

MINUTES
UTAH BOARD OF ACCOUNTANCY
August 07, 2024
Hybrid Meeting with anchor location in Room 474

CONVENED: 1:31 p.m.

ADJOURNED: 3:13 p.m.

Bureau Manager:
Board Secretary:

Tracy Taylor
Katie Corak

Board Members Present:

Robert Anderson, Chairperson
Peter Mann, Vice Chair
Brian Deppe
Geri Douglas
David Young

Guests:

Susan Speirs, UACPA
Dan Frei, UACPA

DOPL Staff Present:

Bernice Palama, Compliance Specialist
Pamela Bennett, Investigator

TOPICS FOR DISCUSSION

ADMINISTRATIVE BUSINESS:

Approve Minutes:

Ms. Douglas made a motion to approve the minutes from the June 05, 2024, meeting. Mr. Deppe seconded the motion. The motion passed unanimously.

Compliance Update:

Ms. Palama provided the Board with a Compliance update. Item noted with no action taken.

Investigations Update:

Ms. Bennett provided the Board with an investigations update. Item noted with no action taken.

Exam Statistics:

The Board reviewed CPA exam statistics for national and Utah exam candidates from the 1st quarter of 2024, as well as current Utah licensing statistics. Item noted with no action taken.

DISCUSSION and ACTION ITEMS:

Recap of UACPA
Leadership Council:

Susan Speirs, CEO of UACPA, provided a summary of the UACPA's June Leadership Council meeting. The attendees had a very robust discussion about alternative pathways to licensure as well as potential statutory changes to licensing requirements. Those in attendance

all agreed the CPA exams must remain a requirement for licensure, but changes need to be made to the education and experience requirements. For example, changing the education requirements from credit hours required to a degree required for licensure, and requiring a certain number of years of experience based on the type of degree obtained (1 year for master's 2-3 years for bachelors). Attendees also discussed the additional 30 credit hours of upper division or graduate level courses that are required in addition to a bachelor's degree. In Utah, those 30 hours are clearly defined, but that is not the case across the nation. Members discussed potentially adding an experience-based pathway as an alternative to the additional 30 credit hours as this would benefit individuals who have many years of senior leadership experience and would not require them to return to school for additional education to obtain licensure. Lastly, members discussed what learning objectives educators needed to focus on to help students succeed. Some of the top answers included critical thinking skills, better preparation for the CPA exam, professionalism, research skills, proficiency in various software programs, written and verbal communication, and sharper analytical skills. Ms. Speirs also reported on some miscellaneous comments made by members such as considering removing NASBA from the exam eligibility process and letting universities determine if a candidate is qualified to sit for the exam; scrapping the 30-month rolling clock for exams, therefore providing candidates with unlimited time to pass the CPA exams; and, lastly, a discussion on whether the pipeline problem is due to a lack of students coming into the profession or due to people leaving the profession because of low salaries and lack of a work/life balance. Ms. Speirs emphasized that these issues are not unique to Utah, these are issues that the profession is grappling with across the country. Mr. Deppe pointed out that those currently in the profession also do not help the cause as they only talk about the difficult parts of the profession, such as busy season and not the interesting parts of accounting. Additionally, there have only been small increases in salaries for CPAs not in senior management at firms and in industry. Items noted with no action taken.

Update from UACPA:

Ms. Speirs announced that the next UACPA Leadership Council meeting would be held in January 2025. More information will be announced at a later date. Item noted with no action taken.

Alternative Pathways
& Exam Eligibility:

The Board discussed the possibility of changing the exam eligibility requirements to allow students to sit for the CPA exams sooner, potentially as early as their junior year of college instead of after completing 120 credit hours. Currently, students can begin testing after completing 120 credit hours (bachelor's degree) including specific courses, and most do start testing at that time. Therefore, students could potentially pass some or all of the exams before they even graduate with their undergraduate degree. However, students would still need to have 150 credits hours and at least a bachelor's degree as well as one year of accountancy experience to license as a CPA. Ms. Speirs cautioned that being the only state in the country that allows students to take the CPA exams before completing 120 credit hours may create issues for students who choose to license outside of Utah, because many states require students complete 120 credit hours before being able to sit for the exams. Thus, another state may not accept exams taken in Utah before 120 credit hours have been completed. Exam eligibility is already something that would need to be addressed via a rule change in the near future especially if universities move to three-year bachelor degrees (as many universities have already discussed doing so) making this a very timely topic. The Board then shifted to discussing potential ways to simplify exam eligibility and remove barriers to licensure without reducing the education or qualifications for licensure. Ms. Taylor recommended removing the specific coursework requirement for sitting for the exam. Currently, students must complete very specific coursework within the 120 credit hours required to sit for the CPA exams. Removing that required coursework would require to students to take ownership of their readiness for the CPA exams and make their own decision about when they are ready to sit for the CPA exams. In some cases, students may pass an exam without taking the corresponding coursework, but they will still need to take the corresponding course at some point in order to meet the education

requirements for licensure. Another option would be to eliminate the requirement to pass all four CPA exams within 30 months or extend the exam clock by more than 30 months. Mr. Deppe and Mr. Young voiced concern with eliminating or extending the 30-month exam clock, because it would lead to many candidates waiting until the very last minute to pass all four sections of the exam, which could result in lower passing rates, and less people pursuing licensure. Due to the concern of other states not accepting the exams of Utah candidates who tested before completing 120 credit hours, Mr. Anderson requested that Ms. Taylor send an email to survey other state board executives to inquire how Utah allowing candidates to test before completing 120 credit hours would affect a candidate's ability to license in other states and provide the results of this survey at the October meeting.

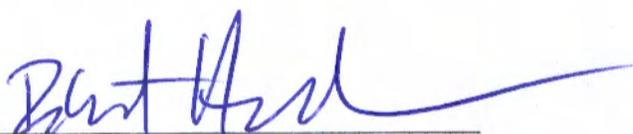
Adjourned at 3:13 p.m.

ADJOURN:

Note: These minutes are not intended to be a verbatim transcript but are intended to record the significant features of the business conducted in this meeting. Discussed items are not necessarily shown in the chronological order they occurred.

Date: 10/2/2024

Date: 10/02/2024

X: 
Chairperson, Utah Board of Accountancy

X: 
Bureau Manager, Division of Professional Licensing