

**NEW JERSEY STATE BOARD OF ACCOUNTANCY  
PUBLIC SESSION MINUTES  
DECEMBER 20, 2012  
HUDSON 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, Keith Balla called the meeting to order at 9:40 a.m. The following roll call was taken:

Keith Balla, CPA	Present
Jorge A. Caballero, CPA	Present
John F. Dailey, Jr., CPA	Present
Sara L. DeSmith, CPA	Present
Daniel J. Geltrude, CPA	Present
Hal Model, CPA	Excused
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 and Jaleila Wilson, Staff;

On a motion made by John Dailey, seconded by Daniel Geltrude, the Board voted to enter into Executive Session at 9:41 A.M. to discuss the results of the Investigative Inquiry conducted, three matters of Old Business and one PCAOB matter. The vote of the Board was unanimous.

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Public Session reconvened at 11:15 A.M.

Also present at the meeting were Ralph Thomas, Executive Director and Mike Polito, NJSCPA; Robert Cagnassola, Former Board member; John Tully, Former Board member and Andrew DuBoff, Former Board member.

## **II Minutes of the Meeting of November 15, 2012**

On a motion made by Sara DeSmith, seconded by Jorge Caballero, the Board voted to approve the November 15, 2012 Public Session minutes with corrections. The vote of the Board was unanimous.

## **III President's Remarks**

Board President Balla thanked the old and new Board members for a great year and hopes that in the next year everything will be up to speed. Board President Balla wished everyone a wonderful holiday and a happy New Year.

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

Executive Director Mandeville thanked the staff and DAG Palan for all the hard work and wished everyone a happy holiday season.

## **V Request for Reinstatement**

A Melvyn J. Benison

Upon review of the information submitted, it was noted that the CPE submitted by Mr. Benison was not taken with a NASBA registered sponsor.

On a motion made by Ainsley Reynolds, seconded by John Dailey, the Board voted to approve a one time waiver and accept the previous credits taken. Mr. Benison is to be informed that he must complete 60 didactic credits for reinstatement and he is to be informed that all future CPE must be taken with a NASBA approved sponsor. The vote of the Board was unanimous.

**VI Uniform Penalty Letter in Lieu of Formal Complaint for Cpe Audit - Renewal Period 01/01/08 thru 12/31/11**

**A Requested Voluntary Surrender**

1 William K. Furst

On a motion made by John Dailey, seconded by Ainsley Reynolds, the Board voted to approve Mr. Furst's request for voluntary surrender. The vote of the Board was unanimous.

2 Hyung Ki Chun

On a motion made by John Dailey, seconded by Ainsley Reynolds, the Board voted to approve Mr. Chun's request for voluntary surrender. The vote of the Board was unanimous.

**B Paid Penalty and Requested Inactive-Paid Status**

1 Angela Boland - \$8,000 - paid

On a motion made by John Dailey, seconded by Ainsley Reynolds, the Board voted to approve Ms. Boland's paid penalty and request to place her CPA license in inactive-paid status. The vote of the Board was unanimous.

**VII NASBA Matters**

**A Executive Summary - August 2, 2012 and October 9, 2012 Focus Question Responses**

Board President Balla and Mr. Dailey have answered the Focus questions and the answers will be forwarded to NASBA.

**B Regional Directors' Report - August 2, 2012 and October 9, 2012 Focus Question Responses**

The information submitted was accepted as informational.

C Focus Questions - November 15, 2012

The information submitted was accepted as informational.

**VIII Miscellaneous**

A South Carolina Board of Accountancy

Information was received from Andrew Rogers, Esq., Assistant General Counsel for the South Carolina Board of Accountancy regarding Safeguarding Client Files When a Licensee is Incapacitated, Disappears or Dies.

The information received will be forwarded to the Rules and Regulations Committee for review and insertion in the current Board's rules and regulations.

The Board has been assigned a new Regulatory Analyst. This matter will be discussed and placed on the next agenda to be added to the Board's global rules.

B Ralph DeVito

Correspondence was received from Ralph DeVito wherein he questions the Board about notifications being sent to the AICPA regarding the Uniform Penalty Letters that were issued.

The Chair directed that a letter be sent to Mr. DeVito informing him that this matter was reviewed in Public Session and the Board did not forward the information to the AICPA.

C CPE Extension

On a motion made by John Dailey, seconded by Ainsley Reynolds, the Board voted to extend the minimum 20 CPE credit requirement from December 31, 2012 until March 31, 2013. The vote of the Board was unanimous.

Raymond G. Bialick

Correspondence was received from Raymond Bialick wherein he requests an extension to complete the first 20 CPE credits until a later time in 2013.

The Chair directed to inform Mr. Bialick that an extension has been granted until March 31, 2013 to obtain the 20 CPE credits.

## Daniel Min

Correspondence was received from Daniel Min wherein he requests clarification as to whether or not he would have to complete 20 CPE credits by the end of 2012 since he reinstated his CPA license thru examination.

Executive Director Mandeville informed the Board that he would look into this matter with DAG Palan as to why Mr. Min lost his license and had to take the exam.

It was informed that since Mr. Min took the CPA exam because his license was lapsed for a period of more than five years, he is deemed a new licensee. Mr. Min is not required to provide 120 CPE credits for the first renewal period. Mr. Min is required to obtain the required four CPE credits in New Jersey Law and Ethics within the first six months of licensure.

## **IX Committee Reports**

### A CPA Examination Committee

No report was given.

### B Ethics Committee

John Dailey recused himself from this matter.

Daniel Geltrude informed the Board that Board President Balla and Mr. Runge observed the course offered by Financial Focus.

It was informed that Mr. Adamo had live attendees on the computer and he was able to communicate verbally thru the computer. There were 20 verbal questions and the attendees were able to answer them. Mr. Adamo asked random questions and received answers from the group. They were given 20-30 seconds to respond and he moved on. They are able to type in questions also. After the course was done, an addition 20 verbal questions were asked. The course was about four long and it was very active with a 10 minute break provided. Attendees are able to log in and log out. The attendee must answer 75% of the 20 questions to receive credit for the course. Mr. Adamo also provides live and in person classes as well. After course it completed, Mr.

Adamo sends certificates of completion via email.

On a motion made by Michael Runge, seconded by Keith Balla, the Board voted to approved the course offered by Financial Focus. The course should be reviewed periodically. The vote of the Board was unanimous.

Elizabeth Greenblatt, Regulatory Analyst informed the Board that she will not be the Board's regulatory analyst anymore and is returning to her Board's that she was already assigned to. The Board's new Regulatory Analyst is Rachel Glasow. Regulatory Glassgow introduced herself to the Board and looks forward to working with them.

C CPE Committee

Sara DeSmith informed the Board that the Committee decided to defer the decision to institute a formal audit process for CPE sponsors at this time.

A recommendation was to authorize the CPE Committee Chair to work directly with Board staff to investigate CPE sponsor issues when warranted and bring any issues to the Board for consideration if necessary.

The Chair directed that this matter be tabled for further discussion.

D RMA Committee

John Dailey informed the Board that the RMA exam was administered on December 7, 2012 and 19 individuals were scheduled and 18 showed up. The Board staff was present to proctor the exam and Board President Balla, Mr. Dailey, Mr. Geltrude and Mr. Caballero.

The RMA Committee will be working on grading the examination soon. Mr. Dailey informed the Board that the exam should be graded and available by the January 17, 2013 Board meeting.

E Peer Review Oversight Committee

John Dailey informed the Board that a Peer Review Oversight Committee meeting will be held following the January 17, 2013 Board meeting.

F Education Committee

Ainsley Reynolds had no report for the Board.

G     Reciprocity Committee

Jorge Caballero had no report for the Board.

H     Nominating Committee

Daniel Geltrude had no report for the Board.

I     Statute/Rules/Regulations Committee

John Dailey informed the Board that he would be sending an email to the Committee in the beginning of the year to schedule a meeting.

J     Monitoring Profession Committee

John Dailey had no report for the Board.

Board President Balla presented Robert Cagnassola, former Board member with a plaque from the Board for his outstanding 25 years of dedicated services on the Board.

**X     Public Comments**

Andrew DuBoff, former Board member reported to the Board updates on the NASBA and AICPA Committee and updates on the UAA Act.

Ralph Albert Thomas CEO and Executive Director of the NJSCPA extended Season's Greetings to all the members and staff of the State Board of Accountancy as well as guests in attendance at the public session meeting. He also wished Board members and the staff and guests all the best for a joyous and blessed New Year! Mr. Thomas shared the following important Society program dates with those in attendance.

**Important Society Dates**

- January 9, 2013- Rescheduled date for NJSCPA Women's Conference at the Woodbridge Hilton, Iselin, NJ 8am-5:30pm. The Society's Women of Note honorees will be formally recognized.
- April 25, 2013- Society's 53<sup>rd</sup> Annual Scholarship Awards Ceremony, location to be determined.
- June 12-14, 2013, Annual NJSCPA Convention and Expo at Bally's in Atlantic City, NJ

Thomas noted that activity in Trenton was pretty much at a standstill with respect to the Appeal Bond Cap and Reciprocity legislation noted below. The legislature's attention has been focused on the minimum wage legislation and potential constitutional referendum in November 2013.

### **Society Activities and Engagements on the Legislative and Regulatory Front in Trenton**

The Society continues to monitor activity regarding A-1545 and S-3141, which propose changes to Title 45 of the New Jersey statutes addressing license reciprocity and reinstatement of suspended licenses. We believe these bills will be acted on in the 2013 legislative session after minor opposition from realtors and funeral directors is addressed.

With respect to Appeal Bond Cap legislation, the Society continues to monitor the Assembly and Senate bills for this legislation. As previously reported, the Senate version of the bill is being held from being heard in the Senate Judiciary Committee. We're hopeful that this bill will be moved from the Judiciary Committee to another Committee when the legislature reconvenes in January 2013.

### **Additional Comments/Questions**

Thomas provided additional updates to the Board on matters relating to Hurricane Sandy, and commended the IRS and State Division of Taxation on their quick response in extending filing and collection/payment deadlines. Thomas followed up on Mr. DuBoff's report on NASBA activities by indicating that State Societies were also concerned with firm mobility issues.

Mr. Thomas concluded his comments by again wishing everyone in attendance all the best for holiday season.

Respectfully submitted,

William Mandeville  
Executive Director

