

CR 81-33

CERTIFICATE

RECEIVED

MAY 3 1982  
2:10  
Revisor of Statutes  
Bureau

STATE OF WISCONSIN )  
 ) SS  
ACCOUNTING EXAMINING BOARD )

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Wilma Morris, director of the Bureau of Business Professions, and custodian of the official records of the Accounting Examining Board do hereby certify that the annexed rules relating to rules of conduct for certified public accountants and public accountants, were duly approved and adopted by this board on April 30, 1982.

I further certify that said copy has been compared by me with the original on file in this board 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 30th day of April, A.D. 1982.



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Wilma Morris, Director  
Bureau of Business Professions

STATE OF WISCONSIN  
BEFORE THE  
ACCOUNTING EXAMINING BOARD

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IN THE MATTER OF RULEMAKING	:	ORDER OF THE ACCOUNTING
PROCEEDINGS BEFORE THE	:	EXAMINING BOARD REPEALING
ACCOUNTING EXAMINING BOARD	:	AMENDING OR ADOPTING RULES

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ORDER

NOW, THEREFORE, IT IS ORDERED That pursuant to authority vested in the Accounting Examining Board in ss. 15.08(5), 227.014 and 442.01, Wis. Stats., the Accounting Examining Board hereby creates, amends and adopts rules, interpreting s. 442.12, Stats., as follows:

Section 1. Section Accy 1.002 of the Wisconsin administrative code is created to read:

1.002 APPLICATION OF RULES OF CONDUCT TO CERTIFIED PUBLIC ACCOUNTANTS AND PUBLIC ACCOUNTANTS WHO OPERATE A SEPARATE BUSINESS. (1) A person or firm licensed to practice as a certified public accountant or public accountant, as defined in the statutes, who operates a separate business which offers to clients one or more types of services rendered by certified public accountants or public accountants is considered to be in the practice of public accounting in the conduct of that business. In this case, all persons with ownership equity in the business are required to observe the rules of conduct in the operation of the separate business.

(2) Certified public accountants and public accountants who are not otherwise in public practice must observe the rules of conduct in the operation of their business if they hold themselves out to the public as certified public accountants or public accountants and at the same time offer clients one or more types of services rendered by certified public accountants or public accountants.

Section 2. Section Accy 1.402(1) of the Wisconsin administrative code is amended to read:

(1) No person licensed to practice as a certified public accountant, or public accountant, as defined in the statutes, shall seek to obtain clients by advertising or other forms of solicitation in a manner that is false, fraudulent, misleading or deceptive. ~~The direct uninvited solicitation of a specific potential client~~ Solicitation by the use of coercion, duress, compulsion, intimidation, threats, overreaching or vexatious conduct is prohibited.

Section 3. Section Accy 1.402(2)(c) of the Wisconsin administrative code is amended to read:

(c) Other forms of solicitation. Certified public accountants may engage in a variety of activities to enhance their reputations and professional status with the objective of expanding their clientele. Such indirect forms of solicitation, which include giving speeches, conducting seminars, distributing professional literature and writing articles and books, are considered to be in the public interest and are permitted. A direct uninvited solicitation of a specific potential client, in person or in a communication tailored in content to that specific recipient, by a certified public accountant or public accountant relating to his professional service is prohibited. However, invitations that are not tailored in content to the specific recipient can be issued to potential clients to invite them to attend seminars conducted by the certified public accountant or the public accountant.

Section 4. Sections Accy 1.404(2)(c) and (d) of the Wisconsin administrative code are created to read:

(c) A conflict of interest exists when a certified public accountant or public accountant or firm of such persons who are licensed to practice in Wisconsin becomes associated with or employed by a nonlicensed individual or firm offering accounting, tax, or consulting services, such as those customarily provided by certified public accountants or public accountants, in a manner and with representation or implication that third parties could interpret or conclude that certified public accountant or public accountant services are performed or offered by both the nonlicensed individual or firms and the certified public accountant or public accountant. A conflict of interest also exists if the services of the licensed certified public accountant or public accountant or firm of such persons can be influenced or decisions altered by the noncertified associate or employer.

(d) A conflict of interest exists when a certified public accountant or public accountant who is not licensed permits his or her status as a certified public accountant or public accountant to be used or publicized in a manner or situation that third parties could assume or conclude that certified public accountant services are being performed or offered by or through nonlicensed individuals or firms.

The rule amendments and adoptions contained in this order shall take effect pursuant to ss. 227.026(1)(a) and 442.01(2), Stats.

Dated this 30 day of April, 1982.

By: James B. Bower  
James B. Bower, Secretary  
Accounting Examining Board