

Connecticut State Board of Accountancy
November 10, 2009
Minutes

Chairman Thomas F. Reynolds called the meeting to order at 08:31 A.M. at the State Board of Accountancy, 30 Trinity Street, Conference Room 2B, Hartford, CT 06106.

Present:

Thomas F. Reynolds, CPA, Chairman
James S. Ciarcia
Philip J. DeCaprio, Jr., CPA/ABV/CFF, Cr.FA, CVA
Richard H. Gesseck, CPA
Leonard M. Romaniello, Jr., CPA, CITP, MST
Richard L. Sturdevant
Martha S. Triplett, Esq.
Michael Weinshel, CPA

Staff Members Present:

David L. Guay, Executive Director
Angel D. Acevedo, Office Assistant

Absent:

Richard P. Bond
Rebecca A. Adams, Board Counsel

A motion was made by Richard Sturdevant and seconded by Michael Weinshel to approve the minutes of the October 06, 2009 Board Meeting. All voted in favor; no votes against; James Ciarcia and Philip DeCaprio abstained.

Executive Director's Operations Update and Review:

Budget

- The relationship with DOIT will be changing as we no longer pay them directly; they will be paid through the General Fund.
- DOIT is only going to provide existing services and will not provide any new services.
- There will be more expected cuts to existing services as the budget crises continues.

CPE Audit

- The Board was informed as to the completion of the CPE Audit for CPE Hours reported for the fiscal year July 01, 2007 through June 30, 2008. In particular, Mr. Gregory Butler's case, CPA License # 2748, where his certificates of completion reflected the date the certificate was printed as opposed to when the course was completed.

CSCPA

- The Certificate Ceremony will be held tonight, and the Executive Director will be in attendance, along with several Members of the Board.

Experience Regulations

- Provided the Board with an updated Experience Verification form to reflect the new Experience Regulation Requirements.
- Licensing personnel will be performing a review of previously denied applications in order for applicants, who's applications were denied based on not meeting the old Experience Regulations, will be given another opportunity for appointment.

Renewals

- Beginning the third year of online renewals.
- Printing of CPA Licenses, CPA Certificate Registrations, and Firm Permits for 2010 have been delayed. Transactions are being processed through PayPal, however, the transfer of data from the online system to our database is not taking place.

The Board reviewed and noted, for the record, CPA Certificate Registration, CPA License & Firm Permit Applications approved by the Executive Director October 06, 2009 through November 09, 2009.

No further action was taken on Mr. Felix Okhiria's request, for an extension of the CPA Examination Notice to schedule until 03/25/2012, because he has made no further communications to the Board in respect to the particulars of his circumstances.

A motion was made by James Ciarcia and seconded by Martha Triplett to approve Mr. Lauriston Beech's request for an extension of the Notice to Schedule & Conditional BEC examination credit to June 30, 2010 [REDACTED]. All voted in favor; no votes against and no abstentions.

The following PCAOB Inspection Reports were received and noted, for the record, by the Board:

- PCAOB Rule 4009 Determination- McGladrey & Pullen, LLP- April 29, 2008
- Inspection of UHY LLP- October 01, 2009

Under Public Comment, Professor Larry Grambling, University of Connecticut & Arthur Renner, Executive Director of CSCPA, addressed the Board briefly.

Enforcement Docket- Public Session

A. RECOMMENDING AND REQUESTING DISMISSAL

1. LICENSING CASES:

2009059-3233 Joy Hernandez– failure to renew license; Counsel has confirmed that respondent is a licensed New York CPA located and practicing in New York. She has opted not to renew.

Recommending dismissal – no probable cause, no violation.

2009087-3261 Joan Kelley– failure to renew license; Counsel found respondent eligible for notarized affidavit stating no practice or use of the title CPA in the period since the lapse of license. Affidavit has been properly submitted. ***Recommending dismissal – no probable cause, no violation.***

2009094-3268 Melissa Maroney– failure to renew license; Counsel found respondent eligible for notarized affidavit stating no practice or use of the title CPA in the period since the lapse of

license. Affidavit has been properly submitted. ***Recommending dismissal – no probable cause, no violation.***

2009095-3269 David Shurberg- failure to renew license; Counsel found respondent eligible for notarized affidavit stating no practice or use of the title CPA in the period since the lapse of license. Affidavit has been properly submitted. ***Recommending dismissal – no probable cause, no violation.***

2009097-3270 Joshua Ziac- failure to renew license; Counsel found respondent eligible for notarized affidavit stating no practice or use of the title CPA in the period since the lapse of license. Affidavit has been properly submitted. ***Recommending dismissal – no probable cause, no violation.***

2009139-3314 Kimberly O’Conner- failure to renew license; Counsel found respondent eligible for notarized affidavit stating no practice or use of the title CPA in the period since the lapse of license. Affidavit has been properly submitted. ***Recommending dismissal – no probable cause, no violation.***

2. OTHER CASES:

2009011-3182 John MacDougall- negligence in tax engagement; Respondent is not a CPA and has not held out as a CPA. ***Recommending dismissal – no jurisdiction.***

2008042-3148 Pamela Beckey- knowledge of improper billing practices; This case is based upon an anonymous complaint claiming that the respondent possessed knowledge of the improper billing practices, bill padding, of two non-CPAs in the Wilton office of Deloitte, LLP, which came to the Board from the Attorney General’s Office. Deloitte, LLP’s counsel submitted a detailed response regarding the internal investigation finding nothing. The complainant has not followed up. There is not supporting evidence of any violation. No names of two non-CPAs have been provided and no names of any clients affected were provided. ***Recommending dismissal – no probable cause, insufficient evidence.***

2009063-3237 Robert Pallone- failure to return records; The complainant sent the complaint at the same time as he sent a request to the respondent for the records. The records were returned within a reasonable time of the request. ***Recommending dismissal – no probable cause, no violation.***

2009071-3245 Susan Howard- holding out as a CPA without a license, failure to return records; Counsel has researched the issue and could find no instance of this respondent using the title CPA (holding out) or practicing as a CPA. The complainant, claimed that the respondent’s business card might have utilized the letters CPA but has been “unable to find it.” ***Recommending dismissal – no probable cause, insufficient evidence.***

Motion made by Michael Weinshel and seconded by Richard Sturdevant to approve the recommended dismissal of the following Enforcement Cases: 2009059-3233, against Ms. Joy Hernandez; 2009087-3261, against Ms. Joan Kelley; 2009094-3268, against Ms. Melissa Maroney; 2009095-3269, against Mr. David Shurberg; 2009097-3270, against Mr. Joshua; 2009139-3314, against Ms. Kimberly O’Conner; 2009011-3182, against Mr. John MacDougall; 2008042-3148, against Ms. Pamela Beckey; 2009063-3237, against Mr. Robert Pallone; 2009071-3245, against Ms. Susan Howard. All voted in favor; no votes against and no abstentions.

B. REQUESTING SETTLEMENT APPROVAL

2009079-3253 Katerine Cohen- failure to renew license; *Request settlement approval for \$250 penalty, lapse in license, and CPE earned by June 30, 2008.*

2009081-3255 Lori Bonaldi- failure to renew license; *Request settlement approval for \$250 penalty, lapse in license, and CPE earned by June 30, 2008.*

2009090-3264 James Martell- failure to renew license; *Request settlement approval for \$250 penalty, lapse in license, and CPE earned by June 30, 2008.*

2009093-3261 Susan Reudgen-failure to renew license; *Request settlement approval for \$250 penalty, lapse in license, and CPE earned by June 30, 2008.*

2009085-3259 Matthew Glazner- failure to renew firm permit; *Request settlement approval for \$250 penalty.*

2009108-3282 Susan Reudgen- failure to renew firm permit; *Request settlement approval for lapse in permit and \$250 penalty.*

2009138-3313 Elizabeth Krauss- failure to renew license; *Request settlement approval for \$250 penalty, lapse in license, and CPE earned by June 30, 2008.*

2009140-3315 Joseph Piekza- failure to renew license; *Request settlement approval for \$250 penalty, lapse in license, and CPE earned by June 30, 2008.*

2009144-3320 Robert DeFruscio- failure to renew license; *Request settlement approval for \$250 penalty, lapse in license, and CPE earned by June 30, 2008.*

2009135-3308 Gaspare Cerullo- failure to renew license; *Request settlement approval for \$250 penalty, lapse in license, and CPE earned by June 30, 2008.*

2009147-3323 Anita Flay- failure to renew license; *Request settlement approval for \$250 penalty, lapse in license, and CPE earned by June 30, 2008.*

2009150-Hightower & Cavasino, P.C.- failure to renew firm permit; *Request settlement approval for lapse in permit and \$250 penalty.*

Motion was made by James Ciarcia and seconded by Richard Sturdevant to approve the settlement agreements in the following enforcement cases: 2009079-3253, against Ms. Katerine Cohen; 2009081-3255, against Ms. Lori Bonaldi; 2009090-3264, against Mr. James Martell; 2009093-3261, against Ms. Susan Reudgen; 2009085-3259, against Mr. Matthew Glazner; 2009108-3282, against Ms. Susan Reudgen; 2009138-3313, against Ms. Elizabeth Krauss; 2009140-3315, Mr. Joseph Piekza; 2009144-3320, against Mr. Robert DeFruscio- Michael Weinschel recused himself; 2009135-3308, against Mr. Gaspare Cerullo; 2009147-3323, against Ms. Anita Flay- Philip DeCaprio recused himself; 2009150, against Hightower & Cavasino, P.C. All voted in favor; no votes against and no abstentions.

C. COMPLIANCE MONITORING

2003018-2460 Peter Tucci– settlement approved February 3, 2009; The terms of the settlement require payment of a \$4,000 penalty within one year of acceptance by the Board. ***The Board has received payment of \$1,000. Counsel has contacted Mr. Tucci's attorney regarding the remaining payment and is waiting for an answer.***

2005014-2819 Thomas Ariola– settlement approved February 3, 2009; The terms of the settlement require return of Mr. Ariola's certificate and payment of \$3,027.25 by December 31, 2009. ***The Board has received payment of \$600.00. Mr. Ariola's certificate was confiscated by the FBI. Counsel expects an affidavit from Mr. Ariola and confirmation from the FBI by the end of the month as well as payment for at least an additional \$1,000.***

2005060-2879 Glen Belush– settlement approved August 7, 2007; The terms of the settlement required Mr. Belush to pay a penalty of \$3,000 and provide copies of his properly filed tax returns for the years 2007 and 2008. ***The Board has received copies of properly filed tax returns for the years 2007 and 2008 and payment of \$3,000. Mr. Belush has fully satisfied the terms of his settlement.***

2006026-2921 William Epperson– certificate revoked with \$1,000 penalty on July 10, 2007; The terms of the settlement required Mr. Epperson to return his certificate and pay a civil penalty of \$1,000. ***Mr. Epperson has returned his certificate but has not yet paid the civil penalty. Counsel is in contact with Mr. Epperson regarding the fine and he has promised to pay by the end of 2009.***

A motion was made by Leonard Romaniello and seconded by Martha Triplett to enter into the Executive Session of the Board Meeting at 09:56 A.M. to review cases where litigation is pending. All voted in favor; no votes against and no abstentions.

A motion was made by Leonard Romaniello and seconded by Richard Sturdevant to close out the Executive Session of the Board Meeting at 10:36 A.M. All voted in favor; no votes against and no abstentions.

Motion made by Leonard Romaniello and seconded by Martha Triplett to adjourn the November 10, 2009 Board Meeting of the Connecticut State Board of Accountancy at 10:37 A.M. All voted in favor; no votes against and no abstentions.