

**Connecticut State Board of Accountancy
Meeting Minutes
July 6, 2021**

The meeting was called to order by Chairman John H. Schuyler at 10:18 AM via ZOOM Webinar.

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

Board Members Absent: Marcia L. Marien, Certified Public Accountant

Board Vacancies: Two Public Members

DCP Staff Present: Robert M. Kuzmich, R.A., License/Applications Specialist
Frank Virnelli, Manager
Cat Arsenault, Staff Attorney

Public Present: Bonnie Stewart, 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, Richard M. Hurlburt, Director.

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 May 11, 2021 Board Meeting

Mr. Schuyler stated that the CPA designation for himself as noted on the Board Members present should be removed since his is retired and no longer licensed. Hearing no other comments, the minutes were approved unanimously as amended herein. (Fox/Niedermeyer)

Connecticut State Board of Accountancy Meeting – July 6, 2021

COMMENTS OR CONCERNS OF ANY PERSON PRESENT TODAY

There were no comments or concerns from anyone present.

OLD BUSINESS

1. Legislative Update

Mr. Virnelli stated that the Legislative Package passed. Section 20-281(c) has been changed. Candidates taking the examination do not have to have their degree yet but need at least 120 semester hours of education. This requirement is similar to some surrounding States. Section 20-281K(c) has changed requiring licensees to retain their work papers for 7 years unless there is a requirement to retain them longer. Section 20-281(l) having to do with Commissions has been changed. Mr. Virnelli noted there were other minor technical changes made also.

2. Status of Revisions to Regulations

A. Current

The Regulations are now in effect as of last week. Continuous testing is now allowed in the State. The Rules of Conduct have also been changed making enforcement for the Department easier. In addition, legal forms of practice have now been made more generalized.

B. Future Revisions for CPA Evolution

The CPA Examination transition will take place in January of 2024. The State is ahead of this transition and has already taken out names of the different sections making future transitions of the examination easier by not having to amend the law for specific section titles. Section E(2) has been removed to allow for continuous testing.

Mr. Virnelli thanked Mr. Jerry Padula from the Department, for the record, for his work in getting this legislation passed.

NEW BUSINESS

1. Remote Testing

Mr. Schuyler updated the Board on information he received at the recent Regional Meeting. Regarding accepting remote test scores, 54 to 55 States and Jurisdictions have agreed to say yes to remote testing with no response yet from Colorado. The CPA Pipeline, in terms of candidate numbers, reflects a serious shortage of candidates

entering the profession. Salary concerns relative to the hours required and the extra hours required for CE not contributing to professional capabilities were attributed to the shortage of candidates but varied State by State. The extra hours are considered an imposed cost which is seriously depressing the income. Salaries in the State of Florida were cited as an example.

There was a concern among the State boards regarding individual mobility as it pertains to online virtual work and that people were escaping accountability. There was no knowledge of what State Boards or the CPA Society's ethics were addressing this issue. Mr. Schuyler also commented on Firm Mobility/Registration and Ownership for Connecticut and several other States.

Criminal Conviction Legislation and moral turpitude were addressed. In relative terms Connecticut does not appear to have many problems in these areas. The pilot for the Evolution and for Remote Testing is going slowly with a delay in transition due to technological issues. Timing of the roll out does not want to happen too early due to timing of candidates taking the test sections. COVID challenges were discussed in terms of candidate's locations as they relate to any disciplinary actions. Mr. Schuyler noted a serious consideration discussed concerning CPA Evolution relative to colleges and Universities having enough time to expand their educational offerings required in time for the first testing and data analytics. There appears to be a severe shortage in available people qualified to teach the same.

Ms. Fox stated that the University of Connecticut has been a leader in data analytics with qualified faculty. There are many other feeder schools where this is not the case. Nationwide, this is a concern.

Mr. Schuyler noted that all regions were very supportive of evolution and were concerned about being ready for the same. Data analytics appears to be the big problem. NASBA's Annual Meeting, to be held in San Diego, California, is scheduled to be held in person. They are trying to determine the State's participation. He speculated that Connecticut would be able to participate. Interested Board Members should let Mr. Virnelli know.

Mr. Virnelli noted he attended a meeting in June regarding remote testing. Things are slowed down because of remote technical issues. Remote testing will not go forward until these issues are settled. A Pilot Plan is in place when things are ready to go.

2. Accreditation.

Mr. Schuyler did not address this topic because he does not fully understand it similar to Mr. Virnelli. In addition, he does not believe Connecticut has a problem with it as some States seem to have. Ms. Fox agrees with Mr. Schuyler.

Mr. Virnelli noted that Mr. Schuyler was voted to be the Alternate to the Nominating Committee for the Northeast Region. The Board offered their congratulations to him.

3. CPA Exam Transition:

Mr. Virnelli noted that John Decker, from the AICPA, noted the survey is coming out on July 7, 2021. He will forward this information to the Board when available and, if necessary, hold a special meeting of the Board depending on when the reply is due. The transition policy and rules of the new examination were explained by Mr. Virnelli.

4. Reconsideration of License Application – David Katz

Mr. Katz was denied initially in March of 2020 because of experience and is now given this chance to present his documentation to the Board himself. Mr. Katz addressed the Board and shared his documentation with the Board via the ZOOM platform. He explained the history of his application denial noting that some of his work experience was not documented under a CPA and some was over ten years old and did not qualify.

Mr. Katz addressed the denial reasons. Regarding the experience not being garnered under a CPA, he read aloud to the Board information given on the CPA Experience Verification Form which detailed how alternate experience can be presented to the Board. He gave the Board a detailed account of his work experience as shown in the documentation he presented to the Board. He noted that he was the CFO of a company over a ten-year period and as such has not had the opportunity to be supervised. It was his decision, later in his career, to pursue becoming a CPA. He made his decision regarding his work experience based upon the information given in the Verification Form. The experience he addressed with the Board today was obtained over the last eight years working for a Home Care Company.

Mr. Katz noted that he realizes that his case is not typical, and should he be denied, he asked the Board what the avenue was for a candidate with his work experience background to obtain a CPA license. Mr. Schuyler noted that this matter needs to be discussed by the Board separately.

The Board needs time to discuss this case and to review the documentation sent to them by Mr. Virnelli. As such, the Board voted, unanimously, to defer this matter to their next meeting. (Fox/Triplett)

5. Mr. Virnelli asked the Board to consider the Continuing Education Extension Request of Ms. Fiona Chen. The Board voted, unanimously, to add this item to their agenda today. (Niedermeyer/Lyne)

Mr. Virnelli noted that Ms. Chen is asking for an extension to December 31, 2021. Her request explains that she is limited to the number of hours she can work due to her high-risk pregnancy. She has provided the Department/Board with medical documentation. The Board voted, unanimously, to approve Ms. Chen's request. (Fox/Triplett)

COMMENTS OR CONCERNS OF ANY PERSON PRESENT TODAY

1. Ms. Stewart updated the Board on vacancies stating that she placed a call to the Governor's office on this matter and should have a response for them by their next meeting.
2. Ms. Stewart thanked the Department Staff for their hard work in getting the Board's Legislation and Regulations fast tracked and passed. Mr. Schuyler and the rest of the Board also added their thanks and appreciation.

ADJOURN

Mr. Egan made a motion to adjourn. The motion was seconded by Ms. Triplett. All remaining Board Members voted in favor. The meeting adjourned at 11:29 AM.

Next scheduled meeting: Tuesday, September 14, 2021 at 10:00 AM. The Meeting location to be determined.

Respectfully submitted,

Robert M. Kuzmich, R.A.
License and Applications Specialist