



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
LANSING

SHELLY EDGERTON  
DIRECTOR

**MICHIGAN BOARD OF ACCOUNTANCY  
January 27, 2017 MEETING**

**APPROVED MINUTES**

In accordance with the Open Meetings Act, 1976 PA 267, as amended, the Michigan Board of Accountancy met on January 27, 2017, at the Ottawa Building, Conference Room 4, 611 West Ottawa Street, Lansing, Michigan 48933.

**CALL TO ORDER**

Michael Swartz, Chairperson, called the meeting to order at 9:03 AM.

**ROLL CALL**

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

**Members Absent:** None

**Staff:** Kim Gaedeke, Director, Bureau of Professional Licensing  
Andrew Brisbo, Director, Licensing Division  
LeAnn Payne, Board Support, Boards and Committees Section  
Ron Hitzler, Analyst, Boards and Committees Section  
Kiran Parag, Analyst, Compliance Section  
William Wilhelm, Administrative Law Specialist, Legal Affairs  
Stacie Bayes, Manager, Licensing Division  
Michelle Wagner-Gutkowski, Assistant Attorney General

**APPROVAL OF AGENDA**

MOTION by David, seconded by Bayson, to approve the agenda with addition of Director Update after item #4.

A voice vote was taken.

MOTION PREVAILED

## **APPROVAL OF MINUTES**

MOTION by Howell, seconded by Homier, to approve the minutes from October 7, 2016, with the correction on page 4:

*Add a vote to the "Board Resolution":*

*A voice vote was taken.*

MOTION PREVAILED

## **Director Update**

Andrew Brisbo gave the Board an update on the Medical Marihuana Dispensing Act. They are currently looking into implementing small work groups. Brisbo stated we may need input from the CPA community.

Kim Gaedeke informed the Board license renewals are now available online. We encourage licensees to enroll in the MICPA tracker program. It is a free service that will help us go towards paperless. Gaedeke informed the Board that we have a licensed accountant to handle investigations. If anyone on the Board knows of an accountant that would be interested please have them contact the Bureau. The rules were filed with the Great Seal on January 6, 2017. However, we would like to open them back up for some changes.

## **REGULATORY CONSIDERATIONS**

### **Petitions**

#### **Paul Michael Soyk**

MOTION by Kluge, seconded by Howell, to deny the reinstatement for Paul Michael Soyk.

Discussion was held.

A roll call vote was taken.

Yeas: Bayson, David, Homier, Kluge, Post,  
Seibold, Smith, Swartz, Howell  
Nays: None

MOTION PREVAILED

### **Stipulations**

**Elliott Warren Kessler**

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

Discussion was held.

A roll call vote was taken.

Yeas: Bayson, David, Homier, Kluge, Post,  
Seibold, Smith, Swartz  
Nays: None  
Recuse: Howell

MOTION PREVAILED

**Vincent K. Sarafa**

MOTION by Homier, seconded by Seibold, to accept the Consent Order and Stipulation as presented.

Discussion was held.

A roll call vote was taken.

Yeas: Bayson, David, Homier, Kluge, Post,  
Seibold, Smith, Swartz  
Nays: None  
Recuse: Howell

MOTION PREVAILED

**Watkins Uiberall, PLLC**

MOTION by Howell, seconded by Homier, to accept the Consent Order and Stipulation as presented.

Discussion was held.

A roll call vote was taken.

Yeas: Bayson, David, Homier, Kluge, Post,  
Seibold, Smith, Swartz, Howell  
Nays: None

MOTION PREVAILED

**Hearing Reports**

MOTION by David, seconded by Kluge, to accept all of the Hearing Reports.

A voice vote was taken.

MOTION PREVAILED

**Marcus James Carlin, CPA**

MOTION by Howell, seconded by Post, to place Respondent on probation for 60 days. During the probationary period Respondent shall provide proof of completing 160 hours of board-accepted continuing education with 32 hours in auditing and accounting, and eight hours in ethics. Respondent is fined \$2,000.00 payable within 60 days. This continuing education shall not apply in computing Respondent's current continuing education requirements for license renewal. Failure to provide proof of completing the continuing education and to pay the fine shall result in license suspension. The suspension shall be automatically lifted upon compliance the terms of the order provided such compliance occurs before the license expires.

Discussion was held.

A roll call vote was taken.

Yeas: Bayson, David, Kluge, Post,  
Seibold, Smith, Swartz, Howell  
Nays: Homier

MOTION PREVAILED

**Miriam Ruth Tiedje and Miriam R. Tiedje, CPA, PLLC (11-15-327822)**

MOTION by Howell, seconded by Post, to fine Respondents jointly and severally \$10,000.00, payable within 90 days. Respondents shall jointly and severally pay restitution to Marla Camponi (LaFaive) in the amount of \$500.00 within 90 days.

Discussion was held.

A roll call vote was taken.

Yeas: Bayson, David, Homier, Kluge, Post,  
Seibold, Smith, Swartz, Howell  
Nays: None

MOTION PREVAILED

**Miriam Ruth Tiedje and Miriam R. Tiedje, CPA, PLLC (11-15-327674)**

MOTION by Howell, seconded by David, to revoke Respondents license. Respondents are jointly and severally fined \$10,000.00, payable within 90 days. Respondents shall jointly and severally pay restitution to Marla Camponi (LaFaive) in the amount of \$500.00, payable within 90 days.

A roll call vote was taken.

Yeas: Bayson, David, Homier, Kluge, Post,  
Seibold, Smith, Swartz, Howell  
Nays: None

MOTION PREVAILED

**Deepti Verma, CPA**

MOTION by David, seconded by Smith, to place Respondent on probation for 60 days. During the probationary period Respondent shall provide proof of completing 160 hours of board-accepted continuing education with 32 hours in auditing and accounting, and eight hours in ethics. Respondent is fined \$2,000.00, payable within 60 days. This continuing education shall not apply in computing Respondent's current continuing education requirements for license renewal. Failure to provide proof of completing the continuing education and to pay the fine shall result in license suspension. The suspension shall be automatically lifted upon the compliance of the order, provided such compliance occurs before the license expires.

Discussion was held.

A roll call vote was taken.

Yeas: Bayson, David, Homier, Kluge, Post,  
Seibold, Smith, Swartz, Howell  
Nays: None

MOTION PREVAILED

**Salvador Zavala, CPA**

MOTION by David, seconded by Bayson, to to place Respondent on probation for 60 days. During the probationary period Respondent shall provide proof of completing 160 hours of board-accepted continuing education with 32 hours in auditing and accounting, and eight hours in ethics. Respondent is fined \$2,000.00 payable within 60 days. This continuing education shall not apply in computing Respondent's current continuing education requirments for license renewal. Failure to provide proof of completing the continuing education and to pay the fine shall result in license suspension. The suspension shall be automatically lifted upon compliance the terms of the order provided such compliance occurs before the license expires.

Discussion was held.

A roll call vote was taken.

Yeas: Bayson, David, Homier, Kluge, Post,  
Seibold, Smith, Howell

Nays: None  
Recuse: Swartz

MOTION PREVAILED

## **OLD BUSINESS**

None

## **NEW BUSINESS**

### **Resolution**

Hitzler explained to the Board that several updates were made to the proposed Resolution that allows the Department to be more efficient adjudicating formal complaints alleging a violation of the code for failing to obtain continuing education credits required for license renewal.

MOTION by David, seconded by Bayson, to approve the Resolution regarding preapproved sanctions for continuing education violations. (See Addendum #1)

A voice vote was taken.

MOTION PREVAILED

### **NASBA Overview**

Stacie Bayes gave an overview on the NASBA conference. She will email her report to the Board.

### **Chair Report**

Swartz informed the Board the MICPA is holding meetings off-site at various college campuses and the MICPA encourages board members to attend. Dr. Ola Smith informed the Board of the changes to the CPA exam.

### **Department Update**

Hitzler advised the Board regarding the need for the Board to reopen the rules.

MOTION by Kluge, seconded by Post, to open the rules.

A voice vote followed.

MOTION PREVAILED

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

Peggy Dzierzawski, President and CEO of MICPA, expressed her appreciation to the Department in their partnership with the MICPA and their support with the implementation and administration of the CPE tracker. They are having workshops at Western Michigan on March 15, 2017; and Wayne State University on March 29, 2017. She also mentioned the Member Advisory Symposium on May 11, 2017. The NASBA meeting for executive directors will be March 14-16 in New Orleans.

## **PUBLIC COMMENTS**

None

## **ANNOUNCEMENTS**

Amna Seibold announced that this is her last meeting. She has been appointed to the Board at Ferris State University. She thanked the Board and the Department for the opportunity to serve on the Board.

The next regularly scheduled meeting will be held May 19, 2017 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 David, seconded by Howell, to adjourn the meeting at 10:51 a.m.

A voice vote was taken.

MOTION PREVAILED

Minutes approved by the Board on May 19, 2017.

Prepared by:

LeAnn Payne  
Board Support

January 31, 2017

Addendum #1



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
LANSING

SHELLY EDGERTON  
DIRECTOR

**BOARD OF ACCOUNTANCY**

RESOLUTION REGARDING PREAPPROVED CONTINUING EDUCATION SANCTIONS

At a regularly scheduled meeting of the Michigan Board of Accountancy (Board), held in Lansing, Michigan, the following resolution was adopted:

WHEREAS:

The Board is established under the Occupational Code, MCL 339.101, et seq. (Code), to assist the Department of Licensing and Regulatory Affairs (Department) in the implementation of the Code;

The Department is authorized by Section 209(1) of the Code to "perform managerial, administrative, and budgetary functions for each board;"

Pursuant to Section 729(1) of the Code, and "[a]s a condition of license renewal, an individual licensee shall complete at least 40 hours of continuing education for each year since the issuance of the original license or the last renewal;"

Pursuant to Section 734(1) of the Code, "[a] holder of a certificate, registration, or license as a certified public accountant or an individual exercising the practice privilege granted under section 727a and the firm employing that individual is subject to the penalties of section 602 for...[a] violation of this article or a rule promulgated under this article....;"

Pursuant to Mich Admin Code, R 338.5210(1), "[a] licensee shall earn qualifying hours annually within the continuing education period and shall attest to compliance biennially on a form prescribed by the department;"

Pursuant to Rule 338.5210(3), "[a] licensee is subject to audit under [Rule 338.5210] and may be required to submit the documentation as described by [Rule 338.5210(2)] upon request of the department;"

Pursuant to Section 604 of the Code, a person who violates one or more of the provisions of an article which regulates an occupation or who commits one or more of the grounds indicated under Section 604 of the Code shall be subject to the penalties prescribed in Section 602 of the Code;

In accordance with Section 508(1) of the Code, and following the issuance of a formal complaint, a licensee, then deemed a respondent, is afforded an opportunity to meet with the Department to negotiate a settlement of the matter; and

Under Section 508(3) of the Code, an informal conference may result in a settlement; however, a board may reject a settlement and require a contested case hearing.



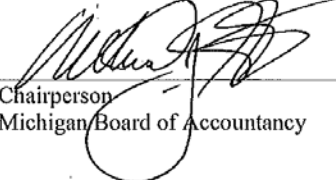
THEREFORE:

IT IS RESOLVED that, to more efficiently adjudicate formal complaints alleging a violation of the Code, for failing to obtain continuing education credits required for license renewal as required under the Code, the Board, in consideration of the licensee's waiver of the right to a hearing, preapproves the following sanctions and agrees that the Director of the Department, or his/her designee, may execute a consent order, on behalf of the Board, imposing the same:

- 1) If the Licensee is deficient 20%, or less, of the required 80 total hours – Fine up to \$500 and placed on probation for 60 days while Licensee provides proof that up to twice the deficient number of hours have been completed. Failure to pay the fine and complete the deficient hours within 60 days shall result in suspension of the license. The suspension shall be automatically lifted upon compliance with the consent order, provided that such compliance occurs prior to the time in which the license is set to expire. In the event Licensee fails to comply with the consent order within such time period, Licensee must apply for relicensure, in accordance with Section 411 of the Code. To satisfy the above sanction, the Licensee shall have paid the fine and completed the additional continuing education hours as referenced above; however, the same continuing education hours used to satisfy this sanction cannot also be used to satisfy the continuing education requirement for licensee's current license renewal period.
- 2) If the Licensee is deficient 21%-50% of the required 80 total hours - Fine up to \$1,000 and placed on probation for 60 days while Licensee provides proof that up to twice the deficient number of hours have been completed. Failure to pay the fine and complete the deficient hours within 60 days shall result in suspension of the license. The suspension shall be automatically lifted upon compliance with the consent order, provided that such compliance occurs prior to the time in which the license is set to expire. In the event Licensee fails to comply with the consent order within such time period, Licensee must apply for relicensure, in accordance with Section 411 of the Code. To satisfy the above sanction, the Licensee shall have paid the fine and completed the additional continuing education hours as referenced above; however, the same continuing education hours used to satisfy this sanction cannot also be used to satisfy the continuing education requirement for licensee's current license renewal period.
- 3) If the Licensee is deficient more than 50% of the required 80 total hours - Fine up to \$2,000 and placed on probation for 60 days while Licensee provides proof that up to twice the deficient number of hours have been completed. Failure to pay the fine and complete the deficient hours within 60 days shall result in suspension of the license. The suspension shall be automatically lifted upon compliance with the consent order, provided that such compliance occurs prior to the time in which the license is set to expire. In the event Licensee fails to comply with the consent order within such time period, Licensee must apply for relicensure, in accordance with Section 411 of the Code. To satisfy the above sanction, the Licensee shall have paid the fine and completed the additional continuing education hours as referenced

above; however, the same continuing education hours used to satisfy this sanction cannot also be used to satisfy the continuing education requirement for licensee's current license renewal period.

IT IS FURTHER RESOLVED that if, as a result of the audit process, it appears that the continuing education credits reported have been falsified, then the above-recommended sanctions shall no longer apply. Such matters shall then be assigned to a Board member for further evaluation with the understanding that depending on the facts and circumstances such sanctions could range from as low as the above-recommended sanctions to as high as the recommended sanctions for committing fraud on an application.

  
\_\_\_\_\_  
Chairperson  
Michigan Board of Accountancy

1/27/17  
Date