

## VBOA Policy #4

### Continuing Professional Education Guidelines for CPAs

**TITLE:****EFFECTIVE DATE:**

December 31, 2018

**AUTHORITY:**

Code of Virginia §§ 54.1-4409.2 and 54.1-4413.2 and VBOA regulations 18VAC5-22-90 and 18VAC5-22-140

**POLICY STATEMENT:**

Specific CPE requirements of the Virginia Board of Accountancy (VBOA) are listed in the authority sections named above. This policy details the CPE guidelines approved by the VBOA.

**General guidelines**

Persons who hold a Virginia license must obtain 120 hours of CPE during a rolling three-calendar-year reporting period. For each calendar year within the reporting period, the person must obtain a minimum of 20 hours of CPE that must include the two-hour Virginia-Specific Ethics Course. If the person releases or authorizes the release of reports on attest services, compilation services, or financial statement preparation services during the calendar year, the person must obtain a minimum of eight hours of CPE related to those services in that same calendar year, which are included as part of the annual minimum and reporting period minimum.

CPE requirements for persons who have been newly issued a Virginia license can be found in VBOA regulation 18VAC5-22-90(B). CPE requirements for a person wishing to reinstate a Virginia license or wishing to transition the status of their Virginia license from Active – CPE Exempt back to Active can be found in VBOA regulation 18VAC5-22-90(C).

The VBOA recognizes that 50 minutes of CPE participation equals one hour of CPE. Conversion of semester hours or quarter hours from an accredited college or university into hours of CPE can be found in VBOA regulation 18VAC5-22-90(F)(3). CPE requirements may be adjusted depending upon when a person who holds a Virginia license begins or ceases to provide services to the public or to or on behalf of an employer in accordance with VBOA regulation 18VAC5-22-90. Specific questions may be addressed by contacting the VBOA. All persons who hold a Virginia license have until January 31 to complete the previous calendar year's CPE requirements.

**Virginia-Specific Ethics Course**

The VBOA requires that all people who hold a Virginia license complete on an annual basis a Virginia-Specific Ethics Course that complies with VBOA regulation 18VAC5-22-90, unless the person has been granted the Active – CPE Exempt status for their Virginia license or the VBOA has granted a waiver of this requirement. The two-hour Virginia-Specific Ethics Course is a separate and distinct annual requirement from the one-time American Institute of Certified Public Accountants ethics course needed for initial licensure.

People who hold a Virginia license must complete this course no later than January 31 of each year to meet the previous calendar-year requirement. No sponsor may provide the annual ethics course later than January 31 for the previous calendar year.

The VBOA may contract with one or more vendors to provide the content/material for the Virginia-Specific Ethics Course, under the provisions of the Virginia Public Procurement Act (Code of Virginia § 2.2-4300 *et seq.*). The ethics course content/material must follow an annual outline approved by the VBOA. The VBOA will post on its website the selected provider(s) of the content/material for the Virginia-Specific Ethics Course.

The course must be instructor-led but may be presented in a variety of different formats including, but not limited to, live seminars, conference sessions, online self-study presented by an instructor, live webcast and webcast replays, on-demand webcast and in-house training.

It is the responsibility of a person who holds a Virginia license to ensure that sponsors providing the Virginia-Specific Ethics Course are listed on the VBOA's website as an approved sponsor of this course.

People who hold a Virginia license must also ensure that sponsors provide a certificate of completion or some other form of documentation that includes the sponsor's name, participant's name, course/content name, date taken and hours of CPE earned.

If a person who holds a Virginia license is not satisfied with the content of the course or the instructor, the person is encouraged to contact the VBOA. A person who holds a Virginia license will not be deemed to have met the annual ethics requirement if they complete a Virginia-Specific Ethics Course from a non-approved sponsor.

#### **Qualifying CPE other than the Virginia-Specific Ethics Course**

It is the intent of the VBOA that all CPE (1) meet the requirements of VBOA regulations 18VAC5-22-90 and 18VAC5-22-140; (2) provide course content pertinent to the profession; and (3) assist the person who holds a Virginia license in becoming a better accounting professional. The VBOA accepts CPE obtained through a variety of forums, providing that the person who holds a Virginia license is able to demonstrate that learning objectives were met.

A variety of continuing professional education is acceptable, as specified in VBOA regulation 18VAC5-22-90(E).

The VBOA will determine on a case-by-case basis the acceptability of other forums for CPE not otherwise specified in regulation. Restrictions on specific forums for CPE are found in VBOA regulation 18VAC5-22-90(F). Acceptance of hours of CPE is at the discretion of the VBOA.

The VBOA has also approved that Continuing Education (CE), Continuing Education Units (CEU), Continuing Legal Education (CLE), Continuing Medical Education (CME), and Quality Assurance Service (QAS) are acceptable as hours of CPE.

With the exception of the Virginia-Specific Ethics Course, the VBOA does not currently require people who hold a Virginia license to obtain CPE from specific or approved sponsors.

#### **CPE reporting period**

The VBOA uses a rolling three calendar-year period to determine CPE compliance. This period includes the three calendar-years prior to the current calendar-year. For example, if asked by the VBOA to produce evidence of CPE compliance, submit such evidence for the three calendar-years prior to the current calendar-year.

#### **CPE compliance reviews**

On a monthly basis, the VBOA randomly selects people who hold a Virginia license for CPE compliance. The VBOA will notify licensees selected for a CPE compliance review. If selected, a person will be required to submit acceptable CPE documentation to verify compliance through a means determined by the VBOA. As a function of this CPE review process, a person may be required to provide additional documentation as requested by the VBOA to support compliance.

In addition to the random selection process, people who hold a Virginia license will also be selected for a CPE compliance review as a component of any open investigation or enforcement case or in situations where the VBOA believes that a CPE compliance review is warranted.

People who hold a Virginia license should not submit CPE documentation during the annual renewal process unless specifically requested by the VBOA.

#### **CPE documentation requirements**

Required documentation can generally be satisfied by providing:

- Certificates of completion or some other form of documentation from the CPE sponsor(s) including the sponsor(s)' name, participant's name, course/content name, date taken and hours of CPE earned.
- Official transcript of the college or university for earning course credit at an accredited college or university.
- Syllabus/agenda and signed statement indicating the length of the presentation when making a presentation.
- Copy of published article, book or written material (or proof of publication) when producing written material relevant to CPAs who provide services to the public or to or on behalf of an employer.

The VBOA has restrictions on the types of documentation it regards as acceptable. The VBOA will not accept receipts, registration confirmations, canceled checks, outlines, PowerPoint presentations or sign-in sheets, etc., as valid CPE documentation.

#### **Retention requirements for CPE documentation**

People who hold a Virginia license must retain CPE documentation for the four calendar-years preceding the current calendar-year.

#### **CPE violations**

As the result of a CPE compliance review, the VBOA may find that a person who holds a Virginia license has violated the CPE requirements during the reporting period. In such cases, enforcement action may be taken and the person will generally be offered a consent order and be subject to disciplinary action.

A person who holds a Virginia license may also determine on their own, outside of a CPE compliance review, that they are deficient in CPE for a specific reporting period. The person should notify the VBOA immediately when it is determined that a CPE deficiency has occurred.

In accordance with VBOA regulation 18VAC5-22-90(G), depending on the facts and circumstances, the VBOA may waive all or part of the CPE requirement for one or more calendar-years or grant additional time for complying with the CPE requirement, provided that the waiver or deferral is in the public interest. However, requests for a waiver or a deferral must generally be received in advance of the deadline for CPE completion. It is the policy of the VBOA that such waivers or deferrals generally be considered only in situations resulting from extreme medical hardship or active military deployment.

Requests for a waiver or deferral made under this section will be considered on a case-by-case basis. Such approvals are rare.

#### **APPROVAL AND REVIEW:**

This VBOA policy was reviewed on December 4, 2018.

#### **SUPPRESSION:**

This VBOA policy replaces Board Policy #4 that was approved on March 8, 2018.

#### **VBOA CHAIR AT**

#### **LAST REVIEW:**

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