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INDEPENDENT REGULATORY REVIEW COMMISSION
333 MARKET STREET, 14TH FLOOR, HARRISBURG, PA 17101

April 20, 2000

Thomas J. Baumgartner, Chairman
State Board of Accountancy
116 Pine Street
Harrisburg, PA 17105

Re: IRRC Regulation #16A-555 (#2096)
State Board of Accountancy
Continuing Education Program Sponsors

Dear Chairman Baumgartner:

Enclosed are our Comments on the subject regulation. They are also available on our website at <http://www.irrc.state.pa.us>.

Our Comments list objections and suggestions for consideration when you prepare the final version of this regulation. We have also specified the regulatory criteria which have not been met. These Comments are not a formal approval or disapproval of the proposed version of this regulation.

If you would like to discuss these Comments, please contact John Jewett at 783-5475.

Sincerely,

Robert E. Nyce / kn

Robert E. Nyce
Executive Director

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Enclosure

cc: Steven Wennberg
Joyce McKeever
Honorable Kim Pizzigrilli
Dorothy Childress
Office of General Counsel
Office of Attorney General
Lee Ann Labecki

Comments of the Independent Regulatory Review Commission

on

State Board of Accountancy Regulation No. 16A-555

Continuing Education Program Sponsors

April 20, 2000

We submit for your consideration the following objections and recommendations regarding this regulation. Subsections 5.1(h) and 5.1(i) of the Regulatory Review Act (71 P.S. § 745.5a(h) and (i)) list the criteria the Commission must use to determine if the regulation is in the public interest. The State Board of Accountancy (Board) must respond to these Comments when it submits the final-form regulation. If the final-form regulation is not delivered by March 20, 2002, the regulation will be deemed withdrawn.

1. Section 11.64. Sources of continuing education credit. – Clarity.

The date in this section is inconsistent with the Preamble. The date, May 1, 2000, should be deleted and replaced with January 1, 2001.

2. Section 11.69.a. Approval of program sponsor. – Reasonableness, Implementation procedure and Clarity.

Subsection (a) Initial approval.

Subsection (a) states, “[T]he approval of previously approved program sponsors will expire December 31, 2000.” Additionally, “[P]reviously approved programs sponsors desiring to offer continuing education programs after December 31, 2000, shall comply with this section.”

The House Professional Licensure Committee has two concerns with this requirement. First, will the program sponsor applicants be able to comply with the December 31, 2000 deadline? Second, given the potential number of program sponsor applications, does the Board have the ability to process these applications in time? The Board should explain how both the Board and applicants will meet the deadline.

Subsection (c) Contents of application for initial approval.

This subsection contains an extensive list of information required in an application for approval. The contents of Paragraphs (1), (2), (6), (7), (8), (9), (10) and (11) are definitive and readily available.

However, we question whether the program sponsor will be able to provide to the Board the information requested in Paragraphs (3) (the dates and locations of the programs), (4) (the faculty names, titles and degrees) and (5) (the program schedules, which include the title of

subject, lecturer, time allotted, excluding breaks and lunches). This information may be difficult to project two years in advance.

To properly evaluate a program sponsor, the Board needs to review the sponsor's courses and instructors. At the same time, the Board must recognize that this information is subject to change. To provide greater flexibility, the Board should consider allowing approved program sponsors to submit any changes, deletions or amendments to the information required in this subsection as they occur.

Subsection (e) Board review of application for initial approval.

This subsection provides that the Board's Continuing Education Committee (Committee) will review an application for approval or disapproval. If a program is disapproved, the Board will provide the applicant the reasons for disapproval, and allow the applicant to resubmit the disapproved application. However, there are no time frames for any stage of this process. For clarity, the Board should provide time frames for the Committee's review, and for an applicant to resubmit.

3. Section 11.71. Responsibilities of program sponsor. – Need and Clarity.

Paragraph (1) Program level of difficulty.

For improved readability, the phrase "[A]s an illustration" should be replaced by "For example."

Paragraph (4) Program review.

This paragraph states, "[A] program sponsor shall review the course materials periodically...." The term "periodically" is vague. For clarity, the Board should consider including a set time frame for the review of course materials in Paragraph (4).

Paragraph (6) Selection and review of instructors.

Paragraph (6) includes the phrase "[A]lthough it is expected that the instructors will be selected with great care...." This phrase is unnecessary in the regulation. For clarity, the Board should delete it from this paragraph.

Paragraphs (8) and (9) Attendance records and course materials.

These two paragraphs require program sponsors to maintain and retain records of attendance and written outlines of course materials for a five-year period. Although this retention requirement is consistent with an existing provision at 49 Pa. Code § 11.68(a), the period appears to be lengthy. It is our understanding that the Board only reviews records from the previous biennium. When the current biennium ends, it is unnecessary to retain records that will not be used. Therefore, the Board should explain the need to retain records for a five-year period rather than the current and previous biennial review period.

4. Section 11.72. Withdrawal of approval of program sponsor. – Reasonableness.

This section allows the Board to withdraw the approval of a program sponsor. What impact does the withdrawal of approval have on courses given by the program sponsor before the withdrawal? It is our understanding that participants can still claim credit for courses they took from a program sponsor before the Board withdrew approval from that sponsor. If this is so, the regulation should make that clear.