

## NOTICE OF INTENT

### Officer of the Governor State Board of Certified Public Accountants of Louisiana

Certified Public Accountants; Comprehensive Rule Revisions (LAC 46:XIX.301, 305, 309, 311, 319, 501-505, 701, 703, 901, 903, 1101-1107, 1301, 1501-1503, 1700, 1701, 1705, 1707, 1903, 1909)

Notice is hereby given that in accordance with the Louisiana Administrative Procedure Act, R.S. 49:950 et seq., and pursuant to the authority vested in the State Board of Certified Public Accountants of Louisiana (Board) by the Louisiana Accountancy Act, R.S. 37:71 et seq., the Board intends to amend its Rules governing Certified Public Accountants (CPAs) Chapters 3-19, to conform them to Act 553 of the 2016 Regular Session of the Louisiana Legislature and to update the rules generally as made necessary by the passage of time and for consistency with current Board practices. The proposed changes: remove the 150 semester hour requirement to sit for the CPA exam but maintain the requirement as a condition of licensure (503); establish a minimum age for licensure as a CPA at 18 years of age (901); and add a "CPA-Retired" status category (1105). While fees are not being increased at this time over current levels, the proposed changes include a list of maximum fees, unchanged since 2000, for Board services so that rates may be increased gradually by the Board as needed over the years (319). An increase in Board member compensation, which has remained the same since 1980, is also among the proposed changes (311). In conformity with Act 188 of the 2013 Regular Session of the Louisiana Legislature, the proposed changes also provide that practical experience be *verified* rather than *supervised* by a licensed CPA (903). Among other items, the proposed rule changes also: modify educational provisions and delivery methods (503); incorporate the Uniform Accountancy Act Model rules regarding testing (505); define and include acceptable military service experience (903); modify language providing for recognition of foreign credential equivalency and reporting disciplinary action (1103); clarify that eight hours of CPE in Accounting and Auditing during a calendar year is required when a CPA participates in attest engagements (1301); and adopt and include compliance with the American Institute of Certified Public Accountants' Code of Professional Conduct (1700). Finally, the proposed changes clarify or remove outdated language, incorporate corresponding standards of other states and national regulatory authorities for CPAs; renumber various provisions; delete wording or references no longer applicable or redundant from various sections and provisions; remove gender references; and include other changes made necessary by the passage of time and for

consistency with current Board practices. The proposed changes are set forth below.

### Title 46

## PROFESSIONAL AND OCCUPATIONAL STANDARDS

### Part XIX. Certified Public Accountants

#### Chapter 3. Operating Procedures

#### §301. Officers

A. The officers shall be chair, secretary, and treasurer. The duties of the respective officers shall be the usual duties assigned to the respective office. The newly elected officers shall assume the duties of their respective offices on the first day of the month following the election of the officers.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:71 et seq.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Board of Certified Public Accountants, LR 6:2 (January 1980), amended LR 12:88 (February 1986), amended by the Department of Economic Development, Board of Certified Public Accountants, LR 23:1113 (September 1997), LR 26:1967 (September 2000), LR

#### §305. Duties of the Secretary

A. The duties of the secretary include, but are not limited to the following.

1.-4. ...

5. It shall be the responsibility of the secretary that annual listings of all certified public accountants, registrants in inactive or retired status, and CPA firms are maintained.

6. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:71 et seq.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Board of Certified Public Accountants, LR 6:2 (January 1980), amended by the Department of Economic Development, Board of Certified Public Accountants, LR 23:1113 (September 1997), LR 26:1967 (September 2000), LR

#### §309. Meetings

A. Any public meeting may be called by the chair or by joint call of at least two of its members, to be held at the principal office of the board, or at such other place as may be fixed by the board. Regularly scheduled board meetings are usually held quarterly.

B. Meetings of the board shall be conducted in accordance with *Robert's Rules of Order* insofar as such rules are compatible with the laws of the state governing the board or its own resolutions as to its conduct. The chair or presiding officer shall be entitled to vote on every issue for which a vote is called.

**AUTHORITY NOTE:** Promulgated in accordance with R.S. 37:71 et seq.

**HISTORICAL NOTE:** Promulgated by the Department of Commerce, Board of Certified Public Accountants, LR 6:2 (January 1980), amended LR 9:207 (April 1983), LR 12:88 (February 1986), amended by the Department of Economic Development, Board of Certified Public Accountants, LR 17:1067 (November 1991), LR 23:1113 (September 1997), LR 26:1967 (September 2000), LR

**§311. Monthly Compensation**

A. The officers of the board shall receive compensation of \$250 per month and other members shall receive \$200 per month. This compensation shall be for time expended by such members in conducting and/or monitoring examinations, attending board meetings and hearings, issuing of certificates and firm permits, conducting investigations, and discharging other duties and powers of the board.

B. ...

**AUTHORITY NOTE:** Promulgated in accordance with R.S. 37:71 et seq.

**HISTORICAL NOTE:** Promulgated by the Department of Commerce, Board of Certified Public Accountants, LR 6:6 (January 1980), amended by the Department of Economic Development, Board of Certified Public Accountants, LR 23:1119 (September 1997), LR 26:1968 (September 2000), LR

**§319. Assessment of Application, Annual and Other Fees**

A. Certification, firm permit application, renewal, and other fees shall be assessed by the board in amounts not to exceed the following.

<b>Application Fees</b>	
Original certification application	\$ 250
Reciprocal certification application	\$ 120
Retired status application	\$ 50
Reinstatement of certificate application	\$ 500
Firm permit application	\$ 250
<b>Annual Fees</b>	
Renewal of certificate	\$ 120
Registration CPA inactive status	\$ 60
Registration CPA retired status	\$ 50
Renewal of firm permit	\$ 100
Plus per owner over 10 not to exceed	\$2,500
Notice of substantial equivalency	\$ 100
<b>Other Fees (in amounts not to exceed)</b>	
Temporary (provisional) licenses	\$ 100
Replacement of a CPA certificate	\$ 50*
Transfer of grades transfer fee	\$ 50
Written verifications	\$ 50
Pre-Exam Evaluation	\$ 100
Delinquent and other fees are cited in the Act.	

B.-B.3. ...

C. Returned Check. A fee not to exceed the allowable amount under R.S. §9:2782 will be assessed against each person who pays any obligation

to the board with a returned check. Failure to pay the assessed fee within the notified period of time shall cause the application to be returned.

**AUTHORITY NOTE:** Promulgated in accordance with R.S. 37:71 et seq.

**HISTORICAL NOTE:** Adopted by the Department of Commerce, Board of Certified Public Accountants, January 1974, promulgated LR 6:8 (January 1980), amended LR 9:209 (April 1983), LR 11:758 (August 1985), LR 13:13 (January 1987), LR 15:619 (August 1989), amended by the Department of Economic Development, Board of Certified Public Accountants, LR 17:1070 (November 1991), LR 23:1124 (September 1997), LR 26:1968 (September 2000), amended by the Office of the Governor, Board of Certified Public Accountants, LR 28:1013 (May 2002), LR 31:1330 (June 2005), LR

**Chapter 5. Qualifications; Education and Examination**

**§501. Definition**

*Accredited University or College*—a university or college accredited by any one of the six regional accreditation associations (the Southern Association of Colleges and Schools; Middle States Commission on Higher Education; New England Association of Schools and Colleges; North Central Association of Colleges and Secondary Schools; Northwest Association on Colleges and Universities; and Western Association of Schools and Colleges.)

**AUTHORITY NOTE:** Promulgated in accordance with R.S. 37:71 et seq.

**HISTORICAL NOTE:** Promulgated by the Department of Economic Development, Board of Certified Public Accountants, LR 23:1119 (September 1997), amended LR 26:1969 (September 2000), LR

**§503. Educational Requirements**

A. To be eligible for examination by and under auspices of the board, an applicant shall possess a baccalaureate or higher degree, duly conferred by an accredited university or college recognized and approved by the board. The applicant shall present evidence which shall consist of one or more official transcripts certifying that the applicant has attained the foregoing degree and educational hours, and said transcripts shall evidence award of credit for satisfactory completion of the following courses and credit hours, according to whether such courses and credits are taken as an undergraduate course and semester hour or a graduate course and semester hour.

	Undergraduate Semester Hours	Graduate Semester Hours
<b>Accounting Courses</b>		
Intermediate	6	3
Cost	3	3
Income tax	3	3
Auditing	3	3
Accounting Electives:	9	9
3 semester hours from one of the following:		
Advanced Financial Accounting,		
Not-for-profit Accounting/Auditing,		
Theory		
6 semester hours in accounting above the basic and beyond the elementary level		
<b>Total Accounting Courses</b>	<b>24</b>	<b>21</b>
	Undergraduate Semester Hours	Graduate Semester Hours
<b>Business Courses</b> (other than Accounting Courses)		
Including at least 3 semester hours in Commercial Law	24	24
<b>Total Business Courses</b>	<b>24</b>	<b>24</b>

1. The board will accept for business course credit semester hours earned in courses offered through the institution's College of Business and reported on official transcripts in the following areas:

a.-k. ...

1. CPA examination review courses if the curriculum is developed and taught by a faculty member under contract at the accredited college or university which is offering the course for credit.

2. ...

3. Up to six semester hours for internship and independent study may be applied to the education requirement, but may not be used to meet the accounting or business courses requirement.

4. ...

5. Remedial courses may be applied to the education requirement, but may not be used to satisfy the accounting or business courses requirement.

6. Credit hours for repeated courses for which credit has been previously earned may not be applied to the education requirement.

B. In the event that the applicant's degree does not reflect the credit hours in the courses prescribed by §503.A, the board may, on good cause shown by the applicant, allow the substitution of other courses that, in the board's judgment, are substantially equivalent to any of such prescribed courses or to the credit hours prescribed therein. Documentation of good cause for any such requested substitution shall be submitted by the applicant to the board upon affidavit sworn to and subscribed by the applicant and an officer of the university, college or other educational institution where the course to be

substituted was taken. Such affidavit shall set forth a course description of the course sought to be substituted and a comparison of the content of such course to that of the course for which substitution is requested.

C. If the applicant's degree does not reflect the credit hours in the courses prescribed by §503.A, an applicant may become eligible for examination by and under the auspices of the board by having otherwise taken and completed the courses required by this rule and received credit for satisfactory completion thereof awarded by an accredited university, college, vocational or extension school recognized and approved by the board.

D. With respect to courses required for the degree, other than those specified by §503.A, the board does recognize credit received for courses granted on the basis of advanced placement examinations (such as CLEP, ACT or similar examinations). Except for correspondence or online courses at an accredited university approved by the board, the accounting and business course credits specifically listed in §503.A shall have been awarded pursuant to satisfactory completion of a course requiring personal attendance at classes in such course.

E. To be eligible for licensure by and under auspices of the board, an applicant shall have received credit for not less than 150 hours of postsecondary, graduate, or postgraduate education at and by an accredited college or university recognized and approved by the board.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:71 et seq.

HISTORICAL NOTE: Adopted by the Department of Commerce, Board of Certified Public Accountants, January 1974, promulgated LR 6:6 (January 1980), amended LR 11:757 (August 1985), LR 13:13 (January 1987), amended by the Department of Economic Development, Board of Certified Public Accountants, LR 15:616 (August 1989), LR 17:1072 (November 1991), LR 23:1120 (September 1997), LR 26:1969 (September 2000), LR

**§505. Examination**

A. The examination shall test the knowledge and skills required for performance as a newly licensed certified public accountant. The examination shall include the subject areas of accounting and auditing and related knowledge and skills as the board may require. The examination shall consist of:

1. the Uniform Certified Public Accountant Examination developed and scored by the American Institute of Certified Public Accountants; or

2. if applicable, the International Uniform CPA Qualification Examination (IQEX) developed and scored by the American Institute of Certified Public Accountants.

## B. General Procedures and Qualifications

1. Application. Examination candidates shall file complete application forms as provided in Chapter 7. A complete application is one that is properly filled out, accompanied by payment of the required fees and, if an initial application, accompanied by all required supporting documents and official transcripts. First time or transfer of grades candidates who have not taken their accounting courses in Louisiana must include a copy of the course description(s) of all accounting courses not clearly identified by titles listed in §503.A.

a. Applications shall be due as specified by the board in the application form or instructions. The board or its designee will forward notification of eligibility for the examination to the National Association of State Boards of Accountancy (NASBA) National Candidate Database.

b. Time and place of examination. Eligible candidates shall be notified of the time and place of the examination or shall be sent a notice to independently contact a test center provider identified by the board to schedule examination at a board-approved test site. Scheduling reexaminations must be made in accordance with Paragraph F.1 below. The board may set authorization periods in which eligible candidates may schedule examination or reexaminations.

c. A candidate's failure to schedule in an authorization period shall result in forfeiture of examination fees.

2.-2.a.ii. ...

3. Fee Refund. A candidate who fails to appear for the examination, or fails to schedule or reschedule an examination in the period required, shall forfeit examination fees subject to board policy. Rescheduling of appointments may be available depending on the amount of notice that is provided. A service charge may be assessed on all refunds of examination fees.

C.-D.-D.2 ...

## E. Determining and Reporting Examination Grades

1. ...

2. A candidate shall be required to pass all test sections of the examination as one component of qualifying for a license. Upon receipt of advisory grades from the examination provider, the board will review and may adopt the examination grades and will report the official results to the candidate. The candidate must attain the uniform passing grade established through a psychometrically acceptable standard-setting procedure and approved by the board.

## F. Retake and Granting of Credit Requirements

1. A candidate may take the required test sections individually and in any order. Credit for any test section(s) passed shall be valid for a rolling qualifying period as measured from the actual date the candidate took that test section, without having to attain a minimum score on any failed test section(s) and without regard to whether the candidate has taken other test sections. The qualifying period shall be determined by the board and shall be comprised of no less than 18 months.

a. Candidates must pass all test sections of the examination within a single rolling qualifying period, which begins on the date that any test section(s) passed is taken.

b. Candidates shall not retake a failed test section(s) in the same testing "window." A testing window is equal to a calendar quarter (Jan-Mar, Apr-Jun, Jul-Sep, Oct-Dec). Candidates will be able to test no less than two months out of each testing window.

c. In the event all test sections of the examination are not passed within a given rolling qualifying period, credit for any test section(s) passed outside that qualifying period will expire and that test section(s) must be retaken.

2. A candidate shall retain credit for any and all test sections of the examination passed as a candidate of another state if such credit would have been given under the then applicable requirements of this state.

3. The board may in particular cases extend the term of credit validity notwithstanding the requirements of Paragraphs 1 and 2, upon a showing that the credit was lost by reason of circumstances beyond the candidate's control.

4. A candidate shall be deemed to have passed the examination once the candidate holds at the same time valid credit for passing each of the test sections of the examination. For purposes of this Section, credit for passing a test section of the examination is valid from the actual date of the testing event for that test section, regardless of the date the candidate actually receives notice of the passing grade.

5. Transfer of Credits. Credits shall be accepted from other states when a candidate for transfer of credits has met all the requirements of Louisiana candidates except that he sat for the examination as a candidate for another state.

a. Applicant must have completed the education requirements of §503 prior to sitting for the examination. An exception to this rule will be allowed for a bona fide resident of another state who took the exam in his state of residency which did not have a baccalaureate degree requirement, or prior to August 1, 2016, did not have a 150-hour requirement.

Such applicants may complete their education requirements after sitting for the exam.

b. Applicant shall submit a completed initial application with an official transcript from an accredited college or university and a statement from an officer of the state board from which he is transferring as to dates of passing the examination and grades made.

c. In addition to meeting the requirements for a transfer of credits, the applicant shall be required to pay a transfer fee at the time he requests the transfer.

#### G. Cheating

1. ...

2. For purposes of this rule, the following actions or attempted activities, among others, may be considered cheating or misconduct:

a.-e. ...

f. violation of the security measures or candidate conduct standards at test sites, or the nondisclosure prohibitions of the examination, or aiding or abetting another in doing so, or otherwise participating in the collection of test items for use, redistribution or sale;

g. retaking or attempting to retake a test section by an individual holding valid passing grades or a certificate, or by a candidate who has unexpired credit for having already passed the same test section, unless the individual has been directed to retake a test section pursuant to board order or unless the individual has been expressly authorized by the board to participate in a "secret shopper" program.

3.-5. ...

6. The board or its designee shall notify the NASBA National Candidate Database, the AICPA, and/or the test site provider of the circumstances, so that the candidate may be more closely monitored in future examinations, if applicable.

7. ...

H. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:71 et seq.

HISTORICAL NOTE: Adopted by the Department of Commerce, Board of Certified Public Accountants, January 1974, promulgated LR 6:6 (January 1980), amended LR 9:208 (April 1983), LR 12:88 (February 1986), amended by the Department of Economic Development, Board of Certified Public Accountants, LR 17:1068 (November 1991), LR 23:1119 (September 1997), LR 26:1970 (September 2000), amended by the Office of the Governor, Board of Certified Public Accountants, LR 29:1475 (August 2003), LR 32:2248 (December 2006), LR

## Chapter 7. Qualifications; Application for CPA Examination

### §701. Application Forms

A. Application for the Uniform Certified Public Accountant Examination shall be made on the appropriate forms provided or approved by the board as provided in 505.B.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:71, et seq.

HISTORICAL NOTE: Adopted by the Department of Commerce, Board of Certified Public Accountants, January 1974, promulgated and amended LR 6:8 (January 1980), LR 26:1971 (September 2000), amended by the Office of the Governor, Board of Certified Public Accountants, LR 29:1478 (August 2003), LR

### §703. Examination Application

A.-B. ...

C. Candidates or applicants who have completed educational requirements at institutions outside the U.S. must have their credentials evaluated by the Foreign Academic Credentials Service or NASBA's International Evaluation Services.

D. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:71 et seq.

HISTORICAL NOTE: Adopted by the Department of Commerce, Board of Certified Public Accountants, January 1974, promulgated and amended LR 6:8 (January 1980), amended by the Department of Economic Development, Board of Certified Public Accountants, LR 23:1122 (September 1997), LR 26:1971 (September 2000), amended by the Office of the Governor, Board of Certified Public Accountants, LR 29:1478 (August 2003), LR

## Chapter 9. Qualifications for Initial Certificate

### §901. Eligibility for an Initial Certificate

A. To be eligible for initial certification, an applicant shall present proof, documented in a form satisfactory to the board, that he has attained age 18, met the education requirements of §503.E, and obtained such professional experience as is prescribed by §903.

B. To be eligible for reinstatement of a certificate which has expired by virtue of nonrenewal, or which was registered in inactive or retired status because an exemption from CPE had been granted, the applicant must satisfy the requirements of §1105.D.

C. ...

D. In satisfaction of the education requirements, the applicant must submit official transcripts for college credits earned after initial application for the CPA examination and any supporting documents evidencing proof of additional credits as required by

the board. Any courses taken outside of Louisiana must include a copy of the course description(s) not clearly identified by the course title, or as requested by the board.

**AUTHORITY NOTE:** Promulgated in accordance with R.S. 37:71 et seq.

**HISTORICAL NOTE:** Adopted by the Department of Commerce, Board of Certified Public Accountants, January 1974, promulgated LR 4:223 (June 1978), amended LR 6:7 (January 1980), LR 9:208 (April 1983), amended by the Department of Economic Development, Board of Certified Public Accountants, LR 17:1069 (November 1991), LR 26:1972 (September 2000), LR

### **§903. Qualifying Experience**

A. The experience required to be demonstrated for issuance of an initial certificate pursuant to R.S. 37:75.G shall meet the requirements of this rule.

1. Experience may consist of providing any type of services or advice using accounting, attest, management advisory, financial advisory, tax, or consulting skills.

2. The applicant shall have their experience verified to the board by a certificate holder or one from another state. Acceptable experience shall include employment in government, industry, academia, or public practice. The board shall look at such factors as the complexity and diversity of the work.

a. Complexity and diversity of experience includes:

i. employment as a teacher of subjects primarily in the accounting discipline for an accredited college or university as defined in §501:

(a) the applicant shall have taught courses for academic credit in at least three different areas of accounting above the introductory or elementary level. Examples of these areas are intermediate accounting, advanced accounting, governmental accounting, international accounting, accounting theory, cost or managerial accounting, income taxes, auditing, and accounting information systems;

(b) the applicant shall have taught an accumulated course load of 24 semester hours or its equivalent for a period of no less than one year in the four years immediately preceding the date of application.

3.-6. ...

B. ...

C. One year of experience may also include U.S. military service that consists of completion of a program of occupational training, holding an occupational specialty, or performing a specialty that is substantially equivalent to, or exceeds, all of the

licensing requirements of R.S. 37:75 and the rules of the board. U.S. military specialty training, performance, and active practice that is substantially equivalent to subsections 903 A. and B. is also acceptable as qualifying experience for applicants who may have satisfied the remainder of the licensing requirements outside of military service. Experience submitted under this provision must be verifiable. Recognition of military experience is subject to the following limitations:

1. Discipline by the military, or by any state or jurisdiction, for an act that would constitute grounds for refusal, suspension, or revocation of a license in this state, at the time the act was committed, provides a basis for the denial of the issuance of a certificate.

2. The provisions of this subsection shall not apply to any applicant receiving a dishonorable discharge.

**AUTHORITY NOTE:** Promulgated in accordance with R.S. 37:71 et seq.

**HISTORICAL NOTE:** Adopted by the Department of Commerce, Board of Certified Public Accountants, January 1974, promulgated LR 4:223 (June 1978), amended LR 6:7 (January 1980), LR 9:208 (April 1983), amended by the Department of Economic Development, Board of Certified Public Accountants, LR 15:617 (August 1989), LR 23:1122 (September 1997), LR 26:1972 (September 2000), LR

## **Chapter 11. Issuance and Renewal of Certificate; Reinstatement**

### **§1101. Certificate**

A. When an applicant has met all the requirements for certification, the board shall issue to him a certificate that he is a certified public accountant in the state of Louisiana. All such certificates shall be valid only when signed by the chair and secretary of the board.

B. ...

C. R.S. 37:75.I provides for the granting of a certificate under the Act to individuals who, except for the experience requirement, met the requirements to become a CPA that existed at June 17, 1999. Accordingly, R.S. 37:75.I pertains to individuals who, prior to June 18, 1999, the effective date of the Act, previously held a valid certificate issued under former law. Such individuals are included as eligible to apply for a certificate under R.S. 37:75.I irrespective of whether such individuals were currently registered in good standing as of the effective date of the Act, but provided that any certificate or license that was not in good standing as of June 17, 1999, was unrelated to a suspension, restriction, revocation, or a relinquishment which resulted from a board disciplinary action, consent order, or settlement agreement.

1. Prior to obtaining a certificate under the Act, individuals referenced by the R.S. 37:75.I are

required to renew and register their inactive status with the board annually and pay the annual renewal fee.

2. The experience required to be furnished to the board to be issued a certificate under the Act must conform to all of the requirements of R.S. 37:75.G and related board rules and must be submitted with an application form provided by the board for this purpose and with the applicable fee.

3. R.S. 37:75.I is only available for an initial certificate after June 17, 1999 under the Act. Subsequent to any issuance of a certificate under R.S. 37:75.I, renewals and applications for reinstatements of the certificate must conform to the requirements of R.S. 37:76 and related board rules.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:71 et seq.

HISTORICAL NOTE: Adopted by the Department of Commerce, Board of Certified Public Accountants, January 1974, promulgated LR 6:8 (January 1980), amended LR 12:88 (February 1986), amended by the Department of Economic Development, Board of Certified Public Accountants, LR 23:1124 (September 1997), LR 26:1973 (September 2000), LR

### **§1103. By Reciprocity**

A. ...

B. The board shall issue a certificate to an applicant pursuant to R.S. 37:76.C(2) who holds a valid and in good standing certificate, license or permit issued by a substantially equivalent state as determined by the board or its designee. The applicant's experience shall be substantially equivalent to the requirements of R.S. 37:75.G and the rules there under.

1. ...

2. Repealed.

C. For those applicants who do not qualify for reciprocity under the substantial equivalency standard, the board shall issue a certificate to a holder of a valid and in good standing certificate, license or permit issued by another state upon showing that:

1.-4. ...

5. if the applicant's initial certificate, license, or permit was issued more than four years prior to the date of application, he/she must have fulfilled the continuing education requirements for a full compliance period as described in §1301.

D.-E.3. ...

F. International Reciprocity

1. The board may designate a professional accounting credential issued in a foreign country as substantially equivalent to a CPA certificate.

a. The board may rely on the International Qualifications Appraisal board for evaluation of foreign credential equivalency, and may presume that an applicant with a foreign accounting credential that is covered by a current valid Mutual Recognition Agreement (MRA) is substantially equivalent (subject to other qualifying requirements as provided in the MRA).

b.-b.ii. ....

2.-4. ...

5. The holder of a CPA certificate issued in reliance on a foreign accounting credential shall report any investigation undertaken, or sanctions imposed, by a foreign credentialing body against the CPA's foreign credential or license, or any discipline ordered by any other regulatory authority having jurisdictions over the holder's conduct in the practice of accountancy.

6.-7. ...

8. The board shall notify the appropriate foreign credentialing authorities of any disciplinary actions or sanctions imposed against a CPA.

9. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:71 et seq.

HISTORICAL NOTE: Adopted by the Department of Commerce, Board of Certified Public Accountants, January 1974, promulgated LR 6:7 (January 1980), amended LR 9:208 (April 1983), LR 12:88 (February 1986), amended by the Department of Economic Development, Board of Certified Public Accountants, LR 17:1069 (November 1991), LR 23:1121 (September 1997), LR 26:1973 (September 2000), LR

### **§1105. Certificate Application, Annual Renewals, Inactive or Retired Registration, Reinstatement, Practice Privileges under Substantial Equivalency**

A. Applications

1. ...

2. Applications shall contain all of the information required by the board including but not limited to information regarding the satisfaction and verification of the requirements of R.S. 37:75.G and other requirements as required by the Act or by the board.

B. Renewals and Current Year Reinstatement—Certificates

1. Each certified public accountant shall renew his certificate annually during the period for renewal on or before the last day of December preceding the year for which renewal is applicable.

2. The board shall set the period of time for renewal.

3.-4. ...

5. Application for annual renewal of certified public accountant certificates shall be made online via the Internet, or on forms that may be furnished by the board, and shall be accompanied by renewal fees fixed by the board pursuant to §319. The renewal forms shall contain all of the items and information requested in the appropriate space in order to be acceptable.

6. ...

7. A delinquent renewal fee may be assessed against those certified public accountants who have not renewed prior to February 1.

8. In addition to the above fees, a fee may be assessed against those certified public accountants who have received three suspensions within the previous six years.

9. For good cause, the board may waive or suspend in whole or in part any of the fees, due dates, and procedures provided for in this Section.

10. Certified public accountants who have not timely renewed their certificates are in violation of R.S. 37:83 and therefore may be subject to the provisions of R.S. 37:81.

11. Failure to Timely Remit or Respond

a. No certificate of any certified public accountant who has failed to timely remit full payment of any fees, fines, penalties, expenses, or reimbursement of costs incurred by the board, which the certified public accountant owes the board or has been ordered to pay to the board shall be annually renewed, or reinstated.

b. The board may refuse to renew, or to reinstate, any certificate of any certified public accountant who has failed to comply with §1707.D.

12. Failure to Comply with CPE requirements. A licensee who has renewed an active CPA license but has not satisfied the CPE report requirements as described in §1301.A shall have their certificate status changed to "CPA Inactive" status effective February 1<sup>st</sup> of the renewal year in which the deficiency occurred. The certificate holder will thus be allowed to register their certificate in inactive status annually until such time as they have satisfied the requirements for reinstatement to active licensure.

C. Annual Registration of CPA Inactive or CPA Retired Status

1. Each person entitled to use the designation "CPA inactive" under R.S. 37:75.I and "CPA Inactive" or "CPA Retired" under R.S. 37:76.D(2) shall register such status annually during the period for renewal on or before the last day of December preceding the year for which renewal is applicable.

2. The board shall set the period of time for renewal.

3. Annual registration expires on the last day of each calendar year, or on a date following December 31, if another date is determined by the board for good cause.

4. The board may send a notice of default to the last known address or email address of each registrant who fails to renew.

5. Application for annual registration of "CPA inactive" or "CPA retired" status shall be made online via the Internet, or on forms that may be furnished by the board, and shall be accompanied by renewal fees fixed by the board pursuant to §319. The renewal forms shall contain all of the items and information requested in the appropriate space in order to be acceptable.

6. A delinquent renewal fee may be assessed against those registrants who have not renewed prior to February 1.

7. For good cause, the board may waive or suspend in whole or in part any of the fees, due dates, and procedures provided for in this Section.

8. The registrant shall affirm upon each annual registration form that he will abide by the applicable statutes and rules of the board governing the use of the designation "CPA inactive" or "CPA retired".

9. The board may reinstate the "CPA inactive" or "CPA retired" registration of any person upon the payment of the current year registration fee plus the registration fees for all years since the registrant was last registered.

D. Reinstatement of Certificate of Certified Public Accountant

1. An individual whose certificate has expired by virtue of nonrenewal, or who was registered in inactive or retired status because an exemption from CPE had been granted in a preceding year, shall present proof in a form satisfactory to the board that he has:

a. ...

b. completed no less than 120 hours of continuing professional education complying with Chapter 13 during the three-year period preceding the date of application for reinstatement.

2. applications for reinstatement of certificates pursuant to R.S. 37:76.F shall:

a. be made on a form provided by the board; and

b. contain all of the information required by the board including but not limited to information regarding the satisfaction and verification of the



experience and/or continuing education requirements referred to in Subparagraph D.1.b.

#### E. Practice Privileges under Substantial Equivalency

1.-4.b.ii. ...

5.-5.c. Repealed.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:71 et seq.

HISTORICAL NOTE: Adopted by the Department of Commerce, Board of Certified Public Accountants, January 1974, promulgated LR 6:9 (January 1980), amended LR 9:208 (April 1983), LR 11:758 (August 1985), amended by the Department of Economic Development, Board of Certified Public Accountants, LR 17:1070 (November 1991), LR 23:1124 (September 1997), LR 26:1974 (September 2000), amended by the Office of the Governor, Board of Certified Public Accountants, LR 32:2249 (December 2006), LR 33:2634 (December 2007), LR 34:2398 (November 2008), LR

### §1107. Change in Address or Practice Status

A. All certified public accountants, individuals registered in inactive or retired status, and individuals who have the privilege to practice under substantial equivalency shall promptly notify the board in writing within 30 days of any change in mailing address or practice status.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:71 et seq.

HISTORICAL NOTE: Adopted by the Department of Commerce, Board of Certified Public Accountants, January 1974, promulgated LR 6:8 (January 1980), amended by the Department of Economic Development, Board of Certified Public Accountants, LR 23:1125 (September 1997), LR 26:1976 (September 2000), LR

### Chapter 13. Maintenance of Competency; Continuing Professional Education (CPE)

#### §1301. Basic Requirements

A. Each certificate holder shall participate in a minimum of 20 hours of continuing professional education (CPE) annually, and at least 80 hours of continuing professional education (CPE) within a rolling two-calendar-year period defined as the compliance period in §1301.F.1. Prior to January 1, 2016, each certificate holder shall participate in at least 120 hours of continuing professional education (CPE) every three years.

1. Accounting and Auditing Requirements. Certificate holders who participate in one or more attest engagements during the calendar year shall complete at least 8 hours during the calendar year in the subject area described in §1307.A.1 in fulfilling the above requirements. Certificate holders participating in attest engagements include those responsible for conducting substantial portions of the procedures and those responsible for planning,

directing, or reporting on attest engagements. Persons who "plan, direct, and report" generally include the in-charge accountant, the supervisor or manager, and the firm owner who signs or authorizes someone to sign the attest engagement report on behalf of the firm.

2. Professional Ethics Requirements. All certificate holders who are required to complete CPE shall complete a course in professional ethics as required by the board, the contents of which must have been pre-approved by the board.

3.-5. ...

B. Exemption. The board may grant an exemption from CPE in accordance with R.S. 37:76.D(2). In order to be granted an exemption, the certificate holder must register in inactive or retired status and follow the provisions of §1707.B.

C.-F.2. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:71 et seq.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Board of Certified Public Accountants, LR 6:4 (January 1980), amended LR 9:208 (April 1983), amended by the Department of Economic Development, Board of Certified Public Accountants, LR 15:614 (August 1989), LR 23:1116 (September 1997), LR 26:1976 (September 2000), amended by the Office of the Governor, Board of Certified Public Accountants, LR 32:2249 (December 2006), LR 41:1664 (September 2015), LR

### Chapter 15. Firm Permits to Practice; Attest Experience; Peer Review

#### §1501. CPA Firm Permits; Attest Experience; Application, Renewal, Reinstatement; Internet Practice

A.-A.6. ...

B. A firm which does not have an office or a place of business in Louisiana that offers to perform or performs professional services for a client whose home office is in Louisiana may perform such services and use the title "CPA" or "CPA firm" without a permit only if:

1. the firm satisfies the ownership qualifications described in R.S. 37:77(C) and is subject to quality or peer review under a state board of accountancy approved program or under the AICPA Peer Review Program and has completed such a quality or peer review within the last three years;

2. the firm performs such services only through individual licensees with practice privileges under R.S. 37:94 or holding a license issued under R.S. 37:77; and

3. the firm can lawfully perform such services in the state where such individual licensees have their principal place of business;

4. if the firm does not satisfy one or more of the requirements cited in Paragraphs 1, 2 and 3 above, the firm must apply for a permit for a board determination as to whether the firm is qualified to practice in Louisiana.

#### C. Firm Permits

1. Applications by firms for initial issuance and for renewal of permits pursuant to R.S. 37:77 shall be made on a form provided by the board. Applications will not be considered filed until the applicable fee, all requested information, and the required documentation prescribed in these rules are received.

2. A firm registered pursuant to R.S. 37:77 shall file with the board a written notification of any of the following events concerning the practice of public accountancy within this state within 30 days after its occurrence:

- a. change in the firm's designated licensee;
- b. formation of a new firm;
- c. addition of a new partner, member, manager or shareholder;
- d. any change in the name of a firm;
- e. termination of the firm;
- f. the occurrence of any event or events which would cause such firm not to be in conformity with the provisions of the Act or any rules or regulations adopted by the board.

3. In the event of any change in the legal form of a firm, such new firm shall within 30 days of the change file an application for an initial permit in accordance with board rules and pay the fee required by the rules.

4. Samples of original letterhead must also be included with permit and renewal applications. Names of licensed partners, shareholders, members, managers and employees, and names of non-licensee owners, may be shown on a firm's stationery letterhead. However, names of licensed partners, shareholders, members and managers shall be separated from those of licensed employees by an appropriate line. Licensees shall be clearly identified and the names of non-licensee owners shall be separated from the name of licensees by an appropriate line.

5. Any firm which falls out of compliance with the provisions of R.S. 37:77 due to changes in firm ownership or personnel after receiving, renewing, or reinstating a firm permit shall notify the board in writing within 30 days of the occurrence of changes

which caused the firm to fall out of compliance with R.S. 37:77.

a. Such notification shall include an explanation as to how and why the firm is not in compliance and the date upon which the firm fell out of compliance with R.S. 37:77.

b. The firm shall also provide any additional information or documentation the board may request concerning the firm's noncompliance with R.S. 37:77.

6. Within 30 days of written notification to the board that the firm is not in compliance with R.S. 37:77, the firm shall notify the board in writing that the firm has taken corrective action to bring the firm back into compliance.

a. Such notification shall include a description of the corrective action taken, and the dates upon which the corrective action was taken.

b. The firm shall also provide any additional information or documentation the board may request concerning the corrective actions taken to ensure the firm's compliance with R.S. 37:77.

7. For good cause shown, the board may grant additional time for a firm to take corrective action to bring the firm into compliance with R.S. 37:77.

8. Any firm permit suspended or revoked for failure to bring the firm back into compliance within the time period described above, or within the additional time granted by the board, may be reinstated by the board upon receipt of written notification from the firm that the firm has taken corrective action to bring the firm back into compliance. Such notification shall include a description of the corrective action taken, the dates upon which the corrective action was taken, and any additional information or documentation the board may request concerning the corrective actions taken.

9. The board may impose additional requirements at its discretion, including but not limited to monetary fees, on any firm as a condition for reinstatement of a firm permit suspended or revoked for failure to bring the firm into compliance with R.S. 37:77.

10. At its discretion, the board may also take action against the CPA certificate or practice privilege of the firm's designated licensee for failure to provide written notification to the board required in this Section.

#### D. Firm Permit Renewals

1. Firm Permit renewals shall be made available and filed generally in accordance with methods established for certificate renewals, i.e., renewals are due by December 31, delinquent if not renewed prior to February 1; and, expired if not renewed prior to March 1. The renewal forms shall

contain all of the items and information requested in the appropriate space in order to be acceptable. Permits shall expire on the last day of each calendar year, or such date following December 31 if another date is determined by the board for good cause.

2. Application for annual renewal of firm permits shall be accompanied by renewal fees fixed by the board pursuant to §319.

3. Delinquent fees for firm permit renewals may be assessed by the board if not renewed prior to February 1.

4. For good cause, the board may waive or suspend in whole or in part any of the fees, due dates, and procedures provided for in this Section.

#### E. Reinstatement of Firm Permits

1. To reinstate a firm permit which has been expired for a year or more due to non-renewal, the firm shall be required to file an initial application for a firm permit and pay the applicable application fee. The firm shall also be required to pay applicable delinquent fees.

2. For good cause shown, the board may waive in whole or in part the reinstatement fees provided for in this Section.

3. In addition to reinstatement fees, an additional fee may be assessed against those CPA firms whose firm permits expired or were cancelled pursuant to this Section three times within six years.

4. In addition to the above fees, an additional reinstatement fee may be assessed against those CPA firms which continued to practice as a CPA firm after the expiration or cancellation of the firm permit pursuant to this Section. Such fee shall be determined by the length of the period of time the firm has practiced without a permit times the annual renewal fee including additional for delinquency each year.

5. No firm permit shall be renewed or reinstated by the board if the firm applying for renewal or reinstatement has failed to remit full payment of any fees, fines, penalties, expenses, or reimbursement of costs incurred by the board, which the firm owes the board or has been ordered to pay to the board.

F. Internet Practice. A CPA firm offering or performing services via a web site shall provide on the web site the firm's name, address, and the states in which the CPA firm holds a license or permit to practice.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:71 et seq.

HISTORICAL NOTE: Adopted by the Department of Commerce, Board of Certified Public Accountants, January 1974, promulgated LR 3:308 (July 1997), amended LR 6:9 (January 1980), amended LR 9:209 (April 1983), amended

by the Department of Economic Development, Board of Certified Public Accountants, LR 17:1070 (November 1991), LR 23:1124 (September 1997), LR 26:1980 (September 2000), amended by the Office of the Governor, Board of Certified Public Accountants, LR 32:2249 (December 2006), LR 33:2634 (December 2007), LR 34:2399 (November 2008), LR

### §1503. Peer Review and Practice Monitoring Programs

A. The board hereby requires firms that provide attest services, excluding engagements subject to a permanent inspection program of the Public Company Accounting Oversight Board, to participate in an approved peer review program enumerated in R.S. 37:77(G)(2)(a)(i), (ii), and (iii), and comply with the applicable requirements of that program. The purpose of this requirement is to improve the quality of financial reporting and to assure that the public can rely on the fairness of presentation of financial information on which CPA firms issue reports.

1.-3.c. ...

4. Peer review reports shall be made available to the board after a review's acceptance date by the administering entity or its peer review committee. "Acceptance" shall be as described in the AICPA Peer Review Standards and its interpretations. Timely completion of peer reviews and submission of, or making available reports, in the manner and periods required under this Section, are conditions of holding a valid permit.

a. For reviews administered by another board approved administering entity or sponsoring organization, such as, a state society of CPAs, National Peer Review Committee, or state board of accountancy program with standards substantially equivalent to the AICPA's standards, peer review reports shall be submitted to the board by the firm directly or made available or submitted to the board by the sponsoring organization or administering entity by making them available on a secure website or other secure means. Such reports must be submitted or made available within 45 days of the acceptance date.

5. The reviewed firm must retain any or all of the documents related to the peer review in accordance with AICPA Peer Review standards. Upon request of the board, the reviewed firm shall timely submit such documentation to the board.

6. The objective of this reporting rule is primarily to reinforce the board's efforts to ensure that only appropriately qualified CPA firms are engaged in the offering and rendering of attest services subject to peer review.

7. For good cause shown, the board may grant or renew permits for a reasonable period of time pending the completion of a peer review or the submission of a report thereon.

B.-E.4.f. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:71 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Board of Certified Public Accountants, LR 17:1071 (November 1991), amended LR 23:1125 (September 1997), LR 26:1981 (September 2000), LR 35:236 (February 2009), LR

## **Chapter 17. Rules of Professional Conduct**

### **§1700. General**

#### **A. Preamble**

1.-3. ...

4. In the interpretation and enforcement of these rules, the board may consider relevant interpretations, rulings, and opinions issued by the boards of other jurisdictions, the Securities and Exchange Commission, recognized professional standard setting organizations, and appropriate committees of professional organizations, but will not be bound thereby.

5. All licensees and certificate holders shall comply with the AICPA Code of Professional Conduct revised effective December 15, 2014, incorporated herein by reference in this rule. The AICPA Code of Professional Conduct may be found at the AICPA website, [www.aicpa.org](http://www.aicpa.org). The Board's rules of professional conduct shall prevail if a conflict exists between it and the AICPA Code of Professional Conduct.

B. Definition. The following term has meaning which is specific to §1700-1703.

*Professional Services*—services arising out of or related to the specialized knowledge or skills associated with certified public accountants.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:71 et seq.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Board of Certified Public Accountants, LR 6:2 (January 1980), amended by the Department of Economic Development, Board of Certified Public Accountants, LR 23:1113 (September 1997), LR 26:1982 (September 2000), amended by the Office of the Governor, Board of Certified Public Accountants, LR 32:2249 (December 2006), LR

### **§1701. Independence, Integrity and Objectivity**

#### **Repealed.**

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:71 et seq.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Board of Certified Public Accountants, LR 6:2 (January 1980), amended by the Department of Economic Development, Board of Certified Public Accountants, LR 23:1114 (September 1997), LR 26:1983 (September 2000), repromulgated LR 26:2240 (October 2000), amended by the Office of the Governor, Board of

Certified Public Accountants, LR 32:2250 (December 2006), repealed, LR

### **§1705. Responsibilities to Clients**

#### **Repealed.**

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:71 et seq.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Board of Certified Public Accountants, LR 6:3 (January 1980), amended LR 11:757 (August 1985), amended by the Department of Economic Development, Board of Certified Public Accountants, LR 17:1067 (November 1991), LR 23:1115 (September 1997), LR 26:1984 (September 2000), amended by the Office of the Governor, Board of Certified Public Accountants, LR 32:2252 (December 2006), repealed, LR

### **§1707. Other Responsibilities and Practices**

#### **A. Acting through Others**

1. A CPA or CPA firm shall not permit others to carry out on his behalf or on the firm's behalf, either with or without compensation, acts which, if carried out by the CPA or CPA firm, would place him or the CPA firm in violation of the rules of professional conduct, professional standards, or any provisions of the Act.

2. Acting through an affiliated entity (an entity that is related to or affiliated by ownership to the CPA firm and/or its owners) that has a similar name. On and after January 1, 2008, a CPA firm shall not affiliate with an entity that has a similar name unless:

a. the affiliated entity is owned in accordance with §1707.A.2.e.i, or has been issued a firm permit by the board pursuant to §1707.A.2.e.ii; or

b. the CPA firm has entered into a written agreement with the board pursuant to §1707.A.2.e.ii;

c. a CPA firm seeking issuance, renewal, or reinstatement of a firm permit, to be effective on and after January 1, 2008 shall, as a condition thereof, satisfy the requirements of this Paragraph §1707.A.2;

d. affiliated entities for purpose of this rule refers to entities which offer to clients or the public professional services or products related to the skills associated with CPAs. Conversely, entities that offer services or products that do not relate to matters of accounting and financial reporting, tax, finance, investment advice or financial planning, management, or consultation are excluded;

e. depending on the ownership structure, an affiliated entity may be required to obtain a firm permit in order to use a similar name which indicates that the CPA or CPA firm is providing services through the affiliated entity. A similar name is one that contains one or more names, or initials of the names, or reference to that/those names that are included in a CPA firm applying for or currently

holding a firm permit, or one tending to indicate that such firm is a CPA firm:

i. affiliated entities wholly owned either by the owners of the CPA firm, on the same basis as the CPA firm is owned, or directly by the CPA firm may use a similar name and would not be required to obtain a firm permit;

ii. affiliated entities that are majority-owned (not wholly owned) by the owners of the CPA firm or by the CPA firm, or that are wholly owned but in different percentages are required to obtain a firm permit if the affiliated entity uses a similar name. If the affiliated entity does not qualify for a firm permit under R.S. 37:77, the CPA firm (i.e., one that does hold a firm permit) must enter into a written agreement with and acceptable to the board that sets forth that the CPA firm is responsible to the board for the actions of the affiliated entity and its owners;

iii. if the CPA firm and/or its owners (whether individually CPA licensed or not) own 50 percent or less of the other affiliated entity, a similar name may not be used for the affiliated entity;

f. under R.S. 37:77(C), a majority of the ownership of a CPA firm (in terms of financial interests and voting rights of all partners, officers, shareholder, members, or managers) must belong to holders of valid licenses. Thus an unlicensed "holding company" cannot own a majority or 100 percent of a CPA firm. Therefore, such a "holding company" would have to apply for a CPA firm permit and qualify as such. The holding company and the CPA firm must both be registered as firms with the board even though the holding company will not directly offer services to clients. If the holding company does not otherwise meet the requirements to be licensed (e.g., the requirements that a majority ownership interest is held by licensees; the owners must be active in the firm or affiliates; and, the name must not be misleading) then such a firm structure would not be permissible.

#### B. Use of the "CPA Inactive" or "CPA Retired" Designation

1. Certificate only holders under prior law. Prior to applying for and obtaining a certificate under R.S. 37:75.I, individuals who annually register in inactive status may use the "CPA inactive" designation in connection with an employment position held in industry, government or academia, or in personal correspondence.

a. Any such individual who offers to perform or performs, for the public, professional services of any type involving the use of accounting, management advisory, financial advisory, tax, or consulting skills shall not use the designation CPA or "CPA inactive" in connection therewith or in any other manner or in connection with any employment.

#### 2. Certificate Holders Subject to CPE Exemption

a. Individuals granted an exception to continuing education requirements under R.S. 37:76.D(2) shall not perform or offer to perform for the public one or more kinds of services involving the use of accounting, attest, management advisory, financial advisory, tax, or consulting skills and must place the word "inactive" or "retired", as applicable based on the individual's registered status, adjacent to their CPA title on any business card, letterhead, or any other document or device.

b. Any individual referenced in R.S. 37:76.D(2) who after being granted an exemption under that Section offers to perform or performs for the public professional services of any type involving the use of accounting, management advisory, financial advisory, tax, or consulting skills shall not use the designation "CPA inactive" or "CPA-Retired" in connection therewith or in any other manner or in connection with any employment.

c. A "CPA-Retired" may perform uncompensated volunteer services as long as the individual does not sign any documents related to such services as a CPA.

#### C. Firm Name

1. The name under which a licensee practices public accounting must indicate clearly whether he is an individual practicing in his own name or a named member of a firm. If the name includes the designation "and Company" or "and Associates" or "Group" or abbreviations thereof, there must be at least two licensees involved in the practice, who may be either partners, shareholders, members or employees of the firm. However, names of one or more past partners, shareholders, or members may be included in the firm name of a successor firm.

2. A partner, member or shareholder surviving the death or withdrawal of all other partners, members or shareholders may continue to practice under the partnership or corporate name for up to two years after becoming a sole practitioner, sole member or sole shareholder.

3. A CPA firm name is misleading within the meaning of R.S. 37:83.G if, among other things:

a. the CPA firm name implies the existence of a corporation when the firm is not a corporation; or

b. the CPA firm name includes the name of a person who is not a CPA.

4. A firm name not consisting of the names of one or more present or former partners, members, or shareholders may not be used by a CPA firm unless such name has been approved by the board as not being false or misleading.

D. Communications. A holder of a certificate or firm permit, or an individual in inactive or retired status shall, when requested, respond to communications from the board in the manner requested by the board within 30 days of the mailing of such communications by certified mail, or by such other delivery methods available to the board.

E. Applicability. All of the rules of professional conduct shall apply to and be observed by Louisiana licensees and CPAs licensed in other states who may be granted rights under the substantial equivalency provisions of R.S. 37:94. Notwithstanding anything herein to the contrary, they shall also apply to and be observed by individuals registered in inactive or retired status, where applicable.

F. Cooperation with Board Inquiry or Investigation. A licensee or CPA inactive or CPA retired status registrant shall fully cooperate with the board in connection with any inquiry or investigation made by the board. Full cooperation includes, but is not limited to, fully responding in a timely manner to all inquiries of the board or representatives of the board and claiming board correspondence from the U.S. Postal Service and from other delivery services used by the board.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:71 et seq.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Board of Certified Public Accountants, LR 3:308 (July 1977), amended 4:358 (October 1978), LR 6:3 (January 1980), LR 9:207 (April 1983), amended by the Department of Economic Development, Board of Certified Public Accountants, LR 17:1068 (November 1991), LR 23:1115 (September 1997), LR 26:1985 (September 2000), amended by the Office of the Governor, Board of Certified Public Accountants, LR 32:2252 (December 2006), LR

### **Chapter 19. Investigations; Hearings; Suspension, Revocations or Restrictions; Reinstatements**

#### **§1903. Investigating Officer**

A. All charges shall be referred to the members of the board or other persons designated as investigating officers, who are appointed by the board chair. The investigating officer is the person who determines preliminary "probable cause" on behalf of the board, as referred to in R.S. 37:81.A.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:71 et seq.

HISTORICAL NOTE: Adopted by the Department of Commerce, Board of Certified Public Accountants, January 1974, promulgated LR 6:9 (January 1980), amended LR 12:88 (February 1986), amended by the Department of Economic Development, Board of Certified Public Accountants, LR 23:1126 (September 1997), LR 26:1987 (September 2000), LR

#### **§1909. Hearing**

A.-B. ...

C. Hearings shall be conducted in closed session, and shall be conducted by and under the control of the board chair, or a presiding officer appointed by the board chair.

D. In any investigation or pending adjudication proceeding, no party shall serve on any other party more than 25 interrogatories. Each sub-part of an interrogatory shall count as an additional interrogatory. The board chair or presiding officer may, in his discretion, allow more than 25 interrogatories upon receipt of a written motion setting forth the proposed additional interrogatories and the reasons establishing good cause for their use.

E.-F. ...

G. In any case of adjudication noticed and docketed for hearing, counsel for respondent and complaint counsel may agree, or the board chair or presiding officer may require, that a prehearing conference be held among such counsel, or together with the board's independent counsel, if any, for the purpose of simplifying the issues for hearing and promoting stipulations as to facts and proposed evidentiary offerings which will not be disputed at hearing.

H. Motions for continuance of hearing, for dismissal of proceeding, and all other prehearing motions shall be filed not later than 10 days prior to the date of the hearing. Any response or opposition to any prehearing motion shall be filed within 5 days of the filing of such prehearing motion. For good cause shown, the board chair or presiding officer may waive or modify these requirements. Each prehearing motion shall be accompanied by a memorandum which shall set forth a concise statement of the grounds upon which the relief sought is based and the legal authority therefor.

I.-J. ...

K. Any prehearing motion, other than a mutually agreed upon request for continuance as referred to in §1909.I, shall be referred for decision to the board chair or presiding officer for ruling. The board chair or presiding officer, in his discretion, may refer any prehearing motion to the entire board for disposition.

L. Prehearing motions shall be ruled upon on the basis of the written information provided, without oral arguments. However, if the board chair or presiding officer refers the prehearing motion to the entire board for disposition, he may grant an opportunity for oral argument before the entire board, upon written request of respondent or of complaint counsel and on demonstration that there are good grounds therefor.

M. The order of proceedings at a hearing shall be as follows, but may be changed at the discretion of the board chair or presiding officer:

1.-6. ...

N. ...

O. The board chair or presiding officer, board members, the respondent and his attorney, and complaint counsel or person presenting the case for the investigating officer, shall have the right to question or examine or cross-examine any witnesses.

P. All evidence presented at a hearing will be considered by the board unless the board chair or presiding officer determines that it is irrelevant, immaterial or unduly repetitious. Evidence may be received provisionally, subject to a later ruling by the board chair or presiding officer. The board chair or presiding officer may in his discretion consult with the entire board in executive session or with independent board counsel in making determinations on evidence.

Q. The final decision of the board in an adjudication proceeding shall be in writing and shall include findings of fact and conclusions of law, and shall be signed by the board chair or presiding officer on behalf of and in the name of the board. Upon issuance of a final decision, a certified copy shall be served upon the respondent and the respondent's counsel, if any, in the same manner of service prescribed with respect to administrative complaints in R.S. 37:81.

R.-V. ...

**AUTHORITY NOTE:** Promulgated in accordance with R.S. 37:71 et seq.

**HISTORICAL NOTE:** Adopted by the Department of Commerce, Board of Certified Public Accountants, January 1974, promulgated LR 6:9 (January 1980), amended by the Department of Economic Development, Board of Certified Public Accountants, LR 23:1126 (September 1997), LR 26:1988 (September 2000), amended by the Office of the Governor, Board of Certified Public Accountants, LR 33:2636 (December 2007), LR

#### **Family Impact Statement**

In compliance with Act 1183 of the 1999 Regular Session of the Louisiana Legislature, the impact of the proposed amendments on the family has been considered. It is not anticipated that the proposed amendments will have an adverse impact on family, formation, stability or autonomy, as described in R.S. 49:972.

#### **Poverty Statement**

In compliance with Act 854 of the 2012 Regular Session of the Louisiana Legislature, the impact of the proposed amendments on those that may be living at or below one hundred percent of the federal poverty line has been considered. It is not anticipated that the proposed amendments will have any impact on child, individual or family poverty in relation to individual or community asset development, as described in R.S. 49:973.

#### **Small Business Statement**

The proposed amendments are not anticipated to have an adverse impact on small businesses as defined in R.S. 49:965.2 et seq.

#### **Provider Statement**

In compliance with HCR 170 of the 2014 Regular Session of the Louisiana Legislature, the impact of the proposed amendments on organizations that provide services for individuals with development disabilities has been considered. It is not anticipated that the proposed amendments will have any impact on the staffing, costs or overall ability of such organizations to provide the same level of services, as described in HCR 170.

#### **Public Comments**

Interested persons may submit written data, views, arguments, information or comments on the proposed amendments to Darla M. Saux, CPA, CGMA, Executive Director, State Board of Certified Public Accountants of Louisiana, 601 Poydras Street, Suite 1770, New Orleans, Louisiana, 70130, (504) 566-1244. She is responsible for responding to inquiries. Written comments will be accepted until 4:00 p.m., August 21, 2017.

#### **Public Hearing**

A request pursuant to R.S. 49:953(A)(2) for a public hearing must be made in writing and received by the Board within 20 days of the date of this notice. If a public hearing is requested to provide data, views, arguments, information or comments in accordance with the Louisiana Administrative Procedure Act, the hearing will be held on August 28, 2017, at 9 a.m. at the office of the State Board of Certified Public Accountants of Louisiana, 601 Poydras Street, Suite 1770, New Orleans, Louisiana 70130. Any person wishing to attend should call to confirm that a hearing is being held.

Darla M. Saux, CPA, CGMA  
Executive Director