NEW JERSEY STATE BOARD OF ACCOUNTANCY
PUBLIC SESSION MINUTES
FEBRUARY 19, 2004
HUDSON 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. Herbert Lipman, President of the Board, called the meeting to order at 9:35 A.M. The following roll call was taken:

Keith Balla, CPA	Present
Elizabeth Burns, CPA	Excused
Robert Cagnassola, CPA	Present
Andrew DuBoff, CPA	Present
Bennie Hadnott, CPA	Present
Albertus Jenkins, Public Member	Present
Aubrey Kosson, CPA	Present
Herbert Lipman, CPA	Present
Alfonso Pisano, Esq., Public Member	Present
Margaret Shoe, Public Accountant	Present
Robert Sommer, Public Accountant	Present
John Tully, CPA, Government Member	Excused

Also present at the meeting were William Mandeville, Executive Director; Marianne Greenwald, Deputy Attorney General; Dale Nelson, CPA, Director of Accountancy; Melba Perez, Assistant to the Executive Director; Ralph Thomas, Executive Director, NJSCPA; Mike Polito, CPA, Past President, NJSCPA; James Evans, CPA, President, NJSCPA; John LaPilusa, President-Elect, NJSCPA.

I Minutes of the Meeting December 18, 2003

On a motion made by Margaret Shoe, seconded by Bennie Hadnott, the Board approved the December 18, 2003 Public Session minutes with corrections. The vote of the Board was unanimous.

II Minutes of the Meeting of January 22, 2004

On a motion made by Margaret Shoe, seconded by Albertus Jenkins, the Board voted to table the approval of the January 22, 2004 Public Session Minutes until the March 2004 Board meeting. The vote of the Board was unanimous.

III President's Remarks

Mr. Lipman received a recommendation from the CPA Examination Committee regarding a new procedure

for the approval of the grades. They are thinking of ways to speed up the process in order to release the results. The Board has decided to grant Mr. Mandeville the authority to approve the release of the grades to candidates taking the computerized exam in April and May so that they will be able to schedule dates in July and August if necessary. By March 1st notices will be mailed so that the candidates may contact Prometric.

Mr. Lipman informed the Board that the link to the examination services has been added to the Board's website.

AICPA is in the process of forming a new peer review process for non-public company practice.

Mr. Lipman referenced an article from the Journal of Accountancy. In the Journal, ten different people were interviewed regarding Sarbanes/Oxley. David Costello provided a very interesting report.

Mr. Lipman informed the Board that the Certificate Ceremony date is approaching and a guest speaker must be contacted. DAG Greenwald will make an attempt to contact Peter Harvey, Attorney General. Ms. Shoe suggested Bob Thompson as a second choice.

IV Executive Director's Remarks

Mr. Mandeville reported to the Board that he attended his first NASBA Executive Director's Conference which was held in Savannah, Georgia. Mr. Mandeville felt that the Conference was very helpful and informative and that it was a very valuable experience.

V Request for Waiver to Endorse License

A. Scott Michael Parker

Scott Michael Parker requested a waiver to reciprocate his New York license. Mr. Parker is lacking one semester hour in a Business Elective.

Upon review of the information it was noted that Mr. Parker's New York license expired in November 2003. Mr. Parker did not take all four parts of the exam on the first try.

On a motion made by Keith Balla, seconded by Albertus Jenkins, the Board voted unanimously to send the matter back to the Reciprocity Committee for its evaluation of the overall issue.

B. Samuel Leigh Burke

Samuel Leigh Burke requested a waiver to reciprocate his Virginia license. Mr. Burke is lacking three semester hours in Finance.

On a motion made by Alfonso Pisano, seconded by Robert Sommer, the Board voted to waive Mr. Burke's three semester hours in Finance and approve his request for reciprocity. The vote of the Board was nine in favor with Mr. DuBoff abstaining.

VI CPA Examination Inquiry

A Allison Lo

Correspondence was received from Ms. Lo wherein she inquires how many times she will be allowed to take the CPA examination. Ms. Lo had contacted Daniel Newman at CPAES and he could not help her and advised her to contact the New Jersey State Board.

Upon review of the information, Ms. Lo will be advised that she has five years or ten sittings, which ever occurs first. In addition, she will be informed that she can take the remaining parts one at a time.

VII Evaluation of Education/Experience Request

A. Subodh Naik

Mr. Naik received his Bachelor's degree in India in Accounting/Auditing. He sat for and passed the CPA examination in Delaware. Since some of Mr. Naik's education was obtained outside the US, he was asked to prepare an education evaluation to meet the educational equivalency requirements. All the information was sent to the ECE and to Daniel Newman at CPAES. Mr. Naik was recently notified by Mr. Newman that he does not meet the minimum academic requirements to obtain reciprocity in the State of New Jersey. Mr. Naik is requesting the Board review and consider this matter.

Upon review of the information, it was noted that Mr. Naik took and passed the examination in 1998. If Mr. Naik is licensed in another state, his transfer of grades will be approved. He needs to meet the New Jersey State Board requirements and make up the courses in which he is deficient.

On a motion made by Alfonso Pisano, seconded by Robert Sommer, the Board voted to allow Mr. Naik to transfer the grades if he licensed in another state. Mr. Mandeville was advised to contact Mr. Naik and find out if he currently is licensed in another state. The vote of the Board was unanimous.

B Richard Bernstein

Mr. Bernstein is looking to obtain his CPA certification in the State of New Jersey. He graduated from Babson College in 1985 as an accounting major but never applied to become a licensed CPA. Mr. Bernstein worked as an accountant/financial officer in private industry for 17 years. Mr. Bernstein is currently a student at Rutgers Law School. He asked that the Board review and consider his extensive experience and that he be allowed to be licensed as a CPA in the State of New Jersey.

On a motion made by Bennie Hadnott, seconded by Alfonso Pisano, the Board voted to advise Mr. Bernstein to take the examination and then the Board will evaluate his experience. The process of experience only starts after graduation. The vote of the Board was unanimous.

C Albert G. Deana

Mr. Deana is requesting a waiver of three semester hours in Finance to meet the minimum academic requirements. Mr. Deana has been an active practicing CPA in Pennsylvania for the past 16 years and is currently a partner at Ernst & Young in Philadelphia, PA.

On a motion made by Alfonso Pisano, seconded by Bennie Hadnott, the Board voted to approve Mr. Deana's request for a waiver of three semester hours in Finance so he meets the minimum academic requirements. The vote of the Board was unanimous.

VIII Nomination for NASBA Vice Chair

Correspondence was received from Barbara J. Adams, Chair of the Board of Accountancy in the State of Washington. The Board of Accountancy in Washington unanimously voted to nominate Diane Rubin, CPA for NASBA Vice Chair.

The letter was presented for Board review and accepted as informational.

IX Focus Questions

The Board reviewed the Focus Questions and have postponed answering them until the March 2004 Board meeting.

X Professional Mutual Recognition Agreement

The information was reviewed and forwarded to the Reciprocity Committee for further discussion.

XI Committee Reports

A. CPA Examination Committee

Aubrey Kosson had no report for the Board.

B. Ethics Committee

No report was given.

C. CPE Committee

Mr. Sommer attended the CPE Conference in Savannah, Georgia on February 9-11, 2004. There was a discussion regarding standardizing the Ethics requirements.

Mr. Sommer reported that there are four states trying to adopt CPE agreements once the requirements are met. CPE Sponsors will assess the new standards.

The badges used by the Maryland Board have bar codes attached to it. Your attendance can be tracked via the bar.

Mr. Hadnott also attended the CPE Conference.

D. RMA Committee

Mr. Cagnassola reported that Mr. Tully wrote a letter to the Department of Community Affairs. The person he wrote to has now resigned so now another letter must be sent to the new individual.

E. QE Committee - Robert Cagnassola, Chairperson

Mr. Cagnassola had one matter that was referred to Executive Session.

There was a Quality Enhancement Committee meeting on February 5, 2004.

Dale reported that there are new requests for all firms that submit audits for review to also submit the audit program they used for that engagement.

March 23, 2004 is the next meeting.

F. Education Committee

Aubrey Kosson had no report for the Board.

G. Reciprocity Committee

Ms. Shoe requested that the members in the Reciprocity Committee meet to discuss some issues. A meeting will be scheduled prior to the next Board meeting.

H. Nominating Committee

Mr. Sommer requested that anyone who wants to make nominations for the upcoming elections should provide him with the information.

I. Rules/Regulations Committee

Andrew DuBoff had no report for the Board.

J. Professional Liaison Committee

Andrew DuBoff had no report for the Board.

K. Planning Committee

Robert Sommer had no report for the Board.

XII Public Comments

Mike Polito reported to the Board that the web cast enacted for taking the law and ethics course is now in place and he would like the Board's approval so it can begin April of 2004. All participants would need is a telephone line and computer in order take the course. Mr. Polito also informed the Board that all the security problems have been addressed. Mr. Polito also advised the Board that it is more costly to take than the live course.

On a motion made by Robert Cagnassola, seconded by Bennie Hadnott, the Board voted to approve this program and would like the Society to keep the Board informed of the success and any failures that may occur. The vote of the Board was unanimous.

Ralph Thomas informed the Board that the AICPA Peer Review Committee will be preparing a new white paper and that it will be presented to the Board once it has been finalized.

Mr. Thomas spoke about Bill A 2227 which would increase the number of Board members. The Board advised Mr. Thomas that the Bill had been presented previously and it was denied. The Board would like to send a letter again to express its opposition to this Bill. It is not necessary to increase the Board.

On a motion made by Alfonso Pisano, seconded by Andrew DuBoff, the Board voted to express its opposition to this Bill again. The vote of the Board was unanimous.

Mr. DuBoff reported that there are only a few Boards with more than 12 members. All other Boards have fewer than ten members.

On a motion made by Andrew DuBoff, seconded by Alfonso Pisano, the Board voted to adjourn the Public Session Board meeting at 11:30 A.M. for the purpose of reconvening in Executive Session to discuss two Investigative Inquiry matters, 49 requests for reinstatement and four consumer complaints. The vote of the Board was unanimous.

Respectfully submitted,

William Mandeville
Executive Director