CALIFORNIA BOARD OF ACCOUNTANCY

PLANNING FOR THE FUTURE...
EDUCATIONAL REQUIREMENTS
FOR CPA LICENSURE
Conferral of a baccalaureate degree or higher, with:

- 150 semester units of education
  - 24 semester units in accounting subjects
  - 24 semester units in business-related subjects
  - 20 semester units of accounting study
  - 10 semester units of ethics study
24 SEMESTER UNITS
ACCOUNTING SUBJECTS

CBA REGULATION
SECTION 9.2(b)
24 SEMESTER UNITS
ACCOUNTING SUBJECTS

Accounting
Auditing
Taxation
Financial Reporting
Financial Statement Analysis
External or Internal Reporting
24 SEMESTER UNITS
ACCOUNTING SUBJECTS

Assurance
Attestation
Bookkeeping
Cost (Cost Analysis, Costing)
Peachtree/Quickbooks
CPA Review Courses from nationally/regionally accredited institutions
24 SEMESTER UNITS
BUSINESS-RELATED SUBJECTS

CBA REGULATION
SECTION 9.2(c)
24 SEMESTER UNITS
BUSINESS-RELATED SUBJECTS

- Business Administration
- Business Management
- Business Communications
- Economics
- Finance
- Business Law
- Marketing
- Mathematics
- Statistics
24 Semester Units
Business-related Subjects

Computer Science and Information Systems

Business-related law courses offered by an accredited law school

Any accounting subjects in excess of the 24 units needed to fulfill the accounting requirement
20 SEMESTER UNITS ACCOUNTING STUDY

CBA Regulation
Section 11.1
20 SEMESTER UNITS ACCOUNTING STUDY

Two options for meeting the 20 semester units of accounting study:

1. Conferral of a specified master’s degree
2. Completion of 20 semester units in the following areas: accounting subjects, business-related subjects, other academic work relevant to accounting and business
- Specified master’s degrees include:
  - Master of Accounting
  - Master of Taxation
  - Master of Law in Taxation (LL.M.)
20 semester units of accounting study include:

- Minimum 6 semester units in accounting subjects
- Maximum 14 semester units in business-related subjects
- Maximum 9 semester units in other academic work relevant to accounting and business
Other academic work relevant to accounting and business includes:

- Skills-based courses
- Foreign languages/cultural & ethnic studies
- Industry-based courses

* Maximum of 3 semester units in any one of the above-listed areas
Skills-based courses include courses completed in the following disciplines:

- Communications
- Journalism
- English
- Physical Sciences
- Natural Sciences
- Social Sciences
- Life Sciences
20 Semester Units Accounting Study

Courses in foreign language
  ▪ Includes Sign Language

Courses with the following in the title:
  ▪ Culture
  ▪ Cultural
  ▪ Ethnic
Industry-based courses include:

- Courses with the words “Industry” or “Administration” in the title
- Courses completed in the following disciplines:
  - Engineering
  - Architecture
  - Real Estate
Maximum of 4 semester units may be completed in internships or independent study

- Courses must be completed in the accounting and business-related subjects.
10 Semester Units Ethics Study

Resulting From Senate Bill 773
Comprised of 4 sections:

1. Mandatory accounting ethics
2. Specified courses relating to ethics
3. Specified disciplines focused on a foundation of ethics
4. Financial statement auditing course
10 Semester Units
Ethics Study (Senate Bill 773)

Minimum 3 semester or 4 quarter units in accounting ethics or accountants’ professional responsibilities

- Required beginning January 1, 2017
- Must be completed at an upper division level or higher, unless completed at a community college
10 SEMESTER UNITS
ETHICS STUDY (SENATE BILL 773)

Maximum 7 semester units or 11 quarter units in courses with the following words in the course title:

* Between January 1, 2014 – December 31, 2016, applicants can complete up to 10 semester or 15 quarter units.
10 Semester Units
Ethics Study (Senate Bill 773)

Auditing
Business Law
Corporate Governance
Ethics, Morals, or Fraud
Organizational Behavior
Human Resources Management
10 Semester Units
Ethics Study (Senate Bill 773)

Management of Organizations
Business Government and Society
Business Leadership
Legal Environment of Business
Corporate Social Responsibility
Professional Responsibilities
10 SEMESTER UNITS ETHICS STUDY (SENATE BILL 773)

Maximum 3 semester or 4 quarter units in courses from the following disciplines:

- Philosophy
- Religion
- Theology
To qualify under one of the three identified disciplines the course title must contain one of the following words or term:
10 Semester Units
Ethics Study (Senate Bill 773)

Introductory
Introduction
Principals of General

Foundation of Fundamentals of Survey of

Or

The sole name in the course title is the name of the discipline
10 Semester Units
Ethics Study (Senate Bill 773)

Maximum 1 semester unit in a course
devoted to financial statement auditing
EDUCATION REQUIREMENTS FOR CPA LICENSURE BEGINNING JANUARY 1, 2014

150 Semester Units

72 Semester Units
Non-Prescribed
48%

24 Semester Units of Accounting Subjects & 24 Semester Units of Business-Related Subjects 32%

20 Semester Units of Accounting Study 13%

10 Semester Units of Ethics Study 7%

72 Semester Units
CALIFORNIA BOARD OF ACCOUNTANCY

IMPLEMENTING CHANGES TO CPA LICENSURE REQUIREMENTS
IMPLEMENTING CHANGE... HOW WILL IT IMPACT CPA LICENSURE APPLICANTS?

Substantial crossover with the requirements

Considerable flexibility for courses to qualify

Looking out for what’s best for the applicant
CBA Transcript Review Process

Reliance on transcripts to determine educational qualifications

Clear course titles are of the utmost importance
CBA TRANSCRIPT REVIEW PROCESS

1 – Determine accrediting agency/body & units earned – semester/quarter

2 – Verify educational requirements – of bachelor’s degree or higher, 24 semester units of accounting and 24 semester units of business-related subjects

3 – Tally all respective units
Determining Courses

Rely on the definitions in CBA Regulations

Additional terms for accounting include: assurance, attestation, bookkeeping, cost (cost analysis, costing), Quickbooks, peachtree, and CPA Review courses
IMPACT OF THE NEW RULES ACCOUNTING STUDY

Business as usual for identifying the accounting and business-related courses

Other Academic Work Relevant to Accounting and Business

Focus on course designator, e.g.: Engl, Bio, Chem, Soc, Span, French, etc.
IMPACT OF THE NEW RULES
ACCOUNTING STUDY

Identifying Master of Accounting, Taxation, and Laws in Taxation

Master of Accounting ≠ Master of Business Administration w/concentration in Accounting
Mandated Ethics – Beginning 2017

Ethics/professional responsibilities courses taken from Accounting departments

Ethics/professional responsibilities courses with the term accounting in the course title
Courses taken from the course title list

Law requires courses contain specified words or terms

Minimal flexibility
Examples of …:

- Ethical = Ethics
- Fraudulent = Fraud
- Morality = Morals
- Social Responsibilities of Corporations = Corporate Social Responsibilities
- Organizational Management = Management of Organizations
Examples of …:

Business & Society ≠ Business, Government & Society

Leading Organizations ≠ Business Leadership or Management of Organizations
Courses taken from the disciplines list

Focus on course designators – Phil, Reg (HRS, RS, etc.), Theo

Course title must include listed words/terms or have the sole name in the course title is the discipline
Courses taken from the disciplines list

Examples of courses that would meet:

- Phil – Introduction to Formal Logic
- Phil – Introduction to Philosophical Thought
- Rel – Foundations of Christian Faith
- Theo – Introduction to Sacred Scriptures
Courses taken from the disciplines list

Examples of courses that would not meet:

- Phil – Formal Logic
- Phil – Philosophical Thought
- Rel – Christian Faith
- Theo – Sacred Scriptures
CALIFORNIA BOARD OF ACCOUNTANCY

IMPLEMENTING CHANGES TO CPA LICENSURE REQUIREMENTS

www.cba.ca.gov