

**State of Connecticut  
Regulation of  
State Board of Accountancy  
Concerning  
Technical error Amendments to Board of Accountancy Regulations**

Section 1. Subsection (a) of Section 20-280-15a, of the Regulations of Connecticut State Agencies is amended to read as follows:

(a) This code of professional conduct is promulgated under the authority granted by section [20-280 (b)] 20-280 (g)(4) of the general statutes, which delegates to the state board of accountancy of Connecticut the power and duty to prescribe rules of professional conduct for establishing and maintaining high standards of competence and integrity in the profession of public accountancy.

Section 20-280-15b(8), of the Regulations of Connecticut State Agencies is amended to read as follows:

(8) **Practice of public accountancy.** Offering to perform or performing, for a [clieor] client potential client, one or more types of services involving the use of accounting or auditing skills, or one or more types of management advisory or consulting services, or the preparation of tax returns or the furnishing of advice on tax matters, while holding oneself out in such manner as to state or imply that one is a licensee.

Section 20-280-15c , of the Regulations of Connecticut State Agencies is amended to read as follows:

(c) **Commissions.** A licensee shall not pay a commission to obtain a client, nor accept a commission for a referral to a client of products or [servs] services of others. This rule does not prohibit payments for the purchase of all, or a material part, of an accounting practice, or retirement payments to persons formerly engaged in the practice of public accountancy, or payments to the heirs or estates of such persons.

(d) **Contingent fees.** A licensee shall not offer or perform professional services for a fee which is contingent upon the findings or results of such services; provided however that this rule does not apply to professional services involving federal, state, or other taxes in which the findings are those of the tax authorities and not those of the licensee, nor does it apply to professional services for [wh] which the fees are to be fixed by courts or other public authorities and which are therefore indeterminate in amount at the time the professional services are undertaken.

(3) A licensee shall make available to a client, upon request, [workpapers] work papers which contain information not reflected in the client's books and records, and without which the client's financial information is incomplete. Such information includes, but is not limited to, adjusting, closing, combining or consolidating journal entries and information normally contained in books of

original entry and general ledgers or subsidiary ledgers. The licensee may require the payment of fees due with respect to the preparation of such information before such information is provided.

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Section 20-280-16, of the Regulations of Connecticut State Agencies is amended to read as follows:

(a) **Purpose:** This section shall govern the procedure of the board in all hearings conducted under the authority of [Section 20-286] Section 20-280b of the General Statutes involving a violation or alleged violation, of Chapter 389 of the General Statutes and Regulations of the board, by any person, but these rules shall not be construed to be a limitation or repeal of the board's authority as provided by legislative act.

(c) **Complaints.** Information or personal knowledge of any person, including any board member, which if true would indicate a possible violation of Chapter 389 of the General Statutes or the regulations of the board may be presented to the board in the form of a complaint in accordance with [Section 20-286] Section 20-280c of the General Statutes. Upon receipt of such complaint, the board shall review its particulars.

(2) In all other cases cause to have prepared on its own motion, formal charges which shall be signed, caused to be served and prosecuted in accordance with Sections 4-177, 4-178 and [Section 20-286] Section 20-280c of the General [tutes] Statutes by the secretary or by a board member designated by the chairman.

(g) **Record.** After adopting findings of fact and conclusions of law, the board shall issue an order dismissing the action, or providing the sanction under [Section 20-286] Section 20-280b it deems warranted. The order shall:

(1) Be explicit and include as a part thereof the findings of fact and conclusions of law of the board.

(2) Be served upon the respondent or his attorney by certified mail with return receipt requested.

Section 20-280-20(d), of the Regulations of Connecticut State Agencies is amended to read as follows:

(d) **Public practice.** The holder of a registered certificate who is an employee of a firm which holds a current permit to practice public accountancy but who is not a proprietor, partner, shareholder or member of such firm, may use the title pertaining to such certification, in the course of his employment with such firm, in the following manner: (1) in oral or written communication related to the business of such firm; (2) in connection with the listing of such employee's name on business cards if the cards identify such firm; and (3) in connection with the listing of such employee's name on the firm's letterhead and in advertising for the firm, provided that such letterhead or advertising

indicates that such employee is not a proprietor, partner, shareholder or [mem] member in such firm. Such letterhead or advertising may so indicate by the use of wording, graphic devices, grouping or physical separation of names, or some other means, or by a combination of any of the foregoing, which clearly indicates on the face of such letterhead or advertising that certain individuals or a certain group or groups of individuals listed therein consist only of proprietors, partners, shareholders or members, while other individuals or another group or groups listed therein consist only of individuals who are not proprietors, partners, shareholders or members.

Section 20-280-22(a), of the Regulations of Connecticut State Agencies is amended to read as follows:

(a) An applicant who takes the examination prior to January 1, 2000 shall be a graduate of an accredited college with a degree of bachelor. The college shall be accredited by the regional accrediting commission subscribing to the national policies and procedures established by [the federation of regional accrediting commissions of higher education] the Council for Higher Education Accreditation; or a college of equivalent accreditation as determined by the Connecticut State Board of Accountancy. The candidate shall have received credit for at least 46 semester hours from such an accredited college in the study of accounting and related subjects, including, but not limited to business law, economics, and finance; of which at least twenty-four semester hours shall be in the study of accounting.

Section 20-280-23 (a), of the Regulations of Connecticut State Agencies is amended to read as follows:

**(a) Educational qualifications to sit for the certified public accountant's examination.**

An applicant shall be eligible to apply to sit for the examination for the first time on or after May 26, 2007 if he or she is a graduate of an accredited college with a degree of bachelor. The college shall be accredited by the regional accrediting commission subscribing to the national policies and procedures [established by the federation of regional accrediting commissions of higher education] established by the Council for Higher Education Accreditation; or a college of equivalent accreditation as determined by the Connecticut State Board of Accountancy. The candidate shall have received credit for at least 46 semester hours from such an accredited college in the study of accounting and related subjects, including, but not limited to business law, economics, and finance; of which at least twenty-four semester hours shall be in the study of accounting.

(7) The Board or its designee shall provide information to any State Board of Accountancy, concerning its finding [its finding] and actions in such cases when a candidate has applied to take the CPA examination in such other state.

**(j) Scheduling changes.** The Board or its designee may postpone scheduled [examination] examinations, the release of grades, or the issuance of certificates due to:

- (1) A breach of examination security;
- (2) Unauthorized acquisition or disclosure of the contents of an examination; or
- (3) Suspected or actual negligence, errors, omissions, or irregularities in conducting an examination.

Section 20-280-26, of the Regulations of Connecticut State Agencies is amended to read as follows:

(3) Courses in subject matters included in subsection (c) of this section, taken at universities or colleges which are accredited by the Regional Accrediting Commission subscribing to the national policies and procedures established by [the Federation of Regional Accrediting Commissions of Higher Education] the Council for Higher Education Accreditation, or a university or college of equivalent accreditation as determined by the Board,

(A) Graduate-level credit courses:

- (i) Fifteen [(15)] (15) hours for each credit hour of a semester course.
- (ii) Twelve (12) hours for each credit hour of a trimester course.
- (iii) Ten (10) hours for each credit hour of a quarter course.

(B) Undergraduate-level credit course:

- (i) Seven and one-half (7 1/2) hours for each credit hour of a semester course.
- (ii) Six hours (6) for each credit hour of a trimester course.
- (iii) Five (5) hours for each credit hour of a quarter course.

Section 20-280-27, of the Regulations of Connecticut State Agencies is amended to read as follows:

(a) All holders of licenses issued under chapter 389 of the general statutes shall file with the board by [July 31] December 31 of each year, a statement, signed under penalty of false statement, on forms prescribed by the board, listing the continuing professional education programs completed and the number of credits claimed, showing for each program:

- (1) Sponsoring organization.
- (2) Address of location of program.
- (3) Title of program or description of content.
- (4) Dates attended.
- (5) Type of program.
- (6) CPE hours claimed.

Applicants must retain, for at least three (3) years from the date the program is completed, documentation of their participation in and satisfactory completion of all programs claimed.

**Statement of Purpose**

*Pursuant to CGS Section 4-170(b)(3), "Each proposed regulation shall have a statement of its purpose following the final section of the regulation."*

The proposed amendments to the State Board of Accountancy's regulations is an attempt to amend the current regulations to free them from technical errors such as spelling errors and references to defunct agencies, institutions, and repealed amendments. In particular replacing references to the Federation of Regional Accrediting Commissions of Higher Education, which has been defunct since 1996 and replaced with the Council for Higher Education Accreditation.