

State of Rhode Island and Providence Plantations
RHODE ISLAND BOARD OF ACCOUNTANCY
233 Richmond Street
Providence, RI 02903

**2004 COMPUTER BASED UNIFORM CERTIFIED PUBLIC ACCOUNTANT
EXAMINATION REGULATION**

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Section 1 **Authority**

This regulation (“Regulation”) is promulgated pursuant to R.I. Gen. Laws § 5-3.1-1 *et seq.* and R.I. Gen. Laws § 42-35-3.

Section 2 **Purpose**

The purpose of this Regulation is to promote the general welfare of the citizens of Rhode Island by implementation of R.I. Gen. Laws § 5-3.1-1 *et seq.* so that the provisions thereunder may be best effectuated and the public interest be most effectively served.

Beginning in 2004, the Uniform Certified Public Accountant examination will no longer be a paper based examination but will be a computer based examination. This Regulation provides the rules for how said exam will be administered and how credit will be granted during the transition from a paper based examination to a computer based examination.

Section 3 Finding

In considering the adoption of this Regulation, the Board of Accountancy (“Board”) finds that such action would not have a significant adverse impact on small business as defined in R.I. Gen. Laws § 42-35-1 *et seq.*

Section 4 Definitions

(A) “Candidate” shall mean an applicant for a certificate as a Certified Public Accountant sitting for the CPA examination.

(B) “CPA” shall refer to a Certified Public Accountant.

(C) “Computer Based Examination” shall mean the Computer Based Examination for the Uniform CPA Examination that is being implemented in the beginning of 2004.

(D) “Examination” shall mean the Uniform CPA Examination.

(E) “Launch Date” shall mean the date to be determined by the Rhode Island Board of Accountancy that shall be the date that the Computer Based Examination shall be implemented.

(E) “Test Section” refers to the sections of the Uniform CPA Examination.

Section 5 Applications for the Computer Based Examination

(A) Applications to take the CPA Examination must be made on a form provided by the Board and filed with the Board by a due date specified by the Board in the application form.

(B) An application will not be considered filed until the application fee and examination fee required by this Regulation and all required supporting documents have been received, including proof of identity as determined by the Board and specified on the application form, official transcripts and proof that Candidate has satisfied the education requirement.

(C) A Candidate who fails to appear for the Examination shall forfeit all fees charged for both the application and the Examination.

(D) The Board or its designee will forward notification of eligibility for the Computer Based Examination to NASBA’s National Candidate Database.

Section 6 Time and Place of Examination

(A) Prior to the implementation of a Computer Based Examination, notice of the time and place of the Examination shall be mailed at least ten (10) days prior to the date set for the Examination to each Candidate whose application to sit for the Examination has been approved by the Board.

(B) Upon the implementation of a Computer Based Examination, eligible Candidates shall be notified of the time and place of the Examination or shall independently contact the Board or a test center operator identified by the Board to schedule the time and place for the Examination at an approved test site. Scheduling reexaminations must be made in accordance with Section 9(B) below.

Section 7 Examination Content

The Examination required by R.I. Gen. Laws § 5-3.1-1 *et seq.* shall test the knowledge and skills required for performance as an entry-level certified public accountant. The Examination shall include the subject areas of accounting and auditing and related knowledge and skills as the Board may require.

Section 8 Determining and Reporting Examination Grades

A Candidate shall be required to pass all Test Sections of the Examination provided for in R.I. Gen. Laws § 5-3.1-1 *et seq.* in order to qualify for a certificate. 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. Prior to the implementation of a Computer Based Examination, a passing grade for each Test Section shall be 75. Upon implementation of a Computer Based Examination, the Candidate must attain the uniform passing grade established through a psychometrically acceptable standard-setting procedure and approved by the Board.

Section 9 Retake and Granting of Credit Requirements

(A) Until the Launch Date of the Computer Based Examination, the rules on conditioning for Candidates as set forth in the *Regulations of the Rhode Island Board of Accountancy Providing for the Conditioning of CPA Candidates January 27, 1994* shall apply to the conditioning of Candidates.

(B) Effective on the Launch Date of the Computer Based Examination, the rules of conditioning for Candidates as set forth in the *Regulations of the Rhode Island Board of Accountancy Providing for the Conditioning of CPA Candidates January 27, 1994* shall no longer apply to the conditioning of Candidates. Any conditioned credit obtained prior to the Launch Date will only be effective for eighteen (18) months after the Launch Date.

(C) Upon the implementation of the Computer Based Examination, a Candidate may take the required Test Sections individually and in any order. Credit for any Test

Section(s) passed shall be valid for eighteen (18) months 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.

(1) Candidates must pass all four (4) Test Sections of the Uniform CPA Examination within a rolling eighteen (18) month period, which begins on the date that the first Test Section(s) passed is taken.

(2) Candidates cannot retake a failed Test Section(s) in the same Examination window. An Examination window refers to a three-month period in which Candidates have an opportunity to take the CPA Examination (comprised of two (2) months in which the examination is available to be taken and one (1) month in which the Examination will not be offered while routine maintenance is performed and the item bank is refreshed). Thus, Candidates will be able to test two (2) out of the three (3) months within an Examination window.

(3) In the event all four (4) Test Sections of the Uniform CPA Examination are not passed within the rolling eighteen (18) month period, credit for any Test Section(s) passed outside the eighteen (18) month period will expire and that Test Section(s) must be retaken.

(D) Candidates having earned conditional credits on the paper-and-pencil Examination, as of the Launch Date of the Computer Based Examination, will retain conditional credits for the corresponding Test Sections of the Computer Based Examination as follows:

Paper-and-Pencil Examination	Computer Based Examination
Auditing	Auditing and Attestation
Financial Accounting and Reporting (FARE)	Financial Accounting and Reporting
Accounting and Reporting (ARE)	Regulation
Business Law and Professional Responsibilities (LPR)	Business Environment and Concepts

(1) If at the Launch Date of the Computer Based Examination, the Candidate has been conditioned on the paper-and-pencil Examination pursuant to Section 9(A) then the Candidate has eighteen (18) months to pass the rest of the Computer Based Examination.

(2) If a previously conditioned Candidate does not pass all remaining Test Sections during the transition period, conditional credits earned under the paper-and-

pencil Examination will expire and the Candidate will lose credit for the Test Sections earned under the paper-and-pencil Examination.

(D) A Candidate shall retain credit for any and all Test Sections of an Examination passed in another state if such credit would have been given, under then applicable requirements, if the Candidate had taken the examination in this State.

(E) The Board may in particular cases extend the term of conditional credit validity notwithstanding the requirements of subsections (A), (B), (C) and (D), upon a showing that the credit was lost by reason of circumstances beyond the Candidate's control.

(F) A Candidate shall be deemed to have passed the Uniform CPA Examination once the Candidate holds at the same time valid credit for passing each of the four (4) Test Sections of the Examination. For purposes of this section, credit for passing a Test Section of the Computer Based 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.

Section 10 ***Candidate Testing Fee***

The Candidate shall, for each Test Section scheduled by the Candidate to the Board or its designee, pay a Candidate Testing Fee that includes the actual fees charged by the AICPA, NASBA, and the Test Delivery Service Provider, as well as reasonable application fees established by the State Board.

Section 11 ***Cheating***

(A) Cheating by a Candidate in applying for, taking or subsequent to the Examination will be deemed to invalidate any grade otherwise earned by a Candidate on any Test Section of the Examination, and may warrant summary expulsion from the test site and disqualification from taking the Examination for a specified period of time.

(B) For purposes of this Regulation, the following actions or attempted activities, among others, may be considered cheating:

(1) Falsifying or misrepresenting educational credentials or other information required for admission to the Examination;

(2) Communication between Candidates inside or outside the test site or copying another Candidate's answers while the Examination is in progress;

(3) Communication with others inside or outside the test site while the Examination is in progress;

(4) Substitution of another person to sit in the test site in the stead of a Candidate;

(5) Reference to crib sheets, textbooks or other material or electronic media (other than that provided to the Candidate as part of the Examination) inside or outside the test site while the Examination is in progress.

(6) Violating the nondisclosure prohibitions of the Examination or aiding or abetting another in doing so.

(7) Retaking or attempting to retake a Test Section by an individual holding a valid 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 the examination.

(C) In any case where it appears that cheating has occurred or is occurring, the Board or its representatives may either summarily expel the Candidate involved from the Examination or move the Candidate to a position in the Test Center away from other examinees where the Candidate can be watched more closely.

(D) In any case where the Board believes that it has evidence that a Candidate has cheated on the Examination, including those cases where the Candidate has been expelled from the Examination, the Board shall conduct an investigation and may conduct a hearing consistent with the requirements of R.I. Gen. Laws § 5-3.1-1 *et seq.* and R.I. Gen. Laws § 42-35-1 *et seq.* following the Examination session for the purpose of determining whether or not there was cheating, and if so what remedy should be applied. In such proceedings, the Board shall decide:

(1) Whether the Candidate shall be given credit for any portion of the Examination completed in that session; and

(2) Whether the Candidate shall be barred from taking the examination and if so, for what period of time.

(E) In any case where the Board or its representative permits a Candidate to continue taking the Examination, it may, depending on the circumstances:

(1) Admonish the Candidate;

(2) Seat the Candidate in a segregated location for the rest of the Examination;

(3) Keep a record of the Candidate's seat location and identifying information, and the names and identifying information of the Candidates in close proximity of the Candidate; and/or

(4) Prior to the introduction of a Computer Based Examination, notify the AICPA of the circumstances, furnishing the Candidate's identification number, so that after the initial grading is completed, the Candidate's papers can be compared for unusual similarities with the papers of others who may have been involved.

Upon introduction of a Computer Based Examination, notify the National Candidate Database and the AICPA and/or the Test Center of the circumstances, so that the Candidate may be more closely monitored in future Examination sessions.

(F) In any case in which a Candidate is refused credit for any Test Section of an Examination taken, disqualified from taking any Test Section, or barred from taking the Examination in the future, the Board will provide to the Board of Accountancy of any other state to which the Candidate may apply for the Examination information as to the Board's findings and actions taken.

Section 12 Security and Irregularities

Notwithstanding any other provisions under these rules, the Board may postpone scheduled Examinations, the release of grades, or the issuance of certificates due to a breach of Examination security; unauthorized acquisition or disclosure of the contents of an examination; suspected or actual negligence, errors, omissions, or irregularities in conducting an Examination; or for any other reasonable cause or unforeseen circumstance.

Section 13 Severability

If any section, term, or provision of this Regulation should be adjudged invalid for any reason, that judgment should not effect, impair, or invalidate any remaining section, term, or provision, which shall remain in full force and effect.

Section 14 Effective Date

This Regulation shall be effective twenty (20) days from the date of filing with the Secretary of State.

EFFECTIVE DATE: August 26, 2003