



**North Carolina State Board of Certified Public Accountant Examiners**  
1101 Oberlin Road, Suite 104 • PO Box 12827 • Raleigh NC 27605  
Phone (919) 733-4222 • Facsimile (919) 733-4209 • Web [nccpaboard.gov](http://nccpaboard.gov)

### **Public Rule-Making Hearing Scheduled for September 23, 2019**

The North Carolina State Board of CPA Examiners (Board) has filed a Notice of Text with the [Office of Administrative Hearings \(OAH\)](#) to proceed to a public rule-making hearing (Hearing) to consider the attached rules.

New language is indicated by an underline and deleted language is indicated by a ~~strike-through~~.

Interested parties are encouraged to attend the Hearing to make oral comments or present written testimony on the attached rules. The Hearing is scheduled for 10:00 a.m. on Monday, September 23, 2019, at the Board office at 1101 Oberlin Road, Raleigh, NC 27605.

Interested parties who plan to attend the Hearing to speak on the rules or present written testimony on the rules must notify Robert N. Brooks, the Board's Executive Director, no later than 5:00 p.m. on Monday, September 9, 2019. One copy of the written testimony to be presented at the Hearing must be received by the Board no later than 5:00 p.m. on Monday, September 9, 2019.

All written testimony on the rules must be sent to one of the following:

MAIL            Robert N. Brooks, Executive Director  
                    NC State Board of CPA Examiners  
                    PO Box 12827  
                    Raleigh NC 27605-2827

FAX             (919) 733-4209, ATTN. ROBERT N. BROOKS

EMAIL         [rbrooks@nccpaboard.gov](mailto:rbrooks@nccpaboard.gov)

Written comments received by the Board after 5:00 p.m. on September 30, 2019 (the end of the required comment period) may not be considered by the Board.

No fiscal note is required regarding these proposed rules as there is no fiscal impact on any local, state, state budget, or federal funds. No federal certification of these proposed rule changes is required as these rules are not mandated by any federal statutes or rules.

Posted to [nccpaboard.gov](http://nccpaboard.gov) on 07/10/2019 in accordance with NCGS 150B-19.

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NOTICE OF TEXT  
[Authority G.S. 150B-21.2(c)]

<u>OAH USE ONLY</u>	
VOLUME:	
ISSUE:	

CHECK APPROPRIATE BOX:

- Notice with a scheduled hearing
- Notice without a scheduled hearing
- Republication of text. Complete the following cite for the volume and issue of previous publication, as well as blocks 1 - 4 and 7 - 13. If a hearing is scheduled, complete block 5.  
Previous publication of text was published in Volume:            Issue:

1. Rule-Making Agency: North Carolina State Board of CPA Examiners	
2. Link to agency website pursuant to G.S. 150B-19.1(c): <a href="http://www.nccpaboard.gov">www.nccpaboard.gov</a>	
3. Proposed Action -- Check the appropriate box(es) and list <u>rule citation(s)</u> beside proposed action:	OFFICE OF ADMIN HEARINGS  JUL 10 2019  FILED
<input type="checkbox"/> ADOPTION:  <input type="checkbox"/> READOPTION <u>with</u> substantive changes:  <input type="checkbox"/> READOPTION <u>without</u> substantive changes:  <input checked="" type="checkbox"/> AMENDMENT: 21 NCAC 08G .0401, .0403, .0404, .0406, and .0409  <input checked="" type="checkbox"/> REPEAL: 21 NCAC 08G .0405 and .0410	
4. Proposed effective date: January 1, 2020	
5. Is a public hearing planned? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
If yes: Public Hearing date: September 23, 2019 Public Hearing time: 10:00 a.m. Public Hearing Location: NC State Board of CPA Examiners 1101 Oberlin Road Ste 104 Raleigh, NC 27605	
6. If no public hearing is scheduled, provide instructions on how to demand a public hearing:	

**7. Explain Reason For Proposed Rule(s):** All the rules in Subchapter 08G Continuing Professional Education (CPE) were reviewed, clarified, and amended to comply with current professional standards by a Joint Task Force of the NC State Board of CPA Examiners (Board) and the North Carolina Association of CPAs and reviewed and approved by the Board for rule-making.

**8. Procedure for Subjecting a Proposed Rule to Legislative Review:** If an objection is not resolved prior to the adoption of the rule, a person may also submit written objections to the Rules Review Commission. If the Rules Review Commission receives written and signed objections in accordance with G.S. 150B-21.3(b2) from 10 or more persons clearly requesting review by the legislature and the Rules Review Commission approves the rule, the rule will become effective as provided in G.S. 150B-21.3(b1). The Commission will receive written objections until 5:00 p.m. on the day following the day the Commission approves the rule. The Commission will receive those objections by mail, delivery service, hand delivery, or facsimile transmission. If you have any further questions concerning the submission of objections to the Commission, please call a Commission staff attorney at 919-431-3000.

Rule(s) is automatically subject to legislative review. Cite statutory reference:

**9. The person to whom written comments may be submitted on the proposed rule(s):**

Name: Robert N. Brooks

Address: NC State Board of CPA Examiners  
1101 Oberlin Road Ste 104 Raleigh, NC 27605

Phone (optional): 919-733-1425

Fax (optional): 919-733-4209

E-Mail (optional): rbrooks@nccpaboard.gov

**10. Comment Period Ends:** September 30, 2019

**11. Fiscal impact (check all that apply).**

If this form contains rules that have different fiscal impacts, list the rule citations beside the appropriate impact.

- State funds affected
- Environmental permitting of DOT affected  
Analysis submitted to Board of Transportation
- Local funds affected
- Substantial economic impact ( $\geq$ \$1,000,000)
- Approved by OSBM
- No fiscal note required by G.S. 150B-21.4
- No fiscal note required by G.S. 150B-21.3A(d)(2)

**12. Rule-making Coordinator:**

Felecia F. Ashe

Address: NC State Board of CPA Examiners  
1101 Oberlin Road Ste 104 Raleigh, NC 27605

Phone: 919-733-4223

E-Mail: feleciaa@nccpaboard.gov

Agency contact, if any:

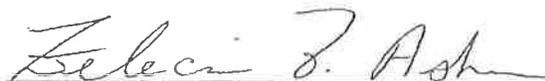
Phone:

E-mail:

**13. The Agency formally proposed the text of this rule(s) on**

Date: May 23, 2019

**14. Signature of Agency Head\* or Rule-making Coordinator:**



\*If this function has been delegated (reassigned) pursuant to G.S. 143B-10(a), submit a copy of the delegation with this form.

Typed Name: Robert N. Brooks

Title: Executive Director

1 21 NCAC 08G .0401 is proposed for amendment as follows:  
2

3 **21 NCAC 08G .0401 CPE REQUIREMENTS FOR CPAS**

4 (a) In order for a CPA to receive ~~CPE credit for a course~~: credit for CPE activities:

5 (1) the CPA shall attend or complete the ~~course~~ activity and receive a certificate of completion as set  
6 forth ~~in Rule .0403(e)(13) of this Section~~; in the Standards for CPE Program Sponsors in the  
7 NASBA/AICPA Statement on Standards for Continuing Professional Education (CPE) Programs,  
8 including subsequent amendments and editions, are hereby incorporated by reference. Copies of the  
9 Standards for CPE Program Sponsors can be found at no cost on the NASBA website at  
10 www.nasbaregistry.org/the-standards;

11 (2) the ~~course~~ activity shall meet the requirements set out in ~~Rule .0404(a) and (e)~~ Rule .0404 of this  
12 Section; and

13 (3) the ~~course~~ activity shall increase the professional competency of the CPA.

14 (b) ~~A course~~ An activity that increases the professional competency of a CPA shall be ~~a course~~ an activity in an area  
15 ~~of accounting of the profession~~ in which the CPA practices or is planning to ~~practice in the future~~, practice, or in the  
16 area of professional ~~ethics~~, or an area of the profession: ethics.

17 (c) Because of differences in the education and experience of CPAs, ~~a course~~ an activity may contribute to the  
18 professional competence of one CPA but not another. Each CPA shall therefore exercise judgment in selecting ~~courses~~  
19 activities for which CPE credit is claimed and choose only those that contribute to that CPA's professional competence.

20 (d) Active CPAs shall complete ~~40 CPE hours~~, 2,000 CPE minutes computed in accordance with Rule .0409 of this  
21 Section by December 31 of each year, except as follows:

22 (1) CPAs having certificate applications approved by the Board in ~~April-June~~ April to June shall  
23 complete ~~30 CPE hours~~ 1,500 CPE minutes during the same calendar year;

24 (2) CPAs having certificate applications approved by the Board in ~~July-September~~ July to September  
25 shall complete ~~20 CPE hours~~ 1,000 CPE minutes during the same calendar year; or

26 (3) CPAs having certificate applications approved by the Board in ~~October-December~~ October to  
27 December shall complete ~~10 CPE hours~~ 500 CPE minutes during the same calendar year. year; and

28 Any CPE minutes completed during the calendar year in which the certificate application is approved may be used for  
29 that year's requirement even if the minutes were completed before the certificate was granted.

30 (e) ~~There shall be no CPE requirements for inactive CPAs.~~ A CPA shall complete a minimum of 50 CPE minutes  
31 annually in activities on regulatory or behavioral professional ethics and conduct. Ethics CPE shall be offered by a  
32 CPE sponsor registered with NASBA pursuant to .0403(c) of this Section.

33 (f) ~~There shall be no CPE requirements for inactive CPAs.~~

34 (f) (g) ~~Any CPE hours completed during the calendar year in which the certificate is approved may be used for that~~  
35 ~~year's requirement even if the hours were completed before the certificate was granted.~~ When a CPA has completed  
36 more than the required number of ~~hours~~ minutes of CPE in any one calendar year, ~~the extra hours, not in excess of 20~~  
37 ~~hours, up to 1,000 minutes~~ shall be carried forward and treated as ~~hours~~ minutes earned in the following year. Ethics

1 CPE ~~hours~~ minutes may not be included in any carry forward ~~hours. minutes~~ to meet the requirement of Paragraph (e)  
2 of this Rule. A CPA shall not claim CPE credit for ~~courses~~ activities taken in any year prior to the year of certification.  
3 ~~(g)~~ (h) Any CPE ~~hours~~ minutes used to satisfy the requirements for change of status as set forth in 21 NCAC 08J  
4 .0105, for reissuance as set forth in ~~21 NCAC 08J .0106~~ 21 NCAC .08J .0106, or for application for a new certificate  
5 as set forth in Rule 08I .0104 of this Chapter may be used to satisfy the annual CPE requirement set forth in Paragraph  
6 (d) of this Rule.  
7 ~~(h)~~ (i) It shall be the CPA's responsibility to maintain records substantiating the CPE credits claimed for the current  
8 year and for each of the four calendar years prior to the current year.  
9 ~~(i)~~ (j) A non-resident licensee may satisfy the annual CPE requirements ~~including this Rule~~ in the jurisdiction in  
10 ~~which he or she~~ where the CPA is licensed and currently works or resides. If there is no annual CPE requirement in  
11 the jurisdiction ~~in which he or she~~ where the CPA is licensed and currently works or resides, ~~he or she~~ the CPA shall  
12 comply with Paragraph (d) of this Rule. A non-resident licensee whose office is in North Carolina shall comply with  
13 Paragraph (e) of this Rule. All other non-resident licensees may satisfy Paragraph (e) of this Rule by completing the  
14 ethics requirements in the jurisdiction in which the non-resident licensee is licensed as a CPA and works or resides.  
15 If there is no ethics CPE requirement in the jurisdiction where the non-resident licensee is licensed and currently works  
16 or resides, the non-resident licensee shall comply with Paragraph (e) of this Rule.

17  
18 *History Note: Authority G.S. 93-12(3); 93-12(8b);*  
19 *Eff. May 1, 1981;*  
20 *Amended Eff. January 1, 2014; January 1, 2007; January 1, 2004; August 1, 1995; April 1, 1994;*  
21 *May 1, 1989; September 1, 1988;*  
22 *Readopted Eff. February 1, 2016.*  
23 *Amended Eff. January 1, 2020.*

21 NCAC 08G .0403 is proposed for amendment as follows:

**21 NCAC 08G .0403 QUALIFICATION OF CPE SPONSORS**

(a) The Board shall not register ~~either CPE activities nor sponsors or providers of CPE courses or CPE courses.~~  
activities.

(b) CPE providers not in good standing on the NASBA National Registry of CPE Sponsors shall comply with the Standards for CPE Program Sponsors in the NASBA/AICPA Statement on Standards for Continuing Professional Education (CPE) Programs found on the NASBA website at [www.nasbaregistry.org](http://www.nasbaregistry.org).

~~(b) (c) Sponsors of continuing education programs activities that are listed in good standing on the NASBA National Registry of CPE Sponsors shall be considered by the Board as compliant with the CPE requirements of Paragraph (e) of this Rule.~~ Standards for CPE Program Sponsors in the NASBA/AICPA Statement on Standards for Continuing Profession Education (CPE) Programs found on the NASBA website at [www.nasbaregistry.org](http://www.nasbaregistry.org).

~~(e) CPE providers not in good standing on the NASBA National Registry of CPE Sponsors shall meet the following requirements:~~

- (1) ~~have an individual who did not prepare the course review each course to be sure it meets the standards for CPE;~~
- (2) ~~state the following in every brochure or other publication or announcement concerning a course:~~
  - (A) ~~the general content of the course and the specific knowledge or skill taught in the course;~~
  - (B) ~~any prerequisites for the course and any advance preparation required for the course and if none, that shall be stated;~~
  - (C) ~~the level of the course, such as basic, intermediate, or advanced;~~
  - (D) ~~the teaching methods to be used in the course;~~
  - (E) ~~the amount of sponsor recommended CPE credit a CPA who takes the course may claim;~~  
~~and~~
  - (F) ~~the date the course is offered, if the course is offered only on a certain date, and, if applicable, the location;~~
- (3) ~~ensure that the instructors or presenters of the course are qualified to teach the subject matter of the course and to apply the instructional techniques used in the course;~~
- (4) ~~evaluate the performance of an instructor or presenter of a course to determine whether the instructor or presenter is suited to serve as an instructor or presenter in the future as follows:~~
  - (A) ~~before the course's conclusion, provide for the attendees an opportunity to evaluate the quality of the course by questionnaires, oral feedback, or other means, in order to determine whether the course's objectives have been met, its prerequisites were necessary, the facilities used were satisfactory, and the course content was appropriate for the level of the course; and~~
  - (B) ~~systematically review the evaluation process to ensure its effectiveness;~~

- 1           (5) ~~encourage participation in a course only by those who have the education and experience for the~~  
2           ~~level of the course;~~  
3           (6) ~~distribute course materials to participants;~~  
4           (7) ~~use physical facilities for conducting the course that are consistent with the instructional techniques~~  
5           ~~used;~~  
6           (8) ~~assign the number of CPE credits each participant may be eligible to receive by either:~~  
7           (A) ~~monitoring attendance at a group course; or~~  
8           (B) ~~testing in order to determine if the participant has learned the material presented;~~  
9           (9) ~~inform instructors and presenters of the results of the evaluation of their performances;~~  
10          (10) ~~retain for five years from the date of the course presentation or completion:~~  
11          (A) ~~a record of participants completing course credit requirements;~~  
12          (B) ~~an outline of the course;~~  
13          (C) ~~the date and location of presentation;~~  
14          (D) ~~the participant evaluations or summaries of evaluations;~~  
15          (E) ~~the documentation of the instructor's qualifications; and~~  
16          (F) ~~the number of contact hours recommended for each participant;~~  
17          (11) ~~have a visible, continuous, and identifiable contact person who is charged with the administration~~  
18          ~~of the sponsor's CPE programs that has the responsibility and shall be accountable for assuring and~~  
19          ~~demonstrating compliance with this Rule by the sponsor or by any other organization working with~~  
20          ~~the sponsor for the development, distribution, or presentation of CPE courses;~~  
21          (12) ~~develop and promulgate policies and procedures for the management of grievances including tuition~~  
22          ~~and fee refunds; and~~  
23          (13) ~~provide persons completing course requirements with written proof of completion indicating the~~  
24          ~~participant's name, the name of the course, the date the course was held or completed, the sponsor's~~  
25          ~~name and address, and the number of CPE hours calculated and recommended in accordance with~~  
26          ~~Rule .0409 of this Section.~~

27 (d) Failure of a National Registry of CPE Sponsor to comply with ~~the terms of~~ this Rule shall be grounds for the  
28 Board to disqualify the sponsor as a CPE sponsor with this Board and to notify NASBA and the public of this action.

29  
30 *History Note: Authority G.S. 93-12(3); 93-12(8b);*

31 *Eff. May 1, 1981;*

32 *Amended Eff. January 1, 2014; January 1, 2007; January 1, 2004; March 1, 1990; May 1, 1989;*

33 *August 1, 1988; February 1, 1983;*

34 *Readopted Eff. February 1, 2016.*

35 *Amended Eff. January 1, 2020.*

21 NCAC 08G .0404 is proposed for amendment as follows:

**21 NCAC 08G .0404 REQUIREMENTS FOR CPE CREDIT**

(a) A CPA shall not be granted CPE credit for ~~a course~~ an activity unless the ~~course; activity is in one of the fields of study listed in the NASBA Fields of Study, including subsequent amendments and editions, which are hereby incorporated by reference. Copies of the NASBA Fields of Study can be found at no cost on the NASBA website at [www.nasbaregistry.org/the-standards](http://www.nasbaregistry.org/the-standards).~~

- (1) ~~is in one of the seven fields of study recognized by the Board and set forth in Paragraph (b) of this Rule;~~
- (2) ~~is developed by an individual who has education and work experience in the subject matter of the course; and~~
- (3) ~~uses instructional techniques and materials that are current and accurate as set forth by Rule .0403 of this Section.~~

(b) ~~The seven fields of study recognized by the Board are:~~

- (1) ~~Accounting and Auditing~~
  - (A) ~~Accountancy~~
  - (B) ~~Accounting—Governmental~~
  - (C) ~~Auditing~~
  - (D) ~~Auditing—Governmental~~
- (2) ~~Consulting Services~~
  - (A) ~~Administrative Practice~~
  - (B) ~~Social Environment of Business~~
- (3) ~~Ethics~~
  - (A) ~~Behavioral Ethics~~
  - (B) ~~Regulatory Ethics~~
- (4) ~~Management~~
  - (A) ~~Business Law~~
  - (B) ~~Business Management and Organization~~
  - (C) ~~Finance~~
  - (D) ~~Management Advisory Services~~
  - (E) ~~Marketing~~
- (5) ~~Personal Development~~
  - (A) ~~Communications~~
  - (B) ~~Personal Development~~
  - (C) ~~Personnel/HR~~
- (6) ~~Special Knowledge and Applications~~
  - (A) ~~Computer Science~~

- 1                    (B)     Economics
- 2                    (C)     Mathematics
- 3                    (D)     Production
- 4                    (E)     Specialized Knowledge and Applications
- 5                    (F)     Statistics
- 6                    (7)     Tax

7 (e) (b) The following may ~~shall~~ qualify as acceptable types of continuing education programs; CPE activities, provided  
 8 the ~~programs~~ activities comply with the requirements set forth in ~~Paragraph (a) of this Rule; Paragraphs (b) or (c) of~~  
 9 .0403 of this Section:

- 10                   (1)     professional development ~~programs~~ activities of national and state accounting organizations;
- 11                   (2)     technical sessions at meetings of national and state accounting organizations and their chapters;
- 12                   (3)     courses taken at regionally accredited colleges and universities;
- 13                   (4)     educational ~~programs~~ activities that are designed and intended for continuing professional education  
 14 activity conducted within a business, accounting firm, or an association of accounting firms; or
- 15                   (5)     correspondence ~~courses~~ activities that are designed and intended for continuing professional  
 16 education ~~activity; education.~~

17 (d) (c) CPE credit may ~~shall~~ be granted for ~~teaching a CPE course~~ instructing or authoring a ~~publication~~ CPE activity  
 18 as long as ~~the preparation to teach or write~~ increased the CPA's professional competency was increased and was in  
 19 one of the ~~seven~~ fields of study recognized by the ~~Board and Board, as~~ set forth in Paragraph (b) (a) of this Rule.

20 (e) (d) CPE credit shall not be granted for a self-study ~~course~~ activity if the material that the CPA must study to take  
 21 the examination is not designed for CPE purposes. This includes periodicals, guides, magazines, subscription services,  
 22 books, reference ~~manuals~~ manuals, and supplements that contain an examination to test the comprehension of the  
 23 material read.

24 (f) (e) A CPA may claim credit for a ~~course~~ an activity offered by a ~~non-registered sponsor~~ provided that provider if  
 25 the ~~course~~ activity meets the requirements of this Rule and ~~Rules .0403(e); and .0409~~ Rule .0409 of this Section. The  
 26 CPA shall maintain documentation proving ~~that the course~~ activity met these standards.

27  
 28 *History Note: Authority G.S. 93-12(8b);*  
 29 *Eff. May 1, 1981;*  
 30 *Amended Eff. January 1, 2007; January 1, 2004; August 1, 1998; February 1, 1996; March 1, 1990;*  
 31 *May 1, 1989; August 1, 1988; February 1, 1983;*  
 32 *Readopted Eff. February 1, 2016.*  
 33 *Amended Eff. January 1, 2020.*

AGENCY RETURN  
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1 21 NCAC 08G .0405 is proposed for repeal as follows:

2

3 **21 NCAC 08G .0405      ADMINISTRATION OF REQUIREMENT**

4

5 *History Note:      Authority G.S. 93-12(8b);*

6 *Eff. May 1, 1981;*

7 *Amended Eff. October 1, 1984; January 1, 1982;*

8 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28,*

9 *2014.*

10 *Repealed Eff. January 1, 2020.*

1 21 NCAC 08G .0406 is proposed for amendment as follows:  
2

3 **21 NCAC 08G .0406 COMPLIANCE WITH CPE REQUIREMENTS**

4 (a) All active CPAs shall file ~~with the Board a completed a reporting of CPE reporting form~~ minutes by the July 1  
5 renewal date of each year. The Board may audit information submitted by licensees who apply for a renewal license.

6 (b) If a CPA fails to complete the CPE requirements prior to the end of the previous calendar year but the CPA has  
7 completed them by June 30, the Board may:

8 (1) issue a letter of warning for the first such failure within a ~~five-calendar~~ five-calendar year period;  
9 and

10 (2) deny the renewal of the CPA's certificate for a period of not less than 30 days and until the CPA  
11 meets the reinstatement requirements set forth in 21 NCAC 08J .0106 for the second such failure  
12 within a ~~five-calendar~~ five-calendar year period.  
13

14 *History Note: Authority G.S. 93-12(8b); 93-12(9)(e);*

15 *Eff. May 1, 1981;*

16 *Amended Eff. January 1, 2007; January 1, 2004; April 1, 1994; March 1, 1990; May 1, 1989;*

17 *October 1, 1988;*

18 *Readopted Eff. February 1, 2016.*

19 *Amended Eff. January 1, 2020.*

1 21 NCAC 08G .0409 is proposed for amendment as follows:

2  
3 **21 NCAC 08G .0409 COMPUTATION OF CPE CREDITS**

4 (a) ~~Group Courses: Non-College. Activity.~~ CPE credit for a group ~~course~~ activity that is not part of a college  
5 ~~curriculum shall be given based on contact hours. minutes.~~ A contact hour shall be 50 minutes of instruction and one-  
6 ~~half contact hour shall be equal to 25 minutes of instruction.~~ For example, a group course lasting 100 minutes shall  
7 ~~be two contact hours equaling two CPE credits. A group course lasting 75 minutes shall be one and one-half contact~~  
8 ~~hours equaling one and one-half CPE credits. A group course lasting 25 minutes shall be one-half contact hour and~~  
9 ~~equal to one-half CPE credit. When individual segments of a group course are less than 50 minutes, the sum of the~~  
10 ~~individual segments shall be added to determine the number of contact hours. For example, five 30-minute~~  
11 ~~presentations shall be 150 minutes, which shall be three contact hours and three CPE credits. No credit shall be allowed~~  
12 ~~for a segment unless the participant completes the entire segment. Internet-based programs shall employ a monitoring~~  
13 ~~mechanism to verify that participants are participating during the duration of the course. No credit shall be allowed~~  
14 ~~for a group course having fewer than 25 minutes of course instruction.~~

15 (b) ~~Completing a College Course.~~ CPE credit for completing a college course in the college curriculum shall be  
16 granted based on converting the number of credit hours the college gives the CPA for completing the ~~course.~~ course  
17 into minutes. One semester hour of college credit shall be ~~15~~ 750 CPE credits; ~~minutes.~~ one-quarter hour of college  
18 credit shall be 10 CPE credits; and ~~one continuing education unit shall be 10 CPE credits.~~ No CPE credit shall be  
19 given to a CPA who audits a college course. No more than 50 percent of the CPE credits required for a year shall be  
20 credits for completing a college course.

21 (c) ~~Self Study. Study Activity.~~ CPE credit for a self-study ~~course~~ activity shall be given based on the average number  
22 of ~~contact hours needed to complete the course.~~ minutes needed to complete the activity as determined by the sponsor.  
23 ~~The average completion time shall be allowed for CPE credit. A sponsor shall determine on the basis of pre-tests or~~  
24 ~~NASBA word count formula the average number of contact hours of course material it takes to complete a course. A~~  
25 ~~contact hour shall be 50 minutes and one-half contact hour shall be 25 minutes of course material. No self-study~~  
26 ~~course may contain less than 25 minutes of course material.~~

27 (d) ~~Instructing Preparing or Presenting a CPE Course. Activity.~~ CPE credit for ~~teaching~~ preparing or presenting a  
28 ~~CPE course activity~~ for CPAs shall be given based on the number of ~~contact hours~~ minutes spent in preparing ~~and or~~  
29 ~~presenting the course. activity.~~ Preparing includes activities such as authoring or conducting a technical review. No  
30 more than 50 percent of the CPE credits required for a year shall be credits for preparing for ~~and or~~ presenting CPE  
31 ~~courses. activities.~~ CPE credit for preparing or presenting ~~a course~~ an activity shall be allowed only once a year for a  
32 ~~course~~ an activity prepared or presented more than once in the same year by the same CPA.

33 (e) ~~Authoring a Publication.~~ CPE credit for published articles and books shall be given based on the number of ~~contact~~  
34 ~~hours~~ minutes the CPA spent writing the article or book. No more than 25 percent of a CPA's required CPE credits  
35 for a year shall be credits for published articles or books. An article written for a CPA's client or business newsletter  
36 shall not receive CPE credit.

1 (f) Instructing a ~~Graduate Level~~-College Course. CPE credit for instructing a ~~graduate level~~ college course above the  
2 level of accounting principles shall be given based on the number of credit hours the college gives a student for  
3 completing the course, using the calculation set forth in Paragraph (b) of this Rule. ~~Credit shall not be given for~~  
4 ~~instructing a course in which there is credit given towards an undergraduate degree.~~ No more than 50 percent of the  
5 CPE credits required for a year shall be credits for instructing a college course.

6 (g) Nano Learning Activity. CPE credit for Nano Learning, a tutorial activity without interaction with a real-time  
7 instructor that is designed to permit a participant to learn a given subject through electronic media including  
8 technology applications/processes, computer-based or web-based technology, shall be based on the number of contact  
9 minutes. Nano Learning is not a group program. This CPE activity shall be offered by a CPE sponsor registered with  
10 NASBA pursuant to Rule .0403(c) of this Section.

11 (h) Blended Learning Activity. A Blended Learning program offers participants learning in multiple formats or  
12 delivery methods. Activities can include lectures, discussion, guided practice, games, case studies, and simulation.  
13 The varied delivery methods include Group Live, Group Internet Based, Self Study, or Nano Learning. The primary  
14 component of the program may be concurrent (a group program) or nonconcurrent, allowing the participant to control  
15 a portion of the time and place of the learning. CPE credit for Blended Learning shall be based on the number of  
16 contact minutes incorporated in all the learning formats in the Blended Learning activity. This CPE activity shall be  
17 offered by a CPE sponsor registered with NASBA pursuant to Rule .0403(c) of this Section.

18 ~~(g)~~ (i) No more than 50 percent of the CPE credits required for a year shall be credits claimed under Paragraph ~~(d)~~  
19 ~~and (f)~~ Paragraphs (b), (d), and (f) of this Rule.

20  
21 *History Note: Authority G.S. 93-12(8b);*

22 *Eff. May 1, 1989;*

23 *Amended Eff. July 1, 2015; January 1, 2014; February 1, 2012; January 1, 2007; January 1, 2004;*

24 *February 1, 1996; April 1, 1994; March 1, 1990;*

25 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 28,*  
26 *2014.*

27 *Amended Eff. January 1, 2020.*

AGENCY RETURN  
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1 21 NCAC 08G .0410 is proposed for repeal as follows:

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3 **21 NCAC 08G .0410      PROFESSIONAL ETHICS AND CONDUCT CPE**

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5 *History Note:*      *Authority G.S. 93-12(3); 93-12(8b); 93-12(9);*

6                              *Eff. January 1, 2005;*

7                              *Amended Eff. January 1, 2014; February 1, 2012; January 1, 2007; January 1, 2006;*

8                              *Readopted Eff. February 1, 2016;*

9                              *Repealed Eff. January 1, 2020.*