CHAPTER 8 – CONTINUING EDUCATION

001 Purpose. The purpose of this Chapter is to promulgate rules to assure that minimum continuing education requirements are met by all permit holders and thereby to promote the obligations of the permit holders to provide competent professional services for their clients. Failure to comply with the requirements set forth in this Chapter shall be grounds for non-renewal of a permit for the practice of public accountancy.

002 Definitions. As used in this Chapter:

002.01 "Approved course" means a course approved by the Board.

002.02 "Approved sponsor" means an organization which has been approved and designated by the Board whose programs presented in conformity with this Chapter will constitute approved courses.

002.03 "Participant" shall mean a permit holder attending an approved course.

002.04 "Year" shall mean the twelve-calendar-month period of January through December.

~~**002.05** "Day" shall mean eight hours of attendance by a participant of an approved course during one calendar day.~~

002.~~06~~ <u>05</u> "Hour" shall mean fifty <u>(50)</u> minutes of continuing participation in the program of instruction. <u>"Half hour" means twenty five (25) minutes and shall count toward participation after meeting a first credit hour.</u>

002.~~07~~ <u>06</u> "Permit Holder" or "holder of a permit" shall mean any person holding a permit to practice public accountancy ~~either as a public accountant or as a certified public accountant in the State of Nebraska~~.

003 Board Duties. Pursuant to Section 1-136.01 of the Act the Board may require each permit holder to furnish evidence of participation in continuing education in accountancy, auditing and related areas as a condition for renewal or reinstatement of the permit issued pursuant to Section 1-136. To assist permit holders to fulfill this requirement, the Board shall:

003.01 Exercise supervisory authority over the administration and reporting of continuing education.

003.02 Approve <u>or deny</u> sponsors<u>,</u> ~~and~~ course<u>s</u>, programs, seminars and other educational activities ~~which will constitute an approved course~~ in satisfaction of the minimum educational requirements. All approvals <u>and denials</u> shall be subject to continuous review by the Board.

003.03 Maintain records with respect to approved sponsors and courses and participation in approved courses by participants.

003.04 Provide such forms or instructions concerning information to be provided on alternative forms as are necessary to enable the participants, sponsors and the Board to fulfill their responsibilities.

003.05 Have the authority to request continuing education documentation from any permit holder for up to six ~~five~~ years from their last reporting period.

004 Ethics Requirement

004.01 A permit holder must complete 4 hours of ethic~~s~~ courses in every ~~reporting period for~~ renewal period or reinstatement.

005 Standards for Course Approval. To become an approved course, an educational presentation shall meet the following minimum requirements:

005.01 Quality. The course shall be organized and presented in such manner as to contribute directly to the professional competence of the participant in the practice of public accountancy.

005.02 Subjects. The course shall present a subject matter directly related to the practice of public accountancy or to information or skills reasonably calculated to be utilized by a participant in the practice of public accountancy. The Board recommends that any permit holder performing audits, reviews or compilations obtain a minimum of forty percent (40%) of the required credit hours in Accounting and Auditing coursework.

005.03 Qualifications of Faculty. Each faculty member shall be qualified through academic or practical experience to teach or demonstrate his subject.

005.04 Written Materials. Written manuals, outlines, forms, or other written materials are recommended to be distributed to all participants at or prior to the time the course is commenced.

006 Sponsor Approval

006.01 An organization, agency or individual which has as one of its primary purposes the presentation of education programs relating to the practice of public accountancy and has for a period of not less then two preceding years presented annually, one or more courses meeting the standards for course approval prescribed herein may apply to the Board for accreditation as an approved sponsor. A firm may also apply to the Board for designation as an approved sponsor for its in-firm continuing education programs. Application for approval shall be made to the Board on forms supplied by it or alternative forms which contain the necessary information for Board review.

006.02 The Board may at any time re -evaluate an approved sponsor. If the Board determines that there is basis for revocation of the accreditation of an approved sponsor, the Board shall set the matter for hearing and give the sponsor written notice by Certified Mail thirty (30) days in advance of the hearing. The decision of the Board following the hearing shall be final.

006.03 An approved sponsor may announce: "This course has been approved by the Nebraska State Board of Public Accountancy for ____hours credit."

006.04 An approved sponsor must maintain a list of all permit holders who attend each course, the number of hours, and provide the list to the Board upon request.

007 Credit for Attendance or Participation

007.01 One hour credit shall be given for each hour spent by a participant in actual attendance at the approved course. After the first credit hour earned at the approved course, half hour increments shall count towards participation.

007.02 Credit may be given for time spent by a participant in actual attendance at formal, organized in-firm educational programs which satisfy the Standards for Course Approval whether or not the firm has obtained pre-approval by the Board as a sponsor. The amount of credit to be given shall be determined by the Board. ~~No credit shall be given unless the course is at least one hour in length.~~

007.03 Credit may be given ~~for time spent by~~ to a participant in completing ~~formal~~ self-study courses or other individual study programs which require advance registration and provide evidence of satisfactory completion of the course material and which satisfy the Standards for Course Approval. Course materials may be requested by the Board. The amount of credit to be given shall be determined by the Board. Not more than 50% of required hours during a licensing or reinstatement period shall be represented by such courses or programs.

007.04 A permit holder serving ~~on the faculty~~ as an instructor of an approved course shall be entitled to two hours credit for each hour spent as an ~~faculty member~~ instructor of an approved course. Not more than 50% of required hours during a licensing or reinstatement period shall be represented by such ~~faculty~~ credits.

007.05 A permit holder may obtain credit for attending~~, as an auditor or a regular student,~~ a course offered by a college or university which awards degrees in accounting. The amount of credit to be given shall be determined by the Board. Not more than 50% of required hours during a licensing or reinstatement period shall be given for college credit. Each college semester credit hour shall equal 8 hours CPE credit and each college quarter hour shall equal 4 hours CPE credit.

007.06 A participant may apply to the Board for a determination of the amount of credit that will be given for attendance or participation in any continuing education program which is other than an approved course or offered by other than an approved sponsor.

008 Participant and ~~Faculty~~ Instructor Credit

008.01 Each permit holder, who seeks to obtain credit for participation in an approved course either, as a participant or ~~faculty member~~ instructor shall apply to the Board on forms supplied by the Board or alternative forms which contain the necessary information for Board review.

008.02 A permit holder or an instructor may request that he be granted credit for participation in continuing education programs, which are other than approved courses offered by approved sponsors. In such event, the licensee shall supply information about

the programs as requested by the Board, and the decision of the Board concerning the amount of credit to be granted, if any, shall be final.

008.03 Upon request by the Board, ~~E~~ evidence of satisfactory completion of the required continuing education courses shall be ~~received by the Board not less than five months~~ provided prior to the renewal date of the permit holder's permit. Permit holders shall maintain evidence of satisfactory completion of continuing education courses for six years.

009 Non-Compliance Review and Hearing

009.01 If a permit holder fails to meet the requirements of Section 1-136.01 of the Act or this Chapter for continuing education, then the Board shall cause a Notice of Non-Compliance to be sent to such permit holder by Certified Mail directed to the permit holder's last-known address as indicated on records maintained in the office of the Board not less than three months prior to the renewal date of the permit holder's permit. Such Notice shall advise the permit holder of the existence and nature of such noncompliance and that the licensee may file a request for hearing with the Board within fifteen days of the date of mailing of the Notice. If a hearing is not timely requested, the permit holder shall be deemed to have waived any objection to the finding of noncompliance.

009.02 If a hearing is requested by a permit holder determined to be in noncompliance, the Board shall conduct a hearing at which the permit holder may be represented by counsel and shall make a stenographic or tape recorded record of all proceedings at the hearing. The Board may admit any relevant evidence, including hearsay.

009.03 If, after such hearing, the Board determines that a permit holder is in noncompliance with the requirements for continuing education it shall decline to renew the permit to practice public accountancy held by such permit holder.

009.04 The Board may waive compliance with this Rule for good cause shown in cases involving illness or other hardship or extenuating circumstances beyond the control of the permit holder.

0010 Reinstatement of Inactive Members. Any registrant, who has held a permit to practice and who currently holds an inactive registration, who desires to return to active status shall first notify the Board. Before being readmitted to the status of an active permit holder, such person shall file with the Board a properly completed affidavit of attendance establishing that the permit holder has successfully completed ~~fifteen days (~~120 hours~~)~~, including 4 hours of ethic courses, of approved courses of continuing education within the three prior calendar years preceding the date on which readmission to active status is sought. This calendar year requirement may be waived for good cause, pursuant to Section 009.04 of this Chapter.

Statutory Authority: Section 1-136.01 R.R.S. 1943.