

**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:

Dennis R. Caviezel
License No. 05363

Individually and as Owner of:

Dennis R. Caviezel, CPA, PS
Firm License No. 2910

Respondent.

No. ACB-1515

CONSENT AGREEMENT
AND AGREED ORDER

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

Section 1: Procedural Stipulations

- 1.1 The parties wish to enter into this Consent Agreement and Agreed Order (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 this matter go to hearing 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 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 the 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 that 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.

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, Dennis R. Caviezel, the 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. 05363, issued on April 20, 1978.

2.2 At all times material hereto, Dennis R. Caviezel, CPA, PS, the Respondent Firm herein, held a CPA firm license to practice as a CPA firm in the state of Washington, License No. 2910, issued on February 22, 1993.

2.3 On January 25, 2019, Respondent Firm submitted a renewal application. Respondent Firm incorrectly answered that the firm did not issue any attest and/or compilation reports between May 1, 2016 through April 30, 2019.

2.4 On June 28, 2019, the Board received a referral from the US Department of Labor (DOL). DOL provided a copy of an Independent Auditor's Report signed and dated by respondents on June 21, 2018. DOL noted a series of deficiencies in the report, including failure to obtain sufficient evidence, failure to comply with generally accepted auditing

standards in its presentation, inadequate notes to the financial statements, failure to disclose fair value measurements required by FASB Statement Number 157 effective November 2007 in the footnote disclosures, failure to prepare a Schedule of Assets Held At End Of Year, and failure to participate in a peer review program.

- 2.5 Respondent acknowledges the information provided in the DOL referral was correct.
- 2.6 Respondent provided audits of the benefit plan for approximately the past ten years, has not participated in peer review programs, and provided false information to the Board in his renewal application.

Section 3: Conclusions of Law

- 3.1. The Board has jurisdiction over the Respondent and the subject matter of this proceeding.
- 3.2. Failure to meet the rules, regulations and professional standards contained in WAC 4-30-048 as described in paragraph 2.4 and 2.5 entitles the Board to take action against the Respondent's license under RCW 18.04.295(4).
- 3.3. Failure to participate in a peer review in accordance with peer review program standards, as set out in Paragraph 2.6 above, constitutes cause for Board sanction under RCW 18.04.295, RCW 18.04.305, and WAC 4-30-130(4).
- 3.4. Making misleading, deceptive, or untrue representations while representing oneself as a licensee, such as in an application to the Board, as set out in paragraphs 2.3 and 2.6 above, constitutes cause for Board sanction under RCW 18.04.295, RCW 18.04.305, and WAC 4-30-142(5)(d).
- 3.5. Failure of a firm licensed in this state to comply with the Board's quality assurance program requirements, as set out in paragraphs 2.2, 2.3 and 2.6 above, constitutes cause for Board sanction against the firm under RCW 18.04.295, RCW 18.04.305, and WAC 4-30-142(10)(g).

Section 4: Agreed Order

- 4.1. The Parties agree to the to the entry of this Agreement.
- 4.2. Based on the preceding Stipulated Facts and Conclusions of Law, the Board and Respondent agree that:
 - 4.2.1 Upon final execution of this Consent Agreement by the Board Chair, Respondent will immediately cease performance of any attest, compilation services, or engagements performed under Statement on Standards for Accounting and Review Services No. 21 (SSARS 21).
 - 4.2.2 Respondent's individual CPA license shall be suspended for two (2) years. This suspension shall go into effect on August 1, 2020.
 - 4.2.3 Upon completion of the two year suspension, Respondent will serve an additional one-year stayed suspension, from August 1, 2022, through July 31, 2023 during which time his license and firm license may be renewed pending compliance with this Consent Agreement and no further violations of the Accountancy Act.
 - 4.2.4 Upon completion of the suspension and stayed suspension period, should Respondent wish to perform attest and compilation services, he may apply to the Board to lift the practice restriction, which the Board may allow or deny at its discretion based upon compliance with this Order and the law, and appropriate additional training.
 - 4.2.5 Should Respondent fail to comply with all terms of this Order, the stay of the third year of suspension may be immediately lifted, and further action enforcement action may be taken..

- 4.2.6 Respondent Firm's CPA license shall be revoked through dissolution on August 1, 2020.
- 4.2.7 Respondent shall pay the Board a fine in the amount of one thousand five hundred dollars (\$1,500) within 90 days of the service of this Agreement. Such fine shall be made payable to the Washington State Board of Accountancy and remitted to the Washington State Board of Accountancy at PO Box 9131, Olympia, WA, 98507-9131.
- 4.2.8 Respondent shall pay the Board the amount of three hundred seventy-five dollars (\$375) to reimburse the Board's investigative and legal costs within 90 days of the service of this Agreement. Such reimbursement shall be made payable to the Washington State Board of Accountancy and remitted to the Washington State Board of Accountancy at PO Box 9131, Olympia, WA 98507-9131.
- 4.2.9 Respondent must annually submit to the Board for three years, no later than January 31 of each year, a written declaration that Respondent has not issued any attest or compilation reports.

I, Dennis R. Caviezel, 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 _____ day of _____, 2020.

RESPONDENT

Dennis R. Caviezel

The Board accepts and enters this Consent Agreement.

DATED this _____ day of _____, 2020.

WASHINGTON STATE
BOARD OF ACCOUNTANCY

Mark Hugh, CPA
Chair