

John Leon Piron: Summary, as Published in *CheckMark*

John Leon Piron, of Stratford, was found guilty under Rule 201.1 of failing to conduct himself in a manner so as to maintain the good reputation of the profession and its ability to serve the public interest. While employed by a hospital as chief financial officer, he used the credit card issued to him by his employer to obtain cash advances and make purchases of a personal nature totalling approximately \$26,300, and then remitted the credit card invoices containing these personal expenditures to the hospital for payment knowing that the hospital should not pay for these items. He was fined \$5,000 and expelled from the Institute. As Mr. Piron was, at the date of the hearing, employed by another hospital as chief financial officer, the discipline committee ordered that his present employer be notified of its decision and order.

CHARGE(S) LAID re John Leon Piron

The Professional Conduct Committee hereby makes the following charges against John L. Piron, CA, a member of the Institute:

1. THAT, the said John L. Piron, in or about the period April 1992 to April 1994 failed to conduct himself in a manner which will maintain the good reputation of the profession and its ability to serve the public interest in that, while employed by a hospital as chief financial officer, he used the credit card issued to him by his employer for the purpose of paying expenses incurred on the hospital's behalf, to obtain cash advances and make purchases of a personal nature totaling approximately \$26,300, and then remitted the credit card invoices containing these personal expenditures to the hospital for payment knowing that the hospital should not pay for these items, contrary to Rule 201.1 of the rules of professional conduct.

Dated at Belleville, this 23rd day of January, 1995.

J. L. FISHER, CA - CHAIR
PROFESSIONAL CONDUCT COMMITTEE

DISCIPLINE COMMITTEE re John Leon Piron

DECISION AND ORDER IN THE MATTER OF: A charge against **JOHN LEON PIRON, CA**, a member of the Institute, under **Rule 201.1** of the Rules of Professional Conduct, as amended.

DECISION AND ORDER MADE MAY 15, 1995

DECISION

THAT, having seen and considered the evidence, including the agreed statement of facts, filed, and having heard the plea of guilty to the charge, THE DISCIPLINE COMMITTEE FINDS John Leon Piron guilty of the charge.

ORDER

IT IS ORDERED in respect of the charge:

1. THAT Mr. Piron be reprimanded in writing by the chair of the hearing.
2. THAT Mr. Piron be and he is hereby fined the sum of \$5,000, to be remitted to the Institute within six (6) months from the date this Decision and Order becomes final under the bylaws.
3. THAT Mr. Piron be and he is hereby expelled from membership in the Institute.
4. THAT notice of this Decision and Order, disclosing Mr. Piron' name, be given after this Decision and Order becomes final under the bylaws:
 - (a) by publication in *CheckMark*;
 - (b) to the Public Accountants Council for the Province of Ontario;
 - (c) to the Canadian Institute of Chartered Accountants; and
 - (d) to Mr. Piron's present employer.
5. THAT Mr. Piron surrender his certificate of membership in the Institute to the discipline committee secretary within ten (10) days from the date this Decision and Order becomes final under the bylaws.

DATED AT TORONTO THIS 26TH DAY OF MAY, 1995
BY ORDER OF THE DISCIPLINE COMMITTEE

BRYAN W. STEPHENSON, BA, LLB
SECRETARY - DISCIPLINE COMMITTEE

DISCIPLINE COMMITTEE re John Leon Piron

REASONS FOR THE DECISION AND ORDER IN THE MATTER OF: A charge against **JOHN LEON PIRON, CA**, a member of the Institute, under **Rule 201.1** of the Rules of Professional Conduct, as amended.

WRITTEN REASONS FOR THE DECISION AND ORDER MADE MAY 15, 1995

These proceedings before this panel of the discipline committee of the Institute of Chartered Accountants of Ontario were held on May 15, 1995. Ms. Deborah McPhadden attended on behalf of the professional conduct committee. Mr. Piron represented himself, and confirmed for the record that he understood he had the right to be represented by legal counsel.

The professional conduct committee had laid the following charge against Mr. Piron, to which he pleaded guilty:

THAT, the said John L. Piron, in or about the period April 1992 to April 1994, failed to conduct himself in a manner which will maintain the good reputation of the profession and its ability to serve the public interest in that, while employed by a hospital as chief financial officer, he used the credit card issued to him by his employer for the purpose of paying expenses incurred on the hospital's behalf, to obtain cash advances and make purchases of a personal nature totalling approximately \$26,300, and then remitted the credit card invoices containing these personal expenditures to the hospital for payment knowing that the hospital should not pay for these items, contrary to Rule 201.1 of the rules of professional conduct.

The member confirmed that he understood that upon a plea of guilty, and upon that basis alone, he could be found guilty by the discipline committee.

The evidence before the discipline committee, in the form of an agreed statement of facts and a document brief, filed as exhibits, was that, while employed by Stratford General Hospital as director of finance, Mr. Piron misappropriated \$26,280.74 from his employer through the use of a credit card issued to him by his employer. On numerous occasions, over a two-year period, Mr. Piron received cash advances on this corporate credit card totalling \$17,661.26, and charged personal expenses totalling, with interest, \$8,619.48, which he submitted to the hospital for payment.

When the misappropriations were discovered by the hospital's chief executive officer, Mr. Piron agreed to resign. Approximately \$22,300 owed to Mr. Piron for vacation pay and other unpaid remuneration was set off against the misappropriated funds, leaving approximately \$4,000 owing by Mr. Piron, which, at the date of the hearing, he had not yet repaid. Stratford General Hospital did not report this incident to the police, nor initiate criminal proceedings. Mr. Piron is currently employed by another hospital as chief financial officer.

After reviewing the evidence before it, the discipline committee found Mr. Piron guilty of the charge.

The committee then heard submissions as to sanction from the professional conduct committee. Mr. Piron chose to make no submissions on sanction. Upon deliberation, the committee made the following order:

ORDER

IT IS ORDERED in respect of the charge:

1. THAT Mr. Piron be reprimanded in writing by the chair of the hearing.
2. THAT Mr. Piron be and he is hereby fined the sum of \$5,000, to be remitted to the Institute within six (6) months from the date this Decision and Order becomes final under the bylaws.
3. THAT Mr. Piron be and he is hereby expelled from membership in the Institute.
4. THAT notice of this Decision and Order, disclosing Mr. Piron's name, be given after this Decision and Order becomes final under the bylaws:
 - (a) by publication in *CheckMark*;
 - (b) to the Public Accountants Council for the Province of Ontario;
 - (c) to the Canadian Institute of Chartered Accountants; and
 - (d) to Mr. Piron's present employer.
5. THAT Mr. Piron surrender his certificate of membership in the Institute to the discipline committee secretary within ten (10) days from the date this Decision and Order becomes final under the bylaws.

The reasons for the discipline committee's order are briefly set out below. In reaching a determination as to the appropriate sanction to levy in the circumstances of this case, the committee took into account the sentencing principles of specific deterrence, general deterrence and rehabilitation.

Reprimand

The committee is of the view that a reprimand is necessary as a specific deterrent to the member, to stress to him the unacceptability of his conduct as a chartered accountant.

Fine

The professional conduct committee requested a fine of \$5,000. A fine serves both as a general and a specific deterrent. As there was no evidence presented as to any inability to pay a fine, the committee felt that \$5,000 was a reasonable and an appropriate sum to act as a deterrent in this case.

Expulsion

The principle of general deterrence is of utmost importance in this case. The charge of which Mr. Piron was found guilty involved moral turpitude on his part. His conduct so undermines the good reputation of the profession that expulsion is the reasonable consequence of such conduct. Accordingly, the committee ordered that Mr. Piron be expelled from the Institute.

Notice

The disciplinary process of a self-governing professional body must be viewed by its members and the public as an open process. The committee ordered notice of its decision and order in the manner specified, including disclosure of the member's name, as a specific and general deterrent. The professional conduct committee requested that, in addition to the usual forms of notice given, Mr. Piron's present employer be specifically notified of the outcome of these proceedings. When asked, Mr. Piron stated that he was known to his present employer as a chartered accountant and that his business cards identified him as such. As a result, the discipline committee felt an obligation to notify Mr. Piron's present employer of his past misconduct, since his present position is with another hospital in the same capacity as his former position with Stratford General Hospital.

Surrender of Certificate

As is usual in cases of expulsion, the member was ordered to surrender his certificate of membership in the Institute.

DATED AT TORONTO, THIS _____ DAY OF _____, 1995
BY ORDER OF THE DISCIPLINE COMMITTEE

D.P. SETTERINGTON, CA - DEPUTY CHAIR
THE DISCIPLINE COMMITTEE

MEMBERS OF THE PANEL:

P.A. GOGGINS, CA
J.J. LONG, CA
T.J.T. MARK, FCA
B.A. TANNENBAUM, CA
V.G. STAFL (Public representative)