

**PROCEEDINGS BEFORE THE  
WASHINGTON STATE BOARD OF ACCOUNTANCY**

In the Matter of the Certified Public  
Accountant (CPA) Certificate and/or  
Licenses to Practice Public Accounting of:

[REDACTED]

Respondent.

[REDACTED]

CONSENT AGREEMENT

The Washington State Board of Accountancy (Board) and [REDACTED]  
(Respondent), stipulate and agree as follows:

**Section 1: Procedural Stipulations**

- 1.1 Respondent understands that the Board may issue a statement of charges in this matter and proceed to a hearing before the Board upon the merits of said charges. The Board has not done so in order to facilitate resolution of this matter in accordance with the legislative intent endorsed in RCW 34.05.060 and the provisions of WAC 4-30-140.
- 1.2 Respondent understands that should the Board prevail at hearing based on a statement of charges that the Board has the power and authority to deny, suspend, revoke, or refuse to renew the Respondent's CPA certificate or any individual or firm licenses to practice public accounting as a CPA or CPA firm in Washington and may impose a fine plus the Board's investigative and legal costs in bringing charges or impose conditions precedent to renewal of the certificate or license, or impose full restitution to injured parties.
- 1.3 Respondent has the right to defend against a statement of charges by demanding a hearing and presenting evidence on the Respondent's behalf. Respondent voluntarily waives the

[REDACTED]

right to a hearing and all other rights which may be accorded the Respondent by the Administrative Procedures Act, chapter 34.05 RCW, and the laws of Washington, including the right to petition the courts for judicial review.

- 1.4 Respondent wishes to expedite the resolution of this matter by means of this Consent Agreement and does not desire to proceed to a formal hearing based on the issuance of a statement of charges.
- 1.5 Respondent understands that the terms of this Consent Agreement are not binding unless approved by the Board and fully executed.
- 1.6 Should this Consent Agreement be rejected by the Board and the Board proceeds to issue a statement of charges, the Respondent waives any objection to the participation of any members of the Board at a hearing on this matter, other than the consulting Board member in this proceeding.

The parties further stipulate to the following Stipulated Facts, Conclusions of Law, and Agreed Order:

### **Section 2: Stipulated Facts**

- 2.1 Respondent holds a valid Certified Public Accountant (CPA) license to practice public accounting (License No. [REDACTED] in Washington State.
- 2.2 On [REDACTED] the Securities and Exchange Commission issued an "Order Instituting Public Administrative Proceedings Pursuant to Section 4C of the Securities Exchange Act of 1934 and Rule 102(e) of the Commission's Rules of Practice, Making Findings, and Imposing Remedial Sanctions" (hereafter "Order"). The Order implemented disciplinary action against Respondent, denying Respondent the privilege of appearing or practicing before the Commission as an accountant. Respondent may request reinstatement after three years.

### **Section 3: Conclusions of Law**

- 3.1 The Board has jurisdiction over the Respondent and the subject matter of this proceeding.
- 3.2 The conduct described in Stipulated Facts 2.1 through 2.2 constitute cause for Board discipline under RCW 18.04.295, for violations of WAC 4-30-142(6)(d). WAC 4-30-142(6)(d) prescribes suspension of the right to practice before any federal agency as prima facie evidence that a licensee has engaged in dishonesty, fraud, or negligence while representing oneself as a licensee.

### **Section 4: Agreed Order**

- 4.1 Respondent consents to the entry of this Agreement and has waived any right to a hearing.
- 4.2 Pursuant to RCW 18.04.295, the Board has the power to impose discipline. Based on the preceding Stipulated Facts and Conclusions of Law, the Board and Respondent agree that:
  - 4.2.1 Respondent's individual license is suspended for one (1) year from the effective date of this Consent Agreement.
  - 4.2.2 The suspension in Paragraph 4.2.1 shall be stayed. If it is determined, after due notice and opportunity for hearing, that during the stayed suspension Respondent violates or fails to comply with the terms of this Consent Agreement, Chapter 18 RCW, and/or Title 4 WAC, the Board may vacate the stay and impose the original suspension period in Paragraph 4.2.1.
  - 4.2.3 One (1) year after the effective date of this Consent Agreement, the suspension and stay described in Paragraphs 4.2.1 and 4.2.1 will be automatically lifted absent a violation of Chapter 18 RCW, and/or Title 4 WAC, and/or failure to comply with the following requirement:

4.2.3.1 Supervision of Respondent [REDACTED] audit work by designated partner at

[REDACTED] For a period of one (1) calendar year after the effective date of this Consent Agreement, all of the workpapers prepared or reviewed by Respondent on four (4) separate audit engagements will be reviewed by a [REDACTED] audit partner ("special review partner 1"), which partner will be selected by the [REDACTED] quality control partner, [REDACTED] (and which review shall be in addition to the second partner review on the engagement to be examined, and will be conducted by a different audit partner than either the engagement partner or the second partner on the engagement to be examined, and any deficiencies or concerns noted in Respondent [REDACTED] services by the special review partner 1 will be discussed with [REDACTED] and corrections, if any, made to the audit work and/or documentation. The [REDACTED] special review partner 1 will then report in a confidential communication to the Board's Executive Director an assessment of the quality of Respondent [REDACTED] competency, decision making, and performance on the following scale: Above Average, Average, or Below Average.

4.2.4 Required CPE: Within a period of four (4) years from the effective date of this Consent Agreement, Respondent shall report in a confidential communication [REDACTED] completion of seventy-five (75) Continuing Professional Education (CPE) hours of certified forensic auditing and auditing courses, and her attendance at least once at the AICPA Forensic & Valuation Services Conference, held annually.

4.2.5 Within a period of two (2) years from the effective date, Respondent shall report in a confidential communication to the Board's Executive Director that [REDACTED] has read the

forensic accounting textbook titled "Corporate Fraud Handbook (4<sup>th</sup> Edition)," by Joseph T. Wells.

4.2.5.1 If Respondent wishes to complete the testing booklet or Online Testing and interactive study guide with this textbook, the approved CPE for that course may count toward the required 75 CPE hours of certified forensic accounting and auditing courses described herein

4.2.6 Respondent shall pay the Board a fine of one thousand dollars (\$1,000) within 90 days of the effective date of this Consent Agreement.

4.2.7 Respondent shall reimburse the Board two hundred fifty dollars (\$250) for estimated investigative and legal cost reimbursement.

I, [REDACTED] certify that I have read this Consent Agreement in its entirety, and that I fully understand and agree to all of it and that it may be presented to the Board without my appearance. If the Board accepts the Consent Agreement, I understand that I will receive a signed copy.

DATED this [REDACTED] day of [REDACTED]

[REDACTED]  
RESPONDENT  
[REDACTED]

The Board accepts and enters this Consent Agreement.

DATED this [redacted] day of [redacted], 2016.

WASHINGTON STATE  
BOARD OF ACCOUNTANCY

