

Connecticut State Board of Accountancy
Meeting Minutes
Tuesday, December 2, 2014 – 10:00 A.M.
Second Floor Conference Room
30 Trinity St., Hartford, CT 06106
Hartford, CT 06106
860-509-6179
sboa@ct.gov

Chairman John H. Schuyler, CPA, called the meeting to order at 10:03 A.M. at the Connecticut State Board of Accountancy, Second Floor Conference Room, 30 Trinity Street, Hartford, CT.

BOARD MEMBERS PRESENT:

John H. Schuyler, CPA
Marcia L. Marien, CPA
Dannell R. Lyne, CPA
Timothy F. Egan, CPA
Mark Aronowitz
Martha S. Triplett, Esq.
Peter J. Niedermeyer, CPA

BOARD MEMBER ABSENT:

Karla H. Fox, Esq.

STAFF MEMBERS PRESENT:

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

ACTION REQUIRED – Approve Minutes of the November 13, 2014 Board Meeting.
Ms. Marien made a motion to approve the minutes. Mr. Egan seconded the motion. All present board members voted in favor.

INFORMATION REPORTS – Administrative Updates

INTERNATIONAL EXAM TEST TAKING – Mutual Recognizable Agreement IQEX Exam –
Presentation by Harrison Robbins-Pesce, Legal Intern
Mr. Harrison-Pesce distributed a power-point printout to the board members and gave a brief presentation and explained the process of NASBA’s International Qualification Examination (IQEX).

Mr. Harrison-Pesce stated that IQEX (presently adopted in Australia, Canada, Hong Kong, Ireland, Mexico, New Zealand and 42 states in the USA) is designed to test differences between the accounting standards used in the U.S. and the accounting standards used in other countries.

BOARD MEMBER FEEDBACK REGARDING CT CPA PEER REVIEW PROCESS

Chairman Schuyler acknowledged that board members have received the CTCPA Peer Review Report regarding peer review process.

CANDIDATE CARE REPORT

Attorney Asare informed board members of the availability of test centers and provided their Letters of Authorization to Prometric Test Centers.

RENEWAL UPDATE

Attorney Asare stated that currently 3,875 license, firm permit and certificate renewals have been filed and a third email renewal notice will be sent on December 16, 2014.

NASBA FOCUS QUESTIONS

Attorney Asare gave copies of a draft response to NASBA's Regional Director's Focus Questions to the board members and requested that board members provide additional feedback.

PUBLIC COMMENT –

Art Renner, CPA, Executive Director of CT Society of CPA, stated that the Department of Labor (DOL) is not making any changes or amendments to the tax requirements of electronic filing, which was recently enacted into law.

Mr. Renner invited board members and staff to the CTCPA's Certificate Ceremony to be held on Thursday, January 8, 2015, at the Aqua Turf, 556 Mulberry Street, Plantsville, Connecticut.

REGULATIONS AND STATUTORY AMENDMENTS – REQUEST FOR VOTE

Commission and Contingent Fees

Attorney Asare stated that a subcommittee was formed during the October 7, 2014 meeting to examine the proposed amendments. The subcommittee will submit a recommendation to the board.

EXAM AND LICENSING

Action required – Industry, Government, or Self Employed Experience, and Other Applications
Theodore J. Thomas – Requesting an extension in CPE requirements of 6 months. Application was tabled during August 4, 2014 board meeting requesting for additional information. Materials have not been submitted to date.

Michael DesRoches – Requesting 30 day extension of time to complete CPE hours. Application was tabled during August 4, 2014 board meeting requesting for more information. Materials have not been submitted to date.

Board members requested that these two requests for extension be removed from the agenda until such time applicants have provided necessary materials.

NEW BUSINESS:

Action required – Industry, Government, or Self Employed experience, and Other Applications

Cristin DeFrancesco – Initial CPA Certificate & Certificate Registration, Industry Experience
Mr. Marien made a motion to approve the application. Ms. Triplett seconded the motion. All present members voted in favor.

Kristin Saro – Initial CPA Certificate & Initial CPA License, Industry Experience

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

REVIEW FIRM PERMITS FOR APPROVAL

PCAOB Inspection Reports Received – member comment on review

- Review Report Dated **November 4, 2014 Dixon Hughes Goodman LLP**
November 5, 2014 Crowe Horwath LLP
Demetrius Berkower LLC

Mr. Lyne made a motion to approve the firm permits. Ms. Triplett seconded the motion. All present board members voted in favor.

EXAMINATION AND CPE EXTENSION - None

OTHER BUSINESS

Enforcement Cases

2014-24 Greg Montague vs. Michael Gostomski, CPA matter was withdrawn on November 12, 2014. The board acknowledged the request to withdraw the matter.

The board decided that all 2014 CPE cases resulting in civil penalties will be audited again in 2015.

2014-28 Connecticut State Board of Accountancy vs. James Barlow, CPA

Allegations: failure to complete continuing education courses as prescribed by Connecticut State Board of Accountancy’s regulations, § 20-280-25, and statutes, § 20-281g(f).

Substantiated Violations: Respondent reported 40 Continuing Professional Education (CPE) hours. Respondent submitted proof of CPE hours; however, the dates of the courses were completed were outside of the regulatory requirement. During renewal Respondent indicated that the courses were taken in the month of June of 2013, proof of courses indicated that the courses were actually taken in November of 2013. Respondent submitted proof of current year CPE hours for the board’s consideration of Respondent’s desire to be in compliance with CPE requirements.

Ms. Marien made a motion to settle the matter for \$625.00 for failure to take required CPE hours, and \$1,500.00 in civil penalties. Mr. Niedermeyer seconded the motion. All present members voted in favor. Ms. Marien amended the motion by adding 4 hours of ethics courses to be completed and reported by June 30, 2015. Ms. Triplett seconded the amended motion. All present members voted in favor.

2014-30 Connecticut State Board of Accountancy vs. John Ertlmaier, CPA

Allegations: failure to complete continuing education courses as prescribed by Connecticut State Board of Accountancy’s regulations, § 20-280-25, and statutes, § 20-281g(f).

Substantiated Violations: Respondent initially reported 40 Continuing Professional Education (CPE) hours. Initially Respondent responded to the CPE audit notice with proof of 34 of the 40 required CPE courses. Respondent subsequently provided proof of additional 6 CPE credits. Ms. Marien made a motion to dismiss the matter finding no probable cause. Ms. Triplett seconded the motion. All present members voted in favor.

2014-34 Connecticut State Board of Accountancy vs. Anthony Woykovsky, CPA

Allegations: failure to complete continuing education courses as prescribed by Connecticut State Board of Accountancy's regulations, § 20-280-25, and statutes, § 20-281g(f).

Substantiated Violations: Respondent initially reported 60 CPE hours during the renewal cycle.

Initial response to CPE audit did not meet the required standard for proof of attendance.

Respondent subsequently provided appropriate certificates in the necessary format.

Mr. Egan made a motion to dismiss the matter finding no probable cause. Mr. Lyne seconded the motion. All present members voted in favor.

2014-35 Connecticut State Board of Accountancy vs. Karen Deluca Soetbeer, CPA

Allegations: failure to complete continuing education courses as prescribed by Connecticut State Board of Accountancy's regulations, § 20-280-25, and statutes, § 20-281g (f).

Substantiated Violations: Respondent reported 45 CPE credits during renewal cycle. Respondent was unable to substantiate 12 of the reported courses, indicating that it was a result of an administrative oversight.

Ms. Triplett made a motion to settle the matter for \$625.00 for failure to take required CPE hours in specified time, \$450.00 in civil penalties, Respondent shall take and report 12 hours of CPE no later than June 30, 2015 and take and report 4 hours of ethics courses to be completed and reported by June 30, 2015. Ms. Marien seconded the motion. All present members voted in favor.

2014-36 Connecticut State Board of Accountancy vs. Thomas L. Foley, CPA

Allegations: failure to complete continuing education courses as prescribed by Connecticut State Board of Accountancy's regulations, § 20-280-25, and statutes, § 20-281g(f).

Substantiated Violations: Respondent initially reported 48 CPE hours. Respondent substantiated 37 of the reported 42 hours of CPE. Respondent indicated that there was an administrative oversight in the initial CPE reporting. Respondent indicated that he has an additional 35 hours that were not reported during the renewal cycle, which he could substantiate and request the board to consider.

Ms. Marien made a motion to settle the matter for \$53.57 in civil penalties. Mr. Egan seconded the motion. All present members voted in favor.

2014-39 Connecticut State Board of Accountancy vs. Steven M. Dane, CPA

Allegations: failure to complete continuing education courses as prescribed by Connecticut State Board of Accountancy's regulations, § 20-280-25, and statutes, § 20-281g(f).

Substantiated Violations: Respondent reported 41 CPE credit hours during the renewal cycle.

Initially Respondent submitted proof of 34.5 CPE credit hours, 7 of which were taken outside of the regulatory timeframe. Respondent offered supplemental carryovers that could be counted for the audited year. Respondent later provided substantial evidence demonstrating compliance.

Mr. Lyne made a motion to dismiss the matter finding no probable cause. Mr. Aronowitz seconded the motion. All present members voted in favor.

2014-42 Connecticut State Board of Accountancy vs. David P. Zuber, CPA

Allegations: failure to complete continuing education courses as prescribed by Connecticut State Board of Accountancy's regulations, § 20-280-25, and statutes, § 20-281g(f).

Substantiated Violations: Respondent initially reported 46 hours of CPE. Respondent admits he has not complied with CPE hours for the year 2012-2013 due to professional commitments.

Ms. Marien made a motion to settle the matter for \$625.00 for failure to take required CPE hours in specified time, \$1,725.00 in civil penalties, take and report 46 hours of required CPE no later than June 30, 2015, and 4 hours of ethics courses to be completed and reported by June 30, 2015. Mr. Egan seconded the motion. All present members voted in favor.

2014-43 Connecticut State Board of Accountancy vs. Mark J. Ondash, CPA

Allegations: failure to complete continuing education courses as prescribed by Connecticut State Board of Accountancy's regulations, § 20-280-25, and statutes, § 20-281g(f).

Substantiated Violations: Respondent initially reported 60 CPE hours. Respondent failed to reply to the notice of audit. Respondent did respond to the notice of violation. Respondent initially reported and substantiated 60 CPE hours. Respondent indicated that he omitted to change his address with the board, as such, did not receive notice of the initial notice of audit letter.

Mr. Egan made a motion to settle the matter for \$250.00 in civil penalties for failure to respond to the board, and 4 hours of ethics courses to be completed and reported by June 30, 2015. Mr. Lyne seconded the motion. All present members voted in favor.

2014-46 Connecticut State Board of Accountancy vs. Stephen Elia, Jr., CPA

Allegations: failure to complete continuing education courses as prescribed by Connecticut State Board of Accountancy's regulations, § 20-280-25, and statutes, § 20-281g(f).

Substantiated Violations: Respondent initially reported 48 CPE hours. Respondent who acknowledges renewals was falsified. Respondent provide medical records that would have qualified for a waiver but a waiver request was never submitted for the board's review.

Mr. Marien made a motion to settle the matter for \$315.00 for failure to take required CPE hours in specified time, \$900.00 in civil penalties, and 4 hours of ethics courses to be completed and reported by June 30, 2015. Mr. Aronowitz seconded the motion. All present members voted in favor.

2014-49 Connecticut State Board of Accountancy vs. Thomas M. Moore, CPA

Allegations: failure to complete continuing education courses as prescribed by Connecticut State Board of Accountancy's regulations, § 20-280-25, and statutes, § 20-281g(f).

Substantiated Violations: Respondent initially reported 60 hours. Respondent retired in 2014 and failed to take possession of his learning record with firm/employer/course provider. Respondent was able to reproduce material for 2012 courses, giving the Respondent adequate proof of 20 hours of carryovers. (The board may consider that the Respondent has now entered into retirement status as of November 19, 2014.)

Ms. Marien made a motion to settle the matter for \$625.00 for failure to take required CPE hours in specified time, \$1,500.00 and 4 hours of ethics courses to be completed and reported by June 30, 2015. Ms. Triplett seconded the motion. All present members voted in favor.

2014-51 Connecticut State Board of Accountancy vs. Bernard M. Teig, CPA

Allegations: failure to complete continuing education courses as prescribed by Connecticut State Board of Accountancy's regulations, § 20-280-25, and statutes, § 20-281g(f).

Substantiated Violations: Respondent initially reported 41 hours of CPE. Reported 36 courses initially and substantiated with proof of carryover, which Respondent omitted at the time of renewal. Respondent sent proof of carryover courses.

Mr. Aronowitz made a motion to dismiss the matter finding no probable cause. Mr. Niedermeyer seconded the motion. All present members voted in favor.

2014-53 Connecticut State Board of Accountancy vs. Jason Paquette, CPA

Allegations: failure to complete continuing education courses as prescribed by Connecticut State Board of Accountancy's regulations, § 20-280-25, and statutes, § 20-281g (f).

Substantiated Violations: Respondent initially reported 60 CPE hours. Respondent did respond with substantial proof but did not reply to initial audit or reminders. Respondent admits he failed to change his address with the state board.

Mr. Egan made a motion to settle the matter for \$250.00 in civil penalties and 4 hours of ethics courses to be completed and reported by June 30, 2015. Ms. Triplett seconded the motion. All present members voted in favor.

PUBLIC COMMENT

There was no public comment at this time.

Ms. Marien made a motion to adjourn the meeting at 12:09 p.m. and Ms. Triplett seconded the motion. All present board members voted in favor.

Next scheduled meeting: Tuesday, January 6, 2015 – 10:00 AM - 2nd Floor, 30 Trinity Street, Hartford, CT.