

Professional malpractice specialist delves into technical side of accounting with SBA board appointment

The fact that Steven M. Wolock makes professional liability defense his specialty gives him an edge — particularly, a constant reminder of how to do his job.

"It's been useful to see how attorneys can go wrong," he said, "although, I must say, my practice in general, representing attorneys, has always been helpful to me in terms of improving my own standard of practice."

That line of thinking has led him to stints on the Supreme Court Dispute Resolution Rules Committee; the State Bar of Michigan Attorney Discipline Board; and Michigan Supreme Court Mediation Confidentiality and Standards Committee.

But Wolock's recent appointment to the State Board of Accountancy (SBA) is unlike any group in which he's been involved, as it doesn't directly tie into his chosen field.

While he's not an accountant, Wolock said he has represented them in professional malpractice cases (for example, an accountant who is investigating a corporate embezzlement and gets sued by the audited business in question).

Yet, through the SBA, "I'm certainly learning more about the profession. The board provides regulatory oversight to the profession, and a lot of the concerns are fairly technical and are things I haven't encountered before; license renewals, education requirements, requirements for the CPA exam that are very detailed with respect to the administration of the exam."

The SBA board is made up of nine members — six of whom are accountants, while Wolock is one of three members from the public realm.

On the Stand



Steven M. Wolock

Maddin, Hauser, Wartell, Roth & Heller P.C., Southfield

Education: University of Michigan Law School

Specialties: Professional liability defense

They meet quarterly in Okemos to review license reinstatement requests, discuss disciplinary conduct stipulations, and consider continuing professional education [CPE] waivers.

Being an attorney can have its advantages to the SBA, Wolock said, particularly if an accountant decides to challenge rather than settle disciplinary matters.

"I can provide some insight into administrative procedure and due process concerns when they come up, and look at things through the particular lens that a lawyer looks at on issues," he said.

He pointed out, however, that the SBA is not the accountant's version of the Attorney Grievance Commission, as the authority is not as great.

"The [SBA] just determines penalties, and doesn't hear cases, with one exception," he said, "and that's when professional standards are at issue; the occupational code provides for the board to sit as a finder of fact."

Wolock said the big issue the SBA is facing is the matter of CPA mobility (recognition of CPAs from out of state) and qualifications for them to be recognized or permitted to provide CPA services in Michigan.

If there's one thing that's opened his eyes for the short time he's been with the SBA, it's the CPE requirements that must be met in order to get a CPA license renewed; attorneys in Michigan, on the other hand, aren't required to take continuing legal education courses.

As a result, "you appreciate how technical much of the work the CPAs perform is, especially when they're providing auditing services."

— DOUGLAS J. LEVY