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COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF STATE
BUREAU OF PROFESSIONAL AND OCCUPATIONAL AFFAIRS

F I N A L M I N U T E S

MEETING OF:

STATE BOARD OF ACCOUNTANCY

TIME: 8:51 A.M.

VILLANOVA UNIVERSITY

Bartley Hall

Room 1011

800 East Lancaster Avenue

Villanova, Pennsylvania 19085

September 19, 2017

1 State Board of Accountancy
2 September 19, 2017

3
4 BOARD MEMBERS:

5
6 Barry M. Berkowitz, CPA, Chair
7 Ian J. Harlow, Commissioner, Bureau of Professional
8 and Occupational Affairs - Absent
9 Keri A. Ellis, CPA
10 Paul J. Kelly III, CPA
11 Dolly M. Lalvani, CPA, Vice Chair
12 Douglas M. Ottenberg, CPA, Office of Attorney
13 General
14 Sheri L. Risler, CPA
15 Michael P. Rollage, CPA
16 Erik V. Scully, CPA - Absent
17 David Stonesifer, CPA
18 Alfred L. Whitcomb, PA - Absent
19
20

21 BUREAU PERSONNEL:

22
23 Juan Ruiz, Esquire, Board Counsel
24 Ashley Goshert, Esquire, Board Prosecutor
25 Sara Fox, Board Administrator
26
27

28 ALSO PRESENT:

29
30 Denise Getgen, Director, Protective Services Office -
31 PA Department of Aging
32 Lori Kelly, CPA, AICPA
33 Alfonso Alexander, President, Center for Public Trust,
34 NASBA
35 Sheldon P. Holzman, CPA, Regional Director, NASBA
36 Daniel J. Dustin, CPA, Vice President of State Board
37 Relations, NASBA
38 Felicia Robbins, Careers and Accounting Manager,
39 PICPA
40 Students and Faculty of Villanova University,
41 School of Business - Accounting
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1 ***

2 State Board of Accountancy

3 September 19, 2017

4 ***

5 The regularly scheduled meeting of the State Board
6 of Accountancy was held on Tuesday, September 19,
7 2017. Barry M. Berkowitz, CPA, Chair, called the
8 meeting to order at 8:51 a.m.

9 ***

10 [Pursuant to Section 708(a)(5) of the Sunshine Act, at
11 8:53 a.m. the Board entered into Executive Session
12 with Juan Ruiz, Esquire, Board Counsel, for the
13 purpose of conducting quasi-judicial deliberations.
14 The Board returned to open session at 9:59 a.m.]

15 ***

16 [Barry M. Berkowitz, CPA, Chair, explained the format
17 of the meeting to all in attendance.]

18 ***

19 MOTIONS:

20 MR. RUIZ:

21 The Board was just in Executive Session
22 conducting quasi-judicial deliberations
23 on a number of matters currently pending
24 before the Board.

25 Is there a motion to approve the

1 Consent Agreements at File Nos. 14-55-
2 04159, 14-55-02617 and 15-55-14231.

3 MS. LALVANI:

4 So moved.

5 MR. KELLY:

6 Second.

7 CHAIR BERKOWITZ:

8 Roll call.

9

10 Paul J. Kelly III, aye; Michael P.
11 Rollage, aye; Douglas M. Ottenberg, aye;
12 Dolly M. Lalvani, aye; Barry M.
13 Berkowitz, Chair, aye; Keri A. Ellis,
14 aye; David Stonesifer, aye; and Sheri L.
15 Risler, aye.

16 [The motion carried unanimously. The Respondent's
17 name for File No. 14-55-04159 is Deborah Luteran
18 Iwanyshyn. The Respondent's name for File No. 14-55-
19 02617 is Merrill John Druggs, CPA. The Respondent's
20 name for File No. 15-55-14231 is Jeanne E. Swain,
21 CPA.]

22

23 MR. RUIZ:

24 Is there a motion to approve the Final
25 Adjudication and Order in the case of

1 William J. Graham, CPA, at File Number
2 17-55-01219.

3 MR. KELLY:

4 So moved.

5 MS. LALVANI:

6 Second.

7 CHAIR BERKOWITZ:

8 Roll call.

9

10 Paul J. Kelly III, aye; Michael P.
11 Rollage, aye; Douglas M. Ottenberg, aye;
12 Dolly M. Lalvani, aye; Barry M.
13 Berkowitz, Chair, aye; Keri A. Ellis,
14 aye; David Stonesifer, aye; and Sheri L.
15 Risler, aye.

16 [The motion carried unanimously.]

17 ***

18 MR. RUIZ:

19 Is there a motion to approve the CPE
20 waiver for Freed, item number 17?

21 MR. KELLY:

22 So moved.

23 MS. LALVANI:

24 Second.

25 CHAIR BERKOWITZ:

1 Roll call.

2

3 Paul J. Kelly III, aye; Michael P.
4 Rollage, aye; Douglas M. Ottenberg, aye;
5 Dolly M. Lalvani, aye; Barry M.
6 Berkowitz, Chair, aye; Keri A. Ellis,
7 aye; David Stonesifer, aye; and Sheri L.
8 Risler, aye.

9 [The motion carried unanimously.]

10 ***

11 MR. RUIZ:

12 Is there a motion to waive the self-study
13 maximum requirement for Yamplosky, item
14 number 18?

15 MR. KELLY:

16 So moved.

17 MS. LALVANI:

18 Second.

19 CHAIR BERKOWITZ:

20 Roll call.

21

22 Paul J. Kelly III, aye; Michael P.
23 Rollage, aye; Douglas M. Ottenberg, aye;
24 Dolly M. Lalvani, aye; Barry M.
25 Berkowitz, Chair, aye; Keri A. Ellis,

1 aye; David Stonesifer, aye; and Sheri L.
2 Risler, aye.

3 [The motion carried unanimously.]

4 ***

5 MR. RUIZ:

6 Is there a motion to waive the 20-hour
7 requirement for 2018 for Tortoreto, item
8 number 19 on your agenda?

9 MR. KELLY:

10 So moved.

11 MS. LALVANI:

12 Second.

13 CHAIR BERKOWITZ:

14 Roll call.

15
16 Paul J. Kelly III, aye; Michael P.
17 Rollage, aye; Douglas M. Ottenberg, aye;
18 Dolly M. Lalvani, aye; Barry M.
19 Berkowitz, Chair, aye; Keri A. Ellis,
20 aye; David Stonesifer, aye; and Sheri L.
21 Risler, aye.

22 [The motion carried unanimously.]

23 ***

24 MR. RUIZ:

25 Is there a motion to deny the request for

1 extension of CPA extension credit for
2 Chandlee, item number 20?

3 MR. KELLY:

4 So moved.

5 MS. LALVANI:

6 Second.

7 CHAIR BERKOWITZ:

8 Roll call.

9

10 Paul J. Kelly III, aye; Michael P.
11 Rollage, aye; Douglas M. Ottenberg, aye;
12 Dolly M. Lalvani, aye; Barry M.
13 Berkowitz, Chair, aye; Keri A. Ellis,
14 aye; David Stonesifer, aye; and Sheri L.
15 Risler, aye.

16 [The motion carried unanimously.]

17 ***

18 MR. RUIZ:

19 Is there a motion to request more
20 information from Krishnamurthy, item
21 number 21, and direct the staff to act in
22 accordance with discussions in Executive
23 Session?

24 MR. KELLY:

25 So moved.

1 MS. LALVANI:

2 Second.

3 CHAIR BERKOWITZ:

4 Roll call.

5

6 Paul J. Kelly III, aye; Michael P.
7 Rollage, aye; Douglas M. Ottenberg, aye;
8 Dolly M. Lalvani, aye; Barry M.
9 Berkowitz, Chair, aye; Keri A. Ellis,
10 aye; David Stonesifer, aye; and Sheri L.
11 Risler, aye.

12 [The motion carried unanimously.]

13 ***

14 MR. RUIZ:

15 Is there a motion to extend the exam
16 credit sections for Musko until March
17 31st, 2018?

18 MR. KELLY:

19 So moved.

20 MS. LALVANI:

21 Second.

22 CHAIR BERKOWITZ:

23 Roll call.

24

25 Paul J. Kelly III, aye; Michael P.

1 Rollage, aye; Douglas M. Ottenberg, aye;
2 Dolly M. Lalvani, aye; Barry M.
3 Berkowitz, Chair, aye; Keri A. Ellis,
4 aye; David Stonesifer, aye; and Sheri L.
5 Risler, aye.

6 [The motion carried unanimously.]

7 ***

8 MR. RUIZ:

9 Is there a motion for preliminary denial
10 of the application of Carr?

11 MR. KELLY:

12 So moved.

13 MS. LALVANI:

14 Second.

15 CHAIR BERKOWITZ:

16 Roll call.

17
18 Paul J. Kelly III, aye; Michael P.
19 Rollage, aye; Douglas M. Ottenberg, aye;
20 Dolly M. Lalvani, aye; Barry M.
21 Berkowitz, Chair, aye; Keri A. Ellis,
22 aye; David Stonesifer, aye; and Sheri L.
23 Risler, aye.

24 [The motion carried unanimously.]

25 ***

1 MS. ELLIS:

2 I'd like to make a motion to approve the
3 following Program Sponsor Application:
4 Brown and Brown Insurance of Lehigh
5 Valley.

6 MS. LALVANI:

7 Second.

8 CHAIR BERKOWITZ:

9 Roll call.

10

11 Paul J. Kelly III, aye; Michael P.
12 Rollage, aye; Douglas M. Ottenberg, aye;
13 Dolly M. Lalvani, aye; Barry M.
14 Berkowitz, Chair, aye; Keri A. Ellis,
15 aye; David Stonesifer, aye; and Sheri L.
16 Risler, aye.

17 [The motion carried unanimously.]

18

19 Approval of Minutes of July 18, 2017 meeting.

20 [Chair Berkowitz discussed corrections to the
21 minutes.]

22 CHAIR BERKOWITZ:

23 Can I get a motion to approve the
24 minutes?

25 MR. KELLY:

1 So moved.

2 MS. LALVANI:

3 Second.

4 CHAIR BERKOWITZ:

5 Roll call.

6

7 Paul J. Kelly III, aye; Michael P.
8 Rollage, aye; Douglas M. Ottenberg, aye;
9 Dolly M. Lalvani, aye; Barry M.
10 Berkowitz, Chair, aye; Keri A. Ellis,
11 aye; David Stonesifer, aye; and Sheri L.
12 Risler, aye.

13 [The motion carried unanimously.]

14 ***

15 Case Status Report

16 [Chair Berkowitz noted the July 2017 and August 2017
17 Case Status Reports for the Board's information and
18 Review.]

19 ***

20 Report of Regulatory Counsel

21 [Chair Berkowitz provided an update on the recent
22 change to the Continuing Education rules. It will be
23 published in the Pennsylvania Bulletin and become
24 effective January 1st, 2018.]

25 ***

1 Report of Board Chairman

2 [Chair Berkowitz noted no changes to the Committee
3 assignments. He mentioned Governor Wolf's Gift Ban
4 and discussed the Guidelines for Discipline and the
5 Sunshine Act.]

6 ***

7 Report of Commissioner - No Report

8 ***

9 Report of Board Administrator - No Report

10 ***

11 Correspondence

12 [Chair Berkowitz stated the Board's annual NASBA
13 membership dues were paid.]

14 ***

15 Board Meeting Dates for 2017 and 2018

16 [Chair Berkowitz noted no changes in the meeting
17 dates.]

18 ***

19 [Chair Berkowitz thanked Villanova University and
20 encouraged the students to sit for the CPA
21 examination. He introduced the presenters for the
22 appointments.]

23 ***

24 Miscellaneous

25 Appointments

1 [Denise Getgen, Director, Protective Services Office
2 of the PA Department of Aging, presented a video
3 addressing the issue of financial abuse of the
4 elderly. She noted the Department's partnership with
5 the Department of Banking and Securities. Ms. Getgen
6 discussed the role of the PA Department of Aging
7 Protective Services. Research estimated that 10,000
8 Americans will turn 65 every day for the next 15
9 years. She stated financial exploitation reports were
10 dramatically increasing.

11 Ms. Getgen commented that ten years ago there were
12 9,000 allegations of elder financial abuse annually.
13 There are currently over 40,000 allegations, a 16.5
14 percent increase in the last fiscal year.

15 She discussed voluntary and mandatory reporting of
16 suspected elder abuse. She noted that every
17 Pennsylvania county has an Area Agency on Aging.

18 Ms. Getgen provided information on reporting abuse
19 and noted the role of accountants as credible
20 reporters of suspected abuse.]

21 ***

22 [Daniel J. Dustin, CPA, Vice President of the State
23 Board Relations, NASBA, presented a PowerPoint
24 regarding NASBA. He noted upcoming meetings,
25 including the Annual Meeting on October 30, 2017, in

1 New York City.

2 Mr. Dustin commented on NASBA tools available for
3 various accountancy boards, especially the audit
4 school. He discussed the use of blended and nano
5 learning in continuing education. He commented on
6 firm mobility, noting that currently 18 states,
7 including Pennsylvania, have firm mobility.

8 Mr. Dustin stated the title exposure draft was
9 distributed in April. The comment period ends
10 September 30, 2017. He noted that NASBA has received
11 more 25 comments to date. The CPE Model Rules Task
12 Force met in Nashville to review comments.

13 Mr. Dustin mentioned that data analytics and big
14 data will be important issues in accountancy on the
15 horizon. He discussed data analytics being included
16 in school curricula.

17 Mr. Dustin mentioned the topics of Code of
18 Conduct, CPE reciprocity. He noted diversity as a
19 part of NASBA's strategic plan to increase women and
20 minority representation in the profession.]

21 ***

22 [Shelden P. Holzman, CPA, Regional Director, NASBA,
23 commented on the NASBA regional meeting in Newport,
24 Rhode Island, in June. He thanked Mr. Berkowitz and
25 Ms. Risler for their participation. He congratulated

1 Mr. Berkowitz on being elected to the Nominating
2 Committee.

3 Mr. Holzman encouraged Board members to view a
4 NASBA webinar on antitrust law and state action
5 immunity. He thanked Pennsylvania for submitting
6 their comments regarding title language. The peer
7 review comment period ended June 30, 2017.

8 He noted that the AICPA Professional Ethics
9 Executive Committee (PEEC) is looking into
10 international audit standards that include whistle-
11 blower content in ethics schools, which differs from
12 current standards due to confidentiality.

13 Mr. Holzman discussed possible implications of
14 federal authorities taking action against CPAs
15 providing accounting and tax services for businesses
16 selling medical and/or recreational marijuana.
17 Chair Berkowitz noted that the Board has also
18 discussed the issue.]

19

20 [Felicia Robbins, Careers and Accounting Manager,
21 PICPA, discussed the role of PICPA in working with
22 high school students, college students and educators
23 about changes in the CPA examination.

24 She noted that PICPA has programs across the state
25 to assist students. She stressed the importance of

1 students belonging to the trade association in their
2 state. PICPA's goal is to encourage students to study
3 and sit for the exam quickly. She pointed out that
4 PICPA prints roughly 5,000 CPA exam books with
5 information on requirements to sit for exam and obtain
6 licensure.

7 Chair Berkowitz noted his good relationship and
8 regular communications with PICPA's CEO, Michael
9 Colgan.

10 Ms. Robbins encouraged students to inform
11 educators of topics in the profession that might be of
12 interest to students or educators.

13 Chair Berkowitz stressed the importance of
14 educators in the process. He had discussed with Mr.
15 Colgan having an educator on the Board of
16 Accountancy.]

17 ***

18 [Dolly M. Lalvani, CPA, Vice Chair, exited the meeting
19 at 11:09 a.m.]

20 ***

21 [The Board recessed from 11:09 a.m. until 11:25 a.m.]

22 ***

23 Appointments (Continued)

24 [Lori Kelly, CPA, AICPA, discussed recent CPA exam
25 changes. She encouraged students to sit for the exam.

1 She noted the benefits of sitting for the exam,
2 including prestige and respect in the business world,
3 competitive advantage, career security, job
4 satisfaction and variety, and income potential.

5 She stressed the importance of having an exam
6 strategy and noted that sitting for the exam requires
7 commitment.]

8 ***

9 [Dolly M. Lalvani, CPA, Vice Chair, entered the
10 meeting at 11:33 a.m.]

11 ***

12 [Ms. Kelly suggested that students use the exam
13 blueprint and familiarize themselves with the sample
14 test. She explained the importance of time management
15 in studying and preparing for the exam, as there is an
16 18-month window to complete all four sections.

17 She cited research that reflected the importance
18 of candidates having a support network to help get
19 through the process.

20 Ms. Kelly reviewed changes in the exam since April
21 2017 and explained that the exam will now assess
22 higher order cognitive skills such as application,
23 analysis and evaluation tasks. The exam is still four
24 sections, but now each section is four hours long.
25 Two hours were added to the testing time. The exam is

1 broken out into five testlets, and there will be a 15-
2 minute break.]

3 ***

4 [Alfonso Alexander, President, Center for Public
5 Trust, discussed ethics and ethical leadership. He
6 noted that the accounting profession holds high
7 respect in business and that accounting professionals
8 help protect the public.

9 Mr. Alexander explained the mission of the Center
10 for Public Trust as a 501(c)(3) organization
11 affiliated with NASBA. He noted the organization's
12 focus on DEEP mentorship, meaning develop, encourage,
13 empower and promote ethics and ethical leadership.

14 He cited a study that projected between 80 and 100
15 percent of students will face ethical dilemma within
16 first two years on the job. He noted that many young
17 professionals found unethical practices to be
18 prevalent, and they were unprepared for how severe
19 market pressures were for making decisions.

20 Mr. Alexander noted that CPT helps students become
21 prepared for the job. He discussed his own personal
22 experience regarding ethical dilemmas and also offered
23 other stories of ethical situations faced by young
24 professionals.

25 He discussed chapter programs, certification

1 programs, student leadership conference, and CPT's
2 Ethics in Action video contest. He presented a video
3 on the competitions.

4 Mr. Alexander encouraged students to consider
5 starting a chapter at Villanova. There currently 35
6 chapters with six more in line for the fall. He noted
7 some of the advantages of becoming involved in a CPT
8 chapter, including marketability, increased
9 opportunity, financial opportunities, scholarship
10 funding via contests. Mr. Alexander noted that the
11 closest chapters were at University of Delaware,
12 Rutgers, and Baruch College.

13 Mr. Alexander addressed student questions and
14 noted that his organization dealt with ethics in any
15 function within business, not just accounting. He
16 provided suggestions to another student to start the
17 process of mentorship by observing people in the
18 profession and ask them if they will consider being a
19 mentor. A Board member also suggested that when a
20 student attains an internship there will probably be a
21 mentoring program in company.]

22 ***

23 Adjournment

24 CHAIR BERKOWITZ:

25 I would make a motion to adjourn this

1 meeting.

2 MR. KELLY:

3 Second.

4 CHAIR BERKOWITZ:

5 All in favor?

6 [The motion carried unanimously.]

7 ***

8 [There being no further business, the State Board of
9 Accountancy meeting adjourned at 12:18 p.m.]

10 ***

11

12 CERTIFICATE

13

14 I hereby certify that the foregoing summary
15 minutes of the State Board of Accountancy meeting, was
16 reduced to writing by me or under my supervision, and
17 that the minutes accurately summarize the substance of
18 the State Board of Accountancy meeting.

19

20



21

Nicole B. Slick,

22

Minute Clerk

23

Sargent's Court Reporting

24

Service, Inc.

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STATE BOARD OF ACCOUNTANCY
REFERENCE INDEX
September 19, 2017

TIME	AGENDA
8:51	Official Call to Order
8:53	Executive Session
9:59	Return from Executive Session
10:04	Adoption of Minutes
10:06	Report of Regulatory Counsel
10:07	Report of Board Chairman
10:12	Appointments
11:09	Recess
11:25	Return to Open Session
11:26	Appointments (Continued)
12:18	Adjournment