



North Carolina State Board of Certified Public Accountant Examiners

Public Session Agenda

December 15, 2025

10:00 a.m.

I. Administrative Items

- A. Call to Order
 - 1. Conflict of Interest Disclosure: Under North Carolina General Statute 138A-15(e), every Board member must avoid conflicts of interest and the appearance of conflicts. Does any Board member have a known conflict of interest or appearance of conflict regarding any matter coming before the Board today? If so, please identify the conflict or appearance of conflict and abstain from participating in that matter.
- B. Welcome and Introduction of Guests
- C. Approval of Agenda **(ACTION)**
- D. Minutes **(ACTION)**
- E. Financial/Budgetary Items
 - 1. November 2025 Financial Statements **(ACTION)**

II. Legislative & Rulemaking Items

- A. Periodic Review of Rules Update **(FYI)**

III. National Organization Items

- A. Response to NASBA Private Equity Task Force White Paper, *Alternative Practice Structures & Private Equity: Considerations and Questions for Boards of Accountancy* **(ACTION)**
- B. Reclassification of Accounting Degrees as “Non-Professional” for Student Loan Purposes **(FYI)**
- C. NASBA Committee Updates **(FYI)**

IV. State & Local Organization Items

V. Committee Reports

- A. Professional Standards Committee **(ACTION)**
- B. Professional Education and Applications Committee **(ACTION)**

VI. Executive Staff and Legal Counsel Report

- A. Operational Metrics **(FYI)**
- B. Executive Staff Report **(FYI)**
- C. Request to Reschedule June 2026 Meeting **(ACTION)**

VII. Recognition of NC CPA Licensure Milestones

VIII. Public Comments

IX. Closed Session

X. Adjournment



North Carolina State Board of Certified Public Accountant Examiners

PUBLIC SESSION MINUTES November 17, 2025

BOARD MEMBERS IN ATTENDANCE: Jodi K. Kruse, CPA, President; D. Michael (Mickey) Payseur, CPA, Vice President; Ulysses Taylor, CPA, Esq., Secretary-Treasurer; James T. Ahler; Tammy F. Coley, CPA; Maria M. Lynch, Esq.; and Kecia Williams Smith, Ph.D., CPA.

BOARD STAFF IN ATTENDANCE: David R. Nance, CPA, Executive Director; S. Lynne Sanders, CPA, Deputy Director; Frank Trainor, Esq., Staff Attorney; and Lisa Hearne-Bogle, Communications Officer.

OTHERS IN ATTENDANCE: Noel L. Allen, Esq., Board Legal Counsel; Eddie Strange, CPA; Gail Strange; Phil Stuart, CPA; Marie Stuart; Steve Tinsley, CPA (via Webex); and Lt. J.A. Stokes, Raleigh Police Department.

CALL TO ORDER: Ms. Kruse called the meeting to order at 10:00 a.m.

CONFLICT OF INTEREST: No conflicts of interest were reported.

APPROVAL OF AGENDA: Mr. Ahler moved, and Mr. Taylor seconded the motion to approve the agenda. The motion was approved with seven votes in favor and none against.

MINUTES: Mr. Taylor moved, and Ms. Coley seconded the motion to approve the minutes of the October 20, 2025, meeting. The motion was approved with seven votes in favor and none against.

FINANCIAL AND BUDGETARY ITEMS: Mr. Payseur moved, and Dr. Smith seconded the motion to approve the October 2025 financial statements as presented. The motion was approved with seven votes in favor and none against.

LEGISLATIVE AND RULEMAKING ITEMS: Mr. Nance shared that the Board will hold a public rulemaking hearing on January 21, 2026, to receive comments on the Board's draft rules. The Board will conduct the final review and approval of the rules in February 2026. Approved rules will be forwarded to the Rules Review Commission for review and final approval, with implementation effective May 1, 2026.

NATIONAL ORGANIZATION ITEMS: Board members and Executive staff who participate in various NASBA committees provided updates on their respective committees. It was noted that the Board staff would prepare a response to NASBA's Private Equity Task Force Whitepaper for review and approval at the December 2025 meeting.

STATE AND LOCAL ORGANIZATION ITEMS: Ms. Kruse summarized the first meeting of the Joint Task Force on CPE Matters.

PROFESSIONAL STANDARDS COMMITTEE REPORT: The Board approved, with seven votes in favor and none against, the following recommendations as presented by Mr. Payseur:

Case No. C2025021 - Jeffery Bruce Baker - Approve the signed Consent Order. (Appendix I)

Case No. C2025098 - Lacy M. Drummond - Approve the signed Consent Order. (Appendix II)

Case No. C2025164 - Robert Gerard Merz - Approve the Notice of Hearing for January 21, 2026, at 10:00 a.m. (Appendix III)

Mr. Payseur reported that the Committee provided guidance to the staff on five items.

PROFESSIONAL EDUCATION AND APPLICATIONS COMMITTEE REPORT: The Board approved, with seven votes in favor and none against, the following Committee recommendations as presented by Dr. Smith:

Application for Transfer of Exam Scores - Approve the following applications for transfer of Uniform CPA Exam scores from another jurisdiction:

Riley Lee Benitez
Emily Paige Gaskins
Vay Chan Ly

Application for Original CPA Certificate - Approve the following applications for original North Carolina CPA licensure:

Brittany Ann Adams
Auma Asiyo
Riley Lee Benitez
Christopher Matthew Bone
Patrick Joseph Bradford
Arianne S. M. Brown-Stephenson
Violette Dawn Bruchon
Bruce Almont Yeh Campos
Margaret Isabelle Cauley
Shiyi Chen
Louisa Victoria Coates
William Bryce Davis
Matthew Evan Deal
Madison Jade Demus
Nicole Kelly Dickson
Ann Marie Francone
Robert Lee Gaddy
Emily Paige Gaskins
Denise M. Grizzle
Nathan Maxwell Hardy

Kelly Elizabeth Hayes
Mark William Humphrey
Savannah Pierce Lampley
Emily Lauren Loudon
Vay Chan Ly
Samuel Andrew Makarov
Lauren Elizabeth Manns
Walter Henry Hutaff McEachern
Ciara Antoinette McFadden
Jack Alexander Niemer
James Robert Olpin
Amit Vasant Patel
James Anthony Petrolle
Cameron Blake Pierce
Vania Ramos Ponce
Stacey Phillips Poteat
Taylor Anne Pulyer
Jamie Nicole Ramirez
Melissa Christine Ratcliff
Patrick John Ray

Blake Caroline Reynolds
Macy Kalynn Reynolds
Harrison John Rider
Maddisen Renee Robinson
Oscar Rene Roque Jr.
Lacey Ellen Ross
Lance Norwood Rowe
Hongyun Shen

Marisa Abbie Soterakis
Molly Caroline Sytz
Isabella Marie Tarlton
Patrick Michael Uhlman
John Bryce Vestal
Ella Margaret Webster
Corban Bryan Wirl

Application for Temporary Permit - Approve the following temporary permits approved by the Deputy Director:

Erica Mirella Kowalski T15301
Bryce Patrick Healy T15302
Byoungwoo Choi T15303
Matthew Daniel Mollerus T15304
Garrison Scott Smith T15305
Thomas Luke Whitwell T15306
Sarah Elizabeth Griffin T15307
Thomas Michael Bridgett T15308
Sara Louise Schemmel T15344
Rockford James Coble T15345
Casey Banks Lucas Howell T15346

Yoshikuni Ide T15347
Randall Glenn Heideman T15348
John David Zygmuntowicz T15349
Natalie Paige Noble T15350
Hunter Alexander Russell T15351
Mindy Minkyung Houts T15352
Cassandra Elizabeth Rupel T15353
Truptiben Vikas Patel T15354
Matthew Donald Brickle T15355
Jessica Marie Kane T15356
Kasey Frances Finnigan T15357

Application for Reciprocal CPA Certificate - Approve the following applications for reciprocal CPA certification:

Cameron Nicolas Arizaga
Michelle Lee Attreed
April Bryson Bahrs
Nicole Beasley
Christopher Velasco Bragado
Thomas Michael Bridgett
Latrice Nichole Clark
Rockford James Coble
Terrence William Conklin
Steven Patrick Dale
Ciara Devlin
Walter Hamm Deyhle
Douglas R. Dillman
Justin James Dodds
Martin David Fish
René Candice Fonte
Call Collins Ford
Allan Burris Franklin III
Patrick White Galileo

Marco Gangarossa
Sarah Elizabeth Griffin
Kyle Joseph Hayes
Lauren Elizabeth Hazard
Bryce Patrick Healy
Randall Glenn Heideman
Caryn Henniker
Casey Banks Lucas Howell
Yoshikuni Ide
Arax Keshmeshian
Adriano Kira
Erica Mirella Kowalski
Vipin Kumar
Megan Diane Lewczyk
Lionel Eric Liautaud
William Read Lockett
Victoria Fay Lohn
Anthony James Lopez
Spenser Ryan McGrath

Matthew Daniel Mollerus
Michael Glenn Morgan
Tysheba Lynn Morgan
Matthew Dwight Motyka
Steve Nguyen
Madeline Helena Oppeltz
Nancy Kaye Paustian
Elisabeth Lenora Ramsey
Garrett Dell Redford
Thomas Allen Riddle
Katherine Lynne Rincon

Karelsa Rivera-Velez
Diane Lee Roeder
Catherine Ann Saadat
Sara Louise Schemmel
Patrick Michael Sharkey Jr.
Garrison Scott Smith
Minori Suzuki
Steve Alan Viscarra
Matthew Thomas White
Andrew James Williard
John David Zygmuntowicz

Application for Reinstatement of CPA Certificate - Approve the following individuals' application for reinstatement of their CPA certificate:

Karl H. Graf, #42581
Kimberly Boone Miner, #25551
Lee Ann Musselwhite, #36309

Mariellen Nelis, #26729
Joseph Richard Popolizio, #45648
John Edward Wilks, #26296

Application for Reissuance of CPA Certificate - Approve the following individual's application for reissuance of their CPA certificate:

William Kelly Bailey II, #30653

Application for Reissuance of CPA Certificate with Consent Order - Approve the following individual's application for reissuance of their CPA certificate with a Consent Order:

Brian Lanier Mattison, #27797

Letters of Warning - Approve the requests to rescind the Letter of Warning issued to the following individuals:

Jack B. Bruns #44993
Leslie Blackwell Donathan #37725

Benjamin Chaim Koenigsberg #45131
Mackenzie Reller #43532

Application for Uniform CPA Exam - Approve the following applications to sit for the Uniform CPA Exam as a North Carolina candidate:

Camden Adams
Thomas Adrian
Christopher Alesso
Dayelin Anuel
Laken Appleby
Phu Aung
Andrew Baker
Porter Baldwin

Garrison Bare
Meghan Barrett
Ajenae Barrier
Emma Bentley
Henry Blake
Victoria Boon
Francesco Brassesco
Hunter Browe

Barton Brown
Allison Broz
Gilley Bunting
Landon Burr
Gregory Burrows
Justin Byrd
Rachael Cail
Adam Calhoun
Amanda Campbell
Blaine Campbell
Nicole Carpenter
Tyler Cherry
Xavier Chester
Luke Chisholm
Audrey Ciccarelli
Caroline Clevenger
Owen Cochran
Logan Coffey
John Coleman
Zachary Cramer
James Croom
Justin Cunningham
Madison Currin
Cailin Daigle
Alida Dayton
William DeMore
Chloe Deschamps
Olivia Dezelan
Richard DiAugustine
Jacquelyn Dickson
Brenden Dillingham
Benjamin Doby
Gabriela Donaire
Jacob Donald
Jake Drum
Tatiana Dunston
Ainsley Earhart
Devin Eason
Nikeya Elmore
Denisha Emerson
Hua Fan
Shannon Feltz
Daniel Fischer
Ethan Flannery
Antonio Florence
Forrest Forshey

Holly Forsht
Jared Foshee
Nicholas Frazier
Shanaya Fribbley
Peter Fumero
Tracettia Gaither
Elizabeth Garcia
Jesse Garcia
Ryan Garstang
Andrew Garver
Sean Garvin
Faith Gaster
Brett Gibson
Stephen Gilbert
Levi Gillespie
Aleah Godwin
Joshua Gonzalez
Zachary Gracyalny
Hannah Grady
Charles Green
Nathanael Grubb
Adam Gutierrez
Casey Hagaman
Caroline Haller
Heidi Harlan
Rayquan Harris
Hunter Hartung
Abbey Haugh
Josef Hefe
Cameron Hellmann
Roberto Hernandez
Emily Herne
Emily Hicks
Lucas Hicks
Elizabeth Hittepole
Camden Hollar
Kelly Hopkins
Alexandria Howard
Emily Huddleston
Marcus Hughes
Monica Hughes
Mason Hutchinson
Travis Idol
Keno Ivri Ivri
Sachin Iyengar
Chariti Jackson

Zachary Jagielski
Xingjian Jiang
Lily Johnson
Alicia Jones
Haley Jones
Jonathan Jones
Hunter Kaelin
Matthew Kalaf
Daniel Kelly
Abigail Kennedy
Nicola Kennell
Hyun Sil Kim
Min Jeong Kim
Isaac King
Noah King
Yasmin Kirkwood
Alexander Koester
Iliana Koutsouris
Edward Laiewski
Abigale Larson
Debbie Lee
William Lee
Maxwell Leftwich
Andrew Lerro
John Lewis
Caterina Linares
Chang Liu
Matthew Looney
Megan Loussaert
Cole Lucas
Takako Lynn
Faith Lyons
Evan Maitland
Joshua Martin
Timothy May
Vincent Mazzone
Chebem Mbonu
Joshua McCown
Dylan McDonough
Brady McElheny
Nathan McGhee
Michael McKiernan
Elyse McNeil
Ashley Meacham
Lindsey Meadows
Karla Mendiola

Ismail Mohamed
Jonathan Moore
Jordan Morehead
Lauren Morris
Wuxian Mou
Sallie Mueller
Taylor Mull
Allison Mullinax
Rachel Nard
Kajol Nariani
Ranisha Newbold
Jimmy Nguyen
Rachel Nguyen
Samuel Nolan
Jeremy Norville
Eli O'Brien
Jessica O'Neill
Daniel Ogbamichael
Amelia Olsen
Tina Osborne
Hope Page
Katherine Pair
John Parker
Nicholas Parker
Chrissie Parsons
Elizabeth Paszt
James Pate
Akash Patel
Dristi Patel
Khushi Patel
Sheev Patel
Utsav Patel
Maliyah Paynter
Maxwell Paz
Crystal Perry
Joshua Perry
John Phillips
Izabella Pichardo-Leiva
Abigail Pierce
Jamie Porter
Katherine Potter
Cassandra Pratt
Carly Purgason
Casmir Ramaswamy
Andrew Rampaul-Pino
Ravshan Rasuli

Mary Reed
Westin Reeder
Vida Reese
Ashley Rhoades
Dawson Richards
Jesse Riehm
Brian Riley
Matthew Ritch
Isaac Roberts
Madelyn Robertson
Austin Rogers
Antonia Romann
Hope Rosander
Eitan Rothman
Gracie Ruff
Lemuel Russ
Nicholas Sanfilippo
Lokesh Satyal
Andrew Schwetz
Daniel Seekins
Rachel Seran
ReQuan Sessoms
Aidan Shaffer
Asia Shahbin
Parker Shahdad
Amy Sheline
Dhruvit Sheth
Lauren Spada
Bailey Spell
Teneshia Spencer
Thomas Spentzas
Philip Spotts
Marc Stallknecht
Mark Steffan
Gwyneth Stewart
Leah Sullivan Johnson
Deborah Sweeney
Megan Sytsma
Carson Talboys

Madison Tarlton
Lyle Teijen
Bradley Tepper
Mariaja Travers
Valerie Troxler
Julia Turner
Katie Turner
Dominick Vaccaro
Jovanni Vargas Alvarez
Rodrigo Vieira Campos
James Vitt
Nhung Vu
Callum Walker
Sydney Wall
Angela Wallis
Kayla Walter
Erica Walters
Jace Ward
Cadee Warren
Lanett Washington
Zachary Watford
Celeste Waugh
Abigail West
Jack Wharton
Brianna Whitaker
Abigail White
Grantham Williams
Reese Willie
Christie Wilson
Julia Wilson
Kari Wilson
Kendel Woods
McKinley Wyrick
Ashlyn Yarbrough
Trevor Yoash
Robert Young
Xiaojuan Zhong
Sulan Zhu
Kyle Zylowski

Application for Firm Registration - Approve the following CPA firm registration applications as approved by the Executive Director:

Best Practices, PLLC
Elizabeth M Downer, CPA PLLC

PERSONNEL COMMITTEE REPORT: The Board approved, with seven votes in favor and none against, the Personnel Committee’s recommendations regarding health insurance premiums for Board staff and revisions to the Board’s Personnel Policies and Procedures Manual.

EXECUTIVE STAFF AND LEGAL COUNSEL REPORT: The Board reviewed the October 2025 operational metrics and the November 2025 Executive Staff Report.

Mr. Trainor and Mr. Allen discussed the North Carolina Supreme Court’s recent ruling in *Alvin Mitchell v. University of North Carolina Board of Governors*, which ended judicial deference to state agencies by noting that a “state agency’s interpretation of its own rules or regulations can inform a court’s judgment and aid in ascertaining the meaning of the law,” but “the agency’s interpretation is never binding.”

RECOGNITION OF NC CPA LICENSURE MILESTONES: Ms. Kruse congratulated Mr. Strange, Mr. Stuart, and Mr. Tinsley on reaching 55 years of NC CPA licensure. She thanked them for their dedication to the CPA profession and presented Mr. Strange and Mr. Stuart with a Certificate of Recognition. Ms. Kruse informed Mr. Tinsley, who was participating in the meeting via Webex, that the Board staff would mail him his Certificate of Recognition.

Ms. Kruse instructed the staff to send a Certificate of Recognition to Stephen Loren Lucas, #8985, who achieved 50 years of NC CPA licensure in November 2025.

Ms. Kruse instructed the staff to send Certificates of Recognition to the following individuals who achieved 55 years of NC CPA licensure earlier in 2025 but had not been previously recognized by the Board:

Name	License Issued
Trent Ramsey Wilson, #3687	2/1970
William Glenn McNairy, #3704	3/1970
Donald Larry Crumbley, #3715	4/1970
David Husslar Cline III, #3728	6/1970

ADJOURNMENT: Mr. Taylor moved, and Mr. Ahler seconded the motion to adjourn the meeting at 11:00 a.m. The motion passed with seven votes in favor and none against.

Respectfully submitted:

Attested to by:

David R. Nance, CPA
Executive Director

Jodi K. Kruse, CPA
President

NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #C2025021

IN THE MATTER OF:
Jeffery Bruce Baker, CPA, #32566
Respondent

CONSENT ORDER

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N. C. Gen. Stat. § 150B-41, the Board and the Respondent stipulate to the following:

1. Jeffery Bruce Baker, CPA (hereinafter "Respondent"), is the holder of North Carolina certificate number #32566 as a Certified Public Accountant.
2. The Respondent is currently the supervising CPA for James F. Baker, CPA, PA ("Respondent Firm").
3. The Board received a complaint from one of the Respondent Firm's clients ("Complainant") alleging that the Respondent had not included taxable income on the Complainant's 2022 tax returns. The Complainant further alleged that the Respondent Firm was not responsive to her inquiries.
4. The Respondent asserts that the underlying income information had not been provided by the Complainant to the Respondent Firm. The Complainant refutes that assertion.
5. The Respondent asserts that, in any event, an amended tax return had been mailed to the IRS by the Respondent Firm.
6. The Board staff requested a copy of the amended return and proof of mailing. The Respondent did not provide a copy of that return or an explanation of why it could not be provided. The Respondent did not provide any verification that the return had been filed or mailed.
7. The Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. The Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED upon the foregoing, the Board makes the following Conclusions of Law:

1. The Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

Consent Order 2
Jeffery Bruce Baker, CPA

2. Per 21 NCAC 08N .0103, CPAs are responsible for the actions taken by their partners, fellow shareholders and employees.
3. The Respondent Firm's inability to provide information substantiating completion of the engagement constitutes a violation of 21 NCAC 08N .0212, which requires CPAs to "undertake only those engagements that the CPA or CPA's firm can expect to complete with professional competence."
4. The Respondent's failure to timely respond to Board inquiries constitutes a violation of 21 NCAC 08N .0206, which requires CPAs to "provide full cooperation with any inquiry made by the Board."
5. Per N.C. Gen. Stat. § 93-12(9), and also by virtue of the Respondent's consent to this order, the Respondent is subject to the discipline set forth below.

BASED on the foregoing and in lieu of further proceedings, the Board and the Respondent agree to the following Order:

1. The Respondent, Jeffery Bruce Baker, CPA, is hereby censured.
2. The Respondent shall pay a one thousand dollar (\$1,000) civil penalty, to be remitted to the Board with this Consent Order.

CONSENTED TO THIS THE 5 DAY OF November, 2025
(Day) (Month) (Year)

Jeffery Baker
Respondent

NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS



Jodi K. Kruse

Jodi K. Kruse (Nov 19, 2025 14:44:43 EST)

BY:

President

NC BOARD OF

NOV 18 2025

CPA EXAMINERS

NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #C2025098

IN THE MATTER OF:
Lacy M. Drummond, CPA, #31273
Respondent

CONSENT ORDER

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N. C. Gen. Stat. § 150B-41, the Board and the Respondent stipulate to the following:

1. Lacy M. Drummond, CPA (hereinafter "Respondent"), is the holder of North Carolina certificate number #31273 as a Certified Public Accountant.
2. The Board received a complaint from an individual ("Complainant") alleging that she had hired the Respondent to prepare her tax return. The tax return had been filed prior to the Complainant providing her written authorization.
3. Per the IRS, tax preparers must receive written authorization from the taxpayer prior to filing that taxpayer's returns.
4. In response, the Respondent asserted she did not prepare the Complainant's tax return and only had brief contact with her after an initial consultation. The Respondent states that the Complainant's tax return was prepared and filed by a non-CPA.
5. The Respondent further asserts that she was not engaged by the Complainant. Rather, the Complainant hired the Respondent's employer, Tall Oak Tax. However, the Respondent recognized that there was no signed engagement letter for the Complainant.
6. The Board finds that the relationship between the Respondent, the Complainant and Tall Oak Tax is ambiguous. The parties agree that the tax returns were not prepared by the Respondent, but rather by another employee of Tall Oak Tax, Christina Bilgrav. The signature line on the Form 8879 reflects Jackson Hewitt Tax Service as the tax preparer. The payment made by the Complainant was made to Tall Oak Tax.
7. In contrast to the foregoing facts, there is evidence that the Complainant could believe that the Respondent was responsible, at least in part, for the Complainant's tax returns. The invoice for services rendered was issued in the name of "Lacy Drummond, CPA." The invoice was sent via email from "Lacy Drummond on behalf of Lacy Drummond, CPA <notifications@taxdome.com>." However, the software program that generated the invoice was set up by the Respondent's employer, Tall Oak Tax Services, LLC d/b/a/ Jackson Hewitt Tax Services and the Respondent was unaware that she was so designated on the invoice.

Consent Order 2
Lacy M. Drummond, CPA

8. The Complainant has provided an IRS tax account transcript showing that her taxes were filed on April 22, 2025. She was contemporaneously sent Form 8879 requesting her written authorization to file. Only one of the two taxpayers signed. On May 1, 2025, an email request for authorization was resent was from “Christina Bilgrav on behalf of Lacy Drummond, CPA <notifications@taxdome.com>.”
9. In response to inquiries from the Complainant, Tall Oak Tax employees assured her that, “You did hire professionals. Lacy and her team, including myself, are all tax accountants with well over 100 years combined experience...”
10. Based on the foregoing, there is sufficient evidence showing that a reasonable client under those circumstances would believe that they had engaged the Respondent or, at the least, received work that was supervised by the Respondent.
11. The Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. The Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED upon the foregoing, the Board makes the following Conclusions of Law:

1. The Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. If the Respondent had filed the Complainant’s tax returns prior to receipt of the signed Form 8879, it would constitute a violation of 21 NCAC 08N .0207 and 0212.
3. In this case, it does not appear that the Respondent directly violated those rules. However, per 21 NCAC 08N .0103:

A CPA and CPA firm shall be responsible for assuring compliance with the rules in this Subchapter by anyone who is the CPA's partner, fellow shareholder, member, officer, director, licensed employee, unlicensed employee or agent or unlicensed principal, or by anyone whom the CPA supervises. A CPA or CPA firm shall not permit others (including affiliated entities) to carry out on the CPA's behalf, with or without compensation, acts that if carried out by the CPA would be a violation of these Rules.

4. The Board concludes that the facts set forth above establish that the Respondent allowed herself to be held out in a way that a reasonable client would believe that their taxes were being prepared under the supervision of a licensed CPA.

Consent Order 3
Lacy M. Drummond, CPA

5. Per N.C. Gen. Stat. § 93-12(9), and also by virtue of the Respondent's consent to this order, the Respondent is subject to the discipline set forth below.

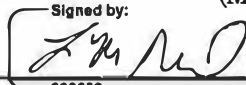
BASED on the foregoing and in lieu of further proceedings, the Board and the Respondent agree to the following Order:

1. The Respondent, Lacy M. Drummond, CPA, is hereby censured.
2. The Respondent shall pay a one thousand dollar (\$1,000) civil penalty, to be remitted to the Board with this Consent Order.

11/5/2025

CONSENTED TO THIS THE _____ DAY OF _____, _____
(Day) (Month) (Year)

Signed by:



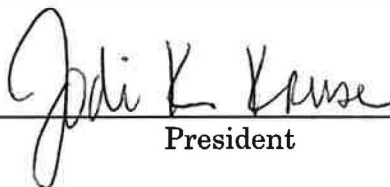
Respondent

APPROVED BY THE BOARD THIS THE 17 DAY OF November, 2025
(Day) (Month) (Year)

NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS



BY: _____


President

NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #: C2025164

IN THE MATTER OF:
Robert Gerard Merz, CPA, #30268
Respondent

NOTICE OF HEARING

The North Carolina State Board of Certified Public Accountant Examiners (“Board”) has received evidence which if admitted at hearing would show that:

1. Robert Gerard Merz, CPA (hereinafter “Respondent”) is the holder of North Carolina certificate number 30268 as a Certified Public Accountant.
2. The Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein.
3. On August 6, 2025, the Board received a complaint against the Respondent from one of his tax clients (“Complainant”).
4. The Complainant alleges that the Respondent made numerous errors handling his business payroll. The Respondent has become unresponsive to requests to provide quarterly payroll tax reports to the Complainant.
5. The Respondent has failed to respond to Board correspondence sent via United States Postal Service, email, and USPS Certified mail.
6. If proven at a hearing pursuant to the North Carolina Administrative Procedure Act, Respondent’s actions as set out above constitute violations of 21 NCAC 08N .0206, and 21 NCAC 08N .0212.

The discipline which the Board may impose on the Respondent for violation of the aforementioned statutes and rules includes censure, revocation of license for a period of time, or permanent revocation. In addition, the Board may impose civil penalties of up to \$1,000 per infraction.

Pursuant to N. C. Gen. Stat. § 150B-38, the Respondent is entitled to a public hearing on this matter. This notice is to advise Respondent that, unless this matter is resolved by consent, the Board will hear this matter in the Board offices at 1101 Oberlin Road in Raleigh on January 21, 2026.

Notice of Hearing - 2
Robert Gerard Merz, CPA

If the Respondent is not present, a decision may be reached in his absence, and the Respondent may be deemed to have waived his right to a hearing.

Pursuant to N. C. Gen. Stat. § 150B-40(d), the Respondent may not communicate regarding this matter, directly or indirectly, with any individual member of the Board.

This notice is issued the 17 day of November, 2025.

NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS



BY:


Chair, Professional Standards Committee

Financial Highlights
For the Eight Month Period Ended November 30, 2025
Compared to the Eight Month Period Ended November 30, 2024

	Budget Var.	Nov-25	Nov-24	Inc. (Dec.)
Total Revenue	\$ 276,949.11	\$ 2,759,099.23	\$ 2,494,304.39	\$ 264,794.84
■ Total Operating Revenue	\$ 284,251.88	\$ 2,666,168.64	\$ 2,392,655.08	\$ 273,513.56
❖ Total Net Non Operating Revenue	\$ (7,302.77)	\$ 92,930.59	\$ 101,649.31	\$ (8,718.72)
○ Total Expenses	\$ 123,506.34	\$ 2,208,763.16	\$ 2,028,125.66	\$ 180,637.50
Increase(Dec.) Net Assets for Period		\$ 550,336.07	\$ 466,178.73	\$ 84,157.34
Total Checking and Savings		\$ 1,977,637.52	\$ 1,940,427.06	\$ 37,210.46
Total Assets		\$ 5,895,022.02	\$ 5,375,457.24	\$ 519,564.78
Full-Time/Part-time Employees		11/0	11/0	

Budget:

- Operating revenue was \$284,000 over budget. Certificate fees decreased (-\$5k). Exam fee revenue up (+\$294k).
- ❖ Non-Operating revenue was \$7,000 under budget due to lower recognized interest income offset by increased other revenue items such as rent.
- Expenses were over budget by \$124,000. Key variances individually were increased exam costs (+\$196k) and increased office expense (+\$47); offset by reduced operational expenses including legal expense (-\$12k), board and staff travel (-\$11k), and salary/benefit expense (-\$80k).

Actual:

- Total operating revenue increased from prior year by \$274,000. Increase related to increased exam fee revenue (+\$249k) and firm renewal fees (+\$21k).
- ❖ Total net non-operating revenue decreased this period compared to prior by \$9,000 due to decreased interest income (-\$8k) and gift card revenue (-\$1k).
- Total expenses increased from prior period by \$181,000. The increase can be explained by higher exam fees (+\$183k) and office expenses (+\$22k); offset by lower salary expenses (-\$30k)

North Carolina State Board of CPA Examiners

Statement of Net Position

As of November 30, 2025

	TOTAL	
	AS OF NOV 30, 2025	AS OF NOV 30, 2024 (PY)
ASSETS		
Current Assets		
Checking/Savings		
1020 Truist Checking Acct	119,974.89	146,714.59
1021 Truist Savings Account	5,080.92	5,080.44
1023 Truist Disciplinary Clearng Acct	0.00	1,000.00
1030 Truist Payroll Acct	100.00	100.00
1076 Pinnacle - MMA	1,428,753.17	1,376,497.50
1078 Pinnacle - ICS	423,728.54	411,034.53
Total Checking/Savings	\$1,977,637.52	\$1,940,427.06
Other Current Assets		
1050 CD Investments - Current	354,651.00	351,510.00
1110 Accrued CD Interest	10,361.42	9,277.35
1120 Accounts Receivable	-342.84	508.91
1130 Lease Receivable - Current	50,350.00	50,362.00
Total Other Current Assets	\$415,019.58	\$411,658.26
Total Current Assets	\$2,392,657.10	\$2,352,085.32
Fixed Assets		
1300 Building	985,976.03	985,976.03
1305 Land	300,000.00	300,000.00
1310 Furniture	61,443.00	61,443.00
1320 Equipment	138,723.38	145,274.68
1325 Data Base Software	195,336.18	180,336.18
1330 Capital Improvements	163,679.96	163,679.96
1335 GL Software Subscription	122,513.00	279,684.00
1390 Accumulated Depreciation	-1,006,538.63	-950,311.67
1395 Amortization of GL Software	0.00	-197,369.00
Total Fixed Assets	\$961,132.92	\$968,713.18
Other Assets		
1080 Wells Fargo Advisors Investment	1,992,109.00	1,632,978.00
1081 Raymond James Investment	439,255.00	417,388.74
1180 Lease Receivable - LT	109,868.00	4,292.00
Total Other Assets	\$2,541,232.00	\$2,054,658.74
TOTAL ASSETS	\$5,895,022.02	\$5,375,457.24

North Carolina State Board of CPA Examiners

Statement of Net Position

As of November 30, 2025

	TOTAL	
	AS OF NOV 30, 2025	AS OF NOV 30, 2024 (PY)
LIABILITIES & NET ASSETS		
Liabilities		
Current Liabilities		
Other Current Liabilities		
2005 Due to Exam Vendors	392,246.02	425,311.42
2011 Accounts Payable Other	2,500.00	2,500.00
2013 GL Software Subscription Payable	122,513.00	82,315.00
2015 Compensated Absences - Current	48,461.17	42,115.17
Total Other Current Liabilities	\$565,720.19	\$552,241.59
Total Current Liabilities	\$565,720.19	\$552,241.59
Long-Term Liabilities		
2020 Compensated Absences - LT	93,478.27	95,939.27
2310 Deferred Inflow of Resources	160,218.00	54,654.00
Total Long-Term Liabilities	\$253,696.27	\$150,593.27
Total Liabilities	\$819,416.46	\$702,834.86
Net Assets		
3010 Net Assets Invest in Cap Assets	961,132.92	968,713.18
3020 Designated for Capital Assets	100,000.00	100,000.00
3031 Designated-Operating Expenses	300,000.00	300,000.00
3040 Designated for Litigation	1,000,000.00	1,000,000.00
3900 Net Assets Undesignated	2,164,136.57	1,837,730.47
Change in Net Assets	550,336.07	466,178.73
Total Net Assets	\$5,075,605.56	\$4,672,622.38
TOTAL LIABILITIES & NET ASSETS	\$5,895,022.02	\$5,375,457.24

North Carolina State Board of CPA Examiners

Statement of Revenues and Expenses - Year-To-Date Comparison

April - November, 2025

	TOTAL	
	APR - NOV, 2025	APR - NOV, 2024 (PY)
Income		
Certificate Fees		
4110 Certificates - Initial	33,325.00	27,500.00
4120 Certificates - Reciprocal	18,700.00	22,601.00
4140 Certificates - Renewal Fees	1,341,420.00	1,339,320.00
4150 Certificates - Reinst/Revoked	500.00	700.00
4151 Certificates - Reinst/Surr	3,500.00	3,500.00
Total Certificate Fees	1,397,445.00	1,393,621.00
Exam Fee Revenue		
4001 Initial Adm Fees	157,320.00	124,200.00
4002 Re-Exam Adm Fees	141,975.00	116,025.00
4004 Exam Fees Revenue	967,699.77	776,213.52
4070 Transfer Exam Grade Credit		75.00
4072 Exam Scholarship Coupon	-25,357.13	-23,515.44
Total Exam Fee Revenue	1,241,637.64	992,998.08
Misc		
4970 Duplicate Certificates	600.00	525.00
4990 Miscellaneous	786.00	1,986.00
Total Misc	1,386.00	2,511.00
Partnership Fees		
4260 Partnership Registration Fees		100.00
4261 Partnership Renewal Fees	4,770.00	
Total Partnership Fees	4,770.00	100.00
Professional Corporation Fees		
4250 PC Registration Fees	3,500.00	3,400.00
4251 PC Renewal Fees	17,400.00	25.00
4252 PC Renewal Fees W/Penalties	30.00	
Total Professional Corporation Fees	20,930.00	3,425.00
Total Income	\$2,666,168.64	\$2,392,655.08
Expenses		
5920 Funded Depreciation	43,200.00	38,000.00
6690 Over & Short	23.82	0.40
Board Travel		
5120 Board Travel - Board Meetings	9,910.89	13,054.36
5122 Board Travel - NASBA Annual	15,361.20	13,731.07
5123 Board Travel - NASBA Regional	13,099.08	10,589.16
5129 Miscellaneous Board Costs	870.74	1,720.52
5131 Board Travel - Outside Legal	1,719.61	3,391.36
Total Board Travel	40,961.52	42,486.47

North Carolina State Board of CPA Examiners

Statement of Revenues and Expenses - Year-To-Date Comparison

April - November, 2025

	TOTAL	
	APR - NOV, 2025	APR - NOV, 2024 (PY)
Building Expenses		
5800 Building Maintenance	7,285.83	1,877.94
5801 Electricity	7,339.56	6,874.50
5802 Grounds Maintenance	10,526.88	4,229.16
5803 Heat & Air Maintenance	2,595.00	1,528.00
5805 Insurance		8,389.00
5807 Janitorial Maintenance	8,678.00	10,280.00
5808 Pest Control Service	300.00	300.00
5809 Security & Fire Alarm	2,548.07	2,509.62
5810 Trash Collection	759.58	1,810.42
5811 Water & Sewer	949.77	957.41
Total Building Expenses	40,982.69	38,756.05
Continuing Education -Staff		
5050 Continuing Education - Staff	496.00	1,572.65
Total Continuing Education -Staff	496.00	1,572.65
Exam Postage		
5531 Exam Postage	360.00	480.00
Total Exam Postage	360.00	480.00
Exam Sitting and Grading		
5538 Exam Vendor Expense	883,274.61	705,077.76
5539 Exam Vendor Accommodations	6,153.25	1,122.00
Total Exam Sitting and Grading	889,427.86	706,199.76
Fringe Benefits		
5031 Retirement - NCLB Contribution	38,880.42	40,831.81
5033 Retirement - NCLB Administr	2,973.46	2,665.84
5035 Health Ins. Premiums	80,650.26	75,520.88
5036 Medical Reim Plan	11,458.56	13,356.58
Total Fringe Benefits	133,962.70	132,375.11
Investigation & Hearing Costs		
5222 Investigation Materials	2,576.00	2,339.75
5230 Hearing Costs	403.39	2,709.00
5232 Legal Advertising		514.76
5250 Administrative Cost Assessed	-850.00	-2,000.00
5260 Civil Penalties Assessed	-14,900.00	-11,000.00
5261 Civil Penalties Remitted	12,142.78	7,244.80
Total Investigation & Hearing Costs	-627.83	-191.69
Legal Expense		
5140 Legal Counsel - Administrative	38,361.19	37,316.37
Total Legal Expense	38,361.19	37,316.37

North Carolina State Board of CPA Examiners

Statement of Revenues and Expenses - Year-To-Date Comparison

April - November, 2025

	TOTAL	
	APR - NOV, 2025	APR - NOV, 2024 (PY)
Misc Personnel		
5034 Misc. Payroll Deduction	-50.00	0.00
5092 Misc. Personnel Costs	590.98	800.04
Total Misc Personnel	540.98	800.04
Office Expense		
5320 Payroll Service	1,318.27	1,397.87
5360 Telephone	3,216.58	6,194.13
5361 Internet & Website	2,613.60	2,613.60
5390 Clipping Service		388.96
5400 Computer Prog/Assistance	300.00	400.00
5405 Computer Software Maintenance	135,647.97	128,071.28
5410 Dues	8,310.00	8,782.00
5420 Insurance	22,227.09	12,026.08
5430 Audit Fees	17,000.00	16,000.00
5440 Misc Office Expense	857.40	690.00
5445 Banking Fees	1,530.38	1,397.90
5450 Credit Card Fees	67,573.38	60,393.23
Total Office Expense	260,594.67	238,355.05
Per Diem - Board		
5110 Per Diem - Board Meetings	7,400.00	8,500.00
5112 Per Diem - NASBA Annual	1,200.00	1,600.00
5113 Per Diem - NASBA Regional	1,700.00	1,550.00
5114 Per Diem - NASBA Committees	650.00	1,800.00
Total Per Diem - Board	10,950.00	13,450.00
Postage		
5340 Postage - Other	1,915.23	2,172.03
5342 Postage - Business Reply	800.00	920.00
5343 Postage - Renewal	540.00	720.00
5345 Postage - UPS	14,500.00	9,000.00
Total Postage	17,755.23	12,812.03
Printing		
5330 Printing - Other	2,564.12	2,084.84
5332 Printing - Certificates	1,928.50	1,738.30
Total Printing	4,492.62	3,823.14
Repairs & Maintenance		
5381 Maintenance - Copiers	2,633.38	1,590.56
5383 Maintenance - Postage	2,471.24	2,129.00
Total Repairs & Maintenance	5,104.62	3,719.56

North Carolina State Board of CPA Examiners

Statement of Revenues and Expenses - Year-To-Date Comparison

April - November, 2025

	TOTAL	
	APR - NOV, 2025	APR - NOV, 2024 (PY)
Salaries & Payroll Taxes		
5010 Staff Salaries	648,011.11	675,312.87
5030 FICA Taxes	49,572.61	52,163.72
Total Salaries & Payroll Taxes	697,583.72	727,476.59
Staff Travel		
5060 Staff Travel - Local	100.00	
5061 Staff Travel - Prof Mtgs	1,396.63	885.92
5070 Staff Travel - NASBA Annual	3,398.12	4,392.80
5071 Staff Travel - NASBA Regional	7,588.65	7,464.28
5072 Staff Travel - NASBA ED/Legal	106.00	
5073 Staff Travel - NASBA Committee	13.68	
5075 Staff Travel - NCACPA Meetings		731.38
Total Staff Travel	12,603.08	13,474.38
Subscriptions/References		
5370 Subscriptions/References	6,031.02	10,962.80
Total Subscriptions/References	6,031.02	10,962.80
Supplies		
5350 Supplies - Office	3,765.42	3,999.05
5351 Supplies - Copier		202.70
5352 Supplies - Computer	1,617.00	1,378.70
5353 Supplies - Special Projects	5.76	
5355 Expendable Equipment	571.09	676.50
Total Supplies	5,959.27	6,256.95
Total Expenses	\$2,208,763.16	\$2,028,125.66
NET ORDINARY INCOME	\$457,405.48	\$364,529.42
Other Income		
8200 Rental Income	35,193.80	34,168.75
8250 Gift Card Revenue	10,100.00	11,000.00
Interest Income		
8500 Interest Income - MMAs	32,548.57	45,306.53
8510 Interest Income - CDs	15,088.22	11,174.03
Total Interest Income	47,636.79	56,480.56
Total Other Income	\$92,930.59	\$101,649.31
NET OTHER INCOME	\$92,930.59	\$101,649.31
CHANGE IN NET ASSETS	\$550,336.07	\$466,178.73

North Carolina State Board of CPA Examiners

Statement of Revenues & Expenses - Budget vs Actual

April - November, 2025

	TOTAL		
	ACTUAL	BUDGET	OVER BUDGET
Income			
Certificate Fees			
4110 Certificates - Initial	33,325.00	33,333.36	-8.36
4120 Certificates - Reciprocal	18,700.00	21,333.36	-2,633.36
4140 Certificates - Renewal Fees	1,341,420.00	1,344,000.00	-2,580.00
4150 Certificates - Reinst/Revoked	500.00	1,166.64	-666.64
4151 Certificates - Reinst/Surr	3,500.00	2,833.36	666.64
Total Certificate Fees	1,397,445.00	1,402,666.72	-5,221.72
Exam Fee Revenue			
4001 Initial Adm Fees	157,320.00	124,200.00	33,120.00
4002 Re-Exam Adm Fees	141,975.00	115,000.00	26,975.00
4004 Exam Fees Revenue	967,699.77	733,333.36	234,366.41
4072 Exam Scholarship Coupon	-25,357.13	-25,116.65	-240.48
Total Exam Fee Revenue	1,241,637.64	947,416.71	294,220.93
Misc			
4970 Duplicate Certificates	600.00	0.00	600.00
4990 Miscellaneous	786.00	666.64	119.36
Total Misc	1,386.00	666.64	719.36
Partnership Fees			
4260 Partnership Registration Fees		500.00	-500.00
4261 Partnership Renewal Fees	4,770.00	13,333.33	-8,563.33
Total Partnership Fees	4,770.00	13,833.33	-9,063.33
Professional Corporation Fees			
4250 PC Registration Fees	3,500.00	3,333.36	166.64
4251 PC Renewal Fees	17,400.00	14,000.00	3,400.00
4252 PC Renewal Fees W/Penalties	30.00	0.00	30.00
Total Professional Corporation Fees	20,930.00	17,333.36	3,596.64
Total Income	\$2,666,168.64	\$2,381,916.76	\$284,251.88
Expenses			
5920 Funded Depreciation	43,200.00	43,200.00	0.00
6690 Over & Short	23.82	0.00	23.82
Board Travel			
5120 Board Travel - Board Meetings	9,910.89	15,520.00	-5,609.11
5121 Board Travel - Prof Meetings		1,000.00	-1,000.00
5122 Board Travel - NASBA Annual	15,361.20	14,700.00	661.20
5123 Board Travel - NASBA Regional	13,099.08	12,750.00	349.08
5125 Board Travel - AICPA Council		850.00	-850.00
5129 Miscellaneous Board Costs	870.74	0.00	870.74
5131 Board Travel - Outside Legal	1,719.61	2,666.66	-947.05
Total Board Travel	40,961.52	47,486.66	-6,525.14
Building Expenses			

North Carolina State Board of CPA Examiners

Statement of Revenues & Expenses - Budget vs Actual

April - November, 2025

	TOTAL		
	ACTUAL	BUDGET	OVER BUDGET
5800 Building Maintenance	7,285.83	7,000.00	285.83
5801 Electricity	7,339.56	10,000.00	-2,660.44
5802 Grounds Maintenance	10,526.88	5,333.36	5,193.52
5803 Heat & Air Maintenance	2,595.00	1,750.00	845.00
5804 Improvements		250.00	-250.00
5805 Insurance		3,500.00	-3,500.00
5807 Janitorial Maintenance	8,678.00	10,666.64	-1,988.64
5808 Pest Control Service	300.00	600.00	-300.00
5809 Security & Fire Alarm	2,548.07	1,733.36	814.71
5810 Trash Collection	759.58	2,666.64	-1,907.06
5811 Water & Sewer	949.77	1,200.00	-250.23
Total Building Expenses	40,982.69	44,700.00	-3,717.31
Continuing Education -Staff			
5050 Continuing Education - Staff	496.00	2,000.00	-1,504.00
Total Continuing Education -Staff	496.00	2,000.00	-1,504.00
Exam Postage			
5531 Exam Postage	360.00	666.64	-306.64
Total Exam Postage	360.00	666.64	-306.64
Exam Sitting and Grading			
5538 Exam Vendor Expense	883,274.61	693,167.04	190,107.57
5539 Exam Vendor Accommodations	6,153.25	0.00	6,153.25
Total Exam Sitting and Grading	889,427.86	693,167.04	196,260.82
Fringe Benefits			
5031 Retirement - NCLB Contribution	38,880.42	42,074.27	-3,193.85
5033 Retirement - NCLB Administr	2,973.46	2,849.16	124.30
5035 Health Ins. Premiums	80,650.26	90,060.32	-9,410.06
5036 Medical Reim Plan	11,458.56	22,129.69	-10,671.13
Total Fringe Benefits	133,962.70	157,113.44	-23,150.74
Investigation & Hearing Costs			
5222 Investigation Materials	2,576.00	3,000.00	-424.00
5230 Hearing Costs	403.39	3,333.36	-2,929.97
5250 Administrative Cost Assessed	-850.00	-1,666.64	816.64
5260 Civil Penalties Assessed	-14,900.00	-5,000.00	-9,900.00
5261 Civil Penalties Remitted	12,142.78	0.00	12,142.78
Total Investigation & Hearing Costs	-627.83	-333.28	-294.55
Legal Expense			
5140 Legal Counsel - Administrative	38,361.19	44,000.00	-5,638.81
5211 Legal Counsel - Litigation		6,666.64	-6,666.64
Total Legal Expense	38,361.19	50,666.64	-12,305.45
Misc Personnel			
5034 Misc. Payroll Deduction	-50.00	0.00	-50.00
5092 Misc. Personnel Costs	590.98	3,333.36	-2,742.38

North Carolina State Board of CPA Examiners

Statement of Revenues & Expenses - Budget vs Actual

April - November, 2025

	TOTAL		
	ACTUAL	BUDGET	OVER BUDGET
Total Misc Personnel	540.98	3,333.36	-2,792.38
Office Expense			
5301 Equipment Rent		90.00	-90.00
5310 Decorations		200.00	-200.00
5320 Payroll Service	1,318.27	1,400.00	-81.73
5360 Telephone	3,216.58	5,333.36	-2,116.78
5361 Internet & Website	2,613.60	2,666.64	-53.04
5400 Computer Prog/Assistance	300.00	666.64	-366.64
5405 Computer Software Maintenance	135,647.97	109,133.36	26,514.61
5410 Dues	8,310.00	8,166.64	143.36
5420 Insurance	22,227.09	13,333.34	8,893.75
5430 Audit Fees	17,000.00	17,000.00	0.00
5435 Consulting Services		666.64	-666.64
5440 Misc Office Expense	857.40	0.00	857.40
5445 Banking Fees	1,530.38	2,000.00	-469.62
5448 Interest Expense - GL Software		3,400.00	-3,400.00
5450 Credit Card Fees	67,573.38	49,333.36	18,240.02
Total Office Expense	260,594.67	213,389.98	47,204.69
Per Diem - Board			
5110 Per Diem - Board Meetings	7,400.00	8,500.00	-1,100.00
5111 Per Diem - Prof Meetings		2,333.36	-2,333.36
5112 Per Diem - NASBA Annual	1,200.00	2,400.00	-1,200.00
5113 Per Diem - NASBA Regional	1,700.00	0.00	1,700.00
5114 Per Diem - NASBA Committees	650.00	0.00	650.00
5116 Per Diem - NCACPA Annual		633.29	-633.29
5117 Per Diem - NCACPA/Board		350.00	-350.00
5119 Per Diem - Miscellaneous		350.00	-350.00
Total Per Diem - Board	10,950.00	14,566.65	-3,616.65
Postage			
5340 Postage - Other	1,915.23	2,000.00	-84.77
5342 Postage - Business Reply	800.00	1,066.64	-266.64
5343 Postage - Renewal	540.00	666.64	-126.64
5345 Postage - UPS	14,500.00	13,333.36	1,166.64
Total Postage	17,755.23	17,066.64	688.59
Printing			
5330 Printing - Other	2,564.12	3,000.00	-435.88
5332 Printing - Certificates	1,928.50	2,333.29	-404.79
Total Printing	4,492.62	5,333.29	-840.67
Repairs & Maintenance			
5381 Maintenance - Copiers	2,633.38	1,666.64	966.74
5383 Maintenance - Postage	2,471.24	1,666.64	804.60
Total Repairs & Maintenance	5,104.62	3,333.28	1,771.34

North Carolina State Board of CPA Examiners

Statement of Revenues & Expenses - Budget vs Actual

April - November, 2025

	TOTAL		
	ACTUAL	BUDGET	OVER BUDGET
Salaries & Payroll Taxes			
5010 Staff Salaries	648,011.11	701,025.63	-53,014.52
5030 FICA Taxes	49,572.61	53,657.41	-4,084.80
Total Salaries & Payroll Taxes	697,583.72	754,683.04	-57,099.32
Staff Travel			
5060 Staff Travel - Local	100.00	0.00	100.00
5061 Staff Travel - Prof Mtgs	1,396.63	1,000.00	396.63
5070 Staff Travel - NASBA Annual	3,398.12	7,350.00	-3,951.88
5071 Staff Travel - NASBA Regional	7,588.65	7,650.00	-61.35
5072 Staff Travel - NASBA ED/Legal	106.00	0.00	106.00
5073 Staff Travel - NASBA Committee	13.68	0.00	13.68
5075 Staff Travel - NCACPA Meetings		1,000.00	-1,000.00
Total Staff Travel	12,603.08	17,000.00	-4,396.92
Subscriptions/References			
5370 Subscriptions/References	6,031.02	8,550.00	-2,518.98
Total Subscriptions/References	6,031.02	8,550.00	-2,518.98
Supplies			
5350 Supplies - Office	3,765.42	4,733.36	-967.94
5351 Supplies - Copier		633.36	-633.36
5352 Supplies - Computer	1,617.00	633.36	983.64
5353 Supplies - Special Projects	5.76	0.00	5.76
5355 Expendable Equipment	571.09	3,333.36	-2,762.27
Total Supplies	5,959.27	9,333.44	-3,374.17
Total Expenses	\$2,208,763.16	\$2,085,256.82	\$123,506.34
NET OPERATING INCOME	\$457,405.48	\$296,659.94	\$160,745.54
Other Income			
8200 Rental Income	35,193.80	33,566.64	1,627.16
8250 Gift Card Revenue	10,100.00	10,000.00	100.00
Interest Income			
8500 Interest Income - MMAs	32,548.57	28,333.36	4,215.21
8510 Interest Income - CDs	15,088.22	28,333.36	-13,245.14
Total Interest Income	47,636.79	56,666.72	-9,029.93
Total Other Income	\$92,930.59	\$100,233.36	\$ -7,302.77
NET OTHER INCOME	\$92,930.59	\$100,233.36	\$ -7,302.77
CHANGE IN NET ASSETS	\$550,336.07	\$396,893.30	\$153,442.77

LEGISLATIVE AND RULEMAKING ITEMS (FYI)

A. Update on Periodic Review of Rules

(no materials)



North Carolina State Board of Certified Public Accountant Examiners

December 15, 2025

DRAFT

Private Equity Task Force
NASBA
150 Fourth Avenue North, Suite 700
Nashville, TN 37219

Sent Via Email: petaskforce@nasba.org

RE: October 24, 2025, Invitation to Comment on NASBA's White Paper regarding Alternative Practice Structure & Private Equity: Considerations and Questions for Boards of Accountancy

Dear Task Force Members:

The North Carolina State Board of CPA Examiners ("Board") appreciates the opportunity to comment on NASBA's White Paper regarding *Alternative Practice Structure & Private Equity: Considerations and Questions for Boards of Accountancy* ("White Paper"). At the outset, the Board notes its appreciation for the section of the White Paper that emphasizes the importance of increasing disclosure and improving public understanding of these issues.

This Board supports the ongoing review of Alternative Practice Structures ("APSs"), considering the various approaches that outside investors have devised to acquire interests in, and sometimes control of, CPAs' non-attest practices.

The potential for non-CPAs to influence auditors' business judgment should be a concern for the Boards of Accountancy. The most worrying aspect of some APS is the administrative service agreement ("Service Agreement"), under which non-CPAs may exercise control over the non-attest entity that employs the auditors performing an attest service. In those types of APSs, there is a risk that CPA auditors will be placed in situations where their auditor judgment is subordinated to that of non-CPAs.

In North Carolina, the following rule of Professional Conduct is implicated:

21 NCAC 08N .0301 PROFESSIONAL JUDGMENT

- (a) Professional Judgment. A CPA shall not subordinate the CPA's professional judgment to non-CPAs.

The AICPA Code of Professional Conduct contains a similar provision at Section 1.130.020 and has been adopted by numerous jurisdictions. It should be noted that this section is included in the “Integrity and Objectivity” section and not the “Independence” section.

The White Paper contains three topics for consideration by Boards of Accountancy. Those topics will be addressed in the order in which they appear in the White Paper.

1. Independence and Professional Standards

The White Paper poses several questions, which the Board addresses as follows:

- How should attest firms operating in an APS model with PE investment maintain audit quality and avoid undue influence and pressure to perform, if non-attest entities influence the attest firm’s management, compensation, and performance evaluations?

As set forth above, the proliferation of administrative Service Agreements appears to be the most significant threat to auditors performing unfettered professional services. The Service Agreements are not new to the profession. They have been used in the past to allow support staff to be employed by the non-attest firm and then leased to the attest firm. However, it is this Board’s understanding that the scope of those Service Agreements has expanded.

Some Service Agreements may now create arrangements under which the non-attest firm employs the licensed auditors. Those licensees are then leased to the attest firm to perform audits and other attest functions. The senior leadership of the non-attest entity may be composed of non-licensees, and its board of directors may be majority controlled by non-CPAs.

Nevertheless, some firms have been practicing pursuant to service agreements for years, and this Board has not yet encountered a case involving a reduction in a CPA’s business judgment as a result. Accordingly, this Board does not endorse a prophylactic prohibition of certain types of Service Agreements. Instead, if it becomes evident that an inappropriate subordination of professional judgment has occurred in a specific case, the Board can take disciplinary action in that case.

- What restrictions should apply to PE investors and their portfolio companies becoming attest clients of an attest firm within their shared APS structure?

Those relationships currently appear to constitute an independence violation, which would prohibit the attest firm from performing audits of the portfolio companies. The Board supports continued restrictions on those services.

- How should peer review processes address the complexity of independence considerations introduced by APS structures with PE investment?

The Board has already submitted comments supporting the September 10, 2025, AICPA Exposure Draft, which proposes that firms operating under an APS submit their peer reviews to the National Peer Review Committee.

- Are there adequate safeguards to ensure that attest firms maintain the necessary internal knowledge and frameworks for compliance with the AICPA Code, and federal/state laws and rules, specifically around the protection of confidential client information?

Service Agreements should expressly require the protection of all confidential client information. The Board does not see that any additional rules are necessary on this topic, and any violations can be handled through the Board's existing enforcement mechanisms.

- How can Boards of Accountancy and other standard-setting bodies address independence concerns based on the size and scale of attest firms' relationships?

Independence concerns can exist regardless of the size or scale of relationships, starting with external perceptions of independence. The Board would need further information to provide a more complete response.

- Are there positions taken within PEEC's memorandum Potential Revisions to the AICPA Code of Professional Conduct and guidance related to independence in alternative practice structures that you believe should impose more restrictive requirements regarding attest firm independence? If so, which provisions, how would you modify them, and why?

This Board has already responded to the March 10, 2025, invitation to comment on potential revisions to the AICPA Code of Professional Conduct and guidance related to independence in alternative practice structures.

- Would your Board of Accountancy consider adopting stricter laws or rules associated with independence than those in the AICPA Code, to enhance public protection?

This Board retains the authority to adopt rules that it deems necessary to protect the public interest. However, any changes to the rules would be made with due consideration for consistency across jurisdictions.

2. Disclosure and Public Understanding

The Board is most appreciative of White Paper's focus on increasing disclosure and public understanding of APSs.

- Should Boards of Accountancy require more prominent and standardized disclosures on websites and marketing materials, distinguishing attest and non-attest entities under common control?

This Board supports a coordinated effort to address this issue. Most firms using APS are national firms. Therefore, this Board has been hesitant to unilaterally impose rules on those firms' websites due to the potential for inconsistencies with other jurisdictions.

- How can Boards of Accountancy better educate consumers about the distinction between attest and non-attest services in APS structures?

The Boards of Accountancy can ensure that firms provide their clients with transparent information about their structures and relationships.

- What clarity is needed regarding Uniform Accountancy Act and Model Rules' wording on the use of the CPA title by individuals not associated with attest firms?

To the extent that the current wording could imply limitations on CPAs' ability to use their title appropriately, such provisions should be clarified to confirm permissible use.

- How should advertising practices be regulated to provide transparency regarding the relationship between attest firms and non-attest entities?

The Boards of Accountancy should promulgate uniform rules governing advertising practices so that firms and their websites are not subject to potentially conflicting requirements.

3. Regulatory Oversight and Enforcement

- What are the implications of differing state definitions of "the practice of public accountancy" for attest firms operating nationally under APS models?

To the extent that differing definitions of "the practice of public accountancy" place CPAs or CPA firms in a situation where they cannot comply with the rules of all jurisdictions, then those states may desire to revisit their rules and laws to effectuate greater

uniformity. However, the desire for uniformity should not undermine state sovereignty or the boards' ability to exercise their police powers within their own jurisdiction.

- Would Boards of Accountancy find it helpful for the UAA to include definitions of "active individual participant" or "affiliated entities" within its requirements for non-CPA firm owners?

The Board believes that uniformity across jurisdictions can improve public understanding of the various boards' positions on firm ownership. However, defining these terms may not resolve APS-related issues because the non-CPA owners at issue are not the owners of the CPA firms. Instead, they are owners of the unregulated non-attest entity.

- How should Boards of Accountancy coordinate oversight when CPA firms operating under an APS model with PE investments conduct business across multiple jurisdictions?
The Board does not believe that private equity investment, in itself, creates any additional oversight complications beyond those already in place for APS in general.
- Regarding CPA firm registration requirements, do Boards of Accountancy need details on an attest firm's principal place of business and physical presence in the jurisdiction, to ensure compliance with relevant laws and rules?

Yes. This has always been necessary information to ensure that firms are registered in the correct jurisdictions.

The Board appreciates the opportunity to comment on the NASBA Private Equity Task Force White Paper. We recognize that APSs present multiple challenges, and we commend the Task Force for its thoughtful work in identifying and addressing them.

Sincerely,

Jodi K. Kruse, CPA
President



White Paper

**National Association of State Boards of Accountancy
Private Equity Task Force**

**Alternative Practice Structures & Private Equity:
Considerations and Questions for Boards of Accountancy**

October 24, 2025

**Comments are requested by January 31, 2026
Submit all comments to petaskforce@nasba.org**

National Association of State Boards of Accountancy Private Equity Task Force

Alternative Practice Structures & Private Equity: Considerations and Questions for Boards of Accountancy

Executive Summary

Private equity (PE) investment in the accounting profession is an emerging trend that offers opportunities for growth, modernization, and succession. Yet it also raises questions related to how Boards of Accountancy regulate this issue to ensure public protection.

In response to these questions, National Association of State Boards of Accountancy (NASBA) Chair Maria Caldwell appointed the NASBA Private Equity Task Force (PE Task Force) to evaluate the implications of PE investment in the accounting profession and identify ways to support state boards in their oversight responsibilities. The PE Task Force is also charged with exploring how PE ownership may impact the public interest, firm independence, governance structures, and audit quality.

The members of the Private Equity Task Force are:

- Dan Vuckovich, CPA, Chair—NASBA Board of Directors' Member; NASBA Mountain Regional Director; Member, Montana Board of Public Accountants
- Barry Berkowitz, CPA—NASBA Board of Directors' Directors-at-Large Member
- Boyd Busby, CPA—Executive Director, Alabama State Board of Public Accountancy
- Dominic Franzella—Executive Officer, California Board of Accountancy
- Dale Mullen, Esq.—Member, Virginia Board of Accountancy
- David Nance, CPA—Executive Director, North Carolina Board of CPA Examiners
- Steve Platau, CPA—Member, Florida Board of Accountancy
- Melissa Ruff, CPA—NASBA Board of Directors' Member; NASBA Central Regional Director; Chair, Nebraska Board of Public Accountancy

The purpose of this paper is for the PE Task Force to educate Boards of Accountancy and policymakers about both the benefits and challenges of PE investment and raise questions

about how best to protect investors and the public interest. While identifying key questions, this paper is not intended to provide guidance on how Boards of Accountancy should modify their oversight practices or statutory frameworks.

The paper includes:

- Background on Board of Accountancy regulation of certified public accountants (CPAs) and CPA firms
- An introduction to CPA firms operating in Alternative Practice Structure (APS) models that have PE investment
- Three key topics and questions for Boards of Accountancy on regulating PE investment in CPA firms

NASBA's Private Equity Task Force seeks feedback from Boards of Accountancy and other key stakeholders regarding the content of this white paper, and in particular regarding the key topics and questions. Please submit any comments and questions to petaskforce@nasba.org by January 31, 2026.

Background on Board of Accountancy Regulation of CPAs and CPA Firms

State legislatures charge Boards of Accountancy with regulating CPAs and CPA firms¹ to protect the public interest. Boards of Accountancy accomplish this by enforcing standards of competence, ethical conduct, and independence in the performance of public accounting services.

Generally, CPAs and CPA firms must be licensed to perform attest engagements. These engagements produce an examination, opinion, agreed-upon procedures report, or assurance regarding information provided by a third party. Financial statement users (including investors and banks) rely on attest work to make key investment decisions. Therefore, Board of Accountancy regulation of attest work is critical to the functioning of the U.S. economy.

Additionally, Boards of Accountancy require CPAs and CPA firms to comply with various professional standards, such as generally accepted auditing standards and the American

¹ The Uniform Accountancy Act defines "CPA Firm" in §3 of the Ninth Edition (2025):

"Firm" means a sole proprietorship, a corporation, a partnership or any other entity that is practicing public accountancy as defined by the Act and has been duly registered with the appropriate State Board of Accountancy." Uniform Accountancy Act, §3(f), 2025. For purposes of this paper, we distinguish between firms registered and licensed to practice public accountancy ("CPA firms") and all other entities, which are regarded as "non-CPA firms" under the regulatory framework. See *also* Fn. 5.

Institute of CPAs (AICPA) Code of Professional Conduct.² Due to the evolving nature of the accounting profession, Boards of Accountancy also require CPAs to complete continuing professional education to maintain or enhance their knowledge.

Boards of Accountancy require CPA firms that provide attest services to participate in an approved peer review program. The primary objective of peer review is to monitor and enhance the quality of accounting, auditing, and attestation services provided by CPA firms. Peer review evaluates a firm's system of quality control/management as it relates to its accounting and auditing practice for non-issuer (privately held) clients (when a system review is required or elected) or through an evaluation of select engagements (when eligible for an engagement review). In contrast, audits of issuers (public companies) fall under the oversight of the Public Company Accounting Oversight Board. Peer review gives the public, regulators, and other financial statement users greater confidence in the reliability of the information they receive.

An Introduction to CPA firms operating in APS models that have PE investment

Non-CPA minority ownership has long been permitted within CPA firm structures. However, regulatory requirements governing firm ownership impose important limitations. Most states' laws mandate that a majority of a CPA firm's ownership—both in terms of equity and voting rights—be held by licensed CPAs.³ In addition, at least 44 jurisdictions require that non-CPA firm owners be individual persons who are actively engaged in the firm's business.⁴ These legal provisions restrict the extent to which non-licensees and passive investors can hold an ownership interest in a CPA firm. As a result, PE investors often structure their involvement in CPA firms through APSs which allow for investment in the non-attest side of the firm's business while ensuring that attest services remain under the control and oversight of licensed CPAs, in compliance with professional and regulatory requirements.

The AICPA Code of Professional Conduct defines an APS as “a form of organization in which a CPA firm that provides attest services is closely aligned with another public or

² The American Institute of CPAs (AICPA) Code of Professional Conduct is widely adopted throughout the U.S. At least 37 Boards of Accountancy have adopted the AICPA Code of Professional Conduct by reference in whole or in part. A further 8 Boards of Accountancy have their own state code of professional conduct, containing references to, or largely based on, the AICPA Code of Professional Conduct. Thus, any existing or new AICPA Code of Professional Conduct requirements will flow down to most states' laws and rules.

³ Two jurisdictions (Hawaii and the Commonwealth of the Northern Mariana Islands) require 100% CPA ownership of firms. All other jurisdictions require majority licensee ownership.

⁴ The Ninth Edition of the Uniform Accountancy Act (2025) at §7(c)(2) also includes this requirement: “Any CPA or PA firm as defined in this Act may include non-licensee owners provided that ... [a]ll non-licensee owners are of good moral character and active individual participants in the CPA or PA firm or affiliated entities.” The terms “active individual participant” and “affiliated entities” are not defined in the Uniform Accountancy Act or Model Rules.

private organization [non-attest entity]⁵ that performs other professional services.”⁶ This non-attest entity may receive PE investment, provide non-attest services, and perform key administrative functions for both entities. See Appendix 2, Table 1 for a diagram of a simplified ownership structure of an APS structured CPA firm.

Generally, APS, as it pertains to PE in CPA firms, operates in a business structure whereby the CPA firm providing attest/assurance services (often referred to as the “attest firm”) is closely aligned with the non-attest entity. See Appendix 2, Table 2 for a diagram of a simplified ownership structure of a CPA firm operating in an APS model that has PE investment.

During the 1990s, many CPA firms sought to expand beyond traditional audit and tax services into consulting, technology, and financial advisory work. However, as mentioned previously, state laws and professional regulations limit non-CPA ownership and investment in CPA firms. These restrictions made it difficult for firms to access external capital or form partnerships with non-CPA professionals, such as management consultants and IT specialists. To overcome these barriers, firms began developing APSs which allowed investors and non-CPAs to participate financially in the broader business while keeping the attest function under the control of licensed CPAs, as required by law.

Following the proliferation of this new investment model, the AICPA and Boards of Accountancy clarified rules and standards on ownership and independence, reinforcing that only CPA-owned entities could issue attest reports. APSs provided a way to separate the attest entity (CPA-owned) from the non-attest entity (which could be owned and/or funded by non-CPAs). This model preserved compliance with state accountancy laws while enabling firms to remain competitive and attract non-CPA expertise and investment.

The APS framework remains relevant today, as PE investment in APS firm structures has recently increased significantly. The APS model allows firms to balance the profession’s regulatory requirements with market flexibility and growth opportunities. This increased PE investment has occurred across the country in larger and smaller markets, and has impacted small, medium, and large firms.⁷ PE investment in CPA firms follows several

⁵ The Ninth Edition of the Uniform Accountancy Act (2025) does not include a definition for “non-CPA firm” or “non-attest entity.” Rather, a non-CPA firm or non-attest entity is understood contextually as any entity providing accounting-related services that is not licensed by its Board of Accountancy. That is, a firm which does not hold a permit to practice public accountancy. Uniform Accountancy Act, §3(f).

⁶ Alternative Practice Structures interpretation (*ET* sec. 1.220.020) of the Independence Rule.

⁷ Press accounts from 2023 and 2024 cite examples of small, medium, and large sized attest firms being approached by PE investors. See, e.g., Journal of Accounting, *Private Equity Eyes CPA firms Large and Small*, Feb. 1, 2023 (noting that more than half of the largest attest firms are involved in, or contemplating, PE-backed APS structures); see also CFO Brew, *Private Equity is Reshaping the Accounting Profession*, Sept. 17, 2024 (Reportedly, “you have midsized PE firms partnering with midsized accounting firms, and now you even

other recent trends, including PE investment in other licensed professions, such as medical and engineering professions.⁸ This trend has also coincided with the increased adoption of artificial intelligence within the CPA profession; the need for access to increased capital to supply attest firms with improved information technology resources; and recent waves of firm consolidation and restructuring associated with retirements at small firms.⁹

Reportedly, PE investors find CPA firms to be an attractive investment vehicle for several reasons, including the fact that they “often have stable, recurring revenue streams,” and given that “the fragmented nature of the accounting industry presents opportunities for consolidation and economies of scale.”¹⁰

Under the APS model, attest firms provide audit and assurance services, as required by law. The attest firm’s ownership structure must continue to adhere to requirements that maintain CPA ownership and control of the attest firm. The non-attest entity provides non-attest services including tax, consulting, management, and advisory services. The ownership structure for the non-attest firm varies, and may include a combination of CPAs, CPA partners in the attest firm, PE investors, and potentially other individuals and/or entity owners.

The attest firm and non-attest entity operate under a wide-ranging administrative services agreement. The non-attest entity provides centralized administrative functions to the attest firm including human resources, staffing, information technology, marketing, and general office administration. The attest firm and non-attest entity generally share branding, websites, and some operational leadership.

have small PE firms partnering with small CPA firms”); see also CFO Brew, *Private Equity Now Has a Stake in 20 of the Top 30 CPA Firms*, Nov. 20, 2024.

⁸ Some CPAs have asked questions about news and periodical coverage critical of private equity investment in medical professions. See, e.g., Bloomberg Tax, *Private Equity-Fueled Shakeup Coming for Accounting Industry*, April 30, 2025 (“Some studies have shown a deterioration in patient care after private equity targeted the health care industry, for instance, while others reported slightly improved care”); see also Wall Street Journal, *Doctors Warn Accountants of Private-Equity Drain on Quality: You Could be Next*, May 7, 2025 (“many doctors have decried private-equity firms’ push into healthcare, saying patient care has eroded under their ownership”).

⁹ See Thomson Reuters, *Some Tax, Audit & CPA firms are Rejecting Private Equity in Favor of Independence*, May 30, 2025 (“Private equity has flooded the profession with capital for firms to pay retiring partners, acquire smaller firms, improve technology, and expand client services.”)

¹⁰ See Thomson Reuters, *The Rise of Private Equity in Accounting: Not Just for Large Firms Anymore*, Aug. 20, 2024.

Three Key Topics and Questions for Boards of Accountancy on Regulating PE Investment in CPA Firms

The PE Task Force has identified three key topics for consideration by Boards of Accountancy: independence and professional standards; disclosure and public understanding; and regulatory oversight and enforcement. Under each of these three categories below, this white paper poses questions for Boards of Accountancy regarding responsible regulation of the accounting profession and protection of the public interest.

1. Independence and Professional Standards

Summary:

Independence remains the cornerstone of public trust in the accounting profession. When PE investors become closely aligned with CPA firms through APSs, complex relationships emerge that can threaten both actual and perceived independence.¹¹ The fundamental challenge lies in ensuring that attest firms maintain the requisite professional judgment, technical competence, and ethical standards while operating within increasingly sophisticated ownership and management structures.¹² Boards of Accountancy should evaluate whether existing independence frameworks adequately address the unique risks posed by PE involvement, including potential conflicts arising from shared management, compensation structures, and client relationships across attest firms and non-attest entities.

To ensure compliance with professional standards, non-attest entities' involvement in management, compensation, and performance evaluation decisions regarding CPAs at attest firms must not affect audit quality and auditor independence. The current version of the AICPA Code of Professional Conduct (AICPA Code) includes independence rules;¹³ requirements for organizational structures and names;¹⁴ guidance regarding organizational structures and names,¹⁵ including defining whether a firm is part of a "network" and determining what name requirements would apply to connected and related attest firms and related non-attest organizations.¹⁶

¹¹ Wall Street Journal, *Private Equity Has Closer Ties to Companies' Auditors Than Ever Before*, Oct. 30, 2024.

¹² Accounting Today, *Capital vs. Control: PE's Impact on CPA Firms*, Dec. 5, 2024.

¹³ AICPA Code of Professional Conduct, last updated March 1, 2025, at Secs. 1.200.001; 1.220.020; and Sec. 1.800.001.

¹⁴ *Id.* at Sec. 1.800.001.

¹⁵ *Id.* at Sec. 1.810.050.

¹⁶ *Id.* at Sec. .400.35.

In response to the proliferation of PE investment in attest firms, AICPA's Professional Ethics Executive Committee (PEEC) recently issued a memorandum flagging potential gaps in this guidance as it pertains to attest firms operating in an APS model with PE investment.¹⁷ PEEC's review and revision process should result in an exposure draft of the standard changes later in 2025, followed by the roll-out of new AICPA Code language aimed specifically at PE investment practices.¹⁸

Core Questions:

- How should attest firms operating in an APS model with PE investment maintain audit quality and avoid undue influence and pressure to perform, if non-attest entities influence the attest firm's management, compensation, and performance evaluations?
- What restrictions should apply to PE investors and their portfolio companies becoming attest clients of an attest firm within their same shared APS structure?
- How should peer review processes address the complexity of independence considerations introduced by APS structures with PE investment?
- Are there adequate safeguards to ensure that attest firms maintain the necessary internal knowledge and frameworks for compliance with the AICPA Code, and federal/state laws and rules, specifically around the protection of confidential client information?
- How can Boards of Accountancy and other standard setting bodies address independence concerns based on the size and scale of attest firms' relationships?
- Are there positions taken within PEEC's memorandum *Potential revisions to the AICPA Code of Professional Conduct and guidance related to independence in alternative practice structures* that you believe should impose more restrictive requirements regarding attest firm independence? If so, which provisions, how would you modify them, and why?
- Would your Board of Accountancy consider adopting stricter laws or rules associated with independence than those in the AICPA Code, to enhance public protection?

¹⁷ See AICPA Professional Ethics Division, *Potential revisions to the AICPA Code of Professional Conduct and guidance related to independence in alternative practice structures*, March 10, 2025.

¹⁸ See *id.* NASBA has responded to the PEEC request for comments with a June 13, 2025 response letter, available on NASBA's website: <https://nasba.org/wp-content/uploads/2025/06/June-13-2025-NASBA-Response-Letter-PEEC-APS-DM-FINAL.pdf>.

2. Disclosure and Public Understanding

Summary:

Commentators have noted that "an auditor's objectivity, both real and perceived, is critical to the business of [CPA] firms, which typically also have consulting and tax operations."¹⁹ Thus, "experts stress the importance of a clear distinction between which parts of a firm are owned by CPAs and which are not, both from a legal standpoint and a client relationship perspective."²⁰

The public's ability to make informed decisions about professional services depends on clear, accessible information about firm ownership, service boundaries, and regulatory oversight. When APS structures with PE investment blur traditional firm boundaries, enhanced disclosure requirements become essential to maintain transparency and consumer protection.

Core Questions:

- Should Boards of Accountancy require more prominent and standardized disclosures on websites and marketing materials, distinguishing attest and non-attest entities under common control?
- How can Boards of Accountancy better educate consumers about the distinction between attest and non-attest services in APS structures?
- What clarity is needed regarding Uniform Accountancy Act and Model Rules' wording on the use of the CPA title²¹ by individuals not associated with attest firms?
- How should advertising practices be regulated to provide transparency regarding the relationship between attest firms and non-attest entities?

¹⁹ Wall Street Journal, *Private Equity Has Closer Ties to Companies' Auditors Than Ever Before*, Oct. 30, 2024.

²⁰ Accounting Today, *Capital vs. Control: PE's Impact on CPA Firms*, Dec. 5, 2024.

²¹ When individuals who have earned the CPA license are allowed to display the designation, consumers are afforded a greater understanding regarding these individuals' background. Consumers can review Board of Accountancy websites to understand the regulatory framework, including how individuals obtained licensure; consumers can review online licensing records, including prior enforcement information; and consumers have a place to file a complaint, should the need arise.

3. Regulatory Oversight and Enforcement

Summary:

The emergence of APS models that have PE investment creates challenges for Board of Accountancy oversight and enforcement capabilities. Traditional regulatory frameworks were designed for simpler firm structures operating within clear jurisdictional boundaries. Firms operating in an APS structure with PE investment often operate across multiple states with complex ownership structures, exposing regulatory gaps or inconsistencies between jurisdictions.

Boards of Accountancy should adapt their oversight mechanisms to ensure effective regulation of these sophisticated structures while maintaining their core mission of public protection. This includes developing new approaches to licensing, monitoring, and enforcement that account for the interstate and multi-entity nature of modern attest firms.

Core Questions:

- What are the implications of differing state definitions of “the practice of public accountancy” for attest firms operating nationally under APS models?
- Would Boards of Accountancy find it helpful for the UAA to include definitions of “active individual participant” or “affiliated entities” within its requirements for non-CPA firm owners?²²
- How should Boards of Accountancy coordinate oversight when CPA firms operating under an APS model with PE investments conduct business across multiple jurisdictions?
- Regarding CPA firm registration requirements, do Boards of Accountancy need details on an attest firm’s principal place of business and physical presence in the jurisdiction, to ensure compliance with relevant laws and rules?

Conclusion

The PE Task Force encourages responses from Boards of Accountancy and other key stakeholders regarding the questions and topics included in the white paper. Please submit any comments and questions to petaskforce@nasba.org by January 31, 2026.

Responses received will guide NASBA and the PE Task Force’s next steps on this issue, including potentially suggesting revisions to the Uniform Accountancy Act and Model Rules

²² Uniform Accountancy Act § 7(c)(2)(B): “Any CPA or PA firm as defined in this Act may include non-licensee owners provided that ... All non-licensee owners are of good moral character and active individual participants in the CPA or PA firm or affiliated entities.”

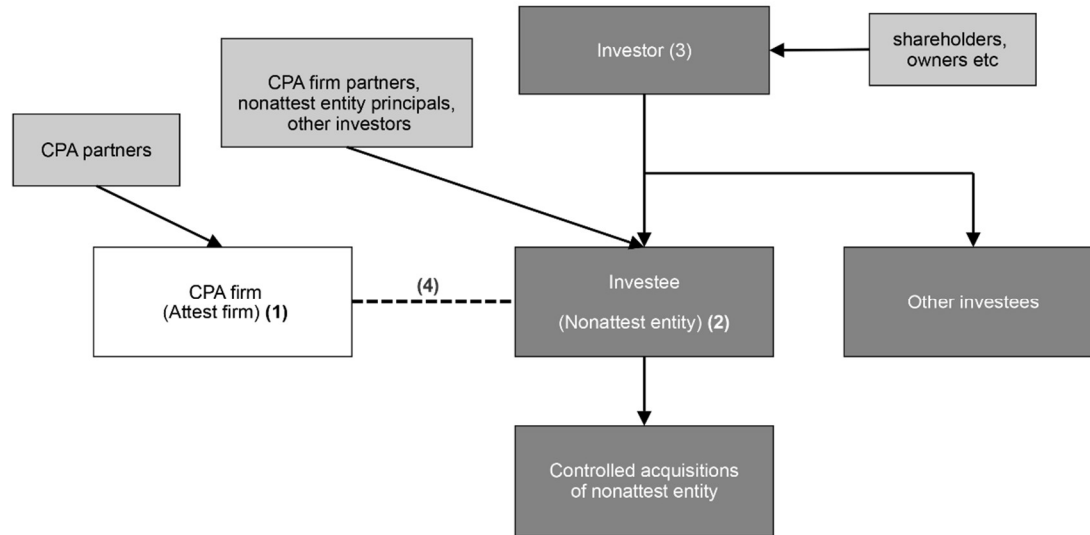
for consideration by the AICPA/NASBA Uniform Accountancy Act Committee; a PE Task Force report highlighting key questions and concerns; and future webinars and presentations educating stakeholders on this topic.

Appendix 1: Sources

- Journal of Accountancy, *Private Equity Eyes CPA firms Large and Small*, Feb. 1, 2023.
- Thomson Reuters, *The Rise of Private Equity in Accounting: Not Just for Large Firms Anymore*, Aug. 20, 2024.
- CFO Brew, *Private Equity is Reshaping the Accounting Profession*, Sept. 17, 2024.
- Wall Street Journal, *Private Equity's Ties to Companies' Auditors Have Never Been Closer. That Worries Some Regulators*, Oct. 30, 2024.
- CFO Brew, *Private Equity Now Has a Stake in 20 of the Top 30 CPA Firms*, Nov. 20, 2024.
- Accounting Today, *Capital vs. Control: PE's Impact on CPA Firms*, Dec. 5, 2024.
- Bloomberg Tax, *Private Equity-Fueled Shakeup Coming for Accounting Industry*, April 30, 2025.
- Wall Street Journal, *Doctors Warn Accountants of Private-Equity Drain on Quality: You Could be Next*, May 7, 2025.
- Thomson Reuters, *Some Tax, Audit & CPA firms are Rejecting Private Equity in Favor of Independence*, May 30, 2025.

Appendix 2: Tables

Table 1: The following is a diagram of a typical APS structure, applicable to any investor.²³



LEGEND

Administrative Services Agreement

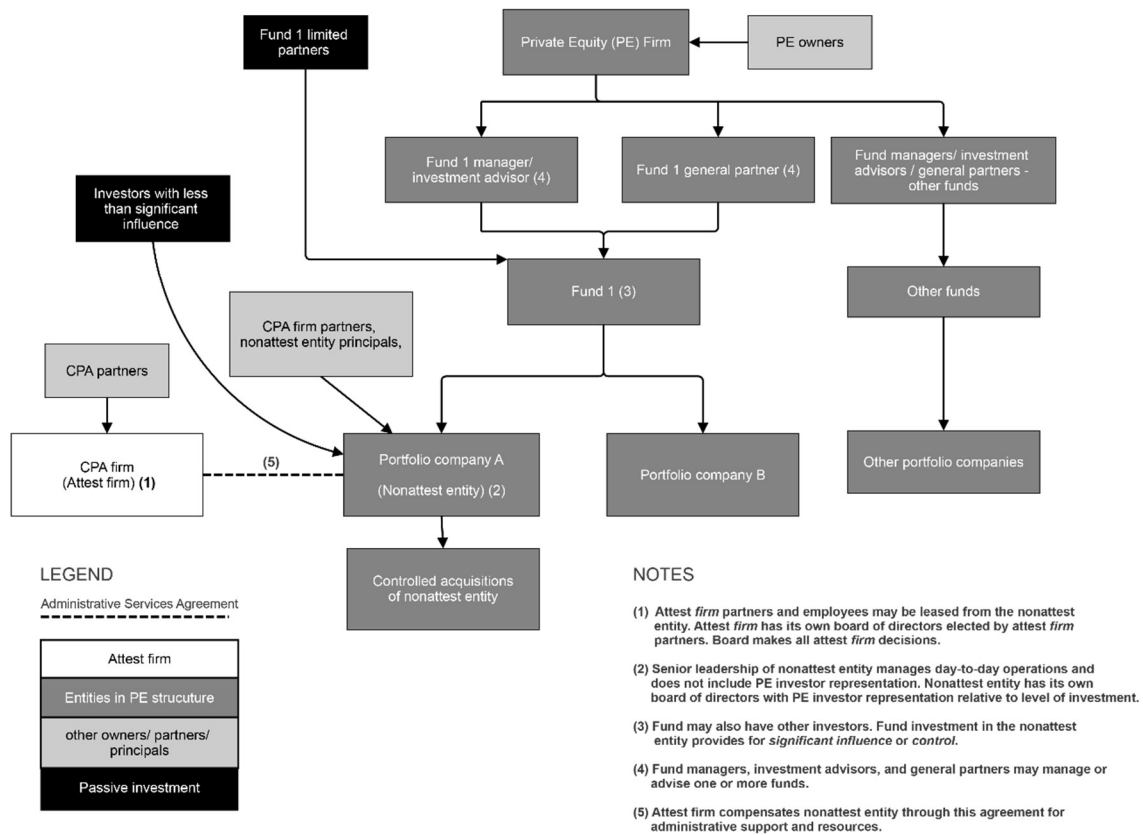
Attest firm
Entities in investor structure
other owners/ partners/ principals

NOTES

- (1) Attest firm partners and employees are leased from the nonattest entity. Attest firm has its own board of directors elected by attest firm partners. Attest firm board makes all attest firm decisions.
- (2) Senior leadership of nonattest entity manages day-to-day operations and does not include investor representation. Nonattest entity has its own board of directors with investor representation relative to level of investment.
- (3) Public or private investment in nonattest entity that provides for significant influence or control over the nonattest entity.
- (4) Attest firm compensates nonattest entity through this agreement for administrative support and resources.

²³ See AICPA Professional Ethics Division, *Potential revisions to the AICPA Code of Professional Conduct and guidance related to independence in alternative practice structures*, March 10, 2025.

Table 2: The following is a diagram of a typical ownership structure of a CPA firm operating in an APS model that has PE investment.²⁴



²⁴ See *id.*

David Nance

From: NASBA <info@nasba.org>
Sent: Tuesday, November 25, 2025 1:30 PM
To: David Nance
Subject: Key Information for State Boards on Degree Reclassification

This sender is trusted.

NASBA

Mission Driven - Member Focused



Dear State Board of Accountancy Members,

As you may be aware, a *Newsweek* article was published on Friday, November 21, 2025, which highlighted certain educational degrees not classified as 'professional.' This was in response to the U.S. Department of Education's proposed redefinition of "professional degrees" and the upcoming Repayment Assistance Plan (RAP). Among those degrees listed as non-professional is the accounting degree. This is important to note because whether a degree is classified as "professional" or "non-professional" will factor in determining a student's financial support through student loans. Students enrolled in programs deemed "professional" may be eligible for higher borrowing caps than those enrolled in programs classified as "non-professional."

NASBA wanted to provide each State Board of Accountancy with further information on the matter and let you know that NASBA opposes any federal policy that does not recognize a degree in accounting as being professional and thereby subjects students to

caps in educational loan amounts. NASBA believes this could have a negative impact on the CPA pipeline and therefore, more importantly, public protection.

In the Chair's Memo from the Fall 2025 NASBA *State Board Report*, Nicola 'Niki' Neilon, CPA, wrote that "... her sense of duty that she has gained throughout the years will guide her priorities as chair, which includes ensuring that NASBA continues to promote a well-regulated, *accessible* and responsive profession...." Reclassifying accounting as a non-professional degree could impact accessibility to the accounting profession and create a 'barrier to entry' to those seeking to become a CPA.

NASBA will continue to monitor and track this issue as it moves through the rulemaking process at the federal level and will work with all stakeholders to educate policymakers of the importance of classifying accounting as a professional degree.

To offer additional context, please refer to the [press release](#) issued by NASBA on Tuesday, November 25, 2025, the entire *Newsweek* article [here](#), along with the [legislation signed into law](#) that changed degree classification and educational loan limits. When reviewing the legislation, the student loan limits for graduate and professional students are in Sec. 81001, beginning on page 264; the definition of a "Professional Student" is found on page 265; and Low-Earning Outcome Programs are discussed on page 283. Additionally, please refer to [Section 668.2 of Title 34](#) of the Code of Federal Regulations, which provides key definitions pertaining to the regulations for Institutional Eligibility under the amended Higher Education Act of 1965.

If you have any questions or would like to discuss further, please contact me at kabsec@nasba.org.

Kent A. Absec

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Vice President, State Board Relations



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FOR IMMEDIATE RELEASE

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NASBA Responds to Federal Reclassification of Accounting Degrees as “Non-Professional”

NASHVILLE, Tenn. (Nov. 25, 2025) — The National Association of State Boards of Accountancy (NASBA) strongly opposes the U.S. Department of Education’s implementation of new student-loan policies that reclassify accounting degrees as “non-professional.”

“Classifying accountants as anything other than professionals fundamentally misrepresents the critical work CPAs perform, work that is responsible for the integrity of the global financial systems on which businesses and individuals rely,” said NASBA President and CEO Daniel J. Dustin, CPA. “There’s a reason certified public accountancy has been a licensed profession in the United States since 1896.”

The Department of Education change affects federal loan caps under the new Repayment Assistance Plan (RAP) that, beginning in July 2026, will reduce borrowing limits for accounting students to \$20,500 per year, compared to \$50,000 per year for degrees the Department now labels “professional.” A reduction in loan access may deter a broad range of students from entering the CPA profession at a time when the complexity of markets and businesses require a robust and educated workforce. NASBA maintains that federal policy must accurately reflect the realities of professional CPA licensure, as economic stability and protection of the public depend on a strong and well-regulated accounting profession.

This reclassification also departs sharply from established federal and state definitions, and excludes many other long-recognized licensed professions, including those responsible for public health and safety, such as nursing, architecture, education, and engineering.

NASBA will consult with the 55 U.S. accounting jurisdictions it represents—that license the more than 653,000 CPAs in the United States—and will engage policymakers to ensure accounting is restored to the professional degree category.

NASBA stands ready to work collaboratively with policymakers to address this issue and to support solutions that strengthen the profession and protect the public.

About NASBA

Since 1908, the National Association of State Boards of Accountancy (NASBA) has served as a forum for the nation’s Boards of Accountancy, which administer the Uniform CPA Examination, license approximately 653,000 certified public accountants and regulate the practice of public accountancy in the United States.

NASBA’s mission is to enhance the effectiveness and advance the common interests of the Boards of Accountancy in meeting their regulatory responsibilities. The Association promotes the exchange of information among accountancy boards, serving the needs of the 55 U.S. jurisdictions.

NASBA is headquartered in Nashville, TN, with operations in San Juan, PR. To learn more about NASBA, visit www.nasba.org.

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AICPA, State CPA Societies Urge Department of Education to Recognize Accounting Programs as Professional Degree Programs

 aicpa-cima.com/news/article/aicpa-state-cpa-societies-urge-department-of-education-to-recognize

WASHINGTON, D.C. (Nov. 24, 2025) – The American Institute of CPAs (AICPA) and state CPA societies strongly oppose any proposal that fails to recognize accounting as a professional degree program.

The organizations are calling on the U.S. Department of Education to explicitly include accounting programs in the regulatory definition of “professional degree programs.” While higher education reforms were included in H.R. 1—commonly referred to as the One Big Beautiful Bill Act—the Department of Education only recently released proposed changes that would reclassify professional degree programs. Unfortunately, accounting is not currently listed among those programs.

“Recognizing accounting programs as professional degree programs is common sense,” said Mark Koziel, CPA, CGMA, the president and CEO of the AICPA. “It reflects the impact accountants make on the lives of individuals, the health of communities and the integrity of financial systems, as well as the rigorous path taken to become a licensed Certified Public Accountant.”

The definitions of professional degree programs help determine loan eligibility, which can be a critical differentiator for a student striving to complete an accounting degree program and become a CPA.

Becoming a licensed CPA involves meeting specific education requirements, passing the CPA Exam, and completing work experience under the supervision of another CPA. CPAs throughout their careers are bound by the ethical requirements of a code of conduct and must complete ongoing professional education, among other requirements, to remain licensed.

The combination of challenging initial licensure requirements and life-long commitment to protecting the public interest are hallmarks of accounting's status as a professional field. The federal government's own projections suggest that demand for accountants will continue to outstrip demand for jobs in general through 2034 (+5% growth vs. +3%, according to the Bureau of Labor Statistics), making it even more critical that support mechanisms such as recognition and financial aid are in place.

The AICPA and state CPA societies will continue to advocate strongly for accounting to be recognized as a professional degree program.

American Accounting Association Strongly Encourages U.S. Department of Education to Recognize Accounting as a Professional Program Under OBBBA Student-Loan Rules

NEWS PROVIDED BY

American Accounting Association

Nov 25, 2025, 18:05 ET

The American Accounting Association (AAA), the largest global community of accounting scholars and educators, strongly encourages the U.S. Department of Education (DOE) to formally recognize accounting as a professional degree program under the One Big Beautiful Bill Act (OBBBA) student-loan classification system.

SARASOTA, Fla., Nov. 25, 2025 /PRNewswire-PRWeb/ -- The American Accounting Association (AAA), the largest global community of accounting scholars and educators, strongly encourages the U.S. Department of Education (DOE) to formally recognize accounting as a professional degree program under the One Big Beautiful Bill Act (OBBBA) student-loan classification system.

Recent interpretations of federal regulations categorize only a narrow list of graduate programs as "professional degree" programs eligible for higher borrowing limits. Accounting, along with other high-skill, licensure-based fields, is absent from this list. This omission carries significant consequences for students, academic institutions, and the future of the accounting profession.

"Accounting is indisputably a profession," said AAA CEO Yvonne Hinson. "Accounting programs prepare graduates for licensure, demand rigorous professional preparation, and serve a critical public-interest role in ensuring transparency, trust, and integrity in financial reporting."

X Post this

"Accounting is indisputably a profession," said AAA CEO Yvonne Hinson. "Accounting programs prepare graduates for licensure, demand rigorous professional preparation, and serve a critical public-interest role in ensuring transparency, trust, and integrity in financial reporting. Excluding accounting from the federal definition of 'professional degree' programs is not consistent with the realities of practice."

Why the Classification Matters

Under OBBBA's revised student-loan framework:

- Graduate students in DOE-recognized "professional degree" programs may access borrowing levels up to \$50,000 annually.
- Students in programs not recognized as professional (including accounting) may be limited to \$20,500 annually.

This disparity risks:

- Reducing access to advanced accounting education
- Shrinking the pipeline of future CPAs, faculty, and researchers
- Undermining global competitiveness in the profession
- Weakening a critical workforce at a time when demand for accounting professionals is surging, particularly in analytics, sustainability reporting, technology-enabled assurance, and global compliance

A Need for Reclassification

The AAA urges the DOE to:

- Review and revise the classification of accounting programs within the OBBBA regulatory framework.
- Engage the accounting academic and professional community in shaping an accurate and equitable definition of professional programs.
- Ensure that student-loan access reflects the licensure-based, public-interest role of accounting.

"Accounting is a foundational profession globally," added 2025-2026 AAA President Mark Beasley. "Students preparing for careers in auditing, accounting, analytics, and regulatory oversight must have equitable access to graduate education. The public relies on qualified accountants, and federal policy should support and not undermine the talent pipeline."

AAA's Commitment

The AAA will work closely with other accounting professional associations, universities, policymakers, and peer organizations worldwide to advocate for an accurate classification of accounting within student-loan rules. As thought leaders in accounting for over 100 years, the AAA remains committed to ensuring that accounting education, research, and practice remain strong, diverse, and globally competitive.

About the American Accounting Association

Founded in 1916, the American Accounting Association is the premier international community of accounting scholars. With members in more than 100 countries, the AAA advances accounting education, research, and policy through its publications, conferences, and professional networks.

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Rosica Communications

SOURCE American Accounting Association

Full List of Degrees Not Classed As 'Professional' by Trump Admin

 [newsweek.com/full-list-degrees-professional-trump-administration-11085695](https://www.newsweek.com/full-list-degrees-professional-trump-administration-11085695)

Students doing certain degrees may no longer receive the same amount of reimbursement for their studies now that the Department of Education is implementing various measures from President Donald Trump's One Big Beautiful Bill.

One measure coming into action is that whether a degree is considered "professional" will influence how much reimbursement a student receives for their higher education.

However, there are a number of what many see as "professional" degrees missing from the new list, such a nursing, which sparked significant concern among nurses and nursing organizations.

Newsweek has contacted the Department of Education via email outside of regular hours for comment.

Why It Matters

It means that some people may no longer receive the same financial support because their degrees may not be deemed "professional," and students could therefore struggle to cover the costs. In turn, this could deter some people from pursuing certain high-demand careers.

It comes as the costs of doing a college degree are getting higher and higher—over the last 30 years the average tuition for both public and private colleges has doubled after adjusting for inflation, according to a report by NPR.

Read More

[What Degrees Not Being Classified as 'Professional' Means for Student Loans](#)4 min read

In just the last decade, costs of undergraduate tuition in public universities have also gone up by 30 percent, according to the University Herald, and some colleges were also set to bring in 4 percent cost hikes for this academic year as well.

What To Know

Under the terms of Trump's One Big Beautiful Bill, the Repayment Assistance Plan (RAP) will be brought in to replace previous programs.

This means that the Grad PLUS program, designed to help graduate and professional students cover educational expenses, will be scrapped while Parent PLUS loans, student loans available for parents of dependent undergraduate students, will be limited.

The "new and simplified" RAP will see annual loans for new borrowers capped at \$20,500 for graduate students and \$50,000 for professional students.

This means that what degrees count as professional and non-professional is now a determining factor in how much financial support students will receive.

In the regulatory definition of a professional degree (34 CFR 668.2) from 1965, the text lists a number of professions, but says a professional degree is "not limited to" those mentioned, meaning it is unclear how many of the degrees not counted professional now have always been considered non-professional.

That said, the occupations not deemed professional among the health care space include nursing, physician assistants, physical therapists and audiologists, according to the education news outlet Inside Higher Ed.

Per the outlet, other professions not included are architects, accountants, educators, and social workers—which sector representatives pushed to be included in the list, given that they are high-demand occupations.

It has also been reported that engineering, a business master's, counseling or therapy, and speech pathology will not be considered "professional" either.

Many are now concerned about the impact this will have on students training in these professions, with particular concern raised over how this could reduce the number of nurses across the country if less students decide to enter the profession over financial concerns.

The American Nurses Association has, as a result, started a petition to get the Department of Education to include nursing as a professional degree.

List of Degrees Not Classed as 'Professional' by Trump Admin

- Nursing
- Physician assistants
- Physical therapists
- Audiologists
- Architects
- Accountants
- Educators
- Social workers

What People Are Saying

Amy McGrath, a candidate for the U.S. Senate in Kentucky, wrote in a post on X: "Can someone explain how a theologian is considered more "professional" than a nurse practitioner? As part of the "Big Beautiful Bill" the Department of Education just proposed a reclassification of a "professional degree," and it means fewer students will qualify for the higher loan limits they need for grad school. Programs being excluded include many fields dominated by women like health care, counseling, and social work. This isn't a coincidence. This is a way to quietly push women out of professional careers. Limiting who can pursue advanced degrees in critical professions will only deepen the workforce shortages we're already facing."

American Association of Colleges of Nursing (AACN) said in a statement: "Excluding nursing from the definition of professional degree programs disregards decades of progress toward parity across the health professions and contradicts the Department's own acknowledgment that professional programs are those leading to licensure and direct practice. AACN recognizes that explicitly including postbaccalaureate nursing education as professional is essential for strengthening the nation's health care workforce, supporting the next generation of nurses, and ultimately supporting the health care of patients in communities across the country."

Kevin Kinser, professor of education policy studies at Pennsylvania State University, told *Newsweek*: "I don't think the point is to discern professional degrees from other degrees in terms of loan eligibility. It is to limit the exposure of the government to loans that will not be repaid, whether because of default or through public service loan forgiveness policies. So the list includes professions that generally result in high salaries, and neglect professions that have lower earnings or less prominence. The exception here is theology, which may reflect more political calculations than anything else. There is also less of a sense of using loans to encourage people to enroll in other programs from a workforce development perspective. We need nurses and teachers for example, yet loans would be unavailable to support people entering these professions."

He added: "As a wider impact, on the positive side, it will prevent people from taking on unreasonable amount of debt for the salaries they can expect to receive in employment. It will also reduce the incentive for universities to use professional programs as cash cows and increase the pressure on affordability. On the down side, it is yet another pressure point that universities are faced with as their business models are upended by sharp breaks from previous policies. Many institutions will struggle to readjust. For institutions that value public service, such as land grant institutions, it may be especially difficult to maintain community commitments to providing relevant educational credentials when the financial support for these has been reduced or eliminated."

Paul Gaston, a professor of English at Kent State University, told *Newsweek*: "There are two different issues. One is abstract, an argument about definitions: which disciplines should be regarded as "professional?" Definitions that appear contrary to common sense should be reexamined. By what conceivable standard are nursing, physical therapy, and audiology not to be regarded as "professional?" It should be obvious that nursing and allied health programs prepare students to enter the health care professions."

He added: "But the more important issue is whether funding policies driven by specific bureaucratic definitions serve the public good. If such policies discourage or prevent students from pursuing an education to become health care professionals, American citizens will face an increasing challenge in gaining access to health care. A patient refused a hospital bed because of a nursing shortage will have little patience for discussions of definitions."

He also said: "The abstract questions should not be ignored, and the definitions being used to allocate funding should be examined and refined. There is no lack of evidence that could fuel a good discussion. For instance, the case can be made that liberal arts programs preparing individuals for corporate leadership or legal studies or journalism should also be regarded as "professional." But the immediate priority should be that higher education funding policies serve the obvious public good and, in this case, public health."

Peter Lake, a professor of law, and the chair and director of the Center for Excellence in Higher Education Law and Policy at Stetson Law, told *Newsweek*: "There are a variety of what I have come to know as "learned professions" under other legal standards that the current administration does not consider to be professions for extended loan opportunities, notably a variety in the health care field such as nursing. A learned profession features specialized higher education training and skills, licensure requirements and accelerated accountability by the profession itself and/or legal consequences for malpractice under professional standards of care. The federal administration in my view should track more commonly held views of what qualifies as a profession under the law."

He added: "The impacts of narrowly construing professions could include barriers to opportunities for students seeking a career in what is otherwise considered a profession under other legal standards. The private loan market might not be sufficient or sufficiently affordable especially for promising students who have faced economic challenges. There may be some pressure as well on institutions to reduce tuition; and the major question is whether doing so might result in diminution of necessary instruction and training, particularly in person. As the current administration seeks to control the costs of professional education we are all waiting to see if the goal of efficiency competes with creating a sufficient future cadre of well-trained professionals."

Christopher Marsicano, chair and professor of educational studies at Davidson College, told *Newsweek*: "Nurse practitioners, physicians assistants, and physical therapists are all professionals who help relieve our national shortage in doctors. When doctors are overwhelmed and unavailable, nurses step into the void for patient care.

"I worry we've set in motion not just a national shortage of doctors but a future shortage of nurses as well. This policy change will make it harder for these hardworking individuals to manage debt when attending grad school and may lead to greater shortages of medical professionals."

What Happens Next

The new measures will be implemented from July 2026.

NATIONAL ORGANIZATION ITEMS (FYI)

C. NASBA Committee Updates

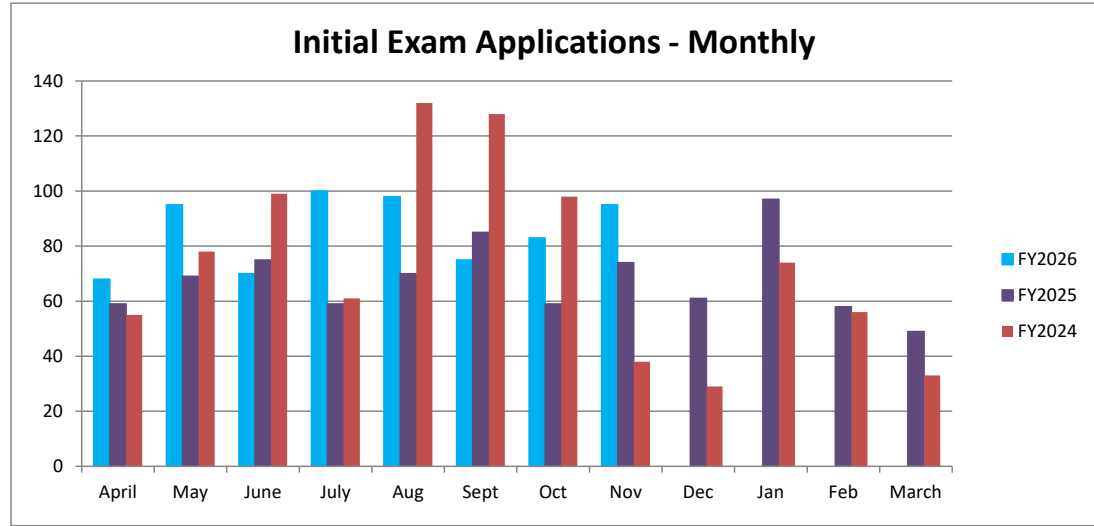
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STATE & LOCAL ORGANIZATION ITEMS

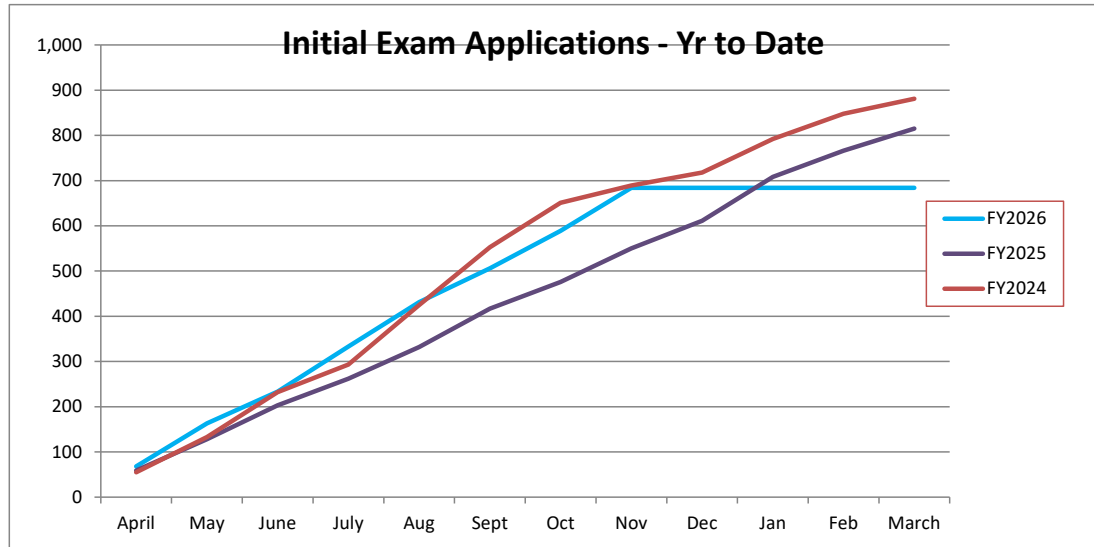
None

NC State Board of CPA Examiners
Monthly and Year-to-Date Operational Metrics

Exam Applications					
IntEx	2026	2025	2024	2023	2022
Mth	#	#	#	#	#
April	68	59	55	21	52
May	95	69	78	84	55
June	70	75	99	84	56
July	100	59	61	67	58
Aug	98	70	132	56	37
Sept	75	85	128	57	37
Oct	83	59	98	80	68
Nov	95	74	38	87	90
Dec	0	61	29	63	67
Jan	0	97	74	75	81
Feb	0	58	56	46	54
March	0	49	33	49	56
Avg	86	68	73	64	59



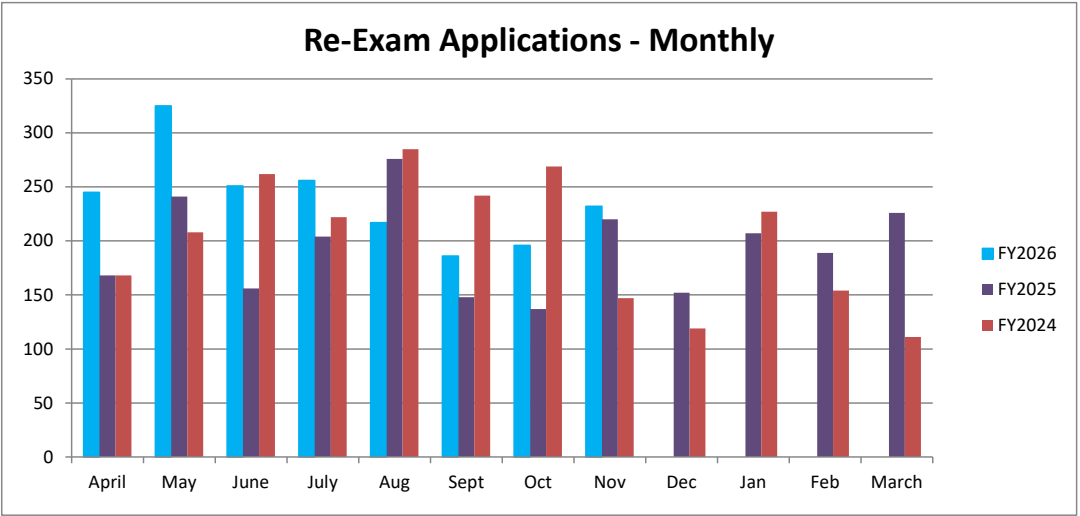
Exam Applications					
IntEx	2026	2025	2024	2023	2022
Mth	Sum	Sum	Sum	Sum	Sum
April	68	59	55	21	52
May	163	128	133	105	107
June	233	203	232	189	163
July	333	262	293	256	221
Aug	431	332	425	312	258
Sept	506	417	553	369	295
Oct	589	476	651	449	363
Nov	684	550	689	536	453
Dec	684	611	718	599	520
Jan	684	708	792	674	601
Feb	684	766	848	720	655
March	684	815	881	769	711



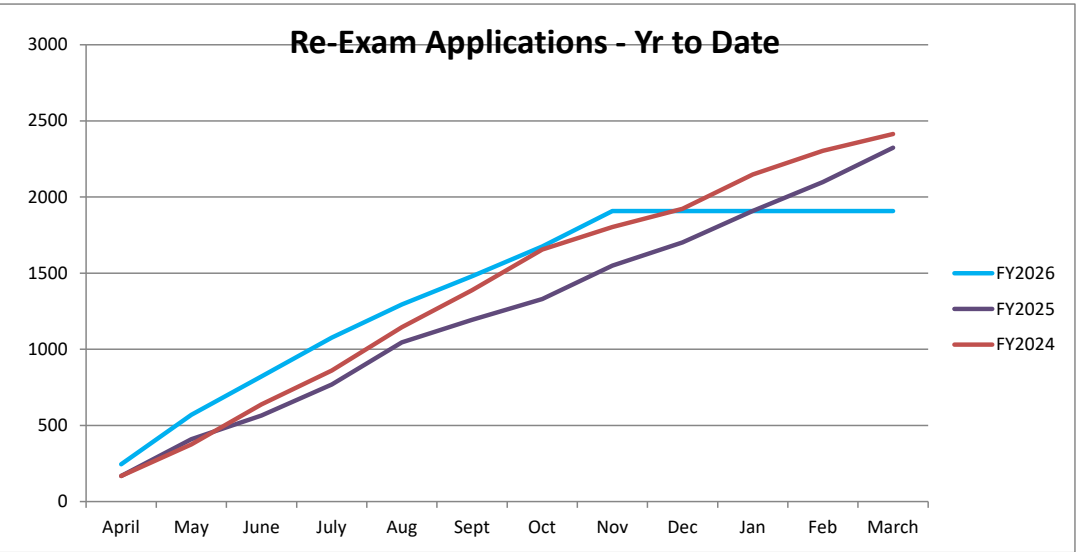
NC State Board of CPA Examiners Monthly and Year-to-Date Operational Metrics

Exam Applications					
Re-Ex	2026	2025	2024	2023	2022
Mth	#	#	#	#	#
April	245	168	168	131	164
May	325	241	208	178	186
June	251	156	262	172	182
July	256	204	222	187	177
Aug	217	276	285	187	168
Sept	186	148	242	140	111
Oct	196	137	269	149	139
Nov	232	220	147	169	152
Dec	0	152	119	142	110
Jan	0	207	227	156	134
Feb	0	189	154	141	110
March	0	226	111	192	141

Avg	239	194	201	162	148
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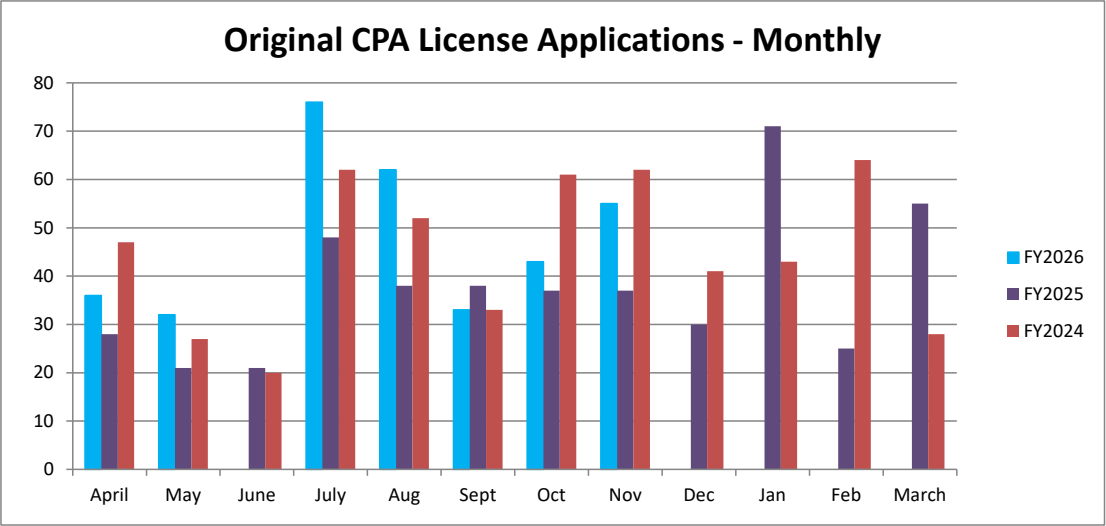


Exam Applications					
Re-Ex	2026	2025	2024	2023	2022
Mth	Sum	Sum	Sum	Sum	Sum
April	245	168	168	131	164
May	570	409	376	309	350
June	821	565	638	481	532
July	1077	769	860	668	709
Aug	1294	1045	1145	855	877
Sept	1480	1193	1387	995	988
Oct	1676	1330	1656	1144	1127
Nov	1908	1550	1803	1313	1279
Dec	1908	1702	1922	1455	1389
Jan	1908	1909	2149	1611	1523
Feb	1908	2098	2303	1752	1633
March	1908	2324	2414	1944	1774

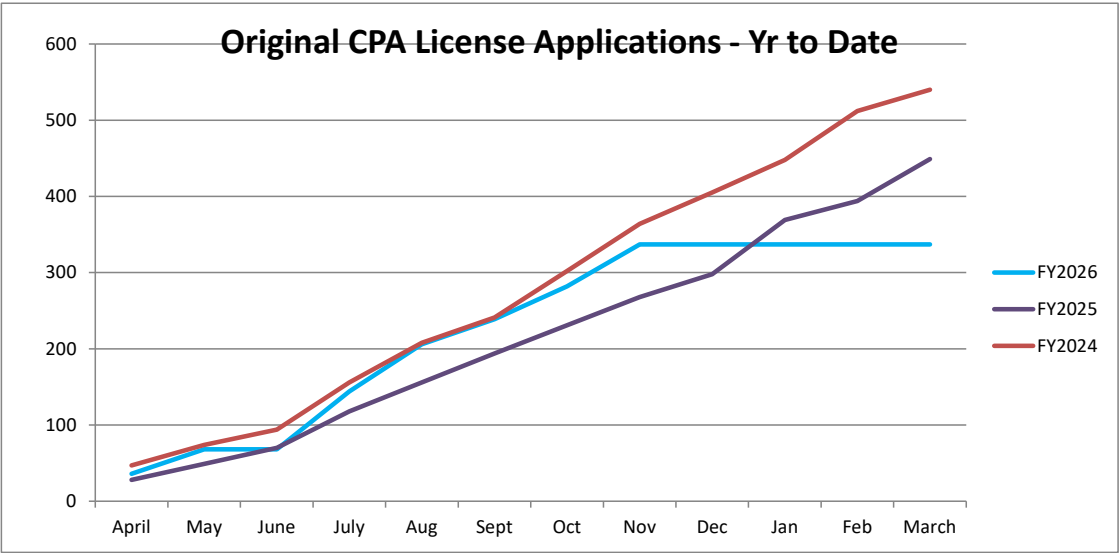


NC State Board of CPA Examiners
Monthly and Year-to-Date Operational Metrics

License Applications					
OrgL	2026	2025	2024	2023	2022
Mth	#	#	#	#	#
April	36	28	47	44	41
May	32	21	27	39	50
June	0	21	20	22	0
July	76	48	62	50	75
Aug	62	38	52	57	31
Sept	33	38	33	30	42
Oct	43	37	61	34	46
Nov	55	37	62	47	48
Dec	0	30	41	38	32
Jan	0	71	43	44	60
Feb	0	25	64	32	47
March	0	55	28	40	30
Avg	42	37	45	40	42

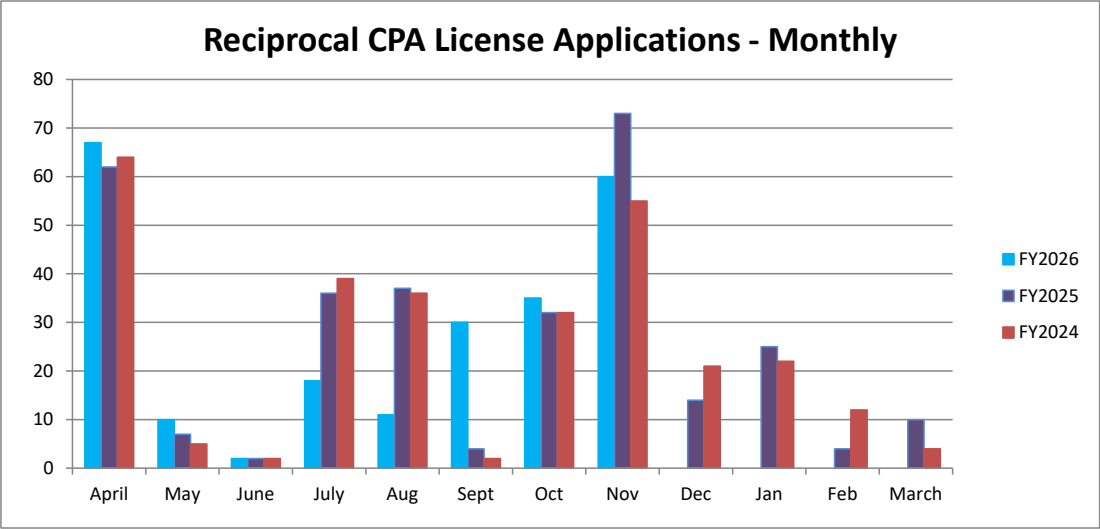


License Applications					
OrgL	2026	2025	2024	2023	2022
Mth	Sum	Sum	Sum	Sum	Sum
April	36	28	47	44	41
May	68	49	74	83	91
June	68	70	94	105	91
July	144	118	156	155	166
Aug	206	156	208	212	197
Sept	239	194	241	242	239
Oct	282	231	302	276	285
Nov	337	268	364	323	333
Dec	337	298	405	361	365
Jan	337	369	448	405	425
Feb	337	394	512	437	472
March	337	449	540	477	502

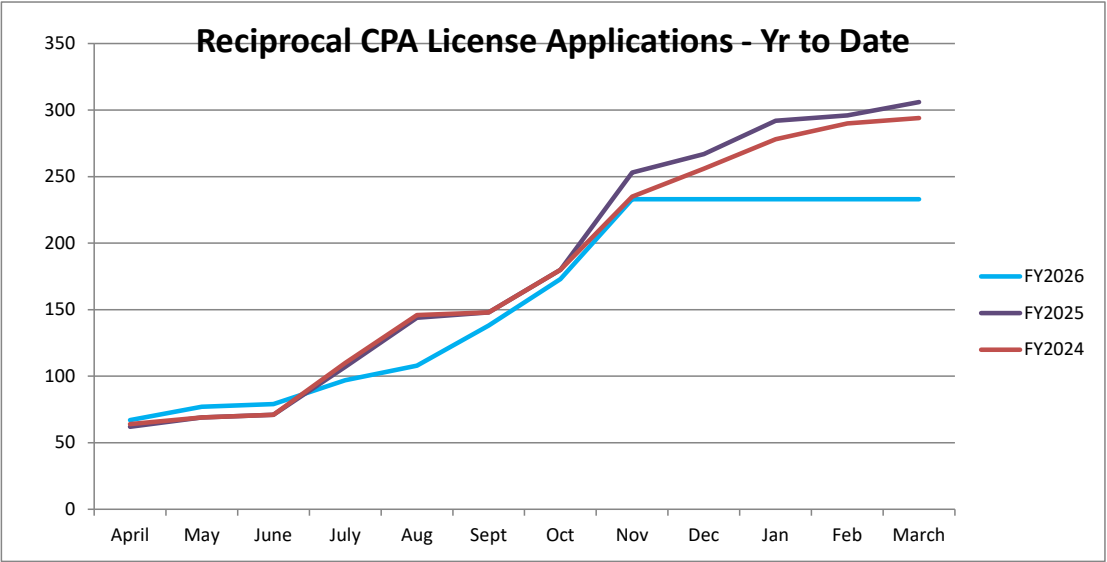


NC State Board of CPA Examiners Monthly and Year-to-Date Operational Metrics

License Applications					
Recp	2026	2025	2024	2023	2022
Mth	#	#	#	#	#
April	67	62	64	81	55
May	10	7	5	8	7
June	2	2	2	3	1
July	18	36	39	50	39
Aug	11	37	36	24	37
Sept	30	4	2	1	2
Oct	35	32	32	57	47
Nov	60	73	55	67	74
Dec	0	14	21	15	27
Jan	0	25	22	30	33
Feb	0	4	12	9	11
March	0	10	4	11	7
Avg	29	26	25	30	28

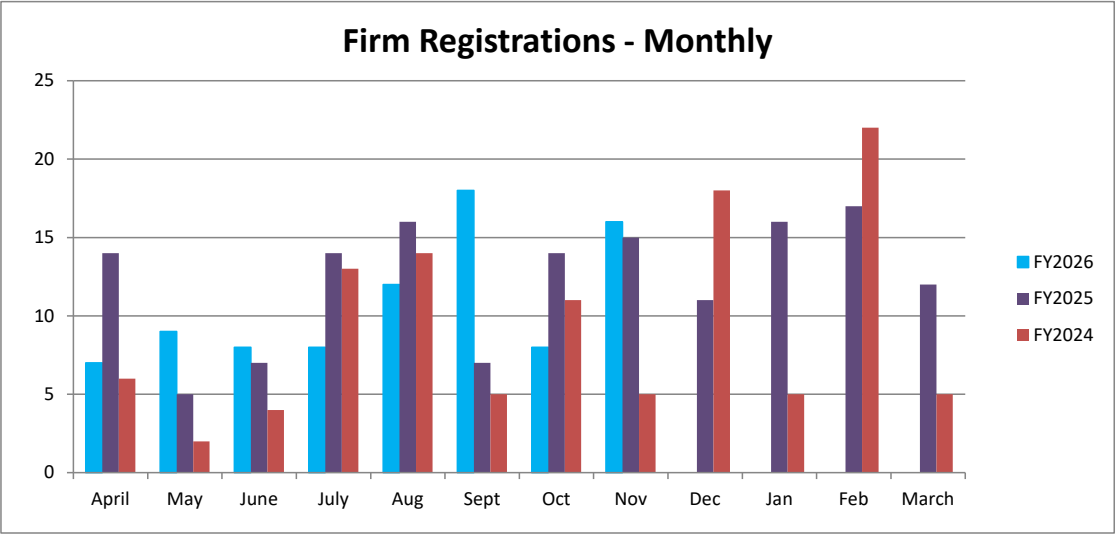


License Applications					
Recp	2026	2025	2024	2023	2022
Mth	Sum	Sum	Sum	Sum	Sum
April	67	62	64	81	55
May	77	69	69	89	62
June	79	71	71	92	63
July	97	107	110	142	102
Aug	108	144	146	166	139
Sept	138	148	148	167	141
Oct	173	180	180	224	188
Nov	233	253	235	291	262
Dec	233	267	256	306	289
Jan	233	292	278	336	322
Feb	233	296	290	345	333
March	233	306	294	356	340

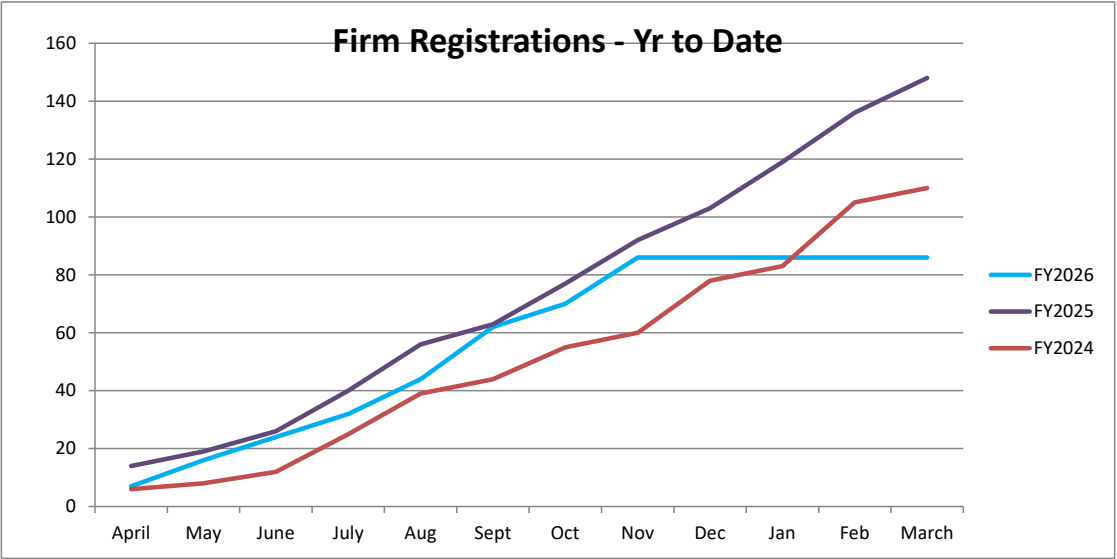


NC State Board of CPA Examiners Monthly and Year-to-Date Operational Metrics

Firm Registration					
Firm	2026	2025	2024	2023	2022
Mth	#	#	#	#	#
April	7	14	6	7	7
May	9	5	2	4	4
June	8	7	4	11	11
July	8	14	13	15	15
Aug	12	16	14	10	10
Sept	18	7	5	6	6
Oct	8	14	11	4	4
Nov	16	15	5	12	12
Dec	0	11	18	25	25
Jan	0	16	5	15	15
Feb	0	17	22	7	7
March	0	12	5	8	8
Avg	11	12	9	10	10



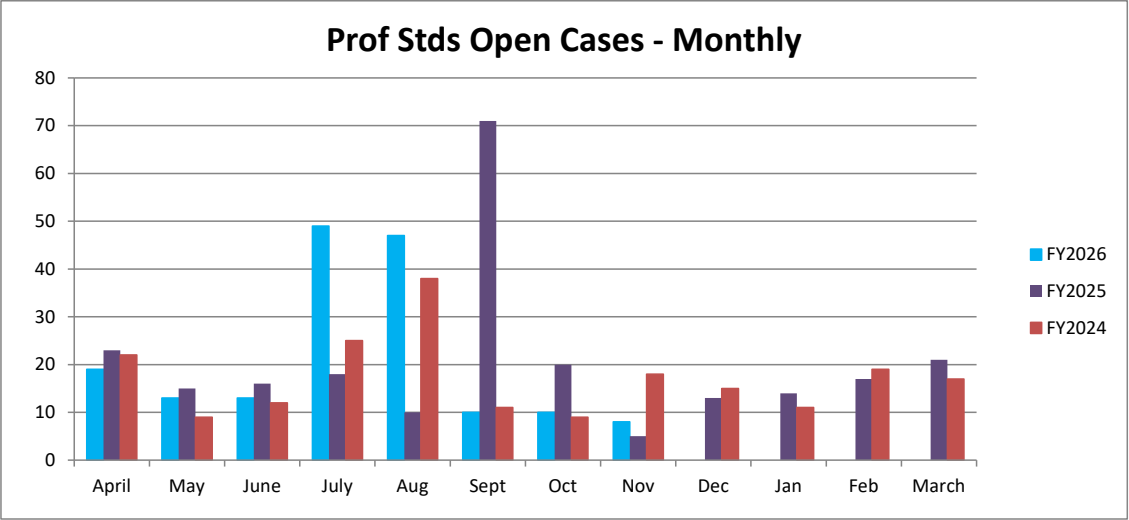
Firm Registration					
Firm	2026	2025	2024	2023	2022
Mth	Sum	Sum	Sum	Sum	Sum
April	7	14	6	7	7
May	16	19	8	11	11
June	24	26	12	22	22
July	32	40	25	37	37
Aug	44	56	39	47	47
Sept	62	63	44	53	53
Oct	70	77	55	57	57
Nov	86	92	60	69	69
Dec	86	103	78	94	94
Jan	86	119	83	109	109
Feb	86	136	105	116	116
March	86	148	110	124	124



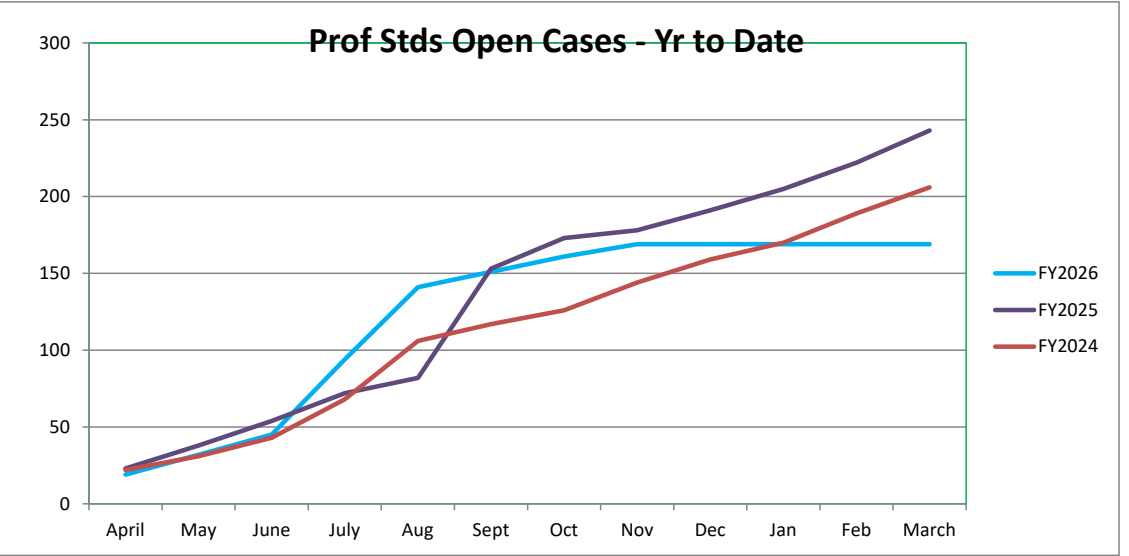
NC State Board of CPA Examiners Monthly and Year-to-Date Operational Metrics

Prf Stds Cases					
Open	2026	2025	2024	2023	2022
Mth	#	#	#	#	#
April	19	23	22	21	9
May	13	15	9	21	8
June	13	16	12	35	37
July	49	18	25	25	18
Aug	47	10	38	35	18
Sept	10	71	11	24	13
Oct	10	20	9	24	19
Nov	8	5	18	7	21
Dec	0	13	15	23	11
Jan	0	14	11	14	31
Feb	0	17	19	12	33
March	0	21	17	41	38

Avg	21	20	17	24	21
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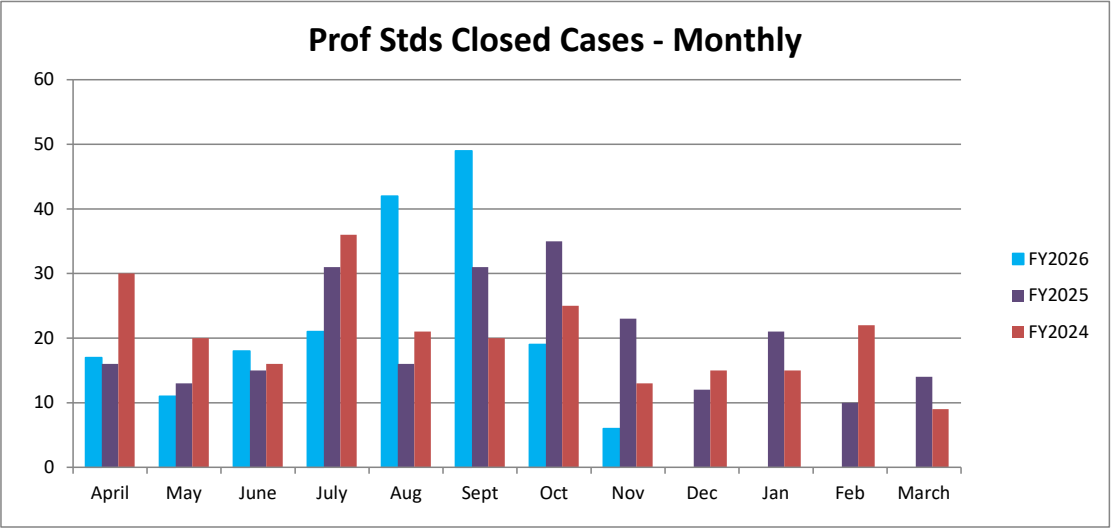


Prf Stds Cases					
Open	2026	2025	2024	2023	2022
Mth	Sum	Sum	Sum	Sum	Sum
April	19	23	22	21	9
May	32	38	31	42	17
June	45	54	43	77	54
July	94	72	68	102	72
Aug	141	82	106	137	90
Sept	151	153	117	161	103
Oct	161	173	126	185	122
Nov	169	178	144	192	143
Dec	169	191	159	215	154
Jan	169	205	170	229	185
Feb	169	222	189	241	218
March	169	243	206	282	256

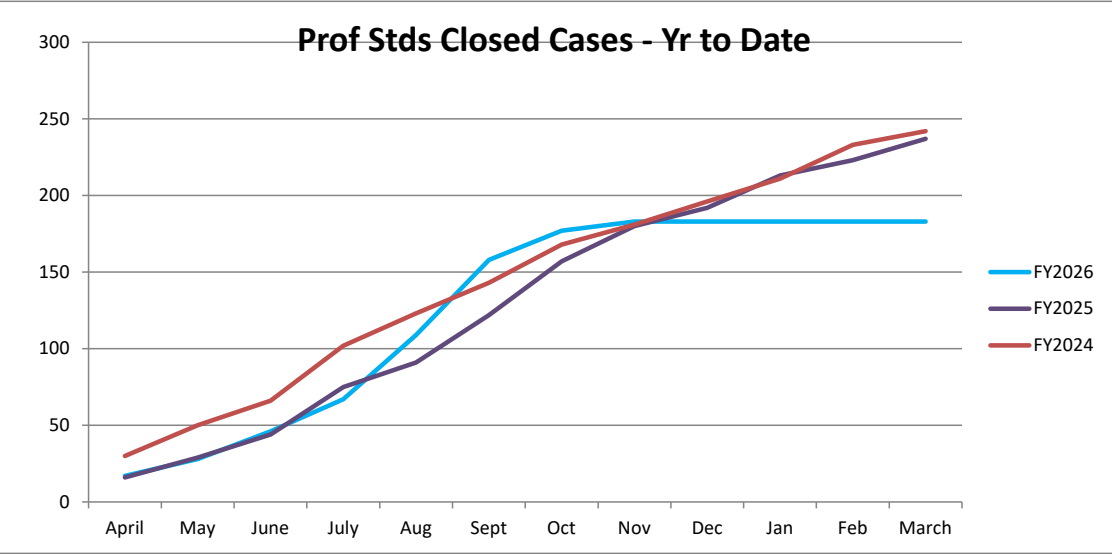


NC State Board of CPA Examiners Monthly and Year-to-Date Operational Metrics

Prf Stds Cases					
Closed	2026	2025	2024	2023	2022
Mth	#	#	#	#	#
April	17	16	30	38	23
May	11	13	20	19	4
June	18	15	16	15	17
July	21	31	36	19	21
Aug	42	16	21	21	18
Sept	49	31	20	21	35
Oct	19	35	25	12	17
Nov	6	23	13	19	14
Dec	0	12	15	33	9
Jan	0	21	15	22	18
Feb	0	10	22	21	29
March	0	14	9	25	23
Avg	23	20	20	22	19

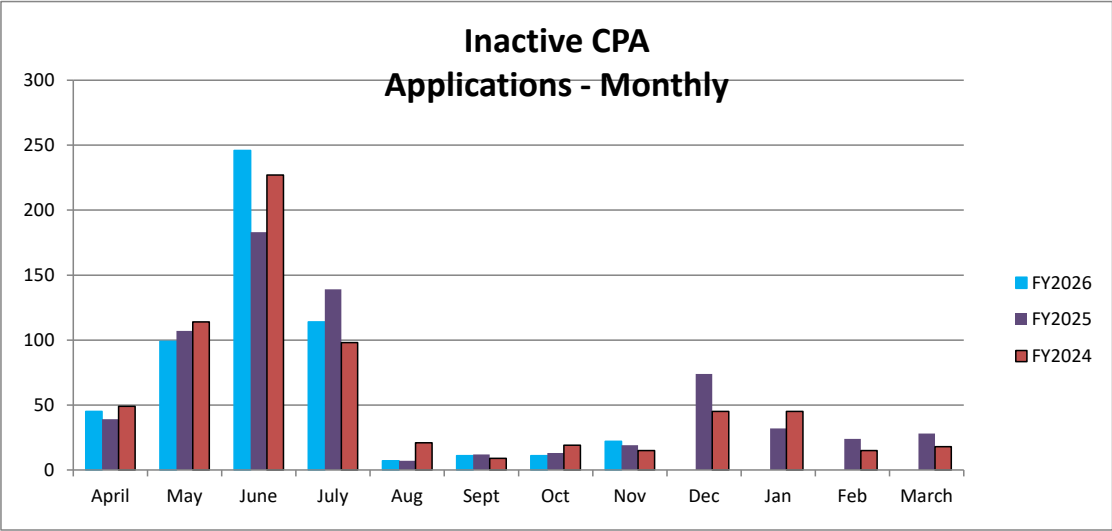


Prf Stds Cases					
Closed	2026	2025	2024	2023	2022
Mth	Sum	Sum	Sum	Sum	Sum
April	17	16	30	38	23
May	28	29	50	57	27
June	46	44	66	72	44
July	67	75	102	91	65
Aug	109	91	123	112	83
Sept	158	122	143	133	118
Oct	177	157	168	145	135
Nov	183	180	181	164	149
Dec	183	192	196	197	158
Jan	183	213	211	219	176
Feb	183	223	233	240	205
March	183	237	242	265	228

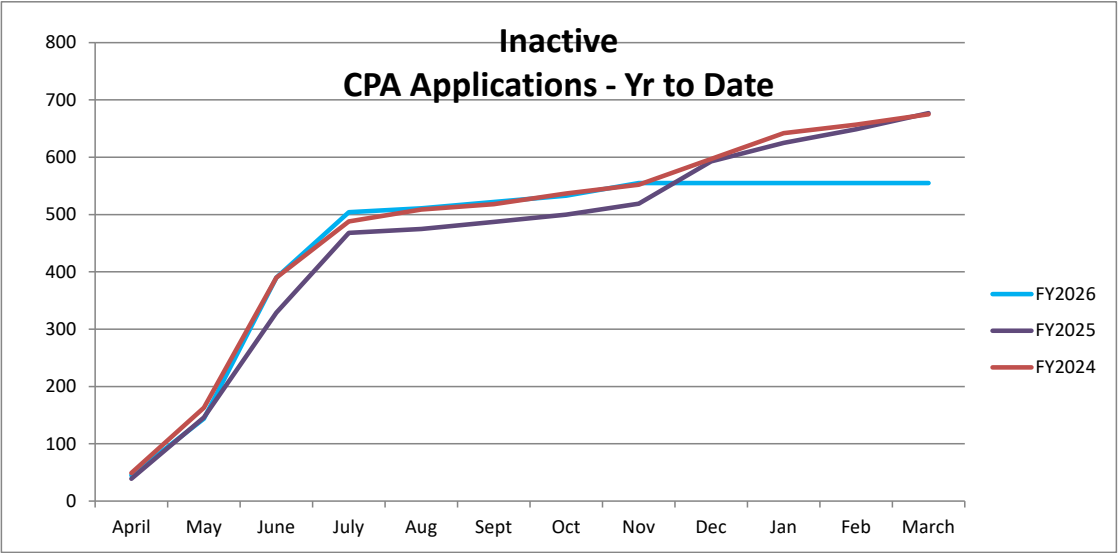


NC State Board of CPA Examiners
Monthly and Year-to-Date Operational Metrics

Inactive Applications					
InAct	2026	2025	2024	2023	2022
Mth	#	#	#	#	#
April	45	39	49	30	23
May	99	107	114	67	54
June	246	183	227	309	281
July	114	139	98	98	105
Aug	7	7	21	14	18
Sept	11	12	9	7	10
Oct	11	13	19	9	21
Nov	22	19	15	25	29
Dec	0	74	45	52	59
Jan	0	32	45	78	69
Feb	0	24	15	18	19
March	0	28	18	19	32
Avg	69	56	56	61	60

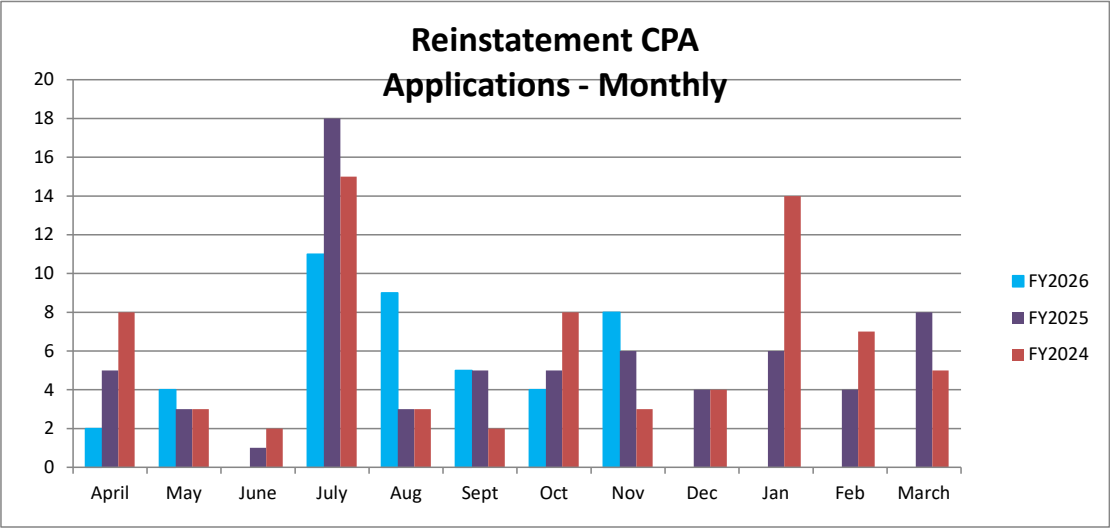


Inactive Applications					
InAct	2026	2025	2024	2023	2022
Mth	Sum	Sum	Sum	Sum	Sum
April	45	39	49	30	23
May	144	146	163	97	77
June	390	329	390	406	358
July	504	468	488	504	463
Aug	511	475	509	518	481
Sept	522	487	518	525	491
Oct	533	500	537	534	512
Nov	555	519	552	559	541
Dec	555	593	597	611	600
Jan	555	625	642	689	669
Feb	555	649	657	707	688
March	555	677	675	726	720

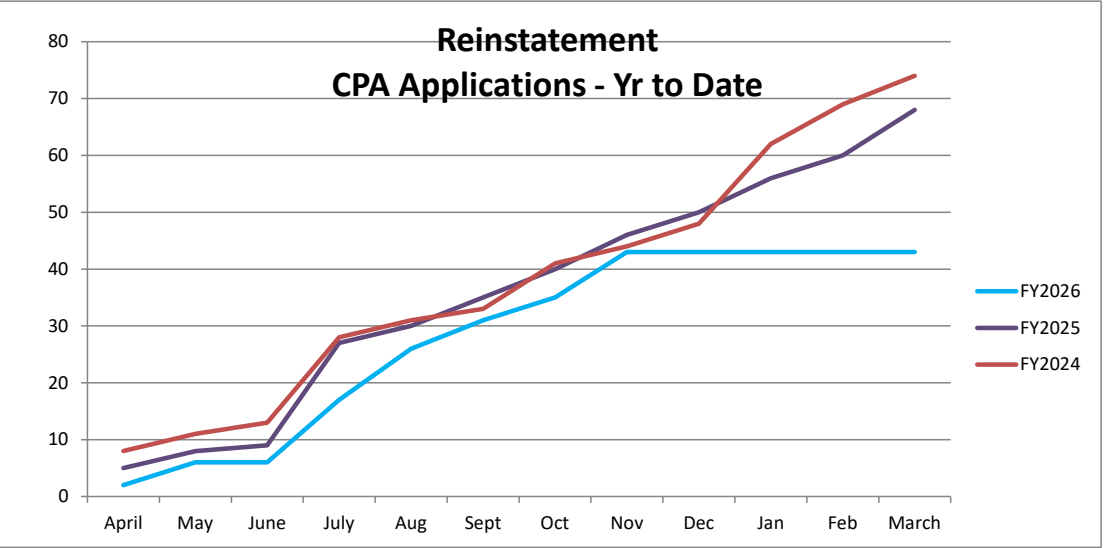


NC State Board of CPA Examiners Monthly and Year-to-Date Operational Metrics

Reinstatement Applications					
Re-Inst	2026	2025	2024	2023	2022
Mth	#	#	#	#	#
April	2	5	8	8	6
May	4	3	3	6	1
June	0	1	2	3	0
July	11	18	15	12	13
Aug	9	3	3	8	2
Sept	5	5	2	6	4
Oct	4	5	8	5	7
Nov	8	6	3	5	6
Dec	0	4	4	5	7
Jan	0	6	14	7	6
Feb	0	4	7	3	6
March	0	8	5	4	5
Avg	5	6	6	6	5

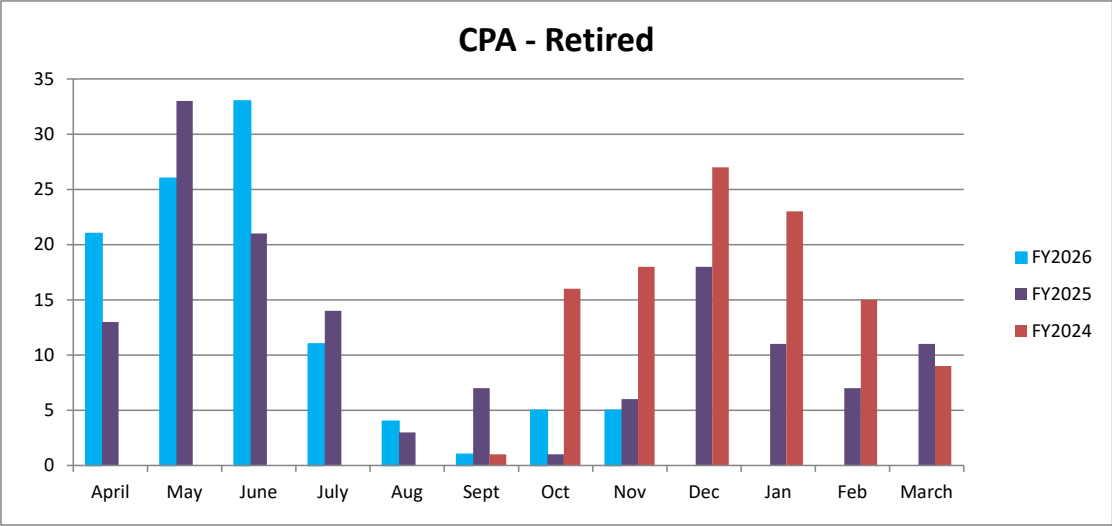


Reinstatement Applications					
Re-Inst	2026	2025	2024	2023	2022
Mth	Sum	Sum	Sum	Sum	Sum
April	2	5	8	8	6
May	6	8	11	14	7
June	6	9	13	17	7
July	17	27	28	29	20
Aug	26	30	31	37	22
Sept	31	35	33	43	26
Oct	35	40	41	48	33
Nov	43	46	44	53	39
Dec	43	50	48	58	46
Jan	43	56	62	65	52
Feb	43	60	69	68	58
March	43	68	74	72	63



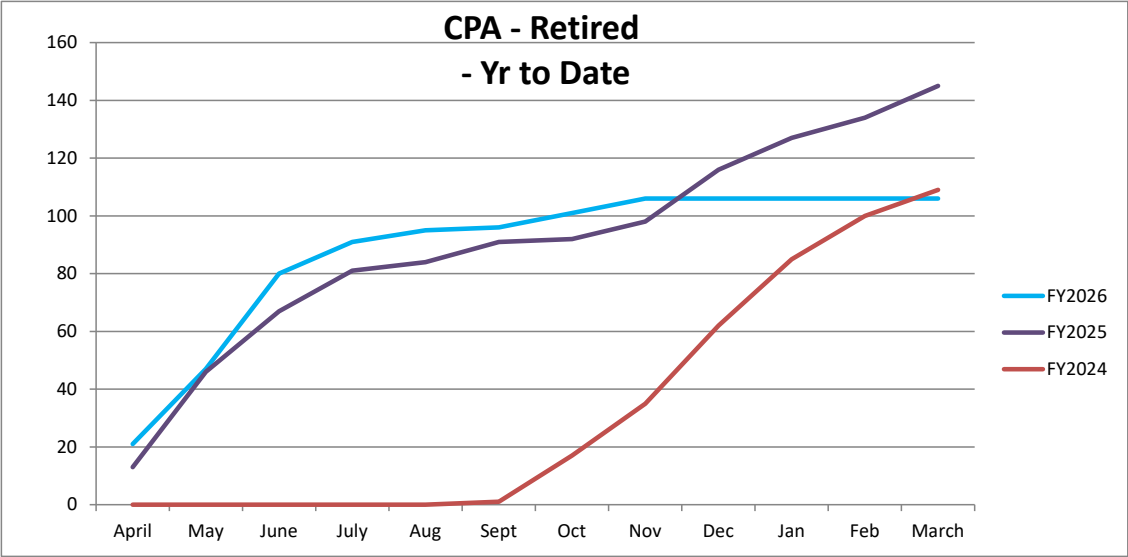
NC State Board of CPA Examiners Monthly and Year-to-Date Operational Metrics

CPA-Retired					
Count	2026	2025	2024	2023	2022
Mth	#	#	#	#	#
April	21	13	0	0	0
May	26	33	0	0	0
June	33	21	0	0	0
July	11	14	0	0	0
Aug	4	3	0	0	0
Sept	1	7	1	0	0
Oct	5	1	16	0	0
Nov	5	6	18	0	0
Dec	0	18	27	0	0
Jan	0	11	23	0	0
Feb	0	7	15	0	0
March	0	11	9	0	0
Avg	13	21	9	0	0



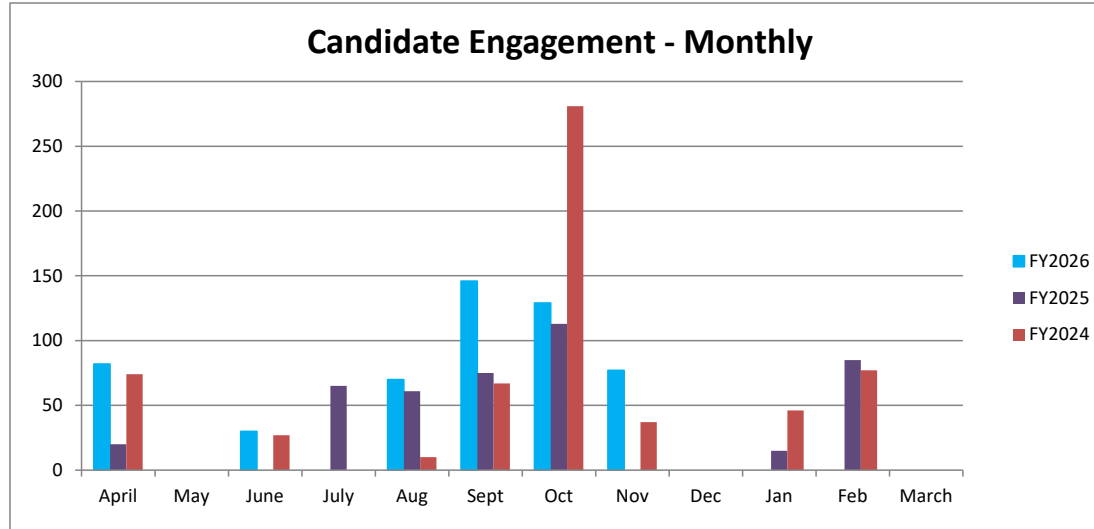
Began Sept 2023

CPA Retired					
Count	2026	2025	2024	2023	2022
Mth	Sum	Sum	Sum	Sum	Sum
April	21	13	0	0	0
May	47	46	0	0	0
June	80	67	0	0	0
July	91	81	0	0	0
Aug	95	84	0	0	0
Sept	96	91	1	0	0
Oct	101	92	17	0	0
Nov	106	98	35	0	0
Dec	106	116	62	0	0
Jan	106	127	85	0	0
Feb	106	134	100	0	0
March	106	145	109	0	0



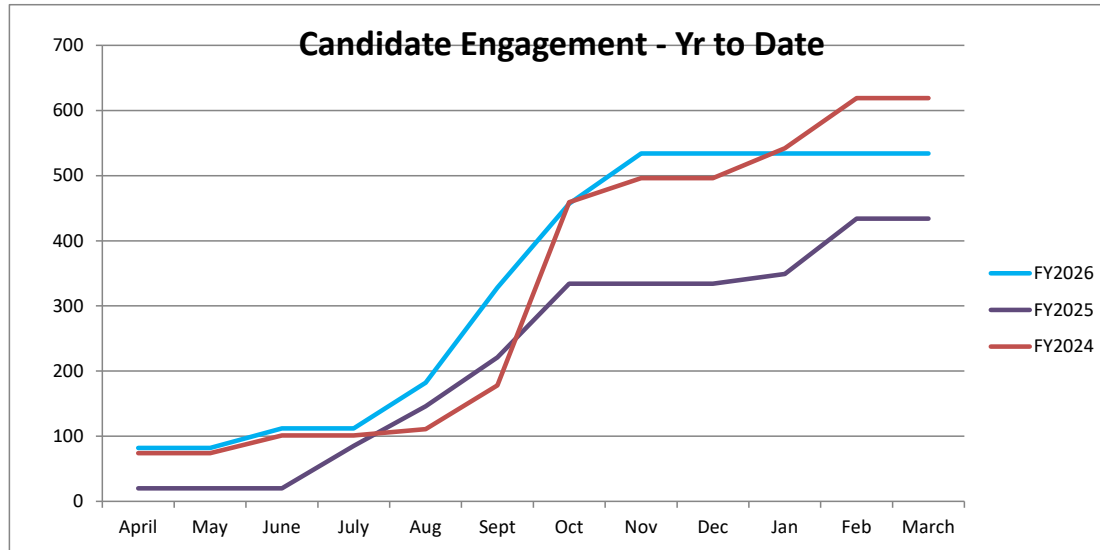
NC State Board of CPA Examiners Monthly and Year-to-Date Operational Metrics

Candidate Engagement*					
Count	2026	2025	2024	2023	2022
Mth	#	#	#	#	#
April	82	20	74	0	0
May	0	0	0	0	0
June	30	0	27	0	0
July	0	65	0	0	0
Aug	70	61	10	15	0
Sept	146	75	67	130	0
Oct	129	113	281	139	0
Nov	77	0	37	53	0
Dec	0	0	0	0	0
Jan	0	15	46	0	0
Feb	0	85	77	70	0
March	0	0	0	61	0
Avg	67	36	77	39	0



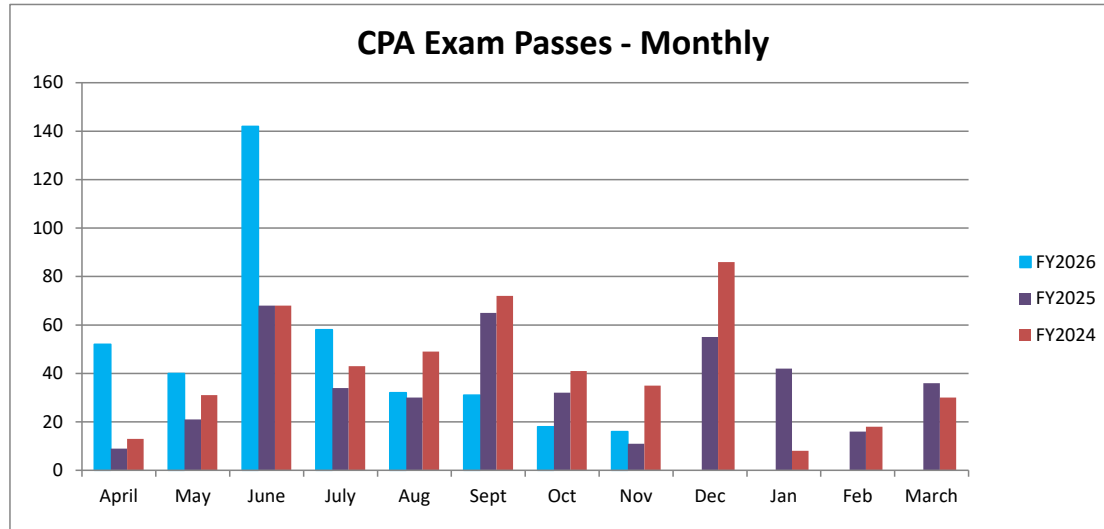
* Candidate Presentations as scheduled in concert with needs of various campuses, not including instructors and staff
Started tracking 8/22

Candidate Engagement					
Count	2026	2025	2024	2023	2022
Mth	Sum	Sum	Sum	Sum	Sum
April	82	20	74	0	0
May	82	20	74	0	0
June	112	20	101	0	0
July	112	85	101	0	0
Aug	182	146	111	15	0
Sept	328	221	178	145	0
Oct	457	334	459	284	0
Nov	534	334	496	337	0
Dec	534	334	496	337	0
Jan	534	349	542	337	0
Feb	534	434	619	407	0
March	534	434	619	468	0



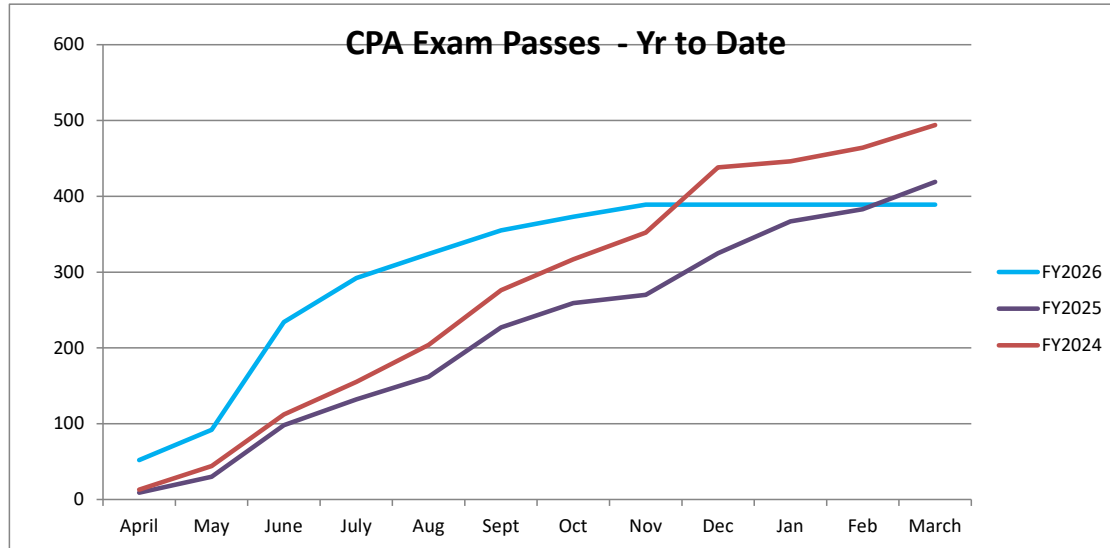
NC State Board of CPA Examiners Monthly and Year-to-Date Operational Metrics

Exam Passes					
Count	2026	2025	2024	2023	2022
Mth	#	#	#	#	#
April	52	9	13	12	15
May	40	21	31	26	32
June	142	68	68	46	48
July	58	34	43	29	49
Aug	32	30	49	51	35
Sept	31	65	72	51	55
Oct	18	32	41	30	32
Nov	16	11	35	36	39
Dec	0	55	86	48	52
Jan	0	42	8	35	19
Feb	0	16	18	21	19
March	0	36	30	32	25
Avg	49	35	62	35	35



These results run approximately 2 months in arrears due to timing of score releases

Exam Passes					
Count	2026	2025	2024	2023	2022
Mth	Sum	Sum	Sum	Sum	Sum
April	52	9	13	12	15
May	92	30	44	38	47
June	234	98	112	84	95
July	292	132	155	113	144
Aug	324	162	204	164	179
Sept	355	227	276	215	234
Oct	373	259	317	245	266
Nov	389	270	352	281	305
Dec	389	325	438	329	357
Jan	389	367	446	364	376
Feb	389	383	464	385	395
March	389	419	494	417	420



Exam Applications			Certificate Applications			CPA Firm Registrations		Professional Stds Cases					Inactive		Reinstatement		CPA - Retired		Candidate Eng		Exam Passes	
Month	Initial	Re-Exam	Month	Original	Reciprocal	Month	Total	Month	Begin Bal	Open	Closed	End Bal	Month	Total	Month	Total	Month	Total	Month	Total	Month	Total
Jan-15	107	130	Jan-15	96	51	Jan-15	18	Jan-15	202	66	54	214	Jan-15	47	Jan-15	13	Jan-15	0	Jan-15	0	Jan-15	0
Feb-15	62	110	Feb-15	64	16	Feb-15	20	Feb-15	214	22	40	196	Feb-15	13	Feb-15	11	Feb-15	0	Feb-15	0	Feb-15	0
Mar-15	82	227	Mar-15	48	4	Mar-15	12	Mar-15	196	40	38	198	Mar-15	18	Mar-15	5	Mar-15	0	Mar-15	0	Mar-15	0
Apr-15	97	180	Apr-15	48	61	Apr-15	18	Apr-15	198	7	38	167	Apr-15	29	Apr-15	12	Apr-15	0	Apr-15	0	Apr-15	0
May-15	78	151	May-15	40	11	May-15	11	May-15	167	26	18	175	May-15	73	May-15	5	May-15	0	May-15	0	May-15	0
Jun-15	77	312	Jun-15	0	4	Jun-15	17	Jun-15	175	6	21	160	Jun-15	126	Jun-15	0	Jun-15	0	Jun-15	0	Jun-15	0
Jul-15	66	178	Jul-15	60	54	Jul-15	13	Jul-15	160	10	32	138	Jul-15	90	Jul-15	9	Jul-15	0	Jul-15	0	Jul-15	0
Aug-15	52	155	Aug-15	100	21	Aug-15	11	Aug-15	138	31	27	142	Aug-15	6	Aug-15	15	Aug-15	0	Aug-15	0	Aug-15	0
Sep-15	51	296	Sep-15	44	5	Sep-15	25	Sep-15	142	27	33	136	Sep-15	7	Sep-15	3	Sep-15	0	Sep-15	0	Sep-15	0
Oct-15	64	154	Oct-15	74	70	Oct-15	13	Oct-15	136	53	32	157	Oct-15	21	Oct-15	8	Oct-15	0	Oct-15	0	Oct-15	0
Nov-15	62	151	Nov-15	45	27	Nov-15	14	Nov-15	157	26	25	158	Nov-15	25	Nov-15	10	Nov-15	0	Nov-15	0	Nov-15	0
Dec-15	139	276	Dec-15	0	2	Dec-15	22	Dec-15	158	9	24	143	Dec-15	35	Dec-15	5	Dec-15	0	Dec-15	0	Dec-15	0
Jan-16	121	139	Jan-16	133	36	Jan-16	28	Jan-16	143	12	17	138	Jan-16	42	Jan-16	22	Jan-16	0	Jan-16	0	Jan-16	0
Feb-16	101	141	Feb-16	68	12	Feb-16	16	Feb-16	138	17	21	134	Feb-16	17	Feb-16	9	Feb-16	0	Feb-16	0	Feb-16	0
Mar-16	92	305	Mar-16	43	3	Mar-16	17	Mar-16	134	34	19	149	Mar-16	19	Mar-16	9	Mar-16	0	Mar-16	0	Mar-16	0
Apr-16	97	191	Apr-16	60	69	Apr-16	3	Apr-16	149	27	31	145	Apr-16	38	Apr-16	12	Apr-16	0	Apr-16	0	Apr-16	0
May-16	85	203	May-16	42	18	May-16	14	May-16	145	16	23	138	May-16	63	May-16	12	May-16	0	May-16	0	May-16	0
Jun-16	110	266	Jun-16	0	2	Jun-16	8	Jun-16	138	33	20	151	Jun-16	150	Jun-16	0	Jun-16	0	Jun-16	0	Jun-16	0
Jul-16	74	204	Jul-16	96	53	Jul-16	6	Jul-16	151	17	42	126	Jul-16	60	Jul-16	17	Jul-16	0	Jul-16	0	Jul-16	0
Aug-16	85	237	Aug-16	36	8	Aug-16	14	Aug-16	126	68	27	167	Aug-16	14	Aug-16	6	Aug-16	0	Aug-16	0	Aug-16	0
Sep-16	83	297	Sep-16	42	4	Sep-16	8	Sep-16	167	65	27	205	Sep-16	6	Sep-16	6	Sep-16	0	Sep-16	0	Sep-16	0
Oct-16	60	177	Oct-16	56	82	Oct-16	9	Oct-16	205	53	53	205	Oct-16	12	Oct-16	16	Oct-16	0	Oct-16	0	Oct-16	0
Nov-16	104	183	Nov-16	72	32	Nov-16	14	Nov-16	205	22	72	155	Nov-16	27	Nov-16	8	Nov-16	0	Nov-16	0	Nov-16	0
Dec-16	115	276	Dec-16	0	4	Dec-16	30	Dec-16	155	7	26	136	Dec-16	59	Dec-16	4	Dec-16	0	Dec-16	0	Dec-16	0
Jan-17	129	189	Jan-17	108	34	Jan-17	24	Jan-17	136	35	49	122	Jan-17	34	Jan-17	11	Jan-17	0	Jan-17	0	Jan-17	0
Feb-17	58	130	Feb-17	66	17	Feb-17	18	Feb-17	122	17	30	109	Feb-17	16	Feb-17	5	Feb-17	0	Feb-17	0	Feb-17	0
Mar-17	67	276	Mar-17	70	12	Mar-17	19	Mar-17	109	16	22	103	Mar-17	24	Mar-17	13	Mar-17	0	Mar-17	0	Mar-17	0
Apr-17	55	178	Apr-17	32	68	Apr-17	7	Apr-17	103	30	25	108	Apr-17	50	Apr-17	5	Apr-17	0	Apr-17	0	Apr-17	0
May-17	58	182	May-17	51	9	May-17	12	May-17	108	24	16	116	May-17	89	May-17	11	May-17	0	May-17	0	May-17	0
Jun-17	57	159	Jun-17	0	1	Jun-17	16	Jun-17	116	5	18	103	Jun-17	169	Jun-17	0	Jun-17	0	Jun-17	0	Jun-17	0
Jul-17	38	146	Jul-17	68	58	Jul-17	19	Jul-17	103	36	16	123	Jul-17	90	Jul-17	18	Jul-17	0	Jul-17	0	Jul-17	0
Aug-17	50	187	Aug-17	39	4	Aug-17	22	Aug-17	123	65	29	159	Aug-17	6	Aug-17	11	Aug-17	0	Aug-17	0	Aug-17	0
Sep-17	59	267	Sep-17	42	2	Sep-17	14	Sep-17	159	29	42	146	Sep-17	10	Sep-17	10	Sep-17	0	Sep-17	0	Sep-17	0
Oct-17	47	196	Oct-17	62	93	Oct-17	23	Oct-17	146	24	17	153	Oct-17	24	Oct-17	4	Oct-17	0	Oct-17	0	Oct-17	0
Nov-17	79	126	Nov-17	46	25	Nov-17	15	Nov-17	153	7	18	142	Nov-17	26	Nov-17	2	Nov-17	0	Nov-17	0	Nov-17	0
Dec-17	79	154	Dec-17	0	24	Dec-17	15	Dec-17	142	6	23	125	Dec-17	40	Dec-17	10	Dec-17	0	Dec-17	0	Dec-17	0
Jan-18	131	178	Jan-18	117	12	Jan-18	30	Jan-18	125	18	15	128	Jan-18	47	Jan-18	4	Jan-18	0	Jan-18	0	Jan-18	0
Feb-18	39	107	Feb-18	73	20	Feb-18	18	Feb-18	128	16	11	133	Feb-18	14	Feb-18	14	Feb-18	0	Feb-18	0	Feb-18	0
Mar-18	66	236	Mar-18	36	5	Mar-18	10	Mar-18	133	14	14	133	Mar-18	8	Mar-18	6	Mar-18	0	Mar-18	0	Mar-18	0
Apr-18	70	211	Apr-18	32	52	Apr-18	12	Apr-18	133	27	16	144	Apr-18	50	Apr-18	7	Apr-18	0	Apr-18	0	Apr-18	0
May-18	77	136	May-18	61	13	May-18	13	May-18	144	95	44	195	May-18	73	May-18	7	May-18	0	May-18	0	May-18	0
Jun-18	61	149	Jun-18	0	0	Jun-18	7	Jun-18	195	61	68	188	Jun-18	194	Jun-18	0	Jun-18	0	Jun-18	0	Jun-18	0
Jul-18	66	235	Jul-18	57	59	Jul-18	3	Jul-18	188	62	54	196	Jul-18	67	Jul-18	8	Jul-18	0	Jul-18	0	Jul-18	0
Aug-18	62	136	Aug-18	41	4	Aug-18	23	Aug-18	196	58	63	191	Aug-18	17	Aug-18	8	Aug-18	0	Aug-18	0	Aug-18	0
Sep-18	48	218	Sep-18	44	3	Sep-18	7	Sep-18	191	34	49	176	Sep-18	3	Sep-18	7	Sep-18	0	Sep-18	0	Sep-18	0
Oct-18	84	175	Oct-18	77	113	Oct-18	10	Oct-18	176	12	45	143	Oct-18	13	Oct-18	11	Oct-18	0	Oct-18	0	Oct-18	0
Nov-18	82	116	Nov-18	70	42	Nov-18	9	Nov-18	143	5	42	106	Nov-18	15	Nov-18	11	Nov-18	0	Nov-18	0	Nov-18	0
Dec-18	81	133	Dec-18	2	35	Dec-18	11	Dec-18	106	6	15	97	Dec-18	38	Dec-18	6	Dec-18	0	Dec-18	0	Dec-18	0
Jan-19	91	145	Jan-19	108	33	Jan-19	21	Jan-19	97	33	20	110	Jan-19	52	Jan-19	10	Jan-19	0	Jan-19	0	Jan-19	0
Feb-19	74	124	Feb-19	57	10	Feb-19	22	Feb-19	110	43	22	131	Feb-19	15	Feb-19	8	Feb-19	0	Feb-19	0	Feb-19	0
Mar-19	45	190	Mar-19	35	7	Mar-19	12	Mar-19	131	18	21	128	Mar-19	16	Mar-19	7	Mar-19	0	Mar-19	0	Mar-19	0
Apr-19	61	195	Apr-19	42	70	Apr-19	7	Apr-19	128	28	30	126	Apr-19	30	Apr-19	3	Apr-19	0	Apr-19	0	Apr-19	0
May-19	70	196	May-19	37	9	May-19	14	May-19	126	18	25	119	May-19	58	May-19	9	May-19	0	May-19	0	May-19	0
Jun-19	62	222	Jun-19	0	2	Jun-19	25	Jun-19	119	25	26	118	Jun-19	221	Jun-19	2	Jun-19	0	Jun-19	0	Jun-19	0
Jul-19	92	172	Jul-19	62	37	Jul-19	11	Jul-19	118	37	21	134	Jul-19	123	Jul-19	8	Jul-19	0	Jul-19	0	Jul-19	0
Aug-19	51	164	Aug-19	49	44	Aug-19	6	Aug-19	134	67	49	152	Aug-19	9	Aug-19	9	Aug-19	0	Aug-19	0	Aug-19	0
Sep-19	54	185	Sep-19	84	2	Sep-19	5	Sep-19	152	14	26	140	Sep-19	11	Sep-19	8	Sep-19	0	Sep-19	0	Sep-19	0
Oct-19	62	194	Oct-19	36	56	Oct-19	11	Oct-19	140	14	39	115	Oct-19	20	Oct-19	4	Oct-19	0	Oct-19	0	Oct-19	0
Nov-19	58	144	Nov-19	62	69	Nov-19	12	Nov-19	115	11	23	103	Nov-19	26	Nov-19	5	Nov-19	0	Nov-19	0	Nov-19	0
Dec-19	83	177	Dec-19	1	26	Dec-19	16	Dec-19	103	31	25	109	Dec-19	73	Dec-19	6	Dec-19	0	Dec-19	0	Dec-19	0
Jan-20	111	145	Jan-20	112	17	Jan-20	26	Jan-20	109	33	25	117	Jan-20	32	Jan-20	10	Jan-20	0	Jan-20	0	Jan-20	0
Feb-20	70	112	Feb-20	50	10	Feb-20	11	Feb-20	117	16	23	110	Feb-20	15	Feb-20	12	Feb-20	0	Feb-20	0	Feb-20	0
Mar-20	41	139	Mar-20	44	8	Mar-20	5	Mar-20	110	18	19	109	Mar-20	6	Mar-20	6	Mar-20	0	Mar-20	0	Mar-20	0
Apr-20	14	84	Apr-20	14	57	Apr-20	3	Apr-20	109	7	17	99	Apr-20	17	Apr-20	1	Apr-20	0	Apr-20	0	Apr-20	0
May-20	59	174	May-20	0	7	May-20	12	May-20	99	9	23	85	May-20	88	May-20	4	May-20	0	May-20	0	May-20	40
Jun-20	87	176	Jun-20	0	0	Jun-20	10															

Exam Applications			Certificate Applications			CPA Firm Registrations		Professional Stds Cases					Inactive		Reinstatement		CPA - Retired		Candidate Eng		Exam Passes	
Month	Initial	Re-Exam	Month	Original	Reciprocal	Month	Total	Month	Begin Bal	Open	Closed	End Bal	Month	Total	Month	Total	Month	Total	Month	Total	Month	Total
Oct-20	85	155	Oct-20	47	44	Oct-20	7	Oct-20	88	17	12	93	Oct-20	13	Oct-20	4	Oct-20	0	Oct-20	0	Oct-20	0
Nov-20	78	145	Nov-20	56	61	Nov-20	6	Nov-20	93	10	24	79	Nov-20	21	Nov-20	6	Nov-20	0	Nov-20	0	Nov-20	53
Dec-20	61	146	Dec-20	46	10	Dec-20	9	Dec-20	79	13	12	80	Dec-20	55	Dec-20	5	Dec-20	0	Dec-20	0	Dec-20	89
Jan-21	66	150	Jan-21	72	22	Jan-21	20	Jan-21	80	21	19	82	Jan-21	53	Jan-21	7	Jan-21	0	Jan-21	0	Jan-21	29
Feb-21	66	142	Feb-21	78	4	Feb-21	8	Feb-21	82	12	27	67	Feb-21	9	Feb-21	14	Feb-21	0	Feb-21	0	Feb-21	18
Mar-21	46	147	Mar-21	31	0	Mar-21	16	Mar-21	67	29	17	79	Mar-21	21	Mar-21	6	Mar-21	0	Mar-21	0	Mar-21	32
Apr-21	52	164	Apr-21	41	55	Apr-21	7	Apr-21	79	9	23	65	Apr-21	23	Apr-21	6	Apr-21	0	Apr-21	0	Apr-21	15
May-21	55	186	May-21	50	7	May-21	4	May-21	65	8	4	69	May-21	54	May-21	1	May-21	0	May-21	0	May-21	32
Jun-21	56	182	Jun-21	0	1	Jun-21	11	Jun-21	69	37	17	89	Jun-21	281	Jun-21	0	Jun-21	0	Jun-21	0	Jun-21	48
Jul-21	58	177	Jul-21	75	39	Jul-21	15	Jul-21	89	18	21	86	Jul-21	105	Jul-21	13	Jul-21	0	Jul-21	0	Jul-21	49
Aug-21	37	168	Aug-21	31	37	Aug-21	10	Aug-21	86	18	18	86	Aug-21	18	Aug-21	2	Aug-21	0	Aug-21	0	Aug-21	35
Sep-21	37	111	Sep-21	42	2	Sep-21	6	Sep-21	86	13	35	64	Sep-21	10	Sep-21	4	Sep-21	0	Sep-21	0	Sep-21	55
Oct-21	68	139	Oct-21	46	47	Oct-21	4	Oct-21	64	19	17	66	Oct-21	21	Oct-21	7	Oct-21	0	Oct-21	0	Oct-21	32
Nov-21	90	152	Nov-21	48	74	Nov-21	12	Nov-21	66	21	14	73	Nov-21	29	Nov-21	6	Nov-21	0	Nov-21	0	Nov-21	39
Dec-21	67	110	Dec-21	32	27	Dec-21	25	Dec-21	73	11	9	75	Dec-21	59	Dec-21	7	Dec-21	0	Dec-21	0	Dec-21	52
Jan-22	81	134	Jan-22	60	33	Jan-22	15	Jan-22	75	31	18	88	Jan-22	69	Jan-22	6	Jan-22	0	Jan-22	0	Jan-22	19
Feb-22	54	110	Feb-22	47	11	Feb-22	7	Feb-22	88	33	29	92	Feb-22	19	Feb-22	6	Feb-22	0	Feb-22	0	Feb-22	19
Mar-22	56	141	Mar-22	30	7	Mar-22	8	Mar-22	92	38	23	107	Mar-22	32	Mar-22	5	Mar-22	0	Mar-22	0	Mar-22	25
Apr-22	21	131	Apr-22	44	81	Apr-22	2	Apr-22	107	21	38	90	Apr-22	30	Apr-22	8	Apr-22	0	Apr-22	0	Apr-22	12
May-22	84	178	May-22	39	8	May-22	6	May-22	90	21	19	92	May-22	67	May-22	6	May-22	0	May-22	0	May-22	26
Jun-22	84	172	Jun-22	22	3	Jun-22	8	Jun-22	92	35	15	112	Jun-22	309	Jun-22	3	Jun-22	0	Jun-22	0	Jun-22	46
Jul-22	67	187	Jul-22	50	50	Jul-22	12	Jul-22	112	25	19	118	Jul-22	98	Jul-22	12	Jul-22	0	Jul-22	0	Jul-22	29
Aug-22	56	187	Aug-22	57	24	Aug-22	5	Aug-22	118	35	21	132	Aug-22	14	Aug-22	8	Aug-22	0	Aug-22	15	Aug-22	51
Sep-22	57	140	Sep-22	30	1	Sep-22	6	Sep-22	132	24	21	135	Sep-22	7	Sep-22	6	Sep-22	0	Sep-22	130	Sep-22	51
Oct-22	80	149	Oct-22	34	57	Oct-22	8	Oct-22	135	24	12	147	Oct-22	9	Oct-22	5	Oct-22	0	Oct-22	139	Oct-22	30
Nov-22	87	169	Nov-22	47	67	Nov-22	14	Nov-22	147	7	19	135	Nov-22	25	Nov-22	5	Nov-22	0	Nov-22	53	Nov-22	36
Dec-22	63	142	Dec-22	38	15	Dec-22	10	Dec-22	135	23	33	125	Dec-22	52	Dec-22	5	Dec-22	0	Dec-22	0	Dec-22	48
Jan-23	75	156	Jan-23	44	30	Jan-23	23	Jan-23	125	14	22	117	Jan-23	78	Jan-23	7	Jan-23	0	Jan-23	0	Jan-23	35
Feb-23	46	141	Feb-23	32	9	Feb-23	9	Feb-23	117	12	21	108	Feb-23	18	Feb-23	3	Feb-23	0	Feb-23	70	Feb-23	21
Mar-23	49	192	Mar-23	40	11	Mar-23	3	Mar-23	108	41	25	124	Mar-23	19	Mar-23	4	Mar-23	0	Mar-23	61	Mar-23	32
Apr-23	55	168	Apr-23	47	64	Apr-23	6	Apr-23	124	22	30	116	Apr-23	49	Apr-23	8	Apr-23	0	Apr-23	74	Apr-23	13
May-23	78	208	May-23	27	5	May-23	2	May-23	116	9	20	105	May-23	114	May-23	3	May-23	0	May-23	0	May-23	31
Jun-23	99	262	Jun-23	20	2	Jun-23	4	Jun-23	105	12	16	101	Jun-23	227	Jun-23	2	Jun-23	0	Jun-23	27	Jun-23	68
Jul-23	61	222	Jul-23	62	39	Jul-23	13	Jul-23	101	25	36	90	Jul-23	98	Jul-23	15	Jul-23	0	Jul-23	0	Jul-23	43
Aug-23	132	285	Aug-23	52	36	Aug-23	14	Aug-23	90	38	21	107	Aug-23	21	Aug-23	3	Aug-23	0	Aug-23	10	Aug-23	49
Sep-23	128	242	Sep-23	33	2	Sep-23	5	Sep-23	107	11	20	98	Sep-23	9	Sep-23	2	Sep-23	1	Sep-23	67	Sep-23	72
Oct-23	98	269	Oct-23	61	32	Oct-23	11	Oct-23	98	9	25	82	Oct-23	19	Oct-23	8	Oct-23	16	Oct-23	281	Oct-23	41
Nov-23	38	147	Nov-23	62	55	Nov-23	5	Nov-23	82	18	13	87	Nov-23	15	Nov-23	3	Nov-23	18	Nov-23	37	Nov-23	35
Dec-23	29	119	Dec-23	41	21	Dec-23	18	Dec-23	87	15	15	87	Dec-23	45	Dec-23	4	Dec-23	27	Dec-23	0	Dec-23	86
Jan-24	74	227	Jan-24	43	22	Jan-24	5	Jan-24	87	11	15	83	Jan-24	45	Jan-24	14	Jan-24	23	Jan-24	46	Jan-24	8
Feb-24	56	154	Feb-24	64	12	Feb-24	22	Feb-24	83	19	22	80	Feb-24	15	Feb-24	7	Feb-24	15	Feb-24	77	Feb-24	18
Mar-24	33	111	Mar-24	28	4	Mar-24	5	Mar-24	80	17	9	88	Mar-24	18	Mar-24	5	Mar-24	9	Mar-24	0	Mar-24	30
Apr-24	59	168	Apr-24	28	62	Apr-24	14	Apr-24	88	23	16	95	Apr-24	39	Apr-24	5	Apr-24	13	Apr-24	20	Apr-24	9
May-24	69	241	May-24	21	7	May-24	5	May-24	95	15	13	97	May-24	107	May-24	3	May-24	33	May-24	0	May-24	21
Jun-24	75	156	Jun-24	21	2	Jun-24	7	Jun-24	97	16	15	98	Jun-24	183	Jun-24	1	Jun-24	21	Jun-24	0	Jun-24	68
Jul-24	59	204	Jul-24	48	36	Jul-24	14	Jul-24	98	18	31	85	Jul-24	139	Jul-24	18	Jul-24	14	Jul-24	65	Jul-24	34
Aug-24	70	276	Aug-24	38	37	Aug-24	16	Aug-24	85	10	16	79	Aug-24	7	Aug-24	3	Aug-24	3	Aug-24	61	Aug-24	30
Sep-24	85	148	Sep-24	38	4	Sep-24	7	Sep-24	79	71	31	119	Sep-24	12	Sep-24	5	Sep-24	7	Sep-24	75	Sep-24	65
Oct-24	59	137	Oct-24	37	32	Oct-24	14	Oct-24	119	20	35	104	Oct-24	13	Oct-24	5	Oct-24	1	Oct-24	113	Oct-24	32
Nov-24	74	220	Nov-24	37	73	Nov-24	15	Nov-24	104	5	23	86	Nov-24	19	Nov-24	6	Nov-24	6	Nov-24	0	Nov-24	11
Dec-24	61	152	Dec-24	30	14	Dec-24	11	Dec-24	86	13	12	87	Dec-24	74	Dec-24	4	Dec-24	18	Dec-24	0	Dec-24	55
Jan-25	97	207	Jan-25	71	25	Jan-25	16	Jan-25	87	14	21	80	Jan-25	32	Jan-25	6	Jan-25	11	Jan-25	15	Jan-25	42
Feb-25	58	189	Feb-25	25	4	Feb-25	17	Feb-25	80	17	10	87	Feb-25	24	Feb-25	4	Feb-25	7	Feb-25	85	Feb-25	16
Mar-25	49	226	Mar-25	55	10	Mar-25	12	Mar-25	87	21	14	94	Mar-25	28	Mar-25	8	Mar-25	11	Mar-25	0	Mar-25	36
Apr-25	68	245	Apr-25	36	67	Apr-25	7	Apr-25	94	19	17	96	Apr-25	45	Apr-25	2	Apr-25	21	Apr-25	82	Apr-25	52
May-25	95	325	May-25	32	10	May-25	9	May-25	96	13	11	98	May-25	99	May-25	4	May-25	26	May-25	0	May-25	40
Jun-25	70	251	Jun-25	0	2	Jun-25	8	Jun-25	98	13	18	93	Jun-25	246	Jun-25	0	Jun-25	33	Jun-25	30	Jun-25	142
Jul-25	100	256	Jul-25	76	18	Jul-25	8	Jul-25	93	49	21	121	Jul-25	114	Jul-25	11	Jul-25	11	Jul-25	0	Jul-25	58
Aug-25	98	217	Aug-25	62	11	Aug-25	12	Aug-25	121	47	42	126	Aug-25	7	Aug-25	9	Aug-25	4	Aug-25	70	Aug-25	32
Sep-25	75	186	Sep-25	33	30	Sep-25	18	Sep-25	126	10	49	87	Sep-25	11	Sep-25	5	Sep-25	1	Sep-25	146	Sep-25	31
Oct-25	83	196	Oct-25	43	35	Oct-25	8	Oct-25	87	10	19	78	Oct-25	11	Oct-25	4	Oct-25	5	Oct-25	129	Oct-25	18
Nov-25	95	232	Nov-25	55	60	Nov-25	16	Nov-25	78	8	6	80	Nov-25	22	Nov-25	8	Nov-25	5	Nov-25	77	Nov-25	16
Dec-25	0	0	Dec-25	0	0	Dec-25	0	Dec-25	80	0	0	80	Dec-25	0	Dec-25	0	Dec-25	0	Dec-25	0	Dec-25	0
Jan-26	0	0	Jan-26	0	0	Jan-26	0	Jan-26	80	0	0	80	Jan-26	0	Jan-26	0	Jan-26	0	Jan-26	0	Jan-26	0
Feb-26	0	0	Feb-26	0	0	Feb-26	0	Feb-26	80	0	0	80	Feb-26	0	Feb-26	0	Feb-26	0	Feb-26	0	Feb-26	0
Mar-26	0	0	Mar-26	0	0	Mar-26	0	Mar-26	80	0	0	80	Mar-									



North Carolina State Board of Certified Public Accountant Examiners

Executive Staff Report

Technology Update

Staff continue meeting with the Agency Transformation team at GL Solutions to improve the Board's technology platform. Although the process is very time-consuming, it is a necessary investment to enhance the Board's overall performance, operational effectiveness, and efficiency. Streamlining and automating examination and licensing processes will standardize procedures and improve the experience for both Board staff and stakeholders.

Student Presentations on College and University Campuses

David and Lynne completed the Fall 2025 student presentations in November. Since Fall 2022, these presentations have been delivered to 1,971 students across 22 colleges and universities and two CPA firms.



On Tuesday, December 2, 2025, Examinations Specialist Phyllis Elliott celebrated 40 years of service with the Board. Phyllis consistently supports our eager Exam candidates and responds to their many questions throughout the CPA Exam application process. She always has a smile on her face and is a bright source of joy in the office.

Also, on November 16, 2025, Felecia Ashe celebrated 41 years of service with the Board. Felecia keeps David in line each month as she ensures our financial reports are complete and ready for the Board. She also keeps us on track by making sure we have the proper documentation to support all credit card and reimbursement requests. Watch out for her green pen! She's truly a funster in the group; on any given day, she'll have us all laughing at some of her shenanigans.



North Carolina State Board of Certified Public Accountant Examiners

Memorandum

To: Board Members

From: David R. Nance, CPA, Executive Director

Date: December 15, 2026

Re: Request to Change June 2026 Meeting Date

At its October 20, 2025, meeting, the Board approved the meeting dates for the 2026 calendar year. It has come to the attention of the Executive Staff that one of those approved dates conflicts with a planned NASBA conference date.

The NASBA Eastern Regional Meeting is scheduled from Tuesday, June 9, 2026, to Thursday, June 11, 2026. The Board's Executive Staff, legal counsel, and Board members regularly attend this meeting. The previously approved Board meeting date is the following Monday, June 15, 2026. Additionally, this week is typically when the Board conducts fieldwork for its annual audit to ensure it is completed and submitted by the state-mandated deadline.

The Executive Staff requests that the Board consider rescheduling the June meeting from Monday, June 15, 2026, to Monday, June 22, 2026, to avoid conflicting with the NASBA conference date. Since the Board must publish its meeting dates and times in advance, this request is being made now to give proper notice to all parties involved.



North Carolina State Board of Certified Public Accountant Examiners

2026 Board Meetings

Day of Week	Date	Time	Event	Location
Wednesday	January 21	10 a.m.	Board Meeting	Raleigh
Monday	February 16	10 a.m.	Board Meeting	NC A&T State University
Monday	March 16	10 a.m.	Board Meeting	Raleigh
Monday	April 20	10 a.m.	Board Meeting	Raleigh
Monday	May 18	10 a.m.	Board Meeting	Raleigh
Monday	June 22	10 a.m.	Board Meeting	Raleigh
Monday	July 20	10 a.m.	Board Meeting	Raleigh
Monday	August 17	10 a.m.	Board Meeting	Raleigh
Wednesday	September 23	10 a.m.	Board Meeting	Elon University
Monday	October 19	10 a.m.	Board Meeting	Raleigh
Monday	November 16	10 a.m.	Board Meeting	Raleigh
Monday	December 14	10 a.m.	Board Meeting	Raleigh

Changes will be published on the Board's website, nccpaboard.gov.

Revised 12/15/2025



North Carolina State Board of Certified Public Accountant Examiners

Recognition of NC CPA Licensure Milestones

55 Years

Name	License Issued
James Irwin Kearney, # 4099	12/18/1970

50 Years

Name	License Issued
John Robert Markel, #8996	12/12/1975