

## 2016-2017 NORTH CAROLINA ONLINE CERTIFICATE RENEWAL INSTRUCTIONS

The Board staff encourages licensees to renew early. If there is a problem with a licensee's renewal at the beginning of the renewal season, the licensee may have time to correct it. If a licensee renews close to the June 30 deadline, he or she may encounter renewal server slowdowns and may miss the opportunity to correct problems. A licensee who fails to renew will forfeit his or her CPA certificate. A licensee should print the final renewal acknowledgement page as proof that his or her renewal was processed; a credit card statement also serves as a receipt. If a licensee wishes to keep a copy of the information submitted, he or she must print each page of the online renewal **after** he or she has completed the information required, but **before** clicking the "continue" button. A licensee may also check his or her personal record in the "Licensee Search" section of the Board's website, [nccpaboard.gov](http://nccpaboard.gov), to confirm an updated expiration date for his or her certificate and print a payment receipt if desired. The website is updated in real time. If a licensee encounters errors during the renewal, he or she should clear his or her browser cache, restart his or her computer, and try again; this procedure fixes the majority of problems that occur. You will also need to turn off your pop-up blockers.

A licensee will need four things to complete his or her renewal: 1) his or her North Carolina CPA certificate number; 2) his or her Social Security Number; 3) the number of CPE hours earned to meet the 2015 requirement; and 4) a valid MasterCard or VISA number (including security code) and valid expiration date. The Board's website is certified as secure by Comodo for web-based transactions. A licensee may use Internet Explorer, Mozilla Firefox, Google Chrome, or the Apple Safari browser to complete the online renewal.

- I. Page 1 of the online renewal lists the licensee's personal information from the Board's files. The licensee must review and correct the information as necessary so that the Board's records are current and complete. A licensee must provide the Board with a full address, including business name, mailing address, email address, and telephone number so that the Board will have complete, accurate information and will be able to contact the licensee if necessary. Addresses are updated by clicking on the blue highlighted link (such as Mailing Address) and changing each address (mailing address, business/practice address, or home address) as needed. A licensee will not be allowed to complete the renewal and exit the system without providing a mailing address and an email address. The name, address, and telephone number entered in the "Mailing Address" section of the renewal will be publicly available on the Board's website in the "Licensee Search." If a licensee is using his or her home address or business address as the mailing address, he or she does not need to list the same address in two categories (such as mailing address and home address or mailing address and business/practice address). However, the Board must have a licensee's home **and** business address on file. Use only the occupation and concentration categories provided in the pop-up lists.
- II. Page 2 of the online renewal pertains to the mandatory CPE requirement.
  - A. If a licensee completed the 40-hour requirement, including at least two (2) hours of ethics CPE (regulatory or behavioral) offered by a CPE Sponsor registered with the NASBA (National Association of State Boards of Accountancy) [National CPE Sponsor Registry](#), in calendar year 2015, check Box A. If a licensee was certified in North Carolina during the second, third, or fourth quarters of 2015, his or her CPE requirement for that year is prorated (30 hours, 20 hours, and 10 hours respectively). Hours earned in excess of the minimum requirement may be carried forward into 2016 (maximum carry-forward is 20).
  - B. If a licensee was certified in North Carolina after January 1, 2016, check Box B because persons certified after that date may not report any CPE earned in 2015 or any carry-forward from prior years. The licensee will not be able to view Page 3 where licensees who report CPE input the hours taken, but will be automatically redirected to Page 4 instead.
  - C. If a licensee took some of his or her 2015 CPE after the December 31, 2015, deadline, but before June 30, 2016, and needs to use those courses to meet the 2015 requirement, check Box C. Taking CPE after the deadline may result in a Letter of Warning pursuant to 21 NCAC 08G .0406(b). If a licensee did not meet the CPE requirement by June 30, 2016, he or she does not qualify for renewal.

- D. If a licensee took some of the 2015 CPE after the December 31, 2015, deadline, but before June 30, 2016, and the Board granted him or her an extension, check Box D. Note that an extension must have already been formally approved by the Board, and the licensee should have received written confirmation that the extension was granted.
- E. If a licensee is a non-resident of North Carolina, he or she may comply with the CPE requirements in the state where he or she is licensed as a CPA and works or resides. [21 NCAC 08G .0410]. To claim compliance with out-of-state CPE requirements, check Box E. If a licensee checks Box E, North Carolina will no longer track any carry-forward hours for the licensee. Note that if a licensee shows a North Carolina address, he or she will not be allowed to choose this option.
- III. Report CPE hours on Page 3. The Board will audit a sample of licensees to ensure compliance. Individuals selected for the CPE audit will be contacted by the Board and must provide the required documentation by the deadline specified.
- A. Block A shows the number of carry-forward hours brought forward from 2014 (20 maximum). If this number does not agree with the licensee's records, he or she should email Cammie Emery at [cammie@nccpaboard.gov](mailto:cammie@nccpaboard.gov) before completing the online renewal. Staff will verify the licensee's claim so that he or she may properly complete the renewal after the issue has been resolved.
- B. Enter the total number of CPE hours for the courses earned in 2015. If a licensee completed courses between January 1 and June 30, 2016, he or she may renew by combining the 2015 and 2016 hours, but he or she may be issued a Letter of Warning.
- C. The renewal system will automatically add the carry-forward hours earned in 2014 (Block A) to the CPE hours earned in 2015 (Block B), and put the total in the Total Hours Reported block (Block C). Forty hours is the minimum total unless the 2015 CPE requirement was prorated or the licensee is claiming compliance with another state's CPE requirement [21 NCAC 08G .0401(i)].
- D. The hours available for carry-forward will be automatically calculated in Block D (carry-forward hours cannot exceed 20). NOTE: If the CPE requirement for 2015 was prorated, the licensee may carry forward up to 20 hours in excess of the requirement.
- IV. Moral character data is requested on Page 4. Answer the appropriate item(s) affirmatively and type a brief explanation in the text box at the bottom of Page 4. The moral character data for licensees who have not previously filed a certificate renewal is applicable for the period since the filing of their certificate application. Applicable court documents should be uploaded as a PDF document no larger than 20 mb.
- V. Page 5 is an affirmation which states that the licensee is responsible for knowing and understanding the North Carolina Accountancy Statutes and Rules. The most current copy may be accessed on the Board's website, [nccpaboard.gov](http://nccpaboard.gov), or by clicking the links embedded in the renewal. The licensee is also certifying that the information provided on the online renewal is correct and complete.
- VI. The renewal fee is \$60. The Board accepts **only** MasterCard and VISA or a debit or purchasing card with the MasterCard or Visa logo for payment. The renewal is considered incomplete if a credit card charge is not authorized by the issuing financial institution. If a licensee wishes to mail the completed form with a check or money order, he or she may do so by signing the last page of the renewal and submitting all pages of the completed form and the required fee to the Board at PO Box 12827, Raleigh, NC 27605-2827.

Change of Status: A licensee may elect inactive status by submitting the proper form. Retired status is no longer an option. CPAs on inactive status are not required to renew their certificates, report CPE, or pay a renewal fee. A licensee may obtain the form for inactive status from the Board's website, [nccpaboard.gov](http://nccpaboard.gov), or by calling the Board office at (919) 733-4222. A licensee may request inactive status by submitting the proper form by June 30. A CPA on inactive status may keep his or her CPA certificate, but must affirm that he or she will not use the CPA title in any way while on inactive status.

## ESSENTIAL CONTINUING PROFESSIONAL EDUCATION INFORMATION

General Information – All CPAs on active, “can’t use title,” or probationary status must comply with the CPE requirements and pay an annual renewal fee. A licensee is required to complete at least 40 hours of CPE per calendar year to renew his or her certificate. The deadline for reporting CPE credit earned is June 30. CPE hours are reported during the online certificate renewal process. Detailed listings of courses taken to meet the requirement are not submitted to the Board unless a licensee receives a letter specifically requesting such documentation. CPE hours must be rounded **down** to the nearest half-hour. The Board's CPE rules are found in Title 21, North Carolina Administrative Code (NCAC), Chapter 08G, Section .0400. Please refer to the Board's website, [nccpaboard.gov](http://nccpaboard.gov), for the current CPE rules.

Self-Study Courses – The amount of credit for all self-study courses is based on the average completion time in 50-minute hours as determined by the sponsor. Questions regarding the way the sponsor calculated the hours recommended must be answered by the course provider. A licensee may earn all of his or her CPE by self-study. Non-self-study coursework is no longer required.

One example of self-study material that **does not** meet the Board's requirement for appropriate instructional design is a “course” that consists of an examination on periodicals, guides, magazines, subscription services, books, reference manuals and supplements (e.g., tax services and handbooks, audit guides, etc.). Such programs do not meet this requirement because the material studied is not designed primarily for CPE purposes [21 NCAC 08G .0404(e)].

Ethics CPE Requirement – 21 NCAC 08G .0410 requires all licensees to take annually two (2) hours of ethics CPE. Only ethics CPE courses (regulatory or behavioral) offered by a CPE sponsor registered with the [NASBA National CPE Sponsor Registry](http://NASBA National CPE Sponsor Registry) will be accepted for compliance with the Board's annual ethics CPE course requirement. Submit questions regarding the ethics CPE requirement to Cammie Emery by email at [cammie@nccpaboard.gov](mailto:cammie@nccpaboard.gov).

Registered Sponsors – The Board does not register CPE sponsors. However, NASBA does register CPE providers that agree to conduct programs that enhance a CPA's professional skills and meet other minimum standards. These organizations have also agreed to keep records of their programs for five (5) years. This requirement removes some of the burden of record-keeping for CPAs taking the course, but it does not automatically mean that a CPA may claim credit for a course. A licensee is responsible for selecting the CPE courses he or she attends, and a licensee should pick only those courses that will improve his or her professional competence. You may verify if a sponsor is NASBA-registered by visiting its website, [learningmarket.org](http://learningmarket.org). Due to the large number of licensees and the volume of courses offered, the Board staff will not approve CPE courses.

Non-Registered Sponsors – Pursuant to 21 NCAC 08G .0404(f), a licensee may claim CPE credit for continuing education programs that are conducted by non-registered sponsors. Please refer to 21 NCAC 08G .0403 and .0404 for the types of coursework that might qualify, as well as the standards that such courses must meet. **A licensee does not need to submit his or her documentation to the Board at the end of each year; a licensee is required to keep the documentation in his or her files for five years pursuant to 21 NCAC 08G .0401(h).** Complete and accurate information regarding sponsors and courses is essential. Such documentation should include, but is not limited to:

- 1) Proof of completion of a course (must include licensee's name as the course participant, course title, date of completion, sponsor's name and address, and CPE hours recommended). **This is the most important piece of documentation that licensees should save.** Proof of registration or copies of course agendas are **not** adequate proof of attendance;
- 2) The instructor's biography, indicating both general teaching competence and particular mastery of the subject matter of the course;
- 3) A description of the facilities used and the number of other participants;
- 4) Information about the course developer and sponsor; and

- 5) A description of course objectives, prerequisites, experience level, content, required advance preparation, teaching method used, and CPE credit recommended.

General Guidelines – CPE courses offered by any sponsor should be on a professional level and should relate to the field of accountancy. The seven approved subject areas for CPE programs as set forth in 21 NCAC 08G .0404(b) are:

- 1) Accounting and Auditing
- 2) Consulting Services
- 3) Ethics
- 4) Management
- 5) Personal Development
- 6) Special Knowledge and Applications
- 7) Tax

**Examples of courses that may not meet such criteria are:**

- 1) Basic courses in accountancy and related technical subjects;
- 2) Programs not designed for professional competence, such as:
  - a) Information for the general public on matters such as personal money management, personal investments, elementary income tax, social security, and retirement benefits,
  - b) Sales-oriented presentations for office equipment and other system applications;
- 3) Programs that do not contribute to knowledge of the field of accounting, such as:
  - a) Programs restricted to the policies and procedures of a particular company or organization,
  - b) Programs presenting sophisticated scientific and technical knowledge generally considered beyond the scope required for the practice of accountancy.

Audit of CPE Reports – Staff will audit a computer-generated, random sample of licensees each year using the “Rand Between” function in Microsoft Excel. If selected for the audit, it is the licensee’s responsibility to contact sponsors directly and obtain verification from them if needed. Individuals receiving a letter of warning may also be audited.

Carry-Forward Hours – Carry-forward hours are designed to be an "insurance policy" to guard against situations where circumstances prevent a licensee from completing the full 40-hour CPE requirement by December 31. If a licensee does not maintain 20 hours of carry-forward, he or she increases the risk of receiving a Letter of Warning or being ineligible to renew his or her certificate. Twenty (20) hours is the maximum carry forward. New North Carolina CPAs should also be aware that they may not claim carry-forward from the calendar year before the year they were certified **in North Carolina**. Carry-forward hours do not maintain their characteristics (e.g. self-study, group study, ethics, etc.). Note that a licensee may earn CPE credit that lasts a minimum of a half hour. Therefore, a licensee may carry forward CPE hours in half-hour increments. CPE credit should be rounded **down** to the nearest half hour. Note that a whole course must be claimed in the calendar year it is completed; it cannot be split into two calendar years to satisfy the Ethics requirement or for any other purpose.

Extensions of Time to Complete CPE – Extensions of time to complete CPE requirements may be requested by submitting a completed extension request form (available on the Board’s website, [nccpaboard.gov](http://nccpaboard.gov)). However, the Board will generally approve extensions only when circumstances indicate a **severe** personal hardship (e.g., severe illness). Failure to complete courses on time due to business circumstances probably will **not** be approved. Note that extensions are not granted past June 30. Extension requests should be submitted by April 1.

Penalties for Noncompliance – Licensees who fail to comply with the CPE requirements are subject to a Letter of Warning or forfeiture as outlined in 21 NCAC 08G .0406(b).