

**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:

Shawn Mattingly
License No. 21297

Respondent.

No. ACB-1523

CONSENT AGREEMENT
AND AGREED ORDER

The Washington State Board of Accountancy (Board) and Shawn Mattingly
(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 has the right to defend against a Statement of Charges issued by the Executive Director of the Board 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.
- 1.3 Respondent understands that should the Executive Director of the Board prevail at hearing based on the 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 Executive Director'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.

- 1.4 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, Shawn Mattingly, the Respondent herein, held an individual Certified Public Accountant (CPA) license to practice as a CPA in the state of Washington, No. 21297, issued on September 8, 1999.
- 2.2 In 2018, Respondent prepared tax projections for a client based on a potential sale of client's practice occurring in 2019.
- 2.3 Later in 2018, Respondent reviewed a letter of intent for the client regarding the sale, which eventually occurred on November 1, 2018, as opposed to 2019 as projected. This triggered a taxable gain for the client of \$50,000.
- 2.4 On January 12, 2019, Respondent emailed the client asking for the signed closing documents for the sale, thereby acknowledging its occurrence in 2018.
- 2.5 In preparing the client's 2018 tax extension on April 14, 2019, Respondent made a mistake in estimating the tax due with extension and caused the client to underpay his extension payment for 2018 taxes by \$20,401, which resulted in a penalty to the client.

Section 3: Conclusions of Law

- 3.1 The Board has jurisdiction over the Respondent and the subject matter of this proceeding.
- 3.2 The facts set out in paragraphs 2.2 through 2.5 constitute a failure to properly maintain due care, which is a violation of RCW 18.04.295 and WAC 4-30-048(11). WAC 4-30-048(11) requires compliance with the Professional Code of Conduct issued by the AICPA (“the Code”). Section 0.300.040.05 requires that members observe the principles of due care.

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 to the following:
 - 4.2.1 Respondent shall pay the Board a fine in the amount of one thousand dollars (\$1,000) 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.
 - 4.2.2 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. 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.

4.2.3 Respondent shall complete eight (8) hours of CPE covering purchases and sales of business entities as it relates to tax preparation. This CPE must be completed and documentation submitted to the Board within 90 days.

I, Shawn Mattingly, 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

Shawn Mattingly

The Board accepts and enters this Consent Agreement and Agreed Order.

DATED this _____ day of _____, 2020.

WASHINGTON STATE
BOARD OF ACCOUNTANCY

Mark Hugh, CPA
Chair