

NEW JERSEY STATE BOARD OF ACCOUNTANCY
PUBLIC SESSION MINUTES
JANUARY 26, 2006
SOMERSET ROOM

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. Andrew DuBoff, President of the Board, called the meeting to order at 9:40 A.M. The following roll call was taken:

Keith Balla, CPA Present
Robert Cagnassola, CPA Present
John Dailey, Jr., CPA Present
Andrew DuBoff, CPA Present
Bennie Hadnott, CPA Present
Albertus Jenkins, Public Member Present
Donald Jump, CPA Present
Aubrey Kosson, CPA Present
Margaret Shoe, Public Accountant Present
Robert Sommer, Public Accountant Present
Peter Torok, Public Member Present
John Tully, CPA, Government Member Present - Arrived 9:45 A.M.

Also present at the meeting were William Mandeville, Executive Director; Tobey Palan, Deputy Attorney General; Dale Nelson, CPA, Director of Accountancy; Melba Perez, Assistant to the Executive Director; Marie Lisa, Board Staff; Jaleila Wilson, Board Staff; Jonathan Eisenmenger, Board Staff; Ralph Thomas, Executive Director, NJSCPA; Henry Rinder, President, NJSCPA; Mike Polito, CPA, Past President, NJSCPA; James Bourke, President Elect, NJSCPA; Richard Van Volkenburgh, PA, NJAPA and Irene Douma, Professor, Montclair State University.

I Minutes of the Meeting of December 15, 2005

On a motion made by Robert Sommer, seconded by Donald Jump, the Board voted to approve the December 15, 2005 Public Session minutes as corrected. The vote of the Board was 11 voting in favor with Margaret Shoe abstaining.

II President's Remarks

President DuBoff presented to the Board the Investigative Inquiry assignments for calendar year 2006.

President DuBoff informed the Board that he attended the quarterly NASBA Board meeting. As discussed at the meeting, more people are applying for the CPA exam. He also informed the Board that the issues raised by the State Boards of New York, California and Texas regarding all the problems with the exam are to be addressed by a special task force, including the possibility of obtaining another examination provider when the contract has expired.

President DuBoff informed the Board that there will be significant changes in the next exposure draft of the NASBA Education Committee proposals.

President DuBoff informed the Board that the Center for Public Trust meeting scheduled for March 17th was postponed for another date later in the year.

President DuBoff also informed the Board that the NASBA Executive Director's Conference on February

13-16, 2006 will be held in Tucson, AZ. Executive Director Mandeville is awaiting approval to attend.

III Executive Director's Remarks

Executive Director Mandeville had no report for the Board.

IV Request for Waiver to Endorse License

A Kislav Shah

This matter was previously reviewed at the December 15, 2005 Board meeting. Kislav Shah is requesting a waiver to reciprocate his New York license. Mr. Shah is lacking 3 semester hours in Finance, 6 semester hours in Economics, 21 semester hours in Accounting and 34 semester hours in Liberal Arts.

On a motion made by Robert Cagnassola, seconded by Keith Balla, the Board voted to grant Mr. Shah's request for reciprocity, based on N.J.S.A. 45:2B-53(b) subject to him signing an affidavit that he has completed the 120 CPE requirements. The vote of the Board was unanimous.

B Patrick Shelley

This matter was previously reviewed at the July 28, 2005 Board meeting. Patrick Shelley is requesting a waiver to reciprocate his Pennsylvania license. Mr. Shelley is lacking two semester hours in Business Law and two semester hours in Finance.

On a motion made by Margaret Shoe, seconded by Donald Jump, the Board voted to deny Mr. Shelley's request for reciprocity. Mr. Shelley is to be notified that he will not be eligible for reciprocity until July 31, 2006 provided that he shows proof of employment and that he renewed his license in the State of Pennsylvania. The vote of the Board was 10 voting in favor with Keith Balla and Robert Cagnassola opposing.

V Request for Waiver to Transfer Grades

A Christopher V. Thornton

Christopher Thornton is requesting to transfer his grades from the State of New York. Mr. Thornton sat for the ARE and FARE exam for the first time and passed the ARE. Mr. Thornton sat for the ARE and FARE exam before it became computerized. He sat for the remaining three parts and passed via CBT.

On a motion made by Margaret Shoe, seconded by Keith Balla, the Board voted to inform Mr. Thornton to sit for the FARE within the 18 month rolling period. The vote of the Board was unanimous.

B Olusanya Adewusi

This matter was previously reviewed at the September 22, 2005 Board meeting and the Board voted to deny Mr. Adewusi's request for transfer of grades. Mr. Adewusi is to either complete the credits he is lacking or get a license in Michigan and gain the four years of experience before applying for reciprocity. The vote of the Board was unanimous.

Mr. Adewusi has submitted another letter with additional questions.

On a motion made by Bennie Hadnott, seconded by Robert Sommer, the Board voted to re-direct Mr. Adewusi to the rules and regulations. The vote of the Board was unanimous.

C Radhika Samant

This matter was reviewed at the October 18, 2005 Board meeting and the Board voted to inform Ms.

Samant that she must complete the credits she is lacking or complete the experience in the State of Arizona and then she may apply for licensure in the State of New Jersey.

Ms. Samant is now requesting a waiver of seven credits in Liberal Arts in order to obtain a CPA license in the State of New Jersey.

On a motion made by Margaret Shoe, seconded by Donald Jump, the Board voted to uphold its original decision and deny Ms. Samant's request. Ms. Samant is to be informed that she must complete the credits she is lacking or complete the experience requirements. The vote of the Board was unanimous.

VI Committee Reports

A CPA Examination Committee

Aubrey Kosson had no report for the Board.

B Ethics Committee

John Tully had no report for the Board.

C CPE Committee

Dale Nelson informed the Board that he has put together a draft of revised CPE regulations. Copies were sent to Robert Sommer and Donald Jump for review.

Donald Jump informed the Board that he would like to hold a meeting with Maryann Sheehan, Regulatory Analyst to make sure that the Board's CPE rules are in compliance with those of NASBA and AICPA and also to discuss the standards of self study.

D RMA Committee

The Chair deferred this matter to Executive Session for advice of counsel.

E QE Committee

Robert Cagnassola informed the Board that there was a meeting held in January to discuss the QE program. Another meeting will be held next month to discuss the matter further.

F Education Committee

Bennie Hadnott had no report for the Board.

G Reciprocity Committee

Keith Balla had no report for the Board.

H Nominating Committee

Robert Cagnassola reported to the Board that the Committee will be meeting in February.

I Statute/Rules/Regulations Committee

Donald Jump had no report for the Board.

J Planning Committee

Margaret Shoe had no report for the Board.

K Monitoring Profession Committee

The Chair deferred this matter to Executive Session for advice of counsel.

VII Public Comments

Dale Nelson, Director of Accounting informed the Board that he would be retiring as of July 31, 2006. Mr. Nelson informed the Board that he enjoyed the time with the Board and serving the people of New Jersey. Mr. Nelson also informed the Board that he will provide assistance if needed in defining his position and wants to make sure that the CPE regulations are completed before his departure. He would also like to continue working with the Board and the Quality Enhancement reviewers.

President DuBoff thanked Mr. Nelson for his work while on Board on behalf of everyone.

Ralph Thomas, Executive Director, NJSCPA informed the Board that there will be a scholarship ceremony on April 20 and invited the Board to attend. May 4th and 5th the Society will be holding an in state convention at the Tropicana Hotel in Atlantic City. The Society annual meeting will be on November 8-11, 2006 in San Juan, PR.

Mr. Thomas informed the Board that there was a big turnout for the NJ Law and Ethics course presentation on December 29, 2005. He informed the Board that between 12,000 and 13,000 licensees attended this program within the three year period.

Mr. Thomas informed the Board that he had a meeting with Kimberly Ricketts, Director, Consumer Affairs on January 5, 2006 regarding the Financial Literacy seminar taking place on January 28, 2006. Director Ricketts will be the kick off speaker at this seminar.

Mr. Thomas informed the Board that the August 2006 peer review conference has been postponed until 2007.

Mr. Thomas congratulated Mr. Nelson on the service he provided the Board and wished him well on his retirement.

Henry Rinder, CPA, President, NJSCPA reported to the Board the problems encountered in implementation of FIN46 and no guidance may result in more complaints against CPAs in the future.

On a motion made by Robert Sommer, seconded by Albertus Jenkins, the Board voted to adjourn the Public Session Board meeting at 10:45 A.M. to reconvene in Executive Session to discuss the results of the two matters from the January 12, 2006 Investigative Inquiry, one response from a former licensee who must re-take the CPA examination, five matters of Old Business, two matters of New Business and four Consumer Complaints. The vote of the Board was unanimous.

Respectfully submitted,

William Mandeville
Executive Director