

**State of Rhode Island and Providence Plantations**

**BOARD OF ACCOUNTANCY**

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

**Cranston, Rhode Island 02920**

**MEETING MINUTES**

**DATE: July 21, 2015**

**PLACE: Department of Business Regulation (DBR)**

**1511 Pontiac Avenue, Bldg 68-1 Conference Room**

**Cranston, RI 02920**

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

**MEMBERS ABSENT: Vice-Chair David Platt and Secretary Kevin Fountain**

**OTHERS PRESENT: Robert Mancini, Executive Director, Rhode Island Society of Certified Public Accountants (RISCPA) (Present from 1:33 p.m. – 2:40 p.m.)**

**Dawne Broadfield, Administrative Support Specialist**

**(1) Call to Order – Chair Bernard called the meeting to order at 1:33 p.m.**

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

### **1. Acceptance of the June 16, 2015 Open Session Meeting Minutes**

**Treasurer Tashjian moved to approve the open meeting minutes of June 16, 2015 as published. Member Tracy seconded. Motion passed, 3-0, three (3) in favor, two (2) absent. Voting in favor were Chair Mary F. Bernard, Treasurer George Tashjian and Member Kevin P. Tracy. Vice-Chair David Platt and Secretary Kevin Fountain were absent from this vote.**

### **2. Acceptance of the June 16, 2015 Executive Session Meeting Minutes**

**Treasurer Tashjian moved to approve the executive meeting minutes of June 16, 2015 as published. Member Tracy seconded. Motion passed, 3-0, three (3) in favor, two (2) absent. Voting in favor were Chair Mary F. Bernard, Treasurer George Tashjian and Member Kevin P. Tracy. Vice-Chair David Platt and Secretary Kevin Fountain 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 – Northeast Peer Review Oversight Committee – Discussion occurred. Massachusetts and Connecticut do their own “Peer Reviews.” New Hampshire is going under Massachusetts.**

**Chair Bernard spoke to Daniel J. Dustin, CPA, Vice President, NASBA State Board Relations, indicating that the Rhode Island Board will not be taking any action on the New England Peer Review (NEPR) and the New England States at this time. NASBA will keep the Board informed.**

**(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 (RWU). The finalization of a Job Description was sent to RWU to review to ensure that it will meet the academic expectations set by the Accounting Department. (2) Mr. Mancini updated the Board. The RISCPA held a golf tournament charity event. Membership day will be held at the Providence Marriott on September 30, 2015. There**

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**will be a non-certified public accountant (CPA) on the RISCPA Board but will not be able to vote. This is the first in the country. The RISCPA sent recommendation letters to the Governor's office for reappointment of current members Treasurer George Tashjian and Member Kevin P. Tracy and is still waiting for a response.**

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

**a. Review of Notification(s) Received – Ernst & Young LLP, Practice Unit #P11, expires 06/30/2018 – The Board reviewed and noted for informational purposes.**

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

**John M. Moreira Matthew Jones**

**Ryan P. Baccari Mary A. Oliver**

**Tanya Jones**

**Member Tracy moved to approve the initial applications for John M. Moreira, Ryan P. Baccari, Tanya Jones, Matthew Jones and Mary A. Oliver for certification. Treasurer Tashjian seconded. Motion passed, 3-0, three (3) in favor, two (2) absent. Voting in favor were Chair Mary F. Bernard, Treasurer George Tashjian and Member Kevin P. Tracy. Vice-Chair David Platt and Secretary Kevin Fountain were absent from this vote.**

**Alexander T. Booth**

**The Board did not accept the initial application for Alexander T. Booth for certification. More experience documentation for compliance with §5-3.1-5 and six (6) semester hours is required.**

**(7) Consideration of approval of the following reciprocity application(s) for certification – (Review/Discuss/Take Action)**

**Elizabeth Claire Duclos**

**Member Tracy moved to approve the reciprocity application for Elizabeth Clair Duclos for certification. Treasurer Tashjian seconded.**

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

**(8) Consideration of approval of the following Practice Unit application(s) – (Review/Discuss/Take Action)**

**Cushman & White, LLC**

**Upon Attorney Algee’s review, Member Tracy moved to accept the Practice Unit application for Cushman & White, LLC. Treasurer Tashjian seconded. Motion passed, 3-0, three (3) in favor, two (2) absent. Voting in favor were Chair Mary F. Bernard, Treasurer George Tashjian and Member Kevin P. Tracy. Vice-Chair David Platt and Secretary Kevin Fountain were absent from this vote.**

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

**a. Development of Board’s Newsletter - Member Tracy is continuing to work with Tom Kenny, NASBA Communications, about what content will be placed in the Board’s section of the RISCPA newsletter in an effort to get information out.**

**b. Regulations Merger – The Board’s Regulations are being merged into one (1) document. “Office of Regulatory Reform (ORR)” approved the document merger. The document was forwarded to the**

**“interested parties,” to include NASBA and RISCPA, and the Board members. The Public Hearing was held on Tuesday, April 21, 2015. Attorney Algee will forward a suggested language addition to “Professional Obligation” to “ORR” for review. If approved, the Regulation will be effective twenty (20) days after that date. Comment on the proposed rules pertaining to continuing professional education received from the American Institute of CPAs (AICPA). Secretary Fountain will contact Mat Young, AICPA, Vice-President, State Regulatory & Legislative Affairs, to inquire exactly what his concerns are. Mrs. Broadfield will e-mail Secretary Fountain, with a copy to Attorney Algee, requesting the status.**

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**c. 2015 Legislation – Attorney Algee updated the Board and noted the legislation that was introduced in relation to the amendment of the definition of “attest” to match the model act adopted by the AICPA and NASBA; in relation to reciprocity; and in relation to corporations to obtain Practice Units. The elimination of the two (2) year limitation on suspended licenses was not introduced. Attorney Algee submitted changes that were made to the original bill. The Sub-A bill passed the House and was referred to Senate Commerce. On June 17, 2015, the Governor signed 2015 P.L. ch. 82 into law. As it relates to the Board of Accountancy, it eliminated the requirement that the Board provide paper copies of its annual report and instead has them**

filed online. The law also removed the duplicate license fee.

**d. Renewal Applications – Attestations –**

The Board will begin a “Pilot” Continuing Professional Education (CPE) and Peer Review Audit process and will audit 3% plus those CPAs and Practice Units that were not in compliance in the past renewal period and requested an extension for completion. Prior to implementation, an audit process will be developed for Board approval prior to conducting the audit. Secretary Fountain is working with Mrs. Broadfield to develop the auditing process. This matter was continued since Secretary Fountain was not in attendance.

**e. Public Accountants (PA) – Eliminating the status**

Treasurer Tashjian discussed the history of the PA status. 1976 was the last time that there was a PA status issued by this Board. Treasurer Tashjian suggested that the remaining 12 PAs be grandfathered and issued a Certified Public Accountant (CPA) status. The Massachusetts statute was obtained which is the “Conversion of Public Accountant License to Certified Public Accountant License.” Discussion occurred and a question arose as to how it would affect reciprocity in other states. Treasurer Tashjian will continue working on this matter. Information was sent to Attorney Algee for review. This matter is continued for discussion with the full Board at the September meeting.

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

a. Any other new business. Treasurer Tashjian brought up a topic for discussion to give Board members one (1) year, 40 CPEs, for their

**service on the Board for compensation. This topic will be put on the agenda for the September meeting for discussion with the full Board.**

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

**a. The Tuesday, August 18, 2015 Board meeting is cancelled. The next Board meeting is scheduled for Tuesday, September 15, 2015.**

**(12) Executive Session**

**Treasurer Tashjian moved to convene into Executive Session at 2:40 p.m. pursuant to RI General Laws §42-46-5(a)(4) for investigative proceedings regarding allegations of civil or criminal misconduct. Member Tracy seconded. Motion passed, 3-0, three (3) in favor, two (2) absent. Voting in favor were Chair Mary F. Bernard, Treasurer George Tashjian and Member Kevin P. Tracy. Vice-Chair David Platt and Secretary Kevin Fountain were absent from this vote.**

**Treasurer Tashjian moved to adjourn from Executive Session and to reconvene to an open meeting at 2:59 p.m. pursuant to RI General Laws §42-46-4. Member Tracy seconded. Motion passed, 3-0, three (3) in favor, two (2) absent. Voting in favor were Chair Mary F. Bernard, Treasurer George Tashjian and Member Kevin P. Tracy. Vice-Chair David Platt and Secretary Kevin Fountain were absent from this vote.**

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**Treasurer Tashjian moved to record and seal the minutes of the executive session in accordance with RI General Laws §42-46-4 and §42-46-5. Member Tracy seconded. Motion passed, 3-0, three (3) in favor, two (2) absent. Voting in favor were Chair Mary F. Bernard, Treasurer George Tashjian and Member Kevin P. Tracy. Vice-Chair David Platt and Secretary Kevin Fountain were absent from this vote.**

**Treasurer Tashjian moved to record the votes in Executive Session in accordance with RI General Laws §42-46-4 as follows. Member Tracy seconded. Motion passed, 3-0, three (3) in favor, two (2) absent. Voting in favor were Chair Mary F. Bernard, Treasurer George Tashjian and Member Kevin P. Tracy. Vice-Chair David Platt and Secretary Kevin Fountain were absent from this vote.**

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

### **PENDING MATTERS**

- One (1) matter CAFA notification received pursuant to the Class Action Fairness Act, 28, U.S.C. §1715(b) in inform the Board of a**

**proposed class action settlement involving a Practice Unit. The Board reviewed for information purposes only and so noted. This matter was tabled until a resolution/settlement comes in.**

- One (1) matter of a person advertising on the internet as a CPA. The Board's records indicate no record found. A Board member was assigned to investigate. The Board Member faxed the "internet ad" to the person advertising. The person advertising indicated that he will fix it. The Board member will continue investigating and will indicate to the person advertising that findthebest.com is reporting the person as a Certified Public Accountant (CPA) and to notify the person. There is no advertisement from the "street view." Therefore, the matter is continued.**

- One (1) matter of a person advertising on the internet as a CPA. The Board's records indicate no record found. A Board member was assigned to investigate. The Board Member faxed the "internet ad" to the person advertising. The person advertising indicated that he will fix it. The Board member will continue investigating and will indicate to the person advertising that findthebest.com is reporting the person as a Certified Public Accountant (CPA) and to notify the person. There is no advertisement from the "street view." Therefore, the matter is continued.**

- One (1) matter alleging concerns of unprofessional conduct in his handling of the complainant's taxes. The complainant has not received any answer from the licensee and has caused stress on the complainant and the complainant's spouse. After Board member investigation, letters will be sent to both parties that due to amicable**

**action, no Board action is necessary.**

**NEW BUSINESS:**

**No new matters.**

**OLD MATTERS:**

- **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. The DBR Attorney will inquire as to the status and report back to the Board. The CPA did not renew his license to date and it scheduled to expire on June 30, 2015. The CPA's license expired on June 30, 2015. Therefore, this item was removed from the agenda.**

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**(13) Adjournment**

**Member Tracy moved to adjourn at 3:00 p.m. Treasurer Tashjian seconded. Motion passed, 3-0, three (3) in favor, two (2) absent. Voting in favor were Chair Mary F. Bernard, Treasurer George Tashjian and Member Kevin P. Tracy. Vice-Chair David Platt and Secretary Kevin Fountain were absent from this vote.**

**Respectfully submitted,**

**Mary F. Bernard, CPA**

**Chair**

**MFB/dmb**

**• Posted on September 11, 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.**

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