

VIRGINIA ACTS OF ASSEMBLY — CHAPTER

An Act to amend and reenact §§ 54.1-1106, 54.1-4400 through 54.1-4408, 54.1-4411, 54.1-4414, 54.1-4415, 54.1-4416, 54.1-4418, 54.1-4420, 54.1-4421, and 54.1-4423 of the Code of Virginia, to amend the Code of Virginia by adding sections numbered 54.1-4409.1, 54.1-4409.2, 54.1-4412.1, and 54.1-4413.2 through 54.1-4413.5, and to repeal §§ 54.1-4409, 54.1-4410, 54.1-4412, 54.1-4413, 54.1-4413.1, 54.1-4417, and 54.1-4419 of the Code of Virginia, relating to the Board for Accountancy.

[S 1395]

Approved

Be it enacted by the General Assembly of Virginia:

1. That §§ 54.1-1106, 54.1-4400 through 54.1-4408, 54.1-4411, 54.1-4414, 54.1-4415, 54.1-4416, 54.1-4418, 54.1-4420, 54.1-4421, and 54.1-4423 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding sections numbered 54.1-4409.1, 54.1-4409.2, 54.1-4412.1, and 54.1-4413.2 through 54.1-4413.5 as follows:

§ 54.1-1106. Application for Class A license; fees; examination; issuance.

A. Any person desiring to be licensed as a Class A contractor shall file with the Department a written application on a form prescribed by the Board. The application shall be accompanied by a fee set by the Board pursuant to § 54.1-201. The application shall contain the name, place of employment, and business address of the proposed designated employee, and information on the knowledge, skills, abilities, and financial position of the applicant. The Board shall determine whether the past performance record of the applicant, including his reputation for paying material bills and carrying out other contractual obligations, satisfies the purposes and intent of this chapter. The Board shall also determine whether the applicant has complied with the laws of the Commonwealth pertaining to the domestication of foreign corporations and all other laws affecting those engaged in the practice of contracting as set forth in this chapter. If the Board determines that sufficient questions or ambiguities exist in an individual applicant's presentation of his financial information, the Board may require the applicant to provide a balance sheet reviewed by a certified public accountant licensed in accordance with § 54.1-4409.1. In addition, if the applicant is a sole proprietor, he shall furnish to the Board his name and address. If the applicant is a member of a partnership, he shall furnish to the Board the names and addresses of all of the general partners of the partnership. If the applicant is a member of an association, he shall furnish to the Board the names and addresses of all of the members of the association. If the applicant is a corporation, it shall furnish to the Board the names and addresses of all officers of the corporation. If the applicant is a joint venture, it shall furnish to the Board the names and addresses of (i) each member of the joint venture and (ii) any sole proprietor, general partner of any partnership, member of any association, or officer of any corporation who is a member of the joint venture. The applicant shall thereafter keep the Board advised of any changes in the above information.

B. If the application is satisfactory to the Board, the proposed designated employee shall be required by Board regulations to take an oral or written examination to determine his general knowledge of contracting, including the statutory and regulatory requirements governing contractors in the Commonwealth. If the proposed designated employee successfully completes the examination and the applicant meets or exceeds the other entry criteria established by Board regulations, a Class A contractor license shall be issued to the applicant. The license shall permit the applicant to engage in contracting only so long as the designated employee is in the full-time employment of the contractor or is a member of the contractor's responsible management. No examination shall be required where the licensed Class A contractor changes his form of business entity provided he is in good standing with the Board. In the event the designated employee leaves the full-time employ of the licensed contractor or is no longer a member of the contractor's responsible management, no additional examination shall be required of such designated employee, except in accordance with § 54.1-1110.1, and the contractor shall within 90 days of that departure provide to the Board the name of the new designated employee.

C. The Board may grant a Class A license in any of the following classifications: (i) building contractor, (ii) highway/heavy contractor, (iii) electrical contractor, (iv) plumbing contractor, (v) heating, ventilation, and air conditioning contractor, and (vi) specialty contractor.

§ 54.1-4400. Definitions.

As used in this chapter, unless the context clearly indicates otherwise:

"Accredited institution" means a degree-granting college or university accredited either by (i) one of the six major regional accrediting organizations- Middle States Association of Colleges and Schools,

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57 *New England Association of Schools and Colleges, North Central Association of Colleges and Schools,*
 58 *Northwest Commission on Colleges and Universities, Southern Association of Colleges and Schools, and*
 59 *Western Association of Schools and Colleges- or their successors; or (ii) an accrediting organization*
 60 *demonstrating to the Board periodically, as prescribed by the Board, that its accreditation process and*
 61 *standards are substantially equivalent to the accreditation process and standards of the six major*
 62 *regional accrediting organizations.*

63 "Assurance" means any act or action, whether written or oral, expressing an form of expressed or
 64 implied opinion or conclusion about the reliability of a financial statement or about its conformity of a
 65 financial statement with any recognition, measurement, presentation, or disclosure principles for
 66 financial accounting principles or standards statements.

67 "Attestation engagement" means performing an engagement in accordance with attestation standards
 68 promulgated by the American Institute of Certified Public Accountants and issuing a written
 69 communication that expresses a conclusion about the reliability of a written assertion that is the
 70 responsibility of another party.

71 "Attest services" means audit, review, or other attest services for which standards have been
 72 established by the Public Company Accounting Oversight Board, by the Auditing Standards Board or
 73 the Accounting and Review Services Committee of the American Institute of Certified Public
 74 Accountants, or by any successor standard-setting authorities.

75 "Board" means the Virginia Board of Accountancy continued by the provisions of this chapter and
 76 established by its predecessor under prior law.

77 "Commission" means compensation generated from the purchase or sale of a product or service and
 78 which would not be generated but for the purchase or sale of the product or service.

79 "Compilation services" or "Compile," when used by a CPA, refers to a firm (including sole
 80 proprietors) presenting in the form of means compiling financial statements information that is the
 81 representation of management (owners) without undertaking to express any assurance on the statements
 82 and performing such service in accordance with the Statements on Standards for Accounting and Review
 83 Services issued standards established by the American Institute of Certified Public Accountants or by
 84 any successor standard-setting authorities.

85 "Contingent fee" means a fee established for the performance of a service pursuant to an arrangement
 86 in which no fee will be charged unless a specified finding or result is obtained, or in which the amount
 87 of the fee is dependent upon the finding or result obtained. Fees shall not be considered contingent if
 88 fixed by courts or other public authorities, or in tax matters if determined based on the results of
 89 judicial proceedings or the findings of governmental agencies. A CPA certificate holder's fees may vary
 90 depending on the complexity of services rendered, and such variation shall not be considered a
 91 contingent fee.

92 "Continuing professional education" means the education that a person obtains after passing the
 93 CPA examination and that relates to services provided to an employer in academia, government, or
 94 industry using the CPA title or to services provided to the public using the CPA title.

95 "CPA certificate" means a certificate as a certified public accountant (CPA) issued by the Board
 96 pursuant to this chapter or corresponding provisions of prior law, which shall function as a license, if
 97 currently valid, or a certificate as a certified public accountant issued after meeting the CPA exam and
 98 other requirements under the laws of any other state.

99 "CPA exam" "CPA examination" means the National Uniform national uniform CPA exam
 100 examination approved and administered by the Board of Accountancy to candidates for a CPA certificate
 101 board of accountancy of a state or by the board's designee.

102 "CPA wall certificate" means the symbolic document suitable for wall display that is issued by the
 103 board of accountancy of a state to a person meeting the requirements to use the CPA title in that state.

104 "CPA title" means using "CPA," "Certified Public Accountant," "public accountant," or "CPA firm"
 105 in any form or manner that communicates (including but not limited to any title, phrase, acronym,
 106 abbreviation, business cards, CPA wall certificate, letterhead, reports, tax returns, sign, card, or any other
 107 document or device) that the individual or firm holds a currently valid CPA certificate or permit.

108 "Executive Director" means the Executive Director of the Board of Accountancy.

109 "Experience" means employment in academia, a firm, government, or industry in any capacity
 110 involving the substantial use of accounting, financial, tax, or other skills that are relevant, as
 111 determined by the Board, to provide services to an employer using the CPA title or to the public using
 112 the CPA title.

113 "Financial statement" means a written or other form of presentation, including accompanying notes,
 114 which presents, in whole or in part, of historical or prospective financial position, results of operations
 115 or changes in financial position of any person, corporation, partnership or other entity information about
 116 one or more persons or entities.

117 "Firm" means an entity formed by one or more licensees as a sole proprietorship, a partnership, a

corporation, a limited liability company, limited liability partnership, or any other form of organization type of entity permitted by law.

"License" means a CPA certificate or permit.

"License of another state" means the license that is issued by the board of accountancy of a state other than Virginia that gives a person the privilege of using the CPA title in that state or that gives a firm the privilege of providing attest services and compilation services to persons and entities located in that state.

"Licensed" means holding a Virginia license or the license of another state.

"Licensee" means a holder of a CPA certificate or permit person or firm holding a Virginia license or the license of another state.

"Non-CPA owner" means an individual who does not hold a license, provides professional services to clients, and holds an ownership interest in a CPA firm.

"Peer review" means a study, appraisal, or review, by a CPA certificate holder or CPA firm holding a currently valid license that is not affiliated with the firm being reviewed, of one or more aspects of the professional work of a firm that engages in the practice of public accounting or compiles financial statements review of a firm's attest services and compilation services that is conducted in accordance with the applicable monitoring program of the American Institute of Certified Public Accountants' Statements on Standards for Accounting and Review Services (SSARS) Accountants or its successor, or with another monitoring program approved by the Board.

"Permit" means a permit issued to a firm that has met all of the requirements for registration under this chapter. Issuance of a permit shall constitute licensure as defined in § 54.1-300.

"Practice of public accountancy" or "public accounting" accounting" means the giving of an assurance, in a report or otherwise, whether expressly or implicitly, unless this assurance is given by an employee to his employer other than (i) by the person or persons about whom the financial information is presented or (ii) by one or more owners, officers, employees, or members of the governing body of the entity or entities about whom the financial information is presented.

"Providing services to an employer using the CPA title" means providing to an entity services that require the substantial use of accounting, financial, tax, or other skills that are relevant, as determined by the Board.

"Providing services to the public using the CPA title" means providing services that are subject to the guidance of the standard-setting authorities listed in the standards of conduct and practice in subdivisions 5 and 6 of § 54.1-4413.3.

"Registration" or "registered" means the process through which a firm obtains a permit from the Board.

"Report" or "reports," when used with reference to financial statements, means an opinion or disclaimer of opinion or other form of language or representation that states or implies any form of assurance or denial of assurance.

"State" means any state of the United States, the Commonwealth of the Northern Mariana Islands, the District of Columbia, Guam, Puerto Rico, and the U.S. Virgin Islands and Guam.

"Statements on Standards for Accounting and Review Services" or "SSARS" means Statements on Standards for Accounting and Review Services established by the American Institute of Certified Public Accountants.

"Substantial equivalency" means a determination by the Board or its designee that the education, CPA exam and experience requirements contained in the statutes and administrative rules of another jurisdiction are comparable to, or exceed, the education, CPA exam and experience requirements contained in this chapter, or that an individual CPA from another jurisdiction has met education, CPA exam and experience requirements that are comparable to, or exceed, the education, CPA exam, and experience requirements contained in this chapter.

"Using the CPA title in Virginia" means using "CPA," "Certified Public Accountant," or "public accountant" (i) in any form or manner of verbal communication to persons or entities located in Virginia or (ii) in any form or manner of written communication to persons or entities located in Virginia, including but not limited to the use in any abbreviation, acronym, phrase, or title that appears in business cards, the CPA wall certificate, Internet postings, letterhead, reports, signs, tax returns, or any other document or device.

"Virginia license" means a license that is issued by the Board giving a person the privilege of using the CPA title in Virginia or a firm the privilege of providing attest services and compilation services to persons and entities located in Virginia.

§ 54.1-4401. Applicability of chapter.

A. This chapter shall not be construed to prevent any person who is not licensed from:

1. Describing himself as an Using the description "accountant" or a "bookkeeper";
2. Stating that he practices accountancy accounting or bookkeeping;

3. Performing services involving the use of accounting skills;
4. Rendering tax services, or management advisory or consulting services;
5. Keeping the books of account and related accounting records; or
6. Preparing financial statements without ~~the expression of an opinion or an~~ providing assurance.

B. This chapter shall not be construed to prevent any person *who is not licensed* from stating that he has prepared, compiled, assembled or drafted a financial statement, provided he does not use any additional language that comprises an assurance; *or make any claims, or representations, or use any of the language statements* prohibited by § 54.1-4413 § 54.1-4414.

C. The prohibitions of ~~§ 54.1-4413~~ § 54.1-4414 and the other provisions of this chapter shall not be construed to preclude ~~the use of any person who is not licensed from using~~ the following language: "I (We) have compiled the accompanying (financial statements) of (name of entity) as of (time period) *and* for the (period) then ended. A compilation is limited to presenting in the form of financial statements information that is the representation of management (owners). I (We) have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them. Management has elected to omit substantially all (or certain) required disclosures (and the statement of ~~changes in financial position~~ *cash flows*). If *the* omitted disclosures were included in the financial statements, they might influence the user's conclusions about the (entity's) financial position, results of operations, and ~~changes in financial position~~ *cash flows*. Accordingly, these financial statements are not designed for those who are not informed about these matters."

D. *The provisions of this chapter shall not be construed, interpreted, or applied to prohibit any public official or public employee from performing his duly authorized or mandated duties.*

§ 54.1-4402. Board; membership; qualifications; powers and duties.

A. The Board of Accountancy established under the former § 54.1-2000 and previously operating in the Department of Professional and Occupational Regulation is hereby continued and reestablished as an independent board in the executive branch of state government.

B. The Board shall consist of seven members appointed by the Governor as follows: one *member shall be a public member who may be an accountant who does not hold a CPA certificate is not licensed* but otherwise meets the requirements of clauses (i) and (ii) of § 54.1-107; *one educator in the field of accounting; and five certified public accountants as follows: (a) four of whom have been actively engaged in the practice of public accounting for at least three years prior to appointment to the Board and (b) one of whom may be a certified public accountant not engaged in the practice of public accounting at the time of his appointment but who has at least three years of experience in the accounting field prior to appointment.* *one member shall be an educator in the field of accounting who holds a Virginia license; four members shall be holders of Virginia licenses who have been actively engaged in providing services to the public using the CPA title for at least three years prior to appointment to the Board; and one member shall hold a Virginia license and for at least three years prior to appointment to the Board shall have been actively engaged in providing services to the public using the CPA title or in providing services to an employer in government or industry using the CPA title.*

C. Members of the Board shall serve for terms of four years. The Governor may remove any member as provided in subsection B of § 2.2-108. Any ~~certified public accountant~~ member of the Board whose ~~CPA certificate~~ *Virginia license* is revoked or suspended shall automatically cease to be a member of the Board.

~~B. D.~~ The Board shall ~~certify and issue CPA certificates to persons to practice public accountancy and restrict the practice of public accountancy to those persons who are so certified, who may accounting and the use of the CPA title; and shall take such actions as may be authorized by this chapter to ensure their continued competence and to aid the public in determining the qualifications of such persons in Virginia to licensed persons and firms as specified in §§ 54.1-4409.1 and 54.1-4412.1.~~

E. *The Board shall restrict the provision of attest services and compilation services to persons or entities located in Virginia and to as specified in § 54.1-4412.1. However, this shall not affect the privilege of a person who is not licensed to say that financial statements have been compiled or to use the compilation language, as prescribed by subsections B and C of § 54.1-4401.*

F. *The Board shall take such actions as may be authorized by this chapter to ensure the continued competence of persons using the CPA title in Virginia and firms providing attest services or compilation services to persons or entities located in Virginia, and to aid the public in determining their qualifications.*

G. The Board shall ~~issue permits to firms to engage in the practice of public accountancy in the Commonwealth as set forth in § 54.1-4412 or to use the CPA title and take such actions as may be authorized by this chapter to ensure that such firms and their certified public accountants persons using the CPA title in Virginia and firms providing attest services or compilation services to persons or entities located in Virginia~~ *adhere to the standards of conduct and practice in § 54.1-4413.3 and*

regulations promulgated by the Board.

C. H. The Board shall have the responsibility of enforcing this chapter and may by regulation establish rules and procedures for the implementation of the provisions of this chapter.

§ 54.1-4403. General powers and duties of the Board.

The Board shall have the following powers and duties power and duty to:

1. Establish the qualifications of applicants for licensure, provided that all qualifications shall be necessary to ensure competence and integrity.

2. Examine, or cause to be examined, the qualifications of each applicant for licensure, including the preparation, administration and grading of examinations the CPA examinations.

3. Promulgate regulations in accordance with the Administrative Process Act (§ 2.2-4000 et seq.) necessary to assure continued competency, to prevent deceptive or misleading practices by practitioners licensees, and to effectively administer the regulatory system.

4. Levy and collect fees for licensure and registration and the issuance, renewal, or reinstatement of Virginia licenses that are sufficient to cover all expenses for of the administration and operation of the Board.

5. Levy on licensees holders of Virginia licenses special assessments necessary to cover expenses of the Board.

6. Initiate or receive complaints concerning the conduct of persons and businesses licensed or registered by the Board as well as persons and businesses violating holders of Virginia licenses or concerning their violation of the provisions of this chapter or regulations promulgated by the Board, and to take appropriate disciplinary action if warranted.

7. Revoke, suspend or fail to renew a certificate or license for just causes as enumerated in regulations of the Board.

7. Initiate or receive complaints concerning the conduct of persons who use the CPA title in Virginia under the substantial equivalency provisions of § 54.1-4411 or firms that provide attest services or compilation services to persons or entities located in Virginia under the provisions of subsection C of § 54.1-4412.1, and to take appropriate disciplinary action if warranted.

8. Initiate or receive complaints concerning violations of the provisions of this chapter or regulations promulgated by the Board by persons who use the CPA title in Virginia under the substantial equivalency provisions of § 54.1-4411 or firms that provide attest services or compilation services to persons or entities located in Virginia under the provisions of subsection C of § 54.1-4412.1, and to take appropriate disciplinary action if warranted.

9. Revoke, suspend, or refuse to reinstate a Virginia license for just causes as prescribed by the Board.

10. Revoke or suspend, for just causes as prescribed by the Board, a person's privilege of using the CPA title in Virginia under the substantial equivalency provisions of § 54.1-4411 or a firm's privilege of providing attest services or compilation services to persons or entities located in Virginia under the provisions of subsection C of § 54.1-4412.1.

11. Establish requirements for peer reviews of accounting practices or other related programs established to ensure that firms are conducting their practice in accordance with the standards of conduct and practice.

12. Establish continuing professional education standards continuing professional educational requirements as a condition for issuance or, renewal, or reinstatement of a CPA certificate Virginia license.

13. Establish applicable Expand or interpret the standards of conduct and practice for CPA certificate holders in § 54.1-4413.3.

14. Enter into contracts necessary or convenient for carrying out the provisions of this chapter or the functions of the Board.

15. Do all things necessary and convenient for carrying into effect this chapter or as enumerated in and regulations promulgated by the Board.

§ 54.1-4404. Board to employ Executive Director; legal counsel.

A. The Board shall employ an Executive Director who shall serve at the pleasure of the Board. He The Executive Director shall direct the affairs of the Board; and keep records of all proceedings, transactions, communications, and official acts of the Board. He shall; be custodian of all records of the Board; and perform such duties as the Board may require. The Executive Director shall call a meeting of the Board at the direction of the chairman chair of the Board or upon the written request of three or more Board members. The Executive Director, with approval of the Board, may employ such additional staff as needed. The annual salary of the Executive Director shall be established by the Board.

B. The Office of the Attorney General shall provide counsel to the Board. In addition, subject to the approval of the Attorney General, the Board may, from time to time, employ such other counsel as it deems necessary.

§ 54.1-4405. Board of Accountancy Fund; receipts; disbursements.

A. The Board of Accountancy Fund (the Fund) is established as a special fund in the state treasury. Except as otherwise provided in this chapter, all fees collected as provided in this chapter and by regulations promulgated by the Board, shall be paid into the state treasury immediately upon collection and credited to the Fund. Any interest income shall accrue to the Fund. All disbursements from the Fund shall be made by the State Treasurer upon warrants of the Comptroller issued upon vouchers signed by an authorized officer of the Board or the *Executive* Director as authorized by the Board.

B. Notwithstanding any law to the contrary, the Board shall have the discretion to use the moneys deposited in the fund *Fund* to support its operations as the Board deems appropriate.

§ 54.1-4405.1. Board of Accountancy Trust Account; creation; expenditures; excess moneys.

A. There is hereby created in the state treasury a special nonreverting fund (except as set forth in subsection B), to be known as the Board of Accountancy Trust Account (the Trust Account). The purpose of the Trust Account is to provide a supplemental source of funds to the Board on a timely basis for (i) its use in the study, research, investigation and, or adjudication of matters involving possible violations of any statute or regulation pertaining to the professional practices of any Certified Public Accountant (CPA) or CPA firm licensed in the Commonwealth, the provisions of this chapter or regulations promulgated by the Board or (ii) for any other purpose that the Board determines is germane to the Board's statutory purposes and cannot otherwise be funded with available funds through the Fund. The Trust Account shall consist of such funds as may be (i) transferred transfers from time to time by the Board from the Board of Accountancy Fund; and (ii) earnings on the Trust Account.

B. All disbursements from the Trust Account shall be made by the State Treasurer upon warrants of the Comptroller issued upon vouchers signed by an authorized officer of the Board or the *Executive* Director as authorized by the Board. Funds remaining in the Trust Account at the end of a biennium shall continue to remain in the Trust Account and shall accrue earnings throughout the existence of the Trust Account. Upon a determination by the Board that the Trust Account balance exceeds the amount needed for the purposes set forth in subsection A, the Board may transfer such the excess to the Board of Accountancy Fund.

§ 54.1-4406. Powers and duties of the Executive Director.

Based on policies and guidelines established by the Board Within the parameters of policies and guidelines established by the Board, the *Executive* Director shall have the following power and duty to:

1. Employ personnel and assistance necessary for the operation of the Board and the purposes of this chapter;

2. Make and enter into all contracts and agreements necessary or incidental to the performance of the duties of the Board and the execution of its powers under this chapter, including, but not limited to, contracts with the United States government, other states, and with agencies and governmental subdivisions of the Commonwealth, and with other states;

3. Accept grants from the United States government and, its agencies and instrumentalities thereof and any other source. To, and to these ends, the Board shall have the power to comply with such conditions and execute such agreements as may be that are necessary, convenient, or desirable;

4. Serve as the secretary of the Board;

5. Maintain all records for of the Board;

6. Collect and account for all fees and deposit the moneys so collected them into the Board of Accountancy Fund, from which the expenses of the Board shall be paid;

7. Enforce all statutes and regulations the *Executive* Director is required to administer;

8. Exercise other powers necessary to function as the sole administrative officer of the Board; and

9. Perform any additional administrative functions prescribed by the Board.

§ 54.1-4407. Enforcement of laws by the Executive Director or investigators; authority of investigators appointed by the Executive Director.

A. The *Executive* Director or investigators appointed by him shall be:

1. Be sworn to enforce the statutes and regulations pertaining to the Board;

2. The Director or investigators appointed by him shall have Have the authority to investigate violations of the statutes and regulations that the *Executive* Director is required to enforce. The Director or investigators appointed by him shall also have the authority;

3. Have the authority to issue summonses for violations of the statutes provisions of this chapter and or regulations governing the unlicensed practice of public accountancy, including regulants with expired licenses promulgated by the Board.

B. In the event a person or entity that is issued such a summons by the *Executive* Director or investigators appointed by him fails or refuses to discontinue the unlawful acts or refuses to give a written promise to appear at the time and place specified in the summons, the *Executive* Director or the investigator investigators may appear before a magistrate or other issuing authority having jurisdiction to obtain a criminal warrant pursuant to under § 19.2-72.

~~All~~ C. The Executive Director and all investigators appointed by the Executive Director are vested with the authority to administer oaths or affirmations (i) for the purpose of receiving complaints and conducting investigations of violations of the provisions of this chapter, or any regulation regulations promulgated by the Board pursuant to authority given by this chapter or (ii) in connection with any investigation conducted on behalf of the Board. ~~Such~~ The Executive Director and the investigators are vested with the authority to (a) obtain, serve, and execute any warrant, paper, or process issued by any court or magistrate or by the Board under the authority of the Executive Director and (b) request and receive criminal history information under the provisions of § 19.2-389.

§ 54.1-4408. Subpoenas.

In addition to the authority granted in § 2.2-4022 to issue subpoenas and the right to issue subpoenas granted the Board, the Executive Director or a designated subordinate shall have the right to make an ex parte application to the circuit court for the city or county ~~wherein~~ where evidence sought is kept or ~~wherein~~ where a licensee person or firm does business, for the issuance of a subpoena ~~duces tecum~~ in furtherance of for the production of documents. The subpoena shall be requested to further the investigation of a sworn complaint within the jurisdiction of the Board to request by requesting production of any relevant records, documents and, or physical or other evidence of any person; ~~partnership, association or corporation~~ licensed or firm regulated by the Board. The court shall be authorized to issue and compel compliance with such a the subpoena upon a showing of reasonable cause. Upon determining that reasonable cause exists to believe that evidence may be destroyed or altered, the court may issue a subpoena ~~duces tecum~~ for the production of documents requiring the immediate production of evidence.

§ 54.1-4409.1. Licensing requirements for persons.

A. A person must be licensed in order to use the CPA title in Virginia.

1. The person shall hold a Virginia license if he provides services to the public using the CPA title and the principal place of business in which he provides those services is in Virginia.

2. Other persons shall not be required to hold a Virginia license in order to use the CPA title in Virginia provided that they hold the license of another state and comply with the substantial equivalency provisions of § 54.1-4411.

B. The Board shall prescribe the methods, fees, and continuing professional education requirements for a person to apply for the issuance, renewal, or reinstatement of a Virginia license.

C. The Board has the authority to refuse to grant a person the privilege of using the CPA title in Virginia if, based upon all the information available, the Board finds that the person is unfit or unsuited to use the CPA title in Virginia. The Board shall not refuse to grant a person the privilege of using the CPA title in Virginia solely because of a criminal conviction.

§ 54.1-4409.2. How a person may obtain a Virginia license.

A. A person who has not held the license of any state may obtain a Virginia license under this subsection.

1. To be considered for a Virginia license, the person seeking licensure shall:

a. Provide documentation that he has obtained from one or more accredited institutions or from the National College at least 150 semester hours of education, a baccalaureate or higher degree, and an accounting concentration or equivalent, as defined by the Board;

b. Provide documentation that he has passed the CPA examination;

c. Describe his continuing professional education since he passed the CPA examination. The Board shall determine whether his continuing professional education complies with the continuing professional education requirement prescribed by the Board for that period; and

d. Describe his experience. The Board shall determine whether his experience complies with the experience requirement prescribed by the Board.

2. After evaluating information provided by the person, the Board may request additional information and may impose additional requirements for obtaining a Virginia license.

B. A person who does not hold the license of another state but has previously held the license of another state may obtain a Virginia license under this subsection.

1. To be considered for a Virginia license, the person seeking licensure shall:

a. Disclose to the Board each state in which he has held a license;

b. Disclose, for each of those states, why the license is no longer held and provide documentation from the board of accountancy concerning whether he has been found guilty of any violations of the standards of conduct and practice established by statutes of the state or regulations promulgated by the board;

c. Describe the semester hours of education he has obtained from colleges and universities. The Board shall determine whether the education obtained is substantially equivalent to the education that would have been required by the Board when the person passed the CPA examination;

d. Describe his continuing professional education since he last held the license of another state. The

Board shall determine whether his continuing professional education complies with requirement prescribed by the Board for reinstatement of a Virginia license; and

e. Describe his experience. The Board shall determine whether his experience complies with the experience requirement prescribed by the Board.

2. After evaluating the information provided by the person, the Board may request additional information and may impose additional requirements for obtaining a Virginia license.

C. A person who holds the license of another state may obtain a Virginia license under this subsection.

1. To be considered for a Virginia license, the person seeking licensure shall:

a. Disclose to the Board each state in which he holds or has held a license;

b. Provide, for each state in which the person holds a license, documentation from the board of accountancy concerning whether he is in good standing with the board, whether there are any pending actions alleging violations of the standards of conduct and practice established by statutes of the state or regulations promulgated by the board, and whether he has been found guilty of any violations of the standards of conduct and practice established by statutes of the state or regulations promulgated by the board;

c. Disclose, for each state in which the person has held a license, why the license is no longer held and provide documentation from the board of accountancy concerning whether he has been found guilty of any violations of the standards of conduct and practice established by statutes of the state or regulations promulgated by the board;

d. Describe the semester hours of education he has obtained from colleges and universities. The Board shall determine whether the education obtained is substantially equivalent to the education that would have been required by the Board when the person passed the CPA examination;

e. Describe his continuing professional education during the most recent reporting period that would be required for the holder of a Virginia license. The Board shall determine whether his continuing professional education complies with the continuing professional education requirement prescribed by the Board for that period; and

f. Describe his experience. The Board shall determine whether his experience complies with the experience requirement prescribed by the Board.

2. After evaluating the information provided by the person, the Board may request additional information and may impose additional requirements for obtaining a Virginia license.

§ 54.1-4411. Substantial equivalency provisions for persons who hold the license of another state.

A. A nonresident of the Commonwealth shall be granted the privilege of practicing public accounting in the Commonwealth if he holds a valid and unrestricted CPA certificate or license to practice public accounting in another state or foreign jurisdiction that is determined by the Board or its designee to have education, CPA exam and experience requirements substantially equivalent to those provided by this chapter or if the Board determines that the nonresident individual has met education, CPA exam and experience requirements that are substantially equivalent to those provided by this chapter. The Board shall provide by regulation the manner in which the privilege to practice under this section shall be evidenced.

B. Any person intending to exercise the privileges of a CPA certificate holder in the Commonwealth under this section shall: A person who holds the license of another state shall be considered to have met requirements that are substantially equivalent to those prescribed by the Board if:

1. The Board has determined that the education, CPA examination, and experience requirements of the state are substantially equivalent to those prescribed by the Board, or

2. The person has demonstrated meeting education, CPA examination, and experience requirements that are substantially equivalent to those prescribed by the Board.

B. A person who holds the license of another state and meets the substantial equivalency provisions of subsection A shall not be required to hold a Virginia license to use the CPA title in Virginia provided that either (i) he provides services to the public using the CPA title and the principal place of business in which he provides those services is in other states or (ii) he does not provide services to the public using the CPA title. However, to use the CPA title in Virginia, the person shall:

1. Consent to be subject to:

(i) a. the same laws, regulations and standards of conduct applying to holders of CPA certificates issued by the Board provisions of this chapter and regulations promulgated by the Board that apply to the holder of a Virginia license,

(ii) b. the jurisdiction of the Board in all disciplinary proceedings arising out of matters related to his exercise of the privileges granted by this section use of the CPA title in Virginia, and

(iii) c. the Board's authority to revoke or suspend his privilege to practice public accounting in the Commonwealth use the CPA title in Virginia under this section and to impose penalties for the person's violations of the provisions of this chapter and regulations promulgated by the Board.

2. Consent to the appointment of the *executive* director of the state board of accountancy of the state that issued his CPA certificate or the license as his agent, upon whom process may be served (i) in any action or proceeding by the Board against him, or (ii) in any civil action in Virginia courts arising out of his professional activities in the Commonwealth using the CPA title in Virginia. In the event he holds a CPA certificate or license from more than one state, the Board by regulation shall establish which executive director shall serve as his agent.

3. Consent to the personal and subject matter jurisdiction of the courts of the Commonwealth Virginia in any civil action arising out of his professional activities in the Commonwealth use of the CPA title in Virginia and agree that the proper venue for such actions is in the Commonwealth Virginia.

4. Agree to cease using the CPA title in Virginia if he is no longer licensed.

C. A person who holds a CPA certificate issued by the Board and holder of a Virginia license who is exercising the privileges of a CPA certificate holder using the CPA title in another state under a comparable substantial equivalency provision of that state's law provisions of statutes of the state or regulations promulgated by the board of accountancy of the state shall be subject to disciplinary action by the Board for an act or omission committed in the Commonwealth that state. The Board shall may investigate any complaint made to or by the board of accountancy of another any state related to the person's exercise use of the privileges of a CPA certificate holder title in the Commonwealth that state.

D. The Board may cooperate and share information with appropriate authorities in other states in investigations or enforcement matters concerning violations of the provisions of this chapter or regulations promulgated by the Board and comparable statutes or regulations of other states or boards of accountancy.

§ 54.1-4412.1. Licensing requirements for firms.

A. Only a firm can provide attest services or compilation services to persons or entities located in Virginia. However, this shall not affect the privilege of a person who is not licensed to say that financial statements have been compiled or to use the compilation language, as prescribed by subsections B and C of § 54.1-4401.

B. A firm that provides attest services or compilation services to persons or entities located in Virginia shall obtain a Virginia license if the principal place of business in which it provides those services is in Virginia.

C. A firm that is not required to obtain a Virginia license may provide attest services or compilation services to persons or entities located in Virginia if:

1. The firm's personnel working on the engagement either (i) hold a Virginia license or (ii) hold the license of another state and comply with the substantial equivalency provisions of § 54.1-4411, or

2. The firm's personnel working on the engagement are under the supervision of a person who either (i) holds a Virginia license or (ii) holds the license of another state and complies with the substantial equivalency provisions of § 54.1-4411.

D. For a firm to obtain a Virginia license:

1. As determined on a firm-wide basis:

a. At least 51 percent of the owners of the firm shall be licensees, trustees of an eligible employee stock ownership plan as defined in § 13.1-543, or a firm that meets this requirement, and

b. At least 51 percent of the voting equity interest in the firm shall be owned by persons who are licensees, by trustees of an eligible employee stock ownership plan as defined in § 13.1-543, or by a firm that meets this requirement.

If the death, retirement, or departure of an owner causes either of these requirements not to be met, the requirement shall be met within one year after the death, retirement, or departure of the owner.

2. The Board shall prescribe requirements concerning the hours that owners who are not licensees work in the firm and may prescribe other requirements for those persons.

3. All attest services and compilation services provided for persons and entities located in Virginia shall be under the supervision of a person who either (i) holds a Virginia license or (ii) holds the license of another state and complies with the substantial equivalency provisions of § 54.1-4411.

4. Any person who releases or authorizes the release of reports on attest services or compilation services provided for persons or entities located in Virginia shall:

a. Either (i) hold a Virginia license or (ii) hold the license of another state and comply with the substantial equivalency provisions of § 54.1-4411, and

b. Meet any additional requirements the Board prescribes.

5. The firm shall conduct its attest services and compilation services in conformity with the standards of conduct and practice in § 54.1-4413.3 and regulations promulgated by the Board.

6. The firm shall be enrolled in the applicable monitoring program of the American Institute of Certified Public Accountants or its successor, or in another monitoring program for attest services and compilation services that is approved by the Board. In addition, the firm shall comply with any requirements prescribed by the Board in response to the results of peer reviews.

7. The name of the firm shall not be false, misleading, or deceptive.

E. The Board shall prescribe the methods and fees for a firm to apply for the issuance, renewal, or reinstatement of a Virginia license.

F. An entity may not use the CPA title in Virginia unless it meets the requirements of subdivision D 1.

§ 54.1-4413.2. The renewal and reinstatement of licenses and lifting the suspension of privileges.

A. A Virginia license shall provide its holder with a 12-month privilege to use the CPA title in Virginia or provide attest services and compilation services to persons and entities located in Virginia.

B. The person or firm holding the license shall have an additional 12-month period after the expiration of a license to renew the license.

1. The Board may prescribe renewal fees and requirements that increase based on the amount of time the person or firm allows to elapse before applying for renewal.

2. During the additional 12-month period, the person or firm shall be considered to hold a Virginia license.

C. If the license is not renewed by the end of the additional 12-month period, it shall be considered to have expired and the person or firm shall be considered to no longer hold a Virginia license.

D. A person whose Virginia license expired may obtain a new Virginia license under subsection C of § 54.1-4409.2 if he holds the license of another state.

E. The license of a person whose Virginia license expired and who does not hold the license of another state may be reinstated under this subsection. In addition, a person whose privilege of using the CPA title in Virginia was suspended may have the suspension lifted under this subsection.

1. To be considered for reinstatement of a Virginia license or lifting the suspension of the privilege of using the CPA title in Virginia:

a. The person shall disclose to the Board why he no longer holds a Virginia license or why his privilege of using the CPA title in Virginia was suspended.

b. The person shall disclose to the Board each state in which he holds or has held a license.

c. For each of the states in which the person holds a license, he shall provide documentation from the board of accountancy about whether he is in good standing with the board, whether there are any pending actions alleging violations of the standards of conduct and practice established by statutes of the state or regulations promulgated by the board, and whether he has been found guilty of any violations of the standards of conduct and practice established by statutes of the state or regulations promulgated by the board.

d. For each of the states in which the person has held a license, the person shall disclose why he no longer holds a license and provide documentation from the board of accountancy concerning whether he has been found guilty of any violations of the standards of conduct and practice established by statutes of the state or regulations promulgated by the board.

e. The person shall describe his continuing professional education since his Virginia license expired or was suspended. The Board shall determine whether his continuing professional education complies with the continuing professional education requirement prescribed by the Board for that period.

2. After evaluating the information provided by the person, the Board may request additional information and may impose additional requirements for reinstatement of the Virginia license or lifting the suspension.

3. The Board shall communicate to the person its decision and, if the request for reinstatement or lifting the suspension is denied, the reasons for the denial. The request may be resubmitted when the person believes the matters affecting the request have been satisfactorily resolved. The person may request a proceeding in accordance with the provisions of the Administrative Process Act (§ 2.2-4000 et seq.).

F. The license of a firm whose Virginia license expired may be reinstated under this subsection. In addition, a firm whose privilege of providing attest services or compilation services to persons or entities located in Virginia was suspended may have the suspension lifted under this subsection.

1. To be considered for reinstatement of a Virginia license or lifting the suspension of the privilege of providing attest services or compilation services to persons or entities located in Virginia:

a. The firm shall disclose to the Board why it no longer holds a Virginia license or why its privilege of providing attest services or compilation services to persons or entities located in Virginia was suspended.

b. The firm shall disclose to the Board each state in which it holds or has held a license.

c. For each of the states in which the firm holds a license, it shall provide documentation from the board of accountancy concerning whether it is in good standing with the board, whether there are any pending actions alleging violations of the standards of conduct and practice established by statutes of the state or regulations promulgated by the board, and whether it has been found guilty of any violations of these standards of conduct and practice.

d. For each of the states in which the firm has held a license, the firm shall disclose why it no longer holds a license and provide documentation from the board of accountancy concerning whether it has been found guilty of any violations of the standards of conduct and practice established by statutes of the state or regulations promulgated by the board.

2. After evaluating the information provided by the firm, the Board may request additional information and may impose additional requirements for reinstatement of the Virginia license or lifting the suspension.

3. The Board shall communicate to the firm its decision and, if the request for reinstatement or lifting the suspension is denied, the reasons for the denial. The request may be resubmitted when the firm believes the matters affecting the request have been satisfactorily resolved. The firm may request a proceeding in accordance with the provisions of the Administrative Process Act (§ 2.2-4000 et seq.).

G. The Board shall consider granting the privilege of using the CPA title in Virginia, or the privilege of providing attest services or compilation services to persons or entities located in Virginia, to persons or firms that have had the privilege revoked only when the person or firm demonstrates to the Board that there are special facts and circumstances that warrant reconsideration by the Board of whether it should allow the person or firm to have the privilege.

§ 54.1-4413.3. Standards of conduct and practice.

Persons using the CPA title in Virginia and firms providing attest services or compilation services to persons or entities located in Virginia shall conform to the following standards of conduct and practice.

1. Exercise sensitive professional and moral judgment in all activities.

2. Act in a way that serves the public interest, honors the public trust, and demonstrates commitment to professionalism.

3. Perform all professional responsibilities with the highest sense of integrity, maintain objectivity and freedom from conflicts of interest in discharging professional responsibilities, and avoid knowingly misrepresenting facts or inappropriately subordinating judgment to others.

4. Follow the Code of Professional Conduct, and the related interpretive guidance, issued by the American Institute of Certified Public Accountants, or any successor standard-setting authorities.

5. Follow the technical standards, and the related interpretive guidance, issued by committees and boards of the American Institute of Certified Public Accountants that are designated by the Council of the American Institute of Certified Public Accountants to promulgate technical standards, or that are issued by any successor standard-setting authorities.

6. Follow the standards, and the related interpretive guidance, as applicable under the circumstances, issued by the Comptroller General of the United States, the Federal Accounting Standards Advisory Board, the Financial Accounting Standards Board, the Governmental Accounting Standards Board, the Public Company Accounting Oversight Board, the U. S. Securities and Exchange Commission, comparable international standard-setting authorities, or any successor standard-setting authorities.

7. Do not engage in any activity that is false, misleading, or deceptive.

§ 54.1-4413.4. Penalties.

A. Penalties the Board may impose consist of:

1. Revoking the privilege of using the CPA title in Virginia or providing attest services or compilation services to persons or entities located in Virginia;

2. Suspending or refusing to reinstate the privilege of using the CPA title in Virginia or providing attest services or compilation services to persons or entities located in Virginia;

3. Reprimanding, censuring, or limiting the scope of practice of any person using the CPA title in Virginia or any firm providing attest services or compilation services to persons or entities located in Virginia;

4. Placing any person using the CPA title in Virginia or any firm providing attest services or compilation services to persons or entities located in Virginia on probation, with or without terms, conditions, and limitations;

5. Requiring a firm holding a Virginia license to have an accelerated peer review conducted as the Board may specify or to take other remedial actions;

6. Requiring a person holding a Virginia license to satisfactorily complete additional or specific continuing professional education as the Board may specify; and

7. Imposing a monetary penalty up to \$100,000 for each violation of the provisions of this chapter or regulations promulgated by the Board; any monetary penalty may be sued for and recovered in the name of the Commonwealth.

B. The Board may impose penalties on persons using the CPA title in Virginia or firms providing attest services or compilation services to persons or entities located in Virginia for:

1. Violation of the provisions of this chapter or regulations promulgated by the Board.

2. Fraud or deceit in obtaining, renewing, or applying for reinstatement or lifting the suspension of

667 a Virginia license.

668 3. Revocation, suspension, or refusal to reinstate the license of another state for disciplinary reasons.

669 4. Revocation or suspension of the privilege of practicing before any state or federal agency or
670 federal court of law.

671 5. Dishonesty, fraud, or gross negligence in providing services to an employer using the CPA title, in
672 providing services to the public using the CPA title, or in providing attest services or compilation
673 services.

674 6. Dishonesty, fraud, or gross negligence in preparing the person's or firm's own state or federal
675 income tax return or financial statement.

676 7. Conviction of a felony, or of any crime involving moral turpitude, under the laws of the United
677 States, of Virginia, or of any other state if the acts involved would have constituted a crime under the
678 laws of Virginia.

679 8. Lack of the competence required to provide services to the public using the CPA title for persons
680 and entities located in Virginia or to provide attest services and compilation services to persons and
681 entities located in Virginia, as determined by the Board.

682 C. The Board may also impose penalties on:

683 1. A person who does not hold a Virginia license, or who does not meet the requirements to use the
684 CPA title in Virginia under the substantial equivalency provisions of § 54.1-4411, and commits any of
685 the acts prohibited by § 54.1-4414, or

686 2. An entity that does not meet the criteria prescribed by subdivision D 1 of § 54.1-4412.1 and
687 commits any of the acts prohibited by § 54.1-4414.

688 § 54.1-4413.5. Confidential consent agreements.

689 A. The Board may enter into a confidential consent agreement with a person or firm in lieu of
690 disciplinary action.

691 B. A confidential consent agreement:

692 1. Shall be entered into only in cases involving minor violations of the provisions of this chapter or
693 regulations promulgated by the Board;

694 2. Shall not be disclosed by the person or firm;

695 3. Shall include findings of fact and may include an admission or a finding of a violation; and

696 4. Shall not be considered a notice or order of the Board but may be considered by the Board in
697 future disciplinary proceedings.

698 C. The Board shall adopt regulations in accordance with the Administrative Process Act (§ 2.2-4000
699 et seq.) to implement the provisions of this section. Such regulations shall identify the type of minor
700 violations for which confidential consent orders may be offered and limit the number of confidential
701 consent orders that may be offered to the same licensee in any given period. The Board shall not enter
702 into a confidential consent agreement if there is probable cause to believe a licensee has demonstrated
703 gross negligence or intentional misconduct in the practice of public accounting.

704 § 54.1-4414. Prohibited acts.

705 A. A person who does not hold a valid CPA certificate shall not:

706 1. Claim to hold a valid CPA certificate;

707 2. Practice or offer to practice public accountancy or public accounting;

708 3. Make any other claim of licensure, registration, or approval related to the preparation of financial
709 statements that is false or misleading;

710 4. Describe himself as or assume any of the following titles or designations: certified public
711 accountant, CPA, public accountant, PA, certified accountant, CA, chartered accountant, licensed
712 accountant, LA, registered accountant, RA, independent auditor, IA or auditor;

713 5. Claim to have used "generally accepted accounting principles," "generally accepted accounting
714 standards," "public accountancy standards," "public accountancy principles," "generally accepted auditing
715 principles," "generally accepted auditing standards," or "standards promulgated by the American Institute
716 of Certified Public Accountants" or any successor thereto including SSARS, in connection with his
717 preparation of any financial statement; nor shall he use any of these terms in describing any complete or
718 partial variation from such standards or principles or to imply complete or partial conformity with such
719 standards or principles;

720 6. Use the words "audit," "audit report," "independent audit," "attest," "attestation," "examine,"
721 "examination," "opinion," or "review" in a report, as that term is defined in this chapter, and that
722 expresses assurance on a financial statement; or

723 7. State or imply that he is tested, competent, qualified, or proficient in financial standards
724 established by (i) the American Institute of Certified Public Accountants or any agency thereof, (ii) the
725 Governmental Accounting Standards Board or any agency thereof, (iii) the Securities and Exchange
726 Commission or any agency thereof, (iv) the Financial Accounting Standards Board, or (v) any successor
727 entity to an entity named in this subdivision.

B. A firm shall not use a name that is false, misleading or deceptive.

C. This section shall not prohibit any officer, partner, member, manager, or employee of any firm or organization from affixing that person's signature to any statement in reference to the financial affairs of such firm or organization with any wording designating the position, title, or office that person holds therein, nor does this section prohibit any act of a public official or employee in the performance of his duties. Neither (i) a person who does not hold a Virginia license or who does not meet the requirements to use the CPA title in Virginia under the substantial equivalency provisions of § 54.1-4411 nor (ii) an entity that does not meet the criteria prescribed by subdivision D 1 of § 54.1-4412.1 shall:

1. Practice public accounting;
2. Claim to hold a license to use the CPA title;
3. Make any other claim of licensure, registration, or approval related to the preparation of financial statements that is false or misleading;
4. Use the CPA title; or
5. Refer to any of the standard-setting authorities listed in the standards of conduct and practice in subdivisions 5 and 6 of § 54.1-4413.3, or refer to or use any of the terminology prescribed by those authorities for reporting on financial statements, in any form or manner of communication about services provided to persons or entities located in Virginia.

§ 54.1-4415. Exemptions from unlawful acts.

A. The unlawful acts set forth listed in § 54.1-4414 shall not apply to or prohibit a person or firm entity holding a certification, designation, degree, or license granted in a foreign country entitling the holder thereof to engage in the practice of public accountancy accounting or its equivalent in such the country, provided that:

1. The practice of the person or firm entity in the Commonwealth Virginia is limited to providing services to persons or firms entities who are residents of, governments of, or business entities of the country in which such the entitlement is held;

2. Such The person or firm entity does not engage in the practice of public accountancy in the preparation of financial statements about accounting for any other person, firm, or governmental unit located in the Commonwealth of Virginia; and

3. The person or firm entity designates the country of origin and does not use any title or designation other than the one under which he or it the entity may lawfully practice in the country of origin, which may be followed by a translation of such the title or designation into English.

B. The provisions of this chapter shall not be construed, interpreted, or applied in such a way as to prohibit any public employee from performing his duly authorized or mandated duties.

§ 54.1-4416. Board's powers with respect to hearings under this chapter.

The Board may, in hearings arising under this chapter, determine the place in the Commonwealth Virginia where they the hearings shall be held; subpoena witnesses; take depositions of witnesses residing outside the Commonwealth in the manner provided for in civil actions in courts of record; pay these the witnesses the fees and mileage and other expense reimbursements for their attendance as is provided for witnesses in civil actions in courts of record; and administer oaths.

§ 54.1-4418. Recovery of cost after grant of formal fact-finding.

After a formal fact-finding pursuant to under § 2.2-4020 wherein a sanction in which a penalty is imposed to fine, or to suspend, revoke or deny renewal of any license or registration refuse to reinstate or lift the suspension of a Virginia license, the Board may assess the holder thereof or former holder of the license the cost of conducting such the fact-finding when the Board has final authority to grant such the license, certificate or registration, unless the Board determines that the offense was inadvertent or done in a good faith good-faith belief that such the act did not violate a statute or regulation provisions of this chapter or regulations promulgated by the Board. The cost shall be limited to (i) the reasonable hourly rate for the hearing officer and, (ii) the actual cost of recording the proceedings, (iii) a reasonable administrative charge for personnel and other administrative costs incurred by the Board in connection with the hearing, and (iv) a reasonable charge for any consultants retained by the Board.

§ 54.1-4420. Annual audit.

The Board's financial records and statements shall be prepared in accordance with generally accepted accounting principles and shall be audited annually by the Auditor of Public Accounts, or his legally authorized representatives, or by a certified public accounting firm, as selected by the Board after through a competitive procurement.

§ 54.1-4421. Biennial report.

The Board shall submit a biennial report to the Governor and General Assembly on or before November 1 of each even-numbered year. The biennial report shall contain, at a minimum, the following information: (i) a description of the Board's activities, (ii) a report on the audit of the Board's financial statements for the biennium, (iii) statistical information regarding the administrative hearings and decisions of the Board, and (iv) a general summary of all complaints received against licensees persons

789 *and firms* and the procedures used to resolve the complaints.

790 § 54.1-4423. Use of consultants in investigations.

791 A. The Board may develop a roster of consultants and may contract with consultants to assist the
 792 Board in investigating and evaluating violations of ~~statutes and regulations of the provisions of this~~
 793 *chapter and regulations promulgated by* the Board and to provide expert testimony as necessary in any
 794 subsequent administrative hearing or court proceeding. The consultants' compensation shall be
 795 determined and paid by the Board.

796 B. Any consultant under contract with the Board shall have immunity from civil liability resulting
 797 from any communication, finding, opinion, or conclusion made in the course of his duties unless ~~such~~
 798 *the person acted in bad faith or with malicious intent.*

799 2. That §§ 54.1-4409, 54.1-4410, 54.1-4412, 54.1-4413, 54.1-4413.1, 54.1-4417, and 54.1-4419 of the
 800 Code of Virginia are repealed.

801 3. That the Board for Accountancy shall promulgate regulations to implement the provisions of
 802 this act to be effective within 280 days of its enactment.