



The Uniform CPA Exam Goes Global

In October 2010, the AICPA, NASBA, and Prometric announced that for the first time in history, the Uniform CPA Examination will be offered outside of the United States. Beginning in the second half of 2011, the Exam will be offered in Bahrain, Japan, Kuwait, Lebanon, and the United Arab Emirates (UAE).

Why now?

Over the years, the number of international candidates traveling to US jurisdictions to take the CPA Exam has been on the rise. State Boards sought ways to better serve these candidates and asked NASBA to explore international administration options. The AICPA and NASBA formed a joint committee to explore this issue and determined that administering the Exam abroad would help meet growing international demand and

position the US CPA credential as an influential international designation.

The AICPA and NASBA, in consultation with state boards of accountancy, the Board of Examiners, and other major stakeholders, spent two years studying an international examination delivery program. The result is the international administration of the CPA Exam, which utilizes the state board licensure process and the current examination structure. The AICPA, NASBA and Prometric are providing the same services as they do for the domestic program, so that the Exam and the licensure process will be the same for international examinees as it is for examinees within US jurisdictions.

When will international testing start?

Beginning in the second half of 2011, candidates who qualify will be allowed to schedule their

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The Vice President's Desk **Update from Craig N. Mills**

Vice President — Examinations

As the year draws to a close, I would like to extend warm holiday wishes to our readers. 2010 was, in many ways, a remarkable year, and 2011 promises to be even more so. Have a wonderful holiday season and a happy, healthy New Year.

Retrospective

In our profession, it's important to embrace change when it happens, and engineer change when it matters.

Right now, we're in a season of change. With CBT-e we are about to embark upon the most significant change to the Examination since 2004. In 2011, for the first time in history,

candidates in five countries outside of the US will be able to take the Examination without boarding an airplane. We're welcoming new members to the Board of Examiners (BOE) and bidding farewell to those who have completed their terms of service. Four state boards have appointed new executive directors. And to top it all off, our Uniform CPA Examination Alert has a new look and feel.

BOE Recognition

This fall, we welcome six new members to the BOE, and bid farewell to five others.

With the arrival of CBT-e and the implementation of the new AICPA-NASBA-

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The Uniform CPA Exam Goes Global *(continued from page 1)*

CPA Exam at select international locations. It will be the same examination offered in the U.S. and it will be given in English only, regardless of location.

Initially, the Exam will be offered at selected Prometric testing centers in Bahrain, Kuwait, Japan, Lebanon, and the United Arab Emirates (UAE). These countries were selected based on a variety of criteria including candidate demand, local privacy and data security laws, existing technical infrastructure, and other factors.

In the future, the Exam may be offered in additional locations—the AICPA, NASBA, and Prometric continue to conduct due diligence studies. Any expansion of the program will happen slowly. Right now, our imperative is to ensure the integrity of the testing process so that candidates can take the Exam and progress toward licensure in exactly the same manner as their US counterparts. At the same time, state boards can be assured that the international administration of the Exam achieves its primary goal of protecting the public interest, both domestically and abroad.

What's so different about testing abroad?

You might think it's just the location. But there are some special elements of which international

candidates and other interested parties should be aware.

Eligibility

Candidate eligibility will be determined according to the same criteria as with the US Exam. Prospective candidates must select the U.S. jurisdiction to which they will apply, contact the Board of Accountancy (or its agent) in that jurisdiction to obtain application materials, submit completed applications and required fees, as instructed, and once deemed qualified, schedule the Examination.

Licensure

International candidates are required to agree to "informed consent," which includes the provision that they must seek licensure within three years of passing the Exam. Candidates who fail to obtain licensure within that time period will have their scores archived or deactivated.

International candidates who pass the Exam will be held to the same licensure requirements that their US counterparts are responsible to fulfill. Passing the Exam does not result in a CPA credential. All CPA candidates must also complete mandatory experience and educational requirements, as determined by state boards of accountancy. ■

Same Test, Same Process

Remember, the Exam will be the same as the one delivered in the 55 US jurisdictions. Testing procedures, including the collection of biometric data, will also be exactly the same as in the current US jurisdictions. Testing abroad should be viewed as a privilege, and strict adherence to the policies the AICPA, NASBA, and Prometric have set forth is the best way to ensure protection of the public interest.

Operations Update

by Michael Decker

All year long, Craig Mills and I have been presenting to the various constituents, including State Boards, Review Course Providers, and at NASBA meetings that "It is an exciting time for the CPA Exam and the Exams Team." I think this was the understatement of the year. CBT-e (*evolution*, not *expensive*) represents the greatest change to the Examination since it was first delivered in a CBT format in 2004, over 1,000,000 test administrations ago. Newer content including IFRS, simulations, research item types, a tape calculator, and many more improvements will be launched in 2011, shortly after the champagne corks hit the ground around the world. The back-end systems used to produce and host these test questions have also been upgraded with this release.

In addition to the launch of CBT-e, we have recently secured our future with our partners

NASBA and Prometric through an extended domestic agreement through 2024. If that isn't enough, we are also now positioned to meet the Institute's globalization goals with the signing of an international agreement whereby we will administer the Uniform CPA Examination in five countries for the first time in the second half of 2011. Stay tuned for additional details.

Record Volumes

In the final quarter of 2010, a record number of candidates sat for the Exam. In addition to the natural year-over-year growth we have been seeing since 2004, volume grew due to an influx of candidates hurrying to take the Exam before the new content guidelines take effect in January 2011. Overall, we experienced 16% year-over-year growth, which means that in all of 2010, over 300,000 sections of the Exam were scheduled, an all-time annual record.

Michael Decker, Director, Operations & Development

Since 2008, Michael has led the AICPA staff responsible for the architecture, development, production, administration, scoring, and maintenance of the Uniform CPA Examination. With extensive leadership experience in the high-stakes testing industry, Michael's mission is to ensure that the Examination meets the highest possible level of uniform certification and licensing standards, and is used to promote and protect the US CPA designation.

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Renowned Team

Finally, I would like to take a moment to thank the Examinations team for their efforts in preparing for the CBT-e transition. Under the direction of the Board of Examiners and with the oversight of the Examinations Review Board, our staff has ensured

that the new Examination will continue to protect the public interest and accurately assess the competency of entry-level CPAs.

Happy holidays and all the best for a prosperous New Year. ■

The Vice President's Desk *(continued from page 1)*

Prometric 10-year contract for Examination administration, we're reminded of the tremendous efforts of all of those who helped us reach this next phase of Examination growth. On behalf of the Examinations team, I would like to extend my gratitude to the outgoing members of the BOE for their guidance and their decisions over the past several years.

In particular, I would like to extend a note of personal recognition to Colleen Conrad, BOE member since 1999 and past Chair. Colleen worked tirelessly to ensure BOE responsiveness to the needs of state boards of accountancy. It is no understatement to say that her efforts helped transform the BOE into a collaborative body that keeps the interests of the state boards paramount. Thank you, Colleen, for service well rendered.

I would also like to take this opportunity to acknowledge our BOE Chair-Elect, Wendy Perez. Wendy has the distinction of being the first Chair named under the new AICPA-NASBA-Prometric contract, which stipulates that the Chair will alternate in two-year intervals between regulators and AICPA volunteers. Wendy comes from the California State Board of Accountancy, and her appointment marks the third consecutive regulator

to chair the BOE. We are looking forward to continued open communication between the BOE and state boards.

CPA Alert Relaunch

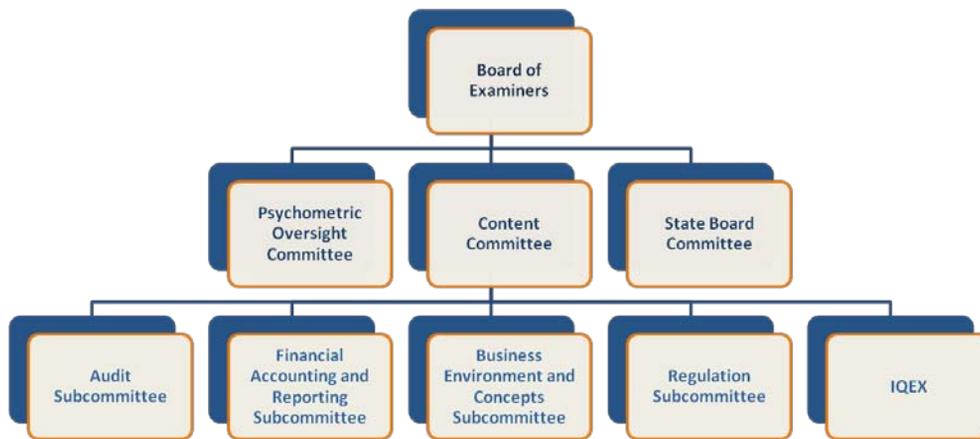
Those of you who have subscribed to the CPA Alert will notice that we've made some adjustments to the newsletter. Apart from the new design, which we hope will help you read the content more easily, we're including some new features, sidebar items, and employment opportunities.

Worthy of Review

One website that embraces change, arms us to face challenges, and gives us the tools to recognize opportunities, is ThisWaytoCPA (www.thiswaytocpa.com). If you haven't had the chance to explore the site, I highly recommend taking some time to do so. The site enables its visitors—which include college students, Exam candidates, academics, and others—to experience the journey to becoming a CPA. Its engaging content and intuitive features include an extensive Examination section, which takes candidates through the entire licensure process. I encourage you to visit ThisWaytoCPA.com and if you like what you see, spread the word. ■

Board of Examiners (BOE) Update

The Board of Examiners and Committee Structure



The Board of Examiners – the senior oversight body for the CPA Exam – held their annual fall meeting in October 2010. The primary focus of the agenda was to ensure the successful launch of CBT-e and prepare for the international administration of the CPA Examination.

CBT-e

In the October 2010 meeting the BOE was pleased to see preparations for CBT-e launch have progressed smoothly. Dr. Craig Mills, Vice President of Examinations reported that outreach efforts to discuss CBT-e matters with state boards of accountancy have proven to be fruitful. In a recent exchange with the New York State Board of Public Accountancy, discussions regarding the inclusion of IFRS on the CPA Exam were mutually beneficial as captured in the September 23 issue of the [NYSSCPA.org E-Zine](http://NYSSCPA.org).

Standard Setting

At the forefront of the CBT-e rollout discussion was Standard Setting, the process used to establish the passing score on the CPA Exam. The process is a standard practice within the high-stakes testing industry used to ensure that changes do not adversely impact the validity of an examination.

The standard setting process started development in 2008 when the Psychometric Oversight Committee (POC) started drafting plans for BOE approval. In August 2010, panelists comprising of managers overseeing entry-level CPAs reviewed a series of candidate test profiles and assigned ratings relative to entry level CPA practice. The ratings from the reviews were analyzed by the POC to assess the integrity of the results. Following the October 2010 meeting, the BOE solicited feedback

from state boards of accountancy to discuss the standard setting process. In November 2010, the BOE convened to consider recommendations from the POC and boards of accountancy, and then reviewed the results from the panelist meetings. The BOE will make a final assessment in March 2011 after evaluating scores from the first CBT-e testing window.

State Board of Accountancy Discussion

Following each standard BOE meeting state boards of accountancy are invited to discuss recent BOE activities. Included in the meeting invitation was an overview of the standard setting process and a request for comments from state boards of accountancy.

International Administration of the Exam

Administering the CPA Examination abroad marks an exciting step for the Exam and the CPA designation. Understandably, the BOE discussed the necessary steps to ensure the appropriate security measures and policies are in place to safeguard the profession. The BOE also discussed contingencies for logistical concerns such as volume and testing center location.

Technology and Development

At the October 2010 meeting the BOE considered future development for the CPA Exam. For instance researching systems that would improve the efficiency of the test development process, and improve the speed with which new developments in the profession are incorporated into the Exam. Also discussed was the development of new technology that would enable the CPA Exam to incorporate new question designs that would test skills and knowledge as they are applied in the field. ■

Standard setting on the Exam

Within the world of high-stakes testing, the term *Standard Setting* refers to the process used to determine the passing score for an exam. The process usually follows significant changes to an exam and ensures that the scores remain defensible. Standard Setting on the CPA Examination requires input from many stakeholders including entry-level managers, regulatory bodies, psychometric experts, and oversight bodies. More information on the Standard Setting process used for CBT-e may be found in the [Psychometrics and Scoring](#) section of the CPA Exam website.

Meet the New BOE Members

Lisa Cines, CPA, is currently the Officer in Charge of Business and Corporate Development at Aronson & Company. Prior to her appointment to the Board of Examiners, Ms. Cines served as a member of the AICPA Board of Directors and AICPA Council.

Ms. Cines has nearly 30 years of experience in the accounting profession. Her past experience includes officer in the Aronson & Company, Government & Technology Services Group, specializing in accounting, tax and consulting.

In 2005, Ms. Cines was named one of Washington Business Journal's "25 Women Who Mean Business," in recognition of her accomplishments in the profession.

Wynne Baker, CPA, leads the Banking Industry Team at KraftCPAs. Mr. Baker is a past member of the AICPA Board of Directors, AICPA Foundation Board of Trustees, and AICPA Council. He also served as Chairman of the Tennessee Society of CPAs, and Vice President of the NAFSA Board of Directors.

With 38 years of experience serving financial institutions, Mr. Baker has a national reputation as an authority in this field. As well as being a CPA, Mr. Baker has earned a chartered bank auditor certificate (CBA) awarded by the Bank Administration Institute, is a "preferred examiner" under the American Bankers Association Preferred Audit Program, is a certified financial services auditor (CFSA), and is certified in financial forensics (CFF) by the AICPA.

Rick Reisig, CPA, is Partner at Hamilton Misfeldt & Company PC where he has practiced since 1982. His areas of expertise include auditing for-profit companies, non-profit, and local government entities, as well as tax issues for individuals and corporations.

Mr. Reisig is an avid volunteer within the profession. In addition to his appointment to the BOE, he currently serves as a member of the AICPA Member Advisory Panel Committee. He is also a past member of AICPA Council.

Mr. Reisig is presently the Chairman of the State of Montana Board of Public Accountants and member of the NASBA Compliance Assurance Committee.

Robert Brennan, PhD., is E. F. Lindquist Chair in Measurement and Testing, and Director of the

Center for Advanced Studies in Measurement and Assessment (CASMA) at the University of Iowa.

In 2000, Dr. Brennan received the NCME Award for Career Contributions to Educational Measurement. He is also a recipient of the 2004 AERA/ACT E.F. Lindquist Award for Outstanding Achievement in Applied or Theoretical Research in the Field of Testing Measurement.

Dr. Brennan's professional involvement includes his tenure as past President of the National Council on Measurement in Education (NCME), and past Vice President of the American Educational Research Association (AERA).

Lawrence Samuel, CPA, recently retired from his position as Audit Partner with Deloitte & Touche LLP, and is past Professional Practice Director for Deloitte & Touche's Greater Washington practice. In addition to his appointment to the Board of Examiners, Mr. Samuel has accepted an appointment as Chairman of the Board of Examiners State Board Committee. Mr. Samuel draws from over 36 years of public accounting experience serving clients of all sizes, both public and private in many different industries.

Mr. Samuel is past Chairman and current member of the Virginia Board of Accountancy. He is past-Chairman of the Virginia Society of Certified Public Accountants, and also served as the Virginia representative on the AICPA Council.

Michael Tham, CPA, is Chairman of the State Board of Certified Public Accountants of Louisiana, and managing partner at L.A. Champagne & Co. (LAC). In addition to his role on the BOE, he is a member of the AICPA Auditing and Attestation Subcommittee.

His professional contributions include serving as Chairman of several committees of the Society of Louisiana CPAs, and also serving as a member of Louisiana Society committees. He is also a past member of the NASBA Board of Directors.

An avid participant in his community, Mr. Tham is a member of several community organizations including the Baton Rouge Rotary Club, Grief Recovery Center, Food Bank of Greater Baton Rouge, and the Association of Retarded Citizens of Baton Rouge. Prior to entering the accounting profession he also served in the United States Navy. ■

Spotlight on Volunteers

Did you ever consider how each multiple-choice question and task-based simulation is chosen for the Exam?

It's an intense process with several layers of quality control, requiring a combination of highly specialized subject matter expertise and work hours. Each test question (called an "item") is written, reviewed, edited, reviewed, and sometimes rewritten and reviewed again before it is deemed ready for prime time. Many questions never make it at all.

There is no way this process could run without the experts who review each item and decide on their inclusion in the Exam. These experts come from public and private accounting, state boards of accountancy, and from academia, from across the United States. They are members of the five subcommittees—AUD, FAR, REG, BEC, and IQEX—of the Board of Examiners' Content Committee. And they are all volunteers.

This month, we visited with Craig Brooks, Senior Manager at Ernst & Young, and Ray Stephens, Professor of Accounting at Ohio University, both volunteers in their third year with the FAR subcommittee. They estimate they spend around 200 hours per year working on the Exam; let's find out why they do it.

Craig Brooks

On Motivation

Three years into his stint with the FAR subcommittee, Craig's motivation comes from his belief that developing Exam content is about shaping the future of the profession, and a "great way to contribute to the development of our future CPAs." It also helps that he finds the work is interesting and enjoyable, especially given the time commitment required to maintain the highest standards of quality.

On Career Development

Working side by side with some of the profession's leading subject matter experts under such intense circumstances is an opportunity to build relationships. According to Craig, he is able to rely on those relationships "whenever [he needs] insights or different perspectives" on issues he faces.

On Accomplishment

Craig points out that creating new simulations is quite challenging, but each one is an accomplishment. Given the considerable amount of time and effort it takes to develop new simulations,

seeing his work approved for use on the Exam is rewarding in and of itself.

On being a successful volunteer

"Review and approval of exam content is a very collaborative process," Craig says. Committee members who are engaged, who actively contribute to the dialogue, and who are team players are going to have a rewarding experience. It's also important, he adds, to have excellent written communications skills.

Advice for Exam candidates

Craig offers some straightforward advice to Examinees: take the Exam as quickly as possible after meeting the eligibility requirements. That's advice he heard from one of his professors, and he still agrees with this approach.

Attracting the Under-36 crowd to volunteering

As mentioned earlier, Craig stresses that volunteering allows you to meet and network with colleagues and peers from around the country. In his years of service, Craig says, "I can't think of one volunteer that I haven't enjoyed working with. It's a great experience."

Ray Stephens

On Motivation

Simply stated, Ray's motivation comes from his ability as a volunteer to help ensure the high quality standards of the accounting profession. Working on the subcommittees allows Ray to see to it that "professionalism is maintained in accounting."

On the challenges and rewards of subcommittee work

Keeping up with all of the changes to the profession is, according to Ray, a key challenge of working to develop Exam content. Ray points out that "seeing that appropriate materials for testing the knowledge of those wishing to become CPAs" is the rewarding part of his work.

On Being a Successful Volunteer

Ray believes that engaging with colleagues and contributing to the process lead to success as a volunteer. Key skills include "preparation, [the] ability to present reasons for changes, and the ability to listen."

Advice for Exam Candidates

Ray would simply remind candidates that "the CPA examination is one of three steps (education and experience being the others) that allow entry into the highest level of the accounting profession."

What do Content Committee Volunteers Do?

- Oversee the development of the individual Examination sections by the preparation subcommittees
- Work with BOE to ensure the Exam follows content guidelines
- Make recommendations to ensure Exam content stays relevant to changes in the profession

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Spotlight on Volunteers (continued from page 6)

Final thoughts

Ray echoes Craig's admiration for his colleagues. For those interested in becoming volunteers, his words sum up the experience nicely: "It is really great to work with a group of committed, knowledgeable professionals with a common goal and focus."

If you are a subject matter expert and are interested in volunteering for these or any other Board of Examiners committees, please visit Volunteer Central on the AICPA website at <http://www.aicpa.org/Volunteer/Pages/Volunteer.aspx>, or contact us directly at VolunteerServices@aicpa.org. ■

Where to Find the Latest CBT-e Resources

With the January 1, 2011 CBT-e launch quickly approaching, the AICPA and NASBA have provided a steady stream of resources to ensure that candidates are prepared for the new Exam. Listed below is a quick guide to recent CBT-e resources and where they may be found on the [CPA Examination website \(www.AICPA.org/CPA-Exam\)](http://www.AICPA.org/CPA-Exam).

CPA Exam Sample Test and Tutorial

A new CBT-e version of the [CPA Exam Sample Test and Tutorial](#) is available in the *For Candidates* section of the CPA Examination website. The Sample Test provides a hands-on experience of the CBT-e changes, including general interface improvements and samples of the new research question. The installation process for the Sample Test has been significantly improved and simplified so that candidates can focus on the new exam mechanics.

CBT-e Guide: The New 2011 Uniform CPA Examination

A general guide to CBT-e resources titled, "The New 2011 Uniform CPA Examination" may be found on the CPA Examination homepage. The guide summarizes the primary changes introduced in the CBT-e update. The guide will be updated to incorporate all of the announcements leading up to CBT-e launch.

Faster Score Reporting

Efficiencies introduced by CBT-e will allow candidates to receive their scores sooner and with

greater frequency. Starting in the fourth quarter of 2011, candidates may expect their scores following the first month of testing in a window, with subsequent score releases every two weeks for the remainder of the window. A [letter to the State Boards of Accountancy](#) detailing the modified scoring timeline for 2011 and implementation of Faster Score Reporting is available under the Psychometrics and Scoring section of the CPA Exams website.

Candidate Performance Report

Candidates testing after January 1, 2011 will receive an updated Candidate Performance Report to assess their strengths and weaknesses in a particular subject area. The new performance report is more intuitive and will provide better feedback to candidates. Once the new report is effective, an updated sample Candidate Performance Report will be posted in the [Psychometrics and Scoring](#) section of the Exams webpage.

How is the Exam Scored?

The whitepaper, [How is the Exam Scored?](#) has been updated to incorporate changes introduced by CBT-e. While the fundamental scoring method remains unchanged, the whitepaper offers a nontechnical explanation of scoring, and adds the section weight and structure changes in the new Exam. Candidates may find the updated whitepaper in the [Psychometrics and Scoring](#) section of the CPA Exam website. ■

What is Multi-stage adaptive testing?

The CPA Exam uses a model known as multi-stage adaptive testing which varies the overall difficulty of the exam based upon a candidate's performance. This allows an exam to assess a candidate's abilities while using fewer questions. Multi-stage adaptive testing and other scoring details are outlined in the white-paper [How is the Exam Scored?](#)

Career Opportunities

CPA wanted for Uniform CPA Examination Development Role

Are you a CPA with an interest in contributing to the Profession? Do you want to help develop the Exam that plays such a pivotal role in protecting the public interest? If so, you might want to consider a career working on the CPA Examination at the AICPA.

The Technical Manager - Test Development (TM) will implement test development production plans for all sections of the CPA Exam, specifically development and scoring of written communication constructed response (CR) items (items=test questions), tasks and research items, multiple choice questions (MCQs), and new innovative item types as they are introduced into the Exam. The

TM supports initiatives for implementation and enhancement of content quality control standards.

Qualifications:

- CPA with a minimum of 5 years experience in accounting
- Excellent written communication skills, detail oriented and technology savvy
- Ability to work as a team player
- An interest in test development
- A desire to make a meaningful contribution to the CPA profession

Please respond via our website at www.aicpa.org/careers for immediate consideration. ■

The Uniform CPA Examination is developed and administered through the coordinated efforts of the AICPA, Prometric, and NASBA.



About the American Institute of Certified Public Accountants (AICPA)

The AICPA is the national, professional association of CPAs, with more than 360,000 CPA members worldwide. The AICPA sets ethical standards for the profession and U.S. auditing standards for audits of private companies, non-profit organizations, federal, state and local governments. It develops and grades the Uniform CPA Examination.



About the National Association of State Boards of Accountancy (NASBA)

NASBA serves as a forum for U.S. state boards of accountancy, which administer the Uniform CPA Examination, license more than 600,000 certified public accountants and regulate the practice of public accountancy in the U.S. NASBA's mission is to enhance the effectiveness of state boards of accountancy in meeting their regulatory responsibilities.



About Prometric

Prometric, a wholly-owned subsidiary of ETS, is the recognized global leader in technology-enabled testing and assessment services. Its comprehensive suite of services, including test development, test delivery and data management capabilities, allows clients to develop and launch global testing programs as well as accurately measure program results and data. Prometric reliably delivers and administers more than seven million tests a year on behalf of 450 clients in the academic, professional, healthcare, government, corporate and information technology markets.