

## Trio of Former KPMG Auditors Charged in Tenet Scandal

Washington (April 3, 2006) - Three former KPMG auditors settled charges of improper professional conduct for failing to properly complete the audit of Tenet Healthcare Corp.'s 2002 financial statements and them making changes to try and conceal their work.



The three men neither admitted, nor denied, the findings of the Securities and Exchange Commission. They include:

Advertisement

- Clete D. Madden, 45, of Dallas, the partner in charge of the Tenet audit;
- David L. Huffman, 40, of Apopka, Fla., the senior manager on the Tenet audit; and,
- Aron R. Carr, 30, of Dallas, a former KPMG manager.

All three will not be allowed to work with public companies as accountants, though Huffman may apply for reinstatement after four years and Carr may apply for reinstatement after three years.

In October 2002, an analyst reported that Dallas-based Tenet had been exploiting the Medicare program, causing the company's market capitalization to drop by more than \$11 billion, or 47 percent.

A month later, the SEC said the Tenet audit team began altering the audit's working papers -- spending than 500 hours and changing more than 350 papers to create the false impression that the audit was complete when the report was issued.

— WebCPA staff

---

© WebCPA 2006. All rights reserved. Republication or redistribution of WebCPA content, including by caching, framing or similar means, is expressly prohibited without the prior written consent of WebCPA.

Reprints of articles appearing in WebCPA, lend credibility to your corporate message and provide an independent endorsement of the news and information you want to share with your clients, prospects and employees. To order article reprints or for more information, contact [Godfrey R. Livermore](#) at (212) 803-8351.

---