

**NEW JERSEY STATE BOARD OF ACCOUNTANCY  
PUBLIC SESSION MINUTES  
JULY 18, 2013  
HUDSON ROOM - 6<sup>TH</sup> 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 9:38 a.m. The following roll call was taken:

Keith Balla, CPA	Present
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
Hal Model, CPA	Present
Ainsley A. Reynolds, CPA	Present
Michael H. Runge, CPA	Present

Also present at the meeting were William Mandeville, Executive Director, Tobey Palan, Deputy Attorney General, Melba Rodriguez, Secretarial Assistant; Marie Lisa, Staff; Khaled Madin, Government Representative; Gerard Abbattista, President, Jeff Kaszerman, Government Relations, NJSCPA,; David Plaskow, Editor, NJSCPA Magazine; Matthew Nicolemo, Intern, Villanova Law School and Kristen French, Intern, William and Mary Law School.

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## **II Minutes of the Meeting of June 20, 2013**

On a motion made by Harold Model, seconded by Daniel Geltrude, the Board voted to approve the June 20, 2013 Public Session minutes with corrections. The vote of the Board was unanimous.

## **III President's Remarks**

Board President Dailey had no report but did remind all the Board members and the public that there is no Board meeting scheduled for the month of August. Board President Dailey welcomed the public guest to the Board meeting.

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

Executive Director Mandeville had no report for the Board.

## **V Request for Re-Activation**

### **A Christine M. Alevras**

An application for reactivation was received from Ms. Alevras. Ms. Alevras has not practiced accountancy for 18 years. The Board is requesting that a letter be sent to Ms. Alevras to find out what her plans are once she has received an active license.

### **B Shari Seewald**

An application for reactivation was received from Ms. Seewald. Ms. Seewald has been practicing with a current firm since October 2011.

On a motion made by Jorge Caballero, seconded by Michael Runge, the Board voted to approve Mr. Seewald's request for reinstatement. The vote of the Board was unanimous.

### **C Dennis Krousos**

Daniel Geltrude recused himself from this matter.

An application for reactivation was received from Mr. Krousos. Mr. Krousos had voluntarily surrendered his CPA license in 2010.

On a motion made by Jorge Caballero, seconded by Ainsley Reynolds, the Board voted to approve Mr. Krousos' request to reinstate his CPA license. Prior to reinstatement, the Board requests that Mr. Krousos complete 120 CPE and provide proof to the Board office. The vote of the Board was unanimous.

## **VI Committee Reports**

### **A CPA Examination Committee**

Harold Model had no report for the Board but did mention that exam site visits should be conducted soon.

### **B Ethics Committee**

Jorge Caballero reported to the Board that AICPE submitted the changes requested by the Committee to their CPE course. The Committee has reviewed the changes and finds it to be satisfactory.

On a motion made by Jorge Caballero, seconded by Daniel Geltrude, the Board voted to approve the CPE course submitted by the AICPE. The vote of the Board was unanimous.

Mr. Caballero also reported to the Board that a NJ Law & Ethics course was submitted by Gearty CPE with additional information added to the course. The Committee reviewed the additional information and found it to be satisfactory.

On a motion made by Jorge Caballero, seconded by Daniel Geltrude, the Board voted to approve the course provided by Gearty CPA. The vote of the Board nine voting in favor with John Dailey abstaining.

### **C CPE Committee**

Daniel Geltrude had no report for the Board.

### **D RMA Committee**

John Dailey reported to the Board that a meeting is scheduled for the following week with the RMA examination preparer, Warren Korceky. Robert Cagnassola, along with several Board members as well as the Chair of the RMA Committee grade the exam. The past exam rates as well as the exam contents will be reviewed. The Committee would like to review the answers before the exam is

administered. After the meeting has occurred, Board President Dailey will supply the Board with a report.

On a motion made by Jorge Caballero, seconded by Harold Model, the Board voted to grant permission to Board President Dailey to meet with Mr. Korecky and Mr. Cagnassola regarding the RMA exam. The vote of the Board was unanimous.

E Peer Review Oversight Committee

Sara DeSmith reported to the Board that a Peer Review Oversight Committee meeting will take place following the Board meeting. Ms. DeSmith also informed the Board that she attended the Nashville NASBa meeting the previous week.

F Education Committee

Ainsley Reynolds had no report for the Board but did inform the Board that NJSCPA has a program called Pay It Forward. This program has been incredibly successful at the local high schools. Mr. Reynolds suggested that Board members should attend a session and they try to hold one of these programs at their local high school.

G Reciprocity Committee

Michael Runge had no report for the Board.

H Nominating Committee

Keith Balla had no report for the Board.

I Statute/Rules/Regulations Committee

Keith Balla informed the Board that letter were sent out to the college educators and responses have not been received. As soon as educators start responding these letter will be reviewed and a report will be given.

J Monitoring Profession Committee

Keith Balla informed the Board that a Monitoring Profession Committee meeting is scheduled for August 19, 2013 but the Board President will not be available. The meeting will still go on.

## **VII Public Comments**

Gerard Abbattista, President of the New Jersey Society of CPAs and a partner with EisnerAmper. On behalf of Ralph Albert Thomas, CEO and Executive Director of the New Jersey Society of CPAs, I once again extend his regrets for not being able to attend today's meeting as he's attending an AICPA and State Society Interchange Conference in Las Vegas this week. Following are the Society's key dates and activities and initiatives:

### **Reminder of Important Society Dates**

- October 2<sup>nd</sup>, 2013- NJSCPA Annual Career Night Pines Manor Edison, NJ
- December 6<sup>th</sup>- Society's Board Meeting and Leadership Holiday Luncheon.
- June 4<sup>th</sup>-6<sup>th</sup>, 2014 NJSCPA Annual Convention & Expo at Bally's in Atlantic City, NJ

I would like to update Board members and staff on the following items:

The AICPA and NASBA in a recent joint statement/press release affirmed a shared commitment to the work of the Financial Accounting Foundation's (FAF) Private Company Council (PCC), while also acknowledging the role that the FRF for SMEs can play in meeting the needs of small and medium size entities. The statement outlined the two organizations mutual commitment to ensuring that FRF for SME's is not confused with GAAP, and it announced the development of a decision-making tool by the AICPA, with the input of NASBA, to help companies determine whether the framework is suitable for their needs. In mid June, AICPA launched FRF for SME's and NASBA subsequently issued a press release which raised a number concerns regarding the framework. NASBA's press release also called for AICPA to hold off on the launch and let the work of the PPC continue.

Recently, the House of Representatives approved a bipartisan bill by a vote of 321 to 62 that prohibits the PCAOB from requiring mandatory audit firm rotation for public companies. The bill H.R. 1564 was originally introduced on April 15<sup>th</sup> by Reps Robert Hurt, R-VA and Gregory Meeks, D-NY. As a result of the House's action, AICPA President and CEO Barry Melancon believes a message has been sent that the time has come to end the debate over the rotation.

The Society continues its efforts to get the Reciprocity Bill S 2116 moved through the Senate. We are in the process of scheduling a meeting the staff of Senator Nia Gill Chair of the Senate Commerce Committee to urge her to post the Bill in the fall legislative session. The Appeal Bond Cap Bill which the Society has been

supporting continues to be stuck in the Senate Judiciary Committee due to the fact that the Chair of the Committee has refused to post the bill.

On a motion made by Jorge Caballero, seconded by Sara DeSmith, the Board voted to adjourn the Public Session meeting at 10:25 A.M. to reconvene in Executive Session to discuss the results of the Investigative Inquiry, two New Business matters, one Old Business matter, one Request for Reinstatement, the PCAOB reports and three Consumer Complaints. The vote of the Board was unanimous.

Respectfully submitted,

William Mandeville  
Executive Director