State of Maryland

Board of Certified Public Accountants

Business Meeting Minutes

Tuesday, August 5, 2025

*Via Google Meets Teleconference*

**MEMBERS**

**IN ATTENDANCE:** Joseph Petito, Chair

Barrett Young

Brian Dunne

Pamela Gray

Jeffery Wilson, II

**ABSENT MEMBER:** Joan Pratt

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

Robert Pambianco, Legal Counsel

Sharron McNeill, Office Supervisor

Shemirra Massie, Administrative Officer I

**OTHERS PRESENT:** Rebekah Olson, MACPA

Marybeth Helpern, MACPA

Kausar Syed

John Hickey

Jonas Gottlieb

The August 5, 2025, Maryland Board of Public Accountancy meeting was called to order at 9:03 AM by Mr. Joseph Petito, Chair.

Upon a motion **(I)** by Ms. Gray and seconded by Mr. Young, June 3, 2025, meeting minutes were unanimously approved.

**Chairman’s Report**

Mr. Petito and Mr. Dorsey both attended the NASBA Eastern Regional Conference in June. Mr. Petito explained that during the Board Chair meeting, most of the discussion centered around the impact of private equity on accounting firms and, particularly, private equity’s impact on test functions moving forward.

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 advised that Dr. Williams’ term is over. A new education member has been selected and is just waiting to be sworn in.

Following up on the NASBA Conference, Mr. Dorsey stated that much of the discussion at the Director’s regional breakout was continuing education. Some directors feel that the amount of continuing education required for each renewal period us excessive and it leads to some CPAs going inactive or letting their license lapse altogether.

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

**Exam Appeals**

There were zero (0) Exam Appeals

**Education Committee Report**

Mr. Dunne presented the Education Report. There were two (2) Transfer of Grades approval applications (1-CA)and (1-ME), and zero (0)Transfer of Grades application denial for July.

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

**Experience Committee Report**

Mr. Dunne presented the Experience Report. There were Twenty (20) Maryland candidate license application approvals and zero (0) Maryland candidate application denials for July.

Ten (10) Reciprocal application approvals originated from the following jurisdictions: one (1)-CO, one (1)-GA, one (1)-OH, one (1)-NY, one (1)-CA, one(1)-TX, four (4)-VA

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

Upon a motion **(V)** by Mr. Young and seconded by Ms. Gray, 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 July.

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

**Peer Review Oversight Committee Report**

Ms. Gray reported the following: Four (4) newly enrolled firms in the Peer Review Program; eighteen (18) firm had reviews accepted; one (1) first-time pass with deficiencies; one (1) first-time fail; and zero (0) firms were dropped or terminated.

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

**Unfinished Business**

**1. Pipeline Legislation Proposal**

Mr. Petito opened the discussion by revisiting the pipeline-related legislative language agreed upon in the previous meeting.

Mr. Dorseyprovided an update, explaining that while various legislative items were submitted to the Secretary’s office for consideration, only a limited number were selected. Unfortunately, the pipeline proposal was not among those chosen. The decision was based on staff capacity and prioritization of more urgent proposals—there was no specific objection to the pipeline legislation itself.

Mr. Petito clarified that the proposal was not rejected on substance, but rather due to bandwidth concerns at the Secretary’s office. Encouragingly, the CPA Society has expressed willingness to identify a legislative sponsor and take the lead on introducing the proposal independently. He suggested future collaboration with the CPA Society to move the initiative forward.

Pam Gray affirmed that the decision appeared to be a matter of capacity rather than a reflection on the merits of the proposal.

There were no objections or additional comments. As no formal action was needed, the item was left open for continued discussion in coordination with the CPA Society.

**2. AICPA Code of Conduct – Independence & Alternative Practice Structures**

Mr. Petito provided a status update on proposed AICPA revisions concerning independence and alternative practice structures. The PEEC (Professional Ethics Executive Committee) had previously circulated a draft for comment, and the board submitted feedback.

At present, there is no new draft or action required until the next version is released. The board agreed to keep the topic on the agenda due to prior concerns, particularly regarding the potential for public confusion when firms separate but continue using similar or identical names—potentially misrepresenting registration status.

No Board members raised objections or offered additional input.

**3. Private Equity Investment in Licensed Firms**

Mr. Petito revisited prior discussions about tracking the extent of private equity investment in licensed CPA firms. The Board had previously drafted a short set of questions to include on firm renewals and applications, with the goal of gaining insight into the scope of private equity ownership in the state.

At the recent NASBA annual meeting, it was noted that other state boards are addressing the same issue. NASBA is now developing a set of standardized questions for Boards to consider adopting.

Mr. Petito recommended postponing any action until NASBA's draft is released, to promote consistency across jurisdictions and avoid creating an incompatible data set. He noted that Boards in Pennsylvania and Virginia are already exploring this approach.

No objections were raised, and the Board agreed to revisit the topic at a future meeting once NASBA materials become available.

**New Business – Proposed Changes to Committee Reporting Format**

Mr. Petito initiated a discussion regarding the current format of committee reporting, particularly the practice of verbally presenting raw numbers during Board meetings. He questioned the value of this approach, noting the lack of substantive analysis or context behind the numbers, and posed the following question to the Board:

*Is it necessary to report committee numbers in this way, or could a more efficient, insight-driven method better serve the Board and the public?*

**1. Purpose and Usefulness of Current Reporting**

* Mr. Petito and several members expressed concern that the verbal recitation of numbers during meetings provides limited value and does not foster meaningful discussion or analysis.
* Mr. Dunn noted that, aside from the complaints committee, many committees simply repeat data from spreadsheets without added insight or review.

**2. Alternative Reporting Proposal**

* Mrs. Gray suggested replacing the verbal reports with a written summary of committee statistics distributed in the Board packet or presented visually during meetings.
  + Each committee chair could then highlight only notable trends, anomalies, or issues requiring Board attention.
  + This would streamline meetings and allow for more meaningful discussion without losing transparency.
* Mr. Petito supported this approach, emphasizing the importance of shifting the focus from routine number reporting to understanding patterns and underlying developments.

**3. Public Transparency and Publication Timing**

* Mr. Yong and Mrs. Olson raised concerns about premature release of numbers that may later be revised.
  + Numbers should only be considered official once approved by the Board and included in the meeting minutes.
  + However, Ms. Olson highlighted the value of real-time access to data for members of the public tracking trends, suggesting that some numbers (without personal identifiers) be made available during the meeting, not just in minutes.
* Mrs. Gray clarified that her suggestion did not involve publishing numbers in advance but presenting them live during the meeting via a visual format (e.g., slides), allowing Board members to vote on them with the opportunity for commentary.

**4. Legal Considerations**

* Mr. Pambianco confirmed there is no immediate legal requirement to verbally read numbers during meetings, though he committed to reviewing any statutory or policy requirements to ensure compliance with public meeting laws and confidentiality rules.
* He noted that since Board action validates committee input, the Board may adopt written reports as part of its official action, streamlining the reporting process without diminishing its authority.

**5. Committee Responsibility**

* Several members, including Mr. Young, emphasized that committee leads should remain responsible for reviewing their own data and providing analysis.
  + Other Board members should not be expected to independently audit numbers across all committees.
  + Responsibility should remain with the relevant committee to raise any red flags, rather than shifting this burden to the entire Board.

**6. Analytical Focus**

* Members agreed on the need to transition from procedural data reading to issue-focused insights, such as identifying:
  + Trends in complaints or enforcement activity
  + Patterns in peer review failures (e.g., firm size/type)
  + Shifts in education or licensure trends
  + Anomalies in application approvals or denials

**7. Next Steps**

* Mr. Petito proposed that:
  + Mr. Pambianco review any legal constraints and report back at the next meeting.
  + The Board consider adopting a hybrid model: data provided in writing (as part of meeting materials or shown during the meeting), with verbal commentary limited to significant developments.
  + Final numbers would be adopted by the Board as part of the official record and published in the approved meeting minutes.
  + Further discussion will take place at the next Board meeting.

**Proposed Action**

* Defer decision until next meeting pending legal review.
* Board members are encouraged to consider the suggested changes and bring feedback or alternative proposals to the next session.

**Correspondence**

None

**MACPA Report to the Board**

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

The MACPA will pursue a private sponsor for the 2026 legislative session for Alternative Pathways. The MACPA requests that the Board consider providing a letter of support, ideally well in advance of January 22, 2026, which is the date of the next CPA Day in Annapolis.

Also, the next CPA Swearing-in Ceremony will be held on November, 20, 2025 at Martin’s West.

Lastly, Ms. Olson raised the topic of continuing education and that colleagues in states, such as Florida and North Carolina, have seen legislative proposals aimed at reducing or modifying CPE requirements.

**Public Questions and Comments**

**None**

**Closed Session**

On a motion **(VIII)** by Mr. Young and seconded by Mr. Wilson, II the Board voted to move to a closed session at 9:51 am via a Google Meets teleconference, where log-in information was only provided to Board members and staff. The purpose of this session was to protect confidential attorney-client communications and licensing information shielded by the Maryland Public Information Act in regard to a renewal application (as permitted by Sections 3-305(b)(7) and (b)(13) of the Open Meetings law), as well as to receive the Complaint Committee Report and the minutes of its October closed session, administrative functions not subject to the Open Meetings law pursuant to Section 3-103(a)(1)(i) of the General Provisions article.

**Return to Open Session**

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

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

**Summary of Closed Session**

Date and Time: August 5, 2025 / 11:05 am

Place: Virtual

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

Subject matter:

**NEXT MEETING:** Tuesday, **September 9, 2025**, via Google Meets teleconferencing at 9:00 AM

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

**Signature on file 9/11/2025**

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Chairman Date