

**NEW JERSEY STATE BOARD OF ACCOUNTANCY
PUBLIC SESSION MINUTES
MARCH 15, 2012
HUDSON ROOM - 6TH FLOOR**

I Call to Order and Roll Call - 9:30 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 Keith Balla called the meeting to order at 9:30 a.m. The following roll call was taken:

Keith Balla, CPA	Present
Robert Cagnassola, CPA	Present
John F. Dailey, Jr., CPA	Present
Daniel J. Geltrude, CPA	Present
Albertus Jenkins, Public Member	Present
Donald Jump, CPA	Excused
Paul J. Lerch, CPA	Excused
Michael S. Taxin, Public Accountant	Present
Steven Weinstein, CPA	Arrived 9:40 A.M.

Also present at the meeting were William Mandeville, Executive Director, Tobey Palan, Deputy Attorney General, Marie Lisa, Staff, Jaleila Wilson, Staff, Ralph Thomas, Executive Director, NJSCPA, Mike Polito, Past President, NJSCPA, Andy DuBoff, Former Board Member, David Plaskow, Editor, NJSCPA Magazine.

II Minutes of the Meeting of February 16, 2012

On a motion made by John Dailey, seconded by Robert Cagnassola, the Board voted to approve the February 16, 2012 Public Session minutes with corrections. The vote of the Board was unanimous.

III President's Remarks

Board President Balla had no report for the Board.

IV Executive Director's Remarks

Executive Director Mandeville had no report for the Board.

V Uniform Penalty Letter in Lieu of Formal Complaint for CPE Audit

A REQUESTED VOLUNTARY SURRENDER

1. Alan C. Moide!

On a motion made by John Dailey, seconded by Robert Cagnassola, the Board voted to approve the request for voluntary surrender. The vote of the Board was unanimous.

B PAID PENALTY AND REQUESTED INACTIVE-PAID STATUS

1. William I. Scherer - \$8,000 - payment plan 16 payments

On a motion made by John Dailey, seconded by Albertus Jenkins, the Board voted to approve the paid penalty and request for inactive-paid status. The vote of the Board was unanimous.

C PAID PENALTY AND WILL MAKE UP CREDITS

1. Elizabeth M. Nargiso - \$7,000 - payment plan 16 payments

On a motion made by Michael Taxin, seconded by John Dailey, the Board voted to approve Ms. Nargiso to pay the penalty and make up the credits.

The vote of the Board was unanimous.

2. Michael Jordan - \$1,500 - paid

On a motion made by Michael Taxin, seconded by John Dailey, the Board voted to approve the paid penalties and to make up credits. The vote of the Board was unanimous.

D REQUESTED BOARD TO CONSIDER EXPLANATION

1. Alfred Piccirillo

On a motion made by John Dailey, seconded by Robert Cagnassola, the Board voted to uphold the UPL issued. The vote of the Board was unanimous.

2. Anthony P. Scorilli

On a motion made by John Dailey, seconded by Michael Taxin, the Board voted to uphold the UPL issued. The vote of the Board was unanimous.

3. Michael Falzone

On a motion made by John Dailey, seconded by Steven Weinstein, the Board voted to reduce the UPL fine issued to \$3,500.00 and inform Mr. Falzone that he must make up 56 technical subjects and 4 in New Jersey Law & Ethics. The vote of the Board was unanimous.

4. John Henderson

On a motion made by Michael Taxin, seconded by Daniel Geltrude, the Board voted to uphold the UPL issued. The vote of the Board was 6 in favor, with Board member John Dailey abstaining.

VI UPL in Lieu of Formal Complaint - No Response to Board Request Received

A Magdalena Vance

On a motion made by John Dailey, seconded by Robert Cagnassola, the Board voted to uphold the UPL issued. The vote of the Board was unanimous.

B Joseph De Jesus, Jr.

On a motion made by John Dailey, seconded by Steven Weinstein, the Board voted to uphold the UPL issued. The vote of the Board was unanimous.

VII Committee Reports

A CPA Examination Committee

Steven Weinstein had no report to give.

B Ethics Committee

John Dailey recused himself from the following motion.

Daniel Geltrude reported to the Board on the status of the applications submitted by Financial Focus, CPE Inc., Becker Gearty, Accounting Educators, Loscalzo and Drucker Math & Whitman for the New Jersey Law & Ethics Course . The Committee reviewed Loscalzo and Drucker Math & Whitman and are waiting for a response. CPE Inc., submitted additional information, the Committee needs more clarification and is waiting for a response. Financial Focus will be reviewed by the Committee.

On a motion made by Daniel Geltrude, seconded by Robert Cagnassola, the Board voted to approve the live courses by Becker Gearty and Accounting Educations. The vote of the Board was unanimous.

C CPE Committee

Steven Weinstein had no report to give.

D RMA Committee

Robert Cagnassola had no report to give.

E Peer Review Program Committee

The Board made a motion to enter into Executive Session to receive legal advice regarding the requests for exemption of the Peer Review requirement.

1. Peter M. Guilfoyle

Mr. Guilfoyle requested an exemption from the Peer Review requirement.

On a motion made by Robert Cagnassola, seconded by Steven Weinstein, the Board voted to grant Mr. Guilfoyle the exemption. The vote of the Board was unanimous.

2. Stanley Bednarchik

Mr. Bednarchik requested an exemption from the Peer Review requirement.

On a motion made by Robert Cagnassola, seconded by John Dailey, the Board voted to grant Mr. Bednarchik the exemption. The vote of the Board was unanimous.

3. Robert C. Quigley, Quigley & Associates

Mr. Quigley requested an exemption from the Peer Review requirement.

On a motion made by Robert Cagnassola, seconded by Steven Weinstein, the Board voted to deny Mr. Quigley the exemption. The vote of the Board was unanimous.

4. Russell Fuchs

Mr. Fuchs requested an exemption from the Peer Review requirement.

On a motion made by Robert Cagnassola, seconded by Albertus Jenkins, the Board voted to deny Mr. Fuchs the exemption. The vote of the Board was unanimous.

F Education Committee

Albertus Jenkins had no report to give.

G Reciprocity Committee

No report for the Board.

H Nominating Committee

No report for the Board.

I Statute/Rules/Regulations Committee

John Dailey had no report to give.

J Planning Committee

Albertus Jenkins had no report to give.

K Monitoring Profession Committee

John Dailey had no report to give.

VIII Public Comments

Important Society Dates

- April 19, 2012- NJSCPA Annual Scholarship Awards Ceremony at the Renaissance Woodbridge, NJ
- April 24th- NJBIA meet the Decision Makers Breakfast with the State Treasurer for which the Society is a sponsor.

- May 16th-18th - AICPA 125 Anniversary Celebration at AICPA Spring Council Meeting
- May 29th- CIANJ Annual Legislative One-on-One Dinner for which the Society is a sponsor
- May 31-June 1- NJSCPA Scholars Institute at Cook College, Rutgers University, New Brunswick, NJ
- June 6-8, 2012 - NJSCPA Convention and Expo at the Taj Mahal, Atlantic City, NJ
- November 7th-11th- NJSCPA Professional Development Conference, Captiva, FL

Society Executive Director Ralph Albert Thomas informed members of the Board that the list of Society important dates previously noted at the February Board had not changed. Those dates are reflected above. He advised the Board that the Society's Annual Scholarship Awards Ceremony was April 19th, and that members of the Board were invited to attend. Formal invites should be forthcoming shortly.

Society Activities and Engagements on the Legislative and Regulatory Front

We are monitoring the following legislative and regulatory activities in Trenton and Washington, DC:

Ralph indicated the Governor's FY 2013 budget address did not contain any proposed tax increases to the corporate business or gross income taxes. The budget did include a proposal for a 10% decrease in the gross income tax for individuals, which would be phased in over a three year period. In addition to monitoring the Governor's budget, the Society would also be working on its two top priorities, Appeal Bond Cap and Reciprocity legislation.

Additional Comments/Questions

Ralph informed the Board that the Society would be submitting a comment letter regarding the need for clarification as to what qualifies as a didactic course and the use of videotape or audiotape instruction.

Ralph alerted the Board that the Society would be piloting its NJ Law and Ethics course on March 20th to members of its Professional Conduct Committee and Board of Trustees. Two additional courses, a live course and a webinar, would

be offered in late March and April to accommodate newly licensed CPAs and other licensees who need to make up the Law and Ethics course.

Andrew DuBoff, former Board Member, corrected the Board that it was Peer Review Oversight Committee aka PROC. He stated that Monday, March 19, 2012 the nominating committee meeting will be held in Nashville, they select the next vice chair he becomes chair after one year a lot of qualifying candidates. The second regional meeting is where they select directors in late June. UAA committee hot issue, foreign firms practicing in the United States, Texas has the biggest problem. UAA, NASBA, and AICPA committee meeting in Washington in May, they will be discussing area of independence with whistle blowers and the change in the definition of acts discreditable and retired CPA serving on non-profit boards not forcing them to use inactive or retired status.

On a motion made by Albertus Jenkins, seconded by Daniel Geltrude, the Board voted to adjourn the Public Session at 10:40 A.M. and move into Executive Session to discuss the results of the Investigative Inquiry, two Uniform Penalty Letters in lieu of Formal Complaint for CPE Audit, three Uniform Penalty Letters in lieu of Formal Complaint for failure to respond, one matter of Old Business, three matters of New Business, six PCAOB reports and two consumer complaints. The vote of the Board was unanimous.

Respectfully submitted,

William Mandeville
Executive Director