



DEPARTMENT OF CONSUMER AFFAIRS
CALIFORNIA BOARD OF ACCOUNTANCY
2000 EVERGREEN STREET, SUITE 250
SACRAMENTO, CA 95815-3832
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**CALIFORNIA BOARD OF ACCOUNTANCY (CBA)
PUBLIC MEETING NOTICE FOR THE LEGISLATIVE COMMITTEE (LC),
COMMITTEE ON PROFESSIONAL CONDUCT (CPC), MOBILITY STAKEHOLDER
GROUP (MSG) AND CBA MEETINGS**

DATE: Wednesday, July 23, 2014

**MSG MEETING
TIME:** 1:30 p.m.

PLACE: California Board of Accountancy
2000 Evergreen St., Suite 250
Sacramento, CA 95815
Telephone: (916) 263-3680

DATE: Thursday, July 24, 2014

**LC MEETING
TIME:** 9:00 a.m.

DATE: Thursday, July 24, 2014

**CPC MEETING
TIME:** 9:30 a.m. or upon adjournment of
the LC meeting.

DATE: Thursday, July 24, 2014

**JOINT CBA & MSG MEETING
TIME:** 10:30 a.m. to 11:00 a.m.

DATE: Thursday, July 24, 2014

**CBA MEETING
TIME:** 11:00 a.m. to 5:00 p.m.

PLACE: Tsakopoulos Library Galleria
828 I Street
Sacramento, CA 95814
Telephone: (916) 264-2920

Enclosed for your information is a copy of the agendas for the LC, CPC, MSG and CBA meetings on July 23-24, 2014. For further information regarding these meetings, please contact:

Corey Riordan, Board Relations Analyst
(916) 561-1716 or cfriordan@cba.ca.gov
California Board of Accountancy
2000 Evergreen Street, Suite 250
Sacramento, CA 95815

An electronic copy of this notice can be found at <http://www.dca.ca.gov/cba/calendar.shtml>

The next CBA meeting is scheduled for September 18-19, 2014 in Southern California

The meeting is accessible to individuals who are physically disabled. A person who needs a disability-related accommodation or modification in order to participate in the meeting may make a request by contacting Corey Riordan at (916) 561-1718, or email cfriordan@cba.ca.gov, or send a written request to the CBA Office at 2000 Evergreen Street, Ste. 250, Sacramento, CA 95815. Providing your request at least five (5) business days before the meeting will help to ensure availability of the requested accommodation.



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DEPARTMENT OF CONSUMER AFFAIRS (DCA)
CALIFORNIA BOARD OF ACCOUNTANCY (CBA)
JOINT MEETING OF THE CBA
AND
MOBILITY STAKEHOLDER GROUP (MSG)

JOINT CBA & MSG MEETING
AGENDA

July 24, 2014
10:30 a.m. – 11:00 a.m.

Tsakopoulos Library Galleria
828 I Street
Sacramento, CA 95814
Telephone: (916) 264-2920

Roll Call and Call to Order.

- I. Presentation from the National Association of State Boards of Accountancy (NASBA) Regarding Mobility and the NASBA Enforcement Guidelines (**Ken Bishop, NASBA President and Chief Executive Officer**).
- II. Public Comments. *

Adjournment.

Action may be taken on any item on the agenda.

In accordance with the Bagley-Keene Open Meeting Act, all meetings of the CBA are open to the public. While the CBA and MSG intend to webcast this meeting, it may not be possible to webcast the entire open meeting due to limitations on resources.

*Government Code section 11125.7 provides the opportunity for the public to address each agenda item during discussion or consideration by the CBA prior to the CBA taking any action on said item. Members of the public will be provided appropriate opportunities to comment on any issue before the CBA, but the CBA President may, at his or her discretion, apportion available time among those who wish to speak. Individuals may appear before the members of this joint meeting to discuss items not on the agenda; however, the CBA or MSG can neither discuss nor take official action on these items at the time of the same meeting (Government Code sections 11125, 11125.7(a)).

Memorandum

To : CBA Members

Date : July 18, 2014

Telephone: (916) 561-1792

E-mail : matthew.stanley@cba.ca.gov

From : Matthew Stanley, Legislative and Regulatory Coordinator

Subject : NASBA Response to CBA Enforcement Survey of Other States

At its May 2014 meeting, the CBA approved a plan to issue an Enforcement Survey of Other States in order to collect information needed to prepare the CBA's Practice Privilege Preliminary Report to the Legislature. The MSG will be advised of this plan, the survey, and its status at its July 2014 meeting as it also contains questions that will provide answers to previous MSG inquiries.

As a part of the plan for this survey, staff requested NASBA's assistance through a communication with NASBA President and CEO, Ken Bishop. Attached is the response from NASBA. This response also discusses NASBA's progress and timeline for completing its proposed Enforcement Guidelines.

Mr. Bishop will be attending a joint meeting of the CBA and MSG on the morning of July 24, 2014 to discuss the NASBA Enforcement Guidelines and to take questions from members.

Attachment

**Proposed Plan
NASBA Assistance in Mobility Enforcement Analysis
June 2014**

This plan serves as NASBA's response to the California Board of Accountancy (CBA) request for NASBA's assistance in matters pertaining to the California practice privilege program.

Background

California Business and Professions Code (BPC) section 5096.21 requires the CBA to make a determination, on and after January 1, 2016, whether allowing individuals from a particular state to practice in California under the current practice privilege program, or mobility, violates its duty to protect the public. The CBA's decisions in this matter will be primarily based on preliminary determinations made in a report due to the Legislature on July 1, 2015.

The CBA has requested NASBA's assistance with two items. The CBA intends to send a survey out to each board of accountancy to obtain data to help the CBA make the determinations required by the law cited above. The CBA has already developed and approved the proposed email and survey questions and has provided those to NASBA. The first request is for NASBA's input on the specific wording of the survey questions or guidance as to whether additional questions may prove useful. The goal of the CBA is to get 100% participation in the survey, so the desire is to keep the survey as short as possible.

Second, the CBA has requested NASBA's assistance, in whatever way NASBA deems best, in achieving that 100% participation goal. The CBA's determinations that will be made after January 1, 2016 will identify which states will remain in its mobility program and which will revert back to the prior practice privilege program. Those determinations will be based on the report to the Legislature, and that report will rely on the results of this survey. To ensure that every jurisdiction is accurately represented, 100% participation is crucial.

NASBA is happy to assist the CBA in its efforts to meet its statutory obligations and believes that work that is already underway as part of the Enforcement Resources Committee initiatives will be helpful to the CBA in its efforts to gather the appropriate information.

Proposed Plan

NASBA has reviewed the survey questions presented by the CBA and compared them to a recent survey NASBA conducted with regard to specifics of the enforcement process on a state by state basis. Our recommendation is that the CBA proceed with its own survey as proposed. The questions included in that survey cover additional topics that were not covered in the more granular survey recently completed by NASBA.

Once the CBA obtains responses to the CBA survey, those can be added to the data collected in the NASBA survey and NASBA will deploy resources to follow up with boards that have not responded in an effort to get 100% participation in both the CBA and NASBA surveys. The information gathered in this effort will be shared with the CBA and also used by NASBA in finalizing the proposed Enforcement Guidelines that are being drafted.

As a final step, NASBA will work with boards that appear to be deficient from the objective survey responses and work to understand and document compensating controls and procedures that may be used in those jurisdictions to provide reliable enforcement efforts.

We propose the following timeline for the assistance described above:

July/August 2014: Additional survey questions created by CBA are sent to all boards. NASBA is happy to coordinate sending those survey questions, unless the CBA would rather send the survey directly.

September – November 2014: NASBA to compare and collate NASBA and CBA survey results

December 2014– April 2015: NASBA to deploy resources to follow up with boards that have not responded and work with boards that appear to be deficient from the objective survey responses and work to understand and document compensating controls and procedures

April 2015: NASBA to submit final draft of Enforcement Guidelines to Enforcement Resources Committee

May 1, 2015: NASBA to provide CBA results of the efforts to gather survey responses and compensating controls and procedures