

# Accounting for CPA Concentration Information Session

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Presentation available on the Accounting Department's Homepage



# Agenda

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- What is a CPA?
- Career Opportunities
- Concentration in Accounting
- The CPA Exam
- Requirements to take the CPA exam
- Requirements to be CPA licensed
- 150 Hour Requirement
- Next Steps
- Questions



# What is a CPA?

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- The CPA credential is a license issued by one of the 55 states or territories of the U.S. that authorizes the holder to practice as a CPA (Certified Public Accountant) in that jurisdiction.
- Licensing of CPAs helps to protect the public interest because only those individuals who have met prescribed requirements are permitted to identify themselves to the public as CPAs.
- The CPA license is issued at the jurisdiction level. To become a CPA, you must be declared eligible for the examination, and subsequently licensed, by the Board of Accountancy in one of the 55 U.S. jurisdictions (The 50 U.S. states plus Guam, Puerto Rico, Virgin Islands, Northern Mariana Islands & the District of Columbia). The Constitution of the U.S. grants each state or territory the power to regulate the practice of the professions within that jurisdiction's borders. In most jurisdictions, these powers are carried out by a "Board of Accountancy."



# What does a CPA do?

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- A CPA license is the accounting profession's highest standard of competence, a symbol of achievement and assurance of quality.
- Just as a law license defines a lawyer, the CPA license tells the public that an accountant has mastered the critical elements of the profession.
- Licensed CPA practitioners are the only individuals or firms who can issue independent reports (audit or assurance services) of any kind on financial statements of business entities or other organizations.
- Licensees also provide services to include but not limited to one or more kinds of management advisory or consulting services, preparing tax returns or providing advice on tax matters.



# How do you become a CPA?

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The CPA Requirements are State Board Specific depending on the state you will be licensed and working in, but usually require:

- ❑ Good moral character.
- ❑ A bachelor's degree.
- ❑ At least 18 or 21 years old.
- ❑ 0-3 years of work experience depending on state and work.
- ❑ 150 course credits to obtain CPA license; in many states, including MA & NY, only 120 credits are needed to take the exam.
- ❑ A minimum number of credits in Accounting and Business.
- ❑ Passing the CPA exam.
- ❑ Ongoing professional education.



# Career Opportunities:

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- Accounting is the language of business so there are many paths for students with an accounting background, with or without the CPA:
  - “Big Four” Accounting Firms: PwC, KPMG, EY & Deloitte
  - National/Regional Accounting Firms
  - Internal Audit - within companies
  - Investment Banking & Financial Firms - analysts
  - Accounting departments (profit, not-for-profit)
  - Other possibilities- tax, consulting, academics, corporate training, etc.

# All Big 4 Accounting Firms consistently rank in Universum's Most Attractive Employers (2020):

## Top 50 World's Most Attractive Employers Global Business Ranking 2020 Business Students

- |                                       |                                      |                        |
|---------------------------------------|--------------------------------------|------------------------|
| #1 Google                             | #18 Procter & Gamble (P&G)           | #35 Nestlé             |
| #2 Apple                              | #19 The Coca-Cola Company            | #36 HSBC               |
| #3 Microsoft                          | #20 LVMH Louis Vuitton Moët Hennessy | #37 Toyota             |
| #4 Amazon                             | #21 Sony                             | #38 Barclays           |
| #5 Deloitte                           | #22 Bank of America                  | #39 Intel              |
| #6 Goldman Sachs                      | #23 IKEA                             | #40 Volkswagen Group   |
| #7 EY (Ernst & Young)                 | #24 IBM                              | #41 Dell               |
| #8 PwC (PricewaterhouseCoopers)       | #25 Bain & Company                   | #42 Grant Thornton     |
| #9 J.P. Morgan                        | #26 Johnson & Johnson                | #43 Samsung            |
| #10 L'Oréal Group                     | #27 Unilever                         | #44 Huawei             |
| #11 McKinsey & Company                | #28 Daimler/Mercedes-Benz            | #45 Ford Motor Company |
| #12 KPMG                              | #29 Accenture                        | #46 AB InBev           |
| #13 Nike                              | #30 H&M                              | #47 Credit Suisse      |
| #14 The Boston Consulting Group (BCG) | #31 Deutsche Bank                    | #48 UBS                |
| #15 Morgan Stanley                    | #32 PepsiCo                          | #49 General Motors     |
| #16 BMW Group                         | #33 Facebook                         | #50 Heineken           |
| #17 Adidas                            | #34 Citi                             |                        |





# Career Opportunities:

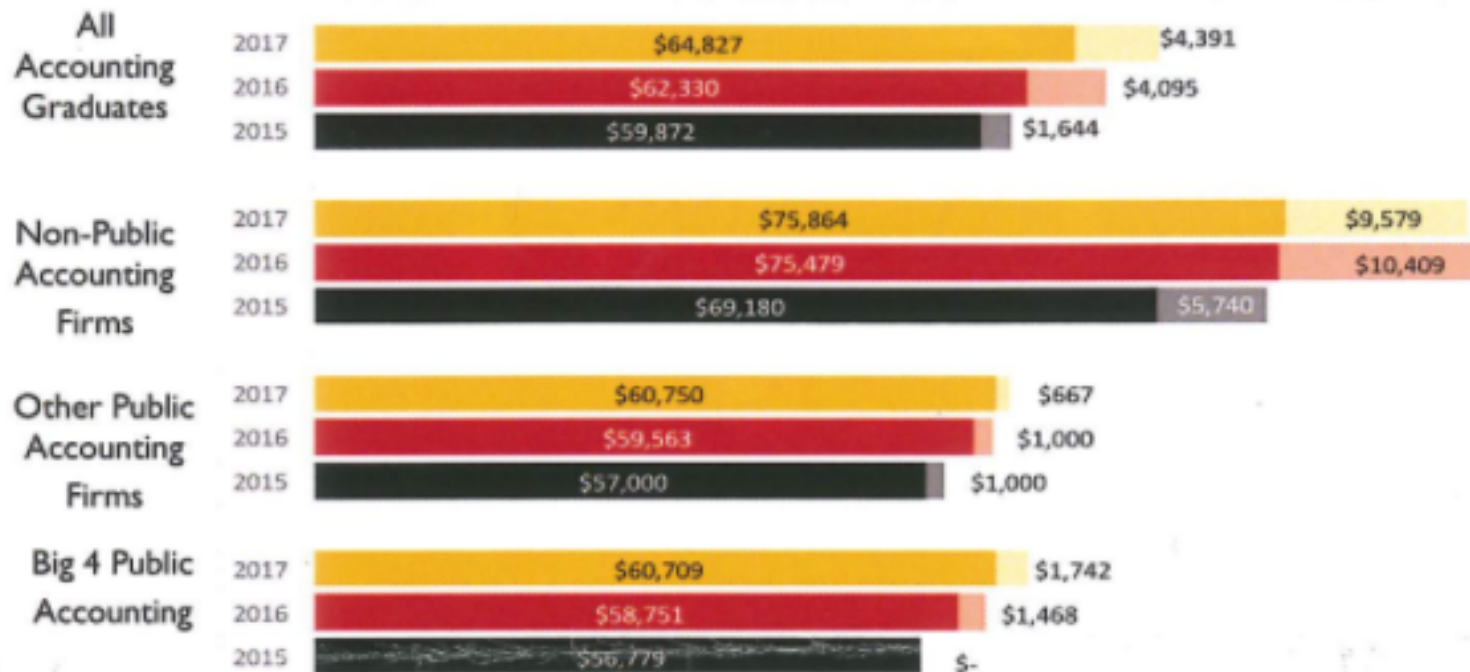
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- “Big Four” Accounting Firms – PwC, KPMG, EY & Deloitte
  - Sophomore year - Leadership conferences & Externships
  - Junior or senior year - Summer internships
    - 50% Junior Internships with “Big 4”
    - 29% with Financial Services Firms
    - Overall 63% of Internships converted to full-time hires
    - Of “Big 4” 91% converted to full-time hires!



# Mean Salaries + Bonus, 2015-2017

## BC ACCOUNTING GRADS' MEDIAN STARTING SALARIES: 2015-2017





# Concentration in Accounting

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- ❑ The objective of the accounting curriculum sequence is to prepare the undergraduate major for a professional career in public accounting, industry, financial services, government, I/S, law or not for profit organizations.
- ❑ The curriculum is broadly based in its scope and coverage as to be relevant and useful for a variety of careers.
- ❑ Students intending to acquire a CPA designation should choose this concentration to best satisfy its requirements.

# Required Courses

ACCT1022	Managerial Accounting
ACCT3301	Financial Accounting Standards and Theory I
ACCT3302	Financial Accounting Standards and Theory II
ACCT3307	Managerial Cost Analysis
ACCT4405	Federal Taxation

*AND at least 3 credit-hours from one of the following four classes only*

Course #	Course Name
ACCT3309	Audit & Other Assurance Services*
ACCT3351	Financial Statement Analysis
ACCT6601	Financial Accounting Standards and Theory III
ACCT6618	Accounting Information System (AIS)

\***Auditing** is a requirement to sit for the CPA exam in all states and a requirement for admission to the Boston College Master of Science in Accounting (MSA) Program.



# The future...

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- ❑ The study of accounting provides a student flexibility to pursue a wide range of jobs.
- ❑ An accounting concentration is well suited to be combined with other coursework. Examples:
  - ❑ Accounting Concentration & Finance Concentration
  - ❑ Accounting and Information Systems Concentration
  - ❑ Accounting Concentration and Business Analytics Concentration
  - ❑ Accounting Concentration & Arts & Sciences (e.g. Economics or Math) Major or Minor
- ❑ If a student thinks he or she may want to pursue certification (CPA), it is important to know the state certification laws that apply when planning coursework.



# CPA Exam - General

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- The Uniform Certified Public Accountant (CPA) Examination is developed by the AICPA with significant input and assistance by NASBA and state boards of accountancy. It is designed to assess the knowledge and skills entry-level CPAs need to practice public accountancy. There are 4 (four-hour) parts to the exam:
  - Auditing & Attestation
  - Business Environment & Concepts (Managerial)
  - Financial Accounting & Reporting
  - Regulation (Tax & Business Law)



# CPA Exam

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- ❑ You take one part at a time.
- ❑ You can take the different parts in any order.
- ❑ 75 is the passing grade (this is scaled).
- ❑ Once you pass one part of the exam, you have 18 months to complete the remaining parts. Otherwise, you will need to retake the part(s) that you passed that is (are) over 18 months old.
- ❑ You may schedule your examination at any Prometric site in any of the jurisdictions. You do not have to sit in the same state where you apply to be licensed.

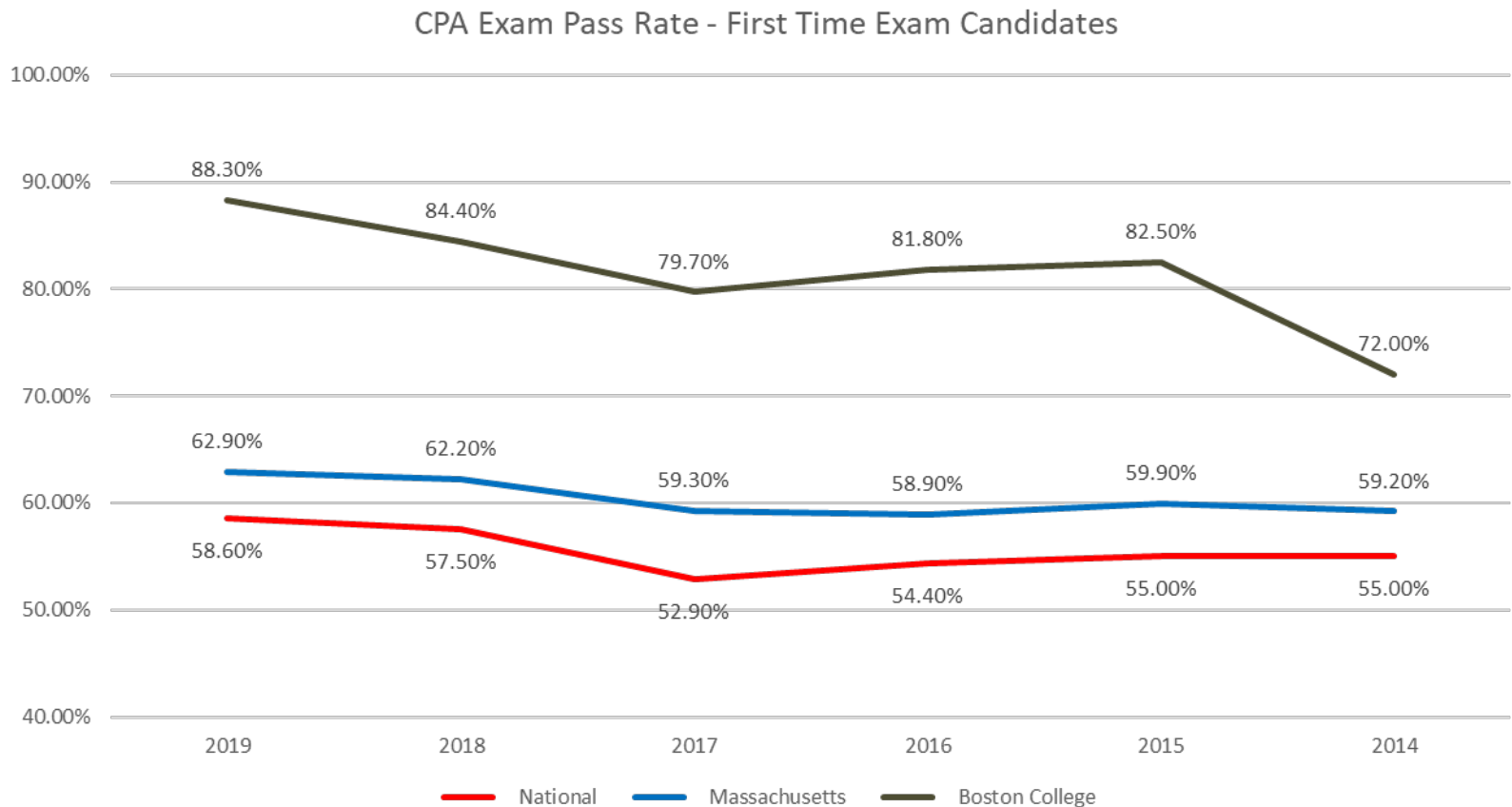


# CPA Exam

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- The CPA exam employs a combination of question formats. It includes the traditional multiple choice questions and written responses, as well as highly innovative simulations – questions that replicate workplace situations and require the application of knowledge and skills to arrive at solutions.
- The computerized CPA exam is adaptive, i.e., the level of difficulty changes according to your performance.

# Boston College CPA Exam Pass Rates





# BC Pass Rate #4 Nationally

## Ranking of Institutions by Pass Rate: First-Time, Large Programs

Includes 247 institutions with more than 60 reported candidates

Rank	State	Institution (FICE)	Candidates Total	Sections Total	Pass Rate	Average Score
1	TX	University of Texas - Austin (3658)	358	980	89.6%	84.3
2	UT	Brigham Young University (3670)	273	695	89.4%	85.0
3	NC	Wake Forest University (2978)	82	215	88.8%	83.9
4	MA	Boston College (2128)	129	318	88.3%	84.7
5	MI	University of Michigan - Ann Arbor (2325)	77	195	88.2%	84.2
6	FL	University of Florida (1535)	248	514	86.4%	83.0
7	VA	University of Virginia (3745)	96	210	84.8%	84.0
8	TX	Texas A&M University (3632)	351	1,081	82.9%	81.7
8	WI	Univ of Wisconsin - Madison (3895)	227	485	82.9%	82.3
10	WA	Gonzaga University (3778)	118	250	82.4%	81.9
11	IN	Indiana University - Bloomington (1808)	319	816	81.7%	81.7
12	IN	University of Notre Dame (1840)	184	452	81.0%	82.6
13	VA	James Madison University (3721)	148	358	80.7%	82.5
13	IA	University of Iowa (1892)	145	338	80.7%	81.4
15	MO	University of Missouri - Columbia (2616)	179	581	80.2%	81.3
16	NE	University of Nebraska - Lincoln (2444)	---	---	---	---

# Meeting CPA requirements

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- Visit the National Association of State Boards of Accountancy (NASBA) website at [NASBA.org](https://www.nasba.org) to learn more details.
- In some states (including MA & NY), candidates can sit for the CPA exam with a reduced set of requirements from what is necessary to obtain the CPA license.
  - Requirements to take the CPA Exam.
  - Requirements to be CPA licensed.



# Requirements to take the CPA exam.

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- Massachusetts
- New York



# CPA EXAM requirements in MA

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- ❑ At least 18 years old.
- ❑ A bachelor's degree (may apply in final semester; transcript due within 90 days of exam date).
- ❑ Completed at least 120 semester credit hours (or 120 credits to be completed within 90 days of application).
- ❑ Taken at least 21 Accounting credit hours including coverage in Financial accounting, Cost/Mgmt. accounting, Taxation and Auditing.
- ❑ Taken at least 9 business credit hours with coverage in Finance, Business Law & Info. Sys. (satisfied by Dig. Tech.)



# CPA EXAM requirements in NY

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- Complete at least 120 semester credit hours.
- A course covering each of the following:
  - Financial accounting, at the upper level,
  - Cost or management accounting,
  - Taxation, (may be taken at a community college)
  - Audit and attestation, at the upper level.



# Requirements to be CPA LICENSED.

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- Massachusetts
- New York



# CPA LICENSE requirements in MA

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- ❑ Pass the CPA exam.
- ❑ Complete at least 150 semester credit hours.
- ❑ Have at least one year of public accounting experience.
- ❑ Complete at least 30 Accounting credit hours (most courses are 3 credits each) and 24 business (non-Accounting) credit hours. *Economics credits count toward this requirement.*

# Required Courses

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\***Auditing** is a requirement to sit for the CPA exam in all states and a requirement for admission to the Boston College Master of Science in Accounting (MSA) Program.



# Other Accounting Dept. Electives

Course #	Course Name
ACCT3309	Audit & Other Assurance Services
ACCT3351	Financial Statement Analysis
ACCT3399	Directed Readings and Research
ACCT4409	Advanced Auditing
ACCT6601	Financial Accounting Standards and Theory III
ACCT6615	Advanced Federal Taxation
ACCT6618	Accounting Information Systems
ACCT6623	Fair Value Accounting
ACCT6626	Taxes & Management Decisions
ACCT6634	Ethics & Professionalism in Accounting
ACCT6635	Forensic Accounting
ACCT6640	Dive, Disect & Decide w/ Big Business Data



# CPA LICENSE requirements in MA

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- ❑ Courses can only be taken in regionally or nationally accredited institutions. Community college credits now count in MA.
- ❑ Courses can be taken in more than one institution (all transcripts must be separately submitted).
- ❑ Online courses are okay if offered by an accredited institution.
- ❑ Advanced Placement credits count if included on your BC transcript.
- ❑ Credits taken abroad count if transferred to your BC transcript.
- ❑ Advanced Placement credits not on your BC transcript will count if put on the transcript of a regionally or nationally accredited institution.



# New York CPA LICENSE requirements

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- ❑ At least 21 years of age.
- ❑ Be of good moral character.
- ❑ At least one year of qualifying experience.
- ❑ Complete at least 150 semester credit hours.
- ❑ Complete at least 33 Accounting credit hours including financial accounting theory and reporting, cost or managerial accounting, taxation, auditing and attestation services.



# New York CPA LICENSE requirements

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- Complete 36 general business (non-Accounting) credit hours in general business electives in any combination of the following areas: business statistics; business law; computer science; economics; finance; management; marketing; operations management; organizational behavior; business strategy; quantitative methods; and information technology and systems. Economics credits count toward this requirement.
- The curriculum must also include coverage of business/accounting communication (can not be double counted as an accounting course, can be taken in A&S); ethics & professionalism (requirement met by taking audit course) and accounting research (requirement met by taking federal taxation).



# CPA LICENSE requirements in NY

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- ❑ Courses can only be taken in regionally or nationally accredited institutions.
- ❑ Courses can be taken in more than one institution (all transcripts must be separately submitted).
- ❑ Online courses are okay if offered by an accredited institution.
- ❑ Advanced Placement credits count if included on your BC transcript.
- ❑ Credits taken abroad count if transferred to your BC transcript.



# 150 Hour Requirement

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- All 50 states have now passed legislation that require 150 semester-hours of course work to become a Certified Public Accountant.



# Meeting 150 hr requirement @ BC

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- At Boston College, students normally graduate with only 120 credits if they take 5 classes every semester (5 classes x 3 credits x 8 semesters).
- All credits that appear on an accredited college's transcript will count including those taken in high school or as part of an abroad program.
- Firms require students to be 150-hour compliant before they start working so planning early is important if they want to complete all requirements in 4 years.



# How do you get (close) to 150?

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- ❑ Credits earned in high school from a university or community college.
- ❑ AP credits.
- ❑ Overload during the semester.
- ❑ Take online courses.
- ❑ Take summer classes (at BC or elsewhere) before or after you graduate.
- ❑ Pursue an MSA degree (at BC or elsewhere).
- ❑ A combination of the above.



# AP Credits

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- ❑ Officially, BC will only “flip” or recognize AP credits on the transcript if you have 24 or more AP credits on record.
- ❑ At our request (for purposes of the CPA exam), the Office of Student Services will flip your AP credits ***after graduation*** without limit. The Accounting Department (Professor Ed Taylor) will email graduating seniors to submit names to have their AP credits flipped in April and students need to respond. AP credits are ***not automatically flipped***.



# Overloading

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- ❑ Works best if you only need a few classes (usually max of one per semester) to get to 150.
- ❑ Works best if sixth class is from MCAS and taken Pass/Fail. Woods College also okay and may be up to 4 credits/course.
- ❑ GPA and learning may be adversely affected by overloading, which in turn can hurt their ability to get a job or pass the CPA exam.

# Online Courses (1)

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- ❑ Take online courses any time --- summer, winter and spring breaks.
- ❑ Courses must not have identical titles as courses taken at BC.
- ❑ In MA and NY, online courses will count only if they are offered by accredited institutions. Other states may or may not recognize them, so check the state board of accountancy first! LSU is a popular, cheap option (about \$866/3 credit course). Others include UTexas at Austin, Univ of Idaho, BYU, Uconn.

# Online Courses (2)

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- ❑ Most online courses have a minimum and maximum period to complete the course so plan ahead. LSU has a minimum of 6 weeks and maximum of 9 months to complete the course plus 2 proctored exams.
- ❑ Quality of online courses is suspect, so avoid taking accounting classes online (LSU: forensic accounting is okay, Gov't/Non-profit and Advanced accounting are hard to learn on your own).
- ❑ BC does not recognize online courses but that's okay for CPA purposes.



# Summer classes before graduation

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- ❑ You can take summer classes at BC or elsewhere in your freshman, sophomore or junior years (if you don't intern) for enrichment with permission from the Dean.
- ❑ Courses taken elsewhere will be recognized for the CPA if they are accredited institutions. MA now accepts credits taken at a community college. New York only accepts for Federal Taxation taken at a community college.
- ❑ Do not take any extra classes that duplicate your course work here as they may be disallowed by the state board.



# Summer classes after graduation

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- You can take summer, graduate-level accounting classes at BC after graduation as a non-degree, special student.
- You may take up to 5 classes (15 credits) --- 2 classes each in June and July, 1 over two-weeks spanning late July and early August.
- Cost per course is around \$5,000.



# BC's MSA Program:

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- A student has the option of going:
  - summer – fall (student may be able to start working in January, if available)
  - fall – spring (student can intern after senior year and then study for the CPA exam during spring or summer)
  - summer – summer (if employer allows it)
  
- The summer term is offered in the months of June to August. A student can take up to five classes in the summer (2- 2-1)



# BC's MSA Program:

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- Application due in December (for summer start) or February (for fall start).
- Will require GMAT/GRE test, letters of recommendation and a formal application.
- BC juniors that have an Accounting GPA of at least 3.0 and have an internship offer will be granted “accelerated” admission to the program that does not require the GMAT/GRE test or letters of recommendation (info session in spring).





# MSA Curriculum:

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- 3 required courses and 7 electives (30 total credits)
  
- 7 electives – at least 3 must be accounting electives and the others can be taken from the MBA or MSF program.
  
- 3 required courses:
  - Financial Statement Analysis (ACCT8824)
  - Assurance and Consulting Services (ACCT8825)
  - Taxes and Business Decisions (ACCT8826)



# MSA Curriculum:

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- If student graduates with more than 120 credit hours (including AP), he/she can use up to 6 of these “excess” credits (2 courses) above 120 to reduce the number of required courses to complete the MSA down to 8 provided the student has taken the equivalent number of classes (one or two) at the 600-level (e.g., ACCT6601, 602, 615, 618, 634 and 641).
- Professor Gil Manzon can answer specific MSA program questions.

# Next Steps

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- ❑ If you haven't already, TAKE ACCT1021 Introductory Financial Accounting – next semester!
- ❑ Talk to Carroll School Accounting for CPA concentrations.
- ❑ Talk to an Accounting Concentrator Peer Advisor:
  - Contact Will: [tariniw@bc.edu](mailto:tariniw@bc.edu)
  - Contact Grace: [tierneyg@bc.edu](mailto:tierneyg@bc.edu)
- ❑ Meet with on-campus accounting recruiters.
- ❑ Set an appointment to meet with an Accounting Department faculty advisor who will help you through the process:
  - Professor Dianne Feldman [Dianne.Feldman@bc.edu](mailto:Dianne.Feldman@bc.edu)
  - Professor Liz Quinn [Liz.Quinn@bc.edu](mailto:Liz.Quinn@bc.edu)
  - Professor Ed Taylor (Asst. Chair) [Edward.Taylor@bc.edu](mailto:Edward.Taylor@bc.edu)

Questions??

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