

**NEW JERSEY STATE BOARD OF ACCOUNTANCY
PUBLIC SESSION MINUTES
APRIL 16, 2015
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, John Dailey called the meeting to order at 9:40 A.M. The following roll call was taken:

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

Also present at the meeting were Khaled Madin, Acting Executive Director; David Freed, Executive Director; Tobey Palan, Deputy Attorney General, Melba Rodriguez, Secretarial Assistant; Marie Lisa, Staff; Ralph Thomas, Executive Director, NJCPA; Frank Boutillette, President-Elect, NJCPA; Mike Polito, Past President, NJCPA, Jeff Kaszerman, Government Relations, NJCPA; Janice Amatucci, NJCPA; Brad Munoz, CPA, President, NJCPA James Carroll, CPA, Accounting Educators and David Plaskow, Editor, NJCPA

II Minutes of the Meeting of February 19, 2015

On a motion made by Jorge Caballero, seconded by Harold Model, the Board voted to approve the February 19, 2015 Public Session minutes with corrections. The vote of the Board was unanimous.

III President's Remarks

Board President Dailey introduced and welcomed David Freed as the new Executive Director of the NJ State Board of Accountancy on behalf of the Board and is looking forward to working with him.

IV Executive Director's Remarks

Acting Executive Director Madin thanked the Board, DAG, Society and the staff for ensuring that the Board's daily operations are always carried in an efficient manner. Welcomed Executive Director Freed whom has been with the Division for approximately ten years. Acting Executive Director Madin informed the Board that they have been working together to ensure a smooth transition.

Executive Director Freed thanked the Board for welcoming him and is looking forward to working with everyone. Executive Director Freed informed the Board that the staff has been very helpful with the transition.

Kim Ringler, Deputy Director, Division of Consumer Affairs

Deputy Director Ringler thanked the Board members for their professionalism in making sure that the people that should be licensed are and that the regulations are in place.

On behalf of herself and the Division of Consumer Affairs thanked everyone for their services in protecting the consumers. She offered her assistance if ever needed.

Board President Dailey thanked Deputy Director Ringler for visiting the Board meeting and offered his assistance if every needed.

DAG Palan informed the Board that Deputy Director Ringler was previously a Prosecuting Deputy and was also an Ethics Officer.

V UPL in Lieu of Formal Complaint for CPE Audit Ended - December 31, 2011

A Michael E. Katz

On a motion made by David Milkosky, seconded by Dennis Meyerson, the Board voted to rescind the fine and allow Mr. Katz to place his license in inactive status. Mr. Katz will not have to make-up the CPE credits as long as he keeps his CPA license in inactive status. In the event that he wishes to reinstate, he will have to pay the fine previously issued and comply with the CPE credits. The vote of the Board was unanimous.

B Joyce Barlett

This matter was reviewed at the March 19, 2015 Board meeting and the Board voted to inform Ms. Barlett that she must contact the providers to obtain copies of her CPE credits for renewal period January 1, 2008 thru December 31, 2011 within 30 days. The Board is holding off on the \$8,000.00 fine until Ms. Barlett has supplied the Board office with the information requested.

Upon review of the information submitted, the Board noted that the credits submitted were mostly in education. Ms. Barlett is engaged in public practice and also does mediation work.

On a motion made by Harold Model, seconded by David Milkosky, the Board voted to rescind the \$8,000.00 UPL and inform Ms. Bartlett that she must take 24 hours in Accounting and Auditing which will not carry forward to the current renewal period. Ms. Bartlett is to also be reminded that she must also obtain 24 Accounting and Auditing credits for renewal period ended December 31, 2014 which are required since she is practicing public accounting. Ms. Barlett is to supply the Board office with copies of the 24 Accounting and Auditing she obtain for renewal period ended December 31, 2014 within ninety days. The vote of the Board was unanimous.

Rachel Glasgow, Regulatory Analyst

Regulatory Analyst Glasgow visited the Board meeting to discuss the draft adoption notice regarding commented that were received.

On a motion made by Ainsley Reynolds, seconded by Jorge Caballero, the Board voted to approve the draft as amended regarding the 2017 date. The vote of the Board was unanimous.

The Board thanked Regulatory Analyst Glasgow for all her hard work in this matter.

VI New Business

A Preparation of Financial Statements

The Board discussed an email regarding Preparation of Financial Statements and Peer Review.

On a motion made by Sara DeSmith, seconded by ?, the Board voted that preparation services would be exempt from Peer Review. The vote of the Board was unanimous.

VII Committee Reports

A CPA Examination Committee

Harold Model reported to the Board that the Committee has begun the analysis of the 2014 exam and will provide a report at the May Board meeting.

B Ethics Committee

Jorge Caballero had no report for the Board but did inform that the Committee is in receipt of two items that will be deferred until the May Board meeting.

C CPE Committee

Daniel Geltrude had no report.

D RMA Committee

John Dailey had no report.

E Peer Review Oversight Committee

Sara DeSmith had no report but did inform that a Peer Review meeting would be held following the Board meeting. The Committee will be discussing new guidance issued by NASBA on Peer reports. A report will be provided at the May Board meeting.

F Education Committee

Ainsley Reynolds had no report.

G Reciprocity Committee

Michael Runge had no report.

H Nominating Committee

Dennis Meyerson reported on the new slate of officers:

Daniel Geltrude - President
Jorge Caballero - Vice President
Sara DeSmith - Secretary
Harold Model - Treasurer

On a motion made by Dennis Meyerson, seconded by Ainsley Reynolds, The Board voted to accept the slate of officers. The vote of the Board was unanimous.

On a second motion made by Ainsley Reynolds, seconded by Sara DeSmith, the Board voted to approve the slate of officers for 2015-2016. The vote of the Board was unanimous.

I Statute/Rules/Regulations Committee

Richard Barlotta had no report for the Board.

J Monitoring Profession Committee

David Milkosky reported on an email from Gary McIntosh, Chair, AICPA UAA Committee. Mr. Milkosky informed the Board that additional reports will be added from the UAA on this matter.

Mr. Milkosky also informed the Board regarding assistance that was offered by NASBA for the next round of audits.

VIII Public Comments

Ralph Albert Thomas, CEO & Executive Director of the New Jersey Society of CPAs (NJCPA). Before making formal comments, on behalf of the Society, Mr.

Thomas thanked Khaled Madin for his service as Acting Executive Director of the Board. The Society really appreciated working with him and wish him all the best in his future endeavors. Mr. Thomas also welcomed David Freed aboard as the new Executive Director, and let him know we look forward to working with him.

- April 23rd, 2015 –NJCPA Annual Scholarship Ceremony at the Renaissance Hotel in Woodbridge, NJ
- June 10th-12th, 2015- NJCPA Annual Convention and Expo at the Borgata in Atlantic City, NJ.

We hope members of the Board, if their schedules permit, will attend the Society's April 23rd Scholarship Ceremony where over 100 scholarships to high school and college juniors and above will be awarded for approximately \$520,000 total in scholarships. Again, this is an all time high in scholarship awards for the Society.

I would like to update members of the Board on the following NJCPA activities:

- Again, the Society will be working collaboratively with the AICPA to review the Accountancy regulations scheduled to sunset the end of 2017. We will be very happy to share the results of our work, and collaboratively work with the Board in its review of these regulations.
- With respect to the Board's decision not to revisit eliminating the self study maximum, the Society is disappointed. Our final thoughts/comments are that we believe the interaction between licensees in a live program creates an additional learning opportunity that self study doesn't provide.

Sara DeSmith thanked Board President Dailey for a great job as President of the Board.

DAG Palan thanked Board President Dailey for always being available when needed and for his kindness.

Acting Executive Director Madin thanked Board President Dailey for being instrumental during his transition into the Acting Executive Director position and wished him well.

Board President Dailey thanked everyone for their comments and wished the new President, Daniel Geltrude best wishes.

On a motion made Ainsley Reynolds, seconded by Richard Barlotta, the Board voted to adjourn the Public Session at 11:25 A.M. to reconvene in Executive Session to discuss the results of the Investigative Inquiry, one matter of Old Business, one matter of New Business, PCAOB reports and two Consumer Complaints. The vote of the Board was unanimous.

Respectfully submitted,

David Freed
Executive Director