

Dell: SEC staff to recommend accounting settlement

July 16 2010

(AP) -- Computer maker Dell Inc. said Friday it's getting closer to settling investigations by regulators into its accounting and the actions of CEO Michael Dell.

The computer maker has proposed settlements to the staff of the [Securities and Exchange Commission](#), which the staff will recommend to the commissioners, the company said.

Dell has already set aside \$100 million to cover the cost of settling charges that employees had misled auditors and manipulated results to meet performance targets.

The Round Rock-based company first disclosed an internal investigation into its [accounting](#) in 2006, and said it was notified in August of that year of an SEC inquiry into its revenue recognition and financial reporting. In 2007, it restated four years of results after it found that sales had been overstated by \$359 million and income by \$92 million.

Dell has said that a settlement would include charges of fraud due to negligence and non-fraud-based charges connected to disclosures and alleged omissions that occurred before fiscal year 2008. At issue are rebates Dell received from [chip maker Intel Corp.](#)

Michael Dell faces similar charges. The company has previously disclosed that settlement would include a fine, but it would not prevent the CEO from working as an officer or director of a public company and

"would be made without admitting or denying the SEC's allegations."
The company has decided that he will keep working for the company.

Dell was set to hold its annual shareholders meeting on Friday. It adjourned the meeting until Aug. 12 to give shareholders time to consider the news about the proposed settlements.

Separately, [Dell](#) agreed last year to settle a shareholder class-action lawsuit over its accounting and other issues for \$40 million. That [settlement](#) still needs final court approval.

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