
AUDIT POLICY

- (a) - Background:** CTEC requires curriculum providers to submit a single course for curriculum review along with the application to become an approved curriculum provider (CP02 – CTEC Curriculum Provider Application). Approved curriculum providers are also required to submit a single course for curriculum review during the periodic (once every three years) review process (CP14 – Course Review Policy). Separate approved curriculum provider applications are required for Qualified Education (QE) and for Continuing Education (CE). Curriculum providers offering both face-to-face and self-study courses are required to submit a self-study course for curriculum review.
- (b) - Commentary:** The CTEC Board of Directors feels reviewing a single course for a provider is insufficient to maintain the required course quality and proper CE-hour allocation. Rather than requiring all curriculum providers to submit additional courses and be subjected to additional course review fees, CTEC has developed a course audit procedure. Courses audited under this procedure will be required to meet the same curriculum standards as a course submitted by an applicant for curriculum provider status approval. The audit of a provider's course will not replace the periodic review requirement of CP14.
- (c) Audits of Face-to-face Courses:** CTEC has the discretion to audit face-to-face QE and CE courses to ensure the courses are complying with CTEC educational standards, including, but not limited to, the credit awarded, compliant study materials, and, for QE courses, compliant exam questions and mandatory study material allocations.
- (d) - Audit Selection Process:** CTEC will annually audit the five most widely used self-study CE courses based on the prior year's CTEC reporting records. CTEC shall also have the discretion to audit one or more of the top QE courses based on the prior year's CTEC reporting records. The following exceptions apply:
- (1)** If a course selected for audit has been audited during either of the two prior annual audit cycles, CTEC has the discretion to exempt that course from audit for the current year's audit cycle.
 - (2)** If more than one of the five most widely used courses is from the same provider, CTEC shall only audit one of those courses during the current year's audit cycle. The one selected for audit shall be the most widely used of that curriculum provider's courses.
 - (3)** Where CTEC exempts a course from audit for one of the preceding reasons, CTEC shall replace that course for the current audit cycle with the next most widely used course from another provider.
 - (4)** If a course selected for audit is no longer currently available to students, it shall be CTEC's option to audit a similar course currently offered or the prior year's course. Curriculum providers may be asked to provide course evaluations as a part of the audit. When requested, the curriculum provider will have 10 days to submit course evaluations.
 - (5)** The selection of courses for audit shall be made by the Curriculum Provider Standards Committee (CPS) at the regularly scheduled May CPS committee meeting by majority vote of the committee members present. To facilitate the selection process:
 - (i) CTEC staff shall prepare the following reports and have them available to the CPS committee members and Senior Reviewer at least four weeks prior to the committee meeting:
 - (A) A list of all current CE providers;
 - (B) A list of all current QE providers;
 - (C) A list of providers up for their periodic review;

- (D) A list of the 50 top selling CE courses;
- (E) A list of the 10 top selling QE courses; and
- (F) A list of any complaint, mandatory or targeted audits conducted since the previous year's report

(ii) The Senior Reviewer shall review the reports prepared by the CTEC staff CP28(d)(5)(i), and prepare a report for the CPS committee recommending providers/courses for audit from the most widely used courses. The Senior Reviewer's report shall also include recommendations, if any, for targeted audits – CP28(f) – while taking into consideration those subject to periodic review, mandatory audits and the courses selected for the "most used" audits. Note: Targeted audit recommendations can also be at other times in the year, and are included here to avoid duplication.

(e) - Audit as the Result of a Complaint: Written complaints, relating to poor quality of course material, the use of restricted publications, and/or the incorrect allocation of CE credits shall be reviewed by the Senior Reviewer who recommends whether an audit is appropriate and the reason for the audit.

(1) CTEC Provider Complaint Form: Only complaints submitted on a current CTEC Provider Complaint Form will be reviewed for potential audit.

(2) Audit Decision: The CPS committee shall be provided with the Senior Reviewer's recommendations and the decision whether to audit a course shall be made by the CPS committee at a regularly scheduled committee meeting. If the Senior Reviewer is of the opinion the violations warrant the committee's immediate attention, the recommendation for audit shall be forwarded to the CPS committee chair who will make the decision to call a special CPS committee meeting or wait until the next regularly scheduled committee meeting to discuss and make a decision on the Senior Reviewer's recommendations.

(f) - Targeted Audits: CTEC reserves the right to select courses for audit and to audit courses where CTEC suspects a course is not in compliance. Where the curriculum review staff suspects a course is being offered with excessive credit hours or standards violations, the Senior Reviewer shall prepare a recommendation for audit, including the reasoning and submit it to the CTEC staff. Where the Senior Reviewer recommends audit, the CPS committee shall be provided with the Senior Reviewer's recommendations and the decision whether to audit a course shall be made by the CPS committee at a regularly scheduled committee meeting. Should the Senior Reviewer believe the violations warrant the committee's immediate attention, the recommendation for audit shall be forwarded to the CPS committee chair who will make the decision to call a special CPS committee meeting or wait until the next regularly scheduled committee meeting to discuss and make a decision on the Senior Reviewer's recommendations.

(g) - Mandatory Audit:

- (1) If the IRS disqualifies a CE provider, CTEC will also disqualify the CE provider. When that occurs, if that CE provider is also a QE provider, the review staff will audit the provider's QE course;
- (2) If a provider fails a CTEC review for either CE or QE, the other type of course they offer will be audited;
- (3) In addition, if the provider fails either an audit or periodic review, consideration will be given to audit other courses offered by that provider.

(h) - Audit Criteria: Audits will look at the measurement of credit hours, overly simplistic questions, confusing textual material, assistance with the answers, the use of government publications, and other areas of educational concern.

(i) – Curriculum Provider Cooperation: A curriculum provider whose course is under audit, will, at CTEC's request, complete and return, within 10 business days of the request, a completed Provider Application Checklist for the course under audit. The request shall be made to the curriculum provider's e-mail address of record. Failure to



provide the completed checklist within the required time frame will, at the discretion of CTEC, cause the provisions of CP14(c)(6)(B)(iii) to apply.

(j) - Disqualification: When the CTEC curriculum review staff, during an audit, determines that the course under audit does not meet CTEC standards and requirements, the provisions of CP14(c)(6)(B)(iii) shall, at the discretion of CTEC, apply. In addition, the provisions of Policy CP18 may apply as CTEC deems appropriate.

(k) - Repetitive Disqualifications: If a provider has more than one course disqualified in a CTEC CE reporting year, the provisions of CP18(b) or CP18(c) may apply as CTEC deems appropriate.

Approved November 16, 2012

Curriculum Provider Standards Committee

Responsibility: Curriculum Provider Standards Committee