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## PERMANENT ADMINISTRATIVE ORDER

### BOA 3-2023

CHAPTER 801

OREGON BOARD OF ACCOUNTANCY

**FILED**

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ARCHIVES DIVISION  
SECRETARY OF STATE  
& LEGISLATIVE COUNSEL

FILING CAPTION: Streamlines rules for applicants for licensure and CPAs/PAs to respond to workforce pipeline issues.

EFFECTIVE DATE: 10/01/2023

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#### RULES:

801-001-0005, 801-001-0035, 801-010-0050, 801-010-0060, 801-010-0065, 801-010-0073, 801-010-0075, 801-010-0079, 801-010-0080, 801-010-0085, 801-010-0100, 801-010-0110, 801-010-0120, 801-010-0130, 801-040-0010, 801-040-0030, 801-040-0050, 801-040-0100, 801-040-0160

AMEND: 801-001-0005

RULE TITLE: Model Rules of Procedure

NOTICE FILED DATE: 08/10/2023

RULE SUMMARY: Date change associated with keeping rules and professional standards current.

#### RULE TEXT:

Pursuant to ORS 183.341, the Oregon Board of Accountancy adopts the Attorney General's Uniform and Model Rules of Procedure in effect on January 1, 2023.

[ED. NOTE: The full text of the Attorney General's Model Rules of Procedure is available from the office of the Attorney General or Board of Accountancy.]

STATUTORY/OTHER AUTHORITY: ORS 670.310, 673.410

STATUTES/OTHER IMPLEMENTED: ORS 183.341

AMEND: 801-001-0035

RULE TITLE: Professional Standards

NOTICE FILED DATE: 08/10/2023

RULE SUMMARY: Date change associated with keeping rules and professional standards current.

RULE TEXT:

The professional standards, interpretations, rulings and rules designated and adopted by the Board in OAR Chapter 801 are those in effect as of January 1, 2023.

STATUTORY/OTHER AUTHORITY: ORS 183.332, 673.410

STATUTES/OTHER IMPLEMENTED: ORS 183.337, 673.410

AMEND: 801-010-0050

RULE TITLE: Application for Uniform CPA Examination

NOTICE FILED DATE: 08/10/2023

RULE SUMMARY: Aligns education requirements more closely to the Uniform Accountancy Act and increases the total internship credits allowed.

RULE TEXT:

(1) Definitions.

(a) Authorization to Test (ATT): Issued by NASBA on behalf of the Board of Accountancy to eligible exam candidates to authorize the candidate to test for specified sections of the CPA exam. The ATT may be issued for one or more CPA exam sections. Each ATT authorizes the candidate to take each CPA exam section designated in the ATT one time only. The ATT may become expired as to one exam section named in the ATT, and remain valid as to other specified exam sections. The candidate must submit an application and re-examination fee to NASBA for any exam section that is expired under the ATT or to retake any section of the CPA Exam not passed.

(b) Notice to Schedule (NTS): Issued by NASBA and enables the candidate to schedule testing at an examination test center. The NTS will remain open until the candidate schedules testing or until six months have elapsed since the NTS was issued, whichever occurs first.

(c) Testing Opportunity: Each NTS issued for an exam section is considered a testing opportunity. A candidate may not retake a failed exam section(s) until the score for that section has been released.

(2) Applications.

(a) Applications for the CPA exam must be submitted to NASBA on a form provided by NASBA and must be accompanied by the appropriate fee as provided for by NASBA. The act of filing an application for the CPA exam constitutes an agreement by the candidate to observe and comply with the CPA Exam rules adopted by the Board.

(b) An application will not be reviewed until the application fee and all required supporting documents have been received, including proof of identity (as determined by the Board and specified on the application form), official transcripts and/or evaluation of foreign credentials from NASBA International Evaluation Services (NIES) and evidence that the candidate has met eligibility requirements.

(c) All foreign academic credentials submitted as evidence of eligibility for the CPA exam are required to be evaluated by NASBA International Evaluation Services (NIES).

(d) An application for the CPA examination must be complete in every particular within 90 days from the date it is received by NASBA. If an application is incomplete, the candidate will be found ineligible and the file will be closed. A candidate whose file has been closed as described herein is required to submit a new application, application fee and all required documents.

(e) Candidates shall pay NASBA's CPA exam application fee and all other fees associated with the CPA exam to NASBA. All CPA exam fees are non-refundable. If a candidate fails to appear for a scheduled testing at an approved test center, all fees paid will be forfeited for the examinations scheduled on that day.

(f) At the time of application and during the time any ATT issued by NASBA on behalf of the Oregon Board of Accountancy is open, the candidate must not have an open ATT for the same section in any other state or jurisdiction.

(g) The candidate must certify at the time of application that they are in compliance with subsection (f) of this rule. Falsifying this certification or including any false, fraudulent, or materially misleading statements on the application for the examination, or including any material omission on the application for the examination is cause for disciplinary action under ORS 673.170.

(3) Eligibility under education requirements. Candidates for admission to the CPA exam applying under the educational requirements of ORS 673.050(1) must demonstrate eligibility as follows:

(a) 150 Hour rule: Satisfactory evidence that the candidate has successfully completed 150 semester hours or 225 quarter hours, including:

(A) A baccalaureate or higher degree from a college or university that is accredited by one of the six regional accrediting

associations or by another accrediting body that is recognized by the Board as described in ORS 673.050(1);

(B) A minimum of 24 semester hours or 36 quarter hours, or the equivalent thereof, in the study of core accounting coursework at the upper division or graduate level in some or all of the subject-matter content areas listed below:

- (i) Financial accounting and reporting for business organizations.
- (ii) Financial statement auditing
- (iii) Taxation
- (iv) Accounting information systems
- (v) Financial accounting and reporting for government and not-for-profit entities.
- (vi) Attestation engagements
- (vii) Managerial or cost accounting
- (viii) Mergers and acquisitions
- (ix) Tax and financial planning
- (x) Fraud examination
- (xi) Internal controls and risk assessment
- (xii) Financial statements analysis
- (xiii) Accounting research analysis
- (xiv) Tax research and analysis
- (xv) Business law taught as an accounting course covering business and accounting laws and regulations.
- (xvi) Data analytics, data interrogation techniques, and/or digital acumen in accounting context, whether taken in the business school or in another college or university program, such as the engineering, computer science, or math programs.
- (xvii) Ethics (accounting course)
- (xviii) Other accounting-related content areas included in the Uniform CPA Examination Blueprints or as may be approved by the board.

(C) A minimum of 24 semester hours or 36 quarter hours in business or accounting courses, at the undergraduate and/or graduate level, covering some or all of the following subject-matter content:

- (i) Business law
- (ii) Economics
- (iii) Management
- (iv) Marketing
- (v) Finance
- (vi) Business communications: whether taken in the business school or in another college or university program, such as English, Speech Communications, or other courses designed to improve a student's communication skills.
- (vii) Statistics
- (viii) Quantitative methods
- (ix) Information systems or technology
- (x) Data analytics, data interrogation techniques, and/or digital acumen, whether taken in the business school or in another college or university program, such as the engineering, computer science, or math programs.
- (xi) Ethics (business course)
- (xii) Other business-related content areas included in the Uniform CPA Examination Blueprints or as may be approved by the Board.
- (xiii) Additional accounting courses in excess of 24 semester hours or 36 quarter hours.

(D) Credit for community college courses. Applicants who have earned a baccalaureate or higher degree from a regionally accredited college or university may obtain additional hours from a community college, if such hours would be transferable to an accredited college or university.

(E) Internship or Accounting Internship courses are limited to a maximum of 12 semester hours or 18 quarter hours. A maximum of four semester hours or six quarter hours may be counted toward the core accounting courses if the credit

is upper division and accounting coded.

(F) Courses taken for CPA Exam preparation or review do not qualify toward the accounting specific course requirement or the related subject course requirements.

(G) A candidate will only receive credit for a course one time.

(b) Evidence of eligibility. Candidates must meet all requirements under this rule at the time of application. Satisfactory evidence of the educational requirement may be provided in the following manner:

(A) Candidates who have completed all course requirements and been awarded a baccalaureate or higher degree must provide an official transcript(s) demonstrating successful completion of all courses required under these rules, and that a degree was awarded.

(B) Candidates who have completed all course requirements at the time of application, but for whom a baccalaureate degree has not yet been awarded must provide an official transcript(s) showing successful completion of all courses required under these rules, together with a letter from the Registrar's Office of the college or university stating that the candidate has met the degree requirements and the date that the degree will be awarded.

(C) Only official transcripts that are forwarded directly to NASBA by the issuing college or university will be accepted.

(D) Colleges or universities which are accredited by one of the six regional accrediting associations or by another accrediting body that is recognized by the Board will be accepted.

(4) Eligibility under experience standards. Candidates for the CPA exam who are applying under the experience requirements of ORS 673.050(2) to be licensed as a Public Accountant must submit satisfactory evidence that:

(a) The candidate graduated from a high school with a four-year program, or the equivalent; and

(b) The candidate completed two years of experience in public accountancy or the equivalent satisfactory to the Board that meets the requirements of OAR 801-010-0100(2) and 801-010-0065(2).

(5) Authorization to Test (ATT) and Notice to Schedule (NTS).

(a) An ATT authorizes the candidate to test for those sections of the CPA exam that are specified in the ATT. An ATT is effective for 90 days, pending payment of the exam section fees to NASBA. The ATT will expire 90 days after it is issued if the candidate has not paid the appropriate fees.

(b) Suspension of the ATT. An ATT may be suspended by NASBA if it determines that a problem related to the candidate is identified on the National Candidate Database, or for other good cause as determined by the Board.

(c) Payment of CPA Exam testing fees. To obtain a Notice to Schedule (NTS), the candidate must remit the CPA exam testing fees required for the CPA exam sections specified in the ATT to NASBA within ninety (90) days from the date the ATT is issued. Failure to remit the required fees and obtain the NTS will cause the ATT to expire, and the candidate must submit a re-examination application to NASBA, with the appropriate CPA exam fee, to receive another ATT.

(d) NTS. When the candidate receives an ATT from NASBA, the candidate is required to:

(A) Submit to NASBA payment of all fees related to testing of the CPA exam sections authorized by the ATT;

(B) Upon receipt of the NTS, contact an approved test center to schedule the time and place for testing of the exam sections authorized by the NTS. CPA exam sections do not have to be scheduled on the same date.

(C) The NTS remains valid for each exam section until the candidate schedules testing for that specific section, or for six months from the date the NTS was issued, whichever occurs first.

(D) The NTS expires when:

(i) The candidate schedules and takes a designated exam section; or

(ii) The candidate schedules a testing date for a designated exam section but fails to appear and take the section at the scheduled time; or

(iii) The candidate fails to schedule a designated exam section within the six-month period defined by the NTS; or

(e) Testing. A candidate may schedule testing at an approved testing center in Oregon or in another jurisdiction. A list of approved testing centers is available through NASBA. Candidates must comply with the procedures and rules of the test center.

(f) Re-examination. A completed re-examination application and payment of the appropriate fee to NASBA is required:

(A) To take an exam section for which the candidate has not previously applied; or

- (B) To retake any exam section that the candidate does not pass; or
- (C) To obtain an ATT for any exam section that the candidate failed to schedule during the six-month period for which a previous NTS was issued; or
- (D) To obtain an ATT for any exam section for which the candidate failed to obtain an NTS during the ninety (90) day period after the date the ATT was issued.
- (g) Request for extension of NTS. The Board, in its discretion, may grant a request for extension of the 6-month NTS window for:
  - (A) Reasons of health, certified by a medical doctor, that prevent the candidate from completing the CPA exam section(s) listed on the NTS; or
  - (B) A candidate on active military duty who is deployed during the 6-month period of the NTS; or
  - (C) Other good cause, to be determined by the Board on a case-by-case basis.
  - (D) A request for extension of a valid NTS must be submitted to NASBA in writing prior to the expiration of the NTS and must include documentation supporting the conditions for extension.

STATUTORY/OTHER AUTHORITY: ORS 670.310, 673.050, 673.100

STATUTES/OTHER IMPLEMENTED: ORS 673.050, 673.100, 673.410

AMEND: 801-010-0060

RULE TITLE: Credit for Uniform CPA Examination Sections

NOTICE FILED DATE: 08/10/2023

RULE SUMMARY: Aligns method of determining exam window with NASBA recommendation to start window with score release date of the first passed section.

RULE TEXT:

(1) Exam section requirements.

(a) A candidate may sit for any of the four sections of the computer-based CPA exam individually and in any order. A candidate who fails to pass any section of the exam may retake that section; however, a candidate may not retake a failed section until the score has been released for that section.

(b) Candidates who are eligible under ORS 673.050(2) (2001 Edition) to take the CPA exam as a public accountant candidate are required to take and pass the following two sections of the CPA exam within an eighteen (18) month window: Financial Accounting and Reporting (FAR), and Regulation (REG).

(2) Credit for CPA exam sections.

(a) Passing Grade. The passing grade for all sections of the exam is 75.

(b) Credit for Computer Based CPA Exam. A candidate may take the required exam sections individually and in any order. Credit for any exam section(s) passed is valid for eighteen (18) months from the date NASBA publishes the score for that section(s), without having to attain a minimum score on any failed section and without regard to whether the candidate has taken other exam sections provided that:

(A) Candidates must pass all four sections of the CPA exam within a rolling eighteen month period, which begins on the date the score of the first passed section is released;

(B) Upon passing any CPA exam section, the passing date of that section is the date the candidate took the section; and

(C) Candidates who do not pass all sections of the CPA exam within the rolling eighteen month period lose credit for any section passed outside the eighteen month period and that section must be retaken.

(c) The Board may extend the period for conditional credit for an exam section upon demonstration by the candidate that the credit was lost because of circumstances beyond the candidate's control.

(d) The time limitations for a candidate to complete all sections of the CPA exam may be extended by the Board on a case-by-case basis due to illness, accident or other exigent circumstance, and shall be extended during the time a candidate is in active military service. A written request must be received by the Board that includes documentation supporting the request for extension.

(3) Transfer of CPA exam scores from other jurisdictions. The Board allows NASBA to transfer CPA exam scores and grant credit to a candidate who has successfully completed any section of the CPA exam in another jurisdiction if NASBA determines that:

(a) The examination for which credit is requested is the Uniform Certified Public Accountant Examination;

(b) The candidate received a grade of 75 or higher in the section passed; and

(c) A candidate who first sat for the CPA exam after January 1, 2000, and met the 150 hour educational requirement at the time the section was taken and passed for which grades are requested to be transferred. Candidates must provide NASBA with official transcripts to verify the educational requirements have been met.

(d) An exam score transferred from another jurisdiction is valid for eighteen (18) months from the date the exam section was passed.

STATUTORY/OTHER AUTHORITY: ORS 670.310, 673.410

STATUTES/OTHER IMPLEMENTED: ORS 673.050, 673.060, 673.075

AMEND: 801-010-0065

RULE TITLE: Qualifications for Licensure

NOTICE FILED DATE: 08/10/2023

RULE SUMMARY: Removes portfolio requirement and updates experience required for licensure.

RULE TEXT:

(1) Requirements. Applicants for the license of Certified Public Accountant must meet the following requirements:

- (a) Complete and pass all sections of the CPA exam
- (b) Complete and pass an ethics exam that has been adopted by the Board with a score of 90 or above; and
- (c) Have a minimum of 12 months and at least 2000 hours of supervised employment.
- (d) Applicants for the CPA license must obtain the experience in each of the seven competencies as described in sections (2) through (4) of this rule.
- (e) The experience, ethics and examination requirements must be obtained and completed within eight years immediately preceding the date the application for license was received at the Board office.

(2) Experience Requirements:

- (a) Supervisor Licensee is a person who qualifies under this rule as a supervisor for the purpose of verifying the experience requirement of an applicant for a CPA license under OAR 801-010-0065 or the experience requirement of an applicant for a public accountant license under 801-010-0100.
- (b) To qualify as a supervisor licensee the person providing supervision must hold an active CPA license issued by any state or a PA license issued under ORS 673.100 during the period of supervision and for at least five of the past seven years immediately prior to such supervision. Notwithstanding, a public accountant (PA) may not act as a supervising licensee or verify an applicant's experience relating to attestation services.
- (c) A supervisor licensee must provide direct supervision over an applicant and shall certify to the Board whether or not the applicant has gained qualifying experience under this rule.
- (d) "Direct supervision" as used in this rule means that there is a regular and meaningful interaction between the supervisor licensee and the person being supervised in terms of planning, coordinating, guiding, inspecting, controlling, and evaluating activities, and having authority over the employee being supervised. A licensee acting as a consultant or independent contractor to the applicant's employer will not meet the requirement of direct supervision.
- (e) The experience required under ORS 673.040 consists of activities generally performed by Oregon licensed CPAs and PAs engaged in the practice of public accountancy. Experience obtained while performing attest, compilations, financial advisory services or tax advisory services must be performed while employed at a public accounting firm.

(3) Experience requirement. The applicant must develop experience that demonstrates to the satisfaction of the Board that the applicant has achieved each of the following competencies, together with the supervisory licensee verification.

- (a) Understanding of the Code of Professional Conduct promulgated and adopted by the Board;
- (b) Ability to assess the achievement of a client's objectives by demonstrating knowledge of various business organizations, understanding of the objectives and goals of business entities, ability to develop and analyze performance measures and critical success factors, and understanding of the economic and regulatory trends that affect the environment of a business entity.
- (c) Experience in preparing working papers that include sufficient relevant data to support the analysis and conclusions required by the applicant's work.
- (d) Understanding transaction streams and information systems, including the ability to understand how individual transactions aggregate at the organizational level, to infer how transactions impact the organization as a whole, and to evaluate the integrity and reliability of various client information systems, including relevant computer aspects.
- (e) Skills in risk assessment and verification demonstrated by a sufficient understanding of accounting and other information systems to:
  - (A) Assess the risk of misstatement in an information system;
  - (B) Obtain sufficient relevant data based on the risk of misstatement and the nature of the engagement to determine



the appropriateness of underlying data in terms of its completeness, existence and occurrence, valuation and allocation, rights and obligations, presentation and disclosures.

(f) Skills in decision making, problem solving, critical analytical thinking, including the ability to evaluate and interpret sufficient relevant data in a variety of engagements and settings.

(g) Ability to express scope of work, findings, and conclusions, including the ability to determine when it is appropriate to issue reports on financial statements, system reliability, or reports expressing scope of work, findings and conclusions.

(4) Qualifying experience. An applicant must demonstrate to the satisfaction of the Board that the portfolio of experience submitted is of sufficient quality and diversity to meet the requirements of this rule. Qualifying experience may be obtained in the following categories:

(a) Attest Experience that demonstrates the competencies prescribed in section (3) of this rule must be obtained while the applicant is:

(A) Employed in public practice on the staff of a certified public accountant or a firm of certified public accountants;

(B) Employed in an organization where employment is equivalent to that described in paragraph (4)(a)(A) of this rule if a peer review is conducted or if such employment is with audit agencies, internal audit departments or other organizations where a peer review is conducted and the audit agency, internal audit department, or other organization is independent of the entity.

(C) Experience under this subsection must include:

(i) Conducting attest-oriented functions where third party reliance is an objective of the report;

(ii) Drafting reports in accordance with professional standards;

(iii) Drafting or evaluating the completeness and accuracy of financial statements with footnotes in accordance with generally accepted accounting principles or applicable reporting framework.

(D) "Third party reliance" as used in this rule means:

(i) Actual third party reliance, such as takes place with respect to the reader of financial statements upon which an audit opinion has been rendered by a public accountant licensed in Oregon or a certified public accountant;

(ii) Audits performed by government agencies, including tax authorities, on organizations which are not subject to management control by the auditing agency; or

(iii) Financial audits performed by independent working groups where the purpose of the audit is reliance by the board of directors on the fairness of the presentation of internally generated financial statements in accordance with generally accepted accounting principles or applicable reporting framework.

(E) Attest experience may be evaluated on a case-by-case basis to ensure that experience meets the criteria of subsections (3)(a) through (g).

(b) Tax Experience that demonstrates the competencies prescribed in section (3) of this rule must be obtained while the applicant is:

(A) Employed in public practice on the staff of a public accountant, a certified public accountant or a firm of public accountants or certified public accountants;

(B) Engaged in employment that is equivalent to that described in paragraph (4)(b)(A) of this rule.

(C) Tax experience related to subsection (3)(a) of this rule will include the practice of tax with integrity, objectivity, independence, professional judgment, due professional care, and professional skepticism.

(D) Tax experience related to subsection (3)(b) of this rule will be in the context of federal and state tax law, federal and state tax regulation, judicial precedence and other technical tax sources applied to a variety of taxable and nontaxable business entities, non-business entities, individuals, families, estates and trusts.

(E) Tax experience related to subsection (3)(c) of this rule will be in the context of records that are clearly organized, complete, cross-referenced and with adequate documentation and support for positions taken or proposed within the context of federal and state tax law, federal and state tax regulations, judicial precedence and other technical tax sources.

(F) Tax experience related to subsection (3)(d) of this rule will be in the context of the application of tax law to various

types of transactions both individually and in the aggregate and both actual and proposed.

(G) Tax experience related to subsection (3)(e) of this rule will be in the context of the evaluation of the reasonableness of data provided by clients and the sufficiency and adequacy of the data to support reasonable tax positions and conclusions.

(H) Tax experience related to subsection (3)(f) of this rule will be in the context of identifying tax issues, researching technical guidance, choosing appropriate courses of action and proposing solutions.

(I) Tax experience related to subsection (3)(g) of this rule will be in the context of researching and preparing supporting documents for technical tax positions.

(J) Tax experience may be evaluated on a case-by-case basis to ensure that experience meets criteria of subsections (3)(a) through (g).

(c) Industry, government and not-for-profit experience. Experience that demonstrates the competencies described in section (3) of this rule may also be obtained while the applicant is employed under the direct supervision of a public accountant or certified public accountant as provided under this rule.

(A) Industry experience related to subsection (3)(a) of this rule, will include the practice of accountancy with integrity, objectivity, independence, professional judgment, due professional care and professional skepticism.

(B) Industry experience related to subsection (3)(b) of this rule, will be in the context of assessing the objectives and goals, performance measures, critical success factors and the economic and regulatory trends affecting the applicant's company and industry.

(C) Industry experience related to subsection (3)(c) will be in the context of documenting an analysis of a financial accountancy issue affecting the applicant's company from the collection and summarization of financial data to the identification of alternative conclusions such that others of equal training and experience can trace information to source data and draw similar conclusions.

(D) Industry experience related to subsection (3)(d) of this rule will be in the context of understanding the entity's transactions streams and information systems and evaluating the integrity and reliability of the resultant information.

(E) Industry experience related to subsection (3)(e) of this rule will be in the context of evaluating risks of misstated financial data within the applicant's company and taking action to mitigate those risks.

(F) Industry experience related to subsection (3)(f) of this rule will be in the context of identifying significant data trends and the impact of the trends on the applicant's company on both a short and long term basis.

(G) Industry experience related to subsection (3)(g) of this rule will be in the context of both written and oral presentation of financial information and related accounting conventions within the applicant's company that include the significance of the financial information, applicable accounting rules and consideration of alternatives and conclusions drawn.

(H) Industry, government, and not-for-profit experience may be evaluated on a case-by-case basis to ensure that experience meets criteria of subsections (3)(a) through (g).

(d) Experience, other than experience described in subsections (4)(a), (b), and (c) of this rule will be evaluated by the Board on a case-by-case basis to ensure that experience meets the criteria of subsections (3)(a) through (g).

(5) Submitting applications to the Board.

(a) An applicant's file must be complete in every particular within three months of the date of application or the file will be closed. The application fee is not refundable.

(b) An applicant's file may be included on the agenda of any meeting of the Board if the file is complete in every particular no less than fourteen days prior to the date of a scheduled Board meeting.

STATUTORY/OTHER AUTHORITY: ORS 670.310, 673.410

STATUTES/OTHER IMPLEMENTED: ORS 673.040

AMEND: 801-010-0073

RULE TITLE: Certification of Applicant's Experience

NOTICE FILED DATE: 08/10/2023

RULE SUMMARY: Streamlines verification of experience for applicants for licensure.

RULE TEXT:

(1) Requirement to provide verification of experience.

(a) An applicant is responsible for providing to the Board, written documentation of their experience on an affidavit developed by the Board. The applicant's supervisor licensee is required to verify the written documentation prepared by the applicant, in a format prescribed by the Board.

(b) A supervisor licensee must not commit any act, which unjustly jeopardizes an applicant's ability to obtain a license in this or any jurisdiction.

(2) The person who directly supervises the applicant's experience must certify to the Board that the applicant's experience is obtained under professional standards approved by the Board of Accountancy, including but not limited to the Statements on Auditing Standards (SAS) for audits or other engagements, Statements on Standards for Tax Services (SSTs) for tax engagements, or standards of the Financial Accounting Standards Board (FASB) or the Governmental Accounting Standards Board (GASB) or other applicable financial reporting framework for those with experience in Industry, Government, or Not-For-Profit organizations.

(3) Cooperation of licensee. A licensee who has verified the applicant's experience must fully cooperate with any Board inquiry pertaining to such certification.

STATUTORY/OTHER AUTHORITY: ORS 670.310, 673.040

STATUTES/OTHER IMPLEMENTED: ORS 673.040

AMEND: 801-010-0075

RULE TITLE: Public Accountants Applying for Certificate of Public Accountancy

NOTICE FILED DATE: 08/10/2023

RULE SUMMARY: Clarifies requirements for Public Accountant Certificate.

RULE TEXT:

A public accountant licensed in Oregon who is applying for a certified public accountant license must:

- (1) Hold an active public accountant license issued under ORS 673.100 that is not revoked, suspended, on probation or lapsed;
- (2) Present satisfactory evidence that the candidate has successfully completed 150 semester hours or 225 quarter hours as required in OAR 801-010-0050.
- (3) Successfully complete all sections of the CPA exam. Credit may be received for sections of the CPA exam previously completed, and not expired, if the requirements of OAR 801-010-0060 are satisfied; and
- (4) Satisfy the experience requirements under ORS 673.040 and OAR 801-010-0065.
- (5) The experience and examination requirements must be obtained and completed within eight years immediately preceding the date the application is received at the Board office.
- (6) Licensee must surrender the Public Accountant license issued before the CPA license will be issued.

STATUTORY/OTHER AUTHORITY: ORS 670.310, 673.410

STATUTES/OTHER IMPLEMENTED: ORS 673.040

AMEND: 801-010-0079

RULE TITLE: Experience Obtained in Foreign Countries

NOTICE FILED DATE: 08/10/2023

RULE SUMMARY: Updates requirements for experience obtained in foreign countries.

RULE TEXT:

Experience obtained by an applicant outside the United States that is claimed to be equivalent to public accountancy experience obtained in the United States may be acceptable under ORS 673.040 provided that the experience meets all of the requirements of OAR 801-010-0065. The applicant's experience must be directly supervised by:

- (1) A licensed public accountant or a certified public accountant whose license is valid, and who held an active license during the period of supervision and for at least five of the past seven years immediately prior to such supervision and meets the provisions set forth in 801-010-0065(2)(b)(A), or
- (2) A chartered accountant licensed by a jurisdiction that is eligible for reciprocal licensing under agreement with the International Qualifications Appraisal Board (IQAB) as described in OAR 801-010-0085, who also meets the following requirements:
  - (a) The chartered accountant holds a valid license in good standing;
  - (b) The chartered accountant held an active chartered accountant license during the period of supervision and for at least five of the past seven years immediately prior to such supervision; and
  - (3) The person who directly supervises the applicant's experience must certify to the Board that the applicant's experience is obtained under professional standards approved by the Board of Accountancy, including but not limited to the Statements on Auditing Standards (SAS) for audits or other engagements, Statements on Standards for Tax Services (SSTs) for tax engagements, or standards of the Financial Accounting Standards Board (FASB) or the Governmental Accounting Standards Board (GASB) or other applicable financial reporting framework for those with experience in Industry, Government, or Not-For-Profit organizations, or similarly recognized International Standards.
- (4) That the applicant's experience is obtained under professional standards deemed by the Board of Accountancy to be equivalent to experience obtained in the practice of public accountancy in this state.
- (5) Applicants for the CPA license must obtain the experience competencies as described in OAR 801-010-0065(3).

STATUTORY/OTHER AUTHORITY: ORS 670.310, 673.410

STATUTES/OTHER IMPLEMENTED: ORS 673.040

AMEND: 801-010-0080

RULE TITLE: Holders of Certificates or License in Other States, US Territories or Foreign Countries

NOTICE FILED DATE: 08/10/2023

RULE SUMMARY: Clarifies requirements for reciprocity licensure and updates temporary licensure application requirements for spouses or domestic partners of Members of the Armed Forces of the United States.

RULE TEXT:

- (1) An individual whose principal place of business is not in this state, who has an active license in good standing as a certified public accountant issued by another jurisdiction, and who meets the standards of substantial equivalency as defined in ORS 673.010(21) and OAR 801-005-0010(59), may practice public accountancy in this state.
- (2) Applications by reciprocity. Individuals who hold a valid CPA license in another jurisdiction and wish to obtain a license in Oregon must:
  - (a) Complete an application provided by the Board;
  - (b) Pay fees specified in OAR 801-010-0010;
  - (c) Demonstrate that they meet the requirements of substantial equivalency as provided for in OAR 801-005-0010(59)(a) or (b).
  - (d) Provide a written statement from the jurisdiction on which the application is based confirming that the applicant:
    - (A) Holds a valid license in that jurisdiction;
    - (B) Has not been disciplined for violations of that jurisdiction's standards of conduct or practice;
    - (C) Has no pending actions alleging violations of that jurisdiction's standards of conduct of practice;
    - (D) Is in compliance with continuing education requirements of the licensing jurisdiction, and
    - (E) Has taken and passed an ethics exam with a passing score in their home jurisdiction.
  - (e) An applicant's file must be complete in every particular within three months of the date of application or the file will be closed. The application fee is non-refundable.
  - (f) Reciprocity applicants who wish to establish a principal place of business in this state must apply for a CPA license under this section within 60-days from the start date of Practicing Public Accountancy in Oregon.
- (3) Temporary License for Spouse or Domestic Partner of a Member of the Armed Forces of the United States
  - (a) Application Requirements for Temporary Spousa or Domestic Partner Authorization in Oregon:
    - (A) Provide official documentation from the Armed Forces verifying that the spouse or domestic partner is a member of the Armed Forces of the United States and is stationed in Oregon;
    - (B) Submit an application on a form provided by the Board;
    - (C) Pay the application fee as specified in OAR 801-010-0010(1)(e); and
    - (D) Provide a written statement from the jurisdiction on which the application is based confirming that the applicant:
      - (i) Holds a valid license in good standing in that jurisdiction;
      - (ii) Has not been disciplined for violations of that jurisdiction's standards of conduct or practice;
      - (iii) Has no pending actions alleging violations of that jurisdiction's standards of conduct of practice;
      - (iv) Is in compliance with continuing education requirements of the licensing jurisdiction; and
      - (v) Has taken and passed an ethics exam with a passing score in their home jurisdiction; or
      - (vi) Meets the requirements of substantial equivalency as defined by OAR 801-005-0010(59).
  - (b) Authorizations are valid:
    - (A) For a 2-year period after the date of issuance; or
    - (B) The date the spouse or domestic partner of the person to whom the authorization was issued completes the spouse's term of service in this state; or
    - (C) The date the person's authorization issued by another state expires.
    - (D) Authorizations under this section are not renewable.
- (4) Verification of National Qualification Appraisal Service comparable licensing standards. The Board reviews the licensing requirements of other jurisdictions as needed to verify substantial equivalency eligibility. The Board may use

information developed by NASBA to make this determination.

STATUTORY/OTHER AUTHORITY: ORS 670.310, 673.410, 673.153

STATUTES/OTHER IMPLEMENTED: ORS 673.040, 673.153

AMEND: 801-010-0085

RULE TITLE: Holders of Foreign Licenses, Certificates, Credentials or Degrees

NOTICE FILED DATE: 08/10/2023

RULE SUMMARY: Updates licensure application process for international applicants.

RULE TEXT:

(1) The Board recognizes the International Qualifications Appraisal Board (IQAB), a joint body of NASBA and AICPA. IQAB is charged with:

(a) Evaluation of the foreign credential equivalency and professional credentialing process of certified public accounts or their equivalents in countries other than the United States; and

(b) Negotiating principles of Mutual Recognition Agreements (MRAs) with the appropriate professional and/or governmental bodies of other countries seeking recognition as having requirements substantially equivalent to requirements in the United States to qualify for and receive the license of certified public accountant in a NASBA jurisdiction.

(2) The Board shall honor the principles of MRAs issued by IQAB.

(3) An applicant for a certified public accountant license in Oregon who holds a license, credential or degree issued by a foreign country that may fall under the provisions of an MRA recognized by the Board must apply directly to NASBA for a determination of eligibility under the potentially applicable MRA. The applicant must meet the following additional requirements:

(a) Submit a completed application for initial licensure to the Board with payment of the applicable fee.

(b) Supply a certification from NASBA together with the application for initial licensure that the applicant has met applicable provisions of an MRA recognized by the Board, including but not limited to passage of the IQEX (if required under the MRA), and any restrictions on practice in the United States.

(c) Complete and pass an initial licensure ethics exam that has been adopted by the Board.

(4) An applicant for a certified public accountant license in Oregon who holds a license, credential or degree issued by a foreign country that is claimed to be comparable to a license issued by the Board, or an applicant who holds a certificate or license issued by the licensing body of any state or US Territory that is based upon the certificate, credential or degree granted by a foreign country that is not recognized under any IQAB Mutual Recognition Agreement is required to meet the following requirements:

(a) Satisfy the educational requirement under ORS 673.050 for admission to the CPA exam;

(b) Pass all sections of the CPA exam required by ORS 673.060;

(c) Complete the experience requirement under ORS 673.040, ORS 673.100 and OAR 801-010-0065; and

(d) Complete and pass an ethics exam that has been adopted by the Board.

STATUTORY/OTHER AUTHORITY: ORS 670.310, 673.410

STATUTES/OTHER IMPLEMENTED: ORS 673.040, 673.060



AMEND: 801-010-0100

RULE TITLE: Public Accountant Licenses

NOTICE FILED DATE: 08/10/2023

RULE SUMMARY: Updates experience requirements for Public Accountant licensure.

RULE TEXT:

(1) Application requirements. Applicants for the license of public accountant must meet the following requirements:

(a) Complete and pass the required sections of the CPA exam as described in ORS 673.100 and OAR 801-010-0060;

(b) Complete and pass an ethics exam with a score of 90 or above that has been adopted by the Board; and

(c) Meet the experience requirements stated in ORS 673.100 by obtaining one year of experience, which means having a minimum of 12 months and at least 2000 hours of supervised employment.

(d) The experience and examination requirements must be obtained and completed within eight years immediately preceding the date of application for license.

(e) An applicant's file must be complete in every particular within three months of the date of application or the file will be closed. The application fee is non-refundable.

(2) Experience requirements.

(a) Applicants must meet the experience requirements described in OAR 801-010-0065(2).

(b) The experience required under ORS 673.100 consists of activities generally performed by Oregon licensed CPAs and PAs engaged in public practice. Typical public practice experience for a Public Accountant includes tax return preparation, compiling financial statements, and financial advisory services. Experience obtained by an applicant for a Public Accountant license must be performed while employed at a public accounting firm.

(3) Experience. The applicant's experience must meet the requirements stated in OAR 801-010-0065(3).

(4) Public Accountant practice restrictions. Licensed public accountants who qualified for the CPA exam after January 1, 2002 are not permitted to perform audits.

STATUTORY/OTHER AUTHORITY: ORS 670.310, 673.410, 673.100

STATUTES/OTHER IMPLEMENTED: ORS 673.100, 673.150, 673.103

AMEND: 801-010-0110

RULE TITLE: Renewal of License

NOTICE FILED DATE: 08/10/2023

RULE SUMMARY: Updates licensure renewal process requirements.

RULE TEXT:

(1) Unless properly renewed, licenses issued under ORS 673.150 that end in even numbers expire on June 30 of even-numbered years and licenses that end in odd numbers expire on June 30 of odd-numbered years. To renew an active, inactive or retired license, the license holder must:

(a) Submit the current renewal form published by the Board, fully completed and received no later than June 30 of the year in which the license expires. Applications that are submitted after June 30 must include a late fee described in OAR 801-010-0010;

(b) Pay the renewal fee specified in OAR 801-010-0010; and

(c) If applying for renewal of an active or inactive license, provide evidence that the applicant has satisfied the continuing education requirements as provided in OAR 801-040-0010.

(2) A licensee that does not renew by June 30 of the year in which the license expires shall not hold out as a CPA or PA or practice public accounting until the license is renewed. A permit that is not renewed within 60-days after the close of the permit period for which it was issued or renewed will lapse. A licensee whose license has lapsed shall not hold out as a CPA or PA or practice public accounting as defined in OAR 801-005-0010(40) until the license is reinstated. Lapsed licensees may not hold ownership interest in a registered CPA or PA firm.

(3) The Board will pro-rate a licensee's initial license fee in six month increments, depending on the date of issuance.

(4) The Board will pro-rate the continuing education requirements for licensee's first renewal.

(5) The Board may waive the renewal fee if an initial CPA/PA license is issued in May or June of the year in which the license is due for renewal.

STATUTORY/OTHER AUTHORITY: ORS 670.310, 673.410

STATUTES/OTHER IMPLEMENTED: ORS 673.150

AMEND: 801-010-0120

RULE TITLE: Inactive Status and Retired Status

NOTICE FILED DATE: 08/10/2023

RULE SUMMARY: Expands Retired License Scope of Practice by permitting employment in a public accounting firm to the same extent as an individual who does not hold a permit from the Board.

RULE TEXT:

(1) Inactive Status:

(a) An application for inactive license status must be made on a form provided by the Board and must be accompanied by a fee prescribed by OAR 801-010-0010.

(b) The licensee applying for inactive status must certify to the Board that:

(A) The licensee holds a license issued under ORS 673.150 that is not lapsed, expired, retired, revoked or suspended;

(B) The licensee is not employed in a firm;

(C) The licensee is not a sole practitioner;

(D) Except as expressly authorized in writing by the Board or provided for in this rule, the licensee does not perform or offer to perform for compensation or remuneration in Oregon or for an Oregon client, services involving the use of accounting or attestation skills, including but not limited to issuance of reports on financial statements, management advisory, financial advisory, consulting services, preparation of tax returns or the furnishing of advice on tax or tax planning matters.

(c) An inactive licensee not working in a Firm is permitted to practice public accountancy in private industry for one business entity as a staff accountant, CFO or similar position.

(d) Inactive licensees may not hold ownership interest in a registered CPA or PA firm.

(2) Renewal Requirements. A licensee who is granted inactive status:

(a) Must renew on or before June 30;

(A) Licensees with a license number that is even will renew in even-numbered years.

(B) Licensees with a license number that is odd will renew in odd-numbered years.

(b) Renewal applications that are postmarked by the US Postal Service or other delivery service, electronically stamped by fax machine or submitted by an online process managed by the Board after June 30 must include a late fee described in OAR 801-010-0010; and

(c) Must satisfy the continuing education requirements as provided in OAR 801-040-0010.

(3) An inactive licensee may be employed by a governmental unit or private industry employer in which accounting skills are used or required provided, however, that:

(a) An inactive licensee may not be employed by more than a single governmental entity or private industry employer at any one time; and

(b) An inactive licensee employed by a governmental unit or private industry employer may not provide services to more than one client.

(c) For purpose of this provision, affiliated entities under common control may be considered a single employer.

(4) Inactive Licensees' Use of CPA or PA Designation. A licensee who is granted inactive status shall not use the CPA or PA designation unless the word "Inactive" is used in conjunction with the designation, such as "CPA Inactive," and is listed in the same font size.

(5) To the extent applicable, an inactive licensee is subject to the Code of Professional Standards and Conduct set forth in OAR Chapter 801, Division 030.

(6) Retired Status:

(a) An application for retired license status must be made on a form provided by the Board and must be accompanied by a fee prescribed by OAR 801-010-0010.

(b) The licensee applying for retired status must certify to the Board that:

(A) The licensee meets the age or experience requirements for retired status as set forth in OAR 801-005-0010(50);

- (B) The licensee holds a license issued under ORS 673.150 that is not lapsed, expired, revoked or suspended;
- (C) Retired licensees may use accounting skills as a volunteer or to provide pro bono tax services work so long as there is no compensation or remuneration of any kind offered or paid;
- (D) A retired licensee may be employed by a public accounting firm, performing any work that someone without a CPA license is entitled to perform in a CPA firm. The work of a retired CPA should be reviewed and supervised by an active licensee.
- (E) The licensee does not perform or offer to perform in Oregon or for an Oregon client, financial advisory, tax planning or financial consulting services.
- (F) Retired licensees may not hold ownership interest in a registered CPA or PA firm.
- (c) Must renew on or before June 30.
- (A) A retired status licensee is not required to obtain or report any CPE.
- (B) Licensees with a license number that is even will renew in even-numbered years.
- (C) Licensees with a license number that is odd will renew in odd-numbered years.
- (7) Retired Licensee's Use of CPA or PA Designation. A licensee who is granted retired status shall not use the CPA or PA designation unless the word "Retired" is used in conjunction with the designation, such as "CPA Retired," and is listed in the same font size.
- (8) To the extent applicable, a retired licensee is subject to the Code of Professional Conduct set forth in OAR Chapter 801, Division 030.
- (9) A licensee in retired status will be permitted to reinstate to active or inactive status in accordance with the provisions in OAR 801-010-0130(7) and OAR 801-010-0130(8).
- (10) Ability of Inactive and Retired Status Licensees to Serve as Trustee of a Trust or a Court Appointed Receiver, Trustee, Guardian, Conservator, or Personal Representative of an Estate. Notwithstanding the limitations set forth above, inactive and retired status licensees may serve as a trustee for a trust, or as a court appointed receiver, trustee, guardian, conservator, or personal representative/executor of an estate; provided, however, the licensee must comply with all fiduciary duties and responsibilities of the position, may not perform attestation work for the entity or individual for which the service is provided, and may not work as a court appointed trustee, receiver, guardian or conservator, or in other fiduciary positions for hire.

STATUTORY/OTHER AUTHORITY: ORS 670.310, 673.220

STATUTES/OTHER IMPLEMENTED: ORS 673.220

AMEND: 801-010-0130

RULE TITLE: Reinstatement Requirements: Lapsed, Suspended, Retired or Inactive to Active Status

NOTICE FILED DATE: 08/10/2023

RULE SUMMARY: Simplifies the CPE ethics requirement for licensure reinstatement by removing the requirement that the ethics course has to be Oregon specific. Lowers minimum annual CPE requirement for licensure renewal to align with the Uniform Accountancy Act.

RULE TEXT:

(1) Lapsed licenses. Licenses that are not properly renewed shall lapse. Lapsed licensees are not permitted to practice public accounting or work at a public accounting firm. A Lapsed license may be reinstated to active, inactive or retired status. To reinstate to active status an individual must:

- (a) Provide a detailed written description of the business and professional activities of the individual during the period of lapse, and indicate whether the individual was holding out as a CPA or PA during the period of lapse;
- (b) Submit an application for reinstatement on a form provided by the Board;
- (c) Submit payment of the application fee and the active renewal fee for each renewal period that the license was lapsed;
- (d) Complete and report the appropriate CPE hours described in this rule, plus a penalty of an additional 16 CPE hours;
- (e) Complete and report four (4) CPE hours in ethics; and
- (f) Submit proof of completion certificates for each CPE course submitted for reinstatement.
- (g) Credit for programs in non-technical subjects is limited to 16 CPE hours.
- (h) CPE hours used for reinstatement may not be claimed on renewal application.

(2) Holders of licenses that are lapsed less than two years must:

- (a) Complete and report 80 CPE hours plus a 16-hour penalty (96 hours) per OAR 801-010-130(1)(d), which must be completed within the 12 month period immediately preceding the date the application for reinstatement is received at the Board office;
- (b) Complete and report four (4) CPE hours in ethics; and
- (c) Comply with CPE requirements for the period following reinstatement, until the next renewal date on a pro rata basis. CPE hours are calculated at the rate of 3 hours per month, including the month of reinstatement, from the date of reinstatement to the end of the current renewal period.

(3) Holders of licenses that are lapsed more than two and less than six years must:

- (a) Complete and report 160 CPE hours plus a 16-hour penalty (176 hours) per OAR 801-010-130(1)(d), which must be completed within the 12 month period immediately preceding the date the application for reinstatement is received at the Board office;
- (b) Comply with CPE requirements under these rules for the period following reinstatement until the next renewal date on a pro rata basis. CPE hours are calculated at the rate of 3 hours per month, including the month of reinstatement, from the date of reinstatement to the end of the current renewal period; and
- (c) Complete and report four CPE hours in ethics.

(4) Reinstatement from Lapsed Status to Inactive Status: A person who is lapsed may apply to reinstate the license to inactive status by:

- (a) Submit an application for reinstatement on a form provided by the Board;
- (b) Paying the application and the inactive renewal fee for the renewal period in which the application is submitted;
- (c) Provide a detailed written description of the business and professional activities of the individual during the period of lapse, and indicate whether the individual was holding out as a CPA or PA during the period of lapse; and
- (d) Complete and submit 32 hours plus an 8-hour penalty (40 hours) of CPE with proof of completion certificates for CPE courses taken within 12 months immediately preceding the date the reinstatement application is received at the Board office.
- (e) CPE hours used for reinstatement may not be claimed on renewal application.
- (f) Inactive licensees must report at least 4 hours of ethics beginning July 1, 2020.

- (g) The four (4) hours of Oregon-specific ethics are included in the 40 hour requirement.
- (5) Reinstatement from Lapsed status to Retired Status: A person who is lapsed may apply to reinstate to retired status by:
- (a) Submit an application for reinstatement on a form provided by the Board;
  - (b) Paying the application and retired renewal fee for the renewal period in which the application is submitted; and
  - (c) Verify eligibility for retired status as defined in OAR 801-010-0120(6).
- (6) Lapsed more than six years or three renewal periods:
- (a) A license that is lapsed for more than three renewal periods will expire.
  - (b) An expired license may be restored only upon:
    - (A) Submission of a reciprocity application as outlined in OAR 801-010-0080; or
    - (B) Licensee can elect to take and pass the CPA exam and apply for initial licensure. A person who elects this option must meet the requirements of OAR 801-010-0050, 801-010-0060 and 801-010-0065; or
    - (C) Upon the Board's determination that there is good cause.
- (7) Inactive Status licenses reinstating to Active Status. To reinstate a license from inactive status to active status, the holder of such license shall:
- (a) Submit an application for reinstatement on a form provided by the Board together with payment of the application fee and active license fee;
  - (b) Provide a detailed written description of the business and professional activities of the individual during the period of inactive, and indicate whether the individual was holding out as a CPA or PA during the period of inactive; and
  - (c) Complete and report CPE as provided by this rule.
    - (A) If Inactive for 2-years or less, inactive licensees are required to complete and report 136 CPE hours, which shall have been completed within the 12 month period immediately preceding the date the application for reinstatement is received at the Board office, together with the proof of completion certificates for all hours reported.
    - (B) Credit will only be given for CPE reported while on inactive status for the renewal period immediately preceding the date of the reinstatement application (maximum of 32 hours).
    - (C) If Inactive for more than 2-years, inactive licensees are required to complete and report 160 CPE hours, which shall be completed within the 12 month period immediately preceding the date the application for reinstatement is received at the Board office, together with proof of completion certificates for all hours reported.
    - (D) Credit for programs in non-technical subjects is limited to 16 CPE hours.
  - (d) Complete and report four (4) CPE hours in Oregon-specific ethics.
  - (e) Credit will only be given for CPE reported while on inactive status for the two (2) renewal periods immediately preceding the date of the reinstatement application (maximum of 64 hours).
  - (f) CPE hours used for reinstatement may not be claimed on renewal application.
- (8) Reinstatement from Retired Status to Inactive Status: A retired status licensee may apply to reinstate the license to inactive status by:
- (a) Submit an application for reinstatement on a form provided by the Board together with payment of the application fee and inactive license fee;
  - (b) Provide a detailed written description of the business and professional activities of the individual during the period of retired, and indicate whether the individual was holding out as a CPA or PA during the period of retired; and
  - (c) Complete and submit 32 hours of CPE with proof of completion certificates that were taken within 12 months immediately preceding the date the reinstatement application is received at the Board office.
  - (d) Credit for programs in non-technical subjects is limited to 8 CPE hours.
  - (e) CPE hours used for reinstatement may not be claimed on renewal application.
- (9) Reinstatement from Retired Status to Active Status: A retired status licensee may apply to reinstate the license to active status by:
- (a) Submit an application for reinstatement on a form provided by the Board together with payment of the application fee and active license fee;

- (b) Provide a detailed written description of the business and professional activities of the individual during the period of retired, and indicate whether the individual was holding out as a CPA or PA during the period of retired; and
- (c) Meet the CPE requirements for reinstatement as set forth in OAR 801-010-0130(2) or (3) relating to reinstatement from lapsed status to active status, as applicable; however, no penalty CPE hours are required.
- (d) Credit for programs in non-technical subjects is limited to 16 CPE hours.

(10) Reinstatement of Suspended licenses. To reinstate a license that is suspended under ORS 673.170 to active status, the holder of such license shall:

- (a) Provide evidence of satisfaction or completion of all terms and conditions stated in the order suspending the license;
- (b) Provide a detailed written description of the business and professional activities engaged in by the suspended licensee during the period of suspension and certify that the suspended licensee was not holding out or otherwise representing him/herself as a CPA or PA during the period of suspension;
- (c) Submit an application for reinstatement on a form provided by the Board;
- (d) Submit payment of the application fee and the active renewal fee for each renewal period that the license was suspended;
- (e) Complete and report the appropriate CPE hours as follows:
  - (A) If the license has been suspended for less than two years, complete and report 80 CPE hours plus a 16-hour CPE penalty (96 hours), which must be completed within the 12 month period immediately preceding the date the reinstatement application is received at the Board office together with proof of completion certificates; or
  - (B) If the license has been suspended two years or more, complete and report 160 CPE hours plus a 16-hour CPE penalty (176 hours), which must be completed within the 12 month period immediately preceding the date the reinstatement application is received at the Board office together with proof of completion certificates;
- (C) Complete and report four (4) CPE hours of Oregon-specific professional conduct and ethics.
- (D) Credit for programs in non-technical subjects is limited to 16 CPE hours.
- (E) Compliance with CPE requirements under these rules for the period following reinstatement until the next renewal date will be determined on a pro rata basis, to be calculated at the rate of 3 hours per month, including the month of reinstatement, from the date of reinstatement to the end of the renewal period in which reinstatement occurs.
- (F) CPE hours used for reinstatement may not be claimed on renewal application.
- (f) The holder of a suspended license shall remain in suspended status until the holder's application for reinstatement has been approved by the Board.

(11) License holders in other jurisdictions. Licensees who hold an active license to practice public accountancy issued under the laws of another jurisdiction, whose principal place of business is in such other jurisdiction, and who wish to reinstate an Oregon license to active status must:

- (a) Submit a reinstatement application provided by the Board along with evidence that the applicant holds a valid license to practice public accountancy issued by another jurisdiction; and
- (b) Submit payment of the reinstatement application fee stated in OAR 801-010-0010(1)(d) together with the renewal application fee stated in OAR 801-010-0010(3)(a).
- (c) Upon reinstatement, licensee shall complete CPE requirements described in these rules on a pro rata basis, calculated at 3-1/3 hours per month, including the month of reinstatement, until the end of the renewal period in which reinstatement occurs.

(12) 20 Hour Minimum annual CPE requirement for active status permits. Licensees whose licenses are reinstated under this rule to active status are required to meet the 20 hour minimum annual CPE requirement at the pro-rated calculation of two (2) CPE hours for each month, including the month of reinstatement, until the end of the renewal period in which the licensee is reinstated.

STATUTORY/OTHER AUTHORITY: ORS 670.310, 673.220

STATUTES/OTHER IMPLEMENTED: ORS 673.220

AMEND: 801-040-0010

RULE TITLE: Basic Requirements

NOTICE FILED DATE: 08/10/2023

RULE SUMMARY: Streamlines CPE renewal requirements for licensure renewal including establishing CPE reciprocity with other jurisdictions and removing the requirement that ethics CPE has to be Oregon specific. Eliminates requirement for providers of CPE ethics courses to be registered with the Board and have ethics course content approved by the Board.

RULE TEXT:

(1) Biennial CPE requirement for Active licensees. Each biennial renewal period, certified public accountants and public accountants must report satisfactory evidence of having completed 80 hours of continuing professional education (CPE) unless such requirement is waived by the Board under ORS 673.165 and OAR 801-040-0150. The 80-hour CPE requirement must be completed as follows:

- (a) At least 20 of the required 80 CPE hours must be completed in each year of the renewal period. Hours carried forward from the previous reporting period (carry-forward hours) may not be used to meet the minimum annual requirement.
- (b) CPE hours must be completed during the two-year period immediately preceding the renewal date, except for carry-forward hours described in subsection (c) of this rule.
- (c) A maximum of 20 CPE hours may be carried forward from one reporting period to the next and may be used in partial fulfillment of the 80 hour requirement.
- (d) A minimum of four hours of ethics CPE must be included in the 80 hour CPE requirement.
- (e) CPE hours used for reinstatement may not be claimed on renewal application.

(2) CPE Reciprocity. Active licensees whose principal place of business is outside Oregon and who are seeking renewal of their permit shall be determined to have met the CPE requirement in OAR 801-040-0010(1) by meeting the CPE requirements for renewal of a certificate in the jurisdiction in which the licensee's principal place of business is located.

(a) Applicants for renewal of an active permit shall demonstrate compliance with the CPE renewal requirements of the jurisdiction in which the licensee's principal place of business is located by signing a statement to that effect on the renewal application of this state, unless the provision of OAR 801-040-0010(2)b) applies.

(b) Applicants for renewal of an active permit whose principal place of business is in a jurisdiction without CPE requirements for renewal are not eligible for the provision of OAR 801-040-0010 (2)(a) and must meet the CPE renewal requirements of this jurisdiction as set forth in OAR 801-040-0010(1).

(3) Biennial CPE Requirements for Inactive Licensees. A licensee who is granted inactive status must:

- (a) Obtain 32 hours of qualified continuing professional education during a two-year renewal period;
- (b) Complete four CPE hours in ethics which are included in the 32 hour requirement for each renewal period;
- (c) A maximum of 8 hours may be in non-technical subjects; and
- (d) A maximum of 8 CPE hours may be carried forward from one reporting period to the next and may be used in partial fulfillment of the 32 hour requirement.

STATUTORY/OTHER AUTHORITY: ORS 670.310, 673.040, 673.050, 673.410

STATUTES/OTHER IMPLEMENTED: ORS 673.165



AMEND: 801-040-0030

RULE TITLE: Programs that Qualify for CPE Credit

NOTICE FILED DATE: 08/10/2023

RULE SUMMARY: Removes 10% limit for nano learning CPE.

RULE TEXT:

(1) Qualifying programs. In order to qualify for CPE credit under these rules, a CPE program must be a formal program of learning that contributes directly to the professional competence of the licensee. It is the obligation of each licensee to select a course of study that contributes to the licensee's professional competence in public accountancy. The licensee may take programs in a variety of topics that are relevant to their practice.

(2) Program requirements. CPE programs must meet the following requirements to qualify for CPE credit:

(a) An outline of the program is prepared in advance and preserved;

(b) A record of attendance is maintained by the sponsor for a period of five (5) years and evidence of completion is provided to participating licensees; and

(c) The program is conducted by a qualified instructor whose background, training, education or experience qualifies the person to teach or lead a discussion on the subject matter of the particular program.

(3) Eligible programs. The following programs will qualify for CPE credit provided they also meet the requirements of section (2) of this rule:

(a) Programs presented by national, state or local accounting organizations;

(b) Programs offered by a firm to licensees;

(c) Programs sponsored by organizations that provide professional educational programs on a regular basis;

(d) Accredited university or college courses in technical subjects as stated in OAR 801-040-0040(2) are eligible for CPE credit at the rate of 15 CPE hours for each semester hour credit and 10 CPE hours for each quarter hour credit.

University or college courses that do not earn college credit are eligible for one CPE hour for each classroom hour of learning;

(e) Distance learning programs offered by a regionally accredited university or college are eligible for CPE credit as described in subsection (3)(d), without meeting the requirement of NASBA National CPE Registry approval described in section (4) of this rule.

(f) Other programs may qualify for CPE credit if the program meets the requirements of section 2 of this rule.

(4) Individual study programs (self-study). Correspondence courses or other individual study programs do not qualify for CPE credit unless the CPE sponsor is approved by the NASBA National CPE Registry. The sponsor registry number must be identified.

(5) Blended Learning is an educational program incorporating different learning or instructional delivery methods, an educational program incorporating multiple learning formats such as lectures, discussion, guided practice, reading, games, cases studies, and simulation.

(6) Nano-learning Program. Nano-learning program means a tutorial program designed to permit a participant to learn a given subject in a minimum 10 minute and less than 20 minute time frame through the use of electronic media and without interaction with a real-time instructor.

(a) A nano-learning program differs from a self-study program in that it is typically focused on a single learning objective and is not paper-based.

(b) A nano-learning program is not a group program.

(c) Nano-learning is not a substitute for comprehensive programs addressing complex issues.

(d) As evidence of satisfactory completion of the course, CPE program sponsors of nano-learning programs must require participants to successfully complete a qualified assessment with a passing grade of 100 percent before issuing CPE credit.

(e) Assessments may contain questions of varying format.

(f) Nano-learning credits must include a minimum of two questions.

- (g) True and False questions are not permissible on the qualified assessment. If the participant fails the qualified assessment, then the participant must re-take the nano-learning program.
- (h) The number of re-takes permitted a participant is at the sponsor's discretion.
- (7) Programs not eligible for CPE credit. The following programs do not qualify for CPE credit:
  - (a) Courses taken to fulfill the requirements for licensure as a certified public accountant or public accountant;
  - (b) Ethics courses that were taken to fulfill the Ethics exam requirement for licensure; and
  - (c) CPA Exam Review.

STATUTORY/OTHER AUTHORITY: ORS 670.310, 673.040, 673.050, 673.410

STATUTES/OTHER IMPLEMENTED: ORS 673.165

AMEND: 801-040-0050

RULE TITLE: Credit Allowed and Evidence of Completion

NOTICE FILED DATE: 08/10/2023

RULE SUMMARY: Clarifies allowable CPE credits and aligns incremental credit language more closely with national CPE standards.

RULE TEXT:

(1) Credit hours. Eligible CPE credit is measured by program length with one 50 minute period equal to one CPE credit. CPE credits can be awarded in one-fifth increments or in one-half increments (0.5, 1.0, x.2, x.4, x.5, x.6, x.8, etc.). Licensees may not report duplicate courses taken in the same reporting period unless there is proof that the course was substantially modified.

(2) Evidence of completion. Licensees are required to document all CPE programs claimed for CPE credit and to provide the appropriate proof of completion for the number of qualifying CPE credits claimed for each program. Licensees must retain proof of completion for each CPE program reported for a period of 5 years after completion of the program.

(3) Group study programs.

(a) CPE credit is allowed for actual class hours attended.

(b) Evidence of completion includes a written course outline and certificate of completion or attendance record provided by each program sponsor. The evidence of completion must include the sponsor name, course title, date of attendance or date of completion, name of participating licensee, statement that the sponsor is included on NASBA's National Registry and providing the registry number, if appropriate, and the number of CPE hours earned;

(4) Individual study programs.

(a) Individual study programs are eligible for CPE credit only if the program is offered by a NASBA National Registry approved sponsor.

(b) CPE credit will be awarded in an amount equal to the average completion time determined by the NASBA National Registry approved sponsor.

(c) The date for which CPE credit is allowed is the completion date specified on the evidence of completion provided by the sponsor.

(d) Evidence of completion must include the name of the participating licensee, sponsor name, program title, date of completion, instructor name, if applicable, statement that the sponsor is included on NASBA's National Registry and provide registry number, if appropriate, and number of CPE hours allowed.

(5) Nano-learning.

(a) Evidence of satisfactory completion of a nano-learning course requires the participant to successfully complete a qualified assessment with a passing grade of 100 percent.

(b) A nano-learning program differs from a self-study program in that it is typically focused on a single learning objective and is not paper based.

(c) Nano-learning credits are provided in .2 CPE hour increments.

(6) Lecturer, discussion leader or speaker.

(a) CPE credit for a lecture, training session or speaking engagement at which the licensee was an instructor, discussion leader, or speaker is allowed provided that the lecture, training, or engagement meets CPE requirements for the participants;

(b) CPE credit for a university or college course where the licensee was the faculty instructor is allowed, provided that the course is considered an upper division (300 or 400 level) or post-graduate course.

(c) One CPE hour is allowed for each 50 minute period completed as an instructor or discussion leader for the first presentation of the subject material if such activity increases the instructor's professional competence. CPE credit may be allowed for additional presentations if the substantive content of the program was substantially changed and the licensee provides evidence that such change required significant additional study or research.

(d) CPE credit for preparation time allowed for an instructor, discussion leader, or a speaker shall be calculated on the

basis of two CPE hours of preparation for each hour of teaching.

(e) The maximum CPE credit allowed for preparation and teaching under this section and for published articles described in section (6) of this rule, combined, must not exceed one-half of the total number of CPE hours required for the renewal period.

(f) Evidence of completion includes a copy of the agenda or outline provided for each presentation, lecture or speaking engagement, stating the date of presentation and name of the sponsoring organization. For university courses taught, evidence of completion should include the course syllabus and outline for each class.

(7) Published articles.

(a) CPE credit may be allowed for authoring published articles or books, provided the work directly contributes to the professional competence of the licensee.

(b) CPE credit for authoring published articles or books is allowed as of the date of publication and is only allowed for the first publication of such writing. The number of CPE hours is based on the time spent creating the published article.

(c) Authorship of a published article does not contribute to the professional competence of the licensee unless the published article is suitable for a professional audience. Published articles may be reviewed on a case-by-case basis to determine whether such articles contribute to the licensee's professional competence.

(d) The maximum credit for published articles and books allowed under this section and for preparation and teaching under section (5) of this rule, combined, is no more than one-half of the total CPE requirement for the renewal period.

(e) A licensee may request additional CPE credit for authoring a published article by submitting an explanation of the circumstances which justify greater credit than is otherwise allowed. The Board shall determine whether additional credit is justified.

(f) Evidence of completion includes a copy of the title page or other pages that show the title, date of publication, and a description of the content for each article reported for CPE credit.

(8) Reviewing peer review reports for Board approved Peer Review Programs.

(a) Licensees who serve as volunteer members of the Review Acceptance Body or any other committee that reviews peer review reports on behalf of a board approved peer review program are allowed two hours of CPE credit per meeting attended, for a maximum of 16 hours for the renewal period.

(b) Evidence of completion includes proof of attendance, provided by the sponsor of the approved Peer Review Program, for each meeting attended.

(9) University and college courses.

(a) CPE credit allowed is described in OAR 801-040-0030.

(b) An official copy of the college transcript from a regionally accredited college/university is evidence of completion for courses that earn college credit.

(c) An attendance schedule or sign-in sheet demonstrating the licensee's attendance, prepared and maintained by the college, will provide evidence of completion for courses that do not earn college credit.

STATUTORY/OTHER AUTHORITY: ORS 670.310, 673.040, 673.050, 673.410

STATUTES/OTHER IMPLEMENTED: ORS 673.165

AMEND: 801-040-0100

RULE TITLE: New Licenses/Reinstated Licenses

NOTICE FILED DATE: 08/10/2023

RULE SUMMARY: Aligns initial licensure CPE requirements with CPE changes proposed in this current rulemaking proposal.

RULE TEXT:

(1) CPE Requirement

(a) Licensees who receive an initial license to practice public accountancy shall comply with the CPE requirements from the date of issuance of the license on a prorated basis calculated at 3 CPE hours per month, including the month of issuance, until the end of the renewal period in which the license is issued.

(b) The 20 hour annual CPE requirement shall also be prorated at two (2) CPE hours per month, including the month of issuance, until the end of the renewal period in which the license is issued.

(c) CPE hours earned during any month of the two-year renewal cycle during which the initial license was issued shall be eligible to meet the initial CPE requirement.

(d) The maximum credit allowed for non-technical CPE hours is no more than 20% of the prorated CPE hours due.

(2) Requirement for licensed public accountants who become licensed as certified public accountants. Licensees who hold a license to practice public accountancy as a licensed public accountant under ORS 673.100, and who receive an initial certificate and license to practice public accountancy as a certified public accountant shall, in addition to the requirement under section (1) of this rule, complete and report 3 CPE hours for each month of the renewal period during which the person held a license as a public accountant. CPE hours earned during any month of the two year renewal cycle during which the initial license was issued shall be eligible for credit to meet this requirement.

STATUTORY/OTHER AUTHORITY: ORS 670.310, 673.040, 673.050, 673.410

STATUTES/OTHER IMPLEMENTED: ORS 673.165

AMEND: 801-040-0160

RULE TITLE: Failure to Comply

NOTICE FILED DATE: 08/10/2023

RULE SUMMARY: Minor wording changes without substantively changing CPE penalties for failure to comply with CPE requirements.

RULE TEXT:

(1) CPE Penalty

(a) Active Licensees. Licensees who submit an application for renewal of an active license and who do not comply with the CPE requirements described in OAR 801-040-0010 are required to complete and report an additional 16 hours of qualifying CPE.

(b) Inactive licensees. Licensees who submit an application for renewal of an inactive license and who do not comply with the CPE requirements described in OAR 801-040-0010 are required to complete and report an additional 8 hours of qualifying CPE.

(2) Failure to comply with CPE requirements. Licensees who do not meet the CPE requirements may not be renewed and may be subject to disciplinary action under ORS 673.170(2)(L), unless CPE requirements have been waived under OAR 801-040-0150.

STATUTORY/OTHER AUTHORITY: ORS 670.310, 673.410

STATUTES/OTHER IMPLEMENTED: ORS 673.165, 673.170