

Connecticut State Board of Accountancy
April 4, 2006
Minutes

Chairman Reynolds called the meeting to order at 8:40 A.M. in the second floor conference room, 30 Trinity Street, Hartford.

Present:

Thomas F. Reynolds, CPA, Chairman
Richard P. Bond
James Ciarcia
Philip J. DeCaprio Jr., CPA
Richard Gesseck, CPA
Berthann Jones
Leonard M. Romaniello, Jr., CPA
Richard Sturdevant
Michael Weinshel, CPA

Staff Members Present:

David L. Guay, Executive Director
Rebecca Adams, Legal Counsel
Denise Diaz
Stephanie Sheff

Motion made by Philip DeCaprio to accept and approve the Minutes of the March 7, 2006 State Board of Accountancy meeting, seconded by Richard Bond, all voted in favor.

In a review of Board operations Executive Director Guay briefed the Board on the operations of the Board and provided the members with a written summary.

NASBA Regional Meeting June 21-24

- Five Board Members so far
 - o Dick Sturdevant
 - o Jim Ciarcia
 - o Berthann Jones (Tentative)
 - o Len Romaniello
 - o Mike Weinshel
- Reimbursement of Conf. Registration, Air Travel and 3 night's hotel

May 24, 2006 Retreat meeting in Newtown

- Possible topics of discussion
 - o Substantial equivalency

- o The work experience requirement

May 8, 2006 Certificate awards

- Lists for January, February, March and April forwarded to CSCPA

CPE mailing on changes this year

- Asked Len to take a look at draft before mailing
- Mailed to all Licensees March 30, 2006

Records retention

- Authority for Records retention and destruction received
- Utilizing temp employee – ending due to budget constraints
- 77 boxes securely destroyed on March 24, 2006

Computers

- In place and up and running as of March 13, 2006
- Issues remain with the licensing database, working on resolutions
- Beginning on-line licensing push

Regulations

- Currently researching to determine all current Regulations
- Will determine obsolete and superseded for removal
- Creating plan and timeline
- Exam Fee Removal Regulation to be initiated within a week

CPA Exam Services agreement

- Does not require to be put out to bid
- Second priority of Attorney Adams after the reduction of enforcement docket

Web site update

- Drafted new guide for education, working on new guide for Exam and will draft a guide on Experience.
- Staff requires training, will schedule in May or June.

Procedures update

- All procedures are being updated and in some cases created for the first time

Board's Budget

- See attached from OPM

Chairman Reynolds asked the Board members to submit ideas for topics of discussion at the May 24, 2006 Retreat meeting to Executive Director Guay.

Motion made by Michael Weinshel and seconded by James Ciarcia to approve the April 4, 2006 list of individual applications for CPA Certificate, Registrations and CPA Licenses, all voted in favor.

Two Firm Permit to Practice Applications were tabled for further review by staff of the Regulation concerning the allowable names for firms; the late renewal of the firm permit to practice for the firm of Best Practice, and the initial firm permit to practice application for the firm of Fraud & CPA Services.

Motion made by James Ciarcia and seconded by Richard Sturdevant to approve the remaining April 4, 2006 list of Firm Permit to Practice applications, all voted in favor.

The Board entertained a request from Daniel M. Morson, CPA to be allowed to have a possible CPE course offered June 27-29, 2006 considered for the following CPE year which begins on July 1, 2006. Mr. Morson currently has an 18 credit carry over; with the 22 hours he proposes to take he would be allowed to carry over 40 credits. After discussion Richard Bond made a motion to deny the request, seconded by Philip DeCaprio.

Eight voted in favor:

Thomas F. Reynolds, CPA, Chairman
Richard P. Bond
James Ciarcia
Philip J. DeCaprio Jr., CPA
Richard Gesseck, CPA
Berthann Jones
Leonard M. Romaniello, Jr., CPA
Richard Sturdevant

One voted against:

Michael Weinschel, CPA

The Board entertained a request from Israel Gordon, CPA to be allowed to fulfill his CPE requirements for the next year (July 1, 2006 – June 30, 2007) beginning on May 1, 2006. After discussion Richard Sturdevant made a motion to deny the request, seconded by Leonard Romaniello, all voted in favor.

Chairman Reynolds asked that a copy of Mr. Morson and Mr. Gordon's letter be forwarded to the Connecticut Society of CPA's as both writers' are concerned about the scheduling of continuing education.

The Board entertained a request from Ravilochan Pola a CPA Exam candidate to be allowed an extension of time beyond the eighteen months of the conditional credit he has earned on the Financial Accounting and Reporting section of the exam. After review and discussion Philip DeCaprio made a motion to extend the conditional credit Mr. Ravilochan Pola received for the Financial Accounting and Reporting section of the exam until May 30, 2006, seconded by James Ciarcia, all voted in favor.

The Board entertained a request from Victor Grabicki a CPA Exam candidate to be allowed an extension of time beyond the eighteen months of the conditional credit he has earned on the Regulation section of the exam. After review and discussion Leonard Romaniello made a motion to deny the request, seconded by Philip DeCaprio, all voted in favor.

The Board entertained a request from Alisen Nolan a CPA Exam candidate to be allowed an extension of time beyond the eighteen months of the conditional credit she has earned on the Financial Accounting and Reporting section of the exam. After review and discussion James Ciarcia made a motion to extend the conditional credit Ms. Alisen Nolan received for the Financial Accounting and Reporting section of the exam until August 10, 2007, seconded by Philip DeCaprio, all voted in favor.

Chairman Reynolds noted receipt of a letter from the Public Company Accounting Oversight Board noting the addressing of any quality control criticisms or defects described in the PCAOB inspection reports received by the Connecticut State Board.

APRIL 4, 2006
ENFORCEMENT DOCKET

A. Requesting Formal Charges

The firm of Kessler & Co., LLC, was previously served with Notice of Compliance but failed to attend its scheduled compliance meeting and failed to complete a settlement agreement or otherwise resolve their QR noncompliance issues.

Attorney Adams requested authority to issue formal charges for failure to meet QR requirements and failure to respond to the Board within 30 days of notice of violation for the following:

2004248-2794 Kessler & Co. LLC (year of review was 2003)

Richard Sturdevant made a motion to approve formal charges in the matter of **2004248-2794 Kessler & Co. LLC** for failure to meet the Quality Review Requirements, seconded by Richard Gesseck, all voted in favor.

B. Requesting Board Advice for Compliance Meeting

2006009-2897 Steven Morgante

Unauthorized practice and use of title.

Mr. Morgante is licensed to practice as a CPA in New York. Investigation reveals that he has been operating a firm under the name of Steven Morgante, CPA & Co., LLC since approximately 1999 without obtaining a Connecticut Certificate, license, and firm permit. His use of the title includes a web site and prominent signage in Brookfield Connecticut which is currently being altered to remove the CPA designation.

2005051-2870 Ronald Safran

KPMG Partner temporarily suspended from practice by the SEC for his involvement in the overstatement of XEROX earnings.

The Board has authorized a compliance meeting for KPMG, the firm, but not for the individual licensees. Requesting compliance meeting authority in order to move this case forward toward settlement or issuance of formal charges based upon the practice limitation imposed by the SEC.

2005050-2869 Michael Conway

KPMG partner temporarily suspended from practice by the SEC for his involvement in the overstatement of XEROX earnings.

The Board has authorized a compliance meeting for KPMG, the firm, but not for the individual licensees. Requesting compliance meeting authority in order to move this case forward toward settlement or issuance of formal charges based upon the practice limitation imposed by the SEC

C. Requesting Board Advice for Settlement Authority

2004138-2669 James Flynn

2004 CPE enforcement.

Mr. Flynn requested an extension for his 2004 CPE which was denied. He is now in compliance but was 6 months late filing CPE for 2004. Forwarded proof of 73 hours in 2005. 18 hours toward 2004, 40 hours for 2005, 15 carried forward to 2006.

Attorney Adams requested authority to negotiate settlement with payment of a \$250 civil penalty.

2004140-2671 – Robert Desoiza

Non compliance with 2004 and 2005 CPE.

Mr. Desoiza is currently up to date with his CPE. He filed his 2004 and 2005 CPE together in August of 2005.

Attorney Adams requested authority to negotiate settlement for \$100 civil penalty.

2004008-2525 - Neil Gerhardt, Executive Property Management/Gerhardt & Associates

Unauthorized practice and use of title.

Mr. Gerhardt holds a Certificate and license to practice in New York. He has submitted an application for a reciprocal license in Connecticut but may not be able to qualify.

Tabled by consensus, pending further investigation.

2005036–2852 Comer, Nowling and Associates PC.

Unauthorized practice and use of title.

This firm conducted audits for the Lutheran Services Association for 2003 and 2004. These audits must be reviewed and accepted by OPM because of State grants funding the LSA. This firm did not obtain a firm permit until 2005. The evidence is clear; the firm conducted audits in 2003 and 2004 in Connecticut but did not hold a firm permit here to do so. Probable cause exists for charges of unauthorized practice and use of title for 2003 and 2004.

Attorney Adams requested authority to negotiate a settlement including payment of firm permit fees for the years 2003 and 2004 and civil penalties of \$250 for unauthorized practice and \$250 for unauthorized use of title.

2005041–2858 Lutz and Carr

Unauthorized practice and use of title.

This firm conducted an audit in 2004 for the Connecticut Theater Foundation but did not obtain a firm permit until 2005. This matter came to light in the same manner as the one above. The audit was sent for approval to OPM which provides funding to the audited entities where they discovered the lack of permit and contacted the CPA firm. The firm immediately applied for a firm permit.

Attorney Adams requested authority to negotiate settlement including levy of a \$250 civil penalty per violation and payment of the 2004 firm registration fee.

D. Requesting Board Advice for Compliance Meeting and Settlement

2005042–2860 Gary Bennett

SEC settlement limited his ability to serve as an officer or director of a public company.

The SEC investigation and settlement agreement with Mr. Bennett resulted in assessment of \$25,000 fine and prohibition from serving as office or director of a public company for a period of five years from the date the Final Judgment entered in the case, July 26, 2005.

Attorney Adams recommending negotiation of settlement agreement terms including suspension of Certificate for time period coterminous with SEC suspension of the respondent's right to serve as an officer or director of a public company and payment of civil penalties.

QR Enforcement

Attorney Adams requested advice and authority to issue notices of Compliance Meetings and negotiate Settlement Agreements requiring compliance by August 31, 2006 and payment of \$250 in civil penalties per year of noncompliance for each of the following 22 firms:

| | |
|--------------|---|
| 2004252-2704 | Drotman & Sawkiw |
| 2004253-2705 | Durkee |
| 2004254-2708 | Condon, Omeara, McGinty & Donnelly, LLP |
| 2004255-2772 | George Musgrave |
| 2004256-2773 | Meyer, Greene & Degge |
| 2004260-2774 | Perelson and Weiner, LLP |
| 2004262-2775 | Ramy Peress |
| 2004263-2779 | Rathburn |
| 2004264-2780 | PriceWaterHouseCoopers |
| 2004261-2781 | Richard, Witt & Charles, LLP |
| 2004259-2788 | BEC & Company, Inc., PC |
| 2004258-2789 | Robert Strada |
| 2004257-2790 | Urbach, Kahn & Werlin, LLP |
| 2004273-2791 | Karen, Deluca & Soutbeer |
| 2004272-2792 | Raymond Wright |
| 2004271-2797 | BDO Seidman, LLP |
| 2004274-2798 | Barry Bellavance |
| 2004266-2799 | Bernstein & Bernstein, LLP |
| 2004269-2801 | Kerri-Ann Black-Deegan, CPA |
| 2004268-2802 | Boldnick & Snow, LLP |
| 2004267-2803 | Bosco, Johnn & Company |
| 2004265-2804 | Boychuk & Company |

E. Requesting Settlement Approval – Attorney Adams requested both 2005039-2856 Michael Mezzapelle & 2005047-2865 Randy Lewis be tabled. Both items were tabled by consensus.

2005039-2856 Michael Mezzapelle

Failure to obtain firm permit.

Mr. Mezzapelle began operating as Mezzapelle & Associates, LLC in 2003 but did not obtain a firm permit until 2005. The enforcement file was opened after he applied for a permit. The settlement requires the payment of a civil penalty of \$150.00.

2005047-2865 Randy Lewis

2004 and 2005 CPE enforcement.

Mr. Lewis has received 48 CPE credit hours. The settlement requires that he show proof of 32 credit hours by August 31, 2006 and requires payment of a \$250.00 civil penalty.

F. Attorney Adams Requested Dismissal of the following cases.

2005056-2875 Sam Isreal III– lack of jurisdiction

SEC disciplinary action.

Mr. Isreal is not a Connecticut licensee.

Attorney Adams requested dismissal.

29005066-2890 Johaneman – lack of jurisdiction

Allegation of release of confidential information

Ms. Johaneman is not a Connecticut licensee

Attorney Adams requested dismissal.

2005039-2842 Larry Vernell Bullock – lack of jurisdiction

Revocation of Louisiana Certificate and firm permit.

Mr. Vernell is not a Connecticut licensee.

Attorney Adams requested dismissal.

2006002 – Lennox Miller – lack of jurisdiction.

Complaint against non CPA for preparing false Connecticut income tax and sales tax returns.

Mr. Lennox Miller is not now, nor, according to our records, has he ever been, a Certificate holder in Connecticut

Attorney Adams requested dismissal.

2005030-2844 – lack of jurisdiction

Disciplinary Action by the Oregon Board.

None of the individuals listed in the Oregon Board of Accountancy notice hold or have held CPA Certificates, licenses or permits in Connecticut.

Attorney Adams requested dismissal.

2004145 – Peter Brown – administrative error.

QR enforcement.

This case should not have been brought. The Peer Review had not been noted.

Mr. Brown was not out of compliance.

Attorney Adams requested dismissal.

2004137-2668 John Purcell – administrative error

2004 CPE enforcement.

This case should have been combined with case number 2005034-2848 which settled based upon compliance with 2004 and 2005 CPE requirements and payment of a \$100 civil penalty. Mr. Purcell complied with the terms of the settlement. Review of current files shows that he completed 44 hours in 2004 and 52 hours in 2005.

Attorney Adams requested dismissal.

2004026-2548 Page & Company – administrative error

Unauthorized practice and use of title.

An error was made regarding the status of this firm's permit. They were not out of compliance. They did receive a poor quality review but then received an unqualified review later that year.

Attorney Adams requested dismissal.

2004015–2530 David Purdy, CPA – complainant requests withdrawal of complaint

Allegation of negligence.

Complainant, through his attorney, communicated to the Board in writing that he has resolved the matter and no longer wishes to pursue a complaint against Mr. Purdy.

Attorney Adams requested dismissal.

2005052–2871 Bonnie Hill, CPA – complainant requests withdrawal of complaint.

Allegation of negligence.

Allegations of overstatement of complainant's income on 2003 tax returns.

Per complainant, the parties have worked out a settlement as a result of which no legal or monetary consequences accrued to her. She no longer wishes to pursue the matter.

Attorney Adams requested dismissal.

2004001-2511 Robert Gosart – no violation found

Unauthorized practice and use of title and failure to undergo timely peer review.

Mr. Gosart was not and is not out of compliance. He was issued a firm permit in 2004; his QR was waived for 2005 and 2006 is his interim year.

Attorney Adams requested dismissal.

2004141-2672 Erickson & Piercy CPAs – no violation found

2003 QR enforcement

Investigation revealed that the 2003 QR was completed in 2003. Report was unqualified. 2006 is the next year of review.

Attorney Adams requested dismissal.

2004024-2546 Joseph Bissonnette – no violation found

Qualified QR.

Mr. Bissonnette received a "qualified" review in 2004. He then received another review in the following year, which was "unqualified" and stated that all previous concerns had been addressed.

Attorney Adams requested dismissal.

2004037-2564 Cappelletti – no violation found

Allegations of conflict of interest

Case involving audits for the Town of Hamden. AAG review and Board member reviews concluded that no conflict of interest existed and that nothing improper had occurred.

Attorney Adams requested dismissal.

2004045-2572 Morton Blum – no violation found

2004 CPE noncompliance

CPE requirement was waived for 2004 based upon health considerations.

2005 CPE requirements have been met and exceeded (48 hours). Mr. Blum was not out of compliance.

Attorney Adams requested dismissal.

2005032-2846 Dennis Clermont - no violation found

Unauthorized practice and use of title.

Mr. Clermont holds a Connecticut Certificate and license. No evidence was found that he was practicing or using the title prior to obtaining his Certificate and license.

Attorney Adams requested dismissal.

2004029-2554 Van Gessel – unresponsive complainant/insufficient evidence

Failure to return client records.

The complainant, Carissa Steffel, has not returned any of the calls made to her over the past 1.5 years regarding the status of her records.

Attorney Adams requested dismissal.

2004038-2565 Annunziata – insufficient evidence

Billing dispute

The original complaint did not include any supporting evidence. None of the calls made by staff over the past 1.5 years to the complainant, Paula Trantino, have been returned

Attorney Adams requested dismissal.

2004016-2534 Sherry Trapp – insufficient evidence/no probable cause

Unauthorized use of title.

Ms. Trapp checked the “yes” box for the question, “are you a CPA,” on 5 out of 153 returns she filed as a tax preparer in 2003. She states that it was an error on her part and that she has never told anyone that she is a CPA nor has she advertised or held herself out to the public as a CPA

No evidence from witnesses, advertising, or the IRS that she used the title in any other way or ever affirmatively placed the letters “CPA” or “Certified Public Accountant” or “PA” or “Public Accountant” in connection with her name.

Attorney Adams requested dismissal.

2006004-2892 Michael Bergamo – no probable cause/no violation

Billing dispute

Even if everything that the complainant states is true, no violation occurred. The complainant, Benedict Zollo, did not want his taxes e-filed. Mr. Bergamo prepared the appropriate letter to the IRS and did not e-file Mr. Zollo's taxes. Mr. Zollo did not wish to pay for the drafting of the required exemption letter to the IRS.

Attorney Adams requested dismissal.

2005043- 2861 Bernard Demko – no probable cause/no violation found.

SEC disciplinary action.

Certificate holder fined by the SEC for abetting in overstatement of Gerber revenue for the year 2000.

The SEC entered into a settlement agreement with Mr. Demko in the administrative/civil matter requiring payment of a \$25,000 fine. Fines imposed by federal or state agencies without practice limitation, suspension, or revocation do not provide a basis for charges under statutes governing Board of Accountancy action. Settlement with the SEC did not include admission of any allegations of the complaint which might otherwise have provided the foundation for charges of misconduct or negligence under Board regulations.

Attorney Adams requested dismissal.

2005054-2873 Michael Lipnicki – waiver of 2004 and 2005 CPE requirements requested

Failure to complete CPE for 2004 and 2005.

After a lengthy conversation with Mr. Lipnicki, it became apparent that he is operating as the CFO of a division of his corporation and does not perform any services that would require that he be licensed in Connecticut nor does he hold himself out as a CPA. His letter of March 28, 2006 indicates that someone in his office renewed his license by administrative error. He is requesting that the Board waive his CPE requirements for 2004 and 2005.

Attorney Adams requested dismissal and a waiver of CPE requirements for 2004 and 2005.

2004013-2531 Anthony Martini - lack of sufficient evidence/no probable cause

Fraudulent preparation of tax returns and committing tax fraud on behalf of clients.

This is a personal "he said, he said" matter. The complainant, David Thompson, alleges that Mr. Martini has falsified his own tax returns and those of his son. Mr. Martini provided a written response denying the allegations and discussing the conflict between the two of them. Investigation into the allegations has produced no evidence on which to base an action. If true, the allegations made would constitute violation of applicable statutes and regulations. However, there is insufficient evidence to proceed.

Attorney Adams requested dismissal without prejudice so that these allegations could be revisited if IRS, DRS, court proceedings, or other

agency proceedings produce sufficient evidence to pursue a future complaint.

James Ciarcia made a motion to dismiss the following cases, seconded by Leonard Romaiello, all voted in favor.

2005056-2875 Sam Isreal III
29005066-2890 Johaneman
2005039-2842 Larry Vernell Bullock
2006002 – Lennox Miller
2005030-2844 Revoked Oregon Certificates
2004145 – Peter Brown
2004137-2668 John Purcell
2004026-2548 Page & Company
2004015–2530 David Purdy, CPA.
2005052–2871 Bonnie Hill, CPA
2004001-2511 Robert Gosart
2004141-2672 Erickson & Piercy CPAs
2004024-2546 Joseph Bissonnette
2004037-2564 Cappelletti
2004045-2572 Morton Blum
2005032-2846 Dennis Clermont
2004029-2554 Van Gessel
2004038-2565 Annunziata
2004016-2534 Sherry Trapp
2006004-2892 Michael Bergamo
2005043- 2861 Bernard Demko
2005054-2873 Michael Lipnicki
2004013-2531 Anthony Martini

G. Status Reports

2005030-2855 Robert Stoller – subpoena served

The Board authorized this subpoena at its November 10, 2005 Meeting. The subpoena was served by a Judicial Marshal on March 17, 2006. Mr. Stoller has agreed that he will deliver the records to the Board at 30 Trinity Street no later than 4:00 PM on May 8, 2006. Mr. Stoller has stated that he will turn over everything he has, including the QuickBooks disk which was the subject of Ms. Hines's complaint. I will review the records to determine compliance with the subpoena.

2004175 – Chen & WU, Firm permit – settlement agreement entered- case closed

2004 Peer Review enforcement case

This settlement was authorized in January of 2006 and the file has now been closed. Notice of compliance meeting and a proposed settlement was sent as one of a batch of 109 in April 2005. This firm is located in New York and had submitted peer review reports in New York but had failed to demonstrate compliance in Connecticut between 1998 and 2004. The respondent sent confirmation of favorable peer review reports for all years in question in advance of the settlement deadline as well as the required \$250.00 fine along with a signed settlement agreement.

2002011-2413 - Arthur Andersen, LLP

Legal counsel met with AAG Cobb and AAG Clark regarding the subpoenas issued in 2002. The legal conclusion is that those subpoenas are unenforceable due to time lapse (known as laches in legalese). In addition, there are not any records which would now be relevant to obtain by subpoena.

The only possible avenue for prosecution would be to attempt to proceed based upon the SEC's previous action, under Connecticut General Statutes §20-281a (4):

“After notice and hearing pursuant to section 20-280c, the board may revoke any certificate, license or permit issued under section 20-281c, 20-281d or 20-281e; suspend any such certificate, registration, license or permit or refuse to renew any such certificate, license or permit; reprimand, censure, or limit the scope of practice of any licensee; impose a civil penalty not exceeding fifty thousand dollars upon licensees or others violating provisions of section 20-281g or place any licensee on probation, all with or without terms, conditions and limitations, for any one or more of the following reasons:

... (4) Revocation, limitation or suspension of the right to practice before any state or federal agency or the Public Company Accounting Oversight Board under the Sarbanes-Oxley Act of 2002, or any of the following actions taken by any such state or federal agency or said board against a licensee: (A) Suspension of or barring a licensee from serving as a corporate officer or director, (B) requiring a licensee to disgorge funds, or (C) suspension or barring a licensee from association with a public accounting firm...”

However, investigation reveals that Arthur Andersen has not been a licensee for over 3 years and that no legal entity currently exists on which the Board could serve process or against which it could levy fines. Therefore, attempting to serve notice and provide an opportunity for compliance would be difficult if not close to impossible.

Dismissal is recommended due to due process issues, including problems of retroactivity, and difficulty of finding anyone or any entity to proceed against.

2003013-2450 Kenneth Wilchfort and

2003012-2451 Marc Rabinowitz – continuing negotiation of settlement terms

Ernst & Young audit partners suspended by the SEC for failure to detect that CUC's and Cendant's financial statements were not presented in conformity with generally accepted accounting principles and for breach of duty to investors for circulating the audits and filing them with the SEC.

The attorney for these licensees, Attorney DeSimone, has expressed concern about a disciplinary order included in our settlement agreement. He believes that it will cause automatic discipline by AICPA & trigger provision in their partnership agreement that would ban them from continuing as partners. He says the existing SEC order would not have that effect (staff is skeptical and has requested a copy of that portion of the agreement). Attorney DeSimone has suggested that in lieu of the order, his clients submit letters stating "in consideration for the board not proceeding with these cases, I hereby surrender my Connecticut Certificate, and agree never to reapply."

Recommending moving forward with the order as written. Legal counsel will draft a cover letter reminding their counsel that Connecticut General Statutes §20-281a(4) provides the Board with automatic right to discipline these licensees based on the SEC suspensions alone.

Before discussion of the next case, 2003052-2504 Christopher McKenna Board Member Leonard Romaniello, recused himself and excused himself from the room, returning after discussion concluded.

2003052-2504 Christopher McKenna - under investigation

Alleged discreditable act of failing to satisfy a money judgment ordered after trial in Waterbury Superior Court. Mr. McKenna was the defendant in a law suit in which the court found for the plaintiff and entered judgment against him requiring payment of attorney's fees, costs, and interest. He tendered payment of a certain sum for attorney fees and costs and interest. However, there is a dispute as to the amount of interest due on the judgment. The record of the case shows that a bank execution was authorized in July 2004. This would have been done to retrieve sums not paid in accordance with the judgment. Staff would like to review the court file to determine the current status of the case and the execution to determine whether the judgment has been satisfied.

H. Status report for cases in which compliance meetings have been authorized:

2002012-2414 KPMG

XEROX

The SEC has settled its case against KPMG.

Notice of Compliance Meeting, scheduled on May 18, 2006 at 10:00 AM, was sent certified mail, return receipt requested, to KPMG on March 29, 2006.

2005037-2854 William Arnone

Error in tax preparation resulting in large fines and penalties to the complainant. Mr. Arnone has failed to respond to the initial notice of complaint and telephone messages.

Notice of Compliance Meeting, scheduled on May 17, 2006 at 10:00 AM, was sent certified mail, return receipt requested, to William Arnone on March 29, 2006.

Under 2006 Legislative update Executive Director Guay indicated that Raised House Bill Number 5682 An Act Concerning Public Accountants and Raised Senate Bill Number 65 An Act Concerning the Educational Requirements for Applying to take the Certified Public Accountants Exam had both been reported out of Committee.

The Board under public comment heard from Professor Andrew J. Rosman, Ph.D., CPA, Director of the University of Connecticut School of Business Administration Master of Science and Internship Programs in Accounting, bringing the Board's attention to a letter he wrote to Mr. Ronald J. Rotaru, Executive Director of the Accountancy Board of Ohio, who is also chairing a National Association of State Boards of Accountancy committee on the Uniform CPA Exam. Professor Rosman highlighted several points including why the exam is currently scheduled as it is, especially the placement of off months and a need for greater transparency to the exam process.

Based upon Professor Rosman's comments Executive Director Guay suggested a representative of NASBA should be invited to the May 24, 2006 meeting of the Board, by consensus the Board agreed.

Arthur Renner, Executive Director of the Connecticut Society of Certified Public Accountants spoke about the Society's upcoming meeting at which Connecticut CPA Certificates would be awarded.

A motion to adjourn the meeting was moved by Richard Sturdevant and seconded by Berthann Jones, all voted in favor. The meeting was adjourned at 10:40 A. M.