

THE FUTURE IS HERE!

Computer-based testing underway

In April 6, 2004, the first Texas candidate walked into a Prometric Test Center and took the CPA examination, only two days after the computer-based CPA examination was launched nationwide. This candidate, and thousands like her, were pioneers in the evolution of the accounting profession.



The implementation of the computer-based CPA exam is the largest change to a standardized professional licensing exam in this century. For most of a decade, the research and design of the computer-based exam was a top priority of the AICPA, NASBA, Prometric, and boards of accountancy. The investment in this collaborative effort paid off. In an article published in the *Uniform CPA Examination Alert*, Gregory Johnson, director of CPA Examination Strategy at the AICPA, stated, “We are pleased to report that the computerized CPA Examination is a bona fide success. While there are issues and challenges to be addressed, we can all take pride in the fact that the CPA examination continues to evolve in a positive manner to meet its mission of protecting the public.”

While there may be concerns and obstacles for all stakeholders in the CPA examination, the process has been well-received by those who have taken it. Candidates are pleased with the ability to take sections of the CPA exam around their personal and professional schedules. The presentation of the examination on the computer is user-friendly and simple to navigate. Even as candidates experience more ease in the testing process, higher levels of knowledge, skills, and abilities (KSA) are being examined. The KSA are incorporated into each section of the exam, and conform to the accounting profession’s and the public’s high expectations. Johnson went on to

“The fact that the exam is now automated, that it is administered more frequently, and that sections may be taken with more flexibility in order to meet one’s work schedule is most important to the candidates.”

Billy M. Atkinson, CPA
TSBPA Presiding Officer

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state, “We want to make sure the CPA Exam continues to test knowledge and skills required of entry-level CPAs and are directly related to the real-world.”

The mobility of Texas candidates is enhanced by the removal of state testing boundaries. With all the changes to the CPA exam, there have also been important changes at the Texas State Board of Public Accountancy. The Board, in cooperation with the National Association of State Boards of Accountancy (NASBA) offers the exam to Texas candidates at Prometric test centers throughout the United States, its territories, and the District of Columbia. “The Texas Board staff has worked hard to make the computer-based examination a winner,” said Austin Board member Edward L. Summers, Ph.D., CPA, who chairs the Board’s Qualifications Committee.



A Texas candidate may elect to take each section of the CPA exam independent of the other sections and in any order. During the research, development, and preparation for the conversion of the CPA exam to a computer-based format, all U.S. boards of accountancy determined that a candidate’s knowledge, skills, and abilities could be tested just as effectively via computer as in the standard two-day format.

The frequency of the CPA exam necessitates a year-round application process. The Board must determine that a candidate is eligible before the candidate is allowed to test. The Board and its staff are prepared to assist and guide candidates through the new examination process, and to resolve issues as candidates interface with NASBA and with Prometric employees at test centers. Whereas previously candidates only had dealings with their respective state boards of accountancy, it will now be necessary for candidates to also communicate directly with NASBA and Prometric.

When I took the exam . . .

“ . . . I sat in a large room with many other want-to-be CPAs at long tables, in hard chairs, with poor lighting, and wrote my answers on reams of papers that sometimes included a 12-column worksheet; this went on for two to two-and-a-half days. Then I had to wait for months to get my grades.”

Today’s candidate selects the testing time, date, and location and sits at a workstation with a computer. There may be 15 to 45 other test takers in the same room who may be testing on any number of exams, from college entrance tests, to other professional licensing exams.

Questions are presented on the computer screen, and the candidate selects a response by clicking the mouse. On three sections of the CPA examination, the candidate is given case studies that might be encountered in the workplace. Responses to the case

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studies may require researching authoritative literature that is provided on the computer, writing a memo, completing standardized tax forms, performing calculations, and showing journal entries in segments on a 12-column worksheet. At the conclusion of the exam, the candidate leaves the test center, and the exam is transmitted to the AICPA for scoring. The candidate may receive his or her score anytime between four weeks to three months after the examination, depending on when the test is taken. It is anticipated that future scoring will take significantly less time.

“The fact that the exam is now automated, that it is administered more frequently, and that sections may be taken with more flexibility in order to meet one’s work schedule is most important to the candidates,” said the Board’s presiding officer, Billy M. Atkinson, CPA from Sugar Land.

How do the numbers stack up?

With all the changes to the CPA examination, are candidates taking the test? **Yes!** Approximately 23,000 sections were delivered nationwide for the months of April and May. Testing is occurring at least five days a week at over 300 test centers in the U.S., its territories, and the District of Columbia. In Texas, 997 candidates took 1,876 sections, and 170 received passing scores, making them eligible to apply for the CPA certificate. Early numbers for the July/August testing appear strong.

They may be testing, but are they passing?

Absolutely. On June 21, 2004, the AICPA provided boards of accountancy with information about the established passing standard for the computer-based CPA examination. William W. Holder, CPA, chair of the AICPA’s Board of Examiners reports, “The standard setting process was rigorous, and performed with input from NASBA, state board members, and several psychometric consultants.” The national passing rates for the April/May testing window have not been released; however, the Texas candidate statistics (see sidebar) speak for themselves.

The implementation of the computer-based CPA examination ensures that future CPAs, like their predecessors, are prepared and qualified to meet the needs of the public and business communities.

31.23%	47.09%
LAW & PROFESSIONAL RESPONSIBILITIES 31.5%	BUSINESS ENVIRONMENT & CONCEPTS 46.65%
FINANCIAL ACCOUNTING & REPORTING 28.6%	FINANCIAL ACCOUNTING & REPORTING 47.22%
ACCOUNTING & REPORTING 29.63%	REGULATION 48.99%

SWEARING-IN CEREMONY HELD MAY 22

The Board held its semi-annual swearing-in ceremony on May 22 at the Palmer Events Center in Austin where it awarded certificates to 912 new CPAs, recognized ten new CPAs as the Texas candidates with the ten highest scores on the Uniform CPA Examination on their first attempt. They are:



The Top Ten candidates who attended the ceremony were (left to right): Clinton Rancher, Timothy Freese, Jonathan Gee, Victoria Claus, Marjorie Cheng, Clifton Mathews, Melissa Purser, and Joe Riddle.

(AMARILLO) Melissa Warren Purser
(ARLINGTON) Jonathan Christopher Gee
(CARROLLTON) Bismal Thakor Sheth
(FORT WORTH) Christopher Leland Springer
(HOUSTON) Marjorie Hazel Cheng; Victoria Alene Claus; Clifton Thomas Mathews
(MAGNOLIA) Clinton Wayne Rancher
(ROCKWALL) Joee Marie Riddle
(SPRING) Timothy Dale Freese

Also honored were the following 33 individuals who have maintained their CPA certificates for 50 years:



Fifty-year licensee attending the ceremony were (left to right): William G. Hogue, William R. Cox, Francis L. Durand, Grover Gillett Jr., A. Q. Plummer, Bernard S. Hruzek, and Thomas E. Roberts.

(ALLEN) George E. Donohoe
(ARANSAS PASS) Francis L. Durand
(BRENNHAM) A. Q. Plummer
(DALLAS) Thomas L. Anderson; Doris W. Cheshier; Grover Gillett Jr.; Lloyd E. Halbrook; William H. Harrison Jr.; James W. Hendrix; Harry Kabler; Thomas E. Roberts; Weldon R. Wonder
(DE SOTO) Ralph M. Schafer
(HOUSTON) Walter C. Bauer; William R. Cox; William G. Hogue; Robert O. Dowlen; Bernard S. Hruzek; Horace A. Stanley; John W. Tinnell Jr.; Gerald Zlotnik

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- (KERRVILLE) Clarence A. Davis
- (LA PORTE) James R. Keeney Jr.
- (LITTLE ROCK, AR) Kenneth Z. Miller
- (MERCEDDES) W.B. Lauder Jr.
- (PHARR) Charles D. Slinkard
- (PLANO) Herbert Albaum
- (RICHARDSON) Keith C. Kent
- (SAN ANTONIO) John B. Lahourcade; James C. Murphy; Hugo C. Stolte Jr.; R. Larry Thompson Sr.
- (TYLER) Ralph E. Halvorsen

Shirley D. Kennemer (FORT WORTH) and Frank D. Norris (ENNIS) were recognized as proctors who have assisted with the Uniform CPA Examination 20 times.

WHAT WOULD YOU DO FOR \$300,000,000?

An estimated 385,744 workers in the state of Texas fail to claim the federal tax credits they have earned. The \$305,119,153 that these credits represent are lost to those individuals and to the state's economy. A tax return must be filed to receive the credit. This is often an insurmountable obstacle for residents with low to moderate incomes.

The Volunteer Income Tax Assistance (VITA) program provides free tax preparation at hundreds of locations throughout Texas. During the 2004 filing season, the volunteer programs in Texas prepared over 139,000 tax returns. As gratifying as that accomplishment is, almost three times that number still lack ser-

vice. Your knowledge and skills are needed to support the expansion of the VITA program and to ensure the quality of service the volunteers provide. There are many roles you can play as a VITA volunteer, including instructor, quality reviewer, tax law researcher, and tax return preparer. The Board and the IRS have accepted instructing for the VITA program as qualifying for CPE credit.

Please contact the appropriate person listed below for information on the VITA program in your community. This partnership of community sponsors and volunteers make it possible to offer this service to the people who need it most.

CENTRAL & SOUTH TEXAS	NORTH & NORTHEAST TEXAS	WEST & NORTHWEST TEXAS	SOUTHEAST TEXAS
<p>CITY OF AUSTIN Drew Murray (512) 447-2026 x 35 drew.murray@foundcom.org</p> <p>ALL OTHERS Pamela Kurburski (512) 499-5439 pamela.j.kurburski@irs.gov</p>	<p>Brenda S. Canard (214) 413-6054 brenda.s.canard@irs.gov</p>	<p>FAR WEST Graciela Rivera (915) 834-6517 graciela.rivera@irs.gov</p> <p>PANHANDLE Robert Brown (806) 472-7434 robert.b.brown@irs.gov</p>	<p>Kathy Ploch (281) 496-6152 x 212 kploch@zientek.com</p>

Public service announcement.

DISCIPLINARY ACTIONS**RESPONDENT:** (HOUSTON) Acevedo, Raul A.**CERTIFICATE NO:** 049234**INVESTIGATION NO.:** 03-09-18L**DATE OF BOARD ACTION:** 3/18/04**PUBLIC ACCOUNTANCY ACT VIOLATIONS:** §§901.502(6) and 901.502(11)**RULE VIOLATIONS:** §§501.83 (*Firm Names*) and 501.93 (*Responses*)**DISPOSITION:** The respondent entered into an agreed consent order with the Board whereby he was reprimanded and ordered to pay an administrative penalty of \$375 and administrative costs of \$375 within 30 days of the date of the Board order.

The respondent practiced public accountancy with an improper firm name and failed to respond to four written Board communications.

RESPONDENT: (DALLAS) Berry, Patrick G.**CERTIFICATE NO:** 008888**INVESTIGATION NO.:** 03-07-07L**DATE OF BOARD ACTION:** 3/18/04**PUBLIC ACCOUNTANCY ACT VIOLATIONS:** §§901.502(6) and 901.502(11)**RULE VIOLATIONS:** §§501.80 (*Practice of Public Accountancy*); 501.81 (*Firm Registration Requirements*); 501.83 (*Firm Names*); and 501.93 (*Responses*)**DISPOSITION:** The respondent entered into an agreed consent order whereby he was reprimanded; he must pay \$600 in administrative costs within 90 days of the date of the Board order. The respondent:

- (1) used an improper firm name;
- (2) practiced public accountancy with a delinquent, expired individual and firm license; and
- (3) failed to respond to Board communications.

RESPONDENT: (CORPUS CHRISTI) Boatright, David M.**CERTIFICATE NO:** 068161**INVESTIGATION NO.:** 03-06-45L**DATE OF BOARD ACTION:** 3/18/04**PUBLIC ACCOUNTANCY ACT VIOLATIONS:** §§901.502(6) and 901.502(11)**RULE VIOLATIONS:** §§501.74 (*Competence*); 501.80 (*Practice of Public Accountancy*); 501.81 (*Firm Registration Requirements*); 501.90(11) (*Discreditable Acts*); and 501.93 (*Responses*)**DISPOSITION:** The respondent entered into an agreed consent order whereby he was reprimanded and his license was suspended for two years from the date of the Board order; however, the suspension was stayed and he was placed on two years' probation. In addition to the annual CPE requirement, the respondent must complete and submit proof of completion of four hours of live CPE in the area of ethics and eight hours of live CPE in the area of practice management within 90 days of the date of the Board order; the CPE provider must be pre-approved by the Board. The respondent must enroll in peer review within 90 days of the date of the Board order and submit to the Board a status report within 30 days of completion of the peer review. The respondent must make a quarterly report to the Board regarding the nature of compliance and the nature of his practice. The respondent must read the *Public Accountancy Act* and *Chapter 501* of the Board's *Rules of Professional Conduct* and provide the Board with an affidavit of this fact within 30 days of the date of the Board order. The respondent must correct his firm name and submit to the Board copies of his revised stationery, business cards, and advertisements within 30 days of the date of the Board order; he must also pay an administrative penalty of \$628.50 within 30 days of the date of the Board order.

The respondent:

- (1) failed to timely obtain a tax identification number and prepare corporate organization papers for a client;
- (2) failed to respond to the client's inquiries in a timely manner;
- (3) practiced public accountancy with a delinquent, expired individual license for three months and 19 days;

ENFORCEMENT ACTIONS *continued*

- (4) practiced public accountancy with a delinquent, expired firm license for four months and six days; and
- (5) failed to respond to a Board communication.

RESPONDENT:(MIDLAND) Branson, William L.

CERTIFICATE NO.: 020121

INVESTIGATION NO.: 03-09-21L

DATE OF BOARD ACTION: 3/18/04

PUBLIC ACCOUNTANCY ACT VIOLATIONS: §§901.502(6) and 901.502(11)

RULE VIOLATIONS: §§501.74 (*Competence*); 501.90(2), (9), and (11) (*Discreditable Acts*)

DISPOSITION: The respondent entered into an agreed consent order whereby his certificate was revoked in lieu of further disciplinary proceedings. He must also pay an administrative penalty of \$8,000 and administrative costs of \$582 within 30 days of the date of the Board order.

The respondent embezzled \$6,268 from a client and issued checks on the client's account with insufficient funds available to cover the total amount. As a result, the client's bank assessed insufficient fee charges of \$158. The respondent failed to return the client's telephone inquiries and failed to file the client's annual non-profit tax forms for over three years.

RESPONDENT: (THE WOODLANDS) Colwell, Wesley H.

CERTIFICATE NO.: 066254

INVESTIGATION NO.: 03-12-15L

DATE OF BOARD ACTION: 5/20/04

PUBLIC ACCOUNTANCY ACT VIOLATIONS: §§901.502(6) and 901.502(11)

RULE VIOLATIONS: §501.90 (*Discreditable Acts*)

DISPOSITION: The respondent entered into an agreed consent order with the Board whereby his certificate was revoked in lieu of further disciplinary proceedings; he must also pay an administrative penalty of \$4,000 and administrative costs of \$280 within 30 days of the date of the Board order. The U.S. Securities and Exchange Commission alleged that the respondent committed the following:

- (1) improper use of reserves to manage earnings;
- (2) hiding losses of Enron's retail business;
- (3) fraudulently inflating Mariner Energy, Inc.; and
- (4) improper avoidance of write-down of Houston Pipeline Company asset.

RESPONDENT: (HUFFMAN) Foster, Gene S.

CERTIFICATE NO.: 030232

INVESTIGATION NO.: 03-09-19L

DATE OF BOARD ACTION: 3/18/04

PUBLIC ACCOUNTANCY ACT VIOLATIONS: §901.502 (2), (6), and (11)

RULE VIOLATIONS: §§501.90(2) and (8) (*Discreditable Acts*), and 501.91 (*Reportable Events*)

DISPOSITION: The respondent refused to sign an agreed consent order; however, he physically surrendered his certificate and submitted an excerpt from his criminal plea agreement that prohibits him from reapplying for any certificate or license to practice as a CPA, or its equivalent, in any jurisdiction under any name at any time. On August 5, 2003, the respondent pleaded guilty to conspiracy to commit securities fraud in violation of 18 U.S.C. §371. The respondent's sentencing has been postponed indefinitely.

RESPONDENT: (CYPRESS) Gassiott, William E.

CERTIFICATE NO.: 054150

RESPONDENT: (CYPRESS) Gassiott & Associates, P.C.

FIRM LICENSE NO.: C04365

INVESTIGATION NOS.: 01-09-01L, 03-01-01L, and 01-09-02L

DATE OF BOARD ACTION: 5/20/04

PUBLIC ACCOUNTANCY ACT VIOLATIONS: §§901.502(6) and 901.502(11)

RULE VIOLATIONS: §§501.60 (*Auditing Standards*); 501.61 (*Accounting Principles*); 501.62 (*Other Professional Standards*); and 501.74 (*Competence*)

DISPOSTION: The respondents entered into an agreed consent order with the Board whereby the respondent's individual certificate and the respondent's firm license were revoked in lieu of further disciplinary proceedings. The respondents must also pay administrative penalties of \$9,000 and administrative costs of \$8,500.

The respondents performed an audit for a client. The respondents issued two non-identical unsigned audit reports on their letterhead, both dated May 16, 2000 prior to completion of the field work. The respondents did not have supporting work papers for either of the May audit reports. The respondents failed to include required disclosures in the May reports, including but not limited to, the method or methods used to compute depreciation. The figures for the ending cash balance, fixed assets, revenue and expenditures in the reports did not match each other. Both reports contained mathematical errors, although different errors, which when corrected, resulted in an out-of-balance condition for both reports. Neither report contained any notation that it was a draft or in any way not a complete report. Neither report was in compliance with the GAAS standard of reporting which requires that the auditor's report contain a clear-cut indication of the character of the auditor's work.

RESPONDENT: (HOUSTON) Johnston, Richard D.

CERTIFICATE NO: 027638

INVESTIGATION NO.: 03-02-08L

DATE OF BOARD ACTION: 3/18/04

PUBLIC ACCOUNTANCY ACT VIOLATIONS: §§901.502(6) and 901.502(11)

RULE VIOLATIONS: §§501.74 (*Competence*); 501.90(11) (*Discreditable Acts*); and 501.93 (*Responses*)

DISPOSITION: The respondent entered into an agreed consent order whereby his license was suspended for two years from the date of the Board order. However, this suspension was stayed and he was placed on probation for two years. In addition to the respondent's annual CPE requirement, he must complete and submit proof of completion of four hours of live CPE in the area of ethics and eight hours of live CPE in the area of practice management; the CPE provider must be pre-approved by the Board and must be completed within 90 days of the date of the Board order. The respondent must pay an administrative penalty of \$3,000 and administrative costs of \$750 within 30 days of the date of the Board order. The respondent:

- (1) failed to complete a client's IRS offer in compromise;
- (2) failed to respond to the client's telephone inquiries; and
- (3) failed to timely respond to Board communications.

RESPONDENT: (DE SOTO) Kerby, John C.

CERTIFICATE NO: 047111

INVESTIGATION NO.: 03-07-05L

DATE OF BOARD ACTION: 3/18/04

PUBLIC ACCOUNTANCY ACT VIOLATIONS: §§901.502(6) and 901.502(11)

RULE VIOLATIONS: §§501.90(11) (*Discreditable Acts*) and 501.93 (*Responses*)

DISPOSITION: The respondent entered into an agreed consent order whereby he was reprimanded. In addition to the respondent's annual CPE requirement, he must complete and submit proof of completion of four hours of live CPE in the area of ethics within 90 days of the date of the Board order. The respondent must pay an administrative penalty of \$3,000 and administrative costs of \$645 within 30 days of the date of the Board order.

The respondent failed to return a client's telephone calls and failed to respond to the Board's written communications.

RESPONDENT: (DALLAS) Kunasek, John F.

CERTIFICATE NO.: 062959

INVESTIGATION NO.: 02-06-18L

DATE OF BOARD ACTION: 5/20/04

PUBLIC ACCOUNTANCY ACT VIOLATIONS: §§901.502(6) and 901.502(11)

RULE VIOLATIONS: §§501.60 (*Auditing Standards*); 501.61 (*Accounting Principles*); 501.62 (*Other Professional Standards*); and 501.74 (*Competence*)

DISPOSTION: The respondent entered into an agreed consent order with the Board whereby he was reprimanded.

manded. The respondent must pay an administrative penalty of \$1,000 and administrative costs of \$3,000 within 90 days of the date of the Board order.

On July 11, 2001, Arthur Andersen issued a report captioned *Gas Cost Audit TXU Gas Distribution Transmission Reporting Period of 11/11/97 through 10/31/00 (Gas Cost Audit)* that was reviewed and signed by Mr. Kunasek. The *Gas Cost Audit* was filed by Texas Utilities, Inc. in a regulatory proceeding before the Gas Utilities Division of the Texas Railroad Commission. It was intended that others would have access to and rely on the *Gas Cost Audit*. The *Gas Cost Audit* was, in fact, neither an audit nor an audit report. The *Gas Cost Audit* was materially misleading because the words “independent audit” implied a higher level of assurance than actually existed. The *Gas Cost Audit* was an expert report that was rendered pursuant to a consulting engagement. On March 15, 2002, the respondent re-issued his report for filing with the Texas Railroad Commission replacing “Audit” with “Reconciliation” in the report’s name and in the several references to “audit” within the report (the “*Reconciliation Report*”). The *Reconciliation Report* is subject to the *Standards found in Consulting Standards Section 100* and in *Rule 201* of the American Institute of Certified Public Accountant’s *Rules of Professional Conduct*. The respondent issued a report that misrepresents that the respondent’s work was performed in conformity with attestation or audit standards when it was not. The respondent violated §CS 100.06 of the *Consultation Standards* by issuing a report without exercising professional competence and due professional care.

RESPONDENT: (MINEOLA) Leewright, Andrew B.

CERTIFICATE NO: 050224

INVESTIGATION NO.: 04-01-01L

DATE OF BOARD ACTION: 3/18/04

PUBLIC ACCOUNTANCY ACT VIOLATIONS: §§901.502(6); 901.502(10); and 901.502(11)

RULE VIOLATIONS: §§501.90(4) (*Discreditable Acts*) and 525.1(d)(3) (*Applications for the Uniform CPA Examination, Issuance of the CPA Certificate, a License, or Renewal of a License or Individuals with Criminal Backgrounds*)

DISPOSITION: The respondent entered into an agreed consent order whereby his certificate was revoked in lieu of further disciplinary proceedings. He must also pay an administrative penalty of \$2,000 and administrative costs of \$252 within 30 days of the date of the Board order.

On August 14, 2003, the respondent pleaded guilty to the use of interactive computer service for receipt of obscene matter in interstate commerce in violation of *18 U.S.C. §1462*, a crime of moral turpitude. In §525.1(d)(3) of the Board’s *Rules*, the Board has expressly adopted a policy stating that a crime of moral turpitude directly relates to the practice of public accountancy.

RESPONDENT: (GRAND PRAIRIE) Morton, Donald W.

CERTIFICATE NO.: 067926

INVESTIGATION NO.: 03-08-16L

DATE OF BOARD ACTION: 5/20/04

PUBLIC ACCOUNTANCY ACT VIOLATIONS: §§901.502(6) and 901.502(11)

RULE VIOLATIONS: §§501.60 (*Auditing Standards*) and 501.62 (*Accounting Principles*)

DISPOSTION: The respondent entered into an agreed consent order with the Board whereby he was reprimanded. He must also pay an administrative penalty of \$2,000 within 90 days of the date of the Board order and administrative costs of \$688.50 within 30 days of the date of the Board order. In fulfilling the mandatory CPE requirements, the respondent must also complete 40 hours in the area of compilation and review, of which 16 hours must be live. He must also complete four hours of CPE in the area of ethics and submit proof of completion of CPE hours to the Board by October 31, 2004; all CPE courses must be pre-approved by the Behavioral Enforcement Committee chair. In addition, the respondent must enroll in a peer review program within 30 days of the date of the Board order and submit a status report to the Board by December 31, 2004.

The respondent compiled the financial statements of a client. He prepared his client’s compilation reports incorrectly and did not conform to relevant *Statements on Standards for Accounting and Review Services*.

Specifically:

- (1) the first paragraph of the report is not standard wording;
- (2) the second paragraph of the report does not identify type of entity;
- (3) the report does not include proprietor's capital;
- (4) the report is titled as GAAP statements but appears to be Other Comprehensive Basis of Accounting statements;
- (5) the ending income statement does not have an equity roll forward cash flow statement title;
- (6) the titles do not indicate cash basis;
- (7) the balance sheet does not indicate billings in excess of construction in progress or costs in excess;
- (8) there is no estimates footnote;
- (9) the long term debt footnote does not include five-year maturity;
- (10) other disclosure on debt appears missing (maturity date and collateral);
- (11) interest paid is not disclosed; and
- (12) statement distributions shown in equity roll in footnote does not tie to distributions shown in cash flow.

RESPONDENT: (SAN ANTONIO) Pullin, Wendy F.

CERTIFICATE NO: 050365

INVESTIGATION NO.: 03-03-14L

DATE OF BOARD ACTION: 3/18/04

PUBLIC ACCOUNTANCY ACT VIOLATIONS: §§901.502(6) and 901.502(11)

RULE VIOLATIONS: §§501.90(5) (*Discreditable Acts*) and 501.91 (*Reportable Events*)

DISPOSITION: The respondent entered into an agreed consent order whereby her certificate was revoked in lieu of further disciplinary proceedings.

The respondent was placed on deferred adjudication for eight counts of theft by check in Atascosa County, one count of theft by check in Bexar County, and one count of theft by check in Guadalupe County. She also failed to report her deferred adjudications to the Board within 30 days of the events.

RESPONDENT: (CARROLLTON) Ross, Michael A.

CERTIFICATE NO: 041750

INVESTIGATION NOS.: 02-12-05L and 03-10-04L

DATE OF BOARD ACTION: 3/18/04

PUBLIC ACCOUNTANCY ACT VIOLATIONS: §§901.502(6) and 901.502(11)

RULE VIOLATIONS: §§501.74 (*Competence*); 501.80 (*Practice of Public Accountancy*); 501.81 (*Firm Registration Requirements*); 501.83 (*Firm Names*); 501.90(11) (*Discreditable Acts*); and 527.4 (*Enrollment and Participation*)

DISPOSITION: The respondent entered into an agreed consent order whereby he was reprimanded. In addition, his license was suspended for two years from the date of the Board order. However, the suspension was stayed and the respondent was placed on two years' probation. In addition, the respondent must reimburse his client \$1,900 and provide proof of payment no later than May 1, 2004. He must pay an administrative penalty of \$6,000 and administrative costs of \$2,793 within 30 days of the date of the Board order.

The respondent:

- (1) accepted an engagement to prepare a business plan for a client, but did not complete the work;
- (2) failed to respond to the client's repeated inquiries as to the status of the project;
- (3) accepted funds from a client for the preparation of a business concept, which he failed to perform;
- (4) practiced public accountancy with a delinquent, expired individual license from June 2003 through February 2004 and with an improper firm name; and
- (5) failed to comply with the Board's peer review requirements.

RESPONDENT: (AUSTIN) Schulze, Jack D.**CERTIFICATE NO:** 053232**INVESTIGATION NO.:** 04-01-04L**DATE OF BOARD ACTION:** 3/18/04**PUBLIC ACCOUNTANCY ACT VIOLATIONS:** §§901.502(6); 901.502(10); and 901.502(11)**RULE VIOLATIONS:** §§501.90(4) (*Discreditable Acts*) and 525.1(d)(3) (*Applications for the Uniform CPA Examination, Issuance of the CPA Certificate, a License, or Renewal of a License or Individuals with Criminal Backgrounds*)**DISPOSITION:** The respondent entered into an agreed consent order whereby his certificate was revoked in lieu of further disciplinary proceedings. He must also pay an administrative penalty of \$2,000 and administrative costs of \$150 within 30 days of the date of the Board order.

On October 9, 2003, the respondent pleaded guilty to one count of possession of child pornography in violation of 18 U.S.C. §2252 (a)(4)(B), a crime of moral turpitude. In §525.1(d)(3) of the Board's *Rules*, the Board has expressly adopted a policy stating that a crime of moral turpitude directly relates to the practice of public accountancy.

RESPONDENT: (AUSTIN) Sorrell, George M. Jr.**CERTIFICATE NO:** 052559**INVESTIGATION NO.:** 02-09-16L**DATE OF BOARD ACTION:** 3/18/04**PUBLIC ACCOUNTANCY ACT VIOLATIONS:** §§901.502(6) and 901.502(11)**RULE VIOLATIONS:** §§501.80 (*Practice of Public Accountancy*); 501.81 (*Firm Registration Requirements*); 501.83 (*Firm Names*); 501.90(11) (*Discreditable Acts*); and 501.93 (*Responses*)**DISPOSITION:** The respondent entered into an agreed consent order whereby he was reprimanded. In addition, his license was suspended for two years from the date of the Board order; however, this suspension was stayed and he was placed on probation for two years. The respondent must pay an administrative penalty of \$7,000 and administrative costs of \$1,471.50 within 30 days of the date of the Board order.

The respondent:

- (1) practiced public accountancy with delinquent, expired individual and firm licenses;
- (2) used an improper firm name;
- (3) failed to respond to a client's repeated inquiries in a timely manner; and
- (4) failed to respond to the Board's written communications.

RESPONDENT: (BEAUMONT) Turner, Larry A.**CERTIFICATE NO.:** 018605**INVESTIGATION NO.:** 03-08-11L**DATE OF BOARD ACTION:** 5/20/04**PUBLIC ACCOUNTANCY ACT VIOLATIONS:** §§901.502(6) and 901.502(11)**RULE VIOLATION:** §501.14 (*Receipt of Other Compensation*)**DISPOSITION:** The respondent entered into an agreed consent order with the Board whereby he was reprimanded. In addition, he must pay an administrative penalty of \$1,000 and administrative costs of \$682.50 within 30 days of the date of the Board order. The respondent must also inform all of his clients that he referred to LTC Financial Services (LTC) in writing that he has an ownership interest in and receives compensation from LTC as required by §501.14 of the *Rules*.

The respondent failed to disclose in writing to his client that he had an ownership interest in and received compensation from LTC Financial Services, a firm to which he referred the client for financial services.

RESPONDENT: (AUSTIN) Wellman, Michael H.**CERTIFICATE NO:** 025120**INVESTIGATION NOS.:** 02-07-19L, 03-02-12L, 03-08-07L, and 03-09-03L**DATE OF BOARD ACTION:** 3/18/04**PUBLIC ACCOUNTANCY ACT VIOLATIONS:** §§901.502(6) and 901.502(11)

TEXAS STATE BOARD OF PUBLIC ACCOUNTANCY

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ENFORCEMENT ACTIONS *continued*

RULE VIOLATIONS: §§501.90(18) (*Discreditable Acts*) and 501.93 (*Responses*)

DISPOSITION: The respondent entered into an agreed consent order whereby his certificate was revoked in lieu of further disciplinary proceedings. In addition, he must pay \$3,750 in administrative costs.

On May 16, 2002, the respondent agreed to an agreed consent order for knowingly preparing and filing false corporate tax returns for a client; he was reprimanded and his license was placed on probated suspension for two years. He failed to maintain substantive contact with the Concerned CPA Network Program and failed to timely submit quarterly reports regarding his activity with the program as required by the order.

On April 24, 2003, the respondent attended an informal conference of the Board's Behavioral Enforcement Committee to address additional complaints against him; he attended the informal conference intoxicated. In lieu of revoking his probated suspension, the committee on April 24, 2003, issued a directive requiring him to:

- (1) immediately cease imbibing alcoholic beverages, to enter into an alcohol substance abuse program within three days of the directive;
- (2) attend Alcoholics Anonymous meetings on a weekly basis and to submit proof of attendance;
- (3) install a CPA practice oversight reviewer and submit quarterly reports; and
- (4) meet monthly with the Concerned CPA Network Program and submit quarterly reports regarding activity with the program.

The respondent failed to comply with the spirit of the CPA practice oversight reviewer condition, failed to comply with the Alcoholics Anonymous condition, and failed to comply with the Concerned CPA Network Program condition pursuant to the committee's directive.

On June 26, 2003, the Board learned that the respondent had tested positive for alcohol in a June 24, 2003 urine analysis performed by the alcohol substance abuse rehabilitation program and had attended alcohol rehabilitation intoxicated. On July 11, 2003, the committee and the Board's executive director issued additional conditions to the April 24, 2003 directive, including successful completion of the alcohol rehabilitation aftercare program. The respondent failed to attend the alcohol rehabilitation aftercare program.

On August 12, 2003, the respondent's probation was revoked and his license was placed on immediate suspension. The respondent was ordered to cease practicing public accountancy, to cease holding out as a CPA, to cease soliciting new clients, and to dismantle or revise his internet website to eliminate references regarding accounting services.

From August 12, 2003 through October 31, 2003, the respondent continued to hold out as a CPA on the internet, in e-mails to clients, and in written communications to the Board. Further, he continued to practice public accountancy and solicit new accounting clients.

ENFORCEMENT ACTIONS continued

The respondent failed to respond to the Board's five telephone inquiries and ten written communications, and failed to report to the Board a change of address and telephone number.

RESPONDENT: (SAN ANTONIO) Ybarra, Richard K.

CERTIFICATE NO: 076397

INVESTIGATION NO.: 03-10-10L

DATE OF BOARD ACTION: 3/18/04

PUBLIC ACCOUNTANCY ACT VIOLATIONS: §§901.502(6); 901.502(10); and 901.502(11)

RULE VIOLATIONS: §§501.90(4) (*Discreditable Acts*) and 501.91 (*Reportable Events*)

DISPOSITION: The respondent entered into an agreed consent order whereby his certificate was revoked in lieu of further disciplinary proceedings. He must also pay an administrative penalty of \$2,000 and administrative costs of \$200 within 30 days of the date of the Board order.

On July 10, 2002, the respondent pleaded guilty to one count of possession of pseudoephedrine with intent to manufacture methamphetamine in violation of *21 U.S.C. §841 (c)(1)*. The respondent also failed to report the felony conviction to the Board within 30 days of the date of knowledge of conviction.

CPE ACTIONS

RESPONDENTS: TEXAS: (ARLINGTON) Riddle, Timothy Wayne

(FRISCO) Pugh, Tracey B.

(HUMBLE) Duncan, Scott Eugene

(RED OAK) Groat, Delia Duneen

INVESTIGATION NOS.: 03-10-10041 through 03-10-10138

DOCKET NO.: 457-04-1075

DATE OF BOARD ACTION: 3/18/04

PUBLIC ACCOUNTANCY ACT VIOLATION: §901.411

RULE VIOLATIONS: §§501.94 (*Mandatory Continuing Professional Education*) and 523.62 (*Mandatory Continuing Professional Education Reporting*)

DISPOSITION: The license of each respondent still not in compliance as of the March 18, 2004 Board meeting was suspended for three years, or until he or she complies with the CPE and licensing requirements of the *Act*, whichever is sooner. Additionally, a \$100 penalty was imposed for each year the respondent is in non-compliance with the Board's CPE requirements. The respondents failed to report sufficient CPE credits as required by §901.411 of the *Act*.

RESPONDENTS: COLORADO: Betke, John Christian

ILLINOIS: Page, Jodi Lynne

TEXAS: (AUSTIN) Eudy, Angela Kay; Reed, Leslie Ann

(BEDFORD) Grimes, Kevin M.

(CORPUS CHRISTI) Thompson, Stephen Douglass

(DALLAS) Puckett, Sarah Jackson; Robertson, Edward Frank

(GARLAND) Ellis, Anthony

(GRAPEVINE) Lawson, Jehri Eugene

(HOUSTON) Goleff, Debbie Lynn; Hinton, John Elsworth II; Odunze, Nnaemeka Ibeabuchi

(IOWA PARK) Graef, William George

(MIDLAND) Barrow, Carla Lynne Bates; Culver, Lee Conner

(PLANO) Sullivan, Patrick Michael

(SUGAR LAND) Adelung, Louisa Frances Watson

(THE WOODLANDS) Ballew, Jennifer Ellen; McConnell, Robert Bruce

ENFORCEMENT ACTIONS *continued*

INVESTIGATION NOS.: 03-11-10058 through 03-11-10324 **DOCKET NO.:** 457-04-10324

DATE OF BOARD ACTION: 3/18/04

PUBLIC ACCOUNTANCY ACT VIOLATION: §901.411

RULE VIOLATIONS: §§501.94 (*Mandatory Continuing Professional Education*) and 523.62 (*Mandatory Continuing Professional Education Reporting*)

DISPOSITION: The license of each respondent still not in compliance as of the March 18, 2004 Board meeting was suspended for three years or until he or she complies with the CPE and licensing requirements of the *Act*, whichever is sooner. Additionally, a \$100 penalty was imposed for each year the respondent is in non-compliance with the Board's CPE requirements. The respondents failed to report sufficient CPE credits as required by §901.411 of the *Act*.

RESPONDENTS: NEW YORK: Magid, Angela Marie

TENNESSEE: Karintis, Anna C.

TEXAS: (ARLINGTON) Tryon, William Parshall

(DALLAS) Brown, Robert Dean; Chambers, Tyrone Robert; Farr, Paul Allen

(HOUSTON) Bedingfield, Matthew Ray

(LEWISVILLE) Kockler, Lori Annette

(WEATHERFORD) Justice, Mark Layne

INVESTIGATION NOS.: 03-12-10048 through 03-12-10156 **DOCKET NO.:** 457-04-2248

DATE OF BOARD ACTION: 3/18/04

PUBLIC ACCOUNTANCY ACT VIOLATION: §901.411

RULE VIOLATIONS: §§501.94 (*Mandatory Continuing Professional Education*) and 523.62 (*Mandatory Continuing Professional Education Reporting*)

DISPOSITION: The license of each respondent still not in compliance as of the March 18, 2004 Board meeting was suspended for three years or until he or she complies with the CPE and licensing requirements of the *Act*, whichever is sooner. Additionally, a \$100 penalty was imposed for each year a respondent is in non-compliance with the CPE requirements. The respondents failed to report sufficient CPE credits as required by §901.411 of the *Act*.

RESPONDENTS: NEW YORK: Kay, Edward William Jr.

TEXAS: (ARLINGTON) Kettle, John E.

(ATHENS) Duernberger, Donald Allen

(AUSTIN) Spruell, Suzanne Marie

(DALLAS) Bosch, Matthew Lynn; Dowler, Diana Jane

(FRISCO) Hallstrom, Christopher Mark

(GARLAND) Hein, Lawrence Walter

(HOUSTON) Berry, David Lane; Carlson, Richard Alan; Clark, Lester Ralph; Dorey, Louis Joseph; Drifmeyer, Michael; Jensen, Derrick Alan; Mendoza, Stephen

(IRVING) Phillips, Donald Ray

(RICHARDSON) Cohenour, David Barry

(SAN ANTONIO) Vaught, Thomas Clyde

(SPRING) Goodrich, Jason Kirk

(TAFT) Roots, Edness Marie

INVESTIGATION NOS.: 04-01-10046 through 04-01-10287 **DOCKET NO.:** 457-04-2308

DATE OF BOARD ACTION: 5/20/04

PUBLIC ACCOUNTANCY ACT VIOLATION: §901.411

RULE VIOLATIONS: §§501.94 (*Mandatory Continuing Professional Education*) and 523.62 (*Mandatory Continuing Professional Education Reporting*)

DISPOSITION: The license of each respondent still not in compliance as of the May 20, 2004 Board meeting was suspended for three years, or until he or she complies with the education and licensing requirements of the *Act*, whichever is sooner. Additionally, a \$100 penalty was imposed for each year a respondent is in non-compliance with the Board's CPE requirements. The respondents failed to report sufficient CPE credits as required by §901.411 of the *Act*.

FAILURE TO RENEW ACTIONS

RESPONDENT: CALIFORNIA: Williams, Earl Thomas

CERTIFICATE NO: 063712

INVESTIGATION NOS.: 03-11-10342

DOCKET NO.: 457-04-1354

DATE OF BOARD ACTION: 3/18/04

PUBLIC ACCOUNTANCY ACT VIOLATIONS: §§901.502(6) and 901.502(11)

RULE VIOLATIONS: §§501.80 (*Practice of Public Accountancy*) and 501.93 (*Responses*)

DISPOSITION: The respondent's certificate was revoked without prejudice until such time as he renews his license.

The respondent failed to complete the renewal of his license as required by §515.1 of the Board's *Rules*, engaged in the practice of public accountancy without a license issued by the Board as required by §501.80 (*Practice of Public Accountancy*) of the *Rules*, and failed to substantively respond to Board communications as required by §501.93 (*Responses*) of the *Rules*.

RESPONDENT: (HOUSTON) Patterson, Norris Lige

CERTIFICATE NO: 021500

INVESTIGATION NO.: 03-12-10159

DOCKET NO.: 457-04-2249

DATE OF BOARD ACTION: 3/18/04

PUBLIC ACCOUNTANCY ACT VIOLATIONS: §§901.502(6) and 901.502(11)

RULE VIOLATIONS: §§501.80 (*Practice of Public Accountancy*) and 501.93 (*Responses*)

DISPOSITION: The respondent's certificate was revoked without prejudice until such time as he renews his license.

The respondent failed to complete the renewal of his license as required by §515.1 of the Board's *Rules*, engaged in the practice of public accountancy without a license issued by the Board as required by §501.80 (*Practice of Public Accountancy*) of the *Rules*, and failed to substantively respond to Board communications as required by §501.93 (*Responses*) of the *Rules*.

THREE-YEAR NON-PAY ACTIONS

RESPONDENTS: ALABAMA: Sauley, Robin Lawrence

BRAZIL: Decherd, Kimberly Lynn

ILLINOIS: Cannon, Larry Dwain

INDIANA: Schoettle, Jeremy Michael

NORTH CAROLINA: Braschwitz, Eric Paul

NEW JERSEY: Plum, Andrea Jean; Sammons, Paul Douglas

OKLAHOMA: Colwell, David Shaw

PENNSYLVANIA: Watson, Mitzi Jeanine Whitlow

SCOTLAND: O'Grady, Courtney Ferester

TENNESSEE: Burch, Irvin Hebert

TEXAS: (AUSTIN) Hughes, John Patrick

(COPPELL) Chesson, Scott David

(DALLAS) Lindgren, William Lee; McConn, Phyllis Cavender

(FORT WORTH) Dickey, Herbert Eldridge Jr.

(HOUSTON) Alteapor, Gayle Larson; Barbier, Evette Ann; Barlow, Samuel John Jr.; Chan, Pat-Hung; Kashani, Amir Khan; Ross, John Loren

(KERRVILLE) McKeon, Sara Lindsay

(SAN ANTONIO) Chesnutt, Joy Ann Strohacker; Moncada, Carlos; Yeh, Jerome Jih-Jung

(TYLER) Brumlow, Mattie C. Nobles

(UVALDE) House, Richard Anthony

INVESTIGATION NOS.: 03-10-10001 through 03-10-10040 **DOCKET NO.:** 457-04-1074

DATE OF BOARD ACTION: 3/18/04

PUBLIC ACCOUNTANCY ACT VIOLATION: §901.502(4)

DISPOSITION: The certificate of each respondent still not in compliance as of the March 18, 2004 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*.

The respondents failed for three consecutive license periods to pay the licensing fees and penalties required by §§ 901.403, 901.407, and 901.408 of the *Act*.

RESPONDENTS: CALIFORNIA: Liao, Wen-Chen; Brugos, Jeffrey Francis; Asefaw, Frehiwet; Aversa, Andre Anthony; Friest, Diana Kay

COLORADO: Eggett, Robert K.; Starnes, Courtenay Sue

ENGLAND: Tomalin, Mark Ian

FLORIDA: Hatcher, David R.; Arp, Michael Frank; Ego, Rodger Kent

GEORGIA: Hope, Henry Melville III

HONG KONG: Liu, Ramee L.

ILLINOIS: Malhotra, Gopika Gajjar

MARYLAND: Ciardiello, Steven A.

NEW MEXICO: Herman, Paul Alan

NEVADA: Buchholz, Julia Ann O'Daniel

PENNSYLVANIA: Li, Wing Ho Lawrence

TENNESSEE: Klimpel, Carol

TEXAS: (AMARILLO) Dickerson, Robert Donald; Way, Rhonda

(CORPUS CHRISTI) Elizondo, Ricardo Jr.

(DALLAS) Dusek, Milton Martin Jr.; Hansen, William Schuyler; Hausmann, Gary; McLerran, Nema; Snyder, Thomas John; Tennant, Kirk Lee; Thomas, Mary Katharine Trippe

(HOUSTON) Brown, Andrew Ian; Enwere, Gregory U.; Franklin, Kenneth Paul; Kim, Jeyoung; Smith, David Gordon; Squires, Thomas Philip

(KELLER) Reichert, Chad Eugene

(KINGWOOD) McMinn, Julie Ann

(MISSOURI CITY) Harris, Cleveland Samuel

(ODESSA) Butler, James Loy

(RAINBOW) Thomas, Charles Ray Sr.

(SAN ANTONIO) Harris, Rufus Fred

(SUGAR LAND) Newton, Leslie Alton

INVESTIGATION NOS.: 03-11-10001 through 03-11-10057

DOCKET NO.: 457-04-1353

DATE OF BOARD ACTION: 3/18/04

PUBLIC ACCOUNTANCY ACT VIOLATION: §901.502(4)

DISPOSITION: The certificate of each respondent still not in compliance as of the March 18, 2004 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*.

The respondents failed for three consecutive license periods to pay the licensing fees and penalties as required by §§901.403, 901.407, and 901.408 of the *Act*.

RESPONDENTS: CALIFORNIA: Chow, Helen Mo Yee

COLORADO: Noonan, Douglas Shaun; Gaisbauer, Mary Catherine; Vargo, Timothy Edward; Mirza, Atique

FLORIDA: Spear, Linda Schottler

GEORGIA: Wilken, Andres G

LOUISIANA: Jones, Roy Hugh

NEW JERSEY: Fairfield, Debbie Jean

TEXAS: (ARLINGTON) Flaherty, Kelly Blaine; Gant, David Robert

(AUSTIN) Nagy, Paige Candace; Nemunaitis, Michael Anthony

(BULVERDE) Dunagan, George Alvin

(CORPUS CHRISTI) Nix, Jimmy Edward

(CROSBY) Haggard, Alvin Lee

(CYPRESS) Jamieson, Jane Margaret

(DALLAS) Carey, Melani Diann

(GRAND PRAIRIE) Powell, Michael Thomas

(GRAPEVINE) Lewis, Charles Donald

(HARLINGEN) Schuricht, Adolph Edward

(HOUSTON) Rones, Craig Edward

(KINGWOOD) Smith, Silas Gracen

(LUBBOCK) Butler, Ray Scott

(LUCAS) Autry, Sandra Lee Anderson

(MARBLE FALLS) Bourgeois, Gladys Boyett

(MINEOLA) Smith, Thomas Richard

(PLANO) Spruell, Paula Suzanne

(ROWLETT) Fitzmaurice, James Edward

(SAN ANTONIO) Doehne, Louis Carl; Hooks, Catherine M.

(SUGAR LAND) Satter, Cynthia Anne

(SWEETWATER) Northern, Kerry Lynn

WASHINGTON: Putnam, Jennifer Grammens

INVESTIGATION NOS.: 03-12-10001 through 03-12-10047

DOCKET NO.: 457-04-2247

DATE OF BOARD ACTION: 3/18/04

PUBLIC ACCOUNTANCY ACT VIOLATION: §901.502(4)

DISPOSITION: The certificate of each respondent still not in compliance as of the March 18, 2004 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*.

ENFORCEMENT ACTIONS *continued*

The respondents failed for three consecutive license periods to pay the licensing fees and penalties as required by §§901.403, 901.407, and 901.408 of the *Act*.

RESPONDENTS: CALIFORNIA: Brewer, Gary Le-Roy; Scales, Zoe Alexandra; Mahler, Frederick Lamar Jr.

COLORADO: Saunders, Susan Diane

ILLINOIS: Verchio, Jennifer Rae

INDIANA: Corey, Joseph Allen

MISSOURI: DeJesus, Xavier

NEW YORK: Grabina, Howard W.

TEXAS: (ALEDO) Berkovsky, Patricia Fletcher

(ARLINGTON) Nguyen, Victoria Van

(AUSTIN) Spivey, Melinda Ruth

(BEAUMONT) Porter, Gerald Edwin Jr.

(CARROLLTON) Daw, Roger Trent

(CYPRESS) Bryant, Rebecca Molina

(DALLAS) Harper, Terry Lyndel; Shamburger, Charles Douglas Jr.

(FLOWER MOUND) Buckley, John Michael

(FRIENDSWOOD) Horner, Guy Matthew

(HOUSTON) Baze, Chad Samuel; Burke, Tina Elizabeth; Heyman, Paul Edward; Kariel, Mark William; Lee, Melissa Kay; Palmer, Harry Jerold III; Stay, Gregory Alan

(KATY) Canida, Lisa Dianne

(MCKINNEY) Feldman, Michail

(PLANO) Melgiri, Ravindra Dhirendrarao

(SAN ANTONIO) Sawyer, James Edward

(SPRING) Paczulla, Robert August; Rittenhouse, Charles E. Jr.

(TOMBALL) Wong, Lorolie Kay

(TROUP) Cockrell, Claude McGill II

INVESTIGATION NOS.: 04-01-10001 through 04-01-10045

DOCKET NO.: 457-04-2307

DATE OF BOARD ACTION: 5/20/04

PUBLIC ACCOUNTANCY ACT VIOLATION: §901.502(4)

DISPOSTION: The certificate of each respondent still not in compliance as of the May 20, 2004 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*.

The respondents failed for three consecutive license periods to pay the licensing fees and penalties as required by §§901.403, 901.407, and 901.408 of the *Act*.

CEASE AND DESIST ORDERS

RESPONDENT: (HOUSTON) Berman, Richard M.

INVESTIGATION NO.: 03-06-08N

DATE OF BOARD ACTION: 5/20/04

PUBLIC ACCOUNTANCY ACT VIOLATION: §901.460

DISPOSTION: The respondent entered into an agreed cease and desist order with the Board whereby he will cease and desist from performing or offering to perform attest services until unless he complies with the registration and licensing provisions of the *Act*, and until unless he has obtained a license to practice public accountancy and until or unless all of his offices in the state are maintained and registered in accordance with the *Act*.

The respondent performed an attest service for a client when he does not hold a license to practice public accountancy.

RESPONDENT: (FORT WORTH) Ihrig, John R.

CERTIFICATE NO.: 038942

INVESTIGATION NO.: 04-03-31N

DATE OF BOARD ACTION: 5/20/04

PUBLIC ACCOUNTANCY ACT VIOLATION: §901.453

DISPOSTION: The respondent entered into an agreed cease and desist order with the Board whereby he will cease and desist from practicing public accountancy until unless he complies with the registration and licensing provisions of the *Act*, and until unless he has obtained a license to practice public accountancy.

The respondent used letterhead indicating he was a CPA when his license to practice public accountancy was suspended.

RESPONDENT: (FORT WORTH) May, Barbara A.

CERTIFICATE NO.: 032453

INVESTIGATION NO.: 04-04-03N

DATE OF BOARD ACTION: 5/20/04

PUBLIC ACCOUNTANCY ACT VIOLATION: §901.452

DISPOSTION: The respondent entered into an agreed cease and desist order with the Board whereby she will cease and desist from practicing public accountancy until unless she complies with the registration and licensing provisions of the *Public Accountancy Act*, and until unless she has obtained a license to practice public accountancy.

The respondent testified under oath that she was a CPA in Cause No. 67-192475-02, *Railhead Manufacturing, Inc. v. MICA Holding Corp.*, in the 67th Judicial District Court of Tarrant County, when she does not hold a license to practice public accountancy.

RESPONDENT: (BEDFORD) Morse, Kyle K.

CERTIFICATE NO.: 023695

INVESTIGATION NO.: 03-10-15N

DATE OF BOARD ACTION: 5/20/04

PUBLIC ACCOUNTANCY ACT VIOLATIONS: *Chapter 901*

DISPOSTION: The respondent engaged in the unlawful practice of public accountancy. His certificate was revoked in 1993; however, he has continued to represent himself as a CPA. The Board issued a cease and desist order permanently enjoining the respondent from practicing public accountancy or representing himself as a CPA.

RESPONDENT: (LONGVIEW) Thomas, Tommy N.

INVESTIGATION NO.: 04-03-60N

DATE OF BOARD ACTION: 5/20/04

PUBLIC ACCOUNTANCY ACT VIOLATION: §901.460

DISPOSTION: The respondent entered into an agreed cease and desist order with the Board whereby he will cease and desist from practicing public accountancy until unless he complies with the registration and licensing provisions of the *Act*, and until unless he has obtained a license to practice public accountancy.

The respondent testified under oath that he performs audits and practices public accountancy in Longview, Texas, in Cause No. 2002-1279-111, *Hill v. Hill*, in the Circuit Court of Garland County, Arkansas, when he does not hold a license to practice public accountancy.