



AICPA®

NASBA

National Association of State Boards of Accountancy

# CPA Evolution

*Reimagining CPA licensure*

*Dan Dustin, VP, State Board Relations, NASBA*

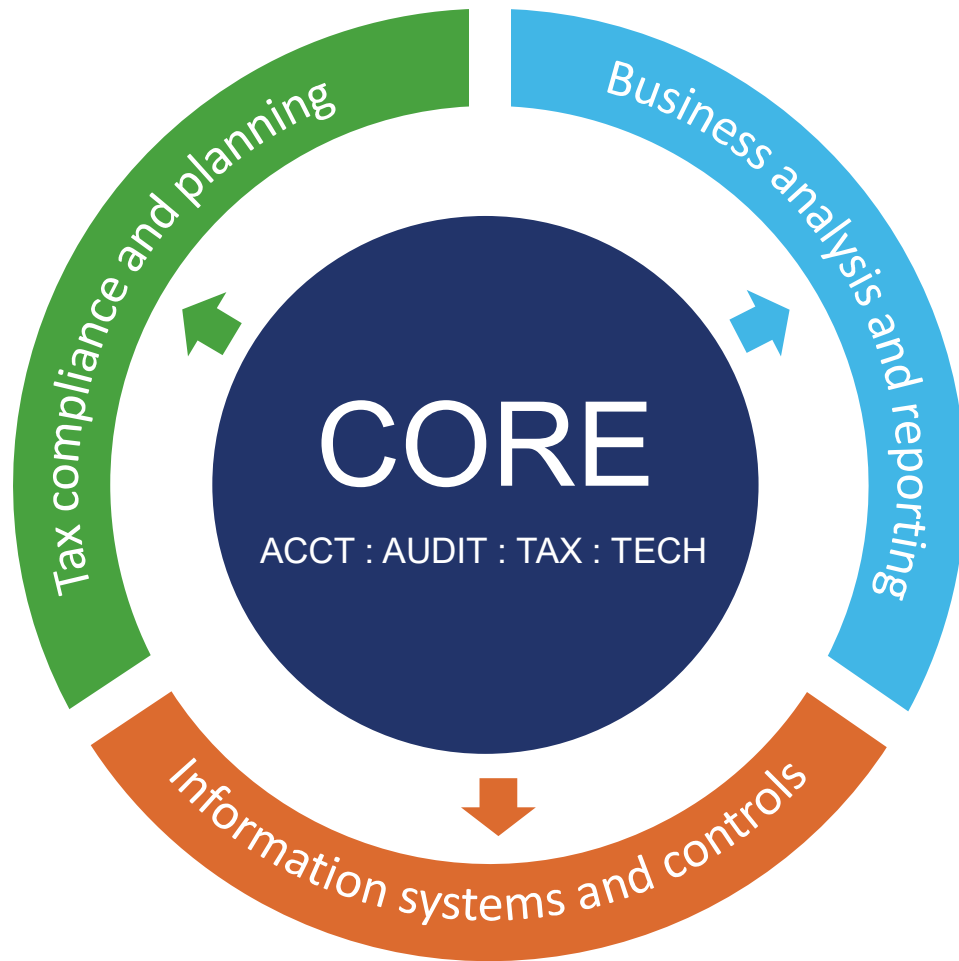
*Carl Mayes, Associate Director – CPA Quality & Evolution, AICPA*

*Jan Taylor-Morris, Academic in Residence, AICPA*

The background of the slide features a dynamic, abstract pattern of glowing blue and white light trails. These trails are curved and layered, creating a sense of motion and depth, reminiscent of a high-speed digital or optical effect. The colors range from deep navy blue to bright cyan and white highlights.

# CPA Evolution

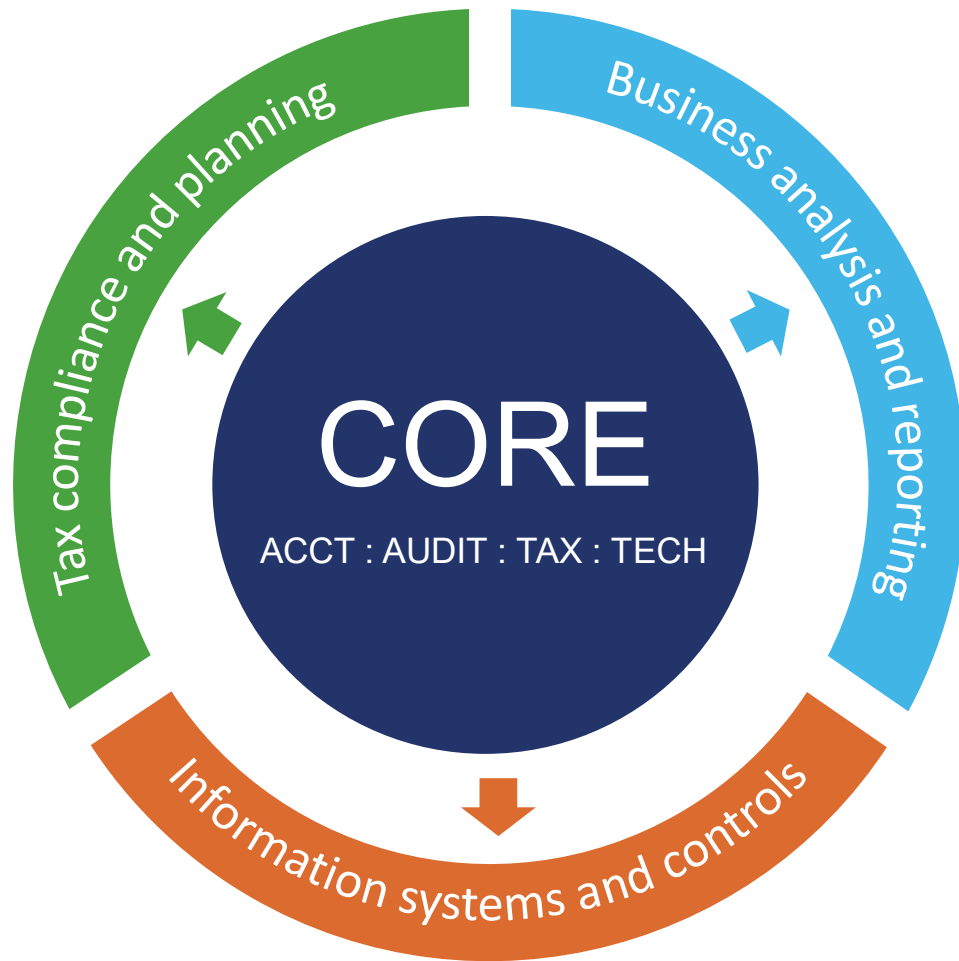
A combined NASBA-AICPA initiative aimed at evolving CPA licensure to reflect the skills and knowledge CPAs increasingly need in a technology-driven marketplace



## New model

New Exam: expected Jan. 2024

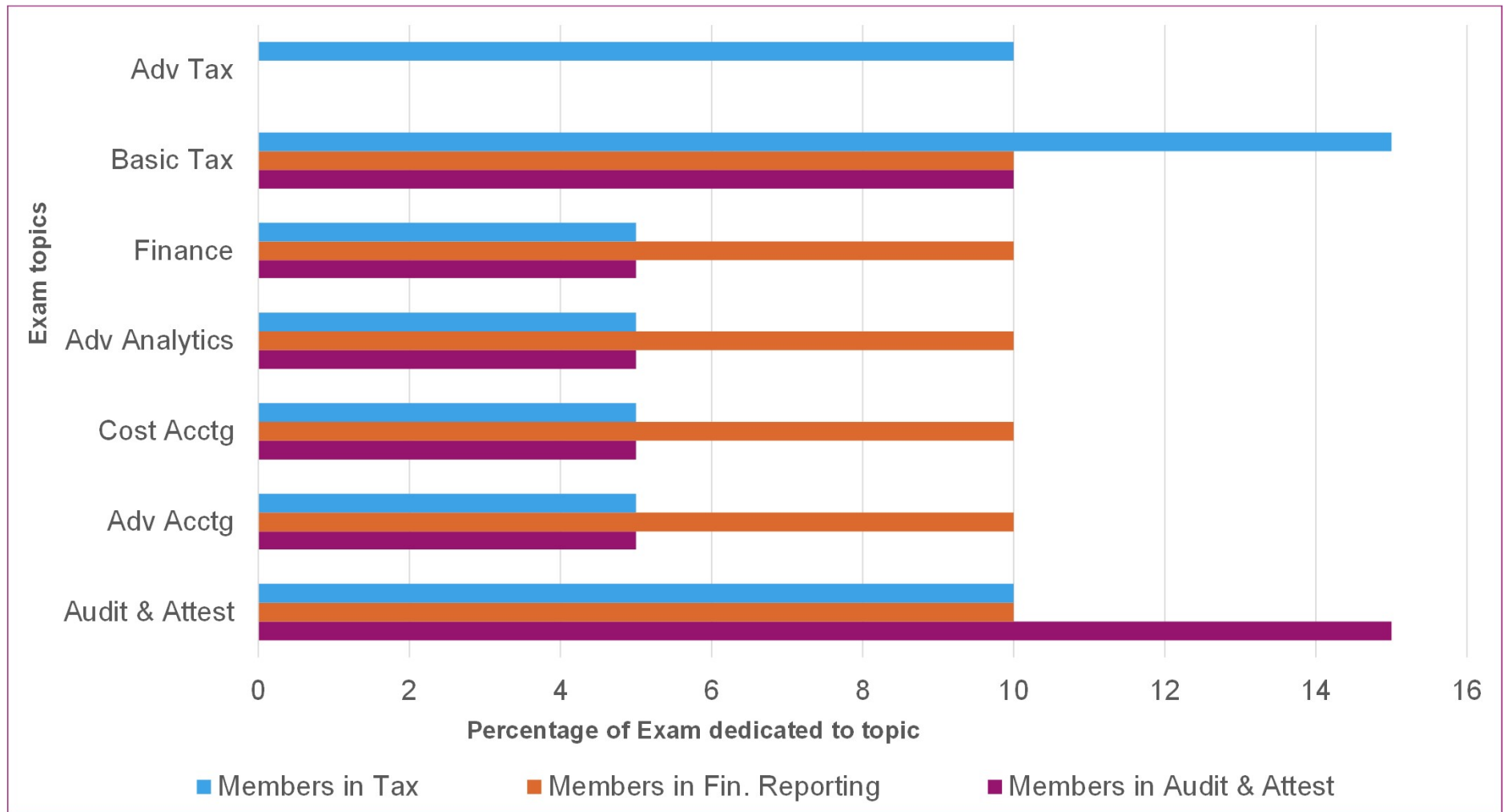
= CPA



## New model

- Strong core with accounting, auditing, tax and technology
- Deeper knowledge in three primary disciplines
- Reflects reality of practice
- Adaptive and flexible
- One CPA license
- Enhances public protection

## AICPA Governing Council: Different emphasis based on candidate's intended area of focus



# CPA Evolution is moving forward



For feedback on how we can assist you through this transition, please reach out to us at

[Feedback@EvolutionofCPA.org](mailto:Feedback@EvolutionofCPA.org)

# Questions we heard

**Exam**

**Candidates**

**Academia**

**Impact on states**

## What might the Exam look like?

What we expect would stay the same:

- Designed for 1-2 year level
- No more than a 16-hour Exam
- No new experience requirements to sit for the Exam
- Candidates pass 4 sections
- Exam sections can be taken in any order
- No separate time limits to pass core and discipline



*This presentation reflects current directional thinking*



# How might the Exam change?

## Navigating the core + disciplines:

- Candidates pass the three core sections and one discipline section (max = 4 sections)
- Candidates don't have the option to pass additional disciplines
- All sections cover discrete content and a range of skills (including higher order)
- Discipline passed will not differentiate the license granted



*This presentation reflects current directional thinking*

# What kind of candidate might sit for each discipline?

## ISC



Targeted to candidates interested in various roles in assurance or advisory services related to a client's

- Business processes
- Information systems
- Information security and governance
- IT audit

## BAR



Targeted to candidates interested in

- Assurance or advisory services
- Financial statement analysis and reporting
- Technical accounting
- Financial and operations management

## TCP



Targeted to candidates interested in various roles concentrated in

- Individual tax compliance and planning
- Personal financial planning
- Entity tax compliance and planning

*This presentation reflects current directional thinking*

What content might appear **ISC**? (Final content will be determined through practice analysis)

IT governance	Information security
Data governance	Tests of internal control
IT risk assessment	System and Organization Controls (SOC) engagements

*This presentation reflects current directional thinking*

## What content might appear in **BAR**? (Final content will be determined through practice analysis)

Financial statement analysis (including data analytics)	Operations management
More advanced financial accounting topics	Emerging reporting frameworks
Financial management	State & local gov't deep dive

*This presentation reflects current directional thinking*

What content might appear in **TCP**? (Final content will be determined through practice analysis)

More advanced individual tax compliance and planning topics	More advanced entity tax compliance and planning topics
Personal financial planning	

*This presentation reflects current directional thinking*

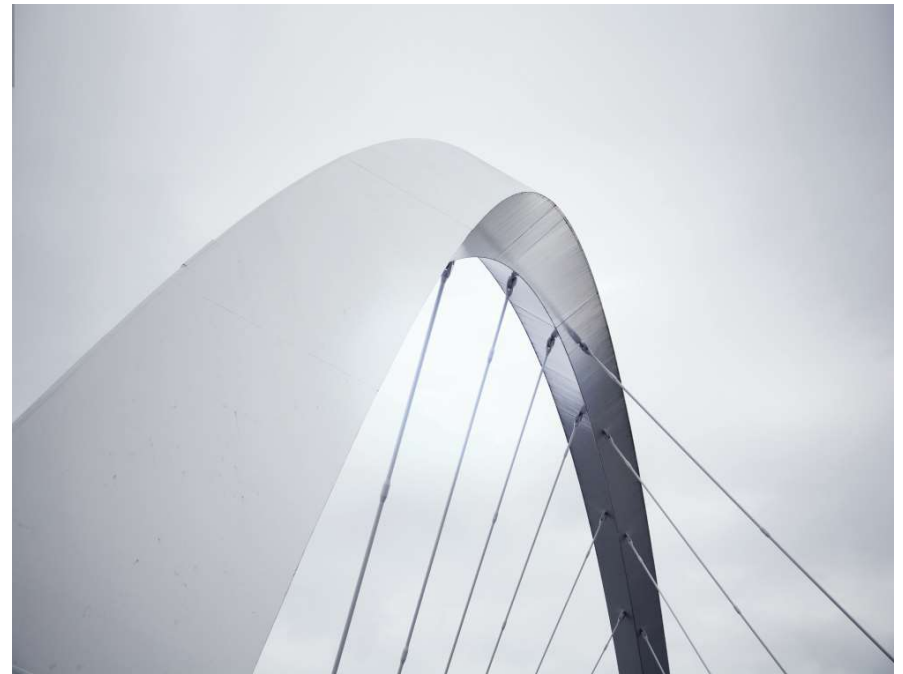
## Exam change timing

- Practice Analysis underway
- Exposure Draft for public comment available mid-2022
- Goal: Launch new Exam in January 2024



# CPA Exam Transition Task Force

- **Objective:** Develop recommendations for candidate transition when new Exam is launched
- Early 2021
  - Finalize initial recommendations
  - Circulate with SBOAs



# Questions we heard

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## Student survey

We surveyed 639 students and recent grads through:

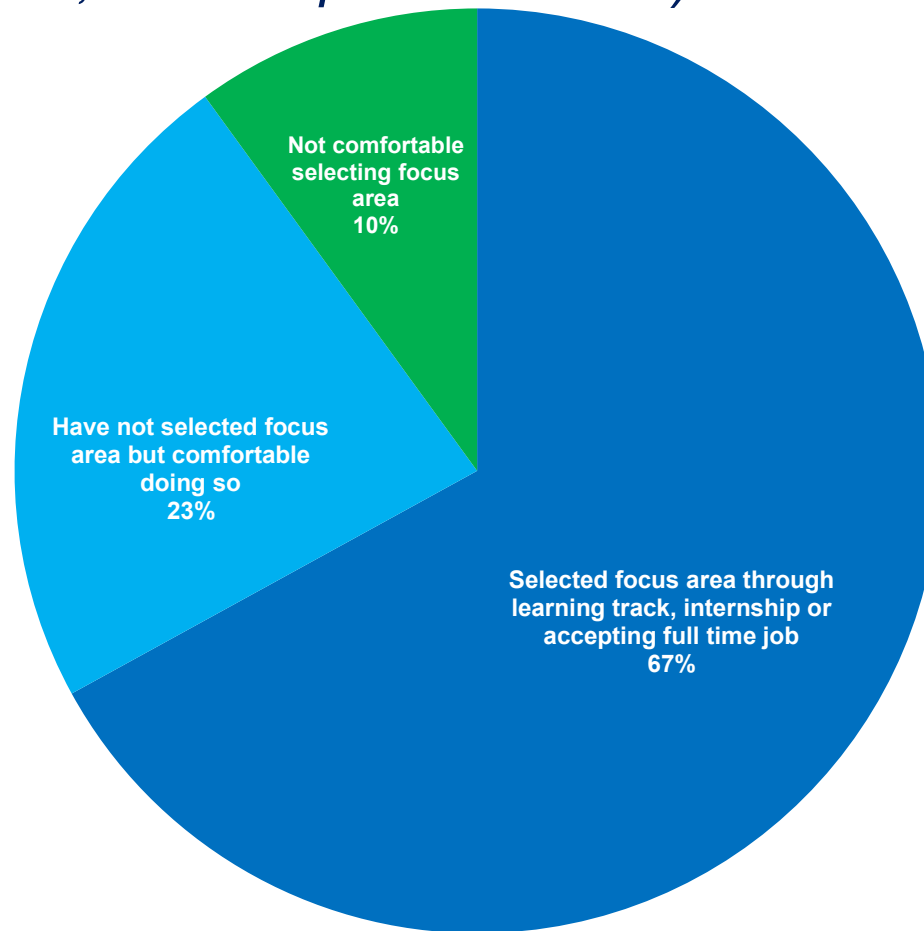
- NASBA channels
- AICPA channels
- This Way to CPA
- State CPA societies
- Business schools



Are candidates ready to select a discipline?

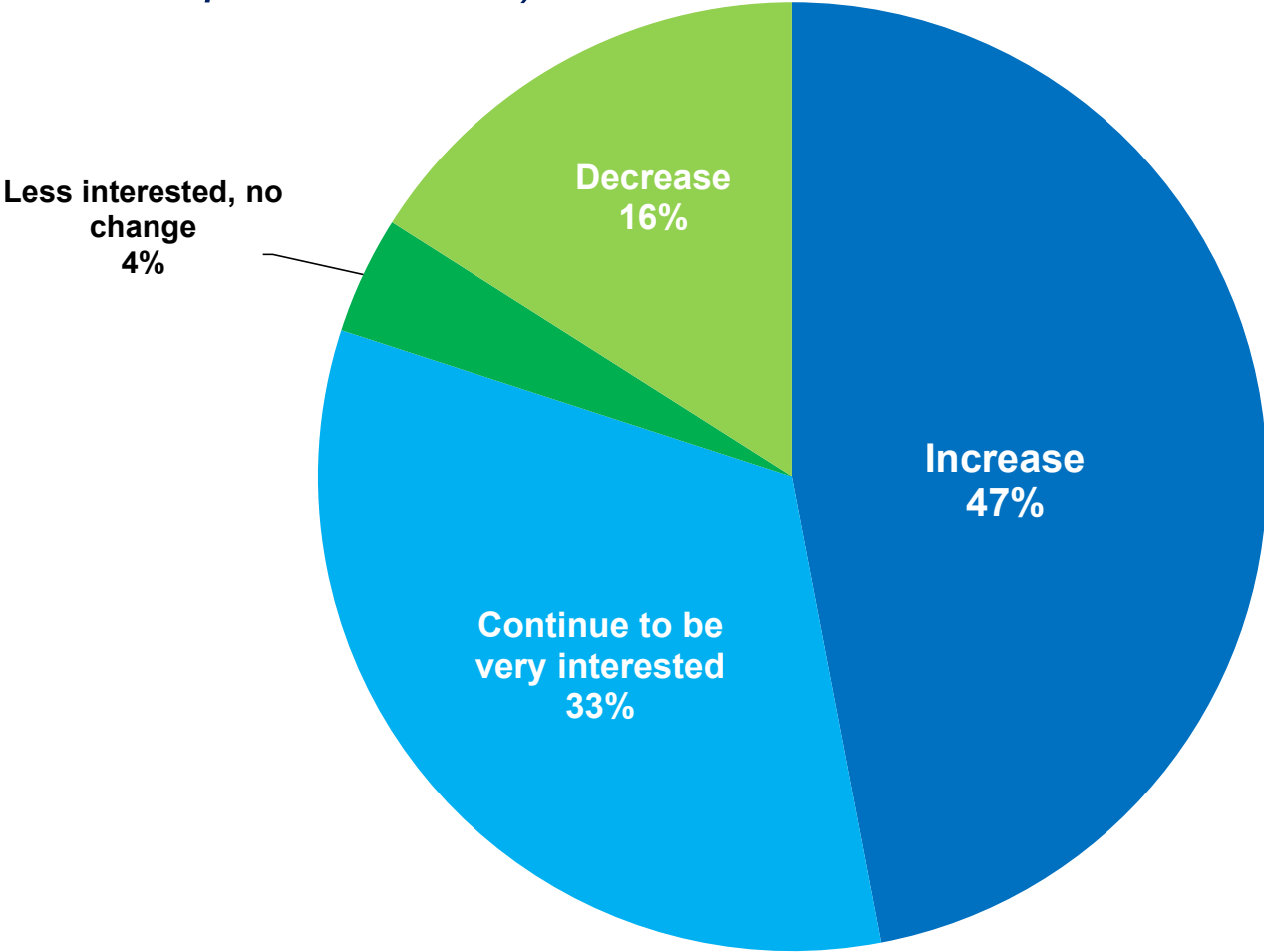
*Have you selected a practice area on which to focus?*

*(Accounting majors, total responses = 332)*



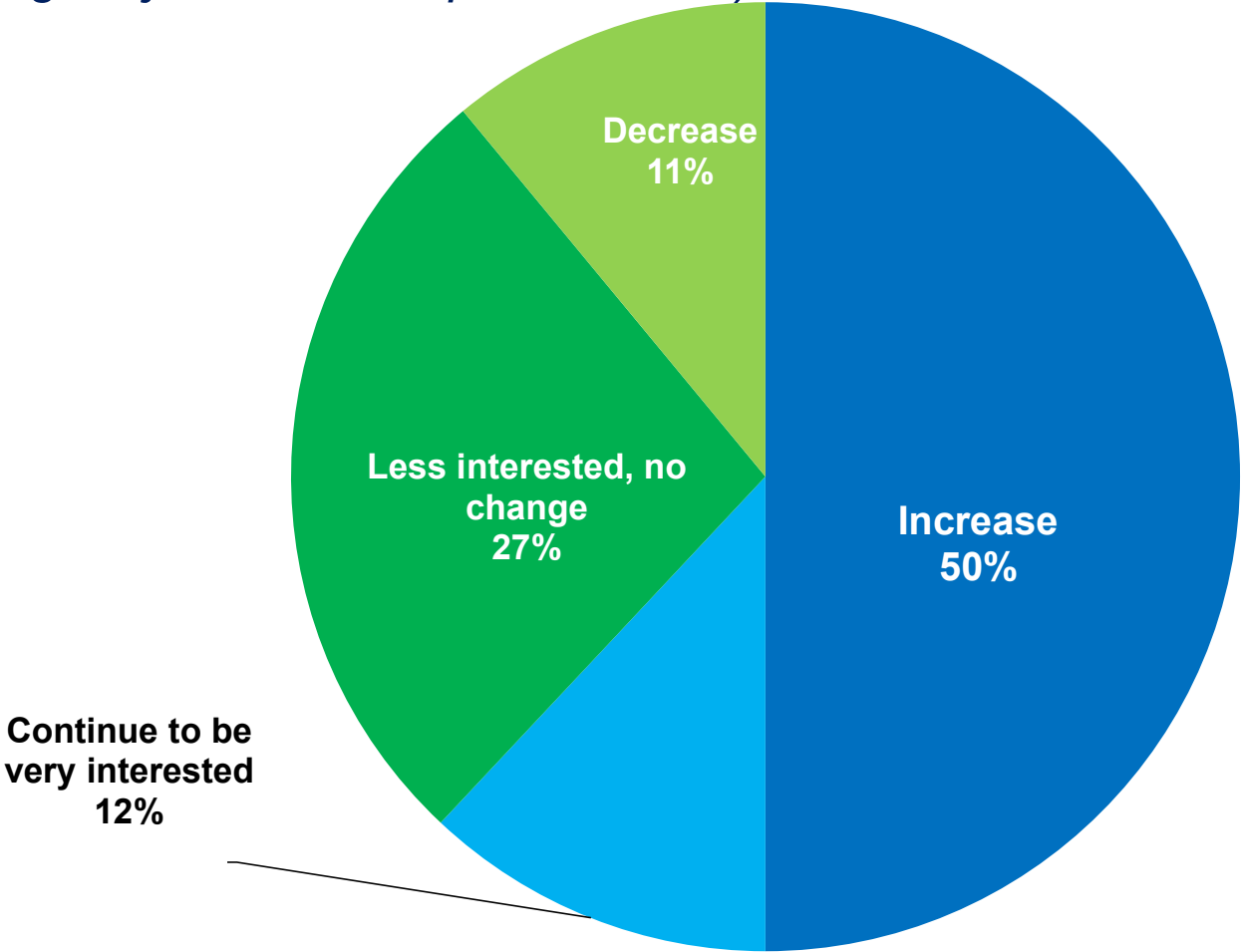
# Will candidates be interested?

*How would CPA Evolution affect your interest in becoming a CPA? (Accounting majors, total responses = 519)*



# Will candidates be interested?

*How would CPA Evolution affect your interest in becoming a CPA? (Non-accounting majors, total responses = 98)*

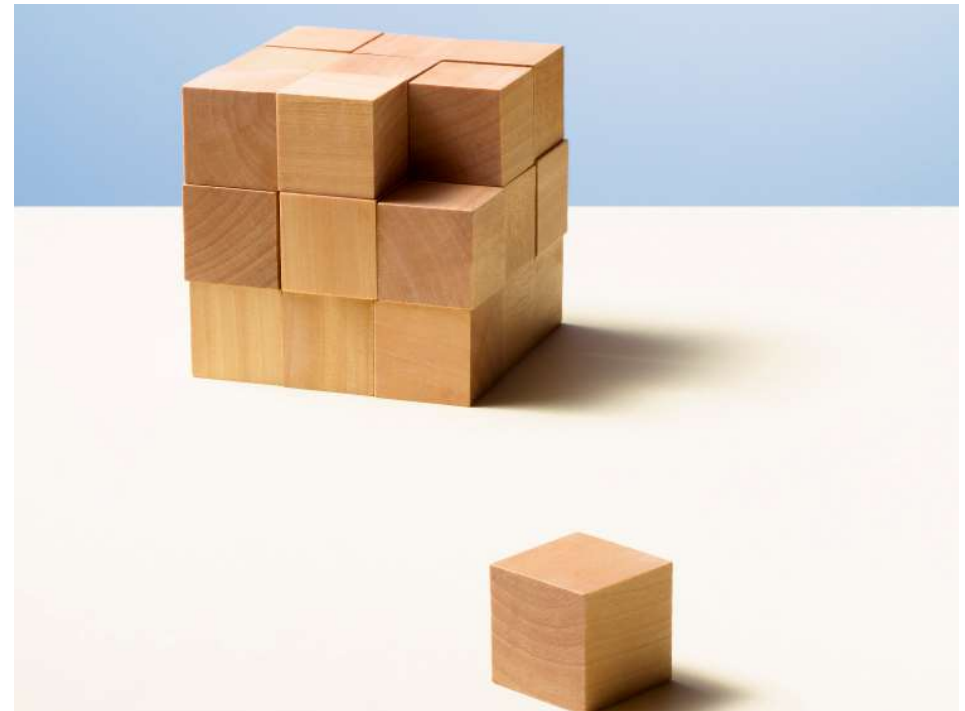


## Will the disciplines change hiring behavior?

Hiring managers from firms with 50+ personnel:

- Consistent with current hiring practices
- Discipline would be similar to Masters of Tax vs. MAC

Candidates would not be limited to working in discipline chosen for exam purposes



# Questions we heard

**Exam**

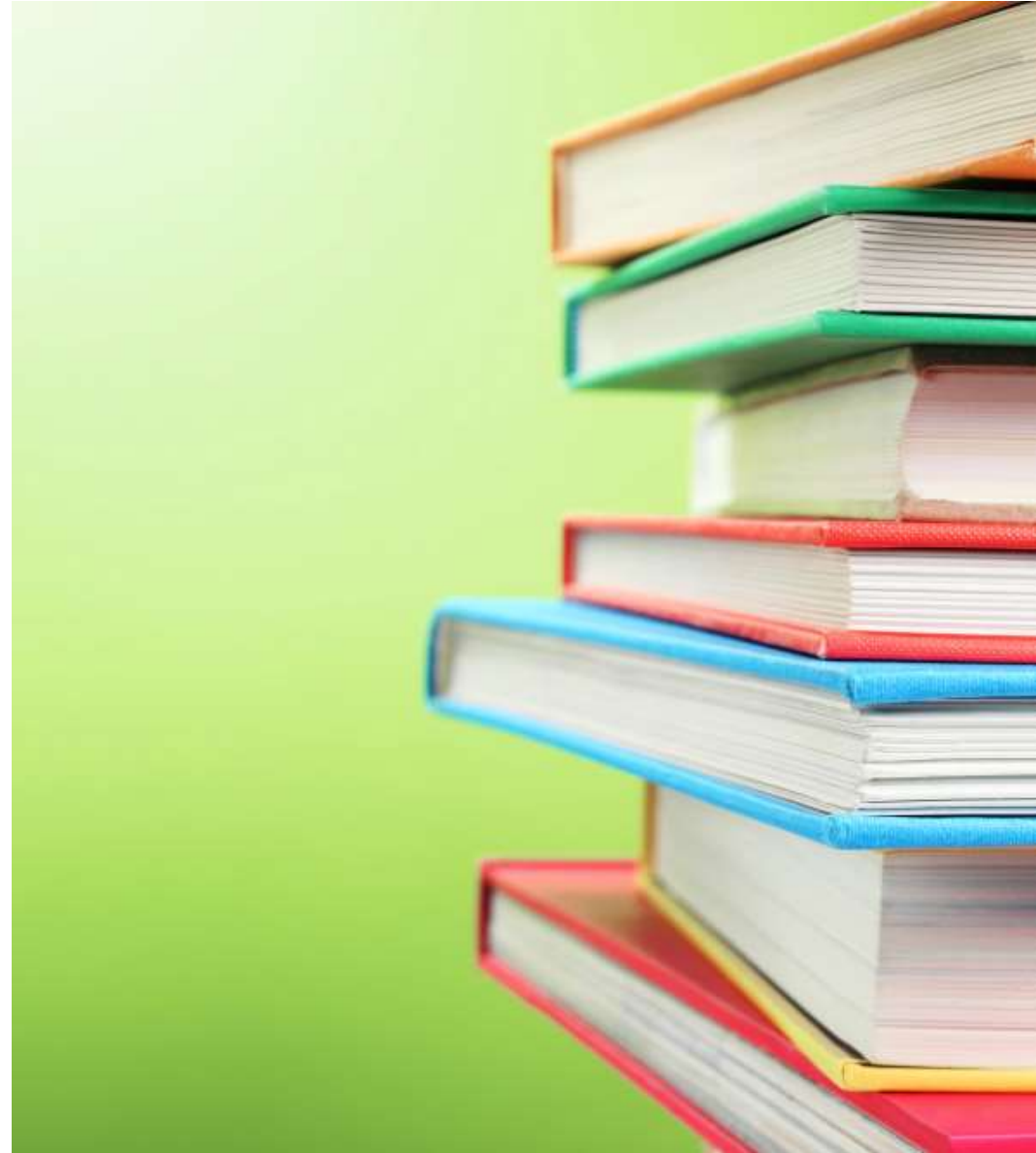
**Candidates**

**Academia**

**Impact on states**

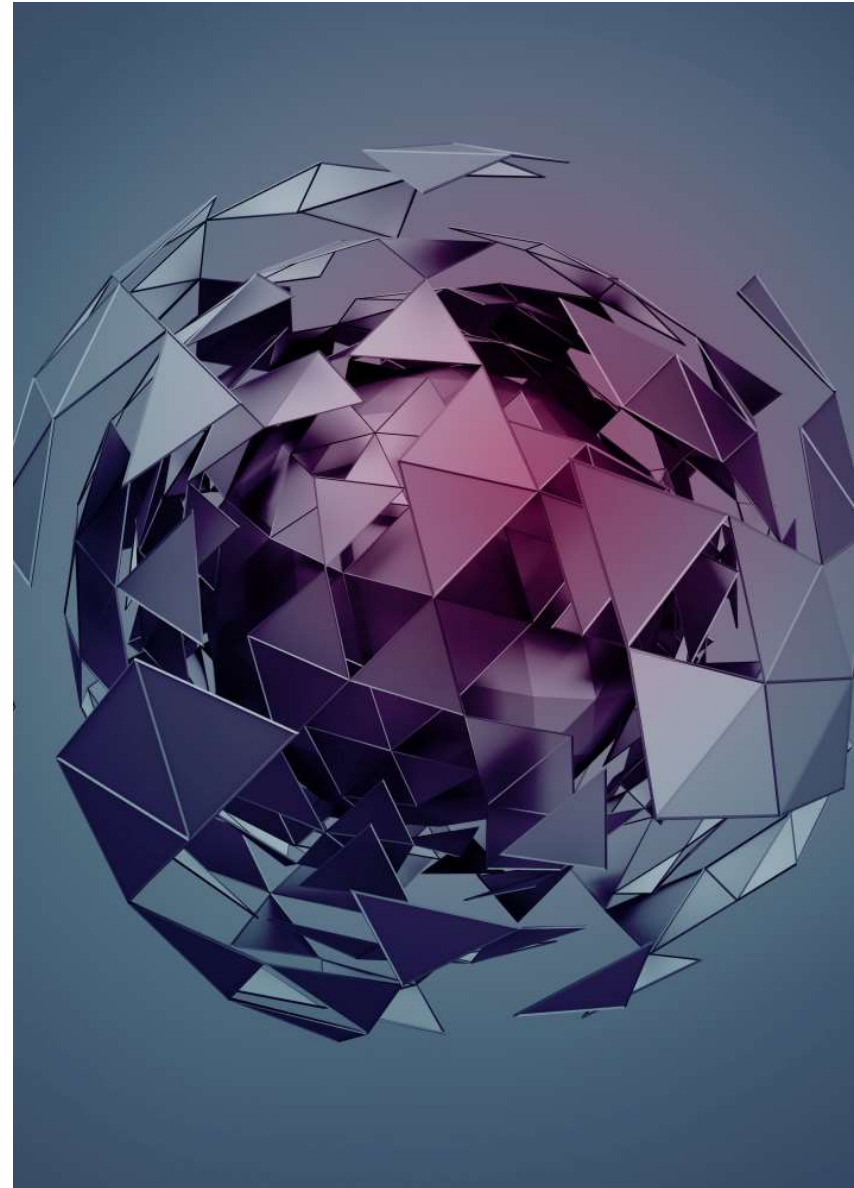
## How will this affect universities?

- Joint AICPA/NASBA Education Advisory Group
- Small school, HBCU discussion groups
- Academic survey of 150+ educators
- NASBA and AICPA Education Committees
- AAA and AACSB leadership



# Model curriculum

- Same starting point as 2024 CPA Exam
- Four task forces (core, three disciplines)
  - Faculty and practitioners
  - Cross pollination with Exam subcommittees
- Expected to include
  - Detailed topics and learning objectives
  - High-level recommendations on curriculum structure
- **Goal: Launch in June 2021**





# Academic Resource Hub

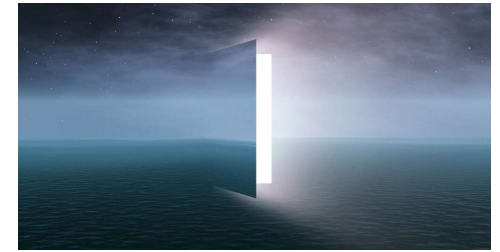


**200+ resources  
available**

*Data analytics, blockchain  
and more*



**Resources from  
faculty, AICPA, PwC,  
Deloitte, CAQ**



**Free faculty access**

*Educator login on [This Way to CPA](#)*

## Access cases, articles and videos addressing...

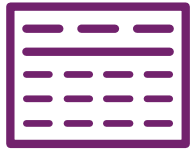
Intro to databases	IT governance
Data analytics in risk auditing	Cybersecurity
Predictive analytics	Blockchain
Data modeling	Cryptocurrency
Data visualization and Tableau	Robotic Process Automation
Digital acumen	And more!!!

# Curriculum gap analysis

- Survey sent to accounting department chairs
- Are their accounting programs teaching:
  - Data analytics
  - IT audit
  - Cybersecurity
  - And more
- Results informing faculty resource creation



# Gap analysis results



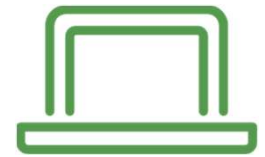
## Data analytics



## Predictive analytics



## SOC



## Digital acumen

Accounting undergrads	% that teach topic	Accounting undergrads	% that teach topic	Accounting undergrads	% that teach topic	Accounting undergrads	% that teach topic
1 – 50	51%	1 – 50	31%	1 – 50	17%	1 – 50	15%
51 – 100	77%	51 – 100	38%	51 – 100	25%	51 – 100	32%
101+	79%	101+	58%	101+	32%	101+	30%

# Gap analysis results



## Cybersecurity



## IT audit



## IT governance



## IT risk

Cybersecurity		IT audit		IT governance		IT risk	
Accounting undergrads	% that teach topic	Accounting undergrads	% that teach topic	Accounting undergrads	% that teach topic	Accounting undergrads	% that teach topic
1 – 50	33%	1 – 50	60%	1 – 50	40%	1 – 50	42%
51 – 100	45%	51 – 100	66%	51 – 100	45%	51 – 100	39%
101+	51%	101+	68%	101+	42%	101+	48%

# How do we fill the gaps?

- Textbook publisher outreach
- Build out Academic Resource Hub
  - Case competition
  - Explore partnership with practitioners
- Monthly Faculty Hour webinars
  - Free (with CPE where appropriate)
- AICPA certificate programs
  - Deeply discounted for faculty



# Questions we heard

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## Required state changes

CPA Evolution *requires*:

- Statutory changes in 1 state:  
OK
- Rules changes in 7 states:  
CT, IN, KY, MA, NY\*, TX, WA



\*The New York rule changes are complete



# Changes to the Uniform Accountancy Act Model Rules

**Align the UAA Model Rules with majority of state rules**

**Recognize the large role technology plays in the CPA profession**

**Expand number of credit hours that can be earned through internships**

**Clarify the role that accreditation plays when a state board reviews a transcript**

Exposed 5/26 – 8/31/2020  
NASBA BOD approved 10/13/2020

# What's next?

- **2021**
  - Exam practice analysis
  - Model curriculum available for faculty
- **2022**
  - Exam Blueprint exposed for public comment
- **2024**
  - New Exam launches



## What educators can do now


- Learn more about [CPA Evolution](#)
- Sign up for [Extra Credit Newsletter](#)
- Visit [Academic Resource Hub](#)
- View upcoming and archived [Educator Webinars](#)
- Review the latest [CPA Exam Blueprint](#)
- Keep up with the development of [CPA Evolution-Aligned Model Curriculum](#)
- Get involved with [Academic Volunteer Opportunities](#)



# NASBA Education Research Grant Program

- Established in 2011
- Through March 15, 2021, faculty and post-doctoral researchers seeking funding in 2021 are invited to submit grant proposals for consideration.
- Applicants are encouraged to submit proposals in advance of the deadline
- Grant recipients will be announced in summer 2021
- For more information, please visit:

<https://nasba.org/education/researchgrants/>



**Searching for Research Funding?  
Submit a Proposal for NASBA's Accounting Education Research Grants Program.**

The National Association of State Boards of Accountancy (NASBA) announces its Accounting Education Research Grants Program. This program seeks to advance research on educational issues impacting certified public accountants (CPAs), the public accounting profession and state boards' charge to protect the public.

**BACKGROUND**

The National Association of State Boards of Accountancy (NASBA) serves as a forum for the 55 Boards of Accountancy. NASBA's mission is to enhance the effectiveness and advance the common interests of the Boards of Accountancy.

**NASBA's Vision:**  
NASBA will provide Boards of Accountancy the highest level of support in their regulation of the profession by:

- Providing visionary leadership
- Speaking as a trusted collective voice for the Boards on national and international issues
- Supporting Boards as effective stewards of the public interest
- Performing all services with excellence
- Promoting ethics and integrity

**DESCRIPTION**

Research grants are available for faculty and postdoctoral researchers at institutions of higher education. The grants are competitive. Research in areas helping NASBA and the State Boards of Accountancy protect the public and be better resources to the public accounting profession are given preference when making the research awards. NASBA encourages recipients to work with the American Institute of Certified Public Accountants (AICPA), the American Accounting Association (AAA), and other organizations to present and publish results of the funded research.

**Research interest areas include, but are not limited to:**

- Integrating data analytics and AI as part of an accounting education
- Diversity in the CPA profession
- CPA Pipeline related topics
- Impact of licensing requirements on students' decisions to pursue accounting careers

[www.nasba.org/researchgrants](https://www.nasba.org/researchgrants)

Research grants are available for faculty and postdoctoral researchers at institutions of higher education.

NASBA will fund and award grants totaling up to \$25,000 for one-year research projects.

A maximum of three (3) research grants will be awarded per year.

The Call for Proposals deadline is March 16, 2020. Applicants are encouraged to submit proposals in advance of the March 16 deadline.

Thank you