



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
LANSING

SHELLY EDGERTON  
DIRECTOR

**MICHIGAN BOARD OF ACCOUNTANCY**  
**May 19, 2017 MEETING**  
**APPROVED MINUTES**

In accordance with the Open Meetings Act, 1976 PA 267, as amended, the Michigan Board of Accountancy met on May 19, 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 9:00 a.m.

**ROLL CALL**

**Members Present:** Michael J. Swartz, Chairperson, CPA  
Matthew Howell, Vice Chairperson, CPA  
James Bayson, CPA  
Kathleen Post, CPA  
Jennifer Kluge, Public Member  
Ola M. Smith, Ph.D., CPA (arrived 9:36 a.m.)

**Members Absent:** Richard David, CPA  
Barbra Homier, Public Member

**Staff:** Kim Gaedeke, Director, Bureau of Professional Licensing  
Andrew Brisbo, Director, Licensing Division  
Nakisha Bayes, Board Support, Boards and Committees Section  
Ron Hitzler, Analyst, Boards and Committees Section  
Kiran Parag, Analyst, Compliance Section  
Stacie Bayes, Manager, Licensing Division  
Jennifer Fitzgerald, Assistant Attorney General

**APPROVAL OF AGENDA**

MOTION by Howell, seconded by Bayson, to approve the agenda as presented.

A voice vote was taken.

MOTION PREVAILED



Recuse: Swartz

MOTION PREVAILED

**Jerry Hall**

MOTION by Howell, seconded by Kluge, to accept the Consent Order and Stipulation.

Discussion was held.

A roll call vote was taken.                   Yeas: Bayson, Howell, Kluge, Post, Swartz  
Nays: None

MOTION PREVAILED

**Michael S. Mony**

MOTION by Howell, seconded by Post, to accept the Consent Order and Stipulation.

A roll call vote was taken.                   Yeas: Howell, Kluge, Post, Swartz  
Nays: None  
Recuse: Bayson

MOTION PREVAILED

**Linda L. Pepler**

MOTION by Kluge, seconded by Howell, to accept the Consent Order and Stipulation provisionally with the reference to the Public Health Code removed and replaced with the Occupational Code.

A roll call vote was taken.                   Yeas: Bayson, Howell, Kluge, Post, Swartz  
Nays: None

MOTION PREVAILED

**Michael J. Posby**

MOTION by Bayson, seconded by Howell, to accept the Consent Order and Stipulation.

A roll call vote was taken.                   Yeas: Bayson, Howell, Kluge, Post, Swartz  
Nays: None

MOTION PREVAILED

**Tamara L. Stegehuis-Bonifield**

MOTION by Howell, seconded by Bayson, to accept the Consent Order and Stipulation.

Discussion was held.

A roll call vote was taken.                   Yeas: Bayson, Howell, Kluge, Post, Swartz  
Nays: None

MOTION PREVAILED

**Stroh Johnson & Company**

MOTION by Howell, seconded by Kluge, to accept the Consent Order and Stipulation.

A roll call vote was taken.                   Yeas: Bayson, Howell, Kluge, Post, Swartz  
Nays: None

MOTION PREVAILED

**Hearing Reports**

MOTION by Howell, seconded by Bayson, to receive all of the Hearing Reports.

A voice vote was taken.

MOTION PREVAILED

**Leigh Nickole DiMambro**

MOTION by Howell, seconded by Bayson, to place Respondent on probation for a minimum of one day, not to exceed 120 days. Respondent is fined \$1,000.00 to be paid within 120 days. During the probationary period Respondent shall complete 59 hours of continuing education. 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, Howell, Kluge, Post, Swartz  
Nays: None

MOTION PREVAILED

**Cindrich, Mahalak & Company**

MOTION by Howell, seconded by Bayson, to discuss.

A voice vote was taken.

MOTION PREVAILED

Discussion was held.

MOTION by Howell, seconded by Post, to suspend Respondent's license until Respondent has paid of fine of \$12,500.00 and provides acceptable proof to the Department of successful peer review for the preceding three years.

A roll call vote was taken.                   Yeas: Bayson, Howell, Kluge, Post, Swartz  
Nays: None

MOTION PREVAILED

**Daniel J. Mahalak**

MOTION by Howell, seconded by Bayson, to revoke Respondent's license and fine Respondent \$12,500.00 to be paid within 90 days.

Discussion was held.

A roll call vote was taken.                   Yeas: Bayson, Howell, Kluge, Post, Smith, Swartz  
Nays: None

MOTION PREVAILED

**Julius Corey Vincent**

MOTION by Bayson, seconded by Post, to discuss.

A voice vote was taken.

MOTION PREVAILED

Discussion was held.

MOTION by Howell, seconded by Bayson, to place Respondent on probation for a minimum of one day, not to exceed 120 days. During the probationary period, Respondent shall complete 33 hours of continuing education, including 2.5 hours in auditing and accounting, and 1.5 hours in ethics. 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.

A roll call vote was taken.                   Yeas: Bayson, Howell, Kluge, Post, Smith, Swartz  
Nays: None

MOTION PREVAILED

## **OLD BUSINESS**

### **Rules Committee Update**

Hitzler reported to the Board that the Department is in the process of reviewing the Accountancy rules. MICPA is also conducting their own review of the rules. Hitzler anticipates that his review of the rules should be complete before the next meeting on July 28, 2017. The Board will be requested to approve the amended rules at that time.

## **NEW BUSINESS**

### **NASBA Overview**

Board members have received an email from NASBA requesting the members' comments on the Uniform Accountancy Act (UAA). The members would like to know how to respond.

Fitzgerald explained that the members are welcome to submit responses as long as the members clarify that they are speaking on their own behalf, not the Board's.

### **Guidance for Practitioners Servicing Business Engaged in the Medical Marihuana Industry**

Brisbo directed the Board to the Guidance for Licensees Providing Services to the Medical Marihuana Industry handout. (Please see Exhibit #1). Brisbo explained that licensees offering to perform professional services for clients engaged in the medical marihuana industry who are otherwise in compliance with Michigan's Medical Marihuana Act, Medical Marihuana Facilities Licensing Act, and associated administrative rules, or any other state where medical marihuana is legalized, is not in itself specifically prohibited by the provisions of Michigan's Occupational Code (Act 299 of 1980, Article 7). Licensees will not face any action by the Department or the Board based solely on the fact that the individual licensee or licensed firm provides professional services to a client engaged in the medical marihuana industry. Licensees that choose to provide professional services to the medical marihuana industry will be

held to the professional standards, laws, and rules applicable to all licensees for the services provided by them.

### **Chair Report**

Swartz notified the Board that David's final term concludes on June 30, 2017. David does plan to attend the next meeting on July 28, 2017 to say his farewell to the Board. Swartz stated that he has enjoyed having David as a member of the Board and that his presence will be missed.

Swartz reported that NASBA's Eastern Regional Conference is June 27, 2017 through June 29, 2017 in Newport, Rhode Island. Swartz and Jennifer Fitzgerald are attending. Smith is interested in attending.

### **Department Update**

Stacie Bayes reported on the current licensure renewal. Approximately 21,000 licensees have been generated into renewal. As of May 18, 2017, 2,538 licensees have renewed. Of those, 1,858 are Registered CPAs, 482 are Licensed CPAs, and 198 are CPA Firms.

Gaedeke provided an update to the Department's continuing education process. She explained that the Department created an audit and complaint team. The team consists of staff from licensing who all have experience with the continuing education process. Accountancy has been one of the harder Boards to audit due to the 10-month renewal period. The complaints from the continuing education audits are not sent out to licensees until a year and a half after their renewals.

The Board inquired about changing the renewal period.

Gaedeke explained changes to the renewal period would require changes to the statute and the rules. She will look into what changes would be required and follow up with the Board at the next meeting on July 28, 2017.

Hitzler notified the Board of two staffing changes. Cheryl Pezon, JD, is no longer the Manager of the Boards and Committees Section. She is now the Deputy Director of the Bureau of Professional Licensing. Kerry Przybylo, JD, is now the Manager of the Boards and Committees Section.

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

Shane Barry reported on behalf of Peggy Dzierzawski, President and CEO of MICPA.

Barry reported that 75% of licensees renewing are utilizing the CPE Tracker. He explained that the MICPA is working to develop relationships with large accountancy

firms to increase continuing education compliance. The tracker makes it easier for licensees to recognize where they may have deficiencies.

Barry stated that the MICPA will be present at the Detroit Regional Conference on May 30, 2017. The MICPA will also be present at the Management Information Show at the Suburban Collection Showroom in Novi on June 28, 2017 and June 29, 2017.

## **PUBLIC COMMENTS**

None

## **ANNOUNCEMENTS**

The next regularly scheduled meeting will be held July 28, 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 Kluge, seconded by Howell, to adjourn the meeting at 10:28 a.m.

A voice vote was taken.

MOTION PREVAILED

Minutes approved by the Board on: July 28, 2017.

Prepared by:  
Nakisha Bayes, Board Support  
Bureau of Professional Licensing

May 19, 2017