

**State of California
Office of Administrative Law**

In re:
Board of Accountancy

Regulatory Action:

Title 16, California Code of Regulations

Adopt sections:

Amend sections: 87, 88, 88.1, 88.2, 89, 90

Repeal sections:

**NOTICE OF APPROVAL OF REGULATORY
ACTION**

Government Code Section 11349.3

OAL Matter Number: 2022-1216-05

OAL Matter Type: Regular (S)

This rulemaking action amends continuing education (CE) program requirements to add and revise technical and nontechnical subject areas, as well as establish requirements that add nano learning, blended learning, and adaptive self-study as new delivery methods for CE programs.

OAL approves this regulatory action pursuant to section 11349.3 of the Government Code. This regulatory action becomes effective on July 1, 2023.

Date: February 1, 2023



Nicole C. Carrillo
Senior Attorney

For: Kenneth J. Pogue
Director

Original: Patti Bowers, Executive Officer

Copy: Sarah Benedict

NOTICE PUBLICATION/REGULATION SUBMISSION

STD. 400 (REV. 10/2019)

REGULAR

For use by Secretary of State only

ENDORSED - FILED
In the office of the Secretary of State
of the State of California**FEB 01 2023**

1:54 PM

OAL FILE NUMBERS	NOTICE FILE NUMBER Z- 2022-0804-01	REGULATORY ACTION NUMBER 2022-1216-05S	EMERGENCY NUMBER
------------------	--	--	------------------

For use by Office of Administrative Law (OAL) only

OFFICE OF ADMIN. LAW
2022 DEC 16 PM 2:38

NOTICE

REGULATIONS

AGENCY WITH RULEMAKING AUTHORITY

California Board of Accountancy

per agency
request

AGENCY FILE NUMBER (if any)

A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. SUBJECT OF NOTICE		TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed Regulatory Action <input type="checkbox"/> Other		4. AGENCY CONTACT PERSON	TELEPHONE NUMBER	FAX NUMBER (Optional)
OAL USE ONLY	ACTION ON PROPOSED NOTICE <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn		NOTICE REGISTER NUMBER 2022, 33-2	PUBLICATION DATE 08/19/22

B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

1a. SUBJECT OF REGULATION(S) Continuing Education Programs		1b. ALL PREVIOUS RELATED OAL REGULATORY ACTION NUMBER(S)
2. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics related)		
SECTION(S) AFFECTED (List all section number(s) individually. Attach additional sheet if needed.)	ADOPT	
	AMEND	
	87, 88, 88.1, 88.2, 89, 90	
TITLE(S) 16	REPEAL	

3. TYPE OF FILING

<input checked="" type="checkbox"/> Regular Rulemaking (Gov. Code §11346)	<input type="checkbox"/> Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Gov. Code §§11346.2-11347.3 either before the emergency regulation was adopted or within the time period required by statute.	<input type="checkbox"/> Emergency Readopt (Gov. Code, §11346.1(h))	<input type="checkbox"/> Changes Without Regulatory Effect (Cal. Code Regs., title 1, §100)
<input type="checkbox"/> Resubmittal of disapproved or withdrawn nonemergency filing (Gov. Code §§11349.3, 11349.4)	<input type="checkbox"/> Resubmittal of disapproved or withdrawn emergency filing (Gov. Code, §11346.1)	<input type="checkbox"/> File & Print	<input type="checkbox"/> Print Only
<input type="checkbox"/> Emergency (Gov. Code, §11346.1(b))		<input type="checkbox"/> Other (Specify)	

4. ALL BEGINNING AND ENDING DATES OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §44 and Gov. Code §11347.1)

5. EFFECTIVE DATE OF CHANGES (Gov. Code, §§ 11343.4, 11346.1(d); Cal. Code Regs., title 1, §100)			
<input type="checkbox"/> Effective January 1, April 1, July 1, or October 1 (Gov. Code §11343.4(a))	<input type="checkbox"/> Effective on filing with Secretary of State	<input type="checkbox"/> \$100 Changes Without Regulatory Effect	<input checked="" type="checkbox"/> Effective other (Specify) July 1, 2023

6. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY			
<input type="checkbox"/> Department of Finance (Form STD. 399) (SAM §6660)	<input type="checkbox"/> Fair Political Practices Commission	<input type="checkbox"/> State Fire Marshal	
<input checked="" type="checkbox"/> Other (Specify) Kimberly Kirchmeyer, Director, Department of Consumer Affairs			

7. CONTACT PERSON Sarah Benedict	TELEPHONE NUMBER (916) 809-4028	FAX NUMBER (Optional)	E-MAIL ADDRESS (Optional) sarah.benedict@cba.ca.gov
--	---	-----------------------	---

8. I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE

DATE

12/12/2022

TYPED NAME AND TITLE OF SIGNATORY

Patti Bowers, Executive Officer

For use by Office of Administrative Law (OAL) only

ENDORSED APPROVED**FEB 01 2023**

Office of Administrative Law

The California Board of Accountancy has illustrated changes to the regulatory text in the following manner: text proposed to be added is underlined; text proposed to be deleted is displayed in ~~strikeout~~.

Proposed Regulatory Language
Title 16, California Code of Regulations
Sections 87, 88, 88.1, 88.2, 89, and 90

§ 87 Basic Requirements.

(a) 80 Hours.

As a condition for renewing a license in an active status, a licensee shall complete at least 80 hours of continuing education in the two-year period immediately preceding license expiration, and meet the reporting requirements described in Section 89(a).

A licensee engaged in the practice of public accountancy as defined in Section 5051 of the Business and Professions Code is required to hold a license in an active status. No carryover of continuing education is permitted from one license renewal period to another.

(1) A licensee renewing a license in an active status, shall complete a minimum of 20 hours in each year of the two-year license renewal period, with a minimum of 12 hours of the required 20 hours in technical subject areas as described in subsection (a)(2).

(2) Licensees shall complete a minimum of 50 percent of the required continuing education hours in the following technical subject areas: accounting, auditing, fraud, taxation, consulting, financial planning, business law, economics, management services, statistics, ethics as defined in subsection (b), regulatory review as defined in Section 87.8, computer and information technology (except for word processing), and specialized industry or government practices that focus primarily upon the maintenance and/or enhancement of the public accounting skills and knowledge needed to competently practice public accounting.

(3) Licensees may claim no more than 50 percent of the required number of continuing education hours in the following ~~non-technical~~ nontechnical subject areas that contribute to the professional competence of a licensee: communication skills, word processing, sales, marketing, motivational techniques, negotiation skills, office management, practice management, and personnel management.

(A) Behavioral ethics (e.g., ethical decision-making; personal ethics; diversity, equity and inclusion; etc.).

(B) Business management and organization (e.g., organization of a public

1 accounting practice, etc.).

2 (C) Communications and Marketing (e.g., business presentations; business writing;
3 social media; customer communications; marketing professional services; etc.).

4 (D) Computer software and applications (e.g., courses in the general use of software
5 used in a business environment, etc.).

6 (E) Personal Development (e.g., career planning; leadership; time management;
7 etc.).

8 Personnel/Human resources (e.g., attracting; motivating; developing and retaining
9 employees; social justice in staff recruitment and retention; etc.).

10 (F) Production (e.g., operations management; inventory management; supply
11 operations, etc.).

12 (4) Programs in the following subject areas are not acceptable continuing
13 education: personal growth, self-realization, spirituality, personal health and/or
14 fitness, sports and recreation, foreign languages and cultures and other subjects
15 which will not contribute directly to the professional competence of the licensee.

16 (b) Ethics Continuing Education Requirement.

17 A licensee renewing a license in an active status shall complete four hours of the
18 80 hours of continuing education required pursuant to subsection (a) in an ethics
19 course. The course subject matter shall consist of one or more of the following
20 areas: a review of nationally recognized codes of conduct emphasizing how the
21 codes relate to professional responsibilities; case-based instruction focusing on
22 real-life situational learning; ethical dilemmas facing the accounting profession; or
23 business ethics, ethical sensitivity, and consumer expectations. Programs in the
24 following subject areas are not acceptable toward meeting this requirement:
25 sexual harassment, workplace harassment, or workplace violence. Courses must
26 be a minimum of one hour as described in Section 88.2.

27 (c) Government Auditing Continuing Education Requirement.

28 A licensee who engages in planning, directing, conducting substantial portions of field
29 work, or reporting on financial or compliance audits of a governmental agency shall
30 complete 24 hours of the 80 hours required pursuant to subsection (a) in the areas of
31 governmental accounting, auditing or related subjects. This continuing education shall
32 be completed in the same two-year license renewal period as the report is issued. A
33 governmental agency is defined as any department, office, commission, authority,
34 board, government-owned corporation, or other independent establishment of any
35 branch of federal, state or local government. Related subjects are those which
36 maintain or enhance the licensee's knowledge of governmental operations, laws,
37 regulations or reports; any special requirements of governmental agencies; subjects
38 related to the specific or unique environment in which the audited entity operates; and
39 other auditing subjects which may be appropriate to government auditing
40 engagements. A licensee who meets the requirements of this subsection shall be
41 deemed to have met the requirements of subsection (d).

42 (d) Accounting and Auditing Continuing Education Requirement.

43 A licensee who engages in planning, directing, performing substantial portions of the
44 work, or reporting on an audit, review, compilation, or attestation service, shall

complete 24 hours of the 80 hours of continuing education required pursuant to subsection (a) in the course subject matter pertaining to financial statement preparation and/or reporting (whether such statements are prepared on the basis of generally accepted accounting principles or other comprehensive bases of accounting), auditing, reviews, compilations, industry accounting, attestation services, or assurance services. This continuing education shall be completed in the same two-year license renewal period as the report is issued.

(e) Accounting and Auditing Continuing Education Requirement When Providing Preparation Engagements as Highest Level of Service.

A licensee who provided preparation engagements as their ~~his/her~~ highest level of service shall complete eight hours of the 80 hours of continuing education required pursuant to subsection (a) in preparation engagements or accounting and auditing as described in Section 87(d).

(f) Fraud Continuing Education Requirement.

A licensee who must complete continuing education pursuant to subsections (c), (d), or (e) of this section shall also complete an additional four hours of continuing education specifically related to the prevention, detection, and/or reporting of fraud affecting financial statements. This continuing education shall be part of the 80 hours of continuing education required by subsection (a), but shall not be part of the continuing education required by subsections (c), (d), or (e).

(g) Failure to Comply.

A licensee's willful failure to comply with the requirements of this section shall constitute cause for disciplinary action pursuant to Section 5100(g) of the Accountancy Act.

Note: Authority cited: Sections 5010 and 5027, Business and Professions Code.
Reference: Sections 5026, 5027, 5028 and 5051, Business and Professions Code.

§ 88. Programs Which Qualify.

(a) (1) The overriding consideration in determining whether a specific program qualifies as acceptable continuing education is that it be a formal program of learning which contributes directly to the professional competence of a licensee in public practice. It is the obligation of each licensee to select a course of study, consistent with the requirements of this section and Sections 88.1 and 88.2, which will contribute directly to their ~~his/her~~ professional competence.

(2) A formal program of learning is an instructional activity that meets the requirements of this section and Sections 88.1 and 88.2 or a course for which academic credit is granted by a university, college, or other institution of learning accredited by a regional or national accrediting agency.

(b) Live Presentations: The following types of live presentation programs are deemed to qualify as acceptable continuing education provided the standards outlined in Section 88(a), Section 88.1, and Section 88.2 are maintained.

(1) Professional development programs of national and state accounting organizations.

- (2) Technical session at meetings of national and state accounting organizations and their chapters which are designed as formal educational programs.
- (3) University or college courses:
- (i) Credit courses: -each semester hour credit shall equal 15 hours toward the requirement. Each quarter hour credit shall equal 10 hours.
- (ii) Non-credit courses: -each classroom hour will equal one qualifying hour.
- (4) Other formal educational programs provided the program meets the required standards.
- (c) Group Internet-Based Programs (Webcast): Programs that enable a licensee to participate from a computer in an interactive course presented by a live instructor at a distant location are qualifying, provided the program is based upon materials specifically developed for instructional use and meets the requirements of Section 88(a), Section 88.1 and Section 88.2. Group viewing of a Webcast ~~webcast~~ program is permissible only where a live facilitator logs into the program to ask questions on behalf of the group. The live facilitator shall document and verify group participation and attendance in accordance with the requirements of Section 88.1 and 88.2.
- (d) Individual Study: Formal correspondence or other individual study programs are qualifying provided they meet all the following requirements:
- (1) The the program is based upon materials specifically developed for instructional use~~;~~
- (2) The the program meets the requirements of Section 88(a), Section 88.1, and Section 88.2~~;~~
- (3) The the program is completed within one year from the date of purchase or enrollment~~;~~ and
- (4) The the licensee receives a passing score.
- (e) Individual Study/National Examinations Continuing Education: Self-study modules for national examinations that contribute to the professional competency of a licensee in public practice, such as the CERTIFIED FINANCIAL PLANNER™ Certification Examination or the Certified Management Accountant examination qualify as acceptable continuing education if the modules meet the requirements of subsection (d).
- (f) Nano Learning Programs: Programs enabling a licensee to learn a given subject containing a minimum of one learning objective in a minimum of 10-minutes and less than 20 minutes including the test, through the use of electronic media and without interaction with a live instructor. A nano learning program is not a live or group internet-based program. Nano learning programs are qualifying provided they meet all the following requirements:
- (1) The program is based upon materials specifically developed for instructional use.
- (2) The program meets the requirements of Section 88(a), Section 88.1(d), and Section 88.2(d).
- (3) Continuing education credits are not awarded in the following subjects: ethics as defined in Section 87(b), prevention, detection and/or reporting of fraud affecting financial statements as defined in Section 87(f), or a regulatory review

1 course as defined in Section 87.8.

2 (4) The program is completed within one year from the date of purchase or
3 enrollment in the program.

4 (5) The licensee receives a 100 percent score on a test given to the participants
5 prior to issuance of the continuing education credit.

6 (g) Blended Learning Program: Programs include both asynchronous and
7 synchronous learning and provide clear instructions and information to participants
8 that summarize the different components of the program and what must be
9 completed or achieved during each component in order to qualify for continuing
10 education hours. For the purposes of this subsection, "synchronous" means a
11 program in which participants engage simultaneously in instructional methods and
12 "asynchronous" means a program in which participants have control over the time,
13 place and pace of learning. Blended learning programs are qualifying provided they
14 meet all the following requirements:

15 (1) The program is based upon material specifically developed for instructional use.

16 (2) The program meets the requirements of Section 88(a), Section 88.1(e), and
17 Section 88.2(e).

18 (3) If the primary components of the blended learning program are synchronous
19 learning activities, then continuing education hours for pre-program, post-program,
20 and homework assignments cannot constitute more than 25 percent of the total
21 continuing education hours awarded for the blended learning program.

22 (4) If the primary components of the blended learning program are asynchronous,
23 then the program must use a test to demonstrate achievement of the learning
24 objectives of the program that measures no less than 75 percent of the learning
25 objectives for the program. The test must be completed during or after the program
26 with a cumulative passing score before issuing continuing education hours for the
27 course.

28 (fh) Instructor/Speaker Continuing Education: Credit as an instructor, discussion
29 leader, or speaker shall be allowed for any meeting or program provided that the
30 session is one which meets the continuing education requirements set forth in
31 subsection (a)(1), Section 88.1, and Section 88.2.

32 The credit allowed an instructor, discussion leader, or a speaker shall be on the basis
33 of actual presentation hours, plus up to two additional hours for actual preparation
34 time for each hour taught. The maximum credit for such preparation and teaching
35 shall not exceed 50 percent of the renewal period requirement. For repeat
36 presentations, an instructor shall receive no credit unless the instructor can
37 demonstrate that the program content was substantially changed and that such
38 change required significant additional study or research. Credit for licensees
39 attending, not as instructors, discussion leader, or speakers, is limited to the actual
40 meeting time.

41 (gi) Writing-Related and Technical Continuing Education: Credit may be allowed by
42 the Board on an hour-for-hour basis for the following activities:

43 (1) Writing published articles and books provided the publisher is not under the
44 control of the licensee, and the article and/or book would contribute to his/her their

1 professional competence.

2 (2) Writing instructional materials for any continuing education program which meets
3 the requirements of subsection (a)(1), Section 88.1, and Section 88.2,

4 (3) Writing questions for the Uniform Certified Public Accountant Examination,

5 (4) Performing a technical review of instructional materials for any continuing
6 education program which meets the requirements of subsection (a)(1), Section
7 88.1, and Section 88.2. For the purposes of this section a technical review shall
8 mean reviewing for technical accuracy, currency of the information, and
9 attainment of stated learning objectives.

10 (h) The maximum credit allowed under subsection (g) shall not exceed ~~25~~ 50
11 percent of the renewal period requirement.

12 (i) In order for any continuing education hours to be acceptable to the Board under
13 this article, the hours shall be completed in a program which qualifies under this
14 section or Section 87.9.

15
16 Note: Authority cited: Sections 5010 and 5027, Business and Professions Code.
17 Reference: Sections 5026 and 5027, Business and Professions Code.

18 § 88.1 Provider Requirements.

19 (a) Live Presentation.

20 In order to qualify as acceptable continuing education under Section 88(b) the
21 provider of a live presentation program must meet all the following requirements:

22 (1) Require attendance and retain for a period of five years a record of attendance
23 that accurately assigns the appropriate number of contact hours for participants
24 including those who arrive late or leave early.

25 (2) Retain for a period of five years written educational goals and specific learning
26 objectives, as well as a syllabus, which provides a general outline, instructional
27 objectives, and a summary of topics for the course. A copy of the educational goals,
28 learning objectives, and course syllabus shall be made available to the California
29 Board of Accountancy upon request.

30 (3) Issue a certificate of completion, with verification certified by a program provider
31 representative such as a signature or seal, to each licensee upon satisfactory
32 completion of the course and retain records of licensees receiving certificates of
33 completion for a period of five years. The amount of credit reflected on the certificate
34 of completion shall be calculated in accordance with Section 88.2(a). The certificate
35 of completion must delineate the subject areas, as described in Section 87(a)(2) and
36 (3), for which the licensee may claim credit.

37 (b) Group Internet-Based Programs (Webcast).

38 In order to qualify as acceptable continuing education under Section 88(c), the
39 provider of a group internet-based program ~~Group Internet-Based Program~~
40 (Webcast) must meet all the following requirements:

41 (1) Require and monitor attendance throughout the program by using
42 attendance monitoring devices such as polling, questions, or surveys. The
43 program shall include a minimum of three monitoring events each hour, at least
44

1 one of which occurs at an irregular interval.

2 (2) Have a live instructor while the program is being presented and a feature
3 allowing participants to send questions/comments directly to the instructor and
4 receive answers during the program.

5 (3) If it is recorded or archived, have a live subject matter expert facilitate the
6 program (~~webcast~~ Webcast) to answer questions. A recorded or archived program
7 that does not have a live subject matter expert must meet the self-study or adaptive
8 learning self-study requirements of ~~subsection (c)~~, Section 88(d), and Section
9 88.2(c).

10 (4) Retain for a period of five years a record of attendance that accurately assigns
11 the appropriate number of participation hours for participants.

12 (5) Retain for a period of five years written educational goals and specific learning
13 objectives, as well as a syllabus, which provides a general outline, instructional
14 objectives, and a summary of topics for the course. A copy of the educational goals,
15 learning objectives, and course syllabus shall be made available to the California
16 Board of Accountancy upon request.

17 (6) Issue a certificate of completion, with verification certified by a program provider
18 representative such as a signature or seal, to each licensee upon satisfactory
19 completion of the course. Satisfactory completion shall at a minimum require
20 responding to at least 75 percent of the monitoring events described in subsection
21 (b)(1) during the period for which continuing education credit is being granted. Retain
22 records of licensees receiving certificates of completion for a period of five years. The
23 amount of credit shall be displayed on the certificate of completion and shall be
24 calculated in accordance with Section 88.2(b). The certificate of completion must
25 delineate the subject areas, as described in Section 87(a)(2) and (3), for which the
26 licensee may claim credit.

27 (7) Have a written policy to address rescheduling and the granting of partial credit in
28 the event of a technology failure, and make that policy available to the Board upon
29 request.

30 (c) Self-Study and Adaptive Learning Self-Study.

31 In order to qualify as acceptable continuing education under Section 88(d) the
32 provider of a self-study or adaptive learning self-study course must meet all the
33 following requirements:

34 (1) Retain for a period of five years written educational goals and specific learning
35 objectives, as well as a syllabus, which provides a general outline, instructional
36 objectives, and a summary of topics for the course. A copy of the educational goals,
37 learning objectives, and course syllabus shall be made available to the California
38 Board of Accountancy upon request.

39 (2) Issue a certificate of completion, with verification certified by a program provider
40 representative such as a signature or seal, to each licensee upon satisfactory
41 completion of the course and retain records of licensees receiving certificates of
42 completion for a period of five years. The amount of credit shall be displayed on the
43 certificate of completion and shall be calculated in accordance with Section 88.2(c).
44 The certificate of completion must delineate the subject areas, as described in

Section 87(a)(2) and (3), for which the licensee may claim credit.

(d) Nano Learning.

In order to qualify as acceptable continuing education under Section 88(f), the provider of a nano learning course must meet all the following requirements:

(1) Retain for a period of five years written educational goals and specific learning objectives, as well as a syllabus, which provides a general outline, instructional objectives, and a summary of topics for the course. A copy of the educational goals, learning objectives, and course syllabus shall be made available to the California Board of Accountancy upon request.

(2) Issue a certificate of completion, with verification certified by a program provider representative such as a signature or seal, to each licensee upon satisfactory completion of the course. Retain records of licensees receiving certificates of completion for a period of five years. The amount of credit shall be displayed on the certificate of completion and shall be calculated in accordance with Section 88.2(d). The certificate of completion must delineate the subject areas, as described in Section 87(a)(2) and (3), for which the licensee may claim credit.

(e) Blended Learning.

In order to qualify as acceptable continuing education under Section 88(g), the provider of a blended learning course must meet all the following requirements:

(1) Retain for a period of five years written educational goals and specific learning objectives, as well as a syllabus, which provides a general outline, instructional objectives, and a summary of topics for the course. A copy of the educational goals, learning objectives, and course syllabus shall be made available to the California Board of Accountancy upon request.

(2) Issue a certificate of completion, with verification certified by a program provider representative such as a signature or seal, to each licensee upon satisfactory completion of the course. Retain records of licensees receiving certificates of completion for a period of five years. The amount of credit shall be displayed on the certificate of completion and shall be calculated in accordance with Section 88.2(e). The certificate of completion must delineate the subject areas, as described in Section 87(a)(2) and (3), for which the licensee may claim credit.

Note: Authority: Sections 5010 and 5027, Business and Professions Code.

Reference: Sections 5026 and 5027, Business and Professions Code.

§ 88.2 Program Measurements.

(a) Live Presentation.

In order to qualify as acceptable continuing education under Section 88(b) a live presentation program must meet all of the following requirements:

(1) Be measured in 50-minute class hours. A program must be at least one 50-minute class hour in length to be acceptable continuing education. For a program composed of several segments in which individual segments are less than 50 minutes, the sum of the segments, in increments not less than 25~~10~~ minutes, may be added together to equal a full 50-minute class hour. For a program that is longer than one 50-minute

class hour, credit shall be granted for additional 10-minute segments (one fifth of a 50-minute class hour) or 25-minute segments (one-half of a 50-minute class hour).

Only class hours or the equivalent (and not participant hours devoted to preparation or study time) will be used to measure the hours of continuing education.

(2) Any program designed pursuant to Section 87(b) must be a minimum of one 50-minute class hour. Should a course be comprised of multiple subject areas as described in Section 87(a)(2), those components specific to Section 87(b) must be a minimum of one 50-minute class hour.

(3) Meet the provider requirements for live presentation under Section 88.1(a).

(b) Group Internet-Based Program (Webcast).

In order to qualify as acceptable continuing education under Section 88(c), a group internet-based program ~~Group Internet-Based Program (Webcast)~~ must meet all of the following requirements:

(1) Be measured by actual program length in 50-minute class hours. A program must be a minimum of one 50-minute class hour in length to be acceptable continuing education. For a program composed of several segments, the sum of the segments, in increments not less than ~~25~~10 minutes, may be added together to equal a full 50-minute class hour. For a program that is longer than one 50-minute class hour, credit shall be granted for additional 10-minute segments (one fifth of a 50-minute class hour) or 25-minute segments (one-half of a 50-minute class hour). Only class hours or the equivalent (and not participant hours devoted to preparation or study time) will be used to measure the hours of continuing education.

(2) Any program designed pursuant to Section 87(b) must be a minimum of one 50-minute class hour. Should a program be comprised of multiple subject areas as described in Section 87(a)(2), those components specific to Section 87(b) must be a minimum of one 50-minute class hour.

(3) Meet the provider requirements for group internet-based program ~~Group Internet-Based Program (Webcast)~~ under Section 88.1(b).

(c) Self-Study and Adaptive Learning Self-Study.

In order to qualify as acceptable continuing education under Section 88(d), a self-study course, whether in electronic or paper text format, must meet all of the following requirements:

(1) Grant continuing education credit calculated using one of the following methods:

(A) Demonstrating an average completion time, measured in 50-minute continuing education hours, by pre-testing the documentation by participants who are from a minimum of three current, and active, and unrestricted certified public accountants simulating the manner in which the course will be completed and showing the length of time spent by each participant to complete the course. The pre-testing for self-study shall be performed by a minimum of three participants, and the pre-testing for adaptive learning self-study shall be performed by a minimum of seven participants.

Pre-testing participants are required to be independent of the group that developed and/or are offering the course and provide feedback on the level of difficulty of the course. The continuing education credit shall be rounded down to the nearest ~~one-half hour credit~~ 10-minute segment (one fifth of a 50-minute class hour) or 25-minute

1 segment (one-half of a 50-minute class hour) when the total minutes of the program
2 are not equally divisible by 50.

3 (B) Demonstrating an average completion time, measured in 50-minute continuing
4 education hours, by dividing the number of words contained in the text of the required
5 reading (excluding any material not critical to the achievement of the stated learning
6 objectives such as the course introduction, author biography, instructions, table of
7 contents, and supplementary reference materials) by 180, adding the actual length of
8 time in minutes of any audio or video segments, adding the number of review
9 questions, exercises, and final examination questions multiplied by 1.85, and dividing
10 the total by 50. The continuing education credit shall be rounded down to the nearest
11 one-half hour credit 10-minute segment (one fifth of a 50-minute class hour) or 25-
12 minute segment (one-half of a 50-minute class hour) when the total minutes of the
13 program are not equally divisible by 50. Additionally, for adaptive learning self-study,
14 the continuing education credit must be based on the average word count formula
15 calculation of each potential path the learner could take to complete the program
16 using the prescribed word count formula. All potential paths must be documented.
17 For example, if an adaptive learning self-study program has nine potential paths a
18 learner can take to complete the program, then the word count formula must be
19 calculated for each of the nine potential paths, with the sum of the results divided by
20 nine.

21 (2) A minimum of one-half hour of continuing education credit must be initially
22 awarded, but after the first half hour credit has been earned, credits may be awarded
23 in 10-minute segments (one fifth of a 50-minute class hour) or 25-minute segments
24 (one-half of a 50-minute class hour).

25 (23) Clearly define lesson objectives and manage the participant through the
26 learning process by requiring frequent participant response to questions or other
27 content reinforcement tools that test for understanding of the material presented.

28 (A) When using questions, the program must provide providing evaluated feedback
29 to incorrectly answered questions and reinforcement feedback to correctly answered
30 questions. For purposes of this section, evaluated feedback means a response
31 specific to each incorrect answer to the study questions that explains why the
32 particular answer is wrong, as each one is likely to be wrong for a different reason.
33 For purposes of this section, reinforcement feedback means a response to the
34 correct answer of the study questions that restates and explains why the answer
35 selected was correct.

36 (B) Other content reinforcement tools are tools used within the overall learning
37 activity to reinforce learning and influence behavior throughout the learning or at the
38 end of the learning.

39 (i) When using other content reinforcement tools that include drag-and-drop, rank
40 order, or matching activities, it is permissible to provide single feedback to explain the
41 correct response.

42 (ii) When using other content reinforcement tools that guide participants through
43 structured decisions, it is allowable to provide feedback at irregular intervals or at
44 the end of the learning experience, and single feedback is permissible.

(34) Any program designed pursuant to Section 87(b) must be a minimum of one class hour. Should a program be comprised of multiple subject areas as described in Section 87(a)(2), those components specific to Section 87(b) must be a minimum of one 50-minute class hour.

(45) Require a passing score on a test given at the conclusion of the course. The test shall not include true/false type questions.

(56) Meet the provider requirements for self-study or adaptive learning self-study under Section 88.1(c).

(d) Nano Learning.

In order to qualify as acceptable continuing education under Section 88(f) a nano learning presentation program must meet all of the following requirements:

(1) Require a passing score of 100 percent on a test consisting of at least two questions. The test shall not include true/false type questions.

(2) Grant continuing education hours in a 10-minute segment (one fifth of a 50-minute class hour), based on duration of the program including the test, and

(3) Meet the provider requirements for nano learning under Section 88.1(d).

(e) Blended Learning Program.

In order to qualify as acceptable continuing education under Section 88(g), a blended learning program must meet all of the following requirements:

(1) Calculate continuing education credit using the following methods:

(A) Measure by actual program length in 50-minute class hours. For a program composed of several segments, the sum of the segments, in increments not less than 10 minutes, may be added together to equal a full 50-minute class hour. For a program that is longer than one 50-minute class hour, credit shall be granted for additional 10-minute segments (one fifth of a 50-minute class hour) or 25-minute segments (one-half of a 50-minute class hour). Only class hours or the equivalent (and not participant hours devoted to preparation or study time) will be used to measure the hours of continuing education.

(B) Demonstrate an average completion time by pre-testing documentation as defined in Section 88.2(c)(1)(A).

(C) Demonstrate an average completion time by calculating the required reading as defined in Section 88.2(c)(1)(B).

(2) Any program designed pursuant to Section 87(b) must be a minimum of one 50-minute class hour. Should a course be comprised of multiple subject areas as described in Section 87(a)(2), those components specific to Section 87(b) must be a minimum of one 50-minute class hour.

(3) A minimum of one hour of continuing education credit must be initially awarded, but after the first hour credit has been earned, credits may be awarded in 10-minute segments (one fifth of a 50-minute class hour) or 25-minute segments (one-half of a 50-minute class hour). Credits awarded in 10-minute segments for a nano learning program shall comply with Section 88(f).

(4) Meet the provider requirements for blended learning under Section 88.1(e).

Note: Authority cited: Sections 5010 and 5027, Business and Professions Code.
Reference: Sections 5026 and 5027, Business and Professions Code.

§ 89 Control and Reporting.

(a) Upon renewal, a licensee who is required, pursuant to Section 80.2, 81, 87, or 87.1, to obtain continuing education must provide a written statement, signed under penalty of perjury, certifying that the requisite number of continuing education hours has been obtained. The licensee shall disclose all of the following information concerning courses or programs claimed as qualifying continuing education hours:

(1) Course title or description.

(2) Date of completion.

(3) Name of school, firm or organization providing the course or program.

(4) Method of study, i.e., whether course or program is self-study, adaptive learning self-study, live presentation, ~~or Group Internet-Based Program~~ group internet-based program (Webcast), nano learning program or blended learning program.

(5) Number of hours earned.

(6) Subject areas as described in Section 87(a)(2) and (3).

(b) If credit is claimed for completing the two hour regulatory review course specified in Section 87.8, a licensee shall obtain and retain for six years after renewal of their his/her license, a certificate of completion or its equivalent disclosing all of the following information:

(1) Name of licensee.

(2) Course title.

(3) Board-issued approval number for the regulatory review course completed by the licensee.

(4) School, firm or organization providing the course.

(5) Date of completion.

(6) Verification by a program provider representative, such as a signature or seal.

(c) If continuing education credit for attending a continuing education course is claimed, the licensee shall obtain and retain for four years after renewal a certificate of completion or its equivalent disclosing all of the following information:

(1) Name of licensee in attendance.

(2) School, firm or organization conducting course.

(3) Location of course attended.

(4) Title of course or description of content.

(5) Dates of attendance except when the licensee attended a course for academic credit given by a college, university, or other institution of higher learning accredited by an association recognized by the Secretary of the United States Department of Education, in which case the applicant may provide evidence of a grade of pass or "credit" to satisfy this requirement.

(6) Number of hours of actual attendance except when the licensee attended a course for academic credit given by a college, university, or other institution of higher learning accredited by an association recognized by the Secretary of the

1 United States Department of Education, in which case the applicant may provide
2 evidence of a grade of pass or "credit" to satisfy this requirement.

3 (7) Verification by a program provider representative, such as a signature or seal.

4 (8) Subject areas as described in Section 87(a)(2) and (3).

5 (d) If continuing education credit is claimed for completing a self-study or adaptive
6 learning self-study course, the licensee shall obtain and retain for four years after
7 renewal a receipt or its equivalent documenting the date of purchase or enrollment
8 and a certificate of completion or its equivalent disclosing all of the following
9 information:

10 (1) Name of licensee taking the course.

11 (2) School, firm, or organization providing the course.

12 (3) Title of course or description of contents.

13 (4) Date of completion.

14 (5) Number of hours of ~~continued~~ continuing education credit granted for completing
15 the course.

16 (6) Subject areas as described in Section 87(a)(2) and (3).

17 (7) Verification by a program provider representative, such as a signature or seal.

18 (e) If continuing education credit is claimed for completing a nano learning program,
19 the licensee shall obtain and retain for four years after renewal a receipt or its
20 equivalent documenting the date of purchase or enrollment and a certificate of
21 completion or its equivalent disclosing all of the following information:

22 (1) Name of licensee taking the course.

23 (2) School, firm, or organization providing the course.

24 (3) Title of course or description of contents.

25 (4) Date of completion.

26 (5) Number of hours of continued education credit granted for completing the
27 course.

28 (6) Subject areas as described in Section 87(a)(2) and (3).

29 (7) Verification by a program provider representative, such as a signature or seal.

30 (f) If continuing education credit is claimed for completing a blended learning
31 program, the licensee shall obtain and retain for four years after renewal a receipt
32 or its equivalent documenting the date of purchase or enrollment and a certificate of
33 completion or its equivalent disclosing all of the following information:

34 (1) Name of licensee taking the course.

35 (2) School, firm, or organization providing the course.

36 (3) Title of course or description of contents.

37 (4) Date of completion.

38 (5) Number of hours of continued education credit granted for completing the course.

39 (6) Subject areas as described in Section 87(a)(2) and (3).

40 (7) Verification by a program provider representative, such as a signature or seal.

41 (eg) If credit as an instructor, discussion leader, or speaker is claimed, the licensee
42 shall retain for four years after renewal all of the following information:

43 (1) School, firm or organization providing course.

44 (2) Location of course presented.

(3) Title of the course or description of content.
 (4) Course outline.
 (5) Dates and evidence of presentation.
 (6) Number of hours of actual preparation time and presentation time.
 (fh) If credit is claimed for writing continuing education instructional materials,
all of the following information shall be maintained for four years after renewal:
 (1) Name of the course provider or publisher.
 (2) Title of the course and a description of the instructional materials.
 (3) Date of completion of the instructional materials or publication date.
 (4) A copy of the instructional materials.
 (5) Hours claimed.
 (gi) If credit for published articles and books is claimed, all of the following
 information shall be maintained for four years after renewal:
 (1) Name and address of publisher.
 (2) Title of publication.
 (3) Brief description.
 (4) Date(s) of publication.
 (5) Copy of publication.
 (6) Hours claimed.
 (hj) If credit for writing questions for the Uniform CPA Examination is claimed, the
 licensee shall obtain and retain for four years after renewal a letter or other
 statement from the American Institute of Certified Public Accountants documenting
 the licensee's participation and the number of hours of continuing education credit
 the licensee has received.
 (ik) If credit is claimed for performing a technical review of continuing education
 instructional materials, all of the following information shall be maintained for four
 years after renewal:
 (1) Name of the course provider or publisher.
 (2) Title of the course and a description of the instructional materials.
 (3) Date the review was completed.
 (4) A copy of the instructional materials, and
 (5) Hours claimed.
 (jl) The Board may solicit and verify such information. If a licensee is found to have
 a deficiency, the licensee shall be so notified and shall be required to provide copies
 of the documentation required by this section.
 (km) A licensee who is determined by the Board at renewal not to have completed
 the required number of hours of qualifying continuing education shall be required to
 make up any deficiency. A licensee who is required to make up a deficiency shall be
 ineligible for active status license renewal or conversion to active status pursuant to
 Section 80.1 until such time as documentation to support the required hours of
 continuing education for license renewal has been submitted and approved by the
 Board.
 (ln) A licensee's willful making of any false or misleading statement, in writing,
 regarding his/her their continuing education shall constitute cause for disciplinary

1 action pursuant to section 5100(g) of the Accountancy Act.

2
3 Note: Authority cited: Sections 5010 and 5027, Business and Professions Code.
4 Reference: Sections 5026 and 5027, Business and Professions Code.
5

6 **§ 90 Exceptions and Extensions.**

7 (a) A renewal applicant may be granted either an extension of time to complete
8 continuing education requirements or an exception from continuing education
9 requirements. Extensions or exceptions may be granted by the Board for the
10 following causes:

11 (1) Reasons of health, certified by a medical doctor, which prevent compliance by
12 the licensee;

13 (2) Service of the licensee on extended active duty with the Armed Forces of the
14 United States;

15 (3) Other good cause.

16 (b) No extension or exception shall be made solely because of age.

17 (c) Willful failure of a licensee to complete applicable continuing education within
18 a specified extension of time shall constitute cause for disciplinary action pursuant
19 to section 5100(g) of the Accountancy Act.

20 (d) A renewal applicant who has met the requirement of Section 87(a) and becomes
21 subject to continuing education pursuant to Section 87(c), (d) or (e) during the last 6
22 months of a two-year license renewal period shall be granted, upon request, an
23 extension of time of up to 6 months in which to complete the continuing education
24 required by Section 87(c), (d) or (e). Continuing education completed pursuant to this
25 extension shall be part of the 80 hours of continuing education required under
26 Section 87(a) for the next two-year renewal period. However, it shall not be part of
27 the 24 hours of continuing education required under Section 87(c) or (d) or the ~~8~~four
28 hours of continuing education required under Section 87(fe) for the next two-year
29 renewal period.
30

31 Note: Authority cited: Sections 5010 and 5027, Business and Professions Code.
32 Reference: Sections 5026, 5027, 5028 and 5100(g), Business and Professions
33 Code.
34