

**NEW JERSEY STATE BOARD OF ACCOUNTANCY
PUBLIC SESSION MINUTES
FEBRUARY 17, 2009
MONMOUTH ROOM - 7TH FLOOR**

I Call to Order and Roll Call - 9:35 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 Albertus Jenkins called the meeting to order at 9:35 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, PA Present
Robert Sommer, PA Present
Peter Torok, Public Member 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; Mike Polito, Past President, NJSCPA; James Blake, President, NJSCPA and David Plaskow, Editor, NJSCPA Magazine.

II Minutes of the Meeting of January 15, 2009

On a motion made by Andrew DuBoff, seconded by Robert Sommer, the Board voted to approve the January 15, 2009 Public Session minutes with corrections. The vote of the Board was ten voting in favor with Bennie Hadnott abstaining.

III President's Remarks

President Jenkins had no report for the Board.

IV Executive Director's Remarks

Executive Director Mandeville reported to the Board that the license renewal process ended on January 30, 2009. Letters were mailed out to licensees who had not renewed their license prior to the deadline and those licenses have now been suspended. Licensees with suspended licenses must go to the Board's website to reinstate their licenses.

Executive Director Mandeville reported to the Board that an appeal has been filed by Mr. Larry S. Loigman, Esq. regarding a matter reviewed in Executive Session during the Board's January 15, 2009 meeting. DAG Palan is handling the matter on behalf of the Board.

V Requests for Waivers

A David J. Steiner

Correspondence was received from David Steiner wherein he requests reinstatement of his CPA license in the State of New Jersey. Mr. Steiner is lacking three semester hours in Finance.

On a motion made by Andrew DuBoff, seconded by Keith Balla, the Board voted to send Mr. Steiner a letter requesting that he supply the Board office with a statement of experience signed by an appropriate individual other than himself. Upon receipt of this document Executive Director Mandeville will handle the matter administratively. The vote of the Board was unanimous.

B Tamara C. Beresky

Correspondence was received from Tamara Beresky wherein she is requesting reciprocity of her New York license. Ms. Beresky is deficient 14 semester hours required to comply with the 150 hour requirement. Ms. Beresky is applying for a waiver under the "four in ten" rule.

On a motion made by Donald Jump, seconded by Robert Sommer, the Board voted to approve Ms. Beresky's request to reciprocate her New York license under N.J.S.A. 45:2B-53. The vote of the Board was ten voting in favor with Andrew DuBoff abstaining.

C Jan P. Nagel

Correspondence was received from Jan Nagel wherein he is requesting the Board to waive 38 semester hours in Liberal Arts under the "four in ten" rule. Mr. Nagel was licensed in the State of New York in 1992 and has been employed by KPMG for 31 years.

On a motion made by Robert Sommer, seconded by Bennie Hadnott, the Board voted to approve Mr. Nagel's request to reciprocate his New York licensed under N.J.S.A. 45:2B-53. The vote of the Board was unanimous.

VI Focus Questions

On a motion made by Robert Cagnassola, seconded by Donald Jump, the Board approved the NASBA Focus Questions. Mr. DuBoff will finalize answers to the questions, based on the Board's discussion, and they will be presented at the March Board meeting. The vote of the Board was unanimous.

VII Miscellaneous

A Attorney General Anne Milgram Charges Tax Preparers Falsely Advertised "Same Day" Tax Refunds

The Board accepted the report from Attorney General Milgrim as informational.

B Gary Drago

Correspondence was received from Mr. Drago wherein he would like Board clarification as to whether or not New Jersey licensees are required to follow the AICPA Standards for performing valuation services. On a motion made by Keith Balla, seconded by Robert Cagnassola, the Board voted to inform Mr. Drago that the New Jersey State Board of Accountancy has not adopted the AICPA's valuation standards at this time. The vote of the Board was unanimous.

VIII Committee Reports

A CPA Examination Committee

Aubrey Kosson had no report for the Board.

B Ethics Committee

Donald Jump reported to the Board that an Ethics Committee Meeting was held on February 11, 2009 with New Jersey Law and Ethics course providers to discuss course development for the new triennial period. Present at the meeting were Donald Jump, DAG Palan, Executive Director Mandeville and ten additional people representing seven different course providers. Mr. Jump reported that various items came up during the meeting including the CPE regulations. Mr. Jump reminded everyone that the Law and Ethics course also the approved orientation course.

To date, two providers have submitted courses. These courses will be reviewed and a report will be made at the March meeting regarding their status.

Lastly, Mr. Jump indicated that, subsequent to the course approval process, the committee intends to make at least one visit to a presentation made by each approved course provider.

C CPE Committee

Robert Sommer had no report for the Board.

D RMA Committee

Robert Cagnassola had no report for the Board.

E QE Committee

Robert Cagnassola informed the Board that he had spoken to Regulatory Analyst Maryann Sheehan regarding the proposed Peer Review regulations and she has indicated that things are moving along.

F Education Committee

Bennie Hadnott informed the Board that he would make his report in Executive Session.

G Reciprocity Committee

Keith Balla had no report for the Board.

H Nominating Committee

Andrew DuBoff reported to the Board that the Nominating Committee will be getting together to discuss nominations for the next fiscal year. Mr. DuBoff requested that any Board members with recommendations or comments to please forward them to him so that they may be discussed by the committee prior to the March Board meeting.

I Statute/Rules/Regulations Committee

Andrew DuBoff reported to the Board that three meetings of the committee have recently been held; the most recent meeting was held on February 9th. One issue that was discussed during that meeting was the orientation course that new licensees must now attend. There remained some question, however, as to whether or not the orientation course is required to be taken by new licensees granted licenses by reciprocity.

On a motion made by Andrew DuBoff, seconded by Donald Jump, the Board voted that, identical to newly licensed individuals who have passed the CPA exam, licensees who have been granted reciprocal licenses will also have to attend an orientation course within the first six months of licensure and documentation of attendance must be forwarded to the Board within 30 days of attendance, as required by the statute.

Mr. DuBoff also reported to the Board that the Mobility law will be in effect as of July 15, 2009. The committee has reviewed all Board regulations for any modifications necessary as a result of Mobility and

has recommended a few minor changes to the regulations that will be submitted to the Board at a subsequent meeting.

Lastly, Mr. DuBoff informed the Board that the current regulations will expire in 2010 and that the committee will meet in the near future to begin a complete review of the regulations for any necessary amendments.

J Planning Committee

Margaret Shoe reported to the Board that she received an email from NASBA regarding a meeting to explore ways to improve communications between jurisdictions. Ms. Shoe will be logging into a teleconference on February 24th and will report back to the Board at the March meeting.

On a motion made by Andrew DuBoff, seconded by Peter Torok, the Board voted to approve Margaret Shoe as the Board's Communications Officer. The vote of the Board was unanimous.

K Monitoring Profession Committee

John Dailey had no report for the Board.

IX Public Comments

James Blake, President, NJSCPA informed the Board of the Society's Scholarship Ceremony that will be held on Thursday, April 23rd at the Radisson Hotel on Route 1 in Woodbridge, NJ. Mr. Blake invited all the Board members to attend this ceremony. Mr. Blake informed the Board that approximately \$375,000 in scholarships will be awarded that evening.

Mr. Blake informed the Board of the Society's Annual In-State Convention on June 3-5, 2009 which will be held at Bally's in Atlantic City, NJ. The keynote speaker will be Bob Herz, Chairman of FASB.

Mr. Blake informed the Board that Career Night will be held on October 1, 2009 at 5:30 P.M. at the Pines Manor, Edison, NJ.

Mr. Blake informed the Board that the Society will be conducting its Annual Getaway Convention at the new Fairmont Hotel in Boston, MA on August 6-8, 2009. This meeting will include 10 hours of CPE.

Mr. Blake informed the Board that a posting of the CPE regulations would be on the Society's website later on that week. The Society has been busy updating the New Jersey Law and Ethics course for the new triennial period and hope to receive approval to move forward with the Ethics course.

Lastly, Mr. Blake states that the Society will be sponsoring two NJBIA Meet the Decision Makers programs on February 27th and March 24th featuring the Governor's Chief of Staff, the State Treasurer and the Director of Taxation. This meeting will be held at the Foresgate Country Club in Jamesburg.

Mike Polito, Past President, NJSCPA praised the Ethics Committee for the recent course provider meeting. He stated that he was disappointed in some of the negative comments made regarding the requirement that licensees continue to take the course every three years. Mr. Polito did not feel that the course material was redundant that it is constantly updated for changes in the laws and regulations. He stated that if other course providers would attend Board meetings, they would be aware of matters such as license renewal, which appears to continue to be a problem area for some licensees. . Mr. Polito believes that the course is appropriate since licensees do not take the time to read the Board's rules and regulations on their own.

Ralph Thomas, Executive Director, NJSCPA discussed Senate Bill S-1609. This Bill addresses fiscal management and controls pertaining to State universities and research colleges.

Mr. Thomas also updated the Board of changes to the Society's Peer Review Program in an effort to prepare for the influx of firms previously enrolled in the State's QE program should the current regulations be amended to require Peer Review. He estimated as many as 400 new firms could be enrolled in the Society's program.

Mr. Thomas questioned the Board regarding the release of the results of successful candidates sitting for the CPA Exam that receive the highest grades. He was informed that unfortunately, with the implementation of the electronic exam, that practice is no longer possible.

Lastly, Mr. Thomas requested statistics relative to license renewals. Executive Director Mandeville stated that 91% of the CPA's have renewed their licenses.

On a motion made by Robert Sommer, seconded by Bennie Hadnott, the Board voted to adjourn the Public Session meeting at 10:40 A.M. and to reconvene in Executive Session to discuss the results of the Investigative Inquiry conducted on February 5, 2009, one matter of New Business, one matter of Old Business, one Request to Sit for the CPA Exam, an Education Committee matter, one Request for CPE Waiver and four Consumer Complaints. The vote of the Board was unanimous.

At 12:15 P.M. the Public Session was re-opened to discuss the following matter that appeared on the Executive Session Agenda.

X Education Committee (Executive Session Agenda)

Correspondence was received from Compliance Services regarding whether AARTS accredited schools meet the educational requirements to sit for the CPA exam. The matter had been referred to the Education Committee. Mr. Hadnott reviewed the matter with the Board.

On a motion made by Bennie Hadnott, seconded by Aubrey Kosson, the Board voted to accept AARTS. The vote of the Board was unanimous.

Respectfully submitted,

William Mandeville
Executive Director