

**NEW JERSEY STATE BOARD OF ACCOUNTANCY
PUBLIC SESSION MINUTES
NOVEMBER 16, 2017
HUDSON ROOM – 6TH FLOOR**

I Call to Order and Roll Call - 9:36 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 appropriate 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. President, Sara DeSmith called the meeting to order at 9:36 A.M. The following roll call was taken:

Keith Balla, CPA	Present
John Dailey, CPA	Present
Allison Dunko, CPA	Present
Sara L. DeSmith, CPA	Present
Daniel J. Geltrude, CPA	Present
Rajeev Malhotra, CPA	Present
David J. Milkosky, CPA	Present
Harold Model, CPA	Present
Joan Paciga, CPA	Excused
Eileen Poiani, Ph.D	Present
Ainsley A. Reynolds, CPA	Present
Maria Vallejo, Esq.	Present – arrived at 11:14 A.M.

Also present at the meeting were Michela Ross, Acting Executive Director; Tobey Palan, Deputy Attorney General; Melba Rodriguez, Secretarial Assistant; Marie Lisa, Staff; Ralph Thomas, Executive Director, NJCPA; and Jeff Kaszerman, Director of Public Relations, NJCPA.

II Minutes of the Meeting of October 19, 2017

On a motion made by David Milkosky, seconded by Harold Model, the Board voted to approve the October 19, 2017 Public Session minutes with corrections. The vote of the Board was unanimous.

III President's Remarks

Board President DeSmith welcomed Keith Balla, CPA back to the Board.

Board President DeSmith informed the Board that Dan Dustin from NASBA will most likely visit the Board on January 18, 2018.

IV Executive Director's Remarks

Executive Director Ross welcomed Keith Balla, CPA back to the Board.

V Legislative Matters

Regulatory Analyst Glasgow provided the following information:

- A Draft Adoption notice for the fee increase proposal
- B One comment for Board review
- C Original proposal as it appeared in the New Jersey Register

Regulatory Analyst Glasgow reported to the Board that the fee increase proposal appeared in the New Jersey Register on August 7, 2017 and that there was a 30 day comment period. There was only one comment received.

On a motion made by John Dailey, seconded by Ainsley Reynolds, the Board voted to approve the fee increase proposal. The vote of the Board was unanimous.

VI Miscellaneous

- A Eliezer Florans

This matter was reviewed at the September 28, 2017 Board meeting. Mr. Florans passed all four part of the CPA exam but he no longer has the number of

credits required to become licensed. Mr. Florans has a total of 192 credits which consists of a Bachelors 159, Masters 33, 24 in Accounting and 9 in Business Law. The Board voted to request that Mr. Florans supply his transcripts for review.

On a motion made by John Dailey, seconded by Ainsley Reynolds, the Board voted to forward his transcripts to CPAES for review. The vote of the Board was unanimous.

DAG Palan did the swearing in of the new Board member Keith Balla.

B Simone D. Kramer

Correspondence was received from Ms. Kramer wherein she is requesting to become licensed. Ms. Kramer received a denial letter from NASBA informing her that her education is 12 liberal arts credits short.

On a motion made by Keith Balla, seconded by John Dailey, the Board voted to waive the 12 liberal arts credits under the 150 rule and approve Ms. Kramer's licensure application. The vote of the Board was 10 voting in favor with Rajeev Malhotra opposing. The motion passed.

C Peter Desarno

Executive Director Ross reported to the Board that Board member Eileen Poiani was contacted by Peter Desarno and he is requesting pre-approval of his CPE credits, for a course is not over until December 20, 2017. He was informed twice by Board letter that the Board not review pre-approvals.

On a motion by John Dailey, seconded by Ainsley Reynolds, the Board voted to inform Mr. Desarno that the Board does not engage pre-approving CPE courses. The vote of the Board was unanimous.

VII **Committee Reports**

A CPA Examination Committee

Harold Model had no report for the Board.

B CPE & Ethics Committee

David Milkosky informed the Board that the Committee has reviewed and processed information and has been provided to Brianne Drummond from the Board staff. The Committee is currently up to date.

C Education & Reciprocity Committee

Ainsley Reynolds had no report for the Board.

D Monitoring the Profession Committee

On a motion by David Milkosky, seconded by John Dailey, the Board voted to send certified letters to the 44 licensees who did not respond to the Board's request to provide CPE certificates for the 2012-2014 triennial period. The Board also requested that if these licensees have stated on their renewal application that they have completed the CPE requirement for the 2015-2017 triennial period that they then also be required to submit CPE certificates for that triennial period as well. The vote of the Board was unanimous.

E Nominating Committee

Daniel Geltrude had no report for the Board.

F Peer Review Oversight Committee

Allison Dunko had no report for the Board.

G RMA Committee

John Dailey informed the Board that the RMA examination is ready for the December 1, 2017 testing date. Executive Director informed the Board that there are currently 23 individuals registered to sit for the exam.

On a motion made by John Dailey, seconded by David Milkosky, the Board voted to approve Robert Cagnassola, Scott Clelland and Michael Cesaro assist in the grading of the December 2017 RMA exam. The vote of the Board was unanimous.

H Statute/Rules//Regulations Committee

John Dailey informed the Board that approximately six months ago the Board discussed the use of titles and how it relates to CGMA (Chartered Global Management Accountant). Mr. Dailey reminded the Board that at that time the Board was not going to look into this. The UAA Committee which consist of 8 individuals from the AICPA and 8 individuals from NASBA. Mr. Dailey informed the Board that there is going to be new language on the UAA and sometime in the future the statutes will be changed. An exposure draft was prepared and there were 41 Board that responded and 38 of those Boards were against the unlicensed CGMA. There was no vote and the matter ended from the AICPA nor NASBA.

DAG Palan suggested that the Board add a FAQ on the website that recommends to any CGMA in New Jersey to state that they are not a licensed CPA or PA, it is recommended that it be noted that you are not a CPA in New Jersey because they will be in violation of NJSA 45:2B-62. FAQ should be added to the Board website to reinforce that the CGMA title should not be used.

I Communications Committee

John Dailey had no report for the Board.

VIII Public Comments

Ralph Albert Thomas, CEO & Executive Director for the New Jersey Society of CPAs (NJCPA) provided the following report.

Mr. Thomas welcomed back Keith Balla to the Board.

Following are upcoming key dates for the NJCPA:

- *December 8th, 2017, NJCPA Board of Trustees Meeting and Leadership Holiday Luncheon at Mayfair Farms in West Orange, NJ (State Board of Accountancy members have been invited to attend the holiday luncheon.)*
- *December 15th, 2017, Issues Watch with Ralph Thomas featuring NJCPA President Ed Guttenplan*
- *June 12th-15th, 2018, NJCPA Annual Convention & Expo in Atlantic City, NJ at the Borgata Casino and Hotel*

The Society has forwarded a letter to the members of the New Jersey Congressional Delegation expressing concerns about the impact on New Jerseyans regarding the Tax Reform package passed by the House. Given that New Jersey has the highest property taxes in the country (more than double the national average), the proposed cap of limiting a property tax deduction to \$10,000 and the elimination and/or limiting of SALT taxes and mortgage interest would have a significant impact on New Jerseyans. The aforementioned Tax Reform proposal combined with the proposed public policy agenda being considered by the new administration could potentially have a devastating impact on New Jersey's economy.

The Society hopes its New Jersey Law and Ethics submission will be reviewed and approved by the December State Board meeting so that pilot presentations can be conducted in January 2018 for our Ethics Course instructors and members of the Board.

The Society will post reminders about the December 31st license renewal deadline and encourage licensees to renew early given the problems some licensees' have been experiencing. We'll provide information regarding the Board's decision to extend the deadline extension to June 30, 2018 for CPA Exam candidates scheduled to lose parts at the end of the second, third and fourth quarter testing periods before the provisions of N.J.A.C. 13:29-1A.4 are enforced. After June 30, 2018, the Board shall consider additional extensions on an individual basis.

Happy Thanksgiving to everyone. If anyone has any questions, I'll be glad to answer them.

On a motion made by Allison Dunko, seconded by Ainsley Reynolds, the Board voted to adjourn the Public Session Board at 11:00 A.M. to reconvene in Executive Session to discuss one Old Business matter, three Department of Labor Referrals, 4 PCAOB Reports, and six Consumer Complaints. The vote of the Board was unanimous.

Public Session re-opened at 12:57 P.M.

On a motion made by Ainsley Reynolds, seconded by Daniel Geltrude, the Board voted to adjourn the Public Session Board meeting at 1:07 P.M. The vote of the Board was unanimous.

Respectfully submitted,

Michela Ross
Executive Director