

**Connecticut State Board of Accountancy
Meeting Minutes
July 10, 2018**

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
	Dannell R. Lyne	Certified Public Accountant
	Peter J. Niedermeyer	Certified Public Accountant
	Timothy F. Egan	Certified Public Accountant
	Martha S. Triplett, Esq.	Public Member
	Mark Aronowitz	Public Member
	Karla H. Fox, Esq. (via phone)	Public Member

Board Members Absent:	Marcia L. Marien	Certified Public Accountant
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Board Vacancies:	Public Member
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DCP Staff Present:	Frank Virnelli, Manager
	Cat Arsenault
	Denise Diaz
	Robin Washbond
	Kellie Conover

Public Present:	Bonnie Stewart, Executive Director, CT Society of CPAs
	Lisa Bugryn, Professional Development Director, CT Society of CPAs
	Mark Zampino, Public Affairs Director, CT Society of CPAs

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

Ms. Fox made a motion to approve the minutes of the May 3, 2018 Board meeting. The motion was seconded by Mr. Niedermeyer. All remaining board members voted in favor.

COMMENTS OR CONCERNS OF ANY PERSON PRESENT TODAY

None

Mr. Lyne made a motion to move the following agenda item to the first order of business today. The motion was seconded by Mr. Aronowitz. All remaining board members voted in favor.

Require on-line renewal for individuals and firms?

Mr. Virnelli stated that the matter of possibly requiring online renewals for individuals and firms, eliminating paper renewal notices, was brought to his attention for consideration by the Licensing Division. Mr. Virnelli said that currently CPA's are doing very well overall with 90% of individuals renewing online, 97% of the registrations are done online and 86% of firm permits are renewed online. Mr. Virnelli asked the Board for their comments or concerns. Mr. Schuyler commented that it would make DCP oversight easier. Ms. Fox commented that online renewals should be required. Bonnie Stewart, Executive Director, CT Society of CPAs commented on the use of waivers for extenuating circumstances.

LICENSING AND APPLICATIONS

John Nicholas Cristiano - Reciprocal Certification and License, Applicant from NY, Combination of Public and Industry, wants to qualify under the 5 and 10 rule. Experience being provided by applicant, No supervising CPA, No SBA-12 Forms provided:

- FTI Consulting, 10-1-2006 to 3-30-2014; 7 years 6 months. (1 year 6 month older than 10).
- Grant Thornton, LLP, 3-31-2014 to Present (5-18-2018); 4 years, 1 month, 20 days.

Ms. Triplett made a motion that Mr. Cristiano must first complete the Ethics requirement before DCP can approve the application. The motion was seconded by Mr. Lyne. All remaining board members voted in favor.

Kim Lauren MacRae - Reciprocal Certification and License, Applicant from NY,
Industry experience gathered under a CPA:

- General Electric Company, 468 weeks; 2-2008 to March 2017; 9 years, 1 month, 14 days.

Ms. Triplett made a motion to approve this application. The motion was seconded by Mr. Egan. All remaining board members voted in favor.

Sarah G. Bailey - Initial Certification and Registration, CT Applicant, **Industry experience gathered under a CPA:**

- **United Technologies Corporation**, 110 weeks; 4-18-2016 to 6-1-18; 2 years, 1 month, 15 days.

Mr. Egan made a motion to approve this application. The motion was seconded by Mr. Lyne. All remaining board members voted in favor.

OLD BUSINESS

CPE Reciprocity – Legislative Update and Questions from NASBA

Mr. Virnelli said that the continuing professional reciprocity bill passed. Effective July 1, 2018, when renewing, a licensee with a principal place of business outside of Connecticut can certify that he or she is in compliance with the CPE requirements of the state of the principal place of business. NASBA had asked certain questions regarding this:

1. Does the licensee's state of residence have to be other than Connecticut in order to claim this exemption, or could they live in Connecticut but have their principal place of business in another state and still claim this exemption? Mr. Virnelli said that as long as their principal place of business is in another state, a CPA can claim the exemption. The statute makes no mention of state of residence.
2. If the principal place of business granted the licensee an exemption from their requirements, would the licensee have to meet Connecticut's requirements? The Board held a long discussion regarding this question. Mr. Egan made a motion in favor of a policy that a question will be added to the renewal form as to whether an exemption has been granted in the state of the licensee's principle place of business, and if so, to describe the reason(s) for the exemption. The motion was seconded by Ms. Triplett. All remaining board members voted in favor.
3. If the principal place of business granted an extension, could the licensee claim the non-resident licensee exemption once they had met the requirements in their principal place of business? The Board decided that

if the state of the principal place of business grants an extension, then the licensee could claim the exemption once he or she has met the requirements of that state.

4. Would this exemption first be allowed for license cycles ending 6/30/2018 or 6/30/2019? This exemption will be allowed for the first renewal cycle that DCP can get its on-line and hard copy applications updated to allow licensees to claim the exemption.

Regulations Update

Mr. Virnelli updated the Board on status of the proposed revisions and stated that the regulations are currently in the Office of Policy Management and moving forward.

NEW BUSINESS

Update on the Revised NASBA Guidelines for Peer Review Oversight Committee

Chairman Schuyler informed the Board of the CAC Peer Review Oversight Guideline Update.

NASBA Eastern Regional

New Pathway to CPA

Mr. Virnelli said that although no one from either the Board or DCP was able to attend the Eastern Regional meeting, he did listen in on two sessions via livestream. The first session was the proposed new pathway to the CPA. The two presenters were Colleen Conrad, the Executive Vice President and COO of NASBA, and Dan Dustin, the VP State Board Relations for NASBA. Ms. Conrad started by saying that this is not a done deal. It is just a concept that is being considered. With technology becoming more important in accounting and auditing, firms are already hiring people with IT skills. Even though this would be a different pathway, it would still be a pathway to the CPA, not a subset. And the pathway would be just as rigorous as the current one. The education, experience and ethics necessary would be consistent with the current requirements. The exam would still have four parts, but with conceptual differences. Its possible statutory or regulatory changes would have to be made. The next step is to get feedback, starting with the state boards. That concluded Mr. Virnelli's report. A discussion followed:

Mr. Lyne said that AI is being used more, and the Big 4 have hired more IT than accounting graduates. Ms. Fox said that the academic community needs to be brought in immediately. Bonnie Stewart from the CTCPA said that as of the March meeting of the AICPA that both NASBA and the AICPA were reaching out to academia. She added that the end date being considered was September of 2019. Mr. Egan said that as a recruiter for his firm, and a graduate of Penn State, he is seeing the emphasis on information systems already. He said that at Penn State many of the accounting graduates minored in information systems because they were told of its value as the

industry is evolving. Ms. Fox said that the sooner they begin talking about curriculum changes, the better, as there is an aggressive timeline.

AICPA Reorganization Impact Task Force

The second session that Mr. Virnelli live streamed was the AICPA Reorganization Impact Task Force (RITF) report. That was presented by Jack Dailey, the Chair of the RITF, Susan Coffey, Executive VP of the AICPA, and Randall Ross, Chair of the Executive Directors Committee of NASBA. Mr. Dailey began by saying that 45 or 46 of the 55 jurisdictions responded to the request for input. Ms. Coffey explained that the American Institute of CPAs created a partnership with the Chartered Institute of Management Accountants (CIMA), a global organization focused on management accounting. In 2016, the two organizations decided they would be more effective if they combined strategy, management, and operations. So, the Association of International Certified Professional Accountants was created. The only abbreviation that should be used to refer to the Association of International Certified Professional Accountants is the "Association." "AICPA" refers only to the American Institute of CPAs. AICPA and CIMA are independent entities. They share resources only through the Association. The AICPA still has full control and oversight of peer review, ethics, professional guidance, etc. Ms. Coffey took full responsibility for taking AICPA off the registry and putting on the Association in its place. That was a mistake. There is no plan to make "Certified Professional Accountant" and designation. New branding is coming to hopefully eliminate the confusion. The timing of that launch will be in August, 2018. It will take time because there are a lot of materials. Mr. Dailey said that if there is any question or issue going forward, contact Colleen Conrad of NASBA and she will forward it to the right person.

Regarding CPE providers how is the following part of the regulations (§20-280-25(b)(5) interpreted?

"Programs of other accounting, industrial or professional organizations which are recognized by the Board."

Mr. Virnelli said that a law firm contacted him about the interpretation of "professional organization" as a continuing professional education (CPE) provider in the language of regulation §20-280-25(b)(5) as it is written on the DCP web site. On the web site, we write that there is no formal list, and it is broadly interpreted. Chairman Schuyler said that since CPA firms can be CPE providers, then law firms could be qualified, too. Certainly in the area of taxes and ethics.

CPE/EXAM EXTENSION REQUESTS

Mr. Niedermeyer made a motion to add 9 additional CPE/Exam extension requests to the agenda. The motion was seconded by Mr. Lyne. All remaining board members voted in favor.

Continuing Professional Education

Keith M. Crehan – Seeking CPE extension to August 15, 2018 for good cause

Ms. Triplett made a motion to grant an extension to August 18, 2018. The motion was seconded by Ms. Fox. All remaining board members voted in favor.

Ferdinand D. DiMaria – Seeking CPE extension for July 31, 2018 for good cause

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

Edward H. Smith, Jr.- Seeking CPE extension to September 30, 2018

Ms. Triplett made a motion to grant an extension to September 30, 2018. The motion was seconded by Mr. Niedermeyer. All remaining board members voted in favor.

Jeanne P. Cohen – Seeking CPE waiver for medical reasons

Mr. Egan made a motion to grant an extension to December 31, 2018. The motion was seconded by Ms. Triplett. All remaining board members voted in favor.

Edmond DiClemente – Seeking CPE extension to August 31, 2018 for medical

Mr. Niedermeyer made a motion to grant an extension to August 31, 2018 subject to medical documentation. The motion was seconded by Ms. Fox. All remaining board members voted in favor.

Janine Konopko – Seeking CPE extension to July 6, 2018 for medical reasons

Ms. Triplett made a motion to grant an extension to July 6, 2018. The motion was seconded by Mr. Egan. All remaining board members voted in favor.

John Ellingsen – Seeking CPE extension to September 30, 2018 for good cause

Mr. Lyne made a motion to deny this request, but will reconsider subject to receipt of additional information. The motion was seconded by Mr. Niedermeyer. All remaining board members voted in favor.

Michael Blount – Seeking CPE extension to July 31, 2018

Mr. Aronowitz made a motion to deny this request. The motion was seconded by Mr. Niedermeyer. Ms. Fox abstained. The remaining board members voted in favor.

Susan Ford – Seeking CPE extension July 2, 2018 for medical reasons

Mr. Niedermeyer made a motion to grant an extension to July 2, 2018 subject to receipt of medical documentation. The motion was seconded by Mr. Aronowitz. All remaining board members voted in favor.

Michael Rasovic – Seeking CPE extension to July 31, 2018 for good cause

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

Paul Greenberg – Seeking CPE extension to August 31, 2018 for good cause

Ms. Triplett made a motion to grant an extension to August 31, 2018. The motion was seconded by Mr. Egan. All remaining board members voted in favor.

William Suprono – Seeking waiver or extension to September 30, 2018 for good cause

Mr. Egan made a motion to grant an extension to September 30, 2018 but will reconsider waiver upon receipt of medical diagnosis. The motion was seconded by Ms. Triplett. All remaining board members voted in favor.

Examination

Mr. Egan made a motion to add Andrew Sharnoff to the agenda under Examination Extension Requests. The motion was seconded by Mr. Niedermeyer. All remaining board members voted in favor

Tiffany Caligiore – Seeking exam extension to December 31, 2018 or September 30, 2018 for medical reasons

Ms. Triplett made a motion to grant an extension to September 30, 2018. The motion was seconded by Ms. Fox. All remaining board members voted in favor.

Paige T. Devine – Seeking exam extension for good cause

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

G. Ryan Jeppson – Seeking exam extension for good cause

Mr. Egan made a motion to table this matter for clarification of good cause and requested extension date. The motion was seconded by Ms. Triplett. All remaining board members voted in favor.

Andrew Sharnoff – Seeking exam extension to September 30, 2018 for medical reasons

Ms. Triplett made a motion to grant an extension to September 30, 2018. The motion was seconded by Mr. Aronowitz. All remaining board members voted in favor.

COMMENTS OR CONCERNS OF ANY PERSON PRESENT TODAY

None

ADJOURN

Ms. Triplett made a motion to adjourn the meeting at 11:59 A.M. The motion was seconded by Mr. Niedermeyer. All remaining board members voted in favor.

Next scheduled meeting: Thursday, September 6, 2018, at 10:00 A.M., in Hearing Room J, 450 Columbus Blvd., Hartford.