

NEW JERSEY STATE BOARD OF ACCOUNTANCY  
PUBLIC SESSION MINUTES  
MAY 19, 2005  
HUDSON ROOM - 6TH FLOOR

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. Andrew DuBoff, President of the Board, called the meeting to order at 9:40 A.M. The following roll call was taken:

Keith Balla, CPA Present  
Robert Cagnassola, CPA Present  
John Dailey, Jr. Present  
Andrew DuBoff, CPA Present  
Bennie Hadnott, CPA Present  
Albertus Jenkins, Public Member Present  
Donald Jump, CPA Present  
Aubrey Kosson, CPA Present  
Margaret Shoe, Public Accountant Present  
Robert Sommer, Public Accountant Present  
Peter Torok, Public Member Present  
John Tully, CPA, Government Member Present

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; Marie Lisa, Board Staff; Jaleila Wilson, Board Staff; Brianne Richardson, Board Staff; Jonathan Eisenmenger, Board Staff; Mike Polito, CPA, Past President, NJSCPA and Ralph Thomas, Executive Director, NJSCPA.

### **I Minutes of the Meeting of April 21, 2005**

On a motion made by Robert Cagnassola, seconded by Robert Sommer, the Board voted to accept the minutes with corrections. The vote of the Board was 11 in favor with Albertus Jenkins abstaining.

### **II President's Remarks**

President DuBoff informed the Board that he attended the Spring NASBA Board of Directors Meeting. President DuBoff informed the Board that there was discussion on the Education Committee's draft proposal and that comments are due by June 30, 2005 (subsequently extended to August 31, 2005). President DuBoff also informed the Board that there is some significant opposition to the proposal, including a white paper being drafted by a number of outside parties.

President DuBoff informed the Board that the New York and Texas State Boards have communicated problems they have experienced with CBT to NASBA and copied all of the state boards. President DuBoff reported to the Board that it has been a year since the launch of the CBT and there have been only minor problems and little feedback in New Jersey.

President DuBoff informed the Board that NASBA has established a Project Management Focus Committee that will commence on June 3rd. The Project Management Focus Committee will be dealing with examination problems as they occur, and allow state boards to communicate with NASBA live and in real time.

President DuBoff also informed the Board that there has been a CPE tracking system developed by

NASBA. The only firm that is using this system is Deloitte & Touche. This system was developed so that all licensees are able to track their CPE and make sure they are up to date. There will be other firms using this concept. It may also be adapted for use by state boards to track the CPE done by licensees.

President DuBoff informed the Board that a Monitoring Profession Committee meeting will be scheduled in June.

President DuBoff informed the Board that Rich Isserman has served a one-year term as Eastern Regional Director of NASBA. President DuBoff informed the Board that when the AICPA wanted to increase the CPA exam fees, Mr. Isserman wrote a very strong letter in opposition, and AICPA did not increase the fees. A letter has been drafted to support his candidacy for this position. On a motion made by Robert Sommer, seconded by Donald Jump, the Board voted to approve the letter that has been drafted to support Rich Isserman's candidacy for Regional Director of NASBA. The vote of the Board was unanimous.

### **III Executive Director's Remarks**

Executive Director Mandeville had no report for the Board.

### **V Request for Waiver to Endorse License**

A Sean X. Stacy

Sean Stacy is requesting a waiver to reciprocate his Pennsylvania license. Mr. Stacy is lacking one semester hour in Business Law.

On a motion made by Margaret Shoe, seconded by Robert Sommer, the Board voted to grant Mr. Stacy's request for reciprocity, based on N.J.S.A. 45:2B-53(b). The vote of the Board was unanimous

B William A. Ferguson, Jr.

William Ferguson is requesting a waiver to reciprocate his Florida license. Mr. Ferguson is lacking ten semester hours in Liberal Arts.

On a motion made by Bennie Hadnott, seconded by John Dailey, the Board voted to grant Mr. Ferguson's request for reciprocity, based on N.J.S.A. 45:2B-53(b). The vote of the Board was unanimous

C Mark Rovinski

Mark Rovinski is requesting a waiver to reciprocate his Pennsylvania license. Mr. Rovinski is lacking two semester hours in Business Law.

On a motion made by Robert Cagnassola, seconded by Donald Jump, the Board voted to inform Mr. Rovinski that he must contact his former employer M.D. Oppenheim & Company and request that a new letter attesting to his experience be sent to the Board for further review. The vote of the Board was unanimous.

D Michael Lear

Michael Lear is requesting a waiver to reciprocate his Pennsylvania license. Mr. Lear is lacking one semester hours in Liberal Arts and three semester hours in Business Law.

On a motion made by Bennie Hadnott, seconded by Robert Cagnassola, the Board voted to grant Mr. Lear's request for reciprocity, based on N.J.S.A. 45:2B-53(b). The vote of the Board was 11 voting in favor with Andrew DuBoff abstaining.

E Thomas Weddell

Thomas Weddell is requesting a waiver to reciprocate his New York license. Mr. Weddell is lacking 12 semester hours in Liberal Arts.

On a motion made by Margaret Shoe, seconded by Donald Jump, the Board voted to grant Mr. Weddell's request for reciprocity, based on N.J.S.A. 45:2B-53(b). The vote of the Board was unanimous

F Yashvantlal Parmar

Yashvantlal Parmar is requesting a waiver to reciprocate his Delaware license. Mr. Parmar is lacking 21 semester hours in Liberal Arts and six semester hours in Finance.

On a motion made by Robert Cagnassola, seconded by Albertus Jenkins, the Board voted to grant Mr. Parmar's request for reciprocity, based on N.J.S.A. 45:2B-53(b). The vote of the Board was unanimous

G He Zhu

He Zhu is requesting a waiver to reciprocate her New York license. Ms. Zhu is lacking 3.5 semester hours in Non-Accounting Business Electives.

On a motion made by Margaret Shoe, seconded by Robert Cagnassola, the Board voted to deny Ms. Zhu's request for reciprocity at this time, since she does not have a full unrestricted CPA license in the State of California. The vote of the Board was unanimous.

H Max J. Brandsdorfer

Max Brandsdorfer is requesting a waiver to reciprocate his New York license. Mr. Brandsdorfer is lacking three semester hours in Finance.

On a motion made by Robert Sommer, seconded by Bennie Hadnott, the Board voted to grant Mr. Brandsdorfer's request for reciprocity, based on N.J.S.A. 45:2B-53(b). The vote of the Board 11 voting in favor with Aubrey Kosson abstaining.

I Mitchell G. Kahn

Mitchell Kahn is requesting a waiver to reciprocate his New York license. Mr. Kahn is lacking three semester hours in Liberal Arts.

On a motion made by Donald Jump, seconded by Albertus Jenkins, the Board voted to grant Mr. Kahn's request for reciprocity, based on N.J.S.A. 45:2B-53(b). The vote of the Board was unanimous

J J. Richard Volpe

J. Richard Volpe is requesting a waiver of Education Evaluation based on N.J.S.A. 45:2B-53(b).

On a motion made by Margaret Shoe, seconded by John Tully, the Board voted to grant Mr. Volpe's request for reciprocity, based on N.J.S.A. 45:2B-53(b). The vote of the Board was unanimous

## **VI Request for Transfer of Grades**

A Peter Ton

This matter was reviewed at the September 2004 Board meeting. Mr. Ton was lacking .7 semester hours in Economics. The Board voted to deny Mr. Ton's request for reciprocity. The Board previously suggested that Mr. Ton apply for licensure in Pennsylvania. Once he is licensed in Pennsylvania, the Board will reconsider him for reciprocity.

New correspondence has been received from Phong N. Tran, attorney for Mr. Ton, requesting Board reconsideration.

On a motion made by Donald Jump, seconded by John Dailey, the Board voted to re-affirm and deny Mr. Ton's request and to ask Mr. Ton's attorney to provide the Board with an explanation as to why Pennsylvania will not grant Mr. Ton licensure. The vote of the Board was 11 voting in favor and Bennie Hadnott opposing.

## **VII Maryann Sheehan, Regulatory Analyst - 11:00 A.M.**

Regulatory Analyst Sheehan appeared before the Board and informed the Board about the standard fees that would be included in the Rules and Regulations and the other adjustments to the section on Public School Accountants.

On a motion made by Robert Sommer, seconded by John Tully, the Board voted to approve the changes in the Rules and Regulations. The vote of the Board was unanimous.

## **VIII NASBA Matters**

A NASBA 2005 Eastern Regional Meeting, Baltimore, Maryland - Voting Delegate

On a motion made by Robert Sommer, seconded by Albertus Jenkins, the Board voted to appoint Andy DuBoff as the voting delegate from New Jersey.

B Focus Questions

President DuBoff directed to table until next meeting and assigned Board members to review questions and provide preliminary answers.

C Highlights of Recent Regulatory Developments

The correspondence received was accepted as informational.

D NASBA letter to Nebraska State Board of Accountancy - May 10, 2005

The correspondence received was accepted as informational.

## **IX Committee Reports**

A CPA Examination Committee

Aubrey Kosson reported to the Board the performance of New Jersey candidates on the final paper-based CPA examination regardless of the in-state or out-of-state colleges attended - November 2003. A handout was provided to the Board.

Mr. Kosson informed the Board that he would have a report of the national results for the June 2005 Board meeting.

B Ethics Committee

John Tully informed the Board that there was a committee meeting via tele-conference on May 4, 2005.

Mr. Tully also informed the Board that there would be a meeting of the Ethics Committee and all Law and Ethics providers on May 24, 2005 at 1:30 P.M.

## C CPE Committee

Robert Sommer informed the Board that there was a meeting on April 28, 2005 to discuss the standards that have been approved by NASBA. Mr. Sommer reported that 23 states have accepted the NASBA CPE standards.

Mr. Sommer informed the Board that the standards allow CPE courses to count in ½ hour increments after the first full hour. For example, once you have completed one hour credit then you can start receiving credits for ½ hours.

Mr. Sommer informed the Board that the standards also allow self-study courses to receive full credit. The Board now grants ½ credit for self-study courses. Mr. Sommer also informed the Board that NASBA is establishing a review procedure for self-study courses that will be accepted under their rules. Boards would then be able to grant full credit for self-study courses that have been approved by NASBA.

On a motion made by Robert Sommer, seconded by Margaret Shoe, the Board voted to adopt the NASBA/AICPA QAS education standards relating to CPE requirements and the Committee will work to review the regulations to incorporate the standards for New Jersey CPE. The vote of the Board was unanimous.

## D RMA Committee

Robert Cagnassola informed the Board that there was one individual who requested to review her exam grade. The individual requested to see her graded exam because a letter was sent out that informed her that she could review the answers.

The Board is requesting that a letter of apology be sent to the RMA candidate informing her of the mistake. Each and every exam is thoroughly reviewed by the Committee and by the professional grader, but no exam candidate is allowed allowed to see the answers after it has been graded.

## E QE Committee

Robert Cagnassola informed the Board that there will be a Committee meeting on May 24, 2005.

## F Education Committee

Bennie Hadnott reported to the Board that he will be attending a meeting of the NASBA Education Committee on June 8, 2005. Mr. Hadnott said that NASBA is investigating whether it is possible to develop an ethics course that could be used by multiple states, and he will report back to the Board at the June meeting.

## G Reciprocity Committee

Keith Balla had no report for the Board.

## H Nominating Committee

Robert Cagnassola had no report for the Board.

## I Statute/Rules/Regulations Committee

Donald Jump had no report for the Board.

## J Planning Committee

Margaret Shoe had no report for the Board.

## K Monitoring Profession Committee

John Dailey had no report for the Board.

## **X Public Comments**

Ralph Thomas, Executive Director, NJSCPA informed the Board of the Alfonso Pisano Scholarship and thanked the Board members that were able to attend the ceremony.

Mr. Thomas informed the Board about the letter that was sent by the Society regarding issues on application forms for licenses and renewals and would like to know if it would be possible to improve the format of the renewal forms before mailing. Executive Director Mandeville informed Mr. Thomas that those decisions are not up to the Board but up to the Director's office and that the Society's letter has been forwarded to the appropriate office.

Mr. Thomas informed the Board of feedback on peer review concepts and the CPE audit results letter prepared by the Board at the April Board meeting.

Michael Polito expressed concerns over potential issues regarding whether New Jersey grants temporary registrations and authority to practice in New Jersey. DAG Greenwald informed Mr. Polito that this matter will be dealt with in Executive Session.

John Tully addressed the Board on his comments regarding pending assembly bill A-3829 and adjustments it makes to the statute governing the 150 hours necessary to take the exam. Executive Director Mandeville informed the Board that they can comment on the bill as individual CPAs or members of the public, but they must not do so as a member of the Board of Accountancy.

On a motion made by John Tully, seconded by Donald Jump, the Board voted to adjourn the Public Session meeting at 12:05 P.M. to reconvene in Executive Session to discuss the results of the May 10, 2005 Investigative Inquiry, one request for reinstatement, one request for firm reinstatement, one request for inactive status matter, one Old Business matter, six New Business matters, one NASBA matter, one AICPA matter and five Consumer Complaints. The vote of the Board was unanimous.

Respectfully submitted,

William Mandeville  
Executive Director