

BOARD OF PUBLIC ACCOUNTANCY * BEFORE THE MARYLAND BOARD
v. * OF PUBLIC ACCOUNTANCY
CHARLES D. HARRIS, *
Respondent * CASE NO.: CPAS-19-0002
*

* * * * *

CONSENT ORDER

This matter comes before the Maryland Board of Public Accountancy (the "Board") as a result of a complaint opened by the Board against Charles D. Harris (the "Respondent"), a licensed certified public accountant. The Respondent was notified that he was selected for an audit in connection with Continuing Professional Education ("CPE") credits claimed in his license renewal application that was filed with the Board on or about March 9, 2018. The Respondent failed to provide sufficient documentation to the Board supporting certain claimed CPE credits after he was notified of the audit. Upon review of the matter, the Board determined that administrative charges against the Respondent were appropriate. Prior to the issuance of formal administrative charges, the parties agreed to enter into this Consent Order as a full and final resolution of this matter, with terms as follows:

THE PARTIES AGREE AND STIPULATE:

1. At all times relevant to the matters set forth in this Consent Order, the Respondent was licensed by the Board as a certified public accountant ("CPA") (Registration No. 8444) and/or the Board had jurisdiction over the subject matter.
2. The Respondent's current license is due to expire on or about March 27, 2020.
3. On or about March 9, 2018, the Respondent filed a license renewal application with the Board for the period March 9, 2018 through March 27, 2020 by means of the Board's online licensing system.
4. On the renewal application, the Respondent claimed 82 hours of CPE credit that was earned during the previous license term.
5. The Board's license renewal application requires an applicant to certify to the accuracy of the information contained in the application. This certification states, in pertinent part:

"I hereby certify, under penalty of perjury, that the information contained herein is true and correct to the best of my knowledge, information, and belief..."

6. Following the Respondent's submission of the license renewal application and payment of the license renewal fee, the Respondent was advised that his application was selected for an audit of the CPE credits that were reported and that supporting documents for the CPE hours claimed were required to be submitted to the Board.

7. The Respondent subsequently submitted documentation to support 82 claimed CPE hours. Upon review, it was determined that only 33 CPE hours relating to the applicable period were earned by the Respondent. Further, the Respondent only had 4 CPE carry forward hours. Therefore, the Respondent was 43 CPE hours short of the 80 hour requirement for renewal of his license.

8. The Respondent admits that he did not meet the requirements to renew the license at the time the renewal application was filed with the Board on or about March 9, 2018 because he failed to obtain and/or properly document a sufficient number of CPE credit hours.

9. Based on the aforementioned facts, the Respondent admits that he has violated Business Occupations and Professions Art. (BOP), §§ 2-312(a)(3), 2-315(a)(1)(xii), Ann. Code of Maryland, and Code of Maryland Regulations (COMAR) 09.24.01.06(l)(1), 09.24.02.03 (A), and 09.24.02.05(C), which state, in pertinent part:

BOP § 2-312. Continuing education.

(a) *In general.* -

(3) (i) To qualify for any further renewal of a license under this subtitle, a licensee shall complete, for each 2-year license term, at least 80 hours in programs that the Board approves.

§2-315. Denials, reprimands, suspensions, and revocations - Grounds; license certificate

(a) Grounds -

(1) Subject to the hearing provisions of §2-317 of this subtitle, the Board, on the affirmative vote of a majority of its members, may deny a license to any applicant, reprimand any licensee, or suspend or revoke a license if the applicant or licensee:

(xii) violates a rule of professional conduct adopted by the Board.

COMAR 09.24.01.06 Code of Professional Conduct

I. Other Responsibilities and Practices.

(1) A licensee may not commit any act that reflects adversely on the licensee's fitness to engage in the practice of public accountancy.

COMAR 09.24.02.03 Basic Requirement.

A. An applicant for license renewal shall complete, prior to submitting an application, a minimum of 80 credit hours of qualifying continuing education in each 2-year license term.

COMAR 09.24.02.05 Controls and Reporting.

C. The Board, at its discretion, may verify the information and documentation supporting the certification of continuing education credit hours reported. Upon request, the individual who reported the continuing education credit hours shall submit to the Board, or its designees, copies of the original documentation.

10. Based on the aforementioned violations, the Respondent agrees to the following sanctions:

a) The Respondent shall pay a civil penalty to the Board in the amount of \$3000.00 in accordance with the following schedule:

i) There shall be five consecutive monthly payments in the amount of \$600.00 each; and

ii) The first payment shall be due on January 15, 2019 with the subsequent payments due on the 15th day of each month thereafter, respectively, until such time as the total penalty amount is paid in full.

b) In addition, the Respondent agrees to the imposition of a Reprimand against his Maryland CPA license.

c) The Respondent further agrees to complete 63 CPE credit hours of qualifying continuing education as described under COMAR 09.24.02.04 within 45 days of the date of this Consent Order, with the following conditions:

i) 43 of said CPE credit hours shall be applied toward the deficiency from the Respondent's last reporting period and shall not be credited toward any future renewal period;

ii) 20 of said CPE credit hours shall be above and beyond the normal statutory and regulatory CPE requirements and shall not be credited toward any future renewal

period. At least 4 of these 20 required CPE credits shall be in the subject matter area of Professional Ethics.; and

iii) The Respondent shall furnish documentary evidence of satisfactory completion of all required CPE training to the Board within 60 days of the date of this Consent Order.

11. In the event that the Respondent fails to make a required payment or obtain required CPE credits in accordance with the terms and conditions of this Consent Order, his Maryland CPA license shall be immediately and automatically suspended until such time as compliance occurs.

12. The Respondent shall abide by the provisions of the Maryland Public Accountancy Act, BOP § 2-101, *et. seq.* and COMAR 09.24.01, *et. seq.* with regard to all pertinent future activities.

13. The Respondent, by entering into this Consent Order, expressly waives the right to any further written notification of administrative charges, an administrative hearing on the charges and the making of Findings of Fact and Conclusions of Law, any and all further proceedings before the Board to which he may otherwise be entitled in this matter, and any rights to appeal from this Order.

14. The Respondent agrees that this Consent Order shall constitute a Final Order of the Board and shall be enforceable as such.

15. The Respondent enters into this Consent Order freely, knowingly and voluntarily, and with the opportunity to seek advice of counsel.

BASED ON THESE STIPULATIONS, IT IS, THIS 8th DAY OF JANUARY 2019 BY THE BOARD OF PUBLIC ACCOUNTANCY:

ORDERED that the Respondent has violated BOP §§ 2-312(a)(3) and 2-315(a)(1)(xii), Ann. Code of Maryland, and Code of Maryland Regulations (COMAR) 09.24.01.06(I)(1), 09.24.02.03 (A), and 09.24.02.05(C);

AND IT IS FURTHER ORDERED that the Respondent shall pay a civil penalty in the amount of \$3000.00 to the Board in accordance with the provisions set forth in paragraph 10 of this Consent Order;

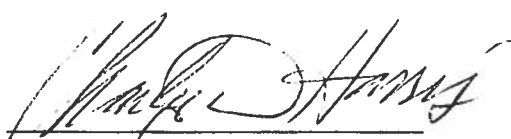
AND IT IS FURTHER ORDERED that a Reprimand is imposed against the Respondent's Maryland CPA license (Registration No. 8444);

AND IT IS FURTHER ORDERED that the Respondent shall complete 63 CPE credit hours and shall furnish proof of completion to the Board in accordance with the provisions set forth in paragraph 10 of this Consent Order;

AND IT IS FURTHER ORDERED that, if the Respondent fails to comply with the terms of this Consent Order in any manner, including the failure to make a required payment or complete required CPE training, the Respondent's license shall be immediately and automatically suspended until such time as compliance occurs;

AND IT IS FURTHER ORDERED that this matter shall be resolved in accordance with the terms of this Consent Order, and that the same shall be reflected among the records of the Board;

AND IT IS FURTHER ORDERED that this Consent Order shall constitute a Final Order of the Board.



Charles D. Harris

**SIGNATURE ON
ORIGINAL DOCUMENT**
Arthur E. Flach, CPA, Chair
Maryland Board of Public Accountancy

12/18/18
Date

1/8/19
Date