

Osceola County

Office of Commision Auditor

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December 4, 2001

Florida Board of Accountancy
240 NW 76th drive, Suite A
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Dear Board:

I would like to request that the following hypothetical situation be evaluated by the Board and for the Board to issue an official opinion on the situation.

Hypothetical Situation

John Doe a local government finance/auditing employee, is licensed by the state as a Certified Public Accountant. In addition, Mr. Doe has been awarded a CIA(Certified Internal Auditor) designation by the Institute of Internal Auditors. Mr. Doe has both designations on his business cards and uses both designations on all correspondence. (See attachment)

Question 1: Would business cards, letterhead and correspondence be considered advertisements when used by local government employees who are CPAs?

Discussion of Pertinent laws and rules: Section 61H1-24.001(2)(b), Florida administrative Code provides three exemptions when the items listed in §61H1-24.001(2)(a), FAC are not considered advertising. The list provided does not exempt local government employees who are CPAs.

Conclusion: With there being no exemption for local government employees, who can be engaged in accounting and auditing work for the local government, the items listed in §61H1-24.001(2)(a), FAC would be considered advertising.

Question 2: In all forms of correspondence in which multiple designations are used, does an asterisk need to be placed next to the CPA with a footnote stating, "Florida CPAs are licensed by the State of Florida"?

Discussion of pertinent law and rules: Section 61H1-24.001(1)(g), Florida administrative Code provides that CPA licensees may use designations in conjunction with their CPA designation as long the designation is a bona fide formal recognition and an asterisk is placed in close proximity to the CPA designation and is tied to an accompanying footnote statement that the CPA licensure designation is regulated by the State of Florida.

Conclusion: When a second designation is by a CPA in correspondence § 61H1-24.001(1)(g), FAC must be complied with.

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In summary: any local government employee, who is a CPA, does conduct advertising by default as concluded by question 1. If the CPA uses bona fide secondary designation, the CPA would be required to comply with the disclosure requirements of § 61H1-24.001 (1)(g), FAC.

Please review the conclusions that I have drawn for the above hypothetical situation. It is my understanding that just because an individual is a governmental employee and not in "public practice" does not automatically exempt them from the requirements of the Board of Accountancy. Looking forward to your opinion.

Sincerely,

Frank Schneider, CPA

Attachment