

**NEW JERSEY STATE BOARD OF ACCOUNTANCY  
PUBLIC SESSION MINUTES  
AUGUST 18, 2011  
SOMERSET 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 Keith Balla 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 F. Dailey, Jr., CPA	Present
Daniel J. Geltrude, CPA	Present
Albertus Jenkins, Public Member	Present
Donald Jump, CPA	Excused
Paul J. Lerch, CPA	Excused
Michael S. Taxin, Public Accountant	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; Ralph Albert Thomas, Executive Director NJSCPA; Mike Polito, Past President, NJSCPA; Jeff Kaszerman, NJSCPA and David Plaskow, Editor, NJSCPA Magazine.

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## **II Minutes of the Meeting of July 21, 2011**

On a motion made by John Dailey, seconded by Albertus Jenkins, the Board voted to approve the July 21, 2011 Public Session with corrections. The vote of the Board was unanimous.

## **III President's Remarks**

Board President Balla informed the Board that there will be two additional people added to the Peer Review Program Committee. Mr. Balla will report to the Board at the next Board meeting.

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

Executive Director Mandeville had no report for the Board.

## **V Request for Reciprocity**

### **A Jonathan Mark Katell**

Correspondence was received from Jonathan Katell wherein he is requesting a waiver of .7 semester hours in Economics and .7 semester hours in Finance to meet the 150 hour requirement. Mr. Katell passed the CPA exam in New Jersey and is requesting reciprocity thru the State of New York.

On a motion made by John Dailey, seconded by Robert Cagnassola, the Board voted to approve Mr. Katell's request for reciprocity. The vote of the Board was unanimous.

### **B Louise Muratore**

Correspondence was received from Louise Muratore wherein she is requesting a waiver of 11 semester hours to meet the 150 hour requirement under N.J.S.A. 45:2B-53. Ms. Muratore is requesting reciprocity thru the State of California.

On a motion made by Robert Cagnassola, seconded by Steven Weinstein, the Board voted to approve Ms. Muratore's request for reciprocity under N.J.S.A. 45:2B-53. The vote of the Board was unanimous.

## **VI Uniform Penalty Letter in Lieu of Formal Complaint for CPE Audit**

### **A REQUESTED VOLUNTARY SURRENDER**

1. David M. Kelley
2. Robert T. Brandow
3. William Young Kim
4. Vipul M. Patel
5. Timothy O'Shea

On a motion made by John Dailey, seconded by Michael Taxin, the Board voted to approve the requests for voluntary surrender. The vote of the Board was unanimous.

### **B PAID PENALTY AND WILL MAKE UP CREDITS**

1. John Haslach - \$3,500 - paid
2. Paul D. Martucci - \$3,500 - payment plan 10 payments

On a motion made by John Dailey, seconded by Steven Weinstein, the Board voted to approve the paid penalties and making up of the credits. The vote of the Board was unanimous.

### **C PAID PENALTY AND REQUESTED INACTIVE-PAID STATUS**

1. Charles G. Krikorian - \$3,000 - payment plan 10 payments
2. Patricia K. Sheridan - \$8,000 - payment plan 16 payments
3. Steven Hayman - \$8,000 - payment plan 10 payments
4. Benito Aguiar - \$8,000 - payment plan 16 payments
5. Diane J. Bryan - \$8,000 - payment plan 16 payments

6. Domenick Nasto - \$4,000 - payment plan 10 payments

On a motion made by John Dailey, seconded by Michael Taxin, the Board voted to approve the paid penalties and requests for inactive-paid status. The vote of the Board was unanimous.

#### **D REQUESTED BOARD TO CONSIDER EXPLANATION**

1. Dennis Veltre

On a motion made by John Dailey, seconded by Daniel Geltrude, the Board voted to inform Mr. Veltre that he must supply the Board with employment status for the last three years, copies of his tax returns and Federal 1040 for the last three years and any other financial information that shows financial hardship that prevented him from completing the CPE requirements. The vote of the Board was unanimous.

2. Marc A. Nakashian

On a motion made by John Dailey, seconded by Michael Taxin, the Board voted to rescind the UPL. Mr. Nakashian is to be informed that he must complete the four CPE credits in NJ Law and Ethics. The vote of the Board was unanimous.

3. Lawrence M. Entis

On a motion made by John Dailey, seconded by Daniel Geltrude, the Board voted to reduce Mr. Entis fine to \$1,500 since he provided 80 CPE credits after self study. The vote of the Board was unanimous.

4. Gerald T. Stankovich

On a motion made by John Dailey, seconded by Albertus Jenkins, the Board voted to rescind the UPL and offer Mr. Stankovich to place his license in inactive status. The vote of the Board was unanimous.

5. Simon K. Wen

On a motion made by John Dailey, seconded by Daniel Geltrude, the Board voted to uphold the UPL. The vote of the Board was unanimous.

6. Noah B. Rosenfarb

On a motion made by John Dailey, seconded by Robert Cagnassola, the Board to table this matter until next month, by then Mr. Rosenfarb's certificates should have been received by the Board office. The vote of the Board was unanimous.

7. Chris G. Karis

On a motion made by John Dailey, seconded by Steven Weinstein, the Board voted to uphold the UPL. The vote of the Board was unanimous.

8. Alan J. Maclsaac

On a motion made by John Dailey, seconded by Steven Weinstein, the Board voted to uphold the UPL. The vote of the Board was unanimous.

9. Joseph Garagozzo

On a motion made by John Dailey, seconded by Albertus Jenkins, the Board voted to table this matter. The vote of the Board was unanimous.

10. Michael T. Woll

On a motion made by John Dailey, seconded by Robert Cagnassola, the Board voted to inform Mr. Woll that he must supply the Board with employment status for the last three years, copies of his tax returns and Federal 1040 for the last three years and any other financial information that shows financial hardship that prevented him from completing the CPE requirements. Mr. Woll is to also be informed that he has 42 CPE credit self study reduction. The vote of the Board was unanimous.

11. Rocco V. Basso

On a motion made by John Dailey, seconded by Daniel Geltrude, the Board voted to reduce the UPL to \$6,000.00. The vote of the Board was unanimous.

12. Rebecca Miu-Chi Mok

Upon review of the information provided, Ms. Miu-Chi Mok provided 60 CPE credits and lives in China.

On a motion made by John Dailey, seconded by Albertus Jenkins, the Board voted to rescind the UPL and allow Ms. Miu-Chi Mok to place her license in

inactive status. Ms. Miu-Chi Mok does not have to complete the four CPE credits in NJ Law and Ethics. The vote of the Board was unanimous.

13. Joseph C. Becker

On a motion made by John Dailey, seconded by Michael Taxin, the Board voted to inform Mr. Becker that he must supply the Board with employment status for the last three years, copies of his tax returns and Federal 1040 for the last three years and any other financial information that shows financial hardship that prevented him from completing the CPE requirements. Mr. Becker is to be informed that he must complete the four CPE credits in NJ Law and Ethics. The vote of the Board was unanimous.

14. John N. Givissi

The Chair directed that this matter be moved to Executive Session for additional review.

15. Ronald L. Blake

On a motion made by John Dailey, seconded by Steven Weinstein, the Board voted to uphold the UPL. The vote of the Board was unanimous.

**VII Request for CPE Waiver**

A Erma M. Mastalia

Correspondence was received from Erma Mastalia wherein she is requesting a waiver to complete the required CPE. Ms. Mastalia informed the Board that her previous employer paid for all CPE credits. She is currently only working part time with the present employer and just does not have the means to pay to take the credits. Ms. Mastalia is 82 years old.

On a motion made by John Dailey, seconded by Robert Cagnassola, the Board voted to authorize DAG Palan to contact Ms. Mastalia and offer her the option to place her license in inactive status since a license is not necessary to prepare taxes. The vote of the Board was unanimous.

B Kathleen Fallon - UPL request for waiver

On a motion made by John Dailey, seconded by Robert Cagnassola, the Board voted to uphold the UPL. The vote of the Board was unanimous.

**Uniform Penalty Letter in Lieu of Formal Complaint for Cpe Audit - Addendum**

**Requested Voluntary Surrender**

1. Joseph J. Burke
2. Harold Cohen
3. Robert Hardaker
4. Carl H. Altenburg, III
5. Daniel R. Dusch, Jr.
6. Victor A. Howe
7. Shanon K. Keyes
8. Timothy J. Bluish

On a motion made by Albertus Jenkins, seconded by Steven Weinstein, the Board voted to approve the requests for Voluntary Surrender. The vote of the Board was unanimous.

**Pay Penalty and Requested Inactive-paid Status**

1. Veronica Wolf - \$1,500 - paid
2. Elvira Esther Styller
3. Anthony Lupo - \$8,000 - payment plan - 16 payments
4. Ira S. Miller - \$8,000 - paid

On a motion made by John Dailey, seconded by Robert Cagnassola, the Board voted to approve the paid penalties and requests for inactive-paid status. The vote of the Board was unanimous.

### **Pay Penalty and Make up Credits**

1. William A. Emmer - \$8,000 - payment plan - 16 payments
2. Marvin D. Lando - \$1,000 - paid
3. Jeannette H. Darsi - \$8,000 - payment plan - 16 payments
4. Linda L. Baker - \$8,000 - payment plan - 16 payments
5. Michael G. Long - \$3,500 - payment plan - 10 payments
6. Lee Hartman - \$7,000 - paid
7. Michael A. Rossi - \$3,500 - payment plan - 10 payments
8. Chen H. Keong - \$8,000 - payment plan - 16 payments
9. Linda Irons - \$8,000 - payment plan - 16 payments
10. Carmen A. Vacchiano - \$8,000 - payment plan - 16 payments
11. Salvatore Faia - \$4,000 - paid

On a motion made by John Dailey, seconded by Michael Taxin, the Board voted to approve the requests to pay the penalties imposed and make up the CPE credits. The vote of the Board was unanimous.

## **VIII Committee Reports**

### **A CPA Examination Committee**

Steven Weinstein had no report for the Board.

### **B Ethics Committee**

Daniel Geltrude reported to the Board that a request for approval of an ethics course was reviewed and not approved from Rigos Professional Education Program which was a self study course. A letter was sent to Rigos outlining all the deficiencies of this course. When Rigos makes the changes the Committee will review it again.

C     CPE Committee

Steven Weinstein reported to the Board that several sponsors were reviewed at the end of the July 2011 Board meeting and other meetings will be held to move the CPE matters along.

D     RMA Committee

Robert Cagnassola had no report for the Board.

E     Peer Review Program Committee

Robert Cagnassola reported to the Board that the AICPA and NASBA held a joint meeting on Peer Review oversight. Mr. Cagnassola commented that the meeting was very interesting and that several speakers discussed what other states are doing with Peer Review.

F     Education Committee

Albertus Jenkins had no report for the Board.

G     Reciprocity Committee

No report was given.

H     Nominating Committee

No report was given.

I     Statute/Rules/Regulations Committee

John Dailey reported to the Board that he received a joint email from NASBA and AICPA regarding an Exposure Draft on standards of CPE. Mr. Dailey informed the Board that the CPE Committee should review the information and report back to the Rules and Regulations Committee.

J     Planning Committee

Albertus Jenkins had no report for the Board.

K Monitoring Profession Committee

John Dailey reported to the Board the following information relative to the CPE audits for the 2006-08 triennial period:

**August totals:**

**Year to date totals:**

Penalties assessed	\$333,000
UPL's sent out	86
Paid	\$62,631
Voluntary Surrender	13
Responded	51

**IX Public Comments**

**Important Society Dates**

- August 22-24, 2011 - Atlantic City Cluster at the Taj Mahal, Atlantic City, NJ
- October 6, 2011 - Annual Career Night at the Pines Manor in Edison, NJ
- November 9-13, 2011 - NJSCPA Professional Development Conference in San Antonio, TX featuring Ed Robinson from Robinson Performance Group and presentations from First Global.
- December 9, 2011- Society's Holiday Board Luncheon
- June 6-8, 2012 - NJSCPA Convention and Expo at the Taj Mahal Atlantic City, NJ.

**Society Activities and Engagements on the Legislative and Regulatory Front**

We are monitoring the following legislative and regulatory activities in Trenton and Washington, DC:

- Legislative and regulatory activity in Trenton has been minimal due to the fact that the legislature has recessed for the summer.
- On the national scene, we continue to await final action on Tax Strategy Patents legislation which was passed by the Senate and House, and is now in a

Congressional Conference Committee. If the legislation is voted out of the Conference Committee and signed by the President, it would prevent future tax strategy patents from being granted.

- Since the July State Board meeting, the Society and the AICPA continued to visit CPA firms in New Jersey that are part of the G400 Firms. Again, G400 represents the 400 largest firms after the top 100 firms and the Big Four. The purpose of our visits with these firms is to build a sense of community amongst the firms, foster relationships with State Societies and the AICPA, assist the firms in their human capital, technical and leadership development and work with them to encourage a culture where young accountants become CPAs and identify best practices which can be shared amongst G400 firms.
- The Society continues to encourage its members, their clients and community bankers to write to the Financial Accounting Foundation (FAF) about supporting the recommendations put forth by the Blue Ribbon Panel.

#### **Additional Comments/Questions**

- The Society's CPE programming during August has continued to be extremely strong, which is consistent with activity in June and July. Our expectations are that by the end of the calendar year we will have more than 28,000 registrants having attended Society CPE programs.
- Society representatives participated on a conference call with the AICPA's Professional Ethics Executive Committee on August 5<sup>th</sup>. The purpose of the call was to discuss what actions if any the AICPA should take against licensees who are AICPA members and have received and consented to CPE related UPLs. The result of that call was that the AICPA, in accordance with its bylaws, will sanction without hearings those licensees who are AICPA members and have consented to UPLs and fines issued by the NJ State Board of Accountancy. As a result of the Society's participation in the Institute's Joint Enforcement Ethics Program (JEEP), the Society will await results of the AICPA's action on this matter before taking any action itself. Individuals who are automatically sanctioned by the AICPA will have an opportunity to appeal their sanctions which will be in the form of an admonishment to the Institute's Joint Trial Board.

On a motion made by Robert Cagnassola, seconded by John Dailey, the Board voted to adjourn the Public Session Board meeting at 10:40 A.M. to reconvene in Executive Session to discuss six UPL in Lieu of Formal Complaint for CPE Audit, one Request for Reinstatement, one New Business, one Old Business and four Consumer Complaints. The vote of the Board was unanimous.

**Matters forwarded from Executive Session**

John N. Givissi

On a motion made by Robert Cagnassola, seconded by John Dailey, the Board voted to uphold the UPL. The vote of the Board was unanimous.

Robert Lorenzo

On a motion made by John Dailey, seconded by Michael Taxin, the Board voted to approve the amended action of reduction of fine. The vote of the Board was unanimous.

Respectfully submitted,

William Mandeville  
Executive Director