

The Board of the Texas State Board of Public Accountancy is holding a meeting by online video conference call pursuant to §551.127 of the Open Meetings Act. The public may attend the meeting in-person at the office of the Board which is located at 505 E. Huntland Drive, Suite 370, Austin, Texas 78752. The Presiding Officer of the Board will be present at the 505 E. Huntland Drive location for the entirety of the meeting. In the alternative, the public may attend the meeting virtually using the following link.

Topic: Board Meeting

Time: Nov 6, 2025 10:00 AM Central Time (US and Canada)

<https://www.zoomgov.com/j/1600592448?pwd=MetmL33WwX9RRc3T0NPDktACYOUMjB.1>

Meeting ID: 160 059 2448

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Meeting ID: 160 059 2448

Texas State Board of Public Accountancy Meeting Schedule

	November 5, 2025		November 6, 2025
COMMITTEE	Rules	Executive	Board
TIME	1:30 PM	2:00 PM	10:00 AM
PLACE	HYBRID	HYBRID	HYBRID
LIAISON	HILL	TREACY/ESTRADA	TREACY

ADAMS ¹		✓	✓
COATES ¹	✓		✓
CRAWFORD ¹			✓
ESPINOZA-RILEY ¹		✓	✓
FOSHEE ¹	✓	✓	✓
GARCIA ¹	✓	✓	✓
HOLUP ¹			✓
MERKET ¹			✓
NEUHOFF ¹			✓
OMORUYI ¹			✓
SMITH ¹	✓	✓ (chair)	✓ (chair)
TRIPPON ¹			✓
VALLÉS-PANKRATZ ¹			✓
WARREN ¹	✓ (chair)	✓	✓

¹ Board Member

² Advisory Member

TEXAS STATE BOARD OF PUBLIC ACCOUNTANCY
BOARD MEETING AGENDA
NOVEMBER 6, 2025

I.	CALL TO ORDER AND ROLL CALL – 10:00 A.M., NOVEMBER 6, 2025.....	I-1
II.	APPROVAL OF THE SEPTEMBER 18, 2025 BOARD MEETING MINUTES.....	II-1
III.	PUBLIC COMMENT.....	III-1
IV.	CONSIDERATION OF REPORT AND RECOMMENDATIONS OF THE EXECUTIVE COMMITTEE MEETING.....	IV-1
	A. Review and possible action on the Board's financial statements	
	1. Consideration of Legacy Project budget	
	2. Consideration of the Examination Fee Financial Aid (EFFA) Program Budget	
	B. Consideration of professional service contract	
	C. Update of the Legacy System Modernization Project	
	D. Review of NASBA/AICPA matters	
	1. Report on 118 th Annual Meeting, October 26 - 29, 2025 - Chicago, IL	
	2. NASBA Committee Assignments	
	E. Review of general correspondence	
	F. Executive Session - Evaluation of the Executive Director pursuant to 551.074(1) of the <i>Texas Government Code</i> and to seek the advice of its attorney pursuant to 551.071(2) of the <i>Texas Government Code</i>	
V.	CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE RULES COMMITTEE MEETING.....	V-1
	A. Discussion, consideration and possible action concerning the Rule Review of <i>Chapter 502 – Peer Assistance</i> , of the Board's <i>Rules</i> pursuant to <i>Section 2001.039</i> of the <i>Texas Government Code</i>	
	B. Discussion, consideration and possible action concerning the Rule Review of <i>Chapter 518 – Unauthorized Practice of Public Accountancy</i> , of the Board's <i>Rules</i> pursuant to <i>Section 2001.039</i> of the <i>Texas Government Code</i>	
	C. Discussion, consideration and possible action concerning the Rule Review of <i>Chapter 520 – Provisions for the Fifth-Year Accounting Students Scholarship Program</i> , of the Board's <i>Rules</i> pursuant to <i>Section 2001.039</i> of the <i>Texas Government Code</i>	
	D. Discussion, consideration and possible action concerning <i>Board Rule 505.10 (Board Committees)</i>	

E.	Schedule next meeting	
VI.	CONSIDERATION OF REPORT FROM THE PEER ASSISTANCE OVERSIGHT COMMITTEE.....	VI-1
•	Review of the Peer Assistance Report from ACAN	
VII.	CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE JOINT CONTINUING PROFESSIONAL EDUCATION AND LICENSING COMMITTEES MEETING.....	VII-1
A.	Discussion, consideration and possible action regarding the Exposure Draft of Proposed Revisions to CPE Standards released by NASBA and the AICPA	
B.	Discussion, consideration and possible action regarding the approval of two new Board-approved ethics course	
C.	Discussion, consideration and possible action regarding the requirements for licensure as a Texas CPA firm	
D.	Adjourn	
VIII.	DISCUSSION, CONSIDERATION, AND POSSIBLE ACTION REGARDING THESE RECOMMENDATIONS FROM THE BEHAVIORAL ENFORCEMENT COMMITTEE MEETING.....	VIII-1

October 20, 2025

A.	Dismissals – Insufficient Evidence	
1.	Investigation No. 23-08-10L	
2.	Investigation Nos. 25-08-02L & 25-08-03L	
3.	Investigation Nos. 25-08-08L & 25-08-09L	
4.	Investigation Nos. 25-07-14L & 25-07-17L	
5.	Investigation Nos. 25-07-12L & 25-07-13L	
6.	Investigation Nos. 25-06-06L & 25-06-07L	
7.	Investigation Nos. 25-07-07L, 25-07-08L, & 25-07-09L	
8.	Investigation Nos. 25-07-10L & 25-07-11L	
B.	Granting – Early Termination of Probation	
•	Investigation No. 20-10-04L	
C.	Other – Status Report	
IX.	REPORT OF THE TECHNICAL STANDARDS REVIEW COMMITTEE MEETING BY THE COMMITTEE CHAIR.....	IX-1

October 1, 2025

•	Other – Status Report	
X.	DISCUSSION, CONSIDERATION, AND POSSIBLE ACTION ON PROPOSED ADMINISTRATIVE DISCIPLINARY ACTIONS.....	X-1
•	<u>Administrative Disciplinary Actions</u>	
1.	Investigation Nos. 25-06-10001 - 25-06-10120	
2.	Investigation Nos. 25-07-10001 - 25-07-10086	

3. Investigation Nos. 25-06-10121 - 25-06-10272
4. Investigation Nos. 25-07-10087 - 25-07-10238
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XI. PROPOSED ADOPTION OF REVISIONS TO BOARD RULES.....XI-1

1. *516.1 (Definitions)*
2. *516.2 (Licensing for Military Service Members, Military Veteran and Military Spouses)*
3. *516.3 (Licensing for Military Veterans) [Repeal]*
4. *516.4 (Accounting Practice by Military Service Members and Military Spouses)*
5. *516.5 (Complaints) [New]*
6. *521.14 (Eligibility Fee)*

XII. REVIEW OF FUTURE MEETING SCHEDULE.....XII-1

XIII. ADJOURNMENT.....XIII-1

Agenda Item I
Call to Order and Roll Call
November 6, 2025

- I. **DISCUSSION:** The meeting will be called to order, *en banc*, by video conference or in-person at 10:00 a.m., November 6, 2025 in the Board's office, at which time the roll will be called.

RECOMMENDATION: None required.

SUGGESTED MOTION: None required.

Agenda Item II Approval of the September 18, 2025 Minutes November 6, 2025
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- I. **DISCUSSION:** The enclosed minutes of the September 18, 2025 Board meeting were kept in accordance with established procedures and reflect the business conducted.

RECOMMENDATION: The staff recommends that the minutes of the September 18, 2025 Board meeting be approved as submitted/amended.

SUGGESTED MOTION: That the minutes of the September 18, 2025 Board meeting be approved as submitted/amended.

Texas State Board of Public Accountancy

September 18, 2025

The Texas State Board of Public Accountancy met by video conference and in-person from 10:00 a.m. until 11:09 a.m. on September 18, 2025. A notice of this meeting containing all items on the agenda was filed in accordance with *Section 551 of the Texas Government Code* with the Office of the Secretary of State at 10:18 a.m. on September 10, 2025. (TRD #2025-005241) (**ATTACHMENT 1**)

Board Members Present

Susan I. Adams, CPA
Christopher "Grant" Coates
Kimberly D. "Kim" Crawford, CPA
Olivia Espinoza-Riley, CPA
Treasurer
Renee D. Foshee, Esq., CPA
Secretary
Jill A. Holup
Sherri B. Merket
Thomas M. Neuhoﬀ, CPA
Kenneth E. Omoruyi, CPA
Sheila M. Vallés-Pankratz
Jeannette P. Smith, CPA
Presiding Officer
James M. "Jim" Trippon, CPA
Susan M. Warren, CPA

Member Absent

Ray R. Garcia, CPA
excused

Others Present

Kenneth Besserman, Esq.
Charlie Bertero
Ginger DeLatte, CPA
Kim Holland
Josh Layman
Tracie Miller, CPA
Timothy Morrison
Michael Potenza, CPA
Jodi Ann Ray
Larry G. Stephens, CPA, JD/LL.M
Jason Tasset
Mark Vane

Staff Present

Paul Arredondo
Paulette Beiter, Esq.
Marissa Brooks
Daniel Estrada, CPA
J. Franco
Ann Hallam, PMP
J. Randel Hill, Esq.
Donna Hiller
Christian Jones
Kyle McGaw
John Moore, Esq.
Brian O'Neal
Julie Prien
Marisa Rios
William Treacy

- I. Ms. Smith, Presiding Officer, called the meeting to order at 10:00 a.m. Mr. Treacy called roll and declared a quorum.

Ms. Foshee moved to excuse the absence of Ray R. Garcia from the Board meeting. Mr. Coates seconded the motion and it passed unanimously.

- II. Mr. Trippon moved to approve the July 10, 2025 Board meeting minutes as presented.
Ms. Merket seconded the motion and it passed unanimously.

- III. After a call for public comments, Jodi Ann Ray provided comments.

- IV. Ms. Smith, Presiding Officer, reported on the September 17, 2025 (video conference and in-person) Executive Committee meeting.

Members Present

Olivia Espinoza-Riley, CPA
(In-person)
Renee D. Foshee, Esq., CPA
(In-person)
Ray R. Garcia, CPA
Jeannette P. Smith, CPA
Presiding Officer
(In-person)

Others Present

Kenneth Besserman, Esq.
Charlie Bertero
Thomas M. Neuhoﬀ, CPA
Jodi Ann Ray
Susan M. Warren, CPA
(In-Person)

Staff Present

Paul Arredondo
Marissa Brooks
Daniel Estrada, CPA
J. Randel Hill, Esq.
Donna Hiller
Chris Jones
John Moore, Esq.
Brian O'Neal
Julie Prien
Marisa Rios
Lori Shaw
William Treacy

- A. Ms. Espinoza-Riley, Treasurer, presented the Board's financial statements. Mr. Coates moved to approve the Board's financial statements as presented. Mr. Trippon seconded the motion and it passed unanimously.
- B. Ms. Espinoza-Riley, Treasurer, presented the Board's proposed Budget Plan for FY 2026:

1. Ms. Espinoza-Riley presented the Board's Fee Schedule for FY 2026, with the fees previously included as part of the approved FY 2026 budget. Ms. Adams moved to approve the Board's Fee Schedule for FY 2026. Ms. Merket seconded the motion and it passed unanimously.
 2. Ms. Espinoza-Riley presented the lists of approved FY 2026 contracts. Mr. Hill informed the Board that Mr. Cantrell is retiring and declined the contract. The agency will be looking for a new contractor.
 3. Ms. Espinoza-Riley reported that the projected estimates for Professional Fees and Administrative Penalties for fiscal years 2026 through 2030 were revised. Professional Fees increased from \$21,139 to \$31,445, while Administrative Penalties decreased from \$1,215,964 to \$394,193.
- C. Ms. Warren provided an update to the Board on the legacy system modernization project, where consultants are helping document current processes and create a statement of work for vendor procurement. This first phase of the project is 40 percent complete, with a request to move \$680,000 from reserves to the budget for consulting services in fiscal year 2026. Ms. Espinoza-Riley moved to approve the transfer of funds from the reserves to the budget. Mr. Trippon seconded the motion and it passed unanimously.
- D. Ms. Smith reported on the following NASBA/AICPA matters:
- NASBA dates of interest
118th Annual Meeting, October 26 - 29, 2025, Chicago, IL.
- E. Ms. Smith presented the committee and Board meeting dates for calendar year 2026.
- F. Ms. Vallés-Pankratz moved to approve a request for John Lee Ussery, CPA, P.C. to continue operating as a CPA firm under Board *Rule 513.16 (Death or Incapacitation of Firm Owner)*. Mr. Trippon seconded the motion and it passed unanimously.
- G. Mr. Treacy reported on general correspondence coming to the Board's attention.
- V. Ms. Warren, Rules Committee chair, reported on the September 17, 2025 (video conference and in-person) Joint Rules, Licensing, and Continuing Professional Education Committees meeting.

Members Present

Christopher G. "Grant" Coates
Olivia Espinoza-Riley, CPA
Renee D. Foshee, Esq., CPA
Ray R. Garcia, CPA
Kathy D. Kabell, CPA
Sherri B. Merket
Thomas M. Neuhoff, CPA
Licensing/CPE Committee Chair
Larry G. Stephens, CPA, JD/LL.M
Jeannette P. Smith, CPA
Susan M. Warren, CPA
Rules Committee Chair

Members Absent

Connie B. Clark
Rene D. Peña, CPA

Others Present

Kenneth Besserman, Esq.
Charlie Bertero
Mohan Kuruvilla, CPA
Jodi Ann Ray
Veronda Willis, Ph.D., CPA

Staff Present

Paul Arredondo
Paulette Beiter, Esq.
Marissa Brooks
Daniel Estrada, CPA
J. Franco
Ann Hallam, PMP
J. Randel Hill, Esq.
Donna Hiller
Chris Jones
John Moore, Esq.
Brian O'Neal
Marisa Rios
April Serrano
Lori Shaw
William Treacy

- A. Mr. Trippon moved to revise *Chapter 516 (Military Service Members, Spouse and Veterans)* pursuant to recent legislation; to authorize the executive director to publish proposed amendments to *Rules 516.1, 516.2, 516.3, 516.4, and 516.5* in the *Texas Register* for public comment; and to re-adopt those rules pursuant to *Section 2001.039 of the Texas Government Code*. Ms. Crawford seconded the motion and it passed unanimously. (ATTACHMENT 2)

- B. Ms. Warren reported the majority of surveyed instructors agreed that no changes are needed to the current ethics course component percentages in *Board Rule 523.131*.
 - C. Mr. Coates moved to re-adopt *Chapter 514 (Certification as a CPA) Rules* pursuant to *Section 2001.039 of the Texas Government Code*. Ms. Holup seconded the motion and it passed unanimously. (ATTACHMENT 3)
 - D. Mr. Coates moved to re-adopt *Chapter 521 (Continuing Professional Education) Rules* pursuant to *Section 2001.039 of the Texas Government Code*, and to authorize the executive director to publish in the *Texas Register* for public comment the proposed amendment to 521.14 and Ms. Crawford seconded the motion and it passed unanimously. (ATTACHMENT 4)
 - E. Ms. Merket moved to re-adopt *Chapter 525 (Criminal Background Investigations) Rules* pursuant to *Section 2001.039 of the Texas Government Code*. Mr. Coates seconded the motion and it passed unanimously. (ATTACHMENT 5)
 - F. Mr. Trippon moved to re-adopt *Chapter 526 (Board Opinions) Rules* pursuant to *Section 2001.039 of the Texas Government Code*. Ms. Vallés-Pankratz seconded the motion and it passed unanimously. (ATTACHMENT 6)
- V(a). Ms. Warren, Rules Committee chair, reported on the September 17, 2025 (video conference and in-person) Rules Committee meeting.

Members Present

Olivia Espinoza-Riley, CPA
Renee D. Foshee, Esq., CPA
Ray R. Garcia, CPA
Kathy D. Kabell, CPA
Sherri B. Merket
Jeannette P. Smith, CPA
Susan M. Warren, CPA
Rules Committee Chair

Others Present

Kenneth Besserman, Esq.
Charlie Bertero
Christopher G. "Grant" Coates
Kirsten Cook
Donald Deis
Jennifer Heller
Mohan Kuruvilla, Ph.D., CPA
John J. Masselli, Ph.D., CPA
Matthew Starliper
Larry G. Stephens, PCA, JD/LL.M
Matthew Starliper
Jason Tasset
Jodi Ann Ray
Daniel Zhang

Staff Present

Paul Arredondo
Paulette Beiter, Esq.
Marissa Brooks
Daniel Estrada, CPA
J. Franco
Ann Hallam, PMP
J. Randel Hill, Esq.
Donna Hiller
Chris Jones
John Moore, Esq.
Brian O'Neal
Marisa Rios
April Serrano
Lori Shaw
William Treacy

- A. Mr. Trippon moved to adopt revisions to *Rules 511.54, 511.56, 511.57, 511.58 (with rule title change), 511.59, 511.164* of the *Chapter 511 Rules*, published in the *Texas Register* on July 25, 2025 for public comment. Ms. Vallés-Pankratz seconded the motion and it passed unanimously. (ATTACHMENT 7)
 - B. The next meeting was scheduled for November 5, 2025, at 1:30 p.m.
- VI. Ms. Foshee, Qualifications Committee Chair, reported on the September 17, 2025 (video conference and in-person) Qualifications Committee meeting.

Members Present

Renee D. Foshee, Esq, CPA
Committee Chair
Caroline Hartmann, CPA
Kenneth E. Omoruyi, CPA
Marshall Pitman, Ph.D., CPA
Jeannette P. Smith, CPA
James M. "Jim" Trippon, CPA
Sheila Vallés-Pankratz
Veronda Willis, Ph.D., CPA
Kathy Zolton, CPA

Member Absent

James M. "Jim" Trippon, CPA

Others Present

Brianna Baker
Kenneth Besserman, Esq.
Kristen Cook
Sheryl Cox
Ginger DeLatte, CPA
Connie Lamirand

Staff Present

Paul Arredondo
Paulette Beiter, Esq.
Marissa Brooks
Daniel Estrada, CPA
Telisa Harwell
J. Randel Hill, Esq.
Donna Hiller
Chris Jones
John Moore, Esq.
Brian O'Neal

John Masselli, CPA
Tracie Miller, CPA
Thomas Neuhoﬀ, CPA
Renee Olvera, CPA
Greg Sommers
Jason Tasset

Marisa Rios
Lori Shaw
William Treacy

- A. Ms. Foshee reported that the committee reviewed and revised a draft FAQ on the new CPA Exam pathway and Election Form.
- B. Ms. Foshee reported the committee reviewed and revised the Election Form for the new CPA Exam pathway and discussed future updates to the Application of Intent form.
- VII. Ms. Smith, Behavioral Enforcement Committee chair, reported on the (video conference) Behavioral Enforcement Committee meetings.

April 25, 2025

Members Present

Susan I. Adams, CPA
C. Bennett Allison, CPA
Patrick L. Durio, CPA
Jill A. Holup
Phillip D. Johnson, CPA
James M. "Jim" Trippon, CPA
Jeannette P. Smith, CPA,
Committee Chair
Robert Ogle, CPA

Staff Present

Paulette Beiter, Esq.
J. Randel Hill, Esq.

A. Dismissals – Voluntary Compliance

Ms. Crawford moved to dismiss the following investigations based on voluntary compliance. Mr. Coates seconded the motion and it passed. The above listed Board members on the BEC committee did not participate in any discussion or the vote.

- Investigation Nos. 24-10-09L¹ & 24-10-10L¹

- B. Other - The committee considered several other matters during its meeting; however, no action was required by the Board.

June 12, 2025

Members Present

C. Bennett Allison, CPA
Patrick L. Durio, CPA
Jill A. Holup
Phillip D. Johnson, CPA
James M. "Jim" Trippon, CPA

Members Absent

Susan I. Adams, CPA
Jeannette P. Smith, CPA,
Committee Chair
Robert Ogle, CPA

Staff Present

Paulette Beiter, Esq.
J. Randel Hill, Esq.

A. Dismissal – Voluntary Compliance

Ms. Foshee moved to dismiss the following investigation based on voluntary compliance. Ms. Espinoza-Riley seconded the motion and it passed. The above listed Board members on the BEC committee did not participate in any discussion or the vote.

- Investigation Nos. 25-03-02L¹

- B. Other - The committee considered several other matters during its meeting; however, no action was required by the Board.

August 13, 2025

Members Present

Susan I. Adams, CPA
C. Bennett Allison, CPA
Patrick L. Durio, CPA
Olivia Espinoza-Riley, CPA
Jill A. Holup
Phillip D. Johnson, CPA
Robert Ogle, CPA
James M. "Jim" Trippon, CPA
Jeannette P. Smith, CPA
Committee Chair

Staff Present

Paulette Beiter, Esq.
J. Randel Hill, Esq.

A. Dismissals – Insufficient Evidence

Ms. Foshee moved to dismiss the following investigations based on insufficient evidence. Ms. Warren seconded the motion and it passed. The above listed Board members on the BEC committee did not participate in any discussion or the vote.

1. Investigation Nos. 25-06-04L¹, & 25-06-05L¹
2. Investigation Nos. 25-07-02L¹, & 25-07-03L¹
3. Investigation Nos. 25-07-05L¹, & 25-07-06L¹
4. Investigation Nos. 25-06-02L¹, & 25-06-03L¹
5. Investigation Nos. 25-05-03L¹, & 25-05-04L¹

B. Other - The committee considered several other matters during its meeting; however, no action was required by the Board.

- VIII. Mr. Hill, General Counsel, reported on the July 23, 2025 (video conference) Technical Standards Review Committee meeting.

Members Present

Kimberly "Kim" Crawford, CPA
Ray R. Garcia, CPA
Committee Chair
Jamie Grant
Douglas Koval, CPA
Dilliana Stewart, CPA
Sheila Vallés-Pankratz
Susan Warren, CPA
Juliet Williams, CPA

Staff Present

J. Randel Hill, Esq.
John Moore, Esq.

- Other - The committee considered other matters during its meeting; however, no action was required by the Board.

- IX. The Board took the following actions on agreed consent orders (ACOs), and administrative disciplinary actions.

A. Agreed Consent Orders:

Ms. Foshee moved to approve the following ACOs as presented. Ms. Merket seconded the motion and it passed unanimously.

Behavioral Enforcement Committee

1. Investigation Nos.:	25-02-08L¹ & 25-02-09L¹	Hometown:	McKinney, TX
Respondents:	John Ramon Gramstad &	Certificate No.:	114317

	Gramstad, CPA LLC	Firm License No.:	C10669
Rule Violation:	501.74(b)		
Act Violation:	901.502(6)		

Respondents entered into an ACO with the Board whereby Respondents were reprimanded and required to complete four hours of continuing professional education in the area of practice management and four hours of ethics. In addition, Respondents must pay a \$500 administrative penalty and \$851.20 in administrative costs within 30 days of the date of the Board Order.

Respondents encouraged a client to apply for the Employee Retention Tax Credit and, without sufficient skepticism, incorrectly advised the client there was "no risk" of repayment.

2. Investigation Nos.:	25-01-03L¹ & 25-01-04L¹	Hometown:	La Grange, TX
Respondents:	Vincent P. Matocha & Schneider, Frazee & Matocha, P.C.	Certificate No.:	054876
		Firm License No.:	C03979
Rule Violation:	501.74(b)		
Act Violation:	901.502(6)		

Respondents entered into an ACO with the Board whereby Respondents were reprimanded and required to complete eight hours of continuing professional education in the area of practice management. In addition, Respondents must pay a \$500 administrative penalty and \$851.20 in administrative costs within 30 days of the date of the Board Order.

Respondents took on tax preparation engagements while unable to adequately perform the services resulting in insufficient guidance to a client.

3. Investigation No.:	25-03-01L¹	Hometown:	Cedar Park, TX
Respondent:	Nicole Shelby Randall	Certificate No.:	102157
Rule Violation:	501.90(4)		
Act Violations:	901.502(6); 901.502(10); 901.502(11)		

Respondent entered into an ACO with the Board whereby Respondent's certificate was revoked and she is required to pay \$754.46 in administrative costs.

Respondent pleaded guilty to Introduction of an Adulterated Drug to Interstate Commerce, a class E felony, and was sentenced to one year of probation. She is prohibited from possessing, transferring, or distributing medication intended for the medical treatment of animals without prior permission from the probation officer. Respondent may not provide any form of veterinary diagnosis, treatment, or advice without permission of the probation officer and cannot work in any employment without approval of the probation officer.

Ms. Holup moved to approve the following ACOs as presented. Ms. Espinoza-Riley seconded the motion and it passed unanimously.

Technical Standard Review Committee

1. Investigation No.:	25-02-03L²	Hometown:	Webster, TX
Respondent:	Richard A. Patterson, CPA	Certificate No.:	060259
Rule Violation:	501.93		
Act Violations:	901.502(6); 901.502(11)		

Respondent entered into an ACO with the Board whereby Respondent was reprimanded and placed on probated revocation for a period of three years from the date of the Board Order. Further, Respondent would be placed on limited scope prohibiting him from performing audits, compilations, and reviews during the period of the probation.

Respondent, as the owner and resident manager of a licensed firm, failed to respond within 30 days to a Board communication requesting a response.

2. Investigation Nos.:	25-03-03L² & 25-03-04L²	Hometown:	Plano, TX
Respondents:	Saima Sayani & SS Accounting & Auditing Inc.	Certificate No.:	103440
		Firm License No.:	C10697
Rule Violations:	501.60; 501.90(7)		
Act Violations:	901.502(6); 901.502(9); 901.502(11)		

Respondents entered into an ACO with the Board whereby Respondents were reprimanded and assessed an administrative penalty of \$25,000 and administrative costs of \$1005.90 to be paid in monthly installments beginning 60 days from the date of the Board Order. Further, Respondents were placed on limited scope prohibiting them from performing audits and reviews, but permitting performing compilations in accordance with the conditions delineated in the ACO.

Respondents were censured, assessed a \$65,000 civil money penalty, and barred from practicing before the Public Company Accounting Oversight Board (PCAOB) for violating multiple PCAOB rules and standards in connection with an audit report for an issuer regulated by the PCAOB. Respondents failed to: obtain sufficient appropriate audit evidence for revenue and inventory; perform sufficient procedures to test journal entries in response to the risk of fraud; communicate all required matters to the issuer's audit committee; determine all critical audit matters; and identify significant findings and issues in an engagement completion document.

B. Administrative Disciplinary Actions:

Ms. Warren moved to approve the following Administrative Disciplinary Actions as presented. Mr. Trippon seconded the motion and it passed unanimously.

1. Respondents: In the Matter of Disciplinary Action Against Certain Licensees for Nonpayment of Licensing and Late Fees for Three Consecutive License Periods

The Respondents failed to pay their licensing fees for three consecutive license periods. Respondents, although properly notified of the proposed disciplinary action and their right to a hearing on the matter, failed to request a hearing. Staff recommends that the certificate of each Respondent still not in compliance be revoked without prejudice. Each Respondent may regain his or her certificate by paying all license fees and late fees and by otherwise coming into compliance with the *Act*. Respondents violated *Act Section 901.502(4) (failure to pay license fees for three consecutive years)*. (ATTACHMENT 8)

No Board committee considered these actions.

Investigation Numbers

1. 25-04-10001 - 25-04-10105
2. 25-05-10001 - 25-05-10113

2. Respondents: In the Matter of Disciplinary Action Against Certain License Holders for CPE Delinquencies

The Respondents failed to comply with CPE reporting requirements found in Chapter 523 of the *Rules* and *Act Section 901.411 (Continuing Professional Education)*. The Respondents, although provided with a preliminary report and having been notified of the proposed disciplinary action and their right to a hearing on the matter, failed to request a hearing. Staff recommends that the license of each Respondent still not in compliance be suspended for a period of three years, or until he or she complies with the licensing requirements of the *Act*, whichever is sooner. Additionally, staff recommends a \$100 penalty be imposed for each year a Respondent is not in compliance with the Board's CPE requirements. Respondents violated Board *Rules 501.94 (Mandatory CPE)* and *523.111 (Required CPE Reporting)*, and *Act Section 901.411*. No Board committee considered these actions. (ATTACHMENT 9)

No Board committee considered these actions.

Investigation Numbers

3. 25-02-10106 - 25-04-10257
4. 25-03-10114 - 25-03-10281

3. Respondents: In the Matter of Disciplinary Action Against Certain Certificate Holders for Failure to Complete License Notice

The Respondents failed to complete their license renewal notices in accordance with Board *Rule 515.3 (License Renewals for Individuals and Firm Offices)*. Respondents, although properly notified of the proposed disciplinary action and their right to a hearing on the matter, failed to request a hearing. Staff recommends the certificate of each Respondent not in compliance be revoked without prejudice until such time as the Respondent complies with the requirements of the *Rules* and

the Act. Respondents violated Act Section 901.502(12) (*Violations of Board Rules*). No Board committee considered these actions. (ATTACHMENT 10)

No Board committee considered these actions.

Investigation Numbers

5. 25-04-10258 - 25-04-10269

6. 25-05-10282 - 25-05-10291

- X. Mr. Coates moved to adopt the following Board Rules as presented. Ms. Adams seconded the motion and it passed unanimously.

1. Section 511.51 (*Educational Definitions*) (ATTACHMENT 11)
2. Section 511.52 (*Recognized Institutions of Higher Education*) (ATTACHMENT 12)
3. Section 511.53 (*Evaluation of International Education Documents*) (ATTACHMENT 13)
4. Section 511.54 (*Recognized Texas Community Colleges*) (ATTACHMENT 14)³
5. Section 511.56 (*Educational Qualifications under the Act to take the UCPAE*) (ATTACHMENT 15)³
6. Section 511.57 (*Courses in an Accounting Concentration to Take the UCPAE*) (ATTACHMENT 16)³
7. Section 511.58 (*Related Business Subjects to take the UCPAE*) (ATTACHMENT 17)³
8. Section 511.59 (*Qualifications for Issuance of a Certificate with not Fewer than 120 Semester Hours*) (ATTACHMENT 18)³
9. Section 511.60 (*Qualified Accounting Courses Prior to January 1, 2024 to take the UCPAE*) (Repealed) (ATTACHMENT 19)
10. Section 511.164 (*Qualification for Issuance of a Certificate with not fewer than 150 Semester Hours*) (ATTACHMENT 20)³
11. Section 512.1 (*Certification as a Certified Public Accountant by Reciprocity*) (ATTACHMENT 21)
12. Section 512.2 (*NASBA Verified Substantially Equivalent Jurisdictions*) (Repealed) (ATTACHMENT 22)
13. Section 512.4 (*Application for Certification by Reciprocity*) (ATTACHMENT 23)
14. Section 513.11 (*Qualifications for Non-CPA Owners of Firm License Holders*) (ATTACHMENT 24)
15. Section 515.8 (*Retired or Disability Status*) (ATTACHMENT 25)
16. Section 517.2 (*Practice by Certain Out of State Individuals*) (ATTACHMENT 26)
17. Section 523.112 (*Required CPE Participation*) (ATTACHMENT 27)
18. Section 523.113 (*Exemptions from CPE*) (ATTACHMENT 28)
19. Section 523.118 (*Limitations of Courses*) (ATTACHMENT 29)

- XI. Ms. Brooks, Director of Licensing, reported on the August 25, 2025 (video conference) Peer Review Committee meeting.

Members Present

Kimberly "Kim" Crawford, CPA
Ray R. Garcia, CPA
Committee Chair
Laura Lambert, CPA
Douglas Koval, CPA
Ben Peña, CFE, CPA

Members Absent

Robert McAdams, CPA
Jennette P. Smith, CPA
Ex Officio

Others Present

Robert Goldstein, CPA

Staff Present

Marissa Brooks
J. Franco
J. Randel Hill, Esq.
Chris Jones
Brian O'Neal
Lori Shaw

- Ms. Brooks reported the committee approved Bob Goldstein's recommendation for the Peer Review Oversight Board to observe one Report Acceptance Bodies meeting monthly except in May and December, ensuring continued oversight in FY 2026.

- XII. Ms. Espinoza-Riley presented the report of the Ad Hoc nominating committee of the following new slate of officers and Executive Committee members-at-large. Mr. Neuhoft moved to approve the new State of officers and Executive Committee members-at-large, Ms. Crawford seconded the motion and it passed unanimously.

Susan Warren, CPA
Olivia Espinoza-Riley, CPA
Renee Foshee, Esq., CPA
Ray Garcia, CPA
Susan Adams, CPA

Assistant Presiding Officer
Treasurer
Secretary
Executive Committee Member-at-Large
Executive Committee Member-at-Large

XIII. Ms. Smith reviewed the meeting schedule for the year.

XIV. Mr. Trippon moved to adjourn. Mr. Coates seconded the motion, and Ms. Smith adjourned the meeting at 11:09 a.m.

ATTEST:

Jeannette P. Smith, CPA, Presiding Officer

Renee Foshee, Esq., CPA, Secretary

¹ Ms. Adams, MS. Espinoza-Riley, Ms. Holup, Mr. Trippon and Ms. Smith recused themselves from participating in this matter.

² Ms. Crawford, Mr. Garcia, Ms. Vallés-Pankratz and Ms. Warren recused themselves from participating in this matter.

³ This Rule was adopted in Agenda Item V(a) of this Board agenda.

Agenda Item III Public Comment November 6, 2025

- I. **DISCUSSION:** Persons wishing to offer public comment to the Board will be given an opportunity to do so at this time.

RECOMMENDATION: None required.

SUGGESTED MOTION: None required.

Agenda Item IV Report of the Executive Committee November 5, 2025

- A. Review and possible action on the Board's financial statements.
 - 1. Consideration of the Legacy Project Budget.
 - 2. Consideration of the Examination Fee Financial (EFFA) Program Budget.
- B. Consideration of professional service contract.
- C. Update of the Legacy System Modernization Project.
- D. Review of NASBA/AICPA matters:
 - 1. Report on 118th Annual Meeting, October 26 - 29, 2025 - Chicago, IL.
 - 2. NASBA Committee Assignments.
- E. Review of general correspondence.
- F. Executive session - Evaluation of the Executive Director pursuant to *551.074(1)* of the *Texas Government Code* and to seek the advice of its attorney pursuant to *551.071(2)* of the *Texas Government Code*.

Agenda Item IV Report of the Executive Committee November 5, 2025

A. Review and possible action on the Board's financial statements.

1. Consideration of the Legacy Project Budget.
2. Consideration of the Examination Fee Financial (EFFA) Program Budget.

DISCUSSION: Ms. Espinoza-Riley, treasurer, will present the Board's financial statements.

RECOMMENDATION: The staff recommends that the Board's financial statements be approved as presented.

SUGGESTED MOTION: That the Board's financial statements be approved as presented.

PROJECTED

	-0.419%	-0.298%	-0.298%	-0.298%	-0.298%	-0.298%
	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
License Fee	\$ 102	\$ 108	\$ 125	\$ 126	\$ 125	\$ 120
Retired/Disabled Fee	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15
Firm License Fee	\$ 60	\$ 60	\$ 60	\$ 60	\$ 60	\$ 60
Firm Organization Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10
	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15
	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20
	\$ 25	\$ 25	\$ 25	\$ 25	\$ 25	\$ 25
Exam Application of Intent Fee	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20
Exam Section Fee (per part)	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15

	FY 25 Budget ¹	FY 26 Budget ²	FY 27 Budget ²	FY 28 Budget ²	FY 29 Budget ²	FY 30 Budget ²
Estimated Revenue	\$ 9,167,457	\$ 9,459,063	\$ 10,514,378	\$ 10,535,949	\$ 10,428,581	\$ 10,064,847
Estimated Expenditures	(8,054,483)	(9,064,385)	(10,773,725)	(13,072,449)	(11,703,506)	(10,016,754)
Adj for GASB 87/96 Implementation				1,436,601		
Excess (Deficiency) Revenues over Expenditures	1,112,974	394,678	(259,346)	(1,099,899)	(1,274,924)	48,093
Adjustment for Revised Estimates						
Other Financing Sources (Uses)						
Estimated Transfers Out - EFFA	(\$360,000)	(\$30,000)	\$0	\$0	(\$100,000)	(\$100,000)
Estimated Transfers Out - SDSI Pmt	(703,344)	(703,344)	(703,344)	(703,344)	(703,344)	(703,344)
Current Year Surplus/Deficit	49,630	(338,666)	(962,690)	(1,803,243)	(2,078,268)	(755,251)
Beginning Fund Balance	8,689,665	8,739,295	8,400,629	7,437,939	5,634,696	3,556,427
Adjustment for Restatement						
Adjusted Beginning Fund Balance						
Ending Fund Balance	8,739,295	8,400,629	7,437,939	5,634,696	3,556,427	2,801,176
Board Policy Estimated Fund Balance	3,066,965	3,319,440	3,387,625	4,321,456	3,979,220	3,557,533
Board-Designated Contingency Reserve	3,750,000	4,820,000	4,000,000	1,500,000	-	-
Surplus/Deficit over Board Policy	1,922,330	261,188	50,314	(186,761)	(422,793)	(756,356)
Ending Fund Balance	8,739,295	8,400,629	7,437,939	5,634,696	3,556,427	2,801,176
Proof - Must Equal Zero	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Estimated Fund Balance Reserve Based on 25% of Expenditures PLUS Transfer Out PLUS \$350,000 Enforcement Reserve (effective FY 2019):						
Effective FY 2024 - 2027, additional amounts million to be designated as a contingency reserve*:						
Expenditures - estimated	\$ 8,054,483	\$ 9,064,385	\$ 9,337,124	\$ 13,072,449	\$ 11,703,506	\$ 10,016,754
Revised Expenditure adjustment						
Operating Expenditures & Transfer Out	\$ 8,054,483	\$ 9,064,385	\$ 9,337,124	\$ 13,072,449	\$ 11,703,506	\$ 10,016,754
3 month Operating Reserve	\$ 2,013,621	\$ 2,266,096	\$ 2,334,281	\$ 3,268,112	\$ 2,925,876	\$ 2,504,189
Board-Designated Contingency Reserve	\$ 3,750,000	\$ 4,820,000	\$ 4,000,000	\$ 1,500,000		\$ -
Enforcement Reserve	350,000	350,000	350,000	350,000	350,000	350,000
Transfer Out (beginning FY 2019)	703,344	703,344	703,344	703,344	703,344	703,344
Total Reserve	\$ 6,816,965	\$ 8,139,440	\$ 7,387,625	\$ 5,821,456	\$ 3,979,220	\$ 3,557,533
Fund Balance Reserve Surplus/Deficit	\$ 1,922,330	\$ 261,188	\$ 50,314	\$ (186,761)	\$ (422,793)	\$ (756,356)

¹ Budget as approved
² Proposed Budget - not approved
* Reserve contingency purpose: major case litigation, technology expenditures, and other unforeseen circumstances.

TEXAS STATE BOARD OF PUBLIC ACCOUNTANCY

Financial Overview

For the 12 Months Ended August 31, 2025

Annual Budget						
	Actual	Annual Budget	Variance	Percent Remaining	Target	Variance
Revenues - YTD	\$ 9,497,229	\$ 9,167,457	\$ (329,772)	-3.60%	8.33%	11.93%
Expenditures - YTD	\$ (6,276,982) ^A	\$ (8,054,483) ^D	\$ 1,777,501	22.07%	8.33%	13.74%
Net - YTD	3,220,246	1,112,974	\$ 2,107,273	189.34%	8.33%	-181.00%
Transfers In (Out)	(707,085)	\$ (703,344)	\$ 3,741	-0.53%	8.33%	8.87%
Transfer to EFFA Fund	(350,000)	\$ (360,000) ^D	\$ (10,000)	2.78%	8.33%	5.56%
Total Transfers In (Out) ^B	(1,057,085)	(1,063,344)				
Net Increase/(Reduction) in Fund Balance	\$ 2,163,161	\$ 49,629.58	\$ 2,113,532	4258.6%	8.33%	-4250.28%
Revenues: See <i>Revenue Budget Summary</i> for additional information ● Revenue collected over budget by 11.93% → Other than CPE Sponsor fee, all else are over budget - see Revenue Budget Report Expenditures: See <i>Expenditure Budget Summary</i> for additional information ● Expenditures under budget by 13.74% → See <i>Expenditure Budget Summary</i> for discussion of budget items.						

Revenues and Expenditures and Changes in Fund Balance				
	Current Year	Prior Year	Difference	% Difference
Beginning Fund Balance 9/01/2024	\$ 8,689,665	\$ 6,962,397 ^C		
Revenues	9,497,229	8,398,000	1,099,229	13.1%
Expenditures	(6,310,721) ^A	(6,028,415)	282,306	4.7%
Other Financing Sources (Uses) ^B	(1,056,962)	(642,317)	414,645	64.6%
Ending Fund Balance 8/31/2025	<u>\$ 10,819,211</u>	<u>\$ 8,689,665</u>		
net increase/(reduction) in FB	\$ 2,129,546	\$ 1,727,268		
Budgeted Ending Fund Balance	\$ 8,741,846	\$ 5,915,635		
A EXH II expenditures include \$33,738.78 recorded in Fiscal Year 2025 for services provided in 2024. B Transfers in (out)/other financing sources (uses) include the quarterly SDSI payments and net interest owed to the operating fund from the professional fee fund. EXH II Other Financing Sources (Uses) include \$123.51 in hotel tax return to transfer from USAS to Safekeeping. C Represents restated beginning fund balance as of 9/1/2024. D The \$350,000 transferred to the EFFA fund was originally recorded as an expenditure in the budget but is now reflected as a transfer out.				

TEXAS STATE BOARD OF PUBLIC ACCOUNTANCY
Performance Measures
For the 12 Months Ended August 31, 2025

Performance Measures:

Fiscal Year 2025

Sept. 24-Nov. 24 Dec. 24-Feb.25 Mar. 25-May 25 June 25-Aug.25

1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	YTD	Target	%	FY 2024
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Exam Related Measures:

Individuals examined	2,441	2,715	2,630	3,163	6,142	5,667	108%	6,084
Sections taken	2,863	3,081	3,625	4,109	13,678	13,240	103%	13,476
Average sections taken per individual	1.17	1.13	1.38	1.30	2.23	2.34	95%	2.21

Licensing Related Measures:

Number of individuals licensed	78,106	78,277	78,681	78,683	not cumulative	78,901	100%	78,297
Number of business facilities licensed (firms)	8,233	8,238	8,225	8,193	not cumulative	8,156	101%	8,354

Peer Review Related Measures:

Number of accounting firms subject to peer review	1,725	1,709	1,687	1,670	not cumulative	1,700	99%	1,746
Number of Peer Reviews Conducted	117	113	162	127	519	566	92%	565
Percentage of accounting firms reviewed	6.8%	7.9%	9.6%	7.6%	9.6%	33%	29%	32.4%
Percentage of accounting firms receiving favorable review	82.1%	83.7%	87.0%	85.8%	87.0%	83.0%	105%	83.0%
Number of peer reviews examined by the Peer Review Oversight Board	117	113	162	127	519	566	92%	565

Sponsor Review Program Related Measures:

Number of CPE Sponsors Reviewed	59	19	26	25	129	138	94%	151
Number of CPE Sponsors Subject to Review	381	374	377	381	not cumulative	405	93%	398

Enforcement Related Measures:

b,c

Administrative:

Open violations, beginning	1,397	1,158	1,341	1,120	1,397			1,384
Violations opened	819	763	825	825	2,405			3,137
Violations closed	(1,057)	(579)	(1,046)	(1,046)	(2,680)			(3,114)
Previous quarter adjustment	(1)	(1)	-	-	(2)			(10)
Open violations, ending	1,158	1,341	1,120	899	1,120			1,397

Average time for complaint resolution (days)

143.1	143.1	141.0	135.6	142.2	131.6	108%	142.2
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Disciplinary:

Open violations, beginning	504	534	520	564	504			406
Violations opened	150	125	153	153	434			600
Violations closed	(124)	(140)	(114)	(114)	(378)			(494)
Previous quarter adjustment	4	1	5	5	4			(8)
Open violations, ending	534	520	564	608	564			504

Average time for complaint resolution (days)

205.5	223.8	85.8	79.8	177.6	190.9	93%	119.4
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a This measure is the number of Registered Accounting Firms not Practice Units. The number of Practice Units is used for estimating revenue because Firms may have more than one Practice Unit.

b Case numbers are estimates based on best available data, subject to additional review of violation coding. Rule changes over time may affect coding.

c Cases opened and closed categories include adjustments for reclassification of cases and report timing. Due to the timing of some case reporting, year-to-date numbers may not match quarterly totals.

Texas State Board of Public Accountancy

Exhibit I - Combined Balance Sheet/Statement of Net Position – Governmental Funds

August 31, 2025

	Governmental Fund Types				
	General Funds (EXH A-1)	Governmental Funds Total	Capital Assets Adjustments	Long-Term Liabilities Adjustments	Statement of Net Position
ASSETS					
Current Assets:					
Cash and Cash Equivalents:					
Cash on Hand	\$ 10,781.50	\$ 10,781.50	\$ -	\$ -	\$ 10,781.50
Cash in Bank (Note 3)	12,296.80	12,296.80			12,296.80
Cash in State Treasury	397,682.28	397,682.28			397,682.28
Cash Equivalents (Note 3)	11,758,100.57	11,758,100.57			11,758,100.57
Accounts Receivable	1,243.51	1,243.51			1,243.51
Due From Other Funds (Note 12)	71,286.31	71,286.31			71,286.31
Due From Other Agencies (Note 12)	-	-			-
Prepaid Item (Note 1)	106,937.13	106,937.13			106,937.13
Consumable Inventories	-	-			-
Total Current Assets	<u>\$ 12,358,328.10</u>	<u>\$ 12,358,328.10</u>	<u>-</u>	<u>-</u>	<u>\$ 12,358,328.10</u>
Non-Current Assets:					
Capital Assets (Note 2)					
Depreciable or Amortizable					
Furniture and Equipment			\$ 427,018.81	\$ -	\$ 427,018.81
Less Accumulated Depreciation			(306,441.52)		(306,441.52)
Vehicles, Boats, and Aircraft			16,348.14		16,348.14
Less Accumulated Depreciation			(16,348.14)		(16,348.14)
Capital Lease - Right to Use			3,367,839.30		3,367,839.30
Less Accumulated Amortization			(1,456,359.97)		(1,456,359.97)
Other Non-Current Assets	\$ 70,043.36	\$ 70,043.36			70,043.36
Total Non-Current Assets	<u>70,043.36</u>	<u>70,043.36</u>	<u>2,032,056.62</u>	<u>-</u>	<u>2,102,099.98</u>
Total Assets	<u>\$ 12,428,371.46</u>	<u>\$ 12,428,371.46</u>	<u>\$ 2,032,056.62</u>	<u>\$ -</u>	<u>\$ 14,460,428.08</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Current Liabilities:					
Payables From:					
Accounts Payable	\$ -	\$ -			\$ -
Payroll Payable	419,755.44	419,755.44			419,755.44
Refunds Payable	69.65	69.65			69.65
Due To Other Funds (Note 12)	71,286.31	71,286.31			71,286.31
Due To Other Agencies (Note 12)	8,002.83	8,002.83			8,002.83
Right to Use Lease Obligations (Note 5, 8)				\$ 359,706.82	359,706.82
Right to Use Lease Interest Payable				2,167.82	2,167.82
Employees Compensable Leave (Note 5)	-	-		332,964.90	332,964.90
Total Current Liabilities	<u>\$ 499,114.23</u>	<u>\$ 499,114.23</u>	<u>-</u>	<u>\$ 694,839.54</u>	<u>\$ 1,193,953.77</u>
Non-Current Liabilities:					
Right to Use Lease Obligations (Note 5, 8)				1,717,083.84	1,717,083.84
Employees Compensable Leave (Note 5)	-	-		450,237.25	450,237.25
Total Non-Current Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,167,321.09</u>	<u>2,167,321.09</u>
Total Liabilities	<u>\$ 499,114.23</u>	<u>\$ 499,114.23</u>	<u>-</u>	<u>\$ 2,862,160.63</u>	<u>\$ 3,361,274.86</u>
FUND FINANCIAL STATEMENT-FUND BALANCES					
Fund Balances (Deficits):					
Nonspendable	\$ 155,082.33	\$ 155,082.33			\$ 155,082.33
Committed:					
Board Policy Reserve (Note 1.D)	3,156,964.75	3,156,964.75			3,156,964.75
Board Policy Contingency Reserve (Note 1.D)	3,750,000.00	3,750,000.00			3,750,000.00
Other	4,867,210.15	4,867,210.15			4,867,210.15
Total Fund Balances	<u>\$ 11,929,257.23</u>	<u>\$ 11,929,257.23</u>	<u>-</u>	<u>-</u>	<u>\$ 11,929,257.23</u>
Total Liabilities and Fund Balances	<u>\$ 12,428,371.46</u>	<u>\$ 12,428,371.46</u>			
GOVERNMENT-WIDE STATEMENT-NET POSITION					
Net Position:					
Net Investment in Capital Assets			\$ 2,032,056.62		\$ 2,032,056.62
Restricted					
Unrestricted				(2,862,160.63)	(2,862,160.63)
Total Net Position			<u>\$ 2,032,056.62</u>	<u>\$ (2,862,160.63)</u>	<u>\$ 11,099,153.22</u>

The accompanying notes to the financial statements are an integral part of this statement.

Note - To minimize the inclusion of additional pages within the board agenda book, the notes presented above are those incorporated within the Notes to the Financial Statements section of the 2025 Annual Financial Report (AFR).

Texas State Board of Public Accountancy
Exhibit A-1 - Balance Sheet - All General and Consolidated Funds
August 31, 2025

	General				
	(1000)	(0858)	(0858)	(1009)	Total
	U/F (1002)	U/F (7106, 6106)	U/F (7206, 6206)	U/F (1009, 2858)	(EXH I)
ASSETS					
Current Assets:					
Cash and Cash Equivalents:					
Cash on Hand	\$ 900.00	\$ 160.00	\$ -	\$ 9,721.50	\$ 10,781.50
Cash in Bank (Note 3)	\$ 200.00	110.00	-	11,986.80	12,296.80
Cash in State Treasury	\$ -	-	-	397,682.28	397,682.28
Cash Equivalents (Note 3)	\$ 76,189.14	744,245.63	363,530.44	10,574,135.36	11,758,100.57
Accounts Receivable		-	-	1,243.51	1,243.51
Due From Other Funds (Note 12)	\$ 2,000.00	-	-	69,286.31	71,286.31
Due From Other Agencies (Note 12)	\$ -	-	-	-	-
Prepaid Item (Note 1)	\$ -	-	-	106,937.13	106,937.13
Total Current Assets	\$ 79,289.14	\$ 744,515.63	\$ 363,530.44	\$ 11,170,992.89	\$ 12,358,328.10
Non-Current Assets:					
Non-Current Prepaid Items (Note 1)				33,033.60	33,033.60
Non-Current Refundable Deposits (Note 1)				37,009.76	37,009.76
Total Noncurrent Assets	-	-	-	70,043.36	70,043.36
Total Assets	\$ 79,289.14	\$ 744,515.63	\$ 363,530.44	\$ 11,241,036.25	\$ 12,428,371.46
LIABILITIES AND FUND BALANCES					
Liabilities:					
Current Liabilities:					
Payables From:					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Payroll Payable		-	-	419,755.44	419,755.44
Refunds Payable		-	-	69.65	69.65
Due To Other Funds (Note 12)	69,286.31	-	-	2,000.00	71,286.31
Due to Other Agencies (Note 12)	8,002.83	-	-	-	8,002.83
Total Current Liabilities	\$ 77,289.14	-	-	\$ 421,825.09	\$ 499,114.23
Non-Current Liabilities:					
Interfund Payables					-
Total Non-Current Liabilities	-	-	-	-	-
Total Liabilities	\$ 77,289.14	-	-	\$ 421,825.09	\$ 499,114.23
FUND FINANCIAL STATEMENT-FUND BALANCES					
Fund Balances (Deficits):					
Nonspendable		\$ -	\$ -	\$ 155,082.33	\$ 155,082.33
Committed:					-
Board Policy Reserve (Note 1.D)				3,156,964.75	3,156,964.75
Board Policy Contingency Fund (Note 1.D)				3,750,000.00	3,750,000.00
Other	2,000.00	744,515.63	363,530.44	3,757,164.08	4,867,210.15
Total Fund Balances	2,000.00	744,515.63	363,530.44	10,819,211.16	11,929,257.23
Total Liabilities and Fund Balances	\$ 79,289.14	\$ 744,515.63	\$ 363,530.44	\$ 11,241,036.25	\$ 12,428,371.46

The accompanying notes to the financial statements are an integral part of this statement.

Note - To minimize the inclusion of additional pages within the board agenda book, the notes presented above are those incorporated within the Notes to the Financial Statements section of the 2025 Annual Financial Report (AFR).

Texas State Board of Public Accountancy
Exhibit II - Combined Statement of Revenues, Expenditures, and
Changes in Fund Balances/Statement of Activities – Governmental Funds
For the 12 Months Ended August 31, 2025

	General Funds (EXH A-2)	Governmental Funds Total	Capital Assets Adjustments	Long-Term Liabilities Adjustments	Statement of Activities
REVENUES					
Federal Grant Pass-through Revenue (GR)	-	-			-
License, Fees & Permits					
License Fees	9,379,162.39	9,379,162.39			9,379,162.39
Exam Fees	332,463.00	332,463.00			332,463.00
Other License, Fees & Permits	8,490.00	8,490.00			8,490.00
Interest and Investment Income	424,974.38	424,974.38			424,974.38
Other	89,112.35	89,112.35			89,112.35
Total Revenues	10,234,202.12	10,234,202.12	-	-	10,234,202.12
EXPENDITURES					
Salaries and Wages	3,578,163.47	3,578,163.47		206,402.97	3,784,566.44
Payroll Related Costs	1,123,195.49	1,123,195.49			1,123,195.49
Professional Fees and Services	213,793.13	213,793.13			213,793.13
Travel	20,401.27	20,401.27			20,401.27
Materials and Supplies	117,801.60	117,801.60			117,801.60
Communication and Utilities	77,991.11	77,991.11			77,991.11
Repairs and Maintenance	74,962.71	74,962.71			74,962.71
Rentals & Leases	63,374.84	63,374.84			63,374.84
Printing and Reproduction	11,755.16	11,755.16			11,755.16
Other Expenditures	451,280.06	451,280.06			451,280.06
State Pass Through Expenditures	673,308.80	673,308.80			673,308.80
Intergovernmental Payments	290,116.00	290,116.00			290,116.00
Public Assistance Payments	158,389.04	158,389.04			158,389.04
Debt Service:					-
Principal	344,046.01	344,046.01		(344,046.01)	-
Interest	28,754.55	28,754.55		(359.10)	28,395.45
Capital Outlay	49,701.66	49,701.66	(49,701.66)		-
Depreciation Expense			28,041.61		28,041.61
Amortization Expense			364,089.96		364,089.96
Total Expenditures/Expenses	7,277,034.90	7,277,034.90	342,429.91	(138,002.14)	7,481,462.67
Excess (Deficiency) of Revenues Over Expenditures	2,957,167.22	2,957,167.22	(342,429.91)	138,002.14	2,752,739.45
OTHER FINANCING SOURCES (USES)					
Increase In Obligations - Leases				-	-
Sale of Capital Assets	-	-			-
Inc (Dec) in Net Position Due to Interagency Transfer			-		-
Transfers In (Note 1.E.)	8,341,945.29	8,341,945.29			8,341,945.29
Transfers Out (Note 1.E.)	(9,055,165.78)	(9,055,165.78)			(9,055,165.78)
Gain (Loss) on Sale of Capital Assets	-	-			-
Increase/Decrease in Net Assets			-		-
Interagency Transfer of Capital Assets					-
Other Financing Sources (Uses)	-	-			-
Total Other Financing Sources and Uses	(713,220.49)	(713,220.49)	-	-	(713,220.49)
Net Change in Fund Balances/Net Position	2,243,946.73	2,243,946.73	(342,429.91)	138,002.14	2,039,518.96
FUND FINANCIAL STATEMENT-FUND BALANCES					
Fund Balances, September 1, 2024	9,685,310.50	9,685,310.50	-	-	9,685,310.50
Fund Balances-- August 31, 2025	<u>\$ 11,929,257.23</u>	<u>\$ 11,929,257.23</u>	<u>\$ (342,429.91)</u>	<u>\$ 138,002.14</u>	<u>\$ 11,724,829.46</u>
GOVERNMENT-WIDE STATEMENT-NET POSITION					
Net Assets/Change in Net Position		11,929,257.23	(342,429.91)	138,002.14	11,724,829.46
Net Position-Beginning September 1, 2024			2,374,486.53	(3,000,162.77)	(625,676.24)
Net Position--August 31, 2025			<u>\$ 2,032,056.62</u>	<u>\$ (2,862,160.63)</u>	<u>\$ 11,099,153.22</u>

The accompanying notes to the financial statements are an integral part of this statement.

Note - To minimize the inclusion of additional pages within the board agenda book, the notes presented above are those incorporated within the Notes to the Financial Statements section of the 2025 Annual Financial Report (AFR).

UNAUDITED

Texas State Board of Public Accountancy
Exhibit A-2 - Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances – All General and Consolidated Funds
For the 12 Months Ended August 31, 2025

	General Revenue				
	(0001)	(0858)	(0858)	(1009)	Total
	U/F(1002)	U/F (7106, 6106)	U/F (7206, 6206)	U/F (1009, 2858)	(EXH II)
REVENUES					
Federal Grant Pass-through Revenue (GR)	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, Fees & Permits:					
Licenses, Fees		\$ 662,585.33	\$ -	8,716,577.06	9,379,162.39
Exam Fees		-	-	332,463.00	332,463.00
Other License, Fees & Permits		-	-	8,490.00	8,490.00
Interest and Investment Income	8,258.98	29,638.17	13,530.44	373,546.79	424,974.38
Other		20,071.60	2,889.04	66,151.71	89,112.35
Total Revenues	8,258.98	712,295.10	16,419.48	9,497,228.56	10,234,202.12
EXPENDITURES					
Salaries and Wages		-	-	3,578,163.47	3,578,163.47
Payroll Related Costs		-	-	1,123,195.49	1,123,195.49
Professional Fees and Services		-	-	213,793.13	213,793.13
Travel		-	-	20,401.27	20,401.27
Materials and Supplies		-	-	117,801.60	117,801.60
Communication and Utilities		-	-	77,991.11	77,991.11
Repairs and Maintenance		-	-	74,962.71	74,962.71
Rentals & Leases		-	-	63,374.84	63,374.84
Printing and Reproduction		-	-	11,755.16	11,755.16
Other Expenditures		-	-	451,280.06	451,280.06
State Pass Through Expenditures		673,308.80	-	-	673,308.80
Intergovernmental Payments		290,116.00	-	-	290,116.00
Public Assistance Payments		-	2,889.04	155,500.00	158,389.04
Debt Service:					
Principal				344,046.01	344,046.01
Interest				28,754.55	28,754.55
Capital Outlay		-	-	49,701.66	49,701.66
Total Expenditures/Expenses	-	963,424.80	2,889.04	6,310,721.06	7,277,034.90
Excess (Deficiency) of Revenues					
Over Expenditures	8,258.98	(251,129.70)	13,530.44	3,186,507.50	2,957,167.22
OTHER FINANCING SOURCES (USES)					
Sale of Capital Assets				-	-
Net Change in Reserve for Inventories				-	-
Transfers In (Note 1.E.)	2,000.00	961,424.80	350,000.00	7,028,520.49	8,341,945.29
Transfers Out (Note 1.E.)	(8,258.98)	(961,424.80)	-	(8,085,482.00)	(9,055,165.78)
Gain (Loss) on Sale of Capital Assets		-	-	-	-
Total Other Financing Sources and Uses	(6,258.98)	0.00	350,000.00	(1,056,961.51)	(713,220.49)
SPECIAL ITEMS					
		-	-	-	-
EXTRAORDINARY ITEMS					
		-	-	-	-
Net Change in Fund Balances	2,000.00	(251,129.70)	363,530.44	2,129,545.99	2,243,946.73
FUND FINANCIAL STATEMENT-FUND BALANCES					
Fund Balances, 9/1/2024	-	995,645.33	-	8,689,665.17	9,685,310.50
Fund Balances-- August 31, 2025	\$ 2,000.00	\$ 744,515.63	\$ 363,530.44	\$ 10,819,211.16	\$ 11,929,257.23

The accompanying notes to the financial statements are an integral part of this statement.

Note - To minimize the inclusion of additional pages within the board agenda book, the notes presented above are those incorporated within the Notes to the Financial Statements section of the 2025 Annual Financial Report (AFR).

Texas State Board of Public Accountancy
Accounting Student Scholarship Payments FY 2025
State Universities
For the 12 Months Ended August 31, 2025

	FY 2025
BEGINNING FUND BALANCE - September 1, 2024	\$ 995,645.33
Total Scholarship Fund Revenue	\$ 712,295.10
State Pass Through Expenditures (EXH A-2)	
State University Payments:	
Angelo State University	\$ -
Lamar University	\$ 5,000.00
Prairie View A&M University	\$ -
Midwestern State University	\$ -
Sam Houston State University	\$ 5,000.00
Stephen F. Austin State University	\$ 12,484.00
Tarleton State University	\$ -
Texas A&M University	\$ 77,162.80
Texas A&M International University	\$ -
Texas A&M University - Central Texas	\$ -
East Texas A&M University	\$ 9,500.00
Texas A&M University - Corpus Christi	\$ 13,000.00
Texas A&M University - Kingsville	\$ -
Texas A&M University - San Antonio	\$ -
Texas A&M University - Texarkana	\$ -
Texas Southern University	\$ 5,000.00
Texas State University	\$ 50,000.00
Texas Tech University	\$ 55,000.00
Texas Woman's University	\$ 12,000.00
University of Houston	\$ 27,162.00
University of Houston - Clear Lake	\$ 22,000.00
University of Houston - Downtown	\$ 25,000.00
University of Houston - Victoria	\$ -
University of North Texas	\$ 55,000.00
University of North Texas at Dallas	\$ -
University of Texas - Pan American	\$ -
University of Texas at Arlington	\$ 10,000.00
University of Texas at Austin	\$ 129,000.00
University of Texas at Brownsville	\$ -
University of Texas at Dallas	\$ 69,000.00
University of Texas at El Paso	\$ 35,000.00
University of Texas at San Antonio	\$ -
University of Texas Rio Grande Valley	\$ 42,000.00
University of Texas at Tyler	\$ 10,000.00
University of Texas of the Permian Basin	
West Texas A&M University	\$ 5,000.00
Total State University Payments	\$ 673,308.80
Total State University Refunds	-
State Pass Through Expenditures (EXH A-2)	\$ 673,308.80
Intergovernmental Payments (EXH A-2)	
Junior College/ Private University Payments:	
Alamo Colleges District	\$ 2,800.00
Austin Community College	\$ 4,800.00
Abilene Christian University	\$ 12,000.00
Baylor University	\$ 54,900.00
Dallas Baptist University	\$ 16,000.00
Dallas College	\$ 7,031.00
Houston Community College System	\$ 5,000.00
Letourneau University	\$ 16,000.00
Lubbock Christian University	\$ 16,000.00
Southern Methodist University	\$ 36,000.00
St. Edward's University	\$ 5,000.00
Texas Christian University	\$ 56,000.00
Texas Wesleyan University	\$ 9,000.00
Trinity University	\$ 28,000.00
William Marsh Rice University	\$ 23,000.00
Total Junior College/ Private University Payments:	\$ 291,531.00
Junior College/ Private Univ. Refunds:	
Dallas College	\$ (1,415.00)
Total Junior College/ Private University Refunds:	\$ (1,415.00)
Intergovernmental Payments (EXH. A-2)	290,116.00
Other Financing Sources/Uses	
Transfers In	961,424.80
Transfers Out	(961,424.80)
Total Other Financing Sources/Uses (EXH. A-2)	\$ -
ENDING FUND BALANCE - August 31, 2025	\$ 744,515.63

Agenda Item IV Report of the Executive Committee November 5, 2025

B. Consideration of professional service contract.

DISCUSSION: Mr. Hill will present a request to the Board to authorize the executive director to evaluate the responses to a published Request for Qualifications (RFQ) and then contract with, on behalf of the Board, an attorney with the experience and expertise to assist the Board in the procurement of an updated computer system referred to as the Legacy System Modernization Project.

RECOMMENDATION: The staff recommends authorization for the executive director to select and contract with the best qualified responding attorney/firm for up to a maximum of \$55,000 per contract period.

SUGGESTED MOTION: Move that the Board authorize the executive director to evaluate and enter into a contract with the best qualified responding attorney/firm.

Agenda Item IV Report of the Executive Committee November 5, 2025

C. Update of the Legacy System Modernization Project.

DISCUSSION: Ms. Warren, Ad Hoc Computer Utilization Committee chair, will provide an update on the progress of the computer utilization project.

RECOMMENDATION: None by staff.

SUGGESTED MOTION: None by staff.

Agenda Item IV Report of the Executive Committee November 5, 2025

D. Review of NASBA/AICPA matters:

DISCUSSION: Ms. Smith, presiding officer, will present the following NASBA/AICPA matters:

1. Report on 118th Annual Meeting, October 26 - 29, 2025 - Chicago, IL.
2. NASBA Committee Assignments.

RECOMMENDATION: None by staff.

SUGGESTED MOTION: None by staff.



National Association of State Boards of Accountancy

150 Fourth Avenue North ♦ Suite 700 ♦ Nashville, TN 37219-2417 ♦ Tel 615/880-4200 ♦ Fax 615/880-4290 ♦ Web www.nasba.org

October 10, 2025

Renee Foshee, JD, CPA
2882 Paso del Robles
San Marcos, TX 78666

Dear Renee:

Thank you for your willingness to serve NASBA by being a member of the 2025-26 Uniform Accountancy Act Committee. We are looking forward to a progressive and productive committee year. The committee's charge is to:

Oversee the Uniform Accountancy Act and related Model Rules and recommend amendments to the Board of Directors.

Your committee chair is Dan Vuckovich, CPA and your primary committee liaison is Kent Absec. Should you have any questions, please contact Kent, by email at kabsec@nasba.org or by telephone at (615) 880-4208.

The committee selection and structure process has resulted in the consideration of certain factors related to the period of service (three years with the exception for special expertise and experience); definition of diversity (expanded to include states, regions, and firm size); structure and size (generally reduced to contribute to efficiency) and certain changes in members. We are also focused on a new leadership development program.

As Chair-Elect and President and CEO of NASBA, we are looking forward to working with you throughout this next committee year. We, as always, appreciate you spending your valuable time as a NASBA committee member.

Sincerely,

Daniel J. Dustin

Daniel J. Dustin, CPA
President & CEO

Nicola Neilon

Nicola Neilon, CPA
Chair-Elect



National Association of State Boards of Accountancy

150 Fourth Avenue North ♦ Suite 700 ♦ Nashville, TN 37219-2417 ♦ Tel 615/880-4200 ♦ Fax 615/880-4290 ♦ Web www.nasba.org

October 10, 2025

Olivia Espinoza-Riley, CPA
16301 Ledgemont Lane #201
Addison, TX 75001

Dear Olivia:

Thank you for your willingness to serve NASBA by being a member of the 2025-26 Inclusion Committee. We are looking forward to a progressive and productive committee year. The committee's charge is to:

Provide opportunities, encouragement and support to underrepresented NASBA members to participate in service and leadership roles.

Your committee chair is Jeannette P. Smith, CPA and your primary committee liaison is Sedrik Newbern. Should you have any questions, please contact Sedrik, by email at snewbern@nasba.org or by telephone at (615) 564-2129.

The committee selection and structure process has resulted in the consideration of certain factors related to the period of service (three years with the exception for special expertise and experience); definition of diversity (expanded to include states, regions, and firm size); structure and size (generally reduced to contribute to efficiency) and certain changes in members. We are also focused on a new leadership development program.

As Chair-Elect and President and CEO of NASBA, we are looking forward to working with you throughout this next committee year. We, as always, appreciate you spending your valuable time as a NASBA committee member.

Sincerely,

Daniel J. Dustin

Daniel J. Dustin, CPA
President & CEO

Nicola Neilon

Nicola Neilon, CPA
Chair-Elect



National Association of State Boards of Accountancy

150 Fourth Avenue North ♦ Suite 700 ♦ Nashville, TN 37219-2417 ♦ Tel 615/880-4200 ♦ Fax 615/880-4290 ♦ Web www.nasba.org

October 10, 2025

Susan I. Adams, CPA
5005 Lyndon B. Johnson Frwy, Suite 1200
Dallas, TX 75244

Dear Susan:

Thank you for your willingness to serve NASBA by being a member of the 2025-26 Bylaws Committee. We are looking forward to a progressive and productive committee year. The committee's charge is to:

Review and consider best practices from various sources and recommend amendments to the Board of Directors for approval and subsequent vote by Member Boards.

Your committee chair is Robert Todero, CPA and your primary committee liaison is Brie Allen, Esq.. Should you have any questions, please contact Brie, by email at ballen@nasba.org or by telephone at (615) 312-3777.

The committee selection and structure process has resulted in the consideration of certain factors related to the period of service (three years with the exception for special expertise and experience); definition of diversity (expanded to include states, regions, and firm size); structure and size (generally reduced to contribute to efficiency) and certain changes in members. We are also focused on a new leadership development program.

As Chair-Elect and President and CEO of NASBA, we are looking forward to working with you throughout this next committee year. We, as always, appreciate you spending your valuable time as a NASBA committee member.

Sincerely,

Daniel J. Dustin

Daniel J. Dustin, CPA
President & CEO

Nicola Neilon

Nicola Neilon, CPA
Chair-Elect



National Association of State Boards of Accountancy

150 Fourth Avenue North ♦ Suite 700 ♦ Nashville, TN 37219-2417 ♦ Tel 615/880-4200 ♦ Fax 615/880-4290 ♦ Web www.nasba.org

October 10, 2025

William Treacy
Texas State Board of Public Accountancy
Austin, TX 78752-3757

Dear Bill:

Thank you for your willingness to serve NASBA by being a member of the 2025-26 International Qualifications Appraisal Board. We are looking forward to a progressive and productive committee year. The committee's charge is to:

As directed by the Executive Committee, survey and assess professional practice standards and qualifications in specified countries and recommend the feasibility of recognition of credentialed non-US professionals to the Board of Directors.

Your committee chair is Gerald Weinstein, PhD, CPA and your primary committee liaison is Patricia Hartman. Should you have any questions, please contact Pat, by email at phartman@nasba.org or by telephone at (615) 880-4273.

The committee selection and structure process has resulted in the consideration of certain factors related to the period of service (three years with the exception for special expertise and experience); definition of diversity (expanded to include states, regions, and firm size); structure and size (generally reduced to contribute to efficiency) and certain changes in members. We are also focused on a new leadership development program.

As Chair-Elect and President and CEO of NASBA, we are looking forward to working with you throughout this next committee year. We, as always, appreciate you spending your valuable time as a NASBA committee member.

Sincerely,

Daniel J. Dustin

Daniel J. Dustin, CPA
President & CEO

Nicola Neilon

Nicola Neilon, CPA
Chair-Elect

Agenda Item IV Report of the Executive Committee November 5, 2025

E. Review of the general correspondence.

DISCUSSION: Ms. Smith, presiding officer, will review general correspondence coming to the Board's attention.

RECOMMENDATION: None by staff.

SUGGESTED MOTION: None by staff.

William Treacy

Subject: Exam Team Culture - Maria Grazioani

Dear Donna,
Good morning.

I'm sharing this thoughtful note from a candidate with the Qualifications team because it mentions our team culture, which is a direct result of your leadership and our team members' character.

I feel it's a privilege to have the opportunity to help the amazing individuals who have chosen this path to become a Texas CPA.

Thanks to all the team for making this an awesome environment for us, and the candidates as well.

Sincerely,
Maria G.

From: Ezra

Sent: Tuesday, September 23, 2025 7:07 AM

To: Maria Graziani <MGraziani@tsbpa.texas.gov>

Subject: Re: Ctrl No: 0296101-AOI advanced to the last review

Thank you note:

To whom it may concern:

I would like to share some important feedback about Ms. Maria Graziani.

From the very first email, she has been nothing short of exceptional, patient, knowledgeable, and above all, genuinely kind.

Her responsiveness has been remarkable, especially considering the number of candidates she most likely manages. Every interaction with her was meaningful, as she took the time to listen carefully and provide clear, thoughtful guidance on the steps I needed to take to meet the criteria for CPA exam eligibility.

The process was quite challenging, as my out-of-state courses were not considered equivalent by Texas, requiring me to complete additional coursework. As a husband, the father of a baby, a full-time worker, and a student, this was a significant challenge, especially in terms of time.

Yet Ms. Maria ensured that I never felt lost or overwhelmed. Her patience, professionalism, and unwavering support made the entire process manageable and even motivating.

Her dedication, warmth, and genuine care for candidates speak volumes about both her character and your **team's culture**. She is truly a fantastic evaluator, and I can only imagine that the rest of your team is just as professional, thoughtful, and outstanding.

Thank you for having such an awesome person on your team. Ms. Maria deserves recognition for her extraordinary work and the positive impact she has on those she assists. Have a blessed day!

From: Ezra

Sent: Thursday, August 21, 2025 4:34 PM

To: Maria Graziani <MGraziani@tsbpa.texas.gov>

Subject: Re: Ctrl No: 0296101-AOI advanced to the last review

Dear Ms. Maria,

Thank you so much for your encouraging words. If there is any way I can do so, I would love to send positive feedback to your division or leadership to let them know how fantastic you have been every step of the way. I truly want the right people to know that you have been a tremendous support.

BUSINESS

 BETA

Jeannette Smith: Protecting The Public Trust While Nurturing The Next Generation Of CPAs

By **Steel Rose, CPA**, Forbes Staff. Steel is Sr. Editor, Accounting,...

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Published Oct 15, 2025, 09:45am EDT

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JAYA NICELY FOR FORBES

Jeannette Smith, CPA

Firm: Carr, Riggs & Ingram

Title: Partner

Forbes List: America's Top 200 CPAs 2025

Jeannette Smith, a Partner with Carr, Riggs & Ingram, is many things: She is the Presiding Chair of the Texas State Board of Public Accountancy. She serves on the board of

examiners for the AICPA and as the Southwest Regional Director of the National Association of State Boards of Accountancy. She is a member of the Texas Society of CPAs, where she held the roles of director at large, treasurer and executive board member.

But Smith's ascension to the highest ranks of the CPA profession speaks most strongly to the challenges facing the field—and facing clients in search of great accounting assistance. Smith herself was mentored by, she says, “a kind and gentle

CPA who took me under his wing when I needed reassurance the most.” Beyond that, she says her inspiration was her father, who advised her that, “Everybody has an angle, just be smart and be true to yourself.”

Smith, in turn, is a strong proponent of mentorship in the CPA field, which she considers vital to stemming the dearth of new talent in its professional pipeline—a shortfall that could soon pose a problem for those in business seeking accounting services. Indeed, the numbers are dire. Bachelor's and master's accounting graduates have dropped by 18.2% since the 2015-16 academic year, while first-time CPA exam candidates fell 33% between 2016 and 2021. The shortage is compounded by a wave of retirements, as some 75% of CPAs are at or near retirement age, and the workforce boasts roughly 340,000 fewer accountants than five years ago.

As Smith notes: “We continue to be faced with a shortage, a smaller pool of accounting candidates, while trying to avoid head hunting from outsiders. We consider compensation trends, specialized skills, work hours and being replaced with automation. To overcome this trend, we decided to make our CPA firm the best CPA firm in the area, especially when it comes to how employees are treated and rewarded.”

Smith has seen firsthand the challenges facing newcomers to the field, including, as she says, “significant change in work-life balance, rebranding, a storm of regulations, while despite the heavy workload our clients think we can do anything,” and notes, as a result, that “in a world of AI, technology has to be our friend.”

Smith tallies the challenges neatly: “Our profession continues navigating a period of significant change that is driven by talent shortages, technological advancements, client expectations and managing heavy workloads, while maintaining work-life

balance. We stay current with skills and regulations as we continue servicing our clients while protecting the public.” And above all else, she aspires to the path of her father, who “inspired me to lead by example, stay true to myself, treat others fair—and at the end of the day, just let it go.”

For the full list of America’s Top 200 CPAs, click here.

Steel Rose, CPA is a senior editor who covers accounting, with a frequent focus on recognizing the top practicing CPAs in America in addition to investigating stories about audit failures.

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By **Steel Rose, CPA** . Steel Rose, CPA is a senior editor who covers accounting, with a frequent focus on recognizing the top practicing CPAs in America. He joined Forbes in 2023 and works in Texas. Steel covered the *Top 200 CPAs in America*. Prior to *Forbes*, he served as Editor for...

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Subject:

Congratulations on being named to Forbes' Top 200 CPAs

Thank you for your kind words, Bill-

I sent the bio below to a media outlet who wanted a bio about me to be published.

Thanks for all you do and your leadership.

Kenneth Omoruyi: From Street Vendor's Son to National Accounting Leader

Kenneth Omoruyi's journey is a powerful testament to the American dream and the resilience of the human spirit. Kenneth was born in Benin City, Nigeria and grew up with a mother who was a street vendor, working tirelessly night after night at truck stops. From an early age, Kenneth navigated the very difficult environment populated by travelers and people experiencing homelessness.

After earning his bachelor's in accounting degree from the University of Benin, Nigeria, Kenneth immigrated to the United States and rebuilt his career from scratch. He earned a master's in business taxation from the University of Southern California's Leventhal School of Accounting and obtained a Public Leadership Credential from the Harvard Kennedy School.

At Schlumberger, the world's largest oil field service company, Kenneth won numerous awards for process improvement and leadership development. Following the birth of triplets in 2017, he founded CKO CPAs & Advisors, which has grown to become one of the prosperous accounting firms in Texas.

His excellence has earned national recognition, including the AICPA Outstanding Young CPA Award and Top 40 Under 40 in accounting. In March 2025, Governor Greg Abbott appointed him to the Texas State Board of Public Accountancy. Most recently, Forbes recognized Kenneth as one of America's Top 200 CPAs for 2025.

Beyond accounting, Kenneth's commitment to public service shines through his 2024 congressional campaign and current candidacy for Fort Bend County Judge, where he seeks to bring fiscal expertise and conservative values to serve nearly one million residents. As an adjunct professor at Lone Star College, Kenneth continues shaping future accountants while championing integrity and accountability in governance.

Agenda Item IV
Report of the Executive Committee
November 5, 2025

- F. Executive session - Evaluation of the Executive Director pursuant to 551.074(1) of the *Texas Government Code* and to seek the advice of its attorney pursuant to 551.071(2) of the *Texas Government Code*.

Agenda Item V
Rules Committee Agenda
November 5, 2025
1:30 p.m.

- A. Discussion, consideration, and possible action concerning the Rule Review of *Chapter 502 – Peer Assistance*, of the Board's *Rules* pursuant to *Section 2001.039* of the *Texas Government Code*.
- B. Discussion, consideration, and possible action concerning the Rule Review of *Chapter 518 – Unauthorized Practice of Public Accountancy*, of the Board's *Rules* pursuant to *Section 2001.039* of the *Texas Government Code*.
- C. Discussion, consideration, and possible action concerning the Rule Review of *Chapter 520 – Provisions for the Fifth-Year Accounting Students Scholarship Program*, of the Board's *Rules* pursuant to *Section 2001.039* of the *Texas Government Code*.
- D. Discussion, consideration, and possible action concerning Board *Rule 505.10 (Board Committees)*.
- E. Schedule next meeting.

Agenda Item V
Rules Committee Agenda
November 5, 2025
1:30 p.m.

- A. Discussion, consideration, and possible action concerning the Rule Review of *Chapter 502 – Peer Assistance*, of the Board's *Rules* pursuant to *Section 2001.039* of the *Texas Government Code*.

DISCUSSION: The staff is not recommending any revisions to these rules. The staff is recommending that the Board readopt these rules in accordance with *Section 2001.039* of the *Texas Government Code* which requires the Board's review of all Board rules at least every four years.

RECOMMENDATION: The staff recommends that the Rules Committee recommend that the Board readopt these rules that do not require revision. There is no proposal for repeal of a rule.

SUGGESTED MOTION: That the Rules Committee recommend to the Board that it readopt these rules requiring no revision.

CHAPTER 502 Peer Assistance
RULE §502.1 Peer Assistance to Licensees

(a) The board adopts the provisions contained in the Texas Health and Safety Code, Chapter 467, Peer Assistance Programs, in its entirety, including any amendments enacted by the Texas Legislature.

(b) Should the board receive information regarding a licensee, applicant or certificate holder indicating possible chemical dependency on drugs or alcohol or mental health issues, the board may:

(1) refer the licensee, applicant, or certificate holder to an approved peer assistance program; or

(2) require the licensee, applicant, or certificate holder to participate in or complete a course of treatment or rehabilitation.

(c) Should the board receive a complaint or other information constituting possible violations of other board rules, including chemical dependency on drugs or alcohol, or mental health issues, then the board may take action as appropriate under this title and the Act regarding those possible violations in addition to making a referral under subsection (b) of this section.

(d) An approved peer assistance program that receives a report or referral under subsection (b) of this section or a report under §467.005(a) of the Texas Health and Safety Code, may intervene to assist the licensee, applicant or certificate holder to obtain and complete a course of treatment and rehabilitation.

1 CHAPTER 502 Peer Assistance
2 RULE §502.2 Texas State Board of Public Accountancy Policy Statement of the
3 Peer Assistance Oversight Committee
4

5 (a) The board has established the peer assistance oversight committee to oversee the
6 activities of the TXCPA's peer assistance program as mandated under the Texas Health
7 and Safety Code, Chapter 467.

8 (b) The peer assistance oversight committee operates under the premise that
9 impairments caused by chemical dependency on drugs or alcohol and mental health
10 issues are treatable.

11 (c) The peer assistance oversight committee's responsibilities include, but are not
12 limited to:

13 (1) protecting the public from CPAs whose ethical, behavioral, and technical violations
14 due to chemical dependency on drugs or alcohol and/or mental health issues have
15 harmed, or have the potential to harm, the public;

16 (2) encouraging CPAs, CPA applicants, and accounting students to seek assistance for
17 impairment due to chemical dependency on drugs or alcohol and/or mental health
18 issues;

19 (3) cooperating with the TXCPA's peer assistance program in promoting confidential
20 assistance to CPAs, CPA applicants, and accounting students who suffer from chemical
21 dependency on drugs or alcohol and/or mental health issues; and

22 (4) disseminating information about the peer assistance program to CPAs, CPA
23 applicants, and accounting students.

Agenda Item V
Rules Committee Agenda
November 5, 2025
1:30 p.m.

- B. Discussion, consideration, and possible action concerning the Rule Review of *Chapter 518 – Unauthorized Practice of Public Accountancy*, of the Board's *Rules* pursuant to *Section 2001.039* of the *Texas Government Code*.

DISCUSSION: Following the North Carolina U.S. Supreme court dental case, the Board may not issue a cease and desist order against a person unlawfully representing themselves to be an accountant or offer accounting services. In the alternative the agency can refer these cases to the Attorney General's Office to enforce the law or the agency can enter into an Agreed Consent Order with the individual violating the law. With agreement from the offending party the agency can enforce the agreement through contract law. The rule is proposing to be revised to recognize that the Board no longer issues Cease and Desist Orders.

RECOMMENDATION: The staff recommends that the Rules Committee recommend that the Board authorize the executive director to publish the proposed revisions in the *Texas Register* for public comment and readopt those rules that do not require revision. There is no proposal for repeal of a rule.

SUGGESTED MOTION: That the Rules Committee recommend to the Board that it authorize the executive director to publish the proposed revisions to the rules as proposed in the *Texas Register* for public comment and readopt those rules requiring no revision.

1 CHAPTER 518 Unauthorized Practice of Public Accountancy
2 RULE §518.1 Definitions

3
4 The definitions contained in Chapter 519 of this title (relating to Practice and Procedure)
5 apply to this chapter.

CHAPTER 518 Unauthorized Practice of Public Accountancy
RULE §518.2 **Agreed Consent Orders** ~~Cease and Desist Orders~~

(a) Whenever the board, through its executive director, determines that a person is engaging in an act or practice that constitutes the practice of public accountancy without a license issued under the Act, the board, through its executive director, ~~after notice and an opportunity for a hearing, may issue a cease and desist order prohibiting the person from engaging in that activity. The executive director~~ and the person under investigation may agree to **an Agreed Consent Order** ~~a cease and desist order at any time; however, such an agreed cease and desist order must be ratified by the board.~~

(1) The executive director may refer an investigation to the Constructive Enforcement Committee for its consideration before taking any action. In such cases, the Constructive Enforcement Committee may recommend that staff dismiss the matter without further action, instruct staff to investigate the matter further or recommend that staff offer the person under investigation **an Agreed Consent Order** ~~a cease and desist order.~~

(2) The executive director may enlist the aid of the members of the Constructive Enforcement Advisory Committee in gathering evidence during investigations of the unauthorized practice of public accountancy.

~~(b) A hearing under this rule shall be conducted in the manner of a contested case pursuant to the Act, the Administrative Procedure Act, the board's rules and SOAH's rules.~~

CHAPTER 518 Unauthorized Practice of Public Accountancy
RULE §518.3 **Agreed Consent Order Violations** ~~Cease and Desist Orders~~

(a) Whenever the board, through its executive director, determines that a person subject to **an Agreed Consent Order** ~~a cease and desist order~~ issued by the board has violated that order, the board, through its executive director, after notice and an opportunity for a hearing, may assess an administrative penalty, ~~after consulting with the board's presiding officer,~~ against the person in violation in accordance with the guidelines contained in §518.6 of this chapter (relating to Administrative Penalty Guidelines for the Unauthorized Practice of Public Accountancy) and Subchapter L of the Act, as amended.

(b) The board staff acting through the executive director will ~~advise~~ ~~offer~~ the person found in violation of **an Agreed Consent Order that he has 20 days to request a hearing in writing, as required by §901.554 of the Act (relating to Penalty to be Paid or Hearing Requested)** ~~a cease and desist order:~~

~~(1) The agreed consent order will act as the preliminary report as required by §901.553 of the Act (relating to Report and Notice of Violation and Penalty), including findings of fact to support the administrative penalty as well as the amount of the penalty to be imposed.~~

~~(2) Board staff will advise the person found in violation of a cease and desist order that he has 20 days to either sign the agreed consent order or to request a hearing in writing, as required by §901.554 of the Act (relating to Penalty to be Paid or Hearing Requested).~~

~~(3) If the person found to be in violation of a cease and desist order signs the agreed consent order, then the agreed consent order will be presented to the board for its consideration. If the board ratifies the agreed consent order, then it will issue a board order.~~

(c) If the board, through its executive director, determines that a person subject to **an Agreed Consent Order** ~~a cease and desist order~~ issued by the board has violated that order, the ~~board, through its~~ executive director ~~and after consulting with the board's presiding officer,~~ may seek to enjoin the person in violation in state district court.

1 CHAPTER 518 Unauthorized Practice of Public Accountancy
2 RULE §518.4 Injunctive Relief and Penalties
3

4 (a) Whenever the executive director has determined that evidence supports a person(s)
5 has or is engaging in an act(s) that violates §§901.451, 901.452, 901.453, 901.454 or
6 901.456 of the *Act* (relating to Use of Title or Abbreviation for "Certified Public
7 Accountant"; Use of Title or Abbreviation for "Public Accountant"; Use of Other Titles or
8 Abbreviations; Title Used by Certain Out-of-State or Foreign Accountants; and Reports
9 on Financial Statements; Use of Name or Signature on Certain Documents) or any
10 combination of these sections of the Act, the executive director may, pursuant to
11 §901.604 of the Act (relating to Single Act as Evidence of Practice), seek the issuance
12 of an injunction and the assessment of penalties against that person(s) in state district
13 court on behalf of the board.

14 (b) Penalties will be determined in accordance with the guidelines in §518.6 of this
15 chapter (relating to Administrative Penalty Guidelines for the Unauthorized Practice of
16 Public Accountancy).

1 CHAPTER 518 Unauthorized Practice of Public Accountancy
2 RULE §518.5 Unlicensed Entities
3

4 (a) An unlicensed entity is permitted to state that it has an ownership interest and a
5 business affiliation with a registered CPA firm provided each such statement complies
6 with subsection (b) of this section.

7 (b) In any letterhead, or in any advertising or promotional statements by an unlicensed
8 entity that refers to accounting, auditing or attest services or any derivative terms
9 associated with those services, there must be a statement that such services are only
10 performed by the affiliated registered CPA firm. This statement must be included in
11 conspicuous proximity to the name of the unlicensed entity and be printed in type not
12 less bold than that contained in the body of the letterhead, advertisement or promotional
13 statement. If the advertisement is in audio format, the statement must be clearly
14 declared in each such presentation.

15 (c) An unlicensed entity **using restricted terms and/or** performing attest services is in
16 the unauthorized practice of public accountancy and in violation of the Act and the
17 board's rules except a firm authorized to practice in this state pursuant to §901.461 of
18 the Act (relating to Practice by Certain Out-of-State Firms).

19 (d) Interpretative Comment: This section clarifies that the mere mention of a business
20 and ownership affiliation with a registered CPA firm on the letterhead, or in advertising
21 or promotional statements, of an unlicensed entity does not violate the Act when done in
22 compliance with the provisions of this section. This section also clarifies that the
23 letterhead, advertising or promotional statements of the unlicensed entity may refer to
24 accounting, auditing or attest services, or any derivative terms associated with those
25 services, without violating §901.453 of the Act (relating to Use of Other Titles or
26 Abbreviations). It also clarifies that all attest services must still be performed exclusively
27 by registered CPA firms in accordance with the Act and all board rules. The definition of
28 "attest services" is set forth in §501.52 of this title (relating to Definitions).

1 CHAPTER 518 Unauthorized Practice of Public Accountancy
2 RULE §518.6 Administrative Penalty Guidelines for the Unauthorized Practice of
3 Public Accountancy
4

5 (a) ~~The board has the sole discretion in determining if a penalty will be assessed as well~~
6 ~~as the amount of the penalty.~~ If **a penalty is** assessed, the penalty will be in accordance
7 with the following guidelines:

8 (1) an unlicensed individual who uses terms restricted for use by CPAs in violation of
9 §§901.451, 901.452, 901.453 or 901.454 of the Act (relating to Use of Title or
10 Abbreviation for "Certified Public Accountant"; Use of Title or Abbreviation for "Public
11 Accountant"; Use of Other Titles or Abbreviations; and Title Used by Certain Out-of-
12 State or Foreign Accountants) shall pay a penalty of no less than \$1,000.00 and no
13 more than \$5,000.00 for a first offense; and no less than \$5,000.00 and no more than
14 \$25,000.00 for two or more offenses;

15 (2) an unlicensed entity that uses terms restricted for use by licensed firms in violation
16 of §901.351(a) of the Act (relating to Firm License Required) shall pay a penalty of no
17 less than \$5,000.00 and no more than \$10,000.00 for a first offense; and no more than
18 \$25,000.00 for two or more offenses;

19 (3) an unlicensed individual who asserts an expertise in accounting through use of the
20 term "accounting service" or any variation of that term shall pay a penalty of no less
21 than \$1,000.00 and no more than \$5,000.00 for a first offense; and no more than
22 \$25,000.00 for two or more offenses;

23 (4) an unlicensed entity that asserts an expertise in accounting through use of the term
24 "accounting service" or any variation of that term shall pay a penalty of no less than
25 \$5,000.00 and no more than \$10,000.00 for a first offense; and no more than
26 \$25,000.00 for two or more offenses;

27 (5) an unlicensed individual who claims to provide attest services shall pay a penalty of
28 no less than \$5,000.00 and no more than \$25,000.00;

29 (6) an unlicensed entity that claims to provide attest services shall pay a penalty of no
30 less than \$5,000.00 and no more than \$25,000.00;

31 (7) an unlicensed individual who claims to be a CPA shall pay a penalty of no less than
32 \$5,000.00 and no more than \$25,000.00; and

1 (8) an unlicensed entity that claims to be a CPA firm shall pay a penalty of no less than
2 \$5,000.00 and no more than \$25,000.00.
3 (b) An offense is counted as a second or more offense when the person has been
4 notified in writing by the board that the person's actions violate the Public Accountancy
5 Act and the person fails to correct the violation(s) within the time required in the written
6 notification.

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Rules Committee Agenda
November 5, 2025
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- C. Discussion, consideration, and possible action concerning the Rule Review of *Chapter 520 – Provisions for the Accounting Students Scholarship Program*, of the Board's *Rules* pursuant to *Section 2001.039* of the *Texas Government Code*.

DISCUSSION: The staff is recommending non-substantive revisions to these rules in order to coincide with previous changes to title changes to *Rules 511.57* and *511.58* and the repeal of *Rule 511.60*. Other non-substantive change relates to the reference to "Expected Family Contribution" that is now identified as the "Student Aid Index". The staff is recommending that the Board readopt these rules in accordance with *Section 2001.039* of the *Texas Government Code* which requires the Board's review of all Board rules at least every four years.

RECOMMENDATION: The staff recommends that the Rules Committee recommend that the Board authorize the executive director to publish the proposed revisions in the *Texas Register* for public comment and readopt those rules that do not require revision. There is no proposal for repeal of a rule.

SUGGESTED MOTION: That the Rules Committee recommend to the Board that it authorize the executive director to publish the proposed revisions to the rules as proposed in the *Texas Register* for public comment and readopt those rules requiring no revision.

1 CHAPTER 520 Provisions for The Accounting Students Scholarship Program
2 RULE §520.1 Authority and Purpose
3

4 (a) Authority for this chapter is provided in Subchapter N of the Act, which is titled
5 Scholarships for Accounting Students. This chapter establishes procedures to
6 administer the accounting students scholarship programs.

7 (b) The purpose of the accounting students scholarship programs is to provide financial
8 assistance to students intending to take the UCPAE and to assist accounting students
9 by establishing the Examination Fee Financial Aid (EFFA) program for the purpose of
10 obtaining a CPA certificate and thus increase the number of highly trained and educated
11 CPAs available to serve the residents of this state.

12 (c) The purpose of the EFFA program is to provide financial assistance, as long as
13 funding is available as determined by the board, by utilizing operating funds for the
14 reimbursement of exam fees to applicants applying for certification as a CPA as
15 described in §901.653 of the Act (relating to Scholarships).

CHAPTER 520 Provisions for The Accounting Students Scholarship Program
RULE §520.2 Definitions

The following words and terms, when used in this chapter, shall have the following meanings, unless the context clearly indicates otherwise:

(1) Cost of attendance--An estimate of the expenses incurred by a typical financial aid student in attending a particular college or university. It includes direct educational costs (tuition, fees, books, and supplies) as well as indirect costs (room and board, transportation, and personal expenses - to include the UCPAE fee paid to NASBA).

(2) **Student Aid Index Expected family contribution**--The amount of discretionary income that should be available to a student from his or her resources and that of his or her family, as determined by the US Department of Education **Definition of Expected Family Contribution**.

(3) Financial need--The cost of attendance at a particular public or private institution of higher education less the expected family contribution. The cost of attendance and family contribution are to be determined in accordance with board guidelines.

(4) Gift Aid--Educational funds from state, federal, and other sources, such as grants, that do not require repayment from present or future earnings. Assistantships and work-study programs are not considered to be gift aid.

(5) Half-time student--For undergraduates, not in their final semester, who are enrolled or are expected to be enrolled for the equivalent of at least six but not more than nine semester credit hours. For graduate students, not in their final semester, who are enrolled or are expected to be enrolled for the equivalent of 4.5 but not more than six semester credit hours.

(6) Institution--Public and private or independent institutions of higher education as defined in Texas Education Code, §61.003.

(7) NASBA--The National Association of State Boards of Accountancy.

(8) Period of enrollment--The term or terms within the current state fiscal year (September 1 - August 31) for which the student was enrolled in an approved institution and met all the eligibility requirements for an award through the program described in this chapter.

(9) Program Officer--The individual named by each participating institution's chief executive officer to serve as agent for the board. The program officer has primary

1 responsibility for all ministerial acts required by the program, including maintenance of
2 all records and preparation and submission of reports reflecting program transactions.
3 Unless otherwise indicated by the administration, the director of student financial aid
4 shall serve as program officer.

5 (10) Resident of Texas--A resident of the State of Texas as determined in accordance
6 with 19 TAC Part 1, Chapter 21, Subchapter B (relating to Determination of Resident
7 Status). Nonresident students who are eligible to pay resident tuition rates are not
8 residents of Texas.

9 (11) UCPAE fee--The exam cost paid by the applicant to NASBA to take a section of the
10 UCPAE.

1 CHAPTER 520 Provisions for The Accounting Students Scholarship Program
2 RULE §520.3 Institutions for the Accounting Students Scholarship Program

3
4 (a) Eligibility.

5 (1) Any college or university defined as a public, private or independent institution of
6 higher education by Texas Education Code, §61.003 that offers the courses required by
7 §§511.57 **and**, 511.58 **of this title (relating to Courses in an Accounting**
8 **Concentration to Take the UCPAE and Related Business Subjects)** **and 511.60 of**
9 **this title (relating to Qualified Accounting Courses to take the UCPAE, Definitions of**
10 **Related Business Subjects to take the UCPAE and Qualified Accounting Courses Prior**
11 **to January 1, 2024 to take the UCPAE),** is eligible to participate in the accounting
12 students scholarship program.

13 (2) No institution may, on the grounds of race, color, national origin, gender, religion,
14 age or disability exclude a student from participation in or deny the benefits of the
15 program described in this chapter.

16 (3) Each participating institution must follow the Civil Rights Act of 1964, Title VI (Public
17 Law 88-353) in avoiding discrimination in admissions.

18 (b) Approval.

19 (1) Each approved institution must enter into an agreement with the board, the terms of
20 which shall be prescribed by the executive director.

21 (2) An institution must be approved by April 1 in order for qualified students enrolled in
22 that institution to be eligible to receive scholarships in the following fiscal year beginning
23 September 1st.

24 (c) Responsibilities.

25 (1) Probation Notice. If the institution is placed on public probation by its accrediting
26 agency, it must immediately advise scholarship recipients of this condition and maintain
27 evidence in each student's file to demonstrate that the student was so informed.

28 (2) Disbursements to Students.

29 (A) The institution must maintain records to prove the disbursement of program funds to
30 the student or the crediting of such funds to the student's school account.

31 (B) If the executive director has reason to believe that an institution has disbursed funds
32 for unauthorized purposes, the institution will be notified and offered an opportunity for a
33 hearing pursuant to the applicable procedures outlined in Chapter 519 of this title

(relating to Practice and Procedure) and the rules of procedure of SOAH. Thereafter, if the board determines that funds have been improperly disbursed, the institution shall become responsible for restoring the funds to the board. No further disbursements of scholarship funds shall be permitted to students at that institution until the funds have been repaid.

(d) Reporting.

(1) All institutions must meet board reporting requirements. Such reporting requirements shall include reports specific to allocation of scholarship funds as well as progress and year-end reports.

(2) Penalties for Late Reports.

(A) The executive director may penalize an institution by reducing its allocation of funds in the following year by up to 10 percent for each progress report that is postmarked or submitted electronically more than a week (seven (7) calendar days) late.

(B) The executive director may assess more severe penalties against an institution if any report is received by the board more than one-month (thirty (30) calendar days) after its due date. The maximum penalty for a single year is 30 percent of the school's allocation. If penalties are invoked two consecutive years, the institution may be penalized an additional 20 percent.

(3) If the executive director determines that a penalty is appropriate, the institution will be notified by certified mail, addressed to the program officer. Within 21 days from the date that the program officer receives the written notice, the institution must submit a written response appealing the board's decision, or the penalty shall become final and no longer subject to an appeal. An appeal under this section will be conducted in accordance with the rules provided in the applicable sections of Chapter 519 of this title and the procedural rules of SOAH.

(e) Program Reviews. If selected for such by the board, participating institutions must submit to program reviews of activities related to the accounting students scholarship program.

1 CHAPTER 520 Provisions for The Accounting Students Scholarship Program
2 RULE §520.4 Eligible Students for the Accounting Students Scholarship Program
3

4 (a) To receive funds:

5 (1) an undergraduate student majoring in accounting must be enrolled at least half-time
6 at an approved institution in Texas that is participating in the scholarship program, and
7 attending consecutive semesters or in the final semester of the degree; or

8 (2) a graduate student majoring in accounting must be enrolled at least half-time or in
9 the final semester of the degree at an approved institution in Texas that is participating
10 in the scholarship program.

11 (b) To receive funds, a student must:

12 (1) maintain satisfactory academic progress in the program of study as defined by the
13 institution;

14 (2) have completed at least 15 semester hours of upper-level accounting coursework;

15 (3) sign a written statement confirming the intent to take the examination conducted by
16 or pursuant to the authority of the board for the purpose of obtaining a certificate of
17 certified public accountant in Texas;

18 (4) agree to pay on demand all scholarship funds received if the student does not take
19 at least one part of the exam within three years of submitting the application of intent,
20 unless the executive director grants an extension of the three-year requirement upon a
21 showing of good cause;

22 (5) agree that failure to comply with paragraph (4) of this subsection may cause the
23 board to take measures necessary to enforce the repayment of the scholarship
24 including bringing a civil suit in state district court;

25 (6) confirm that the applicant submitted an Application of Intent and has not met the
26 educational requirements for certification in Texas;

27 (7) maintain a cumulative grade point average **to receive student aid**, as determined
28 by the institution, that is equal to or greater than the grade point average required by the
29 institution for graduation;

30 (8) be a resident of Texas; and

31 (9) have a statement on file with the institution of higher education indicating the student
32 is registered with the Selective Service System as required by federal law or is exempt
33 from Selective Service registration under federal law.

- 1 (c) In selecting recipients, the Program Officer shall consider at a minimum the following
2 factors relating to each applicant:
- 3 (1) the applicant's financial need, which may be based on but not limited to the cost of
4 the applicant attending school less **Student Aid Index** ~~family contribution~~ and any gift
5 aid (an award may not exceed the applicant's need nor be less than the amount
6 calculated in accordance with the formula provided institutions in the application
7 instructions);
- 8 (2) scholastic ability and performance as measured by the student's cumulative college
9 grade point average as determined by the institution in which the student is enrolled;
10 and
- 11 (3) ethnic or racial minority status.

1 CHAPTER 520 Provisions for The Accounting Students Scholarship Program
2 RULE §520.5 Award Amount and Uses for the Accounting Students Scholarship
3 Program
4

5 (a) Funds awarded through this program may include any gifts, grants and donations of
6 real or personal property from any entity, subject to limitations or conditions set by law,
7 for the purposes of this chapter.

8 (b) Award Amount and Disbursements.

9 (1) The minimum and maximum annual award for a student through this program shall
10 be an amount established by the board and announced to institutions in the allocation
11 announcement sent out for the relevant year.

12 (2) An individual student's scholarship shall be paid out in the form of at least one
13 disbursement per semester.

14 (c) No scholarship disbursed to a student shall be used for any purpose other than for
15 meeting the cost of attending an approved institution.

16 (d) The duration of the scholarship shall be a maximum of three years awarded by
17 semester or term.

18 (e) At the time an award is made to a student, it shall not exceed the student's need.

1 CHAPTER 520 Provisions for The Accounting Students Scholarship Program
2 RULE §520.6 Allocations for the Accounting Students Scholarship Program
3

4 (a) The board develops a formula for allocating funds to participating institutions in a
5 way that fulfills the purpose of the program.

6 (b) Unless otherwise indicated, institutions shall have until a date specified by the board
7 through a policy memo addressed to the program officer at the institution to encumber
8 all funds allocated to them. If unencumbered by that specific date, the unencumbered
9 funds will be allocated by the executive director to other institutions based upon need
10 and a history of utilization.

1 CHAPTER 520 Provisions for The Accounting Students Scholarship Program
2 RULE §520.7 Disbursements to Institutions for the Accounting Students
3 Scholarship Program
4

5 Requests for program funds for eligible students shall be made by the program officer.
6 Program funds, up to the maximum allocation for the institution, shall be disbursed to
7 the institution for immediate release to the students or immediate application to the
8 students' accounts at the institution. Requests for program funds may be made at any
9 time during the academic year prior to the reallocation deadline.

1 CHAPTER 520 Provisions for The Accounting Students Scholarship Program
2 RULE §520.8 Retroactive Disbursements for the Accounting Students
3 Scholarship Program
4

5 (a) A student may receive a disbursement after the end of his or her period of
6 enrollment if the student:

7 (1) owes funds to the institution for the period of enrollment for which the award is being
8 made; or

9 (2) received a student loan that is still outstanding for the period of enrollment for which
10 the award is being made.

11 (b) Funds that are disbursed retroactively shall either be used to pay the student's
12 outstanding balance, including interest, from his or her period of enrollment at the
13 institution or to make a payment against an outstanding loan received during that period
14 of enrollment. Under no circumstances shall funds be released to the student.

1 CHAPTER 520 Provisions for The Accounting Students Scholarship Program
2 RULE §520.10 Recognition of Accounting Firms Hiring and Offering Internships
3

4 Accounting firms shall be recognized by the board for their contribution to the training
5 and hiring of minority or disadvantaged accounting students. The board may publish in
6 its Board Report the names of accounting firms providing internships or hiring two or
7 more disadvantaged or minority students each calendar year.

1 CHAPTER 520 Provisions for The Accounting Students Scholarship Program
2 RULE §520.11 Eligible Applicants for Examination Fee Financial Aid (EFFA)
3 Program
4

5 (a) To receive Examination Fee Financial Aid funds a Texas applicant, having submitted
6 a board approved application to take the UCPAE must:

7 (1) have not taken a section of the UCPAE prior to the effective date of this rule;

8 (2) have not passed a section of the UCPAE prior to the effective date of this rule;

9 (3) take the first section of the UCPAE after the effective date of this rule;

10 (4) receive their first passing score, as determined by board rule on a section of the
11 UCPAE after the effective date of this rule; and

12 (5) submit an application to the board for reimbursement of the UCPAE fee within 90
13 days of receiving the first passing score.

14 (b) Examination Fee Financial Aid funds are only available to Texas applicants whose
15 purpose is to obtain a certificate of "Certified Public Accountant" in Texas.

1 CHAPTER 520 Provisions for The Accounting Students Scholarship Program
2 RULE §520.12 Award Amounts and Uses Through the Examination Fee Financial
3 Aid (EFFA) Program
4

5 (a) Funds awarded through this program will be in the form of a reimbursement to the
6 applicant for the examination costs paid by the applicant to NASBA for the first section
7 of the UCPAE that was passed.

8 (b) Award Amounts and Disbursements.

9 (1) The minimum and maximum reimbursement to an applicant through this program
10 shall be an amount paid by the applicant to NASBA for the first section of the UCPAE
11 that was passed.

12 (2) The applicant may use board reimbursed funds to take subsequent UCPAE sections
13 or for other purposes and needs of the applicant.

14 (3) The reimbursement shall be paid by the board in the form of a single disbursement.

1 CHAPTER 520 Provisions for The Accounting Students Scholarship Program
2 RULE §520.13 Documentation for the Examination Fee Financial Aid (EFFA)
3 Program
4

5 The applicant shall provide evidence of financial need by completing and submitting the
6 board application form for the EFFA program.

Agenda Item V
Rules Committee Agenda
November 5, 2025
1:30 p.m.

- D. Discussion, consideration, and possible action concerning Board *Rule 505.10* (*Board Committees*).

DISCUSSION: With the exception of one committee member on the Licensing Committee and one committee member on the CPE committee, both committees have the same membership and similar responsibilities. The staff is proposing to merge the CPE committee with the Licensing committee to eliminate the need for separately called committee meetings for similar purposes. This aligns with the agency's division structure. The Licensing Division has the responsibility for both licensing and CPE.

RECOMMENDATION: The committee recommends to the Board that it authorize the executive director to publish the revision as proposed in the *Texas Register* for public comment.

SUGGESTED MOTION: That the committee recommend that the Board authorize the executive director to publish the proposed revision in the *Texas Register* for public comment as proposed.

1 CHAPTER 505 The Board
2 RULE §505.10 Board Committees
3

4 (a) Committee appointments. Appointments to standing committees and ad hoc
5 committees shall be considered annually by the board's presiding officer to assist in
6 carrying out the functions of the board under the provisions of the Act. Committee
7 appointments shall be made by the presiding officer for a term of two years but may be
8 terminated at any point by the presiding officer. Committee members may be re-
9 appointed at the discretion of the presiding officer. The board's presiding officer shall be
10 an ex officio member of each standing committee and ad hoc committee and chair of
11 the executive committee.

12 (b) Committee actions. The actions of the committees are recommendations only and
13 are not binding until ratification by the board at a regularly scheduled meeting.

14 (c) Committee meetings. Committee meetings shall be held at the call of the committee
15 chair, and a report to the board at its next regularly scheduled meeting shall be made by
16 such chair or, in the absence of the chair, by another board member serving on the
17 committee.

18 (d) Vacancies. If for any reason a vacancy occurs on a committee, the board's presiding
19 officer may appoint a replacement in accordance with subsection (a) of this section.

20 (e) Standing committee structure and charge to committees. The standing committees
21 shall consist of policy-making committees and working committees comprised of the
22 following individuals and shall be charged with the following responsibilities.

23 (1) The executive committee shall be a policy-making committee comprised of the
24 board's presiding officer, assistant presiding officer, secretary, treasurer, immediate past
25 presiding officer of the board if still serving on the board, and at least one other officer
26 elected by the board. The executive committee shall also be the board's audit
27 committee. The executive committee may act on behalf of the full board in matters of
28 urgency, or when a meeting of the full board is not feasible; the executive committee's
29 actions are subject to full board ratification at its next regularly scheduled meeting. The
30 functions of the executive committee shall be to advise, consult with, and make
31 recommendations to the board concerning matters requested by the board's presiding
32 officer, including:

33 (A) the board's budget and finances;

1 (B) litigation;
2 (C) emergency suspensions pursuant to §519.12 of this title (relating to Emergency
3 Suspension);
4 (D) emergency rulemaking pursuant to §2001.034 of the Administrative Procedure Act;
5 (E) amendments to the Act;
6 (F) responses/positions relating to papers, reports, and other submissions from national
7 or international associations or boards;
8 (G) legislative oversight, including, but not limited to, budget, performance measures,
9 proposed changes in legislation affecting the board, and computer utilization; and
10 (H) special issues.

11 ~~(2) The CPE committee shall be a working committee comprised of at least two board~~
12 ~~members, one of whom shall serve as chair, assisted by at least two non-board~~
13 ~~members who shall serve in an advisory capacity. The committee shall make~~
14 ~~recommendations to the board regarding:~~

15 ~~(A) the mandatory CPE program in accordance with Chapter 523 of this title (relating to~~
16 ~~Continuing Professional Education);~~

17 ~~(B) investigations of sponsor compliance with the terms of the sponsor agreements,~~
18 ~~including the related recordkeeping requirements;~~

19 ~~(C) the results of monitoring CPE courses for the purpose of evaluating the facilities,~~
20 ~~course content as presented, and the adequacy of the course presenter(s);~~

21 ~~(D) any significant deficiencies observed in carrying out subparagraphs (B) and (C) of~~
22 ~~this paragraph; and~~

23 ~~(E) make recommendations to the board's policy-making committees (the executive~~
24 ~~committee and the rules committee) concerning proposed changes in board rules,~~
25 ~~opinions, and policies related to the mandatory CPE program as it relates to licensees~~
26 ~~and to relations with sponsors of CPE.~~

27 (2) ~~(3)~~ The qualifications committee shall be a working committee comprised of at least
28 two board members, one of whom shall serve as chair, assisted by at least two non-
29 board members who shall serve in an advisory capacity. The committee shall make
30 recommendations to the board regarding:

(A) the educational qualifications of an applicant for the UCPAE in accordance with Chapter 511, Subchapter C of this title (relating to Educational Requirements) and courses that may be used to meet the education requirements to take the examination;

(B) the administration, security, discipline, and other aspects of the conduct of the UCPAE in Texas;

(C) the work experience qualifications of an applicant for the CPA certificate in accordance with §§511.121 - 511.124 of this title (relating to Experience Requirements); and

(D) recommendations to the board's policy-making committees (the executive committee and the rules committee) concerning proposed changes in board rules, opinions, and policies relating to the qualifications process.

(3) (4) The licensing committee shall be a working committee comprised of at least two board members, one of whom shall serve as chair, assisted by at least two non-board members who shall serve in an advisory capacity. The committee shall make recommendations to the board regarding:

(A) applications for certification, registration, and licensure;

(B) where applicable, the equivalency examination measuring the professional competency of an applicant for a CPA certificate by reciprocity; **and**

(C) **the mandatory CPE program in accordance with Chapter 523 of this title (relating to Continuing Professional Education);** ~~recommendations to the board's policy-making committees (the executive committee and the rules committee) concerning proposed changes in board rules, opinions, and policies as they relate to the licensing process.~~

(D) investigations of sponsor compliance with the terms of the sponsor agreements, including the related recordkeeping requirements;

(E) the results of monitoring CPE courses for the purpose of evaluating the facilities, course content as presented, and the adequacy of the course presenter(s);

(F) any significant deficiencies observed in carrying out subparagraphs (D) and (E) of this paragraph; and

(G) make recommendations to the board's policy-making committees (the executive committee and the rules committee) concerning proposed changes in

board rules, opinions, and policies as it relates to the licensing program and as it relates to the mandatory CPE program and relations with sponsors of CPE.

(4) ~~(5)~~ The behavioral enforcement committee shall be a working committee comprised of at least two board members, one of whom shall serve as chair, assisted by at least two non-board members who shall serve in an advisory capacity. The committee shall:

(A) review requests or applications for reinstatement of any certificate, registration, or license which the committee recommended and the board revoked, suspended, or refused to renew;

(B) investigate complaints involving alleged violations of the Act and the board's rules, primarily concerning behavioral issues, and based upon its findings, make recommendations to the board or authorize the staff to offer an agreed consent order, or in the alternative, to litigate the findings of Act or rule violations;

(C) follow up on board orders to **ensure** ~~insure~~ that licensees and certificate holders and others adhere to sanctions prescribed by or agreements with the board; and

(D) make recommendations to the board's policy-making committees (the executive committee and the rules committee) concerning proposed changes in board rules, opinions, and policies related to the behavioral restraints of the rules and the Act.

(5) ~~(6)~~ The technical standards review committee shall be a working committee comprised of at least two board members, one of whom shall serve as chair, assisted by at least three non-board members who shall serve in an advisory capacity. The committee shall:

(A) review requests or applications for reinstatement of any certificate, registration, or license which the committee recommended and the board revoked, suspended, or refused to renew;

(B) investigate complaints from any source involving alleged violations of the Act and the board's rules, primarily concerning technical issues and based upon its findings, make recommendations to the board or authorize the staff to offer an agreed consent order, or in the alternative, to litigate the findings of Act or rule violations;

(C) follow up on board orders to **ensure** ~~insure~~ that licensees or certificate holders and others adhere to sanctions prescribed by or agreements with the board; and

(D) make recommendations to the board's policy-making committees (the executive committee and the rules committee) concerning proposed changes in board rules, opinions, and policies related to enforcement of technical standards.

(6) ~~(7)~~ The peer review committee shall be a working committee comprised of at least two board members, one of whom shall serve as chair, assisted by at least two non-board members who shall serve in an advisory capacity. The committee shall:

(A) conduct a periodic review of firms in accordance with Chapter 527 of this title (relating to Peer Review);

(B) refer to the technical standards review committee firms with deficient reviews for which educational rehabilitation has not been effective; and

(C) make recommendations to the board's policy-making committees (the executive committee and the rules committee) concerning proposed changes in board rules, opinions, and policies relating to the peer review program.

(7) ~~(8)~~ The board rules committee shall be a policy-making committee comprised of at least three board members, one of whom shall serve as chair. The committee shall make recommendations to the board concerning the board's rules, opinions, and policies. All working committees shall refer proposed changes to the board's rules, opinions, and policies to the rules committee for consideration for recommendation to the board.

(8) ~~(9)~~ The peer assistance oversight committee shall be a working committee comprised of at least two board members, one of whom shall serve as chair, assisted by at least two non-board members who shall serve in an advisory capacity. The committee shall oversee the peer assistance program administered by the TXCPA as required under the Texas Health and Safety Code, §467.001(1)(B), and **ensure** ~~insure~~ that the minimum criteria as set out by the Department of State Health Services are met. It shall make recommendations to the board and the TXCPA regarding modifications to the program and, if warranted, refer cases to other board committees for consideration of disciplinary or remedial action by the board. The committee shall report to the board **as needed, on a semi-annual basis,** by case number, on the status of the program.

(9) ~~(10)~~ The constructive enforcement committee shall be a working committee comprised of at least two board members, one of whom shall serve as chair, assisted

1 by non-board CPA members. At least one Committee member shall be a public member
2 of the board. The committee shall approve the constructive enforcement program,
3 coordinate its activities with board committees and staff, and supervise the training of
4 constructive enforcement advisory committee members. A staff attorney of the board
5 shall supervise the day to day administration of the constructive enforcement program
6 and activities of the committee's non-board members on behalf of the committee
7 chairman. The committee shall:

8 (A) investigate matters forwarded to the committee from any other board committee or
9 board staff in accordance with board instruction and policy;

10 (B) prepare, as appropriate, investigative reports regarding each referred matter;

11 (C) inform referring board committees or board staff of the results of its investigations;

12 (D) inform the appropriate committee when possible violations of board rules and the
13 Act are observed; and

14 (E) make recommendations to the board's policy-making committees (the executive
15 committee and the rules committee) concerning proposed changes in board rules,
16 opinions, and policies relating to the constructive enforcement program.

17 (f) Ad hoc advisory committees. Ad hoc advisory committees may be established by the
18 board's presiding officer and members and advisory members appointed as appropriate.

19 (g) Policy guidelines. All advisory committee members performing any duties utilizing
20 board facilities and/or who have access to board records, shall conform and adhere to
21 the standards, board rules, and personnel policies of the board as described in its
22 personnel manual and to the laws of the State of Texas governing state employees.

23 (h) Conflicts of interest. To avoid a conflict of interest or the appearance of a conflict of
24 interest, no committee member may provide a report or expert testimony for or
25 otherwise advocate on behalf of a complainant or a respondent in a disciplinary matter
26 pending before the board while serving on a standing committee of the board.

Agenda Item V
Rules Committee Agenda
November 5, 2025
1:30 p.m.

- E. Schedule next meeting.

Agenda Item VI

Peer Assistance Oversight Committee

November 6, 2025

The Peer Assistance Oversight Committee monitors and oversees the peer assistance program, the TXCPA's Accountants Confidential Assistance Network, (ACAN).

- Review of Peer Assistance Annual Report from ACAN.

PEER ASSISTANCE 2025 ANNUAL REPORT

TXCPA Peer Assistance Committee and members of the Accountants Confidential Assistance Network (ACAN) convened in September to gain insights on addiction and recovery, learn new skills on supporting fellow CPAs and Candidates in recovery, conduct support group meetings, review annual program activities and outcomes, and formulate plans for the year ahead.

A. Mission and Vision

The ACAN mission is to **inform** CPAs and accounting students about chemical dependency and mental health issues and **assist** in their recovery. The ACAN **Vision** is to be a champion of wellness resources for all current and future CPAs. Ongoing aspirational objectives is for ACAN to be a place where everyone knows your name, where engagement transforms fear to joy and gratitude, and that we will “fill the ballroom” for our training events. We embrace the perspective that confidential ≠ invisible and we engage in activities to make the program known, relevant and growing.

B. TSBPA 2024-2025 Grant Funding and Activities Report

185 peer-assistance group meetings conducted.

22 TSBPA referrals completed an ACAN consultation.

43 mentored under a TSBPA Consent Order.

➤ 2 Candidates successfully completed their ACO. Two dropped out.

➤ 9 Licensees successfully completed their ACO. One surrendered license.

20 Candidates signed a pledge letter.

33 individuals assisted through the ACAN phone line.

40 attended the annual training for members and guests.

TSBPA Annual Grant For the Three Months Ended

Summary or Expenses	11/30/24	2/28/25	5/31/25	8/31/25	YTD Total
Personnel	\$32,636	\$31,096	\$31,484	\$23,117	\$118,333
Annual Training	23,683				23,683
Meetings and Travel	548	2,986	435		3,969
Other	3,252	3,252	3,011		9,515
TOTALS	<u>\$60,119</u>	<u>\$37,334</u>	<u>\$34,930</u>	<u>\$23,117</u>	<u>\$155,500</u>

C. Annual Training Education Sessions

The TXCPA Peer Assistance committee established several objectives around our educational and operational program: delivering education that could be offered more broadly to the profession; expanding understanding of recovery resources beyond 12-step programs; collaboration with other Peer Assistance programs, and continued engagement with mental health and wellness topics. With those primary objectives in mind, annual meeting attendees participated in several education sessions.

Overdose Prevention and Response Training

This training was brought to us, and is supported by, the Texas Targeted Opioid Response, a public health initiative operated by the Texas Health and Human Services Commission through federal funding from the Substance Abuse and Mental Health Services Administration grant award. This project is contracted to the University of Texas Health Science Center at San Antonio. Eleven regional hubs were established to deliver free training on overdose response and prevention (including fentanyl awareness) and distribute complimentary naloxone. Through a comprehensive, one-hour training session, participants learn how to recognize the signs of an overdose, administer naloxone safely, and take essential steps to support those in need during an emergency. More details about the program, the regional hubs and the contracted organizations can be found [Regional Naloxone Distribution Hubs - Naloxone Texas](#)

Megan Perez, LCDC-I Program Director for Region 11 Hub at [Behavioral Health Solutions](#), Pharr, TX provided the training for ACAN. Megan highlighted the national data showing that overdose deaths involving synthetic opioids have increased 50-fold over the past 10 years. (Fentanyl is a synthetic opioid). 300 deaths per day across the US = 12 people per hour. The data shows that 7,000 people are dying from overdose in Texas every 12 months (<https://www.cdc.gov/nchs/nvss/vsrr/drug-overdose-data.htm>)

The training program provided expanded information on:

- The current trends that are driving increased overdose mortality
- Actions that reduce overdose risks
- How to recognize and respond to an opioid overdose – naloxone administration.

Megan noted the 2015 Texas Senate Bill 1462 protecting Texans from criminal and civil liability for carrying/administering naloxone in a good faith attempt to save a life.

The ACAN network found the training to be excellent, providing them with the skills and confidence to respond to opioid overdoses. Attendees felt quite confident that they can be advocates for the use of naloxone, are now better informed to field questions from others, and equipped to help someone in an overdose situation. ACAN believes this training could be of interest more broadly to the public and recommended the resource to TXCPA and to others in their networks.

Medication-Assisted Recovery

The rise of glp-1 options for medication-assisted weight loss has brought to the fore a growing interest in medication to assist with addiction recovery. For some the interest is motivated by a desire to reduce the quantity and frequency of drinking, seeking medication to aid in this goal. For others, there is interest to stop drinking altogether. Members of ACAN have primarily utilized abstinence and peer support to aid in recovery and are interested to better understand the availability and use of medication. The peer assistance program scheduled education on this topic from two of the leading proponents of medication-assisted recovery.

Jonathan Hunt-Glassman, MBA Co-Founder and CEO [Oar Health](#)

Members of ACAN have seen commercials for Oar Health featuring Jonathan and we were delighted that he accepted our invitation to speak to us. Oar provides online, doctor-prescribed medication in the form of a daily pill to help individuals reduce or stop alcohol consumption. His personal journey inspired him to start the company:

I struggled with alcohol addiction for 15 years - almost my entire adult life - before I found my way to an empathetic, non-judgmental addiction medicine specialist who encouraged me to give medication a try. But it was a long journey. Over those 15 years, I sought treatment in multiple venues: Alcoholics Anonymous groups, therapists, and doctors' offices, and even emergency rooms after some particularly scary alcohol-induced injuries. Nowhere was medication suggested as a treatment option. I was just told to quit. I wasn't exposed to medication-assisted treatment in my professional life either despite spending more than 10 years working in healthcare as a product manager, management consultant, and strategy leader. I helped clients design their approaches to population health and the treatment of chronic conditions like addiction while battling addiction myself. But medication for alcohol problems didn't come up there either. My personal ignorance of medication as an option reflects broader failings of our addiction treatment system. Patients and professionals have low awareness of medication. Many treatment programs don't make room for medication despite the evidence for its effectiveness or don't have prescribers on staff.

The second speaker on this topic was Joseph R. Volpicelli, a psychiatrist, research scientist, medical academic, and expert in the treatment of addictive disorders. He is professor emeritus, Perelman School of Medicine at the University of Pennsylvania. He is Board Certified in neurology, psychiatry, and addiction psychiatry. He currently is medical director at Volpicelli Center, an out-patient addiction treatment facility in Pennsylvania, as well as the executive director at the Institute of Addiction Medicine, a non-profit research entity in Pennsylvania. As of May 2023, Volpicelli has authored two books and over 100 peer-reviewed research publications.

Treating alcohol use disorder (AUD)

Dr. Volpicelli advocated that the gold standard for treating alcohol use disorder is an integrated approach that combines medication and psychosocial support.

- a. Psychosocial support: can include individual counseling, group support, peer recovery services and tools such as motivational interviewing and mindfulness.
- b. Medication: oral naltrexone and extended-release naltrexone help by reducing alcohol cravings and blocking the pleasurable effects of alcohol in the brain. Essentially, they help "turn down the volume" on the urge to drink. Studies have shown that patients on naltrexone are significantly less likely to relapse and tend to drink less even if they do have a slip. A core feature of addiction is the impaired ability of someone to control their drinking once they start drinking. Medications such as naltrexone help people regain control and can limit drinking to moderate levels.

Stigma around AUD

Despite scientific advances in our understanding of addiction, AUD continues to be burdened by social stigma. There are several reasons for this stigma.

- a. One significant factor is the common misconception that AUD is a moral failing or a lack of willpower rather than a medical condition. This belief is deeply ingrained in many cultures, leading people to view those with AUD as weak or irresponsible. Additionally, the way alcohol addiction is portrayed in the media often reinforces negative stereotypes. People with AUD are considered dangerous, selfish, or hopeless.
- b. Another contributor is that alcohol is a legal, widely used and socially accepted substance. That creates a confusing double standard: drinking is normalized and

even celebrated, but when someone loses control over their drinking, they're often blamed or shamed. The common misconception is that if I can control my drinking, then others should be able to control their drinking as well. This paradox creates a barrier to empathy and makes it harder for people to see AUD as a legitimate medical issue, like diabetes or hypertension, which deserves treatment and compassion, not judgment.

- c. Many people with AUD feel shame, fear, or guilt about their drinking, and this can prevent them from even acknowledging that they need help. They may worry that talking to a doctor or therapist will result in being labeled, judged, or discriminated against. This fear can delay treatment for years, sometimes until the consequences — physical, emotional, relational, or legal — become severe.
- d. This fear is not without merit. A diagnosis of AUD can affect professional licensing, disability insurance coverage, and social discrimination. For example, [a study](#) from Johns Hopkins Bloomberg School of Public Health found that discrimination against those with a drug addiction was much higher than discrimination for people with mental disorders. The study showed that:
 - 90% didn't want someone with an addiction to marry into their family.
 - 78% didn't want them to be coworkers.
 - 64% supported denying employment

Even once someone enters treatment, stigma can still undermine progress. If they feel judged by a provider or misunderstood by their family or employer, they may disengage or drop out.

Introduction to SMART Recovery

ACAN members by and large have experience in anonymous social recovery support programs such as Alcoholics Anonymous (AA), Narcotics Anonymous (NA) and/or similar 12-step programs. Alternatives have formed and grown and are increasingly the go to for mutual support for the next generation and for a diversifying population. One such alternative is SMART Recovery. SMART Recovery has a growing national footprint, offering online support groups as well as in-person gatherings across the country. We invited Pete Rubinas, Executive Director of SMART Recovery, to introduce the program to the network. Pete was a SMART participant, facilitator, and volunteer leader before taking on his current role as Executive Director. A graduate of the University of Notre Dame, Pete spent ten years focused on internal controls and risk management at PricewaterhouseCoopers in Chicago so we thought he would be an excellent choice to speak to our program.

SMART was created for people seeking a self-empowering way to overcome addictive problems. Whereas traditional 12-step programs begin with an acknowledgment of powerlessness and the need for a higher power the SMART philosophy begins with a “I am not powerless” as the starting point to take responsibility for attitudes and actions. In mutual support meetings, offered online and in-person, participants design and implement their own recovery plan to create a balanced, purposeful, fulfilling, and meaningful life. The 4-point program focuses on application of these methods.

1. Building and Maintaining Motivation
2. Coping with Urges
3. Managing Thoughts, Feelings, and Behaviors

4. Living a Balanced Life

During our panel discussion following the presentations, ACAN members acknowledged SMART recovery could appeal to many in the profession who are adept at thinking through problems and identifying solutions, and to those specifically who have not had a positive church/religious experience and/or are not attracted to exploring spiritual insights or experiences. The network will support members and mentees who want to utilize the SMART program, and we will maintain a continued conversation with Pete.

Listening Skills

We invited Byron Luke, CPA-retired, to lead a session on cultivating listening skills. Network members noted this skill is especially important for ACAN mentors if our encounters with referrals and mentees are to be meaningful experiences. The practice of deep listening requires the convergence of ears, eyes, and heart in undivided attention. Anyone who has ever received undivided attention understands the power of listening at a deep level. A person who desires to be heard, particularly regarding a heartfelt matter, perceives this listening as a profound service—a gift to be given and received. Listening with undivided attention opens the door for this. Listening is a skill that can be learned and practiced, but it is also an attitude—a way of being in the world. *The ability to listen depends not in the first place on any particular skill or technique, but on a fundamental respect for one's partner in conversation.* Other qualities, such as patience and humility, also flourish and flow from the practice of listening. During the session participants practiced in various role-playing situations.

D. ACAN Support Groups

A primary aspect of the weekend meeting is for all attendees to participate in morning and evening support groups – six group meetings in all. During the year, our support groups meet online and tend to gather by city. The group meetings at our annual training provide opportunity to interact with others who primarily attend a different group, learn best practices from each other, and discuss topics of conversation that have led to meaningful group experiences. Attendees also engaged in a working session to evaluate the ACAN support group experience, reviewed the existing meeting schedule, and discussed modifications to help move us toward our wellness vision. Some of the post annual meeting comments included:

I just wanted to say thank you so much for setting up the retreat! It was amazing, inspirational, and guiding for me.

The conference was outstanding, and I learned much I did not know about addiction and how it impacts our profession.

E. Policy and Procedures Compliance Review

The TXCPA Peer Assistance Program adopted a rolling annual review of program policy and procedures to ensure program fidelity to the Health and Human Services criteria for Peer Assistance Programs. (Criteria is published on the Secretary of State website under Texas Administrative Code, Title 26, Part 1, Chapter 8 “Peer Assistance

Programs”). In January, the TXCPA peer assistance committee met with Donna Hiller and Paulette Beiter to review our *Policy of Confidentiality*, *Procedures of Confidentiality*, the *ACAN Support Group Meeting Preamble* and the *Mentor Standards of Practice*. All were affirmed as written and the meeting participants noted that no breach of confidentiality or complaints were reported to TSBPA or to the program.

F. Looking Forward:

ACAN members were pleased by the introduction of untapped resources during this year’s annual meeting. We plan to expand the coalition of programs dedicated to the cause of sobriety by developing relationships with additional entities. Priorities identified:

Texas Association of Specialty Courts

Specialty courts handle cases involving chemically dependent offenders through an intensive supervision and treatment program. Drug Courts attempt to solve some of the underlying problems leading to criminal behavior by forcing offenders to deal with their substance abuse problems. ACAN could be a support provider for CPAs in the court.

The Association of Recovery in Higher Education (ARHE)

The ARHE represents collegiate recovery programs (CRPs) and collegiate recovery communities (CRCs). ARHE provides the education, resources, and community connection needed to help change the trajectory of recovering student’s lives. ACAN has had some connection with a number of campus programs. Communicating about the profession to students and developing new skills to support students transitioning into the profession are two priorities.

Other mutual support groups

The program plans to cultivate a direct connection with other mutual support groups and have our mentors participate in them. Known groups to priorities include Celebrate Recovery (Christian), Life Ring (Secular), Recovery Dharma (Buddhist,) Wellbriety Movement (Native), Women for Sobriety, Young People in Recovery, and Moderation Management. We believe this will better equip the programs to promote each other and to guide new members of ACAN to the support that would be a precise fit for them.

Agenda Item VII
Report of the Joint CPE and Licensing Committees
October 15, 2025
10:00 A.M.

A joint meeting of the CPE and Licensing Committees was convened on October 15, 2025 at 10:04 a.m. The following Committee members and Board staff were present for the meeting:

Members Present:

Thomas Neuhoff , CPA
CPE and Licensing Chair
Connie B. Clark, CPA
Renee D. Foshee, Esq., CPA
Kathy D. Kabell, CPA
Sherri B. Merket
Olivia Espinoza-Riley, CPA

Members Absent:

Rene D. Peña, CPA
Larry G. Stephens, CPA, Esq.

Staff Present:

Marissa Brooks
Ann Hallam, PMP
J. Franco
J. Randel Hill, Esq.
John Moore, Esq.
Brian O'Neal
April Serrano
William Treacy

Mr. Neuhoff, CPE and Licensing Committee Chair, called the meeting to order at 10:04 a.m. Roll was called for both the Licensing and CPE Committees, and the members of both Committees represented quorums.

All discussions and all motions made and approved were made and approved on behalf of both the CPE and Licensing Committees.

- A.** The Committees discussed the proposed revisions to the CPE Standards released by NASBA and the AICPA on September 17, 2025. It was noted that the Standards are revised every two years and the current revisions were intended to build flexibility into the standards and accommodate current and future course delivery methods. It was also shared that staff was proposing no Rule revisions in response to the proposed Standards updates. Concern was raised that the revisions could lessen the overall quality of CPE. Staff was directed to review the requirements removed from the Standards and whether comments should be made in the interest of the profession.
- B.** The Committees considered two ethics courses that had been submitted for Board approval. The first course, submitted by Kaplan, was denied approval because the length and content of the course did not meet Rule requirements. The second course, submitted by Summit, was approved contingent upon including source citations when the content mentions the perspective, intent, or action of the Board.

A motion was made by Ms. Foshee and seconded by Ms. Espinoza-Riley to recommend that Kaplan revisit the discrepancies between the stated percentages and the timestamped transcript materials and account for the overall duration and

content requirements under the Rules before resubmitting the course for approval to the Committees.

A motion was made by Ms. Foshee and seconded by Ms. Merket that Summit's course be approved contingent upon revising content to cite sources when mentioning the Board's perspective, intent, or action, which will be verified by staff.

- C.** The Committees discussed the issue of individuals with foreign credentials seeking to establish 'front' or 'representative' offices in Texas. It was noted that these firms seem interested only in establishing the appearance of a presence in Texas and have no intent of performing services in Texas. Examples were shared detailing different 'front office' registration attempts staff had encountered. The Committees discussed how the activities of such firms could be misleading to the public. It was also highlighted that the Board's current Rules provide guardrails to protect the integrity of firm registrations.
- D.** The Committees adjourned the meeting at 11:05 a.m.

Agenda Item VIII Behavioral Enforcement Committee Meeting October 20, 2025
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The Behavioral Enforcement Committee met on October 20, 2025, by video conference and in person, at 10:00 a.m.

Members Present

Jeannette P. Smith, CPA
Committee Chair
Susan I. Adams, CPA
Olivia Espinoza-Riley, CPA
James M. Trippon, CPA
Bennett C. Allison, CPA
Patrick Durio, CPA
Phillip D. Johnson, CPA
Robert Ogle, CPA

Member Absent

Jill A. Holup

Staff Present

Paulette Beiter, Esq.
J. Randel (Jerry) Hill, Esq.

A. AFTER GIVING THESE MATTERS DUE CONSIDERATION, THE COMMITTEE RECOMMENDS THEY BE DISMISSED BASED UPON INSUFFICIENT EVIDENCE OF A VIOLATION OF THE ACT OR THE RULES:

- 1. Investigation No: 23-08-10L:** Respondent self-reported a judgment in an oil and gas case where the plaintiffs were awarded a substantial amount and Respondent and his co-defendants were found to have misappropriated trade secrets and intentionally interfered with contractual relationships. **(Board approval required)**
- 2. Investigation Nos. 25-08-02L & 25-08-03L:** Respondents allegedly left taxable income off a return and reported on 1099-Rs resulting in a substantial understatement penalty. **(Board approval required)**
- 3. Investigation Nos. 25-08-08L & 25-08-09L:** Respondents allegedly failed to complete state tax returns, to allocate expenses to a company project revenue and to respond to communications. A sales tax and franchise account were opened allegedly without authorization. **(Board approval required)**
- 4. Investigation Nos. 25-07-14L & 25-07-17L:** Respondents allegedly failed to file a client's tax return. **(Board approval required)**
- 5. Investigation Nos. 25-07-12L & 25-07-13L:** Respondents allegedly failed to submit tax returns and an ITIN application in a timely manner and inaccurately applied the China-U.S. Tax treaty. **(Board approval required)**
- 6. Investigation Nos. 25-06-06L & 25-06-07L:** Respondents allegedly refused to relinquish administrative rights to a client's QuickBook accounts, failed to respond to client communications and expressed interest in purchasing a client's house. **(Board approval required)**

7. **Investigation Nos. 25-07-07L, 25-07-08L and 25-07-09L:** Respondents allegedly provided litigation services for one client while providing tax services to a related client and failed to withdraw from one client when there was an alleged conflict of interest between clients. **(Board approval required)**
8. **Investigation Nos. 25-07-10L & 25-07-11L:** Respondents allegedly were slow in responding to requests for documents and then sent a client's financial history to the client's business associate. **(Board approval required)**
- B. AFTER GIVING THIS MATTER DUE CONSIDERATION, THE COMMITTEE RECOMMENDS GRANTING THE REQUEST FOR EARLY TERMINATION OF PROBATION:**
- **Investigation No. 20-10-04L:** Respondent was placed on probated revocation for five years by Board Order on January 14, 2021 for the felony conviction of DWI 3rd. Respondent was discharged from her criminal probation on August 20, 2025.
- C. OTHER:** The committee considered other matters during its meeting; however, no action is required.

Agenda Item IX Technical Standards Review Committee October 1, 2025

The Technical Standards Review Committee met on Wednesday, October 1, 2025, by video conference beginning at 10:00 a.m.

Members Present

Ray R. Garcia, CPA,
Committee Chair
Kimberly Crawford, CPA
Sheila Vallés-Pankratz
Susan Warren, CPA
Dilliana Stewart, CPA
Juliet Williams, CPA

Member Absent

Douglas Koval, CPA

Staff Present

John Moore, Esq.
J. Randel Hill, Esq.

- **OTHER:** The committee considered four matters during its meeting; however, these matters do not require Board action at this time.

Agenda Item X
Administrative Disciplinary Actions
November 6, 2025

- **ADMINISTRATIVE DISCIPLINARY ACTIONS**
 1. Investigation Nos. 25-06-10001 – 25-06-10120
 2. Investigation Nos. 25-07-10001 – 25-07-10086
 3. Investigation Nos. 25-06-10121 – 25-06-10272
 4. Investigation Nos. 25-07-10087 – 25-07-10238
 5. Investigation Nos. 25-06-10273 – 25-06-10285
 6. Investigation Nos. 25-07-10239 – 25-07-10254

BOARD SUMMARIES

November 6, 2025

- **ADMINISTRATIVE DISCIPLINARY ACTIONS**

- 1. Respondents: In the Matter of Disciplinary Action Against Certain Licensees for Nonpayment of Licensing and Late Fees for Three Consecutive License Periods**

The Respondents failed to pay their licensing fees for three consecutive license periods. Respondents, although properly notified of the proposed disciplinary action and their right to a hearing on the matter, failed to request a hearing. Staff recommends that the certificate of each Respondent still not in compliance be revoked without prejudice. Each Respondent may regain his or her certificate by paying all license fees and late fees and by otherwise coming into compliance with the *Act*. Respondents violated *Act Section 901.502(4) (failure to pay license fees for three consecutive years)*. No Board committee considered these actions.

1. Investigation Nos. 25-06-10001 – 25-06-10120

2. Investigation Nos. 25-07-10001 – 25-07-10086

- 2. Respondents: In the Matter of Disciplinary Action Against Certain License Holders for CPE Delinquencies**

The Respondents failed to comply with CPE reporting requirements found in Chapter 523 of the *Rules* and *Act Section 901.411 (Continuing Professional Education)*. The Respondents, although provided with a preliminary report and having been notified of the proposed disciplinary action and their right to a hearing on the matter, failed to request a hearing. Staff recommends that the license of each Respondent still not in compliance be suspended for a period of three years, or until he or she complies with the licensing requirements of the *Act*, whichever is sooner. Additionally, staff recommends a \$100 penalty be imposed for each year a Respondent is not in compliance with the Board's CPE requirements. Respondents violated Board *Rules 501.94 (Mandatory CPE)* and *523.111 (Required CPE Reporting)*, and *Act Section 901.411*. No Board committee considered these actions.

3. Investigation Nos. 25-06-10121 – 25-06-10272

4. Investigation Nos. 25-07-10087 – 25-07-10238

- 3. Respondents: In the Matter of Disciplinary Action Against Certain Certificate Holders for Failure to Complete License Notice**

The Respondents failed to complete their license renewal notices in accordance with Board *Rule 515.3 (License Renewals for Individuals and Firm Offices)*.

Respondents, although properly notified of the proposed disciplinary action and their right to a hearing on the matter, failed to request a hearing. Staff recommends the certificate of each Respondent not in compliance be revoked without prejudice until such time as the Respondent complies with the requirements of the *Rules* and the *Act*. Respondents violated *Act Section 901.502(12) (Violations of Board Rules)*. No Board committee considered these actions.

5. Investigation Nos. 25-06-10273 – 25-06-10285

6. Investigation Nos. 25-07-10239 – 25-07-10254

Agenda Item XI Consideration of Adoption of Board Rules November 6, 2025
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DISCUSSION: The rules listed below were proposed for amendment on first reading at the September 18, 2025 meeting.

RECOMMENDATION: The staff recommends that the proposed rules be adopted as presented on second reading.

SUGGESTED MOTION: That the proposed rules listed below be adopted as presented on second reading.

1. *516.1 (Definitions)*
2. *516.2 (Licensing for Military Service Members, Military Veteran and Military Spouses)*
3. *516.3 (Licensing for Military Veterans) [Repeal]*
4. *516.4 (Accounting Practice by Military Service Members and Military Spouses)*
5. *516.5 (Complaints) [New]*
6. *521.14 (Eligibility Fee)*

Adopted Amendment

§516.1. Definitions.

The following words and terms, when used in Title 22, Part 22 of the Texas Administrative Code relating to the Texas State Board of Public Accountancy, shall have the following meanings:

- (1) "Active duty" means current full-time military service in the armed forces of the United States or active duty military service as a member of the Texas military forces, as defined by §437.001 of the Texas Government Code (relating to Definitions), or similar military service of another state.
- (2) "Armed forces of the United States" means the army, navy, air force, space force, coast guard, or marine corps of the United States or a reserve unit of one of those branches of the armed forces.
- (3) "Military service member" means a person who is on active duty.
- (4) "Military spouse" means a person who is married to a military service member.
- (5) "Military veteran" means a person who has served on active duty and who was discharged or released from active duty.
- (6) "Scope of practice" means a licensed Certified Public Accountant.

Adopted Amendment

§516.2. Licensing for Military Service Members, Military Veteran and Military Spouses.

(a) The board will issue a license to a military service member, military veteran or military spouse:

(1) who holds a current license as a Certified Public Accountant issued by a licensing authority of another state and is in good standing in that state and any other state the applicant may hold a license as a Certified Public Accountant, or;

(2) held a license in this state within the five years preceding the application date.

(b) The executive director may:

(1) waive any prerequisite to obtaining a license for an applicant described in subsection (a) of this section after reviewing the applicant's credentials; or

(2) consider, other methods that demonstrate the applicant is qualified to be licensed.

(c) The board will:

(1) process a military service member, military veteran or military spouse's license application, as soon as practical but no more than 10 days from the date of receipt of the application, and;

(A) issue a license;

(B) notify the applicant that the application is incomplete; or

(C) notify the applicant that the board does not recognize the out-of-state license because the board does not issue a license similar in scope of practice to the applicant's license.

(2) consider a military service member, military veteran or military spouse applicant to be in good standing if the person:

(A) holds a license as a certified public accountant that is current, has not been suspended or revoked, and has not been voluntarily surrendered during an investigation for unprofessional conduct by the licensing authority of another state;

(B) has not been disciplined by the licensing authority of another state with respect to the license or person's practice as a certified public accountant for which the license was issued; and

(C) is not currently under investigation by the licensing authority of another state for unprofessional conduct related to the person's license as a certified public accountant.

(3) notify the license holder of the requirements for renewing the license in writing or by electronic means and the term of the license.

(d) A member of the military, a military veteran and a spouse of a military member who receive a license under this chapter are exempt from any increased fee or other penalty imposed by the board for failing to renew the license in a timely manner if the licensee establishes to the satisfaction of the board that the licensee failed to renew the license in a timely manner because the licensee was serving as a military service member.

(e) A military service member who holds a license is entitled to two years of additional time to complete:

(1) any continuing education requirements; and

(2) any other requirement related to the renewal of the military service member's license.

(f) The board will credit verified military service, training, or education toward the licensing requirements, other than an examination requirement, for a license issued by the board.

(g) Credit may not be awarded to an applicant who:

(1) holds a license not in good standing with another Certified Public Accountant state licensing agency; or

(2) has an unacceptable criminal history according to the law applicable to the state agency.

Adopted Repeal

§516.3 Licensing for Military Veterans

~~(a) A military veteran may obtain a license if the applicant for licensure:~~

~~(1) through the fingerprinting process, has been deemed to have an acceptable criminal history according to Chapter 53 of the Texas Occupations Code (relating to Consequences of Criminal Conviction); and~~

~~(2) holds a current license with no restrictions issued by another jurisdiction that has licensing requirements that are substantially equivalent to the licensing requirements in this state; or~~

~~(3) within the five years preceding the application date held a license in this state.~~

~~(b) The executive director may:~~

~~(1) waive any prerequisite to obtaining a license for an applicant described in subsection (a) of this section after reviewing the applicant's credentials; or~~

~~(2) consider other methods that demonstrate the applicant is qualified to be licensed.~~

~~(c) The board will:~~

~~(1) process a military veteran's license application, as soon as practical but no more than 30 days from the date of receipt of the application, and issue a non-provisional license when the board determines the applicant is qualified in accordance with board rules;~~

~~(2) waive the license application and examination for a military veteran applicant:~~

~~(A) whose military service, training or education substantially meets all the requirements for a license; or~~

~~(B) who holds a current license issued by another jurisdiction that has licensing requirements that are substantially equivalent to this agency's requirements; and~~

~~(3) notify the license holder of the requirements for renewing the license in writing or by electronic means and the term of the license.~~

Adopted Amendment

§516.4. Accounting Practice by Military Service Members and Military Spouses.

(a) This section applies to all board regulated public accountancy practice requirements, other than the examination requirement, by a military service member or military spouse.

(b) A military service member or military spouse who holds a license as a Certified Public Accountant from another state in good standing may practice accounting in Texas during the period the military service member or military spouse is stationed at a military installation in Texas if the military service member or military spouse:

(1) submits an application, on a form provided by the board, to practice accounting in Texas

(2) submits a copy of their military orders showing relocation to this state or identification card;

(3) provides a copy of a military spouse's marriage license when the person is a military spouse;

(4) provides a notarized affidavit affirming under penalty of perjury that:

(A) the applicant is the person described and identified in the application;

(B) all statements in the application are true, correct and complete;

(C) the applicant understands the scope of the practice for the license and will not perform outside that scope; and

(D) the applicant is in good standing in each state in which the applicant holds or has held a license as a Certified Public Accountant.

(5) receives from the board confirmation that the board has verified the license has been issued in another state and is in good standing; and

(6) receives confirmation of authorization to practice public accountancy in Texas.

Adopted New Rule

§516.5. Complaints

(a) The board shall maintain a record of each complaint made against a military service member, military veteran, or military spouse to whom the board issues a license.

(b) The board shall publish at least quarterly on the agency's Internet website the information maintained under subsection (a), including a general description of the disposition of each complaint.

Adopted Amendment

§521.14. Eligibility Fee

(a) The board shall determine the UCPAE eligibility fee for each section for which an applicant is eligible and applies.

(1) Auditing and Attestation

(2) Financial Accounting and Reporting

(3) Regulation

(4) Business Environment and Concepts

(b) Effective January 1, 2024, the board shall utilize the UCPAE available from the AICPA covering the following sections:

(1) auditing and attestation (AUD);

(2) business analysis and reporting (BAR);

(3) financial accounting and reporting (FAR);

(4) information systems and controls (ISC);

(5) taxation and regulation (REG); and

(6) tax compliance and planning (TCP).

(c) The eligibility fee shall be paid to the Texas State Board of Public Accountancy. This is a non-refundable fee.

(d) An applicant taking a section of the UCPAE shall pay an examination fee to NASBA, when required by NASBA.

(e) The eligibility fee may be paid electronically through the Texas Online system and applicable processing fees for the use of this service will be added to the total fee paid.

(f) Upon receipt by the board of an incomplete application, an applicant has 180 days to complete the application. If the application is not completed within that time, the application is terminated, the eligibility fee is forfeited and the applicant must file a new application and pay a new eligibility fee to continue with the examination process.

(g) The fee paid shall be valid for 180 days after the board determines that an applicant is eligible for a section of the UCPAE. The board may extend the 180-day eligibility to accommodate the psychometric evaluation and performance of test questions by the test provider.

(h) A military service member or military veteran who is eligible to take the UCPAE is

exempt from the eligibility fee.

(i) The exemption from the eligibility fee must be evidenced by an active ID, state-issued driver's license with a veteran designation or DD214.

Agenda Item XII
Review of Future Meetings/Hearing Schedules
November 6, 2025

I. DISCUSSION: Schedule of dates for 2025/26 Board and committee meetings, hearings, and other activities are attached for your information.

RECOMMENDATION: None by staff.

SUGGESTED MOTION: None by staff.

Agenda Item XIII Adjournment November 6, 2025

I. **DISCUSSION:** The presiding officer will entertain a motion to adjourn.

RECOMMENDATION: None required.

SUGGESTED MOTION: None required.