

Added Flexibility in CPA Licensing Process

Issue: CalCPA is working with the California Board of Accountancy (CBA) on legislation that would permit an applicant for CPA licensure to meet the current licensure requirements more efficiently.

Ask: Support legislation that provides applicants for CPA licensure more flexibility in scheduling and sitting for the CPA Examination.

Awaiting Degree Conferral Can Delay Admittance to the CPA Exam

Prior to being authorized by the CBA to sit for the CPA Exam, applicants must meet certain educational requirements, including a bachelor's degree or higher. Part of this approval process includes the submission of an official transcript from the applicant's college/university that reflects their education and degree conferral.

However, applicants often have to wait several weeks after the completion of their classes and graduation for their college/university to finalize and produce an official transcript that reflects their degree conferral. Then the applicant can submit their transcript and exam application to the CBA, which requires additional time to review and authorize qualified applicants to sit for the CPA Exam.

Delays Affect an Applicant's Entry into the Profession

These extended processing timeframes, often 2-3 months, prevents applicants from being able to schedule and sit for the CPA Exam immediately upon successful completion of their required education. This can backlog the entire licensure process and ultimately entry into the profession.

Provisional Admittance to the Exam Allows for a More Efficient Licensure Process

The CBA is pursuing legislation that would permit an applicant to sit for the CPA Exam while they await official documentation of their education and degree conferral. This will eliminate a common processing delay so an applicant can more efficiently meet the current licensure requirements.

The CBA would outline specific criteria for this option, including the timeframe in which an applicant can begin the exam process prior to their anticipated degree conferral. Similar models used in other states typically allow applicants to begin the exam process 90 to 180 days prior.

Flexibility in Efficiently Meeting Requirements– Not a Reduction of Requirements

Importantly, this proposal does not reduce or alter any of the requirements to obtain a license. While applicants would be able to begin the CPA Exam at an earlier date, they must still meet the same educational, exam, and experience requirements as they do currently. Additionally, if an applicant fails to provide the appropriate documentation of education, the CBA would have the authority to withhold the release of their exam scores.

This approach expedites the licensure process and provides increased flexibility for applicants as they work toward their license and entry into the profession.