

**STATE OF VERMONT  
SECRETARY OF STATE  
OFFICE OF PROFESSIONAL REGULATION  
BOARD OF PUBLIC ACCOUNTANCY**

**IN RE:**  
**DALE W. CARR**

)

**Docket No. ULP-AC06-0605**

**STIPULATION AND CONSENT ORDER**

NOW COMES the State of Vermont through State Prosecuting Attorney Robert H. Backus and the Respondent, in person and through Attorney Norman Cohen, and enter into the following Stipulation and Consent Order.

**AGREEMENT**

The parties agree that the Board may find the following facts as true and may enter the Order set out below.

**Board Authority**

1. The Board of Public Accountancy ("Board") has jurisdiction to investigate and adjudicate complaints of unprofessional conduct pursuant to 3 V.S.A. §§129 and 129a; 26 V.S.A. §§54, 72a, 73-78 and 82; the Rules of the Board; and the Rules of the Office of Professional Regulation.

**Statement of Facts**

2. At all times relevant, the Respondent, Dale W. Carr, was employed as a systems analyst by Hubbarton Forge, Inc. located in Castleton, Vermont.
3. The Respondent has never been licensed with the Office of Professional Regulation to practice public accounting in Vermont.
4. Respondent was hired by The Lippitt Club, Inc. ("the Club") to review its financial bookkeeping records statements. The services performed by Respondent included a review of the Club's financial bookkeeping records and an opinion regarding the accuracy, consistency, and methods by which its books were kept.
5. In a letter from Respondent to the Club President, dated September 15, 2001, Respondent states, "An audit is meant to examine the accounting and accounting methods of an individual or organization. It is seldom a complete checking of each figure. It is not meant to find mistakes, but mistakes may be found in the course of performing an audit." The Respondent continues by offering an opinion with regard to the reliability of the financial records he reviewed and suggestions for improving the accuracy of the

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Club's record keeping system. The Respondent concludes by stating, "I would like to thank [L.W.] for her willingness to discuss at any time, day or night, any information pertaining to this audit. I am available to answer any questions that you may have regarding this audit."

6. An invoice from the Respondent dated January 9, 2005 and entitled "For Professional Services Rendered," was sent to the Board of Directors of the Club. The invoice indicates a charge of \$205.00 for "Audit Financial Records – Fiscal Year Ending October 31, 2002" and a charge of \$205.00 for "Audit Financial Records – Fiscal Year Ending October 31, 2003" for a total charge of \$410.00

7. In a letter from Respondent to the Board of Directors of the Club, dated January 9, 2005, Respondent begins by stating, "While I was not asked to perform an official audit testing the financial records of The Lippitt Club against Generally Accepted Accounting Principals, I was asked to perform a review of those records intended to verify the accuracy, consistency and methods by which the books were kept for the periods in question." The Respondent continues by offering an opinion with regard to the 2002 and 2003 financial statements. The Respondent concludes by stating "It is obvious that there has been a significant amount of time and care expended in the keeping of the financial records for The Lippitt Club. I do find them to be verifiably accurate and sound."

#### Charges

8. The Respondent engaged in the practice of public accounting by stating that he was providing an opinion regarding the accuracy of financial statements without obtaining the required license, the Respondent has violated:

(i) 26 V.S.A. § 13(9) ("Report" when used with reference to financial statements, means an opinion, report, or other form of language that states or implies assurance as to the reliability of any financial statements and that also includes or is accompanied by any statement or implication that the person or firm issuing it has special knowledge or competence in accounting or auditing. A statement or implication of special knowledge or competence may arise from the use by the issuer of the report of names or titles indicating that the person or firm is an accountant or auditor, or from the language of the report itself. The term "report" includes any form of language which disclaims an opinion when the form of language is conventionally understood to imply any positive assurance as to the reliability of the financial statements referred to or special competence on the part of the person or firm issuing the language; and it includes any other form of language that is conventionally understood to imply such assurance or such special knowledge or competence);

(ii) 26 V.S.A. § 14(a) (No person or firm shall issue a report on financial statements of, or provide attest services for, any other person, firm, organization, or governmental unit unless the person or firm is licensed or registered under this chapter).

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## Understandings

9. The parties understand that the terms of this Stipulation and Consent Order are contingent upon review and acceptance by the Commission and that if the Commission rejects any portion the entire Stipulation and Consent Order shall be null and void.
10. Respondent agrees that, should it be necessary, the members of this Board may hear this case and are not barred from doing so by having reviewed this document.
11. Respondent has read and reviewed this document fully and agrees that it contains the entire agreement between the parties.
12. This Stipulation and Consent Order is entered into voluntarily by Respondent after the opportunity to consult with legal counsel. Respondent has not been coerced by anyone into signing this Stipulation and Consent Order.
13. Respondent waives any right to a contested hearing before the Board and any right to appeal from the Order entered pursuant to this agreement.
14. The parties acknowledge that Respondent is not and has never held himself out to be a person "engaged in the practice of public accounting" and that Respondent did not knowingly or intentionally commit the violations alleged, rather committed the violations out of ignorance of the law.
15. WHEREFORE, the parties agree that the following constitutes a reasonable resolution given the violations which the Commission could find.

## Consent Order

16. The Board finds that Respondent has engaged in the unlicensed practice of public accounting as alleged above.
17. The Board imposes a two hundred fifty dollar (\$250.00) penalty upon the Respondent and orders Respondent to offer to reimburse The Lippitt Club, Inc., four hundred ten (\$410.00).
18. The penalty shall be paid by Respondent within sixty days of the entry of this order.

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19. Respondent shall offer to refund the Lippitt Club \$400.00 monies he received from it within 60 days of this order and shall furnish to Board a copy of that offer within 60 days of the date of this Order.

AGREED TO

Dated: 6/21/06

by: *Robert H. Backus*  
Robert H. Backus  
Prosecuting Attorney

6/12/06

*Dale Carr*  
Dale Carr  
Respondent

Dated: 6/15/06

by: *Norman Cohen*  
Norman Cohen  
Attorney for Respondent

APPROVED AND SO ORDERED:

VERMONT BOARD OF PUBLIC  
ACCOUNTANCY

Dated: 6/27/06

by:

Date of Entry: 6/28/06

STATE OF VERMONT



STATE OF VERMONT

SECRETARY OF STATE

By: *Robert H. Backus*  
Robert H. Backus  
State Prosecuting Attorney

**STATE OF VERMONT  
SECRETARY OF STATE  
OFFICE OF PROFESSIONAL REGULATION  
BOARD OF PUBLIC ACCOUNTANCY**

**IN RE:**

**DALE W. CARR**

**Docket No. ULP-AC06-0605**

**SPECIFICATION OF CHARGES**

NOW COMES the State of Vermont and makes the following Charges against the Respondent, Dale W. Carr:

**Board Authority**

1. The Board of Public Accountancy ("Board") has jurisdiction to investigate and adjudicate complaints of unprofessional conduct pursuant to 3 V.S.A. §§129 and 129a; 26 V.S.A. §§54, 72a, 73-78 and 82; the Rules of the Board; and the Rules of the Office of Professional Regulation.

**Statement of Facts**

2. At all times relevant, the Respondent, Dale W. Carr, was employed as a systems analyst by Hubbarton Forge, Inc. located in Castleton, Vermont.

3. The Respondent has never been licensed with the Office of Professional Regulation to practice public accounting in Vermont.

4. For a number of years, Respondent was hired by The Lippitt Club, Inc. ("the Club") to review its financial statements. The Lippitt Club is an equestrian organization based in Vermont with members worldwide. The services performed by Respondent included a review of the Club's financial records and an opinion regarding the accuracy, consistency, and methods by which its books were kept.

5. In a letter from Respondent to the Club President, dated September 15, 2001, Respondent states, "An audit is meant to examine the accounting and accounting methods of an individual or organization. It is seldom a complete checking of each figure. It is not meant to find mistakes, but mistakes may be found in the course of performing an audit." The Respondent continues by offering an opinion with regard to the reliability of the financial records he reviewed and suggestions for improving the accuracy of the Club's record keeping system. The Respondent concludes by stating, "I would like to thank [L.W.] for her willingness to discuss at any time, day or night, any information pertaining to this audit. I am available to answer any questions that you may have regarding this audit."

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7. In a letter from Respondent to the Board of Directors of the Club, dated January 9, 2005, Respondent begins by stating, "While I was not asked to perform an official audit testing the financial records of The Lippitt Club against Generally Accepted Accounting Principals, I was asked to perform a review of those records intended to verify the accuracy, consistency and methods by which the books were kept for the periods in question." The Respondent continues by offering an opinion with regard to the 2002 and 2003 financial statements. The Respondent concludes by stating "It is obvious that there has been a significant amount of time and care expended in the keeping of the financial records for The Lippitt Club. I do find them to be verifiably accurate and sound."

### Charges

8. For each instance that the Respondent engaged in the practice of public accounting by stating that he was providing an opinion regarding the accuracy of financial statements without obtaining the required license, the Respondent has violated:

(i) 26 V.S.A. § 13(9) ("Report" when used with reference to financial statements, means an opinion, report, or other form of language that states or implies assurance as to the reliability of any financial statements and that also includes or is accompanied by any statement or implication that the person or firm issuing it has special knowledge or competence in accounting or auditing. A statement or implication of special knowledge or competence may arise from the use by the issuer of the report of names or titles indicating that the person or firm is an accountant or auditor, or from the language of the report itself. The term "report" includes any form of language which disclaims an opinion when the form of language is conventionally understood to imply any positive assurance as to the reliability of the financial statements referred to or special competence on the part of the person or firm issuing the language; and it includes any other form of language that is conventionally understood to imply such assurance or such special knowledge or competence);

(ii) 26 V.S.A. § 14(a) (No person or firm shall issue a report on financial statements of, or provide attest services for, any other person, firm, organization, or governmental unit unless the person or firm is licensed or registered under this chapter); and

(iii) 3 V.S.A. § 129a(b)(2) (Failure to practice competently by reason of any cause on a single occasion or on multiple occasions may constitute unprofessional conduct. Failure to practice competently includes failure to conform to the essential standards of acceptable and prevailing practice).

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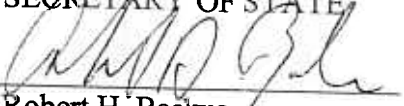
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**Relief Requested**

**WHEREFORE**, a civil penalty should be imposed upon the Respondent, Dale W. Carr.

**DATED** at Montpelier, Vermont this 10<sup>th</sup> day of January 2006.

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By:   
Robert H. Backus  
State Prosecuting Attorney

ulp.ac.carr.soc

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