May 7, 2013

Dear Beta Alpha Psi Chapter:

As you may already be aware, recently passed legislation and regulatory changes will significantly transform the educational requirements for obtaining a California Certified Public Accountant (CPA) license. As the honors organization for accounting, finance and information systems students, many aspiring accounting professionals join Beta Alpha Psi. As such, the California Board of Accountancy (CBA) is looking to your organization to aid in informing accounting students of these upcoming changes.

Beginning January 1, 2014, applicants for CPA licensure must document completion of a baccalaureate degree or higher with a minimum of 150 semester units, including 24 semester units each in accounting and business-related subjects, 20 units of accounting study, and 10 units of ethics education. The core educational requirements to sit for the Uniform CPA Exam remain unchanged.

It is imperative that students become familiar with the new educational requirements so that they can better plan their educational paths. The CBA maintains a wealth of information regarding all aspects of the upcoming changes to the licensure requirements on its website at www.cba.ca.gov, including tip sheets, frequently asked questions, a PowerPoint presentation, webinar, and a self-assessment worksheet. Enclosed is the “tip sheet,” which provides a detailed overview of the new educational requirements.

With the new CPA licensure requirements soon approaching, the CBA understands that it may be challenging for some applicants to meet the current requirements by December 31, 2013. Therefore, the CBA is moving forward with two legislative proposals meant to ease the transition. Both proposals are part of an urgency omnibus bill, Senate Bill 823, and can be found in Sections 5092.1 and 5093. The first proposal would allow individuals who have passed the Uniform CPA Exam by December 31, 2013, to apply for a CPA license under the existing pathways through December 31, 2015.

With more and more schools now offering five-year programs resulting in the dual conferral of baccalaureate and master degrees at the end of the program, the second proposal seeks to allow individuals enrolled in these programs to take the Uniform CPA Exam once they have completed all the baccalaureate degree requirements. To qualify, students will need to have their respective schools confirm this status.
Although the CBA is optimistic that the legislation will pass, passage is not guaranteed. Should the above proposals fail to pass, individuals will be required to meet the educational requirements set to take effect January 1, 2014.

The CBA greatly appreciates any assistance your organization can provide in spreading the message about the new educational requirements for CPA licensure in California.

If you have any questions or would like additional information regarding the new educational requirements, please contact Veronica Daniel, Licensing Manager, by telephone at (916) 561-1754 or by email at veronica.daniel@cba.ca.gov or Jenny Sheldon, Examination Manager, by telephone at (916) 561-4339 or by email at jenny.sheldon@cba.ca.gov.

Sincerely,

Dominic Franzella, Chief
Licensing Division

Enclosure
EDUCATIONAL REQUIREMENTS FOR CPA LICENSURE
BEGINNING JANUARY 1, 2014

BACCALAUREATE DEGREE & 150 SEMESTER UNITS

24 SEMESTER UNITS – ACCOUNTING SUBJECTS
- Accounting
- Financial Reporting
- Auditing
- Financial Statement Analysis
- Taxation
- External & Internal Reporting

24 SEMESTER UNITS – BUSINESS-RELATED SUBJECTS
- Business Administration
- Economics
- Marketing
- Computer Science & Information Systems
- Business Management
- Finance
- Statistics
- Business-related law courses offered at an accredited law school
- Business Communications
- Business Law
- Mathematics
- Any accounting subjects in excess of the 24 units needed to fulfill the accounting requirement

20 SEMESTER UNITS – ACCOUNTING STUDY
- Minimum 6 semester units in accounting subjects (see above)
- Maximum 14 semester units in business-related subjects (see above)
- Maximum 9 semester units in other academic work relevant to business and accounting (maximum 3 units from any one area)
  - Skills-based courses – Courses completed in the following disciplines: English, Communications, Journalism, and the Physical, Life, Natural, & Social Sciences
  - Foreign Languages/Cultural & Ethnic Studies – Courses in foreign languages (including sign language) and courses with the terms culture, cultural, or ethnic in the titles
  - Industry-based courses – Courses with the words “industry” or “administration” in the title or courses completed in the following disciplines: Engineering, Architecture, and Real Estate
- Maximum 4 semester units in internships/independent studies in accounting and/or business-related subjects
- Completion of a Master of Accounting, Taxation, or Laws in Taxation is equivalent to 20 semester units of accounting study

10 SEMESTER UNITS – ETHICS STUDY (RESULTING FROM PASSAGE OF SB 773)
- Maximum 10 semester or 15 quarter units in courses containing any of the following terms in the course title:
  - Auditing
  - Business Leadership
  - Corporate Governance
  - Ethics
  - Human Resources Management
  - Management of Organizations
  - Organizational Behavior
  - Business, Government & Society
  - Business Law
  - Corporate Social Responsibility
  - Fraud
  - Legal Environment of Business
  - Morals
  - Professional Responsibilities
- Maximum 3 semester or 4 quarter units in courses from the following disciplines:
  - Philosophy
  - Religion
  - Theology
  - Course title must contain one of the following words or terms, or the sole name in the course title is the name of the discipline.
    - Introduction
    - General
    - Fundamentals of
    - Survey of
    - Introductory
    - Principles of
    - Foundations of
- Maximum of one semester unit in a course devoted solely to financial statement auditing.

Rev 10/29/2012