

UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934  
Release No. 56340 / August 30, 2007

ACCOUNTING AND AUDITING ENFORCEMENT  
Release No. 2671 / August 30, 2007

ADMINISTRATIVE PROCEEDING  
File No. 3-11091

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In the Matter of  
David R. Decker, CPA

: ORDER GRANTING APPLICATION FOR  
: REINSTATEMENT TO APPEAR AND PRACTICE  
: BEFORE THE COMMISSION AS AN ACCOUNTANT  
: RESPONSIBLE FOR THE PREPARATION OR  
: REVIEW OF FINANCIAL STATEMENTS REQUIRED  
: TO BE FILED WITH THE COMMISSION

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On April 24, 2003, David R. Decker ("Decker") was denied the privilege of appearing or practicing as an accountant before the Commission as a result of settled public administrative proceedings instituted by the Commission against Decker pursuant to Rule 102(e) of the Commission's Rules of Practice.<sup>1</sup> Decker consented to the entry of the April 24, 2003 order without admitting or denying the findings therein. This order is issued in response to Decker's application for reinstatement to appear and practice before the Commission as an accountant responsible for the preparation or review of financial statements required to be filed with the Commission.

Decker was alleged to have engaged in improper professional conduct in connection with his work on BKR Metcalf Davis' ("Metcalf Davis") audit of Chancellor Corporation's ("Chancellor") 1998 financial statements. Decker was responsible for conducting a review of the audit workpapers as part of the Metcalf Davis' quality control function. In addition, he also performed audit steps to determine the appropriate date of consolidation of Chancellor's results with that of a subsidiary it acquired during 1998. In performing his work on the Chancellor audit, Decker failed to exercise due professional care, maintain professional skepticism and obtain sufficient evidential matter. In addition, Decker failed to design appropriate audit procedures to determine whether or not Chancellor's senior management had fraudulently fabricated documents to support their accounting positions. Finally, Decker's actions on the audit caused Chancellor to file a materially false and misleading Form 10-KSB for 1998.

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<sup>1</sup> See Accounting and Auditing Enforcement Release No. 1762 dated April 24, 2003. Decker was permitted, pursuant to the order, to apply for reinstatement after three years upon making certain showings.

In his capacity as a preparer or reviewer, or as a person responsible for the preparation or review, of financial statements of a public company to be filed with the Commission, Decker attests that he will undertake to have his work reviewed by the independent audit committee of any company for which he works, or in some other manner acceptable to the Commission, while practicing before the Commission in this capacity. Decker is not, at this time, seeking to appear or practice before the Commission as an independent accountant. If he should wish to resume appearing and practicing before the Commission as an independent accountant, he will be required to submit an application to the Commission showing that he has complied and will comply with the terms of the original suspension order in this regard. Therefore, Decker's suspension from practice before the Commission as an independent accountant continues in effect until the Commission determines that a sufficient showing has been made in this regard in accordance with the terms of the original suspension order.

Rule 102(e)(5) of the Commission's Rules of Practice governs applications for reinstatement, and provides that the Commission may reinstate the privilege to appear and practice before the Commission "for good cause shown."<sup>2</sup> This "good cause" determination is necessarily highly fact specific.

On the basis of information supplied, representations made, and undertakings agreed to by Decker, it appears that he has complied with the terms of the April 24, 2003 order denying him the privilege of appearing or practicing before the Commission as an accountant, that no information has come to the attention of the Commission relating to his character, integrity, professional conduct or qualifications to practice before the Commission that would be a basis for adverse action against him pursuant to Rule 102(e) of the Commission's Rules of Practice, and that Decker, by undertaking to have his work reviewed by the independent audit committee of any company for which he works, or in some other manner acceptable to the Commission, in his practice before the Commission as a preparer or reviewer of financial statements required to be filed with the Commission, has shown good cause for reinstatement. Therefore, it is accordingly,

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<sup>2</sup> Rule 102(e)(5)(i) provides:

"An application for reinstatement of a person permanently suspended or disqualified under paragraph (e)(1) or (e)(3) of this section may be made at any time, and the applicant may, in the Commission's discretion, be afforded a hearing; however, the suspension or disqualification shall continue unless and until the applicant has been reinstated by the Commission for good cause shown." 17 C.F.R. § 201.102(e)(5)(i).

ORDERED pursuant to Rule 102(e)(5)(i) of the Commission's Rules of Practice that David R. Decker, CPA is hereby reinstated to appear and practice before the Commission as an accountant responsible for the preparation or review of financial statements required to be filed with the Commission.

By the Commission.

Nancy M. Morris  
Secretary