

IRS Approved Continuing Education Providers Review Findings Provided via conference call September 24-27, 2013

In April of 2013, IRS began conducting provider reviews. We plan to conduct a review of each provider at least every three years. The review process ensures that CE Providers are following the IRS CE Provider Standards and providing quality continuing education to preparers seeking IRS CE credit.

Top 10 Review Findings

SELF-STUDY PROGRAMS

1. Appropriate continuing education hours for self-study programs should be based on either pilot testing or the word count formula.
 - If you are selected for review of a self-study program, you will be asked to verify the continuing education hours offered to ensure the appropriate number of credit hours requested.
 - If you purchased program material from another source, it is your responsibility to obtain verification from the organization you purchased the program material from or provide your own analysis for support of the number of credit hours requested.
 - You may use the word count formula or pilot testing developed jointly by the AICPA and NASBA. This can be found in FAQ #24 at www.irs.gov/taxpros/ce.
2. [Standard 7](#) prohibits the use of general professional literature, IRS publications including Circular 230, or reference manuals as program material for self-study programs. These publications were not written to be a continuing education program and, in many cases, are missing required instructional elements that the Standards require. Providers may use sections of publications as part of the materials or even as supplemental materials/resources for a program, but they must always be properly cited and excluded from the word count formula.
3. [Standard 7](#) addresses the requirement to elicit participant responses to test for understanding of the program material, offer evaluative feedback to incorrect responses and provide feedback to correct responses for self-study programs. Please make sure you are providing evaluative feedback throughout the program material. Evaluative feedback includes feedback for incorrect and correct responses.
4. Ensure the questions on self-study tests are not easily answered by looking in the program material. If your self-study tests include mostly “look up” type questions, we will recommend changes. Having questions

that require application of theory learned throughout the program are much more meaningful to students.

5. There may be some confusion as to what constitutes an on-line group program versus a self-study program and the proper categorization for obtaining program numbers.

To illustrate the differences, below are examples of how a single webinar using different delivery methods results in different program numbers.

1. Online: A webinar or live broadcast streamed to a large group of participants' computers at diverse, remote locations. The participants are viewing the program, including the speaker and any text, in real time. Provider [Standard 5](#) requires registration of the participants for an on-line group program and the provider must utilize a method to ensure attendance during the entire program, such as polling questions or other type of monitoring to ensure the person is logged in throughout the program. Like an in-person program, no test is required. This type of presentation would require a program number ending with an "O" for online.
2. Self-Study: A taped webinar or broadcast viewed later by participants individually at the time of their choosing. In this instance, the taped event, which started as an online program, has become a self-study program. Therefore, Provider [Standards 5 and 7](#) require a final examination with a minimum passing grade of 70%. However, there is no longer any need for polling questions. Since this is now a self-study program, it would require a program number ending with an "S" for self-study.
3. In Person: Individuals sitting together in a classroom viewing a taped or live webinar. The program becomes an in person program and requires an in person program number ending with an "I".

In these examples, a single live webinar presentation that is also taped for later viewing and may be presented to a live classroom offers multiple delivery methods. Thus, three program numbers would be required and used in conjunction with the appropriate delivery method. The only difference between the three program numbers will be the last digit, which signifies the different delivery methods in which the program is offered. You will enter the program name/description only once and can specify all three delivery methods at that time.

CERTIFICATES OF COMPLETION AND EVALUATION FORMS

6. [Standard 9](#) states CE Providers must provide each attendee with a means for evaluating the program's content. [Standard 10](#) requires Certificates of Completion be issued to participants upon completion of the program.
 - A sample [Certificate of Completion](#) and [Evaluation Form](#) can be found at www.irs.gov/taxpros/ce. We have added a comments section to our sample evaluation form and recommend you make this change for additional feedback.

ERPA PROGRAMS

7. We have noticed some providers are including the Enrolled Agent (EA) audience for programs specifically geared towards Enrolled Retirement Plan Agents (ERPA). For example, an ethics program that was based solely on ethics for ERPAs included EAs as part of the target audience. This would be incorrect since EAs should not be taking an ethics program geared towards ERPAs with regard to Qualified Retirement Plan ethical dilemmas that don't relate to an EA's tax practice.
 - An ERPA program MUST consist of material relating to Qualified Employee Plans (as defined under Internal Revenue Code section 401, 403, 408, 457, etc.) and should be categorized as a "Qualified Retirement Plan Matters" program.
 - Programs should include topics such as: plan document requirements, plan operation and administration, filing requirements (Forms 5500 series and 5300), and IRS programs relating to employee plans (Determination Letter program, Employee Plans Compliance Resolution System).
 - Please visit www.irs.gov/erpa for further information regarding ERPAs.
 - If you are unsure how to categorize a program or whether a specific target audience qualifies, please send an email to us at rpo.ce@irs.gov including the details of your situation and requesting guidance.

Choosing the Correct Program Category

8. A federal tax update program must provide a practical working knowledge of the latest legislative tax law changes and associated IRS forms/instructions/publications. As a general rule, a provider will need to secure a new program number for their update programs upon annual renewal because these types of programs usually have program content

changes. In years where there are few legislative changes, you may focus on court cases, revenue rulings, etc. as part of a qualifying federal tax update program.

Advertising CE Programs

9. Ensure you are complying with [Standard 15](#) and the court ruling by advertising there is no competency test or mandatory continuing education for other tax return preparers, but this category of tax preparer may take continuing education voluntarily.

Qualifying Approved Programs

10. We have seen a number of program offerings that do not meet the requirements of a qualifying IRS approved program as outlined in [Circular 230, Section 10.6](#).

- Programs focusing on wealth management, personal development, financial planning, estate planning, retirement planning, and social security eligibility typically do not qualify as IRS approved programs unless the program material includes an emphasis on tax, tax benefits, tax consequences or tax implications.
- Programs about IRAs and retirement plans or financial planning should contain sufficient tax related information material concerning income and deductions used in tax planning or actual return filings.
- You should rely on the 80/20 rule, which is 80% of your program material should have a tax emphasis and may include only 20% background or non-federal tax related information to qualify as an IRS approved CE program.

BEST PRACTICES

We would also like to share some best practices encountered during our reviews.

- For in person programs, you can maintain a separate list of PTINs and have participants verify their PTIN information to reduce PTIN uploading errors. By doing this, preparer PTINs are not being exposed to other attendees. Hand out Certificates of Completion at the end of the session with the appropriate amount of credit for the preparer's attendance at the event.
- To ensure attendance at in person seminars, you could provide a code at the end of each segment on your Power Point that the participant would email the provider to receive proper credit on their Certificate of Completion or require additional sign-ins/monitoring. As an IRS-approved

CE Provider, you are responsible for giving the appropriate amount of credit based on the time in the session.

- For dinner meetings sponsored by tax organizations where the agenda may be somewhat fluid, take notes of the discussion to provide to the IRS if you are selected for review.
- Evaluations are for your benefit – ensure they are given at the appropriate time in the learning process and that you are using them to better your program content and delivery.