

BEFORE THE ACCOUNTANCY EXAMINING BOARD  
OF THE STATE OF IOWA

Department of Commerce  
Professional Licensing Bureau

FILED 8/2/2011 (Date)

Accountancy  
Board / Commission  
[Redacted]  
Signature, Executive Officer

IN THE MATTER OF: )  
)  
John D. Morrow, CPA )  
Firm 2011-0248 )  
109 Main Street )  
PO Box 400 )  
Wall Lake, IA 51466-0400 )  
  
Respondent )  
)

Case No. 11-018

COMBINED STATEMENT OF  
CHARGES AND CONSENT ORDER  
IN DISCIPLINARY CASE

**A. Statement of Charges**

1. The Iowa Accountancy Examining Board ("Board") has jurisdiction of this disciplinary matter pursuant to Iowa Code chapters 17A, 272C, and 542 (2011).
2. Respondent was issued Iowa CPA Firm permit number 2006-640. Respondent allowed its permit to lapse June 30, 2007 and has reinstated. While the permit was lapsed, Respondent provided attest services in Iowa. A CPA firm may not perform attest services in Iowa without an active permit to practice pursuant to Iowa Code section 542.7(1) and 542.13(4). The certificate continues to be lapsed.
3. The Board charges Respondent with practicing public accountancy on a lapsed certificate in violation of Iowa Code sections 272C.10(3), and 542.10(1)(c), (d), and (j), 542.13(4); and 193A Iowa Administrative Code 6.1(3), 7.1(1)(a), 7.4, 7.6(4), 14.3(5)(d), and 14.3(7)(k).
4. The Board and Respondent have agreed to fully resolve these charges through the following Consent Order, rather than proceed to contested case hearing.

**B. Settlement Agreement and Consent Order**

5. Respondent has a right to a hearing on the charges, but waives its right to hearing and all attendant rights, including the right to seek judicial review, by freely and voluntarily entering into this Order. This Consent Order constitutes discipline against the Respondent, and is the final agency order in the contested case, pursuant to Iowa Code section 17A.10 and 193 Iowa Administrative Code 7.4.
6. 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.
7. 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 future disciplinary action to be imposed in the event of any future violations.

8. This Combined Statement of Charges and Consent Order is a public record available for inspection and copying in accordance with the requirements of Iowa Code chapter 22 (2011).

9. Failure to comply with the provisions of this Order shall be grounds for further disciplinary action pursuant to Iowa Code section 272C.3(2)(a) (2011). However, no action may be taken against Respondent for violations of these provisions without a hearing, or waiver of hearing.

10. 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. Respondent is reprimanded for performing attest services in Iowa without an active permit to practice as a CPA firm.
- B. Respondent shall pay a civil penalty of \$1,000 no later than thirty (30) days after this Consent Order is signed by all parties.
- C. Respondent shall notify the clients for whom it provided attest services in Iowa between July 1, 2007 and June 6, 2011 that it did not hold an active permit to practice as a CPA firm. The notice may inform such clients that the individual CPAs in charge of the attest engagements were certified in Iowa, if true. Respondent shall send a copy of its proposed notification letter to the Board office for pre-approval prior to mailing. Respondent shall provide copies of the letters to the Board office within thirty (30) days of the date this Consent Order is signed by all parties.

**AGREED AND ACCEPTED:**

**The Respondent**

[Redacted Signature]

John D. Morrow

August 1, 2011

Date

**The Iowa Accountancy Examining Board**

[Redacted Signature]

Carol A. Schuster Vice -  
By: Telford A. Lodden, CPA, Chair

10/19/11

Date