

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

In the matter of:

Scott A. Adams
License No. 19837
Scott Adams CPA, LLC*
*An Unlicensed CPA Firm

Respondent.

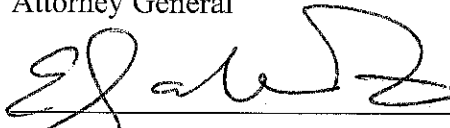
NO. ACB-1491

MOTION FOR ENTRY OF
FINDINGS OF FACT,
CONCLUSIONS OF LAW,
AND DEFAULT ORDER

COMES NOW the Washington State Board of Accountancy, appearing by and through its attorneys, ROBERT W. FERGUSON, Attorney General, and Elizabeth Thompson-Lagerberg, Assistant Attorney General, and moves the Board for entry of a default order against Respondent. This motion is based on Respondent's failure to respond to the Statement of Charges served on Respondent on September 19, 2018, on the records and files herein, and on the accompanying Declaration of Charles E. Satterlund, which provide prima facie proof of due service, failure to respond, and of the allegations contained in the Statement of Charges and which provide the basis Findings of Fact, Conclusions of Law and Default Order proposed by this motion.

Respectfully submitted this 6th day of November, 2018.

ROBERT W. FERGUSON
Attorney General



ELIZABETH THOMPSON-LAGERBERG
WSBA # 25159
Assistant Attorney General
Attorneys for Washington State Board of Accountancy

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DECLARATION OF
CHARLES E.
SATTERLUND

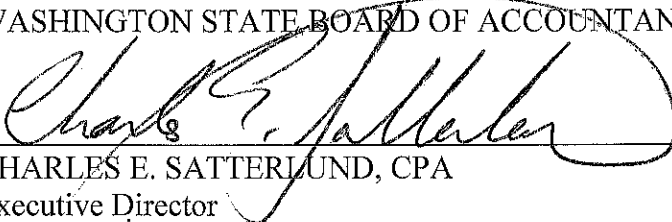
I, CHARLES E. SATTERLUND declare under penalty of perjury under the Laws of Washington that the matters set forth below are based upon my own personal knowledge and on the files and records of the Washington State Board of Accountancy (Board).

1. I am the Executive Director for the Board of Accountancy in the State of Washington.
2. The Washington State Board of Accountancy has jurisdiction over the certification, licensing, and discipline of CPAs, and individuals providing services restricted by RCW 18.04.345 in the state of Washington.
3. Scott A. Adams, the Respondent herein, was issued an individual Certified Public Accountant (CPA) License to practice as a CPA in the state of Washington, License No. 19837, on December 01, 1997.
4. On October 15, 2011, Respondent registered with the Washington State Department of Revenue and the Washington Secretary of State's Office as a Certified Public Accounting firm "Scott Adams CPA, LLC." The Respondent did not apply for, or obtain, a CPA firm license with the Board.
5. Respondent's individual CPA license lapsed June 30, 2013.
6. Respondent held out as a CPA, and as a licensed CPA firm, while preparing and filing tax returns for clients from October 2011 to December 2017.

7. Respondent offered to perform services as a CPA firm without the privilege of a CPA firm license.
8. On March 13, 2018, Board staff spoke with Respondent informing him of the complaint and verifying by what mailing address and email to send the notice.
9. On March 13, 2018, Board staff attempted to contact Respondent by letter and email.
10. For good cause, an investigation was conducted into the Respondent's usage of the CPA title. The Board's investigator discovered evidence of violations of chapter 18.04 RCW and chapter 4-30 WAC.
11. The Board mailed the Statement of Charges to Respondent's address of record on September 19, 2018.
12. Respondent has neither answered the Statement of Charges nor requested a hearing on the matters set forth in the Statement of Charges.
13. The facts of this matter form the basis for the sanctions as proposed, and are submitted in support of the Board's proposed Findings of Fact, Conclusions of Law and Default Order.

DATED this 6th day of November 2018, in Olympia, Washington.

WASHINGTON STATE BOARD OF ACCOUNTANCY



CHARLES E. SATTERLUND, CPA
Executive Director

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FINDINGS OF FACT,
CONCLUSIONS OF LAW
AND DEFAULT ORDER

1 INTRODUCTION

THIS MATTER, arises out of the Statement of Charges issued by the Executive Director of the Washington State Board of Accountancy (hereinafter Board) on September 19, 2018. The Statement of Charges alleges that Scott Adams (hereinafter Respondent) violated the provisions of RCW 18.04. Respondent has failed to answer or otherwise respond to the Statement of Charges.

THIS MATTER having come before the Board upon the motion of Elizabeth Thompson-Lagerberg, Assistant Attorney General; Respondent having failed to answer or otherwise respond to the Statement of Charges; the Board having reviewed the records herein and the Declaration of Charles E. Satterlund, Executive Director, and being advised in the premises, makes the following:

2 FINDINGS OF FACT

2.1 Scott A. Adams, the Respondent herein, was issued an individual Certified Public Accountant (CPA) License to practice as a CPA in the state of Washington, License No. 19837, on December 01, 1997.

- 2.2 On October 15, 2011, Respondent registered with the Washington State Department of Revenue and the Washington Secretary of State's Office as a Certified Public Accounting firm "Scott Adams CPA, LLC." The Respondent did not apply for, or obtain, a CPA firm license with the Board.
- 2.3 Respondent's individual CPA license lapsed June 30, 2013.
- 2.4 Respondent held out as a CPA, and as a licensed CPA firm, while preparing and filing tax returns for clients from October 2011 to December 2017.
- 2.5 Respondent offered to perform services as a CPA firm without the privilege of a CPA firm license.
- 2.6 On March 13, 2018, Board staff spoke with Respondent informing him of the complaint and verifying by what mailing address and email to send the notice.
- 2.7 On March 13, 2018, Board staff attempted to contact Respondent by letter and email.
- 2.8 On September 19, 2018, the Board issued a Statement of Charges against Respondent. Respondent failed to respond to the Statement of Charges.
- 2.9 Respondent failed to cooperate with investigation by Board staff by not responding to inquiries requesting a response.

3 CONCLUSIONS OF LAW

From the foregoing Findings of Fact, the Board makes the following Conclusions of Law.

- 3.1 The Washington State Board of Accountancy has jurisdiction over Respondent and the subject matter of the case. RCW 18.04.295; RCW 18.04.305.
- 3.2 Service is completed when mail is properly stamped, addressed, and deposited in the United States mail to the last known address of the licensee. RCW 34.05.010(19).

- 3.3 Based on the above Findings of Fact, and Conclusions of Law, Respondent has been served with the Statement of Charges, Answer to Statement of Charges, and Notice of Opportunity to Defend.
- 3.4 The failure of Respondent to file a request for a hearing in this matter within the time limit established by statute or agency rule constitutes a default, resulting in the loss of Respondent's right to a hearing. The Board is legally entitled to proceed to resolve the matter without further notice to, or hearing for, the benefit of Respondent, except that a copy of this order shall be served upon Respondent. RCW 34.05.440.
- 3.5 Offering to perform services as a CPA firm without the privilege of a CPA firm license is a violation of RCW 18.04.195 and RCW 18.04.345.
- 3.6 Failure to respond to in writing Board communications requesting a response is a violation of RCW 18.04.295 and WAC 4-30-034.
- 3.7 The Findings of Fact set out above constitutes cause for Board sanction under each RCW referenced above in Conclusions of Law. Such conduct constitutes grounds for Board discipline under RCW 18.04.295 and chapter 18.04 RCW.

4 FINAL ORDER

Based upon the above Findings of Fact and Conclusions of Law, the Board hereby makes the following Order:

- 4.1 Respondent's CPA license to practice public accounting are hereby REVOKED.
- 4.2 The Board will not consider Respondent qualified in any respect as a new applicant for licensure unless, prior to the time of application for licensure, Respondent:
 - 4.2.1 Pays a fine in the amount of \$2,000 to the Board.

- 4.2.2 Reimburses the Board in the amount of \$250 for legal and investigative costs.
- 4.2.3 Satisfies all applicable provisions of WAC 4-30-126, and any other requirement imposed by the Board as a condition for licensure.
- 4.2.4 Has not otherwise violated any provisions of chapters 18.04 RCW and/or Title 4 WAC during the revocation period.
- 4.3 Respondent shall not use the designation “CPA” or “certified public accountant” or hold out as a “CPA” or “certified public accountant” in violation of RCW 18.04.345, unless Respondent holds a license under RCW 18.04.105 and 18.04.215.
- 4.4 Any and all costs involved in complying with this order shall be borne by Respondent.

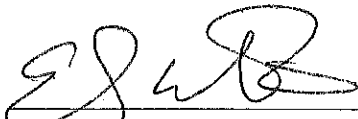
DATED this 8th day of November 2018.

WASHINGTON STATE BOARD OF ACCOUNTANCY

Karen Saunders

Karen R. Saunders, CPA
Chair

Presented by,



Elizabeth Thompson-Lagerberg
WSBA #25159
Assistant Attorney General
Attorneys for Washington State Board of Accountancy