

**NEW JERSEY STATE BOARD OF ACCOUNTANCY
PUBLIC SESSION MINUTES
MARCH 21, 2013
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 10:05 a.m. The following roll call was taken:

Keith Balla, CPA	Present
Richard C, Barlotta, PA	Present
Jorge A. Caballero, CPA	Excused
John F. Dailey, Jr., CPA	Present
Sara L. DeSmith, CPA	Present
Daniel J. Geltrude, CPA	Present
Dennis C. Meyerson, PA	Present
Hal Model, CPA	Present
Ainsley A. Reynolds, CPA	Present
Michael H. Runge, CPA	Present

Also present at the meeting were William Mandeville, Executive Director, Tobey Palan, Deputy Attorney General, Melba Rodriguez, Secretarial Assistant; Marie Lisa, Staff; Khaled Madin, Government Representative; Jaleila Wilson, Staff; Ralph Thomas, Executive Director, NJSCPA; Jeff Kaszerman, Government Relations Director, NJSCPA; Mike Polito, Past President, NJSCPA and David Plaskow, Editor, NJSCPA Magazine.

DAG Palan read the Oath of Office with new Board members Richard C. Barlotta, PA and Dennis C. Meyerson, PA.

II Minutes of the Meeting of February 21, 2013

On a motion made by Daniel Geltrude, seconded by Hal Model, the Board voted to approve the February 21, 2013 Public Session minutes with corrections. The vote of the Board was unanimous.

III President's Remarks

Board President Balla welcomed new Board members Mr. Barlotta and Mr. Meyerson to the Board and asked that they give a brief description of their duties outside the Board.

Mr. Meyerson informed the Board that he is a Public Accountant and has his own practice. Mr. Meyerson attended St. John University. He informed the Board that he served on the Association of Public Accountants as a trustee.

Mr. Barlotta informed the Board that he has been practicing since 1962. Mr. Barlotta practices in Glen Rock, NJ in a five person firm. Mr. Barlotta informed the Board that he previously serviced on the New Jersey State Board of Accountancy for seven years. Mr. Barlotta was part of the CPE Committee and QE program.

IV Executive Director's Remarks

Executive Director Mandeville had no report for the Board. Executive Director Mandeville welcomed the new Board members to the Board and wished them good luck.

On a motion made by Daniel Geltrude, seconded by Ainsley Reynolds, the Board voted to enter into Executive Session at 10:15 A.M. to discuss nomination procedures and present to office. The vote of the Board was unanimous.

V Regulatory Analyst Rachel Glasgow

A Subchapter 3 Rules of Professional Conduct

13:29-3.19 Code of Professional Conduct

Regulatory Analyst Glasgow informed the Board that at the last meeting the Board requested that the Rules and Regulations Committee language to incorporate the Code of Professional Conduct into the rules and regulations. Regulatory Analyst Glasgow submitted a draft to the Rules and Regulations Committee for review. And two comments were received in support of it.

The Board questioned whether a not a website link may be added to the rules. Regulatory Analyst Glasgow will find out if that would be possible.

On a motion made by John Dailey, seconded by Ainsley Reynolds, the Board voted to insert an additional to rules to be included with the current draft that is outstanding that has not been advertised in the NJ Register. Regulatory Analyst Glasgow will look into whether or not a web link may be added and make any corrections as needed. The vote of the Board was unanimous.

VI Committee Reports

A CPA Examination Committee

Harold Model had no report for the Board.

B Ethics Committee

Daniel Geltrude reported to the Board that a submission was received from Gearty CPE for approval of the NJ Law & Ethics program. A list of guidance standards was forwarded to Gearty CPE to complete. After this matter has been reviewed, the Committee will report back to the Board at the April Board meeting.

C CPE Committee

Sara DeSmith had no report for the Board.

D RMA Committee

John Dailey had no report for the Board.

E Peer Review Oversight Committee

John Dailey, Chair reported that the Board had received a copy of the NJSCPA Peer Review Oversight report from the AICPA which included a clean opinion.

F Education Committee

Ainsley Reynolds reported to the Board that he attended a telephonic CPA meeting on March 1st. The first hour consisted of going more paperless. The second hours consisted of Board updates.

Mr. Reynolds requested some clarification on individual schools and the 150 credits. If an individual has more than 150 credits from attending different schools. Are students supposed to submit all transcripts or relevant transcripts only? DAG Palan informed Mr. Reynolds that because an application was not available to review the matter, she and Executive Director Mandeville will review this matter and inform him appropriately.

G Reciprocity Committee

No report was given.

H Nominating Committee

Daniel Geltrude reported the following slate of officers recommended by the Nominating Committee for the fiscal year May 1, 2013 to April 30, 2014 is as follows:

President - John Dailey
Vice President - Daniel Geltrude
Treasurer - Sara DeSmith
Secretary - Jorge Caballero

Mr. Geltrude informed the Board that next month voting will take place on the slate of officers.

I Statute/Rules/Regulations Committee

John Dailey informed the Board that the Committee is having a meeting with Ralph Thomas, Executive Director, NJSCPA after the Board meeting has ended. A report will be made next month.

J Monitoring Profession Committee

John Dailey reported to the Board that a couple of issues were brought to the attention of the Committee regarding a list of licensees that have still not responded regarding deficiencies in their CPE. A final letter will be sent out advising the licensees, that failure to respond to the Board's request will warrant disciplinary action to be taken against them.

Mr. Dailey also informed the Board that the next round of audits will start soon. The Board is going to request from all the instructors a list of all licensees that have taken their courses for triennial renewal ended in 2011. Jaliela will be reviewing and matching up the licensees that have active licenses with the list of attendees.

Richard Roth

Correspondence was received from Richard Roth wherein he informs the Board that he wants to pay the penalty assessed to him in the amount of \$8,000.00 for failure to comply with his CPE requirements for the 2006-2008 audit. Mr. Roth opted for voluntary surrender of his CPA license. He would like to place his license in inactive status.

DAG Palan noted to the Board that Mr. Roth is requesting that his license be placed in inactive status and that a payment plan be in place so that he may pay the \$8,000.00 penalty issued.

On a motion made by John Dailey, seconded by Sara DeSmith, the Board voted to request the appearance of Mr. Roth before the Investigative Inquiry Committee. The vote of the Board was eight voting in favor with Daniel Geltrude voting no. With the majority voting in favor, the motion passed.

On a motion made by Ainsley Reynolds, seconded by Richard Barlotta, the Board voted to table this matter until the Investigative Inquiry has been occurred. The vote of the Board was unanimous.

VII Public Comments

Ralph Albert Thomas, CEO and Executive Director of the New Jersey Society of CPAs, provided the following update regarding the Society's key dates and activities and initiatives:

Important Society Dates

- April 25, 2013- Society's 53rd Annual Scholarship Awards Ceremony, Renaissance Woodbridge Hotel, Iselin, NJ.
- May 15th-16th, 2013- Society's Annual Accounting, Business & Technology Show will be held at the Meadowlands Exposition Center in Secaucus, NJ.
- May 28th, 2013- Society will be a co-sponsor of CIANJ's Annual Legislative One-on-One Dinner at Nanina's in the Park in Belleville, NJ
- June 12-14, 2013, Annual NJSCPA Convention and Expo at Bally's in Atlantic City, NJ

Mr. Thomas updated Board members and staff on the following items:

- The Governor's budget address on Tuesday, February 26th was business friendly as it did not contain any new business taxes or increases in existing business taxes.
- The reciprocity legislation which the Society supports was unanimously approved by the full Assembly. We anticipate the bill will move forward in the Senate. The Society has sent letters urging the Senate President and Senator Nia Gill, Chairperson of the Senate Commerce Committee, to post the bill for a Committee hearing and ultimately full consideration by the Senate.
- Society leadership attended the recent AICPA Regional Council meeting in New York City, at which they received updates on legislative activity in Washington, DC, where Congress remains in a holding pattern with respect to tax reform and addressing the impending Fiscal Cliff 2 and sequester spending cuts. The AICPA is considering extending its four credentials and designations to non CPAs globally.

The Society reported to the Board it had received a clean report and approval of its Plan of Administration from the AICPA Peer Review Executive Committee. Copies of those reports were submitted electronically to the Board's Peer Review Committee Chair, Jack Dailey.

On a motion made by John Dailey, seconded by Ainsley Reynolds, the Board voted to adjourn the Public Session meeting at 11:15 A.M. to reconvene in Executive Session to discussed the results of the Investigative Inquiry, three matter of Old Business, the PCAOB reports and six Consumer Complaints. The vote of the Board was unanimous.

Respectfully submitted,

William Mandeville
Executive Director