

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

**APPROVED MINUTES**

OCTOBER 24, 2000

Board members present: William Fisk, Sherry Prehoda, Francine Chittenden, Jeffrey Graham, Pamela Douglass; Staff members present: Nancy Morin, Christopher Winters; Others present: George Haegele, Jeane Elias, Lyle Handfield

1. Meeting was called to order at 9:10
2. Moved to approve the minutes of August 29, 2000. So voted.
3. Reports
  - a. Tabled the discussion of proposed Statutes and Rules Changes until the Board retreat on October 25, 2000.
  - b. Lyle Handfield, Vice President, of Certified General Accountants Association of Canada, appeared before the Board to discuss Certified General Accountants being allowed to sit for the CPA examination based on the applicants being a CGA in good standing. The Board discussed the Board's educational requirements and how CGA's education compared to the Board's educational requirements. Christopher Winters, Staff Counsel, advised the Board that they had the authority to approve college courses in exceptional circumstances. The Board moved to approve CGA's to take the Certified Public Accountant's examination based on their CGA designation. Christopher Winters will draft a letter to be sent outlining the Board's decision. Christopher will also draft an agreement to be signed by the certified General Accountant's Association of Canada that the Board will be notified in advance of any changes that are made in the CGA's education or testing procedures. So voted.
4. Complaints
  - a. AC01-1298 and AC06-0400 (Lee White's Stipulation and Consent Order) Christopher Winters, Board Counsel, presided for the Board. George Haegele, AAG presided for the State. Lee White was not present but was represented by Jeane Elias. The Board moved to approve the stipulation and consent order as presented So voted.
5. Licensing

Moved to approve the following applicants for licensure as a Certified Public Accountant.

  - a. Michelle Grubb- Examination
  - b. Michael Desmet - Endorsement
  - c. James Moriarty - Endorsement
  - d. Christine Babb - Examination
  - e. Markus Fuchs - Examination
  - f. Jeffery Carter - Endorsement
  - g. Charles Norman - Endorsement

- h. Jennifer Everett - Examination
- i. Sherry Haggerty - Examination
- j. Karen Fortier - Endorsement
- k. Bruce McElvenny - Endorsement
- l. Shirley Rogers - Examination
- m. Sharon Gazley - Examination

So Voted.

- n. Moved to table Alan Duhaime's application for licensure as a CPA by examination and send him a letter that he needs to take the AICPA Ethics Course. So voted
- o. Moved to table Sarah Gamer's application for licensure as a CPA by endorsement and send her a letter and request that she submit her transcripts. So voted.
- p. Moved to table Michael Desrocher's application for licensure as a CPA by examination and send him a letter that he needs to take the AICPA Ethics Course. So voted.
- q. Moved to table Nirmala Ganesan's application for licensure as a CPA by examination. The Board requests that the applicant submit an explanation of how her work experience relates to the experience requirement outlined in Rule 5.10. The Board also requests that Ms. Ganeson explain what type of work she has been doing since 1995. So voted.
- r. Moved to approve Francis Fernano to take the CPA examination based on his being a CGA in good standing. So voted.

## 6. General Correspondence

- d. Moved to go into Executive Session to discuss an licensee's response to review of his financial statements. So voted. After coming out of Executive Session the Board moved to require that all licensees, both CPA's and RPA's utilize the standards report language of the Statement on Standards for Accounting and Review Services (SSARS) when reporting on compilation and reviews performed under those standards. So voted.
- e. Board completed the questionnaire from Nicholls State University, Louisiana, requesting information on how Vermont deals with electronic communications of financial and/or other client information.
- f. The Board reviewed a letter from Don Ford requesting clarification of a statement on the NASBA Quality Assurance Sponsor's page which states "The following states will accept CPE credits from Qualify Assurance Service members at one-half of the total credits". The Board requested that Mr. Ford be send a letter stating that the Board believes that NASBA made a mistake and that Rule 9.1(E) under continuing education should clarify his questions.
- d. Board reviewed a letter from Robert Gray, CPA requesting information on any interpretations that the Board may have done regarding the practical application of the accountancy law and rules as pertaining to the receipt of commissions and contingent fees. The Board requested that Staff send a letter to Mr. Gray that the Board has not issued any written interpretation or policies pertaining to commission and contingent fees.
- e. Board noted California Board of Accountancy's response to the Proposed Revision of the Commission's Auditor Independence Requirements.

- f. Board noted Oklahoma Board of Accountancy's response to the Proposed Revision of SEC's Auditor Independence Requirements
  - g. Board reviewed the letter from the Chartered Accountants of Manitoba regarding the reciprocity to US CPAs and a "Confirmation of requirements to be met by Manitoba Chartered Accountants applying for a CPA Certificate" and requested that Christopher Winters, Board Counsel review and respond.
7. NASBA Correspondence
- a. Board moved to send Nancy Morin to the NASBA Administrators and Christopher Winters to the Attorney's conference on February 4-7 in Charleston, SC. So voted.
  - b. Board completed the NASBA quick poll from Guam Board of Accountancy re: Foreign evaluation services selection criteria
  - c. Board completed the NASBA quick poll from Texas Board of Accountancy re: AICPA Standards for Performing and Reporting on Peer Reviews
  - d. Board completed the NASBA quick poll from Montana Board of Accountancy re: firm registration and regulation
  - e. Board completed the NASBA Regional Directors' Focus questions
  - f. Board noted the Memorandum from NASBA regarding the Securities and Exchange Commission's "Look Back Agreement". Bill Fisk will review and report at the next meeting.
  - g. Board noted the NASBA -Highlights of September 15, 2000 Board of Director's meeting
  - h. Board noted the NASBA and the Board of Examiners responses to the recommendations from the Examination Review Board
  - i. Board requested that the Board receive copies of the NASBA Ethics Resource Task Force on Ethics Study. Board will discuss at the next meeting.
  - j. Board asked that a copy be made for the Board members NASBA Exposure Draft - Proposed Examination Administration Security Standards. Board will discuss at the next meeting.
8. AICPA Correspondence
- a. Board noted the Information on the selection of a vendor to handle the delivery of the computer-based test (CBT)
  - b. Board moved to have Nancy Morin attend one of the three meetings that the AICPA is holding for states to meet with examination vendor's and discuss computerized examination issues. AICPA will reimburse travel and hotel expenses. So voted.
  - c. Board noted the AICPA's feedback from the conference calls regarding examination fees.

- d. Board noted the AICPA's feedback on the use of multiple exams and the resulting of examination results.
- 9. Miscellaneous Correspondence
- 10. Moved to adjourn the meeting at 4:00 p.m. So voted

**NEXT MEETING: Scheduled for November 30, 2000, Office of the Secretary of State, 26 Terrace Street, Montpelier, Vermont.**

# **BOARD OF PUBLIC ACCOUNTANCY**

## **ADDENDUM October 24, 2000**

- 5.     Licensing**
  
- 7.     NASBA Correspondence**