

CHAPTER 6
ATTEST SERVICE

193A—6.1(79GA,ch55) Applicability. The provisions of 2001 Iowa Acts, chapter 55, section 7, shall apply to each certificate holder who is responsible for supervising attest services and who signs or authorizes someone to sign the accountant's report on behalf of a certified public accounting firm. A person seeking attest qualification under these rules shall file an application with the board on a form available from the board. A nonrefundable application fee shall be charged.

193A—6.2(79GA,ch55) Attest services restricted to CPA firm. Attest services as defined in 193A—1.1(79GA,ch55) may be provided only through a firm holding a permit to practice under the provisions outlined in 2001 Iowa Acts, chapter 55, section 7, and 193A—Chapter 7.

193A—6.3(79GA,ch55) Experience or competency requirements. The rules of professional conduct rest upon the premise that the reliance of the public in general and of the business community in particular on sound financial reporting, and on the implication of professional competence inherent in the authorized use of a legally restricted title relating to the practice of public accountancy, imposes on persons engaged in such practice certain obligations both to their clients and to the public. These obligations include the obligation to maintain independence of thought and action; to strive continuously to improve one's professional skills; to observe, where applicable, generally accepted accounting principles and generally accepted auditing standards; to promote sound and informative financial reporting; to hold the affairs of clients in confidence; and to maintain high standards of personal conduct in all matters affecting one's fitness to practice public accountancy. It is for these reasons that the board requires attest CPAs to gain experience as outlined in this chapter.

6.3(1) A certificate holder who is responsible for supervising attest services or who signs or authorizes someone to sign the accountant's report on financial statements on behalf of a firm shall have two years of full-time or part-time equivalent experience that extends over a period of no less than two years and no more than four years and includes no fewer than 4,000 hours, at least 2,000 of which shall be providing attest services under the supervision of one or more CPAs responsible for supervising attest services on behalf of a CPA firm that holds a permit to practice. Experience shall include all of the following:

- a.* Experience in applying a variety of auditing procedures and techniques to the usual and customary financial transactions recorded in accounting records.
- b.* Experience in the preparation of audit working papers covering the examination of the accounts usually found in accounting records.
- c.* Experience in the planning of the program of audit work including the selection of the procedures to be followed.
- d.* Experience in the preparation of written explanations and comments on the findings of the examinations and on the content of the accounting records.
- e.* Experience in the preparation and analysis of financial statements together with explanations and notes thereon.

6.3(2) A supervising CPA shall verify that the applicant for attest qualification has met the requirements outlined in subrule 6.3(1).

6.3(3) An applicant seeking attest qualification through the substantial equivalency provision outlined in 2001 Iowa Acts, chapter 55, section 19, and 193A—Chapter 9 shall affirm that the applicant meets the requirements under subrule 6.3(1). Providing false information shall be considered prima facie evidence of a violation of 2001 Iowa Acts, chapter 55.

6.3(4) Any certificate holder who has been requested to submit to the board evidence of an applicant's experience and has refused to do so shall, upon request by the board, explain in writing or in person the basis for the refusal. The board may require any certificate holder who furnished the evidence of an applicant's experience to substantiate the information provided. An applicant may be

required to appear before the board to supplement or verify evidence of experience. The board may inspect documentation relating to an applicant's claimed experience.

193A—6.4(79GA,ch55) Qualification under prior law. A person holding or having held an individual permit to practice as a CPA in this state issued prior to July 1, 2002, will be deemed to qualify to perform attest services on and after July 1, 2002, in a CPA firm holding a firm permit to practice, provided that appropriate continuing education is maintained as outlined in rule 193A—10.3(79GA,ch55).

These rules are intended to implement 2001 Iowa Acts, chapter 55, section 7.

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