State of Maryland

Board of Certified Public Accountants

Business Meeting Minutes

Tuesday, September 9, 2025

 *Via Google Meets Teleconference*

**MEMBERS**

**IN ATTENDANCE:**  Joseph Petito, Chair

 Brian Dunne

 Pamela Gray

 Jeffery Wilson, II

 Joan Pratt

 Michelle Sotka

 Jeffery Lawson

**ABSENT MEMBER:**

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

 Robert Pambianco, Legal Counsel

 Sharron McNeill, Office Supervisor

Shemirra Massie, Administrative Officer I

**OTHERS PRESENT:** Marybeth Helpern, MACPA

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September 9, 2025, Maryland Board of Public Accountancy meeting was called to order at 9:02 AM by Mr. Joseph Petito, Chair.

Upon a motion **(I)** by Ms. Pratt and seconded by Mr. Dunne, August 5, 2025, meeting minutes were unanimously approved.

**Chairman’s Report**

Mr. Petito introduced two new members of our Board. Mr. Jeff Lawson joins us in the seat previously held by Mr. Young, and Ms. Michelle Sotka will be replacing Dr. Williams as our educator member. We are delighted to welcome them both and look forward to their valuable contributions.

**Introduction**
Mr. Lawson has over 20 years of experience in public accounting. He was previously a shareholder at Stoy Malone Company, a Towson-based firm that was recently acquired. Currently, he serves as Vice President of Tax and Administration at Tapco and Tapco Properties in downtown Baltimore.

In addition to his professional career, Mr. Lawson has been actively involved with the Maryland Association of CPAs, where he most recently served as Chair of the State Tax Committee. He also contributed significantly to the CPA Exam process, serving for three years on the CPA Exam Subcommittee, another three years as Chair, and as a member of the CPA Exam Content Committee. In these roles, he played an important part in the early development of the CPA Evolution initiative.

We greatly appreciate his dedication to the profession and are fortunate to have his expertise as we continue working to strengthen the pipeline of future CPAs.

**Introduction**
Ms. Sotka began her career in public accounting in Cleveland, Ohio, with Deloitte, where she worked for five years before becoming a controller at a regional bank. She later transitioned into education when her family relocated for her husband’s career, finding an opportunity to combine her background as a CPA with teaching.

She taught in Idaho for 11 years before relocating to Maryland 13 years ago, where she has been on the faculty at Howard Community College. Ms. Sotka served as Chair of the Accounting Department for the past 10 years and currently coordinates the College’s CPA Candidacy Program. In this role, she advises students individually, helping them navigate the CPA pathway and adapt to the CPA Evolution changes.

Her perspective as an educator brings invaluable insight into how future CPAs are being prepared, and we are grateful to have her expertise at the table.

**Closing Remarks**
We welcome both Mr. Lawson and Ms. Sotka to the Board. Your unique experience in professional practice and in education—will be a tremendous asset to our work. We encourage you to dive right in; there are no wrong questions, and your input will be greatly valued from the very beginning.

We look forward to your active participation in your respective committees, Mr. Lawson on the Complaint Committee and Ms. Sotka on the Education Committee—and to working together on our shared mission.

Please join me in welcoming our new members.

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

**Executive Director’s Report**

Mr. Dorsey followed up on Mr. Petito’s remarks, noting that the NASBA Annual Meeting will take place October 26–29 in Chicago and for any Board members who are interested in going to let him know as soon as possible.

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

**Exam Appeals**

There were zero (0) Exam Appeals

**Education Committee Report**

Ms. Sotka presented the Education Report. There was one (1) Transfer of Grades approval application (1-IL), and zero (0)Transfer of Grades application denial for August.

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

**Experience Committee Report**

Ms. Pratt presented the Experience Report. There were fifteen (15) Maryland candidate license application approvals and zero (0) Maryland candidate application denials for August.

Ten (10) Reciprocal application approvals originated from the following jurisdictions: Five (5)-VA, two (2)-PA, one (1)-SC, one (1)-NY, one (1)-AL

There were zero (0)Reciprocal application denials for August.

Upon a motion **(V)** by Ms. Gray and seconded by Mr. Lawson, the Board unanimously approved the Experience Report.

**Firm Permit Committee Report**

Mr. Dunne presented the Firm Permit Committee Report. One (1) firm approval and zero (0) firms closed for August.

Upon a motion **(VI)** by Mr. Wilson II and seconded by Ms. Pratt, 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; zero (0) firms had reviews accepted; three (3) first-time pass with deficiencies; one (1) first-time fail; and zero (0) firms were dropped or terminated.

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

**Unfinished Business**

### **1. Unfinished Business**

The Board continued its discussion on proposed changes to how committee numbers are reported.

Mr. Petito noted that while committees currently provide raw numbers, the question remains whether these reports should also include meaningful analytics. He suggested that straight numbers are often of limited value and that data such as rejection rates or sudden spikes in applications might provide the Board with better insight, while also recognizing that members should not be overburdened with producing detailed analysis.

Ms. Gray recalled that the Board had tabled this issue at the last meeting. She reiterated her suggestion that each committee’s monthly data be presented in slide format, which could then be adopted by the Board. She also proposed including at least three months of comparative data to show trends visually, even if not fully analyzed. She cited the Peer Review Committee as an example where such trend data could clarify whether reported activity reflected a slowdown in the review process or another factor.

Mr. Pambianco confirmed that slides containing committee data would be considered public records under the Public Information Act, but as long as personal identifiers are excluded, there should not be an issue presenting slides. He emphasized that committee reports serve two purposes: (1) providing useful information to the public and the Board, and (2) facilitating the Board’s formal ratification of committee and staff actions. He noted that use of slides and comparative data could be useful to further for transparency and understanding.

Mr. Dunn raised the concern that committee liaisons may only be reporting information prepared by staff and should not be expected to “look under the hood” or independently investigate committee actions. He stressed that the Board’s role is to receive and adopt reports, not to duplicate the work of the committees. However, he agreed that if a report revealed a red flag—such as an unusual spike in failed peer reviews—the Board as a whole should address it.

Ms. Gray questioned whether, if committee liaisons are only reporting information, it is necessary for individual members to present reports at all, as opposed to distributing the data directly. She also raised the need for greater clarity on the roles and responsibilities of committee liaisons, noting that issues are sometimes directed to her as though she holds decision-making authority.

Mr. Petito agreed this was an important point and asked counsel whether committee roles and responsibilities had ever been formally established. Mr. Pambianco responded that he was not aware of any written procedures but suggested the Board may wish to adopt guidelines to clarify expectations, as committee involvement and responsibilities vary.

The matter remains open for further discussion and potential development of written procedures defining committee roles, reporting expectations, and the inclusion of analytics or trend data in committee reports.

**2. AICPA Potential Revisions to Code of Conduct related to Independence in Alternative Practice Structure**

The Board continued its discussion on potential revisions to the AICPA Code of Conduct relating to independence in alternative practice structures.

Ms. Halpern provided historical context, noting that some Board committees—such as the Peer Review Committee—carry regulatory responsibilities that require active leadership, typically from individuals with audit expertise. While much of the peer review process is handled by administering entities, she explained that uncooperative firms may ultimately require Board involvement. She also observed that certain committee reporting practices appear to be historical carryovers from earlier state requirements and questioned whether all remain relevant today.

Mr. Pambianco added that committees can play a broader role than simple reporting. For example, the Education Committee could serve as the venue for evaluating changes to continuing education requirements, particularly as discussions about independence and practice structures evolve at the national level.

Mr. Petito summarized by stating that the Board effectively has a “blank canvas” in determining the purpose and scope of its committees. He emphasized the need for staff and legal counsel to review any available historical documents and provide input on the current workload and responsibilities of each committee. This information will help the Board decide whether certain committees should be expanded, consolidated, or redefined, especially in light of anticipated national changes to independence standards and continuing professional education.

The matter will be carried forward to the next meeting for further discussion once staff has compiled background materials.

**3. NASBA CPE Audit Service**

Mr. Petito introduced the topic of the NASBA CPE Audit Service and asked Mr. Dorsey to provide background and an update for the Board.

Mr. Dorsey explained that CPAs selected for audit as part of license renewal are now required to use the NASBA CPE Audit Service to upload their certificates. This change was implemented due to limited staffing and the state hiring freeze, which has reduced the Board’s internal capacity. Previously, audited CPAs sent certificates directly to the Board, requiring staff to manually review and total credits. Under the new system, CPAs upload documentation to the NASBA portal, which calculates credits automatically, allowing staff to complete reviews more efficiently.

Mr. Petito reminded members that the Board approved use of the service nearly a year ago because of its efficiency. However, implementation caused some confusion when communication went out in late August stating that, effective September 1st, audited licensees must use the system. The timing of the notice, coupled with wording that some interpreted as applying to all licensees, led to questions and concerns from the profession.

Ms. Gray noted that communication with the Maryland Association of CPAs (MACPA) should have been coordinated in advance, as the rollout created confusion and left the Association fielding questions without preparation. She recommended closer collaboration in the future.

Mr. Dorsey acknowledged the concern, clarifying that while the announcement was posted to the website in early August, the email blast was delayed and issued much later than planned. Staffing shortages contributed to the challenge.

Ms. Halpern, on behalf of MACPA, confirmed the Association’s willingness to assist with communication to members in the future, noting that better coordination could help reduce confusion and ensure messages appear legitimate and consistent. She also emphasized that clarity is needed around the requirement—currently, only CPAs selected for audit must use the service.

Mr. Petito thanked MACPA for their assistance and reiterated that the Board’s long-term goal is to have all licensees use the NASBA CPE Audit Service. For now, the Board will continue monitoring implementation, address any glitches, and work with the Society to determine an appropriate timeline for making the service mandatory for all licensees.

**New Business – Board Meeting at Towson University On October 7th**

**Upcoming Board Meeting at Towson University**

Mr. Petito announced that the next Board of Public Accountancy meeting will be held on **Friday, October 7th at Towson University**.

Mr. Dorsey reported that he has been in contact with the Chair of the Accounting Department, who confirmed that Towson is pleased to host. The meeting will begin at **10:00 a.m.** (later than the usual 9:00 a.m. start to allow additional travel time. Details on the exact location and parking arrangements will be provided to members once finalized.

The meeting will follow the normal format, without a closed session. Afterward, there will be a **meet-and-greet with students and faculty**, accompanied by lunch. Board members are encouraged to remain for this portion, as prior campus meetings have shown strong student participation and valuable interaction.

In addition, Mr. Dorsey has been invited to attend the **Towson University Accounting Advisory Board meeting** earlier that morning at **8:00am** He extended the invitation to any Board members interested in attending. Mr. Lawson, who chairs the Advisory Board, confirmed his attendance.

Mr. Petito emphasized the importance of campus-based meetings as part of the Board’s **pipeline strategy** to engage accounting students and encourage future professionals. He noted the success of previous meetings at Morgan State University and the University of Maryland, College Park, highlighting the strong turnout of students, faculty support, and productive Q&A sessions.

Mr. Dorsey will circulate additional logistical information, including parking and building details, once available.

**Correspondence**

None

**MACPA Report to the Board**

**Presented by: Marybeth Olson, on behalf of the Maryland Association of CPAs (MACPA)**

Ms. Halpern provided the report on behalf of the Maryland Association of CPAs (MACPA). She began by thanking Mr. Dorsey and Mr. Petito for their timely responses to questions regarding the NASBA CPE Audit Service, which enabled the Society to quickly share accurate information with its members.

She then gave a legislative update, noting that Senator Arthur Ellis will serve as the Senate sponsor of the Pathways legislation, while Delegate Chris Valderrama will sponsor in the House. The bill will be filed using the draft version previously approved by the Board, subject to the General Assembly’s drafting process. MACPA will monitor developments closely and keep the Board informed.

Ms. Halpern also highlighted that MACPA’s CEO, Rebecca Olson, authored a recent op-ed in the Baltimore Business Journal emphasizing the profession’s leadership role in advancing the new Pathways legislation. She added that a letter of support from the Board would significantly strengthen outreach to legislators and requested that it be made available prior to CPA Day in January, with earlier submission being ideal.

Chairman Petito responded that he would work with staff to draft the letter and place it on the agenda for the next meeting, ensuring that all Board members have the opportunity to provide input.

Before concluding, Ms. Halpern reminded the Board that the annual swearing-in ceremony for newly licensed CPAs will take place on **November 20 at Martin’s West**. She encouraged all Board members to attend this event, which is a meaningful celebration for new CPAs and the profession.

**Public Questions and Comments**

**None**

**Closed Session**

On a motion **(VIII)** by Mr. Dunne and seconded by Mr. Wilson, II the Board voted to move to a closed session at 10:01 am via a Google Meets teleconference, where log-in information was only provided to Board members and staff. The purpose was to receive the Complaint Committee Report and the minutes of its closed session in August, administrative functions not subject to the Open Meetings law pursuant to Section 3-103(a)(1)(i) of the General Provisions article.

Date and Time: September 9, 2025 / 10:01

Place: Virtual

Persons present: Petito, Wilson, Dunne, Pratt, Lawson, Sotka, and Gray (members), as well as Dorsey, McNeil, and Massie (Staff), and Pambianco (counsel).

Topics of discussion: complaint committee report and minutes of closed session.

Actions taken: Approved complaint committee report and August closed session minutes.

**Return to Open Session**

Upon Motion **(X)** by Mr. Wilson and seconded by Mr. Dunne, the Board unanimously approved the motions made during the Closed Session.

Upon a motion **(XI)** by Mr. Dunne and seconded by Mr. Gray the Board adjourned at 10:13 am.

**NEXT MEETING:** Tuesday, **October 7, 2025**, in person meeting at Towson University at 10:00 AM

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

 Signature on file October 9, 2025

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 Chairman Date