AICPA   NASBA

EXPOSURE DRAFT

PROPOSED STATEMENTS ON STANDARDS FOR CONTINUING PROFESSIONAL EDUCATION (CPE) PROGRAMS

PROPOSED NASBA FIELDS OF STUDY DOCUMENT

December 14, 2022

Comments are requested by March 31, 2023

Comments should be submitted to comments@nasba.org

CONTENTS

Explanatory Memorandum

Introduction

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* are intended to be an "evergreen" document. The *Standards* are reviewed and evaluated every two years from the effective date of the last revision to the document. The *Standards* were last revised with an effective date of December 31, 2019.

Background

In May 2022, the CPE Standards Working Group (Working Group) began the review and evaluation of the *Standards*. The Working Group is comprised of 13 members representing various stakeholders in CPE including state boards of accountancy, state societies, educators, CPE providers and the AICPA. In addition to reviewing the *Standards* in their entirety, the Working Group considered innovations, trends and techniques in CPE and adult learning as well as ideas and suggestions related to clarifications and modifications of the 2019 *Standards*. Because the NASBA Fields of Study document is referenced within the *Standards*, the Working Group also reviewed and evaluated the Fields of Study document for currency and relevancy.

NASBA's CPE Committee reviewed the recommendation at is August 2022 meeting. The CPE Committee approved the recommendation to the CPE Standards with one addition/revision and approved the recommendation to the Fields of Study document without revision.

In September 2022, the Joint AICPA/NASBA CPE Standards Committee met and reviewed the recommendation of revisions to the *Standards* and Fields of Study document. The Joint Committee approved the recommendation to the *Standards* without revision and made one addition to the Fields of Study document.

The NASBA Board of Directors and the AICPA Board of Directors approved the proposed revisions for public comment at its October and November 2022 meetings, respectively.

Proposed Changes from Existing Standards

Article I - Definitions:

- Clarified the definition of group Internet based program and group live and included reference to examples within the Standards.
- Clarified the definition of self study program to emphasize that it is an asynchronous program completed individually.
- Revised definition of synchronous to mirror the definition of asynchronous.

Article III - Standards for CPE Program Sponsors:
Program Development:

- S5-01 – Clarified the intention of the content review of a CPE program. The 2019 version of S5-01 permitted an exception for content reviews when it is impractical to review certain programs in advance such as lectures given only once. In order to reinforce the importance of the content review in ensuring high quality CPE programs, additional language was included to explain that only in rare circumstances (with examples provided) should a CPE program not have a content review.
- Standard 7 – Clarified the distinction of Group Live and Group Internet Based programs is determined by how the participant interacts with other participants and the instructor instead of how the learning is consumed by the participant. Provided specific examples of Group Live programs to include web enabled two-way video participation. Additional measurement requirements for web enabled two-way video participation is included in S16-05.
- Standard 8 – Clarified the distinction of Group Live and Group Internet Based programs to mirror Standard 7. Provided specific examples of Group Internet Based programs.
- S9-03 – Modification from "must" to "should" for compliant feedback for "true or false" questions, which encourages sponsors to provide compliant feedback but eliminates the requirement.

Program Measurement:

- Standard 16 – Clarified that interactive, facilitated question and answer time between instructor and participants qualifies toward eligible CPE credit.

    The paragraph following the table was modified and moved to the last paragraph to clarify that the CPE program sponsor has the discretion to round down CPE credits awarded for a CPE program to the nearest one-fifth, one-half or whole credit. However, the increment chosen must be applied to all CPE program sessions within the same CPE program (i.e., cannot mix and match one-fifth and one-half credit increments within the same CPE program).
- S16-03 – Paragraph added to require CPE program sponsors to communicate how participants can earn full credit for a Group Internet Based program. Provided an example of when more than the minimum required polling questions are used as the attendance monitoring mechanism.
- S16-05 – Added to describe the requirements for web enabled two-way video participation Group Live programs. The requirements are for the program to include elements of engagement as required in S7-01 and for two-way video participation to be monitored and documented by the instructor or attendance monitor in order to authenticate attendance for program duration. The participant-to-attendance monitor ratio cannot exceed 25:1.
- S20-01 – Added a paragraph with an example of how to award CPE credit when multiple presenters are actively involved in instructing one CPE program session.

Program Reporting:

- Standard 23 – Clarified the required information to be included on the certificate of completion.
- S23-02 – Reorganized the paragraph on certificate issuance for simultaneous delivery of Group Live and Group Internet Based programs to specify first the requirements of the respective delivery methods that must be met. Then, if those requirements are met, how to issue the certificates of completion to all program participants.
- S24-04 – Requirement for documentation to be maintained by a CPE program sponsor of a Group Internet Based program was added for consistency with the other instructional delivery methods included in the Standards.

Effective Date

No specific date has been recommended and the effective date is dependent on the timing of review and approval through NASBA's CPE Committee, the Joint AICPA/NASBA CPE Standards Committee, and ultimately, the respective AICPA and NASBA Boards of Directors. The proposed revisions could have the effective date of the Boards' final approval.

Guide for Respondents

Comments are sought on both the Exposure Draft of the Statement on Standards for Continuing Professional Education (CPE) Programs and the NASBA Fields of Study document.

Comments are most helpful when they refer to specific paragraphs, include the reasons for the comments, and, when appropriate, make specific suggestions for any proposed changes to wording.

Written comments on the exposure draft will become part of the public record of NASBA and will be available for review on NASBA's National Registry of CPE Sponsors website until the final standard is issued. Responses should be sent to [comments@nasba.org,](mailto:comments@nasba.org) and received by March 31, 2023. Responses may be submitted in Word format or directly in the body of the email with an appropriate signature (name, organization). Respondents may also submit a PDF version of their Word document for posting to the NASBA website.

Comment Period

The comment period for this exposure draft ends March 31, 2023.

The 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)
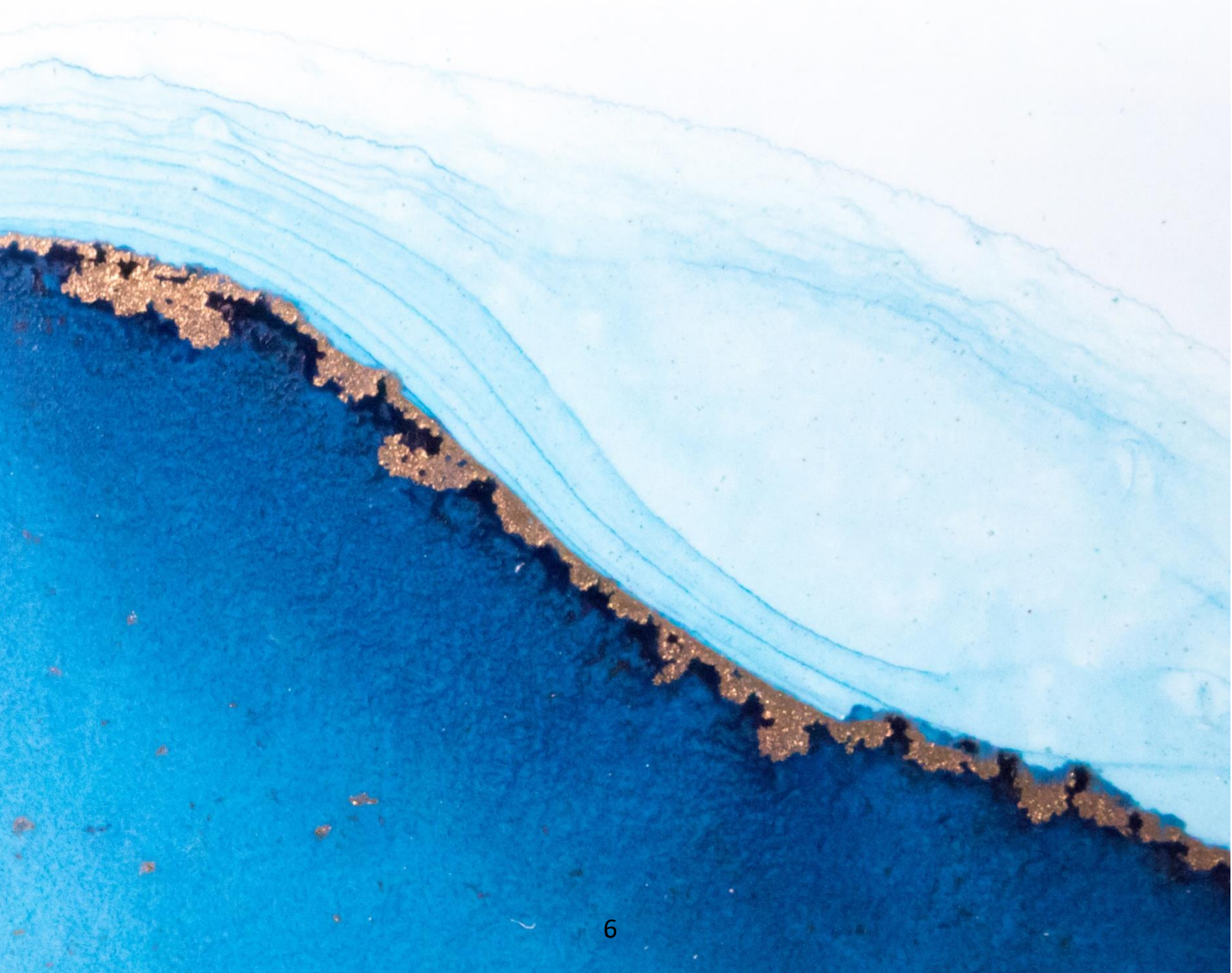
~~December 2019~~

Table of Contents

iv

Introduction

Continuing professional education (CPE) is required for CPAs to maintain or improve their professional competence and provide quality professional services. CPAs are responsible for complying with all applicable CPE requirements, rules, and regulations of 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 ~~2016~~2019.

The Standards are periodically reviewed in their entirety by the CPE Standards Working Group (Working Group). The Working Group comprises 13 members representing the various stakeholders in the CPE arena, including 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. 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 in which 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 enhancing current professional competence, as defined in the Statement on Standards for Continuing Professional Education (CPE) Programs (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 or improve 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. 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 using 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.

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[1] The term "CPA" is used in these Standards to identify any person who is licensed or regulated, or both, by boards of accountancy.

Article I – Definitions

Adaptive learning self study program. A self study program that uses a computer algorithm, other predictive analytics tools, or learner-driven selections to orchestrate interaction with the learner and deliver customized learning activities to assist the learner in meeting the course's stated learning objectives. CPE credit for an adaptive learning self study program must be determined based on the methodologies detailed in S17-09 through S17-17.

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, 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 that includes both asynchronous and synchronous learning activities, and incorporates different instructional delivery methods or instructional strategies, or different levels of guidance.

Content reinforcement tools. Tools used within the overall learning activity to reinforce learning and influence behavior change throughout the learning or at the end of the learning. Examples include but are not limited to simulations, drag-and-drop, rank order, or matching activities.

Content reviewer. Individuals or teams qualified in the subject matter other than those who developed the content.

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 or improve their professional competence.

CPE credit. Fifty minutes of participation in a program of learning equals one CPE credit.

CPE program sponsor. The individual or organization responsible for issuing the certificate of completion and maintaining the documentation required by the Statement on Standards for Continuing Professional Education (CPE) Programs.

Elements of engagement. Tools within the overall learning activity of a group live program to encourage the participation of learners within the program. Examples include but are not limited to group discussion, polling questions, instructor-posed question with time for participant reflection, role play, demonstration, or use of a case study with different engagement elements throughout the program.

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

Group Internet based program. Individual participation in synchronous group learning with real time interaction of an instructor or subject matter expert and built-in processes for attendance and interactivity. See Standard No. 8 for examples of group Internet based programs.

Group live program. Synchronous learning ~~in a group~~ in an environment with real time interaction of participants with each other and with an instructor or subject matter expert that provides the required elements of attendance monitoring and engagement. See Standard No. 7 for examples of group live programs.

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 delivery methods. Delivery formats used for CPE programs as defined within these Standards: group live, group Internet based, self study, nano learning, and blended learning.

Instructional strategies. Strategies such as but not limited to case studies, computer-assisted learning, lectures, group interaction, programmed instruction, and use of audiovisual aids employed within the instructional delivery methods of group, self study, or independent study programs or other innovative programs.

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

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

Nano learning program. A program designed to permit a participant to learn a given subject in a minimum of 10 minutes and less than 20 minutes 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 that involves sampling of individuals who are independent of the development team and are 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 for the learning activity.

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

Self study program. An asynchronous ~~educational~~ program of learning 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.

Subject matter expert. A person who has expertise in a particular area or topic. Expertise may be demonstrated through practical experience or education, or both.

Synchronous. A learning activity~~group program~~ in which participants engage simultaneously in learning activities.

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 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 skill level, and desired or needed additional competence to meet future opportunities or professional responsibilities, or both.

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 that CPAs need 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 that 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

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[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 (Standards). The term "must" is used in the Standards and applies 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 and applies 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 and applies 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.

regarding the program to provide documentation to state licensing bodies and all other professional organizations or bodies that the learning activity is equivalent to one that 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.

To protect the public interest, regulators require CPAs to document maintenance or improvement 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 or improvement 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 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 the following:

- 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 content review credit, appropriate supporting documentation that complies with the requirements of the respective state boards subject to the guidelines in Standard No. 20 in the "Standards for CPE Program Measurement" section of the Standards
- 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 noncredit courses, a certificate of attendance issued by a representative of the university or college
- For published articles, books, or CPE programs:
    - a copy of the publication (or in the case of a CPE program, course development documentation) that names the CPA as author or contributor,
    - a statement from the writer supporting the number of CPE hours claimed, and
    - the name and contact information of the content 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 state board regulations.

CPAs may participate in a variety of sponsored learning activities. Although 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

a. 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:

i. specifies the nature of the independent study program and the time frame over which it is to be completed, not to exceed 15 weeks.
ii. specifies that the output must be in the form of
> (1) a written report that will be reviewed by the CPE program sponsor or a qualified person selected by the CPE program sponsor or
> (2) a written certification by the CPE program sponsor that the participant has demonstrated application of learning objectives through
>> (a) successful completion of tasks or
>> (b) performance of a live demonstration, oral examination, or presentation to a subject matter expert.
iii. outlines the maximum CPE credit that will be awarded for the independent study program, but limits credit to actual time spent.

b. accept the written recommendation of the CPE program sponsor regarding the number of credits to be earned upon successful completion of the proposed learning activities. CPE credits will be awarded only if

i. all the requirements of the independent study as outlined in the learning contract are met;
ii. the CPE program sponsor reviews and signs the participant's report;
iii. the CPE program sponsor reports to the participant the actual credits earned; and
iv. 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 maintain or improve professional competence. The credits cannot exceed the time devoted to the learning activities and may be less than the actual time involved.

c. retain the necessary documentation to satisfy regulatory requirements regarding 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 other professional organizations or bodies. Professional guidance for CPE program sponsors is available from NASBA; state-specific guidance is available from the 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 whether 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 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 identified as Intermediate, Advanced or Update must clearly identify prerequisite education, experience, and advance preparation in precise language so that potential participants can readily ascertain whether they qualify for the program. For courses with a program knowledge level of Basic and Overview, prerequisite education or experience and advance preparation, if any, must be noted, otherwise, state "none" in the course announcement or descriptive materials.

Standard No. 4. CPE program sponsors must employ activities, materials, and delivery systems that are current, 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, and so on. Courses in subjects that undergo frequent changes must be reviewed by a subject matter expert 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 subject matter expert(s). Learning activities must be developed by subject matter expert(s).

Standard No. 5. CPE program sponsors of group, self study, nano learning, and blended learning programs must ensure that learning activities are reviewed by content reviewers other than those who developed the programs to assure that the program is 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" CPA license in a U.S. jurisdiction) 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 CPA license or the equivalent of an "active" license in a U.S. jurisdiction) is required in the development of each program in the field of study of taxes. In the case of the subject matter of international taxes, the participation of the equivalent of an "active" licensed CPA for the international jurisdiction involved is permitted. 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 content reviewers. Individuals or teams qualified in the subject matter must review programs. The intent of the review is to serve as a quality control procedure to ensure the course content is accurate and current as well as appropriate for CPE. ~~When it is~~In *rare circumstances*, it may be impractical to review certain programs in advance, ~~such as lectures given only once~~ such as a matter that must be communicated to participants quickly due to the effective date of the matter (for example, an emerging issue, change in accounting/auditing pronouncement or tax code) or the instructor/presenter is the only subject matter expert within the sponsor organization or the instructor/presenter is a recognized leader within an authoritative body such as the Securities and Exchange Commission or the Public Company Accounting Oversight Board.~~,~~ In those rare circumstances, greater reliance should be placed on the recognized professional competence of the instructor or presenter and the basis for the lack of content review must be documented.

S5-02. Review responsibilities if content is 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~~must maintain the author/developer and content reviewer documentation from that sponsor to satisfy the content development requirements of the Standards. The documentation should be maintained as prescribed in Standard No. 24.

8

- 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 content reviewer 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 content 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 at least one of the following:
  - 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 as included in Standard No. 24 to satisfy regulatory requirements regarding the content, inputs, and outcomes of the independent study.

Standard No. 7. Group live programs must employ instructional strategies 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)~~interacts with other participants and the instructor and not by the technology used in program delivery. Group live examples include but are not limited to:
- physical classroom setting with a real time instructor;
- web enabled two-way video participation;
- participation in a group setting and calling in to a teleconference; ~~and~~ or
- participation in a group setting and watching a live broadcast or 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 full credit of CPE (for example, group discussion, polling questions, instructor-posed question with time for participant reflection, or use of a case study with different engagement elements throughout the program).

In certain limited circumstances, for example, a high-profile keynote session, an element of engagement may not be appropriate. In such cases, the sponsor should document the justification.

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 when 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 be classified as a self study program only 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 strategies 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)interacts with other participants and the instructor and not by the technology used in program delivery. Group Internet based examples include but are not limited to individual participation in a:
- participation in a webcast;st individually,
- participation in a broadcast of a group live presentation; or 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 when 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 employ instructional strategies 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 or other content reinforcement tools must be placed throughout the program in sufficient intervals to allow the participant the opportunity to evaluate the material that needs to be re-studied. At least three review questions or other content reinforcement tools with scored responses per CPE credit must be included. If the program is marketed for one-half CPE credits, then two review questions or other content reinforcement tools with scored responses must be included. Other content reinforcement tools with scored responses, such as simulations, 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 or other content reinforcement tools with scored responses, additional review questions or other content reinforcement tools with scored responses are required based on the additional credit measurement amount of the program as follows:

Additional Credit	Additional Review Questions or Other Content Reinforcement Tools
0.2	0
0.4	1
0.5	2
0.6	2
0.8	3
Next full credit	3

S9-03. Evaluative and reinforcement feedback on review questions or other content reinforcement tools. When review questions, such as the multiple choice method, are 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 or other content reinforcement tools requirement has otherwise been exceeded. When other content reinforcement tools, such as drag-and-drop, rank order, or matching activities, are used, then it is permissible to provide single feedback to explain

the correct response. Other content reinforcement tools, such as simulations, 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 or false" questions do not count toward the number of required review questions per CPE credit. Sponsors that elect to include "true or false" questions ~~must~~ should provide evaluative and reinforcement feedback to further the learning process. Forced choice questions other than "true or false" 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 or other content reinforcement tools.

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 5 questions and scored responses per CPE credit must be included on the qualified assessment or 3 assessment questions and scored responses if the program is marketed for one-half CPE credits. For example, the qualified assessment for a 5-credit course must include at least 25 questions and scored responses. Alternatively, a 5 ½ credit course must include at least 28 questions and scored responses. Except in courses in which recall of information is the learning strategy, duplicate review and qualified assessment questions are not allowed. "True or false" questions are not permissible on the qualified assessment.

After the first full credit and the minimum of five questions and scored responses per CPE credit, additional qualified assessment questions and 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	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 achievement of 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

- uses 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 use 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 or 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 that are developed for instructional educational purposes. These materials must demonstrate the expertise of the author(s). At a minimum, instructional materials must include the following items:

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

Standard No. 10. Nano learning programs must employ instructional strategies 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. Review questions or other content reinforcement tools that comply with S9-03 may be included in a nano learning program.

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 or 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

- uses 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 use 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 or 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 understand a specific concept, 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:

- The learning objective(s) of the program
- Any instructions that participants need to navigate through the program
- A qualified assessment

Standard No. 11. Blended learning programs must employ instructional strategies that clearly define learning objectives and guide the participant through a program of learning. Pre-program, post- program, and 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 both asynchronous and synchronous learning; different instructional strategies (for example, lectures, discussion, guided practice, reading, games, case studies, and simulation); different instructional delivery methods (group live, group Internet based, nano learning, or self study); or different levels of guidance (for example, a program led by an individual, instructor or subject matter expert, or group and social learning). To guide participants through the learning process, CPE program sponsors must provide clear instructions and 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 and components of the course progression and completion of components by the participants.

S11-02. Primary components of blended learning program are synchronous learning activities. If the primary components of the blended learning program are synchronous learning activities, then CPE credits for pre-program, post- program, and homework assignments cannot constitute more than 25 percent of the total CPE credits available for the blended learning program.

S11-03. Primary components of blended learning program are asynchronous learning activities. If the primary components of the blended learning program are asynchronous learning activities, 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. The qualified assessment must be completed during or after the program with a cumulative minimum passing grade of at least 70 percent before issuing CPE credit for the course.

S11-04. A course for credit from an accredited university or college. A course from an accredited university or college that is successfully completed for credit will be considered to be a blended learning program. CPE program sponsors should refer to respective state board of accountancy requirements for definition of an accredited university or college.

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 or external audiences, or both (that is, 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 knowledge level**
- **Advance preparation**
- **Program description**
- **Course registration and, where applicable, attendance requirements**
- **Refund policy for courses sold for a fee or 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 knowledge 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 (for example, through the use of brochures, websites, 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 and cancellation policies as well as complaint resolution policies.

16

S12-02. Disclose advance preparation and 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 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 that instructors are qualified with respect to both program content and instructional strategies 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 strategies and technology, prepared in advance, and must strive to engage participants.

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 the overall program, including self study and nano learning programs. Sponsors may elect to solicit evaluations for each session within an overall program. Evaluations 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.
- 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 that instructional strategies employed are appropriate for the learning activities.

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

S15-02. Facilities and technology appropriateness. Learning activities must be presented in a manner consistent with the program materials provided. Integral aspects of 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, and so on).**
- **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, and so on).**
- **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.**

CPE Program	Minimum initial credit that must be earned	After first full credit has been earned, credit may be earned in these increments, in addition to one whole credit
Group	One	One-fifth or one-half
Independent study	One	One-fifth or one-half
Blended learning	One	One-fifth or one-half
Self study	One-half	One-fifth or one-half
Nano learning	One-fifth	Not applicable (single nano learning program is one-fifth credit)

~~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 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. Interactive, facilitated question and answer time between instructor and participants qualifies toward eligible credit amounts.

18

At their discretion, CPE program sponsors may round down CPE credits awarded for a CPE program to the nearest one-fifth, one-half, or whole credit increment as appropriate for the instructional delivery method. The increment chosen by the CPE program sponsor must be applied to all CPE program sessions (learning activities) within the same CPE program. Any resulting certificate(s) issued for the CPE program must also be awarded in the chosen increment. The CPA claiming the CPE credits should refer to the respective state board requirements regarding acceptability of one-fifth and one-half CPE credits.

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 should be allocated to the primary field of study for the program.

S16-02. Responsibility to monitor attendance. Although 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 course. The monitoring mechanism must be of sufficient frequency and lack predictability to ensure 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 boards of accountancy on specific interactivity requirements. After the first full credit and the three instances of interactivity, additional monitoring mechanisms are required based on the additional credit amount of the program as follows:

19

Additional Credit	Additional Monitoring Mechanisms
0.2	0
0.4	1
0.5	2
0.6	2
0.8	3
Next full credit	3

Prior to the commencement of the Internet based program, the CPE program sponsor must communicate how the participants can earn full credit. For example, if polling questions are used for the attendance monitoring mechanism, then the participant must be informed of the number of polling questions posted per CPE credit and how many must be answered or if the questions must be answered correctly in order to earn full CPE credit for the program. For example: "Four polling questions will be posted per 50-minutes of content. You must respond to three out of the four polling questions in order to earn full CPE credit for the 50 minutes of content."

S16-04. Small group viewing of group Internet based programs. In situations where~~in which~~ 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 Web enabled two-way video participation of group live programs. In situations where individual participants log into a group live program and are required to enable two-way video to participate in a virtual face-to-face setting, elements of engagement are required in compliance with S7-01 in order to award CPE credits to the participants. Participation in the two-way video conference must be monitored and documented by the instructor or attendance monitor in order to authenticate attendance for program duration. The participant-to-attendance monitor ratio must not exceed 25:1.

S16-0<u>6</u>~~5~~. 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

S16-0<u>7</u>~~6~~. University or college noncredit course. For university or college noncredit courses that meet these CPE standards, CPE credit shall be awarded only for the actual classroom time spent in the noncredit course.

S16-0<u>8</u>~~7~~. 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.

S16-0<u>9</u>~~8~~. 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, hold an active CPA license or the equivalent of an "active" CPA license in a U.S. jurisdiction, 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 previously, 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 in which 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 in which 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 in S17-05.

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 is 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 appendixes 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 No. 16.

[(# of words/180) + actual audio/video duration time + (# of questions × 1.85)] /50 = 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 (that is, 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 (that is, there would be no word count for text used in the formula).

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

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 in which 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 in which 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 in S17-01 and S17-02.

S17-09. CPE credit calculation for an adaptive learning self study program. CPE credit for an adaptive learning self study program must be based on one of the following educationally sound and defensible methods:

Adaptive Learning Method 1: Pilot test of the representative completion time

Adaptive Learning Method 2: Computation using the prescribed word count formula

S17-10. Adaptive Learning 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 seven 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, hold an active CPA license or the equivalent of an "active" CPA license in a U.S. jurisdiction, 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 previously, and non-CPAs.

S17-11. Adaptive learning self study 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 qualified 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.

S17-12. Adaptive learning self study 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.

S17-13. Adaptive learning self study 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 in which 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 in which no pilot tests were conducted or provided, CPE program sponsors must conduct pilot testing as prescribed in S17-10 and S17-11.

S17-14. Adaptive learning self study Method 2 – Computation using the prescribed word count formula. For adaptive learning self study programs, the CPE credit issued must be based on the average word count formula calculation of each potential path the learner could take to complete the program using the prescribed word count formula as described in S17-16. All potential paths must be documented. For example, if the adaptive learning self study program has nine potential paths a learner could take to complete the program, then the word count formula must be calculated for each of the nine potential paths, with the sum of the results divided by nine.

S17-15. Adaptive learning self study 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 adaptive learning 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 is 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 appendixes 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.

S17-16. Adaptive learning self study Method 2 – Calculation of CPE credit for each potential learning path 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 adaptive learning self study program. When the total minutes of an adaptive learning 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 No. 16.

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

S17-17. Adaptive learning self study 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 in which 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 in which 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 the duration of the program including review questions or other content reinforcement tools plus the qualified assessment, which, when combined, should be a minimum of 10 minutes. The maximum credit to be awarded for a single nano learning program is one-fifth (0.2) credit. Sponsors must use Method 2 in S17-07 to confirm that the nano learning program is a minimum of 10 minutes and less than 20 minutes.

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, and simulations).

Standard No. 20. Instructors and discussion leaders 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. Content reviewers of learning activities may receive CPE credit for actual review time up to the actual number of CPE credits for the program, subject to the regulations and maximums established by boards of accountancy.

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 2 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 boards of accountancy. 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.

When multiple presenters are actively involved in instructing one CPE program session for the first time, all presenters may receive the maximum CPE credit for preparation time up to 2 times the number of CPE credits to which the participants would be entitled, in addition to the time for presentation, subject to regulations and maximums established by the boards of accountancy. For example, a CPE program session (learning activity) with 3 presenters offers participants 1 CPE credit. Each presenter may receive up to 3 CPE credits (2 for preparation plus 1 for presentation).

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

S20-03. Content reviewer CPE credit parameters. Content 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 boards of accountancy. For repeat content 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 content review. 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 a content reviewer other than the writer. 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 with documentation (electronic or paper) of their participation (certificate of completion), which includes the following:

- **CPE program sponsor name**
- **CPE program sponsor contact information**
- **Name of CPE program sponsor representative**
- **Participant's name**
- **Course title**
- **Date offered or completed**
- **If applicable, location**
- **Type of instructional and delivery method used**
- **Amount of CPE credit recommended by field(s) of study**
- **~~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 boards of accountancy**

The documentation should be provided as soon as possible and should not exceed 60 days (so that participants can report their earned CPE credits in a timely manner).

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 the following:

- 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 content review 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 noncredit courses, a certificate of attendance issued by a representative of the university or college
- For published articles, books, or CPE programs:
    - A copy of the publication (or in the case of a CPE program, course development documentation) that names the CPA as author or contributor
    - A statement from the writer supporting the number of CPE hours claimed
    - The name and contact information of the content reviewer(s) or publisher

S23-02. Certificate issuance for simultaneous delivery of a group live and group Internet based program. In circumstances in which the CPE program sponsor is providing simultaneous delivery of ~~a~~ group live and group Internet based programs, the CPE program sponsor must ensure that the delivery, attendance monitoring and documentation requirements of the respective instructional delivery methods are met, including the following:

- Group live program participants must be monitored for attendance as detailed in S16-02.
- The group live program must include at least one element of engagement related to course content during each full credit of CPE as detailed in S7-01.
- Group Internet based participants must respond to at least three attendance monitoring mechanisms per CPE credit as detailed in S16-03.
- Group live documentation requirements in S24-01 and S24-03.
- Group Internet based documentation requirements in S24-01 and S24-04.

If the individual delivery method and attendance requirements are met, then 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 that is to be retained by CPE program sponsors includes the following:

- Records of participation.
- Dates and locations.
- Author/instructor, author/developer, and content reviewer, as applicable, names and credentials. For the CPA and tax attorney acting as an author/instructor, author/developer, and content 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, as well as adaptive learning 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 (for example, word count; number of review questions, exercises, and final examination questions; duration of audio or video segments, or both, if applicable; and actual calculation), must be retained. For adaptive learning self study programs, all potential paths that a learner could take to complete the program must be documented and 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, speaker notes or other documentation that evidences the element of engagement related to course content during each credit of CPE planned for the group live program. As noted in S7-01, in certain limited circumstances, such as a high-profile keynote session, an element of engagement may not be appropriate. In such cases, the sponsor should document the justification.

S24-04. Maintenance of documentation of attendance monitoring mechanisms for group Internet based programs. In addition to the requirements in S24-01, group Internet based CPE program sponsors must retain documentation that serves as the evidence of the individual participant response to the attendance monitoring mechanisms required in S16-03.

S24-0405. Maintenance of documentation of instructions and information to participants regarding the components that comprise a blended learning program. In addition to the requirements in S24-01, blended learning CPE program sponsors must retain clear instructions and 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.

S24-0506. Maintenance of documentation of an independent study program. The CPE program sponsor of independent study learning activities must retain the approved, signed independent study learning contract. The CPE program sponsor must also retain the documentation to evidence program completion, such as the written report developed by the participant, a certification that the participant has demonstrated the application of learning objectives, or a certification that the participant has performed a live demonstration, oral examination, or presentation to a subject matter expert.

Effective date:

Unless otherwise established by state licensing bodies or other professional organizations, these Standards are to be effective on _____.

Fields of Study That Qualify for Continuing Professional Education

December 2019

NASBA

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 or 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, the following:

• 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, the following:

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

When approached by a CPA regarding a field of study that does not align to a CPA's state board of accountancy's accepted fields of study, CPE sponsors have the discretion to re-issue a certificate with an alternative field of study other than those listed herein when necessary to align to a CPA's state board of accountancy's accepted field of study. The CPE sponsor is responsible for ensuring that the alternate, state-specific fields of study under which the credits are being awarded reasonably reflect the underlying content of the course.

See the next sections for further descriptions of each of the previously identified technical and non-technical fields of study.

Accounting – Technical

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

- Accounting - General
- Accounting Research
- Accounting Services for Small Businesses
- Reviews and Compilations (Statement on Standards for Accounting and Review Services (SSARs))
- Environmental, Social, and Governance (ESG) and Sustainability
- Financial Statements and Reports - Subjects related to Financial Accounting Standards Board (FASB) statements, concepts, and interpretations as well as subjects related to the International Accounting Standards Board (IASB) such as the International Financial Reporting Standards (IFRS) and other financial reporting frameworks
- Forensic Accounting
- Fraud
- 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
- Technical Computer Software and Applications – Subjects, especially around enterprise resource planning (ERP) products, that focus on the application of software in an accounting practice including applying accounting principles in ERP installations and using an accounting software product to prepare financial reporting documents

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, the following:

- Environmental, Social, and Governance (ESG) and Sustainability related to a governmental entity or contract
- Forensic Accounting related to a governmental entity or contract

- Fraud 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
- 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, the following:

- Auditing and Reports - Subjects related to auditing standards and procedures
- Auditing – General
- Auditing Research
- Employee Benefit Plan Auditing
- Environmental, Social, and Governance (ESG) and Sustainability
- Forensic Analysis and Evaluation
- Fraud
- Planning and Supervision
- Risk Assessment
- Service Organization Controls (SOC) Reporting
- 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
- Technical Computer Software and Applications – Subjects, especially around ERP products, that focus on the application of software in an auditing practice, including understanding the issues in auditing ERP system implementations and applying auditing principles in ERP installations

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, the following:

- Environmental, Social, and Governance (ESG) and Sustainability related to a governmental agency or contract
- Forensic Analysis and Evaluation related to a governmental agency or contract
- Fraud related to a governmental agency or contract
- Government Auditing – General and Specialized - Subjects related to GASB standards of state and local governmental accounting and financial reporting, statements, concepts, and interpretations
- Government Auditing Standards as required by the Government Accountability Office (GAO)
- Single Audit Act

Behavioral Ethics – Non-technical

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

- Ethical Decision-Making
- Ethical Practice in Business
- Personal Ethics
- Diversity, Equity and Inclusion including unconscious bias training and awareness

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, the following:

- 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, the following:

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

Communications and Marketing – Non-technical

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

- 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. Non-technical courses in this field of study focus on the use and study of the software itself. This includes, but is not limited to, the following:

- Courses in the general use of software ("how-to") around products such as Excel, Word, PowerPoint, and bookkeeping software such as QuickBooks
- Courses in the architecture and technical aspects of business process software (for example, ERP products)

However, some software courses, especially around ERP products, focus on the application of the software in an accounting, audit, or tax practice. These courses should be categorized into the field of study of the respective practice: auditing, accounting, or taxes. These include, but are not limited to, the following:

- Courses in understanding the issues in auditing ERP system implementations
- Courses in using tax software for the preparation of tax returns and application of tax law and regulations
- Courses in applying auditing or accounting principles in ERP installations
- Courses in using an accounting software product to prepare financial reporting documents

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, the following:

- 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, the following:

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

Information Technology – Technical

This field of study encompasses subjects related to information technology that include, but are not limited to, the following:

- Artificial Intelligence
- Blockchain
- Cloud Computing
- Computer Systems
- Cyber Security
- Data Analytics
- Database Management
- Digital Transformation
- Disaster Recovery Plans
- Management Information Systems
- Networking
- Programming
- Robotics/Process Automation

When a course focuses on the application of information technology in an accounting, auditing or tax practice, the course should be categorized into the field of study of the respective practice: auditing, accounting, or taxes.

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, the following:

- 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, the following:

- Career Planning
- Leadership
- Time Management

Personnel/Human Resources – Non-technical

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

- Functional Areas of Human Resource Management
- Attracting, Motivating, Developing and Retaining Employees
- Integration of Functions for an Effective and Efficient Human Resources Management System
- Diversity, Equity, and Inclusion or Social Justice in Staff Recruitment and Retainment

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, the following:

- 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, the following:

- 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, the following:

- Brokers and Dealers in Securities
- Energy Options on Futures
- Environmental, Social, and Governance (ESG) and Sustainability
- Employee Benefit Plan Auditing Compliance
- HIPAA Compliance
- Personal Financial Planning
- PCI Compliance
- Valuation Services

Statistics – Technical

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

- 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, the following:

- 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
- Technical Computer Software and Applications - Subjects that focus on the application of software in a tax practice, including using tax software for the preparation of tax returns and application of tax law and regulations

Effective Date

Unless otherwise established by state licensing bodies and/or professional organizations, these fields of study are to be effective as of _____.