CHAPTER 442
ACCOUNTING EXAMINING BOARD

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Cross-reference: See definitions in s. 440.01.
Cross-reference: See also Accy, Wis. adm. code.

442.001 Definitions. In this chapter:
(1) “Attest service” means any of the following:
(a) An audit or any other engagement that is performed or intended to be performed in accordance with rules promulgated under s. 442.01 (1) (a).
(b) A review of a financial statement that is performed or intended to be performed in accordance with rules promulgated under s. 442.01 (1) (b).
(c) An examination of prospective financial information that is performed or intended to be performed in accordance with rules promulgated under s. 442.01 (1) (c).
(2) “Examining board” means the accounting examining board.
(3) “Firm” means a proprietorship, partnership, limited liability partnership, corporation, service corporation, or limited liability company.
(4) “Member of a firm” means a director, manager, employee, officer, owner, shareholder, principal, or partner of a firm.
(5) “Professional services” means professional services that involve or require an audit of financial transactions and accounting records.

442.01 Examining board; duties. (1) The examining board shall promulgate rules that adopt by reference all of the following:
(a) The statements on auditing standards issued by the Auditing Standards Board of the American Institute of Certified Public Accountants.
(b) 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.
(c) 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.
(2) The examining board may not adopt a standard or rule relating to professional conduct or unethical practice until the examining board has held a public hearing with reference thereto, subject to the rules promulgated under s. 440.03 (1). Except for a rule modified under s. 227.265, no rule or standard shall become effective until 60 days after its adoption by the examining board. Any person who has appeared at the public hearing and filed written protest against a proposed standard or rule may, upon the adoption of such standard or rule by the examining board, obtain a review thereof under ch. 227. Thereafter every person practicing as a certified public accountant in the state shall be governed and controlled by the rules and standards prescribed by the examining board, including any modifications under s. 227.265.
(3) The examining board shall record its proceedings.

(4) The examining board shall participate in data−sharing programs operated or otherwise sponsored by the National Association of State Boards of Accountancy and shall share information or data regarding persons currently or previously licensed under this chapter as needed in order to participate in those programs. Except as otherwise provided by the examining board by rule, information or data obtained by the board through such a program is not subject to the right of inspection and copying under s. 19.35 (1).

442.02 Certified public accountant, definition. (1m) A person shall be considered to be in practice as a certified public accountant, within the meaning and intent of this chapter, if any of the following conditions is met:
(a) The person holds himself or herself out to the public in any manner as one skilled in the knowledge, science, and practice of accounting, and as qualified and ready to render professional services therein as a certified public accountant for compensation.
(b) The person maintains an office for the transaction of business as a certified public accountant or, except as an employee of a certified public accountant, practices accounting, as distinguished from bookkeeping, for more than one employer.
(c) The person offers to prospective clients to perform for compensation, or performs on behalf of clients for compensation, professional services that involve or require an audit of financial transactions and accounting records.
(d) The person prepares for clients reports of audits, balance sheets, and other financial, accounting and related schedules, exhibits, statements or reports that are to be used for publication or for credit purposes, or are to be filed with a court of law or with any other governmental agency, or for any other purpose.
(dm) The person provides or offers to provide an attest service.
(e) The person, in general or as an incident to such work, renders professional assistance to clients for compensation in any or all matters relating to accounting procedure and the recording and presentation of financial facts.
(f) The person signs or affixes his or her name or any trade or assumed name used by the person in his or her business or profession to an opinion or certificate attesting to the reliability of any representation or estimate in regard to any person or organization embracing financial information, financial transactions or accounting records.
(5m) Subsection (1m) (f) does not prohibit any officer, employee, partner, or principal of any organization from affixing his or her signature to any statement or report in reference to the affairs of that organization with any wording designating the position, title, or office that he or she holds in that organization.
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(6) Every member of a firm who, as a member of the firm, does any of the things enumerated in sub. (1m) (a) to (f), shall be considered to be in practice as a certified public accountant.

History: 1979 c. 162 ss. 7, 38 (7), (9); 1999 a. 85; 2001 a. 16.

442.025 Applicability. This chapter does not require a certificate or license under this chapter for any of the following:

(1) Persons employed by a certified public accountant or firm licensed under this chapter to serve as accountants in various capacities, as needed, if all of the following conditions are met:
   (a) The employees serving as accountants work under the control and supervision of certified public accountants.
   (b) The employees serving as accountants do not issue any statements or reports over their own names except office reports to their employer that are customary.
   (c) The employees serving as accountants are not in any manner held out to the public as certified public accountants.

(2) A practicing attorney, who, in connection with his or her professional work renders any accounting service.

(3) A person employed by more than one person for the purpose of keeping books, making trial balances, or statements, and preparing reports, if all of the following requirements are met:
   (a) The reports described in this subsection are not used or issued by the employers as having been prepared by a certified public accountant.
   (b) The persons employed as described in this subsection do not do any of the things enumerated in s. 442.02 (1m) (f) except as authorized under s. 442.02 (5m).

(4) (a) A person who meets all of the following conditions:
   1. The person’s principal place of business or residence is not in this state.
   2. The person holds a valid certified public accountant certificate or license from another state that the National Association of State Boards of Accountancy Uniform Accountancy Act, or the person obtains verification from the National Association of State Boards of Accountancy National Qualification Appraisal Service that his or her individual qualifications are substantially equivalent to the certified public accountant licensure requirements of the American Institute of Certified Public Accountants/ National Association of State Boards of Accountancy Uniform Accountancy Act.
   (b) Any person who enters this state to practice as a certified public accountant under this subsection agrees to all of the following:
      1. That he or she is under the personal and subject matter jurisdiction of the examining board and he or she may be disciplined under s. 442.12.
      2. That he or she will comply with this chapter and rules promulgated by the examining board.
      3. That the examining board of the state that issued his or her license may act as his or her agent for the purpose of receiving process in any legal action or proceeding by the examining board.

(5) A public official or public employee in performing his or her duties.

(6) A person who performs services involving the use of accounting skills, including management advisory services, the preparation of tax returns, and the preparation of financial statements without issuing reports on the statements.

(7) A person who prepares financial statements and issues information thereon that does not purport to be in compliance with the statement on standards for accounting and review services issued by the American Institute of Certified Public Accountants.

History: 2001 a. 16 ss. 3606rd to 3606rdL; 2005 a. 214.

442.03 Licenses required. No person may lawfully practice in this state as a certified public accountant either in the person’s own name, or under an assumed name, or as a member of a firm, unless the person has been granted by the examining board a certificate as a certified public accountant, and unless the person and firm have complied with all of the provisions of this chapter, including licensure.


442.04 Certified public accountants; qualifications.

(1) The examining board shall grant a certificate as a certified public accountant to all persons who become entitled thereto under this section and s. 442.05. A certificate is permanent unless revoked and not subject to periodic renewal.

(2) The examining board shall hold an examination at least once each year at a time and place determined by the examining board.

(3) A person who meets all of the following conditions:
   1. The person is 18 years of age or older.
   2. The person does not have an arrest or conviction record, subject to ss. 111.321, 111.322, and 111.335.
   3. The person has, except as provided in sub. (6), completed at least 150 semester hours of education at an institution that include course work in accounting and business subjects, as determined by the examining board, and has received a bachelor’s or higher degree.
   4. Except as provided in s. 442.05, the person has successfully passed an examination in such subjects affecting accountability and business as the examining board considers necessary. A person is not eligible to take the examination under this subdivision unless the person has completed at least 120 semester hours of education at an institution that include course work in accounting and business subjects, as determined by the examining board.
   5. The person has at least one year of public accounting experience or its equivalent, the sufficiency of the experience or the equivalency to be judged by the examining board.
   6. The examining board may promulgate rules pursuant to which the examining board may, in its discretion and on a case−by−case basis, do all of the following:
      (a) Consider certain military training and service of a veteran, as defined in s. 45.01 (12), who was honorably discharged to be substantially equivalent to semester hours of education completed at an institution.
      (b) Apply training and service described in par. (a) to satisfy a portion of the 150 semester hours required under sub. (5) (b) 3.

Cross-reference: See also chs. Accy 2 and 3, Wis. adm. code.

442.05 Certification by endorsement. The examining board may grant a certificate to any applicant who is the holder of a certificate or license to practice as a certified public accountant issued under the laws of any other state or foreign country. The applicant must also establish his or her substantial equivalence of the qualifications required under s. 442.04. The sufficiency of the substantial equivalence shall be judged by the examining board. Upon denial of a certificate under this subsection the examining board shall notify the applicant in writing of the decision, stating the reason for denial and that the applicant has the right to a hear-
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(2) The examination board shall promulgate rules establishing continuing education requirements for renewal of licenses granted to individuals under this chapter. The rules promulgated under this paragraph may not require an individual to complete more than 80 continuing education credits during the 2−year period immediately preceding the renewal date specified under s. 440.08 (2) (a).

(b) For continuing education credits that are earned based on the amount of time spent participating in an eligible learning activity, one credit shall be earned for every 50 minutes spent engaging in the eligible activity. One−tenth of a credit may be earned for every 5 minutes spent participating in an eligible activity.

3 Updated 19−20 Wis. Stats.

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(b) For continuing education credits that are earned based on the amount of time spent participating in an eligible learning activity, one credit shall be earned for every 50 minutes spent engaging in the eligible activity. One−tenth of a credit may be earned for every 5 minutes spent participating in an eligible activity.

3. An acceptance letter.

4. A letter signed by the reviewed firm accepting the peer review documents with the understanding that the firm agrees to take certain actions.

5. A letter notifying the reviewed firm that certain required actions have been completed.

(b) A certified public accountant or firm may comply with a directive under par. (a) by doing any of the following within 45 days after the date of the directive:

1. Submitting the requested documents to the examining board, either by mail or electronically.

2. Allowing the peer review program administrator to make the documents available to the examining board through the Facil−
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Members of the Board shall be the registrar of the board, the state examiner, four additional members appointed by the commissioner, and one public member.

(c) The board shall make rules and regulations necessary for the administration of the examining board.

(d) The board shall hold meetings on call of the commissioner or of a majority of the members appointed by the commissioner, at such time and place as the board may determine.

(10) Attempts to practice as a certified public accountant under the guise of a certificate not granted by the examining board or under cover of a certificate obtained illegally or fraudulently.

(11) Certifies to any false or fraudulent report, certificate, exhibit, schedule or statement.

(12) Attempts by any subterfuge to evade the provisions of this chapter while practicing as a certified public accountant.

(13) As an individual or member of a firm, permits to be announced by printed or written statement that any report, certificate, exhibit, schedule, or statement has been prepared by or under supervision of a certified public accountant when the person who prepared the report, certificate, exhibit, schedule, or statement was not a certified public accountant.

442.09 Fees. The fees for examination and licenses granted under this chapter are specified in s. 440.05. The fee for renewal of such licenses is determined by the department under s. 440.03 (9) (a).

442.10 Disclosure of interest in entity reported on.

(1) Whenever any person, as a certified public accountant, signs or certifies any report, schedule, or statement relative to the affairs of any corporation, association, or partnership in which the person is financially interested or by which the person is regularly engaged as an officer or employee, the signature or certification shall be accompanied by a specific statement setting forth the fact that the person is both financially interested and an officer or regular employee of the corporation, association, or partnership.

(2) Notwithstanding sub. (1), no person licensed under this chapter, and no firm of which the person is a member, may express an opinion as an independent certified public accountant on financial statements of any enterprise unless the person and the firm are independent of the enterprise.

(3) The examining board may make and enforce all necessary rules relative to this section and may determine the particular phraseology necessary to carry sub. (1) into effect.

442.11 Penalties. Whoever does any of the following may, for each offense, be fined not more than $500, or imprisoned in the county jail for not more than one year, or both:

(1) Uses any term other than certified public accountant or the abbreviation C. P. A. to indicate that he or she is a certified public accountant with a specially granted title.

(2) While practicing under an assumed name, or as a member of a firm, other than a firm with a name that is registered under s. 442.07 (3), announces, either in writing or by printing, that the assumed name or firm is practicing as a certified public accountant.

(3) Holds himself or herself out to the public as a certified public accountant or assumes to practice as a certified public accountant unless he or she has been granted a certificate as a certified public accountant from the examining board.

(4) Practices as a certified public accountant after his or her certificate has been revoked.

(5) Sells, buys, gives, or obtains an alleged certificate as a certified public accountant or a license in any manner other than that provided for by this chapter.

(10) Attempts to practice as a certified public accountant under the guise of a certificate not granted by the examining board or under cover of a certificate obtained illegally or fraudulently.

(11) Certifies to any false or fraudulent report, certificate, exhibit, schedule or statement.

(12) Attempts by any subterfuge to evade the provisions of this chapter while practicing as a certified public accountant.

(13) As an individual or member of a firm, permits to be announced by printed or written statement that any report, certificate, exhibit, schedule, or statement has been prepared by or under supervision of a certified public accountant when the person who prepared the report, certificate, exhibit, schedule, or statement was not a certified public accountant.
section does not apply to a license or certificate that is suspended under s. 440.13 (2) (c) or that is revoked under s. 440.12.

(2m) A person who is licensed or certified under this chapter who practices as a certified public accountant in another state is subject to disciplinary action by the examining board under this section for an act committed in the other state that would subject the person to disciplinary action in the other state.

(3m) The examining board shall investigate and may take disciplinary action under sub. (1) against a person licensed or certified in this state upon receipt of a complaint by the examining board of accountancy of another state against that person.


Cross-reference: See also ch. Accy 4, Wis. adm. code.

442.13 Ownership of accountant’s working papers.
All statements, records, schedules, working papers, and memoranda made by a certified public accountant incident to or in the course of professional service to clients by a certified public accountant, except reports submitted by a certified public accountant to a client, shall be and remain the property of the certified public accountant, in the absence of an express agreement between the certified public accountant and the client to the contrary. No such statement, record, schedule, working paper, or memorandum shall be sold, transferred, or bequeathed, without the consent of the client or the client’s personal representative or assignee, to anyone other than any member of the firm of the certified public accountant.

History: 1991 a. 316; 2001 a. 16.