

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

The Statement on Standards for Continuing Professional Education (CPE) Programs (*Standards*) is published jointly by the American Institute of Certified Public Accountants (AICPA) and the National Association of State Boards of Accountancy (NASBA) to provide a framework for the development, presentation, measurement, and reporting of CPE programs. The Standards were last revised in 2002.

In May 2010, NASBA and the CPE Advisory Committee provided a forum for an open and candid discussion of the *Standards*. A key outcome of the forum was to develop a Task Force to help review, analyze and implement suggestions and changes to the *Standards*.

The NASBA CPE Advisory Committee with input from NASBA leadership selected 13 Task Force participants. Careful consideration was given as to the composition of the Task Force to ensure that all facets of the CPE community were represented. The Task Force is comprised of CPE program sponsors; CPE Advisory Committee members; state board of accountancy members; state society members; educators and a representative of the AICPA (provider side).

The Task Force developed its recommended revisions to the *Standards* and presented them to a Joint CPE Standards Committee made up of representatives from the AICPA and NASBA. The Joint CPE Standards Committee has finalized its recommendation to present to the respective AICPA and NASBA Boards of Directors at their upcoming meetings at the end of July/early August.

Overall:

The recommended revised *Standards* were organized to provide a more user-friendly format. A Table of Contents has been added with key word descriptions. Additionally, an Introduction has been included explaining the current revision process and the steps for future revisions and clarifications to the *Standards*.

Preamble:

Clarifications -

- Language included to provide flexibility for innovation in learning techniques.
- Language included to provide for future considerations around outcome based learning.
- Statement that the *Standards* provide the basic foundation for sound educational programs (the “minimum”)—sponsors may and can provide enhanced educational and evaluative techniques to programs.

Definitions:

Clarifications -

- Terms moved from glossary to front of document as definitions—terms considered part of the Standards
- Minor revisions/adjustments to definitions of other terms.

Additions -

- Definitions added for the following terms: archived; group internet based program; group live program; and word count formula.

Standards for CPAs:

Clarifications -

- Language modified in recommended revised *Standards* to describe as “General Guidelines for CPAs.” The intent of this section of the *Standards* is to inform CPE sponsors of the general responsibilities of CPAs in regards to CPE—not to be the reference source for CPAs for CPE compliance.
- Regarding acceptable fields of study for CPE, a link to the LearningMarket webpage that includes the NASBA 23 fields of study (subject areas) of CPE will be provided in the document.

Standards for CPE Program Sponsors:

Program Development:

Clarifications -

- Courses must specify knowledge level using basic, intermediate, advanced, update or overview.
- All courses must contain a publication or revision date.
- Course updates must occur as soon as feasible. Courses in subjects that undergo frequent changes must be reviewed at least once a year. Other courses must be reviewed at least every two years.
- Participation of at least one CPA is required in the development of every accounting and auditing course. The participation of a CPA, tax attorney or enrolled agent is required in the development of courses if in the field of taxes. The individual could be involved in the initial course development or the development review process.
- True/False questions are not permitted in final examination for self study programs.
- All courses must include an expiration date (the time in which the learner must complete the final exam). For individual course, the expiration date is one year from the date of purchase or enrollment.
- Minimum requirements for instructional materials for self-study have been provided.

Additions –

- Standard added for the development of group internet based programs—delivery method not included in the 2002 *Standards*.
- If objective type questions are used, at least three review questions and five final exam questions must be included per CPE credit.
- Providing feedback on the final exam is permitted; however, sponsor must ensure that question bank is of sufficient size to minimize overlap for the typical repeat test-taker.

Program Presentation:

Clarifications -

- Required elements in evaluation forms were reduced/streamlined to focus on the core elements of the CPE experience.

Additions –

- Separate requirements for promotional materials for sponsors conducting in-house training and those sponsors whose courses are developed for sale/external audiences.

Program Measurement:

Clarifications -

- Requires that group internet based programs include a monitoring mechanism to verify participants are participating for the duration of the course. If polling questions are used as the monitoring mechanism, at least three polling questions must be used per CPE credit hour.
- Clarifications made on pilot testing – use of non-CPAs as pilot testers for program sponsors that are subject to various regulatory requirements that mandate a minimum number of CPE credits and offer courses to non-CPAs. Using a representative completion time for pilot testing versus “average.”
- Clarification on CPE credit for instructor/author to refer to regulations and maximums established by state boards.

Additions –

- Sponsors may recommend one-half CPE credits for self-study programs (equal to 25 minutes).
- Word count formula permitted as an alternate to pilot testing for determining the recommended CPE credits for self-study programs.

Program Reporting:

Clarifications -

- Sponsors should provide participants documentation of their participation in a program at or after the conclusion of the program.
- Clarification on who is considered the CPE program sponsor for awarding NASBA-approved CPE credits.
- Clarification that documentation may be retained in paper or electronically for a minimum of 5 years.
- Clarifications on maintenance of documentation as basis for determining CPE credits for self-study programs for pilot testing and word count formula.