



Date: March 21, 2023

To: Willie B. Sims Jr., CPA, Chair
Continuing Professional Education Committee
National Association of State Boards of Accountancy
150 Fourth Avenue North, Suite 700 Nashville, TN 37219
Comments submitted to: comments@nasba.org

Re: AICPA and NASBA Exposure Draft Regarding the Statement on Standards for Continuing Professional Education Programs and the NASBA Fields of Study Document (“exposure draft”).

Dear Mr. Sims,

On behalf of CFGI, LLC, I am pleased to submit our comments on the AICPA and NASBA’s exposure draft.

The CFGI Training and CPE Committees reviewed the proposed changes and while we support the issuance of the exposure draft, we believe that certain of the proposed changes should be clarified and amended, as further described below.

Changes proposed to S16-03 – “Monitoring mechanism for group Internet based programs” – The amended guidance does not define the activities that constitute appropriate monitoring mechanisms for Group Internet Based Programs. Also, it appears that “required elements of engagement” for Group Live Programs under S7-01 serve the same purpose as “monitoring mechanisms” for Group Internet Based Programs. The summary of the exposure draft alludes to this but the proposed change in S16-03 does not make that sufficiently clear. For example, required elements of engagements for Group Live Programs under S7-01 include:

- Group discussion,
- Polling questions,
- Instructor-posed question with time for participant reflection, or
- Use of a case study

We believe that the proposed changes should clarify directly in S16-03 that monitoring mechanisms for Group Internet Based Programs are the same or similar to elements of engagement for Group Live Programs. All of the elements of engagement under S7-01 can be used as monitoring mechanisms under S16-03. This suggested change would eliminate confusion between elements of engagement for Group Live Programs and monitoring mechanisms for Group Internet Based Programs. We believe that this can be accomplished by amending Article I to include definitions of elements of engagement for Group Live Programs and that mirror definitions of monitoring mechanisms for Group Internet Based Programs. An alternative would be to combine elements of engagement and monitoring mechanisms and

simply refer to them both as elements of engagement rather than creating separate categories as they both serve the same purpose: to ensure participants are fully engaged and participating in both types of CPE programs and are receiving quality training. If NASBA intended for “elements of engagement” to serve a different purpose than “monitoring mechanisms,” the proposed exposure draft should clarify the intended differences between required elements of engagement for Group Live Programs and monitoring mechanisms for Group Internet Based Programs.

Addition of S16-05 – “Web enabled two-way video participation of group live programs” – The exposure draft’s proposed addition is as follows:

*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. [Emphasis added].***

The part of the proposed addition emphasized in **bold lettering** is unclear and has the potential to adversely impact organizations with large Group Internet Based Programs that have hundreds or thousands of participants. A plain reading of the proposed highlighted change suggests that if CFGI, for example, held a one-hour Group Internet Based Program with 500 participants and three instructors, the proposed ratio requirement would result in the need to have 20 live monitors. That would mean CFGI would need to add 17 additional monitors to the three live instructors to meet the requisite total of the proposed ratio. We believe that this was not the intended consequence of NASBA and the proposed addition of S16-05. As such, we propose that the ratio either be eliminated altogether and that monitoring of such programs continue to be done using polling questions and other elements of engagement. In addition, we believe the final rule should include a specific example illustrating how a large firm presenting a Group Internet Based Program with, for example, 500 participants, would determine the number and type monitoring mechanisms. The example provided in the table in S16-05 is insufficient. The example should provide the total number and types of monitoring mechanisms required for a large Group Internet Based program.

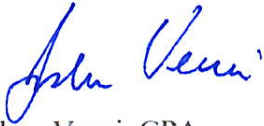
Addition of S24-04 – “Maintenance of documentation of attendance monitoring mechanisms for Group Internet based programs” – The proposed addition states:

*“...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.” [Emphasis added.]*

We suggest that the proposed change be explicit as to the types of documents that need to be retained for Group Internet Based Programs. We suggest that this addition either lists the documentation required by the Statement on Standards for Continuing Professional Education or other documentation intended by NASBA in proposing this addition.

We appreciate the opportunity to provide comments on the proposed revisions to CPE Provider Standards.

Sincerely,

A handwritten signature in blue ink that reads "Joshua Verni". The signature is written in a cursive style with a large initial 'J'.

Joshua Verni, CPA
Technical National Office Leader

