State of Maryland

Board of Certified Public Accountants

Business Meeting Minutes

Tuesday, September 10, 2024

*In Person at the University of Maryland College Park Campus*

**MEMBERS**

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

Tamara Bensky, Secretary

Macon M. Ware III

Joseph Petito

Barrett E. Young

**ABSENT MEMBER:** Brian Dunne

James Marshall

**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

Giavante Hawkins, MSATP

Faculty andStudents of The University of Maryland College Park

The September 10, 2024, Maryland Board of Public Accountancy meeting was called to order at 10:13 AM by Dr. Jan Williams, Chair.

The Board did not receive the final updated August meeting minutes prior to the meeting. The Board decided to table the approval of the August meeting minutes until the October’s meeting.

**Introduction of Board Members and Staff**

The Board members and staff introduced themselves to the University of Maryland faculty and students in attendance at the meeting.

**Chairman’s Report**

Dr. Williams advised the Board that on August 8th, she attended the NASBA Private Equity Investments in Public Accounting Firms webinar. It was reported that private equity/alternative practice structures are occurring more frequently and that dozens have occurred in the last 3 years. On the NASBA Regional Conference Call on August 28th, most of the states noted that they are in the infancy stage of discussions on this topic. The topic is included on the agenda for the NASBA Annual Conference.

Boards were asked about their support of the updated pathway that was presented at the NASBA Regional Forum that the Professional Licensure Taskforce and Uniform Accountancy Act Committees have been exploring. This pathway includes a bachelor’s degree plus 1-year Professional Experience Program (PEP) and 1-year of general experience. NASBA offered to make presentations to the state Boards on this topic.

Also, on the regional conference call, there was discussion about some of the recommendations made by the AICPA National Pipeline Advisory Group (NPAG), including early testing before having a degree (which Mr. Young mentioned in his NASBA committee report update at the Board’s August meeting), and allowing accounting review courses to count towards education credit. Some states responded that they allow credit for accounting review courses if it is on a college transcript. It would be difficult to account for credits otherwise. Also, discussed was the use of centralized exam data by accounting organizations (such as NASBA, AICPA, state societies, etc.) to contact candidates in the pipeline. While this could be a helpful process, the question arose about whether states had laws that would prohibit sharing such information. States are going to explore whether this would be an issue.

Comments were made during the regional meeting call about the many changes that have occurred over the last year or two. As such, Dr. Williams asked Mr. Dorsey to attend the monthly executive director meetings and report back to the Board in his Executive Director’s Report. This will help to keep the Board abreast of such discussions and changes.

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

**Executive Director’s Report**

Mr. Dorsey advised the Board that the 117th NASBA Annual Meeting is October 27th-30th in Orlando, FL. If any members are interested in attending, please submit their information to him as soon as possible.

On August 27th, Mr. Dorsey and some other executive directors from the Department of Labor attended an apprenticeship prep session to discuss apprenticeship ideas with the licensing boards. The CPA Board was listed as one of the boards with the most potential. Future meetings will be held to discuss further ideas and plans, including stakeholders such as the Maryland Association of Certified Public Accountants and some Senators who want to see this great idea happen.

Also, Mr. Dorsey announced that Occupational and Professional Licensing will be moving from 1100 N. Eutaw St to 100 S. Charles Street in late October or early November. He is not sure if this will affect the November board meeting, but he will keep everyone posted on further developments.

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

**Exam Appeals**

There were zero (0) Exam Appeals for August.

**Education Committee Report**

Mr. Petito presented the Education Report. One (1) Transfer of Grades application was approved, and zero (0) were denied.

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

**Experience Committee Report**

Ms. Bensky presented the Experience Report. There were fourteen (14) Maryland candidate license application approvals and zero (0) Maryland candidate application denials.

Seven (7) Reciprocal application approvals originated from the following jurisdictions: one (1)-NC, two (2)-PA, one (1) CT, one (1)-RI, one (1)-UT, one (1)-VA

There were zero (0) Reciprocal application denials.

Upon a motion **(IV)** 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. Two (2) firm approvals and zero (0) firms closed.

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

**Peer Review Oversight Committee Report**

Mr. Ware reported the following: Two (2) newly enrolled firms in the Peer Review Program; eight (8) firms had reviews accepted; zero (0) first-time passes with deficiencies, zero (0) first-time fails; and three (3) firms were dropped or terminated.

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

**Unfinished Business**

1. **Alternative Pathways for Licensure**

Dr. Williams led a discussion about the three different pathways proposed by the AICPA and NASBA to obtain the final 30 credits required for licensure. Dr. Williams invited comments from the University of Maryland faculty and staff. The discussion included an interest in having alternative pathways for licensure. This will also be a topic at the NASBA Annual Meeting in October. The goal is to add pathways to obtain 150 credits, while maintaining substantial equivalency with all states. The Board will continue the discussion on this topic at future meetings.

1. **NASBA CPE Audit Services**

NASBA’s database includes approximately 40,000 Maryland CPAs. The NASBA CPE Audit Service is used to keep track of CPEs and to conduct audits. As discussed at the August board meeting, an email was sent out to all unregistered CPAs urging them to register and set up an account. An additional 128 CPAs have set up an account, as a result of the email. Approximately, 38,000 Maryland CPAs have not registered for an account. The Board agreed that periodic emails will be sent to unregistered Maryland CPAs to try to increase the number of registered CPAs in the NASBA CPE Audit Services system.

1. **Automatic Mobility**

The Board continued its discussion of automatic mobility. There are a few states that already have automatic mobility in place, including North Carolina, Nevada, Alabama and Nebraska. There are other states that are discussing including automatic mobility in their statutes, due to pending legislation for alternative pathways. NASBA is presenting proposals for discussion related to Section 23 of the Uniform Accountancy Act to retain substantial equivalency with a safe harbor. If states start adopting changes for alternative pathways, a 5-year grace period would extend mobility from July 1, 2025, to July 1, 2030. The Board is in favor of the concept of automatic mobility. However, this will require a legislative change, which may have to wait until the 2026 legislative session. As discussed in the August meeting, the deadline for submitting legislative changes has passed. A discussion continued regarding other avenues for presenting legislative changes, including the MACPA finding a sponsor to submit proposed legislation for automatic mobility.

Upon a motion **(VII)** by Mr. Young and seconded by Mr. Petito, the Board unanimously endorsed the concept of automatic mobility.

**New Business**

No New Business

**Correspondence**

None

**University of Maryland Program Initiatives**

Dr. Michael Kimbrough, Chair of the University of Maryland Accounting and Information Assurance Department, discussed the status of the UMD accounting program and initiatives they are taking to address accounting pipeline issues.

**Open Questions/Comments**

Ms. Halpern shared that the MACPA Swearing-In Ceremony for Newly Licensed CPAs would be held on November 20th at Maryland Live. She also commended the Board for having its first Board meeting on a college campus.

**Closed Session**

No Closed Session was held at this in-person meeting.

Upon a motion **(VIII)** by Mr. Petito and seconded by Ms. Bensky, the Board adjourned at 12:01 PM.

**NEXT MEETING:** Tuesday, **October 1, 2024**, via Google Meets teleconferencing at 9:00 AM

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

\_\_Signature on file\_\_\_\_\_\_\_\_ \_10/1/2024\_\_\_\_\_\_

Chairman Date