

## Nominating Committee Announces Slate

The NASBA Nominating Committee met on June 24, 2016 in Denver and selected their nominees for Directors-at-Large and Regional Directors, as reported by Nominating Committee Chair Walter C. Davenport (NC).

As previously announced, Theodore W. Long, Jr. (Associate – OH), is the Nominating Committee’s choice for Vice Chair 2016-2017, to accede to Chair 2017-2018 if elected Vice Chair by the member Boards at the November 1, 2016 Annual Business Meeting in Austin, TX. Elections for the other NASBA officers will also take place at that time. Nominations may also be made by any five member Boards if filed with NASBA Chair Donald H. Burkett (SC) at least 10 days before the Annual Business Meeting. A majority vote of the designated voting representatives of the member Boards attending the Annual Meeting shall constitute an election provided a quorum is present.

At the 2016 Regional Meetings, three Regions’ Nominating Committee’s members and alternate members were selected, in accordance with Article VII Section 3 of the Bylaws. In order to break a tie vote at the Regional Meeting, Regional Director Stephanie S. Saunders held a conference call with the voting delegates from the Middle Atlantic Region on July 1, 2016.

Prior to the Eastern Regional Meeting, Sheldon P. Holzman had resigned as alternate to the Nominating Committee, having never been called upon to serve as a member of the Nominating Committee. At the Regional Meeting, James P. Gero (Delegate – OH) was elected to serve as the Great Lakes Region’s alternate on the Nominating Committee 2016-2017. ♦

## 2016 Regional Meetings



NASBA Regional Meetings in North Carolina and Colorado hear President Bishop and Chair Burkett’s update.

## NASBA Board of Directors Nominees

### Directors-at-Large (three-year term):

- Jimmy E. Burkes (Delegate – MS)
- John F. Dailey, Jr. (Delegate - NJ)
- Janice L. Gray (Associate – OK)

### Regional Directors (one-year term):

- Central – Sharon A. Jensen (Delegate – MN)
- Great Lakes – Sheldon P. Holzman (Delegate -IL)
- Middle Atlantic – Stephanie S. Saunders (Delegate – VA)
- Mountain – Nicola Neilon (Delegate - NV)
- Northeast – Catherine R. Allen (Delegate-NY)
- Pacific – Edwin G. Jolicoeur (Delegate- WA)
- Southeast – Maria E. Caldwell (Delegate – FL)
- Southwest – J. Coalter Baker (Delegate – TX)

## Elected Nominating Committee

The newly elected members of the 2016-2018 Nominating Committee are:

- Central – Michele M. Stromp (Delegate – NE) member, Holly Brunick (Delegate-SD) alternate;
- Middle Atlantic – Marc Moyers (Delegate – VA) member, Barton W. Baldwin (Associate – NC) alternate;
- Pacific – Ruben Davila (Associate - CA) member, Thomas T. Ueno (Associate - HI) alternate;
- Southeast – Willie B. Sims, Jr. (Delegate – MS), David L. Dennis (Delegate – FL) alternate.

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## Regionals Focus on Change

North Carolina State Board of CPA Examiners President Michael H. Womble welcomed 188 participants to NASBA's Eastern Regional Meeting in Asheville, June 7-9, with the words: "My mantra is: 'We must evolve.' That is what these meetings allow us to do." Similarly, Colorado State Board of Accountancy Chair Kristal L. Bernert welcomed 187 participants to NASBA's Western Regional Meeting in Denver, June 22-24, with enthusiasm and tips on area attractions.

Chair Donald H. Burkett (SC) and President and CEO Ken L. Bishop presented an update covering NASBA's many activities in support of the State Boards, with details being provided by other meeting speakers.

"There are a lot of uniformity issues," President Bishop observed. "There is always some conflict between uniformity and states' rights." NASBA will support the states' rights, he assured the Boards, but added: "In a world of mobility, it is confusing to have differences." Among the areas he cited were use of title, peer review and Code of Conduct.

Chair Burkett quoted Linda Ferrell, distinguished professor of leadership and ethics at Belmont University and a member of the NASBA Center for the Public Trust Board: "Your principles are non-negotiable. They are your true North." Mr. Burkett said he shares that quote with the accounting and business students, as well as with the State Board members. ♦

## CA Enforcement Initiative Underway

NASBA has already provided the California Board of Accountancy with preliminary assessments of some State Accountancy Boards' enforcement practices, Katrina L. Salazar, President of the California Board of Accountancy, reported to the Regional Meetings, with final assessments to be provided in September 2016. She explained that California Senate Bill 1405 allows for a CPA from another jurisdiction to practice in California with no notice and no fee if that jurisdiction has enforcement practices that meet or exceed those of the California Board of Accountancy. The California Board requested NASBA's assistance in making those assessments, based on the NASBA Guiding Principles of Enforcement. Ms. Salazar pointed out that NASBA will continue to work with states not determined to be equivalent by September, but by July 2017 the California Board will decide whether they need



Katrina Salazar

to initiate rulemaking to remove a jurisdiction from the no notice, no fee mobility provision. CPAs from a removed jurisdiction would still be able to practice in California, but would be required to give prior notice and pay a fee.

NASBA Regulatory Affairs Director Stacey L. Grooms assured the Boards: "This is not a cookie-cutter approach. It is a process of saying what are some of the key elements for effective enforcement. The practices are not going to look the same in every jurisdiction. But does each Board meet the Guiding Principles?" She commented that NASBA was honored that the California Board had adopted the Guiding Principles, which NASBA finalized in May 2015 and can be found on [www.nasba.org](http://www.nasba.org). The assessment process has been particularly helpful to some Boards, Ms. Grooms noted: "Several Boards have said, 'Now that we know that we don't have that [ability], we can go back and ask for what other Boards have.'" ♦

## Regional Accreditation Not Enough

State Accountancy Boards should be requiring CPA candidates to have received their education from institutions that have more than regional accreditation, Dr. Jan Williams told the NASBA Regional Meetings. "Colleges vary in terms of quality control and accreditation can provide a direct indication of quality," he stated. Reporting on the January NASBA/AICPA forum with accreditors and the follow-up research being done by a NASBA/AICPA/AAA task force, Dr. Williams noted that some accreditors had not considered the differences in types of courses that appear on transcripts.

He told the Boards there are five points for them to remember:

1. The higher education environment is truly dynamic and will continue to change.
2. Quality issues among courses exist and it is difficult to assess the quality of credits on the college transcript.
3. Accreditation has the potential to help, but it is not the only solution.
4. Regional accreditation is a necessary but not sufficient accreditation. The accreditors at the NASBA/AICPA forum were surprised to hear what the Boards of Accountancy expected accreditation to do.
5. Help is on the way in dealing with these quality issues.

The task force hopes to have rules that are more reflective of the current education environment, Dr. Williams reported. "I don't think

we have seen all the changes in education in 2016. We don't know what will come up in the next few years."

The ways in which education is delivered have changed significantly from the time when most State Board members earned their degrees, Dr. Williams pointed out. Among the practices that complicate the interpretation of current transcripts are: credit for life or work experience, competency-based education, on-line courses and programs, expansion of co-op and internship programs, advanced coursework at community colleges, and credits earned outside the United States.

NASBA and the AICPA are planning to hold a second accreditation forum to continue the discussions held at the initial January 29, 2016 forum. Dr. Williams reported to the NASBA Regional Meetings that a joint NASBA/AICPA/AAA task force hopes to arrive at the following deliverables:

1. Propose State Board language related to reliance on academic accreditation.
2. Assist State Boards in judging the quality of academic programs.
3. Identify areas best suited for limiting credit hours.

Members of the joint task force include: From NASBA - Raymond N. Johnson, Carlos E. Johnson, James Suh and Brentni Henderson; from AICPA - Joanne Fiore, Yvonne Hinson, Sharon Lassar and Steve Matzke; From AAA - Bruce Behn and Tracey Sutherland. ♦

# PRESIDENT'S MEMO

## Organizational Rebooting

On one day when you were the busiest, you have probably experienced either a dramatic slowdown or complete freeze of your computer. If you have, there is a good chance that the problem was resolved when someone told you: "Reboot. Turn off your machine, count to 10 and then repower the system." It's amazing, how that simple exercise of refreshing turns what was essentially a boat anchor into a complex, sophisticated working tool.

I can almost hear our IT folks laughing as they read this, as they know that their President is pretty much inept when it comes to understanding the intricacies of a computer. However, I have figured out that by occasionally rebooting my computer, iPad and cell phone, and not waiting for a failure to happen to do so, the systems all perform better, faster and more reliably. As a CEO, it has become evident to me that organizations, including NASBA, also need the refreshment of organizational rebooting.

Those of you who attended one of our recent Regional Meetings heard NASBA Chair Donny Burkett and me repeat the phrase: "You are NASBA." NASBA is an organization that is governed by State Board volunteers, whose mission is solely focused on State Boards, whose members are State Boards and is staffed by individuals dedicated to that mission. Rebooting NASBA is less about hardware and infrastructure and more about people and processes. Any successful organization must evolve, learn, anticipate and grow to meet the challenges and opportunities it will face. The individuals (both volunteers and staff) who govern or manage an organization must be willing to sometimes change their attitudes and overcome resistance to make that happen.

I am writing this "Memo" just after the dedication of our redesigned facilities in Nashville. The "rebooting" of our infrastructure is completed. We are well underway in developing new IT software and systems for all of our core products and services, and we have nearly completed moving our data to an even more secure and reliable cloud service. While these are great accomplishments for NASBA, what I am the proudest of is the evolution of our thinking and doing.

Another heartfelt phrase frequently repeated at NASBA meetings and in our publications is our dedication to being "member focused." As an organization we continually "reboot" by making sure that all we are doing is aligned with the needs of the Boards of Accountancy, our stakeholders. Our visits and communications with the Boards provide us with the practical benefits of direct communication, but they are also an important element in our continuing assessment of how we are doing as your national organization.

This month closes out our fiscal year. We now have high confidence in how the year will end financially, if our goals and expectations were met, and if we attained the deliverables and hit the benchmarks set out in our strategic plan. I am very pleased to report that it has been an excellent year in every measurable aspect — which means it is probably time for yet another "reboot."

As we develop the strategies, goals and budgets for the next fiscal year, we are already assessing our core services, evaluating the expectations of our member Boards and analyzing the state of the organization. In other words, the next "organizational reboot" has already begun!

*Semper ad meliora (Always toward better things).*



**Ken L. Bishop**  
President & CEO

A handwritten signature in black ink that reads "Ken L. Bishop".

— Ken L. Bishop  
President & CEO



Student panelist Kameia Brown of North Carolina Agricultural & Technical State University.



NASBA Chair Donald Burkett reports on recent activities at the Regional Meetings.



Eastern Regional Meeting attendees enjoy the landscape of Asheville, NC, during the Welcome Reception.

## Students Shine at Regionals

The career possibilities offered by an education in accounting have encouraged some bright, articulate students to focus on the discipline, as was evidenced at NASBA's Regional Meetings. Student panelists at both meetings stressed the importance of inspiring teachers, classroom time and personal contacts in guiding them to their curriculum choices. Participants in the panels were: Eastern – Eric Bajek (Rutgers University – NJ), Kamela Marjarie Brown (North Carolina Agricultural & Technical State University), Adam Gerald Holsing (Florida State University) and Malcolm Avery Mueller (Ohio University); Western – Richard Eric Duron (University of Colorado – Denver), Jaylea Michelle Lillard (East Central University – OK), Erica Clarice McDonald (Creighton University – NE) and Taylor Marie Rock (University of Kentucky).

In response to NASBA Center for the Public Trust President Alfonso Alexander's question as to what caused these students to focus on accounting, Mr. Mueller replied: "I came into college as a finance major and my accounting professor convinced me to come into accounting. The CPA is the gold standard." He was impressed by the ability to practice in multiple states and the possibility of working on international assignments. Mr. Bajek also said he switched over to accounting: "I wanted to become a detective. I learned that to do that you don't have to be a criminal justice major: Accounting offers a huge amount of added opportunities."

Western panelists were asked by Mr. Alexander to identify their most "exciting accounting class." Ms. Lillard said it was the computer class for accountants, including EXCEL. Ms. McDonald replied that because of her professor, cost accounting was the most exciting for her. Similarly, Ms. Rock said because of her professor the first accounting course was the most exciting. Mr. Duron gave his vote to financial accounting. In response to the same question at the Eastern Regional, Mr. Bajek and Mr. Mueller both thought cost accounting was the best. Ms. Brown said that was her least favorite course and selected intermediate accounting – 2 as the best. Mr. Holsing picked advanced information systems.

Asked about getting the required 150 credits for a CPA, one panelist said she had taken enough Advanced Placement courses so that she had a full year of college credit and would be able to get her master's degree within her four years at college. Another said he was going to have a double major in business intelligence and will have accumulated 150 hours with both. However, a third said he would take his last few courses in a community college studying photography, introduction to logic and, perhaps, guitar. He



**From left to right: Ken Bishop, Eric Bajek, Kameia Brown, Adam Holsing, Malcolm Mueller and Donald Burkett at Eastern.**



**From left to right: Alfonso Alexander, Donald Burkett, Richard Duron, Erica McDonald, Jaylea Lillard, Taylor Rock and Ken Bishop at Western.**

explained that he was going to exercise his "creative side."

Overall, the panelists gave high marks to their teachers. Ms. Brown commented: "My professors made students feel like family, sending you e-mails of things you might be interested in and inviting you to their homes for dinner. All my accounting professors are licensed CPAs."

Mr. Alexander asked the students how family members had reacted to their career choice. "Both my parents were English majors," Mr. Mueller answered, "and they didn't want me to go into the liberal arts. They were happy I wanted to go into accounting."

The students had all attended the NASBA Center for the Public Trust's Student Leadership Conference, held June 21-23 in Denver. It brought together 69 students, coming from 25 schools that have Student Center for the Public Trust Chapters and 11 schools that are looking to start chapters in the coming year. ♦

## UAA and Model Rules Ever Green

A change to the Uniform Accountancy Act's Section 6, which would enable more qualified non-U.S. professionals to come under the regulation of the State Boards of Accountancy, is currently open for comment until September 1, 2016 (see [https://media.nasba.org/files/2016/06/UAA-Exposure-Draft\\_060116.pdf](https://media.nasba.org/files/2016/06/UAA-Exposure-Draft_060116.pdf)), NASBA UAA Committee Chair J. Coalter Baker (TX) reminded the Regional Meeting attendees. The first NASBA/AICPA mutual recognition agreement, covering the Canadian chartered accountants, was signed in 1991 and since that time only six others have been completed, Mr. Baker pointed out. The proposed change to the UAA would delete the requirement that the other country must offer a license to U.S. CPAs if their country's designation is to be recognized in the U.S. With the proposed change, "We could more readily recognize qualified people who are here."

The exposure draft also covers changes to Model Rules Article 5 that relate to the revised Uniform CPA Examination which will be launched in April 2017.

Mr. Baker also reported that, in July 2016, the NASBA and AICPA Boards of Directors are expected to vote on final language amending the UAA and Model Rules to recognize the CPA-Retired status. Changes suggested during the comment period were considered by the AICPA/NASBA UAA Committee as they drafted their final recommendation to the AICPA and NASBA Boards.

Changes to the Model Rules covering peer review and continuing professional education are expected to be exposed for comment before the end of the year, Mr. Baker stated. ♦

## Weighing the Dental Board Fallout

In response to the Supreme Court's decision in the *North Carolina Dental Board* case (see *sbr* 3/15), NASBA is engaged in a three-prong approach to support State Boards of Accountancy, said NASBA Director of Legislative and Governmental Affairs John Johnson. This effort consists of: (1) Education, awareness, and training – including a webpage dedicated to the NC Dental Board case that features webinars, white papers and other materials, as well as conducting meetings with individual Boards; (2) State legislative support that identifies, tracks and works with Boards when related legislation is filed; and (3) Support of a federal solution through participation in the Professional Licensing Coalition.

Accountancy Boards should not assume that they have the statutory authority to issue “cease and desist” letters or orders, Nathan Standley, Esq., advised at the Regional Meetings. However, there may be public protection and regulatory efficiency reasons for sending letters to non-licensees during or following a Board's investigation. In the *North Carolina Dental Board* case, the U.S. Supreme Court ruled against the Board's practice of sending out letters which appeared to be orders to non-licensees offering teeth whitening services. Instead, Mr. Standley advised each Board to check with their legal counsel as there are many considerations that are specific to each jurisdiction. He also advised that Board members undergo training to stay current in antitrust law as it affects State Boards of Accountancy. NASBA has created a 42-minute webinar for State Boards for that purpose.

NASBA staff and legal counsel have been tracking approximately

24 court cases, Brenner Allen, Esq., reported. Ms. Allen outlined how the Eleventh Amendment intersects with antitrust law and described the significance to State Boards of: *Petri v. Virginia Board of Medicine* (4th Cir. May 16, 2016), *Robb v. CT Board of Veterinary Medicine* (D. Conn. Jan. 20, 2016), *Teladoc, Inc. v. TX Medical Board* (W.D. Tex. Dec. 14, 2016), *Rodgers v. Louisiana State Board of Nursing* (M.D. La. Dec. 18, 2015) and *Eastern Railroad Presidents Conference v. Noerr Motor Freights, Inc.* (365 U.S. 127, 137 – 1961). Ms. Allen told the Western Regional that additional cases had just come in the previous week; however, she noted no case based on the NC Dental Board decision has been brought against a Board of Accountancy yet.

NASBA is one of the eight groups supporting the Professional Licensing Coalition (PLC). The others are: the Association of State and Provincial Psychology Boards, Council of Landscape Architectural Registration Boards, Federation of State Medical Boards, Federation of State Boards of Physical Therapy, National Board for Certification in Occupational Therapy, National Council of Architectural Registration Boards, and Federation of Associations of Regulatory Boards, Mr. Johnson reported. The PLC has been educating members and staff of the House/Senate Judiciary Committees on a surgical approach to amend the Local Government Antitrust Act. This would remove the threat of treble damages, and in most cases attorney fees, for professional licensing boards and board members.

For additional information about NASBA's efforts in this area, see [www.nasba.org](http://www.nasba.org). ♦

## Time to Enforce Current Laws

State Boards of Accountancy were urged at NASBA's June Regional Meetings to enforce their current laws that prevent consumer confusion created by professional titles. NASBA President Ken L. Bishop recommended the Boards take three steps:

1. Recognize your law is a good law. The Uniform Accountancy Act prohibits the use of confusing titles. NASBA has done a detailed analysis of every state law and has reached out to Boards' attorneys to understand how they are interpreting this law. NASBA does not want to weaken this core protection for the public or the profession.
2. Enforce the law.
3. Just say, “No.” Don't say it is okay to use confusing language in your state.

Recognizing that some states may be eager to change the law on titles to allow management designations, President Bishop reported to the Boards that NASBA and AICPA staff are developing model language that could be placed in state law and not potentially harm the public. This would be language for the Boards' consideration after going through the Uniform Accountancy Act Committee's vetting process.

“We are not putting stakes in the ground with historic positions. The language in the UAA has served us very well if you look back at the use of the word ‘accountant’ in conjunction with other words,” President Bishop remarked. “However, some states may want to change the language and we want to do it correctly, to develop

language in a safe harbor. We are running it up the flag pole.”

President Bishop told the meetings that NASBA is also ready to work with the AICPA on changes needed for the Peer Review Program. ♦

## Open House



**NASBA opened its doors to guests on June 29 to inaugurate the 7th floor meeting room named in honor of Lorraine P. Sachs. Gene Brosky (left), Ken Bishop, Ms. Sachs and David Costello toured the new facilities and enjoyed the special dedication ceremony.**

## Big Data on the Horizon



**Michael Fritz** Although manual flowchart templates, comptometers and Osborne Computers are no longer part of CPA practice, the profession is continuing to adopt other tools, NASBA Regulatory Response Committee Chair W. Michael Fritz (OH) pointed out. “We haven’t changed how we actually do the audit for at least 50 years and we need to change. Our clients are using real-time data and we have to do real-time audits. The top 100 firms are using real-time data, and we, as regulators, have to know how to use real-time data as well,” Mr. Fritz told the Boards at the Regional Meetings.

Through the use of data analytics, data can be selected for visualization that reveals where there are outliers and where there are risks. The current audit standards were written when the CPA would rarely do a 100 percent sample. However, Mr. Fritz observed, “Even if I look at 100 percent of the data, audit quality will still come down to the quality of the analyses and the judgments of the auditors. I still have to build a tool that does not have client bias in it. I have to document my understanding and make sure I am doing

it appropriately.” The AICPA is working with Rutgers Business School on a project to integrate data analytics into the audit process, the Rutgers AICPA Data Analytics Research (RADAR) initiative. He noted the minutes of RADAR’s monthly meetings are being posted on <http://raw.rutgers.edu/radar.html>.

State Boards can use data analytics via the NASBA CPE Tracker tool, which permits a 100 percent audit of the state’s licensees, Mr. Fritz said. Also using the Accountancy Licensee Database and the NASBA Legislative Tracking System can enable consideration of larger amounts of data.

“Consider using information found on the Department of Labor and Federal Data Clearing House databases to search for firms that may not be properly licensed in your state to perform specialized audits,” he suggested.

“Firms, regulators and auditing standard setters acknowledge the challenge data analytics presents to how they can work together to enhance audit quality. State Boards need to be a part of the process,” he said. ♦

## On the Legal Radar

Noel Allen, NASBA outside legal counsel, advised the State Boards that current legal cases related to regulatory authority have made it an “interesting time” for this area of the law. He observed, “There is a titanic battle going on between different parts of the Constitution.” Leaving the *North Carolina Dental Board* case for more in-depth discussion at the Regional Meetings’ breakout sessions, he brought the following cases to the Boards’ attention as noteworthy:



Noel Allen

- *Cane v. Nevada State Board of Accountancy* (D.C. Nev. Feb. 12, 2016) – The Federal district court lacked jurisdiction over the Nevada Board, which had Eleventh Amendment sovereign immunity.
- *N.C. Acupuncture Licensing Board v. N.C. Board of Physical Therapy Examiners et al.* (N.C. Super. Ct. 2016) – Court concluded that it is not appropriate to stop physical therapists from “dry needling.” Additional suit pending in Federal Court challenging Acupuncture Board’s actions under Federal antitrust law.
- *Gustafson v. Board of Accountancy* (Review denied 358 Ore. 374 - 2015) – Board’s reliance on past disciplinary actions when imposing suspension period was not unfair.
- *United States v. Melvin* (N.D. Ga. Nov. 10, 2015) – CPA’s violation of a Board of Accountancy code of conduct regarding confidentiality was grounds for conviction for aiding and abetting a scheme to use insider information.
- *Osborne v. Tenn. State Bd. of Accountancy* (Tenn. Ct. App. Mar. 10, 2015) – CPA revocation not given judicial review because appeal was not filed within 60-day window.
- *AICPA v. IRS* (D.C. Cir. 2015) - Case is currently under remand to the D.C. district court. ♦



J. Randel Hill speaks at the Eastern Regional Meeting.

## Facing Title Confusion

The phrase “preventing consumer confusion” summarizes what the U.S. Supreme Court has said about commercial speech, Texas State Board of Public Accountancy Legal Counsel J. Randel Hill explained at the Regional Meetings.

In 2006 the Texas Board commissioned an independent consultant to determine the public’s perception of the use of the terms “accountant” and “accounting services.” The survey found 65 percent of those interviewed believed persons referring to themselves as “accountants” or “accounting firms” in advertising were licensed by the State. In the financial services sector, the survey found 76 percent believed a person or firms that advertise auditing services to the public are required to be licensed by the State. The Texas Board opens 300-400 such cases per year; about 85 percent are closed immediately because the individuals did not realize they were not allowed to use those terms; 14 percent sign a consent agreement and only 1 percent go to an injunction. ♦

## A Glimpse of the Eastern and Western Regional Meetings



New Board Member Orientation welcomes first time attendees to NASBA at the Eastern Regional Meeting.



Western Regional attendees listen to student panelists on their future in accounting.



Attendees listen during a breakout session on potential peer review changes.



BOE Chair Michael Daggett (left) greets Board members during registration at the Western Regional Meeting.



Professor Jan Williams discusses the importance of accreditation at the Regional Meetings.



John Johnson (left) and Nathan Standley (middle) spoke about anti-trust concerns for Accountancy Boards at the Regional Meetings.

## Education Research Reports

Research which benefited from 2015 NASBA grants has shown that (1) investments in students and programs do make a positive contribution to the Uniform CPA Examination's pass rate for a school and (2) AACSB accreditation also improves a school's pass rate. Reporting at the Regional Meetings, Drexel University Professors Hubert D. Glover and Jennifer Wright summarized some of the preliminary findings of their study on "Best Practices for Preparing International Students for the Uniform CPA Examination." Through statistical analysis of information from 73 schools, the Drexel team found that the two most significant elements related to the Examination's passing rate were the student admission eligibility (GMAT score) and the level of opportunity to select concentrations and multiple electives. They also found that programs with enhanced CPA guidance had higher pass rates than the national average. Dr. Glover commented: "Those schools that made the investment to educate students on the profession, that made sure there was professional awareness as well as technical competence, and looked for higher GMAT scores, had higher pass rates."

At both Regional Meetings, Texas Woman's University School of Management Professor Pamela Baker reported on the preliminary results of the study she and her colleague Dr. Robert Maurer have developed on "Causal Effect of Changes in Business School Accreditation on CPA Exam Success Rates." They compared 20 schools' pass rates before, and five years after, they achieved accreditation. Those schools that were accredited by the AACSB showed an increase in pass rates that was not initially seen for those



**Professors Pamela Baker and Hubert Glover at the Western Regional Meeting.**

schools accredited by the ACBSP or the IACBE. Dr. Baker said the research team found changes required for the AACSB accreditation included: an increase in accounting faculty with a corresponding reduction in the student/faculty ratio; a reduction in many schools' concentrations; addition of GMAT/GRE entry requirements; and, in some cases, graduate exit tests. She anticipates her team will have the statistical information written up by NASBA's Annual Meeting.

Dr. Baker remarked: "In research done on on-line vs. face-to-face courses, students requested face-to-face. My on-line course students have requested that we meet in person. The vast majority, 94 percent, say they learn better face-to-face. They need your backbone to support what we need."

The professors thanked NASBA for working to improve accounting education. Dr. Glover told the NASBA audience: "This is awesome that you are supporting research. I would ask you to continue to uphold this great profession and don't be a stranger to our campuses. They want to meet you." ♦