

Connecticut State Board of Accountancy
May Minutes
Thursday, May 2, 2013 – 8:30 A.M.
Third Floor Conference Room
30 Trinity St., Hartford, CT 06106
860-509-6179
sboa@ct.gov

Chairman Thomas F. Reynolds called the meeting to order at 8:33 A.M. at the Connecticut State Board of Accountancy, 30 Trinity Street, Hartford, Connecticut.

PRESENT:

Thomas F. Reynolds, CPA, Chairman
Leonard M. Romaniello, Jr., CPA, CITP, CFE, MST
Michael Weinshel, CPA
Martha S. Triplett, Esq.
Richard H. Gesseck, CPA - Left the meeting at 10:00 A.M.
Lee R. Schlesinger
James S. Ciarcia
Philip J. DeCaprio, Jr., CPA/ABV/CFF, CR/FA. CVA. DABFA

ABSENT:

Richard L. Sturdevant

STAFF MEMBERS PRESENT:

James Spallone, Deputy Secretary of the State
Diane Steir, Interim Manager
Sonia Worrell Asare, Legal Counsel
Stephanie Sheff, Processing Technician
Constance Sakyi, Paralegal Specialist 1

OTHERS PRESENT:

Thomas Hennick, Freedom of Information Act
Bonnie Olivieri, Practice Program Manager, CT Society of CPA
Larry Schweitzer, Chair of CT CPA Peer Review Committee
Cathy Landau-Painter of KPMG
Ken Bishop, President & CEO of NASBA
Julie McNeal – Director of Finance and Operations, CT Society of CPA
Jonathan D. Leone
Thomas S. Monterosso, CPA

ACTION REQUIRED - Approve Minutes of April 4, 2013 Board Meeting:

Mr. Romaneillo made a motion to approve the April 4, 2013 minutes as presented. Mr. Weinshel seconded the motion. All present Board Members voted in favor.

OFFICE UPDATE

Diane Steir, Interim Manager stated that the e-license system is being updated to be prepared for renewals of CPEs in October. She also stated that a permanent employee, Dominika Sorensen has been hired as an Office Assistant.

GUEST SPEAKERS

MOBILITY/PRACTICE PRIVILEGE

Cathy Landau-Painter of KPMG gave a brief description of mobility/practice privilege. Ken Bishop, President & CEO of the National Association of State Boards of Accountancy (NASBA) explained to the Board Members how NASBA has worked with other State Boards to create an online database. He also stated that NASBA has created an online resource (cpamobility.org) to provide guidance to CPAs about Mobility requirement.

FREEDOM OF INFORMATION ACT TRAINING

Thomas A. Hennick, Public Education Officer of Freedom of Information Commission, gave an overview of the Freedom of Information Act. He stated that it is important that public officials understand the requirements of FOIA. Mr. Hennick told Board Members to feel free to contact him with any questions.

PEER REVIEW PROGRAM

Ms. Bonnie Olivieri and Mr. Larry Schweitzer from the CT Society of CPA gave a synopsis of the responsibilities of the Peer Review Committee. They stated that the committee consists of 13 members who are charged with establishing procedures to ensure that the performance and reporting of reviews are in compliance with Standards and Administrative Policies and Procedures. Informational handouts were given to the Board Members.

EXAM AND LICENSING

Kumar Podial seeking approval of foreign education credits. Mr. DeCaprio made a motion to approve. Mr. Ciarcia seconded the motion. All present voted in favor.

Jonathan D. Leone seeking allowance for credit of previous parts passed on the CPA exam - Mr. Monterosso, CPA, from Milford spoke on behalf of Mr. Leone, stating that Mr. Leone is an exemplary citizen and recommended that the Board approve the reinstatement of his license. Mr. Ciarcia made a motion to approve and Mr. Schlesinger seconded the motion. Motion passed 3-2.

Review Firm Permits for approval.

- **Elizabeth Zartolas** - Application for Initial Certificate and Certificate Registration; Industry Accounting experience. Mr. Weinshel made a motion to approve. Ms. Triplett seconded the motion. All present Board Members voted in favor.
- **Jodi Marie Sacco** - Application for Initial Certificate and Initial License; Public and Industry Accounting experience. Tabled at April 4, 2013 board meeting. SBA-12 form, The Hartford, section 6 experience amended. Mr. DeCaprio made a motion to approve. Mr. Romaniello seconded the motion. All present Board Members voted in favor.
- **Monique Horn** – Application for Initial Certificate and Initial License; Industry Accounting experience. Mr. Weinshel made a motion to approve. Ms. Triplett seconded the motion. All present Board Members voted in favor.
- **Stacy A. Curran** - Application for Initial Certificate and Initial License; Industry Accounting experience. Tabled at April 4, 2013 Board Meeting. SBA-12 form section was not filled out. A revised form was submitted. Mr. Romaniello made a motion to approve. Mr. Schlesinger seconded the motion. All present Board Members voted in favor.
- **James Chapman** - Application for Initial Certificate and Initial License: Public and Government experience. Tabled at April 4, 2013 Board meeting. SBA-11 form page 2 dates did not match dates on SBA-12 form. SBA-11 sent in with revisions. Mr. Schlesinger made a motion to approve. Mr. Weinshel seconded the motion. All present Board Members voted in favor.
- **Robert Betlinski** - Application for Initial Certificate and Certificate Registration; Industry

Accounting experience. Mr. DeCaprio made a motion to approve. Mr. Romaniello seconded the motion. All present Board Members voted in favor.

- **Matthew Haney**– Application for Initial Certificate and Initial License; Industry Accounting experience. Mr. DeCaprio made a motion to approve. Mr. Romaniello seconded the motion. All present Board Members voted in favor.
- **Christine M. Voytek** – Mr. Schlesinger made a motion to add application to the agenda. Ms. Triplett seconded the motion. After discussions Ms. Triplett made a motion to approve. Mr. DeCaprio seconded the motion. All present Board Members voted in favor.

PCAOB Inspection Reports Received – member comment on review

- Review date February 20, 2013 Report on **Eide Bailly LLP**
Mayer Hoffman McCann P.C.
KPMG LLP
Deloitte & Touche LLP
Ernst & Young
Raich Ende Malter & Co. LLP

OTHER BUSINESS

Enforcement Cases:

2013-4 - Elliot, Christopher T.; Withdrawn by Complainant.

2012-103770 – Reinhardt, Lange; State Board of Accountancy; Allegations: failure to obtain a Connecticut State Accountancy license, a Connecticut firm permit, failure to undergo, and failure to report peer reviews. Matter stems from prior enforcement matter, wherein settlement was issued. Mr. DeCaprio made a motion to table the matter requesting for additional information, for the next meeting. Mr. Ciarcia seconded the motion. All present Board Members voted in favor.

2013-11 – Singhal, Mitesh; Duran, Ofelia; Allegations: engaging in the unauthorized practice of public accountancy in the State of Connecticut. Mr. Ciarcia made a motion to dismiss. Mr. Romaniello seconded the motion. All present Board Members voted in favor.

2013-6 Livingston & Haynes, P.C.; State Board of Accountancy (Referral from U.S. Securities and Exchange Commission); Allegations: violation a federal law; committing misconduct reflecting adversely on the profession of public accountancy; violation of the rules of professional conduct; suspension by the Securities Exchange Commission; incompetence in the practice of public accountancy; issuing an unqualified audit report; engaging in improper professional conduct in violation of Rules 102(e)(1)(ii) of the Securities Exchange Commission's Rules of Practice and Section 4C of the Exchange Act; and violation Section 10A(b)(1) of Exchange Act. SEC investigation resulted in an administrative and cease-and-desist proceeding, ultimately ended with an offer in settlement. Jurisdictional Issue: No jurisdiction. Respondent's Firm Permit has been inactive since 2008. Respondent's firm permit and office is located in Massachusetts. Matter is currently under review by MA Board of Accountancy. Mr. DeCaprio made a motion to dismiss due to lack of jurisdiction. Mr. Romaniello seconded the motion. All present Board Members voted in favor.

2011042-3660 Harmon, Richard; State Board of Accountancy; Allegations: unauthorized practice of public accountancy, and unauthorized use of the CPA title. Substantiated violation: None. Mr. Ciarcia

made a motion to dismiss. Mr. Schlesinger seconded the motion. All present Board Members voted in favor.

2011074-3703 Volain & Volain, PC; State Board of Accountancy; Allegations: failure to renew firm permit in timely manner in the year of 2011. Substantiated violation: Failure to renew firm permit. Mr. DeCaprio made a motion to settle the case for \$250. Mr. Romaniello seconded the motion. All present Board Members voted in favor. Ms. Triplett recused herself.

2011068-3693 Howley, Kevin F.; State Board of Accountancy (Referral from U.S. Securities and Exchange Commission); Allegations: violation of a federal law; committing misconduct reflecting adversely on the profession of public accountancy; violation of the rules of professional conduct; suspension by the Securities Exchange Commission; incompetence in the practice of public accountancy; issuing an unqualified audit report; engaging in improper professional conduct in violation of Rules 102(e)(1)(ii) of the Securities Exchange Commission's Rules of Practice and Section 4C of the Exchange Act; and violation Section 10A(b)(1) of Exchange Act. SEC investigation resulted in an administrative and cease-and-desist proceeding, ultimately ending with an offer in Settlement. Jurisdictional Issue: No Jurisdiction. Respondent has unregistered certificate. Respondent's license has been inactive since 2008. Respondent submitted sworn affidavit stating he is fully retired from the practice of public accountancy in State of Connecticut, has not and does not intend to practice in the State of Connecticut. Mr. DeCaprio made a motion to dismiss due to lack of jurisdiction. Mr. Schlesinger seconded the motion. All present Board Members voted in favor.

2011072-3701 King, Walter; Mitchell, Ann Marie; Allegations: negligence in the practice of public accountancy and incompetence in the practice of public accountancy. Attorney Sonia Asare requested that one of the Board Members volunteer to review the case. Chairman Reynolds will request a volunteer from the Board.

NASBA COMMITTEE ENDORSEMENT: Mr. DeCaprio made a motion to add to the agenda an endorsement of Mr. Weinshel to the NASBA's Nominating Committee. Action was also taken after adding to agenda. Ciarcia made a motion to endorse Mr. Weinshel's nomination to the NASBA Nominating Committee. DeCaprio seconded the motion. All present Board Members voted in favor.

PUBLIC COMMENT

Opportunity for members of the public to address the Board.

- Julie McNeal, Director of Finance and Operations of CT CPA, invited the Board members to the Annual Meeting of the CT Society of CPA on May 13, 2013 and the Certificate Awards Ceremony on June 6, 2013 at the Aqua Turf Club, in Plantsville, CT.

ADJOURNMENT

Mr. DeCaprio made a motion to adjourn the meeting at 1:14 p.m. Mr. Ciarcia seconded the motion. All present Board Members voted in favor.

Next scheduled meeting:

- Monday, June 24, 2013- 8:30 AM – 1579 Straits Turnpike, Suite 2D, Middlebury, CT 06762.