

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

In the Matter of the Statement of Issues  
Against:

Case No. SI-2014-5

**JOEL EN-HUI KIM**  
1812 Chambers Court  
Fullerton, CA 92833

**Applicant for  
Certified Public Accountant Certificate**

Respondent.

**DECISION AND ORDER**

The attached Stipulated Settlement and Disciplinary Order is hereby adopted by the California Board of Accountancy, Department of Consumer Affairs, as its Decision in this matter.

This Decision shall become effective on

April 24, 2014

It is so ORDERED

March 27, 2014

  
\_\_\_\_\_  
FOR THE CALIFORNIA BOARD OF  
ACCOUNTANCY  
DEPARTMENT OF CONSUMER AFFAIRS

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2 JAMES M. LEDAKIS  
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13 **JOEL EN-HUI KIM**  
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15 **Applicant for**  
16 **Certified Public Accountant Certificate**

17 Respondent.

Case No. SI-2014-5

**STIPULATED SETTLEMENT AND**  
**DISCIPLINARY ORDER**

18  
19 IT IS HEREBY STIPULATED AND AGREED by and between the parties to the above-  
20 entitled proceedings that the following matters are true:

21 PARTIES

22 1. Patti Bowers ("Complainant") is the Executive Officer of the California Board of  
23 Accountancy. She brought this action solely in her official capacity and is represented in this  
24 matter by Kamala D. Harris, Attorney General of the State of California, by Carl W. Sonne,  
25 Deputy Attorney General.

26 2. Respondent Joel En-Hui Kim ("Respondent") is representing himself in this  
27 proceeding and has chosen not to exercise his right to be represented by counsel.  
28





1           **1. Obey All Laws**

2           Respondent shall obey all federal, California, other states' and local laws, including those  
3 rules relating to the practice of public accountancy in California.

4           **2. Submit Written Reports**

5           Respondent shall submit, within 10 days of completion of the quarter, written reports to the  
6 CBA on a form obtained from the CBA. The respondent shall submit, under penalty of perjury,  
7 such other written reports, declarations, and verification of actions as are required. These  
8 declarations shall contain statements relative to respondent's compliance with all the terms and  
9 conditions of probation. Respondent shall immediately execute all release of information forms  
10 as may be required by the CBA or its representatives.

11           **3. Personal Appearances**

12           Respondent shall, during the period of probation, appear in person at interviews/meetings as  
13 directed by the CBA or its designated representatives, provided such notification is accomplished  
14 in a timely manner.

15           **4. Comply With Probation**

16           Respondent shall fully comply with the terms and conditions of the probation imposed by  
17 the CBA and shall cooperate fully with representatives of the California Board of Accountancy in  
18 its monitoring and investigation of the respondent's compliance with probation terms and  
19 conditions.

20           **5. Practice Investigation**

21           Respondent shall be subject to, and shall permit, a practice investigation of the respondent's  
22 professional practice. Such a practice investigation shall be conducted by representatives of the  
23 CBA, provided notification of such review is accomplished in a timely manner.

24           **6. Comply With Citations**

25           Respondent shall comply with all final orders resulting from citations issued by the  
26 California Board of Accountancy.

27           **7. Tolling of Probation for Out-of-State Residence/Practice**

28           In the event respondent should leave California to reside or practice outside this state,

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

7 **8. Violation of Probation**

8 If respondent violates probation in any respect, the CBA, after giving respondent notice and  
9 an opportunity to be heard, may revoke probation and carry out the disciplinary order that was  
10 stayed. If an accusation or a petition to revoke probation is filed against respondent during  
11 probation, the CBA shall have continuing jurisdiction until the matter is final, and the period of  
12 probation shall be extended until the matter is final.

13 The CBA's Executive Officer may issue a citation under California Code of Regulations,  
14 Section 95, to a licensee for a violation of a term or condition contained in a decision placing that  
15 licensee on probation.

16 **9. Completion of Probation**

17 Upon successful completion of probation, respondent's license will be fully restored.

18 **10. Ethics Continuing Education**

19 In addition to that continuing education required by the CBA for license renewal,  
20 Respondent shall complete eight (8) hours of continuing education in course subject matter  
21 pertaining to the following: a review of nationally recognized codes of conduct emphasizing how  
22 the codes relate to professional responsibilities; case-based instruction focusing on real-life  
23 situational learning; ethical dilemmas facing the accounting profession; or business ethics, ethical  
24 sensitivity, and consumer expectations (within a given period of time or prior to resumption of  
25 practice). Courses must be a minimum of one hour as described in California Code of  
26 Regulations Section 88.2.

27 If respondent fails to complete said courses within the time period provided, respondent  
28 shall so notify the CBA and shall cease practice until respondent completes said courses, has

1 submitted proof of same to the CBA, and has been notified by the CBA that he or she may  
2 resume practice. Failure to complete the required courses within 90 days of licensure shall  
3 constitute a violation of probation.

4 **11. Active License Status**

5 Respondent shall at all times maintain an active license status with the CBA, including  
6 during any period of suspension. If the license is expired at the time the CBA's decision becomes  
7 effective, the license must be renewed within 30 days of the effective date of the decision.

8 ACCEPTANCE

9 I have carefully read the Stipulated Settlement and Disciplinary Order. I understand the  
10 stipulation and the effect it will have on my Certified Public Accountant Certificate. I enter into  
11 this Stipulated Settlement and Disciplinary Order voluntarily, knowingly, and intelligently, and  
12 agree to be bound by the Decision and Order of the California Board of Accountancy.

13  
14 DATED:

2/25/14

  
15 \_\_\_\_\_  
16 JOEL EN-HUI KIM  
17 Respondent

18 ENDORSEMENT

19 The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully  
20 submitted for consideration by the California Board of Accountancy.

21 Dated:

Respectfully submitted,

22 KAMALA D. HARRIS  
23 Attorney General of California  
24 JAMES M. LEDAKIS  
25 Supervising Deputy Attorney General

26 CARL W. SONNE  
27 Deputy Attorney General  
28 *Attorneys for Complainant*

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**Exhibit A**

**Statement of Issues No. SI-2014-5**

1 KAMALA D. HARRIS  
Attorney General of California  
2 JAMES M. LEDAKIS  
Supervising Deputy Attorney General  
3 CARL W. SONNE  
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12 Against:

Case No. SI-2014-5

13 **JOEL EN-HUI KIM**

**STATEMENT OF ISSUES**

14 **Certified Public Accountant Certificate**  
15 **Applicant**

16 Respondent.

17  
18 Complainant alleges:

19 PARTIES

20 1. Patti Bowers (Complainant) brings this Statement of Issues solely in her official  
21 capacity as the Executive Officer of the California Board of Accountancy, Department of  
22 Consumer Affairs.

23 2. On or about February 6, 2013, the California Board of Accountancy, Department of  
24 Consumer Affairs received an application for a Certified Public Accountant Certificate from Joel  
25 En-Hui Kim (Respondent). On or about December 26, 2012, Joel En-Hui Kim certified under  
26 penalty of perjury to the truthfulness of all statements, answers, and representations in the  
27 application. The CBA denied the application on June 24, 2013.

JURISDICTION

1  
2       3.    This Statement of Issues is brought before the California Board of Accountancy  
3 (CBA), Department of Consumer Affairs, under the authority of the following laws. All section  
4 references are to the Business and Professions Code unless otherwise indicated.

5       4.    Section 475 of the Code states:

6               (a) Notwithstanding any other provisions of this code, the provisions of this  
7 division shall govern the denial of licenses on the grounds of:

8                   (1) Knowingly making a false statement of material fact, or knowingly  
9 omitting to state a material fact, in an application for a license.

10                  (2) Conviction of a crime.

11                  (3) Commission of any act involving dishonesty, fraud or deceit with the  
12 intent to substantially benefit himself or another, or substantially injure another.

13                  (4) Commission of any act which, if done by a licentiate of the business or  
14 profession in question, would be grounds for suspension or revocation of license.

14                .....

15       5.    Section 480 of the Code states:

16               (a) A board may deny a license regulated by this code on the grounds that  
17 the applicant has one of the following:

18                .....

19                   (2) Done any act involving dishonesty, fraud, or deceit with the intent to  
20 substantially benefit himself or herself or another, or substantially injure another.

21                   (3) (A) Done any act that if done by a licentiate of the business or profession  
22 in question, would be grounds for suspension or revocation of license.

23                   (B) The board may deny a license pursuant to this subdivision only if the  
24 crime or act is substantially related to the qualifications, functions, or duties of the  
25 business or profession for which application is made.

24                .....

26                   (c) A board may deny a license regulated by this code on the ground that the  
27 applicant knowingly made a false statement of fact required to be revealed in the  
28 application for the license.

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6. Section 482 of the Code states:

Each board under the provisions of this code shall develop criteria to evaluate the rehabilitation of a person when:

- (a) Considering the denial of a license by the board under Section 480; or
- (b) Considering suspension or revocation of a license under Section 490.

Each board shall take into account all competent evidence of rehabilitation furnished by the applicant or licensee.

7. Section 5080 of the Code, states:

The "certified public accountant" license shall be granted by the board to any person who meets the requirements of this article, has not committed acts or crimes constituting grounds for denial of a license under Section 480, and files an application for licensure on a form provided by the board.

8. Section 5110 of the Code states:

(a) After notice and an opportunity for a hearing, the board may deny an application to take the licensing examination, deny admission to current and future licensing examinations, void examination grades, and deny an application for a license or registration to any individual who has committed any of the following acts:

- (1) Made any false, fraudulent, or materially misleading statement or a material omission in any application for a license, examination, or registration.
- (2) Cheated or subverted or attempted to subvert any licensing examination.
- (3) Aided, abetted, or conspired with any other person to violate paragraph (1) or (2).
- (4) Any act that if committed by an applicant for licensure would be grounds for denial of a license or registration under Section 480 or if committed by a licensee or a registrant would be grounds for discipline under Section 5100.
- (5) Any act committed outside of this state that would be a violation of this article if committed within this state.

(b) Neither the withdrawal of an application for examination, licensure, or registration, nor the expulsion or voluntary departure from an examination shall deprive the board of its authority to deny an application for, or admittance to, current or future licensing examinations, or to commence or continue a proceeding based on a violation of this article.

1 (c) Nothing in this article shall be construed to limit the authority of the  
2 board to refuse admittance to or to remove from the licensing examination, any  
3 person suspected of cheating or failing to comply with examination procedures or  
4 requirements.

5 (d) The term "licensing examination" includes the Uniform Certified  
6 Public Accountant examination, ethics examination, and any other professional or  
7 vocational licensing examination offered or administered by, or through, the board  
8 or other agencies within or outside of this state, for professional or vocational  
9 licensing purposes.

10 (e) The board may take any of the actions described in subdivision (a)  
11 based upon any determination, decision, ruling, or finding made by any state or  
12 other governmental entity, foreign or domestic, that any individual has committed  
13 any of the actions described in paragraphs (1) to (5), inclusive, of subdivision (a).

14 (f) The provisions of this section are in addition to any other remedies that  
15 may be available under other provisions of law including, but not limited to, those  
16 set forth in Sections 123, 480, and 496.

## 17 REGULATORY PROVISIONS

18 9. California Code of Regulations, title 16, section 99 states:

19 For the purposes of denial, suspension, or revocation of a certificate or  
20 permit pursuant to Division 1.5 (commencing with Section 475) of the Business  
21 and Professions Code, a crime or act shall be considered to be substantially related  
22 to the qualifications, functions or duties of a certified public accountant or public  
23 accountant if to a substantial degree it evidences present or potential unfitness of a  
24 certified public accountant or public accountant to perform the functions  
25 authorized by his or her certificate or permit in a manner consistent with the  
26 public health, safety, or welfare. Such crimes or acts shall include but not be  
27 limited to those involving the following:

28 (a) Dishonesty, fraud, or breach of fiduciary responsibility of any kind;

(b) Fraud or deceit in obtaining a certified public accountant's certificate or  
a public accountant's permit under Chapter 1, Division III of the Business and  
Professions Code;

(c) Gross negligence in the practice of public accountancy or in the  
performance of the bookkeeping operations described in Section 5052 of the code;

(d) Violation of any of the provisions of Chapter 1, Division III of the  
Business and Professions Code or willful violation of any rule or regulation of the  
board.

10. California Code of Regulations, title 16, section 99.1 states:

When considering the denial of a certificate or permit under Section 480 of  
the Business and Professions Code, the suspension or revocation of a certificate or  
permit or restoration of a revoked certificate under Section 1522 of the

1 Government Code, the board, in evaluating the rehabilitation of the applicant and  
his present eligibility for a certificate or permit, will consider the following criteria:

2 (1) Nature and severity of the act(s) or offense(s).

3 (2) Criminal record and evidence of any act(s) committed subsequent to  
4 the act(s) or offense(s) under consideration which also could be considered as  
grounds for denial, suspension or revocation.

5 (3) The time that has elapsed since commission of the act(s) or offense(s)  
6 referred to in subdivision (1) or (2).

7 (4) The extent to which the applicant or licensee has complied with any  
8 terms of parole, probation, restitution, or any other sanctions lawfully imposed  
against the applicant or licensee.

9 (5) If applicable, evidence of expungement proceedings pursuant to  
10 Section 1203.4 of the Penal Code.

11 (6) Evidence, if any, of rehabilitation submitted by the applicant or  
12 licensee.

13 **FIRST CAUSE FOR DENIAL OF APPLICATION**

14 **(Act Involving Dishonesty)**

15 11. Respondent's application is subject to denial under Code sections 475,  
16 subdivision (a)(3) and 480, subdivision (a)(2) in that Respondent committed an act involving  
17 dishonesty, fraud, or deceit with the intent to substantially benefit himself. The circumstances  
18 are as follows:

19 a. As a condition of licensure, all applicants are required to submit a Certificate of  
20 General Experience (Form E), which is signed by a supervising Certified Public Accountant.  
21 The Board received three Form E's from Respondent. Respondent submitted the first Form E on  
22 or about August 13, 2012 (First Form E). The First Form E related to Respondent's private  
23 industry or governmental accounting experience. The First Form E contains the signature of  
24 Respondent's supervisor, D.L.

25 b. The second Form E was received by the Board on October 15, 2012 (Second  
26 Form E). The Second Form E related to Respondent's public accounting experience and also  
27 contained the signature of D.L.

28

1 c. The third Form E was received with Respondent's licensure application on  
2 February 6, 2013 (Third Form E). The Third Form E related to Respondent's private industry or  
3 government accounting experience. The Third Form E contains a signature for D.L., however,  
4 the signature appears different from the signatures on First Form E and Second Form E.

5 d. On April 23, 2013, a Board investigator contacted D.L. about the Form E's that  
6 were received by the Board. D.L. stated that he signed two Form E's for Respondent. D.L.  
7 explained that First Form E regarding private experience was signed in error and that Respondent  
8 actually had public accounting experience, thus he signed Second Form E. After reviewing all  
9 Form E's, D.L. confirmed that he did not sign Third Form E. D.L. also stated that he would not  
10 have signed the form as the "owner" because he was not a profit sharing partner at the time the  
11 form was submitted.

12 e. The investigator contacted Respondent to address the discrepancy in the  
13 signatures. Respondent initially replied that the signatures looked different because they were  
14 from D.L.'s electronic signature which was five years old. Approximately one hour later,  
15 Respondent sent an email to the investigator stating:

16 I had believed that submitting the form E would begin the initial  
17 application process but after not hearing back for a while, I had D.L. sign another  
18 Form E and submitted it again. Months later, I finally found out that I needed to  
19 submit a different application in order to apply for my initial CPA licensing, so I  
20 had D.L. sign a third copy, hence the multiple copies. The dates on the Form E's  
21 should indicate when I submitted each one.

22 f. After receiving the email, the investigator contacted Respondent and informed  
23 him that he had spoken with D.L. and that D.L. stated that the signature on Third Form E was not  
24 his. Respondent then emailed the investigator, stating that while he was completing his licensing  
25 application, his friend said he would simply sign the Form E pretending to be D.L. Respondent  
26 also wrote that he told his friend that it would be false and misleading but his friend continued to  
27 sign the form. Respondent wrote that the form must have "accidentally" been included in his CPA  
28 application file.

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**SECOND CAUSE FOR DENIAL OF APPLICATION**

**(Acts If Done By Licentiate)**

12. Respondent's application is subject to denial under Code sections 475, subdivision (a)(4); 480, subdivision (a)(3)(A); and 5110, subdivision (a)(4) in that he committed acts that if done by a licentiate of the business or profession in question, would be grounds for discipline. The circumstances are detailed above in paragraph 11 and are incorporated herein as if fully set forth.

**THIRD CAUSE FOR DENIAL OF APPLICATION**

**(False Statement of Fact on License Application)**

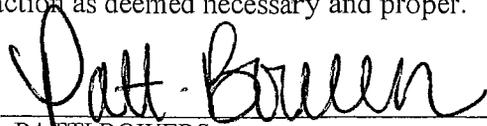
13. Respondent's application is subject to denial under Code sections 475, subdivision (a)(1); 480, subdivision (c); and 5110, subdivision (a)(1) in that Respondent knowingly made a false statement of fact in his application for licensure, when Respondent submitted a Form E containing a forged signature of his supervisor. The circumstances are detailed above in paragraph 11 and are incorporated herein as if fully set forth.

**PRAYER**

WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged, and that following the hearing, the California Board of Accountancy issue a decision:

1. Denying the application of Joel En-Hui Kim for a Certified Public Accountant Certificate;
2. Taking such other and further action as deemed necessary and proper.

DATED: 12/16/2013



PATTI BOWERS  
Executive Officer  
California Board of Accountancy  
Department of Consumer Affairs  
State of California  
*Complainant*

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