The Easiest Way to Pass the CPA Exam

A complete guide to preparing for and passing the Uniform CPA Examination with CPAexcel

Updated August 1, 2013
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Introduction to the CPA Exam

A Brief Overview

The Challenge and Opportunity Ahead

The Uniform CPA Examination is the first step toward obtaining licensure as a certified public accountant (CPA). With a pass rate of approximately 46%, this step is going to require a major commitment of your time and resources. The rewards are worth it. Along with the traditional prestige that comes with the CPA designation, you can look forward to a wider variety of job opportunities, higher compensation, and increased job security. Though hiring in the accounting field has not been immune to the poor economic conditions over the past several years, it’s expected that the demand for accounting graduates (particularly with the CPA designation) will remain strong long term.

CPA Licensure

The CPA exam is provided through the cooperative efforts of three organizations: the AICPA (the American Institute of Certified Public Accountants) which develops and scores the examination, NASBA (The National Association of State Boards of Accountancy) which maintains the National Candidate Database, and Prometric which delivers the exam at authorized test centers. As a result, you will be dealing with multiple entities as you apply for, take, and receive your results from the exam.

Passing the CPA Exam is only one part (an important one!) of obtaining your CPA license. Each CPA-granting jurisdiction can set its own rules for licensure, e.g., eligibility to sit for the exam, experience requirements, and residency. Most jurisdictions also require that you successfully pass the AICPA Ethics course or an equivalent program. It is important to check out the State Board of Accountancy website for the state you plan to be licensed in before you sit for the exam to make sure you meet all of that state’s requirements.

History

The Uniform CPA Examination has been an accurate measure of a candidate’s accounting knowledge and skills for more than 90 years. All 55 U.S. jurisdictions granting CPA licensure recognize Uniform CPA Exam results as one of the most important indicators of competency.

Trivia:
The exam is an investment in time AND money.

Costs to sit for the exam vary by jurisdiction but range from $600 to $800 for all four sections.


2. *Occupational employment projections to 2016* Arlene Dohm and Lynn Shniper
Until 1992, the exam took almost 20 hours over a three day period and was offered only twice a year. That year, subjects were reorganized, the exam was shortened, and answer sheets were made machine gradable. In 1996, the AICPA stopped releasing questions from past exams and to this day offers only a small number of ‘retired’ questions each year.

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In 2004, the Computer Based Test (CBT) was introduced. It radically changed the functionality, structure and availability of the exam. The content and skills tested were rearranged, updated, and broadened while condensed case studies (called simulations) began to make up a large portion of a candidate’s score. Instead of the twice a year 4-part exam endured by prior generations of CPAs, today’s candidates are able to take the exam eight months of the year, one part at a time.

The Exam Today
The most recent large scale change to the CPA Exam occurred on January 1, 2011 when the AICPA launched the Computer Based Test Evolution (CBTe). CBTe further rearranged, updated and broadened the topics and skills tested to reflect a changing world. It also altered the simulation format, redistributed the score weighting and changed the relative time allocations for the sections.

The CBTe is what you’ll face on your road to becoming a CPA.

Trivia:
In 2008, the AICPA made the decision to acquire and store biometrics for all exam candidates.
Be aware that you will be photographed and fingerprinted prior to sitting.

Note:
For more information on one of the most talked about content changes: International standards testing, refer to the article in the spring 2010 issue of The Uniform CPA Examination Alert available on the AICPA website http://www.aicpa.org/BecomeACPA/CPAExam/ExamNewsletter/DownloadableDocuments/Spring_2010_CPA_Alert_FINAL.pdf
What’s New in CBTe?

The changes ushered in with the introduction of CBTe can be described within three areas:

1. Updated Content

New Content and Skill Specification Outlines (CSOs/SSOs) On October 1, 2011 the AICPA Board of Examiners (BOE) approved changes to the CPA Exam Content Specification Outline that will be effective on January 1, 2014. The changes include; general improvements for clarity; the removal of redundancies across the CSOs; a reference review and update; and general editorial updates.

International Standards: Deserving of special mention in the new content discussions are International Standards – including International Financial Reporting Standards (IFRS) and International Auditing Standards (IAS) – which are eligible to be tested in Auditing and Attestation (AUD), Business Environment and Concepts (BEC) and Financial Accounting and Reporting (FAR). The AICPA plans to integrate questions on international standards into the examination while questions on U.S. standards will continue to be part of the examination. CPAexcel v7 introduces information regarding international standards and, where applicable, demonstrates a clear comparison between IFRS and U.S. GAAP.

Authoritative Literature: A new release of authoritative literature with FASB Accounting Standards Codification™ (ASC) was included on the CPA Exam beginning in 2011. The FAR section of CPAexcel includes content covering the ASC and incorporates a representation of it into the research portion of the simulations. The score weighting of simulations on the exam increased, making it important for candidates to become familiar with all aspects of these types of questions, including the structure of the ASC.

2. New Functionality

New Question Format: For many years three sections of the CPA Exam contained two “classic” or “long form” simulations that tied several different tasks into a single scenario. In CBTe, shorter Task-Based Simulations (TBS) made their debut. This format will test you on seven shorter, self-contained simulations.

New Research Format: A new research format was introduced in 2011. While not a huge departure from the previous research format, it is important to become familiar with all aspects of exam functionality before exam day.

Written Communication: The CBTe removes the Written Communication task from the AUD, FAR and REG sections and places it in BEC. Within the BEC section, you will be asked to complete three writing samples related to topics covered in the Business Environment and Concepts area.

Spreadsheet and Calculator: You’ll have a tape and copy/paste functionality in the calculator. More complex calculations can be solved with the updated spreadsheet tool that behaves similarly to the Microsoft Excel software.

3. Structural Changes

Score Weighting: In the AUD, FAR, and REG sections, Multiple-Choice Questions (MCQs) will account for 60% and Task-Based simulations (TBS) for 40% of the total score.

In the Business Environment and Concepts section (BEC), Multiple-Choice Questions (MCQs) will account for 85% and Written Communication tasks for 15% of the total score. Section Structure: The components of the AUD, FAR and REG sections are three Multiple-Choice Question (MCQ) testlets, and one testlet that contains six to seven short Task-Based Simulations. The components of the BEC section are three Multiple-Choice Question (MCQ) testlets, and one written communication testlet containing three writing tasks.

Time Allocations: The time you will have for the AUD section has been reduced by 30 minutes, to 4 hours. Those 30 minutes were added to the BEC section to make a 3 hour exam. Testing times for FAR and REG were unchanged at four and three hours, respectively. This means that the total exam time remains 14 hours.
Exam Content

How Exam Content is Determined
Which topics are tested on the Uniform CPA Examination is based primarily on the results of a “Practice Analysis”: a periodic study of public accounting practice and evaluations from CPA practitioners and educators. Its’ goal is to identify and evaluate the knowledge and skills required of CPAs entering the profession.

Results from the Practice Analysis determine the content, skills, length, and time allocations that are expressed in the detailed Content and Skill Specification Outlines (CSO/SSOs). Content Specification Outlines (CSOs) identify the technical content to be tested while Skill Specification Outlines (SSOs) identify the specific skills to be tested. The skills consist of (1) Knowledge and Understanding; (2) Application of the Body of Knowledge; and (3) Written Communication.

Current Content Specifications

Auditing and Attestation (AUD)
The AUD section of the exam covers generally accepted auditing procedures, other standards related to attest engagements, skills needed to apply that knowledge, and the ethics and independence an auditor should enforce. It focuses on six major areas weighted as follows:

I. Engagement Acceptance and Understanding the Assignment (12%-16%)

II. Understanding the Entity and Its Environment (including Internal Control) (16%-20%)

III. Performing Audit Procedures and Evaluating Evidence (16%-20%)

IV. Evaluating Audit Findings, Communications, and Reporting (16%-20%)

V. Accounting and Review Services Engagements (12%-16%)

VI. Professional Responsibilities (16%-20%)

Note:

Note:
While each of the four exams covers the scope of the AICPA Content Specification, questions are delivered randomly and do not follow the exact specification order.
Candidates sometimes have a misperception of the auditing part of the CPA examination, believing that auditing is primarily a practice-oriented part of the exam. They may believe that having had first-hand experience doing audit work is sufficient for success on this part, or that not having had such experience is insurmountable. On the contrary, passing the auditing part of the CPA examination is fundamentally an academic endeavor ... all that is required is your commitment to carefully study it.

Don Tidrick, Ph.D., CPA, CMA, CIA
CPAexcel Auditing and Attestation Author

Business Environment and Concepts (BEC)
The BEC portion of the exam contains some of the newest areas of the exam and is the only part that doesn’t contain simulations.

I. Corporate Governance (16%-20%)
II. Economic Concepts and Analysis (16%-20%)
III. Financial Management (19%-23%)
IV. Information Systems and Communications (15%-19%)
V. Strategic Planning (10%-14%)
VI. Operations Management (12-16%)

The BEC section of the exam tests:
A. Knowledge of the general business environment & business concepts that candidates need to know in order to understand the underlying business reasons for and accounting implications of business transactions; and
B. The skills needed to apply that knowledge in performing financial statement audit and attestation engagements and other functions normally performed by CPAs that affect the public interest.

Allen Bizzell, Ph.D., CPA
CPAexcel Business Environment and Concepts Author

Financial Accounting and Reporting (FAR)
The FAR section tests generally accepted accounting principles for business enterprises, not-for-profit organizations, and governmental
entities. International Financial Accounting Standards were introduced in the 2011 content specifications.

I. Conceptual Framework, Standards, Standard Setting, and Presentation of Financial Statements (17%-23%)

II. Financial Statement Accounts: Recognition, Measurement, Valuation, Calculation, Presentation, and Disclosures (27%-33%)

III. Specific Transactions, Events and Disclosures: Recognition, Measurement, Valuation, Calculation, Presentation, and Disclosures (27%-33%)

IV. Governmental Accounting and Reporting (8%-12%)

V. Not-for-Profit (Nongovernmental) Accounting and Reporting (8%-12%)

One of the most important threads running through FAR is the FASB’s Conceptual Framework. This framework provides the theoretical underpinnings for all GAAP. Focus on the most important framework concepts which are:

- Relevance and reliability
- Going concern
- Historical cost, revenue recognition, and matching
- Materiality and conservatism.

If you really understand these terms, you then have a basis for figuring out specific questions in areas you may not have studied completely.

Charles Davis, Ph.D., CPA  
CPAexcel Financial Accounting and Reporting Author

Regulation (REG)

The REG section of the exam covers federal taxation, ethics, professional and legal responsibilities and business law:

I. Ethics, Professional, and Legal Responsibilities (15%-19%)

II. Business law (17%-21%)

III. Federal Tax Process, Procedures, Accounting, and Planning (11%-15%)

IV. Federal Taxation of Property Transactions (12%-16%)
V. Federal Taxation of Individuals (13%-19%)

VI. Federal Taxation of Entities (18%-24%)

The challenge in the tax area is that there are so many topics that can be tested. However, once a topic is chosen for the test, the question asked is usually somewhat basic. So make sure you know the foundational concepts very well and do not be as concerned about the complex areas.

Greg Carnes Ph.D., CPA
CPAexcel Regulation Author

Changes and New Pronouncements
Each year the content specifications are reviewed to gauge whether changes in the accounting profession should be reflected in the CPA Exam.

AUD and FAR – In general, new pronouncements can be tested six months after the effective date of the pronouncement. If early application is permitted, then the pronouncement can be tested six months after issuance.

REG – Given the ongoing and typically annual changes in this section, REG tests the Internal Revenue Code and federal tax regulations that are in effect six months before the change takes place. For example, for changes in July/August, REG would test the IRC and regulations in effect on January 1st.

BEC and REG – Federal laws can be tested six months after their effective date. Uniform acts are includible on the exam one year after they have been adopted by a simple majority of the jurisdictions.

Exam Functionality
Computer-Based Testing
The CPA Exam is a computer-based ONLY exam that is offered during the first two months of each quarter, i.e., testing windows. The process required to schedule your examination can take a considerable amount of time and is covered later in this document.

Because the exam is computer-based, you will need basic computer skills such as the ability to use a mouse and keyboard and knowledge of basic spreadsheet and word processing functions. An online calculator will be
provided during the exam. The spreadsheet and word processing functions are NOT the same as Word® and Excel® applications. As a result, it is important to complete the tutorial and sample tests provided in CPAexcel and on the CPA exam website (http://www.aicpa.org/BecomeACPA/CPAExam/ForCandidates/TutorialandSampleTest/Pages/exam_tutorial_parallel.aspx)

Other computer skills that may be required during the exam include: 1) copying and pasting text; 2) splitting a screen; 3) resizing or moving windows; 4) using scrollbars; and 5) searching relevant authoritative literature.

**Types of Questions**

**Multiple Choice**

Multiple-choice questions assess a broad range of subjects. A key point to remember is to read all of the choices before deciding upon your answer. Slight differences in wording can make the difference between a correct and an incorrect answer.

The exam includes roughly 20% pre-test questions that are being evaluated for future use. They will NOT be included in your score. If you run across a really oddball or difficult question, don’t worry excessively! Give it your best effort and don’t spend too much time on it.

**Task-Based Simulations**

Task-Based Simulations are extremely condensed case studies that present a scenario or “situation” along with a specific task to complete.

TBSs are intended to evaluate your analytical, judgment, communication, and research skills. They do so through different tasks: 1) Multiple selection or other objective format questions; 2) Spreadsheet calculations or completion; 3) Form completion; and 4) Research.

The multiple selection or other objective format questions require you to select an answer from a drop-down list. For example, you could be asked to identify which type of security category that a security purchase belongs in from a list of categories, e.g., trading, available for sale, held to maturity, or you may be required to identify whether each sentence in an audit report is worded correctly (selecting either correct/incorrect).

Spreadsheet calculation questions require you to demonstrate basic spreadsheet skills AND knowledge of the area. You could be asked to
compute a requested number or fill in an existing spreadsheet. For example, you could be asked to calculate the ending cash balance or you may be provided a table detailing equity activity during the year which you need to complete.

Form completion requires you to enter numbers into a form, e.g., a tax schedule.

**Research**

The final type of simulation task is researching relevant authoritative literature. This type of question will test your ability to properly identify the question, including key research terms, and your ability to search a large database. You are asked to identify the paragraph(s) that will answer a given research question. For example, what are the reporting requirements for equity method investments? You do not have to write about or analyze your findings. It is important to practice looking things up and finding what you need in these databases so that you can locate the required information efficiently.

<table>
<thead>
<tr>
<th>Section</th>
<th>Authoritative Literature Provided</th>
</tr>
</thead>
<tbody>
<tr>
<td>AUD</td>
<td>AICPA Professional Standards, PCAOB Professional Standards</td>
</tr>
<tr>
<td>FAR</td>
<td>FASB Current Text and Original Pronouncements, now Accounting Standards Codification (ACS)</td>
</tr>
<tr>
<td>REG</td>
<td>Internal Revenue Code (portions); AICPA Professional Standards</td>
</tr>
</tbody>
</table>

**Note:** Only some sections of the standards are provided. The most current version of the authoritative literature may not be provided; the databases are updated annually.

| Figure 2 - Authoritative Literature |

**Written Communication**

The BEC exam concludes with a testlet containing three written communication tasks that will require you to read one or two paragraphs describing a situation and write a related “constructed response.”

Whether the format is a memo or a letter, your response will always need to convey the correct information in a manner that is clear, complete, and professional. Your response must present ideas in an orderly and logical manner, including definitions, examples, and proper terminology, and demonstrate proper use of standard business English.
Testlets
Each exam section is organized into “testlets” which are either a group of multiple-choice questions (24 or 30 in each group depending on the section) or a group of Task-Based Simulations.

During the AUD, REG, and FAR exams, you will receive three multiple-choice testlets, one testlet at a time, followed by one TBS testlet. BEC contains three multiple-choice testlets and one Written Communication testlet. You must take the MCQ testlets first, one at a time, and then the simulations or written communication. While a testlet is open, you may review and change any answer. Once you have exited the testlet, it is closed and you cannot go back to review or edit your responses.

<table>
<thead>
<tr>
<th></th>
<th>AUD</th>
<th>BEC</th>
<th>FAR</th>
<th>REG</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time</td>
<td>4</td>
<td>3</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>MCQ Testlets</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Questions per Testlet</td>
<td>30</td>
<td>24</td>
<td>30</td>
<td>24</td>
</tr>
<tr>
<td>Task-Based Simulations</td>
<td>7</td>
<td>0</td>
<td>7</td>
<td>6</td>
</tr>
<tr>
<td>Written Communication</td>
<td>0</td>
<td>3</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

The multiple-choice testlets (except for BEC) are adaptive. This means that if you did well on the first testlet, the questions on the second testlet will be more difficult. If you did not do well on the first testlet, the questions on the second testlet will be at the same level of difficulty. The point value of the questions will vary with difficulty so you will get more points for answering more difficult questions correctly.

Score Weighting
In the scoring process, each question is not worth a specified number of points. Instead, types of questions, i.e., MCQ, simulations, written communications, are weighted as shown below.

<table>
<thead>
<tr>
<th>Section</th>
<th>AUD</th>
<th>BEC</th>
<th>FAR</th>
<th>REG</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multiple Choice</td>
<td>60%</td>
<td>85%</td>
<td>60%</td>
<td>60%</td>
</tr>
<tr>
<td>Task-Based Simulations</td>
<td>40%</td>
<td>na</td>
<td>40%</td>
<td>40%</td>
</tr>
<tr>
<td>Written Communication</td>
<td>na</td>
<td>15%</td>
<td>na</td>
<td>na</td>
</tr>
</tbody>
</table>
The Exam Process

Review and Confirm Eligibility
To be eligible to sit for the CPA Exam, you need to meet the requirements specified by the State Board of Accountancy for the jurisdiction in which you intend to become certified. Each jurisdiction sets its own rules for eligibility and requirements for education, experience, personal references, etc.

In general, you’ll need to have completed 150 semester hours with a concentration in accounting and hold a bachelor’s degree prior to applying for the CPA Exam. Since requirements differ by state and can change periodically, the first step is to become familiar with all the requirements in YOUR jurisdiction.

International Candidates
If you have been educated outside of the United States, you must take special steps to apply for the CPA Exam. Be aware that this is a time-consuming and complicated process that should be started at least four to six months in advance of when you plan to sit. You will need time to have your educational credentials evaluated, have your exam application approved, make your travel arrangements, and obtain a U.S. visa, if necessary.

First, you must choose one of the 55 U.S. states and other jurisdictions in which to apply. Each state has different requirements in terms of citizenship, state residency, educational prerequisite, and work experience. Trying to select the state that best matches your qualifications is time-consuming if you do it on your own. CPAexcel offers a team of experts to assist (http://www.cpaexcel.com/international). They will not only be able to tell you if you are eligible to take the CPA Exam – they will also help you choose the state that best fits your unique qualifications. They then guide you through the required educational transcript evaluation process as well as provide ongoing assistance through application submission and exam registration.

Most Boards of Accountancy require that individuals with foreign credits have their academic credentials evaluated. Each jurisdiction may provide a list of its recognized foreign credential evaluation services. Alternatively, many jurisdictions recognize evaluations made by members of the National Association of Credentials Evaluation Services (NACES) http://www.naces.org. Again, note that you must first choose the
jurisdiction in which you plan to take the exam and/or apply for certification in order to identify approved foreign credential evaluation services.

International candidates often find that they lack a course in U.S. business taxation. CPAexcel offers access to **ACC 462P Federal Income Taxation I** - an online business taxation course offered through the University of North Alabama. The course covers taxation of individuals, business entities (corporations, S corporations, partnerships, and limited liability companies), and their owners in addition to introducing estate and gift taxation. Information relating to this course and others available as part of UNA’s Professional Accounting Prep Program (PAPP) is available at:  
http://una.cpaexcel.com/papp/index.html

**Develop an Exam Timeline**
The next step in the planning process is to pick a desired exam date. The CPAexcel Exam Planner (covered in a following section) provides a quick, simple way to create a clear, accurate exam plan customized to your unique circumstances. It enables you to use either a desired exam date or a number of hours of study per week to create a dated list of to-do’s and study assignments. Whether or not you use the CPAexcel Exam Planner, it’s crucial that you ensure there is enough time to accommodate the process – requesting transcripts, processing paperwork, allowing for U.S. Postal Service mail delivery, and fulfilling any other requirements set by your jurisdiction.

**Evaluate and Select an Exam Review Course**
Most CPAs will tell you a review course was critical to their success on the CPA Exam, but with so many options available, selecting the right one can be a challenging task.

Begin with some online research and then call or email with anything the website doesn’t answer. By the end of your research, you should be able to answer the following questions:

**Will this course suit my learning style?** Many review course providers offer various course delivery methods. One of the alternatives is more likely to suit your learning style and the particular needs of your lifestyle.

Do you prefer the structure of classroom learning or the flexibility of a self-study course? Do you require guidance to keep you motivated or are you disciplined enough to create and maintain your own schedule? It is important to select the course that suits your learning style and adapts to your schedule.
Can I preview the course before purchasing? It depends on the review course, be sure to ask for a preview that provides a comprehensive demonstration of the review materials, delivery method and instructional style. You’ll be spending a great deal of time with the course you select, so make sure the delivery method and materials are pleasant to work with.

How many hours does the course take to complete? A good review course will provide a clear indication of how many hours it takes to complete, but understand that “one size does not fit all.” Ask how a particular course can adapt to a candidate’s level of knowledge so you don’t spend hours studying material you know, at the expense of material you don’t.

Does the course prepare me for the exam format? Since the exam is computer-based and contains various response formats, it is in your best interest to look for a review course that provides you with an exam-like experience. The more prior experience you have with the actual exam format, the smoother your testing experience will be.

What is the pass rate for students who have taken the course? Find out whether the course states and explains the exam pass rate of its students. Quality course providers know what their pass rates are and track student performance as a means of evaluating and improving course effectiveness.

Does this course offer the best overall value? Any judgment in value should include overall cost, time commitment, convenience, pass rates, guarantees and the expertise of the instructors.

When comparing price, remember to factor in extras such as updating your materials, the cost to retake the course, travel, and parking. If the provider offers a guarantee or free retakes, be sure to read and understand the offer completely because eligibility requirements might be difficult to meet.

Finally, do your research and make your selection early. A good review course provider can often be an excellent source of information and assistance for the next steps in the exam process.
Further Resources

- **Exam Pass Rates for CPAexcel, the National Average, and Top Colleges**
  Information compiled from CPAexcel students & candidate performance data from NASBA.
- **Course Comparison Chart of National Review Courses**
  Information compiled from national review course web sites.
- **CPAexcel Authors and Mentors**
  Information on CPAexcel's team of authors and mentors.

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**Figure 5 - Resources for Choosing a Review Course**

### Request an Application

To obtain an application, you must first determine if your jurisdiction uses CPA Examination Services³ (CPAES) or processes applications directly through the State Board of Accountancy⁴. If your jurisdiction uses CPAES, you can obtain the application online or request a form by calling 1-800-CPA-EXAM. If not, contact your State Board of Accountancy and request an application or locate a downloadable application on their website.

### Request Your Transcripts

Request that your college/university send your transcripts to the exam coordinator of the state to which you are applying. Schools vary in the amount of time it takes to process your request, but you should expect at least two weeks for U.S. colleges and universities.

Colleges and universities can take between two and six months to post degrees on official transcripts and ten to fifteen days to process the requests, so prior to requesting transcript(s), confirm with your school that all required information has been posted. Although most transcripts include accreditation information, applicants who are unsure if a college or university is accredited should contact the appropriate institution directly, or visit the AICPA list of recognized universities and colleges offering accounting degree programs ([http://apps.aicpa.org/collegelist/](http://apps.aicpa.org/collegelist/)).

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³ AK, CO, CT, DE, FL, GA, HA, IN, IA, KS, LA, ME, MA, MI, MN, MO, MT, NE, NH, NJ, NM, NY, OH, PA, PR, RI, SC, TN, UT, VT, WA and WI

⁴ AL, AZ, AR, CA, DC, GU, ID, IL, KY, MA, MS, NV, NC, ND, OK, OR, SD, TX, VI, WV and WY
Submit Your Application
Your completed application should be submitted to the State Board of Accountancy or its designated agent – making sure that the name on your application appears exactly the same as it appears on the identification you plan to take to the testing center. Many states now allow you to apply online and some even provide access to check on the progress.

Upon submitting your application, you may be required to pay some or all of the examination fees. The fees will include an application fee charged by the board and examination fees charged by NASBA. The fees vary between jurisdictions but the average for first-time candidates applying to take all four sections is approximately $800 - $1100 (as of 2011).

Plan on the application process taking two to six weeks for first time applicants, depending on the jurisdiction to which you are applying. It can often be shorter for repeat candidates.

Begin Studying
Whether you are creating your own schedule or enrolling in a highly regimented review course, you need to determine how long you will need for a review of the subject matter you are going to face on the exam.

Determining how long it will take depends on your level of prior knowledge and the amount of time you can devote to studying. Ask your review course provider if they provide assistance in preparing a structured study plan as it will let you know how much time you need to allocate to this step. A general starting estimate for the duration is to allow four to six weeks per section.

Schedule the Date
Receive your “Notice to Schedule” (NTS)
Once your application has been processed and you have paid all fees, your State Board will send NASBA an Authorization to Test (ATT). ATT will send you a Notice to Schedule (NTS) by U.S. Postal Service, fax, or email for each exam section you have been authorized to take. You select the NTS delivery method when you apply.

The NTS is your official entry into the examination – you will not be admitted without it! You must verify that all of the information is correct and that your name matches exactly the name on the identifications you will be using at the testing center. If any of the information does not match, contact your Board of Accountancy or its designated agent immediately to request a correction. You may be refused entrance to the exam if your identification information does not match.
The NTS is generally valid for six months\(^5\) from the date of issue, which means you must schedule and take all of the authorized sections within six months of the NTS issue date. If you fail to take the applicable exam section(s) during the accepted time period, it will be necessary to reapply for the exam and you will not be able to obtain a refund of the fees paid.

**Select a Location**

Go to [www.prometric.com/cpa](http://www.prometric.com/cpa) to find any one of the “Prometric High Stakes Test Centers” that is most convenient to you. It does not have to be in your jurisdiction, but remember you need to fulfill the eligibility requirements of the state in which you intend to be certified and not the one you test in.

**Select a Date**

**Testing Windows**

The CPA Exam is offered eight months of the year, the first two months of each calendar quarter. The two month periods are known as “testing windows” and include:

1) January, February
2) April, May
3) July, August
4) October, November

You are allowed to sit for any or all of the sections during a testing window in any order. You are not allowed to sit for the same section more than once in a window.

![Figure 6 - Exam Windows](image)

**Scheduling**

To select a test center, go to [www.prometric.com/cpa](http://www.prometric.com/cpa) and identify the most convenient center for you to take the exam. You are allowed to use any one of the centers in the United States, whether or not the test center is located within the borders of the jurisdiction where you are

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\(^5\) Exceptions: TX 90 days | CA, LA, UT nine months | ND, SD, VA 12 months
seeking certification. This is especially convenient if you live in a city closer to a testing center outside your jurisdiction than within it.

The CPA Exam is currently offered at Prometric locations overseas in Guam, Puerto Rico, and the U.S. Virgin Islands. These international locations are also available: Brazil, Japan, Bahrain, Kuwait, Lebanon and the United Arab Emirates.

You cannot be a candidate for more than one state at the same time and don’t attempt to circumvent eligibility requirements by taking the exam outside of the state in which you intend to be certified. While you can take the exam at any approved test center, you need to be sure that you meet the eligibility requirements for your planned certifying jurisdiction.

You’ll schedule the date and time of your exam sections on the Prometric website, by calling 1-800-580-9648 (Candidate Services Call Center) or by contacting the Prometric location of your choice directly. You will need your NTS when you schedule as certain information from the NTS must be provided.

You must schedule your test appointment at least five days before the test date. It is recommended that you schedule your test date at least 45 days in advance. Whether scheduling online or by phone, be sure to visit www.prometric.com/cpa to print a confirmation of your appointment.

**Rescheduling**

Once an appointment has been made, any changes may result in a rescheduling fee or possible forfeiture of the full amount of the testing fees. Cancellation or rescheduling at least 30 days in advance may be done at no cost. If you reschedule 5 to 29 days before your appointment, you will pay a small fee directly to Prometric. If you reschedule within 24 hours to five business days of your appointment, you will have to pay the full Prometric fee for the section you are rescheduling. (Monday through Saturday are considered business days; Sunday is not a business day.) If you reschedule within 24 hours, you forfeit all fees paid and must reapply to take the exam.

**Take the Exam**

You MUST arrive at the test center at least 30 minutes before your scheduled appointment time. This time is used for signing in, taking your photograph,
reviewing the security and test center policies, and getting seated at your workstation. If you arrive late, you may be denied entrance.

An additional 30 minutes is added to your examination session but this is not examination time. It is used for the examination log-in, reading the introduction, and taking a completion survey at the end.

What to Take With You

Notice-To-Schedule
On the day of your scheduled exam, bring your Notice to Schedule (NTS) with you to the test center. Your NTS contains a seven digit launch code that you will enter into the computer as part of the log-in process. You will not be allowed to sit for your examination without the correct NTS.

Identification
Bring two valid forms of identification, including one that contains a recent photograph and signature. Information on your IDs must exactly match the candidate information on the NTS. Do not change the spelling and do not change the order of your name on applications or when making appointments. Each ID must be current and bear your signature.

Test Center Rules, Guidelines and Advice

Personal Items
You'll be required to place personal belongings in the storage lockers provided by the test center. The lockers are very small so don’t bring anything to the test center unless it is absolutely necessary. Keep your ID with you at all times. If you leave the testing room for any reason, you will be required to show your identification to be readmitted. If you need to bring in a medical prescription, you must obtain permission in advance (during the registration process).

Supplies Provided
Scratch paper and pencils will be provided by the test center staff. The paper must be returned before leaving the exam site.

Introductory Screens
There are several introductory examination screens that that require you to (1) verify your identity (2) enter the seven digit launch code you were provided on your NTS and (3) accept the confidentiality and break policy statement. If the 10 minute time limit expires before you have completed these screens, your session will end and it will not be possible to restart the exam. You’ll have enough time to review the screens and respond; there is NOT time for anything else.

Note:
Student IDs, Social Security Cards and Permanent Residency cards are not considered valid forms of ID at test centers.
Dealing with Technical and Content Issues
Focus on the exam and do not allow yourself to get distracted as long as you are able to continue testing. For example, if your responses do not generate the expected color changes on the pencil icons in the Simulations, continue testing. Report this matter at the end of the session. The system will verify the capture of your responses.

Test center staff should be notified immediately of any technical problems that prevent you from answering questions. However, staff cannot help with software functions peculiar to the CPA Exam or the content of the exam.

If you have concerns about a question you’ve encountered on the exam, note the question and testlet number or simulation if applicable, and contact the AICPA Examinations Team by fax at 609-671-2922 or by mail at AICPA, 1230 Parkway Avenue, Suite 311, Ewing, NJ 08628, within FOUR days of testing.

Time
The computer screen will have a countdown timer to let you know the time remaining as you work through the examination. This timer tracks total time, not the time you have left for the current testlet. Be sure to use your time wisely – stay within a budgeted amount of time for each testlet. Do not use up the majority of your time early in the examination. Keep in mind that once you finish a testlet, your chance to review and change responses within that testlet, has passed.

A five to ten minute warning is provided near the end of the exam. The computer will automatically stop at the end of the exam time.

Breaks
After a testlet has been completed, you will have an opportunity to take a break, if you choose. You must exit the testlet and select the break option. This will be your choice – you do not have to take a break. The clock will continue to run during the breaks so break time should be used prudently.

If you do take a break, you will need to provide a fingerprint before and after the break. When you return to your testing station, you will need to enter your examination password to continue. Any breaks that extend longer than ten minutes may be reported to the Board of Accountancy.
Breaks are NOT allowed at any other time. If you leave the testing room for any reason other than an authorized break, you will not be allowed to return and your departure will be reported to the Board of Accountancy.

**Finishing the Exam**

After clicking the final “Done” button on the last testlet of your exam, a Confirmation of Attendance form with contact information and directions on how to report any examination incidents will print.

Incidents that prevent candidates from completing an exam are extremely rare, but should you be unfortunate enough to experience technical setbacks or other circumstances beyond your control, contact NASBA at candidatecare@nasba.org as soon as possible.

When you have completed the exam, you will turn in your scratch paper and sign the log book. The test center staff will let you know when you have finished all of the required procedures.

**Post Exam Information**

If you don’t already have a date set for your next exam, go back to step one and schedule it. Remember that from the date you pass the first part, you have 18 months to pass the remaining three.

**How Your Exam is Scored**

For AUD, FAR and REG the multiple-choice questions count for 60% of the total score. Task-Based Simulations are 40%. BEC is split 85% for MCQ and 15% for three written communication tasks.

Multiple choice and TBS testlets are graded entirely electronically while written communication can receive both electronic and human grading.

In addition to factual correctness and relevance, your written communication scores are based on three writing criteria:

- **Organization**: Is the document well-structured with a clear overview/thesis, a clear ordering of ideas and logical linking of one idea to another?

- **Development**: Does the document effectively use details and definitions as supporting evidence? Are examples and rephrasing properly used to clarify thoughts?
**Expression:** Correct use of grammar, punctuation, word usage and spelling.

Once correct and incorrect responses are noted and points assigned in each of the three areas, each question’s statistical characteristics are taken into consideration and a final score is recorded.

Statistical characteristics of each question include a measure of the questions difficulty and are what ensure that candidates taking different exams are being equivalently tested in terms of content coverage and difficulty.

The score you receive falls on a scale of 0 to 99, with a 75 required for passing. A 75 does NOT equate to having answered 75% of the questions correctly to pass the exam, but is rather the point on the scale at which content mastery can be said to have been proven.

Multiple choice testlets and objective questions on simulations are graded electronically. The score is based on the total questions correctly answered. There is no penalty for wrong answers.

As a quality control practice, all exams are scored at least twice before scores are reported to state boards. Exams that are “close” will receive additional grading attention.

### The Scoring Process

Your exam responses are given an ID and sent from the test center to the AICPA for grading.

Resulting scores are forwarded to NASBA at two points: during a testing window and immediately after a testing window ends (often referred to as the 2 “waves”). For the first three windows of 2011, scores will be released in the last two weeks of the blackout month.

NASBA matches the score with your name and sends that information to your State Board of Accountancy for approval.

Your State Board of Accountancy will release your scores to you.

NASBA generally releases scores to the State Boards within 24-48 hours of receiving them from the AICPA, but State Boards have varied schedules for reporting candidate scores.

The 26 jurisdictions or “NASBA states” make scores available to candidates online via the NASBA website within 24 hours of receiving them from the
AICPA. To view your scores, you will need your exam section ID and other personal identification information. Other states post scores to their websites or by hard copy per your request, while others use the U.S. Mail exclusively.

**When You Will Receive Your Score**

A general score release timeline including score release dates for the first and second quarter of 2013 is provided in the table below. The target release dates indicate when scores for the CPA Exam will be released by NASBA to state boards of accountancy.

Please be advised some State boards of accountancy require at least one day beyond the published dates listed in the table to process and release exam scores.

**Pre-Test Questions**

Candidate C also sat for the FAR exam on January 15th but didn’t receive a score until March 18th. Why? More than likely, some of the questions on the exam delivered to Candidate C were pre-test and required additional analysis by the AICPA’s psychometricians.

There are so many factors contributing to the release date of an individual candidate’s score (exam content, number of candidates sitting at the same time, the exam window you scheduled, the release procedure of your jurisdiction) that we recommend playing the prediction game only as a way to blow off steam between study sessions!

**Understanding Your Score Once It Arrives**

CPA Exam scores fall between 0 and 99, with 75 required for passing. While there is no minimum score required on multiple-choice, simulation, or written communication questions, note that the 60% allocated to the multiple choice testlets in AUD, FAR and REG means that you cannot pass by only completing the multiple choice testlets.

Along with your score, a diagnostic report is provided for a failed section. The report provides some information on how well you performed on each major content area, relative to passing candidates. It also reports your general performance on the different types of questions. See examples at: [http://www.aicpa.org/BecomeACPA/CPAExam/PsychometricsandScoring/Ca](http://www.aicpa.org/BecomeACPA/CPAExam/PsychometricsandScoring/Ca)

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**Note:**

The AICPA Board of Examiners (BOE) made the decision to keep the passing score of 75 for 2013.

The AICPA plans to streamline the candidate performance report with an improved layout that will make it easier for you to find out your strengths and weaknesses.

Certain other non-NASBA states (CA, IL, NC, TX, and VA) are traditionally even quicker to post scores than the NASBA states, which is why they are referred to as “early bird” states.
Appealing a Score

The occurrence of errors in the grading process has been very rare and the likelihood that a score review will result in a change is almost zero.

Still, receiving a 74 after months of hard work can be incredibly disheartening and the temptation to request a review or to appeal might be too much to resist.

Should you wish to proceed down this path, there are two options that may be available to you. The first step will be to check with your state board to see if your jurisdiction allows score reviews and/or score appeals. Then check to see if you are still within the time limit for the request. Typically, score reviews and/or appeals are only allowed for a short period of time after you have received your score report.

Score Review

Be aware that a review will only verify that your exam was graded using the correct answer key applied properly. This re-grade does not result in reconsideration of your answers. To request a score review, download and complete the Rescore Request Form from the NASBA website. The due date for the form differs for each exam window and appears on the form. Then mail the completed form and a certified check or money order with the appropriate fee amount to the address on the form. As of the date of this publication, the nonrefundable fees for AUD, FAR, and REG are $200 each. BEC is $150. Results of the rescore will take at least eight weeks from the submission deadline, regardless of the date your request was received.

Score Appeal

If you wish to challenge a specific multiple choice or objective question (or questions) on the exam, you will need to download and complete the Score Appeal Order Form. You cannot appeal the written communication questions. Similar to the Rescore Order Form, the due dates for each testing window appear on the form. The completed form and a money order or cashier’s check is mailed to the address on the form. As of this writing, the fees were $500 per section plus $100 per question being challenged. NASBA will contact you to set up a date and time to perform the Score Appeal, a process that takes place under highly secure conditions at the NASBA office in Nashville, Tennessee. During the scheduled session, you will be allowed to review the

Note:

“The likelihood of a score change following score review is … less than 1 percent of all requested score reviews since the inception of the computer based test.”

~ AICPA
question(s) being challenged and related response(s) and write your written description and reasoning for the appeal by the end of the session. A response from NASBA can be expected approximately eight weeks from the date of the appeal session.

Given the long turnaround and the cost involved in both alternatives as well as the unlikelihood of a favorable result, it should come as no surprise that we can’t recommend either course of action. We believe it is best to move on, sign up to retake the failed section, and keep on studying. Remember that you have to pass all four sections within 18 months and waiting eight weeks or more for a re-grade or appeal will only add pressure to your schedule.

**Score Expiration**
You have 18 months to pass all four sections. The clock starts ticking as soon as you have passed your first section. We recommend sitting for all four sections within a 12 month period – that way, you have six months still available in case you run into problems on a section. Be sure to check with your state board to verify the amount of time allowed to retain credit for passed sections.

**Now That You’ve Passed**
Congratulations!! You’ve passed all four sections of the CPA Exam! Celebrate a major achievement! Now back to work. Depending on the state you are in, there may be additional steps before you have that hard earned certificate to put on your wall.

**Further Requirements for Licensure**

**Pass the Ethics Exam**
Sometimes referred to as the fourth “E” after “Exam, Experience and Education,” some jurisdictions require you to successfully pass the AICPA Ethics course and examination or equivalent. This might be a short "Laws and Rules" exam, or a 75 question take home "Ethics" exam.

**Get the Experience Required**
A number of Boards of Accountancy only grant CPA licenses to applicants with the requisite amount of professional work experience in public accounting; upwards of 2,000 hours under the direct supervision of an actively licensed CPA in some states.

**Tip:**
A summary of the CPA requirements by state can be researched on the [Accountancy Licensing Library](https://www.nasba.org/licensing/accountancy) area of the [NASBA](https://www.nasba.org) website.

**Note:**
Remember to report your scores to CPAexcel so you can participate in our [Student Reward Program](https://www.CPAexcel.com/).
Residential Requirements
You may be required to prove residency, maintain a place of business, or be permanently employed by a public accounting firm within the state.

Obtaining Certification and Licensure
The final step is to submit an application and appropriate fees to the Board of Accountancy. Some jurisdictions have a two-step process providing both a certificate to practice and licensure.

Continuing Professional Education (CPE)
Required for all CPAs, CPE credits are gained by attending workshops and seminars taught by a CPA, or taking online classes.

Generally, CPAs are required to have 40 CPE credits annually or 80 CPE credits biannually in order to renew their license with each state. Check with your State Board for their specific requirements.

Important:
The sequence of steps outlined here are general recommendations that will apply to most, but not all, exam candidates. Specific steps should be determined individually by each candidate, based upon the timelines of your jurisdiction’s Board of Accountancy, transcript processing time, and necessary personal preparation time.
The CPAexcel Owner’s Manual

The Efficient Learning System™

In the late 90s, eLearning was still in its infancy and live, on site classes were just about the only option for CPA exam candidates to take a review course.

In 1997 a team of CPA review course professors at the University of Texas at Austin (UT) partnered with a highly innovative group of software engineers who, together, envisioned a computer-based course that would enable candidates anywhere to pass at the high rates achieved by students in the UT classroom course.

The result of that vision was CPAexcel; Proven instructors and materials combined with a learning process that is more flexible and interactive than sitting in a classroom listening to a lecture and taking copious notes.

CPAexcel course deliveries started in May 1998 and over the past 14 years CPAexcel has kept its commitment to delivering the best review course materials while keeping up with advances in technology.

Today, CPAexcel incorporates four important components into the Efficient Learning System™ at the core of every review course: a proven pedagogy, excellent content, valuable services, and leading technology.
Pedagogy

The Efficient Learning System incorporates two instructional design principles: short, complete study sessions are most effective, and “Data Matters.”

Short and Complete Study Sessions

CPA review has traditionally followed the classroom technique of delivering long lectures covering the multitude of topics in one or more textbook chapters, intermittently followed by exams testing broad comprehension. We believe that the entire learning process should take place around smaller more specific topics. For this reason, CPAexcel arranges its content into “Bite-Sized℠ Lessons.”

A Bite-Sized Lesson covers a discrete topic and includes everything you need to master it with a three-step process:

Learn

The learning phase is the foundation of your preparation since it is critical to understanding the subject at hand. Ideally, your prior college preparation will be sufficiently current for many topics and a brief review will suffice. Even for areas where you have a strong background, you may find aspects that must be learned for the first time.

In CPAexcel the learning step includes reading through the study text at least once and watching the video lecture.

Once you have “learned” the material, you should spend roughly twice the amount of time on the next step - practicing what you have learned.

Practice

The practice step requires that you apply your knowledge to the problems. CPAexcel includes a mix of Multiple Choice Questions (MCQs), True/False questions and condensed case studies.

The practice step has several objectives:

- Identify your weaknesses and measure improvement
- Improve your ability to apply what you know
- Gain confidence and maintain motivation
- Reinforce relevant aspects of the underlying substantive material

Working through the MCQs is an absolute must. If you do not cover these problems, you are essentially avoiding the very problems you’ll
Some of you may want to avoid the uncertainty that develops when attempting the problems, but this is one of the main areas where significant learning takes place.

Most CPA questions involve application of knowledge; few are totally knowledge based. You really do not understand a topic unless you can perform the appropriate procedures including preparing relevant journal entries, constructing relevant portions of financial statements, and solving computational problems relevant to the specific topic.

Go through the exercise of formulating an answer to the questions. For difficult questions, reread the text so you can answer the question on your own. Only then, consult the answer.

Important:
It bears repeating: solve questions and problems yourself before viewing the solution and its rationale. That way, you simulate taking the exam and develop your ability to apply the knowledge obtained in the learning phase. Your confidence improves and you will be less intimidated by the exam or specific types of questions.

Tip:
Don’t guess when studying – do it on the exam as a last resort preferable to not answering at all, but guessing at answers while you study accomplishes very little.

Review
At the end of each problem solving session, review the rationale for an answer even if you got the question right. Sometimes you will obtain the correct answer for the wrong reason. Make sure you are correct in your understanding of the material.

For questions you didn’t answer correctly, determine why. Did you not understand the material fully? Was it a math error? Don’t go on to reviewing the next question until you understand the current one.

Every CPAexcel lesson includes other resources that will help in the review process, such as electronic flashcards that highlight the key concepts and a discussion area.

If you are having particular difficulty understanding or remembering a specific concept, or find that the rationale for a certain answer doesn’t clear up your confusion, visit the discussion forum. Chances are someone else has already asked and received an answer about the
same issue giving you difficulty. If not, ask it yourself. Your peers and
the CPAexcel mentors can help.

As you review each topic, take short notes on areas to which you want
to return. By keeping track of areas and aspects you do not feel
confident in, you gradually narrow your focus to those aspects that
need it most. You will happily see your “problem” areas gradually
become smaller. Review these areas until you have gained the
necessary confidence.

**The Benefits of Bite-Sized Lessons**
Not only do we believe this Bite-Sized structure to be the most efficient
way to absorb and remember large amounts of diverse information, it
offers additional benefits:

- Lessons are designed to be completed in 30 minutes. While
  other courses require long unbroken blocks of study time,
  CPAexcel enables you to master an entire lesson during a lunch
  break.

- Frequent and detailed feedback provides an ongoing feeling of
  accomplishment to keep motivation high.

- The granularity of the content structure minimizes the amount
  of time spent searching for areas of proficiency and deficiency.

- Targeted feedback ensures you’ll only spend time on the topics
  you still need to master. For example, rather than indicating a
deficiency in the topic of the Acquisition Method of Accounting,
CPAexcel can direct attention to specific sub-topics such as
determining the cost of an acquired business or disclosure
requirements.

**Data Matters**
Going back to the original team that developed and launched CPAexcel, the
company has continued a long tradition of leveraging technology to enhance
learning.

This manifests most clearly in the way CPAexcel includes usage data in the
instructional design process. Since 2004 every question answered, flashcard
flipped, and video viewed has been recorded by the platform that serves up
the review course. This anonymous user data is an invaluable source of and
basis for, many of the unique and powerful features of the CPAexcel review
course.
The Benefits of Data in Action

1. **It helps our professors develop better content**: Authors and Instructors are informed by real world usage and use that perspective to improve their instruction. For example, upon observing which lessons require more than twice the average study time for students to complete, changes were made to the structure and content of several dozen lessons to bring them in line with our “Bite-Sized” philosophy.

2. **It provides another level of quality control**: Questions that are consistently answered incorrectly, especially by top performing students, are pulled from the course for investigation. It may be a difficult question, but more likely it is keyed incorrectly or contains misleading information.

3. **It allows us to create useful tools**: It provides real world data to students so they can make informed decisions. The Exam Planner discussed later in this guide is a prime example of providing data driven tools to our students.

4. **It saves time**: CPAexcel ranks the difficulty of every question in its database by comparing millions of previous attempts. If you have a limited amount of time to drill on questions, turn on the SmartSort option and you’ll always be given more frequently missed questions first.

5. **It provides an objective measure of success**: CPAexcel uses the metrics of its students, combined with score reports from the exam to calculate our 87% pass rate.

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**CPAexcel SmartSort**

Most questions in CPAexcel have been answered thousands and thousands of times and that history provides each question with a level of difficulty. Questions regularly answered incorrectly on the first and subsequent attempts are ranked as more difficult than questions consistently answered correctly on the first attempt.

Based on this data, CPAexcel’s questions are grouped into two categories: Moderate and Difficult (let’s face it; there are no easy questions on the CPA exam).

If you turn SmartSort ON, you will receive questions from the difficult category first. If SmartSort is turned OFF, both groups will be shuffled and delivered randomly.
Content
All the pedagogical principles and instructional design expertise in the world wouldn’t amount to much without quality content. Content is king.

The Authors
CPAexcel uses a comprehensive breadth approach to covering all significant topic areas as defined by the AICPA’s CSO/SSO. That’s easy. What’s difficult is balancing comprehensive breadth of coverage with an appropriate depth of coverage. The key to ascertaining the appropriate balance is experience.

CPAexcel authors and lecturers are fully tenured faculty at their respective universities and have years of practical experience in both the college classroom and in CPA exam review. This knowledge helps them identify and address topics that students traditionally have difficulty with while acknowledging their understanding of the more basic topics.

For example, by identifying only the more challenging and highly tested topics, the CPAexcel video lectures encourage participants to use their study time more efficiently.

For participants weaker in certain areas, CPAexcel’s Study Text is referenced whenever additional explanations are available. A comprehensive database of questions not only covers the topics that participants find difficult but provides coverage of the more basic topics as well.

This careful balance ultimately reduces time to proficiency and contributes to high pass rates.

CPAexcel Authors

Auditing and Attestation

Professor Donald E. Tidrick, Ph.D., CPA, CMA, CIA
Northern Illinois University: Deloitte Professor of Accountancy

University of Texas, Austin: Former Associate Chairman of the Department of Accounting, Director of the Professional Program in Accounting, and Director of the CPA Review Course 1991 – 2000
University of Notre Dame: Accounting Faculty

Professor Tidrick researches and teaches audit decision making, accounting ethics, assurance, and financial reporting. He is a prolific author of books, as well as numerous articles in practice-oriented and academic journals. He is very active in several professional organizations.
### Economic Concepts, Financial Management, Financial Accounting and Reporting

**Professor Allen H. Bizzell, Ph.D., CPA**  
University of Texas, Austin: Associate Dean Emeritus, College of Business  
Administration/Graduate School of Business; Professor Emeritus, Department of Accounting

To acknowledge his teaching ability, Professor Bizzell was given the UT Student Council’s award for teaching excellence. Beta Alpha Psi, the accounting honor society, awarded him the Outstanding Faculty Advisor in 1975-1976, making him one of only four faculty advisors in the entire U.S. so honored. He has been involved with the CPA Exam for almost 35 years as a researcher, developer of exam-related materials, and national review course instructor. He has conducted numerous CPA Exam-related studies, including several analyses of CPA Exam Candidates’ Characteristics and Performance for the Texas State Board of Public Accountancy.

### Financial Accounting and Reporting

**Professor Pam Smith, Ph.D, CPA, MBA**  
Northern Illinois University: KPMG Endowed Professor of Accountancy

Dr. Smith has won awards voted on by her students (Executive MBA Golden Apple) and by her peers (Illinois CPA Society’s 2008 Educator of the Year). As faculty advisor, Pam sparked the creation of an honor pledge and code of conduct. She is co-author of NIU’s Building Ethical Leaders handbook and a developer of the college’s BELIEF initiative (Building Ethical Leaders using an Integrated Ethics Framework); both have been integrated across the college. Because of her research in accounting for derivatives and hedging, she was called as an expert witness in the Enron trial. Pam and her husband are licensed handlers of their certified therapy dog, Shelby, who provides emotional therapy to seniors and special needs children.

### Planning and Measurement

**Professor B. Douglas Clinton, Ph.D., SPA, CMA**  
Northern Illinois University: Alta Via Consulting Professor of Management Accountancy, Department of Accountancy

Dr. Clinton states that his “most important research task is trying to rebalance the profession so that providing management accounting decision support is recognized to be as important as it really is.” His favorite aspect of his teaching job is, “Seeing my students get excited about finding out something they didn’t know. Fundamentally, my job is to teach and train accountants to be the best business professionals possible.”

### Governmental and Not-For-Profit

**Professor Donald B. Deis, Jr. Ph.D., CPA, CFE**  
Texas A&M University, Corpus Christi: Ennis & Virginia Joslin Endowed Chair in Accounting, College of Business

Donald Deis started his accounting career with a “pet project,” working in his grandparents’ Corpus Christi, Texas business, The Dog House and Pet Store. From there, his love of understanding numbers led him to become the youngest student in the initial class of Texas A&M University at Corpus Christi in 1973. Being a
true Texan, he earned his MBA from Corpus Christi State University and his Ph.D. from Texas A&M. Coming full circle, he now teaches at the college from which he received his bachelor’s degree. He holds the Joslin Chair, which was endowed to attract the highest-quality academicians possible to the accounting profession.

### Corporate Governance, Information Systems and Communications

**Professor Dan Stone, Ph.D., CPA, MBA**  
*University of Kentucky: Gatton Endowed Chair, Von Allmen School of Accountancy and the Department of Management (Business Analytics)*

Dr. Stone is a prolific writer, having been published in professional journals such as the CPA Journal and Journal of General Management. He researches and writes on financial literacy, financial attitudes and happiness, and seller fraud in online auctions.

### Taxation

**Professor Greg Carnes, Ph.D., CPA**  
*University of North Alabama: Raburn Eminent Scholar of Accounting, Professor of Accounting and Business Law*  
*Lipscomb University: Former Dean, College of Business*  
*Northern Illinois University: Former Chair, Department of Accountancy*

Gregory Carnes focuses on teaching tax professionals how to integrate the tax law in strategic decisions. Dr. Carnes serves on the Board of Trustees of the American Taxation Association. He previously served as President of the Accounting Program Leadership Group and as President-Elect of the Federation of Schools of Accountancy. He has written chapters for leading tax textbooks and more than 25 articles for professional journals. Professor Carnes has also provided tax training for national accounting firms.

### Financial Accounting and Reporting

**Professor Charles J. Davis, Ph.D. CPA**  
*California State University, Sacramento: Professor of Accounting*

Dr. Davis is the recipient of university teaching awards for his courses in financial and managerial accounting. He also has taught at the University of Illinois, University of Wisconsin, and Helsinki School of Economics and Business Administration. His research focuses on standard setting, improvements in financial reporting, international accounting standards, and forensic accounting. Dr. Davis currently serves as the faculty advisor to the MS Accountancy program at CSUS. He is a co-author for Intermediate Accounting published by McGraw-Hill Irwin and has “Big 4” experience. He has contributed many journal articles in accounting and other business subjects and continues to consult to the business community.

### Business Law

**Professor Marianne Jennings, J.D.**  
*Arizona State University: W.P. Carey School of Business, Professor of Legal and Ethical Studies*

In her teaching, her writing, and her consulting, Professor Jennings demonstrates how making the ethical choice is the right choice because nice people can succeed—even in business! She developed a workplace ethical behavior 10-step action plan which can be implemented anywhere. She consulted with Mattel, Bell Helicopter, Blue Shield/Blue Cross and many others.
Ethics and Business Law

Professor Robert A. Prentice, J.D.
University of Texas, Austin: Ed and Molly Smith Centennial Professor in Business Law,
McCombs School of Business, and Distinguished Teaching Professor

Professor Prentice is a member of UT’s Academy of Distinguished Teachers and has won numerous teaching awards. His courses cover accountants’ legal liability. A prolific writer, he authored A Student’s Guide to Sarbanes-Oxley.(Thomson/West), “Stoneridge, Securities Fraud Litigation, and the Supreme Court.” American Business Law Journal, and 30 major law review articles on business law, business ethics, insider trading, law of electronic commerce, mergers and acquisitions, and securities regulation.

Types of Content

Lectures

The same team of CPA exam review experts that author the core text also lecture on the key concepts and principles in each exam area, including heavily weighted exam topics and challenging subjects that often give students trouble during the exam. More than 78 hours of video has been integrated into 647 bite-sized lessons, so the average lecture is less than seven minutes long.

Advantages of CPAexcel's Video Lectures:

Best for Audio Visual Learners - Many exam candidates learn most effectively watching and listening, instead of reading pages of information.

Expert Lecturers - CPAexcel’s Video Lectures feature top university professors and CPA Exam Review instructors from leading accounting schools in the United States, including the University of Texas at Austin, California State University Sacramento, and Northern Illinois University.

Variety - The video lectures feature ten different subject-matter experts. Not only will you learn from the best, the variety of speakers will hold your attention, lesson after lesson.

Focused Content - CPAexcel’s Video Lectures cover the key concepts and principles in every subject area, plus heavily weighted exam topics and challenging subjects that often give students trouble during the CPA Exam.

Time Savings - Students with strong existing knowledge of a particular topic can often speed through a lesson by watching the video and then taking the Proficiency Questions and Exam Questions. Students scoring 100% can move to the next lesson, without reading the Study Text.

Private Classroom Experience - Learn in the comfort of your own surroundings at any time you choose. No wasted time commuting to a classroom. Never worry about missed lectures. Listen to any speaker or topic as many times as you need. Through Professor Mentoring, students can ask questions and receive prompt answers through CPAexcel's topical online discussion boards.
Slides

The more than 5,600 lecture slides covered during the lectures are included alongside every video for easy reference and printing.

For those who prefer a hard copy or wish to take notes while watching a lecture, a four-volume set of Workbooks is available. These contain every slide covered in every lecture along with questions representative of each topic, with ample room for problem solving and note taking.

Alternatively, CPAexcel offers the ability to print slides from the software. See the section on Publishing Content from CPAexcel for more information.

Figure 10 - Printing 6 Slides per Page
Study Text
The Study Text forms the foundation of the CPAexcel review course. It reflects years of involvement with the CPA exam by presenting exactly the level of detail of knowledge you need to pass.

Content is written in outline format with callouts identifying definitions, examples, formulas, quotes and notes of particular importance.

For those who prefer hard copy, a five-volume set of soft-cover Textbooks that includes 2,800 + pages of study text and lesson objectives are available for purchase. The content is typically organized into three to ten page lessons that follow the same sequence as the courseware.

Proficiency Questions (PQs)
These true/false questions relate directly to facts covered in the Study Text and are unique to CPAexcel as a key element of the learning process. The PQs test your comprehension of the study text and reinforce learning and retention. If you do not answer the PQs correctly, you have an early indicator that you need to go back and review the study text and/or lecture. Doing this will save you study time later on and greatly increase the efficiency of your studies.

You may choose to view PQs in CPAexcel in either of two ‘modes’:

Study Mode
The non-configurable characteristics of Study Mode are defined as follows:

*Time Constraint OFF* - You may view the questions for as long as you wish.

*Immediate Answer Feedback ENABLED* - Your selection is marked correct or incorrect instantaneously.

*Scores Not Recorded*—While in Study Mode you may click the “Progress” button to view your score based upon first responses. Once you leave study mode your responses are discarded and you will have no record of your answers.

Configurable characteristics are:

*CPAexcel SmartSort*: Enable SmartSort or have the questions randomly shuffled.
Include Questions: If you have previously recorded scores in Exam Mode, you will be able to choose whether you wish to study all the PQs or just those you answered correctly or incorrectly.

Sequence Number - Since questions are shuffled each time you launch them from the PQ Start Page, this number is useful only in knowing your present location.

Proficiency Question Identifier - Whenever making reference to a PQ in a query, comment or statement, note this PQ ID number. It is permanent and unique to this question.

Back Buttons will take you to either the first question in the series, or the previous question.
The Progress button will take you to the Progress Page. You can resume the CPA Exam by clicking on the Forward button.

Forward Buttons take you to either the next question, or the last question in the series.

Exam Mode
Selecting Exam Mode from the PQ Launch Page will load the questions in a way that looks like Study Mode, but functions differently.

The non-configurable characteristics of Exam Mode are as follows:

- **Time Constraint ON** – A 1-minute-per-question time constraint is enforced.
- **Immediate Results OFF** - Your selection is marked with a black check mark. There is no indication of whether your response is correct or incorrect.
- **Scores Recorded** - Once you have answered questions and clicked on the "Grade" button your scores are recorded and you will be returned to the Lesson Overview page where your PQ progress is displayed.

Configurable characteristics are:

- **CPAexcel SmartSort**: Enable SmartSort or have the questions randomly shuffled.
- **Include Questions**: Choose to include all the PQs or just those you previously answered correctly or incorrectly.

Exam Questions (EQs)
CPAexcel provides a large test bank of former CPA exam questions supplemented by questions we created for the areas with a limited number of questions provided by the AICPA. Both types of questions include rationales explaining correct and incorrect answers and highlighting the important concepts being tested.

Multiple choice questions may at first seem to be easier than open-ended questions. Don't be fooled. In reality, they can be just as involved and challenging and we believe it is important to answer as many of these questions as your exam schedule allows. This will help you
become better acquainted with the various levels of difficulty and the types of thinking required to answer this type of question.

Like PQs, EQs can be viewed in two ways:

**Study Mode**
The non-configurable characteristics of Study Mode are defined as follows:

*Time Constraint OFF* - You may view the questions for as long as you wish.

*Immediate Answer Feedback ENABLED* - Your selection is marked correct or incorrect instantaneously. If you select an answer that is incorrect, the rationale for that answer will appear as a 'Hint.'

*Lesson Progress NOT Updated* - Study mode will not record your results. You may view your current score by clicking the Progress button. Only first responses are displayed.

Configurable characteristics are:

*CPAexcel SmartSort:* Enable SmartSort or have the questions randomly shuffled.

*Include Questions:* If you have previously recorded scores on the current set of EQs, you will be able to choose whether you wish to study all the questions or just those you answered correctly or incorrectly.
When issuing an unqualified opinion, the auditor who evaluates the audit findings should be satisfied that the

A. Amount of known misstatement is documented in the management representation letter.
B. Estimate of the total likely misstatement is less than a material amount.
C. Amount of known misstatement is acknowledged and recorded by the client. ❌
D. Estimate of the total likely misstatement includes the adjusting entries already recorded by the client.

Incorrect...
The primary requirement for evaluating audit findings relative to issuing an unqualified opinion is that no material misstatements are believed to exist. In addition, all known misstatements may not be recorded. Immaterial misstatements, even though they are known, do not have to be recorded.

Sequence Number - Since questions are shuffled each time you launch them from the EQ Start Page, this number is useful only in knowing your present location.

Exam Question Identifier - Whenever making reference to an EQ in a query, comment or statement to CPAexcel staff or fellow students, use this EQ ID number. It is unique and permanent to this question.

Rationale - This box contains the grade and rationale for your selected answer. It may serve as a "Hint" towards the right answer, or an explanation of the correct selection.
4 **Back Buttons** will take you to the first question in the series, or the previous question.

5 **The Progress button** will take you to the Progress Page. You will be able to return to the questions.

6 **Forward Buttons** take you to the next question, or the last question in the series.

**Exam Mode**
Selecting Exam Mode from the EQ Launch Page will trigger a new window to open. CPAexcel believes that by becoming familiar with what will occur on the actual CPA Exam, a candidate can improve their performance. CPAexcel has therefore recreated, as closely as possible, the interface used in the actual CPA Exam.

The non-configurable characteristics of Exam Mode are defined as follows:

- **Time Constraint ON** - Exam Mode will automatically calculate the amount of time you will be allocated for answering the questions.

- **Immediate Answer Feedback DISABLED** – You will have no indication of whether your response was correct or incorrect. Rationales will only be displayed in the post exam details.

- **Lesson Progress Updated** – Your lesson progress is recorded and the lesson overview will reflect your most recent responses.

Configurable characteristics are:

- **CPAexcel SmartSort**: Enable SmartSort or have the questions randomly shuffled.

- **Include Questions**: If you have previously recorded scores on the current set of EQs, you will be able to choose whether you wish to study all the EQs or just those you answered correctly or incorrectly.
In addition to familiarizing you with the pace of the actual CPA Exam, CPAexcel’s exam mode provides further exam experience by mimicking the AICPA interface:

Which of the following statements is correct concerning materiality in a financial statement audit?

- Analytical procedures performed during an audit’s review stage usually decrease materiality levels.
- If the materiality amount used in evaluating audit findings increases from the amount used in planning, the auditor should apply additional substantive tests.
- The auditor’s materiality judgments generally involve quantitative, but not qualitative, considerations.
- Materiality levels are generally considered in terms of the smallest aggregate level of misstatement that could be considered material to any one of the financial statements.

Figure 13–AICPA Interface/CPAexcel Exam Mode

1. **Topic and Sequence Number** – Provides the title of the lesson from which this question is drawn. The exam will display only the name of the exam e.g., Auditing and Attestation.

2. **Exam Timer** – The time you are provided here is automatically calculated to familiarize you with the pace you’ll need to maintain on exam day.

Based on the average time CPAexcel estimates a candidate will have to answer a similar question on the real CPA Exam, the time allocations are as follows:
- FAR = 122 Seconds per Question.
- AUD = 122 Seconds per Question.
- BEC = 125 Seconds per Question.
- REG = 102 Seconds per Question.

**Toolbar** – You will be provided a calculator on the exam. The exit button will take you to the next testlet, or exit the exam.

![Calculator Image](image)

**Figure 14 - Exam Calculator**

**Radio Buttons** - Questions are answered by clicking the corresponding radio button.

**The Helm** - The helm contains your navigation and notation tools. Jump directly to a question in the sequence or click the flag to mark a question you wish to return to. When a question is answered it receives a fuchsia box around the number in the helm. In the example above, questions 1 and 2 have been answered, question 3 has been flagged for review, and questions 4 through 6 remain incomplete.
**Alternate Navigation** - Move one question forward or back in the current sequence.

**Task-Based Simulations**
Many of the question types used in the simulation portion of the CPA exam are based on common computer interface controls and features such as text entry, mouse clicks, highlighting, and search.

However, some word processing and spreadsheet functions used during the exam differ from the standard Microsoft Excel® and Microsoft Word® functions. Therefore it is important to practice simulations and become familiar with some of their unique characteristics.
**Exam Timer** – The time constraint on the Task-Based simulation in CPAexcel is intended to mimic the one you’re likely to face on the exam.

**Toolbar** – Several tools are available to you in the Task-Based Simulation portion of the CPA Exam, and thus in CPAexcel as well. The “Split” buttons allow you to view separate tabs side by side, e.g. the research question in one pane and the literature database in the other. The same calculator you encountered in the MCQ area is again available, as is a spreadsheet tool.

**Tabs** – TBSs will usually contain 3 types of tabs: A work tab, a help tab and one or more information tabs. The work tab
(indicated by the pencil icon) contains the situation information, the question, and space for your response. Information tabs will house content you’ll need to consult or search in order to complete the work tab.

4. **Task-Based Simulation** - The types of questions you’ll encounter in the Task-Based Simulation vary from true/false questions to spreadsheet and form completion to citing authoritative literature as pictured above.

5. **The Helm** - The helm contains your navigation and notation tools. Jump directly to a question in the sequence or click the flag to mark a question you wish to return to.

When a question is answered, it receives a fuchsia box around the number in the helm. In the example above, we are looking at the first of two Task-Based Simulations contained in this testlet. The CPA exam will deliver 6 or 7 testlets. CPAexcel will deliver as many as are located on a single lesson.

6. **Alternate Navigation** - Move forward or back one TBS in the current sequence.
How Results Are Displayed in CPAexcel

Students sometimes have a little trouble understanding the way CPAexcel provides feedback at the end of quizzes and exam. Here’s how it works:

**For True/False Proficiency Questions:** In the following example, Result A. indicates that you answered the question correctly. Result B. indicates that your response was “False” and the correct response was “True”.

<table>
<thead>
<tr>
<th>Result A.</th>
<th>Result B.</th>
</tr>
</thead>
<tbody>
<tr>
<td>True</td>
<td>True</td>
</tr>
<tr>
<td>False</td>
<td>False</td>
</tr>
</tbody>
</table>

**For Multiple Choice Exam Questions:** The following example displays the results of an exam question that was answered “B” when the correct response was “D.” Though rationales are provided for all four options, just the two relevant rationales are displayed in the quiz results.

For Task-Based Simulations: This example shows the results of a multiple choice type simulation. Here we see that the first three responses in the table are highlighted green, indicating a correct response. The fourth cell is red, indicating an incorrect response. The incorrect selection has been replaced with the correct response.

**For Written Communication:** Grading for this type of question is tricky since algorithms that can accurately and automatically assess all the components of a well written business document are nonexistent as of this writing. CPAexcel does attempt to grade your writing sample by comparing it with a sample provided by our faculty. When reviewing a question of this type, your response will be highlighted in green (if you earned points for your response) or red (if you failed to earn any points for your response). The professors’ sample is provided in the space beneath your response.

It is important to keep in mind the CPAexcel’s Written Communication grading should be viewed as a guide, not as a definitive indicator of how you will perform on this type of question on the exam.

**For Simulated CPA Exams:** Results from simulated exams include all the elements described above, plus some additional reporting unique to this type of exam. It can be fairly complex so we recommend reading the dedicated section on Simulated CPA Exams.
Electronic Flashcards
Tied to the Learning Objectives, the electronic flashcards included within your software provide you with a quick and easy way to review key points in each lesson.

1. **Sequence Number** - Indicates where in the Flashcard sequence you are. Since the cards shuffle each time you access them, this is useful only as a temporary reference.

2. **Flashcard Identifier** - This is a unique and permanent identifier that ought to be cited whenever making reference to a particular card in discussions and questions.

3. **Back Buttons** - Navigate back one card, or return to the first card in the current sequence.

![Electronic Flashcard Viewer](image)

Figure 18 - Electronic Flashcard Viewer

The probability that a material misstatement would occur in the particular audit area in the absence of any internal control policies and procedures.
Common Icons in CPAexcel

Table of Contents

<table>
<thead>
<tr>
<th>Icon</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>🎓</td>
<td>Welcome</td>
</tr>
<tr>
<td>🧑🎓</td>
<td>Professors</td>
</tr>
<tr>
<td>🔴</td>
<td>Support</td>
</tr>
<tr>
<td>⌛️</td>
<td>Updates</td>
</tr>
<tr>
<td>🎈</td>
<td>Student Discussions</td>
</tr>
<tr>
<td>🔨</td>
<td>Simulations</td>
</tr>
<tr>
<td>🏆</td>
<td>Simulated CPA Exam</td>
</tr>
<tr>
<td>✅</td>
<td>Exam Tutor</td>
</tr>
<tr>
<td>🔴</td>
<td>Diagnostic Exam</td>
</tr>
<tr>
<td>🗨️</td>
<td>Unread mentored Discussion</td>
</tr>
</tbody>
</table>

Lesson Overview

<table>
<thead>
<tr>
<th>Icon</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>🏡</td>
<td>Lesson Overview</td>
</tr>
<tr>
<td>🎥</td>
<td>Video Lecture</td>
</tr>
<tr>
<td>🎈</td>
<td>LectureSlides</td>
</tr>
<tr>
<td>📚</td>
<td>Study Text</td>
</tr>
<tr>
<td>🔍</td>
<td>Proficiency Questions (PQ)</td>
</tr>
<tr>
<td>🕒</td>
<td>Exam Questions (EQ)</td>
</tr>
<tr>
<td>🔨</td>
<td>Task-Based Simulations (TBS)</td>
</tr>
<tr>
<td>🔌</td>
<td>Electronic Flashcards (FC)</td>
</tr>
<tr>
<td>🗨️</td>
<td>Mentored Discussion</td>
</tr>
</tbody>
</table>

Figure 19 - Icons in CPAexcel

CPAexcel Updates

Your guarantee entitles you to two important types of updates for your CPAexcel materials: software updates and content updates.

Software Updates

Software updates include a range of changes to your courseware. Minor maintenance updates are required from time to time in order to fix software bugs or refine some aspect of the functionality. Major updates to the platform add new tools or question types.
Each major software change is accompanied by a change in the CPAexcel version number. The current edition as of this writing is CPAexcel Version 7. V7 was released in September 2010 and included major changes to the grading system and navigation in CPAexcel.

Content Updates
It should go without saying that studying with outdated review materials is a waste of your time at best. We endeavor to keep your content as up to date as possible by releasing new and updated material when you need them.

Each major content change is accompanied by a change in the content edition number. The current edition as of this writing is 2012-8 to signify that it is the second revision of the 2012 content. 2012-8 content was released in November 2012.

When Do You Need CPAexcel Updates?
As a general rule, any law, rule or regulation that has been in effect for at least six months may be tested on the CPA Examination.

For Auditing (AUD) this means that accounting and auditing pronouncements may be tested on the Uniform CPA Examination in the testing window beginning six months after a pronouncement's effective date, unless early application is permitted. When early application is permitted, the new pronouncement is eligible to be tested in the window beginning six months after the issuance date. In this case, both the old and new pronouncements may be tested until the old pronouncement is superseded.

For the Regulation (REG) Federal Taxation area this means that Internal Revenue Code and federal tax regulations in effect six months before the beginning of the current window may be tested.

For all other subjects covered in the Regulation (REG) and Business Environment and Concepts (BEC) sections, materials eligible to be tested include federal laws in the testing window beginning six months after their effective date. Uniform acts may be tested in the window beginning one year after their adoption by a simple majority of the jurisdictions.
How Do You Get CPAexcel Updates?

**Online Updates:** You don’t need to do anything to receive updates to the online courseware. They usually occur late at night and require one to two minutes of system downtime. We try to provide at least 12-24 hours of notice for this type of planned maintenance.

**Updates to Your Installed Courseware:** Updates to your installed courseware are only slightly more involved. Each time you launch or close CPAexcel offline, the software will attempt to connect with the CPAexcel servers to synchronize and backup your study metrics, renew your permissions, and download any available updates. In the event that updates are available, after they have downloaded, CPAexcel will automatically install them when you restart CPAexcel.

**Personalized Updates**
If you have already reviewed a CPAexcel lesson, you will see an update alert in your online course table of contents informing you that a change has been made. These changes are automatically integrated into the Study Text using color highlights to indicate their location (Fig. 7). If you haven’t opened the Study Text yet, updates are automatically integrated into the course content without highlighting the changes.

**Publishing Content from CPAexcel**
Lesson content in CPAexcel can be easily printed in a formatted lesson packet.

---

**Note:**
When content updates include video lectures, the download can be quite large and, depending on the speed of your internet connection, may take up to 30 minutes to download.

Downloads take place in the background so you may continue studying. Interrupted downloads will automatically resume when you next start CPAexcel.

---

Figure 21 - Personalized Text Updates
The Publish button on the main toolbar will activate whenever there is content available for printing.

1. **Publish Window**: Clicking the Publish button will launch a window that contains the formatted materials. Just click the “Print this Material” button to launch printer options.

**Figure 22 - The Publish Window**

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**Ratios - Liquidity/Solvency and Operational**

I. **Background**

**Definition**

Financial Statement Ratio Analysis: The development of quantitative relationships between various elements of a firm’s financial statements.

A. Ratio analysis enables comparisons across firms, especially within the same industry, and facilitates identifying operating and financial strengths and weaknesses of a firm.

B. The names given to ratios frequently indicate the nature of the quantitative analysis needed to develop the ratios.

**Example:**

Debt to Equity ratio = Total Debt (Liabilities) / Owner’s Equity
Publish Options: Choose which types of content you wish to include in your lesson packet, and decide the size at which you want the slides to print. Electronic Task-Based Simulations are not available to print at this time.

Print Formatted Content: You’ll notice that CPAexcel automatically formats the print content to make studying away from your computer as effective as possible. For example, exam and proficiency questions are printed with the answer keys and rationales separate from the stem. That way you won’t be tempted to ‘accidentally’ peek at the answer to a tricky question before giving it proper thought.

Technology
Our pedagogical approach and exam focused content is supported and enhanced by the power and flexibility of the software used to deliver it. Designed specifically for the CPA Exam review, the Efficient Learning Software Platform (ELP):

- Tracks and displays detailed performance metrics to assist in pinpointing weak areas.
- Supports easy content updating in order to provide up to date content.
- Enables multiple ways of viewing the same content for different types of learners.
- Facilitates the study anywhere, anytime reality of people's busy lifestyles.
- Mimics as closely as possible the actual exam environment.

The Efficient Learning Platform (ELP)
The Efficient Learning Platform consists of two major components that interact closely.

Online Courseware
Browser accessible from any platform or location, the Online Courseware is laid out into main areas, the Home Window and the Content Window.
The Home Window

Main Navigation Bar

Home: Returns you to this Home Window view of CPAexcel from anywhere in the product.

View: Account Information displays the information we have on record for you. "Fonts" will allow you to adjust the size of the text in CPAexcel.

Print: On the Home Window, the Print button is deactivated since there is no content to print. This button will become active once you have navigated to the lesson level. For more information, see Publishing Content from CPAexcel.

Help: Guided Tours: These tours contain much of the same information provided here, but in context and often with highlights pointing out the item under discussion.

Help Desk: Report any technical support issues here for quick resolution to any problems you are experiencing.

About: License and Software Version information are available here.

Tip:
If whilst using CPAexcel you notice that a metric isn’t updating, the solution is often as simple as returning to the Home Page, and then reloading the Content Panel. This will force a refresh of most of your metrics.
**Search:** Open or close the Search field. For more information on this tool, see The CPAexcel.

**Logout:** If you regularly use CPAexcel on a public computer, we recommend getting into the habit of Logging Out of your account at the end of each study session.

**Course Material Panel** – The drop down menu will display the course(s) to which you have purchased access. The main panel will have links to the section within each course. Click any of the links in the body of this panel to load The Study Window.

**Welcome Panel** - The first place to check when logging in to CPAexcel, the Welcome Panel displays three important pieces of information:

- **Last Login/Location:** Pick up right where you left off the last time you used CPAexcel.
- **Assignment Summary:** Assignments pace your studying by gathering lessons into groups that must be completed on time in order to be prepared for the exam by a specific date. Your next assignment due can be accessed directly from the link displayed here.

Any number of late assignments will be displayed in red above the table, but to access them you will need to check your syllabus in The Course Manager.

- **Exam Planner Summary:** Preparing for the content you’ll face on the exam is your main reason for being here, but don’t lose track of some of the administrative tasks you’ll need to complete on your way to becoming a CPA. Distinct from Study Assignments, the events listed here are intended as reminders for items such as sending the State Board your transcripts and looking for your score. You may use the check boxes to hide events upon completion.

**Mentoring Panel** - If your course includes access to the subject-matter experts who monitor the Mentored Discussions on each lesson, this panel will contain two pieces of information:

- **Discussion Summary:** Lists the sections of material to which you have access, and the number of unread threads within them.
- **Section Threads:** Clicking on any of the titles in the Summary will display more detail on which lessons contain the unread threads, along with the subject line used when the thread began.
You can mark threads as read from this panel if they do not interest you, or you may click the subject line to load the lesson and thread. For more information on this topic, see the Mentoring section.

5 **Scorecard Panel** - The scores you record on your lessons, diagnostics quizzes, simulated exams, and elsewhere all ‘bubble-up’ to this spot. The Scorecard Summary provides you with the quickest and broadest measure of whether or not CPAexcel judges you to be ready to sit for a particular exam part.

*Total Study Time:* The units of measurement here are Days: Hours: Minutes (DD: HH:MM). Note that study time at the lesson level displays only HH: MM.

*Lessons Complete:* If you achieve a score of 90% or greater on a lesson, it is marked as “complete” in CPAexcel. You can change the way this metric is displayed from a fraction to a % and back by clicking the button.

*Simulated CPA Exam:* An important part of being fully prepared for the CPA Exam is to be familiar with the length of the exam, the structure of the testlets, and the mix of questions as well as the software you’ll need to navigate at the Prometric Center. For this reason, your performance on a Simulated CPA Exam in CPAexcel figures largely into your section completeness. In fact, 50% of your overall grade comes from your Simulated Exam Score, so don’t skip it!

*Section Completed:* Displayed as a % or a simple Yes/No, this line is the bottom line on your current level of exam readiness.

6 **Course Manager Panel** - The Course Manager displays links to the syllabi of 3 distinct types of courses:

*Exam Planner Courses:* Your personalized exam plan for each of the sections you have set up exam dates for.

*Courses You’ve Created:* CPAexcel includes the capability to create custom courses using material selected from one of the four sections. If you can’t get the schedule you want using the Exam Planner, creating a custom course will provide more customization options.

*Courses You’ve Joined:* Once you have created the perfect custom course with just the right schedule and just the right content, you can share it with other CPAexcel users, or invite non-CPAexcel students to sign up and join. Any course you have been invited to,
and accepted, will appear here.
For more information, see the section on The Course Manager.

**The CPAexcel Search**
The CPAexcel Search is a simple search function that allows you to quickly locate topics and key words across the entire review course.

1. Click “Search” to open the search field, and click it again to begin a search.

2. CPAexcel indexes Learning Objectives, Study Text, PQs, EQs, and Electronic Flashcards. If the term you entered appears in any of these types of content, the results will reflect the type and number of hits along with a link to view the content. PQs, EQs and Flashcards will load immediately and allow you to scroll through them. Learning Objectives and Study Text links will open a details page.

---

**Tip:**
The CPAexcel Search works with unique question identifiers which are useful when a student discussion references a question but doesn’t reproduce the content.

**Example:** A discussion surrounding AICPA.931148FAR-P1-FA is of interest, but doesn’t reproduce the question content or cite the lesson on which it is located. Use the Search to find it!

**Note:**
The Search is not case sensitive. You’ll receive the same results for “IASB” and “iasb.”
Tip:
Want to quiz yourself on “IFRS” or “Ethics”? Set up a Topic Specific Quiz by entering the topic into the Search and clicking PQs or EQs in the results. You’ll be able to drill on questions related to your choice of topic. You can check your overall progress on the questions but your responses won’t affect your lesson progress.

Figure 25 - Search Results

1. Three buttons are available on the mini-navigation bar. View Source Lesson will load the full lesson where the content is located. This is useful if you want to look at related content of a different type.

2. Return to Summary Results will reload the previous page where different types of content are listed.

3. Close Search Results will close the search window and reload the content you were viewing before you began using the library.

Section and lesson titles are provided. Click the title to open the relevant study text. Your search term will be highlighted in yellow for easy reference.

Each piece of Study Text or Learning Objective is given a score based on how relevant we believe the content is to your search term. In the example pictured, Study Text with “IASB” in the title is ranked more highly than text where the term is located in the body only. When searching for multiple words or a phrase, text that contains the entire string will be scored more highly than text that merely contains all the words randomly distributed.
The Study Window

Main Navigation Bar – Note that the “Publish” button is now active. All other functionality on the Main Nav. Bar remains the same as described in The Home Window area.

Table of Contents – All the content of each section of CPAexcel can be seen at a glance in The Table of Contents. Click on any of the Lessons in the Table of Contents to load an overview.

Content Panel – This is the area where all your study materials will be displayed. The illustration above displays the Lesson Overview loaded into the Content Panel.

Mini-Navigation - When a lesson is loaded into the content panel, a mini-navigation bar will appear. This will make switching between different types of content quick and easy since you won’t need to keep returning to the Lesson Overview.
Lesson Objectives - Read these carefully! They clearly and succinctly list the main points you’ll be expected to have mastered in 30 minutes.
The Star Rating on each objective serves two purposes:

1. Give each objective a score, any score, to denote your understanding of the concept.
2. Rate us. If you think we’ve done a poor job helping you master a particular objective, let us know. It’s this type of feedback that will allow us to continually monitor and improve CPAexcel.

Lesson Overview - The Lesson Overview provides all the most important information about a lesson at a glance.

Lesson progress is a combined weighted score of Exam Questions and any available Task Based Simulations. As you use the study tools accessible through this lesson, your lesson progress will be updated. In addition, when you use the Diagnostic Exams, Exam Tutor and the Simulated Exams, your progress on questions included on this lesson will automatically update your overall lesson progress.

Lesson Average Information – Compare your time to mastery with that spent by students who have reported success on the CPA Exam. You might think that spending more time is always a good thing, but this metric will remind you that sometimes you need to be strategic in where you commit yourself. That’s the great thing about Bite-Sized lessons: if you find yourself spending far more time than the average four-Part Passer, move on! Blowing your whole exam plan to get a perfect score on every last lesson is not good a strategy for success.

Trivia: CPAexcel Version 7 was released in September 2010 and was the first Review Course to offer study materials for the 2011 exam.

By pure coincidence, the first release of v7 contained exactly 2011 Learning Objectives.

Note: “Estimated Average” vs. “Average Total Study Time for Four Part Passers.”

Since Version 7 of CPAexcel is all new, there has not been enough time to accumulate significant amounts of study time from which to draw an average study time for passers.

Until enough data is accumulated, CPAexcel will use calculations based on the amount of material present on a lesson compared to history from the last 6 years to produce an accurate but “Estimated Average.”
The Table of Contents

Figure 27 - The Table of Contents

Split/Un-split Screen - This button allows you to view two separate components of a lesson simultaneously. You may, for example, view the Proficiency Questions in one screen and refer to the relevant Study Text in another side-by-side screen. This option is only available in Study Mode.
Split Screen Viewing

CPAexcel allows you to view two types of content side by side. Simply click the Split Screen button \( \square \) at the top of the Table of Contents and use the Mini-Navigation bar to choose the types of content you wish to load. This is particularly useful for those who like to have the Study Text open while listening to the Lecture.

**Tip:**
If you are using a smaller screen resolution like a netbook, hiding the Table of Contents will make reading the material easier by having to scroll less.

**Tip:**
Looking for a particular lesson? Hit Ctrl + F on your keyboard and type the title of the lesson you want into the search box that appears.

**Show/Hide Table of Contents** - This button will show or hide the Table of Contents. Hiding it will automatically increase the area of the Content Panel.

**Expand/Collapse Table of Contents** - These two buttons allow the entire Table of Contents to be fully expanded, or fully collapsed with a single mouse-click.

**TOC Help** - This button provides helpful explanations for tools available in the Table of Contents.
Each of the four Tables of Contents begins with the following:

- **Welcome** - Serves as the landing page for the section and contains a brief message from the author introducing you to the area.

- **Professors** – Read a little about your Authors and Mentors and watch a short video introduction from your instructor.

- **Support** – There are three separate support areas contained under this heading:
  
  o **Product Support** – Your CPAexcel “Owner’s Manual” provides detailed information on almost every facet of your review course.
  
  o **Study Support** – Advice on studying, details on how to contact your Mentor and a forum for asking general questions on the topic.
  
  o **Technical Support** - Answers to frequently asked questions, information to help you troubleshoot technical issues and, for when all else fails, information on all the different ways you can get in touch with CPAexcel staff for assistance.

- **Updates to the Course Material** – Significant updates to your course materials will be announced by an email, but the details on where those changes are located along with any errata for your textbooks (and printable .pdfs) are provided in this area of each table of contents.

- **Student Discussions** – One per section, the student discussions are intended to foster peer discussions on any topic related to the material, the CPA Exam, or the accounting field in general.

  The Student Discussion area is monitored by CPAexcel Service and Support staff and NOT by Mentors.
Simulations/Written Communication – Though the actual simulations are located at the lesson level, additional descriptions and guidance on Task-Based Simulations are provided in this lesson. In BEC, this lesson is replaced by one dedicated to the Written Communication task.

TBS Tutor - Allows you to practice randomly selected TBSs in each exam section. This feature is covered more thoroughly in a subsequent section called The Exam Tutor.

Exam Tutor – A powerful tool for creating customized exams, this feature is covered more thoroughly in a subsequent section called The Exam Tutor.

Simulated Exam – Crucial to passing CPAexcel and an important part of preparation for the CPA Exam, unlimited Simulated CPA Exams can be launched from this spot in every TOC. More info in the Simulated CPA Exams section.

Study Section and Subsection - The Study Section falls directly below the Exam Section, while any expandable section beneath a Study Section is a subsection.

Diagnostic Exams – Distributed throughout the 4 sections of CPAexcel, Diagnostic Exams offer a quick and easy way to gauge your level of knowledge across a related set of lessons. See the Diagnostic Exams section for more information.

Bite-Sized Lessons - The lesson level is where your courseware is located. Clicking on a lesson will load the Lesson Overview in the content panel and will be made up of Study Text and practice materials (EQs, PQs etc.).
Progress Icons

Progress Icons are the small squares or circles located in the table of contents. They provide a quick guide to your proficiency in an exam section. They are automatically updated to reflect your overall lesson and section progress and allow you to gauge which areas need attention at a glance.

A square progress icon indicates sections and subsections, while the circular progress icon is reserved for lessons.

The colors indicate the following:

- **Green** (excellent) - You received a 90% or higher in the last lesson exam and may consider yourself proficient in this area.

- **Yellow** (good) - A good score was earned on the last exam in this area (between 75 and 89%) though some improvement is highly recommended before moving on.

- **Orange** (average) - Your score on the last exam fell between 50 and 74%.

- **Red** (poor) - The last exam resulted in a score of less than 50% and requires further study.

- **White** (Empty) - No scores have been reported for this area.

- **Grey** – No Exam Questions are associated with this area and so no Exam score or Seminar Grade is possible.

Installable Courseware

Also known as “CPAexcel Offline,” the installable courseware will allow you to continue studying even when an internet connection is not available. The latest courseware can be downloaded from the CPAexcel website, or installed from a CD-ROM or Flash Drive.

The vast majority of the content, functionality and user interface is identical in the Online and Offline versions of your review course. There
are a few important distinctions unique to the offline version to keep in mind.

**Synchronization**

Synchronizing CPAexcel will automatically compare the scores and dates of all your work in CPAexcel offline with those saved in your online version. If the Sync tool finds data in one version that does not appear in the other version, it will update both with all new information.

Synchronization runs automatically at the beginning and end of every offline study session when an internet connection is available. You can also perform a manual sync by clicking the link in your welcome panel.

Among the benefits of automatic synchronization of your online and offline software:

1. Syncing frequently will keep your software up to date by notifying you when new courseware or software updates are available.

2. Syncing frequently ensures you always have a recent backup of all your work.

3. Syncing runs a security check ensuring that your account is not being used by unauthorized owners of your course.

4. Syncing allows CPAexcel to gather statistics. We use these anonymous statistics to improve the software and provide useful information that helps guide your study strategy e.g. the 'Average Total Study Time for All Students' in the Lesson Overview may help determine how long you spend on a particular lesson.

5. Syncing allows mentors to view your progress.

**Remote Updates**

Updates to your online content occur automatically. If you don’t check the Updates lesson at the top of each TOC you may not even be aware a content update has taken place. The offline update is a little different. See the CPAexcel Updates section for more information.
Limitations in the Offline Version

If an internet connection is not found, there are a few items that will not be available in CPAexcel Offline since they require connectivity to function. Key items among them are:

Syncing and Content Updates: Synchronization of Metrics and updates to your courseware can only occur when there is a live connection to the CPAexcel servers.

Discussion Forums: None of the Student or Mentored Discussions is available without an internet connection.

Streaming Video: However, if you have DVDs or a CPAexcel Traveler available, you will be able to watch your lectures.

Select Course Manager Functionality: Private discussions and the ability to invite friends to your course are disabled in the Offline Version.

Planning Tools

The Exam Planner

The Exam Planner begins by asking exam candidates to answer one of two simple questions: “When do you need to pass the exam?” or “How much time can you devote to studying?”

Creating a Plan

Helping to make the process of passing the CPA exam more manageable, the Exam Planner provides a quick, simple way to create a clear, accurate exam plan customized to each individual. The student’s personal exam plan replaces previous 15, 30, 45 and 60 day seminars and adds additional tasks beyond the main task of studying.

The CPAexcel Exam Planner helps to make the process of passing the CPA exam more manageable by providing a quick, simple way to create a clear, accurate exam plan customized to each student’s unique circumstances.

Option 1 - Target a Date

Students can provide the date they want to start studying and how many hours per week they would like to study. The date they can realistically expect to have passed all four parts is quickly calculated and provided. Candidates who enter desired exam dates into the planner will be provided with the number
of hours they should expect to study each week in order to master the required material.

OR

Option 2 - Hours Per Week
Students can provide the date they want to start studying and when they want to sit for the exam. The planner will indicate the number of hours a student should expect to study each week in order to master the required material.

In both cases students can adjust hours and dates to quickly familiarize themselves with the time commitment required to properly prepare for the CPA Exam; the first and arguably hardest lesson to learn on the road to passing.

The suggested study times are not theoretical. The CPAexcel Exam Planner leverages millions of student study metrics collected over the past six years and correlates them with success on the actual exam. While some students will require more or less time to prepare than the average exam passer, these benchmarks provide students realistic information as they adjust the exam planner to create their study plans.

The Exam Planner combines all these calculations with the information provided by the student to create a Personalized Exam Plan (PEP) that schedules each student’s Exam Events such as dates for submitting applications, taking exams, doing Study Assignments, and covering all the knowledge you need to pass the CPA Exam.

CPAexcel follows up by actively managing student progress against the milestones in the students’ PEP, such as:

- Tracking completion of assignments.
- Displaying the title and a link to the next assignment.
- Providing alerts and reminders to keep students on track to be ready to sit for the CPA Exam.

Finally, administrators and mentors can be provided access to information in a student PEP in order to monitor individual progress, compare groups, or generate reports.

The PEP reinforces a key component of exam success - scheduling an actual date to sit for the exam. Because the exam covers a great deal of material and the review process can be time-consuming, candidates can
get off-track more easily. Without a scheduled sitting date, candidates may continually postpone sitting because they feel unready or they didn’t complete the application requirements in time. You are far more likely to be successful if you create a plan, schedule your exam date, and follow through.

Once you have created your PEP, it will list all your study assignments and their start dates providing structure to your study plan. As you complete assignments, detailed performance metrics are provided within the table of contents, your Lesson Overview page, and in the Summary Scorecard and Scorecard Details to enable you to track your progress. Your scores are recorded for each bite-sized lesson, enabling you to easily see which lessons you’ve mastered and which you need to review further.

**Staying on Course**

Once a candidate is satisfied with the basic structure and study time requirements they have created, the Exam Planner will generate a detailed exam plan that lists, dates, and explains the following:

*Study Assignments*
Related groupings of CPAexcel's bite-size lessons and other graded items, which contain a video lecture, slides, study text, proficiency and exam questions, and electronic flashcards.

*Exam Events*
Tasks, milestones, and reminders related to the exam process itself e.g., submitting applications, scheduling dates, and receiving scores.

*The Welcome Panel*
The enhanced Welcome Panel is the first place students should check each time they login to CPAexcel since it contains important information, alerts, and links. Most notably it will list any current or pending study assignments and exam tasks.

While the number of late assignments is indicated in the Welcome Panel, the assignments themselves are linked in the Welcome Panel. Students must consult their syllabus via the Course Manager to see which assignments are late.
Diagnostic Exams

Diagnostic exams randomly pull 25% of questions from specific sets of lessons, shuffle and deliver them in Exam Mode. The diagnostic exams are used to initially identify areas of strength and weakness in your existing knowledge. They can also be used as a supplement to your regular schedule to assess ongoing progress.

The Diagnostic Strategy

A traditional study strategy is one that moves through the Table of Contents, top to bottom, in a methodical manner that covers all the material. While this is a tried and true method, one strategy does not fit all, especially if time is limited.

To implement a Diagnostic Strategy, begin your studies by taking all the Diagnostic Exams in a particular exam section. Based upon the scores of those exams, determine where your proficiencies and deficiencies lie. Instead of studying the material top to bottom, you can narrow down your weak areas and jump around in the table of contents as necessary.

You might think of it in the following terms: Allow your diagnostic scores to 'pull you through' the material, instead of pushing your way through the table of contents.

The Diagnostic Strategy is meant to help shape the order, in which you approach the material, not to replace the reading and assessment of the material in CPAexcel. Our authors strive to include only what is necessary to pass the CPA Exam, nothing more. Therefore, deciding to skip an area based upon a diagnostic score could leave you insufficiently prepared for the CPA Exam.
Management Tools

The Course Manager

The CPAexcel Course Manager displays status information and when applicable, provides the tools for creating, editing, and maintaining three distinct types of courses.

The Course Manager serves these basic purposes:

- Supports your personal use of CPAexcel to pass the exam.
- Allows you to see your syllabus of assignments, your grades, and dates to ascertain your progress and manage your time efficiently.
- Automatically handles all the record-keeping and display of information.
- Provides the means for you to post your exam scores as you progress through the entire four part course.

Course Types

Exam Planner Courses

Also known as a “Study Schedule” or “Personalized Exam Plan (PEP).” Candidates who use the exam planner to create their study plan will see between one and four Exam Planner Study Schedules in the Course Manager. The only adjustable parameter for Exam Planner courses is the start and end date, and this can only be changed by using the Exam Planner (to open your Exam Planner click the link under the Tools menu).

Pausing a Course

If you’d like to take an extended break from your study schedule, click the Alarm Clock icon in the course manager to pause your plan. Upon resumption of your course, the exam planner will change the dates of your assignment but keep your targeted exam date the same.

Custom Courses

Also known as “Courses I Created.” The course manager includes the ability to create courses more customizable than the study schedules created via the exam planner. Depending on the type of access (Administrator, Instructor, Author, Mentor or Student) custom courses allow filtering of the content included, changes to the relative score weighting of
assignments, quiz creation, and adjustment of release and due dates at a level of detail not possible with Planner Courses.

*Joined Courses*
Also known as “Courses Created by Others.” Students can choose to accept invitations to join other people’s courses. They cannot be edited in any way.

*Course Information*
For all course types the manager displays:

**Course Title:** All accessible courses are listed by title and categorized by type. Click the course title to open the syllabus containing assignments, release, and due dates.
Assignments grade automatically throughout the day as you are studying with a slight delay of a few hours. To manually update assignment grades, check the corresponding box and select re-grade from the drop-down list at the bottom of the syllabus.

**Status Bars**
**Grade:** Both the color and % filled indicate the overall course grade (red = < 70%, yellow = 70-80%, orange = 80-90%, green = > 90%). In the case of exam planner courses, it corresponds to the information in the scorecard summary panel since the course contents and grade weighting is the same.

**Assignments:** The color and % filled mean different things for the assignment status bar.

The % the status bar is filled = % complete by date i.e., the bar will fill as due dates pass, whether or not a student has completed the assignments.

The color of the assignment bar indicates course status:
**Red** = one or more incomplete assignments are past due,
**Yellow** = one or more released assignments await completion,
**Green** = all released assignments have been completed.

Course Manager helps you meet your Personalized Exam Plan due dates. Using those dates, it presents your assignments, sends alerts and reminders, and logs your progress in completing the assignments. Use it to create a Private Study Group so you and others may study on the same schedule and have Private Discussions. You may also create other courses.
**Private Study Groups**

Private Study Groups enable CPAexcel students to study together online on the same schedule and communicate privately among themselves. Groups might consist of ex college buddies who would like to study together as they did in college. Or a group might consist of staff members at the same firm or company. There are no limits on the basis for a Study Group, or its size and locations of its members.

Any CPAexcel student may invite anyone (including non-CPAexcel students) to join her or him in their course. However, Study Group members must be CPAexcel students to become participating group members.

**Private Discussions**

A link to open the private discussions is available to the course creator and all his/her invitees. Private discussions are at the course level (there is one discussion area for the entire course) and are only accessible via this link.

**Invitations**

Opens the invitation window from where a course owner can invite people (current CPAexcel users or the public at large) to join any of his or her courses by entering their email address. Invitees receive a preformatted email containing information about how to accept your invitation. They will also be notified of your invitation the next time they sign in to CPAexcel.

The status of prior invitations is visible in the invitation window – see who has yet to accept your invitation, drop those who have etc.

**Dropping a Course**

If you are the creator of a course, dropping it will delete the course from your course manager, as well as from the course managers of those people who joined your course. Pending invitations will be retracted.

If you have joined someone else’s course, the drop button will merely remove the course from your course manager. The course owner will see your ‘left the course’ status in their invitation window.
Assessment Tools

The TBS Tutor

The Tutor allows you to ....

The Exam Tutor

The Tutor allows you to use the Table of Contents like a menu, selecting which topics you wish to include in an exam, which you wish to exclude, and how many questions you want to include in the test. The easy-to-use interface also lets you set parameters such as the maximum number of questions, whether to include questions previously answered, and whether to build the exam from questions you answered incorrectly in the past.

Once you complete an exam, you will be presented with the familiar Lesson Overview from where you may view and/or print the details, or retake the same exam.

Scores achieved on an Exam Tutor Exam will contribute to your lesson progress.

Simulated CPA Exams

Becoming familiar with the exam itself - whether it is the software you will have to use or the length of time you will have to sit in one spot - will minimize surprises and maximize your ability to concentrate on the day you sit for the exam.

CPAexcel’s simulated exam procedure provides step by step instructions for creating a realistic CPA exam experience including time limits, break policies, and sequencing of materials. At the conclusion of the exam, you will be provided with a diagnostic evaluation of your performance on a subject-by-subject basis.

The length and make up of each CPAexcel Simulated CPA Exam varies with each exam section and mirrors the structure of the exam itself.

The multiple choice questions are randomly selected from our database and presented in three "testlets" containing 24 or 30 questions each. The "testlets" are completed in order, one at a
Pass the CPA Exam!

You cannot return to a "testlet" once it has been completed.

You can take CPAexcel's Simulated CPA Exams whenever and as often as you want. Each time you're given a new random set of exam questions. After each exam, you will receive a highly detailed breakdown of your performance per lesson, per exam, and even per the AICPA Exam outline, helping to pinpoint your strengths and weaknesses.

Your AICPA Grade Breakdown is a table of your score by corresponding AICPA content specification. The reported grade is the percentage of multiple choice questions you answered correctly within that content specification.

Each exam question is also linked to the appropriate lesson for instant access to relevant information. You can readily see how many questions were used from each lesson. This makes it easy to review additional questions and text as needed.

The feedback on the Simulated CPA Exams allows you to thoroughly analyze your performance and take any needed remedial steps before you sit for the Exams. This will allow you to approach the exam with greater confidence.

Scores achieved on a Simulated CPA Exam will contribute to your lesson progress.

**End-User System Requirements**

**Online Access**

- Supported Browsers: (Recommended) Mozilla Firefox 3.0 or later, Safari 4.x, Google Chrome, Microsoft Internet Explorer 7 or later.

- The Adobe Flash Player plug-in v10 or later is required to view Video Lecture courses.

- Internet connection: An Internet connection is required and high speed Internet access is recommended for viewing Video Lecture courses on-line.

- Requires a minimum of a 256Kbps Internet connection - a 512Kbps or faster internet connection is recommended.

- Accessing the on-line course materials requires authentication with a valid username and password.
Installed Software

- **Required Operating Systems:** Windows 7, Windows Vista, XP SP2; Mac off-line client scheduled to coincide with CPAexcel v7 release.

- **Minimum Hardware Requirements:** 800 MHz processor, 256MB RAM, 775MB free hard disk space.

- **Installation requires CD/DVD drive, USB, or high-speed internet access.**

- **Accessing the course materials on the USB flash drive requires a USB port.**

- **Internet connection:** An Internet connection is required during installation, also to renew permissions a minimum of once every two weeks and to update the software. Certain features require Internet access. High speed Internet access is recommended.

- **Installing and registering an off-line client requires a serial number (on the first access only) which is provided via email automatically upon registration.**

**Services**

**Discussion Forums**

CPAexcel contains a variety of dedicated discussion areas:

1. **Student Discussions** are moderated by CPAexcel Support Staff and intended to foster peer discussion of all topics related to the specific section of the CPA Exam.

2. **Mentored Discussions** are intended for questions about content and are located in every lesson.

3. **Support Discussions:**
   a. **Product and Technical Support:** These areas contain a link to the Help Desk, also accessible from the main menu. Technical issues posted here will receive a prompt response from CPAexcel staff.
b. **Study Support**: Monitored by one of our subject matter experts, use this forum to post questions not suited to a specific lesson further down in the table of contents.

**Guidelines**

If this is your first time using one of the CPAexcel Discussion areas, please review the information below as use of any of the CPAexcel forums indicates your acknowledgment and acceptance of the following guidelines:

1. **Post to the appropriate forum.** To ensure a timely response to your questions, students are asked to make an effort to communicate via the appropriate channel:
   a. **Specific content questions** should be posted in the mentored discussion area of the lesson that houses the content.
   b. **General questions for a mentor** may be posted in the discussion forum attached to this lesson (see limitations below).
   c. **Score Reset Requests** may be emailed to support@cpaexcel.com, or posted in the Help Desk, or the dedicated category in the Student Discussion forum.
   d. **Technical problems** are handled by CPAexcel staff and not the mentors. Though staff does monitor all mentored discussions, contacting technical support directly will result in quicker resolution. See the Technical Support area for more information.
   e. **Complaints** should be mailed directly to info@cpaexcel.com. CPAexcel will answer all problems and endeavor to solve them in a timely fashion; however, unconstructive criticism will be removed from the CPAexcel Discussion Forums.
   f. **All other questions and comments** should be posted to the appropriate subsection of the Student Discussion forum available near the top of the table of contents in each of the four parts of CPAexcel.
2. **Be constructive.** Complaints should be mailed directly to info@cpaexcel.com. CPAexcel will address all issues and endeavor to solve them in a timely fashion; however, unconstructive criticism will be removed from the CPAexcel Discussion Forums.

3. **Be nice.** CPAexcel students should post in a way that is respectful of other users. CPAexcel Support Staff reserves the right to edit or remove any post at any time and the determination of what is construed as indecent, vulgar, spam, etc. is at the sole discretion of CPAexcel Staff. Repeated abuse of the discussion forums may result in termination of discussion forum and/or CPAexcel access without refund.

4. **Use an appropriate, descriptive subject line** when posting a new topic. Examples of bad titles include; "Help me!"; "I think I found an error!" etc. Examples of good titles include; "Why is PQ1423 False? ", "Flashcards in Extinguishment is blank." etc.

5. **Use clear, concise and grammatically correct business English** to ensure prompt answers from CPAexcel staff. We remind you that the CPA Exam is given in English only and success in passing requires a certain level of language and reading comprehension skills. A student lacking in those skills, even if meeting the minimum requirements for taking the exam, has a very low possibility of passing. CPAexcel does not provide English language instruction beyond the guidance and resources provided in the Written Communication lesson in the BEC section of CPAexcel.

6. **Don’t post excessively.** Since this is a review course, students are expected to have an understanding of the basic subject matter in order to comprehend and benefit from this course. If a student demonstrates a lack of such basic knowledge by posting an excessive number of questions the CPAexcel Support Staff will provide a private warning. Repeated infraction may result in suspension of a student’s access to CPAexcel mentors.

7. In order to keep the forum archives relevant, posts containing content that has been removed, changed, or updated will be removed.

8. CPAexcel has been asked to remind its students that exam candidates sign a non-disclosure agreement when sitting for the exam. We understand that discussion of material you saw tested on the exam may be helpful to your fellow candidates, but we ask that you refrain from posting any specific
information that may contravene the agreement you signed on exam day. General discussion of exam content is not prohibited.

Reporting Errors

Content
CPAexcel staff and faculty strive to keep the content of this course as error free and up to date as possible. However, with the amount of content included in this course, and the new pronouncements being adopted as well as new laws being passed, it is an unfortunate inevitability that typos are missed and items become outdated.

Should you encounter anything you believe is an error, please contact your mentor. Nine times out of 10 the material is correct, but requires some additional explanation before it ‘clicks’ for you. On those occasions when the material does in fact need to be corrected, the mentor will provide you the correct answer/explanation and alert our editorial staff that a change needs to be made.

Software
From time to time errors do occur in the CPAexcel software. We want to hear about them as soon as possible so the issue may be addressed quickly.

Contact us via email at support@cpaexcel.com.

In all cases we reserve the right to keep discussion archives relevant by deleting the post once the error has been corrected.

Mentoring
Students who have purchased mentoring automatically move through these ‘courses within a course.’ For example, as a student moves through the BEC section of CPAexcel they will pass from Prof. Meakin’s Business Structure course, through Prof. Bizzell’s Economic Concepts, and Financial Management courses before ending in Prof. Gillespie’s courses covering Information Technology and Planning and Measurement.

Students will pass seamlessly from one course to another while the mentors will be able to track and monitor student progress in their area via their rosters and grade books.
Professor Mentored Learning provides unlimited access to CPAexcel’s subject-expert professors who will give you prompt answers to your questions, monitor your progress, and offer tips and guidance. If you do not currently have Mentoring as part of your review course, you may upgrade here: http://www.cpaexcel.com/candidates/professor_mentoring.html

Rather than having one person assigned to follow you through all the subjects covered on the CPA Exam, in CPAexcel you will encounter different mentors who specialize in different subject areas as you move through the four sections of course.

### CPAexcel Mentors

**Auditing and Attestation**

**Professor Jeanne Yamamura, Ph.D, CPA, MIM**
University of Nevada, Reno: Professor of Accounting Emerita

Blending her professional and her academic worlds, Dr. Yamamura has been the Chairman of the Nevada Society of CPAs and an auditor for Touche Ross & Co., as well as an accounting professor at the University of Nevada, Reno. During her distinguished career, she taught Auditing and Accounting Information Systems classes. Interested in international business, she has been teaching workshops for island governments as well as the Association of Pacific Islands Public Auditors. Her publications address globalization and cultural differences, the role of accountants in Japan, and international business ethics.

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**Economic Concepts, and Financial Management**

**Professor Allen H. Bizzell, Ph.D., CPA**
University of Texas, Austin: Associate Dean Emeritus, College of Business Administration/Graduate School of Business; Professor Emeritus, Department of Accounting

To acknowledge his teaching ability, Professor Bizzell was given the UT Student Council’s award for teaching excellence. Beta Alpha Psi, the accounting honor society, awarded him the Outstanding Faculty Advisor in 1975-1976, making him one of only four faculty advisors in the entire U.S. so honored. He has been involved with the CPA Exam for almost 35 years as a researcher, developer of exam-related materials, and national review course instructor. He has conducted numerous CPA Exam-related studies, including several analyses of CPA Exam Candidates’ Characteristics and Performance for the Texas State Board of Public Accountancy.
Planning and Measurement, Information Technology, Corporate Governance and Governmental and Not-For-Profit

Professor Janet Gillespie, Ph.D.
University of Texas, Austin: McCombs School of Business, Associate Chair of the Department of Accounting

In 1994, Professor Gillespie was one of two people to receive the AICPA Innovations in Accounting Education Award. She has taught in the highly acclaimed UT Austin Review since 1986. Her diversified experience includes private industry and government sector accounting, systems analysis, and taking part in the development and implementation of accounting systems in both mainframe and microcomputer environments.

Taxation

Professor John E. Karayan, J.D. Ph.D.
Woodbury University: Professor and Chair, Department of Accounting and IT

Formerly a senior executive with a New York Stock Exchange-listed high tech multinational, Professor Karayan is a tax attorney with a "Big 8" CPA experience. Twenty years ago, Dr. Karayan moved from the board room into the classroom as a Visiting Assistant Professor in the at the University of Southern California’s School of Accounting. He has kept active outside of academia as an expert witness in complex business litigation, and on the Boards of both public and private organizations. His most recent books are Strategic Business Tax Planning and State and Local Taxation: Principles and Planning.

Financial Accounting and Reporting

Professor Craig Bain, Ph.D., CPA
Northern Arizona University: Franke College of Business, Professor and Accounting Area Coordinator

The Arizona CPA Foundation for Education and Innovation acknowledged Professor Bain’s teaching accomplishments by awarding him the Excellence in Teaching Award in 2003. A full professor since 1991, he teaches Accounting Information Systems and Financial Accounting, bringing his “real world” experience as a CPA and in incubator development into his teaching. He is the author of a Florida CPA Continuing Professional Education course on Small Business Planning. Professor Bain received his Ph.D. from Texas A&M University in 1987 and his BS from California State University in 1980. Showing academic excellence at an early age, he is a Life member of California Scholarship Federation.
Auditing and Attestation

Professor Claire Latham, Ph.D., CPA
Washington State University: Associate Professor of Accounting

Dr. Latham was awarded the College of Business and Economics Outstanding Faculty Teaching Award as well as the Student's Award for Teaching Excellence. She teaches Intermediate Accounting, Accounting Information Systems, and Auditing. Her research interests include ethics and the public accountant with focus on agency relationships in securities fraud violations and efforts to enhance ethics training as well as information quality with emphasis on internal control and monitoring mechanisms. She received her Ph.D. from Georgia State University. Prior to teaching, she was an auditor for PriceWaterhouse Coopers, specializing in financial institutions, governmental entities, and construction accounting.

Ethics and Business Law

Professor Christopher Meakin, BBA, M. A., JD
University of Texas, Austin: Senior Lecturer, Department of Information, Risk, Operations Management.

Professor Meakin has been selected for the Honor Roll of the McCombs School of Business every year since 2003 for his teaching excellence. He teaches Business Law, Entrepreneurship, and Negotiations while his research and expertise extends to Intellectual Property, Corporate Governance, and Securities Law. Having been VP and General Counsel to a 160-employee start-up company, a practicing attorney, and law clerk for a judge on a United States District Court, he brings his legal and business experience into his teaching.

What Mentoring Includes

Archived Discussions
Though the mentors endeavor to respond to all posts in less than 24 hours, the fastest answer to your question will often come from an archived student-mentor correspondence.

Mentor Notes
Mentors sometimes add notes to the overview of lessons to call your attention to such matters as recent updates affecting the lesson.
Progress Monitoring

Mentors can view information about the scores you are recording, as well as the dates you have entered into your Personalized Exam Plan. Using this information, Mentors will sometimes send you a pop quiz via email as you approach the end of their subject area. Other emails you may receive include study advice as you enter a new subject area or tips and encouragement as your exam day approaches.

Email Communications

Each student’s Personalized Exam Plan provides the system additional insight into a student’s progress and allows the CPAexcel software to automatically trigger personalized emails to individuals.

For example: A student approaching the end of a topic area, e.g., Economic Concepts, might receive a pop quiz created by the author to measure and assess performance on the most important learning objectives.

Other examples of automated emails include:

- Test-taking tips and encouragement from the mentors as a student approaches their CPA Exam date
- Prompts and encouragement when assignments are missed
- Instructions on how to effectively use certain components of the review course.

**Contacting Your Mentors**
Each one of the 647 lessons in CPAexcel has a dedicated message board that is monitored by CPAexcel support staff and one of CPAexcel’s Mentors.

Questions about specific content in CPAexcel should be posted to the appropriate lesson.

More general questions for your mentors can be posted on the Mentored Discussion board on this lesson.

**Monitoring Ongoing Discussions**
Check your mentor home panel for a summary of discussions you have not viewed.

This student has 25 new threads across all their materials since their last sign in.

Threads remain ‘new’ until you:
- a) respond to a post
- b) mark a thread as read

Threads are arranged with the most recent posting at the top.

![Figure 36 - Mentoring Home Panel](image)
Click on any of the links in the mentoring home panel to be taken directly to the thread you are interested in reading.

Return to the homepage or browse through other lessons that have new posts.

A ‘talk bubble’ on top of your progress icon in the table of contents indicates a new mentored discussion.

This example indicates four lessons in the BEC section that have new post.

- International Economics
  - Reasons for International Activity
  - Issues at National Level
  - Role of Exchange Rates
- Issues at Entity Level
  - Currency Exchange Rate Issue
  - Transfer Price Issue
- Globalization
  - Introduction to Globalization
  - Globalization of Trade
  - Globalization of Production
  - Globalization of Capital Markets
  - Globalization and Power Shifts
  - Becoming Global
- Business Strategy and Market Analysis
  - Introduction to Business Strategy or
  - Macro-environmental Analysis
  - Industry Analysis
  - Entity/Environment Relationship Ans
  - Generic Strategies
  - Summary and Extensions
- Financial Management
  - Introduction to Financial Management

Figure 37 - Mentored Discussion Icons

What Mentoring Doesn’t Include
Please limit your questions to specific CPAexcel material.

CPAexcel’s goal is to prepare you to pass the CPA Exam the first time, in as little time as possible and our authors spend a great deal of time considering what material to include (and purposely exclude) from this course. For the same reason, the CPAexcel Mentors cannot provide study support for materials outside of CPAexcel.

The field of accounting is huge and there is just not enough time or opportunity to answer all the general accounting questions our students encounter.

Here are just a few of the things mentors have been asked to help with:
• Theory questions for a research paper
• University course homework questions
• Research questions from students workplaces
• Questions to help start up a business
• Questions from other review courses where there is not a live person for assistance
• And many more...

Sometimes students devise their own scenarios. Generally, these scenarios are not air tight. When a Mentor tries to provide some direction, it leads to more (often many more) questions, leading down a path that is not helpful in reviewing for the CPA exam. Or, the scenario is one that won't likely appear on the CPA exam.

There are also instances where students have not taken University courses that cover some materials that are on the CPA exam. In those cases, students ask general concept questions, in effect asking Mentors to teach the student these materials. Mentors are here to help students review materials. They cannot provide individual instruction to students.

Add-Ons

Textbooks
CPAexcel publishes soft cover 8.25” x 11” textbooks for each exam section covering the complete scope of the AICPA content specification.

Textbooks map perfectly to our courseware outline and structure. No cross-referencing is required.

The content of each textbook is identical to our courseware at the date of printing. Later content updates are included in our courseware. The courseware logs all updates and identifies them to the affected lessons. Thus, each textbook user may see which lessons have been updated and, if desired, print a copy of the updated version to use in

Figure 38 - CPAexcel Textbook Set
place of the version in the textbook.

At the front of each textbook is advice from the authors concerning the emphasis of the questions on the CPA Exam as a guide to students in completing their studies.

Each textbook is a series of Bite-Sized Lessons\textsuperscript{SM}. Each lesson usually consists of three to 10 pages of study material.

**Workbooks**

The CPAexcel workbooks reproduce all the lecture slides contained in your review course. Following the same structure as your Exam Planner assignments, the workbooks also contain multiple choice questions that illustrate the concepts covered in the lectures.

**Printed Flashcards**

Printed flashcards (250 per section, 1,000 in total) are available for purchase. Christine Howard, an AICPA Gold Medal winner and the first Gold Medal winner ever to achieve a four-part perfect exam score, originally created these flashcards for her own use to cover every testable point that might appear on the exam. They are updated regularly. The box also includes 40 blank cards so you can add your own custom study materials.

**The CPAexcel Traveler**

For those who want the ultimate in travel convenience and portability. CPAexcel students enrolled in the four-part Video Gold Medal Course can now carry their entire course, including all videos, on a 16GB flash drive. This drive includes a powerful search function for quickly finding and accessing information and related videos on any topic across all four course sections.

The CPAexcel Traveler offers many advantages:

- View all of your video lessons from your flash drive. Plug the flash drive into your laptop's USB port and grab study time anywhere you are - on a plane, in a hotel room, by a pool,
or during your daily commute.

- Keep your flash drive in a portable location, such as a briefcase or laptop carrier to ensure you can always study on the go.

- The CPAexcel Traveler's powerful search function enables you to quickly search, find, and view information and related videos on any topic covered by the CPA Exam across all four exam sections. Use it to quickly locate answers to questions that arise on the job or about any exam topic.

- When you no longer want to use the CPAexcel content, you can reuse the 16GB flash drive as a valuable storage device for other important files, videos, music, or photos.

The CPAexcel Traveler includes free flash drive updates for two years. This flash drive can be remotely updated; all that is needed is an internet connection.
The CPAexcel Study Process

Recognize Your Learning Style

Your CPAexcel review course contains all the material you need to prepare for the exam with access to a powerful combination of learning tools that accommodate a variety of learning styles. Research has shown that multiple learning styles or ways of learning exist. Understanding your own learning style will enable you to select the teaching aids that maximize learning for you—a step that will increase your study effectiveness and save you time.

Learning styles theory recognizes that individuals perceive and process information differently. As a result, individual learning is affected greatly by the manner in which information is presented. The three primary learning styles identified are: visual learners, auditory learners, and kinesthetic learners.

Visual Learners

Visual learners think in pictures and learn best by “seeing” what they are learning. They need visual displays such as diagrams, slides, videos, and textbooks. During auditory presentations (e.g., lectures, discussions), they will take detailed notes in order to take in the information. You will often find them in front of the classroom so they can better “see” the speaker’s body language and facial expressions. A few tips—visual learners may need a quiet place to study and markers to highlight key points in study text.

Auditory Learners

Auditory learners must “hear” a message to process it. Their preference for spoken messages leads them to learn best from lectures and discussions. While many auditory learners learn through listening, others need to “talk it out.” The “talkers” need to hear their own voices in order to process the information. For these learners, reading text aloud or using a tape recorder can aid learning. A few tips—auditory learners may need to find others to study with in order to verbally discuss the material or to create mnemonics to help with memorization.

Kinesthetic Learners

Kinesthetic learners are active learners—they need to be doing something, e.g., moving, working, touching. A hands-on approach is best for these learners who may find it difficult to sit still for long periods. Kinesthetic learners may excel in working problems and applying theory in practical situations due to their preference for “doing.” They may also benefit from reading while standing or perhaps while using an exercise bike or treadmill.
A few tips – kinesthetic learners may want to listen to music while they study or take frequent study breaks.

These are, of course, “pure” types and you are likely a combination. But you can use this information to identify the methods that have enabled you to master new information in the past. You may be able to identify how you process information by thinking of how you have described learning in the past. For example, did you say “I hear your point,” or perhaps “I see how it works,” or “This makes me feel that I understand.”

**Develop a Sound Study Strategy**

**Create a Personalized Exam Plan**

The most essential step to ensure success on the CPA exam is to create a plan – a unique and customized plan designed solely for you and your success. It will take into account your background, your strengths and weaknesses, and how much time you have available. CPAexcel’s Exam Planner will aid you in creating your Personalized Exam Plan (PEP). Using actual exam study hours from successful CPAexcel students, and based on either your desired exam dates or study hours available, the Exam Planner will generate a Personalized Exam Plan showing the sequence and timing of (a) exam events requiring timely action by you and (b) study assignments you need to complete that lead to your desired exam date(s). You may, of course, revise your plan at any time.

**Determine Your Strengths and Weaknesses**

Incorporating your strengths and weaknesses into the PEP requires that you initially take the Diagnostic Exam provided for each section. This will enable you to identify your knowledge strengths and weaknesses. If you know your knowledge in a given section is weak, you may skip this step and simply plan to perform a complete study of that area.

After taking the Diagnostic Exam, review your scores in each content area, taking note of your scores from lowest to highest. If you have scored below 90% on a content area, we recommend that you do a thorough review of that area (described in more detail below). If you have scored 90% or higher in a content area, you may do a faster review of the lessons, going straight to the proficiency questions and past exam questions to confirm and reinforce your current knowledge.

**Week-by-Week**

Based on the results of your Diagnostic Exams and either the amount of study time you plan to devote each week OR your target exam date, you can
determine the number of weeks you will need to cover all of the course material for each section. Remember that this may vary between sections as each section differs in terms of how well you already know the material and how difficult the material is for you to master. The Exam Planner will automatically include several days in your plan for a final review in the form of the simulated CPA exams. You may also want to build in extra time for holidays, vacation, and possible emergencies.

In general, we recommend the following number of hours of study time for each section. Remember that this is based on the average number of study hours put in by successful CPAexcel students.

<table>
<thead>
<tr>
<th>Exam Section</th>
<th>Number of total hours to complete materials</th>
</tr>
</thead>
<tbody>
<tr>
<td>AUD</td>
<td>80</td>
</tr>
<tr>
<td>BEC</td>
<td>70</td>
</tr>
<tr>
<td>FAR</td>
<td>150</td>
</tr>
<tr>
<td>REG</td>
<td>90</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>390</strong></td>
</tr>
</tbody>
</table>

Figure 42 - Recommended Study Hours

**Study with Bite-Sized Lessons**

We recommend the following general study process in CPAexcel for each lesson. Remember that you may choose among the learning tools available based on your learning style in order to maximize your learning in the most efficient fashion.
The CPAexcel Study Process

1. **SCAN** the Overview and take careful note of the stated learning objectives for this lesson.

2. **WATCH** the Video Lecture to get an introduction to the important principles, concepts, and other “must know” points related to this topic. If the subject is new to you, or particularly complex, consider printing out the slides ahead of time so you can follow along and take notes.

3. **READ** the Study Text. This will reinforce and expand upon the concepts presented in the lecture and provide additional necessary information about the topic at hand.

4. **ANSWER** all the Proficiency Questions to quickly quiz yourself on the key concepts and evaluate whether you’ve retained a basic understanding.

5. **PRACTICE** answering the Study Questions. This provides immediate feedback on what you’re getting right and where you still need work.

6. **ASSESS** your knowledge by taking the Lesson Quiz and recording a grade for the lesson. A score of 90%+ is considered to show accomplishment of the lessons stated learning objectives.

7. **REVIEW** the answers to the Lesson Quiz paying careful attention to the rationales explaining why you may have answered any questions incorrectly.

8. **REINFORCE** testable points with the electronic flashcards.

9. **VISIT** the Mentored Discussion to ask questions on any final items you need to clear up. Or answer the questions of others in the Student Discussion area. Teaching is often a great way of learning.

Take a Short Break and Move to the next lesson
Perform a Final Review

Use the last two weeks to thoroughly review all of the course material.

CPAexcel's Final Review combines the Exam Tutor and Simulated Exam tools to provide a thorough post course-completion review of each section of review material. Knowing where those last few weak areas lie will allow you to focus your final hours of exam review where they are likely to do the most good.

The best time to begin a Final Review is soon after completing the coursework. There are two quick ways to find out if you are at this stage in your exam preparation. In any one of the four sections of CPAexcel:

1. Review the color-coded progress icons in a section's Table of Contents. Are at least 90% of these colored green?

2. Examine the scorecard on your homepage. Is your "Percent Complete" above 90%?

If the answer to either of these questions is yes - you’re ready to benefit from a Final Review.

Use the Exam Tutor

Set the question limit to between 50 and 100 questions and launch the CPA Exam.

Upon completion, examine your scores in the detailed scorecard to pinpoint any areas where you are deficient. Click the title of that area to return and review the material.

Continue to use the Exam Tutor to further drill on past exam questions and discover areas where you may need further study. Once you are regularly achieving 90%+ scores in the Exam Tutor, you've reached proficiency and are ready to take the Simulated CPA Exam.

Complete a Simulated Exam

Practice on simulated exams until you get consistently high passing exam scores. The time you spend practicing will enable you to feel a lot...
more confident when you actually take the exam as you will be familiar with everything that you are asked to do. You also want to physically prepare for the exam – sitting and concentrating for 2 ½ hours to 4 ½ hours requires practice!

Schedule a time and place where you will not be interrupted and take the Simulated CPA Exam. Since these practice exams follow an actual exam as closely as possible, plan to spend three to four hours to complete this step.

You will find the exams near the top of the Table of Contents in each exam section.

After completing an exam, review your results, paying close attention to any areas that are lowering your overall grade. If you thoroughly tested and reviewed using the Exam Tutor earlier, these areas ought to be few and far between.

Take the Simulated CPA Exam as many times as you like to further perfect your exam performance. Once you've achieved a score of 90% or above - congratulations! You are very likely to pass the actual CPA Exam for that exam section.

Confirm Course Completion
Course completion is defined as earning a combined score of 90% or above on the past exam questions within the course lessons and the Simulated CPA Exam. Both are weighted as 50% of the total so you can achieve course completion with a variety of combinations, e.g., exam questions 80% and simulated CPA exam 100% OR exam questions 85% and simulated CPA exam 95%.

Study Tips

Number and Order of Sections
There is not any data currently available to support a claim that sitting for any one part first will increase your chances of passing the remaining three sections. As a result, three different theories present themselves:

Theory 1 – Take the Easiest Part First
If you have a specialization (e.g., auditing, financial accounting, or governmental, etc.) or found particular subjects easier in school, take the related section first. The logic behind this approach is:

- Use your knowledge before you forget it or before the “rules” change.
Tip:
The most important ingredient in preparing for the exam is to study for understanding. When you really understand something and can apply that material, you are finished preparing. Develop a desire to really learn the material, rather than just memorize it and you will find this process to be much more enjoyable. Maintain your inquisitiveness and you will be successful!

- See what the exam is like with a topic that should be easier for you.
- Build up your confidence.
- If you don’t have a specialization, take BEC first. This is based on:
  - It is the shortest exam.
  - It does not have simulations (though some are more terrified by written communication).
  - The subject matter is broad, but not deep.
  - Learn what the exam is like.

You want to get this process off to a good start and the best way to do that is to select the part where you are most likely to spend the time and get great results. A successful first experience builds your confidence even more.

Theory 2 – Take the Most Difficult Part First
According to a student poll, most people think FAR is the hardest and should be taken first. Content wise, it is the section of the exam that covers the most material and requires the most preparation time. By taking the section first, you don’t risk losing any previously passed section(s) in the event you have to retake FAR and by doing so you exceed the 18 month passing window. If you find another section to be harder, you may want to take that section first.

Another theory on which section is the hardest is put forth in the FAQ section of this document. See Figure 50 - CBT Pass Rates.

Theory 3 – It Doesn’t Matter!
Regardless of the approach you take, keep in mind that many candidates study for more than one section at a time. There is some overlap in the subjects covered by the sections, especially between FAR and AUD, so in studying for one section, you are automatically studying for the other. We do recommend that you plan to sit for all four parts in a twelve month period. That way, you have breathing room if you need to retake any of the sections.

Other factors to consider when deciding how you are going to sit include whether studying will be your sole focus or whether you will be juggling a full-time job and family responsibilities as well.
6 Ways to “Power Up” Your Study Time

When you think of studying, the first image that comes to mind might be of someone sitting quietly in a chair, forcing him or herself to stay put for a long time, while possibly fighting boredom or drowsiness. It doesn’t sound like much fun.

Studying, however, does not have to be that way! There are a number of things you can do to rev up your study time and make it more enjoyable, efficient, and energizing. Here are a few helpful tips:

1. **How to Get Yourself Going**: One of the reasons it may be difficult to begin studying is because you might think you need to commit several hours of your time. But if you knew you only had to study for a few minutes it would seem much easier to get started.

   To get yourself motivated, use the 15-minute kick-start method: Promise yourself you only have to study for 15 minutes. That’s it. Set a timer if you’d like. Open your study materials and begin. Read a page or two, or do an exercise to get your mind in gear. What you’ll find is that after 15 minutes, you’re often more in the mood to keep going. You’ve overcome the inertia and might very well feel like studying another 15 minutes, another hour, or more! The trick is, if you really do want to stop after 15 minutes, give yourself permission. If you don’t, your mind will not trust you the next time you try this. If you do follow through with your promise, you can use this method any time you need a little inspiration to get started.

2. **Study Actively**: The more you actively participate as you learn, the more you’ll comprehend and retain. It’s like driving. The best way to learn is by getting behind the wheel and practicing, not by reading the driver’s handbook. It’s the same with studying for the CPA Exam: When you read text material, or watch a class instructor, or video, you are not actively engaged. It’s too easy to drift off and think about tropical vacations, sports feats, or dinner plans.

   To study more actively you need to engage in interactive learning methods, such as problem solving, participating in discussion groups, or doing exercises and quizzes that provide feedback on your performance. CPAexcel’s review courses stress this approach by providing diagnostic exams, proficiency
Pass the CPA Exam!

quizzes, past exam questions, online discussion groups, simulations, flashcards, and instant feedback on your performance - all thoroughly integrated into the course material.

3. **Chew Gum**: Many scientific studies have proven that chewing gum is actually a great learning tool! Business Week Magazine reports that chewing gum activates chemicals in the brain that help improve short and long-term memory, and can reduce stress. The act of chewing gum also slightly increases your heartbeat, bringing more oxygen to your brain, which enhances cognitive abilities. In a UK university experiment, gum chewers test scores were found to be as much as 36% higher than non-gum chewers on tests of delayed word recall. So get out your gum, your exam review materials, and ready, set, chew!

4. **Listen to Music**: Music activates many parts of the brain and can make you feel more energetic. A neuroscience team from the University of California at Irvine discovered what they termed “The Mozart Effect,” based on findings that indicate that music can cut learning time while raising performance levels, productivity, and test scores. In addition to Mozart, other recommended musicians include Vivaldi, Handel and Bach. If classical music is not your style, try other genres of instrumental music, such as jazz, new age or world music, which can stimulate your mind and uplift your mood. A little music and gum chewing may make studying easier and more enjoyable, while also helping you raise your exam scores.

5. **Take Active Breaks**: To maintain optimum concentration, take active breaks every 20 minutes or so. Do something constructive such as take a walk, lift weights, vacuum or play with a child. Not only will you be doing something useful, you'll be giving your eyes and mind a needed rest. When you return to studying you'll feel refreshed and alert, ready to absorb more knowledge.

6. **If You Need a Nap**: If you haven't been getting enough sleep, a short nap may be your best refresher. Set an alarm and allow yourself to sleep for up to 45 minutes. Anything longer and you'll likely go into a deeper sleep that will make you feel groggier when you return to your studies. But, a well-deserved
nap can do wonders for increasing your concentration and retention.

**Strategies for Multiple Choice Questions**

Multiple choice questions test your knowledge and practical application of the content areas identified in the CSOs (Content Specification Outlines). They range from simple definitional questions to complex problem-solving questions. CPAexcel provides you with a large database of Exam Questions (EQs) on which to practice. As you complete the questions, keep the following in mind:

Read each question and all of the answers carefully. A single word can make a difference in the answer.

Identify the important words and relevant facts in the question that you need to select the correct answer, e.g., “Which of the following is NOT a factor in determining whether or not to capitalize a lease?”

Understand why the correct answer is correct and why the other answers are wrong. Identify what it would take to make an incorrect answer correct. By doing this, you are preparing yourself for any future questions in this topic area.

Practice by working 72 or 90 multiple choice questions at one time. You need to build up your mental endurance in order to stay focused when answering this many questions in one sitting. You also need to build up speed so that you can complete a question within the following time frames: AUD and FAR - 1 ½ to 2 minutes; BEC and REG – 1 to 1 ½ minutes.

**Strategies for Task-Based Simulations (Objective Questions)**

Simulations are simply multiple-part problems based on a common scenario. So the first step is to read the instructions and background information (Directions). Then work through the problem. A pencil icon appears at the top of each “problem” or work tab.

Practice on simulations is critical for the following reasons:

- Familiarization with the simulation format – how the background information is presented, what kinds of questions are asked, what types of tasks you need to perform in order to complete them.
• Familiarization with simulation tools, e.g., toolbar icons, calculator, spreadsheet and word processing functions.

• Time management – while this is a key requirement for the entire exam, it is especially true for the simulations. It is easy to become bogged down in one part and not have enough time to complete the rest of the work tabs.

One last point about the simulations – all of the CPAexcel learning tools help get you ready for the simulations because they expose you to the key areas tested on the exam. So when you see a problem in a simulation, it will most likely be a topic that you have seen and practiced before in some fashion.

Advice for Written Communication

In BEC the simulations consist of Written Communication tasks. You are asked to prepare a written response for a given situation in the form of a memo, letter, or other document. These written responses are intended to gauge your ability to communicate clearly, completely, and in a professional manner.

Grading criteria for the Exam

Grading is based on the following writing criteria:

• Organization: Is the document well-structured with a clear overview/thesis, a clear ordering of ideas, and logical linking of one idea to another?

• Development: Does the document effectively use details and definitions as supporting evidence? Are examples and rephrasing properly employed to clarify thoughts?

• Expression: Does the document reflect proper use of business English; include correct use of grammar, punctuation, word usage, and spelling?

As noted earlier, responses must address the situation and be generally correct. Responses that are off-topic or inappropriate are disregarded and no credit is given.

Based on these criteria, it does not appear that “points” are awarded for technical content. As a result, a primary focus MUST be on being able to quickly and clearly compose a written response to a given question. Per the AICPA, grading of written
communications may occur through an automated or manual process. A score ranging from 0 to 100 points is assigned to the written communications and then weighted before being included as part of the overall CPA exam score.

A suggested approach for grading written communications using a ten-point scale appears below.

<table>
<thead>
<tr>
<th>Grading Criteria</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Technical Content</strong></td>
<td></td>
</tr>
<tr>
<td>Does your response generally answer the question? If yes, give yourself 10 points.</td>
<td></td>
</tr>
<tr>
<td><strong>Writing Style</strong></td>
<td></td>
</tr>
<tr>
<td>Is the writing style correct and appropriate? Subtract 1 point for every NO answer to the questions below.</td>
<td></td>
</tr>
<tr>
<td><strong>Organization</strong></td>
<td></td>
</tr>
<tr>
<td>Is there an introductory paragraph or statement?</td>
<td></td>
</tr>
<tr>
<td>Do the sentences and/or paragraphs flow logically?</td>
<td></td>
</tr>
<tr>
<td>Are transitions and connectives used appropriately?</td>
<td></td>
</tr>
<tr>
<td><strong>Development</strong></td>
<td></td>
</tr>
<tr>
<td>Are details provided where needed?</td>
<td></td>
</tr>
<tr>
<td>Are definitions provided where needed?</td>
<td></td>
</tr>
<tr>
<td>Are examples provided where needed?</td>
<td></td>
</tr>
<tr>
<td>Is information appropriately rephrased? i.e., no cut-and-paste from authoritative literature</td>
<td></td>
</tr>
<tr>
<td><strong>Expression</strong></td>
<td></td>
</tr>
<tr>
<td>Is the writing grammatically correct?</td>
<td></td>
</tr>
<tr>
<td>Has punctuation been appropriately used?</td>
<td></td>
</tr>
<tr>
<td>Is word usage correct and appropriate?</td>
<td></td>
</tr>
</tbody>
</table>
Writing guidelines

Here are some guidelines for composing written exam responses:

1. Read the requirements carefully and underline key items. Remember that your response must address the requirements.

2. Read the question thoroughly and note important facts.

3. Briefly outline your proposed response using key words. Check to make sure that you have specifically addressed the requirements.

4. Write the response in proper format based on your outline. Make sure your response has an introduction, a body, and a conclusion. Be as concise as possible. Write in a clear, simple fashion.

5. Use complete sentences. Do not simply outline. Avoid using tables or bullet point lists.

Example

Requirement: You prepare the personal income tax return for W. Nelson. Write a memo to your client advising him of the nontaxable transactions you discovered in preparing his return. Describe each nontaxable item.

Response:

To: W. Nelson
From: CPAexcel Candidate
Subject: Nontaxable Transactions

While preparing your income tax return, several nontaxable...
transactions were discovered. These items have not been included in your tax return. They are described below.

The bulk of the life insurance proceeds received from the death of your aunt is not taxable. A small portion, $50, represented taxable interest on the installment payment and has been included in your tax return.

The reimbursement received from your insurance company for rental expenses incurred while your home was being repaired is not taxable.

A copy of your tax return is enclosed.

Note that CPAexcel’s simulations are computer-graded. For the written communications, the computer looks for exact matches of words and punctuation. As a result, it is unlikely that you will receive full points for your written communications. If you are concerned about your score, look at your response and see if the key concepts are included and that the writing is appropriate. If yes, you should be fine on the exam so move on to the next topic or assignment.

Research

Authoritative literature

The AUD, FAR and REG exams will each contain at least one Research Task-Based Simulation. These will require you to identify the paragraph in the professional literature which answers a specific question. The research exercise is not difficult IF you know your way around the standards. We recommend that you take the time to learn what is included in the authoritative literature for each section and practice looking things up. Familiarize yourself with what is included in the different types of authoritative literature provided. For example, Accounting and Review Services [AR] covers compilation and review engagements.
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Section | Authoritative Literature
--- | ---
**AUD** | How Professional Standards is Organized
 | Cross-References to SASs
 | U.S. Auditing Standards [AU]
 | Attestation Standards [AT]
 | Public Company Accounting Oversight Board [PC]
 | Accounting and Review Services [AR]
 | Code of Professional Conduct [ET]
 | Bylaws of the American Institute of Certified Public Accountants [BL]
 | Valuation Services [VS]
 | Consulting Services [CS]
 | Quality Control [QC]
 | Peer Review [PR]
 | Tax Services [TS]
 | Personal Financial Planning [PFP]
 | Continuing Professional Education [CPE]

**BEC** | None – No research component

**FAR** | Original Pronouncements, as amended, including implementation Guides and FASB Staff Positions
 | Original Pronouncements
 | Current Text
 | EITF Abstracts
 | Topical Index
 | FARS Reference Guide

**REG** | Same as AUD for research questions involving Accountant’s Responsibilities
 | Relevant portions of the Internal Revenue Code

*Figure 47 - Authoritative Literature (Complete)*

**Develop an Exam Taking Strategy**

**The Night Before**

Take the night off and DO NOT STUDY!! You need to relax and refresh yourself. Efforts to cram at the last minute will only increase your anxiety and make you tired. Remember that you carefully planned out your study and review for the exam. Since you have followed your plan, you are now ready. So use the night before to relax – go out to dinner, go work out, go to a movie – whatever you find relaxing. Then get a good night’s sleep.

**To begin:**

Take a minute to plan out your exam. Read the instructions carefully and jot down a time schedule for completing the testlets included in the exam.

It is extremely important to budget your time per testlet and to stick to that budget. Otherwise, you risk getting stuck on a question early in the exam.
and running out of time for the simulations. A possible time budget appears below:

<table>
<thead>
<tr>
<th>Testlet</th>
<th>AUD</th>
<th>BEC</th>
<th>FAR</th>
<th>REG</th>
</tr>
</thead>
<tbody>
<tr>
<td>MCQ #1</td>
<td>45-48</td>
<td>30-33</td>
<td>45-48</td>
<td>30-34</td>
</tr>
<tr>
<td>MCQ #2</td>
<td>45-48</td>
<td>30-33</td>
<td>45-48</td>
<td>30-33</td>
</tr>
<tr>
<td>MCQ #3</td>
<td>45-48</td>
<td>30-33</td>
<td>45-48</td>
<td>30-33</td>
</tr>
<tr>
<td>Sim</td>
<td>45-50</td>
<td>35-40</td>
<td>40-45</td>
<td>35-40</td>
</tr>
<tr>
<td>WC</td>
<td>na</td>
<td>na</td>
<td>na</td>
<td>na</td>
</tr>
<tr>
<td>Break</td>
<td>5</td>
<td>6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>240</td>
<td>180</td>
<td>240</td>
<td>180</td>
</tr>
</tbody>
</table>

Remember that you are responsible for allocating your time. The clock that appears on the exam screen shows total time, not time per testlet. Your time schedule needs to do the same thing. For example, in AUD, you have a total of 4 hours or 240 minutes. The quickly scribbled time schedule you have in front of you would look like this:

1. 3 hours, 15 minutes
2. 2 hours, 30 minutes
3. 1 hour, 45 minutes
4. 1 hour, 40 minutes
5. 50 minutes
6. 0

When you look at the clock while completing testlet #1, you know that your cutoff is 190 minutes remaining. For testlet #2, the cutoff is 130 minutes remaining. And so on.

**Question Answering Techniques**

**Multiple Choice Testlets**

Read the questions carefully and in order, making mental notes about the important aspects of the information and discarding facts you know to be extraneous. Do not select an answer until you have read all four possible responses. The first option may provide a GOOD answer, but you won’t be able to determine whether it was the BEST answer and therefore the correct answer until you have studied the alternatives.

It is very important to avoid jumping to conclusions, especially on questions that look just like questions you have previously studied in CPAexcel. Many versions of similar questions can appear on the exam,
often with just a word or two changed, but enough to make a different answer the correct answer. So you must carefully read the question and all of the possible answers.

You may want to initially answer all of the easy questions leaving time to run through the questions a second time. During your second run-through, you answer any questions left blank. This keeps you from getting stuck too soon on a hard question and also allows you to review the information provided in all of the questions which may help you to answer those left blank initially. Make sure that you provide an answer for every question. There is no penalty for wrong answers.

Before closing the testlet, make certain that you have answered everything. Once closed, the testlet cannot be reopened.

**Task-Based Simulations**
Simulations are best completed by using a consistent and methodical approach. First, read the Directions. These will provide the setting for the remaining exercises. Second, scan each tab’s requirement. This will give you a feel for the time requirements for each tab. Third, review and complete the work to make sure it is complete.

Watch your time and stay within your original budgeted amount. If you were able to complete the testlets in less time than budgeted, you may be able to increase the time used in the simulations.

The research question will be answered most efficiently if you are able to identify the appropriate key words needed for the search AND avoid a universal search of all of the authoritative literature provided.

For example, if you are asked to identify the requirements for negative confirmations, a universal search of all of the literature would produce dozens, if not hundreds, of hits. Restricting your search to the AU section (the auditing standards) will enable you to find the information that you are looking for more quickly and easily. So it is helpful to know what is covered in each of the different sections of the authoritative literature.

**Written Communications**
Candidates often worry about their ability to write under time pressure. Following the guidelines already presented and practicing will help you to be more relaxed and confident for this phase of the exam.

As a final check of your written response, consider the following:
1. Is your response in the required format? e.g., memo, letter.

2. Is the response on topic? Did you answer the question asked or provide the requested information?

3. Is your response worded appropriately for the target audience? e.g., bank, audit partner, client.

4. Is your response logically organized? Does it flow smoothly?

5. Are the words in your response spelled properly? Did you use the spell check tool?

6. Does your response use proper grammar, tense, and punctuation?

10 Tips for Exam Day
If you are well prepared for the exam, you have completed the most important step. However, there are a few test-taking points that are important to be aware of, and are covered in this short section.

1. Well before you sit down to answer that first question, plan to be well rested. “Cramming” the night before the exam is not going to improve your score. A tired body cannot run a race nor can a tired mind pass the CPA Exam.

2. Budget your time per question based on the total time allotted. Avoid spending too much time on any one question.

3. We recommend not skimming all the questions before starting. This can create dysfunctional anxiety.

4. As you attempt each question, read through it at a reasonable pace, not too quickly or slowly, making mental notes about the important aspects of the information and discarding facts you know to be extraneous. Read the problem objectively without preconceptions.

5. Don’t fight the problem. Answer the question asked - avoid trying to remake the question into the one you wish to answer, or making it more complex than it is.

6. Keep up a good pace completing one question at a time except for especially difficult ones. For these, use the software to mark it for review or make a note on your scratch paper. Return to them after you have completed the rest.
7. Don't answer a multiple choice question until you have read all four possible responses. The first option may provide a GOOD answer, but you won't be able to determine whether it was the BEST and therefore correct answer until you've studied the alternatives.

8. There is no penalty for guessing so make sure you have answered all questions before you end your exam. Guessing is a last resort and if you have time, you can sometimes eliminate multiple choice answer alternatives from consideration even if you cannot answer the question with certainty.

9. Don’t lose your composure if you encounter a question for which you have no knowledge. Rest assured that if you have prepared well, there won’t be many of these and remember that the objective is passing the exam, not getting a perfect score.

10. In the Written Communication testlet in BEC, be concise in your answers. Do not ramble. Come to the point. Writing samples considered responsive to the topic count – anything ‘off-topic’ (or illegal!) will be ignored. In numerical problems, be neat and clearly label subparts of answers. Always have this in mind: what do I want the grader to see? It is more than just answering correctly. This is a report you are writing; you are communicating not just substance but also style and placement of material in a computer medium. In numerical problems, be neat and clearly label subparts of answers.
Further Resources

CPAexcel

Multimedia Tutorials
Brief Multimedia tutorials introducing the most important features of CPAexcel are available on our website at http://www.cpaexcel.com/resources

The CPAexcel “Bite-Sized” Blog
The CPAexcel blog is frequently updated with valuable articles that cover everything from tips for handling CPA Exam anxiety to discussion of job seeking strategies. http://blog.cpaexcel.com/

CPAexcel Guarantee

- Your CPAexcel course has no expiration date. Use it until one year after you pass.

- Course repeats, online content updates, and software upgrades are free.

This is our complete guarantee. There is no fine print.

Frequently Asked Questions

CPAexcel
Answers to the questions we most commonly receive about CPAexcel:

Where is CPAexcel located?
Sedona, AZ.

How long has CPAexcel been in business?
CPAexcel was created in 1998 by a team of professors primarily from the University of Texas at Austin. The initial version was all in software form. Textbooks were added in 2004 and video lessons in 2007.

What is CPAexcel’s passing rate?
87%

Prior to 2004, the CPA exam was administered twice per year and candidates were generally required to take all 4 parts at one time. The national average four-part pass rate from 1998 to 2004 ranged between 10% and 12%. During those years, the pass rate for students who completed the CPAexcel course exceeded 50%.
Since 2004, the pass rate for students who completed the CPAexcel course has averaged 87% per part -- almost twice the national average of 46%.

**Is the 87% passing rate really true?**
Yes. CPAexcel’s pass rate is systematically measured for each quarterly testing window. We ask that our students fax or e-mail their scores to us after every exam quarter. Most students are just sitting for one section at a time. For more information on our passing rates refer to the Candidate Performance page on our website.

**Why is CPAexcel cheaper than many other review courses?**
We can keep prices low because we are an efficient, low cost operation - mainly because a high proportion of our activities are automated. For example, the Efficient Learning System™ that our students use is also the basis for managing the delivery of all of our courses.

We also do not have classrooms, so all of the costs associated with renting classrooms and having lecturers to deliver in-class lectures simply do not exist. In addition, we do not have a sales staff making outbound telemarketing calls to explain our products, etc. Instead, we put a lot more information on our website so that prospective buyers can get answers to their questions themselves.

In short, we are a tight-knit, efficient operation.

**What sets CPAexcel apart from other review courses?**
Our Pass Rate: CPAexcel students consistently pass the exam at a rate almost twice the national average.

Our Authors, Lecturers and Mentors: Our students learn from the world's top team of CPA review professors using up-to-date video and text materials and exam-identical software.

The way our material is organized: Students can learn more per study hour with CPAexcel's Bite-Sized LessonsSM and Efficient Learning System™.

Our Guarantee: CPAexcel’s courses never expire, and include free unlimited updates and retakes until you pass.
What is the CPAexcel guarantee?
You will receive free online electronic updates and use of the material until you pass the exam. There are no time constraints or conditions limiting these free updates. For more information please refer to: http://www.cpaexcel.com/why-cpaexcel/guarantee

Does CPAexcel offer classroom courses?
No, but you will find the combination of our Exam Planner and Video Lectures comparable to a classroom course. Since students can use our material from any computer, many find our course more user friendly than a classroom course. Also, students don't have to spend time commuting.

How much study time do students put in before they sit for the exam?
On average, students spend 120-150 hours studying FAR before they sit for the Exam. Students spend an average of 80-100 hours on REG, 60-80 hours on AUD and 60-80 hours on BEC.

Working candidates should allow one to two months to study for each exam part unless you feel very confident about a particular part. This assumes that you do not have many hours per day to devote to studying, and also that you have a reasonably strong background in the knowledge required to pass that part of the exam.

The CPA Exam
Most of these commonly asked questions about the CPA exam have been covered in this material but repetition is a legitimate teaching method!

What are the four sections to the exam?
Auditing and Attestation; Business Environment and Concepts; Financial Accounting and Reporting; and Regulation.

What are the qualifications to sit for the exam?
Each state Board of Accountancy has established requirements to sit for the exam. We suggest that you contact one of our State Selection Service representatives to find out if you meet any of the Board requirements.
Is the exam the same from state to state?
The exam is universal; using the same data bases of questions in each location where it is given. Each exam consists of multiple-choice questions and simulations (AUD, FAR, REG and Written Communications for BEC) drawn from a national data base. Questions are carefully chosen so that exams all test candidate knowledge equivalently, but no two exams are exactly the same.

Do I have to sit for all four sections at the same time?
No, we suggest that you study and sit for one exam section at a time.

Does my license transfer from state to state?
It depends on if the states have reciprocity with each other. We suggest that you contact individual State Boards of Accountancy for specific information.

How long does it take for the state to say you are qualified?
That will depend on each state Board of Accountancy and how busy they are. Most Boards take four to six weeks.

What are the costs to take the exam?
Each state Board of Accountancy determines their individual cost. We suggest that you contact your state Board.
Is it worth the money to request a re-grade?
In most cases no. When you request a re-grade, the examiners are only checking to see if your exam was functioning properly. They are not going to re-grade your questions and simulation answers.

Which section should I take first?
There is no data to support a claim that sitting for any one part first will increase your chances of passing the remaining three sections. There are (at least) three theories on this question that were discussed earlier in this document.

Which exam section is the hardest?
Go to any of the popular public forums, or browse CPAexcel’s own student discussions and anecdotal evidence will suggest that most students find FAR to be the hardest because it has the largest amount of material.

Uniform CPA Examination Passing Rates we have accumulated from the 27 exam windows since the computer based exam was introduced tells a different story:

<table>
<thead>
<tr>
<th>Section</th>
<th>Average Pass Rate between April 2004 and August 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>AUD</td>
<td>46.9%</td>
</tr>
<tr>
<td>BEC</td>
<td>46.3%</td>
</tr>
<tr>
<td>FAR</td>
<td>46.6%</td>
</tr>
<tr>
<td>REG</td>
<td>46.2%</td>
</tr>
</tbody>
</table>

Figure 50 - CBT Pass Rates

Ultimately it depends on what your individual educational and work experience is, but data shows that the pass rate for each of the four sections is a statistical dead heat.

How long does it take to get your grades?
That will depend on the state Board of Accountancy and how busy they are. Most Boards take four to six weeks.

How do I get access to professional standards?
The standards are now located within each simulation. You will see the standards under the Research/Authoritative Literature tab.

How many questions are in each part of the exam and how are they "grouped"?
There are three “testlets” with multiple-choice questions in each exam. There can be 24-30 questions delivered in each testlet,
depending on the exam section. AUD, FAR, and REG also contain a simulation testlet with six to seven problems. The BEC simulation testlet contains three Written Communication tasks. Testlets may include pretest questions for the purpose of collecting data in order to assess question quality and to collect scoring information. Based on the collected data the pretest questions may or may not become actual scoring questions in future exams. These pretest questions are never included in the calculation of your scores.
The CPAexcel One-Page Quick Start

1. **Sign In:** Direct your browser to [www.cpaexcel.com](http://www.cpaexcel.com) and click "Account Login" at the top right of your screen. In the resulting pop-up window, click "Login" again and enter the username and password you were provided via email. Note that "user" is part of your username. Alternatively you may launch the installed version of CPAexcel with the icon on your desktop. In this case you will be asked to provide the serial number also included in your email.

2. **Create Your Study Plan:** Once your CPAexcel Home Page loads, locate the Welcome Panel and click the link to "Set Up Your Exam Plan!"

   Follow the easy steps in the Exam Planner to enter dates or available study hours and create a timeline that schedules exam events (e.g., apply to sit) and study assignments. When you have your desired plan, click "Save" and then "Close" to load your Personalized Exam Plan (PEP) into CPAexcel.

3. **Locate and Open Your First Assignment:** The Welcome Panel now contains an Assignment Summary listing your current and upcoming events and assignments. Click the title of your current assignment to load the Table of Contents (TOC) and the overview of the first lesson in the assignment.

4. **Learn:** Scan the lesson objectives to get a sense of the content and skills you're going to cover in this session. Then click "Lecture" to view your professor's overview of the most important concepts.

   Return to the Lesson Overview by clicking the lesson title in the TOC or the house icon on the mini-navigation bar. Notice that your study time has been recorded. Now go into more depth and expand your knowledge by opening and reading the "Study Text."

5. **Practice:** Assess your Initial knowledge retention by answering the "Proficiency Questions" (PQs). PQs are simple questions designed to test your comprehension and recall of facts. Answer all the PQs and click "Grade" to view your score.

   If you did not achieve a 90% score or better, consider returning to step 4 before going further. If you did receive a 90%+ score, move on to Exam Questions (EQs) to further practice and reinforce your knowledge.

   EQs are past AICPA Exam questions and/or CPAexcel-authored exam questions that are designed to test your ability to apply the concepts outlined in the lessons. These are the types of question that will make up 60% of your CPA Exam score (85% in BEC).

   Access EQs in "Study Mode" to get instant feedback or in "Exam Mode" to record a grade and simulate exam conditions.

6. **Review:** Upon completing the EQs in Exam Mode you will automatically return to the Lesson Overview and be presented your grade. If your score was less than 90%, you should carefully review your results via the "Details" and retake missed questions.

   If you are having difficulty with a particular piece of material, consider viewing the flashcards or checking the Mentored Discussion archive. If you're still having difficulty, post a question for your Mentor to answer.

   CPAexcel recommends remaining on a lesson until a 90% overall proficiency is reached. This includes Task-Based Simulations for the lessons that contain them. Once the progress icon turns green and you reach 90%, take a break, then move to the next lesson.

7. **Repeat** this process for all the lessons in your current assignment and then return to the home page by clicking "Home" on the main navigation bar. Open your course syllabus in the Course Manager and view your assignment grade to confirm completion.

   Congratulations! You have just created your Personalized Exam Plan (PEP) and completed your first CPAexcel Study Session. We hope this short tutorial has answered your questions. Call us at 888.884.5669 (North America) or 928.204.1066 (International) if you require additional information or assistance.
Online

The AICPA

Candidate Bulletin
The CPA Candidate Bulletin is a multi-page document providing crucial information on the CPA exam application and scheduling process, preparation for the examination, the computerized exam format, taking the exam, and the scoring procedure.


Tutorial and Sample Tests
The Tutorial is a self-running guided tour that covers the functionality of the examination, and the types of questions and responses used in the computer-based test.

The Sample Tests use the same software as the actual CPA exam, and let candidates download and answer a small set of multiple-choice questions and a simulation. This tutorial does not cover actual examination content. While sample tests provide answers to sample questions, neither tool is a replacement for actual review and practice materials.

http://www.aicpa.org/BecomeACPA/CPAExam/ForCandidates/TutorialAndSampleTest/Pages/exam_tutorial_parallel.aspx

Content Specifications
You are advised to review the Uniform CPA Examination Content Specifications. This document details the content of the exam, as outlined and prepared by the AICPA.


The Examination Alert
Sign up to receive this AICPA newsletter that provides a wealth of test tips and information about the examination.

http://www.aicpa.org/BECOMEACPA/CPAEXAM/EXAMNEWSLETTER/Pages/newsletter2.aspx

NASBA
The source for all information offered by the National Association of State Boards of Accountancy, this site contains more than just information about the exam – it covers licensure and continuing professional education as well. NASBA is usually a good place to start your inquiries.

http://nasba.org/
Prometric
Locate a test site near you by visiting the Prometric Website.
http://www.prometric.com/CPA/default.htm

State Boards
State boards provide a wealth of information and are the ultimate source of information regarding the exam and licensure requirements for your jurisdiction. We highly recommend you visit and become familiar with the website for your state board.

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<th>Website</th>
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</thead>
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<td>334-242-5700</td>
<td><a href="http://www.asbpa.alabama.gov">www.asbpa.alabama.gov</a></td>
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<tr>
<td>Arkansas State Board of Public Accountancy</td>
<td>501-682-1520</td>
<td><a href="http://www.state.ar.us/asbpa">www.state.ar.us/asbpa</a></td>
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<tr>
<td>California Board of Accountancy</td>
<td>916-263-3680</td>
<td><a href="http://www.dca.ca.gov/cba">www.dca.ca.gov/cba</a></td>
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<td>Colorado State Board of Accountancy</td>
<td>303-894-7800</td>
<td><a href="http://www.dora.state.co.us/accountants">www.dora.state.co.us/accountants</a></td>
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<td>Connecticut State Board of Accountancy</td>
<td>860-509-6179</td>
<td><a href="http://www.ct.gov/sboa">www.ct.gov/sboa</a></td>
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<td>Delaware State Board of Accountancy</td>
<td>302-744-4500</td>
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<td>Georgia State Board of Accountancy</td>
<td>478-207-1401</td>
<td><a href="http://www.sos.state.ga.us/plb/accountancy">www.sos.state.ga.us/plb/accountancy</a></td>
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<td>Guam Board of Accountancy</td>
<td>671-647-0813</td>
<td><a href="http://www.guamboa.org">www.guamboa.org</a></td>
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<td>Hawaii Board of Public Accountancy</td>
<td>808-586-2696</td>
<td><a href="http://www.hawaii.gov/dcca/areas/pvl/boards/accountancy/">www.hawaii.gov/dcca/areas/pvl/boards/accountancy/</a></td>
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<td>Idaho State Board of Accountancy</td>
<td>208-334-2490</td>
<td><a href="http://www.isba.idaho.gov">www.isba.idaho.gov</a></td>
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<tr>
<td>Illinois Board of Examiners</td>
<td>217-531-0950</td>
<td><a href="http://www.ilboa.org">www.ilboa.org</a></td>
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<td>Indiana Board of Accountancy</td>
<td>317-234-3040</td>
<td><a href="http://www.in.gov/pla/accountancy.htm">http://www.in.gov/pla/accountancy.htm</a></td>
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<td>Iowa Accountancy Examining Board</td>
<td>515-281-5910</td>
<td><a href="http://www.state.ia.us/government/com/prof/account/home.html">www.state.ia.us/government/com/prof/account/home.html</a></td>
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<tr>
<td>Kansas Board of Accountancy</td>
<td>785-296-2162</td>
<td><a href="http://www.ksboa.org/">http://www.ksboa.org/</a></td>
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<td>Kentucky State Board of Accountancy</td>
<td>502-595-3037</td>
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<td>State Board of CPAs of Louisiana</td>
<td>504-566-1244</td>
<td><a href="http://www.cpaboard.state.la.us">www.cpaboard.state.la.us</a></td>
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<td>Maryland State Board of Public Accountancy</td>
<td>410-230-6224</td>
<td><a href="http://www.dlir.state.md.us/license/occprof/account.html">www.dlir.state.md.us/license/occprof/account.html</a></td>
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<td>Massachusetts Board of Public Accountancy</td>
<td>617-727-1806</td>
<td><a href="http://www.mass.gov/dpl/boards/pa">www.mass.gov/dpl/boards/pa</a></td>
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<td>Michigan Board of Accountancy</td>
<td>517-241-9243</td>
<td><a href="http://www.michigan.gov/accountancy">www.michigan.gov/accountancy</a></td>
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<td>Minnesota State Board of Accountancy</td>
<td>651-296-7938</td>
<td><a href="http://www.boa.state.mn.us">www.boa.state.mn.us</a></td>
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<td>Mississippi State Board of Public Accountancy</td>
<td>601-354-7320</td>
<td><a href="http://www.msbpa.state.ms.us">www.msbpa.state.ms.us</a></td>
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<td>Missouri State Board of Accountancy</td>
<td>573-751-0012</td>
<td><a href="http://pr.mo.gov/accountancy.asp">http://pr.mo.gov/accountancy.asp</a></td>
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<td>Montana Board of Public Accountants</td>
<td>406-841-2389</td>
<td><a href="http://www.publicaccountant.mt.gov">www.publicaccountant.mt.gov</a></td>
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<td>Nebraska State Board of Public Accountancy</td>
<td>402-471-3595</td>
<td><a href="http://www.nbpa.ne.gov">www.nbpa.ne.gov</a></td>
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<td>Nevada State Board of Accountancy</td>
<td>775-786-0231</td>
<td><a href="http://www.nvaccountancy.com/">www.nvaccountancy.com/</a></td>
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<tr>
<td>New Hampshire Board of Accountancy</td>
<td>603-271-3286</td>
<td><a href="http://www.nh.gov/accountancy">www.nh.gov/accountancy</a></td>
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<td>New Jersey State Board of Accountancy</td>
<td>973-504-6380</td>
<td><a href="http://www.state.nj.us/lps/ca/accountancy/index.htm">www.state.nj.us/lps/ca/accountancy/index.htm</a></td>
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<tr>
<td>New Mexico Public Accountancy Board</td>
<td>505-222-9850</td>
<td><a href="http://www.rld.state.nm.us/boards/Accountancy.aspx">http://www.rld.state.nm.us/boards/Accountancy.aspx</a></td>
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<tr>
<td>North Carolina State Board of CPA Examiners</td>
<td>919-733-4222</td>
<td><a href="http://www.nccpaboard.gov">www.nccpaboard.gov</a></td>
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<tr>
<td>North Dakota State Board of Accountancy</td>
<td>800-532-5904</td>
<td><a href="http://www.nd.gov/ndsba">www.nd.gov/ndsba</a></td>
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<tr>
<td>Board Name</td>
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<tr>
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<td>---------------------------</td>
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<tr>
<td>Accountancy Board of Ohio</td>
<td>614-466-4135</td>
<td><a href="http://www.acc.ohio.gov">www.acc.ohio.gov</a></td>
</tr>
<tr>
<td>Oklahoma Accountancy Board</td>
<td>405-521-2397</td>
<td><a href="http://www.ok.gov/oab">www.ok.gov/oab</a></td>
</tr>
<tr>
<td>Pennsylvania State Board of Accountancy</td>
<td>717-783-3399</td>
<td><a href="http://www.dos.state.pa.us/account">www.dos.state.pa.us/account</a></td>
</tr>
<tr>
<td>Puerto Rico Board of Accountancy</td>
<td>787-722-4816</td>
<td><a href="http://www.estado.gobierno.pr/">http://www.estado.gobierno.pr/</a></td>
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<td>Rhode Island Board of Accountancy</td>
<td>401-462-9550</td>
<td><a href="http://www.dbr.state.ri.us/divisions/accountancy">www.dbr.state.ri.us/divisions/accountancy</a></td>
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<tr>
<td>South Carolina Board of Accountancy</td>
<td>803-896-4770</td>
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<td>South Dakota Board of Accountancy</td>
<td>605-367-5770</td>
<td><a href="http://www.state.sd.us/dol/boards/accountancy">www.state.sd.us/dol/boards/accountancy</a></td>
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<td>Tennessee State Board of Accountancy</td>
<td>615-741-2550</td>
<td><a href="http://www.state.tn.us/commerce/boards/tnsba/">www.state.tn.us/commerce/boards/tnsba/</a></td>
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<tr>
<td>Texas State Board of Public Accountancy</td>
<td>512-305-7800</td>
<td><a href="http://www.tsbpa.state.tx.us">www.tsbpa.state.tx.us</a></td>
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<tr>
<td>Utah Board of Accountancy</td>
<td>801-530-6628</td>
<td><a href="http://www.dopl.utah.gov/licensing/accountancy.html">www.dopl.utah.gov/licensing/accountancy.html</a></td>
</tr>
<tr>
<td>Vermont Board of Public Accountancy</td>
<td>802-828-2875</td>
<td><a href="http://www.vtprofessionals.org">www.vtprofessionals.org</a></td>
</tr>
<tr>
<td>Virgin Islands Board of Public Accountancy</td>
<td>340-773-2226x245</td>
<td><a href="http://www.dlca.gov.vi">www.dlca.gov.vi</a></td>
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<td>Virginia Board of Accountancy</td>
<td>804-367-8505</td>
<td><a href="http://www.boa.virginia.gov">www.boa.virginia.gov</a></td>
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<td>Washington State Board of Accountancy</td>
<td>360-753-2585</td>
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<tr>
<td>West Virginia Board of Accountancy</td>
<td>304-558-3557</td>
<td><a href="http://www.boa.wv.gov/Pages/default.aspx">http://www.boa.wv.gov/Pages/default.aspx</a></td>
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<tr>
<td>Wisconsin Accounting Examining Board</td>
<td>608-266-2112</td>
<td><a href="http://dfps.wi.gov/Home">http://dfps.wi.gov/Home</a></td>
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<td>Wyoming Board of Certified Public Accountants</td>
<td>307-777-7551</td>
<td><a href="https://sites.google.com/a/wyo.gov/wyoming-cpa/">https://sites.google.com/a/wyo.gov/wyoming-cpa/</a></td>
</tr>
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</table>

Figure 51 - State Board Contact Information
Contact Information

Can’t find what you need in the information above? Get in touch with us!

Email: info@cpaexcel.com  
Mailing Address: Efficient Learning Systems, Inc.  
P.O. Box 4223  
Sedona, AZ 86340  
U.S.A.  

Physical Address: Efficient Learning Systems, Inc.  
1120 W. SR 89A, Suite D9  
Sedona, AZ 86336  
U.S.A.  

Phone:  
888-884-5669 (North America)  
928-204-1066 (International)  
928-203-4567 (Fax)  

Office Hours: Monday - Friday, 8 am - 8 pm Eastern Time  

Live Tours: We provide live tours of the CPAexcel review course that cover all the main features of the software and content in 30-45 minutes. Tours conclude with a question and answer session.  

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