

**STATE OF MARYLAND
BOARD OF PUBLIC ACCOUNTANCY
BUSINESS MEETING MINUTES
June 19, 2018**

LOCATION: 500 North Calvert Street
Baltimore, Maryland 21202
Third Floor Conference Room

MEMBERS

IN ATTENDANCE: Arthur E. Flach
Leslie Mostow
Macon M. Ware, III
James E. Marshall, Jr.
Edward J. Helmstetter, Jr
Mary Campbell

MEMBERS ABSENT: Phillip J. Korb

DLLR OFFICIALS/STAFF: Shanai R. Jordan, Executive Director
Matthew Lawrence, Counsel
Norbert Fenwick, CE Consultant
Linda L. Rhew, Administrative Officer
Michelle Roberts, Administrative Specialist III

OTHERS PRESENT: Mary Beth Halpern, MACPA
Tom Bray, MSATP

The June 19, 2018, meeting of the Maryland Board of Public Accountancy was called to order at 9:00 AM by Chairman of the Board, Arthur E. Flach.

Upon a motion (I) by Mr. Ware, and seconded by Mr. Mostow, the minutes of the May 1, 2018, meeting were approved with corrections.

Chairman's Report

- Chairman Flach spoke at the MACPA Educator's Conference at the University of Maryland College Park. He gave a State Board update and discussed the continuing problem with passing scores on the CPA exam among other issues.
- Ms. Jordan, Mr. Marshall, Mr. Mostow and Mr. Flach attended the NASBA Regional conference in Orlando. There was a great deal of discussion concerning the New Pathway to CPA. There was a general presentation on the new Pathway and there was further discussion at both the Chair's breakfast and the Mid-Atlantic breakout sessions. The concept was not received well.
- Maryland is one of the few states (only 7) who do not use the NASBA newsletter and communications protocol. Chairman Flach attended a session on the communications processes available and has asked Ms. Jordan to follow up on the board using the communications protocols from NASBA.

Several state legislatures around the country are attempting to limit the authority of their respective licensing boards. This appears to be a continued outgrowth of the North Carolina Dental case.

Upon a motion **(II)** by Mr. Helmstetter, and seconded by Mr. Marshall, the Board unanimously approved the Chairman's Report.

Executive Director's Report

Ms. Jordan mentioned to the Board that she would like to have NASBA help with creating a quarterly newsletter to be sent to Maryland licensees. NASBA would be able to track how many people open the newsletter, so Board staff would be able to assess its effectiveness in communicating with licensees. She asked the board members to provide a picture and biography to be listed in the newsletter, as she would like to introduce the members of the Board for the first official newsletter.

Upon a motion **(III)** by Mr. Marshall, and seconded by Mr. Ware, the Board unanimously approved the Executive Director's Report.

Exam Appeals

There were no exam appeals.

Education Report

Mr. Mostow presented the Education Report. There were six (6) Transfer of Grades applications approved. There were two (2) Transfer of Grades denials.

Upon a motion **(IV)** by Mr. Helmstetter, and seconded by Mrs. Campbell, the Board unanimously approved the Education Report.

Experience Report

Ms. Campbell presented the Experience Report. There were eighteen (18) Reciprocal applications approved, zero (0) Reciprocal application denials. The eleven reciprocal license applicants were licensed in the following states: VA-4, NY-3, NJ-1, IN-1, PA-2, NH-1, MA-1, CA-1, KY-1, LA-1, TX-1, KS-1. There were twenty-two (22) Maryland candidate license application approvals and zero (0) Maryland candidate application denials.

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

Firm Permit Report

Mr. Ware presented the Firm Permit Report. There were two (2) Maryland firm permit applications approved, and zero (0) firm applications closed and two (2) Administrative Closures.

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

Peer Review Oversight Committee Report

Chairman Flach mentioned that Peer Review was a topic that came up at the Chairman's Breakfast at the NASBA Eastern Regional Conference. The Chairmen were asked how many states were no longer using their state society as their Peer Review Administering Entity. It seems that it is becoming increasingly more common for states to use another state as their Peer Review Administering Entity.

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

New Business

- a) Late Fee Refund Request due to time zone difference.

Upon a motion **(VIII)** by Mr. Helmstetter, and seconded by Mr. Marshall, the Board unanimously denied the request for the late fee to be refunded.

- b) Peer Review Waiver Request

The Board tabled this issue while awaiting clarification on exactly what services were performed during the peer review period.

Old Business

There was no Old Business.

Correspondence

There was no Correspondence.

Executive Session

Upon a motion **(IX)**, by Mr. Marshall, and seconded by Mr. Ware, the Board went into Executive Session in the 3rd Floor Conference Room, 500 N. Calvert Street, Baltimore, Maryland 21202 at 10:40 AM. 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. It returned to the regular business meeting at 11:25 AM upon a motion **(X)**, by Mr. Korb, and seconded by Mr. Ware.

Complaint Committee Report

Mr. Marshall reported the complaint committee has forty-eight (48) total complaints; fifteen (15) CE Audit Failures, two (2) PCAOB complaints, thirty-one (31) consumer complaints, and zero (0) outstanding from last fiscal year.

Upon a motion **(XI)** by Mr. Campbell, and seconded by Ms. Ware, the Board unanimously approved the Complaint Committee Report.

Executive Session

In EX A – 0618, upon a motion **(XII)**, by Mr. Marshall, and seconded by Mr. Helmstetter, the Board unanimously approved the extension of conditional credit until Dec. 1, 2018.

In EX B – 0618, upon a motion **(XIII)**, by Mr. Ware, and seconded by Mr. Helmstetter the Board unanimously approved an NTS extension until Oct. 23, 2018.

In EX C – 0618, upon a motion **(XIV)**, by Mr. Campbell, and seconded by Mr. Marshall the Board unanimously approved the renewal of an individual license due to a conduct issue.

In EX E – 0618, upon a motion **(XV)**, by Mr. Marshall, and seconded by Mrs. Campbell the Board unanimously approved an original license due to a conduct issue.

In EX F – 0618, upon a motion **(XVI)**, by Mr. Marshall, and seconded by Mrs. Helmstetter the Board unanimously denied the renewal of a license due to a conduct issue.

Upon a motion **(XVII)** by Mr. Marshall, and seconded by Mrs. Campbell, the Board adjourned at 10:55 AM.

NEXT MEETING August 7, 2018, 500 North Calvert Street, Third Floor, 9:00 AM

With corrections Without corrections

SIGNATURE ON
ORIGINAL DOCUMENT
Chairman

8/20/18
Date