

BEFORE THE IOWA ACCOUNTANCY EXAMINING BOARD

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IN THE MATTER OF:	)	CASE NO. 97-02
	)	
SCHUETZLE, CARLSON & CO., L.L.P.	)	
DALE CARLSON	)	
CPA PERMIT NOS. 97-0137	)	SETTLEMENT AGREEMENT
And 96-0992	)	AND CONSENT ORDER
	)	
RESPONDENTS.	)	

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The Iowa Accountancy Examining Board ("Board"), and Schuetzle, Carlson & Co., L.L.P. and Dale Carlson (collectively "Respondents") enter into this Settlement Agreement and Consent Order (Order), pursuant to Iowa Code section 17A.10 (1997) and 193A IAC 12.7:

1. The Board has jurisdiction of this matter pursuant to Iowa Code chapters 17A, 542C, and 272C (1997).
2. The Board filed a Statement of Charges on March 26, 1998. Hearing is currently set for May 26, 1998.
3. Respondents do not admit all allegations in the Statement of Charges, but they agree they did not timely respond to Board communications, and consent to the entry of this Order. Respondents have now provided additional justification for classifying certain notes receivable as current assets in the July 31, 1996, audit report at issue. Without admitting the prior classification was erroneous, Respondents have modified their reporting procedures in the July 31, 1997, audit report, and agree to continue the modified approach.
4. Respondents have a right to a hearing on the charges, but waive their right to hearing and all attendant rights, including the right to appeal, by freely and voluntarily agreeing to this Order. Once entered, this Order shall have the force and effect of a disciplinary order entered following contested case hearing.

5. Respondents agree 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 Respondents 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 (1997).

8. Failure to comply with the provisions of this Order shall be considered prima facie evidence of a violation of Iowa Code section 542C.21(4) (1997), and shall be grounds for disciplinary action pursuant to Iowa Code section 272C.3(2)(a) (1997). However, no action may be taken against Respondents for violations of these provisions without a hearing, or waiver of hearing.

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

(a) If the Board fails to approve this Agreement, 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 Agreement, it shall fully dispose of all issues in this case.

**IT IS THEREFORE ORDERED:**

**A. Reprimand**

Respondents are reprimanded for failing to timely respond to Board communications.

**B. Civil Penalty**

Respondents shall pay as a civil penalty the sum of \$750.00 within 30 days of the date this Order is fully executed.

**C. Future Compliance**

Respondents shall, in the future, fully comply with all laws and rules governing the practice of public accounting in Iowa. In particular, Respondents agree to timely reply to future communications by the Board in compliance with Iowa Code sections 542C.21(4) and 542C.21(10) and 193A IAC 11.6(7), and agree to comply with all applicable auditing standards, including, but not limited to, GAAS and GAAP.

**Agreed:**

[Redacted Signature]

David Vaudt, Chair  
Iowa Accountancy Examining Board

5/27/98  
Date

[Redacted Signature]

Dale Carlson, individually and on behalf of  
Schuetzle, Carlson & Co. L.L.P.

4/24/98  
Date