Executive Summary of the Recommended Revisions to the CPE Standards by the Joint AICPA/NASBA CPE Standards Committee:

The Statement on Standards for Continuing Professional Education (CPE) Programs (*Standards*) is published jointly by the American Institute of Certified Public Accountants (AICPA) and the National Association of State Boards of Accountancy (NASBA) to provide a framework for the development, presentation, measurement, and reporting of CPE programs. The Standards were last revised in 2012.

The *Standards* are periodically reviewed in their entirety by the CPE Standards Working Group (Working Group). The Working Group is comprised of 13 members representing various stakeholders in the CPE arena including state boards of accountancy, state societies, educators, CPE providers and the AICPA. If the Working Group determines that revisions or modifications are required, then the Working Group will make its recommendation to NASBA's CPE Committee, which in turn makes its recommendation to a Joint Committee on CPE Standards made up of representatives from the AICPA and NASBA.

The Working Group made its recommended changes to the *Standards*. NASBA's CPE Committee reviewed the recommendation and approved the recommendation with a minor revision at its January 2015 meeting.

In February 2015, the Joint Committee of CPE Standards reviewed and finalized its recommendation of changes to the *Standards* and request approval of its recommendation for exposure draft from the respective AICPA and NASBA Boards of Directors at their April 2015 meetings.

Overall:
The most significant changes to the *Standards* are the recommendations to add two new delivery methods for continuing professional education programs: nano-learning and blended learning. The recommended changes are summarized as follows:

Introduction:
Clarifications -
- Removed history of 2012 revisions to the *Standards* and clarified the revision process.

Definitions:
Clarifications -
- Revised definitions for group live and group internet based programs to focus the definitions from how the program is delivered by the instructor to how the program is being received by the participants.
- Minor revisions/adjustments to definitions of other terms.

Additions –
- Definitions added for the following terms: asynchronous, blended learning program, nano-learning program, pre-program assessment, qualified assessment, social learning, synchronous, and tutorial.

General Guidelines for CPAs:
Clarifications -
- Minor revisions and modifications to conform references to other sections of the *Standards*.

Standards for CPE Program Sponsors:

<u>Program Development:</u>
<u>Clarifications -</u>
- Minor revisions and modifications to conform references to other sections of the *Standards.*
- Clarified the license requirement of CPA whose involvement is required in the development of every accounting and auditing course. Similar clarification of CPA, tax attorney or enrolled agent who is required in the development of courses if in the field of taxes.
- Clarifications of the requirements for both group live and group internet based courses once the program has been recorded for future presentation.
- Clarification for self-study programs that permit the qualified assessment to occur during or at the conclusion of the program.
- Clarification that simulations and other innovative tools that guide the participants through structured decisions can be used in lieu of review questions for self-study programs.

<u>Additions –</u>
- Added the responsibilities of the CPE provider if the course content is purchased from another entity rather than developed in-house.
- Standard added for the development of group live programs—delivery method not separately identified in the 2012 *Standards.* The Standard requires that group live programs must include an element of participant engagement per CPE credit within the program.
- Included the requirement that the qualified assessment for a self-study program must measure a representative number of learning objectives for the program and defined a representative number.
- Added parameters to be used when a pre-program assessment is used in a self-study program.
- Standard added for the development of nano-learning programs, including details on the qualified assessment requirements and program re-takes for participants.
- Standard added for the development of blended learning programs, including guidelines on the composition of the programs.

<u>Program Presentation:</u>
<u>Clarifications -</u>
- Minor revisions and modifications to conform references to other sections of the *Standards.*

<u>Program Measurement:</u>
<u>Clarifications -</u>
- Clarified the portions of programs that should be eligible towards credit amounts (e.g., excludes breaks, housekeeping items, etc.).
- Provided guidance to allocate CPE credits when multiple fields of study are used in a learning program.
- Clarified that a participant's self-certification of attendance at a group program alone is not sufficient. The CPE provider must employ additional attendance monitoring procedures.
- Clarified that pre-program assessments in self-study programs may not be included in the determination of the CPE credit awarded for the program.
- Paragraph S17-07 clarifies the application of the word count formula for a self-study program when the program constitutes a video.

<u>Additions –</u>

- Included the measurement of one-fifth (0.20 credit) credit for nano-learning and for group programs after the first credit has been earned.
- Standard added for the measurement of nano-learning programs.
- Standard added for the measurement of blended learning programs.
- Paragraph S20-03 added to permit CPE credit to be awarded to technical reviewers of CPE programs for the actual review time up to the actual number of CPE credits for the program.

Program Reporting:

<u>Additions -</u>

- Paragraph S23-02 added to ease administrative burden of issuing certificates of completion for CPE providers that offer simultaneous delivery of a group live and group internet based program.
- Added a requirement for CPE providers to maintain the license information and status of CPA, tax attorney and/or enrolled agent used in the development of accounting, auditing and tax programs. The program descriptive materials (course announcement information) must also be maintained.