

**NEW JERSEY STATE BOARD OF ACCOUNTANCY
PUBLIC SESSION MINUTES
JANUARY 21, 2010
SOMERSET ROOM - 6TH FLOOR**

I Call to Order and Roll Call - 9:45 A.M.

A meeting of the New Jersey State Board of Accountancy was convened in accordance with the provisions of the Open Public Meetings Act. Pursuant to those provisions, the proper notifications were made to the Office of the Secretary of State, the Camden Courier-Post, the Trenton Times, the Asbury Park Press, the Record, and the Star-Ledger. Board President Donald Jump called the meeting to order at 9:45 a.m. The following roll call was taken:

Keith Balla, CPA	Present
Robert Cagnassola, CPA	Present
John Dailey, Jr., CPA	Present
Albertus Jenkins, Public Member	Present
J. Frank Johnson, Public Accountant	Present
Donald Jump, CPA	Present
Paul J. Lerch, CPA	Present
Michael S. Taxin, Public Accountant	Present
Peter Torok, Public Member	Present
John E. Tully, CPA	Present
Steven Weinstein, CPA	Present

Also present at the meeting were William Mandeville, Executive Director; Tobey Palan, Deputy Attorney General; Melba Rodriguez, Secretarial Assistant; Marie Lisa, Staff; Ralph Thomas, Executive Director, NJSCPA and Mike Polito, Past President, NJSCPA.

II Minutes of the Meeting of December 17, 2009

On a motion made by Albertus Jenkins, seconded by Peter Torok, the Board voted to approve the December 17, 2009 Public Session minutes with corrections. The vote of the Board was eight voting in favor with Paul Lerch, John Tully and Steven Weinstein abstaining.

III President's Remarks

President Jump welcomed Mr. Lerch, Mr. Weinstein and Mr. Tully as recently appointed Board members and asked them to introduce themselves to the rest of the Board.

Steven Weinstein greeted everyone and informed the Board that he was originally from New York and moved to New Jersey in 1986. He owns a firm that specializes in audits of nonprofit organizations.

Paul Lerch greeted everyone and informed the Board that he has been in the profession for over 20 years and he specializes in the government sector.

John Tully greeted everyone and stated everyone that he had previous experience as a member of the Board. He noted that replaced Andrew DuBoff and recognized Mr. DuBoff as a great Board member and a tremendous asset to the Board.

IV Executive Director's Remarks

Executive Director Mandeville welcomed the new Board members to the Board and informed everyone that Board Member Manuals have been distributed to the new members. These manuals are prepared by the Director's Office in an effort to inform new members of the operations of the Board. He stated that if anyone has questions they should feel free to contact him or DAG Palan.

Executive Director Mandeville informed the Board that volunteers are still needed to complete the schedule of Investigative Inquiries for the year 2010.

V Request for Reinstatement via Endorsement

A Arleen G. Frey

Arleen G. Frey is requesting a waiver of three semester hours in Finance to reinstate her expired New Jersey CPA license through the State of Pennsylvania. Ms. Frey's New Jersey CPA license expired on 09/30/97.

On a motion made by Robert Cagnassola, seconded by John Dailey, the Board voted to approve Ms. Frey's request to reinstate her CPA license through endorsement based in accordance with N.J.S.A. 45:2B-53. The vote of the Board was unanimous.

VI Consent Order

A Michael A. Hronich

This matter was discussed as informational in nature. Mr. Hronich has agreed and signed the Consent Order issued by the Board which was also signed by President Jump.

VII Committee Reports

A CPA Examination Committee

No report was given.

B Ethics Committee

Mr. Balla informed the Board that he is currently waiting for information relating to the submission of a Law and Ethics course. Once he receives these materials the committee will review the course and report back to the full Board.

C CPE Committee

No report was given.

D RMA Committee

Mr. Cagnassola informed the Board that the RMA Examination was given on Friday, December 4, 2009. There were 14 candidates registered and 13 of them

took the exam. The exam has been graded and they will be reported in Executive Session.

At the conclusion of the Executive Session, prior to adjournment, the Public Session was reopened to report the approval and release of the final grades.

On a motion made by Robert Cagnassola, seconded by John Tully, the Board voted to approve and release the results of the RMA examination. The vote of the Board was unanimous

E QE Committee

Mr. Cagnassola informed the Board there will be a QE Committee meeting in the near future to review responses to the one letter of comment received from the public relative to the proposed Peer Review regulations. Mr. Cagnassola stated that he planned to meet with Regulatory Analyst Sheehan later in the day to discuss this matter and set a date for the meeting. Mr. Cagnassola invited President Jump and Mr. Dailey to attend the meeting if their schedules permit.

Mr. Thomas commented to the Board that the Society did submit a letter of comment regarding the Peer Review regulation and wanted to know if they would receive correspondence regarding their comment. DAG Palan informed Mr. Thomas that he would not receive an individualized letter. The Board would address all comments in the New Jersey Register.

F Education Committee

No report was given.

G Reciprocity Committee

Keith Balla had no report for the Board.

H Nominating Committee

Mr. Cagnassola informed the Board that in March the proposed slate of officers will be presented to the Board followed by formal nominations in April. The new officers would then take office in May. If any Board member is interested in serving as an officer they are asked to contact Mr. Cagnassola.

I Statute/Rules/Regulations Committee

Mr. Dailey reported that there is a meeting scheduled for January 25, 2010 to continue the process of the sunset review of the rules and regulations. A draft of the revised regulations has been completed and the Committee will be reviewing this draft on January 25, 2010 and plan to present the draft to the full Board at the February Board meeting.

J Planning Committee

No report was given.

K Monitoring Profession Committee

John Dailey had no report for the Board.

VIII Miscellaneous

A Ann Marie O'Hare

Correspondence was received from Ann Marie O'Hare wherein she is requesting an extension until April 30, 2010 to complete her Peer Review.

On a motion made by John Dailey, seconded by John Tully, the Board voted to exempt Ms. O'Hare from subjecting her practice of accountancy to a Peer Review as long as she does not perform attestation services and is to provide the Board office with a letter confirming that she does not perform such services. In the future, she is required to notify the Board if she expands her practice to include any level of attestation services. Ms. O'Hare is also to be informed that if she does not possess a firm registration she is required to obtain one. It was noted that this decision does not make Ms. O'Hare exempt from the AICPA's requirements. The vote of the Board was unanimous.

B Karen Muckenthaler

Correspondence was received from Karen Muckenthaler, wherein she informs the Board that she is in the process of selling her late husband's accounting practice. In the meantime, she has hired a CPA to run the practice until a sale has been completed. Ms. Muckenthaler is looking for Board guidance to ensure that the practice is operating within the Boards laws and regulations.

On a motion made by John Dailey, seconded by Keith Balla, the Board voted to authorize DAG Palan to contact Ms. Muckenthaler and inform her of the statutes and regulations relative to firm ownership. Specifically, she should be made aware of N.J.S.A. 45:2B-54.1 and N.J.S.A. 45:2B-55. Ms. Muckenthaler is also to be informed that her husband's license and firm registration ceased upon his death. After DAG Palan has spoken to Ms. Muckenthaler a letter will be sent to her as a follow up to the conversation. The vote of the Board was unanimous.

IX Public Comments

Ralph Thomas, Executive Director, NJSCPA extended a welcome to all of the new Board members.

Mr. Thomas informed the Board that a Town Hall meeting was held on January 13, 2010 and the guest speaker was the immediate past chair of the AICPA Ernie Almonte.

Mr. Thomas informed the Board that the Society is closely monitoring proposed legislation that would subject professional services, including accounting services, to state sales tax and also the licensing of tax preparers.

Mr. Thomas informed the Board that on April 22, 2010 the Society will conduct its Annual Scholarship Awards Ceremony. This year marks the 50th year for the Scholarship Fund. He also informed the Board about the Society's In-state Convention that will be held at Bally's in Atlantic City, June 2 -3, 2010. The Society's Getaway Convention will be in Naples, FL, November 3-6, 2010.

Mike Polito, Past President, NJSCPA informed the Board that, in October, Paul Stahlin, Past President of the NJSCPA, will become the Chair of the AICPA. It is believed that Mr. Stahlin may be the first New Jersey CPA to hold that prestigious position.

On a motion made by Steven Weinstein, seconded by Peter Torok, the Board voted to adjourn the Public Session meeting at 10:50 A.M. to reconvene in Executive Session to discuss the results of the Investigative Inquiry conducted on January 14, 2010, one Request for Reinstatement, one matter of Old Business, one matter of New Business and three Consumer Complaints. The vote of the Board was unanimous.

Respectfully submitted,

William Mandeville
Executive Director