

**DRAFT – TO BE APPROVED ON AUGUST 5, 2014**

**Connecticut State Board of Accountancy**

**Meeting Minutes**

**June 24, 2014 – 10:00 A.M.**

Legislative Office Building, Room 2A, 2<sup>nd</sup> Floor Atrium

300 Capital Avenue

Hartford, CT 06106

860-509-6179

[sboa@ct.gov](mailto:sboa@ct.gov)

Chairman John H. Schuyler, CPA, called the meeting to order at 10:00 a.m. at the Legislative Office Building, Room 2A, 2<sup>nd</sup> Floor Atrium, 300 Capital Avenue, Hartford, Connecticut.

**BOARD MEMBERS PRESENT:**

John H. Schuyler, CPA

Peter J. Niedermeyer, CPA

Marcia L. Marien, CPA

Dannell R. Lyne, CPA

Timothy F. Egan, CPA

Mark Aronowitz

**BOARD MEMBER ABSENT:**

Martha S. Triplett, Esq.

**STAFF MEMBERS PRESENT:**

Deputy Secretary Jamie Spallone

Sonia Worrell Asare, Legal Counsel

Stephanie Sheff, License and Application Analyst

Constance Sakyi, Paralegal Specialist 1

**OTHERS PRESENT:**

Art Renner, CPA, Executive Director of CT Society of CPA

Brian Kelleher, CPA, President, CTCPA

Victoria Eatherton, Intern

Carly Applebaum, Intern

Cynthia Isales, Assistant General Counsel

Thomas A. Hennick, Public Education Officer

Gregory F. Daniels, Commission Counsel/Legislative & Administrative Advisor

David L. Guay, Executive Director of the State Contracting Standards Board

**ACTION REQUIRED** – Approve Minutes of the May 6, 2014 Board Meetings.

Ms. Marien made a motion to approve the minutes. Mr. Egan seconded the motion. All present board members voted in favor.

## **CONNECTICUT STATE BOARD OF ACCOUNTANCY HISTORY - DAVID GUAY**

Mr. Guay gave an overview of the history and background of the board. Mr. Guay stated that the board began as an independent state government entity in 1907. Mr. Guay also spoke about the relationships that the board has enjoyed over the years with the Connecticut Society of CPAs (CTCPA), National Association of State Board of Accountancy (NASBA) and the American Institute of CPAs (AICPA).

## **BOARD MEMBER'S LEGAL CASE OVERVIEW – CARLY APPLEBAUM, LEGAL INTERN**

Ms. Applebaum explained to board members some important rules to keep in mind when considering issues such as: license suspension; CPAs' fundamental rights; granting CPA Examination Waivers; accountant-client confidentiality; CPA malpractice; etc.

## **STATUS OF LICENSEES: CPAC – 2536; LICENSE - 4153; CPAP-1389 = 8078**

Attorney Asare gave the statistics of licensees who have registered their certificates, permits and renewed licenses.

## **CPE AUDIT 6 PERCENT OF POPULATION**

Attorney Asare stated that six percent of the total registered licensees will be audited for CPE compliance and the letters will be mailed on July 1, 2014. Ms. Marien made a motion to approve. Mr. Aronowitz seconded the motion. All present board members voted in favor.

## **GOOGLE.DOC PORTAL – VICTORIA EATHERTON, INTERN**

Ms. Eatherton provided a demonstration of google.doc portal, which will be used for future board meetings.

## **FOIA – THOMAS A. HENNICK, EDUCATIONAL TRAINER**

Mr. Hennick spoke to the board about the requirements of the Freedom of Information Act (FOIA) which was enacted in 1975. Mr. Hennick gave an explanation of how public agencies must conduct meetings, including hearings and other proceedings.

## **OFFICE OF STATE ETHICS - CYNTHIA ISALES, ASSISTANT GENERAL COUNSEL**

Ms. Isales gave a power point presentation of the programs and services offered by the Office of State Ethics. Ms. Isales stated that the Office of State Ethics consists of four divisions, including the legal division which provides advice and opinions regarding the Codes of Ethics to approximately 50,000 public officials and state employees, about 2,000 lobbyists and all state contractors. Ms. Isales encouraged all to contact the Office of the State Ethics for legal advice and resources that will foster positive ethical behavior in state government.

Ms. Marien made a motion to go on recess at 12:00 p.m. Mr. Lyne seconded the motion. All present board members voted in favor. The meeting was called to order by Chairman Schuyler at 1:00 p.m.

## **BOARD MEMBER HANDBOOK REVIEW - TRAINING PART II**

**Two Tier System** - Attorney Asare showed a power point presentation on the two tier system, which is practiced in only eight states including Connecticut. The two tier system differentiates a certificate holder, who is not granted authority to practice public accountancy from a license holder, who is permitted to practice public accountancy.

## **Application for a License and Firm Permit Approval Process**

Ms. Sheff gave a power point presentation explaining the requirements of licensure for Certified Public Accountants (CPA). Ms. Sheff expounded on the four major requirements which is education; experience; examination and ethics and also the purpose of having a firm permit.

## **Peer Review**

Ms. Sakyi gave a brief overview of the peer review program which monitors CPA firms engaging in accounting and auditing services. Ms. Sakyi explained that the peer review process ensures that firms are in compliance with generally accepted accounting principles and standards and to promote quality in the profession.

## **ENFORCEMENT MATTERS REVIEW - Complaint Process, Hearing Procedure, Recusal**

Attorney Asare referred board members to the board member handbook and outlined the key points of the complaint process, hearing procedure and reasons for board members to recuse themselves during certain enforcement hearings.

## **OLD BUSINESS**

### **EXAM AND LICENSING**

**John Armisted Rogers** – Application for Initial Certificate & Initial CPA License – Public firm with Non-Public experience. Application tabled at May 6, 2014 board meeting. Ms. Marien made a motion to approve. Mr. Aronowitz seconded the motion. All present board members voted in favor.

### **EXAMINATION AND CPE EXTENSION - None**

## **NEW BUSINESS**

**EXAM AND LICENSING - Action required** – Industry, Government, or Self Employed experience, and Other Applications

**William Ader** – Application for Initial Certificate and Certificate Registration – Non-Public experience. Mr. Egan made a motion to approve the application. Mr. Niedermeyer seconded the motion. All present board members voted in favor.

**Ryan Donegan** – Application for Initial Certificate and Initial CPA License – Non-Public Accounting experience. Ms. Marien made a motion to approve the application. Mr. Egan seconded the motion. All present board members voted in favor.

**Ryan Drager** – Application for Initial Certificate and Initial CPA License – Non- Public Accounting experience. Also has a No checked off on page 4 United Technologies. Ms. Marien made a motion to approve the application. Mr. Aronowitz seconded the motion. All present board members voted in favor.

**Maria Deleon Espiritu** – Application for Initial Certificate & Initial CPA License – Non-Public Accounting experience. Ms. Marien made a motion to approve the application. Mr. Aronowitz seconded the motion. All present board members voted in favor.

**Danielle Giglietta** - Application for Initial Certificate & Initial CPA License – Non-Public Accounting experience. Ms. Marien made a motion to approve the application . Mr. Lyne seconded the motion. All present board members voted in favor.

**Alexandra Rajovic** – Application for Initial Certificate & Initial CPA License – Non-Public Accounting experience. Mr. Egan made a motion to approve the application . Mr. Niedermeyer seconded the motion. All present board members voted in favor.

**Jonny Sahlin** - Application for Initial Certificate & Certificate Registration– Non-Public Accounting experience. Ms. Marien made a motion to approve the application. Mr. Aronowitz seconded the motion. All present board members voted in favor.

**Leslie Vines** – Application for Initial Certificate and Initial CPA License – Public and Non-Public Accounting. Mr. Egan made a motion to approve the application. Mr. Niedermeyer seconded the motion. All present board members voted in favor.

#### **REVIEW FIRM PERMITS FOR APPROVAL**

None.

**PCAOB** Inspection Reports Received – member comment on review

- Review date May 20, 2014 **Baker Newman & Noyes, P.A. Limited Liability Company**  
**CliftonLarsonAllen LLP**  
**Deloitte & Touche LLP**  
**Dworken, Hillman, LaMorte & Sterczala P.C.**  
**Grassi & Co., CPAs, P.C.**  
**UHY LLP**
  
- Review date June 2, 2014 **Bernstein & Pinchuk LLP**  
**Hein & Associates LLP**

#### **EXAMINATION AND CPE EXTENSION**

**James Giordano** – Requested waiver of late CPE fee. Request was denied at March 13, 2014 board meeting. Additional information sent in for review. Mr. Egan made a motion to grant the request for a waiver. Ms. Marien seconded the motion. All present board members voted in favor.

**Alphonse F. Leonardo** – Requesting extension of CPE completion time until December 31 ,2014. Ms. Marien made a motion to grant the request for extension until December 31, 2014. Mr. Lyne seconded the motion. All present board members voted in favor.

**Bill Suprono** – Requesting extension of time to complete CPE. Ms. Marien made a motion to grant the request for extension of time to complete CPE hours. Mr. Egan seconded the motion. All present board members voted in favor.

**Eugenia Borta** - Requesting extension of time to take FAR portion of exam. Mr. Lyne made a motion to approve the request for extension. Ms. Marien seconded the motion. All present board members voted in favor.

**Robert R. Reich** –Requesting extension of CPE Completion time until December 31, 2014. Ms. Marien made a motion to approve the request for extension until December 31, 2014. Mr. Aronowitz seconded the motion. All present board members voted in favor.

**Donarell Elder** – Requesting a 3 month extension to complete CPEs . Ms. Marien made a motion to deny the request. Mr. Lyne seconded the motion. All present board members voted in favor.

## **OTHER BUSINESS**

**BUDGET** - Attorney Asare gave a brief update of the 2014 – 2015 fiscal year budget.

## **NORTHEAST REGIONAL MEETING RECAP AND CONSIDERATION**

Ms. Marien stated that based on what she learned at the NASBA Northeast Regional Meeting, she would suggest that one of the remaining two board public members to be elected should be an educator.

## **SITE VISIT TO EXAM TESTING CENTER**

Attorney Asare stated that the exam testing centers are in Hamden, Glastonbury and East Windsor. Attorney Asare informed the Board members to contact her for the forms to complete if they would like to visit any of the sites.

## **PROPOSED REVISIONS TO THE REGULATIONS**

Attorney Asare stated that she will propose the revisions and changes to the regulations to the board for approval during next meeting in August 2014. Attorney Asare encouraged the board members to read through the regulation prior to the August 5, 2014 meeting.

## **PROPOSED REVISION AND STATUTORY PROPOSALS – Typographical and Technical Revisions**

### **STATUTORY CHANGES – Definition of Attest**

## **POLICY AND INITIATIVES**

### **College Outreach**

Attorney Asare stated that she and staff have started visiting local colleges to educate students about the requirements of obtaining licensure. Staff is also preparing a newsletter, which will highlight new board members, and new CPA licensees, etc.

### **Criminal Background Checks**

Ms. Sheff stated that she is checking with various state agencies to determine how they handle background checks. The staff is also reviewing the most efficient method of checking criminal background.

### **CT CPA Society Intern Collaboration**

Attorney Asare stated that she is interested in collaborating with the CT Society of CPAs to obtain interns who are interested in the accounting profession to work in the board's office. Board expressed interest in participating in CT CPAs' Interview Day.

## **ENFORCEMENT CASES**

Overview: 85 Active Cases

Attorney Asare stated that the office receives an average of 2 or 3 new cases a month. Attorney Asare informed the Board that she will present enforcement cases at the next meeting in August. Ms. Marien and Chairman Schuyler volunteered to review the cases requiring board member expertise.

## **PUBLIC COMMENT** - Opportunity for members of the public to address the board

Mr. Renner stated that 32 new certificates were presented in June, and the next CT CPA Society Certificate Ceremony will be on January 8, 2015.

Ms. Marien made a motion to adjourn the meeting at 3:27 pm. Mr. Egan seconded the motion. All present board members voted in favor.

Next scheduled meeting:

- Tuesday, August 5, 2014 – 10:00 AM - 2<sup>nd</sup> Floor, 30 Trinity Street, Hartford, CT