

FILED 10/29/2020 (Date)

BEFORE THE ACCOUNTANCY EXAMINING BOARD
OF THE STATE OF IOWA

I AEB
Board / Commission

Robert E. Kamp
Signature, Executive Officer

IN THE MATTER OF:

Gardiner & Company, P.C.
CPA Firm Permit #2016-0079

Respondent.

Case No. ~~18-21~~ 20-07

COMBINED STATEMENT OF
CHARGES, SETTLEMENT
AGREEMENT, AND FINAL ORDER

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 (2018).

2. Respondent, Gardiner & Company, P.C., was issued Iowa CPA firm permit to practice #2016-0079 on the 7th day of September, 2017. Respondent’s permit is currently active and will next expire the 30th day of June, 2021.

3. In January of 2020 the Board was notified of civil settlement resolving a court action involving allegations surrounding Respondent’s practice of public accounting. The matter was settled in June of 2019, and Respondent did not take affirmative action to notify the Board of the civil settlement, of which the Board was made aware by Respondent’s insurance provider. Respondent has been licensed in Iowa with the Board for a number of decades and has had no prior charges brought against it by the Board.

4. Based on the foregoing, the Board charges Respondent with failing to timely report a judgment, settlement, or arbitration award involving allegations of malpractice, gross negligence, violations of specific standards or practice, or fraud or involving Respondent’s practice of public accounting in this State in violation of Iowa Code section 272C.9(3) and Iowa Administrative Code rules 18.2(1) and (2), and 18.3.

5. The Board and Respondent have agreed to fully resolve these charges through the following Settlement Agreement and Final Order, rather than proceed to contested case hearing.

B. Settlement Agreement and Final Order

1. Respondent admits the above-referenced allegations as set forth in the Statement of Charges.

2. Respondent has a right to a hearing on the charges, but waives Respondent’s right to hearing and all attendant rights, including the right to seek judicial review, by freely and voluntarily entering into this Agreement. This Agreement constitutes discipline against 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. Respondent acknowledges that Respondent had

an opportunity to review this Agreement with legal counsel before signing it.

3. This Agreement 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.

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

5. This Agreement shall not preclude the Board from taking appropriate action in the event the Board receives any further complaints or information against Respondent.

6. This Agreement is a public record available for inspection and copying in accordance with the requirements of Iowa Code chapter 22.

7. Respondent agrees the State's counsel may present this Agreement to the Board and may have ex parte communications with the Board while presenting it.

8. 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.** Respondent is reprimanded for failing to report a judgment, settlement, or arbitration award involving allegations of malpractice, gross negligence, violations of specific standards or practice, or fraud or involving Respondent's practice of public accounting in this State.
- B. **Civil Penalty.** Respondent shall pay a civil penalty of \$1,000 within thirty (30) days from the date this Agreement is signed by all parties. *See* Iowa Admin. Code 193A—16.3(1)(g) ("The board has authority to impose . . . civil penalties, the amount of which shall be at the discretion of the board, but which shall not exceed . . . \$10,000 per violation for a firm.").
- C. **Additional Reporting.** Respondent shall, within thirty (30) days from the date this Agreement is signed by all parties, report any and all other judgments, settlements, or arbitration awards involving allegations of malpractice, gross negligence, violations of specific standards or practice, or fraud or involving Respondent's practice of public accounting in this State which Respondent has not previously reported to the Board in accordance with Iowa Code section 272C.9(3) and Iowa Administrative Code 18.2(1) and (2), and 18.3.

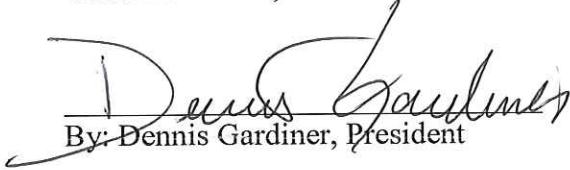
D. **Additional Terms.** Respondent shall provide the Board with access to its records as is necessary for the Board to verify compliance with this Settlement Agreement.

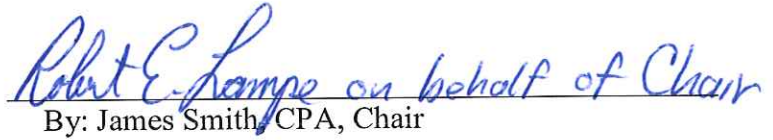
AGREED AND ACCEPTED:

Respondent

Iowa Accountancy Examining Board

Gardiner & Co, P.C.


By: Dennis Gardiner, President


By: James Smith, CPA, Chair

October 9, 2020
Date

10/29/2020
Date