

BOARD MEETING AGENDA

Date, Time: Friday, April 28, 2023 – 9:00 a.m.

Location: Radisson Hotel Seattle Airport
Orcas Room
18118 International Blvd
Seattle, WA 98188
or by Microsoft Teams Meeting

Notices: Public Rules Hearing

Chair Introductions

PUBLIC RULE- MAKING HEARING

	Attachments at page(s):
1. Public Rule-Making Hearing Outline	10-11
2. Rules Under Consideration	
a. WAC 4-30-133 Reporting periods, carry-forward/back, and limitations on continuing professional education (CPE) credit.	12-16
3. Written Stakeholder Comments	

BOARD MEETING AGENDA

4. Rules Review	
a. Board’s deliberation on proposed rules considered at the public rule-making hearing. See listing above under Public Rule-Making Hearing – Item 2	
b. WAC 4-30-022 What is the board’s meeting schedule and how are officers elected? ..	17-20
5. Minutes – January 27, 2023, Board Meeting.....	21-33
6. Board Policy – Annual Review	
a. 2003-1 Safe Harbor Report Language for Use by Non-CPAs.....	34-35
b. 2004-1 Administrative Violations Guidelines.....	36-37
c. 2015-1 Board Member Travel and Attendance at Group Gatherings	38
d. 2017-1 Investigative and Disciplinary Process	39-40
e. 2017-2 Publication and Disclosure of Disciplinary Actions	41
f. 2020-1 Peer Review	42-43
g. 2020-2 Public Officials and Public Employees.....	44-45

7. NASBA Update
8. Legal Counsel’s Report
9. Chair’s Report
 - a. CPA Exam – Extending the Testing Window46-51
 - b. Education Requirement – 120 Hours for CPA Licensure..... 52-100
10. Committee/Task Force Reports
 - a. Executive Committee – Brian Thomas, CPA, Chair
 - b. Peer Review Oversight Committee (PROC) – Mark Hugh, CPA, Chair 101-109
 - c. Request Oversight Committee (ROC) – Scott Newman, Public Member, Chair110
 - d. Scholarship Oversight Committee (SOC) – Tonia Campbell, CPA, Chair 111-112
 - e. Board/AICPA Rules Committee (BARC) – Brooke Stegmeier, CPA, Chair
11. Executive Director’s Report
 - a. Budget Status 113-115
 - b. 2022 CPE Audit Results 116-117
12. Enforcement Report
 - a. Quarterly Enforcement and Resolved Complaint Reports 118-119
13. Executive and/or Closed Sessions with Legal Counsel
14. Public Input - The public has an opportunity to address its concerns and the Board has an opportunity to ask questions of the public. Individual speakers will be provided 10 minutes each.

The Board of Accountancy schedules all public meetings at barrier free sites. Persons who need special assistance, such as enlarged type materials, please contact the Board's Americans with Disabilities Act contact person:

Kirsten Donovan, Board Clerk
PO Box 9131, Olympia, WA 98507-9131
Phone: 360-664-9191 Email: kirsten.donovan@acb.wa.gov
7-1-1 or 1-800-833-6388 (TTY) - 1-800-833-6385 (Telebraille)
(TTY and Telebraille service nationwide by Washington Relay www.washingtonrelay.com)

**WASHINGTON STATE
BOARD OF ACCOUNTANCY
BOARD MEETING – APRIL 28, 2023
SUMMARY**

Date and Time: Friday, April 28, 2023 - 9:00 a.m.

Location: Radisson Hotel Seattle Airport
Orcas Room
18118 International Blvd
Seattle, WA 98188
or by Microsoft Teams Meeting

Notices: Public Rules Hearing

Chair's Opening Announcements: The Board of Accountancy Quarterly Board meeting is now in session. The date is Friday, April 28, 2023. The time is ____.

The purpose of the Board meeting is for the Board to accomplish its business. After the Board completes its discussion of an agenda item, if appropriate, I will ask if anyone in the audience wishes to comment. As a reminder, individuals attending the meeting may participate only after recognition by the Chair. If you plan to address the Board on other matters during the public input section of the agenda, please sign the public input roster, or if attending by Teams meeting advise me now, and your name will be added to the public input roster.

Chair Introductions: My name is Brian Thomas, CPA Member; I am the Chair of the Board of Accountancy. (Go down the roster in order, including those attending virtually; then the staff present, then virtually, then Leo Roinila, Assistant Attorney General, Board Advisor).

April 28, 2023 - 9:00 a.m. – PUBLIC RULE-MAKING HEARING

Rules Hearing - First the Board will hold its scheduled rules hearing to obtain public input on the proposed changes to Board rules. Individuals wishing to comment must sign in on the rule-making public input roster at the back of the room. If you are attending by Teams meeting, advise the Board Chair now, and your name will be added to the roster.

1. Public Rule-Making Hearing Outline – The script the Chair will use as a guide during the hearing is at **pages 10-11** of the meeting materials.

2. Rules Under Consideration –

WAC 4-30-133 Reporting periods, carry-forward/back, and limitations on continuing professional education (CPE) credit.

See **pages 12-14** for the CR-102, Proposed Rule Making Notice.

Pages 15-16 contain the draft language filing for the proposed rule changes. The proposed changes:

- Change the increments in which CPE credit is earned to tenths (.1) of hours instead of half-hour (.5) increments after the first hour is earned. Five minutes will constitute one-tenth of a CPE hour based on the 50-minute CPE hour.

The Executive Director will provide a summary of the proposed rule changes.

3. Written Stakeholder Comments

The Board did not receive any written comments on the proposed changes to the rule.

April 28, 2023 – BOARD MEETING

The regular Board meeting is now back in session, and the time is ____.

4. Rules Review

a. Board deliberation on the proposed rule considered at the public rule-making hearing

WAC 4-30-133 Reporting periods, carry-forward/back, and limitations on continuing professional education (CPE) credit – Pages 12-16

The Executive Director is prepared to summarize the proposed rule changes and answer any questions for the Board during deliberation.

Does the Board wish to:

- **Adopt the rule as proposed; or**
- **Adopt the rule with minor changes that do not change the general subject matter of the proposed rule; or**
- **Amend the rule proposal and set another rules hearing date; or**
- **Withdraw the rule proposal?**

Effective date: If the Board decides to adopt the rule, the Board must determine the effective date. Rules generally become effective 31 days after filing. The Executive Director recommends making the rule effective January 1, 2024.

Does the Board wish to make the rule effective:

- **31 days after filing; or**
- **January 1, 2024; or**
- **Another date?**

b. Rule review/discussion

WAC 4-30-022 What is the board's meeting schedule and how are officers elected?

Page 17 contains a copy of the CR-101 filed with the Office of the Code Reviser.

Pages 18-20 contain a draft copy of the proposed rule changes. The proposed rule changes are intended to: 1) provide guidance for resignation, vacancies, and removal of board officers 2) rename the rule.

The Executive Director will lead a discussion on the proposed changes.

Does the Board wish to direct staff to:

- **File the CR-102 as written (or with minor changes) for this proposal and schedule a public rule-making hearing in conjunction with the Board's July meeting; or**
- **Amend the rule proposal for consideration at the Board's July meeting; or**
- **Withdraw the rule proposal?**

5. Minutes – January 27, 2023

Board staff presents the draft minutes of the January 27, 2023, Board meeting at **Pages 21-33** for the Board's consideration.

Does the Board approve the minutes as drafted?

Do the Board Members attending virtually authorize the use of their electronic signatures on file at the Board office for the signing of the approved meeting minutes?

6. Board Policy – Annual Review

The Board annually reviews the Board Policies at the April Board meeting. **Pages 34-45** contain the current Board Policies when no changes are proposed or the draft Board Policies when changes are proposed.

a. 2003-1 Safe Harbor Report Language for Use by Non-CPAs – Pages 34-35

No changes proposed.

Does the Board wish to revise, retain, or retire this policy?

b. 2004-1 Administrative Violations Guidelines – Pages 36-37

No changes proposed.

Does the Board wish to revise, retain, or retire this policy?

c. 2015-1 Board Member Travel and Attendance at Group Gatherings – Page 38

No changes proposed.

Does the Board wish to revise, retain, or retire this policy?

d. 2017-1 Investigative and Disciplinary Process – Pages 39-40

No changes proposed.

Does the Board wish to revise, retain, or retire this policy?

e. 2017-2 Publication and Disclosure of Disciplinary Actions – Page 41

No changes proposed.

Does the Board wish to revise, retain, or retire this policy?

f. 2020-1 Peer Review

Pages 42-43 contain the draft of proposed revisions to the policy. The Executive Director will provide a summary of the proposed changes.

Does the Board wish to revise, retain, or retire this policy?

g. 2020-2 Public Officials and Public Employees – Pages 44-45

No changes proposed.

Does the Board wish to revise, retain, or retire this policy?

7. NASBA Update

The Executive Director will provide an update on NASBA activities.

8. Legal Counsel's Report

The Board's legal counsel requests the agenda for regular Board meetings contain a placeholder item allowing for legal counsel to report on any current issues related to the Board's activities and/or Washington State law such as: the Administrative Procedures Act, Open Public Meetings Act, Public Disclosure requirements, etc.

9. Chair's Report

a. CPA Exam – Extending the Testing Window

Pages 46-50 contain the NASBA 60-day comment period memo dated February 15, 2023, regarding extending the CPA Exam testing window. This attachment is from NASBA and may not reflect the position of the AICPA.

Page 51 contains the document, 18-Month Window Comment, by Dan Dustin, CPA, Vice President, State Board Relations, NASBA.

b. Education Requirement – 120 Hours for CPA Licensure

To provide background information, the following documents are included.

Pages 52-53 contain the October 2019 document, Talking Points: 150 Hours of Education for Licensure.

Pages 54-100 contain the November 2008 draft document, Education and Licensure Requirements for Certified Public Accountants: A Discussion Regarding Degreed Candidates Sitting for the Uniform CPA Examination with a Minimum of 120 Credit Hours (120-Hour Candidate) and Becoming Eligible for Licensure with a Minimum of 150 Credit Hours (150-Hour Candidate)

10. Committee/Task Force Reports

a. Executive Committee – Chair: Brian Thomas, CPA; Vice Chair: Mark Hugh, CPA; Secretary: Kate Dixon, Public Member

Brian will give a verbal report.

- b. Peer Review Oversight Committee (PROC)** – Chair: Mark Hugh, CPA;
Members: Kate Dixon, Public Member; Brooke Stegmeier, CPA; Thomas P. Sawatzki, CPA

Pages 101-109 contain the Peer Review report. The report contains a peer review alternatives memo, the ACB peer review survey results, and comments from the survey takers.

Mark will give a verbal report.

- c. Request Oversight Committee (ROC)** – Chair: Scott Newman, Public Member;
Members: Rajib Doogar, Public Member; Tonia Campbell, CPA

Page 110 contains a report on the 1st quarter approval and denials from the committee.

Scott will give a verbal report.

- d. Scholarship Oversight Committee (SOC)** – Chair: Tonia Campbell, CPA;
Members: Kate Dixon, Public Member; Jacqueline Meucci, CPA

Pages 111-112 contain the Washington CPA Foundation – 2023 Preliminary Scholarship Winner Data report.

Tonia will give a verbal report.

- e. Board/AICPA Rules Committee (BARC)** – Chair: Brooke Stegmeier, CPA;
Members: Brian Thomas, CPA; Mark Hugh, CPA; Scott Newman, Public Member

Brooke will give a verbal report.

11. Executive Director's Report

- a. Budget Status**

Pages 113-115 contain the Allotment Expenditure/Revenue BTD Flexible Report, the Certified Public Accountant's Account Fund View, and the CPA Scholarship Transfer Account Fund View for transactions through March 31, 2023.

- b. 2022 CPE Audit Results**

Pages 116-117 contain the 2022 CPE Audit report.

12. Enforcement Report

Taylor Shahon, CPA, Lead Investigator, will provide a verbal report on investigations.

Pages 118-119 contain the Enforcement Reports:

- Quarterly Report – January 1, 2023, through March 31, 2023
- Twelve-Month Lookback – April 1, 2022, through March 31, 2023
- All Complaints – Resolved with and without discipline for periods April 2022 to March 2023 and April 2021 to March 2022.
- CBM Report – January 1, 2023, through March 31, 2023

13. Executive and/or Closed Session with Legal Counsel

The Board's legal counsel requests the agenda for regular Board meetings contain a placeholder item identifying that the Board and legal counsel may enter into executive or closed session when determined appropriate.

14. Public Input

Board meeting time has been set aside to ensure the public has an opportunity to address its concerns, and the Board has an opportunity to ask questions of the public. Individual speakers will be provided 10 minutes each.

Meeting Closing - Thank you all for your participation. The time is _____, and this quarterly Board meeting is now closed.

**WASHINGTON STATE BOARD OF ACCOUNTANCY
RULES HEARING OUTLINE
APRIL 28, 2023**

Presiding officer read or paraphrase BOLD type entries

Italics are explanatory notes to presiding officer

Opening statement:

The Board of Accountancy rules hearing is now in session. The date is Friday, April 28, 2023. The time is _____. My name is Brian Thomas. I am the Chair of the Board of Accountancy.

Copies of the rule proposals are available in the Board packet materials either at the back of the room or online at www.acb.wa.gov.

If you would like to testify, please sign in on the rule-making public input roster at the back of the room. If you are attending by Teams meeting and would like to testify, let me know now, and your name will be added to the roster.

Explain hearing sequence and ground rules as follows:

The hearing will be conducted as follows:

- 1. I will identify the rules presented for testimony and a brief statement for each proposal will be presented.**
- 2. I will use the attendance roster to invite testimony on the proposal. When you give testimony, please:**
 - State your name and organization if you speak for a group**
 - Limit your testimony to the rule proposal currently before the Board**
 - After you testify, please remain available for questions, and**
 - If you are testifying from text, please provide a copy by email to Kirsten Donovan, Board Clerk at kirsten.donovan@acb.wa.gov.**

Testimony is limited to 10 minutes for each speaker.

- 3. When the testimony is complete the hearing will be closed. The Board will consider the proposed rule changes at its Board meeting later today.**

Rule Proposal

This rule proposal concerns:

- WAC 4-30-133 Reporting periods, carry-forward/back, and limitations on continuing professional education (CPE) credit.**

Mike Paquette, Executive Director, will present a brief statement for the proposal.

Mike presents the statement.

The rule proposal has been identified. We will now move to the testimony.

1. TESTIMONY FROM ATTENDANCE ROSTER

Ask for testimony from the audience according to the order on the attendance roster.

Will (name of individual) please present testimony?

After testimony is complete you will invite questions from the Board members.

2. OTHER TESTIMONY

*After all persons on the attendance roster have testified, ask if others wish to testify. **Is there anyone who wishes to testify that has not had the opportunity?***

CLOSING STATEMENT:

Thank you for your testimony.

The Board will deliberate on the oral and written testimony and the proposed rules later today during its Board meeting. The Board's decision regarding the proposed rules will be posted to the Board's rule making section of the website and reflected in the meeting minutes. Thank you all for your participation. The time is _____, and this hearing is now closed.



PROPOSED RULE MAKING

CR-102 (July 2022) (Implements RCW 34.05.320) Do NOT use for expedited rule making

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: February 07, 2023
TIME: 9:51 AM

WSR 23-05-023

Agency: Board of Accountancy

Original Notice

Supplemental Notice to WSR _____

Continuance of WSR _____

Preproposal Statement of Inquiry was filed as WSR 22-23-025 ; or

Expedited Rule Making--Proposed notice was filed as WSR _____; or

Proposal is exempt under RCW 34.05.310(4) or 34.05.330(1); or

Proposal is exempt under RCW _____.

Title of rule and other identifying information: (describe subject) WAC 4-30-133 Reporting periods, carry-forward/back, and limitations on continuing professional education (CPE) credit.

Hearing location(s):

Date:	Time:	Location: (be specific)	Comment:
April 28, 2023	9:00 a.m.	Radisson Hotel Seattle Airport Orcas Room 18118 International Blvd Seattle, WA 98188 or Microsoft Teams Meeting The link to join the meeting will be available on the Board's website approximately 2 weeks before the hearing date at: https://acb.wa.gov/next-board-meeting . A phone number will be provided as well in case you are unable to attend online.	

Date of intended adoption: April 28, 2023 (Note: This is NOT the effective date)

Submit written comments to:

Name: Kirsten Donovan, Rules Coordinator
Address: P.O. Box 9131, Olympia, WA 98507
Email: Kirsten.donovan@acb.wa.gov
Fax: 360-664-9190
Other:
By (date) April 26, 2023

Assistance for persons with disabilities:

Contact Kirsten Donovan, Rules Coordinator
Phone: 360-664-9191
Fax: 360-664-9190
TTY: 771
Email: Kirsten.donovan@acb.wa.gov
Other:
By (date) April 26, 2023

Purpose of the proposal and its anticipated effects, including any changes in existing rules: The Board of Accountancy proposes amending WAC 4-30-133 to change the increments in which CPE credit is earned to tenths (.1) of hours instead of half-hour (.5) increments after the first hour is earned. Five minutes will constitute one-tenth of a CPE hour based on the 50-minute CPE hour.

Reasons supporting proposal: See purposes above

Statutory authority for adoption: RCW 18.04.055

Statute being implemented: RCW 18.04.055

Is rule necessary because of a:

Federal Law?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Federal Court Decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
State Court Decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

If yes, CITATION:

Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters:

Type of proponent: Private Public Governmental
Name of proponent: (person or organization) Board of Accountancy

Name of agency personnel responsible for:

	Name	Office Location	Phone
Drafting:	Michael J. Paquette, CPA	711 Capitol Way S Suite 400 Olympia, WA 98501	(360) 485-1659
Implementation:	Michael J. Paquette, CPA	711 Capitol Way S Suite 400 Olympia, WA 98501	(360) 485-1659
Enforcement:	Michael J. Paquette, CPA	711 Capitol Way S Suite 400 Olympia, WA 98501	(360) 485-1659

Is a school district fiscal impact statement required under [RCW 28A.305.135](#)? Yes No
If yes, insert statement here:

The public may obtain a copy of the school district fiscal impact statement by contacting:

Name:
Address:
Phone:
Fax:
TTY:
Email:
Other:

Is a cost-benefit analysis required under [RCW 34.05.328](#)?

Yes: A preliminary cost-benefit analysis may be obtained by contacting:

Name:
Address:
Phone:
Fax:
TTY:
Email:
Other:

No: Please explain: The Board of Accountancy is not a listed agency in RCW 34.05.328(5)(a)(i).

Regulatory Fairness Act and Small Business Economic Impact Statement
Note: The [Governor's Office for Regulatory Innovation and Assistance \(ORIA\)](#) provides support in completing this part.

(1) Identification of exemptions:
This rule proposal, or portions of the proposal, **may be exempt** from requirements of the Regulatory Fairness Act (see [chapter 19.85 RCW](#)). For additional information on exemptions, consult the [exemption guide published by ORIA](#). Please check the box for any applicable exemption(s):

This rule proposal, or portions of the proposal, is exempt under [RCW 19.85.061](#) because this rule making is being adopted solely to conform and/or comply with federal statute or regulations. Please cite the specific federal statute or regulation this rule is being adopted to conform or comply with, and describe the consequences to the state if the rule is not adopted.
Citation and description:

This rule proposal, or portions of the proposal, is exempt because the agency has completed the pilot rule process defined by [RCW 34.05.313](#) before filing the notice of this proposed rule.

This rule proposal, or portions of the proposal, is exempt under the provisions of [RCW 15.65.570\(2\)](#) because it was adopted by a referendum.

- This rule proposal, or portions of the proposal, is exempt under [RCW 19.85.025\(3\)](#). Check all that apply:
- | | |
|---|--|
| <input type="checkbox"/> RCW 34.05.310 (4)(b)
(Internal government operations) | <input type="checkbox"/> RCW 34.05.310 (4)(e)
(Dictated by statute) |
| <input type="checkbox"/> RCW 34.05.310 (4)(c)
(Incorporation by reference) | <input type="checkbox"/> RCW 34.05.310 (4)(f)
(Set or adjust fees) |
| <input type="checkbox"/> RCW 34.05.310 (4)(d)
(Correct or clarify language) | <input type="checkbox"/> RCW 34.05.310 (4)(g)
((i) Relating to agency hearings; or (ii) process requirements for applying to an agency for a license or permit) |
- This rule proposal, or portions of the proposal, is exempt under [RCW 19.85.025\(4\)](#) (does not affect small businesses).
- This rule proposal, or portions of the proposal, is exempt under RCW _____.
- Explanation of how the above exemption(s) applies to the proposed rule:

(2) Scope of exemptions: *Check one.*

- The rule proposal is fully exempt (*skip section 3*). Exemptions identified above apply to all portions of the rule proposal.
- The rule proposal is partially exempt (*complete section 3*). The exemptions identified above apply to portions of the rule proposal, but less than the entire rule proposal. Provide details here (consider using [this template from ORIA](#)):
- The rule proposal is not exempt (*complete section 3*). No exemptions were identified above.

(3) Small business economic impact statement: *Complete this section if any portion is not exempt.*

If any portion of the proposed rule is **not exempt**, does it impose more-than-minor costs (as defined by RCW 19.85.020(2)) on businesses?

- No Briefly summarize the agency's minor cost analysis and how the agency determined the proposed rule did not impose more-than-minor costs.
- Yes Calculations show the rule proposal likely imposes more-than-minor cost to businesses and a small business economic impact statement is required. Insert the required small business economic impact statement here:

The public may obtain a copy of the small business economic impact statement or the detailed cost calculations by contacting:

Name:
Address:
Phone:
Fax:
TTY:
Email:
Other:

Date: February 7, 2023

Name: Michael J. Paquette, CPA

Title: Executive Director

Signature:



WAC 4-30-133 Reporting periods, carry-forward/back, and limitations on continuing professional education (CPE) credit. (1) **CPE reporting period** is a calendar year time period beginning in the calendar year a credential is first issued by this board and ending on December 31st of the subsequent third calendar year.

(2) **CPE credit** is given in (~~half-hour~~) increments (~~only~~) of tenths of an hour after the first full CPE credit hour has been earned except for nano learning.

A minimum of (~~fifty~~) 50 minutes of continuous instruction constitutes one CPE credit hour and after the first (~~fifty-minute~~) 50-minute segment has been earned, (~~twenty-five~~) five minutes constitutes (~~one-half~~) one-tenth of a CPE credit hour.

CPE credit earned is rounded down to the nearest tenth of an hour.

(3) **Carry-forward:** CPE credit hours you complete during one CPE reporting period cannot be carried forward to the next period.

(4) **Carry-back:** As specified in WAC 4-30-134, CPE credit hours you complete during one CPE reporting period cannot be carried back to the previous reporting period unless the board has approved a request for extension or has required the carry-back as part of the sanctions for failure to complete required CPE.

(5) **Preparation time for CPE attendance:** Attendees obtain CPE credit only for time spent in instruction; no credit is allowed for preparation time unless the attendee is the discussion leader for the particular CPE segment or program.

(6) **Limitations on CPE credit:** In any given three-year renewal cycle, licensees are limited to the following upper limits of CPE credit for the following formats:

(a) Nano learning, as defined in WAC 4-30-010, is limited to no more than (~~twelve~~) 12 CPE credit hours out of the (~~one hundred twenty~~) 120 CPE credit total as specified in WAC 4-30-134.

(b) No more than (~~sixty~~) 60 hours of CPE can be awarded to any licensee during the three-year reporting period for the sum of:

(i) Service on the Washington state board of accountancy or the board's committees or volunteer service on one of the board approved peer review committees;

(ii) First time instructor/developer of a college or university course;

(iii) First time instructor/developer of a CPE course; and

(iv) Authorship of published articles, books, and other publications relevant to maintaining or improving professional competence.

(c) Service on the Washington state board of accountancy (board) including participation on an approved peer review committee, first time instructor/developer, or authorship of published materials will not count towards the minimum (~~twenty~~) 20 credit hours of CPE required per WAC 4-30-134 during each of the three years of the CPE reporting period.

(7) **Further requirements and clarifications:**

(a) **Self-study programs:** Credit for self-study programs is allowed for reporting purposes on the date you completed the program as established by the course completion certificate provided by the program sponsor.

(i) **Interactive self-study programs:** Interactive means electronic or other delivery formats of CPE in which feedback is provided during the study of the material in a manner to validate the individual's understanding of the material. The amount of credit allowed for interactive self-study is that which is recommended and documented by the program sponsor on the basis of the average completion time under appropriate "field tests."

(ii) **Noninteractive self-study programs:** The amount of credit allowed for noninteractive self-study is one-half the average completion time as determined and documented by the program sponsor on the basis of appropriate "field tests."

(b) **Instructor, discussion leader, or speaker:** If you serve as an instructor, discussion leader, or speaker at a program which meets the standards of WAC 4-30-132, the first time you present the program you may claim CPE credit hours for both preparation and presentation time. One hour of credit is allowed for each (~~fifty~~) 50 minutes of instruction. Additionally, you may claim credit for actual preparation time up to two times the presentation hours. No credit is allowed for subsequent presentations of a course constituted of substantially the same material.

(c) **Undergraduate and graduate courses:** For both undergraduate and graduate courses one semester credit equals (~~fifteen~~) 15 CPE credit hours and one quarter credit equals (~~ten~~) 10 CPE credit hours.



PREPROPOSAL STATEMENT OF INQUIRY

CR-101 (October 2017) (Implements RCW 34.05.310)

Do **NOT** use for expedited rule making

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: January 30, 2023

TIME: 11:43 AM

WSR 23-04-068

Agency: Board of Accountancy

Subject of possible rule making: WAC 4-30-022 What is the board's meeting schedule and how are officers elected?

Statutes authorizing the agency to adopt rules on this subject: RCW 18.04.055

Reasons why rules on this subject may be needed and what they might accomplish: The intent of this rule change is to provide guidance for resignations, vacancies, and removal of board officers.

Identify other federal and state agencies that regulate this subject and the process coordinating the rule with these agencies: None

Process for developing new rule (check all that apply):

- Negotiated rule making
- Pilot rule making
- Agency study
- Other (describe)

Interested parties can participate in the decision to adopt the new rule and formulation of the proposed rule before publication by contacting:

	(If necessary)
Name: Kirsten Donovan, Rules Coordinator	Name:
Address: Washington State Board of Accountancy PO Box 9131 Olympia, WA 98507-9131	Address:
Phone: 360-664-9191	Phone:
Fax: 360-664-9190	Fax:
TTY: 1-800-833-6388	TTY:
Email: Kirsten.donovan@acb.wa.gov	Email:
Web site: https://acb.wa.gov/	Web site:
Other:	Other:

Additional comments:

Date: January 30, 2023

Name: Michael J. Paquette, CPA,

Title: Executive Director

Signature:

WAC 4-30-022 ~~What is the board's meeting~~ Meetings schedule

and ~~how are officers~~ Officers elected?

(1) Meetings

(a) Regular board meetings begin at 9:00 a.m. on the last Friday of the month in the months of January, April and July or as otherwise determined by the board. The board holds an annual meeting beginning at 9:00 a.m. on the last Friday of October or as otherwise determined by the board.

(b) Either the chair or a quorum of the board has the authority to call special meetings of the board. The chair presides at all meetings. In the event of the chair's absence or inability to act, the vice chair presides.

(c) The board determines duties of the officers.

(d) The board's meetings are open public meetings conducted pursuant to chapter 42.30 RCW. WAC 4-30-026 provides information on how to contact the board's office for meeting times and locations or additional information regarding the board's activities.

(2) Officers

Formatted: List Paragraph, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 1"

~~(a) The board consists of nine members.~~ At the annual meeting the board elects the chair, vice chair, and secretary from its members. The newly elected officers assume the duties of their offices on January 1 following the annual board meeting.

(b) Officers serve a term of one year and can be reelected for one additional term.

(c) Any officer may resign their position by tendering a written resignation to the board.

(d) If a vacancy shall occur in an officer position, the board may either elect a member to fill the officer vacancy for the unexpired term or allow the position to remain vacant until the end of that position's term. If the board decides to elect a member to fill the unexpired term of the officer position, it shall give notice of the board meeting at which a member is to be elected to fill the vacancy. A majority of the board serving is required to elect a member to fill a vacancy. Partial terms do not count against term limits for officers.

(e) The removal of any officer shall require the serving board, plus one additional member, provided such action shall

~~not be taken unless notice of such action and vote has been included in the notice for the board meeting.~~

~~Either the chair or a quorum of the board has the authority to call meetings of the board. The chair presides at all meetings. In the event of the chair's absence or inability to act, the vice chair presides. The board determines other duties of the officers.~~

~~The board's meetings are open public meetings conducted pursuant to chapter 42.30 RCW. WAC 4-30-026 provides information on how to contact the board's office for meeting times and locations or additional information regarding the board's activities.~~

[Statutory Authority: RCW 18.04.055, 42.30.070. WSR 10-24-009, amended and recodified as § 4-30-022, filed 11/18/10, effective 12/19/10; WSR 07-14-034, § 4-25-510, filed 6/26/07, effective 7/27/07; WSR 05-01-137, § 4-25-510, filed 12/16/04, effective 1/31/05; WSR 01-22-036, § 4-25-510, filed 10/30/01, effective 12/1/01; WSR 00-11-068, § 4-25-510, filed 5/15/00, effective 6/30/00; WSR 99-18-111, § 4-25-510, filed 9/1/99, effective 1/1/00. Statutory Authority: RCW 18.04.055. WSR 93-12-077, § 4-25-510, filed 5/27/93, effective 7/1/93.]

WASHINGTON STATE BOARD OF ACCOUNTANCY

Unapproved Draft - Minutes of a Meeting of the Board – Unapproved Draft

Time and Place of Meeting	9:01 a.m. – 12:30 p.m. Friday, January 27, 2023 Radisson Hotel Seattle Airport Orcas Room 18118 International Blvd Seattle, WA 98188 or by Microsoft Teams Meeting
Attendance	<u>Board Members</u> Brian R. Thomas, CPA Member, Chair Mark Hugh, CPA Member, Vice Chair Kate Dixon, Public Member, Secretary Rajib Doogar, Public Member Jacqueline Meucci, CPA Member Thomas P. Sawatzki, CPA Member Brooke Stegmeier, CPA Member Scott S. Newman, Public Member Tonia L. Campbell, CPA Member <u>Staff and Advisors</u> Michael Paquette, CPA, Executive Director Jennifer Sciba, Deputy Director Leo Roinila, Assistant Attorney General, Board Advisor Taylor Shahon, CPA, Lead Investigator Kirsten Donovan, Board Clerk Tia Landry, Data and Systems Administrator
Public Rule-Making Hearing	<p>The Board held a public rule-making hearing from 9:05 a.m. to 9:24 a.m. The Board Chair presided. The Board proposed to amend:</p> <ul style="list-style-type: none">• WAC 4-30-010 Definitions <p>The proposed changes add a definition for Professional Services and eliminate definitions that are no longer needed.</p> <p>The Executive Director presented a brief statement on the rule.</p> <p>The Board did not receive any written comments or public input regarding the proposed rule changes.</p> <ul style="list-style-type: none">• Ethics and Prohibited Practices Rules<ul style="list-style-type: none">○ WAC 4-30-040 What are the requirements concerning integrity and objectivity?○ WAC 4-30-042 When is independence required?

- WAC 4-30-044 What restrictions govern commissions, referral, and contingent fees?
- WAC 4-30-045 Commission and referral fees. (New rule)
- WAC 4-30-046 What are the requirements concerning competence?
- WAC 4-30-048 Compliance is required with which rules, regulations and professional standards?
- WAC 4-30-049 Accounting principles. (New rule)
- WAC 4-30-050 Records and clients confidential information.
- WAC 4-30-052 What acts are considered discreditable?
- WAC 4-30-054 What are the limitations on advertising and other forms of solicitation?
- WAC 4-30-056 What are the limitations regarding individual and firm names?
- WAC 4-30-058 Does the board authorize the use of any other titles or designations?

The proposed changes:

- Simplify the rules by paralleling the rules with the AICPA Code of Professional Conduct (ACIPA Code) and specifically listing any exceptions to the AICPA Code
- Rename the rules (with the exception of WAC 4-30-050)
- Repeal one rule, WAC 4-30-051, as the information contained in this rule was added to another rule within the ethics and prohibited practice rule section
- Adopt two new rules, WAC 4-30-045 and 4-30-049, to reorganize the ethics and prohibited practices rule sections for clarity

The Executive Director presented a brief statement on the rules.

The Board received written comment from Mark Hugh regarding the client record proposed rule changes. Mark read his comments for Board consideration. He is in support of the rule changes as he believes they are in the best interests of both the profession and the public.

No public input was received during the hearing.

- WAC 4-30-060 What are the education requirements to qualify to apply for the CPA examination?

The proposed changes reduce the number of college credits required to sit for the CPA Exam from 150 semester credits (225

quarter credits) to 120 semester credits (180 quarter credits) and rename the rule.

The Executive Director presented a brief statement on the rule.

The Board received written comments from two individuals. Jennifer Sciba read the comments for Board consideration.

Steve Jankowiak, CPA, emailed in support of the rule change initially. His email indicated that he believed that the change would be for the education requirement for licensure as well. After receiving clarification from Board staff, he stated he believes that the rule changes are a step in the right direction, but do not go far enough. He would like for the education requirement for licensure to be reduced as well.

Gregory Railsback, CPA, emailed in support of the rule change initially. His email indicated that he believed that the change would be for the education requirement for licensure as well. After receiving clarification from Board staff, he stated he does not believe that the proposed changes accomplish anything of substance and withdrew his support of the rule change. He would like to see the education required for licensure to be reduced to 120 hours.

No public input was received during the hearing.

Call to Order

Board Chair, Brian Thomas, CPA, called the meeting of the Board to order at 9:25 a.m.

Rules Review

Board Deliberation on Proposed Rules Considered at the Public Rule-making Hearing

- WAC 4-30-010 Definitions

The Board voted unanimously to adopt the rule as proposed.

The Board voted for an implementation date 31 days after filing.

Ethics and Prohibited Practices Rules

- WAC 4-30-040 What are the requirements concerning integrity and objectivity?
- WAC 4-30-042 When is independence required?
- WAC 4-30-044 What restrictions govern commissions,

- referral, and contingent fees?
- WAC 4-30-045 Commission and referral fees. (New rule)
- WAC 4-30-046 What are the requirements concerning competence?
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- WAC 4-30-056 What are the limitations regarding individual and firm names?
- WAC 4-30-058 Does the board authorize the use of any other titles or designations?

The Board voted to adopt the rules as proposed with 8 affirmative votes and one abstention.

The Board voted for an implementation date 31 days after filing.

- WAC 4-30-051 Client records.

The Board voted to repeal the rule as proposed with 8 affirmative votes and one abstention.

The Board voted for an implementation date 31 days after filing.

- WAC 4-30-060 What are the education requirements to qualify to apply for the CPA examination?

The Board voted unanimously to adopt the rule as proposed.

The Board voted for an implementation date of April 1, 2023.

Tom Sawatzki requested statistics be gathered regarding the number of candidates who sit for the Exam with the 120-hour education requirement versus the number who sat with the 150-hour education requirement.

Semi-annual Rules Development Agenda – January through June 2023

The Executive Director presented the Semi-annual Rules Development agenda filed with the Office of the Code Reviser.

Rules Review – WAC 4-30-133, Reporting periods, carry-forward/back, and limitations on continuing professional education (CPE) credit.

The Executive Director led the discussion on the proposed changes.

The proposed changes will reduce the increments in which CPE credit is earned. With the change, CPE credit will be earned in tenths (.1) of hours after the first hour is earned instead of half-hour (.5) increments after the first hour is earned. Five minutes will constitute one-tenth of a CPE hour based on the 50-minute CPE hour.

Discussion topics included:

- Concerns regarding less CPE being completed when increments in which CPE is earned is decreased
- Financial barrier of lost CPE credit when rounding down to the nearest half hour instead of tenths of an hour
- Time constraints for completing CPE at different times of a CPA's career
- CPE specific to career field/work being completed vs broad competency

The Board directed staff to file the CR-102 as written for this proposal and schedule a public rule-making hearing in conjunction with the Board's April meeting. The vote was 8 affirmative and one abstention.

**Minutes –
October 28,
2022, Annual
Board Meeting**

The Board approved the minutes of the October 28, 2022, Annual Board meeting.

The Board Members attending virtually authorized the use of their electronic signatures for the signing of the meeting minutes.

**Delegations of
Authority**

Board staff reviewed and proposed no revisions to the delegations other than the Board Chair's name, date, and signature of the Board Chair.

The Board unanimously approved the following delegations for 2023.

- DA-001 Investigations, Subpoenas, Charges, Emergency Action, and Settlement Negotiations
- DA-003 Quality Assurance Oversight
- DA-004 CR-101 Filing

The Board approved the following delegation for 2023 with a minor edit which changed “Executive Director” to “Request Oversight Committee” for reporting committee appeals and denials at the Board meetings.

- DA-002 Request Oversight and Appeal of Denials

Chair’s Report

Brian Thomas reported 2023 will be the CPA Evolution sprint lap with emergent decisional matters occurring.

Board Officers and Board Governance

Mark Hugh presented the Executive Committee’s Board Officers and Governance report. Mark led the discussion on proposed changes to WAC 4-30-022, What is the board’s meeting schedule and how are officers elected? Suggested additions regarding officer management include:

- Resignation of an officer position
- Filling an officer position vacancy
- Removal from an officer position

The discussion primarily related to the removal of an officer. A suggested change from the report language is that a super-majority (67%) vote of a quorum will be required for the removal of an officer from their position rather than a simple majority vote.

The Board voted unanimously to file the CR-101 to begin the rule-making process.

A draft of the rule will be included as a discussion topic at the April Board meeting.

NASBA Update

The Executive Director reported that the 115th NASBA Annual Meeting was held October 30 through November 2, 2022, in San Diego. Topics included:

- NASBA 2023 meeting schedule

- 41st Annual Conference for Executive Directors and Board staff – February 27 - March 1 in Tucson, AZ
- Eastern Regional meeting – May 31 – June 2 in Savannah, GA
- Western Regional meeting – June 27-29 in Kansas City, MO
- 116th Annual meeting – October 29 – November 1 in New York, NY
- CPA pipeline issues
- Possible changes to the 18-month window for passing all sections of the CPA Exam

Mark recommended to Board Members if they are only able to attend one meeting during the year that they should go to the regional meeting. Mark and Jennifer suggested that if they have not attended a new Board Member orientation at a regional meeting, they should do so even if they have been on the Board for a couple years.

Tom Neill, CPA, Uniform Accountancy Act (UAA) Committee Chair for the AICPA, provided an update on upcoming committee activities:

- Principal place of business definition
- Confidential information modification to the Model Act – our Board is in a good place for NOCLAR
- Changes in education requirements to qualify for CPA licensure
 - Multiple pathways to licensure possible with different combinations of education and experience
 - 3 Boards (MN, SC, and AR) already have bills in legislation to make changes
 - NASBA and the AICPA are against making changes right now – would like to get new Exam in place first
 - Firms and students under a lot of pressure
- Barriers to entry – differences in requirements from jurisdiction to jurisdiction
 - Education
 - Experience
 - Portfolio
 - Letters of reference
 - AICPA ethics
- Board Member turnover

Michael Decker, AICPA Vice President, Examinations and Pipeline, provided the following:

- 18-month window to pass all CPA Exam sections
 - Supporting figures for extending the window
 - 1,000 candidates drop out of the pipeline annually after passing 3-4 sections of the Exam
 - 2,000 candidates drop out of the pipeline annually after passing 2 sections of the Exam

Legal Counsel's Report

Leo Roinila, the Board's legal counsel, provided training on the Open Public Meetings Act (OPMA). Topics included:

- Actions taken and deliberations conducted openly
- Public remains informed and can participate
- Meetings require a quorum of Board Members
- Executive sessions can be held under limited circumstances
- Penalties for violating the OPMA

Executive Committee

The Chair reported that everything discussed for immediate action has been included elsewhere on the board meeting agenda.

Peer Review Oversight Committee (PROC)

Mark Hugh presented the Peer Review Alternatives report. Committee activities included:

- Peer review training completed – the training is available for other Board Members if they wish
- Unable to find other program options to AICPA peer review program from review of other state Boards
- Next step for the PROC is to survey licensees to see if a peer review alternative for smaller firms in smaller markets who are only performing compilation services is needed

Julie Phipps, WSCPA Manager of Practice Quality, advised that if any CPA in a firm is a member of the AICPA then AICPA peer review would be required by the AICPA.

Request Oversight Committee (ROC)

Tom Sawatzki reported on the 4th quarter 2022 approval and denials from the committee:

Firm Names: *Approved:*

Balance Accounting Group, LLC
Strait Accounting PS
Mindfully Smart Finance

Professional/Educational Organization - Recognition Requests:

During the 4th quarter 2022, the Board received no requests for recognition as an educational organization for purposes of obtaining list requests.

Scholarship Oversight Committee (SOC)

Tonia Campbell presented the Accounting of Receipts and Disbursements WSCPA Scholarship Program for the Program Year Ending September 30, 2022, report, the WBOA Certified Public Accounting Scholarships report, and the investment report, UBS Client Review. Tonia advised:

- February 14, 2023 is the scholarship application deadline
- WSCPA is recruiting application reviewers

Kimberly Scott, WSCPA President and CEO, advised the scholarship winners listed in the report were from Spring 2022 with the scholarship funds disbursed in Fall 2022.

The Foundation reception for this year's scholarship winners is May 12, 2023.

Board/AICPA Rules Committee (BARC)

Brooke Stegmeier presented the BARC report, Proposed AICPA Standards. The BARC reviewed three proposed new Statements on Standards for Tax Services (SSTS) related to the following:

- Data protection
- Reliance on tools
- Representation of tax clients before taxing authorities

The BARC determined that the proposed standards, as written, do not affect Board Rules. If the final standards are revised in a way that does affect Board Rules, the BARC will advise the Board.

Executive Director's Report

The Executive Director reported on the following:

Budget Status

- \$500,000 positive variance over the last two quarters
- Expenditures expected to increase now with travel and in person Board meeting expenses
- \$3.4 million fund balance
- New budget report format is in the works for the next Board meeting
- No known fund sweep in the works

Legislation Session Update

Nothing affecting the Board is in this session.

Staff Update

- Board staff is now 10 employees
- The Licensing Specialist resigned – Communications Consultant, Isaac Ross, moved into the Licensing Specialist position
- Tim Taylor was hired as a Customer Service Specialist – he will be the main point of contact on the phones and emails
- Kira Leingang was hired in a temporary position for the renewal period to assist operations staff

CPE Tracker – CPE Summary Upload Feature

The CPE Summary Upload feature has been implemented in the CPE Tracker. Individuals can now add their CPE to the Tracker through a CSV file template provided by the Board. The Summary Upload option has been well received with lots of positive feedback.

The option to individually add courses is still in place as well.

Enforcement Report

Enforcement Reports:

Taylor Shahon, CPA, Lead Investigator, presented:

- Quarterly Enforcement Report for October 1, 2022, through December 31, 2022
- Twelve-Month Lookback Report for January 1, 2022, through December 31, 2022
- Resolved Complaint Report for periods January 2022 through December 2022 and January 2021 through December 2021
- CBM Report for October 1, 2022, through December 31, 2022

Taylor reported on the following enforcement activities:

- Quiet quarter – CPAs are doing a good job
- Complaints primarily concern communication issues and IRS delays
- Thank you to all consulting Board Members (CBMs)

**Executive and/or
Closed Session
with Legal
Counsel**

No executive or closed sessions with legal counsel were held.

Public Input

The Board received input from the following individuals:

Kimberly Scott thanked the Board for implementing the CPE Tracker Summary upload feature and for changing the education rule to a 120-hour requirement to sit for the CPA Exam.

Kimberly asked the Board to consider opening WAC 4-30-062(5)(b), Applying to take the CPA examination, to extend the testing window to complete all sections of the Exam. Kimberly advised the following:

- Change to the 18-month rule should not affect substantial equivalency
- May bring more CPAs into the profession which may alleviate firm staffing shortages
- Removes Exam candidate barriers
- 18-month window may be biased against women and cultural backgrounds
- Other professions have a much longer window to pass their professional examination
- 18-month timeframe is arbitrary
- Would like to see a 36-month or even 60-month timeframe

Kimberly advised NASBA would like changes to come after the new Exam is implemented; however, she would like the Board to consider the changes sooner.

Tom Neill, CPA advised the Board that in his conversations with other professionals a 36-month CPA Exam testing window seems to be the preference. He is not opposed to a 60-month testing window.

Tom thanked the BARC for their work on the Ethics and Prohibited Practices Rule sections. Now CPAs have one set of rules from which to look.

Tom asked the Board to add information regarding the three proposed new Statements on Standards for Tax Services (SSTS) to correspondence with CPAs.

Laurie Tish, CPA, provided background from her time on the Board when the on the 150-hour education rule for licensure was implemented in July 2000. The thoughts and ideas at the time were:

- Learned profession requires education beyond a bachelor's degree
- Many individuals already had that much education
- 30 extra hours allowed for a more balanced education
- Offers line of defense against current push for anti-regulation
- Recommended reversion to 120 hours is misplaced blame on the pipeline issue

Laurie stated that more dialogue needs to happen to make a decision regarding reducing the education hours required to qualify for CPA licensure.

Laurie also stated that more dialogue is needed regarding the 18-month CPA Exam testing window. She would like to see a 60-month window.

Jeremy Saladino, WAATP, added through the Teams chat "I can tell you that WAATP has a number of members that are Enrolled Agents that dropped off the CPA path because of various testing issues. These are now small business owners and many of them Women some of those Women of Color. And they are speaking to younger candidates about the path they took."

Adjournment

The Board meeting adjourned at 12:30 p.m.

Board Member

Board Member

Board Member

Board Member

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Board Member



Washington State Board of Accountancy

Policy Number: 2003-1

Title: Safe Harbor Report Language for Use by Non-CPAs

Revised: January 29, 2021

Approved:

Joel Cambern, Chair

Purpose:

RCW 18.04.350 (11) states that persons or firms composed of persons not holding a license under RCW 18.04.215 (i.e., non-CPAs) may offer or render certain services to the public, including the preparation of financial statements and written statements describing how such financial statements were prepared, provided they do not:

- Designate any written statement as an “audit report,” “review report,” or “compilation report,”
- Issue any written statement which purports to express or disclaim an opinion on financial statements which have been audited, and
- Issue any written statement which expresses assurance on financial statements which have been reviewed.

In April of 1989, the Board approved two alternatives as “safe harbor” report language for use by non-CPAs. Non-CPAs may use the language in the following paragraphs without challenge by the Board as a violation of RCW 18.04.345. The words “audited,” “reviewed,” “compiled,” or “compilation” may not be inserted or substituted for the language found in the letters.

CPA-Inactive certificate holders may not use the ‘CPA-Inactive’ title when performing or offering accounting, tax, tax consulting, management advisory, or similar services to the public. As such, CPA-Inactive certificate holders are prohibited from using the safe harbor report language concurrent with the CPA-Inactive title.

Safe harbor report language Sample #1:

The accompanying balance sheet of ABC Company, as of December 31, 1988 and related statement of income for the year then ended have been prepared by me (us).

These statements have been prepared from information furnished by management (owner), and accordingly, I do not express any assurance on them.

Safe harbor report language Sample #2:

The accompanying balance sheet of ABC Company, as of December 31, 1988 and related statement of income for the year then ended have been prepared by me (us).

My engagement was limited to presenting in the form of financial statements information that is the representation of management (owner), and accordingly, I do not express any assurance on them.

Effective: January 31, 2003

Revised: October 17, 2013



Washington State Board of Accountancy

Policy Number: 2004-1

Title: Administrative Violations Guidelines

Revised: April 24, 2020

Approved:

Mark Hugh, CPA, Chair

*This policy rescinds and supersedes any previous Board policy.

Purpose:

The purpose of this policy is to authorize the Washington State Board of Accountancy's (Board) Executive Director to resolve certain violations through a Remedial Resolution resulting in an administrative process of voluntary settlements without Board approval.

Authority and Delegation:

The Board delegates to the Executive Director the authority to administer Remedial Resolutions. The Board does not intend these guidelines to be mandatory; nor does the Board wish to exclude or limit other sanctions or considerations in other disciplinary action.

Guiding Principles:

These guidelines will be used when the Executive Director has sufficient evidence of an administrative violation. These guidelines only apply to first time administrative violations; repeat or non-administrative violations shall be subject to the Board's formal disciplinary process. At any time, the respondent may refuse the Remedial Resolution and request a formal hearing before the Board in accordance with the Administrative Procedure Act RCW 34.05.

A Remedial Resolution is an informal settlement between the Executive Director on behalf of the Board and the respondent and must be signed by both parties. As part of the Remedial Resolution, the Executive Director may include cost recovery. All terms must be satisfied within 90 days of service unless otherwise specified. Failure to comply with the terms may result in commencement of formal disciplinary action.

1.	Use of a restricted title with a lapsed credential.	<ul style="list-style-type: none"> • \$500 fine • Obtain a license or cease use of title
2.	Failure to obtain a firm license by a firm who offers or performs attest services or compilations	<ul style="list-style-type: none"> • \$1,500 fine • Completion of Board approved Washington State Ethics course
3.	Use of title(s) in violation of RCW 18.04.345(5) by an un-credentialed individual.	<ul style="list-style-type: none"> • \$1,500 fine
4.	Failure to provide records in compliance with WAC 4-30-051, so long as the failure does not result in client financial harm.	<ul style="list-style-type: none"> • \$1,500 fine • Completion of Board approved Washington State Ethics course
5.	Failure to timely inform the Board of matters in compliance with WAC 4-30-030, or to respond to a request for administrative information or documentation.	<ul style="list-style-type: none"> • \$750 fine • Completion of Board approved Washington State Ethics course

Non-Administrative Violations:

Misconduct that is not listed above are acts that the Board finds too significant to be handled through a Remedial Resolution. The Executive Director may open an investigation into the alleged conduct. Board Policy 2017-1 provides guidance on the Board’s investigative and disciplinary process.

Effective: October 29, 2004

*Revised: April 24, 2020; July 28, 2017; October 24, 2014; April 23, 2013; April 26, 2012; April 25, 2011; October 17, 2008; April 28, 2006; January 28, 2005




Washington State Board of Accountancy

Policy Number: 2015-1

Title: Board Member Travel and Attendance at Group Gatherings

Adopted: January 30, 2015

Approved:



Donald F. Aubrey, CPA, Chair

Purpose:

To ensure the continuity of the Board's authority to take legal action in the event of unexpected travel challenges or other events while some or all Board members are in group travel status.

To ensure that no Board actions occur at social, business, or professional gatherings attended by a quorum of Board members.

Policy:

Board members may periodically travel or congregate together at social, business, or professional meetings. A quorum of voting Board members is required for the Board to conduct its business.

It is the policy of this Board that:

1. No more than three Board members shall travel together in a common vehicle or on a common carrier to ensure that any required Board action would be legally binding in the event of unexpected travel challenges or other events while some or all Board members are in travel status and not present to vote.
2. The Open Public Meetings Act of this state is designed to promote transparency when boards and commissions conduct public business. Board business or recommended Board actions shall not be discussed as a group if a quorum or more of Board members attend social, business, or professional gatherings.



Washington State Board of Accountancy

Policy Number: 2017-1

Title: Investigative and Disciplinary Processes

Revised: April 24, 2020

Approved:

Mark Hugh, CPA, Chair

Purpose:

The purpose of this policy is to further define and make available the Washington State Board of Accountancy's (Board) investigative and disciplinary process against Washington State licensees, or persons holding out as certified public accountants (Respondents) as described in chapter 18.04 RCW.

Authority and Delegation:

The Board's authority to conduct investigations and enforce administrative discipline derives from Chapter 18.04 RCW (Public Accountancy Act) and chapter 34.05 RCW (the Administrative Procedures Act). The Board has delegated the responsibility for conducting such investigations to the Executive Director per RCW 18.04.045(7) and WAC 4-30-140. The Executive Director may work with staff, a Consulting Board Member (CBM), a contractor, and the Prosecuting Assistant Attorney General during the enforcement process so that the Board members may remain impartial and objective in the event of an administrative hearing.

Guiding Principles:

The Board seeks to resolve disciplinary cases in a fair and equitable manner, and recognizes that administrative hearings are costly, time consuming, and delay resolution. Therefore, the Board seeks to resolve most disciplinary cases through informal consent agreements in accordance with the Administrative Procedures Act 34.05 RCW (APA). Furthermore, the Board seeks respondent participation in the development of settlements in order to encourage future compliance, foster professional development, and advance the profession.

Complaint Intake:

The enforcement activities are driven primarily by complaints received from the public; however, the findings of federal, state, or other disciplinary entities may serve as the basis of a complaint with the Board. The Executive Director may also initiate an investigation following an observation of a potential violation by Board staff.

Charging and Administrative Review:

If resolution through settlement is not reached, the Executive Director may issue a Statement of Charges against the respondent, as outlined in WAC 4-30-140.

Approval and Review:

All consent agreements must be signed by the respondent, and approved by a vote of the Board. Any CBM involved with the case is recused from voting. If approved by the Board, the consent agreement becomes effective and binding once served on the respondent.

As part of the ongoing investigative and disciplinary process, all complaints are reviewed by a Board member.

Complainant Recourse:

The Board shall not reopen complaints closed after review by the Executive Director and a Board member. If a complainant disagrees with the closure of a complaint, they may submit a complaint using the Board's complaint form with new allegations and/or new material evidence. Complaints with allegations already reviewed may not be investigated without new material evidence.

Cost Recovery:

The Board has the power to recover investigative costs through the case resolution process. Investigative costs may include, but are not limited to, staff time, travel, legal costs, and cost of contractors.

Effective: July 28, 2017
Revised: April 24, 2020



Washington State Board of Accountancy

Policy Number: 2017-2

Title: Publication and Disclosure of
Disciplinary Actions

Adopted: October 27, 2017

Approved:



Thomas G. Neill, CPA, Chair

Purpose:

The Washington State Board of Accountancy's (Board) purpose is, in part, to protect the public interest. The Board is also required to comply with the Public Records Act Chapter 42.56 RCW. To help achieve this purpose, the Board shall make accessible disciplinary actions taken by the Board.

Guiding Principles:

All disciplinary actions taken by the Board shall be published through the Board's licensee search, and through the Board's newsletter in summary. For the purposes of this policy, disciplinary actions may include, but are not limited to, board orders issued at an administrative hearing, default orders, negotiated consent agreements, and emergency temporary cease and desist orders.

All disciplinary actions are subject to the Public Records Act and may be provided in response to a request in accordance with WAC 4-30-024. The Board shall post any public safety notices on its website immediately.

The Board shall maintain updated disciplinary data through the National Association of State Boards of Accountancy (NASBA) in order to provide current licensee information to the public. NASBA maintains CPAverify.org to provide public access license statuses.

Effective: October 27, 2017



Washington State Board of Accountancy

Policy Number: 2020-1

Title: Peer Review

Revised: ~~April 24, 2020~~ April 28, 2023

Approved: Mark Hugh~~Mark Hugh~~ Brian R. Thomas, CPA, Chair

Purpose:

The purpose of this policy is to clearly define the Board's process and procedures for interacting with licensed firms who are required under WAC 4-30-130 to undergo peer review and to report the results using the AICPA's Facilitated State Board Access (FSBA) database at the time of their firm license renewal.

In addition, this policy is intended to inform the wider CPA firm community about the Board's approach to evaluating and responding to the results of peer reviews.

Guiding Principles:

The Board believes remediation is the fundamental goal of peer review. In the majority of instances where deficiencies are discovered through the peer review process, corrective action and follow through by the Administering Entity (AE) and/or Review Acceptance Body (RAB) should be allowed to proceed.

In certain instances the Board may impose a practice restriction or other measures through its disciplinary process when deemed appropriate.

Process for Dropped or Terminated Firms:

The AICPA notifies the state boards when an AICPA member has been dropped or terminated from the peer review program.

Board staff will access FSBA to routinely review the list of firms that have been dropped or terminated from peer review. Per WAC 4-30-130, licensed firms who have provided attest or compilation services and who have been dropped or terminated from peer review by the AICPA must notify the Board. Board staff will generate reports detailing dropped firms and follow up with firms that have not reported.

Firms that have been dropped or terminated from peer review, have not responded to a board inquiry per WAC 4-30-034, and remain out of compliance will be referred to the Board's disciplinary process.

Board Evaluation of the Results of Peer Review:

One member of the Board's Peer Review Oversight Committee and the Executive Director (ED) will review all failed reports, for which the results are pass with deficiencies (PWD) or fail. Board staff will make all files available electronically for the Board member's review.

PWD – or Sequential PWDs:

The Board member and ED will review the peer review report for any unusual facts or troubling trends. Board staff will follow up to ensure that corrective action, as recommended by the AE/RAB, is completed by the firm.

Referral for discipline is unlikely for PWD results.

Fails and/or Sequential Fails:

If there is one instance of a fail, the Board member and ED will review the peer review report for unusual facts or troubling trends, especially if the prior peer review was a PWD. Board staff will follow up to ensure that corrective action, as recommended by the AE/RAB, is completed by the firm.

If a firm has two sequential fail reports over two renewal periods, a Board member and ED will evaluate the two fail reports to determine if the same topic is at issue in both periods. If not, Board staff will follow up to ensure that corrective action, as recommended by the AE/RAB, is completed by the firm.

However, if the firm is dropped or terminated from the peer review program as a result of two sequential fails, the disciplinary process noted above will be undertaken.

If the two sequential fails have the same root cause, the Board will determine what action is appropriate under the circumstances. Options, beyond the corrective action, include but are not limited to the following:

- Required remedial training through Consent Agreement
- Practice restriction through Consent Agreement or Board Order
- Discipline including fine and/or firm license revocation through Consent Agreement or Board Order

Effective: January 31, 2020

Revised: April 24, 2020; [April 28, 2023](#)



Washington State Board of Accountancy

Policy Number: 2020-2

Title: Public Officials and Public Employees

Adopted: October 29, 2021

Approved:

Rajib Doogar, Vice Chair

Purpose:

The Washington Public Accountancy Act generally does not apply to government officials and employees. The Act provides “Nothing in this chapter prohibits any act of or the use of any words by a public official or a public employee in the performance of his or her duties.” RCW 18.04.350(12). The purpose of this policy is to explain both the application and the limitations of this exception.

Guiding Principles:

The Board has authority over licensees to revoke or suspend licenses, impose conditions on practice and to impose fines for a variety of causes under RCW 18.04.295 and RCW 18.04.345. However, that authority is limited by RCW 18.04.350(12) for actions performed by public employees in the normal course of their duties.

Public employees are not required to be licensed as CPAs. While RCW 18.04.345 prohibits a person from offering attest or compilation services without a license, RCW 18.04.350(12) creates a specific exception for public employees. Therefore, a non-licensed public employee is not prohibited from preparing audits as long as it within the scope of their employment.

A public employee who is a licensed CPA is still subject to ethics rules and standards for professional conduct under the Act. Under RCW 18.04.350(12), the Board does not have the authority to judge the quality of performance or judgement of a public employee in course of their employment. However, if the public employee is a licensed CPA, the Public Accountancy Act provides additional standards and rules of professional conduct that accompany that license, regardless of employment, and the Board has the duty to uphold those standards and rules.

Many of the requirements, and potential violations under Chapter 18.04 RCW and Chapter 4-30 WAC are not related to the performance of job duties. For example, neither obtaining or renewing a CPA license, nor performing accountancy work outside of the office are part of a public employee’s job duties and violations associated with those activities are subject to Board action.

A public employee who is a licensed CPA would be subject to Board enforcement action for committing fraud or deceit in renewing their CPA license, or in failing to report that they had been sanctioned by another public agency. In addition, a public employee CPA who refused to cooperate with the Board in its investigation of a case would be in violation of the Act.

Even when a public employee who is a licensed CPA is “at work” they may commit violations of the Public Accountancy Act. For example, criminal activity even if performed while “at work” would not be part of the public employee’s job duties and therefore, the CPA would be subject to enforcement. Likewise, it can be argued that engaging in acts of fiscal dishonesty, fraud, or self-dealing would not be included in the public employee’s job duties.

However, for actions in the normal course of their duties by public employees, even licensed CPAs, it is up to the employing public agency to determine whether the performance of a public employee is satisfactory. In that situation, by Washington law, the Board has no disciplinary authority over that agency and that employee.

This exception is not unique to Washington. Reviewing the legislative history of RCW 18.04.350(12), it is in Washington law because the legislature modeled it upon the Uniform Accountancy Act, the national model licensing law developed to provide a uniform approach to regulation of the accounting profession.

For further discussion see Attorney General Opinion (AGO) 2021 No.5.

Effective: October 16, 2020
Revised: October 29, 2021



National Association of State Boards of Accountancy

February 15, 2023

TO: State Boards of Accountancy and other interested parties

FROM: Nicola Neilon, Chair – NASBA Uniform Accountancy Act Committee

As approved by the NASBA Board of Directors, we are releasing for a 60-day comment period, a revised exposure draft incorporating additional proposed amendments to the Uniform Accountancy Act's Model Rules that pertain to the examination. The original amendments were developed by the NASBA CBT Administration Committee and reviewed by the NASBA Uniform Accountancy Act Committee, which recommended them to the NASBA Board for public comment at its October 11, 2022, meeting.

At its January 2023, meeting, NASBA's Board of Directors voted unanimously to support further amendments to Rule 5-7 that would increase the length of conditional credit from 18 months to 24 months and to request a review of the proposed language in Rule 5-7(e) to determine if greater clarity as to a Board's authority to allowing additional time to candidates could be gained by adding descriptive language. In February, NASBA's Uniform Accountancy Act committee met and developed the additional clarifying language. NASBA's Board of Directors approved both additional changes for exposure at its February 14, 2023, meeting.

The changes being proposed cover the granting of credit requirements for sections passed on the Uniform CPA Examination (Exam) for those wishing to enter the CPA profession. The revised exposure draft provides that once a candidate has successfully passed one section of the Exam, all jurisdictions provide candidates with a rolling twenty-four (24) month period to successfully pass the remaining sections of the examination. The date from which credit is calculated varies among the jurisdictions. In addition, recent revisions to the Exam indicate that score delays may occur when updates are made to Exam content and structure. The Committees' recommendation seeks to provide uniformity among the jurisdictions on how the granting of credit is calculated and to address possible future score delays when Exam content or structure changes occur.

As proposed, Rule 5-7 Retake and granting of credit requirements would be deleted and re-written to include:

- Rule 5-7(a) provides that a candidate may take the required Test Sections individually in any order and that credit for any Test Section passed shall be valid for twenty-four (24) months from the date the passing score was released by NASBA to the candidate or the Board.
- Rule 5-7(a)(1) provides a candidate must pass all Test Sections within a rolling twenty-four (24) month period that begins with the date the first passing score(s) are released by NASBA to the candidate or the Board. The rolling window would conclude with the sit date of the final Test Section passed, regardless of when the score is released by NASBA for the final Test

Section. If all Test Sections are not passed within twenty-four (24) months, credit for any Test Section passed outside the twenty-four (24) month period shall expire.

- Rule 5-7(b) is being proposed to prohibit a candidate from taking a failed Test Section until the candidate has been notified of the score for the most recent attempt of that failed Test Section.
- Rule 5-7(c) provides that a candidate is deemed to have passed all required Test Sections in the rolling twenty-four (24) month period.
- Rules 5-7(d) provides a candidate shall retain credit for any and all Test Sections of the examination passed as a candidate of another state if such credit would have been given under then applicable requirements in this State.
- Rule 5-7(e) provides that the period of time to pass all Test Sections of the examination may be extended by the Board upon a showing that the credit was lost by reason of individual hardship including, but not limited to, health; military service; a disruption at the local, regional, or national level impacting the candidate; or other circumstances beyond the candidate's control.

We believe these changes will provide guidance for State Boards and candidates in the years ahead. We encourage the State Boards and other interested parties to consider these proposed changes and send any comments or recommendations to the UAA Committee via uaacomment@nasba.org by April 17, 2023.

Sincerely,

Nicola Neilon

Nicola Neilon, CPA
Chair, NASBA Uniform Accountancy Act Committee

Uniform Accountancy Act Model Rules – Conditional Credit

Rule 5-7 – Retake and granting of credit requirements.

~~(a) — A Candidate may take the required Test Sections individually and in any order. Credit for any Test Section(s) passed shall be valid for a period of eighteen (18) months and be calculated from the actual date the Candidate took that Test Section, without having to attain a minimum score on any failed Test Section(s) and without regard to whether the Candidate has taken other Test Sections.~~

~~(1) — Candidates must pass all Test Sections of the examination within a rolling eighteen (18) month period, which begins on the date that the first Test Section(s) passed is taken.~~

~~(2) — (A) — Subject to subsection 7(a)(2)(B), Candidates cannot retake a failed Test Section(s) in the same testing window. A testing window is equal to a calendar quarter (January-March, April-June, July-September, October-December). Candidates will be able to test no less than two (2) months out of each testing window.~~

~~(B) — If the Board determines that the examination system changes necessary to eliminate the test window limitations have been implemented, subsection (A) will no longer be effective, and a Candidate can retake a Test Section once their grade for a n y previous attempt of that same Test Section has been released.~~

~~(3) — In the event all Test Sections of the examination are not passed within the rolling eighteen (18) month period, credit for any Test Section(s) passed outside the eighteen (18) month period will expire and that Test Section(s) must be retaken.~~

~~(b) — A Candidate shall retain credit for any and all Test Sections of the examination passed as a candidate of another state if such credit would have been given under then applicable requirements in this State.~~

~~(c) — A Candidate shall be deemed to have passed the examination once the Candidate holds at the same time valid credit for passing each of the Test Sections of the examination. For purposes of this section, credit for passing a Test Section of the examination is valid from the actual date of the Testing Event for that Test Section, regardless of the date the Candidate actually receives notice of the passing grade.~~

~~(d) — Notwithstanding subsection (a) of this Rule, the Board may in particular cases extend the term of credit validity upon a showing that the credit was lost by reason of circumstances beyond the Candidate's control.~~

(a) A Candidate may take the required Test Sections individually and in any order. Credit for passing any Test Section shall be valid for that Test Section for twenty-four (24) months from the date the passing score for such Test Section is released by NASBA to the Candidate or the Board, as the case may be, regardless of the number of Test Sections taken or having to attain a minimum score on any failed section(s).

(1) A Candidate shall pass all required Test Sections within a rolling twenty-four (24) month period. The rolling twenty-four (24) month period begins on the date the first passing score(s) are released by NASBA to the Candidate or the Board, as the case may be. The rolling twenty-four (24) month period concludes on the date the Candidate sits for the final Test Section passed, regardless of when the score is released by NASBA for the final Test Section.

(2) A Candidate who earns initial credit on one or more Test Section(s) of the CPA examination must sit for and complete the remaining required Test Section(s) of the examination by midnight local time at the Board's main office on the last day of the twenty-four (24) month period.

- (3) If all required Test Sections are not passed within this initial twenty-four (24) month period, credit for the first Test Section(s) passed shall expire and a new rolling twenty-four (24) month period shall begin on the date the second passing score(s) were released by NASBA to the Candidate or the Board, as the case may be, and continue for twenty-four (24) months from that date. If all required Test Section(s) are not passed within this next rolling twenty-four (24) month period, credit for the second Test Section(s) passed shall expire and a new rolling twenty-four (24) month period will begin on the date the next Test Section passing score, if any, was released by NASBA to the Candidate or the Board, as the case may be, and this cycle of twenty-four (24) month rolling periods and Test Section credit expirations will continue until all Test Sections are passed within one twenty-four (24) month rolling period. Notwithstanding the foregoing, if a Candidate stops testing for a twenty-four (24) month period, then all credit for previously passed Test Sections will expire.
- (b) A Candidate shall not retake a failed Test Section until the Candidate has been notified of the score for the most recent attempt of that failed Test Section.
- (c) A Candidate shall be deemed to have passed the examination if the Candidate obtains credit for passing all required Test Sections in one rolling twenty-four (24) month period.
- (d) A Candidate shall retain credit for any and all required Test Sections of the examination passed as a Candidate of another state if such credit would have been given under then applicable requirements in this State.
- (e) Notwithstanding subsections (a), (b), and (c) of this Rule, the period of time in which to pass all required Test Sections of the examination may be extended by the Board upon a showing that the credit was lost by reason of individual hardship including, but not limited to, health; military service; a disruption at a local, regional, or national level impacting the Candidate; or other circumstances beyond the Candidate's control.

18-Month Window Comment

By: Dan Dustin, CPA, Vice President, State Board Relations, NASBA

Under the paper and pencil exam, candidates could sit for the CPA exam twice a year, in May and November. At that time, candidates were allowed 36 months to complete the four sections of the examination.

With the transition to a computer-based exam in 2004, the policy was modified so that candidates had 18 months to complete all four sections of the exam. Under computer-based testing, candidates could test once per quarter or twice as often as they could under paper and pencil. As a result, the conditional credit policy was modified to allow 18 months to pass the exam (36 mos. / 2 times as many opportunities). With the adoption of continuous testing, candidates now have an opportunity to sit two or more times in an exam window.

Talking Points: 150 Hours of Education for Licensure

Background: The adoption of the 150-hour education model was a topic of discussion dating back to the 1950's when the concept was considered a radical recommendation. In 1956, only three states (FL, NJ and NY) required a candidate to have graduated from college. In 1979, Florida became the first state to require 150 hours of education as a requirement for licensure and by 2008, 48 states required 150 hours of education.

Several factors contributed to the adoption of the 150-hour education requirement within the Uniform Accountancy Act (UAA), including the evolution of client services, the growing application of information technology, the increase in accounting pronouncements, the need for entry level accountants to possess more soft skills, the recognition of formal education over informal on-the-job training, and that accounting be recognized as a learned profession similar to architecture, engineering and law.

Public accounting firms believed that the 150-hour education model should provide a broad-based business and accounting education, including skills in communications, ethics, research, judgement and analysis. These skills were seen as being essential to properly prepare students for a more complex business environment and improve the overall quality of work performed by CPAs. As such, expanding accounting education broadened the capabilities of students entering the profession by adding skills in:

- General knowledge and soft skills such as written and oral communications
- Organizational and business knowledge
- Accounting and auditing knowledge

The UAA Model Law requires 150-hours of education with a baccalaureate degree with an accounting concentration. The UAA Model Rules provide flexibility in education by providing pathways to licensure for those graduating with:

- a. a liberal arts degree to take 24 hours of accounting
- b. a non-accounting business degree to add specialized accounting program skills
- c. an accounting undergraduate degree to increase their business breadth

Many colleges and universities responded to the increased education requirement by establishing master's degree programs which enhanced the profession by producing more highly skilled graduates.

Specificity within additional 30 hours: There are benefits to maintaining a lack of specificity within the additional 30 hours:

- It accommodates those seeking to transfer into accountancy from another major as well as those seeking a mid-career change into accountancy.

- It allows students to dive more deeply into a specific practice area either through a master's program or by taking specific individual coursework in evolving areas such as technology, thereby elevating and enhancing the overall quality of professional practice.
- It accommodates more diversity in the backgrounds of students, including those that are of lower socio-economic status, by offering more flexibility in the requirements.

Sitting for exam prior to licensure: A majority of Boards of Accountancy have amended their rules to allow applicants to sit for the exam with less than 150 hours of education. Thirty-eight jurisdictions allow candidates to sit after receiving a bachelor's degree with accounting concentration, and thirteen jurisdictions states allow a candidate to sit within a certain number of days before completing 150 hours (60, 90, or 120 days).

Passing the exam with 120 hours of education does not alleviate the candidate of the responsibility to meet the 150-hour education requirement. However, allowing candidates to sit, and potentially pass, the exam prior to finishing their education requirements can invite criticism from stakeholders, including legislators, against the 150-hour educational model.

A model that allows candidates to sit for the exam within a certain number of days before completing the 150-hour requirement (rather than allowing candidates to sit with a bachelor's degree) may help mitigate this risk. Boards of Accountancy should be aware of this optics risk and remind stakeholders that each licensure requirement is a measure of the minimum level of competency for licensure and that each requirement stands on its own; i.e. the importance and benefits of the education requirement and that it is separate from the examination requirement.

DRAFT

**Education and Licensure Requirements for Certified Public Accountants:
*A Discussion Regarding Degreed Candidates Sitting for the Uniform
CPA Examination with a Minimum of 120 Credit Hours (120-Hour
Candidate) and Becoming Eligible for Licensure with a Minimum of 150
Credit Hours (150-Hour Candidate)***

(120/150 Discussion)

Issued by the

National Association of State Boards of Accountancy

November 2008

Contents

Foreword

- I. Introduction**
- II. History of the 150-Hour Requirement**
- III. Accounting Education Requirements and the Uniform Accountancy Act**
- IV. The 120 Hour to Sit/150 Hour to License Educational Model**
- V. Statistical Implications**
- VI. Summary**

Appendix A – Pass Rates for BEC

Appendix B – Pass Rates for REG Section

Appendix C – Pass Rates for FAR Section

Appendix D – Pass Rates for AUD Section

Appendix E – Statistics by Education Level

Appendix F – State statistics with before 150 and after 150-hour Requirement Implemented

Foreword

This paper considers the issues surrounding the educational requirements for candidates to sit for the Uniform CPA examination. Forty-eight boards of accountancy require candidates to earn 150 hours of education for licensure (five of which permit a path for licensure with less than 150 hours under certain circumstances). Typically, boards have required candidates to complete their educational requirement prior to sitting for the examination. In the past few years, some boards have revised their educational requirement model to allow candidates to sit at less than 150 hours of education, i.e., 120 hours or a bachelor's degree, with the condition that they continue their educational requirement and become licensed when they have received 150 hours. Other boards are considering this 120/150 model. Therefore, after years of debating the need for requiring 150-hours; a new debate has begun. Should candidates be permitted to sit for the exam with a minimum of 120 hours? What are the benefits; what are the negatives as relates to the public interest? NASBA's purpose for delving into this is to provide boards of accountancy with a comprehensive look at the issue. Boards of accountancy are stewards of the public interest, and many times a debate can be distilled to that of public protection. Providing an empirical measurement of the effects of an educational requirement vis à vis the public protection is a continuing challenge. What is practicable is to take this issue and research it from many angles to provide a solid understanding of its implications. Hence, the word "discussion" in the title.

For many reasons, NASBA has supported the 150-hour requirement for licensure. Our support of that requirement is not in question. However, we must seek to know, based on available evidentiary documentation, if testing for the CPA exam at less than 150 hours harms the public or, more positively, is beneficial to the public. Our purpose, as always, is to enhance the effectiveness of state boards of accountancy. We hope that this paper provides insights which achieve that purpose.

David A. Costello, CPA, President & CEO, NASBA

I. Introduction

Adoption of the 150-hour requirement was not done in haste. The quest for the 150-hour education requirement goes back to the time when NASBA was called the Association of CPA Examiners and the American Institute of Accountants (AIA) was still not a part of the AICPA. The requirement was brought about by many factors, including: the expansion of client services, the growing application of information technology (electronic data processing), the increase in accounting pronouncements, the recognition of the value of formal education over informal experience, and the desire for the recognition of accounting as a profession at least as demanding as law, engineering and architecture.

Concurrently, as a result of considerable changes in the complexity of the profession through the years, the examination requirement evolved from a baccalaureate degree to a baccalaureate degree and a total of 150 semester hours. Although the 150-hour requirement is solidly in place, as almost all states have enacted legislation to put it into law, state boards of accountancy are revising their statutes to allow candidates to sit for the examination upon completion of approximately 120 hours or a bachelor's degree. These boards continue to require 150 hours for licensure but have justified allowing candidates to be examined prior to the completion of their educational requirements.

The purpose of this paper is to explore and research this topic and address some of the many issues which surround it. First, we look at the history of the 150 hour requirement to understand its genesis; then we review and provide an analysis of the current educational requirements; based on survey responses provided by boards of accountancy we provide a of the 120 hour to sit/150 hour to license model including benefits to allowing candidates to sit at 120 hours; based on statistics gleaned from the National Candidate Database, we provide a some statistical implications of passing rates on the CPA Examination in the states that allow candidates to sit at 120 and license at 150; and finally, we provide a short summary.

NASBA has undertaken this project as a service to its constituent members, the 55 State Boards of Accountancy. Boards of accountancy are the sole stewards of the CPA license. Inherent in boards' existence is to provide the appropriate entry requirements into the profession in order to ensure public protection. Boards must not only consider the most appropriate educational prerequisites in the protection of the public, but the effects of entry requirements on academia, accounting firms, and CPA candidates, who bear the responsibility of the future of the profession.

This issue is currently relevant because 19 state boards (AK, AZ, CT, GA, HI, ID, IA, KY, MA, ME, MI, MN, NJ, NM, NC, PA, RI, SC, WV) now allow candidates to sit for the examination at 120 hours or a bachelor's degree while requiring 150 hours for licensure.

Moreover, an additional three state boards allow candidates to sit for the exam with less than 150 hours (CNMI, GU, MT).

This educational model raises many questions for state boards and other stakeholders:

- Does the 120/150 model ensure that boards are maintaining their public protection responsibility?
- Does this model increase the number of candidates entering the profession?
- Does this lesser educational requirement for sitting for the examination provide greater opportunities for women and minorities?
- Does this model assist candidates with the costs associated with becoming a CPA?
- Is the number of candidates entering the profession a public protection issue for boards?

This paper provides research, some statistical data and anecdotal information to make available a starting point for a serious look at the educational requirements necessary for sitting for the Uniform CPA Examination.

II. History of the 150-Hour Requirement

Throughout the 1950s boards of accountancy heard speakers at their annual meetings describe the need for improving accounting education. The Carnegie Foundation, with additional funding from 36 states, created the Commission on Standards and Experience for Certified Public Accountants that produced a report in August 1956 favoring the requirement of a graduate degree for accountants. At the time, this was a fairly drastic recommendation as only three states, Florida, New Jersey and New York, required CPA candidates to have graduated from college; while in Mississippi, the only educational requirement was completing a study of accounting-related topics, which could be done through a correspondence course.

The Commission's findings underscored "the trend in most professions has been to qualify, first, through experience only, later through a combination of experience and formal educational training, and eventually through formal education alone." This path is illustrated in Glenn Van Wyke's book *The Struggle for Status: A History of Accounting Education*¹, which tracks the profession's evolution from the 1880s to the 1990s. In the last half century, Dr. Van Wyke says accounting education went through: (1) the apprenticeship stage, (2) the proprietary school stage, (3) the university stage, (4) the pre-professional stage, and (5) the post graduate stage.

"Our problem then becomes one that is familiar to all accountants and particularly to cost accountants. How great a cost in terms of time and effort can a young man [or woman] afford to spend in formal education and how much should be left to be obtained through self-education and experience? Once this is decided, the next important question to be resolved is this – which parts of the desired level of general and technical education can best and most efficiently be handled formally and which parts are more efficiently left to self-education or to experience and on-the-job training?" asked William W. Wertz,² not in 2008, but in a paper he delivered in August 1960. He was a partner of Touche, Ross, Bailey & Smart, which was melded into the firm now known as Deloitte, but his questions linger on.

In 1979, Florida became the first state board to adopt the 150-hour requirement to sit for the CPA examination, with an implementation date of August 1, 1983. Florida proudly pointed to its higher pass rate once the 150-hour requirement was in place. Douglas A. Snowball, Associate Dean of the University of Florida's Fisher School of Accounting, noted before 1983, the pass-rate for Florida's first-time candidates was around 14 percent. But, "Since 1983, the passing rate has not been below 32 percent, and the State has been recognized every

¹ Van Wyke, Glenn – *The Struggle for Status: A History of Accounting Education*, Garland Publishing, Inc., 1994.

² Wertz, William W. – "Accounting Education and the Ford and Carnegie Reports," paper presented at the annual meeting of the American Accounting Association at the Ohio State University on August 30, 1960, published in *The Accounting Review*, Vol. 36, No. 2 (April, 1961).

year as an honor State.³ In 2006 (the most recent year for which statistics have been published) Florida had a 39.32 percent rate for first-time candidates passing all parts taken.

Henry R. Anderson, of the University of Central Florida, wrote that the Florida Institute of CPAs had set the following objectives for the requirement:

1. To provide an academic background that will support the knowledge expansion of the profession over a person's career span.
2. To broaden the person's knowledge in areas of study that is peripheral to the accounting discipline.
3. To increase the accounting expertise of the individual.
4. To increase the overall standards of entry into the accounting profession.
5. To increase levels of personal integrity and professional ethics.
6. To increase commitment to the profession by those preparing for entry.
7. To enhance the communications and interpersonal skills of new professionals.
8. To increase the success rate on the CPA Examination.
9. To provide an educational background that is comparable to that of clients who have increasingly higher and more sophisticated ideas and levels of competence.
10. To attract the best and brightest students into the profession.⁴

A 1982 poll which drew responses from 82 percent of the Florida Institute of CPAs' members found 68.1 percent in favor of CPA candidates having a baccalaureate plus at least 30 hours of education to sit for the Uniform CPA Examination.⁵

By October 1984, Belverd E. Needles, Jr., then director of DePaul University's School of Accountancy, wrote in the Federation of Schools of Accountancy's newsletter that the

³ Snowball, Douglas A., "When the 150 Takes Effect," *New Accountant*, September 1990.

⁴ As reported by Hensler, Emil J., Jr., "Implementing the 150 Hour Accounting Requirement," *Mid-Atlantic Journal of Business*, January 1, 1990. Quoting Anderson, Henry R., "The 150-Hour Requirement: Florida's Experience," *The CPA Journal*, July 1988.

⁵ *NASBA State Board Report*, January 1985

undergraduate accounting curriculum was about to “burst” because of pressure coming from five sources⁶:

1. Students are expected to be more broadly educated in general as well as in the tool areas of management.
2. The enormous increase in the amount of authoritative accounting literature that students must learn.
3. The American Assembly of Collegiate Schools of Business’ revised sequence of accounting courses, which forced students to take more accounting courses in their junior year.
4. The CPA examination has changed from an examination on which knowledge of actual practice situations played an important role in passing the examination to an examination that is much more textbook-oriented and to one based primarily on one’s knowledge of authoritative literature in auditing, accounting, and taxation.
5. The increasing presence of the computer in business and society.

While academicians saw the need for expanding the length of their programs, whether or not that should be legislated into a requirement for CPAs was another matter. For example, the Executive Committee of the American Accounting Association supported “the view that the desirable education can seldom be obtained in four years of university study,” and they also noted that 150 hours was a reasonable expectation, but they stopped short of recommending any one path of education.

The Commission on Professional Accounting Education argued in favor of legislating the 150-hour requirement. Their July 1983 report stated: “The sole purpose of a legislated education requirement is to add to the degree of assurance of competent services provided to the public. If the education of CPAs is left to a free market solution, the public cannot be assured that the production of auditing services will be adequate.”⁷

About the same time, a study on “Involvement in Learning: Realizing the Potential of American Higher Education,” by the Study Group on Conditions of Excellence in American Higher Education, concluded: “Students are not likely to accumulate in four years both the generalized and special knowledge necessary for first-rate performance as professionals. This fact has long been acknowledged in baccalaureate degrees in architecture (most require five-year or six-year programs) and in many undergraduate programs in engineering (which offer five-year options).”

⁶ *NASBA State Board Report*, January 1983

⁷ *NASBA, State Board Report*, “AAA Supports 150-Hour Education Without Legislative Mandate,” March 1985.

The AICPA took a significant step in 1988 when its members passed the “Plan to Restructure Professional Standards,” which included updating their Bylaws to require that new members after 2000 would need to have completed 150 hours of college education. The plan was supported by 83 percent of the approximately 200,000 AICPA members who voted. Dr. Rick Elam joined the AICPA’s staff in 1989 as its Vice President – Education, and became a leading spokesman for the profession’s move to the 150 hour requirement. When he was asked in 1992 for the single most compelling reason for adopting the 150 hour requirement⁸, he responded: “The only reason for licensing and regulating certified public accountants is to protect the public from incompetent individuals who might attempt to sell auditing services to the public. CPAs are regulated throughout the industrialized world because no economy can operate without properly-prepared financial information that is independently attested to by outside auditors. The complex business environment of the future necessitates CPAs with at least 150 semester hours of college education.”

While members of the profession, educators and regulators were coming to the conclusion that more than a baccalaureate was called for, exactly what that education should contain was not agreed upon.

Richard J. Goode, NASBA Vice Chair, wrote in 1990: “The AICPA and NASBA are developing model rules to implement the 150-hour education provision that call for a broad-based accounting education, including communication, writing and other skills, and less of a focus on additional accounting hours. These rules will enable ‘non-traditional’ accounting students to enter the profession. For example, a student with a liberal arts undergraduate degree who obtains an MBA with an accounting concentration would be able to meet the requirements.

“The danger is that states will stick with the tried and true. Some states that adopted 150-hour laws have used the additional hours of education to significantly expand the number of accounting hours students must take. If states continue to adopt vastly different education requirements, the result will be restrictions on interstate mobility of young CPAs entering the profession. This would act to further discourage student interest in becoming accountants,” Mr. Goode predicted.

Nathan A. Garrett (who would become NASBA’s Chair) in a 1990 interview⁹ expressed concern that the “implementation of the 150 requirement will create a barrier for the economically disadvantaged.” Consequently, Mr. Garrett urged legislation that would permit four-year graduates to sit for the Uniform CPA Examination but would withhold their license until the 150 education requirement was completed, in this way allowing for part-time education while the candidate was employed.

⁸ *New Accountant*, “In Support of 150 Hours: An Interview with Rick Elam,” September 1992.

⁹ *New Accountant*, February 1990.

Accountants in industry were also among those encouraging flexibility in the 150-hour requirement. Accountants could begin work in the corporate sector, study part-time and take the CPA examination well after they receive their baccalaureate. Steven Berlin, who was a member of the Accounting Education Change Commission as well as Chief Financial Officer of CITGO Petroleum Corporation, commented: “We must provide for flexibility in obtaining the 150 hours. Various models can be developed and should be encouraged. CITGO Petroleum Corporation, like many corporations, provides tuition assistance to employees taking company relevant courses. Bachelor’s degree graduates hired directly out of school who pursue the additional 30 hours, most likely at our expense on a part-time basis, should not be viewed as second class accountants. A strong liberal arts major should be able to obtain the technical accounting needed to pass the CPA exam in 30 hours of additional course work that may not lead to an additional degree. It is important to remember that the 150-hour requirement is not a master’s degree requirement; only an hour requirement.”¹⁰

Mr. Berlin strongly discouraged a model for the 150 that “provides for a bachelor’s degree in accounting and then a master’s degree also in accounting. This may have some value to students who know they want to be permanently technically oriented, perhaps spending their careers as tax researchers. However, if that graduate has goals in the corporate area outside of tax and technical audit staffs, he is wasting valuable education hours.”

The 150-hour requirement was interpreted differently to different people: To some it was a way to have better rounded entry-level CPAs, while to others it was a way to guarantee more technically trained entry-level CPAs. All recognized the need for CPAs to engage in career-long learning, but exactly what was needed to be learned before entry into the profession was not clearly defined.

Entry-level requirements into the accounting profession, i.e., minimum competence, were not fully addressed in the literature which supported the 150-hour educational requirement. This seems a bit incongruous, because the minimum competence standard -- not the quest for the best and the brightest—is the public mandate of state boards’. This priority is a premise of the Uniform CPA Examination contract. The state statutes providing for licensing of CPAs may only restrict licensing to the extent necessary to protect the public. Licensing requirements have generally been upheld, but the 150-hour requirement for sitting for the examination (rather than for licensure) has not been clearly, separately tested in court. The applicable state and federal constitutions have been consistently interpreted by courts to require that objective of establishing minimum qualifications for CPA licensure is to ascertain whether or not an individual has the minimum professional competence to engage in the practice of public accountancy.

¹⁰ Berlin, Steve, “Opportunities Now,” *New Accountant*, September 1990.

Consistent with this principle the Uniform CPA Examination Contract, itself, provides in Section 1.1:

The purpose of the UNIFORM CPA EXAMINATION is to protect the public by assuring that each applicant for a certificate as a Certified Public Accountant is tested for minimum professional competence in addition to other State Board requirements for licensure, including education, experience, and moral character.

The Exam Contract refers to “other State Board requirements” but does not prescribe the sequence in which the licensure requirements (exam, education and experience) had to be earned.

III. Accounting Education Requirements and the Uniform Accountancy Act (UAA)

The Uniform Accountancy Act (UAA) is a model piece of legislation created for state boards as a tool that assists them in developing legislation. The UAA could be adopted totally in place of existing state laws, in part, or with appropriate amendments, be added to existing laws. Because the differing requirements for CPA licensure among the boards of accountancy creates artificial barriers to interstate practice and mobility, the UAA is an effective tool in eliminating these hurdles through the standard of “substantial equivalency.” Substantial equivalency is a determination that the education, examination and experience requirements contained in the statutes and administrative rules of any state or jurisdiction are comparable to, or exceed, those requirements contained in the UAA.

Section 5 of the UAA, “Qualifications for a Certificate as a Certified Public Accountant” describes a set of model requirements which includes a 150-hour educational requirement and the passing of the Uniform CPA Examination. On the one hand, UAA § 5 (c) prescribes that the 150 hours of education be earned before the Candidate takes the exam. On the other hand, despite that requirement, the UAA elsewhere provides in § 3 (v) [defining the term “substantial equivalence” for facilitating reciprocity and mobility] that:

In ascertaining substantial equivalency as used in this act the Board shall take into account the qualifications *without regard to the sequence* in which experience, education, or examination requirements were attained.

Thus, for purposes of substantial equivalency under the UAA, the AICPA, NASBA and a majority of states have determined that whether one earns the balance of their 150 hours of education before or after passing the exam is not relevant to whether another state’s licensee could qualify for a reciprocal license or practice privileges. This means that all licensees from states which allow the examination at 120 hours are deemed substantially equivalent literally the day they become licensed in the other state so long as their state requires 150 hours for licensure. Under the new mobility provisions (no notice, no fee, no escape) they “shall be presumed to have qualifications substantially equivalent to this state’s requirements and shall have all the privileges of licensees of this state without the need to obtain a license under Sections 6 or 7.”

Currently, 48 states are substantially equivalent to the UAA and require 150 hours for licensure; however some of these 48 boards provide other tracks for licensure. The UAA does not address the myriad other requirements promulgated by boards that define the 150-hour educational requirement. These differences range significantly among course requirements. Some boards list specific numbers of accounting and/or auditing semester hours; some boards go a step further and require specific courses at specific levels; and

other boards trend towards a broad-based liberal arts/humanities course requirement once the 120 hours of undergraduate accounting work has been completed. NASBA recently adopted thoroughly vetted model rules suggesting a consistent approach to these educational requirements, but implementation could be slowed by entrenched, diverse programs. Hence, although only seven boards are “non-UAA,” in reality, because each board already has a unique definition of the 150-hour education rule, the 48 boards that require 150 hours are not at all uniform and as previously mentioned, provide different paths to licensure.¹¹

A research paper entitled “Is the Uniform Certified Public Accounting Exam Uniform?” by Richard D. Griffin, Ph.D., CMA, B. Wynne Griffin, CPA and Robert L. Putnam, Ph.D., CPA, compares and contrasts the boards’ many differences in minimum education requirements, accounting requirements, semester hours needed for licensure, business course requirements, and minimum education to sit. Just a quick review of the tables presented in the paper immediately provide an understanding that the educational requirements among states are vastly different and the 150-hour educational requirement can be a completely different course of study between states.

(The aforementioned research paper may also be found on NASBA’s Web site at www.nasba.org under the News tab.)

¹¹ The absence of specific additional accounting course requirements was a criticism the Federal Trade Commission raised in 1996 regarding the Washington State Board of Accountancy’s plan to adopt the 150 hour requirement.

IV. The 120 Hour to Sit/150 Hour to License Educational Model

There are now 48 boards of accountancy which require candidates to earn 150 hours of education for licensure (five of which permit a path for licensure with less than 150 hours under certain circumstances). Twenty-eight of these states permit a candidate to sit for the CPA exam before they have completed all 150 hours (with variations on the specific requirement).

When a majority of the states were changing legislation to include 150 hours of education to sit for the exam and be licensed, a few states, e.g., North Carolina, Arizona and Iowa, amended their rules to include the additional education for licensure but never passed legislation that required 150 hours of education to sit for the exam. The most recent inclination, however, is to change the legislation that requires 150 hours of education to sit for the exam, back to 120 hours, but keep the increased education for licensure.

There are, of course, still many states that require 150 hours to sit for the exam as well as be licensed. Although they have not amended their rules as of November 2008, a number of these states are currently debating the educational requirement to sit for the exam. It is expected that some of these states will amend their rules to allow CPA candidates to sit for the exam at less than 150 hours of education.

It is important to note, however, that despite what level of education is required to take the exam or be licensed, specific course coverage is likely to continue to be included in each state's requirement. Additionally, the rules regarding professional experience are also very diverse. Coupled with the various education requirements, this makes numerous combinations of requirements with very few consistencies between states. As a result, virtually every state has unique requirements to be a licensed CPA.

Speaking with members of boards of accountancy members in states which retained the 120 hours to sit for the exam, while increasing the education requirement for licensure, revealed consistent rationale among the states. These boards did not want to exclude candidates from sitting for the exam due to the time and monetary factors involved with the increased education. Further, these boards believed that the examination content does not justify a requirement of 150 hours for passing. The recollection of these board members does not include any factions within these states that opposed retaining the lesser education requirement to sit for the exam.

A larger population of states had implemented a 150-hour requirement to sit for the examination and then repealed it, while maintaining the educational requirement for licensure. It is important to note that in discussions with various state board members, all indicated that there were no opposition groups to this change. A Georgia board member indicated that both empirical evidence and anecdotal evidence from accounting firms gave

no indication that the increased education had improved candidates' exam performance. For those states that currently require a 120-hour education requirement to sit for the exam, board members who responded to the question believed that the exam was in fact focused on material in undergraduate accounting programs. Candidates are as likely to pass the exam coming out of an undergraduate accounting program as a graduate accounting program. By far, however, state boards that switched to 120 hours most commonly cited the rule changes was to decrease the loss of candidates taking the exam. Almost universally, of the boards of accountancy that responded to the question, exam candidates decreased significantly with the 150 hour requirement, even though the number of accounting majors was increasing. Therefore, an unacceptable number of accounting graduates were not taking the exam or being licensed. In order to entice people into the profession, some states switched to 120 hours to sit for the exam. Border states began losing even more candidates as their accounting majors took the exam in the reduced requirement state¹². As a result, many border states began changing their requirements to allow candidates to sit at 120 hours, which spread the trend in pockets of the country.

Although most boards of accountancy did not have transcripts of board or legislative hearings on this issue, some boards did have data. In many states, the supply and demand curve was preventing firms from insisting all new hires have 150 hours of education. In 2004, the number of successful candidates in Massachusetts was approximately 200, down from an average of 500 per year in the previous three years. The reduced education requirement in Massachusetts was effective as of January 1, 2007. In 2007, the number of successful candidates rose to over 600.

Connecticut also cited some evidence of reduced numbers of successful candidates. The Connecticut Society of CPAs estimates that the average number of candidates successfully completing the exam dropped from more than 200 in early 2000 to approximately 100 in 2004 and 2005. In a survey to state boards, of those that responded, 58 percent indicated an adverse affect on the number of exam candidates with the 150 hour requirement. Furthermore, 78 percent of respondents believed the reduction will affect the public interest. North Carolina, a state that did not increase the education requirement to sit for the exam, never saw a decrease in either exam candidates or successful completions.

Many states that changed requirements indicated that the best time for a candidate to take the exam is between their undergraduate degree and their first busy season. This will make the profession more attractive to them as they have the requisite body of knowledge to be successful but have not yet become immersed in the demands of a career in public accounting. The AICPA also confirms the exam is viewed as an entrance exam, "The Uniform CPA Examination is a licensure examination, the purpose of which is to admit

¹² Anecdotally, many of these students completed their education and got licensed in their original states; they were just interested in taking the exam earlier.

individuals into the profession only after they have demonstrated entry-level knowledge and skills necessary to protect the public interest in a rapidly changing business and financial environment.”¹³ Because the exam does not focus on any specialties, candidates will be most familiar with the exam topics at this point in time. When they begin their careers, or are in graduate school, they may begin to focus on specific areas of expertise and become farther removed from the general knowledge required on the exam.

In discussions with state boards that have reduced the education required to sit for the exam, we are not aware of any opposition groups that came forward during public discussions. However, there was one potential concern that has been voiced¹⁴. Since the exam is a requirement for entrance into the profession, it is assumed that a candidate be current in professional knowledge when being licensed. Therefore, when candidates pass the exam, and then get their experience requirement (if necessary), they will be up-to-date in the profession when applying for licensure. If a candidate is allowed to sit for the exam then get their last 30 credit hours of education required for licensure without a time limit, there is no assurance of currency. For instance, candidates could pass the exam and then complete their education requirement many years later. To address this issue, Massachusetts incorporated a time requirement between passing the exam and being licensed to ensure that entry-level CPAs are current when entering the profession. Alternatively, Iowa requires that license applications that have more than three years between completion of the exam and licensure complete at least 120 hours of continuing professional education. Lastly, one of the concerns with the computer based exam is that candidates procrastinate taking the exam. If there is no time requirement to complete the additional education, they will simply be trading one procrastination (taking the exam) with another (completing their education).

Although many states that have reduced the education requirement to sit for the exam have reported a surge in exam takers, for many of these states the rule changes have been relatively recent. Therefore, due to the lack of data, it is difficult to determine if the number increases will be sustained in the long-term. Additionally, it is difficult to determine to what extent the numbers are influenced by confounding factors.

If the number of CPA candidates begins to decrease there is a potential threat to the ability of boards to protect the public interest. The number of CPA candidates is one of the most important concerns of the profession today. A reduced number of candidates entering the profession, not only limits the amount of work that can be accomplished, but does not promote a healthy competitive environment.

¹³ AICPA. 2008. Proposed Content and Skill Specifications for the Uniform CPA Examination. Exposure Draft, p. 1.

¹⁴ One other concern arose in discussion with various stakeholder groups, although it is not directly related to sitting for the exam at 120 hours. When the 150 hours of education was required in many states, they dropped or lowered the experience requirement. Some people viewed licensing of individuals without experience to be a disservice to the profession.

Discussions with CPA candidates and partners and directors of public accounting firms provided many consistent themes. Their analyses of the benefits of the 120 hour requirement included the following:

- The exam is academic and geared towards undergraduate textbook material.
- Candidates have more time at beginning of their career or before their start date to study for the exam.
- Graduate education is much more valuable when some work experience has occurred first; if the exam is taken while work experience is acquired, graduate education will be much more meaningful.
- This scenario offers more flexibility: candidates can arrange work, education and sitting for the exam into what works best for their particular circumstances.
- Undergraduate students feel encouraged and ready to sit for the exam soon after completing relevant course work.
- Is consistent with state legislation mandates of entry level requirements attracting candidates with minimal competence criteria and not catering only to the “best and brightest.”

Although there is overarching support among these stakeholders for the reduced education requirements to sit for the exam, these same stakeholders had some concerns:

- There is an increased expectation by the accounting community to pass the exam immediately after the undergraduate degree is completed.
- There is a level of frustration that the rules keep changing and students are being caught between rule changes.
- Work experience does help with exam content in some instances.

Of the boards of accountancy that have changed their education requirements, the positives of switching the rules have overwhelmingly outweighed the negatives. As a whole, stakeholders in these states have supported the change, even though there were some disadvantages noted.

V. Statistical Implications

It might be asserted that significantly lower test scores for passing CPA exam candidates is an indicator of less competence and therefore more likely harm to the public. We did not test any assertions as to the relationship between lower passing scores and later occurring disciplinary issues which some might believe is an indicator of lack of competence and therefore would portend harm to the public. We did analyze test score results in a number of ways to measure the performance by exam section. Following are our findings during the CBT era:

1. Advanced versus Non-advanced Degrees

Exhibit I reflects that for all sections, exam takers with advanced degrees outperform those with non-advanced degrees. For the cumulative averages for the years reviewed (2004-2007), advanced degree exam takers exceed the pass rate performance of non-advanced degree exam takers as follows:

Examination Section	Difference between Non-advanced and Advanced Degree Exam Takers
AUD	8.86 %
BEC	12.83 %
FAR	7.90 %
REG	7.00 %

Exhibit I – Pass Rate Differences between Non-advanced and Advanced degree exam takers

It should be noted that advanced degreed individuals represent approximately 14 percent of the total exam takers.

2. 120 versus 150 Hour States

We analyzed from inception of CBT through 2007 exam passing rates of 120 hour and 150 hour states. Exhibits II, III, IV, and V support the following findings:

BEC Section	2004	2005	2006	2007
120-hour state	47.70%	40.98%	42.00%	45.21%
150-hour state	44.13%	42.61%	43.41%	45.44%

Exhibit II – Pass Rates for BEC Section

FAR Section	2004	2005	2006	2007
120-hour state	43.51%	41.57%	42.37%	46.99%
150-hour state	43.23%	42.47%	44.15%	47.38%

Exhibit III – Pass Rates for FAR Section

REG Section	2004	2005	2006	2007
120-hour state	40.95%	38.56%	41.63%	45.23%
150-hour state	42.29%	40.30%	43.07%	46.79%

Exhibit IV – Pass Rates for REG Section

AUD Section	2004	2005	2006	2007
120-hour state	42.68%	41.65%	42.87%	46.60%
150-hour state	42.70%	43.54%	43.41%	48.45%

Exhibit V – Pass Rates for AUD Section

While there are variances within the populations of the 120 hour and 150 hours states as to exam passing rates, in the aggregate it is observed that there is no significant or meaningful difference between 120 and 150 hour states as to exam passing rates. It should be noted that while 120 hour states permit candidates to sit for the examination with a minimum of 120 hours, many of these candidates have more than the minimum hours which may account for the minor differences noted above.

In addition to the simple averages shown in Exhibits II through V, we calculated the weighted average using events for each section of the 2007 examination. Exhibit VI shows the findings:

2007 Examination	AUD	FAR	REG	BEC
120-hour state	45.63%	46.86%	45.52%	44.99%
150-hour state	48.92%	49.03%	48.04%	47.64%

Exhibit VI – Weighted Averages for the 2007 CPA Examination

While the weighted averages were slightly changed, the differences are not significant between the 120 and 150 hour states.

3. We studied national data from 1996 through 2006 for the 15 states that had switched from 120 hour to sit to a requirement of 150 hours: AZ, GA, ID, IL, KY, MA, ME, MD, MI, NE, NM, ND, SC, VI, WY. It is important to note that during this time period the format of the exam switched from a paper based test (PBT) to a computer based test (CBT) as of April 2004. When compared to national averages, passing rates for states during the inspection period (1996-2004) which in some years allowed 120 hours to sit the exam and in other years required 150 hours, varied insignificantly as to 120 and 150. As a matter of fact, for all sections, the time periods with 150 hours of education required for the aggregate of all affected states had a lower passing rate when compared to the national average, which was statistically significant on the audit and financial sections. As mentioned previously, the CBT format results in significantly higher scores. State also has an impact on scores in all four sections, meaning some states score higher than others. Lastly, year is also significant in the audit and business sections, as those scores have been increasing slightly over time.

VI. Summary

Any aspect of accounting education and the Uniform CPA Examination inspires a great deal of discussion and debate by academia, the profession and boards of accountancy. So it is with the 120 to sit/150 to license issue. This paper does not debate the 150-hour requirement for licensure. The deliberation is simply whether sitting for and passing an examination at a minimum of 120 hours and subsequently fulfilling the 150-hour education track is harmful in any way to the public. We have attempted to present factually and objectively the information relative to the subject; and offer this summary devoid of the emotions and opinions generally offered as support for either position.

We have found no direct evidence of detriment to the public interest in those states allowing candidates to sit for the CPA examination at less than 150 hours of education and later fulfilling the 150 hours for licensure.¹⁵ We invite you to offer empirical evidence in support of or in opposition to our conclusion. We will continue to monitor the situation closely and will continue to not only engage in our research but also invite others to do likewise.

¹⁵ There is no empirical evidence that the sequence of completing the additional 30 hours bears any demonstrable relationship to the incidence of disciplinary cases involving ethics violations or incompetence. By way of illustration, see, for example, Bethany Mclean and Peter Elkind, “The Smartest Guys in the Room” (New York, NY: Penguin Group, 2003).

Appendix A – Pass Rates for BEC

Pass Rates for BEC Section									
	All Year 2004	All Year 2005	All Year 2006	All Year 2007		All Year 2004	All Year 2005	All Year 2006	All Year 2007
National Pass Rate	43	44.2	43.8	46.57					
States with 120-hour or less Education Requirement					States with 150-hour Education Requirement				
Alaska	44.10	38.58	42.02	41.63	Alabama	40.60	40.00	39.43	37.71
California	48.40	44.09	43.76	46.16	Arizona	50.00	49.75	56.25	50.00
Colorado	64.30	59.96	59.25	60.60	Arkansas	48.00	37.77	35.71	35.00
Connecticut	41.50	39.66	41.01	41.43	District of Columbia	15.80	20.59	38.64	45.00
Delaware	45.10	37.27	33.28	36.95	Florida	47.70	48.36	45.18	48.00
Georgia	59.40	49.76	47.90	49.62	Guam	38.30	29.27	29.13	34.00
Hawaii	40.60	34.01	38.57	37.68	Illinois	59.20	52.91	51.05	52.00
Idaho	54.10	48.39	50.33	43.15	Indiana	48.70	48.56	51.51	50.00
Iowa	60.00	55.21	52.80	54.37	Kansas	57.50	49.10	52.02	51.00
Michigan	49.02	48.06	44.26	48.83	Kentucky	42.00	43.21	41.77	44.00
Minnesota	55.40	42.75	36.57	51.82	Louisiana	36.50	40.18	36.52	38.00
Montana	45.90	33.64	46.92	39.03	Maine	46.70	43.59	48.79	43.00
New Hampshire	56.80	48.21	39.29	46.65	Maryland	38.00	38.07	42.14	43.00
New Jersey	35.90	36.29	36.44	38.67	Massachusetts	44.20	43.38	49.37	52.00
New York	33.00	35.45	48.68	38.25	Mississippi	36.80	29.81	31.53	32.00
North Carolina	55.20	50.27	38.99	51.76	Missouri	56.20	49.17	55.49	56.00
Pennsylvania	40.70	38.38	38.10	41.41	Nebraska	54.40	50.67	46.45	51.00
Rhode Island	30.80	29.55	48.29	41.86	Nevada	42.60	44.44	43.37	43.00
South Carolina	42.90	46.18	45.51	48.93	New Mexico	33.30	37.91	36.98	31.00
Vermont	48.60	44.91	50.00	48.27	North Dakota	50.00	50.94	47.33	57.00
Virgin Islands	50.00	0.00	0.00	42.28	Ohio	49.10	47.63	43.79	49.00
<i>Average</i>	47.70	40.98	42.00	45.21	Oklahoma	26.20	23.73	26.41	36.00
<i>Minimum</i>	30.80	0.00	0.00	36.95	Oregon	52.30	59.60	50.94	51.00
<i>Maximum</i>	64.30	59.96	59.25	60.60	Puerto Rico	16.80	17.69	22.75	25.00
					South Dakota	40.80	36.11	34.38	50.00
					Tennessee	45.00	42.35	40.72	42.00

Texas	53.20	47.41	47.50	51.00
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Pass Rates for BEC Section - continued

		All Year 2004	All Year 2005	All Year 2006	All Year 2007	
<u>States with 150-hour Education Requirement</u>						
<i>Weighted Average for 2007:</i>						
120 hour states	45.30					
150 hour states	48.12					
		Utah	74.30	68.90	63.51	70.00
		Virginia	44.70	39.71	35.00	42.00
		Washington	50.80	52.31	53.17	53.00
		West Virginia	25.60	28.48	35.51	26.00
		Wisconsin	54.60	57.12	54.60	53.00
		Wyoming	36.40	37.50	45.65	44.00
		<i>Average</i>	44.13	42.61	43.41	45.00
		<i>Minimum</i>	15.80	17.69	22.75	25.00
<i>Variance between 120 and 150 states simple average</i>	3.6	-1.6	-1.4	-0.24		
		<i>Maximum</i>	74.30	68.90	63.51	70.00

Appendix B – Pass Rates for REG Section

	Pass Rates for REG Section								
	All Year 2004	All Year 2005	All Year 2006	All Year 2007	All Year 2004	All Year 2005	All Year 2006	All Year 2007	All Year 2008
National Pass Rate	34.9	40.7	42.4	47.03					
States with 120-hour or less Education Requirement					States with 150-hour Education Requirement				
Alaska	31.10	31.60	36.28	36.34	Alabama	41.90	40.96	45.82	
California	45.70	39.70	42.06	45.32	Arizona	52.60	43.40	46.78	
Colorado	53.00	47.56	46.65	49.76	Arkansas	45.30	31.84	37.61	
Connecticut	42.60	41.30	41.04	48.96	District of Columbia	29.20	17.95	21.62	
Delaware	30.70	30.84	29.89	37.06	Florida	49.90	47.78	44.22	
Georgia	54.00	50.78	47.63	50.12	Guam	28.10	30.92	25.93	
Hawaii	28.60	26.78	36.39	34.06	Illinois	49.80	44.49	46.94	
Idaho	43.90	44.27	43.29	41.57	Indiana	43.50	44.69	41.96	
Iowa	51.00	51.66	53.70	54.43	Kansas	50.00	43.16	51.35	
Michigan	45.30	43.25	45.33	51.00	Kentucky	43.00	41.85	44.47	
Minnesota	45.90	44.25	40.99	54.44	Louisiana	44.20	37.22	46.22	
Montana	41.70	41.27	43.90	38.17	Maine	33.50	38.18	39.93	
New Hampshire	33.50	37.52	37.31	39.47	Maryland	36.50	35.77	41.89	
New Jersey	39.70	37.00	41.72	44.59	Massachusetts	46.20	43.15	47.39	
New York	42.90	37.73	40.36	42.25	Mississippi	34.40	33.73	37.16	
North Carolina	52.20	49.30	48.81	53.43	Missouri	54.80	47.28	51.36	
Pennsylvania	45.40	37.20	39.89	45.03	Nebraska	38.80	43.57	56.76	
Rhode Island	56.40	37.70	40.85	53.19	Nevada	44.40	40.97	41.03	
South Carolina	36.10	41.16	46.49	52.48	New Mexico	34.50	37.14	35.41	
Vermont	40.20	38.95	38.30	44.76	North Dakota	50.00	61.00	51.67	
Virgin Islands	0.00	0.00	33.33	33.33	Ohio	41.40	39.37	42.19	
<i>Average</i>	<i>40.95</i>	<i>38.56</i>	<i>41.63</i>	<i>45.23</i>	Oklahoma	38.30	28.41	35.01	
<i>Minimum</i>	<i>0.00</i>	<i>0.00</i>	<i>29.89</i>	<i>33.33</i>	Oregon	49.50	47.99	50.26	
<i>Maximum</i>	<i>56.40</i>	<i>51.66</i>	<i>53.70</i>	<i>54.44</i>	Puerto Rico	22.00	20.21	26.51	
					South Dakota	38.70	33.33	52.78	
					Tennessee	39.40	38.80	41.83	

Pass Rates for REG Section - Continued

All Year 2004	All Year 2005	All Year 2006
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States with 150-hour Education Requiremen

Weighted Average for 2007:

**120 hour
states
150 hour
states**

45.47

48.91

Texas	49.30	44.99	48.25
Utah	61.20	53.98	55.79
Virginia	40.10	37.38	34.70
Washington	44.00	41.48	45.85
West Virginia	32.90	36.22	28.47
Wisconsin	56.70	52.55	49.13
Wyoming	31.60	50.00	55.17

**Variance between
120 and 150 states
simple average**

-1.35

-1.73

-1.45

-1.56

Average	42.29	40.30	43.07
Minimum	22.00	17.95	21.62
Maximum	61.20	61.00	56.76

Appendix C – Pass Rates for FAR Section

	Pass Rate for FAR Section								
	All	All	All	All		All	All	All	
	Year	Year	Year	Year	Year	Year	Year	Year	Year
	2004	2005	2006	2007		2004	2005	2006	
National Pass Rate	36.80	43.20	44.60	48.15					
States with 120-hour or less Education Requirement					States with 150-hour Education Requirement				
Alaska	45.70	41.67	42.52	48.28	Alabama	51.20	39.90	39.96	
California	45.80	42.63	45.67	47.16	Arizona	45.90	44.15	51.15	
Colorado	53.00	49.89	53.47	54.94	Arkansas	45.20	31.02	38.83	
Connecticut	45.80	43.63	41.18	49.00	District of Columbia	31.80	34.15	32.50	
Delaware	39.50	36.83	34.62	37.62	Florida	45.60	49.31	47.31	
Georgia	54.40	48.35	49.74	49.87	Guam	35.40	31.19	31.94	
Hawaii	35.30	33.69	37.50	39.06	Illinois	53.20	48.21	51.30	
Idaho	48.50	42.20	38.89	39.43	Indiana	47.00	45.40	45.33	
Iowa	54.50	54.26	57.26	54.29	Kansas	54.60	44.74	48.93	
Michigan	47.00	46.21	46.93	49.70	Kentucky	45.00	40.18	43.08	
Minnesota	50.50	45.73	43.97	53.89	Louisiana	45.90	43.39	42.06	
Montana	42.90	43.88	43.58	43.00	Maine	37.90	42.80	46.55	
New Hampshire	46.40	47.65	45.59	46.42	Maryland	37.30	38.26	45.64	
New Jersey	38.90	39.74	40.88	42.93	Massachusetts	43.90	43.84	49.03	
New York	40.10	36.96	39.73	42.54	Mississippi	32.50	38.64	31.98	
North Carolina	47.80	47.54	46.16	52.04	Missouri	52.90	47.80	48.83	
Pennsylvania	47.40	40.77	41.37	44.80	Nebraska	46.00	48.65	46.50	
Rhode Island	45.90	29.41	52.63	39.78	Nevada	28.60	37.01	40.00	
South Carolina	38.00	41.15	44.51	52.65	New Mexico	32.10	36.68	33.20	
Vermont	46.30	46.56	43.64	49.29	North Dakota	47.30	49.44	59.13	
Virgin Islands	0.00	14.29	0.00	50.00	Ohio	43.70	43.46	44.09	
<i>Average</i>	<i>43.51</i>	<i>41.57</i>	<i>42.37</i>	<i>46.99</i>	Oklahoma	34.90	32.78	36.24	
<i>Minimum</i>	<i>0.00</i>	<i>14.29</i>	<i>0.00</i>	<i>37.62</i>	Oregon	50.50	46.41	49.46	
<i>Maximum</i>	<i>54.50</i>	<i>54.26</i>	<i>57.26</i>	<i>54.94</i>	Puerto Rico	27.90	25.48	29.87	
					South Dakota	55.20	50.91	43.55	
					Tennessee	43.60	39.73	41.52	
					Texas	49.20	47.64	49.51	

Pass Rate for FAR Section - Continued

					All Year 2004	All Year 2005	All Year 2006	
					<u>States with 150-hour Education Requirement</u>			
Weighted Average for 2007:					Utah	57.00	58.01	55.61
					Virginia	41.4	40.34	37.16
120 hour states					46.94	46.2	46.58	47.48
150 hour states					49.61	32.9	33.33	32.77
					West Virginia	54.90	54.66	53.32
					Wisconsin	30.0	47.37	62.96
					Wyoming			
					Average	43.23	42.47	44.15
Variance between 120 and 150 states					Minimum	27.90	25.48	29.87
	0.28	-0.90	-1.77	-0.39	Maximum	57.00	58.01	59.13

Appendix D – Pass Rates for AUD Section

Pass Rates for AUD Section

	All Year 2004	All Year 2005	All Year 2006	All Year 2007		All Year 2004	All Year 2005	All Year 2006	All Year 2007
National Pass Rate	39.60	43.70	44.20	47.57					
States with 120-hour or less Education Requirement					States with 150-hour Education Requirement				
Alaska	38.00	39.74	37.13	37.19	Alabama	44.60	48.93	48.04	51.00
California	46.80	42.61	43.88	45.08	Arizona	49.40	48.64	53.01	55.00
Colorado	54.30	49.87	48.46	48.86	Arkansas	35.40	37.50	40.00	41.00
Connecticut	49.10	48.83	50.17	57.58	District of Columbia	22.70	24.44	23.81	43.00
Delaware	34.20	30.06	28.39	30.51	Florida	46.90	44.34	43.69	50.00
Georgia	52.50	52.91	47.42	53.80	Guam	28.60	28.95	28.57	25.00
Hawaii	31.30	30.68	31.82	36.67	Illinois	52.80	47.85	49.57	48.00
Idaho	42.90	45.00	36.31	34.11	Indiana	46.80	48.15	49.05	53.00
Iowa	55.40	56.40	51.16	54.15	Kansas	55.90	47.34	49.60	53.00
Michigan	49.20	47.25	49.58	55.74	Kentucky	44.80	46.45	40.05	47.00
Minnesota	49.70	50.53	45.45	53.68	Louisiana	43.00	39.51	41.60	41.00
Montana	42.70	35.20	34.31	35.52	Maine	37.90	34.16	35.45	38.00
New Hampshire	42.90	41.68	42.43	40.98	Maryland	42.10	41.26	47.25	48.00
New Jersey	35.50	38.15	41.87	43.76	Massachusetts	49.40	51.40	53.91	58.00
New York	39.70	39.84	40.71	42.05	Mississippi	29.50	42.56	30.06	40.00
North Carolina	53.20	49.89	48.25	51.53	Missouri	50.80	48.85	51.78	55.00
Pennsylvania	50.10	41.99	47.21	49.75	Nebraska	43.70	47.55	45.25	58.00
Rhode Island	43.90	42.86	52.73	54.05	Nevada	39.20	54.07	45.65	52.00
South Carolina	42.50	42.24	45.42	54.70	New Mexico	31.10	39.13	33.18	39.00
Vermont	42.30	34.56	37.61	38.80	North Dakota	42.70	52.43	51.54	62.00
Virgin Islands	0.00	14.29	40.00	60.00	Ohio	51.10	46.39	48.21	52.00
Average	42.68	41.65	42.87	46.60	Oklahoma	36.20	30.52	34.82	42.00
Minimum	0.00	14.29	28.39	30.51	Oregon	54.80	54.23	53.62	54.00
Maximum	55.40	56.40	52.73	60.00	Puerto Rico	27.00	23.61	25.80	32.00
					South Dakota	36.80	45.28	46.15	56.00
					Tennessee	51.80	43.11	47.22	47.00
					Texas	50.00	47.44	49.66	53.00

Pass Rates for AUD Section - Continued

		All Year 2004	All Year 2005	All Year 2006	All Year 2007
	States with 150-hour Education Requirement				
	Utah	61.00	66.47	62.43	63.00
	Virginia	42.90	42.44	38.81	47.00
	Washington	46.30	45.67	45.28	46.00
	West Virginia	37.00	29.01	32.21	36.00
	Wisconsin	50.50	52.90	47.72	52.00
	Wyoming	26.30	36.36	39.47	43.00
	Average	42.70	43.54	43.41	48.00
	Minimum	22.70	23.61	23.81	25.00
	Maximum	61.00	66.47	62.43	63.00
Weighted Average for 2007:					
120 hour states	45.49				
150 hour states	50.16				
Variance between 120 and 150 states simple average	-0.02	-1.90	-0.54	-1.85	

Appendix E – Statistics by Education Level

Statistics by Education Level For All Exam Events Between 2004 and 2007

Education Level	Number of Events	Minimum Score	Maximum Score	Standard Dev of Score	Mean Score	Number of Fails	Number of Passes	Pass Rate
AUD Section								
Non-advanced Degrees	142,042	-	99	14.82	71	79,871	62,171	43.77%
Advanced Degrees	23,244	-	99	14.05	74	11,010	12,234	52.63%
Total	165,286					90,881	74,405	45.02%
BEC Section								
Non-advanced Degrees	148,016	-	97	13.03	70	84,175	63,841	43.13%
Advanced Degrees	23,767	3	95	11.59	74	10,466	13,301	55.96%
Total	171,783					94,641	77,142	44.91%
FAR Section								
Non-advanced Degrees	134,419	-	99	15.37	69	75,387	59,032	43.92%
Advanced Degrees	22,316	1	99	14.31	72	10,752	11,564	51.82%
Total	156,735					86,139	70,596	45.04%
REG Section								
Non-advanced Degrees	141,095	-	99	14.23	70	81,574	59,521	42.19%
Advanced Degrees	23,586	2	99	13.68	72	11,984	11,602	49.19%
Total	164,681					93,558	71,123	43.19%

Appendix F – State statistics with before 150 and after 150-hour requirement implemented

The following chart shows statistics for a selected subset of the state boards. These statistics show before the implementation of 150-hour requirement and after implementation of 150-hour requirement.

Note: it is color-coded to indicate when the 150-hour requirement was implemented.

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					National	Arizona -		California -		
					Pass Rate	Arizona	Variance from	California	Variance	
							National Pass		from National	
							Rate		Pass Rate	
Year	Section									
PBT	1996	Passing Rate	May	AUD	30.20	35.90	5.70	35.70	5.50	
	1996	Passing Rate	Nov	AUD	32.30	41.50	9.20	35.90	3.60	
	1997	Passing Rate	May	AUD	30.90	35.80	4.90	37.40	6.50	
	1997	Passing Rate	Nov	AUD	31.10	40.40	9.30	37.30	6.20	
	1998	Passing Rate	May	AUD	31.40	36.90	5.50	35.00	3.60	
	1998	Passing Rate	Nov	AUD	33.10	43.30	10.20	39.20	6.10	
	1999	Passing Rate	May	AUD	34.10	41.40	7.30	43.60	9.50	
	1999	Passing Rate	Nov	AUD	27.60	35.60	8.00	33.60	6.00	
	2000	Passing Rate	May	AUD	31.70	40.70	9.00	37.90	6.20	
	2000	Passing Rate	Nov	AUD	31.00	45.40	14.40	36.10	5.10	
	2001	Passing Rate	May	AUD	29.90	37.10	7.20	35.30	5.40	
	2001	Passing Rate	Nov	AUD	32.70	36.20	3.50	36.00	3.30	
	2002	Passing Rate	May	AUD	33.20	33.20	0.00	35.90	2.70	
	2002	Passing Rate	Nov	AUD	33.60	38.80	5.20	35.00	1.40	
	2003	Passing Rate	May	AUD	33.10	38.90	5.80	34.40	1.30	
	2003	Passing Rate	Nov	AUD	32.80	34.60	1.80	37.50	4.70	
	CBT	2004	Passing Rate	All Year	AUD	39.60	49.40	9.80	46.80	7.20
		2005	Passing Rate	All Year	AUD	43.70	48.64	4.94	42.61	-1.09
		2006	Passing Rate	All Year	AUD	44.20	53.01	8.81	43.88	-0.32
		Avg Variance for 120 requirement						38.48	6.69	37.80
Avg Variance for 150 requirement						50.35	7.85		N/A	
Avg Variance for 120-exam / 150 license requirement						N/A			N/A	
PBT	1996	Passing Rate	May	BEC	31.20	38.00	6.80	36.10	4.90	
	1996	Passing Rate	Nov	BEC	35.10	44.40	9.30	38.20	3.10	
	1997	Passing Rate	May	BEC	33.00	42.00	9.00	38.20	5.20	
	1997	Passing Rate	Nov	BEC	31.70	42.10	10.40	39.50	7.80	
	1998	Passing Rate	May	BEC	30.40	36.30	5.90	32.60	2.20	
	1998	Passing Rate	Nov	BEC	36.40	40.40	4.00	44.70	8.30	
	1999	Passing Rate	May	BEC	28.10	33.70	5.60	35.40	7.30	
	1999	Passing Rate	Nov	BEC	32.30	35.60	3.30	39.80	7.50	
	2000	Passing Rate	May	BEC	33.20	37.80	4.60	39.50	6.30	
	2000	Passing Rate	Nov	BEC	31.70	34.20	2.50	39.70	8.00	
	2001	Passing Rate	May	BEC	34.90	42.00	7.10	35.20	0.30	
	2001	Passing Rate	Nov	BEC	36.60	40.50	3.90	39.70	3.10	
	2002	Passing Rate	May	BEC	33.60	45.10	11.50	33.30	-0.30	
	2002	Passing Rate	Nov	BEC	35.90	46.60	10.70	38.00	2.10	
	2003	Passing Rate	May	BEC	36.60	44.20	7.60	39.80	3.20	
	2003	Passing Rate	Nov	BEC	34.40	39.50	5.10	36.60	2.20	
	CBT	2004	Passing Rate	All Year	BEC	43.00	50.00	7.00	48.40	5.40
		2005	Passing Rate	All Year	BEC	44.20	49.75	5.55	44.09	-0.11
		2006	Passing Rate	All Year	BEC	43.80	56.25	12.45	43.76	-0.04
		Avg Variance for 120 requirement						40.15	6.71	39.10
Avg Variance for 150 requirement						52.00	8.33		N/A	
Avg Variance for 120-exam / 150 license requirement						N/A			N/A	

				National Pass Rate	Arizona	Arizona - Variance from National Pass Rate	California	California - Variance from National Pass Rate		
Year	Section									
PBT	1996	Passing Rate	May	FAR	30.30	37.80	7.50	38.90	8.60	
	1996	Passing Rate	Nov	FAR	33.40	41.20	7.80	41.50	8.10	
	1997	Passing Rate	May	FAR	27.40	34.20	6.80	36.30	8.90	
	1997	Passing Rate	Nov	FAR	25.20	32.40	7.20	36.10	10.90	
	1998	Passing Rate	May	FAR	27.30	30.60	3.30	39.40	12.10	
	1998	Passing Rate	Nov	FAR	27.10	33.30	6.20	35.60	8.50	
	1999	Passing Rate	May	FAR	25.00	27.10	2.10	34.00	9.00	
	1999	Passing Rate	Nov	FAR	25.70	35.60	9.90	34.90	9.20	
	2000	Passing Rate	May	FAR	27.10	28.30	1.20	35.70	8.60	
	2000	Passing Rate	Nov	FAR	26.40	35.80	9.40	35.20	8.80	
	2001	Passing Rate	May	FAR	30.40	28.00	-2.40	35.90	5.50	
	2001	Passing Rate	Nov	FAR	30.90	31.10	0.20	32.90	2.00	
	2002	Passing Rate	May	FAR	28.40	29.70	1.30	32.10	3.70	
	2002	Passing Rate	Nov	FAR	26.90	29.30	2.40	28.50	1.60	
	2003	Passing Rate	May	FAR	28.90	33.70	4.80	33.40	4.50	
	2003	Passing Rate	Nov	FAR	29.80	29.50	-0.30	35.80	6.00	
	CBT	2004	Passing Rate	All Year	FAR	36.80	45.90	9.10	45.80	9.00
		2005	Passing Rate	All Year	FAR	43.20	44.15	0.95	42.63	-0.57
		2006	Passing Rate	All Year	FAR	44.60	51.15	6.55	45.67	1.07
			Avg Variance for 120 requirement				32.35	4.21	36.90	6.61
		Avg Variance for 150 requirement				47.07	5.53		N/A	
	Avg Variance for 120-exam / 150 license requirement					N/A		N/A		
PBT	1996	Passing Rate	May	REG	30.0	33.8	3.8	37.6	7.6	
	1996	Passing Rate	Nov	REG	21.7	39.8	18.1	35.8	14.1	
	1997	Passing Rate	May	REG	29.3	32.0	2.7	37.6	8.3	
	1997	Passing Rate	Nov	REG	26.1	28.6	2.5	33.8	7.7	
	1998	Passing Rate	May	REG	28.3	37.1	8.8	35.1	6.8	
	1998	Passing Rate	Nov	REG	30.3	37.0	6.7	37.7	7.4	
	1999	Passing Rate	May	REG	33.0	41.1	8.1	41.7	8.7	
	1999	Passing Rate	Nov	REG	25.2	35.6	10.4	31.6	6.4	
	2000	Passing Rate	May	REG	31.7	38.3	6.6	41.4	9.7	
	2000	Passing Rate	Nov	REG	27.9	34.9	7.0	34.0	6.1	
	2001	Passing Rate	May	REG	28.9	33.0	4.1	33.2	4.3	
	2001	Passing Rate	Nov	REG	30.7	32.7	2.0	34.7	4.0	
	2002	Passing Rate	May	REG	31.0	31.6	0.6	32.6	1.6	
	2002	Passing Rate	Nov	REG	30.5	40.2	9.7	26.6	-3.9	
	2003	Passing Rate	May	REG	35.0	38.8	3.8	40.7	5.7	
	2003	Passing Rate	Nov	REG	29.2	30.9	1.7	32.3	3.1	
	CBT	2004	Passing Rate	All Year	REG	34.9	52.6	17.7	45.7	10.8
		2005	Passing Rate	All Year	REG	40.7	43.4	2.7	39.7	-1.0
		2006	Passing Rate	All Year	REG	42.4	46.8	4.4	42.1	-0.3
			Avg Variance for 120 requirement				35.3	6.0	36.5	5.63
	Avg Variance for 150 requirement				47.6	8.3		N/A		
	Avg Variance for 120-exam / 150 license requirement					N/A		N/A		

					National Pass Rate	Georgia - Variance from National Pass Rate		Idaho - Variance from National Pass Rate		
Year	Section				Georgia	Idaho				
PBT	1996	Passing Rate	May	AUD	30.20	32.80	2.60	31.70	1.50	
	1996	Passing Rate	Nov	AUD	32.30	34.80	2.50	34.00	1.70	
	1997	Passing Rate	May	AUD	30.90	31.20	0.30	34.00	3.10	
	1997	Passing Rate	Nov	AUD	31.10	24.00	-7.10	29.80	-1.30	
	1998	Passing Rate	May	AUD	31.40	30.80	-0.60	26.60	-4.80	
	1998	Passing Rate	Nov	AUD	33.10	35.10	2.00	29.00	-4.10	
	1999	Passing Rate	May	AUD	34.10	39.50	5.40	29.60	-4.50	
	1999	Passing Rate	Nov	AUD	27.60	33.20	5.60	23.80	-3.80	
	2000	Passing Rate	May	AUD	31.70	40.60	8.90	23.00	-8.70	
	2000	Passing Rate	Nov	AUD	31.00	35.30	4.30	21.00	-10.00	
	2001	Passing Rate	May	AUD	29.90	37.70	7.80	25.50	-4.40	
	2001	Passing Rate	Nov	AUD	32.70	36.00	3.30	28.90	-3.80	
	2002	Passing Rate	May	AUD	33.20	39.30	6.10	26.90	-6.30	
	2002	Passing Rate	Nov	AUD	33.60	38.30	4.70	31.80	-1.80	
	2003	Passing Rate	May	AUD	33.10	37.80	4.70	32.60	-0.50	
	2003	Passing Rate	Nov	AUD	32.80	36.60	3.80	28.30	-4.50	
	CBT	2004	Passing Rate	All Year	AUD	39.60	52.50	12.90	42.90	3.30
		2005	Passing Rate	All Year	AUD	43.70	52.91	9.21	45.00	1.30
2006		Passing Rate	All Year	AUD	44.20	47.42	3.22	36.31	-7.89	
		Avg Variance for 120 requirement				30.70	-0.43	29.81	-1.53	
		Avg Variance for 150 requirement				36.58	4.75	31.11	-3.94	
	Avg Variance for 120-exam / 150 license requirement				45.45	6.77		N/A		
PBT	1996	Passing Rate	May	BEC	31.20	33.00	1.80	37.40	6.20	
	1996	Passing Rate	Nov	BEC	35.10	37.60	2.50	30.70	-4.40	
	1997	Passing Rate	May	BEC	33.00	36.30	3.30	29.20	-3.80	
	1997	Passing Rate	Nov	BEC	31.70	24.70	-7.00	25.80	-5.90	
	1998	Passing Rate	May	BEC	30.40	29.90	-0.50	26.10	-4.30	
	1998	Passing Rate	Nov	BEC	36.40	37.00	0.60	30.40	-6.00	
	1999	Passing Rate	May	BEC	28.10	32.80	4.70	20.80	-7.30	
	1999	Passing Rate	Nov	BEC	32.30	38.60	6.30	29.40	-2.90	
	2000	Passing Rate	May	BEC	33.20	44.70	11.50	22.80	-10.40	
	2000	Passing Rate	Nov	BEC	31.70	36.90	5.20	26.40	-5.30	
	2001	Passing Rate	May	BEC	34.90	38.60	3.70	30.70	-4.20	
	2001	Passing Rate	Nov	BEC	36.60	35.10	-1.50	39.70	3.10	
	2002	Passing Rate	May	BEC	33.60	40.00	6.40	32.70	-0.90	
	2002	Passing Rate	Nov	BEC	35.90	42.90	7.00	43.80	7.90	
	2003	Passing Rate	May	BEC	36.60	40.60	4.00	39.50	2.90	
	2003	Passing Rate	Nov	BEC	34.40	39.20	4.80	32.00	-2.40	
	CBT	2004	Passing Rate	All Year	BEC	43.00	59.40	16.40	54.10	11.10
		2005	Passing Rate	All Year	BEC	44.20	49.76	5.56	48.39	4.19
2006		Passing Rate	All Year	BEC	43.80	47.90	4.10	50.33	6.53	
		Avg Variance for 120 requirement				32.90	0.15	28.73	-3.55	
	Avg Variance for 150 requirement				37.65	4.34	38.22	1.14		
	Avg Variance for 120-exam / 150 license requirement				47.37	6.97		N/A		

	Year	Section	National Pass Rate	Georgia - Variance from National Pass Rate		Idaho - Variance from National Pass Rate			
				Georgia	Idaho	Georgia	Idaho		
PBT	1996	Passing Rate	May	FAR	30.30	32.50	2.20	34.70	4.40
	1996	Passing Rate	Nov	FAR	33.40	33.20	-0.20	33.30	-0.10
	1997	Passing Rate	May	FAR	27.40	29.00	1.60	32.90	5.50
	1997	Passing Rate	Nov	FAR	25.20	20.70	-4.50	19.10	-6.10
	1998	Passing Rate	May	FAR	27.30	26.30	-1.00	25.70	-1.60
	1998	Passing Rate	Nov	FAR	27.10	24.20	-2.90	19.70	-7.40
	1999	Passing Rate	May	FAR	25.00	26.10	1.10	19.50	-5.50
	1999	Passing Rate	Nov	FAR	25.70	26.50	0.80	25.50	-0.20
	2000	Passing Rate	May	FAR	27.10	34.70	7.60	20.40	-6.70
	2000	Passing Rate	Nov	FAR	26.40	25.00	-1.40	27.40	1.00
	2001	Passing Rate	May	FAR	30.40	30.50	0.10	21.60	-8.80
	2001	Passing Rate	Nov	FAR	30.90	26.70	-4.20	22.60	-8.30
	2002	Passing Rate	May	FAR	28.40	31.90	3.50	19.70	-8.70
	2002	Passing Rate	Nov	FAR	26.90	28.60	1.70	35.10	8.20
	2003	Passing Rate	May	FAR	28.90	35.40	6.50	30.20	1.30
	2003	Passing Rate	Nov	FAR	29.80	29.00	-0.80	28.70	-1.10
	CBT	2004	Passing Rate	All Year	FAR	36.80	54.40	17.60	48.50
2005		Passing Rate	All Year	FAR	43.20	48.35	5.15	42.20	-1.00
2006		Passing Rate	All Year	FAR	44.60	49.74	5.14	38.89	-5.71
		Avg Variance for 120 requirement				28.85	-0.22	26.30	-1.38
		Avg Variance for 150 requirement				28.05	0.53	30.48	-1.65
	Avg Variance for 120-exam / 150 license requirement				43.38	6.72		N/A	
PBT	1996	Passing Rate	May	REG	30.00	32.50	2.50	34.50	4.50
	1996	Passing Rate	Nov	REG	21.70	32.80	11.10	41.40	19.70
	1997	Passing Rate	May	REG	29.30	30.50	1.20	29.90	0.60
	1997	Passing Rate	Nov	REG	26.10	20.60	-5.50	34.80	8.70
	1998	Passing Rate	May	REG	28.30	29.20	0.90	25.90	-2.40
	1998	Passing Rate	Nov	REG	30.30	31.40	1.10	33.20	2.90
	1999	Passing Rate	May	REG	33.00	38.90	5.90	29.70	-3.30
	1999	Passing Rate	Nov	REG	25.20	28.40	3.20	27.20	2.00
	2000	Passing Rate	May	REG	31.70	39.70	8.00	21.50	-10.20
	2000	Passing Rate	Nov	REG	27.90	31.40	3.50	31.80	3.90
	2001	Passing Rate	May	REG	28.90	33.10	4.20	23.60	-5.30
	2001	Passing Rate	Nov	REG	30.70	33.60	2.90	33.80	3.10
	2002	Passing Rate	May	REG	31.00	35.50	4.50	28.40	-2.60
	2002	Passing Rate	Nov	REG	30.50	34.30	3.80	27.20	-3.30
	2003	Passing Rate	May	REG	35.00	41.80	6.80	40.50	5.50
	2003	Passing Rate	Nov	REG	29.20	31.30	2.10	31.70	2.50
	CBT	2004	Passing Rate	All Year	REG	34.90	54.00	19.10	43.90
2005		Passing Rate	All Year	REG	40.70	50.78	10.08	44.27	3.57
2006		Passing Rate	All Year	REG	42.40	47.63	5.23	43.29	0.89
		Avg Variance for 120 requirement				29.10	2.33	32.08	4.09
		Avg Variance for 150 requirement				33.55	3.80	33.63	0.64
	Avg Variance for 120-exam / 150 license requirement				45.10	8.66		N/A	

	Year	Passing Rate	Month	Section	National Pass Rate	Illinois - Variance from National Pass Rate		Maine - Variance from National Pass Rate		
						Illinois		Maine		
PBT	1996	Passing Rate	May	AUD	30.20	38.10	7.90	26.60	-3.60	
	1996	Passing Rate	Nov	AUD	32.30	38.30	6.00	33.80	1.50	
	1997	Passing Rate	May	AUD	30.90	35.70	4.80	29.30	-1.60	
	1997	Passing Rate	Nov	AUD	31.10	37.50	6.40	36.30	5.20	
	1998	Passing Rate	May	AUD	31.40	37.70	6.30	25.60	-5.80	
	1998	Passing Rate	Nov	AUD	33.10	38.00	4.90	29.60	-3.50	
	1999	Passing Rate	May	AUD	34.10	37.60	3.50	31.90	-2.20	
	1999	Passing Rate	Nov	AUD	27.60	32.30	4.70	24.80	-2.80	
	2000	Passing Rate	May	AUD	31.70	33.70	2.00	23.90	-7.80	
	2000	Passing Rate	Nov	AUD	31.00	25.40	-5.60	40.30	9.30	
	2001	Passing Rate	May	AUD	29.90	37.00	7.10	23.60	-6.30	
	2001	Passing Rate	Nov	AUD	32.70	35.50	2.80	35.50	2.80	
	2002	Passing Rate	May	AUD	33.20	40.20	7.00	27.60	-5.60	
	2002	Passing Rate	Nov	AUD	33.60	38.40	4.80	39.70	6.10	
	2003	Passing Rate	May	AUD	33.10	44.30	11.20	42.80	9.70	
	2003	Passing Rate	Nov	AUD	32.80	40.10	7.30	30.90	-1.90	
	CBT	2004	Passing Rate	All Year	AUD	39.60	52.80	13.20	37.90	-1.70
		2005	Passing Rate	All Year	AUD	43.70	47.85	4.15	34.16	-9.54
2006		Passing Rate	All Year	AUD	44.20	49.57	5.37	35.45	-8.75	
		Avg Variance for 120 requirement				35.43	4.09	30.61	-1.02	
		Avg Variance for 150 requirement				42.86	6.99	36.24	-2.44	
	Avg Variance for 120-exam / 150 license requirement					N/A		N/A		
PBT	1996	Passing Rate	May	BEC	31.20	34.80	3.60	30.40	-0.80	
	1996	Passing Rate	Nov	BEC	35.10	39.20	4.10	35.30	0.20	
	1997	Passing Rate	May	BEC	33.00	40.40	7.40	28.50	-4.50	
	1997	Passing Rate	Nov	BEC	31.70	38.80	7.10	23.90	-7.80	
	1998	Passing Rate	May	BEC	30.40	37.90	7.50	20.20	-10.20	
	1998	Passing Rate	Nov	BEC	36.40	38.90	2.50	28.40	-8.00	
	1999	Passing Rate	May	BEC	28.10	34.50	6.40	16.80	-11.30	
	1999	Passing Rate	Nov	BEC	32.30	36.80	4.50	25.20	-7.10	
	2000	Passing Rate	May	BEC	33.20	36.30	3.10	27.90	-5.30	
	2000	Passing Rate	Nov	BEC	31.70	25.80	-5.90	35.70	4.00	
	2001	Passing Rate	May	BEC	34.90	38.10	3.20	26.30	-8.60	
	2001	Passing Rate	Nov	BEC	36.60	41.00	4.40	34.60	-2.00	
	2002	Passing Rate	May	BEC	33.60	45.10	11.50	28.00	-5.60	
	2002	Passing Rate	Nov	BEC	35.90	42.90	7.00	35.30	-0.60	
	2003	Passing Rate	May	BEC	36.60	44.70	8.10	51.90	15.30	
	2003	Passing Rate	Nov	BEC	34.40	40.50	6.10	36.50	2.10	
	CBT	2004	Passing Rate	All Year	BEC	43.00	59.20	16.20	46.70	3.70
		2005	Passing Rate	All Year	BEC	44.20	52.91	8.71	43.59	-0.61
2006		Passing Rate	All Year	BEC	43.80	51.05	7.25	48.79	4.99	
		Avg Variance for 120 requirement				36.34	4.03	28.32	-4.83	
	Avg Variance for 150 requirement				46.16	8.05	45.50	5.10		
	Avg Variance for 120-exam / 150 license requirement					N/A		N/A		

	Year	Section	National Pass Rate	Illinois - Variance from National Pass Rate		Maine - Variance from National Pass Rate				
				Illinois		Maine				
PBT	1996	Passing Rate	May	FAR	30.30	36.80	6.50	25.40	-4.90	
	1996	Passing Rate	Nov	FAR	33.40	37.70	4.30	34.10	0.70	
	1997	Passing Rate	May	FAR	27.40	31.60	4.20	29.80	2.40	
	1997	Passing Rate	Nov	FAR	25.20	30.80	5.60	19.50	-5.70	
	1998	Passing Rate	May	FAR	27.30	32.80	5.50	22.80	-4.50	
	1998	Passing Rate	Nov	FAR	27.10	29.10	2.00	20.70	-6.40	
	1999	Passing Rate	May	FAR	25.00	29.60	4.60	22.30	-2.70	
	1999	Passing Rate	Nov	FAR	25.70	29.00	3.30	20.20	-5.50	
	2000	Passing Rate	May	FAR	27.10	28.90	1.80	19.40	-7.70	
	2000	Passing Rate	Nov	FAR	26.40	21.80	-4.60	34.80	8.40	
	2001	Passing Rate	May	FAR	30.40	32.40	2.00	28.60	-1.80	
	2001	Passing Rate	Nov	FAR	30.90	28.00	-2.90	36.20	5.30	
	2002	Passing Rate	May	FAR	28.40	34.00	5.60	32.50	4.10	
	2002	Passing Rate	Nov	FAR	26.90	28.30	1.40	41.70	14.80	
	CBT	2003	Passing Rate	May	FAR	28.90	33.40	4.50	36.40	7.50
		2003	Passing Rate	Nov	FAR	29.80	34.30	4.50	38.20	8.40
2004		Passing Rate	All Year	FAR	36.80	53.20	16.40	37.90	1.10	
2005		Passing Rate	All Year	FAR	43.20	48.21	5.01	42.80	-0.40	
2006		Passing Rate	All Year	FAR	44.60	51.30	6.70	46.55	1.95	
			Avg Variance for 120 requirement			30.81	3.32	27.71	-0.25	
		Avg Variance for 150 requirement			38.12	4.80	40.37	3.71		
		Avg Variance for 120-exam / 150 license requirement			N/A		N/A			

PBT	1996	Passing Rate	May	REG	30.00	35.10	5.10	28.00	-2.00	
	1996	Passing Rate	Nov	REG	21.70	36.30	14.60	37.00	15.30	
	1997	Passing Rate	May	REG	29.30	34.00	4.70	31.70	2.40	
	1997	Passing Rate	Nov	REG	26.10	29.10	3.00	28.80	2.70	
	1998	Passing Rate	May	REG	28.30	32.20	3.90	26.70	-1.60	
	1998	Passing Rate	Nov	REG	30.30	33.10	2.80	29.40	-0.90	
	1999	Passing Rate	May	REG	33.00	35.90	2.90	30.10	-2.90	
	1999	Passing Rate	Nov	REG	25.20	27.30	2.10	27.10	1.90	
	2000	Passing Rate	May	REG	31.70	33.90	2.20	31.90	0.20	
	2000	Passing Rate	Nov	REG	27.90	21.50	-6.40	32.60	4.70	
	2001	Passing Rate	May	REG	28.90	32.70	3.80	25.70	-3.20	
	2001	Passing Rate	Nov	REG	30.70	31.50	0.80	32.40	1.70	
	2002	Passing Rate	May	REG	31.00	39.90	8.90	26.30	-4.70	
	2002	Passing Rate	Nov	REG	30.50	32.40	1.90	36.00	5.50	
	CBT	2003	Passing Rate	May	REG	35.00	40.10	5.10	50.70	15.70
		2003	Passing Rate	Nov	REG	29.20	33.30	4.10	36.80	7.60
2004		Passing Rate	All Year	REG	34.90	49.80	14.90	33.50	-1.40	
2005		Passing Rate	All Year	REG	40.70	44.49	3.79	38.18	-2.52	
2006		Passing Rate	All Year	REG	42.40	46.94	4.54	39.93	-2.47	
			Avg Variance for 120 requirement			31.84	3.49	30.26	1.36	
		Avg Variance for 150 requirement			39.01	5.31	39.82	3.38		
		Avg Variance for 120-exam / 150 license requirement			N/A		N/A			

	Year	Passing Rate	Section	National Pass Rate	Maryland - Variance from National Pass Rate		Missouri - Variance from National Pass Rate			
					Maryland	Rate	Missouri	Pass Rate		
PBT	1996	Passing Rate	May	AUD	30.20	24.30	-5.90	27.40	-2.80	
	1996	Passing Rate	Nov	AUD	32.30	30.00	-2.30	37.40	5.10	
	1997	Passing Rate	May	AUD	30.90	26.70	-4.20	30.10	-0.80	
	1997	Passing Rate	Nov	AUD	31.10	30.90	-0.20	31.60	0.50	
	1998	Passing Rate	May	AUD	31.40	26.00	-5.40	31.20	-0.20	
	1998	Passing Rate	Nov	AUD	33.10	28.70	-4.40	28.70	-4.40	
	1999	Passing Rate	May	AUD	34.10	27.70	-6.40	28.60	-5.50	
	1999	Passing Rate	Nov	AUD	27.60	21.10	-6.50	20.70	-6.90	
	2000	Passing Rate	May	AUD	31.70	25.80	-5.90	34.10	2.40	
	2000	Passing Rate	Nov	AUD	31.00	26.90	-4.10	33.30	2.30	
	2001	Passing Rate	May	AUD	29.90	24.10	-5.80	37.70	7.80	
	CBT	2001	Passing Rate	Nov	AUD	32.70	25.30	-7.40	33.70	1.00
2002		Passing Rate	May	AUD	33.20	26.60	-6.60	38.60	5.40	
2002		Passing Rate	Nov	AUD	33.60	24.60	-9.00	34.50	0.90	
2003		Passing Rate	May	AUD	33.10	24.40	-8.70	39.40	6.30	
2003		Passing Rate	Nov	AUD	32.80	14.90	-17.90	33.90	1.10	
2004		Passing Rate	All Year	AUD	39.60	42.10	2.50	50.80	11.20	
2005		Passing Rate	All Year	AUD	43.70	41.26	-2.44	48.85	5.15	
2006		Passing Rate	All Year	AUD	44.20	47.25	3.05	51.78	7.58	
Avg Variance for 120 requirement						27.77	-3.73	31.07	-0.43	
Avg Variance for 150 requirement						28.62	-5.78	37.38	2.98	
Avg Variance for 120-exam / 150 license requirement						N/A		N/A		
PBT		1996	Passing Rate	May	BEC	31.20	29.10	-2.10	31.70	0.50
	1996	Passing Rate	Nov	BEC	35.10	36.20	1.10	34.40	-0.70	
	1997	Passing Rate	May	BEC	33.00	34.30	1.30	32.30	-0.70	
	1997	Passing Rate	Nov	BEC	31.70	34.80	3.10	30.90	-0.80	
	1998	Passing Rate	May	BEC	30.40	29.90	-0.50	27.60	-2.80	
	1998	Passing Rate	Nov	BEC	36.40	35.70	-0.70	31.00	-5.40	
	1999	Passing Rate	May	BEC	28.10	26.00	-2.10	25.10	-3.00	
	1999	Passing Rate	Nov	BEC	32.30	30.30	-2.00	23.50	-8.80	
	2000	Passing Rate	May	BEC	33.20	32.50	-0.70	35.30	2.10	
	2000	Passing Rate	Nov	BEC	31.70	32.90	1.20	29.40	-2.30	
	2001	Passing Rate	May	BEC	34.90	26.90	-8.00	34.50	-0.40	
	CBT	2001	Passing Rate	Nov	BEC	36.60	32.10	-4.50	34.10	-2.50
2002		Passing Rate	May	BEC	33.60	31.20	-2.40	37.70	4.10	
2002		Passing Rate	Nov	BEC	35.90	31.40	-4.50	37.40	1.50	
2003		Passing Rate	May	BEC	36.60	32.60	-4.00	41.50	4.90	
2003		Passing Rate	Nov	BEC	34.40	21.00	-13.40	37.30	2.90	
2004		Passing Rate	All Year	BEC	43.00	38.00	-5.00	56.20	13.20	
2005		Passing Rate	All Year	BEC	44.20	38.07	-6.13	49.17	4.97	
2006		Passing Rate	All Year	BEC	43.80	42.14	-1.66	55.49	11.69	
Avg Variance for 120 requirement						33.33	0.37	31.32	-1.65	
Avg Variance for 150 requirement						31.93	-4.09	38.20	2.18	
Avg Variance for 120-exam / 150 license requirement						N/A		N/A		

	Year	Section	National Pass Rate	Maryland - Variance from National Pass Rate		Missouri - Variance from National Pass Rate			
				Maryland	Rate	Missouri	Rate		
PBT	1996	Passing Rate	May	FAR	30.30	26.10	-4.20	31.40	1.10
	1996	Passing Rate	Nov	FAR	33.40	29.40	-4.00	33.90	0.50
	1997	Passing Rate	May	FAR	27.40	24.70	-2.70	24.90	-2.50
	1997	Passing Rate	Nov	FAR	25.20	26.10	0.90	23.50	-1.70
	1998	Passing Rate	May	FAR	27.30	23.10	-4.20	21.09	-6.20
	1998	Passing Rate	Nov	FAR	27.10	24.40	-2.70	22.90	-4.20
	1999	Passing Rate	May	FAR	25.00	18.90	-6.10	19.70	-5.30
	1999	Passing Rate	Nov	FAR	25.70	20.50	-5.20	18.90	-6.80
	2000	Passing Rate	May	FAR	27.10	21.40	-5.70	25.70	-1.40
	2000	Passing Rate	Nov	FAR	26.40	22.40	-4.00	24.10	-2.30
	2001	Passing Rate	May	FAR	30.40	18.30	-12.10	28.60	-1.80
	2001	Passing Rate	Nov	FAR	30.90	21.60	-9.30	23.50	-7.40
	2002	Passing Rate	May	FAR	28.40	19.80	-8.60	28.60	0.20
	2002	Passing Rate	Nov	FAR	26.90	15.40	-11.50	22.90	-4.00
	2003	Passing Rate	May	FAR	28.90	19.30	-9.60	35.60	6.70
	2003	Passing Rate	Nov	FAR	29.80	14.00	-15.80	30.00	0.20
CBT	2004	Passing Rate	All Year	FAR	36.80	37.30	0.50	52.90	16.10
	2005	Passing Rate	All Year	FAR	43.20	38.26	-4.94	47.80	4.60
	2006	Passing Rate	All Year	FAR	44.60	45.64	1.04	48.83	4.20
		Avg Variance for 120 requirement				25.63	-2.82	26.28	-2.10
	Avg Variance for 150 requirement				24.06	-7.02	31.32	0.20	
	Avg Variance for 120-exam / 150 license requirement					N/A		N/A	

PBT	1996	Passing Rate	May	REG	30.00	26.20	-3.80	28.40	-1.60
	1996	Passing Rate	Nov	REG	21.70	29.00	7.30	34.00	12.30
	1997	Passing Rate	May	REG	29.30	27.90	-1.40	26.70	-2.60
	1997	Passing Rate	Nov	REG	26.10	25.70	-0.40	25.20	-0.90
	1998	Passing Rate	May	REG	28.30	25.90	-2.40	24.80	-3.50
	1998	Passing Rate	Nov	REG	30.30	25.30	-5.00	26.20	-4.10
	1999	Passing Rate	May	REG	33.00	26.30	-6.70	27.60	-5.40
	1999	Passing Rate	Nov	REG	25.20	19.20	-6.00	19.40	-5.80
	2000	Passing Rate	May	REG	31.70	26.30	-5.40	29.90	-1.80
	2000	Passing Rate	Nov	REG	27.90	24.20	-3.70	28.20	0.30
	2001	Passing Rate	May	REG	28.90	22.70	-6.20	29.30	0.40
	2001	Passing Rate	Nov	REG	30.70	22.20	-8.50	27.30	-3.40
	2002	Passing Rate	May	REG	31.00	22.50	-8.50	34.20	3.20
	2002	Passing Rate	Nov	REG	30.50	20.20	-10.30	29.60	-0.90
	2003	Passing Rate	May	REG	35.00	21.30	-13.70	44.00	9.00
	2003	Passing Rate	Nov	REG	29.20	17.00	-12.20	32.50	3.30
CBT	2004	Passing Rate	All Year	REG	34.90	36.50	1.60	54.80	19.90
	2005	Passing Rate	All Year	REG	40.70	35.77	-4.93	47.28	6.50
	2006	Passing Rate	All Year	REG	42.40	41.89	-0.51	51.36	8.90
		Avg Variance for 120 requirement				26.67	-0.95	27.55	-0.00
	Avg Variance for 150 requirement				25.85	-6.54	35.03	2.60	
	Avg Variance for 120-exam / 150 license requirement					N/A		N/A	

	Year	Passing Rate	Month	Section	National Pass Rate	Nevada - Variance from National Pass Rate		New Mexico - Variance from National Pass Rate	
						Nevada	Nevada Rate	New Mexico	New Mexico Pass Rate
PBT	1996	Passing Rate	May	AUD	30.20	35.70	5.50	25.90	-4.30
	1996	Passing Rate	Nov	AUD	32.30	39.90	7.60	26.90	-5.40
	1997	Passing Rate	May	AUD	30.90	35.20	4.30	28.90	-2.00
	1997	Passing Rate	Nov	AUD	31.10	42.50	11.40	31.00	-0.10
	1998	Passing Rate	May	AUD	31.40	40.90	9.50	24.80	-6.60
	1998	Passing Rate	Nov	AUD	33.10	43.00	9.90	28.70	-4.40
	1999	Passing Rate	May	AUD	34.10	36.70	2.60	30.80	-3.30
	1999	Passing Rate	Nov	AUD	27.60	33.70	6.10	28.10	0.50
	2000	Passing Rate	May	AUD	31.70	41.70	10.00	31.40	-0.30
	2000	Passing Rate	Nov	AUD	31.00	33.20	2.20	32.60	1.60
	2001	Passing Rate	May	AUD	29.90	45.80	15.90	31.50	1.60
	2001	Passing Rate	Nov	AUD	32.70	44.40	11.70	29.00	-3.70
	2002	Passing Rate	May	AUD	33.20	48.30	15.10	40.50	7.30
	2002	Passing Rate	Nov	AUD	33.60	45.70	12.10	35.80	2.20
	2003	Passing Rate	May	AUD	33.10	33.30	0.20	32.90	-0.20
	2003	Passing Rate	Nov	AUD	32.80	37.20	4.40	38.20	5.40
	2004	Passing Rate	All Year	AUD	39.60	39.20	-0.40	31.10	-8.50
	2005	Passing Rate	All Year	AUD	43.70	54.07	10.37	39.13	-4.57
	2006	Passing Rate	All Year	AUD	44.20	45.65	1.45	33.18	-11.02
			Avg Variance for 120 requirement				38.25	6.91	31.06
		Avg Variance for 150 requirement				43.74	7.87	34.47	-8.03
		Avg Variance for 120-exam / 150 license requirement				N/A		N/A	
PBT	1996	Passing Rate	May	BEC	31.20	37.20	6.00	27.80	-3.40
	1996	Passing Rate	Nov	BEC	35.10	38.30	3.20	37.30	2.20
	1997	Passing Rate	May	BEC	33.00	38.40	5.40	24.90	-8.10
	1997	Passing Rate	Nov	BEC	31.70	42.30	10.60	30.30	-1.40
	1998	Passing Rate	May	BEC	30.40	38.30	7.90	27.90	-2.50
	1998	Passing Rate	Nov	BEC	36.40	40.60	4.20	33.50	-2.90
	1999	Passing Rate	May	BEC	28.10	31.00	2.90	19.90	-8.20
	1999	Passing Rate	Nov	BEC	32.30	35.70	3.40	34.50	2.20
	2000	Passing Rate	May	BEC	33.20	40.30	7.10	32.30	-0.90
	2000	Passing Rate	Nov	BEC	31.70	27.60	-4.10	22.50	-9.20
	2001	Passing Rate	May	BEC	34.90	36.20	1.30	37.90	3.00
	2001	Passing Rate	Nov	BEC	36.60	47.40	10.80	37.70	1.10
	2002	Passing Rate	May	BEC	33.60	36.50	2.90	34.20	0.60
	2002	Passing Rate	Nov	BEC	35.90	47.40	11.50	41.40	5.50
	2003	Passing Rate	May	BEC	36.60	37.60	1.00	37.20	0.60
	2003	Passing Rate	Nov	BEC	34.40	37.20	2.80	35.90	1.50
	2004	Passing Rate	All Year	BEC	43.00	42.60	-0.40	33.30	-9.70
	2005	Passing Rate	All Year	BEC	44.20	44.44	0.24	37.91	-6.29
	2006	Passing Rate	All Year	BEC	43.80	43.37	-0.43	36.98	-6.82
			Avg Variance for 120 requirement				36.97	4.66	32.20
		Avg Variance for 150 requirement				41.41	3.30	36.06	-7.60
		Avg Variance for 120-exam / 150 license requirement				N/A		N/A	

					National Pass Rate	Nevada - Variance from National Pass Rate		New Mexico Variance from National Pass Rate		
Year	Section				Nevada		New Mexico			
PBT	1996	Passing Rate	May	FAR	30.30	29.80	-0.50	26.30	-4.00	
	1996	Passing Rate	Nov	FAR	33.40	37.10	3.70	29.30	-4.10	
	1997	Passing Rate	May	FAR	27.40	40.10	12.70	21.60	-5.80	
	1997	Passing Rate	Nov	FAR	25.20	34.90	9.70	22.00	-3.20	
	1998	Passing Rate	May	FAR	27.30	28.70	1.40	22.90	-4.40	
	1998	Passing Rate	Nov	FAR	27.10	34.50	7.40	21.60	-5.50	
	1999	Passing Rate	May	FAR	25.00	27.10	2.10	21.60	-3.40	
	1999	Passing Rate	Nov	FAR	25.70	33.30	7.60	27.10	1.40	
	2000	Passing Rate	May	FAR	27.10	30.80	3.70	24.70	-2.40	
	2000	Passing Rate	Nov	FAR	26.40	25.80	-0.60	27.90	1.50	
	2001	Passing Rate	May	FAR	30.40	36.60	6.20	25.20	-5.20	
	2001	Passing Rate	Nov	FAR	30.90	26.20	-4.70	25.70	-5.20	
	2002	Passing Rate	May	FAR	28.40	37.20	8.80	37.50	9.10	
	2002	Passing Rate	Nov	FAR	26.90	32.90	6.00	22.50	-4.40	
	2003	Passing Rate	May	FAR	28.90	31.80	2.90	25.60	-3.30	
	2003	Passing Rate	Nov	FAR	29.80	27.20	-2.60	29.60	-0.20	
	CBT	2004	Passing Rate	All Year	FAR	36.80	28.60	-8.20	32.10	-4.70
		2005	Passing Rate	All Year	FAR	43.20	37.01	-6.19	36.68	-6.52
2006		Passing Rate	All Year	FAR	44.60	40.00	-4.60	33.20	-11.40	
		Avg Variance for 120 requirement				32.21	4.72	25.69	-2.42	
	Avg Variance for 150 requirement				33.06	-0.27	33.99	-7.50		
	Avg Variance for 120-exam / 150 license requirement				N/A		N/A			
PBT	1996	Passing Rate	May	REG	30.00	31.20	1.20	28.90	-1.10	
	1996	Passing Rate	Nov	REG	21.70	36.10	14.40	29.20	7.50	
	1997	Passing Rate	May	REG	29.30	35.60	6.30	23.00	-6.30	
	1997	Passing Rate	Nov	REG	26.10	36.60	10.50	28.30	2.20	
	1998	Passing Rate	May	REG	28.30	40.60	12.30	25.90	-2.40	
	1998	Passing Rate	Nov	REG	30.30	37.10	6.80	31.60	1.30	
	1999	Passing Rate	May	REG	33.00	39.40	6.40	30.10	-2.90	
	1999	Passing Rate	Nov	REG	25.20	30.00	4.80	24.40	-0.80	
	2000	Passing Rate	May	REG	31.70	32.00	0.30	25.20	-6.50	
	2000	Passing Rate	Nov	REG	27.90	26.30	-1.60	29.80	1.90	
	2001	Passing Rate	May	REG	28.90	34.70	5.80	28.70	-0.20	
	2001	Passing Rate	Nov	REG	30.70	27.60	-3.10	30.70	0.00	
	2002	Passing Rate	May	REG	31.00	41.30	10.30	32.00	1.00	
	2002	Passing Rate	Nov	REG	30.50	38.70	8.20	28.30	-2.20	
	2003	Passing Rate	May	REG	35.00	38.70	3.70	32.90	-2.10	
	2003	Passing Rate	Nov	REG	29.20	35.80	6.60	26.50	-2.70	
	CBT	2004	Passing Rate	All Year	REG	34.90	44.40	9.50	34.50	-0.40
		2005	Passing Rate	All Year	REG	40.70	40.97	0.27	37.14	-3.56
2006		Passing Rate	All Year	REG	42.40	41.03	-1.37	35.41	-6.99	
		Avg Variance for 120 requirement				34.49	6.14	28.47	-0.82	
	Avg Variance for 150 requirement				38.13	4.43	35.68	-3.62		
	Avg Variance for 120-exam / 150 license requirement				N/A		N/A			

	Year	Section	National Pass Rate	North Dakota - Variance from National Pass Rate		Virginia - Variance from National Pass Rate				
				North Dakota	Rate	Virginia	Rate			
PBT	1996	Passing Rate	May	AUD	30.20	28.60	-1.60	29.10	-1.10	
	1996	Passing Rate	Nov	AUD	32.30	28.80	-3.50	35.70	3.40	
	1997	Passing Rate	May	AUD	30.90	34.60	3.70	32.20	1.30	
	1997	Passing Rate	Nov	AUD	31.10	31.30	0.20	35.20	4.10	
	1998	Passing Rate	May	AUD	31.40	35.90	4.50	31.70	0.30	
	1998	Passing Rate	Nov	AUD	33.10	25.20	-7.90	33.60	0.50	
	1999	Passing Rate	May	AUD	34.10	24.30	-9.80	33.90	-0.20	
	1999	Passing Rate	Nov	AUD	27.60	21.80	-5.80	31.30	3.70	
	2000	Passing Rate	May	AUD	31.70	31.10	-0.60	28.30	-3.40	
	2000	Passing Rate	Nov	AUD	31.00	29.90	-1.10	31.30	0.30	
	2001	Passing Rate	May	AUD	29.90	33.80	3.90	30.60	0.70	
	2001	Passing Rate	Nov	AUD	32.70	28.40	-4.30	30.00	-2.70	
	2002	Passing Rate	May	AUD	33.20	26.20	-7.00	30.10	-3.10	
	2002	Passing Rate	Nov	AUD	33.60	24.30	-9.30	29.60	-4.00	
	2003	Passing Rate	May	AUD	33.10	27.30	-5.80	29.80	-3.30	
	2003	Passing Rate	Nov	AUD	32.80	32.50	-0.30	31.00	-1.80	
	CBT	2004	Passing Rate	All Year	AUD	39.60	42.70	3.10	42.90	3.30
2005		Passing Rate	All Year	AUD	43.70	52.43	8.73	42.44	-1.26	
2006		Passing Rate	All Year	AUD	44.20	51.54	7.34	38.81	-5.39	
		Avg Variance for 120 requirement					30.73	-0.77	31.61	-0.01
		Avg Variance for 150 requirement					32.79	-1.61	36.99	-1.69
	Avg Variance for 120-exam / 150 license requirement					N/A		N/A		
PBT	1996	Passing Rate	May	BEC	31.20	29.10	-2.10	30.40	-0.80	
	1996	Passing Rate	Nov	BEC	35.10	34.60	-0.50	35.00	-0.10	
	1997	Passing Rate	May	BEC	33.00	33.90	0.90	34.20	1.20	
	1997	Passing Rate	Nov	BEC	31.70	33.10	1.40	36.30	4.60	
	1998	Passing Rate	May	BEC	30.40	36.70	6.30	29.90	-0.50	
	1998	Passing Rate	Nov	BEC	36.40	37.10	0.70	35.50	-0.90	
	1999	Passing Rate	May	BEC	28.10	26.00	-2.10	28.10	0.00	
	1999	Passing Rate	Nov	BEC	32.30	41.20	8.90	33.60	1.30	
	2000	Passing Rate	May	BEC	33.20	36.50	3.30	29.60	-3.60	
	2000	Passing Rate	Nov	BEC	31.70	30.20	-1.50	28.90	-2.80	
	2001	Passing Rate	May	BEC	34.90	34.60	-0.30	33.70	-1.20	
	2001	Passing Rate	Nov	BEC	36.60	34.30	-2.30	33.20	-3.40	
	2002	Passing Rate	May	BEC	33.60	30.30	-3.30	34.90	1.30	
	2002	Passing Rate	Nov	BEC	35.90	31.30	-4.60	32.60	-3.30	
	2003	Passing Rate	May	BEC	36.60	43.30	6.70	34.20	-2.40	
	2003	Passing Rate	Nov	BEC	34.40	39.90	5.50	31.70	-2.70	
	CBT	2004	Passing Rate	All Year	BEC	43.00	50.00	7.00	44.70	1.70
2005		Passing Rate	All Year	BEC	44.20	50.94	6.74	39.71	-4.49	
2006		Passing Rate	All Year	BEC	43.80	47.33	3.53	35.00	-8.80	
		Avg Variance for 120 requirement					34.08	1.12	32.56	-0.59
	Avg Variance for 150 requirement					38.14	2.12	37.06	-3.34	
	Avg Variance for 120-exam / 150 license requirement					N/A		N/A		

	Year	Passing Rate	Section	National Pass Rate	North Dakota - Variance from National Pass Rate		Virginia - Variance from National Pass Rate			
					North Dakota	Rate	Virginia	Pass Rate		
PBT	1996	Passing Rate	May	FAR	30.30	26.10	-4.20	30.10	-0.20	
	1996	Passing Rate	Nov	FAR	33.40	32.50	-0.90	36.40	3.00	
	1997	Passing Rate	May	FAR	27.40	38.80	11.40	27.20	-0.20	
	1997	Passing Rate	Nov	FAR	25.20	36.60	11.40	30.00	4.80	
	1998	Passing Rate	May	FAR	27.30	31.30	4.00	25.40	-1.90	
	1998	Passing Rate	Nov	FAR	27.10	19.30	-7.80	29.50	2.40	
	1999	Passing Rate	May	FAR	25.00	23.50	-1.50	22.90	-2.10	
	1999	Passing Rate	Nov	FAR	25.70	28.60	2.90	28.40	2.70	
	2000	Passing Rate	May	FAR	27.10	32.00	4.90	21.80	-5.30	
	2000	Passing Rate	Nov	FAR	26.40	29.10	2.70	28.30	1.90	
	2001	Passing Rate	May	FAR	30.40	18.10	-12.30	23.80	-6.60	
	2001	Passing Rate	Nov	FAR	30.90	23.50	-7.40	25.40	-5.50	
	2002	Passing Rate	May	FAR	28.40	17.90	-10.50	23.10	-5.30	
	2002	Passing Rate	Nov	FAR	26.90	25.60	-1.30	25.40	-1.50	
	2003	Passing Rate	May	FAR	28.90	26.90	-2.00	25.50	-3.40	
	2003	Passing Rate	Nov	FAR	29.80	35.30	5.50	25.90	-3.90	
	CBT	2004	Passing Rate	All Year	FAR	36.80	47.30	10.50	41.40	4.60
		2005	Passing Rate	All Year	FAR	43.20	49.44	6.24	40.34	-2.86
		2006	Passing Rate	All Year	FAR	44.60	59.13	14.53	37.16	-7.44
			Avg Variance for 120 requirement				30.77	2.32	26.98	-0.99
						Avg Variance for 150 requirement	32.03	0.94	34.06	-2.60
						Avg Variance for 120-exam / 150 license requirement	N/A		N/A	
PBT	1996	Passing Rate	May	REG	30.00	34.70	4.70	27.60	-2.40	
	1996	Passing Rate	Nov	REG	21.70	33.60	11.90	33.70	12.00	
	1997	Passing Rate	May	REG	29.30	38.70	9.40	30.10	0.80	
	1997	Passing Rate	Nov	REG	26.10	33.90	7.80	30.50	4.40	
	1998	Passing Rate	May	REG	28.30	32.40	4.10	25.80	-2.50	
	1998	Passing Rate	Nov	REG	30.30	31.10	0.80	30.50	0.20	
	1999	Passing Rate	May	REG	33.00	26.50	-6.50	32.90	-0.10	
	1999	Passing Rate	Nov	REG	25.20	30.60	5.40	24.70	-0.50	
	2000	Passing Rate	May	REG	31.70	38.50	6.80	27.60	-4.10	
	2000	Passing Rate	Nov	REG	27.90	35.90	8.00	25.70	-2.20	
	2001	Passing Rate	May	REG	28.90	30.80	1.90	28.00	-0.90	
	2001	Passing Rate	Nov	REG	30.70	25.20	-5.50	27.40	-3.30	
	2002	Passing Rate	May	REG	31.00	32.00	1.00	24.60	-6.40	
	2002	Passing Rate	Nov	REG	30.50	29.40	-1.10	30.00	-0.50	
	2003	Passing Rate	May	REG	35.00	29.10	-5.90	30.50	-4.50	
	2003	Passing Rate	Nov	REG	29.20	32.70	3.50	26.20	-3.00	
	CBT	2004	Passing Rate	All Year	REG	34.90	50.00	15.10	40.10	5.20
		2005	Passing Rate	All Year	REG	40.70	61.00	20.30	37.38	-3.32
		2006	Passing Rate	All Year	REG	42.40	51.67	9.27	34.70	-7.70
			Avg Variance for 120 requirement				34.07	6.45	28.51	-0.39
						Avg Variance for 150 requirement	36.41	4.02	33.78	-2.66
						Avg Variance for 120-exam / 150 license requirement	N/A		N/A	

					National Pass Rate	Wyoming - Variance from National Pass Rate		Kentucky - Variance from National Pass Rate	
Year		Section				Wyoming		Kentucky	
PBT	1996	Passing Rate	May	AUD	30.20	18.00	-12.20	23.60	-6.60
	1996	Passing Rate	Nov	AUD	32.30	36.60	4.30	27.90	-4.40
	1997	Passing Rate	May	AUD	30.90	27.10	-3.80	26.90	-4.00
	1997	Passing Rate	Nov	AUD	31.10	29.40	-1.70	30.80	-0.30
	1998	Passing Rate	May	AUD	31.40	32.90	1.50	24.90	-6.50
	1998	Passing Rate	Nov	AUD	33.10	32.80	-0.30	29.10	-4.00
	1999	Passing Rate	May	AUD	34.10	25.70	-8.40	22.70	-11.40
	1999	Passing Rate	Nov	AUD	27.60	31.60	4.00	16.40	-11.20
	2000	Passing Rate	May	AUD	31.70	36.70	5.00	20.70	-11.00
	2000	Passing Rate	Nov	AUD	31.00	29.70	-1.30	17.90	-13.10
	2001	Passing Rate	May	AUD	29.90	25.00	-4.90	18.40	-11.50
	2001	Passing Rate	Nov	AUD	32.70	23.10	-9.60	20.10	-12.60
	2002	Passing Rate	May	AUD	33.20	40.00	6.80	23.00	-10.20
	2002	Passing Rate	Nov	AUD	33.60	18.20	-15.40	26.60	-7.00
	2003	Passing Rate	May	AUD	33.10	37.00	3.90	21.90	-11.20
	CBT	2003	Passing Rate	Nov	AUD	32.80	29.70	-3.10	27.30
2004		Passing Rate	All Year	AUD	39.60	26.30	-13.30	44.80	5.20
2005		Passing Rate	All Year	AUD	43.70	36.36	-7.34	46.45	2.75
2006		Passing Rate	All Year	AUD	44.20	39.47	-4.73	40.05	-4.15
Avg Variance for 120 requirement						29.47	-2.03	25.29	-6.00
Avg Variance for 150 requirement						30.68	-3.72	27.93	-7.40
Avg Variance for 120-exam / 150 license requirement						N/A		N/A	
PBT	1996	Passing Rate	May	BEC	31.20	31.10	-0.10	24.70	-6.50
	1996	Passing Rate	Nov	BEC	35.10	41.50	6.40	28.50	-6.60
	1997	Passing Rate	May	BEC	33.00	30.80	-2.20	25.30	-7.70
	1997	Passing Rate	Nov	BEC	31.70	18.40	-13.30	27.00	-4.70
	1998	Passing Rate	May	BEC	30.40	33.80	3.40	22.20	-8.20
	1998	Passing Rate	Nov	BEC	36.40	33.30	-3.10	28.00	-8.40
	1999	Passing Rate	May	BEC	28.10	22.40	-5.70	17.30	-10.80
	1999	Passing Rate	Nov	BEC	32.30	35.40	3.10	17.70	-14.60
	2000	Passing Rate	May	BEC	33.20	40.60	7.40	20.60	-12.60
	2000	Passing Rate	Nov	BEC	31.70	25.00	-6.70	17.00	-14.70
	2001	Passing Rate	May	BEC	34.90	52.20	17.30	18.40	-16.50
	2001	Passing Rate	Nov	BEC	36.60	33.30	-3.30	21.00	-15.60
	2002	Passing Rate	May	BEC	33.60	43.50	9.90	22.50	-11.10
	2002	Passing Rate	Nov	BEC	35.90	29.00	-6.90	24.80	-11.10
	2003	Passing Rate	May	BEC	36.60	38.50	1.90	17.90	-18.70
	CBT	2003	Passing Rate	Nov	BEC	34.40	30.30	-4.10	19.50
2004		Passing Rate	All Year	BEC	43.00	36.40	-6.60	42.00	-1.00
2005		Passing Rate	All Year	BEC	44.20	37.50	-6.70	43.21	-0.99
2006		Passing Rate	All Year	BEC	43.80	45.65	1.85	41.77	-2.03
Avg Variance for 120 requirement						31.48	-1.48	23.84	-8.40
Avg Variance for 150 requirement						36.13	0.11	26.24	-11.70
Avg Variance for 120-exam / 150 license requirement						N/A		N/A	

	Year	Section	National Pass Rate	Wyoming - Variance from National Pass Rate		Kentucky - Variance from National Pass Rate			
				Wyoming	Kentucky	Wyoming	Kentucky		
PBT	1996	Passing Rate	May	FAR	30.30	25.80	-4.50	25.80	-4.50
	1996	Passing Rate	Nov	FAR	33.40	31.00	-2.40	27.70	-5.70
	1997	Passing Rate	May	FAR	27.40	33.90	6.50	19.10	-8.30
	1997	Passing Rate	Nov	FAR	25.20	16.30	-8.90	19.70	-5.50
	1998	Passing Rate	May	FAR	27.30	26.80	-0.50	19.30	-8.00
	1998	Passing Rate	Nov	FAR	27.10	36.80	9.70	20.30	-6.80
	1999	Passing Rate	May	FAR	25.00	29.10	4.10	16.00	-9.00
	1999	Passing Rate	Nov	FAR	25.70	20.00	-5.70	12.40	-13.30
	2000	Passing Rate	May	FAR	27.10	20.00	-7.10	16.50	-10.60
	2000	Passing Rate	Nov	FAR	26.40	19.00	-7.40	12.10	-14.30
	2001	Passing Rate	May	FAR	30.40	25.90	-4.50	15.80	-14.60
	2001	Passing Rate	Nov	FAR	30.90	31.00	0.10	16.20	-14.70
	2002	Passing Rate	May	FAR	28.40	30.40	2.00	17.50	-10.90
	2002	Passing Rate	Nov	FAR	26.90	25.00	-1.90	18.90	-8.00
	2003	Passing Rate	May	FAR	28.90	14.30	-14.60	20.30	-8.60
	2003	Passing Rate	Nov	FAR	29.80	19.00	-10.80	25.70	-4.10
	CBT	2004	Passing Rate	All Year	FAR	36.80	30.00	-6.80	45.00
2005		Passing Rate	All Year	FAR	43.20	47.37	4.17	40.18	-3.02
2006		Passing Rate	All Year	FAR	44.60	62.96	18.36	43.08	-1.52
		Avg Variance for 120 requirement				28.43	-0.02	20.04	-7.64
		Avg Variance for 150 requirement				28.77	-2.31	24.66	-8.06
	Avg Variance for 120-exam / 150 license requirement					N/A		N/A	
PBT	1996	Passing Rate	May	REG	30.00	34.40	4.40	25.10	-4.90
	1996	Passing Rate	Nov	REG	21.70	35.90	14.20	28.80	7.10
	1997	Passing Rate	May	REG	29.30	31.60	2.30	25.30	-4.00
	1997	Passing Rate	Nov	REG	26.10	26.00	-0.10	25.40	-0.70
	1998	Passing Rate	May	REG	28.30	29.00	0.70	20.30	-8.00
	1998	Passing Rate	Nov	REG	30.30	23.00	-7.30	25.10	-5.20
	1999	Passing Rate	May	REG	33.00	42.50	9.50	21.70	-11.30
	1999	Passing Rate	Nov	REG	25.20	30.10	4.90	14.10	-11.10
	2000	Passing Rate	May	REG	31.70	39.30	7.60	20.70	-11.00
	2000	Passing Rate	Nov	REG	27.90	32.30	4.40	18.30	-9.60
	2001	Passing Rate	May	REG	28.90	31.60	2.70	17.70	-11.20
	2001	Passing Rate	Nov	REG	30.70	40.90	10.20	20.40	-10.30
	2002	Passing Rate	May	REG	31.00	30.00	-1.00	25.10	-5.90
	2002	Passing Rate	Nov	REG	30.50	31.40	0.90	27.00	-3.50
	2003	Passing Rate	May	REG	35.00	26.90	-8.10	21.10	-13.90
	2003	Passing Rate	Nov	REG	29.20	32.40	3.20	23.00	-6.20
	CBT	2004	Passing Rate	All Year	REG	34.90	31.60	-3.30	43.00
2005		Passing Rate	All Year	REG	40.70	50.00	9.30	41.85	1.15
2006		Passing Rate	All Year	REG	42.40	55.17	12.77	44.47	2.07
		Avg Variance for 120 requirement				29.98	2.37	23.23	-4.76
	Avg Variance for 150 requirement				36.47	4.08	27.51	-6.24	
	Avg Variance for 120-exam / 150 license requirement					N/A		N/A	

					National Pass Rate	Massachusetts - Variance from National Pass Rate	South Carolina	South Carolina - Variance from National Pass Rate		
Year	Section				Massachusetts					
PBT	1996	Passing Rate	May	AUD	30.20	34.50	4.30	20.70	-9.50	
	1996	Passing Rate	Nov	AUD	32.30	36.30	4.00	23.30	-9.00	
	1997	Passing Rate	May	AUD	30.90	38.30	7.40	23.70	-7.20	
	1997	Passing Rate	Nov	AUD	31.10	40.20	9.10	18.00	-13.10	
	1998	Passing Rate	May	AUD	31.40	34.10	2.70	29.40	-2.00	
	1998	Passing Rate	Nov	AUD	33.10	33.80	0.70	18.40	-14.70	
	1999	Passing Rate	May	AUD	34.10	37.10	3.00	34.40	0.30	
	1999	Passing Rate	Nov	AUD	27.60	31.00	3.40	19.00	-8.60	
	2000	Passing Rate	May	AUD	31.70	30.60	-1.10	25.60	-6.10	
	2000	Passing Rate	Nov	AUD	31.00	31.50	0.50	25.60	-5.40	
	2001	Passing Rate	May	AUD	29.90	32.70	2.80	29.00	-0.90	
	2001	Passing Rate	Nov	AUD	32.70	27.50	-5.20	22.90	-9.80	
	2002	Passing Rate	May	AUD	33.20	20.10	-13.10	31.70	-1.50	
	2002	Passing Rate	Nov	AUD	33.60	29.40	-4.20	27.80	-5.80	
	2003	Passing Rate	May	AUD	33.10	28.70	-4.40	26.10	-7.00	
	2003	Passing Rate	Nov	AUD	32.80	31.90	-0.90	27.00	-5.80	
	CBT	2004	Passing Rate	All Year	AUD	39.60	49.40	9.80	42.50	2.90
		2005	Passing Rate	All Year	AUD	43.70	51.40	7.70	42.24	-1.46
		2006	Passing Rate	All Year	AUD	44.20	53.91	9.71	45.42	1.22
			Avg Variance for 120 requirement				33.97	2.63	22.00	-9.25
		Avg Variance for 150 requirement				37.83	0.66	25.61	-6.22	
	Avg Variance for 120-exam / 150 license requirement				N/A		43.39	0.85		
PBT	1996	Passing Rate	May	BEC	31.20	33.70	2.50	25.20	-6.00	
	1996	Passing Rate	Nov	BEC	35.10	39.10	4.00	26.50	-8.60	
	1997	Passing Rate	May	BEC	33.00	36.10	3.10	19.20	-13.80	
	1997	Passing Rate	Nov	BEC	31.70	33.70	2.00	18.80	-12.90	
	1998	Passing Rate	May	BEC	30.40	33.60	3.20	22.40	-8.00	
	1998	Passing Rate	Nov	BEC	36.40	32.60	-3.80	23.50	-12.90	
	1999	Passing Rate	May	BEC	28.10	26.40	-1.70	23.70	-4.40	
	1999	Passing Rate	Nov	BEC	32.30	27.10	-5.20	22.50	-9.80	
	2000	Passing Rate	May	BEC	33.20	28.60	-4.60	24.70	-8.50	
	2000	Passing Rate	Nov	BEC	31.70	26.40	-5.30	25.70	-6.00	
	2001	Passing Rate	May	BEC	34.90	28.60	-6.30	31.00	-3.90	
	2001	Passing Rate	Nov	BEC	36.60	25.50	-11.10	22.80	-13.80	
	2002	Passing Rate	May	BEC	33.60	18.50	-15.10	26.30	-7.30	
	2002	Passing Rate	Nov	BEC	35.90	30.20	-5.70	30.50	-5.40	
	2003	Passing Rate	May	BEC	36.60	27.80	-8.80	25.80	-10.80	
	2003	Passing Rate	Nov	BEC	34.40	32.30	-2.10	27.00	-7.40	
	CBT	2004	Passing Rate	All Year	BEC	43.00	44.20	1.20	42.90	-0.10
		2005	Passing Rate	All Year	BEC	44.20	43.38	-0.82	46.18	1.98
		2006	Passing Rate	All Year	BEC	43.80	49.37	5.57	48.29	4.45
			Avg Variance for 120 requirement				30.95	-1.93	25.85	-7.30
	Avg Variance for 150 requirement				35.11	-3.68	24.56	-8.92		
	Avg Variance for 120-exam / 150 license requirement				N/A		45.79	2.12		

				National Pass Rate	Massachusetts	Massachusetts - Variance from National Pass Rate	South Carolina	South Carolina - Variance from National Pass Rate		
Year	Section									
PBT	1996	Passing Rate	May	FAR	30.30	29.80	-0.50	19.50	-10.80	
	1996	Passing Rate	Nov	FAR	33.40	34.30	0.90	23.30	-10.10	
	1997	Passing Rate	May	FAR	27.40	27.60	0.20	17.30	-10.10	
	1997	Passing Rate	Nov	FAR	25.20	26.30	1.10	13.60	-11.60	
	1998	Passing Rate	May	FAR	27.30	26.10	-1.20	18.90	-8.40	
	1998	Passing Rate	Nov	FAR	27.10	23.60	-3.50	14.80	-12.30	
	1999	Passing Rate	May	FAR	25.00	21.60	-3.40	18.90	-6.10	
	1999	Passing Rate	Nov	FAR	25.70	23.80	-1.90	17.70	-8.00	
	2000	Passing Rate	May	FAR	27.10	22.00	-5.10	20.80	-6.30	
	2000	Passing Rate	Nov	FAR	26.40	20.70	-5.70	19.80	-6.60	
	2001	Passing Rate	May	FAR	30.40	19.40	-11.00	18.90	-11.50	
	2001	Passing Rate	Nov	FAR	30.90	19.30	-11.60	19.00	-11.90	
	2002	Passing Rate	May	FAR	28.40	14.10	-14.30	22.30	-6.10	
	2002	Passing Rate	Nov	FAR	26.90	19.30	-7.60	19.90	-7.00	
	2003	Passing Rate	May	FAR	28.90	24.30	-4.60	17.20	-11.70	
	CBT	2003	Passing Rate	Nov	FAR	29.80	22.60	-7.20	18.80	-11.00
2004		Passing Rate	All Year	FAR	36.80	43.90	7.10	38.00	1.20	
2005		Passing Rate	All Year	FAR	43.20	43.84	0.64	41.15	-2.05	
2006		Passing Rate	All Year	FAR	44.60	49.03	4.43	44.51	-0.09	
						Avg Variance for 120 requirement	24.54	-3.48	21.40	-10.45
						Avg Variance for 150 requirement	31.01	-3.08	18.42	-9.19
						Avg Variance for 120-exam / 150 license requirement	N/A	41.22	-0.31	
PBT	1996	Passing Rate	May	REG	30.00	31.50	1.50	24.80	-5.20	
	1996	Passing Rate	Nov	REG	21.70	29.90	8.20	24.10	2.40	
	1997	Passing Rate	May	REG	29.30	27.30	-2.00	21.60	-7.70	
	1997	Passing Rate	Nov	REG	26.10	25.30	-0.80	16.70	-9.40	
	1998	Passing Rate	May	REG	28.30	27.00	-1.30	23.40	-4.90	
	1998	Passing Rate	Nov	REG	30.30	27.50	-2.80	20.00	-10.30	
	1999	Passing Rate	May	REG	33.00	29.70	-3.30	32.50	-0.50	
	1999	Passing Rate	Nov	REG	25.20	21.90	-3.30	21.80	-3.40	
	2000	Passing Rate	May	REG	31.70	23.80	-7.90	25.90	-5.80	
	2000	Passing Rate	Nov	REG	27.90	21.60	-6.30	22.10	-5.80	
	2001	Passing Rate	May	REG	28.90	22.50	-6.40	26.80	-2.10	
	2001	Passing Rate	Nov	REG	30.70	20.20	-10.50	27.40	-3.30	
	2002	Passing Rate	May	REG	31.00	17.00	-14.00	31.30	0.30	
	2002	Passing Rate	Nov	REG	30.50	23.70	-6.80	25.50	-5.00	
	2003	Passing Rate	May	REG	35.00	27.10	-7.90	30.50	-4.50	
	CBT	2003	Passing Rate	Nov	REG	29.20	26.20	-3.00	28.10	-1.10
2004		Passing Rate	All Year	REG	34.90	46.20	11.30	36.10	1.20	
2005		Passing Rate	All Year	REG	40.70	43.15	2.45	41.16	0.46	
2006		Passing Rate	All Year	REG	42.40	47.39	4.99	46.49	4.09	
						Avg Variance for 120 requirement	25.68	-2.91	24.45	-1.40
						Avg Variance for 150 requirement	32.96	-1.85	25.26	-4.54
						Avg Variance for 120-exam / 150 license requirement	N/A	41.25	1.92	

To: Washington State Board of Accountancy

From: Peer Review Oversight Committee (PROC) (Brooke Stegmeier, Kate Dixon, Tom Sawatzki, Mark Hugh, Laura Lindal, Robert Loe, Mike Paquette, Jennifer Sciba, Tom Neill)

Re: Peer review alternatives

Date: April 18, 2023

The PROC is continuing to explore alternatives to the AICPA peer review program that would provide smaller Washington CPA firms an alternative process when they perform services for Washington domiciled clients.

Since the last Board meeting, the PROC surveyed licensees about their interest in a peer review alternative for compilations, whether licensees would find it useful, whether licensees would utilize it, and whether it would encourage firms no longer performing compilation services for Washington based clients to perform those services in the future.

A summary of the survey results is attached and there was strong interest among the respondents to an alternative to AICPA peer review. However, any alternative, the benefits, and costs, are not yet defined.

The PROC would like to engage small groups of licensees in stakeholder groups in various geographic regions of the state to obtain more specific feedback. However, we recognize that more definition of any alternatives are required for that feedback to be meaningful and useful.

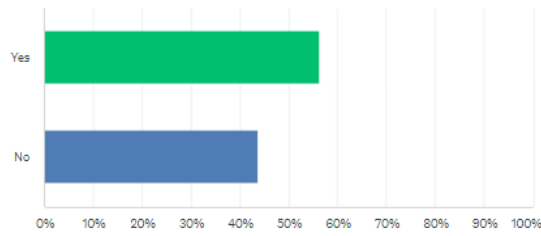
Therefore, consistent with the PROC's goal of having a program administered by a third party and not by the Board, before the July Board meeting the PROC intends to issue requests for proposals/questions from any third parties potentially interested in administering the program and their suggestions for design of the program.

Note only will this identify to the extent there is any interest by third parties in administering the program, but this will provide more specific information on any program to discuss with licensees, firms, and other stakeholders.

ACB Peer Review Survey Results

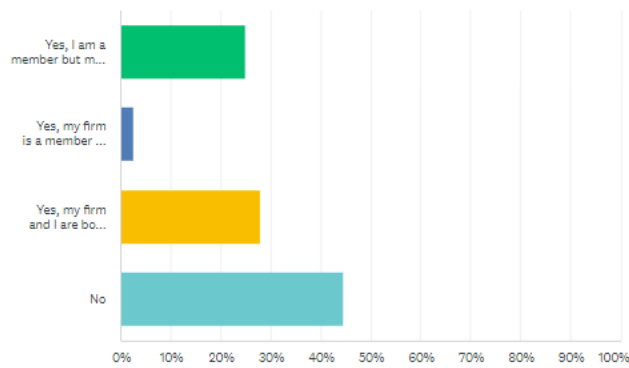
Are you engaged in the practice of public accountancy and offer services to clients?

Answered: 345 Skipped: 0



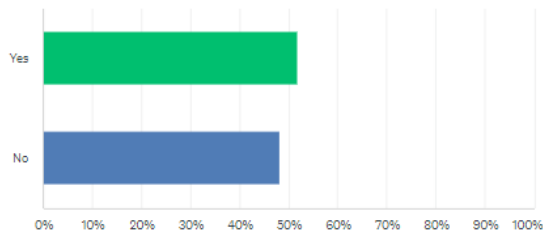
Are you, or your firm, a member of the AICPA?

Answered: 345 Skipped: 0



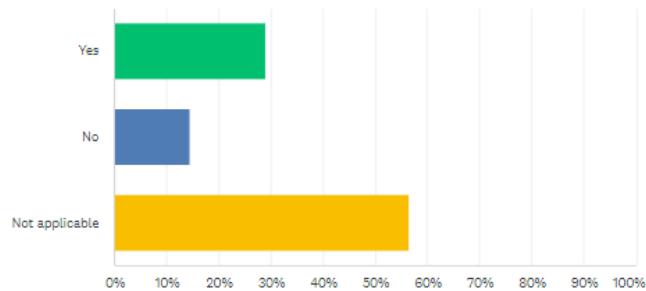
Would your firm consider using an alternative to AICPA peer review?

Answered: 345 Skipped: 0



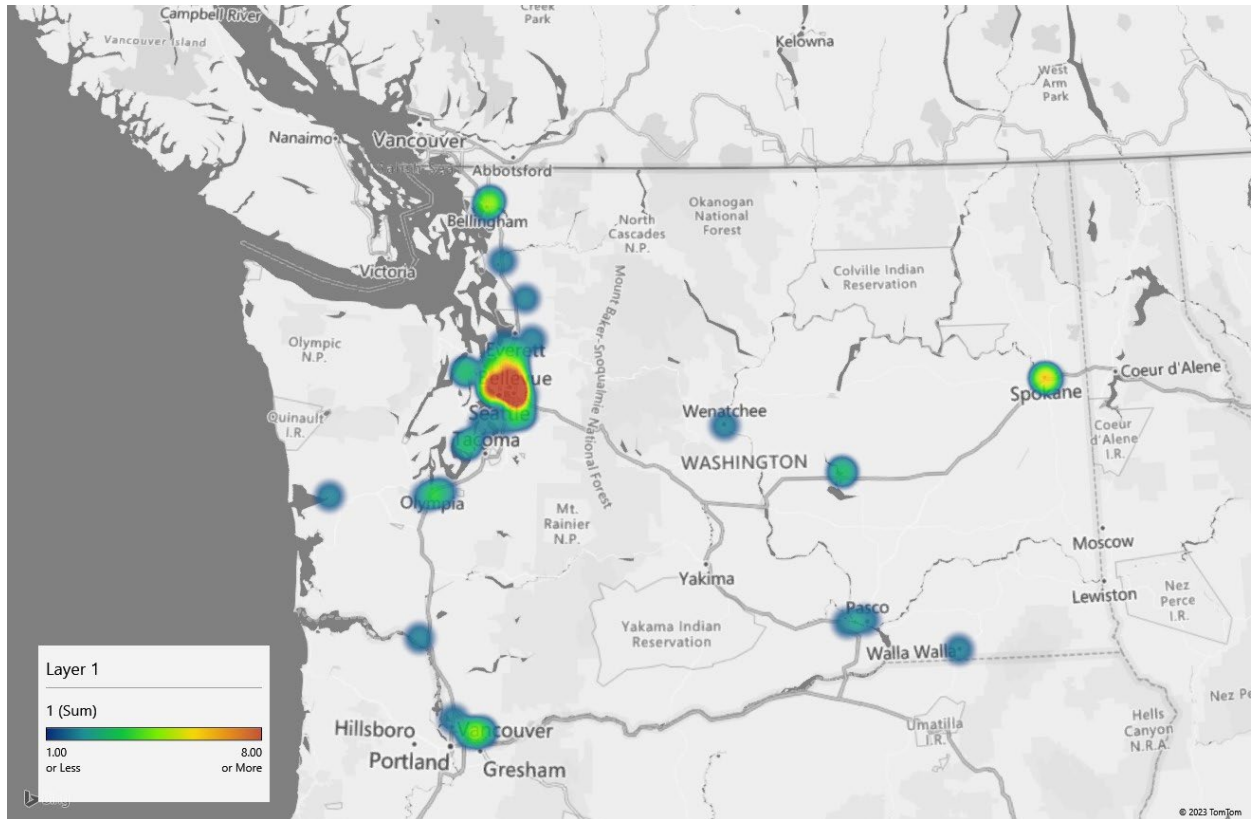
If your firm currently does not prepare compilations for Washington headquartered clients, would an alternative to AICPA peer review encourage your firm to offer these services in the future?

Answered: 345 Skipped: 0



ACB Peer Review Survey Results

Heat map of survey respondents that provided their location



Q6 (Optional) Please provide any additional comments you may wish to offer.

Answered: 98 Skipped: 243

#	RESPONSES	DATE
1	I would not consider an alternative to the AICPA Peer Review because that would mean that I could not be a member of the AICPA. The AICPA is the leader in educating and consistency of financial reporting nation-wide. I think that if Washington had a separate review process it would be costly to administer and that the quality of financial reporting would suffer.	3/16/2023 7:29 AM
2	The AICPA has lost touch with the small CPA firms!	3/10/2023 1:33 PM
3	This proposal is a bad idea. Peer review is established for a reason. With the sheer volume of GAAP requirements the FASB puts out, this would lead to quality errors. Compilations including full disclosure compilations would presumably be allowed under this without peer reviewer. That will create a problem of quality in the marketplace. Firms that perform primarily tax and write-up services often do not have the talent proficient in GAAP to properly perform GAAP compilations. We gain clients that have outgrown their CPA firm that previously performed tax and compilations that, even with peer review, were sub par. The quality of work would absolutely go down for WA companies and hurt the capital markets. It may be easier to get cpa firms to do the work, but what good is that if it waters down the quality. We do not want that for Washingtonians. Ours is a great state and we should not lower our standards and denigrate the public's trust in CPA's or WA state in any way shape or form. We have countless examples of tax firms doing compilations that are horrendous. We as a Quality CPA firm spend tens of thousands of dollars to keep our quality level high, only to potentially now compete with tax focused cpa firms that can do compilation work with lower requirements? That is not an EQUITABLE playing field. This is not the solution. We vehemently oppose this consideration. Happy to discuss this further at any time. Thank you for requesting input!	2/22/2023 4:18 PM
4	Not in favor. The result would be much too confusing as this appears it would only apply to non- AICPA members within the State of Washington and only to the extent that they don't do compilations for firms outside of Washington.	2/21/2023 2:45 PM
5	It is very inconvenient to advise a client - tax return only - that I cannot provide a Compilation statement- from the TB used to prep the tax return.	2/21/2023 12:55 PM
6	The Board should open up the alternative to AICPA peer review to other services, such as reviews, private company audits, and agreed-upon procedures.	2/21/2023 11:35 AM
7	Any alternative to AICPA Peer Review would have to be acceptable to my professional liability insurer. The AICPA Peer Review is defined in our policy and we are required to submit our results to our insurer every three years.	2/18/2023 12:33 PM
8	This would help many not-for-profit organizations that would only need to seek outside help for a 990 preparation and not a compilation report. I'm not independent of the organization, but this way I could prepare a compilation for us and not have to be subject to peer review when I only work for one NFP organization. I really appreciate the board looking into this for us to help keep costs down for NFPs	2/17/2023 10:17 AM
9	I do not support an alternative to the AICPA review for lower levels of service. People do not really understand the difference between the different levels of service, and the credibility and reputation of the professionalism of a CPA can be damaged, when the different levels received different reviews.	2/17/2023 9:17 AM
10	While I find this an attractive alternative, practices like mine that are in a border community would be locked out of this option because I have clients that are both in Oregon and Washington.	2/16/2023 10:44 AM
11	I think this is a good program for compilations. I stopped doing them because the AICPA program was too time consuming and expensive. For this program to be effective they are going to need to develop some alternative methods and not just duplicate AICPA programs	2/15/2023 10:15 AM

Peer Review Survey

12	I wish this type of scenario was available for small firms that perform preparation, compilation AND review services. Peer review is tough when only an office only performs 1-3 annually. Offering review services to the public outside the utilization of large, national CPA firms is valuable.	2/15/2023 5:48 AM
13	For the question #5, the zip code is Tokyo1130021 (Japan)	2/15/2023 5:34 AM
14	As a small firm, the cost of an AICPA peer review for a handful of compilations makes them not economical. I have had clients' banks request them but fortunately I have been able to talk them down to prepared statements so far.	2/14/2023 7:36 PM
15	I think the peer review for a small firm in the amount of cost is excessive and obscene. Based on my experience it also catches nothing in the form of actual fraud committed by the CPA, etc. I can provide an multiple examples of this in my own experience if required. In fact, when brought to the reviewer and WA BOA's attention, they in fact informed me that nothing could be done... So really, what is the point?	2/14/2023 4:23 PM
16	This is neither likely to be sufficient to provide meaningful relief to the smaller firms trying to comply with the legalistic thoughtless (either the peer reviewer can check the box or they cannot) AICPA peer review process nor entice firms (like mine) than have ceased performing peer review required work to reenter that space (especially since banks have largely become acclimated to prepared financials).	2/14/2023 1:53 PM
17	As a preparer of WA-headquartered compilation reports only, an alternative to AICPA peer review would be very welcome!	2/14/2023 12:17 PM
18	Approving an alternative peer review for compilations is a very good idea. I suggest that Reviews also be included in the alternative system.	2/14/2023 9:42 AM
19	Would prefer it covered both compilations and reviews not just compilations. At this time we do all 3 so doesn't help us but could in the future.	2/14/2023 9:12 AM
20	We need to be strengthening the peer review program not weakening it. The quality of work we see from some on other firms that have clean peer reviews is terrible in a lot of cases. The PCAOB defencies show that this isn't limited to smaller firms and audit quality and thus fees must increase. I see firms charging \$10,000 for an audit, there is no way you can charge that little unless you are charging \$20 a hour and that isn't the case.	2/14/2023 8:42 AM
21	If I were engaged in an accounting firm, I would definitely be interested in an alternative to the AICPA Peer Review for compilations. I think that is a great idea especially given the scope of work involved.	2/14/2023 8:40 AM
22	CPA in federal government without specific accountancy responsibilities at this time. I think the proposal makes sense and could certainly be pertinent to my post-civil service career. Agency zip code is 20024.	2/14/2023 8:13 AM
23	Though I have maintained an active license, I have not practiced as a CPA since retirement December 31, 2018. I am a former attest partner with a single office regional firm based in Bellevue, WA. I support the concept outlined regarding a "two-tier approach" for the AICPA peer review process.	2/14/2023 7:26 AM
24	I do 1 compilation that does not go to a third party. It is requested by the owners as a 2nd set of eyes on their internal financial statements. I pay \$1000 every 3 years for the review and with GAAP becoming more geared to big companies and the sense they are trying to drive out us little guys I would really like to see some other alternatives. I was well trained in how to prepare accurate financial statements with footnotes and the issues that hang me up in my reviews are issues my client does not deal with or has even heard of. It's embarrassing to have to change or add a footnote that makes no sense to them or their business just to meet a GAAP requirement. The statements are accurate and clear without the extra GAAP big company requirements.	2/13/2023 11:48 PM
25	N/A	2/13/2023 11:02 PM
26	We are primarily a tax practice with no assurance work	2/13/2023 9:20 PM
27	Hi, I was hoping to start a new diet during tax season, but I just have way too much on my plate right now. ;)	2/13/2023 8:50 PM
28	Any way to simplify life is good.	2/13/2023 8:44 PM

Peer Review Survey

29	Peer review is a major hurdle to offer these services. While I do think PR is a valuable exercise, it is incredibly costly and further diminishes the firms who supply these services.	2/13/2023 8:40 PM
30	I am not employed by any firm now.	2/13/2023 8:25 PM
31	AICPA Peer Review Requirements were determined to be a primary factor in the decision for our firm to not provide attest services. An ability to perform in state compilations may inform a change in the services we would offer.	2/13/2023 7:21 PM
32	currently, I'm working in Japan and support many US companies who have subsidiaries in Japan. I'm happy to support to prepare compilations for these subsidiaries.	2/13/2023 7:06 PM
33	This makes good sense.	2/13/2023 6:41 PM
34	Should be an alternative for Comps and Reviews. Neither is an audit.	2/13/2023 5:57 PM
35	There still needs to be peer review to hold firms accountable to standards	2/13/2023 5:45 PM
36	Options are always good.	2/13/2023 5:44 PM
37	I do reviews ,so i would still be in the AICPA peer review program	2/13/2023 4:18 PM
38	In my opinion, these are the companies that need the peer reviews the most.	2/13/2023 4:13 PM
39	We find very little benefit to being an AICPA member firm. Another option would be appreciated.	2/13/2023 4:09 PM
40	Having an option for firms that only prepare compilations, beyond a full AICPA peer review is good for the industry and clients. Once the WSCPA quit doing peer reviews in these instances, smaller firms were at a disadvantage and most likely dropped compilations from their offerings, if that is the only financial statement they prepared.	2/13/2023 4:03 PM
41	This survey was hard to answer.....i didn't understand what the alternative was (and thus not sure if we'd would be interested or not), nor did i have much background as to pro's/con's of doing an alternative way. Regardless, this survey feels mostly N/A for our firm as we do other attest services and wouldn't be allowed to utilize this alternative. Thanks.	2/13/2023 3:25 PM
42	A simplified and less expensive process for small firms that are handing smaller engagements would be much appreciated.	2/13/2023 3:22 PM
43	It would be good if there were "Big" GAAP and "Little" GAAP. Some of these requirements that are more applicable to large companies are not for small business owners. The small business owners do not understand the requirements on financial statements and don't see the relevance to their business. Educating the small business owners on the process and why it is required takes quite a bit of time, especially since they need to understand what they are signing and agreeing to.	2/13/2023 3:20 PM
44	I would be curious how this would (if at all) affect requests for comps versus reviews from 3rd parties. If lending institutions get wind that certain firms who provide compiled financial statements are now NOT subject to peer review, would they start requesting reviews vs. comps from clients so they know the firm has to be peer reviewed?	2/13/2023 3:07 PM
45	Some foreign accounting firm require their employees to take CPEs which can be used as an alternative for those employees.	2/13/2023 2:48 PM
46	Please do not consider alternatives that reduce confidence in our profession.	2/13/2023 2:46 PM
47	It would be more reasonable if you didn't have to give up your AICPA membership to use this. Perhaps some collaboration with the AICPA would make this even more useful. I do LOVE the idea for local firms that serve small to medium sized local companies. Regulatory burden is ever increasing and impacting the viability of smaller firms that serve this clientele. Thanks for investigating this idea!	2/13/2023 2:32 PM
48	Perhaps this is a good idea if it is used to treat non-attest engagements as such and reserve special treatment to actual attest engagements. Why would a cpa take on a compilation if the geniuses in his regulator falsely characterize it as an attest engagement and thereby increase his risk and cost? A compilation is not an attest engagement and never will be except in the small minds of those who thought up this stupid misuse of professional language.	2/13/2023 2:08 PM
49	Dropped statements due to the few we did versus the complexity of the peer review about 5	2/13/2023 2:06 PM

Peer Review Survey

	years ago.	
50	It is dangerous to have a state standard that differs from the national standard	2/13/2023 1:58 PM
51	This proposal seems very, very limited in scope and has the potential to add confusion to firm's and the public regarding Peer Review and this potential alternative.	2/13/2023 1:52 PM
52	Any change won't really affect me much as I am close to retiring.	2/13/2023 1:51 PM
53	See comments above. My phone number is 206-661-5422. I am 74 and am still practicing and have been doing so since 1986. ANOTHER BIG THING YOU COULD DO IS ELIMINATE THE NEED FOR A FIFTH YEAR TO BE A CPA. We are discouraging young people from entering the profession.	2/13/2023 1:45 PM
54	While I would consider this option it would not actually help me. I do a solid mix for WA and OR clients.	2/13/2023 1:40 PM
55	As an individual licensed cpa.. I have many times thought of just starting a small accounting, book keeping , financial consultanting and taxes, company.. Because I hold a cpa license I am always worried about what I need for a peer review, and costs. Even thought about retiring my cpa and then free to do what I want or getting a EA., or becoming a financial advisor. I can see for auditing firms a peer review, but if a person is doing taxes for low income or helping a small business.. Does the organization not trust cpa's to even do simple things like this... Yes I have been through 2008 financial crisis and worked at a investment banks.. It was issues with audits and rating firms not small accounting firms. I sometimes think this is only a review on small firms for generating revenue for large organizations, or crushing small competitors. I am in Canada and never done any thing that would require a peer review, I believe.,because I have no clue when I fall into that category. There are so many issues with this review process I could go on.	2/13/2023 1:39 PM
56	Compilation work for CPAs would be a good addition to the only tax firms, especially for some increased cash flow due to the increase in self prepared returns. It may still be too much of a cost outlay but worth looking into the additional business.	2/13/2023 1:31 PM
57	our firm provides audits, reviews, and compilation services to clients, so would not be eligible for an alternative option.	2/13/2023 1:28 PM
58	Currently I am working as staff accountat in a corporate.	2/13/2023 1:24 PM
59	I think firms that only perform compilation attest services, should be subject to the same rules as those that perform audit and review attest services. We need to keep the quality high in CPA firms.	2/13/2023 1:21 PM
60	i would be concerned about such an alternative. Peer review adds quality to our profession, and those that prepare any financial statements should continue to face peer review for quality control purposes. Thank you.	2/13/2023 1:20 PM
61	A firm that provides any assurane type service should remain confined to AICPA peer review.	2/13/2023 1:00 PM
62	The AICPA peer review program has become onerous and punitive. Small firms and sole practitioners have fallen out of favor with the AICPA; reducing or eliminating this segment will limit competition and raise prices. I am not seeing the link between audit quality and their current approach and trajectory.	2/13/2023 12:54 PM
63	I am interested in knowing what alternatives are being considered.	2/13/2023 12:52 PM
64	The peer review process is needed in order to ensure the standards related to proper presentation of financial statements are met.	2/13/2023 12:51 PM
65	I absolutely agree that a simple alternative to Peer Review for Compiled Financial Statements is needed.	2/13/2023 12:48 PM
66	Early in my career, I was a peer reviewer for the WA Board of Accountancy. The quality of the work submitted by small CPA's that used this program was fairly low. Anything you can do to increase the quality of the financial statements in this environment should be considered.	2/13/2023 12:48 PM
67	I practiced for 28 years, and was a partner for 22 of those years. In that time span, Peer review changed from a positive, helpful experience, to a feared, punitive experience. The former approach helped us feel supported, and we looked forward to getting any issues	2/13/2023 12:39 PM

Peer Review Survey

corrected, and learning. The latter approach is part of what drove me out, at 50 years old. Peer review is NEEDED in ALL firms, but for heavens sake, approach it differently!!!!

68	I would be totally behind this program, assuming the state requirements were similar to the AICPA peer review program. It would be an unfortunate turn for the industry if smaller firms that only performed compilations began to push that work only because of relaxed performance standards. Such a turn would have a negative impact on the industry as a whole.	2/13/2023 12:29 PM
69	I think this is a great idea and encourage you to pursue it. The AICPA peer review program is appropriate for reviews and audits, but compilations for Washington clients is a reasonable exception and would encourage me to offer these services.	2/13/2023 12:21 PM
70	Our firm performs reviews, comps and the occasional prep.	2/13/2023 12:17 PM
71	I believe that the Board's proposal would generally benefit practitioners, clients, third party users of compilations and ultimately the public. Peer review takes time and resources that are not affordable by many small practitioners. Larger practitioners could better use their resources if they could reject smaller clients who only want compilations. Rejecting small clients may have reputational risk. Some small practitioners could be encouraged to expand their services if successful with compilation. Clients could save time and resources if duplication of effort were prevented when the client must find a larger practitioner to prepare a compilation. Third party users could benefit when the compilation is prepared by a small firm with long-term experience with the client's business. Breaking down barriers to entry is fundamental to innovation and economic growth in our economy. The public is increasingly educated on such matters and should generally respect the accounting profession for this important change in rules. Perhaps the Board could monitor the change. Data is persuasive. For example, as part of license renewal, practitioners could be required to report to the Board how many compilations were performed as a result of the new rules. Complaints could be monitored for relationship to the new rules. Thank you for the opportunity to comment.	2/13/2023 12:13 PM
72	I only prepare tax returns with Quickbooks. Sole owner.	2/13/2023 12:10 PM
73	your one size fits all does not work and is overly burdensome to small practices.	2/13/2023 12:09 PM
74	How about a maximum cost on these as well. New CPAs just starting out in the profession as sole proprietors often do not have the resources to pay for a full review of their practice without undue burden.	2/13/2023 12:01 PM
75	Since I only prepare 4 Compilations a year, the cost of Peer Review feels excessive. I would appreciate a less costly alternative.	2/13/2023 11:55 AM
76	On the surface, this proposal does not appear to benefit my firm and may put my firm at a competitive disadvantage.	2/13/2023 11:54 AM
77	I am a newly licensed CPA who is working in United Arab Emirates. Like to know whether this survey is applicable to me as well.	2/13/2023 11:47 AM
78	Our firm performs only a few compilations and one review, but one of the entities is located in another state, so if there is a possibility of having a client in another state in the near future...this would not make sense for a lot of firms to be switching from AICPA to WA for peer review in various years.	2/13/2023 11:46 AM
79	We do one compilation per year; same client. All of our peer reviews have looked at just this one client which doesn't really change: it's an HOA. Footnotes the same each year, engagement letter every year. Do us once and you've got us.	2/13/2023 11:38 AM
80	Our firm requires a system review under the AICPA program. However, for smaller firms that only do compilations I think an alternative option would be great.	2/13/2023 11:33 AM
81	I disagree with having a different level of quality assurance for compilations. SSARS are SSARS, GAAP is GAAP. We should all be subject to the same quality review by our peers.	2/13/2023 11:31 AM
82	I believe this is a great idea.	2/13/2023 11:29 AM
83	Far too many tax and accounting rules/laws/red tape have happened in past three years, compounding the impact of the forced shutdowns and substantial loss of staffing. All of this has substantially reduced our ability to serve clients, and have had to reduce our services and number of clients served SUBSTANTIALLY as a result. We receive DOZENS of calls every week pleading for help and are forced to share the bad news with them all. This is not limited	2/13/2023 11:27 AM

Peer Review Survey

to our industry (impact of the 2020 shutdowns, labor aspects), but good public policy would dictate to stop forcing major changes and rules/red tape on industry if you wish for it to be able to recover and rebuild. Instead, we've seen the opposite. COMPLETE FOOLISHNESS and thus, record retirements, and folks seeking to do something else for their family financial support/income/careers.

84	Melding the requirements, I desire for myself with my Washington State Board of Accountancy's expectations has been a challenge. How does a mother, first, maintain their foothold designed for a traditionally male domain? When I needed small museum grant writing training I went after it whether it showed up as available continuing education or not. Self-directing ones learning, as a professional, should be paramount to group rules that would exclude members pursuit of problem solving in the free enterprise system we serve. There has never been a clear lane for bringing our skills together under our Board of Accountancy's current form and I welcome this reset to see if we are leaving out our responsibility to nurture the entrepreneurs.	2/13/2023 11:24 AM
85	since most firms, especially if doing compilations, are or should be members of AICPA, this effort seems like a waste of time, energy, and money	2/13/2023 11:20 AM
86	I think this would be a beneficial alternative	2/13/2023 11:15 AM
87	I am presently preparing only one compilation each year, where I am also not independent so the peer review to allow me to continue to prepare one compilation is a little cumbersome.	2/13/2023 11:14 AM
88	Peer review, when only a small number of compilations are prepared, is excessive. Any profits derived from these services are vastly reduced by peer review.	2/13/2023 11:13 AM
89	I currently don't perform compilations because of the peer review requirement. If that requirement is dropped, then I might consider doing compilations in the future.	2/13/2023 11:10 AM
90	Thank you	2/13/2023 11:10 AM
91	This is a great idea that would allow more firms to perform comps and could be a huge cost savings for firms that currently only do comps and are subject to a full AICPA peer review.	2/13/2023 11:08 AM
92	Though I am not currently practicing I believe this change would greatly benefit the small CPA practitioners and firms.	2/13/2023 11:08 AM
93	I think the first question is whether this subset has a higher or lower rate of engagement findings than other firms. Secondly, I think having different sets of rules creates unnecessary bureaucracy and more potential confusion/more time spent understanding administrative rules rather keeping up with standards already applicable.	2/13/2023 11:08 AM
94	I think we all understand the reason behind and value of peer review. However, it is and extremely onerous process especially for smaller firms with limited attestation or write up services. A simplified peer review process would encourage firms to provide compilation services (that clients need & ask for) but often aren't offered to avoid the hassle of an overly complicated peer review process.	2/13/2023 11:04 AM
95	I've been out of attest for several years now, so to offer those services - bookkeeping and reports - would also require Training to comply even with compilation requirements. The cost of providing services may still be more than benefit. Traditional business Compilation services are not as necessary as they once were. Bookkeepers provide the same service at minimal cost.	2/13/2023 11:04 AM
96	Good idea the current system is costly and cumbersome.	2/13/2023 11:02 AM
97	We need the AICPA to accept the State's standard - membership in the AICPA has many advantages, but I view State Rights as pre-empting AICPA's right to regulate my State practice	2/13/2023 11:01 AM
98	Something else that is less costly would be nice for those of us only doing compilations for Washington small businesses.	2/13/2023 10:58 AM

Request Oversight Committee Report April 2023

Scott Newman, Chair

During the first quarter 2023, the Executive Director and a Consulting Board Member from the Request Oversight Committee took the following action:

Approved Firm Names:

Advantage Partners
Chad Partridge Accounting PLLC
Shoreline Tax Services LLC
Whatcom Financial LLC
Weaver CPA Services LLC
RJI International CPAs
The Sheriff CPA Services, LLC
Quattro Tax Services LLC

Professional/Educational Organization – Recognition Requests

During the first quarter in 2023, the Board did not receive any requests for recognition as an educational organization or professional association for purposes of obtaining list requests.



Washington CPA Foundation

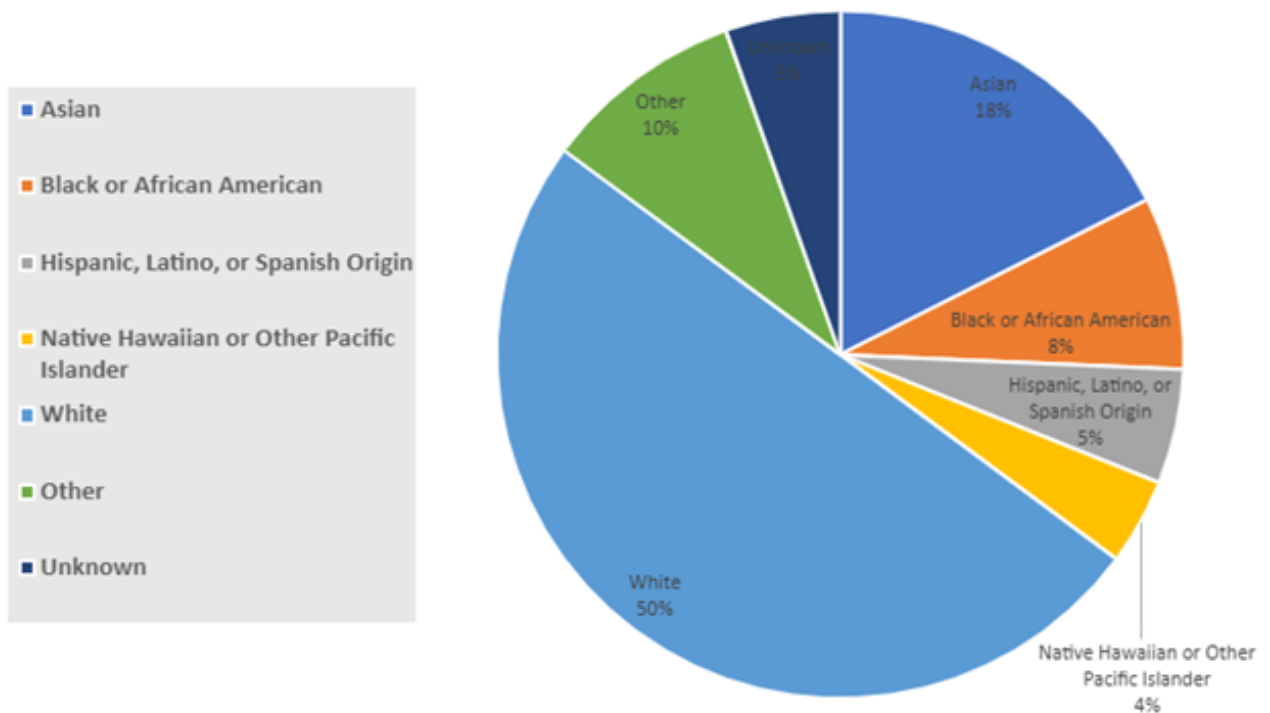
2023 Preliminary Scholarship Winner Data

The Overview

The Washington CPA Foundation awarded 72 scholarships. 30 are \$10,000 master's awards; 42 are undergraduate at \$5,000. Further demographic data will be collected from winners during the intake process.

- 50 awards were SBOA funded; 30 master's & 20 bachelor's
- 186 students applied
- 65% of scholarship winners were female

Diversity of Winners

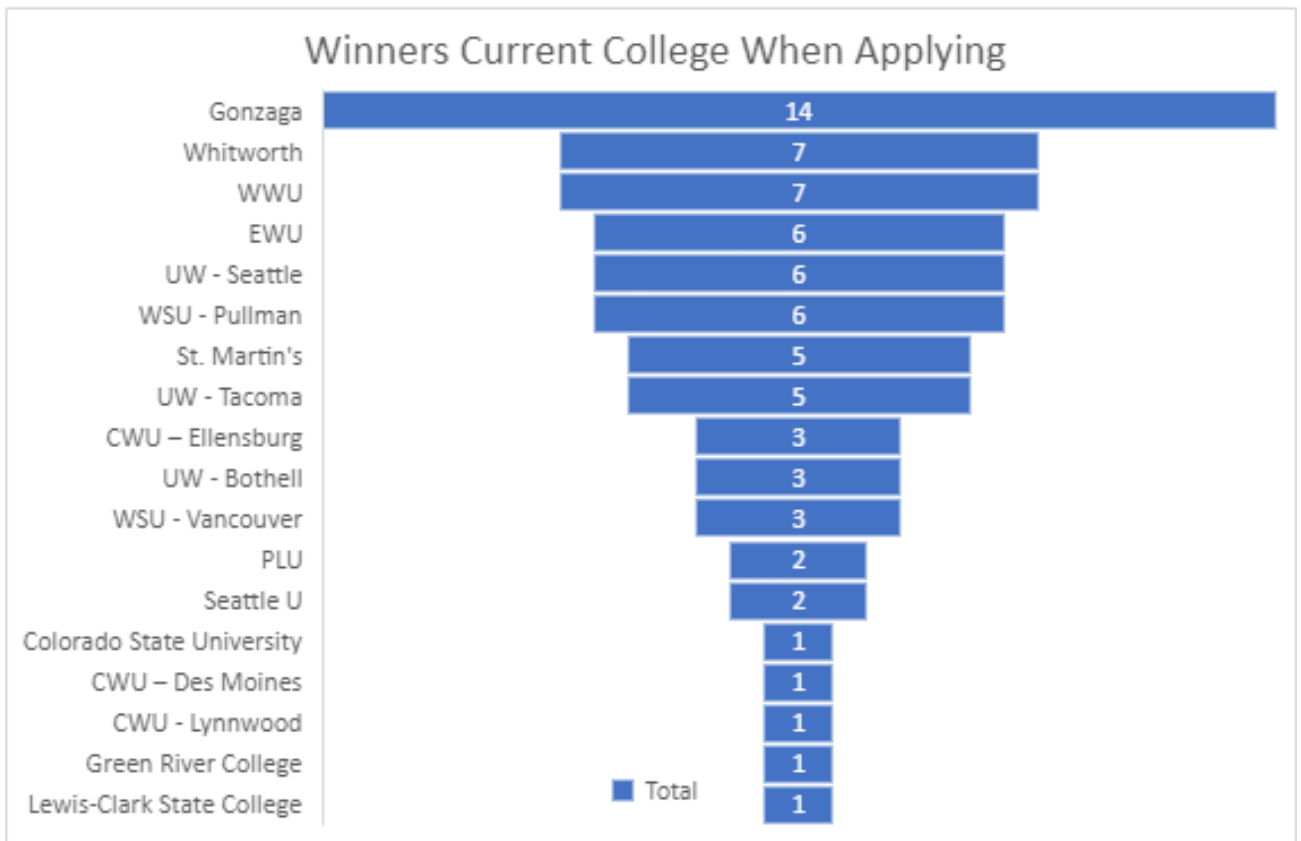


"Accounting has proven to be the perfect combination of numbers and complex problem-solving to inspire me to push to be a better version of myself. I believe that all my experiences have guided me toward pursuing a career in accounting."

- Amanda Nerby, University of Washington senior

Current College

The below data represents the number of winners at each college. These numbers represent college attended at time of application.



1650 - State Board of Accountancy

Allotment Expenditure/Revenue BTD Flexible

Report Number: AEF04

Date Run: Mar 31, 2023 11:59PM

Biennium: 2023

As of Fiscal Month: Mar FY2

Transactions Through: Mar 31, 2023 8:00PM

Account: 02J Allotment Content: Approved & Adjusted Estimated Revenue Content: Approved & Adjusted Expenditure Content: Cash, Accr(all)

Revenue Content: Cash, Accr(all)

(For a complete listing of all input parameter values, please see the last page of the report)

	BTD Allotment	BTD Disbursement	BTD Accrual	BTD Encumbrance	BTD Variance	Biennium Remaining
By Account/Expenditure Authority						
02J - Certified Public Accountants' Acct						
030 - Salaries and Expenses	3,928,513	3,336,920.60	(3,250.00)	0.00	594,842.40	1,163,329.40
Total for Agency	3,928,513	3,336,920.60	(3,250.00)	0.00	594,842.40	1,163,329.40
By Account/Expenditure Authority						
By Object						
A - Salaries and Wages	1,437,385	1,332,149.66	0.00	0.00	105,235.34	315,777.34
B - Employee Benefits	475,948	468,283.32	0.00	0.00	7,664.68	79,497.68
C - Professional Service Contracts	283,500	216,510.19	0.00	0.00	66,989.81	107,489.81
E - Goods and Services	1,647,092	1,290,309.94	(3,250.00)	0.00	360,032.06	593,560.06
G - Travel	58,338	24,654.45	0.00	0.00	33,683.55	42,017.55
J - Capital Outlays	26,250	5,013.04	0.00	0.00	21,236.96	24,986.96
Total for Agency	3,928,513	3,336,920.60	(3,250.00)	0.00	594,842.40	1,163,329.40
By Object						

Fund View

Fund
02J - CERTIFIED PUBLIC ACCOUNTANTS' ACCT

Fund Type
BA - SPECIAL REVENUE FUNDS

Agency
1650 - STATE BOARD OF ACCOUNTANCY

Budget Type
A - Appropriated

GAAP Fund Type
B - SPECIAL REVENUE FUNDS

Rollup Fund
FBD - CENTRAL ADMIN AND REGULATORY FUND

Treasury Type
Treasury

Statute
18.04.105

Status
Active

TALS Only
No

DOT Fund
No

MM YYYY

Mar 2023 

Balance Date ↓	Cash Balance	Book Balance	Outstd. Warrants
03/31/2023	4,008,822.37	4,007,352.37	1,470.00
03/30/2023	4,003,484.02	4,002,014.02	1,470.00
03/29/2023	3,993,894.02	3,992,424.02	1,470.00
03/28/2023	3,984,494.02	3,983,024.02	1,470.00
03/27/2023	3,977,604.02	3,976,134.02	1,470.00
03/26/2023	3,960,069.42	3,958,599.42	1,470.00
03/25/2023	3,960,069.42	3,958,599.42	1,470.00
03/24/2023	3,960,069.42	3,958,599.42	1,470.00
03/23/2023	3,998,270.78	3,996,800.78	1,470.00
03/22/2023	3,990,010.78	3,988,540.78	1,470.00
03/21/2023	3,983,170.78	3,981,700.78	1,470.00
03/20/2023	3,981,722.53	3,980,252.53	1,470.00
03/19/2023	3,957,672.53	3,956,202.53	1,470.00
03/18/2023	3,957,672.53	3,956,202.53	1,470.00
03/17/2023	3,957,672.53	3,956,202.53	1,470.00
03/16/2023	3,950,967.38	3,949,497.38	1,470.00
03/15/2023	3,945,817.38	3,944,347.38	1,470.00
03/14/2023	3,948,489.33	3,935,427.38	13,061.95
03/13/2023	3,943,141.24	3,930,079.29	13,061.95
03/12/2023	3,927,081.24	3,914,019.29	13,061.95
03/11/2023	3,927,081.24	3,914,019.29	13,061.95
03/10/2023	3,927,081.24	3,914,019.29	13,061.95
03/09/2023	3,989,000.35	3,975,938.40	13,061.95
03/08/2023	3,982,344.89	3,969,282.94	13,061.95
03/07/2023	3,978,720.07	3,977,250.07	1,470.00
03/06/2023	3,973,190.07	3,971,720.07	1,470.00
03/05/2023	3,963,840.07	3,962,370.07	1,470.00
03/04/2023	3,963,840.07	3,962,370.07	1,470.00
03/03/2023	3,963,840.07	3,962,370.07	1,470.00
03/02/2023	3,951,380.07	3,949,885.07	1,495.00
03/01/2023	3,949,900.07	3,948,405.07	1,495.00

Fund View

Fund
20D - CPA SCHOLARSHIP TRANSFER ACCOUNT

Fund Type
BA - SPECIAL REVENUE FUNDS

Agency
1650 - STATE BOARD OF ACCOUNTANCY

Budget Type
N - Nonappropriated/Nonallotted

GAAP Fund Type
B - SPECIAL REVENUE FUNDS

Rollup Fund
FBG - HIGHER EDUCATION FUND

Treasury Type
Treasury Trust

Statute
28B.123.050

Status
Active

TALS Only
No

DOT Fund
No

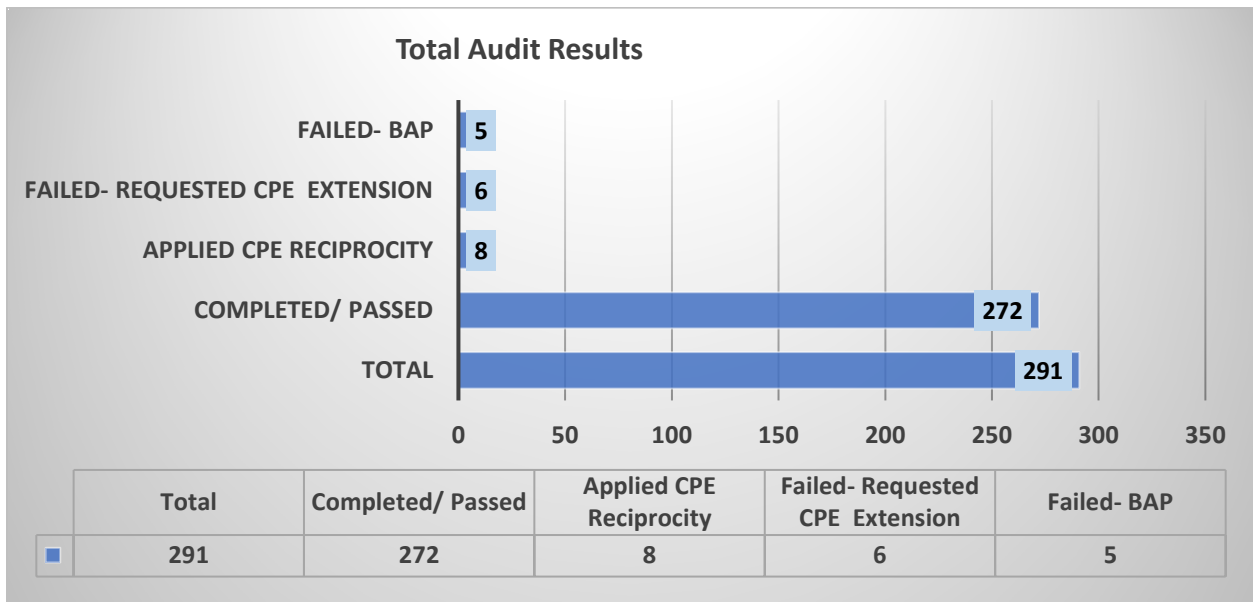
MM YYYY

Mar 2023 

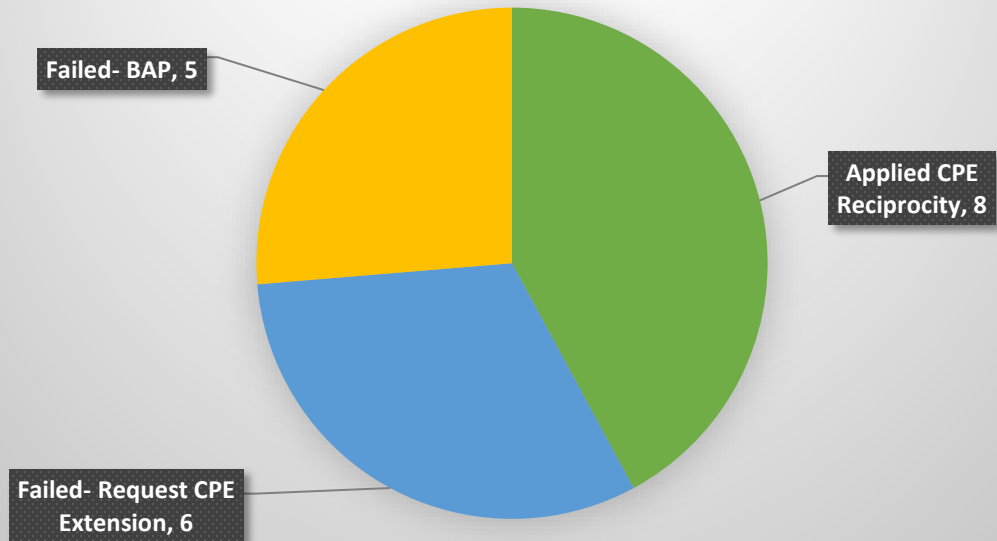
Balance Date ↓	Cash Balance	Book Balance	Outstd. Warrants
03/31/2023	125,000.00	125,000.00	0.00
03/30/2023	125,000.00	125,000.00	0.00
03/29/2023	125,000.00	125,000.00	0.00
03/28/2023	125,000.00	125,000.00	0.00
03/27/2023	125,000.00	125,000.00	0.00
03/26/2023	125,000.00	125,000.00	0.00
03/25/2023	125,000.00	125,000.00	0.00
03/24/2023	125,000.00	125,000.00	0.00
03/23/2023	125,000.00	125,000.00	0.00
03/22/2023	125,000.00	125,000.00	0.00
03/21/2023	125,000.00	125,000.00	0.00
03/20/2023	125,000.00	125,000.00	0.00
03/19/2023	125,000.00	125,000.00	0.00
03/18/2023	125,000.00	125,000.00	0.00
03/17/2023	125,000.00	125,000.00	0.00
03/16/2023	125,000.00	125,000.00	0.00
03/15/2023	125,000.00	125,000.00	0.00
03/14/2023	125,000.00	125,000.00	0.00
03/13/2023	125,000.00	125,000.00	0.00
03/12/2023	125,000.00	125,000.00	0.00
03/11/2023	125,000.00	125,000.00	0.00
03/10/2023	125,000.00	125,000.00	0.00
03/09/2023	125,000.00	125,000.00	0.00
03/08/2023	125,000.00	125,000.00	0.00
03/07/2023	125,000.00	125,000.00	0.00
03/06/2023	125,000.00	125,000.00	0.00
03/05/2023	125,000.00	125,000.00	0.00
03/04/2023	125,000.00	125,000.00	0.00
03/03/2023	125,000.00	125,000.00	0.00
03/02/2023	125,000.00	125,000.00	0.00
03/01/2023	125,000.00	125,000.00	0.00

2022 CPE Audit Report

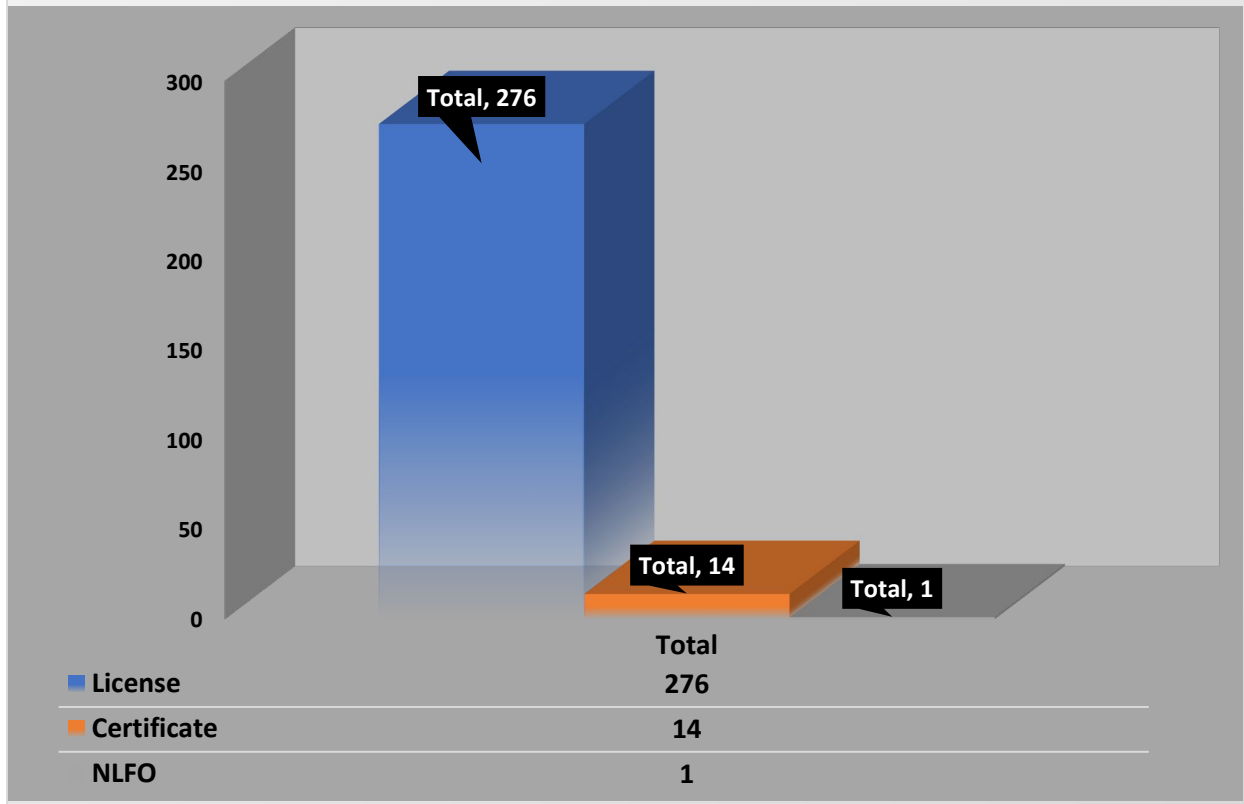
Credential Type	Total	Completed/ Passed	Applied CPE Reciprocity	Failed- Request CPE Extension	Failed- Renewal Denial
License	276	257	8	6	5
Certificate	14	14	0	0	0
NLFO	1	1	0	0	0
	291	272	8	6	5



Incomplete Auditees-Licenses



TOTAL AUDIT POPULATION



Board of Accountancy Washington State Enforcement Report

Quarterly Report (Jan 01, 2023 through Mar 31, 2023)			
Complaint Workload			
	Received in Previous Period	Received in Report Period	Total
Complaints Open	16	11	27
Closed with No Action	(12)	(3)	(15)
Closed with Action Taken	0	0	0
Complaints at End of Period	4	8	12
Details of Complaint Closures			
Closed Disposition	Administrative	Public Harm	Total
No Action Taken	0	15	15
Revocation, Suspension, Restriction	0	0	0
Fines, costs, and other sanctions	0	0	0
Remedial Resolution (Policy 2004-1)	0	0	0
Total Closed	0	15	15

Twelve-Month Lookback (Apr 01, 2022 through Mar 31, 2023)			
Complaint Workload			
	Received in Previous Period	Received in Report Period	Total
Complaints Open	22	66	88
Closed with No Action	(18)	(53)	(71)
Closed with Action Taken	(4)	(1)	(5)
Complaints at End of Period	0	12	12
Details of Complaint Closures			
Closed Disposition	Administrative	Public Harm	Total
No Action Taken	0	71	71
Revocation, Suspension, Restriction	0	4	4
Fines, costs, and other sanctions	0	1	1
Remedial Resolution (Policy 2004-1)	0	0	0
Total Closed	0	76	76

Board of Accountancy Washington State

All complaints - resolved with and without discipline

	<u>Apr 2022 to Mar 2023</u>		<u>Apr 2021 to Mar 2022</u>	
	<i>All</i>	<i>Action Only</i>	<i>All</i>	<i>Action Only</i>
Public Harm				
Negligence - Attest related	1	1	1	0
Negligence, Disregard of standards	59	2	45	4
Use of Restricted Titles	10	2	6	0
Embezzlement, Theft, Breach of Fid. Duty	1	0	0	0
Breach of Confidentiality	0	0	0	0
Records Retention Causing Harm	5	0	5	2
<u>Subtotal</u>	76	5	57	6
Administrative				
Peer Review	0	0	2	2
CPE - Deficient 16 hours or less	0	0	0	0
CPE - Deficient 17 hours or more	0	0	0	0
CPE - Deficient eligible WA ethics	0	0	0	0
CPE - Failure to respond to CPE audit	0	0	0	0
<u>Subtotal</u>	0	0	2	2
Total	76	5	59	8

<u>Jan 01, 2023 through Mar 31, 2023</u>				
CBM Report				
	BAP	Action	No Action	Total
Rajib Doogar	0	0	1	1
Brooke Stegmeier	0	0	3	3
Jacqueline Meucci	0	0	0	0
Tonia Campbell	0	0	3	3
Kate Dixon	0	0	3	3
Mark Hugh	0	0	4	4
Scott Newman	0	0	0	0
Thomas Sawatzki	0	0	1	1
Brian Thomas	0	0	0	0
Total	0	0	15	15