

NEW JERSEY STATE BOARD OF ACCOUNTANCY
PUBLIC SESSION MINUTES
JULY 22, 2004
ESSEX ROOM
7TH 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
Andrew DuBoff, CPA Present
Bennie Hadnott, CPA Present
Albertus Jenkins, Public Member Present
Aubrey Kosson, CPA Present
Herbert Lipman, CPA Present
Alfonso Pisano, Esq., Public Member Present
Margaret Shoe, Public Accountant Present
Robert Sommer, Public Accountant 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; Jaleila Wilson, Board Staff; Mike Polito, CPA, Past President, NJSCPA; James Evans, CPA, Past President, NJSCPA. John LaPilusa, President, NJSCPA.

II Minutes of the Meeting of June 17, 2004

On a motion made by Alfonso Pisano, seconded by Herbert Lipman, the Board voted to accept the June 17, 2004 Public Session minutes with corrections. The vote of the Board was unanimous.

III President's Remarks

Andrew DuBoff informed the Board that Elizabeth Burns has officially resigned for personal reasons. Ms. Burns informed Mr. DuBoff that her resignation had nothing to do with the Board. She enjoyed her experience and relationship with each one of the Board members.

Mr. DuBoff informed the Board that the Committees that Ms. Burns was the chair of would have to be reassigned. Mr. DuBoff asked Mr. Lipman to chair the Monitoring Profession Committee, and he has accepted.

Mr. DuBoff informed the Board that he had an interesting conversation regarding CPE requirements.

Executive Director Mandeville provided the Board with copies of Assembly Bill 1763, which provides that an individual should not be automatically denied a license for having been convicted more than ten years ago. A question was raised as to whether or not the Board would have the right to question the individual regarding the conviction. DAG Greenwald informed the Board that they are able to question them on the matter if they are invited to appear before the Board.

On a motion made by Alfonso Pisano, seconded by Robert Sommer, the Board voted to advise the NJ

Society of CPA's that the Board retains the right to deny licensure in order to continue its primary objective, which is to protect the public. The vote of the Board was unanimous.

IV Executive Director's Remarks

Executive Director Mandeville had no report for the Board.

V Request for Waiver to Endorse License

A Jeanette Dakwar-Reynolds

Jeanette Dakwar-Reynolds requested a waiver to reciprocate her Pennsylvania license. Ms. Dakwar-Reynolds is lacking 2 semester hours in Finance.

On a motion made by Margaret Shoe, seconded by Albertus Jenkins, the Board voted to waive Ms. Dakwar-Reynolds' two semester hours in Finance and approve her request for reciprocity. The vote of the Board was unanimous.

B David Callen

David Callen requested a waiver to reciprocate his New Hampshire license. Mr. Callen is lacking 13.5 semester hours in Liberal Arts.

On a motion made by Margaret Shoe, seconded by Herbert Lipman, the Board voted to waive the 13.5 semester hours in Liberal Arts and approve Mr. Callen's request reciprocity based on the 4.25 years experience as a CPA he has obtained working at KPMG. The vote of the Board was unanimous.

C Mukesh K. Mahajan

Mukesh Mahajan requested a waiver to reciprocate his Delaware license. Mr. Mahajan is lacking 4 semester hours in Finance and 46 semester hours in Liberal Arts.

Ms. Shoe informed the Board that Mr. Mahajan's request should be denied since he does not possess a four year degree and the fact that New Jersey does not reciprocate with Delaware. He should be informed that he should obtain the additional credits that he is missing so that he may meet the New Jersey requirements.

Mr. Pisano informed the Board that the it should approve the request since Mr. Mahajan has been working as a CPA for twenty years, between India and USA.

On a motion made by Margaret Shoe, seconded by Herbert Lipman, the Board voted to deny Mr. Mahajan's request for reciprocity based on the fact that Mr. Mahajan does not have sufficient experience required in the New Jersey rules for reciprocity. The vote of the Board was 10 voting in favor with John Tully in opposition.

D Raimonda P. Rrapo

Raimonda Rrapo requested a waiver to reciprocate her New York license. Ms. Rrapo is lacking 2 semester hours in College Credits.

On a motion made by Margaret Shoe, seconded by Bennie Hadnott, the Board voted to refer to the Reciprocity Committee, Ms. Rrapo's request for reciprocity based on the fact that she only has one year experience and that she did not take all four parts of the examination on the first sitting. The vote of the Board was unanimous.

VI Request for Transfer of Grades

A Keigo Matsumura

Keigo Matsumura requested a waiver to transfers his grades. Mr. Matsumura informs the Board that he received his certificate from Guam. Mr. Matsumura is also requesting a waiver of 2 semester hours in Accounting and 2.5 semester hours in Finance. The information is presented for Board review.

On a motion made by Robert Sommer, seconded by Bennie Hadnott, the Board voted to deny Mr. Matsumura's request for transfer of grades based on the lack of experience. Mr. Matsumura is to obtain one year of work experience and complete the credits he is lacking. The vote of the Board was unanimous.

B Michael Rofman

Michael Rofman requested to transfer his New Jersey exam grades to New York. His intentions were to become licensed in New York.

On a motion made by Alfonso Pisano, seconded by Herbert Lipman, the Board voted to approve Mr. Rofman's request and transfer his grades to New York. The vote of the Board was nine voting in favor with Robert Cagnassola and Robert Sommer opposed.

VII Rules and Regulations - 11:00 A.M.

Maryanne Sheehan, Regulatory Analyst, discussed the re-adoption of the Board of Accountancy sunset rules.

On a motion made by John Tully, seconded by Bennie Hadnott, the Board voted to accepted the re-adoption rules with the changes. The vote of the Board was unanimous.

VIII NASBA Matters

A Examination Questions from Daniel Newman, NJ Coordinator, NASBA

Correspondence was received from Mr. Newman wherein he questions the Board if candidates getting initial credit during the computer based examination, will their credit expire on a rolling basis.

Mr. Newman also would like Board clarification regarding candidates who have passed the examination before meeting the 150 semester hours rule.

On a motion made by John Tully, seconded by Margaret Shoe, the Board voted to advise Mr. Newman that the credit for August 2004 would indeed expire in February 2006 not in November 2005. As for August 2004 would now be the beginning of a new (May 2004) rolling eighteen month period. The proposed regulations at this time provides for the exact dates of the testing period rather than the windows for the purpose of measuring the eighteen month period. The Board has serious concerns about this later issue and intends to consider changing or attempting to change the window concept before the regulations are finalized. The vote of the Board was unanimous.

B NASBA Online Quick Poll

Robert Longway from the Colorado State Board of Accountancy has submitted a quick poll regarding the reporting of exam scores for verification.

On a motion made by Herbert Lipman, seconded by Robert Sommer, the Board voted ???

IX CPE Inquiry

A Stephanie A. Forde, CPA

Upon review of the information presented, the Board feels that clarification is needed from the continuing education sponsor. The Board would like to find out how the continuing education hours are calculated.

On a motion made by Robert Cagnassola, seconded by Robert Sommer, the Board voted to defer this matter until the information has been received. The vote of the Board was unanimous.

X Committee Reports

A CPA Examination Committee

Aubrey Kosson had no report for the Board.

B Ethics Committee - Chairperson

No report was given to the Board.

C CPE Committee

Robert Sommer had no report for the Board.

D RMA Committee

Robert Cagnassola had no report for the Board.

E QE Committee

Dale Nelson informed the Board that there would be a meeting on July 28, 2004 and on August 2, 2004 and that the meeting scheduled for July 29, 2004 would be cancelled. Mr. Nelson also informed the Board that a CPE audit summary has been prepared.

F Education Committee

Bennie Hadnott researched the following colleges regarding their accreditation.

1 Bob Jones University, SC

Mr. Hadnott informed the Board that Bob Jones University in South Carolina does not have National or Regional accreditation.

Mr. Hadnott's suggestion to the Board is to not grant accreditation based on his findings.

2 Canyon College, ID

Mr. Hadnott informed the Board that Canyon College in Idaho does not have National or Regional accreditation and does not meet New Jersey education requirements. Mr. Hadnott recommended that the Board not grant accreditation to Canyon College in Idaho.

3 Ocean County College

Mr. Hadnott informed the Board that Ocean County College has level one accreditation. Applicants must obtain 30 credits in Accounting and 20 in Business Courses.

Mr. Hadnott's suggestion to the Board, is to grant Ocean County College accreditation.

On a motion made by Bennie Hadnott, seconded by Keith Balla, the Board voted to accept the recommendations made regarding the above listed colleges. The vote of the Board was unanimous.

G Reciprocity Committee

1 Kyungsik Na

On a motion made by Herbert Lipman, seconded by Bennie Hadnott, the Board voted to deny Mr. Na's request for endorsement. The vote of the Board was unanimous.

2 Paul Morrissey

On a motion made by Herbert Lipman, seconded by Margaret Shoe, the Board voted to deny Mr. Morrissey's request for endorsement based on the fact that he does not meet the 4/10 rule. Mr. Morrissey is to be informed that he can apply again in May 2006. The vote of the Board was unanimous.

H Nominating Committee

Herbert Lipman informed the Board that a new Board Vice President should be elected. Mr. Lipman nominated John Tully to serve as Vice President of the Board of Accountancy. Mr. Lipman also nominated Albertus Jenkins as Treasurer of the Board of Accountancy.

On a motion made by Herbert Lipman, seconded by Robert Sommer, the Board voted to appoint John Tully as the new Vice President of the Board and Albertus Jenkins as the new Treasurer of the Board. The vote of the Board was 10 voting in favor with John Tully abstaining.

I Statute/Rules/Regulations Committee

Alfonso Pisano had no report for the Board.

J Professional Liaison Committee

Andy DuBoff had no report for the Board.

K Planning Committee

1 Certificate Ceremony

Margaret Shoe reviewed the information relating to the semi-annual Certificate Ceremony that is held at the PNC Arts Center in Holmdel, New Jersey.

Ms. Shoe suggested to the Board that the November 2004 Certificate Ceremony should be held. She also informed the Board that it should consider changing to once a year.

On a motion made by Herbert Lipman, seconded by Robert Sommer, the Board voted to accept the suggested schedule.

L Monitoring Profession Committee

Herbert Lipman had no report for the Board.

XI Miscellaneous

A Aubrey Kosson, CPA

Aubrey Kosson, CPA has a documentary video tape that he would like the Board to view. The documentary is called "Tax Me If You Can".

Mr. DuBoff informed the Board that he would be viewing the tape provided by Mr. Kosson and will report

back to the Board.

B T. Padmavati Devi

T. Padmavati Devi is requesting eligibility to take exam.

On a motion made by Margaret Shoe, seconded by Keith Balla, the Board voted to deny Mr. Devi's request for eligibility to take the examination. Mr. Devi is to be informed that he must first obtain his degree. The vote of the Board was unanimous.

XII Public Comments

John LaPilusa informed the Board that he is the new President of the New Jersey Society of CPA's.

Mr. LaPilusa asked if the Board was planning on preparing a report on the CPE audit programs that are being performed and what would be the time frame in which the report would be ready. Mr. DuBoff informed Mr. LaPilusa that hopefully a report will be out around December 31, 2004.

Mike Polito informed the Board that the distance learning web site is working very well.

On a motion made by Robert Sommer, seconded by Robert Cagnassola, the Board voted to adjourn the Public Session portion of the meeting at 11:50 AM to enter into Executive Session to discuss various matters. The vote of the Board was unanimous.

Respectfully submitted,

William Mandeville
Executive Director