

# Candidate Chronicle

A newsletter for Texas CPA examination candidates published by the Texas State Board of Public Accountancy

Volume 26 September 2012

## Finding & Gaining Acceptable Work Experience

**A**spiring CPAs in Texas, once they have passed the exam, must report a year of “acceptable” work experience before they can be certified, but what, exactly, is acceptable work experience? As part of its mandate to protect the public, the Board has established requirements for certification that are intended to assure that anyone certified as a Texas CPA is competent to handle the responsibilities of an entry-level accounting position. The term *acceptable work experience* is explained in Board Rule 511.122.

For work experience to be acceptable, a CPA in good standing—one who is experienced in the area in which you are working—must supervise your work. If you are working in a CPA firm, and that firm is in good standing, finding someone to supervise you is probably not a problem. If you are working in industry, government, or education, and there is no CPA on staff to supervise you, the employer must contract with an outside CPA firm to supervise your work. The supervising firm must not be providing attest services to your employer.

The work that you perform for your employer must be “non-routine,” i.e., it must involve attest services or other professional accounting services that require independent judgment and entry-level or higher skills to “select, correct, organize, interpret, and present real-world data as accounting entries, reports, statements, and analyses” in various accounting situations. Experience in industry can be as an internal auditor; staff, fund or tax accountant; accounting, financial or accounting systems analyst; or controller.

Government work experience is also clearly defined in Rule 511.122. It may be in state government as an accountant or auditor at Salary Classification B6 or higher; for the federal government in a similar position at a GS Level 7 or above; as a special agent accountant with the FBI; as an accountant or auditor in the military as a second lieutenant or above; or with another government entity as an accountant or auditor.

**A**ceptable experience with a law firm, in education, or as an intern is also explained. In a law firm, you must perform work that requires independent thought and judgment on matters comparable to what you would do in a CPA firm, and you must be supervised by a CPA or an attorney in tax planning, compliance and litigation or estate planning. In education, teaching internships *may* meet the criteria but are considered on a case-by-case basis. A single internship may not be counted to fulfill both the education requirement and the work experience requirement. Self-employment does not satisfy the experience requirement.



Work experience may be either part-time or full-time work that extends from not less than one year to not more than three years and adds up to no fewer than 2,000 hours of work. You will have to submit a job description and other documentation before the work experience will be accepted. (See Board Rule 511.123 for further clarification.)

**B**oard Rule 511.124 defines acceptable supervision as being “provided whenever the person being supervised reports to, is instructed by, is reviewed by, and is evaluated directly by the supervisor.” The supervisor must be in an intermediate or higher level of supervision above the applicant and may not be a co-worker at the same level as the applicant. Telecommunications equipment and computers may be employed in supervising the applicant. The applicant is ultimately responsible for providing detailed documentation to prove that supervision was adequate and effective.

## Campus CPT Chapters Take a Close Look at Real-World Business Ethics

Two hundred students showed up at an organizational meeting at Ohio University for a student chapter of the Center for the Public Trust (Student CPT). These students were expressing an interest in learning more about business ethics. It was not the first such meeting in the nation to gauge interest in chartering a student CPT chapter, but it was certainly the largest so far. OU is the sixth university to organize a student chapter, Lipscomb University in Nashville being the first. There are four others in the U.S.: the University of New Mexico, Rutgers, Birmingham-Southern College, and The University of Tennessee.

The spectacular implosions of such large corporations as Enron and WorldCom a decade ago threw a larger spotlight on ethics and ethical reasoning in the business world. This gave rise to stricter ethics licensing requirements in some jurisdictions and to creation of the Center for the Public Trust (CPT), a nonprofit subsidiary of the National Association of State Boards of Accountancy (NASBA).

By chartering student chapters, the CPT hopes to “promote ethical thinking in the developing character and conscience of students.” The Student CPT offers a forum where

ethical behaviors and ideas can be observed and discussed and where students can network with other business students and members of the business community. It is also an environment that nourishes professional leadership skills. Coupled with the classroom study of ethics, involvement in a student chapter can help students build a solid foundation for moral conduct in their careers.

The CPT Student Code of Ethics focuses on four areas: ethical leadership, accountability, integrity, and trust. The CPT has a set of requisites for establishing new campus chapters. Members who become officers may be eligible for scholarships from the NASBA CPT. Another benefit is an annual video competition that offers prizes from \$250 to \$1,000 for short, original videos that “think outside the box” about ethics, leadership and business, and the eligibility of students and faculty at participating colleges and universities for the “Campus Being a Difference Award.” Each chapter also conducts an annual community service project. If you are interested in helping establish a student chapter at your college or university, you can find further information at [www.studentcpt.org](http://www.studentcpt.org).



*Eight Outstanding Candidates attended the June swearing-in ceremony. They are, L-R, Stephanie R. Hicks, Evan A. Kirkpatrick, Andrew E. Libera, III, Kevin M. Bryant, Alexandra N. Aue, Mitchell W. Graff, Lauren G. Marshall, and Emily K. Kiser, who is also a recipient of the Elijah Watt Sells Award.*

### **NASBA Fee Schedule**

**Section**

<b>AUD</b>	\$195.35
<b>BEC</b>	\$176.25
<b>FAR</b>	\$195.35
<b>REG</b>	\$176.25

**NOTE:** You may now register and pay for only one section of the exam at a time.

### **Professional Literature Available Free**

Examination candidates who have a Notice to Schedule from NASBA can get access to a free six-month subscription to professional literature used in the computerized CPA exam. To sign up, go online to <https://www2.nasba.org/NASBAWeb.nsf/ENCND> and complete the subscription form. The online package includes *AICPA Professional Standards*, *FASB Original Pronouncements*, and *FASB Accounting Standards Codification*.

## Site Visits Help Assure Integrity of CPA Exam

**T**hrough a contractual agreement among the National Association of State Boards of Accountancy (NASBA), the American Institute of CPAs (AICPA), and Prometric testing center, the Uniform CPA Examination is offered to candidates at hundreds of sites, both in the U.S. and beyond. The testing centers operate with oversight by these three entities, and each of the 55 jurisdictions under the NASBA umbrella is required to make unannounced visits to Prometric centers each year. The Texas Board is responsible for inspecting 23 testing centers for compliance in a number of different areas:

\* **Location** - Is the site easy to find, is there adequate parking and public transportation available, are there disruptive businesses in adjoining space, is there adequate signage?

\* **Facility** - Is the facility clean and comfortably heated/cooled, are doors, ramps, etc., wheelchair accessible, is there a proctor area next to the testing room for registration and monitoring of candidates?

\* **Waiting Room** - Is the waiting room monitored by Prometric staff, does it have adequate seating, storage lockers, and clean restrooms available, and is it directly accessible from the proctor area?

\* **Proctor Area** - This is the area where the Test Center Administrator (TCA) registers candidates and monitors them in the testing room. Is there a single entry point, is the file server in a locked space, is there sufficient space to take a digital photo, can the TCA see all work stations and test takers from the viewing window, are there signs that read "Testing in Progress" and "All testing sessions are video and audio taped," is the required equipment present, etc.?

Plenty of scrutiny is given to the testing room itself. Investigators, sometimes Board staff and sometimes local

CPAs, check out the placement of surveillance cameras and adequacy of overhead lighting, that exterior windows are covered to reduce glare and distractions, and that workstations are not placed at right angles to each other. Each test taker should have a table and an ergonomically designed, adjustable chair and sound-absorbing panels between each work station and the next. There are not to be pictures or signs on the walls except for workstation numbers. Each center must have a separate testing room with an assistant for applicants taking the exam under special accommodations. At least two staff members, one of whom is a certified Prometric test center administrator, must be present during testing. Prometric staff must restrict access to candidates only, check IDs, outlaw food or drink in the testing room, verify signatures and documentation, and check candidates in and out of the room for breaks. They also proctor the testing room at all times during the exam.

### Testing Sites Outside NASBA Jurisdictions

Allowing candidates to test at designated sites outside NASBA's 55 jurisdictions presented additional challenges because of the need to guard the security and integrity of the exam in areas with different laws, governments, and cultures. All testing sites, regardless of location, must meet the same requirements so that the testing experience is the same for all test takers.

Currently the exam is offered to U.S. citizens and permanent residents living abroad and citizens and long-term residents of countries in which the exam is offered, with some exceptions. Candidates in Egypt, Qatar, Oman, Saudi Arabia, Jordan, and Yemen can apply to test in Bahrain, Kuwait, Lebanon, and the UAE. Candidates in Argentina, Venezuela, and Colombia may apply to test in Brazil. If you think you might want to test in one of these locations, go to the AICPA or NASBA websites to learn what other requirements you must meet before you can test there.



## Moving??

**Be sure to keep  
your contact  
information current.**



Use any of these methods:

- Online under "Online Services" at [www.tsbpa.state.tx.us](http://www.tsbpa.state.tx.us)
- By email to: [exam@tsbpa.state.tx.us](mailto:exam@tsbpa.state.tx.us)
- By phone: 512-305-7853
- By mail:  
TSBPA  
333 Guadalupe, Twr 3, Ste 900  
Austin, TX 78701

## Tips on Making Your Resume Work for You

In job hunting today, the biggest challenge may be in getting your resume read. Human resource professionals estimate that as many as 90% of submitted resumes are never read. Because resumes can be submitted online in seconds, a single job opening may elicit literally hundreds of applicants who haven't invested so much as the cost of a postage stamp. Not only that, potential candidates can be found on resume databases. There are, though, things you can do to enhance your resume and make it more likely to rise to the top of a very tall stack.

An employer is interested only in what you can do for the company. Your resume must emphasize how your skills and experience fit **their** needs, not how the job fits your needs. Read the job description thoroughly to understand what the employer is looking for and structure your resume to address those needs. If you have experience in more than one area of expertise, you should create multiple resumes with different foci to fit different job descriptions. For example, if you have worked as a teacher and as a practitioner, you will want to have two resumes—one that emphasizes one set of skills and another that emphasizes the other, and you will decide which to send depending on the demands of each position for which you are applying.

Next, you will need to identify and include **key words** that will be picked up in a Boolean search, the kind of search you conduct when you use Google, or in what is called the "20-second search," the kind an employer might conduct by skimming a resume quickly to determine whether to keep a candidate in the pool for further consideration or pitch the resume into the nearest trash can. The whittling process is practically a given today because of the ease with which resumes can be submitted electronically. You'll want to still be in the pool as hundreds are whittled to 20 or 30, and again, as those are whittled down to the 8 to 10 really good candidates who will be interviewed. Whether the whittling process is done by computer or by a human, key words can be what determines whether or not your resume lands on the hiring manager's desk.

When organizing your resume, you will want to put the most relevant information first and use **active verbs** to articulate your achievements. Put some effort into **quantifying** your accomplishments in earlier jobs and internships, no matter what the job entailed. (See [www.jeffthecareercoach.com](http://www.jeffthecareercoach.com) and other websites for help on this.) Formulate an employment objective that articulates where you hope to head in your career. Use **bullets** to make it easier for the reviewer to grasp in less than a minute what you can do or have done. If you overwhelm the reviewer with details, he or she will likely get frustrated and toss the resume aside. Use bold face and italics sparingly, but do use them to illuminate important points. The resume should be attractive and well ordered, as well as consistent in style and error free. Nothing spells doom for a job candidate as much as typos and misspelled words in a resume. In addition to proofreading your resume multiple times yourself, have a friend read it as well. A writer often sees what should be on the page instead of what is actually there. It is difficult to proof your own work. There are many online sources for sample resumes and further suggestions on creating the successful resume. There are also services available that will create one for you if you don't feel comfortable doing this yourself. Just remember you want to

- **Adapt** your resume to fit the job description
- **Identify key words** that can be easily seen by the employer
- Choose **active verbs** to list your achievements and **quantify them** if possible.
- Use **bullets** to make a quick read easier
- **Proofread** carefully to eliminate errors

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## News You Can Use

✓ Although it may seem as if you should be able to call yourself an accountant once you've graduated with an accounting degree, you can't legally do so until you have been certified by the Board. To hold yourself out as an Accountant before you have the certification in hand is considered the unauthorized practice of public accountancy (UPPA) under Texas law and can lead to enforcement action by the Board. (It is permissible to hold

the job title of Accountant within a company as long as you are not offering accounting services to the public.)

Uncertified accounting staff might consider one of these titles:

- Professional assistant
- Professional staff
- Professional associate
- Senior associate
- Senior assistant
- Junior associate
- Staff associate
- Senior staff
- Tax associate

### Scheduling Your Exam

Once you receive your Notice to Schedule, you may schedule to take the Uniform CPA Examination at any Prometric testing center located in one of NASBA's 55 jurisdictions in the U.S., Guam, Puerto Rico, Virgin Islands, or North Mariana Islands. Prometric Testing Centers in Texas cities are listed below.

[www.prometric.com/cpa](http://www.prometric.com/cpa)

Schedule early, as dates, times, and locations may fill quickly.

- Abilene
- Amarillo
- Austin
- Beaumont
- College Station
- Corpus Christi
- Dallas (2 locations)
- El Paso
- Ft. Worth/Bedford
- Houston (2 locations)
- Houston/Clear Lake
- Houston/Greenspoint
- Lubbock
- McAllen
- Odessa
- San Antonio (3 locations)
- Tyler
- Waco
- Wichita Falls

✓ Candidates who have received 5th-year scholarships from the Board have committed themselves to taking the CPA exam as Texas candidates. This was one of the qualification stipulations for receiving the scholarship.

✓ There is a wide range of practice opportunities available to you as a Texas CPA. To learn more, download the video, "On Your Way to Be a Texas CPA," from the Board's website, [www.tsbpa.state.tx.us](http://www.tsbpa.state.tx.us).

✓ The Board charges an administrative fee of \$20 per exam section each time you file an Eligibility Application to take a section of the exam.

✓ To see performance comparisons for candidates taking the CPA exam in various testing windows all the way back to 2004 when the first electronic version of the exam was launched, go to the Board's web page, [www.tsbpa.state.tx.us](http://www.tsbpa.state.tx.us), and research under the Statistics menu. There you can search by university, number of candidates tested, number of sections taken, number of sections passed, and percentage of sections passed.

Read back issues of the  
Candidate Chronicle at  
[www.tsbpa.state.tx.us](http://www.tsbpa.state.tx.us).

**CPAs, Exam  
Candidates, and  
Accounting Students**  
with alcohol or drug  
dependency or mental  
health issues  
can use the services  
of the

## Accountants Confidential Assistance Network

All referral services are confidential and are provided free by CPA volunteers in recovery who are interested in helping others.

ACAN has proven to be beneficial to prospective CPAs as well as those in the profession.

If you need help, call

**1-866-766-2226**

**Administered by the Texas  
Society of CPAs  
and Funded in Part  
by the  
Texas State Board  
of Public Accountancy**

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

## Board Rule 511.51 Defines Terms Used in Outlining Educational Requirements

Board Rule 511.51 of the Texas Administrative Code defines terms and words used by the Board in setting out educational requirements for Texas CPAs. They are listed here to help candidates and educators understand what the terms mean in Board contexts. The following words and terms are extracted verbatim from rules promulgated by the Texas Higher Education Coordinating Board.

(1) "Accelerated courses" means courses delivered in shortened semesters which are expected to have the same number of contact hours and the same requirement for out-of-class learning as courses taught in a normal semester.

(2) "Contact hour" means a time unit of instruction used by institutions of higher education consisting of 60 minutes, of which 50 minutes must be direct instruction.

(3) "Distance education" means the formal educational process that occurs when students and instructors are not in the same physical setting for the majority (more than 50 percent) of instruction.

(4) "Distance education course" means a course in which a majority (more than 50 percent) of the instruction occurs when the student(s) and instructor(s) are not in the same place. Two categories of distance education courses are defined:

(A) "Fully distance education course" means a course which may have mandatory face-to-face sessions totaling no more than 15 percent of the instruction time. Examples of face-to-face sessions include orientation, laboratory, exam review, or an in-person test.

(B) "Hybrid/Blended course" means a course in which a majority (more than 50 percent but less than 85 percent), of the planned instruction occurs when the students and the instructor(s) are not in the same place.

(5) "Non-traditionally-delivered course" means a course that is offered in a non-traditional way (for example, over the internet, or through a shortened, intensive format) that does not meet the definition of contact hours, the course may be considered if it has been reviewed and approved through a formal, institutional faculty review process that evaluates the course and its learning outcomes and determines that the course does, in fact, have equivalent learning outcomes to an equivalent, traditionally delivered course.

(6) "Semester" means and normally shall include 15 weeks for instruction and one week for final examination or a total of 16 weeks instruction and examinations combined.

(7) "Semester credit hour" means a unit of measure of instruction consisting of 60 minutes, of which 50 minutes must be direct instruction, over a 15-week period in a semester system or a 10-week period in a quarter system.

(8) "Traditionally-delivered three semester-credit-hour course" or "traditional course" means a course containing 15 weeks of instruction (45 contact hours) plus a week for final examinations so that such a course contains 45-48 contact hours depending on whether there is a final exam.

The rules words and terms, which follow are considered substantially equivalent in spirit and intent to definitions and references in rules promulgated by the Texas Higher Education Coordinating Board.

(1) "AACSB-International" means the Association to Advance Collegiate Schools of Business-International.

(2) "ACBSP" means the Accreditation Council for Business Schools and Programs.

(3) "Accredited community college" means a board-recognized Texas community college that holds the designation 'Qualifying Educational Credit for the CPA Examination' awarded by the board.

(4) "CHEA" means the Council for Higher Education Accreditation.

(5) "Extension and correspondence school" means a program within an institution that offers courses that are not equivalent to courses offered in an academic department at the institution and the courses are not listed on an official transcript from the institution.

(6) "Institution" or "Institution of Higher Education" means any U.S. public or private senior college or university which confers a baccalaureate or higher degree to its students completing a program of study required for the degree.

(7) "Quarter credit hour" is the unit of measurement based upon an institution of higher education system that divides the academic year into three equal sessions of 10 to 11 weeks. A quarter credit hour represents proportionately less work than a semester hour because of the shorter session and is counted as 2/3 of a semester credit hour for each hour of credit.

(8) "Reporting institution" means the institution of higher education in the state that serves as the clearinghouse for educational institutions of higher education in Texas. Currently, the University of Texas-Austin is the reporting institution for the state of Texas.

(9) "SACS" means the Southern Association of Colleges and Schools-Commission on Colleges.

(10) "THECB" means the Texas Higher Education Coordinating Board.

(11) "Transcript" or "Official Transcript" means a document prepared by an institution that contains a record of the academic coursework offered by an academic department that a student has taken, grades and credits earned, and degrees awarded. The document is printed on paper bearing a watermark specific to the institution and is embossed with the institution's seal, date and the signature of the Registrar who is responsible for certifying coursework and degrees.

(12) "UCPAE" means the Uniform Certified Public Accountant Examination prepared and graded by the American Institute of Certified Public Accountants.