

**NEW JERSEY STATE BOARD OF ACCOUNTANCY  
PUBLIC SESSION MINUTES  
APRIL 22, 2010  
SOMERSET ROOM - 6<sup>TH</sup> FLOOR**

**I Call to Order and Roll Call - 9:40 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 Donald Jump called the meeting to order at 9:40 a.m. The following roll call was taken:

Keith Balla, CPA	Present
Robert Cagnassola, CPA	Excused
John Dailey, Jr., CPA	Present
Albertus Jenkins, Public Member	Present
J. Frank Johnson, Public Accountant	Present
Donald Jump, CPA	Present
Paul J. Lerch, CPA	Present
Michael S. Taxin, Public Accountant	Present
Peter Torok, Public Member	Present
John E. Tully, CPA	Excused
Steven Weinstein, CPA	Present

Also present at the meeting were William Mandeville, Executive Director; Tobey Palan, Deputy Attorney General; Melba Rodriguez, Secretarial Assistant; Marie Lisa, Staff; Mike Polito, Past President, NJSCPA; Robert Traphagen, President, NJSCPA and David Plaskow, Editor, NJSCPA Magazine.

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## **II Minutes of the Meeting of March 18, 2010**

On a motion made by Peter Torok, seconded by Michael Taxin, the Board voted to approve the March 18, 2010 Public Session minutes as presented. The vote of the Board was unanimous.

## **III President's Remarks**

President Jump had no report for the Board.

## **IV Executive Director's Remarks**

Executive Director Mandeville had no report for the Board.

## **V Waiver Request**

A Sarah I. Benveniste

Correspondence was received from Ms. Benveniste wherein she is requesting a waiver of 27 semester hours in General Education under N.J.S.A. 45:2B-53. Ms. Benveniste is requesting endorsement from the State of New York.

On a motion made by Michael Taxin, seconded by J. Frank Johnson, the Board voted to approve Ms. Benveniste's request for reciprocity under N.J.S.A. 45:2B-53. The vote of the Board was unanimous.

## **VI Miscellaneous**

A Joseph Belbol, CPA

Correspondence was received from Joseph Belbol, CPA wherein he requests Board guidance on a client matter relative to a power of attorney that assigns certain rights to a third party.

On a motion made by John Dailey, seconded by Albertus Jenkins, the Board voted to authorize DAG Palan to contact Mr. Belbol and explain to him that the Board does not provide legal advice and recommend that he contact his attorney for the appropriate advice and counsel. The vote of the Board was unanimous.

B James P. Philbin

Correspondence was received regarding an advertisement for tax services published in a local newspaper by James P. Philbin. In his advertisement, Mr. Philbin states that such tax preparation services are prepared by Certified Public Accountants. However, there is no evidence that indicates the accuracy of that statement. Consequently, a letter was sent to the firm advising them to cease and desist the advertisement of tax services being provided by CPAs. Mr. Philbin has submitted a letter for Board review and guidance.

On a motion made by Keith Balla, seconded by Albertus Jenkins, the Board voted to enforce the request for cease and desist. The Board will request the names and license numbers of all licensees engaged in the preparation of tax returns for this entity. In addition, the Board will also request the name of the national network mentioned in the advertisement and the agreement disclosure that clients are receiving advising them of the national network being used. The vote of the Board was unanimous.

**VII Committee Reports**

A CPA Examination Committee

No report was given.

B Ethics Committee

Keith Balla had no report for the Board.

C CPE Committee

No report was given.

D RMA Committee

No report was given.

E QE Committee

No report was given.

F     Education Committee

Albertus Jenkins had no report for the Board.

G     Reciprocity Committee

Keith Balla had no report for the Board.

H     Nominating Committee

Albertus Jenkins reported the slate of officers recommended by the Nominating Committee for the fiscal year May 1, 2010 to April 30, 2011 is as follows:

President - Donald Jump  
Vice President - Keith Balla  
Treasurer - Peter Torok  
Secretary - John Dailey

There were no other nominations from the floor.

On a motion made by Albertus Jenkins, seconded by Michael Taxin, the Board voted to close nominations.

Then, on a motion by Steven Weinstein, seconded by Michael S. Taxin, the Board voted to authorize President Jump to cast a single vote electing the individuals so nominated. The vote of the Board was on both motions was unanimous.

I     Statute/Rules/Regulations Committee

John Dailey reported to the Board that a brief meeting will be held at the end of the Board meeting regarding a matter raised by a Board member relative to the work of the Committee on the revised regulations and a report will be given at the May Board meeting.

J     Planning Committee

Albertus Jenkins had no report for the Board.

K     Monitoring Profession Committee

John Dailey had no report for the Board.

## **VIII Public Comments**

NJSCPA President Robert Traphagen gave the following report:

### **Important Society Dates**

- April 22<sup>nd</sup> - Society's 50<sup>th</sup> Anniversary Scholarship Ceremony and Celebration at the Renaissance Hotel in Iselin, NJ. Mr. Traphagen invited all to attend.
- May 12<sup>th</sup> and 13 - Society' 16<sup>th</sup> Annual Accounting, Business and Technology Show at the Meadowlands Exposition Center in Secaucus, NJ.
- June 2<sup>nd</sup>-4<sup>th</sup>- Society's Annual Convention and Expo Bally's Hotel and Casino in Atlantic City.
- October 19<sup>th</sup>- Induction Breakfast, sponsored by the Society, for Paul Stahlin as incoming Chair of the AICPA at the Fall Members Meeting of AICPA Council in New Orleans, LA.
- November 3<sup>rd</sup>-6<sup>th</sup>- The Society will host its annual Get Away Convention at the LaPlaya Resort in Naples, FL.

### **Society Activities and Engagement on the Legislative and Regulatory Front**

The Society is monitoring the following legislation and regulatory activities of interest to the profession:

- S 672 and A 2396 Tax Preparers Licensing Act- We continue to monitor these bills sponsored by Senators Buono and Madden and Assemblymen Prieto and Biondi, which provide for the licensing of tax preparers. As previously noted the Society opposes this legislation as it believes that states shouldn't act before the IRS concludes its vetting of this matter. Secondly, the Society believes legislation calling for the regulation of unlicensed tax professionals may not accomplish its intended goals and also may cause marketplace confusion with the public. The Society has expressed concern about this legislation.
- The Society continues to monitor activity on the following bills in Trenton:
  - S 480 and A 2473 - Appeal Bond Caps
  - S 1540 – This bill provides for the consolidation of certain business-related categories of income, as defined under the New Jersey gross income tax, to allow taxpayers who generate income from different types of businesses to offset gains from one type of business with losses from another

- A 415 School Audit Extension – This bill provides for a one month extension of the deadline to complete school district audits.
- The Society continues to monitor activity by State Comptroller Mathew Boxer regarding his recent report on best practices regarding the procurement of professional services by state agencies, municipalities and authorities. The Society continues to be concerned over the Comptroller's inference that audit firm rotation, particularly mandatory audit firm rotation, will enhance audit quality and reduce audit costs for state and local agencies.
- The Society continues to work with the AICPA regarding various amendments to Senator Dodd's financial regulation bill that passed out of the Senate Banking Committee on March 15<sup>th</sup>.

On a motion made by Steven Weinstein, seconded by J. Frank Johnson, the Board voted to adjourn the Public Session Board meeting at 10:05 A.M. to reconvene in Executive Session to discuss three matters of Old Business, two matters of New Business, one Request for Reinstatement and two Consumer Complaints. The vote of the Board was unanimous.

Respectfully submitted,

William Mandeville  
Executive Director