

**NEW JERSEY STATE BOARD OF ACCOUNTANCY
PUBLIC SESSION MINUTES
SEPTEMBER 16, 2010
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. Board President Donald Jump called the meeting to order at 9:45 a.m. The following roll call was taken:

Keith Balla, CPA	Present
Robert Cagnassola, CPA	Present
John Dailey, Jr., CPA	Present
Daniel J. Geltrude, CPA	Excused
Albertus Jenkins, Public Member	Present
J. Frank Johnson, Public Accountant	Present (10:00 AM)
Donald Jump, CPA	Present
Paul J. Lerch, CPA	Present
Michael S. Taxin, Public Accountant	Present
Peter Torok, Public Member	Excused
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; Mike Polito, Past President, NJSCPA; Ralph Thomas, Executive Director, NJSCPA and David Plaskow, Editor, NJSCPA Magazine.

II Minutes of the Meeting of July 15, 2010

On a motion made by Steven Weinstein, seconded by Albertus Jenkins, the Board voted to approve the minutes as submitted. The vote of the Board was unanimous.

III President's Remarks

President Jump gave a few remarks on former Board member John Tully's distinguished service to the Board.

IV Executive Director's Remarks

Executive Director Mandeville had no report for the Board.

V Waiver Request

A Diana Trombetta

Ms. Trombetta is requesting a waiver of 29 semester hours in general education towards the 150 requirement.

There was some discussion regarding whether, under the "4 in 10 rule", a licensee needs 4 years of experience in the last 10 years or 4 years experience and be licensed for 10 years. This matter was tabled until the Executive Session to obtain DAG Palan's legal interpretation of N.J.S.A. 45:2B-53(b). A report will be given in Public Session.

B James J. Simone

Correspondence was received from James Simone wherein he is requesting consideration from the Board for licensure without verification of work experience from prior employers. Mr. Simone is requesting a waiver from the State of Pennsylvania and has been licensed since 1986.

On a motion made by John Dailey, seconded by Michael Taxin, the Board voted to inform Mr. Simone that he must comply with the terms of the letter that the Board sent in July, 2010. The letter stated that, in order to reciprocate his Pennsylvania license, Mr. Simone must either provide the Board with proof of four years of public accounting experience, or the equivalent, within the previous

10 years or he must meet the education requirements and obtain the nine credits he is deficient. The vote of the Board was unanimous.

C Mary Ellen Mundy

Correspondence was received from Mary Ellen Mundy wherein she is requesting reciprocity from the State of Pennsylvania under the "4 in 10 rule" (N.J.S.A. 45:2B-53(b)). Ms. Mundy is lacking six semester hours in Business Law, three semester hours in Finance, twelve semester hours in Business Electives and nine semester hours in Accounting

On a motion made by Keith Balla, seconded by John Dailey, the Board voted to approve Ms. Mundy's request for reciprocity from the State of Pennsylvania under N.J.S.A. 45:2B-53(b). The vote of the Board was unanimous.

D Alan Langer

Correspondence was received from Alan Langer wherein he is requesting that the Board accept his experience under the "4 in 10 rule" (N.J.S.A. 45:2B-53(b)) and grant a reciprocal license. He currently holds a license in the State of New York.

On a motion made by Steven Weinstein, seconded by Paul Lerch, the Board voted to approve Mr. Langer's request for reciprocity from the State of New York under N.J.S.A. 45:2B-53(b). The vote of the Board was unanimous.

VI Committee Reports

A CPA Examination Committee

No report was given.

B Ethics Committee

Keith Balla had no report for the Board.

C CPE Committee

No report was given.

D RMA Committee

Robert Cagnassola reported to the Board that the RMA examination scheduled for December 2, 2010 has been prepared.

E QEC Committee

Robert Cagnassola reported to the Board that on September 7, 2010 the QE regulations appeared in the New Jersey Register and are now in effect.

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 had no report for the Board.

I Statute/Rules/Regulations Committee

John Dailey had no report for the Board but did comment on Board regulations under N.J.A.C. 13-29 that are due to "sunset" on October 2010. DAG Palan informed the Board that the regulations have been extended until April, 2011.

J Planning Committee

Albertus Jenkins had no report for the Board.

K Monitoring Profession Committee

John Dailey informed the Board that although Mr. Tully is no longer a member of the Board, the CPE audit process is expected to continue as planned.

VII Public Comments

Michael A. Polito, CPA commented that he believed the "4 in 10 rule" under N.J.S.A. 45:2B-53(b) means that the licensee must have obtained 4 years of experience within the previous 10 years.

Ralph Thomas informed the Board of the following events.

- September 30, 2010 Society's Annual Career Night at the Pines Manor in Edison, NJ 3 pm to 7 pm.
- October 19, 2010 Induction Breakfast for Paul Stahlin, CPA and former President of our State Society as Chair of the AICPA at the AICPA Fall Members Meeting at the Roosevelt Hotel in New Orleans, LA. We are also planning an event in New Jersey sometime in either December 2010 or January 2011 to recognize Paul.
- November 3- 6, 2010 Society Get Away Convention at the LaPlaya Resort in Naples, FL.
- November 30, 2010 Town Hall Meeting and celebration for Paul Stahlin, AICPA Chairman at the Pines Manor, Edison, NJ.
- April 28, 2011- 51st Annual NJSCPA Scholarship Ceremony
- June 8-10, 2011- Society's 6th Annual New Jersey Convention and Expo will be held at the Taj Mahal in Atlantic City.

Mr. Thomas then gave a brief report on the following legislation and regulatory activities in Trenton:

- The School Audit Deadline Extension bill which provides an additional month for the completion of a school district's audit which was passed by the legislature was signed by the Governor.
- S 672 and A 2396, Tax Preparers Licensing Act- no activity has transpired on these bills. The primary sponsors continue to agree to hold these bills to see what happens with the recommendations put forth by IRS. The Service will be moving forward to implement the PTIN and Circular 230 requirements. The Society and its peers have initiated grass root letter campaign to ask the Service to slow its efforts to create an exam and establish education requirements for unlicensed tax preparers.
- On August 4th Society leaders met with the State Treasurer, the new Director of the Division of Taxation and members of the Treasurer's staff. At our meeting, the Society learned that a Director of Taxation Advisory Council was being formed and that they wanted the Society to occupy a seat on that Council. Additionally, the Society attempted to discuss with the Treasurer the State Comptroller's attempt to implement a policy requiring mandatory audit firm rotation. The Treasurer indicated that he felt obligated to comply with the State Comptroller's recommendation. Given the Treasurer's position, we obtained meetings with the Deputy Commissioner of the Division of Community Affairs and staff from the Governor's Chief of Staff's Office. As a

result of these meetings, it appears that the administration is willing to pause and revisit the Comptroller's recommendation and look at what practices are being used by the SEC and other regulatory bodies to enhance the audit firm selection process and independence.

- On the national scene, President Obama signed into law the Dodd-Frank Act which created new financial re-regulation standards. The Act was quite favorable to the CPA profession.

On a motion made by Michael Taxin, seconded by Steven Weinstein, the Board voted to adjourn the Public Session of the Board meeting at 10:35 A.M. to reconvene in Executive Session to discuss one Request for Waiver forwarded from the Public Session, one matter of Old Business, two matters of New Business, the various PCAOB reports, six Consumer Complaints and three miscellaneous matters. The vote of the Board was unanimous.

At 11:15 am, the Public Session was reopened to discuss agenda item V-A, Diana Trombetta. It was determined that Ms. Trombetta had 4 years of experience outside the State of New Jersey within the 10 years immediately preceding her request to the Board for a reciprocal license.

On a motion made by Keith Balla, seconded by Steven Weinstein, the Board voted to approve Ms. Trombetta's request for reciprocity under N.J.S.A. 45:2B-53(b), the "4 in 10 rule". The vote of the Board was unanimous.

At 11:17 A.M., the Board moved back into Executive Session.

Respectfully submitted,

William Mandeville
Executive Director