

## **CPE Violation Penalties**

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### **Guidelines**

Approved February 8, 2018

## **I. STATEMENT OF INTENT**

To assist in the efficient, effective, and fair resolution of continuing professional education (“CPE”) deficiencies, these guidelines have been provided to the Virginia Board of Accountancy’s (“VBOA”) Enforcement Division staff and Enforcement Committee. A “case” as used in the guidelines below includes both failed CPE compliance reviews and disciplinary investigations where CPE deficiencies are discovered.

If warranted by the particular facts and circumstances of a Respondent’s case, the VBOA has delegated the authority to the Enforcement Committee to depart from the guidelines. Enforcement Division staff have not been delegated this authority and therefore cannot alter or negotiate the terms and conditions associated with a given category.

These guidelines are intended as a supplement to the VBOA’s adjudication manual.

## II. NON-COMPOUNDING PENALTIES

Penalties listed in this chart do not combine or “stack” with one another, though they may be combined with one or more of the penalties listed in the chart under Part III, “Compounding Penalties.” All monetary penalties and CPE hours due under this chart must be submitted to the VBOA within ninety (90) days of the entry date of the Consent Order.

<b>Deficiency</b>	<b>1<sup>st</sup> Case (self-report)</b>	<b>1<sup>st</sup> Case (all others)</b>	<b>2<sup>nd</sup> Case (all)</b>	<b>3<sup>rd</sup> Case (all)</b>
Deficient < 10 hours in a reporting period (other than ethics and/or A&A)	<ul style="list-style-type: none"> <li>• Reprimand</li> <li>• Must make up deficient CPE for each year of reporting period, which does not count towards the current year requirement</li> </ul>	<ul style="list-style-type: none"> <li>• \$250 monetary penalty</li> <li>• Must make up deficient CPE for each year of reporting period, which does not count towards the current year requirement</li> <li>• Subject to CPE compliance review for subsequent 3-year reporting period that begins in the year disciplinary action is taken</li> </ul>	<ul style="list-style-type: none"> <li>• \$500 monetary penalty</li> <li>• Must make up deficient CPE for each year of reporting period, which does not count towards the current year requirement</li> <li>• Subject to CPE compliance review for subsequent 3-year reporting period that begins in the year disciplinary action is taken</li> </ul>	<ul style="list-style-type: none"> <li>• \$750 monetary penalty</li> <li>• Suspension of license for 1 year</li> <li>• Subject to CPE compliance review for subsequent 3-year reporting period following reinstatement</li> </ul>
Deficient 10–20 hours in a reporting period	<ul style="list-style-type: none"> <li>• \$250 monetary penalty</li> <li>• Must make up deficient CPE for each year of reporting period, which does not count towards the current year requirement</li> <li>• Subject to CPE compliance review for subsequent 3-year reporting period that begins in the year disciplinary action is taken</li> </ul>	<ul style="list-style-type: none"> <li>• \$500 monetary penalty</li> <li>• Must make up deficient CPE for each year of reporting period, which does not count towards the current year requirement</li> <li>• Subject to CPE compliance review for subsequent 3-year reporting period that begins in the year disciplinary action is taken</li> </ul>	<ul style="list-style-type: none"> <li>• \$750 monetary penalty</li> <li>• Suspension of license for 1 year</li> <li>• Subject to CPE compliance review for subsequent 3-year reporting period following reinstatement</li> </ul>	<ul style="list-style-type: none"> <li>• \$1,000 monetary penalty</li> <li>• Revocation of license</li> <li>• May apply for reinstatement no sooner than 5 years after date of disciplinary action</li> <li>• Must come before the VBOA to be considered for reinstatement</li> <li>• Subject to CPE compliance review for subsequent 3-year reporting period following reinstatement</li> </ul>

<b>Deficiency</b>	<b>1<sup>st</sup> Case (self-report)</b>	<b>1<sup>st</sup> Case (all others)</b>	<b>2<sup>nd</sup> Case (all)</b>	<b>3<sup>rd</sup> Case (all)</b>
Deficient 20.1–40 hours in a reporting period	<ul style="list-style-type: none"> <li>• \$500 monetary penalty</li> <li>• Must make up deficient CPE for each year of reporting period, which does not count towards the current year requirement</li> <li>• Subject to CPE compliance review for subsequent 3-year reporting period that begins in the year disciplinary action is taken</li> </ul>	<ul style="list-style-type: none"> <li>• \$750 monetary penalty</li> <li>• Must make up deficient CPE for each year of reporting period, which does not count towards the current year requirement</li> <li>• Subject to CPE compliance review for subsequent 3-year reporting period that begins in the year disciplinary action is taken</li> </ul>	<ul style="list-style-type: none"> <li>• \$1,000 monetary penalty</li> <li>• Suspension of license for 1 year</li> <li>• Subject to CPE compliance review for subsequent 3-year reporting period following reinstatement</li> </ul>	<ul style="list-style-type: none"> <li>• \$2,000 monetary penalty</li> <li>• Revocation of license</li> <li>• May apply for reinstatement no sooner than 5 years after date of disciplinary action</li> <li>• Must come before the VBOA to be considered for reinstatement</li> <li>• Subject to CPE compliance review for subsequent 3-year reporting period following reinstatement</li> </ul>
Deficient 40.1–90 hours in a reporting period	<ul style="list-style-type: none"> <li>• \$625 monetary penalty</li> <li>• Must make up deficient CPE for each year of reporting period, which does not count towards the current year requirement</li> <li>• Subject to CPE compliance review for subsequent 3-year reporting period that begins in the year disciplinary action is taken</li> </ul>	<ul style="list-style-type: none"> <li>• \$875 monetary penalty</li> <li>• Must make up deficient CPE for each year of reporting period, which does not count towards the current year requirement</li> <li>• Subject to CPE compliance review for subsequent 3-year reporting period that begins in the year disciplinary action is taken</li> </ul>	<ul style="list-style-type: none"> <li>• \$1,125 monetary penalty</li> <li>• Suspension of license for 1 year</li> <li>• Subject to CPE compliance review for subsequent 3-year reporting period following reinstatement</li> </ul>	<ul style="list-style-type: none"> <li>• \$2,000 monetary penalty</li> <li>• Revocation of license</li> <li>• May apply for reinstatement no sooner than 5 years after date of disciplinary action</li> <li>• Must come before the VBOA to be considered for reinstatement</li> <li>• Subject to CPE compliance review for subsequent 3-year reporting period following reinstatement</li> </ul>

Deficiency	1 <sup>st</sup> Case (self-report)	1 <sup>st</sup> Case (all others)	2 <sup>nd</sup> Case (all)	3 <sup>rd</sup> Case (all)
Deficient > 90 hours in a reporting period	<ul style="list-style-type: none"> <li>• \$750 monetary penalty</li> <li>• Must make up deficient CPE for each year of reporting period, which does not count towards the current year requirement</li> <li>• Subject to CPE compliance review for subsequent 3-year reporting period that begins in the year disciplinary action is taken</li> </ul>	<ul style="list-style-type: none"> <li>• \$1,000 monetary penalty</li> <li>• Suspension of license for 1 year</li> <li>• Subject to CPE compliance review for subsequent 3-year reporting period following reinstatement</li> </ul>	<ul style="list-style-type: none"> <li>• \$2,000 monetary penalty</li> <li>• Suspension of license for 3 years</li> <li>• Must come before the VBOA to be considered for reinstatement</li> <li>• Subject to CPE compliance review for subsequent 3-year reporting period following reinstatement</li> </ul>	<ul style="list-style-type: none"> <li>• \$3,000 monetary penalty</li> <li>• Revocation of license</li> <li>• May apply for reinstatement no sooner than 5 years after date of disciplinary action</li> <li>• Must come before the VBOA to be considered for reinstatement</li> <li>• Subject to CPE compliance review for subsequent 3-year reporting period following reinstatement</li> </ul>

### III. COMPOUNDING PENALTIES

Penalties listed in this chart may be imposed individually, or may be combined with each other or with any single penalty listed in the chart under Part II, "Non-Compounding Penalties." All monetary penalties and CPE hours due under this chart must be submitted to the VBOA within ninety (90) days from the entry date of the Consent Order.

<b>Deficiency</b>	<b>1<sup>st</sup> Case (self-report)</b>	<b>1<sup>st</sup> Case (all others)</b>	<b>2<sup>nd</sup> Case (all)</b>	<b>3<sup>rd</sup> Case (all)</b>
Failure to take Virginia-Specific Ethics Course only in any given calendar year(s)	<ul style="list-style-type: none"> <li>• Reprimand</li> </ul>	<ul style="list-style-type: none"> <li>• \$250 monetary penalty</li> </ul>	<ul style="list-style-type: none"> <li>• \$500 monetary penalty</li> </ul>	<ul style="list-style-type: none"> <li>• \$750 monetary penalty</li> </ul>
Failure to meet the annual minimum 20 CPE hours in any given calendar year(s)	<ul style="list-style-type: none"> <li>• Reprimand</li> </ul>	<ul style="list-style-type: none"> <li>• \$250 monetary penalty</li> </ul>	<ul style="list-style-type: none"> <li>• \$500 monetary penalty</li> </ul>	<ul style="list-style-type: none"> <li>• \$750 monetary penalty</li> </ul>
Failure to take 8 hours of Auditing and Attestation in any given calendar year(s)	<ul style="list-style-type: none"> <li>• Reprimand</li> <li>• Must make up deficient CPE for each year of reporting period, which does not count towards the current year requirement</li> </ul>	<ul style="list-style-type: none"> <li>• \$250 monetary penalty</li> <li>• Must make up deficient CPE for each year of reporting period, which does not count towards the current year requirement</li> <li>• (If deficient A&amp;A for more than 1 calendar year) May not release or authorize the release of reports on attest, compilation, or financial statement preparation services for 1 year</li> </ul>	<ul style="list-style-type: none"> <li>• \$750 monetary penalty</li> <li>• Must make up deficient CPE for each year of reporting period, which does not count towards the current year requirement</li> <li>• (If deficient A&amp;A for more than 1 calendar year) May not release or authorize the release of reports on attest, compilation, or financial statement preparation services for 2 years</li> </ul>	<ul style="list-style-type: none"> <li>• \$1,250 monetary penalty</li> <li>• (If deficient A&amp;A for more than 1 calendar year) May not release or authorize the release of reports on attest, compilation, or financial statement preparation services for 3 years</li> </ul>
Failing to meet any CPE requirement for a given calendar year or for the reporting period	<ul style="list-style-type: none"> <li>• Submit proof of completion of the current year's Virginia-Specific Ethics Course</li> </ul>	<ul style="list-style-type: none"> <li>• Submit proof of completion of the current year's Virginia-Specific Ethics Course</li> </ul>	<ul style="list-style-type: none"> <li>• Submit proof of completion of the current year's Virginia-Specific Ethics Course</li> </ul>	<ul style="list-style-type: none"> <li>• Submit proof of completion of the current year's Virginia-Specific Ethics Course</li> </ul>

Deficiency		1 <sup>st</sup> Case (self-report)	1 <sup>st</sup> Case (all others)	2 <sup>nd</sup> Case (all)	3 <sup>rd</sup> Case (all)
<b>CHOOSE ONE</b>	Failure to respond within 30 days	• \$100 monetary penalty	• \$100 monetary penalty	• \$200 monetary penalty	• \$300 monetary penalty
	Failure to update mailing or email address within 30 days	• \$100 monetary penalty	• \$100 monetary penalty	• \$200 monetary penalty	• \$300 monetary penalty
	Failure to comply with terms and conditions of VBOA disciplinary action	<ul style="list-style-type: none"> <li>• Suspension of license</li> <li>• Must come before the VBOA to be considered for reinstatement</li> </ul>	<ul style="list-style-type: none"> <li>• Suspension of license</li> <li>• Must come before the VBOA to be considered for reinstatement</li> </ul>	<ul style="list-style-type: none"> <li>• Suspension of license</li> <li>• Must come before the VBOA to be considered for reinstatement</li> </ul>	<ul style="list-style-type: none"> <li>• Suspension of license</li> <li>• Must come before the VBOA to be considered for reinstatement</li> </ul>
	Failure to respond at all to a CPE compliance review	• Proceeding under Code of Virginia § 2.2-4019	• Proceeding under Code of Virginia § 2.2-4019	• Proceeding under Code of Virginia § 2.2-4019	• Proceeding under Code of Virginia § 2.2-4019