

**CALIFORNIA BOARD  
OF ACCOUNTANCY**



**ANNUAL REPORT OF  
ACCOMPLISHMENTS AND  
ACTIVITIES  
FISCAL YEAR 2011-2012**

**MARSHAL A. OLDMAN, ESQ., PRESIDENT  
PATTI BOWERS, EXECUTIVE OFFICER**

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## A NOTE FROM THE EXECUTIVE OFFICER

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I am pleased to present the fiscal year (FY) 2011-12 *California Board of Accountancy (CBA) Annual Report of Accomplishments and Activities*. This report highlights the results of each division's operations as well as solutions that are underway to enhance and improve the CBA's commitment to California consumers and licensees.



Patti Bowers  
Executive Officer

The past year has seen an increase in the number of major accomplishments and changes at the CBA, including:

- Completed the CBA 2012-2014 Workforce and Succession Plan, encompassing all of the major program components of daily operations at the CBA and which is implemented with clear actions outlined to be initiated as key positions become vacated.
- Achieved full staffing of the CBA Enforcement Division, enabling the CBA to reach several of its Objectives in its 2010-2012 Strategic Plan and further enhancing consumer protection.
- Sponsored legislation authorizing the CBA to establish, by regulation, a retired status license for accountants.
- Through legislation, the CBA's sunset date was extended to January 1, 2016 and mandatory peer review program for the accountancy profession in California was made permanent, protecting consumers by enhancing the quality of public accounting services in California. All licensees have been notified of Peer Review and reporting requirements.
- Implemented a 40 percent temporary renewal fee reduction from \$200 to \$120.
- Leveraged social media and creative technology solutions to reach stakeholders with important information on new legislation and programs that would have a direct impact on consumers, students and faculty, applicants, and licensees.
- Updated all CBA publications, including the revising and redesigning The Consumer Assistance Booklet, fulfilling Objective 4.7 of the 2010-2012 Strategic Plan, "Develop and maintain brochures promoting consumer protection."
- Enhanced the CBA website with new information and resources, including a new Peer Review Reporting video, and a new webpage; Working for the CBA – Employment Information and Links.
- Expanded webcasts to include CBA committee meetings.

- Through legislation, codified the 10 semester units of ethics study required for CPA licensure starting in January 2014. This, along with Accounting Study regulations, will define the 30 semester hours of additional education that will be required for CPA licensure starting in 2014.
- Defined supervision as it applies to the CBA's experience requirement for CPA licensure and incorporated by reference into regulation the supervision verification forms. The regulation also incorporates by reference the CBA's Disciplinary Guidelines which are used in determining appropriate levels of discipline for various violations of the CBA's laws and rules.

This significant level of accomplishment and dedication by staff to implement and maintain the resulting programs and activities would be impressive in the best of times. We were glad for the "breather" we experienced in the nine months between the end of one furlough program and the next, along with the lifting of the hiring freeze in January 2012 that allowed us to hire much-needed staff.

Despite these uncertain times for state employees, staff have responded at every turn with professionalism, enthusiasm and dedication. I believe they are the envy of any Board, and whatever challenges may be ahead, California consumers and licensees, CBA stakeholders, and fellow agencies will be well-served at the California Board of Accountancy.

Patti Bowers  
Executive Officer

## **ABOUT THE CALIFORNIA BOARD OF ACCOUNTANCY**

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From its inception in 1901, the California Board of Accountancy has, by statute, been charged with regulating the practice of accountancy. The original law prohibited anyone from falsely claiming to be a certified accountant, a mandate which exists today.

The standards for licensure have always been high. The first accountants certified by the CBA in 1901 were required to sit for a written examination, including questions on Theory of Accounts, Practical Accounting, Auditing, and Commerce Law, with a passage rate of at least 70 percent for each section. Applicants were required to provide a notarized affidavit certifying at least three years accounting experience, at least two years of which must have been in the office of a Certified Public Accountant (CPA) performing actual accounting work. In addition, each applicant was required to submit three references testifying to his character, in the form of a "Certificate of Moral Character." Today's mandate that each CBA licensee pass an ethics course finds its antecedent in the CBA's original requirement of this certificate.

In 1929, the Legislature placed the CBA within the Department of Professional and Vocational Standards. In 1945, the Accountancy Act was substantially revised. In 1971, the Legislature located the CBA within the newly-created Department of Consumer Affairs.

### **FUNCTION OF THE CBA**

The CBA's legal mandate is to regulate the accounting profession for the public interest. The CBA establishes and maintains entry standards of qualification and conduct within the accounting profession, primarily through its authority to license. The CBA's enabling act is found at Section 5000 *et seq.* (Accountancy Act) of the Business and Professions Code, and the CBA's regulations appear in Title 16, Division 1 of the California Code of Regulations (CBA Regulations).

The CBA is unique among California licensing authorities, in that it has the authority to license and discipline not only individuals but also CPA firms. As accounting practitioners, the CPA and the Public Accountant (PA) are sole proprietors, partners, shareholders, and staff employees of public accounting firms. They provide professional services to individuals; private and publicly-held companies; financial institutions; nonprofit organizations; and local, state, and federal government entities. CPAs and PAs also are employed in business and industry, in government, and in academia.

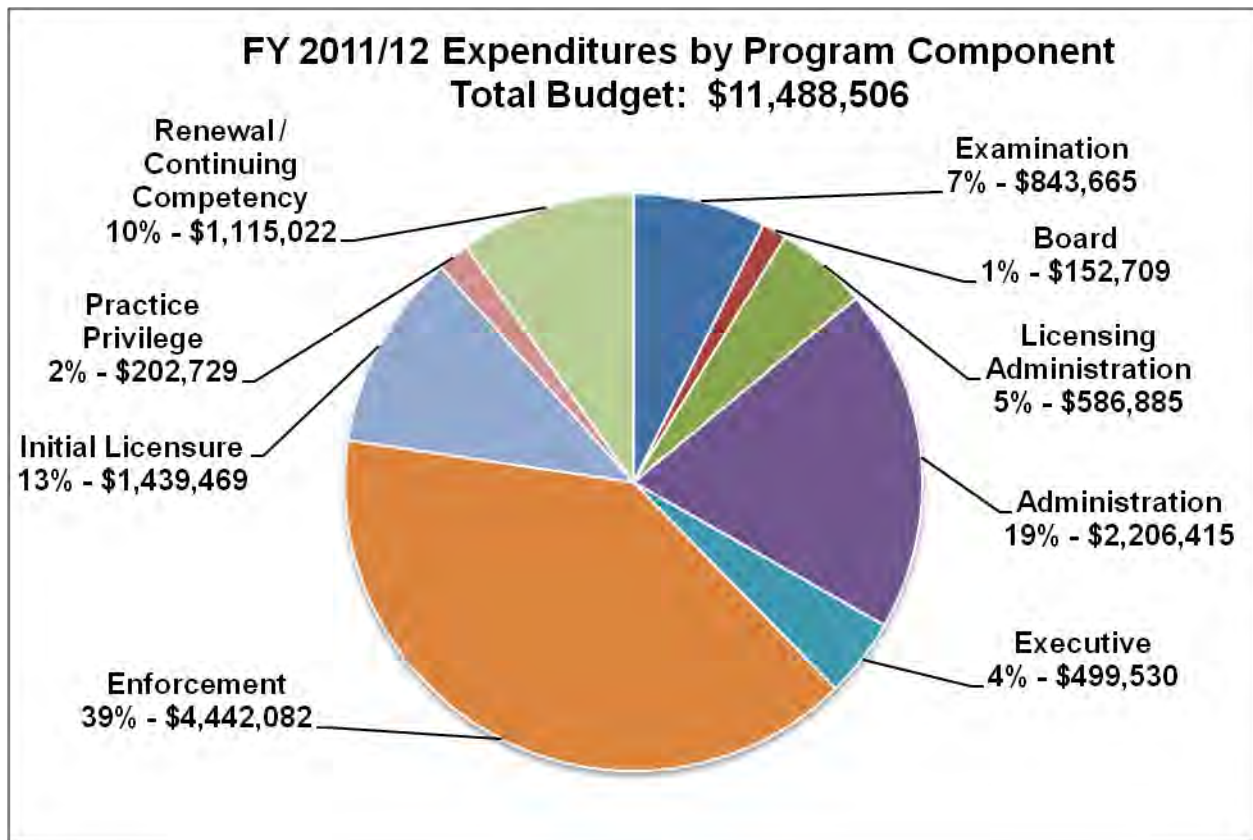
The CBA performs its consumer protection mission for many stakeholders, including:

- Consumers of accounting services who require audits, reviews, and compilations of financial statements, tax preparation, financial planning, business advice and management consultation, and a wide variety of related tasks.
- Lenders, shareholders, investors, and small and large companies who rely on the integrity of audited financial information.

- Governmental bodies, donors, and trustees of not-for-profit agencies, which require audited financial information or assistance with internal accounting controls.
- Regulatory bodies such as the Securities and Exchange Commission, the Public Company Accounting Oversight Board, the Public Utilities Commission, and federal and state banking regulators; and local, state, and federal taxing authorities.
- Retirement systems, pension plans, and stock exchanges.

Current law stipulates that the CBA consists of 15 members, seven of whom must be CPAs, and eight of whom shall be public members who shall not be licensees of the CBA or registered by the CBA. The Governor appoints four of the public members and the seven licensees. In appointing the seven licensees, the Governor must appoint members representing a cross-section of the accounting profession with at least two members representing small public accounting firms. A small public accounting firm is defined as a professional firm that employs a total of no more than four licensees as partners, owners, or full-time employees in the practice of public accountancy. The Senate Rules Committee and the Speaker of the Assembly each appoint two public members.

## CALIFORNIA BOARD OF ACCOUNTANCY BUDGET



The CBA's budget in FY 2011-12 was \$11,488,506, which represents the maximum amount of money that the CBA can spend on annual operations. The chart above illustrates the resources allotted to each unit within the CBA. The CBA Administration Division is responsible for determining the budgets for each program; with the number and classification of personnel, specific contracts, and expected equipment purchases all considered when determining these amounts. Each year, staff submit the budgeted amounts to the DCA in December.

On July 1, 2011, the CBA implemented a 40 percent temporary renewal fee reduction from \$200 to \$120. The temporary renewal fee reduction is scheduled to last four years, ending on June 30, 2015. In FY 2011-12, renewal revenues have decreased by over \$3 million from FY 2010-11 levels. This intended reduction helped to ensure that the Reserve would not continue to increase to excessive levels. The CBA ended FY 2010-11 with approximately \$14.3 million in its Reserve. By the end of FY 2011-12, Reserve levels equaled approximately \$14.0 million. It is important to note that the CBA can fully fund all operations even with the reduced renewal fees and has not decreased any critical functions due to the revenue decrease.

In August 2011, staff submitted workload and revenue statistics to the DCA and the Department of Finance (DOF) to finalize projected revenue levels for the FY 2012-13 budget. These statistics, which account for the renewal fee decrease, provide preliminary estimate to use for projecting revenues for the FY 2012-13 and FY 2013-14 budget.

An additional \$1 million loan to the state's General Fund was made from the Accountancy Fund Reserve in FY 2011-12. To date, the CBA has a total of \$31.27 million loaned to the General Fund. With current expenditure and revenue levels, staff have projected that there is no immediate need for these monies to be repaid. However, this does not preclude the CBA from requesting that specific repayment schedules be considered to avoid future uncertainty in its fund balance.

In order to keep CBA members abreast of the CBA budget, staff provide quarterly financial reports and budget updates at CBA meetings. These reports provide members updates on CBA expenditure and revenue levels. The following table provides a general summary of the Accountancy Fund including statistics for FY 2011-12 and staff projections for the next two years.

<b>ANALYSIS OF FUND CONDITION</b>	<b>FY 2011-12 (Actual)</b>	<b>FY 2012-13 (Projected)</b>	<b>FY 2013-14 (Projected)</b>
Total Reserves, July 1	\$14,346,000	\$13,972,000	\$12,922,000
Total Revenues	\$10,052,000	\$10,238,000	\$10,261,000
Total Transfers	-\$1,000,000	\$0	\$0
Total Resources	\$23,398,000	\$24,210,000	\$23,183,000
Total Expenditures	\$10,463,000	\$11,584,000	\$11,584,000
Scheduled Reimbursements	\$215,000	\$296,000	\$296,000
Investigative Cost Recovery	\$822,000	\$0	\$0
Reserve, June 30	\$13,972,000	\$12,922,000	\$11,895,000
<b>MONTHS IN RESERVE</b>	<b>15.0</b>	<b>13.7</b>	<b>12.6</b>

### **TRAVEL**

Executive Order B-06-11, issued on April 26, 2011 by Governor Brown eliminated all discretionary travel. Travel was not permitted unless it was deemed mission critical, met specific exemption criteria and received pre-approval by the DCA. The CBA submitted 49 trips for pre-approval to the DCA in FY 2011-12. These trips consisted of exam site visits, staff participation in Board/Committee meetings, investigative hearings, etc. All 49 trips were approved by the DCA. Six committee meetings were held at the CBA offices in Sacramento in order to reduce staff travel expenses.

### **PERSONNEL**

In January 2012, the hiring freeze was lifted and the CBA began to aggressively recruit for its vacant positions. By the end of FY 2011-12, the CBA had only four of its 83.5 permanent positions vacant. All Investigative CPA and non-technical investigator positions were filled by year's end.



In March 2012, DOF issued a directive to all state agencies through Budget Letter (BL) 12-03 to eliminate the salary savings line item and associated positions in departmental budgets. The DOF required that departments take a more accurate and transparent approach in calculating what the reductions should be by reviewing actual staffing data and associated expenditures for the previous four fiscal years. During this period, the CBA averaged 13.4 permanent position vacancies annually. The CBA submitted justification as to why the vacancy rate was so unusually high including hiring freeze restrictions, the hard to fill nature of its ICPA and limited term positions and the struggles with filling BCP positions immediately (17 new positions were authorized in Fiscal Year 2007-08). The DOF took the justification into consideration and determined that the appropriate CBA salary savings reduction should be 3.6 permanent positions. The CBA achieved the reduction in positions through attrition and no staff was in any danger of losing their jobs. The CBA has and will continue to redirect resources as necessary to ensure there is no adverse impact to its operations.

In keeping with the CBA Strategic Plan Objective 9.1, staff are continually encouraged by management to seek and attend training that will develop their professional and personal skills. In FY 2011-12, approximately three-fourths of staff utilized training provided by DCA or outside agencies.



### **STRATEGIC PLAN ACHIEVEMENTS**

CBA staff and leadership have continually worked toward completion of the nine (9) Goals and 45 Objectives contained in the 2010-2012 strategic plan. To date, 38 of the 45 Objectives have been completed. Those that have yet to be completed will be instrumental in the development of the 2013 - 2015 Strategic Plan. Additionally, four (4) Objectives will have achieved complete status and be fully implemented with the roll out of BreZE. Some of the progress and successes in achieving strategic Goals and Objectives are outlined below:

#### **1.4 Achieve an Investigative CPA staffing level to adequately address workload demands.**

- The CBA's Enforcement Division is at full Investigative CPA staffing levels.

#### **2.3 Explore the use of technology to enhance customer service.**

- CBA has hosted several Facebook events and seminars and has increased the usage of Facebook and Twitter, enhancing external customer service.
- The CBA has 1,400 plus engaged Facebook fans and 829 followers on Twitter.

#### **5.1 Proactively work with the American Institute of Certified Public Accountants (AICPA), National Association of State Boards of Accountancy (NASBA), and Prometric on behalf of national Uniform CPA Examination candidates to resolve issues in a fair and expeditious manner.**

- The CBA completed site visits at all California Prometric testing centers that offer the Uniform CPA Examination (CPA Exam).
- CBA Examination staff is in regular and frequent contact with NASBA's Candidate Care personnel to resolve issues identified by California candidates who are taking the CPA Exam.

#### **5.3 Monitor national association activities and respond as appropriate.**

- Staff routinely responds to NASBA focus questionnaires.
- CBA members are notified of exposure drafts that are open for comment in the Executive Officer's monthly report.
- Executive Officer participates via conference call in various NASBA meetings.

#### **6.4 Maintain a plan to ensure that CBA has staffing and skill levels in response to employee retirement and attrition.**

- The CBA 2012-2014 Workforce and Succession Plan is complete.
- Specific IT workforce planning is presently underway, being addressed separately in an IT Services Management Plan, and it is anticipated that the IT Services Management Plan will be completed by the end of 2012.

### **7.1 Implement mandatory peer review in California.**

- Senate Bill 543 signed by the Governor on October 3, 2011, made the Peer Review Program permanent.
- Letters were sent to the last group of Licensees to phase into the Peer Review Program on June 29, 2012. All Licensees have been notified of Peer Review and reporting requirements.

### **7.3 Explore the feasibility of conducting workshops in various regions of the state.**

- Educational outreach has been accomplished by holding Open Houses in conjunction with CBA meetings due to travel restrictions. The first open house was held in January 2012 followed by an open house occurring in March 2012.
- CBA staff participated in a CalCPA Workshop webinar, focusing on the new education requirements for CPA licensure on April 27, 2012. The webinar is posted on the CBA website.

### **9.4 Develop and implement a staff recognition program.**

- The CBA created new award programs for staff, consisting of the CBA Leadership's Award of Excellence, and the CBA Managers' Distinguished Service Award. The awards are given annually recognizing two staff members making outstanding contributions to the CBA over the past year. The CBA issued the first awards in September 2011.

The CBA has established a Strategic Plan committee to oversee the development and implementation of the 2013 – 2015 Strategic Plan. Preliminary work on the 2013 – 2015 Strategic Plan is well underway, including an exceptionally successful Strategic Planning Workshop completed on July 25, 2012.

## **WORKFORCE AND SUCCESSION PLAN**

The CBA 2012-2014 Workforce and Succession Plan (Plan) is complete. The CBA understands the value of having a strategic Workforce and Succession plan implemented with clear actions outlined to be initiated as key positions become vacated. The Plan encompasses all of the major program components of daily operations at the CBA. Additionally, the Plan provides a blue print for CBA members to select a new Executive Officer should the incumbent choose to vacate the position, and for the Executive Officer to address a vacancy in any of the other Senior Staff positions, including the Assistant Executive Officer, Enforcement Chief, and Licensing Chief.

The Plan provides overall guidance and addresses specific actions management will proactively take when faced with the potential loss of one of the CBA's four senior staff. The Succession Plan also addresses succession planning related to other managers within the three divisions comprising the CBA. Additionally, realizing that there are key staff at the CBA who serve in lead capacities and who often have significant institutional knowledge of the CBA, managers have taken steps to ensure cross training occurs and that key processes are documented and made available thru various procedure manuals. The workforce planning

strategies this agency employs will ensure adequate staff are available and trained in order to fulfill the CBA's mission of consumer protection.

The Plan ties to specific goals and objectives stated in the CBA 2010-2012 Strategic Plan. The Plan also recognizes that specialized planning is needed to address the broad and complicated arena encompassing IT functionality, and such planning is beyond the scope of the CBA 2012–2014 Workforce and Succession Plan. Specific IT workforce planning is presently underway, being addressed separately in an IT Services Management Plan.



## **ADMINISTRATION DIVISION**

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### **INTRODUCTION**

The Administration Division is comprised of twenty staff responsible for all CBA day-to-day administrative operations. Duties include assisting with the creation of the budget, facilitating requests for staffing augmentations, contracting with vendors, purchasing new equipment, serving as liaison to the DCA on personnel and travel matters, providing IT support, maintaining the CBA website, and providing timely outreach to all stakeholders. Additionally, staff within the Administrative Division coordinates the CBA's legislative and regulatory efforts, which are discussed later in the Report.

### **PUBLIC AFFAIRS AND OUTREACH**

The 2011-2012 year was one of challenges and successes in the area of Public Affairs and Outreach. The 2010-2012 Strategic Plan (Strategic Plan) continued to serve as a roadmap, and we were successful in reaching the goals and objectives set out before us.

Tasked with reaching our stakeholders with important information on new legislation and programs that would have a direct impact on students and faculty, applicants, licensees and consumers, creative thinking and use of technology enabled CBA staff to accomplish this despite strict travel restrictions imposed on state agencies.

Staff sought to mitigate the impact by further developing and expanding its use of social media as an outreach tool. Two main issues were the focus of planned outreach activity; Peer Review and the new educational requirements to take effect January 2014. In response to Goal 7, Promoting Licensee Competency and specifically Objective 7.2 of the Strategic Plan, Educate licensees about the peer review process, staff engaged in a variety of outreach efforts to accomplish that goal. Live Facebook events to assist licensees and consumers with questions about Peer Review were held in July and August 2011, bringing the issue to both groups and establishing the CBA's Facebook page as a resource for additional peer review information. Peer Review messages including links to the CBA website were continued throughout the year on Facebook and Twitter, and posted more frequently as reporting deadlines drew near.

In October 2011, staff held a live Facebook event geared toward faculty and students with questions regarding new education requirements which will take effect in January 2014. In December 2011, another such event was held titled "Understanding the Steps to California CPA Licensure" which included the information on the present exam and licensure regulations, as well as information regarding upcoming changes to the education requirements. In much the same way staff used social media to provide information regarding Peer Review, staff used social media to inform other stakeholder groups of the impending changes to educational requirements for CPA licensure.

Staff also utilized social media to support "open houses" held in conjunction with scheduled CBA meetings, in which CBA members presented information to and interacted with students, faculty and other attendees. Open houses were conducted in January 25, 2012 in Irvine and March 22, 2012 in Burlingame, in which CBA members provided opening remarks and interacted with attendees. On April 27, 2012, CBA staff, along with the California Society of CPAs (CalCPA) participated in a webinar titled "150 Answers to 150 Hours" on the new educational requirements for CPA licensure. CBA staff presented an overview of the

upcoming educational changes to a live audience of roughly 70 individuals and the event was simultaneously webcast for increased participation and outreach. Social media appears to be partly responsible for the high interest in the event as reflected by hits to the event notice on the CBA website. Five days in advance of the event, there had been approximately 6,000 hits to the posting, and during the event staff members at the CBA office handled the large volume of questions being posted by those viewing online. These activities fulfilled several of the 2010-2012 Communication Plan objectives, as well as Strategic Plan Objective, 7.4. "Explore the feasibility of conducting educational workshops in various regions of the state."

Social media also played a significant role in creating CBA "communities" or groups of social media users with a common interest, in FY 2011-12. In July 2011, staff saw the opportunity to both build community through social media and ease the burden of phone calls coming in to reception staff in conjunction with the release of exam scores by AICPA. Over the course of three days, CBA added more than 100 new Facebook fans, with nearly 50,000 views of CBA posts. Subsequently, staff uses Facebook and Twitter to post exam information during each new score release and partners with AICPA and NASBA for study tips and resources. As a result, many exam candidates turn to the CBA Facebook page to get updated information on score releases, share study and testing experiences, encourage and congratulate or commiserate with one another.

Staff also identified additional communities that interacted on the CBA Facebook page in FY 2011-12, including students, young professionals and job seekers. There was significant support within these communities for consumer protection messages. Interactions on Twitter tended to be among early and mid-career professionals. These groups were most receptive to information regarding issues affecting CPAs, regulatory news from the CBA and the Securities and Exchange Commission, memos from the Internal Revenue Service, and press releases. At the end of FY 2011-2011 the number of CBA's Facebook fans was 1,500 and Twitter followers at just under 1,000, tripling since FY 2010-2011.

Staff wrote and starred in the CBA's first YouTube video, which was completed and posted to the CBA website in October 2011. This informative video gives a step-by-step tutorial on Peer Review reporting for licensees.

Two CBA publications underwent a makeover in FY 2011-2012. The Consumer Assistance Booklet was rewritten and redesigned, and the CBA's tri-annual newsletter, UPDATE, was also redesigned. Both publications are posted to the CBA website, and provide the reader with information that includes relevant links to resources to further enhance their reading experience. The new Consumer Assistance Booklet also helped to fulfill Objective 4.7 of the Strategic Plan, "Develop and maintain brochures promoting consumer protection." Apart from notifications of enforcement actions sent to media statewide, seventeen press advisories and news releases were also published and distributed in the last year.



## **LEGISLATION AND REGULATION**

### **Consumer Protection**

The CBA deliberated on several topics relating to consumer protection during the past year. Some of these topics resulted in legislation or regulation as noted below. Other issues were discussed and vetted by the CBA although it was determined that no further legislative or regulatory action was warranted at this time.

- The CBA discussed whether the current reporting threshold for civil action settlements or arbitration awards in Business and Professions Code Section 5063 was sufficient to protect the public. After significant discussion and testimony, it decided to retain the current \$30,000 level for reporting.
- The CBA considered whether the current insurance requirements for corporations in CBA Regulation Section 75.8 were sufficient. After testimony from the CEO of CAMICO, the CBA decided not to pursue a change in the requirements.
- The CBA discussed the mandatory collection of licensees' email addresses. It reached the decision to continue efforts to collect email addresses on a voluntary basis rather than require the information through a change in statute.

### **NEW LAWS**

#### **Assembly Bill 431 (Ma)**

This bill was sponsored by the CBA, and authorized the CBA to establish, by regulation, a system for the placement of a license in a retired status for accountants who are not actively engaged in the practice of public accountancy or any activity which requires them to be licensed.

#### **Senate Bill 306 (de León)**

This bill made the Practice Privilege Safe Harbor period permanent in law. The previous safe harbor provision was in regulation and became inoperative on December 31, 2010. This bill also carved out a licensing exemption for certain out-of-state licensees practicing under very specific conditions in California.

#### **Senate Bill 541 (Price)**

This bill extended the sunset date for the CBA to January 1, 2016. In addition, it made the Peer Review Program permanent and exempted certain restatements from the self-reporting requirements.

#### **Senate Bill 773 (Negrete-McLeod)**

This bill codified the 10 semester units of ethics study required for CPA licensure starting in January 2014. This, along with Accounting Study regulations, will define the 30 semester hours of additional education that will be required for CPA licensure starting in 2014.

### **PENDING LEGISLATION**

#### **SB 1405**

This bill would create a military inactive status. In addition, it would recast the practice privilege statutes to require no notice and no fee for out-of-state licensees performing certain work in California.

## **APPROVED REGULATIONS**

### **Supervision and Disciplinary Guidelines (1/10/2012)**

This regulation defines supervision as it applies to the CBA's experience requirement for licensure and incorporated by reference the supervision verification forms. The regulation also incorporated by reference the CBA's Disciplinary Guidelines which are used in determining appropriate levels of discipline for various violations of the CBA's laws and rules.

## **REGULATIONS IN PROGRESS**

### **Accounting Study**

This proposal would place the guidelines defining the 20 semester hours of accounting education that were developed by the Accounting Education Committee and the CBA into regulation. This, along with SB 773 of 2011, will define the 30 semester hours of additional education that will be required for CPA licensure starting in 2014.

### **Safe Harbor**

This proposal would amend the safe harbor letters in Section 4 to clarify that the preparer of the attached financial statements is not required to be licensed by the CBA for the preparation of the attached statements. The proposal would add additional language to the letters to further clarify that the accompanying financial statements are not compiled.

### **Fingerprinting and Disclosure Requirements**

This proposal would require that all licenses renewing in an active status have a record of their fingerprints on file with the Department of Justice. It also requires certain information to be disclosed on the renewal application.

### **Retired Status**

This proposal would implement a retired status of licensure as provided for in AB 431 (Ma) of 2011. It outlines the qualifications needed to obtain retired status, provides a form for application for the status, and provides for restoration of the license back to active status. In addition, it sets the fees and only allows for the status to be granted two times.

### **Peer Review Reporting**

This proposal would clarify and simplify the peer review reporting process for licensees. It proposes revisions to the peer review reporting form and changes the peer review reporting date to coincide with a licensee's renewal date.

### **Continuing Education**

This proposal would conform requirements for CE courses, in large part, to national standards. In addition, it will change the CE required for applicants whose experience was obtained five or more years prior to application for licensure and for reissuance of a cancelled license to be equivalent to the same standard of CE required for active license renewal. Finally, the proposal reduces the number of CE hours from eight to four hours for a course in the detection and reporting of fraud in financial statements. The reduction was based, in part, on the fact that this topic has become a regular part of the accounting education required for CPA licensure over the past decade.

## **CBA WEBSITE**

To assist CBA stakeholders, all CBA handbooks were updated and re-posted to the CBA website, along with the newly revised Consumer Assistance Booklet. There have been additions to the CBA website in FY 2011-12 that reflect new information and resources, including a new Peer Review Reporting Video, and a link to CPA Verify, which enables consumers to verify the license of a CPA licensed in 28 participating states outside of California through a national database. A new web page was also added in FY 2011-12; Working for the CBA – Employment Information and Links.

Continuing its commitment to greater transparency as set out in Strategic Plan Objective 4.5 “Increase transparency of CBA activities,” the CBA expanded its webcasts to include CBA committee meetings.

CBA staff have worked diligently to bring the CBA website into compliance with Americans with Disabilities Act (ADA) accessibility standards. This has involved accessibility testing of all new posts and documents, as well as review of existing documents, including all Portable Document Format (PDF) documents. This task now falls in the category of regular website maintenance.

## **INFORMATION TECHNOLOGY**

Over the past year, CBA IT staff have successfully completed several important projects that have enhanced internal operations and CBA outreach and communication with stakeholders. It is worth noting that in light of the State of California's fiscal crisis and the increased pressure on State agencies to reduce waste and operate more efficiently, these CBA IT projects were also completed with minimal expenditures by utilizing existing CBA resources.

CBA successfully completed the migration to the State of California's new California Email Service (CES) from our internal Zimbra and Lotus Notes email systems. CES is a vendor hosted “cloud” email service provided by Microsoft Online Services and managed by the California Technology Agency (CTA) and Computer Science Corporation (CSC). CES is one of the State of California's first IT projects to implement the IT consolidation directives mandated by AB 2408 and the Governor's 2009 Reorganization Plan.

The CBA, along with the Medical Board of California (MBC) and Contractors State License Board (CSLB), was one of the first organizations to “pilot” CES for the State of California. The CBA IT team, working with CTA staff and contractors from Microsoft and CSC, was extensively involved in the planning and implementation of CES. The valuable feedback provided by our IT team during the CES project pilot helped to improve CES and streamline the CES “on boarding” process for other State of California organizations. The use of CES will help to reduce the workload on CBA's small IT team and will allow IT to dedicate more resources to CBA's conversion to DCA's BreEZe system.

In order to prepare for CBA's conversion to the BreEZe system, the CBA successfully completed the detailed database documentation and database data cleanup of our 16 internal “workaround” databases. This extensive effort involved the analysis and documentation of over 1500 data fields from over 250 database tables. The CBA is in “Phase 3” of the BreEZe development schedule, which is expected to begin in 2013.

The DCA document imaging project Scanning and Records Retrieval System (ScanRRs), scheduled to launch in July 2012, has been incorporated into the BreEZe system and no longer exists as a separate project. Once the CBA fully transitions to BreEZe, we will focus resources towards this project.

## **ENFORCEMENT DIVISION**

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### **INTRODUCTION**

The Enforcement Division is responsible for overseeing the enforcement of laws and rules governing the practice of public accountancy. Staff receive complaints from consumers, licensees, professional societies, law enforcement agencies, other government agencies and internal referrals. While historically consumers and internal referrals have been the main origin of complaints, licensees also have been a significant source, most often reporting unlicensed activity. Enforcement staff also regularly monitors social media outlets for information that may suggest licensees' violations of the Accountancy Act.

The Enforcement Division is comprised of four business units that report to the Chief of Enforcement:

### **Technical Investigations**

Technical Investigations consists of one Supervising Investigative Certified Public Accountant and seven Investigative Certified Public Accountants who conduct the most complex investigations.

### **Non Technical Investigations**

Non Technical Investigations consists of one Staff Services Manager and six analysts who conduct the less complex investigations, probation monitoring, and citation and fine activities.

### **Program and Committee Assistance**

Program and Committee Assistance consists of two analysts and two office technicians who provide assistance with program support activities and enforcement program committees including the Enforcement Advisory Committee and Peer Review Oversight Committee.

### **Peer Review**

Peer Review consists of one analyst and one office technician who are tasked with implementing and monitoring compliance with the mandatory peer review program.

### **COMPLAINT MANAGEMENT**

Consistent with the division's significant responsibilities in the area of consumer protection, workload is prioritized to ensure maximum consumer protection. Cases with the potential for ongoing consumer harm receive the highest priority and urgent attention. The options of interim suspension order or Penal Code Section 23 suspension are utilized whenever appropriate to restrict or suspend licensee practice rights to diminish potential consumer losses. Additionally, enforcement staff seeks stipulated settlements when possible to expedite disciplinary decisions to provide consumer protection and promote cost effectiveness.

The matrix on page 20 indicates the volume of complaints, convictions and arrest reports received during the fiscal year.

Received	722	1765	+1,043
Closed without Assignment for Investigation	132	174	+42
Assigned for Investigation	573	1600	+1,027
Average Days to Close or Assign for Investigation	5	4	-1
Pending	17	9	-8
Average Age of Pending Complaints	5 days	22 days	-17
Received	132	146	+14
Closed	100	120	+20
Assigned for Investigation	27	26	-1
Average Days to Close or Assign for Investigation	2	2	0
Pending	5	3	-2

The following matrix illustrates the results achieved by the Enforcement Division during FY 2011-12 in the area of investigations:

Initial Assignment for Investigation	601	1626	+1,025
Investigations Closed	464	1525	+1,061
Average Days to Close	130	85	-45
Investigations Pending	334	439	+105
Average Age of Pending Investigation	238 days	248 days	+10 days

In summary, the volume of Complaints, Convictions/Arrests, Investigations, Enforcement Actions, Disciplinary Orders, and Citations increased during the fiscal year. In an effort to address increase in processing timeframes associated with the added workload, management is reviewing pending investigations and preparing aggressive action plans for complex cases that are over one year old and for all other cases that are over 100 days old.

The matrix on page 21 illustrates the results achieved by the Enforcement Division during FY 2011-12 in fulfilling its consumer protection objective through referrals of matters to the Office of the Attorney General, imposition of discipline, and issuance of citations.

<b>Enforcement Actions</b>	<b>FY 2010-11</b>	<b>FY 2011-12</b>	<b>Change</b>
AG Cases Initiated	24	50	+26
AG Cases Pending	37	54	+17
Statement of Issues Filed	0	2	+2
Accusations Filed	20	37	+17
<b>Disciplinary Orders</b>			
Proposed Decisions & Default Decisions Effective	10	7	-3
Stipulations Effective	12	19	+7
Average Days to Complete Proposed Decisions/Default Decisions/Stipulations	727	867	+140
<b>Citations</b>			
Final Citations	30	908	+878
Average Days to Complete	268	22	-246

Additionally, enforcement staff have assessed administrative penalties on an increasing basis. During FY 2011-12 administrative penalties totaling \$302,500 were issued. This is an increase of \$282,500 from FY 2010-11.

In an effort to increase licensees' awareness of the consequences of unprofessional conduct, Enforcement Division staff prepared several "At a Glance" articles for the *UPDATE* publication. In FY 2011-12 articles on citations, probation, and the disciplinary guidelines were published.

### **STAFFING**

During FY 2009-10 the Enforcement Division experienced an employee turnover rate of approximately 70 percent. However, in FY 2011-12, 95 percent of the positions in the enforcement division were filled. The current 95 percent position occupancy rate is one of the highest in the history of the CBA. The positive results of a high occupancy rate are reflected in the increased productivity enjoyed by the Division.

### **PEER REVIEW**

On January 1, 2010 all California licensed firms providing accounting and auditing services, including sole proprietorships, were required to undergo a peer review once every three years as a condition of license renewal. Peer review is defined as the study of a firm's accounting and auditing practice by an independent Certified Public Accountant (CPA) using professional standards, the purpose of which is to promote quality in the accounting and auditing services provided by CPAs.

During FY 2011-12, the Enforcement Division neared completion of the first-phase of the peer review reporting period. During this phase, firms with a license number ending in 01-33 were required to report their peer review information to the CBA by July 1, 2011. Citations and fines

were issued to licensees who failed to respond to the three peer review letters issued by the CBA. To date, 872 citations have been issued and staff are following up with firms who received extensions to complete their peer review.

Staff also commenced work on the second-phase of the peer review reporting period. During this phase firms with a license number ending in 34-66 are required to report their peer review information to the CBA by July 1, 2012. Staff mailed 20,000 initial letters and 10,000 reminder letters notifying licensees of their peer review reporting obligation. As a result of these efforts, 15,000 peer review reporting forms have been received.

Other salient accomplishments include:

- Opened investigations on 106 firms who received a failed peer review report.
- Mailed 21,000 initial letters to firms with a third-phase peer review reporting requirement of July 1, 2013.
- Coordinated, prepared documentation for, and attended six Peer Review Oversight Committee (PROC) meetings.
- Assisted the PROC in developing its 2011 Annual Report to the CBA.
- Developed the PROC Procedure Manual.
- Initiated verification audits of peer review reporting forms filed. Forms with inaccurate information will be referred to investigations.

**PERFORMANCE MEASURES**

Beginning in July 2010, the DCA, as part of the Consumer Protection Enforcement Initiative, began posting on its website, Performance Measures for each board and bureau. Following are the CBA’s final performance measures for FY 2011-12:

Performance Measure	Target	Result
Number complaints and convictions received	NA	1,911
Average number of days to complete complaint intake	10 days	5 days
Average number of days to complete closed cases not resulting in formal discipline	180 days	153 days
Average number of days to complete investigations for complaints resulting in formal discipline	540 days	867 days
Average number of days from the date a probation monitor is assigned, to the date the monitor makes contact	5 days	1 day
Average number of days from the time a violation is reported to the time the probation monitor responds	15 days	3 days

The CBA met all performance measures except for the “Average number of days to complete the entire enforcement process for cases resulting in formal discipline.” As previously mentioned, enforcement management is implementing proactive measures to reduce the time required to complete investigations.



### **INTRODUCTION**

Comprised of four units – Examination, Initial Licensing, Renewal and Continuing Competency, and Practice Privilege – and approximately 45 staff, the Licensing Division’s primary responsibilities include ensuring: 1) applicants meet education requirements prior to taking the Uniform CPA Examination (CPA Exam); 2) applicants for licensure who have passed the CPA Exam meet the education and experience requirements necessary for licensure; 3) accountancy partnerships and corporations are registered so they can offer services in California; 4) licensees have paid the required fees and have completed the required continuing education (CE) hours to renew their license and demonstrate minimum competency; and 5) out-of-state licensees seeking the privilege to practice public accountancy in California have notified the CBA of their intent.

Although the main focus of the Licensing Division is to regulate entry into the profession, Licensing Division staff maintains an integral part of the enforcement process as well. A large number of enforcement complaints originate from within the office, based upon information provided by the current or potential licensee. For instance, the Renewals and Continuing Competency Unit routinely refers complaints to the non-technical Enforcement Unit related to licensees practicing with CE deficiencies, and practicing with expired licenses.

One of the key resources the CBA uses to provide stakeholders with information related to becoming licensed and renewing a license are its various informative handbooks. During FY 2011-12, the Licensing Division performed a comprehensive overhaul of the four handbooks – Examination, Initial Licensing, License Renewal, and Practice Privilege. Each of the handbooks was thoroughly vetted and revised to ensure the most accurate information available was provided in a succinct and easily understood manner.

### **EXAMINATION UNIT**

The Examination Unit processes applications to sit for the CPA Exam, including the review of official transcripts and foreign credential evaluations to ensure that examination candidates meet the educational qualifications pursuant to Sections 5092 and 5093 of the Business and Professions Code (B&P).

Over the past couple of years, the CBA has considered the joint efforts of the National Association of State Boards of Accountancy (NASBA) and American Institute of Certified Public Accountants (AICPA) to administer the CPA Exam at international locations – iExam – and the possibility of participating in the program. After the July 2011 CBA meeting, staff, at members’ direction, monitored iExam for the first six months following its launch in August 2011.

After further discussions and reviewing research provided by Examination staff at the March 2012 CBA meeting, the CBA elected to opt out of participation in iExam. The CBA found no benefit in licensing international candidates who have no intention of living or working in

California. In addition, California law requires that prior to issuance of a CPA license candidates must provide a valid United States social security number. The CBA was concerned that candidates approved by California to take the CPA Exam via iExam would be unable to obtain licensure, an important element of the process.

During the CBA’s ongoing deliberations on iExam, Examination staff received constant inquiries from potential candidates inquiring about the CBA’s decisions regarding iExam. After the March 2012 CBA meeting, when the CBA decided to officially opt out of participating in iExam, Examination staff quickly posted a notice to the website and sent out posts via Facebook and Twitter. Additionally, Examination staff drafted an article for the Spring 2012 UPDATE.

One of the most crucial elements the CBA performs related to insuring the security of the CPA Exam is conducting site visits at the various Prometric testing facilities throughout California. Individuals performing site visits use a standardized checklist prepared by NASBA to verify items including test center staff compliance with established security procedures such as monitoring that check-in and check-out procedures are followed; checking identification before candidates return from break time and lunch hours; and that the hardware is in a secure and monitored location within the testing center.

For FY 2011-12, the CBA completed a total of 16 site visits: 10 by Licensing Division staff; two by CBA Secretary/Treasurer Michael Savoy, CPA; three by Qualifications Committee member Charles Hester, CPA; and one by Peer Review Oversight Committee member Sherry McCoy, CPA. Overall, the site visits were successful with only minor items of correction noted.

	FY 2010-11	FY 2011-12
<b>Examination Applications Received</b>		
First-time Sitter	7,109	7,243
Repeat Sitter	17,404	17,606
<b>Totals:</b>	<b>24,513</b>	<b>24,849</b>
<b>Processing Timeframes</b>		
First-time Applicants	28 days	21 days
Repeat Applicants	8 days	6.5 days
<b>CPA Exam Scores</b>		
Scores Processed	40,261	34,924

**INITIAL LICENSING UNIT**

Upon passing the CPA Exam, completion of any additional required education, and obtaining the requisite experience, a candidate may apply for CPA licensure. For FY 2011-12, the Initial Licensing Unit (ILU) received 3,594 applications for licensure. Staff reviews each application

thoroughly to ensure applicants have met the required education, examination, and experience for licensure. Additionally, the ILU processes applications for firm licensure, including General and Limited Liability Partnerships, Corporations, and Fictitious Name Permits.<sup>1</sup> For FY 2011-12, ILU staff received 485 accountancy firm applications.

	FY 2010-11	FY 2011-12
<b>Licenses Issued by Pathway</b>		
Pathway 0	14	12
Pathway 1	1,070	904
Pathway 2	2,483	2,325
<b>Total Licensed</b>	<b>3,567</b>	<b>3,241</b>
Average Processing Timeframes	15 Days	15 Days
Pathway 0 was repealed in January 2010, however applicants seeking re-licensure following a cancelled license can be licensed under Pathway 0, that number is reflected above.		
<b>Firm Registrations</b>		
Corporations	184	223
Partnerships	66	106
Fictitious Name Permits	146	156
<b>Total Registrations</b>	<b>396</b>	<b>485</b>
Average Processing Timeframes	11 Days	8 Days

One of the other primary responsibilities for the ILU is processing requests for certification of CBA records. Although the majority of these requests are from California licensees or CPA exam candidates who are applying for licensing out-of-state, the CBA also receives requests from other interested parties. In FY 2011-12, ILU staff received 1,252 certification requests.

On February 9, 2012, CBA Regulation Sections 12 and 12.5 were amended to further define the term supervision. This culminated a near decade long effort to provide applicants and supervising licensees additional information on what it meant to supervise. With the new supervision definition in place, ILU staff updated the handbook and all four certificates of experience forms (public accounting general and attest and non-public accounting general and attest). Additionally, the ILU staff began a two-part series of articles directed at licensees providing supervision to potential licensing applicants. As part of the Spring 2012 UPDATE, ILU included an article providing information on signing the Certificate of Attest Experience.

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<sup>1</sup> A sole proprietor choosing to practice using a name other than the name under which the person holds a valid permit to practice issued by the CBA

**RENEWAL AND CONTINUING COMPETENCY UNIT**

The Renewal and Continuing Competency (RCC) Unit is responsible for processing license renewals for CPAs, PAs, and accountancy firms. CPA and PA licensees are required to renew their licenses biennially, in conjunction with their birth month. For those licensees electing to renew their license in an active status, the RCC Unit ensures that licensees complete the required CE. Accountancy corporations and partnerships are also required to renew biennially, corresponding with their registration date with the CBA. Firms must submit information pertaining to their shareholders or partners.

The bulk of the work completed by RCC staff involves the review of CE Reporting Worksheets, which are submitted by licensees at the time of license renewal. When deficiencies occur, RCC staff sends a letter to the licensee informing them of the deficiency and advising them how to gain compliance. Provided on the following page are the CE worksheet review statistics including the number of deficiencies that were referred to the Enforcement Division for further review. As the table indicates, during FY 2011-12 RCC successfully worked with 3,502 licensees to bring them into compliance with the CBA's CE requirements.

	FY 2010-11	FY 2011-12
<b>License Renewal Applications Processed</b>		
Certified Public Accountant	35,704	38,329
Public Accountant	33	20
Accountancy Partnerships	616	653
Accountancy Corporations	1,663	1,654
<b>Total:</b>	<b>38,016</b>	<b>40,656</b>
<b>Worksheet Review Statistics</b>		
Number of CPA/PA Worksheets Reviewed	31,336	44,749
Number of 20/12 Deficiencies Received	-	1,231 (124)*
Number of Deficiencies Received	3,086	4,233
Number of Compliance Letters Sent (including inactive response)	2,380	3,502
Number of Enforcement Referrals	70	56
Number of Outstanding Deficiencies (including abandonment)	636	675
<b>Regulatory Review Courses</b>		
Number of Courses Received (first time submission)	12	7
Number of Courses Returned for Corrections	9	8
Number of Revised Courses Received (initial submission returned for corrections)	1	5
Number of Courses Approved	12	6

\*The number outside the parenthetical reference indicates the 20/12 CE deficiency was the only requirement not met. The number inside the parenthetical reference indicates a CE deficiency was also identified and this count is included in the CE deficiencies identified.

Because of a lengthy hiring freeze experienced by many State agencies and workload that mounted as a result of the 18-month furloughs imposed on most State employees, the RCC Unit had a high volume of CE worksheets reviews in a pending status. To address this issue, the Licensing Division realigned staffing resources to provide additional positions to the RCC Unit, while the RCC Unit, along with other CBA staff, worked overtime on four Saturdays. Over the course of the overtime days, the RCC Unit was able to complete an additional 5,484 worksheet reviews, thereby bringing the workload within more acceptable timeframes.

RCC staff wrote several articles for the CBA Update in an effort to further inform licensees of changes and items of interest pertaining to the license renewal process. These articles addressed a variety of subjects including: new CE requirements, instructions for undergoing a status conversion, tips to avoid receiving a deficiency letter, and suggestions to streamline the license renewal process. Additionally, as a result of the educational presentation provided to the CBA at the January 2012 meeting and at the request of CBA members, staff posted a new informational handbook titled Overview of the Renewal Process. This handbook provides licensees with another quick-reference guide to understanding the intricacies of the license renewal process.

In general most licensees send their license renewal applications to the Department of Consumer Affairs for cashiering of the renewal fee. On occasion, however, licensees must submit their license renewal application directly to the CBA office. Over the past fiscal year, RCC staff reengineered the internal processing and cashiering procedures in an effort to better serve licensees. With the reengineered process in place, timeframes for processing in-house license renewal applications dramatically reduced to as little as two or three days.

As part of the CE regulation overhaul that took effect in January 2010, two of the primary changes added the following requirements: effective January 1, 2012, licensees renewing in an active status must complete a minimum of 20 hours of CE, with at least 12 hours in technical subject matter, in each year of the two-year licensure period, and licensees must complete a Regulatory Review course requirement once every six years (every third renewal).

At the halfway point of FY 2011-12, the new yearly CE requirement took effect – commonly referred to as the 20/12 requirement. With the role out of this new requirement, staff revised the CE Reporting Worksheet to better capture the yearly requirement and, thus, assist licensees in reporting completion of the requirement. As for the Regulatory Review course requirement, over the past fiscal year, RCC staff approved an additional six courses bringing the total number of approved courses to 21. Additional detail regarding the Regulatory Review course is available in the chart on the previous page.

Staff has been actively planning for the implementation of two new programs – retired status and retroactive fingerprinting. While the two programs are independent of each other, some of the steps to implement are parallel. In FY 2011-12, staff developed project outlines to make every effort to ensure implementation is as seamless as possible.

Lastly, on two occasions, RCC staff prepared materials for CBA consideration on the AICPA and NASBA joint Statement on Continuing Professional Education (CPE) Programs (Standards), which is a national benchmark for the development of all accounting-related CE

programs. As a result of final amendments adopted by the AICPA and NASBA, which became effective, January 2012, RCC staff brought forth proposed changes to the CBA's CE regulations to further align the regulations with the new national standards. Also, RCC staff recommended some additional changes that would improve overall clarity to the CE regulations. Members adopted staff's recommendations (with only a slight modification) at its May 2012 meeting.

**CALIFORNIA PRACTICE PRIVILEGE**

Qualified out-of-state CPAs may practice public accountancy in California without obtaining a California CPA license as long as the out-of-state CPA's principal place of business is not in California. These CPAs are required to notify the CBA that they intend to practice public accountancy in California by submitting a notification form requesting a California Practice Privilege and paying the required fee. The notification form is available for submission on-line or via hardcopy.

Practice rights under a California Practice Privilege are automatic upon submission of the notification form unless specific disqualifying conditions exist that require prior CBA approval. Since disqualifying conditions are self-reported, the CBA performs monthly audits of California Practice Privilege holders' qualifications and license status to ensure effective consumer protection. To date staff has issued 23 Administrative Suspension Orders to California Practice Privilege holders not qualified to practice under the Practice Privilege Program.

	FY 2010-11	FY 2011-12
Practice Privilege Notification Forms Received	2,594	2,576
Disqualifying Conditions Received	37	36

**QUALIFICATIONS COMMITTEE**

ILU staff act as liaisons to the Qualifications Committee (QC). The QC reviews selected applicants' audit work papers for sufficient experience for licensure as a CPA. During FY 2011-12, there were 37 appearances before the QC, resulting in 26 applicants approved for licensure and 11 applicants deferred for additional experience.

In addition to conducting interviews of applicants, the QC continued discussions on peer training. Implementation of peer training guidelines will establish common practices and interview techniques amongst QC members. It is anticipated that the QC will be drawing conclusion regarding the topic of peer training at the end of 2012. Staff will compile best practices identified from its discussions into the QC Manual for final review and approval. Once approved, the QC manual will be disseminated to members.

**ETHICS CURRICULUM COMMITTEE**

The CBA Advisory Committee on Accounting Ethics Curriculum, more commonly referred to as the Ethics Curriculum Committee or ECC, was a temporary 11-member, legislatively-established committee tasked with providing the CBA with guidelines on the 10 semester units of ethics study required for licensure beginning January 1, 2014. A RCC staff member acted as the staff member liaison for the ECC. The ECC held its final meeting August 16, 2011.

Although the ECC had presented the CBA with its final recommendations on the 10 semester units of ethics study at the July 2011 meeting, the CBA requested that the ECC give consideration to removing the requirement that applicants for licensure complete a three semester/four quarter unit course in accounting ethics/accountants' professional responsibilities at an upper division level or higher. This request stemmed from legal counsel's opinion that such a requirement would conflict with the present Accountancy Act. At the final meeting, the ECC voted to remove this requirement.

### **NEW EDUCATIONAL REQUIREMENTS**

Beginning January 1, 2014, the educational requirements for CPA licensure will change dramatically. The CBA will fully transition to the 150 semester unit pathway for licensure, while also expanding the prescribed semester units for licensure from 48 to 78. These changes were a result of legislation passed in 2009 (SB 819, Chapter 308) and 2011 (SB 773, Chapter 344).

At the end of FY 2010-11, the two committees responsible for developing guidelines for the new educational units provided their respective reports to the CBA. For the 20 semester units of accounting study, the CBA initiated the rulemaking process to establish the guidelines via regulation, while for the 10 semester units of ethics study, the California Society of CPAs (CalCPA) sponsored legislation (SB 773) to codify the guidelines in the Accountancy Act.

With a fuller picture of what the requirements for licensure will be beginning January 1, 2014, the Licensing Division began performing an abundant amount of outreach to effected stakeholder groups – including, but not limited to, students; faculty; and various accounting organizations. Some of the outreach undertaken by the Licensing Division included:

- Holding two Facebook events
- Drafting numerous UPDATE articles
- Conducting two Open Houses (in conjunction with the January and March 2012 CBA meetings)
- Participating in a live webinar event at Santa Clara University hosted by the CalCPA
- Posting updated information to the CBA website, including revised frequently asked questions and tip sheet and an archived version of the live webinar

To further explore options for outreach and facilitate a smooth transition to the new educational requirements, an internal taskforce was established comprised of Examination and Initial Licensing staff. This taskforce, which held its kickoff meeting in June 2012, will develop a project plan and outline designed to further the CBA's outreach efforts, develop best practices for implementation, and develop and coordinate training activities for Licensing Division staff.





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\* Past President of the CBA