**BOARDS AND COMMISSIONS**
**Board of Accountancy**
**(Amended at ARRS Committee)**

**201 KAR 1:190. Examination sections, applications, and procedures.**

RELATES TO: KRS 325.261, 325.270
STATUTORY AUTHORITY: KRS 325.240(2), 325.270(1), (2)
NECESSITY, FUNCTION, AND CONFORMITY: KRS 325.240(2) authorizes the board to promulgate administrative regulations to administer KRS Chapter 325. KRS 325.270(1) and (2) require the board to authorize examinations for individuals seeking to become certified public accountants and authorize the board to, by administrative regulation, promulgate standards and fees governing all examination policies and procedures. KRS 325.261(4) requires passage of an examination prior to a person becoming licensed as a certified public accountant and for the board to determine the subjects to be included on the examination. This administrative regulation establishes the subjects, also referred to as sections, to be included on the examination, and the procedures and fees associated with the administration of the examination.

Section 1. Definitions.
(1) "Accounting course" means the subject matter contained in the course description or catalog issued by a college or university that includes auditing, tax, accounting standards, principles, or processes.
(2) "AICPA" means the American Institute of Certified Public Accountants, the entity that prepares and grades the Uniform CPA Examination.
(3) "Business-related subjects" means courses that contain in the course prefix or title, an indication that the course subject matter is one (1) of the following: business, finance, marketing, management, economics, computers, statistics, or accounting.
(4) "CLEP credit" means credit granted by a university or college to a prospective student who obtains a passing score on an exam administered through the College Level Examination Program.
(5) "DSST credit" means credit granted by a university or college to a prospective student who obtains a passing score on an exam administered through the Dantes Subject Standardized Testing program.
(6) "Life assessment course" means a course in which a student earns credit at a university or college based upon the student's personal life and work experiences.
(7) "Major or concentration in accounting" means a minimum of thirty-nine (39) semester hours in business-related subjects, of which twenty-seven (27) semester hours consist of accounting courses.
(8) "NASBA" means the National Association of State Boards of Accountancy, which operates a nationwide computer data bank for candidates applying to sit for the Uniform CPA Examination.
(9) "Official transcript" means an official document issued by a college or university that:
(a) States the college course work completed, degrees awarded, and the date the degree was awarded; and
(b) Contains an authorizing signature or seal.
(10) "Prometric or its successor" means the testing service in charge of administering the Uniform CPA Examination.
(11) "Quarter hour" means 66/100ths of a semester hour.
(12) "Uniform CPA Examination" means the computer-based version of the licensure examination administered by the AICPA.

Section 2. Examination. The board shall use the Uniform CPA Examination prepared by the AICPA as the examination every candidate seeking to receive a license shall sit for and obtain a passing grade for licensure.

Section 3. Grading Procedures and Acquiring Credit for Obtaining a Passing Score.

(1) An exam candidate shall receive a passing score on all sections of the examination to be eligible to receive a license.

(2) The passing score shall be seventy-five (75) on each section.

(3) An exam candidate shall not sit for the same section of the examination until after the candidate receives a score for that section.

(4) If an exam candidate initially receives a passing score on a section of the Uniform CPA Examination, the candidate shall have a thirty (30) month period in which to obtain a passing score on the remaining sections of the examination. The thirty (30) month period shall begin on the date that the first passing score is released by NASBA and concludes on the date the candidate sits for the final test section passed, regardless of when the score for that final test section is released.

(a) Failure to receive a passing score on the remaining sections of the examination within the thirty (30) months shall result in the expiration of the initial passing score, but not other sections passed during that thirty (30) month period.

(b) All sections of the examination shall be passed during a thirty (30) month time period for the candidate to be considered to have passed the examination.

(5) One (1) request to extend the time to retain passing scores beyond the time restrictions contained in this section shall be granted to a candidate. The extension shall expire the last day of the calendar quarter from the date the candidate sat for the exam section. Additional extensions may be granted by the board, for good cause, upon a showing of circumstances beyond the candidate's control.

Section 4. Initial Examination Applicants.

(1) Initial examination application process.

(a) An initial examination applicant shall submit a complete, notarized Application for the Uniform CPA Examination.

(b) The applicant shall:

1. Indicate if the applicant has been convicted, plead guilty, entered an Alford plea, or a plea of no contest to a felony or misdemeanor, other than a minor traffic violation, and if so, submit with the application:

a. A copy of the judgment or sentence of conviction;

b. A criminal record check report from the Kentucky Administrative Office of the Courts, Courtnet Disposition System that is dated within six (6) months of the date of the application, or a similar document from the out-of-state agency where the conviction was entered; and

c. A letter of explanation;

2. Indicate if the applicant has been denied admission to the Uniform CPA Examination, and if so, attach to the application a letter explaining the reason, date, and jurisdiction of the denial;

3. Indicate if the applicant has had disciplinary action taken against any professional license, and if so, attach to the application:

a. A letter indicating the jurisdiction and date of action;

b. A copy of all records associated with the action; and

c. An explanation of the circumstances; and

4. Submit an official transcript from each college or university that evidences completion of the educational requirements established in KRS 325.261, which includes a major or concentration in accounting. Course credit hours that are based upon a quarter hour system shall be converted to semester hours.

(c) An applicant requesting reasonable accommodations in testing due to a disability shall complete an Exam Applicant Special Accommodations Request Form supported by documentation no more than three (3) years old from a qualified examiner that shall include:

1. A diagnosis of the disability; and
2. Recommendation for the specific accommodations.

(d) The board shall not be responsible for the costs associated with obtaining the required documentation, but shall be responsible for the costs of reasonable accommodations that are provided to the applicant.

(e) The applicant shall submit a fee with the Application for the Uniform CPA Examination in the amount of:

1. Thirty (30) dollars for the application; and
2. Thirty (30) dollars for each section of the examination the applicant intends to take.

(f) Fees shall be nonrefundable and payment shall be in the form of a check or money order made payable to the Kentucky State Board of Accountancy. If the institution the check or money order is drawn on does not honor the check or money order, the application shall be incomplete and returned.

(2) Educational requirements.

(a) Educational requirements shall be completed at:

1. A college or university within the United States that was accredited by one (1) of the following accrediting associations when the degree was granted:
   a. Middle States Association of Colleges and Schools;
   b. North Central Association of Colleges and Schools;
   c. New England Association of Schools and Colleges;
   d. Northwest Association of Schools, Colleges and Universities;
   e. Southern Association of Colleges and Schools; or
   f. Western Association of Schools and Colleges;
2. The board shall accept course credit hours awarded by a college or university after January 1, 2020 that is not accredited by one (1) of the associations listed in subparagraph 1. of this paragraph, if those course credit hours receive credit from a college or university accredited by one (1) of the associations specified in subparagraph 1. of this paragraph following the enrollment of the student in the accredited college or university. This exception does not apply to the course credits listed in subsection (3) of this section; or
3. A postsecondary educational institution outside the United States with course credits certified by a credentialing agency that is a member of the National Association of Credential Evaluation Services, Inc., or NASBA.

(b) The certification required by paragraph (a)3. of this subsection shall indicate:

1. That the foreign degree is equivalent to a baccalaureate or master's degree earned in an accredited United States college or university as established in KRS 325.261 and this administrative regulation;
2. That the applicant had a major or concentration in accounting;
3. The title of all courses completed by the applicant outside of the United States; and
4. The amount of credit awarded to the applicant for each course.

(c) The board may consult with a Kentucky state-funded, four (4) year institution of higher education for assistance in evaluating the hours earned and the accreditation of an educational institution under this subsection.

(3)

(a) An applicant shall not receive credit toward satisfying the education requirements in KRS 325.261 and this administrative regulation for any credit hours awarded

through a life assessment course or for DSST credit.

(b) An applicant who received CLEP credit from a college or university may use a maximum of six (6) of those credit hours solely toward satisfying the 150 hour requirement in KRS 325.261(5).

Section 5.

(1)

(a) The executive director of the board shall review all applications.

(b) If the executive director determines the application satisfies the requirements of this administrative regulation, the application shall be approved.

(c) If the executive director refuses to approve the application, it shall be submitted to the board for the board's review and consideration at its next regularly scheduled meeting.

(2) Applications approved by the executive director or the board shall be entered into the data bank operated by NASBA. NASBA shall then issue a payment coupon to the applicant that specifies the fees to be paid to NASBA, the AICPA, and Prometric to sit for the exam.

(3) Following payment of the required fees, NASBA shall issue a notice to schedule to the candidate, which states the candidate is eligible to contact Prometric or its successor to schedule a date and time to sit for the examination.

(4)

(a) A candidate shall have six (6) months from the date of issuance by NASBA of a notice to schedule to sit for the sections of the examination approved by the executive director or the board.

(b) The notice to schedule shall expire when the candidate has sat for the sections approved by the executive director or the board, or at the conclusion of the six (6) month period, whichever comes first.

(c) A notice to schedule that is not expired may be extended if a candidate describes in writing that the extension is necessary due to an emergency or a serious illness that will prohibit the candidate from sitting for a section of the exam prior to the conclusion of the six (6) month time period.

(d) To obtain approval to sit for additional sections of the examination, a candidate shall submit a reexam application as established in Section 9 of this administrative regulation.

(5)

(a) The exam candidate shall pay all costs associated with sitting for the Uniform CPA Examination charged by NASBA, Prometric or its successor, and the AICPA.

(b) The costs shall be paid no later than ninety (90) days following the date of issuance of the payment coupon from NASBA.

(c) Failure to pay these fees prior to the end of the ninety (90) day time period shall result in the cancellation of the payment coupon and require the candidate to submit a reexam application accompanied by the appropriate fees.

Section 6. Examination Rules of Conduct.

(1) An examination candidate shall present two (2) forms of current and valid identification at the Prometric or its successor examination center. One (1) of these forms of identification shall be a state driver's license, a picture identification card issued by a state motor vehicle licensing agency, or a passport.

(2) The license or picture identification card shall be currently in effect and shall contain a photograph and signature.

(3) Failure to bring this identification to the examination center shall result in the candidate being prohibited from sitting for the examination.

(4) An examination candidate shall comply with all directives of the staff at the Prometric or its successor testing center and the rules of conduct in effect at the testing center.
(5) An examination candidate shall not:
(a) Use written materials or mechanical aids inside or outside the examination room during the course of the examination;
(b) Communicate with any person, other than the testing center staff, inside or outside the examination room, during the course of the examination;
(c) Copy answers or allows his or her answers to be copied;
(d) Substitute an individual in his or her place;
(e) Disclose in any manner any information concerning the examination questions or content;
(f) Falsify or misrepresent educational credentials or other information required for admission to the examination; or
(g) Fail to follow written or announced examination administration procedures.

Section 7. Examination Misconduct Penalties. An examination candidate who violates any of the provisions of this administrative regulation may be prohibited from:
(1) Further participation in that particular examination section;
(2) Receiving grades after sitting for any examination; or
(3) Sitting for subsequent examinations.

Section 8. An exam applicant shall immediately notify the board of a change in his or her mailing address.

Section 9. Reexam Applicants.
(1) Upon request, the board shall mail a Reexam Application for the Uniform CPA Exam to every candidate who fails to pass the Uniform CPA Examination.
(2) The reexam application shall be mailed to the most recent address provided by the candidate.
(3) The board shall not be responsible if the reexam application is not delivered by the United States Postal Service.
(4)
(a) The applicant shall:
1. Indicate since the approval of the applicant's initial application if the applicant has been convicted, pleaded guilty, entered an Alford plea, or a plea of no contest to a felony or misdemeanor, other than a minor traffic violation, and if so, submit with the reexam application:
a. A copy of the judgment or sentence of conviction;
b. A criminal record check report from the Kentucky Administrative Office of the Courts, Courtnet Disposition System that is within six (6) months of the date of the application, or a similar document from the out of state agency where the conviction was entered; and
c. A letter of explanation; and
2. If not previously submitted, and if the applicant is requesting reasonable accommodations in testing due to a disability, complete an Exam Applicant Special Accommodations Request Form supported by documentation no more than three (3) years old from a qualified examiner that shall include:
a. A diagnosis of the disability; and
b. Recommendation for the specific accommodations.
(b) The reexam application shall be received in the board's office prior to the reexam candidate being considered eligible to sit for any section of the exam.
(5)
(a) The candidate shall return the completed reexam application with the reexam fee.

(b) The reexam fee shall be thirty (30) dollars per section. The reexam fee shall be nonrefundable and paid by check or money order made payable to the Kentucky State Board of Accountancy. If the institution the check or money order is drawn on does not honor the check or money order, the application shall be incomplete and returned.

(6) A reexam candidate who fails to comply with the requirements of this section shall not be allowed to sit for reexam.

(7) The procedures and policies in Section 5 of this administrative regulation shall be applicable to a reexam application.

(8) The reexam candidate shall comply with the requirements of Sections 6 through 8 of this administrative regulation.

Section 10. Examination Grades. Kentucky exam candidates shall receive their scores via the NASBA Web site: Nasba.org.

Section 11. Incorporation by Reference.

(1) The following material is incorporated by reference:

(a) "Application for the Uniform CPA Examination", 2023;

(b) "Reexam Application for the Uniform CPA Examination", 2023; and

(c) "Exam Applicant Special Accommodations Request Form", October 2014.

(2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at the State Board of Accountancy, 332 W. Broadway, Suite 310, Louisville, Kentucky 40202, Monday through Friday, 8 a.m. to 4:30 p.m. or at https://cpa.ky.gov/Pages/Forms.aspx.

(30 Ky.R. 507; Am. 844; eff. 10-15-2003; 31 Ky.R. 1529; 1782; eff. 5-26-2005; 32 Ky.R. 2063; eff. 9-1-2006; TAm eff. 10-27-2009; 41 Ky.R. 548; 1036; eff. 12-5-2014; 46 Ky.R. 1004, 1802; eff. 3-3-2020; 48 Ky.R. 2112, 2558; eff. 7-5-2022; 49 Ky.R.1639, 2076; 50 Ky.R. 19; eff. 06-22-2023; 50 Ky.R. 1360, 1869; eff. 6-4-2024.)

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