

## **DESCRIPTION OF SUBJECT AREAS**

In accordance with N.J.A.C. 13:29-6.3 and 6.4 of the Board's regulations, credit will be granted by this office to licensees only for formal programs of learning which contribute to the technical competence, personal development, or skills and knowledge of practice management, with the exception of marketing. The major emphasis and direction of these programs must fall within the following subject areas.

Some courses may qualify for more than one of the subject categories listed below (e.g., auditing and specialized areas of industry). However, as a guide, the determination of a course's appropriate categorization should be derived from the primary emphasis and the predominate subject content of the course. Rulings on the classification of specific courses may be obtained from the Board, provided requests are made in writing and accompanied by detailed descriptions of the courses' contents.

### **TECHNICAL SUBJECTS**

#### **ACCOUNTING:**

This field of study includes professional knowledge concerning generally accepted accounting principles, other comprehensive bases of accounting, the accounting process and related financial reporting. Relevant subject matter would include authoritative pronouncements on accounting principles issued by the standard-setting bodies and related subjects generally classified with the accounting discipline.

Programs offered in this subject area could include basic accounting concepts; preparation and compilation of financial statements; measurements, recognition and presentation of specific financial statements items; and internal controls for profit and nonprofit entities.

#### **AUDITING:**

This category includes the body of knowledge that deals with the basic services of the public accountancy profession – examination and reporting on financial statements. Also included are the examination or review of internal and administrative controls, operations and government programs.

Courses relating to audit theory and philosophy, substantive audit procedures and sampling, as well as reporting on financial statements are acceptable. Courses covering pronouncements or regulations issued by reciprocal authorities such as **A.I.C.P.A.**, **F.A.S.B.**, **S.E.C.** and other governmental agencies dealing with financial reporting, auditing or generally accepted accounting principles will also qualify for C.P.E. credit.

#### **BUSINESS LAW:**

This category includes the study of fundamental aspects of the laws that pervade everyday business transactions such as the Uniform Commercial Code, contracts and government regulation of business.

Courses and programs under this subject area could cover new credit laws and regulations, Foreign Corrupt Practices Act, bankruptcy laws and trends in business law.

**COMPUTER SCIENCE:**

This category includes introductory and advanced knowledge of the use of computers and computer systems in information processing. Subject matter in this area may support other services offered by practitioners.

Relevant courses could deal with hardware and software aspects of computer systems; internal control and computers; E.D.P. audits; and computer information systems technology.

**ECONOMICS:**

The science that deals with the production, development and management of material wealth and the distribution and consumption of commodities.

**FINANCE:**

The management of money and other assets.

**MANAGEMENT ADVISORY SERVICES:**

This field of study deals with advisory services provided by accountants. These services involve the analyzing, evaluating, designing and controlling of any phase of activity in a business or nonprofit enterprise. Also included are other advisory areas such as personal financial planning and small business consulting.

Relevant program offerings could cover planning and control systems for segments or types of business organizations dealing with manufacturing, marketing, human resources, research and development, management information and business or personal finance.

**MATHEMATICS AND STATISTICS:**

Included in this category is the study of the usual topics of basic statistics such as frequency distribution, averages, probability, measures of dispersion, correlation theory and related matters. More advanced study of quantitative tools that apply to business situations would also be included.

Relevant courses could include measuring risk, audit sampling and materiality, statistical inference and advanced techniques in sampling.

**S.E.C. PRACTICE:**

Included in this category are accounting, auditing and reporting courses that relate to Securities and Exchange Commission requirements.

Relevant study could cover S.E.C. technical pronouncements, interpretations and regulations, investigative and enforcement activities of the S.E.C., and completion of regulatory forms and reports.

**TAXATION:**

This field of study includes local, state, federal and international tax compliance, and tax planning for individuals, businesses, estates and trusts. Compliance covers tax return preparation and review, as well as Internal Revenue Service examinations, ruling requests and protests. Tax planning focuses on applying tax law to prospective transactions and understanding the tax implications of unusual or complex transactions. Recognizing alternative tax treatments and advising clients on tax-saving opportunities are also a part of tax planning.

**PROFESSIONAL ETHICS:**

This includes the moral quality of a course of action and the established Rules of Conduct, Fitness, and Propriety.

**SPECIALIZED AREAS OF INDUSTRY:**

This field of study comprises subjects relating to specialized industries, such as health care, oil and gas, banking and nonprofit organizations. An industry is defined as specialized if it has unusual forms of organization, economic structure, sources of financing, legislative or regulatory requirements, marketing or distribution systems, terminology or technology, and if it employs unique accounting principles and practices, encounters unique tax problems, requires unique advisory services or faces unique audit issues. Programs offered that could come within this category are often identified by the title of an A.I.C.P.A. Industry Audit Guide and would relate to particular industries such as agriculture, apparel and textiles, banking, construction, entertainment, extractive industries, health care, insurance, colleges and universities, and state and local governments.

**ADDITIONAL QUALIFYING SUBJECTS****PERSONAL DEVELOPMENT:**

This includes studies which relate to the practitioner's personal skills such as speaking, writing, leadership and managing people or organizations.

**CERTAIN PRACTICE MANAGEMENT:**

This includes subjects such as organization structures, human resources, management and other administrative matters, but specifically excluding the marketing of the practice organization or its services.

**EXCLUDED AREAS**

In general, studies directly associated with the development of the licensee's practice or the marketing of services shall not be accepted towards meeting New Jersey's continuing education requirements.