

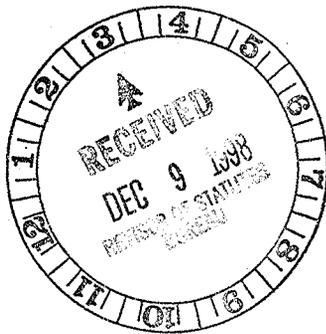
CERTIFICATE

**STATE OF WISCONSIN
DEPARTMENT OF REGULATION AND LICENSING**

TO ALL WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Alfred J. Hall, Jr., Director, Bureau of Business and Design Professions in the Wisconsin Department of Regulation and Licensing and custodian of the official records of the Accounting Examining Board, do hereby certify that the annexed rules were duly approved and adopted by the Accounting Examining Board on the 4th day of December, 1998.

I further certify that said copy has been compared by me with the original on file in this office and that the same is a true copy thereof, and of the whole of such original.



IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the official seal of the board at 1400 East Washington Avenue, Madison, Wisconsin this 4th day of December, 1998.

Alfred J. Hall, Jr.

**Alfred J. Hall, Jr., Director, Bureau of Business and Design Professions,
Department of Regulation and Licensing**

STATE OF WISCONSIN
ACCOUNTING EXAMINING BOARD



IN THE MATTER OF RULE-MAKING : ORDER OF THE
PROCEEDINGS BEFORE THE : ACCOUNTING EXAMINING BOARD
ACCOUNTING EXAMINING BOARD : ADOPTING RULES
: (CLEARINGHOUSE RULE 98- 091)

ORDER

An order of the Accounting Examining Board to *amend* Accy 3.05 (1) (b) 2. and 3., 3.055 (1) and (3) and 7.035 (intro.); and to *create* Accy 7.035 (5), relating to the education required of candidates to take the examination leading to receipt of a credential as a certified public accountant after December 31, 2000.

Analysis prepared by the Department of Regulation and Licensing.

ANALYSIS

Statutes authorizing promulgation: ss. 15.08 (5) (b), 227.11 (2) and 442.04 (4) (b), (bm) and (c), Stats.

Statutes interpreted: s. 442.04 (4) (b), (bm) and (c), Stats.

This proposed order of the Accounting Examining Board has two primary effects. First, under the current rules a candidate to take the certified public accountant examination (CPA examination) provided by the American Institute of Certified Public Accountants (AICPA) must graduate from an institution with a resident major in accounting or its reasonable equivalent no later than 45 days after the CPA examination is taken. This time requirement has caused problems when graduation occurs a few days beyond the 45 day limit, due to individual school graduation dates. The relevant rules should be modified to extend the "examination-graduation" window to 60 days in order to accommodate these situations. Accordingly, SECTIONS 1 and 2 amend the related provisions in ss. Accy 3.05 and 3.055, respectively, to provide that candidates may sit for the CPA examination, if graduation will occur within 60 days thereafter.

The second area of rule-making will permit individuals who have graduated with a resident major in accounting or its reasonable equivalent prior to January 1, 2001, but who do not have 150 semester hours of accounting concentration, to sit for the CPA examination after December 31, 2000. SECTION 4 creates s. Accy 7.035 (5) to accomplish this purpose. Section 442.04 (4), Stats., as amended by 1995 Wisconsin Act 333, will require a person to have either a degree representing 150 semester hours education with an "accounting concentration," or its "reasonable equivalence" as determined by the Accounting Examining Board in order to take the qualifying examination after December 31, 2000. However, prior to that date there will be graduates with less than 150 semester hours who have either taken the examination and not successfully completed all of its parts or who, for whatever reason, chose not to take the

examination prior to January 1, 2001, although they were eligible to do so. The board believes that such individuals should be permitted to take or retake the examination after December 31, 2000, even though they may not possess 150 semester hours, because they had acquired the right to take the examination prior to the January 1, 2001 date. Good public policy and basic fairness indicate that these individuals should be "Grandparented" under the rules to permit them to exercise the right to take the examination they had acquired prior to January 1, 2001.

TEXT OF RULE

SECTION 1. Accy 3.05 (1) (b) 2. and 3. are amended to read:

Accy 3.05 (1) (b) 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 ~~45~~ 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 ~~45~~ 60 days following the examination date, if the candidate expects to receive the reasonable equivalence of a resident major in accounting.

SECTION 2. Accy 3.055 (1) and (3) are amended to read:

Accy 3.055 (1) A candidate permitted to sit for the examination upon the basis of reasonably expecting to receive a bachelor's or higher degree with a resident major in accounting or the reasonable equivalence of a resident major in accounting within ~~45~~ 60 days following the examination must submit certified copies of transcripts for all academic work completed at an institution, at least one of which must reflect the award of a bachelor's or higher degree, to the board office within 120 days following the date of the examination.

(3) A candidate who fails to receive a bachelor's or higher degree with a resident major in accounting or the reasonable equivalence of a resident major in accounting within ~~45~~ 60 days following the examination shall be deemed ineligible to have taken the examination, and the scores shall be deemed null and void.

SECTION 3. Accy 7.035 (intro.) is amended to read:

Accy 7.035 EDUCATION REQUIREMENT EFFECTIVE JANUARY 1, 2001. (intro.) Pursuant to s. 442.04 (4), Stats., after December 31, 2000, a person may not take the examination leading to the certificate to practice as a certified public accountant unless the person has, as part of the 150 semester hours education, met one of the following ~~four~~ conditions:

SECTION 4. Accy 7.035 (5) is created to read:

Accy 7.035 (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.

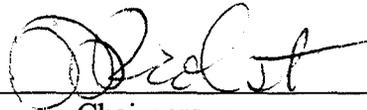
(END OF TEXT OF RULE)

The rules adopted in this order shall take effect on the first day of the month following publication in the Wisconsin administrative register, pursuant to s. 227.22 (2) (intro.), Stats., or 60 days after its adoption by the Accounting Examining Board, pursuant to s. 442.01 (2), Stats.

Dated

12-4-98

Agency



Chairperson

Accounting Examining Board

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11/17/98



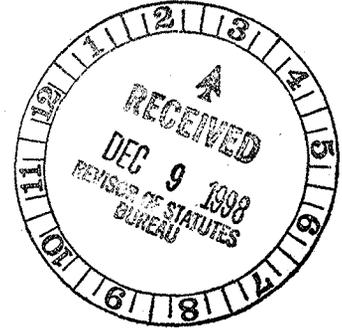
State of Wisconsin
DEPARTMENT OF REGULATION AND LICENSING
CORRESPONDENCE/MEMORANDUM

DATE: December 9, 1998

TO: Gary Poulson
Assistant Revisor of Statutes

FROM: Pamela A. Haack, Administrative Rules Coordinator
Department of Regulation and Licensing
Office of Administrative Rules

SUBJECT: Final Order Adopting Rules



Agency: ACCOUNTING EXAMINING BOARD
Clearinghouse Rule 98-091

Attached is a copy and a certified copy of a final order adopting rules relating to the education required of candidates to take the examination leading to receipt of a credential as a certified public accountant after December 31, 2000. Would you please publish these rules in the register.

Please stamp or sign a copy of this letter to acknowledge receipt.

Thank you.