

**Connecticut State Board of Accountancy  
January 10, 2006  
Minutes**

Chairman Reynolds called the meeting to order at 8:35 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  
Berthann Jones  
Leonard M. Romaniello, Jr., CPA  
Richard Sturdevant  
Michael Weinschel, CPA

Staff Members Present:

David L. Guay, Executive Director  
Denise Diaz

Previously excused absence

Richard Gesseck, CPA

Motion made by Michael Weinschel to accept and approve the Minutes of the November 10, 2005 State Board of Accountancy meeting, seconded by Philip DeCaprio, all voted in favor, Mr. Romaniello abstained due to his absence from the November meeting.

Chairman Reynolds proceeded to the next item on the agenda, which is the appointment of a Personnel Search Committee. Leonard Romaniello made a motion, seconded by Philip DeCaprio to appoint the following individuals as a personnel search committee, in compliance with the Freedom of Information Act, to interview and recommend a candidate for the position of Administrative Hearings Attorney 1, all voted in favor.

Thomas F. Reynolds, CPA, Chairman  
Richard P. Bond  
Philip J. DeCaprio Jr., CPA  
Berthann Jones  
Leonard M. Romaniello, Jr., CPA  
Michael Weinschel, CPA  
David Guay, Executive Director

In a review of Board operations Executive Director Guay briefed the Board on the operations of the Board

Executive Director Guay discussed the upcoming IT cut over from the Secretary of the State's servers, and the Memorandum of Understanding between the Board and the Department of Information Technology to be signed this week. Executive Director Guay discussed the emails forwarded to Board members about the Board's relationship with OPM – and reported a scheduled meeting with the Secretary of OPM. The Executive Director also noted that the staff is in the middle of the renewal cycle.

Mr. Bond asked if we don't get the extra admin help from OPM what the Executive Director's backup plan is. The Executive Director suggested exploring the outsourcing of the licensure function, turning to our core competencies, regulatory and enforcement activities. According to Executive Director Guay, licensing is eating most of our resources. Outsourcing would be a last option proposal to OPM, the Governor and the Legislature.

Motion made by Philip DeCaprio and seconded by James Ciarcia to approve the January 10, 2006 list of individual applications for CPA Certificate, Registrations and CPA Licenses, all voted in favor.

Motion made by Richard Sturdevant, and seconded by Leonard Romaniello to approve the January 10, 2006 list of Firm Permit to Practice applications, all voted in favor.

The Board took up the next item on the Agenda a request from CPA Exam Candidate Joseph Rybaruk, Jr. to extend conditional credit. Executive Director Guay noted no extenuating circumstances. Motion made by Leonard Romaniello to deny the request from Mr. Rybaruk to extend his conditional CPA Exam credit, motion seconded by Michael Weinschel, all voted in favor.

Chairman Reynolds noted the list of PCAOB reports received by the Board continues to grow. Discussion held on the reports. Chairman Reynolds concluded by urging members to read the reports and noted the value of receiving the reports.

Enforcement actions taken at the January 10, 2006 meeting:

## **Requesting Settlement Approval:**

### **1. Chen & Wu, CPA'S – 2004175**

#### **ORDER**

Pursuant to Connecticut General Statutes, sections 20-280b and 20-281a, the Connecticut State Board of Accountancy ORDERS that:

1. Respondent shall pay a civil penalty in the amount of \$250 to the Connecticut State Board of Accountancy, payable in full upon the signing of this agreement by the Respondent. The check shall be made payable to Treasurer, State of Connecticut, **no later than 4P.M. on May 20, 2005.**

2. Respondent shall, deliver to the Connecticut State Board of Accountancy at its offices at 30 Trinity Street, Hartford, CT 06106
  - a. **By September 30, 2005**, a copy of the report of the Quality Review of respondent's firm performed during 2005 or earlier, signed by the person who performed such review, whether or not such report has been accepted by an oversight body;
  - b. **By December 31, 2005, a copy of the acceptance of the report**  
Quality Review shall be performed and reported on in accordance with Board Regulations and all applicable professional standards.
3. **In the event, any report or documentation required by paragraph 2 of this order is not RECEIVED by the Board by 4 PM of the due date set forth in paragraph 2, Respondent's Connecticut Firm Permit to Practice will immediately be revoked without further action of the Board.** Upon such revocation, the Board shall cause a notice of revocation to be mailed to Respondent at the address stated herein above. Failure or delay in the Board sending such notice or in Respondent receiving such notice shall not delay or invalidate any such revocation.
4. Upon a revocation pursuant to this order, Respondent, individually or as a representative of any business organization, shall IMMEDIATELY DISCONTINUE assuming or using the title or designations, "Certified Public Accountant", or "Public Accountant" or the abbreviations, "CPA." or "PA" or any other title, designation, words, letters, abbreviations, sign, card or device tending to indicate that such person is a Certified Public Accountant or a Public Accountant, or assuming or using the title or designation "Certified Accountant", "Certified Professional Accountant", "Chartered Accountant", "Enrolled Accountant", "Licensed Accountant", "Registered Accountant", "Accredited Accountant", or any other title or designation likely to be confused with the titles "Certified Public Accountant" or "Public Accountant", or assuming or using any of the abbreviations "C.A.", "E.A.", "L.A.", "R.A.", "A.A.", or other abbreviation likely to be confused with the abbreviations "CPA." or "P.A.", or assuming or using any title or designation that includes the words "accountant", "auditor" or "accounting" in connection with any other language, including the language of a report, that implies that such person or firm holds a license or permit issued under Chapter 389 of the Connecticut General Statutes or has special competence as an accountant or auditor.
5. Upon a revocation pursuant to paragraphs 3 and 4 of this order, Respondent shall IMMEDIATELY DISCONTINUE issuing any report on financial statements of any other person, firm, organization or governmental unit, including but not limited to any report using language conventionally used in the accounting profession by licensees with respect to an audit, an examination, a review or a compilation of financial statements, affixing Respondent's name or the name of any business organization to any financial statement, opinion or report on, or certificate to, any accounting or financial statement with any of the following wording:
  - "I (we) have compiled";
  - "I (we) have reviewed";
  - "I (we) have examined";
  - "I (we) have audited";
  - "in accordance with standards established by the American Institute of Certified Public Accountants";
  - "in conformity with Generally-Accepted Accounting Principles";
  - in my (our) opinion";
  - "in accordance with Generally-Accepted Auditing Standards";
  - "in accordance with Generally-Accepted Professional Standards";or with any other wording which sufficiently resembles standardized wording employed in the accounting profession, so that, when used in connection with accounting or financial

statements, opinions or reports on, or certificates to, accounting or financial statements, said wording indicates that the user is an accountant or auditor or that the user has special competence as an accountant or auditor.

Motion made by Michael Weinshel and seconded by Philip DeCaprio to accept the settlement in the matter of Chen & Wu, CPA'S – 2004175, all voted in favor.

Chairman Reynolds addressed the tabled and pending projects agenda item by asking Executive Director Guay to comment. Executive Director Guay noted the passage of the continuing education regulations, no further action on the use of volunteers beyond his initial research, and the exam services agreement continues to be pending.

Under other business, Leonard Romaniello asked how the Board would be tracking and implementing the new continuing education ethics requirement. Executive Director Guay agreed, with Leonard Romaniello that the subject of implementation needs to be discussed and decided, and suggested it be placed on the agenda for February.

Under public comment Arthur Renner, Executive Director of the Connecticut Society of Certified Public Accountants took the opportunity to introduce his colleagues from the Society; Pat Poli, President of the Society, Alan Clavette, President – Elect of the Society and Robert Fulton. Mr. Renner did note that the Society is looking forward to the February meeting to discuss a proposal to change the education requirement to allow CPA Exam candidates to take the exam prior to meeting the 150-hour education requirement.

A motion to adjourn the meeting was moved by Philip DeCaprio and seconded by Leonard Romaniello, all voted in favor. The meeting was adjourned at 9:37 A.M.