UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 95451 / August 9, 2022

ACCOUNTING AND AUDITING ENFORCEMENT
Release No. 4320 / August 9, 2022

ADMINISTRATIVE PROCEEDING
File No. 3-20949

In the Matter of

FRANK OKUNAK, CPA,

Respondent.

ORDER INSTITUTING PUBLIC
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO RULE 102(e) OF THE
COMMISSION’S RULES OF 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 Frank
Okunak (“Respondent” or “Okunak”) pursuant to Rule 102(e)(3)(i) of the Commission’s Rules of
Practice.¹

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.
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, Respondent admits the Commission’s jurisdiction over him and the subject matter of these proceedings, and the findings contained in paragraph III.3, below, and consents to the entry of this Order Instituting Public 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:

1. Okunak, age 56, has been a certified public accountant licensed to practice in the State of Pennsylvania. He served as Global Chief Financial Officer of a subsidiary (the “Subsidiary”) of a publicly traded company (the “Issuer”), between approximately 2009 and 2019. Okunak also served as the Subsidiary’s Chief Operating Officer from 2013 until he was terminated in July 2020. Okunak was previously licensed as a CPA in Pennsylvania. His license expired in December 2017.

2. The Issuer was, at all relevant times, a Delaware corporation with its principal place of business in New York, New York. The Issuer is a marketing and advertising firm with a number of subsidiary companies, including the Subsidiary, a public relations firm. At all relevant times, the Issuer’s common stock was registered with the Commission pursuant to Section 12(b) of the Securities Exchange Act of 1934 (“Exchange Act”), and traded on the New York Stock Exchange.

3. On August 3, 2022, a judgment was entered against Okunak, permanently enjoining him from future aiding and abetting violations of Section 13(b)(2)(A) of the Exchange Act and future violations of Section 13(b)(5) of the Exchange Act and Rule 13b2-1 thereunder, in the civil action entitled Securities and Exchange Commission v. Frank Okunak, Civil Action Number 22-cv-6389 (PKC), in the United States District Court for the Southern District of New York. The judgment also prohibits Okunak from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act or that is required to file reports pursuant to Section 15(d) of the Exchange Act. The Commission is seeking disgorgement, prejudgment interest thereon, and civil penalties in the civil action.

4. The Commission’s complaint alleged, among other things, that between 2011 and July 2020, Okunak falsified the Issuer’s books and records and circumvented its internal accounting controls to facilitate his misappropriation of approximately $16 million from the Issuer. The complaint further alleged that Okunak falsified books and records by directing the submission of, and approving, “vendor” invoices and purchase orders that remitted payment
to entities in which he had an interest, to entities performing services for those entities, or for personal expenses. The complaint alleged that the books and records were false because they did not relate to services being provided to the Issuer, but instead related to services being provided to Okunak or his related entities. The complaint also alleged that Okunak circumvented the Issuer’s internal accounting controls by, among other things, routinely falsifying certifications concerning potential conflicts of interest, and submitting false information as part of the process by which a vendor was on-boarded and the process by which vendor expenses were approved.

IV.

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

Accordingly, it is hereby ORDERED, effective immediately, that:

A. Okunak is suspended from appearing or practicing before the Commission as an accountant.

By the Commission.

Vanessa A. Countryman
Secretary