



ACCOUNTING EXAMINING BOARD
Room 121A, 1400 E. Washington Avenue, Madison
Contact: Brittany Lewin (608) 266-2112
September 4, 2014

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 description of the actions of the Board.

AGENDA

9:00 A.M.

OPEN SESSION – CALL TO ORDER – ROLL CALL

- A. Adoption of Agenda (1-4)**
- B. Approval of Minutes of May 8, 2014 (5-8)**
- C. APPEARANCES – Secretary Dave Ross and Assistant Deputy Secretary Tom Engels – Department Updates and Q and A**
- D. Administrative Matters**
 - 1) Introduction of Board Members
- E. APPEARANCE – NASBA Representatives – Regional/National Update and Q and A**
- F. Legislative and Administrative Rule Matters – Discussion and Consideration**
 - 1) Revisions to Chs. ACCY 1-9 Comprehensive Update **(9-44)**
 - 2) AICPA’s Recommended Language Regarding Peer Review
 - 3) Accounting Rules Committee Update
- G. Speaking Engagement(s), Travel, or Public Relation Request(s)**
 - 1) NASBA Eastern Regional Meeting – Report from Gerald Denor
 - 2) NASBA Annual Meeting
- H. Items Added After Preparation of Agenda**
 - 1) Introductions, Announcements and Recognition
 - 2) Presentations of Petition(s) for Summary Suspension
 - 3) Presentation of Proposed Stipulation(s), Final Decision(s) and Order(s)
 - 4) Presentation of Final Decisions
 - 5) Disciplinary Matters
 - 6) Executive Director Matters
 - 7) Education and Examination Matters
 - 8) Credentialing Matters
 - 9) Practice Matters
 - 10) Legislation/Administrative Rule Matters
 - 11) Liaison Report(s)
 - 12) Informational Item(s)

13) Speaking Engagement(s), Travel, or Public Relation Request(s)

I. Public Comments

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

J. Presentation and Deliberation of Proposed Stipulations, Final Decisions and Orders by the Division of Legal Services and Compliance:

1) 13 ACC 016 – Jennifer M. Brawner (45-50)

K. DLSC Matters

- 1) Case Status Report (51)
- 2) Case Closing(s)
 - a. 14 ACC 005 (52-54)

L. Credentialing Matters

1) Application Reviews (55-57)

Review for Experience

1. Alsuhaibani, Azzam A
2. Armstrong, Keara N
3. Bach, Elizabeth J
4. Barker, Jeremiah J
5. Barrie, Frank D
6. Beaudin, Cole J
7. Bentley, Nathan R
8. Bogenschultz, Melanie L
9. Bulai-Hletko, Laura M
10. Carlson, Wesley J
11. Clark, Brian A
12. De Lorme, Daniel
13. Djurickovic, Amanda K
14. Doremus, Nicholas G
15. Drews, Michael F
16. Edmonds, Robert W
17. Fields, Lisa C
18. Fonk, Mandy M
19. Goberman, Galina
20. Griedl, Aaron L
21. Harris, Jennifer L
22. Heinrich, Shelby E
23. Heppe, Adam S
24. Hussain, Areeba
25. Igielski, Danielle M
26. Kehl, Lynn M
27. Kennedy, Justin J
28. Krumm, Christopher T
29. Levenstein, Adam E
30. Luckmann, Michelle A
31. Marousek, Erik S
32. McDougall, Michael R
33. Moore, Kala B
34. Nordness, Brian
35. O'Brien, Chase D
36. Pasanen, Anna M
37. Perez, Roxanne
38. Porubcan, Andrew J
39. Prodoehl, Eric A
40. Rasmussen, Kevin K
41. Rehmus, Brandon
42. Rood, Julie M
43. Schmidt, Heather L
44. Schuelke, Nicole L
45. Stoner, Kenneth V
46. Story, Kendra
47. Taylor, Ross A
48. Venne, Shanna M
49. Viney, Kayla M
50. Welch, Patrick J
51. Wenger, Brett J
52. Wheeler, Shane
53. Wycklendt, Alice L
54. Yager, Brad J
55. Yost, Stephanie A
56. Zimmerman, Alycia C
57. Zimmerman, Carmen R

Review for Arrest/Conviction, Lawsuit Record or Other Board's Action

1. Shambeau, Matthew S
2. Tordoff, Mitchell J

Review for Experience and Arrest/Conviction Record

1. Larson, Christopher J

Applications for Approval of Licensure

- | | |
|----------------------------|------------------------------|
| 1. Banach, Nicholas J | 33. Londo, Jason R |
| 2. Barth, Matthew G | 34. Mahlke, Scott W |
| 3. Bartz, Nathaniel T | 35. Mantych, Samuel M |
| 4. Blayney, Joseph P | 36. Meckstroth, Jacob N |
| 5. Brunner, Eric A | 37. Mueller, Kayla E |
| 6. Caillouette, John M | 38. Mustafa, Saqib |
| 7. Canedo, David | 39. Nooyen, Jennifer A |
| 8. Carroll, Daniel C | 40. Nsiah, Tabi |
| 9. Chomeau, Henri | 41. Nyquist, Ryan M |
| 10. Chau, Ting | 42. Olle, Bryan R |
| 11. Chen, Miaofan | 43. Palick, Peter A |
| 12. Erickson, Patrick D | 44. Radulovich, Corey M |
| 13. Evers, Nicole C | 45. Rasmussen, Daniel J |
| 14. Filtz, Ryan | 46. Rutten, Samuel C |
| 15. Glaaser, Ana L | 47. Schutte, Justin J |
| 16. Hack, Tyler | 48. Shaurette, Amanda M |
| 17. Haroldson, Anastasia T | 49. Skaletski, Kelley |
| 18. Henn, Stephanie L | 50. Spahn, Justin A |
| 19. Heritsch, Michael R | 51. Starbird, Tyler W |
| 20. Hies, Steven M | 52. Uhen, Benjamin J |
| 21. Hill, Brittany M | 53. Van Rossum, Charlotte L |
| 22. Hughes, Sarah E | 54. Voster, Kristen L |
| 23. Iwanski, Matthew J | 55. Wagner, Charity |
| 24. Jeske, Nicole | 56. Walters-Ketchum, Alexi M |
| 25. Johnson, Benjamin J | 57. Wenzel, Marco |
| 26. Kaestner, Kyle R | 58. Wilk, Jamie M |
| 27. Kertz, Amalia F | 59. Wintheiser, Aaron J |
| 28. Klaetsch, Rebecca M | 60. Wirkus, Tyrrell F |
| 29. Kusmerek, Kimberly A | 61. Wood, Kevin A |
| 30. Lange, Brandon W | 62. Wubben, Joshua L |
| 31. Logan, Nathaniel J | 63. Young, Aaron K |
| 32. Loke, Jacqueline S | |

M. Deliberation of Items Received After Printing of the Agenda

- 1) Disciplinary Matters
- 2) Education and Examination Matters
- 3) Credentialing Matters
- 4) Monitoring Matters
- 5) Professional Assistance Procedure (PAP) Matters
- 6) Petition(s) for Summary Suspensions
- 7) Petition(s) for Extension of Time
- 8) Proposed Stipulations, Final Decisions and Orders

- 9) Administrative Warnings
- 10) Proposed Decisions
- 11) Matters Relating to Costs
- 12) Motions
- 13) Petitions for Rehearing
- 14) Formal Complaints
- 15) Case Closings
- 16) Appearances from Requests Received or Renewed

N. Consult with Legal Counsel

RECONVENE TO OPEN SESSION IMMEDIATELY FOLLOWING CLOSED SESSION

**O. DLSC Matters – Discussion and Consideration
APPEARANCES – Jane Brischke, Kelley Foster and Matthew Niehaus – DLSC Paperless
Screening Panel Initiative (58-64)**

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

ADJOURNMENT

**ACCOUNTING EXAMINING BOARD
MEETING MINUTES
MAY 8, 2014**

PRESENT: Joseph Braunger (via GoToMeeting), Todd Craft, Gerald Denor, Kathleen LaBrake, Glenn Michaelsen, John Scheid

EXCUSED: Marion Wozniak

STAFF: Brittany Lewin, Executive Director; Karen Rude-Evans, Bureau Assistant; Jean MacCubbin, Rules Coordinator; Shawn Leatherwood, Rules Coordinator

CALL TO ORDER

John Scheid, Board Chair, called the meeting to order at 9:05 a.m. A quorum of six (6) members was confirmed.

RECOGNITION OF BOARD MEMBER(S)

MOTION: John Scheid moved, seconded by Todd Craft, to thank Steve Corbeille for his years of service and dedication to the Accounting Examining Board. Motion carried unanimously.

ADOPTION OF AGENDA

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

APPROVAL OF MINUTES

MOTION: Gerald Denor moved, seconded by Glenn Michaelsen, to approve the minutes of February 6, 2014 as published. Motion carried unanimously.

LEGISLATIVE AND ADMINISTRATIVE RULE MATTERS

Appearance by John Johnson, NASBA Director of Legislation and Governmental Affairs, and Suzanne Jolicoeur, AICPA Senior Manager of State Regulation and Legislation

Suzanne Jolicoeur, AICPA Senior Manager of State Regulation and Legislation, and John Johnson, NASBA Director of Legislation and Governmental Affairs, attended the Board meeting. Ms. Jolicoeur gave a PowerPoint presentation.

General Rules Status Update – Chs. ACCY 1-9

MOTION: Glenn Michaelsen moved, seconded by Gerald Denor, to request DSPS staff obtain the most recent professional standards needed to comply with administrative rules and Wisconsin Statutes. Motion carried unanimously.

SPEAKING ENGAGEMENT(S), TRAVEL, OR PUBLIC RELATIONS REQUEST(S)

NASBA Eastern Regional Meeting, June 4-6, 2014, Louisville, KY

MOTION: Glenn Michaelsen moved, seconded by Kathleen LaBrake, to designate Gerald Denor to attend the NASBA Eastern Regional Meeting on June 4-6, 2014 in Louisville, KY. Motion carried unanimously.

CLOSED SESSION

MOTION: Kathleen LaBrake moved, seconded by Todd Craft, 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: Todd Craft – yes; Gerald Denor – yes, Kathleen LaBrake – yes; Glenn Michaelsen – yes; John Scheid. Motion carried unanimously.

The meeting convened to Closed Session at 10:06 a.m.

RECONVENE TO OPEN SESSION

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

The meeting reconvened into Open Session at 10:48 a.m.

AFFIRM ALL VOTES MADE IN CLOSED SESSION

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

APPLICATION REVIEWS

MOTION: Todd Craft moved, seconded by Glenn Michaelsen, to approve the applications of those listed below for Certified Public Accountant Licensure once all requirements for licensure have been met. Motion carried unanimously.

1. Bauer, Rebecca L.	35. Schoenherr, Stephanie
2. Bendykowski, Kurt M.	36. Scoon, Stefan A.
3. Biddick, Noelle M.	37. Sliter, Derek J.
4. Bula, Katherine M.	38. Smith, Elizabeth A.
5. Doll, John D.	39. Solverson, Eric S.
6. Farber, Alex	40. Stueber, Arnold
7. Farrelly, Kit Y.	41. Suhajda, Michael P.
8. Fehl, Mark J.	42. Sutfin, Brian M.
9. Gast, Tracy L.	43. Swanson, Ashley M.
10. Gu, Jun	44. Thomas, Angela
11. Harlowe, Matthew R.	45. Tregellas, Joseph G.
12. Hart, Shawn E.	46. Vahey, Brandon
13. Hirani, Yousuf	47. Van Dehy, Kyla R.
14. Jung, Eric D.	48. Wolter, Noelle M.
15. Kazmerchek, Douglas J.	49. Young, Bryan
16. Kelm, Matthew L.	50. Johns, Andrew M.
17. Klement, Peter J.	51. Stoegbauer, Michael
18. Kopp, Timothy W.	52. Wallace, Andrew A.
19. Krier, Sandra L.	53. Aussprung, Chad M
20. Laws-Dahl, Theresa M.	54. Bacelis Gomez, Eduardo
21. Marshall, Daniel J.	55. Bender, Patrick J
22. Marshik, Jesse W.	56. Beske, Laura A
23. Milnes, Cheryl A.	57. Betz, Maria L
24. Monsos, Jennifer	58. Boehm, Jordan
25. Nielsen, Melissa K.	59. Boeldt, Joshua M
26. Noll, Erik K.	60. Calder, Adam
27. O'Driscoll, Amanda M	61. Clark, Jordan J
28. Paidler, Kasandra	62. Clark, Phyllis M
29. Peterson, Kristine L.	63. Dolezalek, Dana M
30. Pierce, Patrick J.	64. Dolezalek, Linda M
31. Potts, Jenifer	65. Edwards, Trisha L
32. Propson, Bobbi J.	66. Fiske, Thomas M
33. Rudolph, David S.	67. Frint, Kyle
34. Ryan, Karen L.	68. Gardetto, Joseph J

69. Gerber, Megan	98. Nelson, Todd J
70. Grimscheid, Katie A	99. Noltner, Michelle F
71. Golueke, Eric J	100. Oglesby, Hannah J
72. Hamilton, Alex J	101. Panka, Brandon
73. Hamilton, James R	102. Petzold, Lucas L
74. Hennes, Hailey S	103. Picciolo, Jillian L
75. Hill, Michaela K	104. Pospeschil, Kristin A
76. Jacobson, Rebecca M	105. Price, Drew N
77. Jentges, Rebecca A	106. Quirk, Kathryn M
78. Johnson, Bryan	107. Randall, Stuart
79. Kallio, Justin D	108. Reda, Patricia A
80. Kieffer, Jennifer L	109. Roos, Peggy M
81. Knop, Brandon P	110. Sapnu, Eric
82. Konym, Brian J	111. Sattler, Nicholas R
83. Kourliouros, Panagiotis	112. Schaefer, Eric M
84. Kozeniecki, Debra M	113. Schmitz, Cole T
85. Kreuzscher, Lawrence E	114. Schuh, Brittany A
86. Kusilek, Daniel F	115. Sipiowski, Scott T
87. La Frenz, Daniel M	116. Sleger, Caitlin J
88. Larrabee, Benjamin	117. Snyder, Brian M
89. Lephardt, Daniel J	118. Stansell, Jason M
90. Linn, Jeremy	119. Suess, Timothy
91. MacDonald, Brenna E	120. Swanson, Kyle J
92. Martin, Brittany M	121. Tracy, Jaclyn E
93. Meyers, Ryan D	122. Van Rite, Rachel A
94. Mogensen, Jessica J	123. Vergeer, Robert A
95. Mohr, Mark	124. Vertein, Barbara L
96. Mylrea, Brent M	125. Wanous, Kristina J
97. Nash, Daniel L	126. Wojdacz, Ryan G

The application review of **Trevor Rabbach** was tabled.

The application review of **Brandon Rehmus** was tabled.

ADJOURNMENT

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

The meeting adjourned at 11:10 a.m.

**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: August 21, 2014 <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: September 4, 2014	5) Attachments: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	6) How should the item be titled on the agenda page? LEG / ADMIN MATTERS 1. Discuss and Consider Revisions to chs. ACCY 1-9 comprehensive update 2. AICPA's recommended language regarding Peer Review	
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 committee will discuss and consider (1) the current preliminary draft of the rule and (2) AICPA's suggested language regarding peer review.</p>			
11) Signature of person making this request Shawn Leatherwood <small>Supervisor (if required)</small>	Authorization	Date August 21, 2014	
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.			

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

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), 442.04, 442.05, 442.087 (3), Stats. 2013 Wisconsin Act 21,
2013 Wisconsin Act 210

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. Section 442.04, Stats., sets forth the qualifications for accountants to become certified; while s. 442.05 Stats., lists the requirements for endorsement candidates. 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, qualifications for examination, and requirements for peer review as well as other topics.

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 certified as an 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 that is 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 with an accounting concentration and possesses a bachelor's degree or higher before taking the exam. Act 210 reduced the number of required semester hours of education from 150 to 120 semester hours with an accounting concentration. A baccalaureate degree or higher degree is no longer required before taking the exam. The proposed rule will amend the pertinent provisions to implement this statutory change.

The Board decided to make several other changes as well, such as adopting the American Institute of Certified Public Account's (AICPA) Code of Professional Conduct, adding terms to the definition section, and updating terms in the peer review chapter.

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

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 Illinois certified public accountant examination. The 150 hours must include a baccalaureate or higher degree conferred by an academic institution acceptable to the board. 225 ILCS 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. 193 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:

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

Fiscal Estimate and Economic Impact Analysis:

The Fiscal Estimate and Economic Impact Analysis are attached.

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.Leachwood@wisconsin.gov. **Comments must be received on or before * to 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 ~~9~~6 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~~ their behalf, either with or without compensation, which, if carried out by the certified public accountant, would violate chs. Accy 1 to ~~9~~6.

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), (6m), and (9m) are created to read:

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

Accy 1.003 (6m) “Certified public accountant” has the meaning given in s. 442.02 (1m), Stats.

Accy 1.003 (9m) “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, with the following exception:

(a) References to “member” are amended to refer to 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 renumbered Accy 1.202 (1) and amended to read:

Accy 1.202 Auditing Applicable 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 auditing standards 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.

(2) A licensee shall follow the standards, as applicable under the circumstances and at the time of the services. A licensee shall follow standards issued by other professional or governmental bodies including international standards setting bodies with which a licensee is required by law, regulation or the terms of engagement to comply. A licensee shall comply with all applicable standards, including all of the following:

(a) A licensee shall not render services subject to the authority of the Securities Exchange Commission or Public Company Accounting Oversight Board (PCAOB) unless the licensee has complied with the applicable standards and rules adopted and approved by the PCAOB and SEC.

(b) A licensee shall not render auditing services unless the licensee has complied with the applicable generally accepted auditing standards.

(c) A licensee shall not render accounting and review services unless the licensee has complied with the standards for accounting and review services issued by the American Institute of Certified Public Accountants.

(d) licensee shall not permit the licensee's name to be associated with governmental financial statements for a client unless the licensee has complied with the standards for governmental accounting issued by the Government Accounting Standards Board.

(e) A licensee shall not render attestation services unless the licensee has complied with the Statements on Standards for Attestation Engagements issued by the American Institute of Certified Public Accountants.

(f) A licensee shall not render management consulting services unless the licensee has complied with the standards for management consulting services, including the definition of such services, issued by the American Institute of Certified Public Accountants.

(g) A licensee shall not render services in the area of taxation unless the licensee has complied with the standards for tax services issued by the American Institute of Certified Public Accountants.

(h) A licensee shall not permit the licensee's name to be used in conjunction with any forecast of future transactions in a manner which may lead to the belief that the licensee vouches for the achievability of the forecast, and shall not render services associated with prospective financial statements unless the licensee has complied with the standards for accountants' services on prospective financial information issued by the American Institute of Certified Public Accountants.

(i) A licensee shall not express an opinion on financial statements unless the licensee complies with the Statements of Financial Accounting Standards, together with those Accounting Research Bulletins and Accounting Principles Board Opinions which are not superseded by action of the Financial Accounting Standards Board.

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.

Accy 1.301 (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 1.401(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~~ is 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 should properly be reflected in the client's books and records but which 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:

Accy 1.401 (2) (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.

Accy 1.401 (2) (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~~ their 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 11. 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 12. Accy 1.405 (title) 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 form permitted by state law. No person licensed to practice as a certified public accountant may practice under a firm name which is misleading as to the type of organization. A misleading CPA Firm name is one of the following:

(a) 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. 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. 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. Includes the name of an individual who is not a CPA if the title "CPAs" is included in the firm name.

4. Includes information about or indicates an association with persons who are not members of the firm.

5. 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) 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) Claims or implies the ability to influence a regulatory body or official;

(d) 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 United States, 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 13. Chapter Accy 2 (title) is created to read:

CHAPTER ACCY 2 (title)
INDIVIDUAL LICENSURE

SECTION 14. Subchapter I (title) in chapter Accy 2 is created to read:

SUBCHAPTER I (title)
AUTHORITY AND DEFINITIONS

SECTION 15. Accy 2.001 in subch. 1 of chapter Accy 2 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 16. Accy 2.002 in subch.1 of chapter Accy 2 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.

~~(4) “Resident major in accounting” means a course of study identified by a school or institution of higher learning listed by an accrediting agency recognized by the secretary of the federal department of education as a major in accounting. Where more than one course of accounting study is offered by a school, the course of study for public accounting shall be defined as a “resident major in accounting.”~~

SECTION 17. Subchapter II (title) in chapter Accy 2 is created to read:

SUBCHAPTER II (title)
APPLICATION FOR CERTIFICATION OF INDIVIDUALS

SECTION 18. Accy 3.01 is repealed.

SECTION 19. Subchapter III (title) in chapter Accy 2 is created to read:

SUBCHAPTER III (title)
EDUCATION

SECTION 20. Subchapter IV (title) in chapter Accy 2 is created to read:

SUBCHAPTER IV (title)
EXAMINATION

SECTION 21. Accy 3.02 is renumbered Accy 2.301 in subchapter IV of chapter Accy 2 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 2.307.

SECTION 22. Accy 3.03 is renumbered Accy 2.302 in subchapter IV and amended to read:

Accy 3.03 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 23. Accy 3.03 (1) Note is repealed.

SECTION 24. Accy 3.04 is renumbered Accy 2.303 in subchapter IV of chapter Accy 2 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 with an accounting concentration as specified in s. 442.04 (5) (b) 4., Stats., or the reasonable equivalence of an accounting concentration as specified in s. 442.04 (5) (c), Stats.

SECTION 25. Accy 3.05 is renumbered Accy 2.101 in subchapter II of chapter Accy 2 and amended to read:

Accy 2.101 Examination Application. (1) 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:

(a) The appropriate fee authorized in s. 440.05, Stats.

(b) Proof of fulfilling the educational requirements specified in Accy 2.202 and s. 442.04 (5) by submitting either:

1. 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.

2. ~~Verification from an institution, as defined in s. 442.04 (4) (a), Stats., that the candidate is expected to graduate with a resident major in accounting within 60 days following the examination date.~~

3. ~~Certified copies of transcripts for all academic work completed at an institution, as defined in s. 442.04 (4) (a), Stats., a list of all courses in which the candidate is currently enrolled, and verification from the institution that the candidate is expected to graduate within 60 days following the examination date, if the candidate expects to receive the reasonable equivalence of a resident major in accounting.~~

(c) ~~Request for accommodation of disability, if applicable. Evidence of at least one year of public accounting experience as required by Accy 2.403 and s. 442.04 (5) (b) 5., Stats.~~

(d) Evidence that the applicant has successfully passed the uniform certified public accountant examination.

(e) 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 2.307.

(2) ~~The board shall notify a candidate of the examination site when the completed application has been accepted by the board.~~

(3) ~~Applicants who have the educational requirements by the application deadline may apply to take the next scheduled examination, but no certified public accountant certificate may be issued until all other requirements are met.~~

SECTION 26. Accy 2.101 (1) 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. An applicant with a disability will be provided with reasonable accommodations.

SECTION 27. Accy 3.055 and 3.07 are repealed.

SECTION 28. Accy 3.06 is renumbered Accy 2.304 in subchapter IV of chapter Accy 2 and amended to read:

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

(2) A candidate shall retain credit for any section passed for 18 months. A candidate may not retake a failed section within the same calendar quarter.

(3) A candidate must pass all 4-sections of the uniform certified public accountant examination within a rolling 18-month period which 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 29. Accy 3.08 is repealed.

SECTION 30. Accy 3.09 is renumbered Accy 2.306 in subchapter IV of chapter Accy 2 and amended to read:

Accy 2.306 Cheating on examination. (1) 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:~~

(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.

(e) Divulging the nature or content of any examination question or answer to any individual or entity subsequent to the conclusion of the examination.

(f) Removing any examination materials, notes or other similar materials from the examination room.

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

(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 entering of a failing grade on all sections ~~written taken~~ for the examinations in which cheating occurred and suspension of the right to ~~write taken~~ 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.

(3) If more than one candidate is involved in a connected offense of cheating on an examination, each candidate knowingly involved in the cheating is subject to penalties.

(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 exam~~ shall be notified of the penalty levied in Wisconsin.

SECTION 31. Accy 3.10 is renumbered Accy 2.307 in subchapter IV of chapter Accy 2.

SECTION 32. Accy 3.11 is renumbered Accy 2.308 in subchapter IV of chapter Accy 2 and Accy 2.308 (1) as renumbered is amended to read:

Accy 2.308 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~~ exam from the National Association of State Boards of Accountancy.

SECTOIN 33. Accy 7.03 (title) is renumbered Accy 2.201 in subchapter III of chapter Accy 2 and Accy 2.201 (2) as renumbered is amended to read:

Accy 2.021 Reasonable equivalence of a ~~resident major in accounting~~ an accounting concentration. (1) The “reasonable equivalence of a ~~resident major in accounting~~ an accounting concentration” for individuals having a bachelor’s or higher degree ~~but no~~ “~~resident major in accounting~~” without having an accounting concentration.

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 34. Accy 7.035 is renumbered Accy 2.202 in subchapter III of chapter Accy 2 and 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, 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, taxation, and management accounting.

(b) At least 24 semester hours in business courses, other than accounting courses, at the undergraduate or graduate level.

(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, taxation, and management accounting.

(b) At least 24 semester hours in business courses, other than accounting courses, at the undergraduate or graduate level.

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.

~~(5) Whether or not the person has 150 semester hours education, has graduated with a bachelor's or higher degree with a resident major in accounting, or its reasonable equivalence, prior to January 1, 2001.~~

SECTION 35. Accy 7.04 is renumbered Accy 2.203 in subchapter III of chapter Accy 2 and amended to read:

Accy 2.203 Transfer of credit applicant. (1) Applicants who have passed all or part of the uniform certified public accountant examination in another jurisdiction but who have not yet received their certified public accountant certificate shall be able to transfer grades in subjects passed to Wisconsin provided that:

(a) Grades transferred must be certified to the board by the other jurisdiction and must be passed in accordance with rules applicable to Wisconsin candidates.

(b) Transfer of grades must be accepted by board action and the applicant notified in a manner similar to the action on grades for Wisconsin applicants.

~~(2) Applicants who do not meet the educational requirements to write in Wisconsin must do so prior to writing any additional parts of the examination or advancing further toward the receipt of a Wisconsin certified public accountant certificate.~~

SECTION 36. Accy 7.06 is repealed.

SECTION 37. Accy 7.07 is renumbered Accy 2.204 in subchapter III of chapter Accy 2.

SECTION 38. Accy 4.035 is renumbered Accy 2.205 in subchapter III of chapter Accy 2 and amended to read:

Accy 2.205 Requirements for late renewal of individual licenses; reinstatement. Each licensee shall renew or reinstate their license with the department. For purposes of this subsection reinstatement means the process by which a licensee whose license has been surrendered or revoked or has a license with unmet discipline which has not been renewed within 5 years of the renewal date may apply to have their license reinstated, with or without conditions. A credential holder may not reapply for their credential by the initial credentialing process.

(1) An individual certified public accountant who files an application for renewal of a license within 5 years after the renewal date may renew their license by filing with the board:

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

(b) The fee specified in s. 440.08 (2), Stats., plus the applicable late renewal fee as specified in s. 440.08 (3), Stats.

(2) An individual certified public accountant whose license has been surrendered, revoked, or 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) An application for renewal on a form prescribed by the department.

(b) The fee specified in s. 440.08 (2), Stats., plus the applicable late renewal fee specified in s. 440.08 (3), Stats.

(c) Verification of successful completion of examinations specified in ch. Accy 2.301, or education specified in ch. Accy 2.202 or both as the board may prescribe.

(3) A licensee may not practice as a certified public accountant prior to being granted reinstatement of their license.

SECTION 39. Chapter Accy 5 (title) is created to read:

CHAPTER ACCY 5 (title)
FIRM LICENSURE

SECTION 40. Subchapter I (title) in chapter Accy 5 is created to read:

SUBCHAPTER I (title)
APPLICATION FOR FIRM LICENSURE

SECTION 41. Subchapter II (title) in chapter Accy 5 is created to read:

SUBCHAPTER II (title)

SOLE PROPRIETOR

SECTION 42. Subchapter III (title) in chapter Accy 5 is created to read:

SUBCHAPTER III (title)
OFFICE

SECTION 43. Accy 4.01 is renumbered Accy 5.301 in subchapter III of chapter Accy 5.

SECTION 44. Accy 4.02 is renumbered Accy 5.101 in subchapter I of chapter Accy 5 and 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 define in s. 442.001 (1), Stats., in a CPA firm that has a firm license.

SECTION 45. Accy 4.03 is renumbered Accy 5.201 in subchapter II of chapter Accy 5.

SECTION 46. Accy 4.037 is renumbered Accy 5.102 in subchapter I of chapter Accy 5.

SECTION 47. Accy 4.04 is renumbered Accy 5.302 in subchapter III of chapter Accy 5.

SECTION 48. Subchapter IV (title) in chapter Accy 5 is created to read:

SUBCHAPTER IV
MEMBER

SECTION 49. Accy 4.05 is renumbered Accy 5.402 in subchapter IV of chapter Accy 5.

SECTION 50. Accy 4.06 is renumbered Accy 5.303 in subchapter III of chapter Accy 5.

SECTION 51. Accy 4.07 is renumbered Accy 5.401 in subchapter IV of chapter Accy 5 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.

(a) Formation of a new firm

(b) Addition of a partner, member, manager or shareholder.

(c) Retirement, withdrawal or death of a partner, member, manager or shareholder.

(d) Termination of the firm.

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

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

(2) Reorganizations, mergers, or comparable changes in which a new firm is created shall make application and the new firm licensed before practice can begin.

SECTION 52. Subchapter V (title) in chapter Accy 2 is created to read:

SUBCHAPTER V (title)
EXPERIENCE

SECTION 53. Accy 5.01 is renumbered Accy 2.401 (1) in subchapter V of chapter Accy 2 and Accy 2.401 (1) (title) is amended to read:

Accy 2.401 Review ~~dates~~ of candidate's experience.

SECTION 54. Accy 2.401 (2) in subchapter V of chapter Accy 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 54. Accy 5.02 is renumbered Accy 2.402 in subchapter V of chapter Accy 2 and as renumbered is amended to read:

Accy 2.402 (3) One year of experience shall consist of full or part-time employment that extends over a period of no less than a year and no more than 3 years and includes no fewer than 2, 000 hours of performance of services described in paragraphs (a), (b), and (c).

SECTION 55. Accy 5.03 is renumbered Accy 2.403 in subchapter V of chapter Accy 2, and renumbered 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 or 160 quarter hours from an accredited college or university with a concentration in accounting or the substantial equivalence of a concentration in accounting as set forth in Accy 2.303.

SECTION 56. Accy 5.04 and 5.05 are renumbered Accy 2.404 and 2.405 in subchapter V of chapter Accy 2.

SECTION 57. Accy 5.06 is repealed.

SECTION 58. Accy 5.07 is renumbered Accy 2.406 in subchapter V of Accy 2.

SECTION 59. Accy 7.01 and 7.02 are repealed.

SECTION 60. Chapter Accy 3 (title) is created to read:

CHAPTER ACCY 3 (title)
ENDORSEMENT

SECTION 61. Subchapter I (title) in chapter Accy 3 is created to read:

SUBCHAPTER I
AUTHORITY AND DEFINITIONS

SECTION 62. Subchapter II (title) in chapter Accy 3 is created to read:

SUBCHAPTER II
CERTIFICATION BY ENDORSEMENT

SECTION 63. Accy 7.05 is renumbered Accy 3.101 in subchapter II of chapter Accy 3.

SECTION 64. Accy 8.01 is renumbered Accy 3.001 in subchapter I of chapter Accy 3.

SECTION 65. Accy 8.02 is renumbered Accy 3.002 in subchapter I of chapter Accy 3 and amended to read:

Accy 3.002 Substantial equivalence. ~~Substantial equivalence does not mean identical, rather it means equivalence in substance.~~ is a determination by the board that the education, examination, and experience requirements contained in the statutes and administrative rules of another jurisdiction are comparable to, or exceed, the education, examination, and experience requirements contained in this chapter. For purposes of ascertaining substantial equivalency under the provisions of this chapter, the board shall take into account the qualification of the individual without regard to the sequence in which experience, education, or examination were attained.

SECTION 66. Accy 8.03 (1) to (6) is renumbered Accy 3.102 (1) to (5) in subchapter II of chapter Accy 3.

SECTION 67. Subchapter III (title) in chapter Accy 3 is created to read:

SUBCHAPTER III
FOREIGN ENDORSEMENT CANDIDATES

SECTION 68. Accy 8.04 is renumbered Accy 3.201 in subchapter III of chapter Accy 3 and as renumbered Accy 3.201 (2) 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 69. Accy 8.05 is renumbered Accy 3.202 in subchapter III of chapter Accy 3.

SECTION 70. Chapter Accy 6 (title) is created to read:

CHAPTER ACCY 6 (title)
PEER REVIEW

SECTION 71. Subchapter I (title) in chapter Accy 6 is created to read:

SUBCHAPTER I
AUTHORITY AND DEFINITIONS

SECTION 72. Accy 6.001 in subchapter I in chapter Accy 6 is created to read:

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.

SECTION 73. Accy 9.01 is repealed and recreated to read:

Accy 6.002 Definitions. (1) "Board-approved review program" means the sponsoring organization'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 or another jurisdiction and who are not affiliated with the person or firm being reviewed

(5) “Peer Review Oversight Committee” means a committee constituted for the purpose of overseeing the peer review requirement.

(6) “Peer Review Program” includes the sponsoring organization’s entire peer review process, including the standards for administering, performing and reporting on peer reviews, oversight procedures, training, and related guidance and materials.

(7) “Peer Review Reports” are reports issued by the peer reviewer or peer reviewing firm in accordance with board-approved peer review standards.

(8) “Peer Review Standards” are board-approved professional standards for administering, performing and reporting on peer reviews.

(9) “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 or some other state who meets the peer reviewer requirements established in the board-approved peer review standards.

(10) “Report Acceptance Body” means the sponsoring organization’s committee responsible for the acceptance of peer review documents.

(10) “Sponsoring organization” means a board-approved professional society or other organization responsible for the facilitation and administration of peer reviews through use of its peer review program and peer review standards

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

(12) “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.

(13) "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.

(14) "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 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 material respects.

SECTION 74. Subchapter II (title) in chapter Accy 6 is created to read:

SUBCHAPTER II (title)
FIRM RENEWAL

SECTION 75. Accy 9.02 is renumbered Accy 6.101 in subchapter II of chapter Accy 6

SECTION 76. 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 Auditing or Accounting Standards?

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 for non-issuers?

PCAOB Attestation Standards for non-issuers?

SECTION 77. Subchapter III (title) in chapter Accy 6 is created to read:

SUBCHAPTER III (title)
REPORTS

SECTION 78. Accy 9.03 and 9.04 are renumbered Accy 6.201 and 6.202 in subchapter III of chapter Accy 6.

SECTION 79. Subchapter IV (title) in chapter Accy 6 is created to read:

SUBCHAPTER IV (title)
CONDUCTING PEER REVIEWS

SECTION 80. Accy 9.05 and 9.06 are renumbered Accy 6.301 and 6.302 in subchapter IV of chapter Accy 6.

SECTION 81. Accy 6.303, Accy 6.304 and Accy 6.305 in subchapter IV of chapter Accy 6 are created to read:

Accy 6.303 Duties of the peer review oversight committee. (1) The Peer Review Oversight Committee shall review applications received from a sponsoring organization and recommend approval or disapproval of the applications that are received.

(2) The peer review oversight committee shall conduct oversight of approved peer review programs to provide reasonable assurance that such programs are in compliance with the minimum standards for performing and reporting on peer reviews. The committee shall report to the Board any modifications to approved peer review programs and shall make recommendations regarding the continued approval of peer review programs.

(a) Oversight procedures to be performed by the peer review oversight committee may include all of the following activities:

1. Visit the Sponsoring Organization of the approved peer review program.

2. Review the Sponsoring Organization's procedures for administering the program.

3. Meet with the Sponsoring Organization's RAB during consideration of peer review documents.

4. Review the Sponsoring Organization's compliance with their programs and oversight.

(b) The peer review oversight committee shall verify that firms are in compliance with peer review requirements as follows:

1. Verification may include review of the peer review report, the firm's response to the matters discussed in the peer review report, and the acceptance letter outlining any additional corrective or monitoring procedures, and the letter(s) signed by the Sponsoring Organization notifying the Firm that required actions have been appropriately completed.

Accy 6.304 Extensions. (1)The board may accept extensions for completing peer reviews granted by sponsoring organizations provided 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 6.305 Firm structure changes. In the event a firm is merged, otherwise combined, dissolved, or separated, the sponsoring organization 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 82. Chapter Accy 4 (title) is created to read:

CHAPTER ACCY 4 (title)
ENFORCEMENT

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.

Accy 4.102 Relief from disciplinary penalties. A person whose certificate or license has been revoked, suspended, or limited; or a firm whose license has been revoked, suspended, or limited may apply to the board for modification of the suspension, revocation, or limitation after completion of all requirements contained in the board's original order.

SECTION 83. 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

Chapter Accy 9

PEER REVIEW

Accy 9.01 Definitions.
Accy 9.02 Requirement for firm license renewal.
Accy 9.03 Reports from board-approved review programs.

Accy 9.04 List of board-approved review programs.
Accy 9.05 Board approval of reviewers.
Accy 9.06 Conducting a peer review.

Acct 9.01 Definitions. As used in this chapter:

(1) "Board-approved review program" means the Sponsoring Organization's entire peer review process, including but not limited to the standards for administering, performing and reporting on peer reviews, oversight procedures, training, and related guidance materials.

(2) "Engagement review" means a peer review where the peer reviewer evaluates and reports on whether engagements submitted for review are performed and reported on in conformity with applicable professional standards in all material respects.

(3) "PCAOB" means the Public Company Accounting Oversight Board that conducts firm inspections of certified public accounting firms' SEC 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 or another jurisdiction and who are not affiliated with the person or firm being reviewed.

(5) "Peer Review Oversight Committee" means a Board established committee to oversee the peer review requirement

(6) "Peer Review Program" includes the Sponsoring Organization's entire peer review process, including but not limited to the standards for administering, performing and reporting on peer reviews, oversight procedures, training, and related guidance and materials.

(7) "Peer Review Reports" are reports issued by the peer reviewer/reviewing firm in accordance with the Board-approved peer review standards

(8) "Peer Review Standards" are Board-approved professional standards for administering, performing and reporting on peer reviews.

(9) "Peer Reviewer/Reviewing Firm" is a certified public accountant/accounting firm responsible for conducting the peer review holding a valid and active license to practice public accounting in good standing by this state or some other state who meets the peer reviewer requirements established in the Board-approved peer review standards

(10) "Report Acceptance Body (RAB)" is the Sponsoring Organization's committee responsible for, but not limited to, the acceptance of peer review documents.

(11) "Sponsoring Organization" means a Board-approved professional society, or other organization responsible for the facilitation and administration of peer reviews through use of its peer review program and peer review standards

(12) "SAS" means statements on auditing standards issued by the auditing standards board of the American Institute of Certified Public Accountants.

(13) "SSAE" means the statements on standards for attestation engagements issued by the auditing standards board, of the American Institute of Certified Public Accountants.

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(14) "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.

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(15) "System review" means a peer review intended to provide the peer reviewer with a reasonable basis for expressing an opinion on whether during the year under review:

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(a) The reviewed firm's system of quality control for its accounting and auditing practice has been designed in accordance with applicable quality control standards.

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(b) The reviewed firm's quality control policies and procedures were being complied with to provide the firm with reasonable assurance of performing and reporting conformity with applicable professional standards in all material respects.

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History: CR 02-119: cr. Register July 2003 No. 571, eff. 8-1-03; CR 03-071: r. (4), renum. (5) to (9) to be (4) to (8) Register May 2004 No. 581, eff. 6-1-04.

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Accy 9.02 Requirement for firm license renewal. (1) After January 1, 2005, an application for renewal by a certified public accounting firm that provides or offers to provide attest services (as defined currently) shall include a description of at least one peer review of the firm undergone through a peer review program approved by the board, or approved by a board that regulates certified public accountants in another state, within 3 years preceding the application for renewal. The description shall identify the board-approved peer review program, the outcome of the review and the year under review.

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(2) A firm is exempt from the peer review requirements in this section if it does not offer or perform attest services as defined in s. 442.001 (1), Stats.

(3) A firm that has not offered or performed an attest service within the 3-year period preceding application for renewal shall notify the department at the time of renewal that it is exempt from the peer review requirements of this section because it has not offered or performed an attest service within the 3-year period. If a firm that has claimed the exemption in this section subsequently performs an attest service, it shall notify the board by letter that it is no longer exempt from the peer review requirement within 30 days after accepting the engagement for the attest service and that it agrees to undergo a peer review within 18 months after accepting the engagement.

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.

1.2. Does your firm currently perform the following types of engagements?

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Statements on Auditing Standards (SASs) - Audits?

Engagements under Government Auditing Standards (Yellow Book)?

Statements on Standards for Attestation Engagements (SSAE)? International

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Auditing or Accounting Standards?

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PCAOB Auditing Standards for non-issuers

PCAOB Attestation Standards for non-issuers

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

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

History: CR 02-119: cr. Register July 2003 No. 571, eff. 8-1-03.

Accy 9.03 Reports from board-approved review programs. Each board-approved peer review program shall report the following to the board by December 1 of each even-numbered year:

(1) A list of the names, and addresses, of all firms that have undergone peer review within the preceding 36 months.

(2) _____

History: CR 02-119: cr. Register July 2003 No. 571, eff. 8-1-03.

Accy 9.04 List of board-approved review programs. The board shall maintain a list of board-approved review programs which shall be available to the public.

History: CR 02-119: cr. Register July 2003 No. 571, eff. 8-1-03.

Accy 9.05 Approved Peer Review Sponsoring Organizations, Programs and Peer Review Standards

(1) The Board shall approve peer review Sponsoring Organizations, program(s) and standards.

(2) The Board adopts the American Institute of Certified Public Accountants (AICPA) as an approved Sponsoring Organization and its peer review program and the Wisconsin Institute of CPAs (WICPA) or its successor and other peer review programs administered by entities fully involved in the administration of the AICPA Peer Review Program. These organizations are not required to submit an application for approval to the Board. The Board may approve other peer review Sponsoring Organizations and programs.

(3) Any Board approved peer review program and any peer reviewer performing a peer review under this section shall utilize standards for performing and reporting on peer reviews by a recognized national accountancy organization whose standards are generally accepted by other regulatory authorities in the United States and are acceptable to the Board, including but not limited to the AICPA Standards for Performing and Reporting on Peer Reviews.

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(4) For an organization, not specifically identified in these Rules as Board-approved, to receive Board approval for its peer review program and standards, the organization must submit evidence to the satisfaction of the Board that the overall program and standards are at least equivalent to those of the AICPA Peer Review Program. At a minimum, the evidence shall include the standards, procedures, guidelines, oversight process, training materials and related documents used to administer, perform, and accept peer reviews. The Board has the authority to request any other documents/information from an organization about its peer review program in determining whether to grant approval.

(5) For public accounting firms required to be registered with and inspected by the Public Company Accounting Oversight Board (PCAOB), the Board approves the PCAOB's inspection process for reviewing practices subject to its authority (which are not included in the scope of peer review programs). Firms receiving inspections under the PCAOB are also required to meet the peer review requirements under a Board-approved peer review program that covers the portion of the public accounting firm's practice not subject to the PCAOB inspection process, should the firm have such a practice.

Accty 9.06 Peer Review Oversight Program

(1)The board may create a peer review oversight committee to provide oversight of the sponsoring organization in order to provide reasonable assurance that peer reviews are being administered, conducted, and reported on in accordance with the AICPA standards for performing and reporting on peer reviews.

(2) If formed, the Peer Review Oversight Committee:

(a) Shall be composed of at least three members;

(b) No committee member may be a current member of any state board of accountancy or one of its committees or perform any enforcement related work for regulatory or governmental bodies or state professional ethics committeea state board;

(c) At least two members shall have an active license to practice public accountancy in this state and shall have current experience in accounting and auditing;

(d) Each committee member in paragraph (c) above must have received a Peer Review report with a rating of pass on the most recently accepted Peer Review for his/her firm.

(f) A committee member may serve up to a three-year term, except that terms of those first appointed shall be arranged so that to the extent possible, an equal number of members will rotate off annually.

- (g) The committee may fill vacancies occurring during a term for the unexpired term with members approved by the Board.
- (h) Each committee member shall annually sign a confidentiality statement indicating they will not divulge any information to the Board that would identify any Firm, licensee, or peer reviewer/reviewing firm.

Accy 9.07 Peer Review Oversight Committee Responsibilities

- (1) The Peer Review Oversight Committee shall review applications received from Sponsoring Organizations and recommend approval or disapproval of such applications.
- (2) Oversight and verification. The Peer Review Oversight Committee shall conduct oversight of approved peer review programs to provide reasonable assurance that such programs are in compliance with the minimum standards for performing and reporting on peer reviews. The committee shall report to the Board any modifications to approved peer review programs and shall make recommendations regarding the continued approval of peer review programs.
 - (a) Oversight procedures to be performed by the Peer Review Oversight Committee may consist of but are not limited to the following activities:
 - (A) Visit the Sponsoring Organization of the approved peer review program;
 - (B) Review the Sponsoring Organization's procedures for administering the program;
 - (C) Meet with the Sponsoring Organization's RAB during consideration of peer review documents;
 - (D) Review the Sponsoring Organization's compliance with their programs and oversight.
 - (b) The Peer Review Oversight Committee shall verify that firms are in compliance with peer review requirements as follows:
 - (A) Verification may include review of the peer review report, the firm's response to the matters discussed in the peer review report, and the acceptance letter outlining any additional corrective or monitoring procedures, and the letter(s) signed by the Sponsoring Organization notifying the Firm that required actions have been appropriately completed.

Accy 9.08 Extensions.

(1) The Board may accept extensions for completing peer reviews granted by Sponsoring Organizations provided the Board is notified by the firm within 14 days from the date of the letter from the Sponsoring Organization granting the extension. Ordinarily extensions are granted for the following reasons:

- (a) Health;

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(b) Military service; or

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

9.09 Firm Structure Changes

In the event a firm is merged, otherwise combined, dissolved, or separated, the sponsoring organization 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.

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

AGENDA REQUEST FORM

1) Name and Title of Person Submitting the Request: Matthew C. Niehaus, DSPPS WebMaster		2) Date When Request Submitted: 05/16/14 Items will be considered late if submitted after 4:30 p.m. on the deadline date: <ul style="list-style-type: none"> ▪ 8 business days before the meeting for paperless boards ▪ 14 business days before the meeting for all others 	
3) Name of Board, Committee, Council, Sections: Accounting Examining Board			
4) Meeting Date: 09/04/14	5) Attachments: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	6) How should the item be titled on the agenda page? DLSC Paperless Screening Panel Initiative - APPEARANCE	
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 (Fill out Board Appearance Request) <input type="checkbox"/> No	9) Name of Case Advisor(s), if required:	
10) Describe the issue and action that should be addressed: Jane Brischke: Program & Policy Analyst – Advanced Cortney Keo: Records Management Supervisor Kelley Foster: Medical Examining Board Intake Specialist Matthew C. Niehaus: DSPPS WebMaster The above staff will be appearing before the Board to present the DLSC Paperless Screening Panel Initiative.			
11) Authorization			
 Signature of person making this request		05/16/14 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.			

BOARD APPEARANCE REQUEST FORM

Appearance Information

Board Name: Accounting Examining Board

Board Meeting Date: 09/04/14

Person Submitting Agenda Request: Matthew C. Niehaus: DSPP WebMaster

Persons requesting an appearance:

Jane Brischke: Program & Policy Analyst – Advanced

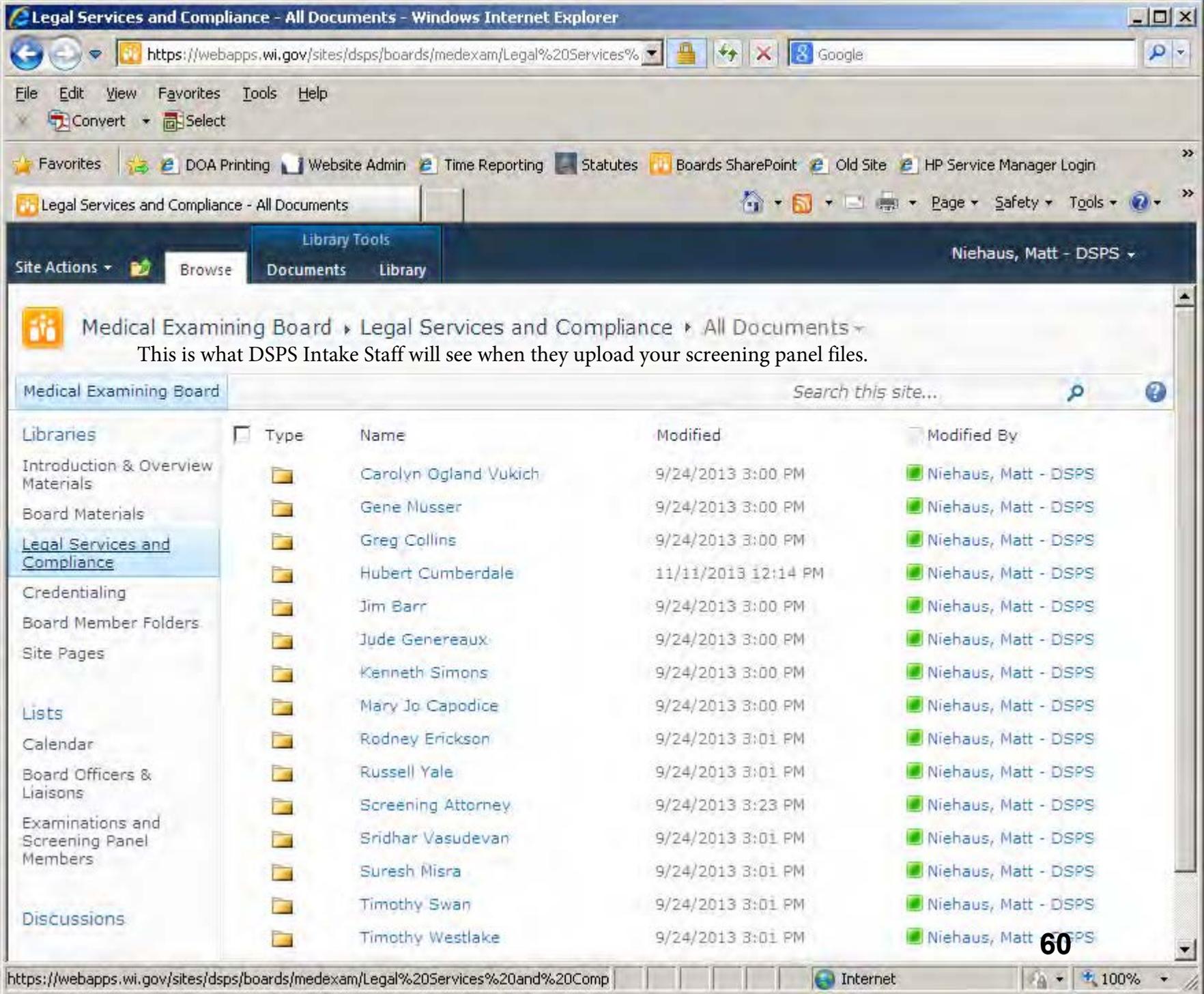
Cortney Keo: Records Management Supervisor

Kelley Foster: Medical Examining Board Intake Specialist

Matthew C. Niehaus: DSPP WebMaster

Reason for Appearance:

The above DSPP staff are appearing before the Board to present the DLSC Paperless Screening Panel.

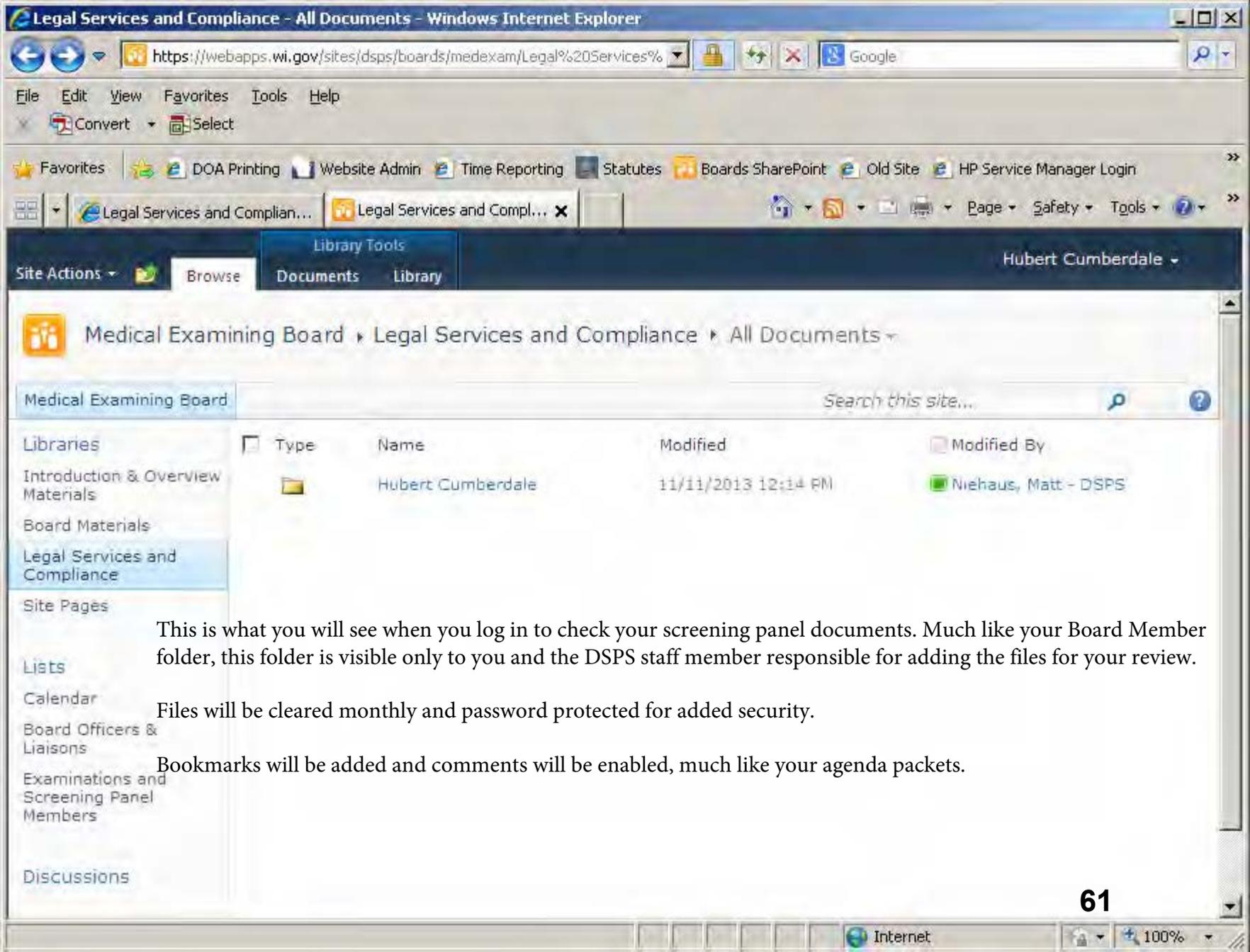


Medical Examining Board > Legal Services and Compliance > All Documents > This is what DSPS Intake Staff will see when they upload your screening panel files.

Medical Examining Board Search this site...

Libraries	Type	Name	Modified	Modified By
Introduction & Overview Materials	Folder	Carolyn Ogland Vukich	9/24/2013 3:00 PM	Niehaus, Matt - DSPS
Board Materials	Folder	Gene Nusser	9/24/2013 3:00 PM	Niehaus, Matt - DSPS
Legal Services and Compliance	Folder	Greg Collins	9/24/2013 3:00 PM	Niehaus, Matt - DSPS
	Folder	Hubert Cumberlanddale	11/11/2013 12:14 PM	Niehaus, Matt - DSPS
Credentialing	Folder	Jim Barr	9/24/2013 3:00 PM	Niehaus, Matt - DSPS
Board Member Folders	Folder	Jude Genereaux	9/24/2013 3:00 PM	Niehaus, Matt - DSPS
Site Pages	Folder	Kenneth Simons	9/24/2013 3:00 PM	Niehaus, Matt - DSPS
Lists	Folder	Mary Jo Capodice	9/24/2013 3:00 PM	Niehaus, Matt - DSPS
Calendar	Folder	Rodney Erickson	9/24/2013 3:01 PM	Niehaus, Matt - DSPS
Board Officers & Liaisons	Folder	Russell Yale	9/24/2013 3:01 PM	Niehaus, Matt - DSPS
Examinations and Screening Panel Members	Folder	Screening Attorney	9/24/2013 3:23 PM	Niehaus, Matt - DSPS
	Folder	Sridhar Vasudevan	9/24/2013 3:01 PM	Niehaus, Matt - DSPS
	Folder	Suresh Misra	9/24/2013 3:01 PM	Niehaus, Matt - DSPS
Discussions	Folder	Timothy Swan	9/24/2013 3:01 PM	Niehaus, Matt - DSPS
	Folder	Timothy Westlake	9/24/2013 3:01 PM	Niehaus, Matt - DSPS

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This is what you will see when you log in to check your screening panel documents. Much like your Board Member folder, this folder is visible only to you and the DSPS staff member responsible for adding the files for your review.

Files will be cleared monthly and password protected for added security.

Bookmarks will be added and comments will be enabled, much like your agenda packets.

One set of Medical Examining Board
Screening Panel Materials
(Four of these were mailed every month)



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PAPERLESS SCREENING PANELS

TOTAL POTENTIAL SAVINGS

- ★ **\$2,397.57 printing + \$2,582.30 shipping + \$10,200 Canon IR 7086 + \$22,509.24 staff time = \$37,689.11 ANNUALLY¹**
- ★ **In addition to the monetary savings:**
 - ✓ This process introduces enhanced security for screening panel documents. Under the new system, these documents are carefully controlled and protected by multiple layers of authentication.
 - ✓ Environmental impact: save 90 trees annually, landfill space, kilowatts of energy
 - ✓ Real time updates and delivery of documents.
 - ✓ Document management – ability to recreate misplaced/lost documents, locate/search/distribute files quickly and efficiently

1. COPIER/PAPER/MAILING (postage, envelopes) SAVINGS

- ✓ DLSC currently obtains paper for \$33.40 per box. Each box contains 5,000 sheets of paper. Each individual sheet of paper thus costs DSPS \$0.00668.
 - 100 sheets of paper weighs approximately 1 pound, meaning it costs \$0.668 to purchase one pound of paper.
 - Toner costs are covered by our lease on the printing equipment.
 - Print jobs after we surpass the 40,000 monthly page limit permitted in our lease cost us \$0.50 extra per 100 pages
- ✓ Adding in one internal packet for screening panel attorneys every month, DLSC printed approximately 206,500 pages of paper for Screening Panels over 210 calendar days (May 9 – November 26), not factoring in any erroneous print jobs.
- ✓ From May 9 to November 26, DLSC spent \$1,008.05 to ship Tyvek envelopes for large screening packets.
- ✓ \$51.52 is spent on regular envelopes for mailings that are light enough to send through the postal service. Mailing these envelopes costs \$414.96 in postage annually. \$365.82 is spent purchasing white Tyvek envelopes that must be sent through a courier service, for a total of \$832.30 annually on miscellaneous mailing materials.
- ✓ Based upon the above data, shipping costs for screening panels add up to \$2,582.30 annually, with estimated annual printing costs of \$2,397.57.

2. STAFF TIME/SAVINGS

- ✓ DLSC staff currently spends an average of 12 hours per Medical Examining Board screening panel packet copying and mailing. The average intake staff salary with fringe is \$24.44 per hour which costs out to \$293.28 of staff time per packet. This results in a \$7,038.72 expenditure in staff time annually. As the paperless scanning process only necessitates one run through the scanner, this will cut down the amount of time spent at the copier to ¼ its current level, a \$5,279.04 savings.
- ✓ Other Boards typically take considerably less time to prepare their screening panel packets. Assuming an average of 5 hours of staff processing time per packet, with 188 meetings that are not representative of the Medical Examining Board per year², there is an additional staff time savings of \$17,230.20 for a grand total of \$22,509.24 in staff expenses that can be reallocated.
- ✓ The time currently spent compiling the printed packets for mailing may be shifted to improving the quality of the materials through bookmarking, page numbering, and running text recognition. This will aid the screening panel in its efforts, potentially saving time screening panel attorneys spend in meetings with screening panel members.

3. OTHER FACTORS

- ✓ By drastically reducing the amount of time needed for DLSC staff to physically stand at the copier and as it is possible to print to a copier that is being used to scan documents, we could cease leasing one of our two DLSC copiers. We currently lease the more expensive copier Canon IR 7086 (Mickey) on a 6-month basis for \$850/month (\$10,200 annually.)

¹ This is achieved with virtually no cost, as the SharePoint Site has already been purchased for the Policy Development paperless initiative.

² 332 screening panel meetings are scheduled for 2014. Approximately 40% of all screening panel meetings from 2013 were cancelled due to lack of business, meaning there would be 200 total meetings. The estimate of 5 hours per packet (and 12 hours per Medical Examining Board packet) was taken from interviews with DLSC staff.

Initiatives for Improving Service

Division of Legal Services & Compliance – Paperless Screening Panels

- ✓ Drives Wisconsin to the cutting edge of state government technology solutions
- ✓ No potential for loss or damage in the mail
- ✓ Text recognition
 - Adobe can recognize typed (and usually handwritten) notes and allow for searching for specific words and phrases
- ✓ Enlarge text
 - Ability to enlarge the document for easier readability
- ✓ Accessibility of documents
 - No need to transport large files to screen materials
 - SharePoint is accessible anywhere you have a computer, tablet or smart phone and the internet
- ✓ Convenient notes and comments
 - Members have the ability to create a document in Microsoft Word directly from the SharePoint site to keep track of notes
 - This document is also accessible anywhere you can use SharePoint
 - Make comments directly in your electronic copy of each complaint on specific pages or places
 - Easy access to all comments, or specific comments, via a list in Adobe
- ✓ Pages will be numbered and bookmarked so members may easily reference points in the document
- ✓ Transition process
 - First sets of screening materials will be sent via **paper** and **electronic** formats, to ease the transition to paperless panels
- ✓ Financial impact
 - Paperless screening will save approximately \$40,000 on paper, ink, printer maintenance and shipping costs annually (\$240,000 by 2020)
 - There is also time savings in preparing, sorting, copying and mailing
 - Elimination of costs related to destroying screening panel documents
 - Reduction of file space requirements
- ✓ Technical support
 - Intake staff members are available to answer any questions you have regarding paperless screening
 - Kelley Foster – Intake for MED & MED Affiliates
(608) 267-1818 kelly.foster@wi.gov
 - DLSC staff will follow-up in the months after implementation to obtain feedback and input on the paperless screening process