

TEXAS STATE BOARD REPORT

TEXAS STATE BOARD OF PUBLIC ACCOUNTANCY, AUSTIN, TEXAS

News You Can Use

SSARS 19 Requires Engagement Letters

SSARS 19 brings significant changes for compilation and review reports on financial statements for periods ending **on or after December 15, 2010**, including a requirement for engagement letters between the CPA and management for all compilation or review engagements. The standard provides a framework for such engagements, with separate guidance for each type.

SSARS 19 also introduces the term *review evidence* to the review literature, discusses materiality in the context of a review engagement, enhances documentation requirements for compilation and review engagements, removes the prohibition against including in the report reasons why independence may have been impaired, and recodifies SSARS literature into separate sections for compilation and review engagements. The concept of *limited assurance* was also retained. Failure to adopt these changes could affect future peer reviews. For detailed information on the changes, which have been deemed the most extensive since 1978, go to www.aicpa.org.

Renewal Notification To Be Made Electronically

Since online renewal was introduced in 2007, approximately 70% of the Board's licensees have opted to renew their individual licenses online. Beginning with renewals due this fall, licensees who have paid online in the past will receive a letter in the mail and an email notification of their upcoming license renewal, but not the renewal package they have received in the past.

Approximately six weeks prior to the expiration of their licenses, licensees will receive a notice directing them to use "Online Services" to submit the information required for renewal, including continuing professional education hours (CPE), and to pay fees online by credit card. Licensees can begin submitting information as soon as they receive the renewal notice. Once the Board determines that the renewal information is complete, the license will be issued the next business day. Licensees can use Online Services to see if the license has been issued or to find out what additional information is needed to satisfy requirements. They can then provide missing information or make corrections online.

Licensees are encouraged to use Online Services throughout the year to manage more than just the annual renewal process. Licensees can monitor their license status, submit CPE courses as soon as they are completed, track CPE courses previously submitted, review remaining CPE requirements, and submit address and contact changes.

Online Lookup Simplified

Online lookup on the Board's website, www.tsbpa.state.tx.us, has been enhanced to make it easier to search for information on individual licensees, firms, or CPE sponsors. "License Lookup," found on the website menu, is available to the profession as well as the public. Search by entering an ID number, if known, or by entering parts of the name and/or address. Lists of entities are available by selecting a city, county, and/or zip code. Detailed information is then available by selecting an entity from the list.

A history of enforcement actions, as well as license status, is included in the detailed information available for individual licensees and firms. Enforcement actions are organized by complaint and include resolution dates and a list of violations. The public and the profession can use this information to resolve status questions and alert the Board to suspected instances of the unauthorized practice of public accountancy.

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Texas CPAs can use the look-up tool to check their own license status and expiration date, to check the status of CPE providers before enrolling in a CPE course, or to verify a sponsor ID before entering CPE hours for the annual license renewal.

Board Report

The *Board Report* is an important means of communication for the Board. As the state licensing agency, the Board has an obligation to let licensees know about changes to the *Public Accountancy Act* and the *Board Rules*, as well as legal and legislative issues that may affect the practice of public accountancy. The newsletter is the means by which we do that. If you have an idea for an article you would like to read in the *Board Report*, please send it to bstooksberry@tsbpa.state.tx.us. We are happy to consider suggestions for upcoming issues.

CPE Sponsors Successfully Completing Review
(since May 2010 Board Report)

Sponsor #	Sponsor Name	Date of Next Review	Status
009702	Accounting & Consulting Group, LLP	04/01/2012 - 03/31/2013	A
008092	Accretive Solutions - Dallas, LP	04/01/2012 - 03/31/2013	A
009302	Alvarez & Marsal Holdings, LLC	04/01/2012 - 03/31/2013	A
009712	Ames & Weinheimer, LLC	05/01/2012 - 04/30/2013	A
005972	Association of CPA's in the IRS - Dallas	02/01/2012 - 01/31/2013	A
000516	Axley & Rode, LLP	02/01/2012 - 01/31/2013	A
007260	Baker & McKenzie, LLP	03/01/2012 - 02/28/2013	A
004363	Brazos Electric Power Cooperative, Inc.	03/01/2012 - 02/28/2013	A
003369	Burchell, Denson & Morrison, PC	03/01/2012 - 02/28/2013	A
009700	CFO Resources LLC	04/01/2012 - 03/31/2013	A
009574	Concord Financial Services	03/01/2012 - 02/28/2013	E
000644	Conklin Hruzek & Co., P.C.	03/01/2012 - 02/28/2013	E
008924	CPE Depot	05/01/2012 - 04/30/2013	A
005532	Cuellar, Saldana, Cuellar, Morales & Co. PLLC	04/01/2012 - 03/31/2013	A
009677	David L. Prince, CPA	02/01/2012 - 01/31/2013	A
008388	DR Horton, Inc.	10/01/2011 - 09/30/2012	A
007254	EOG Resources, Inc.	03/01/2012 - 02/28/2013	A
009685	EPCO, Inc.	03/01/2012 - 02/28/2013	A
008473	FUNCOPE	03/01/2012 - 02/28/2013	A
009675	GBH CPAs, PC	01/01/2012 - 12/31/2012	A
009378	Ham Langston & Brezina, LLP	02/01/2012 - 01/31/2013	A
009381	Holly Corporation	03/01/2012 - 02/28/2013	A
001021	Institute of Management Accountants - Dallas Fort Worth Chap	09/01/2011 - 08/31/2012	A
006815	Interstate Batteries	02/01/2012 - 01/31/2013	A
004005	L & B Realty Advisors, LLP	04/01/2012 - 03/31/2013	E
002686	Lawrence R. Jones, Jr.	02/01/2012 - 01/31/2013	A
000628	LBJ Sch of Public Affairs, C & T	03/01/2012 - 02/28/2013	A
009679	Main Street Capital Partners, LLC	02/01/2012 - 01/31/2013	A
006428	McCall Gibson Swedlund Barfoot PLLC	03/01/2012 - 02/28/2013	A
004333	Millan & Company, PC	03/01/2012 - 02/28/2013	A
009559	Paul Wobbe, Wealth Advisor	02/01/2012 - 01/31/2013	A
006019	Pena Briones McDaniel & Co., P.C.	03/01/2012 - 02/28/2013	E
004327	Sanford, Baumeister & Frazier, PLLC	03/01/2012 - 02/28/2013	A
009693	Stephen Ryan, CPA	03/01/2012 - 02/28/2013	E
009678	Summit Alliance Financial, LLP	02/01/2012 - 01/31/2013	A
004403	The Executive Committee	03/01/2012 - 02/28/2013	A
007211	The Whitney Smith Company, Inc	01/01/2012 - 12/31/2012	A
005087	Travis, Wolff & Co., LLP	03/01/2012 - 02/28/2013	A
000567	Valero Energy Corporation	02/01/2012 - 01/31/2013	A
007231	Waste Management, Inc.	02/01/2012 - 01/31/2013	A

Registration Status: A = Currently active E = Currently expired

Texas CPAs should check the Board website, www.tsbpa.state.tx.us, for qualified CPE providers before enrolling in a CPE course.

**TEXAS STATE BOARD
OF PUBLIC ACCOUNTANCY**

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

BOARD MEMBERS

- GREGORY L. BAILES, CPA
PRESIDING OFFICER
- DOROTHY M. FOWLER, CPA
ASSISTANT PRESIDING OFFICER
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- JOHN W. STEINBERG, CFE

EXECUTIVE DIRECTOR
WILLIAM TREACY

EDITOR
BARBARA C. STOOKSBERRY

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

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

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

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

Licensing/Peer Review
(512) 305-7853
FAX (512) 305-7875
licensing@tsbpa.state.tx.us

Publications
(512) 305-7804
FAX (512) 305-7875
publicinfo@tsbpa.state.tx.us

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

Swearing-in Ceremony

June 5, 2010



Outstanding Candidates honored for their exemplary performance on the uniform CPA exam included, L-R, Stephanie Singson, Cornelia Sawatzky, Amanda Sulak, Anthony Adkins, and Lindsay Greer. Five other Outstanding Candidates did not attend. They were Michelle Mokry, Brian Harris, Carolyn Raden, Philip Bowman, and Christopher Mowry.



Board members who participated in the June 5 swearing-in ceremony in Austin were, L-R, A. Carlos Barrera, CPA, Brownsville; Presiding Officer Gregory L. Bailes, CPA, Bee Cave; John W. Dunbar, CPA, El Paso; Dr. James C. Flagg, CPA, College Station; Evelyn Martinez, Esq., San Antonio; and Thomas G. Prothro, CPA, Tyler.



The ceremony also honored these CPAs who have held their licenses for over 50 years, L-R, front, Walter H. Hill, Jr., Waco; Mark H. Lawley, Texarkana; Bobbie Lee Wolfe, Abilene; Donald L. O'Keefe, Flint; Robert O. Coleman, Uvalde; and Jerry Carpenter, Houston; and, back, Nayland F. Smith, Wichita Falls; James Drew Ingram, III, Bryan; Thomas E. Riggs, Waco; Milton B. McGee, The Woodlands; and Theo Blue, Tiki Island.



Members of the Austin chapter of the Texas Society of CPAs who assisted with the ceremony were, L-R, front, Dan Popejoy, Gail Neely, Carol Boyd, Nancy Foss, Michele Heyman, and Bethany Goldberg; and, back, Tony Ross, Olivia Espinoza-Riley, Jan Keeling, Kay Johnson, Jay Scheumack, and Frank Stover.

ACTIONS TAKEN BY THE BOARD
MAY 20, 2010

A. AGREED CONSENT ORDERS

Unauthorized Practice of Public Accountancy

- **Investigation No.:** 09-10-31N
Respondent: Jaswant Gill
Hometown: Houston
License No.: 094164
Act Violations: 901.451, 901.453, 902.502(11)

The Board ratified an Agreed Consent Order whereby Respondent was placed on probated revocation for one year.

While Respondent was an applicant, he held out as a certified public accountant although he did not have a certificate issued by the Board.

B. AGREED CEASE AND DESIST ORDERS

1. **Investigation No.:** 07-06-03N
SOAH Docket No.: 457-10-1362
Respondent: William Tirey
Hometown: Canyon
Act Violation: 901.451

The Board ratified an Agreed Cease and Desist Order whereby Respondent will cease and desist from providing attest services and using reserved terms until or unless Respondent complies with the registration and licensing provisions of the Act, and until or unless Respondent has obtained a license to practice public accountancy.

Respondent used the Certified Public Accountant designation although Respondent does not hold a license in Texas.

2. **Investigation No.:** 09-01-05N
SOAH Docket No.: 457-10-1363
Respondent: Eursella M. Hayes-Williams
Hometown: Houston
Act Violations: 901.451, 901.453

The Board ratified an Agreed Cease and Desist Order whereby Respondent will cease and desist from providing attest services and using reserved terms until or unless Respondent complies with the registration and licensing provisions of the Act, and until or unless Respondent has obtained a license to practice public accountancy.

Respondent used the CPA designation and the terms "accountant" and "accounting" although Respondent does not hold a license in Texas.

3. **Investigation No.:** 09-11-07N
Respondent: David L. Hunter and H & H Accounting Group
Hometown: Dallas
Act Violations: 901.451, 901.453

The Board ratified an Agreed Cease and Desist Order whereby Respondent will cease and desist from providing attest services and using reserved terms until or unless Respondent complies with the registration and licensing provisions of the Act, and until or unless Respondent has obtained a license to practice public accountancy.

Respondent used the CPA designation and the term "accounting" although Respondent does not hold a license in Texas.

4. **Investigation No.:** 09-12-58N
SOAH Docket No.: 457-10-2642
Respondent: Nick Bednorz
Hometown: Houston
Act Violations: 901.451, 901.453

The Board ratified an Agreed Cease and Desist Order whereby Respondent will cease and desist from providing attest services and using reserved terms until or unless Respondent complies with the registration and licensing provisions of the Act, and until or unless Respondent has obtained a license to practice public accountancy.

Respondent used the Certified Public Accountant designation and the terms "audit" and "accounting" although Respondent does not hold a license in Texas.

5. **Investigation No.:** 09-12-59N
SOAH Docket No.: 457-10-2642
Respondent: AXIA Partners, LP, aka AXIA Resources
Hometown: Houston
Act Violations: 901.451, 901.453

The Board ratified an Agreed Cease and Desist Order whereby Respondent will cease and desist from providing attest services and using reserved terms until or unless Respondent complies with the registration and licensing provisions of the Act, and until or unless Respondent has obtained a license to practice public accountancy.

Respondent used the CPA designation and the terms "audit" and "accounting" although Respondent does not hold a license in Texas.

6. **Investigation No.:** 10-02-17N
Respondent: Melissa Schanbaum & Specialized Security Services, Inc.
Hometown: Plano
Act Violations: 901.451, 901.453

The Board ratified an Agreed Cease and Desist Order whereby Respondent will cease and desist from providing attest services and using reserved terms until or unless Respondent complies with the registration and licensing provisions of the Act, and until or unless Respondent has obtained a license to practice public accountancy.

ENFORCEMENT ACTIONS

Respondent offered attest services and used the terms "audit" and "auditor" to assert expertise in auditing, although Respondent does not hold a license in Texas.

7. **Investigation No.:** 10-02-20N
Respondent: Ernest D. Johnson
Hometown: Austin
Act Violation: 901.451

The Board ratified an Agreed Cease and Desist Order whereby Respondent will cease and desist from providing attest services and using reserved terms until or unless Respondent complies with the registration and licensing provisions of the Act, and until or unless Respondent has obtained a license to practice public accountancy.

Respondent used the CPA designation although Respondent does not hold a license in Texas.

8. **Investigation No.:** 10-02-19N
Respondent: Dena Story Brock d/b/a Tax Smart Bookkeeping
Hometown: Garland
Act Violations: 901.451, 901.453

The Board ratified an Agreed Cease and Desist Order whereby Respondent will cease and desist from providing attest services and using reserved terms until or unless Respondent complies with the registration and licensing provisions of the Act, and until or unless Respondent has obtained a license to practice public accountancy.

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

9. **Investigation No.:** 10-02-25N
Respondent: Youngman's Inc. and Anjum Ibrahim
Hometown: Dallas
Act Violations: 901.451, 901.453

The Board ratified an Agreed Cease and Desist Order whereby Respondent will cease and desist from providing attest services and using reserved terms until or unless Respondent complies with the registration and licensing provisions of the Act, and until or unless Respondent has obtained a license to practice public accountancy.

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

10. **Investigation No.:** 10-02-29N
Respondent: James R. Robinson and RG Tax Service
Hometown: Fort Worth
Act Violation: 901.451

The Board ratified an Agreed Cease and Desist Order whereby Respondent will cease and desist from providing attest services and using reserved terms until or unless Respondent complies with the registration and licensing provisions of the Act, and until or unless Respondent has obtained a license to practice public accountancy.

Respondent used the CPA designation although Respondent does not hold a license in Texas.

11. **Investigation No.:** 10-02-31N
Respondent: Joe E. Parkinson
Hometown: Plano
Act Violation: 901.451

The Board ratified an Agreed Cease and Desist Order whereby Respondent will cease and desist from providing attest services and using reserved terms until or unless Respondent complies with the registration and licensing provisions of the Act, and until or unless Respondent has obtained a license to practice public accountancy.

Respondent used the CPA designation although Respondent does not hold a license in Texas.

12. **Investigation No.:** 10-02-33N
Respondent: Solomon Tax Group, LLC
Hometown: Austin
Act Violation: 901.451

The Board ratified an Agreed Cease and Desist Order whereby Respondent will cease and desist from providing attest services and using reserved terms until or unless Respondent complies with the registration and licensing provisions of the Act, and until or unless Respondent has obtained a license to practice public accountancy.

Respondent used the Certified Public Accountant designation although Respondent does not hold a license in Texas.

13. **Investigation No.:** 10-03-01N
Respondent: Robert McLaughlin
Hometown: Austin
Act Violation: 901.451

The Board ratified an Agreed Cease and Desist Order whereby Respondent will cease and desist from providing attest services and using reserved terms until or unless Respondent complies with the registration and licensing provisions of the Act, and until or unless Respondent has obtained a license to practice public accountancy.

Respondent used the CPA designation although Respondent does not hold a license in Texas.

THE UNAUTHORIZED PRACTICE OF PUBLIC ACCOUNTANCY

To protect the public, the *Public Accountancy Act* prohibits the use of the terms "Accounting," "Accountant," "CPA" and "Certified Public Accountant" by individuals/firms not licensed by the Board. If you suspect that the Act has been violated by unlicensed entities, please contact the Board, including as much information as possible.

Email: enforcement@tsbpa.state.tx.us

Mail: TSBPA
Attention: UPPA
333 Guadalupe, Twr 3, Ste 900
Austin, Texas 78701

Phone: 512-305-7872

ENFORCEMENT ACTIONS

14. Investigation No.: 10-04-04N
Respondent: Kristi Back
Hometown: Amarillo
Act Violations: 901.451, 901.453

The Board ratified an Agreed Cease and Desist Order whereby Respondent will cease and desist from providing attest services and using reserved terms until or unless Respondent complies with the registration and licensing provisions of the Act, and until or unless Respondent has obtained a license to practice public accountancy.

Respondent used the CPA designation and the term "accounting" although Respondent does not hold a license in Texas.

15. Investigation No.: 10-04-13N
Respondent: Patrick Freeman d/b/a Freeman Tax Solutions
Hometown: Dallas
Act Violations: 901.451, 901.453

The Board ratified an Agreed Cease and Desist Order whereby Respondent will cease and desist from providing attest services and using reserved terms until or unless Respondent complies with the registration and licensing provisions of the Act, and until or unless Respondent has obtained a license to practice public accountancy.

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

C. PROPOSAL FOR DECISION

1. Investigation Nos.: 06-06-04L and 06-06-05L
SOAH Docket No.: 457-09-3015
Respondents: John William Beakley, Jr., and Beakley & Associates, P.C.
Hometown: Lubbock
Certificate No.: 02531
Firm License No.: C05258
Rules Violations: 501.60, 501.74, 501.81(a), 501.81(c)

The State Office of Administrative Hearings Administrative Law Judge (ALJ) issued a Proposal For Decision (PFD) finding that Respondents violated Board Rules 501.60, 501.74, 501.81(a), and 501.81(c). The ALJ recommended that Respondents be assessed a \$5,000 administrative penalty and \$10,000 in administrative costs, and be required to complete an additional 40 hours of Continuing Professional Education. The ALJ also found that a reprimand would be appropriate.

The Board issued an order adopting the Proposal for Decision as revised in the ALJ's subsequent letter ruling.

ACTIONS TAKEN BY THE BOARD JULY 22, 2010

A. AGREED CONSENT ORDERS

Behavioral Enforcement Committee

1. Investigation No.: 09-07-16L
Respondent: James Hamilton Barnes
Hometown: Dallas
Certificate No.: 038002
Firm License No.: T07890
Rules Violation: 501.90(7)
Act Violations: 901.502(2)B, 901.502(6)

Respondent entered into an Agreed Consent Order with the Board whereby Respondent's certificate was revoked in lieu of further disciplinary proceedings. In addition, Respondent must pay \$5,000 in administrative penalties and \$559.29 in administrative costs within 30 days of the date the Board ratified the order.

Respondent failed to timely file his tax returns for tax years 2001, 2002, 2004, and 2005. On June 23, 2009, Respondent entered into an Agreement for Consent to Suspension from Practice with the IRS.

2. Investigation No.: 09-01-02L
Respondent: John Williams Stephens
Hometown: Allen
Certificate No.: 071051
Firm License No.: C06913
Rules Violation: 501.83
Act Violation: 901.502(6)

Respondent entered into an Agreed Consent Order with the Board whereby Respondent was reprimanded. In addition, Respondent must pay \$1,000 in administrative penalties and \$628.92 in administrative costs.

Respondent practiced public accountancy with an improper firm name. Specifically, Respondent used "and company" in his firm name, although he was the only CPA in the firm.

3. Investigation No.: 09-09-17L
Respondent: Garland Bruce Hilton
Hometown: Austin
Certificate No.: 056469
Firm License No.: T01393
Rules Violation: 501.81
Act Violation: 901.502(6)

Respondent entered into an Agreed Consent Order with the Board whereby Respondent was reprimanded. In addition, Respondent must pay \$736.43 in administrative costs within 30 days of the Order.

Respondent practiced public accountancy with a suspended firm license from August 1998 until February 10, 2010.

4. Investigation No.: 09-12-03L
Respondent: Mark Steven Fehmer
Hometown: Dallas
Certificate No.: 030632
Rules Violations: 501.76, 501.78, 501.90(11)
Act Violation: 901.502(6)

ENFORCEMENT ACTIONS

Respondent entered into an Agreed Consent Order with the Board whereby Respondent was reprimanded. In addition, Respondent must pay \$1,500 in administrative penalties and \$577.95 in administrative costs.

Respondent failed to complete a client's tax engagement, failed to respond to a client's inquiries in a timely manner, and failed to return a client's records.

5. Investigation No.: 09-11-11L
Respondent: David James Seeterlin
Hometown: Austin
Certificate No.: 093451
Rules Violation: 501.90(5)
Act Violations: 901.502(6), 901.502(11)

Respondent entered into an Agreed Consent Order with the Board whereby Respondent's individual license was suspended for two years; however, the suspension was stayed and Respondent was placed on probation for two years under the following conditions: Respondent must pay an administrative penalty of \$1,000 and \$456.76 in administrative costs within 30 days of the date the Board ratified the Order.

On October 28, 1996, Respondent pleaded guilty to operating while impaired by liquor, a misdemeanor offense. On March 7, 2008, Respondent pleaded guilty to operating while intoxicated, a misdemeanor offense.

6. Investigation No.: 09-08-05L
Respondent: Antonio G. Ramos
Hometown: Austin
Certificate No.: 082157
Rules Violations: 501.74, 501.81
Act Violation: 901.502(6)

Respondent entered into an Agreed Consent Order with the Board whereby Respondent was reprimanded. In addition, Respondent must complete, and submit proof of completion, four (4) hours of live CPE in the area of ethics and eight (8) hours of CPE in the area of compilations and reviews. These requirements are in addition to Respondent's annual CPE requirement and must be completed within 90 days of the date of the Board Order. Further, Respondent must pay \$538.45 in administrative costs within 30 days of the order.

Respondent handled a client's debt negotiations improperly. Respondent also failed to use the Board's required disclaimer in correspondence submitted to a client.

7. Investigation No.: 09-11-09L
Respondent: Shayne Meixner McBride
Hometown: Burnet
Certificate No.: 053052
Firm License No.: C07245
Rules Violations: 501.75, 501.81, 501.90(9)
Act Violations: 901.502(6), 901.502(11)

Respondent entered into an Agreed Consent Order with the Board whereby Respondent's certificate and firm license were revoked in lieu of further disciplinary proceedings. In addition, Respondent must pay \$25,000 in administrative penalties and \$988.13 in administrative costs within 30 days of the date the Board ratified the Order.

On May 14, 2010, Respondent pleaded guilty to misapplication of fiduciary property of value of \$20,000 or more but less than \$100,000, a third degree felony offense. In addition, Respondent disclosed a client's confidential information to a third party without consent. Further, Respondent practiced public accountancy with a firm license status of blocked, other.

8. Investigation No.: 09-11-07L
Respondent: Gregory Steven Altheide
Hometown: Grapevine
Certificate No.: 060866
Rules Violation: 501.90(9)
Act Violations: 901.502(6), 901.502(11)

Respondent entered into an Agreed Consent Order with the Board whereby Respondent's certificate was revoked. In addition, Respondent must pay an administrative penalty of \$12,000 and \$596.59 in administrative costs within 30 days of the date the Board ratified the Order.

Respondent used his employer's company-issued credit card for personal expenditures.

9. Investigation No.: 09-11-01L
Respondent: Janet Sue Martin
Hometown: Granbury
Certificate No.: 083430
Firm License No.: C06888
Rules Violations: 501.74, 501.76, 501.90(11)
Act Violation: 901.502(6)

Respondent entered into an Agreed Consent Order with the Board whereby Respondent would be reprimanded. In addition, Respondent must pay \$4,500 in administrative penalties and \$671.18 in administrative costs within 30 days of the date the Board ratified the order.

Respondent incorrectly prepared a client's 2006 and 2007 Form 1040 and 2007 Form 1041 tax returns. Respondent also failed to return the client's records and to respond to the client's inquiries.

TECHNICAL STANDARDS REVIEW II COMMITTEE

1. Investigation No.: 10-02-07L
Respondent: Hector Homero Flores
Hometown: Duncanville
Certificate No.: 075204
Rules Violations: 501.60, 501.62
Act Violations: 901.502(6), 901.502(12)(B)

Respondent entered into an Agreed Consent Order with the Board whereby Respondent was reprimanded. Respondent must pay \$6,750 in administrative penalties and \$124.92 in administrative costs payable to the Board within 30 days of the date of the Board Order. In addition, Respondent is placed on Limited Scope and prohibited from performing attest services.

Respondent performed a compliance attestation engagement of a vocational school for the period from July 1, 2004, to June 30, 2005. The engagement was not performed in accordance with generally accepted auditing standards, Statements on Standards for Attestation Engagements issued by the American Institute of Certified Public Accountants, and

ENFORCEMENT ACTIONS

generally accepted government auditing standards. Respondent had to re-perform the engagement.

2. **Investigation No.:** 09-10-11L
Respondent: Michael James Moore
Hometown: Las Vegas, NV
Certificate No.: 035058
Rules Violation: 501.90(6)
Act Violations: 901.502(6), 901.502(8)

Respondent entered into an Agreed Consent Order with the Board whereby Respondent's certificate was revoked. In addition, Respondent must pay \$10,000 in administrative penalties and \$167.79 in administrative costs within 30 days of the date of the Board Order.

The Nevada State Board of Accountancy revoked the certificate it issued to Respondent, based upon actions taken by the United States Securities and Exchange Commission (SEC) and the Public Company Accounting Oversight Board (PCAOB). Both agencies alleged that Respondent and his firm issued audits stating that they were performed in accordance with PCAOB standards when, in fact, Respondent and his firm violated numerous auditing standards. The PCAOB issued an order barring Respondent from being an associated person of a registered public accounting firm and revoking his firm's registration with the PCAOB. The SEC issued an order suspending Respondent and his firm from practicing before it.

UNAUTHORIZED PRACTICE OF PUBLIC ACCOUNTANCY

- **Investigation No.:** 10-04-35N
Respondent: Christine Huong Vu d/b/a
Christine Income Tax Service
Hometown: Houston
Act Violation: 901.451

Respondent entered into an Agreed Consent Order with the Board whereby Respondent was ordered to pay \$2,500 in administrative penalties for violating a previous agreed upon Cease and Desist Order.

Respondent used the CPA designation although respondent does not hold a license in Texas.

REQUEST FOR REINSTATEMENT

- **Investigation No.:** 03-03-14L
Respondent: Wendy Fay Pullin
Hometown: College Station
Certificate No.: 050365

Wendy Pullin's application for reinstatement of her certificate was considered by the Behavioral Enforcement Committee. Following an informal conference with Ms. Pullin, the committee offered her an Agreed Consent Order which would permit her certificate to be reinstated conditioned on her receiving a three-year probated revocation and monitoring that would require her to report quarterly to the Board the nature of her practice. The committee approved the ACO offered to the Board by Ms. Pullin.

Ms. Pullin had been revoked by the Board in March 2004 for having received deferred adjudication for 10 counts of theft by check and failing to report her deferred adjudication to the Board.

B. AGREED CEASE AND DESIST ORDERS

1. **Investigation No.:** 09-05-59N
SOAH Docket No.: 457-10-3631
Respondent: Amanda Maynard d/b/a
Bookkeepers of Central Texas
Hometown: Round Rock
Act Violation: 901.453

Respondent entered into an Agreed Cease and Desist Order with the Board whereby Respondent will cease and desist from providing attest services and using reserved terms until or unless Respondent complies with the registration and licensing provisions of the Act, and until or unless Respondent has obtained a license to practice public accountancy.

Respondent used the terms "accounting" and "accountant" to assert expertise in accounting although Respondent does not hold a license in Texas.

2. **Investigation No.:** 10-03-03N
SOAH Docket No.: 457-10-3676
Respondent: Vernaljay Haney
Hometown: Frisco
Act Violations: 901.453, 901.456

Respondent entered into an Agreed Cease and Desist Order with the Board whereby Respondent will cease and desist from providing attest services and using reserved terms until or unless Respondent complies with the registration and licensing provisions of the Act, and until or unless Respondent has obtained a license to practice public accountancy.

Respondent offered compilation and review services and used the term "accounting" to assert expertise in accounting on his website, although Respondent does not hold a license in Texas.

3. **Investigation No.:** 10-04-33N
Respondent: Angela Welch
Hometown: Cedar Park
Act Violations: 901.451, 901.453, 901.456

Respondent entered into an Agreed Cease and Desist Order with the Board whereby Respondent will cease and desist from providing attest services and using reserved terms until or unless Respondent complies with the registration and licensing provisions of the Act, and until or unless Respondent has obtained a license to practice public accountancy.

Respondent offered attest services and used the CPA designation and the terms "accountant," "accounting," and "auditing" to assert expertise in accounting and auditing, although Respondent does not hold a license in Texas.

4. **Investigation No.:** 10-04-47N
Respondent: Yiling Chia
Hometown: Garland
Act Violation: 901.451

ENFORCEMENT ACTIONS

Respondent entered into an Agreed Cease and Desist Order with the Board whereby Respondent will cease and desist from providing attest services and using reserved terms until or unless Respondent complies with the registration and licensing provisions of the Act, and until or unless Respondent has obtained a license to practice public accountancy.

Respondent used the Certified Public Accountant designation although Respondent does not hold a license in Texas.

5. **Investigation No.:** 10-05-03N
Respondent: Solomon Tax Services, LLC; The Solomon Group, LLC; Jennifer E. Fields; Cash Matthews
Hometown: Austin
Act Violation: 901.451

Respondents entered into an Agreed Cease and Desist Order with the Board whereby Respondents will cease and desist from providing attest services and using reserved terms until or unless Respondents comply with the registration and licensing provisions of the Act, and until or unless Respondents have obtained licenses to practice public accountancy.

Respondents used the CPA designation although Respondents do not hold licenses in Texas.

6. **Investigation No.:** 10-06-01N
Respondent: William Driesslein
Hometown: Round Rock
Act Violations: 901.451, 901.453

Respondent entered into an Agreed Cease and Desist Order with the Board whereby Respondent will cease and desist from providing attest services and using reserved terms until or unless Respondent complies with the registration and licensing provisions of the Act, and until or unless Respondent has obtained a license to practice public accountancy.

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

7. **Investigation No.:** 10-06-05N
Respondent: Fred Dulock and Dulock & Co., LLC
Hometown: Waco
Act Violations: 901.451, 901.456

Respondent entered into an Agreed Cease and Desist Order with the Board whereby Respondent will cease and desist from providing attest services and using reserved terms until or unless Respondent complies with the registration and licensing provisions of the Act, and until or unless Respondent has obtained a license to practice public accountancy.

Respondent performed a review and used the Certified Public Accountant designation although Respondent does not hold a license in Texas.

8. **Investigation No.:** 10-06-07N
Respondent: Scott M. Smart, Sr.
Hometown: Emory
Act Violations: 901.451, 901.453

Respondent entered into an Agreed Cease and Desist Order with the Board whereby Respondent will cease and desist from providing attest services and using reserved terms until or unless Respondent complies with the registration and licensing provisions of the Act, and until or unless Respondent has obtained a license to practice public accountancy.

Respondent used the CPA designation and the term "accounting," although Respondent does not hold a license in Texas.

C. PROPOSALS FOR DECISION

1. **Investigation No.:** 08-11-11L
SOAH Docket No.: 457-10-2638
Certificate No.: 044118
Respondent: Melisa Jane Kitchens
Hometown: Houston
Rules Violations: 501.90, 501.91
Act Violations: 901.502(6), 901.502(11)

The State Office of Administrative Hearings Administrative Law Judge (ALJ) issued a Proposal For Decision (PFD) finding that Respondent violated Board Rules 501.90 and 501.91. The ALJ recommended in the PFD that Respondent's certificate and firm license be revoked and that Respondent be assessed a \$25,000 administrative penalty and \$843.60 in administrative costs. The Board issued an order adopting the PFD.

2. **Investigation No.:** 07-06-17L
SOAH Docket No.: 457-10-2549
Certificate No.: 074737
Respondent: Henry Aduba
Hometown: Ellicott City, MD
Rules Violation: 501.90(6)
Act Violations: 901.502(6), 901.502(8)

The State Office of Administrative Hearings Administrative Law Judge (ALJ) issued a Proposal For Decision (PFD) finding that Respondent violated Board Rule 501.90(6) and Sections 901.502(6) and 901.502(8) of the Public Accountancy Act. The ALJ recommended in the PFD that the Board revoke Respondent's certificate and assess a \$5,000 administrative penalty and \$1,031.84 in administrative costs. The Board issued an order adopting the PFD.

3. **Investigation No.:** 08-11-05L
SOAH Docket No.: 457-10-3252
Respondent: Gail Storm Labunski
Hometown: Boerne
Certificate No.: 069635
Firm License No.: T03411
Rules Violations: 501.80, 501.81, 501.93, 527.4
Act Violation: 901.502.(6)

The State Office of Administrative Hearings Administrative Law Judge (ALJ) issued a Proposal For Decision (PFD) finding that Respondent violated Board Rules 501.80, 501.81, 501.93, and 527.4. The ALJ recommended in the PFD that Respondent's certificate and firm license be revoked and that Respondent be assessed an \$8,000 administrative penalty and \$762.12 in administrative costs. The Board issued an order adopting the PFD.

ENFORCEMENT ACTIONS

CPE ACTIONS

The certificate of each respondent listed below was not in compliance with the Board's CPE requirements as of the date of the Board meeting. Each respondent was suspended for the earlier of a period of three years, or until the respondent complies with the licensing requirements of the *Act*. Additionally, a \$100 penalty was imposed for each year the respondent 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) and *501.94* (mandatory CPE) of the Board's *Rules*, as well as *Section 901.411* (CPE) of the *Act*.

Respondent / Location	Board Date	Respondent / Location	Board Date
Rachel Holmes Agee, Houston, TX	05/20/2010	Glenn Edward Matthys, League City, TX	07/22/2010
Anabel Balderas, Austin, TX	05/20/2010	John Gresham McBride, Richmond, TX	05/20/2010
Melisa Lynn Bell, Sugar Land, TX	05/20/2010	Timothy Ray McCrory, North Richland Hills, TX	07/22/2010
Elizabeth Alleane Borden, Carrollton, TX	05/20/2010	Ricardo Antonio Mendoza, Dallas, TX	07/22/2010
Rene Phillip Dartez, Sugar Land, TX	05/20/2010	Tanya Haynes Millard, Mesquite, TX	05/20/2010
Mary Alice Dibble, Frisco, TX	05/20/2010	Melchor Elvie Muzkiz, Garland, TX	07/22/2010
Glennon Mark Dillon, Shepherd, TX	07/22/2010	Cecilia Campo Navarre, Spring, TX	05/20/2010
Patricia Jo Disbrow, Mesquite, TX	07/22/2010	John Marcelo Nix, Dallas, TX	05/20/2010
Patti Scott Finley, Texarkana, TX	07/22/2010	Laurilyn Laferney Hooker Register, Tyler, TX	05/20/2010
Richard Glen Frie, Grapevine, TX	07/22/2010	Diana Marie Carrington Robertson, Beaumont, TX	05/20/2010
Christopher Gerald Friend, Houston, TX	07/22/2010	Allen Lee Smith, Mansfield, TX	07/22/2010
Russel Dean Fulfor, Frisco, TX	07/22/2010	Ellen Hundt Story, McKinney, TX	05/20/2010
Joey Ray Hamrick, Houston, TX	05/20/2010	Christopher Allen Stratton, Houston, TX	05/20/2010
Donna Marie Hart, Red Oak, TX	07/22/2010	Lisa Koch Stublefield, Terrell, TX	05/20/2010
Dennis Michael Hensel, Fort Worth, TX	05/20/2010	Adriana Bujosa Swanson, Houston, TX	05/20/2010
Richard Dean Jenkins, Plano, TX	05/20/2010	Karen Elaine Thurman, Katy, TX	05/20/2010
Karen Kay Johnson, Arlington, TX	07/22/2010	Timothy Allen Wallace, Argyle, TX	05/20/2010
Randy Gene Johnson, Kaufman, TX	07/22/2010	Jeffrey Martin Williams, Houston, TX	05/20/2010
Diane Modianos Kazmierczak, Pearland, TX	05/20/2010	Lili Xie, Tung Chung, Hong Kong	05/20/2010
Jeffrey L. Kramer, Englewood, CO	07/22/2010	Jan Marie Zabcik, Irving, TX	05/20/2010
William Robin Lee, Palo Alto, CA	05/20/2010		

THREE-YEAR DELINQUENT ACTIONS

The respondents listed below violated *Sections 901.502(4)* and *901.502(11)* of the *Act* when they failed to pay license fees for three consecutive license periods. The certificate of each respondent was revoked without prejudice as the respondent was not in compliance as of the Board meeting date. Each respondent may regain his or her certificate by paying all the required license fees and penalties and by otherwise coming into compliance with the *Act*.

Respondent / Location	Board Date	Respondent / Location	Board Date
Kate Elizabeth Agnew, Palm Beach Gardens, FL	05/20/2010	Floyd Wayne Chain, Jr., Castroville, TX	05/20/2010
Fawzy Mahmoud Ahmed, Houston, TX	07/22/2010	Beth Lynette Frye Chapman, New Braunfels, TX	07/22/2010
Marcelina Alvarado, Columbus, TX	05/20/2010	Glenn Patrick Cody, San Mateo, CA	05/20/2010
Shannon Cooley Babovec, Frisco, TX	07/22/2010	Ivy Tillman Corley, Jr., Houston, TX	05/20/2010
William Edwin Baine, Houston, TX	05/20/2010	Charles Allan Crocker, Houston, TX	05/20/2010
James Wade Batchelor, Corpus Christi, TX	07/22/2010	Delaney Ann Curlee, Columbia, SC	07/22/2010
Tami Preston Bishop, Littleton, CO	05/20/2010	Brian William Davidson, Elk Grove Village, IL	07/22/2010
Sharon Mae Blackwell, Carrollton, TX	07/22/2010	Wanda Dean, Springdale, AR	07/22/2010
Elizabeth Baldwin Bleggi, Farmers Branch, TX	05/20/2010	Dennis Bret Delisle, Plano, TX	07/22/2010
William David Breitbarth, Mansfield, TX	07/22/2010	Robert William Doner, Austin, TX	07/22/2010
Jason Sanford Brian, Sugar Land, TX	07/22/2010	David Daniel Dulak, Omaha, NE	07/22/2010
Kimberly Gladden Burke, Jackson, MS	05/20/2010	Carrie Marie Ellerbe, San Jose, CA	07/22/2010
William Odie Burrough, Weatherford, TX	05/20/2010	Robert Graves Elliott, III, Lakewood, CO	07/22/2010
Jeanna Katherine Camp, Dallas, TX	05/20/2010	Lisbeth M. Fittipaldi, San Antonio, TX	07/22/2010
Curtis Witt Cannon, Las Vegas, NV	05/20/2010	Rhys William Francis, Euless, TX	07/22/2010
Scott Carlson, Carrollton, TX	07/22/2010	Joseph Edward Georges, San Diego, CA	07/22/2010
Beth Ellen Casteel, Bakersfield, CA	05/20/2010	Maurice Barry Gilbert, Dallas, TX	07/22/2010

ENFORCEMENT ACTIONS

Respondent / Location	Board Date	Respondent / Location	Board Date
James Eldon Goodwin, Temple, TX	05/20/2010	Luis Xavier Pena, Missouri City, TX	07/22/2010
Sean M. Gore, Katy, TX	07/22/2010	Julie Elizabeth Pendergrass, Missouri City, TX	05/20/2010
Edward Joseph Gray, Brooklyn, NY	05/20/2010	Kathie A. Poirier, Deltona, FL	07/22/2010
Christopher Michael Guthrie, El Paso, TX	07/22/2010	James Lee Robel, Frisco, TX	07/22/2010
Barbara Lee Hankins, Owings Mills, MD	05/20/2010	Joseph William Robert, Dallas, TX	05/20/2010
Cynthia Jean Hazelton, Johnston, IA	05/20/2010	Bill Gregory Robertson, Houston, TX	05/20/2010
Jennifer Klein Heller, Houston, TX	07/22/2010	William David Rohde, Aliso Viejo, CA	07/22/2010
Karen Lynn Helms, Lewisville, TX	05/20/2010	Thomas Leo Ryan, Houston, TX	07/22/2010
Jimmy Scott Henderson, Little Rock, AR	05/20/2010	Kathryn Monique Sanchez, Portland, OR	07/22/2010
Xiao Lin Hu, San Jose, CA	05/20/2010	Talford Lee Schubert, III, Corpus Christi, TX	07/22/2010
Charles Edward Hunter, Kingwood, TX	07/22/2010	Cody William Schulte, Lewisville, TX	07/22/2010
Russell Victor Jones, Childress, TX	07/22/2010	Steven Andrew Shanks, Broomfield, CO	07/22/2010
Peggy Sandra Kau, Houston, TX	05/20/2010	Steffanie D. Shepherd, Plano, TX	05/20/2010
Christopher Michael Kelly, Cincinnati, OH	05/20/2010	Belle Marie Six, Dallas, TX	07/22/2010
Robert Lee Kessler, Jr., Spring, TX	05/20/2010	Brien Patrick Smith, Dallas, TX	05/20/2010
Karen Kathleen Kocurek, Houston, TX	07/22/2010	Christopher Eugene Smith, Huntsville, AL	05/20/2010
Gerald William Koslow, Las Vegas, NV	05/20/2010	Armando Menchaca Solis, Laredo, TX	05/20/2010
Arthur S. Lee, Jr., Round Rock, TX	07/22/2010	Bruce Duane Sorenson, San Antonio, TX	05/20/2010
Mei Chen Lee, New York, NY	07/22/2010	John Joseph Stasney, III, Dallas, TX	05/20/2010
Paul Anthony Lewis, Frisco, TX	05/20/2010	Scott Lee Steiniger, Round Rock, TX	07/22/2010
Kristen Woessner Mackenzie, Fort Worth, TX	05/20/2010	Oliver Wendell Stephenson, Horseshoe Bay, TX	07/22/2010
Scott Randall Marlar, Brady, TX	05/20/2010	Carl Andrew Swick, III, Carrollton, TX	05/20/2010
Deanna Lynn Martin, Plano, TX	05/20/2010	Deanna Kaye Swilling, Dallas, TX	07/22/2010
Howard W. Masini, Lakewood, CO	05/20/2010	Thomas Leroy Tarter, Rowlett, TX	05/20/2010
Sandra Louise Masters, Plano, TX	07/22/2010	Gregory Carlson Vlasek, London, UK	05/20/2010
Maynard Elbert McGreer, Hot Springs, AR	07/22/2010	William Stanley Waldheim, Sugar Land, TX	05/20/2010
Carol Lynn McMillan, Cypress, TX	07/22/2010	Trevor John Wallinger, Prague, Czech Republic	05/20/2010
Michael Ray Miles, Madisonville, TX	07/22/2010	Craig Bassett Watson, Huntsville, TN	07/22/2010
Linda Crouch Milford, Nacogdoches, TX	05/20/2010	Harry Douglas Watson, Jr., Kaufman, TX	05/20/2010
Susan Minton, Fort Worth, TX	05/20/2010	Donald Lee Weeks, Plano, TX	05/20/2010
Mary Annette Breithaupt Moffett, Jena, LA	07/22/2010	Paul Robert Weyerts, Jr., Fort Stockton, TX	07/22/2010
Herbert Franklin Moffitt, Timonium, MD	05/20/2010	Kathryn Dawn Wilbourn, Beverly Hills, CA	05/20/2010
Abdirahman Hassan Mohamud, Coppell, TX	05/20/2010	Ericka Jeanean Williams, Houston, TX	05/20/2010
Vikki Ramona Copeland Morales, Reston, VA	07/22/2010	Shana Gregory Williams, Plano, TX	05/20/2010
Michael James Morris, Powell, OH	07/22/2010	Mark Alan Wise, Plano, TX	05/20/2010
Rebecca Ann Robinson Morris, Plano, TX	07/22/2010	Lee Anthony Wood, Fort Lauderdale, FL	07/22/2010
Timothy Michael Morrow, Phoenix, AZ	05/20/2010	Randall Lee Wood, Alexandria, VA	07/22/2010
Florin B. Munteanu-Ramnic, San Antonio, TX	07/22/2010	Maria S. Young, Alexandria, VA	07/22/2010
Roxanne Diana Nicks, Austin, TX	05/20/2010	Jing Zhou, Sugar Land, TX	05/20/2010

FAILURE TO COMPLETE LICENSE RENEWAL

The respondents listed below were found to be in violation of *Section 501.80* (practice of public accountancy) and 501.93 (responses) of the Board's *Rules*, and were also found to be in violation of *Sections 901.502(6)* (violation of a rule of professional conduct) and 901.502(11) (conduct indicating a lack of fitness to serve the public as a professional accountant) of the *Act*. The certificate of each respondent who was not in compliance at the time of the Board meeting was revoked without prejudice until such time as the respondent complies with the licensing requirements of the *Act*.

Respondent / Location	Board Date	Respondent / Location	Board Date
Robert Carson Blakney, Waco, TX	05/20/2010	Shelly D. Merritt, Alpharetta, GA	05/20/2010
Katheryn Garner Watts, Humble, TX	07/22/2010		

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NASBA Executive Costello To Retire January 2012

David A. Costello, CPA, has announced plans to retire from his position as president and CEO of the National Association of State Boards of Accountancy (NASBA) effective January 1, 2012. Costello has represented the interests of state boards of accountancy before the profession, legislative bodies, and the public since joining NASBA in 1994.

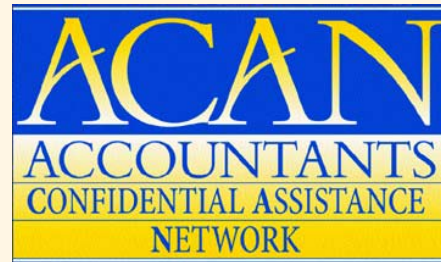
William Treacy, executive director of the Texas Board, will represent the Southwest region on the Selection Advisory Committee (SAC), which, along with the NASBA Executive Committee, will recommend finalists to the NASBA board of directors.

The selection process is underway and expected to take 9-12 months, with the goal of having Costello's successor in place in time to ensure a smooth transition for the organization and its 250 employees. NASBA is headquartered in Nashville.

NASBA is seeking candidates with these attributes:

- * Visionary
- * Good communicator
- * Strong management and business skills
- * CPA and regulatory experience preferred
- * Proven leadership performance

To apply, send a resume to nasba_select@ymail.com. Salary and benefits will be commensurate with qualifications and experience.



**Assistance for CPAs, exam candidates,
and accounting students with alcohol or drug
dependency problems or mental health issues.**

1-866-766-2226

VOLUNTEERS NEEDED

ACAN needs volunteers across the state. If you are a CPA in recovery and interested in volunteering, please call 1-866-766-2226.

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.

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