

REGULATIONS
OF THE
RHODE ISLAND BOARD OF ACCOUNTANCY
FOR THE FULFILLMENT OF THE
EDUCATION REQUIREMENT
JANUARY 2001

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ARTICLE I

1.0 INTRODUCTION, PURPOSE, FINDING

1.1 Introduction

The General Laws of Rhode Island, §5-3.1-5(a) provides that the certificate of "certified public accountant" shall be issued to any person meeting stated statutory requirements. Section 5-3.1-5(a)(3) establishes as part of the requirements that a candidate must have a baccalaureate degree conferred by a college or university recognized by the Board, the total educational program of which includes an accounting concentration or its equivalent and courses in such related subjects as the Board shall determine to be appropriate. This section, as amended by P.L. 1992, Ch. 391, §1, further provides that after July 1, 1999 the education requirement shall be at least one hundred and fifty (150) semester hours of college education including a baccalaureate or higher degree conferred by a college or university acceptable to the Board, and the total educational program must include an accounting concentration or equivalent as determined by Board rule to be appropriate.

1.2 Purpose

The purpose of these regulations is to establish a reasonable, fair and standardized set of rules in order for applicants for the certificate of "certified public accountant" to be able to plan and fulfill the education requirement.

1.3 Finding

In considering the adoption of these regulations, the Board finds that there is no alternative approach which would be as effective and less burdensome to private persons as another regulation. The Board further finds that this regulation will not have a significant adverse impact on small business.

ARTICLE II

2.0 RULES

2.1 Regulations Effective through July 1, 1999

2.1.1 From the effective date of these regulations until July 1, 1999, an applicant shall be deemed to have met the education requirement if he or she shall have a baccalaureate degree from an educational institution recognized by the Board.

2.1.1.1 A concentration in accounting or its equivalent is required and shall include accounting in general business subjects for which credit can be transferred to any institution granting a baccalaureate degree.

2.1.1.2 Twenty four (24) semester hours in accounting principles and six (6) semester hours in general business subjects are required.

2.1.1.3 Accounting principles must include each of the following areas: not less than six (6) semester hours in both Fundamental Accounting and Intermediate Accounting and not less than three (3) semester hours in each of the following areas: Tax Accounting, Auditing, Advanced Accounting and Cost Accounting.

2.1.1.4 The general business subjects must include not less than three (3) semester hours in each of two (2) of the following: Business Law, Economics or Computer Science.

2.2 Education Requirement Commencing July 1, 1999

2.2.1 After July 1, 1999, an applicant will be deemed to have met the education requirement if, as part of the 150 semester hours of education, he or she has met any one of the following conditions:

2.2.1.1 Earned a graduate degree with a concentration in accounting from a program that is accredited in accounting by an accrediting agency recognized by the Board.

2.2.1.2 Earned a graduate degree from a program that is accredited in business by an accrediting agency recognized by the Board and completed not less than twenty-four (24) semester hours in accounting at the undergraduate level or fifteen (15) semester hours at the graduate level, or an equivalent combination thereof.

2.2.1.3 Earned a baccalaureate degree or higher degree at an institution that is accredited by an accrediting agency

recognized by the Board and completed not less than twenty-four (24) semester hours in accounting at the undergraduate or graduate level, and completed not less than 24 semester hours in business courses (other than accounting courses) at the undergraduate or graduate level.

- 2.2.2 Under the conditions 2.2.1.2 and 2.2.1.3 described above, the accounting component of the education requirement must include not less than six (6) semester hours in both fundamental accounting and intermediate financial accounting and reporting and not less than three (3) semester hours in each of the following: advanced financial accounting and reporting, tax accounting and auditing.
- 2.2.3 The business courses must include not less than three (3) semester hours in both business law and economics.
- 2.2.4 The applicant or the educational institution from which the baccalaureate or graduate degree is earned must demonstrate to the Board's satisfaction the integration of business ethics throughout the mandated core curriculum.
- 2.2.5 An applicant who does not meet the 150 hour education requirement may sit for an examination after July 1, 1999 if the applicant has, at the time of the examination: (a) completed not less than 120 semester hours of education; and (b) met one of the conditions specified in section 2.2.1; provided, however, that an applicant who successfully passes the examination will not be eligible to receive a certificate until the applicant completes the 150 hour requirement and the experience requirement.

2.3 Transition Rule

- 2.3.1 An applicant for any examination conducted after July 1, 1999 shall be deemed to have met the 150 semester hour education requirement if the candidate (1) met all applicable requirements for the November, 1999 examination under the 120 semester hour rule and was a candidate for that examination; or (2) the candidate had conditional credit which would have continued beyond November, 1999 but for the new 150 hour educational requirement.
- 2.3.2 An applicant who was qualified to sit for the November, 1999 examination under the 120 hour rule pursuant to section 2.3.1 and failed to sit for that examination may retain such eligible status for the next four (4) exams administered by the Board, that is, through and including the November, 2001 exam.

- 2.3.3 If an applicant's conditioning or eligible status is lost, the applicant will no longer qualify under this transition rule and will be treated as a first-time applicant and must comply with the education requirement set forth in Section 2.2 of these regulations.

2.4 Curriculum Recommendations

- 2.4.1 In order to provide meaning to the education requirement, the Board encourages educational institutions to experiment in providing an educational experience to students to prepare them for the profession in the twenty-first century. In order to provide guidance to applicants and to educational institutions with respect to subjects which the Board determines to be important to fulfill this requirement, the Board offer the following curriculum suggestions:
- 2.4.1.1 General Education: Ethics, Economics, Globalization, Computers, Communication, Mathematics and Statistics and Behavioral Sciences.
- 2.4.1.2 Business Education: Economics, Quantitative Applications in Business, Legal and Social Environment of Business, Communication Skills, Business Law, Business Ethics, Marketing, Globalization, Finance, Total Quality Management, Organization, Group and Individual Behavior and Accountant's Legal Liability.
- 2.4.1.3 Accounting Education: Auditing, Taxation, Financial Accounting, Professional Ethics and Responsibility, Managerial Accounting, Internships and Accounting Information Systems.

ARTICLE III

3.0 Adoption

- 3.1 These regulations are promulgated in accordance with R.I.G.L. §§ 5-3.1-4(f)(3), 5-3.1-4(g), 5-3.1-5(a)(3) and 42-35-4.
- 3.2 These regulations shall take effect twenty (20) days after filing with the Secretary of State in accordance with R.I.G.L. §42-35-4.