

TEXAS STATE BOARD REPORT



NOVEMBER, 1984

AUSTIN, TEXAS

VOL. 18

MASCORRO APPOINTED



OSCAR C. MASCORRO, CPA of San Antonio and vice-president of administration and finance for MTC, Inc., has been appointed to the Board to replace MILLER MONTAG, also a San Antonio CPA, whose term has expired.

Mascorro is a magna cum laude graduate of St. Mary's University, with a B.B.A. in accounting. He received his certificate to practice public accounting in 1960, and thereafter became a staff accountant with Walter R. Flack & Co., later moving to a partnership in the firm. In 1971, after the firm's merger with Alexander Grant, he became international liaison partner between Alexander Grant and its affiliate in Mexico. In 1983 he joined MTC, Inc.

Active in the San Antonio Chapter of the Texas Society of CPAs, he has served for eight years both as a member and as chairman of the Taxation and Estate Planning Committee and has represented the chapter on the Board of Governors of the San Antonio Estate Planners Council. He is also active in the Texas Society and in the American Institute of CPAs.

His civic interests include membership in the Downtown Rotary Club, where he serves as vice-president of the Rotary Student Loan Foundation. He also serves on the Board of Directors of Club Sembrodos de Amistad and on the Advisory Board of Directors of the Salvation Army and KLRN-KLRU Educational Television.

Mascorro's term will run through January 31, 1989.

From the Chairman . . .

On January 4, 1985, the Board will conduct a symposium in Austin to discuss three of the more timely and controversial sections contained in the Rules of Professional Conduct: 501.13 – Commissions, 501.14 – Contingent Fees, and 501.15 – Incompatible Occupations. Some 75 licensees selected to be a representative cross-section of individuals in public practice, industry, government, and education, will be invited to participate.

Additionally, WILLIAM C. BRISCHI, Vice President-Regulation, of the American Institute of CPAs (AICPA), will present the AICPA position; and a representative of the National Association of State Boards of Accountancy (NASBA), will discuss NASBA's position. A representative of the Texas Attorney General's Office will be invited to review legal ramifications to be considered. Representatives of California and Florida, which states have recently addressed these topics in depth, will also be invited to share first-hand experiences and observations.

The rules as currently written read:

Section 501.13. Commissions

A licensee shall not pay a commission to obtain a client or accept a commission for a referral to a client of products or services of others. This section does not prohibit payments for the purchase of all, or a part, of an accounting practice, or retirement payments to persons formerly engaged in the practice of public accountancy, or payments to the heirs or estates of such persons.

Section 501.14. Contingent Fees

A licensee shall not offer or perform professional services for a fee which is contingent upon the findings or results of such services; provided, however, this section does not apply to professional services involving federal, state, or other taxes in which the findings are those of the

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FOR
IMPORTANT BOARD ACTIONS**

From the Chairman (continued from page 1)

tax authorities and not those of the licensee, nor does it apply to professional services for which the fees are to be fixed by courts or other public authorities and which are therefore indeterminate in amount at the time the professional services are undertaken.

Section 501.15. Incompatible Occupations

A licensee shall not concurrently engage in the practice of public accountancy and in any other business or occupation which impairs independence of objectivity in rendering professional services, or which is conducted so as to augment or benefit the accounting practice unless the provisions of this chapter are observed in the conduct thereof.

The symposium is the natural outgrowth of an increasing number of questions posed to the Board involving commissions, contingent fees, and incompatible occupations. Some of the questions can be given a clearcut response. Others fall into areas not directly addressed either by the Act or by the Rules. When "interpretation" responses are required, the Board is reluctant to establish a precedent without careful investigation into all aspects of the topic.

The format of the symposium program will lend itself to delving into multiple aspects of the three topics. During the afternoon, attendees will adjourn into breakout sessions to discuss each area in depth. The end result of the conference will be for participants to provide to the Board "positions" regarding one or more of the topics. The input

will, of course, be of great value to the Board as it considers whether or not to leave policies as they are currently written, amend certain rules and/or interpretations thereof, or adopt new rules or policies. As decisions are reached, the Board will keep in mind both its obligation to the public and to licensees registered by the Board.

Specific problem areas regarding commissions, contingent fees, and incompatible occupations are not always obvious. If you have encountered difficulties in these areas which you feel should be considered by the Board in its decision-making process, I solicit your comments and recommendations.

Following the symposium—and during the ensuing time period in which the topics will be discussed—all comments and recommendations of licensees will receive careful consideration. Prior to changing rules or implementing new ones, the public hearing process will be followed, at which time it will be appropriate for licensees to present testimony either for or against pending proposals. Individuals who are unable to be present when the public hearings are conducted may send testimony in written form.

Please give your careful attention to the February issue of the BOARD REPORT, which will summarize the symposium discussions and, if appropriate, will present contemplated Board actions and hearings.

FRANK T. REA, CPA
Chairman

SWEARING-IN CEREMONY



Outstanding candidates (left to right): Nibert, Fritsch, Kerber, Corkill, Pierce, Milan, and Martin.

Recognized by the Board at the November, 1984, Swearing-in Ceremony (SIC) as the outstanding candidates—TOP TEN—were *JEROME HUNTER NIBERT*, an employee of Travis & Associates, P.C. in Dallas; *PATRICIA PARKER KERBER*, with Davis, Kinard & Co. in Austin; *ROBERT MICHAEL CORKILL*, a staff accountant with Austin Industries, Inc., Dallas; *ELVIN JOE FRITSCH, JR.*, with Peat, Marwick, Mitchell & Co. in Corpus Christi; *GLEN ROBERT DUDENSING*, with Ray & Company, P.C., Abilene; *STEVEN ANTHONY MILAN*, an employee in the Houston office of Deloitte, Haskins & Sells; *JAMES ANDREW GINTY*, with Price Waterhouse's Houston office; *FLOYD B. PIERCE, JR.*, Account and Data Processing Manager with Green Bay Packaging, Inc. in Fort Worth; *MARY PATRICIA MARTIN*, with Bossin, Bonno & Company in Houston; and *A. DAVID MacKENZIE*, an accountant with Pennzoil Exploration and Production Company in Houston. Seven of the ten were present.

The Top Ten are the Texas candidates who have passed

all parts of the Uniform CPA Examination at the initial sitting and who have attained the ten highest cumulative scores.

SANDRA A. SURAN, CPA, a partner with Suran & Company in Beaverton, Oregon, and President of the National Association of State Boards of Accountancy (NASBA), was the featured speaker. Others participating on the program were *FRANK T. REA*, CPA, Board Chairman, who introduced special guests and administered the Oath of Office; *EARL C. LAIRSON*, Board member, who welcomed candidates on behalf of the Board; *JAMES D. INGRAM*, CPA, former Board Chairman, who introduced Ms. Suran; *STANLEY J. SCOTT*, CPA, Vice Chairman of the Board, who discussed the Oath of Office; and *JIMMIE LEE MASON*, CPA, President of the Texas Society of CPAs.

The ceremony concluded with presentation of certificates to all candidates by members of the Board. A reception, hosted by the Texas Society of CPAs, followed the ceremony.

IMPORTANT . . .

Due to budgetary limitations, the following decisions have been made by the Board and are effective immediately:

- The Enforcement Section of the Board will no longer render written informal opinions. (The additional staff requested for the Enforcement Section has not been supported by the Legislative Budget Board and the funds for research assistants to handle opinion requests are not available.)
- The 1985 *Directory of Licensees* will not be printed. The Board appreciates the responses received to date requesting/not requesting a Directory—unfortunately, these requests for directories cannot be met.
- Other less obvious expense cuts are also being made in numerous areas of Board operation (e.g., the white vs gray paper in the current issue of the BOARD REPORT).

Because the cost of the Board History will be paid by individuals ordering copies, this item has not been eliminated. The February issue of the BOARD REPORT will carry further information regarding the history.

NOVEMBER, 1984 EXAMINATION STATISTICS

Comparative Figures -

Total number of candidates sitting:

November, 1983	9,678
May, 1984	9,375
November, 1984	9,538*

Candidates sitting by site:

Austin	994
El Paso	232
Corpus Christi	234
Galveston	439
Houston I	1,550
Houston II	1,310
Fort Worth	2,662
Lubbock	671
San Antonio	1,058
Out-of-state	388*
Total papers to be graded:	30,469*

* Estimates (final statistics not available)

MAY, 1985 EXAM SCHEDULE

The May, 1985, Uniform CPA Examination will be conducted as follows:

Examination Sites

Austin	Lester E. Palmer Auditorium
Corpus Christi	Bayfront Plaza Convention Center
El Paso	University of Texas at El Paso Special Events Center
Fort Worth	Tarrant County Convention Center
Galveston	Moody Convention Center
Houston I, II	Albert Thomas Convention Center East and West Halls
Lubbock	Lubbock Civic Center
San Antonio	San Antonio Convention Center

Examination Times

May 8	1:30 p.m. - 6:00 p.m. Accounting Practice, Part I
May 9	8:30 a.m. - 12:00 Noon Auditing 1:30 p.m. - 6:00 p.m. Accounting Practice, Part II
May 10	8:30 a.m. - 12:00 Noon Business Law 1:30 p.m. - 5:00 p.m. Accounting Theory

The deadline for submission of applications to sit for the May, 1985, examination is February 28, 1985. Grades from the November, 1984, examination will be released February 5, 1985.

MEETINGS

TEXAS STATE BOARD OF PUBLIC ACCOUNTANCY

January 24-26, 1985
February 21-23, 1985
March 28-30, 1985
April 25-27, 1985 (Annual Meeting)
May 31 - June 1, 1985

CPA SWEARING-IN CEREMONY

June 1, 1985 (a change from May 25, 1985)
November 16, 1985

NATIONAL ASSOCIATION OF STATE BOARDS OF ACCOUNTANCY (NASBA)

November 29 - December 1, 1984
Administrators' Conference, New York City

June 14-15, 1985
Southwest Regional Meeting, Nashville

TO ASSIST YOU . . . THE 1985 LICENSE

The 1985 license renewal notices were mailed to a record number of licensees and firms in mid-November: 32,630 licensees, 1,430 partnerships and professional corporations, and 97 Section 14 registrants. Early mailing is always an objective of the Board. This enables licensees and firms to meet the December 31 deadline for license renewal and avoid paying the late penalty. Unfortunately, the Public Accountancy Act of 1979, as amended, precludes the waiving of either license fees or penalties. Renewals *postmarked on or before December 31* are considered to be timely filed.

Changes of Address

Changes of address received from individuals and firms are entered into the Board's computer records upon receipt. It is important to remember that renewal forms are mailed to the last address of record—if an address change has not been made with the Board, the renewal notice could be delayed in reaching the correct address. Please contact the Board immediately if an address correction is necessary.

In this regard, since Board correspondence requiring a response must be answered *within 30 days*, the licensee or firm might find itself in a disciplinary situation if the Board records contain an incorrect address. The Board's staff is happy to assist in updating address records on a continuing basis to preclude the possibility of misaddressed correspondence.

Individual/Firm Renewals

It is sometimes overlooked that the individual license renewal alone does not constitute registration of a partnership, professional corporation, or sole proprietorship. Individuals who have not registered partnerships and professional corporations may obtain registration forms by contacting the Board office. Regarding sole proprietorship registration, if the individual checks Sole Proprietor in the public accounting block, a registration form will be forwarded for completion at a later date. There is no fee for registration of a sole proprietorship.

Please remember to renew and pay fees both as an individual and as a partnership/professional corporation. Since *the Board cannot process a firm's renewal fee until all members of the firm have paid their 1985 individual license renewal fees*, firms may wish to closely monitor the registration of firm members. *The Board will be mailing to a firm's main office—on a weekly basis—a listing of firm members whose 1985 license renewals have not been paid.*

CE Reporting — “For Individuals Only” Block

The 1985 license renewal notices includes a new section which is to be completed by individuals and which pertains to intentions to—or not to—practice public accountancy during the 1985 calendar year. This block was included to enable the licensee to easily determine whether or not CE must have been accrued during the September 1, 1983, through August 31, 1984, reporting period.

Three questions are posed:

- 1) Will you practice Public Accounting to any degree during the period of January 1, 1985, through December 31, 1985?

- If the answer to this question is “Yes,” the licensee is reminded to complete all parts of the renewal form. Unless an exemption has been approved by the Board, the requirement for practicing public accounting during 1985 is 20 CE credit hours during the reporting period of September 1, 1983, through August 31, 1984, or 40 CE credit hours during the two reporting periods of September 1, 1982, through August 31, 1984.
- If the answer to this question is “No,” there is no attendance requirement for the 1985 license renewal, though the number of hours completed must be entered on the renewal form, even if that number is “0.”

- 2) If you answered “Yes” to the question above, do you qualify for an exemption as stated in Substantive Rules 523.63 (f)(1)–(5)?

- To assist in planning, the referenced rule was printed in the August, 1984, issue of the BOARD REPORT, page 1. Reprints may be obtained by contacting the Board office.

- 3) Have you filed an exemption request with the Board?

- If you have not done so and if you are eligible to file an exemption, this exemption request should receive a licensee's priority attention, as the Board must approve the request in order for the licensee to avoid the attendance requirement for the 1985 license. Please contact the Board office for exemption application forms and instructions for submitting the request to the Board.

Disciplinary Action Relating to CE

Licensees are encouraged to contact the Board office if there are questions regarding the attendance and/or reporting requirements, as clarification of problem areas will often preclude inadvertent violations which could result in disciplinary action.

For information purposes, a brief review of the disciplinary action section of the rules is presented: *Section 523.64, Disciplinary Action Relating to CE.*

According to this section, a licensee who fails to comply with the provisions of the mandatory reporting or mandatory attendance requirements may be subject to disciplinary action under Section 21 of the Public Accountancy Act of 1979, as amended (as the Act requires that licensee comply with Board rules).

Documents supporting CE hours claimed should be retained by the licensee for at least five years subsequent to the date the credit hours are reported. The Board requests, however, that this documentation *not* be furnished to the Board office unless specifically requested. (For example, if the Board conducts random audits, supporting documentation of all files audited will be requested by the Board.)

Only if the audit reveals evidence of falsification, fraud, or deceit in the CE information or documentation supplied will disciplinary action be initiated. To avoid such action, most licensees will want to retain adequate backup information of courses attended, to include sponsoring organizations (and sponsors' ID numbers), dates of courses, course certificates, etc.

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Sponsor ID Numbers

Sponsors are issued identification numbers when they register with the Board. The sponsor's ID number is part of the license renewal information requested. If for some reason licensees have lost or misplaced ID numbers of sponsoring organizations, they are asked to first contact the organization presenting the CE program to obtain the ID number, as license renewal time is an extremely busy period at the Board office and it is difficult for the members of the license staff to both respond to numerous telephone inquiries and process renewals.

SUBSTANTIVE RULES

Final Adoption of Rule Changes

The following changes to substantive rules were approved at the September Board meeting, published as required in the *Texas Register*, and finally approved at the November meeting:

- **511.21, Application** – The amendment establishes the requirement for authenticated copies of transcripts for inclusion in the application for the examination, and changes the character reference guidelines. The amendment regarding university or college professors was occasioned by requests for character references from students with whom the professors had no significant contact other than in the classroom, making a "character reference" meaningless. The rule, as amended, reads (all caps show additions):

All applications for certification by examination shall be made on forms prescribed by the Board and shall also be in compliance with Board rules and law. EACH APPLICANT MUST ALSO SUBMIT AUTHENTICATED COPIES OF TRANSCRIPTS SHOWING COMPLIANCE WITH THE APPLICABLE EDUCATION REQUIREMENTS. Each applicant shall submit with his initial application, and as instructed thereafter, references from three certified public accountants or substantial and representative business or professional individuals RESIDING IN TEXAS WHO CAN ATTEST TO APPLICANT'S MORAL CHARACTER. CHARACTER REFERENCES SHALL NOT BE SUBMITTED BY THE FOLLOWING INDIVIDUALS:

- (1) RELATIVE OF THE APPLICANT
- (2) STUDENTS
- (3) UNIVERSITY OR COLLEGE INSTRUCTORS UNLESS THEY HAVE HAD SIGNIFICANT CONTACT WITH THE APPLICANT OUTSIDE THE CLASSROOM, OR
- (4) PERSON HAVING A FINANCIAL OR BUSINESS CONNECTION WITH THE APPLICANT, OTHER THAN THAT OF CLIENT OR EMPLOYER.

- **Rule 511.76, Refund Policy** – The amendment allows the Board to retain ten dollars (\$10.00) per part of the examination fee to defray processing expenses (in the event the fee is refunded according to policies of the Board). The rule as amended reads: (a) THE BOARD WILL GRANT A FULL REFUND OF THE EXAMINATION FEE IF THE CANDIDATE WITHDRAWS FROM THE EXAMINATION AND NOTIFIES THE BOARD IN WRITING

PRIOR TO THE DEADLINE FOR APPLYING FOR THE EXAMINATION (FEBRUARY 28/29 OR AUGUST 31).

(b) THE BOARD WILL GRANT A REFUND OF ALL BUT TEN DOLLARS (\$10.00) PER PART OF THE EXAMINATION OF THE TOTAL FEE PAID BY THE CANDIDATE IF HE/SHE WITHDRAWS AFTER THE FILING DEADLINE BECAUSE OF EXTREME HARDSHIP. EXTREME HARDSHIP FOR REFUND PURPOSE SHALL BE DEFINED AS A SERIOUS ILLNESS OF THE CANDIDATE OR MEMBER OF IMMEDIATE FAMILY OR DEATH OF IMMEDIATE FAMILY MEMBER. ANY OTHER EXTREME HARDSHIP FACT SITUATION WILL BE DETERMINED ON A CASE BY CASE BASIS BY THE BOARD. FOR REFUND PURPOSES, ACCOUNTING PRACTICE IS CONSIDERED AS TWO PARTS.

(c) NO EXAMINATION FEE WILL BE TRANSFERRED TO A SUBSEQUENT EXAMINATION.

(d) ALL REQUESTS FOR REFUNDS BASED ON EXTREME HARDSHIP MUST BE IN WRITING AND PROVIDE DOCUMENTATION OF THE EXTREME HARDSHIP REQUIRING WITHDRAWAL FROM THE EXAMINATION. THE REQUESTS FOR REFUNDS FOR THE MAY EXAMINATION MUST BE RECEIVED BY THE BOARD ON OR BEFORE THE 15TH OF NOVEMBER FOLLOWING THE EXAMINATION. THE REQUEST FOR REFUND FOR THE NOVEMBER EXAMINATION MUST BE RECEIVED BY THE BOARD ON OR BEFORE THE 15TH OF MAY FOLLOWING THE EXAMINATION.

CAPSULE REMINDERS

... the 1985 license

- To avoid penalties (which may not be waived by the Board), renewals must be postmarked on or before December 31, 1984.
- To practice public accountancy in 1985, both firms and individuals must hold current registrations/licenses.
- The Board is unable to process firm renewals until all members of the firm have paid their individual license renewal fees.
- The block on the renewal form headed "FOR INDIVIDUALS ONLY" refers to the licensee's intention to practice public accounting in 1985. If the licensee *does* intend to practice during 1985, the CE attendance requirements are:

20 CE credit hours — September 1, 1983, through August 31, 1984

OR

40 CE credit hours — September 1, 1982, through August 31, 1984

- The Board staff will assist you in the renewal process in every way possible.

UPDATE TO CE SPONSOR LIST . . .

The following sponsors of CE courses have been registered with the Board since publication of the last updated list in the August, 1984, BOARD REPORT: (NOTE: Due to space limitations,

prior listings will not be reprinted; updates will be printed in future issues of the BOARD REPORT.)

Academy of Real Estate, Inc.
 Accountants Library of Profess. Software
 Accounting Firms Associated, Inc.
 Acct. Dept. Center for Exec. Development
 Advance Retirement System Corp. of Dallas
 Affiliated Hospital Systems
 Alexander Grant & Company
 Alexander Grant & Company
 American Airlines Agency Data Systems
 American Bankers Association
 American College of Real Estate
 American Institute of Tax Return Preparers
 American Lawyer
 American Society of Association Executives
 American Society of Women Accountants
 American Society of Women Accountants
 Arkansas State University
 Arthur Andersen & Co.
 Associated Regional Accounting Firms
 Basics Company
 Belaw, Averitt & Company
 Bland, Garvey & Taylor, Inc.
 BPI Systems, Inc.
 Burch Fincher & Company
 Buyout Publications, Inc.
 Capital University Law School
 Cardinal Computers
 CCA-Financial Management Corporation
 Center for Tax Software Information
 Center Video Education
 Central Texas Chapter HFMA
 Central Texas Chapter of NAA
 Charles Devere Cook, Inc.
 Cigna Individual Financial Services Co.
 Community Service Program
 Compco Computer Centers
 Comprehensive Accounting Corporation
 Computer Tutor Training Center
 Conrad & Associates, CPAs
 Consolidated Capital
 Construction Financial Mgt. Assoc.:Houston
 Coopers & Lybrand
 Coopers & Lybrand
 Coopers & Lybrand
 Coopers & Lybrand
 Coopers & Lybrand
 Coopers & Lybrand
 Corbel & Co.
 Corbin Consultants, Inc.
 Council of Petroleum Accountants Societies
 Cumberworth & Turner, CPAs
 Dallas Market Center Company
 Dallas-Fort Worth Hospital Council
 Darrell B. Lane
 Datatel Minicomputer Co.
 Davis, Clark and Company
 Delaware Society of CPAs
 Denton and Miller, Inc.
 Depreciation Programs, Inc.
 DFK Accountancy Group
 Diamond Shamrock Refining & Marketing
 Dike Company, Inc.
 Divorce Taxation Education
 Doshier Pickens & Francis, PC.
 Eastern New Mexico University
 Eastern NM Chapter of Society of CPAs
 Eastfield College
 EDP Auditors Assoc./Foundation
 EL Paso Exploration Company
 Entre Computer Center
 Ernest & Whinney
 ETSU Bank Operations Institute
 Eugene A. Heathman PC.
 Financial Exec. Institute-Dallas Chapter
 Financial Planning Academy, Inc.
 Financial Research Consultants, Inc.
 First National Bank at Lubbock
 First National Bank of Chicago
 George Washington University
 Gerald D. Hines Interests
 Gerald L. Hill & Company, PC.

San Antonio, TX
 Lake Oswego, OR
 Gainesville, FL
 College Station, TX
 Dallas, TX
 Houston, TX
 Austin, TX
 Dallas, TX
 DFW Airport, TX
 Washington, DC
 San Antonio, TX
 Nashville, TN
 New York, NY
 Washington, DC
 Houston, TX
 Kirkwood, MO
 State University, AR
 Pittsburgh, PA
 Atlanta, GA
 Houston, TX
 Dallas, TX
 Richardson, TX
 Austin, TX
 Dallas, TX
 San Diego, CA
 Columbus, OH
 Carrollton, TX
 Dallas, TX
 Green Bay, WI
 North White Plains, NY
 Arlington, TX
 Waco, TX
 Waco, TX
 San Antonio, TX
 Fort Worth, TX
 Dallas, TX
 Aurora, IL
 Las Cruces, NM
 Newport Beach, CA
 Emeryville, CA
 Houston, TX
 Austin, TX
 Dallas, TX
 El Paso, TX
 Fort Worth, TX
 Houston, TX
 Midland, TX
 Jacksonville, FL
 Houston, TX
 Arlington, TX
 Dallas, TX
 Dallas, TX
 Dallas, TX
 Irving, TX
 Dallas, TX
 Alexandria, VA
 Dallas, TX
 Wilmington, DE
 Dallas, TX
 Kalamazoo, MI
 Katonah, NY
 San Antonio, TX
 Fort Worth, TX
 Washington, DC
 Amarillo, TX
 Portales, NM
 Portales, NM
 Mesquite, TX
 Carol Stream, IL
 El Paso, TX
 Lubbock, TX
 San Antonio, TX
 Commerce, TX
 Beaumont, TX
 Dallas, TX
 Austin, TX
 Austin, TX
 Lubbock, TX
 Chicago, IL
 Washington, DC
 Houston, TX
 San Antonio, TX

Greater Houston Tax Forum
 H&R Block-South Texas
 Harvard Law School
 Haynes, Wolfe & Co.
 Hemrich & Eversberg, Incorporated
 Henry & Peters, PC.
 Hicks Pension Services
 Houston Association of Legal Secretaries
 Houston Estate & Financial Forum
 Houston Software, Inc.
 Huselton, Morgan & Cade
 IBM Corporation
 ICS/Intext
 Independent Bankers Association of Texas
 Institute for Management Studies
 Institute of Financial Education
 Inter. Assn. Financial Planning -
 San Antonio Chapter
 Intercontinental Training Systems, Inc.
 Intern. Assoc. Geophysical/Contractors
 Internal Audit Dept. Northwest Industries
 International Assoc./Drilling Contractors
 Iowa Bankers Association
 J. N. Dumouchel, CPA
 Joe Griffith Company
 Kelly Management Association
 Leonard's Training Programs, Inc.
 Levitz, Zacks and Ciceric
 Lincoln Property Company
 Lockheed Austin Division
 Lone Star Industries, Inc.
 Longview Bank & Trust Co.
 Lott, Vernon & Company
 Louisiana State University, Shreveport
 Louisiana Tech University
 Main Hurdman
 Main Hurdman, KMB
 Management Development Foundation
 Management Tree Systems, Inc.
 Martin, Trachta, Hunter & Company
 Massachusetts Society of CPAs
 Mastery of Learning
 Mayrath, Seale & Company
 McCaslin, Wright & Greenwood, PC.
 Meck, Lawrence R., CPA
 Metropolitan Savings & Loan
 Michael Wallace & Company
 Mida Corporation
 Monheit, Ogle & Co., PC.
 Montgomery College
 Mouser & Young, CPAs
 Municipal Finance Officers Assoc. of Mo.
 Mutual of Omaha
 National Health Lawyers Association
 National Association of Black Accountants
 National Association of Accountants
 National Medical Enterprises, Inc.
 National Real Estate Development Center
 National Retirement Plans Training
 Neuszer, Kennemer & Vandaveer
 New York University School of Law
 Nick Schrakamp & Co.
 North Dallas Chapter of NAA
 Northwestern Mutual Life Insurance Co.
 Paine Webber, Inc.
 Paine Webber Jackson & Curtis, Inc.
 Pan American University-Brownsville
 Peat, Marwick, Mitchell & Co.
 Pension Planners of North America
 Permian Basin Chapter of CPAs
 Petro Solutions, Inc.
 Philip Vogel & Co., CPA
 Phillips College, Northside
 Pittman, O'Daniel & Co., PC.
 Plummer, Plummer and Welch
 Porter & Associates
 Profesco Corporation
 Professional Education Systems, Inc.
 Professional Resources, Inc.
 Qualified Plan Admin. & Consultants, Inc.

Houston, TX
 San Antonio, TX
 Cambridge, MA
 Houston, TX
 Houston, TX
 Tyler, TX
 Dallas, TX
 Houston, TX
 Houston, TX
 Houston, TX
 Houston, TX
 Richardson, TX
 Amarillo, TX
 Westport, CT
 Austin, TX
 Dallas, TX
 Chicago, IL
 San Antonio, TX
 Houston, TX
 Denver, CO
 Chicago, IL
 Houston, TX
 Des Moines, IA
 Houston, TX
 Dallas, TX
 San Antonio, TX
 Arlington, TX
 San Diego, CA
 Dallas, TX
 Austin, TX
 Greenwich, CT
 Longview, TX
 Killeen, TX
 Shreveport, LA
 Ruston, LA
 Odessa, TX
 San Antonio, TX
 Colorado Springs, CO
 Dallas, TX
 Dallas, TX
 Boston, MA
 Houston, TX
 Dallas, TX
 Fort Worth, TX
 Austin, TX
 Dallas, TX
 Dallas, TX
 Midland, TX
 Houston, TX
 Rockville, MD
 Abilene, TX
 Columbia, MO
 Dallas, TX
 Washington, DC
 Houston, TX
 Lake Jackson, TX
 Santa Monica, CA
 Bethesda, MD
 East Brunswick, NJ
 Lake Jackson, TX
 New York, NY
 Houston, TX
 Plano, TX
 Milwaukee, WI
 Dallas, TX
 Austin, TX
 Brownsville, TX
 Minneapolis, MN
 Minneapolis, MN
 Midland, TX
 Corpus Christi, TX
 Dallas, TX
 Atlanta, GA
 Grapevine, TX
 Brenham, TX
 Bartlesville, OK
 San Antonio, TX
 Eau Claire, WI
 Houston, TX
 Houston, TX

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Railroad Commission of Texas
 Real Estate Securities & Syndic. Institute
 Rhame Investments
 Richard Viebig & Associates
 Riquelmy and Clesi
 Rister, Dunbar, Broaddus & Co.
 Ritchey Associates
 Robert E. Wall, CPA
 Robert W. Baird & Co., Inc.
 Roloff, Hnatek and Company
 Ronald Henry Ritter, PC.
 San Jacinto College, North Campus
 SAS Institute, Inc.
 Schneider Bernet & Hickman, Inc.
 Seguin State Bank and Trust
 Simpson & Byrom CPAs
 Sisters of Charity Health Care System
 Smith, Goddard & Co.
 Snow, Tomerlin & Garrett CPAs
 Solutions Network
 Sonat, Inc.
 Southern Gas Association
 Southwest Regional Conference of FMS
 Southwestern Graduate School of Banking
 Southwestern Public Service Company
 Squyres, Johnson, Squyres & Co.
 St. Mary's University
 Star Business Computers, Inc.
 Stewart T. Davis, CPA
 Stewart, Ferguson & Robinette
 Stiefel and Lyles, PC.
 Success Through Excellence, Inc.
 Superior Oil Company
 Synergy Works, Inc.
 T. Richey Oliver, CPA
 Tannebaum, Bindler & Company, PC.
 Taux, Inc.
 Teagarden & Teagarden, CPAs
 Techni Tech Computer School
 Tennessee Gas Transmission
 Texas A&M University
 Texas Assoc. of College & Univ. Auditors
 Texas Association of Enrolled Agents
 Texas Commerce Bancshares, Inc.
 Texas Lutheran College
 Texas Municipal Finance Officers Assoc.
 Texas Practice Management Group
 Texas Tech Univ.-Accounting Dept.
 Texas Telephone Association
 Thomas, McBride & Associates, PC.
 Tinsley & Tinsley, PC.
 Total Financial Planning, Inc.
 Tumbleweed Business Systems, Inc.
 Turnkey Computer Systems
 Tymshare/Dynatax Data Center
 U.S. Air Force/Employee Trng. & Development
 U.S. Mineral Management Service
 U.S. Professional Development Institute
 United Capital Group of Texas, Inc.
 University of Arkansas
 University of Houston Law Center
 University of Miss.-School of Accountancy
 University of Oklahoma Continuing Legal Ed.
 University of South Carolina-Business Admin.
 University of Texas/College of Business Admin.
 University of Illinois
 Utility Excise Tax Association of Texas
 Victor J. Marino
 Wacubo Workshop in College Business Management
 Wealth Planning Resource Center, Inc.
 West Texas State University-Business Admin.
 Westwood Community School
 Wheeler and Bull, CPAs
 Wichita State Univ. Center for Mgt. Dvlp.
 Widener University
 Women's Center North
 Woodard, Widner & Webb, P.A.
 Zales Corporation
 Zig Ziglar Corporation

Austin, TX
 Chicago, IL
 Dallas, TX
 Houston, TX
 Houston, TX
 El Paso, TX
 Cypress, TX
 Houston, TX
 Houston, TX
 Victoria, TX
 Friendswood, TX
 Houston, TX
 Cary, NC
 Austin, TX
 Seguin, TX
 Gatesville, TX
 Houston, TX
 Houston, TX
 Granbury, TX
 San Antonio, TX
 Houston, TX
 Dallas, TX
 Dallas, TX
 Dallas, TX
 Amarillo, TX
 Tyler, TX
 San Antonio, TX
 San Antonio, TX
 Kerrville, TX
 Amarillo, TX
 Tyler, TX
 Houston, TX
 Houston, TX
 Arlington, TX
 San Angelo, TX
 Dallas, TX
 Metairie, LA
 Dallas, TX
 Lufkin, TX
 Houston, TX
 College Station, TX
 Austin, TX
 Houston, TX
 Houston, TX
 Seguin, TX
 Richardson, TX
 Lake Jackson, TX
 Lubbock, TX
 Austin, TX
 Arlington, TX
 Houston, TX
 Amarillo, TX
 Dallas, TX
 Amarillo, TX
 Houston, TX
 Randolph AFB, TX
 Lakewood, CO
 Silver Spring, MD
 Dallas, TX
 Little Rock, AR
 Houston, TX
 University, MS
 Norman, OK
 Columbia, SC
 Austin, TX
 Urbana, IL
 Dallas, TX
 Beaumont, TX
 Santa Barbara, CA
 Dallas, TX
 Canyon, TX
 Austin, TX
 Austin, TX
 Wichita, KS
 Chester, PA
 San Antonio, TX
 Clovis, NM
 Irving, TX
 Dallas, TX

... ENFORCEMENT

REINSTATEMENTS: None

DISCIPLINARY ACTIONS:

Respondent: Unnamed by Board Order

Panel Hearing: April 4, 1984

Panel Ruling: The Panel found Respondent, through his employer, by making an oral submission of a fee estimate at a board meeting of a prospective client violated the provisions of Sec. 501.45 of the Rules of Professional Conduct, grounds for disciplinary action under Section 21(b)(4) of the Public Accountancy Act. The Panel recommended the Respondent be reprimanded. The Panel's recommendation was ratified by the Board on September 28, 1984.

Respondent: Unnamed by Board Order

Informal Conference: August 1, 1984

Committee Ruling: The Committee met with Respondent regarding complaint that Respondent had utilized his CPA status in advertisements promoting his services as a registered investment adviser. Advice as to specific investment purchases were made. The Respondent agreed to delete all references to CPA status from his advertising material and discussion with clients of his investment advisory service. Based upon voluntary compliance, no further action was recommended. The committee recommendation was ratified by the Board on September 28, 1984.

Respondent: Unnamed by Board Order

Informal Conference: April 5, 1984 - May 11, 1984

Committee Ruling: The Committee met with Respondent regarding complaint that Respondent had utilized his CPA status in the promotion of his computer software corporation in which he sought to sell shares. The respondent agreed to delete any reference to his CPA status in promotional efforts for the corporation. Based upon voluntary compliance no further action was recommended. The Committee recommendation was ratified by the Board on September 28, 1984.

ENFORCEMENT ACTIVITY

July 31, 1984 - October 31, 1984

Active Files	Rules	Act	Total
July 31, 1984	205	265	470
Files opened during period	+36	+17	+53
	241	282	523
Files closed during period*	-40	-17	-57
	201	265	466

* 22 via voluntary compliance, 28 via Board action, and 7 otherwise (unlicensed individuals who have ceased doing business, cannot be located, or died)

QUESTIONS AND ANSWERS

Q. May records be retained when there is a balance due on the engagement?

NOTE: The answer below deletes the last sentence of the answer published in the May, 1984, BOARD REPORT, to preclude any misinterpretation.

A. Regardless of the status of the account, records provided by the client or obtained in behalf of the client must be returned and for a reasonable charge (\$.25 a page and \$20 per hour for assembling and copying), a copy of the licensee's working papers, to the extent that such working papers include records which would ordinarily constitute part of the client's books and records and are not otherwise available to the client, i.e., adjusting journal entries, depreciation schedules, etc., must be provided to the client. Failure to return records is a violation of Sec. 501.32 of the Rules of Professional Conduct.

Q. May a licensee obtain an informal opinion from the Board as to a proposed course of future conduct and possible conflict of such conduct with the Rules of Professional Conduct?

A. While the Board has previously afforded this service to licensees of the Board, budgetary constraints imposed on the Board necessitate the discontinuance of this service until further notice (action taken at the November 16, 1984 Board meeting).

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