

**STATE OF MINNESOTA  
BOARD OF ACCOUNTANCY**

**In the Matter of  
Loralee Christine Farah  
Certificate No. 11912**

**STIPULATION AND  
CONSENT ORDER  
Board File 2012-037**

The Minnesota Board of Accountancy ("Board") is authorized pursuant to Minnesota Statutes section 214.10 (2014); Minnesota Statutes section 326A.02, subdivisions 4 and 6 (2014); and Minnesota Statutes section 326A.08, subdivision 1 (2014) to review complaints against certified public accountants and to take disciplinary action whenever appropriate.

The Board received information concerning Loralee Christine Farah, 6559 Taiga Circle, Eden Prairie, Minnesota 55346 ("Respondent"). The Board's Complaint Committee ("Committee") reviewed that information.

It is hereby stipulated and agreed by Respondent and the Committee that without trial or adjudication of any issue of fact or law and without any evidence or admission by any party with respect to any such issue:

1. For the purpose of this Stipulation, Respondent waives all procedures and proceedings before the Board to which Respondent may be entitled under the United States and Minnesota constitutions, statutes, or the rules of the Board, including the right to dispute the allegations against Respondent and to dispute the appropriateness of discipline in a contested case hearing pursuant to Minnesota Statutes Chapter 14 (2014), and to dispute any civil penalty imposed by this Stipulation. Respondent agrees that upon the *ex parte* application of the Committee, without notice to or appearance by Respondent, the Board may order the remedy specified in paragraph 7 below. Respondent waives the right to any judicial review of the order by appeal, by writ of certiorari, petition for review, or otherwise.

2. This Stipulation shall constitute the entire record of the proceedings herein upon which the Consent Order is based. All documents in the Board's files shall maintain the data classification to which they are entitled under the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13 (2014). They shall not, to the extent they are not already public documents, become public merely because they are referenced herein.

3. In the event the Board in its discretion does not approve this Stipulation or a lesser remedy than specified herein, this Stipulation and Consent Order shall be null and void and shall not be used for any purpose by either party. If this Stipulation is not approved and a contested case hearing is initiated by the Committee pursuant to Minnesota Statutes Chapter 14 (2014), Respondent agrees not to object to the Board's initiation of the hearing and it hearing the case on the basis that the Board has become disqualified because of its review and consideration of this Stipulation or of any records relating hereto.

#### FACTS

4. This Stipulation is based upon the following facts. Respondent admits the facts referred to below and grants that the Board may, for the purpose of reviewing the record in paragraph 2 above, consider the following as true without prejudice to the Respondent in any current or future proceeding of the Board with regard to these or other allegations:

a. The Board issued a Certified Public Accountant certificate to Respondent on December 7, 1989; Respondent's active Certified Public Accountant certificate number 11912 expired on December 31, 2012. Respondent is subject to the jurisdiction of the Board with respect to the matters referred to in this Stipulation.

b. Respondent failed to comply with the Board's continuing professional education ("CPE") rules by failing to complete 120 hours of mandatory CPE during the years ended June 30: 2009, 2010 and 2011.

c. It is alleged that Respondent failed to comply with the applicable continuing professional education requirements as set out in Board statutes and rules.

d. The Board contacted Respondent via U.S. Mail, including a CPE request for information dated August 24, 2011, and an allegation letter dated February 17, 2012, requesting a response to Board correspondence within thirty days. Respondent failed to reply.

e. It is alleged that Respondent failed to respond to communications from the Board.

5. Respondent admits that the facts and conduct specified in paragraph 4 above constitute violations of Minnesota Statutes Chapter 326A (2014) and Minnesota Rules Chapter 1105 (2013), specifically Minnesota Statutes section 326A.04 (2014) and Minnesota Rules Part 1105.1200, 1105.3000, 1105.5600, subpart 1.C (5), 1105.7800.B (2013), and are sufficient grounds for the remedy specified in paragraph 7 below, and that proof at hearing of any one or more of the allegations set forth would empower the Board to take disciplinary action against Respondent's certificate.

6. This Stipulation shall not in any way or manner limit or affect the authority of the Board to proceed against Respondent by initiating a contested case hearing or by other appropriate means on the basis of any act, conduct, or admission of Respondent justifying disciplinary action which occurred before or after the date of this Stipulation and that is not directly related to the specific facts and circumstances set forth herein.

## REMEDY

7. Upon this Stipulation and record, as set forth in paragraphs 2 and 4 above, and without any further notice of proceedings, the Committee and Respondent agree that the Board may, in its discretion, issue an order to Respondent requiring compliance with the following:

a. Respondent's certificate shall be **SURRENDERED** to the Board.

Effective the date this Order is issued by the Board, Respondent shall cease and desist from holding herself out as a CPA in Minnesota, practicing as a CPA in Minnesota, or engaging in activities requiring an active CPA certificate in this State.

b. Concurrent with any future application for reinstatement of her CPA certificate, Respondent shall successfully complete and report to the Board 120 hours of continuing professional education for 2009, 2010, and 2011, representing previously required hours not reported to the Board. In addition, Respondent shall report to the Board 120 continuing professional education hours for subsequent years as required by Minnesota Statutes section 326A.09 (2014).

c. Concurrent with any future application for reinstatement of her CPA certificate, Respondent shall pay the Board's Continuing Professional Education Noncompliance Fee that will be calculated by the Board at the time, based upon Minnesota Rules part 1105.3000 E. (2013) and the Continuing Professional Education information that Respondent reports to the Board pursuant to paragraph 7.b. above.

d. Upon Respondent's application for reinstatement of her CPA certificate, the Board may impose a civil penalty based on the violations listed in paragraph 4. above.

e. Respondent shall cease and desist from violating any statute, rule or order that the Board has issued or is empowered to enforce.

8. Respondent hereby acknowledges that she has read, understands, and agrees to this Stipulation and Consent Order and is freely and voluntarily signing the Stipulation without threat or promise by the Board or any of its members, employees, or agents. When signing the Stipulation, Respondent acknowledges that she is fully aware that the Stipulation and Consent Order must be approved by the Board. The Board may approve the Stipulation and Consent Order as proposed, approve the order subject to specified change, or reject it. If the changes are unacceptable to Respondent or the Board rejects the Stipulation, it will be of no effect except as specified herein.

9. Under the Minnesota Government Data Practices Act, this Stipulation is classified as public data upon its issuance by the Board. (Minnesota Statutes section 13.41, subdivision 5 (2014)). All documents in the record shall maintain the data classification to which they are entitled under the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13 (2014). They shall not, to the extent they are not already public documents, become public merely because they are referenced herein. A summary of this Order will appear in the Board's newsletter. A summary will also be sent to the national discipline data bank pertaining to the practice of public accounting.

10. This Stipulation contains the entire agreement between the parties. Respondent is not relying on any other agreement or representation of any kind, verbal or otherwise.

11. Respondent is aware that Respondent may choose to be represented by legal counsel in this matter. Respondent knowingly waived legal representation.

12. If approved by the Board, a copy of this Stipulation and Consent Order shall be served personally or by first class mail on Respondent. The Order shall be effective and deemed issued when it is signed by the Board Chair or designee of the Chair.

CONSENT:

*Loralee Christine Farah* RESPONDENT  
LORALEE CHRISTINE FARAH

Dated: 2/5, 2015



SUBSCRIBED and sworn to before me on  
this the 5<sup>th</sup> day of February, 2015.

*Jenna Barnes*  
(Notary Public)

My Commission Expires:

1/31/2017

COMPLAINT COMMITTEE

*D. Michael M. Vekish*  
MICHAEL M. VEKICH, CPA  
Chair

Dated: 2/27, 2015

ORDER:

Upon consideration of the foregoing Stipulation and based upon all the files, records and proceedings, herein,

1. IT IS HEREBY ORDERED that all other terms of this Stipulation and Consent Order are adopted and implemented this 27 day of February, 2015.

STATE OF MINNESOTA  
BOARD OF ACCOUNTANCY

*G. Steiner*  
GREGORY S. STEINER, CPA  
Chair

AFFIDAVIT OF SERVICE BY MAIL

RE: Loralee Christine Farah; Certificate No. 11912

STATE OF MINNESOTA )  
                        ) ss.  
COUNTY OF RAMSEY   )

Bev Carey, being first duly sworn, deposes and says:

That at the City of St. Paul, County of Ramsey and State of Minnesota, on this the 27<sup>th</sup> day of February, 2015, she served the attached Stipulation and Consent Order, by depositing in the United States mail at said city and state, a true and correct copy thereof, properly enveloped, with prepaid first class postage, and addressed to:

Loralee Christine Farah  
6559 Taiga Circle  
Eden Prairie, Minnesota 55346

Bev Carey  
Bev Carey

Subscribed and sworn to before me on  
this the 27<sup>th</sup> day of February, 2015.

Victoria E Oehrlein  
(Notary Public)

