

**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.

No. 

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 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 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] issued on [REDACTED] in Washington State.
- 2.2 Respondent owns and operates [REDACTED] which holds a valid CPA firm license to practice public accounting (License No. [REDACTED] issued on [REDACTED]) in Washington State.

- 2.3 Respondent was engaged by Complainant to prepare corporate tax returns and quarterly payroll reports.
- 2.4 On [REDACTED] Complainant provided Respondent with a QuickBooks file in order to prepare fourth quarter payroll filings.
- 2.5 On [REDACTED] the fourth quarter payroll filings were accurately completed.
- 2.6 On [REDACTED] 5, Complainant provided Respondent with a QuickBooks file in order to prepare the company's 1120S. This file erroneously did not include fourth quarter data.
- 2.7 On [REDACTED] Respondent prepared the 1120S for the company, utilizing the file received on [REDACTED]. The gross income was misstated as a result of the QuickBooks file not including fourth quarter data. Respondent stated in a letter to the Board on [REDACTED], that impact is a tax benefit of [REDACTED].
- 2.8 On [REDACTED], Complainant became aware of the error, and contacted Respondent. Complainant requested reimbursement for another accountant to file the amendment in order to correct the error. Respondent offered to perform the amendment at his standard hourly rate.

### **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 constitute cause for Board discipline under RCW 18.04.295, for violations of WAC 4-30-048(8), which requires compliance with the Statements on Standards for Tax Services. Statements on Standards for Tax Services Number 3 states, in part, members should make reasonable inquiries if the information furnished appears to be incorrect, incomplete, or inconsistent either on its face or on the

basis of other facts known to the member. Further, a member should refer to the taxpayer's returns for one or more prior years whenever feasible.

#### 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 Pay the Board a fine in the amount of five hundred dollars (\$500) within 90 days of the effective date of this agreement.
  - 4.2.2 Pay the Board the amount of two hundred fifty dollars (\$250) to reimburse the Board's investigative and legal costs within 90 days of the effective date 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], [REDACTED].

RESPONDENT

[REDACTED]

The Board accepts and enters this Consent Agreement.

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

WASHINGTON STATE  
BOARD OF ACCOUNTANCY

[redacted]  
Chair