

STATE OF WISCONSIN  
ACCOUNTING EXAMINING BOARD

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IN THE MATTER OF RULE-MAKING : ORDER OF THE  
PROCEEDINGS BEFORE THE : ACCOUNTING EXAMINING BOARD  
ACCOUNTING EXAMINING BOARD : ADOPTING RULES  
: (CLEARINGHOUSE RULE 02-149)

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ORDER

An order of the Accounting Examining Board to repeal and recreate Accy 3.06 and 3.07, relating to a new computer-based examination.

Analysis prepared by the Department of Regulation.

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ANALYSIS

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

Statutes interpreted: s. 442.04 (5), Wis. Stats.

In this rule-making order the Accounting Examining Board amends its rules for implementation of a new computer-based examination. This examination is expected to be offered exclusively on computer beginning in early 2004. It will completely replace the paper-and-pencil version of the examination. The new examination has four sections: Regulation, Financial Accounting and Reporting, Auditing and Attestation, and Business Environment and Concepts. Each section of the computer-based examination will be approximately as long as the current examination.

The four sections of the current examination are Accounting and Reporting, Financial Accounting and Reporting, Auditing, and Business Law and Professional Responsibilities.

Section 1 repeals and recreates the examination procedures. Eligibility to sit for the examination will continue to be determined by the jurisdiction where the certified public accountant credential is sought. Eligible examination candidates will be able to schedule directly with the company administering the examination. Examinations will be offered at sites in Madison and Milwaukee and candidates will also be permitted to take the examination at sites in other states. The examination will be given over a two-month period in each calendar quarter. It will not be given during the final month of each quarter, in order to prepare new examination material for the next quarter. Candidates will not be allowed to retake a failed section within the quarter it was last taken. However, candidates will be allowed to take as many sections of the examination as they desire during any one quarter.

Section 2 repeals and recreates the transition rules to allow a transition period to complete any remaining sections of the certified public accountant examination. Candidates who have received conditional credit for sections of the paper examination will be allowed to take the

remaining corresponding sections of the computer-based examination in order to complete the examination. These proposed rules allow candidates to sit for each section separately and to take each section in any order. All sections must be completed within an 18-month period, which begins with the first month that the computer-based examination is offered.

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TEXT OF RULE

SECTION 1. Accy 3.06 is repealed and recreated to read:

**Accy 3.06 Examination.** (1) A candidate shall be allowed to sit for each section of the uniform certified public accountant examination individually and in any order.

(2) A candidate shall retain credit for any section passed for 18 months. A candidate may not retake a failed section within the same calendar quarter.

(3) A candidate must pass all 4 sections of the uniform certified public accountant examination within a rolling 18-month period which begins on the date that the first section is passed.

(4) If all 4 sections of the uniform certified public accountant examination are not passed within the rolling 18-month period, credit for any section passed outside the 18-month period shall expire and that section shall be retaken.

SECTION 2. Accy 3.07 is repealed and recreated to read:

**Accy 3.07 Transition rules.** (1) In this section the transition period means the 18-month period of time that begins with the first month that the computer-based examination is offered.

(2) A candidate who has attained credit for paper-based examination sections passed as of the start of the transition period shall be allowed a transition period to complete any remaining sections of the certified public accountant examination during the transition.

(3) If a candidate does not pass all remaining sections during the transition period, credits earned under the paper-and-pencil examination will expire.

(4) Any section passed during the transition period is subject to the granting of credit provisions in s. Accy 3.06.

(5) A candidate passing the auditing section on the paper-and-pencil examination shall be deemed to have passed the auditing and attestation section of the computer-based examination.

(6) A candidate passing the financial accounting and reporting section on the paper-and-pencil examination shall be deemed to have passed the financial accounting and reporting section of the computer-based examination.

(7) A candidate passing the accounting and reporting section on the paper-and-pencil examination shall be deemed to have passed the regulation section of the computer-based examination.

(8) A candidate passing the business law and professional responsibilities section on the paper-and-pencil examination shall be deemed to have passed the environment and concepts section of the computer-based examination.

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The rules adopted in this order shall take effect on the 1<sup>st</sup> day of January, 2004.

Dated \_\_\_\_\_

Agency \_\_\_\_\_

Chairperson  
Accounting Examining Board