



STATE BOARD LEDGER

A Publication of the Kentucky State Board of Accountancy

Jan.-Aug. 2008

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GOVERNOR BESHEAR APPOINTS MEMBERS TO STATE BOARD

In an Executive Order dated July 2, 2008, Governor Beshear made three appointments to the Kentucky State Board of Accountancy. Joseph Hancock, CPA was appointed to replace Rebecca B. Myers, CPA, Kevin M. Doyle, CPA was appointed to replace John Steven Marcum, CPA and Christal Williams was appointed to replace Tim Harper as the citizen member. Each member serves a 4-year term expiring on June 30, 2012.

Joe Hancock, CPA is the managing shareholder of Riney, Hancock & Co. PSC in Owensboro. Joe is a graduate of Xavier University and became licensed to practice public accounting in Kentucky in September 1974. He is a member of the Kentucky Society of CPAs.

Kevin Doyle, CPA is a shareholder and the Chief Financial Officer of Congleton-Hacker Construction Company in Lexington. Kevin is a graduate of the University of Kentucky and became licensed to practice public accounting in Kentucky in September 1985. He is a member of the Kentucky Society of CPA's.

Christal Williams is the Chief Financial Officer of the Unseld Child Care Center in Louisville.

The Kentucky State Board of Accountancy welcomes these new members to the Board and wishes to express their sincere gratitude to the outgoing members for their participation on the Board and their dedication to the public accounting profession in Kentucky.

BOARD ELECTS OFFICERS FOR 2008-2009

At their meeting on June 19, 2008, the Board held an election for officers for the 2008-2009 fiscal year. Becky Phillips CPA was elected President and John Hawkins, CPA was elected Secretary/Treasurer. Becky is a partner in Chilton and Medley, Louisville and John is the managing partner of Deloitte & Touche, Louisville.

CPAS WHO HAVE FAILED TO RENEW THEIR LICENSE TO PRACTICE

On May 20, 2008, the Board mailed license renewal applications to CPAs holding even-numbered licenses. A notice reminding CPA's who had not renewed their license was sent out July 11, 2008. As of the submission of this newsletter for publication, over 400 CPA's have not renewed their license. Realizing that with renewals taking place every other year, some addresses may be outdated and therefore the CPA may not have received the renewal application.

Kentucky Revised Statute 325.330(6)(a) states that, "*failure to receive a renewal notice shall not constitute an adequate reason for failing to renew the license in a timely manner.*" Anyone who has failed to renew their license is prohibited from holding themselves out as CPAs and offering public accounting services.

2007 LICENSING AND EXAM INFORMATION

2007 Voluntary Surrender of Licenses

Kevin A. Ailor
Heather J. Ayers
David Douglas Beals
Sheryl L. Brake
Michael J. Burch
Donald H. Carpenter
Chris E. Corrie
Robert L. Drury
Kathryn K. Fox
William L. Gathof
Jill A. Hall
L. R. Hogue
Darian Lee Jones
John R. Krimmel
Kenneth A. Liss
Donald L. Martin
Angela Marie McGonnell
Jane Freeman Molbert
Jeremiah B. Noe
Jerome O. Peters
Donna G. Reinhardt
Bernard J. Samuelson
David A. Smiley
Jason A. Taylor
Allan Dewayne Vaught
Gary R. Wells
Makiko Yoshitomi

Carol A. Alf
Roxy M. Baas
Michael R. Bell
Sara Jane Brockman
Albert J. Cannon
Brenda Caston Chapman
Kay Conley Craft
Steven T. Early
Stephanie J. Gaitten
Keith Travis George
Jerry C. Hampton
Alan R. Houck
Teresa H. Kelley
Anthony Thomas Law
David M. Lohre
Douglas Glenn McDowell
Alanna Gaskins McKenzie
Robert E. Montgomery
John Chadwick Pack
Ashley Hudson Petty
Wayne H. Rickert
Cynthia Ellis Sandefur
Michelle A. St. Clair
Susan M. Thomas
Edward C. Ward
Nancy Lee Windley

Erin Leigh Arnett
Douglas W. Barker
Kenneth L. Blackburn
Brenda S. Bunch
James T. Carney
M. Marie Christie
Frank Criniti
Philip W. Egerton
Scott D. Garrett
E. Allen Glass, II
Jason M. Hatcher
Celia F. Johnson
Julie P. Kingsley
Susan G. Lawler
James W. Lyons
Eileen N. McGinn
Lawrence J. Mehler
Paul Warren Nanney
David E. Perry
Janet Rebman
Kevin D. Rock
Kenneth C. Sharp
Brian Scott Taylor
Irick A. Thurman
Suzanne Marie Webb
Melissa J. Wines

2007 Reinstatement of Licenses

Deborah H. Alvord
Mark A. Boggs
Steven Chandler
Steve E. Davis
Len S. Gant
Shannon Halenkamp
Thomas John Heath, Jr.
Karen E. Kruml
Nichole M. Powell
Stephanie Settle Thornton
Jeffery B. Webb

Derrick Bennett
Darren E. Brangers
Don W. Cummings
Kim Cruse Denton
Donald M. Gravett
Kelley M. Hart
John E. Heeb
Harold Andrew Lykins
Vicki N. Schmidt
Teresa Marie Tyler
Christopher S. Whitlow

Martha S. Blair
Todd A. Breckel
Elizabeth Nell Davis
Betsy Engle
Christopher Lynn Griffin
John F. Hatfield
Carrie C. Karaffa-Bear
Phillip L. Milliner
Mary Tim Smith
Laura Lynn Wagner
Robert W. Willett, III

New CPAs Licensed in 2007

The Board members and staff would like to congratulate the following people who were licensed in 2007.

Jaclyn Marie Acosta-Trejo
Kristen A. Allen
Jaclyn Toncray Badeau
Michael George Baritot
Jeremiah Kent Beaty
Timothy Joe Booth
Addie Lee Bozarth
Karen J. Bryant
Brian Allen Buschmann

Angela C. Adams
Sarah K. Antle
Jacqueline Marie Bales
Brian E. Bearfield
Wrenn F.R. Bellamy
James A. Borduin
Tammy L. Bright
David N. Buck
Jeffrey Michael Calderon

Justin R. Alexander
Lauren Quinn Armstrong
Amie Isaac Band
Paula M. Beasley
Scott R. Bezjak
Christine M. Bowser
Larry Alan Brown, Jr.
Jeremy Craig Burleson
James S. Carlin

Rebecca L. Carrico
Ivan E. Chirolla
Travis K. Collins
Kevin A. Cordano
Bobby E. Cox, Jr.
Andrew W. Culbertson
Matthew W. Daniels
Alexie DeCastro DeJesus
Stephanie M. Deters
Susan A. Dukes
Abdul Elamarti
David O. Erard
Todd Martin Fentress
Brenda J. Fleissner
Jill A. Fultz
Elizabeth M. Garwood
Daniel J. Gerwe
Amy Michelle Glaser
Melanie L. Gooch
Juan M. Gutierrez
John William Halenkamp, Jr.
Amy Elizabeth Hardman
Stuart S. Hart
Bradley James Hayes
Stefan W. Hendrickson
Philip J. Holthouse
Mike Houston
Donna J. Hubbard
Roger Hamlin Hurst
Greggory J. Hutchins
Susan Patricia Jacobson
Deepa Kamat
Shiby K. Karippai
Amy Elizabeth Kerner
Jonathan Young Kim
David Douglas Knable
Kurt David Kreyling
Jamie Kute
John Scott LeMaster
Dongmei Liu
John Jared MacLean
J. Michael McCann
Jason R. McDaniels
Kevin Maloney McIntyre
Sean Michael Miller
Randall T. Miloszewski
Jason Paul Motley
Daniel P. Mutzig
Jennifer M. Nicholson
Hiromi Oba
Carrie Lee Oney
Michael T. Paradis
Sammie Dewayne Parsley
Martin I. Pauker
Adrienne Perry
Makeba Bansfield Potter
Tiffany Marie Pyles
Jill A. Reiter
Lara L. Rhodes
William F. Rives
Lois Michelle Rogers

Jason A. Carroll
Elliot H. Cho
Angela M. Comingore
John David Cornett
Mary Haley Crisp
Lacey M. Cunningham
Adam M. Davis
William J. Deegan
Christopher R. Dew
Jonathon David Eade
Stephen M. Eldridge
Mark Edward Eshenbaugh
Rachel Fiet
Darren Scott Forish
Mark S. Gallegos
C. Keith Gauss
Alexander O. Gipe
Lev Glikman
Mary Ann Goodin
Susan M. Haffner
Barry Hamilton
Marion Sims Harmon
Kelli Rae Hartman
Mary Beth Haymond
Julie A. Hoffman
John W. Horne
Ryan M. Howard
Matthew John Huelsman
Rebecca K. Hurt
Candace B. Hyde
Star Leta Johnson
Alla Kane
Yoshiya Kataoka
Iqbal H. Khan
Nicholas W. Kleinhalter
John M. Koehler
Kimberley A. Krugel
Jason Ronald Ladd
Weiguo Li
Sean Lysinger
Thomas R. Mann
Bruce M. McClintock
Kristin Ann McDonner
Arlan Daniel Meyer
Brandy Gibson Miller
Amanda Beth Milton
Kenneth Wayne Mullins
Ramakrish T. Nandam
Liza R. Niederwanger
William H. O'Bryan
Trista Dawn Opell
Kihaeng Park
Sarah J. Parsley
Nancy Elizabeth Paus
Daniel W. Petty, Jr.
Jennifer L. Powers
Jennifer Lyn Ray
Danielle L. Reyes
Sean Phillip Rice
Tyra Jayne Roberts
Stephen E. Ross

Melissa Leigh Chenault
Jean M. Christensen
Jennifer D. Conrey
Shaunna R. Cornwell
Michael Ferrell Crouse
Kristen M. Curry
Mark A. Davis
Trey D. Denny
Paul Eric DeZarn
Douglas N. Eder
William P. Elliott
Daniel Kevin Feld
Celeste M. Filar
Ozlem Fritz
Margaret M. Garrison
Mathew A. Gayheart
Bryan D. Girdler
Jed M. Gold
Jason L. Goodman
Alice J. Hale
J. Adam Hancock
Katharine D. Harris
Katherine Marksberry Hawkes
Donovan R. Hayslip
Amy L. Holliday
Marina Ann Houghton
Troy Gist Howell
Alissa Nicole Humphrey
Hayley A. Hurt
Lou Ann Isaacs
Jennifer M. Kaelin
Sai Sasi Bhushan Kappa
Adam R. Keal
Kyung Su Kim
Lindsey Kline
Yelena Kozinets
Alyssa Leigh Kurtz
Ryan Robert Laski
Dustin Jarad Littlepage
Lauren A. Mackey
Brian Douglas McBroom
Kristen L. McCulla
Jon M. McDowell
Amy Thomas Miller
Mary Sallie Mills
Sarah Anne Morey
Nicholas W. Murphy
Katherine Napier
Holly M. Norsworthy
Staci L. Omanson
Carrie Lynne Owens
Allison R. Parker
Brian D. Pate
Richard L. Pena, Jr.
Charles Matthew Phillips
Brenna Richardson Prater
Melanie R. Reed
James William Reynolds
Samuel Winters Richwine, III
Tara M. Robinson
Gregory Eugene Ross

Chris Rubrecht
Michael Scarafia
Brian Schneider
Rebecca Lynn Schwartz
Brendt Leo Seymore
Zachary G. Shuman
Diane M. Simrall
Matthew Paul Smith
Timothy G. Snavely
Trevor A. Stamp
Cassandra M. Steuber
John R. Stork
Holly Elizabeth Taylor
Thomas E. Unke
Michael Fisher Wade
Jeffery C. Walraven
Brian T. Weldon
Matthew A. White
Tressa L. Whittington
Elise T. Wilson
Carmella Roxanne Winland
Zoya Yusufova

Bridget M. Ruschman
Laura Coe Schade
Kenneth L. Schnurr
Eric Davis Scott
Kay C. Shanker
Richard Park Siemer
Patti Siwula
Matthew S. Smith
Kellie A. Sowell
Michael K. Staton
Frances C. Stokes
Dennis W. Sunberg
James W. Truett
Laura M. Vance
Mark R. Wadlington
Jia Roger Qian Wang
Ines Wells
Kathryn E. White
J. Zachary Williams
Cindy Clark Wimpy
Ronald Lee Wroblewski
Gail Louise Zinn

Rory P. Satkoski
Steven Edward Schlotter
Michael L. Schumacher
Jennifer Mae Seagraves
Jessica L. Shepard
Rebecca L. Simpson
Philip A. Smith
Amanda J. Smitson
Subramani C. Srinivasan
Bryan William Stephens
Jennifer M. Stone
Norm Tamkin
Itaru Tsukagoshi
William P. Varley, Jr.
Matthew A. Wallace
Kelly Lyn Webb
Jonathan Paul Westerman
Scott Patrick Whitmer
Louis A. Willinger
Freida M. Winkfield
Amy L. Young
Jeffrey M. Zoglmann

Exam candidates who passed the Uniform CPA Exam in 2007

The Board members and staff would like to congratulate the following individuals who passed the exam in 2007.

Lauren Quinn Armstrong
Amie I. Band
Michelle L. Berson
Christine Marie Bowser
Addie L. Bozarth
Brian A. Buschmann
Rebecca L. Carrico
Nicholas R. Castlen
Elizabeth B. Clevinger
Bobby E. Cox, Jr.
Michael F. Crouse
Lacey M. Cunningham
Adam M. Davis
Sabine DeFilippo
Kristen M. Edwards
Shelley J. Elrod
Mark E. Eshenbaugh
Rachel E. Fiet
Ozlem Fritz
Mathew A. Gayheart
Bryan D. Girdler
Jason L. Goodman
Susan M. Haffner
Nicholas J. Hamilton
Katherine M. Hawkes
Holly A. Heath-Campbell
Amy L. Holliday
Matthew J. Huelsman
Star L. Johnson
Uma Sita Lakshmi Kambhampati
Iqbal H. Khan
Yelena M. Kozinets
Kurt D. Kreyling

Lindsay R. Bailey
Paul D. Bell
Taofen Bi
Aimee L. Boyd
Tammy L. Bright
Jessica A. Carey
Jason A. Carroll
Melissa L. Chenault
Adrienne R. Cooper
David S. Crago
Richard B. Crowder, Jr.
Kristin R. Dahlenburg
Mark A. Davis
Stephanie M. Deters
Loren J. Eggleton
Sean M. Ennis
Anthony W. Evans
Darren S. Forish
Matthew K. Fulton
Rosemary Gilliam
Jedidiah M. Gold
John J. Grant
Alice J. Hale
Amy E. Hardman
Christopher M. Hawkins, Jr.
Stefan W. Hendrickson
John W. Horne
Brett W. Huett
Trista D. Johnson
Adam R. Keal
Nicholas W. Kleinhelter
Casey D. Kramer
Jason R. Ladd

Jacqueline M. Bales
Wrenn F.R. Bellamy
Christopher N. Bingham
Christopher M. Boylan
Kenneth R. Bryan, Jr.
Elizabeth K. Carmichael
Emily J. Carter
Wu-Cheng Chi
Shaunna R. Cornwell
Theresa A. Cripe
Andrew W. Culbertson
Matthew W. Daniels
William J. Deegan
Paul E. DeZarn
Terry J. Eldridge
John Briscoe Escosa, III
Daniel K. Feld
Robyn G. Foster
Chris K. Gauss
Alexander O. Gipe
Melanie L. Gooch
Ashley C. Grooms
Amanda J. Hall
Pamela S. Harrison
Donovan R. Hayslip
Julie A. Hoffman
Ryan M. Howard
Jeremy W. Hunter
Jennifer M. Kaelin
David A. Kemper
Lindsey Kline
Olga B. Krasinski
Weiguo Li

Diana E. Lindauer
William L. Logan, IV
Sean M. Lysinger
Lindsay C. Martin
Jason R. McDaniels
Amy T. Miller
Nicholas W. Murphy
William H. O'Bryan
Paul S. Osborn
Sarah J. Parsley
Megan N. Perry
Julie A. Potter
John T. Rasp, Jr.
Danielle L. Reyes
Sean P. Rice
Tara M. Robinson
Kenneth L. Schnurr
Jessica L. Shepard
Diane M. Simrall
Amanda J. Smitson
Frances C. Stokes
Travis D. Thomas
Pamela S. Vieira
Christopher A. Watson
Jonathan P. Westerman
Anthony L. Wilson, Jr.

Rachel E. Linke
Regina E. Lower
Milos D. Maldonado
Stephanie A. McCarthy
Susan E. Meeks
Mary S. Mills
Elisabeth A. Nelson
Staci L. Omanson
Carrie L. Owens
Nancy E. Paus
Daniel W. Petty
Brenna R. Prater
Melanie R. Reed
James W. Reynolds
Daniel W. Richardson
Bridget L. Ruschman
Rebecca M. Schwartz
Amy E. Shupe
Erica L. Simrall
Bradley M. Soper
John R. Stork
Chari M. Tran
Michael F. Wade
Chad E. Weber
Scott P. Whitmer
Amanda M. Wilson

Dustin J. Littlepage
Ticiane F. Lucas
Tabitha A. Marrlett
Kristen L. McCulla
Miranda L. Merrifield
Judy A. Money
Holly M. Norsworthy
Carrie L. Oney
Ronnetta G. Parris
Richard L. Pena, Jr.
Haiquynh H. Pham
Tiffany M. Pyles
Annamarie B. Reilly
Lara L. Rhodes
Kyle L. Roberts
Steven E. Schlotter
Kay C. Shanker
Rebecca L. Simpson
Patrick W. Singleton
Kellie A. Sowell
Alisa Y. Suslikova
Rebecca L. Vaughan
Mark R. Wadlington
Brian T. Weldon
Tressa L. Whittington
Aaron D. Woosley

2008 LICENSING AND EXAM INFORMATION

Pass List for January-February 2008 Window

Ashley L. Abney
Joseph W. Boyd, Jr.
Rachel L. Brown
Natalie E. Corrigan
Leslie E. Davis
Leslie B. Ellis
Elizabeth A. Fisher
Brad W. Hansman
Yamin Liang
Matthew L. Monteiro
Timothy B. Perry
Timothy L. Rieger
Taylor J. Stuckey
Andrew A. Thompson
Nicholas B. Wear

Douglas B. Andrew
Kyle A. Brown
Allison C. Carter
Trevor M. Crossen
Sara E. Dubois
Rebekah J. Embry
Chad M. Gahm
Kristen A. Hildebrand
Julie A. Linnenbringer
Amy Denise Morris
Colleen M. Pieper
Jaime C. Robinson
Brian L. Summers
Michelle L. Ulm
Martha B. Yarmak

Kiley J. Black
Amy R. Brown
Patrick N. Coleman
Morgan K. Daulton
Diana R. Duran
Chantelle R. Engle
Susan Ashley Hall
Nicholas R. Kiefer
Dana E. Midkiff
Mason D. Osbourne
Katherine L. Pool
Tyler W. Smith
Jennifer N. Thomas
Mariko Watanabe

Pass List for April-May 2008 Window

John D. Abbott
Brandy R. Arnett
Holly M. Brand
Brandon A. Butcher
Matthew Dant Crawley
Emma C. Gailey
Jeffery W. Hayes

D'Andre L. Anderson
Matthew R. Berrian
Tabitha L. Brown
Rebecca A. Cooper
Valari L. Easley
Jodi M. Garrison
Patricia A. Kist

Nicholas W. Anderson
Krista R. Boomsma
Andrew S. Buse
Dana C. Cox
Halimboy S. Fayziev
Shannon J. Graf
Ryan L. Korosec

Daniel L. Kraft
 Rachel L. Meade
 Matthew S. Neely
 Sara A. Queen
 Rose W. Stewart
 Madelyn Cahill Twyman
 Joseph A. Wohlleb

Bridget M. Lavin
 Frederick G. Meuter
 Jack W. Omohundro
 Lindsay W. Reedy
 Vinita A. Talegaonkar
 Jennifer N. Webb

Melissa N. Lopez
 Brittany M. Montgomery
 Jason A. Prater
 Sarah R. Rogers
 Bradley W. Thomas, Jr.
 Kevin L. White

2007 EXAM STATISTICS

JANUARY-FEBRUARY 2007			
AUD*	111 sat 45 passed 40% pass rate	FAR*	97 sat 34 passed 35% pass rate
REG*	86 sat 34 passed 40% pass rate	BEC*	113 sat 55 passed 49% pass rate

APRIL-MAY 2007			
AUD*	106 sat 68 passed 64% pass rate	FAR*	83 sat 55 passed 67% pass rate
REG*	93 sat 74 passed 80% pass rate	BEC*	88 sat 47 passed 54% pass rate

JULY-AUGUST 2007			
AUD*	119 sat 110 passed 92% pass rate	FAR*	123 sat 102 passed 83% pass rate
REG*	130 sat 102 passed 79% pass rate	BEC*	143 sat 102 passed 71% pass rate

OCTOBER-NOVEMBER 2007

AUD*	125 sat 61 passed 49% pass rate	FAR*	147 sat 62 passed 42% pass rate
REG*	111 sat 52 passed 47% pass rate	BEC*	163 sat 71 passed 44% pass rate

2008 EXAM STATISTICS**JANUARY-FEBRUARY 2008**

AUD*	81 sat 36 passed 45% pass rate	FAR*	73 sat 31 passed 43% pass rate
REG*	114 sat 57 passed 50% pass rate	BEC*	115 sat 50 passed 44% pass rate

APRIL-MAY 2008

AUD*	101 sat 50 passed 49% pass rate	FAR*	89 sat 39 passed 44% pass rate
REG*	97 sat 43 passed 44% pass rate	BEC*	104 sat 41 passed 40% pass rate

DISCIPLINARY ACTIONS

Publication of the following information is required by 201 KY Administrative Regulation 1:150.

2006-027 (John P. Anderson, 4950) As of July 1, 2006 the Respondent's license to practice public accounting expired. After the expiration of the license it was discovered the Respondent had continued to hold himself out as a CPA. The Board also received a written complaint about the Respondent in which it was alleged he failed to comply with KY state law regarding the reporting of income earned by the complaining party. The Respondent advised the executive director of the Board in writing that he had prepared and sent to the complaining party KY tax returns for 2002, 2003, and 2004, along with amended returns to be filed with the

Ohio tax authorities. The Respondent went on to indicate that according to information from the Postal Service the amended and new returns were going to be returned to the Respondent as being undeliverable to the complaining party. The complaining party subsequently advised the executive director that the revised and new returns had been received and sent back to the Respondent. However the complaining party stated the Respondent had failed to pick up the package containing the returns at the local post office.

Statutory violation: The Respondent failed to renew or reinstate his license to practice while continuing to hold himself out to the public as a CPA in violation of KRS 325.380(1). The Respondent neither denied nor admitted the allegation concerning negligence but he did admit if the Board offered sufficient legal proof at a hearing, that failure to file tax returns for the complaining party for the years 2002, 2003 and 2004 with the KY Department of Revenue would constitute negligence while performing a regulated activity (the preparation of tax returns) which is a violation of KRS 325.340(1) (b).

Remedy: The Respondent was ordered to immediately cease and desist from practicing or holding himself out as a CPA. In addition the Respondent was to cease all work on and refuse to issue any type of audit, review or compilation report the Respondent may have been in the process of preparing for any client, pay a fine to the Board in the amount of \$1,000, and complete 8 hours of continuing education in multi-state taxation. Upon satisfaction of the above, the Respondent will be eligible to be considered for reinstatement of his license.

2007-009 (Louis S. Rubin, 1632) The Respondent's license to practice public accounting expired on July 1, 2006. On April 9, 2007 the Respondent advised an investigator for the Board that he was not aware his license had expired. Additionally the Respondent informed the investigator that since July 1, 2006, he had prepared tax returns and placed the abbreviation "CPA" on these returns. The Respondent previously failed to renew his license prior to its expiration on July 1, 2004. He continued to practice as a CPA after that date. As a result of the failure to renew his license before July 1, 2004 coupled with the fact that the Respondent admitted to failing to properly prepare a tax return for a client the Respondent was fined \$500.

Statutory violations: The Respondent admitted that by having failed to renew his license to practice before July 1, 2006, and thereafter continuing to hold himself out as a certified public accountant he violated KRS 325.380(1).

Remedy: The Respondent was ordered to immediately cease and desist from practicing and holding himself out as a certified public accountant, and pay a fine in the amount of \$1000.00. Upon satisfaction of the above requirements, the Respondent would be allowed to submit a request to reinstate his license. Failure to comply with the reinstatement requirements shall result in the Respondent being prohibited from holding himself out as a certified public accountant.

2007-011 (Terry D. Brown, 4549) A complaint was filed with the Board which alleged the Respondent released confidential income tax information of two former clients without first receiving authorization from the clients. The Respondent admitted that he released the information without obtaining the authorization; however the Respondent also noted that in each situation the release was a mistake. In addition the form that contained the confidential information which had been mistakenly filed with a state agency was returned to him by that agency.

Statutory violations: The Respondent admitted that by releasing confidential income tax information of former clients he violated KRS 325.440(1).

Remedy: The Respondent was ordered to pay a fine in the amount of \$500.

2007-015 (Patrick Bruenderman, 4421) The Respondent was chosen at random to submit documentation to support the 10 continuing education courses for a total of 75 hours listed on his 2007 license renewal application. Two letters were sent to the Respondent requesting the documentation. No response to the letters was received from the Respondent. The Respondent never contacted the Board regarding his failure to submit any documentation in support of the hours listed on his renewal form.

Statutory violations: Responsibility for obtaining and maintaining documentation of completion of the continuing education requirements rests with each CPA. These records are to be maintained for a period of five years by the CPA.

Remedy: The Respondent was ordered to complete an additional 120 hours in continuing professional education courses within 90 days from the date the Order was approved by the Board. Proof of having completed the courses was to be submitted to the Board and the Respondent was required to pay a fine in the amount of \$500.

2007-017 (Gary A. Smith, Sr., 4079) The Respondent was chosen at random to submit documentation to support the 8 continuing education courses totaling 60.5 hours listed on his 2007 license renewal application. Two letters requesting the documentation were mailed to the Respondent's address that was on file with the Board. No response to either letter was received from the Respondent. The Respondent contacted the Board staff following the receipt of a proposed settlement of his failure to submit any documentation in support of the hours listed on his renewal form. The Respondent indicated he had not engaged in the practice of public accounting for years, and did not need to maintain his license anymore since he is operating a business not associated with the practice of public accounting.

Statutory violations: Responsibility for obtaining and maintaining documentation of completion of the continuing education requirements rests with each CPA. These records are to be maintained for a period of five years by the CPA.

Remedy: The Respondent's license was voluntarily surrendered as if revoked. To reinstate his license the Respondent shall: obtain 200 hours of continuing professional education within the two years prior to submitting a reinstatement request, 40 of which must be in accounting and auditing courses, submit proof of having attended the courses listed on the reinstatement application, pay the reinstatement fee in effect at that time, and pay a fine in the amount of \$500.

2007-019 (Cynthia L. Bell, 6653) Respondent was chosen at random to submit documentation to support the 4 continuing education courses totaling 63 hours listed on her 2007 license renewal application. In reply to a request to provide the supporting document the Respondent submitted a letter dated September 17, 2007 in which she indicated all of the documents had been destroyed as a result of a flood in the basement of her home where the documents had been stored.

Statutory violations: Responsibility for obtaining and maintaining documentation of completion of the continuing education requirements rests with each CPA. These records are to be maintained for a period of five years by the CPA. The Respondent admitted she failed to comply with these requirements.

Remedy: The Respondent was ordered to complete 120 hours in continuing professional education courses, submit documentation substantiating completion of those courses to the Board office no later than December 31, 2007, and pay a fine in the amount of \$500.

2006-002 (Kenneth M. Roberts) In a letter dated September 28, 2004, the Executive Director of the Board notified the Respondent that information had been received which alleged the Respondent may have issued audit reports for various housing authorities located in Kentucky after his license to practice public accounting had expired on July 1, 2003 (In fact the license expired on July 1, 2002). The letter also requested to be provided with further information from the Respondent regarding a current list of clients the Respondent is performing public accounting services for in Kentucky. By way of a letter dated October 11, 2004, the Respondent stated that he had issued audit reports after July 1, 2003 however he explained did not realize that his CPA license had expired. He further indicated in that letter that he believed the reason he allowed his license to expire was due to his failure to obtain the required amount of continuing professional education hours. He went on to state that his entire practice was based on conducting HUD audits and that these audits had taken an extensive amount of time to prepare. The letter provided further explanation regarding his failure to renew his license and also contained a list of audits completed from July 1, 2003 to the present. Following a review of a number of these audits by the CPA Investigator for the Board, it was determined by the Investigator that the audits reviewed would be considered substandard since the Respondent was not licensed at the time the reports were issued as required by GAGUS 3.44.

Statutory violations: The Respondent admitted that since July 1, 2002, the date his license expired, he issued audit reports without holding a current and valid license to do so in violation of KRS 325.380(1),(2) and (4).

Remedy: To be considered eligible to seek reinstatement of his license the Respondent was required to immediately cease and desist from holding himself out in Kentucky as a certified public accountant or providing any public accounting services to any Kentucky based clients, pay a fine in the amount of \$5,000, notify every client for which he issued an audit report from July 1, 2002 up until the present, that he was not licensed as a CPA at the time the report was issued, and provide a copy of each of those letters to the Board. Upon satisfaction of these requirements, the Respondent was eligible to seek a license through the reinstatement process. If the license is reinstated, the Respondent was to immediately enroll in an acceptable peer review program, submit a letter signifying enrollment in the program to the Board within five (5) business days of its receipt from a sponsoring organization, and submit the peer review report within five (5) business days of its receipt from the sponsoring organization to the Board for review and consideration of any possible action to be taken against the Respondent.

2007-013 (Stephen J. Geiger, 5462) On December 15, 2006, the Respondent appeared in the United States District Court for the Western District of Kentucky in a case styled *United States of America vs. Stephen J. Geiger, Case No. 06-156*, and entered a plea of guilty to 1 felony count of having violated 18 United States Code, Section 1343, Wire Fraud.

Statutory violations: The Respondent admitted that by entering a guilty plea in the above referenced case, he in fact pled guilty to having committed a felony which constitutes a violation of KRS 325.340(1)(e).

Remedy: The Respondent's individual license was revoked for a period of no less than ten (10) years from the date the Agreed Order was signed by the President of the Board. The Respondent is not allowed to make application to the Board for a possible re-issuance or reinstatement of his license until a period of ten (10) years has passed from the date the Order was signed by the President of the Board. Any such application for an individual license will not be considered or granted by the Board until the passage of the ten (10) years and unless after that passage of time the Respondent establishes by a preponderance of the evidence that he has satisfied the following terms and conditions: Completed all of the terms and conditions of his sentence from the federal criminal action, which includes completion of any supervised release or probation, refrains from pleading guilty to or being convicted of a felony in any federal or state court on any other charges, refrains from pleading guilty to or being convicted of a misdemeanor involving theft, fraud, or moral turpitude in any federal or state court on any other charges, not be found guilty by the Board of violating any provision of KRS Chapter 325 or the accompanying administrative regulations, make full restitution as set forth in the federal case and to not discharge any of these debts in any bankruptcy proceeding, and completes the reinstatement requirements in effect for the year he submits his application for reinstatement.

2007-020 (W. David Berger, 2091) Respondent was chosen at random to submit documentation to support the 8 continuing education courses totaling 68 hours listed on his 2007 license renewal application. In a letter to one of the Board staff and subsequently to the Board members the Respondent admitted that he had failed to complete the courses listed on his renewal form. According to the Respondent he believed he had another year to obtain the CPE hours, that he had not been in public practice for 30 years, and the small business he was running was taking up all of his time.

Statutory violations: The Respondent admitted he deceived the Board into believing he had obtained 60 hours of CPE to obtain his 2007 license which was a violation of KRS 325.340(1)(a).

Remedy: The Respondent was ordered to obtain an additional 120 hours in continuing professional education courses, submit proof of having completed those hours to the Board office no later than December 31, 2007, and pay a \$500 fine.

1994-031 (Deloitte & Touche LLP) In 1995 the Board opened an investigation into the professional services performed by Deloitte & Touche for Kentucky Central Life Insurance Company ("KCL"). The investigation was initiated as a result of a civil action filed in the Franklin County Kentucky Circuit Court in 1993 and subsequently amended in 1994. In that civil action various allegations were made by the court appointed rehabilitator of KCL against Deloitte & Touche and others regarding their actions involving KCL. Due to the complexity of the civil case the Board and the Firm chose to enter into a Litigation Monitoring Agreement in

1995 whereby the Board placed its investigation in abeyance until such time that the civil action was resolved. In 2006 the Board was notified by the Firm that the civil case had been resolved. The parties agreed to resolve this case in lieu of the Board filing a formal complaint against the Firm and holding a hearing on the complaint. The agreement was based upon a review of documents obtained from the Firm by the Board, the length of time since the civil case was filed until it was resolved (which was not anticipated by the parties when the Litigation Monitoring Order was signed), actions initiated by the Firm following the filing of the civil case, and the expenditure of funds required to pursue this matter further.

Statutory allegations: The Board submits that it had probable cause to open an investigation and file a formal complaint against the Firm based upon the allegations described in the civil action referenced above. The possibility exists that the Board, following a hearing on a formal complaint could have concluded that the Firm may have failed to conform to the professional standards that were to have been followed by the Firm regarding the work performed for Kentucky Central Life. However the Firm and the Board further agree that following a hearing on a formal complaint the Firm could also be exonerated by the Board. The Firm denies it violated any professional standards regarding the services provided to Kentucky Central Life.

Resolution: The Firm was ordered to pay \$20,000 to the Board.

2007-016 (Melissa Welch DeArk, 6457) Respondent was chosen at random to submit documentation to support the 9 continuing education courses totaling 64 hours as listed on her 2007 license renewal application. Two letters were sent to the Respondent's address which is on file with the Board No response to the letters was received from the Respondent. The Respondent never contacted the Board regarding her failure to submit any documentation in support of the hours listed on her renewal form.

Statutory violations: Responsibility for obtaining and maintaining documentation of completion of the continuing education requirements rests with each CPA. These records are to be maintained for a period of five years by the CPA. The Respondent admits she failed to comply with these requirements.

Remedy: Respondent was ordered to obtain an additional 120 hours in continuing professional education courses, submit proof of having completed these additional hours and pay a fine in the amount of \$500.

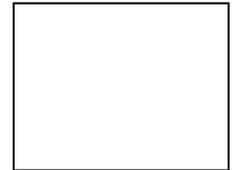
2008-002 (Todd A. Breckel, 4576) On or about December 28, 2007 a letter was received in the Board office from a former client of the Respondent. In the letter the client alleged the Respondent had failed to properly prepare his KY corporate returns over a period of four years. As a result of the Respondent's actions the former client alleged he had received a notice from the KY Department of Revenue that he is liable for withholding penalties and interest in excess of \$3,500. The client further alleged that he had left messages with the Respondent concerning this notice on several occasions but the Respondent had failed to contact the former client. On January 4, 2008 a letter from the executive director of the Board, which contained a copy of the complaint, was sent to the last known address of the Respondent. The letter requested the Respondent to submit a reply to the complaint no later than January 17, 2008. The letter was not returned by the Postal Service. No reply to that letter was received. On February 15, 2008 a second letter from the executive director was sent to the last known address of the Respondent. The letter requested a response to the initial complaint to be received in the Board office no later than February 25, 2008. On February 22, 2008 a letter was received from the Respondent. In that letter the Respondent indicated he had resolved the problems with his former client and submitted a copy of a letter he sent to the former client in which it was stated the problem had been resolved. The Respondent also indicated he had not received the first letter from the executive director. In an email received in the Board office on February 29, 2008, the former client confirmed that the Respondent had resolved all of the problems with the KY Department of Revenue.

Statutory violations: The Respondent admits that by having failed to properly prepare the corporate returns for his former client as described above he violated KRS 325.340(1)(b).

Remedy: Respondent was ordered to pay a fine in the amount of \$500.00.



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**ADDRESS CHANGED?
PLEASE NOTIFY US**

It is your responsibility as a licensed CPA to notify the Board of your current address. You may submit notice of a change in address by mail, fax, or through our website at cpa.ky.gov by using our “address change form.”