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October 12, 2000

**NEW JERSEY STATE BOARD
OF ACCOUNTANCY**

By: Marianne W. Greenwald
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STATE OF NEW JERSEY
DEPARTMENT OF LAW AND PUBLIC SAFETY
DIVISION OF CONSUMER AFFAIRS
STATE BOARD OF ACCOUNTANCY

IN THE MATTER OF THE SUSPENSION	:	Administrative Action
OR REVOCATION OF THE LICENSE OF:	:	
	:	
JOHN MICHAELS	:	FINAL ORDER
CC 15600	:	OF DISCIPLINE
	:	
TO PRACTICE ACCOUNTANCY IN THE	:	
STATE OF NEW JERSEY	:	
	:	

This matter was opened to the New Jersey State Board of Accountancy upon receipt of information which the Board has reviewed and on which the following preliminary findings of fact and conclusions of law are made:

FINDINGS OF FACT

1. Respondent is a certified public accountant in the State of New Jersey and has been a licensee at all times relevant hereto.

2. On April 27, 2000 respondent was convicted of the crime of Mail Fraud in United States District Court, District of New Jersey. Specifically, respondent, in a loan application, falsely reported his income from his accounting practice in order to overstate that income. Moreover, respondent provided to the lender false federal income tax returns to support the inflated figures

contained in the loan application (A copy of the Information and the Judgment of Conviction are annexed hereto and made a part hereof).

3. The following sentence was ordered: Four year term of probation, and a fine of \$2,500.

4. A Provisional Order of Discipline was entered by the Board on June 5, 2000 and served upon respondent on June 15, 2000.

5. The Provisional Order was subject to finalization by the Board at 5:00 p.m. on the 30th business day following entry unless respondent requested a modification or dismissal of the stated Findings of Fact or Conclusions of Law by submitting a written request for modification or dismissal setting forth in writing any and all reasons why said findings and conclusions should be modified or dismissed and submitting any and all documents or other written evidence supporting respondent's request for consideration and reasons therefor.

6. Respondent submitted the following response: Mr. Michael's inflated his income in order to secure adequate housing for his family and in fact he has met all mortgage payments in a timely manner.

7. Respondent's submissions were reviewed by the Board and the Board determined that further proceedings were not necessary and that no material discrepancies had been raised. The Board was not persuaded that the submitted materials merited further consideration, as respondent did not dispute the Findings of Fact or Conclusions of Law set forth in the Provisional Order.

CONCLUSIONS OF LAW

1. The above disciplinary conviction provides grounds for the suspension of his license to practice accountancy in New Jersey pursuant to N.J.S.A.45:1-21(f) in that the crime of which respondent was convicted is one of moral turpitude and/or relates adversely to the practice of accountancy.

ACCORDINGLY, IT IS ON THIS 8th DAY OF October, 2000

ORDERED THAT:

1. Respondent's license to practice accountancy in the State of New Jersey be and hereby is revoked with no right to request reinstatement for four year from the entry of this Order.

2. Prior to resuming active practice in New Jersey respondent shall be required to appear before the Board (or a committee thereof) to demonstrate his fitness to do so, and any practice in this State prior to said appearance shall constitute grounds for the charge of unlicensed practice. In addition, the Board reserves the right to place restrictions on respondent's practice should his license be reinstated.

NEW JERSEY STATE BOARD OF ACCOUNTANCY

By: _____

Alfonso Pisano
Alfonso Pisano, Esq.
Board President