April 29, 2016

NASBA/AICPA CPE Standards Working Group

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Dear CPE Standards Working Group:

On behalf of our state societies and the thousands of members we support, we ask for your consideration of our collective request regarding the re-exposure of the NASBA/AICPA Statements on Standards for CPE Programs.

We appreciate the effort the CPE Standards Working Group has put into the standards revision and understand that this has not been an easy task. We continue to find the new standards overly complicated, and in some cases, limit the innovation in learning many providers desire. We also share a concern that the new standards likely add confusion for CPAs who, ultimately, are responsible for adherence to the requirements.

Our philosophy is to apply best practices in adult learning while balancing the need for compliance, which in turn assists in the protection of the public. More revisions are needed to create the regulatory flexibility to accommodate evolving learning styles, and in turn, better meet the needs of the modern workforce.

By giving greater weight to measurement, quantification, and reporting of CPE program elements, the importance of the development and neuroscience related to adult learning has been diminished. The revised standards have increased complexity, amplified confusion, limited the flexibility needed to offer effective learning programs, and fallen short of the transformation urgently needed in the CPA learning space.

During the February webinar to review the revised standards, facilitators indicated any program offered by a state CPA society would be automatically accepted. However, we cannot ignore NASBA's influence on local state boards of accountancy in their interpretation and implementation of state rules and therefore feel we must react in order to stimulate a change. While we appreciate the recognition of our commitment to enhancing the

professional competency of CPAs and our dedication to delivering high-quality education, we continue to see challenges with the revisions regarding computation limitations and overall complexity.

Short-term, we recommend a number of revisions which embrace flexibility and simplification of the standards layout to assist in the understanding. Long-term, we recommend a zero-based revision rather than the current additive approach. The "blank slate" approach will assist in creating the regulatory flexibility needed to accommodate ever-changing educational opportunities.

In the attached you will find our strategic concerns and recommendations regarding the re-exposed standards.

We look forward to working with you to meet the educational needs of the future CPA.

Sincerely,

Jessica A. Roberts, CPA
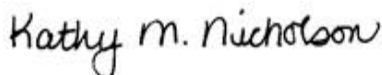Director of Education
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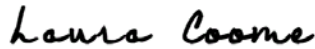Vice President, Learning
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Michelle Sopp
Director of Continuing Professional Education
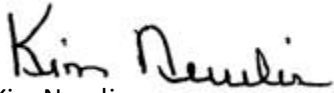Oklahoma Society of CPAs

Francesca Zampaglione, CPA, MBA, CGMA
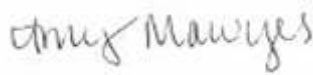Vice President—Learning & Development
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Enclosure (2)
Strategic Concerns
Recommendations

cc: AICPA Board of Director Officers
          NASBA Board of Director Officers
          CPA Society Executives

STRATEGIC CONCERNS

Increases Compliance; Lacks Flexibility

"The spirit of the Standards is to encourage high quality learning with measurable objectives by providing baseline requirements," Preamble paragraph 4

"Advances in technology, delivery, and workplace arrangements may lead to innovative learning techniques. Learning theory is evolving to include more emphasis on outcome based learning. These Standards anticipate innovation in CPE in response to these advances. Sponsors must ensure innovative learning techniques are in compliance with the Standards. CPE program sponsors are encouraged to consult with NASBA regarding questions related to compliance with the Standards and utilizing innovative techniques." Preamble paragraph 5

While we agree with the essence of the comments referenced above, the spirit of the revised standards does not follow suit regarding the "advances in technology, delivery, and workplace arrangements." In our opinion, the rules reflect a rigid compliance-based interpretation of these guiding principles as opposed to a more flexible interpretation where the learner is able to consume content in a computation suitable for the topic. This more flexible and nimble approach is a real and current demand as learning professionals serving the CPA profession are striving to keep up with rapidly changing workplace demands.

Inconsistency

The standards are unable to apply a consistent set of rules and principles across delivery methods and the computation of the credits. This is a disservice to the CPAs required to accurately report their completed learning activities. As an example, per Standard 3.4–Standards for CPE Program Measurement, Standard 16, a blended learning program with primarily asynchronous content, the self-study portion must achieve 1.0 credits before accruing 0.2 increments, but a standalone self-study program may award 0.5 credits initially and may accrue at the 0.2 increments only after 1.0 credits is obtained.

The following chart illustrates the current degree of complexity regarding computation of CPE credits based on delivery method:

	Group Live & Internet Based		Self-Study		Nano		Blended	
	Credits Permitted	Engagement Activity	Credits Permitted	Review/Qualified Assessment	Credits Permitted	Review/Qualified Assessment	Group Live Primary Credits Permitted	Asychronus Primary Credits Permitted
0.2	✗	✗	✗	0/1*	✓	0/1	✗	✗
0.4	✗	✗	✗	1/2*	✗	✗	✗	✗
0.5	✗	✗	✓	2/3	✗	✗	✗	✗
0.6	✗	✗	✗	2/3*	✗	✗	✗	✗
0.8	✗	✗	✗	3/4*	✗	✗	✗	✗
1.0	✓	1 per hour	✓	3/5	✗	✗	✓	✓
1.2	✓		✓	3/6	✗	✗	✓	✓
1.4	✓		✓	4/7	✗	✗	✓	✓
1.5	✓		✓	5/8	✗	✗	✓	✓
1.6	✓		✓	5/8	✗	✗	✓	✓
1.8	✓		✓	6/9	✗	✗	✓	✓
2	✓	1 per hour	✓	6/10	✗	✗	✓	✓

* The standard prohibits self study prior to 1.0 with the exception of .5, but the standard prescribes the number of review & qualified assessment questions required for credits you may NOT award

Limitations

In numerous presentations CPE Workgroup leaders have provided best practices in "brain science" as the basis for the restriction of nano learning to a single 10-minute program (0.2 credits) with the rationale being the inability of the human brain to pay attention for only 20 minutes at a time. As noted on the registry website, "There is neuroscience information that says maximum knowledge retention happens with learning when it is presented in small chunks. Research has shown that our brains can pay full attention only 20 minutes at a time. When the brain is allowed to rest, it resets and is able to focus on new information. [Adapted from an article by Josh Davis, Maite J. Balda, and David Rock, published in the fifth edition of the Neuroleadership Journal (2014).]" *(Retrieved 3/23/16 from* http://www.learningmarket.org/page.cfm/Link=320*)*

While the above is true, it is a partial summary of the recommendations of the researchers. In the article written by Davis, Balda, and Rock (2014) published by The American Society of Training & Development *(Retrieved 3/23/16 from* http://www.davidrock.net/files/Learning-Keep_an_eye_on_time.pdf*),* the same authors posit that the brain can only pay attention for 20 minutes at a time. "For the trainer, this means that after about 20 minutes of sustained attention either provide downtime to refresh the attention brain networks or introduce something novel or unexpected, such as a chance for learners to focus inward, be active, ask questions, change learning format, and discuss." The authors do not suggest learning programs be limited in time/scope, but rather provide evidence of incorporating learning best practices to support retention, recall, application, and other higher-order learning outcomes. In other words, learning does not automatically stop after 10, 20, or even 400 minutes if the activity is constructed in a manner to promote retention. For example, using Davis', et al. the delivery type of nano and prescriptive limitation to a single 10-minute program is unnecessary and should be evaluated to be combined with the existing Self-Study delivery method. To align with the neuroscience rationale, consider the addition of a principle requiring the incorporation of a learner engagement activity every 20 minutes (a reflective question, contextual application of learning content question, or a typical review question).

RECOMMENDATIONS

We request revisions be made to increase uniformity and simplicity across all modes of delivery, proposed in the following recommendations:

2016 Revisions

Credit hours and fractions of credit need to be computed the same across all delivery methods.

- With further evidence of the effectiveness achievable with learning programs of 10, 20, 30, 40 + minutes in length, the prescriptive limitation of nano learning to single 10-minute programs is unnecessary. Incorporate nano into self-study, permitting credit beginning at .2 and accruing in .2 increments, making this change will preclude the accrual of .5 increments.

- Eliminate blended learning as a separate delivery type incorporating rules defining which delivery type governs a blended program into either group live or self-study dependent on the dominance of synchronous versus asynchronous learning activities. It is displayed below for illustrative purposes only as a separate delivery type.

2016 Revisions Interim Recommendation

	Group Live & Internet Based		Self-Study		Blended	
	Credits Permitted	Engagement Activity	Credits Permitted	Review/Qualified Assessment	Group Live Primary Credits Permitted	Asychnronus Primary
0.2	✗	✗	✓	0/1	✗	✓
0.4	✗	✗	✓	1/2	✗	✓
0.5	✗	✗	✓	2/3	✗	✓
0.6	✗	✗	✓	2/3	✗	✓
0.8	✗	✗	✓	3/4	✗	✓
1.0	✓	1 per hour	✓	3/5	✓	✓
1.2	✓		✓	3/6	✓	✓
1.4	✓		✓	4/7	✓	✓
1.5	✓		✓	5/8	✓	✓
1.6	✓		✓	5/8	✓	✓
1.8	✓		✓	6/9	✓	✓
2	✓	1 per hour	✓	6/10	✓	✓

Future Revisions (2017+)

In order to breakdown the complexity of the current Standards, we believe a zero-based approach is necessary for future rounds of revision.

- Rewrite rules governing development, presentation, measurement, and reporting of CPE programs to a uniform principles-based standard focused on competency over compliance.

- Incorporate attention refreshment and learner engagement best practices regardless of delivery method.

- Study best practices of other learning accreditation principles and policy based standards.
    - Source examples: ANSI/IACET Standard for Continuing Education and Training through the International Association for Continuing Education and Training, and the International Organization for Standards' ISO/IEC 17011 requirements for standards developers.

Zero-Based Approach Future Revisions Recommendation

	All Delivery Types		
	Credits Permitted	Engagement Activity	Attendance Monitoring
0.2	✔		
0.4	✔		
0.5	✔		
0.6	✔		
0.8	✔	Uniform baseline minimum quantitative standard governing all types. Removal of review questions as primary prescriptive method	Varies by learning method
1.0	✔		
1.2	✔		
1.4	✔		
1.5	✔		
1.6	✔		
1.8	✔		
2	✔		