

NEW JERSEY STATE BOARD OF ACCOUNTANCY  
PUBLIC SESSION MINUTES  
JUNE 19, 2008  
SOMERSET 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. Albertus Jenkins, Board President, called the meeting to order at 9:35 a.m. The following roll call was taken:

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

Also present at the meeting were William Mandeville, Executive Director; Marianne Greenwald, Deputy Attorney General; Melba Rodriguez, Secretarial Assistant; Marie Lisa, Staff; Ralph Thomas, Executive Director, NJSCPA; James Blake, CPA, President, NJSCPA; Irene Douma, CPA, Professor, Montclair State University; Ken Heaslip, CPA, Professor, Bloomfield College; James Carroll, CPA, Professor, Georgian Court University.

**II Minutes of the Meeting of May 15, 2008**

On a motion made by Donald Jump, seconded by Robert Sommer, the Board voted to approve the May 15, 2008 Public Session minutes as presented. The vote of the Board was unanimous.

**III President's Remarks**

Board President Jenkins had no report for the Board.

**IV Executive Director's Remarks**

Executive Director Mandeville had no report for the Board.

**V Request for a Waiver to Reinstate an Expired CPA license**

A James W. Nowoswiat

James Nowoswiat is requesting a waiver to reciprocate his expired CPA license with his Pennsylvania license. Mr. Nowoswiat is also requesting waiver of his Pennsylvania CPA license. He is lacking 6 credits in Finance.

On a motion made by Donald Jump, seconded by Robert Sommer, the Board voted to send a letter to Mr. Nowoswiat requesting proof that he has reinstated his Pennsylvania license. Once such proof has been received, Mr. Nowoswiat will qualify to become licensed in the State of New Jersey under N.J.S.A. 45:2B-

53. The vote of the Board was unanimous.

## **VI Regulatory Analyst - Maryann Sheehan 10:00 A.M.**

Maryann Sheehan, Regulatory Analyst joined the meeting at 10:00 a.m. to discuss the proposed amendments to the CPE rules and regulations. Regulatory Analyst Sheehan informed the Board that the proposed CPE amendments appeared in the New Jersey Register on January 22, 2008 and a 60 day comment period commenced at that time. Subsequently, four individuals submitted comments to the Board. On May 12, 2008, the Rules and Regulations Committee met to review and consider those comments and to respond accordingly. Subsequent to May 12, 2008, a draft of the Board's formal responses to all comments received was prepared and distributed to the Board prior to this meeting. Regulatory Analyst Sheehan then reviewed each comment and the proposed Board response as included in the draft.

On a motion made by John Dailey, seconded by Keith Balla, the Board voted to approve the draft responses; to forward a copy of the approved responses to the 4 individuals who submitted comments; and to adopt the proposed amendments to the CPE rules and regulations without amendment. The vote of the Board was unanimous.

## **VII Legislative Matters**

A Senate Bill No. 1815

Senate Bill No. 1815 requires legal action against certain licensed persons to be brought within two years.

On a motion made by Robert Sommer, seconded by Peter Torok, the Board voted to oppose Senate Bill No. 1815 because it is believed that the provisions of the bill are not in the best interest of the public. The vote of the Board was unanimous.

B Assembly Bill No. 2735

Assembly Bill No. 2735 prohibits employment and licensing background checks to go back further than seven years under certain circumstances.

On a motion made by Keith Balla, seconded by Donald Jump, the Board voted to support Assembly Bill No. 2735. The vote of the Board was unanimous.

## **VIII Committee Reports**

A CPA Examination Committee

Aubrey Kosson informed the Board that the members of the CPA Examination Committee should make an appointment to visit their assigned CPA Exam testing site. Margaret Shoe will be visiting the Deptford location, Peter Torok will be visiting the West Orange location, and Bennie Hadnott and Aubrey Kosson will be visiting the Fair Lawn location.

After all the visits have been completed a full report will be made to the Board.

B Ethics Committee

Donald Jump had no report for the Board.

C CPE Committee

Robert Sommer submitted a report to the Board detailing the results of the May 15, 2008 CPE Committee meeting.

On a motion made by Robert Sommer, seconded by Donald Jump, the Board voted to approve the report of the CPE Committee. The vote of the Board was unanimous.

#### D RMA Committee

No report was given.

#### E QE Committee

No report was given. However, John Dailey reminded the Board of the proposed amendments to QE rules and regulations as discussed by Robert Cagnassola at the May meeting. The matter will be placed on the agenda of the July 17, 2008 Board meeting.

#### F Education Committee

Bennie Hadnott had no report for the Board.

#### G Reciprocity Committee

Keith Balla had no report for the Board.

#### H Nominating Committee

No report was given.

#### I Statute/Rules/Regulations Committee

No report was given.

#### J Planning Committee

Margaret Shoe informed the Board that the Planning Committee met after the May Board meeting to discuss the various e-mail options that are available. Since it is almost renewal time again, the matter will be postponed until the renewal process has been completed.

#### K Monitoring Profession Committee

John Dailey had no report for the Board.

### **IX Public Comments**

Ralph Thomas, Executive Director, NJSCPA reported to the Board that the Society continues to remind its members of the upcoming license renewal on their website. The goal of the Society is to have all members fully informed about renewing their licenses, to renew early, and how to renew in a manner to avoid the problems encountered in the past.

Mr. Thomas informed the Board that the Society will sponsor its annual Getaway Convention in November 5-9, 2008 in Phoenix, Arizona. Also, the Society's next In-state Convention will be held at Bally's Hotel Casino in Atlantic City, NJ on June 3-5, 2009.

Mr. Thomas informed the Board that the Society would be meeting with the various Bill sponsors to forward the Society's position on A-2407 and S-1609.

Mr. Thomas then reported that there will be an Educator's Committee Meeting on June 19, 2008 at Monmouth University during the Society's Scholars' Institute. He invited Board members to attend the closing ceremony of the Institute if any of the Board members were available to do so.

Mr. Thomas informed the Board that the transparency peer review letter has been published in the Society's magazine.

Mr. Thomas asked the Board if there is any way that the Society may be able to receive information when disciplinary action has been taken against licensees. DAG Greenwald informed that she would check with the Division of Law if there would be a problem to forward this information on to the Society.

Ken Heaslip, CPA, Professor, Bloomfield College, commented on the Board's adopted CPE rules and regulations as they pertain to credits for full-time instructors and discussion leaders. In general, while he stated he personally never takes CPE credits for teaching. Mr. Heaslip objected to the denial of credits for full-time instructors and discussion leaders who do take these credits and stated various reasons for his objection.

James Carroll, Professor, Georgian Court University, informed the Board that he too has never taken credits for teaching CPE. Despite that, he is very upset with the revised CPE regulations as they pertain to credits for full-time instructors and discussion leaders and he feels that educators are being singled out.

Irene Douma, Professor, Montclair State University, also expressed objection to the adopted CPE rules and regulations as they pertain to credits for full-time instructors and discussion leaders. She stated that she also never takes CPE credits for teaching. Ms. Douma stated that she believes the Board actions show a lack of respect for accounting professors. She informed the Board that no text book is universal for teaching and consequently research and preparation prior to every class is required in order for professors to keep up with changes in the profession. She also informed the Board that the amended rules and regulations are already outdated because they fail to reference International Financial Reporting Standards.

On a motion made by Peter Torok, seconded by Bennie Hadnott, the Board voted to adjourn the Public Session Board meeting at 11:00 A.M. to reconvene in Executive Session to discuss the results of the Investigative Inquiry Committee held on June 5, 2008, one matter of New Business, seven matters of Old Business, three PCAOB reports and four Consumer Complaints. The vote of the Board was unanimous.

Respectfully submitted,

William Mandeville  
Executive Director