

IOWA BOARD OF ACCOUNTANCY

8/1/81

IN THE MATTER OF)	
F. JACK SPITLER)	
IOWA CPA CERTIFICATE)	STIPULATION
NO. 375)	
RESPONDENT)	

WHEREAS, certain matters have come to the attention of the Iowa Board of Accountancy which indicate that F. Jack Spitler failed to use generally accepted auditing standards and generally accepted accounting principles in the performance of financial statements for Merrill Pioneer Community Hospital for the year ended September 30, 1980; and

WHEREAS, the Iowa Board of Accountancy has caused this matter to be investigated by a certified public accountant who is independent of the Board; and

WHEREAS, following the investigation, F. Jack Spitler was given the opportunity to appear voluntarily with legal counsel before the Board's Committee on Ethics and Enforcement to be appraised of the results of the investigation and to orally present additional data, views, and comments at an informal conference held on May 21, 1981; and

WHEREAS, F. Jack Spitler with full knowledge of the character of the investigation, its potential legal consequences, the right to counsel, and the right to formal adjudicatory proceedings under section 116.23 of the Code of Iowa, did appear voluntarily;

NOW THEREFORE, the Iowa Board of Accountancy and F. Jack Spitler do hereby stipulate and agree as follows:

1. F. Jack Spitler admits the jurisdiction of the Iowa Board of Accountancy over the persons and subject matter of this action.
2. F. Jack Spitler will cause a firm of certified public accountants, approved by the Iowa Board of Accountancy and holding a current permit to practice public accounting in the state of Iowa, to perform a quality control review of F. Jack Spitler. The objective of the review is to identify the quality control policies and procedures, set forth in Statement on Auditing Standards No. 4 issued by the American Institute of Certified Public Accountants (designed to provide a firm with reasonable assurance of conforming with generally accepted auditing standards), being utilized by F. Jack Spitler

at the time of the review. This review shall be completed within a reasonable time, but no later than December 31, 1981. The reviewing firm shall forward directly to the Board of Accountancy, within 60 days thereafter, a copy of the written report that sets forth their findings together with their recommendations as to how all noted deficiencies can be corrected so that F. Jack Spitler shall be in substantial compliance with the provisions of Statement of Auditing Standards No. 4.

3. F. Jack Spitler will cause a firm of certified public accountants, approved by the Iowa Board of Accountancy and holding a current permit to practice public accounting in the state of Iowa, to perform a follow-up quality control review for the purposes of reporting on the extent to which the deficiencies, if any, noted in the report resulting from the first quality control review have been corrected. The reviewing firm shall forward a copy of their written report directly to the Iowa Board of Accountancy by January 30, 1983.

4. F. Jack Spitler will pay all costs of both the initial quality control review and the follow-up quality control review.

5. In the event the Board does not receive the report of the initial quality control review, as described in paragraph 2 above, by January 30, 1982, the Board shall proceed to set a date for a formal hearing on charges to be contained in the Notice of Hearing.

6. Upon receipt of the follow-up quality control report, the Iowa Board of Accountancy shall review the report and determine if F. Jack Spitler was in substantial compliance with the provisions of Statement on Auditing Standards No. 4 as of the date of the report. If the report indicates substantial noncompliance with the provisions of Statement on Auditing Standards No. 4, the Board shall proceed to set a date for a formal hearing on charges to be contained in the Notice of Hearing.

7. F. Jack Spitler will complete a minimum of twenty (20) hours of continuing education courses, in addition to that required by Board of Accountancy rule 10.3, no later than December 31, 1981. Mr. F. Jack Spitler is also to complete a minimum of twenty (20) hours of continuing education courses, in addition to that required by Board of Accountancy rule 10.3, between January 1, 1982 and December 31, 1982. These continuing education courses are to be directed toward the subjects of auditing, accounting, and financial statement disclosure. A written plan for completion of the continuing education

in 1981 is to be received by September 1, 1981. A written plan for completion of the continuing education in 1982 is to be received by April 1, 1982.

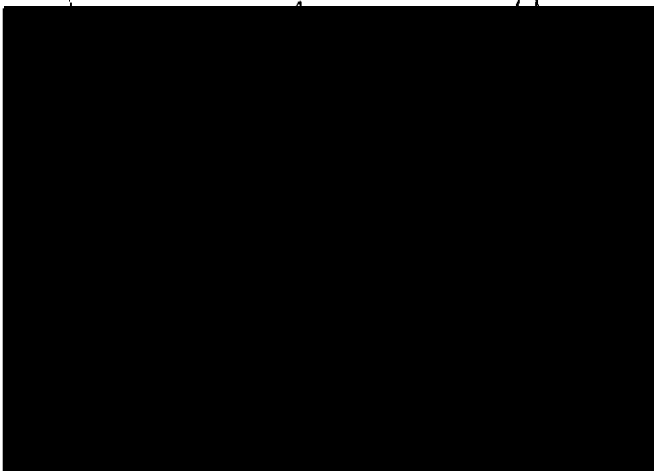
8. To require all professional and paraprofessional employees in the firm of F. Jack Spitler to complete, by December 31, 1981, the Level I Staff Training Self-Study Course published by the American Institute of Certified Public Accountants. A copy of the certificate of completion received by each employee is to be furnished to the Iowa Board of Accountancy within ten days after receipt from the American Institute of Certified Public Accountants.

9. F. Jack Spitler has been informed that as a part of this stipulation his name and a summary description of the sanctions imposed on him will be published in the Iowa Board of Accountancy Newsletter and that failure to execute the provisions of the stipulation shall result in the Board setting a date for a formal hearing on charges to be contained in the Notice of Hearing.

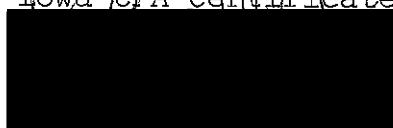
10. This agreement shall constitute the entire agreement of the parties hereto and is intended to effectuate a final disposition of all matters which are the subject of this stipulation. Satisfactory compliance with all terms and provisions of this stipulation by F. Jack Spitler shall be considered a final disposition of this matter, and no other proceedings or actions, informal or formal, shall be instituted in this matter upon said satisfactory compliance.

11. This stipulation is entered into by F. Jack Spitler voluntarily and without coercion or threat of any kind by any person or body and F. Jack Spitler fully realizes the legal consequences of this stipulation.

Dated this 10 day of December, 1981.



F. Jack Spitler, Respondent
Iowa CFA Certificate No. 375



James E. HaberKorn
Attorney for Respondent or Witness