State of Maryland

Board of Certified Public Accountants

Business Meeting Minutes

Tuesday, March 4, 2025

*Via Google Meets Teleconference*

**MEMBERS**

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

Jeffery Wilson, II

Joseph Petito

Barrett E. Young

Joan Pratt

Pamela Gray

**ABSENT MEMBER:** Brian Dunne

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

Robert Pambianco, Legal Counsel

Sharron McNeill, Office Supervisor

Shemirra Massie, Administrative Officer I

Commissioner John Dove

**OTHERS PRESENT:** Marybeth Halpern, MACPA

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The March 4, 2025, Maryland Board of Public Accountancy meeting was called to order at 9:05 AM by Dr. Jan Williams, Chair.

Upon a motion **(I)** by Mr. Petito and seconded by Ms. Pratt, the February 4, 2025, meeting minutes were unanimously approved with edits.

**Chairman’s Report**

1. Dr. Williams attended the NASBA Regional Call for Board Chairs and Executive Directors. It was reported that 550 responses were received for the AICPA- NASBA Competency-Based Experience Pathway exposure draft. Most of the responses opposed the competency-based pathway due to complexity and administrative burdens. The Uniform Accountancy Act (UAA) exposure draft received 190 responses. The main issues were with mobility and the need for modernized pathways. Other topics on the call included the status of state legislation concerning pathways, orientation for new Board members, and private equity investments in accounting firms.
2. Dr. Williams is in discussion with Morgan State University’s School of Business to host the April Board meeting. As discussed at the October 2024, Board meeting, the April Board meeting will be held after tax season. The meeting is scheduled for April 22, 2025, at 10am at Morgan State University. Information regarding the specific location and parking will be distributed prior to the meeting.

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

**Executive Director’s Report**

Mr. Dorsey announced that the NASBA Eastern Regional meeting will be held on June 24th through the 26th in Philadelphia. Also, there are scholarships available for new Board members to attend the conference. In addition, Dr. Williams announced that there will be a new member orientation dinner on June 23rd, the night before the start of the NASBA Eastern Regional Conference. New Board members are encouraged to attend it.

Upon a motion **(III)** by Mr. Young seconded by Mr. Wilson, II the Board unanimously approved the Executive Director’s report.

Commissioner Dove gave an update on the Board’s budget and answered corresponding questions. During the update, Commissioner Dove compared the current budget to the fiscal years 2023 and 2024, and gave projections for FY2026. These comparisons outlined revenue trends and gave insight into the Board’s expenditures.

**Exam Appeals**

There were zero (0) Exam Appeals

**Education Committee Report**

Dr. Williams presented the Education Report. There were two (2) Transfers of Grades application approvals for February and zero (0)Transfer of Grades application denials for February.

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

**Experience Committee Report**

Ms. Pratt presented the Experience Report. There were twenty-eight (27) Maryland candidate license application approvals and zero (0) Maryland candidate application denials for February.

Eighteen (18) Reciprocal application approvals originated from the following jurisdictions: Two (2)-NY, seven (7)-VA, two (2)-MI, one (1)-PA, one (3)-CA, one (1)-NJ, one (1)-MN, one (1)-DC. There were zero (0)Reciprocal application denials for February.

Upon a motion **(V)** by Mr. Young and seconded by Mr. Wilson, II, the Board unanimously approved the Experience Report.

**Firm Permit Committee Report**

Dr. Williams presented the Firm Permit Committee Report. Four (4) firm approvals and zero (0) firms closed for February.

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

**Peer Review Oversight Committee Report**

Ms. Gray reported the following: one (1) newly enrolled firm in the Peer Review Program; Fourteen (14) firms had reviews accepted; zero (0) first-time passes with deficiencies; one (1) first-time fail; and zero (0) firms were dropped or terminated.

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

**Unfinished Business**

**Private Equity Investments in Accounting Firms**

Mr. Petito drafted a questionnaire that could be sent to firms to give us a baseline understanding of the status of accounting firms in Maryland. The idea is to understand how prevalent private equity firms are within the state, not to be intrusive. The goal is to protect the audit function. This survey tries to get a very rough sense of what might be some of the implications for the audit function in the firms that are accepting private equity investments. Are they putting the money towards audits or are they putting the money towards tax and consulting? Additionally, every private equity investment requires a major restructuring of the firms, something that the profession really hasn’t seen since it allowed non-CPA ownership. As a result, the survey is to make sense of how these firms are restructuring the audit function, and how that might implicate the audit function going further. We want the questionnaire to be noninvasive and we want the firms to be open to answering. The goal is to have as much information about private equity firms occurring in the state of Maryland.

**New Business**

None

**Correspondence**

None

**Public Questions and Comments**

None

**Closed Session**

On a motion **(VIII)** by Mr. Petito and seconded by Ms. Gray, the Board voted to move to a closed session at 10:07 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 protect confidential attorney-client communications and licensing information shielded by the Maryland Public Information Act in regard to disclosures on applications (as permitted by Sections 3-305(b)(7) and (b)(13) of the Open Meetings law), as well as to receive the Complaint Committee Report and the minutes of its February closed session, administrative functions not subject to the Open Meetings law pursuant to Section 3-103(a)(1)(i) of the General Provisions article.

**Return to Open Session**

Upon a Motion **(IX)** by Mr. Petito and seconded by Ms. Pratt, the Board unanimously approved the motions made during the Closed Session.

**Hearing**

A hearing was held at 10:30 am.

**Return to Closed Session**

On a motion **(X)** by Mr. Petito and seconded by Ms. Gray, the Board voted to move to a closed session at 11:14 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 protect confidential attorney-client communications and licensing information shielded by the Maryland Public Information Act in regard to disclosures on applications (as permitted by Sections 3-305(b)(7) and (b)(13) of the Open Meetings law).

**Return to Open Session**

Upon a Motion **(XI)** by Mr. Petito and seconded by Ms. Pratt, the Board unanimously approved the motions made during the Closed Session.

Upon a motion **(XII)** by Mr. Young and seconded by Mr. Petito, the Board adjourned at 12:57 pm.

**Summary of Closed Session**

Date and Time: March 4, 2025 / 12:53 pm

Place: Virtual

Persons present: Williams, Wilson, Petito, Young, Pratt, and Gray (members), as well as Dorsey, McNeil, and Massie (staff), and Pambianco (counsel).

Subject matter: Disclosures on applications, complaint committee report, and February closed meeting minutes

**NEXT MEETING:** Tuesday, **April 22, 2025**, in person at Morgan State University at 10:00 AM

\_\_X\_\_ With corrections \_\_\_Without corrections

\_Signature on file\_\_\_ \_\_\_\_4/23/25\_\_\_\_\_

Chairman Date