

This is an amendment to 16.60.1 NMAC, Section 7 and 10, effective 10-01-2015

16.60.1.7 DEFINITIONS:

A. “Acceptance letter” means a document issued by the administering entity indicating the type of report (unmodified, modified, or adverse) when all review documents and, if applicable, all remedial/corrective actions have been completed and accepted by the peer review committee.

B. “Act” means the New Mexico 1999 Public Accountancy Act, Sections 61-28B-1 to 61-28B-29 NMSA1978.

C. “Administering entity” means an entity (any form of organization allowed by state law or professional organization or association of CPA’s) that has met, and at all relevant times continues to meet, the standards specified by the board for administering the review. The board shall periodically publish a list of administering entities that have applied for and received approval.

D. “Agreed upon procedures” are those which are to be performed in accordance with applicable attestation standards. They are also those in which a license is engaged to issue a written finding that is based on specific procedures that the specified parties agreed are sufficient for their purpose, is restricted to the specified parties, and does not provide an opinion or negative assurance.

E. “Audit” means the procedures performed in accordance with applicable auditing standards for the purpose of expressing or disclaiming an opinion on the fairness with which the historical financial information is presented in conformity with generally accepted accounting principles, another comprehensive basis of accounting, or a basis of accounting described in the report.

F. “Client” means the person or entity who retains a licensee for the performance of professional services.

G. “Enterprise” means any person or entity who retains a licensee for the performance of professional services.

H. “Financial statements” means statements and footnotes related thereto that purport to show an actual or anticipated financial position or results of operations, cash flow, or changes in financial position based on generally accepted accounting principles or another comprehensive basis of accounting. The term includes specific elements, accounts, or items of such statements, but it does not include incidental financial data included in management advisory service reports which support recommendations made to clients. In addition, it does not include tax returns and supporting schedules.

I. “He, his, him” means masculine pronouns when used herein also include the feminine and the neuter.

J. “Holding out to the public as a permit holder or registered firm” means the phrase “holding himself out to the public as a permit holder or registered firm” as used in the definition of “practice of public accountancy” in Section ~~3G-3L~~ of the act, and in these rules it means any representation, other than by an individual holding a certificate and/or firm registration issued by this Board pursuant to 61-28B-7 thru 61-28B-9, 61-28B-1 or 61-28B-13, of the fact that a certificate holder holds a permit, certificate and/or is a registered firm in connection with the performance of, or an offer to perform, services for the public, except as allowed under the practice privilege pursuant to 61-28B-26. Any such representation is presumed to invite the public to rely upon the professional skills implied by the certificate, registration, or permit in connection with the professional services offered to be performed. For the purpose of this rule, a representation shall be deemed to include any oral or written communication conveying the fact that the person holds a certificate, permit or firm registration, including without limitation the use of titles or legends on letterheads, business cards, office doors, advertisements, internet, email, or other electronic media.

K. “Manager” has, when used in these rules, the same meaning as the term “manager” in a limited liability company.

L. “Member” has, when used in these rules, the same meaning as the term “member” in a limited liability company.

M. “Peer review” means a program to monitor compliance with applicable accounting and auditing standards adopted by generally recognized standard setting bodies.

N. “Peer review committee” means a committee comprised exclusively of CPAs practicing public accountancy and formed by an administering entity for the purpose of accepting peer review reports submitted by firms on peer review engagements.

O. “Practice Privilege” as defined in Section 61-28B-26, a person whose principal place of business or residence is not in New Mexico shall be presumed to have qualifications substantially similar to New Mexico’s

requirements, may exercise all the practice privileges of certificate holders of New Mexico without the need to obtain a certificate pursuant 61-28B-9 NMSA 1978, if the individual meets the requirements of Section 61-28B-26.

O.P. “Professional engagement” means a written or oral agreement between a client and a licensee relative to the performance of professional services and the services performed under this agreement. Oral agreements may only be used when allowed by professional standards.

P.Q. “Professional services” means any service performed or offered to be performed by a licensee for a client in the course of the practice of public accountancy.

Q.R. “Public communication” means a communication made in identical form to multiple persons or to the world at large, including but not limited to television, radio, motion pictures, newspaper, pamphlet, mass mailing, letterhead, business card, the internet, email or directory.

R.S. “Quality review” means an interchangeable term for peer review.

S.T. “Report” as defined in Section 61-28-~~B~~3N of the act and in these rules includes forms of language which refers to financial statements, when such forms of language express or deny any assurance as to the reliability of the financial statements to which they refer. Among the possible sources of such forms of language are pronouncements by authoritative bodies describing the work that should be performed and the responsibilities that should be assumed for specified kinds of professional engagements. In addition, these pronouncements prescribe the form of report that should be issued upon completion of such engagements. A form of report prescribed by such a pronouncement will ordinarily constitute a form of language which is conventionally understood as implying assurance and expertise. For this reason, as provided in Section ~~47B-3N~~ of the act, the term “report” includes the issuance of reports using the forms of language set out in the American institute of certified public accountants (AICPA) statement on standards for accounting and review services (SSARS) ~~No. 1~~ as amended, modified, or superseded from time to time, for reports with respect to both “reviews” of financial statements, and also compilations of financial statements, as well as the forms of language for “special reports” set out in the AICPA’s statement on auditing standards (SAS) ~~No. 14, No. 35 and No. 62~~ as amended, modified, or superceded from time to time. These statements on standards are incorporated in the AICPA professional standards: code of professional conduct.

T.U. “Services involving accounting or auditing skills” means “services involving accounting or auditing skills” as used in the definition of “practice of public accountancy” in Sections 3K and L of the act. It includes the provision of advice or recommendations in connection with the sale or offer for sale of products, when the advice or recommendations require or imply the possession of accounting or auditing skills or expert knowledge in auditing or accounting.

U.V. “Statement of compliance” means a certified statement from the human services department (HSD) stating that an applicant or licensee is in compliance with a judgment and order for support.

V.W. “Statement of non-compliance” means a certified statement from HSD stating that an applicant or licensee is not in compliance with a judgment and order for support.
[16.60.1.7 NMAC - Rp 16 NMAC 60.1.7 and 16 NMAC 60.11.7, 02-14-2002; A, 11-30-2007; A, 4-15-2008; A, 06-30-2008; A, 01-17-2013; A, 10-01-2015]

16.60.1.10 FEES AND OBLIGATIONS: Fees charged by the board shall be as follows.

A. Fees set by the board for CPA examination applicants shall not unreasonably exceed the amount required for the board to operate CPA examination administration on a break even basis, but in no case shall the fee be less than the state’s cost of procuring and administering the exam.

B. Initial examination qualification review under Section 27F of the act shall be \$75.

C. Delinquency fee for incomplete or delinquent continuing education reports, certificate/license or firm permit renewals under Section 27D of the act shall be \$50.

D. Certificate application under Section 27B of the act shall be: initial certificate, \$175; certificate renewal, \$130.

E. No annual renewal fee shall be assessed for an individual who holds an inactive certificate and who has reached the age of 70.

F. Firm permit application or renewal fee under Section 27C of the act shall be \$75 for each firm, regardless of form of entity.

G. Firm permit renewal delinquency fee under Section 27C of the act shall be \$50 and includes all practitioners whose renewal applications are delinquent.

H. Certificate/license/firm permit reinstatement fee under Section ~~27G-27H~~ of the act shall be \$175. For certificate/ individual license reinstatements only, reinstatement fee and an additional fee of -plus the current year's renewal fee. No delinquency fee shall be assessed.

~~**I.** No fee shall be charged for firm permit reinstatement, and no delinquency fee shall be assessed; only the current year's renewal fee shall be assessed.~~

~~**J.**~~ Continuing professional education waiver and reentry into active certificate status and to comply with continuing professional education under Sections 27H and 27I of the act shall not exceed \$75 each occurrence.

~~**K.**~~ Administrative fees for services under Section 27F shall be:

- (1) list of certificate or permit holders, \$250;
- (2) duplicate or replacement certificate card or permit card, \$10 each;
- (3) duplicate or replacement wall certificate, \$25 each;
- (4) board evaluation of coursework for continuing professional education credit, \$50 per hour of board staff research and study;
- (5) certificate application package for reciprocity, \$20 each;
- (6) grade transfer candidates, \$75 each;
- (7) replacement packages for by-examination candidates, \$75 each;
- (8) copies of combined Accountancy Act and board rules, \$10 each;
- (9) copies of records and documents, \$.25 per page; and
- (10) name change due to marriage, divorce, legal name change, etc. for replacement license shall be \$130

(10) the board may, at its discretion, charge for other administrative costs as it deems appropriate.

~~**L.**~~ Fee for the transfer of licensure or examination information to a third party under Section 27E of the act shall be \$75.

~~**M.**~~ Fee for criminal history background check under Section 8.1 of the act shall be the amount established by the department of public safety for the processing of criminal history background checks.

~~**N.**~~ The board may waive charges as it deems appropriate.

~~**O.**~~ All fees are non-refundable.

[16.60.1.10 NMAC - Rp 16 NMAC 60.2.8, 02-14-2002; A, 01-15-2004; A, 04-29-2005; A, 11-30-2007; A, 06-30-2008; A, 05-29-2009; A, 11-13-2009; A, 9-15-2010; A, 12-01-2014; A, 10-01-2015]