OKLAHOMA ACCOUNTANCY ACT

[59 Oklahoma Statutes, Sections 15.1 through 15.38]

Section 15.1. Short title-Declaration of policy

Section 15.1 et seq. of this title shall be known and may be cited as the “Oklahoma Accountancy Act”.

In order to protect the citizens of this state, the Legislature hereby declares that it is the policy of this state, and the purpose of this act, to promote the reliability of information that is used for guidance in financial transactions or for accounting for or assessing the financial status or performance of commercial, noncommercial and governmental enterprises. The public interest requires that persons professing special competence in accountancy or offering assurance as to the reliability or fairness of presentation of such information shall have demonstrated their qualifications to do so, that persons who have not demonstrated and maintained such qualifications, not be permitted to represent themselves as having such special competence or to offer such assurance, that the conduct of registrants as having special competence in accountancy be regulated in all aspects of their professional work, that a public authority competent to prescribe and assess the qualifications and to regulate the conduct of registrants be established, and that the use of titles that have a capacity or tendency to deceive the public as to the status or competence of the persons using such titles be prohibited.

Section 15.1A. Definitions

As used in the Oklahoma Accountancy Act:

1. “Accountancy” means the profession or practice of accounting;

2. “AICPA” means the American Institute of certified public accountants;

3. “Applicant” means an individual or entity that has made application to the Board for a certificate, license, or permit and said application has not been approved;

4. “Assurance” means independent professional services that improve the quality of information, or its context, for decision makers;

5. “Attest” means providing the following financial statement services:

   a. any audit or other engagement to be performed in accordance with the Statements on Auditing Standards (SAS),

   b. any review of a financial statement to be performed in accordance with the Statements on Standards for Accounting and Review Services (SSARS),

   c. any report performed in accordance with the Statements on Standards for Attestation Engagements (SSAE), and

d. any engagement to be performed in accordance with the Auditing Standards of the Public Company Accounting Oversight Board (PCAOB).

The statements on standards specified in this definition shall be adopted by reference by the Board pursuant to rulemaking and shall be those developed for general application by recognized national accountancy organizations, such as the AICPA, IFAC and the PCAOB;

6. "Audit" can only be performed by an individual or entity who is registered with the Board and holding a valid permit issued pursuant to the Oklahoma Accountancy Act, or an individual granted practice privileges under Section 15.12A of this title, and means a systematic investigation or appraisal of information, procedures, or operations performed in accordance with generally accepted auditing standards in the United States, for the purpose of determining conformity with established criteria and communicating the results to interested parties;

7. "Board" means the Oklahoma Accountancy Board;

8. "Candidate" means an individual who has been qualified and approved by the Board to take an examination for a certificate or license;

9. "Certificate" means the Oklahoma document issued by the Board to a candidate upon successful completion of the certified public accountant examination designating the holder as a certified public accountant pursuant to the laws of Oklahoma. "Certificate" shall also mean the Oklahoma document issued by reciprocity to an individual who has previously been certified in another jurisdiction;

10. "Certified public accountant" means any person who has received a certificate from the Board or other jurisdictions;

11. "Client" means the individual or entity which retains a registrant, an individual granted practice privileges under Section 15.12A of this title, or a firm exempt from the permit and registration requirements under Section 17 of this act to perform professional services;

12. "Compilation" when used with reference to financial statements, means presenting information in the form of financial statements which is the representation of management or owners without undertaking to express any assurance on the statements;

13. "CPA" or "C.P.A." means certified public accountant;

14. "Designated manager" means the individual domiciled in Oklahoma and appointed by the firm partners or shareholders to be responsible for the administration of the office;

15. "Designee" means the National Association of State Boards of Accountancy (NASBA) or other entities so designated by the Board;

16. "Entity" means an organization whether for profit or not, recognized by the State of Oklahoma to conduct business;

17. "Examination" means the test sections of Auditing and Attestation, Business Environment and Concepts, Financial Accounting and Reporting and Regulation or their successors, administered,

supervised, and graded by, or at the direction of, the Board or other jurisdiction that is required for a certificate as a certified public accountant or a license as a public accountant;

18. "Executive director" means the chief administrative officer of the Board;

19. "Financial statements" means statements and footnotes related thereto that undertake to present an actual or anticipated financial position as of a point in time, or results of operations, cash flow, or changes in financial position for a period of time, in conformity with generally accepted accounting principles or another comprehensive basis of accounting. The term does not include incidental financial data included in management advisory service reports to support recommendations to a client; nor does it include tax returns and supporting schedules;

20. "Firm" means an entity that is either a sole proprietorship, partnership, professional limited liability company, professional limited liability partnership, limited liability partnership or professional corporation, or any other professional form of organization organized under the laws of the State of Oklahoma or the laws of another jurisdiction and issued a permit in accordance with Section 15.15A of this title or exempt from the permit requirement under Section 17 of this act, including individual partners or shareholders, that is engaged in accountancy;

21. "Holding out" means any representation by an individual that he or she holds a certificate or license and a valid permit, or by an entity that it holds a valid permit. Any such representation is presumed to invite the public to rely upon the professional skills implied by the certificate or license and valid permit in connection with the services or products offered;

22. "Home office" means the location specified by the client as the address to which a service described in Section 15.12A of this title is directed;

23. "IFAC" means the International Federation of Accountants;

24. "Individual" means a human being;

25. "Jurisdiction" means any state or territory of the United States and the District of Columbia;

26. "License" means the Oklahoma document issued by the Board to a candidate upon successful completion of the public accountant examination designating the holder as a public accountant pursuant to the laws of Oklahoma. "License" shall also mean the Oklahoma document issued by the Board by reciprocity to a public accountant who has previously been licensed by examination in another jurisdiction;

27. "Management advisory services", also known as "management consulting services", "management services", "business advisory services" or other similar designation, hereinafter collectively referred to as "MAS", means the function of providing advice and/or technical assistance, performed in accordance with standards for MAS engagements and MAS consultations such as those issued by the American Institute of certified public accountants, where the primary purpose is to help the client improve the use of its capabilities and resources to achieve its objectives including but not limited to:

a. counseling management in analysis, planning, organizing, operating, risk management and controlling functions,

b. conducting special studies, preparing recommendations, proposing plans and programs, and providing advice and technical assistance in their implementation,

c. reviewing and suggesting improvement of policies, procedures, systems, methods, and organization relationships, and

d. introducing new ideas, concepts, and methods to management.

MAS shall not include recommendations and comments prepared as a direct result of observations made while performing an audit, review, or compilation of financial statements or while providing tax services, including tax consultations;

28. “NASBA” means the National Association of State Boards of Accountancy;

29. “PA” or “P.A.” means public accountant;

30. “Partnership” means a contractual relationship based upon a written, oral, or implied agreement between two or more individuals who combine their resources and activities in a joint enterprise and share in varying degrees and by specific agreement in the management and in the profits or losses. A partnership may be general or limited as the laws of this state define those terms;

31. “PCAOB” means the Public Company Auditing Oversight Board;

32. “Peer Review” means a review performed pursuant to a set of peer review rules established by the Board. The term “peer review” also encompasses the term “quality review”;

33. “Permit” means the written authority granted annually by the Board to individuals or firms to practice public accounting in Oklahoma, which is issued pursuant to the Oklahoma Accountancy Act;

34. a. “Practice of public accounting”, also known as “practice public accounting”, “practice” and “practice accounting”, refers to the activities of a registrant, an individual granted practice privileges under Section 15.12A of this title, or a firm exempt from the permit and registration requirements under Section 15.15C of this title in reference to accountancy. An individual or firm shall be deemed to be engaged in the practice of public accounting if the individual or firm holds itself out to the public in any manner as one skilled in the knowledge, science, and practice of accounting and auditing, taxation and management advisory services and is qualified to render such professional services as a certified public accountant or public accountant, and performs the following:

(1) maintains an office for the transaction of business as a certified public accountant or public accountant,

(2) offers to prospective clients to perform or who does perform on behalf of clients professional services that involve or require an audit, verification, investigation, certification, presentation, or review of financial transactions and accounting records or an attestation concerning any other written assertion,

(3) prepares or certifies for clients reports on audits or investigations of books or records of account, balance sheets, and other financial, accounting and related schedules, exhibits, statements, or reports which are to be used for publication or for the purpose of obtaining credit, or for filing with a court of law or with any governmental agency, or for any other purpose,

(4) generally or incidentally to the work described herein, renders professional services to clients in any or all matters relating to accounting procedure and to the recording, presentation, or certification of financial information or data,

(5) keeps books, or prepares trial balances, financial statements, or reports, all as a part of bookkeeping services for clients,

(6) prepares or signs as the tax preparer, tax returns for clients, consults with clients on tax matters, conducts studies for clients on tax matters and prepares reports for clients on tax matters, unless the services are uncompensated and are limited solely to the registrant's, or the registrant's spouse's lineal and collateral heirs,

(7) prepares personal financial or investment plans or provides to clients products or services of others in implementation of personal financial or investment plans, or

(8) provides management advisory services to clients.

b. Except for an individual granted practice privileges under Section 15.12A of this title or a firm exempt from the permit and registration requirements under Section 15.15C of this title, an individual or firm not holding a certificate, license or permit shall not be deemed to be engaged in the practice of public accounting if the individual or firm does not hold itself out, solicit, or advertise for clients using the certified public accountant or public accountant designation and engages only in the following services:

(1) keeps books, or prepares trial balances, financial statements, or reports, provided such instruments do not use the terms "audit", "audited", "exam", "examined", "review" or "reviewed" or are not exhibited as having been prepared by a certified public accountant or public accountant. Except for an individual granted practice privileges under Section 15.12A of this title or a firm exempt from the permit and registration requirements under Section 15.15C of this title, nonregistrants may use the following disclaimer language in connection with financial statements and be in compliance with the Oklahoma Accountancy Act: "I (we) have not audited, examined or reviewed the accompanying financial statements and accordingly do not express an opinion or any other form of assurance on them.",

(2) prepares or signs as the tax preparer, tax returns for clients, consults with clients on tax matters, conducts studies for clients on tax matters and prepares reports for clients on tax matters,

(3) prepares personal financial or investment plans or provides to clients products or services of others in implementation of personal financial or investment plans, or

(4) provides management advisory services to clients.

c. Only permit holders, individuals granted practice privileges under Section 15.12A of this title, or firms exempt from the permit and registration requirements under Section 15.15C of this title may render or offer to render any attest service, as defined herein, or issue a report on financial statements which purport to be in compliance with the Statements on Standards for Accounting and Review Services (SSARS). This restriction shall not prohibit any act of a public official or public employee in the performance of that person's duties. This restriction shall not be construed to prohibit the performance by any unlicensed individual of other services as set out in subparagraph b of this paragraph.

d. A person is not deemed to be practicing public accounting within the meaning of this section solely by displaying an Oklahoma CPA certificate or a PA license in an office, identifying himself or herself as a CPA or PA on letterhead or business cards, or identifying himself or herself as a CPA or PA. However, the designation of CPA or PA on such letterheads, business cards, public signs, advertisements, publications directed to clients or potential clients, or financial or tax documents of a client constitutes the practice of public accounting and requires a permit, practice privileges under Section 15.12A of this title, or an exemption from the permit and registration requirements under Section 17 of this act;

35. "Preissuance review" means a review preformed pursuant to a set of procedures that include review of engagement document, report, and clients' financial statements in order to permit the reviewer to assess compliance with all applicable professional standards;

36. "Principal place of business" means the office location designated by the licensee for the purposes of substantial equivalency and reciprocity;

37. "Professional corporation" means a corporation organized pursuant to the laws of this state;

38. "Professional" means arising out of or related to the specialized knowledge or skills associated with CPAs or PAs;

39. "Public accountant" means any individual who has received a license from the Board;

40. "Public interest" means the collective well-being of the community of people and institutions the profession serves;

41 "Qualification applicant" means an individual who has made application to the Board to qualify to become a candidate for examination;

42. "Registrant" means a CPA, PA, or firm composed of certified public accountants or public accountants or combination of both currently registered with the Board pursuant to the authority of the Oklahoma Accountancy Act;

43. “Report”, when used with reference to financial statements, or specified elements, accounts or items of a financial statement, means an opinion, report or other form of language that states or implies assurance as to the reliability of any financial statements, or specified elements, accounts or items of a financial statement, and that also includes or is accompanied by any statement or implication that the person or firm issuing it has special knowledge or competence in accounting or auditing. Such a statement or implication of special knowledge or competence may arise from use by the issuer of the report of names or titles indicating that the person or firm is an accountant or auditor, or from the language of the report itself. The term “report” includes any form of language which disclaims an opinion when such form of language is conventionally understood to imply any positive assurance as to the reliability of the financial statements referred to and/or special competence on the part of the person or firm issuing such language; and it includes any other form of language that is conventionally understood to imply such assurance and/or such special knowledge or competence. This definition is not intended to include a report on financial statements prepared by a person not holding a certificate or license or not granted practice privileges under Section 15.12A of this title. However, such report shall not refer to “audit”, “audited”, “exam”, “examined”, “review” or “reviewed”, nor use the language “in accordance with standards established by the American Institute of certified public accountants” or successor of said entity, or governmental agency approved by the Board, except for the Internal Revenue Service. Except for an individual granted practice privileges under Section 15.12A of this title or a firm exempt from the permit and registration requirements under Section 15.15C of this title, nonregistrants may use the following disclaimer language in connection with financial statements not to be in violation of the Oklahoma Accountancy Act: “I (we) have not audited, examined, or reviewed the accompanying financial statements and accordingly do not express an opinion or any other form of assurance on them.”;

44. “Representation” means any oral or written communication including but not limited to the use of title or legends on letterheads, business cards, office doors, advertisements, and listings conveying the fact that an individual or entity holds a certificate, license or permit;

45. “Review”, when used with reference to financial statements, means a registrant or an individual granted practice privileges under Section 15.12A of this title, or a firm exempt from the permit and registration requirements under Section 15.15C of this title performing inquiry and analytical procedures that provide the registrant with a reasonable basis for expressing limited assurance that there are no material modifications that should be made to the statements in order for them to be in conformity with generally accepted accounting principles, or if applicable, with another comprehensive basis of accounting; and

46. “Substantial equivalency” is a determination by the Oklahoma Accountancy Board or its designee that:

a. the education, examination and experience requirements contained in the statutes and administrative rules of another jurisdiction are comparable to, or exceed, the education, examination and experience requirements contained in the AICPA/NASBA Uniform Accountancy Act, or

b. that an individual certified public accountant’s or public accountant’s education, examination and experience qualifications are comparable to or exceed the education, examination and experience requirements contained in the Oklahoma Accountancy Act and rules of the Board.

In ascertaining substantial equivalency as used in the Oklahoma Accountancy Act, the Board or its designee shall take into account the qualifications without regard to the sequence in which experience, education, or examination requirements were attained.

Section 15.2. Oklahoma Accountancy Board-Membership-Qualifications-Terms

A. There is hereby re-created, to continue until July 1, 2014, in accordance with the provisions of the Oklahoma Sunset Law, the Oklahoma Accountancy Board. The Oklahoma Accountancy Board shall have the responsibility for administering and enforcing the Oklahoma Accountancy Act. The Oklahoma Accountancy Board shall be composed of seven (7) members, who shall have professional or practical experience in the use of accounting services and financial matters, so as to be qualified to make judgments about the qualifications and conduct of persons and firms subject to regulation under this act to be appointed by the Governor and confirmed by the Senate. The number of registrant members shall not be more than six, not including a firm, who shall serve terms of five (5) years. No member who has served two successive complete terms shall be eligible for reappointment, but an appointment to fill an unexpired term shall not be considered a complete term for this purpose. The public member shall serve coterminously with the Governor appointing the public member.

B. One member shall be either a public accountant licensed and holding a permit pursuant to the provisions of the Oklahoma Accountancy Act, or a person with professional or practical experience in the use of accounting services and financial matters and who shall have met the educational requirements to qualify as a candidate for examination for the license of public accountant as provided in subsection B of Section 15.8 of this title. A list of qualified persons shall be compiled and submitted to the Governor by the Oklahoma Society of Public Accountants, or successor organization from time to time as appointment of the Board member is required to be made. A list of three names shall be submitted for each single appointment from which the Governor may make the appointment.

C. Five members shall be certified public accountants holding certificates and four shall hold permits issued pursuant to the provisions of the Oklahoma Accountancy Act, at least four of whom shall have been engaged in the practice of public accounting as a certified public accountant continuously for not less than five (5) out of the last fifteen (15) years immediately preceding their appointments. A list of qualified persons shall be compiled and submitted to the Governor by the Oklahoma Society of certified public accountants from time to time as appointments of the certified public accountant Board members are required. A list of three names shall be submitted for each single appointment from which the Governor may make the appointment.

D. One member shall be a public member who is not a certified public accountant or licensed public accountant. The public member shall be appointed by the Governor to a term coterminous with the Governor. The public member shall serve at the pleasure of the Governor.

E. Upon the expiration of the term of office, a member shall continue to serve until a qualified successor has been appointed. Confirmation by the Senate is required during the next regular session of the Oklahoma Senate for the member to continue to serve.

Section 15.3. Vacancies-Disqualification-Removal

A. Vacancies on the Board due to death, resignation, or removal as defined in subsections C and D of this section occurring during a term shall be filled by the Governor for the unexpired portion of said term in a manner as provided for appointments to the Board. Members filling the remainder of a term of a member who has died, resigned, or been removed shall assume office immediately upon

appointment by the Governor and shall serve until confirmation or denial of confirmation by the Senate.

B. A member of the Board shall become disqualified from serving if that member:

1. Is a registrant member whose certificate, license, or permit pursuant to the laws of this state has become void or has been revoked or suspended;

2. Is a registrant member or public member who has moved from this state;

3. Has been convicted, pled guilty or nolo contendere to a felony pursuant to the laws of the United States or any jurisdiction;

4. Has become medically incapacitated as determined in writing by a medical doctor upon request by the Board; or

5. Has been absent from three meetings, or is absent for more than one-half (1/2) the number of minutes for which a meeting is conducted of three meetings as determined by the Board during any twelve-month period, unless such absence is determined to be unavoidable in the opinion of a majority of the remaining members.

C. Removal pursuant to the provisions of this section shall be accomplished by a majority vote of the remaining members. Upon said vote, a written notification shall be sent to the Governor setting out the dates of absences or other grounds for removal and the fact of the disqualification of the member. Upon receipt of the written notification, the Governor shall appoint another member in the manner provided for appointments to the Board.

D. The Governor may, after a hearing conducted in accordance with the provisions of the Administrative Procedures Act, remove any member of the Board for misconduct regarding responsibilities and duties of the member, incompetence, or neglect of duty. Removal pursuant to the provisions of this subsection shall occur upon the Governor filing a written statement of findings after the hearing as to the reasons and basis for removal of the member with the Secretary of the Board.

Section 15.4. Officers—Meetings—Duties

A. The Oklahoma Accountancy Board shall elect from its membership a chair, a vice-chair and a secretary. The officers of the Board shall be elected each May, to take office on July 1 following the election, and shall hold office for a term of one (1) year.

B. The chair shall preside at all meetings of the Board, call special meetings of the Board as are necessary, sign all certificates and licenses and perform such other duties as the Board shall direct.

C. The vice-chair shall exercise the powers of and perform the duties of the chair in the absence or disability of the chair, and perform such other duties as the Board shall direct.

D. The secretary shall preside at any meeting in the absence of the chair and vice-chair, validate minutes of all of the meetings of the Board, in the manner prescribed in the rules of the Board, supervise the maintenance of the records of the Board, including the register of individuals and firms authorized to practice public accounting in this state, and a record of all examination grades. The secretary shall perform such other duties as the Board shall direct.

E. At any regular or special meeting at which none of the officers are in attendance, the members of the Board in attendance shall elect a member to preside at that meeting.

Section 15.5. Quorum-Seal-Records-Staff-Expenditures-Rules and regulations

A. The Oklahoma Accountancy Board shall be responsible for the administration and enforcement of the Oklahoma Accountancy Act. A majority of the Board shall constitute a quorum for the transaction of business.

B. In addition to the other duties imposed on the Board by law, the Board shall:

1. Have a seal that shall be judicially noticed and shall be affixed to all certificates and licenses, and such other documents as the Board deems appropriate;

2. Keep correct records of all official proceedings including minutes of meetings, applications and related documents of applicants, registry of the names and addresses of registrants, official documents filed in any hearings conducted by the Board and in any proceeding in any court arising out of any provision of the Oklahoma Accountancy Act or the rules and regulations adopted by the Board. Copies of said records certified by the secretary under the seal of the Board shall, if material, be admissible in evidence;

3. Employ such executive staff as may be necessary to implement and administer the Oklahoma Accountancy Act, to fix and pay their salaries or fees. Such executive staff shall include an Executive Director, Deputy Director and legal counsel. The Board shall have the authority to employ other staff and contract with or hire special prosecutors, investigators, expert witnesses, hearing examiners and clerical personnel in furtherance of its duties under the Oklahoma Accountancy Act;

4. Lease office space and pay the rent thereon, purchase office equipment and supplies, and make such other expenditures as are necessary for the administration and enforcement of the provisions of the Oklahoma Accountancy Act;

5. Pay the costs of such research programs in accounting and other subjects as in the determination of the Board would be beneficial to registrants; and

6. Adopt rules and regulations for the implementation of the provisions of the Oklahoma Accountancy Act in accordance with the procedures prescribed in the Administrative Procedures Act.

C. The Board may delegate to the executive director the authority to employ other staff and clerical personnel.

Section 15.6. Repealed by Laws 1985

Section 15.6A. Confidentiality of investigations-Use as evidence

A. The Oklahoma Accountancy Board, its employees, independent contractors, appointed committee members or other agents shall keep confidential all information obtained during an investigation into allegations of violations of the Oklahoma Accountancy Act, including any review or investigation made to determine whether to allow an applicant to take an examination, or whether the

Board shall grant a certificate, license, or permit. All information obtained in the course of conducting a peer review, including peer review reports provided to the Board by a registrant, examinations and test scores shall also be held confidential by the Board, its employees and independent contractors.

B. To ensure the confidentiality of such information for the protection of the affected individual or entity, the information obtained shall not be deemed to be a "record" as that term is defined in the Oklahoma Open Records Act.

C. Rules adopted to implement the provisions of this subsection shall assure the privacy of the information obtained. Such rules shall include but not be limited to:

1. Assuring availability of the information for inspection by the individual or entity affected or their designated representatives during the normal business hours of the Board;

2. A method for obtaining a written release for the affected individual or entity to allow inspection of their confidential records to the public at large; and

3. A method for making available to the public all final written orders of the Board concerning an individual or entity.

D. Information obtained by the Board or any of its agents as set out in subsection A of this section shall be considered competent evidence in a court of competent jurisdiction only in matters directly related to actions of the Board and the affected individual or entity as a result of the Board obtaining the information. Such information shall not be admissible as evidence in any other type of civil or criminal action.

E. The Board may disclose information concerning investigations into allegations of violations of the Oklahoma Accountancy Act under this section to another governmental, regulatory, or law enforcement agency engaged in an enforcement action. The provisions of this subsection shall not apply to information concerning whether to allow an applicant to take an examination, peer review or test scores.

Section 15.7. Disbursement of fees and monies

All fees and other monies except the fines as provided in Section 15.24 of this title received by the Board pursuant to the provisions of the Oklahoma Accountancy Act shall be expended solely for effectuating the purposes of the Oklahoma Accountancy Act and shall be deposited to the credit of the Board with the Oklahoma State Treasurer. After the close of each fiscal year the Board shall file with the Governor a report of all fees charged, collected and received and all disbursements during the previous fiscal year. The Board shall pay into the General Revenue Fund of the state ten percent (10%) of all annual registration fees so charged, collected and received, and no other portion shall ever revert to the General Revenue Fund or any other fund of the state.

All salaries, fees, and other expenses incurred by the Board in the performance of the duties imposed by the provisions of the Oklahoma Accountancy Act shall be paid from the Board's Revolving Fund and none of said expenses shall be a charge against the general funds of this state.

Section 15.8. Application to take examination-Form-Fees-Qualifications

A. A qualification applicant to qualify as a candidate for examination shall file an application for qualification in a format approved by the Oklahoma Accountancy Board. The fee for the qualification application shall be determined by the Board and shall not exceed Three Hundred Dollars ($300.00). Every qualification applicant to qualify as a candidate for the certificate of certified public accountant or license of public accountant must be of good moral character, shall submit to a national criminal history record search, must be a resident of this state immediately prior to making application and, except as otherwise provided in this section, shall meet the education and experience requirements provided in this section. The costs associated with the national criminal history records search shall be paid by the applicant.

B. On or after July 1, 1999, every qualification applicant to qualify as a candidate for examination for the license of public accountant shall have graduated from an accredited four-year college or university with a major in accounting or with a nonaccounting major supplemented by what the Oklahoma Accountancy Board determines to be the equivalent of an accounting major of any four-year college or university in this state or any other four-year college or university recognized by the Board. Such major in accounting or nonaccounting major shall include satisfactory completion of forty-eight (48) semester hours, or the equivalent thereof, in accounting and related subjects. At least thirty (30) semester hours, or the equivalent thereof, of said forty-eight (48) semester hours, shall be in accounting courses, at least one of which shall be in auditing. The remainder of said forty-eight (48) semester hours, or the equivalent thereof, shall be in said related subjects, which shall be in any or all of the subjects of economics, statistics, business law, finance, business management, marketing, business communication, financial information systems or computer science or the equivalent of such subjects as determined by the Board.

C. On or after July 1, 2003, every qualification applicant to qualify as a candidate for examination for the certificate of certified public accountant shall have at least one hundred fifty (150) semester hours, or the equivalent thereof, of college education including a baccalaureate or higher degree conferred by a college or university acceptable to the Board from an accredited four-year college or university in this state or any other accredited four-year college or university recognized by the Board. A minimum of seventy-six (76) semester hours must be earned at the upper-division level of college or above or the equivalent thereof as determined by the Board; this education requirement shall have been completed prior to submitting an application to the Board; the total educational program of the applicant for examination shall include an accounting concentration or its equivalent as determined acceptable by the Board which shall include not less than thirty (30) semester hours, or the equivalent thereof, in accounting courses above principles of accounting or introductory accounting, with at least one course in auditing or assurance; the remaining accounting courses shall be selected from financial accounting, accounting theory, cost/managerial accounting, federal income tax, governmental, not-for-profit accounting, accounting information systems, accounting history and other accounting electives; at least nine (9) semester hours shall be from any or all of the subjects of economics, statistics, business law, finance, business management, marketing, business communication, risk management, insurance, management information systems, or computer science at the upper-division level of college or above or the equivalent of such subjects as determined by the Board; all the remaining semester hours, if any, shall be elective but shall be at the upper-division level of college or above.

D. The costs associated with the national criminal history record check shall be paid by the applicant.

Section 15.9. Issuance of certificates or licenses

A. Upon payment of appropriate fees, the Oklahoma Accountancy Board shall grant a certificate or license to any individual of good character who meets the applicable education, experience and testing requirements provided for in this section and in Sections 15.8 and 15.10 of this title. For purposes of this subsection, good character means an individual who does not have a history of dishonest acts as demonstrated by documented evidence and has not been convicted, pled guilty, or pled nolo contendere to a felony charge. The Board may refuse to grant a certificate or license to an applicant for failure to satisfy the requirement of good character. The Board shall provide to the denied applicant written notification specifying grounds for denial of a certificate or license including failure to meet the good character criterion. Appeal of the action of the Board may be made in accordance with the provisions of the Administrative Procedures Act.

B. The Board shall issue certificates as certified public accountants to those applicants who have met the qualifications required by the provisions of the Oklahoma Accountancy Act and the applicable rules of the Board, and have passed an examination in accounting, auditing and related subjects as the Board determines appropriate with such grades that satisfy the Board that each applicant is competent to practice as a certified public accountant.

C. The Board shall, upon request, issue licenses as public accountants only to those applicants who shall have qualified and complied with the provisions of this act and the rules of the Board, and shall have passed an examination in accounting, auditing, and other related subjects not to exceed seventy-five percent (75%) of the CPA Examination subjects with such grades that satisfy the Board that each applicant is competent to practice as a public accountant. The subjects examined shall be covered by the same examination, and grading thereon for passing, as those used by the Board to test candidates for the certified public accountant's certificate.

D. The Board may make use of all or any part of the Uniform Certified Public Accountant's Examination and any organization that assists in providing the examination.

E. An applicant for initial issuance of a certificate or license under this section shall show that the applicant has had one (1) year of experience. Experience shall be defined by the Board by rule and shall include providing a type of service or advice involving the use of accounting, attest, compilation, management advisory, financial advisory, tax or consulting skills, and be satisfied through work experience in government, industry, academia or public practice, all of which shall be verified by a certificate or license holder or an individual approved by the Board. Upon completion of the requirements of Section 15.8 of this title, a qualified applicant for the examination may take the certified public accountant or public accountant examination prior to earning the experience required in this subsection, but shall not be issued a certificate until the experience requirement has been met.

F. On or after July 1, 2005, every applicant for the certificate of certified public accountant or license of public accountant shall provide evidence of successful completion of an ethics examination prescribed by the Board.

G. Every applicant for the certificate of certified public accountant or license of public accountant shall submit to a national criminal history record check. The costs associated with the national criminal history record check shall be paid by the applicant.

H. An individual applying for a certificate as a certified public accountant must make application for the certificate within five (5) years of the date the Board notifies the candidate that the candidate

has successfully passed all sections of the C.P.A. Examination. If the candidate fails to make application for the certificate within five (5) years, the candidate must provide documentation showing he or she has completed at least one hundred twenty (120) hours of qualifying continuing public accountancy education completed within the three-year period immediately preceding the date the individual applies for certification. The Board shall establish rules whereby time limits set for application pursuant to this provision may, upon written application to the Board, be waived or reduced if the candidate is called to active military service or becomes incapacitated as a result of illness or injury or for such other good causes as determined by the Board on a case-by-case basis.

I. An individual applying for a license as a public accountant must make application for the license within five (5) years of the date the Board notifies the candidate that the candidate has successfully passed all sections of the PA Examination. If the candidate fails to make application for the license within five (5) years, the candidate must provide documentation showing he or she has completed at least one hundred twenty (120) hours of qualifying continuing public accountancy education completed within the three-year period immediately preceding the date the individual applies for licensure. The Board shall establish rules whereby time limits set for application pursuant to this provision may, upon written application to the Board, be waived or reduced if the candidate is called to active military service or becomes incapacitated as a result of illness or injury or for such other good causes as determined by the Board on a case-by-case basis.

Section 15.10. Examinations

A. The Board shall provide an examination for candidates to obtain a certificate or license as accountants at least once each year. Additional examinations may be held at such times and places as the Board may deem advisable.

B. Each candidate allowed to sit at the examination shall file a written application on a form prescribed by the Board.

C. In addition to the requirement of confidentiality of examination results, the Board shall take such action as necessary to assure the confidentiality of the examination prior to their being administered to candidates.

Section 15.10A. Examination and test fees

Each candidate shall pay fees, to be determined by the Oklahoma Accountancy Board, not to exceed One Thousand Dollars ($1,000.00) for each examination.

An application fee, payable to the Board, shall be paid by the candidate at the time the application for the examination is filed. The application fee shall not be refunded unless the Board determines that the candidate is unqualified to sit for the examination or for such other good causes as determined by the Board on a case-by-case basis. Also, each candidate shall pay test fees to the organizations designated by the Board to provide a computer-based examination. In no event shall the total fees paid by a candidate for each examination exceed One Thousand Dollars ($1,000.00).

Section 15.11. Use of titles or abbreviations

A. No individual, other than as described in subparagraph d of paragraph 34 of Section 15.1A of this title, shall assume or use the title or designation “Certified Public Accountant” or the

abbreviation “C.P.A.” or any other title, designation, words, letters, abbreviation, sign, card, or device tending to indicate or represent that such individual is a certified public accountant, unless such individual has received a certificate as a certified public accountant and holds a valid permit issued pursuant to the provisions of the Oklahoma Accountancy Act or is granted practice privileges under Section 15.15C of this title. All offices in this state for the practice of public accounting by such individual shall be maintained and registered as required by the Oklahoma Accountancy Act.

B. No entity shall assume or use the title or designation “Certified Public Accountant” or the abbreviation “C.P.A.” or any other title, designation, words, letters, abbreviation, sign, card or device tending to indicate or represent that such entity is composed of certified public accountants unless such entity is registered as a firm of certified public accountants and holds a valid permit issued pursuant to the provisions of the Oklahoma Accountancy Act or is exempt from the registration and permit requirements under Section 15.15C of this title. All offices in this state for the practice of public accounting by such entity shall be maintained and registered as required by the Oklahoma Accountancy Act.

C. No individual, other than as described in subparagraph d of paragraph 34 of Section 15.1A of this title, shall assume or use the title or designation “Public accountant” or the abbreviation “P.A.” or any other title, designation, words, letters, abbreviation, sign, card, or device tending to indicate or represent that such individual is a public accountant, unless such individual is licensed as a public accountant, or is a certified public accountant and holds a valid permit issued pursuant to the provisions of the Oklahoma Accountancy Act. All offices in this state for the practice of public accounting by such individual shall be maintained and registered as required by the Oklahoma Accountancy Act.

D. No entity shall assume or use the title or designation “Public accountant” or any other title, designation, words, letters, abbreviation, sign, card, or device tending to indicate or represent that such entity is composed of public accountants, unless such entity is registered as a firm of public accountants and holds a valid permit issued pursuant to the provisions of the Oklahoma Accountancy Act. All offices in this state for the practice of public accounting by such entity shall be maintained and registered as required by the Oklahoma Accountancy Act.

E. No individual or entity shall assume or use the title or designation “Certified Accountant”, “Chartered Accountant”, “Enrolled Accountant”, “Licensed Accountant”, “Registered Accountant” or any other title or designation which could be confused with “Certified Public Accountant” or “Public Accountant”, or any of the abbreviations “CA”, “EA”, except as it relates to the term “enrolled agent” as defined by the Internal Revenue Service, “RA”, or “LA”, or similar abbreviations which could be confused with “CPA” or “PA”; provided, however, that anyone who holds a valid permit and whose offices in this state for the practice of public accounting are maintained and registered as required by the Oklahoma Accountancy Act or is granted practice privileges under Section 15.12A of this title may hold oneself out to the public as an “Accountant” or “Auditor”.

F. No individual or entity not holding a valid permit, not granted practice privileges under Section 15.12A of this title, or not exempt from the permit requirement under Section 15.15C of this title shall hold oneself or itself out to the public as an “Accountant” or “Auditor” by use of either or both of such words on any sign, card, letterhead, or in any advertisement or directory, without specifically indicating that such individual or entity does not hold such a permit. The provisions of this subsection shall not be construed to prohibit any officer, employee, partner or principal of any entity from describing oneself by the position, title or office one holds in such organization; nor shall this

subsection prohibit any act of public official or public employee in the performance of the duties as such.

G. Any individual or entity who is registered with the Board but does not hold a valid permit issued pursuant to the Oklahoma Accountancy Act may not issue a report on financial statements of any other person, firm, organization recognized by the State of Oklahoma, or governmental unit. This prohibition does not apply to an officer, partner, or employee of any firm or organization affixing a signature to any statement or report in reference to the financial affairs of such firm or organization with any wording designating the position, title, or office that is held therein; nor prohibit any act of a public official or employee in the performance of the duties as such.

Section 15.12. Employees and assistants without certification or permit

An individual who is not a certified public accountant or public accountant in any jurisdiction may serve as an employee of a firm composed of certified public accountants or public accountants holding a valid permit. Such employee or assistant shall not issue any accounting or financial statements over the employee's or assistant's name.

Section 15.12A. Holders of certificate or license from another state-Consent to jurisdiction-State licensees practicing in another state

Section 15.12A A. 1. An individual whose principal place of business is not in this state and who holds a valid certificate or license as a Certified Public Accountant or Public accountant from any jurisdiction which the Oklahoma Accountancy Board's designee has verified to be in substantial equivalence to the certified public accountant and public accountant licensure requirements of the AICPA/NASBA Uniform Accountancy Act shall be presumed to have qualifications substantially equivalent to this state's requirements and shall have all the privileges of certificate and license holders of this state without the need to obtain a certificate, license or permit required under Sections 15.9, 15.13, 15.14A, 15.15 and 15.15A of this title. An individual who offers or renders professional services, whether in person or by mail, telephone or electronic means, under this section shall be granted practice privileges in this state and no notice, fee or submission shall be provided by any such individual. Such an individual shall be subject to the requirements in paragraph 3 of this subsection.

2. An individual whose principal place of business is not in this state who holds a valid certificate or license as a certified public accountant or public accountant from any jurisdiction which the Oklahoma Accountancy Board's Designee has not verified to be in substantial equivalence to the certified public accountant licensure requirements of the AICPA/NASBA Uniform Accountancy Act shall be presumed to have qualifications substantially equivalent to this state's requirements and shall have all the privileges of certificate and license holders of this state without the need to obtain a certificate, license or permit required under Sections 15.9, 15.13, 15.14A, 15.15 and 15.15A of this title. Any individual who passed the Uniform CPA Examination and holds a valid certificate or license issued by any other state prior to January 1, 2012, may be exempt from the education requirement of the Uniform Accountancy Act for purposes of this paragraph. An individual who offers or renders professional services, whether in person, or by mail, telephone or electronic means, under this section, shall be granted practice privileges in this state and no notice, fee or submission shall be provided by any such individual. Such an individual shall be subject to the requirements in paragraph 3 of this subsection.

3. An individual certificate holder or license holder of another jurisdiction exercising the privilege afforded under this section, and any firm which employs that certificate holder or license holder hereby simultaneously consent, as a condition of the granting of this privilege:

a. to the personal and subject matter jurisdiction and disciplinary authority of the Board,
b. to comply with the Oklahoma Accountancy Act and the Board's rules,

c. that in the event the certificate holder or license holder from the jurisdiction of the individual's principal place of business is no longer valid, the individual will cease offering or rendering professional services in this state individually or on behalf of a firm, and

d. to the appointment of the state board which issued the certificate or license as the agent upon whom process may be served in any action or proceeding by the Board against the certificate or license holder.

4. A certified public accounting or public accounting firm that is licensed and has its primary place of business in another state, does not have an office in this state and does not provide the professional services described in subparagraphs a, b, and c of paragraph 5 of this subsection for a client whose home office is in this state, may practice in this state without a firm license, permit, or notice to the Board if the firm's practice in this state is performed by an individual who is licensed in Oklahoma or who has been granted practice privileges under paragraph 1 or 2 of this subsection.

5. An individual who has been granted practice privileges under this section who, for any entity with its home office in this state, performs any of the following services:

a. any financial statement audit or other engagement to be performed in accordance with Statements on Auditing Standards,

b. any examination of prospective financial information to be performed in accordance with Statements on Standards for Attestation Engagements, or

c. any engagement to be performed in accordance with Public Company Accounting Oversight Board (PCAOB) auditing standards,

may only do so through a firm which has obtained a permit issued under Section 15.15A of this title.

B. A registrant of this state offering or rendering services or using the registrant's CPA or PA title in another jurisdiction shall be subject to disciplinary action in this state for an act committed in another jurisdiction which would subject the certificate or license holder to discipline in that jurisdiction. The Board shall be required to investigate any complaint made by the board of accountancy of another jurisdiction.

Section 15.13. Issuance of certificate or license to applicant authorized to practice in other jurisdiction-Reciprocity

A. The Oklahoma Accountancy Board may issue a certificate or license to an applicant who has been authorized to practice public accounting as a certified public accountant or public accountant pursuant to the laws of any jurisdiction if the applicant passed a test administered for the purpose of

authorizing an individual to practice as a certified public accountant or public accountant with grades which were equivalent to passing a test for the same purpose in this state as of the date the applicant originally passed the examination, and said applicant:

1. Meets the requirements for issuance of a certificate or license in this state on the date of making application;

2. Met, on the date the certificate or license was issued by the other jurisdiction, the requirements in effect on that date for issuance of a certificate or license in this state; or

3. Met on the date of becoming a candidate in another jurisdiction, the requirements of becoming a candidate in the State of Oklahoma, except for residency.

B. In the event an applicant does not meet the requirements of subsection A of this section, but has passed a test administered for the purpose of authorizing an individual to practice as a certified public accountant or public accountant with grades which were equivalent to passing a test for the same purpose in this state on the date the applicant passed the examination, the Board may issue a certificate or license to an applicant if such applicant has four (4) years of experience practicing public accounting as a certified public accountant or public accountant pursuant to the laws of any jurisdiction. Such experience must have occurred within the ten (10) years immediately preceding the application. Experience acceptable to satisfy the requirements of this subsection shall be determined by standards established by the Board.

C. An applicant who is seeking a permit to practice under this section must also provide satisfactory documentation to the Board that such applicant has met the continuing professional education requirements, as provided in Section 15.35 of this title, in effect on the date of the application.

D. The Board may issue a certificate or license by reciprocity to the extent required by treaties entered into by the government of the United States.

E. A fee in the amount equal to the registration fee and permit fee, if applicable, plus an administrative fee, the total of which shall not exceed Three Hundred Dollars ($300.00), shall be paid by an applicant seeking a certificate or license pursuant to the provisions of this section. The total amount shall be established by Board rule.

F. On or after July 1, 2005, an applicant for the certificate of certified public accountant or license of public accountant under this section shall provide evidence of successful completion of an ethics examination prescribed by the Board.

G. As an alternative to the requirements of subsection A, B or C of this section, a certificate holder licensed by another jurisdiction who establishes the certificate holder's principal place of business in this state shall request the issuance of a certificate from the Board prior to establishing such principal place of business. The Board shall issue a certificate to such person who obtains from the NASBA National Qualification Appraisal Service verification that such individual's CPA qualifications are substantially equivalent to the CPA licensure requirements of the AICPA/NASBA Uniform Accountancy Act.

H. An applicant for the certificate of certified public accountant or license of a public accountant under this section shall submit to a national criminal history record check. The costs associated with the national criminal history record check shall be paid by the applicant.

Section 15.13A. Issuance of certificate or license to applicant authorized to practice in foreign country-Reciprocity

A. The Board shall issue a certificate to a holder of a substantially equivalent designation issued by a foreign country, provided that:

1. The foreign authority which granted the designation makes similar provision to allow a registrant who holds a valid certificate issued by this state to obtain such foreign authority's comparable designation;

2. The designation:

   a. was duly issued by an authority of a foreign country which regulates the practice of public accounting and has not expired or been revoked or suspended,

   b. entitles the holder to issue reports upon financial statements, and

   c. was issued upon the basis of substantially equivalent educational, examination and experience requirements established by the foreign authority or by law; and

3. The applicant:

   a. received the designation based on educational and examination standards substantially equivalent to those in effect in this state at the time the foreign designation was granted,

   b. completed an experience requirement substantially equivalent to the requirement set out under this act in the foreign country which granted the foreign designation or has completed four (4) years of professional experience in this state, or meets equivalent requirements prescribed by the Board by rule within the ten (10) years immediately preceding the application,

   c. passed a uniform qualifying examination in national standards acceptable to the Board, and

   d. is of good character.

An applicant for the certificate of certified public accountant under this section shall submit to a national criminal history record check. The costs associated with the national criminal history record check shall be paid by the applicant.

B. An applicant under subsection A of this section shall in the application list all jurisdictions, foreign and domestic, in which the applicant has applied for or holds a designation to practice public accounting, and each holder of a certificate issued under this subsection shall notify the Board in writing, within thirty (30) days after its occurrence, of any issuance, denial, revocation or suspension of a designation or commencement of disciplinary or enforcement action by any jurisdiction.

Section 15.14. Registration-Expiration and renewal-Fee

A. In addition to obtaining a certificate or license, certified public accountants and public accountants, unless granted practice privileges under Section 15.12A of this title, shall register with the Oklahoma Accountancy Board and pay a registration fee.

B. Until January 1, 2010, all valid certificates and licenses ending in an odd number shall expire on July 31 of each odd-numbered year. All valid certificates and licenses ending in an even number shall expire on July 31 of each even-numbered year. All such registrations shall expire on the last day of July and may be renewed for a period of two (2) years. The Board shall implement rules for the scheduling of expiration and renewal of certificates and licenses, including the prorating of fees.

C. After the initial registration, renewal of registrations shall be accomplished by registrants in good standing upon filing of the registration and upon payment of the registration fee. Interim registration shall be at full rates.

D. Effective January 1, 2010, all valid certificates or licenses shall be renewed based on staggered expiration dates on the last day of the individuals' birth months. Renewal will be effective for a twelve-month period. The Board shall implement rules for the scheduling of expiration and renewal of certificates and licenses, including the prorating of fees.

E. Not less than thirty (30) calendar days before the expiration of a valid certificate or license, written notice of the expiration date shall be mailed to the individual holding the valid certificate or license at the last-known address of such individual according to the official records of the Board.

F. A certificate or license shall be renewed by payment of a registration renewal fee set by the Board which shall not exceed Two Hundred Dollars ($200.00) for each two-year period.

1. Upon failure of an individual to pay registration fees on or before the expiration date, the Board shall notify the individual in writing by certified mail to the last known address of the individual, as reflected in the records of the Board, of the individual's failure to comply with the Oklahoma Accountancy Act.

2. A certificate or license granted under authority of the Oklahoma Accountancy Act shall automatically be revoked if the individual fails to pay registration fees within thirty (30) days after the expiration date.

3. Any individual whose certificate or license is automatically revoked by this provision may be reinstated by the Board upon payment of:

a. a fee set by the Board which shall not exceed Three Hundred Dollars ($300.00) for a renewal within one (1) year of the due date, or

b. a fee set by the Board which shall not exceed Six Hundred Dollars ($600.00) for a renewal after the expiration of a year.

However, an individual whose certificate or license has been expired, surrendered, canceled or revoked for five (5) years or more may not renew the certificate or license. The individual may obtain a new certificate or license by complying with the requirements and procedures, including the examination requirements, for obtaining an original certificate or license. This provision shall not

apply to an individual who is licensed to practice in another jurisdiction for the five (5) years immediately preceding their application for reinstatement.

G. The Board shall establish rules whereby the registration fee for certified public accountants and public accountants may, upon written application to the Board, be reduced or waived by the Board for registrants who have retired upon reaching retirement age, or who have attained the age of sixty-five (65) years, or who have become disabled to a degree precluding the continuance of their practice for six (6) months or more prior to the due date of any renewal fee. The Board shall use its discretion in determining conditions required for retirement or disability.

H. All notifications of criminal arrests or charges, disciplinary actions by any other jurisdiction or foreign country, revocation or suspension by enforcement action of any professional credential and all changes of employment or mailing address shall be reported to the Board within thirty (30) calendar days of such changes becoming effective.

I. At the direction of the Board, a register of registrants may be published in any media format the Board considers appropriate for public distribution.

Section 15.14A. Permits

A. Before any individual may practice public accounting or hold himself or herself out as being engaged in the practice of public accounting as a certified public accountant or public accountant in this state, such person shall obtain a permit from the Oklahoma Accountancy Board, unless such person is granted practice privileges under Section 15.12A of this title. Any individual, corporation or partnership or any other entity who provides any of the services defined hereinabove as the "practice of public accounting" without holding a license and permit, or without holding a certificate and permit, shall be assessed a fine not to exceed Ten Thousand Dollars ($10,000.00) for each separate offense, unless such person is granted practice privileges under Section 15.12A of this title, or such entity is exempt from the permit and registration requirements of Section 15.15C of this title.

B. The Board shall promulgate rules establishing the qualifications for obtaining a permit to practice public accounting in this state. Such rules shall include but not be limited to provisions that:

1. Any individual seeking a permit must have a valid certificate or license;

2. Any individual or entity seeking a permit must be registered pursuant to the provisions of the Oklahoma Accountancy Act;

3. Any individual seeking a permit must meet continuing professional education requirements as set forth by the Oklahoma Accountancy Act and rules promulgated by the Board; and

4. There shall be no examination for obtaining a permit.

C. All such individuals shall, upon application and compliance with the rules establishing qualifications for obtaining a permit and payment of the fees, be granted an annual permit to practice public accounting in this state. Until January 1, 2010, all permits issued shall expire on June 30 of each year and may be renewed from year to year. Effective January 1, 2010, all permits issued shall be renewed based on staggered expiration dates on the last day of the individual's birth month in conjunction with the registrant's certificate or license renewal. The Board may issue interim permits upon payment of the same fees required for annual permits.

D. Failure to apply for and obtain a permit shall disqualify an individual from practicing public accounting in this state until such time as a valid permit has been obtained.

E. The Board shall charge a fee for each individual permit not to exceed One Hundred Dollars ($100.00).

Section 15.14B. Acts subject to penalty

After notice and hearing, the Oklahoma Accountancy Board may impose any one or more of the penalties authorized in Section 15.24 of this title on a certified public accountant or a public accountant for any one or more of the following causes:

1. Fraud or deceit in obtaining a certificate, license, practice privilege or permit;

2. Dishonesty, fraud, or gross negligence in accountancy or financially related activities;

3. Conviction, plea of guilty, or plea of nolo contendere of a felony in a court of competent jurisdiction of any state or federal court of the United States if the acts involved would have constituted a felony under the laws of this state;

4. Conviction, plea of guilty, or plea of nolo contendere of any misdemeanor, an element of which is dishonesty or fraud, pursuant to the laws of the United States or any jurisdiction if the acts involved would have constituted a misdemeanor under the laws of this state;

5. Failure to comply with professional standards in the Board's professional code of conduct to the attest and/or compilation competency requirement for those who supervise attest and/or compilation engagements and sign the report on financial statements or other compilation communications with respect to financial statements; and

6. Violation of any of the provisions of the Oklahoma Accountancy Act and rules promulgated for its implementation by the Board.

Section 15.15. Registration-Annual fee-Expiration date-Renewal-Interim registration-Revocation and reinstatement

A. The Oklahoma Accountancy Board, upon application, shall grant or register any firm, including sole proprietorships, seeking to provide public accounting services to the public in this state if such firm demonstrates its qualifications therefore in accordance with this section. All firms, except sole proprietorships with an office in this state, shall pay an annual registration fee not to exceed One Hundred Dollars ($100.00). The following must register with the Board under this section:

1. Any firm with an office in this state engaged in the practice of public accounting or the practice of attest services as defined in paragraph 5 of Section 15.1A of this title;

2. Any firm with an office in this state that uses the title "CPA", "PA", "CPA firm" or "PA firm"; or

3. Any firm that does not have an office in this state but performs services described in subparagraph a, c, or d of paragraph 5 of Section 15.1A of this title for a client having its home office in this state.

B. All such registrations shall expire on June 30 of each year and may be renewed annually for a period of one (1) year by registrants in good standing upon filing the registration and upon payment of the annual fee not later than June 30 of each year.

C. Interim registrations shall be at full rates.

D. Upon failure of a firm to pay registration fees on or before the last day of June, the Board shall notify the firm in writing by certified mail to the last known address of the firm, as reflected in the records of the Board, of the firm's failure to comply with the Oklahoma Accountancy Act.

E. A registration granted under authority of this section shall automatically be revoked if the firm fails to renew its registration on or before June 30.

F. A firm whose registration is automatically revoked pursuant to this section may be reinstated by the Board upon payment of a fee to be set by the Board which shall not exceed Two Hundred Dollars ($200.00).

G. An individual who has practice privileges under Section 15.12A of this title who performs services for which firm registration is required under this section shall not be required to meet the certificate, license, registration or permit requirements of Section 15.9, 15.13, 15.13A, 15.14 or 15.14A of this title.

Section 15.15A. Firm permits

A. The Oklahoma Accountancy Board, upon application, shall issue a permit to practice public accounting to each firm seeking to provide professional services to the public in this state except that a firm not required to register with the Board under paragraph 4 of subsection A of Section 15.12A of this title shall also not be required to obtain a permit under this section. Renewals of firm permits shall be applied for during the month of May of each year.

B. Applicants for initial firm permits shall provide the Board with the following information:

1. A list of all states in which the firm has applied for or been issued a permit or its equivalent within the five (5) years immediately preceding the date of application;

2. Relevant details as to a denial, revocation, or suspension of a permit or its equivalent of the firm, or any partner or shareholder of the firm in any other state or jurisdiction;

3. Documentary proof that the firm has complied with the requirements of the Oklahoma Office of the Secretary of State applicable to such entities; and

4. Such other information as the Board deems appropriate for demonstrating that the qualifications of the firm are sufficient for the practice of public accounting in this state.

C. The following changes in a firm affecting the offices in this state shall be reported to the Board within thirty (30) calendar days from the date of occurrence:

1. Changes in the partners or shareholders of the firm;

2. Changes in the structure of the firm;

3. Change of the designated manager of the firm;

4. Changes in the number or location of offices of the firm; and

5. Denial, revocation, or suspension of certificates, licenses, permits, or their equivalent to the firm or its partners, shareholders, or employees other than in this state.

D. The Board shall be notified in the event the firm is dissolved. Such notification shall be made within thirty (30) calendar days of the dissolution. The Board shall adopt rules for notice and rules appointing the responsible party to receive such notice for the various types of firms authorized to receive permits. Such notice of dissolution shall contain but not be limited to the following information:

1. A list of all partners and shareholders at the time of dissolution;

2. The location of each office of the firm at the time of dissolution; and

3. The date the dissolution became effective.

E. The Board shall set a fee of not more than Two Hundred Dollars ($200.00) for each initial or renewal firm permit except for sole proprietorships.

F. Each firm seeking a permit to practice accounting as a CPA firm shall be issued a permit by the Board upon application and payment of appropriate fees. A firm applying for a permit shall provide documentary proof to the Board that:

1. Each partner or shareholder is engaged in the practice of public accounting in the United States and is holding a certificate as a certified public accountant in one or more jurisdictions; and

2. Each designated manager of an office in this state is a holder of a valid Oklahoma certificate and permit to practice as a certified public accountant.

G. Each firm seeking a permit to practice accounting as a PA firm shall be issued a permit by the Board upon application and payment of appropriate fees. A firm applying for a permit shall provide documentary proof to the Board that:

1. Each partner or shareholder is engaged in the practice of public accounting in the United States and holds a license as a public accountant or certificate as a certified public accountant in one or more jurisdictions; and

2. Each designated manager of an office in this state has received an Oklahoma license and permit to practice as a public accountant or certificate and permit to practice as a certified public accountant.

Section 15.15B. Designated manager

A. Each office established or maintained in this state for the practice of public accounting shall be under the direct supervision of a designated manager.

1. The designated manager must be the holder of a certificate in order for the title “Certified Public Accountant” or the abbreviation “C.P.A.” to be used in connection with such office;

2. The designated manager must be the holder of a certificate or a license in order for the title “Public accountant” or the abbreviation “P.A. ” to be used in connection with such office.

B. The Board shall prescribe such rules as are necessary to implement registration pursuant to the provisions of this section.

Section 15.15C. Services provided by unregistered firm

It shall not be a violation of the Oklahoma Accountancy Act for a firm which is not registered under Section 15.15 of Title 59 of the Oklahoma Statutes and does not hold a valid permit under Section 15.15A of Title 59 of the Oklahoma Statutes and which does not have an office in this state to provide its professional services in this state so long as it complies with the requirements of paragraph 4 of subsection A of Section 15.12A of Title 59 of the Oklahoma Statutes.

Section 15.16. Revocation or suspension of registration and permits of firm

A. After notice and hearing the Board shall revoke the registration and all permits of a firm if at any time it does not have all of the qualifications required for registration pursuant to the provisions of the Oklahoma Accountancy Act.

B. After notice and hearing, the Board may impose any one or more of the penalties authorized in Section 15.24 of this title on a firm for any one or more of the following causes:

1. The revocation or suspension of the certificate or license of any partner or shareholder issued in accordance with the Oklahoma Accountancy Act;

2. Failure to maintain compliance with the requirements for issuance or renewal of the permit of the firm;

3. Failure to sign accountants’ opinions in the firm name, except in instances in which a governmental agency shall require the signature to be that of an individual;

4. Fraud or deceit by any partner or shareholder in obtaining the firm permit;

5. Except sole proprietorships, failure to file income tax returns in the name of the firm; and

6. Dishonesty, fraud, or gross negligence in the practice of public accounting by any partner, shareholder, or employee of the firm in the name of the firm.

Sections 15.17, 15.18. Renumbered as Title 59, §§ 15.15B, 15.10A, respectively, by Laws 1992

Section 15.19. Repealed by Laws 1992

Section 15.20. Renumbered as Title 59, § 15.14B by Laws 1992

Section 15.21. Repealed by Laws 1980

Section 15.22. Renumbered as Title 59, § 15.14A by Laws 1992

Section 15.23. Hearings

A. The Oklahoma Accountancy Board shall conduct investigations and hearings when it believes a registrant, individual practicing under the provisions of the Oklahoma Accountancy Act, other individual or entity has violated any of the provisions of the Oklahoma Accountancy Act or rules promulgated thereunder wherever or whenever appropriate for the exercise of authority granted to the Board either on its own motion or on the complaint of any person or entity. Such proceedings shall be conducted in accordance with the provisions of the Administrative Procedures Act. The Board shall have all powers granted to administrative agencies for the conduct of individual proceedings; and judicial review thereof shall be in accordance with the provisions of such general laws relating to administrative procedure.

B. At all hearings, the Attorney General of this state, or an Assistant Attorney General, shall represent the Board. If the Attorney General is unable or declines to provide the Board with counsel, the Board is authorized to employ other legal counsel to represent it at a hearing. The counsel who presents the evidence supporting the complaint shall not be the counsel who advises the Board.

Section 15.24. Penalties-Reinstatement or termination of suspension

A. In the event an individual, certified public accountant, public accountant, firm or entity, after proper notice and hearing, is found to have violated one or more provisions of the Oklahoma Accountancy Act, the Board may impose one or more of the following penalties on the offending individual, firm or entity:

1. Revoke any certificate, license, practice privilege or permit issued pursuant to the provisions of the Oklahoma Accountancy Act;

2. Suspend any certificate, license, practice privilege or permit for not more than five (5) years, subject to such terms, conditions, or limitations as deemed appropriate by the Board;

3. Reprimand a registrant, an individual granted practice privileges under Section 15.12A of this title, or a firm exempt from the permit and registration requirements under Section 15.15C of this title;

4. Place a registrant, an individual granted practice privileges under Section 15.12A of this title, or a firm exempt from the permit and registration requirements under Section 15.15C of this title on probation for a specified period of time, which may be shortened or lengthened, as the Board deems appropriate;

5. Limit the scope of practice of a registrant, an individual granted practice privileges under Section 15.12A of this title, or a firm exempt from the permit and registration requirements under Section 15.15C of this title;

6. Deny renewal of a permit;

7. Require a preissuance review or accelerated peer review of the registrant, subject to such procedures, as the Board deems appropriate;

8. Require successful completion of continuing professional educational programs deemed appropriate;

9. Assess a fine not to exceed Ten Thousand Dollars ($10,000.00) for each separate offense; and

10. Require the registrant, individual or entity to pay all costs incurred by the Board as a result of hearings conducted regarding accountancy actions of the registrant, individual, or entity, including, but not limited to, attorney fees, investigation costs, hearing officer costs, renting of special facilities costs, and court reporter costs.

B. Upon application in writing, the Board may reinstate a certificate, license, practice privilege or permit which has been revoked, or may modify, upon good cause as to why the individual or entity should be reinstated, the suspension of any certificate, license, practice privilege or permit.

C. Before reinstating or terminating the suspension of a certificate, license, practice privilege or permit, or as a condition to such reinstatement or termination, the Board may require the applicant to show successful completion of specified continuing professional education courses.

D. Before reinstating or terminating the suspension of a certificate, license, practice privilege or permit, or as a condition to such reinstatement or termination, the Board may make the reinstatement of a certificate, license, or permit conditional and subject to satisfactory completion of a peer review conducted in such fashion as the Board may specify.

E. Before reinstating or terminating the suspension of a certificate or license or as a condition to such reinstatement or termination, the Board may require the applicant to submit to a national criminal history records search. The costs associated with the national criminal history records search shall be paid by the applicant.

F. The provisions of this section shall not be construed to preclude the Board from entering into any agreement to resolve a complaint prior to a formal hearing or before the Board enters a final order.

G. All monies, excluding costs, collected from civil penalties authorized in this section, such penalties being enforceable in the district courts of this state, shall be deposited with the State Treasurer to be paid into the General Revenue Fund of the state.

Section 15.25. Misrepresentation or fraud-Violations of act-Penalty

Any individual or entity who:

1. Represents himself, herself or itself as having received a certificate, license, or permit and otherwise presents himself, herself or itself to the public as having specialized knowledge or skills associated with CPAs and PAs without having received such certificate, license, or permit; or

2. Continues to use such title or designation after such certificate, license, or permit has been recalled, revoked, surrendered, canceled, or suspended or refuses to surrender such certificate, license, or permit; or

3. Falsely represents himself, herself or itself as being a CPA or licensed as a public accountant, or firm of CPAs or licensed public accountants, or who incorrectly designates the character of the certificate, license or permit which he, she or it holds; or

4. Otherwise violates any of the provisions of the Oklahoma Accountancy Act;

upon conviction shall be deemed guilty of a misdemeanor.

Provided, however, that an individual granted practice privileges under Section 15.12A of this title, or a firm exempt from the permit and registration requirements under Section 15.15C of this title may hold out as a CPA or a firm of CPAs, respectively, without violation of this section.

Section 15.26. False reports or statements-Penalty

Any individual holding a certificate or license who knowingly falsifies any report or statement bearing on any attestation, investigation, or audit made by the individual or subject to the individual's direction shall be guilty of a felony, and upon conviction shall be punishable by imprisonment for a period of not more than one (1) year, or by a fine of not more than Twenty-five Thousand Dollars ($25,000.00) per occurrence, or by both such fine and imprisonment.

Section 15.27. Cease and desist order-Injunction

A. In addition to any other powers conferred on the Board to impose penalties for violations of the provisions of the Oklahoma Accountancy Act, whenever in the judgment of the Board any individual or entity has engaged in any acts or practices, that constitute a violation of the Oklahoma Accountancy Act, the Board may:

1. After notice and hearing, issue a cease and desist order to any individual who should have obtained a certificate, license, practice privilege or permit or to an entity which should have obtained a permit;

2. Impose a fine of not more than Ten Thousand Dollars ($10,000.00) for each violation in the event after the issuance of an order to cease and desist the illegal activity, the individual or entity to whom the order is directed commits any act in violation of the order; and

3. Make application to the appropriate court for an order enjoining such acts or practices, and upon a showing by the Board that such person has engaged in any such acts or practices, an injunction, restraining order, or such other order as may be appropriate shall be granted by such court, without bond.

B. Each day a violation is continuing shall constitute a separate offense.

C. Administrative fines imposed pursuant to this section shall be enforceable in the district courts of this state.

D. Notices and hearings required by this section shall be in accordance with the Administrative Procedures Act.

E. Appeals from orders entered pursuant to this section shall be in accordance with the Administrative Procedures Act.

Section 15.28. Prima facie evidence

The displaying or uttering by an individual or entity not registered in accordance with the Oklahoma Accountancy Act of a card, sign, advertisement, or other printed, engraved, or written instrument or device bearing the name of the individual or entity in conjunction with the words "Certified Public Accountant" or "Public Accountant" or any abbreviation thereof shall be prima facie evidence in any action brought pursuant to the provisions of the Oklahoma Accountancy Act that the individual or entity whose name is so displayed or uttered caused or procured the display or uttering of such card, sign, advertisement or other printed, engraved or written instrument or device, and that such individual or entity is representing himself, herself or itself to be a certified public accountant, public accountant or CPA, PA or entity holding a valid permit.

Section 15.29A. Unlawful use of titles or abbreviations-Injunction, restraining order, or other order

Whenever, as a result of an investigation under Section 15.23 of this title or otherwise, the Oklahoma Accountancy Board believes that any person or firm has engaged, or is about to engage, in any acts or practices which constitute or will constitute a violation of Section 15.11 of this title, the Board may make application to the appropriate court for an order enjoining such acts or practices, and upon a showing by the Board that such person or firm has engaged, or is about to engage, in any such acts or practices, an injunction, restraining order, or other order as may be appropriate shall be granted by such court.

Section 15.29B. Enforcement actions-Evidence of single act sufficient

In any action brought under Section 15.24 or 15.27 of this title, evidence of the commission of a single action prohibited by the Oklahoma Accountancy Act shall be sufficient to justify a penalty, injunction, restraining order, or conviction, respectively, without evidence of a general course of conduct.

Section 15.30. Peer reviews

A. As a condition for issuance or renewal of permits, the Board may require applicants who perform review or audit services to undergo peer reviews conducted not less than once every three (3) years.

B. Peer reviews shall be conducted in such manner and in accordance with such standards as the Board may specify by rule.

C. The rules may provide for a registrant to comply by providing documented proof of a satisfactory peer review conducted for some other purpose which meets the purposes and standards of the Board peer review program within three (3) years preceding the date the Oklahoma peer review is to be conducted.

D. Failure of any registrant to provide full cooperation with the Board or any individual acting at the direction of the Board in performing a peer review shall after notice and a hearing be subject to the penalties provided in the Oklahoma Accountancy Act.

E. The Board by rule may establish a fee in an amount not to exceed One Hundred Dollars ($100.00) for each peer review required by the Board under this section.

Section 15.31. Repealed by Laws 1992

Sections 15.32, 15.33. Renumbered as Title 59, §§ 15.36, 15.37 by Laws 1992

Section 15.34. Repealed by Laws 1980

Section 15.35. Continuing professional education

A. In order to assure continuing professional competence of individuals in accountancy, and as a condition for issuance of a certificate or license and/or renewal of a permit to practice, certificate and license holders shall furnish evidence of participation in continuing professional education.

B. Continuing professional education compliance periods shall be established by rule.

C. All certificate and license holders shall complete at least one hundred twenty (120) hours of continuing professional education within a three-year period with completion of not less than twenty (20) hours of continuing professional education in any year.

D. The Oklahoma Accountancy Board shall adopt rules and regulations regarding such continuing professional education. Such rules shall include but not be limited to:

1. Requiring reporting of continuing professional education to coincide with the annual permit renewal date;

2. Provisions for exempting retired, inactive and disabled individuals as defined by the Board in the rules from the requirement of continuing professional education; and

3. Adopt standards for determining approved continuing professional education courses.

Section 15.36. Persons who may perform assurance services and audits or issue reports

Any CPA or PA holding a valid permit, or an individual granted practice privileges under Section 15.12A of this title, may perform assurance services, including audit services, and issue a report required by any statute, charter, ordinance, trust or other legal instrument.

Section 15.37. Acts and instruments not to provide for audit services by other than registrant holding valid permit

No ordinance, trust or other legal instrument shall provide for any audit services to be performed other than by a registrant holding a valid permit or an individual granted practice privileges under Section 15.12A of this title.

Section 15.38. Filing, fee, and continuing professional education requirements waived for license or certificate holder called to active military service

All filing requirements, fees and the continuing professional education requirements provided in the Oklahoma Accountancy Act shall be waived for any holder of a license or certificate who is called to active military service. The license or certificate holder shall provide the Board a copy of the order to active military service. This waiver shall remain in effect for the duration of the certificate or license

holder's active military service. Within sixty (60) days after the discharge from active military service, the license or certificate holder shall provide a copy of the discharge order to the Board.