

Chapter Accy 7

EDUCATION

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Accy 7.01 General. (1) The purpose of this chapter is to clarify the application of section 442.04 (4), Wis. Stats., as it relates to the education required to write the certified public accountant examination, to transfer examination credits from other jurisdictions, or to qualify for reciprocal qualification.

History: Cr. Register, October, 1976, No. 250, eff. 11-1-76.

Accy 7.02 Definitions. (1) The term "approving and recognizing any such institution" relates to university of Wisconsin system schools and other reputable institutions.

(2) A "bachelor's or higher degree" refers to a degree conferred by a four-year degree-granting institution of higher education, or a graduate degree conferred by such an institution that is based on attainment at a higher subject level than required for a four-year degree. A higher degree must include within the combined bachelor's degree and higher degree the resident major in accounting as defined in (3) below.

(3) A "resident" major in accounting is a program in which at least two semesters of full-time course work, normally about 30 credits, is at the school conferring the bachelor's or higher degree. A "bachelor's" degree is normally 120 semester credits or more. A "higher" degree would be a graduate degree such as a Masters degree or Ph.D. degree. The "major in accounting" is a program of instruction consisting of the following:

(a) At least 48 semester credits presented for the degree or degrees are in areas other than business and economics. Such credits are to provide a broad foundation in liberal arts subjects, and include at least:

1. Two college-level courses in mathematics, one of which must be calculus.

2. Nine semester credits in communications (courses in subjects, such as but not limited to composition, literature and speech), unless qualification in introductory college composition was established and waived by examination, in which instance only 6 semester credits must be included.

(b) At least 48 semester credits presented for the degree or degrees are in the areas of business and economics, and include at least:

1. A 3 semester credit course in each of the 5 following areas: statistics, marketing, management or organization behavior, business finance, and computer science or computers in business.

2. Six semester credits of principles of economics.

3. Six semester credits of business law.

4. Twenty-six semester credits in the following accounting discipline areas, and at least one course in each of the subjects specified:

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| a. Financial accounting (Introductory or principles of accounting, intermediate accounting or accounting theory, advanced accounting, and cost accounting) | 17 |
| b. Auditing, income taxation, and systems (A course such as accounting systems, data processing, management information systems, or auditing II would meet the systems requirement.) | 9 |
| Total | 26 |

(c) An academic standard to assure individuals accepted for the program have demonstrated potential for competent performance and practice as a professional certified public accountant. Such a standard is a performance criteria such as a minimum grade point average of 2.5 (4.0 basis) or higher in business and economic subjects measured at the start of the senior year or thereafter.

(d) Adequate course depth and extent of subject coverage, with teaching and administrative faculty with adequate qualifications and experience for the successful conduct of a professional accounting program. Under this requirement, a resident major in an accounting program leading to a bachelor's or higher degree from a degree-granting campus of a university of Wisconsin system school, is qualified by legislative intent of section 442.04(4), Wis. Stats.

History: Cr. Register, October, 1976, No. 250, eff. 11-1-76.

Accey 7.03 Education standards applicable. (1) Prior to July 1, 1968, candidates to write the certified public accountant examination for the first time were required to have completed at least a four-year high school course of study or have received an equivalent education, the value of equivalents to be determined by the board.

(2) Effective July 1, 1968, through May 6, 1976, candidates to write the certified public accountant examination for the first time were required to submit a bachelor's or higher degree from a reputable institution approved and recognized by the board as having standards and training substantially equivalent to those of the school of commerce of the university of Wisconsin-Madison for a resident major in accounting. Reputable institutions approved and recognized by the examining board, date of recognition, and the applicable major in accounting recognized were as follows:

| Institution | Date of Recognition | Recognized Major |
|------------------------------------|---------------------|--------------------------------|
| Marquette University | 11-01-65 | Accounting Major |
| University of Wisconsin-Eau Claire | 06-01-68 | Comprehensive Accounting Major |
| University of Wisconsin-Madison | 11-01-65 | Accounting Major |
| University of Wisconsin-Milwaukee | 11-01-65* | Accounting Major |
| University of Wisconsin-Oshkosh | 06-01-68 | Accounting Major |

University of Wisconsin-Whitewater

06-01-66

Accounting Major

*Recognized initially under University of Wisconsin-Madison qualification. Recognition established in its own right on reorganization of the University of Wisconsin-Milwaukee as a separate institution.

(3) On and after May 7, 1976, candidates sitting for the first time for the examination leading to the certificate to practice as a certified public accountant must present a bachelor's or higher degree with a resident major in accounting, from a degree-granting campus of the university of Wisconsin system or from another reputable institution approved and recognized by the examining board.

History: Cr. Register, October, 1976, No. 250, eff. 11-1-76.

Accy 7.04 Graduates from university of Wisconsin system schools. (1) Individuals awarded a bachelor's or higher degree with a resident major in accounting, as defined in Accy 7.02, from a degree-granting campus of a university of Wisconsin system school shall, after May 6, 1976, be qualified educationally to write the certified public accountant examination.

(a) At their option, university of Wisconsin system schools may register their resident accounting major program with the board, documenting compliance with Accy 7.02, the effective date such compliance had been implemented, reporting the manner in which the completion of the resident major in accounting is to be shown on the transcript, and the intent to inform the board of future program changes as they occur. Resident major in accounting graduates as defined in Accy 7.02 (3) from registered university of Wisconsin system school accounting major programs shall be judged to comply automatically with the education requirements to write the certified public accountant examination. Schools with more than one accounting program are to designate this fact, and the qualification or lack of qualification for each of the programs.

(2) Graduates from university of Wisconsin system schools after May 6, 1976, whose programs had not been recognized by the board prior to May 7, 1976, and if not registered as provided in (a) above, shall have their transcripts evaluated by the board for educational qualification to write, including the completion of a satisfactory resident major in accounting as defined under Accy 7.02.

(3) An individual who was previously eligible to write the certified public accountant examination prior to May 7, 1976, continues to be eligible to write.

History: Cr. Register, October, 1976, No. 250, eff. 11-1-76.

Accy 7.05 Other institutions approved and recognized. (1) Notarized requests for approval and recognition of an institution shall be referred to the board's agent, its committee on credentials, for study and recommendation of an appropriate board action.

(2) The board shall normally appoint a committee on credentials for one calendar year at the first regular board meeting of the year. Each committee shall serve until the next committee is appointed. The committee on credentials shall not exceed 7 members in total, of which not

more than 4 are educators, each from a different educational institution. The chairperson shall be designated by the board.

(a) The committee on credentials shall study and evaluate the program of schools making notarized application to the board for approval and recognition, and shall recommend appropriate action to the board on such applications.

(b) The committee on credentials shall provide advice and recommendations to the board on other matters relating to educational evaluations and policy as it considers appropriate or as referred to it by the board.

(3) Standards applicable for approval and recognition shall be as set forth in Accy 7.02.

(4) Schools requesting approval and recognition shall be assessed a cost-related fee for the investigation and evaluation made by the committee on credentials.

(5) Any resident major in accounting program approved and recognized by the board shall be reviewed at least every 5 years for its approval and recognition to be continued. However, the board may at any time reinvestigate the program of any institution previously approved and recognized when it comes to the attention of the board that academic program changes, and/or teaching and administrative staff changes may have resulted in the program not meeting educational standards for qualification.

History: Cr. Register, October, 1976, No. 250, eff. 11-1-76.

Accy 7.06 Equivalency evaluations. (a) An individual who has a bachelor's or higher degree, but who was not a resident major in accounting, shall be accorded the same privileges as candidates from schools approved and recognized, provided they meet the requirements of Accy 7.02 for a resident major in accounting. Such individuals must establish an educational equivalency qualification under the recognition granted to institutions approved and recognized. Educational equivalency for qualification to write the certified public accountant examination can be established with the board either prior to application to write, or in conjunction with an application to write, by the following procedure:

(a) An official transcript or transcripts of all academic work completed evidencing the award of the bachelor's or higher degree, a \$15 fee, and a written request for an equivalency evaluation, must be submitted to the board. The board is also to be informed in the written request of the four-year degree-granting school at which the prospective candidate intends to earn educational qualification if further educational course work is necessary. Course work will be accepted only if completed at or if it could be transferred for credit to a school approved and recognized by the board.

(b) Prospective candidates will be informed in writing by the board of educational equivalency or of program deficiencies. Candidates with educational deficiencies must submit evidence of completion of deficient course work at any American assembly of collegiate schools of business institution or other four-year institution maintaining a four-year resident major in accounting program.

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(c) All removal of equivalency deficiency course work in business and economics subject matter must be done in courses on campuses in competition with regular degree-seeking students who are majoring in accounting. Credit must be acceptable on a transfer basis for a resident major in accounting at a recognized school.

(d) Individuals requesting educational equivalency, who have earned a bachelor's or other degree from a non-regionally accredited school (North Central Association of Colleges and Secondary Schools or its regional equivalency) are to be required to take the minimum course and credit load as to meet the residency requirements necessary, as if the individual were transferring to graduate from school with a bachelor's degree or higher with a major in accounting from a school approved and recognized by the board.

(e) The deficiencies found by an equivalency review must be completed within a specified period as established by the board or be subject to reevaluation, unless an extension has been granted.

(f) Equivalency evaluations are to be based on the present educational standard (Accy 7.02) not on the program in effect when the individual received his or her degree.

History: Cr. Register, October, 1976, No. 250, eff. 11-1-76.

Accy 7.07 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.

History: Cr. Register, October, 1976, No. 250, eff. 11-1-76.

Accy 7.08 Reciprocal certificate evaluation. (1) Applicants for a reciprocal certified public accountant certificate in Wisconsin shall meet Wisconsin requirements, as they are at the time of the Wisconsin application.

(2) Educational evaluations shall be made by the board, and shall consider all evidence of substantially equivalent education as submitted by the applicant in accordance with section 442.05, Wis. Stats.

History: Cr. Register, October, 1976, No. 250, eff. 11-1-76.

Accy 7.09 Public information. (1) The board will release statistical studies of grades earned on each certified public accountant examination by each subject area and Wisconsin school at which educational qualification of candidates to write exists. Individual grades will not be

released. Reports will be designed to provide schools and the public with information on candidate success.

History: Cr. Register, October, 1976, No. 250, eff. 11-1-76.