

**Connecticut State Board of Accountancy
Meeting Minutes
October 5, 2017**

The meeting was called to order by Chairman John H. Schuyler, CPA, at 10:00 A.M. in Hearing Room J, at 450 Columbus Boulevard, Hartford, Connecticut 06103

Board Members Present:	John H. Schuyler, Chairman	Certified Public Accountant
	Peter J. Niedermeyer	Certified Public Accountant
	Timothy F. Egan-via teleconference	Certified Public Accountant
	Dannell R. Lyne	Certified Public Accountant
	Mark Aronowitz	Public Member
	Karla H. Fox, Esq.-via teleconference	Public Member

Board Members Absent:	Marcia L. Marien	Certified Public Accountant
	Martha S. Triplett, Esq.	Public Member

Board Vacancies: Public Member

DCP Staff Present:	Frank Virnelli, Manager
	Robin Washbond
	Kellie Conover

Public Present:	Bonnie Stewart, Executive Director, CT Society of CPAs
	Mark Zampino, Public Affairs Director, CT Society of CPAs
	Skip Braziel, Vice President, State Regulatory and Legislative Affairs, AICPA

Note: The administrative functions of the Boards, Commissions and Councils are carried out by the Department of Consumer Protection, Occupational and Professional Licensing Division, 450 Columbus Boulevard, Hartford, CT 06103

Richard M. Hurlburt, Director: dcp.occupationalprofessional@ct.gov for minutes and agenda items

Agency Web site: www.ct.gov/dcp

Licensing/Certification: dcp.licenseservices@ct.gov

Enforcement issues: dcp.accounting@ct.gov

MINUTES OF PREVIOUS MEETINGS

Mr. Niedermeyer made a motion to approve the minutes of the September 5, 2017 Board meeting. The motion was seconded by Mr. Aronowitz. All remaining board members voted in favor.

COMMENTS OR CONCERNS OF ANY PERSON PRESENT TODAY

None

OLD BUSINESS

Use of Titles

Chairman Schuyler noted that the SBOA is in favor of including provisions for the regulation of management titles in the UAA. He also pointed out that although most other jurisdictions had different responses to the proposed revision to the UAA, the Board did have two objections that were included by other jurisdictions. The acronym "AICPA" that refers to two different organizations, the American Institute of Certified Public Accountants, and the Association of International Certified Professional Accountants. Chairman Schuyler said that we don't want to confuse the public. He also said that by putting in the proposed language, specific titles could be viewed as official authorization by the Board of those terms.

Regulations Update

Mr. Virnelli said that he had forwarded a draft of the proposed revised regulation to the CT Society of CPAs for comment. Feedback is welcome. The Society, along with the rest of the public, will also have the opportunity for input during the 30-day comment period. When that period will be depends on how long the other steps in the process take. Mr. Virnelli asked the Board members if there was a reason that in the present regulations limited liability company (LLC) is not included in the list of types of entities that a CPA firm can be. This is especially curious because there are currently almost 400 firms that are LLCs. Chairman Schuyler said that was probably due to the regulations being written piecemeal. Mr. Aronowitz said that they had run into this when they looked at the statute. He noted that LLCs came into existence about 25 years ago. Ms. Fox said she thought that LLC was already allowed, but that if we could be more explicit, we may as well go ahead and do it. Mr. Virnelli said that he had included new language in the draft revisions that would include LLCs, and other entities.

NEW BUSINESS

Potential Statutory Changes

Bonnie Stewart, Executive Director, CT Society of CPAs and Skip Braziel, Vice President, State Regulatory and Legislative Affairs, AICPA appeared before the Board to give a PowerPoint presentation on two Connecticut Society and AICPA initiatives, Firm Mobility and CPE Reciprocity.

Ms. Stewart and Mr. Braziel, first discussed firm mobility. Ms. Stewart began by stating that the profession is looking for more uniformity among the laws of the various jurisdictions. Mr. Braziel said 22 states have adopted firm mobility, with three in the process. Included in the legislation is to treat non-attest services as attest services for out of state firms. This would help small and medium sized firms. Ms. Stewart added that it would help small states, like Connecticut, too; for example, many Connecticut CPAs practice in Massachusetts, Rhode Island, and other surrounding states. Mr. Braziel emphasized that there would still be regulatory oversight of the out of state firms. In answer to a question from Mr. Niedermeyer, Ms. Stewart said regulatory action would take place in the state where an issue happens.

Regarding continuing professional education (CPE) reciprocity, Mr. Braziel stated 24 states have adopted it. Alabama is in the process. Wisconsin has no CPE requirement. If the state of original licensure has a CPE requirement, then the CPA would use that state's CPEs. If a state does not, then the CPA would follow Connecticut's requirement. Ms. Stewart said that it is an issue for the Society's members. Many practice in multiple states. They would still get their CPEs. She believes CPE reciprocity would make Connecticut friendlier. People are opting not to get a Connecticut license; and firms are opting not to get Connecticut permits. Chairman Schuyler said that it would be nice if Connecticut were not 50 out of 50 again. Chairman Schuyler, Dannell Lyne, and Ms. Fox will discuss this issue and report back at the next meeting.

Ms. Stewart said that the Society would not move forward until they know how DCP plans to proceed. She asked that DCP give her a heads up about its timetable.

Connecticut Joining Facilitated State Board Access

Mr. Virnelli reported that DCP will be joining Facilitated State Board Access (FSBA) which will allow the Department to more easily obtain peer review results and information.

Supervision Necessary for Experience to Become a CPA

Mr. Virnelli asked the members of the Board for their input regarding whether or not the CPA who signs off on a candidate's experience must be that candidate's direct supervisor. Chairman Schuyler said for him, it is a question of who is setting the scope of the work. The only problem is this could leave a fairly large percentage as a matter of

judgment. He recalled that in the past the Auditor of Public Accounts was the only non CPA firm where the experience could be gained; but the system is now more open. Mr. Aronowitz revealed that in the 1980's the Division of Special Revenue, where he worked at the time, was the other state agency where candidates could earn experience. He said that had he tried to obtain the CPA designation back then, the person who would have signed off on his experience was not his direct supervisor. Chairman Schuyler said that one problem is that we have a two tier system and having a certificate is enough to be the supervisor.

2018 Board Meeting Dates:

January 4, March 1, May 3, July 5, September 6, November 1

Chairman Schuyler asked the Board to respond if they have a problem with the 2018 meeting dates. Mr. Aronowitz asked that the July date be changed. Chairman Schuyler suggested that this matter be put on the November agenda to give Board members time to review the dates.

CPE/EXAM EXTENSION REQUESTS

Mr. Aronowitz made a motion to add Ashley Kowalyshyn and Marianne Daigle to the agenda. The motion was seconded by Mr. Lyne. Mr. Niedermeyer abstained. All remaining board members voted in favor.

Ashley Kowalyshyn – Request for extension of portion of CPA exam

Mr. Aronowitz made a motion to deny this request. The motion was seconded by Mr. Lyne. Chairman Schuyler abstained. All remaining board members voted in favor.

Marianne Daigle – Request for extension of CE requirements to October 31, 2017

Mr. Niedermeyer made a motion to approve the extension. The motion was seconded by Mr. Lyne. All remaining board members voted in favor.

COMMENTS OR CONCERNS OF ANY PERSON PRESENT TODAY

- Chairman Schuyler informed the Board that he will not be present at the November meeting but will attend by teleconference. Chairman Schuyler asked for a volunteer to chair the November meeting in his absence. Mr. Lyne volunteered to chair the meeting.
- Bonnie Stewart, CT Society of CPAs, informed the Board of the September 29, 2017 meeting of the Board of Directors of the CT Society of CPAs, the CT CPA Peer Review Committee and New England Peer Review. Ms. Stewart noted that the meeting was held to find out more about NEPR and that the meeting carried a very positive tone among all participants regarding the potential of the CTCPA and NEPR working together. They will continue to move forward and work with

the AICPA to see if this joint venture model works under the new Peer Review structure and will report back to the Board in November.

- Ms. Stewart advised the Board that the CT Society of CPAs has received many phone calls from a number of different state societies and members asking about a National Conference of State Legislatures study on occupational licensing. Ms. Stewart stated that Mr. Virnelli has confirmed that Connecticut is not looking at Accountancy and she added that a number of states are participating in this study and there have been many questions from people concerning which occupations are a part of that study.
- Ms. Stewart informed the Board that the CT Society of CPAs is moving forward on seeking legislation concerning a reduction of licensing fees.

ADJOURN

Mr. Aronowitz made a motion to adjourn the meeting at 11:09 a.m. The motion was seconded by Mr. Niedermeyer. All present board members voted in favor.

Next scheduled meeting: Tuesday, November 7, 2017, at 10:00 a.m., in Hearing Room J, 450 Columbus Blvd., Hartford.