

Vermont Secretary of State
Office of Professional Regulation
BOARD OF PUBLIC ACCOUNTANCY

**UNAPPROVED MINUTES
NOVEMBER 26, 2002**

Board members present: Jeffrey Graham, Claire LaVoie, Lee Spivey, Pam Douglass; Board member absent: Cairn Cross; Staff members present: Nancy Morin, Christopher Winters; Others present: Alfred Santoro

1. Meeting was called to order at 9:15 a.m.
2. Moved to approve the minutes of the October 2, 2002 meeting with corrections. So voted.
3. Reports
 - a. Board discussed the Financial Statement responses.
 - b. Board noted FY 2003 budget year to date through 10/31/02.
 - c. Board reviewed and revised the proposed rules. A proposed rules hearing has been scheduled for January 28, 2003 at 1:30. Copies of the draft rules will be sent to all firms.
4. Complaints
 - a. Alfred Santoro - Pre-denial hearing - Alfred Santoro was present. Christopher Winters presided for the Board. Board moved to go into deliberative session. So voted. After coming out of deliberative session was noted that the Board had spoken by phone to Mr. Kubik, who verified some of Mr. Santoro's work experience. Board moved to table pending receipt of further information from Mr. Kubik. Christopher Winters will draft a letter to Mr. Santoro
 - b. Conniffer Grant - Pre-denial hearing - Conniffer Grant was not present but participated by phone. Christopher Winters presided for the Board. Moved to reverse the Board's preliminary denial and approve Conniffer Grant for licensure as a CPA. So voted.
5. Licensing
 - A. Moved to approve the following applicants for licensure as a Certified Public Accountant:
 - c. Kevin Coleman by Endorsement
 - b. Rehema Y. Daya by Examination
 - c. Heather K. Cook by Examination
 - d. Thomas Lai by Examination
 - e. David Dilulis by Endorsement
 - f. Michael Fleitz by Endorsement pending receipt of a notarized picture
 - g. Mark Prescott by Endorsement
 - h. Robert Muscat by Examination

i. Donna Normand by Examination

So. voted.

- B. Moved to pre-deny Stephane Amyot application for licensure as a Certified Public Accountant by Score Transfer based on Title 26, Chapter 1 §71a(a)(2)(B) and Rule 5.3. Mr. Amyot does not meet the educational requirements because he does not have three semester hours in business law. So voted.
- C. Moved to table Sheila Berry's application for endorsement and send her a letter stating that the Board will allow credit for one of the psychology courses which will give Ms Berry 116 hours of CPE toward the required 120 hours. Ms Berry will need to submit 4 more CPE credits, related to the profession, obtained during the 3 years immediately preceding application. So voted.
- D. Moved to pre-deny Pallavi Jain application for licensure as a Certified Public Accountant by Examination based on Title 26, Chapter 1 §71a(a)(2)(B) and Rule 5.10. Ms Jain's supervisor's licensing designation is not one that the Board recognizes. So voted.

6. Correspondence

- a. Board discussed an e-mail from Rorie Hollenberg requesting information on the interpretation of when the period of (attest) engagement ends for purposes of independence. Board stated that the laws and rules do not specifically address this issue and the Board has not had to interpret or address this issue.
- b. Board discussed the letter from the Society of Management Accountants of Canada (CMA's) regarding the Board's decision on CMA's status for taking the CPA examination. Board requested a letter be sent to the CMA stating that a copy of the October 17, 2001 letter denying CMA Canada's request to take the CPA examination without a foreign evaluation was released under Vermont's public records law. The Board does not wish to revisit CMA Canada's request because the decision was made a year ago and if the organization had questions about the Board's decision it should have been addressed in a more timely manner.
- c. Board discussed an e-mail from Markus Fuchs regarding CPE taken outside of the United States. The Board stated that no CPE credit would be allowed for preparation time or courses taken in preparation for obtaining other professional licenses.
- d. Board tabled the discussion on a letter from the International Consultants of Delaware, Inc. regarding their credentials evaluation process. Lee Spivey will review for the January meeting. So voted
- a. Board tabled the discussion on a letter and draft document from The National Society of Accountants (NSA) regarding the exposure draft of "Tax Accounting Standards for Small Business." Jeffrey Graham will review for the January meeting. So voted.

7. NASBA Correspondence

- a. Board completed the NASBA Regional Director's Focus Questions.
- b. Board discussed NASBA's list of statutory/regulatory issues and recommended actions relating to transition to a computer-based CPA examination that Vermont needs to make. The Board has already addressed most of the issues listed in their proposed draft rules.
- c. Board noted the letter from Professional Credential Services Inc. regarding their services
- d. Board reviewed a letter from David Costello regarding record retention in our statute or rules.

The Board has language in the proposed rules to cover record retention.

- e. Board tabled the discussion on the NASBA information about foreign credential evaluation services. Lee Spivey will review for the January meeting. So voted.

- f. Board reviewed the NASBA quick poll from Pennsylvania State Board regarding firms that do compliance audits for banks and other financial institutions that do asset based lending and whether they are practicing public accounting. The Board has not discussed or made a determination on this issue.
- g. Board noted the memo from NASBA re: CPE Conference to be held in February
- h. Board reviewed and agreed with the CBT Administration Task Force that a digital photograph should be taken each time a candidate reports to the examination site.
- i. Board noted the memo from NASBA with attachments relating to the UAA -150 hour education requirement; rules for transitioning to the computer-based CPA examination; substantial equivalency; and other issues
- j. Board completed the NASBA quick poll from Louisiana State Board regarding CPE hours
Board has never considered the issue of allowing CPE for completion of a Ph.D. dissertation.
- k. Board noted the memo from Denise Hanley, Director, Information Services, regarding Prometric site visits

8. AICPA Correspondence

- a. Board noted the memo from AICPA regarding research on perceived impact of the computer based CPA examination on accounting educators and educational institutions
- b. Board noted the memo from NASBA and AICPA regarding the discontinuance of the Computerization Implementation Committee (CIC)
- c. Board noted the memo regarding the changes to committees in order to ensure a smooth transition to the computerized examination
- d. Board noted the study conducted from the AICPA by the OSR Group "Reforming the Uniform CPA Examination
- e. Board noted the memo from AICPA regarding test fees per section

9. Public Comments

There were no public members present at the meeting.

10. Miscellaneous Correspondence

Board noted the miscellaneous correspondence.

11. Other Business

- a. Board requested that a letter be sent to the Certified General Accountants of Canada

advising them that they are in violation of the “Memorandum of Understanding Between the Vermont Board of Public Accountancy and the Certified General Accountants of Canada”. Per the contract CGA-Canada would report annually, in writing, as to the status of the CGA program. The Board will be reviewing the agreement that was made with CGA-Canada. The Board wants a written report, from CGA-Canada, by 1/28/02.

12. Moved to adjourn the meeting at 4:05 p.m. So voted.

NEXT MEETING: Scheduled for January 28, 2003, Office of the Secretary of State , 26 Terrace Street, Montpelier, VT