

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 64382 / May 3, 2011

ACCOUNTING AND AUDITING ENFORCEMENT
Release No. 3275 / May 3, 2011

ADMINISTRATIVE PROCEEDING
File No. 3-12251

	: ORDER GRANTING APPLICATION FOR
In the Matter of	: REINSTATEMENT TO APPEAR AND PRACTICE
Aron R. Carr, CPA	: BEFORE THE COMMISSION AS AN ACCOUNTANT
	: RESPONSIBLE FOR THE PREPARATION OR
	: REVIEW OF FINANCIAL STATEMENTS REQUIRED
	: TO BE FILED WITH THE COMMISSION

On March 30, 2006, Aron R. Carr, CPA (“Carr”) was denied the privilege of appearing or practicing before the Commission as an accountant as a result of settled public administrative proceedings instituted by the Commission against Carr pursuant to Rule 102(e)(1)(ii) of the Commission's Rules of Practice.¹ Carr consented to the entry of the order without admitting or denying the findings therein. This order is issued in response to Carr’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.

The Commission found that Carr engaged in improper professional conduct within the meaning of Rule 102(e)(1)(ii) of the Commission’s Rules of Practice while serving as a senior auditor on the FY 2002 audit of Tenet Healthcare Corporation (“Tenet”) performed by KPMG LLP. Specifically, by modifying and creating workpapers without appropriate supplemental documentation after the issuance of the audit report, Carr engaged in highly unreasonable conduct that resulted in a violation of applicable professional standards in circumstances in which he knew, or should have know, that heightened scrutiny was warranted.

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, Carr 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

¹ See Accounting and Auditing Enforcement Release No. 2405 dated March 30, 2006. Carr was permitted, pursuant to the order, to apply for reinstatement after three years upon making certain showings.

practicing before the Commission in this capacity. Carr 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, Carr'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."² This "good cause" determination is necessarily highly fact specific.

On the basis of information supplied, representations made, and undertakings agreed to by Carr, it appears that he has complied with the terms of the March 30, 2006 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 Carr, 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,

ORDERED pursuant to Rule 102(e)(5)(i) of the Commission's Rules of Practice that Aron R. Carr, 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.

Elizabeth M. Murphy
Secretary

² 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).