

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

Board of Accountancy

BOARD MEETING MINUTES

August 24, 2007

In accordance with the Open Meetings Act, 1976 PA 267, as amended, the Board of Accountancy met in Regular Session on August 24, 2007, 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 Beth Bialy at 9:00 a.m.

ROLL CALL

Present:	Richard G. David	Professional Member
	Alan C. Young, Vice-Chair	Professional Member
	Mary Nickolas	Public Member
	Stephen H. Epstein	Professional Member
	Thomas R. Weirich	Professional Member
	Sally Fedus, Secretary	Public Member
	Ellen S. Cogen Lipton	Public Member
	Beth Bialy, Chairperson	Professional Member
	Neil De Boer	Professional Member
Staff:	Joe Campbell	Licensing Administrator
	Jean Boven	Licensing Director
	Jennifer Olson	Licensing Staff
	Sara Hernandez	Asst. Licensing Administrator
	Holly Caksackkar	Secretary
	Stephen Gobbo	Compliance/Legal/FOIA
	Tom Byrne	Testing and Education Services
Visitors:	Peggy Dzierzawski	MACPA
	John Lindley	MACPA
	Walter Koziol	MACPA
	Dennis Echelbarger	MACPA
	Barry Lepler	Visitor
	David Comer	Petitioner
	David Kull	Petitioner

Delphine Agnor
Richard Kraus
Alexander Noskov

Petitioner
Attorney
Visitor

ADDITIONS TO OR DELETIONS FROM AGENDA

Ms. Bialy requested that discussions about the NASBA annual meeting, the travel policy, and visiting test sites be added to the agenda.

Ms. Hernandez stated that the summary information for petitioner Donald Patrick Courtois required correction to indicate he obtained 129 hours of education, not 149 hours.

APPROVAL OF MINUTES FROM MEETING HELD MAY 25, 2007

Ms. Fedus stated a correction in the minutes was required for the motion regarding the Hearing Report of Nicholas Lahr (Complaint 303467). The motion was to fine Mr. Lahr \$5,000.00, not \$10,000.00, and the client's records must be returned to the client.

Ms. Boven indicated that the Roll Call portion of the minutes must be corrected to indicate that board member Alan Young was absent from the meeting.

Mr. David indicated that the request to obtain a copy of the exam contract be added to the Staff Comment portion of the minutes.

MOTION: It was moved by Mr. Weirich and seconded by Ms. Fedus to approve the minutes as corrected: the motion carried unanimously.

PETITIONS

A. David Comer

On May 8, 2007, the Department denied Mr. Comer's application for a CPA certificate as the online business communication course Mr. Comer completed failed to meet the oral communication component of the course requirement. Mr. Comer was present at the meeting today and addressed the board.

MOTION: It was moved by Ms. Fedus and seconded by Mr. David to uphold the Department's denial of Mr. Comer's application for the reason set forth in the denial. The motion failed.

MOTION: It was moved by Ms. Nickolas and seconded by Mr. Epstein to overturn the Department's denial and grant Mr. Comer certification as a CPA based on his demonstration of meeting the oral communication component of the business communication course requirement by the aggregate of courses

and training completed by Mr. Comer. The motion carried with Ms. Bialy abstaining. The Department concurred.

B. Delphine Agnor

On June 25, 2007, the Department denied Ms. Agnor's application for a CPA certificate because she failed to meet the written communication component of the business communication course requirement. Ms. Agnor was present at today's meeting but did not address the board.

MOTION: It was moved by Mr. David and seconded by Ms. Nickolas to overturn the Department's denial and grant Ms. Agnor certification as a CPA based on Ms. Agnor's submission of course materials to the board demonstrating she completed courses meeting the written communication component of the business communication requirement. The motion carried unanimously. The Department concurred.

C. Donald Patrick Courtois

On July 5, 2007, the Department denied Mr. Courtois' application for a CPA certificate on the basis that he did not complete at least 150 semester hours of education as required.

MOTION: It was moved by Mr. Epstein and seconded by Ms. Fedus to uphold the Department's denial of Mr. Courtois' application for the reasons set forth in the denial. The motion carried unanimously. The Department concurred.

D. David Kull

On July 5, 2007, the Department denied Mr. Kull's application for a reciprocal CPA certificate because he failed to meet the two years of experience required by Michigan in 1995 when Mr. Kull was issued an Arizona CPA certificate. Mr. Kull was present at today's meeting and addressed the board.

MOTION: It was moved by Ms. Fedus and seconded Mr. Epstein to uphold the Department's denial of Mr. Kull's application for the reasons set forth in the denial. The motion carried unanimously. The Department concurred.

WAIVER OF PENALTY HOURS

A. William J Rohn

Mr. Rohn submitted to the board a request for permission to satisfy his continuing education credit and penalty credit hour requirements by completing self-study courses due to his physical limitations from an illness.

MOTION: It was moved by Mr. David and seconded by Mr. Epstein to approve Mr. Rohn's request to complete his required continuing education and penalty credit hours by self study courses. The motion passed unanimously.

REINSTATEMENTS

A. Timothy P O'Neill

Ms. Hernandez stated that Mr. O'Neill had applied for reinstatement of his CPA certificate, which had been revoked on May 25, 1989, for nonpayment of fees.

MOTION: It was moved by Mr. David and seconded by Ms. Nickolas to approve Mr. O'Neill's application for reinstatement. The motion passed unanimously.

PUBLIC HEARING NOTICE – ACCOUNTANCY RULES

Ms. Bialy asked if any of the Board members would be willing to attend the public hearing for the Accountancy Rules scheduled for September 5, 2007 at 10:00 a.m. No one indicated they would be able to attend.

Board members discussed making changes to the proposed rules concerning completion of a business communication course since various college courses include instruction in communication skills that can be related to business.

MOTION: It was moved by Ms. Fedus and seconded by Mr. Young to eliminate the business communication course requirement from the proposed administrative rules as communication skills taught in a business communication course may also be taught in other college courses. The motion carried by a majority vote with three opposing.

Board chair will submit a statement in writing to be read at the public hearing requesting removal of the business communication requirement.

MOBILITY

On August 8, 2007, interested parties met with bureau staff to discuss the issues regarding the Amended Exposure Draft to Section 23 of the Uniform Accountancy Act that allows licensees to provide CPA services in states other than their home state in which they are licensed, referred to as mobility. Board members expressed a desire to further discuss the issue of mobility. Another meeting to discuss mobility was scheduled for September 7, 2007 at 9:00 a.m. in the Okemos office building.

PEER REVIEW

Ms. Bialy requested that at the next board meeting Department staff suggest recommendations for procedures regarding peer review.

MINIMUM SANCTIONS

Ms. Nickolas indicated that the board's recommended minimum sanctions for violating standards of practice was missing from the form listing their recommended sanctions. Ms. Boven suggested the board and the department check their notes and address it at the next meeting.

TEST SITES

Ms. Bialy inquired about the possibility of board members being able to visit the examination sites for CPA licensing. Mr. Byrne indicated unannounced visits may prove to be disruptive to the candidates but a visit could be arranged by the department with the testing administrator in advance. Mr. Byrne indicated he is also investigating the possibility of obtaining a copy of the examination administration contract that can be made available to the board. Mr. Byrne stated he would inform department staff and the board if a copy can be made available as soon as possible.

2008 ANNUAL MEETING SCHEDULE

Board members received a copy of the meeting schedule for 2008. Mr. Epstein indicated he will not be able to attend the January 2008 meeting due to a conflict in time schedules.

PUBLIC COMMENT

Ms. Dzierzawski of the MACPA mentioned that all board members and staff present were invited to attend the Member Advisory Forum on September 25, 2007.

Mr. Lepler congratulated the board for a job well done in conducting business at today's board meeting.

Mr. Lindley of the MACPA mentioned there is now a satellite office in Lansing where he will be located.

STAFF COMMENT

Mr. Byrne mentioned that an additional cost to the candidate NASBA can review applicant education on behalf of the Department to qualify toward the 150 hour requirement for licensure.

Mr. David indicated he would like a formal report referencing the cost to the candidates as well as the savings for the Department.

ITEMS FOR CONSIDERATION FROM BOARD MEMBERS

Ms. Bialy congratulated Ms. Fedus on her reappointment to another 4 year term. Ms. Bialy welcomed the newly appointed Mr. Neil De Boer to the Board.

NEXT MEETING DATE

The next scheduled meeting of the Board of Accountancy will be held on November 30, 2007, at 9:00 a.m.

ADJOURNMENT

There being no further business to be brought before the Board, the meeting was adjourned at 12:56 p.m.

Sally Fedus /s/
Sally Fedus, Secretary

November 30, 2007
Date

Jennifer Olson /s/
Recording Secretary

November 30, 2007
Date

**Unapproved
Minutes**