



NOTICE OF PROPOSED RULEMAKING
INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 801
OREGON BOARD OF ACCOUNTANCY

FILED

05/11/2023 11:35 AM
ARCHIVES DIVISION
SECRETARY OF STATE

FILING CAPTION: Permits contracting for examination application and CPE audit services and clarifies refund and reciprocity rules.

LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 06/21/2023 12:30 PM

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.

CONTACT: Martin Pittioni
503-378-4181
martin.pittioni@boa.oregon.gov

200 Hawthorne Ave SE Ste D450
Salem, OR 97301

Filed By:
Andrew Barlow
Rules Coordinator

HEARING(S)

Auxiliary aids for persons with disabilities are available upon advance request. Notify the contact listed above.

DATE: 06/21/2023

TIME: 12:00 PM - 12:30 PM

OFFICER: Martin Pittioni

HEARING LOCATION

ADDRESS: Board of Accountancy's Office, 200 Hawthorne Ave SE Ste D450, Salem, OR 97301

SPECIAL INSTRUCTIONS:

None at this time.

REMOTE MEETING DETAILS

MEETING URL: [Click here to join the meeting](#)

PHONE NUMBER: 720-707-2699

CONFERENCE ID: 6589430200

SPECIAL INSTRUCTIONS:

Meeting ID: 658 943 0200

Passcode: mjZS3T

One tap mobile

+17207072699,,6589430200#,,,,*131463# US (Denver)

+12532158782,,6589430200#,,,,*131463# US (Tacoma)

Dial by your location

+1 720 707 2699 US (Denver)

+1 253 215 8782 US (Tacoma)

+1 346 248 7799 US (Houston)

+1 646 558 8656 US (New York)

+1 301 715 8592 US (Washington DC)

+1 312 626 6799 US (Chicago)

Meeting ID: 658 943 0200

Passcode: 131463

Find your local number: <https://us06web.zoom.us/j/81234567890>

BOA provides assistance upon request such as: sign language and spoken language interpreters, written materials in other languages, braille, large print, audio and other formats. If you need assistance or have questions, please contact boa.info@boa.oregon.gov at least 5 days before the meeting.

NEED FOR THE RULE(S)

801-001-0060

Allows Board to refund payments made in excess.

801-005-0010

Portions of this rule is in direct conflict with statutory authority or not in alignment with the statutory language. Changes are needed to align the rules within the statutory authority granted to the Board.

801-010-0010; 801-010-0050; and 801-010-0060

The Board of Accountancy has undergone a complete turnover in staff. The Board issues multiple types of licenses: CPA, PA and Firm licenses. In addition, when an individual is seeking to obtain a CPA or PA license, that individual must first obtain from the Board an Authorization to sit for the CPA exam. The process of determining if an applicant is qualified to sit for the exam is labor intensive. Right now, the CPA profession is seeing a reduction in individuals applying for a license and it is imperative that those that are seeking a path to obtain a license are processed expeditiously. Therefore the Board is, in alignment with statutory authority, is making changes to these rules to allow NASBA to process applications for individuals seeking to sit for the CPA.

801-010-0010 and 801-010-0080

Portions of these rules are in direct conflict with statutory authority. Changes are needed to align the rules within the statutory authority granted to the Board.

801-040-0070

The Board of Accountancy has undergone a complete turnover in staff. In order to ensure that the Board is able to continue to timely issue licenses and process renewals, it is imperative that the Board seek assistance with some tasks that would typically be completed by Board staff. CPE audit is a necessary regulatory function of the Board, but it is a time-consuming task. NASBA currently conducts CPE audits for numerous state boards of accountancy and is uniquely qualified to perform this function on behalf of the Board. By seeking assistance for NASBA to conduct audits, Board staff can focus on ensuring that it is timely completing their other numerous regulatory duties.

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE

Division 10

On September 30, 2022, the Board received information at its board meeting provided by NASBA regarding NASBA's ability to process applications for the Board for applicants to sit for the CPA examination.

Division 40

On September 30, 2022, the Board received information at its board meeting provided by NASBA regarding NASBA's ability to conduct CPE audits on behalf of the Board.

Minutes of the 9/30/2022 board meeting are available on the board's website www.boa.oregon.gov

STATEMENT IDENTIFYING HOW ADOPTION OF RULE(S) WILL AFFECT RACIAL EQUITY IN THIS STATE

Adoption of these rules will not impact racial equity in this state.

FISCAL AND ECONOMIC IMPACT:

Minimal fiscal impact decreasing fee for municipal auditor license renewal and associated late fee.

Positive economic impact due to reduction of barriers to reciprocity licensure. Minimal to no impact for applicants for the CPA exam who under this rule cease paying examination fees to the Board and instead pay fees to NASBA. NASBA fees are slightly higher, however applicants to sit for the CPA examination also benefit from creation of a one-stop process. Previously applicants had to navigate a board process and a NASBA process.

COST OF COMPLIANCE:

(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).

Rules will impact about 200 municipal auditors by decreasing their renewal fees. Rules will impact about 300 CPA exam new applicants and approximately 500 applicants for re-examination annually.

DESCRIBE HOW SMALL BUSINESSES WERE INVOLVED IN THE DEVELOPMENT OF THESE RULE(S):

Small business employees and owners are part of our Laws & Rules Committee. All Board and Laws & Rules Committee meetings are open to the public and all rules are open for comment including the small business community.

WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? YES

RULES PROPOSED:

801-001-0060, 801-005-0010, 801-010-0010, 801-010-0050, 801-010-0060, 801-010-0080, 801-040-0070

ADOPT: 801-001-0060

RULE SUMMARY: Allows the Oregon Board of Accountancy to issue refunds when the Board receives a payment in an excess amount.

CHANGES TO RULE:

801-001-0060

Refunds

In the event that the Board receives payment in an excess amount legally due and payable to the Board or money for which the Board has no legal interest, the Board will refund the excess money, or money the Board has no legal interest in, subject to the following requirements:

(1) If the amount paid was \$25 or more than the amount due, the payee must request in writing, a refund from the Board; and

(2) The written request for a refund from the payee must be made within three years from the day the money was paid to the Board.

Statutory/Other Authority: ORS 673.410

Statutes/Other Implemented: ORS 673.410

AMEND: 801-005-0010

RULE SUMMARY: The changes to this rule align the definition of substantial equivalency and ethics exam with the statutory language.

CHANGES TO RULE:

801-005-0010

Definitions ¶¶

As used in OAR Chapter 801, the following terms or abbreviations have the following meanings, unless otherwise defined therein:¶¶

(1) Active means a license issued by the Oregon Board of Accountancy to an individual who has met the requirements to hold a CPA or PA license, maintains the license and is in good standing.¶¶

(2) AICPA means American Institute of Certified Public Accountants.¶¶

(3) Applicant means a person applying for a license to practice public accountancy.¶¶

(4) Attestation Services means the following professional services required to be performed under the following standards:¶¶

(a) Any audit or other engagement for which performance standards are included in the Statements on Auditing Standards (SAS), International Standards on Auditing (ISA), or other internationally recognized auditing standards;¶¶

(b) Any review of a financial statement for which performance standards are included in the Statement on Standards for Accounting and Review Services (SSARS);¶¶

(c) Any examination of prospective financial information for which performance standards are included in the Standards for Attest Engagements (SSAE);¶¶

(d) Any examination, review or agreed upon procedures engagement other than an examination described in paragraph (c) of this subsection for which performance standards are included in the Statements on Standards for Attestation Engagements (SSAE); and¶¶

(e) Any engagement for which performance standards are included in the Auditing Standards of the Public Company Accounting Oversight Board in the United States (PCAOB).¶¶

(f) The statements on standards specified in subsections (a) through (d) of this definition are those developed by the AICPA.¶¶

(5) Business organization means any form of business organization authorized by law, including but not limited to a proprietorship, partnership, corporation, limited liability company, limited liability partnership or professional corporation.¶¶

(6) CPA or Certified Public Accountant means a person who has a certificate of certified public accountant issued under ORS 673.040.¶¶

(7) CPA Exam means the Uniform Certified Public Accountant Examination.¶¶

(8) CPE means continuing professional education.¶¶

(9) Candidate means a person applying for the CPA Exam.¶¶

(10) Censure means an official written expression of reprimand, by Board action, to a licensee for specified conduct.¶¶

(11) Certificate means a certificate of certified public accountant issued under ORS 673.040.¶¶

(12) Client means a person or entity who agrees with a licensee, or employer of a licensee to receive any professional service from the licensee or employer of licensee. An employer is considered a client for inactive status licensees.¶¶

(13) Commission means a fee calculated as a percentage of the total value of the sale of a product or service that is paid or received in the form of money or other valuable consideration.¶¶

(14) Compilation Services means a professional service required to be performed in accordance with the Statement on Standards for Accounting and Review Services (SSARS) in which the person performing the services presents a financial statement that:¶¶

(a) Is based on the responsibility of the owner or management of the company for which the statement is presented; and¶¶

(b) Does not include assurances by the person that the representations in the financial statement conform to the applicable reporting framework.¶¶

(15) Confidential Client Information is information that is obtained from a source or developed by the licensee in the course of performing professional services for the client, excluding information available to the public.¶¶

(16) Contingent fee means a fee established for the performance of any professional service and directly or indirectly paid to a licensee pursuant to an arrangement in which no fee will be charged unless a specified finding or result is attained, or in which the amount of the fee is otherwise dependent upon the finding or result of such

service. A fee is not contingent if the fee:¶

(a) Is fixed by courts or other public authorities; or¶

(b) In tax matters, is determined based on the results of judicial proceedings or the findings of governmental agencies.¶

(17) Direct Supervision is 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 consulting or independent contractor to the applicant's employer will not meet the requirement of direct supervision.¶

(18) Enterprise means any person or entity, whether organized for profit or not, for which a licensee provides public accounting services.¶

(19) Ethics exam means the AICPA professional ethics exam.¶

(20) Expired means a license that has not been renewed after six years from the close of the last license period for which the license was active, inactive or retired. An expired license may be restored only if the Board determines that there is good cause to do so.¶

(201) Fees include commissions, contingent fees and referral fees.¶

(212) Financial statements means the presentation of financial data, including accompanying notes, that is derived from accounting records and intended to communicate an entity's economic resources or obligations or the changes therein, at a specific point in time, and/or the results of operations for a specific period of time, presented in accordance with generally accepted accounting principles or a applicable reporting framework other than generally accepted accounting principles. Financial presentations included in tax returns are not financial statements. Incidental financial data included in management advisory services reports to support recommendations to a client are not financial statements. The method of preparation (for example, manual or computer preparation) is not relevant to the definition of a financial statement.¶

(223) Firm means a business organization as defined in ORS 673.010 that is engaged in the practice of public accountancy and is required to be registered with the Board.¶

(234) First time candidate means a candidate for the CPA exam who is sitting for the exam for the first time in Oregon.¶

(245) Generally Accepted Accounting Principles means accounting principles or standards generally accepted in the United States, including but not limited to Statements of Financial Accounting Standards and interpretations thereof, as published by the Financial Accounting Standards Board, and Statements of Governmental Accounting Standards and interpretations thereof, as published by the Government Accounting Standards Board and the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).¶

(256) Generally Accepted Auditing Standards means the Generally Accepted Auditing Standards including but not limited to those standards adopted by the American Institute of Certified Public Accountants, together with interpretations thereof, as set forth in Statements on Auditing Standards issued by the AICPA, and for federal audits, the Single Audit Act and related U.S. Office of Management and Budget Circulars published by the Government Accountability Office, and International Standards on Auditing (ISAs) issued by International Federation of Accountants (IFAC) through the International Auditing and Assurance Standards Board (IAASB).¶

(267) Holding out as a CPA or PA means to assume or use by oral or written communication the titles or designations "certified public accountant" or "public accountant" or the abbreviations "CPA" or "PA", or any number or other title, sign, card, device or use of any internet domain or e-mail name, tending to indicate that the person holds a valid certificate or license under the authority of ORS 673 as a certified public accountant or a public accountant.¶

(278) Inactive status means a license status granted by the Board to a licensee:¶

(a) Whose license is not expired, suspended, revoked or in retired status; and¶

(b) Who has met and agreed to all conditions and requirements set out in OAR 801-010-0120 relating to inactive status licensure.¶

(29) In good standing means the status of a holder of a license or firm registration issued by any jurisdiction that is not suspended, revoked, expired, resigned or lapsed. The good standing status of a licensee or registered firm will not be affected by the lapse of a license issued in another jurisdiction provided that the licensee holds an active, inactive or retired license to practice public accountancy in the State of Oregon.¶

(2930) Jurisdiction means the licensing authority for the practice of public accountancy in any state, U.S. Territory or foreign country.¶

(301) Lapsed means a license status that is not renewed within 60-days of the close of a license period.¶

(a) Lapsed licensees are not permitted practice public accounting as defined in OAR 801-005-0010(41).¶

(b) A person in lapsed status must not hold out in any form or manner that they are a CPA or PA.¶

(c) A lapsed license may be reinstated to active, inactive or retired status only prior to becoming expired.¶

(312) License means:¶

- (a) A certificate, permit or registration, or a license issued under ORS 673.100, enabling the holder thereof to practice public accountancy in this state; or-¶
- (b) A certificate, permit, registration or other authorization issued by a jurisdiction outside this state enabling the holder thereof to practice public accountancy in that jurisdiction.-¶
- (323) Licensee means the holder of a license as defined in these rules.-¶
- (334) Material participation means participation that is regular, continuous and substantial.-¶
- (345) Manager means a manager of a limited liability company.-¶
- (356) Member means a member of a limited liability company.-¶
- (367) NASBA means National Association of State Boards of Accountancy.-¶
- (378) Non-licensee owner means a person who does not hold a certificate, license or permit as a certified public accountant or public accountant in Oregon or in any other jurisdiction.-¶
- (389) PA or Public Accountant means a person who is the holder of a license issued under ORS 673.100.-¶
- (3940) Peer Review means a study, appraisal or review of one or more aspects of the public accountancy work of a holder of a license under ORS 673.150 or of a registered business organization that performs attestation services or compilation services that is conducted by a CPA who holds an active license issued by any state or a public accountant licensed under 673.100 who was required to pass the audit section of the Uniform CPA Exam as a requirement for licensing. The peer reviewer must also be independent of the license holder or registered business organization being reviewed.-¶
- (401) Permit means a license to practice public accountancy issued under ORS 673.150.¶
- (412) Practice of public accountancy means performance of or any offer to perform one or more services for a client or potential client, including the performance of such services while in the employ of another person by a licensee, professional services of accounting, tax, personal financial planning, litigation support services, and those professional services for which standards are promulgated. These standards include Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC), Statements of Financial Accounting Standards, Statements on Auditing Standards, Statements on Standards for Accounting and Review Services, Statements on Standards for Consulting Services, Statements of Governmental Accounting Standards, International Financial Reporting Standards, International Accounting Standards, International Standards on Auditing, Statements on Standards for Attestation Engagements, and Statements on Standards for Valuation Services.-¶
- (a) Only actively licensed CPAs or PAs are permitted to perform the services included in the definition of the practice of public accountancy as stated above.¶
- (b) Inactive licensees are limited to the provisions of OAR 801-010-0120.¶
- (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.-¶
- (423) Preparation of Financial Statements means providing a service of any preparation of financial statements engagement to be performed in accordance with the Statements on Standards for Accounting and Review Services (SSARS).-¶
- (434) Principal Place of Business means the office location where the licensee performs public accounting services, and designated by a person for purposes of substantial equivalency and reciprocity.-¶
- (445) Professional means arising out of or related to the specialized knowledge or skills associated with certified public accountants and public accountants.-¶
- (456) Professional services means any services performed or offered to be performed by a licensee for a client or potential client in the course of the practice of public accountancy.-¶
- (467) Regional Accreditation means the college or university is accredited by one of the six regional accrediting associations or by another accrediting body that is recognized by the Board.-¶
- (478) Referral fee means a referral fee that includes, but is not limited to, a rebate, preference, discount or any item of value, whether in the form of money or otherwise, given or received by a certified public accountant, public accountant or firm, to or from any third party, directly or indirectly, in exchange for the purchase of any product or service, unless made in the ordinary course of business.-¶
- (489) Registration means the authority issued under ORS 673.160 to a business organization to practice public accountancy in this state.-¶
- (4950) Report. "Report", when used with reference to attestation services or compilation services means an opinion or other form of language that states or implies assurance as to the reliability of the attested information or compiled financial statements and that also includes or is accompanied by any statement or implication that the person or firm issuing it has special knowledge or competence in accounting or auditing. Such a statement or implication of special knowledge or competence may arise from use by the issuer of the report of names or titles indicating that the person or firm is an accountant or auditor or may arise from the language of the report itself.-¶
- (a) The term "report" includes aAny form of language that:-¶
- (A) Disclaims an opinion when the form of language implies any positive assurance as to the reliability of the attested information or the compiled financial statements referred to or of the special knowledge or competence

on the part of the person of firm issuing the language;¶

(B) Implies any positive assurance as to the reliability of the attested information or compiled financial statements referred to or of the special knowledge or competence on the part of the person or firm issuing the language; or¶

(C) Relates to the affairs of a person and that is conventionally used by licensees in reports or financial statements.¶

(b) Language Not Constituting a Report: The following statement, signed by a person who does not hold a license issued under ORS 673.150, shall not constitute a report under ORS 673.320 so long as the statement is not accompanied by any wording indicating the person is an accountant or auditor or other language prohibited by ORS 673.020, 673.030, 673.310 or 673.320:¶

"The accompanying balance sheet (or . . .) of XYZ Company as of (date) and the related statements of income (or retained earnings or cash flows) for the year then ended have been prepared by me (us). The information presented in these financial statements is the responsibility of management (owners)."

(501) Retired means a license status conferred by the Board upon a licensee who:¶

(a) At any age, has held an active license in good standing to practice public accountancy in Oregon for a combined period of not less than 20 years, or¶

(b) Has reached 65 years of age, and¶

(c) Has met and agreed to all conditions and requirements set out in OAR 801-010-0120 relating to retired status licensure.¶

(512) Returning candidate means a person who has received grades for any section of the Uniform CPA exam who applies to sit for any part of the CPA exam in Oregon.¶

(523) Revoked means a license, certificate or permit that has been fully canceled and cannot be reinstated.¶

(534) Single Audit Act means the Single Audit Act with the Single Audit Act Amendments of 1996, as published by the United States Government Accountability Office, Office of Management and Budget.¶

(545) Sole Practitioner/Sole Proprietor means a CPA or PA who practices independently and may include unlicensed support personnel, but does not include any other licensed CPA's or PA's.¶

(556) Standards for Accounting and Review Services means the Statements on Standards for Accounting and Review Services published by the AICPA.¶

(567) Standards for board approved peer review programs means the Standards for Performing and Reporting on Peer Reviews published by the AICPA.¶

(578) Statements on Standards for Attestation Engagements means the statements by that name issued by the AICPA.¶

(589) State means any state, territory or insular possession of the United States, and the District of Columbia.¶

(5960) Substantial equivalency means:¶

(a) An individual holds a valid license as a certified public accountant from another state that requires an individual, as a condition of licensure as a certified public accountant to:¶

(A) Complete at least 150 semester hours of college education and obtain a baccalaureate or higher degree conferred by a college or university;¶

(B) Achieve a passing grade on the Uniform Certified Public Accountant Examination; and¶

(C) Possess at least one year of experience, verified by a ~~supervisor~~-licensee, providing any type of service or advice involving the use of accounting, attestation, compilation, management advisory, financial advisory, tax or related consulting skills, obtained through public practice or government, industry or academic work; or¶

(b) An individual licensee who holds a valid license from another state but that state does not have the qualifications specified in (a) but can provide evidence that they have met the requirements of (a) will be deemed substantially equivalent.¶

(601) Supervisor Licensee is a licensee who provides direct supervision to an applicant and provides verification of any experience requirement. Supervisor licensee must have held a valid license during the period of supervision.¶

(612) Suspended means a licensee who is not permitted to practice public accountancy for a period of time.¶

(623) Uniform Accountancy Act (UAA) is a model bill and set of regulations designed by the AICPA and NASBA to provide a uniform approach to regulation of the accounting profession, provisions of which may or may not be adopted by state boards of accountancy.¶

(63)(a4) Working papers; include but are not limited to all statements, records, schedules, general ledgers, journals, trial balances and depreciation schedules made by the licensee incident to or in the course of rendering services to a client or former client. Working papers are and shall remain the property of the licensee in the absence of an express agreement to the contrary between the licensee and client. ¶

~~(b)~~ In addition to the requirements specified in paragraph above, attest documentation shall include, but not be limited to, the following:¶

(Aa) The objectives, scope and methodology, including any sampling criteria used;¶

(Bb) Documentation of the work performed to support significant conclusions and judgments, including descriptions of transactions and records examined that would enable a reviewer with relevant knowledge and

experience, having no previous connection with the attest engagement, to examine the same transactions and records; and¶

(C) Evidence of any supervisory review of the work performed.¶

(645) Valid means a certified public accountant or a public accountant license, municipal roster authority, firm registration or chartered accountant certificate that is in active status and in good standing with the appropriate licensing authority. A license in active status is one that is not revoked, suspended, subject to probation, lapsed, inactive, retired or expired.¶

[Publications: Publications referenced are available from the agency.]

Statutory/Other Authority: ORS 670.310

Statutes/Other Implemented: ORS 670.310

AMEND: 801-010-0010

RULE SUMMARY: Changes to this rule align fees in accordance with statutory authority and reflect that NASBA is processing on behalf of the Board, as of February 13, 2023, applicants seeking to sit for the Uniform CPA Examination.

CHANGES TO RULE:

801-010-0010

Fees, Civil Penalties and Cost Recovery ¶¶

For the purpose of ORS 673.010 to 673.455 and 297.670 to 297.740, the Board of Accountancy shall charge the following fees: ¶¶

(1) Application fees. All application fees are non-refundable. ¶¶

(a) CPA Examination: ¶¶

~~(A) Initial Examination - \$150. ¶¶~~

~~(B) Re-Examination - \$50~~ all fees associated with the CPA examination process are listed on the NASBA website. ¶¶

(b) CPA or PA License application fee - \$225. ¶¶

(c) Municipal Auditor Roster Application - \$150. ¶¶

(d) ~~R~~Lapsed licensee reinstatement application fee - \$225. ¶¶

(e) Reciprocity / Temporary Military application fee -- \$225 ¶¶

(2) Initial license and registration fees: ¶¶

(a) Initial / Reciprocity CPA or PA License - \$255. ¶¶

(b) Municipal Auditor - \$150. ¶¶

(c) Firm Registration - \$265. ¶¶

(3) Biennial renewal application fees: ¶¶

(a) Active CPA or PA License - \$255. ¶¶

(b) Inactive CPA or PA - \$50. ¶¶

(c) Municipal Auditor - \$150. ¶¶

(d) Firm Registration - \$265. ¶¶

(e) Retired License - \$50. ¶¶

(4) Late renewal penalty fees: ¶¶

(a) Active CPA or PA License - \$255. ¶¶

(b) Inactive CPA and PA - \$50. ¶¶

(c) Municipal Auditor Late Fee - \$150. ¶¶

(d) Firm Registration - \$265. ¶¶

(e) Retired License - \$50. ¶¶

(5) Miscellaneous fees: ¶¶

(a) Copies of existing mailing lists may be provided for a fee equal to the amount necessary to prepare each list, including the cost of materials, if any, and the cost of staff time. ¶¶

(b) Municipal Auditor lists shall be provided at no charge to municipal entities that are subject to audit law. ¶¶

(c) Copies of records made on a standard office copy machine may be charged. (d) Staff time required to research, locate, produce, summarize or otherwise provide records may be charged. ¶¶

(6) Civil Penalties assessed for Specific Violations: ¶¶

(a) Failure to provide change of address in 30 day - \$100. ¶¶

(b) Failure to renew firm registration by January 31 - \$500. ¶¶

(c) Failure to respond to Notice of CPE audit and all follow-up in 21 days - \$250. ¶¶

(7) Cost Recovery: ¶¶

~~(a)~~ The Board may recover costs associated with a contested case hearing in which the Board has prevailed. The following costs may be included in cost recovery: ¶¶

~~(Aa)~~ Attorney General Fees. ¶¶

~~(Bb)~~ Administrative Hearing Costs. ¶¶

~~(Cc)~~ Cost of Investigation. ¶¶

~~(Dd)~~ Expert Witness Fees. ¶¶

(8) Form of Payment: ¶¶

(a) Checks or money orders shall be made payable to "Oregon Board of Accountancy". ¶¶

(b) Credit card payments may be submitted in person, by mail, online or by fax online only. Any credit card that is rejected by the bank and requested to be confiscated will be retained and returned to the bank. All payments by credit card that are rejected must be paid in full by another credit card, check or money order within ten days from notification of rejection. All payments received after Board deadlines, including, but not limited to payments for renewals, applications and civil penalties, will be considered late and a late penalty will be assessed.

Statutory/Other Authority: ORS 670.310, 673.040, 673.060, 673.100, 673.150, 673.160, ~~1297.720~~, 673.153
Statutes/Other Implemented: 297.720, ORS 673, ~~297~~, 192.440

AMEND: 801-010-0050

RULE SUMMARY: Changes to these rules allows NASBA to process applicants seeking to sit for the Uniform CPA Examination.

CHANGES TO RULE:

801-010-0050

Application for Uniform CPA Examination ¶

~~801-010-0050¶~~

~~Application for Uniform CPA Examination¶~~

(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 ~~the Board of Accountancy~~ 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 Center: Board approved computer testing facilities, at which candidates may take the CPA examination, are listed on the Board website. ¶~~

~~(d) 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. ¶~~

~~(e) Testing Windows: The testing window is comprised of no less than two months in which the examination is available to be taken. If the Board determines that the examination system changes necessary to eliminate the test window limitations have been implemented, the testing window limitations will no longer apply and a candidate can retake a test section once their grade for a previous attempt of that same test section has been released. ¶~~

(2) Applications. ¶

(a) Applications for the CPA exam must be submitted to NASBA on a form provided by ~~the Board~~ 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 ~~3 month~~ 90 days from the date it is received ~~at the Board office~~ 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 ~~the NASBA's~~ NASBA's CPA exam application fee ~~designated in OAR 801-010-0010 to the Board.~~ and all other fees associated with the CPA exam are required to be paid 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 ~~the or she isy are~~ 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. ¶

~~(h) The Board or its designee will forward authorization to test (ATT) for the computer-based CPA exam to the candidate and to the NASBA National Candidate Database once eligibility is determined. ¶~~

(i) ~~The Board will offer a candidate the opportunity to voluntarily disclose the candidate's social security number to the Board so that the Board may provide the social security number to NASBA for identification purposes.~~ ¶

(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. Core accounting subjects are defined as accounting, auditing, financial reporting, external or internal reporting, financial statement analysis, accounting data analytics, accounting information systems, accounting ethics, or taxation. These hours must be upper-division courses; and ¶

(C) A minimum of 24 semester hours or 36 quarter hours in accounting or related subjects. Related subjects are defined as lower-division accounting, business, finance, economics, data analytics (non-accounting), and written and oral communication that clearly contribute to the knowledge, skills and abilities necessary to meet the public's expectations of a CPA.. ¶

(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 courses are limited to a maximum of 4 semester hours or 6 quarter hours. ¶

(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 ~~the Board office~~ 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). ¶

(c) Returning candidates after January 1, 2002 who were eligible to take two sections of the CPA Exam under provisions of ORS 673.100 in effect prior to January 1, 2002, are required to sit for at least one exam section in any two testing windows each year in order to maintain eligibility under those requirements. ¶

(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 ninety (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 ~~the Board of Accountancy based on a report from NASBA~~ 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 ~~the Board~~ NASBA, with the appropriate CPA exam fee, to receive another ATT. ¶

(d) NTS. When the candidate receives an ATT from ~~the Board~~ 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 ~~online~~ 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 ~~the Board of Accountancy~~ 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 SUMMARY: Changes to these rules are necessary to allow NASBA to start processing on behalf of the Board, as of February 13, 2023, applications to sit for the Uniform CPA Examination.

CHANGES TO RULE:

801-010-0060

Credit for Uniform CPA Examination Sections ¶¶

(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 three sections of the CPA exam within an eighteen (18) month window: Financial Accounting and Reporting, Regulation, and Business Environment & Concepts. ¶¶

(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 actual date the candidate took 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 first section is passed; ¶¶

(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 ~~the Board~~NASBA to transfer ~~of~~ CPA exam scores and ~~may~~ grant credit to a candidate who has successfully completed any section of the CPA exam in another jurisdiction if ~~the Board~~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 ~~the Board~~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: 801-010-0080

RULE SUMMARY: Changes to this rule aligns the rule in accordance with the statutory authority regarding substantial equivalency.

CHANGES TO RULE:

801-010-0080

Holders of Certificates or License in Other States, US Territories or Foreign Countries ¶

(1) ~~Substantial equivalency.~~ 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) Meet the requirements of substantial equivalency as defined in OAR 801-005-0010(59); or ¶~~

~~(d) Applications based on valid CPA license, but that do not meet the requirements of subsection (2)(c) of this rule, are eligible under this subsection if the applicant demonstrates to the satisfaction of the Board that the applicant:~~ ¶

~~(A) Holds a license that is valid to practice public accountancy issued by another jurisdiction that is valid at the time of application; ¶~~

~~(B) Has Demonstrate that they meet the requirements of substantial equivalency as provided four years of public accounting or equivalent experience as stated in OAR 801-010-0065(4) after completing the CPA exam and during the ten-year period immediately preceding the application. Four years means 48 months of full-time employment or equivalent 8,000 hours of part-time employment. ¶~~

~~(e) Applicants who wish to establish a principal place of business in this state are required to obtain a CPA license under this section within 60-days from the start date of employment at a firm registered in Oregon or prior to practicing as a CPA in this state in OAR 801-005-0010(59)(a) or (b). ¶~~

~~(fd) 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 score of 90 or above. ¶~~

~~(ge) 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. ¶~~

~~(hf) Licenses that were obtained without qualified direct supervision are not considered substantially equivalent. Reciprocity applicants who wish to establish a principal place of business in this state must obtain a CPA license under this section within 60-days from the start date of employment at a firm registered in Oregon. ¶~~

(3) Temporary License for Spouse of a Member of the Armed Forces of the United States ¶

(a) Application Requirements for Temporary Spousal Authorization in Oregon:¶

(A) Provide official documentation from the Armed Forces verifying member 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 score of 90 or above; or¶

(vi) Meet 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 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. ¶

(54) 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: 801-040-0070

RULE SUMMARY: This allows NASBA to conduct on behalf of the Board the audit of licensees' CPE information submitted on licensure renewal applications.

CHANGES TO RULE:

801-040-0070

CPE Audit

(1) The Board may ~~verify~~ audit CPE reports submitted by licensees. When a licensee is selected for audit of CPE hours, licensees are required to ~~provide the following information for each CPE program selected by the Board:~~ ¶
~~(a) Certificate of completion or similar~~ submit, using the NASBA CPE audit service, the following: ¶

(a) All appropriate documentation that confirms attendance ~~at the~~ of all CPE programs and the number of eligible CPE hours; and. ¶

~~(b) Upon request from the Board, a written statement describing how a CPE program directly contributes to the licensee's professional competency.~~ ¶

~~(2) Licensees who do not meet CPE requirements described in OAR 801-040-0010 and section (1) of this rule will be notified of the deficiency and a designated number of days will be allowed for the applicant to correct the deficiencies~~ Any additional information required. ¶

(2) Licensees must comply with all requests for information and any applicable deadlines for submitting information as required.

Statutory/Other Authority: ORS 670.310, 673.410

Statutes/Other Implemented: ORS 673.165