

WISCONSIN DEPARTMENT OF SAFETY AND PROFESSIONAL SERVICES



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STATE OF WISCONSIN
BEFORE THE ACCOUNTING EXAMINING BOARD

IN THE MATTER OF DISCIPLINARY :
PROCEEDINGS AGAINST :
 : FINAL DECISION AND ORDER
SCOTT W. SHERMAN, :
RESPONDENT. :

0004873

Division of Legal Services and Compliance Case No. 15 ACC 025

The parties to this action for the purpose of Wis. Stat. § 227.53 are:

Scott W. Sherman
720 Sommer Drive
Sheboygan, WI 53081

Wisconsin Accounting Examining Board
P.O. Box 8366
Madison, WI 53708-8366

Division of Legal Services and Compliance
Department of Safety and Professional Services
P.O. Box 7190
Madison, WI 53707-7190

The parties in this matter agree to the terms and conditions of the attached Stipulation as the final disposition of this matter, subject to the approval of the Wisconsin Accounting Examining Board (Board). The Board has reviewed this Stipulation and considers it acceptable.

Accordingly, the Board in this matter adopts the attached Stipulation and makes the following Findings of Fact, Conclusions of Law and Order.

FINDINGS OF FACT

1. Respondent Scott W. Sherman (DOB September 20, 1969) is certified by the State of Wisconsin as a certified public accountant, having certificate number 18373-1, first issued on October 23, 2001 and expired on December 15, 2015. Respondent's most recent address on file with the Wisconsin Department of Safety and Professional Services (Department) is 720 Sommer Drive, Sheboygan, Wisconsin 53081.

2. On August 13, 2015, Respondent pled no contest to and was convicted of one count of Filing a False or Fraudulent Tax Return, in violation of Title 26, United States Code, Section 7206(1), a felony, in United States District Court Eastern District of Wisconsin Case Number 15-CR-133.

3. The Information filed with the Court alleged:

- a. On July 18, 2012, Respondent did willfully make and subscribe a joint United States Individual Income Tax Return (Form 1040, hereinafter “return”) for the calendar year 2011, which was filed with the Internal Revenue Service and Respondent knew it was not correct and true;
 - b. Respondent falsely indicated on the return that, during 2011, he had business income from the operation of his accounting business of \$18,992, whereas, in fact, and as Respondent knew, during 2011, he had business income from his accounting business substantially in excess of this amount;
 - c. Respondent falsely indicated on the return he had taxable income during 2011 of \$0, whereas, he had taxable income during 2011 substantially in excess of this amount; and
 - d. Respondent falsely indicated on the return that his total federal income tax obligation, including self-employment tax, for 2011 was \$2,333, whereas, his total federal income tax obligation for 2011 was substantially in excess of this amount.
4. On September 22, 2015, Respondent reported his conviction to the Department.
 5. On November 13, 2015, Respondent was sentenced to, among other things, four years of probation and restitution of \$93,554.11.
 6. On December 15, 2015, Respondent’s certified public accountant certificate expired.
 7. In resolution of this matter, Respondent consents to the entry of the following Conclusions of Law and Order.

CONCLUSIONS OF LAW

1. The Wisconsin Accounting Examining Board has jurisdiction to act in this matter pursuant to Wis. Stat. § 442.12, and is authorized to enter into the attached Stipulation pursuant to Wis. Stat. § 227.44(5).
2. Pursuant to Wis. Stat. § 440.08(3), Respondent retains the right to renew his certified public accountant certificate through December 14, 2020.
3. By the conduct described in the Findings of Fact, Scott W. Sherman violated Wis. Admin. Code § Accy 1.401(1) by committing an act discreditable to the profession by being convicted of a crime the circumstances of which substantially relate to the practice of accounting pursuant to Wis. Admin. Code § Accy 1.401(2)(e).
4. As a result of the above violation, Scott W. Sherman is subject to discipline pursuant to Wis. Stat. § 442.12(1)(b).

ORDER

1. The attached Stipulation is accepted.

2. The VOLUNTARY SURRENDER of Respondent Scott W. Sherman's right to renew his certified public accountant certificate (number 18373-1) pursuant to Wis. Stat. § 440.08(3) is ACCEPTED.

3. This surrender constitutes Respondent's permanent relinquishment of his Wisconsin certified public accountant certificate and his right to practice certified public accounting in the State of Wisconsin. The Board will not, at any time in the future, process or otherwise consider an application or attempt at renewal by Respondent of credentials necessary to practice certified public accounting in the State of Wisconsin.

4. This Order is effective on the date of its signing.

WISCONSIN ACCOUNTING EXAMINING BOARD

by: John Scheid
A Member of the Board

8/10/16
Date

STATE OF WISCONSIN
BEFORE THE ACCOUNTING EXAMINING BOARD

IN THE MATTER OF DISCIPLINARY
PROCEEDINGS AGAINST

SCOTT W. SHERMAN,
RESPONDENT.

:
:
:
:
:

STIPULATION

0004873

Division of Legal Services and Compliance Case No. 15 ACC 025

Respondent Scott W. Sherman and the Division of Legal Services and Compliance, Department of Safety and Professional Services stipulate as follows:

1. This Stipulation is entered into as a result of a pending investigation by the Division of Legal Services and Compliance. Respondent consents to the resolution of this investigation by Stipulation.

2. Respondent understands that by signing this Stipulation, Respondent voluntarily and knowingly waives the following rights:

- the right to a hearing on the allegations against Respondent, at which time the State has the burden of proving those allegations by a preponderance of the evidence;
- the right to confront and cross-examine the witnesses against Respondent;
- the right to call witnesses on Respondent's behalf and to compel their attendance by subpoena;
- the right to testify on Respondent's own behalf;
- the right to file objections to any proposed decision and to present briefs or oral arguments to the officials who are to render the final decision;
- the right to petition for rehearing; and
- all other applicable rights afforded to Respondent under the United States Constitution, the Wisconsin Constitution, the Wisconsin Statutes, the Wisconsin Administrative Code, and other provisions of state or federal law.

3. Respondent is aware of Respondent's right to seek legal representation and has been provided an opportunity to obtain legal counsel before signing this Stipulation.

4. Respondent agrees to the adoption of the attached Final Decision and Order by the Wisconsin Accounting Examining Board (Board). The parties to the Stipulation consent to the entry of the attached Final Decision and Order without further notice, pleading, appearance or consent of the parties. Respondent waives all rights to any appeal of the Board's order, if adopted in the form as attached.

5. If the terms of this Stipulation are not acceptable to the Board, the parties shall not be bound by the contents of this Stipulation, and the matter shall then be returned to the Division

of Legal Services and Compliance for further proceedings. In the event that the Stipulation is not accepted by the Board, the parties agree not to contend that the Board has been prejudiced or biased in any manner by the consideration of this attempted resolution.

6. The parties to this Stipulation agree that the attorney or other agent for the Division of Legal Services and Compliance and any member of the Board ever assigned as an advisor in this investigation may appear before the Board in open or closed session, without the presence of Respondent or Respondent's attorney, for purposes of speaking in support of this agreement and answering questions that any member of the Board may have in connection with deliberations on the Stipulation. Additionally, any such advisor may vote on whether the Board should accept this Stipulation and issue the attached Final Decision and Order.

7. Respondent is informed that should the Board adopt this Stipulation, the Board's Final Decision and Order is a public record and will be published in accordance with standard Department procedure.

8. The Division of Legal Services and Compliance joins Respondent in recommending the Board adopt this Stipulation and issue the attached Final Decision and Order.



Scott W. Sherman, Respondent
720 Sommer Drive
Sheboygan, WI 53081
Certificate no. 18373-1

7-26-16
Date



Renee M. Parton, Attorney
Division of Legal Services and Compliance
P.O. Box 7190
Madison, WI 53707-7190

7/29/2016
Date