

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

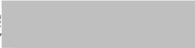
In the Matter of the Certified Public Accountant
(CPA) Certificate and/or
Licenses to Practice Public Accounting of:



Respondent.



CONSENT AGREEMENT

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

Section 1: Procedural Stipulations

- 1.1 Respondent understands that the Board has issued a statement of charges in this matter and may proceed to a hearing before the Board upon the merits of said charges. The Board has offered this Consent Agreement 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 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 with the 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 At all times material hereto, [REDACTED] Respondent herein, held an individual Certified Public Accountant (CPA) certificate and individual license to practice as a CPA in the state of Washington, License No. [REDACTED] and a firm licenses known as [REDACTED], [REDACTED] License No. [REDACTED] (Respondent's Firm).

- 2.2 The Respondent engaged with [REDACTED] (Complainants), owners of [REDACTED], [REDACTED], daughter of the Complainants acted as her parent's assistant in communicating with the Respondent. The Complainants engaged with the Respondent for general accounting and tax services, and sought his assistance for a Washington State Department of Employment Security (ESD) audit in [REDACTED].
- 2.3 According to the Complainants the Respondent failed to include an exemption for corporate officers available under RCW 50.04.165. This omission was identified by ESD staff and no additional taxes were assessed against the Complainants.
- 2.4 Due to the omission, the Respondent and Complainants did not agree on the appropriate fee for these services and a dispute ensued as documented in a series of e-mails between [REDACTED] and [REDACTED].
- 2.5 Among e-mail communications from the Respondent to the Complainants over the period of the dispute, the email dated [REDACTED] with a time stamp of [REDACTED] stated the following:
- "You look only on one side of the shield and that is why you say these things; what is happening is, the Secretary of State is interrogating [me], asking what I did after knowing about my client's tax evasion..."
- 2.6 There is no evidence of the above described communication from the Secretary of State and it appears that the Respondent makes false statements regarding contact by a state official. Also, the Secretary of State has no jurisdiction over tax matters. This email is false and threatening to his client.
- 2.7 During the course of the fee dispute with the Complainants and the subsequent disengagement of his services, the Respondent provided the Complainants' original

records. He mailed the original hard copy records to [REDACTED] and e-mailed a PDF copy of these records to [REDACTED].

- 2.8 Included among the aforementioned client file were completely unrelated records that belonged to another client. The Respondent violated that other client's confidentiality by disclosing an IRS Form 2848 Power of Attorney and Declaration of Representative for an unrelated client.
- 2.9 This conduct is within the disciplinary authority of the Board per RCW 18.04.295 and specifically violates the related rules under WAC 4-30-040 What are the requirements concerning integrity and objectivity? , WAC 4-30-046 What are the requirements concerning competence? WAC 4-30-050 What are the requirements concerning records, and client confidential information? WAC 4-30-052 What acts are considered discreditable?

Section 3: Conclusions of Law

- 3.1 The Board has jurisdiction over the Respondent and the subject matter of this proceeding.
- 3.2 This conduct is within the disciplinary authority of the Board per RCW 18.04.295 and specifically violates the related rules under WAC 4-30-040 What are the requirements concerning integrity and objectivity? , WAC 4-30-046 What are the requirements concerning competence? WAC 4-30-050 What are the requirements concerning records, and client confidential information? WAC 4-30-052 What acts are considered discreditable?

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 and firm licenses are suspended for two (2) years from the date of this Agreement.

4.2.2 The suspensions in paragraph 4.2.1 are stayed. If it is determined, after due notice and opportunity for a hearing, that during the stayed suspension Respondent violates or fails to comply with the terms of this Consent Agreement, deliberately divulges or threatens to divulge client confidential information in violation of WAC 4-30-050, or engages in harassing or threatening behavior towards clients in violation of WAC 4-30-052, the Board may vacate the stay and impose the original suspension period in Paragraph 4.2.1.

4.2.3 Respondent shall pay the Board a fine in the amount of two thousand dollars (\$2,000) within 90 days of the service of this Agreement.

4.2.4 Respondent shall pay the Board the amount of five hundred dollars (\$500) to reimburse the Board's investigative and legal costs within 90 days of the service of this Agreement.

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]

RESPONDENT



The Board accepts and enters this Consent Agreement.

DATED this [redacted] day of [redacted] [redacted]

WASHINGTON STATE
BOARD OF ACCOUNTANCY



Vice Chair

