



**DEPARTMENT OF CONSUMER AFFAIRS**  
CALIFORNIA BOARD OF ACCOUNTANCY  
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**CALIFORNIA BOARD OF ACCOUNTANCY (CBA)  
ENFORCEMENT ADVISORY COMMITTEE (EAC)**

**EAC MEETING  
NOTICE & AGENDA**

**Thursday, December 10, 2015  
9:00 a.m. – 5:00 p.m.**

Hilton San Diego/Harbor Island  
1960 Harbor Island Drive  
San Diego, CA 92101  
Telephone: (619) 291-6700

- 9:00 – 9:05 I. Roll Call and Call to Order (**Jeffrey De Lyser, Chair**).
- 9:05 – 9:20 II. Report of the Committee Chair (**Jeffrey De Lyser, Chair**).
- A. Approval of the October 22, 2015 EAC Meeting Minutes.
- 9:20 – 9:35 III. Report of the CBA Liaison (**Herschel Elkins**).
- A. Report of the November 19, 2015 CBA and Committee Meetings.
- 9:35 – 10:00 IV. Report of the Enforcement Chief (**Dominic Franzella**).
- A. Enforcement Activity Report.
- B. Report on Accusations and Final Disciplinary Orders Effective September 17, 2015 to November 16, 2015.
- 10:00 – 10:05 V. Public Comments for Items not on the Agenda.
- 10:05 – 11:30 VI. Review Enforcement Files on Individual Licensees.  
**[Closed Session: The EAC will meet in closed session to review and deliberate on enforcement files as authorized by Government Code section 11126(c)(2) and Business and Professions Code section 5020.]**

**LUNCH**

- 1:00 – 5:00 VII. Conduct Closed Hearings.  
**[The Committee will meet in closed session as authorized by Government Code Sections 11126(c)(2) and (f)(3), and Business and Professions Code Section 5020 to conduct a closed session to interview and consider disciplinary action against an individual licensee or applicant prior to the filing of an Accusation.]**
- VIII. Adjournment.

Please note: Action may be taken on any item on the agenda. All times are approximate. In accordance with the Bagley-Keene Open Meetings Act, all meetings of the EAC are open to the public. Government Code section 11125.7 provides the opportunity for the public to address each agenda item during discussion or consideration by the EAC prior to the EAC taking any action on said item. Members of the public will be provided appropriate opportunities to comment on any issue before the EAC, but the EAC Chair may, at her discretion, apportion available time among those who wish to speak. Individuals may appear before the EAC to discuss items not on the agenda; however, the EAC can neither discuss nor take official action on these items at the time of the same meeting. (Government Code sec.11125.7(a). CBA members who are not members of the EAC may be attending the meeting. However, if a majority of members of the full board are present at the EAC meeting, members who are not members of the EAC may attend the meeting only as observers.

The meeting is accessible to individuals with physical disabilities. A person who needs a disability-related accommodation or modification in order to participate in the meeting may make a request by contacting Allison Nightingale at (916) 561-1723, or by email at [anightingale@cba.ca.gov](mailto:anightingale@cba.ca.gov), or send a written request to the CBA office at 2000 Evergreen Street, Suite 250, Sacramento, CA 95815. Providing your request at least five (5) business days before the meeting will help to ensure availability of the requested accommodation.

For further information regarding this meeting, please contact:

Allison Nightingale, Management Services Technician  
(916) 561-1723 or [anightingale@cba.ca.gov](mailto:anightingale@cba.ca.gov)  
California Board of Accountancy  
2000 Evergreen Street, Suite 250  
Sacramento, CA 95815

An electronic copy of this agenda can be found at <http://www.dca.ca.gov/cba/calendar.shtml>.



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**EAC ITEM II.A.**  
 December 10, 2015

**DEPARTMENT OF CONSUMER AFFAIRS**  
 CALIFORNIA BOARD OF ACCOUNTANCY (CBA)

**MINUTES OF THE  
 OCTOBER 22, 2015  
 ENFORCEMENT ADVISORY COMMITTEE (EAC) MEETING**

Marriott Los Angeles Burbank Airport  
 2500 N. Hollywood Way  
 Burbank, CA 91505  
 Telephone: (818) 843-6000

I. Roll Call and Call to Order.

EAC Chair, Jeffrey De Lyser, CPA, called to order the regularly scheduled meeting of the EAC at 9:00 a.m. on October 22, 2015.

Members

Jeffrey De Lyser, CPA, Chair	Present
Joseph Rosenbaum, CPA, Vice-Chair	Present
Katherine Allanson, CPA	Present
Dale Best, CPA	Present
Joseph Buniva, CPA	Present
Gary Caine, CPA	Present
Nancy Corrigan, CPA	Present
Mary Rose Caras, CPA	Absent
William Donnelly, CPA	Present
Thomas Gilbert, CPA	Present
Robert A. Lee, CPA	Present
Mervyn McCulloch, CPA	Present
Michael Schwarz, CPA	Absent

CBA Member

Larry Kaplan

CBA Staff and Legal Counsel

Patti Bowers, Executive Officer  
 Dominic Franzella, Chief, Enforcement Division  
 Paul Fisher, Supervising Investigative CPA  
 Dorothy Osgood, Supervising Investigative CPA  
 Allison Nightingale, Enforcement Technician  
 Nicole Novoa, Enforcement Analyst  
 Kay Lewis, Investigative CPA

Angelita Budomo, Enforcement Analyst  
David Jones, Investigative CPA  
Jesus Silva, Enforcement Analyst  
Gregory Francis, Investigative CPA  
Carl Sonne, Deputy Attorney General (DAG), Department of Justice

II. Report of the Committee Chair (**Jeffrey De Lyser**).

A. Review of Proposed 2016 Meeting Dates.

**It was moved by Mr. Lee and seconded by Ms. Corrigan to approve the proposed 2016 meeting dates.**

**Yes: Mr. De Lyser, Mr. Rosenbaum, Ms. Allanson, Mr. Best, Mr. Buniva, Mr. Caine, Ms. Corrigan, Mr. Donnelly, Mr. Gilbert, Mr. Lee, and Mr. McCulloch.**

**No: None.**

**Abstain: None**

**The motion passed.**

B. Approval of the July 9, 2015 EAC Meeting Minutes.

**It was moved by Ms. Allanson and seconded by Mr. Best to approve the minutes of the July 9, 2015 EAC meeting.**

**Yes: Mr. Rosenbaum, Ms. Allanson, Mr. Best, Mr. Caine, Ms. Corrigan, Mr. Donnelly, Mr. Gilbert, and Mr. McCulloch.**

**No: None.**

**Abstain: Mr. De Lyser, Mr. Buniva, and Mr. Lee.**

**The motion passed.**

III. Report of the CBA Liaison (**Larry Kaplan, CBA Member**)

A. Report of the September 17-18, 2015 CBA and Committee Meetings.

Mr. Kaplan provided the report for this agenda item. He reported that during the September CBA meeting, the CBA announced that the annual officer elections will take place at the November CBA meeting, which will be held on November 19, 2015 in Pasadena.

He reported that the CBA approved a comment letter in response to the National Association of State Boards of Accountancy and the American Institute of Certified Public Accountants (AICPA) Statement on Standards for Continuing Professional Education Programs Exposure Draft. The proposed changes include the addition of nano-learning and blended learning. The CBA's comment letter states that the CBA

is in support of the exploration of all forms of learning and new methodologies to benefit its licensees.

He reported that the CBA's Annual Report for Fiscal Year 2014-15 and the 2016-18 Strategic Plan were approved and can be viewed on the CBA's website.

He reported that the CBA took a support position on AB 181, which was amended to include three provisions previously in SB 799, which was supported by the CBA. Since the September meeting, AB 181 was signed, as well as SB 467, the CBA's sunset review bill

He reported that the CBA approved a legislative proposal to amend Business and Professions Code section 5094.3 relating to the ethics study educational requirement for CPA licensure and instructed staff request that the language be included in the 2016 omnibus bill or seek an author. The language will provide consistency of wording with CBA Regulations section 9.2.

He reported that the CBA discussed the impact of the AICPA Statement on Standards for Accounting and Review Services No. 21, also known as SSARS 21. The CBA determined that additional information was needed, which will be provided at the November CBA meeting.

He reported that the CBA explored methods to identify sole proprietorships. It was determined that the CBA should track sole proprietorships, and staff were directed to draft regulatory language for consideration at a future CBA meeting.

He reported that the CBA directed staff to proceed with the legislative process to amend Business and Professions Code section 5096.21(a) to provide for emergency regulations to remove states from the no notice, no fee practice privilege program. The CBA is required to make a determination as to whether allowing a certain state's licensees to practice in California, under a practice privilege, violates the CBA's duty to protect the public, and to remove states from the program if necessary.

#### IV. Report of the Enforcement Chief (**Dominic Franzella**).

##### A. Enforcement Activity Report.

Mr. Franzella provided an overview of this item. He also provided an update on the current vacancies for the Enforcement Division.

##### B. Report on Accusations and Final Disciplinary Orders Effective June 16, 2015 to September 25, 2015.

Mr. Franzella reported that since the July 9, 2015 EAC meeting, the CBA has filed 19 accusations and taken 26 disciplinary actions.

#### V. Public Comments for Items not on the Agenda.

No public comment was given.

VI. Review Enforcement Files on Individual Licensees.

[Closed Session: The EAC met in closed session to review and deliberate on enforcement files as authorized by Government Code section 11126(c)(2) and Business and Professions Code section 5020.]

VII. Conduct Closed Hearings.

[The Committee met in closed session as authorized by Government Code sections 11126(c)(2) and (f)(3) and Business and Professions Code section 5020 to conduct closed sessions to interview and consider possible disciplinary action against an individual licensee or applicant prior to the filing of an accusation.]

VIII. Adjournment.

The next EAC meeting is scheduled for December 10, 2015 at the Hilton San Diego Airport/Harbor Island in San Diego.

Having no further business to conduct, the EAC general meeting adjourned at approximately 9:32 a.m. to convene in closed session. Closed session adjourned at approximately 11:30 a.m. Closed session reconvened for investigative hearings from 1:00 p.m. to 5:00 p.m.

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Jeff De Lyser, CPA, Chair  
Enforcement Advisory Committee

Prepared by: Allison Nightingale, Enforcement Technician

**California Board of Accountancy  
Enforcement Activity Report**  
Report as of September 30, 2015

**Complaints**

<b>Complaints/Records of Convictions</b>	<b>FY 2013/14</b>	<b>FY 2014/15</b>	<b>FY 2015/16 as of Sep. 30</b>
Received	3,255	2,702	641
<i>Internal</i>	<i>2,861</i>	<i>2,248</i>	<i>498</i>
<i>Internal – Peer Review<sup>1</sup></i>	<i>1,892</i>	<i>449</i>	<i>85</i>
<i>Internal – All Other</i>	<i>969</i>	<i>1,799</i>	<i>413</i>
<i>External</i>	<i>394</i>	<i>454</i>	<i>143</i>
Assigned for Investigation	2,969	2,007	502
Closed – No Action	289	713	140
Average Days from Intake to Closure or Assignment for Investigation	4	4	4
Pending	0	0	2
Average Age of Pending Complaints (days)	0	0	0

<sup>1</sup> Peer Review internal complaints typically include investigation of failed peer review reports, failure to comply with peer review citations, filing an incorrect PR-1, or renewing a license without undergoing a peer review when a peer review is required. For FY 2013-14, these complaints included failures to respond during the initial peer review phase-in period (July 1, 2011 to July 1, 2013).

- The California Board of Accountancy (CBA) has received 641 complaints since the beginning of the new fiscal year. Seventy-eight percent of these complaints are internal referrals.
- The top internal complaint continues to be conviction of a crime. The top external complaint is tax-related.

# California Board of Accountancy Enforcement Activity Report

Report as of September 30, 2015

## Investigations

Investigations	FY 2013/14	FY 2014/15	FY 2015/16 as of Sep. 30
Assigned	2,969	1,953	502
<i>Internal</i>	2,628	1,579	372
<i>Internal – Peer Review<sup>1</sup></i>	1,888	439	81
<i>Internal – All Other</i>	740	1,140	291
<i>External</i>	341	374	130
Closed	2,669	1,773	434
Average Days to Close	74	167	183
Total Investigations Pending	825	1,081	1,206
<i>&lt; 18 Months</i>	774	973	1,064
<i>18-24 Months</i>	42	69	94
<i>&gt; 24 Months</i>	9	39	48
Average Age of Open Cases (days)	202	222	227
Median Age of Open Cases (days)	153	126	170

<sup>1</sup> For FY 2013-14, these investigations included failures to respond to multiple CBA requests to file the required PR-1 as part of the initial peer review phase-in period that occurred between July 1, 2011 and July 1, 2013.

Chart A on Page 7 illustrates the percentage of open cases by length of time.

- The CBA has closed 434 assigned investigations since the beginning of the fiscal year.
- As has been reported at several meetings, the number of cases pending between 18-24 months has increased continuously. Presently, the inventory for this category sits at 94 cases. Management is working with staff to aggressively address these cases to minimize the number of cases that will roll over into the 24 months or older category.
- Since the last report staff completed investigations on 13 cases that were 24 months or older.
- Presently, there are 48 investigations, including 25 carried over from the last report, that have been pending over 24 months. These cases are generally the most complex investigations requiring additional time to resolve. The status of the investigations are as follows:

## California Board of Accountancy Enforcement Activity Report

Report as of September 30, 2015

- One case had an investigative hearing scheduled for October 22, 2015.
- Two cases have been referred for disciplinary action.
- Eleven cases have investigative reports completed, with one recommended for a citation and fine.
- One case has a citation and fine being prepared.
- One case has a pre-citation response under review.
- Five cases will be closed as of the next report.
- 27 investigations are on-going.

### Discipline

Attorney General Referrals	FY 2013/14	FY 2014/15	FY 2015/16 as of Sep. 30
Referrals	74	97	28
Accusations Filed	34	47	18
Statements of Issues Filed	8	9	0
Petitions for Revocation of Probation Filed	2	0	2
Closed	31	63	26
<i>Via Stipulated Settlement</i>	21	55	18
<i>Via Proposed Decision</i>	4	2	0
<i>Via Default Decision</i>	6	6	8
Discipline Pending	95	119	116
<i>&lt; 18 Months</i>	82	110	109
<i>18-24 Months</i>	10	4	4
<i>&gt; 24 Months</i>	3	5	3

Chart B on Page 7 illustrates the percentage of cases pending at the AG's Office by length of time.

- There are three cases pending at the Attorney General's (AG) Office for more than 24 months, all of which have been carried over from the last report. The current status of the cases are as follows:
  - A writ was filed with the California Superior Court in August 2012 following adoption of a proposed decision and denial of a Petition for Reconsideration in July 2012. A decision was issued on August 28, 2014 denying the writ of mandate. The stay previously issued was dissolved and the CBA's decision revoking the Petitioner's license became effective. The Petitioner immediately filed a Notice of Appeal with the Appellate Court seeking a stay of the decision.

## California Board of Accountancy Enforcement Activity Report

Report as of September 30, 2015

The motion requesting a trial was denied at a hearing on December 12, 2014. A ruling from the Court of Appeals is pending.

- One case has a settlement conference set for November 30, 2015.
- One case has a hearing date set for May 2, 2016.

### Citations and Fines

Citations	FY 2013/14	FY 2014/15	FY 2015/16 as of Sep. 30
Total Citations Issued	1,522 <sup>1</sup>	348	81
Total Fines Assessed	\$399,020	\$119,387	\$36,050
Fines Average	\$702	\$343	\$445
Average number of days from receipt of a complaint to issuance of a citation	33	142	194
Top 3 Violations Resulting in Citation			
1:	Response to CBA Inquiry (Reg 52)	CE Basic Requirements (Reg 87)	Fingerprinting & Disclosure (Reg 37.5)
2:	CE Basic Requirements (Reg 87)	Response to CBA Inquiry (Reg 52)	Response to CBA Inquiry (Reg 52)
3:	Name of Firm (BPC 5060)	Name of Firm (BPC 5060)	CE Basic Requirements (Reg 87)

<sup>1</sup> For FY 2013-14, 1,481 citations were issued for failure to respond to multiple CBA requests to file the required PR-1 as part of the initial peer review phase-in period that occurred between July 1, 2011 and July 1, 2013.

- As noted in previous reports, the current year average for number of days to issue a citation is higher than the 2013-14 fiscal year due to the high volume and efficiency with which Peer Review (Failure to Respond) citations were issued.
- The fine amount assessed varies from \$100 to \$5,000 and is determined on a case-by-case basis. Factors that may increase or decrease the fine amount include aggravating or mitigating circumstances, and length of time the violation existed.
- Violation of Fingerprinting and Disclosures Requirement, CBA Regulations section 37.5, is currently the most common reason for issuance of a citation.

## California Board of Accountancy Enforcement Activity Report

Report as of September 30, 2015

### Probation Monitoring

Monitoring Activities	FY 2015/16
Number of Licensees on Probation as of Last Report	103
New Probationers	0
Total Number of Probationers	103
Out-of-State Probationers	9
Probation Orientations Held since Last Report	5

### Criminal Offender Record Information (CORI)

CORI Fingerprints <sup>1</sup>	FY 2014/15	FY 2015/16
Notification Letters Sent	19,715	4,723
CORI Compliances Received	11,971	3,516
Non-Compliance Notifications Sent (Audit)	742	221

CORI Enforcement Cases	FY 2014/15	FY 2015/16
Received	624	177
Assigned for Investigation	185	63
Closed – No Action	439	114
Non-Compliance Citations and Fines Issued	45	36
Referred to the Attorney General's Office	14	8

<sup>1</sup> CORI-related activities that occurred in FY 2013/14 were previously reflected on the Licensing Activity Report.

- Effective January 1, 2014, all licensees renewing their license in active status are required to have fingerprints on file for the purpose of conducting a state and federal criminal offender record information background check.
- The fingerprint compliance rate has increased from 61 percent for fiscal year 2014-15 to 74 percent for the first quarter of the current fiscal year.

# California Board of Accountancy Enforcement Activity Report

Report as of September 30, 2015

## **Mobility**

<b>Enforcement Aspects of Mobility</b>	<b>FY 2014/15</b>	<b>FY 2015/16</b>
Pre-Notification Forms Received	2	0
Cessation Event Forms Received	0	0
SEC Discipline Identified	27	22
PCAOB Discipline Identified	21	9
Out-of-State Accounting Firm Registrants That Reported Other Discipline	14	2
Complaints Against Practice Privilege Holders	11	3

Effective July 1, 2013, the CBA implemented a no notice, no fee practice privilege model in California. This table depicts the enforcement aspects of mobility, including the receipt and investigation of Practice Privilege Pre-Notification Forms and Notification of Cessation Event Forms.

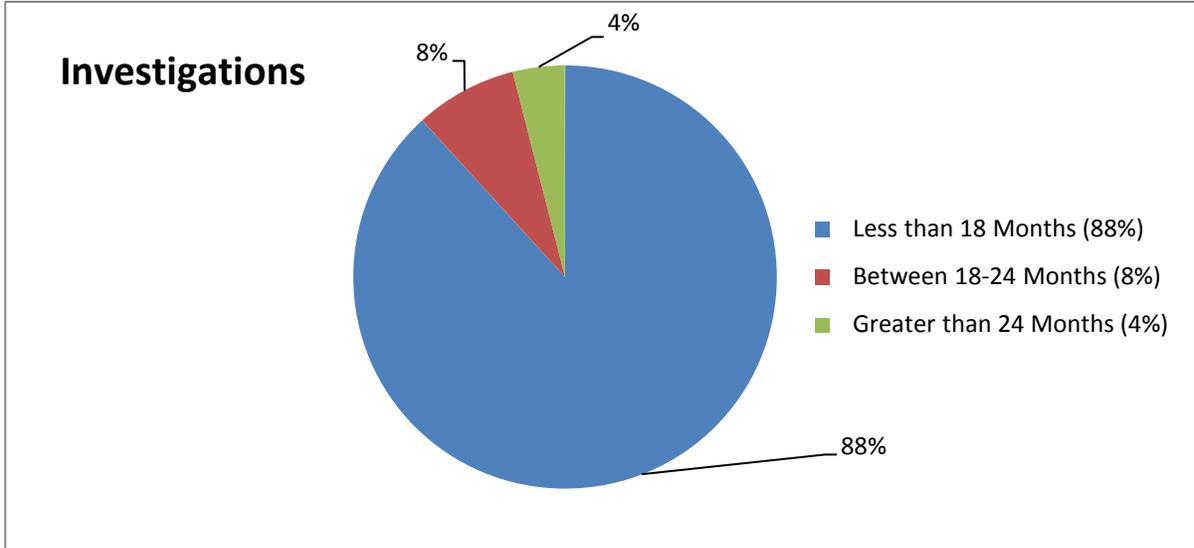
- The complaints against practice privilege holders include practice without permit, discipline by other states/governmental agencies, and practice complaints.
- Staff sends letters to all CPAs who were disciplined by either the Securities and Exchange Commission or the Public Company Accounting Oversight Board to inform them that they must seek CBA authorization prior to practicing in California.

## **Division Highlights and Future Considerations**

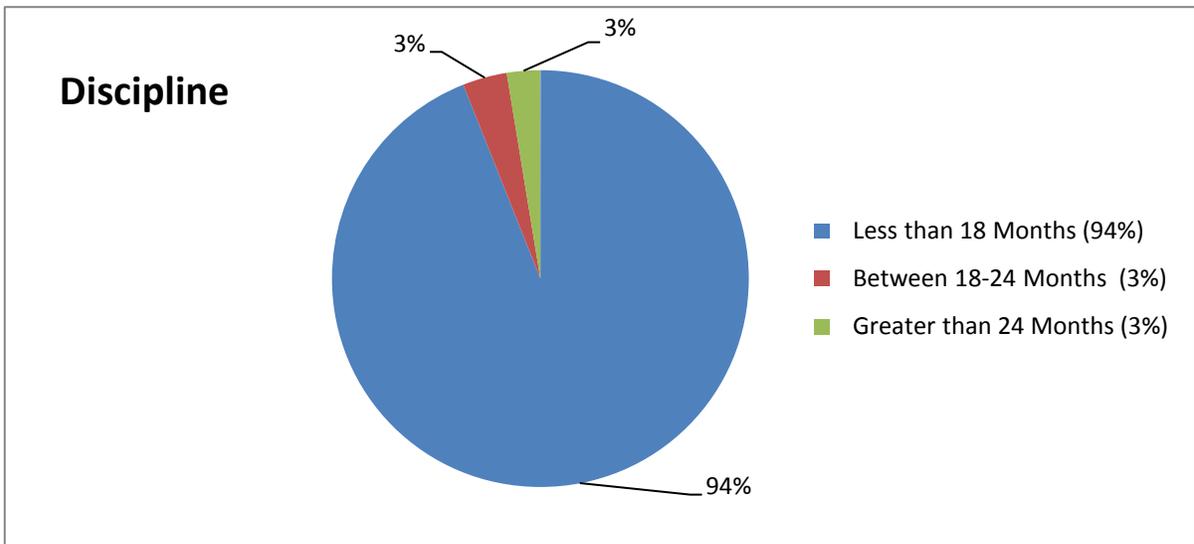
- The Discipline and Probation Monitoring Unit is recruiting to fill an Associate Governmental Program Analyst position.
- The Non-Technical Unit is recruiting to fill an Associate Governmental Program Analyst position.

**California Board of Accountancy  
Enforcement Activity Report**  
Report as of September 30, 2015

**Chart A – Open Investigations as of September 30, 2015**



**Chart B – Discipline Pending at the Attorney General Office as of September 30, 2015**





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**EAC Item IV.B**  
December 10, 2015

## **Report on Accusations Filed and Final Disciplinary Orders Effective September 17, 2015 – November 16, 2015**

**Presented by:** Dominic Franzella, Chief, Enforcement Division

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### **Consumer Protection Objectives**

The purpose of this agenda item is to provide the Enforcement Advisory Committee (EAC) with information related to accusations filed and final disciplinary orders effective September 17, 2015 through November 16, 2015. The accusations filed and disciplinary orders issued by the California Board of Accountancy (CBA) assist in ensuring consumer protection by identifying and subsequently taking action against those who are in violation of the provisions of the Accountancy Act and CBA Regulations.

### **Action(s) Needed**

No specific action is required on this agenda item.

### **Background**

At the conclusion of the October 2014 EAC meeting, members completed a survey via SurveyMonkey providing comments and feedback on various aspects of the meeting. Among the comments was a request for staff to bring information related to accusations filed and final disciplinary orders effective since the prior EAC meeting. As a result, staff has placed this topic as a standing agenda item for all future EAC meetings.

### **Comments**

Since September 17, 2015, the CBA has filed 17 accusations and taken 11 disciplinary actions. All matters are listed below along with a summary of the cause for discipline and action taken. The complete accusations and final disciplinary orders are available for review on the CBA website at [www.cba.ca.gov](http://www.cba.ca.gov).

### **Accusations Filed**

1. AC-2014-20                      Thibault, Robert H.                      Filed November 6, 2015  
The causes for discipline identified in the accusation include imposition of discipline by the Public Company Accounting Oversight Board (PCAOB), and suspension from practice by a governmental body.

**Report on Accusations Filed and Final Disciplinary Orders  
Effective September 17, 2015 – November 16, 2015**

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2. AC-2014-21 Christie, Thomas A. Filed November 3, 2015  
The cause for discipline identified in the accusation includes discipline by the PCAOB.  
Allan Rosenthal & Associates  
Accountancy Corporation
3. AC-2014-38 Rosenthal, Allan Howard Filed October 2, 2015  
The causes for discipline identified in the accusation include repeated acts of negligence, dishonesty, failure to comply with peer review, providing false information, failure to report to the CBA, willful violation of chapter, rule or regulation, and unprofessional conduct of the firm.  
Rivera & Company
4. AC-2014-41 Rivera, Charles Joseph Filed October 1, 2015  
The causes for discipline identified in the accusation include failure to comply with peer review, failure to respond to CBA inquiry, and failure to notify the CBA of a change of address.  
Tremelling and Associates
5. AC-2014-51 Tremelling, Richard Claude Filed October 7, 2015  
The causes for discipline identified in the accusation include gross negligence, repeated acts of negligence, failure to provide information in audit documentation, failure to issue report conforming to professional standards, failure to comply with professional standards, failure to provide certificates of completion, failure to comply with peer review, practice under unregistered firm name, and unlicensed practice.
6. AC-2015-20 Yang, Hyunkoo Sean Filed September 23, 2015  
The causes for discipline identified in the accusation include providing false information, gross negligence, failure to comply with professional standards, practice under unregistered firm name, providing false information, failure to comply with peer review, and willful violation of chapter, rule or regulation.
7. AC-2015-21 Jung, Seok Young Filed September 23, 2015  
The causes for discipline identified in the accusation include unprofessional conduct, failure to comply with professional standards, and providing false information to the CBA.
8. AC-2015-78 Williams, Owen Mark Filed September 21, 2015  
The causes for discipline identified in the accusation include suspension or revocation of right to practice before a governmental body, and imposition of discipline by the United States Securities and Exchange Commission (SEC).

**Report on Accusations Filed and Final Disciplinary Orders  
Effective September 17, 2015 – November 16, 2015**

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9. AC-2015-84 Klein Mandelblatt & Co LLP Filed November 6, 2015  
The causes for discipline identified in the accusation include failure to comply with peer review, false statement or omissions in the application for a license, and failure to respond to CBA inquiry.
10. AC-2015-88 Choi, Chris J. Filed September 21, 2015  
The causes for discipline identified in the accusation include suspension or revocation of right to practice before a governmental body, imposition of discipline by the SEC, and failure to report discipline to the CBA.
11. AC-2015-94 McGuinness, Molly Erin Filed October 2, 2015  
aka MacArthur, Molly McGuinness  
The causes for discipline identified in the accusation include criminal conviction for trespassing, criminal conviction for child abuse, criminal conviction for DUI, criminal conviction for public intoxication, and failure to report conviction.
12. AC-2015-102 Mendoza, Henry Filed November 6, 2015  
The causes for discipline identified in the accusation include suspension or revocation of right to practice before a governmental body, and imposition of discipline by the PCAOB.
13. AC-2015-104 Roemmich, Duane Clayton  
Roemmich Accountancy Corp Filed November 6, 2015  
The causes for discipline identified in the accusation include making false statements in obtaining license, repeated negligent acts and gross negligence, failure to comply with professional standards, failure to comply with peer review, failure to provide true and accurate information, and willful violation of chapter, rule, or regulation.
14. AC-2016-5 Hickey Jr., James Edmond Filed October 13, 2015  
The causes for discipline identified in the accusation include making false statements on license renewal application, and making a false or misleading statement regarding continuing education (CE).
15. AC-2016-6 Neil, Steven Mead Filed October 2, 2015  
The causes for discipline identified in the accusation include imposition of discipline by the SEC, and revocation of right to practice before a governmental body.
16. AC-2016-16 Jasper, Carl W. Filed October 2, 2015  
The causes for discipline identified in the accusation include imposition of discipline by the SEC, suspension of right to practice before a governmental body, and failure to report discipline.

**Report on Accusations Filed and Final Disciplinary Orders  
Effective September 17, 2015 – November 16, 2015**

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17. AC-2016-20 Tomlinson, Bruce William Filed October 7, 2015

The causes for discipline identified in the accusation include imposition of discipline by the SEC, suspension of right to practice before a governmental body, and failure to report discipline.

Disciplinary Orders

1. AC-2015-4 Lopez, Mario Effective October 25, 2015  
Accusation number AC-2015-4 contains the following allegations:

Mr. Lopez is subject to disciplinary action in that he committed acts of gross negligence and repeated acts of negligence in the preparation of tax returns that constitute extreme departures from applicable professional standards.

Mr. Lopez is subject to disciplinary action in that he committed an act of unprofessional conduct by the knowing preparation, publication, or dissemination of false, fraudulent, or materially misleading financial statements, reports, or information.

Mr. Lopez's probation is subject to revocation in that he failed to timely submit eight quarterly reports to the CBA as required in Decision and Order No. AC-2010-17.

Mr. Lopez's probation is subject to revocation in that he failed to timely complete his eight hours of ethics CE he was ordered to do within 18 months of the effective date of the CBA's order as required in Decision and Order No. AC-2010-17.

**CBA Actions:**

Revocation stayed with three years' probation, via stipulated settlement.

Mr. Lopez shall pay the CBA for its costs of investigation and enforcement in the amount of \$10,000.00. An initial payment of \$2,000.00 shall be paid within 60 days of the effective date of this Decision and Order. The remaining balance shall be made in quarterly payments, due with Mr. Lopez's quarterly written reports to the CBA, with the final payment being due six months before probation is scheduled to terminate.

Mr. Lopez shall complete four hours of CE in ethics. The course hours shall be completed within 180 days of the effective date of this Decision and Order and are in addition to the CE hours required for relicensing.

**Report on Accusations Filed and Final Disciplinary Orders  
Effective September 17, 2015 – November 16, 2015**

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Mr. Lopez shall complete a CBA-approved Regulatory Review course. The course shall be completed within 180 days of the effective date of this Decision and Order and is in addition to the CE hours required for relicensing.

Mr. Lopez shall complete 24 hours of CE in the subject matter of tax, such as tax preparation, tax regulation, and practice before the IRS. A minimum of eight hours must be in the subject matter of Internal Revenue Service tax filing. These course hours shall be completed within one year of the effective date of this Decision and Order and are in addition to the CE hours required for relicensing.

Mr. Lopez must maintain an active license.

Other standard terms of probation.

2. AC-2015-18 Mann Accountancy Corp. Effective October 25, 2015  
Accusation No. AC-2015-18 contains the following allegations:

Respondents are subject to disciplinary action in that they engaged in gross negligence and/or repeated acts of negligence evidencing a violation of applicable professional standards and indicating a lack of competency in the practice of public accountancy or in the performance of bookkeeping operations.

Respondents are subject to disciplinary action in that they issued a report with an unqualified opinion which was unsupported by audit documentation and which failed to conform to professional standards upon completion of a compilation, review or audit of financial statements.

Respondents are subject to disciplinary action in that they failed to comply with all applicable professional standards, including but not limited to generally accepted accounting principles and generally accepted auditing standards.

Respondents are subject to disciplinary action in that they failed to maintain audit documentation sufficient to enable a reviewer with relevant knowledge and experience, having no previous connection with the audit engagement, to understand the nature, timing, extent, and results of the auditing or other procedures performed, evidence obtained, and conclusions reached, and to determine the identity of the persons who performed and reviewed the work. Additionally, Respondents failed to retain a copy of audit documentation pertaining to the audit for the year ended December 31, 2010.

Respondents are subject to disciplinary action in that they made misleading statements as part of, or in support of, Mr. Mann's peer review reporting.

**Report on Accusations Filed and Final Disciplinary Orders  
Effective September 17, 2015 – November 16, 2015**

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CBA Actions:

Revocation stayed with three years' probation, via stipulated settlement.

Respondents shall reimburse the CBA \$6,000.00 for its investigation and prosecution costs. The payment shall be made in quarterly payments (due with quarterly written reports) with the final payment being due six months before probation is scheduled to terminate.

Mr. Mann shall complete four hours of CE in ethics. The hours shall be completed within 12 months of the effective date of this Decision and Order and are in addition to the CE hours required for relicensing.

Mr. Mann shall complete a CBA-approved Regulatory Review course. The course shall be completed within 12 months of the effective date of this Decision and Order and is in addition to the CE hours required for relicensing.

During the period of probation, all review and compilation reports and work papers shall be subject to peer review by a CBA-recognized peer review program provider.

Respondents must maintain an active license.

During probation, Respondents shall not engage in and shall be prohibited from performing any audit services.

After the completion of probation, Respondents shall be permanently prohibited from engaging in and performing any audit services. This condition shall continue until such time, if ever, Respondents, successfully petition the CBA for the reinstatement of the ability to perform audit services.

Other standard terms of probation.

3. SI-2015-7 McCormac, Jeffrey Barton Effective October 25, 2015  
Statement of Issues No. SI-2015-7 contains the following allegations:

Applicant was convicted of aggravated assault, false impersonation of another, and driving under the influence on four separate occasions between 1998 and 2011.

CBA Actions:

License denied by decision.

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Effective September 17, 2015 – November 16, 2015**

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4. SI-2014-65                      Miller, James Robert                      Effective October 25, 2015  
Statement of Issues No. SI-2014-65 contains the following allegations:

Respondent, when licensed as an attorney, issued withdrawals on his clients' account to pay for personal/business expenses, failed to maintain client funds in a trust, and engaged in the unauthorized practice of law.

CBA Actions:

License denied by decision.

5. AC-2015-43                      Mosley, Carmen Denise                      Effective October 25, 2015  
Accusation No. AC-2015-43 contains the following allegations:

Ms. Mosley is subject to disciplinary action in that she was convicted of crimes substantially related to the qualifications, functions or duties of a certified public accountant or public accountant, as follows:

On or about May 6, 2014, Ms. Mosley was convicted of one felony count of violating Title 18, United States Code, section 1349 [conspiracy to commit bank fraud and wire fraud], and two felony counts of violating Title 18, United States Code, section 1344 [bank fraud]. Ms. Mosley was sentenced to 57 months in federal prison and ordered to pay \$1,172,000.00 in restitution.

Ms. Mosley is subject to disciplinary action in that from November 2006 to November 2007, Respondent Mosley knowingly prepared false, fraudulent, or materially misleading financial statements, reports, or information.

Ms. Mosley is subject to disciplinary action in that from November 2006 to November 2007, she committed acts involving fiscal dishonesty.

Ms. Mosley is subject to disciplinary action in that she failed to comply with CBA Citation Order CT-2014-551, in that she failed to submit a Peer Review Reporting Form (PR-1), as required.

CBA Actions:

Revocation of CPA License, via default decision.

6. AC-2015-39                      Pappin, Richard Gordon                      Effective October 25, 2015  
Accusation No. AC-2015-39 contains the following allegations:

Mr. Pappin is subject to disciplinary action in that he willfully violated the Accountancy Act, and Rules and Regulations promulgated by the CBA related to his compliance with the CBA's peer review program requirements.

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Effective September 17, 2015 – November 16, 2015**

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Mr. Pappin is subject to disciplinary action in that he committed fraud or deceit on his license renewal for the renewal period that ended on May 31, 2012. Mr. Pappin signed his license renewal form for the renewal period that ended on May 31, 2012, affirming under penalty of perjury that he had complied with the CBA's peer review requirements. In fact, he had not done so.

Mr. Pappin is subject to disciplinary action in that he has been practicing public accountancy under the name "Pappin & Pappin," which is not registered by the CBA.

CBA Actions:

Surrender of CPA license, via stipulated settlement.

Mr. Pappin shall pay the CBA \$5,912.21 for its investigation and enforcement costs prior to issuance of a new or reinstated license.

7. AC-2015-56                      Rienenrth, Anne Marie                      Effective October 25, 2015  
Accusation No. AC-2015-56 contains the following allegations:

Ms. Rienenrth is subject to disciplinary action in that she was convicted of crimes that are substantially related to the qualifications, functions, and duties of a certified public accountant.

On or about January 28, 2014, Ms. Rienenrth was convicted on her plea of violating Vehicle Code (VC) section 23152(b), (driving a vehicle with 0.08 percent or more, by weight, of alcohol in her blood), a felony, with enhancements for violating VC sections 23578 (enhanced penalties for excessive blood alcohol or refusal to take a chemical testing when a person is convicted of a violation of VC sections 23152 or 23153), and VC section 23153(b), and of violating that probation imposed following her May 31, 2012 conviction in a prior Riverside County Superior Court case.

On or about May 31, 2012, Ms. Rienenrth was convicted on her plea of violating VC section 23153(b), (driving under the influence of an alcoholic beverage or drug, and in so driving did an act forbidden by law and neglected a duty imposed by the law in the driving of said vehicle, which act or neglect caused bodily injury), with enhancements under VC sections 23578 and 23577 (enhanced penalties for refusing a police officer's request to submit to, or willfully failed to complete, the chemical test or tests).

Ms. Rienenrth is subject to disciplinary action in that she failed to report her convictions to the CBA within thirty days after she entered her guilty pleas made on or about May 31, 2012 and January 28, 2014.

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Ms. Rienerth is subject to disciplinary action in that she failed to respond to the CBA's inquiry dated October 30, 2014.

CBA Actions:

Revocation of CPA License, via default decision.

8. AC-2015-105 Shirley, Ronald Carey Effective October 25, 2015  
Accusation No. AC-2015-105 contains the following allegations:

Mr. Shirley is subject to disciplinary action in that he was convicted of a substantially related crime as follows:

On or about April 10, 2015, Mr. Shirley was convicted of two felony counts of violating 18.U.S.C. section 2252A(a)(2)(A), (b)(1) [knowingly attempted to receive child pornography]. On or about June 30, 2015, Mr. Shirley was sentenced to serve 240 months in Federal prison and upon release from imprisonment, he will be placed on supervised release for a term of life.

Mr. Shirley is subject to disciplinary action in that he failed to report his two felony convictions within 30 days after he entered his guilty pleas on or about April 10, 2015.

Mr. Shirley is subject to disciplinary action in that he willfully violated the Accountancy Act and the rules and regulations promulgated by the CBA under the authority of the Act.

CBA Actions:

Revocation of CPA License, via default decision.

9. AC-2015-51 Sonney, Jake Roy Effective October 25, 2015  
Accusation No. AC-2015-51 contains the following allegations:

Mr. Sonney is subject to disciplinary action in that he was convicted of crimes substantially related to the qualifications, functions or duties of a certified public accountant or public accountant, as follows:

On or about June 13, 2012, after pleading nolo contendere, Mr. Sonney was convicted of one misdemeanor count of violating VC section 23152, subdivision (b) [driving while having a 0.08 percent or more blood alcohol content (BAC), by weight,] in the criminal proceeding entitled The People of the State of California v. Jake Roy Sonney (Super. Ct. L.A. County, 2012, No. 1SY09349).

On or about June 13, 2012, after pleading nolo contendere, Mr. Sonney was convicted of one misdemeanor count of violating VC section 23152, subdivision

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(b) [driving while having a 0.08 percent or more BAC, by weight,] in the criminal proceeding entitled *The People of the State of California v. Jake Roy Sonney* (Super. Ct. L.A. County, 2012, No. 2SY01367).

Mr. Sonney is subject to disciplinary action in that he failed to notify the CBA in writing within 30 days of sustaining two convictions.

CBA Actions:

Revocation of CPA License, via default decision.

10. AC-2014-67                      aka Garold J. Tedder  
   Tedder, Gary Jean                      Effective October 25, 2015  
Accusation No. AC-2014-67 contains the following allegations:

Mr. Tedder is subject to disciplinary action in that the Internal Revenue Service (IRS) imposed discipline, penalty, or sanction on his practice of accounting and suspended his right to practice before the IRS effective October 25, 2012.

Mr. Tedder is subject to disciplinary action in that he failed to report in writing to the CBA within 30 days the suspension of the right to practice as a certified public accountant before the IRS.

Mr. Tedder is subject to disciplinary action in that he operated under the unregistered firm of "Gary Tedder, CPA, A Professional Corporation."

Mr. Tedder is subject to disciplinary action in that he failed to respond to the CBA's inquiry, dated October 24, 2013, regarding his sanction by the IRS.

Mr. Tedder is subject to disciplinary action in that he changed his address of record and failed to update his address with the CBA as required.

CBA Actions:

Revocation of CPA License, via proposed decision.

In the event Mr. Tedder applies for a new license or petitions for reinstatement and the license is issued, he shall reimburse the CBA \$4,502.50 for its reasonable costs of enforcement.

11. AC-2014-46                      Turnblad, Richard Allen                      Effective October 25, 2015  
Accusation No. AC-2014-46 contains the following allegations:

Mr. Turnblad is subject to disciplinary action in that he failed to submit a completed peer review form to the CBA and failed to complete peer review by an accepted CBA-recognized peer review program by July 1, 2011.

**Report on Accusations Filed and Final Disciplinary Orders  
Effective September 17, 2015 – November 16, 2015**

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Mr. Turnblad is subject to disciplinary action in that he failed to respond in writing to inquiries by the CBA within 30 days of the CBA's request for information.

CBA Actions:

Surrender of CPA license, via stipulated settlement.

Mr. Turnblad shall pay the CBA \$3,284.69 for its investigation and enforcement costs prior to issuance of a new or reinstated license.

**Fiscal/Economic Impact Considerations**

There are no fiscal or economic impacts for this agenda item.

**Recommendation**

Staff do not have a recommendation on this agenda item.

**CALIFORNIA BOARD OF ACCOUNTANCY (CBA)  
2015 MEETING DATES/LOCATIONS CALENDAR  
(CBA MEMBER COPY)**

**JANUARY 2015**

S	M	T	W	Th	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	SC 21	SC 22	23	24
25	26	27		NC 28	NC 29	30
						31

**FEBRUARY 2015**

S	M	T	W	Th	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28

**MARCH 2015**

S	M	T	W	Th	F	S
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8	9	10	11	12	13	14
15	16	17	18	SC 19	SC 20	21
22	23	24	25	26	27	28
29	30	31				

**APRIL 2015**

S	M	T	W	Th	F	S
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19	20	21	NC 22	23	24	25
26	27	28		SC 29	30	

**MAY 2015**

S	M	T	W	Th	F	S
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24	25	26	27	SC 28	SC 29	30
31						

**JUNE 2015**

S	M	T	W	Th	F	S
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**JULY 2015**

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**AUGUST 2015**

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30	31					

**SEPTEMBER 2015**

S	M	T	W	Th	F	S
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6	7	8	9	10	11	12
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**OCTOBER 2015**

S	M	T	W	Th	F	S
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18	19	20	NC 21	SC 22	23	24
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**NOVEMBER 2015**

S	M	T	W	Th	F	S
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**DECEMBER 2015**

S	M	T	W	Th	F	S
		1	2	3	4	5
6	7	8	SC 9	SC 10	11	12
13	14	15	16	17	18	19
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27	28	29	30	31		

**COMMITTEES**

- EAC - Enforcement Advisory Committee
- QC - Qualifications Committee
- PROC - Peer Review Oversight Committee
- MSG-Mobility Stakeholder Group

**GENERAL LOCATION**

- NC-NORTHERN CALIFORNIA
- SC-SOUTHERN CALIFORNIA

-  CBA OFFICE CLOSED
-  CBA MEETING
-  EAC MEETING
-  PROC MEETING
-  QC MEETING
-  MSG MEETING
-  STRATEGIC PLANNING WORKSHOP

# CBA AND COMMITTEE MEMBER ROSTER

Revised November 23, 2015



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Committee  
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SPC – Strategic Planning Committee

## Advisory Committees

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PROC – Peer Review Oversight Committee  
MSG – Mobility Stakeholder Group  
QC – Qualifications Committee

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