

**State of Rhode Island and Providence Plantations**

**BOARD OF ACCOUNTANCY**

**1511 Pontiac Avenue, Bldg. 68-2**

**Cranston, Rhode Island 02920**

**MEETING MINUTES**

**DATE: January 20, 2015**

**PLACE: Rhode Island Society of Certified Public Accountants  
(RISCPA)**

**40 Sharpe Drive, Unit 5**

**Cranston, RI 02920**

**MEMBERS PRESENT: Chair Mary F. Bernard, Secretary Kevin Fountain, Treasurer George Tashjian and Member Kevin P. Tracy**

**MEMBERS ABSENT: Vice-Chair David Platt**

**OTHERS PRESENT: Jenna Algee, Esq., DBR Legal Counsel (Present from 1:38 p.m. – 3:55 p.m.)**

**Dawne Broadfield, Administrative Support Specialist**

**(1) Call to Order – Chair Bernard called the meeting to order at 1:38 p.m.**

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

### **1. Acceptance of the November 18, 2014 Regular Session Meeting Minutes**

**Secretary Fountain moved to approve the open meeting minutes of November 18, 2014 as published. Member Tracy seconded. Motion passed, 4-0, four (4) in favor, one (1) absent. Voting in favor were Chair Mary F. Bernard, Secretary Kevin Fountain, Treasurer George Tashjian and Member Kevin P. Tracy. Vice-Chair David Platt was absent from this vote.**

### **2. Acceptance of the November 18, 2014 Executive Session Meeting Minutes**

**Secretary Fountain moved to approve the executive meeting minutes of November 18, 2014 as published. Member Tracy seconded. Motion passed, 4-0, four (4) in favor, one (1) absent. Voting in favor were Chair Mary F. Bernard, Secretary Kevin Fountain, Treasurer George Tashjian and Member Kevin P. Tracy. Vice-Chair David Platt was 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 –By-Laws – Proposed Amendments – for consideration at the November 4, 2014 Annual Business Meeting. No action taken. So noted.**

**b. NASBA – CPEtracking – Clarification of the Rules Regarding Carry Back – The Board will respond “No to tracking. Will handle on a case-by-case basis.”**

**c. NASBA – Questions on RI CPE Rules – The Board will respond accordingly. In the future licensees will not renew based on the first letter of their last name. There are CPE proration rules during a licensee’s initial reporting period in that no CPEs are required for the year in which the initial license is issued. Therefore, 80 CPEs will be required for the first renewal period. In some cases, breakfast/lunch/dinner, committee and firm meetings are accepted for CPEs, if it complies with the CPE requirement. No practice peer review is accepted for CPE. College credits are calculated as 15 CPE credits per semester hour and 10 CPE credits per quarter hour. No audit hours are credited. A licensee can receive CPE credit for repeating instruction of the same**

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**course if the material is substantially changed. Partial CPE credits are accepted according to the CPE Regulation, Section 2.2A. Rhode Island does not allow carrying credits back to a previous reporting period.**

**d. NASBA – Questions on a CPA relinquishing his/her license in good standing if they are short Continuing Professional Education (CPE)**

**and as to the reinstatement. The Board will respond accordingly. A RI licensed CPA may relinquish his/her license in good standing if they are short on CPE. The process for reinstating requires a Reinstatement Application with a \$500 reinstatement fee, a renewal application with a \$375 renewal fee, and the required 120 CPEs for the preceding three (3) year period completed up to five (5) years. If the reinstatement occurs over five (5) years, the required CPEs is 120 CPEs during the preceding three (3) year period as well as completion of a CPA exam review course in a classroom setting approved by the Board with attendance documented, or in the alternative 240 CPEs.**

**(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) – (1) Status of Internship Opportunity with Roger Williams University. Mr. Mancini welcomed the Board to the RISCPA office where the meeting was held. Mr. Mancini will follow-up as to the status of the Internship.**

**b. AICPA Exposure Draft – Proposed Changes to the AICPA Standards for Performing and Reporting on Peer Reviews – Comments are requested by January 2, 2015.**

**• Preparation of Financial Statements Performed under SSARA and the Impact on Enrollment in and the Scope of Peer Review. The Board had no comments.**

**• Peer Reviewer Performance, Disagreements and Qualifications. The Board had no comments.**

**c. AICPA Exposure Draft - Quick Poll – The Board will respond that they do not plan to formally respond to the Exposure Draft and that they do not have any questions on the practice analysis.**

**d. AICPA Enhancing Audit Quality (EAQ) Initiative – Comments are requested by June 15, 2015**

**• Evolving the CPA Profession’s Peer Review Program for the Future. This was continued.**

**e. AICPA Comprehensive Research Study – Requesting permission to use the e-mail addresses and testing status information of examination in this State in order to contact CPA candidates at various stages of the examination process. The Board is in favor and will notify NASBA.**

**f. AICPA Invitation for Comment: Maintaining Relevance of the Uniform CPA Examination. The Board did not comment. The deadline passed.**

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

**a. Review of Notification(s) Received – None at this time.**

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

**Jeffrey Frank DeLuca Keith Huntoon**

**Secretary Fountain moved to approve the initial applications for Jeffrey Frank DeLuca and Keith Huntoon for certification. Treasurer Tashjian and Member Tracey seconded. Motion passed, 4-0, four (4)**

**in favor, one (1) absent. Voting in favor were Chair Mary F. Bernard, Secretary Kevin Fountain, Treasurer George Tashjian and Member Kevin P. Tracy. Vice-Chair David Platt was absent from this vote.**

**(7) Consideration of approval of the following initial without examination applications for certification – (Review/Discuss/Take Action)**

**Rebecca T. Rossi Meng Zhang**

**Member Tracy moved to approve the initial without examination applications for Rebecca T. Rossi and Meng Zhang for certification. Secretary Fountain seconded. Motion passed, 4-0, four (4) in favor, one (1) absent. Voting in favor were Chair Mary F. Bernard, Secretary Kevin Fountain, Treasurer George Tashjian and Member Kevin P. Tracy. Vice-Chair David Platt was absent from this vote.**

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

**David Matthew Desmarais Meyer H. Levy**

**Loree Dubois Helena I. Massa**

**A. Kyle Dykes Virender Singh**

**Treasurer Tashjian moved to approve the reciprocity applications for**

**David Matthew Desmarais, Loree Dubois, A. Kyle Dykes, Meyer H. Levy, Virender Singh for certification and Helena I. Massa for certification subject to receipt of completion of the Comprehensive Ethics Course of 90% or above. Member Tracey seconded. Motion passed, 4-0, four (4) in favor, one (1) absent. Voting in favor were Chair Mary F. Bernard, Secretary Kevin Fountain, Treasurer George Tashjian and Member Kevin P. Tracy. Vice-Chair David Platt was absent from this vote.**

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

**Bernadette B. Dionn (2838) Brian James Sleboda (3404)**

**James J. Prescott (1158) Michael J. Williams (2385)**

**Lisa J. Richard (3295)**

**Treasurer Tashjian moved to approve the reinstatement applications for Bernadette B. Dionn (2838), James J. Prescott, (1158), Lisa J. Richard (3295), Brian James Sleboda (3404) and Michael J. Williams (2385). Secretary Fountain seconded. Motion passed, 4-0, four (4) in favor, one (1) absent. Voting in favor were Chair Mary F. Bernard, Secretary Kevin Fountain, Treasurer George Tashjian and Member Kevin P. Tracy. Vice-Chair David Platt was absent from this vote.**

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

**a. Development of Board's Newsletter - Mr. Tracy reported that he has been reappointed to the NASBA Communications Committee. The Committee is working on a survey requesting suggestions from the**

**Boards. The AICPA publishes a newsletter and would promote issues for the Board. AICPA electronic newsletter will be sent to RI and then sent to NASBA. NASBA will help work on the newsletter. This is continued for updates.**

**b. Regulations Merger – The Board’s Regulations are being merged into one (1) document. Attorney Algee reported that the Merged Regulation was sent to the “Office of Regulatory Reform (ORR)” for approval to move forward and is waiting for a response.**

**c. 2015 Legislation – Legislation is being reviewed for submission by the Department of Business Regulation (DBR). The Governor requested submittal of the DBR legislative package this week. “Firm Mobility” was not introduced. Mr. Mancini will contact the Governor’s office for inquiry on submitting.**

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

**a. Renewal Applications – Attestations –**

**• Certified Public Accountant (CPA) and Public Accountant (PA) - The Continuing Professional Education (CPEs) will no longer be submitted with the renewal application. CPEs will be acknowledge by attestation and will be subject to a random audit.**

**• Practice Unit – The insurance and peer review documents will no longer be submitted with the renewal application. The Practice Unit will acknowledge compliance by attestation and will be subject to a random audit.**

**The Board will send a “Request for Legal Services (RLS)” for review by the DBR Legal Division as to clarification options of CPE**

**non-compliance.**

**b. CPA Exam Candidate - Course Waiver Request – Nicole Berger – Ms. Berger was requesting a waiver of “Accounting 101.”**

**Secretary Fountain moved that upon Board review of the transcripts, the Board accepts that Nicole Berger has fulfilled the requirements to sit for the Certified Public Accountant (CPA) examination. Member Tracy seconded. Motion passed, 4-0, four (4) in favor, one (1) absent. Voting in favor were Chair Mary F. Bernard, Secretary Kevin Fountain, Treasurer George Tashjian and Member Kevin P. Tracy. Vice-Chair David Platt was absent from this vote.**

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**c. CPA Exam Candidate – Acceptance of Transcripts for Eligibility - Maamoun Janoudi – Does the Board accept “Military Experience?”**

**The Board does not accept “military experience.**

**Secretary Fountain moved that upon Board review of the transcripts, the Board accepts that Maamoun Janoudi has fulfilled the requirements to sit for the Certified Public Accountant (CPA) examination. Member Tracy seconded. Motion passed, 4-0, four (4) in favor, one (1) absent. Voting in favor were Chair Mary F. Bernard, Secretary Kevin Fountain, Treasurer George Tashjian and Member Kevin P. Tracy. Vice-Chair David Platt was absent from this vote.**

**d. Should there be reconsideration of developing a “CPA – retired” status besides the “CPA – inactive” status (currently in the Uniform**

**Accountancy Act) that would apply to people who have been in public practice for at least 20 years with no disciplinary charges against them? This question was asked on the NASBA Focus Questions. This was continued since Vice-Chair Platt was not present.**

**e. Cynthia D. Breen, CPA 2349, Continuing Professional Education (CPE) Extension Request – Upon review, the Board will respond that it granted a CPE extension to June 30, 2015 and noted that the CPE credits cannot be used again.**

**f. John J. Abraham, CPA 1096, Continuing Professional Education (CPE) Extension Request – Upon review, the Board will respond that it granted a CPE extension to June 30, 2015 and noted that the CPE credits cannot be used again.**

**g. Peter Tympanick – Requesting Clarification of Education and Experience Requirements – The Board will respond “yes” to his questions.**

**h. PricewaterhouseCoopers LLP – Opening of Rhode Island Office – So noted.**

**a. Any other new business.**

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

**a. The next Board meeting scheduled for Tuesday, February 17, 2015.**

**(13) Executive Session**

**Treasurer Tashjian moved to convene into Executive Session at 3:12 p.m. pursuant to RI General Laws §42-46-5(a)(4) for investigative proceedings regarding allegations of civil or criminal misconduct.**

**Secretary Fountain seconded. Motion passed, 4-0, four (4) in favor, one (1) absent. Voting in favor were Chair Mary F. Bernard, Secretary Kevin Fountain, Treasurer George Tashjian and Member Kevin P. Tracy. Vice-Chair David Platt was absent from this vote.**

**Secretary Fountain moved to adjourn from Executive Session and to reconvene to an open meeting at 3:50 p.m. pursuant to RI General Laws §42-46-4. Treasurer Tashjian seconded. Motion passed, 4-0, four (4) in favor, one (1) absent. Voting in favor were Chair Mary F. Bernard, Secretary Kevin Fountain, Treasurer George Tashjian and Member Kevin P. Tracy. Vice-Chair David Platt was absent from this vote.**

**Secretary Fountain moved to seal the minutes of the executive session and record the votes taken in Executive Session in accordance with RI General Laws §42-46-4 and §42-46-5. Treasurer Tashjian seconded. Motion passed, 4-0, four (4) in favor, one (1) absent. Voting in favor were Chair Mary F. Bernard, Secretary Kevin Fountain, Treasurer George Tashjian and Member Kevin P. Tracy. Vice-Chair David Platt was 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. Treasurer Tashjian seconded. Motion passed, 4-0, four (4) in favor, one (1) absent. Voting in favor were Chair Mary F. Bernard, Secretary Kevin Fountain, Treasurer George Tashjian and Member Kevin P. Tracy.**

**Vice-Chair David Platt was absent from this vote.**

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**Record of Votes taken in Executive Session:**

- **One (1) complaint alleging accountant has failed to provide customers with service. The draft return changed from the final return. Treasurer Tashjian moved to send a letter to close. Member Tracy seconded. Motion passed, 4-0, four (4) in favor, one (1) absent. Voting in favor were Chair Mary F. Bernard, Secretary Kevin Fountain, Treasurer George Tashjian and Member Kevin P. Tracy. Vice-Chair David Platt was absent from this vote.**
- **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. Mr. Tracy will send out the “standard form letter” that the Board uses for “cease and desist.” Member Tracy updated the Board that the complaint was refiled. Mr. Tracy telephoned and left a message for the person that complaint is against. That person has not returned the telephone call**

to date. This matter has been continued.

- One (1) complaint alleges that the Public Accountant (PA) defrauded the complainant. The Board suggested that this matter go to court firm and then back to the Board and closed.
- 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. With a lack of response, the Board will submit a “Request for Legal Services (RLS)” to the DBR Legal Division for review.
- One (1) matter Practice Unit who is a defendant in a consolidated putative class action brought by purchasers of publicly traded securities (common stock and options of codefendant between April 24, 2008 and July 22, 2009. The Board reviewed for information purposes only and so noted.
- One (1) CPA was indicted on sixty-six (66) counts and charged with stealing identities of the terminally ill and elderly. The CPA plead guilty to two (2) of the charges. This matter was tabled for an update from Attorney Balasco.

#### **(14) Adjournment**

Secretary Fountain moved to adjourn at 3:55 p.m. Treasurer Tashjian seconded. Motion passed, 4-0, four (4) in favor, one (1) absent. Voting in favor were Chair Mary F. Bernard, Secretary Kevin Fountain, Treasurer George Tashjian and Member Kevin P. Tracy. Vice-Chair David Platt was absent from this vote.

**Respectfully submitted,**

**Kevin M. Fountain, CPA  
Secretary**

**KMF/dmb**

**• Posted on February 18, 2015 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.**