PUBLIC SESSION MINUTES
North Carolina State Board of CPA Examiners
November 17, 2008
1101 Oberlin Road
Raleigh, NC 27605

MEMBERS ATTENDING: Arthur M. Winstead, Jr., CPA, President; Michael C. Jordan, CPA, Vice President; Jordan C. Harris, Jr., Secretary-Treasurer; Jeffrey T. Barber, CPA; Norwood G. Clark, Jr., CPA; Tyrone Y. Cox, CPA; and Maria M. Lynch, Esq.

STAFF ATTENDING: Robert N. Brooks, Executive Director; J. Michael Barham, CPA, Deputy Director; Lisa R. Hearne, Manager-Communications; Ann J. Hinkle, Manager-Professional Standards; Buck Winslow, Manager-Licensing; Paulette Martin, Assistant-Professional Standards; Mary Beth Britt, Assistant-Professional Standards; and Noel L. Allen, Legal Counsel.

GUESTS: James T. Ahler, CEO, NCACPA; J.A. Lesemann, Jr., CPA, NCACPA; Dianne L. Uzzel, CPA, NCACPA; Hilda G. Watson, CPA; Frederick C. Garges, CPA; William D. Harazin, Esq.; Curt Lee, Legislative Liaison, NCSA; Suzanne Jolicoeur, AICPA; and Frederick K. Sharpless, Esq.

CALL TO ORDER: President Winstead called the meeting to order at 10:02 a.m.

MINUTES: The minutes of the October 20, 2008, meeting were approved as submitted.

FINANCIAL AND BUDGETARY ITEMS: The October 2008 financial statements were accepted as submitted.

LEGISLATIVE AND RULE-MAKING ITEMS: J.A. Leseman, Jr., NCACPA Board member, requested that the Board defer voting on the proposed draft NCGS 93 legislation until the Executive Directors and Legal Counsels of the Board and the NCACPA could meet and discuss the draft legislation in light of questions raised by the NCACPA’s Mobility Committee. The matter was deferred to the December 17, 2008, meeting.

NATIONAL ORGANIZATION ITEMS: Messrs. Cox and Jordan moved to approve the response to the FASB Exposure Draft, Earnings Per Share – An Amendment of FASB Statement No. 128. Motion passed.

Mr. Jordan reported on the NASBA Annual Meeting which was held in Boston, MA, on October 26-30, 2008.
Mr. Barber reported on the Forum of International Accountancy Regulators held in Boston, MA, on October 29-30, 2008.

The Board discussed the ramifications of North Carolina licensees issuing reports to North Carolina clients using the International Financial Reporting Standards which have not yet been adopted by the Board. The Board instructed the Executive Staff to report back to the Board regarding any necessary rule-making on this matter.

**REPORT OF THE PROFESSIONAL STANDARDS COMMITTEE:** Mr. Clark moved and the Board approved the following recommendations of the Committee:

- **C20085143 – Cynthia C. Tang** – Approve the signed Consent Order (Appendix I).
- **C20085168 – Kelly R. Pope** – Approve the signed Consent Order (Appendix II).
- **200605-040** – Close the case without prejudice.
- **C2007717** – Close the case without prejudice and with a Letter of Caution.
- **C20084371** - Close the case without prejudice.
- **C20084640** - Close the case without prejudice.
- **C20085567** - Close the case without prejudice.

**REPORT OF THE PROFESSIONAL EDUCATION AND APPLICATIONS COMMITTEE:** Ms. Lynch moved and the Board approved the following recommendations of the Committee:

**Transfer of Grades Applications** - The following were approved:

Jessica Liz Capitaine  
Lyndi Kathryn Freund  
Brianna Sue Myers

**Original Certificate Applications** - The following were approved:

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<tr>
<th>Ryan Joseph Adkins</th>
<th>E. Michelle Davis</th>
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<tr>
<td>Jeanette Danielle Atkins</td>
<td>Elizabeth Smith Demm</td>
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<td>Brandon Allyn barkley</td>
<td>Angela Maria DePoy</td>
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<td>Jennifer Brooke Bosley</td>
<td>Debbie Kay Dryer</td>
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<td>David Wilson Bryan</td>
<td>Carole A. Earwood</td>
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<td>Edward Paul Byron</td>
<td>Josette Renee Edwards</td>
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<td>Jessica Liz Capitaine</td>
<td>Karanda Velvet Fletcher</td>
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<td>Rita Hope Carroll</td>
<td>Amy Lynn Ford</td>
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<td>Branden Wilson Chopelas</td>
<td><strong>Andrew Charles Francis</strong></td>
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<td>Paul Brandon Cole</td>
<td>Lyndi Kathryn Freund</td>
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<td>Brittainy Hardin Crawford</td>
<td>Lisa Michelle Goerke</td>
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<td>Bradley Shuford Crossley</td>
<td>Jason Ross Golenbiewski</td>
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<td>Sarah Rebecca Davidson</td>
<td>Sumiko Saito Greer</td>
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Staff reviewed and recommended approval of the original application submitted by Deidra M. Francis. Ms. Francis failed to disclose a citation for misdemeanor disorderly conduct with her exam application but provided pertinent information with her certificate application. Staff recommended approval of the application with a one-year probationary period. The Committee approved staff recommendation.

**Reciprocal Certificate Applications** - The following were approved:

Lindsey Kay Angus
Michael Joseph Bodah
Ivanna Lafinis Cole
Paul Edwin Daniel Jr.
Nancy Jean Hune
John Francis Izzo
Debra Ann Jensen
Eleanor Caperton Lauer
Hayden Miles Lee
Diana Reynolds Mahaffey
Michael Joseph McLaughlin Jr.
Maria Anna Newell

Jacqueline Anne O'Connell
Shawn Anita Pack
Carolyn Devine Saint
David Charles Schwartz
Elizabeth Anne Smith
Pamela Susan Stearns
Patricia Ann Sutherland
Malcolm Carvel Taylor
Marion Patricia White
David Lamar Willis
Willard Henry Young
Michael Moneir Zahabi
**Temporary Permits** - The following temporary permits were approved by the Executive Director and ratified by the Board:

- Ivanna Lafinis Cole T5143
- Diana Reynolds Mahaffey T5144
- Willard Henry Young T5145
- Debra Ann Jensen T5146
- Michael Moneir Zahabi T5147
- Hayden Miles Lee T5148
- Carolyn Devine Saint T5149
- Marion Patricia White T5150
- Ivory Michelle Isaacson T5151
- Renée Lynch Teasdale T5152
- Karl Richard Ruben T5153
- Diana Elizabeth Militello T5154
- Elizabeth Ann Smith T5155
- Paul Edwin Daniel T5156
- Eleanor Caperton Lauver T5205
- Malcolm Carvel Taylor T5206
- Gaetano David Sperduto T5207
- Najla Rajeeyah Shareef T5208
- Nancy Jean Hune T5209
- David Lamar Willis T5210
- Brenda Joyce Willner T5211
- Patricia Ann Sutherland T5212
- Nathan Douglas Benn T5213
- Brooke Boles Whalen T5214

**Reinstatements** - The following were approved:

- Gretchen Stocks Britt #21561
- James Wesley Doggett Jr. #14083
- Lee Alan Dworsky #24523
- Cynthia Burgess Fischer #24886
- E. Johnston LeDuke #21733
- Myles Andrew MacDonald #19157
- Thomas Jay Stowe #19690
- Scott Michael Wells #17126
- Shannon Taylor Williams #28473

**Reissuance of New Certificate** - Applications for reissuance of new certificate submitted by the following were approved.

- John Henry Davis #12013
- Melissa M. Dean #28525
- Robert Grover Drumwright Jr. #11712
- Millard Filmore Hodnett #21973
- Jurgen Jost #22729
- Clint James Pete #24495
- Melanie Tomlinson Townsell #28966

**Reissuance of New Certificate and Consent Agreement** - An application for reissuance of new certificate and consent agreement submitted by each of the following individuals was approved:

- Catherine Bispo Allen #19382
- Lisha Anne Davis #31411
- Mongy Mahmoud Ibrahim #15084
Firm Registrations - The following professional corporations, professional limited liability companies, and limited liability partnerships were approved by the Executive Director and ratified by the Board:

KAREN L. CRANFORD, CPA, PC
GREIG DAVIS CPA, P.C.
Jared G. Johnson, CPA, PLLC
Smith and Shin, Certified Public Accountants, PLLC

Retired Status Applications - The Committee approved the following requests for retired status because the individuals are completely retired and do not receive any earned compensation for current personal services in any job whatsoever:

Eric R. Indermaur #11805
Kay Lee Walker #21053

Letters of Warning - Staff received a renewal from Stanley Albart Wilson (#32537) which lists 2007 CPE taken between January 1 and June 30, 2008, without an approved extension. Staff recommended a letter of warning for a first offense pursuant to 21 NCAC 08G .0406(b)(1). The Committee approved staff recommendation.

Staff received and recommended approval of the requests to rescind the Letters of Warning issued to the individuals listed below. The Committee approved staff recommendation.

Tammy Bridges #22848
Lori Gayle #32134
Cheryl L. Hennen #32431
Robert Knox #27257
Michael. J. Ryan #26081
Robert S. Segal #13105

Examinations – The Committee reviewed and approved the following staff-approved applicants to sit for the Uniform CPA Examination:

Robert Alexander
Donna Alston
Snjezana Andrews
Julie Auman
Rebecca Barker
Bonnie Bond
Jacklyn Braschler
Justin Bregman
Christina Burnett
Mark Causey
Hong Chen
Ruth Christian

Kevin Cole
Kelly Colf
Leah Coveleski
Jason Creel
Cedric Davis
Alfred Dawson
Andrew Deal
Tejbir Dhillon
Anna Dunbar
Susan Fleck
Cheryl Fluhr
Meghan Flynt
Antonia Forbes
Mark Furlong
Lisa Garcia
David Geci
Audrey George
Joshua Glienke
Anise Hage
Forrest Hall
Crystal Hamilton
Brittany Harkey
Eric Harris
Mandi Harris
Stephen Hensley
John Hillhouse
Susan Hilliard
Ann Hobson
Stefanie Holmes
LaToya Horton
Christina Howard
Kate Hwang
Letitia Jones
Jolene Jurss
Wissam Karout
Kevin Koonts
William Kroncke
Gonca Kurt
Jared Lashley
Mazalenia Lee
Heather Livingston
Regina Lloyd
Cara Loose
John Marks
Raymond McKinney
Brian McNeil
Jennifer McNeilus

Renee McNutt
Amanda Melton
Randolph "Morris, Jr"
Emily New
Lori O'Quinn
Odaro Omoruyi
Matthew Paddock
Joseph Pancamo
Stephen Peoples
Sonja Peterson
Adam Pierson
Melissa Powell
Jimmy Prassas
Ashley Prendergast
Seth Prevette
Jennifer Reilly
Marc Rhodes
Susi Rojas
John Rooney
Mindy Sammons
Dustin Shever
April Sparks
Kourtney Swan
Jerry Tejchma
Essie Teya McLoughlin
Cristen Vaughn
Matthew Walker
Lindsey Wallace
Zhaoxi Wang
Desmond Ward
Stephen Watkins
John Wiles
James Williams
Samantha Zigmont

Staff reviewed and requested guidance regarding two hypothetical exam applications. The Committee provided guidance to staff.

PUBLIC HEARING: President Winstead called the Public Hearing to order to hear Case No. 2007541 and Case No. 2005646 – Hilda G. Watson, CPA, #17930, and Hilda G. Watson, CPA, PA. Ms. Watson was present for the Hearing and was not represented by counsel at the Hearing. Ms. Watson and Mr. Brooks were sworn and presented testimony. Messrs. Clark and
Jordan moved to approve a Board Order permanently revoking the North Carolina CPA certificate issued to Hilda G. Watson by the Board and cancelling the firm registration of the firm, Hilda G. Watson, CPA, PA (Appendix III). Motion passed with seven (7) affirmative votes and zero (0) negative votes. The entire Hearing is a matter of public record.

**PUBLIC HEARING:** President Winstead called the Public Hearing to order to hear Case No. 200511-063 – Frederick Charles Garges, CPA, #7734. Mr. Winstead recused himself from participating in the Hearing and Vice President Jordan presided over the Hearing. Mr. Garges was present at the Hearing and was represented by counsel, Frederick K. Sharpless, Esq., at the Hearing. Mr. Garges, Mr. Brooks, and Mr. Sharpless were sworn and presented testimony. The Board entered Closed Session with William Harazin, Esq., and without the Executive Staff or Noel L. Allen, Esq., to discuss the matter. The Board re-entered the Hearing. Messrs. Barber and Harris moved to approve a Board Order requiring Mr. Garges to pay the assessed administrative costs of $3,567.00 within ninety (90) days of the date of the Order (Appendix IV). Motion passed with four (4) affirmative votes and two (2) negative votes. The entire Public Hearing is a matter of public record.

**ADJOURNMENT:** Ms. Lynch and Mr. Barber moved to adjourn the meeting at 2:42 p.m. Motion passed.

Respectfully submitted:  Attested to by:

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Robert N. Brooks  Arthur M. Winstead, Jr., CPA  
Executive Director

[Signature]

[Signature]
NORTH CAROLINA  
WAKE COUNTY  
BEFORE THE NORTH CAROLINA STATE BOARD OF  
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS  
CASE #: C20085143

IN THE MATTER OF:  
Cynthia C. Tang, #28196  
Respondent

CONSENT ORDER

THIS CAUSE, coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to NCGS 150B-41, the Board and Respondent stipulate the following Findings:

1. Respondent is the holder of North Carolina certificate number 28196 as a Certified Public Accountant.

2. Respondent informed the Board on her 2007-2008 individual certificate renewal (renewal) that she had obtained fifty-six (56) hours of continuing professional education (CPE) to meet the 2006 CPE requirement. Further, Respondent informed the Board on the renewal that she earned some of said CPE between January 1, 2007, and June 30, 2007.

3. Based on Respondent’s representation that prior to June 30, 2007, she had completed a total of fifty-six (56) hours of CPE which included seventeen (17) hours of carryforward from 2005, the Board accepted her renewal.

4. Board staff requested, by letter, that prior to January 11, 2008, Respondent provide course listings for the CPE reported to meet her 2006 CPE requirement.

5. Respondent provided CPE course listings to the Board indicating four (4) hours of CPE taken between January 1, 2007, and June 30, 2007. However, said course listings showed that Respondent had not taken eight (8) hours of non-self-study CPE between January 1, 2006, and June 39, 2007, despite her statement in her renewal that she had complied with the requirements on her renewal.

6. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board ex parte, whether or not the Board accepts this Consent Order as written.
Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED upon the foregoing, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes (NCGS) and Title 21, Chapter 8 of the North Carolina Administrative Code (NCAC), including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondent's actions as set out above constitute violations of NCGS 93-12(8b)a, 93-12(9)c and 93-12(9)e and 21 NCAC 08J .0101(b), 08N .0202(a), .0202(b)3, .0202(b)4, and .0203(b)(1).

BASED on the foregoing and in lieu of further proceedings under 21 NCAC Chapter 8C, the Board and Respondent agree to the following Order:

1. Respondent’s application for renewal is insufficient and untimely under NCGS 150-B-3(a). Hence, her certificate is automatically forfeited pursuant to NCGS 93-12(8b).

2. Respondent must return her certificate to the Board with this signed Consent Order.

3. Respondent may not apply for the reissuance of her certificate for at least one year from the date the Board receives Respondent’s forfeited certificate and until the civil penalty required in number five (5) of this Order has been paid by Respondent.

4. Respondent may apply to return her certificate to active status by submission and approval of a reissuance application which includes:
   a. Application form,
   b. Payment of the application fee,
   c. 3 moral character affidavits, and
   d. Forty (40) hours of CPE in 12 months preceding the application including an eight (8) hour accountancy law course as offered by the North Carolina Association of CPAs in a group study format.

5. Respondent shall pay a one thousand dollar ($1,000.00) civil penalty to be remitted within six months of the date this signed Order is accepted by the Board.
6. Respondent agrees that failure to timely comply with any terms of this agreement and consent order shall be deemed sufficient grounds for revocation of her license.

CONSENTED TO THIS THE 11th DAY OF October, 2008.

Cynthia C. Tang
Respondent

APPROVED BY THE BOARD THIS THE 17th DAY OF November, 2008.

NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

BY: [Signature]
President
NORTH CAROLINA
WAKE COUNTY
BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #: C20085168

IN THE MATTER OF:
Kelly R. Pope, #31391
Respondent

CONSENT ORDER

THIS CAUSE, coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to NCGS 150B-41, the Board and Respondent stipulate the following Findings:

1. Respondent is the holder of North Carolina certificate number 31391 as a Certified Public Accountant.

2. Respondent informed the Board on her 2007-2008 individual certificate renewal (renewal) that she had obtained fifty-five (55) hours of continuing professional education (CPE) to meet the 2006 CPE requirement. Further, Respondent informed the Board on the renewal that she earned some of said CPE between January 1, 2007, and June 30, 2007.

3. Based on Respondent’s representation that prior to June 30, 2007, she had completed a total of fifty-five (55) hours of CPE which included fifteen (15) hours of carryforward from 2005, the Board accepted her renewal and issued a letter of warning to her dated December 10, 2007.

4. Board staff requested, by letter, that prior to January 11, 2008, Respondent provide course listings for the CPE reported to meet her 2006 CPE requirement.

5. Respondent provided CPE course listings to the Board indicating twenty (20) hours of CPE taken between January 1, 2007, and June 30, 2007. However, said course listings showed that Respondent had not taken a CPE ethics course between January 1, 2006, and June 30, 2007, despite her statement in her renewal that she had complied with the requirements on her renewal.

6. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board ex parte, whether or not the Board accepts this Consent Order as written.
Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED upon the foregoing, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes (NCGS) and Title 21, Chapter 8 of the North Carolina Administrative Code (NCAC), including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondent’s actions as set out above constitute violations of NCGS 93-12(8)b, 93-12(9)c and 93-12(9)e and 21 NCAC 08J .0101(b), 08N .0202(a), .0202(b)3, .0202(b)4, and .0203(b)(1).

BASED on the foregoing and in lieu of further proceedings under 21 NCAC Chapter 8C, the Board and Respondent agree to the following Order:

1. Respondent’s application for renewal is insufficient and untimely under NCGS 150-B-3(a). Hence, her certificate is automatically forfeited pursuant to NCGS 93-12(8b).

2. Respondent must return her certificate to the Board with this signed Consent Order.

3. Respondent may not apply for the reissuance of her certificate for at least one year from the date the Board receives Respondent’s forfeited certificate and until the civil penalty required in number five (5) of this Order has been paid by Respondent.

4. Respondent may apply to return her certificate to active status by submission and approval of a reissuance application which includes:
   a. Application form,
   b. Payment of the application fee,
   c. 3 moral character affidavits, and
   d. Forty (40) hours of CPE in 12 months preceding the application including an eight (8) hour accountancy law course as offered by the North Carolina Association of CPAs in a group or self-study format.

5. Respondent shall pay a one thousand dollar ($1,000.00) civil penalty to be remitted within six months of the date this signed Order is accepted by the Board.
6. Respondent agrees that failure to timely comply with any terms of this agreement and consent order shall be deemed sufficient grounds for revocation of her license.

CONSENTED TO THIS THE 23\textsuperscript{rd} DAY OF October, 2008.

\[\underline{\text{Kelly Richmond Pope}}\]

Respondent

APPROVED BY THE BOARD THIS THE 17\textsuperscript{th} DAY OF November, 2008.

NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

\[\underline{\text{Betty W. Winstead}}\]

President
NORTH CAROLINA BEFORE THE NORTH CAROLINA STATE BOARD OF
WAKE COUNTY CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

CASE #: C2007541 and C20085646

IN THE MATTER OF:
Hilda G. Watson, #17930
Hilda G. Watson, CPA, PA
Respondents

BOARD ORDER

THIS CAUSE coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, at public hearing, with a quorum present, the Board finds, based on the evidence presented at the hearing on November 17, 2008, that:

FINDINGS OF FACT

1. The parties have been properly identified.

2. The Board has jurisdiction over the Respondents and this matter.

3. Respondents received at least fifteen (15) days written Notice of Hearing of this Matter by personal service, certified mail, or other approved personal delivery.

4. Venue is proper and the Noticed Hearing was properly held at 1101 Oberlin Road, Raleigh, North Carolina.

5. Respondents had no objection to any Board Member's participation in the Hearing of this Matter.

6. Respondents were present at the Hearing and were not represented by counsel.

7. Respondent Hilda G. Watson (hereinafter "Respondent Watson") is the holder of a certificate as a Certified Public Accountant in North Carolina and is subject to the provisions of Chapter 93 of the General Statutes of North Carolina and Title 21, Chapter 8 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
8. Respondent Hilda G. Watson, CPA, PA (hereinafter "Respondent firm") is a licensed certified public accounting professional corporation in North Carolina. Respondent Watson is the sole shareholder of Respondent firm. At all times relevant, Respondent Watson was the principal shareholder, president and individual responsible for Respondent firm's compliance with state and federal tax laws as well as North Carolina's accountancy laws. Respondent firm's actions and failures to act are attributable to Respondent.


10. Respondent Watson informed the Board that she was making monthly payments on the federal tax owed as well as interest and penalties for tax years 2000 ($13,305.29), 2002 ($13,745.59), 2004 ($13,529.64), and 2005 ($6,397.47).


12. In a prior case, Respondent Watson consented to a censure and other discipline in an order dated November 19, 2001, for violations related to her failure to disclose federal tax liens that had been filed against her for failure to pay individual income taxes. Respondent Watson complied with the terms of that prior order and the facts of the present matter do not involve the tax years or conduct which was the subject of the prior order. However, a prior offense involving the failure to comply with tax laws is an aggravating factor in the present case.

**CONCLUSIONS OF LAW**

1. Respondents' actions constitute violations of NCGS 93-12 (9)e and 21 NCAC 8N .0201, .0203, .0204, and .0207.

**BASED ON THE FOREGOING,** the Board orders in a vote of 7 to 6 that:

1. The Certified Public Accountant certificate issued to Respondent Watson, Hilda G. Watson, is hereby permanently revoked.
Board Order - 3
Hilda G. Watson
Hilda G. Watson, CPA, PA

2. The firm registration for Respondent firm, Hilda G. Watson, CPA, P.A., is hereby canceled.

This the 17th day of November 2008.

NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS

BY: [Signature]
President
NORTH CAROLINA  BEFORE THE NORTH CAROLINA STATE BOARD OF
WAKE COUNTY  CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #: 200511-063

IN THE MATTER OF:
Frederick Charles Garges, #7734  BOARD ORDER
Respondent

THIS CAUSE coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, at public hearing, with a quorum present, the Board finds, based on the evidence presented at the hearing on November 17, 2008, that:

FINDINGS OF FACT

1. The parties have been properly identified.

2. The Board has jurisdiction over the Respondent and this matter.

3. Respondent received at least fifteen (15) days written Notice of Hearing of this Matter by personal service, certified mail, or other approved personal delivery.

4. Venue is proper and the Noticed Hearing was properly held at 1101 Oberlin Road, Raleigh, North Carolina.

5. Respondent had no objection to any Board Member’s participation in the Hearing of this Matter.

6. Respondent was present at the Hearing and was represented by counsel.

7. Respondent is the holder of a certificate as a Certified Public Accountant in North Carolina and is therefore subject to the provisions of Chapter 93 of the North Carolina General Statutes (NCGS) and Title 21, Chapter 8 of the North Carolina Administrative Code (NCAC), including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

8. Respondent signed a Consent Order on December 3, 2007, “in lieu of further proceedings” in which he agreed to “reimburse the Board for the administrative costs incurred in this matter.”
9. The Consent Order resolved all allegations of various violations arising out of a complaint filed by former clients as well as facts discovered by Board staff in the course of its investigation.

10. Based upon Respondent's representation in the signed Consent Order that "Respondent Garges wishes to resolve this matter by consent," Board staff recommended to the Board that the Consent Order be approved. The Board approved the Order at its December 19, 2007, meeting.

11. At no time prior to the Board's approval of the Consent Order did Respondent inquire about or question the amount of the "administrative costs incurred in this matter" nor did Respondent suggest that the term "this matter" referred to anything less than all the allegations. As is the practice of the Board, after the Board approved the Order, Board staff informed Respondent on December 26, 2007, that he was to reimburse administrative costs in the amount of $3,567.00.

12. Respondent has refused to reimburse the Board as agreed in Paragraph #3 of the Consent Order. Ultimately, on or about April 2, 2008, Respondent tendered a check in the amount of $500 "as payment of what [Respondent] contend[s] and believe[s] to be the maximum possible reasonable administrative costs."

CONCLUSIONS OF LAW

1. Respondent's conduct as set out above constitutes violations of NCGS 93-12(9)e and 21 NCAC 08N .0203(b)(3).

BASED ON THE FOREGOING, the Board orders in a vote of ___ to ___ that:

1. Respondent, Frederick Charles Garges, is hereby ordered to pay the assessed administrative costs in the amount of $3567.00 within ninety (90) days of the date of this Order.

This the ___17th__ day of ___November 2008__.