

STATE OF MARYLAND  
BOARD OF PUBLIC ACCOUNTANCY  
BUSINESS MEETING MINUTES  
March 6, 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  
Mary Campbell  
James E. Marshall, Jr.  
Edward J. Helmstetter, Jr

**MEMBERS ABSENT:** NONE

**DLLR OFFICIALS/STAFF:** Shanai Jordan, Executive Director  
Linda Rhew, Administrative Officer  
Matthew Lawrence, Counsel  
Norbert Fenwick, CE Consultant  
Marlethia Black, Office Services Clerk

**OTHERS PRESENT:** Mary Beth Halpern, MACPA  
Alverta Steinwedel, MSATP

The March 6, 2018, meeting of the Maryland Board of Public Accountancy was called to order at 9:01 am by Chairman of the Board, Arthur E. Flach.

Upon a motion **(I)** by Mr. Mostow, and seconded by Mr. Helmstetter, the minutes of the February 6, 2018, meeting were approved as corrected.

**Chairman's Report**

Chairman Flach attended a Mid Atlantic NASBA call on February 12, 2018. They discussed issues facing each board. CPE audit failure continues to be a major issue.

The AICPA/NASBA Uniform Accountancy Act (UAA) Committee announced the release of the Uniform Accountancy Act (UAA), Eighth Edition, January 2018. The latest edition of the Act includes several important updates, ensuring protection of the public interest and responding to the evolving changes in the practice of accountancy.

- Among the major changes to Section 6(d) of the Act is a provision for a retired CPA category. Under this provision, CPAs 55 years of age and older can elect to place their license in an inactive status and discontinue meeting continuing professional education (CPE) requirements. For CPAs at the end of their careers, this provision offers an exception to

ensure they can continue to offer a limited number of volunteer, uncompensated services to the public.

- The second major change, found in Section 6(g), allows for the awarding of a certificate to a holder of a substantially equivalent foreign designation without the need for mutual recognition of U.S. CPAs. The objective of this provision is to provide international reciprocity to qualified individuals.
- Also, in Section 3 of the Eighth Edition is a definition of “preparation of financial statements,” which serve to clarify other provisions of the Act.
- Changes were also made to the UAA Model Rules, which serve as the baseline standard for use by Boards of Accountancy in state rules and laws. Significant changes were made to Articles 3 and 6 of the Model Rules, which relate to CPE. These rules, directed to the licensee, are in accordance with the revised “Statement on Standards for Continuing Professional Education (Standards),” found in Appendix A of the UAA. Additionally, the “Legislative Policy (Annotated) of the American Institute of Certified Public Accountants” (Appendix A in earlier editions of the UAA) has been deleted, as has the NASBA Model Code of Conduct (Rule 10-4 in earlier editions of the Model Rules), since neither represented joint statements of the AICPA and NASBA. Changes were also made to Article 5, clarifying the Uniform CPA Examination’s testing window and other Exam policies.

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

#### **Executive Director’s Report**

Executive Director, Shanai Jordan, reported Tiffany Black resigned effective February 15, 2018, and Michelle Martin was on medical leave until March 22, 2018. Marlethia Black has been working in the office assisting the Board. Ms. Jordan is excited about and plans to attend NASBA’s Executive Director’s and staff conference in Sandestin, Florida March 13-15, 2018. She encouraged Board members to attend NASBA’s Eastern Regional Conference June 5-7 in Orlando, Florida. She reminded Board Members that NASBA will pay for new Board members, who wish to attend. Ms. Jordan discussed considering working with NASBA on a newsletter together for the Maryland Board of Accountancy. She stated that at this time there are only seven (7) states that do not utilize this opportunity for a joint newsletter.

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

#### **Exam Appeals**

Nothing to Report

#### **Education Report**

Mr. Korb presented the Education Report. There were four (4) Transfer of Grades applications approved, one (1) originated in MA and three (3) originated in NY. There were two (2) Transfer of Grades denials. In reference to TOG-0318-01 and TOG-0318-02, both applications were denied for lacking three (3) semester credit hours of ethics that is required for exam and licensure in Maryland.

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

#### **Experience Report**

Ms. Campbell presented the Experience Report. There were eleven (11) Reciprocal applications approved, zero (0) Reciprocal application denials. The eleven reciprocal license applicants were licensed in the following states: AK-1, FL-1, IL-1, ND-1, NY-1, OH-1, PA-3, TX-1, AND VA-1. There were eighteen (18) Maryland candidate license application approvals, zero (0) Maryland candidate application denials and zero (0) Administrative Closures.

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

#### **Firm Permit Report**

Mr. Ware presented the Firm Permit Report. There was one (1) MD firm permit application approved, zero (0) firm applications closed.

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

#### **Peer Review Oversight Committee Report**

There was no Peer Review Oversight Committee Report

#### **New Business**

Board counsel recommended to the Board that it formally designate Ms. Jordan as the staff member that had completed Open Meetings Law training.

Upon a motion **(VIII)** by, Mr. Mostow, and seconded by Mr. Korb, the Board unanimously approved designating Ms. Jordan as the staff member with Open Meetings Law training.

#### **Old Business**

No Old Business

#### **Correspondence**

No Correspondence

#### **Executive Session**

Upon a motion **(IX)**, by Mr. Helmstetter, and seconded by Mr. Ware, the Board went into Executive Session in the 3rd Floor Conference Room, 500 N. Calvert Street, Baltimore, Maryland 21202 at 9:32 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 10:00 AM upon a motion **(X)**, by Mr. Marshall, and seconded by Mr. Campbell.

**Complaint Committee Report**

Mr. Marshall reported the complaint committee closed three (3) CE complaint cases. He stated there is currently a backlog of complaints and there will most likely be hearings in the next two (2) months as these cases are processed.

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

**Executive Session**

In EX A – 0318, upon a motion (XII), by Mr. Korb, and seconded by Mr. Helmstetter the Board unanimously approved the request to allow an unburn of the regulation exam and the extension of the conditioned grade for BEC for an examination applicant.

In EX B – 0318, upon a motion (XIII), by Mr. Ware, and seconded by Mr. Helmstetter the Board unanimously approved the request for an extension of an NTS for AUD and BEC, as well as, the grade extension for REG.

Upon a motion (XIV) by Mr. Helmstetter, and seconded by Mr. Korb, the Board adjourned at 10:13 AM.

**NEXT MEETING** April 3, 2018, 500 North Calvert Street, Third Floor, 9:00 AM

With corrections     Without corrections

**SIGNATURE ON  
ORIGINAL DOCUMENT**

4/3/18  
Date