



GUAM

board of accountancy

February 25, 2016

Honorable Eddie B. Calvo
Governor of Guam
Executive Chambers
POB 2950
Hagatña, GU 96932

7B-16-1397
Office of the Speaker
Judith T. Won Pat, F.D.D

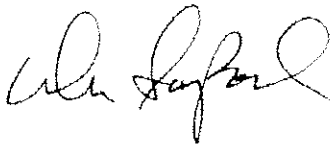
Date: 02-25-16
Time: 9:03 AM
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Dear Governor Calvo:

In compliance with Public Law 31-233, Chapter 8, Title 5GCA, Section 38, §8113.1, attached is an electronic copy of minutes, agenda and other attachments to our Board meeting held on February 18, 2016.

Should you have any questions, please call us at 647-0813 or email to: execdir@guamboa.org.

Sincerely,



Dave N. Sanford
Executive Director

Attachment: Electronic copy of February 18, 2016 Meeting

cc: Honorable Judith T. Won Pat
Speaker, 33rd Guam Legislature

1397

2016 FEB 25 PM 11:57

GUAM BOARD OF ACCOUNTANCY
335 South Marine Corps Drive, Suite 101, Tamuning, GU 96913

Board Meeting – February 18, 2016

AGENDA

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GUAM BOARD OF ACCOUNTANCY
335 S. Marine Corps Drive, Suite 101, Tamuning, GU 96913

MINUTES OF MEETING

January 21, 2016

I. CALL TO ORDER:

The meeting was called to order at 4:22 p.m. by Chairman John Onedera. The meeting was held in the GBA Conference Room.

Members Present: John Onedera, Chairman
 Francis Quinto Baba, Secretary-Treasurer
 Jennie Chiu, Member

Excused Absences: Todd Smith, Vice Chairman
 Dafne Shimizu, Asst. Secretary-Treasurer
 John P. Camacho, Ex-Officio Member

Also Present: Dave Sanford, Executive Director
 Michele B. Santos, Asst. Executive Director
 David Highsmith, Asst. Attorney General, Legal Counsel
 Arleen Gay, Board Secretary

II. APPROVAL OF MINUTES:

Motion was made by Jennie Chiu and seconded by Francis Quinto Baba to approve the Board minutes of December 17, 2015. There being no further discussion or objections, the motion carried.

III. OLD BUSINESS:

- A. **Endowment Fund – Standing Committee Update:** Discussion was had on the Endowment Fund with the Executive Director presenting portfolio reviews prepared by Raymond James which showed the performances of investment and executive overviews as of December 31, 2015 and January 19, 2016. He said the figures indicated the current investment had dropped down about 9% making the investment down to about \$854,000, but said that his feeling was it would go back up within three to six months. It was agreed by the members that now would be a reasonable time to make a contribution to Endowment Fund for FY2016 with the market being down so low and not likely to go much lower. It was also agreed to ask the advisors at Raymond James for their advice before going forward with the contribution. The Executive Director said as soon as he received a response from the Raymond James advisors, he would inform the members of their advice.

IV. NEW BUSINESS:

A. **Requests for Approval:**

- **CPA Exam Applications:** It was pointed out that none of the December candidates were involved with taking the Becker course offered at UOG. Also pointed out was that more foreign candidates from Illinois were applying to Guam and the Executive Director told the members that he was going to ask the Executive Director of the Illinois Board if they were referring their Chinese candidates to Guam.

Motion was made by Jennie Chiu and seconded by Francis Quinto Baba to approve the CPA Exam Applications for the month of December, 2015, as presented. There being no further discussion or objections, the motion carried.

- **Applications for CPA Initial Certification and License to Practice:** Motion was made by Francis Quinto Baba and seconded by Jennie Chiu to approve the Applications for Initial Certification and License to Practice, as presented. There being no further discussion or objections, the motion carried. (Applicant No. 8, Weijie Zhao was missing period of time for employment with ProCon Business Consultants. The Licensing Administrator explained that this was inadvertently omitted and that the applicant did qualify.)
- **Grades – October/November Windows:** Motion was made by Jennie Chiu and seconded by Francis Quinto Baba to approve the grades for the October/November, 2015, windows, as presented. There being no further discussion or objections, the motion carried.
- **NTS Extension Request:** Candidate Wan-Ting Chiang requested for an extension of her NTS which was due to expire in February. Her request was due to the passing of her father in late December 2015 and the funeral was scheduled for February 13th. Because she submitted a certificate of death from the hospital and the apparent legitimacy of her request, the Board members present agreed to approve her NTS extension request to May 31, 2016.

V. GENERAL DISCUSSION/ANNOUNCEMENTS:

- **NASBA Jurisdiction Reports 2015Q4:** The Executive Director went over the overall performance statistics for testing windows 2015Q4. He said that Guam was still hanging in towards the middle, with the average age and passing rate about the same, which again was attributed to the fact that the Guam candidates are mostly foreign and English not being their first language. He said over 80% of the Guam candidates were foreign. He also pointed out that for this quarter there were more male than female candidates, where in the past it had pretty much been even.

- **GCTC Fourth Quarter Report:** The Quarterly Report of the Guam Computer Test Center showed the statistics for the fourth quarter of NASBA's calendar year 2015 which is actually GBOA's first quarter of FY2016. The Executive Director told the members that Jose Manzon had retired from the Test Center and Randy Jung was now in charge. He also told the members that he had found a formula error in their report and he had gone ahead and corrected it. He explained that the statistics indicated that for the quarter they were down a little overall on events and basically flat for the year. Ethnicity-wise the Koreans and Taiwanese were down low, with the Chinese taking up most of the slack. He said that volume-wise we were essentially just slightly ahead of where we were when we started back in 2004. There was some discussion on what might occur should the test center here close and how GBOA was prepared with maintaining three years' worth of expenses to continue to operate should this happen. He said one of the challenges would be to figure out what to do with a lot less revenues.
- **Candidate Care Concerns 15Q4:** The Candidate Concerns Report for the fourth quarter summarized concerns expressed to the Candidate Care Department by CPA candidates during the 15Q4 testing window. In an effort to improve the candidate test taking experience, AICPA had outlined what had been done to improve the candidate experience with screen shots of what has been changed, making it harder for a candidate to say that they were not aware of what was going to happen. The candidate would also be given a warning or reminder to alert them.

Also Discussed:

- The Executive Director presented the financial statement for December, saying that he felt that we would see more revenues than anticipated. He also told the members that GBOA was currently on track revenue and expense-wise and he did not foresee any issues. The figures indicated that more candidates were taking the test they paid for than in any other previous history, meaning that they were actually showing up to take the events that they paid for.
- Up for approval by the Board was the FY 2017 proposed Budget for GBOA. Discussion was had on the proposed Budget which was due by law to be transmitted to the Legislature by January 29, 2016. The Executive Director went over his figures and he explained to the members how he arrived at the \$760,000 total projected revenue figure and total expenditure figure of \$638,500. He said that the final revenue figure was based on paid sections versus the actual sitting in the Test Center. The Executive Director explained to the members present that he had added in the \$100,000 contribution to the Endowment Fund and that the contribution would be made when suggested by the Raymond James firm.

Motion was made by Francis Quinto Baba and seconded by Jennie Chiu to approve the Guam Board of Accountancy's FY2017 recommended Budget, as presented. There being no further discussion or objections, the motion carried.

- Discussed were the two documents received from the OPA in which she suggested guidelines to improve our CCRs and Annual Reports. The Executive Director said that while he believed the CCR to be an Annual Report, he would prepare the required CCR and an Annual Report consisting of the CCR with a cover letter and attach the CPA listing. The CCR is due no later than 60 days after the independent audit report has been released by the OPA for each fiscal year. It is to be submitted to the OPA and the Speaker of the Guam Legislature and also required to be posted on the entity's website.
- The Executive Director brought up the Administrative Services Contract which expires September 30 of this year. An RFP will need to be put out before October 1, 2016 because by law, any procurement to be done after this date will require each Government of Guam employee having anything to do with procurement of any kind be required to take a basic procurement course at the Guam Community College. Those who actually authorize or oversee procurement will be required to take a second, third and fourth course. He stressed that the RFP for the contract be done before October 1st because with the new law requirement, it was found to be difficult to get a definite schedule to take the procurement course.
- Discussion was had on the required annual election of officers and it was agreed that John Onedera remain Chairman and the other officers also remain the same.

VI. ADJOURNMENT:

There being no further discussion, motion was made by Jennie Chiu and seconded by Francis Quinto Baba to adjourn the meeting 5:30 p.m. The motion carried.

Respectfully submitted:


Arleen E. Gay
Recording Secretary

CPA EXAM APPLICANT

January 2016

	JURIS ID	APP REC'D	AUD	BEC	FAR	REG	Last Name	First Name	State/Country
1	GU15066284	1/4/2016	x	x		x	Andrada	Jared	GU
2	GU16016632	1/4/2016		x		x	Bibi Thomas	Elizabeth	U.A.E.
3	GU16016611	1/4/2016			x		Elghandour	Mohamed	Saudi Arabia
4	GU15056204	1/4/2016				x	Ito	Naoki	SC
5	GU16016634	1/4/2016	x		x		Lu	Bin	China
6	GU16016644	1/4/2016	x			x	Tapia Mardones	Natalia	Canada
7	GU15066276	1/4/2016				x	Tien	Chang-Pei	NY
8	GU14075753	1/4/2016	x		x		Ushio	Shunsuke	Japan
9	GU16016633	1/4/2016		x	x		Wu	Boyang	China
10	GU13085280	1/4/2016	x		x		Yamazaki	Daisuke	Japan
11	GU16016610	1/4/2016				x	Zhang	Sisi	Canada
12	GU11104434	1/4/2016		x	x		Zhang	Linli	China
13	GU15066236	1/5/2016	x			x	Chharia	Ratan Deep	India
14	GU14125939	1/5/2016				x	Enjo	Kosuke	Japan
15	GU13075207	1/5/2016	x		x		Hisatsune	Daichi	Japan
16	GU15026071	1/5/2016	x		x		Shivannavar	Shivanand	India
17	GU15036126	1/5/2016		x			Sugishima	Takeshi	Japan
18	GU13085276	1/5/2016				x	Usui	Yusuke	Japan
19	GU16016618	1/5/2016	x	x	x		Wu	Pei-Wen	Taiwan
20	GU16016617	1/5/2016		x		x	Yamada	Masahiro	Japan
21	GU16016655	1/5/2016	x		x		Yang	Ya-Hui	Taiwan
22	GU14025526	1/5/2016			x		Yoshikawa	Masaharu	Japan
23	Initial	1/6/2016		x	x		Chan	Sing Tung	Hong Kong
24	GU14075748	1/6/2016	x	x	x	x	Kim	Christina	GU
25	GU15096455	1/6/2016	x	x			Lam	Louisa Che Man	Hong Kong
26	GU15046153	1/6/2016	x	x			Li	Huaxia	China
27	GU15026065	1/6/2016	x			x	Nagae	Kenji	Japan
28	GU15076299	1/6/2016	x	x	x		Sun	Zhu	China
29	Initial	1/7/2016			x		Abuquta	Husam	U.A.E.
30	GU15066271	1/7/2016	x				Bian	Yihui	China
31	GU11124504	1/7/2016				x	Kawade	Hiroko	Japan
32	GU14015486	1/7/2016	x		x		Matsuda	Yasuhiro	Japan
33	Initial	1/7/2016	x		x		Zhang	Zhenxing	China
34	GU15086383	1/8/2016	x				Alnsar	Kawther	CA
35	GU16016635	1/8/2016		x			Liu	Zhengyuan	China
36	GU12074761	1/8/2016		x	x		Nagashima	Keisuke	Japan
37	GU14125917	1/8/2016				x	Pang	Lin	Hong Kong
38	GU16016636	1/8/2016		x	x		Qin	Zhaohui	China
39	GU15036121	1/8/2016			x		Shashaa	Doaa	U.A.E.
40	GU16016619	1/8/2016		x		x	Xiang	Li	China
41	GU15096429	1/11/2016		x		x	Aoki	Tetsuya	Japan
42	GU10124215	1/11/2016		x	x		Gatmaitan	Carleen	GU
43	GU160260707	1/11/2016	x	x	x	x	Hung	Kuo-Sen	Taiwan
44	GU13055169	1/11/2016		x		x	Kurihara	Hiroaki	Japan
45	GU15066249	1/11/2016	x	x			Manchanda	Aman	CA
46	GU13055173	1/11/2016			x	x	Matsumoto	Jun	Japan
47	GU14095824	1/11/2016		x		x	Miyahara	Shoki	Japan
48	GU16016622	1/11/2016			x		Nakamura	Takahiro	CA
49	GU15016018	1/11/2016	x	x	x	x	Xie	Jing	IL
50	GU15015970	1/11/2016	x		x		Xu	Yian	CA
51	GU16016643	1/12/2016	x		x		Cho	Amy	GU
52	GU14065651	1/12/2016			x		Ibrahim	Mohamed	Kuwait
53	GU12124956	1/12/2016		x			Kawaguchi	Akane	Japan
54	GU16016654	1/12/2016	x		x		Mori	Yukari	CA
55	GU14105857	1/12/2016	x		x	x	Wang	Qi	GA
56	GU14045655	1/13/2016				x	Aquino	Jackie	Canada
57	GU16016626	1/13/2016	x	x	x	x	Fan	Congyue	GA
58	GU14035586	1/13/2016			x	x	Kasahara	Hiroo	Japan
59	GU16016625	1/13/2016			x	x	Wang	Bing	China
60	GU15076327	1/14/2016		x	x		Gadiya	Sunny	U.A.E.
61	GU15076326	1/14/2016		x	x		Goyanka	Pritesh	U.A.E.
62	GU15026028	1/14/2016			x		Nakamura	Shinichi	Japan
63	GU16016623	1/14/2016	x		x		Niu	Yimei	China

CPA EXAM APPLICANT

January 2016

	JURIS ID	APP REC'D	AUD	BEC	FAR	REG	Last Name	First Name	State/Country
64	GU16016624	1/14/2016			x		Yamasaki	Tatsuya	Japan
65	GU16016627	1/15/2016	x			x	Jin	Linjie	China
66	GU16016630	1/15/2016	x	x		x	Kan	Pei-Hsin	Taiwan
67	GU16016642	1/15/2016	x	x	x	x	Kuo	Wei-Jing	Taiwan
68	GU16016629	1/15/2016	x	x			Pagdanganan	Florence	U.A.E.
69	GU16016628	1/15/2016			x		Sia-Teves	Catherine	NJ
70	GU16016637	1/15/2016	x	x	x	x	Valenzuela	Ritchell	GU
71	GU15046159	1/15/2016				x	Wu	Ching-Han	Taiwan
72	GU16026686	1/15/2016		x	x		Wu	Yali	China
73	GU16016631	1/15/2016	x	x	x	x	Yang	Yutong	GA
74	GU14105867	1/18/2016	x				Banen	Huang	Taiwan
75	GU15086364	1/18/2016		x	x		Ovumkamalil Antony	Sunil	U.A.E.
76	GU14115906	1/18/2016		x		x	Pagadala	Peda	U.A.E.
77	GU16016638	1/18/2016		x	x		Peng	Ta-Chun	Taiwan
78	GU16016651	1/18/2016			x		Shehata	Amr	Egypt
79	GU13075236	1/18/2016		x	x		Yamaguchi	Tomohiro	Japan
80	GU16016640	1/19/2016			x		Cheng	Meng-Jung	CA
81	GU16016641	1/19/2016	x		x		Hsieh	Min-Tao	CA
82	GU15106496	1/19/2016		x	x		Ito	Yuta	Qatar
83	GU09113714	1/19/2016			x		Kagotani	Eigo	Japan
84	GU16016677	1/19/2016	x		x		Kuo	Ping	TX
85	GU16016646	1/19/2016			x		Matsushima	Yuka	Canada
86	GU15056213	1/19/2016	x	x		x	Matsushita	Kazuhide	Japan
87	GU15096454	1/19/2016	x	x			Rivera	Christian	GU
88	GU15076311	1/19/2016				x	Wan	Limin	China
89	GU12054687	1/20/2016		x			Ando	Koichi	Japan
90	GU15076306	1/20/2016	x		x	x	Chen	Wen-I	Taiwan
91	GU12054706	1/20/2016		x			Kuniyoshi	Takayuki	Japan
92	GU15015998	1/20/2016		x	x		Omar	Mohammed	Egypt
93	GU12064729	1/20/2016	x				Sakaguchi	Miki	Japan
94	GU15056218	1/20/2016		x			Takada	Jun	Japan
95	GU16016663	1/21/2016	x				Al Chakar	Amine	U.A.E.
96	GU16016647	1/21/2016	x				Bannoura	Loai	Kuwait
97	GU16016650	1/21/2016	x	x	x	x	Hung	Yun-Chung	Taiwan
98	GU16016652	1/21/2016	x		x		Inagaki	Yutaka	Japan
99	GU15066251	1/21/2016	x				Kuruvilla	Don	Kuwait
100	GU13025023	1/21/2016	x			x	Liao	Yi-When	Taiwan
101	GU10023816	1/21/2016	x		x		Lin	Pei-Shan	Taiwan
102	GU14105855	1/21/2016		x		x	Sakai	Shunichi	Japan
103	Initial	1/21/2016	x		x		Uehara	Sachie	Japan
104	GU16016649	1/22/2016		x		x	Behera	Pramod	U.A.E.
105	GU15096431	1/22/2016	x		x		Chan	Charles	Canada
106	GU16016662	1/22/2016	x	x	x	x	Holmes	Rory	CO
107	GU09023359	1/22/2016		x	x		Kobayashi	Kazunobu	Japan
108	Initial	1/22/2016	x	x	x		Li	Yi-Syuan	Taiwan
109	Initial	1/22/2016	x	x	x	x	Syu	Jheng-Sheng	Taiwan
110	GU16016648	1/22/2016	x		x		Taura	Masatoshi	Japan
111	GU14075764	1/22/2016	x			x	Xiong	Xi	Taiwan
112	GU15066254	1/22/2016			x		Yamakita	Takuma	Japan
113	GU16016657	1/25/2016		x		x	Huang	Lidan	China
114	GU16016661	1/25/2016		x			Kalouti	Moh'd	Kuwait
115	GU13095348	1/25/2016			x		Kato	Hirokazu	Japan
116	GU16016656	1/25/2016	x		x		Lai	Tsung-Yen	Taiwan
117	GU15056224	1/25/2016	x	x			Maeda	Junji	Japan
118	GU15076321	1/25/2016				x	Takegawa	Mizuho	NY
119	GU16016660	1/25/2016			x		Terai	Tatuhiko	Japan
120	GU16016659	1/25/2016	x	x	x		Wu	Xian	China
121	GU16016658	1/25/2016		x	x		Xu	Minfeng	China
122	GU16016664	1/26/2016	x	x	x	x	Boyles	James	TX
123	GU15046143	1/26/2016	x				De Guzman	Renemar	GU
124	GU16016666	1/26/2016		x			Hazama	Munetaka	Japan
125	GU13105380	1/26/2016		x		x	Jin	Lili	Japan
126	GU14105875	1/26/2016		x		x	Kasahara	Shun	Japan

CPA EXAM APPLICANT**January 2016**

	JURIS ID	APP REC'D	AUD	BEC	FAR	REG	Last Name	First Name	State/Country
127	GU16016667	1/26/2016	x		x		Koma	Takaaki	Japan
128	GU16016668	1/26/2016		x	x		Nakazato	Shunsuke	Japan
129	GU12064738	1/26/2016			x		Ogawa	Yukie	Japan
130	GU16016665	1/26/2016				x	Oliverio	Charlene	GU
131	Initial	1/26/2016	x	x	x	x	Yao	Ren-Yu	Taiwan
132	GU16026702	1/26/2016	x		x		Zhao	Shu	China
133	GU16016670	1/27/2016	x	x	x	x	Manabat	Frances Mae	GU
134	GU15016006	1/27/2016		x			Otake	Mai	Japan
135	GU16016669	1/27/2016	x		x		Siu	Pui Sun	China
136	GU14035605	1/27/2016		x			Zaghloul	Farah	U.A.E.
137	GU14035606	1/28/2016				x	Inoue	Atsushi	Japan
138	GU15106487	1/28/2016		x		x	Liu	Jie	Japan
139	GU16016672	1/28/2016		x		x	Wang	Xiaodan	China
140	GU16016673	1/28/2016		x			Xu	Ouqian	NY
141	GU16016671	1/29/2016	x		x		Elaskary	Ibrahim	Kuwait
142	GU16016675	1/29/2016	x	x	x	x	I	Yia-Chi	Taiwan
143	GU16016676	1/29/2016			x		Sakurai	Sachiko	Japan
144	GU15126593	1/29/2016		x		x	Shi	Hailan	China
145	GU16016674	1/29/2016		x			Tozawa	Ichiro	Japan
Total by Section			33	31	41	30			

Name of Applicant	Application for	Employer/period	Schools Attended	Experience	U.S. CPA Verifying Jurisdiction Status	Other licenses held	Recommendation
1 Mr. Ahmed Mahmoud Aly Qatar	Init Cert LTP Active - Attest	Qatar Stars League 6/2013 to present Ernst & Young LLP-Qatar 9/2008 to 5/2013 KPMG - Egypt 3/2007 to 7/2008	Beni Sueif University, Egypt BBA	100% Audit /Attest Serv	Kazem Abdelsattar AdeIrahman Colorado Good Standing	None	Approval
2 Mr. Shahen Naval Gandevia India	Init Cert LTP Active - Attest	Deloitte Tax Services India 5/2005 to present	Osmania University, India BBA	10% Audit/ Attest Services 90% Tax/Advis Services	Marsimha Reddy kalleem New Hampshire Good Standing	None	Approval
3 Mr. Mustafa Fayiz Hasan UAE	Init Cert LTP Active - Attest	KPMG Lower Gulf Ltd 11/2013 to present	American University of Sharjah BSBA	100% Audit/Attest Services	Fawzi Abrass New Hampshire Good Standing	None	Approval
4 Mr. Pritesh Rajesh Kotak India	Init Cert LTP Active - Attest	Deloitte & Touches AERS 10/2008 to present	Osmania University, BA Inst of Chart. Accts. India	100% Audit/Attest Services	Martin Racek New York Good Standing	None	Approval
5 Ms. I-Chun Lee Canada	Cert # 2465 LTP Active - Attest	Saliance Global Holdings 5/2014 to present Tomi IPR Group 8/2012 to 9/2013 PricewaterhouseCoopers Taiwan 2/2011 to 3/2012	University of Fraser Valley BBA	80% Audit/Attest Services 20% Tax/Advis Services	Yin-Hsin Tsai GUAM Good Standing	None	Approval - currently holds an inactive license
6 Mr. Ranel Vangelo Ranoa Guam	Init Cert LTP Active -Attest	Ernst & Young LLP Guam 1/2013 to present SGV & Co., Philippines 2/2010 to 1/2014	University of Santo Tomas PI BS	100% Audit/Attest Services	John R. Onedera GUAM Good Standing	None	Approval
7 Ms. Yuko Yamazaki Japan	Init Cert LTP Active - Attest	Ernst & Young LLC Japan 10/2012 to 1/2016 GENOVA	Keio University, BA Cal States East Bay	100% Audit/Attest Services	Saburo Hibiya Georgia Good Standing	None	Approval
8 Mr. Muhammad Musharaf Amin Pakistan	Init Cert LTP Active - Non Attest	Horeca Trade LLC 5/2012 to present	Univ of Punjab Inst of Cost & Mgmt Accountants of Pakistan	100% Accounting Services	Rizwan Aslam North Dakota Good Standing	None	Approval

	Name of Applicant	Application for	Employer/period	Schools Attended	Experience	U.S. CPA Verifying Jurisdiction Status	Other licenses held	Recommendation
9	Ms. Julie Ting Chu Canada	Init Cert LTP Active - Non Attest	Teekay Shipping Ltd. 5/2014 to present BDO Canada LLP 2/2012 to 5/2014 Adonia Enterprise Ltd 2/2010 to 2/2012	University of British Columbia BA Simon Fraser University	100% Tax/Tax Advis Serv	Lan Zhou California Good Standing	None	Approval
10	Mr. Christopher Groenewald Florida	Init Cert LTP Active - Non Attest	Equity One Inc. 10/2012 to present Paast 10/2011 to 10/2012 KPMG 3/2008 to 4/2011	University of Cape Town BA	100% Accounting Services	Thomas Chan Florida Good Standing	None	Approval
11	Mr. Akira Hiraoka Japan	Init Cert LTP Active - Non Attest	Deloitte Tohmatsu LLC 9/2015 to present Advantage Risk Mgmt 4/2012 to 8/2015	Waseda University BA Cal State East Bay	50% Consulting Skills 50% Mgmt Advis Serv	Toyooki Miwa Guam Good Standing	None	Approval
12	Mr. Mohammed Shoelo Ali Khan India	Init Cert LTP Active - Non Attest	Deloitte Touche AERS 8/2014 to present	Osmania University BA	100% Audit/Attest Serv	Kent J. Francois Virginia Good Standing	None	Approval
13	Ms. Wan Yi Lin Texas	Init Cert LTP Active - Non Attest	Ernst & Young LLP - Texas 3/2015 to present Ernst & Young Taiwan 5/2013 to 12/2014 Celia C. Geng & Co. LLC New York 12/2009 to 9/2013	Soochow University BBA	73% Accounting Services 14% Audit/Attest Serv 13% Tax/Tax Advis Serv	Celia C. Geng New York Good Standing	None	Approval
14	Ms. Neha Gobind Nichani India	Init Cert LTP Active - Non Attest	Ernst & Young India 12/2013 to present Deloitte Tohmatsu India 8/2011 to 1/2013	University of Madras BA	100% Tax/Tax Advis Services	Gwen Ryan New Jersey Good Standing	None	Approval
15	Mr. Mamoru Tanaka Japan	Init Cert LTP Active - Non Attest	Cook Japan 6/2012 to present Olympus Corporation 4/1998 to 5/2012	Doshisha University BA, MA Cal State East Bay	80% Accounting Services 20% Tax/Tax Advis Serv	Toyooki Miwa Guam Good Standing	None	Approval

	Name of Applicant	Application for	Employer/period	Schools Attended	Experience	U.S. CPA Verifying Jurisdiction Status	Other licenses held	Recommendation
16	Mr. Wei Xia Canada	Init Cert LTP Active - Non Attest	Canadian Imperial Bank of Commerce 1/2015 to present Good Year Dalian Tire Co. 1/2010 to 12/2011 Homag Japan Co. Ltd 5/2012 to present	University of Shanghai International Studies BBA	50% Consulting Skills 50% Mgmt Advis Skills	Yue Chen Hawaii Good Standing	None	Approval - conditional Pending renewal of License.
17	Mr. Masataro Yamaji Japan	Init Cert LTP Active - Non Attest	Yunko Network Technology 1/2015 to present www.lightingthebox.com 9/2009 to 1/2015 Ernst & Young LLP 7/2007 to 1/2009	Kwansei Gakuin Univ BA Cal State East Bay	100% Accounting Services	Toyoaki Miwa Guam Good Standing	None	Approval
18	Ms. Xun Zhang China	Init Cert LTP Active - Non Attest	AI Tayer Group LLC 8/2009 to present LG Electronics 3/2008 to 8/2009 Good Year India 6/2007 to 1/2008	Renmin Univ of China BA Shanghai Univ of Finance and Economics	70% Accounting Services 5% Audit/Attest Services 10% Financial Services 5% Tax/Tax Advis Serv 5% Consulting Skills 5% Mgmt Advis Serv	Le Tang New Hampshire Good Standing	None	Approval
19	Mr. Chetan Anand Bhatt UAE	Init Cert LTP Inactive	ARC International Middle East LLC 3/2007 to present	Univ of Delhi India BA Inst of Chartered Accts India			None	Approval
20	Mr. Bharat Bhushan UAE	Init Cert LTP Inactive	Ernst & Young Taiwan 9/2011 to 5/2013	Punjab University BA Inst of Chartered Accts India			None	Approval
21	Ms. Chia-Hsuan Chang Taiwan	Init Cert LTP Inactive	Deloitte Taiwan 9/2012 to present	National Cheng Kung Univ BA			None	Approval
22	Ms. Wan-Jung Chen Taiwan	Init Cert LTP Inactive	None	National Taiwan Univ BA			None	Approval
23	Ms. I-Shan Hsieh Taiwan	Init Cert LTP Inactive	None	Soochow University Jiangsu University Shangdong Univ of Finance & Economics			None	Approval

	Name of Applicant	Application for	Employer/period	Schools Attended	Experience	U.S. CPA Verifying Jurisdiction Status	Other licenses held	Recommendation
24	Ms. Yu-Ting Lin Taiwan	Init Cert LTP Inactive	None	Shoochow University BBA			None	Approval
25	Ms. Atsumi Mori Japan	Init Cert LTP Inactive	Mosoya Sogo Accounting Firm 9/2013 to present	Osaka Yuhiga Kagakuin Jr. College AA O-Hara College of Business Cal State East Bay			None	Approval
26	Siddharth Ravi UAE	Init Cert LTP Inactive	MSI A/Norman & Ravi Chartered Accountants 7/2014 to present	American University of Sharjah BA			None	Approval
27	Ms. Yu-Hui Tseng Taiwan	Init Cert LTP Inactive	None	National Chengchi Univ BS Univ of Texas at Austin MPA			None	Approval
28	Ms. Wen-Yu Yeh Taiwan	Init Cert LTP Inactive	PricewaterhouseCoopers 11/2015 to present	Soochow University BA			None	Approval
29	Ms. Jingyun He China	Init Cert LTP Active- Non attest	Shen Zhen Bao Hi Mgmt & Consultant Co. 10/2014 to present Global Market Group Ltd 1/2009 to 9/2014	GuangDong University Of Foreign Studies BA	40% Accounting Serv 40% Tax Services 20% Mgmt Advis Serv	Minru Yao Massachusetts Good Standing	None	Approval
30	Mr. Yuta Onishi Japan	Init Cert LTP Inactive	Hiatchi Koki Co. Ltd 4/2011 to present	Rikkyo University BA Cal State East Bay			None	Approval

Arleen E Gay

From: Michele B. Santos <licensing@guamboa.org>
Sent: Thursday, January 28, 2016 9:28 AM
To: 'Arleen E Gay'; 'Ralia Gogue'
Subject: FW: Follow-up #4 : NTS Error: GU: Wu, Yiting: JID: GU15116553

Arleen,
Please put on agenda for Feb. Ralia please give her documentation.
I will email Joe Tate.
Thanks

Michele B. Santos

Asst. Executive Director/Licensing Admin
Guam Board of Accountancy
671-647-0813 ext 601

From: Dave Sanford [mailto:daves@stgguam.com]
Sent: Thursday, January 28, 2016 9:21 AM
To: 'Michele B. Santos '
Subject: RE: Follow-up #4 : NTS Error: GU: Wu, Yiting: JID: GU15116553

Hi Micki,

Please proceed to authorize the extension since it was no fault of the candidate and we will put it on the agenda of the next meeting for the Board to ratify my approval.

Thanks!

Dave

From: Michele B. Santos [mailto:licensing@guamboa.org]
Sent: Thursday, January 28, 2016 9:01 AM
To: daves@stgguam.com
Subject: FW: Follow-up #4 : NTS Error: GU: Wu, Yiting: JID: GU15116553
Importance: High

Dave,

Can you ask the board to approve this extension of NTS via email. The NTS was late to candidate over a month. She paid Dec 10 and did not receive her NTS until yesterday. NASBA somehow screwed up and delayed her NTS due to some technical problem. See Joe Tate's email below. Candidate also complained.

Michele B. Santos

Asst. Executive Director/Licensing Admin
Guam Board of Accountancy
671-647-0813 ext 601

From: Ralia Mendiola-Gogue [<mailto:exammgr@guamboa.org>]
Sent: Thursday, January 28, 2016 8:56 AM
To: 'Michele B. Santos '
Subject: FW: Follow-up #4 : NTS Error: GU: Wu, Yiting: JID: GU15116553
Importance: High

NTS Extension.

Mrs. Ralia Mendiola-Gogue

Exam Manager
335 S. Marine Corps Dr. Ste.101
Tamuning, GU 96913
671-647-0813 ext.605
Fax: 671-647-0816
exammgr@guamboa.org
admin@guamboa.org

From: Joe Tate [<mailto:jtate@nasba.org>]
Sent: Thursday, January 28, 2016 8:28 AM
To: Ralia Mendiola-Gogue - Guam Board of Accountancy (exammgr@guamboa.org) <exammgr@guamboa.org>
Subject: FW: Follow-up #4 : NTS Error: GU: Wu, Yiting: JID: GU15116553
Importance: High

Hello Ralia,

The above candidate made her payment on 12/10/16. Due to technical issued on our end, she didn't receive her NTS until 1/26/16. Since this was no fault of the candidates, will you authorize an NTS extension until 7/10/2016?

Joe Tate
National Candidate Database Coordinator (NCD)

National Association of State Board of Accountancy (NASBA)
150 Fourth Avenue North, Suite 700
Nashville, TN 37219

1-866-696-2722
Phone: 615.880.4261
Fax: 615.880.4261
Email: jtate@nasba.org
www.nasba.org

NOTICE TO CANDIDATES:

To prepare for each section of the Uniform CPA Examination candidates are responsible for reviewing the Uniform CPA Examination tutorial and sample tests. Failure to follow the directions provided in the tutorial and sample tests, including the directions on how to respond, may adversely affect candidate scores. The tutorial and sample tests are posted on the CPA Exams website at www.aicpa.org/cpa-exam under the heading Tutorial and Sample Tests.

For detailed information about what to expect on the day of your test visit Prometric's website at www.prometric.com; select the CPA link; and select "Prepare for Test Day" at top of the page.

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From: yiting wu [<mailto:ting5999@gmail.com>]
Sent: Wednesday, January 27, 2016 1:58 PM
To: Joe Tate
Subject: Re: Follow-up #4 : NTS Error: GU: Wu, Yiting: JID: GU15116553

Mr./Ms.Tate,

I am very disappointed with this result. Over one month, I did not receive any information about the status of my NTS. Until now, I also did not receive any explanation of why I cannot receive my NTS for a so long time. Is there any other way that I argue can this result with the NASBA?

Best regards,

Emma Wu
M.S. in Accounting | JSOM School of Management | The University of Texas at Dallas
[469-703-0121](tel:469-703-0121) | yxw147430@utdallas.edu
<https://www.linkedin.com/in/yitingwu3>

2016-01-26 13:16 GMT-06:00 Joe Tate <jitate@nasba.org>:

Ms. Wu,

The reason you received your NTS in December, is because you made your payment in December. We cannot adjust the start time, you have until 6/10/16 to test. I have copied the Guam Board for possibly extending your NTS for one month.

Joe Tate

National Candidate Database Coordinator (NCD)

National Association of State Board of Accountancy (NASBA)

150 Fourth Avenue North, Suite 700

Nashville, TN 37219

[1-866-696-2722](tel:1-866-696-2722)

Phone: [615.880.4261](tel:615.880.4261)

Fax: [615.880.4261](tel:615.880.4261)

Email: jtate@nasba.org

www.nasba.org

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From: yiting wu [mailto:ting5999@gmail.com]

Sent: Tuesday, January 26, 2016 12:18 PM

To: Joe Tate

Subject: Re: Follow-up #4 : NTS Error: GU: Wu, Yiting: JID: GU15116553

Good morning Joe,

I received my NTS but the date of Earliest Date that I can take the CPA exam on my NTS is 12/10/15, which is more than one month ago. I have read the article in the official website of NASBA and noticed that date of NTS is usually one or tow

days earlier before the day when the NTS was received. Since I just received my NTS this morning, I think this is not fair because I have less 6 months to prepare for my exam in fact.

I think that the reason that my earliest date for the exam is that I paid my fee on Dec,10th,2015. However, I did not received my NTS until today. I sent several emails to NASBA to ask the reason and seek helps, and your staff told me to wait for solving the problem. So I hope that my earliest date to schedule the exam can begin in this morning. Thanks for your help.

best regards,

Yiting(Emma) Wu

M.S. in Accounting | JSOM School of Management | The University of Texas at Dallas
469-703-0121 | yxw147430@utdallas.edu

<https://www.linkedin.com/in/yitingwu3>

2016-01-26 11:38 GMT-06:00 yiting wu <ting5999@gmail.com>:

Good morning Joe,

Thanks for you to inform me about this but I cannot find the attached file in your previous email. Please send it to me again. Thanks!

Yiting (Emma) Wu

M.S. in Accounting | JSOM School of Management | The University of Texas at Dallas
469-703-0121 | yxw147430@utdallas.edu

<https://www.linkedin.com/in/yitingwu3>

2016-01-26 10:17 GMT-06:00 Joe Tate <jtate@nasba.org>:

Ms. Wu,

Your Notice to Schedule for the CPA Examination has been attached.

Joe Tate

National Candidate Database Coordinator (NCD)

National Association of State Board of Accountancy (NASBA)

150 Fourth Avenue North, Suite 700

Nashville, TN 37219

[1-866-696-2722](tel:1-866-696-2722)

Phone: [615.880.4261](tel:615.880.4261)

Fax: [615.880.4261](tel:615.880.4261)

Email: jtate@nasba.org

www.nasba.org

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For detailed information about what to expect on the day of your test visit Prometric's website at www.prometric.com; select the CPA link; and select "Prepare for Test Day" at top of the page.

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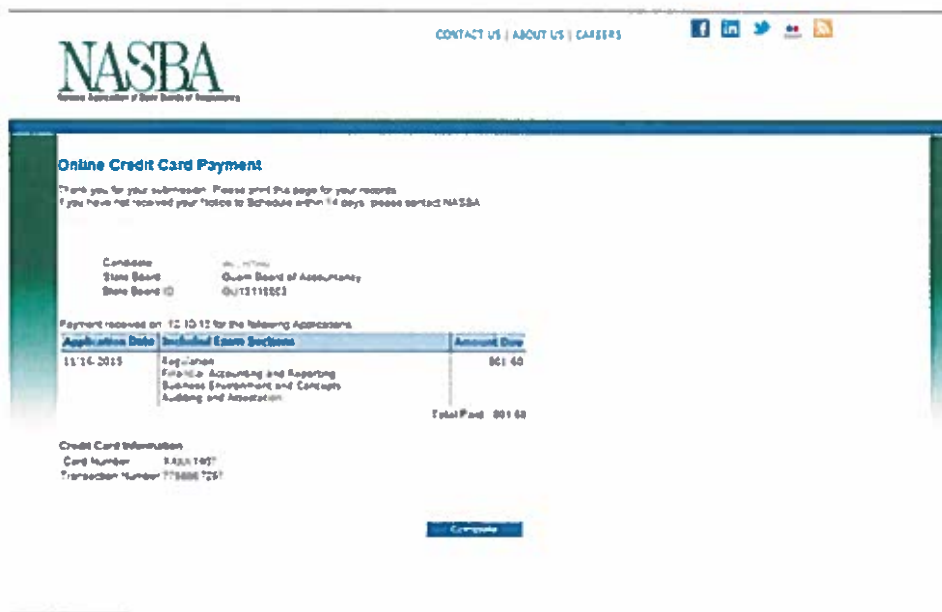
From: yiting wu [<mailto:ting5999@gmail.com>]
Sent: Wednesday, January 20, 2016 8:32 AM
To: cpaes_general_email
Subject: (External) Fwd: Notice to Schedule not received

----- Forwarded message -----

From: yiting wu <ting5999@gmail.com>
Date: 2015-12-28 16:48 GMT-06:00
Subject: Notice to Schedule not received
To: cpaes_general_email <cpaes_general_email@nasba.org>

Dear NASBA staff,

My name is Yiting Wu and I applied CPA exam of Guam. I paid the fee online by credit card online on Dec 10th but I did not received my Notice to Schedule yet. I attached my receipt as following. Please help me to check this. Thanks!



The screenshot shows the NASBA website header with the logo and navigation links. The main content area is titled "Online Credit Card Payment" and includes a thank you message and a table of application fees. The table lists one application for 11/16/2015 with a total fee of 861.60. Below the table, credit card information is provided, including the card number and transaction number.

NASBA
National Association of State Boards of Accountancy

CONTACT US | ABOUT US | CAREERS

Online Credit Card Payment

Thank you for your submission! Please print this page for your records.
If you have not received your Notice to Schedule within 14 days, please contact NASBA.

Candidate: Yiting Wu
State Board: Guam Board of Accountancy
State Board ID: 0012110003

Payment received on 12/10/15 for the following Applications:

Application Date	Included Exam Sections	Amount Due
11/16/2015	Regulation Financial Accounting and Reporting Business Environment and Concepts Auditing and Assurance	861.60
Total Paid:		861.60

Credit Card Information
Card Number: 832011997
Transaction Number: 773888725

[Continue](#)

Yiting (Emma) Wu

M.S. in Accounting | JSOM School of Management | The University of Texas at Dallas
469-703-0121 | yxw147430@utdallas.edu

<https://www.linkedin.com/in/yitingwu3>

Arleen E Gay

From: Michele B. Santos <licensing@guamboa.org>
Sent: Thursday, January 28, 2016 9:31 AM
To: 'Joe Tate'
Cc: 'Ralia Gogue'; 'Arleen E Gay'
Subject: Extension of NTS Follow-up #4 : NTS Error: GU: Wu, Yiting: JID: GU15116553

Dear Joe,
Please proceed with extending Yiting Wu's NTS to 7/10/2016.
We understand the problem. Thank you for attending to this.
Have a great day!

Michele B. Santos

Asst. Executive Director/Licensing Admin
Guam Board of Accountancy
671-647-0813 ext 601

Arleen E Gay

From: Dave Sanford <daves@stgguam.com>
Sent: Friday, January 29, 2016 3:41 PM
To: 'Arleen E Gay'
Cc: 'Michele B. Santos '
Subject: FW: NASBA Quarterly Communications & Focus Questions
Attachments: 1_October 2015 BOD Minutes.pdf; 2_November 2015 Focus Question Responses - Exec Summary.pdf; 3_January 2016 BOD Highlights.pdf; 4_GUAM_JANUARY 2016 NASBA REGIONAL DIRECTORS' FOCUS QUESTIONS_DRAFT.pdf

ARLEEN – please include in next board meeting package. Thanks! Dave

From: National Association of State Boards of Accountancy [mailto:info@nasba.org]
Sent: Friday, January 29, 2016 8:00 AM
To: daves@stgguam.com
Subject: NASBA Quarterly Communications

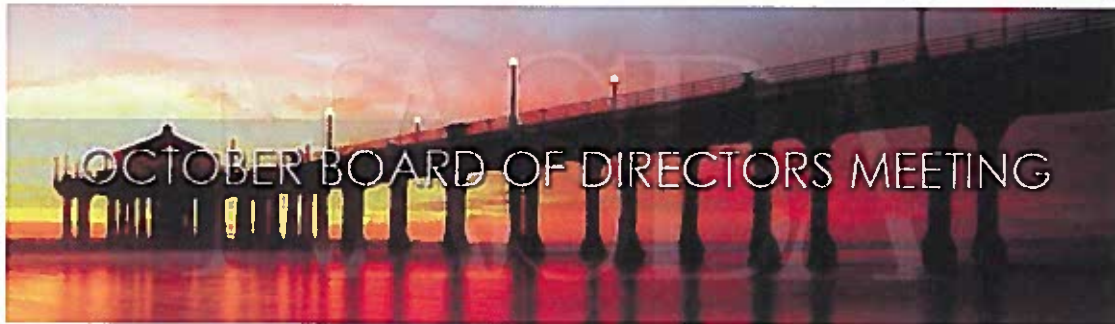
NASBA Quarterly Communications

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Mission Driven - Member Focused



National Association of State Boards of Accountancy, Inc.

Meeting of the Board of Directors

October 23, 2015 – Marriott Laguna Cliffs Resort, Dana Point, CA

Call to Order

A duly scheduled meeting of the Board of Directors of the National Association of State Boards of Accountancy was called to order by Chair Walter C. Davenport (NC) at 9:00 a.m. on Friday, October 23, 2015 at the Marriott Laguna Cliffs Resort in Dana Point, CA.

Report of Attendance

President Ken L. Bishop reported the following were present:

Officers

Walter C. Davenport, CPA (NC), Chair

Donald H. Burkett, CPA (SC), Vice Chair

Carlos E. Johnson, CPA (OK), Past Chair

E. Kent Smoll, CPA (KS), Treasurer

Laurie J. Tish, CPA (WA), Secretary

Directors-at-Large

A. Carlos Barrera, CPA (TX)

Jimmy E. Burkes, CPA (MS)

Janice L. Gray, CPA (OK)

Raymond N. Johnson, CPA (OR)

Telford A. Lodden, CPA (IA)

Harry O. Parsons, CPA (NV)

Richard N. Reisig, CPA (MT)

Regional Directors

J. Coalter Baker, CPA (TX), Southwest Regional Director

Maria E. Caldwell, CPA (FL), Southeast Regional Director

John F. Dailey, Jr., CPA (NJ), Northeast Regional Director

W. Michael Fritz, CPA (OH), Great Lakes Regional Director

Janeth Glenn, CPA-Inactive (NE), Central Regional Director

Edwin G. Jolicoeur, CPA (WA), Pacific Regional Director

Benjamin C. Steele, CPA (NV), Mountain Regional Director

Executive Directors Committee Liaison

Russ Friedewald (IL) – Executive Directors Committee Liaison

Member Absent

Robert J. Cochran, CPA (VA), Middle Atlantic Regional Director

Guests

Tyrone E. Dickerson, CPA (VA), Director-at-Large nominee

Sharon A. Jensen, CPA (WI), Central Regional Director nominee

Stephanie S. Saunders, CPA (VA), Middle Atlantic Director nominee

James Corley, CPA (AR) – Executive Directors Committee Liaison 2015-16

Richard Isserman, CPA (NY) – Audit Committee Chair

Staff

Ken L. Bishop, President and Chief Executive Officer

Colleen K. Conrad, CPA, Executive Vice President and Chief Operating Officer

Michael R. Bryant, CPA, Senior Vice President and Chief Financial Officer

Ed Barnicott, Vice President -Strategic Planning and Program Management

Louise Dratler Haberman, Vice President - Information and Research

Thomas G. Kenny, Director - Communications

Noel L. Allen, Esq., Outside Legal Counsel

Introductions

Chair Davenport welcomed and congratulated James Corley (AR), Sharon Jensen (WI) and Stephanie Saunders (VA) on their anticipated joining of the NASBA Board and asked them to briefly describe their background to the Board. He congratulated Tyrone Dickerson (VA) on his rejoining the Board.

Approval of Minutes Secretary Laurie Tish (WA) presented the minutes of the Board of Directors' July 2015 meeting and moved for their approval. Harry Parsons (NV) seconded and the minutes were unanimously approved as presented.

Chair's Report

Chair Davenport reported he and President Bishop had met with South African Institute of Chartered Accountants Chief Executive Officer Terence Nomembe in New York and Nashville to discuss recognition of South African chartered accountants. They and IQAB Chair Telford Lodden (IA) had also met with Chartered Accountants Ireland CEO Pat Costello and staff in Dublin to consider how to be able to renew their mutual recognition agreement. Chair Davenport also reported he had attended and spoke at the October 2015 AICPA Council meeting. Details of that meeting would be discussed later during the NASBA Board's meeting.

President's Report

President and CEO Bishop and Executive Vice President and COO Colleen Conrad reported on staff activities and learn, and President Bishop's visit to the Guam Testing Center. He stated that the renovation of NASBA's offices was to begin shortly and thanked Senior Vice President and Chief Financial Officer Michael Bryant and Facilities Manager Mary Lane for their coordination of the project.

The NASBA executives had attended many meetings and made many presentations during the last quarter. Mr. Bishop highlighted several interactions with such organizations as the Accountants Coalition, National Society of Accountants, National Association of Black Accountants, Ph.D. Project, Federation of Associations of Regulatory Boards' CEO Summit, and AICPA Fall Council.

Trending issues discussed at the NASBA/AICPA leadership summit in August included: education accreditation, experience requirements, practice analysis and test administration, the strategic planning update, UAA language for retired/inactive CPAs, and joint enforcement initiatives. President Bishop said it had been pointed out at the summit how different the U.S. CPA experience requirement is from other countries'.

An increasing number of Boards are inviting NASBA representatives to come to speak with them and for NASBA to provide services. Vice President of State Board Relations Dan Dustin has been visiting many Boards in the past few months, and some are requesting he schedule annual presentations to them, Ms. Conrad said.

Conversations continue on making enforcement efforts more collaborative, Ms. Conrad said. She noted that the Department of Labor is to send complaint information directly to the Boards of Accountancy, not just to the AICPA, Ms. Conrad said. Procedures are being put in place to ensure the Boards are getting what the DOL is sending. A firm would need to sign a form that would enable the DOL to share the content of its inspection files.

The AICPA's October Council vote to allow non-CPAs to become CGMAs will be discussed by President Bishop in his report to the Annual Business Meeting. He is uncertain that AICPA members understand the proposed reorganization of AICPA, but he will not focus on that issue. He will point out the potential impact on the CPA candidate pipeline if students decide to opt for the CGMA instead of the CPA and will also focus on regulatory issues, including concerns regarding non-CPAs' use of a potentially confusing credential.

All NASBA's business units are doing well, Executive Vice President Conrad reported. A new advisory evaluation service is being offered jointly by NIES and CPAES to help candidates who have partially completed the CPA education requirement determine what more they need. The CPE Registry Summit was held in September and well received. Ms. Conrad said the Registry now includes almost 2,150 sponsors. Fifty Boards are now participating in ALD. Other potential services that NASBA may be offering were

outlined by President Bishop.

NASBA's IT projects were described by Ms. Conrad. Eight Boards are now live on CPE Audit and 13 others have expressed specific interest. In anticipation of continued widespread adoption, implementations are currently on hold as significant updates and improvements are being made to the system.

Vice President's Report

Vice Chair Donny Burkett (SC) congratulated Alfonzo Alexander and Ryan Hirsch for their work in developing the NASBA Center for the Public Trust. He also thanked the NASBA Board for their support of this project and the NASBA staff for their help in planning the 2015-16 committees and hoped those appointed would be happy with their assignments.

Mr. Burkett said he is looking forward to active and successful 2015-16 Board meetings and he announced their locations (Florida, California, South Dakota and Texas) and the locations of the Regional Meetings (Colorado and North Carolina). He pointed out that the Eastern Regional Meeting will be held Tuesday through Friday, rather than the usual Sunday through Wednesday, and asked all to plan accordingly. He believes these will be good meeting locations and hopes to get a lot accomplished.

Report from Strategic Planning Committee

NASBA Vice President – Strategic Planning and Program Management Ed Barnicott distributed copies of the 2016-2019 NASBA Strategic Plan and reviewed its elements with the Board members. He reported the plan had been developed by a task force composed of four members of the Board of Directors, two State Board executive directors, four sitting State Board members and four NASBA staff members. Mr. Barnicott had facilitated their discussions. The group had met June 2-4, 2015 and then had a final web meeting on October 8. They considered responses to a regulatory issues survey that had been completed by many State Boards, as well as representatives of the profession. Ultimately the Committee arrived at 12 priority items, three of which were new to the current strategic plan, and added action clauses.

On a motion by E. Kent Smoll (KS), seconded by J. Coalter Baker (TX), the proposed Strategic Plan was unanimously accepted with one editorial correction.

Report of the Administration and Finance Committee

Treasurer Smoll presented a summary of the financial results for fiscal year 2015 and highlighted the significant year-over-year increase in mission-related expenditures on behalf of Boards of Accountancy. In addition, Mr. Smoll reported on the prior day's investment committee meeting and the most recent month-end's allocation of the long-term investments. Mr. Smoll then discussed the proposed investment policy changes that the Administration and Finance Committee was recommending to the Board for approval. On a motion by Mr. Smoll, seconded by Jimmy Burkes (MS), the Board approved the proposed changes.

Report of the Audit Committee

Audit Committee Chair Richard Isserman (NY) summarized the Audit Committee's actions during the year. At their year-end meeting, the Committee accepted the auditor's opinion and the audited financial statements and subsequently recommended to the Executive Committee of the Board of Directors the inclusion of those items in the organization's annual report. As the Executive Committee had voted to accept the recommendation on September 17, 2015, Treasurer Smoll made a motion to ratify the Executive Committee's actions. The motion was seconded by Harry Parsons (NV) and passed unanimously. In a

similar manner, Mr. Isserman reported that the Audit Committee's recommendation to reappoint the independent auditors, LBMC, PC, was approved by the Executive Committee at the September 17 meeting. On a motion by Treasurer Smoll and seconded by Raymond Johnson (OR), the Executive Committee's approval of the reappointment was ratified by the Board.

Report of the Regulatory Response Committee

Regulatory Response Committee Chair Fritz distributed copies of the NASBA response to FASB Topic 958 and asked the Board members to present any fatal flaw comments to him. [The letter was submitted to the FASB on July 20, 2015.] Other NASBA responses issued during the quarter were included in the Board's agenda materials.

Report of the Executive Directors Committee

Executive Directors Committee Chair Russ Friedewald (IL) thanked the Board for having given him the opportunity to work with them and to be part of the Strategic Planning Task Force. He expressed his confidence in James Corley (AR) serving as the Executive Directors Liaison to the Board 2015- 2016.

Report of the CBT Administration Committee

The Board went into a closed executive session to discuss executive compensation.

The Board of Directors in executive session ratified certain Executive Committee recommendations related to confidential (personnel) matters.

Report of the Bylaws Committee

CBT Administration Committee Chair Rick Reisig (MT) reported the exposure draft on the Uniform CPA Examination had been discussed by the Committee, and their comments had been included in NASBA's comment letter to the Board of Examiners. They were pleased that administrative issues which need to be decided by the Boards of Accountancy were not included in the exposure draft. The Boards are being asked to consider setting up mechanisms in anticipation of an influx of candidates prior to the launch of the next version of the Examination.

Mr. Reisig said the Committee has worked with Director of Client Services Patricia Hartman to alert Boards regarding possible window extensions and to encourage Boards to begin reviewing "testing window" definitions in their rules. He reported the CBT Administration Committee will be working with the Uniform Accountancy Act Committee to develop standard language for the Model Rules to propose to the State Boards. Such language will allow more flexibility in window lengths and other administrative logistics pertaining to the Uniform Examination.

Mr. Reisig also stressed the importance of Boards being uniform in their adoption of such changes so as not to damage interstate mobility, and the need to be thoughtful on how these issues are discussed. He will tee up the issues for the Boards during his Annual Meeting presentation. Some administrative changes will be publicly announced in early 2016, and others in April when the next version of the CPA Examination is finalized and publicly announced. Executive Vice President Conrad said.

Report of the Uniform Accountancy Act Committee

UAA Committee Chair Coalter Baker (TX) asked the Board to approve for exposure for a 90-day period

changes to UAA Section 6(d) and Model Rules 6-7(b)-(g). Mr. Baker explained that the UAA currently does not allow an "Inactive-CPA" to perform any public service related to accountancy. The new provisions would allow a licensee in good standing who is over 55 to perform without compensation certain activities (such as VITA) to benefit the public without meeting the entire CPE requirement. However, the individual must be competent to perform that service, such as by taking a VITA prep course. The person could not sign anything as a "CPA" and would need to apply to the Board to use the "Retired-CPA" title.

In response to questions raised by the Board members, Mr. Baker said it would be up to the individual CPA to determine if he or she was competent to provide the service, which would involve staying current in that area by taking, for example, the required VITA course. Complaints would be brought to the Board. Educators would not be covered for teaching under this model. Legal Counsel Noel Allen explained that the idea is to preserve the Board's authority over an individual even if they no longer fulfill their entire CPE requirement.

Ms. Tish seconded Mr. Baker's motion to approve for exposure. The motion was unanimously approved.

Thanks

On behalf of the Board, Chair Davenport thanked Carlos Johnson (OK), Janeth Glenn (NE), Robert Cochran (VA) and Russ Friedewald (IL) for their service to NASBA.

Adjournment

The meeting was adjourned at 2:24 p.m.

National Association of State Boards of Accountancy, Inc.

Meeting of the Board of Directors

October 27, 2015 – Marriott Laguna Cliffs Resort, Dana Point, CA

Call to Order

A meeting of the Board of Directors of the National Association of State Boards of Accountancy was called to order by Chair Donald H. Burkett (SC) at 11:45 a.m. on Tuesday, October 27, 2015 at the Laguna Cliffs Marriott Resort in Dana Point, CA.

Report of Attendance

President and CEO Ken L. Bishop reported the following were present:

Officers

Donald H. Burkett, CPA (SC), Chair

Telford A. Lodden, CPA (IA), Vice Chair

Walter C. Davenport, CPA (NC), Past Chair

E. Kent Smoll, CPA (KS), Treasurer

Laurie J. Tish, CPA (WA), Secretary

Directors-at-Large

A. Carlos Barrera, CPA (TX)

Jimmy E. Burkes, CPA (MS)

Tyrone E. Dickerson, CPA (VA)

Janice L. Gray, CPA (OK)

Raymond N. Johnson, CPA (OR)

Harry O. Parsons, CPA (NV)

Richard N. Reisig, CPA (MT)

Regional Directors

J. Coalter Baker, CPA (TX), Southwest Regional Director

Maria E. Caldwell, CPA (FL), Southeast Regional Director

John F. Dailey, Jr., CPA (NJ), Northeast Regional Director

W. Michael Fritz, CPA (OH), Great Lakes Regional Director

Sharon A. Jensen, CPA (MN), Central Regional Director

Edwin G. Jolicoeur, CPA (WA), Pacific Regional Director

Stephanie S. Saunders, CPA (VA), Middle Atlantic Regional Director

Benjamin C. Steele, CPA (NV), Mountain Regional Director

Executive Directors Committee Liaison

James Corley, CPA (AR) – Executive Directors Committee Liaison

Staff

Ken L. Bishop, President and Chief Executive Officer

Colleen K. Conrad, CPA, Executive Vice President and Chief Operating Officer

Michael R. Bryant, CPA, Senior Vice President and Chief Financial Officer

Louise Dratler Haberman, Vice President - Information and Research

Thomas G. Kenny, Director - Communications

Noel L. Allen, Esq., Outside Legal Counsel

Anita Holt, Executive Assistant

Elections of Officers

Following an explanation of the election process by NASBA Chair Donald Burkett, the 2015-16 NASBA Board of Directors took the following actions:

- The Board unanimously re-elected E. Kent Smoll (KS) as NASBA Treasurer.
- The Board unanimously re-elected Laurie J. Tish (WA) as NASBA Secretary.
- The Board unanimously elected Jimmy E. Burkes (MS) to be the NASBA representative on the Board of the NASBA Center for the Public Trust.

Adjournment

Chair Burkett adjourned the meeting at 11:55 a.m.

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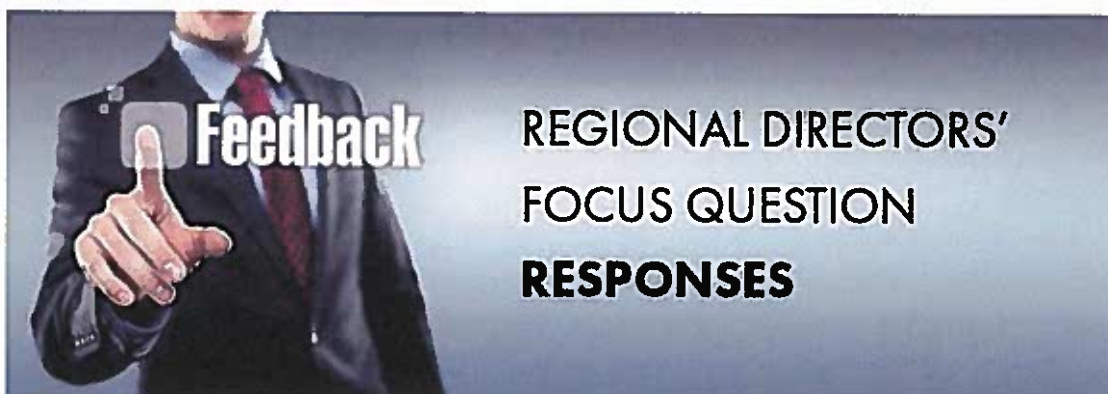
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Mission Driven - Member Focused



Executive Summary
November 4, 2015 – January 5, 2016
Regional Directors' Focus Question Responses
39 Boards Responding

Has your Board considered the proposed changes to the Uniform Accountancy Act and Model Rules to create a "CPA-Retired" category?

Yes: AK, CA, LA, ME, MO, NJ, NY, OK, OR, WV, WY

No: CNMI, CT, IL BOE, KS, MI, MN, NE, NC, NJ, PA, VT

Have retired status: AR, AZ, CA, CO, **GU**, ID, IA, MS, MT, NV, ND, OH, SC, SD, TX, VA, WA

An addition to NASBA's updated Strategic Plan is increasing the volume of CPA candidates. What is your jurisdiction doing to assist that effort? (some responses)

- Board Meetings and/or presentations on college campuses: AK, AZ, CT, ID, MO, OH, OK, SD, TX, VT, VA, WA, WY
- Meet with educators: CNMI, MT, NJ, NV
- **Work with CPA Societies:** AZ, CT, **GU**, ME, MO, OH, SC, SD
- Nothing, but considering/interested in what other Boards are doing: CO, IL BOE, KS, IA

What is your Board doing to ensure the ethics continuing professional education courses you require are remaining relevant? (some responses)

- Monitor the state specific ethics requirement: AR, CO, ID, KS, MS, NC, NJ, NY, OH, OK, TX, VT, VA, WY
- **Relies on CPE providers and NASBA for content relevance:** CO, IL DFPR/PARC, OK, SC, WV
- Works with state society: IN
- Needs NASBA's help: NH

What is happening in your jurisdiction that is important for other State Boards and NASBA to know about? (some responses)

- Allowing 16-hour CPE "waiver" for competency based learning – IN
- Put disciplinary actions on website – AZ
- Adopted statement to guide CPAs who wish to offer accounting services to marijuana industry – CO
- Legislation pending to enact mobility - GU

Can NASBA be of any assistance to your Board at this time? (some responses)

- Help with CPA firm seeking guidance re: new client that is an investor in several medical marijuana businesses in multiple states – MO
- Help with ethics continuing education - NH

For details, see Regional Directors' Focus Question Report.

VIEW THE REGIONAL DIRECTORS' FOCUS QUESTION REPORT

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Mission Driven - Member Focused



At a duly called meeting of the Board of Directors of the National Association of State Boards of Accountancy, Inc., held on Friday, January 22, 2016 at the Loews in Miami, Florida, the Board took the following actions:

- Approved a Memorandum of Understanding with the Chartered Accountants of Ireland for extension of the current mutual recognition agreement until December 31, 2016. This will enable all parties sufficient time to clarify the provisions of the MRA prior to its renewal, explained NASBA/AICPA International Qualifications Appraisal Board Chair Telford A. Lodden (IA).
- Reviewed and approved for re-exposure the Statement on Standards for Continuing Professional Education Programs, as proposed by the Joint NASBA / AICPA CPE Standards Committee and presented by NASBA CPE Committee Chair Maria Caldwell (FL). The comment period is to end April 30, 2016.
- Approved the November NASBA financial statements as recommended by the Administration and Finance Committee and presented by Treasurer E. Kent Smoll (KS).
- Approved the Education Committee's recommended recipients of a NASBA accounting education research grant, Nathan H. Jeppson and Mary B. Burns, of Montana State University, for their work on "Is Being Selective and Attuned to Top Quality Students All that Matter? The Impact on CPA Exam Performance by Student Characteristics, Accounting Program Quality and Delays in Test Taking." Education Committee Chair Raymond N. Johnson (OR) announced grant proposals will be accepted by the Committee until April 14, 2016. He also announced NASBA and the AICPA will be holding an information exchange with higher education accreditors on January 29 in Washington, D.C.
- Received a report from Senior Vice President and Chief Financial Officer Michael R. Bryant on the status of capital expenditures as compared to the budget, specifically in regard to the renovation of the office space in Nashville. He reported NASBA staff will

- be moving into the new space on the sixth floor by February 1 and into the renovated seventh and eighth floors by the end of April 2016.
- Received a summary from Chair Donald H. Burkett (SC) of his NASBA activities during the past quarter. These included attendance at the Private Company Council meeting, various NASBA committees' in-person meetings and conference calls, the Ohio Board of Accountancy's meeting and the South Carolina Association of CPAs' centennial celebration, where he made a presentation on the future of the accounting profession and NASBA.
 - Learned from President and CEO Ken Bishop that, in response to requests from State Boards, NASBA's continued development of the CPETracking system (CPE Audit Tool) has been given a high priority on the list of this year's projects for the IT department.
 - Heard from NASBA Executive Vice President and COO Colleen K. Conrad that 51 jurisdictions are now participating in the Accountancy Licensee Database and CPAVerify, covering over 99 percent of the CPAs licensed in the United States. Michigan is the most recent addition to the ALD and CPAVerify.
 - Discussed the promotion and proliferation of non-CPA credentials including the
 - Heard an overview from NASBA Chief Human Resources Officer Lisa Dampf on the steps NASBA is taking to recruit and maintain qualified staff. NASBA staff now totals 175, including 161 full-time employees.
 - Learned from President Bishop that NASBA has launched an Experience Verification Service that will enable international candidates to have their experience measured and checked by U.S. CPAs. This will enable those who have passed the Uniform CPA Examination outside the United States to obtain verification of the completion of their experience for licensure as required within the three-year period after taking and passing the Examination outside the country.
 - As the sole member of the NASBA Center for the Public Trust, voted to appoint Keith T. Darcy to a three-year term on the CPT Board of Directors and Joseph P. Petito to a second two-year term on the CPT Board.
 - Learned from Relations with Member Boards Committee Chair John Dailey (NJ) that program planning has started for the June 2016 Regional Meetings, to be held June 7-9 in Asheville, NC, and June 22-24 in Denver, Colorado.
 - Heard a report from James Corley (AR), Chair of the Executive Directors Committee on the agenda for the March 15-17 Executive Directors and Board Staff Conference, and he noted the Executive Directors' have questions about the CGMA's potential impact on their Boards.

The next meeting of the NASBA Board of Directors will be held on April 29, 2016 in San Francisco, California.

Distribution: State Board Chairs/Presidents, Members and Executive Directors, NASBA Committee Chairs, NASBA Board of Directors, NASBA Staff Directors.

FOCUS QUESTIONS

JANUARY 2016 NASBA REGIONAL DIRECTORS' FOCUS QUESTIONS

1 *Jurisdiction: **GUAM**

2 Name of person submitting form on behalf of the Board of Accountancy
DAVE SANFORD

3 Email address of person submitting form on behalf of the Board of Accountancy
execdir@guamboa.org

4 How quickly can your Board begin the enforcement process in response to a firm's failed peer review?
Upon receipt of advice of a failed peer review

5 How long will it be until the firm is referred to the Board's enforcement committee?
immediately

6 Is your Board proposing any changes to speed up the process?
NO

7 Does your Board believe the experience requirement for audit practice in your state should be revisited?
MAYBE: Guam has an existing requirement for 1,000 hours of experience under a licensee authorized to perform attest services and/or sign reports to be eligible for an attest license. Perhaps this should be expanded to require public accounting experience to become a licensed CPA since the exam is based on the practice analysis of entry requirements to perform entry level public accounting tasks?

8 Does your Board believe the AICPA's new CGMA (Chartered Global Management Accountant) credential will impact the CPA candidate pipeline?
YES, it will likely discourage borderline CPA candidates to fall back to the CGMA thus diminishing the CPA pipeline in the long run, especially given their membership in the AICPA... wait, is that the American Institute of Certified Public Accountants or the Association of International Certified Professional Accountants, and who now owns the exam and what does it qualify you for?

9 Does your Board foresee the CGMA credential impacting the Board's operations to protect the public in other ways?
YES, adding fuel to the fire of confusion regarding professional qualifications

10 What is happening in your jurisdiction that is important for other Boards and NASBA should know about?
Pending mobility legislation, working with University of Guam to develop a masters degree in accounting to qualify future CPA candidates for licensure with 150 hours of education upon completion of the degree program.

11 Can NASBA be of any assistance to your Board at this time?

YES. promote the Guam Test Center as a destination for Chinese CPA exam candidates versus testing in China

12 11. NASBA's Board of Directors would appreciate as much input on the above questions as possible. How were the responses shown above compiled? Please check all that apply.

from all Board Members and Executive Director Input

Arleen E Gay

From: Dave Sanford <daves@stggua.com>
Sent: Wednesday, February 03, 2016 11:17 AM
To: 'Arleen E Gay'
Cc: 'Michele B. Santos '
Subject: FW: NASBA and AICPA to Re-issue Exposure Draft on Proposed Revisions to Continuing Professional Education (CPE) Provider Standards
Attachments: Re-Exposure_of_AICPA-NASBA-CPE-Standards-Exposure-Draft-Nov-2015.pdf

ARLEEN – please include in next board meeting package. Thanks! Dave

From: National Association of State Boards of Accountancy (NASBA) [mailto:cpe@nasba.org]
Sent: Tuesday, February 02, 2016 11:00 PM
To: daves@stggua.com
Subject: NASBA and AICPA to Re-issue Exposure Draft on Proposed Revisions to Continuing Professional Education (CPE) Provider Standards

Additional Public Comment Sought Through April 30, 2016

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NASBA and AICPA to Re-issue Exposure Draft on Proposed Revisions to Continuing Professional Education (CPE) Provider Standards

Additional Public Comment Sought Through April 30, 2016

NASHVILLE and NEW YORK (February 2, 2016) – The National Association of State Boards of Accountancy (NASBA) and the American Institute of CPAs (AICPA) today re-issue their Exposure Draft on the proposed revisions to the [Statement on Standards for Continuing Professional Education \(CPE\) Programs \(Standards\)](#) for public comment. Published jointly by NASBA and the AICPA, the *Standards* provide a framework for the development, presentation, measurement and reporting of CPE programs.

"We appreciate those individuals and organizations that took the time to provide their comments to the initial Exposure Draft and for the hard work of the CPE Committee and CPE Working Group in reviewing and addressing those comments," said [Maria Caldwell, Esq.](#), NASBA's chief legal officer and director of compliance services. "The new nano-learning and blended learning delivery methods remain a part of the re-exposure draft and will help address the need for learning that is more personalized and on demand. We believe the revisions to the *Standards* have been enhanced by the most recent round of changes and will help keep CPE relevant and meaningful to CPAs," Caldwell continued.

All submitted comments were first vetted by the CPE Standards Working Group in November 2015. In December 2015, the Working Group submitted its recommendation to NASBA's CPE Committee for consideration. The recommendation was approved by the CPE Committee with minor revisions and was moved to the Joint AICPA/NASBA CPE Standards Committee where it was approved with one revision in

early January 2016. Due to the significance of the areas of comment, the final recommendation was submitted to request approval for re-exposure of the proposed revisions to the *Standards*. The re-issuance was approved by the NASBA and AICPA Boards of Directors during their respective January 2016 meetings.

“These proposed revisions to CPE standards take advantage of a range of available learning options and provide CPAs greater opportunities and increased flexibility in their professional education. This revised Exposure Draft makes clear that all CPE, regardless of delivery method, will continue to be held to a rigorous standard,” said [Clar Rosso](#), AICPA vice president of member learning and competency. “Feedback from our stakeholders plays a valuable role in the CPE standards process and we encourage all interested parties to review the updated Exposure Draft and submit their comments.”

Comment Period

Interested parties are encouraged to download and review the [CPE Standards Exposure Draft](#), [Executive Summary](#) and [Fields of Study Description](#) or visit, <http://www.aicpa.org/CPEAndConferences/CPERequirements/Pages/CPERequirements.aspx> to learn more.

Public comments will be accepted through **April 30, 2016**. Final approval on the proposed revisions will be requested by the NASBA and AICPA Boards at their respective July and August 2016 meetings, with an anticipated effective date to the *Standards* of **September 1, 2016**. Additional information about the *Standards* is also available on NASBA’s [LearningMarket.org](#) website.

About NASBA

Celebrating more than 100 years of service, the National Association of State Boards of Accountancy (NASBA) serves as a forum for the nation’s Boards of Accountancy, which administer the Uniform CPA Examination, regulate more than 700,000 certified public accountants and oversee the practice of public accountancy in the United States.

NASBA’s mission is to enhance the effectiveness and advance the common interests of the Boards of Accountancy in meeting their regulatory responsibilities. The Association promotes the exchange of information among accountancy boards, serving the needs of the 55 U.S. jurisdictions.

NASBA is headquartered in Nashville, TN, with satellite offices in New York, NY, and San Juan, PR, and an International Computer Testing and Call Center in Guam. To learn more about NASBA, visit www.nasba.org.

About the AICPA

The American Institute of CPAs (AICPA) is the world’s largest member association representing the accounting profession, with more than 412,000 members in 144 countries, and a history of serving the public interest since 1887. AICPA members represent many areas of practice, including business and industry, public practice, government, education and consulting.

The AICPA sets ethical standards for the profession and U.S. auditing standards for private companies, nonprofit organizations, federal, state and local governments. It develops and grades the Uniform CPA Examination, and offers specialty credentials for CPAs who concentrate on personal financial planning; forensic accounting; business valuation; and information management and technology assurance. Through a joint venture with the Chartered Institute of Management Accountants (CIMA), it has established the

Chartered Global Management Accountant (CGMA) designation which sets a new standard for global recognition of management accounting.

The AICPA maintains offices in New York, Washington, DC, Durham, NC, and Ewing, NJ. Media representatives are invited to visit the AICPA Press Center at aicpa.org/press.

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Executive Summary of the Recommended Revisions to the April 2015 Exposure Draft by the Joint AICPA/NASBA CPE Standards Committee:

The Statement on Standards for Continuing Professional Education (CPE) Programs (*Standards*) is published jointly by the American Institute of Certified Public Accountants (AICPA) and the National Association of State Boards of Accountancy (NASBA) to provide a framework for the development, presentation, measurement, and reporting of CPE programs.

On May 19, 2015, NASBA and the AICPA issued proposed revisions to the *Standards* in the form of an Exposure Draft dated April 2015. The public comment period on the proposed revisions to the *Standards* closed October 1, 2015.

In November 2015, the CPE Standards Working Group reviewed and considered all submitted comments. The Working Group is comprised of 13 members representing various stakeholders in the CPE arena including state boards of accountancy, state societies, educators, CPE providers and the AICPA. The Working Group provided its recommendation of changes to the April 2015 Exposure Draft to NASBA's CPE Committee. In December 2015, NASBA's CPE Committee met to review the recommendation of the Working Group. The recommendation was approved with minor revisions.

In January 2016, the Joint AICPA/NASBA CPE Standards Committee reviewed and finalized its recommendation of changes to the April 2015 Exposure Draft. Due to the significance of the areas of submitted comments and in the spirit of openness and transparency, the Joint Committee requests approval of its recommendation for re-exposure from the respective AICPA and NASBA Boards of Directors at the January 2016 meetings.

Overall:

The most significant change to the April 2015 Exposure Draft is within the CPE Program Measurement section to align CPE credit increments within the allowable instructional delivery methods. The recommended changes are summarized as follows:

Introduction:

Clarifications -

- NASBA National Registry of CPE Sponsors website URL change to NASBARegistry.org.

Preamble:

Clarifications -

- Replaced knowledge, skills and abilities wording with professional competence as professional competence is defined in Article I of the *Standards*.

Addition -

- Included a sentence regarding the intention of the *Standards*.

Article I - Definitions:

Clarifications -

- Revised definition for nano-learning to include specifics of how nano-learning differs from self study and what is not considered nano-learning.
- Revised definition of professional competence to align more closely with the IAESB (International Accounting Education Standards Board).
- Minor revisions/adjustments to definitions of other terms.

Article II - General Guidelines for CPAs:

Clarifications -

- Replaced knowledge, skills and abilities wording with professional competence as professional competence is defined in Article I of the *Standards*. NASBA National Registry of CPE Sponsors website URL change to NASBARegistry.org.

Addition –

- Footnote 2 revised to include the intention of the term “may” throughout the *Standards*.
- Expanded the independent study learning contract to allow for demonstration of the application of learning objectives.

Article III - Standards for CPE Program Sponsors:

Program Development:

Clarifications -

- Minor revisions and modifications to conform references to other sections of the *Standards*.
- Clarified the license requirement of CPA whose involvement is required in the development of every accounting and auditing course. Similar clarification of CPA, tax attorney or enrolled agent who is required in the development of courses if in the field of taxes.
- Clarification for group live and group internet based programs determination by how the participant consumes the learning and provided examples for each delivery method.
- Clarification that element of engagement for group live must occur during each credit of CPE (i.e., for a 2 CPE credit program, a sponsor cannot wait until the end of the program and use two elements of engagement to satisfy the requirement).
- Clarification in the self study Standard No. 9 for the number of review questions and qualified assessment questions based on the revised CPE measurement Standard to align CPE credit increments within the allowable instructional delivery methods. See Program Measurement section for further details.

Additions –

- Expanded the independent study Standard to detail the evidence of program completion and allow for the certification that the participant demonstrated of the application of learning objectives by a subject matter expert.
- Expanded Standard 10 on nano-learning to include more details of what are considered acceptable instructional materials and techniques used to develop nano-learning programs, the intention of nano-learning and the minimum requirements included in the nano-learning program.

Program Presentation:

Clarifications -

- Minor revisions and modifications to conform references to other sections of the *Standards*.
- Clarification that if the instructor is actively involved in the development of program materials, then it is not necessary to solicit an evaluation from the instructor.

Program Measurement:

Clarifications -

- The most significant change proposed to the April 2015 Exposure Draft is the revision to Standard 16 to align the CPE credit increments within the allowable instructional delivery methods. An unintended consequence of the April 2015 Exposure Draft is that the allowable CPE credit increments were not consistent among the instructional delivery methods which would cause complexities in awarding and tracking CPE credits.

The revision allows for CPE increments to be earned in one-fifth, one-half or whole credits for all delivery instructional delivery methods with the exception of nano-learning. For group programs, independent study and blended learning, a minimum of one full credit must be awarded initially before partial CPE credits can be awarded. For self study, a minimum of one-half credit must be awarded initially and then, after the first full credit is earned, partial CPE credit may be awarded. Nano-learning may be awarded only as one-fifth credit.

The revision also provides the sponsor the discretion to round down CPE credits to the nearest one-fifth, one-half or whole credit as appropriate for the instructional delivery method.

These revisions provide flexibility and consistency and do not cause CPE program sponsors to re-work program materials or require existing programs to be re-measured for CPE credit determination.

Examples are provided within the Standard.

- Clarification provided that, when substantive changes have been made to self study materials whether in one year or over a period of years, further pilot tests of the revised program materials must be conducted.

Program Reporting:

Additions -

- Added a requirement of program sponsors to provide program participants within 30 days after the conclusion of the program with documentation of their participation.
- Added a requirement to maintain records of the state of licensure, license number and the status of license for CPA pilot testers.
- Added requirement to maintain documentation of element of engagement for group live program and provided examples.
- Added a requirement to maintain documentation of instructions regarding the components comprising a blended learning program.

EXPOSURE DRAFT

Statement on Standards for Continuing Professional Education (CPE) Programs

**Jointly Issued by the American Institute of
Certified Public Accountants (AICPA) and the
National Association of State Boards of
Accountancy (NASBA)**

November 2015

Please submit comments by April 30, 2016 to:

Clar Rosso at crosso@aicpa.org

or

Jessica Luttrull at jluttrull@nasba.org

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Introduction

Continuing professional education is required for CPAs to maintain their professional competence and provide quality professional services. CPAs are responsible for complying with all applicable CPE requirements, rules and regulations of state boards of accountancy, as well as those of membership associations and other professional organizations.

The Statement on Standards for Continuing Professional Education (CPE) Programs (*Standards*) is published jointly by the American Institute of Certified Public Accountants (AICPA) and the National Association of State Boards of Accountancy (NASBA) to provide a framework for the development, presentation, measurement, and reporting of CPE programs. The *Standards* were last revised in 2012.

The *Standards* are periodically reviewed in their entirety by the CPE Standards Working Group (Working Group). The Working Group is comprised of 13 members representing the various stakeholders in the CPE arena, including state boards of accountancy, state societies, educators, CPE providers, and the AICPA. If the Working Group determines that revisions or modifications are required, then the Working Group will make its recommendations to NASBA's CPE Committee (CPE Committee), which in turn makes recommendations to the Joint AICPA/NASBA CPE Standards Committee (Joint Committee). The Joint Committee will then make its recommendation to the respective AICPA and NASBA Boards of Directors. Any revisions or modifications to the *Standards* will be posted to the AICPA and NASBA websites for comment.

The *Standards* are intended to be an "evergreen" document. As questions arise related to implementation and application of the *Standards*, the questions will be presented to the Working Group. The Working Group meets quarterly and scheduled meeting dates are posted on the NASBA website, NASBARegistry.org. NASBA will communicate the findings of the Working Group to the specific CPE program sponsor. Authoritative interpretations will only be issued by the CPE Committee in limited cases when the matter is not addressed in the *Standards*, cannot be addressed specifically with the CPE program sponsor, or cannot be addressed in the Best Practices web pages. All interpretations issued by the CPE Committee will be reviewed and considered by the Joint Committee upon the next revision of the *Standards*.

Preamble

1. The right to use the title "Certified Public Accountant" (CPA) is regulated by each state's board of accountancy in the public interest and imposes a duty to maintain public confidence by maintaining current professional competence, as defined in the *Standards*, in all areas in which they provide services. CPAs must accept and fulfill their ethical responsibilities to the public and the profession regardless of their fields of employment.¹
2. The profession of accountancy is characterized by an explosion of relevant knowledge, ongoing changes and expansion, and increasing complexity. Advancing technology, globalization of commerce, increasing specialization, proliferating regulations, and the complex nature of business transactions have created a dynamic environment that requires CPAs to continuously maintain and enhance their professional competence.
3. The continuing development of professional competence involves a program of lifelong educational activities. Continuing Professional Education (CPE) is the term used in these *Standards* to describe the educational activities that assist CPAs in achieving and maintaining quality in professional services.
4. The following *Standards* have been broadly stated in recognition of the diversity of practice and experience among CPAs. They establish a framework for the development, presentation, measurement, and reporting of CPE programs and thereby help to ensure that CPAs receive the quality CPE necessary to satisfy their obligations to serve the public interest. The spirit of the *Standards* is to encourage high quality learning with measurable objectives by providing baseline requirements. These *Standards* may also apply to other professionals by virtue of employment or membership. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit.
5. Advances in technology, delivery and workplace arrangements may lead to innovative learning techniques. Learning theory is evolving to include more emphasis on outcome based learning. These *Standards* anticipate innovation in CPE in response to these advances. Sponsors must ensure innovative learning techniques are in compliance with the *Standards*. CPE program sponsors are encouraged to consult with NASBA regarding questions related to compliance with the *Standards* when utilizing innovative techniques.
6. These *Standards* create a basic foundation for sound educational programs. Sponsors may wish to provide enhanced educational and evaluative techniques to all programs.

¹ The term "CPAs" is used in these *Standards* to identify all persons who are licensed and/or regulated by boards of accountancy.

Article I - Definitions

Advanced. Program knowledge level most useful for individuals with mastery of the particular topic. This level focuses on the development of in-depth knowledge, a variety of skills, or a broader range of applications. Advanced level programs are often appropriate for seasoned professionals within organizations; however, they may also be beneficial for other professionals with specialized knowledge in a subject area.

Asynchronous. A learning activity in which the participant has control over time, place and/or pace of learning.

Basic. Program knowledge level most beneficial to CPAs new to a skill or an attribute. These individuals are often at the staff or entry level in organizations, although such programs may also benefit a seasoned professional with limited exposure to the area.

Blended learning program. An educational program incorporating multiple learning formats.

Continuing Professional Education (CPE). An integral part of the lifelong learning required to provide competent service to the public. The set of activities that enables CPAs to maintain and improve their professional competence.

CPE credit hour. Fifty minutes of participation in a program of learning.

CPE program sponsor. The individual or organization responsible for issuing the certificate of completion, and maintaining the documentation required by these *Standards*. The term CPE program sponsor may include associations of CPAs, whether formal or informal, as well as employers who offer in-house programs.

Evaluative feedback. Specific response to incorrect answers to questions in self-study programs.

Group Internet based program. Individual participation in synchronous learning with real time interaction of an instructor or subject matter expert and built-in processes for attendance and interactivity.

Group live program. Synchronous learning in a group environment with real time interaction of an instructor or subject matter expert that provides the required elements of attendance monitoring and engagement.

Group program. Any group live or group Internet based programs.

Independent study. An educational process designed to permit a participant to learn a given subject under a learning contract with a CPE program sponsor.

Instructional methods. Delivery strategies such as case studies, computer-assisted learning, lectures, group participation, programmed instruction, use of audiovisual aids, or work groups employed in group, self-study, or independent study programs or other innovative programs.

Intermediate. Program knowledge level that builds on a basic program, most appropriate for CPAs with detailed knowledge in an area. Such persons are often at a mid-level within the organization, with operational and/or supervisory responsibilities.

Learning activity. An educational endeavor that maintains or improves professional competence.

Learning contract. A written contract signed by an independent study participant and a qualified CPE program sponsor prior to the commencement of the independent study.

Learning objectives. Outcomes that participants should accomplish upon completion of a learning activity. Learning objectives are useful to program developers in deciding appropriate instructional methods and allocating time to various subjects.

Nano-learning program. A tutorial program designed to permit a participant to learn a given subject in a ten-minute timeframe through the use of electronic media (including technology applications and processes and computer-based or web-based technology) and without interaction with a real time instructor. A nano-learning program differs from a self study program in that it is typically focused on a single learning objective and is not paper-based. A nano-learning program is not a group program. Nano-learning is not a substitute for comprehensive programs addressing complex issues.

Overview. Program knowledge level that provides a general review of a subject area from a broad perspective. These programs may be appropriate for professionals at all organizational levels.

Pilot test. A method to determine the recommended CPE credit for self study programs which involves sampling of at least three individuals independent of the development team and representative of the intended participants to measure the representative completion time.

Pre-program assessment. A method of measuring prior knowledge that is given before the participant has access to the course content of the program.

Professional competence. Having requisite technical competence, professional skills, values, ethics and attitudes to provide quality services as defined by the technical and ethical standards of the profession. The expertise needed to undertake professional responsibilities and to serve the public interest.

Program of learning. A collection of learning activities that are designed and intended as continuing education and that comply with these *Standards*.

Qualified Assessment. A method of measuring the achievement of a representative number of the learning objectives of the learning activity.

Reinforcement feedback. Specific responses to correct answers to questions in self-study programs.

Self study program. An educational program completed individually without the assistance or interaction of a real time instructor.

Social learning. Learning from one's peers in a community of practice through observation, modeling and application.

Synchronous. A group program in which participants engage simultaneously in learning activity(ies).

Tutorial. A tutorial is a method of transferring knowledge that is more interactive and specific than a book, lecture or article. A tutorial seeks to teach by example and supply the information to complete a certain task.

Word count formula. A method, detailed under S17-05 Method 2, to determine the recommended CPE credit for self study programs that uses a formula including word count of learning material, number of questions and exercises, and duration of audio and video segments.

Update. Program knowledge level that provides a general review of new developments. This level is for participants with a background in the subject area who desire to keep current.

Article II – General Guidelines for CPAs

2.1 Professional Competence. All CPAs should participate in learning activities that maintain and/or improve their professional competence.²

Selection of learning activities should be a thoughtful, reflective process addressing the individual CPA's current and future professional plans, current knowledge and skills level, and desired or needed additional competence to meet future opportunities and/or professional responsibilities.

CPAs fields of employment do not limit the need for CPE. CPAs performing professional services need to have a broad range of professional competence. Thus, the concept of professional competence may be interpreted broadly. Accordingly, acceptable continuing education encompasses programs contributing to the development and maintenance of professional skills.

The fields of study as published on NASBA's website, www.nasbaregistry.org, represent the primary knowledge and skill areas needed by CPAs to perform professional services in all fields of employment.

To help guide their professional development, CPAs may find it useful to develop a learning plan. Learning plans are structured processes that help CPAs guide their professional development. They are dynamic instruments used to evaluate and document learning and professional competence development. They may be reviewed regularly and modified as CPAs' professional competence needs change. Plans include: a self-assessment of the gap between current and needed professional competence; a set of learning objectives arising from this assessment; and learning activities to be undertaken to fulfill the learning plan.

2.2 CPE Compliance. CPAs must comply with all applicable CPE requirements.

CPAs are responsible for compliance with all applicable CPE requirements, rules, and regulations of state licensing bodies, other governmental entities, membership associations, and other professional organizations or bodies. CPAs should contact each appropriate entity to which they report to determine its specific requirements or any exceptions it may have to the standards presented herein.

Periodically, CPAs participate in learning activities which do not comply with all applicable CPE requirements, for example specialized industry programs offered through industry sponsors. If CPAs propose to claim credit for such learning activities, they must retain all relevant information regarding the program to provide documentation to state licensing bodies and/or all other professional organizations or bodies that the learning activity is equivalent to one which meets all these standards.

2.3 CPE Credits Record Documentation. CPAs are responsible for accurate reporting of the appropriate number of CPE credits earned and must retain appropriate documentation of their participation in learning activities.

² The terms "should" and "must" are intended to convey specific meanings within the context of this *Joint AICPA/NASBA Statement on Standards for Continuing Professional Education Programs*. The term "must" is used in the *Standards* applying to CPAs and CPE program sponsors to convey that CPAs and CPE program sponsors are not permitted any departure from those specific *Standards*. The term "should" is used in the *Standards* applying to both CPAs and CPE program sponsors and is intended to convey that CPAs and CPE program sponsors are encouraged to follow such *Standards* as written. The term "may" is used in the *Standards* applying to both CPAs and CPE program sponsors and is intended to convey that CPAs and CPE program sponsors are permitted to follow such *Standards* as written.

To protect the public interest, regulators require CPAs to document maintenance and enhancement of professional competence through periodic reporting of CPE. For convenience, measurement is expressed in CPE credits. However, the objective of CPE must always be maintenance/enhancement of professional competence, not attainment of credits. Compliance with regulatory and other requirements mandates that CPAs keep documentation of their participation in activities designed to maintain and/or improve professional competence. In the absence of legal or other requirements, a reasonable policy is to retain documentation for a minimum of five years from the end of the year in which the learning activities were completed.

Participants must document their claims of CPE credit. Examples of acceptable evidence of completion include:

- For group, blended learning and independent study programs, a certificate or other verification supplied by the CPE program sponsor.
- For self-study and nano-learning programs, a certificate supplied by the CPE program sponsor after satisfactory completion of a qualified assessment.
- For instruction credit, appropriate supporting documentation that complies with the requirements of the respective state boards subject to the guidelines in Standard No. 20 in Standards for CPE Program Measurement.
- For a university or college course that is successfully completed for credit, a record or transcript of the grade the participant received.
- For university or college non-credit courses, a certificate of attendance issued by a representative of the university or college.
- For published articles, books, or CPE programs, (1) a copy of the publication (or in the case of a CPE program, course development documentation) that names the CPA as author or contributor, (2) a statement from the writer supporting the number of CPE hours claimed, and (3) the name and contact information of the independent reviewer(s) or publisher.

2.4 Reporting CPE Credits. CPAs who complete sponsored learning activities that maintain or improve their professional competence must claim no more than the CPE credits recommended by CPE program sponsors subject to the state board regulations.

CPAs may participate in a variety of sponsored learning activities. While CPE program sponsors determine credits, CPAs must claim credit only for activities through which they maintained or improved their professional competence. CPAs who participate in only part of a program must claim CPE credit only for the portion they attended or completed.

2.5 Independent Study. CPAs may engage in independent study under the direction of a CPE program sponsor who has met the applicable standards for CPE program sponsors when the subject matter and level of study maintain or improve the CPAs' professional competence.

Independent study is an educational process designed to permit a participant to learn a given subject under the guidance of a CPE program sponsor. Participants in an independent study program must:

- Enter into a written learning contract with a CPE program sponsor that must comply with the applicable standards for CPE program sponsors. A learning contract:
 1. Specifies the nature of the independent study program and the time frame over which it is to be completed, not to exceed 15 weeks.
 2. Specifies that the output must be in the form of (a) a written report that will be reviewed by the CPE program sponsor or a qualified person selected by the CPE program sponsor or (b) a written certification by the CPE program sponsor that the participant has demonstrated application of learning objectives through (i) successful completion of tasks or (ii) performance of a live demonstration, oral examination or presentation to a subject matter expert.
 3. Outlines the maximum CPE credit that will be awarded for the independent study program, but limits credit to actual time spent.
- Accept the written recommendation of the CPE program sponsor as to the number of credits to be earned upon successful completion of the proposed learning activities. CPE credits will be awarded

only if:

1. All the requirements of the independent study as outlined in the learning contract are met,
2. The CPE program sponsor reviews and signs the participant's report,
3. The CPE program sponsor reports to the participant the actual credits earned, and
4. The CPE program sponsor provides the participant with contact information.

The maximum credits to be recommended by an independent study CPE program sponsor must be agreed upon in advance and must be equated to the effort expended to improve professional competence. The credits cannot exceed the time devoted to the learning activities and may be less than the actual time involved.

- Retain the necessary documentation to satisfy regulatory requirements as to the content, inputs, and outcomes of the independent study.

Article III – Standards for CPE Program Sponsors

3.1 - General Standards

Standard No. 1. CPE program sponsors are responsible for compliance with all applicable Standards and other CPE requirements.

S1 - 01. CPE requirements of licensing bodies and others. CPE program sponsors may have to meet specific CPE requirements of state licensing bodies, other governmental entities, membership associations, and/or other professional organizations or bodies. Professional guidance for CPE program sponsors is available from NASBA; state-specific guidance is available from the state boards of accountancy. CPE program sponsors should contact the appropriate entity to determine requirements.

3.2 - Standards for CPE Program Development

Standard No. 2. Sponsored learning activities must be based on relevant learning objectives and outcomes that clearly articulate the professional competence that should be achieved by participants in the learning activities.

S2 - 01. Program knowledge level. Learning activities provided by CPE program sponsors for the benefit of CPAs must specify the knowledge level, content, and learning objectives so that potential participants can determine if the learning outcomes are appropriate to their professional competence development needs. Knowledge levels consist of basic, intermediate, advanced, update, and overview.

Standard No. 3. CPE program sponsors must develop and execute learning activities in a manner consistent with the prerequisite education, experience, and/or advance preparation of participants.

S3 - 01. Prerequisite education and experience. To the extent it is possible to do so, CPE program sponsors should make every attempt to equate program content and level with the backgrounds of intended participants. All programs must clearly identify prerequisite education, experience, and/or advance preparation, if any, in precise language so that potential participants can readily ascertain whether they qualify for the program.

Standard No. 4. CPE program sponsors must use activities, materials, and delivery systems that are current, technically accurate, and effectively designed. Course documentation must contain the most recent publication, revision or review date. Courses must be revised as soon as feasible following changes to relative codes, laws, rulings, decisions, interpretations, etc. Courses in subjects that undergo frequent changes must be reviewed by an individual with subject matter expertise at least once a year to verify the currency of the content. Other courses must be reviewed at least every two years.

S4 - 01. Developed by a subject matter expert. Learning activities must be developed by individuals or teams having expertise in the subject matter. Expertise may be demonstrated through practical experience and/or education.

Standard No. 5. CPE program sponsors of group, self-study, nano-learning, and/or blended learning programs must ensure learning activities are reviewed by qualified persons other than those who developed the programs to assure that the program is technically accurate and current and addresses the stated learning objectives. These reviews must occur before the first presentation of these materials and again after each significant revision of the CPE programs.

The participation of at least one licensed CPA (in good standing and holding an active license or the equivalent of an active license) is required in the development of every program in accounting and auditing. The participation of at least one licensed CPA, tax attorney, or IRS enrolled agent (in good standing and holding an active license or the equivalent of an active license) is required in the development of each program in the field of study of taxes. As long as this requirement is met at some point during the development process, a program would be in compliance. Whether to have this individual involved during the development or the review process is at the CPE program sponsor's discretion.

S5 - 01. Qualifications of reviewers. Individuals or teams qualified in the subject matter must review programs. When it is impractical to review certain programs in advance, such as lectures given only once, greater reliance should be placed on the recognized professional competence of the instructors or presenters. Using independent reviewing organizations familiar with these *Standards* may enhance quality assurance.

S5 - 02. Review responsibilities if content purchased from another entity. CPE program sponsors may purchase course content from other entities and developers. The organization that issues the certificate of completion under its name to the participants of the program is responsible for compliance with all *Standards* and other CPE requirements.

If a CPE program sponsor plans to issue certificates of completion under its name, then the CPE program sponsor must first consider whether the content was purchased from an entity registered with NASBA on the National Registry of CPE Sponsors.

- If the content is purchased from a sponsor registered with NASBA on the National Registry of CPE Sponsors, then the CPE program sponsor may maintain the author/developer and reviewer documentation from that sponsor in order to satisfy the content development requirements of the *Standards*. The documentation should be maintained as prescribed in Standard No. 24.
- If the content is purchased from an entity not registered with NASBA on the National Registry of CPE Sponsors, then the CPE program sponsor must independently review the purchased content to ensure compliance with the *Standards*. If the CPE program sponsor does not have the subject matter expertise on staff, then the CPE program sponsor must contract with a qualified individual to conduct the review. The CPE program sponsor must maintain the appropriate documentation regarding the credentials and experience of both the course author/developer(s) and reviewer(s) as prescribed in Standard No. 24.

Standard No. 6. CPE program sponsors of independent study learning activities must be qualified in the subject matter.

S6 - 01. Requirements of independent study sponsor. A CPE program sponsor of independent study learning activities must have expertise in the specific subject area related to the independent study. The CPE program sponsor must also:

- Review, evaluate, approve, and sign the proposed independent study learning contract, including agreeing in advance on the number of credits to be recommended upon successful completion.
- Evidence program completion by:
 - Reviewing and signing the written report developed by the participant in independent study.
 - Certifying in writing that the applicant has demonstrated application of learning objectives through successful completion of tasks.
 - Certifying in writing that the applicant has performed a live demonstration, oral examination or presentation to a subject matter expert.
- Retain the necessary documentation to satisfy regulatory requirements as to the content, inputs, and outcomes of the independent study.

Standard No. 7. Group live programs must employ instructional methods that clearly define learning objectives, guide the participant through a program of learning and include elements of

engagement within the program.

Whether a program is classified as group live or group internet based is determined by how the participant consumes the learning (in a group setting or on an individual basis) and not by the technology used in program delivery. Group live examples include but are not limited to: classroom setting with a real time instructor; participants in a group setting calling in to a teleconference; and participants in a group setting watching a rebroadcast of a program with a real time subject matter expert facilitator.

S7 – 01. Required elements of engagement. A group live program must include at least one element of engagement related to course content during each credit of CPE (for example: group discussion; polling questions; instructor-posed question with time for participant reflection; and/or use of a case study with different engagement elements throughout the program).

S7 – 02. Real time instructor during program presentation. Group live programs must have a real time instructor while the program is being presented. Program participants must be able to interact with the real time instructor while the course is in progress (including the opportunity to ask questions and receive answers during the presentation). Once a group live program is recorded for future presentation, it will continue to be considered a group live program only where a real time subject matter expert facilitates the recorded presentation. CPE credit for a recorded group live program facilitated by a real time subject matter expert will be equal to the CPE credit awarded to the original presentation.

S7-03. No real time instructor during recorded program presentation. A group live program that is recorded for future presentation that does not include a real time subject matter facilitator is no longer a group live program and will only be classified as a self study program if it meets all self study delivery method requirements with the exception of the basis for CPE credit. CPE credit for a recorded group live program not facilitated by a real time subject matter expert will be equal to the CPE credit awarded to the original presentation or it may be determined by either of the two self study credit determination methodologies described in Standard No. 17: pilot testing or the prescribed word count formula, at the sponsor's discretion.

Standard No. 8. Group Internet based programs must employ instructional methods that clearly define learning objectives, guide the participant through a program of learning, and provide evidence of a participant's satisfactory completion of the program.

Whether a program is classified as group live or group internet based is determined by how the participant consumes the learning (in a group setting or on an individual basis) and not by the technology used in program delivery. Group internet based examples include but are not limited to: participation in a webcast individually; participating in a broadcast of a group live presentation on an individual basis; and participants calling in to a conference call on an individual basis.

S8 - 01. Real time instructor during program presentation. Group Internet based programs must have a real time instructor while the program is being presented. Program participants must be able to interact with the real time instructor while the course is in progress (including the opportunity to ask questions and receive answers during the presentation). Once a group Internet based program is recorded for future presentation, it will continue to be considered a group Internet based program only where a real time subject matter expert facilitates the recorded presentation. . CPE credit for a recorded group Internet based program, facilitated by a real time subject matter expert, will be equal to the CPE credit awarded to the original presentation.

S8 – 02. No real time instructor during recorded program presentation. A group Internet based program that is recorded for future presentation that does not include a real time subject matter facilitator is no longer a group Internet based program and will only be classified as a self study program if it meets all self study delivery method requirements with the exception of the basis for CPE credit. CPE credit for a recorded group Internet based program not facilitated by a real time subject matter expert will be equal to the CPE credit awarded to the original presentation or it may be determined by either of the two self study credit determination methodologies described in Standard No. 17: pilot testing or the prescribed word count formula, at the sponsor's discretion.

Standard No. 9. Self study programs must use instructional methods that clearly define learning objectives, guide the participant through a program of learning, and provide evidence of a participant's satisfactory completion of the program.

S9 - 01. Guide participant through a program of learning. To guide participants through a program of learning, CPE program sponsors of self-study programs must elicit participant responses to test for understanding of the material. Appropriate feedback must be provided. Satisfactory completion of the program must be confirmed during or after the program through a qualified assessment.

S9 – 02. Use of review questions or other content reinforcement tools. Review questions must be placed at the end of each learning activity throughout the program in sufficient intervals to allow the participant the opportunity to evaluate the material that needs to be re-studied. If objective type questions are used, at least three review questions per CPE credit must be included or two review questions if the program is marketed for one-half CPE credits. Simulations and other innovative tools that guide participants through structured decisions can be used in lieu of review questions.

After the first full credit and the minimum of three review questions, additional review questions are required based on the additional credit measurement amount of the program as follows:

Additional Credit:	Additional Review Questions:
0.2	0
0.4	1
0.5	2
0.6	2
0.8	3
Next full credit or 1.0	3

S9 – 03. Evaluative and reinforcement feedback on review questions. If the multiple choice method is used, evaluative feedback for each incorrect response must explain specifically why each response is wrong and reinforcement feedback must be provided for correct responses even when the minimum number of review questions requirement has otherwise been exceeded. If rank order or matching questions are used, then it is permissible to provide single feedback to explain the correct response. Simulations and other innovative tools that guide participants through structured decisions could provide feedback at irregular intervals or at the end of the learning experience. In those situations, single feedback would be permissible. True/false questions or review questions that do not meet the evaluative and reinforcement feedback requirements are allowed as review questions other than when using the multiple choice method. Noncompliant questions are not included in the number of review questions required per CPE credit. Forced choice questions, when used as part of an overall learning strategy, are allowed as review questions and can be counted in the number of review questions required per CPE credit. There is no minimum passing rate required for review questions.

S9 – 04. Qualified assessment requirements. To provide evidence of satisfactory completion of the course, CPE program sponsors of self-study programs must require participants to successfully complete a qualified assessment during or after the program with a cumulative minimum-passing grade of at least 70 percent before issuing CPE credit for the course. Assessments may contain questions of varying format (for example, multiple-choice, essay, and simulations). At least five questions/scored responses per CPE credit must be included on the qualified assessment or three assessment questions/scored responses if the program is marketed for one-half CPE credits. For example, the qualified assessment for a five-credit course must include at least 25 questions/scored responses. Alternatively, a five and one-half credit course must include at least 28 questions/scored responses. Except in courses where recall of information is the learning strategy, duplicate review and qualified assessment questions are not allowed. True/false questions are not permissible on the qualified assessment.

After the first full credit and the minimum of five questions/scored responses per CPE credit, additional qualified assessment questions/scored responses are required based on the additional credit measurement amount of the program as follows:

Additional Credit:	Additional Questions/Scored Responses:
0.2	1
0.4	2
0.5	3
0.6	3
0.8	4
Next full credit or 1.0	5

If a pre-program assessment is used in the course, then the pre-program assessment cannot be included in the determination of the recommended CPE credits for the course. If a pre-program assessment is used and feedback is provided, then duplicate pre-program assessment and qualified assessment questions are not permitted. If a pre-program assessment is used and feedback is not provided, then duplicate pre-program assessment and qualified assessment questions are permissible. Feedback may comply with the feedback for review questions as described in S9-03, or take the form of identifying correct and incorrect answers.

A qualified assessment must measure a representative number of the learning objectives for the program. A representative number of the learning objectives is 75 percent or more of the learning objectives for the program. The representative number of the learning objectives can be less than 75 percent of the learning objectives for the program only if a randomized question generator is used and the test bank used in the creation of the assessment includes at least 75 percent of the learning objectives for the program. Assessment items must be written to test the stated learning objectives of the course.

S9 – 05. Feedback on qualified assessment. Providing feedback on the qualified assessment is at the discretion of the CPE program sponsor. If the CPE program sponsor chooses to provide feedback and:

Utilizes a test bank, then the CPE program sponsor must ensure that the question test bank is of sufficient size to minimize overlap of questions on the qualified assessment for the typical repeat test-taker. Feedback may comply with the feedback for review questions as described in S9 – 03, or take the form of identifying correct and incorrect answers.

Does not utilize a test bank, whether or not feedback can be given depends on whether the participant passes the qualified assessment, then:

- on a failed assessment, the CPE program sponsor may not provide feedback to the test-taker.
- on assessments passed successfully, CPE program sponsors may choose to provide participants with feedback. This feedback may comply with the type of feedback for review questions as described in S9-03, or take the form of identifying correct and incorrect answers.

S9 – 06. Program/course expiration date. Course documentation must include an expiration date (the time by which the participant must complete the qualified assessment). For individual courses, the expiration date is no longer than one year from the date of purchase or enrollment. For a series of courses to achieve an integrated learning plan, the expiration date may be longer.

S9 – 07. Based on materials developed for instructional use. Self study programs must be based on materials specifically developed for instructional use and not on third party materials. Self study programs requiring only the reading of general professional literature, IRS publications, or reference manuals followed by a test will not be acceptable. However, the use of the publications and reference materials in self-study programs as supplements to the instructional materials could qualify if the self study program complies with each of the CPE standards.

Instructional materials for self study include teaching materials which are written for instructional educational purposes. These materials must demonstrate the expertise of the author(s). At a minimum,

instructional materials must include the following items:

1. An overview of topics;
2. The ability to find information quickly (for example, an index, a detailed menu or key word search function);
3. The definition of key terms (for example, a glossary or a search function that takes a participant to the definition of a key word);
4. Instructions to participants regarding navigation through the course, course components, and course completion;
5. Review questions with feedback; and
6. Qualified assessment.

Standard No. 10. Nano-learning programs must use instructional methods that clearly define a minimum of one learning objective, guide the participant through a program of learning and provide evidence of a participant's satisfactory completion of the program. Satisfactory completion of the program must be confirmed at the conclusion of the program through a qualified assessment.

S10 – 01. Qualified assessment requirements. To provide evidence of satisfactory completion of the course, CPE program sponsors of nano-learning programs must require participants to successfully complete a qualified assessment with a passing grade of 100 percent before issuing CPE credit for the course. Assessments may contain questions of varying format (for example, multiple choice, rank order, and matching). Only two questions must be included on the qualified assessment. True/false questions are not permissible on the qualified assessment. If the participant fails the qualified assessment, then the participant must re-take the nano-learning program. The number of re-takes permitted a participant is at the sponsor's discretion.

S10 – 02. Feedback on qualified assessment. Providing feedback on the qualified assessment is at the discretion of the CPE program sponsor. If the CPE program sponsor chooses to provide feedback and:

Utilizes a test bank, then the CPE program sponsor must ensure that the question test bank is of sufficient size for no overlap of questions on the qualified assessment for the typical repeat test-taker. If the multiple choice method is used, evaluative feedback for each incorrect response must explain specifically why each response is wrong and reinforcement feedback must be provided for correct responses. If rank order or matching questions are used, then it is permissible to provide single feedback to explain the correct response. Feedback may also take the form of identifying correct and incorrect answers.

Does not utilize a test bank, whether or not feedback can be given depends on whether the participant passes the qualified assessment, then:

- on a failed assessment, the CPE program sponsor may not provide feedback to the test-taker.
- on assessments passed successfully, CPE program sponsors may choose to provide participants with feedback. This feedback may comply with the type of feedback described in the preceding paragraph or take the form of identifying correct and incorrect answers.

S10 – 03. Program/course expiration date. Course documentation must include an expiration date. The expiration date is no longer than one year from the date of purchase or enrollment.

S10 – 04. Based on materials developed for instructional use. Nano-learning programs must be based on materials specifically developed for instructional use and not on third party materials. Nano-learning programs requiring only the reading of general professional literature, IRS publications or reference manuals followed by an assessment will not be acceptable.

Acceptable instructional materials for a nano-learning program include intentional, engaged learning activities developed for focused content delivery. Nano-learning programs may incorporate techniques such as visuals, slide reinforcements, role play, demonstrations, or use of a white board. The intent of a nano-learning program is to transfer knowledge that is interactive – seeking to teach by example, to supply information to complete a certain task or computation, or to problem-solve or make decisions through role play or demonstration. At a minimum, nano-learning programs must include the following items:

1. The learning objective(s) of the program;
2. Any instructions that participants need to navigate through the program; and
3. A qualified assessment.

Standard No. 11. Blended learning programs must use instructional methods that clearly define learning objectives and guide the participant through a program of learning. Pre-program, post-program and/or homework assignments should enhance the learning program experience and must relate to the defined learning objectives of the program.

S11 – 01. Guide participant through a program of learning. The blended learning program includes different learning or instructional methods (for example, lectures, discussion, guided practice, reading, games, case study, simulation); different delivery methods (group live, group Internet based, nano-learning or self study); different scheduling (synchronous or asynchronous); or different levels of guidance (for example, individual, instructor or subject matter expert led, or group/social learning). To guide participants through the learning process, CPE program sponsors must provide clear instructions/information to participants that summarize the different components of the program and what must be completed or achieved during each component in order to qualify for CPE credits. The CPE program sponsor must document the process/components of the course progression and completion of components by the participants.

S11 – 02. Primary component of blended learning program is a group program. If the primary component of the blended learning program is a group program, then CPE credits for pre-program, post-program and/or homework assignments cannot constitute more than 25 percent of the total CPE credits available for the blended learning program.

S11 – 03. Primary component of blended learning program is an asynchronous learning activity. If the primary component of the blended learning program is an asynchronous learning activity, then the blended learning program must incorporate a qualified assessment in which participants demonstrate achievement of the learning objectives of the program.

S11 – 03.1. Qualified assessment requirements. A qualified assessment must measure a representative number of learning objectives for the program. A representative number of the learning objectives is 75 percent or more of the learning objectives for the program.

3.3 - Standards for CPE Program Presentation

Standard No. 12. CPE program sponsors must provide descriptive materials that enable CPAs to assess the appropriateness of learning activities. For CPE program sponsors whose courses are developed for sale and/or for external audiences (i.e., not internal training), CPE program sponsors must make the following information available in advance:

- Learning objectives.
- Instructional delivery methods.
- Recommended CPE credit and recommended field of study.
- Prerequisites.
- Program level.
- Advance preparation.
- Program description.
- Course registration and, where applicable, attendance requirements.
- Refund policy for courses sold for a fee/cancellation policy.
- Complaint resolution policy.
- Official NASBA sponsor statement, if an approved NASBA sponsor (explaining final authority of acceptance of CPE credits).

For CPE program sponsors whose courses are purchased or developed for internal training only, CPE program sponsors must make the following information available in advance:

- Learning objectives.
- Instructional delivery methods.
- Recommended CPE credit and recommended field of study.
- Prerequisites.
- Advance preparation.
- Program level (for optional internal courses only).
- Program description (for optional internal course only).

S12 – 01. Disclose significant features of program in advance. For potential participants to effectively plan their CPE, the program sponsor must disclose the significant features of the program in advance (e.g., through the use of brochures, website, electronic notices, invitations, direct mail, or other announcements). When CPE programs are offered in conjunction with non-educational activities, or when several CPE programs are offered concurrently, participants must receive an appropriate schedule of events indicating those components that are recommended for CPE credit. The CPE program sponsor's registration and attendance policies and procedures must be formalized, published, and made available to participants and include refund/cancellation policies as well as complaint resolution policies.

S12 – 02. Disclose advance preparation and/or prerequisites. CPE program sponsors must distribute program materials in a timely manner and encourage participants to complete any advance preparation requirements. All programs must clearly identify prerequisite education, experience, and/or advance preparation requirements, if any, in the descriptive materials. Prerequisites, if any, must be written in precise language so that potential participants can readily ascertain whether they qualify for the program.

Standard No. 13. CPE program sponsors must ensure instructors are qualified with respect to both program content and instructional methods used.

S13 – 01. Qualifications of instructors. Instructors are key ingredients in the learning process for any group or blended learning program. Therefore, it is imperative that CPE program sponsors exercise great care in selecting qualified instructors for all group or blended learning programs. Qualified instructors are those who are capable, through training, education, or experience of communicating effectively and providing an environment conducive to learning. They must be competent and current in the subject matter, skilled in the use of the appropriate instructional methods and technology, strive to engage participants and prepared in advance.

S13 - 02. Evaluation of instructor's performance. CPE program sponsors should evaluate the instructor's performance at the conclusion of each program to determine the instructor's suitability to serve in the future.

Standard No. 14. CPE program sponsors must employ an effective means for evaluating learning activity quality with respect to content and presentation, as well as provide a mechanism for participants to assess whether learning objectives were met.

S14 - 01. Required elements of evaluation. The objectives of evaluation are to assess participant and instructor satisfaction with specific programs and to increase subsequent program effectiveness. Evaluations, whether written or electronic, must be solicited from participants and instructors for each program session, including self study and nano-learning programs, to determine, among other things, whether:

- Stated learning objectives were met.
- Stated prerequisite requirements were appropriate and sufficient.
- Program materials, including the qualified assessment, if any, were relevant and contributed to the achievement of the learning objectives.
- Time allotted to the learning activity was appropriate.
- Individual instructors were effective. (Note: This topic does not need to be included in evaluations for self study and nano-learning programs.)

If the instructor is actively involved in the development of the program materials, then it is not necessary to solicit an evaluation from the instructor.

S14 - 02. Evaluation results. CPE program sponsors must periodically review evaluation results to assess program effectiveness and should inform developers and instructors of evaluation results.

Standard No. 15. CPE program sponsors must ensure instructional methods employed are appropriate for the learning activities.

S15 - 01. Assess instructional method in context of program presentation. CPE program sponsors must assess the instructional methods employed for the learning activities to determine if the delivery is appropriate and effective.

S15 – 02. Facilities and technology appropriateness. Learning activities must be presented in a manner consistent with the descriptive and technical materials provided. Integral aspects in the learning environment that should be carefully monitored include the number of participants and the facilities and technologies employed in the delivery of the learning activity.

3.4 - Standards for CPE Program Measurement

Standard No. 16. Sponsored learning activities are measured by actual program length, with one 50-minute period equal to one CPE credit. Sponsors may recommend CPE credits under the following scenarios:

- **Group programs, independent study and blended learning programs – A minimum of one full credit must be awarded initially, but after the first credit has been earned, credits may be awarded in one-fifth increments or in one-half increments (1.0, x.2, x.4, x.5, x.6, x.8, etc.).**
- **Self study – A minimum of one-half credit must be awarded initially but after the first full credit has been earned, credits may be awarded in one-fifth increments or in one-half increments (0.5, 1.0, x.2, x.4, x.5, x.6, x.8, etc.).**
- **Nano-learning – Credits must be awarded only as one-fifth credit (0.2 credit). A 20-minute program would have to be produced as two stand-alone nano-learning programs.**

Sponsors may round down CPE credits awarded to the nearest one-fifth, one-half, or whole credit, at their discretion and as appropriate for the instructional delivery method; however, the CPA claiming CPE credits should refer to respective state board requirements regarding acceptability of one-fifth and one-half CPE credits.

Only learning content portions of programs (including pre-program, post-program and/or homework assignments when incorporated into a blended learning program) qualify toward eligible credit amounts. Time for activities outside of actual learning content including, for example, excessive welcome and introductions, housekeeping instructions, and breaks is not accepted toward credit.

S16 – 01. Learning activities with individual segments. For learning activities in which individual segments are less than 50 minutes, the sum of the segments would be considered one total program. For example, five 30-minute presentations would equal 150 minutes and would be counted as three CPE credits. When the total minutes of a sponsored learning activity are greater than 50, but not equally divisible by 50, the CPE credits granted must be rounded down to the nearest credit basis depending on the instructional delivery method of the program. For example, a group live program must be rounded down to the nearest one-fifth, one-half or whole credit. Thus, learning activities with segments totaling 140 minutes would be granted two and four-fifths CPE credits if using one-fifth increments and two and one-half credits if using one-half increments.

For learning activities in which segments are classified in multiple fields of study, the CPE credits granted should first be computed based on the content time of the total program. Next, the CPE credits granted

should be allocated to the fields of study based on the field of study content time. If the sum of the individual segments by field of study content time does not equal the CPE credits computed based on the content time for the total program, then the difference (positive or negative) should be allocated to the primary field of study for the program.

S16 – 02. Responsibility to monitor attendance. While it is the participant's responsibility to report the appropriate number of credits earned, CPE program sponsors must maintain a process to monitor individual attendance at group programs to assign the correct number of CPE credits. A participant's self-certification of attendance alone is not sufficient.

S16 – 03. Monitoring mechanism for group Internet based programs. In addition to meeting all other applicable group program standards and requirements, group Internet based programs must employ some type of real time monitoring mechanism to verify that participants are participating during the duration of the course. The monitoring mechanism must be of sufficient frequency and lack predictability to provide assurance that participants have been engaged throughout the program. The monitoring mechanism must employ at least three instances of interactivity completed by the participant per CPE credit. CPE program sponsors should verify with respective state boards on specific interactivity requirements.

S16 – 04. Small group viewing of group Internet based programs. In situations where small groups view a group Internet based program such that one person logs into the program and asks questions on behalf of the group, documentation of attendance is required in order to award CPE credits to the group of participants. Participation in the group must be documented and verified by the small group facilitator or administrator in order to authenticate attendance for program duration.

S16 – 05. University or college credit course. For university or college credit courses that meet these CPE Standards, each unit of college credit shall equal the following CPE credits:

- Semester System 15 credits
- Quarter System 10 credits

S16 – 06. University or college non-credit course. For university or college non-credit courses that meet these CPE standards, CPE credit shall be awarded only for the actual classroom time spent in the non-credit course.

S16 – 07. Participant preparation time. Credit is not granted to participants for preparation time, unless the program meets the criteria for blended learning in Standard No. 11.

S16 – 08. Committee or staff meetings qualification for CPE credits. Only the portions of committee or staff meetings that are designed as programs of learning and comply with these *Standards* qualify for CPE credit.

Standard No. 17 CPE credit for self study learning activities must be based on one of the following educationally sound and defensible methods:

Method 1: Pilot test of the representative completion time.

Method 2: Computation using the prescribed word count formula.

If a pre-program assessment is used, the pre-program assessment is not included in the CPE credit computation.

S17 – 01. Method 1 - Sample group of pilot testers. A sample of intended professional participants must be selected to test program materials in an environment and manner similar to that in which the program is to be presented. The sample group must consist of at least three qualified individuals who are independent of the program development group.

- For those courses whose target audience includes CPAs, the sample group must be licensed CPAs in good standing, holding an active license or the equivalent of an active license and possess the

- appropriate level of knowledge before taking the program.
- For those sponsors who are subject to various regulatory requirements that mandate a minimum number of CPE credits and offer courses to non-CPAs, those courses do not have to be pilot tested by licensed CPAs.
- For those courses whose target audience includes CPAs and non-CPAs, the sample group must be representative of the target audience and contain both CPAs, as defined above, and non-CPAs.

S17 – 02. Method 1 – CPE credit based on representative completion time. The sample does not have to ensure statistical validity; however, if the results of pilot testing are inconsistent, then the sample must be expanded or, if the inconsistent results are outliers, the inconsistent results must be eliminated. CPE credit must be recommended based on the representative completion time for the sample. Completion time includes the time spent taking the final examination and does not include the time spent completing the course evaluation or pre-program assessment. Pilot testers must not be informed about the length of time the program is expected to take to complete. If substantive changes are subsequently made to program materials whether in one year or over a period of years, further pilot tests of the revised program materials must be conducted to affirm or amend, as appropriate, the representative completion time.

S17 – 03. Method 1 – Requirement for re-pilot testing. If, subsequent to course release, actual participant completion time warrants a change in CPE credit hours, re-pilot testing is required to substantiate a change in CPE credit prospectively.

S17 – 04. Method 1 – Pilot testing when course is purchased from vendor or other developer. CPE program sponsors may purchase courses from other vendors or course developers. For purchased courses where pilot tests were conducted and provided, CPE program sponsors must review results of the course developer's pilot test results to ensure that the results are appropriate. For purchased courses where no pilot tests were conducted or provided, CPE program sponsors must conduct pilot testing or perform the word count formula as prescribed in Method 2.

S17 – 05. Method 2 – Basis for prescribed word count formula. The prescribed word count formula begins with a word count of the number of words contained in the text of the required reading of the self study program and should exclude any material not critical to the achievement of the stated learning objectives for the program. Examples of information material that are not critical and therefore excluded from the word count are: course introduction; instructions to the participant; author/course developer biographies; table of contents; glossary; pre-program assessment; and appendices containing supplementary reference materials.

Again, only course content text that is critical to the achievement of stated learning objectives should be included in the word count formula. If an author/course developer determines, for example, that including the entire accounting rule or tax regulation is beneficial to the participant, the accounting rule or tax regulation should be included as an appendix to the course as supplementary reference material and excluded from the word count formula. Only pertinent paragraphs or sections of the accounting rule or tax regulation required for the achievement of stated learning objectives should be included in the actual text of the course and therefore included in the word count formula.

Review questions, exercises and qualified assessment questions are considered separately in the calculation and should not be included in the word count.

S17 – 06. Method 2 – Calculation of CPE credit using the prescribed word count formula. The word count for the text of the required reading of the program is divided by 180, the average reading speed of adults. The total number of review questions (including those above the minimum requirements), exercises and qualified assessment questions is multiplied by 1.85, which is the estimated average completion time per question. These two numbers plus actual audio/video duration time (not narration of the text), if any, are then added together and the result divided by 50 to calculate the CPE credit for the self study program. When the total minutes of a self study program are not equally divisible by 50, the CPE credits granted must be rounded down to the nearest one-half credit, one-fifth credit or whole credit using the guidelines of Standard 16.

$$[(\# \text{ of words}/180) + \text{actual audio/video duration time} + (\# \text{ of questions} * 1.85)] / 50 = \text{CPE credit}$$

S17 – 07. Method 2 – Consideration of audio and video segments in word count formula. If audio and video segments of a self study program constitute additional learning for the participant (i.e., not narration of the text), then the actual audio/video duration time may be added to the time calculation as provided in the prescribed word count formula. If the entire self study program constitutes a video, then the prescribed word count formula in S17 – 06 would consist of the actual video time plus the total number of review questions (including those above the minimum requirements), exercises and qualified assessment questions multiplied by 1.85 divided by 50 (i.e., there would be no word count for text used in the formula).

$$[\text{actual audio/video duration time} + (\# \text{ of questions} * 1.85)] / 50 = \text{CPE credit}$$

S17 – 08. Method 2 – Word count formula when course is purchased from vendor or other developer. CPE program sponsors may purchase courses from other vendors or course developers. For purchased courses where the word count formula was calculated, CPE program sponsors must review the results of the course developer's word count formula calculation to ensure that results are appropriate. For purchased courses where the word count formula calculation was not performed or provided, CPE program sponsors must perform the word count formula calculation or conduct pilot testing as described in Method 1.

Standard No. 18. CPE credit for nano-learning programs must be based on duration of the program plus the qualified assessment, which when combined should be a minimum of 10 minutes. However, one-fifth (0.20 credit) CPE credit is the maximum credit to be awarded for a single nano-learning program.

Standard No. 19. CPE credit for blended learning programs must equal the sum of the CPE credit determinations for the various completed components of the program. CPE credits could be determined by actual duration time (for example, audio/video duration time or learning content delivery time in a group program) or by a pilot test of the representative completion time as prescribed in S17-01 or word count formula as prescribed in S17-06 (for example, reading, games, case studies, simulations).

Standard No. 20. Instructors, discussion leaders or technical reviewers of learning activities may receive CPE credit for their preparation/review and presentation time to the extent the activities maintain or improve their professional competence and meet the requirements of these Standards.

S20 – 01. Instructor CPE credit parameters. Instructors, discussion leaders, or speakers who present a learning activity for the first time may receive CPE credit for actual preparation time up to two times the number of CPE credits to which participants would be entitled, in addition to the time for presentation, subject to regulations and maximums established by the state boards. For example, for learning activities in which participants could receive 8 CPE credits, instructors may receive up to 24 CPE credits (16 for preparation plus 8 for presentation). For repeat presentations, CPE credit can be claimed only if it can be demonstrated that the learning activity content was substantially changed and such change required significant additional study or research.

S20 – 02. Presenting a program. The CPA claiming CPE credits should refer to respective state board requirements.

S20 – 03. Technical reviewer CPE credit parameters. Technical reviewers who review a learning activity for the first time may receive CPE credit for actual review time up to the actual number of CPE credits for the program, subject to regulations and maximums established by state boards. For repeat technical reviews, CPE credit can be claimed only if it can be demonstrated that the learning activity content was substantially changed and such change required significant additional study or research.

Standard No. 21. Writers of published articles, books, or CPE programs may receive CPE credit for their research and writing time to the extent it maintains or improves their professional competence.

S21 – 01. Requirement for review from independent party. Writing articles, books, or CPE programs for publication is a structured activity that involves a process of learning. For the writer to receive CPE credit, the article, book, or CPE program must be formally reviewed by an independent party. CPE credits should be claimed only upon publication.

S21 – 02. Authoring a program. As a general rule, receiving CPE credits for authoring and presenting the same program should not be allowed. The CPA claiming CPE credits should refer to respective state board requirements.

Standard No. 22. CPE credits recommended by a CPE program sponsor of independent study must not exceed the time the participant devoted to complete the learning activities specified in the learning contract.

S22 – 01. CPE credits agreed to in advance. The maximum credits to be recommended by an independent study CPE program sponsor must be agreed upon in advance and must be equated to the effort expended to improve professional competence. The credits cannot exceed the time devoted to the learning activities and may be less than the actual time involved.

3.5 - Standards for CPE Program Reporting

Standard No. 23. CPE program sponsors must provide program participants at or within 30 days after the conclusion of the program with documentation (electronic or paper) of their participation (certificate of completion), which includes the following:

- CPE program sponsor name and contact information.
- Participant's name.
- Course title.
- Course field of study.
- Date offered or completed.
- If applicable, location.
- Type of instructional/delivery method used.
- Amount of CPE credit recommended.
- Verification by CPE program sponsor representative.
- Sponsor identification number or registration number, if required by the state boards.
- NASBA time statement stating that CPE credits have been granted on a 50-minute hour.
- Any other statements required by state boards.

S23 – 01. Entity to award CPE credits and acceptable documentation. The CPE program sponsor is the individual or organization responsible for issuing the certificate of completion and maintaining the documentation required by these *Standards*. The entity whose name appears on the certificate of completion is responsible for validating the CPE credits claimed by a participant. CPE program sponsors must provide participants with documentation (electronic or paper) to support their claims of CPE credit. Acceptable evidence of completion includes:

- For group, blended learning and independent study programs, a certificate or other verification supplied by the CPE program sponsor.
- For self-study and nano-learning programs, a certificate supplied by the CPE program sponsor after satisfactory completion of a qualified assessment.
- For instruction or technical review credit, appropriate supporting documentation that complies with the requirements of the respective state boards subject to the guidelines in Standard 20 in *Standards for CPE Program Measurement*.
- For a university or college course that is successfully completed for credit, a record or transcript of the grade the participant received.
- For university or college non-credit courses, a certificate of attendance issued by a representative of the university or college.

- For published articles, books, or CPE programs, (1) a copy of the publication (or in the case of a CPE program, course development documentation) that names the CPA as author or contributor, (2) a statement from the writer supporting the number of CPE hours claimed, and (3) the name and contact information of the independent reviewer(s) or publisher.

S23-02. Certificate issuance for simultaneous delivery of a group live and group internet based program. In circumstances where the CPE program sponsor is providing simultaneous delivery of a group live and group Internet based program, the CPE program sponsor, at its discretion, may issue the certificate of completion to all program participants by awarding CPE credits under the instructional delivery method attended by the majority of the participants. The delivery and attendance monitoring requirements of the respective instructional delivery methods still apply.

Standard No. 24. CPE program sponsors must retain adequate documentation (electronic or paper) for a minimum of five years to support their compliance with these standards and the reports that may be required of participants.

S24 – 01. Required documentation elements. Evidence of compliance with responsibilities set forth under these standards which is to be retained by CPE program sponsors includes, but is not limited to:

- Records of participation.
- Dates and locations.
- Author/instructor, author/developer and reviewer, as applicable, names and credentials. For the CPA and tax attorney acting as an author/instructor, author/developer and reviewer for accounting, auditing or tax program(s), the state of licensure, license number and status of license should be maintained. For the enrolled agent acting in such capacity for tax program(s), information regarding the enrolled agent number should be maintained.
- Number of CPE credits earned by participants.
- Results of program evaluations.
- Program descriptive materials (course announcement information).

Information to be retained by CPE program sponsors includes copies of program materials, evidence that the program materials were developed and reviewed by qualified parties, and a record of how CPE credits were determined.

S24 – 02. Maintenance of documentation as basis for CPE credit for self study programs. For CPE program sponsors using Method 1 (pilot tests) as the basis for CPE credit for self study programs, appropriate pilot test records must be retained regarding the following:

- When the pilot test was conducted.
- The intended participant population.
- How the sample of pilot testers was selected.
- Names and credentials and relevant experience of sample pilot test participants.
- For CPA pilot testers, the state of licensure, license number and status of license should be maintained.
- A summary of pilot test participants' actual completion time.
- Statement from each pilot tester to confirm that the pilot tester is independent from the course development group and that the pilot tester was not informed in advance of the expected completion time.

For CPE program sponsors using Method 2 (word count formula) as the basis for CPE credit for self study programs, the word count formula calculation as well as the supporting documentation for the data used in the word count formula (e.g., word count; number of review questions, exercises and final examination questions; duration of audio and/or video segments, if applicable; and actual calculation) must be retained.

S24 – 03. Maintenance of documentation of element of engagement for group live programs. In addition to the requirements in S24-01, group live CPE program sponsors must retain the program outline, agenda or speaker notes that evidences the element of engagement related to course content during each credit of CPE planned for the group live program.

S24 – 04. Maintenance of documentation of instructions/information to participants regarding the components comprising a blended learning program. In addition to the requirements in S24-01, blended learning CPE program sponsors must retain clear instructions/information that summarizes the different components of the blended learning program and what must be completed or achieved during each component in order to qualify for CPE credits. The CPE program sponsor must also retain documentation of the course progression and what CPE credits were earned by participants upon the completion of the components.

Effective dates:

Unless otherwise established by state licensing bodies and/or other professional organizations, these Standards are to be effective upon Board approval as follows:

- September 1, 2016 for all newly created programs
- For all other current programs, the *Standards* must be implemented at the next CPE program review/revision date

FIELDS OF STUDY THAT QUALIFY FOR CPE

NASBA's CPE Committee began a project of researching and considering a national strategy to standardize CPE requirements across jurisdictions. The CPE Committee established a task force, named the CPE Model Rule Task Force, to perform a comprehensive review and evaluation of all of the information/data impacting and influencing CPE and CPE compliance. The task force is comprised of all facets of the stakeholders in the CPE compliance area including executive directors and Board members; state societies; counsel to Boards; educators; CPE providers; and the AICPA. The goal of the task force is to make a recommendation for a model rule regarding CPE requirements that would ultimately be presented to the Uniform Accountancy Act (UAA) Committee for consideration.

As part of that project, the CPE Model Rule Task Force has considered the proposed revisions to the Statement on Standards for Continuing Professional Education (CPE) Programs (*Standards*) as issued in the April 2015 Exposure Draft. Because the Fields of Study document is referenced within the *Standards*, the CPE Model Rule Task Force reviewed and evaluated the fields of study for currency and relevancy. Revisions were proposed to the categories and descriptions of the fields of study.

In connection with the issuance of proposed revisions to the Standards in the form of the November 2015 Exposure Draft and in the spirit of openness and transparency, the following Fields of Study document is issued for public comment.

Please submit comments by April 30, 2016 to:

Clar Rosso at crosso@aicpa.org

or

Jessica Luttrull at jluttrull@nasba.org

Fields of Study That Qualify For Continuing Professional Education

The right to use the title Certified Public Accountant (CPA) is regulated in the public interest and imposes a duty on CPAs to maintain public confidence and current knowledge, skills and abilities in all areas of services. CPAs must accept and fulfill their ethical responsibilities to the public and profession regardless of their fields of employment.

A CPA performing professional services needs to have a broad range of knowledge, skills and abilities. The fundamental purpose of Continuing Professional Education (CPE) is to help ensure that CPAs participate in learning activities that maintain and improve their professional competence. Learning activities that improve a CPA's professional competence include technical and non-technical learning activities.

Technical learning activities contribute to the professional competence of a CPA in fields of study that directly relate to the profession of accounting and to the CPA's field of business. These fields of study include, but are not limited to:

• Accounting	• Information Technology
• Accounting (Governmental)	• Management Services
• Auditing	• Regulatory Ethics
• Auditing (Governmental)	• Specialized Knowledge
• Business Law	• Statistics
• Economics	• Taxes
• Finance	

Non-technical learning activities contribute to the professional competence of a CPA in fields of study that indirectly relate to the CPA's field of business. These fields of study are those that do not meet the definition of technical fields of study and include, but are not limited to:

• Behavioral Ethics	• Personal Development
• Business Management & Organization	• Personnel/Human Resources
• Communications and Marketing	• Production
• Computer Software & Applications	

See below for further description of each of the above identified technical and non-technical fields of study.

Accounting - Technical

This field of study encompasses the knowledge required to prepare or maintain the financial records of an entity, the analysis, verification and reporting of such records and the principles and procedures of accounting. Subjects related to accounting include, but are not limited to:

- Accounting - General
- Accounting Research
- Accounting Services for Small Businesses
- Financial Statements and Reports - *Subjects related to Financial Accounting Standards Board (FASB) Statements, Concepts, and Interpretations ("the Pronouncements") as well as subjects related to the International Accounting Standards Board such as the International Financial Reporting Standards (IFRS)*
- Forensic Accounting
- Measurement, Recognition, and Presentation of Specific Financial Statement Items – *Including subjects such as valuation and impairment analyses*
- SEC Practice - *Subjects related to Accounting and Reporting Standards, Rules and Regulations for publicly held companies*

Accounting (Governmental) - Technical

This field of study encompasses the knowledge required to prepare or maintain the financial records of a governmental entity or contract, the analysis, verification and reporting of such records and the principles and procedures of governmental accounting. Subjects related to accounting (governmental) include, but are not limited to:

- Forensic Accounting related to a governmental entity or contract
- Governmental Accounting and Reporting - *Subjects related to Governmental Accounting Standards Board (GASB) Standards of State and Local Governmental Accounting and Financial Reporting, Statements, Concepts, and Interpretations ("the Pronouncements")*
- Government Accounting and Reporting Specialized

Auditing – Technical

This field of study encompasses the knowledge required to perform a systematic and independent examination of data, statements, records, operations, and performances (financial or otherwise) of an entity for a stated purpose. Subjects related to auditing include, but are not limited to:

- Auditing and Reports - *Subjects related to Auditing Standards and procedures*
- Auditing – General
- Auditing Research
- ERISA Auditing
- Forensic Analysis and Evaluation
- Planning and Supervision - *Subjects related to General, Field Work, and Reporting Standards*
- Study, Evaluation, Implementation and Monitoring of Internal Controls
- Substantive Audit Procedures - *Subjects related to activities performed by the auditor (during the substantive testing stage of the audit) that gather evidence as to the completeness, validity and/or accuracy of account balances and underlying classes of transactions.*

Auditing (Governmental) – Technical

This field of study encompasses the knowledge required to perform a systematic and independent examination of data, statements, records, operations, and performances (financial or otherwise) of a governmental entity or contract for a stated purpose. Subjects related to auditing (governmental) include, but are not limited to:

- Forensic Analysis and Evaluation related to a governmental agency or contract
- Government Auditing - General and Specialized - *Subjects related to Governmental Accounting Standards Board (GASB) Standards of State and Local Governmental Accounting and Financial Reporting, Statements, Concepts, and Interpretations ("the Pronouncements")*
- Governmental auditing standards as required by the Government Accountability Office (GAO)

Behavioral Ethics – Non-Technical

Subjects related to behavioral ethics include, but are not limited to:

- Ethical Decision-Making
- Ethical Practice in Business
- Personal Ethics

Business Law – Technical

This field of study encompasses the legal system with special emphasis upon its relationship to business and the practice of accounting. Subjects related to business law include, but are not limited to:

- Business Law
- Collection Law
- Employment Law
- Legal and Tax Issues

Business Management & Organization – Non-Technical

This field of study consists of the management of an organization, including organizational structures, management planning and administrative practices. Subjects related to business management & organization include, but are not limited to:

- Organization of a Public Accounting Practice
- Administration of a Public Accounting Practice
 - Time and billing
 - Collections
 - Professional liability insurance
 - Office relocation
 - Succession planning
- Management Planning in Industry

Communications and Marketing – Non-Technical

This field of study constitutes areas for becoming a competent communicator as well as marketing tactics for CPA firms. Subjects related to communications and marketing include, but are not limited to:

- Business Presentations
- Business Writing
- Interviewing Techniques
- Public Relations
- Social Media
- Customer Communications
- Marketing Professional Services

Computer Software & Applications – Non-Technical

This field of study encompasses computer software and applications used by CPAs in performing professional services. Subjects related to computer software and applications include, but are not limited to:

- Courses in data processing software such as Oracle, SAP, JD Edwards
- Courses in using software for forensic accounting
- Courses in using tax software for the preparation of tax returns
- Courses in Microsoft Office products such as Excel, Word, Outlook, PowerPoint
- Courses in accounting software such as Quickbooks

Economics - Technical

Studies related to the principles of microeconomics, macroeconomics, money and banking, and public finance. Subjects related to economics include, but are not limited to:

- Economic growth
- Employment theory
- Fiscal policy banking systems
- Fundamentals of the international economy
- Monetary policy
- Pricing
- Stabilization
- Supply and demand

Finance - Technical

This field of study encompasses specific financial management of an organization including financial planning and analysis, asset management, buying and selling businesses, contracting goods and services and foreign operations. Subjects related to finance include, but are not limited to:

- Asset Management
- Budgeting and Cost Analysis
- Contracting for Goods and Services
- Financial Management
- Financial Planning, Analysis
- Quantitative Analysis

Information Technology - Technical

This field of study consists of networks, computer hardware, system software, database management systems, as well as information technology infrastructure and the safeguarding of assets, the maintenance of data integrity, the ability to properly dispense information to authorized parties, and disaster recovery plans. Subjects related to information technology include, but are not limited to:

- Cloud Computing
- Computer Systems
- Cyber Security
- Database Management
- Management Information Systems
- Networking
- Programming

Management Services - Technical

This field of study incorporates business processes of an entity, achieving efficiencies, improving cash flow and maintaining profitability. Subjects related to management services include, but are not limited to:

- Cash and Treasury Management
- Enterprise Risk Management
- Performance Management
- Project Management

Personal Development – Non-Technical

Subjects related to personal development include, but are not limited to:

- Career Planning
- Leadership
- Time Management

Personnel/Human Resources – Non-Technical

Subjects related personnel/human resources include but are not limited to:

- Functional areas of human resource management
- Attracting, motivating, developing and retaining employees
- Integration of functions into an effective and efficient human resources management system

Production – Non-Technical

This field of study comprises production management including scheduling, inventory control, standards for pay and production and quality control. Subjects related to production include, but are not limited to:

- Operations Management
- Inventory Management
- Supply Operations

Regulatory Ethics – Technical

This field of study deals with the necessary ethical background knowledge required to adhere to rules and regulations of state licensing bodies, other governmental entities, membership associations and other professional organizations or bodies. Creating an ethical framework is absolutely necessary to be able to sort through professional dilemmas. This curriculum covers the needs of licensees in public practice, industry and government.

Subjects related to regulatory ethics include, but are not limited to:

- Business Transactions with Clients
- Competence
- Confidential Client Information
- Conflict of Interest
- Contingent Fees, Commissions and Other Considerations
- Discreditable Acts
- General and Professional Standards
- Independence
- Integrity and Objectivity
- Licenses and Renewals
- Malpractice
- Professional Conduct
- Public Interest and Responsibilities
- Regulatory Oversight
- Retention of Client Records
- State rules and regulations

Specialized Knowledge - Technical

This field of study consists of topics that are particular to specialized industries or services, such as not-for-profit organizations, health care, gaming, and oil and gas. [Note: Accounting, auditing and tax content for these specialized industries should be classified as accounting, auditing or tax.] Subjects related to specialized knowledge include, but are not limited to:

- Brokers and Dealers in Securities
- Energy Options on Futures
- ERISA compliance
- HIPAA Compliance
- Personal Financial Planning
- PCI Compliance

Statistics - Technical

This field of study comprises business statistics, quantitative analysis and probability. Subjects related to statistics include, but are not limited to:

- Analysis of enumerative data
- Analysis of variance
- Estimation of parameters
- Hypothesis testing
- Linear models
- Multivariate probability distributions
- Nonparametric statistics

Taxes - Technical

This field of study encompasses tax compliance and tax planning. Compliance covers tax return preparation and review and IRS examinations, ruling requests and protests. Tax planning focuses on applying tax rules to prospective transactions and understanding the tax implications of unusual or complex transactions. Subjects related to taxes include, but are not limited to:

- Compensation Considerations for Taxation
- Corporate Income Taxation
- Corporate Tax Consideration in Industry
- Estate and Trust Taxation
- Individual Income Taxation
- International Taxation
- Partnership Taxation
- Real Estate Taxation
- Special Tax Matters
- State and Local Taxes
- Tax Research
- Tax-Exempt Organizations

GUAM BOARD OF ACCOUNTANCY
FY2016 Revenue, Expense and Fund Balance Summary w/History and FY2016 Budget
(Modified Accrual Basis: updated 2/17/16 mbs/dns)

BUDGET CATEGORY Description	NOTES	FY2012 Actual	FY2013 Actual	FY2014 Actual	FY2015 Actual	FY2016 Actual YTD 1/31/2016	FY2016 Approved Budget
REVENUES SUMMARY							
Exam Application Fees		66,976	79,050	80,300	89,750	32,200	72,000
Guam Computer Test Center Administration Fees		402,985	391,490	397,870	411,320	146,860	430,000
Certification Fees		42,875	49,200	54,200	60,725	31,375	45,000
Individual Licensing Fees		72,425	87,100	102,925	119,425	21,325	99,000
Firm Licensing Fees		4,025	3,800	5,325	5,675	225	5,000
Penalties/Miscellaneous Fees/Interest		8,840	10,590	9,560	16,762	4,452	0
TOTAL REVENUES		598,126	621,230	650,180	703,657	236,437	651,000
220 Travel		0	0	0	0	0	0
230 Contractual							
Administrative Services Contract		272,707	274,867	275,721	290,245	98,226	291,780
Legal Services Contract		0	0	0	0	0	0
Copier Services		5,529	5,920	6,136	4,301	422	6,500
Education & Testing		15,255	0	4,325	0	2,596	45,000
Others (Publications, Dues, etc.)		14,392	22,100	14,200	14,200	0	16,000
Web/Database development & maintenance		0	375	0	0	0	12,000
233 Office Space		23,868	23,868	23,868	23,868	7,956	24,000
240 Supplies		8,603	10,174	9,429	11,363	2,684	11,000
250 Small Equipment		2,689	2,907	1,319	1,963	2,115	5,000
290 Miscellaneous							
Bank Charges		2,322	4,784	5,392	6,424	2,320	6,000
Postage		12,466	11,990	15,266	14,322	5,131	17,000
Training		50	50	0	0	3,073	4,000
Notices/Compliance Investigations/Others		1,978	2,691	1,774	2,882	171	0
UOG Endowment Contribution		0	0	0	0	0	100,000
363 Telephone Services		0	0	0	0	0	0
450 Capitalized Equipment		0	0	0	0	0	0
TOTAL EXPENDITURES		359,858	359,726	357,429	369,567	124,695	538,280
NET EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES		238,268	261,505	292,751	334,090	111,742	112,720
FUND BALANCE:							
Beginning	(1)	1,919,336	1,157,604	1,419,109	1,711,860	1,045,950	1,045,950
UOG Appropriation Paid (PL 31-77)		(1,000,000)					
UOG Endowment Contribution Paid (PL 32-191)					(1,000,000)		
Ending		1,157,604	1,419,109	1,711,860	1,045,950	1,157,693	1,158,670
Consisting of:							
Cash - Bank of Guam (established FY2008)		93,292	344,918	1,194,789	521,899	650,231	
Cash - Time Certificates of Deposit		1,053,501	1,055,496	501,505	501,505	501,505	
Accounts Receivable-NASBA		32,945	50,765	43,505	47,600	31,220	
Accounts Payable		(22,134)	(32,070)	(27,940)	(25,054)	(25,264)	
Net Fund Balance		1,157,604	1,419,109	1,711,860	1,045,950	1,157,693	
Restricted Fund Balance		0	1,069,000	1,039,000	1,045,950	1,051,000	
Unrestricted Fund Balance		1,157,604	350,109	672,860	0	106,693	

NOTES:

(1) During FY2016-Oct the Board paid \$25,054 of prior year obligations, shown as FY2015 expenditures. There are no outstanding prior year encumbrances as of 10/31/2015.

GCTC CPA Exam - PAID Events (YTD 2016 Average 1.7 events per candidate)

