ACCOUNTANT & AUDITOR LIABILITY:
CONSULTING & EXPERT WITNESS SERVICES

Law firms across the United States turn to PYA for consulting and expert witness services.

For more than 25 years, PYA professionals have brought real world, day-to-day experience to the litigation process. This practical, hands-on knowledge, coupled with professionals experienced with the litigation process, sets PYA consultants apart from “hired gun” expert witnesses who spend the majority of their time testifying.

A sound legal defense of accountants and auditors requires consulting and expert witnesses who have an in-depth understanding of the industry in question and who are knowledgeable in generally accepted accounting principles and auditing standards. PYA consulting and expert witnesses are comprised of professionals who have knowledge, credibility and real world experience.

PYA’s Litigation Experience includes:

- Serving legal counsel that represented a “Big 4” firm as a testifying witness in a hospital auditing claim
- Serving as a consulting witness in a lease accounting case for a hospital buy-out transaction
- Testifying as an expert witness for a hospital that was accused of poor management and improper financial accounting
- Providing expert witness testimony in a case of alleged poor management of hospitals and physician clinics that resulted in a diminution of value
The following professionals are available to be part of your team in addressing accountant and/or auditor liability claims:

- **Certified Financial Services Auditor (CFSA)**
- **Certified Bank Auditor (CBA)**
- **Certified Fraud Examiner (CFE)**
- **Certified Public Accountant (CPA)**

James (Doug) Arnold is a Principal with PYA. Doug has extensive experience in audits of healthcare and healthcare related entities, and not-for-profit organizations, providing a full range of auditing and review services to healthcare providers, including multi-hospital systems (more than $1 billion), rural hospitals, nursing homes, physician practices, managed care organizations, home health agencies, mental health centers, health insurers, and primary care centers, including audits under Government Auditing Standards. Doug frequently speaks at healthcare-related conferences on accounting and auditing matters. Doug also provides expert testimony and other litigation support services related to healthcare providers.

Representative case experience:
- Served as testifying witness for counsel representing a “Big 4” firm in connection with a hospital auditing claim
- Served as consulting expert related to lease accounting for a hospital in a buy-out situation
- Served as testifying expert in several cases involving alleged mismanagement of hospitals and improper financial reporting
- Served as testifying witness in a case brought against hospital auditors for failure to comply with generally accepted auditing standards

**Background:**
- University of Tennessee, Master of Science in Accounting, Summa Cum Laude
- Certified Public Accountant (CPA) – licensed in the state of Tennessee
- Accredited in Business Valuation (ABV)
- American Institute of Certified Public Accountants (AICPA)
- Accredited Senior Appraiser (ASA), American Society of Appraisers
- Certified Fraud Examiner (CFE)
- Chair of the Business Valuation Committee for the AICPA
- Chair of the Healthcare Conference Task Force for the Tennessee Society of Certified Public Accountants

Carol Carden is a Principal with PYA, and provides business valuation and related consulting services to a wide variety of business organizations, primarily in the healthcare industry. Ms. Carden’s primary areas of expertise are in finance, valuation, managed care and revenue cycle operations for healthcare organizations. She has performed appraisals of businesses and securities for a wide variety of purposes such as mergers, acquisitions, joint ventures, management service agreements and other intangible assets. She is also a nationally-recognized speaker and writer on healthcare valuation topics.

Representative case experience:
- Served as a testifying expert in a dispute regarding a physician recruitment agreement
- Served as a testifying expert in a dispute involving the fair market value of an equipment joint venture lease rate
- Served as a testifying expert in a dispute regarding the fair market value of a fee schedule for a cardiac catheterization lab “under arrangements” transaction

**Background:**
- Western Kentucky University, Bachelor of Science in Accounting, Summa Cum Laude
- Certified Public Accountant (CPA) – licensed in the state of Tennessee

Marty Brown, Managing Principal and leader of PYA’s healthcare consulting practice, has vast experience and expertise in healthcare and has performed a multitude of projects for health systems and physician clinics. Marty has also testified as an expert witness in numerous litigation support engagements related to business valuation matters, damage estimates, non-compete agreements, accounting and regulatory matters, and certificates of need.

Representative case experience:
- Served as testifying expert in a case of alleged poor management of hospital and physician clinics (e.g., bad debt provision, staffing, etc.) resulting in a diminution of value
- Served as testifying expert in a case of alleged poor management of a hospital including improper financial accounting
- Served as a testifying expert surrounding damages resulting by a physician from the violation of a non-competition partner.

**Background:**
- University of Tennessee, Bachelor of Science Business Administration (Honors)
- Certified Public Accountant (CPA) – licensed in the state of Tennessee
- Member of the American Institute of Certified Public Accountants (AICPA)
- Member of the Tennessee Society of Certified Public Accountants (TSCPA)
- Member of the Healthcare Financial Management Association (HFMA)
- Member of the American College of Physicians Executives (ACPE)
- Member of the American Health Lawyers Association (AHLA)
W. James (Jim) Lloyd is a Principal and valuation services practice leader with PYA. Jim has valued hundreds of businesses and related intangible assets spanning a broad range of industries including healthcare, banking, manufacturing, real estate, and wholesale distribution, among others. Jim is a frequent speaker at national and regional conferences on valuation-related topics and holds leadership roles with several appraisal organizations including the American Institute of CPAs and the American Society of Appraisers.

Representative case experience:
- Provides consulting and accounting services to clients related to goodwill and intangible asset recognition
- Testifying expert in numerous cases involving forensic accounting matters
- Testified on matters regarding numerous failed business cases

Background:
- University of Tennessee, Bachelor of Science in Business Administration
- Certified Public Accountant (CPA) – licensed in the state of Tennessee
- Accredited in Business Valuation (ABV) – American Institute of Certified Public Accountants
- Accredited Senior Appraiser (ASA) – American Society of Appraisers
- Certified Business Appraiser (CBA) – Institute of Business Appraisers
- Certified Fraud Examiner – Association of Certified Fraud Examiners
- Certified in Financial Forensics (CFF) – American Institute of Certified Public Accountants

Michael (Mike) A. Shamblin is a Principal with PYA. Mike provides external and internal auditing services including performing annual financial statement audits for hospitals (including not-for-profit and governmental), physician groups, financial institutions, employee benefit plans, and not-for-profit organizations. Mike is a frequent speaker on accounting, auditing and compliance topics.

Background:
- East Tennessee State University, Master of Accountancy and Bachelor of Business Administration
- Certified Public Accountant (CPA) – licensed in the states of Georgia and Tennessee
- Member of the Tennessee Bankers Association – Fraud Task Force
- Member of the Healthcare Financial Management Association (HFMA)
- Member of the American Institute of Certified Public Accountants (AICPA)
- Member of the Tennessee Society of Certified Public Accountants (TSCPA)

REFERENCES FOR ACCOUNTING & AUDITING LITIGATION SUPPORT SERVICES

Robert I. Howell, Esq.
Baker Botts L.L.P.
Austin, Texas

Thomas B. Staley, Esq.
William T. Marshall, Esq.
Robinson, Staley, Marshall & Duke, P.A.
Little Rock, Arkansas

Thomas A. Graves, Esq.
McKool Smith, P.C.
Dallas, Texas