

**Connecticut State Board of Accountancy
August Minutes**

August 1, 2013 – 8:30 A.M.

Third Floor Conference Room
30 Trinity St., Hartford, CT 06106
860-509-6179
sboa@ct.gov

Mr. Philip J. DeCaprio, Jr., called the meeting to order at 8:30 A.M. at 30 Trinity Street, Hartford, Connecticut.

PRESENT:

Michael Weinshel, CPA
Leonard M. Romaniello, Jr., CPA, CITP, CFE, MST
Richard L. Sturdevant (Left the meeting at 11:23 a.m.)
Martha S. Triplett, Esq.
Richard H. Gesseck, CPA (Left the meeting at 12:32 p.m.)
Lee R. Schlesinger
Philip J. DeCaprio, Jr., CPA/ABV/CFF, CR/FA. CVA. DABFA

ABSENT

James S. Ciarcia

STAFF MEMBERS PRESENT:

James Spallone, Deputy Secretary of the State
Diane Steir, Interim Manager
Sonia Worrell Asare, Legal Counsel
Stephanie Sheff, Processing Technician
Constance Sakyi, Paralegal Specialist 1

OTHERS PRESENT:

Art Renner, CPA, Executive Director of CT Society of CPA
Camille Murphy, President of CT CPA
Cynthia Isales, Esq., Assistant General Counsel, Office of State Ethics
Edward Lowe, Legal Intern
Kathrine Buyse, Intern
Bradley T. McKay
Mr. Leonard Belzer

ACTION REQUIRED - Vote to select Acting Temporary Chairman

Mr. DeCaprio made a motion to appoint Mr. Weinshel as permanent chairman of the Board until the Governor appoints a chairman or other Board action is taken. Mr. Romaniello seconded the motion. All present voted in favor.

On behalf of the Connecticut State Board of Accountancy, Mr. Weinshel thanked former Chairman Thomas F. Reynolds for his services to the Board for the past 10 years. The Board appreciates Mr. Reynolds dedication and services to the Board and the profession.

ACTION REQUIRED - Approve Minutes of June 24, 2013 Board Meeting:

Mr. Gesseck made a motion to approve the June 24, 2013 minutes as presented. Mr. Romaniello seconded the motion. All present Board Members voted in favor.

ACTION REQUIRED – Approve Addendum to January 5, 2010 Board Meeting.

Mr. Weinshel and Mr. Schlesinger recused themselves and left the room. Mr. Romaniello made a motion to appoint Mr. DeCaprio as the Chairman during the approval of the addendum to the January 5, 2010 minutes. Mr. Gesseck seconded the motion. All present Board Members voted in favor.

Mr. Sturdevant made a motion to approve the Addendum to January 5, 2010 Minutes. Mr. Gesseck seconded the motion. All present Board Members voted in favor.

Mr. Gesseck made a motion to reinstate Mr. Weinshel as Chairman. Mr. Schlesinger seconded the motion. All present Board Members voted in favor. Mr. Weinshel abstained.

OFFICE UPDATE – CPE Audit

Diane Steir, Interim Manager, reported that the audit letters have been mailed to 200 licensees who were randomly selected by the CAVU database. Licensees have 30 days to comply. Diane Steir stated that the Board should have audit results at the October Meeting.

Peer Review Conference - The AICPA Peer Review Board will hold an open session meeting on Wednesday, August 14, 2013 beginning at 10:30 AM and ending at approximately 12:00 PM (Eastern Time). The meeting will be held at the Omni Providence Hotel, One West Exchange Street, Providence, RI 02903.

The Board voted all in favor of adding ALD to the agenda.

Dian Steir reported she had been in touch with NASBA. Mr. Weinshel indicated that the Board has made NASBA's ALD program a priority and we should do whatever we can to get Connecticut on it. Mr. Weinshel requested that the Board make NASBA's ALD program a priority.

Attorney Sonia Worrell Asare introduced Mr. Edward Lowe, Legal Intern, and Ms. Katherine Buyse, Intern, to the Board.

GUEST SPEAKERS

CYNTHIA ISALES, ESQ. – OFFICE OF STATE ETHICS

Attorney Isales spoke to the Board about the mission of The Office of State Ethics. Attorney Isales stated that the mission of the agency is to practice and promote the highest ethical standards and accountability in state government by providing education and legal advice, ensuring disclosure, and impartially enforcing the Codes of Ethics. Attorney Isales also stated

that all state officials and lobbyist, with the exception of judges, are covered under the ethics code. She encouraged the Board to contact The Office of State Ethics with any questions.

EDWARD LOWE, LEGAL INTERN

Mr. Lowe spoke to the Board about his research regarding a 50 State Statutory & Regulatory Survey. Mr. Lowe gave a short description of unique statutes and regulations promulgated by various state boards and their legislatures.

EXAM AND LICENSING

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

- **Bradley T. McKay** – application for Initial CPA Certificate & Initial CPA License; Industry Accounting experience (attending the meeting) submitting non-conforming experience, petitioning the Board pertaining to experience. Mr. Weinshel made a motion to table the matter until the September 2013 Board Meeting. Mr. Romaniello seconded the motion. All present Board Members voted in favor.
- **John Standyk, Jr.** – application for Initial CPA Certificate & registration; Industry Accounting experience. Mr. DeCaprio made a motion to approve. Mr. Schlesinger seconded the motion. All present Board Members voted in favor.
- **Mitchell Goss** – application for reciprocal CPA Certificate & Initial CPA License; Industry Accounting experience. Mr. Sturdevant made a motion to approve. Mr. DeCaprio seconded the motion. All present Board Members voted in favor.
- **Sabine Newmann** – application for Initial CPA Certificate & Initial CPA License; Industry Accounting experience. Mr. DeCaprio made a motion to approve. Mr. Sturdevant seconded the motion. All present Board Members voted in favor.
- **Ren Wang** – application for Initial CPA Certificate & Certificate Registration; Industry Accounting experience. Mr. Romaniello made a motion to approve. Mr. DeCaprio seconded the motion. All present Board Members voted in favor.

REVIEW FIRM PERMITS FOR APPROVAL

The Board reviewed firm permit applicants.

EXAMINATION AND CPE EXTENSION

- **Walter E. Watkins, Jr. CPA** – waiver/extension of 11 hours CPE requirement - due to health condition. Mr. Gesseck made a motion to approve the extension request until October 31, 2013. Ms. Triplett seconded the motion. All present Board Members voted in favor.
- **Robert E. Sweeney, Jr. CPA** – requesting CPE extension to July 31, 2013 - due to death in the family. Mr. Gesseck made a motion to approve the extension request until July 31, 2013. Mr. Schlesinger seconded the motion. All present Board Members voted in favor.
- **Theodore J. Thomas, CPA** – requesting CPE extension to December 31, 2013 – due to health condition. Mr. Sturdevant made a motion to approve the extension request until December 31, 2013. Mr. DeCaprio seconded the motion. All present Board Members voted in favor.
- **Keith M. Crehan, CPA** – requesting a 90 days extension to complete CPE – due to health condition. Ms. Martha made a motion to approve the extension request for 90 days. Mr. Romaniello seconded the motion. All present Board Members voted in favor.

- **Edward S. Simonds, CPA** – requesting 3 months CPE extension – due to health condition. Mr. Gesseck made a motion to approve the extension request for 3 months. Mr. DeCaprio seconded the motion. All present Board Members voted in favor.
- **Jeffrey S. Alfin** – requesting 30 days extension to complete CPE – due to health condition. Mr. Romaniello made a motion to approve the extension request for 30 days. Mr. Schlesinger seconded the motion. All present Board Members voted in favor.
- **Rocco P. Chiappetta, CPA** – requesting extension to complete CPE. Mrs. Triplett made a motion to deny. Mr. DeCaprio seconded the motion. All present Board Members voted in favor.
- **Alisen Harrison, CPA** – requesting extension until 9/30/13 to obtain additional 17 hours CPE. Mr. Romaniello made a motion to deny the request for extension. Mr. DeCaprio seconded the motion. Ms. Triplett opposed. All present Board Members voted in favor.
- **Lewis G. Pace, CPA** – requesting for extension to complete CPE – note from doctor. Ms. Triplett made a motion to grant the extension. Mr. DeCaprio seconded the motion. All present Board Members voted in favor.
- **Paul Conti, CPA**- extension of time for 18 month window sitting for the CPA exam. Mr. Romaniello made a motion to deny the request for extension. Mr. DeCaprio seconded the motion. All present Board Members voted in favor.

OTHER BUSINESS

Enforcement Cases

2012-103764 Leonard Belzer - Mr. Leonard Belzer spoke to the Board requesting that his civil penalties of \$1,200 be removed. Mr. Romaniello made a motion to uphold the settlement agreement. Mr. Sturdevant seconded the motion. All present Board Members voted in favor .

2012-103771 Speier Accounting and Tax Services – Withdrawn

2012-103785 Mark Hull, Hull & Hull – Withdrawn

2011030-3647 AJ Bafundo & Co. LLC – Withdrawn

2011 045-3665 John M. Brady; Eric Wahrsager; Allegations: Breach of client confidentiality to unspecified individuals, unauthorized use of the CPA title, unauthorized practice of public accountancy, discreditable acts, and engaging in actions reflecting adversely on the profession of public accounting. Substantiated violations: None
Mr. Schlesinger made a motion to dismiss finding no probable cause. Mr. Romaniello seconded the motion. All present Board Members voted in favor.

20112014-3777 Robert Harris; Virginia Abbotts; Allegations: Failure to return client records, failure to maintain client’s confidentiality, failure to maintain competency in undertaking engagements, negligence and fraud in the practice of public accountancy, and discreditable conduct resulting in an adverse reflection on the profession of public accountancy. Substantiated violations: Unable to Locate Complainant. Mr. Romaniello made a motion to dismiss without prejudice. Mr. Schlesinger seconded the motion. All present Board Members voted in favor.

2011078-3708 Stephen L. Walczak; Board of Accountancy; Allegations: Unauthorized use of CPA title, conduct reflecting adversely on the practice of public accountancy, failure to

return client records on demand, and negligence in the practice of public accountancy. Substantiated violations: None. Mr. Romaniello made a motion to dismiss finding no probable cause. Mr. DeCaprio seconded the motion. All present Board Members voted in favor.

2011049-3669 Stanley Glick; Board of Accountancy; Failure to renew firm permit and license in a timely manner in 2011. Substantiated violations: Respondent failed to renew firm permit. Mr. Weinshel made a motion to settle matter stipulating a civil penalty of \$250. Mr. Schlesinger seconded the motion. All present Board Members voted in favor.

2012-103768 Tracy Lane; Kevin Edwards; Allegations: Improper filing of tax return, negligence in the practice of public accountancy and failure to return client records, fraud and deceit in the practice of public accountancy. Substantiated violations: lack of jurisdiction. Mr. Romaniello made a motion to dismiss finding a lack of jurisdiction. Mr. Schlesinger seconded the motion. All present Board Members voted in favor.

2010178-3531 Theodore Kreinik; Gloria Capozzi; Allegations: Failure to return client records and dishonesty in service of public accountancy. Substantiated violations: Unable to locate complainant. Mr. Romaniello made a motion to dismiss without prejudice. Ms. Triplett seconded the motion. All present Board Members voted in favor.

2012-103765 Ciampi Tax & Financial Services LLC; Claudine & Chris Lieder; Allegations: Negligence in performing public accountancy services. Substantiated violations: No jurisdiction. Mr. Romaniello made a motion to dismiss finding no jurisdiction. Mr. Schlesinger seconded the motion. All present Board Members voted in favor.

2011050-3670 E. Reuel Stoltz; Linda Bellucci-Durning; Allegations: Fraud, theft, embezzlement, failure to return client records, discreditable acts and acts reflecting adversely on the profession of public accountancy. Substantiated violations: unauthorized use of CPA title. Mr. Weinshel made a motion for civil penalties of \$480 and 4 hours of ethics course. Mr. Decaprio seconded the motion. All present Board Members voted in favor.

2011 069-3695 Joseph R. Wolff, III; Kim Murray; Allegations: Failure to undergo and report peer reviews and negligence and incompetence in filing tax returns. Substantiated violations: None. Mr. Romaniello made a motion to dismiss for finding of no probable cause. Mr. Schlesinger seconded the motion. All present Board Members voted in favor.

2012019-3790 Paul J. Tannous; Board of Accountancy; Allegation: fraud or negligence in the practice of public accountancy. Allegation by Complainant that Respondent committed welfare fraud. Substantiated Violations: None. Mr. DeCaprio made a motion to dismiss. Ms. Triplett seconded the motion. All present Board Members voted in favor.

2012-103784 Michael B. Maher; Board of Accountancy; Allegations: Failure to obtain a Connecticut license to practice public accountancy, failure to obtain a Connecticut firm permit, false and misleading advertisement, failure to undergo peer reviews, and the unauthorized use of the CPA title. Substantiated violations: Failure to obtain a Connecticut license to practice public accountancy, failure to obtain a Connecticut firm permit; false and misleading advertisement. Mr. Weinshel made a motion for civil penalties of \$565 and cease

and desist order. Mr. DeCaprio seconded the motion. Mr. Romaniello opposed. All present Board Members voted in favor.

2010180-3533 Elmer Laydon; Mehrnoz Aghili; Allegations: failure to return client records; engaging in actions reflecting adversely on the profession of public accountancy. Mr. Romaniello made a motion for a compliance meeting to be scheduled. Mr. Weinshel seconded the motion. Mr. DeCaprio recused himself. All present Board Members voted in favor.

2011056-3676 R S McGladrey; Regina Libby; Allegations: negligence in the practice of public accountancy and fraud. Substantiated Violations: Unable to locate complainant. Mr. Schlesinger made a motion to dismiss without prejudice. Ms. Triplett seconded the motion. All present Board Members voted in favor.

2012015-3780 Jonas, Alan R: Allegations: Former CPA embezzled more than \$500,000 from elderly clients. Sentenced to 12 years of imprisonment. Certificate holder. License expired 1973. **2011012-3560 Jonas, Alan R.:** Notification via news article regarding pending investigation into embezzlement allegations. **2010164-3514 Jonas, Alan R.:** Inquiry regarding Mr. Jonas use of CPA title. Respondent surrendered certificate.

Administrative Closures Insufficient Filings.: Mr. Weinshel made a motion to dismiss the following matters due to insufficient information to formally open a case. Mr. Schlesinger seconded the motion. All present Board Members voted in favor.

2010149-3499
2010172-3522
2009051-3225
2010009-3358
2010011-3360
2009086-3260
2009019-3190
2009006-3201
2009114-3114
2009056-3156
2010127-3477
2010132-3482
2010101-3451
2010129-3459
2010123-3473
2010126-3476
2010154-3504
2010166-3516
2011083-3713

2012-103779 Financial Directions, Inc.; CT Board of Accountancy. Allegations: failure to obtain a firm permit, engaging the unauthorized practice of public accountancy, including issuing compilation reports with financial statements and footnotes for businesses; and failure to undergo peer reviews. Substantiated Violations: failure to obtain a firm permit, engaging the

unauthorized practice of public accountancy, including issuing compilation reports with financial statements and footnotes for businesses; and failure to undergo peer reviews. Matter was Tabled the matter for September Board meeting, in light of the lack of quorum present to vote on the matter.

Michael Weinshel presented information regarding:

- UAA-Exposure Draft-Attest
- Response to Ethics Codification Exposure (Draft due August 15, 2013)
- NASBA-FRF for SMES

PUBLIC COMMENT

Opportunity for members of the public to address the Board
CT CPA Executive Director Art Renner requested that the Board provide clarity regarding Finance courses being credited toward Business courses for the purpose of licensing. The Board agreed to post a Question & Answer regarding education requirements on the website.

Subcommittees meetings were rescheduled for September: Corporate Programs Qualifying for Non-Public Experience: - SBA-12

ADJOURNMENT

Mr. Weinshel made a motion to adjourn the meeting at 1:15 p.m. Mr. DeCaprio seconded the motion. All present Board Members voted in favor.

Next scheduled meeting:

- Friday, September 13 , 2013- 8:30 AM – 30 Trinity Street, 2nd Floor, Hartford, CT