



UPDATE WINTER 2017—ISSUE NO. 83



PRESIDENT'S MESSAGE



Alicia Berhow, President

I am humbled and excited by the opportunity to serve as the President of the California Board of Accountancy (CBA) in 2017. I am looking forward to serving alongside this year's other CBA officers: Vice President Michael M. Savoy, CPA, and Secretary/Treasurer Mark J. Silverman, Esq. In addition, I want to extend my appreciation to our immediate past-President Katrina L. Salazar, CPA, for all her commitment and leadership during the previous year.

In 2017, the CBA will be tackling some key issues that will affect both the profession and the consumers we are charged to safeguard.

Mobility, or the ability for an individual licensee of another state to practice public accountancy in California, will continue to command much attention this year. This will be the final year for the Mobility Stakeholder Group to evaluate other states' enforcement practices prior to issuing a final report to the California Legislature, which is due January 1, 2018. In that final report, the CBA will discuss its efforts to determine whether allowing individuals from other states to practice pursuant to a practice privilege violates its duty to protect the public. California's current mobility laws expire at the end of 2018, unless new legislation is enacted to extend that date. If those laws expire, the CBA's former practice privilege requirements will be put back into place and out-of-state CPAs will be required to provide notice to the CBA and pay a fee before they may practice public accountancy in California.

Continuing education (CE) requirements will get a close look this year. The CBA recognizes the value for CE standards to evolve and keep pace with new learning models. Specifically, the CBA will explore a change in regulations to allow CPAs to complete their 80 hours of CE in timeframes other than one-hour and half-hour increments (e.g., 10-minute increments in certain circumstances) and in more flexible learning formats.

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CALIFORNIA
BOARD OF
ACCOUNTANCY
Newsletter



PRESIDENT'S MESSAGE CONTINUED FROM PAGE 1

Outreach and communication will continue to be a growing focus for the CBA. We will continue to collaborate with professional organizations and various universities and institutions of higher education to increase awareness of the CBA's consumer protection mission and educate future CPAs of the requirements for licensure.

As you can see, 2017 is shaping up to be a busy and important year for the CBA. I encourage you to attend CBA meetings either in person or watch them via the CBA's website. Also, you can follow the CBA's activities by subscribing to our E-News service and receive e-mail notifications regarding CBA meeting agendas and other topics. To subscribe, go to www.cba.ca.gov, click the "Communication & Outreach" link, then select "E-News Subscriptions."

Alicia Berhow

President

MESSAGE FROM THE EXECUTIVE OFFICER

The CBA staff and members remain committed to our mission to protect consumers by ensuring only qualified licensees practice public accountancy in accordance with established professional standards. Here are a few up-and-coming items that we are focusing on this year:

New CBA Office Location

Starting April 10, 2017, the CBA will begin operating out of our new office. Located in a professional business park, the new office offers convenient access to the Sacramento International Airport and is a short drive to downtown and other state administration buildings. The new office allows all our staff to be together in one location and includes a sizable conference room that will accommodate the CBA's public meetings typically held in Northern California. Staff will no longer have to spend time and funds to rent space for those meetings.

We are sending announcements to all CBA licensees with the new address and other information you may need to know. See the article on page 6 for more details.

Committee Participation

The CBA is in great need of CPAs to join our committees. These committees provide advice and recommendations to the CBA on a variety of issues and are an invaluable help to the CBA's operations. Your expertise and experience may make you a perfect candidate. Please consider this opportunity to help the CBA protect consumers and to give back to your profession. To learn more, read the article on page 8.

CBA Budget Update

The CBA will receive repayments of money previously loaned to the state of California's General Fund. The funds are scheduled to be repaid by the end of the current fiscal year, which ends June 30, 2017. Once repaid, the CBA will have an approximate 26-month operating reserve. In late 2017, the CBA will analyze its fund level to determine whether a change in its fee structure is necessary to ensure a balance between revenues and expenditures for future years.

Patti Bowers

Executive Officer



THANK YOU FOR YOUR SERVICE

The CBA goes the extra mile for those who are serving or have served in the military.

If you are a licensee engaged in active duty as a member of the California National Guard or U.S. Armed Forces, you may apply to have your license placed, and renewed, in military inactive status. This status exempts licensees from being subject to continuing education (CE) or peer review reporting requirements, or paying the biennial renewal fee while their license is in military inactive status. The holder of a license in a military inactive status cannot engage in any public accounting services for which a license is required.

If you hold a current and valid license and are called to active duty as a member of the California National Guard or the U.S. Armed Forces, you may apply to the CBA for a waiver of your renewal fees and CE during the period in which you are on active duty service.

If you have been honorably discharged from a branch of the U.S. Armed Forces, the CBA will expedite the licensure process when supporting documentation is provided.

If you are licensed as a CPA in another state, are applying for CPA licensure in California, and are a spouse or domestic partner of an active duty member of the U.S. Armed Forces assigned to a duty station in California under official active duty military orders, the CBA will expedite the licensure process when supporting documentation is provided.

To stay informed of the latest CBA news and information for military members, visit our military information Web page at www.cba.ca.gov by clicking the “Licensee” link then click the “Information for Military Applicants and Licensees” link.





EMPLOYEE BENEFIT PLAN AUDITS

Over the past several years, the CBA has investigated and taken disciplinary action against several licensees and accounting firms due to issues arising from employee benefit plan (EBP) audits. Gross negligence, repeated negligent acts, and lack of conformance and compliance with professional standards were the top violations found by the CBA.

These are the common EBP-related violations licensees face: over-relying on plan administrators who may not be sufficiently knowledgeable about their plans, misunderstanding “limited scope” audit requirements, and misapplying the concept of materiality.

EBP audits, whether for a defined contribution or defined benefit plan, require specific audit procedures that differ from those performed in an audit of a company’s financial statements. To avoid problems with these audits, CPAs who perform one should take due care to ensure that they understand and comply with the professional standards associated with EBP audits.

The American Institute of CPAs’ Employee Benefit Plan Audit Quality Center helps CPAs meet the challenges of performing these unique and complex audits. To learn more, visit www.aicpa.org and the U.S. Department of Labor’s Employee Benefits Security Administration website, www.dol.gov/agencies/ebsa/.

WATCH CBA MEETINGS ONLINE

The public is invited to attend all CBA meetings, but we understand that your schedule may not allow that.

Another option available is watching CBA meetings via the Internet at www.cba.ca.gov by clicking the “Communications & Outreach” link, and selecting “Webcasts.”

CBA MEMBERS

Alicia Berhow, *President*

Michael M. Savoy, CPA, *Vice President*

Mark J. Silverman, Esq., *Secretary/Treasurer*

Jose A. Campos, CPA

George Famalett, CPA

Karriann Farrell Hinds, Esq.

Laurence (Larry) Kaplan

Kay Ko

Xochitl A. León

Jian Ou-Yang, CPA

Sunny Youngsun Park, Esq.

Deidre Robinson

Katrina L. Salazar, CPA

Kathleen K. Wright, JD CPA, LLM, MBA

Vacant

COMMITTEE CHAIRS

Joseph Rosenbaum, CPA,
Enforcement Advisory Committee

Jeffrey De Lyser, CPA,
Peer Review Oversight Committee

David Evans, CPA,
Qualifications Committee

CBA STAFF

Patti Bowers, *Executive Officer*

Deanne Pearce, *Assistant Executive Officer*

Dominic Franzella, *Enforcement Chief*

Veronica Daniel, *Acting Licensing Chief*

Aaron Bone, *UPDATE Managing Editor*

Terri Dobson, *UPDATE Production*



INTERVIEW WITH FORMER CBA MEMBER LESLIE LAMANNA, CPA



Leslie LaManna, CPA

Tell us about your career as a CPA.

I started out as a bookkeeper for my father's hardware store at a very young age. After briefly pursuing a career as a medical assistant, the physician I worked for started a software company and paid for accounting classes so I could work as his bookkeeper. Those classes launched my career as a CPA. I have always worked at small CPA firms, and my husband and I recently retired and sold our practice.

Why did you want to be a member of the CBA?

I joined the Government Relations Committee at the California Society of CPAs (CalCPA) and became interested in the regulatory process. Also, as someone who always worked at small firms, it took me a long time to get the required attest experience. Even though I planned to focus on tax work, I became licensed before we had the "G" license; so it was a priority for me to create that new type of license.

What did you enjoy most about serving on the CBA?

It was very enjoyable working so well and closely with all the CBA members, including the public (non-CPA) members. I found them to be well-prepared and highly engaged. Also, I really enjoyed all the CBA staff, who are very professional and easy to work with. I would hire them all in a minute!

You served in CBA leadership, including as president. What prompted you to serve in leadership?

I felt that it was my turn. When I came into leadership, I believed that having the attest requirement had become unnecessary because peer review would identify practice deficiencies. We launched a study to review the attest requirements and get input from licensees, and I was surprised at how much support there was to maintain and strengthen the "A" license.

Of all the accomplishments during your time on the CBA, what are you the most proud of?

I was pleased that we were able to come into compliance with the Uniform Accountancy Act and that the CBA is one of the top state boards. I believe we now communicate much more effectively with other state boards. Also, I'm really pleased with the progress we made on the mobility issue. In addition, we were able to temporarily reduce our fees and secure repayment of the loans we made to the state's general fund.

What qualities make an excellent CBA member?

The best CBA members are those who will put in the time to be prepared for CBA meetings. As a small firm CPA, it was sometimes a challenge to manage my workload while I was preparing for and attending meetings.

How would you describe your time on the CBA?

It seems like my time really flew by. I enjoyed my time (well, most of it!) and would encourage anyone interested to apply.



CONTINUING EDUCATION: SPACE OUT OR PAY OUT

The CBA continues to see a high volume of violations of the minimum yearly continuing education (CE) requirement, commonly referred to as 20/12. For the past several years the CBA has issued citations and fines that can range from \$100 to \$5,000 to licensees failing to complete the 20/12 CE requirement. In addition, citations are on the CBA website as public documents.

How can you avoid this citation and fine? It's easy—simply plan ahead and schedule your CE courses accordingly to ensure completion of at least 20 hours of CE, including 12 hours in technical subject matter, during each year of your two-year license renewal period. Taking courses regularly during your renewal period helps maintain or increase your knowledge of changes in the public accounting profession.

If you have any questions about the 20/12 or other renewal requirements, contact our License Renewal and Continuing Competency Unit at (916) 561-1702 or renewalinfo@cba.ca.gov.

NEW OFFICE LOCATION

On April 10, 2017, the CBA begins operating at its new offices located at:

**2450 Venture Oaks Way, Suite 300
Sacramento, CA 95833**

Until April 10, please continue to send mail to 2000 Evergreen Street, Suite 250, Sacramento, CA 95815.

Any mail sent to the new office prior to April 10 will be returned to the sender.

After April 10, any mail or package deliveries sent to 2000 Evergreen Street will be forwarded to our new location.

The CBA's P.O. Box address, phone numbers, fax numbers, and e-mail addresses will remain the same. Please visit www.cba.ca.gov for more information regarding the move.



VOLUNTEERING IS WORTH YOUR TIME

The CBA's mission is to protect consumers by ensuring only qualified licensees practice public accountancy in accordance with established professional standards. You have an opportunity to contribute within your community by discussing these standards and the professional opportunities available to the next generation of CPAs. Everyone wins as we help the best and brightest see the opportunities available in the CPA profession.

Here are some ways you can help develop the next generation of CPAs:

- Talk to students and young professionals about the roles a CPA can play in society.
- Make yourself available for mentoring and shadowing opportunities.
- Volunteer to speak at schools or youth outreach groups within your community by sharing personal stories and real-life experiences.
- Talk to others about career paths and the personal benefits of becoming a CPA.
- Consider teaching accounting courses at a community college or university.

By engaging tomorrow's CPAs today you can help to ensure that high professional standards are maintained and consumers are protected by well-qualified CPAs.



UNDER THE DOME

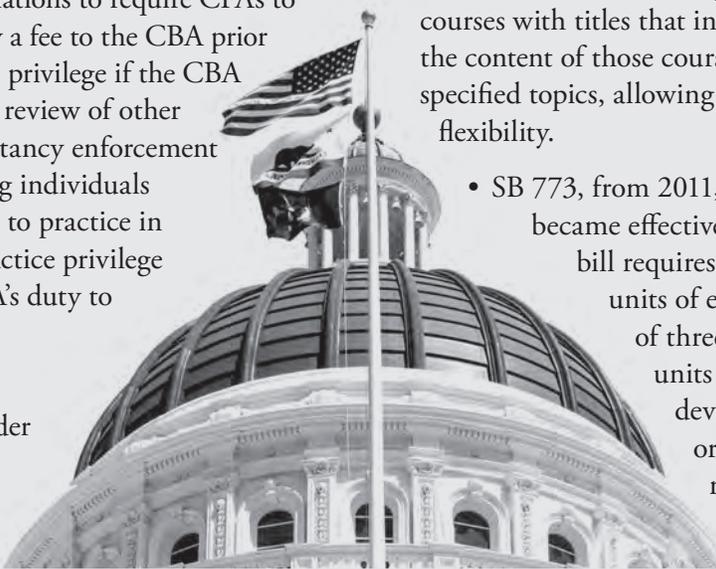
New laws typically take effect January 1 of the year following their approval by the Legislature and Governor. Here are some new laws that impact the CBA or the accounting profession and took effect January 1:

- Assembly Bill (AB) 2560 authorizes the CBA to adopt emergency regulations to require CPAs to provide notice and pay a fee to the CBA prior to exercising a practice privilege if the CBA determines, during its review of other state boards of accountancy enforcement practices, that allowing individuals from a particular state to practice in California under a practice privilege would violate the CBA's duty to protect the public.
- Senate Bill (SB) 1348 requires all boards under the Department of Consumer Affairs,

including the CBA, to indicate on their website how veterans may apply any relevant military experience and training toward licensure requirements.

Two separate bills affected the CBA's ethics study requirements for licensure:

- SB 1479 modified the requirement to take ethics courses with titles that include certain terms; now, the content of those courses must only relate to the specified topics, allowing CPA applicants additional flexibility.
- SB 773, from 2011, contains provisions that became effective January 1, 2017. This bill requires that, as part of the 10 units of ethics study, a minimum of three semester or four quarter units be completed in courses devoted to accounting ethics or accountants' professional responsibilities.



CONVERTING FROM INACTIVE OR RETIRED STATUS TO ACTIVE STATUS? YOU MAY NEED A CRIMINAL BACKGROUND CHECK

If you are considering converting your inactive or retired status license to an active status, here is something to keep in mind.

CBA Regulations require criminal background checks for all licensees who have either not been previously fingerprinted as a condition of licensure or for whom no record of the licensee's fingerprints exists in the Department of Justice's criminal offender record identification (CORI) database.

The CBA cannot restore an inactive or retired status license to active status until the licensee has complied with this requirement. Affected licensees must submit fingerprints and successfully complete a state and federal background search as a condition of restoration to active status. For more information, see the Fingerprinting FAQs on the CBA website at www.dca.ca.gov/cba/licensees/fingerprint-faqs.shtml. Fingerprint forms can be obtained by contacting the CBA at (916) 561-1707 or at fingerprintinfo@cba.ca.gov.

To learn more, visit the CBA website at www.cba.ca.gov and click the "Licensee" link near the top of the Web page. You may also contact the License Renewal and Continuing Competency Unit with any questions at (916) 561-1702 or at renewalinfo@cba.ca.gov.



JOIN A CBA COMMITTEE

The CBA is seeking California CPAs interested in serving on an advisory committee. As a member of a committee, you will play a vital role at the CBA, helping to protect consumers while also giving back to your profession.

The CBA needs new members for the Peer Review Oversight Committee (PROC), the Qualifications Committee (QC), and the Enforcement Advisory Committee (EAC).

The PROC has the greatest need for new members. The PROC provides recommendations to the CBA on any authorized matters to ensure the effectiveness of mandatory peer review. This committee is comprised of seven CPAs who have peer review experience.

The QC reviews the experience of applicants for licensure and makes recommendations to the CBA. With applicants or employers present, this committee conducts work paper reviews to verify that the responses provided are reflective of the experience required for licensure. This committee is limited to 13 licensees who have expertise in the preparation of audit and review reports.

The EAC advises the CBA regarding enforcement activities. The committee offers technical guidance on open investigations, participates in investigative hearings, and reviews closed investigations. The EAC is limited to 13 CPAs.

To sit on an advisory committee, you must have no pending enforcement actions against your license and be actively licensed to practice public accounting for a minimum of two years. If appointed, you must maintain an active license status while a committee member. Committee members are appointed to two-year terms and may serve a maximum of four terms.

Committee members receive a \$100 per diem, plus expenses, to attend meetings. Committees generally meet four to six times per year, alternating between Northern and Southern California locations.

If you or a fellow CPA are qualified and interested in serving on a CBA committee, submit a letter of interest with a resumé or curriculum vitae, including your CPA license number, to Patti Bowers, Executive Officer, at patti.bowers@cba.ca.gov.



Herschel Elkins, Esq.

IN MEMORIAM: HERSCHEL ELKINS, ESQ.

On October 7, 2016, former CBA member Herschel Elkins, Esq., passed away.

Mr. Elkins served as an attorney in the California Attorney General's office for 47 years. He was the Special Assistant Attorney General for Consumer Policy, Coordination, and Development in California; Statewide Head of the Attorney General's Consumer Law Section; First Chair of the California State Bar's Consumer Finance Committee; and Past Chair of the California District Attorney's Association Consumer Protection Committee. He chaired task forces and investigative committees on consumer protection matters; drafted many of California's consumer protection statutes, including the state's Lemon Law; and was the author of the Consumer Protection & Civil Injunctions Points and Authorities Manual.

Appointed to the CBA on September 19, 2008, by the Senate Rules Committee, Mr. Elkins served until September 5, 2016. He also served as member and Chairperson of the Enforcement Program Oversight Committee, member of the Committee on Professional Conduct, member of the Legislative Committee, and liaison to the Enforcement Advisory Committee.

Mr. Elkins' welcoming demeanor and kind spirit were in and of themselves contributions to the CBA meetings. He is greatly missed.



ENFORCEMENT HANDBOOK FOR LICENSEES

The CBA staff has created the Enforcement Handbook for Licensees (Handbook), which provides important information regarding the enforcement process. You may find the Handbook on the CBA website at www.cba.ca.gov under the “Licensees” tab or at www.dca.ca.gov/cba/licensees/index.shtml.

The Handbook provides an overview of enforcement practices, including processing complaints, conducting investigations, and taking enforcement or formal disciplinary action. The Handbook also explains:

- The discipline process
- Citations
- Probation
- Petitions for reinstatements
- Commonly used terms

A list of contact information is also included in the Handbook.

Public enforcement documents are posted on the CBA website, www.cba.ca.gov, under “Quick Hits.” For questions, please contact the CBA’s Enforcement Division at (916) 561-1729.

REGULATORY UPDATE

In 2016, the CBA initiated the following two successful rulemakings:

Peer Review – Exclusion

CBA Regulation section 42 was amended to exclude firms from peer review that, as their highest level of work, only perform preparation engagements. The regulation took effect January 1, 2017.

Out-of-State Licensees

CBA Regulation section 36.1 was amended to revise the qualifying language for out-of-state licensees who apply to become a California CPA by replacing the requirement that the licensee hold a “valid and unrevoked” license with “current, active, and unrestricted” license. Assembly Bill 181, Bonilla (Chapter 430, Statutes of 2015), revised the statutory language, and the CBA changed its regulation to be consistent with the law. The amended regulation took effect October 1, 2016.

To read the CBA Regulations, visit: www.dca.ca.gov/cba/about-cba/regulations.shtml.



Sunny Youngsun Park, Esq.

NEW CBA MEMBER APPOINTED

The CBA is pleased to welcome a new CBA member: Sunny Youngsun Park, Esq., of Huntington Beach, CA.

Ms. Park is currently the principal partner at Park & Asher. She is a specialist in estate planning, probate, and trust laws, and is certified by the California State Bar Association. She served as President of the Orange County Korean American Bar Association and as a tax advisor for the Korean General Consulate Office’s Customs and Tax Advisory Committee.

She currently sits as a member of the Human Relations Task Force for the City of Huntington Beach. Ms. Park earned her Bachelor of Arts degree from Yonsei University. She then earned her Juris Doctor degree from Golden Gate University School of Law and her LL.M. in taxation from the New York University School of Law. Her term end-date on the CBA is January 1, 2020.



FUTURE MEETINGS

MARCH 23, 2017

Mobility Stakeholder Group Meeting

The Westin Los Angeles Airport
5400 West Century Boulevard
Los Angeles, California 90045
(310) 216-5858

MARCH 23–24, 2017

CBA and Committee Meetings

The Westin Los Angeles Airport
5400 West Century Boulevard
Los Angeles, California 90045
(310) 216-5858

APRIL 26, 2017

Qualifications Committee Meeting

California Board of Accountancy
2450 Venture Oaks Way, Suite 300
Sacramento, California 95833
(916) 263-3680

MAY 4, 2017

Enforcement Advisory Committee Meeting

Marriott Burbank Airport Hotel
2500 North Hollywood Way
Burbank, California 91505
(818) 843-6000

MAY 5, 2017

Peer Review Oversight Committee Meeting

Marriott Burbank Airport Hotel
2500 North Hollywood Way
Burbank, California 91505
(818) 843-6000

MAY 18, 2017

Mobility Stakeholder Group Meeting

The Westin Los Angeles Airport
5400 West Century Boulevard
Los Angeles, California 90045
(310) 216-5858

MAY 18–19, 2017

CBA and Committee Meetings

The Westin Los Angeles Airport
5400 West Century Boulevard
Los Angeles, California 90045
(310) 216-5858

JULY 6, 2017

Enforcement Advisory Committee Meeting

California Board of Accountancy
2450 Venture Oaks Way, Suite 300
Sacramento, California 95833
(916) 263-3680

JULY 20, 2017

Mobility Stakeholder Group Meeting

California Board of Accountancy
2450 Venture Oaks Way, Suite 300
Sacramento, California 95833
(916) 263-3680

JULY 20–21, 2017

CBA and Committee Meetings

California Board of Accountancy
2450 Venture Oaks Way, Suite 300
Sacramento, California 95833
(916) 263-3680

JULY 26, 2017

Qualifications Committee Meeting

Southern California

CBA and committee meetings are open to the public. Consumers, licensees, and all interested persons are encouraged to attend. As meeting locations are determined, they will be posted on the CBA website at www.cba.ca.gov under “Quick Hits,” using the “CBA and Committee Meetings” link. Meeting information is also available by calling the CBA office at (916) 263-3680. Public notices and agendas are posted to the website at least 10 days prior to meetings. All CBA meetings are webcast live and archived at www.cba.ca.gov.

POLICY OF NONDISCRIMINATION ON THE BASIS OF DISABILITY AND EQUAL EMPLOYMENT OPPORTUNITY

The California Board of Accountancy does not discriminate on the basis of disability in employment or in the admission and access to its program and activities.

An Americans with Disabilities Act (ADA) coordinator has been designated to coordinate and carry out this agency’s compliance with the nondiscrimination requirements of Title II of the ADA. Information concerning the provisions of the ADA, and the rights provided thereunder, is available from:

ADA Coordinator
California Board of Accountancy
2450 Venture Oaks Way, Suite 300
Sacramento, CA 95833



ARE YOU PREPARED FOR THE NEXT VERSION OF THE CPA EXAM?

The next version of the Uniform CPA Examination (CPA Exam) launches on April 1, 2017, according to the American Institute of CPAs (AICPA). Here are some of the significant changes:

Exam Structure. There will be an increased emphasis on testing higher-order skills, including critical thinking, problem solving, analytical ability, and professional skepticism. To test a combination of knowledge and higher-order skills, more Task-Based Simulations (TBSs) will be used in all four sections of the CPA Exam. TBSs will be added to the Business Environment and Concepts (BEC) section for the first time.

Exam Blueprints. CPA Exam blueprints will replace the current Content Specification Outlines and Skill Specification Outlines for each section. These blueprints contain approximately 600 representative tasks across all four sections of the CPA Exam and identify the content knowledge and related skills of newly licensed CPAs.

Exam Time/Standardized Break. The total exam testing time will increase from 14 to 16 hours (four sections, four hours each), adding an hour each to the BEC and Regulation (REG) sections. One standardized 15-minute break will be offered approximately midway through each section and does not count against testing time.

Cost. Due to the changes in the new CPA Exam (in particular the additional hour in candidate seat time for the BEC and REG sections), the total cost of the exam increases from \$734.10 to \$773.80.

10-Day Extension of Test Window. As of March 2016, each quarter's testing time was extended 10 days into the traditional nontesting months. However, the extension will not be available during the first testing window when the new CPA Exam launches in April 2017, due to the time required for analyzing score validity and accuracy. The extension will resume in September 2017.

CBA Exam Unit staff are available to answer general questions about the CPA Exam—call (916) 561-1703 or send an e-mail to examinfo@cba.ca.gov. For complete details about the CPA Exam, visit www.aicpa.org.

PROPOSITION 64: CALIFORNIA STATE MARIJUANA LEGALIZATION

With the passage of Proposition 64 in the November 2016 elections, California voters legalized the nonmedical and personal use of marijuana for adults (with certain exceptions), created a system for regulating nonmedical marijuana business, imposed taxes on marijuana, and changed penalties for marijuana-related crimes. The passage of Proposition 64, however, does not affect federal laws that prohibit the use or possession of marijuana.

The CBA has received inquiries from CPAs regarding providing services to marijuana businesses. At this time, the CBA has not taken any formal position.

The CBA anticipates discussing this topic later in 2017. To receive notifications of the topics considered by the CBA at its meetings, please visit the CBA website at www.cba.ca.gov and click the “Communications & Outreach” link, then click on “E-News Subscriptions” to subscribe.



ENFORCEMENT PROCESS

When the CBA receives a complaint, an investigation is conducted. Information regarding a complaint generally is gathered by enforcement staff, which could include a licensee's appearance before the CBA Enforcement Advisory Committee.

Following this investigation, a recommendation is made to either (1) close the case with no violation of the Accountancy Act or CBA Regulations; (2) require the licensee to take prescribed continuing education; (3) issue a citation and fine; or (4) refer the case to the Attorney General's Office for review and possible preparation of an accusation against the licensee or a statement of issues relating to the applicant.

If charges are filed against a licensee, a hearing may be held before an independent administrative law judge who submits a proposed decision to be considered by the CBA, or the matter may be settled. The CBA may either accept the proposed decision or decide the matter itself. Please note that CBA actions reported here may not be final. After the effective date of the CBA's decision, the licensee may obtain judicial review of its decision. On occasion, a court will order a stay of the CBA's decision or return the decision to the CBA for reconsideration.

Copies of the accusations, decisions, and settlements regarding any of these disciplinary and/or enforcement actions are available on the CBA website, www.cba.ca.gov, or by sending a written request to:

California Board of Accountancy

Attention: Disciplinary/Enforcement Actions
2450 Venture Oaks Way, Suite 300
Sacramento, CA 95833

Please state the licensee's name and license number, and allow 10 days for each request.

STANDARD TERMS OF PROBATION

The CBA may revoke, suspend, or impose probation on a license for violation of applicable statutes or regulations. In addition to any case-specific terms of probation, the standard probationary terms include:

- Obey all federal, California, other state, and local laws, including those rules relating to the practice of public accountancy in California.
- Submit, within 10 days of completion of the quarter, written reports to the CBA on a form obtained from the CBA. The respondent shall submit, under penalty of perjury, such other written reports, declarations, and verification of actions as are required. These declarations shall contain statements relative to respondent's compliance with all the terms and conditions of probation. Respondent shall immediately execute all release of information forms as may be required by the CBA or its representatives.
- During the period of probation, appear in person at interviews or meetings as directed by the CBA or its designated representative, provided such notification is accomplished in a timely manner.
- Comply with the terms and conditions of the probation imposed by the CBA, and cooperate fully with representatives of the CBA in its monitoring and investigation of the respondent's compliance with probation terms and conditions.
- Be subject to and permit a "practice investigation" of the respondent's professional practice. Such "practice investigation" shall be conducted by representatives of the CBA, provided notification of such review is accomplished in a timely manner.
- Comply with all final orders resulting from citations issued by the CBA.
- In the event respondent should leave California to reside or practice outside this state, respondent must



ENFORCEMENT PROCESS CONTINUED FROM PAGE 12

notify the CBA in writing of the dates of departure and return. Periods of non-California residency or practice outside the state shall not apply to reduction of the probationary period, or of any suspension. No obligation imposed herein, including requirements to file written reports, reimburse the CBA costs, or make restitution to consumers, shall be suspended or otherwise affected by such periods of out-of-state residency or practice, except at the written direction of the CBA.

- If respondent violates probation in any respect, the CBA, after giving respondent notice and an opportunity to be heard, may revoke probation and carry out the disciplinary and/or enforcement order that was stayed. If an accusation or a petition to revoke probation is filed against respondent during probation, the CBA shall have continuing jurisdiction until the matter is final, and the period of probation shall be extended until the matter is final.
- Upon successful completion of probation, respondent's license will be fully restored.

ENFORCEMENT DEFINITIONS

Accusation

A formal document that charges violation(s) of the California Accountancy Act and/or CBA Regulations by a licensee. The charges in the accusation are allegations. Allegations are not a final determination of wrongdoing and are subject to adjudication and final review by the CBA pursuant to the Administrative Procedure Act.

Cost Recovery

The licensee is ordered to pay the CBA certain costs of investigation and prosecution including, but not limited to, attorney's fees.

Default Decision

The licensee failed to file a Notice of Defense or has otherwise failed to request a hearing, object, or otherwise contest the accusation. The CBA takes

action without a hearing based on the accusation and documentary evidence on file.

Effective Date

The date the disciplinary decision becomes operative.

Probation

The licensee may continue to engage in activities for which licensure is required, under specific terms and conditions.

Reinstatement

A revoked license that is restored, not sooner than one year from the date of revocation, to a clear or inactive status after petition to and approval by the CBA. Reinstatement may include probation and/or terms and conditions.

Revocation

The individual, partnership, or corporation no longer is licensed as a result of a disciplinary action.

Stayed

The action does not immediately take place and may not take place if the licensee complies with other conditions (such as a probation term).

Stipulation

The matter is negotiated and settled without going to hearing.

Surrendered

The licensee has surrendered the license. The individual, partnership, or corporation no longer is licensed. The CBA, however, may impose discipline against a surrendered license in certain circumstances. Surrender also may require certain conditions be met should the former licensee ever choose to reapply for licensure.

Suspension

The licensee is prohibited for a specific period of time from engaging in activities for which licensure is required.



ENFORCEMENT ACTIONS

CPA REVOCATIONS THROUGH DECEMBER 28, 2016

COLLINS, STEPHEN PHILLIP

Salinas, CA
(CPA 33270)

CBA ACTIONS

Revocation of CPA License, via default decision.

Effective December 28, 2016

CAUSE FOR DISCIPLINE

Accusation No. AC-2016-114 contains the following allegations:

On or about March 18, 2014, in Monterey County Superior Court, Mr. Collins was convicted of the following crimes:

Mr. Collins was convicted of violating Government Code section 1090 (Conflict of Interest), a felony. From about January 8, 2010, through December 2, 2010, Mr. Collins, while director of the Monterey County Water Resources Agency, became financially interested in a contract made by him in his official capacity, and by a body and board of which Mr. Collins was a member.

Mr. Collins was convicted of violating Penal Code section 487 (a), grand theft by false pretenses, a felony. From November 17, 2008, through May 13, 2011, Mr. Collins knowingly and designedly, by false or fraudulent representation or pretense defrauded another of money. Mr. Collins was paid for work he claimed he performed but did not actually perform.

Mr. Collins was convicted of violating Penal Code section 487 (a), grand theft by false pretenses, a felony. On or about July 19, 2010, Mr. Collins knowingly and designedly, by false or fraudulent representation or pretense defrauded another of money. Mr. Collins was paid for work he claimed he performed but did not actually perform.

Mr. Collins failed to report these convictions to the CBA within 30 days.

VIOLATION(S) CHARGED

Business and Professions Code, Division 1.5, Chapter 3, § 490; Chapter 1, Division 3, Chapter 1, §§ 5063, 5100 (a), (g), (i) and (k).

FLATING, KENNETH BRUCE

Sacramento, CA
(CPA 21497)

CBA ACTIONS

Revocation of CPA License, via default decision.

Effective October 24, 2016

CAUSE FOR DISCIPLINE

Accusation No. AC-2016-108 contains the following allegations:

Mr. Flating's license was cancelled in 1991 and has not been renewed. While his license was in a cancelled status, Mr. Flating utilized and distributed business cards identifying himself as a Certified Public Accountant (CPA). Based on his representations, Mr. Flating was hired as, and represented himself to be, the CPA for the California Speech Language Hearing Association (Association).

On or about August 4, 2012, Mr. Flating prepared a review engagement for the Association under the firm name of "Ken Flating Accountancy."

On or about August 4, 2013, Mr. Flating prepared an additional review engagement for the Association that contained multiple deficiencies.

VIOLATION(S) CHARGED

Business and Professions Code, Division 3, Chapter 1, §§ 5050, 5055, 5062, 5076 and 5100 (g). California Code of Regulations, Title 16, Division 1, §§ 40, 41 and 58.

OXENREIDER, MICHAEL LEE

Lemoore, CA
(CPA 62272)

CBA ACTIONS

Revocation of CPA License, via default decision.

Effective December 28, 2016



CPA REVOCATIONS THROUGH DECEMBER 28, 2016

CAUSE FOR DISCIPLINE

Accusation AC-2016-117 contains the following allegations:

Mr. Oxenreider prepared a deficient audit report for the year ended December 31, 2012, dated March 19, 2014, which Mr. Oxenreider prepared for a child care and development center (Center) which was party to a government contract with the California Department of Education (CDE). The CDE required the audit pursuant to that contract.

The required audit was, and is, subject to the Generally Accepted Government Auditing Standards (GAGAS), also known as the Yellow Book (January 2007 revision), and to the requirements set forth in the CDE's Audit Guide. Mr. Oxenreider failed to respond to multiple inquiries from the CBA regarding the audit and other compliance issues. The CBA investigation concluded that the audit was not performed in compliance with professional standards.

The CBA also previously issued Mr. Oxenreider Citation No. CT-2014-973 on November 12, 2013, for failure to report peer review by July 1, 2013, as required. To date, Mr. Oxenreider has still not complied with the corrective portion of the citation by submitting the required Form PR-1. As of September 27, 2016, Mr. Oxenreider was not enrolled in any peer review program.

Title 16, California Code of Regulations section 87 requires licensees to complete a minimum of 20 hours of continuing professional education (CPE) in each year of a license renewal period. However, in his most recent renewal application, Mr. Oxenreider reported that he took no CPE during either year of the license renewal period ended on July 31, 2012. Instead, all reported CPE was taken between January 8, 2013, and April 28, 2013.

On or about August 1, 2012, Mr. Oxenreider allowed his license to expire for failure to pay the requisite renewal fees and/or submit the requisite declaration of CPE compliance. Mr. Oxenreider did not renew his license until on or about April 29, 2013—nine months after the expiration date. Therefore, he practiced public accounting without a license for the period of August 1, 2012, to April 29, 2013.

Mr. Oxenreider's license expired again on August 1, 2014, since he failed to submit any renewal application. Mr. Oxenreider has not renewed his license to date. Therefore, he has been practicing public accounting

without a license from August 1, 2014, through the current date. Mr. Oxenreider admitted to the CBA that he was engaged in other tax matters during this period.

VIOLATION(S) CHARGED

Business and Professions Code, Division 3, Chapter 1, §§ 5050, 5062, 5076 and 5100 (c) and (g). California Code of Regulations, Title 16, Division 1, §§ 40, 41, 45, 52, 58, 87 and 95.4.

PYBRUM, STEVEN M. PYBRUM & COMPANY, LLP

Santa Barbara, CA
(CPA 31088; PAR 7514)

CBA ACTIONS

Revocation of CPA and PAR Licenses, via proposed decision.

Mr. Pybrum is ordered to pay the CBA \$7,730 for its enforcement costs.

Effective December 28, 2016

CAUSE FOR DISCIPLINE

Accusation No. AC-2013-36 contains the following allegations:

On October 25, 2012, a jury found Mr. Pybrum guilty of four felony counts of willfully making and subscribing to a false federal individual income tax return (26 U.S.C. § 7206, subd. (1)). On March 4, 2013, the United States District Court for the Central District of California sentenced Mr. Pybrum to 36 months in prison and ordered him to pay a special assessment of \$400. The court waived payment of the fine because Mr. Pybrum could not pay it. The court ordered that he be placed on one year of supervised probation following his release from prison.

VIOLATION(S) CHARGED

Business and Professions Code, Division 1.5, Chapter 3, § 490; Division 3, Chapter 1, §§ 5100 (a), (c), (g), (i) and (j), 5101 (a) and 5106. California Code of Regulations, Title 16, Division 1, § 99.



OTHER ENFORCEMENT ACTIONS THROUGH JANUARY 7, 2017

ADAMS, KIRK STANLEY

Santa Cruz, CA
(CPA 38900)

CBA ACTIONS

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

Mr. Adams shall reimburse the CBA \$5,000 for its investigation and prosecution costs. The payment shall be made within six months of the date the CBA's decision is final.

Mr. Adams shall complete four hours of continuing education (CE) in ethics. The hours shall be completed within 180 days of the effective date of the CBA's decision and order and are in addition to the CE hours required for relicensing.

Mr. Adams shall complete a CBA-approved Regulatory Review course. The course shall be completed within 180 days of the effective date of the CBA's decision and order and is in addition to the CE requirements for relicensing.

During the period of probation, all compilation reports and work papers shall be subject to peer review by a Board-recognized peer review program provider pursuant to Business and Professions Code section 5076 and California Code of Regulations, Title 16, Division 1, Article 6, at Mr. Adams' expense. The specific engagements to be reviewed shall be at the discretion of the peer reviewer. Within 45 days of the peer review being accepted by a Board-recognized peer review program provider, Mr. Adams shall submit to the CBA a copy of the peer review report, including any materials documenting the prescription of remedial or corrective actions imposed by the Board-recognized peer review program provider. Mr. Adams shall also submit, if available, any materials documenting completion of any or all of the prescribed remedial or corrective actions.

Mr. Adams shall maintain an active license status.

During probation, Mr. Adams shall not engage in and shall be prohibited from performing any audits, reviews, or other attestation services.

After completion of probation, Mr. Adams shall be permanently prohibited from engaging in and performing audits, reviews, or other attestation services. This condition shall continue until such time, if ever, Mr. Adams successfully petitions the CBA for the reinstatement of the ability to perform audits, reviews, or other attestation services.

Other standard terms of probation.

Effective December 28, 2016

CAUSE FOR DISCIPLINE

Accusation No. AC-2015-61 contains the following allegations:

Mr. Adams has subjected his Certified Public Accountant (CPA) Certificate to disciplinary action for gross negligence in the performance of an audit of a 401(k) plan for the years ending December 31, 2010, and 2009, which departed extremely from professional standards.

Mr. Adams has subjected his CPA Certificate to disciplinary action in that the documentation does not support the unqualified opinions rendered in the auditor's reports; and based on Mr. Adams' departures from professional standards, he did not perform the audit in accordance with generally accepted auditing standards.

Mr. Adams has subjected his CPA Certificate to disciplinary action in that he did not comply with professional standards in the performance of his audits.

Mr. Adams has subjected his CPA Certificate to disciplinary action in that his audit documentation did not contain sufficient documentation 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 procedures performed, evidence obtained, conclusions reached, and to determine the identity of the persons who performed and reviewed the work.

Mr. Adams has subjected his CPA Certificate to disciplinary action in that he failed to obtain a peer review and report the results to the CBA.



OTHER ENFORCEMENT ACTIONS THROUGH JANUARY 7, 2017

Mr. Adams has subjected his CPA Certificate to disciplinary action in that he willfully violated professional standards, including the Accountancy Act and CBA Regulations.

VIOLATIONS(S) CHARGED

Business and Professions Code, Division 3, Chapter 1, §§ 5062, 5076, 5097, 5100 (c), (e) and (g). California Code of Regulations, Title 16, Division 1, §§ 40, 45, 58 and 68.2.

ALLISON, DAVID ANDREW

Covina, CA
(CPA 64616)

CBA ACTIONS

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

Mr. Allison shall reimburse the CBA \$3,011.48 for its investigation and prosecution costs. Payment shall be made within six months of the date the CBA's decision is final.

Mr. Allison shall complete four hours of continuing education (CE) in ethics. The hours shall be completed within 180 days of the effective date of the CBA's decision and order and are in addition to the CE hours required for relicensing.

Mr. Allison shall complete a CBA-approved Regulatory Review course. The course shall be completed within 180 days of the effective date of the CBA's decision and order and is in addition to the CE requirements for relicensing.

Mr. Allison shall maintain an active license status.

Other standard terms of probation.

Effective December 28, 2016

CAUSE FOR DISCIPLINE

Accusation No. AC-2016-102 contains the following allegations:

Mr. Allison is subject to disciplinary action for false statements or omissions in the application for or renewal of a license. Mr. Allison willfully and falsely reported that

he completed the required total number of hours of CE on his license renewal application for the renewal period ending March 31, 2015. Mr. Allison also willfully and falsely reported that he completed four hours of ethics CE on February 12, 2014.

Mr. Allison is subject to disciplinary action for failing to comply with the CE requirement of a minimum of 20 hours during each year of the two-year renewal period.

VIOLATIONS(S) CHARGED

Business and Professions Code, Division 3, Chapter 1, § 5100 (b) and (g). California Code of Regulations, Title 16, Division 1, § 87 (a).

ATWELL, JILL SIMMS

Florence, KY
(CPA 62599)

CBA ACTIONS

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

Ms. Atwell shall reimburse the CBA \$3,432 for its investigation and prosecution costs. The payment shall be made in quarterly payments (due with the quarterly written reports); the final payment being due six months before probation is scheduled to terminate.

Ms. Atwell shall complete four hours of CE in ethics. The hours shall be completed within 180 days of the effective date of the CBA's decision and order.

Ms. Atwell shall complete a CBA-approved Regulatory Review course. The course shall be completed within 180 days of the effective date of the CBA's decision and order.

Ms. Atwell shall maintain an active license status.

Ms. Atwell shall successfully complete a state and federal-level criminal offender record information search conducted through the California Department of Justice within 30 days of the effective date of the CBA's decision and order.

Other standard terms of probation (with the exception of tolling).



OTHER ENFORCEMENT ACTIONS THROUGH JANUARY 7, 2017

Effective December 28, 2016

CAUSE FOR DISCIPLINE

Accusation No. AC-2016-58 contains the following allegations:

Ms. Atwell is subject to discipline in that on or about July 14, 2015, the CBA issued Citation Order No. CT-2016-10 against her and imposed the civil penalty of \$750, citing her for failing to submit her fingerprint and criminal offender record prior to the license renewal period that ended on September 30, 2014, and for failing to respond within 30 days to the CBA's January 27, 2015, letter notifying her of fingerprint non-compliance. Ms. Atwell did not file a Notice of Appeal of the Citation, has not complied with the Citation, and has not paid the civil penalties.

Ms. Atwell is subject to discipline in that for the license renewal period that ended on September 30, 2014, she failed to complete the required 80 hours of continuing education (CE) in that she was deficient in 36 hours of technical subject matter, 40 hours of technical and/or non-technical subject matter, and four hours of ethics education.

Ms. Atwell is subject to discipline in that she willfully failed to respond to the CBA's January 20, 2015, and April 21, 2015, inquiries regarding her license renewal deficiency for the renewal period that ended on September 30, 2014.

VIOLATION(S) CHARGED

Business and Professions Code, Division 1, Chapter 1, § 125.9 (b)(5), Division 3, Chapter 1, § 5100 (g). California Code of Regulations, Title 16, Division 1, §§ 37.5, 52, 87 and 95.4.

BKD, LLP

Springfield, MO
(PAR 6889)

CBA ACTIONS

30-day suspension stayed with 18 months' probation, via stipulated settlement.

Respondent shall reimburse the CBA \$8,530 for its investigation and prosecution costs. The payment shall

be made within 100 days of the date the CBA's decision becomes final.

Respondent shall comply with all requirements imposed by the United States Securities and Exchange Commission (SEC) in its December 28, 2014, Making findings, and imposing remedial sanction and a Cease-and-Desist Order (See, In the Matter of BKD, LLP, Commission Release No. 73768) and report such compliance in its quarterly reports submitted to the CBA as required by Probation Condition No. 4.

Respondent shall maintain an active license status.

Other standard terms of probation (with the exception of tolling).

Effective December 28, 2016

CAUSE FOR DISCIPLINE

Accusation No. AC-2016-25 contains the following allegations:

Respondent is subject to disciplinary action in that on or about December 8, 2014, the SEC imposed discipline, penalty, or a sanction on Respondent, a certified public accountancy partnership, for violations of the Commission's auditor independence rules.

VIOLATION(S) CHARGED

Business and Professions Code, Division 3, Chapter 1, § 5100 (I).

BOROS & FARRINGTON ACCTY CORP.

San Diego, CA
(COR 3724)

CBA ACTIONS

Surrender of CPA Corporation Certificate, via stipulated settlement.

Respondent shall pay the CBA \$2,439.25 for its investigation and enforcement costs prior to issuance of a new or reinstated license.

Effective October 24, 2016



OTHER ENFORCEMENT ACTIONS THROUGH JANUARY 7, 2017

CAUSE FOR DISCIPLINE

Accusation No. AC-2016-18 contains the following allegations:

Respondent has subjected its Corporation Certificate to disciplinary action in that on or about December 8, 2014, Respondent was censured by the Securities and Exchange Commission (SEC), and ordered to cease and desist from committing or causing violations of section 17 (a) of the Exchange Act and Rule 17a-5, comply with undertakings, and pay a civil money penalty of \$30,000.

Respondent has subjected its Corporation Certificate to disciplinary action in that it failed to report in writing to the CBA within 30 days the discipline imposed by the SEC on December 8, 2014.

VIOLATION(S) CHARGED

Business and Professions Code, Division 1, Chapter 1, § 141; Division 3, Chapter 1, §§ 5063 and 5100 (I).

CAMPOS, MICHAEL JOSEPH II

Woodland, CA
(CPA 47458)

CBA ACTIONS

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

Mr. Campos shall reimburse the CBA \$4,389.62 for its investigation and prosecution costs. The payment shall be made in quarterly payments (due with the quarterly written reports); the final payment being due one year before probation is scheduled to terminate.

Mr. Campos shall complete four hours of continuing education (CE) in ethics. The hours shall be completed within 180 days of the effective date of the CBA's decision and order and are in addition to the CE hours required for relicensing.

Mr. Campos shall complete a CBA-approved Regulatory Review course. The course shall be completed within 180 days of the effective date of the CBA's decision and order and is in addition to the CE requirements for relicensing.

Mr. Campos shall provide the CBA with documentation to the satisfaction of the CBA that he has enrolled with a Board-recognized peer review program provider. Mr. Campos shall provide the CBA with the documentation within 45 days of the effective date of the CBA's decision and order. During the period of probation, all audit, review, and compilation reports and work papers shall be subject to peer review by a Board-recognized peer review program provider pursuant to Business and Professions Code section 5076 and California Code of Regulations, Title 16, Division 1, Article 6, at Respondent's expense. The specific engagements to be reviewed shall be at the discretion of the peer reviewer. Within 45 days of the peer review being accepted by a Board-recognized peer review program provider, Mr. Campos shall submit to the CBA a copy of the peer review report, including any materials documenting the prescription of remedial or corrective actions imposed by the Board-recognized peer review program provider. Mr. Campos shall also submit, if available, any materials documenting completion of any or all of the prescribed remedial or corrective actions.

Mr. Campos shall complete 16 hours of CE in accounting and auditing. The hours shall be completed within 12 months of the effective date of the CBA's decision and order and are in addition to the CE requirements for relicensing.

Mr. Campos shall maintain an active license status.

During the period of probation, if Mr. Campos undertakes an audit, review, or compilation engagement, he shall submit to the CBA as an attachment to the required quarterly report a listing of the same. The CBA or its designee may select one or more from each category and the resulting report or financial statement and all related working papers must be submitted to the CBA or its designee upon request.

Mr. Campos shall pay the CBA an administrative penalty in the amount of \$2,500. The payment shall be made within 180 days of the date the CBA's decision is final.

Other standard terms of probation.

Effective October 24, 2016



OTHER ENFORCEMENT ACTIONS THROUGH JANUARY 7, 2017

CAUSE FOR DISCIPLINE

Accusation No. AC-2016-83 contains the following allegations:

Mr. Campos is subject to disciplinary action in that he willfully violated CBA rules and regulations.

Mr. Campos is subject to disciplinary action in that he failed to have a peer review report of his accounting and auditing practice accepted by a Board-recognized peer review program.

Mr. Campos is subject to disciplinary action in that he failed to enroll and cooperate with a Board-recognized peer review program provider to arrange, schedule, and complete a peer review.

Mr. Campos is subject to disciplinary action in that he failed to submit a peer review reporting form (PR-1 form) when he renewed his license.

Mr. Campos is subject to disciplinary action in that he failed to complete the 80 hours of CE required for license renewal and submit certificates of completion for 10 hours of technical/non-technical CE hours.

Mr. Campos is subject to disciplinary action in that he failed to respond to inquiries from the CBA within 30 days.

VIOLATION(S) CHARGED

Business and Professions Code, Division 3, Chapter 1, §§ 5076 (a) and 5100 (g). California Code of Regulations, Title 16, Division 1, §§ 40, 41, 45, 52 and 87.

COE, ROBERT CRAIG

Arcadia, CA
(CPA 20242)

CBA ACTIONS

Surrender of CPA license, via stipulated settlement.

Mr. Coe shall pay the CBA for its costs of investigation and enforcement in the amount of \$3,248.88 prior to issuance of a new or reinstated license.

Effective December 28, 2016

CAUSE FOR DISCIPLINE

Accusation No. AC-2016-51 contains the following allegations:

On or about July 17, 2014, Mr. Coe informed the CBA that he issued approximately 11 compilation reports for the period of January 1, 2010, through July 1, 2012, making him subject to peer review. Mr. Coe is subject to disciplinary action in that he failed to obtain a peer review prior to renewing his CPA license in an active status. Mr. Coe failed to complete the Peer Review requirement.

Mr. Coe is subject to disciplinary action in that he submitted a licensing renewal form for license number CPA 20242, on June 29, 2013, for the renewal period ending June 30, 2013, without completing a mandatory peer review.

Mr. Coe is subject to disciplinary action in that he failed to enroll with a Board-recognized peer review program provider, and failed to cooperate with the Board-recognized peer review program with which he is enrolled to arrange, schedule, and complete a peer review.

Mr. Coe is subject to disciplinary action in that he failed to submit a Peer Review Reporting Form to the CBA by the July 1, 2012, deadline date.

VIOLATION(S) CHARGED

Business and Professions Code, Division 3, Chapter 1, §§ 5076 (a), 5100 (b) and (g). California Code of Regulations, Title 16, Division 1, §§ 40, 41 and 45.

COONS, TIMOTHY ALAN

San Diego, CA
(CPA 82466)

CBA ACTIONS

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

Mr. Coons shall reimburse the CBA \$9,115.65 for its investigation and prosecution costs. The payment shall be made in quarterly payments (due with the quarterly written reports), the final payment being due six months before probation is scheduled to terminate.



OTHER ENFORCEMENT ACTIONS THROUGH JANUARY 7, 2017

During probation, Mr. Coons shall be prohibited from engaging in and performing audits, reviews, compilations, or other attestation services.

Mr. Coons shall complete two hours of continuing education (CE) in ethics. The hours shall be completed within 180 days of the effective date of the CBA's decision and order and are in addition to the CE hours required for relicensing.

Mr. Coons shall complete a CBA-approved Regulatory Review course. The course shall be completed within 180 days of the effective date of the CBA's decision and order and is in addition to the CE requirements for relicensing.

Mr. Coons shall maintain an active license status.

After the completion of probation, Mr. Coons shall be permanently prohibited from engaging in and performing any audits, reviews, compilations, or other attestation services. This condition shall continue until such time, if ever, he successfully petitions the CBA for the reinstatement of the ability to perform audits, reviews, compilations, or other attestation services.

Other standard terms of probation.

Effective October 24, 2016

CAUSE FOR DISCIPLINE

Accusation No. AC-2015-99 contains the following allegations:

Mr. Coons has subjected his certificate to disciplinary action in that on or about July 23, 2015, the Public Company Accounting Oversight Board (PCAOB) imposed disciplinary sanctions against him. Mr. Coons was censured by the PCAOB and the PCAOB imposed a civil money penalty of \$7,500 for failure to comply with Auditing Standard No. 7, Engagement Quality Review, with respect to two issuer clients.

Mr. Coons has subjected his certificate to disciplinary action for failure to notify the CBA within 30 days of knowledge of the investigation by the PCAOB.

Mr. Coons has subjected his certificate to disciplinary action by operating a firm performing public accounting without registration with the CBA of the fictitious name "The Tax Doctor."

Mr. Coons has subjected his certificate to disciplinary action in that he submitted his licensing renewal application for certificate number CPA 82466 for the renewal period ending January 31, 2015, without the completion of the required peer review.

Mr. Coons has subjected his certificate to disciplinary action in that he failed to timely enroll in peer review prior to his license renewal in January 2015.

Mr. Coons has subjected his certificate to disciplinary action in that he failed to timely notify the CBA of his failed peer review.

Mr. Coons has subjected his certificate to disciplinary action in that he failed to respond to the CBA's multiple requests for information regarding the status of his peer review.

VIOLATION(S) CHARGED

Business and Professions Code, Division 3, Chapter 1, §§ 5060, 5063 (b)(5), 5076 (a) and (e), 5100 (g) and (l). California Code of Regulations, Title 16, Division 1, §§ 40, 41, 45 and 52 (a).

CORSON, ELISABETH ADELE

Riviera Beach, FL
(CPA 83597)

CBA ACTIONS

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

Ms. Corson shall reimburse the CBA \$5,203.73 for its investigation and prosecution costs. The payment shall be made in quarterly payments (due with the quarterly written reports), the final payment being due six months before probation is scheduled to terminate.

Ms. Corson shall complete four hours of continuing education (CE) in ethics. The hours shall be completed within 180 days of the effective date of the CBA's decision and order and are in addition to the CE hours required for relicensing.

Ms. Corson shall complete a CBA-approved Regulatory Review course. The course shall be completed within 180



OTHER ENFORCEMENT ACTIONS THROUGH JANUARY 7, 2017

days of the effective date of the CBA's decision and order and is in addition to the CE requirements for relicensing.

Ms. Corson shall maintain an active license status.

Other standard terms of probation.

Effective October 24, 2016

CAUSE FOR DISCIPLINE

Accusation No. AC-2015-68 contains the following allegations:

Ms. Corson is subject to disciplinary action in that she knowingly prepared and disseminated false information in her responses to a CBA investigator.

Ms. Corson is subject to disciplinary action in that on or about February 7, 2014, she willfully violated CBA Regulations section 52 (d) by failing to provide true and accurate information in response to a request for information made by CBA.

Ms. Corson is subject to disciplinary action in that she willfully violated CBA Regulations section 63 by falsely holding out to the public that Boardwalk Advisors, LLC, was certified as an accounting corporation.

Ms. Corson is subject to disciplinary action in that Respondent practiced public accountancy under a name other than the name under which she holds her CPA permit.

VIOLATION(S) CHARGED

Business and Professions Code, Division 3, Chapter 1, §§ 5060, 5100 (g) and (j). California Code of Regulations, Title 16, Division 1, §§ 52 (d) and 63.

GARRETT, WILLIAM KARSEN

South Lake Tahoe, CA
(CPA 52852)

CBA ACTIONS

Surrender of CPA license, via stipulated settlement.

Mr. Garrett shall pay the CBA for its costs of investigation and enforcement in the amount of \$11,739.63 prior to issuance of a new or reinstated license.

Effective October 24, 2016

CAUSE FOR DISCIPLINE

Accusation No. AC-2016-101 contains the following allegations:

Mr. Garrett is subject to disciplinary action in that he failed to furnish records to his client, K.J., upon request and reasonable notice.

Mr. Garrett is subject to disciplinary action in that he failed to obtain a peer review upon renewal of his license on April 30, 2014.

Mr. Garrett is subject to disciplinary action in that he failed to respond to several CBA inquiries.

Mr. Garrett is subject to disciplinary action in that he failed to timely comply with Citation No. CT 2013-1034 (involving failure to respond to CBA inquiry).

Mr. Garrett is subject to disciplinary action in that he willfully violated various provisions of the Business and Professions Code and California Code of Regulations, based upon his failure to return client documents, obtain a peer review, respond to a CBA inquiry, and timely comply with citation No. CT 2013-1034.

VIOLATION(S) CHARGED

Business and Professions Code, Division 3, Chapter 1, §§ 5037, 5076, and 5100 (g). California Code of Regulations, Title 16, Division 1, §§ 52, 68 and 95.4.

GEE, STEVEN ROY

Encinitas, CA
(CPA 60742)

CBA ACTIONS

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

Mr. Gee shall reimburse the CBA \$2,562.37 for its investigation and prosecution costs. The payment shall be made in quarterly payments (due with the quarterly written reports), the final payment being due six months before probation is scheduled to terminate.

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OTHER ENFORCEMENT ACTIONS THROUGH JANUARY 7, 2017

During probation, Mr. Gee shall be prohibited from engaging in and performing audits, reviews, compilations, or other attestation services.

Mr. Gee shall complete two hours of continuing education (CE) in ethics. The hours shall be completed within 180 days of the effective date of the CBA's decision and order and are in addition to the CE hours required for relicensing.

Mr. Gee shall complete a CBA-approved Regulatory Review course. The course shall be completed within 180 days of the effective date of the CBA's decision and order and is in addition to the CE requirements for relicensing.

Mr. Gee shall maintain an active license status.

After completion of probation, Mr. Gee shall be permanently prohibited from engaging in and performing audits, reviews, compilations, or other attestation services. This condition shall continue until such time, if ever, Mr. Gee successfully petitions the CBA for the reinstatement of the ability to perform audits, reviews, compilations or other attestation services.

Other standard terms of probation.

Effective December 28, 2016

CAUSE FOR DISCIPLINE

Accusation No. AC-2016-61 contains the following allegations:

Through its investigation, the CBA received statements from and copies of work performed by Mr. Gee that confirmed that he performed services requiring that he undergo a peer review. For example, Mr. Gee provided a list of audits performed between March 25, 2010, and March 12, 2014, as well as a copy of an audit report that he completed, dated November 7, 2012.

If the audit conducted on March 25, 2010, was the first service as defined in CBA Regulations Section 39 (a), Mr. Gee would have to have a peer review no later than September 25, 2012. By his failure to undergo a mandatory peer review within 18 months from the date of completion of the first audit, compilation, or review, Mr. Gee violated CBA Regulations Section 40.

Mr. Gee has subjected his Certified Public Accountant Certificate to disciplinary action in that he failed to enroll in and obtain a peer review as required.

VIOLATION(S) CHARGED

Business and Professions Code, Division 3, Chapter 1, §§ 5076 and 5100 (g). California Code of Regulations, Title 16, Division 1, §§ 40, 41 and 45.

GUSTAFSON, ROBERT ALAN

Paradise, CA
(CPA 21788)

CBA ACTIONS

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

Mr. Gustafson shall reimburse the CBA \$11,785.30 for its investigation and prosecution costs. The payment shall be made in quarterly payments (due with the quarterly written reports), the final payment being due six months before probation is scheduled to terminate.

Mr. Gustafson shall complete four hours of continuing education (CE) in ethics. The hours shall be completed within 180 days of the effective date of the CBA's decision and order and are in addition to the CE hours required for relicensing.

Mr. Gustafson shall complete a CBA-approved Regulatory Review course. The course shall be completed within 180 days of the effective date of the CBA's decision and order and is in addition to the CE requirements for relicensing.

Mr. Gustafson shall complete 24 hours of CE in the subject area of audits. The hours shall be completed within 180 days of the effective date of the CBA's decision and order and are in addition to the CE hours required for relicensing.

During probation, if Mr. Gustafson undertakes an audit, review, or compilation engagement, Mr. Gustafson shall submit to the CBA as an attachment to the required quarterly report a listing of the same. The CBA or its designee may select one or more from each category and the resulting report and financial statement and all



OTHER ENFORCEMENT ACTIONS THROUGH JANUARY 7, 2017

related working papers must be submitted to the CBA or its designee upon request.

Mr. Gustafson shall maintain an active license status.

Other standard terms of probation.

Effective December 28, 2016

CAUSE FOR DISCIPLINE

Accusation No. AC-2016-91 contains the following allegations:

Mr. Gustafson is subject to disciplinary action in that he committed gross negligence and repeated negligent acts in his performance of two audits.

Mr. Gustafson is subject to disciplinary action in that for the audits, Mr. Gustafson's audit documentation did not support the unqualified opinions rendered in the auditor's reports.

Mr. Gustafson is subject to disciplinary action in that he failed to comply with professional standards in the performance of both audits.

Mr. Gustafson is subject to disciplinary action in that the audit documentation for the audits did not include all of the information required.

Mr. Gustafson is subject to disciplinary action in that for both audits, he willfully violated various provisions of the Business and Professions Code and California Code of Regulations.

VIOLATION(S) CHARGED

Business and Professions Code, Division 3, Chapter 1, §§ 5062, 5097, 5100 (c), (e) and (g). California Code of Regulations, Title 16, Division 1, §§ 58 and 68.2.

HANSON, WILL WESTON

Costa Mesa, CA
(CPA 103535)

CBA ACTIONS

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

Mr. Hanson shall reimburse the CBA \$2,715.78 for its investigation and prosecution costs. The payment shall be made in quarterly payments (due with the quarterly written reports), the final payment being due six months before probation is scheduled to terminate.

Mr. Hanson shall be prohibited from engaging in and performing audits, reviews, compilations, or other attestation services.

Mr. Hanson shall complete two hours of continuing education (CE) in ethics. The hours shall be completed within 180 days of the effective date of the CBA's decision and order and are in addition to the CE hours required for relicensing.

Mr. Hanson shall complete a CBA-approved Regulatory Review course. The course shall be completed within 180 days of the effective date of the CBA's decision and order and is in addition to the CE requirements for relicensing.

Mr. Hanson shall maintain an active license status.

After completion of probation, Mr. Hanson shall be permanently prohibited from engaging in and performing audits, reviews, compilations, or other attestation services. This condition shall continue until such time, if ever, Mr. Hanson successfully petitions the CBA for the reinstatement of the ability to perform audits, reviews, compilations or other attestation services.

Other standard terms of probation.

Effective December 28, 2016

CAUSE FOR DISCIPLINE

Accusation No. AC-2015-82 contains the following allegations:

Mr. Hanson is subject to disciplinary action in that he was suspended from the privilege to practice accountancy before the Securities and Exchange Commission (SEC).

Mr. Hanson is subject to disciplinary action in that on September 30, 2013, as a result of his Offer of Settlement being accepted by the SEC, Mr. Hanson consented to the entry of the Order Instituting Public Administrative Proceedings pursuant to Section 4C of the Securities



OTHER ENFORCEMENT ACTIONS THROUGH JANUARY 7, 2017

Exchange Act of 1934 and Rule 102 (e) of the Commission's Rules of Practice, Making Findings, and Imposing Remedial Sanctions.

Mr. Hanson is subject to disciplinary action for dishonesty in that he did not properly reflect the date of his engagement quality review and his concurring partner's approval of issuance.

Mr. Hanson is subject to disciplinary action in that his license expired on April 30, 2012, and he did not renew it until August 2012. Between May and August 2012, Mr. Hanson was not licensed to practice public accountancy in California. Mr. Hanson acted as the engagement quality reviewer for the audit of Issuer A in June 2012.

VIOLATION(S) CHARGED

Business and Professions Code, Division 3, Chapter 1, §§ 5050 (a), 5051, 5100 (c), (h) and (l).

HUKRIEDE, SCOTT ANDREW

Corona, CA
(CPA 110978)

CBA ACTIONS

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

Mr. Hukriede shall reimburse the CBA \$10,821.68 for its investigation and prosecution costs. The payment shall be made in quarterly payments (due with the quarterly written reports), the final payment being due six months before probation is scheduled to terminate.

During the period of probation, Mr. Hukriede shall be prohibited from engaging in and performing compilation services.

Mr. Hukriede shall complete four hours of continuing education (CE) in ethics. The hours shall be completed within 180 days of the effective date of the CBA's decision and order and are in addition to the CE hours required for relicensing.

Mr. Hukriede shall complete a CBA-approved Regulatory Review course. The course shall be completed within 180

days of the effective date of the CBA's decision and order and is in addition to the CE requirements for relicensing.

Mr. Hukriede shall maintain an active license status.

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

Other standard terms of probation.

Effective October 24, 2016

CAUSE FOR DISCIPLINE

Accusation No. AC-2015-17 contains the following allegations:

Mr. Hukriede is subject to disciplinary action in that he committed repeated negligent acts that separately and in the aggregate rise to gross negligence, when he performed a compilation engagement issued on September 24, 2012, which departed from applicable professional standards, and that indicate a lack of competency in the practice of public accountancy.

Mr. Hukriede is subject to disciplinary action in that he issued a report which failed to conform to professional standards upon completion of a compilation, review, or audit of financial statements.

Mr. Hukriede is subject to disciplinary action in that he failed to comply with all applicable professional standards as set forth in the Accusation.

Mr. Hukriede is subject to disciplinary action in that he issued a compilation report dated September 24, 2012, on LGH Consulting letterhead, an entity not registered with the CBA.

Mr. Hukriede is subject to disciplinary action in that his renewal application for the period ending November 30, 2012, did not reflect 24 hours completed in the subject areas of audit and accounting or eight hours in the subject area of fraud; did not reflect completion of a minimum of 20 hours in the first year of his renewal;



OTHER ENFORCEMENT ACTIONS THROUGH JANUARY 7, 2017

and stated that he was not subject to accounting and auditing requirements even though he had issued a compilation report.

VIOLATION(S) CHARGED

Business and Professions Code, Division 3, Chapter 1, §§ 5060, 5062, 5076 (a), 5100 (c) and (g). California Code of Regulations, Title 16, Division 1, §§ 58 and 87.

KETELAAR, ERIK ALLEN

Homer Glen, IL
(CPA 116635)

CBA ACTIONS

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

Mr. Ketelaar shall reimburse the CBA \$4,770.10 for its investigation and prosecution costs. The payment shall be made in quarterly payments (due with the quarterly written reports), the final payment being due six months before probation is scheduled to terminate.

Mr. Ketelaar shall complete four hours of continuing education (CE) in ethics. The hours shall be completed within 180 days of the effective date of the CBA's decision and order and are in addition to the CE hours required for relicensing.

Mr. Ketelaar shall complete a CBA-approved Regulatory Review course. The course shall be completed within 180 days of the effective date of the CBA's decision and order and is in addition to the CE requirements for relicensing.

Mr. Ketelaar shall maintain an active license status.

Other standard terms of probation (with the exception of the tolling provision).

Effective December 28, 2016

CAUSE FOR DISCIPLINE

Accusation No. AC-2016-103 contains the following allegations:

On or about April 14, 2015, Mr. Ketelaar entered into a Consent Order with the Arizona State Board of

Accountancy entitled Decision and Order (By Consent) Accepting Relinquishment of CPA Certificate in Lieu of Formal Disciplinary Proceedings and accepting Revocation of Firm Registrations (Consent Order). This Consent Order was due to approximately five consumer complaints that were then investigated by the Arizona Board, and other consumer complaints that had not yet been investigated. The effect of the Consent Order was that Mr. Ketelaar's personal CPA certificate was relinquished and he was prohibited from practicing public accounting as a Certified Public Accountant in Arizona, and that his firm registrations, Erik Ketelaar, CPA, and Ketelaar Accounting, LLC, were revoked. Mr. Ketelaar acknowledged that the Consent Order constituted disciplinary action against his certificate.

Mr. Ketelaar is subject to disciplinary action in that his Certified Public Accountant (CPA) certificate and two of his firms' registrations with the Arizona State Board of Accountancy were disciplined by the Arizona State Board of Accountancy.

Mr. Ketelaar is subject to disciplinary action in that he failed to notify the CBA in writing within 30 days of the occurrence of the disciplinary action taken by the Arizona State Board of Accountancy. Further, Mr. Ketelaar failed to report the disciplinary action imposed by Arizona on his CPA renewal application for the period ending May 31, 2015.

VIOLATION(S) CHARGED

Business and Professions Code, Division 3, Chapter 1, §§ 5063 (a)(2), 5100 (d) and (g).

KINROSS-KENNEDY, JOHN

Newport Beach, CA
(CPA 54840)

CBA ACTIONS

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

Mr. Kinross-Kennedy shall reimburse the CBA \$2,715.78 for its investigation and prosecution costs. The payment shall be made in quarterly payments (due with the quarterly written reports), the final payment being due six months before probation is scheduled to terminate.

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During the period of probation, Mr. Kinross-Kennedy shall be prohibited from engaging in and performing audits, reviews, compilations, or other attestation services.

Mr. Kinross-Kennedy shall complete two hours of continuing education (CE) in ethics. The hours shall be completed within 180 days of the effective date of the CBA's decision and order and are in addition to the CE hours required for relicensing.

Mr. Kinross-Kennedy shall complete a CBA-approved Regulatory Review course. The course shall be completed within 180 days of the effective date of the CBA's decision and order and is in addition to the CE requirements for relicensing.

Mr. Kinross-Kennedy shall maintain an active license status.

After the completion of probation, Mr. Kinross-Kennedy shall be permanently prohibited from engaging in and performing any audits, reviews, compilations, or other attestation services. This condition shall continue until such time, if ever, Mr. Kinross-Kennedy successfully petitions the CBA for the reinstatement of the ability to perform audits, reviews, compilations, or other attestation services.

Other standard terms of probation.

Effective October 24, 2016

CAUSE FOR DISCIPLINE

Accusation No. AC-2016-45 contains the following allegations:

Mr. Kinross-Kennedy has subjected his certificate to disciplinary action in that on or about December 20, 2013, he was disciplined and suspended from appearing or practicing before the Securities and Exchange Commission (SEC). The SEC Order found that Mr. Kinross-Kennedy engaged in improper professional conduct in connection with audit and review engagements, issued audit reports in which he falsely represented that he conducted in accordance with the Public Company Accounting Oversight Board and willfully violated Sections 10A (j) and 10A (k) of the Securities Exchange Act of 1934 and 2-07 of Regulation S-X.

VIOLATION(S) CHARGED

Business and Professions Code, Division 1, Chapter 1, § 141; Division 3, Chapter 1, § 5100 (h) and (l).

KUZMA, CHRISTINE L.

Los Olivos, CA
(CPA 39094)

CBA ACTIONS

120-day suspension stayed with 24 months' probation, via stipulated settlement.

Ms. Kuzma shall reimburse the CBA \$4,205 for its investigation and prosecution costs. The payment shall be made in quarterly payments (due with the quarterly written reports), the final payment being due six months before probation is scheduled to terminate.

Ms. Kuzma shall complete four hours of continuing education (CE) in ethics. The hours shall be completed within 180 days of the effective date of the CBA's decision and order and are in addition to the CE hours required for relicensing.

Ms. Kuzma shall complete a CBA-approved Regulatory Review course. The course shall be completed within 180 days of the effective date of the CBA's decision and order and is in addition to the CE requirements for relicensing.

Ms. Kuzma shall maintain an active license status.

Other standard terms of probation.

Effective December 28, 2016

CAUSE FOR DISCIPLINE

Accusation No. AC-2016-104 contains the following allegations:

Ms. Kuzma has subjected her license to disciplinary action in that she was convicted of crimes substantially related to the qualifications, functions, and duties of a certified public accountant (CPA) or public accountant (PA).

Ms. Kuzma has subjected her license to disciplinary action in that she failed to report in her license renewal



OTHER ENFORCEMENT ACTIONS THROUGH JANUARY 7, 2017

applications for prior years her criminal convictions which were substantially related to the qualifications, function, and duties of a CPA or PA.

VIOLATION(S) CHARGED

Business and Professions Code, Division 1.5, Chapter 3, § 490; Division 3, Chapter 1, § 5100 (a) and (g). California Code of Regulations, Title 16, Division 1, § 99.

LEDERMAN, ZEIDLER, GRAY & CO. CPA'S, LLP

Beverly Hills, CA
(PAR 5364)

CBA ACTIONS

Revocation stayed with 20 months' probation, via stipulated settlement.

Respondent shall reimburse the CBA \$2,387.69 for its investigation and prosecution costs. The payment shall be made within 180 days of the date the CBA's decision is final.

Respondent shall maintain an active license status.

Respondent shall comply with all requirements imposed by the Public Company Accounting Oversight Board (PCAOB) in its December 8, 2014, "Order Instituting Disciplinary Proceedings, Making Findings, and Imposing Sanctions" against Respondent in the matter titled, In the Matter of Lederman, Zeidler, Gray & Co., LLP, PCAOB Release No. 105-2014-020, and report such compliance in its quarterly reports submitted to the CBA as required by probation.

Other standard terms of probation.

Factors in mitigation of the conduct of Respondent alleged in the Accusation include the following:

- Respondent has never been the subject of any prior disciplinary action by the CBA.
- Respondent has cooperated with the CBA's investigation.
- The basis for the Accusation's alleged violation of Business and Professions Code section 5100, subdivision (I), is the order entered by the Public

Company Accounting Oversight Board (PCAOB) dated December 8, 2014, PCAOB Release No. 105-2014-020. Respondent has presented evidence that it is in compliance with that order.

- Respondent represents that it is no longer performing audits of broker-dealers and is not planning to perform such audits in the future.

Effective October 24, 2016

CAUSE FOR DISCIPLINE

Accusation No. AC-2016-24 contains the following allegation:

Respondent is subject to disciplinary action in that on or about December 8, 2014, the PCAOB imposed discipline, penalty, or sanctions on Respondent (PCAOB Release No. 105-2014-020). The PCAOB had determined Respondent violated a rule of the Securities and Exchange Commission (SEC) as a result of Respondent preparing financial statements that were filed with the SEC for a registered broker-dealer audit client, thus impairing its independence.

VIOLATION(S) CHARGED

Business and Professions Code, Division 3, Chapter 1, § 5100 (I).

**LEVY, STUART CARY
LEVY, STUART, CPA, A PROF. CORP**

Torrance, CA
(CPA 44911; COR 4743)

CBA ACTIONS

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

Respondents shall jointly and severally be obligated to reimburse the CBA \$6,000 for its investigation and prosecution costs. The payment shall be made in quarterly payments (due with the quarterly written reports), the final payment being due six months before probation is scheduled to terminate.



OTHER ENFORCEMENT ACTIONS THROUGH JANUARY 7, 2017

Mr. Levy shall complete four hours of continuing education (CE) in ethics. The hours shall be completed within 180 days of the effective date of the CBA's decision and order and are in addition to the CE hours required for relicensing.

Mr. Levy shall complete a CBA-approved Regulatory Review course. The course shall be completed within 180 days of the effective date of the CBA's decision and order and is in addition to the CE requirements for relicensing.

Mr. Levy shall complete 16 hours of CE in taxation. The hours shall be completed within 180 days of the effective date of the CBA's decision and order and are in addition to the CE hours required for relicensing.

Respondents shall maintain an active license status.

Other standard terms of probation.

Effective December 28, 2016

CAUSE FOR DISCIPLINE

Accusation No. AC-2015-3 contains the following allegations:

Respondents are subject to disciplinary action for repeatedly failing to meet the standard of care expected of accountants in preparing tax returns. A regular client hired Mr. Levy to prepare the client's 2008 and 2009 federal tax returns, including the client's individual tax return and the client's S-corporation's tax return. The IRS audited Mr. Levy's client's 2008 and 2009 returns. The IRS audit found that the client's taxable income, including income from the S-Corporation, had been understated by \$775,277 in 2008 and overstated by \$425,556 in 2009 (mainly due to capital losses). As a result, the IRS concluded that the taxpayer had an additional tax liability of \$263,431 including interest and penalties.

VIOLATION(S) CHARGED

Business and Professions Code, Division 3, Chapter 1, § 5100 (c). California Code of Regulations, Title 16, Division 1, § 58.

MADISON, THOMAS MARSHALL JR.

San Diego, CA
(CPA 72109)

CBA ACTIONS

Surrender of CPA license, via stipulated settlement.

Mr. Madison shall pay the CBA \$5,354.59 for its investigation and enforcement costs prior to issuance of a new or reinstated license.

Effective December 28, 2016

CAUSE FOR DISCIPLINE

Accusation No. AC-2016-94 contains the following allegations:

Mr. Madison is subject to disciplinary action for repeated negligent acts committed in the same engagement resulting in a violation of the Statements on Standards for Accounting and Review Services (SSARS), No. 19, in that he prepared the compilation report dated August 26, 2011, which failed to include the basic elements of an introductory paragraph, a paragraph that explained management's responsibility for the financial statements and for internal control, and a paragraph that explained the accountant's responsibility.

Mr. Madison is subject to disciplinary action in that he issued a compilation report that failed to conform to applicable professional standards.

Mr. Madison is subject to disciplinary action for renewing his CPA license on February 29, 2012, without completing a peer review of his accounting and auditing practice by a Board-recognized peer review program, despite being subject to peer review for the compilations he issued on June 20, 2010, and August 26, 2011.

Mr. Madison is subject to disciplinary action for failing to arrange, schedule, and complete a peer review by a Board-recognized peer review program.

Mr. Madison is subject to disciplinary action for failing to report to the CBA specific peer review information as required on the Peer Review Reporting Form (Form PR-1), in that he failed to report his peer review results to the CBA by July 1, 2011.



OTHER ENFORCEMENT ACTIONS THROUGH JANUARY 7, 2017

Mr. Madison is subject to disciplinary action for willful violation in his failure to comply with professional standards applicable to compilation preparation, failure to properly enroll in peer review and undergo a peer review before renewing his license, and failure to report his peer review information, constituting willful violations of the Accountancy Act and Regulations.

VIOLATION(S) CHARGED

Business and Professions Code, Division 3, Chapter 1, §§ 5062, 5076, 5100 (c) and (g). California Code of Regulations, Title 16, Division 1, §§ 40 (a), 41, 45 and 58.

MCDONELL, MARY LEE VERONICA

Long Beach, CA
(CPA 51690)

CBA ACTIONS

Revocation stayed with one year probation, via Board Decision after reduction of proposed penalty.

Other standard terms of probation (minus cost recovery).

Effective January 7, 2017

CAUSE FOR DISCIPLINE

Ms. McDonell has subjected her license to disciplinary action in that she was convicted of a crime that is substantially related to the qualifications, functions, and duties of a Certified Public Accountant.

On or about December 20, 2001, in a criminal proceeding entitled State of California v. Mary Lee Ross, in Contra Costa County Superior Court, docket number 5-010022-2, Ms. McDonell was found guilty by a jury and convicted of violating Penal Code section 192, subdivision (a), voluntary manslaughter, with an enhancement that she discharged a handgun causing death during the commission of the crime.

As a result of the conviction, on September 20, 2002, Ms. McDonell was sentenced to a total of six years in state prison. Ms. McDonell also failed to report this felony conviction for voluntary manslaughter within 30 days of its occurrence, as required by section 5063.

VIOLATION(S) CHARGED

Business and Professions Code, Division 1.5, Chapter 3, § 490; Chapter 1, Division 3, Chapter 1, §§ 5100 (a) and (g) and 5063.

MORITA, KEVIN K.

Lodi, CA
(CPA 91053)

CBA ACTIONS

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

Mr. Morita shall reimburse the CBA \$7,448.02 for its investigation and prosecution costs. The payment shall be made in 10 equal quarterly payments (due with the quarterly written reports), the final payment being due six months before probation is scheduled to terminate.

Mr. Morita shall complete four hours of continuing education (CE) in ethics. The hours shall be completed within 180 days of the effective date of the CBA's decision and order and are in addition to the CE hours required for relicensing.

Mr. Morita shall complete a CBA-approved Regulatory Review course. The course shall be completed within 180 days of the effective date of the CBA's decision and order and is in addition to the CE requirements for relicensing.

Mr. Morita shall maintain an active license status.

Mr. Morita shall pay the CBA an administrative penalty in the amount of \$2,500. The payment shall be made within 180 days of the effective date of the order.

Other standard terms of probation.

Effective October 24, 2016

CAUSE FOR DISCIPLINE

Accusation No. AC-2015-15 contains the following allegations:

Mr. Morita is subject to disciplinary action in that he issued a review of the financial statements for C.L. in April 2011



OTHER ENFORCEMENT ACTIONS THROUGH JANUARY 7, 2017

that demonstrated gross negligence which constitutes extreme departures from professional standards.

Mr. Morita is subject to disciplinary action in that he committed repeated acts of negligence.

Mr. Morita is subject to disciplinary action in that he signed the review report for client C.L. without having the appropriate attest experience.

Mr. Morita is subject to disciplinary action in that he willfully violated Business and Professions Code (BPC) section 5062 and CBA Regulations section 58.

Mr. Morita is subject to disciplinary action in that he willfully violated CBA Regulations section 45, subdivision (c), by submitting a peer review reporting form (PR-1) to the CBA on or about August 6, 2012, falsely stating that he was not subject to peer review. Mr. Morita was subject to the peer review requirements set forth by the CBA due to his undertaking of the review report for client C.L.

Mr. Morita is subject to disciplinary action in that he willfully violated BPC section 5076 and CBA Regulations sections 40 and 41.

VIOLATION(S) CHARGED

Business and Professions Code, Division 3, Chapter 1, §§ 5062, 5076, 5095, 5100 (c) and (g). California Code of Regulations, Title 16, Division 1, §§ 12.5, 40, 40 (a), 41, 45 (c) and 58.

OLIVA, GODDARD AND WRIGHT, CPAS

San Diego, CA
(PAR 5948)

CBA ACTIONS

Revocation stayed with 20 months' probation, via stipulated settlement.

Respondent shall reimburse the CBA \$2,293.66 for its investigation and prosecution costs. The payment shall be made within 180 days of the date the CBA's decision is final.

Respondent shall maintain an active license status.

Respondent shall comply with all requirements imposed by the Public Company Accounting Oversight Board (PCAOB) Order, and report such compliance in Respondent's quarterly reports submitted to the CBA as required by probation.

Other standard terms of probation.

Effective October 24, 2016

CAUSE FOR DISCIPLINE

First Amended Accusation No. AC-2016-106 contains the following allegations:

Respondent is subject to disciplinary action in that on or about October 15, 2015, the PCAOB imposed final disciplinary sanctions against Respondent, including censure. In its Order, the PCAOB found that Respondent's conduct violated Securities and Exchange Commission, Exchange Act Rule 17a-5 (i), by representing in its audit report that it had performed the audit in accordance with Generally Accepted Auditing Standards (GAAS) when in fact, because of an independence impairment, the audit had not been performed in accordance with GAAS.

Respondent is subject to disciplinary action in that Respondent failed to report the opening or initiation of an investigation of Respondent by the PCAOB within 30 days of the date Respondent had knowledge of the investigation.

In mitigation, Respondent has never been the subject of any prior CBA disciplinary action. It is admitting responsibility at an early stage in the proceedings and has cooperated with the CBA's investigation. The basis for the First Amended Accusation's alleged violation of Business and Professions Code section 5100, subdivision (l), is PCAOB order dated October 15, 2015 (PCAOB Release No. 105-2015-035), and Respondent has presented evidence that it is in compliance with the PCAOB order. Respondent has further represented that it is no longer performing audits of broker-dealers and is not planning to perform such audits in the future.



OTHER ENFORCEMENT ACTIONS THROUGH JANUARY 7, 2017

VIOLATION(S) CHARGED

Business and Professions Code, Division 3, Chapter 1, §§ 5063 (b)(5), 5100 (g) and (l). California Code of Regulations, Title 16, Division 1, § 60.

OUM & Co. LLP

San Francisco, CA
(PAR 4393)

CBA ACTIONS

Revocation stayed with 20 months' probation, via stipulated settlement.

Respondent shall reimburse the CBA \$4,455.52 for its investigation and prosecution costs. The payment shall be made within 180 days of the date the CBA's decision is final.

Respondent shall maintain an active license status.

Respondent shall comply with all requirements imposed by the SEC in its December 8, 2014, "Order Instituting Public Administrative Cease-and-Desist Proceedings Pursuant to Sections 4C and 21C of the Securities Exchange Act of 1934 and Rule 102 (e) of the Commission's Rules of Practice, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (See, in the matter of OUM & Co. LLP, Securities Exchange Act of 1934 Release No. 73774, Accounting and Auditing Enforcement Release No. 3609, Administrative Proceeding File No. 3-16305)" and report such compliance in its quarterly reports submitted to the CBA as required by probation.

Other standard terms of probation.

Effective October 24, 2016

CAUSE FOR DISCIPLINE

First Amended Accusation No. AC-2016-50 contains the following allegation:

OUM & Co. LLP is subject to disciplinary action in that the Securities and Exchange Commission (SEC) imposed a penalty or sanction upon Respondent. The SEC censured OUM & Co. LLP, ordered the partnership to complete remedial undertakings and imposed a civil penalty of \$10,000.

The SEC instituted an Administrative Cease-and-Desist Proceeding against Respondent. The administrative proceeding was based on allegations that Respondent violated the SEC's auditor independence rules in at least one of four audits of the Respondent's privately-held broker-dealer clients in preparing their respective financial statements by using the prior year's financial statements, including the notes to the financial statements, and then providing the updated financial statements to the broker-dealers' management for approval. As a result of this alleged conduct, Respondent engaged in improper professional conduct, violated the SEC auditor independence rules, and caused the failure of Respondent's clients to file annual reports audited by an independent accountant.

VIOLATION(S) CHARGED

Business and Professions Code, Division 3, Chapter 1, § 5100 (l).

POORE, MARK HARRISON

St. Michaels, MD
(CPA 65756)

CBA ACTIONS

Surrender of CPA license, via stipulated settlement.

Mr. Poore shall pay the CBA \$3,658.25 for its investigation and enforcement costs prior to the issuance of a new or reinstated license.

Effective December 28, 2016

CAUSE FOR DISCIPLINE

Accusation No. AC-2017-1 contains the following allegations:

Mr. Poore is subject to disciplinary action in that he was convicted of crimes substantially related to the qualifications, functions, and duties of a certified public accountant or a public accountant. On or about February 23, 2016, Mr. Poore pled guilty to one count of Penal Code (PC) section 487 (A), felony grand theft by embezzlement. This occurred in People of California



OTHER ENFORCEMENT ACTIONS THROUGH JANUARY 7, 2017

v. Mark H. Poore, et al., San Francisco County Superior Court Case # 223170-02 11028970. Mr. Poore was also sentenced to an enhancement under PC section 12022.6 (a)(3) since the loss to the victims exceeded \$1,300,000.

Mr. Poore is subject to disciplinary action in that he engaged in conduct constituting fraud and/or dishonesty.

Mr. Poore is subject to disciplinary action in that he engaged in conduct constituting fiscal dishonesty.

Mr. Poore is subject to disciplinary action in that he engaged in conduct constituting knowing preparation, publication, or dissemination of false, fraudulent, or materially misleading financial statements, reports or information.

Mr. Poore is subject to disciplinary action in that he engaged in conduct constituting embezzlement, theft, and/or misappropriation of funds or property, or other consideration by fraudulent means or false pretenses.

Mr. Poore is subject to disciplinary action in that he engaged in conduct constituting willful violation of the Accountancy Act.

VIOLATION(S) CHARGED

Business and Professions Code, Division 1.5, Chapter 3, § 490; Division 3, Chapter 1, § 5100 (a), (c), (g), (i), (j) and (k).

RODE, KEITH EVERTS

Franklin, WI
(CPA 67889)

CBA ACTIONS

Surrender of CPA license, via stipulated settlement.

Mr. Rode shall pay the CBA \$1,590 for its investigation and enforcement costs prior to the issuance of a new or reinstated license.

Effective December 28, 2016

CAUSE FOR DISCIPLINE

Accusation No. AC-2016-82 contains the following allegations:

Mr. Rode is subject to discipline in that on or about December 15, 2014, in the case titled USA v. Keith Everts Rode, U.S. District Court, California Northern District (San Jose), Case No. 512-cr-00888-EJD-3, Mr. Rode pled guilty to violating Title 18, United States Code, section 1341 (mail fraud), a felony. Said crime is substantially related to the qualifications, duties, and functions of a Certified Public Accountant. Mr. Rode's sentence included: 70 months in federal prison; payment of nearly \$33 million in restitution for his role in the investment fraud; and, three years supervised release.

Mr. Rode is subject to discipline in that on or about June 10, 2015, the U.S. Securities and Exchange Commission (SEC) ordered that (1) pursuant to Section 203 (f) of the Advisers Act, Mr. Rode was barred from association with any investment adviser, broker, dealer, municipal securities dealer, municipal adviser, transfer, agent, or nationally recognized statistical rating organization; and (2) pursuant to Rule 102 (e)(3)(i) of the Commission's Rules of Practice, Mr. Rode was suspended from appearing or practicing before the Commission as an accountant.

Mr. Rode is subject to discipline in that from on or after April 23, 2009, he committed acts constituting fiscal dishonesty or breach of fiduciary responsibility of any kind.

Mr. Rode is subject to discipline in that from on or after April 23, 2009, he knowingly prepared, published, or disseminated false, fraudulent, or materially misleading financial statements, reports, or information.

Mr. Rode is subject to discipline in that on or about June 10, 2015, he was disciplined, penalized, and/or sanctioned by the SEC.

Mr. Rode is subject to discipline in that he failed to report to the CBA within 30 days of December 15, 2014, that he had been convicted of a felony related to the qualifications, functions, or duties of a certified public accountant, or to acts or activities in the course and scope of the practice of public accountancy, or any crime involving the preparation, publication, or dissemination of false, fraudulent, or materially misleading financial statements, reports, or information.



OTHER ENFORCEMENT ACTIONS THROUGH JANUARY 7, 2017

VIOLATION(S) CHARGED

Business and Professions Code, Division 1.5, Chapter 3, §§ 490, 493; Chapter 1, Division 3, Chapter 1, §§ 5063, 5100 (a), (h), (i), (j), (l) and 5106.

ROSENTHAL, ALLAN HOWARD ALLAN ROSENTHAL & ASSOCIATES ACCOUNTANCY CORPORATION

Calabasas, CA
(CPA 21708; COR 2863)

CBA ACTIONS

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

Respondents shall jointly and severally be obligated to reimburse the CBA \$22,293.15 for its investigation and prosecution costs. The payment shall be made in quarterly payments (due with the quarterly written reports), the final payment being due one year before probation is scheduled to terminate.

While on probation, Respondents shall be prohibited from performing audits, reviews, compilations, or other attestation services.

Mr. Rosenthal shall complete four hours of continuing education (CE) in ethics. The hours shall be completed within six months of the effective date of the CBA's decision and order and are in addition to the CE hours required for relicensing.

Mr. Rosenthal shall complete a CBA-approved Regulatory Review course. The course shall be completed within six months of the effective date of the CBA's decision and order and is in addition to the CE hours required for relicensing.

Mr. Rosenthal shall complete eight hours of CE in California Individual Taxation. The hours shall be completed within 12 months of the effective date of the CBA's decision and order and are in addition to the CE hours required for relicensing.

Respondents shall maintain an active license status.

After the completion of probation, Respondents shall be permanently prohibited from engaging in and performing audits, reviews, compilations, or other attestation services. This condition shall continue until such time, if ever, Respondents, or either of them, successfully petition the CBA for the reinstatement of the ability to perform audits, reviews, compilations, or other attestation services.

Other standard terms of probation.

Effective October 24, 2016

CAUSE FOR DISCIPLINE

Accusation No. AC-2014-38 contains the following allegations:

Respondents are subject to disciplinary action in that Respondents committed repeated negligent acts in the preparation of C.H.'s 2010 tax returns.

Respondents are subject to disciplinary action in that Respondents were dishonest when they drafted a letter they knew to be false to the IRS requesting Penalty Relief for C.H., and asked C.H. to sign said document(s), in violation of IRS Circular 230 section 10.51. Said letter falsely stated that the reason C.H.'s return was late was because his laptop was stolen.

Respondents are subject to disciplinary action in that Respondent Corporation performed services for which it was required to have a peer review completed by July 2012. On October 4, 2012, the Respondents informed the CBA that they had retained a firm to perform the review. However, records show the review was never performed. The Respondent Corporation renewed its license on October 23, 2013, without having the required peer review completed.

Respondents are subject to disciplinary action in that Respondents falsely reported to the CBA that they had not performed any services that required a peer review.

Respondents are subject to disciplinary action in that the Respondent Corporation was required to have a peer review performed by July 1, 2012. Respondent Corporation was out of compliance with peer review requirements as of February 14, 2014. Respondent Corporation failed

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OTHER ENFORCEMENT ACTIONS THROUGH JANUARY 7, 2017

to enroll in a CBA-recognized peer review program, as required. Despite repeated correspondence from the CBA's Peer Review Unit explaining their reporting requirement, Respondent either responded that (a) they were not subject to the requirement or (b) the review was in process, or (c) they did not respond to the CBA's inquiries. Said conduct constituted willful violation of the Accountancy Act.

Respondent Corporation is subject to disciplinary action in that Respondent Corporation acted unprofessionally as set forth in the Accusation.

VIOLATION(S) CHARGED

Business and Professions Code, Division 3, Chapter 1, §§ 5076 (a), 5100 (b), (c), (g), and 5156. California Code of Regulations, Title 16, Division 1, §§ 40 (a), 41, 45 (b), (c), 52 and 52 (d).

ROTH, STEVEN ALEXANDER

Nevada City, CA
(CPA 71382)

CBA ACTIONS

Revocation stayed with the revocation previously stayed in CBA Decision and Order AC-2013-5 hereby extended for a period of one year, now scheduled to end on February 27, 2018, via stipulated settlement.

Mr. Roth shall reimburse the CBA \$3,500 for its investigation and prosecution costs. The payment shall be made in quarterly payments (due with the quarterly written reports), the final payment being due six months before probation is scheduled to terminate.

Within 30 days of the effective date of the CBA's Decision and Order, Mr. Roth shall submit to the CBA or its designee for its prior approval a plan of practice (regarding the preparation of non-profit tax returns only) that shall be monitored by another CPA or PA who provides periodic reports to the CBA or its designee. Mr. Roth shall submit all non-profit tax returns to the monitoring CPA or PA for his or her review and approval prior to issuing and/or filing any non-profit tax returns. Mr. Roth shall pay all costs for such monitoring.

Mr. Roth shall complete eight hours of continuing education (CE) in non-profit taxation. The hours shall be completed within 90 days of the effective date of the CBA's Decision and Order and are in addition to the CE hours required for relicensing.

Mr. Roth shall maintain an active license status.

During probation, Mr. Roth shall not engage in and shall be prohibited from performing any audits, reviews, compilations, or other attestation services.

After completion of probation, Mr. Roth shall be permanently prohibited from engaging in and performing audits, reviews, compilations, or other attestation services. This condition shall continue until such time, if ever, Mr. Roth successfully petitions the CBA for the reinstatement of the ability to perform audits, reviews, compilations, or other attestation services.

Other standard terms of probation.

Effective December 28, 2016

CAUSE FOR DISCIPLINE

Accusation and Petition to Revoke Probation No. AC-2016-107 contains the following allegations:

Mr. Roth is subject to disciplinary action for gross negligence and/or repeated acts of negligence in that taken separately or combined, he committed repeated extreme departures from the applicable standard of care of the accounting profession. Mr. Roth prepared Form 990 Private Foundation tax return and associated documents for The W.F.C. Foundation for the year ending December 31, 2014, and failed to comply with the standards applicable to the preparation of 990 Private Foundation tax returns by Certified Public Accountants as required by specific instructions published by the Internal Revenue Service for 2014 Form 990 Private Foundations, and Title 31 Code of Federal Regulations, section 10.22. Specifically, Mr. Roth failed to record the fair market value of the land, buildings, and equipment as required.

Mr. Roth is subject to disciplinary action for gross negligence and/or repeated acts of negligence in that taken separately or combined, he committed repeated



OTHER ENFORCEMENT ACTIONS THROUGH JANUARY 7, 2017

extreme departures from the applicable standard of care of the accounting profession. Mr. Roth prepared compilation reports for B.S.G., Inc. for the periods ending December 31, 2014, January 31, 2015, February 28, 2015, March 31, 2015, April 30, 2015, and May 22, 2015, and failed to comply with the required Statements on Standards for Accounting and Review Services.

Mr. Roth is subject to disciplinary action in that in 2015, he prepared and issued compilation reports for B.S.G., Inc. for the periods ending December 31, 2014, January 31, 2015, February 28, 2015, March 31, 2015, April 30, 2015, and May 22, 2015, that failed to comply with the required Statements on Standards for Accounting and Review Services.

Mr. Roth is subject to disciplinary action in that he willfully violated CBA Regulations section 58, when he violated professional standards.

Mr. Roth's probation is subject to revocation because he failed to comply with Probation Term Number 1 that required him to obey all federal, California, other states and local laws, including those rules relating to the practice of public accountancy in California.

Mr. Roth's probation is subject to revocation because he failed to comply with Probation Term Number 5 that required him to fully comply with the terms and conditions of the probation imposed by the CBA and cooperate fully with representatives of the CBA in its monitoring and investigation of Mr. Roth's compliance with probation terms and conditions.

VIOLATION(S) CHARGED

Business and Professions Code, Division 3, Chapter 1, §§ 5062, 5100 (c) and (g). California Code of Regulations, Title 16, Division 1, § 58.

SAPIANDANTE, JOSELITO CUSTODIO

Carson, CA
(CPA 82954)

CBA ACTIONS

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

Mr. Sapiandante shall reimburse the CBA \$5,832.50 for its investigation and prosecution costs. The payment shall be made in quarterly payments (due with the quarterly written reports), the final payment being due six months before probation is scheduled to terminate.

Mr. Sapiandante shall complete four hours of continuing education (CE) in ethics. The hours shall be completed within 12 months of the effective date of the CBA's decision and order and are in addition to the CE hours required for relicensing.

Mr. Sapiandante shall complete a CBA-approved Regulatory Review course. The course shall be completed within 12 months of the effective date of the CBA's decision and order and is in addition to the CE hours required for relicensing.

During the period of probation, all audit, review, and compilation reports and work papers shall be subject to peer review by a Board-recognized peer review program provider pursuant to Business and Professions Code section 5076 and California Code of Regulations, Title 16, Division 1, Article 6 at Mr. Sapiandante's expense. Within 45 days of the peer review being accepted by a Board-recognized peer review program provider, Mr. Sapiandante shall submit to the CBA a copy of the peer review report, including any materials documenting the prescription of remedial or corrective actions imposed by the Board-recognized peer review program provider. Mr. Sapiandante shall also submit, if available, any materials documenting completion of any or all of the prescribed remedial or corrective actions.

Mr. Sapiandante shall maintain an active license status.

During the period of probation, if Mr. Sapiandante undertakes an audit, review, or compilation engagement, he shall submit to the CBA as an attachment to the required quarterly report a listing of the same. The CBA or its designee may select one or more from each category and the resulting report and financial statement and all related working papers must be submitted to the CBA or its designee upon request.

Other standard terms of probation.

Effective October 24, 2016

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OTHER ENFORCEMENT ACTIONS THROUGH JANUARY 7, 2017

CAUSE FOR DISCIPLINE

Accusation No. AC-2014-75 contains the following allegations specific to Respondent Sapiandante:

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

- Mr. Sapiandante failed to report peer review information on the Peer Review Reporting Form (Form PR-1) by the time set for compliance (July 1, 2012).
- Mr. Sapiandante failed to respond to a CBA inquiry relating to compliance with peer review reporting.
- Mr. Sapiandante failed to comply with Citation Number CT-2013-1509 (failing to respond to a Board inquiry).
- Mr. Sapiandante failed to timely pay his citation and failed to timely submit a Form PR-1.
- Mr. Sapiandante failed to enroll in a Board-recognized peer review program.
- Mr. Sapiandante failed to complete a minimum of 20 hours of continuing education (including 12 hours in technical subject areas) for each year of the two-year license renewal period that ended on September 30, 2013.

VIOLATION(S) CHARGED

Business and Professions Code, Division 3, Chapter 1, §§ 5076 (a) and 5100 (g). California Code of Regulations, Title 16, Division 1, §§ 41, 45, 52, 87 (a)(1), 95.4 and 125.9.

**SAPIANDANTE AND CHUNG
SAPIANDANTE AND SUNDIANG**

Los Angeles and Carson, CA
(PAR 7114; PAR 7398)

CBA ACTIONS

Surrender of CPA PAR Certificates, via stipulated settlement.

Effective October 24, 2016

CAUSE FOR DISCIPLINE

Accusation No. AC-2014-75 contains the following allegations specific to Respondent Sapiandante and Chung and Respondent Sapiandante and Sundiang (Respondents):

Respondents are subject to disciplinary action in that they willfully violated the Accountancy Act and rules and regulations promulgated by the CBA under the authority of the Act as described below:

- Respondents failed to report peer review information on the Peer Review Reporting Form (Form PR-1) by the time set for compliance.
- Respondents failed to respond to a CBA inquiry.
- Respondents failed to comply with Citation Numbers CT-2013-664 and CT-2014-1419 (failure to respond to a Board inquiry). Respondent Sapiandante and Chung and Respondent Sapiandante and Sundiang failed to pay their respective citations and failed to submit a Form PR-1.

VIOLATION(S) CHARGED

Business and Professions Code, Division 3, Chapter 1, §§ 5076 (a) and 5100 (g). California Code of Regulations, Title 16, Division 1, §§ 41, 45, 52, 87 (a)(1), 95.4 and 125.9.

SHABAN, MOHAMMAD J.

Del Mar, CA
(CPA 66680)

CBA ACTIONS

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

Mr. Shaban shall reimburse the CBA \$1,485.58 for its investigation and prosecution costs. The payment shall be made in quarterly payments (due with the quarterly written reports), the final payment being due six months before probation is scheduled to terminate.

During probation, Mr. Shaban shall be prohibited from engaging in and performing audits, reviews, compilations, or other attestation services.



OTHER ENFORCEMENT ACTIONS THROUGH JANUARY 7, 2017

Mr. Shaban shall complete four hours of continuing education (CE) in ethics. The hours shall be completed within 180 days of the effective date of the CBA's decision and order and are in addition to the CE hours required for relicensing.

Mr. Shaban shall complete a CBA-approved Regulatory Review course. The course shall be completed within 180 days of the effective date of the CBA's decision and order and is in addition to the CE requirements for relicensing.

Mr. Shaban shall maintain an active license status.

After completion of probation, Mr. Shaban shall be permanently prohibited from engaging in and performing audits, reviews, compilations, or other attestation services. This condition shall continue until such time, if ever, he successfully petitions the CBA for the reinstatement of the ability to perform audits, reviews, compilations, or other attestation services.

Other standard terms of probation.

Effective December 28, 2016

CAUSE FOR DISCIPLINE

Accusation No. AC-2016-71 contains the following allegations:

Mr. Shaban was required to submit a PR-1 form (peer review reporting form) by July 1, 2013. On November 12, 2013, the CBA issued Respondent Citation Order No. CT-2014-31 for failing to respond to CBA letters dated June 21, 2012, March 15, 2013, and September 1, 2013. Respondent was ordered to comply with all CBA statutes and regulations, pay an administrative fine, and submit a PR-1.

On December 24, 2013, Mr. Shaban submitted a completed PR-1. The PR-1 indicated that Mr. Shaban operated as a sole proprietorship and had performed accounting and auditing services as defined in Title 16, California Code of Regulations section 39 (a) that require a peer review.

On September 30, 2016, the CBA searched the American Institute of CPA's (AICPA) website for 'Shaban'. AICPA's search results indicated that Mr. Shaban was dropped from the AICPA Peer Review Program October 16, 2013, and is currently not enrolled with CalCPA for a peer review.

Mr. Shaban has subjected his certificate to disciplinary action in that he failed to enroll in and obtain a peer review as required.

Mr. Shaban has subjected his certificate to disciplinary action in that he failed to completely respond to an inquiry by the CBA and/or its appointed representatives within 30 days and/or failed to provide true and accurate information in response to questions and/or other requests for information from the CBA.

VIOLATION(S) CHARGED

Business and Professions Code, Division 3, Chapter 1, §§ 5076 and 5100 (g). California Code of Regulations, Title 16, Division 1, §§ 40, 41 and 52.

SUNG, DAVID DAWOO

Lincoln City, OR
(CPA 61373)

CBA ACTIONS

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

Mr. Sung shall reimburse the CBA \$4,163.12 for its investigation and prosecution costs. The payment shall be made in quarterly payments (due with the quarterly written reports), the final payment being due six months before probation is scheduled to terminate.

During probation, Mr. Sung shall be prohibited from engaging in and performing audits, reviews, compilations, or other attestation services.

Mr. Sung shall complete four hours of continuing education (CE) in ethics. The hours shall be completed within 180 days of the effective date of the CBA's decision and order and are in addition to the CE hours required for relicensing.

Mr. Sung shall complete a CBA-approved Regulatory Review course. The course shall be completed within 180 days of the effective date of the CBA's decision and order and is in addition to the CE requirements for relicensing.

Mr. Sung shall maintain an active license status.



OTHER ENFORCEMENT ACTIONS THROUGH JANUARY 7, 2017

After the completion of probation, Mr. Sung shall be permanently prohibited from engaging in and performing any audits, reviews, compilations, or other attestation services. This condition shall continue until such time, if ever, Mr. Sung successfully petitions the CBA for the reinstatement of the ability to perform audits, reviews, compilations, or other attestation services.

Other standard terms of probation.

Effective October 24, 2016

CAUSE FOR DISCIPLINE

Accusation No. AC-2016-69 contains the following allegations:

Mr. Sung is subject to disciplinary action in that he failed to maintain audit documentation for the minimum required period of seven years.

Mr. Sung is subject to disciplinary action in that he failed to obtain the required minimum 20 hours of CE during each of the years in the license renewal period.

Mr. Sung is subject to disciplinary action in that he secured his license by fraud, deceit, or knowing misrepresentation of a material fact regarding completion of CE requirements on his 2014 CPA license renewal application.

Mr. Sung is subject to disciplinary action in that he willfully made false or misleading statements in writing regarding his CE.

Mr. Sung is subject to disciplinary action in that he willfully violated CBA rules and regulations.

VIOLATION(S) CHARGED

Business and Professions Code, Division 1.5, Chapter 1, §§ 478 and 479; Chapter 1, Division 3, Chapter 1, §§ 5060, 5097, 5100 (b), (e) and (g). California Code of Regulations, Title 16, Division 1, §§ 87 and 89 (l).

VARGAS, RUDOLPH GONZALEZ VARGAS AND COMPANY

San Jose, CA
(CPA 17564; FNP 1217)

CBA ACTIONS

Surrender of CPA License and FNP, via stipulated settlement.

Mr. Vargas shall pay the CBA for its costs of investigation and enforcement in the amount of \$14,664.24 prior to issuance of a new or reinstated license.

Effective December 28, 2016

CAUSE FOR DISCIPLINE

Accusation No. AC-2016-72 contains the following allegations:

Between 2002 and 2011, Mr. Vargas performed numerous audits of governmental entities. Mr. Vargas did not undergo any external peer reviews between 2002 and 2011. At some point in 2013, a CPA firm performed a peer review of Mr. Vargas's practice. On or about January 28, 2014, the CPA firm issued a peer review report for Mr. Vargas' practice for the year ending December 31, 2012; that report documented numerous significant deficiencies in Mr. Vargas' practice. Mr. Vargas did not submit a copy of that report to the CBA.

Mr. Vargas is subject to disciplinary action in that he failed to have a peer review report accepted by a Board-recognized peer review program once every three years.

Mr. Vargas is subject to disciplinary action in that he failed to submit a copy of a peer review report to the CBA within 45 days of the peer review report being accepted by a Board-recognized peer review program provider.

Mr. Vargas is subject to disciplinary action in that he, by failing to undergo an external peer review once every three years, failed to comply with applicable professional standards, including government auditing standards and generally accepted auditing standards.

Mr. Vargas is subject to disciplinary action in that he failed to respond to certain CBA inquiries within 30 days.



OTHER ENFORCEMENT ACTIONS THROUGH JANUARY 7, 2017

Mr. Vargas is subject to disciplinary action in that he failed to provide true and accurate information and responses to questions and requests for information or documents from the CBA.

VIOLATION(S) CHARGED

Business and Professions Code, Division 3, Chapter 1, §§ 5076 (a) and (e) and 5100 (g). California Code of Regulations, Title 16, Division 1, §§ 40 (a), 46 (a), 52 (a) and (d) and 58.

**WEN, SUE JEN
ANGELO ACCOUNTANCY CPA INC.**

Cerritos, CA
(CPA 63196; COR 7211)

CBA ACTIONS

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

Respondents shall reimburse the CBA \$10,000 for its investigation and prosecution costs. Respondents are jointly and severally responsible for payment of costs. The payments shall be made in quarterly payments (due with the quarterly written reports), the final payment being due six months before probation is scheduled to terminate.

During the period of probation, Respondents shall be prohibited from engaging in or performing audit services.

Ms. Wen shall complete four hours of continuing education (CE) in ethics. The hours shall be completed within 180 days of the effective date of the CBA's decision and order and are in addition to the CE hours required for relicensing.

Ms. Wen shall complete a CBA-approved Regulatory Review course. The course shall be completed within 180 days of the effective date of the CBA's decision and order and is in addition to the CE requirements for relicensing.

Respondents shall provide the CBA with documentation to the satisfaction of the CBA that Respondents have enrolled with a Board-recognized peer review program provider. Respondents shall provide the CBA with the documentation within 45 days of the effective date of the CBA's decision and order.

During the period of probation, all review and compilation reports and work papers shall be subject to peer review by a Board-recognized peer review program provider at Respondent's expense. The specific engagements to be reviewed shall be at the discretion of the peer reviewer. Within 45 days of the peer review report being accepted by a Board-recognized peer review program provider, Respondent shall submit to the CBA a copy of the peer review report, including any materials documenting the prescription of remedial or corrective actions imposed by the Board-recognized peer review program provider. Respondent shall also submit, if available, any materials documenting completion of any or all of the prescribed remedial or corrective actions.

Ms. Wen shall complete 16 hours of CE in tax and 16 hours of CE on Statement on Standards for Accounting and Review Services. The hours shall be completed within 180 days of the effective date of the CBA's decision and order and are in addition to the CE hours required for relicensing.

Respondents shall maintain an active license status.

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.

Effective December 28, 2016

CAUSE FOR DISCIPLINE

Accusation No. AC-2016-7 contains the following allegations:

Respondent is subject to disciplinary action for unprofessional conduct due to gross negligence and/or repeated negligent acts in the preparation of tax returns for a client in 2010 and 2011 and in the preparation of a December 2012 audit report for an Association.

Respondent is subject to disciplinary action for failing to enroll in and participate in a Peer Review.



UPDATE WINTER 2017

OTHER ENFORCEMENT ACTIONS THROUGH JANUARY 7, 2017

Respondent is subject to disciplinary action for submitting a Peer Review Reporting Form, dated June 28, 2013, that falsely stated Respondent was not subject to peer review.

Respondent is subject to disciplinary action for using a firm name that was not registered with the CBA at the time an audit was performed.

VIOLATIONS(S) CHARGED

Business and Professions Code, Division 3, Chapter 1, §§ 5060, 5062, 5076 (a), 5100 (c) and (g). California Code of Regulations, Title 16, Division 1, §§ 40, 41, 45, 52 (d) and 58.

WILLIAMS, OWEN MARK

Saratoga, CA
(CPA 53156)

CBA ACTIONS

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

Mr. Williams shall reimburse the CBA \$9,708.02 for its investigation and prosecution costs. The payment shall be made in quarterly payments (due with the quarterly written reports), the final payment being due one year before probation is scheduled to terminate.

Mr. Williams shall complete four hours of continuing education (CE) in ethics. The hours shall be completed within 180 days of the effective date of the CBA's decision and order and are in addition to the CE hours required for relicensing.

Mr. Williams shall complete a CBA-approved Regulatory Review course. The course shall be completed within 180 days of the effective date of the CBA's decision and order and is in addition to the CE requirements for relicensing.

Mr. Williams shall complete 16 hours of CE in accounting and auditing. The hours shall be completed within 180 days of the effective date of the CBA's decision and order and are in addition to the CE requirements for relicensing.

Mr. Williams shall maintain an active license status.

Other standard terms of probation.

Effective December 28, 2016

CAUSE FOR DISCIPLINE

Accusation No. AC-2015-78 contains the following allegations:

Mr. Williams has subjected his license to disciplinary action because the Securities and Exchange Commission (SEC), a governmental body disciplined him by suspending him from appearing or practicing before the SEC as an accountant.

VIOLATION(S) CHARGED

Business and Professions Code, Division 3, Chapter 1, § 5100 (h) and (l).

ADDRESS CHANGE FORM

A separate address change notice must be submitted for each license type.

PLEASE PRINT

Name of Applicant for Licensure or Licensee

| | | |
|------|-------|--------|
| | | |
| Last | First | Middle |

Individual (CPA/PA) - License No. _____

E-mail Address (optional)

Name of Firm

Corporation Partnership Fictitious Name

License No. _____

Firm Name

NEW Address of Record *(An Address of Record is Required)*

Home Business (check one)

Be advised that if you are a licensed CPA/PA or firm, your address of record is public information, and all CBA correspondence will be sent to this address.

Business Name (if different from name above)

| | |
|--------|--|
| | |
| Street | <input type="checkbox"/> Apt. # <input type="checkbox"/> Suite # (check one) |

Street

| | | |
|------|-------|-----|
| | | |
| City | State | Zip |

City

State

Zip

Former Address of Record

| | |
|--------|--|
| | |
| Street | <input type="checkbox"/> Apt. # <input type="checkbox"/> Suite # (check one) |

Street

| | | |
|------|-------|-----|
| | | |
| City | State | Zip |

City

State

Zip

Alternate Address for Mail Drops and P.O. Boxes

If your address of record is a P.O. Box or Mail Drop, you are required to provide a street address. **This address will not be posted on the CBA's Web License Lookup.**

| | |
|--------|--|
| | |
| Street | <input type="checkbox"/> Home <input type="checkbox"/> Business (check one) <input type="checkbox"/> Apt. # <input type="checkbox"/> Suite # (check one) |

Street

| | | |
|------|-------|-----|
| | | |
| City | State | Zip |

City

State

Zip

Daytime Phone Number

| | |
|---|---|
| - | - |
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Area Code

You may confirm your change of address on License Lookup at www.cba.ca.gov.

I certify the truth and accuracy of all of these statements and representations.

Signature _____ Date _____

Print your name _____

A licensee who fails to notify the California Board of Accountancy within 30 days of a change of address of record may be subject to citation and fine (fines ranging from \$100-\$1,000) under the California Code of Regulations, Title 16, Division 1, Sections 3, 95 and 95.2.

The CBA maintains a list of all licensees. This list is sold to requestors for mailing list purposes. Check here only if you do not want your name included on this list. *Please Note: Your name and address of record is public information and can be accessed through our website at www.cba.ca.gov.*

This form is being provided for your convenience. Other forms of written notice may be accepted by the CBA.

MAIL TO: California Board of Accountancy, 2450 Venture Oaks Way, Suite 300, Sacramento, CA 95833 or **FAX TO:** (916) 263-3675



CALIFORNIA BOARD OF ACCOUNTANCY DIRECTORY www.cba.ca.gov

The CBA is committed to providing the highest level of customer service, and staff are here to help answer questions you may have regarding our programs. We strive to answer all incoming calls live, but during peak periods you may get our voicemail instead. If you leave us a voicemail message, staff will return your call within one business day. E-mail messages are typically returned within three business days. For your convenience, we have provided contact information below for the different organizational units and functions at the CBA.

| CBA UNIT | AREAS OF EXPERTISE | CONTACT INFORMATION |
|---|--|---|
| Administration | <ul style="list-style-type: none"> = License status check = General questions | (916) 263-3680 www.dca.ca.gov/cba/consumers/lookup.shtml |
| Examination | <ul style="list-style-type: none"> = Examination applications = Educational requirements = Exam scores = Name changes (exam candidates) = Transcripts | (916) 561-1703 (916) 263-3677 Fax examinfo@cba.ca.gov |
| Initial Licensing (Individuals) | <ul style="list-style-type: none"> = Licensing application process for individual licenses = Name changes (CPAs and licensing applicants) = Wall/pocket certificate replacement = Certification of records | (916) 561-1701 (916) 263-3676 Fax licensinginfo@cba.ca.gov |
| Initial Licensing (Firms, Partnerships, Fictitious Names) | <ul style="list-style-type: none"> = Licensing application for partnerships, corporations, and fictitious name permits | (916) 561-4301 (916) 263-3676 Fax firminfo@cba.ca.gov |
| License Renewal | <ul style="list-style-type: none"> = License renewal, continuing education requirements = Changing license status = Fees due | (916) 561-1702 (916) 263-3672 Fax renewalinfo@cba.ca.gov |
| Practice Privilege | <ul style="list-style-type: none"> = Out-of-state licensees wishing to practice in California | (916) 561-1704 (916) 263-3675 Fax pracprivinfo@cba.ca.gov |
| Enforcement | <ul style="list-style-type: none"> = Filing a complaint = Disciplinary actions = Ethical questions regarding CPA practice | (916) 561-1729 (916) 263-3673 Fax enforcementinfo@cba.ca.gov To access a complaint form, go to www.cba.ca.gov/forms/complaint/online_complaint_form |
| Peer Review | | (916) 561-1706 (916) 263-3673 Fax peerreviewinfo@cba.ca.gov |
| Outreach/Public Information | | outreach@cba.ca.gov |

We are always looking for ways to improve our customer service practices. Please let us know how we served you by taking our Customer Stakeholder Feedback survey at www.surveymonkey.com/r/H3XH8SV.

If you are unsure where to direct your questions, please call our main phone number at **(916) 263-3680**.

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