

Connecticut State Board of Accountancy
September 05, 2007
Minutes

Acting Chairman Weinshel called the meeting to order at 8:30 A.M. in the second floor conference room, 30 Trinity Street, Connecticut.

Present:

Michael Weinshel, CPA, Acting Chairman
Richard P. Bond
Philip J. DeCaprio Jr., CPA
Richard H. Gesseck, CPA
Leonard M. Romaniello, Jr., CPA
Richard L. Sturdevant

Staff Members Present:

David L. Guay, Executive Director
Rebecca E. Adams, Esquire, Board Counsel
Angel D. Acevedo, Office Assistant

Absent:

Thomas F. Reynolds, CPA, Chairman
James S. Ciarcia

Motion made by Leonard Romaniello and seconded by Richard Bond to accept and approve the Minutes of the August 07, 2007 State Board of Accountancy meeting.

Voting in favor:

Michael Weinshel
Richard P. Bond
Philip J. DeCaprio
Richard H. Gesseck
Leonard M. Romaniello
Richard L. Sturdevant

-No votes against and no abstentions.

In a review of Board operations Director Guay briefed the Board by providing a written summary:

September 05, 2007 Executive Director's Operations Update and Review

Licensing Database

- Continues as highest priority special project
- Continuing testing, in final stages
 - Public lookup testing completed
 - Final testing of individual renewal application should be completed by August 31, 2007
 - Next to final test of firm renewal application ongoing
 - Final testing of back end database ongoing (2nd monthly test with this months applicants, significant problems to overcome from last months test)
- Funding of the project remains a question
- Ongoing design of instructions and Renewal notice and form

Website

- Upgrade effort – proceeding in between testing of licensing database
 - Updated reciprocity page
 - Updated Education page
 - Updated portion of Regulations
 - New CPE Vendor Page created
 - Added CSCPA Ethics Exam order form
 - Currently updating Experience Form & Instructions along with creating an Experience page (in further conjunction with finishing drafting new experience regulations)

Business continuity & pandemic planning

- Placed on the back burner for the moment

Regulation Project and Effort

- Attorney Adams has three Regulations in process
 - PA Conversion Regulations
 - Exam Fee Regulation
 - Permanent Education Regulation
- Need to continue monthly review in conjunction with CSCPA Study
- Continuing to work on final portion of Experience Regulation
- Staff anticipates further regulation proposals in the near future to automate CPE and Peer Review Filing Enforcement

Records Retention Effort

- Enforcement Records –reviewed, settlements and orders filed in binder and items disposed – total of 45 boxes of records destroyed in August
- CPA Exam Grade cards, continuing with scanning
- Planning for scanning of minutes with originals to the State Archives
- Purchase of individual printers with scanners for electronic document retention completed
- Download from NASBA of grades still needs to be planned and accomplished
- Designing electronic records retention policy and procedures
- Electronic records reviewed and plan for proceeding with destruction and retention created and we are initiating the plan

General Office

- Replacement meeting recording device ordered
- Cubicle partition upgrades purchased and installed
- Conference call equipment replacement being researched

100th Anniversary

- Proposed Op-Ed piece about the Board in first draft
- Press release of event being created
- Commemorative Portfolio designed and ordered
- Invitation list created
- Anticipated Anniversary Agenda – meeting at the Capitol, light breakfast refreshments
 - Remarks by the Board
 - Remarks by the Governor
 - Remarks by Legislative Leaders
 - Suggestions for other speakers?

Staff

- Annual performance appraisals conducted
- I recently formalized with the staff the new division of duties and responsibilities.

Angel

- Budget
- Purchasing
- Board member Travel & Reimbursements
- Minutes
- Certificate Production
- Interstate Transfer
- Revenue Processing (including refunds)

Stephanie

- Initial Licensing
- Renewal Licensing
- Exam Applicant Services
- Statistics

Denise

- Records Retention
- Peer Review
- CPE
- General Office Management
- Equipment
- Enforcement Support
- Revenue Processing Supervision and Oversight

Rebecca

- Enforcement
- Regulations
- Legislation
- Ethics Compliance Officer

Besides their ongoing duties everyone has both short and long range projects they are working on.

Angel

- Update minutes books
- Establish new budget monitoring procedures
- Establish new certificate production procedures
- Establish new Interstate Transfer procedures
- Input 100th Anniversary invitation address
- Complete 100th Anniversary portfolio purchase
- Complete purchase of new meeting recording equipment

Stephanie

- Application testing
- Review of Licensee letters and communications
- Review and update of forms

Denise

- Electronic records retention policy and procedures
- Peer Review Receipt and review for 2007
- Surplus remaining old pc's
- Surplus several file cabinets
- Online revenue processing procedures
- Minutes archiving and scanning
- Update CPE handouts and licensee information
- Setup enforcement procedures for CPE and Peer Review

Rebecca

- Enforcement
- Regulations

Motion made by Richard Gesseck and seconded by Philip DeCaprio to approve the September 05, 2007 list of individual applications for CPA Certificate, Registrations and CPA Licenses.

The Board tabled Ronald F. Desoiza's application for CPA License Reinstatement at the request of Attorney Adams; as she has an active enforcement case against this individual.

Voting in favor:

Michael Weinschel
Richard P. Bond
Philip J. DeCaprio
Richard H. Gesseck
Leonard M. Romaniello
Richard L. Sturdevant

-No votes against and no abstentions.

Motion made by Leonard Romaniello and seconded by Richard Sturdevant to approve the September 05, 2007 list of Firm Permit to Practice applications.

Voting in favor:

Michael Weinshel
Richard P. Bond
Philip J. DeCaprio
Richard H. Gesseck
Leonard M. Romaniello
Richard L. Sturdevant

-No votes against and no abstentions.

Director Guay provided the Board with the Test Center Problem Report, highlighting exams taken between August 01, 2007 and August 31, 2007. The Board was very concerned with the number of continued problems at the Norwalk site. Mr. Romaniello asked if the Board could be provided with the number of exams given at the Norwalk testing center in relation to how many problems are arising. As well as, how many exams are available in each testing center around the state per month.

Motion made by Leonard Romaniello and seconded by Philip DeCaprio to deny a request by Sean P. MacNamee for the CPE credit approval of twenty-two credit hours of self-study.

Voting in favor:

Michael Weinshel
Richard P. Bond
Philip J. DeCaprio
Richard H. Gesseck
Leonard M. Romaniello
Richard L. Sturdevant

-No votes against and no abstentions.

Motion made by Philip DeCaprio and seconded by Richard Gesseck to approve Director Guay's recommendation of extending Nicolas Delisle's AUD conditional CPA Exam credit for one testing period, until December 31, 2007.

Voting in favor:

Michael Weinshel
Richard P. Bond
Philip J. DeCaprio
Richard H. Gesseck
Leonard M. Romaniello

Richard L. Sturdevant

-No votes against and no abstentions.

In the Legislative Update, the subject of Mobility was briefly discussed, again it was tabled for further discussion at the October 02, 2007 Board meeting.

Attorney Adams gave the Board a brief update on the three Regulations she has in process; PA Conversion, Exam Fee, Permanent Education Regulations. All three are moving along, and waiting for approval at different stages of the process.

Under Public Comment:

Arthur Renner, Executive Director of Connecticut Society of CPA's

Andrew Rossman, Professor at the University of Connecticut

John Palmeri, President Elect of the Society

-Mr. Renner, Mr. Rossman, and Mr. Palmeri addressed the Board briefly.

PUBLIC SESSION

ENFORCEMENT AGENDA September 05, 2007

A. REQUESTING SETTLEMENT APPROVAL

1. **2007067- 3010 Lee, Kang** – 2006 CPE reported late

2. **2007050-3050 Young, Ernest** - 2006 CPE reported late

Both have corrected CPE reporting, paid \$250, and signed the appropriate settlement.

Requesting settlement approval

Motion made by Philip DeCaprio and seconded by Leonard Romaniello to accept Attorney Adams request for settlement approval in cases: 2007067-3010, Kang Lee; 2007050-3050, Ernest Young.

Voting in favor:

Michael Weinshel
Richard P. Bond
Philip J. DeCaprio
Richard H. Gesseck
Leonard M. Romaniello

Richard L. Sturdevant

-No votes against and no abstentions.

B. REQUESTING ORDER OF SUSPENSION BASED UPON AFFIDAVIT OF THREAT TO THE PUBLIC WELFARE.

1. Patricia Mellion

Requesting suspension of Certificate Number 7057, pending the outcome of enforcement hearing (currently scheduled October 02, 2007) based upon a finding that the respondent's conduct as a licensee poses a threat to the public welfare.

2. David Charles Searles

Requesting suspension of Certificate Number 10524, pending the outcome of enforcement hearing (currently scheduled October 02, 2007) based upon a finding that the respondent's conduct as a licensee poses a threat to the public welfare.

Motion made by Philip DeCaprio and seconded by Richard Sturdevant to suspend Certificate numbers: 7057 and 10524 based on Attorney Adams' findings they pose a threat to the public welfare.

Voting in favor:

Michael Weinshel
Richard P. Bond
Philip J. DeCaprio
Richard H. Gesseck
Leonard M. Romaniello
Richard L. Sturdevant

-No votes against and no abstentions.

C. CERTIFICATES REVOKED, SUSPENDED, OR SURRENDERED: NOTICE TO THE PUBLIC
The individuals listed below no longer hold CPA certificates, licenses, or firm permits to practice in the State of Connecticut due to Board actions as follows:

PETER MARINO – OF 211 SCHRAFFT DRIVE, WATERBURY CONNECTICUT. CERTIFICATE NO. 2133, LICENSE NO. 2631, AND FIRM PERMIT NO. 334 WERE PERMENANTLY REVOKED ON JUNE 10, 2007

WILLIAM EPPERSON - FORMERLY OF 51 NORTH MAIN STREET, SOUTHINGTON, CONNECTICUT. CERTIFICATE NO. 7036, LICENSE NO. 5853, AND FIRM PERMIT NO. 1669 WERE PERMENANTLY REVOKED ON JUNE 10, 2007

MICHAEL KESSLER – OF 2 HARVEY STREET, NORWALK, CONNECTICUT. CERTIFICATE NO. 8289, LICENSE NO. 7236, AND FIRM PERMIT NO. 4196 WERE PERMENANTLY REVOKED ON NOVEMBER 14, 2006.

D. RECOMMENDING DISMISSAL

2006003-2889 E. Ruel Stoltz – *personal loan from client*

Mr. Stoltz disputed the charges of fraud, negligence, and lack of independence regarding the \$3000 loan from Mr. Lindquist. He admits that he borrowed \$3,000 from an acquaintance and client and failed to pay the entire amount by the due date of the signed promissory note. He has offered to pay the remaining balance with interest to Mr. Lindquist. Neither Mr. Lindquist nor his attorney, Attorney Darby, wish to pursue the matter further. The parties will arrange repayment between and among themselves.

Recommending dismissal – no violation/no probable cause/complaint withdrawn

Motion made by Philip DeCaprio and seconded by Leonard Romaniello to accept Attorney Adams' recommendation of dismissal in case number 2006003-2889, E. Ruel Stoltz.

Voting in favor:

Michael Weinshel
Richard P. Bond
Philip J. DeCaprio
Richard H. Gesseck
Leonard M. Romaniello
Richard L. Sturdevant

-No votes against and no abstentions.

Motion made by Richard Bond and seconded by Leonard Romaniello to conclude the public session at 10:47 a.m.

Voting in favor:

Michael Weinshel
Richard P. Bond
Philip J. DeCaprio
Richard H. Gesseck
Leonard M. Romaniello
Richard L. Sturdevant

-Not votes against and no abstentions.

* The Enforcement Agenda for the September 05, 2007 Executive Session will be transmitted separately.

Motion made by Richard Bond and seconded by Leonard Romaniello at 10:50 a.m. to enter into Executive Session.

Voting in Favor:

Michael Weinshel
Richard P. Bond
Philip J. DeCaprio
Richard H. Gesseck
Leonard M. Romaniello
Richard L. Sturdevant

-No votes against and no abstentions.

Motion made by Richard Bond and seconded by Philip DeCaprio to come out of Executive Session at 11:53 a.m.

Voting in Favor:

Michael Weinshel
Richard P. Bond
Philip J. DeCaprio
Richard H. Gesseck
Leonard M. Romaniello
Richard L. Sturdevant

-No votes against and no abstentions.

Motion made by Richard Bond and seconded by Philip DeCaprio to adjourn the September 05, 2007 Board Meeting; all voted in favor. The meeting was officially closed at 11:53 a.m.