

193A—18.1(79GA,ch55) Reporting acts or omissions committed by licensees.

18.1(1) Iowa Code subsection 272C.9(2) requires one who is licensed by the board to report acts or omissions of others licensed by the board that demonstrate a lack of qualifications which are necessary to assure the residents of this state of a high standard of professional and occupational care. For the purposes of this rule, the failure to perform an engagement for a client in accordance with professional standards is a demonstration by a CPA or LPA that the CPA or LPA may lack such qualifications. These professional standards are set forth in the following:

a. 193A—subrule 13.3(1) as to the independence of a CPA when expressing opinions on financial statements.

b. 193A—subrule 13.3(3) as to the integrity and objectivity of a CPA or LPA when performing services for clients.

c. 193A—subrule 13.3(4) as to the independence and objectivity of a CPA or LPA who pays or accepts commissions.

d. 193A—subrule 13.3(5) as to the independence and objectivity of a CPA or LPA who performs services for a contingent fee.

e. 193A—subrule 13.4(1) as to the competence of a CPA or LPA.

f. 193A—subrule 13.4(2) as to the compliance with generally accepted engagement standards.

g. 193A—subrule 13.4(3) as to the compliance with generally accepted accounting principles.

h. 193A—subrule 13.4(4) as to associating the CPA's name with forecasts.

18.1(2) When a licensee observes a violation of any of the subrules referenced in subrule 18.1(1), the licensee shall report the violation in writing to the board office setting forth the name of the CPA or LPA alleged to have committed the violation and the rule(s) violated, together with a copy of all material that evidences the violation.