

## WISCONSIN DEPARTMENT OF SAFETY AND PROFESSIONAL SERVICES



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STATE OF WISCONSIN  
BEFORE THE ACCOUNTING EXAMINING BOARD

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IN THE MATTER OF DISCIPLINARY :  
PROCEEDINGS AGAINST :  
 :  
 : FINAL DECISION AND ORDER  
CATHY J. SCHROEDER, :  
RESPONDENT. :  
 : **0005393**

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Division of Legal Services and Compliance  
Case Nos. 15 ACC 013, 15 ACC 019, 15 ACC 020, 15 ACC 033 and 16 ACC 005

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

Cathy J. Schroeder  
P.O. Box 3066  
Eau Claire, WI 54702-3066

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

PROCEDURAL HISTORY

A disciplinary proceeding was commenced in this matter by the filing of a Notice of Hearing and Complaint with the Wisconsin Accounting Examining Board (Board) on March 9, 2017. Prior to the hearing on the Complaint, the parties in this matter agreed to the terms and conditions of the attached Stipulation as the final disposition of this matter, subject to the approval of the 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 Cathy J. Schroeder (DOB 04/18/1958) is licensed and certified by the State of Wisconsin as a certified public accountant, having credential number 9800-1, first issued on December 16, 1985 and current through December 14, 2017. Respondent's most recent address on file with the Wisconsin Department of Safety and Professional Services (Department) is P.O. Box 3066, Eau Claire, Wisconsin 54702-3066.

15 ACC 013

2. On or about June 3, 2015, the Department received a complaint alleging that Respondent was not responding to clients D.S. and R.S.'s requests for an update on the status of preparing their tax return. The Division of Legal Services and Compliance subsequently opened Case Number 15 ACC 013 for investigation on September 8, 2015.

3. On or about June 1, 2015, D.S. and R.S. sent Respondent a certified letter requesting the return of their 2014 tax records and supporting documents.

4. On January 28, 2016, the Department, on behalf of the Board, sent a letter to Respondent's address of record via certified mail, requesting that Respondent respond to the allegations in the complaint.

5. Respondent signed for the Department's certified letter on February 25, 2016. Respondent wrote on the certified mail return receipt card that her current address was Post Office Box 8096, Eau Claire, Wisconsin 54702.

6. On May 4, 2016, the Department sent a letter to Respondent's new address via certified mail requesting that Respondent respond to the allegations in the complaint.

7. On May 31, 2016, the letter was returned to the Department by the post office as unclaimed.

8. No response has been received to the Department's letters.

9. On or about March 27, 2017, Respondent returned the tax records and supporting documents to D.S. and R.S.

15 ACC 019

10. On or about August 10, 2015, the Department received a complaint alleging that Respondent was not responding to client D.J.S.'s requests for an update on the status of preparing his tax return. The Division of Legal Services and Compliance subsequently opened Case Number 15 ACC 019 for investigation on September 8, 2015.

11. On July 9, 2015, D.J.S. requested, via email to Respondent's email address on record, the return of his tax records and supporting documents so he could hire someone else to complete his taxes.

12. On January 28, 2016, the Department, on behalf of the Board, sent a letter to Respondent's address of record via certified mail, requesting that Respondent respond to the allegations in the complaint.

13. According to United States Postal Service records, the letter was delivered on February 25, 2016. The certified mail receipt card was never returned to the Department.

14. On May 4, 2016, the Department sent a letter to Respondent via certified mail requesting that Respondent respond to the allegations in the complaint.

15. On May 31, 2016, the letter was returned to the Department by the post office as unclaimed.
16. No response has been received to the Department's letters.
17. On or about March 29, 2017, Respondent returned the tax records and supporting documents to D.J.S.

15 ACC 020

18. On or about August 10, 2015, the Department received a complaint alleging that Respondent was not responding to client J.K.'s requests for tax records and supporting documents to be sent to his new accountant. The Division of Legal Services and Compliance subsequently opened Case Number 15 ACC 020 for investigation on September 28, 2015.
19. Starting on December 11, 2014, and through April 8, 2015, J.K.'s new accountant requested the return of his tax records and supporting documents six times by calling Respondent and leaving her a voicemail. Respondent did not return J.K.'s tax records and supporting documents.
20. On January 28, 2016, the Department, on behalf of the Board, sent a letter to Respondent's address of record via certified mail, requesting that Respondent respond to the allegations in the complaint.
21. Respondent signed for the certified letter on February 25, 2016. Respondent wrote on the certified mail return receipt card that her current address was Post Office Box 8096, Eau Claire, Wisconsin 54702.
22. On May 4, 2016, the Department sent a letter to Respondent's new address via certified mail requesting that Respondent respond to the allegations in the complaint.
23. On May 31, 2016, the letter was returned to the Department by the post office as unclaimed.
24. No response has been received to the Department's letters.
25. On or about July 11, 2017, Respondent returned the tax records and supporting documents to J.K.

15 ACC 033

26. On or about December 16, 2015, the Department received a complaint alleging that Respondent was not responding to client H.M.'s requests to return his tax records and supporting documents. The Division of Legal Services and Compliance subsequently opened Case Number 15 ACC 033 for investigation on January 26, 2016.
27. On or about April 8, 2015, H.M. provided Respondent with his tax records and supporting documents so that Respondent could prepare his taxes. Respondent never filed or completed H.M.'s taxes. In November 2015, H.M. requested the return of his tax records and

supporting documents in person, after numerous unsuccessful attempts to contact Respondent by email and phone. Respondent did not return H.M.'s tax records and supporting documents.

28. On January 28, 2016, the Department, on behalf of the Board, sent a letter to Respondent's address of record via certified mail, requesting that Respondent respond to the allegations in the complaint.

29. Respondent signed for the certified letter on February 25, 2016. Respondent wrote on the certified mail return receipt card that her current address was Post Office Box 8096, Eau Claire, Wisconsin 54702.

30. On May 4, 2016, the Department sent a letter to Respondent's new address via certified mail requesting that Respondent respond to the allegations in the complaint.

31. On May 31, 2016, the letter was returned to the Department by the post office as unclaimed.

32. No response has been received to the Department's letters.

33. On or about July 11, 2017, Respondent returned the tax records and supporting documents to H.M.

#### 16 ACC 005

34. On or about February 18, 2016, the Department received a complaint alleging that Respondent was not responding to client A.M.'s requests for an update on the status of preparing her tax return. The Division of Legal Services and Compliance subsequently opened Case Number 16 ACC 005 for investigation on March 14, 2016.

35. On November 5, 2015, A.M. sent a letter to Respondent requesting the status of her 2013 tax return and if the return was not near completion to immediately return all tax records and supporting documents. Prior to the November 5, 2015 letter, A.M. made multiple attempts, via emails to Respondent's email address on record, and text messages, to ascertain the status of her returns but wasn't given a straight answer. Respondent did not return A.M.'s tax records and supporting documents.

36. On May 4, 2016, the Department, on behalf of the Board, sent a letter to Respondent's current address via certified mail, requesting that Respondent respond to the allegations in the complaint.

37. On May 31, 2016, the Department's letter was returned by the post office as unclaimed.

38. No response has been received to the Department's letter.

39. On or about July 11, 2017, Respondent returned the tax records and supporting documents to A.M.

40. 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. By the conduct described in the Findings of Fact, Respondent violated Wis. Admin. Code § Accy 1.401(1) by committing an act discreditable to the profession by failing to return or furnish copies of records given to Respondent by her clients after a request was made for such records pursuant to Wis. Admin. Code § Accy 1.401(2)(a).

3. By the conduct described in the Findings of Fact, Respondent violated Wis. Admin. Code § Accy 1.407 by failing to respond to communications from the Board within 30 days of mailing of such communication by registered or certified mail.

4. As a result of the above violations, Respondent is subject to discipline pursuant to Wis. Stat. § 442.12(1)(b).

## ORDER

1. The attached Stipulation is accepted.

2. Respondent Cathy J. Schroeder's certified public accountant credential (number 9800-1) is **SUSPENDED** for 10 business days, beginning 10 days from the date of this Order.

3. The certified public accountant credential issued to Cathy J. Schroeder (number 9800-1) is **LIMITED** as follows:

a. Within 60 days from the date of this Order, Respondent shall successfully complete 35 hours of education in the following topics offered by a provider pre-approved by the Board's monitoring liaison, including taking and passing any exam(s) offered for the courses:

i. 25 hours on the topic of ethics, and

ii. 10 hours on the topic of office management.

b. Respondent shall submit proof of successful completion of the ordered education in the form of verification from the institution providing the education to the Department Monitor at the address stated below. None of the education completed pursuant to this requirement may be used to satisfy any continuing education requirements that have been or may be instituted by the Board or the Department, and also may not be used in future attempts to upgrade a credential in Wisconsin.

4. Within 90 days from the date of this Order, Respondent shall pay **COSTS** of this matter in the amount of \$3,803.


5. Any requests for pre-approval, certificates of completion and payment of costs (made payable to the Wisconsin Department of Safety and Professional Services) shall be sent by Respondent to the Department Monitor at the address below:

Department Monitor  
Division of Legal Services and Compliance  
Department of Safety and Professional Services  
P.O. Box 7190, Madison, WI 53707-7190  
Telephone (608) 267-3817; Fax (608) 266-2264  
DSPSMonitoring@wisconsin.gov

6. In the event Respondent violates any term of this Order, Respondent's credential (number 9800-1), or Respondent's right to renew her credential, may, in the discretion of the Board or its designee, be further SUSPENDED, without further notice or hearing, until Respondent has complied with the terms of the Order. The Board may, in addition and/or in the alternative, refer any violation of this Order to the Division of Legal Services and Compliance for further investigation and action.

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

WISCONSIN ACCOUNTING EXAMINING BOARD

by:   
A Member of the Board

*August 10, 2017*  
Date

STATE OF WISCONSIN  
BEFORE THE ACCOUNTING EXAMINING BOARD

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IN THE MATTER OF DISCIPLINARY  
PROCEEDINGS AGAINST

CATHY J. SCHROEDER,  
RESPONDENT.

:  
:  
:  
:  
:

STIPULATION

**0005393**

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Division of Legal Services and Compliance Case Nos. 15 ACC 013, 15 ACC 019,  
15 ACC 020, 15 ACC 033 and 16 ACC 005

Respondent Cathy J. Schroeder 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 proceeding by the Division of Legal Services and Compliance. Respondent consents to the resolution of this proceeding 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. Respondent is represented by Attorney Terry L. Moore.

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.

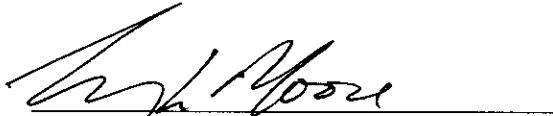
6. The parties to this Stipulation agree that the attorney or other agent for the Division of Legal Services and Compliance and any member of the Board ever assigned as an advisor in this investigation may appear before the Board in open or closed session, without the presence of Respondent, for purposes 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.

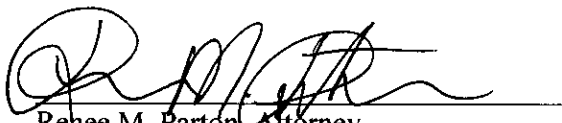
8. The Division of Legal Services and Compliance joins Respondent in recommending the Board adopt this Stipulation and issue the attached Final Decision and Order.

  
Cathy J. Schroeder, Respondent  
P.O. Box 3066  
Eau Claire, WI 54702-3066  
Credential no. 9800-1

7-17-2017  
Date

  
Terry L. Moore, Attorney for Respondent  
Herrick & Hart, SC  
116 West Grand Avenue  
P.O. Box 167  
Eau Claire, WI 54702-0167

7/17/17  
Date

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

7/19/2017  
Date