

**NEW JERSEY STATE BOARD OF ACCOUNTANCY  
PUBLIC SESSION MINUTES  
DECEMBER 18, 2014  
SUSSEX ROOM - 6<sup>TH</sup> FLOOR**

**I Call to Order and Roll Call - 9:40 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 9:40 A.M. The following roll call was taken:

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	Excused
Dennis C. Meyerson, PA	Present
David J. Milkosky, CPA	Present
Harold Model, CPA	Excused
Ainsley A. Reynolds, CPA	Excused
Michael H. Runge, CPA	Present

Also present at the meeting were Khaled Madin, Acting Executive Director; Barbara Lopez, Deputy Attorney General, Melba Rodriguez, Secretarial Assistant; Marie Lisa, Staff; Ralph Thomas, Executive Director, NJSCPA; Mike Polito, Past President, NJSCPA, Jeff Kaszerman, Government Relations, NJSCPA; Keith Balla, Past President, NJSBA; James Carroll, Accounting Educators and David Plaskow, Editor, NJSCPA

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## **II Minutes of the Meeting of November 20, 2014**

On a motion made by Richard Barlotta, seconded by Sara DeSmith, the Board to approve the November 20, 2014 Public Session minutes with corrections. The vote of the Board was six voting in favor with David Milkosky abstaining.

## **III President's Remarks**

Board President Dailey wished everyone happy holidays and a happy and healthy New Year.

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

Acting Executive Director Madin welcomed everyone to the Board meeting and wished everyone happy holidays and a happy New Year.

Acting Executive Director Madin informed the Board that New Jersey is the 50<sup>th</sup> jurisdiction to have approved the ALD program. It was a long process that is now complete.

## **V Committee Reports**

### **A CPA Examination Committee**

No report was provided.

### **B Ethics Committee**

Jorge Caballero had no report for the Board did mention that two items have been received but he had not had an opportunity to review the submissions. A report will be provided at the January 15, 2015 Board meeting.

### **C CPE Committee**

Board President Dailey informed the Board that a meeting will be held following the Board meeting.

D RMA Committee

John Dailey informed the Board that the RMA examination was held on Friday, December 5, 2014 and 21 candidates took the exam. A meeting is scheduled for January 6, 2015 to grade the exam. A report will be provided at the January 15, 2015 Board meeting.

E Peer Review Oversight Committee

Sara DeSmith had no report but did inform the Board that a meeting will be held in January.

F Education Committee

No report was provided.

G Reciprocity Committee

Michael Runge had no report for the Board. Board President Dailey mentioned that there have been changes in the reciprocity laws and that the Committee should be meeting to review them. Mr. Runge informed the Board that he had spoken to DAG Palan about speaking to Regulatory Analyst Glasgow regarding such changes.

H Nominating Committee

Dennis Meyerson informed the Board that he has spoken to several Board members for possible candidates for office. A Nominating Committee meeting will be held in February for further discussion.

I Statute/Rules/Regulations Committee

Richard Barlotta informed the Board that he read the present rules and regulations and is getting prepared to meet with the Committee in May so that they may be ready for the Sunset since of the current rules which will expire on April 2018.

Board President Dailey informed the Board that he has prepared the rules and regulations booklet for everyone and has also made a PDF file that includes all the current rules and regulations which he emailed to Acting Executive Director Madin and the NJ Society.

J     Monitoring Profession Committee

David Milkosky had no report.

**VI     Public Comments**

Keith Balla, Past President, NJSBA wished everyone happy holidays and a prosperous New Year.

Mike Polito, Past President, NJSCPA thanked the Board for approving the Society's CPE program. Mr. Polito extended an invitation to the entire Board to attend the Society's dry run of their course on January 14, 2015 at EisnerAmper from 12:30 P.M. to 4:30 P.M.

Mr. Polito wished everyone happy holidays and happy New Year.

James Carroll, Accounting Educators informed the Board that he is looking for some guidance as to when the rules will be in place. Board President Dailey informed Mr. Carroll that the proposed rules have been advertised and the comment period is to expire on January 6, 2015. Once all the comments have been reviewed and answered by the Board will report back between January and February. If there are any significant changes to be made, the rules would have to be advertised again. Eventually they will be sent to the Governor's office for legal justification.

Board President Dailey informed everyone to be cautious when teaching their ethics course and let everyone know that there proposed rules out there.

Ralph Albert Thomas, CEO & Executive Director of the New Jersey Society of CPAs (NJSCPA) on behalf of the Society, wished everyone an extended Season's Greetings and best wishes for a Happy New Year to the members and staff of the Board. Mr. Thomas reported the following key/important dates for the Society:

- June 10<sup>th</sup>-12<sup>th</sup>, 2015- NJSCPA Annual Convention and Expo at the Borgata in Atlantic City, NJ.

Mr. Thomas updated the members of the Board on the following NJSCPA activities:

- As noted previously, the Society plans to issue a formal comment letter on the proposed regulations amending the educational requirements to sit for the CPA exam, eliminating the self study maximum and aligning the AICPA's independence rules and Code of Conduct guidelines, etc. that were published in the October New Jersey Register in mid-October. With respect to the proposed educational changes to sit for the CPA exam, Seton Hall University and Rider University have indicated the proposed changes will have an impact on their accounting graduate/masters program curriculums. Both schools intend to issue comment letters regarding their concerns on the proposed changes in the educational comments.
- On the advocacy front, the Society will be actively involved in trying to advance reform of the estate and inheritance taxes. Members on both sides of the aisle have been talking about this initiative and replenishment of the Transportation Trust Fund.
- The AICPA filed a notice of appeal regarding the decision rendered by an appellate court dismissing its suit against the IRS. The appellate court dismissed the AICPA's suit indicating it didn't have standing. A decision regarding the appeals process probably won't be made for several months.

On a motion made by Sara DeSmith, seconded by David Milkosky, the Board voted to adjourn the Public Session Board meeting at 10:10 A.M. to reconvene in Executive Session to discuss the Requests for Medical Waivers, Licensees that answered "yes" to the crime question on the renewal form, three matters of Old Business and nine Consumer Complaints. The vote of the Board was unanimous.

Respectfully submitted,

Khaled Madin  
Acting Executive Director