

State of Rhode Island and Providence Plantations

BOARD OF ACCOUNTANCY

1511 Pontiac Avenue, Bldg. 68-2

Cranston, Rhode Island 02920

MEETING MINUTES

DATE: October 21, 2014

PLACE: Department of Business Regulation (DBR)

1511 Pontiac Avenue, Bldg 69-1 Conference Room

Cranston, RI 02920

**MEMBERS PRESENT: Chair Mary F. Bernard, Vice-Chair David Platt,
Secretary Kevin Fountain**

**MEMBERS ABSENT: Treasurer George Tashjian and Member Kevin
P. Tracy**

**OTHERS PRESENT: Neena Sinha Savage, Esq., Chief of Legal
Services (Present from 2:18 p.m. – 3:58 p.m.)**

**Ellen R. Balasco, Esq., Deputy Chief of Legal Services (Present from
2:18 p.m. to 2:26 p.m.)**

Dawne Broadfield, Administrative Support Specialist

(1) Call to Order – Chair Bernard called the meeting to order at 2:18

p.m.

(2) Meeting Minutes (Review/Discuss/Take Action)

1. Acceptance of the August 19, 2014 Regular Session Meeting Minutes

Vice-Chair Platt moved to approve the open meeting minutes of August 19, 2014 as published. Secretary Fountain seconded. Motion passed, 3-0, three (3) in favor, two (2) absent. Voting in favor were Chair Mary F. Bernard, Vice-Chair David Platt, and Secretary Kevin Fountain. Treasurer George Tashjian and Member Kevin P. Tracy were absent from this vote.

2. Acceptance of the August 19, 2014 Executive Session Meeting Minutes

Secretary Fountain moved to table the remaining of the executive session. Vice-Chair Platt seconded. Motion passed, 3-0, three (3) in favor, two (2) absent. Voting in favor were Chair Mary F. Bernard, Vice-Chair David Platt, and Secretary Kevin Fountain. Treasurer George Tashjian and Member Kevin P. Tracy were absent from this vote.

(3) National Association of State Boards of Accountancy (NASBA) matters – (Review/Discuss/Take Action)

Information was sent from NASBA and forwarded to all Board members prior to the meeting to include the following:

a. NASBA – US Accountancy Licensee Database (ALD) Program

Implementation – Rhode Island has a project start date of May 5, 2014 between Iron Data and NASBA and an end date of August 4, 2014. The project is moving forward and is now close to going “live.”

b. NASBA – CPAVerify Program Implementation - Rhode Island has a project start date of May 5, 2014 between Iron Data and NASBA and an end date of August 4, 2014. The project is moving forward and is now close to going “live.”

c. NASBA – ByLaws – 2014 Proposed Changes (as of September 29, 2014) – (for consideration at the 2014 Annual Meeting). Vice-Platt will be attending the 2014 Annual Meeting. He will review and vote accordingly.

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(4) American Institute of Certified Public Accountants (AICPA) and Rhode Island Society of Certified Public Accountants (RISCPA) matters – (Review/Discuss/Take Action)

a. Comments from Robert Mancini, Executive Director, (RISCPA) – Mr. Mancini could not attend as he is attending the AICPA Conference.

b. Enhancing Audit Quality Initiative – Response due November 7, 2014. No comments.

c. AICPA Standards for Performing and Reporting on Peer Reviews –

Comments requested by October 31, 2014. No comments.

d. AICPA – Maintaining the Relevance of the Uniform CPA Examination – Comments due by December 2, 2014. No comments.

(5) Public Company Accounting Oversight Board (PCAOB) – (Review/Discuss/Take Action)

a. Review of Notification(s) Received – Ernst & Young LLP – The Board reviewed and indicated no problems.

(6) Consideration of approval of the following initial applications for certification – (Review/Discuss/Take Action)

John Benoit Dante Calise Tracy Hess

Vice-Chair Platt moved to approve the initial applications for John Benoit, Dante Calise and Tracy Hess for certification. Secretary Fountain seconded. Motion passed, 3-0, three (3) in favor, two (2) absent. Voting in favor were Chair Mary F. Bernard, Vice-Chair David Platt, and Secretary Kevin Fountain. Treasurer George Tashjian and Member Kevin P. Tracy were absent from this vote.

(7) Consideration of approval of the following out-of-state applications for certification – (Review/Discuss/Take Action)

Michelle E. Spriggs

The Board reviewed and determined that no action was necessary. This falls under “mobility.” The Board will return the application and check and give her instructions to follow at NASBA’s Mobility website.

(8) Consideration of approval of the following reciprocity applications for certification – (Review/Discuss/Take Action)

Erin A. Heuer Sheri L. Marshall

Secretary Fountain moved to approve the reciprocity applications for Erin A. Heuer and Sheri L. Marshall. Vice-Chair Platt seconded. Motion passed, 3-0, three (3) in favor, two (2) absent. Voting in favor were Chair Mary F. Bernard, Vice-Chair David Platt, and Secretary Kevin Fountain. Treasurer George Tashjian and Member Kevin P. Tracy were absent from this vote.

(9) Consideration of approval of the following reinstatement applications – (Review/Discuss/Take Action)

JoaQuim J. Galvao (2545) – pending for completion of continuing professional education (CPEs)

Raymond Ardente (2090) Brian D. Smith (2249)

April Perry (3441) Vitaly Sorkin (2761)

Gregory Porcaro (1637) Richard R. Zelano (2740)

William Price (3307FL)

Vice-Chair Platt moved to approve the reinstatement applications for Raymond Ardente (2090), April Perry (3441), Gregory Porcaro (1637), William Price (3307FL), Vitaly Sorkin (2761) and Richard R. Zelano (2740). Secretary Fountain seconded. Motion passed, 3-0, three (3) in favor, two (2) absent. Voting in favor were Chair Mary F. Bernard, Vice-Chair David Platt, and Secretary Kevin Fountain. Treasurer

George Tashjian and Member Kevin P. Tracy were absent from this vote.

The reinstatement application for Brian D. Smith (2249) was held.

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(10) Old Business: (Review/Discuss/Take Action)

a. Development of Board's Newsletter - Mr. Tracy is currently working on this project and was not present to report.

b. Regulations Merger – The Board's Regulations are being merged into one (1) document.

Vice-Chair Platt moved to approve the Board's Regulations Merger into one document. Secretary Fountain seconded. Motion passed, 3-0, three (3) in favor, two (2) absent. Voting in favor were Chair Mary F. Bernard, Vice-Chair David Platt, and Secretary Kevin Fountain. Treasurer George Tashjian and Member Kevin P. Tracy were absent from this vote.

c. Recording Meetings – The Board took this under advisement. Lisa Pinsonneault from the Attorney General's Office will meet with the Board to discuss "open meetings" compliance on Tuesday, November 18, 2014 at 1:30 p.m.

d. Legislative Proposals –

• Items to be Addressed –

(1) To address and streamline the hearing procedures to match the other Boards.

(2) To adopt new model language from the Uniform Accountancy Act (UAA) Seventh Edition for the “Firm Mobility.”

(3) To adopt new model language from the Uniform Accountancy Act (UAA) Seventh Edition for the “Attest Definition.”

• Items for Statutory Review –

(1) No procedure for a “Rhode Island Resident” to obtain Reciprocity.

(2) Successful completion of the AICPA Comprehensive Course Ethics Exam with a grade of 90% or better.

(3) Statute §5-3.1-9(b)(1) – The statute does not address Corporations and Sole Proprietorships.

(4) Are webinars considered live? – An inquiry will be sent to NASBA.

Vice-Chair Platt moved to approve streamlining the hearing procedures to match the other Boards. Secretary Fountain seconded.

Motion passed, 3-0, three (3) in favor, two (2) absent. Voting in favor were Chair Mary F. Bernard, Vice-Chair David Platt, and Secretary Kevin Fountain. Treasurer George Tashjian and Member Kevin P. Tracy were absent from this vote.

(11) New Business: (Review/Discuss/Take Action)

a. No new business at this time.

(12) Next Meeting Date: (Review Discuss/Take Action)

a. The next meeting of the Board is scheduled for Tuesday, November 18, 2014.

(13) Executive Session

Secretary Fountain moved to convene into Executive Session at 3:17 p.m. pursuant to RI General Laws §42-46-5(a)(4) for investigative proceedings regarding allegations of civil or criminal misconduct. Vice-Chair Platt seconded. Motion passed, 3-0, three (3) in favor, two (2) absent. Voting in favor were Chair Mary F. Bernard, Vice-Chair David Platt, and Secretary Kevin Fountain. Treasurer George Tashjian and Member Kevin P. Tracy were absent from this vote.

Secretary Fountain moved to adjourn from Executive Session and to reconvene to an open meeting at 3:55 p.m. pursuant to RI General Laws §42-46-4. Vice-Chair Platt seconded. Motion passed, 3-0, three (3) in favor, two (2) absent. Voting in favor were Chair Mary F. Bernard, Vice-Chair David Platt, and Secretary Kevin Fountain. Treasurer George Tashjian and Member Kevin P. Tracy were absent from this vote.

Secretary Fountain moved to seal the minutes of the Executive Session and to record the votes taken in Executive Session pursuant to RI General Laws §42-46-4 and §42-46-5. Vice-Chair Platt seconded.

Motion passed, 3-0, three (3) in favor, two (2) absent. Voting in favor were Chair Mary F. Bernard, Vice-Chair David Platt, and Secretary Kevin Fountain. Treasurer George Tashjian and Member Kevin P. Tracy were absent from this vote.

Secretary Fountain moved to record the votes in Executive Session in accordance with RI General Laws §42-46-4 as follows. Vice-Chair Platt seconded. Motion passed, 3-0, three (3) in favor, two (2) absent.

Voting in favor were Chair Mary F. Bernard, Vice-Chair David Platt, and Secretary Kevin Fountain. Treasurer George Tashjian and Member Kevin P. Tracy were absent from this vote.

Record of Votes taken in Executive Session.

Secretary Fountain moved to table the rest of the Executive Session. Vice-Chair Platt seconded. Motion passed, 3-0, three (3) in favor, two (2) absent. Voting in favor were Chair Mary F. Bernard, Vice-Chair David Platt, and Secretary Kevin Fountain. Treasurer George Tashjian and Member Kevin P. Tracy were absent from this vote.

- One (1) complaint alleging after the Internal Revenue Service (IRS) Audit complaint found that funds were deducted out of checking account without complainant's authorization.**

- **One (1) complaint alleging accountant has failed to provide customers with service. The draft return changed from the final return.**
- **One (1) Practice Unit Renewal Application received a “failed” peer review.**
- **One (1) complaint alleging the person did not complete her taxes properly and that she now owes \$4300 to the IRS. This person is advertising boldly on his signboard at his business location that he is a CPA. His CPA license expires June 30, 1998.**
- **One (1) complaint alleges that the Public Accountant (PA) defrauded the complainant.**
- **One (1) CPA license reinstated that was “inactive.” It came to the Board’s attention that the CPA license was previously suspended. The Board requested a written explanation of that suspension and all related documents for Board review.**
- **One (1) CPA Application for Individual Permit to Practice Public Accounting for the period ending June 30, 2017 was received with disciplinary action noted.**
- **One (1) CPA was indicted on sixty-six (66) counts and charged with stealing identities of the terminally ill and elderly. The CPA please guilty to two (2) of the charges.**
- **One (1) inquiry as to a person holding himself and a firm out to be a CPA.**

Secretary Fountain moved to respond to the Access to Public Records dealing with the media request that the Board reviewed the

current website on October 21, 2014 and it appears to be in statutory and regulatory compliance. Vice-Chair Platt seconded. Motion passed, 3-0, three (3) in favor, two (2) absent. Voting in favor were Chair Mary F. Bernard, Vice-Chair David Platt, and Secretary Kevin Fountain. Treasurer George Tashjian and Member Kevin P. Tracy were absent from this vote.

- One (1) matter brought to the Board's attention of an article that appeared in the Portsmouth Times who is not currently licensed.

Vice-Chair Platt moved to reinstate on the condition that the person explain the allegations per the article that appeared in the Portsmouth Times on September 11, 2014. Secretary Fountain seconded. Motion passed, 3-0, three (3) in favor, two (2) absent. Voting in favor were Chair Mary F. Bernard, Vice-Chair David Platt, and Secretary Kevin Fountain. Treasurer George Tashjian and Member Kevin P. Tracy were absent from this vote.

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(14) Adjournment

Secretary Fountain moved to adjourn at 3:58 p.m. Vice-Chair Platt seconded. Motion passed, 3-0, three (3) in favor, two (2) absent. Voting in favor were Chair Mary F. Bernard, Vice-Chair David Platt, and Secretary Kevin Fountain. Treasurer George Tashjian and Member Kevin P. Tracy were absent from this vote.

Respectfully submitted,

**Kevin M. Fountain, CPA
Secretary**

KMF/dmb

- **Posted on November 19, 2014 electronically on Secretary of State's Office website. Pursuant to the Open Meetings Law, R.I. Gen. Laws Sec. 42-46-6(b), business not included in this notice may be considered with the consent of the majority of the members, and/or**

may convene into Executive (closed) Session pursuant to R.I. Gen. Laws Sec. 42-46-5.

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