

PROFESSIONAL CONDUCT TRIBUNAL

IN THE MATTER OF the Certified General Accountants Association of Ontario Act, 1983;

AND IN THE MATTER OF a complaint concerning _____ a student in the Certified General Accountants Association of Ontario program of professional studies.

BETWEEN:

THE DISCIPLINE COMMITTEE OF THE CERTIFIED GENERAL
ACCOUNTANTS ASSOCIATION OF ONTARIO

- and -

Members of the Tribunal: Ramesh Ramotar, CGA
Dan Coghlan, CGA
Janice Paul, CGA

Counsel: Larry Banack, for the Discipline Committee

Complainant: Certified General Accountants Association of Ontario

Defendant:

Court Reporter: Networking Court Reporting Ltd.
Sheila Ayers

Staff: Ralph Palumbo, Director, Government Relations and Legislative Affairs

Pursuant to an amended notice of hearing dated March 2, 1999, _____ was charged with the following violations of the Code of Ethical Principles and Rules of Conduct:

Deceptive Information

Members shall not be associated with any information which the member knows, or ought to know, to be false or misleading, whether by statement or omission.

Rule 101 – Discredit:

A member shall not permit the member's firm name or the member's name to be used with, participate in, or knowingly provide services to any practice, pronouncement, or act which would be of a nature to discredit the profession.

Rule 606 – Detrimental Actions:

A Member shall not participate in any action, which is detrimental to the Association or the profession.

Particulars:

1. While _____ was a student in the Certified General Accountants Association of Ontario program of professional studies, she obtained employment with the _____ by falsifying her educational requirements.

2. [redacted] led her employer, the [redacted], to believe that she was a member of Certified General Accountants Association of Ontario when in fact she was still a student in the Association's program of professional studies.
3. [redacted] falsified her Transcript of Marks to lead her employer, the [redacted], to believe that she was a member of the Certified General Accountants Association of Ontario when that was not the case.

[redacted] was present throughout the hearing, although she was not represented by counsel or an agent. The particulars were read by Counsel for the Discipline Committee, after which the Tribunal was advised that Ms. [redacted] and the Discipline Committee had entered into an agreed statement of fact. The agreed statement of fact was entered into evidence as part of Exhibit 1. Ms. [redacted] also provided her performance appraisals from the [redacted], which were marked as Exhibit 2. Since the facts were agreed upon, the Tribunal then heard the submissions of Mr. Banack and Ms. [redacted].

Among other things, Mr. Banack made these comments on behalf of the Discipline Committee:

- [redacted]'s work with the [redacted] was of a very acceptable quality.
- A student is bound by the Code of Ethical Principles and Rules of Conduct.
- The Association cannot condone [redacted]'s actions.
- [redacted] traded on the good name of Certified General Accountants, and the Association should not allow this.
- She has an inappropriate view that this is a light offence.

Mr. Banack asked the Tribunal to impose the following penalties:

- - Expulsion as a student;
- - Cost to the Association of \$500.00;
- - Outcome of the hearing to be published in the CGA Ontario Statements; and
- - Outcome of the hearing to be published in the local newspapers.

In response to questions from the Tribunal, Mr. Banack confirmed that even a serious penalty would not prevent Ms. [redacted] from reapplying for admission as a stranger, and continuing her course of study.

In her submissions, [redacted] indicated great remorse for what she had done. She made it clear that she felt humiliated as a result of her actions, and also indicated that they would not happen again. In answer to the Tribunal's question, she confirmed that she is currently an active student in the CGAAO program of studies, that she is enrolled in MS1 for the June 1999 session, and that it may take five years for her to complete the program of studies.

DECISION

The Tribunal deliberated and decided unanimously that the following be imposed on [redacted]:

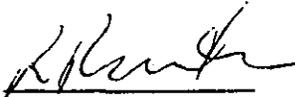
- Suspension for two years after the completion of her current course;
- Upon application for re-entry, she must submit proof of completing a course in ethics;
- Costs of \$500.00 payable to the Association;
- Outcome of the hearing to be published in the CGA Ontario Statements.

REASONS FOR THE TRIBUNAL'S DECISION

According to the undisputed evidence, [redacted] enrolled as a student of the CGAAO's program of professional studies in August of 1995. She falsified a transcript of marks from the CGAAO in order to obtain employment as a Certified General Accountant with the [redacted], and she continued to lead her employer to believe that she was a Certified General Accountant when this was not true. It was only when the [redacted] made inquiries of the Association in August of 1998 about Ms. [redacted]'s standing that her conduct came to light. Ms. [redacted] was terminated from her employment as a result.

We conclude on the basis of the evidence that Ms. [redacted] contravened Rules 101 and 606 and the provisions with respect to Deceptive Information in the Code of Ethical Principles and Rules of Conduct.

In considering the appropriate penalty, however, we have taken into account that Ms. [redacted] has shown remorse for her actions, both with respect to the CGAAO and her employer. In coming to our decision, we have considered a number of appropriate factors, including the standards set and expected of all CGA members and students.



Ramesh Ramotar, CGA
Chairman, Professional Conduct Tribunal
On Behalf of the Tribunal

12.22
Date: June 16, 1999

NOTICE

The decision of a Professional Conduct Tribunal may be appealed to an Appeal Tribunal within sixty days of the date of the written decision of the Professional Conduct Tribunal. The notice of appeal must be in writing addressed to the Executive Director, Certified General Accountants Association of Ontario, 240 Eglinton Avenue East, Toronto, Ontario M4P 1K8. The notice must contain the grounds for the appeal.

THE CERTIFIED GENERAL ACCOUNTANTS ASSOCIATION OF ONTARIO

APPEAL TRIBUNAL

IN THE MATTER OF _____;

**AND IN THE MATTER OF an Appeal from a
Decision of the Professional Conduct Tribunal
dated June 22, 1999.**

B E T W E E N:

**THE DISCIPLINE COMMITTEE OF THE CERTIFIED
GENERAL ACCOUNTANTS ASSOCIATION OF ONTARIO**

Appellant

- and -

Respondent

DECISION

MEMBERS OF THE APPEAL TRIBUNAL

Donald H. Page, Chair
Donn G. Martinson
Alexis A. Perera

APPEARANCES

Larry A. Banack for the Appellant
and _____ for _____
Judith McCormack for the Appeal Tribunal

This appeal was brought by the Discipline Committee of the Certified General Accountants Association of Ontario from a decision of the Professional Conduct Tribunal dated June 22, 1999. In that decision, the Professional Conduct Tribunal found that the Respondent, [REDACTED], had violated Rule 101, Rule 606 and the Deceptive Information provisions of the Code of Ethical Principles and Rules of Conduct. The Tribunal determined that Ms. [REDACTED] would be suspended for two years after the completion of her then current course; that upon application for re-entry, she would be required to submit proof of completing a course in ethics; that she would be required to pay costs of \$500.00 to the Certified General Accountants Association of Ontario; and that the outcome of the hearing would be published in the CGAAO Statements.

The Discipline Committee brings this appeal on the grounds that the penalties imposed by the Professional Conduct Tribunal do not reflect the seriousness of the offence committed by Ms. [REDACTED], that they do not provide general deterrence to others and that they are not sufficiently severe enough to preserve the integrity of the profession and protect the public interest. The Committee requested that the Appeal Tribunal substitute the penalty of expulsion for the two year suspension imposed by the Professional Conduct Tribunal. As well, the Committee initially requested that the Professional Conduct Tribunal's decision be modified so that the outcome of these proceedings would be published in a local newspaper as well as in CGAAO Statements.

Ms. [REDACTED] also appealed that part of the Professional Conduct Tribunal's order requiring the publication of the outcome of these proceedings in CGAAO Statements. She initially requested that there be no publication of the outcome.

On the day of hearing of the appeal, the parties advised us that they had reached an agreement with respect to the publication issue in which the outcome of these proceedings would be published in CGAAO Statements, without identifying Ms. [REDACTED].

Counsel for the Discipline Committee then made submissions with respect to substituting an expulsion for the two year suspension imposed by the Professional Conduct Tribunal. The essence of his submissions was that the Professional Conduct Tribunal erred in imposing a sanction which was not within an appropriate range in the circumstances. He reviewed the facts

of the case, and submitted that the penalty failed to take into account the principle of general deterrence, and the need to impose a penalty severe enough to dissuade any student or member from acting in a similar fashion. He also submitted that the penalty of suspension was not sufficient to preserve the integrity of the profession and to protect the public interest.

Ms. [REDACTED] chose to be represented by her mother, Ms. [REDACTED] rather than by counsel in these proceedings. Ms. [REDACTED] spoke briefly on her behalf, describing the remorse that Ms. [REDACTED] felt, and emphasizing the fact that this was the first time she had engaged in such conduct.

We have thoroughly reviewed this matter, including the submissions of the parties. It is evident from the findings of the Professional Conduct Tribunal and the transcript of the hearing before that Tribunal that Ms. [REDACTED] falsified a document for the purpose of holding herself out as a Certified General Accountant, despite the fact that she was still a student in the program of professional studies of the Certified General Accountants Association of Ontario. The actions of Ms. [REDACTED] are not to be tolerated and are absolutely unacceptable as a student of the Certified General Accountants Association of Ontario. The integrity of Certified General Accountants is a given personality asset and Ms. [REDACTED] has fallen far short of the necessary ethical standards.

However, we also observe that Ms. [REDACTED]'s life has been severely affected by her deceitful actions. Her employment was terminated by the [REDACTED], and her dishonesty has been an embarrassment to her, her immediate family and to her friends. She is also carrying an embarrassing employment history that is open for review by future employers to whom she may be applying for work. Adding two years (the length of the suspension) to an already intense and lengthy program of professional studies should be a deterrent to any other student who chooses to undertake a similar dishonest act.

In all these circumstances, and having regard to the seriousness of the offence, the need for deterrence, and the importance of protecting both the public interest and the integrity of the profession, we find that we are not prepared to vary the decision of the Professional Conduct

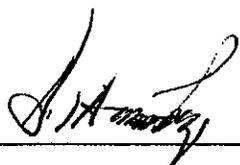
Tribunal to the extent of substituting an expulsion for the two year suspension imposed on Ms.

However, we are prepared to vary the Professional Conduct Tribunal's decision in accordance with the parties' agreement with respect to publication.

As a result, we direct that the penalties imposed on Ms. [redacted] will now be as follows:

1. Ms. [redacted] will be suspended for two years after the completion of the course in which she was enrolled as of June 22, 1999;
2. Upon application for re-entry, Ms. [redacted] must submit proof that she has completed a course of ethics;
3. Ms. [redacted] must remit payment of \$500.00 to the Certified General Accountants Association of Ontario to help defray the costs of these proceedings;
4. The outcome of these proceedings will be published in the CGAAO Statements without identifying Ms. [redacted], her former employer or the location of the offence.

DATED at Toronto, this 18th day of April, 2000.



Donald H. Page, Chair

On Behalf of the Appeal Tribunal

NOTICE

**The decision of an Appeal Tribunal may be appealed to the
Ontario Court of Justice in accordance with the Rules of the Court.**