



Activity Review

North Carolina State Board of Certified Public Accountant Examiners

1101 Oberlin Road, Suite 104 • PO Box 12827 • Raleigh, NC 27605 • 919-733-4222 • No. 3-2009

2009-2010 License Renewal Now Available On-Line

North Carolina CPAs can now complete their 2009-2010 license renewals on-line through the Board's web site, www.nccpaboard.gov.

To renew on-line, a CPA must have his or her NC CPA certificate number, his or her Social Security number, the number of CPE hours completed to meet the 2008 CPE requirement, and a valid MasterCard or VISA account number (including the security code) with the card expiration date and complete billing address.

Please note that each licensee's renewal must be a separate and distinct on-line transaction.

If a CPA firm has multiple licensees and prefers to submit a lump sum payment by mail and needs renewal forms faxed or e-mailed to the firm, please submit a list of the licensees and their certificate numbers by fax to (919) 733-4209 or by e-mail to alices@nccpaboard.gov.

To access the on-line renewal, the user must log onto the Board's web site, www.nccpaboard.gov, and click on the "on-line renewal" link located at the bottom of the menu on the left-hand side of the page.

When the renewal page displays, the user will click on the "individual" link to launch the renewal process.

On the "Licensee Log-In" page, the user will enter the licensee's Social

Security number and North Carolina CPA certificate number and click "submit."

NOTE: If a licensee wishes to keep a copy of the information submitted during the renewal process, he or she must print each page of the on-line renewal after he or she provides the required information, but before clicking the "submit" button.

If the Social Security number and certificate number entered match the information in the Board's records, the first page of the on-line renewal, "Pertinent Data on File," will display.

This page of the renewal pertains to the licensee's contact information, concentration area, occupation area, job title, and AICPA and NCACPA membership information.

Each licensee must provide the Board with a complete address, including business name, mailing address, e-mail address, and telephone number so that the Board will have complete and accurate information.

To update a licensee's address(es), click on the blue highlighted link (such as Mailing Address or Home Address) to change each type of address (mailing address, home address, or business/practice address).

If a complete mailing address is not provided, the user will not be allowed to continue with the renewal process.

If a licensee is using his or her home address or business/practice address as the mailing address, the licensee does not need to list the same address in two categories (such as mailing address and home address or mailing address and business/practice address).

The address selected as the licensee's mailing address is the address that will be displayed in the searchable database on the Board's web site. If a licensee does not want his or her home address to display on the Board's web site, he or she must select the business/practice address as the mailing address.

In the "Certificate and Licensee Information" section, the user must select the proper occupation and concentration category from the pop-up lists, type in the licensee's job title, indicate if the licensee is a member of the AICPA or NCACPA, and click the "continue" button.

CPE compliance information is entered on Page 2 of the renewal. The user should read each item carefully, select the appropriate answer, and click "submit."

NOTE: If the user selects answer "B" because the licensee was licensed after January 1, 2009, the user will not be able to view Page 3 where licensees who report CPE will enter the CPE

Renewal
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Renewal *continued from front*

hours completed. Instead, the user will be automatically directed to Page 4.

The third page of the renewal is used to calculate the number of hours of CPE carry-forward from 2007, the CPE credit hours earned in 2008, and the CPE hours for carry-forward into 2009.

If the number of carry-forward hours brought forward from 2007 (Block A) does not agree with the licensee's records, please contact Cammie Emery by telephone at (919) 733-1423 or by e-mail at cemery@nccpaboard.gov. The licensee's CPE hours will be verified so that the user may complete the renewal process.

The system will automatically add the carry-forward hours earned in 2007 (Block A) to the CPE hours earned in 2008 (Block B), and place the total in the Block C. The hours available for carry-forward will be automatically calculated in Block D (carry-forward hours cannot exceed 20).

NOTE: If the licensee's CPE requirement for 2008 was prorated, he or she may carry forward up to 20 hours in excess of the annual requirement.

After clicking the "submit" button, the user will be taken to Page 4 of the renewal, "Moral Character Data."

On this page, the user must answer each question and type a brief explanation of each affirmative answer in the text box at the bottom of the page and click "submit."

The moral character data for licensees who have not previously filed a certificate renewal is applicable for the period since the filing of their certificate application.

Page 5 is an affirmation which states that the licensee has read the North Carolina Accountancy Statutes and Rules. The statutes and rules are available on the Board's web site, www.nccpaboard.gov.

In addition, the user is certifying that the information provided on the renewal form is correct and complete. When the user accepts the statement

on Page 5 and clicks the "submit" button, he or she will be directed to the payment page.

The Board's web site is certified by Comodo as secure for web-based transactions; all e-commerce transactions are directed through the VeriSign gateway.

For additional information about Comodo, please visit www.comodogroup.com; for additional information about VeriSign, please visit www.verisign.com.

In addition, the underwriters at BB&T, the Board's financial institution of record, have reviewed and approved the payment transaction portion of the Board's web site as part of the bank's "Trustkeeper" program.

Please note that the Board only accepts MasterCard and VISA for on-line payment of the renewal fee.

All fields on the payment page of the renewal are required. If the user does not fill in all fields properly, the transaction will fail and the user will be prompted to correct the information entered.

Account information is not submitted until the "submit" button is clicked; account information is not stored in the Board's records.

After the transaction is complete, the user may print the acknowledgment page to confirm that the renewal was processed; the credit card statement serves as the user's payment receipt.

A licensee who does not wish to submit credit card information using the secure web site but still wishes to pay by credit card may submit a copy of his or her on-line renewal form by answering all questions on each page of the renewal, printing each page as it is completed but before clicking "submit," signing the renewal, and faxing the completed pages, including the completed credit card information page, to the Board at (919) 733-4209.

A licensee who wishes to submit the renewal form with a check or money order may do so by answering all questions on each page of the renewal, printing each page as it is completed but before clicking "submit," signing

the renewal, and mailing the completed pages, with a check or money order for \$50.00 payable to "State Board of CPA Examiners," to PO Box 12827, Raleigh, NC 27605-2827.

On-line renewals are processed in real time; the Board's database is updated immediately. To check the status of a renewal, use the "License Search" function of the website to verify that the license expiration date has been changed to June 30, 2010.

Although the Board is not sending paper renewal forms to licensees, forms will be sent to those licensees who specifically request a form. Instructions for requesting a renewal form are printed on Page 7 of this issue of the *Activity Review*.

Licensees are encouraged to renew early; as the June 30 renewal deadline draws nearer, users may experience server slowdowns which may delay or prevent renewals from being processed.

Licensees who do not submit a properly completed renewal and the \$50.00 fee prior to July 1, 2009, may receive a Letter of Demand from the Board. Failure to submit the renewal form and fee within 30 days of the mailing of the Letter of Demand will result in an automatic forfeiture of the licensee's NC CPA certificate.

Licensees who elect to be placed on retired or inactive status may do so by submitting the proper form to the Board prior to July 1, 2009.

Forms for inactive or retired status are available on the web site, www.nccpaboard.gov, by calling (919) 733-4222, or by sending an e-mail to vanessiaw@nccpaboard.gov.

If you have questions regarding the renewal process, please contact Buck Winslow, Manager of Licensing, by e-mail at buckw@nccpaboard.gov or by telephone at (919) 733-1421.

Board Office Closed

In accordance with the holiday schedule adopted by the State of North Carolina, the Board office will be closed on the following date:

Friday, April 10, 2009
Good Friday

2009-2010 NORTH CAROLINA ON-LINE CERTIFICATE RENEWAL INSTRUCTIONS

The instructions printed below and on the following pages are essential to the on-line renewal process. It is suggested that you read these instructions carefully before attempting to complete the on-line renewal process. These instructions are also available for review on the Board's web site, www.nccpaboard.gov.

We encourage you to renew early. If there is a problem with your renewal and staff finds it at the beginning of the renewal season, you may have time to correct it. If you renew close to the June 30 deadline, you may encounter renewal server slowdowns and you may have missed your opportunity to correct problems. Licensees who fail to renew will forfeit their CPA certificates. You may print the final renewal acknowledgement page to confirm that your renewal was processed; your credit card statement also serves as your receipt. If you wish to keep a copy of the information submitted, you may print each page of the on-line renewal *after* you have completed the information required, but *before* clicking the "submit" button. You may also check your personal record in the "Licensee Search" section of our web site, www.nccpaboard.gov, to confirm an updated expiration date for your certificate. The web site is updated in real time. If you encounter errors during the renewal, please restart your computer and try again. Restarting the computer fixes the majority of problems that occur.

You will need four things to complete your renewal: 1) your North Carolina CPA certificate number; 2) your Social Security number; 3) the number of CPE hours earned to meet the 2008 requirement; and 4) a valid MasterCard or VISA number (including security code) and valid expiration date. The Board's web site is certified as secure by Comodo for web-based transactions.

- I. Page 1 of the on-line renewal lists your personal information from our files. Please review and correct the information as necessary so that our records are current and complete. You must provide the Board with a full address, including business name, mailing address, e-mail address, and telephone number so that the Board will have complete and accurate information and will be able to contact you if necessary. To update your address(es), click on the blue highlighted link (such as Mailing Address) to change each type of address (mailing address, business/practice address, or home address). You will not be allowed to complete your renewal and exit the system without providing a mailing address. If you are using your home address or business address as your mailing address, you do not need to list the same address in two categories (such as mailing address and home address or mailing address and business/practice address). Do not list an address change that is more than two weeks in advance. Use only the occupation and concentration categories provided in the pop-up lists.
- II. Page 2 of the on-line renewal pertains to the mandatory CPE requirement.
 - A. If you completed the 40-hour requirement in calendar year 2008, including at least eight (8) hours of non-self study credit and the required Board-approved ethics course, check item "A." If you were certified in North Carolina during the second, third, or fourth quarters of 2008, your CPE requirement for that year is prorated (30 hours, 20 hours, and 10 hours respectively). Hours earned in excess of the minimum requirement may be carried forward into 2009 (maximum carry-forward is 20).
 - B. If you were certified in North Carolina after January 1, 2009, check item "B" because persons certified after that date may not report any CPE earned in 2008 or any carry-forward. You will not be able to view Page 3 where licensees who report CPE input the hours taken. You will be automatically redirected to Page 4 instead.
 - C. If you took some of your 2008 CPE after the December 31, 2008, deadline, but before June 30, 2009, and you need to use those courses to meet your 2008 requirement, check item "C." Note that taking CPE after the deadline may result in a letter of warning pursuant to 21 NCAC 08G .0406(b). If you did not meet the CPE requirement by June 30, 2009, you do not qualify for renewal.

Instructions

continued on page 4

Instructions *continued from page 3*

- D. If you took some of your 2008 CPE after the December 31, 2008, deadline, but before June 30, 2009, and you were granted an extension, please check item “D.” Note that your extension must have already been formally approved by the Board, and you should have received written confirmation that the extension was granted.
- E. If you are a non-resident of North Carolina, you may comply with the CPE requirements in the state where you live or work and are licensed [21 NCAC 08G .0401(j)]. To claim compliance with out-of-state CPE requirements, check Block E. Note that if you show a North Carolina address in your file, you will not be allowed to choose this option.
- III. Report your CPE hours on Page 3. The Board will audit a sample of licensees to ensure compliance. Individuals selected for the CPE audit will be contacted by the Board and must provide the required documentation by the deadline specified.
- A. Block A shows the number of carry-forward hours brought forward from 2007 (20 maximum). If this number does not agree with your records, please e-mail Cammie Emery at cemery@nccpaboard.gov before completing the on-line renewal. Staff will verify your claim so that you may properly complete your renewal after the issue has been resolved.
- B. Enter the total number of CPE hours for the courses earned in 2008. If you completed courses between January 1 and June 30, 2009, you may renew by combining the 2008 and 2009 hours, but you may be issued a letter of warning.
- C. The renewal system will automatically add the carry-forward hours earned in 2007 (Block A) to the CPE hours earned in 2008 (Block B), and put the total in the Total Hours Reported block (Block C). Forty hours is the minimum total unless your 2008 CPE requirement was prorated or you are claiming compliance with another state’s CPE requirement [21 NCAC 08G .0401(e)].
- D. The hours available for carry-forward will be automatically calculated in Block D (carry-forward hours cannot exceed 20). NOTE: If your CPE requirement for 2008 was prorated, you may carry over up to 20 hours in excess of your requirement.
- IV. Moral character data is requested on Page 4. Please choose a “yes” or “no” response to each question. For any “yes” responses, please type a brief explanation at the bottom of Page 4. The moral character data for licensees who have not previously filed a certificate renewal is applicable for the period since the filing of their certificate application.
- V. Page 5 is an affirmation which states that you have read the North Carolina Accountancy Statutes and Rules. The most current copy may be accessed on our website, www.nccpaboard.gov, or by clicking the links embedded in the renewal. You are also certifying that the information provided on the on-line renewal is correct and complete.
- VI. We only accept MasterCard and VISA for on-line payment. The renewal is considered incomplete if a credit card charge is not authorized by the issuing financial institution. If you wish to mail your completed form with a check or money order, you may do so by signing the last page of the renewal and submitting all pages of the completed form and the required fee to the Board at PO Box 12827, Raleigh, NC 27605-2827. If you wish to mail your renewal and pay by credit card, please forward the renewal pages as above with the credit card authorization form (available on our website).

Change of Status: You may elect retired or inactive status by submitting the proper form. CPAs on inactive or retired status are not required to renew their certificates, report CPE, or pay a renewal fee. You may obtain forms for inactive or retired status by printing them from our website, www.nccpaboard.gov, or calling the Board office at (919) 733-4222. The deadline to request retired or inactive status is June 30. You may qualify for retired status if you are completely retired, will not receive compensation for *any* personal services (accounting or otherwise), and verify your intention never to return to active status. You must also verify that you will not sign as a CPA if you do any volunteer accounting work. You may request inactive status by sending the proper form by June 30. CPAs on inactive status may keep their CPA certificates, but must confirm that they will not use the CPA title in any way while on inactive status.

ESSENTIAL CONTINUING PROFESSIONAL EDUCATION INFORMATION

General Information — All CPAs on active, conditional, form of practice, or probationary status must comply with the CPE requirements and pay an annual renewal fee. You are required to complete at least 40 hours per calendar year to renew your certificate. The deadline for reporting CPE credit earned is June 30. CPE hours are reported during the on-line certificate renewal process. Do not send a detailed listing of courses unless you have received a letter specifically requesting documentation. CPE hours must be rounded down to the nearest half-hour after the first full hour of credit has been earned. The Board's CPE rules are found in Title 21, North Carolina Administrative Code (NCAC), Chapter 08G, Section .0400. Please refer to the Board's web site, www.nccpaboard.gov, for the current CPE rules.

Self-Study Courses — At least eight (8) hours of CPE credit earned in any calendar year must be non-self study, excluding any carry-forward hours used to meet the minimum requirement. Another self-study rule stipulates that the amount of credit for all self-study courses is based on the average completion time in 50-minute hours as determined by the sponsor. If you have questions about how the sponsor has calculated the hours recommended, you must contact the course provider directly.

One example of self-study material that does not meet the Board's requirement for appropriate instructional design is a "course" that consists of an examination on periodicals, guides, magazines, subscription services, books, reference manuals and supplements (e.g., Journal of Accountancy, CPE Direct, tax services and handbooks, audit guides, etc.). Such programs do not meet this requirement because the material studied is not designed primarily for CPE purposes [21 NCAC 08G .0404(e)].

Ethics CPE Requirement – 21 NCAC 08G .0410 requires all licensees to take annually either two hours of Board-approved ethics CPE in a group study format or four hours of Board-approved ethics CPE in a self-study format. Information on courses that will satisfy the requirement is made available to licensees through the Activity Review and the Board's website, www.nccpaboard.gov. A non-resident licensee who does not have an office in North Carolina is considered to have met the Board's ethics requirement if he or she meets the requirement in the jurisdiction where the licensee is licensed and works or resides. If the jurisdiction of employment or residence does not require an ethics program, one of the North Carolina-approved courses must be completed. If you have any questions regarding the ethics CPE requirement, please contact Cammie Emery by e-mail at cemery@nccpaboard.gov.

Registered Sponsors — The Board registers sponsors who agree to conduct programs that enhance a CPA's professional skills and meet other minimum standards. These organizations have also agreed to keep records of their programs for five years. This requirement removes some of the burden of record-keeping for CPAs taking the course, but it does not automatically mean that a CPA may claim credit for a course. You are responsible for selecting the CPE courses you attend, and you should pick only those courses that will improve your professional competence. The Board's office maintains a database of registered CPE sponsors on its web site, www.nccpaboard.gov. The Board's staff can only confirm that a sponsor is registered, not that a particular course can be used for CPE purposes. Due to the large number of licensees and the volume of courses offered, the Board staff cannot "pre-approve" CPE courses.

Non-Registered Sponsors – Pursuant to 21 NCAC 08G .0404(f), you may claim CPE credit for continuing education programs that are conducted by non-registered sponsors. You should refer to 21 NCAC 08G .0403 and .0404 for the types of coursework that might qualify, as well as the standards that such courses must meet. You do not need to submit your documentation to the Board at the end of each year; keep it in your files for five years. Complete and accurate information regarding sponsors and courses is essential. Such documentation should include, but is not limited to:

- 1) Proof of completion of a course (must include your name as the course participant, course title, date of completion, and CPE hours recommended). This is the most important piece of documentation that you should save. Proof of registration or copies of course agendas are not adequate proof of attendance;

CPE Information *continued from page 5*

- 2) The instructor's biography, indicating both general teaching competence and particular mastery of the subject matter of the course;
- 3) A description of the facilities used and the number of other participants;
- 4) Information about the course developer and sponsor; and
- 5) A description of course objectives, prerequisites, experience level, content, required advance preparation, teaching method used, and CPE credit recommended.

General Guidelines — CPE courses offered by any sponsor should be on a professional level and should relate to the field of accountancy. The seven approved subject areas for CPE programs as set forth in 21 NCAC 08G .0404(b) are:

- 1) Accounting and Auditing
- 2) Consulting Services
- 3) Ethics
- 4) Management
- 5) Personal Development
- 6) Special Knowledge and Applications
- 7) Tax

Examples of courses that may not meet such criteria are:

- 1) Basic courses in accountancy and related technical subjects;
- 2) Programs not designed for professional competence, such as:
 - a) Information for the general public on matters such as personal money management, personal investments, elementary income tax, social security, and retirement benefits,
 - b) Sales-oriented presentations for office equipment and other system applications;
- 3) Programs that do not contribute to knowledge of the field of accounting, such as:
 - a) Programs restricted to the policies and procedures of a particular company or organization,
 - b) Programs presenting sophisticated scientific and technical knowledge generally considered beyond the scope required for the practice of accountancy.

Audit of CPE Reports – Staff will audit a computer-generated, random sample of licensees each year. If you are selected, it is your responsibility to contact sponsors and obtain verification from them if needed.

On-line License Renewal— The license renewal must be used to report CPE hours. Do not send CPE certificates unless you are being audited. Fractional hours must be rounded down to the nearest half-hour for each course after the first full hour of credit has been earned.

Carry-Forward Hours – Carry-forward hours are designed to be an “insurance policy” to guard against situations where circumstances prevent a licensee from completing the full 40-hour CPE requirement by December 31. If you do not maintain 20 hours of carry-forward, you increase the risk of receiving a letter of warning or being ineligible to renew your certificate. Twenty (20) hours is the maximum carry forward. New North Carolina CPAs should also be aware that they may not claim carry-forward from the calendar year before the year they were certified in North Carolina. Carry-forward hours do not maintain their characteristics (e.g. self-study, group study, ethics, etc.). Note that you may earn half-hours after the first whole hour earned in a single program. Therefore you may carry forward CPE hours in half-hour increments. CPE credit should be rounded down to the nearest half hour after the first whole hour has been earned.

Extensions of Time to Complete CPE — Extensions of time to complete CPE requirements may be requested by submitting a completed extension request form that is available on our web site, www.nccpaboard.gov. However the Board will generally approve extensions only when circumstances indicate a severe personal hardship (e.g., severe illness). Failure to complete courses on time due to business circumstances probably will not be approved. Note that extensions are not granted past June 30. Extension requests must be submitted by April 1.

Penalties for Noncompliance — Licensees who fail to comply with the CPE requirements are subject to a letter of warning or forfeiture as outlined in 21 NCAC 08G .0406(b).

Request a 2009-2010 Renewal Form

All licensees are encouraged to complete the on-line renewal process for the 2009-2010 license year.

A licensee who does not wish to submit credit card information using the secure web site, www.nccpaboard.gov, may submit a copy of his or her on-line renewal form by answering all questions on each page of the renewal, printing each page as it is completed but before clicking the submit button, signing the renewal, and faxing the completed pages, including the completed credit card information page, to the Board at **(919) 733-4209**.

A licensee who wishes to submit the renewal form with a check or money order may do so by answering all questions on each page of the renewal, printing each page as it is completed (but before clicking the submit button), signing the renewal, and mailing the completed pages, with a check or money order for **\$50.00** made payable to **State Board of CPA Examiners**, to: **License Renewal, PO Box 12827, Raleigh, NC 27605-2827**.

A licensee who is unable to complete the renewal form on-line may request that a renewal form be faxed or mailed to him or her by calling the Board at **1-800 211-7930** and leaving a message which includes the licensee's full name, certificate number, fax number or mailing address, and a daytime phone number. A licensee who does not have Internet access may also request a renewal form by completing the form below and mailing or faxing the completed form to the Board.

Forms for inactive and retired status are available on the web site, www.nccpaboard.gov or by calling the Board at **(919) 733-4222**.

REQUEST FOR 2009-2010 LICENSE RENEWAL FORM

Please send a paper copy of my 2009-2010 license renewal form to my (circle one):

Fax Number

Mailing Address

Full Name

Certificate Number

Business/Firm Name

Fax Number

Street Address/PO Box

City/State/Zip Code

Daytime Phone Number



State Board of CPA Examiners

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Pursuant to 21 NCAC 08J .0107, all certificate holders and CPA firms must notify the Board in writing within 30 days of any change in address or business location.