

CONTINUING EDUCATION

R 338.5101 Definitions.

Rule 101. (1) As used in these rules:

(g) "Continuing education period" means all or part of a year beginning July 1 and ending June 30.

(u) "Qualifying hours" means continuing education hours that comply with part 3 of these rules.

R 338.5210 License renewals; continuing education requirements; applicability; continuing education waiver; reciprocity.

Rule 210. (1) This part applies to applications for renewal of an accountancy license under sections 411 and 729 of the act, MCL 339.411 and 339.729. An applicant for renewal must submit the required fee and a completed application on a form provided by the department. Both of the following apply:

(a) Pursuant to section 729(1) of the act, MCL 339.729(1), an applicant for renewal who is a nonresident under section 720(1)(g) of the act, MCL 339.720(1)(g), is considered to have met the requirements under this part if he or she satisfies all of the following requirements:

(i) Submits the required fee and a completed application on a form provided by the department.

(ii) The state in which his or her principal place of business is located requires continuing education for renewal of that state's accountancy license.

(iii) Has met the continuing education requirements of the state in which his or her principal place of business is located.

(b) If audited, the applicant shall provide a copy of the license that was renewed by the state in which his or her principal place of business is located.

(2) Submission of an application for renewal shall constitute the applicant's certification of compliance with the requirements of this rule. Both of the following apply:

(a) An applicant shall retain documentation required by R 338.5215 as evidence of meeting the requirements under this rule for 4 years from the date of applying for license renewal.

(b) A licensee is subject to audit under this part and may be required to submit the documentation as described by R 338.5215 upon request of the department.

(3) A request for a continuing education waiver pursuant to section 204(2) of the act, MCL 339.204(2), must be received by the department before the expiration date of the license.

R 338.5211 Renewal of license with insufficient qualifying hours permitted under certain circumstances; waiver of requirement for additional hours.

Rule 211. (1) A licensee who does not earn sufficient qualifying hours during the continuing education period may be allowed to renew a license upon reporting 80 qualifying hours and an additional 4 hours of continuing education credit for each month of time needed to remove the deficiency. The additional 4 hours of continuing education credit for each month of time needed to remove the deficiency shall not apply toward the qualifying hours of continuing education credit required in a continuing education period for the renewal of a license.

(2) The department may waive the requirement for additional hours upon a showing by the licensee that the additional hours would present an undue hardship on the licensee.

R 338.5215 Acceptable continuing education; requirements; limitations.

Rule 215. (1) The board shall consider the following as acceptable continuing education:

| Acceptable Continuing Education. | | |
|----------------------------------|--|---|
| | Activity and proof of completion. | Number of continuing education hours earned for activity. |
| (a) | Attendance in a group program that meets all the following requirements: | Fifty minutes of continuous instruction equals 1 continuing |

| | | |
|-----|--|--|
| | <p>The subject matter of the program complies with R 338.5255.</p> <p>The program is conducted by an instructor or discussion leader whose background, training, education, or experience makes it appropriate for him or her to lead a discussion on the subject matter.</p> <p>The sponsor of the program takes individual attendance.</p> <p>The sponsor of the program issues to each attendee a program outline and a written certification of the attendee's hours of attendance.</p> <p>The sponsor of the program maintains written records of individual attendance and the program outline for 4 years.</p> <p>If audited, a licensee shall submit a copy of a letter or certificate of completion showing the licensee's name, total continuing education hours earned, sponsor name and contact information, course title, course field of study, date offered or completed, and type of instruction or delivery method used.</p> | <p>education hour.</p> <p>Additional credit shall be granted after the first 50 minutes for continuous instruction in the following amounts:</p> <p>One-half credit for every additional 25 minutes.</p> <p>One-fifth credit for every additional 10 minutes.</p> |
| (b) | <p>Completion of an individual nano-learning program that meets all the following requirements:</p> <p>The subject matter of the program complies with R 338.5255.</p> <p>The program is an educational course designed for nano-learning delivery.</p> <p>The program uses instructional methods that define a minimum of 1 learning objective.</p> <p>The program guides the participant through a program of learning and provides evidence of a participant's satisfactory completion of the program.</p> <p>The sponsor requires the participant to successfully complete a qualified assessment with a passing grade of 100% before issuing credit for the course.</p> <p>The sponsor of the program issues the participants a written certification of the participant's completion of the program and a program outline.</p> <p>The sponsor of the program maintains written records of the participant's completion of the program and the program outline for 4 years.</p> <p>If audited, the licensee shall submit a copy of a letter or certificate of completion provided by the program sponsor verifying the licensee's name, number of continuing education hours earned, sponsor name and contact information, course title, course field of study, date completed, and type of</p> | <p>Credit shall be awarded as 1/5 credit (0.2 credit).</p> <p>A nano-learning course cannot be combined with another nanolearning course.</p> <p>A combined maximum of 20 continuing education hours may be earned under this activity and activity (f) during each continuing education period.</p> <p>A combined maximum of 4 continuing education hours in auditing and accounting may be earned under this activity and activity (f) during each continuing education period.</p> <p>A combined maximum of 1 continuing education hour in the study of professional ethics may be earned under this activity and activity (f) during each continuing education period.</p> |

| | instruction or delivery method used. | |
|-----|---|---|
| (c) | <p>Passing a noncredit academic course that meets both of the following requirements:</p> <p>The subject matter of the course complies with R 338.5255. The course is offered by an educational institution that complies with R 338.5115.</p> <p>If audited, the licensee shall submit a letter from the institution confirming the name and course number of the course completed, number of classroom hours attended, and the date of satisfactory course completion.</p> | Each classroom hour equals 1 continuing education hour. |
| (d) | <p>Passing a for-credit academic course that meets both of the following requirements:</p> <p>The subject matter of the course complies with R 338.5255. The course is offered by an educational institution that complies with R 338.5115.</p> <p>If audited, the licensee shall submit a copy of an official transcript or a letter from the institution confirming the name and course number of the course completed, credit hours earned, and date of satisfactory course completion.</p> | Fifteen continuing education hours shall be granted for each academic credit hour. |
| (e) | <p>Classroom work as a teacher, instructor, speaker, or lecturer that is part of an academic course of which the subject matter complies with R 338.5255 and is offered at an educational institution that complies with R 338.5115 or for conducting a group program that meets the requirements under activity code (a) as a teacher, instructor, lecturer, speaker, or seminar discussion leader.</p> <p>If audited, the licensee shall submit a copy of the confirmation letter provided by the program sponsor or the institution verifying the licensee's name, number of hours of classroom work or hours spent conducting the group program, course title, course field of study, and dates of the presentation or instruction.</p> | <p>Twenty-five minutes of continuous instruction equals $\frac{1}{2}$ of 1 continuing education hour. One-fifth of 1 continuing education hour shall be granted for every additional 10 minutes of continuous instruction after the first 25 minutes of continuous instruction.</p> <p>A maximum of 20 continuing education hours may be earned during each continuing education period.</p> <p>A maximum of 4 continuing education hours in auditing and accounting may be earned during each continuing education period.</p> <p>A maximum of 1 continuing education hour in the study of professional ethics may be earned during each continuing education period.</p> |
| (f) | <p>Completion of an individual self-study program that meets all the following requirements:</p> <p>The subject matter of the program complies</p> | Twenty-five minutes of continuous instruction equals $\frac{1}{2}$ of 1 continuing education hour. One-fifth of 1 continuing education hour shall be granted for every |

| | | |
|-----|---|--|
| | <p>with R 338.5255.</p> <p>The program is an educational course designed for self-study.</p> <p>The sponsor of the program issues the participants a written certification of the participant's completion of the program and a program outline.</p> <p>The sponsor of the program maintains written records of the participant's completion of the program and the program outline for 4 years.</p> <p>If audited, the licensee shall submit a copy of a letter or certificate of completion provided by the program sponsor verifying the licensee's name, number of continuing education hours earned, sponsor name and contact information, course title, course field of study, date completed, and type of instruction or delivery method used.</p> | <p>additional 10 minutes of continuous instruction after the first 25 minutes of continuous instruction.</p> <p>A combined maximum of 20 continuing education hours may be earned under this activity and activity (b) during each continuing education period.</p> <p>A combined maximum of 4 continuing education hours in auditing and accounting may be earned under this activity and activity (b) during each continuing education period.</p> <p>A combined maximum of 1 continuing education hour in professional ethics may be earned under this activity and activity (b) during each continuing education period.</p> |
| (g) | <p>A course in professional ethics that complies with the requirements of activity (a), (b), (c), (d), (e), or (f) is approved if the subject matter of the course complies with R 338.5255(2).</p> <p>If audited, the licensee shall submit a copy of a letter or certificate of completion provided by the program sponsor verifying the licensee's name, number of continuing education hours earned, sponsor name and contact information, course title, course field of study, date completed, and type of instruction or delivery method used.</p> | <p>Continuing education hours shall be granted in an amount allowed under the type of activity for which the course qualifies.</p> |
| (h) | <p>Completion of a course in Michigan statutes and administrative rules applicable to public accountancy that meets all the following requirements:</p> <p>The content of the course is created by the Michigan Association of Certified Public Accountants.</p> <p>The course provider issues the participants a written certification of the participant's completion of the course and a course outline.</p> <p>The sponsor of the program maintains written records of the participant's completion of the course and the course outline for 4 years.</p> <p>If audited, the licensee shall submit a copy of a letter or certificate of completion provided by the program sponsor verifying the licensee's name, number of continuing education hours earned, sponsor name and</p> | <p>Fifty minutes of continuous instruction equals 1 continuing education hour.</p> |

| | | |
|--|--|--|
| | contact information, course title, course field of study, date completed, and type of instruction or delivery method used. | |
|--|--|--|

(2) Continuing education hours shall not be granted for a program or activity that has substantially the same content of a program or activity for which the applicant has already earned continuing education hours during the continuing education period.

R 338.5230 Relicensure; continuing education.

Rule 230. (1) An applicant for relicensure whose license has lapsed for less than 3 years after the expiration date of the last license may be relicensed under section 411(3) of the act, MCL 339.411(3), if the applicant satisfies both of the following requirements:

- (a) Submits the required fee and a completed application on a form provided by the department.
- (b) Submits proof to the department of the completion of 40 hours of continuing education within the 12 months immediately preceding the date of application. The 40 hours must comply with all the following requirements:

- (i) Meet the requirements of R 338.5215.
- (ii) Eight of the 40 hours are in auditing and accounting.
- (iii) Two of the 40 hours are in professional ethics.
- (iv) One of the 2 hours of professional ethics are in Michigan statutes and administrative rules applicable to public accountancy.

(2) An applicant whose license has been lapsed for 3 or more years after the expiration date of the last license may be relicensed under section 411(4) of the act, MCL 339.411(4), if the applicant satisfies all of the following requirements:

- (a) Submits the required fee and a completed application on a form provided by the department.
- (b) Establishes that he or she holds a valid and unrevoked certificate as a certified public accountant that was issued pursuant to section 725 or 726 of the act, MCL 339.725 or 339.726
- (c) Submits proof to the department of the completion of 40 hours of continuing education within the 12 months immediately preceding the date of application. The 40 hours must comply with all the following requirements:

- (i) Meet the requirements of R 338.5215.
- (ii) Eight of the 40 hours are in auditing and accounting.
- (iii) Two of the 40 hours are in professional ethics.
- (iv) One of the 2 hours of professional ethics are in Michigan statutes and administrative rules applicable to public accountancy.

(2) The continuing education hours required for the continuing education period of the year in which the license is granted under this rule shall be prorated starting with the month following the date of relicensure.

R 338.5255 Qualifying continuing education subjects.

Rule 255. (1) Subjects qualifying for continuing education include any of the following:

- (a) Accounting.
- (b) Auditing.
- (c) Management advisory services.
- (d) Information technology.
- (e) Mathematics, statistics, probability, and quantitative application to business.
- (f) Economics.
- (g) Finance.
- (h) Business law.
- (i) Business management.
- (j) Professional ethics for certified public accountants.
- (k) Taxation.
- (l) Financial advisory services.
- (m) Business valuations.
- (n) Any other subjects which contribute to the professional competency of a licensee and for which the responsibility for compliance rests solely with the licensure applicant or licensee.

(2) Subjects that qualify for continuing education in the study of professional ethics include any of the following:

- (a) Behavioral ethics in any of the following areas:
 - (i) Ethical reasoning.
 - (ii) Ethical philosophy.
 - (iii) Ethics enforcement.
 - (iv) Ethical practice in business.
 - (v) International ethical professional standards.
- (b) Technical ethics in the following areas:
 - (i) Business transactions with clients.
 - (ii) Competence.
 - (iii) Conflict of interest.
 - (iv) Contingent fees, commissions, and other considerations.
 - (v) Discreditable acts.
 - (vi) General and professional standards.
 - (vii) Independence.
 - (viii) Integrity and objectivity.
 - (ix) Malpractice
 - (x) Professional conduct.
 - (xi) Public interest and responsibilities.
 - (xii) State rules and regulations.
- (c) Any other subject in the study of professional ethics that contributes to the professional competency of a licensee and for which the responsibility for compliance rests solely with the licensure applicant or licensee.