ANNUAL BOARD MEETING AGENDA

Date, Time: Friday, October 24, 2014 – Annual Board Meeting – 9:00 a.m.
Location: Crowne Plaza Seattle Airport – Queen Anne Room
17338 International Boulevard, SeaTac, Washington
(206) 248-1000
Notices: 9:00 a.m. Rules Hearing

Chair Introductions

PUBLIC RULE-MAKING HEARING – 9:00 a.m.

Attachments at tab:

1. Public Rule-Making Hearing Script

2. Rules Under Consideration –
   - WAC 4-30-088 What is the effect on a Washington individual licensee or CPA-Inactive certificateholder in the armed forces, reserves, or National Guard if the individual receives orders to deploy for active military duty?
   - WAC 4-30-140 What are the authority, structure, and processes for investigations and sanctions?

3. Written Stakeholder Comments - None

ANNUAL MEETING AGENDA

1. Rules Review
   a. Board’s deliberation on proposed rules; considered at the public rule-making hearing. See listing above under Public Rule-Making Hearing – Item 2


3. Minutes – July 24, 2014, Regular Board Meeting

4. Chair’s Report
   a. Election of Officers for Calendar Year 2015
   b. 2015 Board Meeting Schedule and Location
   c. Committee Chair Appointments for Calendar Year 2015

5. NASBA Update - No report

The Board of Accountancy schedules all public meetings at barrier free sites. Persons who need special assistance, such as enlarged type materials, please contact the Board's Americans with Disabilities Act contact person:
Kirsten Donovan, Washington State Board of Accountancy
PO Box 9131, Olympia, WA 98507-9131
Phone: 360-664-9191 E-mail: kirstend@cpaboard.wa.gov

7-1-1 or 1-800-833-6388 (TTY) - 1-800-833-6385 (Telebraille)
(TTY and Telebraille service nationwide by Washington Relay
www.washingtonrelay.com)
6. Committee/Task Force Reports
   a. Executive – Emily Rollins, CPA, Chair – *Verbal Report*
   b. Compliance Assurance Oversight – Edwin Jolicoeur, CPA, Chair – *No Report*
   c. Legislative Review – Don Aubrey, CPA, Chair – *No Report*
   d. Quality Assurance – Thomas Neill, CPA, Chair – *No Report*
   e. Request Review – Karen Saunders, CPA, Chair – *Verbal Report*
   f. State Ethics Compliance – Lauren Jassny, Ethics Advisor – *Verbal Report*
   g. Qualifications – Thomas Neill, CPA, Chair – *No Report*
   h. Performance Review and Succession – Gerald Ryles, Member – *No Report*

7. Director of Investigation’s Report .............................................................. H

8. Amendment to Delegation of Authority D-201 – Authority to Conduct Investigations ......... I

9. Motion for Entry of Board Order - Wei Dong, ACB-1377........................................... J

10. Motion for Entry of Default Order – Amy C. Morrin, ACB-1388................................. K

11. Executive Director’s Report
    a. Request for Board Concurrence on Executive Director’s Interpretation of Reinstatements
       of CPA-Inactive certificateholder status after June 30, 2006, RCW 18.04.105(4), WAC
       4-30-122 (renew out of retirement), and WAC 4-30-124 (reinstatement of a lapsed
       Certificate)
    b. Update on Washington State – British Columbia Draft Enforcement Agreement and Draft FAQ
    c. Request for Board Concurrence for Quarterly Default Order Telephonic Hearings (if any
       default orders are put forth by the Executive Director)
    d. Linkedin Strategy or Not
    e. Process Improvements

12. Legal Counsel’s Report

13. Executive and/or Closed Sessions with Legal Counsel

14. Public Input – To ensure the public has an opportunity to address its concerns and the Board has an
    opportunity to ask questions of the public. Individual speakers will be provided 10 minutes each.
WASHINGTON STATE BOARD OF ACCOUNTANCY
RULES HEARING OUTLINE
OCTOBER 24, 2014

Presiding officer read or paraphrase BOLD type entries
Italics are explanatory notes to presiding officer

Opening statement:

The Board of Accountancy rules hearing is now in session. The date is Friday, October 24, 2014. The time is _______. My name is Emily Rollins. I am Chair of the Board of Accountancy.

Copies of the rule proposal are available at the back of the room. If you have not already done so, please register your attendance at this hearing on the attendance roster at the back of the room. Please indicate on the roster whether you wish to testify.

Have Board Members, legal counsel, and staff in attendance introduce themselves.

Explain hearing sequence and ground rules as follows:

The hearing will be conducted as follows:

1. I will identify the rules presented for testimony and the Executive Director will present a brief statement for each proposal.

2. I will use the attendance roster to invite testimony on the proposal. When you give testimony, please:
   • Stand
   • State your name and organization if you speak for a group
   • Limit your testimony to the rule proposal currently before the Board.
   • After you testify, please remain standing for questions, and
   • If you are testifying from text, please provide a copy to Board staff.

   Testimony is limited to 10 minutes for each speaker.

3. When the testimony is complete the hearing will be closed. The Board will consider the proposed rule changes at its Board meeting later today.

The rule proposal concerns:

WAC 4-30-088 What is the effect on a Washington individual licensee or CPA-Inactive certificateholder in the armed forces, reserves, or National Guard if the individual receives orders to deploy for active military duty?

WAC 4-30-140 What are the authority, structure, and processes for investigations and sanctions?
Richard Sweeney, the Board’s Executive Director, will present a brief statement for each proposal. Rick presents the statement.

The rule proposals have been identified. We will now move to the testimony.

1. **TESTIMONY FROM ATTENDANCE ROSTER**

Ask for testimony from the audience according to the order on the attendance roster. After testimony is complete you will invite questions from the Board members.

**Will (name of individual) please come forward to present testimony?**

When the testimony is complete you may ask questions of the individual.

2. **OTHER TESTIMONY**

After all persons on the attendance roster have testified, ask if others wish to testify. **Is there anyone who wishes to testify that has not had the opportunity?**

3. **CLOSING STATEMENT:**

Thank you for your testimony.

The Board will deliberate on the oral and written testimony and the proposed rules later today during its annual Board meeting. All participants will be notified in writing of the Board’s decision regarding the proposed rules. Thank you all for your participation. This hearing is now closed.
Title of rule and other identifying information: (Describe Subject)
WAC 4-30-088  What is the effect on a Washington individual licensee or CPA-Inactive certificateholder in the armed forces, reserves, or National Guard if the individual receives orders to deploy for active military duty?

Hearing location(s):
Crown Plaza Seattle Airport
Queen Anne Room
17338 International Boulevard
Seattle, WA 98188

Date: October 24, 2014 Time: 9:00 AM

Date of intended adoption: October 24, 2014
(Note: This is NOT the effective date)

Purpose of the proposal and its anticipated effects, including any changes in existing rules:
1. This proposed rule is drafted to relieve military personnel deployed on active military duty and members of the state's National Guard called to duty by this state's governor from the requirements of renewal and payment of fees during a period of active duty and for a reasonable time thereafter.

Reasons supporting proposal: This proposal conforms to the expedited permitting requirements of WAC 246-12-051

Statutory authority for adoption: RCW 18.04.055; RCW 14.04.105(1);RCW 18.04.215(1)

Is rule necessary because of a:
Federal Law? No
Federal Court Decision?
State Court Decision? No
If yes, CITATION:

<table>
<thead>
<tr>
<th>DATE</th>
<th>August 27, 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>NAME (type or print)</td>
<td>Richard C. Sweeney</td>
</tr>
<tr>
<td>SIGNATURE</td>
<td></td>
</tr>
<tr>
<td>TITLE</td>
<td>Executive Director</td>
</tr>
</tbody>
</table>

(COMPLETE REVERSE SIDE)
Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters:

Name of proponent: (person or organization) The Washington State Board of Accountancy

Name of agency personnel responsible for:

<table>
<thead>
<tr>
<th>Name</th>
<th>Office Location</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drafting............. Richard C. Sweeney, CPA</td>
<td>711 Capitol Way S, Suite 400, Olympia, WA</td>
<td>(360) 586-0163</td>
</tr>
<tr>
<td>Implementation...... Richard C. Sweeney, CPA</td>
<td>711 Capitol Way S, Suite 400, Olympia, WA</td>
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</tr>
</tbody>
</table>

Has a small business economic impact statement been prepared under chapter 19.85 RCW or has a school district fiscal impact statement been prepared under section 1, chapter 210, Laws of 2012?

☐ Yes. Attach copy of small business economic impact statement or school district fiscal impact statement.

☐ No. Explain why no statement was prepared.

The proposed rules will not have more than minor economic impact on business.

Is a cost-benefit analysis required under RCW 34.05.328?

☐ Yes A preliminary cost-benefit analysis may be obtained by contacting:
Name:
Address:

phone ( )
fax ( )
e-mail

☐ No: Please explain: The Board of Accountancy is not one of the agencies required to submit to the requirements of RCW 34.05.328(5)(a).
NEW SECTION

WAC 4-30-088 What is the effect on a Washington individual licensee or CPA-Inactive certificateholder in the armed forces, reserves, or National Guard if the individual receives orders to deploy for active military duty? (1) Definitions. For purposes of this rule:
   (a) "Active military duty" means:
      (i) Deployed upon order of the President of the United states, the U.S. Secretary of Defense or Homeland Security in the case of a member of the armed forces or armed force reserves; or
      (ii) Deployed upon order of the governor of this state in the case of the National Guard.
   (b) "Armed forces" means the Army, Navy, Air Force, Marine Corps, and Coast Guard and reserves of each branch of the armed forces.
   (c) "Active duty" means full-time employment in the armed forces of the United States. Such term does not include National Guard duty.
   (d) "Military individual" means a living human being serving full time in the United States armed forces.
   (e) "Military spouse" means the husband, wife, or registered domestic partner of a military individual.

(2) Active military duty.
   (a) An individual fully employed on active duty in the armed forces of the United States applying for an initial license in this state shall receive priority processing of the application for initial licensing.
   (b) A military applicant who obtains an initial license or a military individual holding a current license issued by this board, will be classified as "military" if the services provided to the armed forces include services within the definition of the practice of public accounting.
   (c) An individual in the armed forces, reserves or National Guard and called to "active military duty" while holding an active license or CPA-Inactive certificate issued by this board may apply for a waiver of renewal fees and continuing professional education (CPE):
      (i) The request for waiver of renewal fees and continuing professional education may be made through the board's online application and payment system or on a form provided by the board upon request;
      (ii) The request for waiver must be supported by submitting documentation to substantiate the military individual's "active military duty" status;
      (iii) Upon approval the waiver will serve to classify the individual as "military inactive";
      (iv) The CPE reporting period and renewal year will not be affected by this reclassification of status;
      (v) The waiver will continue to maintain an individual's military inactive status without fee or CPE until the individual is released from active military duty or discharged from the armed forces, reserves, or National Guard;
      (vi) The board must be notified within six months after the date of release from active military duty or discharge from the armed forces. The board must be notified within six months of the date of release from a treatment facility if the individual is or has been in a treatment facility and a discharge was the result of injury or other reasons.

(3) Return to previously held status after release from "active military duty" or discharge from the armed forces.
(a) If a military individual desires to return to a previously held status after release from active military duty or discharge from the armed forces, all required information, documents, and fees must be submitted to the board before the application will be evaluated. An application for return to previously held status may be made through the board's online application and payment system or on a form provided by the board upon request and must include the following:

(i) Documentation to substantiate:
   - Release from "active military duty"; or
   - Type of discharge from the armed forces.

(ii) Documentation to substantiate completion of the following qualified CPE:
   - If the application is submitted in the last year of the previous CPE reporting period the individual must have completed four CPE credit hours in ethics and regulation in Washington state and receive a passing grade of ninety percent on the board prepared examination available on the board's web site. The renewal fee is waived in this circumstance;
   - If the application is submitted in the second year of the previous CPE reporting period the individual must have completed forty CPE credit hours including four CPE credit hours in ethics and regulation in Washington state and receive a passing grade of ninety percent on the board prepared examination available on the board's web site;
   - If the application is submitted in the first year of the previous CPE reporting period the individual must have completed eighty CPE credit hours including four CPE credit hours in ethics and regulation in Washington state and receive a passing grade of ninety percent on the board prepared examination available on the board's web site.

(iii) A military individual may receive an expedited license while completing any specific requirements that are not related to CPE or other board rules.

(b) The previously held status will not become effective until the status has been posted to the board's data base and, therefore, made available to the general public.

(4) **Military spouses.**

(a) A military spouse or state registered domestic partner of an individual in the military may receive an expedited license while completing any specific additional requirements that are not related to training or practice standards for the profession, provided the military spouse or state registered domestic partner:

(i) Holds an unrestricted, active license in another state that has substantially equivalent licensing standards for the same profession to those in Washington; and

(ii) Is not subject to any pending investigation, charges, or disciplinary action by the regulatory body of another state or jurisdiction of the United States.

(b) To receive expedited license treatment, the military spouse or state registered domestic partner of an individual in the military must provide all required information, documents, and fees to the board either by making application through the board's online application and payment system or on a form provided by the board upon request before the application will be evaluated.

(c) The application for expedited licensing will not be processed until the applicant submits copies to the board of the military individual's orders and official documents to establish the applicant's relationship to the military individual, such as one or more following documents:
(i) The military issued identification card showing the individual's military information and the applicant's relationship to that individual;
(ii) A marriage license; or
(iii) Documentation verifying a state registered domestic partnership.
(d) A military spouse or state registered domestic partner may only use a restricted title and practice public accounting under another state's license without an expedited license issued by this board for ninety days from the date the spouse entered this state for temporary residency during the military individual's transfer to this state.
PROPOSED RULE MAKING

Agency: Board of Accountancy

☐ Preproposal Statement of Inquiry was filed as WSR 14-03-036; or
☐ Expedited Rule Making--Proposed notice was filed as WSR _______; or
☐ Proposal is exempt under RCW 34.05.310(4) or 34.05.330(1).

Original Notice
☐ Supplemental Notice to WSR
☐ Continuance of WSR _______

Title of rule and other identifying information: (Describe Subject)
WAC 4-30-140 What are the authority, structure, and processes for investigations and sanctions?

Hearing location(s):
Crown Plaza Seattle Airport
Queen Anne Room
17335 International Boulevard
Seattle, WA 98188

Date: October 24, 2014 Time: 9:00 AM

Date of intended adoption: October 24, 2014
(Note: This is NOT the effective date)

Submit written comments to:
Name: Richard C. Sweeney, Executive Director
Address: PO Box 9131
Olympia, WA 98507-9131
e-mail: info@cpaboard.wa.gov
fax: (360) 664-9190 by (date) July 03, 2014

Assistance for persons with disabilities: Contact Kirsten Donovan by 07/03/2014
TTY (800) 833-6388 or (800) 833-6385 (Telebraille)

Purpose of the proposal and its anticipated effects, including any changes in existing rules:

Rule-making is needed to expand the authority, structure, and processes for investigations and sanctions to include the determination of a case, the detailed process of an investigation, and guidelines used for sanctioning.

Reasons supporting proposal:
The changes will incorporate the provisions of Board Policy 2004-1

Statutory authority for adoption: RCW 18.04.045(7) and (8);
RCW 14.04.055; RCW 18.04.295; RCW 18.04.350(6)

Statute being implemented: RCW 18.04.045(7) and (8); RCW 14.04.055; RCW 18.04.295; RCW 18.04.350(6)

Is rule necessary because of a:
Federal Law?
☐ Yes ☐ No
Federal Court Decision?
☐ Yes ☐ No
State Court Decision?
☐ Yes ☐ No
If yes, CITATION:

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: August 27, 2014
TIME: 11:58 AM
WSR 14-18-035

DATE
August 27, 2014

NAME (type or print)
Richard C. Sweeney

SIGNATURE

TITLE
Executive Director

(COMplete Reverse Side)
Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters:

Name of proponent: (person or organization) The Washington State Board of Accountancy

Name of agency personnel responsible for:

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☐ Yes. Attach copy of small business economic impact statement or school district fiscal impact statement.

☐ No. Explain why no statement was prepared.

A copy of the statement may be obtained by contacting:

Name:
Address:

phone (___)__________
fax (___)__________
e-mail ________

☐ No. Explain why no statement was prepared.
The proposed rules will not have more than minor economic impact on business.

Is a cost-benefit analysis required under RCW 34.05.328?

☐ Yes A preliminary cost-benefit analysis may be obtained by contacting:

Name:
Address:

phone (___)__________
fax (___)__________
e-mail ________

☒ No: Please explain: The Board of Accountancy is not one of the agencies required to submit to the requirements of RCW 34.05.328(5)(a).
AMENDATORY SECTION (Amending WSR 10-24-009, filed 11/18/10, effective 12/19/10)

WAC 4-30-140 What are the authority, structure, and processes for investigations and sanctions?

Authority:

Investigations are responsive to formal complaints or indications of a potential violation of chapter 18.04 RCW and in all proceedings under RCW 18.04.295 or chapter 34.05 RCW.

The board chair may delegate investigative authority and responsibility for initiating and directing investigations to a designee including the executive director of the board (RCW 18.04.045(7)).

Structure:

Investigations must be directed and conducted by individuals sufficiently qualified and knowledgeable of the subject matter of an investigation.

(The board chair may delegate investigative authority and responsibility for initiating and directing investigations to a designee including the executive director of the board (RCW 18.04.045(7)).)

The general responsibilities when directing an investigation are:

(1) Determine whether the complaint or other source of information is within the authority of the board;
(2) Determine the most likely sanction the board might impose if the alleged violation is proven;
(3) Determine the scope and type of evidence needed to reach a conclusion whether a violation occurred;
(4) Monitor communications to the person(s) affected by the investigative process;
(5) Monitor the progress of the evidentiary gathering process to ensure that the scope of inquiry and request for records is limited to that necessary to reach a conclusion whether the violation occurred;
(6) Upon completion of the investigation, evaluate the sufficiency of the evidence to support a conclusion as to whether a violation occurred;
(7) Develop a recommendation for dismissal or sanction for consideration by a consulting board member based upon the accumulated evidence and the board's "fair and equitable" standard for sanctioning.

Processes:

By board delegation, the executive director directs the complaint processes, investigative activities, and case resolution negotiations. The gathering of appropriate evidence should be assigned to staff or contract investigators who have no current or former close relationship to (or with) the complainant or the respondent.

Upon receiving a complaint or otherwise becoming aware of a situation or condition that might constitute a violation of the Public Accountancy Act (Act) or board rules, the executive director will make a preliminary assessment.

If the executive director determines:

- The situation or condition is not within the board's authority, the executive director may dismiss the matter, but a record of the event will be documented and maintained in the board office in accord-
ance with the agency's approved retention schedule. A summary of dis-
missals will be reported regularly to the board.

- The situation or condition requires further evaluation, the ex-
  ecutive director assigns the case to a staff or contract investigator.

Details of the additional evidence gathered and the resulting
conclusion by the executive director will be documented. If the execu-
tive director determines that:

- Sufficient evidence does not exist to merit board action, the
  executive director may dismiss the case, but a record of the event
  will be documented and maintained in the board office in accordance
  with the agency's approved record retention schedule. A summary of
  dismissals will be reported regularly to the board.

- Sufficient evidence exists to merit board action and it is the
  first time an individual or firm is notified of a violation of the
  Public Accountancy Act or board rule, the executive director may im-
  pose administrative sanctions approved by the board for a first-time
  offense.

- Sufficient evidence exists to merit board consideration but the
  situation or condition, if proven, is not eligible for administrative
  sanctions, the executive director will discuss a resolution strategy
  and settlement parameters with a consulting board member. Once the ex-
  ecutive director and consulting board member agree on those matters,
  the executive director and assigned staff or contract investigator
  will initiate a discussion for resolution with the respondent consis-
  tent with that agreed upon strategy and those settlement parameters.

The executive director may request guidance from a consulting
board member and/or the assistance of the assigned prosecuting assis-
tant attorney general at any time during the investigative and/or ne-
gotiation processes.

If the respondent is amenable to the suggested resolution and
terminology of a negotiated proposal, the executive director will for-
ward the proposal to the respondent for written acceptance. If accep-
ted by the respondent, the proposal will be forwarded to the board for
approval.

Upon receiving and considering the formal settlement proposal,
the respondent may offer a counterproposal. The executive director and
assigned staff or contract investigator will discuss the counterpro-
posal with a consulting board member. The executive director and con-
sulting board member may agree to the counterproposal, offer a counter
to the counterproposal, or reject the counterproposal.

If the executive director and consulting board member reject the
counterproposal or are unable to negotiate what they consider to be an
acceptable alternative proposal with the respondent, the executive di-
rector will execute a statement of charges and refer the case to the
assigned prosecuting assistant attorney general with the request that
an administrative hearing be scheduled and the case prosecuted.

At the same time that the assigned prosecuting assistant attorney
general is preparing the case for prosecution, the assigned prosecut-
ing assistant attorney general, working with the executive director
and consulting board member, will continue to seek a negotiated set-
tlement (consent agreement) in lieu of a board hearing. If the case
goes to hearing before the board, the assigned prosecuting assistant
attorney general, with the concurrence of the executive director and
consulting board member, will present the team's recommended sanction
to the board.

Through this process, the consulting board member, the executive
director and, when appropriate, the assigned prosecuting assistant at-
torney general must individually and jointly act objectively and coo-
eratively to:

- Draw conclusions as to the allegations based solely on the evi-
dence;
- Develop and present to the respondent a suggested settlement
proposal that they believe the board will accept because the proposal
is fair and equitable and provides public protection; and
- If the case goes to a hearing before the board, recommend an
appropriate sanction or sanctions to the board.

No proposed negotiated settlement is forwarded to the board un-
less the respondent, the executive director, consulting board member
and, when appropriate, the assigned prosecuting assistant attorney
general concur that the proposal is an acceptable resolution to the
matter.

If the participants in the negotiation concur with the negotiated
resolution and terminology of the agreement, a proposed consent agree-
ment is to be signed by the respondent, and signed by the assigned
prosecuting assistant attorney general if the settlement was negoti-
ated by the assigned prosecuting assistant attorney general, and for-
warded to the board members, along with the executive director’s, con-
sulting board member’s and, when appropriate, assigned prosecuting as-
sistant attorney general’s recommendation to accept the proposal for
consideration.

The board is not bound by this recommendation.

All proposed consent agreements must be approved by a majority
vote of the board. Five "no" votes mean the proposed settlement has
been rejected by the board. In such circumstances, the case will re-
turn to the executive director, consulting board member, and assigned
prosecuting assistant attorney general who will determine whether the
situation merits additional attempts to negotiate a settlement or to
immediately schedule the matter for an administrative hearing before
the board.

All fully executed consent agreements and board orders become ef-
fective the date the document is signed by the board’s presiding offi-
cer unless otherwise specified in the fully executed consent agreement
or board order.
Background Information:

The Executive Director directs the Board’s complaint processes, investigative activities, and case resolution negotiations.

Upon receiving a complaint or otherwise becoming aware of a situation or condition that might constitute a violation of the Public Accountancy Act (Act) or Board rules, the Executive Director or designee will make a preliminary assessment.

If the Executive Director or designee determines:

- The situation or condition is not within the Board’s authority, the Executive Director may dismiss the matter, but a record of the event will be documented and maintained in the Board office. A summary of dismissals will be reported regularly to the Board.
- The situation or condition requires further evaluation, the Executive Director or designee may assign the case to an investigator.

Details of the additional evidence gathered and the resulting conclusion by the Executive Director or designee will be documented. If the Executive Director or designee determines that:

- Sufficient evidence does not exist to merit Board action, the Executive Director may dismiss the case after obtaining concurrence from a Consulting Board Member.
- Sufficient evidence exists to merit Board action and it is the first time an individual or firm is notified of a violation of the Public Accountancy Act or Board rule, the Executive Director may impose administrative sanctions approved by the Board for a first-time offense.
- Sufficient evidence exists to merit Board consideration but the situation or condition, if proven, is not eligible for administrative sanctions, the Executive Director or designee will discuss a resolution strategy and settlement parameters with a Consulting Board Member. Once the Executive Director or designee and Consulting
Board Member agree on those matters, the Executive Director or designee will initiate a discussion for resolution with the respondent consistent with that agreed upon strategy and those settlement parameters.

The objective of this process is to administer the enforcement process in a fair and equitable manner and, when appropriate, seek settlement in lieu of a formal Board hearing. The Executive Director or designee may request guidance from a Consulting Board Member and/or the assistance of the prosecuting Assistant Attorney General at any time during the investigative and/or negotiation processes.

If the respondent is amenable to the suggested terms of a settlement proposal, the Executive Director will forward the proposal to the respondent for written acceptance. If accepted by the respondent, the proposal will be forwarded to the Board for approval.

Upon receiving and considering the formal settlement proposal, the respondent may offer a counterproposal. The Executive Director or designee will discuss the counterproposal with a Consulting Board Member. The Executive Director or designee and Consulting Board Member may agree to the counterproposal, offer a counter to the counterproposal, or reject the counterproposal.

If the Executive Director and Consulting Board Member reject the counterproposal or are unable to negotiate what they consider to be an acceptable alternative proposal with the respondent, the Executive Director will execute a Statement of Charges and refer the case to the prosecuting Assistant Attorney General with the request that an administrative hearing be scheduled and the case prosecuted.

At the same time that the prosecuting Assistant Attorney General is preparing the case for prosecution, the prosecuting Assistant Attorney General (working with the Executive Director and Consulting Board Member) will continue to seek to a negotiated settlement proposal in lieu of a Board hearing. If the case goes to hearing before the Board, the prosecuting Assistant Attorney General, with the concurrence of the Executive Director and Consulting Board Member, will present the team’s recommended sanction to the Board.

Through this process, the Consulting Board Member, the Executive Director, and, when appropriate, the prosecuting Assistant Attorney General must individually and jointly act objectively and cooperatively to:
- Draw conclusions as to the allegations based solely on the evidence,
- Develop and present to the respondent a suggested settlement proposal that they believe the Board will accept because the proposal is fair and equitable and provides public protection, and
- If the case goes to a hearing before the Board, recommend an appropriate sanction or sanctions to the Board

No settlement proposal is forwarded to the Board unless the respondent, the Executive Director, Consulting Board Member, and, when appropriate, the prosecuting Assistant Attorney General concur that the proposal is an acceptable resolution to the matter.
If the negotiation participants concur with the settlement proposal, the proposed settlement is signed by the respondent (and signed by the prosecuting Assistant Attorney General if the settlement was negotiated by the prosecuting Assistant Attorney General) and forwarded to the Board members (along with the Executive Director’s, Consulting Board Member’s and, when appropriate, prosecuting Assistant Attorney General’s recommendation to accept the proposal) for consideration.

The Board is not bound by this recommendation.

All proposed settlements must be approved by a majority vote of the Board. A vote of five “no’s” means the proposed settlement has been rejected by the Board. In such circumstances the case will return to the Executive Director, Consulting Board Member and prosecuting Assistant Attorney General who will determine whether the situation merits additional attempts to negotiate a settlement or to immediately schedule the matter for an administrative hearing before the Board.

The Board has found negotiations utilizing this process to be quite successful. The key benefits to this process are: believes that consent agreements are more efficient and effective than administrative hearings. The key benefits of negotiated settlements are:

- The respondent participates in the development of the corrective action plan and sanction which enhances compliance and more timely public protection
- Cases resolved through the negotiated settlement process reduce costs for the benefit of both the general public and the respondent

The Board recognizes that administrative hearings:

- Delay the corrective action and thereby delay public protection
- Are not the most effective mechanism to generate a positive resolution to Board cases
- Are costly in terms of staff and other resources
- Require significant use of the Board’s limited attorney general resources

Policy:

The Board embraces the respondent’s involvement in determining the settlement proposal. This provides the respondent the opportunity to participate in development of the corrective action plan and ultimately encourages future compliance; and public protection; and integrity of financial data. To support the negotiation and settlement process, the Board provides the following guidance to the Executive Director or-designee and Consulting Board Member in crafting a suggested settlement proposal for presentation to the respondent and for negotiating a settlement. This guidance is solely for the use of the Consulting Board Member and the Executive Director or-designee. It is not applicable to the prosecuting Assistant Attorney General.
To support the negotiation and settlement process, the Board provides the following guidance to the Executive Director or designee and Consulting Board Member in crafting a suggested settlement proposal for presentation to the respondent and for negotiating a settlement. This guidance is solely for the use of the Consulting Board Member and the Executive Director or designee. It is not applicable to the prosecuting Assistant Attorney General.

The objective of this process is to administer the enforcement process in a fair and equitable manner and, when appropriate, seek settlement in lieu of a formal Board hearing.

I. Legal and Investigative Costs

RCW 18.04 authorizes the Board to recover legal and investigative costs. The Board considers the following to be reasonable legal and investigative costs:

A. Investigative staff salaries and benefits (based on actual salary and benefit rates) for state staff conducting the investigation, including reporting, review, and follow-up costs

B. Investigator travel expenses and per-diem based on the state travel regulations as established by the Office of Financial Management

C. Contract investigator, specialist, and expert witness expenses including travel expenses and per-diem based on the state travel regulations as established by the Office of Financial Management

D. Salaries and benefits (based on actual salary and benefit rates) for state staff preparing and reviewing the Board’s order and associated communications with the respondent

E. Prosecuting Assistant Attorney General charges associated with the case including travel expenses and per-diem based on the state travel regulations as established by the Office of Financial Management

F. Expenses for an administrative law judge including travel expenses and per-diem based on the state travel regulations as established by the Office of Financial Management

G. Administrative hearing costs including, but not limited to:
   • Attorney General charges (both for the Board’s legal counsel and the prosecuting Assistant Attorney General) associated with the case including travel expenses and per-diem based on the state travel regulations as established by the Office of Financial Management
II. Publication of Board Orders

1. A general public notice will be posted on the Board’s public web site that information on Board orders and other sanctioning agreements is available under the Public Disclosure Act by contacting the Board’s office.

2. The Board will post notice of Board orders for revocation, suspension, stayed suspension, and practice restriction on the Board’s web site for approximately three years following the year of the Board order. In addition, for license and certificate suspension and revocation:
   - Notice will be published in the Daily Journal of Commerce.
   - Notice will be provided to the AICPA and WSCPA.
   - Representative(s)/Senator(s) for the respondent’s location(s) will be notified.
   - Other jurisdictions that have licensed the individual will be notified.
   - The complainant(s) will be notified.
   - Notice will be sent to the newspaper(s) in the respondent’s location.

Board actions resulting in revocation, suspension, or practice restriction are noted in the Board’s public licensee search database. Accordingly, these Board actions also become available to other state board administrative management personnel through a national Automated Licensee Database (ALD) maintained by the National Association of State Boards of Accountancy (NASBA) and to the general public through CPAVerify.org.

3. In cases of other matters of non-compliance not resulting in administrative sanction, revocation, suspension, stayed suspension, or a Board ordered practice restriction, the Executive Director, with a majority vote of the Board, may direct that a notation be made referencing each of the Board’s sanctioning actions on the Board’s public licensee search database for up to three years following the year the sanction was imposed.

4. In cases of administrative sanction, the Board will not publish the individual’s or firm’s name; however, the Board will:
   - Post statistics related to these sanctions on the Board’s web site.
   - Comply with the Public Records Act.
The Board provides the following suggested considerations for the Executive Director or designee and Consulting Board Member when developing a suggested settlement; however, the Board does not intend that other factors, as deemed appropriate by the Executive Director or designee and Consulting Board Member, to be excluded:

A. What are the enforcement goals of the particular case?
B. What are the permissible sanctions that the Board could impose?
C. What are the aggravating or mitigating factors relevant to the allegations?
D. What is the individual's past disciplinary or criminal history (if any)?
E. Are there identifiable trends, if any, in the individual's behavior?
F. What is the likelihood of the individual repeating the behavior?
G. What is the potential for future public harm?
H. What is the individual's potential for rehabilitation?
I. What is the extent of damages or injury?
J. What is the extent of public harm?
K. What is the extent of harm to the profession and the public's trust in the profession?
L. How can the public best be served and protected while implementing corrective action?
M. What steps are necessary to ensure the integrity of financial information?
N. What were the Board’s sanctions with similar misconduct (if any exist) and has there been a trend in the Board’s actions and/or changes in state law impacting the history of the Board’s sanctions?
O. Has the individual been sanctioned by other enforcement agencies or through civil findings:
   • Fine
   • Cost recovery
   • Disgorgement
   • Practice or license restriction
   • Publication
   • Jail
P. What was the magnitude of the sanctions by other enforcement agencies/civil findings?
Q. What impact did these other sanctions have on:
   • The individual’s behavior
   • The individual's taking responsibility for her/his actions
   • The individual's ability to earn a livelihood
   • The public's awareness of the individual's misconduct
R. Would a suspended license seriously impact the individual's livelihood and, if so, does the misconduct merit such an impact?
S. Did the individual lose their job/employment/livelihood due to the misconduct?
T. What is the individual's personal financial position?
U. Did the individual recently go through bankruptcy?
V. What is the individual's ability to pay cost recovery?
W. What is the individual's ability to pay a fine?
The Board suggests the following considerations when considering a counterproposal negotiating a settlement:

A. All of the items in Section III I above.
B. What is the value to have the individual participate in the development of the corrective action?
C. How many outstanding Board cases have been referred to the prosecuting Assistant Attorney General and remain to be resolved?
D. What is the effect of a delay in resolution of this particular case and/or the effect of a delay in prosecution of other cases?
E. What is the severity of the particular case under negotiation as compared to the number of, and severity of, the cases with the prosecuting Assistant Attorney General?
F. What are the key objectives and goals of the enforcement action and what sanctions are absolutely necessary to ensure those goals are achieved?
G. Is there value to the public, the agency, and Attorney General's Office that can be obtained by having the agreement settled without going to an administrative hearing?

Consider the sanctioning guidelines in Section V.

III. Legal and Investigative Costs

RCW 18.04 authorizes the Board to recover legal and investigative costs. The Board considers the following to be reasonable legal and investigative costs:

A. Investigative staff salaries and benefits (based on actual salary and benefit rates) for state staff conducting the investigation, including reporting, review, and follow-up costs
B. Investigator travel expenses and per diem based on the state travel regulations as established by the Office of Financial Management

C. Contract investigator, specialist, and expert witness expenses including travel expenses and per diem based on the state travel regulations as established by the Office of Financial Management

D. Salaries and benefits (based on actual salary and benefit rates) for state staff preparing and reviewing the Board’s order and associated communications with the respondent

E. Prosecuting Assistant Attorney General charges associated with the case including travel expenses and per diem based on the state travel regulations as established by the Office of Financial Management

F. Expenses for an administrative law judge including travel expenses and per diem based on the state travel regulations as established by the Office of Financial Management

G. Administrative hearing costs including, but not limited to:
   • Attorney General charges (both for the Board’s legal counsel and the prosecuting Assistant Attorney General) associated with the case including travel expenses and per diem based on the state travel regulations as established by the Office of Financial Management
   • Salaries and benefits (based on actual salary and benefit rates) for state staff preparing and reviewing the Board’s order and associated communications with the respondent
   • Salaries and benefits (based on actual salary and benefit rates) for state staff called as a witness by either party to the administrative hearing
   • Witness expenses including travel and per diem expenses based on the state travel regulations as established by the Office of Financial Management
   • Court reporter charges
   • Administrative hearing room costs and set-up charges

IV. Publication of Board Orders

1. A general public notice will be posted on the Board’s public web site that information on Board orders and other sanctioning agreements is available under the Public Disclosure Act by contacting the Board’s office.

2. The Board will post notice of Board orders for revocation, suspension, stayed suspension, revocation, and practice restriction on the Board’s web site for approximately three years following the year of the Board order. In addition, for license and certificate suspension (including stayed suspension) and revocation:
   • Notice will be published in the Daily Journal of Commerce.
   • Notice will be provided to the AICPA and WSCPA.
   • Notice will be posted to NASBA’s Enforcement Information Exchange (EIX)
   • Representative(s)/Senator(s) for the respondent’s location(s) will be notified.
• Other jurisdictions that have licensed the individual will be notified.
• The complainant(s) will be notified.
• Notice will be sent to the newspaper(s) in the respondent’s location.

Board actions resulting in revocation, suspension, or practice restriction are noted in the Board’s public-licensee search database. Accordingly, these Board actions also become available to other state board administrative management personnel through a national Automated Licensee Database (ALD) maintained by the National Association of State Boards of Accountancy (NASBA) and to the general public through CPAVerify.org.

3. In cases of other matters of non-compliance not resulting in administrative sanction, revocation, suspension, stayed suspension, revocation, or a Board ordered practice restriction, the Executive Director, with a majority vote of the Board, may direct that a notation be made referencing each of the Board’s sanctioning actions on the Board’s public web site licensee search database for up to three years following the year the sanction was imposed.

4. In cases of administrative sanction, the Board will not publish the individual’s or firm’s name; however, the Board will:
   • Post statistics related to these sanctions on the Board’s web site.
   • Comply with the Public Records Act.

V. The Board acknowledges the following general sanctioning guidelines for the Executive Director or designee’s and the Consulting Board Member’s consideration as part of their process to develop a suggested settlement. The Board does not intend these guidelines to be a prescription or binding; nor does the Board wish to exclude or limit other sanctions or considerations that the Executive Director or designee and Consulting Board Member consider appropriate.

<table>
<thead>
<tr>
<th>General Categories of Misconduct</th>
<th>Examples of Sanctionable Acts:</th>
</tr>
</thead>
<tbody>
<tr>
<td>ADMINISTRATIVE NON COMPLIANCE</td>
<td>• License/certificate lapsed because the individual failed to file a license/certificate renewal.</td>
</tr>
<tr>
<td>Use of title or holding out in public practice with a lapsed license/certificate</td>
<td>• License/certificate lapsed because the individual failed to notify the Board of a change of address, failed to receive their renewal application, and failed to file a license/certificate renewal.</td>
</tr>
<tr>
<td>Use of the CPA title by a CPA-Inactive certificateholder</td>
<td>• The individual disregarded the lapsed license and continued to knowingly hold out with a lapsed license.</td>
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<td>• The individual discovered that their license/certificate lapsed and signed the reinstatement application stating that they did not use the title when the evidence demonstrates that they used the title.</td>
</tr>
<tr>
<td>General Categories of Misconduct</td>
<td>Examples of Sanctionable Acts:</td>
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<td></td>
<td>• CPA-Inactive who is a corporate CFO uses the CPA title in filing corporate documents with the SEC.</td>
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<td></td>
<td>• CPA-Inactive uses the CPA title to obtain a job in private industry.</td>
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<td></td>
<td>• CPA-Inactive who is also an attorney uses the CPA title when offering legal services to the public.</td>
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<td>CONSUMER/EMPLOYER HARM</td>
<td>• Theft from employer.</td>
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<td></td>
<td>• Felony obstruction of justice.</td>
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<td></td>
<td>• Theft of trust funds where the CPA was the trustee.</td>
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<td></td>
<td>• Manipulated a client’s trust for the benefit of the CPA’s child.</td>
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<td></td>
<td>• Manipulated a mentally impaired client for self-enrichment.</td>
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<td></td>
<td>• Failed to file personal tax returns and pay personal FIT.</td>
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<td></td>
<td>• Failed to transmit FICA and FIT withheld from employee’s salary.</td>
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<td></td>
<td>• Failed to pay employer’s portion of FICA.</td>
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<td></td>
<td>• Provided services to both the seller and the buyer during a business transaction without consent.</td>
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<tr>
<td></td>
<td>• Provided services to both parties during a divorce without consent.</td>
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<td></td>
<td>• Failed to make restitution to injured parties as required by Board order.</td>
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<td></td>
<td>• Repeated non compliance with stipulated Board Orders.</td>
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<td></td>
<td>• Suspended from practice before the IRS due to substandard tax work.</td>
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<td></td>
<td>• SEC practice restriction and/or sanction due to fraudulent SEC filing.</td>
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<tr>
<td></td>
<td>• SEC practice restriction and/or sanction due to substandard accounting practices.</td>
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<tr>
<td>Embezzlement, fraud, dishonesty, or negligence</td>
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<td>Fiduciary malfeasance or breach of fiduciary duties</td>
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<tr>
<td>Noncompliance with code of conduct including conflict of interest and confidentiality</td>
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<tr>
<td>Failure to comply with a Board order</td>
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<tr>
<td>Failure to respond to Board inquiry</td>
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<td>IRS/SEC sanction/denial of practice privilege</td>
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<tr>
<td>CONSUMER/EMPLOYER HARM</td>
<td>• CPA is referred to the Board by the SEC due to an audit failure as a result of the CPA performing substandard audit procedures.</td>
</tr>
<tr>
<td>Noncompliance with technical standards</td>
<td>• CPA is referred to the Board by federal agencies due to failure to comply with <em>Yellow Book</em> standards.</td>
</tr>
<tr>
<td></td>
<td>• Substandard tax work resulted in penalty to a tax client.</td>
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</tbody>
</table>
| CONSUMER/EMPLOYER HARM | • Refused to return client records until the client paid the CPA’s fees  
• Did not return multiple clients’ records due to procrastination.  
• Did not return client records because the client terminated the relationship and obtained a new CPA. |
|-----------------------|---------------------------------------------------------------------------------------------------------------|
| ADMINISTRATIVE NON COMPLIANCE | • Represented on the CPE audit form that CPE courses were obtained when evidence discloses that no or only a portion of the required CPE courses were taken.  
• Signed the reinstatement or renewal form under the penalty of perjury that the CPE requirements were met and the individual obtained only a portion of the required hours.  
• Signed the reinstatement or renewal form under the penalty of perjury that the CPE ethics requirements were met and the individual did not take the required ethics CPE. |
|-----------------------|---------------------------------------------------------------------------------------------------------------|
| CONSUMER/EMPLOYER HARM | • The good character review was at the request of the applicant who was found guilty of a felony 3 years ago.  
• The good character review as a result of the applicant’s disclosure that 7 years prior they failed to file an income tax return and pay their tax obligation.  
• The good character review was the result of the prosecutor alerting the Board to the applicant’s being charged with a felony.  
• Cheating observed by the exam proctor. |
| Failed good character determination for initial licensure | Cheating on CPA Exam |
| CONSUMER/EMPLOYER HARM | • Used title after passing the exam but without a license.  
• Used title to intentionally defraud investors. |
| Use of title or holding out in public practice by a nonCPA | |

**Guidelines for 1st Time Administrative Violations**

These guidelines will be used when (a) it is the first time an individual or firm has been notified of an alleged specific type of violation of the Public Accountancy Act or Board rule, (b) the alleged violation occurred during any period the individual or firm is or was subject to Board jurisdiction, and (c) sufficient evidence is obtained by investigation to merit Board action.

<p>| Administrative Violation: | Board Approved Sanction: |</p>
<table>
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<tr>
<th></th>
<th>First noncommercial use of a restricted title on <em>Business Cards, Resumes</em> or other <em>Applications for Employment</em> in Washington state after establishing residency in this state but prior to obtaining credentialed status in Washington State. <strong>Provided:</strong> the individual did not use the title while a resident in conjunction with offering or rendering professional services.</th>
<th>Administrative Notice to Cease and Desist</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.</td>
<td>First-time use of a restricted title by an individual within the 18-month period following successful completion of the Uniform CPA Examination but who has not yet been credentialed by the Board</td>
<td>$500 fine + cost recovery + submission of proof of completion of Board approved course in ethics and regulation in Washington State regulation applicable to the practice of public accounting to be received by the Board’s office within 90 days of signing an agreement consenting to an Administrative Sanction.</td>
</tr>
<tr>
<td>3.</td>
<td>First-time use of a restricted title with a lapsed individual license or CPA-Inactive status. <strong>Provided:</strong> The individual did not use the CPA or CPA-Inactive title for more than 90 days after the date of transmittal by Board staff of a Notice of Noncompliance.</td>
<td>$750 fine + late fee + cost recovery to be received by the Board’s office within 90 days of signing an agreement consenting to an Administrative Sanction.</td>
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<tr>
<td>4.</td>
<td>First time representation on a reinstatement application that the CPA title had not been used when in fact the title had been used.</td>
<td>$750 fine + late fee + cost recovery to be received by the Board’s office within 90 days of signing an agreement consenting to an Administrative Sanction.</td>
</tr>
<tr>
<td>5.</td>
<td>First time failure to obtain a firm license by a Washington resident firm owned by one individual for more than 90 days after the <em>date of transmittal</em> by Board staff of a <em>notice of noncompliance</em>.</td>
<td>$750 fine + cost recovery + submission of proof of completion of Board approved course in ethics and regulation in Washington State to be received by the Board’s office within 90 days of signing an agreement consenting to an Administrative Sanction.</td>
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<tr>
<td>6.</td>
<td>First-time failure to timely change either or both individual and/or firm addresses.</td>
<td>$0-$200 fine + cost recovery (unless the failure to timely change the address results in a more severe first-time administrative violation and sanction) to be received by the Board’s office within 90 days of signing an agreement consenting to an Administrative Sanction.</td>
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<td>First-time failure by a firm to timely notify the Board of changes in the firm name, ownership, or managing licensee of the firm's main office after the date of transmittal by Board staff of a Notice of noncompliance.</td>
<td>$500 fine + cost recovery to be received by the Board's office within 90 days of signing an agreement consenting to an Administrative Sanction.</td>
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<td>7.</td>
<td>First-time CPE deficiency by a licensee, CPA-Inactive certificateholder, or nonCPA firm owner not exceeding 16 hours.</td>
<td><strong>Licensee:</strong> Exclusive of the required 4 hour course addressing ethics and regulation in Washington State a sliding scale: $250 fine for a deficiency up to and including 8 hours; $500 fine for deficiency up to and including 16 hours; <strong>Additional (separate) $500 fine if the deficiency includes or is limited to failure to complete the required 4-hour course addressing ethics and regulation in Washington State.</strong> CPA-Inactive Certificateholder or NonCPA firm owner: $500 fine + cost recovery for failure to complete the required 4-hour course addressing ethics and regulation in Washington State. All amounts assessed are to be received by the Board’s office within 90 days of signing an agreement consenting to an Administrative Sanction.</td>
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<tr>
<td>8.</td>
<td>First-time misunderstanding of courses qualifying for the CPE in regulatory ethics specific to Washington State.</td>
<td>$100 fine + cost recovery + submission of proof of completion of Board approved course in ethics and regulation in the state of Washington to be received by the Board’s office within 90 days of signing an agreement consenting to an Administrative Sanction.</td>
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<tr>
<td>10.</td>
<td>First-time failure to meet CPE documentation requirements determined by CPE audit provided the documentation deficiency results from a cause or circumstance beyond the control of the credentialed person.</td>
<td>$0-$250 fine + cost recovery + submission of proof of completion of Board approved course in ethics and regulation in the state of Washington to be received by the Board's office within 90 days of signing an agreement consenting to an Administrative Sanction.</td>
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<td>11.</td>
<td>First-time use of titles likely to be confused with <strong>CPA, Certified Public Accountant, or CPA-Inactive</strong> by person never credentialed by this Board or not qualified for practice privileges pursuant to RCW 18.04.350(2).</td>
<td>$1,500 fine + cost recovery + to be received by the Board’s office within 90 days of signing an agreement consenting to an Administrative Sanction.</td>
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<tr>
<td>12.</td>
<td>First-time failure to timely deliver records requested by a client as required by WAC 4-30-051, UNLESS the lack of “timely delivery” results in financial harm to the client by a state or federal regulatory agency or governmental unit.</td>
<td>$1,500 fine + cost recovery + restitution for proven client costs incurred to reconstruct essential records incurred as a result of the lack of availability of such records + submission of proof of completion of Board approved course in ethics and regulation in the state of Washington to be received by the Board’s office within 90 days of signing an agreement consenting to an Administrative Sanction.</td>
</tr>
<tr>
<td>13.</td>
<td>First-time failure to timely respond to a request for administrative information or documents directly related to information and/or documents specified in Board rules (Title 4 WAC).</td>
<td>$1,500 fine + cost recovery + submission of proof of completion of Board approved course in Ethics and Regulation in the state of Washington to be received by the Board’s office within 90 days of signing an agreement consenting to an Administrative Sanction.</td>
</tr>
<tr>
<td>14.</td>
<td>First-time Quality Review Program violation, e.g. lack of cooperation with reviewers, failure to comply with peer review program requirements, and/or non-payment of fee for a completed peer review service.</td>
<td>$500 + cost recovery + (if applicable) restitution to reviewer (firm)+ other appropriate corrective remedies.</td>
</tr>
</tbody>
</table>

If an individual or firm’s conduct includes multiple first-time administration violations, the Executive Director is to impose the more severe first-time administrative sanction.

In cases of Administrative Sanction, the Board will not publish the individual’s or firm’s name; however, the Board will:
- Post statistics related to these sanctions on the Board’s web site
Washington State Board of Accountancy
Board Policy Number: 2004-1

- Comply with the Public Records Act

Effective: October 29, 2004
*Revised: April 23, 2013; April 26, 2012; April 25, 2011; October 17, 2008; April 28, 2006; January 28, 2005

[April-23,-2013]
WASHINGTON STATE BOARD OF ACCOUNTANCY

Unapproved Draft - Minutes of a Regular Meeting of the Board – Unapproved Draft

Time and Place of Meeting
9:08 a.m. – 2:28 p.m. Thursday, July 24, 2014
Crowne Plaza Seattle Airport
Queen Anne Room
17338 International Boulevard
SeaTac, Washington

Attendance
Emily R. Rollins, CPA, Chair, Board Member
Karen R. Saunders, CPA, Vice Chair, Board Member
Elizabeth D. Masnari, CPA, Secretary, Board Member
Donald F. Aubrey, CPA, Board Member
Lauren C. Jassny, Public Board Member
Edwin G. Jolicoeur, CPA, Board Member
Thomas G. Neill, CPA, Board Member
Bruce L. Turcott, Assistant Attorney General, Board Adviser (arrived at approximately 12:25 p.m.)
Richard C. Sweeney, CPA, Executive Director
Jennifer Sciba, Deputy Director
Charles E. Satterlund, CPA, Director of Investigations
Kelly Wulfekuhle, Administrative Assistant
Taylor Shahan, Special Assistant to the Director of Investigations
Kirsten Donovan, Board Clerk

Public Rule-Making Hearing
The Board held a public rule-making hearing from 9:10 a.m. to 9:17 a.m. The Board Chair presided. The Board proposed to amend:

- WAC 4-30-130 – What are the quality assurance review (QAR) requirements for licensed CPA firms?

The Executive Director presented a brief statement.

No written comments were received.

Call to Order
Board Chair, Emily Rollins, called the regular meeting of the Board to order at 9:10 a.m.

The Board Chair excused the absence of Favian Valencia, Public Board Member and Gerald F. Ryles, Public Board Member.

Rules Review
WAC 4-30-130 What are the quality assurance review (QAR) requirements for licensed CPA firms?
Minutes, July 24, 2014, Regular Board Meeting

The Board voted unanimously to adopt the rule with minor changes that do not change the general subject matter of the proposed rule. The Board voted for an implementation date 31 days after filing.

WAC 4-30-088 What is the effect on a Washington individual licensee or CPA-Inactive certificateholder in the armed forces, reserves, or National Guard if the individual receives orders to deploy for active military duty?

The Executive Director presented the Board with a CR-101 draft which included the Board directed edits from the April 17, 2014 Board meeting. The Executive Director led a discussion on the rule proposal.

The Board directed staff to file the CR-102 with the Office of the Code Reviser as written for this proposal and schedule a public rule-making hearing in conjunction with the Board’s October meeting.

WAC 4-30-140 What is the authority, structure, and processes for investigations and sanctions?

The Executive Director presented a draft CR-101 and led a discussion on the rule proposal. The proposed rule change incorporates a portion of Board Policy 2004-1 into the rule.

The Board directed staff to file the CR-102 with the Office of the Code Reviser as written for this proposal and schedule a public rule-making hearing in conjunction with the Board’s October meeting.

Board Policy 2004-1, Sanctions and Penalty Guideline

The Executive Director presented the Board with the 2014 Executive Director’s Analysis of Board Policy 2004-1 and Board Delegations with a draft of the proposed changes for Policy 2004-1, Sanctions and Penalty Guidelines.

The Executive Director led a discussion on the proposed changes. The changes include removing the section
which may be incorporated into the rule change proposal for WAC 4-30-140. Other changes include removing "or designee" throughout and adding section 14, First-time Quality Review Program violation, to the Guidelines for 1st Time Administrative Violations chart.

The amendment to Policy 2004-1 is contingent upon the proposed rule change to WAC 4-30-140 and will be revisited at a future Board meeting following the rule change.

Minutes – April 17, 2014 Regular Board Meeting

The Board approved the minutes of the April 17, 2014 Board meeting as presented.

Cross-Border Discussions with the British Columbia Institute

The Executive Director presented a draft datasheet, Regulating Public and Professional Accounting in British Columbia and Washington, with supporting articles and reported on his meeting in British Columbia.

The Executive Director led a discussion on developing a Memorandum of Cooperation for cross-border enforcement and transparency between British Columbia and WBOA. The Executive Director stated that another meeting has been scheduled for September 2014.

NASBA Update

Ed Jolicoeur, CPA, reported on the following activities from the NASBA Western Regional Meeting held June 11-13, 2014 in St Louis, MO:

- New Diversity Group to ensure diversity in NASBA leadership.
- Standards Setters Study Group
- His nomination for Pacific Regional Director for the National Association of State Boards of Accountancy.

Don Aubrey, CPA, Pacific Regional Director for the National Association of State Boards of Accountancy (NASBA), reported on the following NASBA activities from the quarterly meeting held in Coeur d'Alene, ID:

- Availability of scholarships.
- National NASBA meeting will be held in
Minutes, July 24, 2014, Regular Board Meeting

Washington DC in October. Don highly encourages attendance for everyone who can clear their calendar.

- NASBA / Internal Revenue Service (IRS) cooperation for tax preparers reporting to be CPAs.
- Nano-learning for CPE credit.
- UAA committee discussions on safe-guarding records requirements/procedures for CPAs and firms going out of business.

Legal Counsel's Report  Bruce Turcott, the Board's legal counsel, reported that the required Board Member training on the Open Public Meetings Act will be conducted during the lunch break at the October Board Meeting.

Chair's Report  The Board Chair reported on:

- Hawaii Mobility Legislation and the letter sent to the Hawaii Board of Public Accountancy.
- The new Board Member appointment.
- Scheduling a meeting with board members of the Association of Chartered Accountants in the US.

Executive Committee  The Board Officers met with the Executive Director via telephone on July 10, 2014. The Chair reported that the following topics were discussed:

- The Board meeting agenda.
- All other topics were covered at various times during this meeting.

Compliance Assurance Oversight Committee  Ed Jolicoeur had nothing to report.

Legislative Review Committee  Karen Saunders had nothing to report.

Quality Assurance Committee  Tom Neill reported on the 2014 Quality Assurance Review Results.

Request Review Committee  Karen Saunders reported:
Minutes, July 24, 2014, Regular Board Meeting

**Firm Names:** Approved:

- TJS Deemer Dana LLP
- Johnson Glaze & Co. P.C
- Columbia Gorge Financial Services
- SCS Globla Professionals, LLP
- Hastings Tax Services
- Calibre CPA Group
- Julnes Consulting
- Karen Lee & Associates, PS
- Rogers, Clem & Company
- 360 Advanced, P.A
- Edison Perry & Company, PC
- Piercy Bowler Taylor & Kern Certified
- Public Accountants & Business Advisors APC
- Bedrock CPA Group, LLC

**Professional/Educational Organization - Recognition Requests:** During the 2nd quarter 2014, the Board did not receive any requests for recognition of an educational organization for purposes of obtaining list requests.

**Domestic or Foreign Education Credential Evaluation Services – Applications:** During the 2nd quarter 2014, the Board did not receive any requests for recognition of domestic or international education credential evaluation services.

**Late Fee Waiver Requests – Late Fee Waiver Requests** were received between 05/01/2014 and 06/30/2014.

A Total of 2 Requests were Received

- 1 request for an Individual CPA License
  - Request Approved

- 1 request for a CPA Firm License
  - Request Approved

**State Ethics Compliance Committee**

Lauren Jassny had nothing to report.
Tom Neill reported and led the discussion on:

- International Education Evaluation Services – Effective October 1, 2014 NASBA International Evaluation Services (NIES) will be the only Board recognized foreign education evaluation service.
- Education topics currently being discussed by the committee and staff include:
  - Chartered Accountant Education
  - 3-year Bachelor Degree programs
  - Certificate programs
  - Blended courses
  - 180-day provision
  - Graduate level accounting courses earning 1.5 credits per credit hour
  - Fraudulent transcripts
  - Record retention of Exam applicants documentation

Discussion on CPA Services to the Marijuana-Cannabis Industry. The Executive Director led the discussion on the topic stating that it is primarily a risk management issue. The Executive Director's recommendations will be reviewed by legal counsel.

Native American Finance Officers Association (NAFOA). The Executive Director reported on his discussion in Washington, D.C. with the Chair of the Native American Finance Officers Association (NAFOA) and representatives from several tribes in the United States.

The Executive Director reported that the Board of Accountancy has no authority on tribal lands, which leads to underperforming tribes due to a lack of regulation. To protect the public interest in tribal communities, the Executive Director upon invitation would offer to investigate complaints against CPAs performing services on tribal land.

NAFOA will hold its national conference in San Diego in September. The Executive Director will attend the conference.
Professional Education Programs. The Executive Director reported on the Board directive for reevaluation of the three ethics courses produced by Rigos Professional Education Programs for qualification under WAC 4-30-134(6), CPE in ethics and regulation.

The Executive Director reported that he reviewed the three courses again and his findings are the same. The three courses do not meet the requirements under WAC 4-30-134(6). He will report his findings to Rigos Professional Education Programs.

Review of Dismissed Cases

Ed Jolicoeur reported on the second quarter review of dismissed cases. Ed reviewed approximately 30 cases on July 10, 2014.

Director of Investigations Report

Investigation Statistics/Investigations & Administrative Sanctions: Charles Satterlund, CPA, Director of Investigations provided the following reports to the Board:

- Enforcement: Broad Overview.
- Caseload Status Report for the period ended June 30, 2014.

Charles Satterlund reported on the following issues:

- Older cases expected to be reduced in the months to come.
- Hot topics include:
  - Marijuana questions/concerns
  - Firm structure and mergers
  - Comfort letters

Executive and/or Closed Session with Legal Counsel

No executive or closed sessions with legal counsel held.

Public Input

The Board received input from representatives of the WSCPA throughout the meeting.

Adjournment

The Board meeting adjourned at 2:28 p.m.
Request Review Committee Report
October 2014

Karen Saunders, CPA, Chair

During the third quarter 2014, the Executive Director and a Consulting Board Member from the Request Review Committee took the following action:

Firm Names: Approved:

BATES, CARTER & CO, LLP
CK & ASSOCIATES, CPA, PLLC
SOUND ACCOUNTING & TECHNOLOGY LLC
COUNT ON THAT, LLC
SANCHEZ CPA AND ADVISORS LLC
BLUE AFRA ACCOUNTING
NEW HORIZONS CPA TAXES & ACCOUNTING, INC
INSERO & COMPANY CPAS, P.C.
RUSSELL TAX AND ACCOUNTING FIRM
ARONSON LLC
WARREN AVERETT, LLC
CHITALEY ASSOCIATES
CASCADIA TJ CPA PC
SHINDEL, ROCK & ASSOCIATES P.C

Professional/Educational Organization – Recognition Requests – During the 3rd quarter in 2014, the Board did not receive any requests for recognition of an educational organization for purposes of obtaining list requests.

Domestic or International Education Credential Evaluation Services – Applications – During the 3rd quarter in 2014, the Board did not receive any requests for recognition of a domestic or international education credential evaluation services.
State Ethics Compliance Committee Report

In accordance with the State’s Ethics Compliance Policy, all employees completed a State Ethics Compliance Checklist regarding various activities which are either prohibited or which require pre-approval from the Executive Director or the Chair of the Ethics Committee. As Ethics Committee Chair, I reviewed all of the checklists and there were no items/events of noncompliance, or other issues raised which would require further action.

Lauren Jassny
State Ethics Compliance Committee Chair
## Board of Accountancy
### Washington State
#### Enforcement Report
**Quarter Jul 01, 2014 through Sep 30, 2014**

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<td>Complaints Dismissed (investigated &gt; 180 days)</td>
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<td><strong>(4)</strong></td>
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<td><strong>Total</strong></td>
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<tr>
<td>Cases Dismissed (Administrative)</td>
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<td>Cases Closed (investigated &lt;= 180)</td>
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<td><strong>Total</strong></td>
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DELEGATION OF AUTHORITY
BY THE
WASHINGTON STATE BOARD OF ACCOUNTANCY

Delegation Number:  D-201

Dated:  April 17, 2014  October 24, 2014

Delegation For:  Authority to Conduct Investigations*

Delegation To:  Director of Investigations  and Executive Risk Management Advisor

Approved:  
Emily R. Rollins, CPA
Chair

I, EMILY R. ROLLINS, Chair of the Washington State Board of Accountancy ("Board"), acting under authorization of a vote of the Board, delegate to the Director of Investigations, the specific authority to:

Conduct investigations concerning alleged violations of the provisions of chapter 18.04 RCW and Title 4 WAC as directed by the Executive Director of the Washington State Board of Accountancy. This also includes specific authority to administer oaths or affirmations to witnesses, subpoena witnesses and compel their attendance, take testimony, and to require that documentary evidence be submitted in the course of the investigation of alleged violations of chapter 18.04 RCW and Title 4 WAC.

This delegation does not include the authority to extend confidentiality to any testimony or evidence.

This delegation shall remain in effect for so long as the Executive Director has designated a Director of Investigations for the Washington State Board of Accountancy to exercise this authority, and through any necessary testimony at administrative hearings, should same be held.

In the event that the Executive Director is recused or otherwise unable to exercise responsibility for investigations, enforcement, and settlement, the Board delegates authority first to the Executive Risk Management Advisor to assume those responsibilities including the authority to:
(a)  Sign, issue, and withdraw Statements of Charges and/or Statements of Intent to Deny that seek to suspend, revoke, reprimand, refuse to issue, reinstate, or renew a certificate or license, or otherwise discipline or impose a fine upon a certified
public accountant, a certificate holder, a licensee, a licensed firm, an applicant, or a nonlicensee holding an ownership interest in a licensed firm; and

(b) Negotiate settlement proposals during investigations of alleged violations of RCW 18.04 or Board rules Title 4 WAC and in all proceedings under RCW 18.04.295, 18.04.305, or chapter 34.05 RCW. Such proposals are subject to concurrence by a consulting Board member prior to submission to the Board for consideration. Settlement proposals negotiated under this authority are not binding on the Board or respondent until the settlement is accepted by a quorum vote of the Board.

(c) Issue Administrative Notices of Noncompliance and execute Respondent Agreements Consenting to Administrative Sanctions including monetary sanctions in accordance with the Board’s delegation to the Executive Director.

In the event that the Executive Director and Executive Risk Management Advisor are both recused or otherwise unable to exercise responsibility for investigations, enforcement, and settlement, the Board delegates authority to the Director of Investigations to assume those responsibilities including the authority to:

(a) Sign, issue, and withdraw Statements of Charges and/or Statements of Intent to Deny that seek to suspend, revoke, reprimand, refuse to issue, reinstate, or renew a certificate or license, or otherwise discipline or impose a fine upon a certified public accountant, a certificate holder, a licensee, a licensed firm, an applicant, or a nonlicensee holding an ownership interest in a licensed firm; and

(b) Negotiate settlement proposals during investigations of alleged violations of RCW 18.04 or Board rules Title 4 WAC and in all proceedings under RCW 18.04.295, 18.04.305, or chapter 34.05 RCW. Such proposals are subject to concurrence by a consulting Board member prior to submission to the Board for consideration. Settlement proposals negotiated under this authority are not binding on the Board or respondent until the settlement is accepted by a quorum vote of the Board.

(c) Issue Administrative Notices of Noncompliance and execute Respondent Agreements Consenting to Administrative Sanctions including monetary sanctions in accordance with the Board’s delegation to the Executive Director.

This delegation and its subparts is made pursuant to the authority of RCW 18.04.045, 18.04.295 and 18.04.305.
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 an order against Respondent. This motion is based on Respondent’s admission to the Statement of Charges served on Respondent on September 5, 2013, on the records and files herein, and on the accompanying Declaration of Richard C. Sweeney, which provide proof of the allegations contained in the Statement of Charges and which provide the basis Findings of Fact, Conclusions of Law and Board Order proposed by this motion.

Respectfully submitted this 10 day of October, 2014.

ROBERT W. FERGUSON
Attorney General

ELIZABETH THOMPSON-LAGERBERG
WSBA# 25159
Assistant Attorney General
Attorneys for Washington State Board of Accountancy
I. 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 5, 2013. The Statement of Charges alleges that Wei Dong (hereinafter Respondent) violated the provisions of RCW 18.04. Respondent provided his Answer of Statement of Charges dated September 18, 2013, admitting to all charges with no contest, and did not request a hearing.

THIS MATTER having come before the Board upon the motion of Elizabeth Thompson-Lagerberg, Assistant Attorney General; Respondent admitted to the allegations in the Statement of Charges; the Board having reviewed the records herein, and being advised in the premises, makes the following:

II. FINDINGS OF FACT

2.2. Respondent entered the examination with writing on his legs, in an attempt to cheat on the exam, in violation of WAC 4-30-064(1)(c).
2.3. The Board mailed a Statement of Charges to Respondent on September 5, 2014 (Exhibit 1).
2.4. Respondent provided his Answer to Statement of Charges (hereinafter Answer) dated September 18, 2013 (Exhibit 2).
2.5. In the Answer, Respondent admitted to, without contest, the charge of attempted cheating on the CPA exam.

2.6. In the Answer, Respondent stated he does not request a hearing in this matter.

2.7. In Respondent's Answer to Statement of Charges, he included a Sworn Statement in defense or mitigation of charges, written in Simplified Chinese.

2.8. The Board has Respondent's Sworn Statement translated, at no cost to Respondent.
   (Exhibit 3).

III. CONCLUSIONS OF LAW

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


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. Respondent's acts set out in Findings of Fact 2.3 constitute violation of WAC 4-30-064 which prohibits cheating on the CPA examination, and are grounds for discipline under WAC 4-30-064(2).
3.6. Such conduct constitutes grounds to enter a failing grade for any or all parts of the candidate's examination, bar a candidate from taking future examinations, notify other jurisdictions of the board's conclusions and order, fine up to thirty thousand dollars, recovery of investigative and legal costs, and/or referral to the appropriate law enforcement agency(ies) for prosecution, pursuant to WAC 4-30-064.

IV. FINAL ORDER

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

4.1. Respondent may not to pursue licensure as a CPA in the state of Washington, to include sitting for any part of the CPA exam as a Washington State candidate.

4.2. Respondent's scores for the BEC section of the exam taken May 30, 2013, and the AUD section, taken May 31, 2013, are invalidated.

4.3. The Board will notify other jurisdictions of this Board's conclusions and Order.

4.4. The Board will publish the terms of this Stipulation and Agreed Order.

4.5.

DATED this __________ day of __________, 2014.

WASHINGTON STATE
BOARD OF ACCOUNTANCY

__________________________
Emily Rollins
Chair

Presented by,

[Signature]
Elizabeth Thompson-Lagerberg
WSDA #25159
Assistant Attorney General
Attorneys for Washington State Board of Accountancy

Findings of Fact, Conclusions of Law, and Board Order

Wei Dong
PROCEEDINGS BEFORE THE
WASHINGTON STATE
BOARD OF ACCOUNTANCY

In the matter of:
Amy C. Morrin, CPA
License No. 28970

Respondent.

NO. ACB-1388
FINDINGS OF FACT,
CONCLUSIONS OF LAW
AND DEFAULT ORDER.

I. 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 August 28, 2014. The Statement of Charges alleges that Amy C. Morrin, CPA (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 Richard C. Sweeney, Executive Director, and being advised in the premises, makes the following:

II. FINDINGS OF FACT

2.1 Respondent is the holder of a license as a Certified Public Accountant.

2.2 Respondent was included in the 2013 CPE Audit.

2.3 Respondent failed to respond to requests for CPE documentation, and was referred to the Board’s enforcement staff.
2.4 The Board mailed an initial inquiry to the Respondent’s address of record on February 5, 2014.

2.4 The Board mailed an Administrative Notice of Non-Compliance and Offer to Agree to Remedial Resolution (Notice) to the Respondent’s address of record on April 11, 2014.

2.5 The Board mailed a final notice and opportunity to respond to the Respondent on April 11, 2014, to the Respondent’s address of record.

2.6 On May 6, 2014, the Board received the May 2, 2014, letter returned to sender, with a forwarding address listed (redacted). The Board’s Director of Investigations attempted to contact the Respondent at her phone number of record. There was an active voicemail, and a voicemail was left for the Respondent.

2.7 On May 13, 2014, the Board’s Executive Director called PricewaterhouseCoopers (as the Respondent’s email address of record listed a PricewaterhouseCoopers email address) to inquire after the Respondent’s whereabouts. The firm indicated no current staff member by the name Amy Morris.

2.8 On June 6, 2014, the Board mailed the notice to the forwarding address on previous correspondence returned to the Board.

2.9 On July 14, 2014, the Board received the June 6, 2014 Notice, marked “Not Deliverable As Addressed” by USPS. The address matched the forwarding address previously marked.

2.10 The Board mailed the Statement of Charges, Answer to Statement of Charges, Notice of Opportunity to Defend and Appendix A to the Respondent by United States certified mail, return receipt requested, and by United States first class mail on August 28, 2014, addressed to the Respondent’s address of record (redacted).
2.12 The certified mailing to the Respondent's last known address (redacted) was marked as Undeliverable as Addressed, and marked with the same forwarding address as previously attempted (redacted).

2.13 Respondent has neither answered the Statement of Charges nor requested a hearing on the matters set forth in the Statement of Charges.

2.14 As of September 15, 2014, Respondent's address has not been updated.

III. 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 Failure to maintain a current address with the Board, as set out in Findings of Fact 2.3 through 2.14, constitutes cause for Board sanction under RCW 18.04.295 and WAC 4-30-032.

3.6 Failure to respond to Board communications requesting a response, as set out in Findings of Fact 2.3 through 2.14, constitutes cause for Board sanction under RCW 18.04.295 and WAC 4-30-034.

3.7 Such conduct constitutes grounds for Board discipline under RCW 18.04.295 and chapter 18.04 RCW. (See Appendix A for reproduction of the statute and rules.)

IV. 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 certificate and individual 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 $2,000 fine to the Board.

4.2.2 Reimburses the Board $500 for legal and investigative costs.

4.2.3 Satisfies 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" unless and until the Board approves Respondent's
requalification as a licensee.

4.4 Any and all costs involved in complying with this order shall be borne by Respondent.

DATED this _____ day of _______________ 2014.

WASHINGTON STATE BOARD OF ACCOUNTANCY

_____________________
Emily Rollins, CPA
Chair

Presented by,

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