

# Candidate Chronicle

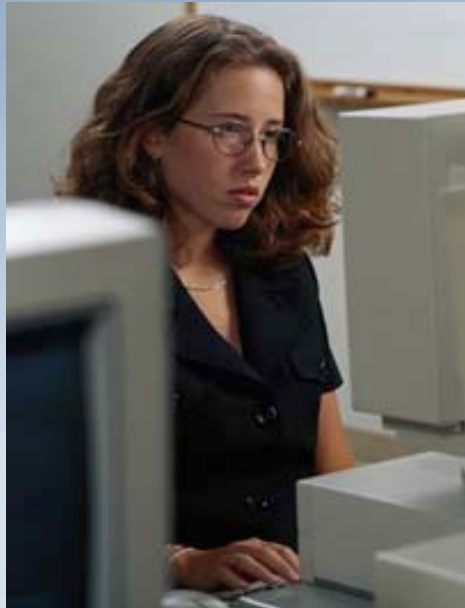
A NEWSLETTER FOR TEXAS CPA EXAMINATION CANDIDATES - PUBLISHED BY THE TEXAS STATE BOARD OF PUBLIC ACCOUNTANCY

AUGUST 2004

AUSTIN, TEXAS

VOLUME 14

## THE FUTURE IS HERE! Computer-based testing underway



On April 6, 2004, the first Texas candidate walked into a Prometric Test Center and took the CPA examination, only two days after the computer-based CPA examination was launched nationwide. This candidate, and thousands like her, were pioneers in the evolution of the accounting profession.

The implementation of the computer-based CPA exam is the largest change to a standardized professional licensing exam in this century. For most of a decade, the research and design of the computer-based exam was a top priority of the AICPA, NASBA, Prometric, and boards of accountancy. The investment in this collaborative effort paid off. In an

article published in the *Uniform CPA Examination Alert*, Gregory Johnson, director of CPA Examination Strategy at the AICPA, stated, "We are pleased to report that the computerized CPA Examination is a bona fide success. While there are issues and challenges to be addressed, we can all take pride in the fact that the CPA examination continues to evolve in a positive manner to meet its mission of protecting the public."

While there may be concerns and obstacles for all stakeholders in the CPA examination, the process has been well-received by those who have taken it. Candidates are pleased with the ability to take sections of the CPA exam around their personal and professional schedules. The presentation of the examination on the computer is user-friendly and simple to navigate. Even as candidates experience more ease in the testing process, higher levels of knowl-

***"The fact that the exam is now automated, that it is administered more frequently, and that sections may be taken with more flexibility in order to meet one's work schedule is most important to the candidates."***

**Billy M. Atkinson, CPA  
TSBPA Presiding Officer**

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edge, skills, and abilities (KSA) are being examined. The KSA are incorporated into each section of the exam, and conform to the accounting profession's and the public's high expectations. Johnson went on to state, "We want to make sure the CPA Exam continues to test knowledge and skills required of entry-level CPAs and are directly related to the real-world."



The mobility of Texas candidates is enhanced by the removal of state testing boundaries. With all the changes to the CPA exam, there have also been important changes at the Texas State Board of Public Accountancy. The Board, in cooperation with the National Association of State Boards of Accountancy (NASBA) offers the exam to Texas candidates at Prometric test centers throughout the United States, its territories, and the District of Columbia. "The Texas Board staff has worked hard to make the computer-based examination a winner," said Austin Board member Edward L. Summers, Ph.D., CPA, who chairs the Board's Qualifications Committee.

A Texas candidate may elect to take each section of the CPA exam independent of the other sections and in any order. During the research, development, and preparation for the conversion of the CPA exam to a computer-based format, all U.S. boards of accountancy determined that a candidate's knowledge, skills, and abilities could be tested just as effectively via computer as in the standard two-days format.

The frequency of the CPA exam necessitates a year-round application process. The Board must determine that a candidate is eligible before the candidate is allowed to test. The Board and its staff are prepared to assist and guide candidates through the new examination process, and to resolve issues as candidates interface with NASBA and with Prometric employees at test centers. Whereas previously candidates only had dealings with their respective state boards of accountancy, it will now be necessary for candidates to also communicate directly with NASBA and Prometric.

### *When I took the exam . . .*

*" . . . I sat in a large room with many other want-to-be CPAs at long tables, in hard chairs, with poor lighting, and wrote my answers on reams of papers that sometimes included a 12-column worksheet, and this went on for two to two-and-a-half days. Then I had to wait for months to get my grades."*

Today's candidate selects the testing time, date, and location and sits at a workstation with a computer. There may be 15 to 45 other test takers in the same room who may be testing on any number of exams, from college entrance tests, to other professional licensing exams.

Questions are presented on the computer screen, and the candidate selects a response by clicking the mouse. On three sections of the CPA examination, the candidate is given case studies that might be encountered in the workplace. Re-

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sponses to the case studies may require researching authoritative literature that is provided on the computer, writing a memo, completing standardized tax forms, performing calculations, and showing journal entries in segments on a 12-column worksheet. At the conclusion of the exam, the candidate leaves the test center, and the exam is transmitted to the AICPA for scoring. The candidate may receive his or her score anytime between four weeks to three months after the examination,

**How Are the Texas Candidates Doing?**

<b>PAPER &amp; PENCIL</b> Average Passing Percentage 2003 Exams	<b>COMPUTER-BASED</b> Average Passing Percentage April/May 2004 Exams
<b>AUDITING</b> 31.23%	<b>AUDITING &amp; ATTESTATION</b> 47.09%
<b>LAW &amp; PROFESSIONAL RESPONSIBILITIES</b> 31.5%	<b>BUSINESS ENVIRONMENT &amp; CONCEPTS</b> 46.65%
<b>FINANCIAL ACCOUNTING &amp; REPORTING</b> 28.6%	<b>FINANCIAL ACCOUNTING &amp; REPORTING</b> 47.22%
<b>ACCOUNTING &amp; REPORTING</b> 29.63%	<b>REGULATION</b> 48.99%

depending on when the test is taken. It is anticipated that future scoring will take significantly less time.

“The fact that the exam is now automated, that it is administered more frequently, and that sections may be taken with more flexibility in order to meet one’s work schedule is most important to the candidates,” said the Board’s presiding officer, Billy M. Atkinson, CPA from Sugar Land.

*How do the numbers stack up?*

With all the changes to the CPA examination, are candidates taking the test? **Yes!** Approximately 23,000 sections were delivered nationwide for the months of April and May. Testing is occurring at least five days a week at over 300 test centers in the U.S., its territories, and the District of Columbia. In Texas, 997 candidates took 1,876 sections, and 170 received passing scores, making them eligible to apply for the CPA certificate. Early numbers for the July/August testing appear strong.

*They may be testing, but are they passing?*

Absolutely. On June 21, 2004, the AICPA provided boards of accountancy with information about the established passing standard for the computer-based CPA examination. William W. Holder, CPA, chair of the AICPA’s Board of Examiners reports, “The standard setting process was rigorous, and performed with input from NASBA, state board members, and several psychometric consultants.” The national passing rates for the April/May testing window have not been released; however, the Texas candidate statistics (see sidebar) speak for themselves.

The implementation of the computer-based CPA examination ensures that future CPAs, like their predecessors, are prepared and qualified to meet the needs of the public and business communities.

**Candidate Chronicle**

Published by the  
**Texas State Board  
of Public Accountancy**  
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# The Exam Eligibility Application

The *Eligibility Application* is required to apply for one or more sections of the Uniform CPA Examination. **AN APPLICANT SUBMITTING AN *ELIGIBILITY APPLICATION* IS NOT REQUIRED TO APPLY AND PAY FOR ALL SECTIONS OF THE CPA EXAM NOT PASSED.** Each section may be taken independently of other sections, and in any order. It is acceptable to submit a separate *Eligibility Application* for each section of the Uniform CPA Examination. The application can be submitted at any time. There is no deadline. The application may be copied and used to apply for future CPA exams.

## *Additional Documents to Include with the Eligibility Application.*

If you have NEVER submitted an *Eligibility Application*, the following additional documents are required:

- **Examination Agreement.** One will be provided with the *Eligibility Application*. This document may be copied. Read and execute both sides of this document.
- **Notarized copy of your Social Security card.** This should reflect your current legal name.
- **Notarized copy of your driver's license or passport.** This document must contain your photo and signature. It will be used as your primary identification for scheduling and testing. Your name on this document must exactly match the *Notice to Schedule*.

If you **HAVE PREVIOUSLY** submitted an *Eligibility Application*, only the following additional document is required:

- **Examination Agreement.** One will be provided with the *Eligibility Application*. This document may be copied. Read and execute both sides of this document.



*If you are awaiting scores on a section of the CPA exam, do not submit an Eligibility Application for that section until you have received your scores. If necessary, contact the Board for information about score reporting and submission of an Eligibility Application.*

**Select Examination Section(s).** The *Eligibility Application* reflects the sections of the Uniform CPA Examination for which you may apply. You may select 1, 2, 3 or all sections. A separate application may be submitted for each section of the CPA exam.

**Fee.** A non-refundable, non-transferable fee of \$70 is required for each section for which you are applying. The fee should be paid with a personal check, cashier's check, or money order. Cash or credit cards are not accepted. An additional fee of \$15 is due for a check that does not clear the Board's account.

**Affidavit of Applicant.** Respond to and initial each question or statement on the reverse side of the *Eligibility Application*. Sign and date the form.

**Approval Process.** When the Board receives your *Eligibility*

*Application* it is processed quickly. The Board verifies with the National Association of State Boards of Accountancy (NASBA) that you are not currently testing as a candidate of another state board of accountancy, and that you are eligible to schedule the section(s) indicated on the *Eligibility Application*.

The Board will send you an *Approval Notice* after the application is approved. This notice will contain your *Eligibility Deadline*. **YOU WILL HAVE 90 DAYS TO:**

- **PAY** the examination fees to NASBA for the sections selected;
- **SCHEDULE** the time, date, and location for the sections selected; and
- **TAKE** all sections selected. The examination is not available during March, June, September, and December.

**Mailing and Contact Information.** The *Eligibility Application*, fee, and required documents should be mailed to the Board. A Qualifications Team member is available to respond to your questions.

**Exam Fee Payment Coupon.** Within ten days of receiving the *Approval Notice* from the Board, you will receive an *Exam Fee*

*Payment Coupon* from NASBA. This will be sent by U.S. Mail, FAX, or e-mail based on the method of contact you indicate on the *Eligibility Application*. If you do not receive the *Exam Fee Payment Coupon* within ten days, you should contact the Board office at **(512) 305-7851**. The *Exam Fee Payment Coupon* will indicate the fee that should be paid for the exam sections approved by the Board. The *Exam Fee Payment Coupon* will also contain instructions for making payment to NASBA. The fee established for each section of the exam is determined by the computer seat time, cost for grading, and costs associated with security measures during testing.

<b>AUD</b>	<b>Auditing &amp; Attestation</b>	<b>\$134.50</b>
<b>BEC</b>	<b>Business Environment &amp; Concepts</b>	<b>\$100.50</b>
<b>FAR</b>	<b>Financial Accounting &amp; Reporting</b>	<b>\$126.00</b>
<b>REG</b>	<b>Regulation</b>	<b>\$109.00</b>

**Notice to Schedule.** NASBA will send you a *Notice to Schedule* (NTS) after the examination fee is paid. This will be sent by U.S. Mail, FAX, or e-mail based on the method of contact the applicant indicates on the *Eligibility Application*. The NTS will list the section(s) that you are approved to take, as well as the deadline for testing. If you do not receive the NTS within 48 hours after paying by credit card or within two weeks after paying by check or money order, you should contact the Board office at **(512) 305-7851**.

**Verification.** When the NTS is received, verify that all information is correct and that the name appearing matches **EXACTLY** the name on the identification documents that will be used during check-in at the test center. **IF IT DOES NOT MATCH, IMMEDIATELY CONTACT THE BOARD TO REQUEST A CORRECTION.** You will not be allowed to enter the test center if the name on your identification documents does not exactly match the name on the NTS.

**Testing Centers.** An applicant with a valid NTS may schedule to take the section(s) at a Prometric testing center in the United States or a U.S. territory. Information will be provided on the NTS to assist the applicant in contacting Prometric to schedule an examination. The Prometric testing centers in Texas are listed on the Board's website at **www.tsbpa.state.tx.us**. A complete list of Prometric testing centers is available on the Prometric website at **www.prometric.com**. ☑

**THE APPLICANT IS REQUIRED TO HAVE THE NTS WITH THE APPLICANT AT THE TIME OF SCHEDULING AND TESTING.**

# Scheduling Your CPA Exam

**Y**ou should schedule your exam as soon as possible after you receive your *Notice to Schedule* (NTS). Before contacting Prometric to schedule your exam, you should have a first and second choice of dates, times and locations. Keep in mind that you will be scheduling your CPA exam along with other CPA exam candidates as well as other students and professionals. Prometric offers over 100 various types of professional licensing exams and college entrance exams.



To ensure that you can take your examination section(s) on your first choice date, you should make your appointment(s) at least 45 days before you want to take the exam. You must take the examination section(s) during the eligibility date printed on the NTS.

**THE TEXAS BOARD, NASBA, AND PROMETRIC ARE NOT RESPONSIBLE IF YOU CANNOT SCHEDULE AN APPOINTMENT BEFORE THE EXPIRATION OF YOUR ELIGIBILITY DATE.**

You may contact Prometric in one of three ways.

- Schedule on the Internet at [www.prometric.com/cpa](http://www.prometric.com/cpa).
- Place a telephone call to the Prometric Candidate Services Call Center at **(800) 580-9648**.
- Place a telephone call to a local Prometric Test Center. Telephone numbers are listed on the Prometric website.

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## Scheduling your exam online

**Follow these simple steps:**

1. Go to [www.prometric.com/cpa](http://www.prometric.com/cpa). Select **SCHEDULE APPOINTMENT**.
2. Select **CPA EXAM** and **COUNTRY/STATE**.
3. After viewing welcome screen, click **NEXT**, read all of the policy information, and click **I AGREE** to proceed.
4. On the Program Identifier Screen, enter your examination section ID number from your NTS (you have one identification number for each section of the examination; be sure to use the correct examination identification number for the section you are scheduling). Click **NEXT**.
5. Confirm proper section and click **NEXT**.
6. Follow on-screen instructions to select your preferred exam date and location.



Prometric's Candidate Services Call Center is open Monday through Friday from 8:00 a.m. to 8:00 p.m. Eastern time. If you call to schedule two or more sections, be prepared to identify the dates, times and locations where you want to take each section. It is not necessary to make all appointments in one call. If you prefer, you may make one appointment at a time. Appointments must be at least five days before testing can occur. Walk-in appointments are not permitted.

Hearing-impaired candidates using teletypewriter (TTY) may call **(800) 529-3590** to schedule appointments.

If you schedule your appointments through the Candidate Services Call Center you will **NOT** receive written confirmation of your appointment. Be prepared to write down the date, time, location, and confirmation number for each of your appointments. You may also visit [www.prometric.com/cpa](http://www.prometric.com/cpa) to confirm your appointments.

Prometric test centers only accept calls during business hours, which vary for each test center. Leaving a voice-mail message at a local call center is **NOT** an acceptable method of scheduling.

Before calling, have your NTS in front of you. You will be required to provide the customer service representative with various pieces of information from the NTS. You will **NOT** receive written confirmation of your appointment. Be prepared to write down the date, time, location, and confirmation number for each of your appointments. You may also visit [www.prometric.com/cpa](http://www.prometric.com/cpa) to confirm your appointments.

## CONCERNED CPA NETWORK

Offering *confidential* assistance to CPAs, exam candidates, and accounting students who may have a drug or alcohol dependency problem or mental health issues.

The network is sponsored by the TSCPA and is endorsed by the Board.

**LEGAL NOTICE:** The identity and communications and fact of membership of anyone attending this group are confidential and protected under penalty of law under Chapter 467 of the Texas Health and Safety Code.

For information call  
**(800) 289-7053**

### DID YOU KNOW?

Volunteers in the *Concerned CPA Network* receive training about:

- ♦ chemical dependency and mental illness;
- ♦ guidelines for identification;
- ♦ intervention skills; and
- ♦ policies and procedures used by the TSCPA Peer Assistance Program.

If you are interested in becoming a volunteer, call for a confidential referral to a member of the *Concerned CPA Network* near you for information about the training.