

A photograph of the Cleveland skyline, featuring several prominent skyscrapers under a clear blue sky. The buildings are reflected in a body of water in the foreground.

# Accountancy Board of Ohio

## Annual Report

Fiscal Year End - June 30, 2020





## INTRODUCTION

The Accountancy Board of Ohio is the state government agency established by the Ohio General Assembly in 1908 to regulate the practice of public accounting in Ohio. The Board is responsible for examining and licensing certified public accountants, licensing the remaining public accountants, registering public accounting firms and enforcing the provisions of Chapter 4701 of the Ohio Revised Code as passed by the General Assembly and Chapter 4701 of the Ohio Administrative Code as adopted by the Board.

The Board is entirely self-sustaining. It does not spend any tax dollars. Revenue is generated from fees collected for license applications, license renewals and other services. The Board reimburses other state agencies for services rendered.

The Ohio Attorney General is the statutory legal counsel to the Board. The Principal Assistant Attorney General, represents the Board in administrative hearings and court proceedings.

## MISSION STATEMENT

The mission of the Accountancy Board of Ohio is to assure that the services received by Ohio's citizens and businesses from CPAs and PAs licensed by the Board, will always be performed in an ethical and professional manner and to strictly and fairly enforce Ohio's statutes and rules.

## VISION STATEMENT

It is the vision of the Accountancy Board of Ohio to become the regulatory agency that provides quality service to the public through the effective use of technology and the implementation of best business practices.

# Message from the Board Chair

Margaret A. Gilmore, CPA

*“I have been a licensed CPA for over 23 years, and I have been privileged to serve as Chair of the Accountancy Board of Ohio during one of the most externally challenging years.”*

The Accountancy Board of Ohio is the state government agency established by the Ohio General Assembly in 1908 to regulate the practice of public accounting in Ohio. The Board is responsible for examining and licensing certified public accountants, licensing the remaining public accountants, registering public accounting firms and enforcing the provisions of Chapter 4701 of the Ohio Revised Code.

The following is a brief summary of the Accountancy Board accomplishments and initiatives for 2020.

Currently, there are 22,786 permit holders, 8,137 registration holders, 5,582 retired status, 1,014 peer review firms, and 1,665 tax/consulting firms registered with the Board.

A total of 697 CPAs were certified during the 2020 fiscal year.

Our total expenditures for Fiscal year 2020 for the Education Assistance Fund totaled over \$452,000. This fund helps students who are in their fifth year of college studies and are planning on taking the CPA exam.

Due to the impact of COVID-19, the Accountancy Board was required to adjust and conduct all its day-to-day business remotely beginning in March 2020. The Board accomplished this in a secure and professional fashion, and I cannot give high enough praise to the Executive Director and his entire team for the seamless transition from physical to virtual service. The Accountancy Board had its first fully virtual public meeting on June 5, 2020, and all considered, it went smoothly and has since been followed by two additional virtual public meetings. It was the intent of the board to visit the University of Dayton for our annual college day in September, but that will have to wait until a future date. In the meantime, representatives from NASBA, the Ohio CPA foundation and the Ohio Society of CPAs have spoken at our public meetings about relevant issues to CPAs and potential CPAs throughout the state.

The Ohio Accountancy Board was an early proponent of continuous CPA exam testing, which this past summer became a reality. Our past and present board members continue to be involved in representing our state on the national level, in associations such as the AICPA and NASBA, and here at home with the Ohio Society of CPAs and the Ohio CPA foundation. I want to personally thank our executive director, legal counsel, and support staff for their guidance, knowledge and endless support of the board and its members this past year, with particular thanks and gratitude of the proactive adaptation to the circumstances wrought by the pandemic. Without their support, we would not have such an accomplished board.

Finally, I would like to thank each board member who give up so much of their time and talent to support the board, its members, and our worthy profession.

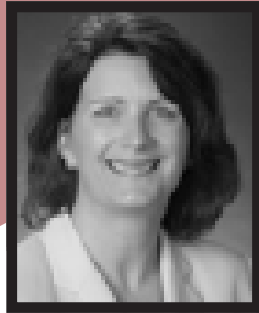
With great confidence and conviction, I pass the gavel to incoming Chair Ms. Kenya Watts, CPA.

Respectfully,  
Margaret A. Gilmore, CPA

# ACCOUNTANCY BOARD OF OHIO MEMBERS

## OFFICERS

The Board is composed of nine members, eight of whom are certified public accountants and one who is a member of the general public. The Governor, with the advice and consent of the Senate, appoints each member to a seven-year term. Board members are compensated on an hourly basis for time devoted to the Board's affairs. They are reimbursed for expenses incurred in the performance of their official duties.



**Margaret A. Gilmore, CPA**  
**Chair**

Term 2/09/2015—10/20/2021  
(licensed since 1997)

Managing Director, BDO, Columbus, Ohio  
Adjunct Professor, Capital University  
Columbus, Ohio



**Kenya Y. Watts, CPA**  
**Vice-Chair**

Term 1/14/2016—10/20/2022  
(licensed since 2003)

Manager, Business Services for  
BHM CPA group  
Columbus, Ohio



**James B. Redmond, CPA**  
**Secretary**

Term 1/14/2016—10/20/2022  
(licensed since 2009)

Audit Partner, Deloitte & Touche LLP,  
Columbus, Ohio



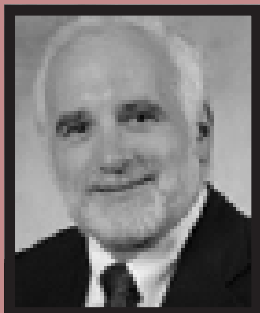
**Mike M. Guinigundo, CPA**  
**Past-Chair**

Term 10/21/2013—10/20/2020  
(licensed since 1997)

Owner, Guinigundo & Guinigundo CPAs Inc.  
Fairfield, Ohio

# ACCOUNTANCY BOARD OF OHIO MEMBERS

## MEMBERS



### **Gerald P. Weinstein, CPA**

Term 05/30/2017—10/20/2023

(licensed since 1977)

Professor of Accountancy, John Carroll  
University, University Heights, Ohio

### **John E. Soucie, CPA**

Term 05/30/2017—10/20/2023

(licensed since 1984)

Managing Director, Grant Thornton LLP,  
Cleveland, Ohio



### **R. Scott Blake, MBA (Public Member)**

Term 11/14/2017-10/20/2024

Financial Advisor, Northwestern Mutual,  
Columbus, Ohio

### **Brendan P. Fitzgerald, CPA**

Term 12/7/2018—10/20/2025

(licensed since 1988)

Partner, Sustin, Bartell & Fitzgerald,  
LTD, Certified Public Accountants  
Cleveland, Ohio



### **Louise A. Jackson, CPA**

Term 10/21/2019—10/20/2026

(licensed since 1974)

Member, Eastman & Smith, LTD  
Toledo, Ohio



# ACCOUNTANCY BOARD OF OHIO

## Standing Committees 2020

Maggie Gilmore, Board Chair

(The Board Chair is an ex-officio member of all committees)

### Executive Committee

Maggie Gilmore, Chair  
Kenya Watts, Vice Chair  
James Redmond, Secretary

### Education Assistance Committee

Kenya Watts, Chair  
Gerald Weinstein  
R. Scott Blake  
Brendan Fitzgerald  
Michael Guinigundo

### Disciplinary Advisory Committee

James Redmond, Chair  
John Soucie  
R. Scott Blake  
Michael Guinigundo  
Louise Jackson

### Office Oversight Committee

R. Scott Blake, Chair  
Kenya Watts  
John Soucie  
Brendan Fitzgerald  
Louise Jackson

### Nominating Committee

Maggie Gilmore, Chair  
John Soucie  
Gerald Weinstein

### Peer Review Oversight Committee

Gerald Weinstein, Chair  
James Redmond  
John Soucie  
Mike Fritz  
James Gero

### Licensing Committee

John Soucie, Chair  
James Redmond  
Kenya Watts  
Gerald Weinstein  
Michael Guinigundo

### Finance and Audit Committee

Maggie Gilmore, Chair  
James Gottfried  
R. Scott Blake  
Mike Fritz

# ACCOUNTANCY BOARD OF OHIO

## GOVERNOR'S OFFICE

### Board/Commission Member I (62221)

Margaret Gilmore, PCN 20070603 • Kenya Watts, PCN 20070606  
James Redmond, PCN 20070610 • Gerald Weinstein, PCN 20070607  
John Soucie, PCN 20070608 • R. Scott Blake, PCN 20070605  
Brendan Fitzgerald, PCN 20070604 • Louise Jackson, PCN 20070609  
Michael Guinigundo, PCN 20070611

**John E. Patterson**  
Acc Bd Exec Dir  
(62131) PCN 20070621

**Tracey F. Fithen**  
Program Admin 3  
(63123) PCN 20070623

**Donna M. Oklok**  
Investigations Sup 1  
(26216) PCN 20070622

**Charlene Nortey** – Investigator  
(26211) - PCN 20070615

**Sarah Sarnowski** – Investigator  
(26211) - PCN 20070612

**Karen Salyer** – Cert/Lic Examiner 2  
(16842) PCN 20070617

**Kelly Kelly** – Cert/Lic Examiner 2  
(16842) PCN 20070614

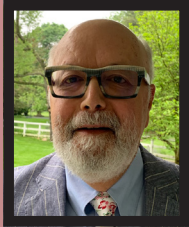
**Faith Harvell** – Admin Prof 1  
(12551) PCN 2007613

**Rikki Johnson** – Admin Prof 1  
(12551) PCN 20070618

# ACCOUNTANCY BOARD OF OHIO

## Accountancy Board Staff

### Executive Office



John E. Patterson  
Executive Director  
(614) 995-0192

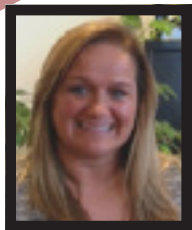


Tracey F. Fithen  
Assistant Executive Director  
(614) 644-9037

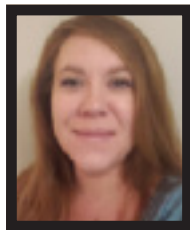


Mike M. Guinigundo, CPA  
Immediate Past Chair

### Operations Staff



Kelly Ann Kelly  
Firm Registration  
(614) 752-8249



Faith Harvell  
Revenue/Education  
Assistance Program  
(614) 728-6764

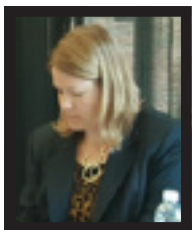


Karen Salyer  
CPA Certification/  
Licensing  
(614) 752-7472



Rikki Johnson  
Information Secretary  
(614) 752-5075

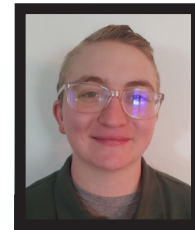
### Enforcement & Compliance



Donna Oklok  
Investigations Supervisor  
(614) 728-3004



Charlene Nortey  
Investigator  
(614) 466-1660



Sarah Sarnowski  
Investigator  
(614) 752-2468

### OHIO ATTORNEY GENERAL

Jahan Karamali  
General Counsel, Assistant State Attorney General

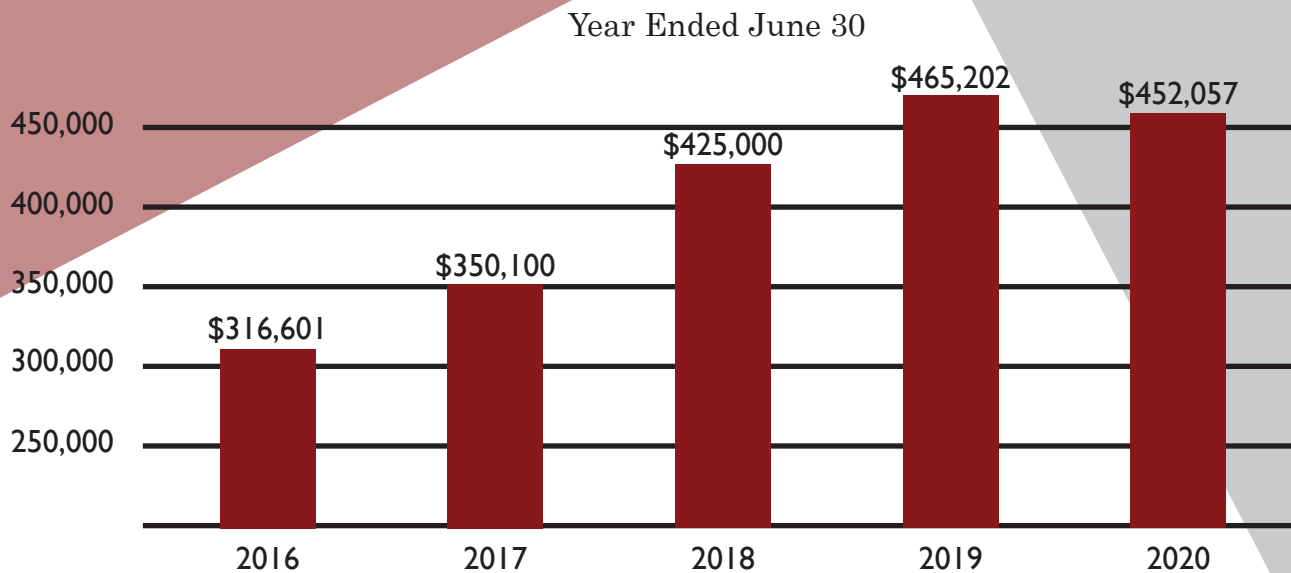


# EDUCATION ASSISTANCE GRANT PAYMENTS

## By Fiscal Year

In 1992, the Ohio General Assembly passed legislation authorizing an education assistance program for students enrolled in the fifth year of study, who demonstrate financial need and intend to sit for the CPA exam.

### Education Assistance Grant Payments by Fiscal Year



# CPA CERTIFICATE AND EXAMINATION

In order to obtain the CPA certificate, a candidate needs to complete the three “E’s” of education, examination, and experience.

Since January 1, 2000, the education and experience requirements for the CPA certificate has been:

## Education

A baccalaureate degree and 150 semester hours of college credit, including 30 semester hours in accounting and 24 semester hours in business courses other than accounting courses.

OR

An associates or baccalaureate degree and a minimum 620 score on the Graduate Management Admission Test.

## GMAT

The candidate must also complete 30 accounting hours and 24 business hours.

## Examination

Successful completion of the CPA examination.

## Experience

One year of experience performing accounting or accounting-related duties acceptable to the Board.

Since 2004 the CPA examination has been computer-based. The exam is available during the first two months of each calendar quarter. There are four sections to the CPA examination: Auditing, Business Environment and Concepts, Financial Accounting and Reporting, and Regulation. They may be taken in any order.

For more information about the CPA exam go to:  
<http://acc.ohio.gov/CPAExam.aspx>.

The computer-based CPA examination is held at the following sites:

- Akron – (1000 S. Cleveland-Massillon Rd., Suite 104)
- Cincinnati – (11353 Reed Hartman Highway, Suite LL50)
- Cleveland - Middleburg Heights (7261 Engle Road, Suite 203)
- Columbus-Worthington – (450 W. Wilson Bridge Rd., Suite 210)
- Dayton-Fairborn – (2600 Paramount Place, Suite 190)
- Mansfield—(625 Lexington Avenue, Suite 6)
- Mentor – (8880 Mentor Avenue)
- Toledo-Maumee (1745 Indian Wood Circle, Suite 110)
- Youngstown-Niles – (Square 1 Center, 950 Youngstown-Warren Road, Suite D)



Columbus Skyline from  
Rich Street Bridge

# CPA CERTIFICATE AND EXAMINATION

## Candidate Performance

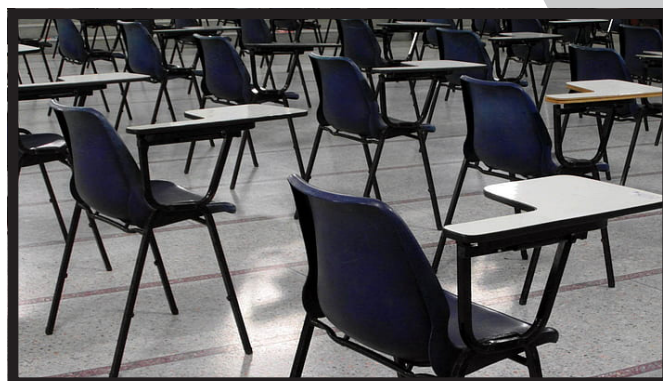
July - September 2019				
SECTION	TAKING	PASSING	PASS %	SCORE <sup>1</sup>
AUD	341	198	58.06	73.38
BEC <sup>2</sup>	310	188	60.65	76.39
FAR <sup>3</sup>	445	221	49.66	70.60
REG	310	178	57.42	72.30
<b>Total</b>	<b>1406</b>	<b>785</b>	<b>56.45</b>	<b>73.17</b>

October - December 2019				
SECTION	TAKING	PASSING	PASS %	SCORE <sup>1</sup>
AUD	330	168	50.91	71.38
BEC <sup>2</sup>	293	189	64.51	75.79
FAR <sup>3</sup>	396	163	41.16	68.21
REG	312	154	49.36	70.96
<b>Total</b>	<b>1331</b>	<b>674</b>	<b>51.49</b>	<b>71.59</b>

January - March 2020				
SECTION	TAKING	PASSING	PASS %	SCORE <sup>1</sup>
AUD	235	121	51.49	71.09
BEC <sup>2</sup>	204	125	61.27	77.12
FAR <sup>3</sup>	246	99	40.24	67.89
REG	199	54	54.77	71.09
<b>Total</b>	<b>884</b>	<b>399</b>	<b>51.94</b>	<b>71.80</b>

April - June 2020				
SECTION	TAKING	PASSING	PASS %	SCORE <sup>1</sup>
AUD	137	97	70.80	76.87
BEC <sup>2</sup>	118	94	79.66	81.81
FAR <sup>3</sup>	131	87	66.41	75.10
REG	140	95	67.86	76.70
<b>Total</b>	<b>526</b>	<b>374</b>	<b>71.18</b>	<b>77.62</b>

Fiscal Year 2020 Totals				
SECTION	TAKING	PASSING	PASS %	SCORE <sup>1</sup>
AUD	1043	584	42.07	73.18
BEC <sup>2</sup>	925	596	66.52	77.78
FAR <sup>3</sup>	1218	570	49.37	70.45
REG	961	481	59.35	72.76
<b>Total</b>	<b>4147</b>	<b>2253</b>	<b>54.33</b>	<b>73.54</b>



<sup>1</sup> Average Score

<sup>2</sup> Business Environment and Concepts

<sup>3</sup> Financial Accounting and Reporting

NOTE: Prior to the computer-based exam, the passing percentage was under 30%.

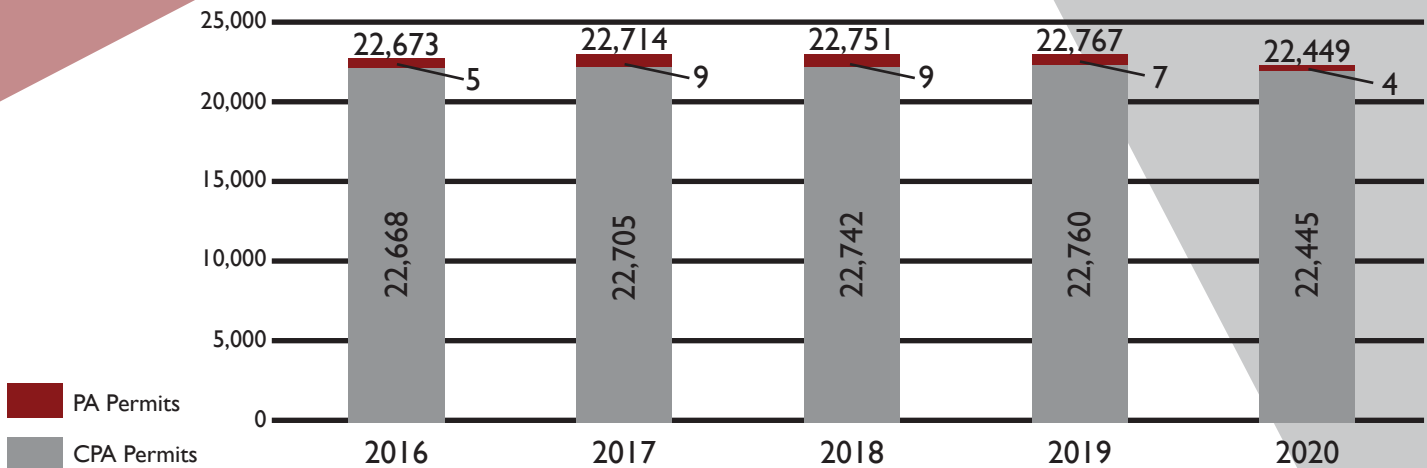
# LICENSES AND RENEWAL

## Year End June 30, 2020

Since the Accountancy Board's inception in 1908, a total of 54,619 CPA certificates have been issued. CPAs who perform audits, reviews, compilations, and attestation engagements must hold a permit. CPAs who perform tax services, personal financial planning services, and/or consulting services and use the CPA designation must hold a permit. CPAs who do not perform those services may hold a permit or a registration. Ohio permit holders must have 120 credits of continuing professional education, with a minimum of 20 hours per year, in the three-year period covered by the license. Ohio permit holders use the designation "CPA." Ohio registration holders do not have CPE requirements and may use the designation "CPA Inactive."

Between 1959 and 1993, a total of 6,842 Public Accountant (PA) registrations were issued. Currently there are 48 registered PAs. The Board no longer registers new public accountants.

### Total Active Ohio Permits



### Total Licenses Renewed - Permits & Registrations

Year End June 30	Permit 1-year	Permit 2-year	Permit 3-year	Total Permits	Reg 1-year	Reg 2-year	Reg 3-year	Total Reg	Grand Total
2020	31	731	7,152	7,914	20	34	2,641	2,695	10,609
2019	33	849	7,207	8,089	31	56	2,867	2,954	11,043
2018	60	827	6,922	7,805	44	72	2,622	2,738	10,543
2017	36	944	7,303	8,283	19	47	2,668	2,734	11,017
2016	55	914	7,210	8,179	17	49	2,825	2,833	10,689

Permit holders may sign "CPA."

Registration holders may sign only "CPA inactive."

1-year, 2-year, 3-year represents the number of years for which the permit or registration is issued.



# FIRM REGISTRATION AND PEER REVIEW

The State of Ohio requires all public accounting firms practicing in Ohio to register with the Board. In addition, firms that perform financial reporting services (attest firms) are required to undergo a comprehensive peer review every three years. The peer review program is designed to assess the quality of the firm's work, its professional staff, and its overall performance in the delivery of services to its clients. Proof of successful completion of a peer review is required before an attest firm can renew its firm registration.

The Ohio Society of Certified Public Accountants (OSCPA) is the Board's agent for the peer review program and administers the peer review process. The Board and the OSCP work together to assure that the objectives of the peer review program are achieved.

There were 80 peer review firms that either changed to tax or went out of business that were due to renew in 2019.

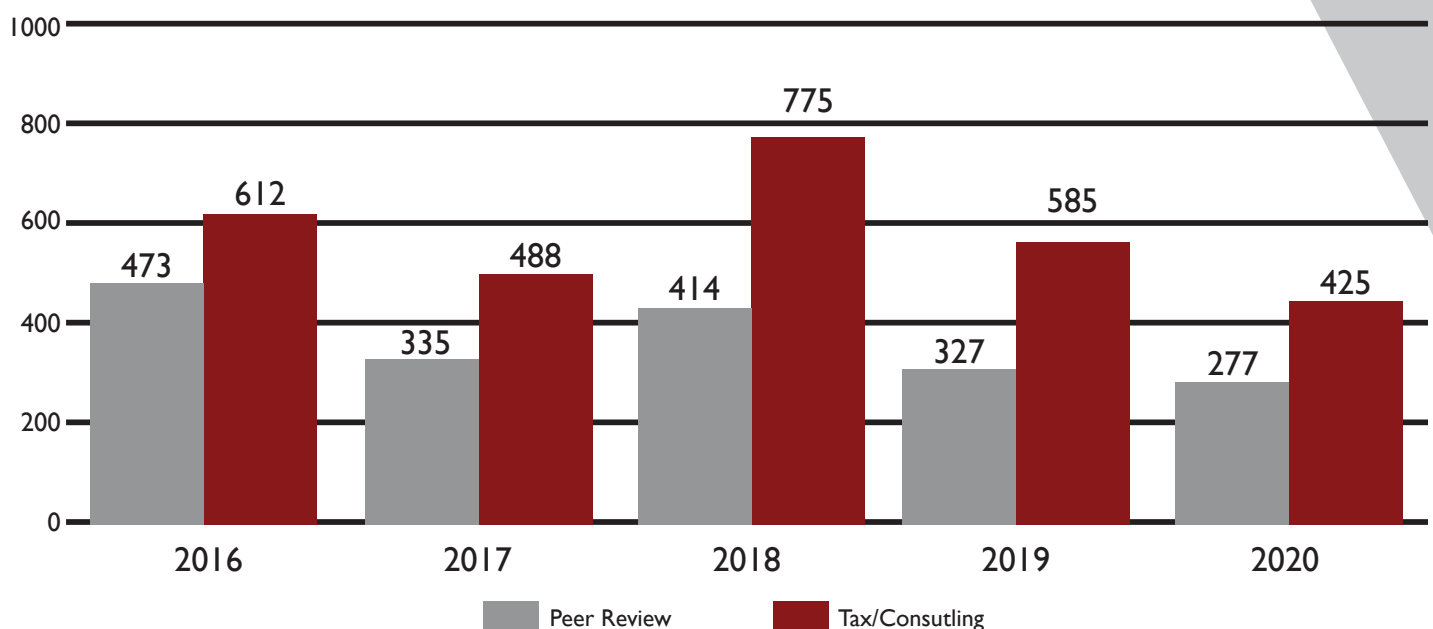
There were 66 tax firms that went OOB or switched. Most of them went OOB.



A Mural painted during BLM protests outside of Statehouse and Riffe Center

## Firm Registration by Fiscal Year

Year Ended June 30



# ACCOUNTANCY BOARD OF OHIO

## Statement of Revenues and Expenditures

Fiscal Year Ended June 30, 2020

Expenditures - Four (4) Year Comparison

		2017	2018	2019	2020
5010	<b>PAYROLL EXPENSES</b>	770,432.77	822,793.72	812,058.56	810,426.94
	<b>Total</b>	<b>770,432.77</b>	<b>822,793.72</b>	<b>812,058.56</b>	<b>810,426.94</b>
5100	<b>PURCHASED PERSONAL SERVICES</b>				
	Court Reporter/Legal Serv	1,315.99	2,102.00	1,751.50	1,887.25
	<b>Total</b>	<b>1,315.99</b>	<b>2,102.00</b>	<b>1,751.50</b>	<b>1,887.25</b>
5120	<b>AWARDS, PRIZES, BONUS, &amp; OTHER</b>				
	NASBA & Investigator Dues	6,843.69	6,600.00	6,600.00	6,650.00
	<b>Total</b>	<b>6,843.69</b>	<b>6,600.00</b>	<b>6,600.00</b>	<b>6,650.00</b>
5210	<b>SUPPLIES, MATERIALS, MINOR EXP</b>	8,086.70	10,974.57	10,414.21	15,239.57
	<b>Total</b>	<b>8,086.70</b>	<b>10,974.57</b>	<b>10,414.21</b>	<b>15,239.57</b>
5230	<b>TRAVEL</b>				
	Board Member	15,405.79	19,715.25	16,961.58	24,270.59
	ABO Staff	3,538.47	7,368.49	2,943.61	2,903.04
	<b>Total</b>	<b>18,944.26</b>	<b>27,083.74</b>	<b>19,905.19</b>	<b>27,173.63</b>
5240	<b>INFO TECHNOLOGY AND SHIPPING</b>				
	Desktop Computers	4,159.03	4,738.89	4,482.72	5,106.23
	<b>Total</b>	<b>4,159.03</b>	<b>4,738.89</b>	<b>4,482.72</b>	<b>5,106.23</b>
5277	<b>ISTV - GOODS AND SERVICES</b>				
	(IT Costs, Rent, CSA Assessment Chgs, Mail, Print, etc.) * eLicense 2019 - increase	143,104.52	148,790.62	194,951.71	202,685.27
	<b>Total</b>	<b>143,104.52</b>	<b>148,790.62</b>	<b>194,951.71</b>	<b>202,685.27</b>
5290	<b>GENERAL AND OTHER EXPENSES</b>				
	Credit Card Charges	27,315.87	27,491.34	38,622.99	34,374.42
	<b>Total</b>	<b>27,315.87</b>	<b>27,491.34</b>	<b>38,622.99</b>	<b>34,374.42</b>
5500	<b>EDUCATION ASSISTANCE FUND</b>				
	Scholarship Pymts	345,235.00	425,000.00	465,202.04	448,551.60
	<b>Total</b>	<b>345,235.00</b>	<b>425,000.00</b>	<b>465,202.04</b>	<b>448,551.60</b>
<b>Total</b>		<b>\$1,325,437.83</b>	<b>\$1,475,574.88</b>	<b>\$1,553,988.92</b>	<b>\$1,552,094.91</b>
		2017	2018	2019	2020
<b>REVENUE</b>	<b>NET AMOUNT</b>	<b>1,661,788.57</b>	<b>1,567,325.55</b>	<b>1,947,378.54</b>	<b>1,857,611.50</b>
<b>REVENUE OVER EXPENDITURES</b>		<b>\$(336,350.74)</b>	<b>\$(91,750.67)</b>	<b>\$(393,389.62)</b>	<b>\$(305,516.59)</b>

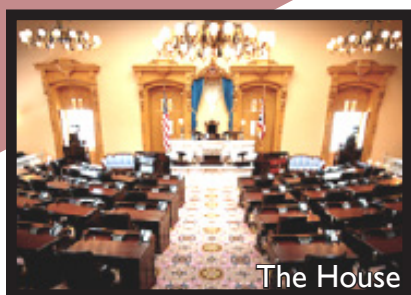


# BOARD ACTIVITIES

During fiscal year 2020, there were seven Board meetings, which included an annual meeting and a retreat. NASBA activities, the budget, investigations and education assistance funds are reviewed at every meeting. During the year the Board held eighteen disciplinary hearings and four reinstatement hearings (see table on page 16).

**July 19, 2019:** The board held meetings of the finance and audit committee and education assistance committee and held one disciplinary hearing.

**September 9, 2019:** The meeting was held at Miami University, Oxford. NASBA Executive Vice President Colleen Conrad presented information about the evolution of the CPA examination and testing statistics. Five disciplinary hearings were held.



The House

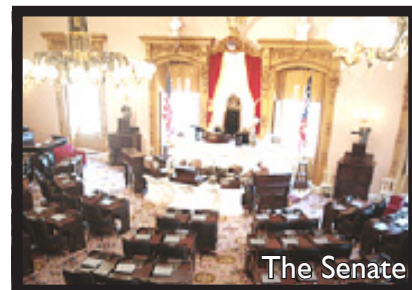
**October 10, 2019:** Students and instructors from local universities were invited to attend the board's annual meeting. Patricia Hartman, Director of Client Services, NASBA, presented information about preparing for and taking the CPA examination. The nominating committee put forth a slate of officers for the 2019-2020 board term. The board unanimously approved the nominating committee's recommendations and elected Maggie Gilmore as Chair, Kenya Watts as Vice-Chair, and James Redmond as Secretary. Two disciplinary hearings and one reinstatement hearing were held, as well as a board settlement agreement approved.

**December 2, 2019:** At the board retreat, the Board discussed the education assistance rules and the requirements of its recipients. Laura Hay, Executive Vice President and Barbara Benton, Vice President of the Ohio Society of CPAs spoke regarding upcoming legislation affecting the CPA profession.

**December 3, 2019:** Ken Bishop, NASBA President & CEO and Carlos Barrera, NASBA Vice Chair for 2019-20, were in attendance and addressed upcoming challenges to the CPA profession. They also discussed the advancement of the CPA field via mutual recognition agreements with other nations and the application of peer review standards. Messrs. Bishop and Barrera answered questions from the board, and thanked the board for the continued hospitality and warm relationship between it and NASBA. Three disciplinary and two reinstatement hearings were held.

**February 7, 2020:** The board finalized rule changes for revision and held four disciplinary hearings.

**June 5, 2020:** The board held its first-ever virtual meeting. Laura Hay of the OSCPA spoke regarding peer review administration and the ACAP program. Three disciplinary hearings and one reinstatement hearing were held.



The Senate

# INVESTIGATIONS SUMMARY

The Board has two full-time investigators who examine complaints about unlicensed practice and firm registration. During the year, the investigators made 60 field calls.

At the beginning of the fiscal year, there were 55 open cases from the prior fiscal year, none involving litigation. During the year 710 cases were opened, 719 closed and 46 remain open.



## Board Hearing Summary

Board Meeting			Type of Disciplinary Hearing						Board Sanctions		
Date	D. Hearing	R. Hearing	Firm	CPE	Complaint	Other	Referral	Court	CPA - Rev.	Firm Rev.	Fine
Jul 2019	1		1								1
Sept 2019	5		1	2	1			1	1		4
Oct 2019	2	1	1	1						1	1
Dec 2019	3	2		3					1	1	2
Feb 2020	4		3					1	1		3
Jun 2020	3	1	2				1	1	1	2	
<b>Totals</b>	<b>18</b>	<b>4</b>	<b>8</b>	<b>6</b>	<b>1</b>		<b>1</b>	<b>3</b>	<b>4</b>	<b>4</b>	<b>11</b>

D. Hearings: Disciplinary hearings

R. Hearings: Reinstatement hearings

Firm: Firm registration/peer review violation

CPE: Continuing education verification violation

Complaint: Hearing as a result of a consumer complaint

Other: Hearing as a result of an accountancy law violation other than firm, CPE, or complaint

Referral: Referral from SEC, IRS, other state agency, etc., for violation

Court: Court conviction(s)

CPA-Rev: CPA certificate revoked

Firm-Rev: firm registration revoked

Fine: Board-assessed fine

NOTE: Sanctions may total more than the total disciplinary hearings due to a CPA certificate and firm registration being revoked.



## ACCOUNTANCY BOARD OF OHIO

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