**STATE OF MARYLAND**

**BOARD OF PUBLIC ACCOUNTANCY**

**BUSINESS MEETING MINUTES**

**April 5, 2022**

**LOCATION:** Google Meets Teleconference

**MEMBERS**

**IN ATTENDANCE:** James E. Marshall, Jr., Chair

Macon M. Ware, III, Secretary

Dr. Jan L. Williams

Tamara Bensky

Joe Petito

Brian Dunne

**MEMBERS/STAFF** Barrett E. Young

**ABSENT:**

**DLLR OFFICIALS/STAFF:**  Kausar Syed, Deputy Commissioner

Matthew Lawrence, Legal Counsel

Christopher Dorsey, Executive Director

Linda L. Rhew, Administrative Officer

**OTHERS PRESENT:** Mary Beth Halpern, MACPA

The, April 5, 2022, meeting of the Maryland Board of Public Accountancy was called to order at 9:01 AM by Chairman of the Board, James E. Marshall, Jr.

Upon a motion **(I)** by Ms. Bensky, and seconded by Mr. Ware, the minutes of the March 1, 2022, meeting were unanimously approved without corrections.

**Chairman’s Report**

Chairman Marshall reminded Board members to complete and turn in their ethical disclosures.

**Executive Director’s Report**

Executive Director, Christopher Dorsey, informed the Board, there were three (3) Board members up for reappointment; Dr. Williams, Mr. Young and Mr. Dunne. He reminded members paperwork must be sent back by June 1, 2022 to be reappointed. Mr. Dorsey stated the Office Secretary position will be filled effective April 13th, and the Administrative Assistant will begin on April 27th, at which time we will be fully staffed.

Upon a motion **(II)** by Mr. Petito, and seconded by Mr. Dunne, the Board unanimously approved the Executive Director’s report.

**Exam Appeals**

There were no exam appeals.

**Education Report**

Dr. Williams presented the Education Report. There was one (1) Transfer of Grades application approvals and zero (0) Transfer of Grades application denials. The one (1) approved Transfer of Grades application originated from WA.

Upon a motion **(III)** by Ms. Bensky, and seconded by Mr. Ware, the Board unanimously approved the Education Report.

**Experience Report**

Ms. Bensky presented the Experience Report. There were 39 (thirty-nine) Maryland candidate license application approvals and zero (0) Maryland candidate application denials.

There were 13 (thirteen) Reciprocal application approvals, and zero (0) Reciprocal application denials. The Reciprocal application approvals originated as follows: 1-DC, 1-HI, 2-NH, 1-NY, 1-PA, 1-TX, and 6-VA.

Upon a motion **(IV)** by Mr. Dunne, and seconded by Mr. Petito, the Board unanimously approved the Experience Report.

**Firm Permit Report**

Mr. Dunne presented the Firm Permit Committee Report. There was one (1) firm permit application approval with an office located in Pennsylvania. There were zero (0) firm permit applications closed.

Upon a motion **(V)** by Mr. Ware, and seconded by Mr. Petito, the Board unanimously approved the Firm Permit Report.

**Peer Review Oversight Committee Report**

Mr. Ware reported the following to have occurred beginning March 1, 2022, and ending March 31, 2022: three (3) new firms enrolled in the Peer Review Program; 13 (thirteen) firms had reviews accepted; two (2) firms passed with deficiencies, four (4) firms failed; and zero (0) firms were dropped or terminated due to scheduling information not being received.

Upon a motion **(VI)** by Ms. Bensky, and seconded by Mr. Petito, the Board unanimously approved the Peer Review Report.

**New Business**

None

**Old Business**

Mr. Lawrence shared with the Board the follow up response he received from CpaCredits.com in regards to the questions the Board has, which were: how are the partner colleges involved with this program and how do they provide the courses?  Do the partner colleges include these credits on their transcripts and are the courses acceptable by the partner colleges in their own undergraduate or graduate programs?  Also, please provide us with a list of your partner colleges.

Mr. Lawrence stated that according to the response he received, it appears that CpaCredits.com is a referral service that matches students to schools. After discussing this matter the Board has decided to monitor how the credits appear on a schools transcript to discuss further and to gain a better understanding.

Dr. Williams continued the discussion regarding possible changes to Maryland educational requirements for the new CPA Exam.  The Board will need to consider whether to require a business or accounting ethics, AIS, and data analytics course.  Also, the Board has to decide whether to continue to require an upper-level cost/managerial course since it is not required in the Model UAA Rules.  Currently, Maryland requires any ethics course.  The Model UAA Rules requires a separate accounting or ethics course.  Dr. Williams stated that her survey of Maryland Accounting Chairpersons shows that 27% of chairpersons support continuing with a general ethics course,  and more than 53% support a business or accounting ethics course. The remaining chairpersons supported a separate business (13%) or accounting (7%) ethics course. Also, the survey reveals that 56% of the programs have a separate business ethics course, 44% have a separate general ethics course, and 12% have a separate accounting ethics course.  (Some programs have separate accounting and business ethics courses.) The Board members discussed that a more relevant business or accounting ethics course would be more meaningful for Exam applicants. However, it was also mentioned that we should be careful not to impose pre-licensing barriers on students to become CPAs. Currently, none of our neighboring states requires an ethics course.

Mr. Lawrence shared history regarding the requirement of a Maryland ethics course.  The importance of ethics was noted in the past.  However, there was an issue regarding how to ensure ethics was being integrated in accounting courses.  Therefore, a separate ethics course was required to ensure ethics was being taught.   Dr. Williams prepared a schedule that includes the current CPA educational requirements for our neighboring states.  She will share it with the Board members so they will have more information as we consider any changes in our educational requirements.  As of last month, none of the states in our region has made any changes to CPA educational requirements.  She anticipates that this will be a focus of continued discussion at the upcoming NASBA Regional Meeting.

**Correspondence**

None

**Open Discussion**

Mrs. Halpern asked about the certificates to which Mr. Dorsey stated, that after having many obstacles to overcome during the Pandemic, and then having to replace the broken printer, we should be able to begin to print the certificates soon.

Mr. Dorsey was asked about the status of the CE audits, to which he replied the new auditor has all audits caught up. Mr. Dorsey was asked about the CPE tracker and if the Board was utilizing it. Mr. Dorsey explained the auditor was using it and that not many licensees were using it.

Ms. Bensky recognized and congratulated Dr. Williams for receiving the 2022 University System of Maryland Regents faculty award. MACPA has a beautiful tribute about Dr. Williams receiving this prestigious award on their website. Please use this link to read their tribute to Dr. Williams:

<https://www.macpa.org/macpa-member-dr-jan-williams-honored-with-usm-regents-faculty-award/>

Congratulations Dr. Williams!

**Executive Session**

Upon a motion **(VII)**, by Mr. Petito, and seconded by Mr. Ware, the Board went into a closed Executive Session at 9:37 AM via a Google meeting teleconference, where log-in information was only provided to Board members and staff. The purpose of this session was to consult with counsel. This session is permitted to be closed pursuant to Section 3-305(b) (7) of the General Provisions Article, Maryland Annotated Code.

**Return to Open Session**

Upon a motion **(VIII)** by Mr. Ware, and seconded by Mr. Dunne, the Board unanimously approved the motions made during Executive Session.

Matthew Lawrence, Legal Counsel to the CPA Board, announced he will be retiring effective June 1, 2022. Congratulations on your retirement, Matt!

Upon a motion **(IX)** by Mr. Petito, and seconded by Mr. Ware, the Board adjourned at 9:47 AM.

**NEXT MEETING:** May 3, 2022, via Google Meets teleconferencing at 9:00 AM

\_\_\_x\_\_With corrections \_\_\_\_Without corrections

Signature on file May 3, 2022

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Chairman Date