

**Connecticut State Board of Accountancy
Meeting Minutes
May 10, 2022**

The meeting was called to order by Acting Chairperson Marcia Marien at 10:02 AM via ZOOM Webinar.

Board Members Present: Timothy F. Egan Certified Public Accountant
Karla H. Fox, Esq., Public Member
Dannell R. Lyne, Certified Public Accountant
Marcia L. Marien, Public Member
Peter J. Niedermeyer, Certified Public Accountant
Martha S. Triplett, Esq. Public Member

Board Members Absent: John H. Schuyler, Chairman, Public Member

Board Vacancies: Two Certified Public Accountant Members

DCP Staff Present: Robert M. Kuzmich, Architect Emeritus, Lic./App. Specialist
Cat Arsenault, Staff Attorney

Public Present: Cindy Panioto, CT Society of CPA's

Note: The administrative functions of the Boards, Commissions, and Councils are carried out by the Department of Consumer Protection, Occupational and Professional Licensing Division.

Website: www.ct.gov/dcp

Licensing/Certification: dcp.licenseservices@ct.gov

Enforcement issues: dcp.accounting@ct.gov

MINUTES OF PREVIOUS MEETINGS

Approve minutes of the March 8, 2022 Board Meeting.

Mr. Lyne first motioned to approve the minutes followed by Mr. Egan. Mr. Niedermeyer noted that the first page needs to be corrected to show that under Board Vacancies, there are currently two CPA Board Member vacancies and not Public Members as indicated. He also noted on the second page, under Legislation Update, the second

line should be changed to read “going from” and not “gone from”. As such, the Board voted unanimously to approve the minutes as correct herein. (Lyne/Egan)

COMMENTS OR CONCERNS OF ANY PERSON PRESENT TODAY

Ms. Panioto thanked the Board for the opportunity to speak. She noted that Ms. Stewart sends her apologies to the Board as she was not able to attend today’s meeting.

OLD BUSINESS

1. Legislation Update

The bill that changes the date of CPEs back to July 1 to June 30 was passed on May 4th but has not been signed into law by the governor yet.

On April 28th, the Governor signed HB 5269 into law. This bill allows public agencies to continue holding remote and hybrid meetings indefinitely after April 30, 2022.

HB 5248 was also passed on May 4th but has not been signed into law by the governor yet.

This Bill amended C.G.S. 20-280e by adding provisions concerning how an individual who has been convicted of any criminal offense may request the Board to determine whether such conviction disqualifies the individual from obtaining a CPA license or certificate. The Bill also provides details concerning what information the request must include what factors the Board must consider, the fees the Board may charge, and the timeframe within which the Board must make the determination.

The new provisions also provide that the Board is not bound by its determination if, upon further investigation, the Board determines that the individual criminal conviction differs from the information presented in the determination request.

This Bill also amended 20-281a by adding “deny an application of an individual” as one of the actions the Board would be authorized to take for the reasons enumerated in this statute, which includes conviction of a felony. The Bill added the requirements that the Board’s action must be based upon the nature of the conviction and its relationship to the license or certificate holder’s ability to safely or competently engage in the practice of public accountancy, the degree of rehabilitation, and the time elapsed since the conviction or release.

2. Reinstatement fees

Ms. Arsenault reminded the Board that at their last meeting, they voted to revise the fees by increasing them and to require CPE. These revisions cannot be implemented at this time because the Statutes require them to be in the Regulations. Ms. Arsenault will draft the regulations and send them to the Board in advance of their next meeting so they can be reviewed in advance and voted on at this meeting.

NEW BUSINESS

1. Extension/waiver requests:

Examination Credits:

1. Amanda Hudson:

A. Requested: to have BEC (expired 4/1/2022) credit extended to 5/31/2022

B. Reason: medical

C. Approved: BEC credit extended to 5/31/2022 (Niedermeyer/Fox)

2. Mark Polkowski:

A. Requested: reconsideration of the Board's denial on 3/8/2022 to extend AUD (expired 1/20/2022) and REG (expired 12/23/2021) exam credits to 3/29/2022

B. Reason: medical

C. Request reconsidered but was again denied.

2. DCP Case #2022-1, In the Matter of Mark B. Bushka

Ms. Marien noted that Ms. Arsenault will not be able to participate in the Board's discussion because of her position with the Department in this matter. Ms. Arsenault reminded the Board that they may ask questions of their Attorney with the Office of the Attorney General regarding legal issues only.

Ms. Marien began her review of the Proposed Final Decision and Order previously sent to the Board prior to today's meeting. She noted the I.- Introduction and began discussion with the II. - Findings of Fact reviewing each of the nine (9) items listed. She then reviewed the III. Conclusions of Law and IV. Orders.

Ms. Triplett noted that she gathered from the Hearing that the City of Torrington was not very upset with this matter which surprised her. She asked if there was any requirement through this Board or through the Statutes that Mr. Bushka was supposed to inform them of his current professional status. After discussion with the Board Members, it was decided to remove Paragraph No. 9 concerning the Respondent's requirement to inform the City of Torrington that he let his CPA license lapse and has never obtained a Firm Permit for his accounting business located in the City since it has not been determined if this was a requirement. Evidence shows that this is an appointed Board and that a CPA is on the Board as well.

Mr. Niedermeyer noted that the monetary penalties exceed the maximum amount of \$50,000.00 by \$5,000.00. Ms. Marien will follow up on this question. Under III - Conclusions of Law, it was decided to eliminate Paragraph G since it was unclear to the Board how the Respondent qualified under the definition of "gross negligence" and "recklessness". The Board agrees on the balance of the Conclusions.

Ms. Marien now reviewed the Orders. At the suggestion of Ms. Triplett, in Paragraph 2, the Board agreed to add the words "all locations including" after "from" and before "the shops...". In addition, per their previous discussion, the Board agreed to completely remove Paragraph 3.

The Board corrected a minor typographical error in Paragraph 4 changing "provide" to "provided" in the third line. They also agreed to add the following language as a stand-alone new Paragraph 5:

5. The Respondent is ordered to provide the Department with a sworn affidavit attesting that he has not prepared any financial statements (audited, reviewed or compiled) during the period January 1, 2014 through May 1, 2022 within thirty (3) days of the issuance of the Final Decision and Order.

The Board made changes to Paragraph 6. The first sentence was modified to indicate a total Civil Penalty dollar amount of fifty thousand dollars (\$50,000.00). Further, a line was added to read:

"\$10,000 reduction to cap the penalties to the \$50,000 allowed by State Statute."

The Board also agreed to delete the following line:

"\$3,000 for violation of R.C.S.A. §20-280-15c(k) (gross negligence and recklessness in record of professional practice, and failure to file report or record required by state and federal law, reflecting adversely on fitness to engage in the practice of public accountancy)."

The Board discussed and agreed to leave Paragraphs 7 and 8 as written and in place.

Ms. Marien will be following up with the Attorney General's Office regarding the following:

1. Civil penalties – are we limited to \$50,000. Can we show the discount to get to the \$50,000?
2. Listing of clients to whom he sent notice – Can we ask for this? Will this make it subject to FOIA?
3. Can we publicize the decision in that area so, if he does not notify his clients, they may find out?
4. He never paid his first penalty. Can we include that penalty be paid as part of this? Can we add interest?
5. What is our response time? Can it wait until our July meeting or should we have a special meeting before then?

Ms. Marien will also make the changes discussed today to the proposed Final Decision and Order and send this updated draft to the Board for their review for further discussion at their next meeting. She will also inquire as to the timeframe for finalizing the Decision. Mr. Kuzmich will also send Ms. Marien the contact information for the Board's Attorney General.

COMMENTS OR CONCERNS OF ANY PERSON PRESENT TODAY

There were no further comments or concerns noted.

ADJOURN

Mr. Egan made a motion to adjourn. The motion was seconded by Mr. Niedermeyer. All remaining Board Members voted in favor. The meeting adjourned at 11:14 AM.

Next scheduled meeting: Tuesday, July 5, 2022, at 10:00 AM. The meeting will be held remotely via ZOOM Webinar.

Respectfully submitted,

Robert M. Kuzmich, Architect Emeritus
License and Applications Specialist