

Connecticut State Board of Accountancy
June 7, 2011
Minutes

Chairman Thomas Reynolds called the meeting to order at 08:37 A.M. at the Cyrenius H. Booth Library, 25 Main Street, Newtown, Connecticut.

Present:

Thomas F. Reynolds, CPA, Chairman
James S. Garcia
Richard H. Gesseck, CPA
Lee R. Schlesinger
Richard L. Sturdevant
Leonard M. Romaniello, Jr., CPA, CITP, CFE, MST
Martha S. Triplett, Esq.
Michael Weinshel, CPA

Absent

Philip J. DeCaprio, Jr., CPA/ABV/CFF, Cr.FA, CVA

Staff Members Present:

David L. Guay, Executive Director

Motion was made by Michael Weinshel and seconded by Richard Gesseck to approve the minutes of the May 3, 2011 Board Meeting. All voted in favor; no votes against and no abstentions.

The Board reviewed and noted, for the record, the adopted budget and planned transfer of the Board of Accountancy into the Office of the Secretary of the State. Chairman Reynolds and Executive Director Guay also reviewed their Meeting with the Deputy Attorney General, seeking their assistance in enforcement matters.

The Board reviewed and noted, for the record, CPA Certificate, Registration, CPA License & Firm Permit Applications approved by the Executive Director May 1, 2011 through June 6, 2011.

The Board noted the PCAOB report listed on the Agenda and available for Board member review in the office.

Due to the presence of the Accountants Coalition guests:

Cathy Landau-Painter of KPMG
Amelia Caporale, Ernst & Young LLP, Office Managing Partner, Hartford
Richard Caporaso, KPMG LLP, Office Managing Partner, Hartford
Harry Hurvitz, Deloitte LLP, Office Managing Partner, Stamford
Laurie Schupmann, PricewaterhouseCoopers LLP, Market Managing Partner, Stamford

Chairman Reynolds adjusted the agenda to have the retreat discussion on Firm ownership and to begin with a presentation in favor of non licensee ownership by the Accountants Coalition.

After a presentation in favor of non licensee ownership by the Accountants Coalition the members conducted a give and take of questions and comments with the managing partners gathered.

Richard Gesseck made a motion for the Board to seek a statutory change to allow for 49% non licensee ownership of a CPA Firm and for a uniform definition of what a public accounting firm is, motion was seconded by Leonard Romaniello. Board Member Richard Gesseck left the meeting at 9:20 AM. After further discussion, all voted in favor, no votes against and Michael Weinshel abstaining.

Board took a recess at 9:40 AM. Chairman Reynolds called the Board back to order at 9:55 AM.

Continuing retreat discussion the Board discussed the attest CPE requirement with a focus on the threshold for the requirement, suggested di minimus language proposed by the Accountants Coalition and the current status of the requirements proposed amendment. By consensus the Board decided to continue to review and discuss this issue.

Michael Weinshel made a motion, seconded by Richard Sturdevant for the Board to use its authority under 20-280-25(c) of the Board's Regulations to adjust the attest CPE requirement from 16 to 8 hours for the July 1, 2011 through June 30, 2012 CPE year. All voted in favor, no votes against and no abstentions.

Continuing retreat discussion the Board discussed the ethics CPE requirement, focusing on enforcement, monitoring and tracking of the requirement. No resolution or action taken.

Continuing retreat discussion the Board discussed comfort letters and the ethical position it put's the practioner in when requested to provide such a letter. Following discussion, Chairman Reynolds volunteered to draft a letter to the AICPA seeking clarification of their position. Michael Weinshel volunteered to raise the issue with Noel Allen, NASBA's Legal Counsel.

Continuing retreat discussion the Board discussed the Legislature's increase in the Late CPE fees and the impact on the Board and individual licensees. Executive Director Guay was directed to attempt to find the time and resources to review who has paid and report to the Board.

Continuing retreat discussion the Board discussed not for profit audits and the quality of those audits. No resolution or action taken.

The Board recessed at 11:25 A.M. and was called back to order by Chairman Reynolds at 11:35 A.M.

A motion was made by Michael Weinshel and seconded by Richard Sturdevant to approve Mr. John Hyde's CPA Certificate Experience Verification in Industry Accounting. All voted in favor; no votes against and no abstentions.

Motion made by Michael Weinshel and seconded by Leonard Romaniello to approve extending the conditional passing credit for the Regulation section of the exam for CPA Exam candidate Gina Scarpetti until the end of March 2011. All voted in favor, no votes against and no abstentions.

Motion made by James Ciarcia and seconded by Martha Triplett to approve extending the conditional passing credit for the Auditing section of the exam for CPA Exam candidate Nadya

Sikorjak by one year until July 31, 2012 pending receipt of medical documentation confirming condition. All voted in favor; no votes against and no abstentions.

A motion was made by Michael Weinshel and seconded by Leonard Romaniello to approve Ms. Anna M. Rose's CPA Certificate Experience Verification in Industry Accounting. All voted in favor; no votes against and no abstentions.

A motion was made by Michael Weinshel and seconded by Martha Triplett to approve Ms. Rebecca Uricchio's CPA Certificate Experience Verification in Industry Accounting. All voted in favor; no votes against and no abstentions.

A motion was made by Michael Weinshel and seconded by Leonard Romaniello to approve Ms. Karen A. Stewart's CPA Certificate Experience Verification in Industry Accounting. All voted in favor; no votes against and no abstentions.

A motion was made by Leonard Romaniello and seconded by Michael Weinshel to approve Ms. Nadya Evdokimova's CPA Certificate Experience Verification. All voted in favor; no votes against and no abstentions.

A motion was made by Michael Weinshel and seconded by Leonard Romaniello to approve Ms. Kristen Dyson Stewart's CPA Certificate Experience Verification in Industry Accounting. All voted in favor; no votes against and no abstentions.

A motion was made by Michael Weinshel and seconded by Leonard Romaniello to approve Ms. Malvern Makwah Ngoh CPA Certificate Experience Verification in Industry Accounting. All voted in favor; no votes against and no abstentions.

A motion was made by Richard Sturdevant and seconded by Michael Weinshel to deny the request by Donnarell Elder, CPA for an extension to complete continuing professional education due for the period of July 1, 2010 through June 30, 2011. All voted in favor, no votes against and no abstentions.

The Board recessed for lunch at 12:00 Noon and was called back to order by Chairman Reynolds at 12:45 P.M.

Executive Director Guay brought to the Board's attention Connecticut Department of Motor Vehicles Form K-193 Statement of Financial Condition, which according to the form must be completed by a Certified Public Accountant. The Board held discussion about the appropriateness of a CPA completing this form. The Board directed Executive Director Guay to contact the Department of Motor Vehicles and set up a meeting to discuss.

Under public comment, Arthur Renner, Executive Director of the Connecticut Society of Certified Public Accountants (CSCPA), Gregory Lainas, current President of the CSCPA, and Noelle Taddei, President-elect each made brief comments to the Board.

PUBLIC SESSION- ENFORCEMENT AGENDA

I. REQUESTING SETTLEMENT APPROVAL

A. LICENSING RELATED SETTLEMENTS

2011035-3652 Firm of Israeloff, Trattner & Co., CPAs, PC – Executive Director Guay requested settlement approval for alleged failure to file a Quality Review report and acceptance letter for 2004, 2007 and 2010. Settlement includes a Board order for a penalty payment of \$750.00 and filing of the 2004, 2007 and 2010 Quality Review reports and acceptance letters.

2011046-3666 Brendan M. Begley, CPA – Executive Director Guay requested settlement approval for alleged failure to renew and individual CPA License for 2011. Settlement includes a Board order for a penalty payment of \$250.00, appropriate CPE and reinstatement of the CPA License for 2011.

Leonard Romaniello made a motion, seconded by Michael Weinschel to accept the proposed settlements in the matters of 2011035-3652 Firm of Israeloff, Trattner & Co., CPAs, PC and 2011046-3666 Brendan M. Begley, CPA. All voted in favor, no votes against and no abstentions.

Martha Triplett made a motion, seconded by Leonard Romaniello to enter into executive session at 12:57 P.M. to discuss pending enforcement matters and to invite Executive Director Guay into the executive session. All voted in favor, no votes against and no abstentions.

Martha Triplett made a motion, seconded by James Ciarcia to exit the executive session at 1:27 P.M. All voted in favor, no votes against and no abstentions.

A motion was made by Martha Triplett and seconded by James Ciarcia to adjourn the June 7, 2011 Board Meeting of the Connecticut State Board of Accountancy at 1:27 P.M. All voted in favor; no votes against and no abstentions.