



TEXAS STATE BOARD REPORT

NOVEMBER, 1988 AUSTIN, TEXAS Vol. 32

Board Adopts New Committee Structure

At its October, 1988, meeting, the Board adopted, on an emergency basis, new Substantive Rule 505.10, Board Committees. The new rule expands the previous committee structure, which had been in effect since 1981.

The new rule authorizes the creation of several new committees, including the Sponsor Compliance Committee, which will act in an oversight capacity to insure that the Board's registered continuing education sponsors are fulfilling their agreements and will monitor courses for the purpose of evaluating the facilities, course content and the adequacy of the presenter(s). This committee is chaired by James F. Dunn Jr., CPA; other members are Nancy R. Brannon and William H. Quimby.

Another new committee is the Constructive Enforcement Committee, also chaired by Dunn. Committee members are Rowland D. Pattillo, CPA, and Margret Rios Schaefer. According to the committee charge, it will be responsible for investigating complaints forwarded from other committees and follow up of Board orders to insure adherence to sanctions imposed by the Board. *Ad hoc* members from the profession have been at work for about a year in this capacity, and it is

expected that more volunteers will be appointed in the near future to expand the geographic regions of the state covered by the constructive enforcement program.

The Report Review Committee will be responsible for conducting a periodic review and evaluation of publicly-filed reports and reports of practice units engaged in public accounting in the State of Texas. The Committee is composed of James F. Dunn Jr., CPA, chairman and is aided by Paul W. Hillier Jr., CPA. Advisory committee members are expected to be appointed within a short time.

Several committees have been renamed. The Licensee Education Committee was formerly the Continuing Education Committee, and is chaired by William H. Quimby. Other members are Oscar C. Mascorro, CPA; and non-Board members David E. Lajoie, CPA; L. Paden Neeley, Ph.D., CPA; and Thomas J. Roberts, CPA. The committee reports to the Board on the mandatory continuing education program.

The Entry and Reentry Screening Committee, chaired by John F. Lanier Jr., CPA, is now known as the Licensing Committee. Its responsibilities include overseeing the licensing functions of the Board. The other committee member is Walter D. Davis III, CPA.

The Behavioral Enforcement Committee was previously known as the Enforcement Committee, and deals with complaints on violations on *The Rules of Professional Conduct* and *The Act*. The committee chairman is Rowland D. Pattillo, CPA; other members are John F. Lanier Jr., CPA, and non-Board member Fred J. Pearson, CPA.

The Executive Committee is composed of the Board's officers: Earl C. Lairson, CPA, chairman; Paul W. Hillier Jr., CPA, vice-chairman; Nancy R. Brannon, secretary; and Jarman Bass, CPA, treasurer. The committee advises, consults with, and makes recommendations to the Board on matters of litigation, proposed changes to Board rules, and matters of a general nature not under the auspices of another committee.

The Examination Committee reviews applications for the Uniform CPA Examination and makes recommendations to the Board regarding approval. It also reviews matters dealing with the administration of the exam. Committee members are: Dwight L. Kinard, CPA, chairman; Nancy R. Brannon; and Barbara Shimaitis.

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FUTURE MEETINGS

TEXAS STATE BOARD OF PUBLIC ACCOUNTANCY

November 18-19, 1988
January 26-27, 1989
February 23-24, 1989
April 27-28, 1989

COMMITTEE MEETINGS

Committee meetings are held at the call of the committee chairmen. Notices are published in the *Texas Register*.

CPA SWEARING-IN CEREMONY

November 19, 1988

LICENSE FEES DUE BY DECEMBER 31

The 1989 license renewal notice was mailed the first week of November, 1988, to all individuals and firms holding 1988 licenses. The notice is to be completed and returned to the Board office by December 31, 1988. It is very important that it is returned by that date to preclude the payment of a penalty and also to avoid the possibility of a complaint being filed by the Board.

An individual or firm practicing public accounting in Texas without a license is considered to be in violation of Section 8 of *The Public Accountancy Act of 1979, as amended* and is subject to disciplinary action by the Board. In 1988, complaints were filed against individuals and firms whose license fees were paid after December 31, 1987. As a result, 100 were reprimanded, and 819 were issued Board admonishments and required to pay \$100 in administrative costs, which was in *addition* to the \$20 late penalty.

An incomplete license notice form received in the Board office will be returned to the licensee for completion. In the past, the most common problem areas have been:

- Failure to sign the notice;
- Failure to answer the conviction question;
- Failure to "bubble in" spaces on the scannable form and/or failure to use a number-two pencil to do so;
- Failure to sign the check;
- Failure to remit the correct amount of money;
- Failure to complete the continuing education portion of the notice; and
- Failure to answer all questions.

If a check is returned for any reason, federal law requires that the Board must "void" it, and a new check submitted.

Any of the above situations may result in the delay of licensure and

may also result in disciplinary action.

The 1989 license fee has remained unchanged at \$26. Initial license fees are pro-rated according to the date the individual becomes licensed.

Also included in this year's license fee, as in 1988, is the \$110 legislatively-mandated temporary license fee. This revenue is required to be collected by the Board; however, it is deposited into the State Treasury, with \$27.50 going into the Foundation School Fund and \$82.50 into the General Revenue Fund. This fee applies to all CPAs, with the exception of those claiming retired status (the fee for an individual in retired status is \$10). An Attorney General's opinion has ruled that the \$110 temporary fee does not apply to firms or to licensed public accountants.

The 70th Legislature enacted this bill in order to alleviate the state's financial deficit. The \$110 was an alternative to other tax methods considered during the session, including a 3% tax on gross receipts for professional services. Among others subject to this fee are physicians, attorneys, and professional engineers.

AICPA/FTC PROPOSE AGREEMENT

The Board has been informed by the American Institute of CPAs (AICPA) that its Governing Council on August 30, 1988, by a 191 to 5 margin, voted to approve a recommendation of its Board of Directors to enter into an agreement with the Federal Trade Commission (FTC) resolving an FTC investigation of the AICPA's bans on commissions, contingent fees,

and several other activities.

Once signed by the AICPA and FTC staffs, the agreement will be submitted to the FTC for tentative approval, after which it will be open to public comment for sixty (60) days. After that period, the FTC will either adopt it as signed or modify it.

The settlement, which, if approved, will fully resolve the FTC inquiry begun in 1985, and result in several changes in the AICPA Code of Ethics. Under the agreement:

- The AICPA will retain its right to prohibit members from taking commissions or contingent fees from any client for whom the CPA performs audit, review, or compilation services, as well as examinations of prospective financial statements; it would no longer pro-

hibit these practices with respect to clients for whom an AICPA member does not perform such services.

- The AICPA would retain its right to require that a member disclose to clients that he is accepting a referral fee or a commission for products or services of others referred to the client.
- The rules prohibiting advertising or solicitation by false, misleading, or deceptive statements would remain in force, but certain interpretations under those rules relating to self-laudatory or comparative claims, testimonials and endorsements, and advertising that lacks professional dignity and good taste would be withdrawn.

Questions & Answers

Q. What is the Board policy on criminal background checks?

A. Each initial examination candidate's background is checked for criminal history through the Texas Department of Public Safety; upon finding of criminal conviction, the exam application is referred to the Examination Committee, which then makes a recommendation to the Board on whether the candidate should be allowed to sit for the exam. Applications for the CPA certificate are also

checked, and if criminal history exists, the application is referred to the Licensing Committee (formerly the Entry and Reentry Screening Committee), which will in turn make a recommendation to the Board regarding suitability for licensure and certification.

Proposed amendments to *The Act*, if passed, will expand the criminal background check to allow the Board access to FBI records.

Falsification of criminal conviction information may result in disapproval of exam or certificate/license application, and a certificate or registration holder may be subject to disciplinary action by the Board, including reprimand, revocation, or suspension of certificate and/or license.

Q. How do I go about registering my firm as a corporation?

A. In order to be registered with the Board as a professional corporation, the firm must file articles of incorporation with the Office of the Secretary of State and be approved by that office. The articles of incorporation must be provided to the Board along with Board form 13. The Licensing Committee will then review the application and make a recommendation to the Board on whether the firm should be registered. The license fee for a professional corporation is \$26. A professional corporation is required to include "P.C.," "Professional Corporation," "Corporation," "Incorporated," "Company," or an abbreviation of these in the firm name. If "P.C." or "Professional Corporation" is not included in the firm name, it must be shown *with* the firm name each time it is used.

Q. How do I change my firm name with the Board?

A. A change in a firm name must be reported on a form provided by the Board. The firm name must comply with Substantive Rules 501.47, Firm Names, 513.26, Partnership Names, and/or 513.44, Corporate Names.

Licensees Required to Inform Board of Address Change

Substantive Rule 501.48, Responses, was amended on an emergency basis at the October 20-21, 1988, Board meeting to include a provision requiring a certificate or registration holder to inform the Board of a change of address within thirty (30) days. The notification must be in writing and must include the effective date of the address change.

The rule also requires that a certificate or registration holder respond, in writing, within thirty (30) days of the mailing of a Board communication by certified or registered mail. Failure to comply with this rule may result in disciplinary action.

MAY, 1989 EXAMINATION SCHEDULE

The May, 1989, Uniform CPA Examination will be conducted at the following locations and times:

EXAMINATION SITES

Austin	Lester E. Palmer Auditorium
El Paso	UTEP Special Events Center
Fort Worth	Tarrant County Convention Center
Houston	George R. Brown Convention Center
Lubbock	Lubbock Civic Center
San Antonio	San Antonio Convention Center

EXAMINATION TIMES

May 3	1:30 p.m. - 6 p.m. Accounting Practice, Part I
May 4	8:30 a.m. - 12 Noon Auditing 1:30 p.m. - 6 p.m. Accounting Practice Part II
May 5	8:30 a.m. - 12 Noon Business Law 1:30 p.m. - 5 p.m. Accounting Theory

The national release date for the November, 1988, exam will be February 1, 1989. The deadline for submitting applications for the May, 1989, examination is February 28, 1989.

ENFORCEMENT ACTIONS

DISCIPLINARY ACTIONS

Complaint No.: 85-04-24L

Complaint No.: 86-01-30L

Complaint No.: 86-06-40L

Complaint No.: 87-04-30L

Complaint No.: 87-07-31L

Respondent: Howard L. Busby

Date of Board Ratification of Agreed Consent Order: 8/26/88

Disposition: Based upon violations of *The Public Accountancy Act of 1979, as amended (The Act)* and various *Rules of Professional Conduct (The Rules)*, the respondent's license and certificate were revoked effective October 10, 1988, due to his knowingly misrepresenting facts to clients involving investment transactions; improperly vouching for the performance of investments; failing to disclose impaired independence on financial statements; failing to provide proper supervision and/or review accounting work; failing to establish a pension plan in a timely and competent manner as trustee of a pension fund; improperly converting funds to his own use; improperly converting client's property; failing to timely return client's records; and practicing public accounting through an unlicensed entity.

Complaint No.: 87-01-13L

Respondent: Lyle Duane Fullmer

Date of Board Ratification of Proposed Decision: 7/29/88

Disposition: Following a public hearing before a panel of Board members, the respondent's certificate and license were suspended for sixty (60) days based upon violations of Section 501.48 of *The Rules* in that he failed to respond to Board communications on two occasions.

Complaint No.: 83-12-25L

Respondent: Theodore A. Gonzales

Date of Board Ratification of Agreed Consent Order: 8/25/88

Disposition: Based upon his violations of Sections 501.22 and 501.46 of *The Rules*, the respondent's license and certificate were voluntarily suspended for thirty (30) days and he was required to complete thirty (30) hours of continuing education in the area of audit/governmental audit. The complaint was filed due to the respondent's failure to properly safeguard audit workpapers and due to practicing public accounting through an unlicensed entity.

Complaint No.: 86-10-21L

Respondent: John Lingenfelder, Jr.

Date of Board Ratification of Proposed Decision: 7/29/88

Disposition: Following a public hearing before a panel of Board members, the respondent's certificate was revoked based upon violations of Sections 501.21, 501.22, 501.32, and 501.48 of *The Rules* in that he failed to complete an engagement in a timely and competent manner, to return client records, to respond to Board com-

munications, and a violation of Section 8 of *The Act* in that he practiced public accounting without a license.

Complaint No.: 86-05-02L

Respondent: Jack Milner

Date of Board Ratification of Proposal for Decision: 8/25/88

Disposition: Following a hearing before a hearings officer, the respondent's certificate and license were revoked based upon his violation of Section 501.48 of *The Rules*, in that he failed to respond to Board communications on three occasions.

Complaint No.: 87-07-29L

Respondent: C. Louis Noack, Jr.

Date of Board Ratification of Proposal for Decision: 7/29/88

Disposition: Following a public hearing before a panel of Board members, the respondent's certificate and license were suspended for a minimum of six (6) months and a maximum of five (5) years in the event of failure to comply with the Board's continuing education requirements as set out in Section 501.5 of *The Rules* in that he failed to complete an engagement in a timely manner, and in that he failed to return client records.

Complaint No.: 85-10-07L

Respondent: Kenneth O'Neal

Date of Board Ratification of Proposal for Decision: 8/25/88

Disposition: Following a panel hearing, the respondent was issued a public reprimand based upon his violation of Sections 501.21 and 501.22 of *The Rules*, in that he prepared financial statements and an auditor's report in which the accounting work deviated from industry standards.

Complaint No.: 82-10-13L

Complaint No.: 84-06-22L

Respondent: Archie Mitchell Sylvia, III

Date of Board Ratification of Proposal for Decision: 7/29/88

Disposition: Following a public hearing before a panel of board members, and based upon violations of Sections 501.21, 501.22, and 501.23 of *The Rules*, the respondent was issued a public reprimand; in addition, his certificate and license were suspended for thirty days beginning with the respondent's receipt of the Board order and ending thirty (30) days after receipt of his certificate by the Board. The above action was taken upon determination that the respondent failed to complete an engagement in a competent manner and failed to comply with GAAP.

Complaint No.: 87-10-27L

Respondent: Unnamed

Date of Board Ratification of Proposed Consent Order: 7/29/88

Disposition: Following an informal conference before the Technical Standards Review Committee, the respondent was issued a reprimand based upon violations of Sections 501.21 and 501.22 of *The Rules*

in that the school district working papers failed to support audit report representations. According to the terms of the consent order, the respondent must submit 1988 school district reports to a second partner review prior to issuance of the reports; further he is to undergo a peer review of all his work by April 30, 1989. In both situations, the review must be performed by a CPA whose firm has undergone a peer review, and a copy of the report must be submitted to the Board.

Complaint No.: 87-07-55L

Respondent: Unnamed

Date of Board Ratification of Proposed Consent Order: 7/29/88

Disposition: Following an informal conference before the Technical Standards Review Committee, the respondent was issued a reprimand based upon violations of Sections 501.21 and 501.22 of *The Rules* in that the school district working papers failed to support audit report representations. According to the terms of the order, the respondent must undergo a peer review on the attest function portion of his practice by September 30, 1988; further, he is barred from accepting any new attest clients until completion of the peer review and he must make the review report available to the Board for possible further action.

Complaint No.: 87-10-10L

Respondent: Unnamed

Date of Board Ratification of Proposed Consent Order: 7/29/88

Disposition: Following an informal conference before the Technical Standards Review Committee, the respondent was issued a reprimand based upon violations of Sections 501.21 and 501.22 of *The Rules* in that he failed to complete an audit engagement according to GAGAS. The terms of the order state that the respondent is to complete eight (8) hours of continuing education yearly in governmental auditing.

Complaint No.: 87-10-09L

Respondent: Unnamed

Date of Board Ratification of Proposed Consent Order: 7/29/88

Disposition: Following an informal conference before the Technical Standards Review Committee, the respondent was issued a reprimand based upon violations of Sections 501.21 and 501.22 of *The Rules* in that he failed to complete an audit engagement according to GAGAS. The terms of the order state that the respondent is barred from all attest work, including compilations, reviews, and audits.

Complaint No.: 87-08-17L

Respondent: Unnamed

Date of Board Ratification of Proposed Consent Order: 7/29/88

Disposition: Following an informal conference before the Technical Standards Review Committee, the respondent was issued a reprimand based upon violations of Section 501.41 of *The Rules*, in that he failed to properly document accounting services provided at a time the respondent

was also providing the complainant with investment and rental services.

Complaint No.: 88-01-32L
Respondent: Unnamed
Date of Board Ratification of Proposed Consent Order: 7/29/88

Disposition: Following an informal conference before the Technical Standards Review Committee, the respondent was issued a reprimand based upon a violation of Section 501.21 of *The Rules* in that he failed to complete an audit engagement in a timely manner.

Complaint No.: 87-10-33L
Respondent: Unnamed
Date of Board Ratification of Proposed Consent Order: 7/29/88

Disposition: Following an informal conference before the Technical Standards Review Committee, the respondent was issued a reprimand based upon violations of Sections 501.21, 501.22, and 501.23 of *The Rules* in that he did not comply with generally accepted auditing standards on an audit engagement. According to the terms of the order, the respondent is to complete sixteen (16) hours of continuing education in the field of governmental agency audits by July 31, 1989, and to furnish proof of completion to the Board.

Complaint No.: 87-07-50L
Respondent: Unnamed
Date of Board Ratification of Agreed Consent Order: 7/29/88

Disposition: Following an informal conference before the Enforcement Committee, the respondent was issued a reprimand based upon a violation of Section 501.44 of *The Rules*, in that she made unauthorized solicitations of clients of another CPA.

Complaint No.: 83-11-10L
Respondent: Unnamed
Date of Board Ratification of Proposal for Decision: 8/25/88

Disposition: The respondent received a reprimand based upon his violations of Sections 501.12, 501.21, and 501.22 of *The Rules* in that he subordinated judgment and deviated from industry standards in issuing financial statements. The respondent was further required to complete sixteen (16) hours of continuing education.

Complaint No.: 87-11-13L
Respondent: Unnamed
Date of Board Ratification: 8/25/88

Disposition: Following an informal conference before the Committee on Technical Standards Review, the respondent received a reprimand based upon his violations of 501.21 and 501.32 of *The Rules*, in that he failed to complete engagements with due professional care and competence in a timely manner, and that he failed to provide the client's legally-appointed representative with client documents. In addition, the respondent was required to complete sixteen (16) hours of continuing education by August 31, 1988.

Complaint No.: 88-01-36L
Respondent: Unnamed
Date of Board Ratification: 8/25/88

Disposition: Following an informal conference before the Committee on Technical Standards Review, the respondent received a reprimand based upon his violation of Sections 501.21 and 501.48 of *The Rules*, in that he provided a client with erroneous tax advice, and further, that he failed to respond to Board communications.

Complaint No.: 87-07-32L
Respondent: Unnamed
Date of Board Ratification: 8/25/88

Disposition: Following an informal conference before the Committee on Technical Standards Review, the respondent received a reprimand based upon his violation of Section 501.48 of *The Rules*, in that he failed to respond to Board communications.

Complaint No.: 87-10-72L
Respondent: Unnamed
Date of Board Ratification of Agreed Consent Order: 8/25/88

Disposition: Following the Enforcement Committee's recommendation that the Board seek an agreed consent order, the respondent was issued a reprimand based upon his violation of Sections 501.41 and 501.44 of *The Rules*, in that he removed client files from the office of his former employer and solicited those clients.

CONTINUING EDUCATION ACTIONS

Respondent: Unnamed
Date of Board Ratification of Agreed Consent Order: 7/29/88

Disposition: Following an informal conference before a hearings officer, 27 respondents were reprimanded based upon a finding that they had practiced public accounting for a portion of 1988 prior to payment of their 1988 license fees.

Expanded Publication of Disciplinary Sanctions to Begin

Board policy has been to publish in the *Texas State Board Report* only the names of registration and certificate holders whose licenses and certificates had been revoked or suspended by Board action. Individuals issued reprimands were not identified by name unless the Board order or agreed settlement specifically included a provision for a "public" reprimand.

With the enactment of new Substantive Rule 519.29, Publication of Disciplinary Administrative Sanctions, the Board will begin publishing all disciplinary actions, including reprimands. In addition, the Board will publish revocations not only in the *Board Report*, but also in other periodicals.

The rule states:

The Texas State Board of Public Accountancy (the Board) shall cause to be published in the Board's official publication, 'the Texas State Board Report,' and may publish in newspapers of general distribution in the state, the name of any certificate or registration holder who is the subject of a reprimand, suspension of certificate or registration, revocation of certificate or registration, or surrender of certificate or registration in lieu of disciplinary action. Such publication shall not occur until a final Board order has been issued and the appeal period expired, without appeal having been taken.

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ENFORCEMENT ACTIVITY

August 8 - October 21, 1988

	Rules	Act	Total
Active files August 8, 1988	259	1068	1327
Files opened during period	74	362	436
Files closed during period	<u>56</u>	<u>454</u>	<u>510</u>
TOTAL	277	976	1253

CONTINUING EDUCATION SPONSORS

Following is a list of *new* active continuing education sponsors who have registered since the last issue of the *Texas State Board Report*. **THIS IS NOT A COMPLETE LIST.** A complete list of active sponsors is available for a fee from the Board office.

Licensees are cautioned to obtain CE from actively-registered sponsors. The sponsor registration number should be obtained from the sponsor, who should also provide a certificate of completion stating number of credit hours earned and course number. Licensees should retain this information in their files for five (5) years.

Courses taken from unregistered sponsors may be considered; however, the courses must be reviewed by the Licensee Education Committee, ratified by the full Board, with the burden of proof regarding adherence to Board standards falling upon the licensee.

A.G. Edwards & Sons, Inc., Houston, TX	03732	California Tax Institute, Yorba Linda, CA	03661	Government Finance Officers Association, Bellaire, Tx	03731
A.G. Edwards & Sons, Inc., Amarillo, TX	03773	Capital Financial Profiles of the Southwest, Fort Worth, TX	03713	Gratzer, Clem and Company, P.C., Angleton, Tx	03663
ACACIA Group, San Antonio, TX	03708	Charitable Planning Corporation, Houston, TX	03795	Gray, Gray & Gray, Boston, MA	03716
Accounting Educations Group, Dallas, TX	03804	Chartered Life Underwriters - Ft. Worth Chapter, Fort Worth, TX	03791	Grayson County College, Denison, TX	03761
Advanced Business Microsystems, Inc., Irvine, CA	03757	CIS Investment Corporation, Dallas, TX	03798	Greenway Toastmasters, Houston, TX	03754
Alaska Rural Electric Cooperative Assn., Anchorage, AK	03715	CLE International, Inc., Denver, CO	03726	GTE Southwest, Incorporated, San Antonio, TX	03657
AM Best Company, Oldwick, NJ	03654	Computer Help, Dallas, TX	03697	H&R Block of South Texas, Inc., Waco, TX	03729
American Institute of Real Estate, Richardson, TX	03724	Computer Measurement Group, Inc., Alexandria, VA	03696	Halverson Weaver & Irons, Houston, TX	03800
Ameritas Financial Services, Nederland, TX	03658	Comtec Computer Services, Inc., Houston, TX	03689	IDS Financial Services, Inc., Minneapolis, MN	03785
Apple Computer, Inc., Cupertino, CA	03722	Concho Valley Estate Planning Council, San Angelo, TX	03765	Institute of Management Services (IMS), Orange, CA	03676
Association of Government Accountants, Houston, TX	03811	Connelly & Associates, Austin, TX	03727	Integrated Life Insurance Company, West Des Moines, IA	03711
Association of Image & Information Mgmt., Houston, TX	03778	Council on Education in Management, Walnut Creek, CA	03786	International Financial Consultants, Tulsa, OK	03667
Babson College, Wellesley, MA	03781	Cuna & Affiliates, Madison, WI	03751	Investment Management Institute, New York, NY	03803
Back to Basics, Inc., Altamonte Springs, FL	03693	Dean Witter Reynolds, Inc., Dallas, TX	03762	Investors Guaranty Trust Company, San Antonio, TX	03776
Bankers Systems Financial Services, St. Cloud, MN	03679	Dennis L. Essary, P.C., Richardson, TX	03691	J. Randy Smith, Houston, TX	03777
Beale and Associates, Little Rock, AR	03687	Eastern Chapter of New Mexico Society of CPAs, Clovis, NM	03748	Jean Knight & Associates, Dallas, TX	03734
Bear, Stearns & Co., Inc., Dallas, TX	03769	Elms Faris & Company of Dallas, Dallas, TX	03684	Jerry W. Williamson, Texarkana, TX	03705
Bee County College, Beeville, TX	03665	Englander & Associates, Farmers Branch, TX	03671	Jimmy Dunn-Don Reynolds Financial Group, Lubbock, TX	03809
Best and Company, Sugarland, TX	03752	Entelechy, Houston, TX	03678	JMB Realty Corp., Irving, TX	03718
BFPW Discussion Group, Richardson, TX	03706	Financial Advisors' Resources, San Antonio, TX	03709	John Winn & Associates, Austin, TX	03701
Bill Francis, CFP, Amarillo, TX	03759	Financo, Inc., Austin, TX	03723	Kanaly Trust Company, Houston, TX	03659
Bluebonnet Securities, Inc., Austin, TX	03767	First Federal Savings Association, Austin, TX	03688	Kemper Sales Company, Austin, TX	03703
Bob Eder Securities Training, Salt Lake City, UT	03760	First National Bank of Chicago, Chicago, IL	03810	Kenneth Bradford & Associates, Dallas, TX	03802
Boehm & Boehm CPAs, San Antonio, TX	03742	FPL Group, Inc., North Palm Beach, FL	03735	Keye Productivity Center, Leawood, KS	03806
Bozco, Houston, TX	03683	Freelance Network Center, Inc. Houston, TX	03682	Kimberly-Clark Corporation, Ivring, TX	03686
Broker Resources Company, Houston, TX	03719	G.T. Global Financial Services, Colleyville, TX	03664	Lammers CPA Review, Cincinnati, OH	03670
Bryan-College Station Board of Realtors, Bryan, TX	03756	Gardere & Wynne, Dallas, TX	03749	Lanier Learning Center, Dallas, TX	03807
Bumgardner & Associates, Crosby, TX	03771	General Cinema Corporation, Chestnut Hill, MA	03695	Larry T. King & Associates, Dallas, TX	03793
Business & Banking Concepts, Georgetown, TX	03730	Gilliland, White & Associates, P.C., Plano, TX	03782	Law Journal Seminars-Press, New York, NY	03680
C.E. Grubbs & Associates, Newport Beach, CA	03780			Learmonth & Burchett Mgmt. Systems, Houston, TX	03772
				Leon & Company, CPAs, Houston, TX	03758
				Leonard G. Birnbaum and Company, CPAs, Albuquerque, NM	03699
				Linda Young, Brenham, TX	03728
				Longman Financial Services Institute, Richardson, TX	03668
				Lorman Business Center, Inc., Eau Claire, WI	03721
				Lubbock National Bank, Lubbock, TX	03669
				Lunquist Lease Company, Corpus Christi, TX	03808
				Mary Beth Snyder, Enrolled Actuary, Dallas, TX	03789
				McGraw-Hill College Division, Austin, TX	03739
				Merrill Lynch, San Antonio, TX	03794
				Metroplex Practice Management Group, Dallas, TX	03740
				Milliman & Robertson, Inc., Dallas, TX	03805
				National Assn. of Accountants, Houston, TX	03801
				National Training Schools, Houston, TX	03770
				Natural Gas Training & Education Assn., Houston, TX	03714
				Negotiating Workshops, Inc., Plano, TX	03725
				Negotiation Workshops, Plano, TX	03743

New Mexico Taxation & Revenue Department, Santa Fe, NM	03666	Rotan Mosle Inc., Houston, TX	03698	Texas Association of Family Mediators, Dallas, TX	03677
Novell, Inc., Dallas, TX	03656	Rotan Mosle, Inc., Houston, TX	03690	Texas Association of Taxpayers, Austin, TX	03763
O/E Learning, Inc., Dallas, TX	03755	Saint Luke's Episcopal Hospital, Houston, TX	03797	Texas Land Title Association, Austin, TX	03788
Occidental Oil & Gas Corporation, Tulsa, OK	03784	Security Savings Association (FSA), Texarkana, TX	03673	Texas Lyceum Association, Inc., El Paso, TX	03655
Packers and Stockyards Administration, Washington, DC	03674	Shepherd & Company, Austin, TX	03660	Travis County Bar Association/Austin, Austin, TX	03675
Phillips Petroleum Company, Bartlesville, OK	03737	Society of CPA Financial Planners, Houston, TX	03750	Triton Energy Corporation, Dallas, TX	03704
Port of Los Angeles, San Pedro, CA	03710	Southeastern Oklahoma State University, Durant, OK	03681	U.S. League of Savings Institutions, Washington, DC	03712
Practice Valuation Study Group, Houston, TX	03662	Southern Computer Measurement Group, Maitland, FL	03766	University of Tennessee-Chattanooga, Chattanooga, TN	03744
Prentice Hall Software, Irving, TX	03685	Standard Oil Production Company, Houston, TX	03796	Vinson & Elkins, Houston, TX	03702
Presbyterian Healthcare System, Dallas, TX	03672	Steinhardt & Company, Austin, TX	03775	Warren, Gorham & Lamont, Inc., New York, NY	03799
Principal Financial Group, Dallas, TX	03792	Steven J. Krusemark, District Agent, Plano, TX	03790	WE Seminars, Dallas, TX	03746
Pro Consultants, Inc., Dallas, TX	03707	Success Management Technologies, Austin, TX	03768	Weatherford International Incorporated, Houston, TX	03717
Prodaxex, Inc., Humble, TX	03736	Success Motivation Institute, Lufkin, TX	03741	Weber & Associates, Houston, TX	03753
Prudential Bache Securities, Houston, TX	03738	Sun Benefit Services Co., Inc., Dallas, TX	03692	Westerman & Associates, Houston, TX	03787
Prudential Bache Securities, Corpus Christi, TX	03764	T.L.B., Inc., Findlay, OH	03774	Word Processing & More, Houston, TX	03694
Prudential-Bache Securities, Corpus Christi, TX	03747	Tarrant County AWSCPA, Dallas, Fort Worth, TX	03779		
Renaissance, Inc., Carmel, IN	03745	Texas Agricultural Extension Service, Conroe, TX	03700		
Results - Tom Hopkins, Dallas, TX	03783				
Rotan Mosle, Waco, TX	03733				



CE Rules Amended

The Board has recently amended a number of its regulations relating to the mandatory continuing education program, including changing the CE reporting period and the regulations for reentering public practice.

Beginning with the 1992 license year, the continuing education reporting period will be changed from one uniform date (currently September 1 through August 31) to staggered dates. Substantive Rule 523.61, Establishment of Mandatory CE Program, has been amended so that an individual's reporting period will begin with the month of his birth.

For example, a person born in April will have a CE reporting period from April 1 through the following March 31. Certificate and registration holders are being alerted to this change to aid in planning. By beginning now to obtain the required forty (40) hours according to the 1992 schedule, compliance is assured.

Further information will be published in future issues of the *Texas State Board Report*.

Substantive rule 523.63, Mandatory CE Attendance, has been amended in the following manner regarding reentry into public accounting:

A licensee reentering public practice shall accrue for that license year a minimum of 20 CE credit hours in accounting, auditing, and/or taxation for the current license year prior to engaging in the practice of public accounting. A licensee shall be required to accrue a minimum of 40 CE credit hours for each subsequent license year thereafter. A sworn affidavit must be submitted to the board office reflecting: name, certificate number, date of reentry into public practice, credit hours received, and form of practice, i.e., employee, sole practitioner, member in a firm, and the location of where the licensee will be practicing. This affidavit must be filed within 30 days of the day of reentry into public practice.

An updated brochure containing all CE rules will be mailed in January, 1989, and licensees are strongly encouraged to familiarize themselves with these regulations.

Quimby Reappointed

William H. Quimby of Dallas has been reappointed to the Board by the Governor for a term running from October 10, 1988, through January 31, 1993. Quimby previously served on the Board from May, 1981, through June, 1987. He is filling the unexpired term of public member Don Weldon, who resigned in August to accept a position with the AICPA's continuing education program. Coincidentally, Weldon had replaced Quimby in June, 1987.

During his previous tenure Quimby served as chairman of the Board's Continuing Education Committee. Board chairman Earl C. Lairson, CPA, has appointed him once again as chairman of that committee, which is now called the Licensee Education Committee. He is also serving on the newly-created Sponsor Compliance Committee.

committees...

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The Long-range Planning Committee consists of Board members Paul W. Hillier Jr., CPA, chairman; Jarman Bass, CPA; Walter D. Davis III, CPA; and James F. Dunn Jr., CPA. Non-Board members serving on the committee are Dan H. Hanke, CPA; Robert McAdams, CPA; Ronnie Rudd, CPA; and William Shoemaker, CPA. The committee is charged with studying amendments to *The Act*; responses/positions relating to reports, papers, and other submissions from national associations or boards; and special issues.

The Technical Standards Review Committee studies complaints relating to suspected technical standards violations and makes recommendations to the Board. The committee is comprised of Board members Jarman Bass, CPA, chairman, and Paul W. Hillier Jr., CPA. Non-Board mem-

bers are Leopoldo Botello Jr., CPA; Sheila W. Clark, CPA; Paul A. Cameron Jr., CPA; William J. Ihlanfeldt, CPA; Ronnie Rudd, CPA; and Robert Earl Maxwell, CPA.

The Committee on Relationships with NASBA is made up of James F. Dunn Jr., CPA, and Paul W. Hillier Jr., CPA. Its members serve in a liaison capacity between the Board and the National Association of State Boards of Accountancy.

The Board committees in themselves have no authority; they act as screening bodies which make recommendations to the Board for ratification and approval. *Ad hoc* committees may be appointed by the Board chairman as appropriate, and non-Board members are subject to the regulations of the State of Texas, as well as to Board policies, in regard to utilization of Board facilities and the confidentiality of Board records. □

publication...

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In the event of appeal of the Board order, publication will be made after completion of the appeal process in which the Board is sustained. The publication shall contain a narrative factual summary of the actions giving rise to the disciplinary/administrative

action.

The Board has taken this action in an effort to deter similar violations and as a public education vehicle. Publication of reprimands will begin in the *next* issue of the *Board Report*, and publication of revocations will be on a quarterly basis in the Southwest Edition of the *Wall Street Journal* beginning in January, 1989. □

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