

**STATE OF MICHIGAN
DEPARTMENT OF LABOR & ECONOMIC GROWTH
BUREAU OF COMMERCIAL SERVICES B LICENSING DIVISION
2501 Woodlake Circle, Okemos, Michigan 48864-5955**

Board of Accountancy

BOARD MEETING MINUTES

January 28, 2005

In accordance with the Open Meetings Act, 1976 PA 267, as amended, the Board of Accountancy met in Regular Session on January 28, 2005, at the Department of Labor & Economic Growth, Bureau of Commercial Services, 2501 Woodlake Circle, Conference Room 1, Okemos, Michigan. The business meeting was called to order by Chairperson Edward Kisscorni at 9:02 a.m.

ROLL CALL

Present:	Edward Kisscorni, Chair	Professional Member
	Mary Nickolas	Public Member
	Stephen H. Epstein	Professional Member
	Richard Gabrys	Professional Member
	Beth Bialy, Secretary	Professional Member
	Alan C. Young	Professional Member
	Sally Fedus	Public Member
	Robert Sher	Professional Member
Absent:	Larry Donaldson, Vice-Chair	Public Member
Staff:	Suzanne Jolicoeur	Licensing Administrator
	Jennifer Olson	Secretary
	Sara Hernandez	Asst. Licensing Administrator
	Jeannine Benedict	Policy Specialist
	Stephen Gobbo	Enforcement Staff
	Foye Longworth	Testing & Education Services
Visitors:	Peggy Dzierzawski	MACPA
	Walter S. Koziol	MACPA
	Karen Wiltsie	MACPA
	Joseph D. Sambaer	Petitioner
	Melissa Force	Walsh College
	Denese Ennis	Becker

ADDITIONS TO OR DELETIONS FROM AGENDA

None.

APPROVAL OF MINUTES FROM MEETING HELD DECEMBER 3, 2004

Mr. Gabrys name was listed under both board members present and absent, and under the Report on Board's Sox Recommendation the word "mend" should have been "amend."

MOTION: It was moved by Mr. Epstein and seconded by Mr. Young to approve the minutes with corrections; the motion carried unanimously.

ELECTION OF OFFICERS

Motion: Beth A. Bialy was nominated by Alan Young for Chair. The motion was seconded by Sally Fedus. There being no other nominations, a unanimous ballot was cast for Ms. Bialy.

Motion: Alan Young was nominated by Beth Bialy for Vice-Chair. The motion was seconded by Stephen Epstein. There being no other nominations, a unanimous ballot was cast for Mr. Young.

Motion: Sally Fedus was nominated by Alan Young for Secretary. The motion was seconded by Richard Gabrys. There being no other nominations, a unanimous ballot was cast for Ms. Fedus.

STIPULATION

A. Daniel C. Mugavero

A signed stipulation and formal complaint were presented to the Board in the matter of Daniel C. Mugavero, for violation of Section 734(d) of the Michigan Occupational Code, 1980 PA 299, as amended; MCL 339.734(d) of the Board of Accountancy General Rules.

Under the terms of the stipulation, Mr. Mugavero agrees to revocation of his CPA license and certificate.

MOTION: It was moved by Mr. Gabrys and seconded by Mr. Sher to reject the stipulation as written on the basis that the board felt that in addition to revocation of Mr. Mugavero's CPA license and certificate that he should not be allowed to apply for reinstatement for a 3 year period from the mailing date of the final order and that he should be

assessed a fine of not less than \$5,000. The motion carried unanimously.

REINSTATEMENTS

A. Thomas J. Butler Jr.

Ms. Jolicoeur stated that Mr. Butler had applied for reinstatement of his CPA certificate. His certificate, 1101014125, had been revoked on May 25, 1989, for nonpayment of fees.

Motion: It was moved by Mr. Epstein and seconded by Mr. Young to approve Mr. Butler's application for reinstatement. The motion carried unanimously.

B. Thomas J. Bellgraph

Ms. Jolicoeur stated that Mr. Bellgraph had applied for reinstatement of his CPA certificate. His certificate, 1101010656, had been revoked on May 25, 1989, for nonpayment of fees.

Motion: It was moved by Mr. Epstein and seconded by Mr. Young to approve Mr. Bellgraph's application for reinstatement. The motion carried unanimously.

CPA EXAM

Mr. Sambaer appeared before the board again. He did not pass the two sections of the CPA Exam he sat for in November. After a lengthy discussion the Board decided to defer the request until the next board meeting of May 13, 2005.

Ms. Jolicoeur brought to the Board's attention that the AICPA and NASBA are discussing a raise in exam fees to be instituted in either 2006 or 2007. The increase is due to an increase in Prometric seat charges, because the number of exam candidates during the first year will fall short of the projected number on which Prometric's fees were based.

RECOGNITION OF THE INSTITUTE OF CHARTERED ACCOUNTANTS IN IRELAND

Ms. Jolicoeur presented to the Board a Professional Mutual Recognition Agreement between the Institute of Chartered Accountants in Ireland and the NASBA/AICPA International Qualifications Appraisal Board for consideration by the Board members.

Motion: It was moved by Mr. Gabrys and seconded by Mr. Epstein to accept the agreement allowing members of the Institute of

Chartered Accountants in Ireland to be eligible for a Michigan CPA certificate upon successful completion of the IQEX exam. The motion carried unanimously.

SOX RECOMMENDATIONS

Motion: It was moved by Mr. Epstein and seconded by Mr. Gabrys to recommend the fees for licenses be increased as follows:

Fee Category	Proposed
Application Processing	
Individual	\$100
Firm	\$100
License Fee Per Year	
Individual	\$100
Firm	\$100
Registration Fee Per Year	
Individual	\$25
Temporary Permit	\$100
Peer Review	\$100 (3 Years)

In addition, staff should look into the possibility of moving the fees from the State License Fee Act, P.A. 152 of 1979, to the Administrative Rules and that the fee increases should be earmarked for peer review monitoring, administration and enforcement. The motion carried unanimously.

FOREIGN CREDENTIAL EVALUATIONS

Ms. Hernandez presented to the Board the differences in credential evaluation reports that are being submitted with applications. After the Board reviewed the information it was determined that only evaluations completed specifically for Michigan licensure would be accepted.

PUBLIC COMMENT

Peggy Dzierzawski thanked Suzanne Jolicoeur for her presentation at the MACPA's Board Meeting and invited Board members to attend the Member Advisory Forum on May 11, 2005.

STAFF COMMENT

None.

ITEMS FOR CONSIDERATION FROM BOARD MEMBERS

None.

NEXT MEETING DATE

The next scheduled meeting of the Board of Accountancy will be held on May 13, 2005, at 9:00 a.m.

ADJOURNMENT

There being no further business to be brought before the Board at this time, the meeting was adjourned at 12:25 p.m.

Sally Fedus /s/
Sally Fedus, Secretary

May 13, 2005
Date

Jennifer Olson /s/
Recording Secretary

May 13, 2005
Date