

## Management Accounting Section

9009 Town Center Parkway, Lakewood Ranch, FL 34202

P: 941.921.7747 | F: 941.923.4093

E: info@aaahq.org



August 16, 2021

### **American Accounting Association Management Accounting Section Response to AICPA/NASBA CPA Evolution Model Curriculum**

The Management Accounting Section (MAS) of the American Accounting Association (AAA) is dedicated to the practice, research, and teaching of management accounting. The MAS comprises over 700 active members, with members from all over the world. The AICPA and MAS have a long-standing partnership focused on advancing management accounting scholarship, practice, and education. Our partnership includes honoring management accounting scholarship through the Best Early Career Researcher, Impact on Management Accounting Practice, and Lifetime Contribution to Management Accounting awards; supporting management accounting practice by promoting the Chartered Global Management Accounting (CGMA) designation; and improving management accounting education through events like CGMA Teaching Symposium, which has become an important forum for discussing pressing issues related to management accounting education.

This letter contains our section's response to the recent launch of the AICPA/NASBA CPA Evolution Model Curriculum on June 15-16 and our call that the AICPA/NASBA work with the AAA and all its sections to develop teaching materials. The views expressed in this letter are those of the MAS leadership team, and do not represent an official position of the AAA.

We are extremely disappointed that the AICPA and NASBA are developing and promoting a CPA Evolution Model Curriculum. Developing and promoting a curriculum designed to teach to a single certification exam sends a very negative signal about the value of an accounting education. The current efforts surrounding the CPA Evolution Model Curriculum suggest that an accounting education's primary source of value lies in the passing of the CPA exam. However, tightly linking accounting education with a single certification exam will likely deter the brightest students from pursuing an undergraduate degree in accounting. This is problematic, especially at a time when accounting programs confront declining student enrollment in the accounting major and increasingly lose ground to related disciplines like finance. Ultimately, this approach would not adequately prepare the next generation of thought leaders in accounting.

This concern becomes salient in the marketing of the curriculum. Representatives of the AICPA /NASBA highlight that the proposed curriculum reflects insights from a practice analysis that began in Fall 2020, and the curriculum reflects competencies and skills needed to succeed in the first or second year in public accounting. Thus, in supporting the new licensure model, the proposed curriculum seems overly responsive to the start of a CPA's career and short-term trends. This narrow and short-term focus raises questions about the long-term implications. What about CPAs who remain in public accounting after the second year? What about CPAs who leave public accounting, especially since many leave public accounting after two years? What about the majority of accounting graduates who pursue an education for careers outside of public accounting?

We believe that a more effective approach is focused on educating lifelong accounting professionals. Indeed, the need to think about the long-term trajectory of the accounting profession is evident in reports by the

Pathways Commission and other similar reports, such as the 2014 report by the AAA and the Institute of Management Accounting published in *Issues in Accounting Education*.<sup>1</sup>

Many universities and accounting faculty work extremely hard to develop accounting curricula to prepare lifelong accounting professionals. Indeed, curriculum development is at the heart of an academic institution's strategy. It is often a source of pride and how they differentiate themselves from other academic institutions. Curriculum development efforts of universities reflect a delicate balance in responding to the demands of key stakeholders (alumni, advisory boards, employers, and not just the AICPA/NASBA), evaluating the environment, defining core values, and developing key areas of strength. Achieving that balance relies crucially on the freedom to adapt and innovate. The proposed curriculum infringes on the ability of academic institutions to define and achieve that balance.

Concerns about the marketing of the CPA Evolution Model Curriculum have been raised by many (including the MAS), and in several forums. In responding to this concern, the AICPA/NASBA stress that their proposed curriculum is not a "one-size-fits-all" curriculum and thus does not infringe on the ability of academic institutions to develop their own curriculum. However, it is illustrative to consider the word "model," as it is prominently featured in the name of the proposed curriculum. In effect, the AICPA and NASBA argue that "model" means "sample" and that their proposed curriculum is not a "universal" curriculum to be adopted by all academic institutions. But this perspective seems to conveniently ignore other, very common definitions of the word "model." According to Merriam-Webster's dictionary, a common definition for "model" is "an example for *imitation or emulation*" (emphasis added). Furthermore, Merriam-Webster lists "definitive" as a synonym, which it defines as "serving to provide a *final solution* or to end a situation" (emphasis added). The following words are also listed as synonyms: archetypal; classic; exemplary; imitable. None of these words are akin to "sample." The AICPA and NASBA may believe that this distinction is too subtle to matter, but that seems highly unlikely given that the proposed curriculum is put forth by organizations with the level of influence and power as the AICPA and NASBA. Certainly, the AICPA and NASBA recognize they have such influence and power; if not, then it is safe to presume the proposed curriculum would not have been developed in the first place.

A simple solution is to change the name of the proposed curriculum to explicitly convey that it is a "sample" curriculum with the expressed purpose of preparing students to take the CPA exam. For example, one such name could be "CPA Evolution Exam Curriculum." However, our understanding is that the AICPA/NASBA refused to change the name of proposed curriculum, particularly if doing so requires explicitly noting this is a proposed "exam curriculum." The contradictory nature of this refusal, relative to the explanation that the proposed curriculum is not a "universal curriculum," raises significant concerns about the intent underlying the proposed curriculum.

Despite our disappointment about the development and promotion of the CPA Evolution Model Curriculum, we value our relationship with the AICPA/NASBA. Our members have greatly benefited from our partnership. Moreover, we appreciate the transparency with which the AICPA and NASBA has engaged in developing the new licensure model, and the willingness to engage with a wide range of key stakeholders including the AAA.

---

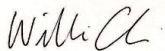
<sup>1</sup> Lawson, R. A., E. J. Blocher, P. C. Brewer, G. Cokins, J. E. Sorensen, D. E. Stout, G. L. Sundem, S. K. Wolcott, and M. J. F. Wouters. Focusing accounting curricula on students' long-run careers: Recommendations for an integrated competency-based framework for accounting education. *Issues in Accounting Education* 29 (2): 295-317.

We would enjoy continuing to partner with the AICPA/NASBA to develop teaching materials that support exam preparation, especially with respect to newer topics not currently covered by the CPA Exam.

However, we were not informed about the curriculum development efforts of the AICPA/NASBA. Unlike the process for developing the new licensure model, the process for developing the proposed curriculum was far less transparent. It was a closed process that moved quickly. Unlike with the licensure model, it does not appear that the AAA or any of its segments were invited to participate in the development of proposed curriculum, nor informed of the development process. The AICPA and NASBA note that the proposed curriculum reflects the work of several task forces that included highly-qualified faculty from a wide range of schools, and many of these faculty are likely AAA members and even MAS members. But this explanation does not address the underlying concerns about transparency, as our understanding is that task force members were prohibited from sharing updates regarding their work to external constituents such as the AAA. The need to adopt such secrecy is unclear, especially since the development process for the new licensure model did not seem to involve a similar secretive approach.

Ultimately, we all have similar objectives. We want to strengthen the role of accounting in society, attract bright students into accounting programs, and develop the future leaders in the accounting profession. We look forward to additional opportunities where we can partner together to further these important aims.

Sincerely,



Jongwoon (Willie) Choi, PhD  
University of Wisconsin-Madison  
MAS President



Michael Williamson, PhD  
University of Illinois  
at Urbana-Champaign  
MAS President-Elect



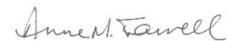
W. Timothy Mitchell, PhD,  
CPA (AL)  
University of Massachusetts  
Amherst  
MAS Secretary-Treasurer



Isabella Grabner, PhD  
WU Vienna  
MAS Immediate Past President



Alan Webb, PhD, FCPA, FCA  
University of Waterloo  
MAS Past President



Anne Farrell, PhD, CGMA,  
CPA (inactive, NY and IL)  
Miami University  
MAS Past President and  
Secretary-Treasurer