State of Maryland

Board of Certified Public Accountants

Business Meeting Minutes

Tuesday, April 2, 2024

*In Person and Via Google Meets Teleconference*

**MEMBERS**

**IN ATTENDANCE:** Dr. Jan Williams, Chair

Tamara Bensky, Secretary

James Marshall

Macon M. Ware III

Joseph Petito

Barrett E. Young

**ABSENT MEMBER:** Brian Dunne

**DLLR OFFICIALS/STAFF:** Christopher Dorsey, Executive Director

Robert Pambianco, Legal Counsel

Sharron McNeill, Office Supervisor

Shemirra Massie, Administrative Officer I

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

Kauser Syed

Mary Kay Jurovcik

The April 2, 2024, Maryland Board of Public Accountancy meeting was called to order at 9:00 AM by Dr. Jan Williams, Chair.

Upon a motion **(I)** by Mr. Ware and seconded by Mr. Marshall, the February 6, 2023, meeting minutes were unanimously approved with corrections.

**Chairman’s Report**

1. Dr. Williams and Mr. Petito prepared and submitted written comments addressing the Board’s concerns with Maryland Senate Bill 54 (Companion House Bill 175). The letter expresses that the Board supports the intent of the legislation but has concerns that specific parts of the bill could jeopardize public safety and trust. This relates specifically to applicants not having to disclose a criminal history beyond a three-year period.
2. On February 12, 2024, Mr. Dorsey and Dr. Williams attended the virtual NASBA Regional Quarterly Meeting for board chairs and executive directors. It was reported that there was a smooth transition to the New CPA Exam in January. A couple of states reported a recent increase in hearings and enforcement issues.
3. Dr. Williams attended the Board of Examiners (BOE) Update for board members and staff on January 29, 2024. They gave an update on developments, metrics, and status of the launch of the new Uniform CPA Exam. There was a spike in the BEC section in 2022, before the new Exam. There were no operational issues with the launch of the new exam. The Exam volume was strong and on target for 2024. The highest volume of the discipline sections was in the Business Analysis and Reporting (BAR), followed by Tax Compliance and Planning (TCP), and then Information Systems and Controls (ISC).
4. On March 8th, Dr. Williams and Mr. Petito attended the 2nd NASBA Taskforce Update webinar. Minnesota proposed a bill to add an additional pathway to licensure, which would include 120 hours and 2 years of work experience. This will not break substantial equivalency, at this time, since the effective date was amended to July 1, 2026 (from July 1, 2023). A few other states are discussing similar bills. The webinar PowerPoint slides were sent to the executive directors and are available to board members.

Upon a motion **(II)** by Mr. Young and seconded by Ms. Bensky, the Chairman’s Report was unanimously approved.

**Executive Director’s Report**

Mr. Dorsey announced that he submitted a statement on behalf of the Board in support of the NASBA Licensure Task Force. Also, Mr. Dorsey announced that examination fees will increase for Prometric, NASBA, and the AICPA beginning January 1, 2025.

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

**Exam Appeals**

There were zero (0) Exam Appeals for March and April.

**Education Committee Report**

Mr. Marshall presented the Education Report. There were zero (0) Transfer of Grades application approvals for March, and two (2) transfer of Grades applications for April. There were zero (0)Transfer of Grades application denials for both March and April.

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

**Experience Committee Report**

Ms. Bensky presented the Experience Report. There were ten (10) Maryland candidate license application approvals and zero (0) Maryland candidate application denials for March

Ten (10) Reciprocal application approvals originated from the following jurisdictions: three (3)-VA, one (1)-FL, one (1)-DC, one (1)-NY, one (1)-TX, one (1)-TN, one (1)WVA, one(1)-NC

There were thirteen (13) Maryland candidate license application approvals and zero (0) Maryland candidate application denials for April.

Seven (7) Reciprocal application approvals originated from the following jurisdictions: four (4)-VA, one (1)-NY, one (1)-NH, one (1)-Guam.

There were zero (0)Reciprocal application denials for both March and April.

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

**Firm Permit Committee Report**

Ms. Bensky presented the Firm Permit Committee Report. Three (3) firm approvals and three (3) firms closed for the month of March. Two (2) firm approvals and zero (0) firms closed in the month of April.

Upon a motion **(VI)** by Mr. Marshall and seconded by Mr. Young, the Board unanimously approved the Firm Permit Report.

**Peer Review Oversight Committee Report**

Mr. Ware reported the following: one (1) newly enrolled firm in the Peer Review Program; twenty-one (21)firms had reviews accepted; two (2) first-time passes with deficiencies, zero (0) first-time fails; and zero (0) firms were dropped or terminated.

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

**Unfinished Business**

The Board members took a final vote to approve the 12.5% increase of Maryland Public Accountancy non-CPAES fees and to establish a $25 license verification fee.

Upon a motion **(VIII)** by Mr. Petito and seconded by Mr. Marshall, the Board unanimously approved the fee increase.

Dr. Williams suggested that the Board table the Coastal Peer Review discussion until May’s Meeting, so board members could review the 2022 and 2023 annual reports.

Upon a motion **(IX)** by Mr. Ware and seconded by Ms. Bensky, the Board unanimously voted to table the Coastal Peer Review discussion until May’s Meeting.

**New Business**

The Board discussed the wording of options 1 and 3 on the Maryland CPA License Renewal form. The two options are the same regarding peer review mandated services for employees of a CPA Firm.

Upon a motion **(X)** by Mr. Young and seconded by Mr. Ware, the Board unanimously voted to remove “A CPA firm’ from option 1 on the online CPA renewal form.

**Correspondence**

The Board discussed a letter from the MACPA requesting support of CPE Reciprocity in Maryland.

Currently, approximately 75% of the U.S. jurisdictions have adopted the Uniform Accountancy Act (UAA) Model Rule 6-5(c). With CPE Reciprocity, CPAs who are licensed in multiple states would only be required to meet CPE requirements of their home state. This would eliminate reporting CPE in multiple states. The Board discussed home state, state of original license, principal place of business, remote work, the Maryland ethics requirement, and how these could possibly impact CPE reporting.

Upon a motion **(XI)** by Mr. Petito and seconded by Mr. Marshall, the Board voted to evaluate the MACPA request to support CPE Reciprocity in Maryland by researching the states with CPE Reciprocity and an ethics requirement.

Mr. Petitio agreed to work with Mary Beth Halpern, of the MACPA, to collect information about the CPE Reciprocity renewal process, and report back to the Board.

**Closed Session**

Upon a motion **(XII)** by Mr. Petito and seconded by Ms. Bensky, the Board went into a Closed Session at 10:03 AM via a Google Meets teleconference, where log-in information was only provided to Board members and staff. The purpose of this session was to receive the report of the Board’s complaint committee concerning open complaints, an administrative function defined by Section 3-101(b) of the General Provisions Article, and not subject to the Open Meetings Law pursuant to Section 3-103(a)(1)(i) of the General Provisions Article, and to consult with counsel regarding disclosures on applications as permitted by Section 3-305(b) (7) of the General Provisions Article, Maryland Annotated Code.

**Returned to Open Session**

Upon a motion **(XIII),** by Ms. Bensky and seconded by Mr. Ware, the Board unanimously approved the motions made during the Closed Session at 10:22 AM

**A hearing was conducted at 10:30 AM**

**Return to Closed Session**

Upon a motion **(XIV)** by Mr. Young and seconded by Ms. Bensky, the Board unanimously voted to return to Closed Session at 11:34 AM. in order to consult with and obtain legal advice from counsel

regarding the hearing as permitted by Section 3-305(b)(7).

**Return to Open Session**

Upon a motion **(XV)** by Mr. Young and seconded by Ms. Bensky, the Board unanimously approved the motions made during the Closed Session at 12:11 PM

**A hearing was conducted at 12:30 PM**

**Return to Closed Session**

Upon a motion **(XVI)** by Mr. Ware and seconded by Mr. Petito, the Board unanimously voted to return to Closed Session at 1:18 pm. in order to consult with and obtain legal advice from counsel

regarding the hearing as permitted by Section 3-305(b)(7).

**Return to Open Session**

Upon a motion **(XVII)** by Mr. Petito and seconded by Mr. Young, the Board unanimously approved the motions made during the Closed Session at 1:40 PM.

Upon a motion **(XVIII)** by Mr. Ware and seconded by Mr. Young, the Board adjourned at 1:42 pm.

**NEXT MEETING:** Tuesday, **May 7, 2024**, via Google Meets teleconferencing at 9:00 AM

\_\_x\_\_\_ With corrections \_\_\_\_\_Without corrections

Signature on file May 17, 2024

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Chairman Date