

**State of New Hampshire  
Board of Accountancy  
Concord, New Hampshire 03301**

In the Matter of:  
**Raymond Hart**  
CPA License No. 00875  
Bus. License No. 00553

Docket No. 2022-ACCT-001

**SETTLEMENT AGREEMENT**

In order to avoid the delay and expense of further proceedings and to promote the best interests of the public and the practice of accountancy, the New Hampshire Board of Accountancy ("Board") and Raymond Hart ("Mr. Hart" or "Respondent"), an accountant licensed by the Board, do hereby stipulate and agree to resolve certain allegations of professional misconduct now pending before the Board according to the following terms and conditions:

1. Pursuant to RSA 309-B:10; RSA 309-B:11; and Board of Accountancy Administrative Rule ("Ac") 204.01, the Board has jurisdiction to investigate and adjudicate allegations of professional misconduct committed by licensed accountants. Pursuant to Ac 204.03(c), the Board may impose disciplinary sanctions pursuant to a settlement agreement.
2. The Board first granted the Respondent a license to practice as an accountant in the State of New Hampshire on February 13, 1979. Respondent holds CPA license number 00875 and business license number 00553. Respondent practices as a certified public accountant in a small firm that he owns in Greenland, New Hampshire.
3. The Respondent neither admits nor denies the allegations herein, but stipulates that the Board could make the following factual findings to support the conclusion that Respondent engaged in professional misconduct as defined in RSA 309-B:10:
  - A. Respondent undertook an audit of the Pinewood Healthcare, Inc 401(k) Profit Sharing Plan for the year ending in December 2015.
  - B. In August 2017, the U.S. Department of Labor submitted a complaint that the audit

was deficient in multiple areas, including:

- i. Audit plan
- ii. Internal controls
- iii. Loans to participants
- iv. Contributions receivable
- v. Benefit payments
- vi. Participant Data
- vii. Parties in interest and prohibited transactions
- viii. Commitments and contingencies
- ix. Subsequent events
- x. Schedule of assets.

C. The Board hired an expert to review the audit, who agreed with the deficiencies

except in the area of loans to participants. He also noted that there were additional

deficiencies in the following areas:

- i. Forfeitures
- ii. Plan testing
- iii. Rollovers
- iv. Financial Statements
- v. Peer Review

D. In each of the deficient areas, the paperwork was either missing, filled out partially, filled out incorrectly, or the paperwork used was incorrect.

E. Mr. Hart improperly relied on representations from Fidelity that certain documents were “complete and accurate” to justify his not reviewing these documents in the audit.

F. On September 26, 2017, Mr. Hart responded to the complaint against him. He claimed he did a limited scope audit and was permitted to skip these portions of the audit. He also provided additional work papers to support his assertion the audit was sufficient.

G. The Respondent’s written work papers could not be followed by a reviewing expert.

Based on his review, the expert could not determine whether the Pinewood Healthcare, Inc. 401(k) Profit Sharing Plan was in compliance with law.

4. The Board finds that, by engaging in such conduct, Respondent has violated RSA 309-B:10(I-a)(e)-(f), Ac 504.01(c) and Ac 405.02.
5. The Respondent consents to the Board imposing the following sanctions as discipline:
  - A. The Respondent is **CENSURED** pursuant to Ac 402.05(b).
  - B. The Respondent's scope of practice is **PERMANENTLY LIMITED**. He is prohibited from performing any type of audit for any current or future client, business, entity, or person, per RSA 309-B:10(c).
  - C. The Respondent is assessed an **ADMINISTRATIVE FINE** in the amount of two hundred fifty dollars (\$250). The Respondent shall pay this fine in full within sixty (60) days following the effective date of this Settlement Agreement, as defined further below, by delivering a money order or bank check, made payable to "Treasurer, State of New Hampshire", to the Board's office at 7 Eagle Square, Concord, New Hampshire 03301.
  - D. The Respondent must pay **INVESTIGATIVE COSTS** in the amount of five thousand dollars (\$5,000). The Respondent shall pay these costs in monthly installments of \$1,000 following the effective date of this Settlement Agreement, as defined further below, by delivering a money order or bank check, made payable to "Treasurer, State of New Hampshire", to the Board's office at 7 Eagle Square, Concord, New Hampshire 03301.
6. The Board may consider the Respondent's compliance with the terms and conditions herein in any subsequent proceeding before the Board regarding the Respondent's license.
7. Should Respondent fail to comply with any of the terms of this Settlement Agreement, the Board reserves the right to suspend Respondent's license or impose other authorized

discipline, in accordance with the following process:

- A. The Board will notify Respondent, in writing, of the Board's finding of Respondent's non-compliance and the suspension and/or additional discipline it intends to impose for such non-compliance. Respondent will have ten (10) days, from the date of the Board's notification of non-compliance, to request a show cause hearing before the Board. If Respondent timely requests such a hearing, the Board will schedule a show-cause hearing for its next available hearing slot. At the hearing, Respondent will have the burden of demonstrating to the Board either why their license should not be suspended or additional discipline imposed for non-compliance or that they are in compliance with this Settlement Agreement.
  - B. Respondent has stipulated to the facts set out in this Settlement Agreement and acknowledges and agrees that those facts cannot be challenged in any hearing regarding enforcement of this Settlement Agreement. After the hearing, the Board will issue an order explaining its reasons for imposing, or not imposing, a suspension of Respondent's license, and/or any other discipline within the terms of RSA 309-B:12.
8. Pursuant to Ac 402.07(c), any nonpayment of a fine by the Respondent in contravention of this Settlement Agreement shall constitute a separate ground for discipline by the board and/or a basis for the Board to pursue a legal action against the Respondent.
  9. The Respondent's breach of any terms or conditions of this Settlement Agreement shall constitute unprofessional conduct pursuant to RSA 309-8:10, and a separate and sufficient basis for further disciplinary action by the Board.
  10. Except as provided herein, this Settlement Agreement shall bar the commencement of further

disciplinary action by the Board based upon the misconduct described above. However, the Board may consider the fact that discipline was imposed by this Order as a factor in determining appropriate discipline should any further misconduct be proven against Respondent in the future.

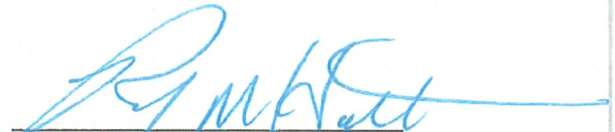
11. This Settlement Agreement shall become a permanent part of the Respondent's file, which is maintained by the Board as a public document.
12. The Respondent voluntarily enters into and signs this Settlement Agreement and states that no promises or representations have been made to him other than those terms and conditions expressly stated herein.
13. The Board agrees that in return for the Respondent executing this Settlement Agreement, the Board will not proceed further with the formal adjudicatory process in this docketed matter.
14. The Respondent understands that his action in entering into this Settlement Agreement is a final act and not subject to reconsideration or judicial review or appeal.
15. The Respondent has had the opportunity to seek and obtain the advice of an attorney of his choosing in connection with his decision to enter into this Settlement Agreement.
16. The Respondent understands that the Board must review and accept the terms of this Settlement Agreement. If the Board rejects any portion, the entire Settlement Agreement shall be null and void. The Respondent specifically waives any claims that any disclosures made to the Board during its review of this Settlement Agreement has prejudiced his right to a fair and impartial hearing in the future if this Settlement Agreement is not accepted by the Board.
17. The Respondent is not under the influence of any drugs or alcohol at the time he signs this Settlement Agreement.
18. The Respondent certifies that he has read and understands this Settlement Agreement. The

Respondent understands that he has the right to a formal adjudicatory hearing concerning this matter and that at said hearing he would possess the right to confront and cross-examine witnesses, to call witnesses, to present evidence, to testify on his own behalf, to contest the allegations, to present oral argument, and to appeal to the courts. Further, the Respondent fully understands the nature, quality, and dimensions of these rights. The Respondent understands that by signing this Settlement Agreement, he waives these rights as they pertain to the misconduct described herein.

19. This Settlement Agreement shall take effect as an Order of the Board on the date it is signed by an authorized representative of the Board.

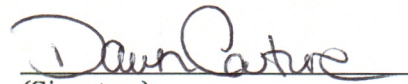
**FOR RESPONDENT**


Date: 11/18/2022

  
Raymond Hart  
Respondent

**FOR THE BOARD\***

This proceeding is hereby terminated in accordance with the binding terms and conditions set forth above.

  
(Signature)

  
(Printed or typed name)

Authorized Representative of the  
New Hampshire Board of  
Accountancy

\* Board members recused: