

Colorado Board of Accountancy Newsletter

Public protection through effective licensure and enforcement



Dora
Department of Regulatory Agencies

State of Colorado
Department of Regulatory Agencies
Division of Registrations

Bill Ritter, Jr., Governor
D. Rico Munn, Executive Director
Robert Streifer, Program Director

News Update 2008

New law in 2007 affecting your license renewal regarding lawful presence in the USA

Effective January 1, 2007, all applicants requesting original licensure, renewal of an active license, or reinstatement of a lapsed license must complete and sign the [Affidavit of Eligibility Form](#). No license can or will be issued without this form.

The good news is that you can complete this form online when you use Registrations Online Services!

You must possess at least one secure and verifiable document and include information about that document on the Affidavit itself (or provide the information during online renewal). The list of secure and verifiable documents is available to you when you renew online. We also have a web page where you can read the law, look at the Affidavit, and see the list of acceptable documents.

Visit this website:

www.dora.state.co.us/registrations/Affidavit.htm

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Renewal Fees

The renewal fees for both the Certified Public Accountant (CPA) and Public Accounting Firm have increased since the last renewal. The license to practice as a CPA for the period June 1, 2008 to May 31, 2010 is \$70, which is a \$39 increase from the last renewal in June 2006. The Firm license for the three-year period of June 1, 2008 to May 31, 2011 is \$285, which is a \$165 increase from the last renewal in June 2005. By law, the Board of Accountancy must operate strictly with funds collected from the licensees it regulates, with no support from the State's General Fund. The legislature determines the budget for the Board. Once the legislature sets the budget, the money must be raised through licensing fees. The license renewal fee is the fee that supports much of the general operations of the Board.

The Board has incurred additional expenditures as the cost of regulation has increased over the years. Licensure matters have become more litigious causing the office to spend a significant amount of resources not only litigating contested disciplinary matters but also defending the Board's ability to regulate the profession and fulfill its statutory duties.

The good news is that fees are evaluated each year. Therefore, it is possible that they will be reduced in the future. The fee this year should provide the revenue needed to meet this year's deficit. However, it is difficult to predict that costs of regulation will decrease. It is essential that the Board continue to work diligently to provide consumer protection.

Renewals

You have until May 31, 2008 to renew your license. There is a 60-day renewal grace period following the license expiration date, during which time you will have to pay an additional late fee to renew your license. If you have not renewed your license before the 60-day grace period has ended, your license will be lapsed and you must then apply for reinstatement to continue practicing public accounting. If you do not, you will be practicing without a license, which is a violation of Colorado law. Any license not renewed by July 31, 2008 will be a lapsed license and must go through a reinstatement process to become active again. CPAs with inactive and retired licenses and Accountancy firms must also renew.

Renewal Process

To renew your license, please follow these steps:

1. Go to the Division of Registrations website at <http://www.dora.state.co.us/registrations>. Click on the link to "Online License Renewal."
2. Click "I have an individual license" or "I have a business license" then click the "Continue" button.
 - 2a. For Individual license types (CPA) only: If you are a returning Registrations Online Services user, enter your SSN and password in the fields on the right. If you are a new user and don't have a password, click the link labeled "Set up password" on the left, then follow the instructions to set up your password.
 - 2b. For Business license types (Firm Registrations) only: Choose your license type (Public Accounting Firm) from the drop down menu and enter your license number. (Only enter the numeric value and not the alpha characters.)
3. When you are ready to renew, click the button labeled "Renew this License" and follow the instructions.
4. Complete the Affidavit of Eligibility requirement (For Individual CPA licenses only. Firm Registrations will not have to complete an Affidavit of Eligibility), then complete the Attestation Requirement (CPA and Firm Registrations will each have to complete). After completion, you may click the "Pay Now" button.
5. Pay for your renewal using our **secure payment system**. You **must** pay by Credit Card (Visa, Master Card, American Express or Discover) or by Debit Card (as long as it bears the Visa or Master Card logo) for **online renewal**. You may also use a pre-paid credit card obtained from a bank (must have Visa or Master Card logo.)
6. Make sure to print your renewal confirmation page for your records. After you see the confirmation page, your renewal is complete. You will receive your renewed license within 7-10 days.

Residence Outside of the United States If you are outside of the United States, you may not be able to access our Online Registrations Services. If you attempt to access the following link <https://www.doradls.state.co.us/> and you cannot get the page to display, you may have to contact your Internet Service Provider (ISP) to allow you access. If your ISP still cannot grant you access, then you will have to request a hard copy renewal form.

You will also have to have a United States Social Security Number (SSN) to access the Online Registrations Services. If you do not have a SSN then you will have to request a hard copy renewal form.

You can request the hard copy renewal form by contacting our manual request line at 303.894.2984. You will either speak to the representative or you will have to leave a voice message. Please make sure to leave your name, license type, license number and address where you would like the hard copy renewal mailed to in your voice message.

Changing the Status of Your License If you need to change your license status from Active to Inactive, then you will not be able to renew online. You will need to contact the Division of Registrations at 303.894.2984 and request a hard copy renewal form. Please make sure to leave the representative your name, license type, license number and your mailing address.

If you would like to change your status from Inactive to Active you may not do so online. You will have to complete your renewal as Inactive then complete the "Status Change Application" and pay the applicable fee. Please visit the website at <http://www.dora.state.co.us/accountants/licensing.htm> for all necessary applications.

Firm Registration Renewals Firms must register every three years and only have one status—Active.

Check the website for more information for Firm Registration. Please visit the website at <http://www.dora.state.co.us/accountants> for all necessary information.

Use of the CPA Designation

The following article has been reprinted with the permission of the author, Courtney Cowgill, CPA, and the Colorado Society of Certified Public Accountants.

REGULATIONS & ETHICS

Where's the Line?

Following The Rules—Use of The CPA Designation

With this issue, we begin a regular, non-authoritative column on commonly asked questions and frequently made mistakes regarding application of the Colorado accountancy statute, rules, and regulations governing Colorado CPA certificate holders. For a copy of the Colorado accountancy statute, log on to the State Board Web site, <http://www.dora.state.co.us/accountants/Statute.pdf>. For a copy of the Colorado State Board of Accountancy rules and policies, log on to <http://www.dora.state.co.us/accountants/rules.htm>. To submit a question, e-mail Jill Turner at the CSCPA office, jturner@cocpa.org. Thank you, Colorado State Board of Accountancy member Courtney Cowgill, CPA, for providing the information for this first column.

When can I use the term CPA?

You must have an active certificate in good standing with the Colorado State Board of Accountancy, as described in the following sections of the Colorado Revised Statutes, Title 12:

12-2-115 C.R.S. Use of the title "certified public accountant": Any person who has received from the board and holds an active certificate of certified public accountant shall be styled and known as a certified public accountant and may also use the abbreviation "CPA." No other person shall assume or use the title certified public accountant or the abbreviation "CPA" or any other word, words, letters, or figures to indicate that the person using the same is a certified public accountant, except as provided in section 12-2-115.5. The terms chartered accountant and certified accountant and the abbreviation "CA" are specifically prohibited to such other persons as being misleading to the public.

12-2-115.5. Retired certified public accountant: (1) Any person who has received from the board and holds a certificate of certified public accountant, including an expired certificate of certified public accountant that remains subject to renewal, reactivation, or reinstatement, may apply to the board for retired status. The board may grant such status by issuing a retired status

certificate of certified public accountant to any person who meets established conditions prescribed by the board.

(2) Any person issued a retired status certificate of certified public accountant may be styled and known as a "retired certified public accountant" or "retired CPA."

(3) During such time as a certified public accountant remains in a retired status, such person shall not perform those acts set forth in section 12-2-120 (6) (a) and (6) (b). The board shall retain jurisdiction over retired status certified public accountants.

This statutory language covering usage of the CPA designation extends to all constructions—verbal, written, published, or electronic. So, use the designation proudly as long as you have maintained active status with the Colorado State Board of Accountancy.

To check your certificate status, log on to <https://www.doradls.state.co.us/alison.php> and search the automated licensure information system online (ALISON).

Remember, if you don't have an active Colorado CPA certificate, you cannot use the initials or the term in any way. "Inactive CPA," "CPA – Another State," "Formerly Active with the Colorado State Board," and any other such references violate the statute. Don't do it.

What if I'm licensed by another jurisdiction and my principal place of business isn't in Colorado?

Apply for reciprocity to the Colorado State Board of Accountancy. For details, log on to <http://www.dora.state.co.us/accountants/requirements.htm#reciprocity>.

Take note: If you've recently relocated to Colorado, you must apply for reciprocity within 120 days. And, you must wait until you receive your Colorado CPA certificate in active status before using the CPA designation.

What do I need to know about becoming a retired CPA?

Once you receive your change of status from the Colorado State Board of Accountancy, you may use "Retired CPA" on stationery and business cards. Remember, you cannot earn any income from providing accounting services and you must meet specific criteria to apply for retired status, as defined in the Colorado State Board of Accountancy Rules, Chapter 5, Section 5.5:

5.5 Retired Status Certificate

A. To become eligible for a retired status certificate, a certificate holder must hold a Colorado Certified Public Accountant Certificate, including an expired status certificate that remains subject to renewal, reactivation, or reinstatement. An eligible certificate holder must make application to the board for the granting of a retired status certificate, pay a board action fee, and meet the conditions prescribed in paragraph B of this rule.

B. A certificate holder must be at least 55 years old or have held a certified public accountant certificate in good standing for twenty-five (25) years and affirm that the certificate holder is no longer receiving any earned compensation, including director's fees, for current personal services in any accounting-related activity.

C. A certificate holder who is granted a retired status certificate may perform volunteer accounting-related services for which the retired certificate holder receives no direct or indirect compensation as long as the retired certificate holder does not sign any documents, related to such services, as a Certified Public Accountant.

D. A certificate holder granted retired status may be styled and known as a "Retired Certified Public Accountant" or "Retired CPA."▲

Continuing Professional Education (CE)

State Board News -- What's Required?

The following, non-authoritative information was prepared by Courtney Cowgill, CPA, and current Board of Accountancy member, with assistance from Colorado Society of CPAs CEO Mary Medley. The following article has been reprinted with the permission of the author and the Colorado Society of Certified Public Accountants.

The Colorado accountancy statute, 12-2-119 C.R.S., outlines the *Continuing Education (CE)* requirements for Colorado CPA certificate holders, and sets the hours at "not... more than 80 hours every two years." In addition, the statute states that "the board shall, as a basis for a high standard of practice by certified public accountants, establish requirements which will assure reasonable currency of knowledge." The statute provides for an "exception from the requirement for holders of certificates who are not engaged in public practice or who cannot continue their education for reasons of health, military service, or other good cause." In the statute since 1974, the CE requirements are more fully explained in the State Board's rules, Chapter 6. To read the statute, go to <http://www.dora.state.co.us/accountants/Statute.pdf>. For the rules and policies, go to <http://www.dora.state.co.us/accountants/Rules.pdf>.

How CE Works in Colorado

All actively licensed Colorado CPAs, who wish to renew their certificates in active status, must take at least 80 hours of continuing education in the two-year period which runs from January 1 of an even-numbered year through December 31 of the following odd-numbered year.

Two subject areas are required in the minimum 80 hours: **two hours of either Colorado Rules and Regulations (CR&R) or Ethics** and **at least 30 hours in Code A subject matter**. Courses which meet the Code A requirement include only those in accounting and auditing; management consulting services; taxation; specialized industry accounting; business-related computer courses; financial planning; ethics; and Colorado Rules and Regulations. Code B subject matter includes (but is not limited to) personal development, communication, quantitative methods, behavioral sciences, statistics, and practice management. Any course must "maintain and/or improve the CPA's professional competence," as outlined in the State Board's rules.

You can take both CR&R and Ethics in a reporting period and receive Code A credit for the Ethics class. Note that a rules and regulations class required by another jurisdiction for its licensing or renewal **does not** qualify for CE credit in Colorado. However, general ethics may be taken from any qualified provider in any location and counted for CE credit.

As the licensee, you are responsible for selecting courses that maintain and/or improve your professional competence. The Board of Accountancy does not certify or pre-approve courses nor does a course have to be approved by any other regulatory agency or group like the National Association of State Boards of Accountancy (NASBA). However, certificate holders, course sponsors, and course developers must follow the NASBA/AICPA CE standards, in effect as of June 1, 2002.

Fifty minutes of class time counts for one hour of CE credit. After the first hour (50 minutes) is earned, you can earn CE credit in 25 minute increments which qualify for ½ hour of CE. Fifteen or 45 minute segments do not qualify for CE credit – and a 25-minutes-only course does not qualify.

Continuing Professional Education

By renewing your license in an active status you are attesting that you have completed your Continuing Professional Education (CPE) for the 2006-2007 license period. Please review the Colorado State Rules and Regulations, Rule 6, by visiting the Board of Accountancy website at <http://www.dora.state.co.us/accountants/Rules.pdf>.

Your CPE may be reviewed! In previous years, CPAs were required to include a list of CPE courses completed in the two-year license period. Presently, CPAs attest to having completed the CPE requirements. CPAs are still randomly selected for CPE review, based on a statistically valid sample. Additionally, CPAs who have received disciplinary notices, or who completed prior period CPE requirements in the last immediate period are automatically included in the review. CPAs whose licenses are in an inactive, expired, or retired status are exempt from CPE and will not be included in the review selection. CPAs selected for review will receive letters, which will include instructions on completing the review.

Continuing Professional Education (CE) (continued)

Recordkeeping

You should retain the following documentation for the two prior renewal periods. If you are selected for the Board's biennial CE audit, you must show this documentation upon request to the Board's Continuing Education Audit Committee.

1. **Certificate of completion** – Obtain from the course provider a proof of attendance document which includes the date, title, instructor, sponsoring organization, and CE hours completed. If you are selected for the State Board CE audit and you don't have a certificate of completion from the course provider, you must show handouts and notes from the class, plus proof of payment and an explanation of why you don't have a certificate of completion. Note that class lists or registration confirmations are not accepted as proof of attendance and completion.
2. **Self-study and online study certificate of completion** – This document also must include the date(s) taken, title, instructor, sponsoring organization and hours earned.
3. **In-house CE** – If you take courses provided by your CPA firm or employer, retain a printout of the courses completed (including the date, title, instructor, and hours completed), signed by either the CE partner or company administrator. You are responsible for determining whether each course listed is Code A or Code B subject matter.
4. **College or university coursework** – Retain a copy of your official grade card or transcript showing the course title, semester or credit hours attended, and the grade earned. One semester hour qualifies for 15 CE hours. One quarter hour qualifies for 10 CE hours. If you "audited" the class or took it without credit, the course instructor must sign an affidavit verifying the actual hours you attended. Note that you cannot claim

You can earn CE credit for **teaching qualified classes** the first time or for teaching the course a second time if it required a substantial re-write. To claim CE credit for classes taught, you must retain and provide, if audited:

1. **Documentation that you instructed the course** and proof of the actual number of in-classroom hours taught.
2. **Proof that the course was new or substantially revised** as well as the date that the course was first taught or revised.
3. **A brief statement of how the course met the standards and fulfilled the CE requirements of the attendees.** Include the syllabus or course outline with the statement.
4. **A copy of your resume** which documents your qualifications to teach the subject matter.

You also can claim CE credit for **research and writing published books and articles.** The book or article must be formally reviewed by an independent party, and contact information must be included as part of the documentation. CPE credit can be earned in the same 50 minute increments for research/writing. No credit can be claimed if the article or book is not formally published. A copy of the publication is required for documentation purposes.

Continuing Professional Education (CE) *(continued)*

The CE Review (Audit)

The Board of Accountancy may review the continuing education records of certificate holders. Colorado certificate holders are selected for the CE audit from the following:

1. A statistically valid, random selection of active license holders (usually about 400 records);
2. Active license holders who received disciplinary notices from the prior period review or who requested and received an extension of time to complete CE;
3. Active license holders who were disciplined by the Board for other practice violations; and
4. CPA members of the Board of Accountancy who volunteer to have their education records reviewed as a part of their Board service.

You may volunteer to assist with the CE audit by contacting the Board at accountants@dora.state.co.us. Each committee consists of approximately 50 members and requires about four hours of your time. Committee members can be actively licensed CPAs, retired CPAs, or CPAs in an inactive status plus members of the general public who are not certified. Active licensees who are selected for audit also may volunteer, and their records will be reviewed by another volunteer. The benefits of volunteering are significant: you'll learn through the review process what does and does not qualify for CE under Colorado's rules; how to complete the reporting form properly; proper documentation; retention requirements and more. The State Board will begin to form the next committee in May 2008. Volunteer will review the selected certificate holders' CE for the two-year period from January 1, 2006 through December 31, 2007.

Legislation - Mobility

If you are not aware, HB08-1226 is proposed legislation which would allow a certified public accountant (C.P.A.) from another state or a foreign partnership, corporation, or limited liability company to engage in the practice of accountancy in Colorado and to refer to themselves as C.P.A.s without first obtaining licensure from or registering with the Board of Accountancy (board). The proposed legislation also prohibits the board from assessing a fee against or imposing any notice or other submission requirement on such persons or entities while engaged in the accountancy practice in this state. It has passed the Colorado House of Representatives and is now under consideration in the Senate.

Update Your Mailing Address

It is imperative that all licensees and registrants keep their mailing address updated with the Board of Accountancy. The Board of Accountancy mails renewal information to the licensee and registrant at the last address furnished to the Board. Failure to receive such a renewal notice does not relieve the licensee or registrant of the obligation to submit a timely renewal. CPAs can update their mailing address at <https://www.doradls.state.co.us/>.

New Program Director – Robert Streifer

On January 16, 2008, Robert Streifer was hired as the permanent Program Director for the Board of Accountancy.

Robert has been an attorney for nearly thirty years. His work in the private sector has been for large corporations, as well as for small start-up companies. Although he was recently hired to fill this position, he has been working as the interim Program Director since November.

Disciplinary Actions

Below is the list of individuals disciplined by the Board of Accountancy from January 1, 2007 through December 31, 2007.

Disciplinary actions are now being listed on the [Board of Accountancy Website](#).

Respondent Name		
Amann, Brian	Hagan, Ryan Neil.	Peterson, Charles L.
Beal, Carla	Haskell, Ricky J.	Retnanandan, Chellaraj.
Balogh, Robert Alan	Hilderbrand, Jerry R.	Ruller, Richard A.
Bigelow, Merritt A.	Hilling, Curtis R.	Stecker, William J
Blackadar, Martha McCord	Iwan, Mark Michael	Strong, Paul Adams
Brumley, J. Warren	Johnson, Dean H.	Suo, Wei
Cerney, Raymond Stephen	Johnson, Michael B.	Tawfik, Ashraf Mohamed
Colvin, Mark Wayne	Johnston, Rose Marie	Tawney, Earl A.
Colwell, Robert D.	Jones, Ken D.	Wells, William W
Comerford, James Carey	Katz, Lorraine N.	Wetzel, David Edwin
Couch, Terri J.	Kent, Steven E.	Wilson, Teresa A.F.
Delio, Raymond Joseph	Kornelsen, Vern D.	Zimmerman, Susan A.
Dezutter, David Allen	Kramer, Russell P.	
Dorr, Mark A.	Kropf, Joseph	
Evans, Craig N.	Kruse, Richard B.	
Frayner, Mona Faye	Marzonie, Nancy Ballast	Firm Names
Freytag, Peter	Mitchell, L. Alan	Accounting & Consulting Services of Colorado PC
Gillis, Paul W.	Mortland, Herbert J.	Buhrdorf Mattern & Imuus, Inc.
Goetzinger, Jay Scott	Niewald, David S.	Frayner & Associates CPA
Golosow, Evelyn Wiesen	O'Donnell, Lawrence A.	Johnson Holscher & Company PC
Granner, Donald L.	Olmstead, Jane Marie	
Gordon, Lowell D.	Pederson, Boyd J.	

[Registration Online Documents \(ROD\)](#) allows the consumer to view images of the disciplinary actions of the above cases through the Internet. In reviewing a licensee's information, it is important to know what is and is not available.

If applicable to the licensee, the following information WOULD appear on a record under Board or Program Actions:

1. If a licensee had been disciplined or formally accused of wrongdoing by the Board or Program.
2. If the Board or Program has taken some other non-disciplinary action against the licensee that restricts or limits the individual's license.

Board/Program Action documents available via Registrations Online Documents (ROD):

- All **Stipulations, Final Agency Orders, and Suspensions** that were in effect in February 2000 plus any that became effective since that date. Child support suspensions are not available online but may be obtained by contacting the appropriate Board.
- Any document **Revoking** or agreeing to a **Voluntary Relinquishment/Surrender** of license or registration, **Cease and Desist Orders** and **Letters of Admonition** from January 1, 1999 to the present.
- All **Injunctions**.
- All **Notice of Charges** or **Formal Complaints**, if the information is a public record, for cases that were pending hearing as of February 2000.
- **Jury Verdicts** against a physician or physician assistant in a civil medical liability trial that occurred after August 3, 2004.

Documents not listed above may be obtained by contacting the appropriate Board. For step-by-step instructions, visit our website at www.dora.state.co.us/doraimages/regdd.htm. You may view documents by last name, licensing board or other search options such as date range.

Colorado Board of Accountancy

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*This newsletter was created by the Board of Accountancy
 to improve communications
 between the Board and its licensees.*

