

Rule 3.7 “CONDITIONING” OR GRANTING OF CREDIT
Effective January 1, 2004

A. Granting of Credit

1. Candidates are allowed to sit for each section of the Uniform CPA Examination individually, and in any order.
2. Candidates retain credit for any section(s) passed for eighteen months, without having to attain a minimum score on failed sections and without regard to whether they have taken other sections. Candidates are not allowed to retake a failed section(s) within the same examination window.¹
3. Candidates must pass all four sections of the Uniform CPA Examination within a "rolling" eighteen-month period, which begins on the date that the first section(s) passed is taken.
4. In the event all four sections of the Uniform CPA Examination are not passed within the rolling eighteen-month period, credit for any section(s) passed outside the eighteen-month period will expire and that section(s) must be retaken.

¹ An examination window refers to a three-month period in which candidates have an opportunity to take the CPA Examination (comprised of two months in which the examination is available to be taken and one 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 out of the three months within an examination window.

B. Transitioning

1. Candidates who have earned conditional credits on the paper-and-pencil Uniform CPA Examination, as of January 1, 2004, will be given credits for the corresponding sections of the computer-based CPA examination as follows:

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

2. Candidates who have attained conditional status as of January 1, 2004 are allowed a transition period of six examination opportunities, limited to a three-year period commencing January 1, 2004, to complete any remaining sections of the CPA Examination. This provision is intended to assure that those candidates who have attained conditional status prior to the implementation of computer-based testing (CBT) are not disadvantaged by the change.
3. If a candidate, who has attained conditional status as of the January 1, 2004, does not pass all remaining sections during the transition period, those credits earned under the paper-and-pencil examination will expire and the candidate will lose credit for the sections earned under the paper-and-pencil examination. However, any section passed during the transition period is subject to the granting of credit provisions of the computer-based examination as indicated in rule 3.7 (a). The exception is that a previously conditioned candidate will not lose credit for a section of the computer-based CPA Examination that is passed during the transition period, even though more than eighteen months may have elapsed from the date the section is passed, until the end of the transition period.

Statement of Basis and Purpose - 11/00 & 10/02

The basis for the repeal and adoption of these rules by the State Board of Accountancy is section 12-2-111 (2). Rule 3.7 was amended in 2000 to revise and clarify the language concerning conditioning. These changes allowed Colorado candidates to more easily transfer grades to other states and out-of-state candidates to more easily transfer grades to Colorado. In 2002, the rule is again repealed and reenacted effective January 1, 2004 to modernize and clarify the language for the computerized exam.