received or used the services provided by CPAs.

During 2025, Mr. Iles completed his ten years of service to the PROC. Mr. Neyman succeed Mr. Iles as Chair. Mr. Wheeler became the Vice Chair in 2025 following Ms. Singer. The following members were active at the end of 2025:

Member Name:	Member Term:
Jason J. Mayausky, CPA	Aug 1, 2025 – Jul 31, 2030 (First term)
Michael E. Nawrocki, CPA	Aug 1, 2025 – Jul 31, 2030 (First term)
Andrew Neyman, CPA Chair	May 1, 2023 – Apr 30, 2028 (First term)
David Pitcher, CPA	Dec 1, 2024 – Nov 30, 2029 (Second term)
Grace Singer, CPA	Feb 1, 2024 – Jan 31, 2029 (Second term)
Jesse Wheeler, CPA Vice Chair	Aug 1, 2024 – Jul 31, 2029 (First term)

Staff of the PROC – The PROC has three staff members, the Executive Secretary and Auditor 1 and 2 who support its efforts in effectively carrying out its duties and responsibilities. The Executive Secretary, Jennifer Winters, is the lead staff liaison for the members. The Auditor 2 position was filled with Thomas Cordell in August 2019. The Auditor 1, Philip Jesmonth, has been in the position since November 2015.

The volunteer members of the PROC rely on the support of the staff to conduct its meetings and handle routine firm matters related to peer review. The staff review the firms' annual statement on peer review compliance, compile the information on the firms that are monitored, and communicate outstanding matters with the firms on behalf of the volunteer PROC members.

VI. Statistics: This year's report includes the calendar year, note the timing of the reported data for prior years. The following statistics were obtained from the PRIMA system.

	Jan 1, 2022 to Dec 31, 2022				Jan 1, 2023 to Dec 31, 2023				Jan 1, 2024 to Dec 31, 2024				Jan 1, 2025 to Dec 31, 2025			
	PICPA		NPRC		PICPA		NPRC		PICPA		NPRC		PICPA		NPRC	
System Reviews																
Pass	143	**63%**	19	**76%**	157	**69%**	20	**87%**	168	**76%**	28	**97%**	151	**80%**	17	**65%**
Pass with deficiencies	46	**20%**	2	**8%**	38	**17%**	2	**9%**	26	**12%**	1	**3%**	14	**8%**	6	**23%**
Fail	39	**17%**	4	**16%**	33	**14%**	1	**4%**	26	**12%**	0	**0%**	23	**12%**	3	**12%**
Subtotal – System	***228***		***25***		***228***		***23***		***220***		***29***		***188***		***26***	
Engagement Reviews																
Pass	137	**85%**			110	**84%**			113	**84%**			114	**81%**	1	**100%**
Pass with deficiencies	17	**11%**			12	**9%**			17	**12%**			17	**12%**		
Fail	7	**4%**			9	**7%**			5	**4%**			10	**7%**		
Subtotal – Engagement	***161***				***131***				***135***				***141***		***1***	
Total System & Engagement	**414**				**382**				**384**				**356**			

VII. Meetings, Accomplishments and Advocacy Efforts

Following are the meetings, accomplishments, and advocacy efforts in 2025.

a. Committee Meetings - The PROC holds meetings to conduct business and report to the Department regarding the effectiveness of the Mandatory Peer Review Program. Minutes from the meeting are available on the Department's website.

The PROC has held the following committee meetings in 2025:

- February 5th
- August 18th
- May 13th
- November 17th

b. In July 2025, the Executive Secretary, on behalf of the Chair, presented the 2024 PROC Annual Report to the State Board for Public Accountancy at their Board meeting. The 2024 PROC Annual Report was posted to the Department's website in the Mandatory Peer Review Program section.

c. The Committee reviewed the revised guidelines by the National Association of State Boards of Accountancy's Peer Review Compliance Committee, Deficient Reports and Monitoring Guidance. The Committee noted that most of the recommendations for monitoring are already in place, with the exception of discipline that is outside of the Board Office's purview.

d. Oversight of PICPA's Peer Review Committee (PRC) and Report Acceptance Body (RAB) meetings. To continue the Committee's monitoring of the sponsoring organization, it established guidelines for the members to consider when monitoring PRC and RAB meetings.

Committee members Singer and Neyman attended a RAB on September 9th and November 13th, respectively. Additionally, Ms. Singer and Mr. Wheeler attended the PRC meeting on January 16th and September 23rd, respectively.

The PROC members who attended these meetings unanimously agreed the program is run by dedicated professionals in accordance with the AICPA standards.

At its November meeting, the PROC reviewed PICPA's latest AICPA Annual Oversight Report dated February 2025.

e. Regulation and Guidance – In 2025, the Commissioner's Regulation 70.10 – Mandatory Peer Review Program was modified to reflect the change from the system of quality control to the system of quality management. The PROC made recommendations to the Department to modify the Frequently Asked Questions on the website for additional clarity and guidance on the Mandatory Peer Review Program related to the change in system of quality control to the system of management control. It also included the PCAOB's continuation of a system of quality control.

f. AICPA Peer Review Board (PRB) Open Meetings - The PROC monitors the AICPA's PRB's public sessions throughout the year. PROC members and staff attend these meetings via teleconference and report back to the full PROC. The sessions are informative and allow for an exchange of ideas and practices across state lines. The following PRB meetings were attended in 2025:

- February 12th
- May 14th
- September 10th
- November 11th

Committee members Iles and Nawrocki attended the AICPA Peer Review Conference in August 2025. At the Committee's August meeting, they provided a recap of the conference.

g. Monitoring of Firms in Peer Review - The PROC monitors firms throughout the remediation phase of their peer review, where applicable. Firms are informed by letter that the PROC is monitoring their remediation progress and are required to acknowledge receipt of the letter. Remediation is considered complete when the peer review is accepted as complete by the respective Peer Review Committee. The PROC also monitors the firms that have dropped out of the program and those that are terminated by the program. The determination to monitor, continue to monitor, or remove from monitoring is performed at the PROC meetings in executive session.

System and Engagement Reviews that have a rating of fail or pass with deficiencies are monitored by the PROC. During 2025, the PROC has monitored 132 firms, including firms that have been carried over from the prior year. During this time, 84 of these firms had their peer reviews accepted as complete, while 48 firms are still being actively monitored.

h. The PROC has made a number of referrals to the Office of Professional Discipline due to significant noncompliance matters with the Mandatory Peer Review Program. During 2025 there were 25 referrals made to the Office of Professional Discipline by the PROC.

i. Facilitated State Board Access (FSBA). The staff noted that firms that were terminated from the peer review program were not showing as terminated in FSBA but were showing as “Not Enrolled”. The PROC also sought to conduct a completion testing to review the entire population of firms in FSBA to our firm registration records. However, the data in FSBA would not populate more than 500 firms. Therefore, Mr. Iles, Ms. Winters, and Mr. Cordell met with the AICPA peer review staff regarding these issues. The issue with the Facilitated State Board Access improperly noting a firm’s status when it was terminated from the program as “Not Enrolled” was corrected after several months. However, the AICPA was unable to provide the PROC with an entire listing of all firms.

VIII. Recommendations

The PROC recommends that the Department continue its monitoring effort of the Mandatory Peer Review Program.

IX. Conclusions

Based on its oversight activities, the PROC concluded that the Pennsylvania Institute of Certified Public Accountants has been an effective administrator as it performs the majority of the peer reviews of New York public accountancy firms that are subject to the Mandatory Peer Review Program’s (MPRP). The PROC has established a monitoring and oversight role utilizing the Facilitated State Board Access (FSBA) system; however, the AICPA’s Chapter 3 of the AICPA Peer Review Standards continue to impede our monitoring and oversight efforts. There are continued discrepancies with the FSBA system and the lack of cooperation and transparency by the AICPA makes it difficult to obtain timely information about the status of a firm’s peer review during our monitoring efforts. This is especially true when a firm is not in compliance with the three-year peer review cycle that is required of the MPRP in the New York State Education Law or terminated from the peer review program. The PROC continues to express concern with the transparency issues that continue to impede our mission to protect the public interest in New York State.

New York State
EDUCATION DEPARTMENT
Office of the Professions

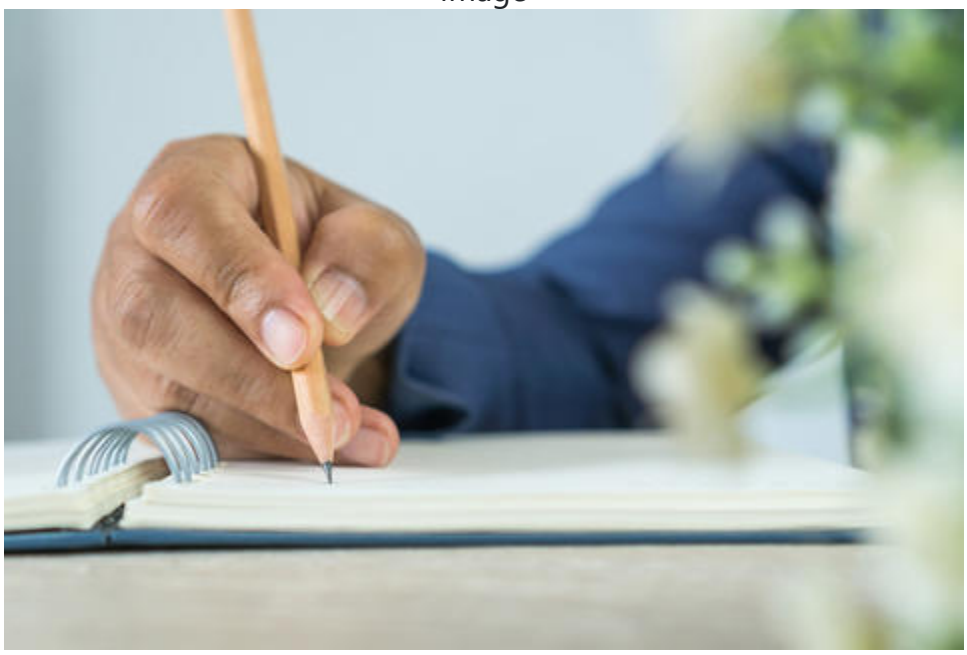
https://www.op.nysed.gov/certified-public-accountants/certified-public-accountants-initial-license-requirements

Will include a live demonstration

Initial License Requirements for Certified Public Accountants

New 120 semester hours and 2 years of acceptable experience

Image



Effective November 21, 2026

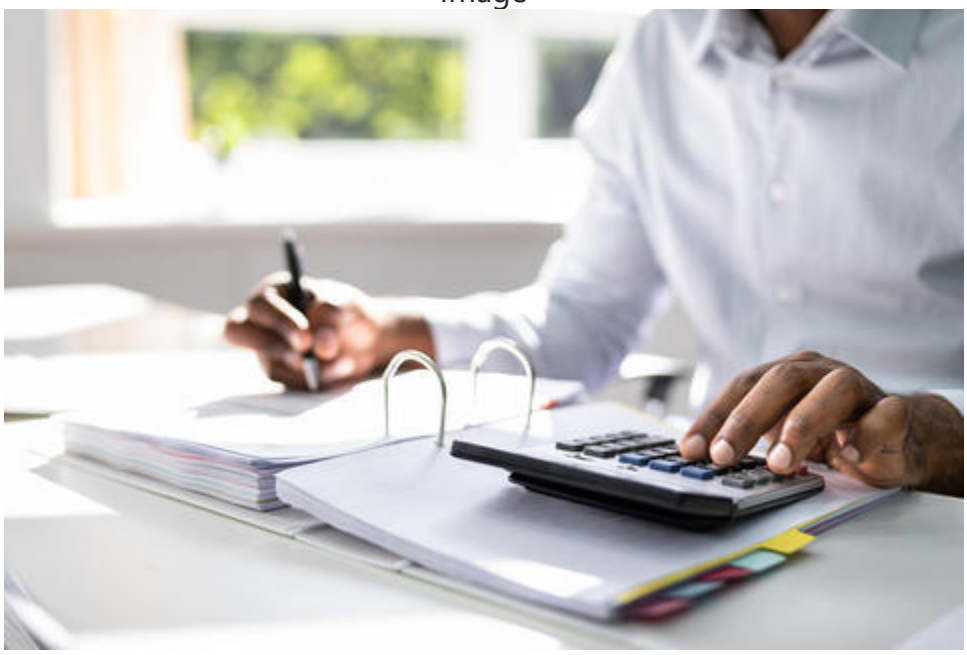
150 semester hours Evolution and 1 year of acceptable experience

Image

Effective August 1, 2027

150 semester hours and 1 year of acceptable experience

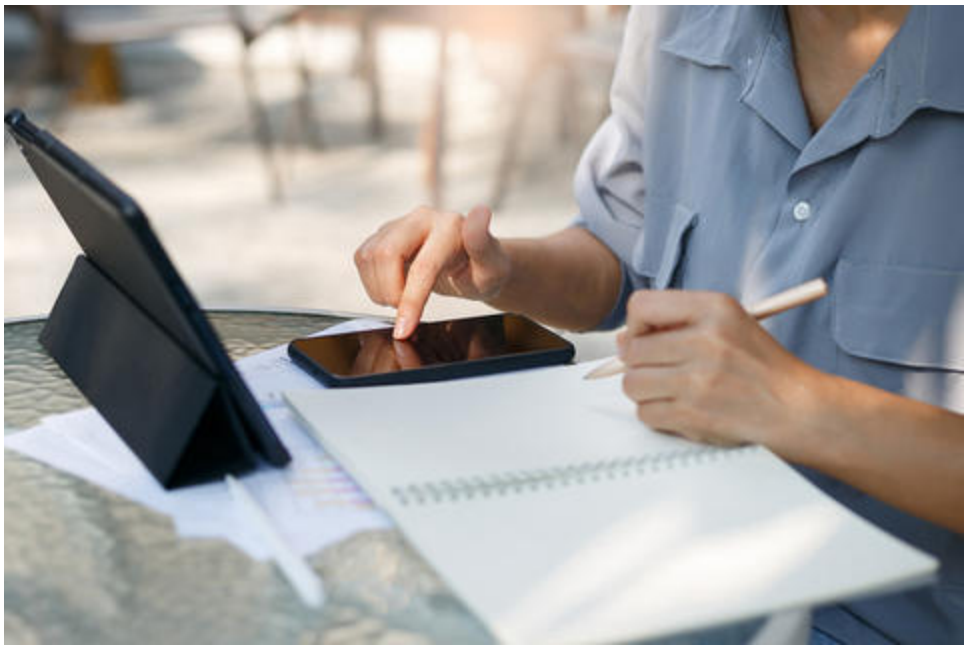
Image



Prior to August 1, 2027

Grandfathered 120 semester hours and 2 years of acceptable experience

Image



Prior to August 1, 2009

15 Years Experience

Image

Experience in lieu of education

Who should apply for an initial License

- Any applicant who has never been licensed as a CPA in another U.S. state or by a foreign licensing jurisdiction that has a Mutual Recognition Agreement (MRA) with the National Association of State Board for Accountancy (NASBA);

- Any applicant who has been licensed for less than 4 years as a CPA in another U.S. state or jurisdiction;
- Any applicant who has been licensed as a CPA in another U.S. state or jurisdiction for more than 4 years but cannot certify 4 years of experience within the last 10 years; or
- Any applicant who has not been licensed for more than 4 years by a foreign licensing jurisdiction that has an MRA with NASBA.

Instructions for Completing Verification of Experience by Supervisor Form 4B

NOTE: Send these instructions with the Form 4B to each supervisor.

Who can complete this form? A certified public accountant licensed in one of the U.S. jurisdictions who is properly licensed and registered or authorized to practice in the jurisdiction of their principal place of business. If a CPA supervisor was not properly licensed or registered or authorized to practice in the jurisdiction where they practiced, the experience cannot be accepted. The CPA must have acted in a supervisory capacity to the applicant in the same employing organization.

What is acceptable experience? An applicant must present evidence, satisfactory to the State Board for Public Accountancy, of full-time experience providing U.S. accounting services or advice in one of the following service areas: independent audit, compilation and reviews, internal, management or government audit, forensic accounting, bookkeeping services and internal financial statement preparation, tax preparation or tax advice, financial advisory, consulting services, teaching college accounting, standards setting, other professional services. skills under the supervision of a CPA as indicated above. Acceptable experience may be earned in a public accounting firm, government, not-for-profit, private industry or an educational institution. Internships may not be accepted toward the experience requirement if it is used to meet the degree requirements or listed for academic credit on the transcript. Only verified experience from full-time equated work, as described below, performed for U.S. clients and employers can be considered acceptable. If the applicant has not worked full-time for a U.S. client or employer, the CPA supervisor must provide additional supporting documentation to demonstrate the percentages of U.S. clients or employer work.

Full and part time experience. Full-time employment is considered to be a 5-day work week with 35-40 hours per week, excluding overtime. Acceptable part-time (no fewer than 20 hours per week) experience will be considered on the basis of one week of experience for every two weeks worked. Part-time experience requires supporting documentation that indicates the number of hours worked for each week , excluding PTO, CPE, training, etc. Supporting documentation may include time cards, billing reports, excel spreadsheets, etc. An average of part time work will not be accepted. For teaching college accounting experience of 18 semester hours (minimum 12 semester hours at upper level) is equated to one year of experience. The equivalent ratio applies across all experience requirements. Teaching assignments must be certified by an accounting department chair or dean who is a licensed CPA and must provide the report of the professor's course load and/or teaching assignment with their submission of the Form 4B.

How much experience must be certified on Form(s) 4B?

- **Initial license: 150 semester hour education requirements** - must document at least 1 year of acceptable full-time experience (or the part-time equivalent as described above).
- **Initial license: 120 semester hour education requirements** - must document at least 2 years of acceptable full-time experience (or the part-time equivalent as described above).
- **Endorsement of a CPA license issued in another state** - must document 4 years of full time experience (or the part-time equivalent as described above) since the out-of-state license was issued and within the last 10 years. Applicants who hold a license issued by another state who cannot document 4 years of post-license acceptable experience are not eligible for licensure by endorsement and may be processed as an initial applicant for licensure. Do not list experience prior to the applicant's date of licensure listed in Section 1.
- **Foreign Endorsement** - must document 4 years of full time experience (or part-time equivalent as described above) since the foreign license was issued and within the last 10 years. The experience must be certified by a U.S. CPA as described above. Do not list experience prior to the applicant's date of licensure listed in Section I.
- **Applicants for an initial license based on 15 years of experience in lieu of meeting the education requirements** - must document at least 15 years of acceptable full time experience (or the part-time equivalent as described above).

Instructions for Completing Item 7, A-K

Indicate the applicant's service(s) performed for U.S. clients or employers during the attested experience.

A. Independent Audit: Includes experience where the applicant was involved:

1. in examining financial statements of clients where the application of U.S. generally accepted auditing standards has been employed for the purpose of expressing an opinion that the financial statements are presented in accordance with U.S. generally accepted accounting principles; or
2. in examining financial statements of clients when certain auditing procedures have been applied but a disclaimer is expressed, including Statements on Auditing Standards (SASs), Statements on Standards for Attestation Engagements (SSAEs), and Statements on Quality Management Standards (SQMSs).

The preparation of a client's related income tax returns and management letters by the applicant who participated in the examination of the financial statements may also be included in this category. Involvement in the examination of the financial statement is mandatory for including these tax preparation and management letter activities in the audit category.

B. Compilations and Reviews: The independent preparation of financial statements from the books of account without audit, including compilations as defined by Statements on Standards for Accounting and Review Services (SSARS), and performing related services in which the applicant has demonstrated a knowledge of U.S. generally accepted accounting principles.

C. Internal, Management, or Government Audit: Includes all audit activities that are completed for the organization and reports provided for the organization. Audit activities do not include external audit work described in (A) above. Activities may also determine that internal financial statements are presented in accordance with U.S. generally accepted accounting principles, such as:

1. objective analysis of internal controls and evaluation of risk related to an organization's governance, operations and information systems;
2. structured review of the efficiency/effectiveness of an organization's systems and procedures;
3. review of corporate or individual tax returns on behalf of a governmental entity;
4. any audit activities conducted by an employee of a governmental entity.

D. Forensic Accounting: The application of accounting skills at a level to determine issues such as: fraud; criminal investigations; estimates of losses, damages and assets related to potential legal cases and expert witness activities. Forensic accounting services may include the use of the Statement on Standards for Forensic Services (SSFS).

E. Bookkeeping Services and Internal Financial Statement Preparation: Preparing books of original entry and related activities. Posting to the client's general ledger in connection with preparing financial statements should be classified as bookkeeping services. Providing general accounting services to an employer or client is considered bookkeeping.

F. Tax Preparation or Tax Advice:

1. Preparing corporation, fiduciary, partnership and individual tax returns from information compiled by others, or from unaudited data furnished by clients.
2. Preparing payroll tax reports, sales and similar tax returns.
3. Researching tax law; tax planning for clients; preparing protests, Tax Court petitions, and briefs; and representing clients before taxing authorities.
4. Examining tax returns.
5. Providing information and advice on tax issues to clients or an employer.
6. Estate planning for clients.

G. Financial Advisory Services: Includes a range of financial analysis and advice for either a client or employer including:

1. Financial management activities;
2. Pension management;
3. Securities analysis;
4. Personal Financial Planning. Financial Planning services may include the use of the Statement on Standards in Personal Financial Planning Services (SSPFPS).

H. Consulting Services: Includes a range of services such as management advisory, business advisory, technological and industry experience. Includes work performed in accordance with Statements on Standards for Consulting Services (SSCS):

1. Business valuation. Business valuation services may include the use of the Statements on Standards for Valuation Services Standards (SVSS).
2. Mergers and acquisitions.
3. Advising, designing and implementing accounting or other financial systems for a client or employer, when not related to an extension of auditing assignments.
4. Any other management or business advisory services provided for a client or employer.

I. Teaching College Accounting: Preparation and delivery of accounting courses for academic credit at an accredited degree granting college or university. Teaching college accounting experience for an equated year is 18 semester hours of course work taught, two years is 36 semester hours, 4 years is 72 semester hours, and 15 years is 270 semester hours. The chair or dean of the accounting Department, who is a CPA, can vertify the experience and must provide the professor's course load and/or teaching assignment. See the website for more information on acceptable number of credits of upper and lower level courses.

J. Standards Setting. The writing, researching, and publishing of accounting standards at an acceptable accounting standard setting organization may include but not limited to: Financial Accounting Standards Board, Governmental Accounting Standards Board, Public Company Accounting Oversight Board, Securities and Exchange Commission, and the American Institute of Certified Public Accountants.

K. Other Professional Services: Any other professional services for a client or employer that do not fit in the categories above. Do not list paid time off (PTO), Continuing Professional Education (CPE), Training or other non-billable time.

Instructions for Self-Verification of Experience - Endorsement Applicants ONLY

Only for Applicants Who Hold a CPA License Issued by Another State

An applicant for licensure in New York, who is licensed in another state, may certify their own experience using Form 4B if:

1. They are working in private industry, government, or a not for profit and they do not have a US licensed CPA supervisor; or
2. They are working as a sole proprietor of a CPA firm in a state other than New York.

To self-verify experience using Form 4B the applicant must do all of the following:

- Provide their personal information in Section I: Applicant Information;
- Provide their professional credentialing information in Section II, Item 1;
- Detail their own experience in Section II, Items 2 - 11, including any supporting documentation such as letters from employers, firm ownership documents, personal tax records, etc.; and
- Sign the affidavit at the end of the form.

The University of the State of New York
The State Education Department
Office of the Professions
Division of Professional Licensing Services
www.op.nysed.gov

Certified Public Accountant Form 4B
Verification of Experience by Supervisor

Applicant Instructions: Complete Section I before sending the form along with a copy of Instructions for Completing Verification of Experience by Supervisor (Form 4BInst) to your supervisor. Use a separate Form 4B for each supervisor you listed on Form 1. Ask your supervisor to complete Section II. The **supervisor must** submit the form directly to the address at the end of this form. **This form will not be accepted if submitted by the applicant.**

Section I: Application Information

1. Last 4 Digits of Social Security Number ☐☐☐☐
   (Leave this blank if you do not have a U.S. Social Security Number)

2. Birth Date Month ☐☐ Day ☐☐ Year ☐☐☐☐

3. Print Name as it Appears on Your Application for Licensure (Form 1)

   Last ☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐

   First ☐☐☐☐☐☐☐☐☐☐☐☐☐☐

   Middle ☐☐☐☐☐☐☐☐☐☐☐☐☐☐

4. Telephone/Email Address

   Daytime Phone ☐☐☐ ☐☐☐ ☐☐☐☐
   Area Code Phone

   Email Address (please print clearly) _____

5. Name as it appears on degree or other credentials (if different from above) _____

6. **Endorsement Applicants Only:** Date of Licensure Month ☐☐ Day ☐☐ Year ☐☐☐☐

Section II: Verification of Experience

Instructions to Supervisor: Read the accompanying instructions before completing this section. The information you provide in this section will be used by the New York State Board for Public Accountancy to determine whether the applicant has satisfied the experience requirement of Section 70.3 of the Commissioner's Regulations. Sign and date the affirmation and submit the entire form along with any required documentation to the Office of the Professions at the address at the end of the form. Do not return this form to the applicant. **This form will not be accepted if submitted by the applicant.**

1. Name _____

   License Number _____ State in which licensed _____ Date Licensed _____

2. Firm or organization where you supervised the applicant.

   Firm or Organization Name _____

   City _____ State _____

3. List your title or position while supervising the applicant

   _____

4. Indicate your principal place of business (the state) during the time period attested _____

5. If the location of your principal place of business and the state of licensure are different, were you lawfully practicing* in your principal place of business during the time attested?

   ☐ Yes ☐ No

   *For questions on lawful practice in the state of your principal place of business with an out of state license, please refer to the state board of accountancy in that state.

6. Employer Category (check one):

   ☐ Public Accounting Firm Firm Number (if applicable) _____

   ☐ Government ☐ Private Industry ☐ Not-for-Profit ☐ Law Firm ☐ Education

   ☐ Other (please describe) _____

Items 7 - 11: Applicant's work experience to which I am attesting and acted in a supervisory capacity for U.S. clients and employers:

7. Type of services performed by the applicant:

- ☐ A.* Independent Audit
- ☐ B.* Compilations and Reviews
- ☐ C. Internal, Management, or Government Audit
- ☐ D. Forensic Accounting
- ☐ E. Bookkeeping and Internal Financial Statement Preparation
- ☐ F. Tax Preparation or Tax Advice
- ☐ G. Financial Advisory Services
- ☐ H. Consulting Services
- ☐ I. Teaching College Accounting
- ☐ J. Standards Setting
- ☐ K Other Professional Services (describe in detail or attach additional sheets) _____

*A and B - restricted to registered public accounting firms only.

8. Applicant's Job Classification:

Job Title	Date Supervised (MM/DD/YYYY)		Full Time/Part Time*
	From	To	
			☐ Full Time ☐ Part Time*
			☐ Full Time ☐ Part Time*
			☐ Full Time ☐ Part Time*

*Part time experience will not be accepted without supporting documentation. See instructions for acceptable supporting documentation.

9. Were you employed in the same employing organization as the applicant? ☐ Yes ☐ No
If No, **Stop.** You are not authorized to submit the experience for this applicant.

10. Did you act in a supervisory capacity to the applicant in the employing organization for the dates you are attesting to? ☐ Yes ☐ No
If No, **Stop.** You are not authorized to submit the experience for this applicant.

11. Does the applicant, in your opinion, possess good moral character and have other attributes required of a CPA? ☐ Yes ☐ No
If No, please attach an explanation.

Affirmation

I declare and affirm under penalty of perjury that the statements made in the foregoing application, including any attached statements, are true, complete and correct and that the experience and competency I am attesting to meets the definition and practice as a certified public accountant.

_____ _____
Supervisor Signature Date

Print Name _____

Title _____

Telephone _____

Email _____

☐ Check here if you are attaching additional information

Return Directly to: By email to DPLSExperience@nysed.gov. Or, to the New York State Education Department, Office of the Professions, Division of Professional Licensing Services, CPA Unit, 89 Washington Avenue, Albany, NY 12234-1000.

Business Law Core Course Requirements

Issue: Clarification on the focus of the business law core course work requirement to cover U.S. law.

Review: The education committee reviewed the matter. The Comparative Education unit within the Office of Profession provided background, history of the business law core course work requirements under the previous 120 semester hour requirements.

Determination: The majority of the education committee members recommended that the course should cover U.S. commercial law.

The newly updated websites contain this information in the content chart and Frequently Asked Question for the new 120 and 150E-semester hour pathways.

Content Table

General Business Content Area	Typical Course Titles*
Business Law** Must be a U.S. law based course	• Business law • Commercial law • Legal Studies in Business Law • Legal Environment of Business

Frequently Asked Questions:
What type of course is considered a business law course?
A business law course must be a U.S. law based course that examines the basic principles of law that cover business transactions within the United States. The coursed may cover content such as, ownership of business, contracts, uniform commercial code, consumer law, antitrust, bankruptcy, and other areas of U.S. business law. Real estate law does not satisfy this requirement.

NASBA
2h •

As the accounting profession continues to evolve, so must the way we approach Continuing Professional Education (CPE).

CPAs are invited to share their perspectives in a profession-wide survey being conducted by ICF on behalf of a NASBA/AICPA joint task force to help inform the future of CPE.

The survey seeks CPA perspectives on:
- Critical knowledge and skills for the profession's future
- How CPE supports ongoing competency and adaptation to change
- The relevance, quality, and flexibility of current CPE requirements
- Learning formats that best support professional growth and application

Take 15 minutes to complete the survey by September 30, 2026. All responses will remain confidential and will be reported only in aggregate.

https://lnkd.in/gi_y5gsf

Your perspective matters. Help ensure future discussions about CPE reflect the experiences and needs of CPAs across roles, practice settings, and career stages.

From: OPPROGS
To: OPPROGS
Subject: Application to Register the 120 Semester-Hour Education Pathway for the Profession of Public Accountancy.
Date: Tuesday, September 22, 2026 2:58:08 PM
Attachments: CPA-120 Curricular Change Form.doc
CPA-120 Content Chart.doc

DATE: September 22, 2026

TO: Chief Executive Officers of Institutions of Higher Education in New York

SUBJECT: Application to Register the 120 Semester-Hour Education Pathway for the Profession of Public Accountancy

The purpose of the email is to inform you that, at its September 2026 meeting, the Board of Regents adopted the amendment to § 52.13 of the Regulations of the Commission of Education to implement Chapter 530 of the Laws of 2025 and established the 120 semester-hour education pathway for the profession of public accountancy. Please see the Regents Item.

An existing program may use the attached streamlined CPA-120 Curricular Change form to add the new education pathway.

To register a new program, institutions should complete the New Application Form and the attached CPA-120 Content chart.

Thank you. If you have any questions, please contact opprogs@nysed.gov.

Professional Education Program Review Unit

Confidentiality Notice

This email including all attachments is confidential and intended solely for the use of the individual or entity to which it is addressed. This communication may contain information that is protected from disclosure under State and/or Federal law. Please notify the sender immediately if you have received this communication in error and delete this email from your system. If you are not the intended recipient you are notified that disclosing, copying, distributing or taking any action in reliance on the contents of this information is strictly prohibited.

Examination Committee Report

ITEM 1

Report on examination extension requests since the last board meeting:

There were 8 examination extension requests from Jul to Sep 2026 where a final decision was made. This number excludes requests that were made but lacked the required supporting documentation. The review of the cases is noted below.

Approvals: Extension requests approved: None

Reason	# of Requests	# of Committee Reviews
Family Medical	1	1
Totals	1	1

Disapprovals: Extension requests that were not approved:

Reason	# of Requests	# of Committee Reviews
Out of state score transfer	3	
Medical	3	
Family death	1	
Totals	7	

ITEM 2

Follow up to the item discussed at the April and July Board meeting regarding the Board of Regents denial of examination candidate from May 2022, reported to the board at our July 2022 board meeting (public document). The applicant has now transferred her exam scores to another state. The other state did approve the individual for licensing. Our records were noted that if the candidate attempts to transfer the out of state license to NY via endorsement as we were the original jurisdiction for the exams and did not accept the passing scores.

NASBA has erased the NY jurisdiction candidate and the candidate can no longer be found as a NY jurisdiction candidate despite the fact that the candidate was only ever a NY candidate. See ITEM 3 below for issues with information in the Gateway system.

ITEM 3

Concerns with the examination system and administration of the exam by NASBA.

Instance #1 -This relates to the exam candidate that we discussed in executive session and public session at the April board meeting and public session of the July board meeting who wanted to transfer her expired exam scores to another state board (See Item 2). This candidate was always a NY jurisdiction exam candidate. She sat for all sections of the CPA exam as a NY exam candidate. She unfortunately did not pass within the requisite time period back in 2020. Back then she requested an extension, the extension was denied by this committee and then after appealing, went to the full Board of Regents through the COP process.

The exam candidate requested to "transfer" her exam scores to the other jurisdiction. This is a frequent function for candidates to transfer from one state to another. NASBA went ahead and ***DELETED*** her entire exam testing history under the NY jurisdiction candidate tab. Then added her to the other jurisdiction as if she sat for the exams as an original candidate in that jurisdiction.

Instance #2 – An original MI jurisdiction candidate passed two of four sections, then transferred to NY. Again, this is a common occurrence. In the exam system, it will show the two different jurisdictions tabs, each indicating which exams were taken in the respective jurisdiction. The first two sections that were passed as an MI exam candidate. MI had a retroactive application of 30 months window.

NASBA inserted the MI exams into NY tab with the MI credit retention which is different than NY's. The candidate passed the two sections as a NY jurisdiction candidate. The exam system shows as if the candidate was an actual NY jurisdiction candidate for all four sections and as "Passed" in the exam system. NASBA admits that they did some type of manual override within the test system. They claim that they can't "undo" the manual override. Wrong information in the test system is a concerning matter.

There have been many instances of exam score transfers. They are manually reviewed as each state has different retention requirements due to COVID extension, CPA Evolution, and the 30 month implementation window.

Regarding both instances, several inquiries have been made to the NASBA's Director of Examination Services and COO, including requesting a full review of these matters as this is extremely concerning. The fiduciary duties NASBA are entrusted with the examination administration that needs to be reflected upon by the organization. These two examples need to be corrected to properly reflect the accuracy of the exam sittings in the test system.

The Director is indicating that although the exam candidate in Instance #1 above, is no longer under the NY jurisdiction candidate search, we can search through the Authorization to Test area. We confirmed that we could find the candidate by the national candidate ID only as her first and last name are no longer spelled the same after being transferred to the other jurisdiction.

Further, in that same area of the test system where the Director told us we could the candidate's information, we found that there is a search for the "CDL" files. We ran that search and there were over a thousand records. It appears that in mid-August there was some type of "event" or 'transaction" on history files as there were files from candidates who passed under the paper system, late 1990's and early 2000's.

However, those that were recent candidates who sat for the CPA Evolution exam did not have the NY credit retention window when they sat as another jurisdiction's candidate and transferred to NY. Many states have the exact 30 months to the day. With our 1970's COBOL system, we only have two digits each for month/year and NY jurisdiction candidates' condition period always ends at the end of the month.

The examination committee of the board reviewed these two matters and made the following inquires to NASBA. Can you please explain the following:

- What CDL is?
- How does the CDL process work?
- What are the normal procedures for transferring scores when there is a split/partial exams passed from one jurisdiction to another?
- Has there been a recent change to this system and processes where the candidates were placed in the other jurisdiction tab in Gateway? We have many other instances of candidates who were split/partial jurisdictions and the other state's exam information was not input into our jurisdiction's tab.
- Who has authorization to override the exam information?
- What are the controls put in place for exam information being entered into another jurisdiction's tab when a candidate has not sat under that jurisdiction?
- We are asking for a total population of candidates that were input via this CDL method with expirations dates that are erroneous per NY's rules. Additionally, we would like to know how this will be remedied going forward.

ITEM 4

Follow on from the July meeting, regarding the AICPA's exam software changes that will require score holds in Q3 and Q4 of 2027 and Q1 and Q2 of 2028. They will be doing a software upgrade to the exam system, calculator, and spreadsheet in 2027. They anticipate a one year period of score holds for the core exams from Quarter 3, 2027 through Quarter 2, 2028. The discipline sections will remain once per quarter and will not be moved to continuous testing. The discipline sections will not be impacted by the score holds.

Items of concern were lack of transparency and communication with the exam candidates. As of 10/9/2026 there was no communication informing the exam candidates that there would be a score hold. See additional information from AICPA website.

NASBA has indicated that the NASBA exam administration committee will be recommending that boards do not grant blanket extensions due to the changes in 2027/2028.

Decision: Should we remain consistent with the recommendation and not do a blanket extension?

ITEM 5

Verbal update from Denise Stefano on her review of security at the Prometric test center.

ITEM 6

Discussion: Should the Notice to Schedule be longer than 6 months. Requires no regulation changes, only in policy.

With the longer 30 month window, should there be consideration to extend the length of the Notice to Schedules?

In 2025 alone there were 2647 NY candidates' NTS that were not used: No Shows (1380) and NTS Expired (1267) that were gathered from the BI tool.

Decision: If there should be a longer NTS window, how long should it be? 9 months or 12 months. California is 9 months, VA is 12 months.

CPA Exam user-interface changes coming in 2027

Beginning in July 2027, the CPA Exam will transition to a new technology delivery platform, accompanied by changes to the user interface. These changes will require an adjusted test administration and score release schedule.

Here's what you need to know.

Why is the CPA Exam moving to a new delivery platform?

The software that delivers the CPA Exam to candidates in the Prometric test centers is being updated to leverage state-of-the-art technology, allowing the AICPA to continue to support a key asset of the CPA profession, the CPA Exam.

The transition makes it easier to adapt as technology and testing needs continue to evolve.

The new software platform provides enhanced accessibility, an improved processing cycle, a more modernized exam experience for all users, and will allow the AICPA to adapt to future technology enhancements more efficiently.

What happens during the transition?

As with any major technology upgrade, moving from one platform to another requires careful planning.

To ensure all candidate data is processed correctly before launching the new platform, CPA Exam testing will temporarily pause during the transition.

Current target dates include:

- **July 1–11, 2027:** CPA Exam testing will NOT be available as the software is deployed.
- **July 12, 2027:** Testing resumes on the new platform.

During the deployment period, the CPA Exam will not be available. The pause allows the AICPA to complete processing from the previous testing window, retire the legacy system, and launch the new platform.

If you’re planning to sit for the CPA Exam during the summer of 2027, please factor these dates into your study and scheduling plans.

How could candidates be affected?

The updated CPA Exam interface enhances how candidates interact with the CPA Exam content. Even seemingly small adjustments (such as changes to navigation, accessibility features, or screen layout) can influence how CPA Exam questions perform statistically.

Before scores can be reported, the AICPA must recalibrate the CPA Exam items using real candidate response data collected after the new platform launches. This process ensures that scoring remains accurate, valid, and fair for everyone taking the CPA Exam.

Because recalibration takes time, there will be an adjustment to the score release schedule for 12 months following the launch.

More information will be coming soon, so stay tuned.

NASBA

Mission Driven - Member Focused

To Executive Directors:

Please see the below article, which will be published to the AICPA's website today, August 31, 2026. They will also update the score release webpage with the 2027/2028 score admin and score release schedule by the end of September.

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More information will be coming soon, so stay tuned.

Patricia Hartman
Director, Client Services
NASBA

NASBA | 150 Fourth Avenue North | Suite 700 | Nashville, TN | 37219-2417

Phone: 615-880-4200 | Website: www.nasba.org

Manage your preferences | Opt Out using TrueRemove™
Got this as a forward? Sign up to receive our future emails.
View this email online.

150 Fourth Avenue North Suite 700 | Nashville, TN 37219 US

This email was sent to jennifer.winters@nysed.gov.
To continue receiving our emails, add us to your address book.

Find out when you'll get your CPA Exam score

https://www.aicpa-cima.com/resources/article/find-out-when-youll-get-your-cpa-exam-score

2027 Q3 through 2028 Q2 Core section administration and score release schedule:

Testing Dates	Your target score release date is:
July 12, 2027 - September 30, 2027	October 19, 2027
October 1, 2027 – December 15, 2027	December 28, 2027
January 1, 2028 – March 15, 2028	March 28, 2028
April 1, 2028 – June 15, 2028	June 27, 2028

2027 Q3 through 2028 Q2 Discipline section administration and score release schedule:

Testing Dates	Your target score release date is:
July 12, 2027 – August 12, 2027	September 28, 2027
October 1, 2027 – October 31, 2027	December 17, 2027
January 1, 2028 – January 31, 2028	March 17, 2028
April 1, 2028 – April 30, 2028	June 16, 2028

NASBA

Year-Quarter: 2026-Q2

Quarterly CPA Examination Report: Overall Performance - All

Jurisdiction: New York

		Exam Type		Exam Section					
	Overall	FT	RE	AUD	FAR	REG	BAR	ISC	TCP
Candidates	3,624	2,359	1,511	1,043	1,178	1,013	99	275	468
Sections	4,452	2,616	1,836	1,209	1,306	1,095	99	275	468
% Pass	54.8%	64.7%	40.8%	46.4%	40.8%	69.0%	47.5%	62.5%	79.5%
Average Score	72.7	75.2	69.2	71.8	66.4	76.5	71.2	77.8	81.5
Average Age	27.9	26.6	29.8	28.0	28.0	27.8	32.4	27.2	27.5

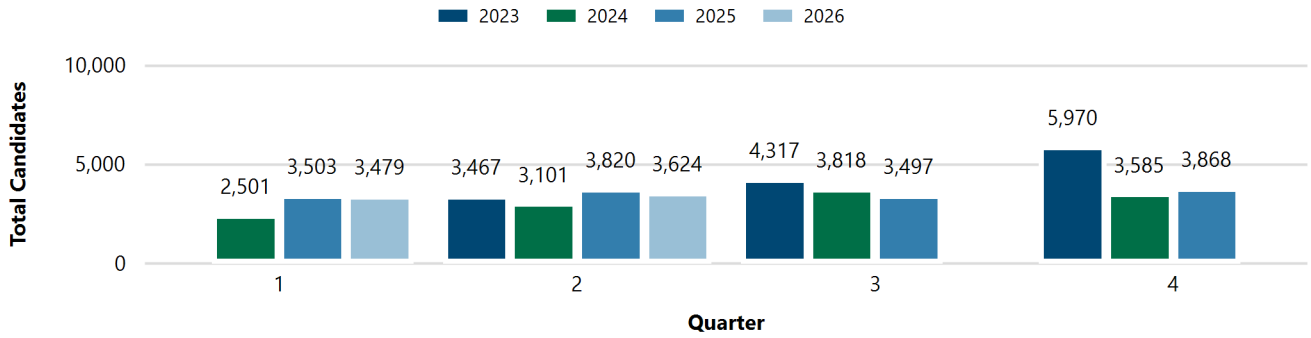
Jurisdiction Ranking

32 Overall Pass Rate	**31** Overall Avg. Score
31 Core Pass Rate	**34** Discipline Pass Rate

	Gender			Residency			Cohort Year				Age at Time of Examination					
	F	M	U	In-State	Out-of-State	Int'l	2026	2025	2024	2023	<22	22-23	24-25	26-27	28-29	30+
Candidates	1,555	1,858	211	2,218	983	423	711	225	89	59	123	1,086	614	453	322	1,044
Sections	1,899	2,286	267	2,696	1,254	502	816	264	106	75	145	1,371	715	546	392	1,272
% Pass	50.2%	58.0%	60.7%	52.5%	60.5%	53.0%	48.3%	67.4%	58.5%	34.7%	72.4%	65.4%	52.4%	47.3%	49.5%	47.7%
Average Score	71.2	73.8	74.4	71.9	74.5	72.6	68.1	76.6	73.0	67.1	77.6	76.0	71.7	70.3	71.4	70.7
Average Age	28.3	27.8	26.1	27.8	26.8	31.5	26.4	26.9	28.3	29.4	20.9	22.6	24.4	26.5	28.5	37.0

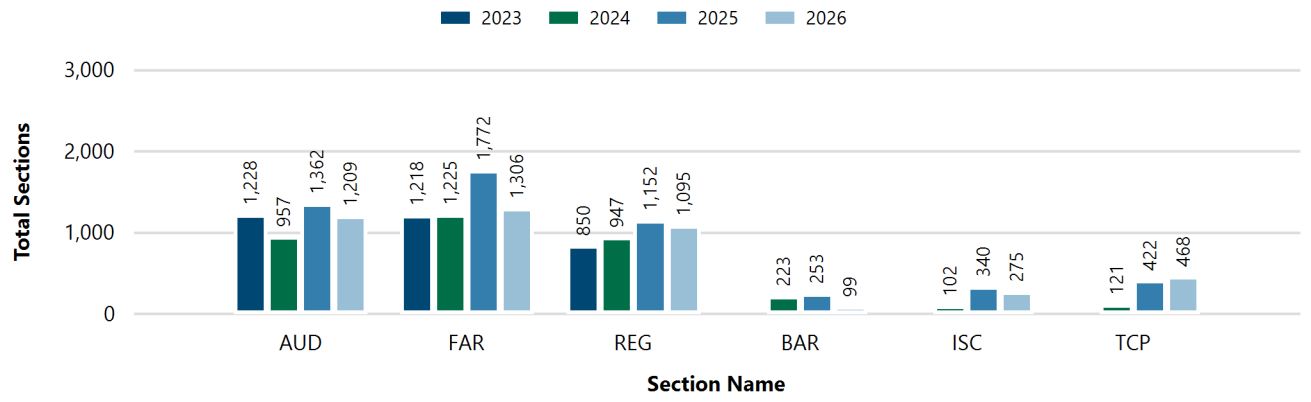
Total Candidates by Quarter

Number of unique candidates per quarter who have taken at least one section of the Examination.



Total Sections by Section Type*

The total of Examination sections for which candidates received scores in the current quarter and the same quarter over the past 4 years.



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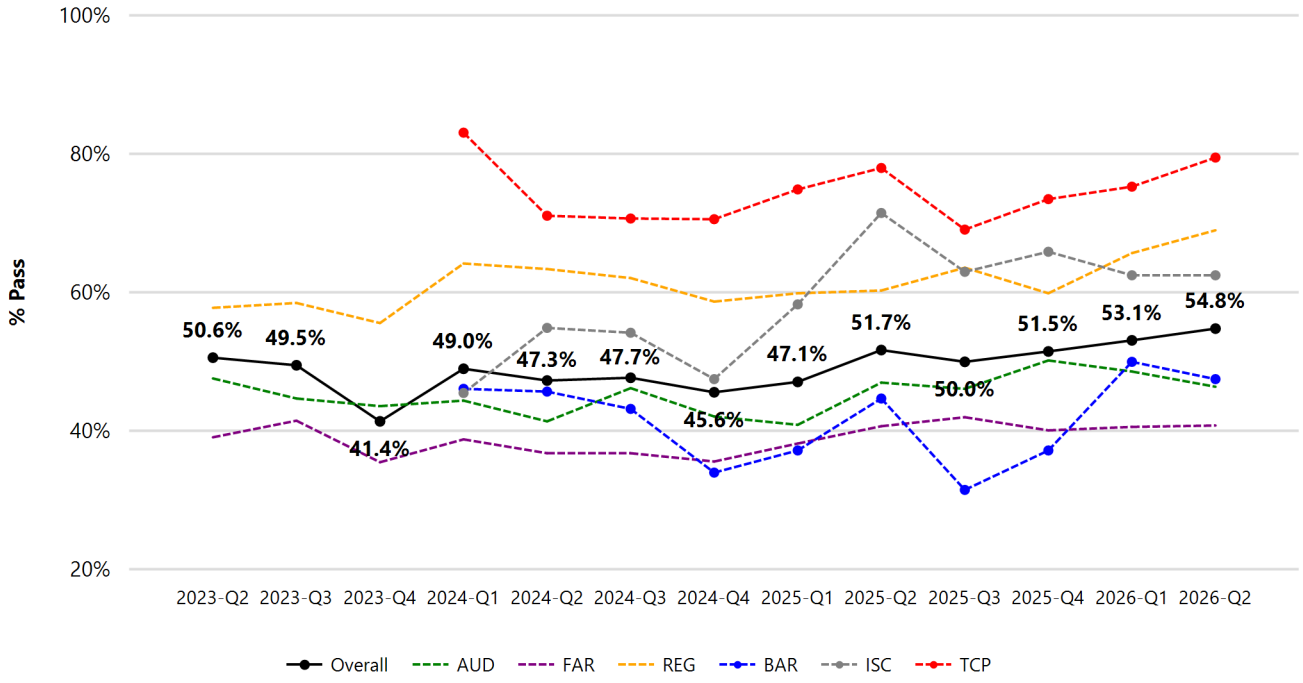
NASBA

Year-Quarter: 2026-Q2

% Pass

The percentage of sections that were passed in each quarter for the past three years. AUD, FAR and REG after 2023 represent the new core sections.



Year-Quarter	Overall Pass Rate	AUD	FAR	REG	BAR	ISC	TCP
2026-Q2	54.8%	46.4%	40.8%	69.0%	47.5%	62.5%	79.5%
2026-Q1	53.1%	48.6%	40.6%	65.7%	50.0%	62.5%	75.3%
2025-Q4	51.5%	50.2%	40.1%	59.9%	37.2%	65.9%	73.5%
2025-Q3	50.0%	46.1%	42.0%	63.6%	31.5%	63.0%	69.1%
2025-Q2	51.7%	47.0%	40.7%	60.3%	44.7%	71.5%	78.0%
2025-Q1	47.1%	40.9%	38.2%	59.9%	37.2%	58.3%	74.9%
2024-Q4	45.6%	42.1%	35.6%	58.7%	34.0%	47.5%	70.6%
2024-Q3	47.7%	46.2%	36.8%	62.1%	43.2%	54.2%	70.7%
2024-Q2	47.3%	41.4%	36.8%	63.4%	45.7%	54.9%	71.1%
2024-Q1	49.0%	44.4%	38.8%	64.2%	46.1%	45.5%	83.1%
2023-Q4	41.4%	43.6%	35.5%	55.6%	-	-	-
2023-Q3	49.5%	44.7%	41.5%	58.5%	-	-	-
2023-Q2	50.6%	47.6%	39.1%	57.8%	-	-	-

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NASBA

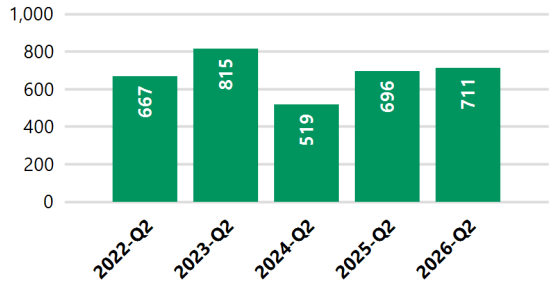
Year-Quarter: 2026-Q2

Quarterly CPA Examination Report: Overall Performance - First Time

Jurisdiction: New York

		Exam Type		Exam Section					
	Overall	FT	RE	AUD	FAR	REG	BAR	ISC	TCP
Candidates	-	2,359	-	607	617	732	59	205	396
Sections	-	2,616	-	607	617	732	59	205	396
% Pass	-	64.7%	-	56.0%	45.7%	76.9%	47.5%	71.2%	84.1%
Average Score	-	75.2	-	73.6	66.2	78.8	71.9	79.9	83.1
Average Age	-	26.6	-	26.1	26.6	26.7	31.3	26.1	26.7

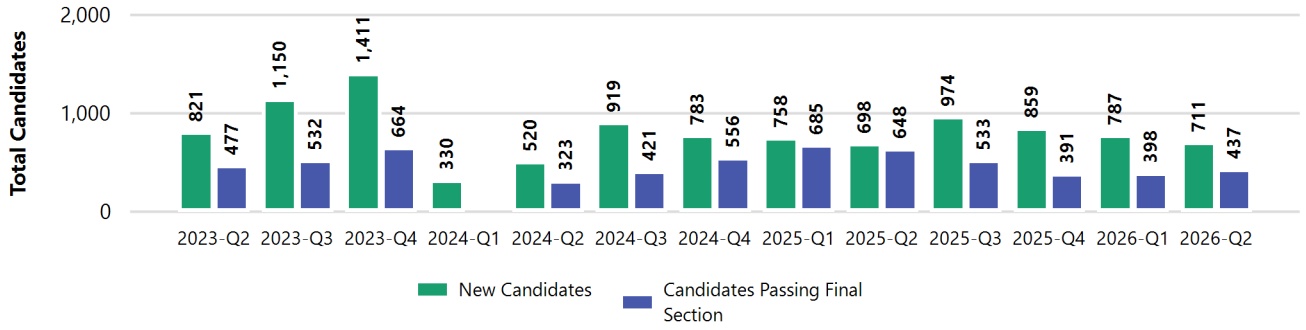
Cohort Size Trend



	Gender			Residency			Cohort Year				Age at Time of Examination					
	F	M	U	In-State	Out-of-State	Int'l	2026	2025	2024	2023	<22	22-23	24-25	26-27	28-29	30+
Candidates	954	1,253	152	1,425	685	249	711	225	89	59	111	899	378	266	180	532
Sections	1,040	1,402	174	1,551	789	276	816	264	106	75	121	1,032	397	284	199	578
% Pass	60.9%	66.8%	70.7%	62.0%	70.8%	62.0%	48.3%	67.4%	58.5%	34.7%	76.9%	71.5%	61.7%	57.0%	58.3%	57.6%
Average Score	73.8	76.0	77.1	74.2	77.4	74.2	68.1	76.6	73.0	67.1	79.1	77.7	73.8	72.3	73.3	72.9
Average Age	26.6	26.7	26.0	26.6	25.2	30.7	26.4	26.9	28.3	29.4	20.9	22.6	24.4	26.5	28.5	36.2

New Candidates vs. Candidates Passing Final Section

The number of new unique candidates taking their very first Examination section versus the total number of unique candidates who passed their fourth and final section in a quarter.



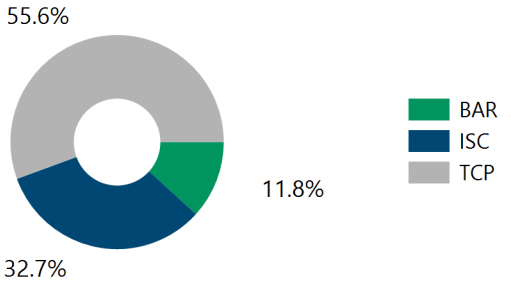
Degree Type

Highest degree listed for a candidate

	Candidates	% Total
Bachelor's Degree	2,115	58.4%
Advanced Degree	506	14.0%
Enrolled/Other	1,003	27.7%

Disciplines

Breakdown of what percentage of candidates are taking which disciplines



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NASBA

Year-Quarter: 2026-Q2

Notes

1. The data used to develop this report was pulled from NASBA's Gateway System, which houses the Uniform CPA Examination's Application and Performance information for all 55 jurisdictions.
2. The demographic data related to age, gender, and degree type is provided by the individual candidates and may not be 100% accurate.
3. Some jurisdictions do not require candidates to report certain demographic data nor complete surveys gathering such data on a voluntary basis.
4. A cohort is the year in which a candidate enters the CPA Exam pipeline. The candidate's cohort is determined by the very first section attempt on the CPA Examination.
5. The CPA Exam introduced a new Exam on January 1, 2024. AUD, FAR, and REG after 2023 represent the new core sections.

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NASBA

Year-Quarter: 2026-Q2

Quarterly CPA Examination Report: Overall Performance - All

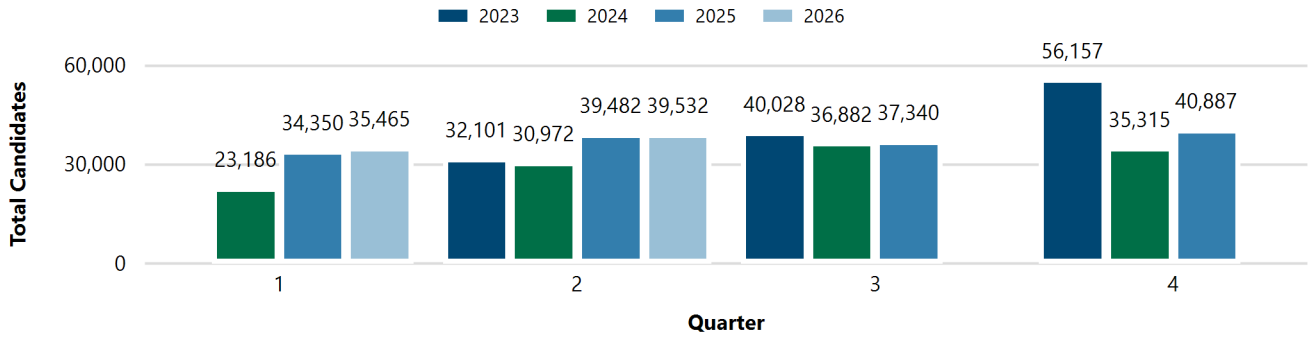
Jurisdiction: Overall

		Exam Type		Exam Section					
	Overall	FT	RE	AUD	FAR	REG	BAR	ISC	TCP
Candidates	39,532	27,132	15,035	11,323	13,665	11,354	1,220	2,936	4,979
Sections	48,761	30,771	17,990	12,582	14,917	12,127	1,220	2,936	4,979
% Pass	55.7%	64.5%	40.8%	49.4%	42.5%	66.9%	45.7%	68.0%	79.8%
Average Score	72.8	75.0	69.0	72.1	66.7	76.2	70.9	78.6	81.5
Average Age	28.6	27.5	30.5	28.7	28.8	28.3	32.6	27.0	28.5

	Gender			Residency			Cohort Year				Age at Time of Examination					
	F	M	U	In-State	Out-of-State	Int'l	2026	2025	2024	2023	<22	22-23	24-25	26-27	28-29	30+
Candidates	17,351	19,427	2,754	27,850	5,739	5,944	9,295	2,322	834	462	1,229	11,108	6,670	4,528	3,423	12,858
Sections	21,225	24,052	3,484	34,500	7,261	7,000	10,744	2,785	1,003	579	1,480	14,219	7,868	5,460	4,103	15,571
% Pass	52.2%	58.4%	59.1%	54.6%	60.8%	55.9%	50.0%	61.1%	50.3%	37.8%	70.1%	68.0%	53.7%	50.1%	50.6%	47.6%
Average Score	71.6	73.7	73.4	72.3	74.6	73.0	68.8	75.0	71.8	68.4	77.5	76.7	71.8	71.2	70.8	70.3
Average Age	29.1	28.3	27.7	28.3	28.0	30.6	27.3	28.4	29.6	30.3	20.9	22.6	24.4	26.5	28.5	37.8

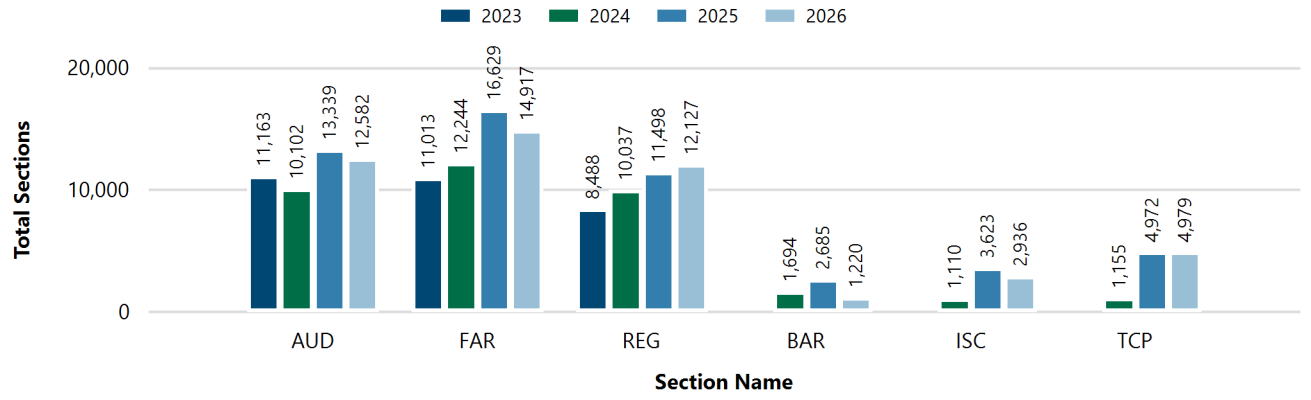
Total Candidates by Quarter

Number of unique candidates per quarter who have taken at least one section of the Examination.



Total Sections by Section Type*

The total of Examination sections for which candidates received scores in the current quarter and the same quarter over the past 4 years.



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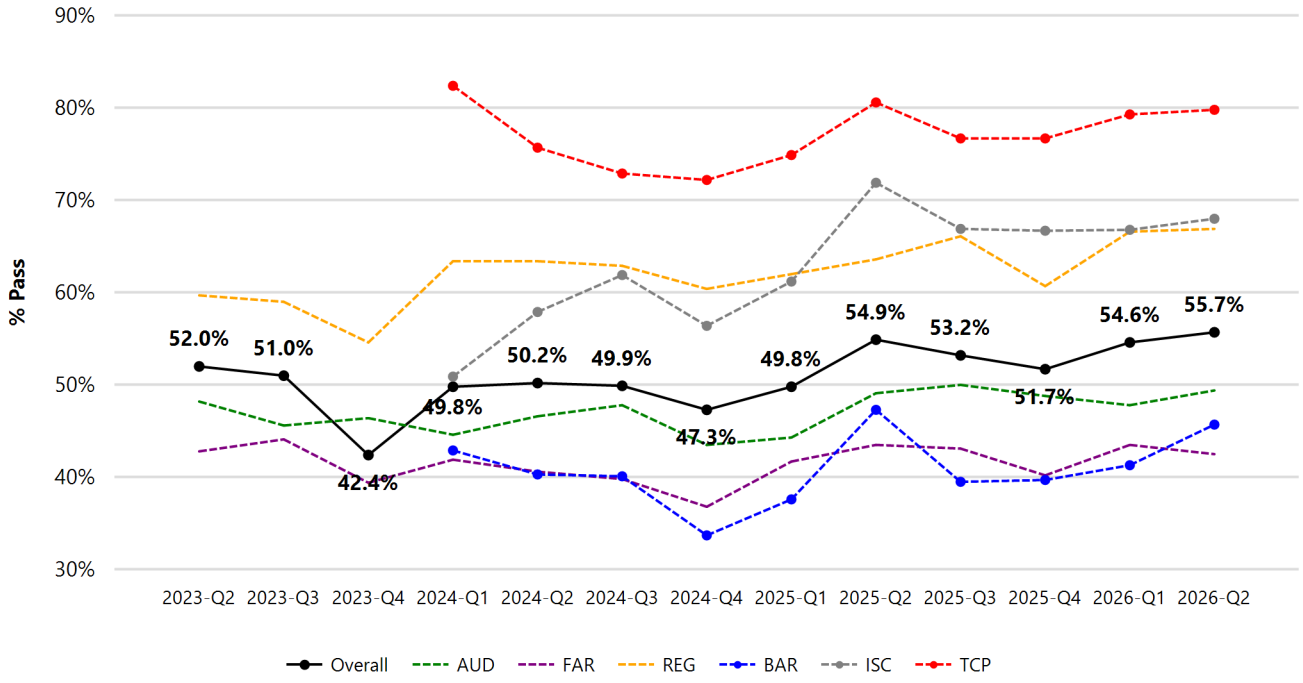
NASBA

Year-Quarter: 2026-Q2

% Pass

The percentage of sections that were passed in each quarter for the past three years. AUD, FAR and REG after 2023 represent the new core sections.



Year-Quarter	Overall Pass Rate	AUD	FAR	REG	BAR	ISC	TCP
2026-Q2	55.7%	49.4%	42.5%	66.9%	45.7%	68.0%	79.8%
2026-Q1	54.6%	47.8%	43.5%	66.6%	41.3%	66.8%	79.3%
2025-Q4	51.7%	48.8%	40.2%	60.7%	39.7%	66.7%	76.7%
2025-Q3	53.2%	50.0%	43.1%	66.1%	39.5%	66.9%	76.7%
2025-Q2	54.9%	49.1%	43.5%	63.6%	47.3%	71.9%	80.6%
2025-Q1	49.8%	44.3%	41.7%	62.0%	37.6%	61.2%	74.9%
2024-Q4	47.3%	43.5%	36.8%	60.4%	33.7%	56.4%	72.2%
2024-Q3	49.9%	47.8%	39.8%	62.9%	40.1%	61.9%	72.9%
2024-Q2	50.2%	46.6%	40.6%	63.4%	40.3%	57.9%	75.7%
2024-Q1	49.8%	44.6%	41.9%	63.4%	42.9%	50.9%	82.4%
2023-Q4	42.4%	46.4%	39.4%	54.6%	-	-	-
2023-Q3	51.0%	45.6%	44.1%	59.0%	-	-	-
2023-Q2	52.0%	48.2%	42.8%	59.7%	-	-	-

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NASBA

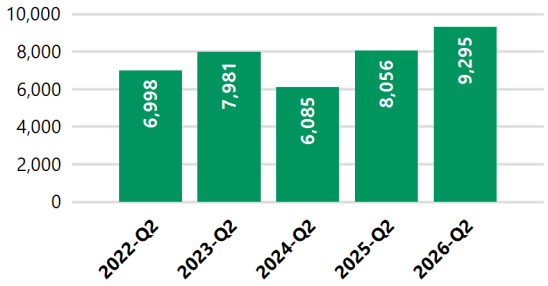
Year-Quarter: 2026-Q2

Quarterly CPA Examination Report: Overall Performance - First Time

Jurisdiction: Overall

		Exam Type		Exam Section					
	Overall	FT	RE	AUD	FAR	REG	BAR	ISC	TCP
Candidates	-	27,132	-	6,922	7,844	8,527	728	2,345	4,405
Sections	-	30,771	-	6,922	7,844	8,527	728	2,345	4,405
% Pass	-	64.5%	-	57.9%	47.6%	74.0%	52.6%	74.2%	83.4%
Average Score	-	75.0	-	73.6	67.1	78.2	72.0	80.2	82.7
Average Age	-	27.5	-	27.2	27.6	27.4	31.7	26.3	28.0

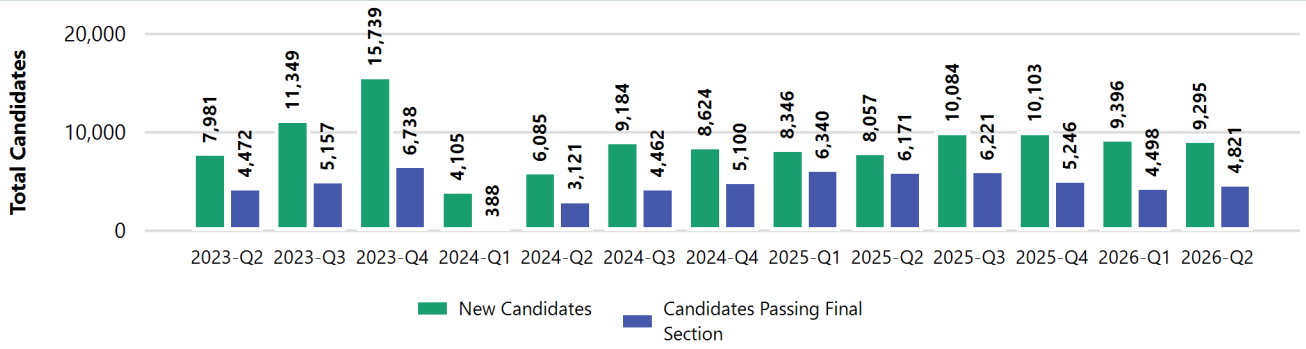
Cohort Size Trend



	Gender			Residency			Cohort Year				Age at Time of Examination					
	F	M	U	In-State	Out-of-State	Int'l	2026	2025	2024	2023	<22	22-23	24-25	26-27	28-29	30+
Candidates	11,437	13,674	2,021	18,896	4,048	4,188	9,295	2,322	834	462	1,146	9,481	4,287	2,790	2,057	7,499
Sections	12,866	15,555	2,350	21,403	4,732	4,636	10,744	2,785	1,003	579	1,308	11,346	4,637	3,010	2,234	8,193
% Pass	61.1%	66.9%	67.0%	63.5%	70.3%	63.1%	50.0%	61.1%	50.3%	37.8%	71.6%	73.0%	61.4%	57.9%	59.0%	57.2%
Average Score	73.6	76.0	75.5	74.6	77.2	74.6	68.8	75.0	71.8	68.4	78.0	78.1	73.7	72.9	72.7	72.3
Average Age	27.8	27.3	26.9	27.2	26.5	29.8	27.3	28.4	29.6	30.3	20.9	22.6	24.4	26.5	28.5	37.4

New Candidates vs. Candidates Passing Final Section

The number of new unique candidates taking their very first Examination section versus the total number of unique candidates who passed their fourth and final section in a quarter.



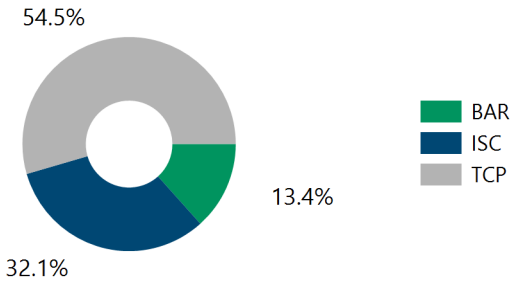
Degree Type

Highest degree listed for a candidate

	Candidates	% Total
Bachelor's Degree	22,938	58.0%
Advanced Degree	5,864	14.8%
Enrolled/Other	10,730	27.1%

Disciplines

Breakdown of what percentage of candidates are taking which disciplines



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NASBA

Year-Quarter: 2026-Q2

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NASBA

Overall Statistics by Jurisdiction

Year-Quarter: 2026-Q2

Summary of Examination data for each Jurisdiction with 15* or more candidates.

Jurisdiction	Total Candidates	Total Exam Sections	Sections FT	Sections RE	Average Pass Rate	Average Score	Average Age
Alabama	425	539	366	173	61.4%	73.8	26.5
Alaska	1,277	1,531	983	548	52.8%	72.8	31.7
Arizona	445	543	334	209	52.1%	71.7	29.8
Arkansas	229	269	166	103	56.9%	72.5	26.8
California	5,271	6,520	3,935	2,585	51.5%	71.0	29.9
Colorado	543	675	427	248	59.0%	74.1	29.1
Connecticut	422	529	300	229	49.3%	70.9	28.6
Delaware	79	91	40	51	39.6%	68.6	34.3
District of Columbia	120	150	112	38	66.7%	73.7	27.5
Florida	1,510	1,843	1,155	688	58.7%	73.7	28.9
Georgia	1,071	1,345	834	511	55.2%	72.9	28.8
Guam	1,879	2,168	1,437	731	55.8%	72.7	28.6
Hawaii	93	105	61	44	55.2%	73.2	30.5
Idaho	142	165	100	65	49.1%	72.8	30.2
Illinois	1,937	2,410	1,636	774	58.2%	73.5	26.9
Indiana	496	602	397	205	56.8%	73.0	27.0
Iowa	334	444	325	119	65.5%	76.1	24.7
Kansas	80	97	67	30	53.6%	72.4	28.0
Kentucky	230	272	166	106	54.8%	72.2	28.8
Louisiana	283	321	197	124	53.6%	72.0	28.2
Maine	344	433	275	158	53.1%	71.8	34.3

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Jurisdiction	Total Candidates	Total Exam Sections	Sections FT	Sections RE	Average Pass Rate	Average Score	Average Age
Maryland	430	516	258	258	42.8%	68.6	30.6
Massachusetts	1,047	1,296	827	469	60.0%	74.5	26.5
Michigan	807	1,001	588	413	57.1%	73.3	27.4
Minnesota	572	701	460	241	58.8%	73.9	26.3
Mississippi	182	237	147	90	49.8%	70.4	26.9
Missouri	668	872	584	288	60.2%	74.8	26.0
Montana	591	762	517	245	58.5%	73.6	29.1
Nebraska	164	201	152	49	69.7%	76.7	26.0
Nevada	191	241	135	106	53.9%	71.0	30.5
New Hampshire	160	191	79	112	38.7%	68.8	34.6
New Jersey	960	1,191	628	563	47.4%	69.3	28.8
New Mexico	60	72	36	36	45.8%	70.0	33.8
New York	3,624	4,452	2,616	1,836	54.8%	72.7	27.9
North Carolina	960	1,210	819	391	57.9%	72.9	27.3
North Dakota	274	337	226	111	57.6%	72.9	28.0
Ohio	1,061	1,282	803	479	53.7%	72.4	26.8
Oklahoma	270	342	204	138	52.0%	71.8	28.4
Oregon	249	304	174	130	58.6%	73.4	30.1
Pennsylvania	1,546	1,865	1,199	666	55.1%	72.3	27.3
Puerto Rico	256	284	148	136	43.7%	67.3	29.0
Rhode Island	70	86	49	37	55.8%	74.7	28.9
South Carolina	262	315	215	100	59.4%	74.2	28.5
South Dakota	65	86	53	33	51.2%	71.2	26.3

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Jurisdiction	Total Candidates	Total Exam Sections	Sections FT	Sections RE	Average Pass Rate	Average Score	Average Age
Tennessee	726	915	622	293	61.1%	74.4	27.4
Texas	3,247	4,280	2,802	1,478	57.8%	73.5	28.4
Utah	487	585	412	173	65.6%	76.1	29.0
Vermont	70	98	62	36	59.2%	74.3	27.4
Virginia	1,025	1,273	783	490	56.3%	73.1	29.8
Washington	1,844	2,176	1,507	669	60.3%	74.6	31.6
West Virginia	76	97	51	46	41.2%	66.3	30.2
Wisconsin	346	403	278	125	61.5%	75.2	26.0
Wyoming	33	38	24	14	65.8%	73.6	28.9

**30 or more candidates is the cutoff for the annual performance report.*

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National Association of State Boards of Accountancy

CANDIDATE CARE

QUARTERLY REPORT

April 1, 2026 – June 30, 2026

KATHLEEN LOVE SCALES, CANDIDATE CARE ADVOCATE

NASBA'S CANDIDATE CARE CONCERNS

2026 Q2

April 1- June 30, 2026

Category	2026 Q2
AICPA Test Content	7
Candidate Error	45
Environment	27
Prometric Scheduling Issues	29
Prometric Site Issues	19
Technical/Software	17
Technical/Hardware	13
CNATT (Candidate Not Able to Test)	398
Prometric Site Changes	8
Total	563
Retests Awarded	14

NASBA Candidate Care Concerns Table

This report summarizes activities and preparations for the CPA examinations which took place in the 2nd quarter of 2026. It also presents concerns expressed by candidates during the testing period.

AICPA Test Content

In this category, if candidates report issues with examination content, such as documents provided to answer questions showing conflicting information, no balance sheet available or unclear instructions, they are instructed to direct their inquiry to the AICPA.

Candidate Error

Candidate error includes issues such as failing to bring NTS to test center, providing an incorrect NTS, issues with name on the roster/NTS not matching primary identification, hitting the "submit" button prematurely and timing out on the introductory screen.

Environment-Force Majeure
This category houses environmental issues such as test center room temperature, construction noise, power failure, fire drill and situations out of the candidate's or testing centers control.

Prometric Scheduling Issues
Candidates report concerns about the lack of availability at test centers, test center closures due to relocation, force majeure or cancellation of testing appointments due to staffing to name a few. Prometric routinely reviews capacity throughout the testing centers and will extend operating hours as needed.

Prometric Site Issues
This category documents candidate complaints such as where they are seated in the testing room or the check-in process.

Technical/Software/Hardware
Examples of issues in this category are exam will not launch, computer tools not working properly, exam shutting down, unable to restart exam or confirmation of attendance not printing.

CNATT
A few examples of "candidate not able to test" are force majeure, operational site issue, public holiday and server issue. Do note that candidates affected were contacted and rescheduled.

Prometric Site Changes

MS-Hattiesburg -3606-site to be replaced	**Recife Brazil-**8325-site relocation
ND-Grand Forks -4302-site to be replaced	
PA-State College-1711-site to be replaced	
Canada/Halifax-6090-site to be replaced	
OK-OK City-0901-temp location-1758 site	
TX/Beaumont-5128-relocated to another bldg. on campus	
Dublin Ireland-8044/6698-new site-relocation	

Tangible Items for the Quarter
The Uniform CPA Mobile App received over 60,000 hits in this second quarter of 2026. Candidates can perform all functions that are in their candidate portal in the app, including accessing their Notice to Schedule (NTS).

As always, we appreciate the opportunity to assist your CPA candidates. If you have any questions or concerns please call 615-880-4252 or Email klovescales@nasba.org or candidatecare@nasba.org.
Kathleen Love Scales, Candidate Care Department, NASBA. You may also share on: Facebook/Twitter/linked-In/Email

Ad Hoc – Education and Practice Committee

Recommendation:
Stand down the Ad Hoc Committee that was established to address the concerns with the endorsement candidates with the new legislation.

NASBA

RECOMMENDATION MEMORANDUM

Private Equity and Alternative Practice Structures in the Accounting Profession

Recommendations for State Boards of Accountancy

National Association of State Boards of Accountancy
Private Equity Task Force

August 2026

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Introduction

Private equity (PE) participation in the accounting profession often involves Certified Public Accountant (CPA) firms operating within complex, multiparty alternative practice structure (APS),[1] and receiving support from non-CPA firms that may have PE investments. This type of PE investment in the accounting profession has accelerated in recent years, bringing capital, technology investment, and consolidation, along with complex governance, economic, and independence risks. Given the rising deal volumes, diversified financing mechanisms, and operational pathways through which investment and shared services arrangements can influence CPA firms, regulators and the accounting profession have recently begun to examine whether possible changes to the regulatory framework are needed.

With any review of a state board of accountancy's (SBOA) regulatory framework, it is important to consider a pragmatic approach. This approach should recognize the potential benefits associated with PE investment while maintaining appropriate regulatory oversight and public protection.

State governments and SBOAs facing complex, PE-backed APSs will weigh multiple considerations in determining their regulatory responses. Their next steps should reflect the specific laws, rules, and needs of their jurisdictions. These steps may include legislation, rulemaking, policy development, and practical measures to address licensure, renewal, and enforcement practices considering the evolving PE landscape. Most importantly, SBOAs should evaluate whether their existing statutory and regulatory frameworks adequately support the considerations and potential approaches outlined in this memorandum.

Following a deliberate review process that included feedback from SBOAs and other key stakeholders, the NASBA PE Task Force developed this memorandum. It provides a menu of policy options, examples, and implementation considerations that SBOAs can evaluate based on their jurisdictional authority, risk profile, and specific needs. The NASBA PE Task Force's recommendations, set forth in this memorandum, are intended to ensure:

1. Adherence to independence and professional standards;

[1] Under the AICPA Code of Professional Conduct Independence Rule ET §1.220.020: an "APS is a form of organization in which a firm that provides attest services is closely aligned with another public or private organization that performs other professional services."

2. Adequate disclosure to ensure public understanding and protection; and
3. An effective framework for SBOA regulatory oversight and enforcement.

This recommendation memorandum, and the future work of NASBA and the PE Task Force on this topic, seeks to provide a framework for addressing public protection within CPA firms that enter APS arrangements with outside investments. It should be noted, however, that individual jurisdiction's and SBOA's needs and requirements will vary. Consistent with NASBA's mission of supporting SBOAs, this recommendation memorandum is intended to be a resource, while not directing any particular action by an SBOA. Further, SBOA jurisdiction is limited to regulating the practice of public accountancy and licensed CPAs and CPA firms. Therefore, this recommendation memorandum focuses primarily on regulations, policies, or procedures that address CPA and CPA firm conduct, rather than the conduct of third parties.

NASBA will periodically revisit these recommendations to keep the memorandum current as rules, and standards evolve.

Background and Work of the NASBA Private Equity Task ForceIn May 2025, Immediate-Past NASBA Chair Maria Caldwell, CPA, appointed the NASBA Private Equity Task Force (PE Task Force) to evaluate the implications of PE investment in the accounting profession and identify ways to support SBOAs in their oversight responsibilities. The PE Task Force was also charged with exploring how PE ownership may impact the public interest, CPA firm independence, governance structures, and audit quality.

The members of the PE Task Force are:

- Dan Vuckovich, CPA, Chair—NASBA Board of Directors' Member; NASBA Mountain Regional Director; Member, Montana Board of Public Accountants
- Barry Berkowitz, CPA—NASBA Board of Directors' Directors-at-Large Member
- Boyd Busby, CPA—Executive Director, Alabama State Board of Public Accountancy
- Dominic Franzella—Executive Officer, California Board of Accountancy
- Dale Mullen, Esq.—Member, Virginia Board of Accountancy
- David Nance, CPA—Executive Director, North Carolina Board of CPA Examiners
- Steve Platau, CPA—Member, Florida Board of Accountancy
- Melissa Ruff, CPA—NASBA Board of Directors' Member; NASBA Central Regional Director; Chair, Nebraska Board of Public Accountancy

On October 24, 2025, the PE Task Force released a white paper titled *Alternative Practice Structures & Private Equity: Considerations and Questions for Boards of Accountancy*

(White Paper). The purpose of the White Paper was to educate SBOAs and policymakers about both the benefits and challenges of PE investment and raise key questions about how best to protect investors and the public interest.

The White Paper included a background on SBOA regulation of CPAs and CPA firms and an introduction to CPA firms operating in APS models that have PE investment.[2] It also raised 15 questions on SBOA needs and considerations around regulating PE investment in the accounting profession, divided between three main areas:

1. **Independence and Professional Standards**
2. **Disclosure and Public Understanding**
3. **Regulatory Oversight and Enforcement**

While posing these questions to SBOAs and other stakeholders, the White Paper did not intend to provide guidance on how SBOAs should modify their oversight practices or statutory frameworks. Instead, the White Paper produced thorough and thoughtful responses from SBOAs and other stakeholders. These responses are discussed below, along with content intended to guide future steps by NASBA, the PE Task Force, and the SBOAs.

Synopsis of the NASBA PE Task Force's findings

In response to its release of the White Paper, the PE Task Force received responses from 18 SBOAs.[3] Additionally, the AICPA, state societies,[4] and 12 individuals or CPA firms responded.[5] The PE Task Force reviewed all responses in developing this memorandum. Because the memorandum is intended primarily for SBOAs, the task force focused their actions on steps boards could take within their regulatory authority.

Across the 15 questions, several consistent themes emerged regarding SBOA and state society responses. SBOAs primarily focused on preserving independence, audit quality,

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[2] This memorandum uses the terms "CPA firm" and "non-CPA firm" throughout. This wording captures the two sides of a PE-backed APS: the licensed CPA firm, which performs audit and attest work, and any associated non-CPA firm entities. APSs often involve complex relationships between numerous CPA firms and non-CPA firm entities. Additionally, it should be noted that the focus of this memorandum is PE-backed APSs, but there are also numerous examples of non-PE funded APSs with CPA firm and non-CPA firm components, and this content may be relevant to those situations as well. For further details on the relationships and ownership structures, please see *Alternative Practice Structures & Private Equity: Considerations and Questions for Boards of Accountancy*.

[3] AZ, CA, DE, HI, ID, LA, MS, NC, NE, NH, NV, OH, OR, OK, PA, TN, TX, and VA.

[4] CA, IN, IL, NC, OK, PA, TX, and VA.

[5] Including the chairs of the MD and NH boards, responding in their individual capacity.

and clear regulatory authority in the face of increasingly complex APSs. SBOAs and other respondents emphasized the following priorities for SBOAs and other stakeholders in response to questions posed on the above-listed three main topics.

1. **Independence and Professional Standards:**
    - Implement guardrails regarding the relationships between CPA firms and non-CPA firms operating within an APS. For example:
        - Require a degree of financial independence by CPA firms operating in an APS.
        - Require documented assurances of CPA firm control over attest-related decisions.
        - Ensure adequate quality control by CPAs at CPA firms within APSs.
        - Ensure adequate independence safeguards regarding services provided by CPA firms to portfolio companies within a CPA firm's investment structure.
        - Require confidentiality obligations to apply both to CPA firms and non-CPA firms within an APS, both during the terms of their joint operations, but also if the APS's non-CPA firm exits its relationship with the CPA firm.
        - Require immediate disclosure to clients, and corrective action, in the event of an unauthorized disclosure of client information.

2. **Disclosure and Public Understanding:**
    - Ensure legislative clarity regarding permitted use of the CPA title by CPAs operating outside of CPA firms.
    - Require clarity in CPA firm advertising regarding relationships between CPA firms and non-CPA firms within an APS.
    - Enhance CPA firm disclosure requirements and CPA firm licensure and renewal requirements.
    - Encourage NASBA, AICPA, SBOAs, and/or state societies to facilitate:
        - Outreach to state legislatures and other key stakeholders to emphasize the importance of this issue and necessary regulations;
        - Public education via press releases, newsletter articles, and providing consumer guides explaining PE investment and APSs.

3. **Regulatory Oversight and Enforcement:**

- Ensure legal and regulatory requirements adequately address non-CPA firms within an APS, while not seeking to extend board jurisdiction over these entities beyond the limits of state laws and rules and professional standards.
- Require CPA firms to affirm that they, and non-CPA firm counterparts within their APS, have clear obligations to cooperate with regulators and peer reviewers.
- Strengthen peer review practices as a primary oversight tool.

The following sections address these three areas and presents recommendations that SBOAs can implement to address.

Some of these recommendations are tied directly to laws, rules, and standards that will be found in all or most jurisdictions. Other recommendations included in this memorandum, however, may not be based on existing laws, rules, or standards. In these cases, the fundamental first step for SBOAs would be to ensure an adequate statutory basis for their action.

Independence and Professional Standards

PE-backed APSs can introduce financial or operational pressures that affect CPA firm decisions, necessitating well-defined CPA firm control requirements. Additionally, ensuring that CPA firms maintain clear legal and operational separation from non-CPA firms within their APS helps preserve CPAs' professional judgment and safeguards the integrity of the attest function. Thus, to fulfill their regulatory mandates, SBOAs should be able to determine that CPA firms maintain exclusive authority over professional decisions, including independence, governance, engagement acceptance, staffing, and quality management processes.

This regulatory mandate could be fulfilled by requiring affirmative statements by CPA firms upon licensure and renewal, with these CPA firms noting that specific minimum independence requirements have been met within the APS context.[6] By placing these affirmative requirements on CPA firms, rather than necessitating SBOA investigation and oversight of PE-backed structures, SBOAs can fulfill their regulatory obligations without generating an unmanageable workload or routinely delving into confidential CPA firm operating details.

[6] Please see appendix 2 for example language on this issue.

Recommendations for SBOAs:

1. Review all relevant laws and rules to ensure that adequate subpoena and investigatory power exist to obtain necessary documents and other information from CPA firms within an APS.
2. Require that CPA firms' governing bodies retain final authority over all licensed functions, to ensure compliance with all relevant standards, laws, and rules.
3. Require CPA control of CPA firm management. Ensure that engagement acceptance/continuance, quality management, staffing, and fee setting for work performed by CPA firms shall be controlled exclusively by CPA firms' CPA leadership.
4. Review relevant laws and rules to ensure adequate language protecting clients and client records during a non-CPA firm's exit from an APS.
5. If SBOA concerns are not adequately addressed by AICPA's Professional Ethics Executive Committee (PEEC)'s forthcoming changes to the AICPA Code of Professional Conduct, consider rulemaking and legislative changes to address gaps.[7]

Disclosure and Public Understanding

APSs introduce complex ownership, governance, and shared services arrangements that can obscure where actual control resides and how professional decisions are made. This lack of transparency may result in lapses in public protection. Because APS models often share branding, technology systems, and service pipelines, the public may mistakenly believe that a non-CPA firm within the APS is licensed and subject to SBOA independence and regulatory requirements. Public clarification of which entity is licensed, and disclosure of how CPA firms maintain independence and quality, is essential for maintaining public trust and enabling informed decision-making.

Thus, for SBOAs to protect the public effectively, they require clear, enforceable standards that illuminate the economic and operational relationships within APS-backed structures.

Recommendations for SBOAs:

[7] At the time of release of this recommendation memo, PEEC's work was not yet concluded. Uniform Accountancy Act, Model Rules, and state law and rule changes may be considered depending on the outcome of PEEC's ongoing revisions.

1. Require CPA firms to report to SBOAs if they operate in an APS, and report whether the APS receives PE investment.
2. Require conspicuous disclosures by CPA firms operating in an APS. For example:
    - The CPA firm's engagement letter, website, advertising, and marketing should include plain language disclosures regarding the relationship between the CPA firm and non-CPA firm within an APS.
    - SBOAs may require a disclaimer to accompany all marketing and advertising material referring to a CPA's designation and his or her association with an unlicensed entity in the client practice of public accountancy. The following sample disclaimer language may be helpful to SBOAs and state legislatures as they consider this issue:

      Our organization operates within an Alternative Practice Structure (APS) that includes two legally distinct entities. [Licensed CPA Firm Name] is the entity licensed by the State Board of Accountancy and is solely responsible for performing attest services in accordance with applicable professional standards. [Non-Attest Affiliate Name] is a separate entity that provides tax, advisory, and other non-attest services and is not licensed by the State Board of Accountancy. Although the entities may share a common brand and certain support resources, the licensed CPA firm maintains exclusive authority over all attest services and the related independence and quality safeguards.

3. The PE Task Force also recommends that the Uniform Accountancy Act Committee consider Uniform Accountancy Act changes to clarify that CPAs operating outside of CPA firms may use their CPA title, to ensure public understanding of whether an activity is performed by a licensed CPA and potentially subject to SBOA oversight.

Regulatory Oversight and Enforcement

The PE Task Force recommends ensuring that regulators have unimpeded access to the information, personnel, and documentation needed to oversee the licensed entity effectively. Because APS and PE models often involve multiple affiliates, shared IT systems, and layered governance, regulators need full transparency into how decisions are made and how independence safeguards operate in practice. Cooperation obligations also require timely notice of governance, ownership, or operational changes that could affect the licensed CPA firm's control over its core functions. These requirements are essential

mechanisms that uphold accountability, enable early risk detection, and ensure regulators can intervene when necessary to protect the public interest.

Recommendations for SBOAs:

1. SBOAs should evaluate whether additional monitoring and oversight of peer review is needed for CPA firms operating in APSs:
    - To facilitate peer review, SBOAs and stakeholders will ensure that laws and rules require full compliance with peer review standards and full participation in peer review programs, including requiring that CPA firms provide peer reviewers with immediate, unredacted access to engagement documentation, QC/QM materials, independence records, monitoring documentation, and relevant CPA firm policies.
2. Require CPA firms to affirm upon licensure and annual licensure renewal that in the event of an SBOA investigation or enforcement action they will:
    - Provide unredacted access to workpapers, quality control and management documentation, independence records, and partner/principal compensation policies without delay upon SBOA request.
    - Ensure access to partners, managers, and compliance leadership for SBOA interviews and testimony, as authorized by law.
    - Produce requested operational documents, including shared services agreements, policies, and procedures regarding CPA firm independence, and designate a compliance liaison with authority to coordinate responses and facilitate SBOA examinations.[8]

Conclusion

Based on input from SBOAs and other stakeholders, the PE Task Force developed a range of potential regulatory and other responses to the challenges posed by PE-backed APSs. This content is focused on SBOAs' roles as regulators of CPAs and CPA firms, without seeking to extend the scope or control of SBOAs to non-CPA firms.

The material is intended to serve as a resource for SBOAs, regulators, and other stakeholders, with the needs and priorities of individual states determining their paths forward. NASBA will be available to assist SBOAs with research and drafting as they

[8] See appendix 2 for additional details, including a sample checklist containing more detailed affirmations for CPA firms.

consider legislative or regulatory changes. NASBA may also help coordinate information sharing among boards l to issues that arise regarding CPA firms operating in PE-backed APSs.

Finally, the PE Task Force recognizes that while regulatory work on this topic may be guided by the PE Task Force's findings, SBOAs and NASBA will also need to monitor the ever-evolving APS landscape, to be able to respond as needed to new issues and needs.

Appendices

The following appendices set forth additional areas for consideration and use by SBOAs and other stakeholders in addressing the regulation of PE-backed APSs.

Appendix 1: Additional Comments and Suggestions

The following is a list of additional potential regulatory steps noted by White Paper respondents. These suggestions are not discussed in detail in the body of the memorandum because they may not align with existing laws, rules, or professional standards; may fall outside the authority of SBOAs; or may be difficult to operationalize. Instead, these suggestions are included here in the interest of providing a thorough review of White Paper responses, and to provide a range of ideas for stakeholder consideration.

Independence and Professional Standards

1. Upon licensure and renewal, SBOAs could require CPA firms to affirm their clear separation from non-CPA firms within their APS.

Disclosure and Public Understanding

1. State laws and rules could require that:
    - CPA firms' letterhead includes plain language disclosures regarding the relationship between the CPA firm and non-CPA firm within an APS.
    - CPA firms and non-CPA firms within an APS have different names and logos.
    - CPA firms bill their clients separately from non-CPA firms within an APS.

Regulatory Oversight and Enforcement

1. With regards to peer review, suggestions for AICPA and other stakeholders included:
    - The development of specific training modules for peer reviewers, technical reviewers, and peer review committees addressing peer review of CPA firms within complex APSs;
    - Enhanced guidance and checklists for evaluating independence of CPA firms within APSs;
    - The creation of consultation resources for SBOAs to aid in overseeing peer review for CPA firms within complex APSs;

- The inclusion of APS-related experience and training codes in PRIMA to facilitate appropriate peer reviewer scheduling;
- Law, rule, or standards requirements that CPA firms provide peer reviewers with immediate, unredacted access to engagement documentation, QC/QM materials, independence records, monitoring documentation, and relevant CPA firm policies.

2. CPA firms operating within APSs should be asked to affirm that:
    - Their CPA firm's shared services and vendor agreements include pass-through rights enabling SBOA access.
    - These agreements are arm's length, and include language addressing financial independence, confidentiality, independence firewalls, access controls, and data protections.

Appendix 2: Practical procedure and checklist content for SBOAs

The following list contains commitments that SBOAs could choose to require CPA firms to make upon initial licensure and then annually thereafter. This list could appear as a checklist or otherwise be displayed during the initial application and renewal process. These requirements are written to address concerns specific to CPA firms within APS structures, but SBOAs may find that they are relevant to all CPA firms.

Requiring these affirmations puts the onus on CPA firms, rather than regulators, to perform the checks needed to comply with relevant laws, rules, and standards. The PE Task Force recommends that SBOAs review laws, rules, and standards to ensure that they have adequate regulatory authority to require any new affirmations or processes. For example, state laws and rules may need to define, or reference AICPA definitions for, key terms such as "alternative practice structure" and "private equity."

Potential affirmations upon initial CPA firm licensure, with confirmation at annual CPA firm license renewal:

- **Does your CPA firm currently operate within an APS? If so:**
    - **Designate a licensed CPA as your compliance liaison to supervise your CPA firm's communications with the SBOA. The designated individual should be aligned with any state laws and rules.**
    - **Affirm the following commitments in the event of SBOA investigation/enforcement**:
        - In the event of an SBOA investigation or enforcement action, the CPA firm will disclose the names of the other entities within the APS.
        - Upon SBOA request, your CPA firm will provide the SBOA with your CPA firm's:
            - Relevant work papers;
            - Quality control policies, procedures, and agreements;
            - Management policies, procedures, and agreements, including partner/principal compensation policies.

- **During the peer review process, your firm will:**

    - Provide peer reviewers with QC/QM materials, independence records, monitoring documentation, and relevant CPA firm policies.

- **Affirm that the necessary documents are in place to ensure your CPA firm's independence:**

    - Your CPA firm's governing body retains final authority over all licensed functions.
    - CPAs maintain control over your CPA firm's management functions, including over engagement acceptance/continuance, quality management, staffing, and fee setting.

- **Affirm that laws, regulations, and standards regarding disclosures, advertising, and marketing are followed.**

    - This includes having relevant policies and procedures in place.

- **Affirm that your CPA firm adequately addresses all relevant laws, rules, and standards regarding a potential change to the APS structure, including the exit of your CPA firm.**

    - Ensure protections in place to protect your CPA firm clients' interests, and their records.

Appendix 3: Fact Sheets

Fact Sheet for State Legislatures

The following is a brief overview of the key issues arising from private equity investment in CPA firms. It is written for an audience of state legislators, who may be considering enacting laws that will impact SBOAs' ability to regulate on this issue.

Private Equity Investment in CPA Firms: What State Legislators Should Know to Protect the Public Interest

Why This Issue Matters

State Boards of Accountancy are charged by legislatures with protecting the public by regulating Certified Public Accountants (CPAs) and CPA firms. Audits and other attest services performed by CPA firms help investors, lenders, businesses, and taxpayers rely on accurate financial information.

Private equity (PE) investment in the accounting profession through alternative practice structures (APSs) is a growing trend in the accounting profession.

What is Private Equity?

PE is investment capital provided by private investment firms that buy or invest in businesses with the goal of improving their value and generating a financial return over time.

What Is an Alternative Practice Structure?

An APS is a form of organization in which a CPA firm that provides attest services is closely aligned with another public or private organization that performs other professional services. The CPA firm must remain majority-owned and controlled by licensed CPAs under state law. Thus, the separate but affiliated non-CPA firm organization (not licensed nor regulated by the State Board of Accountancy) may provide operational support services to the CPA firm, with the two entities often sharing staff, and operating under similar logos and branding. Private equity investors typically invest in this affiliated non-CPA firm rather than directly in the CPA firm.

There are a number of potential benefits to PE investment in the accounting profession, including cost savings and access to better resources for CPA firms. However, the close relationships that accompany this investment can also raise public protection considerations.

Why Are CPA Firms Using APSs?

CPA firms may participate in APS structures and thus take advantage of private equity investment to access capital to support their operations, staffing, and technology needs. CPA firms of all sizes have adopted the APS model, with small firms relying on APSs for succession planning and increased resources, and larger firms taking advantage of cost savings.

Key Public Protection Considerations

The following are topics that regulators may address through lawmaking, and through support for State Board of Accountancy regulation.

1. Auditor Independence

Independence is the foundation of public trust in financial audits. Regulators may need to consider whether PE-backed structures could create pressure to prioritize profitability, growth, or investor returns over audit quality and professional judgment.

2. Public Transparency

APSs can blur the distinction between regulated CPA firms and non-CPA firms. Consumers and businesses may not fully understand which entity is regulated by a State Board of Accountancy, subject to independence standards, and what individual or entity controls parts of the CPA firm.

Regulators may consider whether additional disclosure and transparency requirements are needed for websites, advertising, and client communications.

3. Regulatory Oversight

Many PE-backed structures operate in the accounting profession across multiple states through complex ownership arrangements. Boards of Accountancy may face challenges monitoring and regulating PE-backed structures operating across multiple states. Regulators may need to keep these challenges in mind when drafting laws that address CPA firms within APSs. Given the importance of preserving CPA mobility across states, regulators may also seek to support interstate regulatory coordination and support adequate oversight authority for Boards of Accountancy.

Bottom Line

PE investment in the accounting profession presents both opportunities and risks. Policymakers play an important role in ensuring that innovation and access to capital do not compromise auditor independence, audit quality, or public trust in the CPA profession.

Strong oversight and clear safeguards will help maintain confidence in the financial reporting system that businesses, investors, lenders, and taxpayers depend upon every day.

Fact Sheet for Board Websites

The following is a fact sheet on PE investment in the accounting profession, written to be shared on an SBOA webpage. The aim is to educate the public on this subject and introduce some of the complexities that may not be readily apparent.

What the Public Should Know About Private Equity Investment in the Accounting Profession
Understanding Alternative Practice Structures

Why Does This Issue Matter?

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How Is the State Board of Accountancy Responding to This Issue?

Auditor independence is essential to public trust. When a CPA firm performs an audit, the public depends on that CPA firm to provide independent, objective, and unbiased professional judgment. The CPA firm must also follow all relevant laws, rules, and professional standards. State Boards of Accountancy and regulators ensure that these protections remain intact for CPA firms operating within the added layers of complexity produced by an APS and the presence of PE investment.

Key public concerns addressed by the State Board of Accountancy include:

- Whether financial or business pressures could influence audit decisions;
- Whether consumers clearly understand which entities are regulated CPA firms; and
- How regulators oversee CPA firms operating across multiple states and within complex business entities.

State Boards of Accountancy regulate CPAs and CPA firms to protect the public interest. They must continuously evaluate how existing laws, rules, professional standards, and oversight processes apply to APS structures and private equity investment.

Bottom Line

Private equity investment in the accounting profession may create opportunities for innovation, growth, and modernization. At the same time, regulators and policymakers are working to ensure these changes do not compromise audit quality, professional independence, or public trust in the CPA profession.

State Boards of Accountancy remain committed to protecting consumers and maintaining confidence in the integrity of financial reporting.

Sunday, October 25, 2026

8:00 AM - 1:00 PM	Annual Golf Tournament
1:00 - 2:00 PM	Lunch (Golfers)
2:00 - 4:00 PM	Registration
4:00 - 5:30 PM	CPT Ethics Workshop
6:00 - 8:00 PM	Welcome Reception & Dinner

Monday, October 26, 2026

7:50 - 8:50 AM	Breakfast (All Welcome)
9:00 – 12:15 PM	**OPENING PLENARY SESSION**
9:00 - 9:15 AM	Welcome to Litchfield Park
9:15 - 9:30 AM	Call to Order and Introductions
9:30 - 10:15 AM	CPE Task Force Update
10:15 – 10:30 AM	A Year in Review: Report from NASBA Chair
10:30 - 11:00 AM	**BREAK**
11:00 - 11:15 AM	The Latest Developments from the AICPA: A Report from the AICPA Chair
11:15 AM - 12:15 PM	The NASBA Diagnostic: Findings and Directions
12:15 - 1:45 PM	**ATTENDEE LUNCHEON WITH KEYNOTE SPEAKER**
2:00 – 4:30 PM	**AFTERNOON PLENARY SESSION**
2:00 - 2:40 PM	Private Equity
2:40 - 3:10 PM	ARPL Roundtable Discussion
3:10 – 3:40 PM	**BREAK**
3:40 – 4:30 PM	An International Update
4:30 PM	RECESS

TENTATIVE

Tuesday, October 27, 2026

7:45 - 8:15 AM	Great Lakes Regional Breakout Breakfast Central Regional Breakout Breakfast Southwest Regional Breakout Breakfast Mountain Regional Breakout Breakfast Pacific Regional Breakout Breakfast Southeast Regional Breakout Breakfast Middle Atlantic Regional Breakout Breakfast Northeast Regional Breakout Breakfast
8:15 - 9:45 AM	Regional Breakout Meetings
8:15 - 9:45 AM	Breakfast for Other Attendees
10:00 AM – 12:00 PM	**MORNING PLENARY SESSION**
10:00 - 11:25 AM	Annual Business Meeting Minutes of the 118th Annual Meeting NASBA Awards Election of NASBA Board Members Bylaws Committee Report Administration & Finance Committee Report Audit Committee Report
11: 25 AM - 12:00 PM	The State of NASBA
12:00 - 12:30 PM	First Meeting of 2026-2027 NASBA Board of Directors
12:00 - 1:15 PM	**ATTENDEE LUNCHEON**
1:30 – 4:45 PM	**AFTERNOON PLENARY SESSION**
1:30 - 2:00 PM	Inaugural Presentations Acknowledgements & Gratitude Inaugural Address
2:00 - 2:30 PM	Legal Update
2:30 - 3:15 PM	FARB & Artificial Intelligence
3:15 - 3:45 PM	**BREAK**

TENTATIVE

Tuesday, October 27, 2026 continued

3:45 - 4:15 PM	**The CPA Exam: A Report on Progress**
4:15 - 4:45 PM	**Growth in Ethics: A Report from the NASBA Center for the Public Trust**
4:45 PM	**RECESS**
6:00 PM	**Evening Celebration (Phoenix Raceway)**

TENTATIVE

Wednesday, October 28, 2026

7:45 - 8:00 AM	**State Board President & Chair Breakfast**
7:45 - 8:00 AM	**Executive Director & State Board Staff Breakfast**
8:00 - 9:00 AM	**State Board President & Chair Meeting**
8:00 - 9:00 AM	**Executive Director & State Board Staff Meeting**
8:00 - 10:00 AM	**Breakfast (All Welcome)**
9:05 - 10:20 AM	**Jurisdictional Breakouts**

Large Jurisdictions: CA, FL, IL, MI, NJ, NY, OH, PA, TX, VA
Medium Jurisdictions: AL, AZ, CO, CT, GA, IN, KS, MA, MD, MN, MO, NC, TN, WA, WI
Small Jurisdictions: AK, AR, CNMI, DC, DE, GU, HI, IA, ID, KY, LA, ME, MS, MT, ND, NE, NH, NM, NV, OK, OR, PR, RI, SC, SD, UT, VI, VT, WV, WY

10:30 AM – 12:30 PM	**MORNING PLENARY SESSION**
10:30 - 11:30 AM	**SOC2 Panel**
11:30 AM - 12:00 PM	**NASBA Accounting Education Research Grant Recipients: A Report of Their Findings**
12:00 – 12:15 PM	**Relying on the CPA Exam: A Report from the CPA Examination Review Board**
12:15 – 12:20 PM	**2026 Annual Meeting Closing Remarks Invitation to 2027 Annual**
12:20 PM	**Final Recap**
12:30 PM	**ADJOURN**

TENTATIVE

NASBA

Mission Driven - Member Focused

Over the past several months, NASBA has been exploring ways to strengthen relationships with international regulatory organizations and provide our member boards with greater access to information on issues that increasingly cross borders. Professional mobility, credential recognition, enforcement, and regulatory standards are among the issues that make these relationships important.

Following the distribution of the proposed international membership Bylaws amendments, we heard from many of you through regional discussions and direct conversations. Your questions and feedback highlighted the need for you, our member boards, time to fully consider its implication.

In response to that feedback, the NASBA Board of Directors has decided to withdraw the proposed international membership Bylaws amendments from consideration at the Annual Meeting in October.

This action applies only to the proposed amendments related to international membership. The other proposed Bylaws amendments previously distributed to member boards will remain under consideration at the Annual Meeting. We will distribute a revised version of the proposed amendments, reflecting the removal of the international membership provisions in the coming days.

We recognize that a change of this significance deserves more time for member boards to consider and discuss.

This decision does not change NASBA's commitment to international regulatory collaboration or our mission of serving U.S. Boards of Accountancy. We will continue exploring opportunities to strengthen relationships with peer regulators that support our member boards and advance their common interests.

I want to thank the executive directors and board members who have engaged so thoughtfully throughout this process.

We will keep you informed as discussions continue. If you have questions or additional thoughts, please feel free to reach out to me directly.

Daniel J. Dustin, CPA
President & CEO
National Association of State Boards of Accountancy

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NASBA

BYLAWS

~~October 28, 2025~~Update

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NASBA Bylaws

(As Amended at the 2024 NASBA Annual Business Meeting)

ARTICLE I – Name

The name of this organization shall be the National Association of State Boards of Accountancy, Inc. (hereinafter, the "Association"). The location of the Association's principal office shall be within the continental United States as the Board of Directors shall determine.

ARTICLE II – Purpose

The purpose of the Association shall be to provide an organization to protect, promote, foster and advance the common interests and welfare of boards of accountancy of the various states of the United States, its territories and the District of Columbia. The Association shall provide a forum for the exchange of information and obtaining assistance in discharging such boards' responsibilities for the administration of public accountancy laws and for the protection of the public interest as it is affected by the practice of public accountancy. The Association shall also promote the general welfare of its members for the accomplishment of the objectives herein above set forth. The Association shall not be organized for profit or organized to engage in a regular business of a kind ordinarily carried on for profit or carry on any activities which are inconsistent with the exempt status of organizations described in Section 501(c)(6) of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any successor law.

ARTICLE III – Membership

3.1 Member Boards.

3.1.1 The members of the Association shall be the boards, departments or instrumentalities confirmed by the Board of Directors as legally constituted by their respective states, territories, and the District of Columbia of the United States of America to pass on the qualifications of, or to examine applicants for certification or licensure as, certified public accountants or similar licensed categories, or to regulate the practice of public accountancy within their jurisdiction.

3.1.2 Hereinafter the members of the Association shall be referred to as the "Member Boards." In a jurisdiction where there is more than one board, department or instrumentality as defined above, they collectively shall constitute a single Member Board under the provisions of these bylaws.

3.2 Delegates.

All duly appointed or elected individuals who are members of the Member Boards as determined by the respective Member Board's laws shall be Delegates of the Association. Delegates shall have the privilege of the floor and may propose motions, resolutions, or other actions at all meetings of the Association and shall be eligible for service as Officers, Directors, and members of committees of the Association.

3.3 Associates.

All former Delegates or persons who have been members of Member Boards shall be deemed Associates of the Association provided that their dues, established in accordance with these bylaws, have been paid in full for the current fiscal year. Associate Dues will not be assessed for past NASBA Chairs and currently serving members of the Board of Directors. Associates shall have the privilege of the floor and may propose motions, resolutions

or other actions at all meetings of the Association and shall be eligible for service as Officers, Directors and members of committees within the limitations established by these bylaws.

ARTICLE IV - Board of Directors and Officers

4.1 Board of Directors.

The business and affairs of the Association shall be under the direction of a Board of Directors.

4.2 Composition of Board of Directors.

The Board of Directors shall be composed of a Chair, Vice Chair, Past Chair, nine Directors-at-Large and a Regional Director from each Region established in accordance with the provisions of Article V of these bylaws. The Board of Directors shall also include the President of the Association and Chair of the Executive Directors Committee as *ex officio* non-voting members as provided in Sections 4.4 and 8.8, respectively.

4.3 Officers and Duties.

The Officers of the Board of Directors shall be a Chair, Vice Chair, Past Chair, Secretary and Treasurer. The Officers of the Board of Directors shall have the duties set forth herein. The duties of Directors shall be such as usually are attached to such offices and such other duties consistent with the provisions of these bylaws, resolutions or actions of the Member Boards at the Annual Meeting or any special meeting, or as may be determined from time to time by the Board of Directors. All members of the Board of Directors must meet the fiduciary duties of careful and prudent judgment, adherence to organizational purpose and rules, and avoidance of conflicts of interest. Neither Officers of the Board of Directors nor Directors shall receive compensation for their services to the Association.

4.3.1 Chair.

The Chair, when present, shall preside at all meetings, interpret these bylaws, appoint all committees that will be active during his or her tenure as Chair, and serve as an *ex officio* non-voting member of all committees except the Nominating Committee. The Chair may also designate the Vice Chair to serve as an *ex officio* non-voting member of any standing or non-standing committee other than the Nominating Committee or the CPA Examination Review Committee.

4.3.2 Vice Chair.

The Vice Chair shall, in the absence of the Chair, exercise the duties of and possess all the powers of the Chair. The Vice Chair shall also serve as a member of the Administration and Finance Committee. ~~The Vice Chair may also be designated by the Chair as an *ex officio* non-voting member of any other standing and non-standing Committee other than the Nominating Committee or the CPA Examination Review Committee.~~

4.3.3 Secretary.

The Secretary shall be elected by the Board of Directors from the Directors-at-Large as soon as practicable following the installation of the new Board of Directors at the Annual Meeting. The Secretary shall perform the duties usual and incidental to the office that are required to be performed by law and shall be responsible for the minutes of the Board of Directors. The Secretary may delegate to the President and other staff the actual

performance of any or all of the office's appropriate duties and authorize the President or staff to sign under their respective titles the correspondence conducted by them.

4.3.4 Treasurer.

The Treasurer shall be elected by the Board of Directors from the Directors-at-Large as soon as practicable following the installation of the new Board of Directors at the Annual Meeting. The Treasurer shall be responsible for the activities of the Administration and Finance Committee and shall serve as its chair.

4.3.5 Regional Directors.

Regional Directors shall be elected as provided in Article VII and shall be responsible for communications with the Boards of Accountancy in the Regions which they represent and for presiding over Regional Meetings.

4.3.6 Past Chair.

The Past Chair shall serve as chair of the Nominating Committee in accordance with Article VII of these bylaws.

4.4 President.

A President shall be appointed by the Board of Directors and shall serve as the Chief Executive Officer of the Association. The President shall manage the affairs of the Association and have such duties and responsibilities as the Board of Directors shall determine. The President shall be salaried and shall report directly to the Chair who, with the consent and approval of the Executive Committee of the Board of Directors, will assign duties and powers in his or her areas of responsibility. The President shall employ and terminate staff, enter into routine contracts, and obtain legal consultation. The President shall also serve without additional compensation, in such other capacity relating to the business of the Association to which he or she may be elected or appointed by the Executive Committee of the Board of Directors. The President may be removed with or without cause by a resolution of the Board of Directors. The President shall serve as an *ex officio* non-voting member of the Board of Directors and shall not be counted in determining the total number of authorized Directors. The President shall be granted the privilege of the floor at all meetings of the Association and the Board ofDirectors.

4.4.1 Selection Advisory Committee Guidelines.

If the Board of Directors determines there is a need for a Committee to search for a new President of the Association, then the current Chair shall establish a Selection Advisory Committee. The total number of Selection Advisory Committee members and operational guidelines for the Committee shall be determined by the Chair and approved by the Board of Directors. The Selection Advisory Committee members shall be appointed by the Chair, approved by the Board of Directors and should, at a minimum, consist of a representative from each Region of the Association (not currently serving on the Board of Directors), one Executive Director and one past chair. In the event a committee member is unable to serve, the Chair shall recommend an alternate for Board approval.

4.4.2 Interim President.

In the event of a vacancy in the office of the President, the Board of Directors may appoint an individual to serve as interim President and Chief Executive Officer of the Association with responsibility for oversight of the daily operating activities of the Association until a new President is selected pursuant to Section 4.4.1.

4.5 Qualification, Terms and Limitations of Office.

4.5.1 The Vice Chair and Directors shall be elected in accordance with these bylaws during the Business Session at the Annual Meeting of the Association. The Vice Chair shall serve as such from the adjournment of the Business Session at the Annual Meeting at which he or she is so elected until the adjournment of the Business Session at the next following Annual Meeting, at which time he or she shall become Chair and shall serve as such until the adjournment of the Business Session at the next following Business Session at the Annual Meeting, at which time he or she shall become Past Chair and shall serve as a Director of the Association in accordance with the provisions of Section 4.2 of these bylaws.

4.5.2 No incumbent shall be elected to succeed himself or herself in the offices of Chair or Vice Chair.

4.5.3 No Past Chair shall be eligible to be re-elected as an Officer or Director.

4.5.4 Directors-at-Large shall be elected for three-year terms and may serve a maximum of two complete terms.

4.5.5 Regional Directors shall be elected for one-year terms and may serve a maximum of three complete terms.

4.5.6 A person who has succeeded, acceded to, or been appointed to fill a vacancy (serve an unexpired term) shall not have that service counted in the limitation of terms that can be served, provided that in no event shall an individual be eligible for election or appointment to fill an unexpired term if the individual has already served two complete terms as a Director–at-Large. No individual shall be eligible for appointment to the Board of Directors to fill more than one unexpired term.

4.5.7 All members of the Board of Directors shall be Delegates or Associates. A simple majority of all members of the Board of Directors shall be Delegates at the time of or within six months of the Annual Business Meeting at which they are elected to their current office on the Board. For purposes of this section, the Immediate Past Chair shall be a delegate or associate but shall not be included in calculation of a majority.

4.5.8 All Regional Directors shall be Delegates at the time of or within six months prior to their election or appointment.

4.5.9 To be eligible to serve as Vice Chair, an individual must have served as a Director-at-Large or Regional Director for a minimum of two years but need not be a current member of the Board of Directors at the time of his or her election.

4.6 Board of Directors Vacancies.

4.6.1 A vacancy in the Chair position shall be filled by the Vice Chair.

4.6.2 A vacancy in the Vice Chair position shall be filled pursuant to Section 7.2.3. If necessary, the Chair shall continue to serve until this process is complete.

4.6.3 A vacancy in the Past Chair position shall not be filled until after the end of the current Chair's term.

4.6.4 All other vacancies on the Board of Directors shall be filled by the Board of Directors, and all such appointees shall serve the unexpired term of their predecessors in office.

4.7 Regular Meetings of the Board of Directors.

Regular meetings of the Board of Directors shall be held prior to the Annual Meeting of the Association and at such other times as the Board of Directors may designate.

4.8 Special Meetings of the Board of Directors.

The Chair may call special meetings of the Board of Directors at such time and place as he or she shall determine. Alternatively, the Chair shall call such special meetings at such time and place as may be designated in a written request of five or more members of the Board of Directors.

4.9 Notice and Waiver.

4.9.1 Notice of any regular or special meeting of the Board of Directors shall be sent by mail, e-mail, telephone or shall be delivered personally or by other appropriate means to each Member Board and to each member of the Board of Directors, at his or her mailing address, as shown in the official records of the Association, at least 21 days before such meeting if notified by mail, or five days if notified by other methods. Such notice, as far as practicable, shall contain a statement of the agenda for such meeting.

4.9.2 Meetings held and actions taken without notice as provided in these bylaws shall be valid if each member of the Board of Directors entitled to notice: (1) attends the meeting without protesting lack of notice either before or when such meeting convenes; or (2) signs a written waiver of notice or a written consent to holding the meeting or an approval of the minutes of the meeting, either before or after the meeting; and (3) such written consents or approvals are filed with the records of the meeting.

4.10 Quorum.

A majority of the Board of Directors shall constitute a quorum for the transaction of business at any regular or special meeting of the Board of Directors. If a majority of Directors are not present at any meeting of the Board of Directors, the majority of the Directors present may adjourn the meeting to a stated time and place without further notice. The vote of a majority of Directors present and voting at any meeting at which there is a quorum shall be an act of the Board of Directors.

4.11 Teleconference Meetings.

The Board of Directors meetings, annual meetings, regional meetings, special meetings, and any NASBA committee meetings may be conducted by means of teleconference, provided that all persons participating in the meeting can communicate with one another, and participation in such a meeting shall constitute physical presence or attendance in person at such meeting. When used in these bylaws, the term "teleconference" shall be understood to also mean telephone call or similar audio or visual communication. When used in these bylaws, the term "place" shall be understood to include a virtual meeting, via teleconference. When used in Sections 5 and 7 of these bylaws, the term “in person” can mean via teleconference when all persons are participating by teleconference using both audio and video communication, or just audio communication when video communication is not available.

4.12 Ballot Submission.

The Chair may submit any action to the Board of Directors for vote by mail, e-mail, or other appropriate means, provided the subject matter has been previously reviewed and discussed by the Board of Directors. Only ballots returned in the prescribed time will be counted. Any action approved by a majority of the Board of Directors shall be an act of the Board of Directors and shall be recorded in the minutes of the Board of

Directors.

4.13 Resignation or Removal.

4.13.1 Resignation. Any Officer or Director may resign at any time by giving written notice to the Chair, the Secretary, or the full Board of Directors. Such resignation shall take effect at the time specified therein or, if no time is specified, at the time of acceptance by the Chair, Secretary or Board of Directors.

4.13.2 Removal for Failure to Attend. As a condition for election and service, any Officer or Director who shall fail to attend two consecutive regular meetings of the Board of Directors shall be automatically removed from the Board of Directors. The Board of Directors may waive such automatic removal if it shall by majority vote determine that such failure to attend was caused by sufficient circumstances to excuse such absence. The position of Officer or Director removed under this provision shall be filled in accordance with Section 4.6 of this Article.

4.13.3 Removal for Other Cause. Any Officer or Director may be removed for any cause deemed sufficient as provided under Delaware law.

ARTICLE V - Regions

5.1 Purpose and Composition.

In order to establish closer communications between the Board of Directors and the Member Boards, as well as between Member Boards within geographical areas, and to assist the Association in achieving its stated purpose, all of the states, territories and the District of Columbia shall be divided into at least five, but not more than nine, geographical Regions. The names, number, and composition of Regions shall be determined from time to time by the Board of Directors.

5.2 Representation.

A Regional Director shall be nominated and elected in accordance with Article VII of these bylaws to serve terms as provided in Section 4.5.5 to represent the Board of Directors within each Region and to perform such other duties as may be designated by the Board of Directors. Each Region shall, in accordance with Article VII, elect one Delegate or Associate as a member of the Nominating Committee to represent in person their Region on the Nominating Committee and one Delegate or Associate as an alternate to participate in person in the event that the member cannot attend the meeting.

5.3 Regional Meetings.

Annually, each Region shall hold a Regional Meeting not less than 60 days prior to the Association's Annual Meeting. Pursuant to section 4.11, such meeting may be held by teleconference. The purposes of the Regional Meeting**s** are to facilitate communications, elect the members and alternates of the Nominating Committee pursuant to Article VII and to transact other business. Pursuant to Section 4.3.5, the Regional Director shall preside over a Regional Meeting. Unless the Regional Director is the Designated Voting Representative of a Member Board as described in Section 6.6.1 and 6.6.2, the Regional Director shall not have a vote at the Regional Meeting. In the event the Regional Director is unable to preside, the Association Chair shall designate a Delegate or Associate to preside.

ARTICLE VI - Meetings of the Association and Voting

6.1 Annual Meeting.

The Association shall hold an Annual Meeting in the last quarter of the calendar year. The purposes of the Annual Meeting are to facilitate communications and hold a Business Session to elect the Vice Chair and Directors and to transact other business.

6.2 Special Meetings.

The Chair shall call special meetings of the Association when requested to do so by the Board of Directors or by at least one-third of the Member Boards on written application to the Chair, signed by the individual designated as the Presiding Officer of each of the said one-third of the Member Boards. Special meetings of the Association shall be held at such times and places as shall be designated by the Board of Directors.

6.3 Notice and Waiver.

6.3.1 Notice of each meeting of the Association or Regions shall be sent to each Member Board and to each Delegate and Associate at the mailing address shown in the official records of the Association at least 60 days before such meeting. Such notice, as far as practicable, shall contain a statement of the general business to be transacted. Notice of the Annual Meeting shall contain the report of the Nominating Committee as provided in Section 7.3.1.

6.3.2 Meetings held and actions taken without notice as provided in these bylaws shall be valid if each Member Board entitled to notice: (1) attends the meeting without protesting lack of notice either before or when such meeting convenes; or (2) signs a written waiver of notice or a written consent to holding the meeting or an approval of the minutes of the meeting, either before or after the meeting; and (3) such written consents or approvals are filed with the records of the meeting.

6.4 Quorum.

A quorum for the transaction of business at any meeting of the Association shall be one or more Designated Voting Representatives from a majority of Member Boards. A quorum for the transaction of business at any meeting of a Region shall be one or more Designated Voting Representatives from a majority of the Member Boards of such Region. In the absence of a quorum at an Annual Meeting, Regional Meeting or a special meeting, the majority of the Member Boards represented at such meeting may adjourn the meeting to a stated time and place without further notice.

6.5 Advisory Vote on Matters Related to Member Boards' Regulatory Responsibilities.

Any issue being deliberated by the Board of Directors or any committee, that is determined by the Board of Directors to have a material impact on the regulatory responsibilities of the Member Boards, shall be submitted to the Member Boards for their advisory vote. Such advisory vote should ordinarily be taken at an Annual Meeting. However, if the timing of an issue will not allow the advisory vote to be conducted at an Annual Meeting, the Chair may call a special meeting.

6.6 Voting.

6.6.1 Each Member Board shall be entitled to only one vote on any matter brought before the Association, and each Member Board in the Region shall be entitled to only one vote on any matter brought before any Regional Meeting, which vote shall be cast on behalf of such Member Board by its Designated Voting Representative.

6.6.2 The Presiding Officer of a Member Board, if present, shall be presumed to be the Designated Voting Representative. If the Presiding Officer is unable or unwilling to serve, the Member Board may authorize another Delegate, Associate or Executive Director from that State to serve as its Voting Representative. The Member Board may authorize successive alternate Voting Representatives to ensure that the Member Board's one vote may be cast. The authorization shall be in writing (including email) and may be issued by the Member Board's Presiding Officer or the next highest ranking Board Member available prior to or upon registration for the relevant meeting.

6.6.3 Unless a greater vote is required by these bylaws for any action, a majority vote of all Member Boards shall be required to pass any motion or resolution of the Association.

6.7 Ballot Voting.

6.7.1 The Board of Directors, or a majority of the Member Boards of the Association present at any duly called meeting of the Association at which a quorum is present, may direct that the Chair of the Association submit any action to all Member Boards for their consent by mail, e-mail, or other appropriate means, except that the election of the Vice Chair, Directors and members and alternates of the Nominating Committee may not be done by written consent, except in filling an interim vacancy of the Vice Chair.

6.7.2 The Member Boards will have 45 days to return their ballots.

6.7.3 Any action taken or approved in such a ballot by two-thirds of the Member Boards voting shall be a resolution of the Member Boards of the Association provided that the number of Member Boards approving such action shall constitute a majority of the Member Boards of the Association.

6.8 Rules of Order.

The rules of parliamentary procedure contained in the latest edition of *Robert's Rules of Order, Newly Revised*, shall govern the Business Session of the Annual Meeting.

Article VII - Nominations and Elections

7.1 Nominating Committee Composition and Election.

The membership of the Nominating Committee shall consist of the Past Chair, who shall serve as Chair of the Nominating Committee, and one member from each Region elected as provided herein.

7.1.1 A Delegate or Associate is eligible for election to the Nominating Committee.

7.1.2 With the exception of the Past Chair, no member of the Nominating Committee may serve concurrently as a member of the Board of Directors and the Nominating Committee, and no member may be eligible for election to the Board of Directors through the entirety of his or her elected term on the Nominating Committee and through the adjournment of the next following Annual Meeting (the one-year cooling off period). For purposes of this subsection, an alternate of the Nominating Committee is considered a member of the Committee.

7.1.3 If the Past Chair cannot serve, or declines to serve, as Chair of the Nominating Committee, the Board of Directors shall appoint another Delegate or Associate to serve as Nominating Committee Chair so long as the person is ineligible to serve on the Board of Directors for the year following his or her service on the

Nominating Committee.

7.1.4 Nominating Committee members and alternates shall be elected for two-year terms and may serve two complete terms in succession plus any unexpired terms. The term begins immediately following the Business Session of the Annual Meeting. If an alternate never participates in a Nominating Committee meeting during his/her term, the alternate shall not be subject to the one-year cooling off period set forth in sub-section 7.1.2. However, if a Nominating Committee member or alternate resigns during his/her elected term, then the one-year cooling off provision is applicable and begins through the adjournment of the next Annual Meeting. The terms of the Nominating Committee members shall be staggered so that half of the Regions hold elections each year.

7.1.5 The election of members and alternates of the Nominating Committee shall require a majority vote of the Member Boards in the Region represented at the Regional Meeting, provided a quorum is met.

7.1.6 At the Regional Meeting, each Region whose Nominating Committee member's term is expiring at the current year's Annual Meeting shall elect a member and an alternate of the Nominating Committee to represent its Region. The Association shall send notices to the membership about the Nominating Committee selection process in those Regions whose Nominating Committee member's term is expiring at the current year's Annual Meeting no less than 60 and 30 days prior to the Regional Meeting. Those interested in representing their region on the Nominating Committee shall have his/her name submitted to the President of the Association within 14-days prior to the start of the Regional Meeting. Regions that have no candidate submit a name 14-days prior to the start of the Regional Meeting or have no qualified candidates at the time of election of member or alternate, may consider qualified candidates from the floor. Each member and alternate must have (i) served at least two years on a state board of accountancy, (ii) attended ~~, in person,~~ at least one NASBA Regional Meeting, (iii) attended ~~, in person,~~ at least one NASBA Annual Meeting and (iv) served on a NASBA or NASBA-appointed committee, task force, working group, or board (such as the Exam Review Board or International Qualifications Appraisal Board). The term "board" as used in this subsection does not refer to the Board of Directors.

7.1.7 If a Region's member and alternate are both unable to serve and the Nominating Committee will hold a meeting for the purpose of making nominations prior to that Region's next NASBA Regional Meeting, then an ad hoc committee consisting of one state board member from each Member Board in that Region shall meet to elect a member and alternate to serve for the unexpired terms of the former member and former alternate, who may be elected and serve up to two additional complete terms for that Region pursuant to Section 7.1.4.

7.1.8 If a Region fails to elect a member or an alternate as provided in Sections 7.1.6 or 7.1.7~~above~~, the Board of Directors shall appoint a member or an alternate to represent that Region on the Nominating Committee. If necessary, the Board of Directors may appoint a member or an alternate that does not meet all of the Section 7.1.6(i), (ii), and (iii) criteria, or may appoint a member or an alternate whose service on a state board of accountancy was for a different Region's Member Board. In the event that a member or an alternate is selected by the Board of Directors pursuant to Section 7.1.8, that member or alternate will not stand for election for any subsequent terms if a member or alternate who meets the criteria of Section 7.1.6 is elected pursuant to Section 7.1.6.

7.1.9 In the event of a deadlocked vote in a Region's election of its member or alternate on the Nominating Committee, the Regional Director shall convene an ad hoc meeting pursuant to Section 7.1.7 to elect the Region's member or alternate on the Nominating Committee. If the election pursuant to Section 7.1.7 has not been completed within thirty (30) days after the conclusion of the respective Regional Meeting, the Region's Nominating Committee member and/or alternate shall be appointed by the Board of Directors pursuant to Section 7.1.8.

7.2 Responsibilities of Nominating Committee.

7.2.1 Obligation to Attend Nominating Committee Meetings in Person.

7.2.1.1 In view of the importance of each Region being represented in person at meetings of the Nominating Committee when the Committee is meeting for the purpose of deliberating upon or voting for nominees, the member or alternate must be in attendance at such meetings in order to participate and vote. The alternate shall reserve the Nominating Committee meeting dates so he or she can attend a meeting on short notice if the member cannot attend. In the event the member cannot attend the meeting, it shall be the responsibility of the member to notify the Nominating Committee Chair and the Region's alternate as soon as possible so the alternate can attend the meeting.

7.2.1.2 Members of the Nominating Committee who miss more than one meeting (for the purpose of deliberating upon or voting for nominees) during their term may not stand for re-election.

7.2.1.3 The responsibility of the alternate is to serve in person in the event the member cannot attend the meeting or is no longer a Delegate or Associate.

7.2.2 Annual Nominations.

The Nominating Committee shall nominate annually one qualified candidate for Vice Chair, three candidates for Directors-at-Large for those whose terms are expiring at the Annual Meeting, and one candidate for Regional Director from each Region. Each year, the Nominating Committee will establish and communicate to the Member Boards, a nominating schedule including any deadlines for the submission of names of candidates seeking to be nominated for any of the offices to be elected at the Annual Meeting. The Nominating Committee may waive the deadlines by a majority vote. The Nominating Committee will consider the submitted names of interested candidates when considering nominees and may also consider other qualified candidates when deemed appropriate by the Nominating Committee. If the Vice Chair is unable to serve as Chair, then the Nominating Committee also shall nominate a candidate for Chair. The report of the Nominating Committee shall be submitted to the Chair and presented in accordance with the provisions of these bylaws.

7.2.3 Filling a Vice Chair Vacancy.

In the event of a vacancy in the Vice Chair position, the Nominating Committee Chair shall promptly call a meeting of the Nominating Committee to nominate a candidate for Vice Chair. If administratively possible, the Vice Chair nominee will be presented for consideration with the other nominees for the Board of Directors by the Nominating Committee at the next Annual Meeting. If the timing is such that a vote cannot occur at the Annual Meeting, written ballots containing the name of the proposed candidate shall be sent promptly to the Presiding Officers of all Member Boards for voting as set forth in Section 6.7.

7.2.4 Rescinding a Nomination - Amendment of the Nominating Committee Report.

The Nominating Committee in its sole discretion may reconsider and rescind said nomination with or without cause and nominate a different candidate. If said action would occur after the Nominating Committee's Report issued pursuant to Section 7.3.1 has been distributed with the notice of Annual Meeting as required in Section 7.3.2, then the Chair of the Nominating Committee may convene an emergency meeting of the Nominating Committee for the sole purpose of reconsidering, rescinding, and replacing a Nominee. Notice of this meeting will state that the meeting is being called to consider rescission of one or more nominations. Notwithstanding Section 7.2.1, for purposes of that meeting and that meeting only, one or more members or alternates of the Nominating Committee can participate via teleconference pursuant to section 4.11. If the Nominating Committee votes to amend its Report, the Amended Nominating Committee Report shall be distributed to the Member

Boards as soon as practicable. If the distribution of the Amended Nominating Committee Report cannot occur more than 30 days prior to the annual meeting, then upon the written request of 5 or more Member Boards or upon the recommendation of the Nominating Committee, the election regarding any new nominee may be conducted in the same manner as provided in Section 7.2.3. The new nominee(s) will be presented for consideration with the other nominees for the Board of Directors by the Nominating Committee at~~as~~ the Annual Meeting, if administratively feasible. If the timing is such that a vote cannot occur at the Annual Meeting, written ballots containing the name of the proposed candidate shall be sent promptly to the Presiding Officers of all Member Boards for voting as set forth in Section 6.7.

7.2.5 Withdrawal by a Nominee - Amendment of the Nominating Committee Report.

In the event a nominee selected by the Nominating Committee for election at the Annual Meeting withdraws from the process, the Nominating Committee Chair shall promptly call a meeting of the Nominating Committee to nominate a replacement nominee. If said action would occur after the Nominating Committee's Report issued pursuant to Section 7.3.1 has been distributed with the notice of Annual Meeting as required in Section 7.3.2, then the Chair of the Nominating Committee may convene an emergency meeting of the Nominating Committee for the sole purpose of replacing the nominee. Notice of this meeting will state that the meeting is being called to consider the replacement of a nomination. Notwithstanding Section 7.2.1, for purposes of that meeting and that meeting only, one or more members or alternates of the Nominating Committee can participate via teleconference pursuant to section 4.11. If the Nominating Committee votes to amend its report, the Amended Nominating Committee Report shall be distributed to the Member Boards as soon as practicable. If the distribution of the Amended Nominating Committee Report cannot occur more than 30 days prior to the Annual Meeting, then upon the written request of 5 or more Member Boards or upon the recommendation of the Nominating Committee, the new nominee(s) will be presented for consideration with the other nominees for the Board of Directors by the Nominating Committee at the Annual Meeting, if administratively feasible. If the timing is such that a vote cannot occur at the Annual Meeting, written ballots containing the name of the proposed candidate shall be sent promptly to the Presiding Officers of all Member Boards for voting as set forth in Section 6.7.

7.3 Nominations and Election Process.

7.3.1 At least 60 days preceding the date of the Annual Meeting of the Association, the Nominating Committee shall deliver to the Chair a report which shall include its Annual Nominations as described in Section 7.2.2.

7.3.2. The report shall be included with the notice of the Annual Meeting as described in Section 6.3, and shall be presented by the Nominating Committee during the Business Session at the Annual Meeting.

7.3.3 Nominations for any elected position, including a vacancy in the office of Vice Chair, may also be made by at least five Member Boards, if filed with the Chair at least 30 days prior to the Annual Meeting (or the due date set pursuant to Section 7.2.3 and Section 6.7 for the mail ballots for Vice Chair in the event of a vacancy).

7.3.4 No nominations from the floor or otherwise will be recognized.

7.3.5 A majority vote of the Member Boards represented during the Business Session at the Annual Meeting (or by mail ballots for Vice Chair) shall constitute an election, provided a quorum is met.

ARTICLE VIII – Committees, Task Forces and Boards

8.1 Standing Committees.

The standing committees of the Association shall include the Executive Committee, the Nominating Committee, the Administration and Finance Committee, the Audit Committee, the CPA Examination Review Board and the Executive Directors Committee. Unless otherwise provided in these bylaws, the members and chairs of the standing and other committees or task forces are appointed by the Chair.

8.2 Executive Committee.

There shall be an Executive Committee composed of the Past Chair, the Chair, the Vice Chair, the Secretary, and the Treasurer. The President shall serve as an *ex officio* non-voting member of the Executive Committee. The Executive Committee shall act for the Board of Directors between meetings of the Board. The Executive Committee (without the President) shall constitute the Compensation Committee. The Compensation Committee shall annually evaluate the performance and the compensation of the President. All actions taken by the Executive Committee and the Compensation Committee shall be presented to the Board of Directors for ratification at its next meeting.

8.3 Nominating Committee.

The election and duties of the Nominating Committee are described in Article VII. The Nominating Committee is not a committee of the Board of Directors.

8.4 Administration and Finance Committee.

The Administration and Finance Committee shall oversee and monitor the fiscal operations of the Association. The Treasurer shall serve as Chair of the Administration and Finance Committee.

8.5 Audit Committee.

The Audit Committee shall oversee the Association's annual financial statement audit and internal controls and shall recommend to the Board of Directors the firm to perform the audit. The Audit Committee shall receive the annual audited financial statements and the auditor's report thereon, consider the items of internal accounting control that arise from the audit process, and make a recommendation regarding the annual audited financial statements and the auditor's report thereon, to the Board of Directors.

8.6 CPA Examination Review Board.

8.6.1 The CPA Examination Review Board ("ERB") shall: evaluate and report on significant adherence with the policies and procedures utilized in the preparation, grading and administration of the Uniform CPA Examination and the International Qualifications Examination used by boards of accountancy for the licensing of certified public accountants; to include observation, inquiry and inspection of pertinent records; and report annually on the ongoing reliability of such examinations for the licensing of certified public accountants.

8.7 Other Committees and Task Forces.

The Chair or the Board of Directors may appoint such other Committees and Task Forces as they deem desirable. Membership on such Committees and Task Forces may include, in addition to Delegates and Associates, executive directors and other persons with special expertise. Task Forces within a Committee **may** be appointed by the Committee Chair, provided the Task Force members have already been appointed by the

NASBA Chair to the Committee.

8.8 Executive Directors Committee.

There shall be an Executive Directors Committee. Its members shall be appointed by the NASBA Chair from the executive directors (or the highest-ranking staff member if another title is used by a State Board). The Executive Directors Committee shall operate pursuant to a Mission Statement developed by the Committee and approved by the Board of Directors. The Chair of the Executive Directors Committee shall serve as liaison to and as an *ex officio* non-voting member of the Board of Directors.

ARTICLE IX - Finances

9.1 Fiscal Year.

The fiscal year of the Association shall be from August 1 of one year to July 31 of the next succeeding year.

9.2 Dues.

The dues for each Member Board and for each Associate shall be determined by the Board of Directors and approved by the Member Boards at a regular Annual Meeting of the Association. The Board of Directors may waive, alter, or amend unpaid dues of Member Boards. The dues of each Member Board shall be based on the number of persons regulated by that Member Board.

9.3 Other Fees.

The Board of Directors may establish such other fees for publications, programs and services as it shall deem appropriate, provided that no such fees or special assessments shall be levied if such fees or assessments impair the status of the Association under Section 501(c) of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any successor law.

9.4 Audit.

The Board of Directors shall, for each fiscal year, appoint a licensed independent public accountant or licensed independent public accountants to express an opinion on the financial statements of the Association. The financial statements of the Association and the report of the auditor or auditors for each fiscal year shall be published for the information of the membership.

9.5 Contracts.

The Board of Directors may authorize the President, any Officer or Officers, agent or agents of the Association, to enter into any contract or execute and deliver any instrument in the name and on behalf of the Association and such authority may be general or confined to specific instances.

9.6 Checks, Drafts, etc.

All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association shall be signed by such Officer or Officers, agent or agents of the Association and in such manner as shall from time to time be determined by the Board of Directors.

9.7 Indemnification.

The Association shall, to the fullest extent permitted under Delaware law, defend and/or indemnify any and all of its Directors or Officers or former Directors or Officers against expenses actually and reasonably incurred by them in connection with the defense of any action, suit or proceeding in which they or any of them are made parties, or a party, by reason of being or having been a Director or Officer of the Association.

9.8 Insurance.

The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was an Officer, Director, President, committee member, or is serving at the request of the Association, against any liability incurred by such person in any such capacity, or arising out of that person's status as such, whether or not the Association would have the power to indemnify that person against such liability under this Article.

9.9 Dissolution.

The Association shall use its funds only to accomplish the purposes specified in these bylaws and no part of said funds shall inure, or be distributed, to the Member Boards of the Association. On dissolution of the Association, any funds remaining shall be distributed to one or more regularly organized and qualified charitable, education, scientific or philanthropic organizations to be selected by the Board of Directors.

ARTICLE X – Amendments

Any of these bylaws may be altered, amended, or repealed, and new bylaws may be adopted by a two-thirds vote of Member Boards represented at any regular or special meeting by one or more Designated Voting Representatives, provided a quorum is present, and provided that the Member Boards approving such an amendment constitute a majority of the Member Boards of the Association. Proposed amendments to these ~~B~~bylaws must be presented in writing to the Chair at least 60 days before the meeting at which they are to be voted upon; however, this requirement may be waived by the Chair or by a three-fourths vote of Member Boards represented at any regular or special meeting. Any amendments to these bylaws shall become effective on the first day following the Annual Business Meeting unless another day is specified.

NASBA

BYLAWS

~~October 28, 2025~~Date

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NASBA Bylaws

(As Amended at the ~~2024~~ 2026 NASBA Annual Business Meeting)

ARTICLE I – Name

The name of this organization shall be the National Association of State Boards of Accountancy, Inc. (hereinafter, the "Association"). The location of the Association's principal office shall be within the continental United States as the Board of Directors shall determine.

ARTICLE II – Purpose

The purpose of the Association shall be to provide an organization to protect, promote, foster and advance the common interests and welfare of boards of accountancy of the various states of the United States, its territories and the District of Columbia. The Association shall provide a forum for the exchange of information and obtaining assistance in discharging such boards' responsibilities for the administration of public accountancy laws and for the protection of the public interest as it is affected by the practice of public accountancy. The Association shall also promote the general welfare of its members for the accomplishment of the objectives herein above set forth. The Association shall not be organized for profit or organized to engage in a regular business of a kind ordinarily carried on for profit or carry on any activities which are inconsistent with the exempt status of organizations described in Section 501(c)(6) of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any successor law.

ARTICLE III – Membership

3.1 Member Boards.

3.1.1 The members of the Association shall be the boards, departments or instrumentalities confirmed by the Board of Directors as legally constituted by their respective countries, states, provinces, territories, and the District of Columbia ~~of the United States of America~~ to pass on the qualifications of, or to examine applicants for certification or licensure as, certified public accountants or similar licensed categories, or to regulate the practice of public accountancy within their jurisdiction.

3.1.2 ———A legally constituted entity located outside the United States, its territories, and the District of Columbia, which passes on the qualifications of, or examines applicants for certification or licensure as certified public accountants or similar licensed categories, or regulates the practice of public accountancy within their jurisdiction, may be by recognized by the Board of Directors as either a Member Board or an International Affiliate Organization.

3.1.3 ———Acceptance or removal of a Member Board or International Affiliate Organization shall be by majority vote of the Board of Directors.

3.1.4 Subject to the requirements of Section 3.1.3, The Board of Directors will determine the procedure for acceptance or removal of a Member Board or International Affiliate Organization. International Affiliate Organizations are entitled to representation at all NASBA meetings and the other rights and privileges as determined by the Board of Directors.

3.2 Delegates.

All duly appointed or elected individuals who are members of the Member Boards as determined by the

respective Member Board's laws shall be Delegates of the Association. Delegates shall have the privilege of the floor and may propose motions, resolutions, or other actions at all meetings of the Association and shall be eligible for service as Officers, Directors, and members of committees of the Association.

3.3 Associates.

All former Delegates or persons who have been members of Member Boards shall be deemed Associates of the Association provided that their dues, established in accordance with these bylaws, have been paid in full for the current fiscal year. Associate Dues will not be assessed for past NASBA Chairs and currently serving members of the Board of Directors. Associates shall have the privilege of the floor and may propose motions, resolutions

or other actions at all meetings of the Association and shall be eligible for service as Officers, Directors and members of committees within the limitations established by these bylaws.

ARTICLE IV - Board of Directors and Officers

4.1 Board of Directors.

The business and affairs of the Association shall be under the direction of a Board of Directors.

4.2 Composition of Board of Directors.

The Board of Directors shall be composed of a Chair, Vice Chair, Past Chair, nine Directors-at-Large and a Regional Director from each Region established in accordance with the provisions of Article V of these bylaws. The Board of Directors shall also include the President of the Association and Chair of the Executive Directors Committee as *ex officio* non-voting members as provided in Sections 4.4 and 8.8, respectively.

4.3 Officers and Duties.

The Officers of the Board of Directors shall be a Chair, Vice Chair, Past Chair, Secretary and Treasurer. The Officers of the Board of Directors shall have the duties set forth herein. The duties of Directors shall be such as usually are attached to such offices and such other duties consistent with the provisions of these bylaws, resolutions or actions of the Member Boards at the Annual Meeting or any special meeting, or as may be determined from time to time by the Board of Directors. All members of the Board of Directors must meet the fiduciary duties of careful and prudent judgment, adherence to organizational purpose and rules, and avoidance of conflicts of interest. Neither Officers of the Board of Directors nor Directors shall receive compensation for their services to the Association.

4.3.1 Chair.

The Chair, when present, shall preside at all meetings, interpret these bylaws, appoint all committees that will be active during his or her tenure as Chair, and serve as an *ex officio* non-voting member of all committees except the Nominating Committee. ~~The Chair may also designate the Vice Chair to serve as an *ex officio* non-voting member of any standing or non-standing committee other than the Nominating Committee or the CPA Examination Review Committee.~~

4.3.2 Vice Chair.

The Vice Chair shall, in the absence of the Chair, exercise the duties of and possess all the powers of the Chair. The Vice Chair shall also serve as a member of the Administration and Finance Committee. The Vice Chair may also be designated by the Chair as an *ex officio* non-voting member of any other standing and non-standing Committee other than the Nominating Committee or the CPA Examination Review Committee.

4.3.3 Secretary.

The Secretary shall be elected by the Board of Directors from the Directors-at-Large as soon as practicable following the installation of the new Board of Directors at the Annual Meeting. The Secretary shall perform the duties usual and incidental to the office that are required to be performed by law and shall be responsible for the minutes of the Board of Directors. The Secretary may delegate to the President and other staff the actual

performance of any or all of the office's appropriate duties and authorize the President or staff to sign under their respective titles the correspondence conducted by them.

4.3.4 Treasurer.

The Treasurer shall be elected by the Board of Directors from the Directors-at-Large as soon as practicable following the installation of the new Board of Directors at the Annual Meeting. The Treasurer shall be responsible for the activities of the Administration and Finance Committee and shall serve as its chair.

4.3.5 Regional Directors.

Regional Directors shall be elected as provided in Article VII and shall be responsible for communications with the ~~Boards of Accountancy~~Member Boards and International Affiliate Organizations in the Regions which they represent and for presiding over Regional Meetings.

4.3.6 Past Chair.

The Past Chair shall serve as chair of the Nominating Committee in accordance with Article VII of these bylaws.

4.4 President.

A President shall be appointed by the Board of Directors and shall serve as the Chief Executive Officer of the Association. The President shall manage the affairs of the Association and have such duties and responsibilities as the Board of Directors shall determine. The President shall be salaried and shall report directly to the Chair who, with the consent and approval of the Executive Committee of the Board of Directors, will assign duties and powers in his or her areas of responsibility. The President shall employ and terminate staff, enter into routine contracts, and obtain legal consultation. The President shall also serve without additional compensation, in such other capacity relating to the business of the Association to which he or she may be elected or appointed by the Executive Committee of the Board of Directors. The President may be removed with or without cause by a resolution of the Board of Directors. The President shall serve as an *ex officio* non-voting member of the Board of Directors and shall not be counted in determining the total number of authorized Directors. The President shall be granted the privilege of the floor at all meetings of the Association and the Board ofDirectors.

4.4.1 Selection Advisory Committee Guidelines.

If the Board of Directors determines there is a need for a Committee to search for a new President of the Association, then the current Chair shall establish a Selection Advisory Committee. The total number of Selection Advisory Committee members and operational guidelines for the Committee shall be determined by the Chair and approved by the Board of Directors. The Selection Advisory Committee members shall be appointed by the Chair, approved by the Board of Directors and should, at a minimum, consist of a representative from each Region of the Association (not currently serving on the Board of Directors), one Executive Director and one past chair. In the event a committee member is unable to serve, the Chair shall recommend an alternate for Board approval.

4.4.2 Interim President.

In the event of a vacancy in the office of the President, the Board of Directors may appoint an individual to serve as interim President and Chief Executive Officer of the Association with responsibility for oversight of the daily operating activities of the Association until a new President is selected pursuant to Section 4.4.1.

4.5 Qualification, Terms and Limitations of Office.

4.5.1 The Vice Chair and Directors shall be elected in accordance with these bylaws during the Business Session at the Annual Meeting of the Association. The Vice Chair shall serve as such from the adjournment of the Business Session at the Annual Meeting at which he or she is so elected until the adjournment of the Business Session at the next following Annual Meeting, at which time he or she shall become Chair and shall serve as such until the adjournment of the Business Session at the next following Business Session at the Annual Meeting, at which time he or she shall become Past Chair and shall serve as a Director of the Association in accordance with the provisions of Section 4.2 of these bylaws.

4.5.2 No incumbent shall be elected to succeed himself or herself in the offices of Chair or Vice Chair.

4.5.3 No Past Chair shall be eligible to be re-elected as an Officer or Director.

4.5.4 Directors-at-Large shall be elected for three-year terms and may serve a maximum of two complete terms.

4.5.5 Regional Directors shall be elected for one-year terms and may serve a maximum of three complete terms.

4.5.6 A person who has succeeded, acceded to, or been appointed to fill a vacancy (serve an unexpired term) shall not have that service counted in the limitation of terms that can be served, provided that in no event shall an individual be eligible for election or appointment to fill an unexpired term if the individual has already served two complete terms as a Director–at-Large. No individual shall be eligible for appointment to the Board of Directors to fill more than one unexpired term.

4.5.7 All members of the Board of Directors shall be Delegates or Associates. A simple majority of all members of the Board of Directors shall be Delegates at the time of or within six months of the Annual Business Meeting at which they are elected to their current office on the Board. For purposes of this section, the Immediate Past Chair shall be a delegate or associate but shall not be included in calculation of a majority.

4.5.8 All Regional Directors shall be Delegates at the time of or within six months prior to their election or appointment.

4.5.9 To be eligible to serve as Vice Chair, an individual must have served as a Director-at-Large or Regional Director for a minimum of two years but need not be a current member of the Board of Directors at the time of his or her election.

4.6 Board of Directors Vacancies.

4.6.1 A vacancy in the Chair position shall be filled by the Vice Chair.

4.6.2 A vacancy in the Vice Chair position shall be filled pursuant to Section 7.2.3. If necessary, the Chair shall continue to serve until this process is complete.

4.6.3 A vacancy in the Past Chair position shall not be filled until after the end of the current Chair's term.

4.6.4 All other vacancies on the Board of Directors shall be filled by the Board of Directors, and all such appointees shall serve the unexpired term of their predecessors in office.

4.7 Regular Meetings of the Board of Directors.

Regular meetings of the Board of Directors shall be held prior to the Annual Meeting of the Association and at such other times as the Board of Directors may designate.

4.8 Special Meetings of the Board of Directors.

The Chair may call special meetings of the Board of Directors at such time and place as he or she shall determine. Alternatively, the Chair shall call such special meetings at such time and place as may be designated in a written request of five or more members of the Board of Directors.

4.9 Notice and Waiver.

4.9.1 Notice of any regular or special meeting of the Board of Directors shall be sent by mail, e-mail, telephone or shall be delivered personally or by other appropriate means to each Member Board and to each member of the Board of Directors, at his or her mailing address, as shown in the official records of the Association, at least 21 days before such meeting if notified by mail, or five days if notified by other methods. Such notice, as far as practicable, shall contain a statement of the agenda for such meeting.

4.9.2 Meetings held and actions taken without notice as provided in these bylaws shall be valid if each member of the Board of Directors entitled to notice: (1) attends the meeting without protesting lack of notice either before or when such meeting convenes; or (2) signs a written waiver of notice or a written consent to holding the meeting or an approval of the minutes of the meeting, either before or after the meeting; and (3) such written consents or approvals are filed with the records of the meeting.

4.10 Quorum.

A majority of the Board of Directors shall constitute a quorum for the transaction of business at any regular or special meeting of the Board of Directors. If a majority of Directors are not present at any meeting of the Board of Directors, the majority of the Directors present may adjourn the meeting to a stated time and place without further notice. The vote of a majority of Directors present and voting at any meeting at which there is a quorum shall be an act of the Board of Directors.

4.11 Teleconference Meetings.

The Board of Directors meetings, annual meetings, regional meetings, special meetings, and any NASBA committee meetings may be conducted by means of teleconference, provided that all persons participating in the meeting can communicate with one another, and participation in such a meeting shall constitute physical presence or attendance in person at such meeting. When used in these bylaws, the term "teleconference" shall be understood to also mean telephone call or similar audio or visual communication. When used in these bylaws, the term "place" shall be understood to include a virtual meeting, via teleconference. When used in Sections 5 and 7 of these bylaws, the term “in person” can mean via teleconference when all persons are participating by teleconference using both audio and video communication, or just audio communication when video communication is not available.

4.12 Ballot Submission.

The Chair may submit any action to the Board of Directors for vote by mail, e-mail, or other appropriate means, provided the subject matter has been previously reviewed and discussed by the Board of Directors. Only ballots returned in the prescribed time will be counted. Any action approved by a majority of the Board

of Directors shall be an act of the Board of Directors and shall be recorded in the minutes of the Board of Directors.

4.13 Resignation or Removal.

4.13.1 Resignation. Any Officer or Director may resign at any time by giving written notice to the Chair, the Secretary, or the full Board of Directors. Such resignation shall take effect at the time specified therein or, if no time is specified, at the time of acceptance by the Chair, Secretary or Board of Directors.

4.13.2 Removal for Failure to Attend. As a condition for election and service, any Officer or Director who shall fail to attend two consecutive regular meetings of the Board of Directors shall be automatically removed from the Board of Directors. The Board of Directors may waive such automatic removal if it shall by majority vote determine that such failure to attend was caused by sufficient circumstances to excuse such absence. The position of Officer or Director removed under this provision shall be filled in accordance with Section 4.6 of this Article.

4.13.3 Removal for Other Cause. Any Officer or Director may be removed for any cause deemed sufficient as provided under Delaware law.

ARTICLE V - Regions

5.1 Purpose and Composition.

In order to establish closer communications between the Board of Directors, ~~and~~ the Member Boards, and International Affiliate Organizations; as well as between Member Boards and International Affiliate Organizations within geographical areas, and to assist the Association in achieving its stated purpose, all of the ~~states, territories and the District of Columbia~~Member Boards and International Affiliate Organizations shall be divided into at least five, but not more than nine, geographical Regions. The names, number, and composition of Regions shall be determined from time to time by the Board of Directors.

5.2 Representation.

A Regional Director shall be nominated and elected in accordance with Article VII of these bylaws to serve terms as provided in Section 4.5.5 to represent the Board of Directors within each Region and to perform such other duties as may be designated by the Board of Directors. Each Region shall, in accordance with Article VII, elect one Delegate or Associate as a member of the Nominating Committee to represent in person their Region on the Nominating Committee and one Delegate or Associate as an alternate to participate in person in the event that the member cannot attend the meeting.

5.3 Regional Meetings.

Annually, each Region shall hold a Regional Meeting not less than 60 days prior to the Association's Annual Meeting. Pursuant to section 4.11, such meeting may be held by teleconference. The purposes of the Regional Meeting**s** are to facilitate communications, elect the members and alternates of the Nominating Committee pursuant to Article VII and to transact other business. Pursuant to Section 4.3.5, the Regional Director shall preside over a Regional Meeting. Unless the Regional Director is the Designated Voting Representative of a Member Board as described in Section 6.6.1 and 6.6.2, the Regional Director shall not have a vote at the Regional Meeting. In the event the Regional Director is unable to preside, the Association Chair shall designate a Delegate or Associate to preside.

ARTICLE VI - Meetings of the Association and Voting

6.1 Annual Meeting.

The Association shall hold an Annual Meeting in the last quarter of the calendar year. The purposes of the Annual Meeting are to facilitate communications and hold a Business Session to elect the Vice Chair and Directors and to transact other business.

6.2 Special Meetings.

The Chair shall call special meetings of the Association when requested to do so by the Board of Directors or by at least one-third of the Member Boards on written application to the Chair, signed by the individual designated as the Presiding Officer of each of the said one-third of the Member Boards. Special meetings of the Association shall be held at such times and places as shall be designated by the Board of Directors.

6.3 Notice and Waiver.

6.3.1 Notice of each meeting of the Association or Regions shall be sent to each Member Board, and to each Delegate and Associate at the mailing address shown in the official records of the Association at least 60 days before such meeting. Such notice, as far as practicable, shall contain a statement of the general business to be transacted. Notice of the Annual Meeting shall contain the report of the Nominating Committee as provided in Section 7.3.1.

6.3.2 Meetings held and actions taken without notice as provided in these bylaws shall be valid if each Member Board entitled to notice: (1) attends the meeting without protesting lack of notice either before or when such meeting convenes; or (2) signs a written waiver of notice or a written consent to holding the meeting or an approval of the minutes of the meeting, either before or after the meeting; and (3) such written consents or approvals are filed with the records of the meeting.

6.4 Quorum.

A quorum for the transaction of business at any meeting of the Association shall be one or more Designated Voting Representatives from a majority of Member Boards. A quorum for the transaction of business at any meeting of a Region shall be one or more Designated Voting Representatives from a majority of the Member Boards of such Region. In the absence of a quorum at an Annual Meeting, Regional Meeting or a special meeting, the majority of the Member Boards represented at such meeting may adjourn the meeting to a stated time and place without further notice.

6.5 Advisory Vote on Matters Related to Member Boards' Regulatory Responsibilities.

Any issue being deliberated by the Board of Directors or any committee, that is determined by the Board of Directors to have a material impact on the regulatory responsibilities of the Member Boards, shall be submitted to the Member Boards for their advisory vote. Such advisory vote should ordinarily be taken at an Annual Meeting. However, if the timing of an issue will not allow the advisory vote to be conducted at an Annual Meeting, the Chair may call a special meeting.

6.6 Voting.

6.6.1 Each Member Board shall be entitled to only one vote on any matter brought before the Association, and each Member Board in the Region shall be entitled to only one vote on any matter brought before any Regional Meeting, which vote shall be cast on behalf of such Member Board by its Designated Voting Representative.

6.6.2 The Presiding Officer of a Member Board, if present, shall be presumed to be the Designated Voting Representative. If the Presiding Officer is unable or unwilling to serve, the Member Board may authorize another Delegate, Associate or Executive Director from that State to serve as its Voting Representative. The Member Board may authorize successive alternate Voting Representatives to ensure that the Member Board's one vote may be cast. The authorization shall be in writing (including email) and may be issued by the Member Board's Presiding Officer or the next highest ranking Board Member available prior to or upon registration for the relevant meeting.

6.6.3 Unless a greater vote is required by these bylaws for any action, a majority vote of all Member Boards shall be required to pass any motion or resolution of the Association.

6.7 Ballot Voting.

6.7.1 The Board of Directors, or a majority of the Member Boards of the Association present at any duly called meeting of the Association at which a quorum is present, may direct that the Chair of the Association submit any action to all Member Boards for their consent by mail, e-mail, or other appropriate means, except that the election of the Vice Chair, Directors and members and alternates of the Nominating Committee may not be done by written consent, except in filling an interim vacancy of the Vice Chair.

6.7.2 The Member Boards will have 45 days to return their ballots.

6.7.3 Any action taken or approved in such a ballot by two-thirds of the Member Boards voting shall be a resolution of the Member Boards of the Association provided that the number of Member Boards approving such action shall constitute a majority of the Member Boards of the Association.

6.8 Rules of Order.

The rules of parliamentary procedure contained in the latest edition of *Robert's Rules of Order, Newly Revised*, shall govern the Business Session of the Annual Meeting.

Article VII - Nominations and Elections

7.1 Nominating Committee Composition and Election.

The membership of the Nominating Committee shall consist of the Past Chair, who shall serve as Chair of the Nominating Committee, and one member from each Region elected as provided herein.

7.1.1 A Delegate or Associate is eligible for election to the Nominating Committee.

7.1.2 With the exception of the Past Chair, no member of the Nominating Committee may serve concurrently as a member of the Board of Directors and the Nominating Committee, and no member may be eligible for election to the Board of Directors through the entirety of his or her elected term on the Nominating Committee and through the adjournment of the next following Annual Meeting (the one-year cooling off period). For purposes of this subsection, an alternate of the Nominating Committee is considered a member of the Committee.

7.1.3 If the Past Chair cannot serve, or declines to serve, as Chair of the Nominating Committee, the Board of

Directors shall appoint another Delegate or Associate to serve as Nominating Committee Chair so long as the person is ineligible to serve on the Board of Directors for the year following his or her service on the Nominating Committee.

7.1.4 Nominating Committee members and alternates shall be elected for two-year terms and may serve two complete terms in succession plus any unexpired terms. The term begins immediately following the Business Session of the Annual Meeting. If an alternate never participates in a Nominating Committee meeting during his/her term, the alternate shall not be subject to the one-year cooling off period set forth in sub-section 7.1.2. However, if a Nominating Committee member or alternate resigns during his/her elected term, then the one-year cooling off provision is applicable and begins through the adjournment of the next Annual Meeting. The terms of the Nominating Committee members shall be staggered so that half of the Regions hold elections each year.

7.1.5 The election of members and alternates of the Nominating Committee shall require a majority vote of the Member Boards in the Region represented at the Regional Meeting, provided a quorum is met.

7.1.6 At the Regional Meeting, each Region whose Nominating Committee member's term is expiring at the current year's Annual Meeting shall elect a member and an alternate of the Nominating Committee to represent its Region. The Association shall send notices to the membership about the Nominating Committee selection process in those Regions whose Nominating Committee member's term is expiring at the current year's Annual Meeting no less than 60 and 30 days prior to the Regional Meeting. Those interested in representing their region on the Nominating Committee shall have his/her name submitted to the President of the Association within 14-days prior to the start of the Regional Meeting. Regions that have no candidate submit a name 14-days prior to the start of the Regional Meeting or have no qualified candidates at the time of election of member or alternate, may consider qualified candidates from the floor. Each member and alternate must have (i) served at least two years on a ~~state board of accountancy~~Member Board, (ii) attended~~, in person,~~ at least one NASBA Regional Meeting, (iii) attended~~, in person,~~ at least one NASBA Annual Meeting and (iv) served on a NASBA or NASBA-appointed committee, task force, working group, advisory group, or board (such as the Exam Review Board or International Qualifications Appraisal Board). The term "board" as used in this subsection does not refer to the Board of Directors.

7.1.7 If a Region's member and alternate are both unable to serve and the Nominating Committee will hold a meeting for the purpose of making nominations prior to that Region's next NASBA Regional Meeting, then an ad hoc committee consisting of one ~~state board member~~ Delegate from each Member Board in that Region shall meet to elect a member and alternate to serve for the unexpired terms of the former member and former alternate, who may be elected and serve up to two additional complete terms for the Region pursuant to Section 7.1.4.~~.~~

7.1.8 If a Region fails to elect a member or an alternate as provided in Section 7.1.~~1~~6 or 7.1.7 ~~above~~, the Board of Directors shall appoint a member or an alternate to represent that Region on the Nominating Committee. If necessary, the Board of Directors may appoint a member or an alternate that does not meet all of the Section 7.1.6(i), (ii), ~~and~~ (iii), and (iv) criteria, or may appoint a member or an alternate whose service on a state board of accountancy was for a different Region's Member Board. In the event that a member or an alternate is selected by the Board of Directors pursuant to Section 7.1.8, that member or alternate will not stand for election for any subsequent terms if a member or alternate who meets the criteria of Section 7.1.6 is elected pursuant to Section 7.1.6.

7.1.9 In the event of a deadlocked vote in a Region's election of its member or alternate on the Nominating Committee, the Regional Director shall convene an ad hoc meeting pursuant to Section 7.1.7 to elect the Region's member or alternate on the Nominating Committee. If the election pursuant to Section 7.1.7 has not been completed within thirty (30) days after the conclusion of the respective Regional Meeting, the Region's Nominating Committee member and/or alternate shall be appointed by the Board of Directors pursuant to

Section 7.1.8.

7.2 Responsibilities of Nominating Committee.

7.2.1 Obligation to Attend Nominating Committee Meetings in Person.

7.2.1.1 In view of the importance of each Region being represented in person at meetings of the Nominating Committee when the Committee is meeting for the purpose of deliberating upon or voting for nominees, the member or alternate must be in attendance at such meetings in order to participate and vote. The alternate shall reserve the Nominating Committee meeting dates so he or she can attend a meeting on short notice if the member cannot attend. In the event the member cannot attend the meeting, it shall be the responsibility of the member to notify the Nominating Committee Chair and the Region's alternate as soon as possible so the alternate can attend the meeting.

7.2.1.2 Members of the Nominating Committee who miss more than one meeting (for the purpose of deliberating upon or voting for nominees) during their term may not stand for re-election.

7.2.1.3 The responsibility of the alternate is to serve in person in the event the member cannot attend the meeting or is no longer a Delegate or Associate.

7.2.2 Annual Nominations.

The Nominating Committee shall nominate annually one qualified candidate for Vice Chair, three candidates for Directors-at-Large for those whose terms are expiring at the Annual Meeting, and one candidate for Regional Director from each Region. Each year, the Nominating Committee will establish and communicate to the Member Boards, a nominating schedule including any deadlines for the submission of names of candidates seeking to be nominated for any of the offices to be elected at the Annual Meeting. The Nominating Committee may waive the deadlines by a majority vote. The Nominating Committee will consider the submitted names of interested candidates when considering nominees and may also consider other qualified candidates when deemed appropriate by the Nominating Committee. If the Vice Chair is unable to serve as Chair, then the Nominating Committee also shall nominate a candidate for Chair. The report of the Nominating Committee shall be submitted to the Chair and presented in accordance with the provisions of these bylaws.

7.2.3 Filling a Vice Chair Vacancy.

In the event of a vacancy in the Vice Chair position, the Nominating Committee Chair shall promptly call a meeting of the Nominating Committee to nominate a candidate for Vice Chair. If administratively possible, the Vice Chair nominee will be presented for consideration with the other nominees for the Board of Directors by the Nominating Committee at the next Annual Meeting. If the timing is such that a vote cannot occur at the Annual Meeting, written ballots containing the name of the proposed candidate shall be sent promptly to the Presiding Officers of all Member Boards for voting as set forth in Section 6.7.

7.2.4 Rescinding a Nomination - Amendment of the Nominating Committee Report.

The Nominating Committee in its sole discretion may reconsider and rescind said nomination with or without cause and nominate a different candidate. If said action would occur after the Nominating Committee's Report issued pursuant to Section 7.3.1 has been distributed with the notice of Annual Meeting as required in Section 7.3.2, then the Chair of the Nominating Committee may convene an emergency meeting of the Nominating Committee for the sole purpose of reconsidering, rescinding, and replacing a Nominee. Notice of this meeting will state that the meeting is being called to consider rescission of one or more nominations. Notwithstanding Section 7.2.1, for purposes of that meeting and that meeting only, one or more members or alternates of the

Nominating Committee can participate via teleconference pursuant to section 4.11. If the Nominating Committee votes to amend its Report, the Amended Nominating Committee Report shall be distributed to the Member Boards as soon as practicable. If the distribution of the Amended Nominating Committee Report cannot occur more than 30 days prior to the annual meeting, then upon the written request of 5 or more Member Boards or upon the recommendation of the Nominating Committee, the election regarding any new nominee may be conducted in the same manner as provided in Section 7.2.3. The new nominee(s) will be presented for consideration with the other nominees for the Board of Directors by the Nominating Committee at~~s~~ the Annual Meeting, if administratively feasible. If the timing is such that a vote cannot occur at the Annual Meeting, written ballots containing the name of the proposed candidate shall be sent promptly to the Presiding Officers of all Member Boards for voting as set forth in Section 6.7.

7.2.5 Withdrawal by a Nominee - Amendment of the Nominating Committee Report.

In the event a nominee selected by the Nominating Committee for election at the Annual Meeting withdraws from the process, the Nominating Committee Chair shall promptly call a meeting of the Nominating Committee to nominate a replacement nominee. If said action would occur after the Nominating Committee's Report issued pursuant to Section 7.3.1 has been distributed with the notice of Annual Meeting as required in Section 7.3.2, then the Chair of the Nominating Committee may convene an emergency meeting of the Nominating Committee for the sole purpose of replacing the nominee. Notice of this meeting will state that the meeting is being called to consider the replacement of a nomination. Notwithstanding Section 7.2.1, for purposes of that meeting and that meeting only, one or more members or alternates of the Nominating Committee can participate via teleconference pursuant to section 4.11. If the Nominating Committee votes to amend its report, the Amended Nominating Committee Report shall be distributed to the Member Boards as soon as practicable. If the distribution of the Amended Nominating Committee Report cannot occur more than 30 days prior to the Annual Meeting, then upon the written request of 5 or more Member Boards or upon the recommendation of the Nominating Committee, the new nominee(s) will be presented for consideration with the other nominees for the Board of Directors by the Nominating Committee at the Annual Meeting, if administratively feasible. If the timing is such that a vote cannot occur at the Annual Meeting, written ballots containing the name of the proposed candidate shall be sent promptly to the Presiding Officers of all Member Boards for voting as set forth in Section 6.7.

7.3 Nominations and Election Process.

7.3.1 At least 60 days preceding the date of the Annual Meeting of the Association, the Nominating Committee shall deliver to the Chair a report which shall include its Annual Nominations as described in Section 7.2.2.

7.3.2. The report shall be included with the notice of the Annual Meeting as described in Section 6.3, and shall be presented by the Nominating Committee during the Business Session at the Annual Meeting.

7.3.3 Nominations for any elected position, including a vacancy in the office of Vice Chair, may also be made by at least five Member Boards, if filed with the Chair at least 30 days prior to the Annual Meeting (or the due date set pursuant to Section 7.2.3 and Section 6.7 for the mail ballots for Vice Chair in the event of a vacancy).

7.3.4 No nominations from the floor or otherwise will be recognized.

7.3.5 A majority vote of the Member Boards represented during the Business Session at the Annual Meeting (or by mail ballots for Vice Chair) shall constitute an election, provided a quorum is met.

ARTICLE VIII – Committees, Task Forces and Boards

8.1 Standing Committees.

The standing committees of the Association shall include the Executive Committee, the Nominating Committee, the Administration and Finance Committee, the Audit Committee, the CPA Examination Review Board and the Executive Directors Committee. Unless otherwise provided in these bylaws, the members and chairs of the standing and other committees or task forces are appointed by the Chair.

8.2 Executive Committee.

There shall be an Executive Committee composed of the Past Chair, the Chair, the Vice Chair, the Secretary, and the Treasurer. The President shall serve as an *ex officio* non-voting member of the Executive Committee. The Executive Committee shall act for the Board of Directors between meetings of the Board. The Executive Committee (without the President) shall constitute the Compensation Committee. The Compensation Committee shall annually evaluate the performance and the compensation of the President. All actions taken by the Executive Committee and the Compensation Committee shall be presented to the Board of Directors for ratification at its next meeting.

8.3 Nominating Committee.

The election and duties of the Nominating Committee are described in Article VII. The Nominating Committee is not a committee of the Board of Directors.

8.4 Administration and Finance Committee.

The Administration and Finance Committee shall oversee and monitor the fiscal operations of the Association. The Treasurer shall serve as Chair of the Administration and Finance Committee.

8.5 Audit Committee.

The Audit Committee shall oversee the Association's annual financial statement audit and internal controls and shall recommend to the Board of Directors the firm to perform the audit. The Audit Committee shall receive the annual audited financial statements and the auditor's report thereon, consider the items of internal accounting control that arise from the audit process, and make a recommendation regarding the annual audited financial statements and the auditor's report thereon, to the Board of Directors.

8.6 CPA Examination Review Board.

8.6.1 The CPA Examination Review Board ("ERB") shall: evaluate and report on significant adherence with the policies and procedures utilized in the preparation, grading and administration of the Uniform CPA Examination and the International Qualifications Examination used by boards of accountancy for the licensing of certified public accountants; to include observation, inquiry and inspection of pertinent records; and report annually on the ongoing reliability of such examinations for the licensing of certified public accountants. Member Boards and International Affiliate Organization representatives are eligible for service on the ERB if their jurisdiction utilizes the Uniform CPA Examination as the qualifying examination for licensed auditors.

8.7 Other Committees and Task Forces.

The Chair or the Board of Directors may appoint such other Committees and Task Forces as they deem desirable. Membership on such Committees and Task Forces may include, in addition to Delegates and Associates, executive directors and other persons with special expertise, including those from International Affiliate Organizations. Task Forces within a Committee **may** be appointed by the Committee Chair, provided the Task Force members have already been appointed by the NASBA Chair to the Committee**.**

8.8 Executive Directors Committee.

There shall be an Executive Directors Committee. Its members shall be appointed by the NASBA Chair from the executive directors (or the highest-ranking staff member if another title is used by a ~~State Board~~Member Board or International Affiliate Organization). The Executive Directors Committee shall operate pursuant to a Mission Statement developed by the Committee and approved by the Board of Directors. The Chair of the Executive Directors Committee shall serve as liaison to and as an *ex officio* non-voting member of the Board of Directors.

ARTICLE IX - Finances

9.1 Fiscal Year.

The fiscal year of the Association shall be from August 1 of one year to July 31 of the next succeeding year.

9.2 Dues.

The dues for each Member Board and each Associate shall be determined by the Board of Directors and approved by the Member Boards at a regular Annual Meeting of the Association. The Board of Directors may waive, alter, or amend unpaid dues of Member Boards or International Affiliate Organizations. The dues of each Member Board shall be based on the number of persons regulated by that Member Board.

9.3 Other Fees.

The Board of Directors may establish such other fees for publications, programs and services as it shall deem appropriate, provided that no such fees or special assessments shall be levied if such fees or assessments impair the status of the Association under Section 501(c) of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any successor law.

9.4 Audit.

The Board of Directors shall, for each fiscal year, appoint a licensed independent public accountant or licensed independent public accountants to express an opinion on the financial statements of the Association. The financial statements of the Association and the report of the auditor or auditors for each fiscal year shall be published for the information of the membership.

9.5 Contracts.

The Board of Directors may authorize the President, any Officer or Officers, agent or agents of the Association, to enter into any contract or execute and deliver any instrument in the name and on behalf of the Association and such authority may be general or confined to specific instances.

9.6 Checks, Drafts, etc.

All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association shall be signed by such Officer or Officers, agent or agents of the Association and in such manner as shall from time to time be determined by the Board of Directors.

9.7 Indemnification.

The Association shall, to the fullest extent permitted under Delaware law, defend and/or indemnify any and all of its Directors or Officers or former Directors or Officers against expenses actually and reasonably incurred by them in connection with the defense of any action, suit or proceeding in which they or any of them are made parties, or a party, by reason of being or having been a Director or Officer of the Association.

9.8 Insurance.

The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was an Officer, Director, President, committee member, or is serving at the request of the Association, against any liability incurred by such person in any such capacity, or arising out of that person's status as such, whether or not the Association would have the power to indemnify that person against such liability under this Article.

9.9 Dissolution.

The Association shall use its funds only to accomplish the purposes specified in these bylaws and no part of said funds shall inure, or be distributed, to the Member Boards or International Affiliate Organizations of the Association. On dissolution of the Association, any funds remaining shall be distributed to one or more regularly organized and qualified charitable, education, scientific or philanthropic organizations to be selected by the Board of Directors.

ARTICLE X – Amendments

Any of these bylaws may be altered, amended, or repealed, and new bylaws may be adopted by a two-thirds vote of Member Boards represented at any regular or special meeting by one or more Designated Voting Representatives, provided a quorum is present, and provided that the Member Boards approving such an amendment constitute a majority of the Member Boards of the Association. Proposed amendments to these Bylaws must be presented in writing to the Chair at least 60 days before the meeting at which they are to be voted upon; however, this requirement may be waived by the Chair or by a three-fourths vote of Member Boards represented at any regular or special meeting. Any amendments to these bylaws shall become effective on the first day following the Annual Business Meeting unless another day is specified.

Understanding the Proposed International Membership Categories

By Daniel J. Dustin, CPA
President & CEO
NASBA

NATIONAL ASSOCIATION OF STATE BOARDS OF ACCOUNTANCY

In August, NASBA distributed proposed Bylaws amendments to be considered at the Annual Meeting. Several of you have asked good questions since then about why these changes are being proposed, what they would mean in practice, and what they would not change.

This document is meant to answer those questions directly and in plain terms.

Why we are considering this

Regulation of the profession increasingly crosses borders. Issues involving enforcement, professional mobility, credential recognition, standards, and regulatory approaches do not stop at U.S. jurisdictional lines.

More formal relationships with peer regulators would give NASBA a structured way to exchange information, learn from developments in other countries, and participate in those conversations on behalf of its U.S. member boards.

The proposed changes would not alter the authority of any individual U.S. member board.

What this means for U.S. state boards

Stronger relationships with peer regulators give U.S. state boards earlier access to developments outside the United States, opportunities to learn directly from peer regulators, and a stronger collective voice when international developments affect U.S. regulation.

We are already seeing the value of these relationships. This year, the Canadian provinces and territories reached out to NASBA to learn about developments related to private equity investment in public accounting firms in the U.S. That is a concrete example of peer regulators sharing information that matters to U.S. boards.

How we got here

This proposal has been developed with NASBA board member and state board input for several months. The following steps have been taken or are planned:

- **April 2026**: The NASBA Board of Directors discussed how organizations similar to NASBA approach international and affiliate membership and directed staff to research models used by other professions.
- **June 2026**: The NASBA Board continued the discussion and reviewed how membership eligibility and termination could work, alongside an update on the Mutual Recognition Agreement between the United States, Canada and Mexico.
- **Regional Meetings**: The concept was presented, noting that a proposed Bylaws change could come before boards at the Annual Meeting.
- **July 2026**: The NASBA Board approved the proposed Bylaws amendments for distribution.
- **August 2026**: The required notice of proposed amendments was distributed to member boards, beginning the 60-day period ahead of the vote.
- **October 2026**: Member boards vote on the proposed amendments at the Annual Meeting.

The formal notice followed several months of Bylaws Committee meetings and discussion and approval by the Board in July. We recognize, however, that much of that supporting context was not included in the notice itself. This document is intended to fill that gap.

What is being proposed

The amendments would create two membership categories for international licensing and regulatory bodies: organizations that perform licensing or regulatory functions in their own jurisdictions.

Affiliate membership would be a more limited and flexible category for engagement, collaboration, and information-sharing where full participation in NASBA is not warranted. Affiliate members could receive NASBA communications and take part in conferences, webinars, and other networking and information-sharing opportunities, as determined through Board policy.

Full membership would be reserved for international licensing or regulatory bodies that perform functions comparable to U.S. boards of accountancy. Because those bodies have a regulatory role more closely aligned with NASBA's existing member boards, they could be considered for a higher level of participation, subject to criteria and limitations established by the NASBA Board of Directors. Full members could take part in conferences and regulatory dialogue. Any participation in committees, task forces, or other NASBA activities would be established through Board-approved policy and would preserve the central role of NASBA's 55 U.S. member boards.

Neither category would be automatic. Every applicant would need to meet applicable criteria and be approved by the NASBA Board under a Board-approved policy.

Approval of the proposed Bylaws amendments would not constitute approval of any current or prospective international organization for membership. The amendments would establish the framework and the authority to consider applicants. Any organization seeking membership would be considered separately under the applicable criteria and approval process.

In other words, the vote in October is on whether to create the framework, not on whether to admit a particular international organization.

Affiliate vs. full: a simple comparison

The proposed Bylaws establish the membership categories and the Board's authority to administer them. They do not, by themselves, answer every question about the rights and limitations that would apply to each category.

The following compares the two categories on the points members have raised. Some participation and governance rights remain to be determined and should not be considered final until those decisions are made.

	Affiliate membership	Full membership
Purpose	Engagement, collaboration and information-sharing	A higher level of participation for qualifying peer regulators
Eligible organizations	International licensing or regulatory bodies meeting applicable criteria	International licensing or regulatory bodies performing functions comparable to U.S. boards of accountancy
Automatic membership?	No	No
Approval required?	NASBA Board approval	NASBA Board approval

The purpose of these categories is to expand regulatory engagement without diminishing the role of NASBA's 55 U.S. member boards. Participation and governance provisions will need to reflect that principle.

We recognize the concern that adding international membership should not diminish the role of NASBA's 55 U.S. member boards. The objective of these categories is to expand regulatory engagement and provide U.S. boards with broader regulatory insight, not to transfer influence away from existing member boards.

Specific participation and governance rights are being addressed separately and will need to reflect that principle.

How it would work

No international organization would become a member automatically. Every admission would require approval by the NASBA Board of Directors. Applicants would need to meet criteria established in Board policy, and the NASBA Board would retain authority to terminate membership.

The Bylaws would establish the membership framework and the NASBA Board's authority to consider applicants. Board policy would establish more detailed eligibility, review, participation, and oversight requirements, allowing those operational standards to be administered and updated without requiring a Bylaws amendment for each change.

The Bylaws would give the NASBA Board the authority to consider qualified international regulatory organizations for membership. It would not allow an organization or guarantee membership to an applicant. Continued membership would remain subject to the applicable requirements, and the NASBA Board would retain authority to terminate membership if an organization no longer meets those requirements.

Why membership instead of continuing existing relationships?

NASBA already maintains productive international relationships, including through Mutual Recognition Agreements and other regulatory activities.

The proposed membership categories are not intended to replace those relationships. They would provide a formal framework for deeper and more sustained collaboration with peer regulatory bodies, including consistent standards for participation and oversight.

Membership would also allow NASBA to distinguish between organizations where collaboration and information-sharing are appropriate and regulatory bodies whose functions are sufficiently comparable to U.S. boards of accountancy to warrant consideration for broader participation.

Existing international relationships can continue without membership. The proposed amendments would give NASBA an additional structure for relationships where a more formal and sustained level of regulatory engagement is appropriate. It also would allow NASBA to establish clear expectations for eligibility, participation, oversight and continued membership rather than managing those relationships solely through individual agreements or informal collaboration.

How have similar organizations approached international or affiliate membership?

The NASBA Board reviewed membership models used by U.S. organizations serving licensing and regulatory boards in other professions, including nursing, engineering and surveying, and psychology. Several provide full and/or affiliate membership opportunities for regulatory bodies outside the United States, including Canadian regulators.

While the specific structures vary, these organizations demonstrate how different membership categories can be used to engage regulatory bodies with different roles and levels of participation. In many models, full membership is intended for entities performing regulatory functions comparable to a jurisdictional licensing board, while affiliate membership provides opportunities for collaboration and information-sharing without the same level of participation.

The Board considered these models in developing NASBA's proposed framework. The proposal would not automatically admit any international regulatory organization; applicants would remain subject to NASBA's eligibility criteria and approval process.

What this would not do

Because several questions rest on what these changes might allow, it is worth being just as clear about what they would not do:

- They would **not change NASBA's mission, name, or core purpose of supporting the effectiveness of U.S. state boards of accountancy.**

- They would **not automatically admit any international organization.** Every applicant would have to meet applicable criteria and receive NASBA Board approval.
- They would **not, by themselves, approve any organization with which NASBA currently has a relationship or any future applicant..**
- They would **not give an international organization regulatory authority over U.S. CPA licensure.** Licensure authority remains with the individual state boards.
- They would **not change the authority of any state board, CPA licensure requirements, or mobility laws.** These are changes that only state boards and state legislatures can make.
- **They would not change NASBA's Mutual Recognition Agreements.** Any changes to those areas would continue to require their own separate review and approval processes.

The proposal is about participation in NASBA. **It would not transfer or alter the regulatory authority held by U.S. boards of accountancy.**

What happens next

The proposed amendments are moving through NASBA's Bylaws approval process, and we want to hear from member boards before the October vote.

Over the coming weeks, the proposal will be discussed in the regional calls beginning in late August. We will continue answering questions and providing additional information ahead of the vote.

Member boards will vote on the proposed Bylaws amendments at the Annual Meeting in October in Litchfield Park, AZ.

If the amendments are approved, that vote would establish the membership framework. **It would not admit an international organization itself.** Individual applicants would still have to go through the applicable eligibility, review, and approval process.

If you have questions in the meantime, please reach out to Wendy Garvin, Executive Vice President, at wgarvin@nasba.org. We would rather answer a question early than leave it unanswered.

INTERNATIONAL MEMBERSHIP

Questions and Answers

NATIONAL ASSOCIATION OF STATE BOARDS OF ACCOUNTANCY

International Membership: Questions And Answers

What problem is NASBA trying to solve?

The accounting profession operates in an increasingly interconnected global environment. Regulatory developments, professional mobility issues, ownership structures, credential recognition, and other matters often have international dimensions that may affect U.S. Boards of Accountancy. The proposed membership categories would provide NASBA with a structured framework to engage with peer regulatory bodies, helping NASBA and its member boards stay informed, share knowledge, and participate more effectively in discussions that may affect the future of regulation.

Why is NASBA considering international membership?

Regulation of the profession increasingly crosses borders. Issues involving professional mobility, credential recognition, standards, and regulatory approaches do not stop at U.S. jurisdictional lines. More formal relationships with peer regulators would give NASBA a structured way to exchange information and participate in those conversations on behalf of its U.S. member boards.

How would this benefit U.S. state boards?

Stronger regulatory relationships give state boards earlier access to developments outside the United States, opportunities to learn directly from peer regulators, and a stronger collective voice when international developments affect U.S. regulation. The purpose is to strengthen NASBA's ability to serve U.S. boards, not to change the authority of any individual board.

We are already seeing the value of these relationships. This year, the Canadian Provinces and Territories reached out to NASBA to learn of developments related to private equity investment in public accounting firms in the U.S. Through other international relationships, NASBA leadership gained insight into the work of the Financial Action Task Force (FATF), which acts as a global watchdog for fighting money laundering and terrorist financing. This topic is increasingly intersecting with the accounting profession, and we'll discuss it more at this year's annual meeting in Litchfield Park, AZ.

How would international membership contribute to NASBA's mission?

The proposal is intended to strengthen NASBA's ability to serve U.S. Boards of Accountancy. More formal relationships with comparable regulatory bodies could provide earlier awareness of emerging issues, broader access to regulatory perspectives, and stronger channels for information sharing. The objective is not membership growth for its own sake, but rather enhancing NASBA's ability to advance the common interests of its member boards in a changing regulatory environment.

How does this proposal relate to NASBA's strategic plan?

The proposal is consistent with NASBA's efforts to position the Association and its member boards for the future. As the profession continues to evolve, NASBA must remain informed about developments that may affect regulation, licensure, mobility, and public protection. Establishing a framework to engage with peer regulatory bodies supports NASBA's broader objective of remaining a forward-looking organization that serves the long-term interests of U.S. Boards of Accountancy.

Why not continue NASBA's existing international relationships without creating membership categories?

NASBA's existing international relationships are valuable and would continue regardless of this proposal. However, those relationships are generally informal and do not operate within a consistent governance framework. The proposed affiliate and full membership categories would provide a structured approach for engagement with international regulatory bodies when a more formal and ongoing relationship is appropriate. Existing relationships could continue without membership, while the new framework would provide an additional option where deeper collaboration serves the interests of NASBA's member boards.

Why are both affiliate and full membership proposed?

Not every international regulatory body has the same role or the same relationship with NASBA.

Affiliate membership would provide a flexible option for collaboration and information sharing.

Full membership would provide a separate category for regulatory bodies that perform functions comparable to U.S. Boards of Accountancy.

For U.S. boards, that flexibility allows NASBA to build relationships with international regulators at a level appropriate to their role, while giving state boards greater access to regulatory information, experience and perspectives from outside the United States.

Creating both categories gives NASBA the flexibility to build global regulatory relationships while preserving the Board of Directors' discretion over eligibility, privileges, and governance. Establishing both categories in the Bylaws now also avoids forcing future boards to amend the Bylaws again if NASBA later determines that certain international regulators warrant a higher level of participation.

What is the difference between affiliate and full membership?

Affiliate membership would provide a flexible way for international licensing or regulatory bodies where collaboration, information sharing, and relationship-building are appropriate, but where full participation in NASBA is not warranted. It would allow NASBA to engage with peer regulators outside the United States without changing NASBA’s primary focus on serving its 55 U.S. member boards.

Full membership would be intended for international licensing or regulatory bodies that perform functions comparable to U.S. Boards of Accountancy and could involve broader participation as established through the applicable governance framework and Board policy.

Neither category would result in automatic admission. Each applicant would need to meet applicable criteria and be approved by the NASBA Board of Directors. Specific privileges, participation rights and safeguards would be established through Board-approved policy.

What benefits would affiliate members receive?

Affiliate members could receive NASBA communications and participate in conferences, webinars and other educational, networking or information-sharing opportunities as determined through Board policy.

The purpose of affiliate membership is to provide a structured way for NASBA and international regulators to collaborate and exchange information without necessarily providing the same level of participation associated with full membership.

Specific benefits and participation opportunities would be established through Board policy.

Who would be eligible?

Eligibility would be limited to international licensing and regulatory authorities that perform functions comparable to U.S. Boards of Accountancy. Professional associations, advocacy organizations, and other organizations that do not perform a regulatory function do not qualify.

Admission would remain entirely within the discretion of the NASBA Board of Directors, under the eligibility requirements and safeguards established through Board policy.

Are any organizations currently being considered for admission?

No. The proposed amendments would not admit any organization to membership and are not tied to any specific applicant. The purpose of the proposal is to establish a framework that would allow the NASBA Board of Directors to consider future applications from qualifying international regulatory bodies if and when such applications are received.

Any applicant would be subject to the eligibility criteria, review process, safeguards, and approval requirements established by Board policy.

Who decides whether an international organization is admitted?

Under the proposal, each admission would require approval by the NASBA Board of Directors. Admission would not be automatic, and applicants would need to meet the applicable criteria established in Board policy.

The proposed Bylaws amendments would not admit any organization into NASBA. They would authorize the NASBA Board of Directors to consider qualifying international regulatory bodies for affiliate or full membership.

Admission decisions would be governed by Board-approved policy establishing eligibility criteria, the review process, safeguards and oversight requirements.

Why aren't all the eligibility requirements and safeguards written into the Bylaws?

The proposed approach sets the membership framework in the Bylaws while placing detailed eligibility and admission criteria in Board policy, where they can be applied consistently and updated as needed without a full Bylaws amendment each time.

The proposed Bylaws amendment is not intended to establish every operational requirement for international membership. Instead, it grants NASBA’s Board of Directors the authority to consider international regulatory bodies for affiliate or full membership.

More detailed requirements, including eligibility criteria, admission and review procedures, participation rights, safeguards and oversight requirements, would be established through Board-

approved policy. That policy would also establish safeguards intended to preserve the governance role of NASBA's U.S. member boards.

Why is NASBA asking members to approve the framework before all policies are finalized?

The proposed amendments do not admit any organization to membership and do not establish all eligibility requirements or participation rights. Instead, they provide the authority for NASBA to create affiliate and full international membership categories. If approved, the NASBA Board of Directors would then develop the detailed policies, safeguards, review procedures, and eligibility standards necessary to implement the framework before any organization could be considered for admission.

Will member boards approve the policies that implement these amendments?

The proposed Bylaws amendments establish the framework for international membership. If approved by the membership, the NASBA Board of Directors would be responsible for developing and approving the detailed implementing policies, including eligibility criteria, admission procedures, participation rights, safeguards, oversight requirements, and any conditions for ongoing membership. Those policies would not require a separate vote of membership. However, the Board recognizes the importance of these policies and will seek input and feedback from member boards as the policies are developed. The proposed Bylaws amendments themselves must first be approved by the membership before any implementing policies could be adopted.

What safeguards will be in place to protect the interests of U.S. Boards of Accountancy?

The proposal does not change the authority of any Board of Accountancy, CPA licensure requirements, mobility laws, reciprocity arrangements, or Mutual Recognition Agreements. Admission would not be automatic, all applicants would be subject to Board-approved eligibility requirements, and the NASBA Board of Directors would retain authority over admissions and ongoing oversight. Additional safeguards and participation requirements would be established through Board-approved policy before any organization could be admitted.

Could international members vote, or serve on NASBA committees or the Board?

The proposed amendments create a framework for international membership, but they do not themselves establish all voting, Board or committee participation rights.

Affiliate membership is intended primarily to provide opportunities for regulatory collaboration, information sharing and engagement. Full members could be considered for broader participation because they perform regulatory functions comparable to U.S. Boards of Accountancy.

The proposed amendments themselves do not grant voting rights, Board seats or committee eligibility. Those specific participation and governance rights would need to be established through the applicable governance framework and Board policy.

Could international membership dilute the influence of the 55 U.S. jurisdictions?

No organization would join automatically, and every admission would require Board approval by the NASBA Board of Directors. Participation rights and safeguards would be established in Board policy.

The 55 U.S. jurisdictions would remain NASBA's core constituency. The objective is to provide U.S. boards broader regulatory insight and a stronger voice in an increasingly global environment, not to transfer influence away from existing member boards.

The proposal does not diminish the voice of the 55 boards of accountancy. It creates a mechanism for NASBA to engage with peer regulators around the world while maintaining governance control within NASBA.

Does this affect state authority, CPA licensure, MRAs, or reciprocity?

No. International membership in NASBA would not change the statutory authority of any state board. International membership and Mutual Recognition Agreements serve different purposes: MRAs address recognition of professional credentials between jurisdictions, while NASBA membership concerns participation in the Association.

The proposed international membership categories do not affect the authority of any Board of Accountancy, CPA licensure requirements, mobility laws, reciprocity agreements, or Mutual Recognition Agreements. Regulatory authority remains with the individual Boards of Accountancy, and any changes to licensure, mobility, or recognition agreements would continue to require their own separate review and approval processes.

NASBA does not promulgate regulations for individual jurisdictions. Those regulatory powers remain with the Boards of Accountancy and the governmental authorities in their respective jurisdictions.

What happens if an international member no longer meets the requirements?

International membership would remain subject to ongoing compliance with the applicable eligibility, participation and oversight requirements.

The NASBA Board of Directors would retain authority to review a member's continued eligibility and, when appropriate, terminate membership if the organization no longer satisfies the applicable requirements.

How have other organizations like NASBA approached international or affiliate membership for regulatory bodies?

NASBA's Board reviewed membership models used by organizations serving licensing and regulatory boards in other professions, including nursing (NCSBN), engineering and surveying (NCEES), and psychology (ASPPB), several of which NASBA already works alongside. Several provide full and/or affiliate membership opportunities for regulatory bodies outside the United States, including Canadian regulators.

While the specific structures vary, these organizations demonstrate how different membership categories can engage regulatory bodies with different roles and levels of participation. In many

models, full membership is intended for entities performing regulatory functions comparable to a jurisdictional licensing board, while affiliate membership provides opportunities for collaboration and information-sharing without the same level of participation.

The Board considered these models in developing NASBA's proposed framework. The proposal would not automatically admit any international regulatory organization; applicants would remain subject to NASBA's eligibility criteria and approval process.

MEMBERS FIRST

From Diagnostic to Strategic Plan

Members First is NASBA's cornerstone and the reference point for its strategy, investments, and actions. It means focusing on what creates meaningful value for member boards.

A message from NASBA's Strategic Planning Task Force

Over the past six months, the Strategic Planning Task Force has engaged in one of the most comprehensive strategic planning efforts in NASBA's history. This effort began in 2025 with a "diagnostic" process. Over 30 weeks, an independent consultant conducted more than 100 hours of in-depth, highly qualitative, one-on-one interviews with every NASBA Board member, 17 senior leaders on NASBA's staff, and 67 individuals connected to 90 percent of the state boards that comprise NASBA's membership. The Diagnostic produced more than 365 pages of feedback, the analysis of which was shared at NASBA's 2025 Annual Meeting. Following the Annual Meeting, NASBA launched a six-month "ideation" phase. In this phase, two parallel task forces—one composed of NASBA staff and the other of NASBA members—explored six areas: Brand identity, Meetings, Communications and engagement, Internal operations, Governance, and Deregulation. The task force members proposed initiatives NASBA could undertake that would solve for the desires and criticisms expressed in the Diagnostic and within these areas. Involving 22 members, this phase generated 896 original ideas that were, through a methodical process of consolidation and reconciliation, concentrated into 160 proposals. Enlisting a two-pronged balloting process, these proposals were then further distilled into a set of strategic initiatives.

This document is intended to gather your feedback on a summarized version of those Tier 1 initiatives in advance of NASBA refining and building its next strategic plan around them.

The Task Force recommends focusing NASBA's efforts around a simple strategic framework:

Members First
Our cornerstone

Members First is the standard against which NASBA's strategic choices, investments and actions will be measured.

Five Strategic Commitments
How we will serve members

The five commitments describe the ways NASBA will focus its efforts and resources to better serve state boards.

Leadership Objectives
How we will deliver those commitments

These commitments describe the promises NASBA makes to its members.

Strategic Initiatives
What will we do

These are the priority actions that translate the commitments and objectives into action.

Proactive Strategic Partner
What we become

Together, these commitments and initiatives will move NASBA from a traditional service provider toward a proactive strategic partner to state boards.

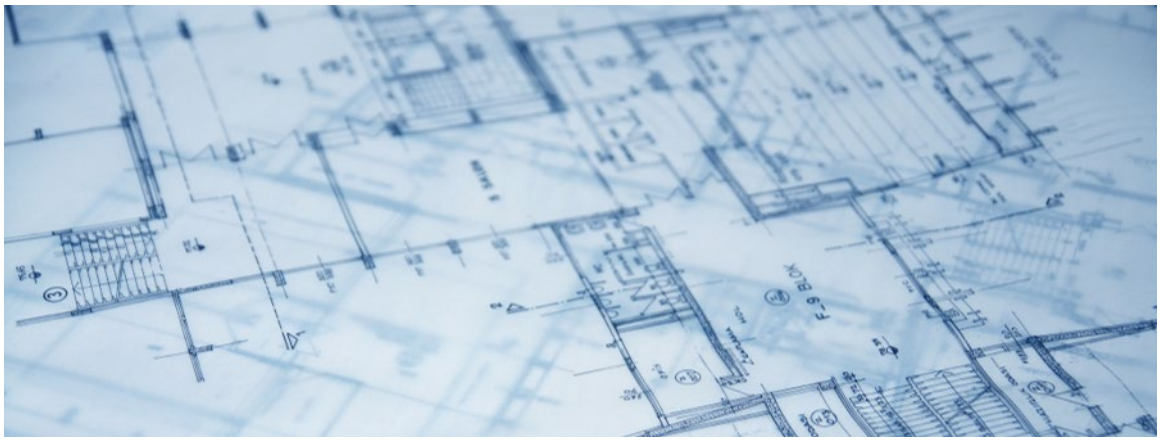
Stronger State Boards/ Greater Public Protection
The impact we create

Our work will strengthen state boards and advance the protection of the public interest.

Ultimately, NASBA's success will be measured by whether our members are stronger, more effective, and better equipped to protect the public.

The Role of the Strategic Plan

Members First is intended to provide NASBA with a clear strategic and operational direction for the next five years—not to prescribe every activity, project, or decision the organization will undertake during that period.



The plan will serve more as a blueprint than a checklist, allowing NASBA's leadership the flexibility to adapt its actions as circumstances change and opportunities arise, as well as pursue activities not identified within this plan Additionally, as the plan is operationalized, NASBA will periodically assess its priorities, initiatives and investments to ensure they remain aligned with Members First and continue to create meaningful value for members.

Our cornerstone: *Members First*

Members First is the organizing principle that defines the Tier 1 initiatives as every proposal contemplated by the task forces asked one question: “How would this make NASBA more valuable to members?” The answers to which the ideas and initiatives point establish the five strategic commitments for *Members First*:

Prioritizing Members
NASBA will listen, serve, connect, and deliver value to members.

Leading with Insight
NASBA will anticipate issues and help members navigate them.

Protecting the Public Interest
NASBA will support members in strengthening the regulatory environment in which they work.

Building the Future
NASBA will provide innovations in the tools and services that members need.

Governing for Impact
NASBA will examine its governance structures to ensure NASBA is led with a keen awareness of member priorities, and the agility to act on them.

Focus areas within the strategic commitments.

Each strategic commitment encompasses general areas of focus around which the Tier 1 initiatives coalesce:

1. Prioritizing members

Build deeper, more proactive relationships and ensure NASBA's services, resources and investments are driven by the evolving needs of State Boards.

2. Leading with insight

Build a centralized regulatory intelligence, research, analytics, and thought leadership capability that anticipates emerging issues and translates complex information into actionable insights for State Boards.

3. Protecting the public interest

Lead efforts to strengthen public protection and the regulatory model in response to deregulation, technological change, evolving licensure pathways, consolidation, mobility, and other forces reshaping the profession.

4. Building for the future

Modernize technology, processes, talent, and organizational capabilities to increase efficiency, innovation, responsiveness, and member value.

5. Governing for impact

Strengthen NASBA's governance, leadership pipeline, and organizational alignment to enable more strategic, diverse, informed, and decisive leadership.

Leadership objectives

NASBA has long served as a trusted partner to state boards of accountancy. Looking ahead, we believe NASBA can build upon that foundation by becoming an even stronger strategic partner—one that provides leadership, innovation, advocacy, and practical solutions that help jurisdictions navigate an increasingly complex environment. Members First recognizes that State Boards of Accountancy have the ultimate responsibility and authority for regulating and enforcing the laws and rules within their jurisdictions. NASBA's role is to support the Boards—not to supplant them—by providing the resources, expertise, relationships, and leadership they need to fulfill their mission and protect the public.

Strategic initiatives

Organized here under the five strategic commitments is a summary of the pertinent initiatives the task forces have prioritized:

1. Prioritizing members

- **Education and member onboarding programs:** Revitalize new member board orientations, NASBA-U sessions, and executive director education modules for regulatory training.
- **Annual report cards and other feedback loops:** Gauge member views on issues and organizational performance that keep NASBA responsive to changing needs.
- **State board member mentorship and ambassador programs:** Ensure first-time attendees receive intentional outreach and support, and that a meaningful knowledge transfer exists between experienced and early-career regulators.
- **Audit of service portfolio:** Evaluate and increase mission-spend in those services where greatest member value resides. Develop mission-aligned business opportunities that leverage NASBA's expertise, relationships, and capabilities to create additional value and strengthen long-term organizational sustainability.
- **Reimagined NASBA conferences:** Transform convenings from presentation-driven events into interactive, data- and decision-oriented, engagement-focused experiences that surface actionable outcomes and deepen peer networking.
- **Flexible and inclusive scholarship model:** Expand the opportunities for member attendance at NASBA conferences.

- **Regional meeting redesign:** Reevaluate the structure, format, frequency, and geographic configuration of regional meetings to maximize interaction and cross-pollinate perspectives.
- **Regional share forums:** Create structured opportunities for jurisdictions to exchange ideas and best practices at and between regional meetings.
- **Formal preconference planning:** Better inform conference content through proactive member input and engagement.
- **Revived "Committee Day" session:** Generate interest in, and better allocate member expertise for, NASBA committees via formal committee orientations.
- **Increased policymaker participation:** Bring more legislators and regulators into NASBA events to improve dialogue and visibility.
- **New model for State Board Relations:** Better ground NASBA in a grassroots awareness of issues while enriching the back-and-forth flow of communications between jurisdictions and NASBA.

2. Leading with insight

- **Thought leadership and regulatory intelligence platform:** Evolve NASBA into a multichannel engine of insight and influence, driving engagement through meaningful content, including data-derived studies, policy updates, structured and regular webinars, trend interpretation, and expert-led best practices.
- **Embedded communications staff in committees:** Instantly translate the work of high-profile NASBA committees into proactive member guidance.
- **Annual thought leadership agenda:** Identify high-impact topics that position NASBA and its CEO as trusted voices in the profession; advocate relentlessly for regulatory priorities and champion the regulatory message beyond the traditional audience.
- **News monitoring system:** Implement tools that monitor emerging issues and deliver real-time alerts to appropriate staff.

3. Protecting the public interest

- **Cross-functional advocacy**: Build a team that brings together expertise in Legislative Affairs, Legal, Communications, IT, and

State Board Relations for more dimensional responses to governmental issues members face.

- **National public relations campaign**: Launch a large-scale public awareness effort to reframe the licensing conversation and defend professional standards in the eyes of the public.
- **Formal deregulation response policy**: Establish in consultation with members a tiered decision framework and escalation process that determine how and when NASBA intercedes on their behalf in deregulatory matters.
- **Scaled-up coalition partnerships**: Evaluate and potentially grow ARPL to become a more proactive research and legislative defense apparatus. Build balanced alliances with the AICPA, state societies, investor protection groups, government finance organizations, academia, federal and international regulators to advance the regulatory message.
- **Plug-and-play legislative toolkits**: Develop materials that contain ready-to-use data packages, sample testimony, and public hearing guidance.
- **Core licensure consistency**: Identify and address inconsistencies in state licensure and regulatory frameworks that may undermine public protection or fuel deregulation arguments, while modernizing and reinforcing the core CPA licensure model.
- **Legislative outreach**: Create a structured program to educate state legislators about public protection and the importance of CPA regulation.

4. Building for the future

- **Enterprise, data-forward IT strategy**: Develop a long-term technology strategy that modernizes core systems, future-proofs security, leverages data for member intelligence, improves legacy bottlenecks/vendor management, and incorporates AI.
- **Comprehensive NASBA rebrand**: Modernize NASBA's identity, messaging, visual brand, mission alignment, and digital presence to signal, support, and reinforce its enhanced strategic aspirations.
- **Technology training programs**: Provide ongoing staff education in technology tools and AI-enabled work practices.
- **Quarterly "deep think sessions"**: Conduct half-day leadership sessions to assess priorities, risks, investments, and opportunities; anticipate emerging trends; and adjust, accelerate,

modify, or discontinue initiatives as member needs and the external environment evolve.
- **Internal cultural engagement programs:** Strengthen employee engagement, recognition, and connectedness within NASBA.

5. Governing for impact

- **Comprehensive committee audit**: Review and redesign NASBA's committee structure, missions, and alignment with strategic priorities.
- **Governance modernization**: Engage experts to evaluate NASBA's Board structure, election processes, governance practices, and future readiness.
- **"Devil's advocate" layer**: Introduce structured dissent and alternative viewpoints into Board deliberations to avoid blind spots and groupthink.
- **Next generation cultivation**: Establish a formal mechanism for younger professionals to provide input so the NASBA Board remains in touch and conversant with the current CPA landscape.
- **"Fatal flaw" review**: Institute a tone and messaging review process for major communications to improve effectiveness and stakeholder reception.

Next steps and success metrics

Following membership comments about *Members First*, NASBA will review and integrate the feedback received. NASBA will then begin a process of "operationalization" in which the Tier 1 initiatives are assessed for budget, personnel, and time horizons. Member feedback—as well as the work undertaken in Operationalization—will influence the final shape of the Tier 1 initiatives encompassed by *Members First*. Once Operationalization is complete, NASBA will convert *Members First* into a more formal strategic plan, circulate this five-year roadmap to stakeholders, and begin implementation.

NASBA's strategic plan launch, however, is not the end. Unlike previous strategic plans, NASBA is committed to keeping members apprised every step of the way as it reaches and fulfills both its operational and aspirational targets.

Questions for the members of the Board of Accountancy (via a linked Smartsheet)

Now that you've reviewed *Members First*, please address the following questions via Smartsheet by clicking here:

1. When thinking about 'Members First' as the organizing principle for this strategic plan, what if anything do you believe NASBA would have to do differently in its current form to fulfill it? Are the five strategic commitments the right areas of focus for NASBA over the next five years?
2. Looking at the initiatives and member benefits associated with each commitment, which would create the greatest value for your board? Should any be reconsidered?
3. Are there important regulatory challenges, industry trends, or opportunities facing your state board that are not encompassed by these five strategic commitments?
4. What advice would you offer NASBA regarding implementation?
5. One objective of Members First is to evolve NASBA from a traditional service provider to a proactive strategic partner. What would NASBA need to do to earn that role with your board?
6. Do you believe Members First reflects the needs, challenges, and priorities for NASBA over the next 3-5 years? What, if anything, is missing or should receive greater emphasis?
7. It is 2032. Members First has been an unmitigated success. What, in your view, is the reason?
8. Please share any additional thoughts for NASBA regarding Members First.

Mutual Recognition
Agreement dated as of January 1, 2026

between, any of the following parties who duly execute this Mutual Recognition Agreement:

Instituto Mexicano de Contadores Públicos, A.C. (IMCP)

and

Comité Mexicano para la Práctica Internacional de la Contaduria (COMPIC)

and

Chartered Professional Accountants of British Columbia

Chartered Professional Accountants of Alberta

Chartered Professional Accountants of Saskatchewan

Chartered Professional Accountants of Manitoba

Ordre des comptables professionnels agréés du Québec

Chartered Professional Accountants of New Brunswick

Chartered Professional Accountants of Nova Scotia

Chartered Professional Accountants of Newfoundland and Labrador

Chartered Professional Accountants of Ontario

Chartered Professional Accountants of Prince Edward Island

Chartered Professional Accountants of Yukon

Chartered Professional Accountants of the Northwest Territories and Nunavut

Chartered Professional Accountants of Bermuda

(each a "PTB" and, collectively, the "PTBs")

and

US International Qualifications Appraisal Board (IQAB)

Representing

The National Association of State Boards of Accountancy (NASBA)

and

The American Institute of Certified Public Accountants (AICPA)

Each of the PTBs, IMCP, COMPIC, NASBA and AICPA, are hereinafter referred to as a "Party" and collectively, the "Parties").

Introduction

Certain of the Parties have previously entered into a Mutual Recognition Agreement dated November 1, 2017 (the "Previous **MRA**") which was subsequently amended and expired as of December 31, 2025. The Parties wish to enter a new Mutual Recognition Agreement (the "**MRA**") on the terms set out herein and in doing so for ease of reference are incorporating the text of the Previous MRA as required.

For good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), the Parties therefore agree as follows:

Interpretation

References in this MRA to a "Party" shall mean references to the signatories to this MRA. To the extent that a party is listed as a party but does not otherwise execute this MRA, such party will not be considered to be a "Party" to this Agreement but notwithstanding the same, all other parties who have duly executed this MRA will be considered to be a "Party" and the MRA will be interpreted accordingly. The MRA hereby incorporates all of the text of the Previous MRA unless amended in accordance with the terms of this MRA, and all such incorporated text and amendments hereto will constitute the MRA. As CPA Canada was a signatory to the Previous MRA and is not a signatory to this MRA, any explicit references to CPA Canada as a party in the Previous MRA will be considered to be of no force or effect in this MRA.

Effective Date and Term

The MRA is effective as of January 1, 2026 ("**Effective Date**").

Extension of Term

The Parties hereby agree that Section 4 of the Previous MRA will be considered to have a term that expires on the 31st day of December, 2028.

Additional Amendments to Text of the Previous MRA

All references in the Previous MRA to the "Canadian International Qualifications Appraisal Board" and "Canadian IQAB" are deleted and replaced with the "Canadian CPA International Credential Recognition Committee" and "Canadian ICRC".

All references in the Previous MRA to "NAFTA" are deleted and replaced with "CUSMA".

All references to "CPA Canada's Post Designation Public Accounting module", "CPA Canada's Post Designation Public Accounting examination", "CPA Canada's Professional Education Program", "the CPA Canada Competency Map" and "CPA Canada's specified competencies" are now referred to as "the CPA Post Designation Public Accounting module", "the CPA Post Designation Public Accounting examination", "the CPA Professional Education Program", "the CPA Competency Map", and "specified competencies", respectively.

The first paragraph of the Previous MRA under the heading "Introduction", including footnote 1, is deleted and replaced with the following paragraph:

> "The Canada-United States-Mexico Agreement (CUSMA) came into force on July 1, 2020, replacing the North American Free Trade Agreement (NAFTA). Prompted by these Free Trade Agreements and by a common commitment to eliminate impediments to reciprocity, the US IQAB, representing the National Association of State Boards of Accountancy (NASBA) and the American Institute of Certified Public Accountants (AICPA), the Comité Mexicano para la Práctica Internacional de la Contaduria (COMPIC), the Instituto Mexicano de Contadores Públicos, A.C. (IMCP), and the Chartered Professional Accountants provincial and territorial bodies in Canada and Bermuda known collectively as the "Parties" to this document have achieved consensus on the principles for a Mutual Recognition Agreement under the terms of annex 15-C of CUSMA."

The heading under Appendix 1A, Part 1 is deleted and replaced with the following heading: **"Eligibility Requirements for Holders of a Canadian CPA Credential"**.

The first paragraph of Appendix 1A — Part 1 is deleted and replaced with the following paragraph: "A holder of a Canadian CPA credential may be eligible to obtain the US CPA credential via this agreement if: (i) they are a member in good standing with their Provincial, Territorial or Bermudian Body (PTB), and (ii) they meet the additional criteria set out in each of the following sections and applicable state law."

The heading under Appendix 1B — Part 2 is deleted and replaced with the following heading: **"Eligibility Requirements for Holders of a Canadian CPA Credential".**

The first paragraph of Appendix 1B — Part 2 is deleted and replaced with the following paragraph: "A holder of a Canadian CPA credential may be eligible to obtain the Mexican CPC credential via this agreement if: (i) they are a member in good standing with their PTB, and (ii) they meet the additional criteria set out in each of the following sections."

The "Exclusions:" section in Appendix 1A-Part 1 and Appendix 1B-Part 2, are hereby deleted and replaced with:

Canadian CPAs who obtained their Canadian credential by qualifying under a reciprocal agreement that CPA Canada, the Canadian PTBs, or one of the three Canadian legacy bodies, may have with another professional accountancy organization are not eligible under this agreement. This includes all mutual recognition agreements, reciprocal membership agreements, and other

similar agreements which CPA Canada, the Canadian PTBs, or one of the three Canadian legacy bodies, may have, at any time, had.

The first paragraph of the Previous MRA under the heading "Appendix 2A" is amended as follows:

The abbreviated pathway to the US CPA credential for eligible holders of a Mexican CPC or Canadian CPA credential is essentially the same. Therefore, when reading Appendix 2A, "Eligible Holder" should be understood as either a Mexican CPC or Canadian CPA credential holder who has met the relevant criteria set out in Appendix 1A. In this appendix, "Home Institute" should be understood as either the Instituto Mexicano de Contadores Públicos, A.C. (IMCP) or the relevant PTB.

The first paragraph of the Previous MRA under the heading "Appendix 2B" is amended as follows:

The abbreviated pathway to the Mexican CPC credential for eligible holders of a US CPA or Canadian CPA credential is essentially the same. Therefore, when reading Appendix 2B, "Eligible Holder" should be understood as either a US CPA or Canadian CPA credential holder who has met the relevant criteria set out in Appendix 1B. In this appendix, "Home Institute" should be understood as either a State Board or the relevant PTB**.**

Signature page follows.

In Witness Whereof:

On behalf of Instituto Mexicano de Contadores Públicos, A.C.	**Date**
On behalf of Comité Mexicano para la Práctica Internacional de la Contaduria	**Date**
On behalf of the National Association of State Boards of Accountancy (NASBA)	**Date**
On behalf of the American Institute of Certified Public Accountants (AICPA)	**Date**
On behalf of the US International Qualifications Appraisal Board (IQAB)	**Date**
On behalf of the Chartered Professional Accountants of British Columbia	**Date**
On behalf of the Chartered Professional Accountants of Alberta	**Date**
On behalf of the Chartered Professional Accountants of Saskatchewan	**Date**
On behalf of the Chartered Professional Accountants of Manitoba	**Date**

On behalf of Ordre des comptables professionnels agréés du Québec	**Date**
On behalf of the Chartered Professional Accountants of New Brunswick	**Date**
On behalf of the Chartered Professional Accountants of Nova Scotia	**Date**
On behalf of the Chartered Professional Accountants of Newfoundland and Labrador	**Date**
On behalf of the Chartered Professional Accountants of Ontario	**Date**
On behalf of the Chartered Professional Accountants of Prince Edward Island	**Date**
On behalf of the Chartered Professional Accountants of Yukon	**Date**
On behalf of the Chartered Professional Accountants of the Northwest Territories and Nunavut	**Date**
On behalf of the Chartered Professional Accountants of Bermuda	**Date**