



Certified General Accountants
Association of Ontario

January 30, 1996

Mr. Frederick G. Whitley, FCGA
34 Angela Ave.
Hamilton, Ontario
L9C 1L2

Dear Mr. Whitley:

Re: Dennis E. Donovan, CGA

On August 28, 1995, Mr. Dennis Donovan, CGA, wrote to the Association and indicated that he had failed to carry out his fiduciary duties to his employer, Memco Welding Products. While employed by Memco, Mr. Donovan provided himself with personal advances and charged personal expenses on a company credit card. The total amount involved was \$40,000.

Mr. Donovan requested that his conduct be viewed in light of the following circumstances:

... when I was let go from a previous position in the same company, due to down sizing, I was offered this position at a significant drop in salary and promises were made to increase my income to the level I was at. The offer was made at the last minute and in such a way that I felt taken advantage of and with no option but to accept the terms. Over the next year, I worked very long hours 60 to 70 per week on an ongoing basis and was under tremendous stress. The promises made for increasing my income were not implemented until after I was terminated. Because of this I have entered counselling with a psychologist. This does not excuse my actions but may explain them.

Mr. Donovan reported that he and his employer have agreed on a re-payment scheme. Consequently, the matter will not be the subject of court action. As of October 1, 1995, Mr. Donovan was unemployed.

The Discipline Committee found that Mr. Donovan violated the Code of Ethics and Rules of Professional Conduct. In accordance with By-Law Four, Article 9, Section 3, the Committee



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proposed the following resolution to Mr. Donovan for his consideration and agreement:

- a six month suspension;
- a fine of \$250;
- a letter of reprimand; and
- publication of this discipline in Statements and a newspaper.

Mr. Donovan has indicated in writing that he accepts the proposed resolution.

Pursuant to By-Law Four, Article 9, sections 3(c) and 4, the Discipline Committee submits herein the facts of the violation of the Code and the proposed resolution to you for ratification in accordance with the By-Laws.

Sincerely,

A handwritten signature in black ink, appearing to read 'Trudy Kraker'.

Trudy Kraker, FCGA
Chair
Discipline Committee



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Association of Ontario

February 7, 1996

Mr. Dennis E. Donovan
44 Main Street South
Brampton, Ontario
L6W 2C4

Dear Mr. Donovan:

The proposed resolution to the discipline complaint filed with CGA Ontario for your alleged failure to comply with Rule 201 of the Code of Ethics and Rules of Professional Conduct has been ratified by me in accordance with the Association's By-Law Four, Article 9, section 3(c).

Part of the agreed upon disciplinary action was a written reprimand and I am hereby issuing you the reprimand.

Please be mindful of your duties and responsibilities to your clients and the profession, and conduct yourself in accordance with the spirit and the letter of the Code of Ethics and Rules of Professional Conduct.

Sincerely,

Frederick Whitley, FCGA
Professional Conduct Tribunal