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## CURRICULUM PROVIDER NON-COMPLIANCE

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**(a) - Background:** The Tax Preparers Act (California Business & Professions Code Sections 22250-22259) states that “protection of the public shall be the highest priority for the council in exercising its registration and disciplinary authority, and any other functions. Whenever the protection of the public is inconsistent with other interests sought to be promoted, the protection of the public shall be paramount. To promote competent tax preparation, CTEC administers an education program designed to ensure that California tax preparers’ skills are enhanced through Qualifying (QE) and Continuing (CE) education. To that end, CTEC monitors and enforces educational standards designed to ensure that the mandate is carried out.

**(b) - Provider Non-compliance:** Whenever CTEC determines that a curriculum provider is not adhering to the established CTEC standards, the provisions of CP14(c)(12)(B)(iii) will apply, subject to appeal rights outlined in CP03. CTEC may take any of the following actions:

- (1) Reduction or Elimination of Credit** – Reduce or eliminate credits awarded (the provisions of CP13(p) will apply) and the amount of credit allowed will be based upon the provisions of CP13, CP13A and CP23.
- (2) Retroactive Reduction of Credit** – Retroactively reduce or eliminate credits awarded. The amount of credit allowed is based upon the provisions of CP13 and CP23.
- (3)** When the education credits are reduced or eliminated, all affected students of the curriculum provider who have been awarded excessive CTEC credit will be notified of the administrative action taken by CTEC. Students adversely affected must take steps to fulfill their CTEC education requirements.
- (4)** In the event a reduction or elimination of credits, under CP18(b)(1) or (2) above, occurs after August 1 of a renewal cycle year, the affected students will be granted an extension until the following December 31 to complete their annual registration.
- (5)** If an applicant for approved provider status (or their agent or assign) represents that the applicant is approved by CTEC, or represents that their courses are approved by CTEC, when they are not, CTEC may deny their application for approved provider status and the applicant (or their agent or assign) may not re-apply to be an approved provider for a period of two years.

**(c) – Flagrant Non-compliance:** When the non-compliance is found to be flagrant or intentional CTEC has the authority to revoke the approved status of the provider effective 10 days after notice is sent to the provider at the provider’s last known address given to CTEC. Under this provision, CTEC may, upon the majority vote of the Board of Directors, revoke that curriculum provider’s approved status for a period of up to two years, during which time the provisions of CP14(c)(6)(B)(iii) will apply.

(1) Examples of flagrant non-compliance include:

- (A) Issuing CTEC education credits without appropriate student study.
- (B) Submitting a different course with an application or periodic review than is offered for sale to CRTPs.
- (C) Providing students with answers to exam questions and/or assisting them in passing the course exam.
- (D) Knowingly issuing exaggerated education credits.
- (E) Failing to make required course material changes.
- (F) Knowingly violating CTEC policies.
- (G) Committing and being found guilty of a criminal act involving moral turpitude.
- (H) Any other non-compliance which is found by CTEC to be of such a nature that the educational value of the course is seriously impacted.

Approved: January 9, 2001

CTEC Curriculum Provider Standards Committee

**Responsibility: Curriculum Provider Standards Committee**