

Texas State Board Report

ATTORNEYS FOR ARTHUR ANDERSEN LLP IN JANUARY CONCURRED WITH THE TEXAS State Board of Public Accountancy to disclose that in November 2001 the Board opened an official investigation into Andersen's audit of Enron.

Prior to that time, the Board could neither confirm nor deny the investigation because the *Public Accountancy Act* expressly states that information gathered or received regarding a disciplinary action against a license holder is confidential and not subject to public disclosure until:

- ♦ the Board receives the respondent's written permission to disclose that an investigation is underway;
- ♦ the Board has issued a final order in a disciplinary action resulting from an informal proceeding or formal public hearing; or
- ♦ a formal public hearing in the matter has been held.

At a special hearing on January 29, 2002, the Board's executive director, William Treacy, testified before the Texas House of Representative's Subcommittee on Regulatory Agencies regarding the Arthur Andersen, LLP/Enron case.

In response to Legislators' questions, he stated that the *Public Accountancy Act* does not provide the Board with the authority to initiate criminal proceedings against CPAs and that the Board is prohibited by law from disclosing any specific details of its investigations.

Mr. Treacy described the Board's strong record of prosecuting violators of the *Public Accountancy Act* and the Board's *Rules*, and taking practitioners out of public accountancy who should not be practicing. He testified that in 2001 the Board revoked 47 certificates in disciplinary cases, and over the last eight or nine years it has imposed more than \$2 million in fines. "There's nothing more we can do under the law than to revoke the license of either an individual or a firm. That's the death penalty," he said.

The Board is statutorily mandated to protect the public by ensuring that persons issued CPA certificates possess the necessary education, skills, and capabilities and that they perform competently when serving the public.

See **Andersen**, page 14

Board amends **Rules of Professional Conduct**

OTHER RULES ALSO REVISED

Rules of Professional Conduct

Over the past few months, the Board has amended a number of its rules, among them some of the *Rules of Professional Conduct*.

Section 501.52 (Definitions). Several definitions in this section were amended or added because of changes to the *Public Accountancy Act* that became effective Sept. 1, 2001. The definitions were drafted and studied by a joint task force of the Board and the TSCPA before recommending adoption to the full Board. The new and amended definitions are shown on page 3.

Section 501.76 (Records and Work Papers). This rule was amended to require licensees to retain client records for at least four years, corresponding with the statute of limitations that applies to other claims arising between CPAs and their clients. It is also consistent with the recommendations of professional standards setting bodies, including the AICPA's *Accounting Practice Management Manual*.

The applicable statute of limitations in Texas for breach of contract and

breach of fiduciary duty is four years, which is the longest period recommended by the

AICPA. The Board's new rule is consistent with the appropriate statutory limitations period.

Section 501.81 (Firm License Requirements). The amendment to this rule requires entities offering attest services or claiming to be capable of offering attest services to be licensed. These firms must adhere to minimum competency standards.

The previous rule required the use of a disclaimer, "Not qualified to register with the Texas State Board of Public Accountancy to practice public accountancy in Texas" by an entity and any associated individual in conjunction with his or her CPA designation when the entity is in the client practice of public accountancy. The disclaimer has been shortened to state, "This firm is not a CPA firm" and eliminates any reference to the qualifications of the licensed entity.

Since 1995, the Board has required the use of a disclaimer when a CPA uses his or her CPA designation in connection with the name of an unlicensed entity. The disclaimer is only required if the unlicensed entity is in the client practice of public accountancy. Therefore, a CPA who signs a letter from a charitable organization, such as the United Way, does not need to use the disclaimer. A CPA using his or her CPA designation employed by an income tax preparation entity, however, would need the newly amended disclaimer, "This firm is not a CPA firm."

Section 501.53 (Applicability of Rules of Professional Conduct). This rule was amended to remove extraneous language that is no longer referenced by the *Public Accoun-*

The amendments to Section 501.81 require entities offering attest services or claiming to be capable of offering attest services to be licensed. Through the license system, these firms must adhere to minimum competency standards, and the public will have clear information about which firms are licensed and which are not.

See **Rules**, page 4

New and Amended Definitions in Section 501.52

Affiliated entity — An entity controlling or being controlled by or under common control with another entity, directly or indirectly, through one or more intermediaries.

“Attest service” means:

(A) an audit or other engagement required by the board to be performed in accordance with the auditing standards adopted by the American Institute of Certified Public Accountants or another national accountancy organization recognized by the board;

(B) a review, compilation or other engagement required by the board to be performed in accordance with standards for accounting and review services adopted by the American Institute of Certified Public Accountants or another national accountancy organization recognized by the board;

(C) an engagement required by the board to be performed in accordance with standards for attestation engagements adopted by the American Institute of Certified Public Accountants or another national accountancy organization recognized by the board; or

(D) any other assurance service required by the board to be performed in accordance with professional standards adopted by the American Institute of Certified Public Accountants or another national accountancy organization recognized by the board.

Client — A person who enters into an agreement with a license holder or a license holder’s employer to receive a professional accounting service.

Client Practice of Public Accountancy is the offer to perform or the performance by a certificate or registration holder for a client or a potential client of a service involving the use of accounting, attesting, or auditing skills. The phrase “service involving the use of accounting, attesting, or auditing skills” includes:

(A) the issuance of reports on, or the preparation of, financial statements, including historical or prospective financial statements or any element thereof;

(B) the furnishing of management or financial advisory or consulting services;

(C) the preparation of tax returns or the furnishing of advice or consultation on tax matters;

(D) the advice or recommendations in connection with the sale or offer for sale of products (including the design and implementation of computer software), when the advice or recommendations routinely require or imply the possession of accounting or auditing skills or expert knowledge in auditing or accounting; and/or

(E) litigation support services.

Peer review or quality review — The study, appraisal, or review of the professional accounting work of a public accountancy firm that performs attest services by a certificate holder who is not affiliated with the firm.

Practice unit — An office of a firm required to be licensed with the board for the purpose of practicing public accountancy.

Professional services or professional accounting work — means services or work that requires the specialized knowledge or skills associated with certified public accountants, including:

(A) issuing reports on financial statements;

(B) providing management or financial advisory or consulting services;

(C) preparing tax returns; and

(D) providing advice in tax matters.

Report — When used with reference to financial statements, means either an engagement performed through the application of procedures under the *Statement on Standards for Accounting and Review Services* or any opinion, report, or other form of language that states or implies assurance as to the reliability of any financial statements and/or includes or is accompanied by any statement or implication that the person or firm issuing it has special knowledge or competence in accounting or auditing. Such a statement or implication of special knowledge or competence may arise from use by the issuer of the report of names or titles indicating that he or it is an accountant or auditor or from the language of the report itself. The term “report” includes any form of language which disclaims an opinion when such form of language is conventionally understood to imply any assurance as to the reliability of the financial statements to which reference is made. It also includes any form of language conventionally used with respect to a compilation or review of financial statements, and any other form of language that implies such special knowledge or competence.

Rules

continued from page 2

tancy Act due to recent changes to the Act.

Section 501.93 (Responses). The amendment reduces the Board's expenses, allowing the deposition of a party in a contested case to be taken in Austin. In considering the amendment, the Board incorporated the protection afforded litigants in the *Texas Rules of Civil Procedure* whereby a party who shows harassment, undue burden, or annoyance may not be subject to deposition in Austin.

Other Board rules

Section 511.70 (Grounds for Disciplinary Action of Candidates). The Board repealed *Section 511.101 (Action Relating to Violations of Rules Governing Conduct During the Examination)* and old *Section 511.70*, and a new *Section 511.70* was adopted to replace both rules. It allows the Board to take action against an exam candidate who displays specific prohibited behavior at the exam or who misrepresents information on official Board applications.

Section 513.7 (Eligibility for Firm License). The *Public Accountancy Act's* ownership requirements are now outlined in this rule to protect professional judgments of the firm and the quality of service offered to the public. Firms must meet specific ownership requirements and must also ensure that attest services are properly supervised.

Section 513.8 (Qualifications for Non-CPA Owners of Firm License Holders). This new rule specifies requirements for qualifications for non-CPA owners of registered firms.

Section 513.9 (Application for Firm License). Another new rule, *Section 513.9*, permits the Board to set the requirements for firm registration applications.

Section 513.10 (Certification of Corporate Franchise Tax Status). This new rule allows the Board to require firms to certify that their corporate franchise taxes are current.

Section 513.11 (Affidavit of Firm). The rule requires each firm to submit an affidavit describing any lawsuits or administrative actions pending against the firm or its owners.

Section 513.12 (Firm Offices). Each firm registration holder must hold a registration for each office in Texas, and each office must have a licensed Texas CPA as resident manager.

Section 519.7 (Administrative Penalties). This rule clarifies that the Board may impose an administrative penalty or penalties in addition to other sanctions.

Section 519.9 (Procedures After Hearing). The amendment allows the Board to dismiss a complaint at any time, even after a hearing or issuance of a proposal for decision, and not impose any sanction on a licensee. It also clarifies that administrative costs eligible to be recovered include all costs incurred in defending any order on appeal.

Section 521.1 (Individual License Fees) and **Section 521.13 (Firm License Fees).** The provisions in *Section 521.1 (Individual License Fees)* regarding firm fee requirements have been transferred to *Section 521.13 (Firm License Fees)*. A firm must now pay a \$50 fee when applying for a license. It also imposes a graduated fee per CPA employee and non-CPA owner for larger firms. Larger firms pay proportionally larger fees.

Section 521.10 (Out-of-State Proctoring Fee). This rule allows the Board to increase the fee for out-of-state candidates sitting for the CPA exam in Texas.

Section 523.63 (Mandatory Continuing Professional Education Attendance). The primary changes to this rule spell out the Board's policy for the phasing in of CPE requirements for new licensees. Although this has been the Board's policy for some time, it had not previously been included in the Board's rules. Effectively, a new licensee does not need to report any CPE the first year of licensure. The second year, the individual must report a minimum of 20 hours, the third year a minimum of 60 hours, and the fourth year a minimum of 100 hours. Not until the fifth year of licensure is a CPA required to report the full 120 hours of CPE. ❖

The Board has amended several of its rules, including the *Rules of Professional Conduct*. We summarize the rules here, but for the complete text of the Board's rules, go to our website, where there is a link to the Board's rules:

www.tsbpa.state.tx.us

On the home page, click on "Rules for the Accounting Profession," which will provide a link to all the Board's rules on the Secretary of State's website.

BOARD RULE BOOK AVAILABLE

The Board has published the entire body of its rules in a three-ring binder for licensees, libraries, and other interested parties.

The initial publication and a one-year subscription of updates may be purchased by cashier's check, personal check, or money order made payable to the Texas State Board of Public Accountancy.

Included in the book are the Board's *Rules of Professional Conduct*, as well as the rules on licensing and registration, continuing professional education, peer review, the Uniform CPA Examination, and practice and procedure.



Advisory Committee Members

Behavioral Enforcement

WANDA R. LORENZ
JIMMIE L. MASON
ANTHONY B. ROSS
JOYCE J. SMITH

Continuing Professional Education

L. ELDON MILLER
THOMAS E. OLIVER
CHARLES W. SHIRLEY

Licensing

JANET F. PARNELL

Major Case Enforcement

JERRY A. DAVIS
ROBERT M. McADAMS
JOSEPH W. RICHARDSON
RONNIE RUDD

Peer Assistance

JOHN G. BEALL
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Peer Review

JERRY L. CROSS
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JIMMIE L. MASON
DAVID C. START JR.

Peer Review Oversight Board

JOHN MASON ANDRES
PAUL W. HILLIER JR.
GARY S. HOFFMAN

Qualifications

LARRY D. EDGERTON
CHARLES J. GREGG

Rules

JERRY A. DAVIS
TIMOTHY L. LA FREY
WANDA R. LORENZ
GARY D. McINTOSH

Technical Standards Review

LARRY D. DODSON
WANDA R. LORENZ
STEPHEN M. McEACHERN

THE BOARD RELIES HEAVILY ON THE EXPERTISE OF ITS ELEVEN standing committees, but just who are the people who comprise these entities? Board members make up the majority, but are assisted by CPAs from the accounting profession, industry and commerce, government, and education.

Who serves on all those BOARD COMMITTEES?

Advisory committee members cover the demographic spectrum of Texas CPAs. They are neither more nor less privileged than other CPAs. What they do to become recognized, however, is perform services that distinguish themselves or project an interest in contributing to the interest of the profession, or both. Neither the Board nor its committees exist in a vacuum; instead they are reflective of the average practitioner. When not incorporating Board service into their lives, Board and committee members return to their everyday practices.

David Start, a Baytown CPA in public practice, is a member of the Peer Review Committee and a former member of the Major Case Enforcement Committee. "I've enjoyed serving," he says. "Being on Board committees benefits me by seeing the mistakes that others are making, because every once in a while I see the need to reevaluate what I'm doing. I've used the knowledge I've gained from the committee to improve my own practice."

"It is enlightening to see that there are a lot of people out there doing a lot of good work, but there are also people out there who don't know what they're doing," he continues. "The committee is there to help them do it right."

Mr. Start summarizes his motivation for his committee work by paraphrasing President Kennedy's famous words. "Don't ask what my profession can do for me, ask what I can do

for my profession."

Taking into consideration the specific expertise and abilities of potential members, the Board's presiding officer annually makes committee assignments based on recommendations of Board members, the Texas Society of CPAs, and other professional organizations. Frequently, former Board members are asked to continue on a committee after their terms have expired.

Committee membership rotates to provide others with the opportunity to participate in the regulatory process, so the Board is always looking for people to serve on its committees.

While only the Board itself can make binding decisions and take action on policy, rules, and disciplinary actions, the committees do much of the groundwork by studying issues and cases in depth prior to making recommendations to the Board. Thus, the committees' vital role helps to create a smooth and efficient Board operation.

"At my first meeting, I was surprised at the volume of information compiled for just one meeting. It was a five-inch thick binder, copied double-sided, and a staff member

told me that it was one of the *smaller* committee meeting books!" says Anthony Ross, a CPA employed by the City of Austin. "I love giving back to the profession. On the Behavioral Enforcement Committee, we're just basically trying to keep the profession clean and give CPAs the chance to rehabilitate." ❖

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~ Anthony Ross

ENFORCEMENT ACTIONS

Disciplinary Actions

Respondent: Robert A. Abrasley (Houston)

Certificate No.: 007597

Investigation No.: 90-01-13L

Date of Board ratification: 1/17/02

Disposition: The respondent entered into an amended agreed consent order with the Board whereby the respondent's existing agreed consent order is amended to remove the practice limitation in paragraph 3 on page 2, as follows: Compilation reports issued by respondent shall no longer be required to contain the following language, "These financial statements are intended for internal use only and this report is not to be relied on by third parties." The respondent entered into the agreed consent order on July 8, 1993 in connection with a 1987 audit. The agreed consent order was in lieu of a public hearing.

The respondent violated *Section 501.22 (Auditing Standards)* of the Board's Rules by permitting his name to be associated with financial statements of a publicly held corporation in such a manner as to imply that he was acting as an independent public accountant with respect to the financial statements when he had not complied with generally accepted auditing standards.

Respondent: John Michael Albrecht (The Woodlands)

Certificate No.: 075652

Investigation No.: 01-02-21L

Date of Board ratification: 11/15/01

Disposition: The respondent entered into an agreed consent order with the Board whereby the respondent was reprimanded. The respondent practiced public accountancy with a delinquent, expired personal license in violation of *Sections 901.502(6)* and *901.502(11)* of the Act as well as *Section 501.80 (Practice of Public Accountancy)* of the Board's Rules.

Respondent: Jon M. Andrews (Midland)

Certificate No.: 036213

Investigation No.: 00-06-07L

Date of Board ratification: 1/17/02

Disposition: The respondent entered into an

agreed consent order with the Board whereby the respondent's certificate was placed on probated suspension for one year. The respondent was ordered to pay \$16,500 to his client in twelve monthly installments of \$1,375 each, and to rectify all licensing deficiencies within 90 days of the Board's order. The respondent pressured his client into loaning him \$25,000, and the respondent failed to repay the loan in full. The respondent violated *Sections 901.502(6)* and *901.502(11)* of the Act as well as *Section 501.41(9)* of the Board's Rules (*Discreditable Acts*).

Respondent: Walter Dean Davis III (Houston)

Certificate No.: 020029

Investigation No.: 99-12-15L

Date of Board ratification: 1/17/02

Disposition: The respondent signed an agreed consent order whereby the respondent's license was suspended for two years; the suspension was stayed and he was placed on two years' probation. A practice restriction was placed on the respondent individually, on the respondent's current firm, and on any other firm in which the respondent may become a partner, owner, or principal. No audit or attest work is to be released unless the report and working papers are reviewed and approved in writing in advance by an independent CPA ("reviewer") who has been pre-approved in writing by the chair of the Board's Technical Standards Review Committee. The reviewer must have met *Yellow Book* education standards and be experienced in performing *Yellow Book* audits, including single audits. The respondent must provide evidence to the committee liaison of the reviewer's *Yellow Book* education and experience when the respondent seeks approval of the reviewer by the committee chair. The reviewer must approve any work product that complies with all applicable professional standards and must not approve any work product that does not comply with all applicable professional standards. The reviewer must review all of the respondent's audits and supporting working papers and state in writing to the respondent whether the work reviewed may or may not be issued by the respondent firm. If the work may not be issued, the respondent must send a copy of the reviewer's letter to the Board's general counsel. The respondent shall annually report in writing through

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the Board's general counsel to the Technical Standards Review Committee on the work reviewed and the reviewer's evaluation of the work. The review, the review comments, the respondent's disposition of the review comments, and the reviewer's approval of the final report must each be documented in writing and dated, must each be retained by the respondent for five years, and must be provided to the Board upon request of a Board member or Board staff. During the duration of this order, the respondent must provide an annual affidavit to the Board's general counsel that the respondent has complied with all of the provisions of this agreed consent order within 30 days of the anniversary of the date the order is signed.

The respondent performed an audit containing departures from GAAP and GAAS in violation of *Section 901.502(6)* of the Act as well as *Sections 501.22 (Auditing Standards)* and *501.23 (Accounting Principles)* of the Board's Rules.

Respondent: T. Morgan Farrington (Dallas)

Certificate No.: 008024

Investigation No.: 01-01-27L

Date of Board ratification: 11/15/01

Disposition: The respondent signed an agreed consent order whereby he is prohibited from performing audits and reviews of governmental and financial institutions. In addition, for each of the next three continuing professional education reporting periods of 2001, 2002, and 2003, the respondent agreed to complete an additional 16 hours of live continuing professional educational hours in the areas of GAAP, GAAS, and SSARS. The respondent must promptly provide the Board with evidence of completion of the courses by January 31 of each subsequent year. Such hours are in addition to the normally required annual continuing professional education hours.

The respondent performed an audit in which he failed to perform loan review and confirmation procedures on a bank's portfolio. The respondent did not have sufficient bank auditing experience to perform up to generally accepted auditing standards. The respondent's actions violated *Sections 901.502(2)*, *901.502(6)*, and *901.502(11)* of the Act as well as *Sections 501.60 (Auditing Standards)*, *501.61 (Accounting Principles)*, and *501.62 (Other Professional Standards)* of the Board's Rules.

Respondent: Ralph Louis Gardner (Houston)

Certificate No.: 036546

Date of Board ratification: 1/17/02

Disposition: The respondent entered into an agreed consent order with the Board whereby the respondent was reprimanded. The respondent practiced public accountancy with a disability license when in fact the respondent was not disabled. In addition, the respondent was not current in his continuing professional education hours.

The respondent's conduct violated *Sections 901.502(6)* and *901.502(11)* of the Act as well as *Sections 501.90(1) (Discreditable Acts)*, *515.8(b) (Retirement Status or Permanent Disability)*, *523.32 (Board Rules and Ethics Course)*, *523.62 (Mandatory CPE Reporting)*, and *523.63 (Mandatory CPE Attendance)* of the Board's Rules.

Respondent: Raymond Austin Gressett (Dallas)

Certificate No.: 005945

Investigation No.: 01-04-12L

Date of Board ratification: 11/15/01

Disposition: The respondent entered into an agreed consent order with the Board whereby the respondent was reprimanded. The respondent practiced public accountancy in an unregistered entity from July 28, 1997 until April 27, 2001. The respondent's conduct violated *Sections 901.502(6)* and *901.502(11)* of the Act as well as *Section 501.81 (Registration Requirements)* of the Board's Rules.

Respondent: Everett A. Holseth (Tomball)

Certificate No.: 017949

Investigation No.: 00-02-17L

Date of Board ratification: 11/15/01

Disposition: The respondent entered into an agreed consent order with the Board whereby the respondent was reprimanded. The respondent's practice was limited in that he may not perform reports on examination of financial statements in accordance with GAAS and shall not review reports on financial statements in accordance with SSARS. The respondent's audit for a client did not meet the reporting requirements of *OMB Circular A-133* or the *Uniform Grants Management Standards*. The respondent's conduct violated *Sections 901.502(6)* and *901.502(11)* of the Act as well as *Sections 501.60 (Auditing Standards)* and *501.61 (Accounting Principles)* of the Board's Rules.

Respondent: Steven W. Leshikar (Coppell)

Certificate No.: 061019

Investigation No.: 01-04-11L

Date of Board ratification: 1/17/02

Disposition: The respondent entered into an agreed consent order with the Board whereby the respondent's surrendered his certificate for revocation in lieu of further disciplinary proceedings. The respondent failed to return client records, failed to respond to repeated telephone and written inquiries by his client, and failed to respond to written Board communications.

The respondent violated *Sections 901.502(6)* and *901.502(11)* of the Act as well as *Sections 501.76 (Records and Work Papers)*, *501.90(11) (Discreditable Acts)*, and *501.93 (Responses)* of the Board's Rules.

Petitioner: Michael James Moore (NV)

Certificate No.: 035058

Investigation No.: 91-02-37L

Date of Board ratification: 1/17/02

Disposition: The petitioner's certificate was revoked in lieu of further disciplinary action in 1992. His certificate was reinstated on May 18, 2001 with various restrictions.

The petitioner entered into an *Agreed Order Modifying Terms of Existing Agreed Consent Order* in which the petitioner's agreed consent order reflected the following terms and conditions: The petitioner must complete eight hours of live continuing professional education in the area of financial statement reporting as a part of his normal 40-hour requirement. Upon submitting evidence of these eight hours of continuing professional education to the Board's general counsel, the petitioner will then be permitted to re-enter the practice of performing audits and reviews under the supervision of a qualified CPA. The petitioner is not to be permitted to sign any audit or review reports until such time as he requests and the Board grants him permission to do so. The petitioner may not apply to have these restrictions lifted sooner than one year after the Board ratifies this order. The petitioner's certificate will continue on probation under the terms and conditions already in place under the existing agreed consent order.

Respondent: Sharon A. Muehlberger (Galveston)

Certificate No.: 042691

Investigation No.: 01-01-06L

Date of Board ratification: 1/17/02

Disposition: The respondent entered into an

agreed consent order with the Board whereby the respondent must complete eight hours of continuing professional education taught by a live third-party instructor, in addition to the continuing professional education hours normally required for annual licensure. These hours were to be completed by December 31, 2001 and reported to the Board's Enforcement Division by January 31, 2002.

The respondent's conduct violated *Sections 901.502(2), 901.502(6) and 901.502(11) of the Act* as well as *Sections 501.61 (Accounting Principles) and 501.74 (Competence)*, of the *Board Rules* by undertaking to perform a post-closing audited balance sheet in connection with the sale of a business, a service in which she had no previous experience; collecting inadequate documentation about the purchase transaction; failing to follow standard audit procedures, causing her to miss two material accounts payable; and issuing a recast earnings statement that should have had a report attached to it.

Respondent: Viet Ba Nguyen (Houston)

Certificate No.: 028211

Investigation No.: 01-04-04L

Date of Board ratification: 11/15/01

Disposition: The respondent entered into an agreed consent order with the Board in which the respondent was reprimanded. The respondent practiced public accountancy in an unregistered entity from January 1982 until August 2001 in violation of *Sections 901.502(6) and 901.502(11) of the Act* as well as *Section 501.81 (Registration Requirements)* of the *Board Rules*.

Respondent: Floyd O. Richards (Fort Worth)

Certificate No.: 008058

Investigation No.: 00-09-19L

Date of Board ratification: 11/15/01

Disposition: The respondent entered into an agreed consent order with the Board whereby the respondent surrendered his certificate in lieu of further disciplinary proceedings. The respondent was convicted of one count of conspiracy to commit bribery involving federal programs. In addition, the respondent failed to report the conviction to the Board and failed to respond to Board inquiries. The respondent's conduct violated *Sections 901.502(6) and 901.502(11) of the Act* as well as *Sections 501.36 (Reportable Events), 501.41(4) (Discreditable Acts), and 501.93 (Responses)* of the *Board's Rules*.

Respondent: Paul H. Tompkins (La Marque)

Certificate No.: 026792

Investigation No.: 00-07-03L

Date of Board ratification: 1/17/02

Disposition: The respondent entered into an agreed consent order with the Board whereby the respondent was reprimanded and prohibited from performing audits and reviews. The respondent performed an audit in which he failed to satisfy GAAS and failed to adhere to GAAP. The audit work as documented in his audit workpapers did not support his auditor's report on the financial statements. The auditor's report and opinion were not correct considering the contents of the financial statements, including the related disclosures to those financial statements.

The respondent's conduct violated *Sections 901.502(6) and 901.502(11) of the Act* as well as *Sections 501.60 (Auditing Standards), 501.61 (Accounting Principles), 501.62 (Other Professional Standards), and 501.74 (Competence)* of the *Board Rules*

Respondent: Roberta B. Walters (Farmersville)

Certificate No.: 014632

Investigation Nos.: 01-01-25L and 01-05-01L

Date of Board ratification: 11/15/01

Disposition: The respondent entered into an agreed consent order with the Board in which the respondent's certificate was revoked in lieu of further disciplinary action. The respondent failed to prepare and file the 1997 personal income tax returns of two clients, failed to return records regarding the personal income tax returns to the second client, made misleading statements to both clients concerning the completion date of her services, failed to respond to repeated inquiries of both clients, and failed to respond substantively to written Board communications regarding the above allegations.

The respondent violated *Sections 901.502(2), 901.502(6), and 901.502(11) of the Act* as well as *Sections 501.21 (Competence), 501.41(2), 501.41(13) (Discreditable Acts), 501.76 (Records), 501.90(11) (Discreditable Acts), and 501.93 (Responses)* of the *Board's Rules*.

Respondent: Drake A. Williams (El Paso)

Certificate No.: 010655

Investigation No.: 00-10-11L

Date of Board ratification: 11/15/01

Disposition: The respondent entered into an

agreed consent order with the Board whereby the respondent surrendered his certificate for revocation in lieu of further disciplinary proceedings.

On December 18, 1985, the respondent was convicted of fifteen counts of conspiracy to traffic in illegal narcotics. On January 29, 1988, the Board administratively revoked the respondent's certificate for failing to obtain a license to practice accountancy in Texas for three consecutive years. On October 11, 1988, the Board closed Investigation No. 85-12-13L regarding the felony conviction referenced above because of the administrative revocation. On November 16, 1999, the respondent's certificate was administratively reinstated. The respondent's 1985 enforcement investigation was not cleared prior to reinstatement and the respondent practiced public accountancy in an unregistered firm with an improper name.

The respondent's conduct violated *Sections 901.502(6) and 901.502(11) of the Act* as well as *Sections 501.37 (Practicing Without a License or Through an Unregistered Entity), 501.41(4) (Discreditable Acts), and 501.83 (Firm Names)* of the *Board Rules*. In addition, the respondent violated *Chapter 53.021 of Title 2 of the Texas Occupations Code*.

CPE Actions

Respondents: TENNESSEE: Holder, Scott L.

TEXAS: (Arlington) Becknal, Michael Ray

(Carrollton) Kuo, Man-Li

(Coppell) Trotter, Alfred Nathaniel

(Dallas) Walker, Stuart Alan

(Fort Worth) Koester, Jerry Wayne

(Houston) Dylla, David Edward; Hagemeyer,

James Frederick; Hale, James Randolph;

Hopkins, Meri Kit, Johnston, Mary Roselind;

King, Kathleen Rhodes; Merchant, Billy

Randel; Sukey, Theodore James

(Liberty) Barker, James Raymond Jr.

(Richmond) Grajewski, Joseph Thomas

(San Antonio) Taylor, Elizabeth Colleen

(Southlake) Etheredge, Mark Stanley

Investigation Nos.: 01-06-10111 through 01-06-10435

Docket No.: 457-01-3272.B

Date of Board ratification: 11/15/01

Disposition: The license of each respondent not in compliance as of the November 15, 2001 Board meeting was suspended for three years, or until he or she complies with the licensing requirements of the *Act*, which-

ever is sooner. Additionally, a \$100 penalty was imposed for each year of a respondent's non-compliance with the Board's CPE requirements. An administrative law judge of the State Office of Administrative Hearings found that the respondents are in violation of *Section 901.411* of the *Act* and *Section 523.62 (Mandatory Continuing Professional Education Reporting)* of the Board's *Rules*. The respondents failed to report sufficient continuing professional education credits as required under *Section 901.411* of the *Act*.

The staff served notice by certified mail of a hearing to consider possible disciplinary action against the respondents listed as in non-compliance. Although duly notified of the hearing, none of the respondents appeared either in person or by authorized representative.

Respondents: NEW JERSEY: Colquitt, Carl Cody

OKLAHOMA: Stauffer, Jillana Nelson

TEXAS: **(Arlington)** Hendrickson, Carey Paul
(Austin) Meddaugh, Valerie Violi
(Dallas) Hosea, Robert Leroy; Staff, James Randolph

(Houston) Aggarwal, Rohit; Cherechinsky, David Adolph; Jernigan, Steve
(Irving) Taylor, Lawrence Allen
(Mansfield) Fridge, Robert Jay
(Port Isabel) Rivera, Juan Eduardo
(Richardson) Wu, Chin-Ling

Investigation Nos.: 01-07-10072 through 01-07-10188

Docket No.: 457-01-3496.B

Date of Board ratification: 11/15/01

Disposition: The license of each respondent still not in compliance as of the November 15, 2001 Board meeting was suspended for three years, or until he or she complies with the licensing requirements of the *Act*, whichever is sooner. Additionally, a \$100 penalty was imposed for each year of a respondent's non-compliance with the Board's CPE requirements. An administrative law judge of the State Office of Administrative Hearings found that the respondents are in violation of *Section 901.411* of the *Act* and *Section 523.62 (Mandatory Continuing Professional Education Reporting)* of the Board's *Rules*. The respondents failed to report sufficient continuing professional education credits as required under *Section 901.411* of the *Act*.

The staff served notice by certified mail of a hearing to consider possible disciplinary action against the respondents listed as in

non-compliance. Although duly notified of the hearing, none of the respondents appeared either in person or by authorized representative.

Respondents: GEORGIA: Mark, Lawrence M.

TEXAS: **(Austin)** Drake, Janice Lee

(Cedar Park) Dorton, Jonathan

(Colleyville) Kilpatrick, Bryan Craig

(Dallas) Davis, Cary Lance; Shaw, David S.; Slovacek, Frank Jerome

(Frisco) Bates, Jerry Michael

(Garland) Franklin, Cynthia Lynn Snow

(Houston) Maddox, Daniel Dean; Mays, Enid Margaret; Powell, John W. Jr.; Swingle, William Brian

(League City) Bergeron, Brian Eugene

(Southlake) Corcoran, Robert John; Rupprecht, Cheryl L.

(Spring) Carroll, Jeffrey Allan

(Sugar Land) Reiland, John Stephen

Investigation Nos.: 01-08-10174 through 01-08-10338

Docket No.: 457-01-3847.C

Date of Board ratification: 11/15/01

Disposition: The license of each respondent not in compliance as of the November 15, 2001 Board meeting was suspended for three years; the suspension may be canceled upon the license holder coming into compliance with all continuing professional education reporting requirements during the period of suspension. Additionally, a \$100 penalty was imposed for each year of non-compliance with the Board's CPE requirements, pursuant to *Section 901.551* of the *Act* and *Section 519.7 (Administrative Penalties)* of the Board's *Rules*. The respondents failed to report sufficient continuing professional education credits as required under *Section 901.411* of the *Act*. An administrative law judge of the State Office of Administrative Hearings found that the respondents are in violation of *Section 901.411* of the *Act* and *Section 523.62 (Mandatory CPE Reporting)* of the Board's *Rules*.

The staff served notice by certified mail of a hearing to consider possible disciplinary action against the respondents listed as in non-compliance. Although duly notified of the hearing, none of the respondents appeared either in person or by authorized representative.

Respondents: TEXAS: **(Abilene)** Rucker, Linda Michele

(Arlington) Moore, Diane Michele

(Conroe) Taylor, Mary Paulette

(Coppell) Meister, Paul Michael

(Cypress) Lookingbill, Gary Lee

(Dallas) Deegan, Isabella Irene Kay, Holmes, George Richard; Malphurs, Robert Allen

(El Paso) Main, Joseph Nessley

(Georgetown) Benton, Jane Ann Duncan

(Grapevine) Nelson, Su Zan

(Katy) Kragh, Rebecca Anne

(Longview) Churchill, Mark Carlton

(Pearland) Conway, Lesley Jean

(Rockport) Huffmeyer, Andrew Frederick

(Spring) Tonsfeldt, William Scott

Investigation Nos.: 01-09-10071 through 01-09-10414

Docket No.: 457-02-0150.B

Date of Board ratification: 1/17/02

Disposition: The license of each respondent not in compliance as of the January 17, 2002 Board meeting was suspended for three years, or until he or she complies with the licensing requirements of the *Act*, whichever is sooner. Additionally, a \$100 penalty was imposed for each year of non-compliance with the Board's continuing professional education requirements. The respondents failed to report sufficient continuing professional education credits required under *Section 901.411* of the *Act* and *Sections 501.94 (Mandatory Continuing Professional Education)* and *523.62 (Mandatory Continuing Professional Education Reporting)* of the Board's *Rules*.

Respondents: CALIFORNIA: Gardner, Clifford Wesley

ILLINOIS: Page, Jodi Lynne

TEXAS: **(Dallas)** Powell, Randy Lou

(Houston) Pattison, Dana Lynn; Rossmiller, Gregory Scott

(Katy) Bennett, Arthur Lee

(McQueeney) Harris, James Edward

(Montgomery) Hinson, Billie Jean Ramsay

(Plano) Sung, Eric I-Li

(Rockwall) Stump, Linda Jo Patak

(Sugar Land) Casalinova, Charles A.

(The Woodlands) McConnell, Thomas Matthew

Investigation Nos.: 01-10-10077 through 01-10-10222

Docket No.: 457-02-0627.B

Date of Board ratification: 1/17/02

Disposition: The license of each respondent not in compliance as of the January 17, 2002 Board meeting was suspended for three years, or until he or she complies with the licensing requirements of the *Act*, whichever is sooner. Additionally, a \$100 penalty was

imposed for each year of non-compliance with the Board's continuing professional education requirements. An administrative law judge of the State Office of Administrative Hearings found that the respondents are in violation of *Section 901.411* of the *Act*, and Sections 501.94 (*Mandatory Continuing Professional Education*) and 523.62 (*Mandatory Continuing Professional Education Reporting*) of the Board's *Rules*. The respondents failed to report sufficient continuing professional education credits required under *Section 901.411* of the *Act*.

Failure to Complete Renewal Notice

Respondents (firms): TEXAS: **(Cedar Hill)** Leslie Howard Wallace

(Dallas) Robert A. Malphurs, PC

(Tomball) Brenda Peters Tolleson

Investigation Nos.: 01-06-10094 through 01-06-10110

Docket No.: 457-01-3272.D

Date of Board ratification: 11/15/01

Disposition: Each respondent's registration was revoked without prejudice, until such time as the firm's license renewal complies with the licensing requirements of the *Act*. An administrative law judge of the State Office of Administrative Hearings found that the respondents are in violation of *Sections 901.502(6)* and *901.502(11)* of the *Act*. The respondents failed to complete the renewal of their licenses in violation of *Section 515.1(b)* of the Board's *Rules*.

Respondents: GEORGIA: Held, Deborah

TEXAS: **(Allen)** Crawford, Carol

(San Antonio) Sifuentez, Pedro

Investigation Nos.: 01-08-10339 through 01-08-10358

Docket No.: 457-01-3847.D

Date of Board ratification: 11/15/01

Disposition: The certificate of each respondent not in compliance as of the November 15, 2001 Board meeting was revoked without prejudice, until such time as the respondent complies with the licensing requirements of the *Act*.

An administrative law judge found that the respondents are in violation of *Sections 901.502(6)* and *901.502(11)* of the *Act* and *Section 515.1 (License Requirements)* of the Board's *Rules*. The respondents failed to complete the renewal of their licenses as required under *Section 901.401(b)* of the *Act*.

Non-Payment of Professional Fees

Respondents: ARIZONA: Feldt, Florence
Annie Hendler

CALIFORNIA: Carrier, Sandra Dee; Labonte, Evelyn Donna; Lubin, Adam Micah; Saluja, Ritu

COLORADO: Delaney, Marclane Shelby

ENGLAND: McMahon, Jeffrey

ILLINOIS: Boyd, Bradford James

LOUISIANA: Smith, Stanley Clayton

MICHIGAN: Hobart, Glen Edward

NORTH CAROLINA: Humphrey, Eugene

OHIO: Minick, Steven Alex

OREGON: Lee, David Huan

REPUBLIC OF CHINA: Cheng, Chung-Suen; McCarthy, Thomas Michael

TENNESSEE: Huey, Stephen Ray; Powell, Daniel Cadar III; Vanderberry, Robert Kimberly

TEXAS: **(Austin)** Hinners, John Andrew; Rapisand, Cynthia; Welch, James Hardy

(Crystal City) Mendenhall, Grant Doldon

(Dallas) Abokhair, Cindy Lee Jones; Lawrence, Stacey L.; Litman, Craig Irwin; McFarland; Sandra Diane; Patin; Melissa Ann; Schrader, David Paul

(El Paso) Landry, Richard Paul

(Flower Mound) Briggs, Marshall, Kelly Sumsion

(Fort Worth) McAfee, Michael James; Palmer, Robert Lee; Spradlin, James William

(Garland) Spradlin, Kenneth Owen

(Houston) Adeniji, Bamidele J.; Ball, Bradley Dale; Brand, William Philip Jr.; Coleman, Tommye Bettis; De Ayala, Michael Ernest; Duncan, Darin Jason; Fox, Louis Thomas III; Hayes, Jerry Dean; Huff, Robert Gary; Lewis, James Hardy; Mabatah, Hyacinth Sylvestine; McCall, Michael Raymond; Morris, Danny Floyd; Phillips, Lori Dawn; Swepston, Jack Herbert Jr.; Van Horne, Karen Linda; Whitehead, William Carey

(Lewisville) Cobb, Helen Phillipia Weeden

(Montgomery) Dupree, Ronald David

(Odessa) Pelts, David Allan

(Rockwall) Phillips, Jay Bradley

(San Antonio) McGrory, Charles Conwell; Stowe, William Lyle

(Sherman) Beddow, Elisabeth Kristine

(Southlake) Crawford, Jeffrey Norman; Hagen, Sallie Anne

(Stafford) Robideau, Robert Gordon

(Sugar Land) Serrano, Elijo V.

Investigation Nos.: 01-06-10001 through 01-06-10093

Docket No.: 457-01-3272.A

Date of Board ratification: 11/15/01

Disposition: The certificate of each respondent not in compliance as of the November 15, 2001 Board meeting was revoked without prejudice. Each respondent may regain his or her certificate by paying all the required license fees and penalties and by otherwise coming into compliance with the *Act*. An administrative law judge of the State Office of Administrative Hearings found that the respondents are in violation of *Section 901.502* of the *Act*. The respondents failed to pay the licensing fees and penalties required under *Section 901.401* of the *Act* for three consecutive licensing periods.

The staff served notice by certified mail of a hearing to consider possible disciplinary action against certificate holders listed as in non-compliance. Although duly notified of the hearing, none of the certificate holders appeared either in person or by authorized representative.

Respondents: ALABAMA: Byrom, Danny Christopher

ARIZONA: Frederick, George Clinton

CALIFORNIA: Hoffmans, Charles Alan

COLORADO: Creek, Barbara Pope; Hauser, Corine Anna

CONNECTICUT: Langford, David Windle

KANSAS: Tickle, Timothy Todd

LOUISIANA: Quirk, Kathleen Lynne; Rathore, Amer Waheed; Spath, William Lee; Swinnen, Gary Wayne

MARYLAND: Provins, Sharon Ann

MISSOURI: Cartee, Darrell Alan

OKLAHOMA: Fang, James Cheng-Pang

TEXAS: **(Arlington)** Hyder, Tanvir; Spurlock, James Lee

(Austin) Davis, Tony Robert; Lorenzana, Elias Villaluz Jr.

(Cedar Park) Spillman, Jack Christopher

(Coppell) Williams, Jeffrey Alan

(Dallas) Goldberg, Scott Mitchell; Henkel, David Richard; Milton, Lawrence Michael; Tabaniag, Anthony Z.; Ward, Mark Crosbie

(Denison) Kincaid, Gene Embry

(Denton) Drury, Michael Harry

(El Paso) Jordan, Ronal Glen

(Fort Worth) Lindsay, Stella; Pettigrew, Charles Franklin

(Houston) Baker, Danna Thourot; Carter, Linda Carol; Chang, Yuling Eileen Liu; Griffin, Arnold Alan; Griffin, Ken Waylan; Jones, Michael Allan; Laake, Sandra Jo; Owens, Melissa Charleen; Perdue, Malcolm Colum-

bus

(Lewisville) Cocca, Christopher Charles

(Mesquite) Bryant, Charles L.

(Plano) Zierten, Elizabeth Ann

(Portland) Conway, Jeanne

(Southlake) Sweeney, Daniel Clark

UNITED ARAB EMIRATES: El-Kays, Tarek S.

Investigation Nos.: 01-07-10001 through 01-07-10071

Docket No.: 457-01-3496.A

Date of Board ratification: 11/15/01

Disposition: The certificate of each respondent not in compliance as of the November 15, 2001 Board meeting was revoked without prejudice. Each respondent may regain his or her certificate by paying all the required license fees and penalties and by otherwise coming into compliance with the *Act*. An administrative law judge of the State Office of Administrative Hearings found that the respondents are in violation of *Section 901.502* of the *Act*. The respondents failed to pay the licensing fees and penalties required under *Section 901.401* of the *Act* for three consecutive licensing periods.

The staff served notice by certified mail of a hearing to consider possible disciplinary action against certificate holders listed as in non-compliance. Although duly noticed, none of the respondents appeared at the hearing either in person or by authorized representative.

Respondents (firms): CALIFORNIA: Kenneth W. Hurst

FLORIDA: Alan D. Campbell

TEXAS: **(Argyle)** Richard D. Mulkey, PC

(Austin) C. Marcus Lang, PC; Joseph Hardy Perritt; Juan Rosendo De Luna; Judith Ann Thomas; Luis Carlos Saucedo; Lynne D. Edwards; Tony R. Davis

(Bertram) Lynne M. Lingo, PLLC

(Brenham) R. Lamar Chandler

(Dallas) Anthony Z. Tabaniag; Charles Herman Armstrong; Edwards & Associates; Eric Isham Pushmataha Nelson; Frank William Hall; H. J. Hicks, PC; John C Hood Jr.; John K. Seymour; Lane Paige Renolds; Richard Black; T.C. Griffiths; William Michael McGann

(De Soto) Basil Brown

(El Paso) G.A. Georges & Co.; Ronald Glen Jordan

(Eules) Thomas L. Vines Jr.

(Fort Worth) Donna M. Smith; Gwendolyn H. Ward; Paul K. McClanahan; Robert Lee McAfee; Wesley A. Roland

(Frisco) Bret Phillips

(Grapevine) Cloydene Brent Rowley

(Houston) Alfonso Christianson Orosco; Bernard Novominsky; David Wofford Bogan; Dorothy D. Kobus; Hazel Hildebrandt; Jerry D. Hayes; John F. Densen; Katherine Bourgeois; Kwong-Yip Andrew Lai; Larry Dale Bailey; Lynn Wall Nelsen; Marshall Ray Holman; Michael Jones & Co., PC; Phyllis René Kennedy; Robert William Emig; Sung Rack Sohn, P.C.

(Katy) Tina Schraeder Alexander

(Kerrville) Mike Turner

(Kingwood) William J. Simmonds

(Lexington) Don Goerner

(Longview) James M. Wommack

(Lubbock) Joseph Craig Finlayson

(Nassau Bay) Clifford H. McKenzie

(Needville) Charlotte Carden Newbern

(Odessa) John D. Witt

(Pharr) Jesus Sotelo, PC

(Plano) Jeffery A. Hurt

(Roanoke) David Joe Geer

(San Antonio) Barbara Fetech; Joe C. Gutierrez Jr.; Karen J. Young; Robert Preston Chambers

(Southlake) Moilan, Donald W. Jr.; R.G. Adams & Company, PC; Richard A. Tregerman; Sallie A. Hagen, CPA, PC

(Sugar Land) Maria Victoria R. Ignacio; Robert M. Camp, PC

(Temple) Lyle Fullmer

(Texarkana) Kenneth Clark Richert

(Tyler) Roger Kline; Scott Allen Pace

(West) James E. Lankford, II

(Willis) Carol Lee Sangster

Investigation Nos.: 01-08-10001 through 01-08-10055

Docket No.: 457-01-3847.A

Date of Board ratification: 11/15/01

Disposition: The certificate of each respondent not in compliance as of the November 15, 2001 Board meeting was revoked without prejudice. Each respondent may regain his or her certificate by paying all the required license fees and penalties and by otherwise coming into compliance with the *Act*. An administrative law judge of the State Office of Administrative Hearings found that the respondents are in violation of *Section 901.502* of the *Act*. The respondents failed to pay the licensing fees and penalties required under *Section 901.401* of the *Act* for three consecutive licensing periods.

The staff served notice by certified mail of a hearing to consider possible disciplinary action against certificate holders listed as in

non-compliance. Although duly noticed, none of the certificate holders appeared at the hearing either in person or by authorized representative.

Respondents: ALABAMA: Tschirgi, Frederick Leroy

CALIFORNIA: Herchuk, Kenneth Andrew; Peterman, Jane Elizabeth

CONNECTICUT: Presto, Deborah C.

FLORIDA: Campbell, Alan Dale; Orji, Ezekiel Okebaram

GEORGIA: Rimmey, Donald Daniel

GERMANY: Crosslin, Keith Everett

INDIANA: Lewis, Arlen Lester

MARYLAND: Williams, Susan Lee Wallace

NORTH CAROLINA: Elwood, William Fitzhugh; Gaither, Gary Austin; Long, Atwood Edward III

NEW JERSEY: Mehta, Sheil Laxmi

NEW YORK: Gordon, Mary Winnfred

OHIO: Jamison, Robert Watt Jr.; Marquis, Sherri Sue

TEXAS: **(Alvin)** Walker, Robert Leslie Sr.

(Arlington) Elrod, Gene Brooks

(Austin) Allen, George Louis; Jackson, Lisa P.; Marino, Matthew Brett

(Center Point) Gross, Orrin Lee

(Coppell) Honza, Gina A.

(Dallas) Allen, Douglas Clayton; Barron, Billy Lee; Bearden, Robert Lawson; Burt, George Michael; Holt, Nicholas Floyd; Robertson, Rex Ford

(El Paso) Cyr, Jayson Charles; Kincade, Gary Joe

(Fort Worth) Cantu, Alfredo Raul

(Frisco) Spivey, Thomas Allen

(Houston) Barrow, Mary Kyle; Bock, Edward Sidney; Bourgeois, Katherine Anne Tweedel Daniel; Carino, Noel Lambinico; Carter, Leslie John; Latham, Jeremie Mark; Smith, Joel David

(Katy) McCullough, Christopher Lewis

(Lubbock) Davis, Leisa Annette Bewley

(Needville) Newbern, Charlotte Carden

(Pharr) Strait, Eugene W.

(Plano) Choucair, Omar Assad; Smith, Cynthia Lynn; Townsend, Debbie Ann Roberts

(Spring) Nowicki, Pamela Jo

(The Woodlands) Graves, William Arthur

(Webster) Gray, Shelley Lynne

VIRGINIA: Hille, David Ford; Vollbrecht, Carol Lynn

Investigation Nos.: 01-09-10001 through 01-09-10070

Docket No.: 457-02-0150.A

Date of Board ratification: 1/17/02

Disposition: The certificate of each respondent still not in compliance was revoked without prejudice. Each respondent as of the January 17, 2002 Board meeting may regain his or her certificate by paying all the required license fees and penalties and by otherwise coming into compliance with the *Act*. An administrative law judge of the State Office of Administrative Hearings found that the respondents are in violation of *Section 901.502(4)* of the *Act*. The respondents failed to pay the licensing fees and penalties required under *Section 901.401* of the *Act* for three consecutive license periods.

Respondents: CALIFORNIA: Boyter, Laura Zapata; Rankin, Patti Denise Moulton
IDAHO: Godwin, Carter Lee
MARYLAND: Keitt, R. Ellis
NEW JERSEY: Scott, Diana Dolores
NEW YORK: Harrell, Gary; Stanglin, David Mark
OREGON: Burns, Andrea Wakefield; Ranjit, Elathur K.

TEXAS: **(Austin)** Mullan, Gordon Delaney; Thomas, Judith Ann; Turner, John Thomas
(Boerne) Graham, Charles David
(Dallas) Akin, Howard Ray Jr.; Bailiff, Jerry Dean; Jackson, Jennifer Gray; McDonald, Thomas James; McFarling, Muriel Cheri; Neal, Barry Louis; Reeder, David Phelan
(El Paso) Zaboroski, Robert Benny
(Flower Mound) Culp, Jeffrey O'Bannon
(Fort Worth) Edwards, Larry Richard
(Heath) Carpenter, Brendan Ray
(Houston) Allen, Pama Lynn; Buza, David Lee; Flowers, Rickey Benjiman; Gordon, Robert Louis Jr.; Langan, Angela Diane
(Humble) Densford, Robert Earl Jr
(Irving) Hopkins, Raymond Francis; Reynolds, Phillip Craig
(Katy) Alexander, Tina Schraeder
(Kyle) Greer, Phillip Dell
(Laredo) Lidsky, Luis
(Longview) Perkins, William Earl
(McKinney) Hendricks, Freddy Mac
(Plano) Wilson, David Ray
(Richardson) Schaeffer, Richard Paul

(Richmond) Keys, Mark Douglas
(San Antonio) Milne, John Kenneth
(Spring) Hollingsworth, Bradley Ray
UNITED ARAB EMIRATES: Bseiso, Wael N.
WASHINGTON: Kimball, Laura Ann
Investigation Nos.: 01-10-10001 through 01-10-10076

Docket No.: 457-02-0627.A

Date of Board ratification: 1/17/02

Disposition: The certificate of each respondent not in compliance as of the January 17, 2002 Board meeting was revoked without prejudice. Each respondent may regain his or her certificate by paying all the required license fees and penalties and by otherwise coming into compliance with the *Act*. An administrative law judge of the State Office of Administrative Hearings found that the respondents are in violation of *Section 901.502(4)* of the *Act*. The respondents failed to pay the licensing fees and penalties required under *Section 901.401* of the *Act* for three consecutive license periods.



If you are interested in proctoring even one session of the May, 2002 exam, please call your local TSCPA chapter or contact the Board at:

exam@tsbpa.state.tx.us

May 8-9, 2002 exam locations:

AUSTIN
EL PASO

FORT WORTH
HOUSTON

LUBBOCK
SAN ANTONIO

O
333 GUA
AUS

K. M

APR
ASSIS
GWEN B
ROBERT C

BIL

MAR

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EDWARD

MELA

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continued from page 1

Each state board of public accountancy issues its own CPA certificate and license and, therefore, are the only entities that can carry out disciplinary actions involving the forfeiture of a certificate or license. Individual state boards of accountancy regulate not only CPAs who provide services to SEC registrants, but also those who work with smaller companies.

The Board's efforts include ensuring that appropriate action is taken and that due process is carried out in all enforcement cases. The staff annually investigates and prosecutes approximately 300 alleged violations of the rules of professional conduct and the statute.

The Board's disciplinary process begins with a complaint, filed by a member of the public, another government entity, or on the Board's own initiative.

A staff investigation follows, sometimes with the assistance of an outside technical consultant.

The Board designates certain investigations as "major cases." These involve CPA firms implicated in the audits of failed or troubled savings and loan organizations, financial institutions, insurance companies, and other cases of a major nature. Such cases are more complex and require substantial resources for pre-hearing preparations and prosecution. The Board engages the Texas Attorney General's office to assist in the prosecutorial process.

"I am proud of the Board's long record of vigorously investigating all complaints against CPAs," said K. Michael Conaway, CPA from Midland and the Board's presiding officer. "The Board administers a wide range of sanctions against individual CPAs and/or CPA firms that are found to have violated the *Public Accountancy Act* or Board rules. The publishing of sanctions against CPAs and/or CPA firms is an integral part of protecting the public." ❖



Board rules require licensees to notify the board within 30 days of a change of address. You may either mail this form, or notify the Board by e-mail of your new address at licensing@tsbpa.state.tx.us or update your address on the Board's website at www.tsbpa.state.tx.us under "Check Your Own Status."

Certificate Number () Telephone

Last Name First Name Middle

Address

Address

City State ZIP + 4

IN AN EFFORT TO IMPROVE STATE OPERATIONS, THE TEXAS Legislature requires each state agency to survey its client base for customer satisfaction so it can assess and develop customer service standards. Some of the Board's customers are its licensees. The results of this survey will be included in the Board's strategic plan. Please take a few minutes to help evaluate the job this agency is doing for you. Additional constructive comments may be attached. In order for your survey to be tabulated, you must include your name and certificate number. Please return this form by May 1, 2002 to the Board office at 333 Guadalupe, Tower 3, Suite 900, Austin, Texas 78701-3900.

Name _____ Certificate Number _____

I. Background information . . .

How many times have you been in contact with the Board in the past twelve months?

- NONE
 ONE TIME
 TWO TIMES
 THREE TIMES
 MORE THAN THREE TIMES

For what type of information or assistance did you contact the Board? (Mark all that apply.)

- APPLICATION
 COMPLAINT
 CPE
 BOARD RULES
 NAME/
 LICENSE
 QUALITY
 ETHICS
 OTHER
 ADDRESS
 RENEWAL
 REVIEW
 COURSE
 CHANGE

II. If you have visited or attempted to visit the Board office, please rate your experience:

- The office was easily accessible.
 The office was conveniently located.
 Signs directing you to the Board office were clear and informative.
 The office was clean and neat.

STRONGLY AGREE	SOMEWHAT AGREE	NA/ DON'T KNOW	SOMEWHAT DISAGREE	STRONGLY DISAGREE
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

III. The Board staff . . .

- . . . is accessible by telephone.
 . . . is available to meet when necessary.
 . . . provides requested information.
 . . . listens to your concerns.
 . . . is courteous and helpful.
 . . . understands your needs/objectives.
 . . . accurately assesses the issues.
 . . . completes work in a timely manner.
 . . . keeps you informed of status of investigations, where applicable.

STRONGLY AGREE	SOMEWHAT AGREE	NA/ DON'T KNOW	SOMEWHAT DISAGREE	STRONGLY DISAGREE
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

IV. The Board's website . . .

- It is easy to obtain information about services and information on the Board's website.
 The website is easy to use and well organized.
 The website contains clear and accurate information on events, services, and contact information.

STRONGLY AGREE	SOMEWHAT AGREE	NA/ DON'T KNOW	SOMEWHAT DISAGREE	STRONGLY DISAGREE
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

V. Printed information . . .

- The booklets, brochures, newsletters, and other printed materials are clear and informative.
 Printed materials provide thorough and accurate information.
 License renewal applications and instructions are easy to follow.

STRONGLY AGREE	SOMEWHAT AGREE	NA/ DON'T KNOW	SOMEWHAT DISAGREE	STRONGLY DISAGREE
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

VII. Overall . . .

- Regarding the Board's operations, are you . . .
 Are you satisfied with how the Board handles your concerns?

VERY SATISFIED	SOMEWHAT SATISFIED	NA/ DON'T KNOW	SOMEWHAT DISSATISFIED	VERY DISSATISFIED
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

CONCERNED CPA NETWORK

Offering ***CONFIDENTIAL*** assistance to CPAs, exam candidates, and accounting students who may have a drug or alcohol dependency problem or mental health issues.

***For information call
(800) 289-7053***

The network is sponsored by the TSCPA and is endorsed by the Board.

LEGAL NOTICE: The identity and communications and fact of membership of anyone attending this group are confidential and protected under penalty of law under *Chapter 467* of the *Texas Health and Safety Code*.

DID YOU KNOW?

Volunteers in the *Concerned CPA Network* receive training about:

- ♦ chemical dependency and mental illness;
- ♦ guidelines for identification;
- ♦ intervention skills; and
- ♦ policies and procedures used by the TSCPA Peer Assistance Program.

If you are interested in becoming a volunteer, call for a confidential referral to a member of the *Concerned CPA Network* near you for information about the training.

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