

STATE OF MARYLAND
BOARD OF PUBLIC ACCOUNTANCY
BUSINESS MEETING MINUTES
April 3, 2018

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

MEMBERS

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

MEMBERS ABSENT: Mary Campbell

DLLR OFFICIALS/STAFF: Shanai Jordan, Executive Director
Matthew Lawrence, Counsel
Norbert Fenwick, CE Consultant
Michelle R. Roberts, Administrative Specialist III
Marlethia Black, Office Services Clerk

OTHERS PRESENT: Mary Beth Halpern, MACPA
Alverta Steinwedel, MSATP
Eric Peters
Valarie Young

The April 3, 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. Marshall, and seconded by Mr. Korb, the minutes of the March 6, 2018, meeting were approved without correction.

Chairman's Report

Chairman Flach led a discussion on firm mobility and MD House Bill 1597 and its impact on the Boards ability to grant licensure to certain applicants.

There has been a great deal of legislation around the country centering on State Boards. Some of the more notable are as follows:

- Firm mobility legislation has been introduced in Iowa, Illinois, Kentucky, Massachusetts, Michigan, New Hampshire, New Jersey, and Vermont.
- Indiana Legislation Signed Into Law Limits Board's Ability to Deny Licensure Due to Past Criminal Convictions
- HB 1245 provides that the state and a local governmental unit shall explicitly list the crimes that will disqualify an individual from receiving an occupational license. It notes that a disqualifying criminal conviction is limited to a crime that specifically and directly relates to

the duties and responsibilities of the occupation for which the individual is applying for or holds a license. It also provides that the period of disqualification may not exceed five years unless the individual: (1) was convicted of a crime of violence, or an offense relating to a criminal sexual act; or (2) is convicted of a second or subsequent crime during the disqualification period. Finally, the bill stipulates that an individual having a criminal conviction may at any time petition the board or unit requiring a license for a determination as to whether the individual's criminal conviction will disqualify the individual from receiving that license.

Maryland HB 1597

- FOR the purpose of prohibiting certain departments that issue occupational licenses or certificates from denying an application for a license or certificate based on an applicant's criminal history if a certain period of time has passed since the applicant's conviction for any crime unless the department makes a certain determination; repealing a certain provision of law that requires a certain department to consider certain information in making application determinations for occupational licenses or certificates; providing for the application of this Act; and generally relating to the use of criminal history for application determinations of occupational licenses or certificates.
- The period would be 5 years and the board would be able to make a determination if the previous conviction would have an impact on the licensee's fitness or ability to perform the duties and responsibilities authorized by the board.

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

Executive Director's Report

Ms. Jordan reported that the NASBA Eastern Regional is coming up on June 5-7, 2018. She is submitting scholarship requests for the new board members. She also reported that she is in the process of hiring an Assistant Director.

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

Exam Appeals

Nothing to Report.

Education Report

Mr. Korb presented the Education Report. There was one (1) Transfer of Grades applications approved, which originated in MA. There were zero (0) Transfer of Grades denials.

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

Experience Report

Mr. Mostow presented the Experience Report. There were twelve (12) Reciprocal applications approved, one (1) Reciprocal application denials. The twelve reciprocal license applicants were licensed in the following states: NH-1, DC-1, MN-1, CA-1, DE-1, NY-3, AND VA-4. There were twenty-one (21) Maryland candidate license application approvals, zero (0) Maryland candidate application denials and nine (9) Administrative Closures.

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

Firm Permit Report

Mr. Ware presented the Firm Permit Report. There were three (3) MD firm permit application approved, zero (0) firm applications closed.

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

Peer Review Oversight Committee Report

Chairman Flach led a discussion in reference to Ms. Jordan's upcoming meeting with MACPA regarding Peer Review tracking.

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

New Business

(a) Credit Extension Request – Eric Peters

Mr. Peters addressed the Board with details regarding his request, the Board took his concerns under consideration and will discuss further in Executive Session. They informed Mr. Peters that they will notify him of their decision within one (1) week.

(b) CE Credit Approval

CE Credit is automatically approved by NASBA registered sponsors otherwise; it must go to the Board for approval and will be subject to audit. There will be further discussion during Executive Session to determine the process for review.

Upon a motion (VIII) by, Mr. Mostow, and seconded by Mr. Ware, the Board unanimously approved to discuss the process for review of CE Credit Approval.

Old Business

No Old Business.

Correspondence

No Correspondence.

Executive Session

Upon a motion (IX), by Mr. Helmstetter, and seconded by Mr. Korb, the Board went into Executive Session in the 3rd Floor Conference Room, 500 N. Calvert Street, Baltimore, Maryland 21202 at 9:46 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 10:25 AM upon a motion (X), by Mr. Marshall, and seconded by Mr. Korb.

Complaint Committee Report

Mr. Marshall reported the complaint committee has forty-nine (49) total complaints; thirty-three (33) CE Audit failures, five (5) PCAOB; three (3) PCAOB hearings and two (2) PCAOB current, eleven (11) outstanding from last FY.

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

Executive Session

In the matter of New Business-Credit Extension for Eric Peters the Board decided to grant him the license and to notify Mr. Peters by mail.

Upon a motion (XII) by, Mr. Mostow, and seconded by Mr. Korb, the Board unanimously approved to grant the license for Mr. Peters.

In EX A – 0418, upon a motion (XIII), by Mr. Helmstetter, and seconded by Mr. Korb the Board unanimously approved the request for CE waiver for one (1) year.

In EX B – 0418, Held until May meeting so that Ms. Jordan can contact NASBA on its refund process.

In EX C – 0418, upon a motion (XIV), by Mr. Mostow, and seconded by Mr. Korb the Board unanimously denied the request for BEC Conditional Credit Extension.

In EX D – 0418, upon a motion (XV), by Mr. Korb, and seconded by Mr. Marshall the Board unanimously approved the request for FAR Conditional Credit Extension for two (2) testing cycles.


In EX E – 0418, upon a motion (XVI), by Mr. Korb, and seconded by Mr. Ware the Board unanimously approved the request for Reciprocal license.

Mr. Mostow made a motion (XVII), and seconded by Mr. Korb to have Executive Director, Shanai Jordan compile a statistical report on the breakdown of CE Audit failures based on renewal window vs. not meeting 80 hours.

Upon a motion (XVIII) by Mr. Marshall, and seconded by Mr. Korb, the Board adjourned at 10:30 AM.

NEXT MEETING May 1, 2018, 500 North Calvert Street, Third Floor, 9:00 AM

With corrections Without corrections


Chairman

5/1/18
Date