



VIRTUAL/TELECONFERENCE MEETING
ACCOUNTING EXAMINING BOARD
Room 121A, 1400 East Washington Avenue, Madison
Contact: Brittany Lewin (608) 266-2112
February 17, 2015

The following agenda describes the issues that the Board plans to consider at the meeting. At the time of the meeting, items may be removed from the agenda. Please consult the meeting minutes for a record of the actions of the Board.

AGENDA

8:30 A.M.

OPEN SESSION – CALL TO ORDER – ROLL CALL

A. Adoption of Agenda (1-4)

B. Approval of Minutes of November 11, 2014 (5-8)

C. Administrative Matters (9-13)

- 1) Staff Updates
- 2) Election of Officers
- 3) Liaison Appointments and Delegated Authorities

D. Legislative and Administrative Rule Matters – Discussion and Consideration (14-48)

- 1) **PUBLIC HEARING:** Clearinghouse Rule 15-002, Relating to Accounting Practices and Standards
- 2) Update from Legislative Liaisons

E. Division of Legal Services and Compliance (DLSC) Matters – Discussion and Consideration(49)

- 1) **APPEARANCE:** Kelley Sankbeil, DLSC Records Management Supervisor - Intake Complaint Process

F. Informational Items:

- 1) American Institute of CPA (AICPA) Request for Comments: Evolving the CPA Profession's Peer Review Program for the Future(50-52)
- 2) WICPA Peer Review Program Report(53-59)

G. Credentialing Matters – Discussion and Consideration

- 1) Experience Requirement for Licensure
- 2) Peer Review Process

H. Speaking Engagement(s), Travel, or Public Relation Request(s) (60)

- 1) NASBA Annual Conference for Executive Directors and Board Staff – March 24-26, 2015
- 2) NASBA Eastern Regional Meeting – June 24-26, 2015
- 3) NASBA 108th Annual Meeting – October 25-28, 2015
- 4) NASBA CPE Committee
- 5) Other pending travel requests

I. Deliberation on Items Added After Preparation of Agenda:

- 1) Introductions, Announcements and Recognition
- 2) Administrative Updates
- 3) Education and Examination Matters
- 4) Credentialing Matters
- 5) Practice Matters
- 6) Legislation/Administrative Rule Matters
- 7) Liaison Reports
- 8) Informational Items
- 9) Disciplinary Matters
- 10) Presentations of Petitions for Summary Suspension
- 11) Presentation of Proposed Stipulations, Final Decisions and Orders
- 12) Presentation of Proposed Decisions
- 13) Presentation of Interim Orders
- 14) Petitions for Re-Hearing
- 15) Petitions for Assessments
- 16) Petitions to Vacate Orders
- 17) Petitions for Designation of Hearing Examiner
- 18) Requests for Disciplinary Proceeding Presentations
- 19) Motions
- 20) Petitions
- 21) Appearances from Requests Received or Renewed
- 22) Speaking Engagement(s), Travel, or Public Relation Request(s)

J. Public Comments

CONVENE TO CLOSED SESSION to deliberate on cases following hearing (s. 19.85(1)(a), Stats.); to consider licensure or certification of individuals (s. 19.85(1)(b), Stats.); to consider closing disciplinary investigations with administrative warnings (ss. 19.85 (1)(b), and 440.205, Stats.); to consider individual histories or disciplinary data (s. 19.85 (1)(f), Stats.); and to confer with legal counsel (s. 19.85(1)(g), Stats.).

K. Credentialing Matters (61-63)

1) Application Reviews – Experience:

- | | |
|---------------------------|--------------------------|
| 1. Alia, Nicole C. | 19. Muller, Jamie |
| 2. Alsuhaibani, Azzam | 20. Nelson, Danielle N. |
| 3. Baugher, Jonathon D. | 21. Plachter, Brad |
| 4. Cyffka, Peter J. | 22. Raab, Zachary |
| 5. Davis, Lindsay Rae | 23. Ryterski, Kevin |
| 6. Gehrlein, Thomas | 24. Seitz, Paul J. |
| 7. Hopper, Melissa M. | 25. Shea, Emily A. |
| 8. Jerome, Cecily | 26. Shiery, Douglas G. |
| 9. Jones, Sarah E. | 27. Singh, Aplinderjit |
| 10. Klink, Nicole A. | 28. Small, Cullen |
| 11. Ladwig, Ryan J. | 29. Stauss, Reginald |
| 12. Lashkova, Anna | 30. Wanek, Brian |
| 13. Li, Richard Yining | 31. Wierschem, Steven |
| 14. Lopez, Michael D. | 32. Vladimirova, Iana |
| 15. Malfroid, Daniel | 33. Bongo, Fabrice |
| 16. Mars, Aaron | 34. Ciha, Cory J. |
| 17. McDougall, Michael R. | 35. Froehlich, Joseph E. |
| 18. Mertes, Benjamin | 36. Thierry, Cameron M. |

2) Applications for Review and Approval of Licensure

1. Abbas, Derek
2. Andersen, Kyle R.
3. Askew, Jason
4. Biersach, Andja
5. Boetcher, Aaron
6. Bullis, Adrienne R.
7. Carpenter, Michael A.
8. Cooper, Matthew W.
9. Cox, Mitchel
10. Daugherty, Ann L.
11. Denis, Mark
12. Doyle, Colin
13. Dreikosen, Nathan J.
14. Ellis, Krysta F.
15. Feider, Sara R.
16. Gates, Matthew
17. Hanke, Brooke
18. Hanke, Phillip
19. Harrison, Joseph T.
20. Heger, Nicholas J.
21. Hermansen, Leigh
22. Hunt, Kristina
23. Ibach, James R.
24. Janke, Chad
25. Juedes, Mark A.
26. Kelly, Courtney A.
27. Kolbe, Luke D.
28. Ladsten, Maria
29. Leonard, Brittany F.
30. Malloy, Patrick F.
31. Manley, Maranda
32. Mann, Angela L.
33. Markee, William
34. Matuszak, Michael
35. McLenighan, Lorna K.
36. Millard, Kurt A.
37. Munzenmaier, Britta N.
38. Novotny, Thomas P.
39. Ourada, Christopher
40. Pearson, Samantha
41. Pfeffer, Shanna
42. Rubendall, Jordan
43. Rutkowski, Michael
44. Scherwinski, Christa C.
45. Schoen, Emily
46. Schrank, Ryan P.
47. Schultz, Alex J.
48. Schweitzer, Laura A.
49. Serpe, Kathryn E.
50. Shong, Laura A.
51. Strennen, Shaina L.
52. Squire, Daniel P.
53. Taylor, April R.
54. Tovar, Sergio L.
55. Van Roy, Allison M.
56. Williamson, Abigail
57. Wilkins, Ali J.
58. Woelfel, Joseph R.
59. Wuest, Brittany M.
60. Yuan, Yingying
61. Zeasman, Michelle
62. Zimdars, Matthew R.
63. Farrar, Mathew

L. Case Status Report (64)

M. Case Closing(s)

N. Deliberation of Items Added After Preparation of the Agenda

- 1) Education and Examination Matters
- 2) Credentialing Matters
- 3) Disciplinary Matters
- 4) Monitoring Matters
- 5) Professional Assistance Procedure (PAP) Matters
- 6) Petitions for Summary Suspensions
- 7) Proposed Stipulations, Final Decisions and Order
- 8) Administrative Warnings
- 9) Proposed Decisions
- 10) Matters Relating to Costs
- 11) Case Closings
- 12) Proposed Interim Orders
- 13) Petitions for Assessments and Evaluations
- 14) Petitions to Vacate Orders
- 15) Remedial Education Cases
- 16) Motions
- 17) Petitions for Re-Hearing
- 18) Appearances from Requests Received or Renewed

O. Consulting with Legal Counsel

RECONVENE TO OPEN SESSION IMMEDIATELY FOLLOWING CLOSED SESSION

P. Vote on Items Considered or Deliberated Upon in Closed Session, if Voting is Appropriate

Q. Open Session Items Noticed Above not Completed in the Initial Open Session

ADJOURNMENT

**ACCOUNTING EXAMINING BOARD
VIRTUAL TELECONFERENCE MEETING MINUTES
NOVEMBER 13, 2014**

PRESENT: Christine Anderson (via GoToMeeting – excused at 12:00 p.m.), Joseph Braunger, Todd Craft, Gerald Denor (via GoToMeeting), Kathleen LaBrake, Glenn Michaelsen, John Scheid

STAFF: Brittany Lewin, Executive Director; Kimberly Wood, Bureau Assistant; Gretchen Mrozinski, Legal Counsel; Shawn Leatherwood, Rules Coordinator

CALL TO ORDER

John Scheid, Board Chair, called the meeting to order at 9:06 a.m. A quorum of seven (7) members was confirmed.

ADOPTION OF AGENDA

MOTION: Gerald Denor moved, seconded by Glenn Michaelsen, to adopt the agenda as published. Motion carried unanimously.

APPROVAL OF MINUTES OF SEPTEMBER 4, 2014

Amendments to the Minutes:

- Add: “Joseph Braunger-Yes” to the Closed Session Roll Call vote

MOTION: Joseph Braunger moved, seconded by Kathleen LaBrake, to approve the minutes of September 4, 2014 as amended. Motion carried unanimously.

ADMINISTRATIVE MATTERS

2015 Meeting Dates:

MOTION: Todd Craft moved, seconded by Kathleen LaBrake, to approve the 2015 meeting dates. Motion carried unanimously.

Newsletter Request

MOTION: Gerald Denor moved, seconded by Kathleen LaBrake, to appoint John Scheid as the liaison to work with DSPS staff on the Accounting Examining Board Newsletter and research options regarding content and distribution, and to report back at the February meeting. Motion carried unanimously.

Accounting Licensee Database

MOTION: Todd Craft moved, seconded by Gerald Denor, to request legal counsel to research the statutory authority and ability to promulgate an administrative rule to adopt the All Licensee Database and CPAVerify programs and provide report to John Scheid by December 15 for potential recommendation to the Rules Subcommittee and the Accounting Examining Board for consideration. Motion carried unanimously.

LEGISLATIVE/ADMINISTRATIVE RULE MATTERS DISCUSSION AND CONSIDERATION

Potential Statutory Changes:

MOTION: Glenn Michaelsen moved, seconded by Kathleen LaBrake, to appoint John Scheid and Todd Craft as legislative liaison(s) to work with members of the legislature regarding the Board's proposed statutory changes as discussed at today's meeting. Motion carried unanimously.

Discuss and Consider a Proposed Rule Draft of Accy 1-9, Wis. Admin. Code

MOTION: Gerald Denor moved, seconded by Glenn Michaelsen, to authorize the Chair to approve the revisions of Accy 1-9, relating to updating accounting practices and standards, for posting of EIA Comments and submission to the Clearinghouse. Motion carried unanimously.

(Christine Anderson was excused from the meeting at 12:00 p.m.)

CLOSED SESSION

MOTION: Kathleen LaBrake moved, seconded by Glenn Michaelsen, to convene to closed session to deliberate on cases following hearing (s. 19.85(1)(a), Stats.); to consider licensure or certification of individuals (s. 19.85(1)(b), Stats.); to consider closing disciplinary investigations with administrative warnings (ss. 19.85 (1)(b), and 440.205, Stats.); to consider individual histories or disciplinary data (s. 19.85 (1)(f), Stats.); and to confer with legal counsel (s. 19.85(1)(g), Stats.). John Scheid read the language of the motion. The vote of each member was ascertained by voice vote. Roll Call Vote: Joseph Braunger-yes; Todd Craft-yes; Gerald Denor-yes, Kathleen LaBrake-yes; Glenn Michaelsen-yes; John Scheid-yes. Motion carried unanimously.

The meeting convened to Closed Session at 12:21 p.m.

RECONVENE TO OPEN SESSION

MOTION: Kathleen LaBrake moved, seconded by Joseph Braunger, to reconvene into open session. Motion carried unanimously.

The meeting reconvened into Open Session at 12:45 p.m.

VOTE ON ITEMS CONSIDERED OR DELIBERATED UPON IN CLOSED SESSION

MOTION: Kathleen LaBrake moved, seconded by Gerald Denor, to affirm all votes made in closed session. Motion carried unanimously.

CREDENTIALING MATTERS

Application Reviews: Approval for Licensure as a Certified Public Accountant

MOTION: Kathleen LaBrake moved, seconded by Gerald Denor, to approve the applications of those listed below for Certified Public Accountant Certification and Licensure once all requirements for licensure have been met.

- | | |
|---------------------------|------------------------------|
| 1. Albrecht, Scott M. | 39. Audretsch, Jeffery S. |
| 2. Alfred, Shawn M. | 40. Beardsley, Benjamin M. |
| 3. Bardasheva, Galina | 41. Behring, Steven |
| 4. Birschbach, Dustin J. | 42. Bessler, Jason D. |
| 5. Bohl, Jessica J. | 43. Bilsinger, Taylor J. |
| 6. Castell, Scott W. | 44. Bourbon, Jennifer M. |
| 7. Cords, Kevin J. | 45. Brandt, Jonathon T. |
| 8. Ehler, Zachariah J. | 46. Brennan, Joseph A. |
| 9. Fares, Tareq | 47. Childers, Brock |
| 10. Fischer, James R. | 48. Cropp, Jaclyn |
| 11. Goetter, Robert M. | 49. Daniels, Hannah C. |
| 12. Goldman, Binyamin G. | 50. Duclon, Lindsay |
| 13. Graczyk, Spencer J. | 51. Dumke, Michael J. |
| 14. Hazard, Carrie L. | 52. Eckardt, Heather N. |
| 15. Huxsol, Michael J. | 53. Evans, Dave I |
| 16. Jesowshek, Michael J. | 54. Fentzlaff, Caitlin E. |
| 17. Kerkhoff, Cameron P. | 55. Fisher, Ashley A. |
| 18. Klett, Steven T. | 56. Foley, Candice L. |
| 19. Lechova, Mariyana G. | 57. Frohmader, Andrew D. |
| 20. Lim, Marilyn B. | 58. Gilsner, Taylor |
| 21. Marrari, Valerie Jo | 59. Greer, Kevin A. |
| 22. Marsolek, Kristina R. | 60. Grube, Emily M. |
| 23. Mbewe, Edward K. | 61. Haack, Taylor M. |
| 24. McCormick, Cheryl A. | 62. Harrop, Seth W. |
| 25. Rabbach, Trevor | 63. Jacobson, Leary |
| 26. Rubish, Holly A. | 64. Justison, Leah A. |
| 27. Salzmann, Jacob T. | 65. Kallies, Elizabeth L. |
| 28. Schnelle, Laura | 66. Kanethavong, Cristina M. |
| 29. Smith, Samuel T. | 67. Kaplan, Scott R. |
| 30. Smith, William C. | 68. Kastein, Nicholas J. |
| 31. Spelich, Scott | 69. Krause, Arielle |
| 32. Stawicki, Erin M. | 70. Krueger, Robert J. |
| 33. Steinmann, Erica M. | 71. Lang, Margo M. |
| 34. Wagner, Kevin C. | 72. Larsh, Austin J. |
| 35. Wendtland, John A. | 73. Larson, Samuel S. |
| 36. Dahlinger, Julianna | 74. Leitner, Aaron D. |
| 37. Prock, Larry | 75. Lin, Yuqi |
| 38. Askin, Jason D. | 76. Linn, Michael W. |

- | | |
|---------------------------|---------------------------|
| 77. Linzmeier, Kristin M. | 98. Pritzl, Adam G. |
| 78. Liu, Huixuan | 99. Richgels, Ryan |
| 79. Long, Koen G. | 100. Salisbury, Jennifer |
| 80. Lukomski, Michael S. | 101. Sannes, Emily J. |
| 81. Mahn, Jason M. | 102. Scaffidi, Michael A. |
| 82. Marti, Sarah A. | 103. Schmitz, Alyssa R. |
| 83. Mayo, Rebecca L. | 104. Schmitz, Glenn A. |
| 84. McDowell, Lauren L. | 105. Schmoltdt, Eric J. |
| 85. Meiklejohn, Marcus C. | 106. Schneider, Gina |
| 86. Meng, Hui | 107. Skiles, Genevieve E. |
| 87. Meyer, Linda C. | 108. Sobieck, Madelyn M. |
| 88. Micke, Emily J. | 109. Speel, Anthony M. |
| 89. Mitchell, Lauren L. | 110. Towne, Ryan W. |
| 90. Mollert, Tyler C. | 111. Treinen, Rachel |
| 91. Murray, Courtney R. | 112. Van Ryzin, Lauren M. |
| 92. Ness, Keren | 113. Vivian, Brentan R. |
| 93. Nettles, Mark | 114. Waibel, Jennifer M. |
| 94. Nysten, Paul C. | 115. Walls, Taylor E. |
| 95. Palmer, Ryan | 116. Wilensky, Howard L. |
| 96. Pearl, Alexandria | 117. Young, Amy E. |
| 97. Pfrang, Matthew B. | |

Motion carried unanimously.

MOTION: Glenn Michaelsen moved, seconded by Todd Craft, to delegate authority to Kathleen LaBrake to work with DSPS staff to review and make the final credentialing decision regarding the following applicants who need to supply additional information.

1. Baugher, Jonathon D.
2. Cyffka, Peter J.
3. Gong, Shuang-Ying

Motion carried unanimously.

ADJOURNMENT

MOTION: Gerald Denor moved, seconded by Todd Craft, to adjourn the meeting. Motion carried unanimously.

The meeting adjourned at 12:46 p.m.

**State of Wisconsin
Department of Safety & Professional Services**

AGENDA REQUEST FORM

1) Name and Title of Person Submitting the Request: Kimberly Wood, Program Assistant Supervisor-Adv.		2) Date When Request Submitted: 2/5/2015 Items will be considered late if submitted after 12:00 p.m. on the deadline date: ▪ 8 business days before the meeting	
3) Name of Board, Committee, Council, Sections: Accounting Examining Board			
4) Meeting Date: 2/17/2015	5) Attachments: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	6) How should the item be titled on the agenda page? Administrative Matters *Election of Officers *Liaison Appointments and Delegated Authorities	
7) Place Item in: <input checked="" type="checkbox"/> Open Session <input type="checkbox"/> Closed Session	8) Is an appearance before the Board being scheduled? <input type="checkbox"/> Yes (Fill out Board Appearance Request) <input checked="" type="checkbox"/> No	9) Name of Case Advisor(s), if required:	
10) Describe the issue and action that should be addressed: 1) Elect Officers for 2015 2) The Chair Appoints Liaisons 3) The Board should consider continuation or modification of previously delegated authorities.			
11) Authorization			
Kimberly Wood		2/5/2015	
Signature of person making this request		Date	
Supervisor (if required)		Date	
Executive Director signature (indicates approval to add post agenda deadline item to agenda)		Date	
Directions for including supporting documents: 1. This form should be attached to any documents submitted to the agenda. 2. Post Agenda Deadline items must be authorized by a Supervisor and the Policy Development Executive Director. 3. If necessary, Provide original documents needing Board Chairperson signature to the Bureau Assistant prior to the start of a meeting.			

ELECTION OF OFFICERS

2014 OFFICER ELECTION RESULTS	
Board Chair	John Scheid
Vice Chair	Todd Craft
Secretary	Gerald Denor

APPOINTED LIAISONS

2014 LIAISON APPOINTMENTS	
Credentialing Liaison(s)	Gerald Denor (Alternate: Todd Craft)
DLSC Liaison(s) (including PAP and Monitoring)	Gerald Denor (Alternate: Glenn Michaelsen)
Newsletter Liaison	John Scheid

2014 SCREENING PANEL APPOINTMENTS	
January-December 2014	John Scheid, Glenn Michaelsen, Todd Craft, Gerald Denor

DELEGATION OF AUTHORITY

MOTION: John Scheid moved, seconded by Gerald Denor, that the Board delegates authority to the Chair to sign documents on behalf of the Board. In order to carry out duties of the Board, the Chair has the ability to delegate this signature authority to the Board’s Executive Director for purposes of facilitating the completion of assignments during or between meetings. Motion carried unanimously.

MOTION: Glenn Michaelsen moved, seconded by Todd Craft, in order to facilitate the completion of assignments between meetings, the Board delegates its authority by order of succession to the Chair, highest ranking officer, or longest serving member of the Board, to appoint liaisons to the Department where knowledge or experience in the profession is required to carry out the duties of the Board in accordance with the law. Motion carried unanimously.

MOTION: Glenn Michaelsen moved, seconded by Todd Craft, to adopt the “Roles and Authorities Delegated to the Monitoring Liaison and Department Monitor” document. Motion carried unanimously.

MOTION: John Scheid moved, seconded by Todd Craft, to delegate authority to the Credentialing Liaison(s) to address all issues related to credentialing matters. Motion carried unanimously.

**State of Wisconsin
Department of Safety & Professional Services**

AGENDA REQUEST FORM

1) Name and Title of Person Submitting the Request: Ashley Horton Department Monitor Division of Legal Services and Compliance		2) Date When Request Submitted: January 13, 2015 Items will be considered late if submitted after 4:30 p.m. and less than: <ul style="list-style-type: none"> ▪ 10 work days before the meeting for Medical Board ▪ 14 work days before the meeting for all others 	
3) Name of Board, Committee, Council, Sections:			
4) Meeting Date:	5) Attachments: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	6) How should the item be titled on the agenda page? Delegation to Monitoring Liaison and Department Monitor	
7) Place Item in: <input checked="" type="checkbox"/> Open Session <input type="checkbox"/> Closed Session <input type="checkbox"/> Both	8) Is an appearance before the Board being scheduled? <input type="checkbox"/> Yes (Fill out Board Appearance Request) <input checked="" type="checkbox"/> No	9) Name of Case Advisor(s), if required:	
10) Describe the issue and action that should be addressed: Delegated Authority Motion: <p style="text-align: center;"><i>“_____ moved, seconded by _____ to adopt/reject the Roles and Authorities Delegated to the Monitoring Liaison and Department Monitor document as presented in today’s agenda packet.”</i></p>			
11) Authorization <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;">  </div> <div style="width: 30%; text-align: center;"> January 13, 2015 </div> <div style="width: 30%;"></div> </div> <hr/> <div style="display: flex; justify-content: space-between;"> <div style="width: 60%;">Signature of person making this request</div> <div style="width: 20%; text-align: center;">Date</div> <div style="width: 20%;"></div> </div> <hr/> <div style="display: flex; justify-content: space-between;"> <div style="width: 60%;">Supervisor (if required)</div> <div style="width: 20%; text-align: center;">Date</div> <div style="width: 20%;"></div> </div> <hr/> <div style="display: flex; justify-content: space-between;"> <div style="width: 60%;">Executive Director signature (indicates approval to add post agenda deadline item to agenda)</div> <div style="width: 20%; text-align: center;">Date</div> <div style="width: 20%;"></div> </div>			
Directions for including supporting documents: 1. This form should be attached to any documents submitted to the agenda. 2. Post Agenda Deadline items must be authorized by a Supervisor and the Policy Development Executive Director. 3. If necessary, Provide original documents needing Board Chairperson signature to the Bureau Assistant prior to the start of a meeting.			

Roles and Authorities Delegated to the Monitoring Liaison and Department Monitor

The Monitoring Liaison (“Liaison”) is a Board/Section designee who works with department monitors to enforce Board/Section orders as explained below.

Current Authorities Delegated to the Monitoring Liaison

The Liaison may take the following actions on behalf of the Board/Section:

1. Grant a temporary reduction in random drug screen frequency upon Respondent’s request if he/she is unemployed and is otherwise compliant with Board/Section order. The temporary reduction will be in effect until Respondent secures employment in the profession. The Department Monitor (“Monitor”) will draft an order and sign on behalf of the Liaison.
2. Grant a stay of suspension if Respondent is eligible per the Board/Section order. The Monitor will draft an order and sign on behalf of the Liaison.
3. Remove the stay of suspension if there are repeated violations or a substantial violation of the Board/Section order. In conjunction with removal of any stay of suspension, the Liaison may prohibit Respondent from seeking reinstatement of the stay for a specified period of time. The Monitor will draft an order and sign on behalf of the Liaison.
4. Grant or deny approval when Respondent proposes continuing/remedial education courses, treatment providers, mentors, supervisors, change of employment, etc. unless the order specifically requires full-Board/Section approval.
5. Grant a maximum of one 90-day extension, if warranted and requested in writing by Respondent, to complete Board/Section-ordered continuing education.
6. **Grant a maximum of one extension or payment plan for proceeding costs and/or forfeitures if warranted and requested in writing by Respondent.**

Monitoring Liaison currently has the authority to grant an extension up to 90 days. This change will allow the Liaison to grant payment plans and longer extensions on a case-by-case basis, which will be particularly helpful for Board/Sections that do not meet every month.

7. **Grant full reinstatement of licensure if Respondent has fully complied with all terms of the order without deviation. The Monitor will draft an order and obtain the signature or written authorization from the Liaison.**

This addition was initiated and approved by the Medical Examining Board in October 2014. The Liaison may choose to defer a particular request to the full Board/Section for review if needed.

Current Authorities Delegated to the Department Monitor

The Monitor may take the following actions on behalf of the Board/Section, draft an order and sign:

1. Grant full reinstatement of licensure if CE is the sole condition of the limitation and Respondent has submitted the required proof of completion for approved courses.
2. Suspend the license if Respondent has not completed Board/Section-ordered CE and/or paid costs and forfeitures within the time specified by the Board/Section order. The Monitor may remove the suspension and issue an order when proof completion and/or payment have been received.

**State of Wisconsin
Department of Safety & Professional Services**

AGENDA REQUEST FORM

1) Name and Title of Person Submitting the Request: Shawn Leatherwood, Admin. Rules Coordinator		2) Date When Request Submitted: February 5, 2015 <small>Items will be considered late if submitted after 12:00 p.m. and less than: ▪ 8 work days before the meeting</small>	
3) Name of Board, Committee, Council, Sections: Accounting Examining Board			
4) Meeting Date: November 13, 2014	5) Attachments: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	6) How should the item be titled on the agenda page? Legislative and Administrative Rule Matters 1. Public Hearing on Clearinghouse Rule 15-002 relating to accounting practices and standards	
7) Place Item in: <input checked="" type="checkbox"/> Open Session <input type="checkbox"/> Closed Session <input type="checkbox"/> Both	8) Is an appearance before the Board being scheduled? If yes, who is appearing? <input type="checkbox"/> Yes by _____ <small>(name)</small> <input checked="" type="checkbox"/> No	9) Name of Case Advisor(s), if required: N/A	
10) Describe the issue and action that should be addressed: <p>The Board will conduct a public hearing at 8:45 AM.</p> <p>The Board will discuss any public hearing comments, as well as review, discuss and respond to any clearinghouse comments.</p> <p>The Board will authorize the Chair or another member of the Board to approve of the Legislative Report and draft for Clearinghouse Rule 15-002 for submission to the Governor's Office and Legislature.</p>			
11) Signature of person making this request Shawn Leatherwood <small>Supervisor (if required)</small>		Authorization Date February 5, 2015	
Bureau Director signature (indicates approval to add post agenda deadline item to agenda) _____ Date _____			
Directions for including supporting documents: 1. This form should be attached to any documents submitted to the agenda. 2. Post Agenda Deadline items must be authorized by a Supervisor and the Board Services Bureau Director. 3. If necessary, Provide original documents needing Board Chairperson signature to the Bureau Assistant prior to the start of a meeting.			



WISCONSIN LEGISLATIVE COUNCIL RULES CLEARINGHOUSE

Scott Grosz and Jessica Karis-Ruplinger
Clearinghouse Co-Directors

Terry C. Anderson
Legislative Council Director

Laura D. Rose
Legislative Council Deputy Director

CLEARINGHOUSE REPORT TO AGENCY

[THIS REPORT HAS BEEN PREPARED PURSUANT TO S. 227.15, STATS. THIS IS A REPORT ON A RULE AS ORIGINALLY PROPOSED BY THE AGENCY; THE REPORT MAY NOT REFLECT THE FINAL CONTENT OF THE RULE IN FINAL DRAFT FORM AS IT WILL BE SUBMITTED TO THE LEGISLATURE. THIS REPORT CONSTITUTES A REVIEW OF, BUT NOT APPROVAL OR DISAPPROVAL OF, THE SUBSTANTIVE CONTENT AND TECHNICAL ACCURACY OF THE RULE.]

CLEARINGHOUSE RULE 15-002

AN ORDER to ..., relating to updating accounting practices and standards.

Submitted by **DEPARTMENT OF SAFETY AND PROFESSIONAL SERVICES**

01-08-2015 RECEIVED BY LEGISLATIVE COUNCIL.

02-06-2015 REPORT SENT TO AGENCY.

JKR:DWS

LEGISLATIVE COUNCIL RULES CLEARINGHOUSE REPORT

This rule has been reviewed by the Rules Clearinghouse. Based on that review, comments are reported as noted below:

1. STATUTORY AUTHORITY [s. 227.15 (2) (a)]

Comment Attached YES NO

2. FORM, STYLE AND PLACEMENT IN ADMINISTRATIVE CODE [s. 227.15 (2) (c)]

Comment Attached YES NO

3. CONFLICT WITH OR DUPLICATION OF EXISTING RULES [s. 227.15 (2) (d)]

Comment Attached YES NO

4. ADEQUACY OF REFERENCES TO RELATED STATUTES, RULES AND FORMS
[s. 227.15 (2) (e)]

Comment Attached YES NO

5. CLARITY, GRAMMAR, PUNCTUATION AND USE OF PLAIN LANGUAGE [s. 227.15 (2) (f)]

Comment Attached YES NO

6. POTENTIAL CONFLICTS WITH, AND COMPARABILITY TO, RELATED FEDERAL
REGULATIONS [s. 227.15 (2) (g)]

Comment Attached YES NO

7. COMPLIANCE WITH PERMIT ACTION DEADLINE REQUIREMENTS [s. 227.15 (2) (h)]

Comment Attached YES NO



WISCONSIN LEGISLATIVE COUNCIL RULES CLEARINGHOUSE

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CLEARINGHOUSE RULE 15-002

Comments

[NOTE: All citations to “Manual” in the comments below are to the Administrative Rules Procedures Manual, prepared by the Legislative Reference Bureau and the Legislative Council Staff, dated December 2014.]

1. Statutory Authority

In s. Accy 2.205 (3) [SECTION 22], the proposed rule creates a process by which a licensee whose license has been surrendered, revoked, or not renewed may apply for reinstatement of the license. Does this subsection interpret s. 442.12 (1) (g), Stats.? If so, the agency should review the proposed rule to ensure that it is consistent with s. 442.12 (1) (g), Stats., and any other applicable statutes. For example, reinstatement under s. 442.12 (1) (g), Stats., does not apply to revocations under s. 440.12, Stats. However, s. Accy 2.205 (3) does not explicitly contain this limitation.

2. Form, Style and Placement in Administrative Code

a. The introductory clause should be revised to accurately reflect the sections affected by the proposed rule. [s. 1.02 (1), Manual.] For example, in the first paragraph of the introductory clause, following “7.01” and prior to “7.04 (2)”, the reference to the repeal of “7.027.035 (5)” should read “7.02, 7.035 (5)”.

b. It appears that the plain language analysis in the rule summary does not describe several of the changes made by the proposed rule, including changes made in ss. Accy 1.102, 1.401 (2) (a), and 1.405 [SECTIONS 7, 11, and 13].

c. In the rule summary, the “effect on small business” heading should include text below the heading. [s. 1.02 (2), Manual.]

d. In s. Accy 1.003 (intro.) [SECTION 3], the period at the end of the provision should be replaced with a colon to accurately reflect the text of the current rule.

e. In s. Accy 1.003 (2r) [SECTION 4], “or ‘CPA’” should be inserted after “‘Certified public accountant’” because “CPA” is used throughout the proposed rule. [s. 1.01 (8), Manual.]

f. In the title of subch. II of ch. Accy 1 [SECTION 5], the comma after “CONDUCT” should not be underscored because it is not new material. [s. 1.06 (1), Manual.]

g. In s. Accy 1.101 [SECTION 6], the agency adopts the “Code of Professional Conduct” published by the American Institute of Certified Public Accountants. The rule summary does not indicate whether the agency received the consent of the Attorney General under s. 227.21 (2), Stats. [s. 2.08, Manual.] The agency should indicate in the rule summary whether it complied with s. 227.21, Stats., in its incorporation of the “Code of Professional Conduct”.

h. In s. Accy 1.101 [SECTION 6], if the agency wishes to use the acronym “AICPA”, the acronym should be defined and used consistently throughout the proposed rule. [s. 1.01 (8), Manual.] This comment also applies to the acronym “AU-C” in s. Accy 1.301 (4) [SECTION 9].

i. The agency might consider placing the contents of s. Accy 1.101 (3) [SECTION 6] in a note, rather than in the text of the proposed rule. [s. 1.09 (1), Manual.]

j. In s. Accy 1.102 [SECTION 7], the phrase “as defined in the statutes” should be stricken. The phrase is not necessary because the definition of “certified public accountant” in s. Accy 1.003 (2r) applies to s. Accy 1.102. [s. 1.01 (7), Manual.]

k. In s. Accy 1.301 (4) [SECTION 9], “of” should be placed before “regarding the”. [s. 1.06 (1), Manual.]

l. In s. Accy 1.302 (3) [SECTION 10], a comma should be inserted after “(4)” to accurately reflect the text of the current rule.

m. In s. Accy 1.401 (2) (a) [SECTION 11], “property” after “accountant” should be omitted. In addition, “all of the following” should be inserted prior to the colon at the end of the paragraph. [s. 1.03 (3), Manual.]

n. In s. Accy 1.405 (1) (intro.) [SECTION 13], the words “form” and “which” are struck and the word “that” is underscored. As this section has been repealed and recreated, not amended, the text should be shown as it will appear after promulgation, without strike-throughs and underscores. [s. 1.065, Manual.]

o. In s. Accy 1.405 (3) [SECTION 13], the proposed rule refers to a “network firm”. The agency should consider defining this term.

p. In SECTION 31, s. Accy 3.03 is renumbered s. Accy 2.302, and s. Accy 2.302 (1), as renumbered, is amended. The treatment clause suggests that s. Accy 2.302 (2) is also amended, but no amendment to sub. (2) appears in SECTION 31.

q. In s. Accy 2.303 [SECTION 33], a period should be inserted at the end of the section to accurately reflect the text of the current rule.

- r. In s. Accy 2.101 (title) [SECTION 34], “Application” should be replaced with “~~application~~ Application”. [s. 1.06 (1), Manual.]
- s. In s. Accy 2.101 (2) [SECTION 35], the following changes should be made:
- (1) The word “certified” should be replaced with “~~Certified~~ certified”. [s. 1.06 (1), Manual.]
 - (2) A stricken comma should be inserted after “educational requirements” to accurately reflect the text of the current rule. [s. 1.06 (1), Manual.]
 - (3) The reference to “s. 442.04 (5) (a), Stats.” should be underscored in its entirety, and it should be placed after “~~at least one of~~”. [s. 1.06 (1), Manual.]
 - (4) The text “~~if the candidate has graduated prior to filing the application~~” should be placed before “with 150 semester hours”. [s. 1.06 (1), Manual.]
- t. In s. Accy 2.304 (title) [SECTION 38], “(title)” should be omitted. In addition, the period at the end of the title should not be underscored because it is not new material. [s. 1.06 (1), Manual.]
- u. In s. Accy 2.304 (3) [SECTION 38], “(4)” should be replaced with a stricken “4” to accurately reflect the text of the current rule.
- v. In s. Accy 2.305 (1) (intro.) [SECTION 40], “any of” should be inserted before “the following”. [s. 1.03 (3), Manual.]
- w. In s. Accy 2.305 (2) [SECTION 40], “take the examination” should be placed after “~~examination in which cheating occurred~~”. [s. 1.06 (1), Manual.]
- x. In SECTION 46, “Subch. I” should be replaced with “SUBCHAPTER I”, and “Subch. II” should be replaced with “SUBCHAPTER II”. [s. 1.05 (2) (a), Manual.]
- y. In s. Accy 4.101 [SECTION 46], an introduction should be inserted before the subsections. [s. 1.03 (3), Manual.]
- z. In s. Accy 5.401 [SECTION 55], the period at the end of the section should be replaced with “;”. [s. 1.03 (3) and (4), Manual.]
- aa. In s. Accy 2.401 (title) [SECTION 59], “of” should be underscored because it is new material. [s. 1.06 (1), Manual.]
- bb. In s. Accy 2.403 [SECTION 61], the period at the end of the section should not be underscored because it is not new material. [s. 1.06 (1), Manual.]
- cc. In s. Accy 6.303 (1) (intro.) [SECTION 74], “any of” should be inserted before “the following reasons”. [s. 1.03 (3), Manual.]
- dd. In s. Accy 2.202 (title) [SECTION 78], “for certification” should be underscored because it is new material. [s. 1.06 (1), Manual.]
- ee. In s. Accy 2.202 (3) (a) [SECTION 78], the comma after “business law” should be underscored because it is new material. [s. 1.06 (1), Manual.]

ff. In SECTION 78, the text of s. Accy 2.202 (4) (intro.) should not be shown if it is not amended. [s. 1.04 (1) (b) 2., Manual.]

gg. In s. Accy 3.201 (2) [SECTION 86], “s. Accy 3.202” should be replaced with “~~s. Accy 3.202~~ s. Accy 3.202”. In addition, “accounting” in the last sentence should not be underscored because it is not new material. [s. 1.06 (1), Manual.]

hh. In s. Accy 6.101 (Note) [SECTION 91], the numbering and bulletpoints should be shown, to reflect the text of the current note.

4. Adequacy of References to Related Statutes, Rules and Forms

a. In s. Accy 1.202 [SECTION 8], it appears that “this rule” should be replaced with “this rule chapter”. [s. 1.07 (2), Manual.]

b. In s. Accy 2.101 (5) [SECTION 20], “s.” should be inserted before “Accy 2.306”. [s. 1.07 (2), Manual.]

c. In s. Accy 2.205 (1) (b) and (2) (b) [SECTION 22], it appears that “s. 440.05 (1) (a), Stats.” should be replaced with “s. 440.03 (9) (a), Stats.”.

d. In s. Accy 2.205 (3) (a) [SECTION 22], “sub. 2 (c)” should be replaced with “sub. (2) (c)”. [s. 1.07 (2), Manual.]

e. In s. Accy 4.101 (7) [SECTION 46], “ch.” should be inserted before “Accy 6”. [s. 1.07 (2), Manual.]

f. In s. Accy 4.101 (11) [SECTION 46], “section” should be replaced with “subsection”. [s. 1.07 (2), Manual.]

g. In s. Accy 2.202 (4) (a) (Note) [SECTION 78], “~~s. Accy 7.035 (3) (a) and (4) (a) s. Accy 2.202 (3) (a) and (4) (a)~~” should be replaced with “~~s. Accy 7.035 (3) (a) and (4) (a)~~ subs. (3) (a) and (4) (a)”. [s. 1.07 (2), Manual.]

h. In SECTION 94, should the reference to s. 227.22 (2) (intro.), Stats., be replaced with s. 227.22 (2) (e), Stats.?

5. Clarity, Grammar, Punctuation and Use of Plain Language

a. In s. Accy 1.202 [SECTION 8], the “(1)” following the section title should be omitted.

b. In s. Accy 1.302 [SECTION 10], the “(1)” following the section number should be omitted.

c. In SECTION 12, the agency should consider amending s. Accy 1.401 (2) (f) to replace “60 days” with “48 hours”, rather than repealing and recreating the paragraph. The text of the current rule is clearer than the recreated text in SECTION 12.

d. In s. Accy 1.405 (1) (a) (intro.) [SECTION 13], “for example” should be replaced with “including any of the following”.

e. In s. Accy 1.405 (1) (c) [SECTION 13], the semicolon at the end of the paragraph should be replaced with a period. [s. 1.03 (4), Manual.]

f. In s. Accy 1.405 (4) (d) [SECTION 13], the agency should clarify what is meant by "significant part of professional resources".

g. In s. Accy 2.002 (1) [SECTION 17], "and" should be replaced with "an". In addition, it appears that "July 5, 2013" should be replaced with "July 7, 2013". The effective date of 2013 Wisconsin Act 21 was July 7, 2013.

h. In the note to s. Accy 2.002 (2) [SECTION 17], between "the" and "bachelor's", the misspelling of "4-yr" should be corrected to read "4-year".

i. In s. Accy 2.101 (Note) [SECTION 19], it appears that the website address should be replaced with an email address.

j. In s. Accy 2.205 (2) (intro.) [SECTION 22], should "5 years or more" be replaced with "more than 5 years"?

k. In s. Accy 2.205 (2) (c) [SECTION 22], how does the agency determine whether only verification of examination is required; only verification of education is required; or verification of both examination and education is required?

l. In s. Accy 2.305 (1) (g) [SECTION 23], a period should be inserted at the end of the paragraph.

m. In s. Accy 4.101 (8) (b) [SECTION 46], insert a space between "(b)" and "Incompetence".

n. In s. Accy 4.101 (8) (a) [SECTION 46], a period should be inserted at the end of the paragraph. [s. 1.03 (4), Manual.]

o. In the title of subch. I of ch. Accy 5 [SECTION 58], the word "LICENUSRE" should be corrected to read "LICENSURE".

p. In s. Accy 5.401 (2) [SECTION 68], the subsection should specify who is required to notify the board.

q. In s. Accy 6.002 [SECTION 70], it appears that the definitions of "board-approved review program" and "peer review program" are almost identical. Is it necessary to include both definitions?

r. In s. Accy 6.303 (1) [SECTION 74], the subsections should end in periods. [s. 1.03 (4), Manual.]

s. Section Accy 6.303 (1) (a) [SECTION 74] indicates that "Health" is a reason for extension of peer review. This reference is not clear. If an extension is granted for adverse health conditions such as illness or injury, the proposed rule should use these terms.

STATE OF WISCONSIN
ACCOUNTING EXAMINING BOARD

IN THE MATTER OF RULEMAKING : PROPOSED ORDER OF THE
PROCEEDINGS BEFORE THE : ACCOUNTING EXAMINING BOARD
ACCOUNTING EXAMINING BOARD : ADOPTING RULES
: (CLEARINGHOUSE RULE)

PROPOSED ORDER

An order of the Accounting Examining Board to repeal Accy 3.01, 3.03 (1) (Note), 3.05 (1) (b) 2. and 3. and (c) and (2) and (3), 3.055, 3.07, 3.08, 4.035, 5.06, 7.01, 7.02, 7.035 (5), 7.04 (2), 7.06, chs. Accy 7 and 8 (titles) and Accy 9.01;

to renumber Accy 3.10, 4.01, 4.03, 4.037, 4.04, 4.05, 4.06, 4.07 (2), 5.02, 5.04 5.05, 5.07, 7.04 (1), 7.05, 8.01, 8.02, 8.03 (1) to (6), 8.05, ch. Accy 9 (title), Accy 9.02, 9.03, 9.04, 9.05, and 9.06;

to renumber and amend Accy 3.02, 3.03, 3.04, 3.05 (title), (1) (intro.) and (a), 3.06, 3.09, 3.11), 4.02, 4.07, 5.01, 5.03, 7.03, 7.035, 7.04, 8.04, and 9.02 (Note);

to consolidate, renumber and amend Accy 3.05 (1) (b) (intro.) and 1.;

to amend Accy. 1.001 (1) and (3) and ,1.003 (intro.), ch. Accy 1, subch II (title) Accy 1.102, 1.202, 1.301 (2) (d) and (4), 1.302 (1) and (3), 1.401 (2) (a), (2) (c) and (2) (e) 2.,

to repeal and recreate Accy 1.101, 1.401 (2) (f) and, 1.405;

to create Accy 1.003 (2m), (2r) and (7m), ch. Accy 2 (title), ch. Accy 2, subch. I (title), Accy 2.001 and 2.002, ch. Accy 2 subch. II, III, and IV (titles), Accy 2.101 (1) (Note), 2.101 (3), (4) and (5), 2.205, and 2.305(1) (g), ch. Accy 2, subch. V (title), Accy 2.401 (2), ch. Accy 3 (title), ch. Accy 3, subchs. I, II, and III (titles), ch. Accy 4 (title), ch. Accy 5 (title), subchs. I, II, III, IV (titles), Accy 5.401 (1) (a) to (d) and (2), and 5.403, ch. Accy 6, subch. I (title) Accy 6.001, 6.002, ch. Accy 6, subchs II, III, and IV (titles), Accy 6.303 and 6.304, relating to updating accounting practices and standards.

Analysis prepared by the Department of Safety and Professional Services.

ANALYSIS

Statutes interpreted:

ss. 442.04, 442.05, 442.08, Stats.

Statutory authority:

ss. 15.08 (5) (b), 227.11 (2), 442.087 (3), Stats.

Explanation of agency authority:

Pursuant to ss. 15.08 (5) (b), and 227.11 (2) (a), Stats., the Accounting Examining Board (Board) is empowered by the legislature to promulgate rules that will provide guidance within the accounting profession and that interpret the statutes it enforces or administers. An express grant of rule writing authority with regard to peer review is found in Section 442.087 (3), Stats. The Board seeks to promulgate rules that will provide guidance within the profession with regards to the qualifications for certification and licensure, qualifications for examination, and requirements for peer review.

Related statute or rule:

None.

Plain language analysis:

The Accounting Examining Board undertook a comprehensive review of the rules governing accounting practice in Wisconsin. During the time the Board was conducting its review legislation passed that greatly impacted becoming a certified public accountant in Wisconsin. 2013 Wisconsin Act 21 affected the accreditation standard within the rules. Before Act 21, applicants for a certified public accountant certificate were to have received a bachelor's degree from an institution accredited by the Commission on Institution of Higher Education of the North Central Association of Colleges and Schools or its regional equivalence. 2013 Wisconsin Act 21 changed the accreditation standard to include institutions of higher education that are accredited by an accrediting agency recognized by the secretary of the federal Department of Education. The proposed rule would eliminate all references to the former accreditation body and update pertinent provisions with the new accreditation standard.

2013 Wisconsin Act 210 modified the qualifications for sitting for the accountancy exam. Before Act 210, individuals had to complete 150 semester hours of education and possess a baccalaureate degree or higher before taking the exam. Act 210 reduced the number of required semester hours of education from 150 to 120 semester hours and eliminated the baccalaureate or higher degree as a requirement to take the exam. The proposed rule will amend the affected provisions to implement this statutory change.

Lastly, the Board decided to adopt the American Institute of Certified Public Accountants (AICPA) Code of Professional Conduct, and update the peer review chapter with new terms.

Summary of, and comparison with, existing or proposed federal regulation:

None.

Comparison with rules in adjacent states:

Illinois: Illinois requires 150 college or university semester hours with an accounting concentration to be admitted to take the certified public accountant examination. The 150 hours must include a baccalaureate or higher degree conferred by an academic institution acceptable to the Board. 225 ILL COMP. STAT. 450/3. The Board recognizes institutions of higher education accredited by a regional accrediting association recognized by the Council for Higher Education Accreditation or the U.S. Department of Education. The Board also recognizes business schools accredited by the Association of Advance Collegiate Schools of Business or the Association of Collegiate Business Schools and Programs. 23 Ill. Adm. Code 1400.90 (c) (2) (H).

Iowa: Qualifications for a certificate as a certified public accountant in Iowa includes completion of at least 150 semester hours of college level education and receiving a baccalaureate or higher degree by a college or university recognized by the Board. Iowa Code §542.5 (7). The Board recognizes institutions accredited by the American Assembly of Collegiate Schools of Business. 193A IAC 3.2. Other qualifications include one year of verified experience and successful completion of the uniform certified accountant's examination. 193A IAC 3.1.

Michigan: Certification requirements in Michigan include the completion of a least 150 semester hours of college education including a baccalaureate degree or higher with a concentration in accounting. Mich. Admin. Code r. 338.5116 (1). For purposes of accreditation the Board recognizes the North Central Association of Colleges and Schools Commission on Institutions of Higher Education. Mich. Admin. Code r. 338.5115. Qualifying experience for certification includes 2,000 hours of experience within a period of not less than one calendar year and not more than 5 calendar years. Mich. Admin. Code r. 338.5117 (1).

Minnesota: The requirements for certification include the completion of one year of experience and 150 semester hours or 225 quarter hours at a college or university accredited by a recognized accrediting agency listed with the United States Department of Education, or an equivalent accrediting association. Minn. Stat. §3261.03 Subd.6 . Before taking the examination an applicant is required to have a "baccalaureate or higher degree, with a major in accounting or a major in business with accounting emphasis, or an equivalent education, from a college or university that is fully accredited by a recognized accrediting agency listed with the United States Department of Education or an equivalent accrediting association." Minn. Stat. §3261.03 Subd. 3.

Summary of factual data and analytical methodologies:

The methodologies used in drafting the proposed rule include comparing 2013 Wisconsin Act 21 and 2013 Wisconsin Act 210 with current administrative rules concerning accounting practice, reviewing statutes and administrative code from neighboring states, and obtaining feedback from members of the Accounting Examining Board.

Analysis and supporting documents used to determine effect on small business or in preparation of economic impact analysis:

Fiscal Estimate and Economic Impact Analysis:

These proposed rules do not have an economic impact on small businesses, as defined in s. 227.114 (1), Stats. The Department's Regulatory Review Coordinator may be contacted by email at Tom.Engels@wisconsin.gov, or by calling (608) 266-8608.

Effect on small business:

These proposed rules do not have an economic impact on small businesses, as defined in s. 227.114 (1), Stats. The Department's Regulatory Review Coordinator may be contacted by email at Tom.Engels@wisconsin.gov, or by calling (608) 266-8608.

Agency contact person:

Shawn Leatherwood, Administrative Rules Coordinator, Department of Safety and Professional Services, Division of Policy Development, 1400 East Washington Avenue, Room 151, P.O. Box 8935, Madison, Wisconsin 53708; telephone 608-261-4438; email at Shancethea.L Leatherwood@wisconsin.gov.

Place where comments are to be submitted and deadline for submission:

Comments may be submitted to Shawn Leatherwood, Administrative Rules Coordinator Department of Safety and Professional Services, Division of Policy Development, 1400 East Washington Avenue, Room 151, P.O. Box 8366, Madison, WI 53708-8935, or by email to Shancethea.L Leatherwood@wisconsin.gov. Comments must be received on or before February 17, 2015 o be included in the record of rule-making proceedings.

TEXT OF RULE

SECTION 1. Accy 1.001 (1) is amended to read:

Accy 1.001 Applicability of rules of conduct to certified public accountants. Chapters Accy 1 to 96 apply to a person who practices as a certified public accountant in this state.

SECTION 2. Accy 1.001 (3) is amended to read:

Accy 1.001 (3) A certified public accountant shall not permit others to carry out acts on ~~his or her~~ the accountant's behalf, either with or without compensation, which, if carried out by the certified public accountant, would violate chs. Accy 1 to 96.

SECTION 3. Accy 1.003 (intro.) is amended to read:

Accy 1.003 Definitions. As used in chs. Accy 1 to 9-6.

SECTION 4. Accy 1.003 (2m), (2r), and (7m) are created to read:

Accy 1.003 (2m) “Board” means the accounting examining board.

Accy 1.003 (2r) “Certified public accountant” has the meaning given in s. 442.02 (1m), Stats.

Accy 1.003 (7m) “Financial statements” means statements and footnotes related thereto that undertake to present an actual or anticipated financial position as of a point in time, or results of operations, cash flow, or changes in financial position for a period of time, in conformity with generally accepted accounting principles or another comprehensive basis of accounting. The term does not include incidental financial data included in management advisory service reports to support recommendations to a client; nor does it include tax returns and supporting schedules.

SECTION 5. Subchapter II (title) in chapter Accy 1 is amended to read:

SUBCHAPTER II (title)
~~INDEPENDENCE~~ PROFESSIONAL CONDUCT, INTEGRITY AND OBJECTIVITY

SECTION 6. Accy 1.101 is repealed and recreated to read:

Accy 1.101 Professional conduct. (1) The board adopts by reference the “Code of Professional Conduct” published by the American Institute of Certified Public Accountants, effective as of December 15, 2014, except that references to “member” are replaced by “a person licensed to practice as a certified public accountant.”

(2) All definitions included in the American Institute of Certified Public Accountants’ Code of Professional Conduct shall apply only to the document adopted by reference.

(3) The AICPA Code of Professional Conduct is available electronically at <http://pub.aicpa.org/codeofconduct/Ethics.aspx> or may be obtained from:

American Institute of Certified Public Accountants
1211 Avenue of the Americas
New York, NY 10036-8775

SECTION 7. Accy 1.102 is amended to read:

Accy 1.102 Integrity and objectivity. No person licensed to practice as a certified public accountant, as defined in the statutes, shall knowingly misrepresent facts, and when engaged in the practice of public accounting, including the rendering of tax and

management advisory services, shall not subordinate his or her judgment to others. ~~In tax practice, a member may resolve doubt in favor of the client as long as there is reasonable support for that position.~~

SECTION 8. Accy 1.202 is amended to read:

Accy 1.202 Auditing standards. (1) A person licensed to practice as a certified public accountant shall not permit the certified public accountant's name to be associated with financial statements in such a manner as to imply that the certified public accountant is acting as an independent public accountant unless the certified public accountant has complied with the applicable generally accepted auditing standards promulgated by the American Institute of Certified Public Accountants. Statements on auditing standards used by the American Institute of Certified Public Accountants auditing standards ~~executive committee~~ board are, for purposes of this rule, considered to be interpretations of the generally accepted auditing standards, and departures from such statements must be justified by those who do not follow them.

SECTION 9. Accy 1.301 (2) (d), and (4) are amended to read:

Accy 1.301 (2) (d) To preclude a certified public accountant from responding to an inquiry made by the Professional Ethics Division of the American Institute of Certified Public Accountants, by the duly constituted investigative or disciplinary body of a state society of certified public accountants, or under any state statutes or under the standards of the Securities and Exchange Commission or the Public Company Accounting Oversight Board.

(4) The prohibition in sub. (1) against disclosure of confidential information obtained in the course of a professional engagement does not apply to disclosure of such information when required to properly discharge the certified public accountant's responsibility according to the profession's standards. The prohibition would not apply, for example, to disclosure, as required by AU-C section ~~561~~ 560 of Statement on Auditing Standards No. ~~1~~, regarding the ~~of~~ subsequent discovery of facts existing at the date of the auditor's report which would have affected the auditor's report had the auditor been aware of such facts.

SECTION 10. Accy 1.302 (1) and (3) are amended to read:

Accy 1.302 (1) Contingent fees, commissions and referral fees. (1) CONTINGENT FEES. Except as provided in sub. ~~(3)~~ (2), a certified public accountant may charge a contingent fee provided the accountant and the client make a contingent fee agreement in writing, signed by the client, which states the method by which the fee is to be determined and describes all costs and expenses to be charged to the client. Upon conclusion of the contingent fee matter, the accountant shall provide the client with a written statement showing the fee and all the costs and expenses charged to the client.

(3) COMMISSIONS. Except as provided in sub. ~~(5)~~(4) a certified public accountant may receive a commission provided that at the time the referral or recommendation is made, the accountant informs the client in writing of the amount and reason for the commission.

SECTION 11. Accy 1.401(2) (a), (2) (c) and (2) (e) 2. are amended to read:

Accy 1.401 (2) (a) *Client's records and accountant's workpapers.* ~~Retention of client records after a demand is made for them is an act discreditable to the profession in violation of this section. It would be a violation of the code to retain a client's records to enforce payment.~~ A certified public accountant's working papers ~~are his or her property~~ are the property of the certified public accountant ~~property~~ and need not be surrendered to the client. However, in some instances working papers will contain data ~~which~~ that should properly be reflected in the client's books and records but ~~which~~ that for convenience have not been duplicated therein, with the result that the client's records are incomplete. In such instances, the portion of the working papers containing such data constitutes part of the client's records, and copies should be made available to the client upon request. If a certified public accountant is engaged to perform certain work for a client and the engagement is terminated prior to the completion of such work, the certified public accountant is required to return or furnish copies of only those records originally given to the certified public accountant by the client. Examples of working papers that are considered to be the client's records would include:

(c) *Duty discharged.* Once the certified public accountant has returned the client's records or furnished the copies of such records ~~and/or~~ and necessary supporting data, the obligation has been discharged in this regard and it is not necessary to comply with any subsequent requests to again furnish such records.

(e) 2. On conviction for willful failure to file an income tax return or other document which, the certified public accountant as an individual is required by law to file, for filing a false or fraudulent income tax return or other document on his or her or a client's behalf, or for willful aiding in the preparation ~~and/or~~ and presentation of a false or fraudulent income tax return of a client, or the willful making of a false representation in connection with the determination, collection or refund of any tax, whether it be in his or her own behalf or in behalf of a client, the board will initiate charges in every instance.

SECTION 12. Accy. 1.401 (2) (f) is repealed and recreated to read:

Accy 1.401 (2) (f) A certified public accountant shall provide a 48-hour written notification to the board after being convicted of a crime.

SECTION 13. Accy 1.405 is repealed and recreated to read:

Accy 1.405 Firm Names. (1) Individuals or firms may practice as a certified public accountant in any form of business organization permitted by state law. No person licensed to practice as a certified public accountant may practice under a firm name that

is misleading as to the type of organization. A misleading CPA Firm name is one of the following:

(a) A name that contains any representation that would be likely to cause a reasonable person to misunderstand or be confused about the legal form of the firm, or about who are the owners or members of the firm, such as a reference to a type of organization or an abbreviation thereof which does not accurately reflect the form under which the firm is organized, for example:

1. The name implies the existence of a corporation when the firm is not a corporation such as through the use of the words "corporation", "incorporated", "Ltd.", "professional corporation", or an abbreviation thereof as part of the firm name if the firm is not incorporated or is not a professional corporation.

2. The name implies the existence of a partnership when there is not a partnership such as by use of the term "partnership" or "limited liability partnership" or the abbreviation "LLP" if the firm is not such an entity.

3. The name includes the name of an individual who is not a CPA if the title "CPAs" is included in the firm name.

4. The name includes information about or indicates an association with persons who are not members of the firm except as provided in subs. (3) and (4).

5. The name includes the terms "& Company," "& Associate," or "Group," but the firm does not include, in addition to the named partner, shareholder, owner, or member, at least one other unnamed partner, shareholder, owner, member, or staff employee.

(b) A name that contains any representation that would be likely to cause a reasonable person to have a false or unjustified expectation of favorable results or capabilities, through the use of a false or unjustified statement of fact as to any material matter.

(c) A name that claims or implies the ability to influence a regulatory body or official;

(d) A name that includes the name of an owner whose license has been revoked for disciplinary reasons by the board, whereby the licensee has been prohibited from practicing public accountancy or prohibited from using the title CPA or holding oneself out as a certified public accountant.

(2) As long as they do not violate this subchapter, all of the following are permissible types of CPA firm names:

(a) A firm name that includes the names of one or more former or present

owners.

(b) A firm name that excludes the names of one or more former or present owners.

(c) A firm name that uses the CPA title as part of the firm name when all named individuals are owners of the firm who hold such title or are former owners who held such title at the time they ceased to be owners of the firm.

(d) A firm name that includes the name of a non-CPA owner if the CPA title is not a part of the firm name.

(3) A network firm may use a common brand name, or share common initials as part of the firm name.

(4) A network firm may use the network name as the firm's name provided it also shares one or more of the following characteristics with other firms in the network:

(a) Common control, as defined by generally accepted accounting principles in the U.S., among the firms through ownership, management, or other means.

(b) Profits or costs, excluding costs of operating the association, costs developing audit methodologies, manuals and training courses, and other costs that are immaterial to the firm.

(c) Common business strategy that involves ongoing collaboration amongst the firms whereby the firms are responsible for implementing the association's strategy and are held accountable for performance pursuant to that strategy.

(d) Significant part of professional resources.

(e) Common quality control policies and procedures that participating firms are required to implement and that are monitored by the association.

SECTION 14. Chapter Accy 2 (title) is created to read:

CHAPTER ACCY 2 (title)
INDIVIDUAL LICENSURE

SECTION 15. Subchapter I (title) of chapter Accy 2 (precedes s. Accy 2.001) is created to read:

SUBCHAPTER I (title)
AUTHORITY AND DEFINITIONS

SECTION 16. Accy 2.001 is created to read:

Accy 2.001 Authority. The rules in this chapter are adopted under the authority in ss. 15.08 (5) (b), 227.11 (2), and 442.04, Stats.

SECTION 17. Accy 2.002 is created to read:

Accy 2.002 Definitions. In this chapter:

(1) “Accredited” means a school or institution of higher learning listed by and accrediting agency recognized by the secretary of the federal department of education on or after July 5, 2013.

Note: For a listing of accrediting agencies recognized by the secretary of the federal department of education, see http://www2.ed.gov/admins/finaid/accred/accreditation_pg6.html.

(2) “Bachelor’s degree” means a baccalaureate degree normally conferred by universities and colleges at the completion of at least a 4-year, full-time, academic-year program of study.

Note: Some students complete the 4-yr bachelor’s degree in less than 4 years by attending summer school or maximum course loads over a number of academic semesters.

SECTION 18. Subchapter II (title) of chapter Accy 2 (precedes s. Accy 2.101) is created to read:

SUBCHAPTER II (title)
APPLICATION FOR CERTIFICATION OF INDIVIDUALS

SECTION 19. Accy 2.101 (Note) is created to read:

Note: Application forms are available upon request to the board’s office at 1400 East Washington Avenue, P.O. Box 8935, Madison WI 53708-8935 or by email at www.dsps.wi.gov. An applicant with a disability will be provided reasonable accommodations.

SECTION 20. Accy 2.101 (3), (4) and (5) are created to read:

Accy 2.101 (3) Evidence of at least one year of public accounting experience or its equivalence as required by s. Accy 2.403 and s. 442.04 (5) (b) 5., Stats.

(4) Evidence that the applicant has successfully passed each section of the uniform certified public accountant examination.

(5) Successful completion of the open book professional ethics examination on statutes and rules governing the practice of public accounting in Wisconsin as set forth in Accy 2.306.

SECTION 21. Subchapter III (title) in chapter Accy 2 (precedes s. Accy 2.201) is created to read:

SUBCHAPTER III (title)
EDUCATION

SECTION 22. Accy 2.205 is created to read:

Accy 2.205 Requirements for renewal and reinstatement of individual licensees.

(1) RENEWAL BEFORE 5 YEARS. An individual certified public accountant who files an application for renewal of a license within 5 years after the renewal date may renew his or her license by filing with the board all of the following:

(a) An application for renewal on a form prescribed by the department.

(b) The fee under s. 440.05 (1) (a), Stats., plus the applicable late renewal fee as specified in s. 440.08 (3) (a), Stats.

(2) RENEWAL AFTER 5 YEARS OR MORE. An individual certified public accountant who files an application for renewal 5 years or more after the renewal date may be renewed by filing with the board all of the following:

(a) An application for renewal on a form prescribed by the department.

(b) The fee determined by the Department under s. 440.05 (1) (a), Stats., plus the applicable late renewal fee specified in s. 440.08 (3), Stats.

(c) Verification of successful completion of examinations specified in s. Accy 2.301, or education specified in s. Accy 2.202 or both as may be prescribed by the board.

(3) REINSTATEMENT. An individual certified public accountant whose license has been surrendered or revoked or who has a license with unmet disciplinary requirements which has not been renewed within 5 years or more after the renewal date may be reinstated by filing with the board all of the following:

(a) Evidence of the completion of the requirements under sub. 2 (c).

(b) Evidence of completion of disciplinary requirements, if applicable.

(c) Evidence of rehabilitation or change in circumstances warranting reinstatement of the credential.

SECTION 23. Accy 2.305 (1)(g) is created to read:

Accy 2.305 (1) (g) Falsifying or misrepresenting educational credentials or other information required for admission to the examination

SECTION 24. Subchapter IV (title) of chapter Accy 2 (precedes s. Accy 2.301) is created to read:

SUBCHAPTER IV (title)
EXAMINATION

SECTION 25. Subchapter V (title) of chapter Accy 2 (precedes s. 2.401) is created to read:

SUBCHAPTER V
EXPERIENCE

SECTION 26. Accy 2.401 (2) is created to read:

Accy 2.401 (2) Experience may consist of providing any type of services or advice using accounting, attest, compilation, management advisory, financial advisory, tax or related consulting skills.

SECTION 27. Chapter Accy 3 (title) is repealed and recreated to read:

CHAPTER ACCY 3 (title)
ENDORSEMENT

SECTION 28. Subchapter I (title) of chapter Accy 3 (precedes s. Accy 3.001) is created to read:

SUBCHAPTER I (title)
AUTHORITY AND DEFINITIONS

SECTION 29. Accy 3.01 is repealed.

SECTION 30. Accy 3.02 is renumbered Accy 2.301 and amended to read:

Accy 2.301 Examination. A candidate for certified public accountant certificate shall successfully pass the certified public accountant examination set forth in ~~s. Accy 3.03~~ s. Accy 2.302 and the professional ethics examination set forth in ~~s. Accy 3.10~~ s. Accy 2.306.

SECTION 31. Accy 3.03 is renumbered Accy 2.302 and amended to read:

Accy 2.302 Certified public accountant examination. (1) The subjects covering the discipline of accounting in the certified public accountant examination shall be as provided ~~in the 4 sections of the~~ by the board of examiners of the American institute of certified public accountants uniform certified public accountant examination. The passing grade on each section is 75 or higher.

SECTION 32. Accy 3.03 (1) (Note) is repealed.

SECTION 33. Accy 3.04 is renumbered Accy 2.303 and amended to read:

Accy 2.303 Education required for examination. A candidate for the certified public accountant examination must possess a bachelor's or higher degree with a resident major in accounting, as defined in s. Accy 7.02 (3), or the reasonable equivalence of a resident major in accounting, as defined in s. Accy 7.03 (1), or ~~reasonably expect to receive a degree with a resident major in accounting or its reasonable equivalence within 45 days following the date of examination~~ complete 120 semester hours of education which shall count towards the 150 semester hours of education required under ch. Accy 2.202

SECTION 34. Accy 3.05 (title), (1) (intro.) and (a) are renumbered Accy 2.101 (title), (intro.) and (1) and Accy 2.101 (title) and (intro.) as renumbered are amended to read:

Accy 2.101 Examination Application. A candidate for the certified public accountant examination applying for a certificate as a certified public accountant shall apply on an application form provided by the board and ~~file the application in the board office no later than 60 days prior to the examination date.~~ The application shall be supported by all of the following:

SECTION 35. Accy 3.05 (1) (b) (intro.) and 1. are consolidated, renumbered Accy 2.101 (2) and amended to read:

Accy 2.101 (2) Proof of fulfilling the educational requirements specified in s. 442.04 (5) by submitting ~~either:~~ certified copies of transcripts for all academic work completed at an institution as defined in s. 442.04 (4) (a), Stats. s. 442.04 (5) (a), Stats., ~~at least one of~~ which must reflect the award of a bachelor's or higher degree, with 150 semester hours in an accounting concentration or the reasonable equivalence of an accounting concentration as determined by the board if the candidate has graduated prior to filing the application.

SECTION 36. Accy 3.05 (1) (b) 2. and 3. and (c) and (2) and (3) are repealed.

SECTION 37. Accy 3.055 is repealed.

SECTION 38. Accy 3.06 is renumbered Accy 2.304 and Accy 2.304 (title), (1), (3) and (4) as renumbered are amended to read:

Accy 2.304 Examination Candidates for examination. (title) (1) A candidate shall be allowed to sit for each section of the uniform certified public accountant examination individually and in any order.

(3) A candidate must pass all ~~(4)~~ sections of the uniform certified public accountant examination within a rolling 18-month period ~~which~~ that begins on the date that the first section is passed.

(4) If ~~all 4 sections~~ any section of the uniform certified public accountant examination ~~are~~ is not passed within the rolling 18-month period, credit for any section passed outside the 18-month period shall expire and that section shall be retaken.

SECTION 39. Accy 3.07 and 3.08 are repealed.

SECTION 40. Accy 3.09 is renumbered Accy 2.305 and 2.305 (1) (intro.) (a) to (d), (2) and (4) as renumbered are amended to read:

Accy 2.305 Cheating on examination. (1) (intro.) Cheating on the certified public accountant examination is a serious breach of integrity and indicates a lack of good professional character. Cheating on an examination includes, ~~but is not limited to~~ the following:

(a) Communications concerning an examination being ~~written~~ taken between candidates inside or outside of the examination room, or copying another's answers.

(b) Communications concerning an examination being ~~written~~ taken with accomplices outside of the examination room.

(c) Substitution by a candidate of another person to sit in the examination room for the candidate and ~~write~~ take one or more of the examination questions or papers for the candidate.

(d) Reference to "crib notes," test books, ~~or~~ other materials, or electronic media other than that provided to the candidate as part of the examination, inside or outside of the examination room during periods examinations are being ~~written~~ taken.

(2) Penalties imposed by the board for cheating on the examination shall be related to the seriousness of the offense. Cheating which was planned in advance is the most serious offense. Penalties may include the entering of a failing grade on all sections ~~written~~ taken for the examinations in which cheating occurred and suspension of the right to ~~write~~ take the next scheduled examination after the examination in which cheating occurred, ~~or to~~ the Penalties may also include entering of a failing grade on all sections ~~written~~ taken for the examinations in which cheating occurred and suspension of the right to ~~write~~ take the examination ~~for as many as the next 6 scheduled examinations after the examination in~~

~~which cheating occurred.~~ Time within which conditional credit previously earned for passing part of the examination may be extended by board action in situations where penalties are levied, and by as long as the period of suspension.

(4) Other jurisdictions to which a candidate may apply to ~~write~~ take the certified public accountant examination during a period of suspension of the right to ~~write~~ take the examination shall be notified of the penalty levied in Wisconsin.

SECTION 41. Accy 3.10 is renumbered Accy 2.306.

SECTION 42. Subchapter II (title) of chapter Accy 3 (precedes s. Accy 3.101) is created to read:

SUBCHAPTER II (title)
CERTIFICATION BY ENDORSEMENT

SECTION 43. Accy 3.11 is renumbered Accy 2.307 and Accy 2.307 (1), as renumbered is amended to read:

Accy 2.307 Examination review. (1) Applicants for certified public accountant examination may request a review of their ~~examination papers from the American Institute of certified public accountants advisory grading service~~ examination from the National Association of State Boards of Accountancy.

SECTION 44. Subchapter III (title) of chapter Accy 3 (precedes s. Accy 3.201) is created to read:

SUBCHAPTER III
FOREIGN ENDORSEMENT CANDIDATES

SECTION 45. Chapter Accy 4 (title) is repealed and recreated to read:

CHAPTER ACCY 4
ENFORCEMENT

SECTION 46. Subchapters I and II of Chapter Accy 4 are created to read:

Subch. I AUTHORITY

Accy 4.001 Authority. The rules in this chapter are adopted pursuant to the authority in ss. 15.08 (5) (b), 227.11 (2) and 442.12, Stats.

Subch. II DISCIPLINE

Accy 4.101 Grounds for discipline. (1) Dishonesty, fraud, or deceit in obtaining a certificate or a license, including the submission to the board of any knowingly false or forged evidence in, or support of, an application for a certificate or license including cheating on an examination.

(2) Knowingly making misleading, deceptive, or untrue representations in the performance of services.

(3) Using the CPA title or providing attest or compilation services in this state without a certificate or license or without properly qualifying to practice across state lines.

(4) Using or attempting to use a certificate or license which has been suspended or revoked.

(5) Making any false, misleading, or deceptive statement, in support of an application for a license filed by another.

(6) Failure to comply with professional standards as to the attest or compilation competency requirements for those who supervise attest or compilation engagements and sign reports on financial statements or other compilation communications with respect to financial statements.

(7) Failure to comply with the applicable peer review requirements set out in Accy 6.

(8) Conduct reflecting adversely upon the licensee's fitness to perform services including all of the following:

(a) Adjudication as mentally incompetent

(b) Incompetence, including all of the following

1. Gross negligence, recklessness, or repeated acts of negligence in the licensee's record of professional practice.

2. Any condition, whether physical or mental, that endangers the public by impairing skill and care in providing professional services.

(9) Presenting as one's own a license issued to another.

(10) Concealment of information regarding violations by other licensees when questioned or requested by the board.

(11) Willfully failing to file a report or record required by state or federal law; willfully impeding or obstructing the filing of such a report or record, or inducing another person to impede or obstruct such filing by another; and the making or filing of such a report or record which one knows to be false. A finding, adjudication, consent order or conviction by a federal or state court, agency or regulatory authority or the Public Company Accounting Oversight Board that a licensee has willfully failed to file a required report or record shall be prima facie evidence of a violation of this section.

(12) Active or stayed revocation or suspension of any occupational license or other privilege to practice any licensed occupation by or before any state, federal, foreign or other licensing or regulatory authority, provided the grounds for the revocation or suspension include wrongful conduct such as fraud, dishonesty, or deceit or any other conduct which evidences an unfitness of the applicant to practice public accountancy.

SECTION 47. Accy 4.01 is renumbered Accy 5.301.

SECTION 48. Accy 4.02 is renumbered Accy 5.101 and as renumbered is amended to read:

Accy 5.101 Firm license. A firm shall meet the ownership requirements of s. 442.08 (2) (c) 2., Stats., and be licensed as a certified public accountant if any member of the firm practices as a certified public accountant in Wisconsin ~~other than on a temporary basis as described in s. 442.025 (4), Stats.~~ An individual licensed as a CPA may only provide attest services as defined in s. 442.001 (1), Stats., in a CPA firm that has a firm license.

SECTION 49. Accy 4.03 is renumbered Accy 5.201.

SECTION 50. Accy 4.035 is repealed.

SECTION 51. Accy 4.037 is renumbered Accy 5.102.

SECTION 52. Accy 4.04 is renumbered Accy 5.302.

SECTION 53. Accy 4.05 is renumbered Accy 5.402.

SECTION 54. Accy 4.06 is renumbered Accy 5.303.

SECTION 55. Accy 4.07 (1) is renumbered Accy 5.401 (1) (intro.) and amended to read:

Accy. 5.401 Change in member of a firm. (1) The board is to be notified in writing of changes in the member of the firm or firm name or any of the following no later than 30 days after the change.

SECTION 56. Accy 4.07 (2) is renumbered 5.401 (3).

SECTION 57. Chapter Accy 5 (title) is repealed and recreated to read:

CHAPTER ACCY 5 (title)
FIRM LICENSURE

SECTION 58. Subchapter I (title) in chapter Accy 5 (precedes s. Accy 5.101) is created to read:

SUBCHAPTER I (title)
APPLICATION FOR FIRM LICENSURE

SECTION 59. Accy 5.01 is renumbered Accy 2.401 (1) and is amended to read:

Accy 2.401 Review ~~dates~~ of candidate's experience. (1) Following the successful passing of the ~~written~~ each section of the uniform CPA examination and upon written request by a candidate, a candidate's experience shall be reviewed by the board. The written request shall include employer verification statements and information on experience to update the experience data already in the candidate's file. Such evaluation will determine whether the candidate qualifies at that time under the requirement of having at least one year of public accounting experience or its equivalent, the sufficiency of the experience or the equivalency to be judged by the examining board. The board shall inform the candidate if additional experience is needed. Upon gaining the required additional experience, the candidate shall notify the board and provide verification.

SECTION 60. Accy 5.02 is renumbered Accy 2.402.

SECTION 61. Accy 5.03 is renumbered Accy 2.403 and amended to read:

Accy 2.403 Public accounting experience. An individual must have at least one year of public accounting experience or its equivalent as determined by the board. Experience shall be acquired after the applicant has earned ~~a degree described in s. 442.04 Stats., that qualifies the applicant to take the CPA examination~~ 120 semester hours from an accredited college or university with a concentration in accounting. This experience must have been acquired within 5 years of applying for the certification as a certified public accountant.

SECTION 62. Accy 5.04 and 5.05 are renumbered Accy 2.404 and 2.405.

SECTION 63. Accy 5.06 is repealed.

SECTION 64. Accy 5.07 is renumbered Accy 2.406.

SECTION 65. Subchapter II (title) in chapter Accy 5 (precedes s. Accy 5.201) is created to read:

SUBCHAPTER II (title)
SOLE PROPRIETOR

SECTION 66. Subchapter III (title) in chapter Accy 5 (precedes s. Accy 5.301) is created to read:

SUBCHAPTER III (title)
OFFICE

SECTION 67. Subchapter IV (title) in chapter Accy 5 (precedes s. Accy 5.401) is created to read:

SUBCHAPTER IV
MEMBER

SECTION 68. Accy 5.401 (1) (a) to (d) and (2) are created to read:

Accy 5.401 (1) (a) Formation of a new firm.

(b) Termination of a firm.

(c) Change in the management of any branch office in this state.

(d) Establishment of a new branch office or the closing or change of address of a branch office in this state.

(2) The board is to be notified in writing of any addition of a partner, member, manager or shareholder or the retirement, withdrawal or death of a partner, member, manager or shareholder as of January 1 of each year.

SECTION 69. Accy 5.403 is created to read:

Accy 5.403 Internet practice. A CPA firm offering or rendering professional services via a web site shall provide in the web site's homepage, a name, an address, and a principal state of licensure as a means for regulators and the public to contact a responsible licensee in charge at the firm regarding complaints, questions, or regulatory compliance.

SECTION 70. Subchapter I in chapter Accy 6 is created to read:

SUBCHAPTER I (title)
AUTHORITY AND DEFINITIONS

Accy 6.001 Authority. The rules in this chapter are adopted pursuant to the authority in ss. 15.08 (5) (b), 227.11 (2) and 442.087 (3), Stats.

Accy 6.002 Definitions. As used in this chapter

(1) "Board-approved review program" means the peer reviewer's entire peer review process, including the standards for administering performing and reporting on peer reviews, oversight procedures, training and related guidance materials.

(2) "Engagement review" means to read the financial statements and other information submitted by the reviewed firm or required under applicable professional standards, and the accountant's report on those statements and that information, of a firm that performs at its highest level of service only services under SSARS or services under the SSAE not included in a system review. The objective of an engagement review is to determine whether the engagements submitted for review conform to applicable professional standards in all material respects.

(3) "PCAOB" means the Public Company Accounting Oversight Board that conducts firm inspection of certified public accounting firms' Securities and Exchange Commission issuer practices and other engagements subject to its inspection process.

(4) "Peer review" means a board-approved study, appraisal, or review of one or more aspects of the attest or compilation work of a licensee of a registered firm in the practice of public accounting, by a person or persons who hold licenses in this jurisdiction and who are not affiliated with the person or firm being reviewed

(5) "Peer review program" includes the entire peer review process, including the standards for administering, performing and reporting on peer reviews, oversight procedures, training, and related guidance and materials.

(6) "Peer review reports" are reports issued by the peer reviewer or peer reviewing firm in accordance with board-approved peer review standards.

(7) "Peer review standards" are board-approved professional standards for administering, performing and reporting on peer reviews.

(8) "Peer reviewer" is a certified public accountant or accounting firm responsible for conducting the peer review holding a valid and active license to practice public accounting in good standing by this state who meets the peer reviewer requirements established in the board-approved peer review standards.

(9) "SAS" means the Statements on Auditing Standards issued by the auditing standards board of the American Institute of Certified Public Accountants.

(10) "SSAE" means the Statements on Standards for Attestation Engagements issued by the auditing standards board, the accounting and review services committee, and the consulting services executive committee of the American Institute of Certified Public Accountants.

(11) "SSARS" means the Statements on Standards for Accounting and Review Services issued by the accounting and review services committee of the American Institute of Certified Public Accountants.

(12) "System review" means to review a firm that, at the firm's highest level of service, performs engagements under the SAS or the Government Auditing Standards (Yellow Book), examinations of prospective financial statements under the SSAE, or audits of non-SEC issuers pursuant to the standards of the Public Company Accounting Oversight Board. A system review includes determining whether the firm's system of quality control for its accounting and auditing practice is designed and enforced to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards, including the Statements on Quality Control Standards, No. 8 of the American Institute of Certified Public Accountants in all material respects.

SECTION 71. Subchapter II (title) in chapter Accy 6 (precedes s. Accy 6.101) is created to read:

SUBCHAPTER II (title)
FIRM RENEWAL

SECTION 72. Subchapter III (title) on chapter Accy 6 (precedes s. Accy 6.201) is created to read:

SUBCHAPTER III (title)
REPORTS

SECTION 73. Subchapter IV (title) in chapter Accy 6 (precedes s. Accy 6.301) is created to read:

SUBCHAPTER IV (title)
CONDUCTING PEER REVIEWS

SECTION 74. Accy 6.303 and Accy 6.304 are created to read:

Accy 6.303 Extensions. (1)The board may accept extensions for completing peer reviews as long as the board is notified by the firm within 14 days from the date of the letter from the sponsoring organization granting the extension. Extensions will be granted for the following reasons:

(a) Health

(b) Military services

(c) Other good cause clearly outside of the control of the public accounting firm.

Accy 6.304 Firm structure changes. In the event a firm is merged, otherwise combined, dissolved, or separated, the peer reviewer shall determine which firm is considered to be

the succeeding firm. The succeeding firm shall retain its peer review status and the review due date.

SECTION 75. Chapter Accy 7 (title) and Accy 7.01, 7.02, 7.035 (5), and 7.04 (2) are repealed.

SECTION 76. Accy 7.06 is repealed.

SECTION 77. Accy 7.03 is renumbered Accy 2.201 and as renumbered Accy 2.201(2) is amended to read:

Accy 2.201 (2) An applicant for a certificate as a certified public accountant shall submit to the board an official transcript or transcripts of all academic work completed evidencing the awarding of a bachelor's or higher degree and a written request for an equivalency evaluation. Course work for equivalency may be accepted only if completed at an institution accredited by the North Central Association of Colleges and Schools or its regional equivalent a school or institution listed by an accrediting agency recognized by the secretary of the federal department of education or if it could be transferred to an accredited institution for credit toward the institution's accounting major.

SECTION 78. Accy 7.035 is renumbered Accy 2.202 and Accy 2.202 (intro.), (1), (2), (3) intro.) and (a), (4) (a), and (Note) are amended to read:

Accy 2.202 Education required to take the examination for certification. A person may not take the examination leading to the candidate applying for a certificate to practice as a certified public accountant unless the person has must complete, as part of the 150 semester hours education, met one of the following conditions:

(1) Earned a graduate degree with a concentration in accounting from an accounting program or department that is accredited by ~~an accrediting agency recognized by the board~~ an accrediting agency recognized by the secretary of the federal department of education.

(2) Earned a graduate degree from a business school or college of business that is accredited by an accrediting agency recognized by the ~~board~~ secretary of the federal department of education and completed at least 24 semester hours in accounting at the undergraduate level or 15 semester hours at the graduate level, or an equivalent combination, including courses covering the subjects of financial accounting, auditing, U.S. taxation, and management accounting.

(3) Earned a baccalaureate degree with a major in accounting from a business school or college of business that is accredited by an accrediting agency recognized by the ~~board~~ secretary of the federal department of education including all of the following:

(a) At least 24 semester hours in accounting at the undergraduate or graduate level, including courses covering the subjects of financial accounting, auditing, U.S. taxation, business law, and management accounting.

(4) Having obtained the reasonable equivalent of an accounting concentration by having earned a baccalaureate or higher degree from an accredited educational institution including all of the following:

(a) At least 24 semester hours of accounting, including courses covering the subjects of financial accounting, auditing, U.S. taxation, and management accounting.

Note: In accounting, the courses covering the subjects of financial accounting, auditing, taxation, and management accounting under ~~s. Accy 7.035 (3) (a) and (4) (a)~~ s. Accy 2.202 (3) (a) and (4) (a), would normally be all courses taken beyond the introduction level.

SECTION 79. Accy 7.04 (1) is renumbered Accy 2.203.

SECTION 80. Accy 7.05 is renumbered Accy 3.101.

SECTION 81. Accy 7.07 is renumbered Accy 2.204.

SECTION 82. Chapter Accy 8 (title) is repealed.

SECTION 83. Accy 8.01 is renumbered Accy 3.001.

SECTION 84. Accy 8.02 is renumbered Accy 3.002.

SECTION 85. Accy 8.03 (1) to (6) are renumbered Accy 3.102 (1) to (5).

SECTION 86. Accy 8.04 is renumbered Accy 3.201 and Accy 3.201 (2) as renumbered is amended to read:

Accy 3.201 (2) Except as provided in s. Accy 3.202, education qualifications in foreign countries are not comparable to those in Wisconsin. As no foreign school is accredited by the North Central Association of Colleges and Schools or its regional equivalent an accrediting agency that is recognized by the secretary of the federal department of education, evidence of acceptance without deficiency into a graduate program in a school accredited by ~~the North Central Association of Colleges and Schools or its regional equivalent~~ an agency that is recognized by the secretary of the federal department of education will be accepted as evidence of equivalence for a bachelor's or higher degree. The education acquired must constitute the reasonable equivalence of a resident major in accounting as set forth in ~~s. Accy 7.03~~ s. Accy 2.201.

SECTION 87. Accy 8.05 is renumbered Accy 3.202.

SECTION 88. Chapter Accy 9 (title) is renumbered Chapter Accy 6 (title)

SECTION 89. Accy 9.01 is repealed.

SECTION 90. Accy 9.02 is renumbered Accy 6.101.

SECTION 91. Accy 9.02 (Note) is renumbered Accy 6.101 (Note) and is amended to read:

Note: The following questions are intended to assist firms in determining whether a peer review is required for renewal. An affirmative response to any part of any question means that a peer review is required. Caution: This list is not exclusive. Refer to the standards if in doubt.

Does your firm audit SEC clients, including employer-sponsored plans required to file a form 11-K with the SEC?

Does your firm currently perform the following types of engagements?
Statements on Auditing Standards (SASs) - Audits?

Agreed-upon procedures?

Statements on Standards for Accounting and Review Services (SSARS)?

Reviews of financial statements?

Compilations of financial statements with disclosures?

Compilations of financial statements where "Selected Information-Substantially All Disclosures Required Are Not Included?"

Compilations of financial statements that omit substantially all disclosures?

Statements on Standards for Attestation Engagements (SSAE)?

International Financial Reporting Standards (IFRS) or International Auditing Standards (IAS)?

Examinations of prospective financial statements under SAARS?

Compilations of prospective financial statements under SAARS?

Agreed-upon procedures of prospective financial statements?

Examinations of written assertions?

Reviews of written assertions?

Agreed-upon procedures of written assertions?

Engagements under Government Auditing Standards (Yellow Book)?

PCAOB Auditing Standards?

PCAOB Attestation Standards?

Or any requirement for work performed as subject to requirements of the AICPA peer review program.

SECTION 92. Accy 9.03 and 9.04 are renumbered Accy 6.201 and 6.202.

SECTION 93. Accy 9.05 and 9.06 are renumbered Accy 6.301 and 6.302.

SECTION 94. EFFECTIVE DATE. The rules adopted in this order shall take effect on the first day of the third month following publication in the Wisconsin Administrative Register, pursuant to s. 227.22 (2) (intro.), Stats.

(END OF TEXT OF RULE)

Dated _____

Agency _____

Board Chairperson
Accounting Examining Board

ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

1. Type of Estimate and Analysis

Original Updated Corrected

2. Administrative Rule Chapter, Title and Number

Accy 1-9

3. Subject

Updating accounting practices and standards

4. Fund Sources Affected

GPR FED PRO PRS SEG SEG-S

5. Chapter 20, Stats. Appropriations Affected

20.165 (1) (g)

6. Fiscal Effect of Implementing the Rule

No Fiscal Effect Increase Existing Revenues Increase Costs
 Indeterminate Decrease Existing Revenues Could Absorb Within Agency's Budget
 Decrease Cost

7. The Rule Will Impact the Following (Check All That Apply)

State's Economy Specific Businesses/Sectors
 Local Government Units Public Utility Rate Payers
 Small Businesses (if checked, complete Attachment A)

8. Would Implementation and Compliance Costs Be Greater Than \$20 million?

Yes No

9. Policy Problem Addressed by the Rule

The Accounting Examining Board undertook a comprehensive evaluation of the current Wis. Admin. Code ch. Accy 1 to 9 and determined that the rules needed updating to reflect current practices within the profession. The evaluation also included bringing the accounting rules into conformity with recently passed legislation. 2013 Wisconsin Act 21 replaced the accreditation for bachelor's degree from the Commission on Institutions of Higher Education of the North Central Association of Colleges and Schools or its regional equivalence to an accrediting agency recognized by the Secretary of the Federal Department of Education. The proposed rule eliminates all references to the former accreditation body and updated pertinent provisions with the new accreditation standard. 2013 Wisconsin Act 210 amended the requirements for taking the accountancy exam by reducing the number of semester hours of education from 150 to 120 semester hours and by eliminating the bachelor's degree requirement. The proposed rule amends the affected provisions to implement this statutory change.

10. Summary of the businesses, business sectors, associations representing business, local governmental units, and individuals that may be affected by the proposed rule that were contacted for comments.

The rule was posted on the Department of Safety and Professional Service's website for 14 days in order to solicit comments from businesses, associations representing businesses, local governmental units and individuals that may be affected by the rule. No comments were received.

11. Identify the local governmental units that participated in the development of this EIA.

No local governmental units participated in the development of this EIA.

12. Summary of Rule's Economic and Fiscal Impact on Specific Businesses, Business Sectors, Public Utility Rate Payers, Local Governmental Units and the State's Economy as a Whole (Include Implementation and Compliance Costs Expected to be Incurred)

This rule is expected to have very little impact on specific businesses, business sectors, public utility rate payers, local governmental units or the State's economy as a whole. Implementation and compliance costs will be nominal.

13. Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule

The proposed rule will amend the current rules by making them conform to contemporary standards and practices of the accounting profession.

14. Long Range Implications of Implementing the Rule

ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

Long range implication of the rule includes greater consistency with national standards accepted throughout the accounting profession.

15. Compare With Approaches Being Used by Federal Government
None.

16. Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota)

Illinois: Illinois requires 150 college or university semester hours with an accounting concentration to be admitted to take the certified public accountant examination. The 150 hours must include a baccalaureate or higher degree conferred by an academic institution acceptable to the Board. 225 ILL COMP. STAT. 450/3. The Board recognizes institutions of higher education accredited by a regional accrediting association recognized by the Council for Higher Education Accreditation or the U.S. Department of Education. The Board also recognizes business schools accredited by the Association of Advance Collegiate Schools of Business or the Association of Collegiate Business Schools and Programs. 23 Ill. Adm. Code 1400.90 (c) (2) (H).

Iowa: Qualifications for a certificate as a certified public accountant in Iowa includes completion of at least 150 semester hours of college level education and receiving a baccalaureate or higher degree by a college or university recognized by the Board. Iowa Code §542.5 (7). The Board recognizes institutions accredited by the American Assembly of Collegiate Schools of Business. 193A IAC 3.2. Other qualifications include one year of verified experience and successful completion of the uniform certified accountant's examination. 193A IAC 3.1.

Michigan: Certification requirements in Michigan include the completion of a least 150 semester hours of college education including a baccalaureate degree or higher with a concentration in accounting. Mich. Admin. Code r. 338.5116 (1). For purposes of accreditation the Board recognizes the North Central Association of Colleges and Schools Commission on Institutions of Higher Education. Mich. Admin. Code r. 338.5115. Qualifying experience for certification includes 2,000 hours of experience within a period of not less than one calendar year and not more than 5 calendar years. Mich. Admin. Code r. 338.5117 (1).

Minnesota: The requirements for certification include the completion of one year of experience and 150 semester hours or 225 quarter hours at a college or university accredited by a recognized accrediting agency listed with the United States Department of Education, or an equivalent accrediting association. Minn. Stat. §3261.03 Subd. 6. Before taking the examination an applicant is required to have a "baccalaureate or higher degree, with a major in accounting or a major in business with accounting emphasis, or an equivalent education, from a college or university that is fully accredited by a recognized accrediting agency listed with the United States Department of Education or an equivalent accrediting association." Minn. Stat. §3261.03 Subd. 3.

17. Contact Name Shawn Leatherwood	18. Contact Phone Number (608) 261-4438
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This document can be made available in alternate formats to individuals with disabilities upon request.

**State of Wisconsin
Department of Safety & Professional Services**

AGENDA REQUEST FORM

1) Name and Title of Person Submitting the Request: Kelley Sankbeil Records Management Supervisor Division of Legal Services and Compliance		2) Date When Request Submitted: December 8, 2014 Items will be considered late if submitted after 4:30 p.m. and less than: ▪ 10 work days before the meeting for Medical Board ▪ 14 work days before the meeting for all others	
3) Name of Board, Committee, Council, Sections: Accounting Examining Board			
4) Meeting Date: 2-17-2015	5) Attachments: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	6) How should the item be titled on the agenda page? Intake Complaint Process	
7) Place Item in: <input checked="" type="checkbox"/> Open Session <input type="checkbox"/> Closed Session <input type="checkbox"/> Both	8) Is an appearance before the Board being scheduled? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	9) Name of Case Advisor(s), if required: None	
10) Describe the issue and action that should be addressed: Discuss Public Company Accounting Oversight Board (PCAOB) notifications and process for handling them.			
11) Authorization			
Kelley Sankbeil		December 8, 2014	
Signature of person making this request		Date	
Supervisor (if required)		Date	
Executive Director signature (indicates approval to add post agenda deadline item to agenda) Date			
Directions for including supporting documents: 1. This form should be attached to any documents submitted to the agenda. 2. Post Agenda Deadline items must be authorized by a Supervisor and the Policy Development Executive Director. 3. If necessary, Provide original documents needing Board Chairperson signature to the Bureau Assistant prior to the start of a meeting.			

**State of Wisconsin
Department of Safety & Professional Services**

AGENDA REQUEST FORM

1) Name and Title of Person Submitting the Request: Brittany Lewin Executive Director		2) Date When Request Submitted: Items will be considered late if submitted after 12:00 p.m. and less than: ■ 8 work days before the meeting										
3) Name of Board, Committee, Council, Sections: Accounting Examining Board												
4) Meeting Date: 2/17/15	5) Attachments: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	6) How should the item be titled on the agenda page? Informational Item – AICPA Request for Comments										
7) Place Item in: <input checked="" type="checkbox"/> Open Session <input type="checkbox"/> Closed Session <input type="checkbox"/> Both	8) Is an appearance before the Board being scheduled? If yes, who is appearing? <input type="checkbox"/> Yes by _____ (name) <input checked="" type="checkbox"/> No	9) Name of Case Advisor(s), if required:										
10) Describe the issue and action that should be addressed: See attached AICPA request for comments. No action necessary at February meeting. Deadline is June 15, 2015.												
11) <table style="width: 100%; border: none;"> <tr> <td style="width: 60%; border: none;">Signature of person making this request</td> <td style="width: 20%; border: none; text-align: center;">Authorization</td> <td style="width: 20%; border: none; text-align: right;">Date</td> </tr> <tr> <td style="border: none;">_____ Supervisor (if required)</td> <td style="border: none;"></td> <td style="border: none; text-align: right;">_____ Date</td> </tr> <tr> <td style="border: none;">_____ Bureau Director signature (indicates approval to add post agenda deadline item to agenda)</td> <td style="border: none;"></td> <td style="border: none; text-align: right;">_____ Date</td> </tr> </table>				Signature of person making this request	Authorization	Date	_____ Supervisor (if required)		_____ Date	_____ Bureau Director signature (indicates approval to add post agenda deadline item to agenda)		_____ Date
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_____ Bureau Director signature (indicates approval to add post agenda deadline item to agenda)		_____ Date										
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From: [Patterson, Lindsay](#)
To: [Patterson, Lindsay](#)
Subject: Request for comments: Evolving the CPA Profession's Peer Review Program for the Future
Date: Monday, December 15, 2014 9:23:18 AM
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)
[image004.png](#)
[image005.png](#)
[image006.png](#)
[image007.jpg](#)
[image008.png](#)
[image009.png](#)



Mat Young, Vice President, State Regulatory and Legislative Affairs, myoung@aicpa.org
Suzanne Jolicoeur, Senior Manager, State Regulatory Outreach, sjolicoeur@aicpa.org
James Cox, Senior Manager, State Legislation, jacox@aicpa.org
Lindsay Patterson, Communications Manager, State Regulatory and Legislative Affairs, lpatterson@aicpa.org
Phil Miatkowski, Project Administrator, pmiatkowski@aicpa.org

Dear State Board of Accountancy Members and Executive Directors:

The American Institute of CPAs (AICPA) launched its [Enhancing Audit Quality](#) (EAQ) initiative to align the objectives of all audit-related AICPA efforts to improve audit performance. A long-term effort of the EAQ initiative focuses on transforming the peer review program into a near real-time practice monitoring process that marries technology with human oversight in order to address performance issues. Through a thought-provoking concept paper, [Evolving the CPA Profession's Peer Review Program for the Future: A provocative vision of what practice monitoring could become](#), the AICPA presents a vision of how practice monitoring could advance accounting, auditing, and attest quality, and seeks your input on this vision.

As Sue Coffey, AICPA Senior Vice President - Public Practice and Global Alliances, and Alan Long, Managing Partner - Baldwin CPAs, explained during the National Association of State Boards of Accountancy regional meetings last June, the concept envisioned in the paper demonstrates how firms could operate, and benefit from, a next-generation practice monitoring system. Presenting an ongoing, near-real time process, the concept reflects the renewed emphasis that technology, risk management, transparency, and timely results have on firms, our profession, and the worldwide business community. The paper explains how pilot programs and evolving technology could play a role in practice monitoring's iterative development.

Final implementation of the concept would only occur after engagement with applicable standard setters, such as the Peer Review Board, and regulators, such as state boards of accountancy. This process would include exposure draft(s) and a comment period soliciting additional feedback.

As key stakeholders in the peer review process, the AICPA is interested in your insights on this provocative concept to transform practice monitoring. To help facilitate the discussion, the AICPA is asking specific questions about the concept's technology and external reporting. Visit aicpa.org/futurepracticemonitoring to read the paper and provide comments. We also encourage you to share the paper with colleagues across the profession for their

input. Comments may also be submitted via email to prsupport@aicpa.org. We ask that all input be submitted by June 15, 2015.

Thank you for your time.

Sincerely,

Lindsay Patterson

Communications Manager, State Regulatory & Legislative Affairs

P: +1.202.434.9201 | F: +1.202.638.4512

lpatterson@aicpa.org

1455 Pennsylvania Avenue, NW, 10th Floor

Washington, DC 20004



Member service hotline: 888.777.7077 or service@aicpa.org

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Views expressed by AICPA employees are expressed for purposes of deliberation, providing member services and other purposes exclusive of practicing public accounting. Views expressed by AICPA staff do not necessarily represent the official views of the AICPA unless otherwise noted. Official AICPA positions are determined through certain specific committee procedures, due process and deliberation.

Tax Advice Disclosure: We inform you that any U.S. federal tax advice contained in this communication (including any attachments) is not intended to be used, and cannot be used, for the purpose of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein.

**State of Wisconsin
Department of Safety & Professional Services**

AGENDA REQUEST FORM

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4) Meeting Date: 2/17/15	5) Attachments: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	6) How should the item be titled on the agenda page? Informational Item – WICPA Peer Review Program																			
7) Place Item in: <input checked="" type="checkbox"/> Open Session <input type="checkbox"/> Closed Session <input type="checkbox"/> Both	8) Is an appearance before the Board being scheduled? If yes, who is appearing? <input type="checkbox"/> Yes by _____ (name) <input checked="" type="checkbox"/> No	9) Name of Case Advisor(s), if required:																			
10) Describe the issue and action that should be addressed: Report from WICPA for informational purposes. No action necessary.																					
11) <table style="width: 100%; border: none;"> <tr> <td style="width: 60%; border: none;">Signature of person making this request</td> <td style="width: 20%; border: none; text-align: center;">Authorization</td> <td style="width: 20%; border: none;">Date</td> </tr> <tr> <td style="border: none;">_____</td> <td style="border: none;"></td> <td style="border: none;">_____</td> </tr> <tr> <td style="border: none;">Supervisor (if required)</td> <td style="border: none;"></td> <td style="border: none;">Date</td> </tr> <tr> <td style="border: none;">_____</td> <td style="border: none;"></td> <td style="border: none;">_____</td> </tr> <tr> <td colspan="2" style="border: none;">Bureau Director signature (indicates approval to add post agenda deadline item to agenda)</td> <td style="border: none;">Date</td> </tr> <tr> <td colspan="2" style="border: none;">_____</td> <td style="border: none;">_____</td> </tr> </table>				Signature of person making this request	Authorization	Date	_____		_____	Supervisor (if required)		Date	_____		_____	Bureau Director signature (indicates approval to add post agenda deadline item to agenda)		Date	_____		_____
Signature of person making this request	Authorization	Date																			
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Randall Miller
Hawkins, Ash, Baptie & Company, LLP
1 E Waldo Blvd Ste 5
Manitowoc, WI 54220

Dear Mr. Miller:

On January 26, 2015 the AICPA Peer Review Board Oversight Task Force accepted the report and letter of procedures and observations on the most recent oversight visit for the Wisconsin Institute of CPAs, the administering entity for the AICPA Peer Review Program, and the administering entity's response thereto. A copy of this acknowledgement, the two oversight visit documents, and your response have now been posted to the AICPA Peer Review Program Web site.

The next state oversight visit will be in 2016.

The AICPA Peer Review Board appreciates your cooperation and efforts in making the peer review program a success.

Sincerely,

Richard Hill

Richard Hill, Chair
Oversight Task Force
AICPA Peer Review Board

cc: Dennis Tomorsky, CPA, JD, CGMA, State Society CEO
Jessica Murphy, Wisconsin Institute of CPAs
Karl Ruben, AICPA Peer Review Program Technical Manager

Oversight Visit Report

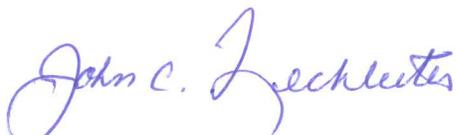
September 30, 2014

To the Wisconsin Institute of CPAs
Peer Review Committee

I have reviewed Wisconsin Institute of CPAs administration of the AICPA Peer Review Program as part of our oversight program. Our procedures were conducted in conformity with the guidance established by the AICPA Peer Review Board (board) as contained in the *AICPA Peer Review Program Oversight Handbook*. The administering entity is responsible for administering the AICPA Peer Review Program in compliance with the *AICPA Standards for Performing and Reporting on Peer Reviews*, interpretations, and other guidance established by the board. Our responsibility is to determine whether (1) administering entities are complying with the administrative procedures established by the board as set forth in the *AICPA Peer Review Program Administrative Manual*, (2) the reviews are being conducted and reported upon in accordance with the standards, (3) the results of the reviews are being evaluated on a consistent basis by all administering entity peer review committees, and (4) information disseminated by administering entities is accurate and timely.

Based on the results of the procedures performed, I have concluded that the Wisconsin Institute of CPAs has complied with the administrative procedures and standards in all material respects as established by the board.

As is customary, I have issued a letter of oversight visit procedures and observations that details the oversight procedures performed and sets forth recommendations that were not considered to be of sufficient significance to affect the conclusions expressed in this report.

A handwritten signature in blue ink that reads "John C. Lechleiter".

John C. Lechleiter, CPA
Member, Oversight Task Force
AICPA Peer Review Program

September 30, 2014

To the Wisconsin Institute of CPAs
Peer Review Committee

I have reviewed Wisconsin Institute of CPAs administration of the AICPA Peer Review Program as part of our oversight program and have issued our report thereon dated September 30, 2014. That report should be read in conjunction with the observations in this letter, which were considered in determining our conclusions. The observations described below were not considered to be of sufficient significance to affect the conclusions expressed in that report.

The oversight visit was conducted according to the procedures in the *AICPA Peer Review Program Oversight Handbook*. An oversight program is designed to improve the administering entity's administration of the AICPA Peer Review Program through feedback on its policies and procedures, and to provide resource assistance from an AICPA Peer Review Board Oversight Task Force member on both technical and administrative matters.

In conjunction with the oversight visit of the Wisconsin Institute of CPAs, the administering entity for the program, conducted on September 29, 2014, the following observations are being communicated.

Administrative Procedures

On the morning of September 29, 2014, I met with the Peer Review Manager to review the program's administration. I believe the administrative processes were being handled in a manner consistent with peer review standards.

I reviewed the files, which were still open due to follow-up actions, which had not yet been completed. I found that the follow-up actions were being effectively monitored for completion by the administrative staff and the peer review committee.

I also reviewed the policies and procedures for the granting of extensions. I found that the peer review manager handles short-term extension requests with discussion from the committee when the circumstances warrant.

I also reviewed the timeliness of the scheduling process, technical reviews, and the preparation of acceptance and follow-up letters. I found no problems in these areas.

The Wisconsin Institute of CPAs has developed a back-up plan to support the Peer Review Manager and Technical Reviewer if they become unable to serve in their respective capacities. I believe the back-up plan is sufficient to enable the Institute to maintain the administration of the program if circumstances ever warranted its implementation.

Web Site and Other Media Information

I met with the Peer Review Manager to review the administering entity's procedures to determine if the information disseminated regarding the AICPA Peer Review Program by the administering entity on their Web site and other media information is accurate and timely.

After the AICPA staff's review of the Web site material and other media information, I noted that the administering entity maintains current information as it relates to the peer review program. In addition, the administering entity has an individual who is responsible for maintaining the Web site and monitors the Web site to ensure peer review information is accurate and timely.

Working Paper Retention

I reviewed the completed working papers and determined that the working paper retention policies were compiled with in accordance with guidelines established in the *AICPA Peer Review Program Administrative Manual*.

Technical Review Procedures

I met with the technical reviewer to discuss procedures. She performs all technical reviews.

I reviewed the reports, letters of response, if applicable, and the working papers for fourteen reviews. I believe that all review issues were addressed properly by the technical reviewer before reviews were presented to the committee. This helped the acceptance process to be effective and efficient.

Review Presentation

Reviews are brought to the committee without technical issues. Accordingly, it was not necessary for the committee to spend a great deal of time reviewing specific technical issues.

Committee Procedures

I met with the committee chair and discussed their procedures for disseminating the comments resulting from the AICPA working paper oversights to the appropriate individuals. It was determined the committee issued reviewer feedback when appropriate.

On September 30, 2014, I attended the on-site peer review committee meeting, as well as the state's executive committee meeting. I observed the committee's acceptance process and offered my comments at the close of discussions.

The on-committee functioned as the report acceptance body (RAB), and the meeting was very orderly. It was apparent that the committee members had reviewed the reports and working papers thoroughly prior to the meeting and had a good understanding of the program to reach an appropriate decision for each to review.

Appropriate decisions were made in the acceptance process, appropriate follow-up actions were assigned and reviewers were being appropriately monitored. Reviews were being presented to the RABs on a timely basis.

Oversight Program

The Wisconsin Institute of CPAs peer review committee has adopted a formal oversight program that is well documented. I reviewed the document and procedures performed and found it to be comprehensive.

Summary

There are no further observations to be communicated to the Wisconsin Institute of CPAs.



John C. Lechleiter, Member, Oversight Task Force
AICPA Peer Review Program

November 20, 2014

Richard Hill, CPA
Oversight Task Force
AICPA Peer Review Board
Palladian I Corporate Center
220 Leigh Farm Road
Durham, NC 27707-8110

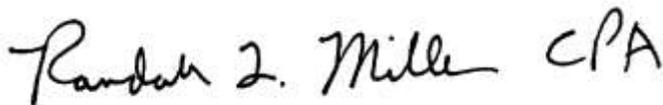
Re: Oversight Visit to Wisconsin Institute of CPAs Peer Review Committee

Dear Mr. Hill:

This letter represents our response to the report and letter of procedures and observations issued in connection with the review of the Wisconsin Institute of CPAs Peer Review Committee's administration of the AICPA Peer Review Program performed on September 29 - 30. The oversight visit documents have been disseminated to all peer review program committee members, administrative staff, and technical reviewer(s). We are pleased to note there were no specific deficiencies or observations included in the oversight documents on which a written response was required. This letter represents our acknowledgement of the oversight visit.

We appreciate John Lechleiter's review of our administration of the AICPA Peer Review Program.

Sincerely,



Randall L. Miller, CPA
WICPA Peer Review Committee Chair

**State of Wisconsin
Department of Safety & Professional Services**

AGENDA REQUEST FORM

1) Name and Title of Person Submitting the Request: Brittany Lewin Executive Director		2) Date When Request Submitted: Items will be considered late if submitted after 12:00 p.m. and less than: ■ 8 work days before the meeting	
3) Name of Board, Committee, Council, Sections: Accounting Examining Board			
4) Meeting Date: 2/17/15	5) Attachments: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	6) How should the item be titled on the agenda page? Speaking Engagement(s), Travel, or Public Relation Request(s)	
7) Place Item in: <input checked="" type="checkbox"/> Open Session <input type="checkbox"/> Closed Session <input type="checkbox"/> Both	8) Is an appearance before the Board being scheduled? If yes, who is appearing? <input type="checkbox"/> Yes by _____ (name) <input checked="" type="checkbox"/> No	9) Name of Case Advisor(s), if required:	
10) Describe the issue and action that should be addressed: Scholarships will be available to the following meetings. Please indicate if you are interested in attending. - NASBA Eastern Regional Meeting – June 24-26, 2015 – Baltimore, MD - NASBA 108 th Annual Meeting – October 25-28, 2015 – Dana Point, CA Please indicate if you plan to participate in any other Board related travel. Board may authorize travel requests.			
11) Signature of person making this request		Authorization	Date
Supervisor (if required)			Date
Bureau Director signature (indicates approval to add post agenda deadline item to agenda)			Date
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