

The University of the State of New York  
THE STATE EDUCATION DEPARTMENT  
State Board for Public Accountancy  
89 Washington Avenue  
Albany, NY 12234

## **INSTRUCTIONS FOR COMPLETING APPLICATION FOR CONTINUING EDUCATION SPONSOR AGREEMENT**

Enclosed is the following material regarding an application for approval as a sponsor of continuing education under Section 7409 of New York State Education Law and Section 70.9 of the Regulations of the Commissioner of Education.

1. CPA 60 Continuing Education Sponsor Agreement
2. CPA 61 Sponsor Administrative Procedures
3. CPA 62 Courses and Programs
4. CPE Ethics Sponsor Agreement
5. CPA 63 Description of Subject Areas
6. Ethics Course Guidelines

Under Section 7409 of New York State Education Law, and Section 70.9 of the Regulations of the Commissioner of Education, New York Certified Public Accountants and Public Accountants engaged in the regulated scope of practice in New York State, as defined by Education Law and not otherwise exempted have the option of completing **each year** ending December 31 either (a) a minimum of 40 contact hours of acceptable formal continuing education in recognized areas of study or (b) a minimum of 24 contact hours of acceptable formal continuing education in one of the following subject areas: accounting, auditing, attest, taxation, advisory services, specialized knowledge and applications or ethics. Licensees must also complete at least four contact hours in professional ethics during each triennial registration period. Programs that do not fall within the recognized areas of study will not be accepted for credit; please see the enclosed CPA 63 Description of Subject Areas. Studies associated with the marketing of a CPA firm, business entity, product or service will not be accepted toward meeting New York State's continuing education requirements.

Section 70.9 of the Regulations of the Commissioner of Education may be found at:  
<http://www.op.nysed.gov/prof/cpa/part70.htm>

### **PLEASE NOTE CAREFULLY BEFORE PROCEEDING:**

The Department looks for educational institutions and professional organizations that have a direct interest in offering courses on a regular basis during each year of the Agreement to licensed accountants **in practice in New York State**. It should be recognized that licensees are expected to have attained a level of professional knowledge and possess certain skills. The objective of the sponsor, then, is to present studies that will broaden, expand and/or increase the practitioner's knowledge or skills within the approved subject areas.

Please read the application materials carefully to determine whether your offerings in one or more subject areas will qualify and whether you are willing to comply with the terms of the enclosed Continuing Education Sponsor Agreement (CPA 60).

There is a \$300 fee for each application. The initial approval period will be for one year from the first day of the month in which the application is received. The Department upon disapproval of any sponsor application will retain a \$200.00 processing fee.

The following are deemed to qualify as continuing education programs, provided the standards outlined in Section 70.9 of the Commissioner's Regulations are maintained:

- (a) university or college courses, credit or non-credit
- (b) professional development programs and technical sessions of national, state and local accounting organizations and firms in the practice of public accountancy approved by the Department
- (c) other organized educational and technical programs relevant to the practice of public accountancy that are approved by the Department.

An organization that has existing and well-defined educational programs may submit, in conjunction with the CPA 62 Courses and Programs, a current catalog that identifies the courses which fit each subject area for which sponsor approval is being requested. Other organizations not having such a publication must submit a detailed listing of proposed offerings with a brief description of their scope and objectives. Where courses will be offered free of charge to, detailed course outlines are to be submitted for approval by this office.

The Department does not authorize the use of language or terms that imply that a determination has been made on the merits or quality of any particular course or program. If your application is accepted, an endorsed copy of Form CPA 60 Sponsor Agreement will be returned to you. You may then inform potential participants that such an Agreement has been made or that you are authorized by the New York State Education Department to award continuing professional education (CPE) credits to individuals who successfully complete coursework offered by your organization.

One continuing education credit shall equal one contact hour. Contact hours shall be measured by program length with a minimum of 50 minutes equaling one contact hour. Contact hours in one-half hour increments, equal to 25 minutes, will be permitted after the first continuing education credit has been earned in a given program. Self-study credits are awarded for the full average completion time based on a 50 minute hour as determined through a pretest.

Instructors or discussion leaders should be certified public accountants licensed in the United State, public accountants licensed in New York, members of the faculty of an accredited college or university, or other recognized authorities in the specific subject area being presented (e.g. tax attorney making a presentation in taxation).

If you are willing to comply with the terms of CPA 60 Continuing Education Sponsor Agreement, please complete and submit:

- Two copies of **CPA 60 Continuing Education Sponsor Agreement** , one with an original signature
- One copy of **CPA 61 Outline of Sponsor's Administrative Procedures** with an original signature
- One copy of **CPA 62 Courses and Programs** with an original signature
- Fee of \$300 made payable to the New York State Education Department
- Pertinent addenda; detailed course outlines must be submitted to this office for approval where courses are to be offered free of charge and may include promotional material.
- Sponsors wishing to offer coursework in professional ethics in accordance with the guidelines included in this packet must also complete and forward the CPE Ethics Sponsor Agreement and provide an outline of the ethics course they plan to offer.

All application materials along with the fee must be sent to:

State Board for Public Accountancy  
Continuing Professional Education  
89 Washington Avenue  
Albany, NY 12234

New York State Education Department  
State Board for Public Accountancy  
89 Washington Avenue  
Albany, NY 12234

**CONTINUING EDUCATION SPONSOR AGREEMENT**  
(submit original and one copy)

Organization Name: \_\_\_\_\_

Address: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Phone: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

1. We plan to offer continuing education courses or programs to New York certified public accountants and/or public accountants under Section 7409 of New York State Education Law and Section 70.9 of the Regulations of the Commissioner of Education.

We are: (check one)

- a. A regionally accredited or Regents approved university or college or division thereof.
- b. A widely recognized national or state accounting organization, a local chapter thereof, or an educational foundation thereof.
- c. An accounting firm, partnership or professional corporation registered with the Department and presenting in-house programs.  
**Partnership or PC number** \_\_\_\_\_
- d. A group of accounting firms, partnership or professional corporation, each of which is registered with the Department and presenting programs offered within the group. (Submit an attachment listing each firm name and partnership or PC number.)
- e. Other, describe type or organization \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. We understand that the Department can only give licensees recognition for continuing education courses or programs in one or more of the subject areas listed below. These subject areas are described on Form CPA 63 (enclosed). We agree to clearly inform potential participants of the appropriate subject area of each course or program offered under this Agreement. We are seeking approval to offer continuing professional education in the following subject area(s): (check appropriate box(es))

- Auditing
- Accounting
- Attest
- Taxation
- Advisory Services
- Specialized knowledge and applications related to specialized industries
- Ethics
- All of the above

3. We agree to comply with the requirements of Section 70.9 of the Commissioners Regulations, and that for each program:

- a. Attendance will be required for participants to earn credit, or, in the case of self-study courses or programs, participants must submit evidence of satisfactory completion.
- b. CPE credit will be measured by program length, with a minimum of 50 minutes equaling one contact hour. Contact hours in one-half hour increments, equal to 25 minutes, are acceptable after the first full credit has been earned in a given program.
- c. Programs will be conducted by qualified instructors or discussion leaders.
- d. A listing of names and addresses of licensees attending each program will be prepared.
- e. A written program outline, which includes program prerequisites and other relevant information, will be prepared and furnished to participants.
- f. An appropriate means of evaluating each program, by both participants and instructors, will be applied.
- g. A certificate will be given to each participant upon his or her completion of the course.

4. We agree to maintain the following records for a period of five years following the date each program is presented:

- a. The date and location of the presentation.
- b. The name of each instructor or discussion leader and his/her qualifications.
- c. The listing of licensees attending each presentation.
- d. The outline of the presentation and summary of program evaluations.
- e. Copies of all promotional material used for each presentation.

**Do not forward these materials to the Department unless requested by this Office to do so.**

We understand and agree that the above records, located at

\_\_\_\_\_

\_\_\_\_\_

will be subject to review by the Department, and we agree to make these records available to the Department or its designee during regular business hours at the specified location or forward them to the Department upon request.

We further agree to notify the Department, in advance, of any location change of these records prior to the expiration of the five-year retention period and to respond to any Department inquiry regarding these records.

5. In consideration for compliance with this Agreement, we understand that after approval of the Agreement by the Department we may advise prospective participants of the subject areas in which we are authorized to provide programs and the number of hours of credit allowable for presentation. We agree that our advertising or notices to licensees will include our New York sponsor ID number, the New York recognized field of study and number of CPE credits to be awarded but we will not use such terms as "accredited" or "approved" or any other terms that imply that a determination has been made by the Department on the merits or quality of specific programs or courses.
6. We understand and agree that if we fail to comply with this Agreement, or fail to substantiate the capability to offer programs in the authorized subject areas, or fail to meet prescribed standards in our programs, our Sponsor Agreement may be terminated by the Department and that notice of such termination may be given by the Department to licensees.

Executed at \_\_\_\_\_

this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
(Original signature)

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Title)

**(Submit Original Plus One Copy)**

**Please Note:** The Department will retain \$200 as an evaluation and processing charge when a Sponsor Agreement application is not approved.

DEPARTMENT USE ONLY	
APPROVED:	DATE:

New York State Education Department  
State Board for Public Accountancy  
89 Washington Avenue  
Albany, NY 12234

## **OUTLINE OF SPONSOR'S ADMINISTRATIVE PROCEDURES**

(Submit with Sponsor Agreement application)

Section 70.9(e) of the Regulations of the Commissioner of Education requires that each applying organization present evidence of adequate resources and administrative procedures governing the conduct of continuing education programs. Each of the following items should be addressed fully but concisely; additional comments may be attached. Deficiencies in any item, as determined by the Department, may be cause for rejection of an application or termination of a Sponsor Agreement.

1. Describe the financial base upon which continuing education activities are funded. Are programs budgeted on a program-by program basis or on an annual or other periodic basis?
2. Describe the type(s) of facilities generally used for presentations. What factors govern the selection?
3. Describe how programs are identified. Once identified who designs the program and how is the program evaluated and modified prior to offering.

4. Describe the methods used to evaluate the effectiveness and overall quality of programs. What part do participants and instructors play in the evaluation process? On what basis are programs updated or altered?
  
  
  
  
  
  
  
  
  
  
5. Describe the procedures and criteria used for the selection of instructional staff. How is their performance evaluated?
  
  
  
  
  
  
  
  
  
  
6. Describe the following: (if any of these items exist in a published format, such a document may be submitted as a response to this question.)
  - (a) Who is eligible for admission or registration?
  
  
  - (b) Fee structure
  
  
  - (c) Refund, cancellation and grievance procedures
  
  
  
  
  
  
  
  
  
  
7. Please indicate the method(s) of delivery (e.g. seminar, self-study, webinar) for the continuing professional education programs you plan to offer. How are evaluation techniques altered to accommodate each distinct method of delivery?
  
  
  
  
  
  
  
  
  
  
8. If the programs being offered are formal, self-study programs, they must be pre-tested on a sample of the targeted participant population. The sample group must be independent of the program development group. The sample size should be sufficient to obtain consistency and reliability of observations. The pretest should simulate the environment and manner in which the program is expected to be completed by participants. The pretest is used to measure the average completion time from which the recommended CPE credit is determined. CPE credits are awarded for the full average completion time for interactive self-study and at one-half the average completion time for non-interactive self study. You must provide the Board office with:
  1. When the pretest was conducted;
  2. The number of participants in the pretest;
  3. A summary of participants' actual completion times;
  4. Calculation of the recommended CPE credit;
  5. Method used as evidence of satisfactory completion of program (e.g. passing of written examination).

9. Include a sample of a "certificate" that is provided to participants upon completion of a program. The certificate must include: NYS Sponsor ID # (to be assigned upon approval), sponsor name & address, attendee name, course name, date of course, NYS recognized field of study, and CPE credits.

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(Original signature)

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(Title)

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(Organization name)

---

(Date)



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**COURSES AND PROGRAMS**

Organization Name: \_\_\_\_\_

Address: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Phone: \_\_\_\_\_

In order for the Department to have some basis for assessing your ability to offer programs or courses in the approved subject areas requested, list all offerings in each subject area for which you are seeking approval. List the courses below, or provide the same information on a separate sheet, or furnish a catalog.

Title of Course and Brief Description of Content	NY Recognized Field of Study*	CPE Credit	Frequency (or dates)	Location (city, state)

\_\_\_\_\_  
(Original signature)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Print or type name)

\_\_\_\_\_  
(Date)

\*Accounting, Auditing, Attest, Taxation, Advisory Services, Specialized Knowledge and Applications Related to Specialized Industries and/or Ethics (refer to attached CPA 63 Description of Subject Areas)

**NOTE: This form must be fully completed. Attach detailed outlines for courses which are offered free of charge and which may include promotional material.**

**NEW YORK STATE EDUCATION DEPARTMENT  
OFFICE OF THE PROFESSIONS  
STATE BOARD FOR PUBLIC ACCOUNTANCY  
CONTINUING PROFESSIONAL EDUCATION ETHICS SPONSOR AGREEMENT  
(Complete this form only if you plan to offer an ethics course to New York CPAs  
or Public Accountants)**

Section 70.9(b)(2) of the Regulations of the Commissioner of Education requires all New York licensed CPAs and Public Accountants who are engaged in the practice of public accounting to complete a minimum of four contact hours of professional ethics during each triennial registration period.

As an approved sponsor of continuing professional education, this organization wishes to offer a course in professional ethics for New York licensed CPAs and Public Accountants. I have read the ethics course guidelines and agree to present courses designed to meet the New York State continuing professional education requirement in accordance with the standards set by the New York State Board for Public Accountancy.

Signed \_\_\_\_\_

Print Name \_\_\_\_\_

Title \_\_\_\_\_

Organization Name \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

Date \_\_\_\_\_

**Note: Please enclose an outline of the ethics course that you plan to offer with your application.**

New York State Education Department  
State Board for Public Accountancy  
89 Washington Avenue  
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## DESCRIPTION OF CPE SUBJECT AREAS

The Education Department registers sponsors who award CPA licensees Continuing Professional Education (CPE) credit for participation in formal programs of learning that are in accordance with Section 7409 of New York State Education Law and Section 70.9 of the Regulations of the Commissioner of Education. These statutes require that programs for which CPE credit is awarded: 1) contribute to the development or maintenance of a licensee's professional competence, **and** 2) fall within one of the subject areas described below. **Consistent with the statutory intent, CPE credit will not be given for participation in programs that focus on the marketing of professional services or improving the profitability of an accounting firm or practice.**

Clearly some courses could fall into more than one of the proscribed subject areas (e.g. auditing and specialized industries). As a guide, however, a course will be categorized based on its primary focus and predominant subject matter. A ruling on the classification of a specific course may be obtained from the Board office by sending a written request and a detailed description of the course's contents to the address listed above.

**ACCOUNTING:** Courses in this subject area focus on the development of professional knowledge and skills related to generally accepted accounting principles; comprehensive bases of accounting; and/or accounting processes and related financial reporting. Relevant subject matter includes authoritative pronouncements and accounting principles issued by the standard setting bodies as well as related subjects that are generally classified within the accounting discipline.

Individual programs in this subject area could cover newly promulgated financial reporting requirements/standards; accounting concepts and principles; preparation and compilation of financial statements; measurement; recognition and presentation of specific financial statement items; and internal controls for profit and nonprofit entities.

**AUDITING:** This subject area includes the body of knowledge that deals with the basic service of the public accounting profession - examining and reporting on financial statements. It also includes the examination or review of internal and administrative controls, operations and/or government programs. Courses on professional conduct and ethics are appropriately categorized in the auditing category.

Individual programs classified in this area could cover audit theory and philosophy; generally accepted auditing standards; evaluation of internal controls; substantive audit procedures; audit sampling; reporting on financial statements; review services; computer and government audits; and Securities and Exchange Commission audit activities and requirements.

**ATTEST:** This subject area includes the body of knowledge that deals with engagements, other than auditing and reporting on financial statements, where the licensee is engaged to issue or does issue an examination, a review, or an agreed-upon procedures report on subject matter, or an assertion about the subject matter, that is the responsibility of another party.

Individual programs classified in this area could cover among other things, Statement of Standards for Attestation Engagements (SSAE; the relationship of attestation standards to quality control standards; other information in a client prepared document containing the licensee's attest report; consideration of subsequent events in an attest engagements, attest documentation; and attest services related to consulting service engagements.

**TAXATION:** This subject area includes local, state, federal and international tax compliance and tax planning for individuals, businesses, estates and trusts. Compliance includes tax return preparation and review, as well as Internal Revenue Service examinations, ruling requests and protests. Tax planning focuses on applying tax rules to prospective transactions and understanding the tax implications of unusual or complex transactions. It also includes alternative tax treatments and advising clients on tax-saving opportunities.

Programs offered in this subject area could cover tax research and theory; application of tax rules to different forms and types of taxpayers; specialized taxes, return preparation; tax authorities' examinations; rulings and appeals; tax exempt organizations; tax accounting; and employee compensation and tax deferral plans.

**ADVISORY SERVICES:** This subject area encompasses the various advisory services provided by accountants to clients. Traditionally these services involve analyzing, evaluating, designing and, in some situations, implementing the

systems that affect the planning, organizing and controlling of any phase of activity in a business or nonprofit enterprise. Less traditional advisory services include technology consulting, personal financial planning and small business consulting.

Relevant programs within this category could cover planning and control systems for business or not-for-profit organizations. These systems could target specific business processes such as manufacturing, marketing, human resources, research and development, and information management.

Practice management courses would be eligible for CPE credit under this category IF the course content focuses on improving the delivery of services to clients. Such courses could cover organizational structure, human resources management, preparation for quality review and other client-related administrative services. Courses that focus on marketing professional services or improving profitability for the accounting firm will not be eligible for CPE credit.

**SPECIALIZED KNOWLEDGE AND APPLICATIONS RELATED TO SPECIALIZED INDUSTRIES:**

This subject area focuses on the development of professional skills and knowledge related to specialized industries and business entities. These industries are often identified by the title of an AICPA industry audit guide and employ specialized accounting principles and practices, encounter distinctive tax problems and audit issues, or require unique advisory services.

Individual programs that fall within this category could cover industry-specific: accounting and auditing standards; terminology and technology; legislative or regulatory requirements; marketing or distribution systems and issues; economic structures; and sources of financing.

**ETHICS:** This field of study includes coursework which will increase the accountants' knowledge of ethical standards for the profession. Coursework will focus on New York State Education Law, Rules of the Board of Regents and Regulations of the Commissioner of Education. The foundation course will cover topics including introduction to ethic concepts, the psychology of moral development, judgment and values, the sociology of professions, virtue and the role of rules of ethics, public expectations of CPA's responsibilities, and ethical dilemmas. The role of the Board of Regents and the State Education Department, highlighting New York State law, rules, and regulations, including a comparison and contrast to AICPA and New York State Society of CPAs ethics rules, and enforcement of rules on ethics will also be covered.

Ethics coursework in the specific fields of accounting, auditing, and taxation will be acceptable and should include updates on New York State and AICPA ethics rules, ethical guidance in the specialty practice, information on recent litigation related to ethical concerns or issues in the area of specialization, and discussion of case studies in the field relating to ethical issues.

# ETHICS COURSE GUIDELINES

All currently registered certified public accountant (CPAs) and public accountant (PAs) must complete four hours in ethics continuing professional education (CPE) during each three-year registration period beginning or after September 1, 2001. Ethics courses should focus on New York State Education Law, Rules of the Board of Regents and Regulations of the Commissioner of Education. The course sponsor must identify whether the course is concentrated in one of New York State's recognized subject areas (accounting, auditing, attestation, taxation, specialized knowledge for special industries, or advisory services) or is comprised of general studies.

## ETHICS COURSE – GENERAL STUDIES

A general ethics course in professional ethics shall include all of the following topics:

The role of the Office of the Professions

New York State rules on ethics (as provided in NYS Law, Rules and Regulations), including but not limited to:

- Retention and maintenance of work papers
- Competency requirements for attest and compilation services
- Failing to maintain an active registration when using the title of designation
- Reportable events
- Commissions and referral fees, including mandatory disclosure

Public expectations of CPAs' responsibilities

Enforcement of rules on ethics

*The course may also include topics the sponsor deems appropriate, such as:*

The AICPA rules on ethics

New York State Society of CPAs rules on ethics

Compare and contrast the State and professional societies' rules on ethics

## B) CONCENTRATED COURSEWORK

A CPA or PA may take a course concentrated in a specific recognized area of study provided by a registered CPE sponsor. The following are examples of areas of concentrated coursework that must include an update on New York State ethics rules (*see general coursework description above for details*) and examples of other topics that may be covered in such course work:

## ETHICAL GUIDANCE IN ASSURANCE/ATTESTATION WORK

- Update on New York State ethics rules (*mandatory*)
- Update on AICPA ethics rules
- Update on NYSSCPA ethics rules
- Update on SEC ethics rules
- Ethical guidance contained within Yellow Book standards
- Ethical guidance in an assurance and attest practice
- Recent litigation
- Case studies in assurance and attest practice relating to ethical issues

## **ETHICAL GUIDANCE IN TAX PRACTICE**

- Update on New York State ethics rules (*mandatory*)
- Update on AICPA ethics rules
- Update on NYSSCPA ethics rules
- Ethical guidance in tax practice
- Update on (or applications of) Circular 230
- Recent litigation related to ethical concerns/issues
- Case studies in tax practice relating to ethical issues

## **ETHICAL GUIDANCE IN CONSULTING/ADVISORY SERVICES**

- Update on New York State ethics rules (*mandatory*)
- Update on AICPA ethics rules
- Update on NYSSCPA ethics rules
- Ethical guidance in a consulting practice
- Recent litigation related to ethical concerns/issues
- Case studies in a consulting practice relating to ethical issues

## **ETHICAL GUIDANCE IN INDUSTRY**

- Update on New York State ethics rules (*mandatory*)
- Update on AICPA ethics rules
- Update on NYSSCPA ethics rules
- Ethical guidance on specific industry practices, i.e., construction, health care, etc.
- Ethical guidance for employment in industry
- Recent litigation related to ethical concerns/issues
- Case studies in industry relating to ethical issues

## **ETHICAL GUIDANCE IN GOVERNMENT**

- Update on New York State ethics rules (*mandatory*)
- Update on AICPA ethics rules
- Update on NYSSCPA ethics rules
- Ethical guidance contained within Yellow Book standards
- Ethical guidance for employment in government
- Recent litigation related to ethical concerns/issues
- Case studies in government relating to ethical issues