

WISCONSIN ACCOUNTING EXAMINING BOARD

CPA Members Newsletter



July 2015

CHAIR LETTER

Welcome to our inaugural issue of the *Wisconsin Accounting Examining Board Newsletter*.

The goal of the *Newsletter* is create a forum to discuss changes impacting CPAs licensed to practice in Wisconsin, provide insight into developments affecting CPAs in the state and seek your input on matters important to practicing CPAs.

In this first issue, we will try to give you a brief perspective of our Board responsibilities, discuss a significant project that the Board has been working on (Rules Update) and discuss CPA exam and licensing developments, together with offering answers to a few frequently asked questions. In future issues, you can expect my Chair Letter to focus your attention on key changes and developments impacting CPAs in Wisconsin.

For now, let's get you acquainted to the Accounting Examining Board, our duties, our members and the projects we are working on presently. Don't hesitate to contact us anytime with a question or comment.

Enjoy the beautiful Wisconsin summer!

John S. Scheid
Chair of Wisconsin Accounting Examining Board



John Scheid

Board Members

John Scheid, Chairperson
Todd Craft, Vice Chairperson
Gerald Denor, Secretary
Christine Anderson
Joseph Braunger
Kathleen LaBrake
Glenn Michaelsen

Executive Director

Brittany Lewin

Contact Information

Wisconsin Department of Safety
and Professional Services
Division of Policy Development
1400 E. Washington Ave., Rm. 112
P.O. Box 8935
Madison, WI 53708-8935

Tel: (608) 266-2112
Email: dsps@wisconsin.gov



WHO ARE WE AND WHAT DO WE DO?

Responsibilities of the Wisconsin Accounting Examining Board

Board members are appointed by the Governor and confirmed by the State Senate for four year terms. Currently, there are five CPAs and two public members serving on the Wisconsin Accounting Examining Board ("AEB" or the "Board"). We generally meet 4 - 5 times a year, with subcommittees (Rules or Screening Panel) meeting more frequently as needed.

The Board supervises the licensing of CPAs in the state and sees to it that every person practicing as a certified public accountant in the state follows the rules and standards prescribed by Wisconsin Stats. Chapter 442 and Wisconsin Administrative Code Chapters Acy 1-9. The Board may propose rules on auditing standards issued by the Auditing Standards Board of the AICPA, standards for accounting and review services issued by the Accounting and Review Services Committee of the AICPA, and attestation standards issued by the AICPA. All proposed rule changes by the Board go through a statutorily defined process, which includes a public hearing.

The Board oversees the certification and licensing process for all CPAs and CPA Firms in the state. This includes reviewing applications for licensure by individuals and firms, together with overseeing the peer review process for CPA firms renewing their firm license when required by statute.

When a complaint is filed against a CPA or a CPA Firm, the Board (through its Screening Panel), along with Department staff, will review the complaint and investigate as appropriate. In situations where appropriate, the Board may take disciplinary action when a state statute or rule has been violated. Such actions may involve limiting or suspending the license to practice in the state of Wisconsin.

In summary, we provide oversight of the CPAs practicing in Wisconsin with the goal of offering customers quality service from the profession. ★

CURRENT PROJECT

Wisconsin Accountancy Rules Update

During the last two years the Accounting Examining Board has undertaken a comprehensive review of the rules governing accounting practice in Wisconsin. These rules provide guidance within the profession with regard to the qualifications for certification and licensure, qualifications for examination, and requirements for peer review. The rules existing in 2013 had not been updated for over 10 years.

During the time the Board was conducting its review, legislation was passed that greatly impacted becoming a certified public accountant in Wisconsin. Wisconsin Act 21 (2013) 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 Institutions of Higher Education of the North Central Association of Colleges and Schools. Wisconsin Act 21 (2013) changed the accreditation standard to include institutions of higher education that are accredited by an accreditation agency recognized by the Federal Department of Education. Wisconsin

Act 210 (also in 2013) modified the qualifications for sitting for the CPA exam. Before Act 210, individuals had to complete 150 semester hours of education and possess a baccalaureate or higher degree before taking the exam. Currently, candidates are eligible to take the exam once they complete 120 hours of the 150 credit hours required for licensure according to Wis. Stats. 442.04(5)(b).

The Board has decided to adopt the American Institute of Certified Public Accountants (AICPA) Code of Professional Conduct, and update the rule peer review chapter with new terms, together eliminating references to the former accreditation body, updating pertinent provisions with the accreditation standard and implementing statutory changes from Act 21 and Act 210 as appropriate.

The draft Accountancy Rules were presented for public comment in February, evaluated for economic impact and are proceeding through the Legislative process. ★



SUMMARY OF STATES' CPA EXAM AND LICENSING EDUCATION REQUIREMENTS

Currently, the 55 U.S. CPA licensing jurisdictions require a CPA exam candidate to complete college education requirements as a pre-requisite for taking the CPA exam. Of the 55 jurisdictions, 51, including Wisconsin, have statutes that conform to identical national mobility standards that permit CPAs in each of these U.S. jurisdictions to practice their CPA profession in the other conforming states.

The statutory mobility CPA license requirements adopted by 50 states and the District of Columbia are: (1) Obtaining 150 credit hours with a Baccalaureate Degree, (2) Minimum 1 year of CPA experience, and (3) Passing the Uniform CPA Examination. Thirty-four jurisdictions, including Wisconsin, allow CPA candidates to sit for the exam with 120 college

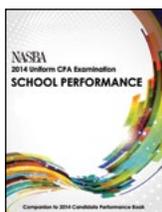
credit hours rather than the 150 credit hours required for licensure.

In conformity with states' national CPA mobility laws, all jurisdictions require completion of one year of CPA experience, or its equivalent, in order to be eligible to receive a CPA license. In order for the required experience to be at a sufficient level of complexity to provide assurance of a CPA's accounting skill and competence for the purpose of protecting the public, the year of experience must be started and completed after graduation from college. The national CPA exam rules require that a candidate pass all four parts of the exam within a consecutive 18 month period in order to be considered as having passed the CPA exam. ★

FUN FACT: How many CPAs currently serve in the Wisconsin legislature (Assembly and Senate)? Can you name them? Look on Page 8 for the answer.

THE NASBA CANDIDATE PERFORMANCE BOOK AND THE STATE OF WISCONSIN

The Board provides statistics from the *NASBA 2014 Candidate Performance Book*, an annual publication of average scores and CPA exam candidate demographics for the CPA exam taken over the past four quarters. To view the statistics, please go to page 5.



The *NASBA Candidate Performance Book* reports that during 2014, the jurisdictions with the most candidates were: California (12,381), New York (10,122) and Texas (5,668). Those with the highest pass rate during 2014 were: Utah (62.3%), Wisconsin (58.8%) and South Dakota (58.3%). According to NASBA's figures, there were 91,384 candidates who took the Uniform CPA Examination (of which 39,798 were new candidates) with 25,643 passing their fourth section of the Uniform CPA Examination. ★

CONTINUING EDUCATION FOR CPA LICENSE RENEWAL

Currently, all 54 other U.S. CPA licensing jurisdictions require some level of continuing education to renew a CPA license. The only exception is Wisconsin. No continuing education is required in Wisconsin for renewal of the CPA license. Wisconsin does currently require continuing education for nearly all professional licenses including those for landscapers, interior designers, attorneys, teachers, manicurists, barbers and many other Wisconsin licensees.

With mobility standards and CPA's working across state lines, Board Liaisons have been meeting with state legislators to discuss the differences between Wisconsin's continuing education regulations and the other 54 licensing jurisdictions. The Board is unable to require continuing education during licensure renewal without a change in statutory language. ★

THE FUTURE OF PRACTICE MONITORING

For the past 25 years, the AICPA, in conjunction with state societies, has administered the peer review program for evaluating firms' accounting and auditing practices, providing firms with opportunities for improvement through remediation. The focus of the peer review program is:

- Monitoring adherence to professional standards
- Uncovering and correcting deficiencies
- Educating and sharing best practices

Wisconsin, like many State Boards of Accountancy, require peer review for permit holders offering audit, review, compilation, or agreed upon procedures engagement services. As a result, peer review has become a quality-monitoring tool for the state regulatory community.

Much has changed in the accounting profession over the past 25 years, both in technology and in the expectations of peer review participants. Recognizing that peer review must change and improve to remain relevant, AICPA leadership is making re-engineering of the program a strategic priority.

AICPA Board of Directors approved the formation of a task force that developed a practice-monitoring concept for the future. When looking at the accounting profession in relation to practice monitoring, several key changes were noted:

- Complexity of the accounting profession is at an all-time high
- The speed of change to the profession is accelerating at an increasing pace
- The use of technology in the performance of services is on the rise
- New quality challenges, particularly in regulated industries (new/complex accounting standards and emerging services)

The primary focus of the concept is a system that will use the latest technology that will allow a continuous process for evaluating accounting and auditing engagements. The underlying principles of practice monitoring in the future are:

Increased public protection through enhanced audit effectiveness via:

- Earlier detection of engagement deficiencies
- Systems that capture and include all firms that should be subject to review
- Systems that capture and include all engagement that should be reviewed

The concept has five facets:

- Continuous analytic evaluation
- Human review
- Intervention
- Periodic inspection
- Oversight

In looking at what a peer review program might look like in the future, some key themes emerged. These themes include:

- More real time peer review
- Greater use of technology
- Create randomness/elements of surprise
- Consistency across the country
- Completeness (all firms/all attest and audit engagements)

More information will be coming on enhancements and changes to practice monitoring as they become available. ★





CPA EXAM PERFORMANCE SUMMARY: 2014 WISCONSIN

OVERALL PERFORMANCE

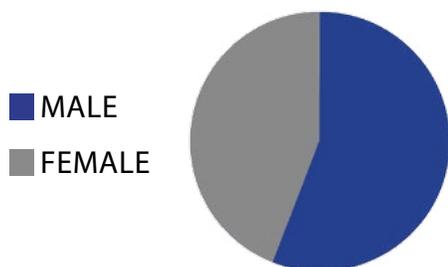
| | |
|---------------------|-------|
| ALL CANDIDATES | 1,250 |
| NEW CANDIDATES | 705 |
| WISCONSIN PASS RATE | 58.8% |
| NATIONAL PASS RATE | 49.5% |

TOP 3 JURISDICTIONS NATIONALLY

HIGHEST PASS RATE

| | |
|-----------------|-------|
| 1. UTAH | 62.3% |
| 2. WISCONSIN | 58.8% |
| 3. SOUTH DAKOTA | 58.3% |

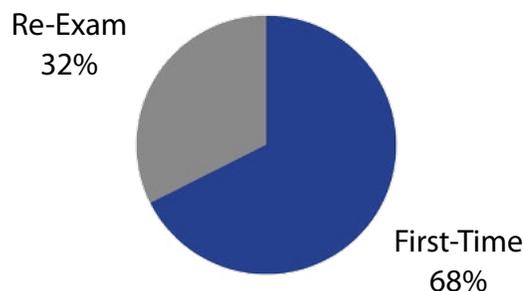
DEMOGRAPHICS



| | | |
|-------------------|-----|-------|
| MALE CANDIDATES | 682 | 54.6% |
| FEMALE CANDIDATES | 568 | 45.4% |

AVERAGE AGE 27.5

EXAM TYPE BY PERCENT



RESIDENCY

% OF CANDIDATES

| | |
|----------------------|-------|
| IN-STATE ADDRESS | 94.9% |
| OUT-OF-STATE ADDRESS | 4.8% |
| FOREIGN ADDRESS | 0.3% |

DEGREE TYPE

% OF CANDIDATES

| | |
|-------------------|-------|
| BACHELOR'S DEGREE | 78.7% |
| ADVANCED DEGREE | 21.3% |

Reprinted with permission from the NASBA 2014 Uniform CPA Examination Candidate Performance report.

To learn more, please visit nasba.org.



Congratulations to the CPAs who have received a Wisconsin license to practice Public Accounting since the beginning of 2014

Derek Abbas
Scott Albrecht
Shawn Alfred
Nicole Alia
Kyle Andersen
Bradley Archambeau
Jason Askew
Jason Askin
Jeffery Audretsch
David Ausloos
Becky Austreng
Eduardo Bacelis Gomez
Elizabeth Bach
Dustin Bakalars
Nicholas Banach
Galina Bardasheva
Jeremiah Barker
Hannah Barmore
Frank Barrie
Matthew Barth
Nathaniel Bartz
Rebecca Bauer
Jonathon Baugher
Benjamin Beardsley
Cole Beaudin
Steven Behring
Ryan Beld
Patrick Bender
Kurt Bendykowski
Nathan Bentley
Laura Beske
Noelle Biddick
Andja Biersach
Dustin Birschbach
Joseph Blayney
Jordan Boehm
Joshua Boeldt
Aaron Boettcher
Melanie Bogenschut
Jessica Bohl
Jennifer Bourbon
Heather Boyd
Jonathon Brandt
Joseph Brennan
Jason Bruner
Eric Brunner
Katherine Bula
Laura Bulai-Hletko
Adrienne Bullis
Mitchell Cagney

John Caillouette
Adam Calder
David Canedo
Michael Carpenter
Daniel Carroll
Ting Chau
Brock Childers
Henri Chomeau
Kathryn Christensen
Michael Christian
Cory Ciha
Brian Clark
Jordan Clark
Phyllis Clark
Matthew Cooper
Kevin Cords
Zachary Correll
Mitchel Cox
Emily Craddock
Jaclyn Cropp
Peter Cyffka
Julianna Dahlinger
Hannah Daniels
Ann Daugherty
Lindsay Davis
Daniel De Lorme
Dominic Demerath
Mark Denis
Patti Denton
Laura Dixon
Ryan Dixon
Amanda Djurickovic
Dana Dolezalek
Linda Dolezalek
John Doll
Nicholas Doremus
Colin Doyle
Nathan Dreikosen
Michael Drews
Lindsay Duclon
Derek Duessing
Michael Dumke
Robert Edmonds
Trisha Edwards
Zachariah Ehler
Krysta Ellis
Jessica Engelhardt
Patrick Erickson
Dave Evans
Nicole Evers

Alex Farber
Matthew Farrar
Kit Farrelly
Mark Fehl
Sara Feider
Caitlin Fentzlaff
Lisa Fields
Ryan Filtz
James Fischer
Ashley Fisher
Katherine Fisher
Candice Foley
Mandy Fonk
Kyle Frint
Joseph Froehlich
Andrew Frohmader
Michael Gabor
Joseph Gardetto
Tracy Gast
Matthew Gates
Barbara Gbewonyo
Megan Gerber
Taylor Gilsinger
Katie Girmscheid
Ana Glaaser
Galina Goberman
Robert Goetter
Eric Golueke
Kevin Greer
Brandon Gresl
Aaron Griedl
Jonathan Grubb
Emily Grube
Allison Gulbranson
Taylor Haack
Tyler Hack
Alex Hamilton
James Hamilton
Brooke Hanke
Phillip Hanke
Matthew Harlowe
Anastasia Haroldson
Jennifer Harris
Joseph Harrison
Seth Harrop
Shawn Hart
Carrie Hazard
Nicholas Heger
Shelby Heinrich
Amber Held

Stephanie Henn
Hailey Hennes
Adam Heppe
Michael Heritsch
Leigh Hermansen
Steven Hies
Brittany Hill
Michaela Hill
Yousuf Hirani
Rebecca Holman
Judith Hopkins
Melissa Hopper
Lynne Huebschen
Sarah Hughes
Kristina Hunt
Paul Huset
James Ibach
Maria Ideker
Danielle Igielski
Matthew Iwanski
Leary Jacobson
Chad Janke
Rebecca Jentges
Nicole Jeske
Michael Jesowshek
Andrew Johns
Benjamin Johnson
Bryan Johnson
Matthew Johnson
Mark Juedes
Eric Jung
Leah Justison
Kyle Kaestner
Elizabeth Kallies
Justin Kallio
Travis Kalmuck
Cristina Kanethavong
Nicholas Kastein
Zachary Katona
Douglas Kazmerchek
Lynn Kehl
Courtney Kelly
Matthew Kelm
Justin Kennedy
Michelle Kenner
Cameron Kerkhoff
Amalia Kertz
Jennifer Kieffer
Peter Klement
Steven Klett

Brandon Knop
Luke Kolbe
Brian Konyon
Christopher Konz
Timothy Kopp
Panagiotis Kourliouros
Debra Kozeniecki
Derek Kraemer
Arielle Krause
Amy Kren
Lawrence Kreuzcher
Sandra Krier
Robert Krueger
Christopher Krumm
Kassandra Krzynski
Seth Kuehnel
Daniel Kufeld
Cassandra Kurek
Daniel Kusilek
Kimberly Kusmierek
Allen Lacrosse
Maria Ladsten
Daniel Lafrenz
Margo Lang
Brandon Lange
Benjamin Larrabee
Austin Larsh
Christopher Larson
Samuel Larson
Anna Lashkova
Theresa Laws-Dahl
Aaron Leitner
Brittany Leonard
Daniel Lephardt
Adam Levenstein
Richard Li
Marilyn Lim
Yuqi Lin
Jeremy Linn
Michael Linn
Kristin Linzmeier
Huixuan Liu
Nathaniel Logan
Jacqueline Loke
Jason Londo
Koen Long
Michael Lopez
Michelle Luckmann
Michael Lukomski
Brenna Macdonald

Continued on Page 7



Congratulations to the CPAs who have received a Wisconsin license to practice Public Accounting since the beginning of 2014 (Continued)

Scott Mahlke
Jason Mahn
Daniel Malfroid
Patrick Malloy
Maranda Manley
Angela Mann
Samuel Mantych
William Markee
Aaron Mars
Daniel Marshall
Jesse Marshik
Kristina Marsolek
Sarah Marti
Brittany Martin
Scott Martineau
Michael Matuszak
Rebecca Mayo
Cheryl McCormick
Owen McCormick
Lauren Mcdowell
Lorna Mclenighan
Jacob Meckstroth
Bruce Medd
Marcus Meiklejohn
Hui Meng
Brittany Mergen
Benjamin Mertens
Linda Meyer
Ryan Meyers
Emily Micke
Kurt Millard
Cheryl Milnes
Lauren Mitchell
Jessica Mogensen
Mark Mohr
Tyler Mollert
Jennifer Monsos
Kala Moore
Jeremy Moritz
Kaitlyn Mueller
Kayla Mueller
Ryan Mueller
Cassandra Mumm
Britta Munzenmaier
Courtney Murray
Brent Mylrea
Daniel Nash
Keren Nass
Danielle Nelson
Todd Nelson

Mark Nettles
Melissa Nielsen
Erik Noll
Michelle Noltner
Jennifer Nooyen
Brian Nordness
Thomas Novotny
Tabi Nsiah
Paul Nylen
Ryan Nyquist
Chase O'brien
Amanda O'driscoll
Melinda Oetzel
Hannah Oglesby
Bryan Olle
Laura Osgood
Christopher Ourada
Kasandra Paider
Peter Palick
Ryan Palmer
Brandon Panka
Anna Pasanen
Gwendolynn Peach
Alexandria Pearl
Samantha Pearson
Roxanne Perez
Robert Perry
Kristine Peterson
Michael Peterson
Lucas Petzold
Daniel Pfankuch
Shanna Pfeffer
Matthew Pfrang
Jillian Picciolo
Patrick Pierce
Brad Plachter
Andrew Porubcan
Kristin Pospeschil
Jennifer Potts
Drew Price
Adam Pritzl
Eric Prodoehl
Bobbi Propson
Zachary Raab
Trevor Rabbach
Corey Radulovich
Stuart Randall
Daniel Rasmussen
Kevin Rasmussen
Lorin Ray

Megan Reardon
Patricia Reda
Brandon Rehmus
Ashley Reimer
Ryan Richgels
Julie Rood
Peggy Roos
Laura Roszak
Jordan Rubendall
Holly Rubish
David Rudolph
Michael Rutkowski
Samuel Rutten
Karen Ryan
Kevin Ryterski
Jennifer Salisbury
Jacob Salzmann
Emily Sannes
Eric Sapnu
Nicholas Sattler
Michael Scaffidi
Eric Schaefer
Katie Schea
Christa Scherwinski
Alyssa Schmitz
Cole Schmitz
Glenn Schmitz
Eric Schmoldt
Gina Schneider
Thomas Schneider
Travis Schneider
Valerie Schneider
Laura Schnelle
Kathleen Schnettler
Emily Schoen
Stephanie Schoenherr
Ryan Schrank
Nicole Schuelke
Brittany Schuh
Alex Schultz
Justin Schutte
Laura Schweitzer
Stefan Scoon
Kathryn Serpe
David Setzer
Amanda Shaurette
Douglas Shiery
Scott Sipiorski
Lauren Sjoreen
Kelley Skaletski

Caitlin Sleger
Derek Sliter
Cullen Small
Elizabeth Smith
Samuel Smith
William Smith
Brian Snyder
Madelyn Sobieck
Janice Socha
Eric Solverson
Justin Spahn
Nicholas Spaude
Anthony Speel
Scott Spelich
Daniel Squire
Jason Stansell
Tyler Starbird
Reginald Stauss
Erin Stawicki
Erica Steinmann
Michael Stoegbauer
Kenneth Stoner
Kendra Story
Shaina Strennen
Arnold Stueber
Timothy Suess
Michael Suhajda
Murtiyati Sutanto
Brian Sutfin
Ashley Swanson
Kyle Swanson
Sean Sweeney
April Taylor
Ross Taylor
Megan Templon
Alycia Thiel
Cameron Thierry
Angela Thomas
Joshua Thome
Ryan Thompson
Steven Ticcioni
Charlotte Towle
Ryan Towne
Jaclyn Tracy
Joseph Tregellas
Rachel Treinen
David Trione
Elizabeth Uecker
Benjamin Uhen
Brandon Vahey

Kyla Van Dehy
Allison Van Roy
Lauren Van Ryzin
Kathryn Vanopstall
Rachel Vanrite
Robert Vergeer
Barbara Vertein
Kayla Viney
Brentan Vivian
Kristen Voster
Jordan Waech
Charity Wagner
Kevin Wagner
Jennifer Waibel
Andrew Wallace
Taylor Walls
Alexi Walters-Ketchum
Brian Wanek
Shane Weiske
Patrick Welch
John Wendtland
Brett Wenger
Marco Wenzel
Shane Wheeler
Steven Wierschem
Brian Wiese
Howard Wilensky
Jaimie Wilk
Ali Wilkins
Abigail Williamson
Aaron Wintheiser
Tyrrell Wirkus
Joseph Woelfel
Noelle Wolter
Kevin Wood
Nathan Woolgar
Joshua Wubben
Brittany Wuest
Alice Wycklendt
Brad Yager
Stephanie Yost
Aaron Young
Amy Young
Bryan Young
Yingying Yuan
Michelle Zeasman
Matthew Zimdars
Carmen Zimmerman



DEPARTMENT OF SAFETY AND PROFESSIONAL SERVICES

The dates and times of the Accounting Examining Board meetings are announced on the [DSPS website](#). Meeting agendas are posted approximately one week prior to the meeting. The next meeting is scheduled to be September 8, 2015.

Do you have a change of name or address?

Licensees can update name or address information on the Department website at:

<https://online.drl.wi.gov/UserLogin.aspx>

Please note that confirmation of change is not automatically provided. Legal notices will be sent to a licensee's address of record with the Department.

License Look-up: <https://app.wi.gov/licensesearch>

Administrative Staff:

Brittany Lewin, Executive Director
Amber Cardenas, Legal Counsel

Executive Staff:

Dave Ross, Secretary
Jay Risch, Deputy Secretary
Eric Esser, Assistant Deputy Secretary

Board Order Search: <http://dsps.wi.gov/Other-Services/Lookup-Orders-Disciplinary>

Call the Department of Safety and Professional Services toll-free (877) 617-1565, or (608) 266-2112 in the Madison area to connect to the service you need. ★

As of May 2015, Wisconsin has 14,312 active CPAs and 622 licensed accounting firms.

FUN FACT ANSWER: 3

Senator Howard Marklein, Representative Chris Kapenga and Representative Dale Kooyenga



CERTIFIED PUBLIC ACCOUNTANT

Per Wisconsin State Statutes 440.08 (2), the required renewal date for the Certified Public Accountant credential is 12/14/odd years. Should you receive your initial credential in the months leading up to this date, you are still required to renew your license by the statutorily defined date.