

CHAPTER 29

NEW JERSEY STATE BOARD OF ACCOUNTANCY

Authority

N.J.S.A. 45:1-15.1, 45:2B-48, 45:2B-68 and 45:2B-73.

Source and Effective Date

R.2005 d.410, effective October 27, 2005.
See: 37 N.J.R. 1408(a), 37 N.J.R. 4457(a).

Chapter Expiration Date

Chapter 29, New Jersey State Board of Accountancy, expires on October 27, 2010.

Chapter Historical Note

Chapter 29, New Jersey State Board of Accountancy, was originally filed and became effective prior to September 1, 1969.

Pursuant to Executive Order No. 66 (1978), Chapter 29, New Jersey State Board of Accountancy, was readopted as R.1990 d.318, effective May 23, 1990. See: 22 N.J.R. 1042(a), 22 N.J.R. 1940(d).

Pursuant to Executive Order No. 66(1978), Subchapter 1, General Rules and Regulations, expired on July 21, 1983 and a new Subchapter 1 was adopted as R.1985 d.287, effective June 3, 1985. See: 17 N.J.R. 557(a), 17 N.J.R. 1424(a).

Pursuant to Executive Order No. 66(1978), Subchapter 2 expired on July 21, 1983 by R.1978 d.243, effective July 21, 1978. See: 10 N.J.R. 165(b), 10 N.J.R. 352(c).

Subchapter 2, Registered Municipal Accountants, was adopted as new rules by R.1985 d.286, effective June 3, 1985. See: 17 N.J.R. 559(a), 17 N.J.R. 1426(a).

Pursuant to Executive Order No. 66(1978), Subchapter 3 expired on January 14, 1985.

Pursuant to Executive Order No. 66(1978), Subchapter 3, Rules of Professional Conduct, was readopted as R.1985 d.104, effective March 4, 1985. See: 16 N.J.R. 3418(a), 17 N.J.R. 604(a).

Subchapter 5, Quality Enhancement Program, was adopted as R.1988 d.294, effective July 5, 1988. See: 19 N.J.R. 2240(a), 20 N.J.R. 1567(b).

Subchapter 6, Continuing Professional Education, was adopted as R.1989 d.194, effective April 3, 1989. See: 20 N.J.R. 2532(a), 21 N.J.R. 908(c).

Chapter 29, New Jersey State Board of Accountancy, was readopted as R.1995 d.268, effective May 1, 1995. See: 27 N.J.R. 1134(a), 27 N.J.R. 2238(a).

Pursuant to Executive Order No. 66(1978), Chapter 29, New Jersey State Board of Accountancy, were readopted as R.2000 d.222, effective May 1, 2000. See: 32 N.J.R. 987(a), 32 N.J.R. 2089(a).

Subchapter 1A, Examination and Licensure, was adopted as new rules by R.2004 d.480, effective December 20, 2004. See: 36 N.J.R. 3494(a), 36 N.J.R. 5686(a).

Chapter 29, New Jersey State Board of Accountancy, was readopted by R.2005 d.410, effective October 27, 2005. See: Source and Effective Date. See, also, section annotations.

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SUBCHAPTER 1. GENERAL RULES

13:29-1.1 Establishing name of Board

The Board shall be known as the New Jersey State Board of Accountancy, and shall maintain an office in the State of New Jersey for the regular transaction of its business.

New Rule, R.1985 d.287, effective June 3, 1985.
 See: 17 N.J.R. 557(a), 17 N.J.R. 1424(a).

13:29-1.2 Meetings

(a) The Board shall hold an annual meeting, in each year, in the month of April for the purpose of electing officers, from among its members, each for the term of one year, or until a qualified successor has been duly elected.

(b) Regular monthly meetings will be held in accordance with a published schedule of meetings. Special meetings may be held at the request of any Board member.

New Rule, R.1985 d.287, effective June 3, 1985.
 See: 17 N.J.R. 557(a), 17 N.J.R. 1424(a).

13:29-1.3 Notification of change of address; service of process

(a) A licensee of the Board of Accountancy shall notify the Board in writing of any change of his or her address of record. For purposes of this section, "address of record" means an address designated by a licensee which is part of the public record and which may be disclosed upon request. "Address of record" may be a licensee's home, business or mailing address, but shall not be a post office box unless the licensee also provides another address which includes a street, city, state and zip code. Notice shall be sent to the Board by mail or by electronic means, no later than 30 days following the change of address of record.

(b) Failure to notify the Board of any change in a licensee's address of record pursuant to (a) above may result in disciplinary action in accordance with N.J.S.A. 45:1-21(h) and the imposition of the penalties set forth in N.J.S.A. 45:1-25.

(c) Service of any administrative complaint or other Board-initiated process at a licensee's address of record shall be deemed adequate notice for the purposes of N.J.A.C. 1:1-7.1 and commencement of any disciplinary proceedings.

Repealed by R.1985 d.287, effective June 3, 1985.
 See: 17 N.J.R. 557(a), 17 N.J.R. 1424(a).
 New Rule, R.1985 d.695, effective January 21, 1986.
 See: 17 N.J.R. 1639(a), 18 N.J.R. 204(a).
 Repeal and New Rule, R.1990 d.373, effective August 6, 1990.
 See: 22 N.J.R. 1438(a), 22 N.J.R. 2331(a).
 Amended by R.2000 d.222, effective June 5, 2000.
 See: 32 N.J.R. 987(a), 32 N.J.R. 2089(a).

In (b), deleted including at the end and added an N.J.S.A. reference.
 Recodified from N.J.A.C. 13:29-1.4 by R.2004 d.480, effective December 20, 2004.

See: 36 N.J.R. 3494(a), 36 N.J.R. 5686(a).
 Former N.J.A.C. 13:29-1.3, Applications; applicant qualifications, repealed.
 Amended by R.2005 d.410, effective November 21, 2005.
 See: 37 N.J.R. 1408(a), 37 N.J.R. 4457(a).
 Rewrote (a)-(c).

13:29-1.4 Filing constitutes agreement

The act of filing an application for examination, or an application for licensure by waiver of examination based upon licensure in another jurisdiction, shall constitute an agreement on the part of the applicant that the applicant will observe and conform to the requirements of this chapter.

New Rule, R.1985 d.287, effective June 3, 1985.
 See: 17 N.J.R. 557(a), 17 N.J.R. 1424(a).
 Repealed by R.1985 d.287, effective June 3, 1985.
 See: 17 N.J.R. 557(a), 17 N.J.R. 1424(a).
 New Rule, R.1985 d.695, effective January 21, 1986.
 See: 17 N.J.R. 1639(a), 18 N.J.R. 204(a).
 Repeal and New Rule, R.1990 d.373, effective August 6, 1990.
 See: 22 N.J.R. 1438(a), 22 N.J.R. 2331(a).
 Amended by R.2000 d.222, effective June 5, 2000.
 See: 32 N.J.R. 987(a), 32 N.J.R. 2089(a).

In (b), deleted including at the end and added an N.J.S.A. reference.
 Recodified from N.J.A.C. 13:29-1.5 by R.2004 d.480, effective December 20, 2004.

See: 36 N.J.R. 3494(a), 36 N.J.R. 5686(a).
 Former N.J.A.C. 13:29-1.4, Notification of change of address; service of process, recodified to N.J.A.C. 13:29-1.3.
 Amended by R.2005 d.410, effective November 21, 2005.
 See: 37 N.J.R. 1408(a), 37 N.J.R. 4457(a).
 Rewrote the section.

13:29-1.5 Fees

(a) Fees for Certified Public Accountants, Public Accountants, and accounting firms, including sole proprietorships, partnerships, professional corporations, limited liability companies, or limited liability partnerships are as follows:

1. Application fee: \$75.00;
2. Initial license fee (for Certified Public Accountants and accounting firms only):
 - i. During the first year of a triennial registration period: \$90.00;
 - ii. During the second year of a triennial registration period: \$60.00;

Added material on the seriously substandard classification.
Amended by R.1999 d.195, effective June 21, 1999.
See: 31 N.J.R. 24(a), 31 N.J.R. 1617(a).
Rewrote (a).

13:29-5.8 Committee action on reviewed reports

(a) If the Committee determines that a report is in conformity with applicable professional standards and contains no deficiencies, the Committee shall send an unmodified report without a letter of comments to the practice unit.

(b) If the Committee determines that a report has deficiencies, but of the type that do not render the report significantly inaccurate or significantly misleading, the Committee shall submit to the practice unit an unmodified report with a letter of comment.

(c) If the Committee determines that a report is Modified for Significant Departures from Professional Standards or Adverse, the Committee shall submit to the practice unit a letter of comment detailing the perceived deficiencies noted in connection with the review.

1. Any practice unit which receives a letter of comment pursuant to (c) above shall have 30 days in which to respond in writing. The Committee shall review all such responses, if received in a timely fashion, prior to recommending corrective measures.

2. Where the Committee has determined that a report is Modified for Significant Departures from Professional Standards or Adverse, and following receipt and review of the practice unit's response, if any, to the letter of comment, the Committee may recommend that the practice unit implement planned quality control procedures, as follows:

i. The licensee responsible for the issuance of the report or who substantially participated in preparation of the report or the related workpapers shall successfully complete relevant continuing education courses at his or her own expense;

ii. The practice unit responsible for the issuance of the report shall submit all or specified categories of its reports to a pre-issuance review in a manner and for a period prescribed by the Committee; or

iii. The practice unit responsible for the issuance of the report shall submit to another Quality Enhancement Review pursuant to this rule.

3. Where the Committee has determined that a report is significantly inaccurate, or significantly misleading, and following the receipt and review of the practice unit's response, if any, to the letter of comment, the Committee may take any of the following actions in addition to those set forth in (c)2 above:

i. Recommend to the Board that it direct that an on-site review which includes a review of the workpapers be conducted by a reviewer employed by the Board.

ii. Recommend that the Board require that the licensee or practice unit responsible for the issuance of the significantly inaccurate or significantly misleading report undertake any of a variety of measures, as determined by the Board, intended to improve the quality of reporting by the licensee or practice unit.

(d) Where the Board requires that a licensee or practice unit responsible for the issuance of a report containing significant deficiencies undertake a measure which would impose substantial burdens on the professional practice, the licensee or practice unit affected shall have the right to a hearing in accordance with the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq.

(e) Failure to comply with the recommendations of the Committee pursuant to (c) above may cause the Committee to recommend to the Board that it initiate appropriate disciplinary action against the licensee or practice unit according to N.J.S.A. 45:1-14 et seq. and N.J.S.A. 45:2B-1 et seq.

(f) The State Board of Accountancy reserves the right to take any action it deems necessary if it appears that the professional conduct reflected in a report that is Modified for Significant Departures from Professional Standards or Adverse is so serious as to warrant consideration of possible disciplinary action.

Amended by R.1995 d.268, effective June 5, 1995.
See: 27 N.J.R. 1134(a), 27 N.J.R. 2238(a).

Inserted "or seriously substandard".
Amended by R.1999 d.195, effective June 21, 1999.
See: 31 N.J.R. 24(a), 31 N.J.R. 1617(a).
Rewrote the section.

13:29-5.9 (Reserved)

Repealed by R.2005 d.410, effective November 21, 2005.
See: 37 N.J.R. 1408(a), 37 N.J.R. 4457(a).
Section was "Reports and reviews not public records."

SUBCHAPTER 6. CONTINUING PROFESSIONAL EDUCATION

13:29-6.1 Scope

All licensees subject to the provisions of N.J.S.A. 45:2B-42 et seq. shall comply with the provisions of this subchapter relating to continuing professional education (CPE). These rules apply to all licensees registered by the Board of Accountancy in order to enhance the professional competence of such licensees.

Amended by R.2000 d.104, effective March 20, 2000.
See: 31 N.J.R. 2446(a), 32 N.J.R. 1034(a).
Changed N.J.S.A. reference.

13:29-6.2 Credit-hour requirements

(a) Each applicant for a triennial license renewal is required to complete, during the preceding triennial period, 120 hours of continuing professional education, except as provided in (c) through (f) below. The types of continuing professional education programs and other sources of continuing professional education for which credit hours may be obtained are set forth in N.J.A.C. 13:29-6.5. The 120 hours of continuing professional education shall include at least 24 credit hours in the areas of auditing, review and compilation for persons who are engaged in the practice of public accounting or are involved with the attest function in issuing audit, review or compilation reports. All applicants shall complete at least 72 credit hours of the required 120 credit hours in the technical subjects set forth in N.J.A.C. 13:29-6.3. All applicants shall complete four credit hours of the required 120 credit hours in the New Jersey law and ethics course set forth in N.J.A.C. 13:29-6.3A. The remaining 44 credit hours of the required 120 credit hours may include subjects specified in N.J.A.C. 13:29-6.4. No licensee shall receive credit for any course offered by a Board-approved continuing professional education sponsor in subjects other than those enumerated in N.J.A.C. 13:29-6.3, 6.3A or 6.4. For the triennial period commencing January 1, 2003 only, a licensee who has completed an approved law and ethics course, in addition to the required 120 hours of continuing professional education in the preceding triennial period, may apply the four credit hours in the New Jersey law and ethics course toward satisfaction of the requirements of this subsection.

(b) Failure to meet triennial continuing professional education requirements may subject a licensee to disciplinary action by the Board.

(c) The Board may, in its discretion, waive requirements for continuing professional education on an individual basis for reasons of hardship such as health, military service, or other due cause. A waiver of continuing professional education requirements granted pursuant to this subsection shall be effective only for the triennial period in which such waiver is granted. If the condition(s) which necessitated the waiver persists into the next triennial period, a licensee shall apply to the Board for the renewal of such waiver for the new triennial period.

(d) A licensee shall be exempt from the requirements of (a) above for the triennial period during which he or she was initially licensed.

(e) Inactive licensees shall be exempt from continuing professional education requirements. Inactive licensees are those who do not practice accounting (public or private), or hold themselves out to the public as practicing accountants in any professional capacity, or use the title or designation of certified public accountant, public accountant, accountant or auditor without the word inactive, pursuant to N.J.A.C. 13:29-1A.10 and 2.3.

(f) A licensee who is inactive pursuant to N.J.A.C. 13:29-1A.10(i) or 2.3(h), or a licensee who has had his or her license suspended pursuant to N.J.A.C. 13:29-1A.10(c) or 2.3(c), who seeks to return to the practice of accounting shall notify the Board prior thereto and shall meet the continuing professional education requirements by completing 120 credit hours of continuing professional education requirements prescribed by this subchapter within the three-year period prior to reinstatement.

Amended by R.1995 d.268, effective June 5, 1995.

See: 27 N.J.R. 1134(a), 27 N.J.R. 2238(a).

In (c), substituted "inactive" for "retired".

Amended by R.2000 d.104, effective March 20, 2000.

See: 31 N.J.R. 2446(a), 32 N.J.R. 1034(a).

Rewrote the section.

Amended by R.2002 d.293, effective September 3, 2002 (operative January 1, 2003).

See: 34 N.J.R. 433(a), 34 N.J.R. 3097(a).

Rewrote (a).

Amended by R.2005 d.410, effective November 21, 2005.

See: 37 N.J.R. 1408(a), 37 N.J.R. 4457(a).

In (a), added "; except as provided in (c) through (f) below"; rewrote (b)-(d); added (e) and (f).

13:29-6.3 Qualifying technical subjects

(a) The following subjects are acceptable for satisfaction of the required 72 credit hours of continuing professional education in technical subjects over the triennial period:

1. Accounting;
2. Auditing, including, but not limited to, review, compilation and attest standards;
3. Business law;
4. Computer Science;
5. Economics;
6. Finance;
7. Management advisory services;
8. Mathematics, statistics, etc.;
9. SEC practice;
10. Taxation; and
11. Professional ethics.

(b) Any of the subjects in (a) above may be in specialized areas, such as governmental, not-for-profit organizations, film industry, real estate, and farming.

(c) Auditing, review and compilation includes the body of knowledge that deals with the basic service of the public accounting profession, that is, examination and reporting on financial statements. Also included in this area is the examination or review of internal and administrative controls, operations and government programs. Relevant program offerings could include audit theory and philosophy; generally accepted auditing standards; study and evaluation of internal control; substantive audit procedures; audit sampling; reporting on financial statements; review services;

and computer and government auditing. Qualifying subject matter will include courses covering pronouncements or regulations issued by recognized authorities such as the FASB, AICPA, SEC or other government agencies (state and Federal) dealing with auditing, financial reporting, or application of generally accepted accounting principles.

(d) Subjects other than those listed in (a) above may be acceptable for continuing professional education credit if the licensee can demonstrate to the satisfaction of the Board that such subject or specific program contributes to the maintenance of the licensee's professional competence.

Amended by R.2000 d.104, effective March 20, 2000.

See: 31 N.J.R. 2446(a), 32 N.J.R. 1034(a).

In (a), rewrote the introductory paragraph; and in (d), inserted "professional" following "continuing".

13:29-6.3A New Jersey law and ethics course

Each applicant for triennial license renewal shall complete, during the preceding triennial period, a four credit course on New Jersey law and ethics approved by the Board pursuant to N.J.A.C. 13:29-6.6(c).

New Rule, R.2002 d.293, effective September 3, 2002 (operative January 1, 2003).

See: 34 N.J.R. 433(a), 34 N.J.R. 3097(a).

13:29-6.4 Other qualifying subjects

Courses related to personal or professional development of the licensee, or courses directly associated with the administration of the licensee's practice, shall be accepted towards satisfaction of continuing professional education requirements. Included in this category are courses that concentrate on the practice management areas, such as organizational structure, human resource management and other administrative matters. Courses which relate to a licensee's personal skills such as speaking, leadership and managing people or organizations shall also be included in this category. Courses which relate to the development of a licensee's practice or the marketing of services shall not be accepted towards satisfaction of continuing professional education requirements.

Amended by R.2000 d.104, effective March 20, 2000.

See: 31 N.J.R. 2446(a), 32 N.J.R. 1034(a).

Rewrote the section.

13:29-6.5 Continuing professional education programs and other sources of continuing professional education credit

(a) The following qualify as continuing professional education programs provided they contain the subjects enumerated in N.J.A.C. 13:29-6.3, 6.3A and 6.4 and meet the continuing professional education program criteria requirements as set forth in N.J.A.C. 13:29-6.6.

1. Continuing professional education programs of national or state professional organizations: Continuing

professional education credit shall be granted at the rate of one credit hour for every 50 minutes of in-class participation.

2. University or college courses: Continuing professional education credit shall be granted for university or college courses in accordance with the following:

i. Applicants shall receive five credit hours continuing professional education credit for each semester credit hour earned; and

ii. Applicants attending noncredit courses shall be granted continuing professional education credit at the rate of one credit hour for every 50 minutes of in-class participation.

3. In-firm educational programs of public accounting firms: Continuing professional education credit shall be granted at the rate of one credit hour for every 50 minutes of in-firm participation.

4. Correspondence programs and other individual study programs: Continuing professional education credit shall be granted for correspondence programs and other individual study programs in accordance with the following:

i. The amount of credit to be allowed for approved correspondence and individual study programs, including taped study programs, shall be recommended by the program sponsor based upon one-half the average completion time calculated by the sponsor after it has conducted appropriate "field tests." Although the program sponsor shall make recommendations concerning the number of credit hours to be granted, the number of credit hours granted shall be as determined by the Board; and

ii. Credit for correspondence and other individual study programs shall only be given in the renewal period in which the course is completed with a successful final examination.

(b) In addition to the continuing professional education programs enumerated in (a) above, continuing professional education credit also shall be awarded for the following if they fall within the subjects enumerated in N.J.A.C. 13:29-6.3, 6.3A and 6.4 and meet the continuing professional education program criteria as set forth in N.J.A.C. 13:29-6.6.

1. Technical meetings: Licensees who participate in meetings of professional accounting organizations shall be awarded continuing professional education credit for that portion of the meeting which is structured as a continuing professional education program. Continuing professional education credit shall be granted at the rate of one credit hour for every 50 minutes of the licensee's participation.

2. Professional accounting meetings, conferences, seminars: Licensees who participate in meetings of professional accounting organizations shall be awarded

continuing professional education credit if the meeting is structured as an approved continuing professional education program. Continuing professional education credit shall be granted at the rate of one credit hour for every 50 minutes of the licensee's participation in the meeting.

3. Firm meetings: Licensees who participate in firm meetings for staff or for management groups of professional accounting organizations shall be awarded continuing professional education credit if the meeting is structured as an approved continuing professional education program. Continuing professional education credit shall be granted at the rate of one credit hour for every 50 minutes of the licensee's participation in the meeting.

(c) In addition to the continuing professional education programs enumerated in (a) and (b) above, continuing professional education credit also shall be granted for the following if they involve subjects enumerated in N.J.A.C. 13:29-6.3, 6.3A and 6.4.

1. Service as a lecturer, instructor, discussion leader, or speaker: Continuing professional education credit shall be awarded for service as a lecturer, instructor, discussion leader, or speaker in accordance with the following:

i. One credit hour shall be given for each 50-minute period of service provided the discussion is one which meets the continuing professional education subject requirements of N.J.A.C. 13:29-6.3, 6.3A or 6.4. For the lecturer's, instructor's, discussion leader's, or speaker's preparation time, there shall be awarded two additional hours of continuing professional education credit for each credit hour of instruction. Requests for credit shall be accompanied by an outline of the instruction, discussion, or presentation;

ii. The instructor or discussion leader shall not be given credit for subsequent sessions in the same year involving substantially identical subject matter, except that after one year has elapsed the Board may give one additional credit hour for each 50-minute period of service as an instructor, lecturer, discussion leader, or speaker for the initial presentation, provided the original material has been updated; and

iii. The maximum credit given for service as an instructor, lecturer, discussion leader, or speaker shall not exceed 60 credit hours for the triennial period.

2. Publications: Continuing professional education credit for peer-reviewed publications shall be awarded in accordance with the following:

i. Credit may be claimed for published articles and books by the authors of those works. These publications must contribute to the professional competence of accountants;

ii. Credit shall be given for each 50 minute period of preparation time on a self-declaration basis, not to

exceed 30 credit hours for the triennial period. A copy of the publication article shall be submitted to the Board with a request for continuing professional education credit;

iii. In exceptional circumstances, a licensee may request additional credit by submitting the article or book to the Board with an explanation of the circumstances which he or she believes justify an award of greater credit. When licensees request more than 30 credit hours during the triennial period, credit hours awarded shall be determined by the Board on a case-by-case basis. Factors such as complexity of subject matter, length of publication, and the amount of preparation time shall be considered;

iv. The maximum credit for publication in exceptional circumstances shall not exceed 60 credit hours for the triennial period; and

v. Credit shall be given for each 50 minute period of quality enhancement, technical review or peer review program committee participation, not to exceed 60 credit hours for the triennial period.

Amended by R.2000 d.104, effective March 20, 2000.

See: 31 N.J.R. 2446(a), 32 N.J.R. 1034(a).

Rewrote the section.

Amended by R.2002 d.293, effective September 3, 2002 (operative January 1, 2003).

See: 34 N.J.R. 433(a), 34 N.J.R. 3097(a).

In (a) and (b), amended the N.J.A.C. references in the introductory paragraphs; in (c), amended the N.J.A.C. references in the introductory paragraph, 1 and ii.

13:29-6.6 Criteria for continuing professional education sponsors

(a) In order to qualify as a continuing professional education sponsor in the subject matters set forth in N.J.A.C. 13:29-6.3 and 6.4, the sponsor shall submit an application form prescribed by the Board and obtain a sponsor number. Qualified sponsors shall offer courses which meet the following requirements:

1. Be a formal course of learning which contributes directly to the maintenance of professional competence of a licensee;

2. Be at least one credit hour, 50-minute period, in length;

3. Be conducted by a qualified instructor or discussion leader; and

4. Offer subjects enumerated in N.J.A.C. 13:29-6.3 or 6.4.

(b) A continuing professional education sponsor may receive prior approval for a course of acceptable subject matter set forth in N.J.A.C. 13:29-6.3 and 6.4 and be assigned a designated number of continuing professional education credits by the Board if the program sponsor provides, in writing and on a form provided by the Board, information

required by the Board to document the elements of (a) above, and, in addition thereto, certifies that the sponsor shall:

1. Maintain and retain accurate records of attendance for a five-year period;
2. Retain a written outline of course materials for a five-year period; and
3. Comply with the requirements of N.J.A.C. 13:29-6.12 relative to the responsibilities of program sponsors.

(c) A continuing professional education sponsor who wishes to offer a course on New Jersey law and ethics, as set forth in N.J.A.C. 13:29-6.3A, shall apply to the Board in writing for prior approval of the course in each triennial renewal period in which the course will be offered. As part of the application, the program sponsor shall submit the continuing professional education sponsor fee set forth at N.J.A.C. 13:29-1.5, and the following:

1. A complete course outline and course materials which shall document, at a minimum, instruction in the following areas:
 - i. The Accountancy Act of 1997, N.J.S.A. 45:2B-42 et seq.;
 - ii. The rules of the New Jersey State Board of Accountancy, N.J.A.C. 13:29, specifically including, but not limited to, the rules of professional conduct set forth in N.J.A.C. 13:29-3;
 - iii. The Uniform Enforcement Act, N.J.S.A. 45:1-7.1, 7.2, 7.3 and 18 et seq.; and
 - iv. The uniform regulations of the Division of Consumer Affairs, N.J.A.C. 13:45C;
2. Information documenting that the course shall be:
 - i. A formal course of learning that includes both a pre-test and a post-test, which contributes directly to the maintenance of professional competence of a licensee;
 - ii. A total of four credit hours in length; and
 - iii. Conducted by a qualified instructor or discussion leader; and
3. A certification verifying that the sponsor shall:
 - i. Provide copies of the materials set forth in (c)1 above to each course attendee;
 - ii. Maintain and retain accurate records of attendance at the course for a five-year period;
 - iii. Retain a written outline of course materials for a five-year period; and
 - iv. Comply with the requirements of N.J.A.C. 13:29-6.12 relative to the responsibilities of program sponsors.

(d) A continuing professional education sponsor who has qualified as a sponsor pursuant to (a) above, or has obtained

prior Board approval for a course pursuant to (b) above, shall not offer courses for continuing professional education credit to any Board licensee in subject matters other than those enumerated in N.J.A.C. 13:29-6.3 or 6.4. A continuing professional education sponsor who has obtained Board approval pursuant to (c) above shall not offer any New Jersey law and ethics course for continuing professional education credit to any Board licensee other than the law and ethics course approved by the Board to fulfill the four credit hour requirement set forth in N.J.A.C. 13:29-6.2.

Amended by R.2000 d.104, effective March 20, 2000.

See: 31 N.J.R. 2446(a), 32 N.J.R. 1034(a).

In (b), inserted "professional" following "continuing" throughout; and added (c).

Amended by R.2002 d.293, effective September 3, 2002 (operative January 1, 2003).

See: 34 N.J.R. 433(a), 34 N.J.R. 3097(a).

In (a) and (b), inserted references to N.J.A.C. 13:29-6.3 and 6.4 in the introductory paragraphs; added a new (c); recodified former (c) as (d) and rewrote the paragraph.

Amended by R.2007 d.53, effective February 5, 2007.

See: 38 N.J.R. 2987(a), 39 N.J.R. 493(b).

In the introductory paragraph of (c), inserted "in each triennial renewal period in which the course will be offered" and "the continuing professional education sponsor fee set forth at N.J.A.C. 13:29-1.5, and"; and in (c)2i, inserted "that includes both a pre-test and a post-test."

13:29-6.7 Credit-hour calculations

(a) The minimum measurement for continuing professional education credit shall be a whole credit hour. Except for those sources of continuing professional education for which another system of credit hour calculation is set forth in this subchapter, a continuing professional education credit hour shall be equivalent to 50 minutes.

(b) Unless otherwise provided, only in-class participation, not student time devoted to preparation, shall be counted toward satisfaction of the continuing professional education requirements of this subchapter.

Amended by R.2000, d.222, effective June 5, 2000.

See: 32 N.J.R. 987(a), 32 N.J.R. 2089(a).

Rewrote the section.

13:29-6.8 Reporting of continuing education credit hours

(a) Licensees shall provide, at a time prescribed and on forms approved by the Board, a signed statement certifying that continuing professional education requirements have been satisfied and which shall include, where applicable, the following:

1. Dates attended;
2. Credit hours claimed;
3. Title of course and description of content;
4. School, firm, or organization sponsoring course;
5. Instructor;
6. Location of course;

7. Public speaking;
8. Lecturing; and
9. Discussion leader activity.

(b) Falsification of any information provided pursuant to (a) above may result in the suspension or revocation of the licenses held by the falsifier.

Administrative correction to (b).

See: 21 N.J.R. 1366(a).

Amended by R.2000, d.222, effective June 5, 2000.

See: 32 N.J.R. 987(a), 32 N.J.R. 2089(a).

In (a), substituted shall for must and satisfied for met; in (b), substituted provided pursuant to (a) above for required.

13:29-6.9 Retention of continuing professional education records

(a) A licensee shall be primarily responsible for documenting satisfaction of continuing professional education requirements. Evidence to support fulfillment of continuing professional education requirements shall be maintained for a period of five years after the completion of educational courses. Such evidence shall be subject to periodic audit by the Board. Satisfactory documentation of the necessary information, including the retention of attendance records and written outlines, shall be accomplished as follows:

1. For courses taken for scholastic credit in accredited universities or colleges, a certified transcript or notarized statement of appropriate school authority shall constitute evidence of satisfactory completion of the course. For non-credit courses taken, a statement of the hours of attendance signed by the instructor, shall be obtained by the licensee.

2. For correspondence and independent study courses, written evidence of completion shall be submitted by the licensee.

- i. Acceptable evidence of the completion of a correspondence course shall be a certificate of satisfactory completion acquired by the licensee from the program sponsor.

- ii. Acceptable evidence of the completion of an independent study course shall be a summary of the program material drafted by the licensee.

3. If the program sponsor retains a copy of the course materials and a record of attendance, the licensee shall maintain a record of the information listed in N.J.A.C. 13:29-6.8(a). The licensee shall be responsible for determining whether or not the program sponsor retains such records. If there is a dispute concerning whether claimed activity should be granted credit and if the dispute could be resolved by the production of documented information to support the claim of the licensee, the dispute shall be resolved against the licensee if he or she fails to produce evidence sufficient to document his or her claim.

4. If the licensee determines that the program sponsor does not retain the information discussed in (a)3 above, the licensee shall maintain a record of that information and a copy of the course outline prepared by the program sponsor.

Amended by R.2000, d.222, effective June 5, 2000.

See: 32 N.J.R. 987(a), 32 N.J.R. 2089(a).

In (a), amended first and third sentence; in (a)3, substituted shall be for is, such for these and shall for will.

13:29-6.10 Continuing professional education requirements; reciprocity

An individual who holds a valid and unrevoked license issued by any state or other political subdivision of the United States and who receives a license to practice in New Jersey under the appropriate provisions of N.J.S.A. 45:2B-42 et seq. and pursuant to N.J.A.C. 13:29-1A.8 shall be required to comply with the continuing professional education requirements applicable to all other licensees.

Amended by R.2000 d.104, effective March 20, 2000.

See: 31 N.J.R. 2446(a), 32 N.J.R. 1034(a).

In (a), changed N.J.S.A. reference, and inserted "professional" following "continuing"; and rewrote (b).

Amended by R.2005 d.410, effective November 21, 2005.

See: 37 N.J.R. 1408(a), 37 N.J.R. 4457(a).

Section was "Continuing professional education requirements; reciprocity or reinstatement"; deleted designation (a); deleted (b).

13:29-6.11 Responsibilities of program developers

(a) Program developers shall specify the level of knowledge to be imparted under the continuing professional education program in order to provide sufficient information to potential participants and sponsors. As an illustration, a program may be described as having the objective of imparting technical knowledge at such levels as basic, intermediate, advanced, or overview, which may be defined as follows:

1. A basic level program teaches fundamental principles or skills to participants having no prior exposure to the subject area;

2. An intermediate level program builds on a basic level program in order to relate fundamental principles or skills to practical situations and extend them to a broader range of applications;

3. An advanced level program teaches participants to deal with complex situations; and

4. An overview program enables participants to develop perspective as to how a subject area relates to the broader aspects of accounting or brings participants up-to-date on new developments in the subject area.

(b) Program developers shall clearly identify what prerequisites are suggested for enrollment. If no prerequisite is necessary, a statement to this effect shall be made. Prerequisites shall be specified in precise language so potential participants may readily ascertain whether the program would be

beneficial to them or whether the program is above or below their level of knowledge or skill.

(c) Programs shall be developed by individuals qualified in the subject matter and in instructional design. An individual program developer need not be both technically competent and competent in instructional design, provided that both types of competency are represented in the program's development. Mastery of the technical knowledge or skill in instructional design may be demonstrated by appropriate experience or educational credentials.

(d) The program developer shall review the course materials periodically to ensure that they are accurate and consistent with currently accepted standards relating to the program's subject matter. Between these reviews, errata sheets shall be issued where appropriate, and obsolete material shall be deleted; however, between the time a new pronouncement is issued and the issuance of errata sheets or removal of obsolete materials, the instructor shall be responsible for informing participants of changes. If, for example, a new accounting standard is issued, a program shall not be considered current unless the ramifications of the new standard have been incorporated into the materials or the instructor appropriately informs the participants of the new standard.

Amended by R.2000, d.222, effective June 5, 2000.

See: 32 N.J.R. 987(a), 32 N.J.R. 2089(a).

In (a), rewrote the first sentence and deleted the second sentence; and rewrote (b), (c) and (d).

13:29-6.12 Responsibilities of program sponsors

(a) In addition to the requirements of N.J.A.C. 13:29-6.6, continuing professional education program sponsors shall comply with the following requirements:

1. Disclosure to prospective participants: The program sponsor shall disclose in advance to prospective participants the objective, prerequisites, experience level, content, required advanced preparation, teaching method, and number of continuing professional education credits involved in the program. Sponsors shall also advise participants, in advance, of courses which qualify as "auditing" pursuant to N.J.A.C. 13:29-6.3(a).

2. Selection and review of instructors: The program sponsor shall select and assign qualified instructors for the continuing professional education program. Sponsors shall evaluate the performance of the program instructors at the

conclusion of each program to determine the instructors' suitability to continue to serve as instructors in the future.

3. Number of participants and adequacy of physical facilities: The program sponsor shall be responsible for assuring that the number of participants and the physical facilities are consistent with the teaching methods to be utilized.

4. Program evaluation: Program evaluation shall be in accordance with the following:

i. The sponsor shall provide some means of program evaluation. Evaluations shall be solicited from both the participants and instructors. Programs shall be evaluated to determine whether:

- (1) Objectives have been met;
- (2) Prerequisites were necessary or desirable;
- (3) Facilities were satisfactory;
- (4) The instructor was effective;
- (5) Advanced preparation materials were satisfactory; and
- (6) The program content was timely and effective.

ii. Evaluations shall take the form of one or a combination of pretests for advanced preparation, post-tests for effectiveness of the program, questionnaires completed at the end of the program or later, or oral feedback to the instructor or sponsor. Instructors shall be informed of their performance, and sponsors shall systematically review the evaluation process to insure its effectiveness.

Amended by R.2000, d.222, effective June 5, 2000.

See: 32 N.J.R. 987(a), 32 N.J.R. 2089(a).

Rewrote the section.

13:29-6.13 Sponsor's failure to comply with continuing education responsibilities

Failure of a sponsor to comply with the requirements for continuing professional education programs, as set forth in N.J.A.C. 13:29-6.6, and responsibilities of program sponsors, as set forth in N.J.A.C. 13:29-6.12, may result in the suspension of the preapproved status for programs offered by the sponsor.

Amended by R.2000, d.222, effective June 5, 2000.

See: 32 N.J.R. 987(a), 32 N.J.R. 2089(a).

Added N.J.A.C. references.