

Connecticut State Board of Accountancy
October 07, 2008
Minutes

Chairman Thomas F. Reynolds called the meeting to order at 8:34 A.M. in the second floor conference room, 30 Trinity Street, Hartford, Connecticut 06106.

Present:

Thomas F. Reynolds, CPA, Chairman
Richard P. Bond
James S. Ciarcia
Philip J. DeCaprio, Jr., CPA, CrFA, CVA, ABV
Richard H. Gesseck, CPA
Leonard M. Romaniello, Jr., CPA, CITP, MST
Richard L. Sturdevant
Martha S. Triplett, Esq.
Michael Weinschel, CPA

Staff Members Present:

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

Motion made by Leonard Romaniello and seconded by Richard Bond to approve the minutes of the September 03, 2008 State Board of Accountancy meeting. All voted in favor; no votes against and no abstentions. (James Ciarcia and Martha Triplett arrived at 8:43 A.M. after this vote was recorded.)

October 07, 2008 Executive Director's Operations Update and Review:

Budget

- Current Services Budget has been submitted
- 10% Reduction currently being submitted
- Change in handling of credit card fees
- Not requesting an expansion, considering submitting a letter about what we would have asked for, specifically a revolving fund for enforcement.

Board Member Travel

- Travel Ban still in effect
- NASBA Annual Meeting in Oct 2008

On-line Renewal – On-line lookup and Licensing Database

- Not ready for early CPE entry
- New Queries created
- Revised login screen
- New renewal notices created
- New renewal forms created

- Bulk email being created
- Revised CPE reporting logic
- Revised Firm Renewal screens
- DAS has agreed to print fold and stuff mass mailing

October 21, 2008 Certificate Ceremony

- 5 PM Reception at the Aqua Turf

Personnel

- Successfully transitioned Angel Acevedo back
- Re-organizing office – creating Licensing and Administrative Unit
- I attended
 - State Managers Day on Friday, October 3, 2008
 - Governor's Commissioner meeting on Friday, September 12, 2008
 - The State Ethics Conference on Friday, September 26, 2008
 - Training on the new State Internet filter on Monday, September 15, 2008
 - Along with Philip DeCaprio the CSCPA Professional Ethics committee on September 4, 2008
- Scheduled for
 - Three mandatory training sessions on sexual harassment, work place violence prevention and diversity in December
 - I have Jury Duty on October 22, 2008

Peter Tracey, Chair of CSCPA Ethics Committee, provided the Board with a written summary of the September 04, 2008 ethics committee meeting. He thanked the Board for their interest in his feedback. SBOA is currently reviewing regulations pertaining to firm names, contingent fees, results of investigations, client records, outsourcing, AICPA's & CSCPA's intent to adopt IESB Code of Ethics & differences between IEFB & AICPA (CSCPA) codes. Mr. Tracey will provide the Board with information regarding these matters.

The Board noted the list of individual applications for CPA Certificate, Registrations and CPA Licenses approved by staff between September 08, 2008 thru October 06, 2008. The Board also noted the list of Firm Permit to Practice applications approved by staff between September 08, 2008 thru October 06, 2008.

Fred J. Bauters, Chief Risk Officer, from Crowe Horwath LLP was present to answer any questions the Board may have had in respect to their application for a Firm Permit to Practice Public Accountancy. Michael Weinshel made the motion to approve the Firm Permit application for Crowe Horwath LLP. Motion was seconded by Richard Gesseck; motion passed with no abstentions, and Philip DeCaprio voted against the motion.

The Board reviewed the request from CPA Exam Candidate Bonnie J. Soucy for the extension of the notice to schedule for the Financial Management and Reporting component of the CPA Exam due to health reasons. Michael Weinshel made the motion to approve Ms. Soucy's request. Motion seconded by Philip DeCaprio; no votes against and no abstentions.

The Board reviewed a request from Andrea B. Morey to extend her testing window due to unexpected surgery and rehabilitation which disabled her from taking review courses to prepare

for the CPA Examination. Michael Weinshel made the motion to approve Ms. Morey's request. Philip DeCaprio seconded the motion; no votes against and no abstentions.

Motion made by James Ciarcia to table Victor Grabicki's request for an extension of his conditional passing credits for three parts of CPA Examination due to a medical problem and hospitalizing, while awaiting a letter from the doctor. Thomas Reynolds seconded the motion; no votes against and no abstentions.

The Board discussed the availability of PCAOB reports. The Board's Executive Director Guay has begun posting the reports for review on a secure portion of the web site. He also informed the Board the 2007 Inspection of KPMG LLP has been received by this office.

Under Regulatory Activity, Attorney Adams informed the Board she is working on revising the Quality Review Regulations, she also provided them with a draft of the Experience Regulations of which they had a lengthy discussion on how some of the language should read and asked Attorney Adams for an updated draft.

Under New Business, discussion centered around whether, or not we should allow firms to apply for an extension in completing their Peer Reviews for Firm's who are in compliance and who have consistently received unmodified opinions. No decision was reached but the Board agreed to continue this discussion at a later date.

The Board discussed the upcoming NASBA 101st Annual Meeting on October 26-29, 2008 in Boston, MA & the NASBA Forum of International Accountancy Regulators on October 28-30, 2008 also in Boston, MA & who may be attending.

Under Public Comment Arthur Renner, Executive Director of the Connecticut Society of Certified Public Accountants made brief comments.

**Enforcement Brief and Docket Review
October 7, 2008
Public Session**

Requesting Dismissal

2637 2004108 Neilsen

violation of QR and cpe settlement

Mr. Neilsen has demonstrated compliance with the 2004 original settlement with copies of original documents which were not in the Board file.

Motion made by James Ciarcia and seconded by Philip DeCaprio to dismiss case #2637-2004108 due to Mr. Neilsen's compliance. All voted in favor; no votes against and no abstentions.

3132 2008032 Greenberg

improper use of firm name

Motion made by James Ciarcia and seconded by Leonard Romaniello to dismiss case # 3132-2008032 against Mr. Greenberg. All voted in favor; no votes against and no abstentions.

Requesting Dismissal

- 3015 2007015 Maher Failure to file 2006 CPE Inactive Status Ordered
- 3021 2007021 Morholt Failure to file 2006 CPE Inactive Status Ordered
- 3026 2007026 Olmore Failure to file 2006 CPE Inactive Status Ordered
- 3028 2007028 Pelli Failure to file 2006 CPE Inactive Status Ordered
- 3031 2007031 Robertson Failure to file 2006 CPE Inactive Status Ordered
- 3036 2007036 Snyder Failure to file 2006 CPE Inactive Status Ordered
- 3041 2007041 Monroe Failure to file 2006 CPE Inactive Status Ordered
- 3006 2007071 Jain Failure to file 2006 CPE Inactive Status Ordered
- 3003 2007074 Huntley Failure to file 2006 CPE Inactive Status Ordered
- 3001 2007076 Holz Failure to file 2006 CPE Inactive Status Ordered
- 2998 2007079 Germaine Failure to file 2006 CPE Inactive Status Ordered
- 2986 2007091 Dains Failure to file 2006 CPE Inactive Status Ordered
- 3076 2007115 Weinstein Failure to report CPE Inactive Status Ordered

Motion made Richard Sturdevant and seconded by Leonard Romaniello to dismiss all charges for failure to report CPE's during the 2006 reporting year. All voted in favor; no votes against and no abstentions.

Requesting Settlement Approval

- 2661 2004131 Beveridge, Jr. Failure to file QR Settlement pending
- 2704 2004252 Drotman & Sawkis Failure to meet QR requirement Settlement pending
- 2781 2004261 Richards, Witt & Charles Failure to meet QR requirement Settlement pending
- 2775 2004262 Ramy Peress, CPA Failure to meet QR requirement Settlement pending
- 2803 2004267 Bosco Failure to meet QR Requirement Settlement pending

2792 2004272 Wright Failure to meet QR Requirement Settlement pending

2772 2006255 George Musgrave Failure to Meet QR Requirement Settlement pending

Motion made by James Ciarcia and seconded by Leonard Romaniello to approve the requested settlements. All voted in favor; no votes against and no abstentions.

Hearings Held or Scheduled

2449 2003011 Greenberg Negligence and fraud in DSS filings Hearing November 2008

2460 2003018 Tucci Unauthorized Use of Title Hearing November 2008

2824 2005019 GOLD DEFRAUDED CLIENT hearing held

2819 2005014 ARIOLA, JR pled guilty to misdemeanor charges Hearing November 2008

3091 2007128 Gold Failure to return records hearing held July 10, 2008

Requesting Issuance of Board Subpoena

3144 2008038 Plude Fraud and embezzlement of client funds Under investigation with FBI/IRS

Motion made by Michael Weinshel and seconded by Richard Sturdevant to approve Attorney Adams' request for a subpoena in case # 3144-208038. All voted in favor; no votes against and no abstentions.

Compliance Status

2463 2007300 Haas violation of CPE settlement Certificate suspended

3114 2008014 Fish SEC suspension New

3127 2008027 McPike SEC Action Under legal review

Motion made by James Ciarcia and seconded by Richard Gesseck to adjourn the public portion of the meeting at 11:52 A.M. All voted in favor; no votes against and no abstentions.

Motion made by Richard Sturdevant and seconded by Leonard Romaniello to adjourn the October 07, 2008 Board meeting at 12:50 P.M. All voted in favor; no votes against and no abstentions.