

Position and Issues Statements of the Accounting Education Change Commission

Issues Statement Number 2 AECC Urges Decoupling of Academic Studies and Professional Accounting Examination Preparation

July, 1991

This Statement is issued by the Accounting Education Change Commission (AECC). The AECC was appointed in 1989 by the American Accounting Association and supported by the Sponsors' Education Task Force, representing the largest public accounting firms in the United States. Its objective is to be a catalyst for improving the academic preparation of accountants so that entrants to the accounting profession possess the skills, knowledge, and attitudes required for success in accounting career paths.

The Accounting Education Change Commission (AECC) urges schools and students to maximize the educational opportunities provided by collegiate curricula. A primary concern of the Commission is the disruption in students' education caused by their taking examination review courses and engaging in other activities of a review nature in preparing to write professional examinations. Often students who take a professional examination near the conclusion of their college studies divert their efforts from their academic pursuits to preparing for such examinations. As a result, the full potential of the curriculum is not realized. Therefore, the Commission believes all activities that are primarily of a review nature designed for professional examination preparation should be deferred until the student has completed the education requirements of the respective examining agency.

The Commission also believes that degree credit should not be given for courses that are designed primarily to review for professional examinations. Curriculum objectives should be focused more broadly. Likewise, those organizations administering professional examinations, e.g., state boards of accountancy, should not recognize courses (1) for credit as part of the educational requirement to sit for the examination or (2) for awarding the certificate if those courses are offered primarily as a review of materials previously covered.

The Commission recognizes that implementing these changes may be controversial. Nevertheless, it is convinced that their implementation will enhance the quality of the educational experience of those preparing to enter the profession.

CPA EXAMINATION

The Accounting Education Change Commission recommends that candidates for the CPA Examination be required to complete their state's education requirements prior to applying to sit for the examination. The Commission urges State Boards of Accountancy and state legislative bodies in those states where such a requirement does not currently exist to amend the state board rules and/or state law as needed to achieve this objective.

The Commission believes that postponing applying to take the CPA Examination until the state's education requirements have been fulfilled will be beneficial in situations where schools complete the spring semester prior to the May examination. If candidates were merely required to complete the educational requirements prior to sitting for the CPA Examination, the incentive to devote the final semester to preparing for the examination rather than to their academic pursuits would not be removed at these institutions. Further, requiring candidates to complete the jurisdiction's educational requirements prior to applying to sit for the examination may lessen the administrative burden on state boards.

In calling for this shift in timing in the preparation for the CPA Examination, the AECC is joined by the

American Institute of Certified Public Accountants and the Uniformity of Regulation of the Accounting Profession Model Bill Task Force.

CMA EXAMINATION

The Institute of Certified Management Accountants of the Institute of Management Accountants (formerly the National Association of Accountants) allows students to apply for admission to the CMA program when they attain senior standing and to take the examination pending receipt of degree.

The Accounting Educational Change Commission recommends that candidates for the CMA Examination be required to complete the ICMA's education, including degree, requirements prior to applying to sit for the examination.

CIA EXAMINATION

The Institute of Internal Auditors permits full-time students to apply to take the Certified Internal Auditors (CIA) Examination during final year of their baccalaureate or graduate degree program and to take the examination immediately upon completion of their baccalaureate program.

The Accounting Education Change Commission recommends that candidates for the CIA Examination be required to complete the Institute of Internal Auditors' education, including degree, requirements prior to applying to sit for the examination.

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