

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF STATE
BUREAU OF PROFESSIONAL AND OCCUPATIONAL AFFAIRS

F I N A L M I N U T E S

SPECIAL MEETING OF:

STATE BOARD OF ACCOUNTANCY

TIME: 9:00 A.M.

Held at

PENNSYLVANIA DEPARTMENT OF STATE

2525 North 7th Street

CoPA HUB, Eaton Conference Room

Harrisburg, PA 17110

as well as

VIA MICROSOFT TEAMS

June 26, 2026

State Board of Accountancy
Jun 26, 2026

BOARD MEMBERS:

Benjamin Holland, CPA, Chairperson
Arion R. Claggett, Acting Commissioner of
Professional and Occupational Affairs
Chandra "Dolly" M. Lalvani, CPA, Vice Chairperson
W. Bradley Baturka, CPA
Monique M. Ericson, CPA, Office of Attorney General
Michael Gaizick, CPA
John J. Grater, CPA - Absent
Charles O'Brien, CPA
Michael D. Ocker, CPA
John Petchel, Public Member
Anthony Searles, CPA
Amy Swartzfager, CPA

BUREAU PERSONNEL:

Dean Picarella, Esquire, Board Counsel
Marc J. Farrell, Esquire, Regulatory Counsel, Office
of Chief Counsel
Ashley P. Murphy, Esquire, Board Prosecution Liaison
Miranda Murphy, Board Administrator
Timothy A. Fritsch, Esquire, Board Prosecutor
Thomas Leech II, Business Licensing Division Chief
Alexa Davies, Legal Intern

ALSO PRESENT:

Mark Koscinski, CFO, Associate Professor, Director of
Assessment and Accreditation, Co-Director
Accounting Program, Moravian University
Peter Calcara, Vice President Government Relations,
Pennsylvania Institute of CPAs
Jennifer Cryder, CPA, Chief Executive Officer,
Pennsylvania Institute of CPAs
Mara Brough, Advocacy Manager, Pennsylvania Institute
of CPAs
Allison Henry, CPA, Vice President of Professional
and Technical Standards, Pennsylvania Institute of
CPAs
Tom Ostrowski, CPA, Ostrowski Beckley & Thorpe PC
Erin Badstuebner, Sargent's Court Reporting Service,
Inc.

1 ***

2 State Board of Accountancy

3 June 26, 2026

4
5 ***

6 The State Board of Accountancy Meeting was held
7 on Thursday, June 26, 2026. Benjamin Holland, Chair,
8 called the meeting to order at 9:00 a.m.

9 ***

10 Roll Call

11 [Benjamin Holland, CPA, Chairperson, requested a roll
12 call of Board members. A quorum was present.]

13 ***

14 [Dean Picarella, Esquire, Board Counsel, informed
15 everyone that the meeting of the State Board of
16 Accountancy was being recorded, and voluntary
17 participation constituted consent to be recorded.

18 Mr. Picarella noted there was not an Executive
19 Session prior to the meeting.]

20 ***

21 [Benjamin Holland, CPA, Chairperson formally welcomed
22 new Board Members, Amy Swartzfager, CPA; and Anthony
23 Searles, CPA. Both Ms. Swartzfager and Mr. Searles
24 provided brief introductions of themselves.]

25 ***

1 Report of Regulatory Counsel - Introduction
2 [Marc J. Farrell, Esquire, Regulatory Counsel, Office
3 of Chief Counsel, explained the Board currently had
4 two open regulations 16A-5517, Licensure by
5 Endorsement; and 16A-5519, General Revisions. Both
6 packages were previously published as proposed and
7 comments were received from the public and from
8 Independent Regulatory Review Commission (IRRC). He
9 stated it was now time to turn the proposed
10 rulemakings into final rulemakings during which the
11 comments would be considered. An added twist to the
12 General Revision was two weeks after being published
13 as proposed, there was a law change with Act 27 of
14 2025. He stated the Board had the opportunity to
15 reconcile the regs to align with the new statute. He
16 noted the intention of the meeting was to review all
17 of the comments and gain the Board's input on certain
18 items in order to draft the final package.

19 Regarding 16A-5517, Licensure by Endorsement, he
20 explained he drafted the documents related to the
21 final rulemaking and presented them to the Board for
22 their review.

23 For the meeting, he prepared a worksheet for the
24 General Revisions to be referred to for the comments
25 related to each section. He mentioned the importance

1 of stakeholder involvement, and he encouraged anyone
2 at the meeting to raise their hand if they had a
3 comment.]

4 ***

5 Report of Regulatory Counsel - Regulation 16A-5519

6 General Revisions

7 [Marc J. Farrell, Esquire, Regulatory Counsel, Office
8 of Chief Counsel, explained the formatting of the
9 worksheet, noting new language was in blue and
10 deleted language was struck out. The comments were
11 interspersed in the document by section. He
12 emphasized the changes noted were already Board
13 approved. He emphasized the focus of the meeting was
14 to discuss the comments, not to debate all of the
15 changes. He noted a pristine copy of the regulation
16 could be found on the IRRC website or the
17 *Pennsylvania Bulletin* website.

18 Regarding the first comment from IRRC, he noted
19 there was no input needed. IRRC urged the Board to
20 bring the regulations into conformance with the
21 statutory changes in the CPA law from Act 27, which
22 was already an intention of the final package. In
23 their comment, IRRC raised the issue of Advanced
24 Notice of Final Rulemaking. Mr. Farrell explained,
25 with the Advanced Notice of Final Rulemaking, if

1 substantial changes are made beyond the scope of the
2 proposed rulemaking, the public is given an
3 opportunity to comment on the final rulemaking prior
4 to IRRC's review.

5 IRRC's next comment was related to §11.16(c)
6 where they asked the Board to be more specific in the
7 language related to extenuating circumstances. Mr.
8 Farrell noted the proposed language was pulled from
9 the Uniform Accountancy Act Model Rule 5-7(e). The
10 Board discussed the language, with Mr. Farrell noting
11 he would adjust the language in a way to appease IRRC
12 while still leaving it open ended in some way. He
13 stated he may make the section more specific while
14 adding "other demonstrated hardship" at the end as a
15 catch-all.

16 Mr. Farrell noted §11.23(a) did not have any
17 comments before moving on to §11.56, Verification of
18 Experience where Pennsylvania Institute of CPAs
19 (PICPA) commented on the use of "substantial
20 equivalency." With the enactment of Act 27, the
21 language should be revised to reflect automatic
22 mobility. He added the comment also gets into the
23 language between Act 41 that deals with substantial
24 equivalency and the use of substantial equivalency in
25 connection with a now repealed practice that the

1 Board used to have in its law and regs related to
2 practice by substantial equivalency. He noted, in
3 the prior meeting, he had explained why the two uses
4 of substantial equivalency were completely
5 independent of each other. He suggested it would not
6 be appropriate to do anything odd with the use of
7 substantial equivalency in this particular instance.
8 He also noted the language in §11.56(a)(1) was pulled
9 directly from the statute at §4.2(d)(4), and there
10 was no impact on automatic mobility and the use of
11 substantially equivalent in the context of
12 §11.56(a)(1). He noted Chair Holland expressed
13 concerns about possible confusion and asked if he
14 still had the same concerns.

15 Chair Holland stated Mr. Farrell explained the
16 difference well at the prior meeting. He asked if
17 there was a way to clarify automatic mobility as
18 expressly brought in by Act 27. Mr. Farrell
19 commented substantial equivalency was actually being
20 used in a third way in §11.56(a)(1) as the section
21 was looking at establishing a substantially
22 equivalent licensed individual from a foreign
23 country.

24 Jennifer Cryder, CPA, Chief Executive Officer,
25 PICPA, explained PICPA's concerns which go to

1 preserving mobility. She noted the profession works
2 uniquely in comparison to other professions as very
3 specific words in the statute and regs determine a
4 CPA's ability to practice across state lines. PICPA
5 was specifically concerned that anywhere where
6 substantial equivalency continued to exist in
7 Pennsylvania's statute would potentially impact the
8 ability of practitioners to practice across state
9 lines. She noted PICPA recognizes licensure by
10 endorsement as part of the administrative code and
11 cannot be changed. She stated licensure by
12 endorsement falls back onto determining reciprocity
13 at the state level. She added there were concerns
14 that licensees who apply through reciprocity, not
15 licensure by endorsement, would be evaluated based on
16 their individual characteristics under automatic
17 mobility thereby there could be situations where
18 similar licensees are treated differently based on
19 how they apply.

20 Mr. Picarella stated there seemed to be confusion
21 between automatic mobility and actual licensure. He
22 compared automatic mobility to having a driver's
23 license and going to another state to visit compared
24 to needing actual licensure in the state of
25 residence.

1 Mr. Farrell asked if Ms. Cryder was concerned
2 there could be problems with licensure by
3 endorsement. He added the absence of licensure by
4 endorsement regulations would cut off a pathway to
5 licensure. Ms. Cryder understood Mr. Farrell's point
6 and stated she was not worried about the pathway of
7 licensure by endorsement in and of itself. Her
8 concern was if Pennsylvania would be evaluating some
9 candidates based on the state level concept for
10 mobility and others on the individual level concept.
11 The Board discussed the concepts of automatic
12 mobility and substantial equivalency as well as
13 keeping the two separate.

14 Ms. Cryder generally rephrased her concerns.
15 Chair Holland asked for her to be more specific in an
16 example of her concern where two candidates might be
17 evaluated differently. Ms. Cryder stated with
18 automatic mobility the Board has to consider the
19 individual licensee and if they had 150 or 120 credit
20 hours so their determination may end up being
21 different than the state level concept especially as
22 states are different long term. She added
23 Pennsylvania currently lines up with the 150 or 120
24 hours, but over time there could be individuals who
25 were licensed under pathways that no longer exist and

1 questioned if they would no longer be able to be
2 licensed.

3 Ms. Ericson expressed confusion at Ms. Cryder's
4 scenario, stating there were plenty of licensees who
5 were already licensed prior to the 150 credit hours
6 who did not have to get more credits, retest or
7 reapply to be licensed because they were already
8 licensed. Mr. Cryder stated her concerns were
9 prospective, not retrospective. Mr. Picarella
10 pointed out hypothetical situations could not be
11 regulated.

12 Mr. Farrell noted they were talking generally
13 about the phrase substantially equivalent in a number
14 of different contexts. He stated, in the particular
15 section they were discussing, the language was
16 verbatim copied from the statute. He added they
17 could not diverge from the statute when it comes to
18 using the substantially equivalent phrase in the
19 section. He also reiterated when it comes to
20 licensure by endorsement, it is a separate pathway
21 designed to treat individuals differently. He added
22 licensure by endorsement was a pathway to account for
23 individuals who do not line up with other pathways.
24 It was agreed to keep §11.56(a)(1) as written.

25 Moving on to §11.56(a)(4), relating to in-person

1 or remote supervision, Mr. Farrell shared PICPA's
2 comment, which questioned the practicality of the
3 requirement that remote supervision maintain a
4 continuous real-time virtual presence as if in
5 person. He agreed with PICPA, noting the remote
6 supervision was in connection with statute 63 Pa.C.S.
7 A, §3107.1(d), which requires licensing boards to
8 establish rules and regulations related to virtual
9 supervision. He shared §4.2(d)(4) of the CPA law was
10 amended to add experience could be verified using the
11 National Association of State Boards of Accountancy
12 (NASBA) Experience Verification Service. He thought
13 the verification service could be added to the
14 regulation. Chair Holland commented having the
15 verification service included was important.

16 Mr. Farrell noted an explanation could be
17 provided in the Preamble, but the intent was not to
18 have the supervision 100 percent constant. He stated
19 IRRC's comments reflected PICPA's comments. He
20 explained adding the NASBA verification and the
21 Preamble explanation should address both PICPA and
22 IRRC. He also noted Regulatory Counsel would revise
23 the General Revisions, and the Board would have a
24 final chance to consider the changes and vote to
25 approve them. Therefore, the exact language did not

1 need to be ironed out at the meeting. The Board
2 agreed the language should be changed. Suggested
3 language included periodic review, input, guidance,
4 continuing, and accessible. Ms. Ericson noted the
5 key with virtual supervision is readily accessible
6 communication.

7 Chair Holland commented the NASBA experience
8 verification is a catch-all for an applicant seeking
9 licensure. He has always advocated for the Board to
10 have a mechanism to review experience, allowing
11 applicants an opportunity to make their case.

12 Mr. Baturka commented young staff accountants may
13 work for multiple engagement teams over the course of
14 their experience requirement being fulfilled and
15 would have different day-to-day supervisors. He
16 asked who would the Board expect to be signing the
17 experience form. The Board discussed different
18 possibilities including managing partners and
19 immediate supervisors. It was agreed the language
20 should reflect flexibility in who signs off on the
21 experience.

22 Mr. Farrell next discussed §11.57, education. He
23 stated he would read the comment from PICPA so it was
24 clear on the record and prefaced the comment by
25 stating he agreed with much of what was said and had

1 proposed solutions. PICPA wrote "The current Uniform
2 Accountancy Act (UAA) requires candidates to have
3 completed a college degree, including specific
4 accounting coursework, prior to sitting for the CPA
5 Exam. One of the goals of the proposed revisions was
6 to provide greater flexibility by allowing
7 individuals with sufficient total credit hours - but
8 who have not yet graduated - to sit for the exam.
9 However, as currently drafted, the proposed changes
10 [to Section 11.57, above] appear to maintain the
11 requirement for a completed degree with accounting
12 coursework before a candidate may sit for the exam.
13 This seems to run counter to the intended flexibility
14 of Act 110 of 2022 and may inadvertently limit access
15 for qualified students nearing completion of their
16 degree programs. We also note that the proposed
17 language introduces a new requirement of 24 semester
18 hours in accounting prior to sitting for the exam.
19 This specific threshold was not discussed during our
20 deliberations. While this may not pose a significant
21 barrier since most candidates will likely meet this
22 standard as part of their academic preparation, it
23 may warrant further discussion. From PICPA's
24 perspective, requiring 24 semester hours in
25 accounting prior to sitting could be reasonable

1 measure, as it ensures candidates possess a
2 foundational level of knowledge necessary to succeed
3 on the exam. Nevertheless, we recommend reviewing
4 this provision to ensure it aligns with the broader
5 goal of increasing flexibility while maintaining the
6 integrity of the exam process."

7 Mr. Farrell noted IRRC largely reiterated PICPA's
8 comments. He asked if the Board generally agreed and
9 if fixes were needed.

10 Ms. Lalvani had reviewed the Uniform Accountancy
11 Act (UAA), which says accounting concentration. She
12 stated the goal was to have an alternative pathway
13 for people who cannot do the 150 hours. She used the
14 example that someone could get a bachelor degree with
15 an accounting concentration and then needing two
16 years of experience instead of one year. She shared
17 her experience with licensure in Texas. She noted
18 changing the experience creates a pathway that is not
19 solely dependent on education.

20 The Board discussed educational pathways with Ms.
21 Swartzfager sharing her personal experience with not
22 having a traditional pathway. Ms. Lalvani reviewed
23 the credits for accounting concentrations and
24 accounting core credits at Pennsylvania universities,
25 with each school being different. Ms. Swartzfager

1 clarified her concern was with saying an accounting
2 degree with the accounting concentration as it could
3 be limiting to people who do not take a traditional
4 pathway to being a CPA.

5 The Board then discussed the regulation already
6 requiring 24 credit hours but then adding an
7 additional 12 credit hours due to Act 27.]

8 ***

9 [Charles O'Brien, CPA entered the meeting at 9:57
10 a.m.]

11 ***

12 [Mark Koscinski, CFO, Associate Professor, Director
13 of Assessment and Accreditation, Co-Director
14 Accounting Program, Moravian University, shared he
15 was concerned about the concept of a concentration.
16 He stated, if defining a concentration, it was
17 critical to include major or minor in the regulation.
18 From an academic perspective, he preferred to just
19 have the regulation state 24 hours. Acting
20 Commissioner Claggett agreed with Mr. Koscinski,
21 noting adding extra credits was making it too hard.

22 Ms. Lalvani questioned if the changes to Act 27
23 currently being pushed through Legislature would
24 trump the Board's regulations. The Board debated
25 what changes might be needed.

1 Peter Calcara, Vice President Government
2 Relations, PICPA, reported the bill in question was
3 moving and PICPA anticipated the bill could be on the
4 Governor's desk by mid-July. Mr. Farrell noted the
5 timing would work in terms of being able to address
6 the bill in the General Revisions. He noted the
7 regulations would have to mirror the statute.

8 The Board continued to discuss alternative
9 pathways, the required credit hours, and years of
10 experience needed for licensure through the pathways.
11 Chair Holland noted the discussion would be moot once
12 the statute changes. Mr. Calcara stated PICPA had
13 initiated the new legislation because they thought
14 automatic mobility might be impacted without the 12
15 core credit hours. Ms. Lalvani posed additional
16 questions surrounding automatic mobility and what
17 different states may or may not accept. Chair
18 Holland circled back to the comments on accounting
19 concentration and asked what the statute and
20 regulation defined as a concentration. Ms. Ericson
21 noted the fundamental conversation should be what
22 needs to be included in the core credits. Mr.
23 Farrell noted some of the suggestions might directly
24 conflict with the statute.

25 Mr. Farrell suggested pausing on the discussion

1 around education until after Senate Bill 1240 was
2 signed. He would have to return with documents for
3 review anyway. Regarding §11.57, he also suggested
4 the Board consider timing aspects. In considering
5 PICPA's comments, he suggested §11.57 should be
6 restructured to have §11.57(a) lead with the general
7 requirements to sit for the CPA examinations and then
8 have the three different pathways below. Ms. Lalvani
9 agreed with Mr. Farrell. Ms. Ericson shared concerns
10 with the language switching from license to
11 certification. She stated, in places where the
12 regulation is referencing the CPA license, it should
13 not use certification. She noted there are other
14 certifications and certifying associations and groups
15 with their own certification process that are not
16 licenses. She stated, where the regulation says
17 certification, it should be explicit and say license
18 or licensure. Mr. Farrell agreed with her
19 suggestion.

20 Mr. Farrell shifted the conversation to §11.82,
21 peer review and peer review compliance, where he
22 shared PICPA's comment on subsection (b.2). PICPA
23 requested the subsection be revised for statutory
24 consistency. IRRC largely reiterated the same
25 concern and asked for the Preamble to explain the

1 date of January 2, 2023. It was decided the date
2 referred to the effective date of the statutory
3 provision. Mr. Farrell stated the provision seemed
4 consistent with statute.

5 Mr. Farrell noted due to the comments on various
6 subsections, he had divided §11.82 into multiple
7 sections for the comments.

8 Regarding §11.82(c), PICPA proposed striking the
9 existing sentence and replacing it with "the Board
10 shall verify the date of acceptance through
11 Facilitated State Board Access. The Board shall
12 verify the date of acceptance and period covered by
13 the firm's most recently accepted peer review through
14 a secure website provided by the entity administering
15 the peer review." The Board strongly disagreed with
16 PICPA's suggestion as it seemed PICPA wanted to shift
17 responsibility to the Board to verify.

18 Regarding §11.82(d)(i), (ii), and (iii), PICPA
19 suggested striking (i) and (ii). Mr. Farrell noted
20 the Board already decided to strike the two
21 provisions.

22 The next PICPA comments were related to
23 §11.82(d)(2)(ii) and (iii). PICPA commented the
24 exemptions under Section 8.92(g)(2) of the statute
25 were amended since the regulation had been written.

1 They proposed both (ii) and (iii) be deleted in their
2 entirety. Mr. Farrell stated the Board was already
3 eliminating (ii) but had proposed amendments to
4 (iii).

5 Mr. Gaizick asked if a compilation was an
6 attestation engagement. Chair Holland replied
7 technically under the attest umbrella there is
8 audits, reviews, and compilations. Mr. Farrell
9 stated compilation is defined in the statute and
10 provided the definition, asking if it provided any
11 illumination. The Board discussed compilation in
12 relation to attestation. It was decided to leave
13 (iii) with the already approved amendments, which
14 reflect the current practice.

15 Regarding §11.82(d)(3), PICPA submitted comments
16 in August 2025 and then submitted revised comments in
17 February 2026. Mr. Farrell presented both sets of
18 comments to the Board. He noted (i), (ii), and (iii)
19 were already being deleted from subsection (d)(3),
20 with only the main provision being kept with new
21 language reading "*Exemption under section 8.9(g)(3)*
22 *of the act.* The firm shall provide to the Board a
23 copy of a grant of an extension, including the
24 resulting new due date, within 30 days of receipt
25 from the peer review administering organization."

1 After discussion, it was decided to add the copy
2 could be submitted electronically.

3 Ms. Lalvani asked what the Facilitated State
4 Board Access (FSBA) system was in PICPAs comments.
5 Miranda Murphy, Board Administrator, explained the
6 system was a page through the AICPA (Association of
7 International Certified Professional Accountants)
8 where peer review information can be looked up. She
9 added she can log in to pull up the peer reviews
10 provided they have been uploaded to the site. If the
11 peer review is not on the side, then she has to reach
12 out for it during the peer review audit.

13 Regarding §11.82(e) and (f), IRRC commented both
14 sections included the terms "Statements on Auditing
15 Standards" and "Government Auditing Standards." IRRC
16 asked if acronyms could be used for the two terms and
17 be defined in §11.1 to be consistent with the other
18 terms used in the sections. Mr. Farrell asked if
19 there were acronyms to represent the two terms as
20 used by the profession. Chair Holland explained
21 Government Auditing Standards could be GAGAS. He
22 further added there were different layers to the
23 standards. Mr. Farrell noted he would work on
24 clarifying the section based on Chair Holland's
25 comments.

1 Mr. Farrell moved on to §11.84, where PICPA had
2 commented the reference to peer review standards
3 should be reviewed updated to reflect the most
4 current version. Based on feedback from the Board,
5 Mr. Farrell stated he would wordsmith the section to
6 reflect current standards in a way to keep up with
7 changes. He noted there were similar concerns with
8 §11.85 so he would make the same changes.

9 Mr. Farrell noted there were no comments on
10 §11.86 or §11.87. At this point, he noted the Board
11 had reviewed all of the comments on the provisions
12 which were part of the original proposed rulemaking.]

13 ***

14 [The Board recessed from 10:43 a.m. until 10:50 a.m.]

15 ***

16 [Mr. Farrell explained part of PICPA's comments were
17 broader and not specific to any one provision. The
18 first general PICPA comment related to the adoption
19 of a nationally recognized code of professional
20 conduct. He asked if that was different from the
21 ethics.

22 Mr. Gaizick stated the Board fell under the AICPA
23 generally. Ms. Lalvani added in the statute there
24 was a provision under disciplinary matters.

25 Mr. Farrell stated the next two comments were

1 regarding the recognition of a bachelor's degree
2 pathway and the authorization of two years of
3 qualifying experience for bachelor's degree
4 candidates. He noted both were already being
5 drafted. He added the comments were in the wake of
6 the new legislation being signed last summer, so some
7 may be a little outdated.

8 PICPA's next comment suggested the character
9 reference requirement be modernized as Act 27 removed
10 the character reference for licensure as it was
11 redundant.

12 The next set of comments from PICPA were from
13 February 2026 and were in reference to sections that
14 were not yet part of the rulemaking. PICPA asked the
15 Board adjust the sections, which Mr. Farrell stated
16 was necessary as the Board needed to synchronize the
17 Act and the regs.

18 Regarding §11.5, the suggested change was to
19 replace substantial equivalency with automatic
20 mobility. He noted there would be a number of places
21 where there would be edits renumbering the statute to
22 get the right sections in place to align with the Act
23 27 changes. Therefore, there were no substantive
24 changes for §11.7 or §11.8.

25 Ms. Lalvani commented on §11.5, questioning the

1 need for retaining a section on temporary practice
2 with the adoption of automatic mobility. Mr. Farrell
3 stated the section outlines what is viewed as
4 acceptable practice in Pennsylvania from someone who
5 does not have a Pennsylvania license. He added there
6 was no change in the standards, only a terminology
7 change. Ms. Ericson explained the temporary
8 practices referred to someone coming into the state
9 for a limited engagement. The Board discussed the
10 need for a section on temporary practice.

11 Ms. Ericson stated, for her, temporary practice
12 is referring to licensees who are licensed by other
13 states but are doing something in Pennsylvania while
14 automatic mobility is actually moving a person's
15 license to Pennsylvania. Mr. O'Brien agreed with Ms.
16 Ericson. He saw no harm in retaining the section
17 provided it did not contradict other provisions of
18 automatic mobility.

19 Regarding §11.8, Mr. Gaizick commented on CPA
20 designation. He noted it was becoming accepted where
21 CPAs did not used the CPA designation while
22 performing non-attest work. He wondered if the
23 regulation should have something stating if a person
24 is a CPA, then they are always a CPA. The Board
25 agreed with his concerns with Mr. Holland noting it

1 was becoming a much larger issue. Mr. Farrell stated
2 he was concerned about bogging the rulemaking down by
3 opening the door to issues that might require their
4 own package. Chair Holland agreed the topic would
5 need future discussion.

6 Moving on to §11.18, Mr. Farrell shared PICPA
7 suggested deleting the character reference for
8 examination section. The Board agreed with deleting
9 the section, noting the character reference was no
10 longer required for licensure.

11 Regarding §11.21, Independence, PICPA's
12 recommendations would essentially delete most of the
13 section and adding in language that the licensee
14 "should comply with the requirements of" followed by
15 what was already in the regulation. The Board
16 debated the verbiage, noting there was a preference
17 with using "shall" instead of "should."]

18 ***
19 [W. Bradley Baturka, CPA exited the meeting at 11:06
20 a.m.]

21 ***
22 [Ms. Ericson preferred defining independence. She
23 added she fundamentally did not agree with the idea
24 of relying on an unknown when the associations listed
25 might change their definitions in the future. She

1 noted AICPA was already considering changing their
2 definition of independence. Mr. Picarella asked if
3 independence was defined in the AICPA Code of
4 Professional Conduct or the other listed groups,
5 noting the Board could fall back on those
6 definitions. Ms. Ericson replied there was a
7 definition; however, there were proposed changes.
8 She explained that adopting the definition in the
9 AICPA Code of Professional Conduct would be accepting
10 an unknown. Mr. Farrell suggesting leaving the
11 section as is while Mr. Picarella suggested
12 eliminating the last sentence. After discussion, the
13 Board agreed to leave the provision as it was with no
14 changes.

15 The next comment suggested eliminating §11.23,
16 Competence, in its entirety. PICPA noted it
17 generally supported the ethical principles, however,
18 were concerned the provision might be misleading in
19 indicating it was comprehensive. PICPA also noted
20 the AICPA Code of Professional Conduct was more
21 robust and recommended replacing language in the
22 section to refer to AICPA's Code. The Board was
23 divided with deleting the section and discussed the
24 vagueness. Ashley P. Murphy, Esquire, Board
25 Prosecution Liaison, noted there was a specific

1 provision under the statute for grounds of discipline
2 which could be why PICPA was asking for the reference
3 to the AICPA Code. Chair Holland pointed out the
4 main objective of the Board is to protect the public
5 which is accomplished through maintaining trust
6 through professionalism.

7 Mr. Farrell questioned if there needed to be a
8 formal adoption of the AICPA Code. He recommended
9 pausing on the debate and keeping §11.23 until the
10 Board considers a more formal adoption of a code.

11 Allison Henry, CPA, Vice President of
12 Professional and Technical Standards, PICPA,
13 explained PICPA lobbied to get the adoption of the
14 AICPA Code into the law as it is robust, most state
15 statutes have adopted it, and practitioners are
16 required to comply with it. She noted, when Act 110
17 of 2022 was finalized, there was direction for the
18 Board to adopt the nationally recognized code. She
19 noted the AICPA Code is so robust that it encompasses
20 many of the provisions being discussed.

21 Chair Holland thanked Ms. Henry, pointing out
22 while the Board does want to address competence, it
23 should orient everything towards the Code of
24 Professional Conduct.

25 Ms. Henry provided additional clarification,

1 stating practitioners are required to understand the
2 guidelines to follow depending on their work.

3 After discussion, Mr. Farrell suggested the Board
4 and Counsel familiarize themselves more with the
5 AICPA Code and consider formally adopt AICPA Code.
6 He suggested any decision be made carefully and
7 thoughtfully. He added any change to §11.23 would be
8 fairly simple if the Board went down the path of
9 adopting the AICPA Code.

10 PICPA's next suggestion was to delete §11.24(c)
11 as AICPA standards to not require the peer reviewer
12 to verify compliance with every regulatory
13 requirement. Mr. Gaizick stated the provision should
14 not be deleted. There were no objections to his
15 opinion.

16 Mr. Farrell stated PICPA also suggested deleting
17 §11.24(f) with their rationale being they did not
18 believe the regulations should specify what is
19 documented in an investment advisor's work papers.
20 It was noted there should still be work papers
21 regardless of peer reviewers checking the papers.

22 PICPA also recommended deleting §11.25,
23 Contingent Fees, and §11.26, Incompatible
24 occupations. When asked, Ms. Henry noted the
25 recommendations were made because the sections were

1 covered in the AICPA Code. She also noted the
2 recommendation to delete §11.24(c) was made because
3 peer reviewers were not checking the commissions.
4 She added peer reviewers come from all over the
5 country and are not aware of the provision that
6 requires specific documentation. In addition, the
7 provision was not in the scope of peer review. Mr.
8 Farrell stated the rationale that no one is abiding
9 by the regulation, so it should be eliminated was not
10 a good rationale. He understood where the
11 stakeholders were coming from, however in this case,
12 the Board disagreed with the stakeholders.

13 Mr. Farrell explained PICPA also suggested
14 deleting §11.27, Auditing standards and other
15 technical standards. Based on PICPA's rationale, he
16 suggested keeping the section as the Board had not
17 adopted the AICPA Code yet.

18 Chair Holland commented generally the best
19 practice was for the Board to reference back to the
20 AICPA Code however by preserving some of the
21 recommended deletions protects the Board's autonomy.

22 Mr. O'Brien explained his concerns with
23 §11.27(a). He agreed with deleting or rewriting the
24 provision. When asked, he stated he would delete the
25 line after "authority." Chair Holland agreed with

1 Mr. O'Brien. It was noted §11.27(b) was fine as
2 written.

3 Regarding §11.28, PICPA recommended the section
4 be removed. Part of the rationale was the section
5 was not comprehensive which Mr. O'Brien agreed with,
6 noting IFRS was not included. The Board discussed
7 the section and concluded §11.28 was covered under
8 Statement on Auditing Standards and could be deleted.

9 PICPA also recommended deleting §11.31, Records.
10 The Board disagreed with deleting the section with
11 Chair Holland noting he recently dealt with the issue
12 in question. The Board discussed the records a
13 client or former client may be entitled to including
14 their original documentation and documents they had
15 paid for. Mr. Farrell noted Section 11 of the
16 statute goes into detail on who owns specific
17 documents. The decision was made to keep §11.31 as
18 is.

19 The Board discussed PICPA's suggestion to delete
20 §11.36 and concluded the section should be left as
21 is. Regarding §11.55, PICPA made suggestions on
22 language changes. Mr. Farrell asked if the
23 suggestions were doing anything the Board had not
24 already done in other sections. Mr. Picarella noted
25 the changes related to Act 27. Ms. Lalvani explained

1 the suggested changes, noting the current legislation
2 would not alter the changes. The Board agreed with
3 changing the language in the section.

4 The final PICPA comment related to §11.83(a)(1)
5 and §11.83(a)(2) where they suggested adding language
6 related to the AICPA National Peer Review Committee
7 and deleting language for entities that no longer
8 exist. Mr. Picarella suggesting adding language
9 indicating successive agencies or committees to cover
10 the future. The Board agreed with the changes.

11 Mr. Farrell indicated he would make some of the
12 changes discussed during the meeting and return with
13 an actual Preamble and Annex for the Board's review.
14 He will bring back information on the points the
15 Board decided to wait on. He also noted he would
16 evaluate if the Advanced Notice of Proposed Final
17 Rulemaking would be needed since the Board was not
18 adding much new material.]

19 ***

20 Report of Regulatory Counsel - Regulation 16A-5517

21 Licensure by Endorsement

22 [Marc J. Farrell, Esquire, Regulatory Counsel, Office
23 of Chief Counsel, noted there were no changes made
24 between the proposed Annex and the final Annex. He
25 noted the Preamble provided additional explanations

1 on substantially equivalent in the context of
2 licensure by endorsement and how it has nothing to do
3 with practice by substantial equivalency or automatic
4 mobility. He added the Board is obligated by statute
5 to promulgate the regulations.

6 Chair Holland commented there was a state which
7 was rolling out a 90-credit hour bachelor. He noted
8 under the CPA law a person in that state would have
9 the ability to practice in Pennsylvania under
10 automatic mobility but would not be able to apply for
11 a license as they would not have substantial
12 equivalency.]

13 ***

14 [Michael D. Ocker, CPA exited the meeting at 11:56
15 a.m.]

16 ***

17 [Mr. Farrell noted step one for any licensure by
18 endorsement applicant would be to study the
19 requirements of the state or country in which they
20 are licensed. If the Board determined the standards
21 were not substantially equivalent to Pennsylvania,
22 the applicant would not proceed past the first step.
23 He added licensure by endorsement gives foreign
24 applicants a route to licensure in Pennsylvania. He
25 also noted during the seven years the statute had

1 been in effect, the Board had only one applicant.

2 Chair Holland asked if there would be a pathway
3 under licensure by endorsement with a 90-credit hour
4 coming from another state. Mr. Farrell stated it
5 would be up to the Board; however, it appeared the
6 Board would likely conclude there was not a pathway
7 for that person. Licensure by endorsement defaults
8 back to substantial equivalency.]

9 ***

10 MR. PICARELLA:

11 Based upon discussions in open session,
12 I believe the Board Chair will accept a
13 motion to approve the Preamble and
14 Annex for Act 41, Licensure by
15 Endorsement, as final rulemaking 16A-
16 5517.

17 CHAIR HOLLAND:

18 Is there a motion to approve the
19 Preamble and Annex for Licensure by
20 Endorsement under Act 41, final
21 rulemaking for 16A-5517 as presented?

22 MS. SWARTZFAGER:

23 I'll make a motion.

24 CHAIR HOLLAND:

25 Is there a second?

1 ACTING COMMISSIONER CLAGGETT:

2 Claggett, second.

3 CHAIR HOLLAND:

4 Is there any discussion? I'm not
5 hearing any discussion. Can we have a
6 roll call please Miranda?

7

8 Holland, aye; Claggett, aye; Lalvani,
9 aye; Ericson, aye; Gaizick, aye;
10 O'Brien, aye; Petchel, aye; Searles,
11 aye; Swartzfager, aye.

12 [The motion carried unanimously.]

13

14 Report of Committees - Off-site Board Meeting

15 [Chandra "Dolly" M. Lalvani, CPA, Vice Chairperson
16 reported the Board had previously picked Susquehanna
17 University for the off-site Board meeting in
18 September. Due to contract issues, the Board would
19 need to select another university for the meeting.

20 The Board discussed the universities on the list,
21 noting it would be ideal to rotate between different
22 areas of the state. However, due to the time
23 constraint, it was decided to contact Penn State
24 Harrisburg with Messiah College as a potential back-
25 up for the September meeting. The following off-site

1 meeting location would be in either the eastern or
2 western part of Pennsylvania.

3 Ms. Lalvani will reach out to Penn State and
4 report back in July. It was noted if any Board
5 Members or the public had suggestions and contacts at
6 schools, the committee would like to expand the list
7 of possible locations. Ms. Lalvani noted there would
8 be a highlight in the newsletter regarding off-site
9 meetings.]

10 ***

11 Public Comment - None

12 ***

13 Adjournment

14 CHAIR HOLLAND:

15 I want to thank you all for your time
16 and I'll entertain a motion to adjourn.

17 MS. LALVANI:

18 So moved.

19 ***

20 [There being no further business, the State Board of
21 Accountancy Meeting adjourned at 12:12 p.m.]

22 ***

23

24

25

26

CERTIFICATE

I hereby certify that the foregoing summary minutes of the State Board of Accountancy meeting, were reduced to writing by me or under my supervision, and that the minutes accurately summarize the substance of the State Board of Accountancy meeting.

A handwritten signature in blue ink, appearing to read "Erin Badstuebner", is written over a horizontal line.

Erin Badstuebner,

Minute Clerk

Sargent's Court Reporting
Service, Inc.

STATE BOARD OF ACCOUNTANCY
REFERENCE INDEX
June 26, 2026

TIME

AGENDA

9:00	Official Call to Order
9:00	Roll Call/Introduction of Attendees
9:04	Report of Regulatory Counsel
10:43	Recess
10:50	Report of Regulatory Counsel (cont.)
12:00	Report of Committees
12:12	Adjournment