

**STATE OF MARYLAND
BOARD OF PUBLIC ACCOUNTANCY
BUSINESS MEETING MINUTES
March 5, 2019**

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

MEMBERS

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

MEMBERS ABSENT:

DLLR OFFICIALS/STAFF: Shanai Jordan, Executive Director
Christopher Dorsey, Asst. Executive Director
Matthew Lawrence, Legal Counsel
Norbert Fenwick, CE Consultant
Linda L. Rhew, Administrative Officer

OTHERS PRESENT: Mary Beth Halpern, MACPA
Alberta Steinwedel, MSATP
Kimberly Burns, OOS-Chief of Staff

The March 5, 2019, 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. Mostow, and seconded by Mr. Korb, the minutes of the February 5, 2019, meeting were approved without corrections.

Chairman's Report

NASBA Regional Meeting

- NASBA will roll out the CPE audit tracker software at the March Executive Director's meeting in March of 2019 in San Antonio. Chairman Flach requested that Ms. Jordan give a summary of the rollout of the program at the Board's April meeting. The Chairman provided the following link to the audit tracker at the NASBA site <https://nasba.org/cpeaudit/> for the Board members to get some background on the program.
- Chairman Flach advised the Board that a NASBA committee that was established to look at the UAA's 150-hour educational requirement for licensure. The committee will look at whether the requirement has been effective, whether it needs to be changed, and what the educational requirement might look like in the future.

- Communications Committee-The Chairman reported that 41 out of the 55 jurisdictions use the NASBA Communications Services for newsletters, annual reports, videos, training, etc. Many states are publishing annual reports.
- Chairman Flach reported that South Carolina has transferred their Peer Review Administration function to the Illinois Society of CPAs.
- Chairman Flach noted that John Johnson, NASBA Director of Legislative Affairs, gave an update on legislative trends:
 - There are numerous states that have legislation to curb the jurisdiction of public accounting boards.
 - Maryland - a House Bill 0022 would preclude license denial for a past criminal record that was committed if a period of 7 years or more has passed. There was a hearing on this bill on January 22, 2019. There has been no further action since this date.
 - Maryland- Senator Ellis introduced bill SB 513 to provide for Firm Mobility in the state of Maryland. This bill passed the Senate on 2/26/2019 with one minor amendment concerning sponsorship of the bill.

Budget

- Chairman Flach provided information to the Board concerning its budget and anticipates discussing this in more detail during the April meeting. The Chairman requested that Ms. Jordan put this topic on the agenda under New Business.

NASBA Visit

- The Chairman advised the Board that Dan Dustin, Vice President for State Board Relations at NASBA, tries to attend a meeting of each Board of Accountancy at least once every three years to provide an update on current issues and to listen to any issues or concerns a Board may have about what is happening in the profession. Because it's been three years since he visited the Maryland Board of Public Accountancy in October 2016 he is hoping to schedule a visit with the Board during 2019. Mike Womble (NC), the NASBA Middle Atlantic Region Director, may join him. Mr. Dustin would like to provide an update to the Board during its September 10 or October 1 meeting, and the Chairman requested that Ms. Jordan coordinate his visit.

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

Executive Director's Report

Ms. Jordan reported she would be involved in a conference call with NASBA to discuss the effectiveness of the 150 semester credit hour requirement for licensure. She will also discuss plans for the exam in 2019, the Annual report, and Board appointment terms.

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

Exam Appeals

There were no exam appeals this month.

Education Report

Mr. Korb presented the Education Report. There was five (5) Transfer of Grades applications approved. The transfer of grades applications originated from ME-1, VA-1, NY-1, SD-1 and MN-1. There were zero (0) Transfer of Grades application denials.

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

Experience Report

Ms. Campbell presented the Experience Report. There were sixteen (16) Reciprocal applications approved, zero (0) Reciprocal application denials. The sixteen (16) reciprocal license applicants were licensed in the following states: VA-7, NY-2, PA-2, DE-1, OR-1, IL-1, WV-1 AND WA-1. There were thirty (30) Maryland candidate license application approvals and zero (0) Maryland candidate application denials.

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

Firm Permit Report

Mr. Ware presented the Firm Permit Report. There we two (2) firm permit applications approved that originated from NY and FL. There were zero (0) firm applications closed. There were zero (0) administrative closures.

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

Peer Review Oversight Committee Report

- The Chairman reported that he has had discussions with a number of states in our region on the administration of Peer Review based upon the presentation made by the MACPA, and provided the following information:
 - South Carolina has transferred their peer review administration to the Illinois Society of CPAs.
 - North Carolina has no intent to administer peer review for any states other their own through the North Carolina Association of CPAs.
 - Delaware utilizes the Pennsylvania Society of CPAs.
 - DC utilizes the Virginia Society of CPAs.
 - West Virginia utilizes the Illinois Society of CPAs
 - Virginia utilizes the Virginia Society of CPAs.
- The Chairman noted that there is a distinct trend toward moving the Peer Review Administration to a smaller concentration of entities.
- The current Peer Review administering entities for each of states is as follows:

Alabama
Alaska
Arizona
Arkansas

Alabama Society of CPAs
California Society of CPAs
California Society of CPAs
Arkansas Society of CPAs

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California	<u>California Society of CPAs</u>
Colorado	<u>Colorado Society of CPAs</u>
Connecticut	<u>Connecticut Society of CPAs</u>
Delaware	<u>Pennsylvania Institute of CPAs</u>
Florida	<u>Florida Institute of CPAs</u>
Georgia	<u>Georgia Society of CPAs</u>
Guam	<u>Oregon Society of CPAs</u>
Hawaii	<u>Oregon Society of CPAs</u>
Idaho	<u>Idaho Society of CPAs</u>
Illinois	<u>Peer Review Alliance</u>
Indiana	<u>Peer Review Alliance</u>
Iowa	<u>Peer Review Alliance</u>
Kansas	<u>Kansas Society of CPAs</u>
Kentucky	<u>Peer Review Alliance</u>
Louisiana	<u>Society of Louisiana CPAs</u>
Maine	<u>New England Peer Review (NEPR)</u>
Mariana Islands	<u>Oregon Society of CPAs</u>
Maryland	<u>Maryland Association of CPAs</u>
Massachusetts	<u>Massachusetts Society of CPAs</u>
Michigan	<u>Michigan Association of CPAs</u>
Minnesota	<u>Minnesota Society of CPAs</u>
Mississippi	<u>Mississippi Society of CPAs</u>
Missouri	<u>Missouri Society of CPAs</u>
Montana	<u>Nevada Society of CPAs</u>
Nebraska	<u>Nevada Society of CPAs</u>
Nevada	<u>Nevada Society of CPAs</u>
New Hampshire	<u>Massachusetts Society of CPAs</u>
New Jersey	<u>New Jersey Society of CPAs</u>
New Mexico	<u>Colorado Society of CPAs</u>
New York	<u>Pennsylvania Institute of CPAs</u>
North Carolina	<u>North Carolina Association of CPAs</u>
North Dakota	<u>Minnesota Society of CPAs</u>
Ohio	<u>Ohio Society of CPAs</u>
Oklahoma	<u>Oklahoma Society of CPAs</u>
Oregon	<u>Oregon Society of CPAs</u>
Pennsylvania	<u>Pennsylvania Institute of CPAs</u>
Puerto Rico	<u>Colegio de Contadores Publicos Autorizados de Puerto Rico</u>
Rhode Island	<u>New England Peer Review (NEPR)</u>
South Carolina	<u>Peer Review Alliance</u>
South Dakota	<u>Oklahoma Society of CPAs</u>
Tennessee	<u>Tennessee Society of CPAs</u>
Texas	<u>Texas Society of CPAs</u>
Utah	<u>Nevada Society of CPAs</u>
Vermont	<u>New England Peer Review (NEPR)</u>
Virgin Islands	<u>Pennsylvania Institute of CPAs</u>
Virginia	<u>Virginia Society of CPAs</u>
Washington	<u>Washington Society of CPAs</u>
Washington DC	<u>Virginia Society of CPAs</u>
West Virginia	<u>Peer Review Alliance</u>
Wisconsin	<u>Peer Review Alliance</u>
Wyoming	<u>Nevada Society of CPAs</u>

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

New Business

There was no New Business this month.

Old Business

There was no Old Business this month.

Correspondence

There was no Correspondence presented at this meeting.

Executive Session

Upon a motion **(VIII)**, by Mr. Ware, and seconded by Mr. Mostow, the Board went into a closed Executive Session in the 3rd Floor Conference Room, 500 N. Calvert Street, Baltimore, Maryland 21202 at 9:20 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 9:28 AM upon a motion **(IX)**, by Mr. Ware, and seconded by Mr. Helmstetter.

Return to Open Session

Upon a motion **(X)** by Mr. Mostow, and seconded by Mr. Korb the Board unanimously approved the Complaint Committee Report.

In EX-A0319, upon a motion **(XI)** by Mr. Helmstetter, and seconded by Mr. Korb, the Board unanimously approved the extension of exam credits request.

Upon a motion **(XII)** by Mr. Helmstetter, and seconded by Mr. Ware, the Board adjourned at 9:30 AM.

NEXT MEETING April 2, 2019, 500 North Calvert Street, Third Floor, 9:00 AM

___ With corrections Without corrections

**SIGNATURE ON
ORIGINAL DOCUMENT** _____

_____ 3/5/19
Date