

December 21, 2007

Mr. Martin Crabtree
AICPA
1230 Parkway Avenue, Suite 311
Ewing, NJ 08628-3018

By e-mail: mcrabtree@aicpa.org

**Re: Response to Invitation to Comment on Improving the
Uniform CPA Examination**

Dear Mr. Crabtree:

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 improving the uniform CPA examination. NYSSCPA thanks the AICPA for the opportunity to comment.

The NYSSCPA's Higher Education Committee reviewed the contemplated changes as outlined in the questionnaire and drafted the attached comments in the prescribed form. If you would like additional discussion with us, please contact Priscilla Z. Wightman, Chair of the 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 IMPROVING THE
UNIFORM CPA EXAMINATION**

December 21, 2007

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Wayne J. Morse
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NYSSCPA Staff

Ernest J. Markezin

**IMPROVING THE UNIFORM CPA EXAMINATION
INVITATION TO COMMENT QUESTIONNAIRE**

RESPONDENT'S PAGE

1. Are you responding on your own behalf or on behalf of a State Board of Accountancy or other entity?

- Independent response
 Response on behalf of (specify) New York State Society of CPAs

2. Please check off the statements that apply to you:

- | | |
|---|---|
| <input type="checkbox"/> Current state board member | <input checked="" type="checkbox"/> Educator |
| <input type="checkbox"/> Former state board member | <input type="checkbox"/> Working in public accounting |
| <input type="checkbox"/> State board staff | <input type="checkbox"/> Working in industry |
| <input type="checkbox"/> No state board experience | <input type="checkbox"/> Review course provider |
| <input checked="" type="checkbox"/> Other (specify) <u>Higher Education Committee on behalf of the NYSSCPAs</u> | |

3. Respondent's Name and Address:

Name Staff Contact: Ernest J. Markezin
Affiliation NYSSCPA Staff
Address 3 Park Ave. NY, NY
E-mail address ejmarkezin@nysscpa.org Tel. No: 212-719-8303

Date: _____ / _____ / _____

1. Continue the development of Task-Based Simulations (TBS)

(*Improving the Uniform CPA Examination*, page 1, item 1; “Task-Based Simulations,” page 3-4)

Description:	
Task-based simulations are short independent simulations.	
Rationale:	
<ul style="list-style-type: none">• The use of TBS is a pre-requisite for faster and more predictable score release.• The use of TBS allows for broader sampling of content and skills within a section of the Examination.	

Question: How strongly do you support an initiative to implement task-based simulations?

Please check one of the following:

Strongly Support Support Neutral Do Not Support* Strongly Do Not Support*

* For a response **Do Not Support** or **Strongly Do Not Support**, please comment below.

Comments: CPA's must be able to solve complex problems. The ability to do so should be demonstrated as some part of the examination process.

2. Introduce Task-Based Simulations (TBS) at the same time as the practice analysis results are introduced.

(*Improving the Uniform CPA Examination*, page 1, item 2; “Risk Factors Impacting Decisions” and the benefits of introducing changes in one release vs. multiple releases over time, pages 7-8)

Description:	
Coordinate the implementation of task-based simulations with the implementation of the practice analysis results.	
Rationale:	
<ul style="list-style-type: none">• The introduction of TBS and the results of the practice analysis will require communications to candidates and state boards. Introducing them concurrently would allow all communications about changes to be addressed in a single communications effort.• Concurrent introduction ensures that the content of the TBS’s is aligned with the new practice analysis.	

Question: How strongly do you support the introduction of task-based simulations and the results of the practice analysis concurrently?

Please check one of the following:

Strongly Support Support Neutral Do Not Support* Strongly Do Not Support*

* For a response **Do Not Support** or **Strongly Do Not Support**, please comment below.

Comments: e

3. Begin the administration of simulations in BEC by consolidating the administration of essay questions in the BEC section at the same time as the practice analysis results are introduced.

(Improving the Uniform CPA Examination, page 1, item 3; “Written Communication Simulations in BEC,” page 4; “Risk Factors Impacting Decisions” and the reasons for introducing changes at the same time, pages 7-8)

Description:	
Consolidate written essay questions into BEC. Remove essay questions from the other sections (AUD, FAR, REG).	
Rationale:	
<ul style="list-style-type: none">• Consolidating the essay questions into one section will provide for faster score reporting.• Consolidating the essay questions into one section will allow for a single communication update to candidates and state boards.• Consolidating the essay questions into one section will help contain costs.• Removing essay questions from AUD, FAR, and REG will allow for the administration of additional task-based simulations in those sections.	

Question: How strongly do you support the consolidation of the written essay questions into one section of the Exam (BEC)?

Please check one of the following:

Strongly Support Support Neutral Do Not Support* Strongly Do Not Support*

* For a response **Do Not Support** or **Strongly Do Not Support**, please comment below.

Comments: We appreciate the need for efficient examination administration, but support this only if the essays are highly correlated across all sections.

4. If stakeholders are amenable to objective assessment of communication skills, investigate the feasibility of such assessments for the CPA Exam and, if appropriate, incorporate them into the operational Exam at a future point.

(Improving the Uniform CPA Examination, page 1, item 4; "Testing Written Communication in the Future," page 5)

Description:	
Investigate ways to incorporate objective assessment of communication skills into the CPA Exam.	
Rationale:	
<ul style="list-style-type: none">• Objective assessment of communication skills will contribute to a reduction in score reporting time and scoring costs.• Objective assessment can broaden the range of communication skills assessed	

Question: How strongly do you support an initiative to investigate the use of objective assessment of communication skills to replace essay questions?

Please check one of the following:

Strongly Support Support Neutral Do Not Support* Strongly Do Not Support*

* For a response **Do Not Support** or **Strongly Do Not Support**, please comment below.

Comments: We do not accept the rationale that "students copy work as their own" as justification for the removal of essay questions. If this is a current examination issue, then essay evaluation should reflect this citation failure. Similarly, questions should be designed in a manner that minimalizes the likelihood of such a response. Further, CPAs are required to construct written communications that support work performed. Much of this communication is customized to accommodate client needs. Objective assessment will not effectively evaluate this skill. Additionally, academics and their students are aware of CPA exam priorities. Their collective motivation to perfect written communication skills may be diminished when the perceived examination value of "essay writing" is reduced. Reducing this priority will exacerbate the prominent practice issue of junior staff's deficient writing skills.

5. Introduce additional TBS in BEC when objective assessment of communication is introduced to replace essay questions.

(Improving the Uniform CPA Examination, page 1, item 5; “Other Simulations in BEC,” page 5-6)

Description:	
Add simulations (testing other than communication skills) to BEC when objective assessment of communication skills is introduced to replace essay questions	
Rationale:	
<ul style="list-style-type: none">• BEC simulations would provide a greater range of testing options for the section.• BEC simulations would be developed on the basis of 2008 Practice Analysis findings with respect to the skills most appropriately assessed in BEC.	

Question: How strongly do you support the introduction of additional TBS in BEC when objective assessment of communication is introduced to replace essay questions?

Please check one of the following:

Strongly Support Support Neutral Do Not Support* Strongly Do Not Support*

* For a response **Do Not Support** or **Strongly Do Not Support**, please comment below.

Comments: If changes allow for additional testing models, we prefer simulations to objective questions.

6. Maintain the current test administration schedule.

(*Improving the Uniform CPA Examination*, page 1, item 6; “Testing Windows,” page 6)

Description:	
The current test administration schedule is two months of testing followed by a month in which the test is not administered.	
Rationale:	
<ul style="list-style-type: none">• Continuous testing may limit the ability to release scores faster and will increase the time needed to pretest items.• There may be unintended consequences to changing the test administration schedule. Without a deadline at the end of a window, candidate volumes may decline and candidates may wait too long to test.• Changing the test administration schedule would require significant systems changes and potentially increased costs.• The CBT Exam is currently available eight months of the year (six days a week) as compared to only twice a year previously with the paper Exam.	

Question: How strongly do you support maintaining the current test administration schedule?

Please check one of the following:

Strongly Support **Support** **Neutral** **Do Not Support*** **Strongly Do Not Support***

* For a response **Do Not Support** or **Strongly Do Not Support**, please comment below.

Comments:

7. Once the statistical properties and content of the new Exam are known, investigate possible reductions in total testing time.

(Improving the Uniform CPA Examination, page 1, item 7; “Length of Examination,” page 6)

Description:	
Maintain the current total testing time until more is known about the new Exam.	
Rationale:	
<ul style="list-style-type: none">• The current Exam length was designed to ensure that the Exam met or exceeded quality standards with regard to statistical properties.• The impact of planned improvements on the statistical properties of the Exam is not yet known.	

Question: How strongly do you support maintaining the current total test length until more is known about the statistical properties and content of the new Exam?

Please check one of the following:

Strongly Support Support Neutral Do Not Support* Strongly Do Not Support*

* For a response **Do Not Support** or **Strongly Do Not Support**, please comment below.

Comments:

8. Overall, how strongly do you support the proposed improvements to the Exam?

Please check one of the following:

Strongly Support Support Neutral Do Not Support* Strongly Do Not Support*

* For a response **Do Not Support** or **Strongly Do Not Support**, please comment below.

Comments:

9. Is there anything of great importance missing from the list above of potential improvements to the Exam?

Comments:

10. Are there any additional comments you would like to make to the Board of Examiners as it considers future changes to the Exam?

Comments: We remind the Board that the CPA exam often drives accounting curriculum and candidate motivation/priorities. Exam efficiencies must be considered in the context of professional preparation. We support the concept of testing editorial skills, but insist this be done from both the analytical (correct computations) and the communications (effective reporting of revisions) perspectives. Additionally, we encourage the Board to seek methods to assess a candidate's time-management and organizational skills.

Your input is greatly appreciated. Thank you for your time and attention to this Invitation to Comment.