

**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:

Size C. Chan
Certificate No. 18723

Respondent.

No. ACB-1500

CONSENT AGREEMENT

The Washington State Board of Accountancy (Board) and Size C. Chan (Respondent), stipulate and agree as follows:

Section 1: Procedural Stipulations

- 1.1 Respondent understands that the Board has issued an Amended Statement of Charges in this matter and may proceed to a hearing before the Board upon the merits of said charges. The Board has not proceeded to a hearing 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 an Amended Statement of Charges by demanding a hearing and presenting evidence on the Respondent's behalf. Respondent voluntarily waives the right to a hearing and all other rights that may be accorded the Respondent by the Administrative Procedures Act, chapter 34.05 RCW, and the laws of Washington, including the right to petition the courts for judicial review.
- 1.3 Respondent understands that should the Board prevail at hearing based on the Amended Statement of Charges that the Board has the power and authority to deny, suspend,

revoke, or refuse to renew the Respondent's CPA certificate or any individual or firm licenses to practice public accounting as a CPA or CPA firm in Washington and may impose a fine plus the Board's investigative and legal costs in bringing charges or impose conditions precedent to renewal of the certificate or license, or impose full restitution to injured parties.

- 1.4 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 an Amended Statement of Charges.
- 1.5 Respondent understands that the terms of this Consent Agreement are not binding unless approved by the Board and fully executed.
- 1.6 Should this Consent Agreement be rejected by the Board and the Board proceeds with the issued Amended Statement of Charges, the Respondent waives any objection to the participation of any members of the Board at a hearing on this matter, other than the consulting Board member in this proceeding.

The parties further stipulate to the following Stipulated Facts, Conclusions of Law, and Agreed Order:

Section 2: Stipulated Facts

- 2.1 At all times material hereto, Sze C. Chan, the Respondent herein, held an individual Certified Public Accountant (CPA) Inactive Certificate in the state of Washington issued on September 9, 1996, Certificate No. 18723.
- 2.2 On April 19, 2018, Respondent submitted an application for the renewal of their CPA-Inactive Certificate. Respondent was required to complete an ethics course between January 1, 2015, and December 31, 2017, in accordance with WAC 4-30-094 and WAC

4-30-134. In their renewal application, Respondent listed an ethics course as completed on December 20, 2017, and included the course title and CPE provider name. The application was approved through the Board's online renewal system.

- 2.3 Respondent was included in the Board's 2018 CPE Audit. In response to the audit, Respondent provided the certificate for a CPE course completed on May 22, 2018.
- 2.4 Board staff requested a copy of the CPE certificate for the course listed for December 20, 2017. Respondent failed to provide the requested documentation.
- 2.5 Board staff contacted the CPE provider that Respondent listed in their renewal application. The provider's only record for Respondent was for the course completed May 22, 2018. The provider had no record of Respondent completing a course on December 20, 2017.

Section 3: Conclusions of Law

- 3.1 The Board has jurisdiction over the Respondent and the subject matter of this proceeding.
- 3.2 Failure to furnish any papers or documents requested or ordered to produce by the Board, as set out above, constitutes violation of RCW 18.04.295 and WAC 4-30-142(13)(a).
- 3.3 Failure to complete an ethics course required for renewal, as set out above, constitutes violation of RCW 18.04.295 and WAC 4-30-^{134 73}~~142~~(2)(b).
- 3.4 Fraud or deceit in renewing a CPA-Inactive Certificate by falsely claiming completion of a CPE course, as set out above, constitutes violation of RCW 18.04.295 and WAC 4-30-142(2).

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's individual CPA-Inactive Certificate shall be suspended for three (3) years.
- 4.2.2 The suspension of Respondent's CPA-Inactive Certificate shall be stayed. Should Respondent fail to meet any requirements of this Consent Agreement, the stay shall be immediately vacated and the three year suspension shall be imposed in its entirety. Additionally, if it is determined, after due notice and opportunity for hearing, that during the stayed suspension period Respondent violates or fails to comply with Chapter 18 RCW, or Title 4 WAC, the Board may vacate the stay and impose any sanctions deemed appropriate by the Board.
- 4.2.3 Prior to the Board considering any application from Respondent, Respondent must satisfy Paragraphs 4.2.6 and 4.2.7 of this Consent Agreement.
- 4.2.4 The CPE certificate provided to the Board dated May 22, 2018, shall be applied to the 2015 through 2017 reporting period, and may not be used to satisfy any other CPE requirements, including future applications with the Board.
- 4.2.5 Respondent shall be included in, and pass, the next applicable CPE audit cycle.
- 4.2.6 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.

4.2.7 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.

I, Sze C. Chan, 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 12 day of June, 2019.

RESPONDENT



Sze C. Chan

The Board accepts and enters this Consent Agreement.

DATED this 26 day of June, 2019.

WASHINGTON STATE
BOARD OF ACCOUNTANCY



Mark Hugh, CPA
Chair