

Update from the Texas Board

The following is an update on recent activities of the Texas State Board of Public Accountancy.

Peer Review Program

To undertake closer scrutiny of its peer review program, the Board has amended its peer review rules to include the Public Company Accounting Oversight Board (PCAOB) firm inspection program and the new AICPA Center for Public Company Audit Firms. The rules are now in compliance with the current AICPA peer review standards and the guidelines for the Board's Peer Review Oversight Board.

Requirements are now in place which require a firm performing audits for public companies to report to the Board enrollment with the PCAOB and notify the Board of the peer review date. Firms should check the status of their peer reviews to make certain they are up-to-date.

Peer review information, forms, and rules are located on the Board's website.

Continuing Professional Education and Sponsor Review Program

The Board has initiated a sponsor review program for all entities that offer CPE courses to licensees. The Board lists on its website all approved sponsors whose courses qualify for credit toward a licensee's annual CPE requirements. Licensees should check the Board's website to determine if a CPE course is offered by a Board-approved sponsor.

A CPE sponsor who purchases a course from another entity such as the AICPA or the Commerce Clearing House and uses this material to teach CPE for credit to in-house licensees is required to register with the Board and pay the registration fee associated with the number of courses taught.

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Rules of Professional Conduct

During the past year, the Board has adopted several changes to Chapter 501, the *Rules of Professional Conduct*. These include:

- ♦ **Section 501.72 (Contingency Fees).** In order to maintain independence, according to AICPA, GAO, and SEC rules, licensees shall not perform for a contingent fee any professional services for attest clients.¹ *Section 501.72* states, in part:

(a) A certificate or registration holder shall not perform for a contingent fee any professional services for, or receive such a fee from, a client for whom the certificate or registration holder performs services requiring independence under §501.70 of this chapter (relating to Independence).

(b) A certificate or registration holder shall not prepare an original or amended federal, state, local or other jurisdiction tax return for a contingent fee for any client during the period in which the licensee or the licensee's firm is engaged to perform any of the services referenced by subsection (a) of this section and the period covered by any historical or prospective financial statements involved in any of the referenced services. Fees are not contingent if they are fixed by courts or governmental entities acting in a judicial or regulatory capacity, or in tax matters if determined based on the results of judicial proceedings or the findings of governmental agencies acting in a judicial or regulatory capacity, or if there is a reasonable expectation of substantive review by a taxing authority.

◆ **Section 501.76 (Records and Work Papers).** The rule requires a licensee to retain work papers for a minimum of five years from the date of any report issued in connection with the attest service, unless otherwise required by another regulatory body. Failure to maintain such documentation or working papers constitutes a violation of the rules and may be considered an admission that the papers do not comply with professional standards. The Board recommends that a certificate or registration holder obtain a receipt or other written documentation of the records delivery to a client.

◆ **Section 501.78 (Withdrawal or Resignation).** The rule was adopted to give licensees guidance on withdrawing or resigning from an engagement. The entire text of the rule is shown below.

(a) If a certificate or registration holder cannot complete an engagement or employment assignment in a manner that complies with the requirements of this chapter, the certificate or registration holder shall withdraw from the engagement or resign from the employment assignment.

(b) If a certificate or registration holder withdraws from an engagement or resigns from an employment assignment pursuant to this section, the certificate or registration holder shall inform the client or employer of the withdrawal or resignation.

(c) **Interpretive Comment:** Any withdrawal or resignation shall preferably be in writing. A certificate or registration holder shall comply with the requirements of §501.75 of this title (relating to Confidential Client Communications) and §501.90(17) of this title (relating to Discreditable Acts) regarding confidential information of clients and employers during and after a withdrawal or resignation executed pursuant to this section. For purposes of this section, an engagement commences once an engagement letter is signed by the client, time is charged to the engagement, or compensation is received by a certificate or registration holder in connection with an engagement or employment assignment.

Ethics Course

Ethics courses for licensees. Between January 1, 2005 and January 1, 2007 each licensee who is required to complete a Board-approved ethics course must take the four-hour Board-approved course as their requirement occurs. In addition, the licensee must complete this four-hour ethics course on a two-year cycle (i.e., every other year). An example for transitioning from the three-year reporting cycle to the two-year reporting cycle is shown on page 3. The course may be either in a live instruction setting or in an interactive computer-based situation. For a list of Board-approved ethics courses, check the Board's website. The new course content objectives will encompass ethical principles and values, ethical reasoning and dilemmas, case studies, and



the Board's *Rules of Professional Conduct*.

Ethics courses for candidates. Beginning July 1, 2005, the Board requires all first-time exam candidates to have completed three semester hours of a Board-approved ethics course taught by qualified faculty to be eligible to take the CPA exam. The Board determines the acceptability of ethics courses based on university submission of a detailed syllabus describing teaching methodology, class materials, lecture-by-lecture assignments and case studies on subjects outlined in *Section 511.58 (Definitions of Related Business Subjects)* of the Board's rules.

Individual License Fee Increase

The Board has temporarily adopted a fee increase to support the Board's enforcement program involving the prosecution of major cases. For more information, see the December 2004 *Texas State Board Report* (Vol. 83).

The annual license fee is now \$270. Many individuals have continued to submit checks in the previous amount of \$240, which will delay the issuance of their licenses.

Licensees must submit a completed license renewal notice with a check or money order. The Board is unable to accept credit card payments or cash. When submitting the license fee, licensees should:

- ◆ **SIGN** your check;
- ◆ **SIGN** your license renewal notice; and
- ◆ include your check with a current license renewal notice.

To obtain a current license renewal notice, please call the Board's Licensing Division at **(512) 305-7853** or e-mail at licensing@tsbpa.state.tx.us.

Firm Renewal and Registration

Contact the Board if the firm:

- ◆ has not renewed for 2005;
- ◆ has dissolved; or
- ◆ has had a name change.

Computer-Based CPA Examination

The following facts may be useful for employees who are taking the exam:

- ◆ Employers can assist exam candidates by allowing time off for testing.
- ◆ Each section of the exam may be applied for and taken independently of the other sections.
- ◆ When a candidate's application is approved, the candidate has a **90-day window** to pay an examination fee to the National Association of State Boards of Accountancy, schedule,

NEW ETHICS COURSE REQUIREMENTS (EXAMPLE FOR AN INDIVIDUAL WITH A JANUARY BIRTHDATE)

BIRTH MONTH	LAST REPORTED 2-HOUR COURSE	FIRST REPORTED 4-HOUR COURSE
January	2002	May report a 2-hour course taken prior to January 1, 2005 on the January 2005 renewal form but will need to take the 4-hour course for reporting in January 2007 or may take the 4-hour course on the January 2005 to report in January 2005 renewal form and repeat the 4-hour course for reporting on the January 2007 renewal form.
January	2003	Will need to take a 4-hour course after January 1, 2005 to report on the January 2006 renewal form and repeat the 4-hour course for reporting on the January 2008 renewal form.
January	2004	Will need to take a 4-hour course after January 1, 2006 to report on the January 2007 renewal form and repeat the 4-hour course for reporting on the January 2009 renewal form.

and test at a Prometric test center. Examination fees are not refundable or transferable, and the testing window cannot be extended.

- ♦ Testing is available for two months during each quarter at numerous Prometric test centers throughout the state, and at over 300 locations nationally.
- ♦ The CPA exam may be taken during business hours. Some test centers offer extended hours and are open on weekends.
- ♦ Exam candidates have an 18-month window in which to pass all sections of the CPA exam after establishing credit.
- ♦ Exam candidates should discuss with employers the possible days and times needed for testing before scheduling an exam.

¹ Section 501.52 (Definitions) of the Board's rules defines a contingent fee in the following manner: " '**Contingent fee**' means a fee for any service where no fee will be charged unless a specified finding or result is attained, or in which the amount of the fee is otherwise dependent upon the finding or result of such service. However, a certificate or registration holder's non-contingent fees may vary depending, for example, on the complexity of the services rendered. Fees are not contingent if they are fixed by courts or governmental entities acting in a judicial or regulatory capacity, or in tax matters if determined based on the results of judicial proceedings or the findings of governmental agencies acting in a judicial or regulatory capacity, or if there is a reasonable expectation of substantive review by a taxing authority . . . "



What's on the Board's WEBSITE ?

The Board's website has been upgraded and enhanced with new information. The Board urges licensees to periodically check the site for news and updates.

New on the Website

Educator's Page. The Board, in cooperation with institutions of higher education, devotes this segment to providing current information to faculty members involved in preparing students to take the Uniform CPA Examination and to enter the accounting profession. It includes the following information regarding:

- ♦ the educational requirements to take the CPA exam, including applicable Board rules;
- ♦ the Board-approved ethics courses required to take the CPA exam and links to these courses, along with instructions on how to submit an ethics course for consideration;
- ♦ Board review of accounting courses;
- ♦ educational requirements that can be satisfied at Texas community colleges;
- ♦ AICPA examination content specifications for the CPA exam;
- ♦ exam pass-rate by university; and
- ♦ Board actions that may impact students, faculty, or institutions.

Sarbanes-Oxley Act. In response to a mandate by the Texas Legislature, the Board submitted a report to the governor, lieutenant governor, and speaker of the Texas House of Representatives on November 11, 2004 with recommendations on implementing the federal *Sarbanes-Oxley Act* (SOX) in Texas. A task force studied SOX and considered relevant activities of other states and regulatory bodies, existing studies, and other information. The task force received input from

selected associations and regulators of public interest entities and held a public forum during which it received input from interested parties. The Board believes the report's recommendations strike an appropriate balance between safeguarding the public's interest while promoting a sound Texas business climate, which also is in the public interest. The entire report is on the Board's website.

CPA exam update. With the advent of computer-based testing in 2004, the CPA examination has undergone tremendous changes. The Board has published a number of new brochures dealing with all aspects of the examination process. These brochures are available in paper format, but are also included in their entirety on the Board's website. They are entitled:

- ◆ *Application of Intent Process;*
- ◆ *Eligibility Application Process;*
- ◆ *Transfer of Credit Process;*
- ◆ *Examination Process;* and
- ◆ *Testing Accommodation Process.*

In addition, this section of the Board's website contains test tips for candidates, tips for taking the exam, and answers to frequently asked questions on the computer-based CPA exam.

Other Information on the Website

Licensees and examination candidates can also find the following information and publications on the Board's website:

- ◆ application forms and instructions;
- ◆ CPE ethics course requirements;
- ◆ list of approved ethics courses and provider contact information;
- ◆ rules for the accounting profession;
- ◆ current and past issues of the *Texas State Board Report*;
- ◆ current and past issues of the *Candidate Chronicle*;
- ◆ list of CPA exam test centers;

continued on page 6

Check your status

Licensees can check their license and CPE status on the Board's website. In a secure area of the site, detailed information about licensed individuals and licensed firms is presented. The information presented about each licensee will not only assist in the successful completion of the annual renewal process, but also gives licensees the ability to verify information maintained by the Board at any time.

AN INDIVIDUAL CAN:

- ◆ verify address and telephone number.
- ◆ update their address and telephone number.
- ◆ check the following activities relating to the annual license renewal process:
 - date renewal was printed;
 - date license fee was received;
 - reasons license has not been issued;
 - date license card was printed; and
 - date license will expire.
- ◆ view CPE requirements for the next unissued license period.
- ◆ check CPE hours maintained by the Board.
- ◆ check certification/registration information.

A FIRM MANAGER CAN:

- ◆ verify firm's address and telephone number.
- ◆ check the following activities relating to the annual renewal process:
 - date renewal was printed;
 - date license fees were received;
 - reasons license has not been issued;
 - date license card was printed; and
 - date license will expire.
- ◆ view current and historical peer review information.
- ◆ check owners of the firm maintained by the Board.

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exam@tsbpa.state.tx.us

Other Information on the Website (continued)

- ♦ CPA exam dates;
- ♦ future Board meetings dates;
- ♦ Board meeting minutes;
- ♦ future swearing-in ceremony dates and locations;
- ♦ information on how to contact the Board staff;
- ♦ press releases;
- ♦ Board policies and reports;
- ♦ policies and procedures for filing complaints; and
- ♦ information on the peer assistance program.

Forms Available on the Board's Website

Board application forms, instructions, and general information pamphlets are now available for viewing and printing. Based on the type of application, several different forms may need to be completed. Following is a list of forms which can be downloaded from the Board's website:

CPE FORMS FOR LICENSEES:

- ♦ *CPE Exemption*
- ♦ *Claiming Continuing Professional Education Credits from a Non-Registered Sponsor*

CPE FORM FOR SPONSORS:

- ♦ *Initial Registration for Sponsoring Continuing Professional Education*

CPA QUALIFICATION BY UNIFORM CPA EXAMINATION FORMS:

- ♦ *Application of Intent Package for Individuals **without** Uniform CPA Examination Credits to be Transferred to Texas*
- ♦ *Application of Intent Package for Individuals **with** Uniform CPA Examination Credits to be Transferred to Texas*
- ♦ *ADA Testing Accommodations*

CPA QUALIFICATION BY RECIPROCITY FORM:

- ♦ *Reciprocal Application*

ISSUANCE OF CPA CERTIFICATE FORMS:

- ♦ *Work Experience Application*
- ♦ *Oath of Office*

FIRM REGISTRATION FORMS:

- ♦ *Registration of a Firm Practicing Public Accountancy as a Professional Corporation*
- ♦ *Registration of a Firm Practicing Public Accountancy as a Limited Liability Company (LLC)*
- ♦ *Registration of a Firm Practicing Public Accountancy as a Professional Partnership*
- ♦ *Registration of a Firm Practicing Public Accountancy as a Registered Limited Liability Partnership (RLLP)*

TEMPORARY PERMIT PRACTICE APPLICATION

SUBSTANTIALLY EQUIVALENT APPLICATION

PEER REVIEW:

- ♦ *The Peer Review Program Overview*
- ♦ *Peer Review Sponsors*
- ♦ *Peer Review Reporting*
- ♦ *Affidavit for Exemption from Peer Review*
- ♦ *Peer Review Compliance Reporting Form*

ENFORCEMENT ACTIONS

DISCIPLINARY ACTIONS

RESPONDENT: Ronald K. Carson

CERTIFICATE NO.: 049888

BOARD ACTION: 1/12/05

DISPOSITION: The respondent entered into an Agreed Consent Order with the Board whereby he was reprimanded, must pay \$2,630 in administrative costs within 30 days of the date the Board ratified the order, and must complete four hours of live CPE in the area of ethics. This requirement is in addition to the respondent's annual CPE requirement and must be completed within 90 days of the date the Board ratified the order. The respondent breached his fiduciary duty to the client. Specifically, in derogation of his duties and company policy, the respondent paid or caused to be paid many improper expenses for the benefit of himself and others. The respondent violated *Section 501.73* (integrity and objectivity) of the Board's *Rules*, as well as *Sections 901.502(6)* (a violation of a rule of professional conduct) and *901.502(11)* (lack of fitness to serve the public as a professional accountant) of the *Act*.

INVESTIGATION NO.: 04-03-25L

HOMETOWN: Cypress, Texas

RESPONDENT: Thomas M. Couch Jr.

CERTIFICATE NO.: 053739

BOARD ACTION: 1/12/05

DISPOSITION: The respondent entered into an Agreed Consent Order with the Board whereby he was placed on limited scope and must pay an administrative penalty of \$1,000 and administrative costs of \$1,260 within 30 days of the date the Board ratified the order. The respondent is prohibited from performing any attest services, including audits, compilations, and reviews, for three years. After the three years end, no attest services shall be issued without pre-issuance review being performed, until the respondent obtains an unmodified peer review. The respondent failed to comply with the Board's peer review requirements. The respondent violated *Sections 501.74* (competence) and *527.5* (effect of successive substandard reviews) of the Board's *Rules*, as well as *Sections 901.502(6)* (a violation of a rule of professional conduct) and *901.502(11)* (lack of fitness to serve the public as a professional accountant) of the *Act*.

INVESTIGATION NO.: 04-07-06L

HOMETOWN: Houston, Texas

RESPONDENT: Ricky D. Delano

CERTIFICATE NO.: 014935

BOARD ACTION: 1/12/05

DISPOSITION: The respondent entered into an Agreed Consent Order with the Board whereby he was reprimanded and must pay \$915 in administrative costs within 30 days of the date the Board ratified the order. The respondent's employer did not seek the respondent's advice with respect to the proper accounting of compensation earned by another employee. Later, the respondent discovered the arrangement and made inquiry of the employer, noting the impropriety. The respondent did not insist on correcting this improper payment arrangement that the employer had authorized. The respondent admits that he deferred to the employer's decision and judgment with respect to the improper payment arrangement. The respondent violated *Section 501.73* (integrity and objectivity) of the Board's *Rules*, as well as *Sections 901.502(6)* (a violation of a rule of professional conduct) and *901.502(11)* (lack of fitness to serve the public as a professional accountant) of the *Act*.

INVESTIGATION NO.: 04-08-09L

HOMETOWN: Corpus Christi, Texas

RESPONDENT: Raymond L. Haynes

CERTIFICATE NO.: 013900

BOARD ACTION: 1/12/05

DISPOSITION: The respondent entered into an Agreed Consent Order with the Board whereby he was reprimanded and must pay an administrative penalty of \$2,000 and administrative costs of \$970 within 30 days of the date the Board ratified the order. The respondent failed to comply with the Board's peer review requirements and failed to respond to the Board's written communication dated September 26, 2003. The respondent violated *Sections 501.93* (responses) and *527.4* (peer review enrollment and participation) of the Board's *Rules*, as well as *Sections 901.502(6)* (a violation of a rule of professional conduct) and *901.502(11)* (lack of fitness to serve the public as a professional accountant) of the *Act*.

INVESTIGATION NO.: 04-07-07L

HOMETOWN: Granbury, Texas

ENFORCEMENT ACTIONS (continued from page 7)

RESPONDENT: John O. Ivie
CERTIFICATE NO.: 007337
BOARD ACTION: 1/12/05

INVESTIGATION NO.: 04-07-08L
HOMETOWN: Forney, Texas

DISPOSITION: The respondent entered into an Agreed Consent Order with the Board whereby he was reprimanded and ordered to pay an administrative penalty of \$500 and administrative costs of \$468 within 30 days of the date the Board ratified the order. The respondent failed to submit proof of completion of a peer review due November 30, 2001. The respondent violated Section 527.4 (peer review enrollment and participation) of the Board's *Rules*, as well as *Sections 901.502(6)* (a violation of a rule of professional conduct) and *901.502(11)* (lack of fitness to serve the public as a professional accountant) of the *Act*.

RESPONDENT: Richard M. Kaufman
CERTIFICATE NO.: 006857
BOARD ACTION: 1/12/05

INVESTIGATION NO.: 04-08-02L
HOMETOWN: El Paso, Texas

DISPOSITION: The respondent entered into an Agreed Consent Order with the Board whereby he was reprimanded and ordered to pay \$814.50 in administrative costs within 30 days of the date the Board ratified the order. The respondent gave his client erroneous advice regarding off-setting long term capital gains created by the sale of stock. As a result, his client sustained monetary damages. The respondent violated *Section 501.74* (competence) of the Board's *Rules*, as well as *Sections 901.502(6)* (a violation of a rule of professional conduct) and *901.502(11)* (lack of fitness to serve the public as a professional accountant) of the *Act*.

RESPONDENT: Kaufman, Ward & Co.
LICENSE NO.: C00463
BOARD ACTION: 1/12/05

INVESTIGATION NO.: 04-08-04L
HOMETOWN: El Paso, Texas

DISPOSITION: The respondent entered into an Agreed Consent Order with the Board whereby the respondent was reprimanded and ordered to pay \$814.50 in administrative costs within 30 days of the date the Board ratified the order. The respondent gave its client erroneous advice regarding off-setting long-term capital gains created by the sale of stock. As a result, its client sustained monetary damages. The respondent violated *Section 501.74* (competence) of the Board's *Rules*, as well as *Sections 901.502(6)* (a violation of a rule of professional conduct) and *901.502(11)* (lack of fitness to serve the public as a professional accountant) of the *Act*.

RESPONDENT: James L. McClain (Individual)
CERTIFICATE NO.: 023606
RESPONDENT: James L. McClain (Firm)
LICENSE NO.: S05169
BOARD ACTION: 1/12/05

INVESTIGATION NO.: 04-06-23L
HOMETOWN: Houston, Texas
INVESTIGATION NO.: 04-06-24L
HOMETOWN: Houston, Texas

DISPOSITION: The respondents entered into an Agreed Consent Order with the Board whereby they were reprimanded and must pay an administrative penalty of \$2,000 and administrative costs of \$700.50 within 30 days of the date the Board ratified the order. The respondents failed to participate in a peer review during the last 36 months. The respondents violated *Sections 527.4* (peer review enrollment and participation) and *527.6* of the Board's *Rules*, as well as *Sections 901.502(6)* (a violation of a rule of professional conduct) and *901.502(11)* (lack of fitness to serve the public as a professional accountant) of the *Act*.

RESPONDENT: Gary L. Murrey
CERTIFICATE NO.: 055738
BOARD ACTION: 1/12/05

INVESTIGATION NO.: 04-08-06L
HOMETOWN: Forney, Texas

DISPOSITION: The respondent entered into an Agreed Consent Order with the Board whereby he was reprimanded and ordered to pay an administrative penalty of \$1,000 and administrative costs of \$525 within 30 days of the date the Board ratified the order. The respondent practiced public accountancy with a held/expired individual license, practiced public accountancy in an unregistered entity, and failed to comply with the Board's peer review requirements. The respondent violated *Section 501.80* (practice of public accountancy) of the Board's *Rules*, as well as *Sections 901.502(6)* (a violation of a rule of professional conduct) and *901.502(11)* (lack of fitness to serve the public as a professional accountant) of the *Act*.

RESPONDENT: Timothy Frederick Schaffner**CERTIFICATE NO.:** 039328**BOARD ACTION:** 1/12/05

DISPOSITION: The respondent entered into an Agreed Consent Order with the Board whereby he was reprimanded and must also complete and submit proof of completion of eight hours of live CPE in the area of compilations, four hours of live CPE in the area of state agency accounting, and four hours of live CPE in the area of ethics. All of the above referenced hours are in addition to the respondent's annual CPE requirement and must be completed within 90 days of the date the Board ratified the Order. The respondent failed to include an independence clause in a compilation report, when the service agreement created the appearance of a lack of independence by establishing that the respondent would provide financial management services. The respondent violated *Section 501.62 (Other Professional Standards)* of the Board's *Rules*, as well as *Sections 901.502(6)* (a violation of a rule of professional conduct) and *901.502(11)* (lack of fitness to serve the public as a professional accountant) of the *Act*.

INVESTIGATION NO.: 01-08-01L**HOMETOWN:** Austin, Texas**RESPONDENT:** Jerry M. Ward**CERTIFICATE NO.:** 021272**BOARD ACTION:** 1/12/05

DISPOSITION: The respondent entered into an Agreed Consent Order with the Board whereby he was reprimanded and must pay \$814.50 in administrative costs within 30 days of the date the Board ratified the order. The respondent gave his client erroneous advice regarding off-setting long term capital gains created by the sale of stock. As a result, his client sustained monetary damages. The respondent violated *Section 501.74* (competence), as well as *Sections 901.502(6)* (a violation of a rule of professional conduct) and *901.502(11)* (lack of fitness to serve the public as a professional accountant) of the *Act*.

INVESTIGATION NO.: 04-08-03L**HOMETOWN:** El Paso, Texas

AGREED CEASE AND DESIST ORDER

RESPONDENT: James R. Griffin**BOARD ACTION:** 1/12/05

DISPOSITION: The respondent represented himself as a CPA and signed a compilation report dated March 5, 2004 for a client when his certificate had been revoked on January 24, 2001. His certificate has not been reinstated. The respondent violated *Sections 901.451* (use of title or abbreviation for "Certified Public Accountant") and *901.251* (certificate requirements) of the *Act*. The respondent entered into an Agreed Cease and Desist Order with the Board whereby he will cease and desist from practicing public accountancy until or unless he complies with the registration and licensing provisions of the *Act*, and until or unless he has obtained a license to practice public accountancy or certified public accountancy.

INVESTIGATION NO.: 04-10-04N**HOMETOWN:** Brady, Texas

CEASE AND DESIST ORDERS

RESPONDENT: Karen Fitzgerald**DOCKET NO.:** 457-05-1657**BOARD ACTION:** 1/12/05

DISPOSITION: The respondent represented herself as a CPA in correspondence dated November 5, 2004, to the Texas Workforce Commission when she is not licensed in Texas. The Board approved a Cease and Desist Order whereby the respondent will cease and desist from practicing public accountancy until or unless she complies with the registration and licensing provisions of the *Act* by obtaining a license to practice public accountancy or certified public accountancy. The complaint notified the respondent of the requirement to file a written answer with State Office of Administrative Hearings (SOAH) within 20 days of the date of the complaint. The respondent failed to file a written answer with SOAH. The Board's Enforcement Division filed a Notice of Remand on December 8, 2004. The respondent violated *Sections 901.251* (certificate requirements), *901.401* (license requirements), *901.451* (use of title or abbreviation for "Certified Public Accountant"), and *901.453* (use of other titles or abbreviations) of the *Act*.

INVESTIGATION NO.: 03-12-25N**HOMETOWN:** Fort Davis, Texas

ENFORCEMENT ACTIONS (continued from page 9)

RESPONDENT: Michael Wellman

DOCKET NO.: 457-05-1136

BOARD ACTION: 1/12/05

INVESTIGATION NO.: 04-10-05L

HOMETOWN: Austin, Texas

DISPOSITION: The respondent continued to represent himself as a CPA on his website after the Board revoked his license on March 18, 2004. The Board approved a Cease and Desist Order whereby the respondent will cease and desist from practicing public accountancy unless or until he complies with the registration and licensing provisions of the *Act* by obtaining a license to practice public accountancy or certified public accountancy. The complaint notified the respondent of the requirement to file a written answer with SOAH within 20 days of the date of the complaint. The respondent failed to file a written answer with SOAH. The Board's Enforcement Division filed a Notice of Remand on November 17, 2004. The respondent violated *Sections 901.251* (certificate requirements), *901.401* (license requirements), *901.451* (use of title or abbreviation for "Certified Public Accountant"), and *901.453* (use of other titles or abbreviations) of the *Act*.

CPE ACTIONS

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

RESPONDENT	HOMETOWN	BOARD ACTION	DOCKET No.	INVESTIGATION No.
Louise M. Braatz	Cedar Creek, TX	01/12/2005	457-04-8671	04-09-10100
Darren Duane Callaway Sr.	Waco, TX	01/12/2005	457-04-8671	04-09-10120
Michael Aloysius Cramer	Austin, TX	01/12/2005	457-04-8671	04-09-10161
Jerry Halfant	Earlysville, VA	01/12/2005	457-04-8671	04-09-10109
Bret J. Hatfield	Dallas, TX	01/12/2005	457-04-8671	04-09-10160
Dennis Keith Streit	Dallas, TX	01/12/2005	457-04-8671	04-09-10070
George William Strickland	Houston, TX	01/12/2005	457-04-8671	04-09-10076
William Sheley Warnock Jr.	El Paso, TX	01/12/2005	457-04-8671	04-09-10113
William Truss Zimmerman Jr.	Carrollton, TX	01/12/2005	457-04-8671	04-09-10078

THREE YEAR DELINQUENT ACTIONS

DISPOSITION: The respondents listed below failed to pay the licensing fees and penalties required under *Sections 901.403*, *901.407*, and *901.408* of the *Act* for three consecutive license periods. The certificate of each respondent was revoked without prejudice as the respondent was not in compliance as of the Board meeting date. Each respondent may regain his or her certificate by paying all the required license fees and penalties and by otherwise coming into compliance with the *Act*.

RESPONDENT	HOMETOWN	BOARD ACTION	DOCKET No.	INVESTIGATION No.
Paulette Marie Marley Barnhardt	Dumfries, VA	01/12/2005	457-04-7298	04-08-10010
Lawton Vernon Baugh	Garland, TX	01/12/2005	457-04-7298	04-08-10012
Kelly Suzanne Berryhill	Arlington, TX	01/12/2005	457-04-7298	04-08-10057
Carl Samuel Beury	Los Angeles, CA	01/12/2005	457-04-8670	04-09-10030
James Donald Bolin	Unionville, Canada	01/12/2005	457-04-8670	04-09-10001
Diana Kay Boston	Redmond, WA	01/12/2005	457-04-8670	04-09-10046
Boyd Fleming Broyles Jr.	Richardson, TX	01/12/2005	457-04-7298	04-08-10002
Lezli Lyn Busbee	Houston, TX	01/12/2005	457-04-7298	04-08-10036
John Christopher Capps	Cheyenne, WY	01/12/2005	457-04-7298	04-08-10046
Joseph Anthony Carrozza	Mt. Laurel, NJ	01/12/2005	457-04-8670	04-09-10006

ENFORCEMENT ACTIONS (continued from page 10)

Three-year Delinquent Actions (continued)

RESPONDENT	HOMETOWN	BOARD ACTION	DOCKET No.	INVESTIGATION No.
Catherine Allen Claunch	Phoenix, AZ	01/12/2005	457-04-7298	04-08-10042
Paul William Cowley	Sugar Land, TX	01/12/2005	457-04-7298	04-08-10021
Dewanna Carole Crane	Rockwall, TX	01/12/2005	457-04-7298	04-08-10035
Michelle Linda Crowe	San Francisco, CA	01/12/2005	457-04-8670	04-09-10040
David Louis Cutri	Rhome, TX	01/12/2005	457-04-7298	04-08-10055
Opie Lloyd Dawson	El Paso, TX	01/12/2005	457-04-7298	04-08-10011
Geoffrey Dougall	Carrollton, TX	01/12/2005	457-04-8670	04-09-10035
Gwendolyn Amato Fleming	Friendswood, TX	01/12/2005	457-04-8670	04-09-10039
Mary Catherine French	Houston, TX	01/12/2005	457-04-8670	04-09-10037
Bradley Ronald Garner	Atlanta, GA	01/12/2005	457-04-7298	04-08-10050
Pettis L. Gearhart	Lakewood, CO	01/12/2005	457-04-8670	04-09-10029
Jaime Grijalva	El Paso, TX	01/12/2005	457-04-8670	04-09-10012
Jerome Joseph Grothues	Spring Branch, TX	01/12/2005	457-04-7298	04-08-10030
David Harry Hampton	Alvin, TX	01/12/2005	457-04-7298	04-08-10003
Paul Douglas Heard	Houston, TX	01/12/2005	457-04-7298	04-08-10014
Richard Kent Herlin	Plano, TX	01/12/2005	457-04-7298	04-08-10044
Jeffery E. Jackson	Jacksboro, TX	01/12/2005	457-04-7298	04-08-10053
Cynthia Joyce Crow Kerby	Temple, TX	01/12/2005	457-04-7298	04-08-10020
Dong Yoon Ko	Dallas, TX	01/12/2005	457-04-8670	04-09-10041
Mark Robert Lampe	Omaha, NE	01/12/2005	457-04-7298	04-08-10052
Gilbert Kwong-Yiu Lee	Arlington, TX	01/12/2005	457-04-7298	04-08-10029
Dean Jay Lindsey	Spring, TX	01/12/2005	457-04-8670	04-09-10014
Teresa L. Logan	Redmond, WA	01/12/2005	457-04-7298	04-08-10051
Bobby Joe Marek	Dallas, TX	01/12/2005	457-04-8670	04-09-10020
James Russell Miller	Dallas, TX	01/12/2005	457-04-8670	04-09-10017
Daniel Rudell Mullinix	Dallas, TX	01/12/2005	457-04-8670	04-09-10044
James Keenen O'Brien	Houston, TX	01/12/2005	457-04-7298	04-08-10031
Matthew Daniel Pond	Houston, TX	01/12/2005	457-04-8670	04-09-10026
James Christopher Rhomberg	Grayslake, IL	01/12/2005	457-04-8670	04-09-10045
Robin Ann Rousseau	Durham, NH	01/12/2005	457-04-8670	04-09-10042
Marc Robert Sansom	Cypress, TX	01/12/2005	457-04-7298	04-08-10048
Cynthia Raye Gipson Schimmel	Rockwall, TX	01/12/2005	457-04-8670	04-09-10022
Natalie H. Siegel	New York, NY	01/12/2005	457-04-7298	04-08-10039
Larry Paul Stein	Houston, TX	01/12/2005	457-04-8670	04-09-10013
David Clifford Stephens	Dallas, TX	01/12/2005	457-04-7298	04-08-10019
Grace Ming-Wei Tang	Dallas, TX	01/12/2005	457-04-7298	04-08-10032
Stephanie Burroughs Trejo	Houston, TX	01/12/2005	457-04-7298	04-08-10034
Darlene Underwood	Fort Worth, TX	01/12/2005	457-04-8670	04-09-10021
Henry Erwin Waldrop	Dallas, TX	01/12/2005	457-04-8670	04-09-10011
Rodrick Wayne Walters	Miramar, TX	01/12/2005	457-04-7298	04-08-10045
John Wayne Ward	Dallas, TX	01/12/2005	457-04-7298	04-08-10033
Joe Kyle Wilson	Tulsa, OK	01/12/2005	457-04-7298	04-08-10043
Debra Gail Wiseman	Brussels, Belgium	01/12/2005	457-04-8670	04-09-10015
Larry Gene Wood	Rowlett, TX	01/12/2005	457-04-8670	04-09-10009

In the August 2004 issue of the *Texas State Board Report*, Rufus Fred Harris (Texas CPA Certificate No. 007367) was listed as having his license revoked for failure to pay his license fees and penalties for three years. The Board was informed after the publication that Mr. Harris passed away in 2000.

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