

U.S. SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C.

SECURITIES EXCHANGE ACT OF 1934  
Release No. 56432 / September 13, 2007

ACCOUNTING AND AUDITING ENFORCEMENT  
Release No. 2712 / September 13, 2007

ADMINISTRATIVE PROCEEDING  
File No. 3-12793

IN THE MATTER OF JAY J. SHAPIRO, CPA, P.C. AND JAY J. SHAPIRO, CPA

The United States Securities and Exchange Commission (Commission) announced the issuance of an Order Instituting Administrative and Cease-and-Desist Proceedings Pursuant to Sections 4C and 21C of the Securities Exchange Act of 1934 and Rule 102(e) of the Commission's Rules of Practice (Order) against Jay J. Shapiro, CPA, P.C. (Shapiro P.C.) and Jay J. Shapiro, CPA (Shapiro).

The Order alleges that Shapiro, a certified public accountant, knowingly caused his accounting firm, Shapiro P.C., to prepare and issue an audit report on the financial statements of a public company in 2004, without first registering with the Public Company Accounting Oversight Board (Board). Section 102(a) of the Sarbanes-Oxley Act of 2002 (Sarbanes-Oxley Act) prohibits accounting firms not registered with the Board from preparing or issuing audit reports with respect to any issuer after October 22, 2003. The Order alleges that, by this conduct, Shapiro P.C. and Shapiro lacked the requisite qualifications to represent others and that Shapiro P.C. willfully violated Section 102(a) of the Sarbanes-Oxley Act.

Based on the above, the Order institutes cease-and-desist proceedings against Shapiro P.C. and Shapiro pursuant to Section 21C of the Securities Exchange Act of 1934 (Exchange Act), as well as proceedings under Section 4C(a)(1) of the Exchange Act and Rule 102(e)(1)(i) of the Commission's Rules of Practice against Shapiro P.C. and Shapiro, and additionally as to Shapiro P.C., Section 4C(a)(3) of the Exchange Act and Rule 102(e)(1)(iii) of the Commission's Rules of Practice, to determine: whether the allegations in the Order are true; whether a cease-and-desist order should be entered against Shapiro P.C. and Shapiro; whether they should be censured or temporarily or permanently denied the privilege of appearing or practicing before the Commission as an accountant; and whether they should be ordered to pay disgorgement.

A hearing will be scheduled before an administrative law judge to determine whether the allegations in the Order are true, to provide Shapiro P.C. and Shapiro an opportunity to dispute these allegations, and to determine what sanctions, if any, are appropriate. The Order directs the Administrative Law Judge to issue an initial decision in this matter no later than 300 days from the date of service of the Order.