

**NEW JERSEY STATE BOARD OF ACCOUNTANCY
PUBLIC SESSION MINUTES
MAY 20, 2010
MONMOUTH ROOM - 7TH 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	Present
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	Excused
John E. Tully, CPA	Present
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; Jeff Kaszerman, Government Relations Manager, NJSCPA and David Plaskow, Editor, NJSCPA Magazine.

II Minutes of the Meeting of April 22, 2010

On a motion made by Steven Weinstein, seconded by J. Frank Johnson, the Board voted to approve the April 22, 2010 Public Session minutes as presented. The vote of the Board was nine voting in favor with John Tully abstaining.

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 James J. Simone

Mr. Simone is requesting consideration of the Board for licensure without verification of work experience from prior employers.

On a motion made by John Tully, seconded by John Dailey, the Board voted to send Mr. Simone a letter advising him that he must provide the required documentation that indicates that he has obtained four years of diversified experience or obtain the nine credits he is deficient and request reciprocity through the State of Pennsylvania. The vote of the Board was unanimous.

B Caroline Pierce Maldonado

Ms. Maldonado is requesting reinstatement of her New Jersey CPA license by endorsement from New York.

On a motion made by John Dailey, seconded by Steven Weinstein, the Board voted to approve Ms. Maldonado's request for reinstatement of her CPA license through endorsement from the State of New York. The vote of the Board was unanimous.

VI Legislative Matters

A Maryann Sheehan - 10:30 A.M

DAG Sheehan reviewed proposed legislation that is related to easing the burden on those wishing to do business in the State of New Jersey.

A motion was made by John Dailey, seconded by Keith Balla in support of this proposed legislation. The vote of the Board was unanimous.

B Senate No. 936

This proposed legislation would require consumer complaints to licensing boards of regulated professions to be resolved within 120 days.

This matter was presented to the Board as informational.

VII Miscellaneous

A David Chung, CPA

Correspondence was received from David Chung, CPA requesting information regarding when a valid license should be held in order to provide "Attest" service to a company.

On a motion made John Dailey, seconded by Robert Cagnassola, the Board voted to refer Mr. Chung to the appropriate regulation that states he must hold a valid license in the State of New Jersey to provide any attestation services. The vote of the Board was unanimous.

B Michael T. Remus, CPA

Correspondence was received from Michael T. Remus, CPA who questioned, in the course of providing tax services, if he is required to provide a minority shareholder with a copy of a tax return, even if in doing so, he disregards the request of the majority shareholders.

On a motion made by John Tully, seconded by Albertus Jenkins, the Board voted to inform Mr. Remus that he is required to provide a client copy of all returns he prepares. The Board further suggests that Mr. Remus should seek the advice of legal counsel in order to define who exactly that would include in the situation presented to the Board. The vote of the Board was unanimous.

C Kenn Heaslip

Correspondence was received from Kenn Heaslip requesting the clarification of regulations regarding firm names.

On a motion made by John Dailey, seconded by John Tully, the Board voted to inform Mr. Heaslip that a firm name may not be misleading. When correspondence is mailed to Mr. Heaslip, a copy of N.J.A.C. 13:29-3.15 should also be enclosed for his review. The vote of the Board was unanimous.

VIII Committee Reports

A CPA Examination Committee

John Tully had no report for the Board. President Jump observed that there are currently no testing sites in the South Jersey area. Executive Director Mandeville informed the Board that he would send correspondence to Compliance Services and NASBA to find out if another location is available to provide testing services to candidates in the South Jersey area.

B Ethics Committee

Keith Balla informed the Board that there was one new Law and Ethics course submission received. He will report back to the Board once it has been reviewed.

C CPE Committee

John Tully informed the Board that a meeting was held on May 13, 2010 and four CPE sponsors were approved.

D RMA Committee

Robert Cagnassola had no report for the Board.

E QE Committee

Robert Cagnassola reminded the Board that the Peer Review regulation was passed in November 2009. He was not aware that the proposed regulation would have to undergo another legal justification to obtain final approval. Mr.

Cagnassola expressed the importance of this regulation to the citizens of the State of New Jersey.

On a motion made by Robert Cagnassola, seconded by John Dailey, the Board voted to move the proposed Peer Review regulation forward as quickly as possible. The vote of the Board was unanimous.

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

Robert Cagnassola reported to the Board that he regrets not having attended the April 22, 2010 Board meeting. Mr. Cagnassola congratulated all the officers recently elected to their positions.

I Statute/Rules/Regulations Committee

John Dailey had no report for the Board.

J Planning Committee

Albertus Jenkins had no report for the Board.

K Monitoring Profession Committee

John Dailey had no report for the Board.

IX Public Comments

Jeff Kaszerman, Government Relations Manager, NJSCPA gave the following report:

Important Society Dates

- June 2nd to 4th - Society Annual Convention and Expo, Bally's Atlantic City

- October 19th- Induction Breakfast for Paul Stahlin as Chair of the AICPA at the Fall Members Meeting of AICPA at the Roosevelt Hotel in New Orleans, LA. The Society is also planning an event in New Jersey sometime in December 2010 or January 2011 to recognize Paul.
- November 3rd to 6th- Society 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 in Trenton:

- S 672 and A 2396, Tax Preparers Licensing Act- Society leaders have met with the primary sponsors and they have agreed to hold these bills to see what happens with the recommendations put forth by IRS.
- S 489 and A 2473, Appeal Bond Caps legislation; S 1540, which provides for the consolidation of certain business-related categories of income and would allow taxpayers who generate income from different types of businesses to offset gains from one business with losses from another; A 415 School Audit Extension, which provides for a one month extension to file school district audits.
- The Society continues to monitor the activity of State Comptroller Matthew Boxer concerning 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.
- Since the April Board meeting, the Society has continued to issue letters to New Jersey's Congressional delegation regarding various amendments to Senator Dodd's financial re-regulation bill.

On a motion made by John Tully, seconded by Michael Taxin, the Board voted to adjourn the Public Session meeting at 10:45 A.M. to reconvene in Executive Session to discuss the results of the Investigative Inquiry, two matters of Old Business, one matter of New Business, five PCAOB reports and four Consumer Complaints. The vote of the Board was unanimous.

The Board went back into Public Session at 11:05 AM to discuss the following matter on the Executive Session agenda:

Keith James

Correspondence was received from Keith James wherein he is requesting a waiver of his required CPE requirements due to financial hardship.

On a motion made by Keith Balla, seconded by Albertus Jenkins, the Board voted to send Mr. James a letter informing him that it is premature for him to request a waiver of CPE credits at this time for the reason expressed in his correspondence. The Board believes that there is plenty of time to obtain the required credits between now and December 31, 2011. However, Mr. James shall also be informed that if he is unable to complete the required CPE credits by December 31, 2011 he should place his CPA license on inactive paid status until he is able to complete the credits. He may request a waiver at that time, at least 60 days prior to the close of the triennial period. The vote of the Board was unanimous.

The Board voted to return to Executive Session at 11:10 am.

Respectfully submitted,

William Mandeville
Executive Director