

## Board adopts new ethics rules

**A**t a public hearing on March 16, 2004 the Board heard public comments on its proposed new ethics rules. After minor modifications, the Board adopted the rules at its March 18 meeting.

The rules are the end result of many months of effort by the Board's Continuing Professional Education Committee and Rules Committee which rewrote the requirements for the mandatory ethics course. The new course is an attempt to raise the level of ethical reasoning utilized daily in the practice of public accounting.

A task force under the direction of the CPE Committee's chair, Melanie Thompson, and the Board's presiding officer, Bill Atkinson, performed the in-depth research and analysis that went into their recommendations to the CPE Committee. The CPE Committee undertook the initial draft of the rules which included the task force's recommendations. The draft was then considered by the Rules Committee, chaired by Board member April Eyeington. The Board adopted the rules on first reading at the January 15, 2004 Board meeting.

During the development of these rules, several individuals stated that there is no need to expand the ethics course beyond a rules-based course because, they said, "You can't teach ethics to adults." These individuals believe that CPAs come into the profession with their ethics firmly established and that those ethics cannot be advanced through a four-hour ethics course.

The Board, however, believes that people change throughout all stages of life. Moral development does not stop at a specific point in time. Young people just starting in the profession tend to be idealistic, but exposure to client pressure often makes them less so as time goes on. Ethical principles and ethical reasoning need to be regularly reinforced to prevent stagnation. Through the ethics course, the Board seeks to reinforce the use of ethical principles and ethical reasoning within the framework of the Board's *Rules of Professional Conduct*.

Following are issues brought up during the public hearing and during the exposure periods required by Texas law prior to the adoption of a Board rule.

### ISSUE 1: *Why require ethics instructors to have six semester hours of college ethics?*

Based on issues raised prior to and during the public hearing, it was obvious that there was a misinterpretation of the Board's intention for instructor qualifications. Following the hearing, *Section 523.132 (Board Contracted Ethics Instructors After January 1, 2005)* was reworded to state:

*" . . . at the time of application or by June 30, 2005, whichever is later, obtained education in ethics substantially equivalent to a minimum of 6 hours of credit from an accredited University, College or Community College, of which at least three hours must be in organizational ethics . . . "*

### ISSUE 2: *Why require instructors to have two or more semesters of college level teaching experience?*

Substantial equivalency is available to those who have taught adults for a similar duration in an



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environment that would encourage development of the requisite teaching skills. The purpose is to insure that the ethics course is not the first course ever taught by the prospective instructor. While the Board agrees that college-level teaching experience is no guarantee of a good instructor, it is a better predictor than no teaching experience at all. The Board realizes that a few instructors may not meet the literal requirements for educational and teaching experience, but have other experience that would make them equally effective ethics instructors. The Board needs the flexibility to retain these qualified instructors while setting high standards for instructor qualifications.

**ISSUE 3: *Why does representing a respondent in a Board disciplinary matter create an appearance of a conflict of interest for an ethics instructor?***

Because ethics instructors are under contract with the Board, it wants to avoid the appearance of a conflict of interest by not allowing contracted ethics instructors to represent parties in disciplinary disputes before the Board. See *Section 523.132(b)(5)* on page 4.

**ISSUE 4: *Why should the requirements for ethics instructors be any different from those for other CPE courses?***

CPE instructors should have the requisite education and teaching skills to teach their respective CPE subjects. The Board is addressing the quality of all CPE courses through its Sponsor Review Oversight Board. The process will ensure the quality of all CPE courses and instructors.

**ISSUE 5: *Why require a four-hour course?***

The four-hour course is a starting point. The new course may prove to be too short, but the Board wants to try to meet its objectives in a four-hour course before imposing a longer course. The Board will continue to study the effectiveness of the four-hour course.

**ISSUE 6: *Won't the increase in duration and frequency increase costs for Texas CPAs?***

The Board believes that any cost increase will be minimal. The current requirement is that CPAs take 120 hours of CPE in a three-year period, two of which must be Board-approved ethics. The change merely increases the number of hours that must be in ethics, not the overall number of required hours. The cost for a live instructor or interactive computer format ethics course is not anticipated to be any more than for a similarly formatted course in another area.

**ISSUE 7: *Why exclude as instructors CPAs who have been disciplined by the Board for a violation of the Rules of Professional Conduct?***

The Board seeks ethics instructors with the highest standards of professional conduct. CPAs who violate the *Rules of Professional Conduct* do not exhibit that trait. Temporary suspension of a license for non-payment of license fees is not a violation of the *Rules of Professional Conduct* that would bar a CPA from becoming an ethics instructor.

**ISSUE 8: *Why can't an ethics instructor use the course as a marketing tool?***

The Board has no objection to an ethics instructor benefiting from the name exposure that comes with teaching an ethics course. What the Board does object to is the commercial exploitation of a state-sponsored function for the instructor's promotion of other products and services.

It has been suggested that such a prohibition is an illegal restraint on commercial free speech. Commercial free speech gives one the right to advertise their products and services. It does not, however, require the Board to provide a venue in which to promote private product lines and services. The purpose of the ethics course is to reinforce and actively encourage ethical behavior in CPAs, not to provide a captive audience for commercial exploitation by the instructor.

The new rules do not deny any provider the right to offer a course on the Board's rules and how to circumvent them, or a course based on "how to stay out of trouble with the Board." The Board believes that such a course is not consistent with its goal of protecting the public. Therefore, such a course would not qualify for credit to satisfy the ethics course requirement. However, a CPA who wishes to take such a course can still obtain credit for non-technical CPE.

The new rules concerning ethics courses follow:

### Section 523.130. Board Rules and Ethics Course

- (a) An individual applying for certification or registration must complete a board-approved four hour ethics course designed to thoroughly familiarize the applicant with the board's *Rules of Professional Conduct* no more than six months prior to submission of the application. Proof of completion of this course must be submitted with the application.
- (b) Prior to January 1, 2005, every licensee must take a board approved two hour ethics course on the board's *Rules of Professional Conduct* every three years. Licensees shall report completion of the course on the annual license renewal notice at least every third year.
- (c) Beginning on January 1, 2005, every licensee must take a four hour ethics course that has been approved by the board pursuant to *Section 523.131* of this title (relating to *Board Approval of Ethics Course Content after January 1, 2005*) every two years. Licensees shall report completion of the course on the annual license renewal notice at least every second year and have until their first license renewal date after January 1, 2007 in which to report completion of the four hour course.
- (d) A licensee granted retired, permanent disability, or other exempt status is not required to complete the ethics course during the licensee's exempt status. When the exempt status is no longer applicable, the individual must complete an ethics course approved by the board and report it on the license renewal notice if due.
- (e) A certificate or registration holder who resides in the state of Texas must take the ethics course in a live instructor format or in an interactive computer-based format as defined in *Section 523.102(b)(5)* of this title (relating to *CPE Purpose and Definitions*).
- (f) A certificate or registration holder who does not reside in the state of Texas must take the course in either a live instructor format or a computer-based interactive format as defined in *Section 523.102(b)(5)* of this title (relating to *CPE Purpose and Definitions*) or obtain a written exemption from the board.

### Section 523.131. Board Approval of Ethics Course Content after January 1, 2005

- (a) Effective January 1, 2005 the content of an ethics course designed to satisfy the ethics CPE requirements of *Section 523.130* of this title (relating to *Board Rules and Ethics Course*) must be submitted to and approved by the board. Course content shall be approved only after the developer of the course demonstrates that the course meets the following objectives:
  - (1) the course shall be designed to teach CPAs to achieve and maintain the highest standards of ethical conduct through ethical reasoning;
  - (2) the course shall be designed to teach the core values of the profession: integrity, objectivity and independence, as ethical principles in addition to rules of conduct;
  - (3) the course shall be designed to teach compliance with the spirit and intent of the board's *Rules of Professional Conduct*, in addition to technical compliance with the *Rules*; and
  - (4) the course shall address ethical considerations and the application of the board's *Rules of Professional Conduct* to all aspects of professional accounting work whether performed by CPAs in client practice or CPAs who are not in client practice.
- (b) To meet the objectives of subsection (a) of this section, a course must include components that cover:
  - (1) ethical principles and values;
  - (2) ethical reasoning and dilemmas;
  - (3) the board's *Rules of Professional Conduct* with special focus on recent changes in those rules; and
  - (4) case studies that require application of ethical principles, values, and ethical reasoning within the context of the board's *Rules of Professional Conduct*.
- (c) To be approved, the course must be taught in either a live instructor format or a computer-based interactive format, as defined in *Section 523.101(b)(5)* of this title (relating to *CPE Purpose and Definitions*).
- (d) Each ethics course approved pursuant to this section will be reevaluated at least every three years or earlier as required by the board.
- (e) As a part of each course, the sponsor shall administer a test to determine whether the

program participants have obtained a basic understanding of the course content, including the need for a high level of ethical standards in the accounting profession.

(f) A sponsor of an ethics course approved by the board pursuant to this section shall comply with the board's rules concerning sponsors of CPE and shall provide its advertising materials to the board's CPE committee for approval. Such advertisements shall:

- (1) avoid commercial exploitation;
- (2) identify the primary focus of the course; and
- (3) be professionally presented and consistent with the intent of *Section 501.82* of this title (relating to *Advertising*).

### **Section 523.132. Board Contracted Ethics Instructors after January 1, 2005**

(a) Effective January 1, 2005, the board may contract with any instructor wishing to offer an ethics course approved by the board pursuant to *Section 523.131* of this title (relating to *Board Approval of Ethics Course Content after January 1, 2005*) who can demonstrate that:

- (1) the instructor is a certified public accountant licensed in Texas and has completed the board's ethics training program within the last three years or as required by the board;
- (2) the instructor has never been disciplined for a violation of the board's *Rules of Professional Conduct*; and
- (3) the instructor is qualified to teach ethical reasoning because he has:
  - (A) experience in the study and teaching of ethical reasoning; and
  - (B) formal training in organizational or ethical behavior instruction.

(b) An instructor demonstrates that he is qualified to teach ethical reasoning upon proof that he has:

- (1) at the time of application or by June 30, 2005, whichever is later, obtained education in ethics substantially equivalent to a minimum of 6 hours of credit from an accredited University, College or Community College, of which at least three hours must be in organizational ethics;
- 2) teaching experience that is substantially equivalent to two or more full time semesters teaching experience at an accredited University, College or Community College;
- (3) spent at least ten years performing accountancy related activities as a licensed CPA;
- (4) no record of discipline for violation of the rules of professional conduct of the American Institute of Certified Public Accountants, the Texas Society of Certified Public Accountants or other national or state accountancy organization recognized by the board; and
- (5) goals and interests consistent with the board's purpose of protecting the public interest pursuant to the provisions of the *Public Accountancy Act*.

(c) The board may refuse to contract, refuse to renew a contract or cancel the contract of any instructor who has engaged in conduct rendering that instructor unsuitable for teaching ethics.

(d) **Interpretive comments:** To have goals and interests consistent with the board's purpose of protecting the public interest pursuant to the provisions of the *Public Accountancy Act* an instructor must refrain from using the instruction of an ethics course as a marketing tool for other products and services offered by the instructor. An instructor must be free from conflicts of interest with the board in both fact and appearance. Representation of a respondent or a complainant in a disciplinary proceeding pending before the board creates the appearance of a conflict of interest.

### **Section 523.133. Course Content and Board Approval**

(a) Before a provider of CPE can offer the board Rules and Ethics Course, the content of the course must be submitted to and approved by the CPE committee of the board for initial approval and every three years thereafter. Course content shall be approved only after demonstrating, either in a live instructor format or a computer-based interactive format, as defined in *Section 523.102(c)(5)* of this title (relating to *CPE Purpose and Definitions*), that the course contains the underlying intent established in the following criteria.

(1) The course shall encourage the certificate or registration holder to educate himself or herself in the ethics of the profession, specifically the *Rules of Professional Conduct* of the board.

(2) The course shall convey the intent of the board's *Rules of Professional Conduct* in the certificate or registration holder's performance of professional services, and not mere technical compliance. A certificate or registration holder is expected to apply ethical judgment in interpreting the rules and determining the public interest. The public interest should be placed ahead of self-interest, even if it means a loss of job or client.

(3) The primary objectives of the board Rules and Ethics Course shall be to:

(A) emphasize the ethical standards of the profession, as described in this section;

and

(B) review and discuss the board's *Rules of Professional Conduct* and their implications for certificate or registration holders in a variety of practices, including:

(i) a certificate or registration holder engaged in the client practice of public accountancy who performs attest and non-attest services, as defined in *Section 501.52* of this title (relating to *Definitions*);

(ii) a certificate or registration holder employed in industry who provides internal accounting and auditing services; and

(iii) a certificate or registration holder working in education or in government accounting or auditing.

(4) The Board Rules and Ethics Course shall meet the requirements of the board's CPE rules as described in this chapter (relating to CPE). Prior to offering and scheduling an approved Board Rules and Ethics Course, a sponsor shall:

(A) ensure that the instructor is a certified public accountant licensed in Texas or that the instructor is team teaching with a certified public accountant licensed in Texas and that both have completed the board's ethics training program at least every three years or as required by the board. This subsection is prospective only;

(B) ensure that the instructor's certificate or license has never been suspended or revoked for violation of the *Rules of Professional Conduct*; and

(C) provide its advertising materials to the board's CPE Committee for approval. Such advertisements shall:

(i) avoid commercial exploitation;

(ii) identify the primary focus of the course; and

(iii) be professionally presented and consistent with the intent of *Section 501.82* of this title (relating to *Advertising*).

(b) Board Rules and Ethics Courses will be reevaluated every three years or as required by the board.

(c) At the conclusion of each course, the sponsor shall administer a test to determine whether the program participants have obtained a basic understanding of the course content, including the need for a high level of ethical standards in the accounting profession.

## Who developed these rules?

A number of Board committees and a special task force worked to develop the new ethics course rules.

Board member **Coalter Baker** chaired the task force, which included Board members **April Eyeington**, **Paula Mendoza**, and **Ed Summers**. Other members of the task force were **Ray Clay**, **Gary McIntosh**, **Murphy Smith**, and **Allison Taylor**.

The CPE Committee is chaired by Board member **Melanie Thompson**. Other Board members on the committee are **Coalter Baker**, **Paula Mendoza**, and **John Walton**. The advisory members are **Jerry Davis**, **Charles Holder**, **Thomas Oliver**, and **Bill Patton**.

Board member **April Eyeington** chairs the Rules Committee; others on the committee are **Coalter Baker**, **Marcela Donadio**, **David Duree**, **Orville Mills**, and **Melanie Thompson**.

The Texas Legislature in 2003 directed the Board to report to the next legislative session on the mandates of *Section 29* of the new *Public Accountancy Act*. This section requires the Board to study and recommend appropriate SOX-like provisions in a report to the Governor, Lt. Governor, and Speaker of the House on “the requirements of the federal *Sarbanes-Oxley Act* (Pub. L. No. 107-204), including any restrictions on public interest entities, and any legislation or other action needed to conform state law to the requirements of that Act.” Additionally, the Board is to report on the GAO study on audit firm rotation and any legislation or other action necessary to conform state law to that study, as well as Board rules adopted which are intended to comply with SOX legislation.

The Board’s report on *Section 29* is due by December 31, 2004.

Billy M. Atkinson, CPA, the Board’s presiding officer, formed a task force to assist the Board in carrying out the *Section 29* mandate. The task force is comprised of both regulators and professionals who are contributing to this effort to safeguard the public interest.

The TSBPA’s *Sarbanes-Oxley Act* task force has met twice in 2004 and has reviewed and is studying the AICPA’s Professional Ethics Enforcement Committee’s definition of a “public interest entity” (see sidebar). It is also studying the costs associated with the SOX implementation, both to affected entities and to state regulatory bodies.

The task force is reviewing legislative intent to determine if the Board is meeting the legislative expectations; developing a target list of SOX provisions relating to

“public interest entities” and non-registered public

accounting firms; requesting input from third parties concerning preliminary recommendations and reviewing the responses; and developing final recommendations to the Board. The task force anticipates that during the upcoming session it will continue to work with the Legislature to further flesh out recommendations for improving the public’s confidence in audits and financial information on which the public relies.

In order to determine how SOX provisions could affect their respective industry/governmental entities, the task force has requested input from both industry and government. The results of a survey of individual state boards of accountancy conducted by the National Association of State Boards of Accountancy shows that most state boards are waiting for governmental entities such as the GAO, PCAOB, and SEC to enact laws or rules before enacting rules. Some states, such as California, Connecticut, New York, and Texas are proactively addressing SOX.

A chart listing the various issues associated with SOX and how federal agencies and private standards-setting bodies are responding to these issues was published in the October, 2003 issue of the *Texas State Board Report* (Vol. 80).

### Definition of *Public Interest Entity*

This definition is under consideration by the Board’s SOX task force:

*The following entities are considered to be public interest entities: (1) entities subject to SEC reporting requirements or other SEC regulations, (2) employee benefit and health and welfare plans subject to ERISA audit requirements, (3) governmental retirement plans, (4) entities or programs (including for profit entities) subject to similar grant program oversight, and (5) financial institutions, credit unions and insurance companies, as defined in the appendix to this definition. The aforementioned entities are public interest entities because their audited financial statements are relied upon by significant numbers of stakeholders to make investment, credit, or similar decisions either directly (e.g., in the case of pension plans, banks, and insurance companies), and therefore, the potential extent of harm to the public from an audit failure involving one of these entities would generally be significant.*

-- AICPA Professional Ethics Enforcement Committee

### TASK FORCE MEMBERS

#### TSBPA Members

Billy M. Atkinson, CPA

David D. Duree, CPA

Paula M. Mendoza

Melanie G. Thompson, CPA, chair

#### Advisory Members

Sam Cotterell, CPA

Ken Dakdduk, CPA

Ygnacio Garza, CPA

Phillip Green, CPA

Robert Owen, CPA

Jerry Strawser, CPA

#### TSBPA Staff

James Hamilton, CPA

William Treacy

## CPA ACADEMICS: Are you Licensed in Texas?

Let's assume you're a licensed CPA from another state and a professor of accounting at a Texas university. You use the CPA designation on your stationery, business cards, and other forms of identification. Are you in violation of Texas law?

Unless you are also licensed as a Texas CPA, yes, you are.

Texas academics or others in similar capacities who are CPAs in other states and who use that designation on business cards, stationery, etc., must hold a Texas license, regardless of their certificate's state of origin in order to call themselves CPAs and use the CPA designation while teaching at a Texas university. *Section 901.454* of the *Public Accountancy Act* (the "Act") stipulates that a person of another certifying jurisdiction must obtain a Texas license in order to use the CPA designation in Texas.

### ***Section 901.454. Title Used by Certain Out-of-State or Foreign Accountants.***

(a) *A person who is an accountant of another state may use the title under which the accountant is generally known in the state from which the accountant received a certificate, license, or degree, followed by the name of that state, if:*

- (1) **the person holds a license issued under this chapter;** and [EMPHASIS ADDED]
- (2) *each of the person's offices in this state for the practice of public accountancy is maintained and practices under a firm license as required under Subchapter H.*

The definition of the "practice of public accountancy" in prior *Public Accountancy Acts* was broad, and in some cases, difficult to interpret. It gave the exclusive right to "hold out" (i.e., to represent oneself as a CPA) to Texas licensees who performed, or offered to perform, accounting and auditing services for the public. The Board was able to apply the definition to individuals and firms in the traditional practice of public accountancy. A licensee employed in industry, academia, or other field was not considered to be practicing public accounting or holding out and was therefore prohibited from even listing the CPA designation on a business card. Eventually, however, laws and the interpretation of those laws provided for the use of the CPA designation in employment other than in public practice as long as all licensing requirements were met.

The lawsuit *Ibanez v. Florida Board of Accountancy* [114S.Ct.2084, 129 L. Ed. 2nd 118 (1994)] in Florida during the 1990s changed the way U.S. boards of accountancy viewed the holding out issue. In that case, the U.S. Supreme Court ruled that a Florida licensee had the right to use the CPA designation as long as she held a valid license. Other state boards of accountancy, including Texas, took notice. Partly as a result of the *Ibanez* decision, the Texas Board began directing greater attention to a CPA's conduct and less to whether the individual was "holding out" as that term was then defined. A Texas CPA who was licensed and in good standing was no longer automatically considered to be holding out and was allowed to use the CPA designation.

All public accounting services must be through a licensed Texas firm. *Section 901.351* stipulates that a person can only offer services (or "hold out" as a CPA) through a firm, even if the services are provided by a single individual.

(a) *A firm may not provide attest services or use the title "CPA's," "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.*

In conclusion, CPA academics of this or any other state, or others similarly situated, must comply with the Texas licensing requirements, including CPE, to represent themselves as CPAs.



### FOR FURTHER INFORMATION

**CONTACT**  
**TEXAS STATE BOARD OF PUBLIC ACCOUNTANCY**  
333 Guadalupe,  
Tower 3, Suite 900  
Austin, Texas  
78701-3900  
(512) 305-7866

## ATTORNEY GENERAL OPINION: Delinquent licensees do not have to retake exam

When the *Public Accountancy Act* was amended during the last legislative session, a new provision was added which seemed to require a person whose license to practice public accountancy has been expired for two or more years to meet all of the requirements for a new license “including the examination requirements.”

The Board asked the Attorney

General for an opinion on whether *Section 901.405(e)* of the *Act* means that the licensee must re-take the examination required for a license.

The Attorney General, in Opinion No. GA-0159, noted that the *Act* clearly requires both a certificate and a license to practice public accountancy and to use the CPA designation. It was noted that the Legislature defined both a license and

a certificate and clearly distinguished the two. The Attorney General opined that the Legislature did not intend to require that a licensee whose license has been expired for two or more years meet the qualifications for a new certificate and that retaking the examination is not mandated by *Section 901.405(e)* of the *Act*.

### November, 2003 swearing-in ceremony report

The Board held a swearing-in ceremony on November 8, 2003 at the LBJ Library Auditorium in Austin where it awarded certificates to 809 new CPAs, recognized eleven as the Texas candidates with the ten highest scores on the Uniform CPA examination on their first attempt. They are:

**IOWA:** John M. McInnis

**NEW YORK:** Jennifer E. Cummins

**TEXAS:** (Austin) Jason D. Garwood

(Bedford) Michael W. Chaney

(Dallas) Hongfei Shi; Margaret B. Stiver

(Forney) Jennifer K. Story

(Houston) Catherine C. Wu; Qiongyu Zhang

(Plano) Richard T. Standish Jr.

(San Antonio) Michael D. Perkins

Also honored were the following 16 individuals who have maintained their CPA certificates for 50 years:

**CALIFORNIA:** Oakley A. Honey Jr.; Charles B. Hurley

**TEXAS:** (Austin) Stanley J. Peterman

(Caldwell) Edwin H. Graff

(Corpus Christi) Arturo Vasquez

(Dallas) Thomas G. Chambers; Charles J. Connor; James K. Rushing; Clarence J. Spangler

(Houston) Myron H. Newman; Charles W. Treloar

(Irving) William C. Clyatt

(Lufkin) C. Tom Sumner

(McAllen) Billy J. Day

(San Angelo) Robert E. Eckert

**UTAH:** Alfred G. Dye

Proctors who have proctored 20 examinations were also recognized:

**TEXAS:** (Bellaire) Randy Pollard

(Fort Worth) Erlinda G. De Jesus

(Houston) Gary E. Dullum; Mildred Lynn Kantenberg

(Katy) Richard Lowery Loving

(Lake Jackson) Charles Patrick Quirk Jr.

(Lantana) Thomas W. Hatfield

(Wilmer) Patricia Ann Havard

### Computer-based exam becomes a reality in April

The last paper-and-pencil CPA Examination was given in November, 2003. On April 5, 2004 the exam moved into a new era with the computer-based exam.



A great deal of information on the computer-based examination can be found on the Board's website at:

[www.tsbpa.state.tx.us](http://www.tsbpa.state.tx.us)

This material includes the *Candidate Chronicle* newsletter and brochures on the following topics:

- *The Examination Process*
- *Application of Intent*
- *Eligibility Application*
- *Transfer of Credit*
- *Testing Accommodations*

By the end of 2004, the Board hopes that exam candidates will be able to complete the examination *Eligibility Application* online.



**Disciplinary Actions**

**RESPONDENT:** Anna Lou Anderson (Beaumont)

**CERTIFICATE NO:** 016444

**INVESTIGATION NO.:** 03-02-02L

**RESPONDENT:** Coville and Anderson, P.C. (Beaumont)

**LICENSE NO.:** C01151

**INVESTIGATION NO.:** 03-02-03L

**DATE OF BOARD ACTION:** 9/25/03

**DISPOSITION:** The respondents entered into an agreed consent order with the Board whereby the respondents were reprimanded and assessed an administrative penalty of \$1,500.00 to be paid within 90 days of the date of the Board order. Anna Lou Anderson must complete, within 90 days of the date of the Board order, four hours of live CPE in the area of ethics in addition to her annual CPE requirement. Coville and Anderson, P.C. must enroll in an accelerated peer review within 90 days of the date of the Board order.

The respondents performed a compilation with an expired firm license and failed to timely respond to Board communications. The respondent firm is not in compliance with the Board's peer review requirement. Specifically, the respondent firm provided attest services without a peer review since 1993. The respondents violated *Sections 901.502(6) and 901.502(11) of the Act* and *Sections 501.81, 501.93, and 527.4 of the Rules*.

**RESPONDENT:** Sandra L. Altemeyer (Brownsville)

**CERTIFICATE NO:** 025342

**INVESTIGATION NO.:** 02-09-07L

**DATE OF BOARD ACTION:** 7/24/03

**DISPOSITION:** The respondent entered into an agreed consent order whereby she was reprimanded and required to complete 16 hours of live CPE in the area of compilations and reviews. This requirement is in addition to the respondent's annual CPE requirement and must be completed within 90 days from the date of the Board order. In addition, the respondent must restate the compiled financial statements of her client for the fiscal years ending June 30, 2001 and June 30, 2002 and must also engage a qualified technical consultant to review all attest engagements before issuance.

Although the respondent was not independent of the client, she did not include the appropriate disclaimer in her compilations. The compilation reports were unclear as to what method of accounting the respondent used in her compilations. The compilation reports do not conform to relevant *Statements on Standards for Accounting and Review Services*. The accounts payable portion of the financial statements was not recorded properly in the compilations. The respondent violated *Sections 901.502(6) and 901.502(11) of the Act* and *Sections 501.61, 501.62, and 501.74 of the Rules*.

**RESPONDENT:** Brian E. Bergeron (League City)

**CERTIFICATE NO:** 062587

**INVESTIGATION NO.:** 02-10-07L

**DATE OF BOARD ACTION:** 7/24/03

**DISPOSITION:** The respondent entered into an agreed consent order whereby he was reprimanded. He consented to a cease-and-desist order by the Securities and Exchange Commission on June 10, 2002. The respondent violated *Sections 901.502(6) and 901.502(9) of the Act* and *Section 501.90(7) of the Rules*.

**RESPONDENT:** Blumka and Co., P.C. (Richardson)

**LICENSE NO:** C03878

**INVESTIGATION NO.:** 02-10-03L

**RESPONDENT:** Ronald Mark Blumka (Richardson)

**CERTIFICATE NO:** 039989

**INVESTIGATION NO.:** 02-10-04L

**DATE OF BOARD ACTION:** 7/24/03

**DISPOSITION:** The respondents entered into an agreed consent order whereby they were reprimanded. Ronald Blumka must complete, within 90 days of the date of the Board order, four hours of live CPE in the area of ethics in addition to his annual CPE requirement. In addition, Blumka and Co., P.C. must provide to their client a copy of the respondents' workpapers and tax returns.

The respondents failed to timely withdraw when he was unable to provide the consulting services described in the engagement letter with his client. The respondent failed to timely and accurately prepare the client's tax returns, monthly operating reports, financial statements, and compilations. The respondent violated *Sections 901.502(6) and 901.502(11) of the Act* and *Section 501.74(a)(2) of the Rules*.

**RESPONDENT:** Leslie R. Bottke (Dallas)

**CERTIFICATE NO:** 063887

**INVESTIGATION NO.:** 03-03-31L

## Enforcement Actions

**DATE OF BOARD ACTION:** 11/13/03

**DISPOSITION:** The respondent's certificate was revoked, and the respondent was ordered to pay \$450 in administrative costs and \$5,000 in administrative penalties.

The respondent prepared false financial reports for a client. The respondent forged the client's corporate checks totaling approximately \$200,000 and embezzled \$34,000 from the client; the respondent also failed to provide the Board with his current mailing address and failed to respond to three Board communications. The respondent violated *Sections 901.90(2), 901.90(8), 901.90(9), 901.502(2), 901.502(6), and 901.502(11)* of the *Act* and *Section 501.93* of the *Rules*.

**RESPONDENT:** Thornton Hardie Bowman IV (Corpus Christi)

**CERTIFICATE NO:** 013461

**INVESTIGATION NO.:** 02-10-02L

**DATE OF BOARD ACTION:** 7/24/03

**DISPOSITION:** The respondent entered into an agreed consent order whereby he was reprimanded and within 90 days of the date of the Board order must complete two hours of live CPE in the area of ethics in addition to the respondent's annual CPE.

The respondent made threats of retribution to a client, specifically, that if the client did not pay his invoice for services, the respondent would make public that the client fraudulently conveyed her home with the intent to defraud the IRS. The respondent violated *Sections 901.502(6) and 901.502(11)* of the *Act* and *Section 501.90(14)* of the *Rules*.

**RESPONDENT:** George H. Bull (Houston)

**CERTIFICATE NO:** 005905

**INVESTIGATION NO.:** 01-09-11L

**DATE OF BOARD ACTION:** 7/24/03

**DISPOSITION:** The respondent entered into an agreed consent order whereby he was reprimanded and prohibited from performing compilations and reviews. He may petition the Technical Standards Review Committee to lift the prohibition against compilations and reviews after one year of compliance, provided that he submits evidence of completion of 16 hours of live CPE in the area of compilations and reviews in addition to his annual requirement. He was also permanently prohibited from performing audits.

The respondent performed audits for a client as well as a report on the client's interim financial statements. The audit working papers show that the respondent: (1) did not exercise due professional care in performing the audits; (2) did not adequately plan the engagements; (3) did not obtain a sufficient understanding of internal control in order to plan and perform the audits; (4) did not obtain sufficient competent evidential matter to afford a reasonable basis for an opinion regarding the financial statements; and (5) did not adhere to the guidance contained in SSAE No. 3 and the U.S. Department of Education *Audit Guide* with respect to the attestation engagement required by the *Audit Guide*. In addition, the audit reports did not indicate that the informative disclosures in the financial statements were inadequate. The respondent did not follow SSARS No.7 while preparing and issuing the interim report. He violated *Sections 901.502(6) and 901.502(11)* of the *Act* and *Sections 501.60, 501.62 and 501.74* of the *Rules*.

**RESPONDENT:** George H. Bull, P.C. (Houston)

**LICENSE NO:** C0071

**INVESTIGATION NO.:** 01-09-12L

**DATE OF BOARD ACTION:** 11/13/03

**DISPOSITION:** The respondent entered into an agreed consent order with the Board whereby the firm was reprimanded. The respondent was also prohibited from performing compilations and reviews. The firm may petition to have this prohibition lifted after July 24, 2004, provided it includes with the petition proof that all of the firm's CPA employees have completed 16 hours of live CPE in compilations and reviews in addition to the employees' annual CPE requirement. In addition, the firm is permanently prohibited from performing audits.

The firm issued two audit reports and a report on interim financial statements for a client who received funding from the U.S. Department of Education. The firm's working papers for the audits show that the firm did not exercise due professional care in performing the audits, did not adequately plan the engagements, did not obtain a sufficient understanding of internal control in order to plan and perform the audits, did not obtain sufficient competent evidential matter to afford a reasonable basis for an opinion regarding the financial statements, and did not adhere to the guidance contained in SSAE No. 3 and the U.S. Department of Education *Audit Guide*. In addition, the firm's audit reports did not indicate that the informative disclosures in the financial statements were not adequate and the respondent did not follow SSARS No. 7 while preparing and issuing the interim report. The firm violated *Sections 901.502(6) and 901.502(11)* of the *Act* and *Sections 501.60, 501.62, and 501.74* of the *Rules*.

**RESPONDENT:** Danny Charles Davis (McGregor)

**CERTIFICATE NO:** 022303

**INVESTIGATION NO.:** 02-10-18L

**DATE OF BOARD ACTION:** 7/24/03

**DISPOSITION:** The respondent entered into an agreed consent order whereby he was reprimanded and his license was suspended for two years

## Enforcement Actions

from the effective date of this order. However, this suspension was stayed and the respondent was placed on probation for two years. Within 90 days of the date of the Board order, the respondent must complete eight hours of live CPE in the area of practice management and eight hours of live CPE in the area of compilation and reviews in addition to his annual CPE requirement. He must enroll in a peer review program within 30 days of the date of the Board order and submit the date to the Board within 30 days of the assignment, and he must also provide a quarterly report to the Board regarding the nature of compliance and the nature of his practice.

The respondent: (1) failed to correctly or timely prepare a client's tax returns; (2) failed to enroll in peer review, although he performs compilations; and (3) failed to timely respond to the client's and the Board's inquiries. The respondent violated *Sections 901.502(6) and 901.502(11) of the Act* and *Sections 501.74, 501.90(11), 501.93, and 527.4 of the Rules*.

**RESPONDENT:** Jerry Allen Davis (Leonard)

**CERTIFICATE NO:** 06132

**INVESTIGATION NO.:** 03-06-33Q

**DATE OF BOARD ACTION:** 11/13/03

**DISPOSITION:** The respondent was reprimanded and assessed a \$500 penalty. He failed to provide the Board with peer review information regarding his firm in accordance with *Section 501.93 of the Rules*. He is in violation of *Sections 901.502(6) and 901.502(11) of the Act* and *Section 501.93 of the Rules*.

**RESPONDENT:** Shawn O'Neill Greer (Fort Worth)

**CERTIFICATE NO:** 060694

**INVESTIGATION NO.:** 03-06-36Q

**DATE OF BOARD ACTION:** 11/13/03

**DISPOSITION:** The respondent was reprimanded and assessed a \$500 penalty. The respondent failed to provide the Board with peer review information regarding his firm in accordance with *Section 501.93 of the Rules*. He is in violation of *Sections 901.502(6) and 901.502(11) of the Act* and *Section 501.93 of the Rules*.

**RESPONDENT:** Max Luther Grunwald (Plano)

**CERTIFICATE NO:** 067770

**INVESTIGATION NO.:** 03-05-20L

**DATE OF BOARD ACTION:** 9/25/03

**DISPOSITION:** The respondent entered into an agreed consent order with the Board whereby his certificate was revoked. The respondent self-reported that he pleaded *nolo contendere* to one charge of indecent exposure, a Class B misdemeanor and a crime of moral turpitude. The Board has expressly adopted a policy stating that a crime of moral turpitude directly relates to the practice of public accountancy in *Section 525.1(d) of the Rules*. The respondent was placed on twelve (12) months deferred adjudication, ordered to pay a fine plus court costs totaling \$1081, and directed to continue counseling. He violated *Sections 901.502(6) and 901.502(11) of the Act* and *Section 501.90 of the Rules*.

**RESPONDENT:** Gary R. Hamil (Dallas)

**CERTIFICATE NO:** 038862

**INVESTIGATION NO.:** 01-08-02L, 01-11-19L, and 02-04-03L

**DATE OF BOARD ACTION:** 7/24/03

**DISPOSITION:** The respondent entered into an agreed consent order whereby he surrendered his certificate for revocation in lieu of further disciplinary proceedings. He must wait at least one year before applying for reinstatement. Before resuming practice, he must complete 120 hours of CPE.

The respondent abandoned his office, leaving his client's records behind without providing his clients with an opportunity to acquire copies of their records. He failed to provide copies of client records to "Client A" in 2001 and also failed to respond to repeated client inquiries of "Client A" and "Client B" in 2001 and 2002. He incorrectly prepared or failed to timely prepare W-2 forms and tax returns for "Client A". Finally, the respondent failed to respond to the Board's initial investigation letter regarding the allegations of "Client B". He violated *Sections 901.502(6) and 901.502(11) of the Act* and *Sections 501.74, 501.75, 501.76, 501.90(11), and 501.93 of the Rules*.

**RESPONDENT:** Stephen R. Herbert (Wilton, CT)

**CERTIFICATE NO:** 021468

**INVESTIGATION NO.:** 02-03-35L

**DATE OF BOARD ACTION:** 7/24/03

**DISPOSITION:** The respondent entered into an agreed consent order whereby he was reprimanded for failure to comply with independence requirements; he was also assessed \$1,000 for costs of the investigation. He was the concurring partner for an audit of a client's financial statements while his wife owned shares of the client's common stock. The respondent violated *Section 901.502(6) of the Act* and *Section 501.70 of the Rules*.

## Enforcement Actions

**RESPONDENT:** Michael William Johnson (Houston)

**CERTIFICATE NO:** 021120

**INVESTIGATION NO.:** 02-10-27L

**DATE OF BOARD ACTION:** 7/24/03

**DISPOSITION:** The respondent entered into an agreed consent order whereby he surrendered his certificate for revocation in lieu of further disciplinary proceedings. He must wait at least one year before applying for reinstatement. Before resuming practice, the respondent must complete 120 hours of CPE.

The State Bar of Texas suspended his license for five years with a subsequent year of probated suspension for violating State Bar Rules 1.14(a) and (b). The respondent also failed to substantially respond to a written Board communication. He violated *Sections 901.502(6) and 901.502(11) of the Act* as well as *Sections 501.90(7) and 501.93 of the Rules*.

**RESPONDENT:** Michael J. Karlins (The Woodlands)

**CERTIFICATE NO:** 030071

**INVESTIGATION NO.:** 01-06-14L

**DATE OF BOARD ACTION:** 1/15/04

**DISPOSITION:** The respondent entered into an agreed consent order with the Board whereby the respondent was reprimanded. He must pay \$8,500 in administrative costs within 90 days from the date the Board ratifies this order. He must also complete, within 90 days of the date of the Board order, 16 hours of live CPE in the area of generally accepted auditing standards in addition to the respondent's annual CPE requirement. He must engage a qualified technical consultant who has been approved in writing by the Technical Standards Review Committee chair to approve all audit reports prepared or issued by the respondent for at least two years.

The respondent was the partner of a firm responsible for performing an audit of a client's financial statements. The respondent's working papers did not include the audited financial statements of a company audited by another firm and acquired by the client in a reverse takeover. The working papers also did not include: (1) evidence to support the value of a customer list obtained in the acquisition (an asset which included goodwill) and the customer list's amortization over a 40-year period; (2) evidence supporting the 25 percent reduction in the stock value of the client's stock for the calculation of goodwill in the acquisition; (3) evidence supporting the allocation of the cost of the acquisition to the client's underlying assets and liabilities acquired based on their estimated fair values; and (4) evidence that an expert, such as an investment banker, was used to value the client's shares issued in the acquisition. The respondent's working papers did not include evidence to support the recorded value of a reinsurance license and approximately \$1.5 million of other assets obtained in the acquisition. The respondent violated *Sections 901.502(6) and 901.502(11) of the Act* and *Section 501.60 of the Rules*.

**RESPONDENT:** Anthony Richard Maresca (Katy)

**CERTIFICATE NO:** 020051

**INVESTIGATION NO.:** 03-06-35Q

**DATE OF BOARD ACTION:** 11/13/03

**DISPOSITION:** The respondent was reprimanded and assessed a \$500 penalty. He failed to provide the Board with peer review information regarding his firm in accordance with *Section 501.93 of the Rules*. He is in violation of *Sections 901.502(6) and 901.502(11) of the Act* and *Section 501.93 of the Rules*.

**RESPONDENT:** Russell Alan McClendon (Fort Worth)

**CERTIFICATE NO:** 044203

**INVESTIGATION NO.:** 02-12-16L

**DATE OF BOARD ACTION:** 7/24/03

**DISPOSITION:** The respondent entered into an agreed consent order whereby he surrendered his certificate for revocation in lieu of further disciplinary proceedings. He must wait at least one year before reapplying for reinstatement. Before resuming practice, he must complete 120 hours of CPE.

The respondent was convicted of felony theft and placed on five years' probation. He violated *Sections 901.502(6), 901.502(10), and 901.502(11) of the Act* and *Section 501.90(4) of the Rules*.

**RESPONDENT:** Frederick C. Miller (Fort Worth)

**CERTIFICATE NO:** 06956

**INVESTIGATION NO.:** 03-08-03L

**DATE OF BOARD ACTION:** 11/13/03

**DISPOSITION:** The respondent entered into an agreed consent order with the Board whereby his certificate was revoked. On July 29, 2003, the respondent pled guilty to conducting monetary transactions with criminally derived funds in violation of 18 U.S.C. *Section 1957* and to tax evasion in violation of 26 U.S.C. *Section 7201*. He also failed to report the felony conviction to the Board within 30 days of the date of knowledge of conviction. He violated *Sections 901.502(6), 901.502(10) and 901.502(11) of the Act* and *Sections 501.90(4) and 501.91 of the Rules*.

## Enforcement Actions

**RESPONDENT:** Earl Ray Morehead Jr. (Houston)

**CERTIFICATE NO:** 011891

**INVESTIGATION NO.:** 02-08-10L

**DATE OF BOARD ACTION:** 11/13/03

**DISPOSITION:** The respondent's certificate was revoked and he was ordered to pay \$600 in administrative costs and \$5,000 in administrative penalties. He gave a false sworn affidavit to the Board regarding an exemption from CPE requirements, failed to respond to three Board communications, and failed to provide the Board with a current telephone number and address. He violated *Sections 901.502(6) and 901.502(11) of the Act and Sections 501.90(13) and 501.93 of the Rules.*

**RESPONDENT:** Robert D. Neal (Fort Worth)

**CERTIFICATE NO:** 018340

**INVESTIGATION NO.:** 03-01-14L

**DATE OF BOARD ACTION:** 11/13/03

**DISPOSITION:** The respondent's certificate was revoked, and he was ordered to pay \$743.75 in administrative costs and \$9,000 in administrative penalties.

The respondent was convicted of the federal offense of knowingly making a false or fraudulent claim against any department or agency of the United States, and sentenced to 21 months imprisonment in Case No. 3:01-CR-131-M, in the United States District Court for the Northern District of Texas. In 1992 and 1993 he falsely reported to the Board that he was retired. In 1994, 1995, 1996, 1997, and 1998 he falsely reported to the Board that he was disabled. In 1998 he had another person falsely report to the Board that the respondent was deceased. The respondent violated *Sections 901.502(6), 502(10)(A), and 901.502(11) of the Act and Sections 501.90(4) and 501.90(13) of the Rules.*

**RESPONDENT:** Boluwaji Omodele (Houston)

**CERTIFICATE NO:** 045200

**INVESTIGATION NO.:** 00-09-16L

**DATE OF BOARD ACTION:** 9/25/03

**DISPOSITION:** The respondent's certificate was revoked and he was ordered to pay \$3275.00 in administrative costs. He violated *Section 901.502(11) of the Act and Sections 501.60, and 501.61 of the Rules* through an audit failure in connection with a client.

**RESPONDENT:** Dwayne F. Petty (Flower Mound)

**CERTIFICATE NO:** 054514

**INVESTIGATION NO.:** 02-10-15L

**DATE OF BOARD ACTION:** 1/15/04

**DISPOSITION:** The respondent's certificate was revoked and he was ordered to pay \$1,050 in administrative costs and \$10,000 in administrative penalties. He failed to return a client's records and failed to respond to the complainant's inquiries; practiced public accounting with a delinquent, expired firm license; failed to notify the Board of his change of address within 30 days of the address change; and failed to respond to six written Board communications. The respondent violated *Sections 901.502(6) and 901.502(11) of the Act and Sections 501.76, 501.80, 501.81, 501.93, and 501.90(11) of the Rules.*

**RESPONDENT:** Linda Maness Pitts (Allen)

**CERTIFICATE NO:** 031305

**INVESTIGATION NO.:** 01-09-09L

**DATE OF BOARD ACTION:** 7/24/03

**DISPOSITION:** The respondent entered into an agreed consent order whereby she was reprimanded. In addition to her regular CPE requirements, she was ordered to take 8 hours of live CPE in the area of audit within 90 days of the date of the Board order. She must submit to the Enforcement Division of the Board documentation demonstrating compliance with the CPE portion of this order.

The respondent issued a modified audit opinion on a client's financial statements when she should have disclaimed her opinion. She violated *Sections 901.502(6) and 901.502(11) of the Act and Section 501.60 of the Rules.*

**RESPONDENT:** Pitts & Pitts (Allen)

**LICENSE NO:** P04005

**INVESTIGATION NO.:** 01-09-08L

**DATE OF BOARD ACTION:** 7/24/03

**DISPOSITION:** The respondent entered into an agreed consent order whereby the firm was reprimanded. The partner, on the firm's behalf, issued a modified audit opinion on a client's financial statements when it should have disclaimed its opinion. The firm violated *Sections 901.502(6) and 901.502(11) of the Act and Section 501.60 of the Rules.*

## Enforcement Actions

**RESPONDENT:** PricewaterhouseCoopers (Houston)

**LICENSE NO:** P04834

**INVESTIGATION NO.:** 00-02-03L

**RESPONDENT:** Donn S. Kingsley (Jericho, NY)

**CERTIFICATE NO:** 025578

**INVESTIGATION NO.:** 01-12-09L

**RESPONDENT:** Robert M. Bird (Atlanta, GA)

**CERTIFICATE NO:** 013664

**INVESTIGATION NO.:** 01-12-18L

**DATE OF BOARD ACTION:** 9/25/03

**DISPOSITION:** On January 14, 1999, PricewaterhouseCoopers entered into an order with the SEC regarding some of its CPAs owning securities of publicly-held audit clients for whom they provided audit services. At the time of the violations, the respondents attempted to ensure compliance with the SEC's rules on independence and *Section 501.70 of the Rules (Independence)* in part by checking their investments against a list of attest clients ("System"). The System required exact entry of an investment's name. The respondent firm corrected the problems and failings in the System, and the System is now more user-friendly, requires entry of the NASDAQ investment entity's number, and will not give false positives. No audit opinions had to be withdrawn. The respondent CPA firm was reprimanded for being disciplined by the SEC for failing to maintain an auditor's independence, and respondent was assessed \$225,000 in administrative penalties and costs to be paid within 30 days of the date of the Board order.

Donn Kingsley improperly delegated to a broker his personal responsibility to maintain independence in regard to his firm. Mr. Kingsley did not perform any professional services for the entities in which he invested and did not have any influence over their audits. He was reprimanded for failing to comply with the rules on auditor independence and it was further ordered that his compliance with the independence rules be monitored for four years.

Robert Bird agreed to serve as executor of an estate, and his duties were confined exclusively to ongoing operational issues related to the business of an unrestricted entity. Mr. Bird knew the rules on executor/trustee independence, but failed to verify whether he was in compliance. He did not perform any professional services for the entities in which he invested and did not have any influence over their audits. Mr. Bird was reprimanded for failing to comply with the rules on auditor independence.

**RESPONDENT:** PricewaterhouseCoopers (Houston)

**LICENSE NO:** P04834

**INVESTIGATION NO.:** 02-07-26L

**DATE OF BOARD ACTION:** 11/13/03

**DISPOSITION:** The respondent entered into an agreed consent order with the Board whereby the respondent was reprimanded, assessed \$5,000 in administrative costs and a \$1,000 administrative penalty.

The Securities and Exchange Commission (SEC) issued an order finding that between 1996 and 2001 PricewaterhouseCoopers Securities LLC (PWCS) a wholly-owned subsidiary of PricewaterhouseCoopers (PWC) provided investment banking services on contingent fee bases to various clients, including 14 public audit clients of PWC, and that during this period audit firms were specifically prohibited from performing services for audit clients for contingent fees by AICPA *Rule 302*. The SEC order found that because of PWCS' affiliation with PWC, PWC at all times recognized that PWCS remained subject to auditor independence rules, understood that PWCS should not charge contingent fees to PWC's audit clients, and that PWC had written guidelines that prohibited charging contingent fees to audit clients. The respondent violated *Sections 501.60 and 501.70 of the Rules*.

**RESPONDENT:** John Gregory Robinson (Dallas)

**CERTIFICATE NO:** 037524

**INVESTIGATION NO.:** 02-04-30L

**RESPONDENT:** John G. Robinson & Company, P.C.

**INVESTIGATION NO.:** 02-04-31L

**DATE OF BOARD ACTION:** 7/24/03

**DISPOSITION:** The respondents entered into an agreed consent order whereby the respondents were reprimanded. In addition, the respondents' licenses were suspended for two years; however, the suspensions were stayed and the respondents were placed on probation. The respondents must pay an administrative penalty of \$3,000 within 90 days of the date of this order. John G. Robinson must complete 160 CPE hours during the probationary period. John G. Robinson & Company, P.C., must submit to annual peer reviews in each of the five years after the issuance of this order. The respondents must report every six months to the Board on the matters that are the basis for the probation. John G. Robinson must perform 80 hours of community service during the period of probation, documented in semi-annual reports to the Board.

The respondents failed to disclose to clients that the respondents might receive a commission for a transaction facilitated by an employee of the respondents. The respondents practiced public accountancy with expired licenses and mistakenly claimed they were exempt from peer review in the 2003 Board's office renewal form when, in fact, the respondents were performing compilations and reviews. The respondents violated *Sections 901.502(6) and 901.502(11) of the Act and Sections 501.71(c), 501.77, 501.80, and 501.81 of the Rules*.

## Enforcement Actions

**RESPONDENT:** Michael A. Robles (Dallas)

**CERTIFICATE NO:** 019395

**INVESTIGATION NO.:** 03-03-13L

**DATE OF BOARD ACTION:** 1/15/04

**DISPOSITION:** The respondent's certificate was revoked, and he was ordered to pay \$3,107.50 in administrative costs and \$14,000 in administrative penalties. The respondent was convicted of one count of conspiracy to commit securities fraud and thirteen counts of securities fraud and sentenced to forty-one months imprisonment in federal prison in Case No. 1:00 Cr. 1169-01 in the U.S. District Court for the Southern District of New York. The respondent violated *Sections 901.502(6), 901.502(10)(A), and 901.502(11)* of the *Act* as well as *Section 501.90(4)* of the *Rules*. The administrative law judge also found that the respondent violated *Texas Occupations Code Section 53.021* regarding incarceration for felony convictions.

**RESPONDENT:** Helen C. Sharkey (Houston)

**CERTIFICATE NO:** 069159

**INVESTIGATION NO.:** 03-09-20L

**DATE OF BOARD ACTION:** 1/15/04

**DISPOSITION:** The respondent entered into an agreed consent order with the Board whereby her certificate was revoked. She pleaded guilty to conspiracy to commit securities fraud in violation of *18 U.S.C. Section 371*. The respondent also failed to report the felony conviction to the Board within 30 days of the date of knowledge of conviction. The respondent violated *Sections 901.502(6), 901.502(10), and 901.502(11)* of the *Act* and *Sections 501.90(4) and 501.91* of the *Rules*.

**RESPONDENT:** William J. Sheehan Jr. (Houston)

**CERTIFICATE NO:** 041012

**INVESTIGATION NO.:** 02-05-10L

**DATE OF BOARD ACTION:** 9/25/03

**DISPOSITION:** The respondent was ordered to pay \$500 in administrative costs and \$1,000 in administrative penalties. He violated *Section 901.502(6)* of the *Act* and *Section 501.93(c)* of the *Rules*. The respondent violated *Section 501.83 and 501.93* of the *Rules* and *Sections 901.502(6) and 901.502(11)* of the *Act* by using an improper firm name and failing to respond to written Board communication.

**RESPONDENT:** Kevin S. Sparks (Burkburnett)

**CERTIFICATE NO:** 051998

**INVESTIGATION NO.:** 03-03-02L

**DATE OF BOARD ACTION:** 9/25/03

**DISPOSITION:** The respondent entered into an agreed consent order with the Board whereby the respondent was reprimanded. He must pay \$612.50 in administrative penalties and complete four hours of live CPE in the area of tax form preparation and four hours of live CPE in the area of ethics. These requirements are in addition to his annual CPE requirements and must be completed within 90 days of the date of the Board order.

The respondent improperly filed a Form 1099-C in connection with an unpaid invoice from the respondent to the complainant. He violated *Sections 901.502(6) and 901.502(11)* of the *Act* and *Section 501.74* of the *Rules*.

**RESPONDENT:** Haiden W. Turner (Farmer's Branch)

**CERTIFICATE NO:** 050893

**INVESTIGATION NO.:** 02-06-06L

**DATE OF BOARD ACTION:** 7/24/03

**DISPOSITION:** The respondent entered into an agreed consent order whereby he surrendered his certificate for revocation in lieu of further disciplinary proceedings. He must wait at least one year before applying for reinstatement.

He pleaded guilty to three felony counts of indecency with a child under the age of 17 years, was placed on community supervision under deferred adjudication for 10 years, and required to register as a sex offender. The respondent violated *Sections 901.502(6), 901.502(10), and 901.502(11)* of the *Act* and *Section 501.90(4)* of the *Rules*.

**RESPONDENT:** Librado Ramirez Valadez Jr. (San Antonio)

**CERTIFICATE NO:** 029108

**INVESTIGATION NO.:** 02-11-03L

**DATE OF BOARD ACTION:** 9/25/03

**DISPOSITION:** The respondent entered into an agreed consent order with the Board whereby he must complete, within 90 days of the date of the Board order, eight hours of live CPE in the area of practice management in addition to his annual CPE requirement. He repeatedly failed to respond to a client's telephone inquiries. He violated *Section 501.90(11)* of the *Rules* and *Sections 901.502(6) and 901.502(11)* of the *Act*.

## Enforcement Actions

**RESPONDENT:** Dennis E. Ward (Fort Worth)

**CERTIFICATE NO:** 012710

**INVESTIGATION NO.:** 03-08-12L

**DATE OF BOARD ACTION:** 1/15/04

**DISPOSITION:** The respondent entered into an agreed consent order with the Board whereby his certificate was revoked. In addition, he must pay an administrative penalty of \$2,000 and \$325 in administrative costs within 90 days of the date of this order.

The Securities and Exchange Commission: (1) suspended the respondent for one year from associating with any broker or dealer or with any member of a national securities exchange or registered securities association; (2) ordered the respondent to cease and desist from committing or causing violations of *Sections 15(b)(7) and 17(a) of the Securities Exchange Act of 1934 and Exchange Rules 15b7-1 and 17a-3*; and (3) ordered the respondent to disgorge \$119,000 plus interest.

The SEC found that the respondent aided and abetted a firm in effecting improper securities transactions made by an individual who was not a registered representative with the firm or any other broker-dealer. The respondent executed the improper securities transactions, thereby causing the transactions to be falsely recorded in the firm's records as proper securities transactions. He violated *Sections 901.502(6) and 901.502(11) of the Act and Sections 501.90(7) and 501.90(9) of the Rules*.

**RESPONDENT:** Paul T. Wells (Paris)

**CERTIFICATE NO:** 013554

**INVESTIGATION NO.:** 97-05-19L

**DATE OF BOARD ACTION:** 1/15/04

**DISPOSITION:** On November 12, 1998, the respondent entered into an agreed consent order with the Board whereby he was prohibited from performing audits and reviews.

The respondent offered an amendment to the agreed consent order to the Board whereby the respondent is required to complete 16 additional CPE hours in the area of reviews within 90 days of the day the Board ratifies the amendment. In addition, he must engage a qualified technical consultant to approve all reviews before he issues them for at least two years. The respondent is prohibited from performing audits but he may petition to lift this restriction after two years from the date the Board ratifies this amendment. All other aspects of the agreed consent order are unchanged.

The respondent failed to comply with generally accepted accounting principles and exercise due professional care when preparing an audit report of a school district.

The respondent's conduct violated *Section 21(c)(4) of the Act and Sections 501.21 and 501.23 of the Rules*. All rules and Act section references are to the versions in existence at the time of the original investigation.

**RESPONDENT:** Dan Robinson Young (Houston)

**CERTIFICATE NO:** 025649

**INVESTIGATION NO.:** 02-11-10L

**DATE OF BOARD ACTION:** 7/24/03

**DISPOSITION:** The respondent entered into an agreed consent order whereby he surrendered his certificate for revocation in lieu of further disciplinary proceedings. He must wait at least one year before applying for reinstatement. Before resuming practice, he must complete 120 hours of CPE. The respondent prepared tax returns while his license was suspended. He violated *Sections 901.502(6) and 901.502(11) of the Act and Sections 501.80 and 501.82 of the Rules*.

## CPE Actions

**RESPONDENTS: CALIFORNIA:** Reid, William Leo III

**LOUISIANA:** Daniel, Christopher Wayne

**MAINE:** Webb, Priscilla Loretta Henke

**TEXAS: (Abilene)** Foreman, Bruce Waylon

**(Austin)** Young, Robyn Lynn

**(Corpus Christi)** Still, Jess French Jr.

**(Dallas)** Herring, Jerry Wayne

**(Duncanville)** Payton, Dale Ralph

**(Fort Worth)** Berce, Daniel Eugene

**(Frisco)** Anderson, Terri Kathleen

**(Houston)** Aune, Thomas Nils Sr.; Ferguson, Joel Frederick; Von Drechsel, Jennifer Bedgood

**(Mesquite)** Belt, Kenneth David

**(Plano)** Burgeson, Beth Ann; Doering, Kris Alan

**(Taylor Lake Village)** Reagan, Ken Phillip



## Enforcement Actions

**INVESTIGATION NOS.:** 03-01-10038 through 03-01-10280

**DOCKET NO.:** 457-03-2645

**DATE OF BOARD ACTION:** 7/24/03

**DISPOSITION:** The Board suspended for three years the license of each respondent still not in compliance as of the July 24, 2003 Board meeting, or until the respondent complies with the license 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 required under *Section 901.411* of the *Act*. The respondents are in violation of *Section 901.411* of the *Act* and *Sections 501.94* and *523.62* of the *Rules*.

**RESPONDENTS: CALIFORNIA:** Samet, Mary Kaye

**TEXAS: (Arlington)** Terry, Richard Mason

**(Austin)** Garza, Fernando; Hoffman, Guy Wayne

**(Dallas)** Timm, Dena

**(El Paso)** Montoya, Hector R.

**(Fort Worth)** Pipkin, Jeffrey Dee

**(Houston)** Houser, Lillian Lou Hedcoxe; Martin, Betty Diane Vanderford; Potter, William Arthur; Schultz, Sandra Jean; Usmani, Sohail Usman

**(Magnolia)** Brown, Paul Grier III

**(Poetry)** Griffin, John Michael

**UTAH** Taylor, Cynthia Zimmerman

**INVESTIGATION NOS.:** 03-02-10047 through 03-02-10196

**DOCKET NO.:** 457-03-2609

**DATE OF BOARD ACTION:** 7/24/03

**DISPOSITION:** The Board suspended for three years the license of each respondent still not in compliance as of the July 24, 2003 Board meeting, or until the respondent complies with the license 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 required under *Section 901.411* of the *Act*. The respondents are in violation of *Section 901.411* of the *Act* and *Sections 501.94* and *523.62* of the *Rules*.

**RESPONDENT: TEXAS: (Houston)** Wolf, Carol Horne

**INVESTIGATION NO.:** 03-02-10059

**DOCKET NO.:** 457-03-2962

**DATE OF BOARD ACTION:** 7/24/03

**DISPOSITION:** The Board suspended the respondent's license for three years or until she complies with the 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 respondent failed to report sufficient CPE credits required under *Section 901.411* of the *Act*. The respondent is in violation of *Section 901.411* of the *Act* as well as *Sections 501.94* and *523.62* of the *Rules*.

**RESPONDENTS: CALIFORNIA:** Chang, Su-Sien

**TEXAS: (Dallas)** Downing, Laura Marie Armstrong

**(Houston)** Boles, James Bryan

**(Magnolia)** Hollingshead, Ralph Dee

**(Southlake)** Drobeck, Sharon Marie

**INVESTIGATION NOS.:** 03-04-10057 through 03-04-10134

**DOCKET NO.:** 457-03-3062

**DATE OF BOARD ACTION:** 9/25/03

**DISPOSITION:** The license of each respondent still not in compliance as of the September 25, 2003 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 required under *Section 901.411* of the *Act*. The respondents are in violation of *Sections 501.94* and *523.62* of the *Rules* and *Section 901.411* of the *Act*.

**RESPONDENTS: TEXAS: (Arlington)** Petersen, Sidney M. Jr.

**(Cedar Park)** Reed, Michael Charles

**(Dallas)** Wong, Christopher Kin-Sing

**(Garland)** Castillo, Karen Morse

**(Houston)** Willars, Hector Adrian; Young, Marjorie Dee

**(Kingwood)** Christian, Karen Aleta

(Mesquite) Disbrow, Patricia Jo  
(San Antonio) Cordero, Julia Kay  
**INVESTIGATION NOS.:** 03-05-10052 through 03-05-10315  
**DOCKET NO.:** 457-03-3411  
**DATE OF BOARD ACTION:** 9/25/03

**DISPOSITION:** The license of each respondent still not in compliance as of the September 25, 2003 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 the respondent is in non-compliance with the Board's CPE requirements. The respondents failed to report sufficient CPE credits required under *Section 901.411* of the *Act*. The respondents are in violation of *Section 901.411* of the *Act* and *Sections 501.94* and *523.62* of the *Rules*.

**RESPONDENTS: TEXAS: (Dallas)** Cobb, Sheri Lynette  
(Diana) Powell, Cynthia C.  
(El Paso) Williamson, Alicia Margarita Aguirre  
(Houston) Mize, Tara Crooker; Neathery, Lee L.; Osborne, Marisa Jeanette Grover  
(Katy) Thowfeek, Abdul Hameed Mohamed  
(Round Rock) Drummonds, Richard Owen  
(Spring) Morse, Michael Edward

**INVESTIGATION NOS.:** 03-06-10052 through 03-06-10218  
**DOCKET NO.:** 457-03-3774  
**DATE OF BOARD ACTION:** 9/25/03

**DISPOSITION:** The license of each respondent still not in compliance as of the September 25, 2003 Board meeting was suspended for three years, or until the respondent 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 required under *Section 901.411* of the *Act*. The respondents are in violation of *Section 901.411* of the *Act* and *Sections 501.94* and *523.62* of the *Rules*.

**RESPONDENTS: MONTANA:** Kirkland, Julie Ann  
**TEXAS: (Brownfield)** Chaffin, William Samuel  
(Coppell) Woodling, Grace Elisa Palasciano  
(Cypress) Chauviere, Michele Renee  
(Dallas) Yao, Esther Lee

(Flower Mound) Steely, Garland David  
(Houston) Lloyd, Jo Ann Durham  
**INVESTIGATION NOS.:** 03-07-10064 through 03-07-10142  
**DOCKET NO.:** 457-03-4179  
**DATE OF BOARD ACTION:** 11/13/03

**DISPOSITION:** The license of each respondent still not in compliance as of the November 13, 2003 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 continuing professional education credits required under *Section 901.411* of the *Act*. The respondents are in violation of *Section 901.411* of the *Act* and *Sections 501.94* and *523.62* of the *Rules*.

**RESPONDENTS: ARKANSAS:** Harrison, David Charles  
**CALIFORNIA:** Will, Douglas Charles  
**NEW YORK:** Story, Glenn Preston  
**TEXAS: (Austin)** Reesing, Stephen Wayne  
(Dallas) Hughes, Virginia Lee; Matthews, James Alan; Warnecke, Donald Ernest  
(Fort Worth) Karnofel, David Joe  
(Garland) Thompson, Richard Arthur  
(Houston) Ferguson, Leslie; Johnson, Dale Benjamin; Smith, Kevin John  
(Irving) Davis, Donald Warren  
(Kingwood) Manley, John Michael  
(Laredo) Martinez, Elena  
(McKinney) Edgemon, Dianne Neilson  
(Odessa) Stanton, Beth Langston  
**INVESTIGATION NOS.:** 03-08-10147 through 03-08-10399

**DOCKET NO.:** 457-04-0032

**DATE OF BOARD ACTION:** 1/15/04

**DISPOSITION:** The license of each respondent still not in compliance as of the January 15, 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 required under *Section 901.411* of the *Act*. The respondents are in violation of *Section 901.411* of the *Act* and *Sections 501.94* and *523.62* of the *Rules*.

**RESPONDENTS: TEXAS: (Arlington)** Bitenc, Sandra Halenka

**(Beaumont)** Jones, Laura Kay Pegues

**(Coppell)** Granado, Shirley Ann

**(Dallas)** Johnson, Christopher Todd; Nwachukwu, Emmanuel C.

**(Irving)** Collins, Stanley Kieth

**(Plano)** Jenkins, Lloyd Franklin

**INVESTIGATION NOS.:** 03-09-10091 through 03-09-10214

**DOCKET NO.:** 457-04-0640

**DATE OF BOARD ACTION:** 1/15/04

**DISPOSITION:** The license of each respondent still not in compliance as of the January 15, 2004 Board meeting was suspended for three years, or until the respondent complies with the education 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 required under *Section 901.411* of the *Act*. The respondents are in violation *Section 901.411* of the *Act* and *Section 501.94* and *523.62* of the *Rules*.

## Three-Year Non-Pay Actions

**RESPONDENTS: COLORADO:** Kesaree, Kavita; Lessard, Paul Albert

**GEORGIA:** Rager, Larry Allen; Banks, Robert L.

**ILLINOIS:** Pierce, Michael Jeffrey

**MICHIGAN:** Wright, Kenneth A.

**NEW HAMPSHIRE:** Cohen, Joanne Ball

**NEW MEXICO:** Carlson, Ernest Bernard III

**NEVADA:** Edwards, Jesse Glen

**TEXAS: (Abilene)** Morris, Jimmy Roy Jr.

**(Austin)** Bonner, Janet Marie

**(Dallas)** Collins, Dominic John; Yang, Kichul

**(Del Valle)** Sanders, Karl Glynn

**(Friendswood)** McKee, Kenneth James

**(Houston)** Greer, Laurie A.; Wingard, Dale Howard

**(Irving)** Babington, Thomas Daniel

**(Plano)** Clark, Craig Reid

**(Sugar Land)** Ozmer, David Lee

**(The Woodlands)** Roberts, Michael Edwin

**INVESTIGATION NOS.:** 03-01-10001 through 03-01-10037

**DOCKET NO.:** 457-03-2646

**DATE OF BOARD ACTION:** 7/24/03

**DISPOSITION:** The Board revoked, without prejudice, the certificate of each respondent still not in compliance as of the July 24, 2003 Board meeting. 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 to pay the license fees and penalties required under *Section 901.401* of the *Act* for three consecutive license periods. The respondents are in violation of *Section 901.502(4)* of the *Act*.

**RESPONDENTS: ARKANSAS:** Simmons, Pamela Shawnaree

**COLORADO:** Jackson, John Earl

**HONG KONG:** Yiu, Yonnie Yuen-Kam

**KOREA:** Chung, Bo Young

**SOUTH CAROLINA:** Shaw, Charlotte Self

**TEXAS:** (Amarillo) Elza, James Darrell  
(Dallas) Bremer, Richard Herbert; Brethour, Kristin M.; Hancock, Gary Robert; Ibach, Ronald; Larue, Lauren Virginia Cannon; Pham, Vinh Phu  
(Fort Worth) Woodson, Lynda Christine  
(Frisco) Simpson, Heather Kay  
(Garland) Edmonds, Lorraine  
(Grand Prairie) Eugenio, Maria Cecilia Baptista  
(Houston) Burgess, Sidney Ray; Case, Teresa Gayle; Fisbeck, Suzanne; Hill, Heather Sue; Kerwin, Michelle Catherine  
(Irving) Prescott, Frances Ellen  
(Laredo) McManus, Jimmie Jr.  
(Plano) Chou, Grace H.  
(Richardson) Finnegan, Robert Sean  
(Schertz) Dean, Robert John  
(The Woodlands) Rijhwani, Arun Arjun

**VIRGINIA:** Williams, Eugene Allen

**INVESTIGATION NOS.:** 03-02-10001 through 03-02-10046

**DOCKET NO.:** 457-03-2608

**DATE OF BOARD ACTION:** 7/24/03

**DISPOSITION:** The Board revoked, without prejudice, the certificate of each respondent still not in compliance as of the July 24, 2003 Board meeting. Each respondent may regain his or her certificate by paying all the required license fees and penalties required under *Section 901.401* of the *Act* for three consecutive license periods. The respondents are in violation of *Section 901.502(4)* of the *Act*.

**RESPONDENTS: ARKANSAS:** Franks, Jennifer G.

**BELGIUM:** Beaumont, Guy Marcel Paul

**CONNECTICUT:** Laux, Robert John

**FLORIDA:** Perez, Patricio

**IOWA:** Thompson, Kent Eugene

**MARYLAND:** Parra, Leonel Octavio

**NEW JERSEY:** Guarasci, Michael Ernest

**NEW YORK:** Lemonik, Robert

**OHIO:** Johnson, David Erik

**REPUBLIC OF CHINA:** Yuan, Hui-Erh

**PENNSYLVANIA:** Forkner, Eric Jason

**TEXAS:** (Abilene) McBrayer, James Wellington

(Arlington) Hamilton, Melissa Jan

(Austin) Seeling, Kim A.

(Carrollton) Lowe, Howard Roger Ii

(Cedar Park) Giroir, Michele D.

(Cleburne) Kolander, Gary Wayne

(Cypress) Brainerd, Jean Iris Bettle

(Denison) Mvula, Isaac Maliba

(El Paso) Brink, Christopher Lawrence

(Fort Worth) Walter, Bryan Lee

(Garland) Burnett, Henry Charles; Tarpley, Dorothy Mae Hansel

(Houston) Farmer, Jeffrey Reid; Musgrove, Thomas Craig; Phillips, James Burton

(Irving) Subisaretta, James Collin

(Kingwood) Reardon, Patrick Timothy

(Marshall) Laughlin, Barbara Lucas

(Richmond) Callaway-Psencik, Anne Dee

(San Antonio) Thompson, Karen Denise

(Southlake) Churchey, Randall Lindsay

(Sugar Land) Fleig, David Christopher; Lin, Xi

**INVESTIGATION NOS.:** 03-03-10001 through 03-03-10050

**DOCKET NO.:** 457-03-2961

**DATE OF BOARD ACTION:** 7/24/03

**DISPOSITION:** The Board revoked without prejudice the certificate of each respondent still not in compliance as of the July 24, 2003 Board meeting. 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 to pay the licensing fees and penalties required under *Section 901.401* of the *Act* for three

consecutive license periods. The respondents are in violation of Section 901.502(4) of the Act.

**RESPONDENTS: ARIZONA:** Dennis, Charles T.; Niedermeier, Lynn R.

**BRAZIL:** Norton, Robert Theodore

**CHINA:** Gao, George Hong

**CALIFORNIA:** Shaw, Cynthia Diane; Tucei, Alan Louis

**COLORADO:** Farmer, David Scott; Page, Ralph Albert

**CONNECTICUT:** Meltabarger, Fred Donovan

**GEORGIA:** Bender, Mae J.

**ILLINOIS:** Bass, Anna Maria

**LOUISIANA:** Hebert, Randal M.; Posey, Beverly Hammons

**MICHIGAN:** Moreau, Raymond Glen

**MINNESOTA:** Schultze, Gary Ronald

**OKLAHOMA:** Patterson, Jerry Randolph

**TENNESSEE:** McGee, Jennifer Virden

**TEXAS: (Arlington)** Bennett, Stephen Daryl

**(Austin)** Hurr, Christina; Wingren, Jerry Hamilton

**(Dallas)** Kettelman, Charles H.; Peskind, Stanley Meyer; Wray, Richard Logan

**(Eules)** Adams, Richard Gene

**(Fort Worth)** Freeman, R.B.; Jefferies, Ann J.; Phillips, Kenneth Edward

**(Friendswood)** Chenette, William Christopher

**(Garland)** Chance, Charles Lee Jr.; Struwe, Charles Edgar

**(Houston)** Ciramitaro, Shawn; Fladger, Joseph Edwin; Klausmeyer, Kevin Michael; Love, Julia E.

**(Round Rock)** Woodfield, Chris Weldon

**(San Antonio)** Kampmann, George Adams Jr.

**(Winona)** Kralka, Debra Lynn

**INVESTIGATION NOS.:** 03-04-10001 through 03-04-10056

**DOCKET NO.:** 457-03-3061

**DATE OF BOARD ACTION:** 9/25/03

**DISPOSITION:** The certificate of each respondent still not in compliance as of the September 25, 2003 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 to pay the licensing fees and penalties required under Section 901.405 and 901.407 of the Act for three consecutive license periods. The respondents are in violation of Section 901.502(4) of the Act.

**RESPONDENTS: ARKANSAS:** Anderson, Robert Coe

**GEORGIA:** Moss, Tamra Dye; Hudson, Michael David

**HONG KONG:** Lee, Ian King

**ILLINOIS:** Fix, Amy Armbruster

**INDIANA:** Chambers, Randy Lee

**LOUISIANA:** Leger, Bernard Joseph

**MICHIGAN:** Haan, Jennifer Ann

**MISSOURI:** Hall, Mark Aaron

**NORTH CAROLINA:** Johnson, John Peter

**OHIO:** Joshi, Ajaree Ratananinad

**SINGAPORE:** Wirjawan, Gita Irawan

**TENNESSEE:** Hobgood, Dirk Dewayne

**TEXAS: (Addison)** Segovia, Gilbert

**(Arlington)** Chase, Ronald Neeley

**(Austin)** Bender, John Phillip; Dunbar, Richard Martin; Smith, Gary Lee

**(Bryan)** Schroeder, Betty Marie

**(Burleson)** Schneeman, Terry Michael

**(Dallas)** Caldwell, Sharon Lynn; McAfee, Martha F.; Patrick, Barbara Lynn Weihrich; Unwin, Richard Valentine

**(El Paso)** Taylor, Ronald Curtis

**(Frisco)** Packer, Charles Lowe

**(Gladewater)** Beason, David Michael

**(Houston)** Daly, Michelle Elizabeth Spires; Ibanez, Pedro Claver; Morehead, Earl Ray Jr.; Prisk, Thomas James IV

**(Lewisville)** Loder, Lorine Goodwin

(Spring) Gibson, James Arlin

**WASHINGTON:** Chan, Pauline Chun-Yu

**INVESTIGATION NOS.:** 03-05-10001 through 03-05-10051

**DOCKET NO.:** 457-03-3410

**DATE OF BOARD ACTION:** 9/25/03

**DISPOSITION:** The certificate of each respondent still not in compliance as of the September 25, 2003 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 to pay the licensing fees and penalties required under *Sections 901.405 and 901.407* of the *Act* for three consecutive license periods. The respondents are in violation of *Section 901.502(4)* of the *Act*.

**RESPONDENTS: CALIFORNIA:** Ginn, Julie Jo

**CONNECTICUT:** Claiborne, Jerry Wayne

**FLORIDA:** Markey, Robert Jude; Partnoy, Lisa Cher

**LOUISIANA:** McGinley, Edward Bernard; Sentell, Samuel Eugene

**NORTH CAROLINA:** Manous, James Robert

**NEVADA:** Murray, Wallace Gayle

**RHODE ISLAND:** Peticolas, Robert William

**TENNESSEE:** Culpepper, Peter Ryan

**TEXAS: (Allen)** Johnson, David Kirk

**(Arlington)** Ehlers, Cynthia Louise

**(Austin)** Galaznik, Kenneth Jay; Shirley, Bryan Lee

**(Carrollton)** McLane, Lee Waldrop

**(Colleyville)** Wessel, Ricky La Von

**(Corpus Christi)** Saenz, Alvaro Daniel

**(Cypress)** Dover, Diana

**(Dallas)** Jones, Warren Douglas; Lucas, Cary Cleveland; Nicolais, Jane Lemense; Wolter, Randall William

**(El Paso)** Johnson, Paul Clark

**(Houston)** Davidson, Denise; Long, Ronald E.; McCann, Larry Douglas; McDonald, Cynthia Ann; O'Brian, Melanie Gayle Engelmann; Rice, Kathy Ellen; Valentine, Steven D.

**(Kingwood)** Harrison, Linda Lou

**(Mesquite)** Millard, Tanya Haynes

**(Plano)** Gosling, Paula Jane Dickerson; Luo, Min

**(Rusk)** Sadler, Terrie Sue Dyess

**(San Antonio)** Bounds, James Wesley; Nettle, Donald Batchelor

**(Sugar Land)** Wernet, Nann Patrice

**UTAH:** Quist, Rodger O.

**WASHINGTON:** Maschino, Peggy Dorene

**INVESTIGATION NOS.:** 03-06-10001 through 03-06-10051

**DOCKET NO.:** 457-03-3775

**DATE OF BOARD ACTION:** 9/25/03

**DISPOSITION:** The certificate of each respondent still not in compliance as of the September 25, 2003 Board meeting was revoked without prejudice. The 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 to pay the licensing fees and penalties required under *Sections 901.405 and 901.407* of the *Act* for three consecutive license periods. The respondents are in violation of *Section 901.502(4)* of the *Act*.

**RESPONDENTS: CALIFORNIA:** Durbin, Louis Riley

**COLORADO:** Peterson, Mary Virginia

**FLORIDA:** Richard, Jeffrey Oliver

**GEORGIA:** Stoker, Warren Scott; Knighton, Debbie Marie

**HONG KONG:** Lo, Karen Kayan

**LOUISIANA:** Jenkins, Darla Denise

**NEVADA:** Butz, Janet P.

**OKLAHOMA:** Heaton, Elizabeth W.; Pollard, Elmer Dwain

**TENNESSEE:** Kubalak, Karen J. Gallion

**TEXAS: (Allen)** Hall, Sheri Dawn;

**(Austin)** Batten, Patricia Lynn; Boggus, Wallis Nelson; Holloway, Mack Dixon; McEachron, Mary Beth; Rusk, Mary Katherine Christine Crane; Tilley, Kenneth Lyle

**(Bedford)** Anderson, Steven Prescott  
**(Dallas)** Byers, Kimberly Diane; Glasgow, Dwight Steven; Lillard, Brian Nelson; Starr, Thomas R.  
**(Hewitt)** Hilliard, Kelli Anne  
**(Houston)** Ashiru, Rahman Olalekan; Galvan, Luis; James, Donald Leland Jr.; Kusuda, Kayo; Moore, William Carl Jr.; Pardillo, Asuncion; Patterson, Kathy Elizabeth; Scott, Milton Leroy; Smalley, Nathan Alexander  
**(Katy)** Gardner, Braden Field  
**(Midlothian)** Hargrove, Addis Wayne  
**(Mount Vernon)** Brazier, Stephen Earl  
**(Odessa)** Chappell, Robert Lane  
**(Round Rock)** McCurry, Janet Lynne  
**(San Antonio)** Hathaway, Linda Marie; Rodriguez, Robert  
**(Spring)** McMullen, Kerstin Mai  
**(Sugar Land)** Reed, Karen Rachel Kleypas  
**(The Woodlands)** Beckett, James Mark  
**(Vernon)** Graf, Kenneth Earl  
**(Weatherford)** Sheu, Ying Wang  
**WISCONSIN:** Alexander, Daniel Wayne  
**INVESTIGATION NOS.:** 03-07-10001 through 03-07-10063  
**DOCKET NO.:** 457-03-4180  
**DATE OF BOARD ACTION:** 11/13/03

**DISPOSITION:** The certificate of each respondent still not in compliance as of the November 13, 2003 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 to pay the licensing fees and penalties required under *Section 901.405* and *901.407* of the *Act* for three consecutive license periods. The respondents are in violation of *Section 901.502(4)* of the *Act*.

**RESPONDENTS: ARIZONA:** Holguin, Randolph James

**BRAZIL:** Fratus, Dorteia Jeane

**CALIFORNIA:** O'Donnell, Jane; Tiong, Lu Leong

**COLORADO:** Callison, Jack Richard Jr.

**MASSACHUSETTS:** Brenek, Jason Scott Mendelsohn, Jennifer S.

**TEXAS: (Allen)** Wilson, William Duncan

**(Austin)** Breaux, Gary L.; Keely, Mary Anne

**(Coppell)** Patrick, Ronald Earl

**(Cypress)** Jobe, Debra Lynn

**(Dallas)** Nelson, William Charles; Patterson, Wendy McCoy; Waldie, Andrea Lynn Hopkins

**(El Paso)** Blanco, Natalie Marie; Johnson, Christine Ann

**(Houston)** Brochstein, Paul Zarroll; Crouch, William Ekas; Evans, Ann Elmore; Lewis, David Wayne; Orrick, Marie Isabelle; Palazzuoli, Leslie Virginia Davis

**(Mansfield)** Wengender, David James

**(McAllen)** Smith, Dana Sue

**(Missouri City)** Sanders, Anthony Micheal

**(San Antonio)** Guenther, Jack Egon

**(The Woodlands)** Hoffman, Daniel Joseph

**(Tomball)** Schippers, Norman Francis

**(Victoria)** Barber, Carole Diane

**(Weatherford)** Lovelace, Terry Wayne

**INVESTIGATION NOS.:** 03-08-10001 through 03-08-10146

**DOCKET NO.:** 457-04-0031

**DATE OF BOARD ACTION:** 1/15/04

**DISPOSITION:** The certificate of each respondent still not in compliance as of the January 15, 2004 Board meeting was revoked without prejudice. The 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 to pay the licensing fees and penalties required under *Sections 901.405*, *901.407*, and *901.408* of the *Act* for three consecutive license periods. The respondents are in violation of *Section 901.502* of the *Act*.

**RESPONDENTS: ARIZONA:** Halliburton, James William

**CALIFORNIA:** Ho, Tze Kin; Primerano, Robert Walter; Motley, Robert Richards; Rice, Christian Kerrigan; White, Bradley Don

**COLORADO:** Rodriguez, Jose A.; Steimel, Susan Ann; Koehn, Michael Bennett

**FLORIDA:** Hein, George Kenny; Spier, Carline Bush; Civiletto, Joseph Edward  
**GEORGIA:** Anderson, Mark Eugene; Dickson, Angela Carol  
**ILLINOIS:** Asija, Sanjay Omprakash  
**INDIANA:** Effner, Randall Lloyd  
**KANSAS:** Griggs, Kenneth Dean  
**LOUISIANA:** Lamartina, Joey Anthony  
**MASSACHUSETTS:** Chowdhary, Dipali  
**MICHIGAN:** Dubay, Stacey Elaine  
**MINNESOTA:** Neumann, Elmer Eugene  
**NEW JERSEY:** Stevens, Shellie Rene  
**NEW MEXICO:** Carri, Serafino Anthony  
**NEVADA:** O'Shea, Crystal  
**OHIO:** Feng, Hui-Chun  
**OKLAHOMA:** Teague, Jennifer Liane  
**OREGON:** Zamarra, Randall Louis  
**PENNSYLVANIA:** Del Chiaro, Janet Arlene Young  
**R.S.A.:** Spratt, Terry Wayne  
**SOUTH CAROLINA:** Young, Bland Eugene  
**TEXAS:** **Arlington** Orr, Robert Douglas Jr.  
(**Austin**) Morgan, Joseph Clark; Otto, Daniel Stephen; Walden, Teresa Lee  
(**Bandera**) Whiteley, Diane Butler  
(**Beaumont**) Anderson, Richard L.  
(**Bellaire**) Patrick, Deborah Chrystal  
(**Conroe**) Rhodes, Katherine C.  
(**Coppell**) Davis, Janice Zabukovec  
(**Cypress**) Landreneau, David Gary  
(**Dallas**) Davis-Angers, Tiffany; Langland, Robert Odin; Lenox, Stephanie Corbett; MacDonald, John Floyd; Marchetto, Eric Robert  
(**Decatur**) Watson, Columbus Ernest  
(**El Paso**) Hart, Moira Glen; Lutz, Marian Sue; Reyes, Yolanda Flores  
(**Flower Mound**) Bewley, Jackie Dale  
(**Fort Worth**) Choate, Chris Alan  
(**Grapevine**) Cooper, David Carl Jr.; Green, Yvonne McFarlin  
(**Houston**) Baldwin, Linda Ferguson; Blackstock, Joann; D'Etcheverry, Anne Delaine; Hartsell, Don R.; Ideus, Robert Louis; Williams, Jeff Walton Jr.  
(**Humble**) Mosley, Katherine Diana  
(**Irving**) Hill, Edward M.; Laubenthal, Thomas James  
(**McKinney**) Hermes, Joyce Cecelia  
(**Plano**) Dickens, William Paul; McDonald, Robert Earl  
(**San Antonio**) Miller, Mark Allen  
(**Sugar Land**) Labbe, Margaret Deuel  
**VIRGINIA:** Hazelrigg, Verna Suzanne; Feldmann, Janet L.V.  
**INVESTIGATION NOS.:** 03-09-10001 through 03-09-10090  
**DOCKET NO.:** 457-04-0639  
**DATE OF BOARD ACTION:** 1/15/04

**DISPOSITION:** The certificate of each respondent still not in compliance as of the January 15, 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 to pay the licensing fees and penalties required under *Sections 901.405, 901.407, and 901.408* of the *Act* for three consecutive license periods. The respondents are in violation of *Section 901.502* of the *Act*.



# CUSTOMER SATISFACTION SURVEY

In an effort to improve state operations, the Texas Legislature requires each state agency to survey its client base for customer satisfaction so it can assess and develop customer service standards. Some of the Board's customers are its licensees. The results of this survey will be included in the Board's strategic plan. Please take a few minutes to help evaluate the job this agency is doing for you. Additional constructive comments may be attached. In order for your survey to be tabulated, you must include your name and certificate number. Please return this form by May 10, 2004 by FAX at (512) 305-7854 or to the Board office at 333 Guadalupe, Tower 3, Suite 900, Austin, Texas 78701-3900.

Name \_\_\_\_\_

Certificate Number \_\_\_\_\_

## I. Background information . . .

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

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

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

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

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

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

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

## III. The Board staff . . .

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

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

## IV. The Board's website . . .

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

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

## V. Printed information . . .

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

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

## VI. Overall . . .

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

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

## TEXAS STATE BOARD OF PUBLIC ACCOUNTANCY

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

### Board Members

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PRESIDING OFFICER

MELANIE G. THOMPSON, CPA  
ASSISTANT PRESIDING OFFICER

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JOSEPH W. RICHARDSON, CPA

JOHN W. STEINBERG

JOHN A. WALTON

### Executive Director

WILLIAM TREACY

### Editor

ERIN EDIGER

### 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

licensing@tsbpa.state.tx.us

### Public Information

(512) 305-7802

FAX (512)305-7854

publicinfo@tsbpa.state.tx.us

### Qualifications

(512)305-7851

FAX (512)305-7875

exam@tsbpa.state.tx.us

### Automated Information

(512)305-7870

# CONCERNED CPA NETWORK

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

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

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

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

## DID YOU KNOW?

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

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

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

# HAVE YOU MOVED?

Board rules require licensees to inform the Board within thirty days of a change of address. You may do this on the Board's website [www.tsbpa.state.tx.us](http://www.tsbpa.state.tx.us), by mail at the address in the sidebar at left, or by FAX at (512) 305-7875.