

Ohio | ACCOUNTANCY BOARD

CHAIR MESSAGE: **LOOKING FORWARD TOGETHER**



As we begin a new year, we first thank outgoing Accountancy Board of Ohio chair, Michael Comer, CPA, for his leadership. Next, as incoming Chair, it is my honor to welcome

current board members who will serve as 2016 Vice Chair (James Gero) and Secretary (Adriana Sfalcin).

As Board members, we will work together to assure that the services provided to the public by licensed CPAs will be performed with integrity, ethics, and professionalism. The public deserves no less. It is the Board's perpetual responsibility to ensure the professional CPA designation reflects achievement of highest standards of training, continuing education, and ethical practice adhered to by all who

are licensed.

In 2016, the Board will continue to work in the best interest of Ohio's citizens with a focus on three key areas:

- Investigating and ruling on disciplinary matters involving CPAs whose actions or inactions do not appear to fulfill their obligations to serve.
- Continue playing an active role in the National Association of State Boards of Accountancy (NASBA) to identify and address issues affecting the accounting profession in Ohio and the nation.
- Monitoring the content, the system, and the outcomes of the CPA examination and Continuing Professional Education.

With the participation and support of my fellow Board members, our

Executive Director and staff, I look forward to working together to continue fulfilling what the Ohio Revised Code sets forth as our duty to protect the public and our obligation to respond to our licensees.

I also anticipate that through our continued active involvement in and communication with other companion organizations, such as NASBA and the Ohio Society of Certified Public Accountants, we will be working on issues which will affect the profession in the years to come.

As we move through the year, please reach out to the Board and to the Staff with your questions or concerns about the practice of accounting. We look forward to serving you.

James J. Carroll, CPA
Chair

CLOSING THOUGHTS FROM OUR PAST CHAIR



The Accountancy Board is responsible for protecting Ohio businesses and citizens by making sure CPAs licensed by the Board perform their services in an ethical and

professional manner. We do this through enforcement, discipline, and licensing of all of the CPAs under the Board's authority. Our team investigates all enforcement-related claims and public concerns that come before us. We actively audit CPE reports from our licensees and permit

holders on a yearly basis.

These responsibilities alone require a large investment of time. But, as the New Year begins and I reflect on my term as Chair of the Accountancy Board of Ohio, I'm struck by how much additional energy the Board puts into considering the evolution of the industry and planning for the future.

We have witnessed incredible change in the profession over the last decade. The confluence of regulatory oversight, changes to technology, global expansion and

the sheer complexity of accounting rules has created a very challenging environment. Being a CPA isn't easy! Yet, even as we are poised for even more transformation in the years ahead, the Board remains focused on our obligation to the public and to upholding the reputation of the CPA designation in Ohio.

During the last year we explored the issue of international mobility – potential licensees from foreign countries working in Ohio. We weighed in on the anticipated overhaul of the CPA exam and we look

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ACCOUNTANCY BOARD OF OHIO MEMBERS

Officers

James J. Carroll, CPA, Chair

James P. Gero, CPA, Vice-Chair

Adriana Sfalcin, Secretary

Members

Michael S. Comer, CPA, Past-Chair

Margaret A. Gilmore, CPA

James D. Gottfried, CPA

Michael M. Guinigundo, CPA

ACCOUNTANCY BOARD OF OHIO STAFF

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Assistant Executive Director:

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Investigations Officer:

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Investigators:

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Karen Salyer, CPA Certification and Licensing
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OUR PAST CHAIR (CONTINUED FROM PAGE 1)

forward to seeing how preparing for a more practical-oriented exam affects our future CPAs.

We studied enforcement and benchmarked our methods against other states. Diversity remains critically important in our profession and we've worked to create an environment in Ohio that nurtures the development of CPAs from all backgrounds which is reflective of the global communities that we serve.

Continuous professional education remains a high priority and that includes consideration of the annual hour requirements and, more critically, the nature of the hours earned. And finally, we must continue to focus on peer review and the need to make the process as transparent and effective

as possible.

Each of these issues takes time and thoughtful consideration on how they might impact the profession both in the near term and for years to come. I want to personally thank our legal counsel, the staff, our executive director and the Board for their support and tireless efforts this past year. Serving as Chair has been an incredibly rewarding experience for me and I sincerely appreciate it.

With great confidence, I pass the gavel to the incoming Chair of the Board, Mr. Jim Carroll.

Sincerely,
Mike S. Comer, CPA

CPE AUDIT

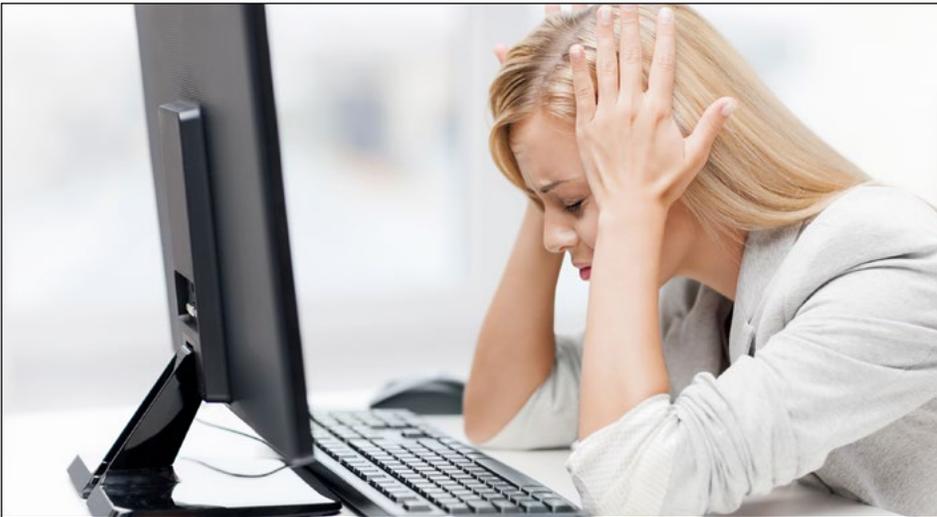
Our Board conducts a CPE audit of selected individuals who renewed their permit at the end of every reporting year. A licensee may be selected multiple times for verification. This is most likely luck of the draw. A prior disciplinary action may also result in multiple verification requests.

If you receive a CPE Audit letter, you must provide required documentation to the Board office, following the instructions included in the letter, that verifies you have completed the required CPE. An Ohio permit holder may complete a continuing education program from an unregistered sponsor. The permit holder subject to verification will be required to submit documentation showing proof of attendance for all courses attended. Documents that do not verify attendance or completion of a course will not be accepted. The Board will not accept CPE previously used for a prior reporting period. Registration confirmation does not verify attendance or completion of a course. The cover page of a course handout and copies of course material do not confirm attendance or completion. Documents that do not contain the necessary information will not be accepted.



The Board may, but is not required, grant an extension of time of up to one year to complete CPE. The extension will normally be less than one year. The permit holder must submit a written request for an extension prior to the renewal date. The Board requires documentation of the reason for the request and verification of the CPE completed as of the renewal date. "I was really busy" or "I didn't get my renewal letter" or "I forgot" does not qualify as an appropriate reason for an extension. Late fees will be assessed.

Compliance with the CPE audit is a requirement of licensing. Protect your right to use the professional designation, CPA, by completing the necessary CPE and diligently maintaining the necessary documentation. Approved documentation will include the name of the sponsor, title of the course, your name, the date completed and CPE received. If you have any questions, please call the Board office and we will do our best to assist you.



DID YOU RENEW YOUR PERMIT OR REGISTRATION?

If you were due to renew your permit by December 31, 2015 and failed to do so, you now have an expired permit and are no longer licensed to perform public accounting work in Ohio. You must have an active permit to use the designation CPA. You should immediately go to the Accountancy Board web page and:

- Print the *Ohio Late Renewal Application Form*
<http://www.acc.ohio.gov/Portals/0/PDF/lform.pdf>
- Attach the Certificate of Completion for all 120 hours of CPE
- Attach a check or money order, made out to the Treasurer of Ohio, for the total required license fee including late charges. **Please contact our Board for your fee, 614-466-4135.**

Registration Status – If you were due to renew your registration on December 31, 2015 and failed to do so, you now have an expired registration and are not considered in good standing in Ohio. An Ohio Registration keeps your license in compliance with Ohio. Even though you are not holding out as a CPA by doing any compilations, reviews and/or attest work. You must:

- Print the *Ohio Late Renewal Application Form*
<http://www.acc.ohio.gov/Portals/0/PDF/lform.pdf>
- Attach a check or money order, made out to the Treasurer of Ohio, for the total required license fee including late charges. **Please contact our Board for your fee, 614-466-4135.**

NO LONGER PROVIDING A PRINTED LICENSE

We are no longer providing a printed license/wallet card for our licensees. Many other state boards have previously decided to not provide wallet cards as well. It is timely and very costly to print and mail a card to each individual. The status and other pertinent information of your license can be viewed on our website at:

<http://acc.ohio.gov/Resources/LicenseLookup.aspx>.



77 South High Street
Suite 1802
Columbus, OH 43215-6128

PHONE: 614.466.4135
FAX: 614.466.2628

<http://acc.ohio.gov>

HAVE YOU MOVED? CHANGED EMPLOYERS?

Please send all contact information changes to Ms. Luann Rager at:
luann.rager@acc.ohio.gov

AN INVITATION TO ALL

Our Board holds a board meeting approximately 6-7 times a year. These are open to the public. Most meetings are held at our office building, the Vern Riffe State Office Tower, 77 South High Street, 31st Floor, Columbus, at 10:00 a.m. A variety of topics are covered at each meeting including possible rule changes, AICPA and NASBA updates, disciplinary hearings, etc. We encourage you to attend!

2016 Board Meeting Schedule:

- February 5, 2016, Room West B & C
- April 29, 2016, Room West B & C
- June 3, 2016, Room West B & C
- July 15, 2016, Room East B
- September 9, 2016, Room West B & C
- November 4, 2016, Room West B & C
- December 6, 2016, Room West B & C

THE UNIFORM CPA EXAM IS CHANGING

In 2013 the AICPA Board of Examiners (BOE) announced the launch of a new practice analysis in support of the Uniform CPA Examination. Completing a periodic practice analysis is essential to maintaining the legal defensibility of the Examination, which all 55 Boards of Accountancy use as part of the licensure process for new CPAs. The practice analysis ensures that the Examination continues to assess the knowledge and skills required of a newly licensed CPA, and is one of the three foundational “E”s of licensure; Education, Examination, and Experience.

Possible Changes:

- **Content is still at the core of the Exam. The four sections of the Exam, AUD, FAR, REG and BEC are currently anticipated to continue, though BEC may evolve to cover more in-depth testing of higher order skills. Higher order skills will likely be emphasized more in all sections. It is also expected that task-based simulations will be added to BEC.**
- **At this time, there is little support for a “capstone” Exam section that would integrate all sections and be taken last. The notion of assessing integrated content was supported by ITC respondents and is currently being explored.**
- **Excel is likely to replace the current spreadsheet in the Exam, though it is anticipated to be available as a tool for candidates in 2018.**
- **We can expect a modest increase in the per section cost of the Exam to candidates.**
- **Several changes to the test administration model may be proposed, including a possible extension of the quarterly testing windows. As test administration falls under the purview of the State Boards of Accountancy, the National Association of State Boards of Accountancy (NASBA) will be working closely with its CBT Administration Committee and seek input from State Boards regarding any possible test administration changes. If any such changes might necessitate State Board statute or rule changes, NASBA will work closely with the affected Boards to ensure they are alerted as soon as possible.**

Reprinted from the June 2015 NASBA State Board Report.

INTRODUCING DONNA OKLOK, OUR NEW INVESTIGATIONS OFFICER

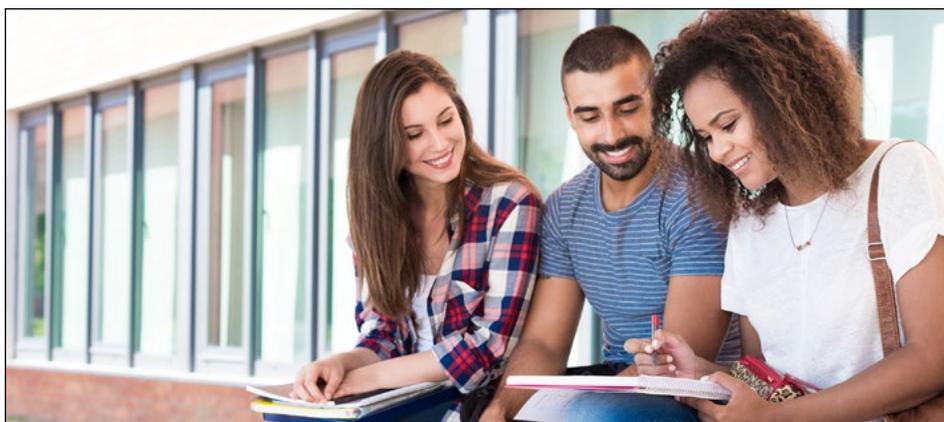


What do you do for the Accountancy Board?

I am the Investigations Supervisor with the responsibility of overseeing inquiries and research as well as investigations for enforcement actions which may come before the Board. My goal is to help individuals and firms continue in good standing with the Board and in their public accounting profession and to ensure the Board responds quickly and thoroughly to reports of possible violations of the law.

Where have you worked prior to the Accountancy Board?

My most recent position was with the Petroleum UST Board where I worked in their claims department. Prior to that, I worked for ten years as a supervisor in the circulation department of Worthington Libraries, a suburb of Columbus.



ACCOUNTING GRADS INCREASE

While the number of accounting graduates has been increasing, the number of CPA candidates has remained relatively flat. According to the AICPA's "2015 Trends in the Supply of Accounting Graduates and the Demand for Public Accounting Recruits," in 2013-14 there were 54,423 bachelor's in accounting awarded and 27,359 master's in accounting. In the same period there were 207,071 students enrolled in bachelor's in accounting programs, representing a 5 percent growth in overall enrollments. In 2014 there were 43,252 accounting graduates hired by CPA firms, including both master's and bachelor's degree holders, a growth of 7 percent since 2012.

Checking the number of CPA candidates, in 2012 there were 93,106 and in 2014 there were 91,578.

Looking at the demographics of the 2013-14 accounting graduates, both BA and MA: 52 percent were male and 48 percent female; and 62 percent were White, 11 percent Asian, 6 percent Hispanic/Latino, 5 percent Black/African American and 16 percent other or multi-ethnic. As stated in its latest strategic plan, NASBA has determined attracting candidates to the CPA pipeline is an important element of public protection.

Reprinted from the October 2015 NASBA State Board Report.