

Revisiting the Subject of Firm Names

The Board's authority to approve or disapprove names of CPA firms is granted under Section 501.83 of the Rules of Professional Conduct set out in the Texas Administrative Code. This section deals with the Board's mandate to protect the public interest and with the licensee's responsibilities to the public. This responsibility includes assuring that firm names do not mislead or confuse the public. A firm licensed by the Board must practice, i.e., provide services, to clients using only the name under which it is licensed.

Names that may be considered to be misleading include names that imply expertise the CPA members of the firm do not have, those that are assumed or trade names, or those that include a geographic description. Words, derivatives, or abbreviations such as "company" or "and company," "associates" or "and associates," or "group" can also be misleading and may not be used unless there are at least two licensees (not independent contractors) employed in the practice. Firm names must not state or imply educational or professional attainment that firm members do not have nor licensing recognition for the firm or its owners that is not supported by fact.

NOTE: Before registering your firm name with the Secretary of State and submitting Articles of Incorporation, make sure the intended firm name meets all Board requirements. If in doubt, call the Board's Licensing Division, 512-305-7853.

Names That Are Not Considered Misleading

Naming practices that are not considered misleading include using the names of current or former CPA owners or a current or former foreign practitioner-owner of the firm or its predecessor or successor firm who are or would have been eligible to practice in Texas under Subsection 513.2 of the Rules. Names may indicate the legal organization of the firm and may state or imply any true limitation on the type of services offered, such as tax, audit, or advisory services, so long as the type of services named comprise the majority of the services offered.

The names of a corporation, professional corporation, limited liability partnership, professional limited liability company, or similar forms of ownership, must include the form of ownership, or an abbreviation thereof, in the name. Limited liability partnerships organized before September 1, 1993, are exempt from this requirement.

Sole Proprietorships

A sole proprietor is required to include his or her surname as it appears on the individual license. Unless an exemption is provided by the Board, a current or former owner may not be used in the firm name during any period when he or she is expressly prohibited from practicing or from using terms reserved for licensees, such as "certified public accountant" or "CPA."

Firms must report to the Board any change in the legal organization of the firm and amend the firm name to reflect this change within 30 days of the effective date of the change. An exception to this rule is granted for a partner surviving the death of all other partners. The surviving partner is given up to two years after becoming a sole proprietor to change the firm name to reflect the death(s) of the other partner(s).

Any firm contemplating a name change should review the particulars spelled out in Board Rule 501.83 before making the change to ensure that the firm is in compliance with the statute. The Rules may be reviewed on the Board's website: www.tsbpa.state.tx.us.

3

Failure to Renew
or Renewing
With CPE
Deficiencies

4

In Memoriam

5

Reviewing the Act
and Board Rules

6

Enforcement
Actions

CPE Sponsors Successfully Completing Review

(since August 2012 Board Report)

Sponsor #	Sponsor Name	Date of Next Review	Status
005604	ACIG Insurance Company	07/01/2014 - 06/30/2015	A
009915	Armor Wealth Management, LLC	07/01/2014 - 06/30/2015	A
009911	BancorpSouth Insurance Services, Inc.	07/01/2014 - 06/30/2015	A
006926	BCS Prosoft	07/01/2014 - 06/30/2015	A
009843	BG North America, LLC	07/01/2014 - 06/30/2015	A
009916	Bounds Chatelain & Pharr, PC	07/01/2014 - 06/30/2015	E
000909	Briggs & Veselka Co.	07/01/2014 - 06/30/2015	A
000875	Brown, Graham & Co., PC	07/01/2014 - 06/30/2015	A
006090	Burton McCumber & Cortez, LLP	06/01/2014 - 05/31/2015	A
009487	Capstone Associated Services, Ltd	05/01/2014 - 04/30/2015	E
007716	Center for Public Management	08/01/2014 - 07/31/2015	A
007411	Christus Health	08/01/2014 - 07/31/2015	A
001343	CITE	01/01/2014 - 12/31/2014	A
001670	College of the Mainland	07/01/2014 - 06/30/2015	E
009921	Comerica Incorporated	07/01/2014 - 06/30/2015	A
003523	Cornwall Jackson and Co., P.C.	06/01/2014 - 05/31/2015	A
004535	Dell, Inc.	06/01/2014 - 05/31/2015	A
009617	Federated Services Company	07/01/2014 - 06/30/2015	A
004504	Fulbright & Jaworski, LLP	06/01/2014 - 05/31/2015	A
009905	Geokinetics Inc	06/01/2014 - 05/31/2015	A
009900	Giordani, Swanger, Ripp & Phillips, LLP	05/01/2014 - 04/30/2015	E
001689	Gollob Morgan Peddy, PC	07/01/2014 - 06/30/2015	A
006083	Haile & Thomas, CPA, LLP	06/01/2014 - 05/31/2015	E
008932	Information Systems Audit & Control Association	05/01/2014 - 04/30/2015	A
005541	Institute of Management Accountants	04/01/2014 - 03/31/2015	A
008911	ISSA Texas Gulf Coast	04/01/2014 - 03/31/2015	A
009322	Lauterbach, Borschow & Company, PC	06/01/2014 - 05/31/2015	A
009834	Martin Resource Management Corporation	06/01/2014 - 05/31/2015	A
009614	Memory Technologies Institute	07/01/2014 - 06/30/2015	A
009613	Meredith & Associates	07/01/2014 - 06/30/2015	A
005614	NAPM-Rio Grande Valley	06/01/2014 - 05/31/2015	E
009895	Range Resources Corporation	04/01/2014 - 03/31/2015	A
009822	Robertson, Griege & Thoele	04/01/2014 - 03/31/2015	A
008935	Robnett & Company, LP	05/01/2014 - 04/30/2015	A
007637	Samsung Austin Semiconductor	05/01/2014 - 04/30/2015	A
001634	Schmid, Broadus, Nugent & Gano, PC	06/01/2014 - 05/31/2015	A
009595	Shell Trading Services in North America	04/01/2014 - 03/31/2015	A
008714	Solvay North America, Inc.	06/01/2014 - 05/31/2015	E
008915	South Texas Chapter, ISSA	04/01/2014 - 03/31/2015	A
009833	Southwestern Energy	06/01/2014 - 05/31/2015	E
000885	Spectra Energy	07/01/2014 - 06/30/2015	A
003553	Sysco Corporation	07/01/2014 - 06/30/2015	A
007907	Texas Association of School Administrators	07/01/2014 - 06/30/2015	A
009835	Texas Energy Group, LLC	07/01/2014 - 06/30/2015	A
000920	The University of Texas at Austin, Texas Executive Education	07/01/2014 - 06/30/2015	A
006461	Turnaround Management Association of Houston	04/01/2014 - 03/31/2015	A
000840	UHY Advisors Tx, LLC	06/01/2014 - 05/31/2015	A
009599	United Airlines, Inc. Internal Audit	05/01/2014 - 04/30/2015	E

Registration Status: A = Currently active E = Currently expired

To ensure that CPE taken will meet Board requirements, check the Board website at www.tsbpa.state.tx.us for qualified CPE providers before enrolling.

Report CPE hours on the Board website —

www.tsbpa.state.tx.us — as you complete them.

If you have any questions regarding CPE,

call 512-305-7844.

TEXAS STATE BOARD OF PUBLIC ACCOUNTANCY

**333 Guadalupe
Tower 3, Suite 900
Austin, Texas 78701-3900**

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WILLIAM TREACY**

EDITOR

BARBARA C. STOOKSBERRY

**Accounting/Administration
(512) 305-7800
FAX (512) 305-7854
accounting@tsbpa.state.tx.us**

**CPE
(512) 305-7844
FAX (512) 305-7875
licensing@tsbpa.state.tx.us**

**Enforcement
(512) 305-7866
FAX (512) 305-7854
enforcement@tsbpa.state.tx.us**

**Executive Director
(512) 305-7800
FAX (512) 305-7854
executive@tsbpa.state.tx.us**

**Licensing/Peer Review
(512) 305-7853
FAX (512) 305-7875
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**Publications
(512) 305-7804
FAX (512) 305-7875
publicinfo@tsbpa.state.tx.us**

**Qualifications
(512) 305-7851
FAX (512) 305-7875
exam@tsbpa.state.tx.us**

The Failure to Renew or Renewing With CPE Deficiencies



Texas CPAs can find themselves facing administrative enforcement actions for any of three reasons:

- (1) failure to pay annual license renewal fees,
- (2) failure to meet Continuing Professional Education (CPE) requirements, or
- (3) failure to complete the renewal process by not signing the renewal, failing to answer the conviction question, or making another substantive omission.

CPAs who fit into any of these categories are identified by computer from our database on the first of each month.

Failure to Pay Annual Renewal Fees

Licensees who have failed to pay their annual renewal fees for one or two years are sent a letter on the renewal anniversary advising them that they are delinquent, along with a statement that includes all fees and penalties and what CPE is needed to bring the license back into good standing. **A licensee who has failed to pay the annual fee is not in good standing and is not permitted to hold himself out as a CPA until fees are paid.**

Penalties can be substantial and are dictated, not by the Board, but by the Public Accountancy Act (the Act) in Section 901.405, Procedures for Renewal:

- (b) A person whose license has been expired for 90 days or less may renew the license by paying to the board a renewal fee that is equal to 1½ times the normally required renewal fee.
- (c) A person whose license has been expired for more than 90 days but less than one year may renew the license by paying to the board a renewal fee that is equal to two times the normally required renewal fee.
- (d) A person whose license has been expired for at least one year but less than two years may renew the license by paying to the board a renewal fee that is equal to three times the normally required renewal fee.

If a licensee fails to pay for three consecutive years, a complaint is opened and the licensee is advised by certified mail that the Board will initiate proceedings to be heard by an Administrative Law Judge (ALJ) at the State Office of Administrative Hearings (SOAH) proposing that the CPA certificate be revoked. The licensee is told once again what he or she must do to come into compliance before the hearing date. At the hearing, the ALJ will make a finding as to whether or not the certificate should be revoked and issue a Proposal for Decision, which is sent to the licensee. The final action on a revocation is taken when the Board, at its next meeting, adopts the Proposal for Decision. The final order is sent to the licensee informing him or her that the certificate has been revoked.

Failure to Report CPE

When a licensee is identified as delinquent because of too few CPE hours or failure to complete the renewal process, the licensee receives a “needs” letter indicating what the licensee must do to come into compliance. The licensee is given one month to report CPE and come into compliance. After a month of noncompliance, the agency opens a complaint against the licensee and, as required by the Act, schedules a public hearing with SOAH to consider whether the license should be suspended. If the licensee comes into compliance, the license is issued and the complaint closed with no administrative costs or penalties. If not, the ALJ will issue a Proposal for Decision recommending that the license be suspended for three years or until the licensee comes into compliance, and the agency notifies the licensee of the suspension. The licensee will be assessed a \$100 penalty per license period of noncompliance in addition to making up the CPE deficiencies. At the end of three years, if the licensee is still not in compliance, certification will be automatically revoked.

Failure to Complete the Renewal Process (Incomplete Application)

If the licensee fails to complete the renewal process, he or she is notified and given a month to complete the process before the matter is taken before an ALJ, who will issue a Proposal for Decision recommending revocation. The Board will act on the Proposal at its next meeting. Revocation also results in your name being published in the *Board Report*. To regain the license, the licensee must file a Request for Reinstatement and meet all provisions of that process.

In Memoriam

Listed below are the names of licensees whose deaths occurred between September 1, 2011, and August 31, 2012.

<i>Name, Location</i>	<i>Date Licensed</i>	<i>Date of Death</i>	<i>Name, Location</i>	<i>Date Licensed</i>	<i>Date of Death</i>
Sally Franklin B. Allen, Houston, TX	1/26/1978	5/10/2012	William R. Howell, Houston, TX	8/4/1964	5/2/2012
Allan H. Anderson, Trinity, TX	3/6/1989	11/6/2011	John T. Hull, Jr., Plano, TX	11/20/1972	11/12/2011
Brenda K. Anderson, New Boston, TX	9/1/1998	4/18/2012	William M. Jeter, III, Wellborn, TX	2/2/1967	4/20/2012
Mason L. Backus, San Angelo, TX	8/1/1963	10/25/2011	Paul H. Johnson, Oxford, MS	10/8/1970	2/3/2012
Charles A. Baker, Austin, TX	2/1/1963	7/17/2012	Philip C. Jones, Monument, CO	9/5/1984	3/3/2012
Gurnade M. Barziza, Houston, TX	1/30/1961	3/18/2012	Jerry D. Jordan, Dallas, TX	2/5/1974	12/11/2011
James R. Bergquist, Parkin, AR	7/30/1962	11/13/2011	Paula A. Jourde, Dallas, TX	10/10/1995	6/22/2012
Salvatore Bernardino, Spring, TX	4/28/1992	11/18/2011	Charles T. Kastor, San Antonio, TX	2/4/1964	2/28/2012
William J. Bindler, Dallas, TX	1/28/1962	3/2/2012	William F. Kelly, Jr., Temple, TX	1/29/1959	12/19/2011
William F. Bisbee, III, Corpus Christi, TX	4/18/1971	8/14/2012	Shirley D. Kennemer, Fort Worth, TX	9/6/1989	1/4/2012
William A. Bonner, Jr., Austin, TX	2/2/1981	2/11/2012	Ralph E. Klier, College Station, TX	10/23/1980	2/19/2012
Andre Bouchard, Houston, TX	2/3/1970	9/25/2011	Kay Kramer, Houston, TX	3/3/1993	1/6/2012
Alan R. Boysen, San Antonio, TX	1/28/1962	1/5/2012	Clarence M. Laue, Spring Branch, TX	5/12/1978	11/16/2011
Roy E. Brand, Plano, TX	4/20/1979	7/17/2012	Mark H. Lawley, Texarkana, TX	1/17/1960	6/9/2012
Louis R. Brill, Austin, TX	4/20/1965	6/16/2012	John P. Lawson, Austin, TX	4/21/1966	6/4/2012
James M. Broomas, Houston, TX	4/20/1979	9/17/2011	Oscar Leder, Houston, TX	7/29/1950	5/8/2012
Bobby J. Brown, Denison, TX	7/30/1979	3/15/2012	Neil J. Licalsi, El Paso, TX	9/4/1991	3/25/2012
Patricia W. Buzzell, Amarillo, TX	3/4/1985	1/16/2012	Gordon A. Lowther, Houston, TX	2/4/1964	5/16/2012
Christopher C. Callaway, Blairsville, GA	7/26/1956	7/7/2012	Joe D. McDougald, Houston, TX	7/31/1960	4/2/2012
Irving B. Carrell, Schertz, TX	2/5/1974	1/15/2012	Charles H. McKeon, San Diego, CA	1/23/1950	1/30/2012
Ross J. Codispoti, Dallas, TX	9/6/1989	10/13/2011	Kassandra L. McLean, Houston, TX	7/27/1978	4/2/2012
Walter H. Coleman, Jr., Ennis, TX	1/20/1951	1/7/2012	Robert E. Miller, Spring, TX	9/26/1971	9/26/2011
Tom H. Collins, Jr., Waco, TX	2/1/1969	11/11/2011	Larry D. Moore, Arlington, TX	6/24/1987	3/3/2012
Carlos M. Cunningham, Roswell, NM	8/8/1968	10/6/2011	Gary L. Morrison, Austin, TX	9/21/1973	10/6/2011
Harvey E. De Ford, Austin, TX	7/29/1955	12/15/2011	Melvin S. Motal, Liberty Hill, TX	9/10/2002	9/21/2011
Marty L. Dixon, Odessa, TX	7/11/1975	12/7/2011	William G. Neil, Jr., Houston, TX	7/27/1973	6/12/2012
Philip A. Donisi, Houston, TX	1/30/1958	3/4/2012	John R. Neill, Henderson, TX	3/5/1990	11/19/2011
Herbert W. Drumm, Jr., Waxahachie, TX	1/28/1980	3/28/2012	Myron H. Newman, Houston, TX	8/1/1953	11/30/2011
Frank E. Dubose, Austin, TX	9/14/1977	7/13/2012	Robert J. Nixon, Houston, TX	7/29/1957	8/22/2012
Otto J. Ehrlich, Nacogdoches, TX	7/26/1959	7/4/2012	Kenneth L. Owens, Teague, TX	6/2/1976	4/3/2012
Ottis J. Fagan, Burleson, TX	8/5/1965	11/21/2011	Park E. Pearson, San Antonio, TX	8/3/1971	12/26/2011
Carl B. Fickenscher, Spicewood, TX	6/20/1971	5/5/2012	Daniel J. Petroski, Jr., Houston, TX	4/23/1984	5/26/2012
Joyce H. Flint, Victoria, TX	9/9/1986	10/31/2011	Bertha M. Phillips, Montgomery, TX	1/30/1958	10/12/2011
Lawrence J. Flume, Jr., San Antonio, TX	1/23/1950	3/30/2012	James B. Phillips, Houston, TX	8/20/1997	12/28/2011
Larry W. Folk, Willis, TX	2/3/1970	6/2/2012	Edward Pina, Houston, TX	5/4/2004	7/23/2012
Daniel J. Fries, Houston, TX	9/2/1983	7/31/2012	Thomas H. Puckett, Tyler, TX	1/29/1959	12/6/2011
Dan P. Fulton, Jr., Pearland, TX	7/28/1951	10/3/2011	James H. Richburg, Jr., Spring, TX	1/20/1951	11/16/2011
Betty J. Galyon, San Angelo, TX	5/15/1982	9/8/2011	Charles R. Roberson, Dallas, TX	7/28/1951	12/7/2011
Rena A. Gant, Birmingham, AL	2/14/2008	12/25/2011	William D. Roe, Houston, TX	2/3/1970	7/2/2012
Jerry P. Gilbert, Waco, TX	8/6/1974	5/21/2012	Melvin L. Roloff, Sugar Land, TX	7/31/1960	9/26/2011
George B. Gubernator, San Antonio, TX	7/25/1954	10/5/2011	William T. Roten, Richardson, TX	8/1/1963	11/6/2011
Robert B. Harlan, Llano, TX	3/9/1988	2/1/2012	Laurel A. Roth, Desoto, TX	7/25/1975	6/7/2012
Harold D. Harmon, Granbury, TX	1/30/1961	10/28/2011	Mary L. Saunders, Houston, TX	3/10/1986	1/22/2012
Caroline Hebel, Cypress, TX	9/9/1987	11/6/2011	Julian Savage, Chevy Chase, MD	1/23/1952	2/17/2012
George H. Henry, Austin, TX	8/1/1963	6/10/2012	Martin W. Schmidt, Kingwood, TX	9/11/2000	8/25/2012
Belinda Joyce B. Herron, Tyler, TX	9/5/1984	3/24/2012	Carolyn S. Schoenfield, Houston, TX	7/30/1970	2/20/2012
Nancy C. Hickman, Silsbee, TX	7/30/2004	4/1/2012	Norris R. Scott, Columbia, SC	8/20/1997	1/7/2012
Kay D. Hicks, Houston, TX	1/30/1968	7/27/2012	Stanley J. Scott, Dallas, TX	12/28/1942	11/23/2011
Vernon G. Higginbotham, Lubbock, TX	1/30/1958	7/31/2012	Dona S. Scurry, El Paso, TX	8/4/1980	6/26/2012
James B. Hipple, Shreveport, LA	10/16/1967	11/12/2011	Gladys E. Shaw, El Paso, TX	8/6/1979	9/29/2011
Blaine H. Holcomb, McAllen, TX	1/11/1947	6/18/2012	Burke M. Shea, Jr., Nevada, TX	1/22/1955	1/27/2012

continued on p. 11

Board Rules, Accountancy Act Worthy of Occasional Review

The Public Accountancy Act, passed by the Texas Legislature, is subject to amendment each time the Legislature meets. Board Rules are reviewed thoroughly by the Board every four years, but often amended in the years in between as needed. Together the Act and Rules govern your practice of accountancy in Texas and provide the mandate under which this agency operates. It is smart to review both from time to time to stay current and avoid misunderstandings or misinterpretations. Links to both the Act and Board Rules may be found on the Board home page: www.tsbpa.state.tx.us.

Unauthorized Practice of Public Accountancy (UPPA)

Even CPAs can have UPPA woes if they fail to maintain their licenses in good standing. Good standing means keeping license renewal fees and CPE current and not having enforcement issues that place restrictions on your practice.

Chapter 501 of the Texas Administrative Code contains the Rules of Professional Conduct and, because they are detailed and often amended, they beg for thorough, periodic review. Chapter 501.80, for example, says you cannot practice unless you have a valid license or qualify under a practice privilege. It adds: “. . . A license is not valid for any date or for any period prior to the date it is issued by the board and it automatically expires and is no longer valid after the end of the period for which it is issued.”

Someone who is not in good standing (fees in arrears, insufficient CPE reported) also may not use certain terms reserved by law for CPAs. He or she cannot hold out as a CPA and cannot offer accounting services to the public until the license is restored to good standing.

Neither can a person who has a degree in accounting and/or has passed the CPA exam, but has not yet been issued a certificate, hold himself or herself out as

a CPA or accountant or offer accounting services to the public.

Others who may not have a client practice include those who qualify for retired or permanently disabled status under Rule 515.8. Specifics for CPAs who have defaulted on student loans or who work for certain government bodies are laid out in Rule 515.10 and 515.11, respectively.

Signing Off on Work Experience

Aspiring CPAs in Texas must report a year of “acceptable” work experience before they can be certified, but before you sign off on this, what, exactly, is acceptable work experience? The term *acceptable work experience* is explained in Board Rule 511.122.

To be acceptable, the supervisor must be a CPA in good standing who is experienced in the area in which the candidate is working. If the applicant works where there is no CPA on staff, the employer may engage an outside CPA firm to supervise the work, as long as the supervising firm is not providing attest services to the employer and the CPA is experienced in the area in which the applicant is working.

The work the applicant performs must be “non-routine,” i.e., it must involve attest services or other professional accounting services that require independent judgment and entry-level or higher skills to “select, correct, organize, interpret, and present real-world data as accounting entries, reports, statements, and analyses” in various accounting situations.

Other specifications regarding acceptable experience, reporting, and supervision, such as in industry, government, education, or a law firm, are included in Board Rules 511.122, 511.123, and 511.124. A single internship may not fulfill both the education requirement and the work experience requirement. An applicant’s self-employment does not satisfy the experience requirement.

Before you sign off on an applicant’s work experience, familiarize yourself with the particulars of doing so before work begins.

Reporting Criminal Convictions

If you have been involved in an event that has resulted in adverse findings that cannot be appealed, you must report this to the Board within 30 days of the final resolution of the case. To review the complete list of reportable events, see Board Rule 501.91.

In addition, you must complete the question regarding convictions on your annual renewal and sign the form to complete the renewal and receive your license.

Once again, failure to do so means the renewal is incomplete and the license will not be issued until missing information is provided, and that in turn means you are no longer in good standing and may not practice public accountancy or hold out as a CPA until the matter is resolved.

Firm Licenses and Peer Review

The need for and requirements for maintaining a firm license may be found in Subsection H of the Public Accountancy Act, which begins [901.351(a)]:

A firm may not provide attest services or use the title “CPAs,” “CPA Firm,” “Certified Public Accountants,” “Certified Public Accounting Firm,” or “Auditing Firm” or a variation of one of those titles unless the firm holds a firm license issued under this subchapter or practices in this state under a privilege under Section 901.461.

Section 901.461 continues by listing accounting functions that cannot be performed without a firm license, which includes attestations, financial reports, and audits. Any firm that establishes an office in Texas to perform one of these functions must hold a firm license and participate in peer review. Chapter 527 of the Board Rules sets out all the requirements for Peer Review.

ENFORCEMENT ACTIONS

Taken by the Board on September 20, 2012

A. AGREED CONSENT ORDERS

BEHAVIORAL ENFORCEMENT COMMITTEE

1. Investigation No.: 11-10-18L
Respondent: Scott Newman Cannon
Hometown: Duncanville
Certificate No.: 024685
Rule Violation: 501.93
Act Violations: 901.502(6)
 901.502(11)

Respondent entered into an Agreed Consent Order with the Board whereby Respondent was reprimanded. In addition, Respondent must pay \$2,000 in administrative penalties.

Respondent failed to respond to Board communications provided by letters dated October 31, 2011, December 8, 2011, and January 26, 2012.

2. Investigation No.: 11-12-11L
Respondent: Robert Diaz

Hometown: El Paso
Certificate No.: 062725
Rule Violation: 501.81
Act Violations: 901.502(3)
 901.502(6)

Respondent entered into an Agreed Consent Order with the Board whereby Respondent was reprimanded and placed on limited scope status, under which Respondent cannot provide any attest services until such time as Respondent obtains a firm license and enrolls in peer review. After Respondent obtains a firm license and enrolls in peer review, Respondent's attest work is subject to pre-issuance review. In addition, Respondent must pay \$5,000 in administrative penalties and \$246.21 in administrative costs within 30 days of the date of the Board order.

Respondent's firm performs audits and offers accounting services to the public as a CPA firm without a valid firm license issued by the Board. The firm's license has not been renewed since 2004.

3. Investigation No.: 11-09-09L
Respondent: Luis Ricardo Hernandez
Hometown: Brownsville
Certificate No.: 029322
Rule Violation: 501.90(7)
Act Violations: 901.502(6)
 901.502(9)
 901.502(11)

Respondent entered into an Agreed Consent Order with the Board whereby Respondent was placed on probated suspension for a period of 40 months beginning on September 20, 2012. In addition, Respondent must pay \$2,000 in administrative penalties within 30 days of the date of the Board order.

Respondent was suspended by the IRS for at least 40 months from May 26, 2011, for the willful failure to timely file federal income tax returns for 2004 and 2005 and for failure to file federal income tax returns for 2006 and 2007.

4. Investigation No.: 12-01-21L
Respondent: Bryan Nicholas Polozola
Hometown: Richardson
Certificate No.: 079311
Rule Violations: 501.90(4)
 501.90(13)
Act Violations: 901.502(6)
 901.502(10)
 901.502(11)

Respondent entered into an Agreed Consent Order with the Board whereby Respondent's certificate was revoked.

Respondent pled guilty to one count of making a false statement to government officials in violation of 18 U.S.C. §1001, a felony offense. Respondent told government officials that he was unaware of a payment made on his behalf to his former employer (Respondent once worked as Controller and Financial and Operations Principle for a company regulated by the NASD),

- ✓ Accountant/Accounting
- ✓ Certified Public Accountant or CPA
- ✓ Audit/Auditor/Auditing

Only Board licensees can legally use these terms in offering their services to the public. If you suspect unauthorized use of these terms or their derivatives, call the Board at 512-305-7866.

Help Us Identify the Unauthorized Practice of Public Accountancy

ENFORCEMENT ACTIONS

when in fact his attorney made a payment of \$49,350 to his former employer in order to compensate the former employer for monies Respondent converted to his own use.

5. Investigation No.: 12-07-25L
Respondent: Loren Mark Price
Hometown: Richardson
Certificate No.: 045889
Rule Violation: 501.91
Act Violations: 901.502(6)
 901.502(10)

Respondent entered into an Agreed Consent Order with the Board whereby Respondent's certificate was revoked.

On October 12, 2011, Respondent was convicted of a third-degree felony. Respondent is serving a four-year sentence in state prison. Respondent failed to report the conviction within 30 days of the date on which he had knowledge of the event.

6. Investigation No.: 12-07-15L
Respondent: Samuel M. Sullivan
Hometown: Houston
Certificate No.: 044473
Rule Violation: 501.90(4)
Act Violations: 901.502(6)
 901.502(10)
 901.502(11)

Respondent entered into an Agreed Consent Order with the Board whereby the Board accepts Respondent's involuntary surrender of his certificate in lieu of further disciplinary proceedings.

Respondent entered into a deferred adjudication agreement regarding a third degree felony.

TECHNICAL STANDARDS REVIEW COMMITTEE

1. Investigation Nos.: 11-08-20L & 11-08-21L
Respondents: Walter Dean Davis, III, & Walter D. Davis (Firm)

Hometown: Houston
Certificate No.: 020029
Firm License No.: T05248 & C08083
Rule Violations: 501.60
 501.74
Act Violation: 901.502(6)

Respondents entered into an Agreed Consent Order (ACO) with the Board whereby Respondent Davis and the firm of Walter D. Davis were reprimanded and placed on limited scope. Under the ACO Respondent Davis and all firms managed by Respondent Davis may not issue audit or review reports of state and federally funded entities until they have been reviewed and accepted for release to a client by a pre-approved pre-issuance reviewer, from the date of ratification of this ACO until the date the Board ratifies an agreement to remove the scope limitation. Respondent Davis must also pay administrative costs of \$2,255.70 within 30 days of the date of the order.

Respondents issued two audits of state and federally funded entities that did not adequately support the representations made in the audit

reports, and the supporting work papers did not comply with Generally Accepted Government Auditing Standards.

2. Investigation Nos.: 11-03-14L & 11-03-15L
Respondents: Richard Phillip Lindsay & Richard P. Lindsay, P.C. (Firm)
Hometown: Houston
Certificate No.: 015131
License No.: C01185
Rule Violations: 501.60
 501.74
 501.93
 527.4
Act Violations: 901.502(6)
 901.502(11)
 901.502(12)

Respondents entered into an Agreed Consent Order (ACO) with the Board whereby Respondent Lindsay was reprimanded and his certificate and the Respondent firm license were placed on limited scope status until petition for

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ENFORCEMENT ACTIONS

removal is approved. Respondents are prohibited from performing attest services as defined at Section 901.002 of the Texas Public Accountancy Act. In addition, Respondent Lindsay must pay an administrative penalty of \$5,000 and \$9,694.98 in administrative costs within 30 days of the date the Board ratified the order.

Respondent firm issued an audit of an engineering firm for the year ended December 31, 2009, that did not adequately support the representations made in the audit report, and the supporting work papers did not comply with Generally Accepted Government Auditing Standards. Respondent firm falsely claimed an exemption from peer review, and Respondent Lindsay did not timely respond to Board communications.

3. Investigation Nos.: 10-12-03L & 11-01-17L
Respondents: Travis Wolff & Co., LLP
Firm License No.: P04393 (Respondent Firm) & Travis Wolff, LLP Firm
Hometown: Dallas
License No.: P05530 (Successor Firm)
Rule Violations: 501.60
501.74
501.93
Act Violation: 901.502(6)

The Board orders that the Respondent firm and the Successor firm of Travis Wolff, LLP, be reprimanded. In addition, the Successor firm must pay an administrative penalty of \$25,000 and \$80,983.30 in administrative costs within 30 days of the date of the Board Order.

Respondent firm did not comply with applicable professional standards and exercise due professional care in regard to audits of the Townes Group for the years 2000, 2001, and 2002. The Successor firm failed to abide by the terms of an abatement agreement between the Board and the Respondent firm.

B. AGREED CEASE AND DESIST ORDERS

1. Investigation No.: 12-06-14N
Respondent: Ray Mendoza d/b/a Ray Mendoza P.C.
Hometown: El Paso
Act Violations: 901.453
901.456

Respondent entered into an Agreed Cease and Desist Order with the Board whereby Respondent will cease and desist from providing attest services and using reserved terms.

Respondent used the term "accounting" to assert an expertise in accounting and performed an attest service although Respondent does not hold a license in Texas.

2. Investigation No.: 12-06-28N
Respondent: Robert Bomar d/b/a Bomar Consulting Service
Hometown: Midland
Act Violation: 901.453

Respondent entered into an Agreed Cease and Desist Order with the Board whereby Respondent will cease and desist from providing attest services and using reserved terms.

Respondent used the term "accounting" to assert an expertise in accounting although Respondent does not hold a license in Texas.

3. Investigation No.: 12-06-35N
Respondent: IMA Tax & Financial Services, Inc.
Hometown: Dallas
Act Violation: 901.453

Respondent entered into an Agreed Cease and Desist Order with the Board whereby Respondent will cease and desist from providing attest services and using reserved terms.

Respondent used the terms "audit" and "accounting" to assert an expertise

in accounting although Respondent does not hold a license in Texas.

4. Investigation No.: 12-07-46N
Respondent: Fidel Bacigalupo d/b/a Latinsurance
Hometown: McKinney
Act Violations: 901.453
901.456

Respondent entered into an Agreed Cease and Desist Order with the Board whereby Respondent will cease and desist from providing attest services and using reserved terms.

Respondent used the terms "auditing" and "accounting" to assert an expertise in accounting and offered to provide attest services although Respondent does not hold a license in Texas.

C. CEASE AND DESIST ORDERS

1. Investigation No.: 11-08-28N
Respondents: Cynthia Pullo Porter, Cassandra Jean Pullo & Accurate Accounting, LLC
Hometown: Plano
Act Violation: 901.453

Board staff initiated an investigation of this matter based on evidence discovered during a routine online search. Staff found that Respondents were using a term reserved by the Act for individuals and entities holding licenses issued by the Board. Board staff determined that Respondents have not held individual or firm licenses issued by the Board during all relevant times.

During the relevant times, Respondents used the term "accounting" to assert an expertise in accounting. This action constitutes a violation of Public Accountancy Act Section 901.453. Respondents also offered services to the public that involve the use of accounting, attest or auditing skills, including tax services. Offering these services while

ENFORCEMENT ACTIONS

representing to potential clients that they are licensed by the Board is the practice of public accountancy under Section 901.003 of the Public Accountancy Act.

Respondents repeatedly ignored the Board's attempts to gain their compliance with Texas law. Due to that fact, it was necessary for the Board to immediately issue a Cease and Desist Order against Respondents.

2. Investigation No.: 12-03-02N
Respondents: Larry O'Donnell & Larry O'Donnell, C.P.A., P. C.
Hometown: Aurora, CO
Act Violations: 901.351
901.354
901.451
901.462

Board staff initiated an investigation of this matter based on evidence that Respondent provided an attest service in Texas without holding a license issued by the Board.

Respondent signed the SEC 10-K filing Independent Auditor's Report for one or more companies that list their principal place of business as Texas in their SEC 10-K filings. Respondent is not licensed in Texas. Under the Texas Public Accountancy Act, signing an

Independent Auditor's Report for a publicly traded U.S. company's 10-K filing is considered an attest service. [See Act Section 901.002(a)(1)]. All firms providing attest services in Texas are required to be licensed in Texas.

Respondent repeatedly ignored the Board's attempts to gain compliance with Texas law. Due to that fact, it was necessary for the Board to immediately issue a Cease and Desist Order against Respondent.

D. MOTION FOR REHEARING

• **SOAH Docket #:** 457-09-3225
Investigation No.: 07-05-24L
Respondent: Rodrick Dow
Hometown: Houston
Certificate No.: 045425

At the July 19, 2012, Board meeting, the Board adopted an order ratifying the recommendations of an Administrative Law Judge to issue to Rodrick Dow a two-year probated suspension and reprimand, require 15 hours of additional CPE, and require \$10,000 in administrative penalties and \$9,769.10 in administrative costs.

Mr. Dow filed a Motion for Rehearing (MFR). The Administrative Procedure Act requires the MFR to be filed not later than the 20th day after having been notified of the Board order. *The MFR was*

not timely filed. Mr. Dow's MFR was filed with the Board on August 20, 2012, and the last date that it would have been a timely filing was August 14, 2012.

Once an order of an administrative agency is final, i.e., August 14, 2012, the administrative agency loses its authority to consider an MFR or revisit its prior order in any way. Therefore, the Board lacked the authority to consider and took no action on the MFR.

E. PROPOSAL FOR DECISION

• **SOAH Docket #:** 457-09-3225
Investigation Nos.: 08-08-13L & 08-08-14L
Respondents: John A. Blakeway & John Andrew Blakeway, CPA
Hometown: Kennedale
Certificate No.: 010419
Firm License No.: S00550

The State Office of Administrative Hearings Administrative Law Judge (ALJ) issued a Proposal for Decision (PFD) recommending that the complaint against Respondents be dismissed. The Board adopted the recommendations contained in the ALJ's PFD.

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ENFORCEMENT ACTIONS

CPE ACTIONS

The certificate of each respondent listed below was not in compliance with the Board's CPE requirements as of the date of the Board meeting. Each respondent was suspended for the earlier of a period of three years or until the respondent complies with the licensing requirements of the Act. Additionally a \$100 penalty was imposed for each year the respondent continued to be in non-compliance with the Board's CPE requirements. The respondents were found to be in violation of Section 523.111 (*Mandatory CPE Reporting*) and 501.94 (*Mandatory CPE*) of the Board's Rules, as well as Section 901.411 (*Continuing Professional Education*) of the Act.

Respondent / Location	Board Date	Respondent / Location	Board Date
Stephen Lloyd Belken, Flower Mound, TX	09/20/2012	Shelia Daniel Dierschke, Port Lavaca, TX	09/20/2012
Claudia Louise Boles, Austin, TX	09/20/2012	Thomas Lowery Easley, Houston, TX	09/20/2012
Robert Jacob Bourgeois, Fort Worth, TX	09/20/2012	Garland Bruce Hilton, III, Austin, TX	09/20/2012
Michelle Lynn Brannon, Marshall, TX	09/20/2012	Sandra K. Hunt-Kanaan, Dallas, TX	09/20/2012
Lisa Gail Bullock, Houston, TX	09/20/2012	Walter Bonnell Knebel, Livingston, TX	09/20/2012
Kevin Shannon Canty, San Antonio, TX	09/20/2012	Thomas Tyler McEntire, Cypress, TX	09/20/2012
Philip Wayne Cook, Fort Worth, TX	09/20/2012	Mark Allen McGuire, Arlington, TX	09/20/2012
William Thomas Cotten, Burnet, TX	09/20/2012	Susan M. Neves, Lubbock, TX	09/20/2012
Jon David Cunningham, Prosper, TX	09/20/2012	Wesley Ted Sinclair, Corinth, TX	09/20/2012
Joy Dean, Burseson, TX	09/20/2012	Julie Lyn Tadlock, New Berlin, WI	09/20/2012
Lou Ann Deupree, Spring, TX	09/20/2012		

THREE-YEAR DELINQUENT ACTIONS

The respondents listed below violated Sections 901.502(4) (*Grounds for Disciplinary Action*) of the Act when they failed to pay license fees for three consecutive license periods. The certificate of each respondent was revoked without prejudice as the respondent was not in compliance as of the Board meeting date. 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.

Respondent / Location	Board Date	Respondent / Location	Board Date
Steven Max Andrus, Salt Lake City, UT	09/20/2012	Brad Helbig, San Marcos, TX	09/20/2012
Leslie M. Arnold, Cedar Park, TX	09/20/2012	Jay Dale Hiebert, San Marcos, TX	09/20/2012
Timothy R. Atherton, Houston, TX	09/20/2012	Michael Howe, Houston, TX	09/20/2012
Ruth Ann Loy Butler Balcer, Fair Oaks Ranch, TX	09/20/2012	Matthew John Kline, Dallas, TX	09/20/2012
Alicia Estelle Bantaa, Hammond, LA	09/20/2012	Nicolle Deann Konkell, St. Marys, KS	09/20/2012
Andrew Joseph Barkley, Jr., Cumming, GA	09/20/2012	Shilpa Sandeep Ladha, Irving, TX	09/20/2012
Susan Skladany Berger, La Jolla, CA	09/20/2012	Luzviminda Langevin, Dallas, TX	09/20/2012
Kathleen Susanne Brown, Jacksonville, FL	09/20/2012	Alex Jeronimo Llorente, Laguna Hills, CA	09/20/2012
George Fisher Bushee, Jr., Belton, TX	09/20/2012	Joe W. Loftin, The Woodlands, TX	09/20/2012
James Christian Coleman, Lubbock, TX	09/20/2012	Valerie Concepcion Navarro, Houston, TX	09/20/2012
Marci Aurora Day, San Antonio, TX	09/20/2012	Steven Michael O'Brien, Dallas, TX	09/20/2012
Linda Gatlin Diehl, Colleyville, TX	09/20/2012	James Patrick O'Neil, Fort Worth, TX	09/20/2012
Ramona Marie Drent, Fort Worth, TX	09/20/2012	Emily Ozog, Park City, UT	09/20/2012
Jacqueline Graves Taylor Elliott, Houston, TX	09/20/2012	Karen D. Pinkham, Flower Mound, TX	09/20/2012
Paul Joseph Fazio, Sachse, TX	09/20/2012	John Robert Ragsdale, Katy, TX	09/20/2012
Rayburn Allen Fulks, Daingerfield, TX	09/20/2012	Susan Fletcher Salter, Flint, TX	09/20/2012
Simi Gupta, Campbell, CA	09/20/2012	John Joseph Savickas, Granbury, TX	09/20/2012
Melissa Jane Radzikowski Haddox, Cypress, TX	09/20/2012	Kimberly Rae Shackelford, Dallas, TX	09/20/2012
Steven Voigt Hall, Phoenix, AZ	09/20/2012	David Geoffrey Shaw, Cedar Park, TX	09/20/2012
Marcia Beck Harris, Moraga, CA	09/20/2012	Thomas Neaves Shepherd, Charlotte, NC	09/20/2012
Anne O'reilly Hedde, Basking Ridge, NJ	09/20/2012	Craig Michol Simons, Las Cruces, NM	09/20/2012
		Anthony Joseph Stankus, Jr., Houston, TX	09/20/2012
		Vanny Ha Stocco, Coppell, TX	09/20/2012

continued on next page

ENFORCEMENT ACTIONS

Respondent / Location	Board Date	Respondent / Location	Board Date
Kevin Michael Stotts, Marblehead, MA	09/20/2012	William John Tomberlin, El Paso, TX	09/20/2012
Linda Rae Stout, Little Elm, TX	09/20/2012	Daniel Wayne Woods, Houston, TX	09/20/2012
Todd Gregory Szalkowski, Coppell, TX	09/20/2012	Annie Suk-Fun Lui Yip, Hoboken, NJ	09/20/2012

FAILURE TO COMPLETE LICENSE RENEWAL

The respondents failed to complete their license renewal notices in accordance with Board Rule 515.3 (*License Renewals for Individuals and Firm Offices*). Following a public hearing, an Administrative Law Judge (ALJ) of the State Office of Administrative Hearings recommended that the certificate of each respondent not in compliance be revoked without prejudice until such time as the respondent complies with the requirements of the Rules and the Act. The ALJ found that the respondents violated Section 901.502(12) (regarding violations of Board Rules) of the Act. The respondents, although properly notified, failed to appear in person or by authorized representative.

Respondent / Location	Board Date	Respondent / Location	Board Date
Adam Arthur Gauvin, Houston, TX	09/20/2012	Curtis Marvin Hellenbrand, Jr., Rancho Palos Verdes, CA	09/20/2012

In Memoriam / continued from p. 4

<i>Name, Location</i>	<i>Date Licensed</i>	<i>Date of Death</i>	<i>Name, Location</i>	<i>Date Licensed</i>	<i>Date of Death</i>
Marion L. Shilling, Tyler, TX	8/1/1967	10/31/2011	Patricia N. Tully, Bulverde, TX	3/9/1988	10/1/2011
William A. Sikora, Houston, TX	9/10/1975	9/14/2011	John T. Valentine, Austin, TX	3/24/1975	4/28/2012
Robert D. Spear, El Paso, TX	11/21/1981	1/25/2012	Steven P. Valerius, La Porte, TX	7/12/1978	5/10/2012
Kenneth E. Staples, Fort Worth, TX	1/23/1952	12/7/2011	Clifford P. Vorwerk, Katy, TX	7/30/1962	10/18/2011
Lowell W. Stephens, Fort Worth, TX	8/8/1952	6/3/2012	Paul T. Walthall, San Antonio, TX	1/28/1957	11/12/2011
William S. Stinson, Kingwood, TX	1/29/1979	9/7/2011	Jack P. Westerfield, Houston, TX	7/31/1958	11/9/2011
Thomas J. Stone, El Paso, TX	10/8/1970	4/3/2012	William K. Wheeler, Houston, TX	1/6/1977	5/7/2012
Gerard B. Stuecker, Houston, TX	9/5/1984	5/8/2012	David R. White, Waco, TX	7/1/1983	11/24/2011
Edgar L. Tarrant, Onalaska, TX	1/13/1997	11/1/2011	Stanley A. Wisener, Carrollton, TX	9/9/1986	12/17/2011
Tommy T. Thomas, Shreveport, LA	3/15/2004	1/23/2012	Bruce C. Wood, Arlington, TX	10/12/1994	10/14/2011
Walter B. Thurmond, Houston, TX	4/14/1978	5/3/2012	Oleta M. Woods, Iola, TX	1/17/1948	12/23/2011
Alton M. Toombs, Austin, TX	1/20/1951	12/15/2011	Jesse P. Wooten, Lubbock, TX	6/12/1981	1/28/2012
Steven B. Toon, Houston, TX	9/2/1983	10/10/2011	Zhenwen Zhou, Missouri City, TX	9/4/1991	12/9/2011
William G. Tudor, Dallas, TX	1/22/1955	8/28/2012			

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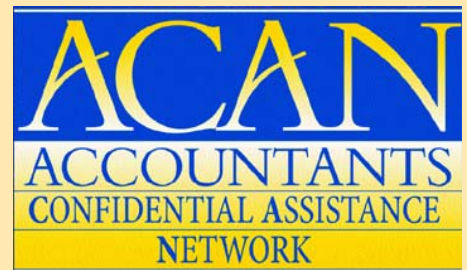
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