

January 30, 2008

Mr. Alfonso Alexander
NASBA
150 Fourth Ave. North, Ste. 700
Nashville, TN 37219-2417

By e-mail: aalexander@nasba.org

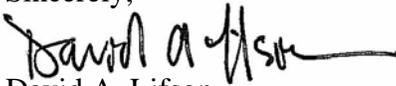
Re: Exposure Draft of the UAA Model Education Rules 5-1 & 5-2

Dear Mr. Alexander:

The New York State Society of Certified Public Accountants, representing 30,000 CPAs in public practice, industry, government and education, submits the following response to your invitation to comment on the above captioned exposure draft. NYSSCPA thanks NASBA for the opportunity to comment.

The NYSSCPA's Higher Education Committee deliberated the exposure draft and prepared the attached comments. If you would like additional discussion with us, please contact Priscilla Z. Wightman, Chair of the NYSSCPA Higher Education Committee, at 607-431-4338, or Ernest J. Markezin, NYSSCPA staff, at (212) 719-8303.

Sincerely,



David A. Lifson
President

Attachment

**RESPONSE TO INVITATION TO COMMENT ON EXPOSURE DRAFT OF THE
UAA MODEL EDUCATION RULES 5-1 & 5-2**

January 30, 2008

Principal Drafter

Priscilla Z. Wightman

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New York State Society of Certified Public Accountants

Higher Education Committee

Comments on Exposure Draft of the UAA Model Education Rules 5-1 & 5-2

General Comments

The committee appreciates NASBA's efforts to establish a uniform pre-service education for the accounting profession. As educators we understand the challenges that confront our students as they attempt to enter the profession with an educational background from one jurisdiction and licensing criteria of another. We believe that, if adopted, a unified model will benefit all stakeholders.

We appreciate the more concise nature of the current draft. We acknowledge that the use of outside accrediting bodies streamlines the candidate review process. We are concerned, however, that accreditation standards for curriculum may be established outside the context of the Uniform CPA Examination Content Specification Outline (CSO). If accreditation standards depart significantly from the profession's priorities (as evidenced by the CSO) then accreditation fails as a benchmark for accounting education. We are unsure how this relationship (accreditation/CSO) will be defined and monitored.

We note that this draft shifts from a course/content specific focus to a more open and flexible mix of content. This flexibility has the potential for greater breadth of coverage in educational programming, but it simultaneously allows for the reduction and/or omission of core content coverage in accounting curriculum. NASBA's previous proposal emphasized general education as an important part of the candidate's educational experience. That emphasis has been lost in the current draft. Additionally, this draft sets no standard for content/course level. A research course taken at the freshman level appears to satisfy the proposed requirements, but differs dramatically from the research undertaken in a Master's thesis. We believe it is appropriate to recognize the importance of a minimum standard for core content, general education and course level through stated requirements in the UAA rules and would encourage change to that effect (see our specific comments).

Finally, we support the recognition of an integrated approach to core content coverage. However, we find the draft language vague and unclear in reference to integration. We urge a review of this approach to provide stronger guidance for implementation and assessment (see more in our specific comments).

Specific Comments

For ease of reference our comments are listed by rule, paragraph and line. The NASBA draft language is in bold. Our comments are in italics followed by our rationale.

Rule 5-1 Education Requirements: Definitions page 2 line 24: f) “independent study”

Comment: We suggest further clarification of this phrase.

Rationale: Different academic institutions classify similar experiences differently. An independent study may be student designed, faculty designed, some combination thereof, or simply the student enrolled in a standard catalog course that is not offered in that particular semester (referred to as a directed study at some institutions). Since the proposal limits “independent study” credit hours more specific guidance in this area would be useful.

Rule 5-2 Education Requirements: page 4 line 9: c)2)

7 2) Earned a minimum of 24 SCH (or the equivalent) of accounting courses at the
8 undergraduate or graduate level, excluding principles or introductory accounting courses,
9 covering some or all of the following subjects, which are to be contemporaneously derived
10 from the Uniform CPA Examination Content Specification Outline (CSO):

Comment: We suggest the following language change:

7 2) Earned a minimum of 24 SCH (or the equivalent) of accounting courses at the
8 undergraduate or graduate level, excluding principles or introductory accounting courses,
9 covering the following subject matter content, which are to be contemporaneously derived
10 from the Uniform CPA Examination Content Specification Outline (CSO):

Rationale: We find the “some or all” language to be vague and confusing. The term subject matter content provides terminology consistent with the CSO.

Rule 5-2 Education Requirements: page 4 line 26: c)3)

26 3) Earned a minimum of two SCH in research and analysis in accounting through a discrete
27 undergraduate and/or graduate accounting course or two SCH integrated through the
28 undergraduate and/or graduate accounting curriculum. Colleges or universities must
29 provide evidence of coverage under integration as specified in Rule 5-2(d). The SCH
30 earned through a discrete course in research and analysis in accounting may fulfill the
31 accounting subject matter requirements in Rule 5-2(c)2).

Comment: We suggest a language change to “relevant to the course content described in c)2)”.

Rationale: We find the “in accounting” description unclear. The phrase may be interpreted as research in: only accounting, only taxation, or all of the course content described in c)2). Thus a specific cross reference to c)2) aligns the research with the CSO.

Rule 5-2 Education Requirements: page 4 line 34: c)4)

33 4) Earned a minimum of 24 SCH (or the equivalent) of business courses, other than
34 accounting, at the undergraduate and/or graduate level, covering some or all of the
35 following subjects:

Comment: We suggest the following change:

33 4) Earned a minimum of 24 SCH (or the equivalent) of business courses, other than
34 accounting, at the undergraduate and/or graduate level, covering the following subject matter
content, which are to be contemporaneously derived from the Uniform CPA Examination Content
Specification Outline (CSO):

Rationale: We again find the “some or all” language confusing, particularly without guidance on business courses appropriate to future CPAs. The added CSO reference will provide consistency of content and direction to both candidates and educators.

Rule 5-2 Education Requirements: page 4 line 37: c)4)i) Business Law

Comment: We recommend that a minimum of 3 SCH in Business Law be required as a separate course.

Rationale: The CSO specifically identifies Ethics and Business Law as a separate content area. Since law is at the core of all business transactions and operations and determines the environment within which a CPA practices we find the educational requirements insufficient when Business Law is considered optional.

Rule 5-2 Education Requirements: page 5 line 4: c)5)

3 5) Earned a minimum of two SCH in communications in business or accounting in an
4 undergraduate and/or a graduate accounting or business course or two SCH integrated
5 through the undergraduate or graduate accounting or business curriculum. Colleges or

Comment: We suggest that the two SCH in communications NOT be restricted to accounting or business courses.

Rationale: Communications courses are frequently taught by experts in communications in departments other than accounting or business, e.g. Business Writing offered by an English Department delivered by English Department Faculty. We believe these courses provide an equivalent coverage of this subject matter.

Rule 5-2 Education Requirements: page 5 lines 10-13: c)6)

10 6) Earned a minimum of three SCH in an undergraduate and/or a graduate accounting or
11 business course in ethics as defined in Rule 5-1(d). A discrete three SCH course in ethics
12 may count towards meeting the accounting or business course requirements of Rule 5-
13 2(c)(2) or Rule 5-2(c)(4). As an alternative, colleges or universities may choose to integrate

Comment lines 10/11: We suggest the three SCH in ethics NOT be restricted to accounting or business courses.

Rationale: Business ethics courses are frequently taught by experts in ethics in departments other than accounting or business, e.g. Business Ethics offered by a Philosophy Department delivered by Philosophy Department Faculty. We believe these courses provide an equivalent coverage of this subject matter.

Rule 5-2 Education Requirements: page 5 lines 19-20: c)6)

19 at the equivalent of the three SCH minimum. Alternate methods for proof of ethics
20 coverage may be determined and approved by the Board following careful scrutiny.

Comment Lines 19/20: We recommend the alternative methods be clarified with expanded description and examples.

Rationale: The current language is vague and thus will make the rule difficult if not impossible to apply. Ethics is an integral part of the practice of public accounting and is often addressed across all of the accounting curriculum. Candidates/educators deserve clear guidance when determining the measure of adequate coverage.

Rule 5-2 Education Requirements: page 5 lines 27-32: d)

27 d) Colleges or universities that use an integrated approach to meet Rule 5-2(c) must provide
28 evidence that the respective subjects adequately cover the desired content, with acceptable
29 instruction and quality to attain the objectives. Proof of coverage may be provided through
30 specific evaluation by a national accrediting agency such as AACSB or ACBSP. Alternate
31 methods for proof of coverage may be determined and approved by the Board following
32 careful scrutiny.

Comment: We suggest clearer guidance on the meaning of an integrated approach and alternative methods of proof. Further it is not clear that accrediting agencies are willing and/or able to provide such proof of coverage.

Rationale: Again the draft language is vague and nonspecific. It links curriculum acceptance to accreditation agencies without defining how the accreditation benchmarks align with the CSO. Without clearer guidance on alternative methods for proof of coverage, those institutions without national accreditation will be precluded from integrating content across the accounting curriculum which contradicts the initiatives of the Accounting Education Change Commission and the 1989 Big 8 White Paper, “Perspectives on Education: Capabilities for Success in the Accounting Profession” included in the American Accounting Association’s History of the AECC (<http://aaahq.org/aecc/history/appB.htm>):

“The development of an efficient curriculum requires attention to integration. Re-engineering the curriculum should include a careful evaluation of topical coverage in all subjects. Emphasis should be placed not only on the presentation of relevant material, but also on the compounding of learning by appropriate combination across course and departmental lines.”

The investment in this initiative, made by “unaccredited” institutions, deserves a well defined standard of assessment.