



# ALABAMA STATE BOARD OF PUBLIC ACCOUNTANCY

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Montgomery, AL 36130-0375

**D. Boyd Busby, CPA**  
Executive Director

CERTIFIED MAIL 7018 3090 0002 0156 4174

July 23, 2021

Ms Laura Howard Smith  
12380 US Hwy 431  
Guntersville AL 35976

RE: Case No. 21-7

Dear Ms. Smith,

Attached is an Order by the Alabama State Board of Public Accountancy (“the Board”) dated July 16, 2021. The Order revokes your Alabama CPA Certificate No. 9104 and/or permit to practice, fines you, and requires the return of the revoked CPA Certificate to the Board, for violating Rules of Professional Conduct, misappropriation of assets from employer totaling \$23,863.37; and for failing to respond in writing within 30 days of Board’s inquiry request.

This Board action requires that you cease holding yourself out as a Certified Public Accountant and discontinue any practice of public accounting in the State of Alabama. The Board Order also requires the return of the revoked CPA Certificate to this office. We respectfully request that you make a diligent search for the CPA Certificate and return it to the Board office by close of business on August 16, 2021. The administrative fine of \$10,000.00 is now due and your cashier’s check or money order should be made payable to the Alabama State Board of Public Accountancy and mailed to the Board at the address shown above.

Section 34-1-15 of the Code of Alabama 1975 does provide for reinstatement of the CPA Certificate. This section states that upon application to the Board in writing after hearing, pursuant to notice, the Board may reinstate the revoked CPA Certificate. Section 34-1-11(d) of the Code of Alabama 1975 complements Section 34-1-15 by providing monetary requirements of registrants who have been revoked and are seeking reinstatement. This section states that the Board may impose a reinstatement fee not to exceed \$100.00, plus the annual registration fee and late renewal penalty that was due at the time of revocation and the registration fee for the fiscal year of requested reinstatement. The Board will not consider reinstatement requests until all fines and penalties have been paid.

If you want to be considered for reinstatement or have other questions please, contact me at the number shown above.

Sincerely,

D. Boyd Busby, CPA  
Executive Director

DBB/tt

Attachment

BEFORE THE ALABAMA STATE BOARD OF PUBLIC ACCOUNTANCY

IN THE MATTER OF THE )  
COMPLAINT AGAINST: )  
LAURA HOWARD SMITH, CPA ) CASE NO. 21-7  
CERTIFICATE NO. 9104 )  
RESPONDENT. )

ORDER

COMES NOW the Alabama State Board of Public Accountancy ("the Board"), and, following a full and fair hearing before the Board on July 16, 2021, in Montgomery, in the matter of the complaint against LAURA HOWARD SMITH, CPA, Certificate No. 9104 makes the following Findings of Facts and Conclusions of Law in support of this Order.

FINDINGS OF FACT

1. Respondent is a Certified Public Accountant in the State of Alabama and was so registered at all time relevant to the complaint.
2. Respondent was provided notice of the hearing by certified mail, return receipt requested, and regular first-class mail to the most recent address on file with the Board.
3. The certified mail was returned to the Board by the U.S. Postal Service.
4. Respondent failed to attend the hearing. The hearing was conducted in Respondent's absence, as provided in Section 34-1-14 (c) and Section 41-22-12 (d), Code of Alabama 1975.
5. On April 14, 2021, a complaint was received by the Board stating that *"during the 2019 financial statement audit, we discovered that the former Chief School Financial Officer, Laura Smith, used a credit card issued to the board of education to pay various personal expenses. Ms. Smith paid the credit card statements with the board of education funds and there is no record that Ms. Smith reimbursed the board. During the same audit, we also discovered that Ms. Smith paid for travel expenses with board funds and was reimbursed personally for the same travel expenses. The Examiners*

*of Public Accounts have presented Ms. Smith a list of charges totaling \$23,863.37.”* The Complaint also included documentation to verify the total amount of the funds.

6. On June 4, 2021 the Board received documentation in the form of a check dated April 28, 2021 and journal entry dated April 30, 2021 where the Respondent repaid the Board of Education \$23,863.37.

7. On April 16, 2021 the Board sent the complaint to the Respondent by certified mail. On May 17, 2021 the Board received this complaint marked “Return to Sender, Not Deliverable as Addressed, Unable to Forward.” On May 18, 2021 the Board emailed the Complaint and required an answer be submitted to the Board by June 1, 2021. To date the Respondent has not answered the Complaint.

#### CONCLUSIONS OF LAW

The Board finds that the facts as established at the hearing and as outlined above constitute a violation of Sections 34-1-1, et seq., Code of Alabama 1975, as follows:

8. The *Rules of Professional Conduct* governing the accounting profession, specifically Rule 30-X-6-.05(1) of the Alabama State Board of Public Accountancy Administrative Code, provides as follows:

Conduct in General. A Certified Public Accountant or Public Accountant shall conduct himself in a manner which will contribute to the honor and dignity of the State and the profession and shall not at any time commit an act or engage in any conduct discreditable to the public accounting profession.

9. Rule 30-X-7-.08 of the Alabama State Board of Public Accountancy Administrative Code states that the phrase “conduct discreditable to the public accounting profession” shall be construed in light of the following broad recognition of responsibilities:

(a) The reliance of the public in general and the business community in particular on sound financial reporting and advice on business affairs imposes on the public accounting profession an obligation to maintain high standards of technical competence, morality and integrity. To this end all persons permitted to practice as Certified Public Accountants or Public Accountants under the laws of Alabama shall at all times maintain independence of thought and action, hold clients’ affairs in strict confidence, strive continuously to improve the practitioner’s skills, observe generally accepted accounting principles and generally accepted auditing standards, promote sound and informative financial reporting, uphold

the dignity and honor of the public accounting profession, and maintain high standards of personal conduct.

10. Pursuant to Section 34-1-12(a)(11), Code of Alabama 1975, conduct discreditable to the public accounting profession constitutes sufficient ground for disciplinary action by the Board.

11. The Respondent's repayment of the exact amount identified constitutes evidence of conduct discreditable to the public accounting profession in violation of the Board of Public Accountancy Administrative Code, Rule 30-X-6-.05(1) *Rules of Professional Conduct*.

12. A violation of the Board of Public Accountancy Administrative Code, Rule 30-X-6-.05(1) *Rules of Professional Conduct*, constitutes sufficient grounds for disciplinary action by the Board as provided in Section 34-1-12(a)(4), Sections 34-1-12 through 34-1-14 and Section 41-22-12, Code of Alabama 1975.

13. The Respondent's repayment of the exact amount identified constitutes evidence of conduct discreditable to the public accounting profession in violation of Section 34-1-12(a)(11), Code of Alabama 1975.

14. Rule 30-X-7-.11 of the Alabama State Board of Public Accountancy Administrative Code provide as follows:

A licensee shall respond in writing to any communication from the Board requesting a response within thirty (30) days of the mailing of such communication by registered or certified mail, to the last address furnished to the Board by the licensee.

15. Respondent's failure to respond in writing to the Board's certified letter of June 1, 2021 constitutes a violation of Board Rule 30-X-7-.11.

16. Pursuant to Section 34-1-12(a)(14), Code of Alabama 1975, violation of any rules promulgated by the Board constitutes cause for disciplinary action by the Board.

It is therefore ORDERED, ADJUDGED and DECREED by this Board that the license, registration, certificate and/or permit to practice of the Respondent be REVOKED, that Respondent complete the following and provide proof completion within thirty (30) days of this Order: fined five thousand dollars (\$5,000.00) per count totaling ten thousand dollars (\$10,000.00), and return the revoked Certified Public Accountant Certificate (wall certificate).

DONE this 16th day of July 2021.

ALABAMA STATE BOARD OF PUBLIC ACCOUNTANCY

CONCUR:

MS. SHEPPARD-HARRIS AND MESSRS.  
BLACKMON, GRICE, MADISON AND SCHAFFERS

ATTEST:

  
D. Boyd Busby, CPA  
Executive Director  
July 23, 2021

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LAURA HOWARD SMITH

12380 US HWY 431

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7-23-21

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