

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 72671 / July 24, 2014

ACCOUNTING AND AUDITING ENFORCEMENT
Release No. 3569 / July 24, 2014

ADMINISTRATIVE PROCEEDING
File No. 3-15983

In the Matter of	:	
	:	ORDER INSTITUTING
	:	ADMINISTRATIVE PROCEEDINGS
JOHN (“JACK”) J. EGAN, JR., CPA	:	PURSUANT TO RULE 102(e) OF THE
	:	COMMISSION’S RULES OF
Respondent.	:	PRACTICE, MAKING FINDINGS,
	:	AND IMPOSING
	:	REMEDIAL SANCTIONS
	:	

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted against John (“Jack”) J. Egan, Jr. (“Respondent” or “Egan”) pursuant to Rule 102(e)(3)(i) of the Commission’s Rules of Practice.¹

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”), which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the

¹ Rule 102(e)(3)(i) provides, in relevant part, that:

The Commission, with due regard to the public interest and without preliminary hearing, may, by order, . . . suspend from appearing or practicing before it any . . . accountant . . . who has been by name . . . permanently enjoined by any court of competent jurisdiction, by reason of his or her misconduct in an action brought by the Commission, from violating or aiding and abetting the violation of any provision of the Federal securities laws or of the rules and regulations thereunder.

findings herein, except as to the Commission's jurisdiction over him and the subject matter of these proceedings, and the findings contained in Section III. C. below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Rule 102(e) of the Commission's Rules of Practice, Making Findings, and Imposing Remedial Sanctions ("Order"), as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds that:

A. John ("Jack") J. Egan, Jr. ("Respondent" or "Egan"), C.P.A. (New York, inactive), age 64, was Chief Financial Officer, Principal Financial Officer, and Senior Vice President of Volt Information Sciences, Inc. ("Volt" or "the Company") from at least 2006 to August 10, 2011. Effective August 10, 2011, he became Volt's Senior Vice President of Global Planning and Budgeting. Volt terminated Egan in February 2012. Egan is currently retired.

B. Volt is a New York corporation with its principal executive offices located in New York, New York. Its common stock, previously registered under Section 12(b) of the Exchange Act, traded on the New York Stock Exchange (symbol VOL) until it was de-listed on May 9, 2011, for the Company's failure to file periodic reports with the Commission. Volt now trades in the Over-the-Counter market (OTC symbol VISI). Volt provides services relating to staffing, telecommunications, computer systems, and printing through four corresponding business units.

C. On July 18, 2014, a final judgment was entered against Egan, permanently enjoining him from violations of Section 17(a) of the Securities Act of 1933, Sections 10(b) and 13(b)(5) of the Securities Exchange Act of 1934 ("Exchange Act"), and Exchange Act Rules 10b-5(a), 10b-5(b), 10b-5(c), 13b2-1, 13b2-2, and 13a-14; and from aiding and abetting violations of Sections 13(a), 13(b)(2)(A), and 13(b)(2)(B) of the Exchange Act, and Exchange Act Rules 12b-20, 13a-1, and 13a-11 thereunder, in the civil action entitled *Securities and Exchange Commission v. Jack J. Egan, Jr., C.P.A.*, Civil Action No. 13-CV-236 (S.D.N.Y.) (January 10, 2013). The Court also barred Egan from serving as an officer or director of any issuer that has a class of securities registered with the Commission or that is required to file reports with the Commission, and ordered him to pay a \$35,000 civil money penalty.

D. The Commission's Complaint alleges that for Volt's fiscal year ended October 28, 2007, Volt's computer-segment subsidiary recognized fraudulent revenue based on a purported completion and sale of two of four software modules that constituted the core of a new directory assistance system for a significant telecommunications customer. The Complaint further alleges that Egan, a certified public accountant, Volt's Chief Financial Officer, and Volt's Principal Financial Officer, knew or was reckless in not knowing that recognition of the fraudulent revenue did not comply with Generally Accepted Accounting Principles; and that nevertheless,

he signed Volt's public filings that included the revenue in Volt's financial statements for the Company's fourth-quarter and fiscal year ended October 28, 2007. The Complaint also alleges that Egan, as Volt's Principal Financial Officer, certified Volt's Annual Reports on Forms 10-K for the Company's fiscal years ended 2007 and 2008, when he knew or was reckless in not knowing that the financial statements were materially false and misleading.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanction agreed to in Respondent Egan's Offer.

Accordingly, **IT IS HEREBY ORDERED**, effective immediately, that Egan is suspended from appearing or practicing before the Commission as an accountant.

By the Commission.

Jill M. Peterson
Assistant Secretary