

**BEFORE THE IOWA ACCOUNTANCY EXAMINING BOARD
OF THE STATE OF IOWA**

IN THE MATTER OF:)

Merle Martens)

RESPONDENT)

CASE NO. 03-08

CONSENT ORDER

The Iowa Accountancy Examining Board (Board) and Merle Martens (Respondent) enter into this Consent Order (Order), pursuant to Iowa Code section 17A.10 (2005) and 193 Iowa Administrative Code 7.42:

1. The Board has jurisdiction of this matter pursuant to Iowa Code chapters 17A, 272C, and 542 (2003, 2005), and 542C (1999, 2001).
2. Respondent holds a certificate as a certified public accountant. His certificate is currently registered and in good standing.
3. The Board filed charges herewith alleging that Respondent engaged in acts discreditable to the public accounting profession arising out of a real estate transaction with a former employee, as more fully described in Alfia Scheel, f/k/a/ Alfia Luterzo v. Martens & Company, C.P.A., et al., Polk County District Court, Case No. CL 000084976, Findings of Fact, Conclusions of Law and Ruling, September 5, 2003. Respondent denies that he acted inappropriately with respect to Ms. Scheel or her lending institution.
4. Respondent denies all allegations of the Board's Statement of Charges. He enters into this Consent Order solely to resolve a disputed matter. Respondent has a right to a hearing on the charges, but waives his right to hearing and all attendant rights by freely and voluntarily entering into this Order. This Consent Order is the final agency order in the contested case.
5. Respondent agrees the State's counsel may present this Order to the Board and may have ex parte communications with the Board while presenting it.
6. This Order shall be part of the permanent record of Respondent and shall be considered by the Board in determining the nature and severity of any disciplinary action to be imposed in the event of any future violations.
7. This Order and the Statement of Charges are public records available for inspection and copying in accordance with the requirements of Iowa Code chapter 22 (2005).
8. Failure to comply with the provisions of this Order shall be grounds for disciplinary action pursuant to Iowa Code section 272C.3(2)(a) (2005). However, no action may be taken against Respondent for violations of these provisions without a hearing, or waiver of hearing.

9. This Order is subject to approval of the Board:

(a) If the Board fails to approve this Order, it shall be of no force or effect on either party, and it shall not be admissible for any purpose in further proceedings in this matter.

(b) If the Board approves this Order, it shall fully dispose of all issues in this case.

IT IS THEREFORE ORDERED:

A. Future Actions

While Respondent continues to deny the allegations that brought about these charges, he does agree that in the future, if he engages in private business dealings with firm employees in which he has a self-interest, he shall act consistent with the ethical standards of the public accounting profession and shall take reasonable steps to assure the employee is represented by such independent advisor as is appropriate under the circumstances, such as an attorney or certified public accountant. Regardless of his views on the merits of the court case, Respondent has made monetary payment to Ms. Scheel and the underlying facts occurred several years ago. Accordingly, the Board does not feel that additional reprimand or civil penalty is warranted.

B. Education

Respondent shall provide the Board verification of completion of the following education courses within 10 days of completion:

1. Corporate Ethics Update: Ethical Leadership, Nov. 29, 2005 (12:30 – 4:00).
2. One of the following three selections:
 - a. Financial Deception: Accounting and Finance Professional Detectives, Sept. 27, 2005 (8:00 – 4:00),
 - b. Fraud Prevention, Nov. 4, 2005 (8:00 – 4:00)
 - c. Understanding and Responding to Business Fraud, Oct. 19, 2005 (9:00 – 5:00)

Respondent may count these hours toward the continuing education required for certificate renewal. With prior Board approval, he may substitute educational courses of like kind and length, as long as all education is completed by March 15, 2006.

AGREED AND ACCEPTED:

The Respondent



Merle Martens

8-1-05

Date

The Iowa Accountancy Examining Board



By: ~~Susan~~ Loy Westlake

8/29/05

Date