

Connecticut State Board of Accountancy
February 6, 2007
Minutes

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

Present:

Thomas F. Reynolds, CPA, Chairman
Richard P. Bond
James Ciarcia
Philip J. DeCaprio Jr., CPA
Leonard M. Romaniello, Jr., CPA
Richard Sturdevant
Michael Weinshel, CPA

Staff Members Present:

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

Absent:

Richard Gesseck, CPA

Motion made by Michael Weinshel and seconded by Leonard Romaniello to accept and approve the Minutes of the January 4, 2007 State Board of Accountancy meeting.

Voting in favor:

Thomas Reynolds
James Ciarcia
Leonard Romaniello
Richard Sturdevant
Michael Weinshel

Philip DeCaprio abstained and no votes against.

In a review of Board operations Executive Director Guay briefed the Board on the operations of the Board by providing a written summary.

February 6, 2007 Executive Director's Operations Update and Review

Licensing Database

- Jamie Gamble has made significant progress – major review of progress to date scheduled for week of February 12th
- Researching cost of credit card & Pay pal transactions for budgeting purposes

2007 Renewal & 2006 CPE Reporting

- All renewals received to date, without CPE issues will be processed by Monday, February 5, 2007
- Question of second renewal notice or not?
- Used limited overtime to reduce backlog
- Observations
 - Consider eliminating carryover, 40 hours period?
 - Further define ethics course and language to restrict to a course not part of another course?
 - Eliminate author credit?
 - Eliminate instructor credit?
 - Eliminate credit for partner meetings?
- Applicants with CPE issues are still being processed
 - Telephone calls to Licensees to clear up some reporting errors
 - Notifications by mail of recalculation of totals
 - Notifications by mail of missing attachment or failure to report
 - Notification by mail of possible violations based upon reported CPE
 - Preparation for audit of selected reports – expect to do 50

New Position

- Angel D. Acevedo started on January 19, 2007
- The Benefits of having another staff member will be evident within a very short time
- Brings new challenges of supervision and assignments, cross training, and formalization of procedures and measures

Business continuity & pandemic planning

- Continuing to create the Gubernatorial directed plan and attend the mandatory meetings
- Next meeting on Wednesday, February 7, 2007

Returning to Regulation Project and Effort

- Need to complete research and draft suggestion for experience
- Need to continue monthly review in conjunction with CSCPA Study

Returning to Records Retention Effort

- Enforcement Records – planning what to do next
- CPA Exam Grade cards, continuing with scanning
- Download from NASBA of grades to be planned and accomplished

Next Certificate Ceremony

- Expected in May 2007 covering January – May Certificates
- January's Certificates are at the calligrapher
- Issuing bid requests for the calligrapher contract through OPM

100th Anniversary of the State Board – June – August 2007

2007 Legislative Session

- Drafting budget testimony
- Drafting supporting testimony for Education Bill
- Issue of the Exam Fee Regulation and the supporting statute

Peer Review

- Data files updated in renewal process
- Significant backlog of reports to process
- Regulations need to be updated

Website

- Reviewing the other State Board sites for ideas
- Commencing upgrade effort upon conclusion of renewal cycle

Motion made by Michael Weinschel, CPA and seconded by James Ciarcia to approve the February 6, 2007 list of individual applications for CPA Certificate, Registrations and CPA Licenses.

Voting in favor:

Thomas Reynolds
Richard Bond
James Ciarcia
Philip DeCaprio
Leonard Romaniello
Richard Sturdevant
Michael Weinschel

No abstentions and no votes against.

Motion made by Richard Sturdevant and seconded by Leonard Romaniello to approve the February 6, 2007 list of Firm Permit to Practice applications.

Voting in favor:

Thomas Reynolds
Richard Bond
James Ciarcia
Philip DeCaprio

Leonard Romaniello
Richard Sturdevant
Michael Weinschel

No abstentions and no votes against.

Chairman Reynolds noted that the agenda continues to lists inspection reports received from the Public Companies Accounting Oversight Board (PCAOB) and are available for Board member inspection and review.

Chairman Reynolds noted that the agenda continues to list Test center Problem Reports. Board members reviewed the report covering the period of January 4, 2007 through February 1, 2007.

Motion made by James Ciarcia to approve the proposed regulations converting Public Accountants to Certified Public Accountants. Motion was seconded by Leonard Romaniello.

Voting in favor:

Thomas Reynolds
James Ciarcia
Philip DeCaprio
Leonard Romaniello
Richard Sturdevant
Michael Weinschel

No votes against.

Mr. Bond did not vote, was out of the room.

PROPOSED REGULATIONS FOR COVERSION FROM PA TO CPA

Pursuant to Public Act 2006-31, the Regulations of Connecticut State Agencies are amended by adding sections 20-280-28 to 20-280-29, inclusive, as follows:

(NEW) Section 20-280-28. Issuance of Certified Public Accountant Certificate to Public Accountants

(1) The Board shall issue a Certified Public Accountant (CPA) Certificate to an individual who has at any time been licensed by the Board as a Public Accountant (PA) and who files an application with the Board for a CPA certificate on a form supplied by the Board.

(2) Upon Board approval of the application by a PA for a CPA certificate and receipt of notification of such approval, the licensee must cease to utilize the designation "PA" in all forms and is limited to utilizing the designation "CPA" only as permitted pursuant to Section 20-281g of the Connecticut General Statutes and Section 20-280-20 of the Regulations of Connecticut State Agencies.

(3) Prior to any use of the title CPA, in any form or manner, a PA who has been granted a CPA Certificate must register said Certificate with the Board as required under Section 20-281c(f) of the Connecticut General Statutes.

(4) Prior to the authorized practice of Certified Public Accountancy and the authorized use of the title CPA in the practice of public accountancy, as defined in Section 20-280-15b (8) of the Regulations of Connecticut State Agencies, a PA who has been granted a CPA Certificate under this section must obtain a CPA license under Section 20-281d of the Connecticut General Statutes.

(5) The application fee for a CPA Certificate under this section shall be the same as the amount charged by the Board for an initial CPA Certificate as set forth in Section 20-281d (f) of the Connecticut General Statutes.

(6) The application fee to obtain both a CPA Certificate and License for a PA who does not hold a PA license at the time of application, shall be the total of the amount charged by the Board for an initial CPA Certificate AND the amount charged by the Board for renewal or reinstatement of a CPA License, as set forth in Section 20-281d (f) of the Connecticut General Statutes.

(NEW) Section 20-280-29. Conversion of Public Accountant License to Certified Public Accountant Certificate and License

(1) The Board may issue a Certificate and License to practice as a Certified Public Accountant (CPA) to an individual licensed as a Public Accountant (PA) by the Board who meets all of the following requirements:

(a) The PA files an application with the Board for the conversion of the PA License to a CPA Certificate and license;

(b) At the time of application for conversion of the PA Certificate and license, the PA holds a current PA license issued by the Board;

(c) At the time of application for conversion of the PA Certificate to a CPA Certificate and license, any public accounting firm that employs the PA or in which the PA has an interest holds a current firm permit issued by the Board, and meets the quality review requirements of Section 20-281 of the Connecticut General Statutes and Section 20-281 of the Regulations of Connecticut State Agencies.

(d) The PA has completed all continuing education hours required pursuant to Section 20-281d of the Connecticut General Statutes and

Sections 20-280-26 through 20-280-27 of the Regulations of Connecticut State Agencies.

(2) Upon Board approval of the application for conversion from a PA certificate and license to a CPA certificate and license and receipt of notification of such approval, the licensee must cease to utilize the designation "PA" in all forms of practice and is limited to utilizing the designation "CPA" in all forms of practice only as permitted pursuant to 20-281g of the Connecticut General Statutes and Section 20-280-20 of the Regulations of Connecticut State Agencies.

(3) The application fee for conversion of a Public Accountant License to a CPA Certificate and License under this section shall be the same as the fee charged by the Board for the issuance of an initial CPA Certificate without additional charge for the CPA License.

STATEMENT OF PURPOSE:

The purpose of the Regulation is to set forth the process through which previous holders of Public Accountant License may convert their PA Licenses to Certified Public Accountant Certificates and holders of Current PA Licenses may simultaneously convert their PA Licenses to CPA Licenses.

Chairman Reynolds initiated discussion on the staff proposal to amend the exam statute to provide for removal of the \$100 extra exam fee.

Motion made by Phillip DeCaprio to propose to the legislature an amendment to Sec. 20-281c (d) and seconded by Michael Weinschel:

Subsection (d) of Section 20-281c of the Connecticut General Statutes is repealed and the following is substituted in lieu thereof:

(d) The board may charge, [or] and may provide for a third party administering the examination to charge each applicant a fee [in an amount prescribed by the board by regulation,] for each section of the examination or reexamination taken by the applicant.

Voting in favor:

Thomas Reynolds
Richard Bond
James Ciarcia
Philip DeCaprio
Leonard Romaniello
Richard Sturdevant
Michael Weinschel

No abstentions and no votes against.

ENFORCEMENT AGENDA

February 6, 2007

A. REQUESTING APPROVAL OF LATE CPE SETTLEMENTS

Brown, Nancy – License #4214

Completed CPE by December 2006.

Attorney Adams recommended settlement approval for agreement and \$100 late penalty

Crowley, Robert – License #9952

Requested extension denied. Finished CPE by January 2007 pursuant to terms offered.

Attorney Adams recommend settlement approval for agreement and \$100 late penalty

Torello, Mark - License #9006

December 31, 2006 waiver request for final 14 hours due to a family medical emergency. Too late for an extension/ waiver. The emergency was the death of one of his children in February of 2006. As of December 31, 2006, he had completed 84 hours of CPE.

Attorney Adams recommended settlement approval for agreement without a monetary penalty

Motion made by Phillip DeCaprio to approve the settlements in the matters of Brown, Nancy – License #4214, Crowley, Robert – License #9952, and Torello, Mark - License #9006. Motion seconded by Leonard Romaniello.

Voting in favor:

Thomas Reynolds
Richard Bond
James Ciarcia
Philip DeCaprio
Leonard Romaniello
Richard Sturdevant
Michael Weinschel

No abstentions and no votes against.

B. REQUESTING COMPLIANCE MEETING/SUBPOENA AUTHORIZATION

2006057-2957 Levitsky and Berney - Audit failure, negligence

The Town of West Haven alleges that the respondent knew but did not report improper management practices which when discovered required a restatement

which changed the financial picture of the municipality from a 6 million dollar surplus to an 11 million dollar deficit.

Attorney Adams requested Compliance Meeting authorization

Motion made by Phillip DeCaprio to authorize a compliance meeting in the matter of 2006057-2957 Levitsky and Berney. Motion was seconded by Richard Bond.

Voting in favor:

Thomas Reynolds
Richard Bond
James Ciarcia
Philip DeCaprio
Leonard Romaniello
Richard Sturdevant
Michael Weinschel

No abstentions and no votes against.

2003015-2456 Steven Strazza – False statements to the Board, failure to undergo QR

This case arose under allegations of violations of GAAP which led to the discovery that Mr. Strazza should not be performing audit services according to his written statements to the Board.

Mr. Strazza signed his firm permit applications stating that he should receive a waiver of QR reporting requirements for the years 2000-2006. However, he was performing services for which he is required to undergo and report the results of QR to the Board during all of that time.

Attorney Adams requested Compliance Meeting authorization and requested Subpoena authority

Motion made by Michael Weinschel to authorize a compliance meeting in the matter of 2003015-2456 Steven Strazza. Motion was seconded by Richard Sturdevant.

Voting in favor:

Thomas Reynolds
Richard Bond
James Ciarcia
Philip DeCaprio
Leonard Romaniello
Richard Sturdevant
Michael Weinschel

No abstentions and no votes against.

2007002 William Yeager – Failure to undergo QR in 2000-2006/ lacking firm permit in 2006

2007003 William Yeager – Failure to return records/negligence

Complainant, Jeff Nirenstein, has been attempting to obtain records in order to administer an estate for the past 2 years.

Attorney Adams Requested Compliance Meeting authorization for both cases

Motion made by Phillip DeCaprio to authorize a compliance meeting in the matter of 2007002 William Yeager and 2007003 William Yeager. Motion was seconded by Leonard Romaniello.

Voting in favor:

Thomas Reynolds
Richard Bond
James Ciarcia
Philip DeCaprio
Leonard Romaniello
Richard Sturdevant
Michael Weinschel

No abstentions and no votes against.

C. REQUESTING SETTLEMENT APPROVAL

2004034-2560 Cosmo Corigliano – Permanently barred from SEC practice.

Cendant CPA who recently pled guilty to fraud. He received probation at the federal level due to his integral part in supplying information leading to the convictions of the others involved.

Attorney Adams requested settlement approval for permanent surrender of Certificate in lieu of revocation proceedings

Phillip DeCaprio made motion to approve settlement in the matter of 2004034-2560 Cosmo Corigliano, and was seconded by Leonard Romaniello.

Voting in favor:

Thomas Reynolds
Richard Bond
James Ciarcia
Philip DeCaprio
Leonard Romaniello
Richard Sturdevant
Michael Weinschel

No abstentions and no votes against.

2004025-2547 Donarell Elder – Practice without firm permit, failure to undergo QR

Prior to the compliance meeting, Mr. Elder provided his QR report for 2004 and a copy of the CSCPA acceptance of that report. He did not maintain a firm permit for the year 2004. (This fact is actually noted in his quality review report). He claims the oversight is mainly due to his service in the Navy in 2003-2004. This matter has been the subject of intense settlement negotiations over this past 6 months.

Attorney Adams requested settlement approval for agreement and \$250 penalty

Richard Sturdevant motioned to approve settlement in the matter of 2004025-2547 Donarell Elder, seconded by Phillip DeCaprio.

Voting in favor:

Thomas Reynolds
Richard Bond
James Ciarcia
Philip DeCaprio
Leonard Romaniello
Richard Sturdevant
Michael Weinschel

No abstentions and no votes against.

2004008-2525 Neil Gerhart – unauthorized practice and use of title
Attorney Adams requested settlement approval for \$1000.

Michael Weinschel motioned to accept the settlement in the matter of 2004008-2525 Neil Gerhart. Motion was seconded by Phillip DeCaprio.

Voting in favor:

Thomas Reynolds
Richard Bond
James Ciarcia
Philip DeCaprio
Leonard Romaniello
Richard Sturdevant
Michael Weinschel

No abstentions and no votes against.

2006027-2927 Morrell Phillips – Failure to undergo QR

In 2003, Mr. Phillips formed a new firm with new partners. That firm underwent QR in 2006 and properly reported that QR. However, the predecessor firm was scheduled for QR in 2003. Neither firm underwent QR in 2003.

Attorney Adams requested Settlement Approval for agreement and \$250 penalty

Motion made by James Ciarcia, and seconded by Phillip DeCaprio to approve settlement in the matter of 2006027-2927 Morrell Phillips.

Voting in favor:

Thomas Reynolds
Richard Bond
James Ciarcia
Philip DeCaprio
Leonard Romaniello
Richard Sturdevant
Michael Weinshel

No abstentions and no votes against.

2006056-2956 Patrick Corcoran – Practice without a firm permit

Mr. Corcoran left his firm and went out on his own in 2004. He maintained his individual license for the period in question but inadvertently failed to renew his firm permit. He discovered the problem in 2006 and corrected the problem prior to notice of the violation.

Attorney Adams requested settlement approval for agreement and \$150 penalty

Richard Sturdevant motioned to accept settlement in the matter of 2006056-2596 Patrick Corcoran, seconded by Phillip DeCaprio.

Voting in favor:

Thomas Reynolds
Richard Bond
James Ciarcia
Philip DeCaprio
Leonard Romaniello
Richard Sturdevant

No votes against. Michael Weinshel recused himself.

2005028-2841 Stefan Peleschuk - Unregistered use of the title CPA

Mr. Peleschuk holds a Connecticut Certificate which has not been registered. He uses stationary and a business card identifying himself as a CPA which was

brought to our attention by a mortgage verification business. Counsel found no advertising of any kind in his name as a CPA. He works in-house for a large corporation and also does some tax returns on the side. The Office of the Tax Inspector General has no record of him signing any returns as a CPA. Copies supplied of returns he has filed show that he did not use the title CPA when filing those returns.

Attorney Adams requested settlement approval for agreement requiring Certificate Registration and payment of \$200 penalty

James Ciarcia motioned to approve settlement in the matter of 2005028-2841, Stefan Peleschuk, motion was seconded by Leonard Romaniello.

Voting in favor:

Thomas Reynolds
Richard Bond
James Ciarcia
Philip DeCaprio
Leonard Romaniello
Richard Sturdevant
Michael Weinschel

No abstentions and no votes against.

2006066-2966 Mahoney Sabol & Company, LLP Failure to Submit QR Report

The original allegation was failure to undergo quality review. The firm supplied a copy of the report and the acceptance of that report, dated December 2004, in January of 2006. The firm failed to supply the Board with a copy of the report within 30 days of the acceptance of that report.

Attorney Adams requested settlement approval for payment of \$250 late filing penalty

Motion was made by Leonard Romaniello to accept settlement in the matter of 2006066-2966, Mahoney Sabol & Company, LLP. Motion was seconded by Richard Sturdevant.

Voting in favor:

Thomas Reynolds
Richard Bond
James Ciarcia
Philip DeCaprio
Leonard Romaniello
Richard Sturdevant
Michael Weinschel

No abstentions and no votes against.

D. RECOMMENDING AND REQUESTING DISMISSAL

2006028-2928 Ralph Philips – Negligence

The complainant, Tim Pinsky, alleged that Mr. Philips failed to file estate tax forms and improperly “ran up the bill” on his father’s estate matter. At the compliance meeting, Mr. Philips and his associate provided copies of all of the IRS and DRS filings. All were done properly and on time. The executor of the estate, the complainant’s brother, wrote a letter stating that all of Mr. Phillips’s work was done to his satisfaction and stating that the billing was appropriate to the services provided.

Attorney Adams recommended dismissal - No violation, no probable cause

2002011-2413 Arthur Andersen, LLP – Audit failure

Counsel has reviewed all firm permit files for Connecticut partner listings. None of the licensees currently working in Connecticut for other firms has been identified as the audit partners for AA, LLP. In addition, none of the individuals involved in the Connecticut Department of Insurance case is a Connecticut Licensee.

Attorney Adams recommended dismissal – Board revoked the licensee’s license and the respondent entity no longer exists

20001-646 Gerald Michalowski – Negligence in preparing tax returns

The complainant, Mr. Merrill, failed to provide the respondent with information regarding his sale of a property which later caused him to be assessed at a much higher tax rate resulting in IRS assessment of penalties and interest. Mr. Merrill stated that he filed the complaint because the accountant who took over for Mr. Michalowski encouraged him to send in a complaint as leverage for lower fees and assistance in the tax matter. Mr. Michalowski never collected the fees owed at the time the relationship was terminated and provided all information requested by the client in order to address the tax underpayment issue.

Attorney Adams recommended dismissal - No violation, no probable cause

2004030-2555 Patrick Corcoran – Negligence in estate tax returns

The complainant, Paula Bergen, alleged that Mr. Corcoran mishandled her mother’s estate tax returns and charged for work not done. At the compliance meeting, Mr. Corcoran supplied copies of all of the returns he filed and provided a history of the situation, including the grievance the complainant filed against the attorney handling the estate which was resolved in his favor and included findings regarding Mr. Corcoran’s proper handling of the tax issues and proper billing practices. Review of the file reveals that all estate tax services requested of Mr. Corcoran were performed appropriately and professionally.

Attorney Adams recommended dismissal – no violation found, no probable cause

Motion made by Phillip DeCaprio to dismiss the matters of 2006028-2928 Ralph Philips, 2002011-2413 Arthur Andersen, LLP, 20001-646 Gerald Michalowski, 2004030-2555 Patrick Corcoran, motion seconded by Leonard Romaniello.

Voting in favor:

Thomas Reynolds
Richard Bond
James Ciarcia
Philip DeCaprio
Leonard Romaniello
Richard Sturdevant
Michael Weinschel

Michael Weinschel recused himself in the matter of Patrick Corcoran, 2004030-2555. No votes against.

2006023-2917 Thomas Yoho

XEROX, former KPMG Partner – not an audit partner. Censured by the SEC without other penalty. He is not automatically subject to discipline under 20-281a(a)(8) because his SEC sanction was censure only.

Attorney Adams recommended dismissal – lack of evidence to find probable cause to charge with negligence fraud or other malfeasance.

The Matter of 2006023-2917 Thomas Yoho was tabled by consensus.

E. REQUESTING FORMAL CHARGES:

2004109-2638 Peter Marino – Failure to comply with terms of settlement
Attorney Adams requested authorization for formal charges and hearing notice

Phillip DeCaprio motioned to authorize formal charges in the matter of 2004109-2638 Peter Marino, seconded by Richard Bond.

Voting in favor:

Thomas Reynolds
Richard Bond
James Ciarcia
Philip DeCaprio
Leonard Romaniello
Richard Sturdevant
Michael Weinschel

No abstentions and no votes against.

2006026-2921 William Epperson – Failure to comply with terms of settlement

Previous licensee whose Certificate was REVOKED on 3/5/2002. He failed to pay the \$3,000 fine required under that settlement and is violating the revocation terms by advertising in the yellow book, yellow pages, and on the internet as a CPA.

Requesting authorization for formal charges and hearing notice

James Ciarcia motioned to authorize formal charges in the matter of 2006026-2921 William Epperson, seconded by Philip DeCaprio.

Voting in favor:

Thomas Reynolds
Richard Bond
James Ciarcia
Philip DeCaprio
Leonard Romaniello
Richard Sturdevant
Michael Weinschel

No abstentions and no votes against.

2004080 Patricia Mellion – Failure to report CPE

2004232 Patricia Mellion – Failure to undergo and report QR

2005045-2863 Patricia Mellion – Failure to return client records

2005055-2874 Patricia Mellion – Failure to return client records

2005061-2880 Patricia Mellion – Negligence

Attorney Adams requested authorization for formal charges and hearing notice.

Motion by Michael Weinschel, and seconded by Richard Bond to approve formal charges in the matters of 2004080 Patricia Mellion, 2004232 Patricia Mellion, 2005045-2863 Patricia Mellion, 2005055-2874 Patricia Mellion, and 2005061-2880 Patricia Mellion.

Voting in favor:

Thomas Reynolds
Richard Bond
James Ciarcia
Philip DeCaprio
Leonard Romaniello
Richard Sturdevant
Michael Weinschel

No abstentions and no votes against.

F. REQUESTING INPUT FOR POTENTIAL SETTLEMENT

2003013-2450 Kenneth Wilchfort

CUC International Inc. ("CUC") audit engagement partner from 1990 through the third quarter of 1996. After mandatory rotation, continued to serve Cendant as "senior advisory partner"

Allegations that he improperly failed to detect that CUC's and Cendant's financial statements were not presented in conformity with generally accepted accounting principles and he had a duty to withhold his firm's audit report containing an unqualified opinion and take appropriate steps to prevent these financial statements from being filed with the Commission and circulated to investors. The SEC suspended him from appearing or practicing before the Commission as an accountant. He can reapply this year, 2007, as long as he has complied with the terms of the SEC suspension.

2003012-2451 Marc Rabinowitz

Partner at Ernst & Young LLP, failed to detect that CUC's and Cendant's financial statements were not presented in conformity with generally accepted accounting principals. He was also the audit engagement partner for CUC International Inc. ("CUC") and the former CUC portion of Cendant Corporation ("Cendant") from the third quarter of 1996 until April 1998. The SEC suspended him from appearing or practicing before the Commission as an accountant. He can reapply this year, 2007, as long as he has complied with the terms of the SEC suspension.

Compliance meetings scheduled for February 22, 2007

Attorney Adams requested input on possible settlement positions.

The Board advised Attorney Adams to seek settlement with terms including \$100,000 penalty and three year suspension of the CPA Certificate.

G. KESSLER DECISION UPDATE

The hearing in this matter was held and closed on October 24, 2006. The respondent was given 30 days within which to submit legal briefs. That time limit was then extended another two weeks to accommodate the respondent's lawyer. The due date for final action by the Board is March 8, 2007. Board Counsel and the Attorney General's Office have completed the review of the evidence, the transcripts of the hearing, and the applicable law. The AG's office has a preliminary draft decision and will be turning that over to the hearing officers during the week of February 5, 2007.

Attorney Adams provided the Board the standards for penalty assessments as requested at the last meeting.

H. PENALTY ASSESSMENTS MOST OFTEN USED FOR SETTLEMENT PURPOSES IN LICENSING VIOLATION MATTERS

- 1. QUALITY REVIEW: \$250/YEAR FOR FAILURE TO UNDERGO AND REPORT QR
 \$125/YEAR FOR FAILURE TO REPORT QR**

- 2. CPE: \$100 FOR LATE WITHIN 6 MONTHS OF DEADLINE
 \$200 FOR LATE WITHIN 9 MONTHS-1 YEAR OF DEADLINE
 \$250/YEAR FOR ANYTHING OVER 1 YEAR**

- 3. FIRM PERMIT: \$75/YEAR OF VIOLATION FOR SOLO PRACTITIONERS
 \$150/YEAR FOR ENTITES WITH MORE THAN ONE PARTNER
 (\$75 BACK LICENSING + \$75 PENALTY)**

- 4. INDIVIDUAL LICENSE: \$700/YEAR (\$450 BACK LICENSING +\$250 PENALTY)**

Under “Other Business” Executive Director Guay asked the Board to include on the agenda a request from CPA Exam candidate Mark Baczewski for an extension of conditional CPA Exam credits based upon individual hardship. Executive Director Guay recommended an extension of the conditional credits until May 31, 2007.

Motion made by James Ciarcia to grant Mr. Baczewski’s request and extend his conditional CPA Exam credits until May 31, 2007, motion seconded by Philip DeCaprio.

Voting in favor:

Thomas Reynolds
Richard Bond
James Ciarcia
Philip DeCaprio
Leonard Romaniello
Richard Sturdevant
Michael Weinschel

No abstentions and no votes against.

Under public comment Professor Lawrence Grambling, CPA spoke about other professional groups disciplining their membership and whether the Board was automatically informed of such actions.

Arthur Renner, Executive Director of the Connecticut Society of CPA’s introduced John Palmeri, President Elect of the Society and commented about the next issue on the horizon, which is CPA mobility and substantial equivalency. Mr.

Renner also spoke about the proposed legislation to change the education requirement to sit for the CPA Exam and its process in the legislature.

A motion to adjourn the meeting was moved by James Ciarcia and seconded by Leonard Romaniello, all voted in favor. The meeting was adjourned at 10:51 A.M.