

Strengthening Enforcement in a Changing World



Presented by
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Enforcement Resources Committee
2010 NASBA Regional Meetings

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Enforcement Committee Objectives

- Enforcement Assessment & Best Practices Committee
 - Develop a “Best Practices” state board manual for seeking and managing complaints and conducting investigations, hearings, sanctions and appeals together with their disposition.
- Enforcement Resource Committee
 - To assess and provide resource support to state boards in enforcement matters, including discovery, investigations, expert witness sourcing, etc.

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Enforcement Resources Committee

- Developed enforcement resource bank which will soon be available on the NASBA Web site
- Continued efforts to work with federal agencies which has led to increased interaction with organizations such as the SEC, IRS and HHS
- Organized voice on PEEC and other professional groups dealing with ethics and professional standards
- Identification of areas, such as broker-dealer audits, in which NASBA/state boards can work with the SEC/PCAOB to target firms performing substandard work



Components of Enforcement

- Seeking, accepting, reporting and recording complaint
- Management of complaint
- Decision to dismiss, investigate, or settle
- Investigations
- Hearings
- Sanctions and compliance
- Appeal process
- Recording and publicly reporting decisions and sanctions
- Monitor provisions and sanctions



Enforcement Assessment and Best Practices Committee

- Developing a *Best Practices Manual* for efficient, effective complaint management which includes conducting investigations, participating in formal hearings, delivering disciplinary actions and communicating disposition
- Constructive outreach to smaller states seeking enforcement assistance specializing in customization of an effective program at the state board level
- Assisting state boards in managing the enforcement process to produce results within a set timeline
- Helping states in achieving adequate budgets and resources (regional or state compacts may be effective)
- Assist states in working together on larger, regional or national cases

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Case Studies

- Has your state been involved in a “text book” case that you can share with the group?
- Did your state take action in the Enron/AA case? Would you like to share the outcome and the reason for the decision?

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Discussion Questions

- If your state board is not doing effective enforcement are you adequately protecting the public?
- Is enforcement more efficiently handled by the individual state boards or by an alternate agency, as offered in some states?
- What is your state doing in each of the components?
- What assistance is your state seeking?
- Are you satisfied with the turnaround time of complaints filed with your state board of accountancy?

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More Discussion Questions

- How does your state communicate disciplinary actions? Do you think this is adequate?
- Do you think there should be more uniformity in enforcement actions and processes? Beyond the development of the Best Practices Manual, how can NASBA assist with this effort?
- Do state boards need an investigator on staff in order to process complaints in a timely manner? Do they need an attorney on staff?
- Does your board participate in the ALD? Do you feel that is an integral part of *Mobility*?

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Thank you for your input.



Please contact us if you would like to discuss.

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