



**Wisconsin Institute of  
Certified Public Accountants**

DATE: January 24, 2024

TO: Co-Chairs Senator Wimberger and Representative Wittke & Members of the Joint Legislative Audit Committee

FROM: Tammy Hofstede, President & CEO  
Wisconsin Institute of Certified Public Accountants

RE: Wisconsin Department of Safety and Professional Services (DSPS)

Thank you for the opportunity to submit testimony on behalf of the Wisconsin Institute of Certified Public Accountants (WICPA) and the Certified Public Accountant (CPA) profession.

The WICPA represents nearly 7,000 members made up of over 11,000 licensed CPAs in Wisconsin.

The WICPA's concerns begin with CPAs and CPA candidates who cannot reach a person at DSPS to answer a call or provide a response to voicemails, emails and letters in a reasonable amount of time (if at all) after several weeks, months and, in some cases, over two years. Due to this problem, the WICPA is having to respond to over 100 calls and emails monthly from CPAs and CPA candidates because they are not receiving a response from DSPS. We try to answer all the questions we are able to and then forward any that we cannot answer directly to the Executive Director (ED) of the Accounting Examining Board (AEB) at DSPS, but there is still no response.

I have continuously asked for guidance to be published on several topics for candidates and CPAs, to assist with the routine questions — such as, how to transfer a license, the application process (which is not clear), firm licensing, experience and Ethics Exam questions.

Secondly, we have had several issues with renewing licenses in December, as the new system combined the individual license with the firm license, using the same username for access, and only the individual license could be renewed. DSPS knew about the issue and did not communicate that there would be a fix. We found out there were over 400 firms impacted, and I had numerous calls from members because DSPS was not responding and they were worried about their licenses lapsing.

The next issue is one of the most concerning. We all know there are pipeline and workforce issues in professions, including the CPA profession. Problems with DSPS are worsening these issues. So far, 34 states have granted COVID relief to reinstate lost parts of the CPA Exam during January 2020 and May 2023. I had been contacted by numerous candidates, firms and educators regarding Wisconsin, as they saw other states granting this relief. I had proposed having an emergency rule written, which could be done quickly and would have alleviated the administrative work from DSPS and the AEB. DSPS and the AEB did not do this for Wisconsin. Their comments were unprofessional and disheartening for representatives of the profession, saying essentially “too bad, so sad” and “candidates were lazy” — which could not be further from the truth!

DSPS did not request the names and total number of candidates impacted from NASBA, who would provide the information. We did find in the statute that requests can be made and evaluated on a case-by-case basis. So I took it upon myself to contact NASBA to send the Executive Director the names (the only person they would release them to), which totaled 249, with a total of 345 exam sections lost — approximately 70% of the number of new licensees Wisconsin receives each year. This is a very significant number. Even after receiving the list, the candidates were not notified of this opportunity, and the number was misrepresented as much lower. I had also offered to take the time to notify the candidates. Again, no response from DSPS.

I then again took it upon myself to write a guidance document outlining how candidates could write a letter and request this relief. It took over six weeks for DSPS to tweak a few words and approve the document. During that time, I had contacted DSPS a number of times. I then contacted Sen. Marklein, Rep. Wittke and DOA Secretary Blumenfeld for assistance and was then finally provided the list of names and emails of the candidates. I personally emailed each of them with the guidance document regarding how to request exam reinstatement from the time of COVID, something that DSPS should have done.

I would also like to comment that at the AEB meeting in November, where discussion took place about reviewing requests on a case-by-case basis, DSPS took over 20 minutes to try and determine a person or email where the requests “would not get lost.” There were members of the public, both present and on the phone, hearing this, and they went back to their firms and ultimately contacted me. It was embarrassing for the profession. After five weeks, DSPS finally came to the conclusion that the ED would continue to be the contact.

In conversations with the AEB chair, I learned that this process to receive, review and approve would take a few days at most. We currently have about two dozen candidates who have not heard back for months now, and it’s been more than two years for some. Four of these candidates were present at the last AEB meeting in November to tell their stories of the difficulties they had with finishing their exams during COVID — and not one has heard back from DSPS.

I have also expressed my concern about the proposed administrative rule that would change the time to take the CPA Exam. The rule is not clear and will create much confusion. I was told “we will worry about that later.”

It is concerning to the WICPA that the state is representing the CPA profession in this way and is not guiding the AEB to serve in the best interests of the profession.

As candidates and CPAs continue to come to me for assistance and updates, I persistently ask for communication and updates from DSPS and the AEB, with no response. I finally have a meeting with DSPS representatives February 7 to discuss my concerns and how we can collaborate to make licensing questions and requests most efficient and responses timely.

The WICPA would be more than happy to work with DSPS in any way we can to assist, communicate and expedite responses, but we need responses and processes now to not create more of a hardship for these candidates and the profession.