



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
LANSING

SHELLY EDGERTON  
DIRECTOR

**MICHIGAN BOARD OF ACCOUNTANCY  
MAY 26, 2016 MEETING  
APPROVED MINUTES**

In accordance with the Open Meetings Act, 1976 PA 267, as amended, the Michigan Board of Accountancy met on May 26, 2016, at the Ottawa Building, Conference Room 4, 611 West Ottawa Street, Lansing, Michigan 48933.

**CALL TO ORDER**

Matthew Howell, Chairperson, called the meeting to order at 9:03 AM.

**ROLL CALL**

**Members Present:** Matthew Howell, Chairperson, CPA  
Michael J. Swartz, Vice Chairperson, CPA  
James Bayson, CPA  
Richard David, CPA  
Barbra Homier, Public Member  
Jennifer Kluge, Public Member  
Kathleen Post, CPA  
Amna Seibold, Public Member  
Ola M. Smith, Ph.D., CPA (arrived at 9:08 a.m.)

**Staff:** Erin Londo, Board Support, Boards and Committees Section  
Kiran Parag, Analyst, Compliance Section  
Karen Carpenter, Board Analyst, Boards and Committees Section  
Jon Campbell, CPA, Assistant Administrator  
Andrew Brisbo, Licensing Division Director  
Robin Sirls, Licensing Analyst  
Jennifer Fitzgerald, Assistant Attorney General

**APPROVAL OF AGENDA**

MOTION by David, seconded by Bayson, to approve the agenda.

A voice vote was taken.

MOTION PREVAILED

## **APPROVAL OF MINUTES**

MOTION by Swartz, seconded by Kluge, to approve the minutes from January 22, 2016 with a correction to Lattimore Black Morgan & Cain, PC. Swartz recused himself from the vote. Under Predhomme & Company and Michael J. Predhomme, Howell and Post recused themselves.

A voice vote was taken.

MOTION PREVAILED

## **REGULATORY CONSIDERATIONS**

### **Stipulations**

#### **Stanek & Associates and Albert Stanek, Jr.**

MOTION by Swartz, seconded by Homier to accept the Consent Order and Stipulation as prepared.

Discussion was held.

A voice vote was taken.

MOTION PREVAILED

#### **Kroncich, Hill & Associates**

MOTION by David, seconded by Seibold to accept the Consent Order and Stipulation as prepared.

Discussion was held.

A voice vote was taken.

MOTION PREVAILED

#### **David W. Walters, PC and David W. Walters**

MOTION by Seibold, seconded by Post, to accept the Consent Order and Stipulation as prepared. Howell recused himself from the vote. Swartz ran the vote.

Discussion was held.

A voice vote was taken.

MOTION PREVAILED

**Dennis J. Predhomme, CPA, PC**

MOTION by David, seconded by Seibold, to accept the Consent Order and Stipulation as prepared. Howell and Post recused themselves. Swartz ran the vote.

Discussion was held.

A voice vote was taken.

MOTION PREVAILED

**Richard V. Galvan**

MOTION by Bayson, seconded by Post, to accept the Consent Order and Stipulation as prepared.

Discussion was held.

A roll call vote was taken:                   Yeas – Bayson, David, Kluge, Post, Seibold  
  Smith, Swartz, Howell  
  Nays – Homier

MOTION PREVAILED

**Kernutt Stokes, LLP**

MOTION by Bayson, seconded by Swartz, to accept the Consent Order and Stipulation as prepared.

Discussion was held.

A voice vote was taken.

MOTION PREVAILED

**Kruggel Lawton & Company, LLC**

MOTION by Swartz, seconded by Bayson, to accept the Consent Order and Stipulation as prepared.

Discussion was held.

A voice vote was taken.

MOTION PREVAILED

**Walter A. Walas, CPA**

MOTION by David, seconded by Homier, to accept the Consent Order and Stipulation as prepared. Howell recused himself. Swartz ran the vote.

Discussion was held.

A voice vote was taken.

MOTION PREVAILED

**Taylor & Associates, CPAS, PC and Michael C. Taylor**

MOTION by Bayson, seconded by Smith, to accept the Consent Order and Stipulation as prepared.

Discussion was held.

A voice vote was taken.

MOTION PREVAILED

**Laverne Breuker**

MOTION by Swartz, seconded by Seibold, to accept the Consent Order and Stipulation as prepared. David recused himself.

A voice vote was taken.

MOTION PREVAILED

**McMillan & Associates, CPA PC**

MOTION by Seibold, seconded by Kluge, to accept the Consent Order and Stipulation as prepared.

A voice vote was taken.

MOTION PREVAILED

**C. Schrieber CPA PC**

MOTION by Homier, seconded by Post, to accept the Consent Order and Stipulation as prepared. David recused himself.

A voice vote was taken.

MOTION PREVAILED

**Rayner, Foos, Kruse & Irwin CPAs**

MOTION by David, seconded by Bayson, to accept the Consent Order and Stipulation as prepared.

Discussion was held.

A voice vote was taken.

MOTION PREVAILED

**Shepard Schwartz & Harris, LLP**

MOTION by Seibold, seconded by Smith, to accept the Consent Order Stipulation as prepared.

Discussion was held.

A voice vote was taken.

MOTION PREVAILED

**Hearing Reports**

**Bryan David Uecker**

MOTION by Swartz, seconded by David, to receive the Hearing Report.

A voice vote was taken.

MOTION PREVAILED

MOTION by Swartz, seconded by Seibold, to fine Respondent \$25,000.00 payable within 60 days. Failure to pay the fine shall result in denial of all applications for, and renewal of, licenses and registrations.

Discussion was held.

A voice vote was taken.

MOTION PREVAILED

## **OLD BUSINESS**

### **Rule Changes**

Carpenter reported that the rules are progressing. There was a draft provided to the Board. David commended Carpenter for her work with the Board on drafting the rules.

### **Update on CPA Verify status**

Brisbo reported that Michigan CPA Verify is now live and running. The enforcement data is now included and all data is updated nightly.

### **Update from Michigan Association of Certified Public Accountants (MICPA)**

Peggy Dzierzawski, President and CEO of the MICPA, addressed the Board regarding the upcoming MICPA events. The annual meeting will be held June 28<sup>th</sup> and 29<sup>th</sup> and CPE is available. On October 5, 2016, the MICPA will be holding its annual awards dinner and will honor Shelly Edgerton, Mike Zimmer, Kim Gaedeke, and Andrew Brisbo for their work on the PE Tracker.

The definition of “attest” has been expanded and only CPAs can utilize the professional standards. (See addendum #1)

The PE Tracker is a good tool for CPE organization which must be reported annually. Dzierzawski reported that 60% of MICPA members are participating in using the PE Tracker.

## **NEW BUSINESS**

### **Draft Rules**

A draft of the rules changes was provided to the Board. The purpose of the changes is to update the standards and not make substantial changes. However, the rules add the adoption of the Securities and Exchange Commission standards.

MOTION by David, seconded by Swartz, to approve the draft rules.

A voice vote was taken.

MOTION PREVAILED

### **NASBA Eastern Regional Meeting**

Howell, David, and Smith will be attending the meeting and will give a report at the next board meeting.

### **Update on CE Audits**

Belinda Wright provided the Board with a memorandum regarding the CPA Audit Update. (See addendum #2)

### **Department Update**

Discussion was held on suggested sanctions and giving guidance to Jon Campbell regarding a range of fines for disciplinary cases.

### **PUBLIC COMMENTS**

None

### **ANNOUNCEMENTS**

The next regularly scheduled meeting will be held July 29, 2016 at 9:00 a.m. at the Ottawa Building, 611 West Ottawa Street, Upper Level Conference Center (UL), Conference Room 3, Lansing, Michigan.

### **ADJOURNMENT**

MOTION by Seibold, seconded by Post to adjourn the meeting.

A voice vote was taken.

MOTION PREVAILED

Howell adjourned the meeting at 10:50 a.m.

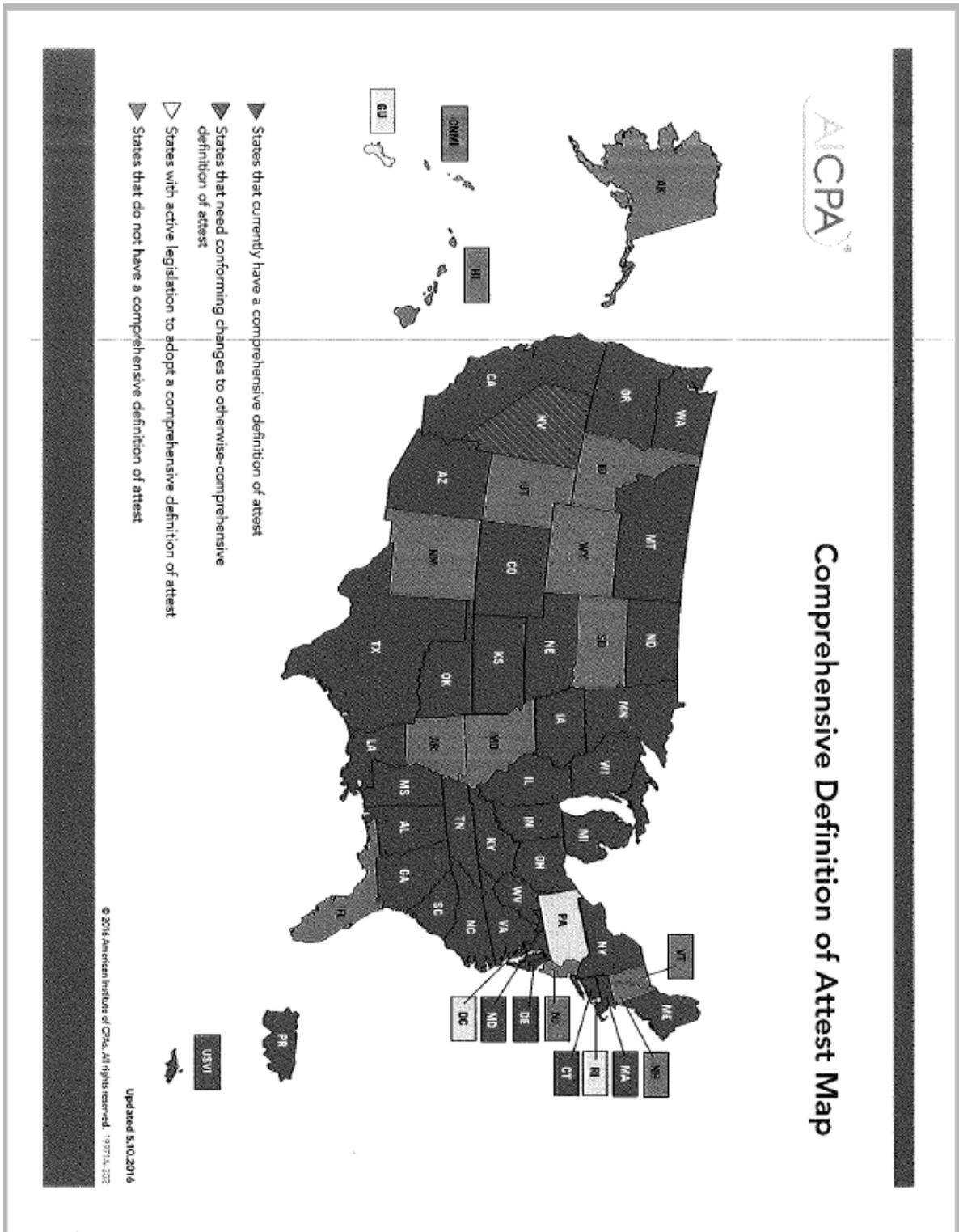
Minutes approved by the Board on July 29, 2016.

Prepared by:

Erin Londo, Board Support

Date: June 2, 2016

Addendum #1



## Addendum #2



RICK SNYDER  
GOVERNOR

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# Memorandum

DATE: May 23, 2016  
TO: Accountancy Board Members  
FROM: Belinda Wright, Manager  
BPL - Licensing Division  
Occupational Code Section  
SUBJECT: CPA Audit Update

In December 2015, 294 audit letters were sent out for licensees who renewed his/her license up until July 31, 2015. Of the 294 licensees audited, 80 people provided access to the MICPA tracker; however, 73 people still needed to submit completion certificates to our office because they were not attached to the tracker and took classes outside of the MICPA/AICPA.

Here are the results from the audit:

- 117 did not complete 11% or more of the required continuing education (39.8%) – sent to Allegations
- 107 passed with the appropriate continuing education (36.4%)
- 40 people did not submit anything for the audit (13.6%) – sent to Allegations
- 30 passed with missing 10% or less of the required continuing education (10.2%)

For any licensee who renewed his/her license August 1, 2015 or after, an additional 100 audit letters were sent out on May 10, 2016.

Thank you.

LARA is an equal opportunity employer/program.  
Auxiliary aids, services and other reasonable accommodations are available upon request to individuals with disabilities.

BUREAU OF PROFESSIONAL LICENSING  
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