

**542.4 Iowa accountancy examining board.**

1. An Iowa accountancy examining board is created within the department of inspections, appeals, and licensing to administer and enforce [this chapter](#).

a. The board shall consist of eight members, appointed by the governor and subject to senate confirmation, all of whom shall be residents of this state. Five of the eight members shall be holders of certificates issued under [section 542.6](#), one member shall be the holder of a license issued under [section 542.8](#), and two shall not be certified public accountants or licensed public accountants and shall represent the general public. At least three of the holders of certificates issued under [section 542.6](#) shall also be qualified to supervise attest services as provided in [section 542.7](#).

b. A certified or licensed member of the board shall be actively engaged in practice as a certified public accountant or as a licensed public accountant and shall have been so engaged for five years preceding appointment, the last two of which shall have been in this state.

c. Professional associations or societies composed of certified public accountants or licensed public accountants may recommend the names of potential board members to the governor. However, the governor is not bound by the recommendations. A board member is not required to be a member of any professional association or society composed of certified public accountants or licensed public accountants.

d. The term of each member of the board shall be three years, as designated by the governor, and appointments to the board are subject to the requirements of [sections 69.16, 69.16A, and 69.19](#). Vacancies occurring during a term shall be filled by appointment by the governor for the unexpired term. Upon the expiration of the member's term of office, a member shall continue to serve until a successor shall have been appointed and taken office.

e. The public members of the board shall be allowed to participate in administrative, clerical, or ministerial functions incident to giving the examinations, but shall not determine the content or determine the correctness of the answers. The licensed public accountant member shall not determine the content of the certified public accountant examination or determine the correctness of the answers.

f. Any member of the board whose certificate under [section 542.6](#) or license under [section 542.8](#) is revoked or suspended shall automatically cease to be a member of the board, and the governor may, after a hearing, remove any member of the board for neglect of duty or other just cause.

g. A person who has served three successive complete terms shall not be eligible for reappointment, but appointment to fill an unexpired term shall not be considered a complete term for this purpose.

2. The board shall elect annually from among its members a chairperson and such other officers as the board may determine to be appropriate. The board shall meet at such times and places as may be fixed by the board. A majority of the board members in office shall constitute a quorum at any meeting. The board shall maintain a registry of the names and addresses of all licensees and permittees under [this chapter](#).

3. Members of the board are entitled to receive a per diem as specified in [section 7E.6](#) for each day spent on performance of duties as members and shall be reimbursed for all actual and necessary expenses incurred in the performance of duties as members.

4. All moneys collected by the board from fees authorized to be charged by [this chapter](#) shall be received and accounted for by the board and shall be paid monthly to the treasurer of state for deposit in the licensing and regulation fund created in [section 10A.507](#). Expenses of administering [this chapter](#) shall be paid from moneys appropriated to the department pursuant to [section 10A.507](#) and from appropriations made by the general assembly, which expenses may include but shall not be limited to the costs of conducting investigations and of taking testimony and procuring the attendance of witnesses before the board or its committees; all legal proceedings taken under [this chapter](#) for the enforcement of [this chapter](#); and educational programs for the benefit of the public and licensees and their employees.

5. a. The board shall maintain the confidentiality of information relating to the following:  
(1) The contents of the examination.

(2) The examination results other than final score except for information about the results of the examination given to the person examined.

b. A member of the board who willfully communicates or seeks to communicate such information in a manner which violates confidentiality requirements, and any person who willfully requests, obtains, or seeks to obtain such information, is guilty of a simple misdemeanor.

6. The director of the department of inspections, appeals, and licensing shall provide staffing assistance to the board for implementing [this chapter](#).

7. The board may join professional organizations and associations to promote the improvement of the standards of the practice of accountancy and for the protection and welfare of the public. The board may provide social security numbers of licensees to NASBA, provided that the numbers are solely used by NASBA for inclusion in a national database of licensees, the numbers are submitted in an encrypted format or through such alternative means as will assure the confidentiality of the numbers, and NASBA maintains the confidentiality of the numbers and agrees not to disseminate the numbers to any other person or entity.

8. The board shall have the power to take all action that is necessary and proper to effectuate the purposes of [this chapter](#), including the power to sue and be sued in its official name as an agency of this state. The board shall also have the power to issue subpoenas to compel the attendance of witnesses and the production of documents; to administer oaths; to take testimony; to cooperate with the appropriate authorities in other states in investigation and enforcement concerning violations of [this chapter](#) and comparable statutes of other states; and to receive evidence concerning all matters within the scope of [this chapter](#). In case of disobedience of a subpoena, the board may invoke the aid of any district court in requiring the attendance and testimony of witnesses and the production of documentary evidence.

9. The board shall adopt rules pursuant to [chapter 17A](#) governing the administration and enforcement of [this chapter](#) and the conduct of licensees and permittees. Rules adopted shall include but not be limited to the following:

- a. Rules governing the board's meetings and the conduct of its business.
- b. Rules of procedure governing the conduct of investigations and hearings by the board.
- c. Rules specifying the educational and experience qualifications required for the issuance of a certificate under [section 542.6](#) and the continuing professional education required for renewal of a certificate under [section 542.6](#).
- d. Rules specifying the educational and experience qualifications required for the issuance of a license under [section 542.8](#) and the continuing professional education required for renewal of a license under [section 542.8](#).
- e. Rules of professional conduct directed to control the quality and probity of services provided by a licensee, and, among other areas, pertaining to a licensee's independence, integrity, and objectivity; competence and technical standards; responsibilities to the public; and responsibilities to a client.
- f. Rules relating to the propriety of opinions on financial statements by a certified public accountant who is not independent.
- g. Rules relating to actions discreditable to the practice as a certified public accountant or licensed public accountant.
- h. Rules relating to professional confidences between a certified public accountant or licensed public accountant and a client.
- i. Rules governing technical competence and the expression of opinions on financial statements.
- j. Rules governing the failure to disclose a material fact known to the certified public accountant or licensed public accountant.
- k. Rules relating to a material misstatement known to the certified public accountant or licensed public accountant.
- l. Rules governing negligent conduct in an examination or in making a report on an examination.
- m. Rules governing failure to direct attention to any material departure from generally accepted accounting principles.

- n. Rules governing the professional standards applicable to a licensee.
- o. Rules governing the manner and circumstances of use of the titles “certified public accountant” and “CPA”.
- p. Rules governing the manner and circumstances of use of the titles “accounting practitioner” and “AP”, and “licensed public accountant” and “LPA”.
- q. Rules regarding peer review that may be required to be performed under [this chapter](#).
- r. Rules on substantial equivalency under [section 542.19](#).
- s. Rules on practice privilege under [section 542.20](#).
- t. Such other rules as the board deems necessary or appropriate for administering [this chapter](#), including but not limited to rules establishing fees and rules of professional conduct, pertaining to corporations or limited liability companies practicing accounting, which the board deems consistent with or required by the public welfare. The board may adopt rules governing the style, name, and title of corporations and limited liability companies and governing the affiliation of corporations and limited liability companies with other organizations.

[2001 Acts, ch 55, §4, 38; 2002 Acts, ch 1050, §58; 2006 Acts, ch 1177, §35; 2008 Acts, ch 1031, §59; 2008 Acts, ch 1059, §2; 2008 Acts, ch 1106, §5, 6, 15; 2023 Acts, ch 19, §1664, 1665; 2023 Acts, ch 108, §41](#)

Referred to in [§11.31A, 542.3](#)

Confirmation, see [§2.32](#)

Subsection 1, unnumbered paragraph 1 amended

Subsections 4 and 6 amended