



## THE LATEST ON PEER REVIEW

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*Published by the National Association of State Boards of Accountancy*  
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## The Latest on Peer Review

In December, Executive Vice President Wendy Garvin shared an important update with member Boards of Accountancy on behalf of NASBA's Peer Review Compliance Committee, which could require board action. This update included information regarding the following Peer Review developments:

The AICPA Peer Review Board recently approved Peer Review Standards Update No. 2, *Reviewing a Firm's System of Quality Management and Omnibus Technical Enhancements (PRSU No. 2)*. Important changes were made to account for new Quality Management Standards (QM Standards) issued by the Auditing Standards Board (ASB).

Quality management related revisions included in PRSU No. 2 are effective for peer reviews with years ending on or after Dec 31, 2025. Firms have until Dec 15, 2025, to establish a QM system in alignment with AICPA QM Standards. Early implementation is permitted.

Boards may wish to review their statutes and rules, in coordination with their legal counsel, for any definitions or references to "Quality Control" and/or "Quality Control Standards" and consider whether changes may be needed to add references or definitions that align with the new QM Standards.

It is important to note and consider that the Public Company Accounting Oversight Board (PCAOB) intends to continue using terminology related to a firm's System of Quality Control as outlined in the new QC 1000, *A Firm's System of Quality Control*, effective Dec 15, 2025.

Examples of items to look for may include...

- "System review" means a peer review evaluating whether there is reasonable assurance that: (1) the system of **quality control** of the individual or firm being reviewed is designed and operated in such a manner as to meet professional standards.
- Experience requirements for attest services. Each permit holder who supervises attest services or who signs or authorizes a person to sign a report on any audit, attest, review, or compilation engagement, on behalf of a firm shall meet the requirements set forth

in the "**statements on quality control standards**" issued by the Auditing Standards Board of the American Institute of Certified Public Accountants and contained in the "AICPA professional standards," as adopted by reference.

- A certified public accountant shall: (1) Comply with the **Statement on Quality Control Standards**, issued by the American Institute of Certified Public Accountants Auditing Standards Board, as incorporated by reference.
- A certificate holder, or an individual granted practice privileges, who is responsible for supervising attest services, or who signs or authorizes someone to sign accountant's reports on behalf of the firm, shall meet the experience and competency requirements for a "practitioner in charge" as set forth in AICPA **Quality Control Standards**.



Wendy Garvin

Please email [info@nasba.org](mailto:info@nasba.org) with any questions or to request support from NASBA.



# PRESIDENT'S MEMO

## “When E May Not Equal E”

It won't be news to those in our NASBA family that the accounting profession has lately been grappling with an important question: What paths to becoming a CPA ensure both accessibility to the profession and competency *within* the profession?

These concepts—like “promotion of the profession” and “protection of the public”—can at times seem to stand on opposite sides. And yet we know that if the reputation of the CPA credential isn't maintained through rigor, there won't be much worth promoting about our profession. Similarly, the public won't be as well protected if there are fewer and fewer protectors. As with many things in life, doesn't it seem the best outcome depends on striking a balance between “opposed” views?

These days, though, it can seem balance itself—the compromises it demands—feels at risk. That increasingly we regard any dilution of our individual positions as either inviting danger or making us sellouts. But with any debate that's complex in nature, it seems to me each side of it usually possesses a piece of the truth. When it comes

to CPA pathways, you, our member boards—the regulators—have a vital piece of that truth. State societies do, too. Individual practitioners, academics, those at the start of their career and those near retirement from it—the same. NASBA, the AICPA, as well. Compromise among these views isn't, therefore, a breaking from our truth but a *joining of truths*. And out of that compromise comes a correcting of our inevitable blind spots—NASBA's included.

Recently, in order to educate myself, I did some digging in the NASBA archive. As it turns out, the debate surrounding education, experience, and the CPA has been around a while. Did you know that in the early days accountants were concerned about requiring too much education because the

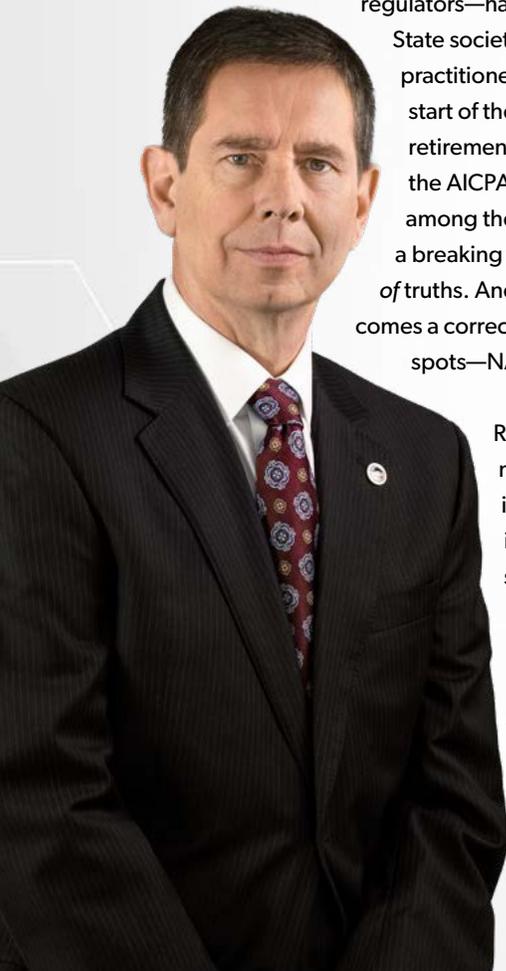
accounting programs within universities were not, in their view, good enough? This view morphed, however, after the profession noticed more people who graduated college passed the CPA Exam. Though they didn't call it a pipeline issue then, accountants had grown to feel their discipline was increasingly multifaceted and that time spent in higher education would mean fewer people failing the Exam, thereby ensuring more CPAs. Indeed, in 1937—when there were only 39 State Boards of Accountancy—a controversial resolution emerged declaring that CPAs should have a college degree in accounting.

This resolution prompted a further discussion about what constituted proper experience: the years, the type, and whether that should be in private accounting versus public. A paper presented at a NASBA Regional Meeting in 1994 made the then-unconventional case that a liberal arts education was just as desirable for the unique skills it imparted to accountants. A response to this paper articulated the opposed belief that “learning through mistakes”—aka experience—was more vital. Which, interestingly, led to improvements in college programs that taught accounting. To the point that a new (well, old) consensus arose whose conclusion was that the best experience was indeed found in the classroom since other types of experience were susceptible to what was then criticized as “elapsed time”—that is: hours spent in an office by an accountant potentially doing little related to accountancy.

Back and forth we've gone. On education, experience, on education and experience—pieces of a more complete truth emerging at every pivot.

What I also found interesting in the archive was how, as these debates took place, the profession began to collaborate on a model of uniformity that could transcend divergent times, fashions of thought, and jurisdictional views. All so that accounting as a career balanced accessibility to the public with maintaining the trust the public put in it. In 1984, this work led to the joint Uniform Accountancy Act (UAA). Our profession has since been the envy of most, not just because those forward-thinking folks at the time created a model act that enhanced and preserved our unique mobility, but also because, as part of it, they devised a lesser-known process that works out our thorniest issues collectively. What that UAA process has addressed over four decades is impressive: transitioning the Exam from paper to computer, for example; peer review; CPA Evolution; and more.

Continued on the following page.



# “When E May Not Equal E” (Continued)

Now, is this process—designed as it is to surface, explore and harmonize the views of a wide gamut of stakeholders—efficient? Not really. But then I’m beginning to wonder if we as a society haven’t become in thrall to a formula that, in many cases, is flawed. That being E=E, or “efficiency equaling excellence.” To name just one scenario, how many of us might swap efficiency in our medical appointments for a greater thoroughness that led to better care? Maybe the most vital matters in life are not meant to be efficient because they’re meant to be effective. And maybe it’s not speed but thoughtful completeness that brings human beings toward (ironically) time-saving truths and right action.

On pathways, there’s no question that NASBA and the AICPA should have been more efficient in taking the issue up. Many of you at the jurisdictional level already were and, for a number of reasons, we were late to your concerns. Which is why over the last two years, we’ve tried to make up for that oversight by mobilizing the UAA process. In establishing task forces, committees, and working groups that drew more than 60 individuals from state boards, state societies, firms, small practices, academia, NASBA, and the AICPA, we’ve worked together to find solutions. The result of this joint work was two draft proposals exposed for comment last September. If I may, I’d like to emphasize that word: proposal. We at NASBA never believed what these groups and the UAA Committee chose to expose was the end of the story, but rather a point of origin. One that would invite your expertise and thoughtful reactions to better shape an outcome.

And shape it you have: Since the December deadlines, more than

500 comments on the proposals have been recorded. We are now sifting through the comments in order to join the truths of our stakeholders and overcome our blind spots. If you look at the flowchart graphic of the UAA process—included within this column—the comments and criticism you offered will result in either a tabled initiative or an entirely revised proposal to be exposed again. In this case, re-exposure is appropriate to align the UAA with the concepts contained in the exposure draft comments.

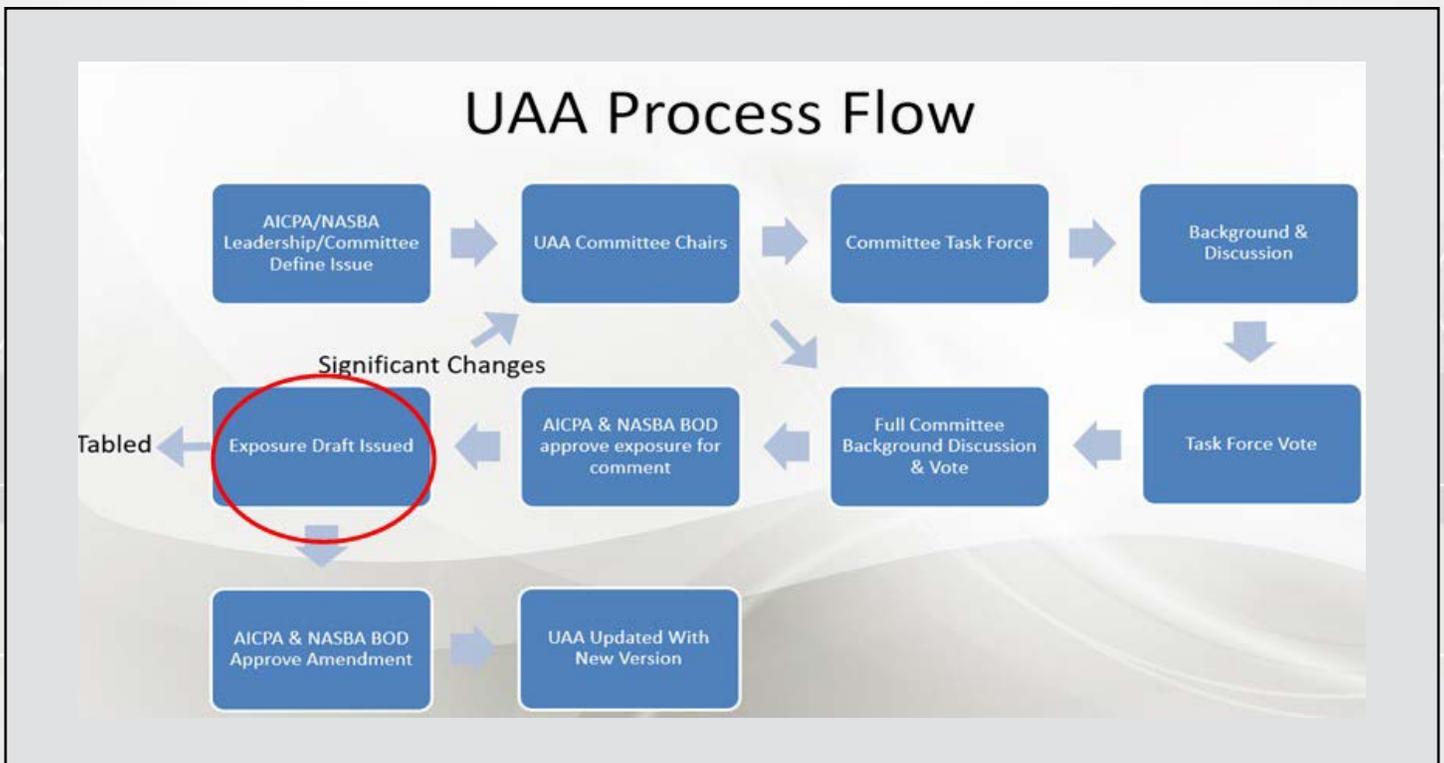
This isn’t a painless process. We are 55 U.S. jurisdictions, each with a position, an argument, often more than one. Part of NASBA’s promise to its members is not to shirk from, but catalyze, the most challenging yet essential debates facing our profession in order to help reconcile them. We should have moved quicker on the first part of that promise. But for the second part, the process itself, to proceed fast or autocratically—while that might seem “efficient” on the surface, it would neither honor our members nor be complete, truthful and ultimately *effective*.

Given our history, our professional nature as accountants, and this shared process, I am confident that we can and will find the right balance to this intricate and historic question.

Sincerely,

*Daniel J. Dustin*

Daniel J. Dustin  
President and CEO



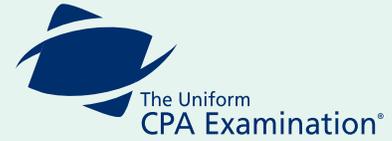
## CPA Exam Expands to Bermuda

CPA Exam candidates have been afforded greater flexibility in test taking. Effective January 13, 2025, Bermuda has been added as an international testing location for the Uniform CPA Exam (Exam).

This comes after the July 2024 addition of [the Philippines](#) as an international testing location for the Exam. For more information on international testing locations, visit NASBA's website: <https://nasba.org/internationalexam/>.

In partnership with the AICPA and Prometric, NASBA provides the opportunity for international administration of the Exam to be offered in the following locations in addition to Bermuda:

- Bahrain
- Brazil
- Egypt
- England
- Germany
- India
- Ireland
- Israel
- Japan
- Jordan
- Kuwait
- Lebanon
- Nepal
- Philippines
- Saudi Arabia
- Scotland
- South Korea
- United Arab Emirates



## March Kicks Off Committee Interest Season

It's almost that time of the year...time to begin planning for NASBA's 2025-2026 committee cycle. Committee assignments for 2025-2026 will be made by Vice Chair Nicola Neilon. Board of Accountancy members are encouraged to volunteer their knowledge, expertise and time to NASBA by serving on a committee during the upcoming committee year.



Nicola Neilon

NASBA's 25+ committees are the bodies that position NASBA as a relevant and vital organization. The contributions made by NASBA's diverse committee volunteers are invaluable and necessary to aid the

association in continuing its important work and fulfilling its mission.

Assignments will be based on information submitted on each member's Committee Interest Form. NASBA leadership recommends that, even if you currently serve on a committee, you should proceed in indicating your interest in continuing to serve next year by submitting a completed form. Members should look to receive an email notification in March announcing the opening of the Committee Interest response period.

To view a listing of NASBA's committees for 2024-2025, visit: <https://nasba.org/mc/committees/>.

## Research Grant Deadline Nears

Did you know that NASBA, under the guidance of the NASBA Education Committee, offers up to \$25,000 annually to support educational research? Introduced in 2011, NASBA's Accounting Education Research Grants Program was established to support the growing need for funding to conduct research pertaining to the future of the accounting profession.

The program's 2025 Call for Proposals is currently open through 11:59 p.m. CT on Monday, March 3, 2025. Post-doctoral researchers and professors seeking funding are strongly encouraged to submit grant proposals for consideration prior to the deadline.

Under the program, NASBA will fund and award grants totaling up to \$25,000 for one-year research projects. A maximum of three research grants are awarded annually. Since the program's inception, over \$200,000 has been awarded in support of academic research nationwide.

Among this year's research interest areas include (but are not limited to):

- Integrating data analytics and AI as part of an accounting education,
- Inclusivity within the CPA profession,
- CPA Pipeline related topics, and the
- Impact of licensing requirements on students' decisions to pursue accounting careers.

The 2025 class of grant recipients will be announced in summer 2025, and the researcher(s) will generally be expected to finalize the research within one year of the signed agreement date. Additionally, NASBA may extend an invitation for the recipient(s) to present their findings at a NASBA Regional Meeting in June or a NASBA Annual Meeting in October of the following year.

In 2024, research teams from the University of Alabama, Morgan State University, Virginia Tech and Drexel University were awarded grant funding.

If you are a post-doctoral researcher or professor in need of research funding, visit: <https://nasba.org/education/researchgrants/> to learn more about the program's eligibility criteria, application guidelines and previous recipients. Please direct all questions regarding the submission process to [grantproposal@nasba.org](mailto:grantproposal@nasba.org).

# Bulk Scheduling is Here

U.S. colleges, universities and CPA firms now have the option to schedule testing for their cohorts of CPA Exam candidates through a new Bulk Scheduling program offered by NASBA (in collaboration with the AICPA and Prometric). Launched in January, colleges, universities and firms can now request scheduling blocks up to six months in advance of their desired testing dates, which will enable candidates to test in groups, aligning with their CPA Exam preparation schedules.

Patricia Hartman, NASBA's Director of Client Services, hopes the program will foster the benefits of study cohorts and provide added accountability for testing completion.

The Bulk Scheduling process involves three steps:

- Contact NASBA by visiting this link: <https://nasba.org/bulk-scheduling>
- NASBA approves the institution for participation
- Prometric will send a Letter of Acknowledgement, Bulk Registration Request Form and the Test Scheduling Form to the institution

It is important to note that a minimum of 10 blocks must be requested with each seat block request. Also, NASBA may suspend Bulk Scheduling during peak volume periods, following consultation with member Boards of Accountancy.

To learn more about the program, visit <https://nasba.org/blog/2025/01/14/bulk-scheduling/>.

## BENEFITS



CPA applicants who participate in CPA Review courses together, explore the study materials on the same schedule and pace.



Bulk Scheduling allows study cohorts to support each other throughout the entire testing process.



Bulk Scheduling helps align students testing with their Exam prep schedules.



Bulk Scheduling is essential and a great benefit for candidates to have the CPA Exams at the same time and place.



Bulk scheduling allows groups from the same organization or institution to be in a cohort testing environment, which helps them alleviate the normal related assessment anxiety.



Bulk scheduling is a benefit to the organization or institution as it incentivizes test takers to complete their CPA Exam process (similar to an individual working out alone vs. with partners)

## Dustin Receives Top 100 Honors

NASBA extends congratulations to President and CEO Daniel Dustin for being named to *Accounting Today's* 2024 Top 100 Most Influential People in Accounting listing. This marks Dustin's first time receiving the recognition. The Top 100 is a highly-anticipated annual ranking that highlights regulators, thought leaders, change-makers and other prominent leaders who are shaping the profession, along with issues that they face while working to ensure the future of the profession. Join NASBA leadership and staff in congratulating our chief leader on this deserving honor!



Daniel Dustin addresses the NASBA membership at the 117th NASBA Annual Meeting.



**DATE: TUESDAY, MAY 13, 2025**

**Venue: Hermitage Golf Course, Nashville, TN**



**Schedule:**

10:00 a.m. Check-in and Boxed Lunch available

12:00 p.m. Shotgun Start

Dinner and Awards Ceremony to follow

[Scan the QR code or click here to register, sponsor or get more details.](#)



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