

**Chapter 04. Board of Public Accountancy.**

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted. Complete new sections are not underlined.)

12 AAC 04 is amended by adding a new section to read:

**12 AAC 04.004. Code of professional conduct.** An accountant shall adhere to the *AICPA Professional Standards, Volume 2 (pages 2371 through 2613)*, Code of Professional Conduct, revised as of June 1, 2015, adopted by reference. (Eff. \_\_\_\_/\_\_\_\_/\_\_\_\_, Register \_\_\_\_)

**Authority:** AS 08.04.070 AS 08.04.080

**Editor's note:** A copy of the *AICPA Professional Standards*, adopted by reference in 12 AAC 04.004, may be obtained from the American Institute of Certified Public Accountants at AICPA, 220 Leigh Farm Road, Durham, North Carolina 27707-8110 or at AICPA's website at <http://www.aicpa.org>.

12 AAC 04.010 is repealed

**12 AAC 04.010. Independence, integrity, and objectivity.** Repealed. (Eff. 1/20/63, Register 7; am 9/9/72, Register 43; am 1/18/78, Register 64; am 4/10/88, Register 106; am 1/1/2008, Register 184; am 10/16/2011, Register 200; repealed \_\_\_\_/\_\_\_\_/\_\_\_\_, Register \_\_\_\_)

12 AAC 04.015 is repealed:

**12 AAC 04.015. Competence.** Repealed. (Eff. 1/18/78, Register 64; am 4/10/88, Register 106; repealed \_\_\_\_/\_\_\_\_/\_\_\_\_, Register \_\_\_\_)

12 AAC 04.020 is repealed:

**12 AAC 04.020. Confidential relationship.** Repealed. (Eff. 1/20/63, Register 7; am 9/9/72, Register 43; repealed \_\_\_\_/\_\_\_\_/\_\_\_\_, Register \_\_\_\_)

12 AAC 04.030 is repealed:

**12 AAC 04.030. Contingent fees.** Repealed. (Eff. 1/20/63, Register 7; am 9/9/72, Register 43; am 4/10/88, Register 106; am 4/28/2005, Register 174; am 1/1/2008, Register 184; am 10/16/2011, Register 200; repealed \_\_\_\_/\_\_\_\_/\_\_\_\_, Register \_\_\_\_)

12 AAC 04.038 is amended to read:

**12 AAC 04.038. Attest functions.** (a) To perform an attest function means to provide any of the following financial statement services:

(1) an audit or other engagement to be performed in accordance with the Statements on Auditing Standards (SAS) of the American Institute of Certified Public Accountants, *AICPA Professional Standards, Volume 1*, **AU-C** [AU] Sections **200 – 935** [100 – 900], as revised as of June 1, **2015** [2010], adopted by reference;

(2) a review of a financial statement to be performed in accordance with the Statements on Standards for Accounting and Review Services (SSARS) of the American Institute of Certified Public Accountants, *AICPA Professional Standards, Volume 2*, AR Sections 20 – 600, as revised as of June 1, **2015** [2010], adopted by reference;

(3) an examination of prospective financial information to be performed in accordance with the Statements on Standards for Attestation Engagements (SSAE) of the American Institute of Certified Public Accountants, *AICPA Professional Standards, Volume 1*, AT Sections **20 – 600** [20 – 701], as revised as of June 1, **2015** [2010], adopted by reference; and

(4) an engagement to be performed in accordance with the standards of the Public Company Accounting Oversight Board (PCAOB) established under 15 U.S.C. 7211(a).

(b) An individual licensee who is responsible for supervising attest engagements, or who signs or authorizes another to sign the accountant's report on the financial statements on behalf of the firm, shall meet the competency requirements set out in the professional standards for the attest engagements. The supervising licensee shall obtain and maintain the competencies necessary in the specific circumstances.

(c) A licensee performing an attest engagement shall maintain a quality control system that complies with the Quality Control Standards (QCS) of the American Institute of Certified Public Accountants, *AICPA Professional Standards, Volume 2*, QC Section 10, as revised as of June 1, **2015** [2010], adopted by reference. (Eff. 1/1/2008, Register 184; am 10/16/2011, Register 200; am \_\_\_/\_\_\_/\_\_\_\_, Register \_\_\_\_)

**Authority:** AS 08.04.070 [AS 08.04.085] AS 08.04.423

**Editor's note:** A copy of the *AICPA Professional Standards, Volumes 1 and 2*, may be obtained from the American Institute of Certified Public Accountants at AICPA, 220 Leigh Farm Road, Durham, North Carolina 27707-8110 or at AICPA's website at <http://www.aicpa.org>.

12 AAC 04.040 is repealed:

**12 AAC 04.040. Use of work of others.** Repealed. (Eff. 9/9/72, Register 43; repealed \_\_\_/\_\_\_/\_\_\_\_, Register \_\_\_\_)

12 AAC 04.050 is repealed:

**12 AAC 04.050. Responsibility and disclosure.** Repealed. (Eff. 1/20/63, Register 7;

Register\_\_\_\_,\_\_\_\_2016 **PROFESSIONAL REGULATIONS**

am 9/9/72, Register 43; am 4/10/88, Register 106; repealed \_\_\_\_/\_\_\_\_/\_\_\_\_, Register \_\_\_\_)

12 AAC 04.060 is repealed:

**12 AAC 04.060. Form of opinions and reports.** Repealed. (Eff. 1/20/63, Register 7; am 9/9/72, Register 43; am 4/10/88, Register 106; repealed \_\_\_\_/\_\_\_\_/\_\_\_\_, Register \_\_\_\_)

12 AAC 04.070 is repealed:

**12 AAC 04.070. Forecasts.** Repealed. (Eff. 1/20/63, Register 7; am 9/9/72, Register 43; am 4/10/88, Register 106; repealed \_\_\_\_/\_\_\_\_/\_\_\_\_, Register \_\_\_\_)

12 AAC 04.080 is repealed:

**12 AAC 04.080. Advertising.** Repealed. (Eff. 1/20/63, Register 7; am 9/9/72, Register 43; am 2/10/78, Register 64; repealed \_\_\_\_/\_\_\_\_/\_\_\_\_, Register \_\_\_\_)

12 AAC 04.100 is repealed:

**12 AAC 04.100. Commissions.** Repealed. (Eff. 1/20/63, Register 7; am 9/9/72, Register 43; am 4/28/2005, Register 174; am 1/1/2008, Register 184; am 10/16/2011, Register 200; repealed \_\_\_\_/\_\_\_\_/\_\_\_\_, Register \_\_\_\_)

12 AAC 04.110 is repealed:

**12 AAC 04.110. Services performed by employees.** Repealed. (Eff. 9/9/72, Register 43; am 4/10/88, Register 106; repealed \_\_\_\_/\_\_\_\_/\_\_\_\_, Register \_\_\_\_)

12 AAC 04.185(b) is amended to read:

(b) As used in AS 08.04.120, an accounting concentration consists of not less than

(1) 24 semester credit hours or 36 quarter credit hours in subjects such as

(A) accounting principles;

(B) intermediate accounting;

(C) income tax;

(D) cost accounting;

(E) auditing;

(F) advanced accounting;

(G) accounting theory;

(H) governmental accounting; or

(I) detection of fraud;

(2) **nine** [THREE] semester credit hours or **15** [FIVE] quarter credit hours of

business law **and economics; and**

[(3) THREE SEMESTER CREDIT HOURS OR FIVE QUARTER CREDIT

HOURS OF ECONOMICS; AND

(4) THREE SEMESTER CREDIT HOURS OR FIVE QUARTER CREDIT

HOURS OF]

(A) statistics; **or**

(B) computer science; or

(C) algebra, calculus, or mathematics.

(Eff. 1/18/78, Register 64; am 11/9/85, Register 96; am 2/2/94, Register 129; am 5/4/96, Register 138; am 1/1/2008, Register 184; am 10/16/2011, Register 200; am 12/29/2013, Register 208; am

Register\_\_\_\_,\_\_\_\_2016 **PROFESSIONAL REGULATIONS**

12/25/2015, Register 216; am \_\_\_\_/\_\_\_\_/\_\_\_\_, Register \_\_\_\_)

**Authority:** AS 08.04.070 AS 08.04.120

12 AAC 04.610(a)(1) is amended to read:

(1) American Institute of Certified Public Accountants (AICPA) *Standards for Performing and Reporting on Peer Reviews*, **2015** [2011] edition, adopted by reference, excluding any reference to compilations; or

12 AAC 04.610(a)(2) is amended to read:

(2) National State Auditors Association (NSAA) *Peer Review Manual*, **2013** [2010] edition, adopted by reference.

(Eff. 7/27/97, Register 143; am 11/2/2001, Register 160; am 10/16/2011, Register 200; am 8/1/2012, Register 203; am \_\_\_\_/\_\_\_\_/\_\_\_\_, Register \_\_\_\_)

**Authority:** AS 08.04.070 AS 08.04.426

**Editor's note:** A copy of the *Standards for Performing and Reporting on Peer Reviews*, adopted by reference in 12 AAC 04.610, may be obtained from the [DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT, DIVISION OF CORPORATIONS, BUSINESS AND PROFESSIONAL LICENSING, P.O. BOX 110806, JUNEAU, AK 99811-0806, OR FROM THE] American Institute of Certified Public Accountants (AICPA), 220 Leigh Farm Road, Durham, North Carolina 27707-8110. A copy of the *Peer Review Manual*, adopted by reference in 12 AAC 04.610, may be obtained from the [DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT, DIVISION OF CORPORATIONS, BUSINESS AND PROFESSIONAL LICENSING, P.O.

BOX 110806, JUNEAU, AK 99811-0806, OR THE] National State Auditors Association, 449  
Lewis Hargett Circle, Suite 290, Lexington, KY 40503-3590.

12 AAC 04.620(c) is amended to read:

(c) The guidelines in Chapter 8 of the American Institute of Certified Public Accountants (AICPA) *AICPA Peer Review Administrative Manual*, **2015** [APRIL 1, 2009], is adopted by reference. If a firm is merged, otherwise combined, dissolved, or separated, the organization administering the quality review shall apply those guidelines to determine which firm is considered the succeeding firm. That determination is subject to review by the board under those guidelines. The succeeding firm shall retain its quality review status and its quality review due date. (Eff. 7/27/97, Register 143; am 11/2/2001, Register 160; am 10/16/2011, Register 200; am \_\_\_\_/\_\_\_\_/\_\_\_\_, Register \_\_\_\_)

**Authority:** AS 08.04.070 AS 08.04.426

**Editor's note:** A copy of Chapter 8 of the *American Institute of Certified Public Accountants (AICPA) Peer Review Administrative Manual*, **2015** [APRIL 1, 2009], adopted by reference in 12 AAC 04.620, may be obtained from the [DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT, DIVISION OF CORPORATIONS, BUSINESS AND PROFESSIONAL LICENSING, P.O. BOX 110806, JUNEAU, AK 99811-0806, OR FROM THE] American Institute of Certified Public Accountants (AICPA), 220 Leigh Farm Road, Durham, North Carolina 27707-8110.