

BEFORE THE NEW MEXICO PUBLIC ACCOUNTANCY BOARD

IN THE MATTER OF:

CHRIS WILLIAM JOHNSON
License No. 4537 (CANCELLED)
Firm Permit No. 9330 (CANCELLED),

Case No. 2013-06



Respondent.

STIPULATED AGREEMENT

WHEREAS, the New Mexico Public Accountancy Board ("Board") is considering reinstatement of Respondent Chris William Johnson's Certified Public Accountant license, which expired on June 30, 2010 and was cancelled on October 12, 2010 as a result of Respondent's failure to renew his CPA license; and

WHEREAS, the Board has information and documentation that — despite the October 12, 2010 cancellation of his CPA license and the June 30, 2008 expiration and October 15, 2008 cancellation of his firm permit — Respondent engaged in the unlicensed practice of accounting in New Mexico for more than three years by unlawfully holding himself out to the public as a CPA, including but not limited to (1) signing as a CPA and as a paid preparer a March 4, 2011 client tax return, (2) displaying a business sign identifying himself as a CPA, (3) publishing an advertisement in a church bulletin identifying himself as a CPA, (4) purchasing a December 19, 2012 advertisement in the *Union County Leader*, a local newspaper, identifying himself as a CPA, and (5) distributing a fax cover sheet dated May 8, 2012 identifying himself as a CPA; and

WHEREAS, based on the information presented to it, the Board on April 23, 2013 initially voted to issue a Notice of Contemplated Action against Respondent's unlicensed practice of accounting in New Mexico, and voted on February 11, 2014 to seek an injunction against Respondent's unlicensed practice of accounting in New Mexico; and

WHEREAS, on March 25, 2014, the Board filed with the First Judicial District Court a *Petition for Preliminary and Permanent Injunction* to prevent Respondent from the unlicensed practice of accounting in New Mexico, identified as case number D-101-CV-201400736; and

WHEREAS, on March 31, 2014, less than one week after the Board petitioned the district court for an injunction against his unlicensed practice of accounting in New Mexico, Respondent submitted to the Board an Application for Reinstatement of a Cancelled New Mexico CPA Certificate; and

WHEREAS, Respondent and the Board are willing to resolve this matter amicably without the issuance of a Notice of Contemplated Action pursuant to the Uniform Licensing Act, NMSA 1978, §§ 61-1-1 *et seq.*, and the 1999 Public Accountancy Act, NMSA 1978, §§ 61-28B-1 *et seq.*, and without a hearing before the Board; and

WHEREAS, upon Respondent's compliance with all terms of this Stipulated Agreement, the Board will dismiss the March 25, 2014 *Petition for Preliminary and Permanent Injunction* to prevent Respondent from the unlicensed practice of accounting in New Mexico, identified as case number D-101-CV-201400736; and

WHEREAS, the parties believe that this Stipulated Agreement is appropriate and in the best interests of both the Board and Respondent.

IT IS THEREFORE AGREED AND STIPULATED AS FOLLOWS:

1. **Jurisdiction.** The Board has jurisdiction over Respondent and the subject matter pursuant to NMSA 1978, §§ 61-28B-17 and 61-1-3.2.

2. **Violations.** As specifically identified above in the Whereases, the Board has identified Respondent's statutory and regulatory violations as follows:

A. NMSA 1978, § 61-28B-17(A)(3): "it is unlawful for a person to engage in

practice in New Mexico unless the person is a licensee.”

B. NMSA 1978, § 61-28B-17(D): “No person shall indicate by title, designation, abbreviation, sign, card or device that the person is a certified public accountant ... unless the person is currently certified by the board pursuant to the 1999 Public Accountancy Act.”

C. NMSA 1978, § 61-28B-17(E)(1): “No person shall engage in practice unless the person holds a valid certificate or current permit.”

D. NMSA 1978, § 61-28B-20(A)(2): “The board may take ... corrective action ... following a finding that ... a licensee lost a certificate ... through cancellation.”

E. NMSA 1978, § 61-28B-20(A)(3): “The board may take ... corrective action ... following a finding that ... a licensee failed to maintain compliance with the requirements of the 1999 Public Accountancy Act ... and board rules for ... renewal of a certificate.”

F. 16.60.5.8(B) NMAC: “By accepting licensure ... the licensee also accepts the obligations of the profession and the duty to abide by the board’s rules of conduct and the AICPA code of professional conduct.”

3. **Actions.** In order to settle this case without a formal hearing, the Board and Respondent agree to the following:

A. Until such time as his license to practice accounting in New Mexico is reinstated, Respondent (1) shall not practice as a CPA, and (2) shall not hold himself out or advertise himself as a CPA, including through the use of letterhead, business cards and any and all forms of advertising. These restrictions are as agreed to by the parties in the district court case number D-101-CV-201400736;

B. Before the Board may approve Respondent’s reinstatement application, Respondent will pay to the Board a fine of two thousand five hundred dollars (\$2,500.00);

C. Before the Board may approve Respondent's reinstatement application, Respondent will pay to the Board investigative costs of one hundred fifty dollars (\$150.00); and

D. Respondent shall personally attend the Board's November 19, 2014 swearing-in ceremony in Albuquerque for new licensees and take the oath of a New Mexico-licensed CPA.

4. **Waivers.**

A. Respondent enters into this Stipulated Agreement voluntarily and waives his right to a hearing before the Board and all relevant time limitations prescribed by the Uniform Licensing Act, NMSA 1978, §§ 61-1-1 through -31.

B. By signing this Stipulated Agreement, Respondent understands and agrees to waive excusal of any Board member from this case on the grounds of bias or improper motive.

C. Respondent has the right to seek an attorney's advice regarding this Stipulated Agreement.

D. Respondent's waiver of any rights contained herein is made knowingly, intentionally and voluntarily.

5. This Stipulated Agreement constitutes a full and complete resolution of all the claims and defenses that either party did raise or could have raised in this Case No. 2013-06 and permits the Board's reinstatement of Respondent's Certified Public Accountant license.

6. This Stipulated Agreement is limited to the resolution of the specific allegations in Case No. 2013-06. The Board may initiate proceedings for any other violation of the 1999 Public Accountancy Act or the Board's rules that is not incorporated in this Stipulated Agreement for Case No. 2013-06.

7. This Stipulated Agreement constitutes disciplinary action by the Board. This Stipulated Agreement will be included in Respondent's licensing file and is a public record open

to inspection by the public.

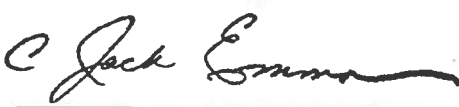
8. Any violation of the terms of this Stipulated Agreement is grounds for the Board to take further action against Respondent and his license to practice accounting in New Mexico.

9. This Stipulated Agreement is effective as of the date it is signed by the Board Chair or his designee.

IT IS SO STIPULATED AND AGREED:


Respondent

6-14-14
Date


C. Jack Emmons, CPA, CFE
Chair, NM Public Accountancy Board

6-10-2014
Date

CERTIFICATE OF SERVICE

A copy of this fully executed *Stipulated Agreement* was sent by certified mail, return receipt requested, on this 13th day of June, 2014 to Respondent at his last known address as shown by the records of the New Mexico Public Accountancy Board:

Chris William Johnson
PO Box 561
Clayton NM 88415

Certified Mail Receipt No. 7011 2970 0001 7792 5174

New Mexico Public Accountancy Board