

Evaluating CPA Examination Statistics

2015 NASBA REGIONAL MEETING

JAMES SUH

2014 Overall Performance Statistics

91,384

- Unique Candidates

41,065

- Cohort Size

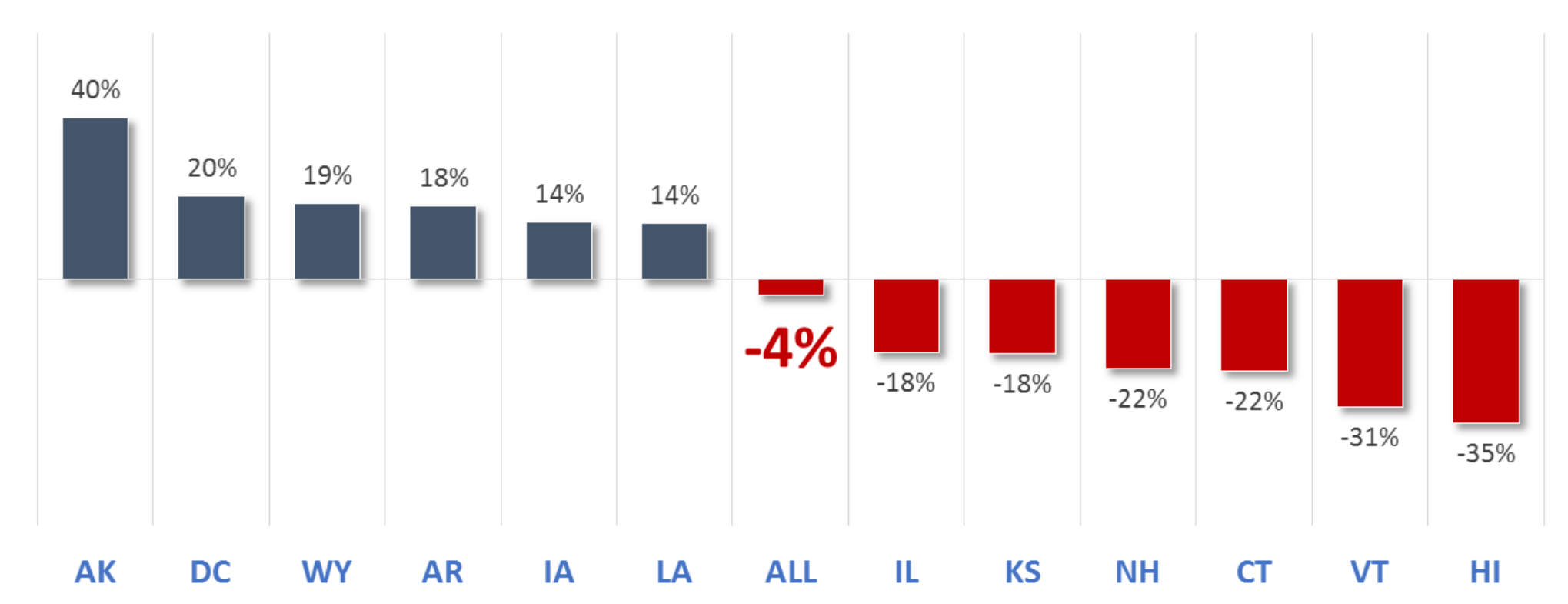
25,643

- Passing 4th Section

19,071

- Drop-Out (>18m)

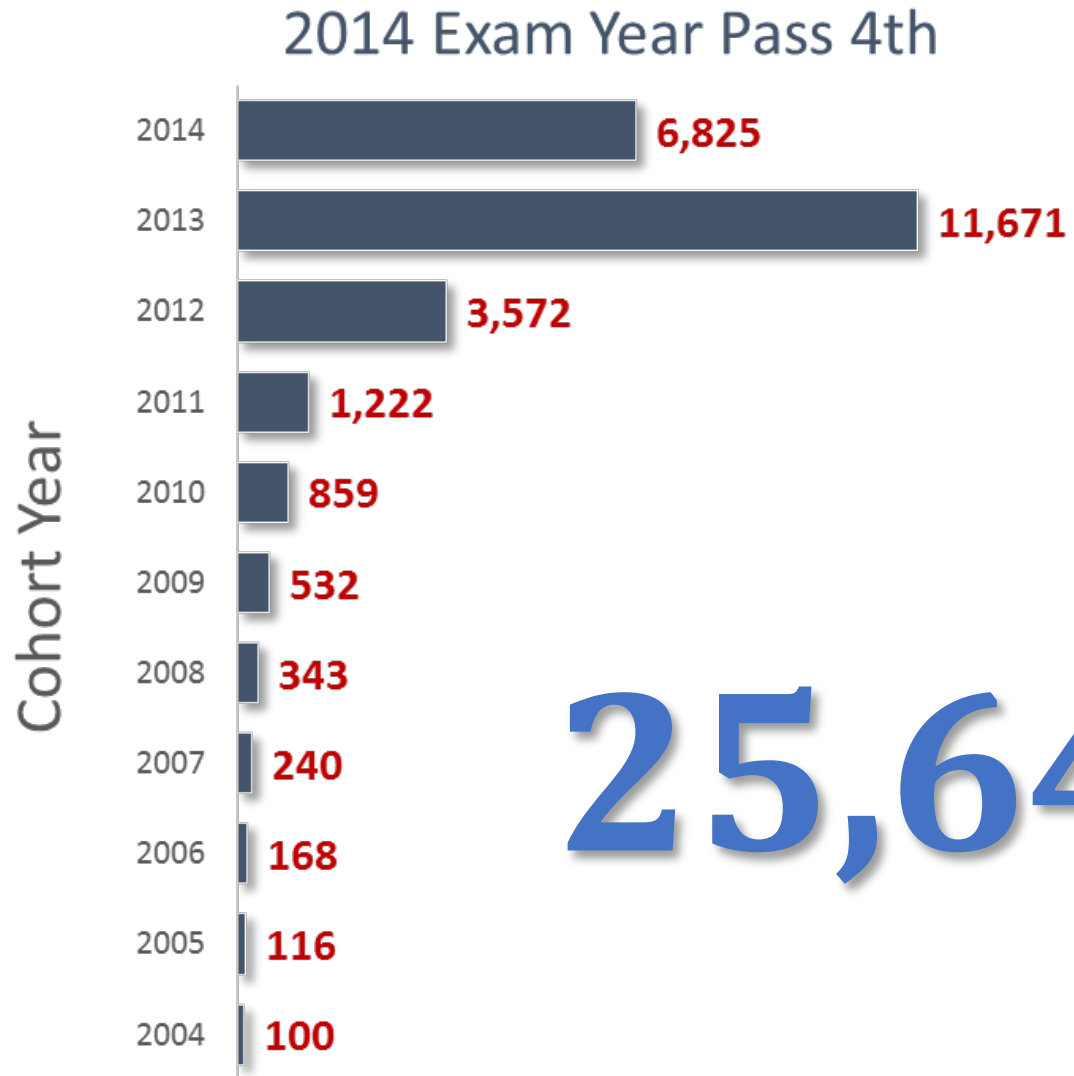
Change in Cohort Size: 2013 → 2014



Passing 4th Section

A candidate who has passed all 4 parts of the examination within the 2014 Examination Year

Well over half of the exam takers pass 4 parts within the 18-month window

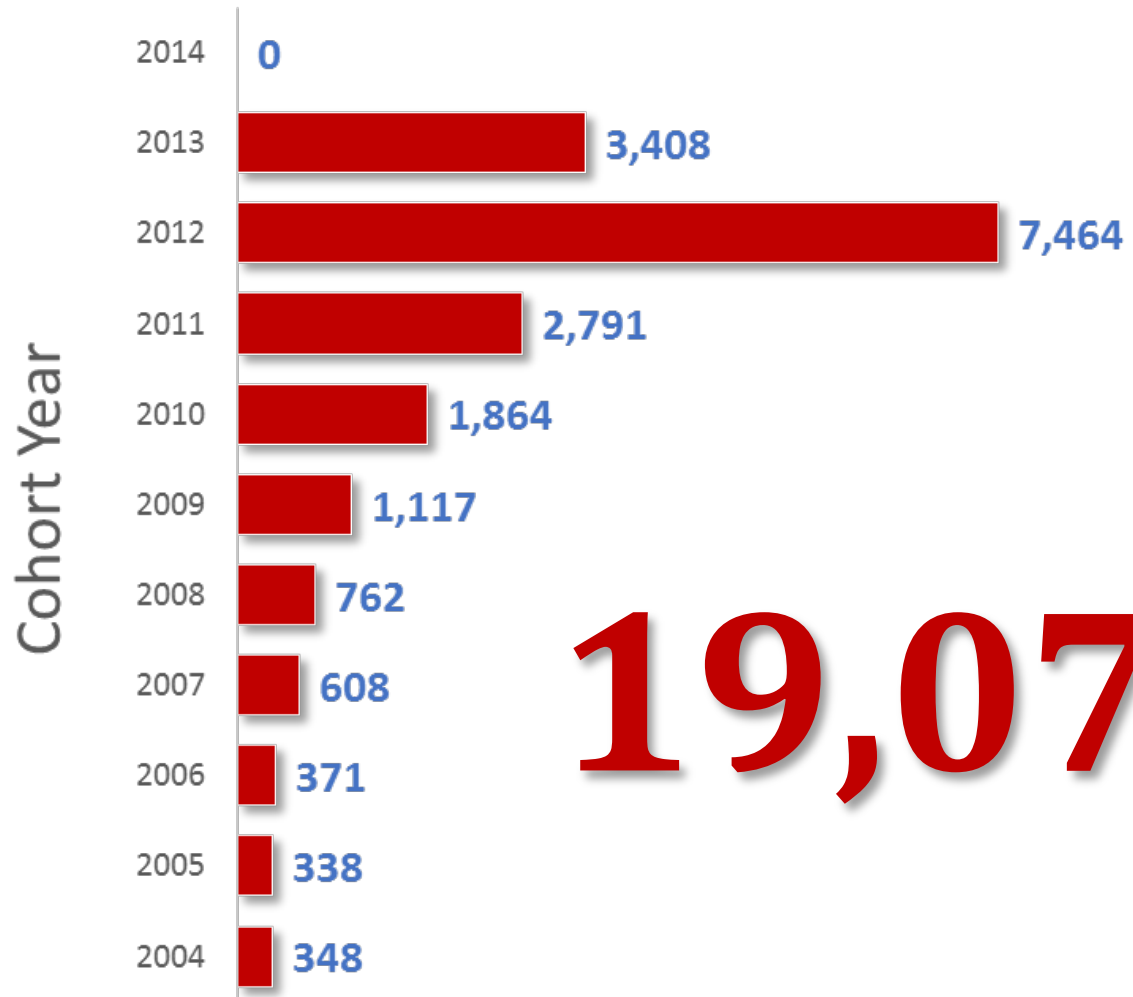


Examination Drop-Outs

A candidate who has not passed all 4 parts of the examination AND has not sat for a section in the past 18-months

The data represents candidates from each Cohort who went from Active to Drop-Out status in the 2014 Exam year

2014 Exam Year Drop-Outs



19,071

New Analysis, Collaboration and Candidate Pipeline

Getting beyond overall pass rate to support stronger understanding of candidate performance and behavior

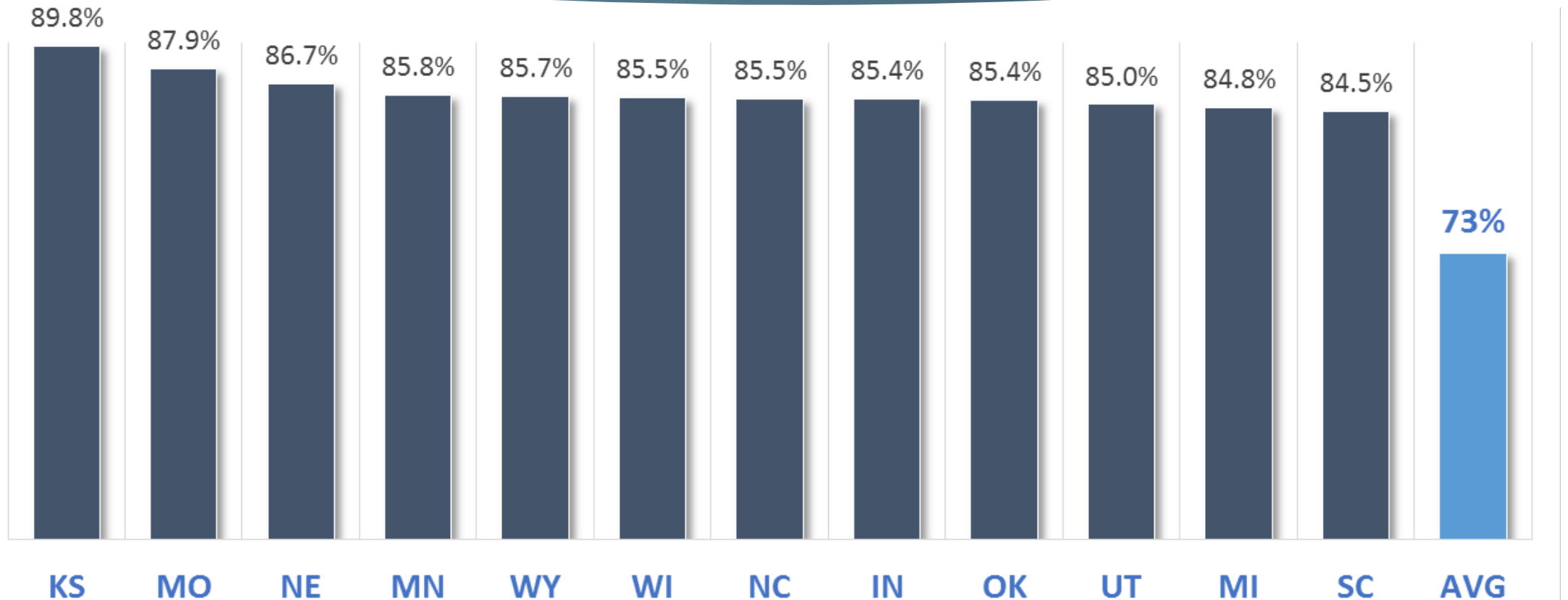
Content Area Performance

	Audit						Business & Economic Concepts					
	Und Eng	Und Ent	Proc Evi	Eval Rep	Acc Rev	Pro Resp	Crp Gov	Eco Con	Fin Mgt	Info Sys	Str Plan	Ops Mgt
Alabama	59.3%	63.6%	56.8%	62.7%	53.4%	64.4%	64.6%	62.2%	51.2%	72.4%	48.8%	52.8%
Alaska	48.1%	48.2%	46.9%	46.5%	48.5%	43.1%	48.6%	67.8%	64.3%	51.7%	57.9%	59.4%
Arizona	59.3%	65.1%	58.4%	57.5%	55.7%	63.6%	72.1%	62.7%	64.9%	72.7%	63.6%	63.6%
Arkansas	55.0%	58.3%	49.7%	51.7%	49.7%	59.6%	59.1%	59.8%	47.8%	61.0%	52.8%	53.5%
California	56.3%	58.0%	54.8%	56.9%	54.6%	57.9%	60.6%	67.2%	62.0%	63.3%	62.1%	62.8%
Colorado	63.5%	64.1%	62.4%	63.5%	58.6%	67.5%	68.3%	68.9%	65.3%	72.3%	63.5%	64.4%
Connecticut	60.0%	64.6%	61.0%	58.5%	58.0%	69.0%	63.4%	66.6%	59.3%	71.7%	63.0%	58.8%
Delaware	50.8%	46.3%	46.3%	44.8%	45.5%	51.5%	56.5%	68.7%	65.7%	69.5%	62.6%	61.1%
District of Columbia	55.2%	63.2%	62.1%	56.3%	59.8%	52.9%	70.6%	66.2%	60.3%	67.7%	63.2%	64.7%
Florida	64.9%	65.4%	62.7%	64.1%	61.9%	69.1%	73.2%	70.6%	68.5%	74.5%	67.3%	67.7%
National Average	60.9%	59.3%	56.7%	58.1%	55.1%	63.0%	69.3%	64.3%	61.6%	67.1%	66.3%	64.2%

Content Area Ranking: 2014 Examination Year

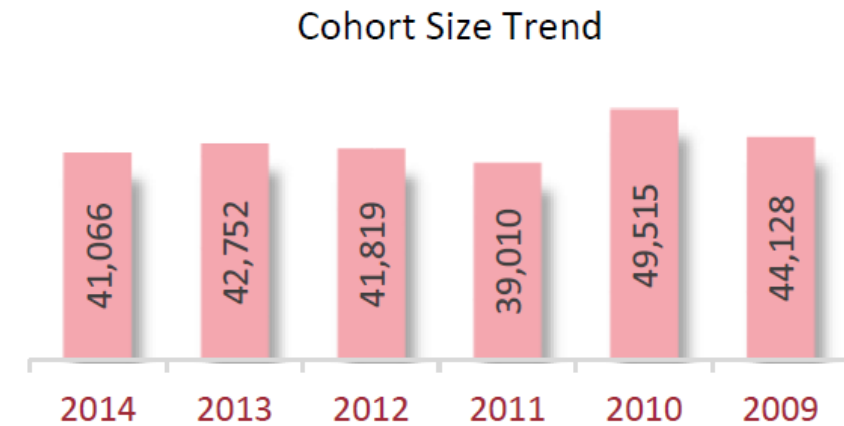
- 1 **REG** Ethics & Legal Responsibilities
- 2 **BEC** Corporate Governance
- 3 **BEC** Information Systems
- 4 **BEC** Strategic Planning
- 5 **BEC** Economic Concepts & Analysis
- 6 **BEC** Operations Management
- 7 **REG** Federal Tax Process
- 8 **AUD** Professional Responsibilities
- 9 **REG** Business Law
- 10 **REG** Taxation on Property Transactions
- 11 **BEC** Financial Management
- 12 **AUD** Understanding the Engagement
- 13 **AUD** Understanding the Entity
- 14 **REG** Taxation on Individuals
- 15 **AUD** Evaluation & Reporting
- 16 **FAR** Not-for-Profit
- 17 **FAR** Governmental
- 18 **REG** Taxation on Entities
- 19 **AUD** Procedures & Evidence
- 20 **FAR** Framework & Standards
- 21 **AUD** Accounting & Review Services
- 22 **FAR** Financial Statement Accounts
- 23 **FAR** Specific Transactions/Events

Performance on Writing Skills Area: 2014 Examination Year



CPB Redesign: General Statistics

	Overall	Exam Type		Exam Section			
		FT	RE	AUD	BEC	FAR	REG
Candidates	91,380	67,849	47,993	49,952	45,398	49,206	46,445
Sections	234,440	136,279	98,161	62,486	53,796	60,197	57,961
% Pass	49.5%	55.0%	41.9%	46.4%	55.5%	47.6%	49.4%
Avg Score	71.9	72.6	70.8	72.4	73.8	70.1	71.3
Avg Age	29.0	28.0	30.5	28.9	29.3	29.0	28.9



	Gender*		Residence		Cohort Year				Age at Time of Examination						
	Female	Male	U.S.A.	Int'l	2014	2013	2012	Other	<22	22-23	24-25	26-27	28-29	30-34	35+
Candidates	43,681	43,563	82,911	8,589	41,066	25,120	9,413	15,781	1,166	21,740	21,671	13,554	10,333	15,946	16,781
Sections	109,391	111,851	211,788	22,652	104,828	66,079	23,538	39,995	2,333	56,331	48,632	29,454	22,551	36,746	38,393
% Pass	46.7%	52.5%	50.6%	39.7%	55.1%	51.2%	42.1%	34.6%	67.1%	62.2%	49.3%	46.7%	46.4%	44.7%	38.7%
Avg Score	70.9	72.9	72.3	67.9	72.7	72.6	70.5	68.5	77.4	75.8	71.7	71.1	70.9	70.5	68.5
Avg Age	28.9	29.0	28.8	31.5	27.4	28.6	30.0	35.6	21.6	23.1	24.8	26.9	28.9	32.2	42.1

CPB Redesign: Pipeline Statistics

Pipeline: Cohort Activity, Attempts, Passing 4

Cohort: Activity & Lost Credit					From 1st Section: Attempted					From 1st Section: Pass 4 Parts						
	2014	2013	2012	Other		Cand	Secs	% Tot	% Pass	Score		Cand	Secs	Sec/Cd	% Tot	% Pass
Pass 4	6,825	11,671	3,572	3,580	<6	21,644	41,509	17.7%	51.1%	71.2	<6	1,298	5,334	4.11	5.1%	97.3%
Active	32,553	11,875	5,083	10,762	<12	19,422	63,319	27.0%	57.8%	73.7	<12	5,527	23,784	4.30	21.5%	93.0%
Inactive	1,687	8,306	3,053	5,479	<18	16,061	43,725	18.7%	53.0%	73.0	<18	7,084	35,102	4.96	27.6%	80.7%
Drop	0	3,536	7,668	8,500	<24	9,059	22,354	9.5%	47.6%	71.8	<24	4,587	27,077	5.90	17.9%	67.8%
Lost Cd	0	1,930	3,126	10,394	>24	25,194	63,533	27.1%	38.6%	69.6	>24	7,152	76,406	10.68	27.9%	37.4%
					Total	91,380	234,440	100%	49.5%	71.9	Total	25,648	167,703	6.54	100%	61.2%

CPB Redesign: Section Statistics

Cohort Performance: Section, Content Area, Skills Area

	AUD				BEC				FAR				REG			
	Cand	Secs	%P	Score	Cand	Secs	%P	Score	Cand	Secs	%P	Score	Cand	Secs	%P	Score
Overall	49,952	62,486	46.4%	72.4	45,398	53,796	55.5%	73.8	49,206	60,197	47.6%	70.1	46,445	57,961	49.4%	71.3
2014	24,500	28,328	50.0%	72.9	21,614	23,356	64.7%	75.5	26,737	30,000	53.2%	70.9	20,561	23,144	54.3%	72.1
2013	13,507	18,205	47.4%	73.0	12,233	14,936	58.3%	74.5	11,039	14,454	47.6%	70.7	13,984	18,484	51.8%	72.2
2012	4,352	5,952	40.2%	71.2	4,031	5,372	44.5%	71.8	4,291	5,946	40.9%	69.2	4,440	6,268	42.7%	70.1
Other	7,593	10,001	36.1%	69.8	7,520	10,132	33.2%	69.0	7,139	9,797	33.0%	66.9	7,460	10,065	36.2%	68.4

CPB Redesign: Content Area Statistics

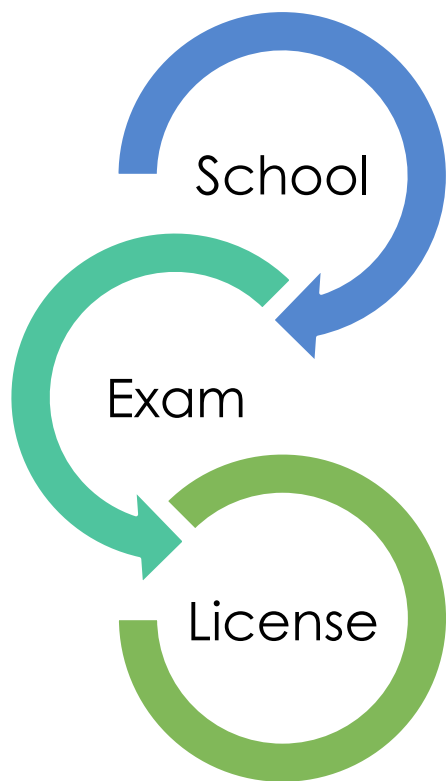
AUD	Un Eng	Un Ent	Pro Evi	Evl Rpt	Acc Rev	Pro Res	Sim
Overall	60.6%	61.2%	58.0%	60.1%	60.0%	62.9%	52.5%
2014	62.2%	64.2%	60.9%	62.0%	60.0%	65.0%	53.8%
2013	60.6%	62.4%	58.8%	61.1%	61.4%	63.8%	54.4%
2012	58.0%	57.2%	54.1%	57.6%	60.5%	61.0%	48.9%
Other	56.9%	52.1%	49.8%	53.6%	57.7%	55.8%	47.2%

BEC	Crp Gov	Eco Con	Fin Mgt	Info Sy	Str Pla	Op Mgt	Writ
Overall	63.5%	64.7%	58.9%	67.0%	59.3%	60.9%	68.6%
2014	66.0%	68.9%	64.3%	69.2%	65.1%	65.9%	74.8%
2013	65.0%	65.7%	61.4%	67.3%	61.3%	62.5%	69.1%
2012	60.3%	59.4%	51.0%	62.7%	51.7%	55.1%	61.2%
Other	55.4%	53.7%	43.5%	62.1%	43.4%	47.1%	53.9%

FAR	Frm Std	Fin Sta	Spc Trn	Gov't	NFP	Sim
Overall	54.4%	52.3%	52.2%	60.6%	59.0%	48.0%
2014	57.2%	56.9%	56.5%	63.7%	60.1%	51.5%
2013	54.0%	52.8%	51.9%	61.6%	59.5%	47.9%
2012	50.1%	46.3%	47.0%	57.8%	57.9%	42.1%
Other	46.7%	38.0%	39.8%	49.2%	54.5%	38.8%

REG	Eth Leg	Bus Law	Fed Tx	Tx Pro	Tx Ind	Tx Ent	Sim
Overall	67.1%	56.7%	63.6%	59.3%	61.3%	54.8%	49.9%
2014	68.8%	61.0%	66.2%	62.1%	64.1%	57.6%	53.0%
2013	68.5%	57.8%	64.6%	61.6%	62.1%	57.6%	51.8%
2012	64.6%	51.4%	60.5%	55.9%	57.2%	50.7%	43.4%
Other	61.4%	46.0%	56.4%	49.4%	54.7%	44.4%	41.4%

Collaboration and Pipeline Studies



- ▶ Various organizations working on candidate pipeline
 - ▶ BOA, AICPA, State Societies, AAA
 - ▶ Collaborating with each of these to support work
- ▶ CPA Professional pathway analysis
 - ▶ Linking university, examination, licensing and professional data to strengthen understanding of behavior
 - ▶ Preliminary work and discussion
- ▶ NASBA Data Summit (Univ Notre Dame **July 2015**)
- ▶ New analysis for 2015 Exam Reporting (handout)

Evaluating CPA Examination Statistics

NASBA Regional Meeting

James Suh, NASBA