DANIEL E. LUNGREN, Attorney General
of the State of California
JOEL S. PRIMES
Supervising Deputy Attorney General
STEVEN M. KAHN, State Bar No. 53846
Deputy Attorney General
1515 K Street, Suite 511
P. O. Box 944255
Sacramento, California 94244-2550
Telephone: (916) 324-5338

Attorneys for Complainant

BEFORE THE
BOARD OF ACCOUNTANCY
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA

In the Matter of the Accusation and Petition to Revoke Probation Against: PATRICK CRAIG BUSHTA 1201 Alhambra Blvd., Suite 160 Sacramento, CA 95816 Certificate No. CPA 26005 Respondent.	No. D1-93-13 DEFAULT DECISION AND ORDER

Respondent Patrick Craig Bushta (hereinafter "respondent") having been served with the Accusation, Statement to Respondent, form Notice of Defense in duplicate and Government Code sections 11507.5, 11507.6 and 11507.7 as provided by sections 11503 and 11505 of the Government Code, and having failed to file a notice of defense within the time allowed by section 11506 of said Code, and the default of said respondent having been duly entered; the Board of Accountancy (hereinafter "Board"), having determined that respondent has waived his right

to a hearing to contest the merits of said accusation, that said respondent is in default, and that the Board will take action on the accusation and documentary evidence on file herein without a hearing as provided by sections 11505, subdivision (a), and 11520 of the Government Code; and that Carol Sigmann is the Executive Officer of the Board of Accountancy and filed the accusation in her official capacity. Upon the record herein, the Board makes the following findings of fact:

1. On or about May 18, 1978, respondent Patrick Craig Bushta was issued certified public accountant certificate number 26005 under the laws of the State of California. Said certificate expired on or about August 1, 1993, and has not been renewed. Effective on or about December 23, 1993, in a case before the Board entitled "In the Matter of the Accusation Against Patrick Craig Bushta, CPA", case number AC-93-13, respondent's CPA certificate was revoked, the revocation was stayed and he was placed on probation for a period of three years upon various terms and conditions.

ACCUSATION

2. Respondent has violated Business and Professions Code section 5037 and Rule 68 of Title 16 of the California Code of Regulations as more particularly alleged hereinafter:

TERRY B.

A(1). During the period from in or about February 1993 through in or about October 1993, Terry B. and others on her behalf made numerous requests to respondent to obtain the tax

///

returns and supporting documentation that were to be prepared by respondent.

A(2). During this period and until on or about October 14, 1993, respondent failed and refused to produce the tax returns or supporting documentation.

CRAIG M.

B(1). During the period beginning in or about 1992 through in or about 1994, Craig M., and others on his behalf, made numerous requests to respondent regarding the filing of 1991 and 1992 S Corporation tax returns as well as requests to respondent to return source documents such as bank account statements so that other persons could prepare said returns.

B(2). Respondent continually failed and refused to produce the required documents.

CAROLYN F. AND DANNY F.

C(1). During the period from early 1993 through in or about 1994, Carolyn F and Danny F made numerous requests to respondent to release financial documents previously provided to respondent.

C(2). Respondent failed and refused to produce the documents until on or about April 7, 1994.

CORDOVA MEDICAL GROUP

D(1). During the period from on or about 1993 through in or about 1994, persons on behalf of Cordova Medical Group made numerous requests to respondent that he complete their 1992 federal tax return and release all of their records to their new accountant.

D(2). Respondent failed and refused to complete the tax return and to produce the required information.

3. Respondent was grossly negligent in the practice of public accountancy in that he repeatedly refused to provide copies of documents prepared and to return documents to clients as set forth in Findings of Fact 2A(1) through 2D(2) hereinabove.

4. Respondent has violated section 5050 of the Business and Professions Code in that in or about March 1994, during a period that respondent's license had been suspended by the Board and at a time when his license had also expired and had not been renewed, respondent held himself out as a CPA.

5. Respondent has violated Rule 3 of Title 16 of the California Code of Regulations in that at some date prior to on or about February 2, 1994, respondent changed his address and thereafter failed to notify the Board in writing as required.

PETITION TO REVOKE PROBATION

6. Effective on or about December 23, 1993, in the case entitled "In the Matter of the Accusation Against Patrick Craig Bushta, CPA", Board of Accountancy case number AC-93-13, respondent's license was revoked, the revocation was stayed and he was placed on probation for a period of three years upon various terms and conditions.

The terms and conditions included the following:

"(1) Respondent's certificate is suspended for one hundred and twenty (120) days.

"(2) Within thirty (30) days from the effective date of this decision, respondent shall pay Peter

Dallas three hundred dollars ($300.00) and shall submit proof of such payment to the Board.

". . . . . .

"(4) Respondent shall reimburse the Board seven thousand dollars ($7,000) for investigation and prosecution costs. The payments shall be no less than $200 per month and shall begin on the first day of the month following the effective date of the decision.

". . . . . .

"(6) Respondent shall obey all federal, California, other U.S. states and local laws including those rules relating to the practice of public accountancy in California.

"(7) Respondent shall submit quarterly written reports to the Board on a form provided by the Board.

". . . . . .

"(10) Respondent shall cooperate fully with the Board of Accountancy, and any of its agents or employees in their supervision and investigation of his compliance with the terms and conditions of this probation, including the Board's probation surveillance program."

7. Respondent violated the terms and conditions of his probation as follows:

A. Respondent held himself out as a CPA while his certificate was suspended and had expired, in violation of

///

Conditions 1 and 6 of the decision as set forth in Finding of Fact 4 hereinabove.

B. Respondent failed to pay Peter Dallas three hundred dollars, in violation of Condition 2 of the decision.

C. Respondent failed to reimburse the Board any money for investigation and prosecution costs, in violation of Condition 4 of the decision.

D. Respondent failed to obey California laws and rules relating to the practice of public accountancy in California, in violation of Condition 6 of the decision as set forth in Findings of Fact 2 through 5 hereinabove.

E. Respondent failed to submit any quarterly reports to the Board, in violation of Condition 7 of the decision.

F. Respondent failed to notify the Board of a change of address within 30 days from that change, in violation of Condition 6 of the decision as set forth in Finding of Fact 5 hereinabove.

G. Respondent failed to cooperate with the Board and its employees in the investigation of the matters set forth in Findings of Fact 2 through 5 hereinabove, in that he failed on numerous occasions to respond to telephone messages or letters sent to him, in violation of Condition 10 of the decision.

* * * * * * * *

Pursuant to the foregoing Findings of Fact, the Board makes the following determination of issues:

1. Respondent's certificate is subject to disciplinary action under Business and Professions Code section 5100,

subdivision (f), based on Findings of Fact 2 through 2D(2), 4 and 5 hereinabove.

2. Respondent's certificate is subject to disciplinary action under Business and Professions Code section 5100, subdivision (c), based on Findings of Fact 2 through 2D(2) and 3 hereinabove.

3. Grounds exist to vacate the stay of the revocation of respondent's certificate based on the violations of probation set forth in Findings of Fact 2 through 7 hereinabove.

WHEREFORE, the following order is made:

1. Certified public accountant certificate issued to respondent Patrick Craig Bushta is hereby revoked.

2. The stay of the revocation previously ordered is vacated, and the certified public accountant certificate issued to respondent Patrick Craig Bushta is hereby revoked.

3. Respondent shall not be deprived of making any further showing by way of mitigation; however, such showing must be made in writing to the Board of Accountancy, 2000 Evergreen Street, Suite 250, Sacramento, California 95815, prior to the effective date of this decision.

This decision shall become effective on the 27th day of May 1995.

Dated this 27th day of April 1995.

BOARD OF ACCOUNTANCY
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA

By _____

DANIEL E. LUNGREN, Attorney General
of the State of California
JOEL S. PRIMES
Supervising Deputy Attorney General
STEVEN M. KAHN, State Bar No. 53846
Deputy Attorney General
1515 K Street, Suite 511
P. O. Box 944255
Sacramento, California 94244-2550
Telephone: (916) 324-5338

Attorneys for Complainant

BEFORE THE
BOARD OF ACCOUNTANCY
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA

In the Matter of the Accusation and Petition to Revoke Probation Against: PATRICK CRAIG BUSHTA 1201 Alhambra Blvd., Suite 160 Sacramento, CA 95816 Certificate No. CPA 26005 Respondent.	No. D1-93-13 ACCUSATION AND PETITION TO REVOKE PROBATION

Carol Sigmann, the complainant herein, alleges as follows:

1. She is the Executive Officer of the Board of Accountancy of the State of California and makes and files this accusation and petition to revoke probation in her official capacity as such and not otherwise.

2. On or about May 18, 1978, respondent Patrick Craig Bushta (hereinafter "respondent") was issued certified public accountant certificate number 26005 under the laws of the State

of California. Said certificate expired on or about August 1, 1993, and has not been renewed. Effective on or about December 23, 1993, in a case entitled "In the Matter of the Accusation against Patrick Craig Bushta, CPA", case number AC-93-13, respondent's CPA certificate was revoked, said revocation was stayed and he was placed on probation for a period of three years upon various terms and conditions.

3. Section 118, subdivision (b), of the Business and Professions Code (hereinafter "the Code") provides, in pertinent part, that the expiration of a license issued by a board shall not, during any period in which it may be renewed, restored, reissued or reinstated, deprive the board of its authority to institute or continue a disciplinary action against a licensee upon any ground provided by law or to enter an order suspending or revoking a license or otherwise taking disciplinary action against the licensee under any such grounds.

4. Section 5100 of the Code provides that a certificate may be disciplined for unprofessional conduct which includes, but is not limited to, the grounds set forth in said section.

5. Section 5100, subdivision (c), of the Code provides, in pertinent part, that gross negligence in the practice of public accountancy constitutes unprofessional conduct.

6. Section 5037, subdivision (b), of the Code and section 68 of Title 16 of the California Code of Regulations (hereinafter "Rule 68") provide, in pertinent part, that a

licensee shall furnish to his client or former client upon request and reasonable notice, a copy of the licensee's working papers and any accounting or other records belonging to, or obtained from or on behalf of, the client which the licensee has received.

7. Section 5100, subdivision (f), of the Code provides that willful violation of Chapter 1, Division 3 (section 5000 et seq.) of the Code or any rule or regulation promulgated by the Board of Accountancy constitutes unprofessional conduct.

ACCUSATION

8. Respondent is subject to disciplinary action pursuant to section 5100, subdivision (f), of the Code in that he has violated section 5037 and Rule 68 as more particularly alleged hereinafter:

I. TERRY B.

A(1). During the period from in or about February 1993 through in or about October 1993, Terry B. and others on her behalf made numerous requests to respondent to obtain the tax returns and supporting documentation that were to be prepared by respondent.

A(2). During this period and until on or about October 14, 1993, respondent failed and refused to produce the tax returns or supporting documentation.

II. CRAIG M.

B(1). During the period beginning in or about 1992 through in or about 1994, Craig M., and others on his behalf, made numerous requests to respondent regarding the filing of 1991

and 1992 S Corporation tax returns as well as requests to respondent to return source documents such as bank account statements so that other persons could prepare said returns.

B(2). Respondent continually failed and refused to produce the required documents.

III. CAROLYN F. AND DANNY F.

C(1). During the period from early 1993 through in or about 1994, Carolyn F. and Danny F. made numerous requests to respondent to release financial documents previously provided to respondent.

C(2). Respondent failed and refused to produce the documents until on or about April 7, 1994.

IV. CORDOVA MEDICAL GROUP

D(1). During the period from on or about 1993 through in or about 1994, persons on behalf of Cordova Medical Group made numerous requests to respondent that he complete their 1992 federal tax return and release all of their records to their new accountant.

D(2). Respondent failed and refused to complete the tax return and to produce the required information.

9. Respondent is further subject to disciplinary action pursuant to section 5100, subdivision (c), of the Code in that he has been grossly negligent in the practice of public accountancy in that he has repeatedly refused to provide copies of documents prepared and to return documents to clients as alleged in paragraphs 8A(1) through 8D(2) hereinabove, which are incorporated herein by reference as though fully set forth at

this point.

10. Section 5050 of the Code provides that no person shall engage in the practice of public accountancy unless such person is the holder of a valid permit to practice public accountancy.

11. Respondent is subject to disciplinary action pursuant to sections 5100, subdivision (f), and 5050 of the Code in that in or about March 1994, during a period that respondent's license had been suspended by the Board and at a time when his license had also expired and had not been renewed, respondent held himself out as a CPA.

12. Section 3 of Title 16 of the California Code of Regulations (hereinafter "Rule 3") provides that a permit holder shall file in writing, a change of address within 30 days from the change.

13. Respondent is subject to disciplinary action pursuant to section 5100, subdivision (f), of the Code in conjunction with Rule 3 in that at some date prior to on or about February 2, 1994, respondent changed his address and thereafter failed to notify the Board in writing as required.

PETITION TO REVOKE PROBATION

14. Effective on or about December 23, 1993, in a case entitled "In the Matter of the Accusation against Patrick Craig Bushta, CPA," Board of Accountancy case number AC-93-13, respondent's license was revoked, said revocation was stayed and he was placed on probation for a period of three years upon various terms and conditions.

Said terms and conditions included the following:

"(1) Respondent's certificate is suspended for one hundred and twenty (120) days.

"(2) Within thirty (30) days from the effective date of this decision, respondent shall pay Peter Dallas three hundred dollars ($300.00) and shall submit proof of such payment to the Board.

". . . . . .

"(4) Respondent shall reimburse the Board seven thousand dollars ($7,000) for investigation and prosecution costs. The payments shall be no less than $200 per month and shall begin on the first day of the month following the effective date of the decision.

". . . . . .

"(6) Respondent shall obey all federal, California, other U.S. states and local laws including those rules relating to the practice of public accountancy in California.

"(7) Respondent shall submit quarterly written reports to the Board on a form provided by the Board.

". . . . . .

"(10) Respondent shall cooperate fully with the Board of Accountancy, and any of its agents or employees in their supervision and investigation of his compliance with the terms and conditions of this probation, including the Board's probation surveillance program."

15. Grounds exist to vacate the stay of respondent's revocation in that respondent has violated terms and conditions of his probation as more particularly alleged hereinafter:

A. Respondent held himself out as a CPA while his certificate was suspended and had expired in violation of conditions 1 and 6 of the decision as alleged in paragraph 11 hereinabove which is incorporated herein by reference as though fully set forth at this point.

B. Respondent failed to pay Peter Dallas three hundred dollars in violation of condition 2 of the decision.

C. Respondent failed to reimburse the Board any money for investigation and prosecution costs in violation of condition 4 of the decision.

D. Respondent failed to obey California laws and rules relating to the practice of public accountancy in California in violation of condition 6 of the decision as alleged in paragraphs 8B(1) through 8D(2) hereinabove which are incorporated herein by reference as though fully set forth at this point.

E. Respondent failed to submit any quarterly reports to the Board in violation of condition 7 of the decision.

F. Respondent failed to notify the Board of a change of address within 30 days from that change in violation of condition 6 of the decision as alleged in paragraph 13 hereinabove which is incorporated herein by reference as though fully set forth at this point.

G. Respondent failed to cooperate with the Board and its employees in the investigation of the matters set forth in

paragraphs 8A(1) through 8D(2), 11 and 13 hereinabove, in that he failed on numerous occasions to respond to telephone messages or letters sent to him, in violation of condition 10 of the decision.

16. Section 5107 of the Code provides for recovery by the Board as specified costs of investigation and prosecution in disciplinary actions against certified public accountants where the accountant is found guilty of violating section 5100, subdivision (c), of the Code.

17. Notice is hereby given that pursuant to the provisions of section 5107 of the Code, the Board seeks recovery for costs of investigation and prosecution of the disciplinary action.

WHEREFORE, complainant prays that the Board of Accountancy hold a hearing on the matters alleged herein and following said hearing issue a decision:

1. Suspending or revoking respondent's certificate as a certified public accountant;

2. Vacating the stay of the decision previously issued and imposing the revocation of respondent's certificate as a certified public accountant previously ordered;

3. Requiring respondent to pay costs pursuant to Business and Professions Code section 5107; and

///

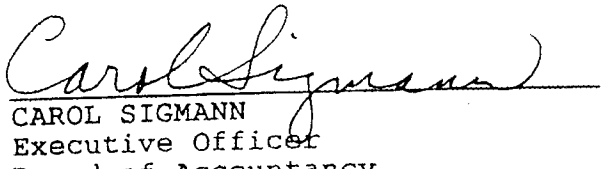
///

///

///

4. Taking such other and further action as may be proper.

DATED: December 8, 1994



CAROL SIGMANN
Executive Officer
Board of Accountancy
Department of Consumer Affairs
State of California

Complainant